



A COMPREHENSIVE GUIDE TO UNDERSTANDING PREDICTIVE INTELLIGENCE

INTRODUCTION

With B2B buyers making over two-thirds of their purchase decisions through online research, every company trying to find B2B customers is wrestling with the same question:

How can we identify and engage in-market prospects earlier in the buying cycle – before biases set in?

The issue has never been more relevant. Because B2B buyers have plentiful access to online resources, they're forming opinions and eliminating choices without actively interacting with vendors. Indeed, an overwhelming 91 percent of B2B buyers do not trust vendor content and turn instead to third-party validated research studies and reports for education on a problem or product¹. As a result, by the time prospective buyers engage with vendors, they're already close to making a decision, according to research by Gartner, Forrester, CEB, SiriusDecisions and others.

For large enterprises, the complex and long-considered purchase process typically involves a buying committee formed from various departments at multiple levels. This means each engagement with one of those prospects is just one piece of a larger puzzle. According to the CMO Council, B2B buyers, influencers and researchers are not simply consuming content and speeding to decisions. Rather, "They are creating distinct sharing circles that curate and circulate content across the decision-making hierarchy²."

Why you're missing buyers and opportunities.

Unfortunately, most marketing systems fail to recognize this reality. As a result, they treat each page view or registered download as a sole indication of interest and intent, with no aggregated understanding of all other decision makers. This causes marketers to undervalue or completely overlook significant attempts to engage, which in turn contributes to missed opportunities and longer sales cycles.

The good news is that buyer activity (content consumption, search, etc.) is much like walking on wet sand. Every day, potential customers leave billions of digital footprints all over the web that reveal buying intent during a certain timeframe. Because most sellers' marketing systems capture only known website visitors – a fraction of these footprints – they miss the buying signals that unknown, anonymous prospects are leaving on their websites and elsewhere.

What if you could track those footprints on your site and outside your world and see who is looking for related products or services like yours? What if you could see which products they're likely to buy, knew when they're likely to buy, and knew the key decision makers for that purchase?

That's the power of predictive intelligence. It overcomes the limitations of predictive lead scoring by helping marketers identify a vast spectrum of high-potential buyers that exist outside their companies' marketing and sales databases.

Predictive intelligence provides a full picture of where each of these prospects are in the purchase cycle and how to reach them, and it offers a compelling answer to the question of how to find and target both known and unknown prospects early in the buying cycle. Research has found the ROI for marketers investing in predictive intelligence solutions to be greater than 1,200 percent.³

Predictive intelligence isn't just seeing and improving the future; it is the future.

¹ & ² CMO Council – The Content Connection to Vendor Selection: <http://www.cmocouncil.org/download-center.php?id=278>

³ Nucleus Research, 2014: <http://nucleusresearch.com/research/single/analytics-pays-back-13-01-for-every-dollar-spent/>

WHY LEAD SCORING ISN'T ENOUGH

While most business leaders have heard of predictive intelligence, many aren't sure why it's any better than tools they already use. Marketers and sales professionals say, "I'm already doing lead scoring or using predictive lead scoring to prioritize prospects. How can *predictive intelligence* help me any further?"

It's a good question. To answer it, it is important to first understand the capabilities and limitations of the two types of existing lead scoring tools.

LEAD SCORING

This common feature in marketing automation systems emerged around 2006. It was seen as a way to bridge the chasm between sales and marketing – a chasm created, in part, by treating all leads as equal.

The theory behind lead scoring is that certain known attributes of a lead – title, company, industry, and engagement with a seller's assets (emails, landing pages, etc.) – indicate interest and a higher likelihood to buy. Marketers can use those attributes to rank and qualify leads in order of importance. For instance, a CFO title might be worth 10 points, while downloading certain marketing collateral might be worth 5 points.

Lead scoring tools capture these actions and attributes from a company's marketing automation and account management systems, score them, and deliver the scored leads to sales for follow-up. According to the logic of this system, sales reps, if they focus on these prioritized leads, will close more sales, more quickly, and avoid wasting time on the leads that are demonstrating no interest.

While lead scoring certainly helps prioritize floods of incoming prospects, it has two significant shortcomings.

▶ **The tool is based on assumption and bias.**

Lead scoring often delivers unqualified leads because it bases qualification on the seller's best guess of what might resonate with buyers or drive them to take action. That's how you get a non-decision maker who has simply opened an email delivered to sales as a qualified prospect.

▶ **Lead scoring works only for known prospects.**

For prospects to be scored, they must first enter a company's marketing automation system. That means they need to complete an online form or somehow share their information to get scored.

► PREDICTIVE LEAD SCORING

In an effort to improve and prioritize leads more accurately, the second generation of lead scoring added math and predictive modeling to the lead-scoring approach. Predictive lead scoring uses the same profiling criteria – job title, company, annual revenues and other static attributes about that lead – as first-generation lead scoring. However, it goes a few steps further by analyzing the lead's attributes against past leads that became closed business and applying mathematical formulas to rank and score leads.

While predictive lead scoring helps rank and score prospects more quickly – and with less bias – the solution has at least three notable limitations.

► Predictive lead scoring can only score known leads.

Research shows that as much as 95 percent of companies are grappling with prospects that won't share their email and prefer to remain anonymous.⁴ For predictive lead scoring to work, the lead must already exist in the database, complete a lead capture form or otherwise share their email address to be scored at all.

► Predictive lead scoring uses attribute and asset engagement data to rank leads, largely ignoring any external buying signals.

Predictive lead scoring uses behavioral signals from marketing automation and your website (email clicks, assets downloads, sign-ups) and demographic data (job title, company size, industry) to score leads. Any prospect research activity outside a seller's world on external sites (search activity or content consumption on blogs, in review sites or in communities and more) is not factored into predictive lead scoring models. If an unknown prospect visits a website anonymously and does most of their buying research on third-party sites, they will either be sidelined as a low-scoring lead or overlooked entirely.

► Predictive lead scoring will not tell you when leads are in buying mode or where they are in their buyer's journey.

Predictive lead scoring flags leads that have the right buyer profile and adequate engagement with a seller's digital assets. The data from an email click or a form fill is simply a hand raise and does not indicate whether the lead has an immediate or future need for the product. A prospect that predictive lead scoring ranks highly today – based on attributes and enough engagement – could have the same score six months from now whether or not he or she is in buying mode.

In today's information-rich, highly dynamic buying environment, predicting buyer behavior is a much bigger game than predictive lead scoring tools can play. To be valuable, a predictive model must be able to account for changes in buyer behavior and purchasing status. It must also be able to connect the unknown to the known and shine a light on the entire universe of likely purchasers.

⁴ <http://marketing.linkedin.com/blog/the-top-challenges-facing-b2b-marketers-if-these-sound-familiar-whats-your-next-step/>

PREDICTIVE INTELLIGENCE: PROVIDING A COMPLETE PICTURE OF YOUR PROSPECTS

Predictive intelligence takes a giant leap beyond the capabilities of predictive lead scoring. Not only does predictive intelligence score and identify known and net-new, in-market buyers, it can also predict with high accuracy who will buy and when.

Remember those digital footprints? Everywhere we travel online, we leave them behind. Predictive intelligence solutions look for patterns in these footprints to determine whether a prospect is in buying mode. By applying advanced analytics, predictive intelligence tools pinpoint a company's potential buyers – many of whom were previously unknown to the company – with at least 85 percent accuracy. By identifying these prospects early in the buying cycle, with messaging targeted to their needs (as signaled by the intent data collected), organizations can dramatically improve their sales results.

The data is where it all starts. Predictive intelligence ties together billions of rows of third-party data from search, blogs, publisher websites, review websites, online communities, buyers' guides – places where B2B buyers research products and services – and connects that time-sensitive, intent data to customers' internal data sources including CRM, marketing automation and weblogs.

It combs all of these sources and then applies predictive models to look for deviations in past buying patterns and identify new buying signals. Predictive intelligence shines a light on the insights that matter, within a relevant time frame and connects the unknown, anonymous prospect to the known, seeing every step and footprint of every potential buyer. It can reveal, for example, which accounts salespeople should call on first, which value proposition to highlight with a specific account, and what kind of content and communication will get the best engagement based on the predicted buying stage of that prospect.

Predictive intelligence helps marketing and sales organizations answer these critical questions.

► **How do I know which accounts and contacts are ready to make a purchase?**

Predictive intelligence gives you complete visibility into your buyers by collecting and connecting all the data possible—your internal data and billions of buying signals across the web—to tell you who they are and when they are “in market.”

► **What about my web visitors that look at our product pages?
Can predictive intelligence help me figure out who they are?**

Many prospects visit your website without completing any forms or taking any actions to identify themselves. These anonymous visitors may just be browsing or they might be comparing you to a competitor. They might be from a company you know or they might be an entirely new prospective customer. The most sophisticated predictive intelligence solutions are able to connect unknown website visitors to known accounts and contacts to give you a fuller picture of those accounts and a more accurate prediction of their propensity to buy.

► **Who are the most important contacts in an account?**

As the buying process has become more complex with large buying committees making decisions once handled by individuals, marketing and sales need a clear and nuanced picture of the key decision makers in each account. They need to know which company contacts are involved in the buying decision, which members of the account are most important to the purchase, how the buying decision will be made and in what time frame. Predictive intelligence helps create this full picture by scoring at the account and contact level and by connecting anonymous prospects to known accounts and contacts.

► **How do I know which prospects have a need now and which products they're likely to buy?**

By using time-sensitive buyer intent data, predictive intelligence detects when prospects are entering a buying phase and might be ready to purchase more or consider a new product. Using activity gleaned from prospects' digital research, predictive intelligence incorporates product-level scoring that connects prospect activity with certain product lines. This combination is used to predict not only which accounts are likely to buy and when but also which products they are likely to purchase.

► **How do I know which prospects to focus on first?**

Predictive modeling examines past buying behaviors, looking for changes in patterns or spikes of buyer activity that would indicate a readiness to buy. The more sophisticated predictive intelligence platforms use a concept of "relativity" to distinguish an enterprise company with 10,000 employees who will always show a lot of activity over time from an SMB with 50 employees who shows a sudden interest among 50% of its employees within 30 days. While predictive lead scoring would rank the enterprise company more highly because it matches the buyer profile, predictive intelligence would prioritize the SMB company because it is showing the most intent and therefore is most likely to buy.

"As the buyer's journey becomes more complex, marketers need to supply salespeople with a clear and nuanced picture of the decision makers in each account."

"Sales teams can answer the question: Why is 6sense predicting that Acme Inc. is 85 percent likely to buy \$3 million of widgets? What reason do I have to call?"

► **How can predictive intelligence help me identify new prospects and upsell existing ones?**

Since predictive intelligence platforms look beyond a company's internal systems to evaluate a far bigger universe of data sources, they are able to find potential buyers outside the subset of contacts who are known by your sales and marketing organizations. By applying new techniques of predictive modeling using time-sensitive intent data which focuses on activity (not just a profile), the top predictive intelligence platforms can identify previously unknown "net-new" accounts and contacts who are currently showing interest in the products and services your company sells. Using the same predictive modeling techniques, these platforms detect when existing customers are entering a buying phase and might be ready to purchase more or consider a new product.

► **How can I use the data to market more efficiently and open opportunities more quickly?**

Getting information about the customers to whom you could sell – and their buying stage – is the first step. After that, predictive intelligence data can be deployed far more broadly in all marketing efforts and sales interactions. Call centers can create personalized scripts that get results. Advertising dollars can be more precisely targeted and generate a much higher ROI. Companies can create powerful segmentation and nurture campaigns in their marketing automation systems and, in their CRM systems, enrich their accounts/contacts and develop effective sales talking points. Sellers can personalize their web pages to deliver precisely the right message at a time when it's most likely to drive action. Or companies looking to build brand awareness can target ad campaigns to exactly those accounts that the data shows are just beginning their journey.

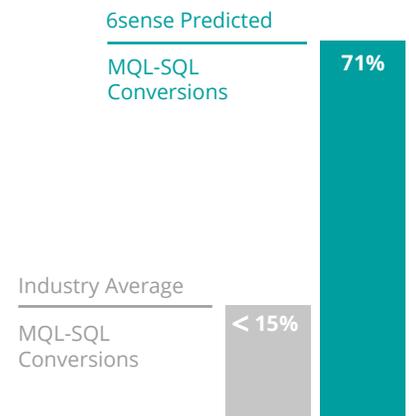
Predictive intelligence offers the ability to view the "why," showing the buying intent and attributes that led to predictions and corresponding scores for each account and contact. Sales teams can answer the question: Why is 6sense predicting that Acme Inc. is 85 percent likely to buy \$3 million of widgets? What reason do I have to call? Both marketing and sales teams can view the activities that led to an account or contact's predictive scores, including search terms, sites visited and web page-level data as well as the relevance of the content consumed.

▮ **And that's just the beginning.**

TWO PREDICTIVE INTELLIGENCE CASE STUDIES: “THIS IS HUGE”

CISCO

Predictive intelligence is upending the way companies sell. Consider Cisco’s Global Demand Center (GDC), a unit that helps bring new revenue streams to Cisco’s sales team and its partner community. The GDC was on the hook to generate \$5 billion in revenue through demand generation activities. By using 6sense to find their best prospects, the sales team’s acceptance rate of marketing-qualified prospects leaped to 71 percent – far beyond the industry average of less than 20 percent. Even better, the close rate on these prospects was five times higher than the company’s previous average. Cisco’s GDC can now predict which accounts will close with more than 85 percent accuracy.



XACTLY

Or take Xactly Corporation, which sells incentive-compensation software. Xactly’s third-largest deal in its history was identified as a prospect by the 6sense platform, based on an assessment of that buyer’s online activity (which was happening outside the scope of Xactly’s website) and probable needs. 6sense identified \$1.7 million in net-new business for Xactly, and 86 percent of the opportunities that 6sense predicted would close have closed.

86%
of predicted opportunities closed

In his initial assessment of what predictive intelligence could do for his company, Xactly CMO Scott Broomfield immediately recognized the enormous implications of the technology. As he said, “6sense can go to a place where no one has ever logged onto my website or downloaded anything and can say, ‘We think these companies are in a purchase cycle.’ That is really huge.”

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- Scott Broomfield,
CMO, Xactly

TAKE A HUGE STEP FORWARD: FIND AND TARGET IN-MARKET BUYERS

Use our 8-point inspection (see sidebar) to determine how your organization can benefit from using today's most advanced predictive intelligence solution. Reach your universe of potential buyers before they form hard-to-reverse biases and before the competition can spot them. Like Cisco, Xactly and many others, you will find predictive intelligence won't just change the way your company finds prospects; it will transform your entire business.

ABOUT 6SENSE

6sense's mission is to provide leading companies with 100 percent visibility into buyers, enabling competitive dominance in their markets. 6sense is the central nervous system powering all marketing, sales and business operations teams. 6sense predicts who will buy what products and when – and where they are in the buyer's journey. The company's predictive intelligence platform helps B2B marketing and sales leaders uncover net-new, in-market prospects based on powerful data science and billions of time-sensitive intent interactions.

www.6sense.com

PREDICTING FUTURE SALES: AN 8-POINT INSPECTION

Ask yourself the following questions. If your answer to most of them is "no," predictive intelligence may be the right solution for your organization.

- ▶ Are we able to find good leads if they don't engage with us first (e.g. fill out a lead-capture form)?
- ▶ Are we reaching prospects early enough in the buying cycle?
- ▶ Are we getting to our prospects before our competitors?
- ▶ Can we identify whether prospects have a need now?
- ▶ Are we able to connect each individual lead and his/her activities at an account-level to get a full picture of the company's buying committee?
- ▶ Do we have a solid understanding of when to reach out to prospects and with what message, based on who they are and where they are in the purchase decision?
- ▶ Do we have good visibility into the products our prospects want to buy and their purchase timelines?
- ▶ Do we know when our existing customers have begun a new buying cycle?