How to Turn Your SaaS Company Into a Lead-Gen Marketing Machine:

A Step-by-Step Action Plan

PRECISION marketinggroup

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Introduction

Attracting and converting people to your SaaS products is the goal—but it isn't always easy.

Are you tracking the metrics that matter? Building a strong referral network? Catering marketing initiatives to the SaaS buyer's journey?

The SaaS marketplace is increasingly crowded and competitive, making it difficult to stand out. How can you push through the noise to get your message across? And once you do, how can you get those prospects to convert?

That's where lead generation comes in.

Lead generation is the process of attracting prospects to your business. Once they enter your sales pipeline, the goal is to qualify and eventually convert those leads into paying customers.

But finding good leads and converting them affordably and reliably requires more than just a great campaign—it requires a long-term strategic process.

What you need is a well-oiled machine; a systematic process that attracts and converts high-quality leads consistently over time and follows a strategic process throughout the buyer's journey.

With the right strategies in place, your approach to lead-gen can help you solve the right problems, promote the right solutions, and target the right audience through the right channels, every time.

In this guide, we'll offer a step-by-step marketing plan to help you build a highly effective and sustainable lead-generation strategy.

Step 1: Lay the foundation

Before you start generating leads, you need the right foundation to target and attract your ideal customers.

- **Align sales and marketing**
- **Track the right metrics**
- **Create buyer personas**
- **Map the buyer's journey**

Align sales & marketing

Today, the customer journey isn't linear—prospects can move in and out of the buying stages and may need attention from marketing or sales teams at different times.

That makes collaboration and alignment between sales and marketing increasingly important. Sales and marketing departments should work together to lead prospects through the sales funnel strategically.

Set marketing and sales goals that go hand in hand. Make sure each department is aware of the goals and benchmarks they are collectively working towards so you can align and combine your efforts successfully.

Identify where in the sales cycle teams will hand off leads and transition prospects so that no leads fall through the cracks.

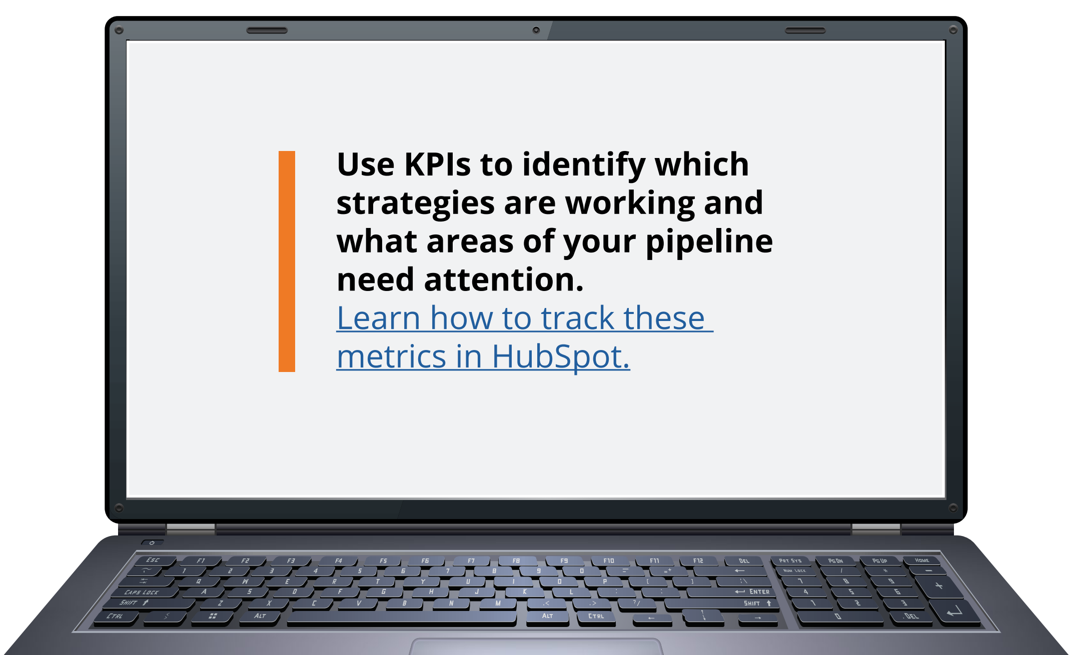
Failure to align sales and marketing results in missed opportunities, wasted time, and costly inefficiencies.

PRO TIP: Create a sales and marketing service level agreement (SLA) that outlines expectations, responsibilities, timelines, and goals for your cross-team collaboration so there is accountability and a clear plan for success.

Track the right metrics

Key performance indicators (KPIs) are the metrics you use to track performance and measure success against your goals. In addition to tracking general marketing metrics — for example, organic traffic to your website, bounce rates, conversion rates on landing pages, and so on — you'll want to think about how to tie those metrics to more measurable target outcomes.

- **Monthly Recurring Revenue** — The average revenue per account x the total number of accounts that month
- **Change in Product Usage** — The software usage during existing month - usage during previous month
- **Free Trial to Paid Customer Ratio** — Number of free trial sign-ups that led to a paid customer / total number of free trial sign-ups during a particular time frame
- **Demo to Paid Customer Ratio** — Number of demo sessions that led to a paid customer/ total demo participation during a particular time frame
- **Customer Churn Rate** — Number of lost customers within a certain time frame divided by the total number of customers you had at the beginning of your time frame
- **Revenue Churn** — Total revenue lost during a certain time period (usually monthly) / total revenue you had at the start of that time frame
- **Customer Lifetime Value** — Average annual spend x average length of customer
- **Customer Acquisition Cost** — Total sales and marketing spend/number of new customers



Create buyer personas

DEFINITION: A buyer persona is a semi-fictional representation of your ideal customer, based on data and market research on your existing customer base.

The first step to building a reliable lead-gen system is to understand who your ideal customers are. Often, leaders think they know who their audience is until they dig into the data. Conduct market research and analyze your existing customer data to reveal patterns of behavior and key characteristics. Persona research adds a new dimension to understanding who your customers are, what they want, and exactly what motivates them to act.

The most effective way to get this data is right from the source: your customers.

Use interviews and surveys to drill into what your customers' biggest challenges were and why they chose your solution over others.

These insights, combined with quantitative data such as demographics, can pull back the curtain on the type of buyers you're currently attracting, which types of customers you want to target, and what their main drivers are.

You can then tailor your marketing strategies to your specific customer personas so that your messaging is relevant, timely, and ultimately more effective.

PRO TIP: Document your personas clearly so you have them front of mind when developing strategies and campaigns. It's important to refer to your buyer personas often so you can consistently craft effective messages that speak directly to your customers.

Map the buyer's journey

DEFINITION: The buyer's journey is the process your prospects go through leading up to a purchase and their experiences as a customer post-purchase.

Before you can create strategic and targeted marketing choices, you have to understand how your customers are moving through the buying journey. When you know what stage your prospects are in, you can tailor your marketing to meet their specific needs.

Stages of the SaaS Buyer's Journey

- **Awareness —** The candidate identifies a problem or an opportunity.
- **Consideration —** The candidate becomes a prospect. They have defined their goal or challenge and are evaluating different options and solutions.
- **Decision —** The prospect becomes a lead. They are ready to make a decision and have defined the criteria they need to make a purchase.
- **Retention —** The buyer is a customer and the strategy pivots to retaining them through great customer experience.
- **Advocacy —** Your customer becomes an ambassador for your brand.

Your SaaS business differs from traditional software companies because, in order to get a return on your investment in new customers, **SaaS organizations must optimize both customer acquisition *and* retention.**

This is because SaaS solutions — which are based upon a recurring revenue model — rely on revenue from continued use of service (customer lifetime). The longer your customers subscribe to the service, the higher the return on the investment. But if your customers are unhappy with the service, they will churn quickly, and the business is more likely to lose money on the investment.

In fact, acquiring a new customer is five to 25 times more expensive than retaining an existing customer.

Keep in mind, you'll want to make sure you have a solid foundation in place before moving on to the next steps. Next, we'll walk you through each step of the lead gen cycle with some practical strategies you can use to lead prospects through the buyer's journey successfully.

PRO TIP: Some tactics will apply to more than one stage of the lead gen cycle. For example, you can use content like blog posts to educate prospects in the awareness stage but also to nurture leads who are farther along in the consideration stage.

Step 2: Acquire

A critical step of lead generation is acquisition — finding and attracting leads to your brand.

- Create content
- Optimize your site
- Develop a referral network
- Integrate with other products

Create content

Content marketing is one of the most cost-effective and successful methods of attracting leads to your brand. Content marketing generates three times as many prospects as outbound marketing — but costs 62% less!

Think about how you can apply this versatile tactic throughout multiple stages of the buyer's journey to inform, educate, and persuade prospects to buy.

Top of the Funnel (TOFU) content is high-level content geared towards prospects who are in the awareness stage. They are aware of a problem they need to solve and are starting to research solutions.

TOFU content includes:

- **Blog posts**
- **Pillar articles**
- **"How-to" video content**
- **Guides and tutorials**

For example, let's say your company offers software that boosts employee engagement. A TOFU blog post may address high-level pain points, such as "How to reduce costly turnover at your organization."

Middle of the Funnel (MOFU) content targets prospects who are in the consideration stage and are ready to evaluate options.

MOFU content includes:

- **Long-form guides**
- **Ebooks**
- **White papers**
- **Webinars**
- **Blog posts**
- **Customer stories**
- **Case studies**

As your prospects move along the sales funnel and consider a solution to address their point, they'll start looking for more tactical and in-depth answers. For instance, in keeping with the previous example, they might download an ebook that compares different types of employee engagement program models.

Bottom of the Funnel (BOFU) content is geared towards prospects who have high intent to purchase. They are ready to decide which solution to go with. This is the stage of the process that sales will be heavily involved.

BOFU content includes:

- **Product demos**
- **Customer stories/case studies**
- **Product video tutorials**
- **Product pricing chart**

Once buyers are ready to make a decision, they will be ready for content that directly promotes your solution, such as a live demo or case study outlining a past customer's success story with your product.

The top and middle funnel content offerings are especially key in lead generation where prospects will engage with your content and demonstrate intent through downloading content and providing contact info like name and email. Ideally, this content will answer their questions and prepare them to think more specifically about purchasing from your brand.

PRO TIP: Good content provides value. It must be well-researched, well-written, optimized, and highly-targeted so that it is relevant to your intended audience. Don't be afraid to spruce up old content either. Updating and republishing old blog posts with new content and images can increase organic traffic by as much as 106%.

Optimize your site

Search engine optimization is a crucial component of a strong SaaS marketing strategy and goes hand-in-hand with your content marketing.

Today, many of your prospects go online to search for the solutions that your business offers—how can you connect them with your brand if they can't find you? When 67% of all clicks go to the first five organic results, you need to have a ranking strategy. All the blog posts in the world won't help you if you can't bring people to your page.

This is where SEO strategy comes in.

SEO involves leveraging both technical frameworks and creative marketing to make your company visible online to the right people. Some of its components include:

- **Technical structure and usability —** This includes page loading speeds, link architectures, and navigation.
- **Keyword research —** Targeting the search terms your buyers are using and building them into your site and content.
- **Link building —** Developing a strong internal linking network as well as building outside links to your page from high-authority domains.
- **Content strategy —** Producing content that integrates a strong keyword and link building strategy and speaks to the needs of your target audience.

A good SEO foundation begins with keyword research. Keyword research for SaaS can be challenging for companies that often have more technical solutions (and therefore more technical jargon and keywords). Plus, because SaaS provides a virtual service rather than a tangible product, service solutions are also ever-evolving and being updated with new features—often making it hard for businesses to keep up.

This is why it is essential to build a strong framework.

Keyword research requires a deep understanding of your buyer personas and what they are searching for. When you understand the questions they have, you can focus on keywords and search terms that are the most relevant to your brand.

There are several different types of keywords. But one of the most important is long-tail keywords.

Long-tail keyword: Search phrase of 3 or more words that are highly specific. Because of their specificity, they have lower search volumes, but that also means less competition and higher intent so you can target your personas more effectively.

For example, let's say you're trying to rank for "employee engagement software." A long-tail keyword could be:

- **What is employee engagement software?**
- **How to use employee engagement software?**
- **How much does employee engagement software cost?**
- **What is the best employee engagement software?**

Narrowing in on long-tail keywords can help you corner the market on those search terms and develop content that is highly relevant to your visitors.

SEO for Gated Content

Gated content is any content that requires users to fill out a form before they can gain access (like downloading an ebook or whitepaper). While it can be an effective way to generate and qualify new leads, this content format is not crawlable by search engines — so its ability to draw in new, organic searchers via keywords is limited.

A good solution? Offer a combination of content formats that help you accomplish both — for example, a keyword-optimized blog that is targeted for TOFU searchers, followed up by a Call to Action (CTA) that leads to a related content offering that is gated.

Develop a referral network

Word-of-mouth is the cheapest way to generate highly-qualified leads. **Referral leads convert 30% better than leads generated from other marketing channels and generate 16% higher lifetime value.** Your referral program is key to turning customers into advocates for your brand.

So how can you build referrals into your lead generation system?

- **Delight your customers with a great product**
- **Make it quick and easy for customers to share your product with others**
- **Motivate customers to refer you with incentives (like discounts or free offerings)**

The best referral programs tap into what your customers value most about your services. The more you can delight your customers, the more likely they are to spread the word—and the easier it will be to convince those new leads to convert.

PRO TIP: Leverage the right platforms. Great reviews don't just have to reside on your testimonial page. Use review sites like Capterra to get your software brand in front of customers looking for solutions. Capterra is both a directory of SaaS solutions as well as a review site where customers can share their experiences with SaaS products. Take advantage by encouraging happy customers to write reviews that will help influence prospects searching on the platform—and don't forget to showcase those good reviews in your other marketing materials.

Integrate with other products

Product integrations are a simple but effective way to find highly-qualified leads.

Also known as co-marketing, building integrations with other services has two benefits:

1. **It improves your product by combining it with another service for greater functionality and performance and**

2. **It can fuel audience growth by drawing on leads from the other service.**

Integrations represent a symbiotic relationship with another closely-aligned business.

HubSpot does this well. They have numerous integrations with other apps and solutions. For example, the SurveyMonkey integration allows you to use SurveyMonkey data in HubSpot to segment and qualify your contacts. This integration makes the SurveyMonkey data easier to leverage thereby making their solution more powerful and effective for users.

Integrating with other solutions builds bridges to new customers by uncovering and connecting them to relevant applications of your software solutions.

Step 3: Nuture

According to research by MarketingSherpa, 73% of B2B leads are not sales-ready. This is where lead nurturing comes in.

- Target content
- Be responsive
- Use multiple touches
- Personalize your email marketing

Lead nurturing is the process of developing relationships with prospects at each stage of the buyer's journey and keeping them engaged in the sale process. The aim is to listen to the prospect and provide the resources they need when they need them.

Include the following best practices in your lead nurturing process and use past sales data to develop a lead nurturing timeline that aligns with your typical sales cycle length.

Expertise in lead nurturing results in a 50% increase in sales-ready leads, along with a 33% decrease in its cost.

Target content

Get laser-focused with the content you offer and share with leads. The more personalized and relevant the content you provide, the more valuable your brand will be to them—and ultimately, the more likely they will convert down the road.

Be responsive

In the world of lead nurturing, showing up is half the battle. Be responsive. Follow up with leads in a timely manner. Take advantage of tools like live chat to engage prospects in real-time.

Research by Harvard Business Review found that companies that **follow up with potential customers within an hour of receiving queries are nearly 7 times as likely to have meaningful conversations with key decision makers** as firms that try to contact prospects even an hour later.

Yet **only 37%** of companies respond to queries within an hour!

Not only does this represent an opportunity to close the gap with a lead, but it also means when you take advantage of this strategy, you will automatically set your business apart from the majority of your competitors.

Use multiple touches

In today's complex sales cycle, prospects require multiple interactions (or touches) with your brand before they commit to a sale.

Increase engagement with your leads (and therefore your chances of converting) by increasing interactions and meeting them where they are on multiple channels (such as email and social).

Multiple touches, combined with responsiveness and personalization, will not just keep your brand top of mind for potential customers, but actually help you build a relationship with your prospects.

PRO TIP: Use automation to deliver tailored responses when and where your leads are engaging with your brand so you never miss a window to connect.

Personalize your email marketing

Email campaigns are one of the most effective forms of marketing—even more so when you personalize the emails to your leads.

Personalization doesn't just mean using their name (though that's important too). It also means strategically sending emails and other resources based on the needs of your prospects. Your goal is to get the right message to the right person at the right time. Leverage your customer data and build out automated campaigns that trigger personalized marketing touches based on actions taken.

Automate tailored responses and set up alerts tied to customer actions so you can meet your customers where they are when they are most receptive to your message. When you combine responsiveness, consistency, and personalization, you can build a more authentic and relevant relationship with your ideal customers.

Step 4: Qualify/Score

Qualifying leads is about sorting through your list of prospects to identify those leads that are most valuable and most likely to convert.

This is an important part of your lead generation machine because the more time you can spend nurturing high-quality leads, the better your chances of landing sales.

The process of qualifying and scoring leads is typically two-fold. The first batch of leads is qualified by marketing (these are Marketing Qualified Leads or MQLs). Marketing sends these leads to sales.

Sales vets the leads and those that are considered ready for the next stage of the sales process are added to the list of Sales Qualified Leads (SQLs) for sales to follow up with.

PRO TIP: Automate the process with lead scoring. Take advantage of tools like HubSpot Predictive Lead Scoring software, which makes it easy to automate and prioritize your leads across thousands of data points.

Lead scoring ranks leads based on their perceived value to the organization. Scoring leads can be a helpful process if your organization generates a large number of leads and has enough data on your leads to determine quality.

Step 5: Close/Retain

You've generated a list of leads, nurtured them through the sales funnel, and they've been qualified by marketing and sales. Now it's time to work with sales to seal the deal.

For seamless handoffs, automate and map out your processes wherever possible. Keep marketing and sales on the same page by visualizing your lead generation and sales cycle so you can easily follow leads through the buyer's journey. When sales can see each touchpoint and interaction in a lead's history, they can more effectively nurture the prospect to closed-won.

But remember: the journey doesn't end once a deal is closed. In many ways, it's just beginning.

At this point, there's a strong need to focus not only on customer acquisition, but customer retention.

How much attention you give to these efforts may be correlated with the life stage of your company. Start-up? Growth? Mature company? Consider the following:

Companies less than 3 years old

have a churn range spread from **4% to 24%** (Profitwell)

Companies 10+ years old

see churn in the **2% to 4%** range. (Profitwell)

So what's the best way to retain your existing customers? Think engagement. In your marketing materials, you'll want to focus on strategies to connect to your customers in ways that are targeted, meaningful and offer ongoing value. For example:

- **Create a customer-only newsletters** that offers solution tips, industry advice, or announcements on new features that are available for your SaaS solution.
- **Think about upsell opportunities.** What does your customers' past purchase history say about possible future purchases? A lot! Use what you know about your customers to let them know about supplemental solutions they might be interested in.
- **Build a VIP customer portal on your website** that offers go-to resources, curated for specific customer industries/segments.
- **Make sure communication is a two-way street.** Do you customers have a way to know you're listening? There are several ways you can make sure it is, whether it's through social listening, customer surveys, a trackable ticketing system, or regular check-ins from your sales team.

- **Measure customer happiness.** Net Promoter Scores (NPS) are a quick and easy way to see if your customers are happy. Also, don't be shy about asking your customers to review your product — and be sure to share positive results with other questioning prospects.

- **Promote exclusivity.** Give your customers access to exclusive offerings and beta features that aren't available to anyone else — and ask them what they think!

Conclusion

SaaS marketing often feels complex, competitive and at times, overwhelming. To stay ahead of the game, you need a strong foundation built on strategic processes and best practices.

Use these strategies to create a successful lead generation framework to acquire more customers, keep the ones you have — and enjoy greater financial gains all around.

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About Precision Marketing Group

Could your company benefit from some great marketing? Precision Marketing Group, LLC offers topnotch outsourced marketing services to B2B organizations, with a focus on inbound marketing that drives qualified leads. As a HubSpot Certified Platinum Partner, PMG has the capabilities to serve its clients with the absolute best in integrated marketing strategies and services that deliver real business results.

Of course, our team of experts enjoys providing B2B marketing strategy and execution to companies of many different sizes and types. Mixing it up keeps life interesting! However, we've found our sweet spot to be teaming up with privately held businesses with a complex sale – most often, companies in the manufacturing, technology and professional services industries.

Interested in receiving your own B2B inbound marketing assessment?

Send us a message or call today! For additional information, visit **PrecisionMarketingGroup.com** or contact us at **508.656.0291**.

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