



THE **ROI** **OF CONVERSATIONAL** **MARKETING**

**A Step-by-Step Guide to Measure
the Return on Investment of Your
Conversational Marketing Program**



QUALIFIED

Table of contents

Introduction

What You'll Learn 1

Chapter 1

The Business Impact of Conversational Marketing 2

Chapter 2

The Conversational Marketing ROI Model 5

Step 1: Visitor-to-lead conversion 9

Step 2: Lead-to-opportunity conversion 12

Step 3: Opportunity-to-revenue conversion 15

Completing the ROI model 17

Chapter 3

Measuring the Impact of Conversational Marketing on ABM 18

Chapter 4

Top KPIs to Measure 23

Top-of-funnel metrics 25

Middle-of-funnel metrics 26

Bottom-of-funnel metrics 27

Chapter 5

How to Report on the ROI of Conversational Marketing 28

Reporting in Qualified 29

Reporting in Salesforce 31

Conclusion

Start Driving Revenue with Conversational Marketing 32



Introduction

Conversational Marketing is rapidly becoming the modern way to engage with qualified buyers. It enables marketing and sales teams to identify when target prospects arrive on their website and instantly start a conversation. By using Conversational Marketing, companies are able to engage the right people the moment they show high interest by using live chat and chatbots. The result is more leads, more meetings, more opportunities, and ultimately more revenue.

As every great marketer knows, measuring the impact of their martech investments is fundamental, but often convoluted. The good news is Conversational Marketing is very quantifiable.

In this book, we'll arm you with the tools you need to measure the real impact conversation marketing has on your pipeline and revenue, including:

- The Conversational Marketing ROI model
- Conversational Marketing's impact on ABM
- The top KPIs to measure
- How to report on your Conversation Marketing performance

CHAPTER 1

THE BUSINESS IMPACT OF CONVERSATIONAL MARKETING



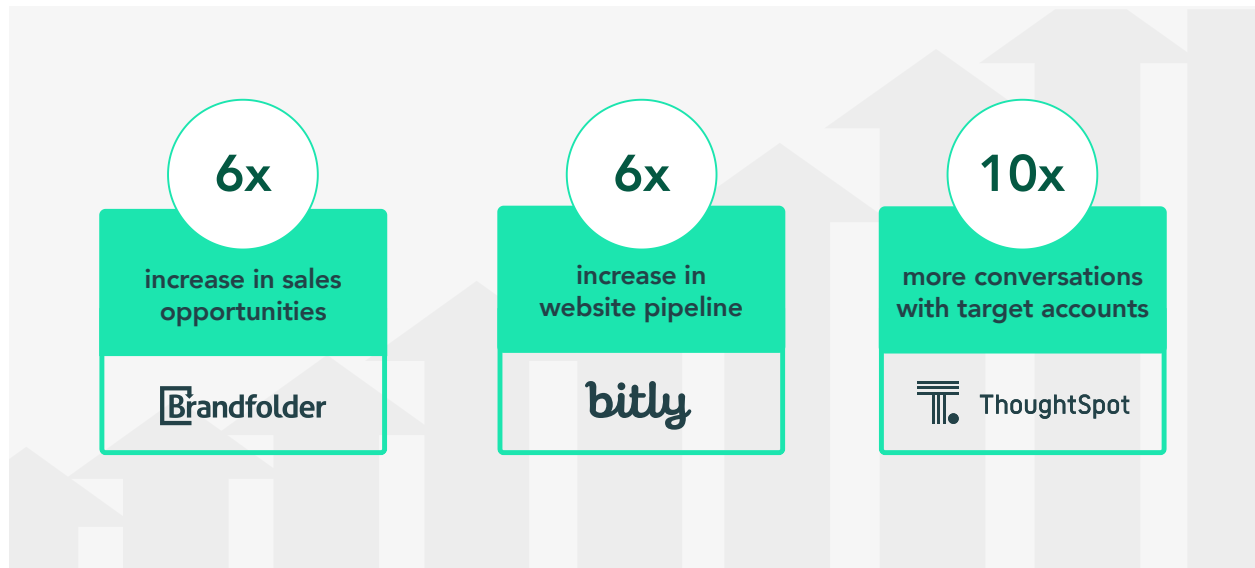
Conversational Marketing is designed to grow your pipeline by getting more leads through the door and into the sales cycle. Think about it not as a tool to generate more website visitors, but instead a tool to convert a higher percentage of the qualified traffic you already have. This is traffic that would normally go unconverted because they didn't find what they were looking for or didn't want to fill out a form gate to access a resource.

The reality is that 71% of customers expect companies to communicate with them in real time, according to Salesforce research. While the value of having real-time conversations with buyers is indisputable, we still heavily rely on contact forms and email communication.

By using Conversational Marketing as an alternative way for visitors to get in touch with your company, you're able to connect with them at the exact moment they're engaged.



But the value of Conversational Marketing isn't just about getting more leads through the door. The benefits continue further down the customer journey by helping you improve multiple conversion points along the way. Ultimately, increasing conversion rates across your funnel has significant impact on your bottom line:



Let's jump into how Conversational Marketing impacts your conversion performance across the entire buyer journey.

**We refer to it as the
"cash register" for our
enterprise B2B website.**

Scott Keane
COO
Bitly



CHAPTER 2

THE CONVERSATIONAL MARKETING ROI MODEL



We'll start by looking at a simplified version of the marketing funnel. At the very beginning, you start with an initial pool of website visitors, which are often anonymous. A certain percentage of those visitors become known leads, then a portion of those leads progress to become sales opportunities, then ultimately revenue.



Benchmark conversion rates across each of these stages vary widely for B2B companies based on market dynamics, go-to-market models, and whether leads were sourced from inbound or outbound channels.

Below are some industry ranges you can reference for context, but it's important to capture baseline conversion rates for your actual business. If you don't already have these defined, now is the time! We'll share steps throughout this chapter for how you can determine your conversion rates.



Sources:
MarketingSherpa, [Website Optimization Benchmark Survey](#)
Salesforce, [B2B Sales Benchmarks](#)

Before we start calculating

Let's first level set on where you should start. As the funnel demonstrates, the first input into the model is your website visitors.

For this exercise, **we want to only look at website traffic that has the potential to become leads.** Focus on the pages that are designed to be conversion engines. At Qualified, we call these "golden pages". Golden pages are most likely to be your pricing, product, customer stories, and resources pages. That means you'll need to weed out noisy traffic to pages that aren't conversion pages, such as your careers, press, and customer support pages.

If you're unsure of all the pages that should be included in your analysis, take a look at where your high-performing campaigns across email and paid advertising drive traffic to. There may be specific landing pages or content assets that you initially overlooked, but should absolutely be included in your qualified traffic calculation.

For the sake of our ROI calculation, let's use these assumptions as our first input into the model:

$$\begin{array}{rcccl} 50,000 & - & 20,000 & = & 30,000 \\ \text{TOTAL WEBSITE VISITORS} & & \text{VISITORS TO NON-CONVERSION PAGES} & & \text{QUALIFIED WEBSITE VISITORS} \end{array}$$

Step 1

Visitor-to-lead conversion

LEADS

Once you've set a baseline for the volume of qualified website traffic, calculate how many of those visitors you successfully capture as leads, on average, in a given month. This is the population of visitors that complete a lead capture action, such as filling out a form or requesting a demo.

By calculating the ratio of your website visitors and leads captured, you end up with your visitor-to-lead conversion rate. We'll use sample data to illustrate the calculation:

Before Conversational Marketing

$$\frac{2,100 \text{ LEADS CAPTURED PER MONTH}}{30,000 \text{ QUALIFIED WEBSITE VISITORS}} = 7\% \text{ VISITOR-TO-LEAD CONVERSION RATE}$$

Apply the Conversational Marketing factor

The reality is, a significant portion of your website visitors bounce before ever being captured as leads. This could be because they didn't find what they were looking for fast enough, or they didn't want to fill out a form and wait for someone to get in touch. This is where the value of Conversational Marketing first comes into play.

Conversational Marketing allows you to give visitors the opportunity to connect with a sales rep in real time rather than waiting for someone to get in touch after filling out a form. By engaging with live chat or a chatbot on your website, visitors are able to get quick answers to their questions.

We're 3x more likely to close a deal that is generated from Conversational Marketing.

Tracy Eiler
CMO, InsideView



Offering an alternative, instantaneous way to engage these visitors is proven to capture more leads and ultimately increase your visitor-to-lead conversion rate.



Do you think by using these techniques you can convert at least 2 more out of every 100 high quality website visitors?

Our customers see at least a 20%-30% lift in their visitor-to-lead conversion after adopting Conversational Marketing. Using the previous example data for our model, plus a conservative visitor-to-lead conversion lift of 20%, we see Conversational Marketing increases our visitor-to-lead conversion rate from 7% to 8.4% and drives an additional 420 leads per month.

After Conversational Marketing

$$7\% \times 20\% = 8.4\%$$

NEW VISITOR-TO-LEAD
CONVERSION RATE

$$30,000 \times 8.4\% = 2,520$$

QUALIFIED WEBSITE VISITORS

LEADS
PER MONTH
(VS. 2100)



Step 2

Lead-to-opportunity conversion

OPPORTUNITIES

Once a visitor becomes a lead, these leads are typically put into some form of marketing nurture and are “warmed up” to be passed to the sales team and turned into an opportunity. Companies have different methodologies for defining when a lead is converted to an opportunity, but it’s generally when the lead participates in a discovery call or has become a sales-accepted lead (SAL)/sales-qualified lead (SQL).

By calculating the ratio of total leads generated per month and total number of opportunities created, you end up with your lead-to-opportunity conversion rate. Continuing with our sample data above (that doesn’t include the Conversational Marketing factor), the numbers look like this:

Before Conversational Marketing

$$\frac{273 \text{ OPPORTUNITIES CREATED}}{2,100 \text{ LEADS PER MONTH}} = 13\% \text{ LEAD-TO-OPPORTUNITY CONVERSION RATE}$$

Once marketing's attempts to nurture a lead have been successful and a lead is showing high intent signals or wants to speak with a sales rep, you can't afford to delay in this critical moment of interest. Companies that respond in the first minute of a lead inquiry are nearly 400x more likely to convert that lead. Unfortunately, the industry average response time is 42 hours.

By using Conversational Marketing, you're able to instantly connect with leads the moment their interest is piqued. With Qualified, you can even hop on a live phone call right away. The odds of converting a lead into a sales opportunity are 20x greater when the lead is contacted within five minutes versus 30 minutes after the lead inquiry is submitted.



Our customers see anywhere from 10% to 30% increase in their lead-to-opportunity conversion rate. For the sake of our example, we'll stick with a conservative estimate of a 10% increase on top of the previous 13%, which equates to 14.3%.

After Conversational Marketing

$$13\% \times 10\% = 14.3\%$$

NEW LEAD-TO-OPPORTUNITY
CONVERSION RATE

$$2,520 \times 14.3\% = 360$$

LEADS

OPPORTUNITIES
CREATED
(VS. 273)



→ REMINDER :

We're already starting with a higher number of leads because our visitor-to-lead conversion rate is higher with Conversational Marketing. The impact Conversational Marketing has on your pipeline is compounding!

Step 3

Opportunity-to-revenue conversion



Once a lead has been accepted by a sales rep and becomes an opportunity, this is when the sales team works their magic to try to turn that opportunity into actual revenue. Determine your opportunity-to-revenue conversion rate by calculating the ratio of open opportunities and closed-won deals:

$$\frac{17 \text{ WON DEALS}}{273 \text{ OPPORTUNITIES}} = 6.2\% \text{ OPPORTUNITY-TO-REVENUE CONVERSION RATE}$$

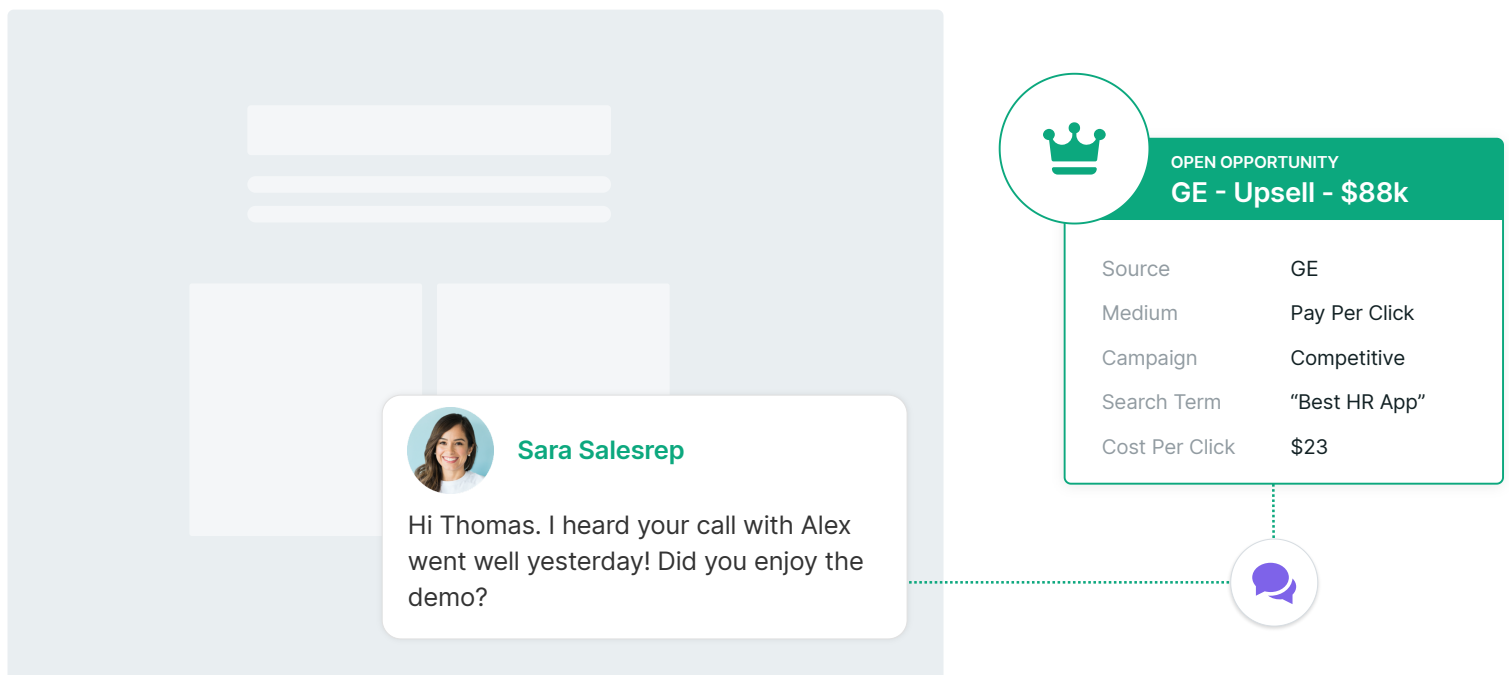
“32% increase in pipeline.
Qualified is literally money
in the bank.”

Craig Shull
GM, SurveyMonkey



Sales cycles are complex and vary drastically across businesses and industries. At this point, the prospect will experience a lot of personalized touch points as they continue down the customer journey. For that reason, it's not fair to say that Conversational Marketing has a quantifiable impact on this particular pipeline stage. Much of that credit goes to your savvy sales closers. Conversational Marketing can, however, still play a powerful role.

You can use Conversational Marketing to flag when an account with an open opportunity is on your website. Use this as a chance to connect with your buyer and nurture the deal forward. Offer to help your buyer find the information they're looking for, book a meeting, or answer questions they may have. In doing so, you'll demonstrate to the buyer that you're a valuable resource, and you'll give your sales team more touch points with high-intent buyers.



Completing the ROI model

Conversational Marketing has a direct impact on your bottom line. It helps you generate more leads than forms alone, more pipeline because you're having instant meetings with qualified buyers, and more revenue because you can engage with open opportunities.

Let's take a look back at the complete model we demonstrated in this chapter, and how Conversational Marketing impacts top-line revenue:

	BEFORE	INCREASE	AFTER
Qualified website visitors	30,000		30,000
Visitor-to-lead conversion	7%	x 20%	8.4%
Leads	2100		2520
Lead-to-opportunity conversion	13%	x 10%	14.3%
Opportunities	273		360
Opportunity-to-revenue conversion	6.2%		6.2%
Closed Won deals	17		22
Average sales price	\$25,000		\$25,000
Revenue	\$425,000		\$561,000
Monthly ROI			\$136,000 / mo
Annual ROI			\$1,632,000 / yr

32%
INCREASE
IN REVENUE!

Even when we take a conservative approach to the impact Conversational Marketing has on your conversion rates, the return on investment is significant.

Ready to build the model with your own numbers? [Check out our interactive ROI calculator.](#)

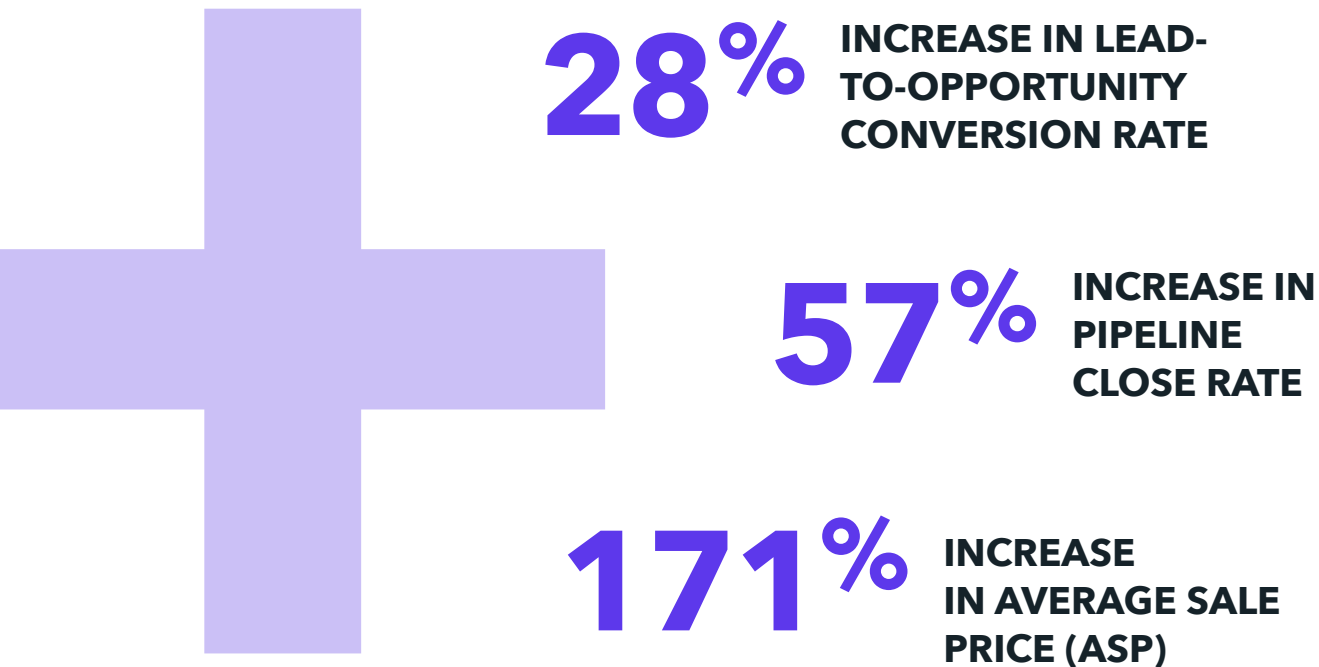


CHAPTER 3

MEASURING THE IMPACT OF CONVERSATIONAL MARKETING ON ABM



These days, most companies have adopted an account-based marketing (ABM) strategy in addition to their broader marketing strategy. It's no surprise why, when the impact on pipeline is so evident: research shows that ABM increases opportunity conversion rate, improves close rate, and results in larger average deal size.



Conversational Marketing plays an important role in your ABM program, too. It maximizes your investments by helping your sales team engage and convert accounts that are proven to be high-value targets for your business.

Sources:
Terminus, [How to Measure the Effectiveness of Account-Based Advertising](#)
Demandbase, [How to Close 3x More Deals With ABM](#)
ABM Leadership Alliance, [ABM: It's More Than a Feeling](#)

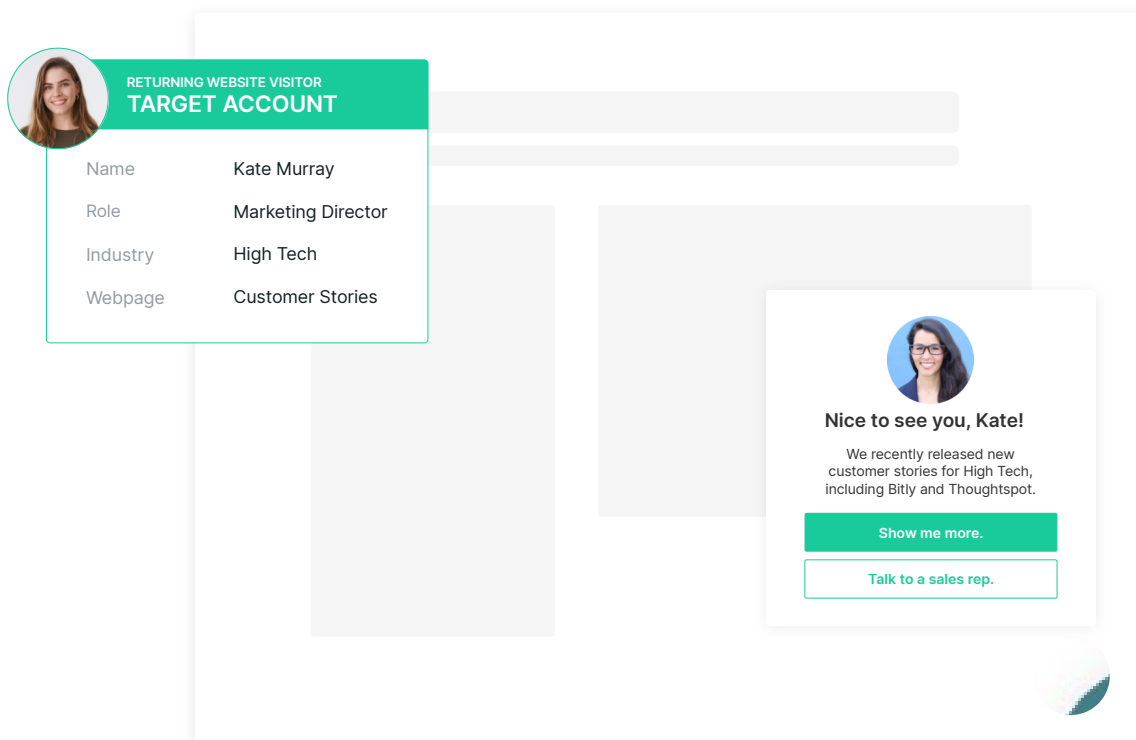
There are three main benefits to combining Conversational Marketing with your ABM strategy:

BENEFIT 1

Your sales team gets more at bats with target accounts

Conversational Marketing unlocks a whole new channel for your sales reps to engage with target accounts in real time, giving them a higher likelihood of capturing a prospect's attention. Even better, with Conversational Marketing your reps can know exactly when a target account is on your website and jump at the opportunity to engage.

Companies that combine Conversational Marketing with ABM see 10x more conversations with their target accounts.



BENEFIT 2**Your business generates more ABM pipeline**

By connecting faster with more of your high-value prospects, you can create more sales opportunities and progress deals through the funnel faster. **In fact, companies that use Conversational Marketing book 64% more meetings with target accounts.** This is especially valuable when ABM accounts are proven to have higher close rates and average sales prices (ASPs).

Because Conversational Marketing integrates seamlessly with your other systems, your sales reps are armed with all the data they need to have contextual conversations that speed up the sales cycle.

**10x more conversation
with Diamond accounts.
This is ABM at its finest.**

Scott Holden
CMO, ThoughtSpot



BENEFIT 3**Your VIP customers receive a red carpet experience**

Decision makers at top-tier accounts deserve a white-glove experience that positively impacts their perception of your company and increases their likelihood to purchase. With Conversational Marketing, you don't need to sit back and wait for your high-value visitors to fill out a form to get in touch with you. Use the moment you have their full attention to proactively engage with them.

**Sara Salesrep**

Welcome, Alisha! I'm Sara, Apple's dedicated Account Executive. I've been working with your teammate Chris. How can I help you today?

**Alisha Reynolds**

Hi Sara, thanks! Chris and I are hoping to talk to you about pricing if you have time.



Incoming web call
Sara Salesrep

Book at 30 minute meeting

Today ▶

1:00pm

1:30pm

2:30pm

3:00pm



Greet your VIP by name



Introduce yourself as their dedicated sales representative



Reference their company and/or teammates that you've worked with to show them you're familiar with their account.



When the time is right, upgrade the live chat to a phone call for a quality conversation.



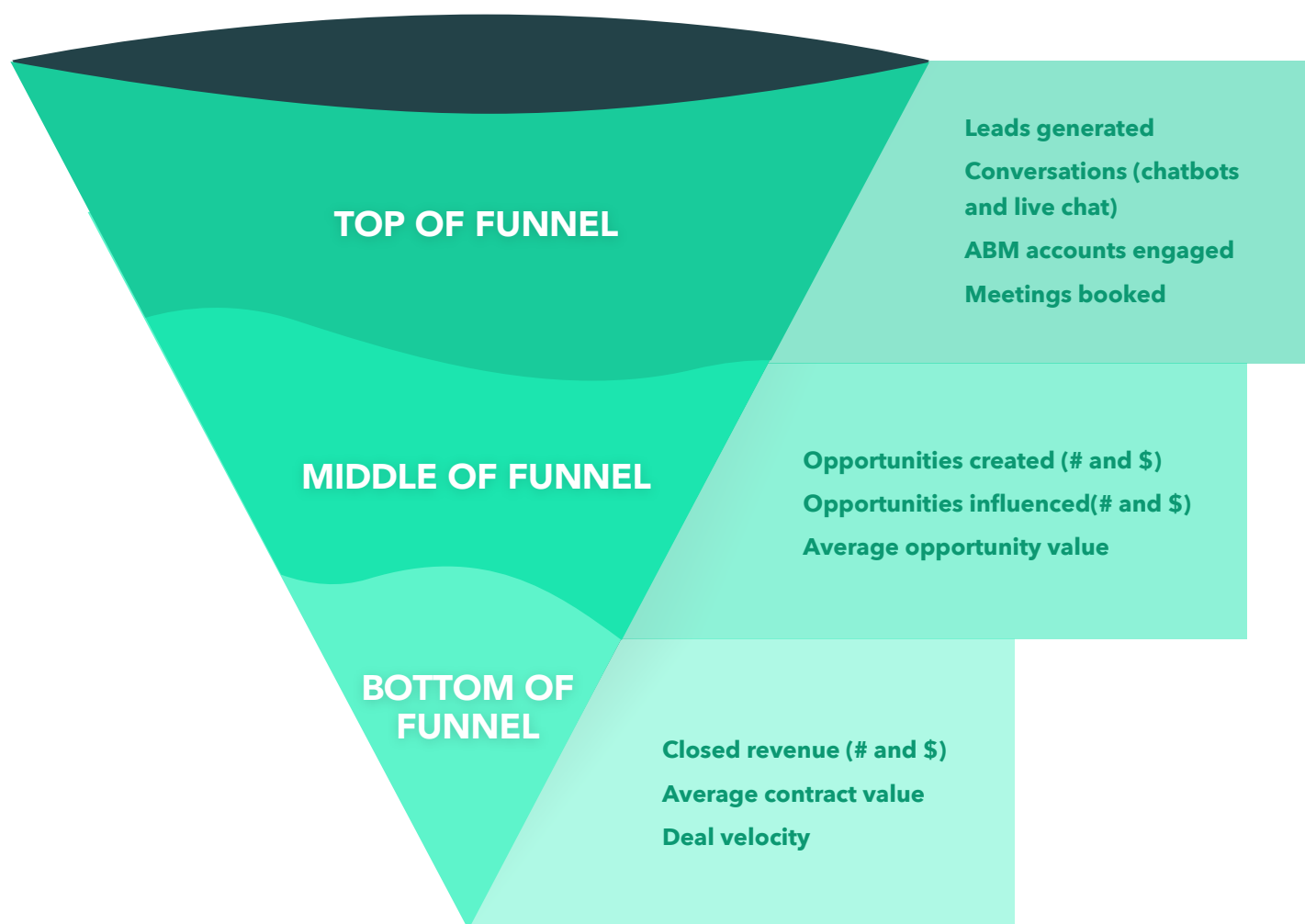
Invite your contact to book a meeting, within the context of your website conversation, to lock in next steps.

CHAPTER 4

THE TOP KPIs TO MEASURE



While increasing your revenue is the ultimate goal of Conversational Marketing, it's important to track leading indicators along the way. For a complete picture of your Conversational Marketing success, we recommend tracking the following KPIs along the buyer journey:



Top-of-funnel metrics

Leads generated

This metric is calculated by totaling the number of website visitors who provide you with their contact information, either through a demo request, form fill, or chat experience.

Conversations started

A conversation is any interaction a visitor or lead has with a chatbot or live chat application.

ABM accounts engaged

If you've implemented an account-based marketing program, you'll want to keep a close eye on the number of target accounts you engage with from your Conversational Marketing tool.

Meetings booked

Once you've set up a conversation between a sales rep and a lead, this counts as a booked meeting.



Middle-of-funnel metrics

Opportunities created (#)

The total number of new opportunities created from your Conversational Marketing program.

Opportunities created (\$)

The total dollar amount of new opportunities created from your Conversational Marketing program.

Influenced opportunities (#)

The total number of existing opportunities that Conversational Marketing allows you to generate increased engagement with through conversations.

Influenced opportunities (\$)

The total dollar amount of existing opportunities that Conversational Marketing allows you to generate increased engagement with through conversations.

Average opportunity value

The average dollar amount of opportunities generated from your Conversational Marketing program.

Bottom-of-funnel metrics

Closed revenue (#)

The total number of closed-won deals generated from your Conversational Marketing program.

Closed revenue (\$)

The total dollar amount of closed-won deals generated from your Conversational Marketing program.

Average contract value (\$)

The average dollar amount of all closed-won deals generated from your Conversational Marketing program.

Deal velocity (# of days)

The average number of days it takes for an opportunity to become a closed-won deal.

Tip: Be sure to benchmark your performance across these KPIs before implementing your Conversational Marketing strategy, and then continue to track on a weekly basis. To make this easy, we recommend utilizing performance dashboards within your Conversational Marketing platform and Salesforce, which we'll discuss in Chapter 5.

CHAPTER 5

HOW TO REPORT ON THE ROI OF CONVERSATIONAL MARKETING

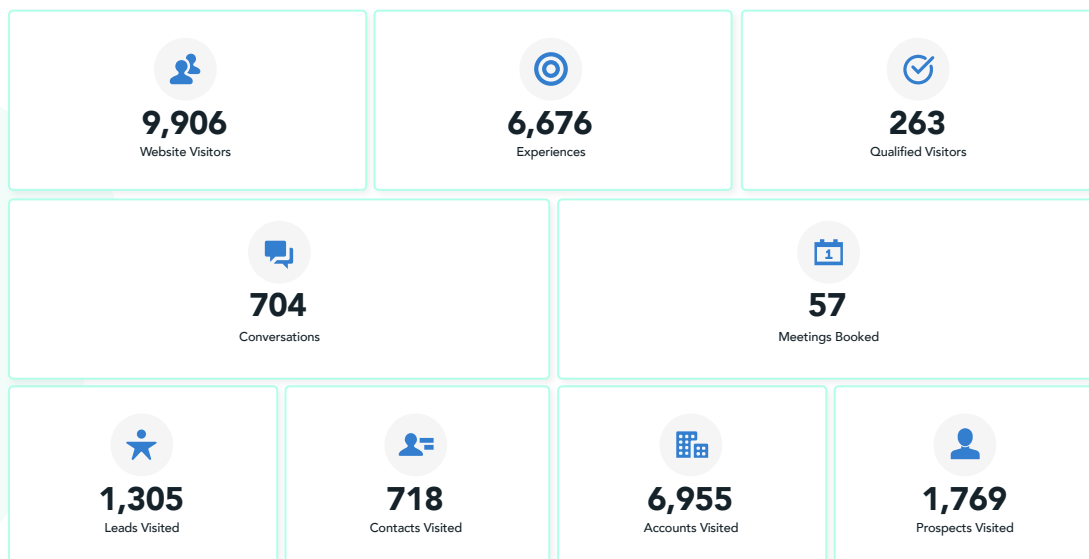


Showcasing the impact of Conversational Marketing is a critical part of your strategy. While it's important that your Conversational Marketing platform gives you visibility into conversational-specific metrics, it's equally important that your program's macro impact is captured where you spend most of your time tracking pipeline and revenue performance: within Salesforce.

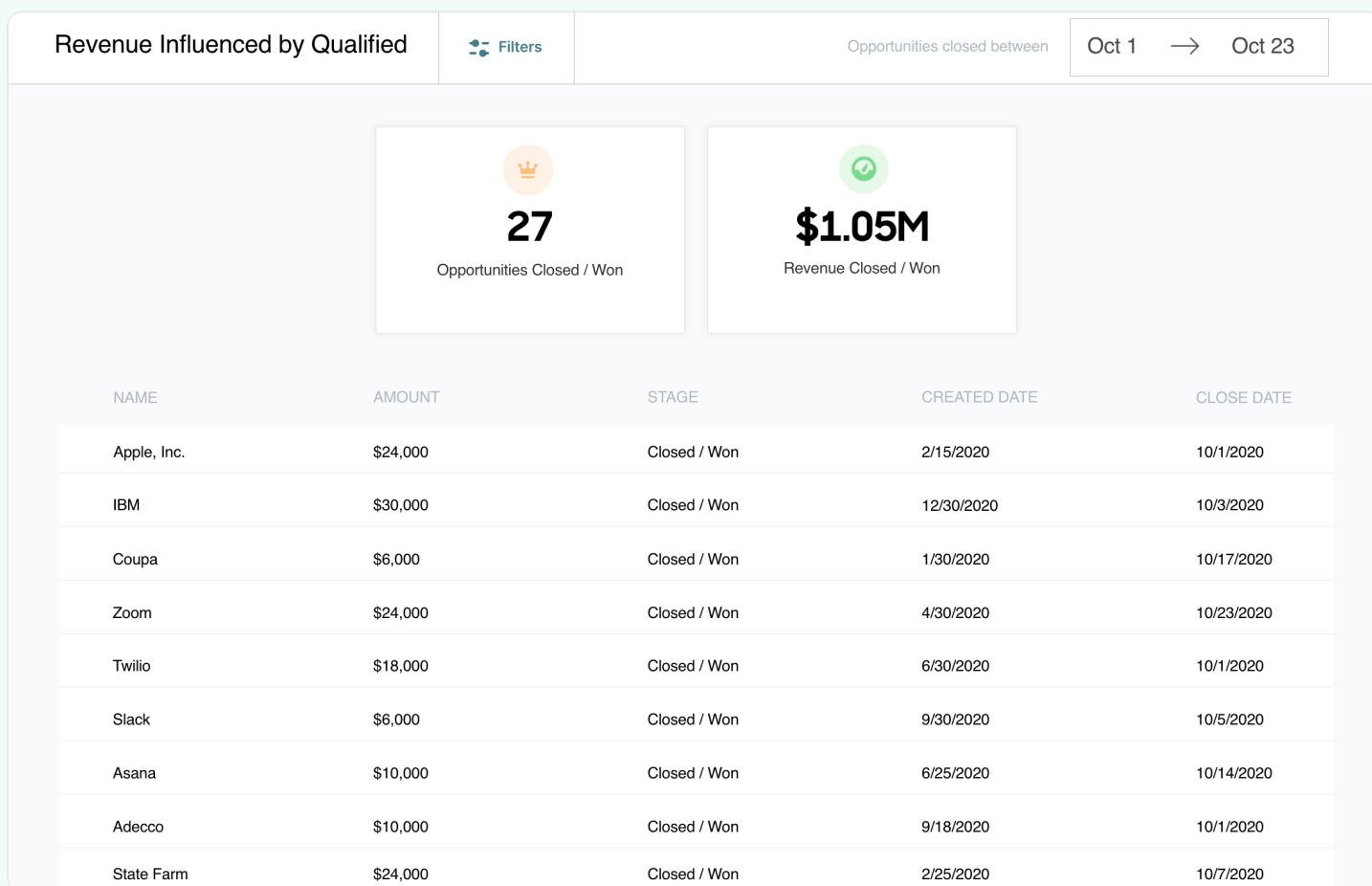
Reporting in Qualified

As a customer of Qualified, you can get granular insight into the performance of your Conversational Marketing program. Many of the metrics we recommended you track in Chapter 4 are visible from within Qualified's dashboard, including:

- Qualified website visitors
- Conversations started
- Leads created
- Meetings booked



But we also enable you to tie your Conversational Marketing program performance directly to pipeline and revenue impact. Our Pipeline and Revenue dashboards expand beyond granular insights into true pipeline attribution by demonstrating the opportunities and deals that were directly impacted by your Conversational Marketing efforts:



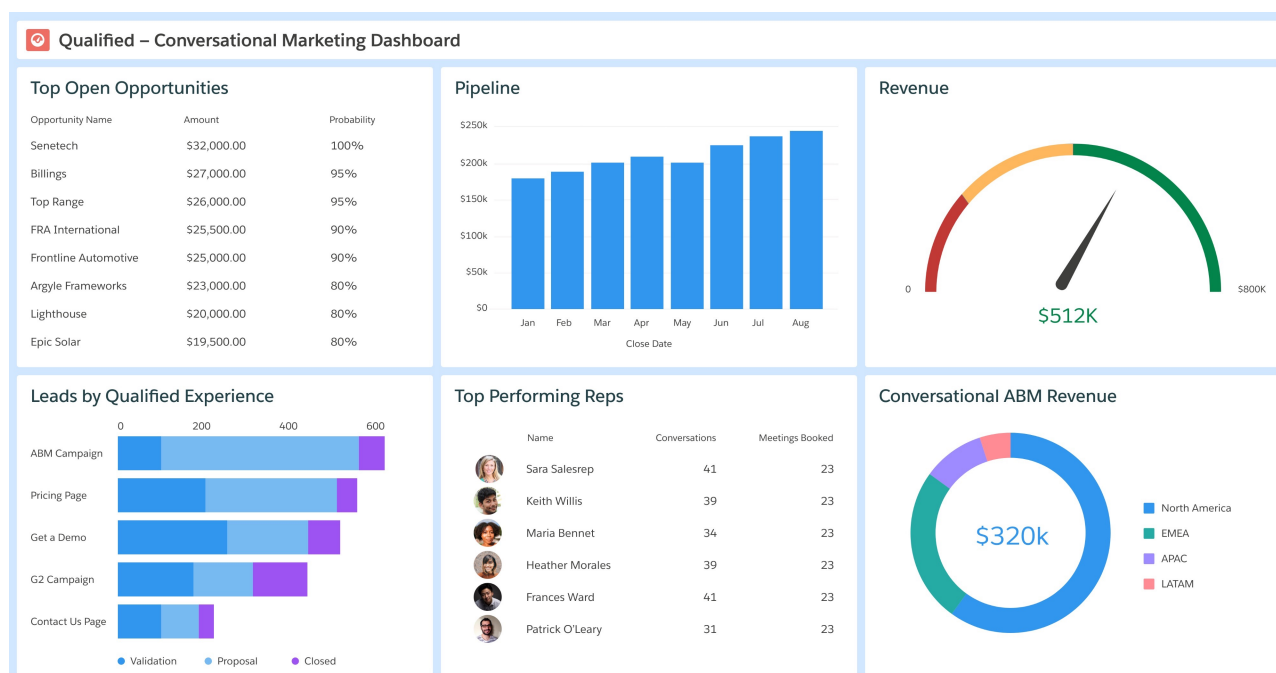
Reporting in Salesforce

Salesforce is the source of truth for your sales and marketing performance, so it's logical to track your Conversational Marketing impact using Salesforce reports and dashboards.

There are several benefits to viewing Conversational Marketing performance data within Salesforce:

- It lives alongside other sales and marketing performance data, making it super easy for you to access
- It ensures all relevant sales and marketing stakeholders have visibility
- It enables you to quickly drill into Account, Contact, and Opportunity records within Salesforce

A seamless Salesforce integration allows you to build standalone Conversational Marketing dashboards, or tie reporting into your larger sales and marketing dashboards. With unified data, the options are limitless!



Start Driving Revenue with Conversational Marketing

So what have we learned? We now know that Conversational Marketing drives quantifiable results by:

- **Increases visitor-to-lead conversion at least 20%** by giving visitors a faster way to find the information they're seeking and sales reps an easier way to qualify visitors
- **Increases lead-to-opportunity conversion at least 10%** by connecting sales reps with prospects at the exact moment the buyer is interested and engaged
- **Helps move opportunities through the funnel** by giving your sales reps more touch points with interested buyers
- **Maximizes your ABM investment** by ensuring sales reps are instantly informed and can deliver white-glove treatment to top-tier accounts browsing your website

Don't forget these keys to success as you get started:

- ✓ Benchmark your current performance across the recommended KPIs so you can compare progress
- ✓ Build your personalized Conversational Marketing ROI model using our [online ROI calculator](#)
- ✓ Optimizing your Conversational Marketing playbook around the KPIs that matter most to your business (check out "[Top 20 Live Chat & Chatbot Strategies](#)" to get ideas)
- ✓ Set up reports and dashboards to measure your performance

Meet Qualified

The leading Conversational Marketing platform for Salesforce, designed to help you engage and convert your target buyers.

Trusted by the world's leading brands

Adecco

bitly

workfront

SurveyMonkey

IMD

ringDNA

aws

Gamma

ThoughtSpot

Brandfolder

ZERO
MOTORCYCLES

InsideView

valpak

atspoke.

talkdesk

AGIO

JUMIO

Staffbase

The trusted enterprise platform

