The Application of Machine Learning for B2B Sales and Marketing

An Enlyft White Paper

Enlyft delivers actionable sales and marketing intelligence to help companies understand who their most promising customers are, why they are the right customers, and what the most effective messaging is to approach them with.

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Abstract

Machine learning is redefining the sales and marketing landscape. A 2016 survey by MIT Sloan Management Review found that more than two out of five digitally maturing companies have already implemented machine learning for sales and marketing. Machine learning empowers businesses to make sense of large volumes of data, glean critical insights, and make predictions that inform strategies. This white paper provides an overview of machine learning, explains why the time is ripe for widespread adoption, outlines its core benefits, and delineates best practices for successful implementation.
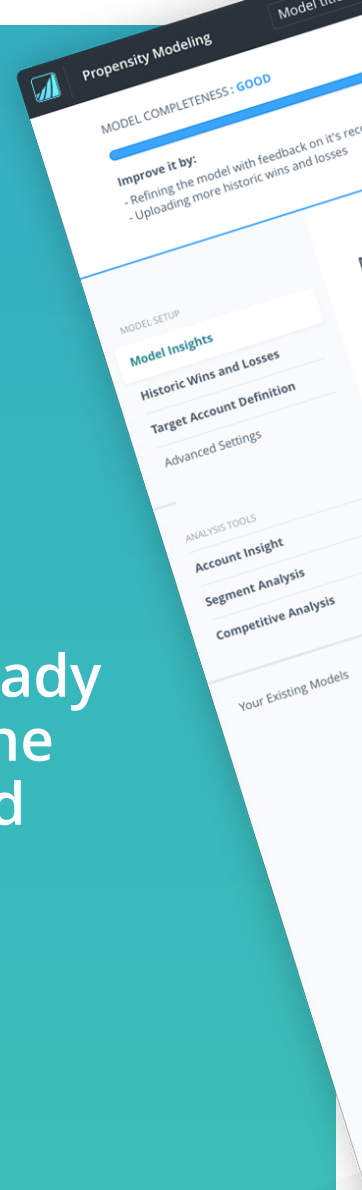
What is Machine Learning?

Machine learning, a subset of artificial intelligence, uses algorithms to parse large volumes of data and make predictions and decisions. Unlike classical methods, machine learning does not depend on explicit and rigid programmed rules. Instead, it relies on pattern recognition and iteratively learning from data.

Two out of five digitally maturing companies have already implemented machine learning for sales and marketing.

MIT Sloan Management Review

Why Now?

As a discipline, machine learning is not new--the term was coined back in 1959. Machine learning's recent surge in popularity in the context of sales and marketing can be attributed to three key trends.

1 Flawed Lead Scoring Methods

All leads are not created equal. Lead scoring is a rule-based method of determining which leads have the highest buying propensities. Unfortunately, lead scoring remains a challenge for both sales and marketing professionals alike. According to SiriusDecisions, only 40% of salespeople believe that lead scoring adds value.

Companies have traditionally based their lead scoring models on firmographics (e.g., number of employees, industry, location of headquarters) and technographics (e.g., hardware and software installations). This data is static, fails to offer insight into buying potential, and ultimately presents a distorted view of target and existing customers.

What's more, lead scoring schematics have traditionally been designed by humans and are based on intuition, rather than data. Machine learning eliminates the potential for human error. By leveraging pattern recognition, machine learning is able to assign appropriate weights to lead scoring variables.

2 Emergence of Big Data

90% of the data on the internet has been created since 2016, according to a 2017 IBM Marketing Cloud report. Consumers and businesses are associated with larger digital fingerprints than ever before.

Sales and marketing professionals don't have the resources to process the large volumes of data at their disposal. While they have access to millions of potential buying signals, including internal factors (e.g., past purchase information, website engagement) and external factors (e.g., company news, hiring details, financials), they cannot make sense of the large volumes of data. The only sensible option is to harness machine learning technology to extract patterns and glean a more holistic view of customers.

3 Rise of Account-Based Marketing

Over the past decade, we've witnessed a transformative shift to account-based marketing (ABM). In contrast to mass-marketing approaches, ABM involves focusing on a narrowly defined set of customers. In its 2015 State of Account-based Marketing Study, SiriusDecisions found that more than 92% of B2B marketers acknowledge ABM as either important or very important.

ABM entails creating highly customized campaigns for each target customer. While sales and marketing professionals are able to apply ABM to a select few number of accounts, they struggle to deploy it to hundreds or thousands of accounts. Machine learning can be a powerful means of finding the highest propensity accounts and executing the hyper-personalization required by ABM at scale.

92% of B2B marketers acknowledge ABM as either important or very important.

SiriusDecisions

The Promise of Machine Learning

1 Understanding ICPs

Companies struggle to determine their ideal customer profiles (ICPs). According to SiriusDecisions, the absence of persona-based insights represents the greatest challenge faced by B2B marketers in terms of creating buyer-centric content. Far too often, ICPs are formulated based on gut instinct.

Machine learning allows companies to gain accurate insight into their ICPs. Enlyft adheres to a three-pronged approach to determine ICP scores. First, all of a company's existing win/loss data and other key account data are analyzed. Next, this data is supplemented by mining the web and enriching account data with relevant signals, including technology installs, competitor footprints, and buyer intent signals. Finally, pattern recognition enables the determination of key variables that indicate higher buying propensities.

2 Predictive Sales Power

According to CEB, 57% of a buyer's journey is completed before engaging with a supplier. More so than ever before, there is a need for companies to gain predictive power and identify customers with high buying propensities before they "raise their hands" and interact with a brand.

Machine learning allows companies to prioritize accounts based on how closely they align with ICPs. Leveraging the predictive power of machine learning, Enlyft generates custom compute scores that grade how likely a lead is to convert. Using these scores, Enlyft builds targeted lists of accounts based on its database of more than four million companies. Enlyft can also build targeted accounts based on the accounts in a company's CRM system. This insight drastically accelerates sales velocities as it empowers sales and marketing professions to focus only on the most likely buyers.

57% of a buyer's journey is completed before engaging with a supplier.

CEB

3

Hyper-Targeting Capabilities

According to Dun and Bradstreet, 40% of marketers don't feel as though their sales teams have the right account intelligence to engage with prospects. Machine learning affords sales and marketing professionals the ability to gain deep insights into customers, insights that can enable hyper-targeting at scale.

Enlyft does not surface intelligence about buying propensities in a black box. Instead, it offers explanations pertaining to specific recommendations. Consider technographics, for example. Enlyft has global coverage of more than 11,000 technologies. Different technology installs can indicate whether a company prioritizes ease-of-use over security, its degree of technical sophistication, and its likely technology budget. What's more, the presence of competitive or complementary technologies can indicate a company's propensity to purchase a new offering. Armed with this intel, sales and marketing professionals can more effectively personalize their interactions with buyers and shy away from running generic campaigns.

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Dun and Bradstreet

Keys to Successful Adoption of Machine Learning

1

Define Objectives at the Onset

Machine learning can be leveraged for many different business outcomes. Each customer has a specific set of objectives in terms of machine learning output (e.g., increasing customer base, displacing competitors, increasing average deal sizes, and scaling ABM efforts). When companies define objectives at the onset, they're in a better position to optimize machine learning models to give rise to desirable results

2

Perform a POC

Investing in machine learning constitutes an important decision for any company. There's no shortage of vendors who claim to provide the "best" data. It can be difficult to sift through the noise. The most effective means of assessing data quality is to partake in a proof of concept (POC) or pilot program. At Enlyft, we're very confident in our offerings and go so far as to offer customers a bake-off guide that outlines how to plan and deploy a competitive bake-off between machine learning vendors.

3

Prioritize Model Insights

Far too often, machine learning vendors deliver recommendations in a black box. The result is that customers aren't able to understand why prospects and customers exhibit specific buying propensities. With Enlyft, companies are able to gain granular insight into why prospects and customers are interested in a particular technology. We determine the specific attributes that cause accounts to have high buying propensities

4

Measure Results

Results associated with machine learning tool implementation should be reviewed, at a minimum, on a quarterly basis. Results should be analyzed in the context of initially defined objectives. If, for example, your objective was to develop a better lead prioritization system, you'll want to assess whether the leads prioritized using machine learning technologies exhibited a higher MQL to SQL conversion rate than those prioritized through alternative means.

5

Adopt a Holistic Solution

Far too often companies piece together disparate solutions from multiple vendors. They use one vendor to obtain data, another to construct models, and yet another to provide predictive insights. Enlyft is the only vendor that offers data, modeling, and insights within one unified platform. Because Enlyft has full ownership over its data and builds its own models and recommendations, all the parts work seamlessly together in a continuous learning loop.
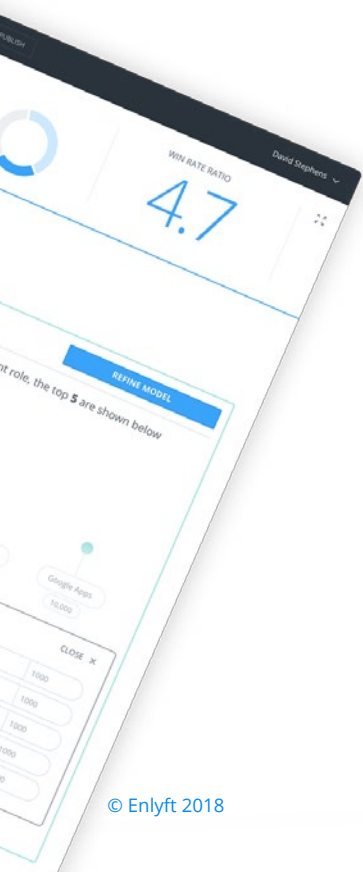
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