MedData Group

act-on

Best Practices in Segmentation

Table of Contents

Introduction

If you've been doing email marketing for any length of time, you know that not all prospects behave in the same ways. For instance, an email to a physician likely looks significantly different from an email to a healthcare administrator, not only in your offer but likely in your messaging, as well. Even within the physician audience, segmenting by practice size and specialty can have a significant impact on the performance of your campaigns.

Segmentation is the key to increasing email marketing metrics and conversion rates for marketing campaigns and to boosting prospect engagement. Rather than blasting the same campaign to all of your prospects, you can improve your marketing effectiveness by targeting your campaigns to the appropriate segments.

MedData Group

act-on

Introduction

"Segmentation" is a concept coined in economics and put to good use in marketing. In the ancient past (say 2005 or so), marketers working to reach and influence potential prospects had few choices beyond broad-brush push strategies: mass media, direct mail, billboards, skywriting. Segments were hard to define and expensive to reach. The sales team did most of the heavy lifting in lead qualification.

Thanks to online communications that promote interactivity and let prospects raise their hands, we have new ways to understand what people want. This knowledge lets us sift our prospects into segments with common needs, which we can then address with tailored marketing strategies. And now, online marketing allows cost-effective, tailored one-to-one marketing that was unthinkable a decade ago.

Chapter:

1

Best Practices for Setting Up a Lead Scoring Program

Best Practices for Setting Up a Lead Scoring Program

Begin by working with your historical data and your sales department to define the profiles and behaviors that characterize your existing best customers. You'll build desirable, productive segments by understanding who buys now, and why they buy. Many marketers build "personas"- profiles of ideal buyers - and then look for prospects that match the personas.

Next, look to your prospects. The two main components to look at when starting your segmentation strategy are demographic or profile data - who the company and person are - and behavioral data. The real power of segmentation comes when you combine these two components to get a clear picture of your target.

Many marketers build "personas"- profiles of ideal buyers - and then look for prospects that match the personas.

MedData Group act-on

Best Practices for Setting Up a Lead Scoring Program

1. **Demographic/Firmographic:** What factors define your ideal customer? These may include a prospect's job title, education level, department, and responsibilities; and their company's size, geographic location, revenue, and industry focus.
2. **Behavioral:** What sort of online body language does a prospect exhibit? Examples include web pages visited, webinar attendance, responses to email offers, marketing content downloads, forms submitted, and purchasing behavior. You can add in time frames to increase relevance.

There are two primary ways to capture data:

1. **Explicit:** This is data that a prospect gives you, such as a job title, or that you can gather directly, such as an IP address. You might capture such data when a prospect fills out a form on your website.
2. **Implicit:** This is data that you gather by observing the prospect, such as which website pages they visit, or by analyzing explicit data sources, such as linking an IP address to a particular company. You could gather such data from programs like a website visitor tracking tool.

Chapter:

2

Gather Explicit Data Through Forms

Gather Explicit Data Through Forms

You can use online forms in many ways to capture data: people can fill out a form to register for a webinar or download content, or sign up for a newsletter.

MedData Group act·on

Chapter:

3

Progressive Profiling

Progressive Profiling

The shorter a form is, the better the odds that it will be filled out. This is partly because it takes less time, but trust is also a factor. Shorter forms feel less invasive, so a prospect who's just getting to know you doesn't feel like a total stranger is asking for too much information.

This short form means that you won't have much information about a prospect to begin with, perhaps just first name, last name and email address (we refer to these as FLEAs). These are early funnel contacts.

Progressive profiling is a good way to learn more about these prospects, so you can move them further into the funnel and sort them into appropriate segments.

Shorter forms feel less invasive, so a prospect who's just getting to know you doesn't feel like a total stranger is asking for too much information.

MedData Group   act-on

Progressive Profiling

How it works:

> When a prospect gives you information, that information is stored in a unique profile.
> On a subsequent interaction, your marketing automation system recognizes the prospect and serves a new form that asks for additional information.
> Using a sequence of simple forms builds up the prospect's profile over time.
> At some point you'll have enough data to segment this prospect intelligently.
> Once the prospect is in a well-defined segment, you can craft target messaging to this segment that will feel personal to the prospect, enhancing your interactive relationship and further warming the prospect toward sales-readiness.

Each successive form asks for very little information, but increases your knowledge of the prospect's demographic information over time. You're also collecting behavioral data by noting which pieces of content the prospect is interested in.
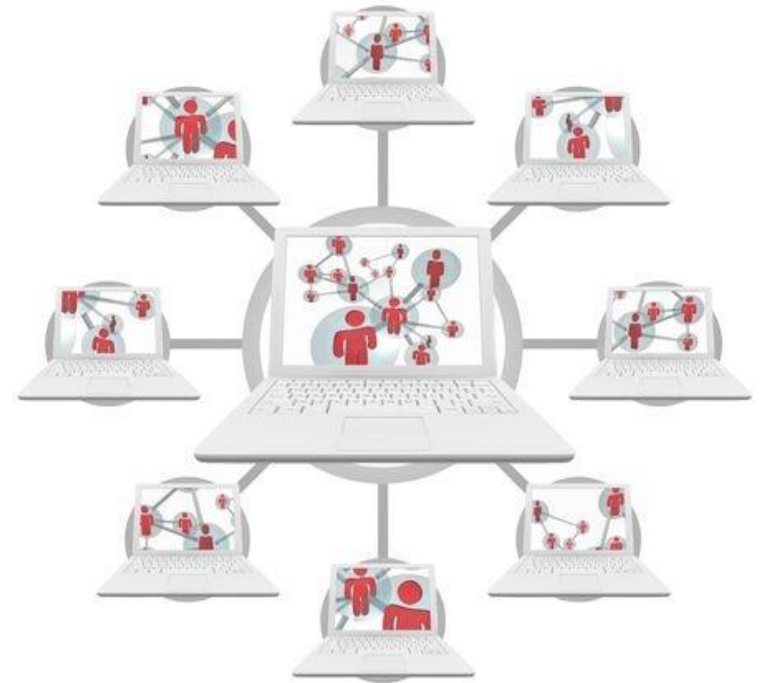
Chapter: **4**

Best Practices

Best Practices

> Create profiles and personas. Know who's likeliest to buy from you by understanding your current customers
> Gather both demographic /firmographic and behavioral data
> Use dynamic progressive profiling
> Create campaigns that target specific segments; the tighter the fit, the better
> Measure regularly, adjust as needed, and evolve
> Don't get too complicated; keep it as simple as possible
> Automate everything that can be automated - forms, progressive profiling, scoring, segmentation, campaigns, nurturing, and the hand-off to sales

MedData Group   act-on

Chapter:

5

How to Define a Segment

How to Define a Segment

Look first for prospects with identifiable common problems or needs that your product or service addresses effectively. Good segments contain members who are as similar as possible to each other inside the group, and as different as possible from other groups. The more contrast, the easier it is to define appropriate marketing tactics and content.

Other desirable segment characteristics include:

> Well-defined needs, preferably in strategically painful areas
> Size. The segment should be large enough and potentially productive enough to justify the effort
> The willingness to pay for a solution. Look for a shared purchase procedure, and the habit of dedicating budget to solve the problems your solution addresses
> Reachable through marketing tools

Good segments contain members who are as similar as possible to each other inside the group, and as different as possible from other groups.

MedData Group   act-on

Chapter:

6

Dynamic Segmentation

Dynamic Segmentation

Using a marketing automation system, it's easy to create dynamic segments by combining profile attributes with observed behaviors. Once you create these dynamic segments, new prospects will move into them as soon as they hit the requirements. Your marketing automation system will also capture every interaction in each prospect's individual activity history, so when the prospect becomes sales-ready, the sales rep reaching out will know everything possible about the prospect's needs and interests.

Setting up automated campaigns or actions allows segmentation to run in the background as your marketing team works on other projects.

Chapter:

7

Dynamic Content

Dynamic Content

In addition to dynamic segmentation, marketers are also using dynamic content to drive the relevancy of their email marketing campaigns. Dynamic content is a marketing automation feature in which the marketer creates a single campaign that can be sent to multiple segments, while ensuring that text, images, offers, etc., change dynamically to suit the segment a prospect is in. Sending email campaigns this way saves time and allows you to see at a glance how the campaign performed overall, before breaking results down by segment.

More than ever, your prospects and customers expect targeted, relevant communications. The benefits include: stronger customer and prospect relationships, higher email open and click-through rates, increased sales, and enhanced ROI. The challenge is to deliver personalized email communications to your customer base without spending too much valuable time.

Dynamic content is a marketing automation feature in which the marketer creates a single campaign that can be sent to multiple segments, while ensuring that text, images, offers, etc., change dynamically to suit the segment a prospect is in.

MedData Group   act-on

Dynamic Content

Here's an example of dynamic content. This is the same email message, sent to two different segments.

> John is in a segment defined as "medical director" responsible for managing the physicians at a hospital
> Heidi is in a segment defined as "hospital administrator" responsible for leading the day-to-day business aspects of the hospital.

The marketer set the campaign up with dynamic content, then ran only one campaign. If the campaign is captured as a template, the effort scales to save even more time.

MedData Group   act-on

Chapter:

8

**Putting It All Together –
7 Steps to Getting
Started**

Putting It All Together – 7 Steps to Getting Started

1. Begin simply, with two or three segments
2. Begin with simple campaigns, targeted specifically to those segments
3. Collect progressive data and refine; you might move a prospect from one segment to another as you gain information. (Marketing automation can make this happen without taxing resources)
4. Measure success at every step; consider using at least two metrics, perhaps sales bookings and conversions
5. Analyze at regular intervals; how often depends on your sales cycle
6. As you see patterns of good and less-than-good results developing, adjust your campaigns and/or segments
7. Keep evolving. The whole process is dynamic, as customers, context, trends, economics, and your own products and company are always changing

MedData Group act-on

About MedData Group

MedData Group provides demand generation, content marketing and data services to providers of healthcare technology, medical devices, pharmaceuticals, medical education, and others looking to engage with hard-to-reach physicians and other healthcare professionals by using a fundamentally unique approach.

MedData Group publishes Medical Product Guide, the industry's go-to resource that provides clinicians and healthcare professionals with meaningful vendor, product and industry information. By distributing meaningful content to healthcare professionals, we are able to collect more data, glean deeper insights, and reach larger audiences than any other demand generation service.   Using behavioral analytics and big-data techniques, our proprietary content and lead management system produces unrivaled insights that we apply to best-in-class marketing practices to achieve unmatched results towards helping our clients reach their business goals.

About Act-On

Act-On Software delivers cloud-based integrated marketing automation software. Marketers can manage all of their online marketing efforts from a single dashboard that can be seamlessly integrated with CRM so that sales can have access into various marketing functions. Act-On's fresh approach to marketing automation gives its users full functionality without the complexity other systems impose, and makes campaign creation and program execution easier and faster.

MedData Group   act-on