Inbound marketing: How to make your clients come to you

Web 2.0 has changed how we look for and acquire products. Building on this change in behavior, a new form of marketing works to attract customers organically, rather than "push" them.

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If you needed a new car, you would research and analyze the available alternatives and then make a decision. Your subsequent behavior (e.g., recommendations and brand loyalty or lack thereof) would indicate your satisfaction with your chosen product. Seems intuitive, right?

Not quite. Until a few years ago, many marketing professionals ignored the consumer buying-decision process, opting instead for generic campaigns based on traditional media or mass mailings. Their goal: to grab the attention of the public and motivate them to consume. What we might call "outbound marketing" — which uses aggressive publicity to push clients into buying — could be considered invasive, since many people on the receiving end don't need the solutions being offered.

The arrival of the internet ushered in changes to consumer habits and these "push" techniques became less effective as a result. Many companies responded by implementing "inbound marketing," which generates demand using *pull* techniques.

IESE's **Mario Capizzani** and Pau Valdés, CEO of the marketing agency Inbound Cycle, explain the basics of this new paradigm in a technical note on inbound marketing, including specific advice for applying it.

The four stages of inbound marketing

This type of marketing is based on four stages, summed up with the acronym ACEC for *a*ttract, *c*onvert, *e*ducate and *c*lose:

Attract. In an ideal world, consumers find the company themselves and not the other way around. Businesses can facilitate this by publishing interesting content that shows up in related internet searches. To be effective, the content must be specialized, unique and high-quality.

The NGO Oxfam Intermón is a good example. Surmising that its potential donors were people interested in responsible consumerism and social engagement, Oxfam Intermón created content that addressed such concerns. Within a year, the number of visits to its website had risen from less than 30 per month to almost 30,000.

Convert. Personal data about the potential client — e.g., full names and contact details — can be acquired by offering valuable content (a recipe book, free trial or personalized estimate, for instance). A free guide to fair trade offered by Oxfam Intermón increased its conversions by almost 800 percent.

Visit-to-registration conversion rates vary depending on their origin: search engines generate the lowest conversion rates (just 1 to 5 percent) while visits originating from social networks yield the highest (7 to 25 percent).

Educate. A business should track clients and offer them relevant information at each stage of the buying-decision process. Clients can be classified and rated based on the number of visits and pages visited so that specific content can be automatically sent to them at the right time.

Marketing tools must be integrated within a business's customer relationship management (CRM) strategy to create and optimize the links between the marketing and sales departments.

Close. Educating and scoring potential clients makes it much easier to close the sale. (This step is sometimes known as "close and delight.") When a salesperson is involved, the client's full history is provided so that salesperson knows what content the client has consumed and where they are in the buying process. If there is no salesperson and a client goes in to buy independently (online or another form of self-service), the company can still supply targeted information which is more relevant to the transaction.

When and how to implement inbound marketing

Inbound marketing can be particularly advantageous to businesses with a long buying process (whether due to the complexity or financial/personal importance of the decision) and to companies providing new products and services which are not widely known, or which rely on a significant level of product education before buying.

The budget and optimal channels for the business must be assessed on a case-by-case basis. For example, blogs and other online content work well in the health sector, but social networks do not, because healthcare consumers are usually guarded about their health status.

A good strategy for inbound marketing must identify target clients, choose appropriate themes, and publish content geared towards alleviating as many "pain points" as possible. It should also use search engine optimization (SEO) to hone positioning in internet searches; disseminate content through online networks, relationships with bloggers, and resources such as Google AdWords; offer valuable content in exchange for personal data; and implement automated education and client-rating systems.

This methodology has the potential to multiply a company's sales and improve its relationships with current and future clients.

Methodology, very briefly

This technical note is based on professional experiences and documents submitted by various companies and organizations, including Oxfam Intermón and Captio.

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