

HOW AI CAN CREATE THE DATA THAT MARKETERS REALLY NEED



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How can businesses find prospects with the potential to be as valuable as their best customers? High quality data that could reveal these prospects doesn't exist—but artificial intelligence (AI) can create it to totally transform both the process and the ROI of B2B marketing.

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Executive Overview

The Problem

How can companies that market products or services to other businesses efficiently scale their process of customer acquisition?

- There is great difficulty in finding the right targets. Existing sources for business data are limited and often inaccurate.
- It's difficult to build a scalable, trustworthy system for marketing-to-revenue.

The Solution

The problem is steep but not insurmountable. Good data is critical to solving the problem.

- Aim the full power of **artificial intelligence** (AI) at the problem of creating good B2B data—not at the false hope that powerful AI will magically squeeze value out of the same inaccurate, low-coverage, shallow data that everyone has always used.
- Find the “buying signals” in that data that indicate a demand for a given product or service.

Why it Matters

Marketers often miss out on great opportunities when they cannot even see many of the important companies to target, either because they have no data or the data they have is too inaccurate to target meaningful prospects. What's more, waste is the enemy of the B2B marketer. AI significantly reduces waste of time and money, making marketing efforts scalable and more efficient—and with a higher ROI.

For years now, AI has been driving dramatic change in many industries, from healthcare and financial markets to manufacturing, retail and e-commerce. Despite significant investments, **business-to-business (B2B)** marketing has not yet unlocked the full power of AI. In the sections ahead, we'll explore the reasons why, and explain how to overcome the final hurdles to enable seeing B2B markets with greater clarity. Then, sales prospects can be identified and targeted with much greater accuracy.

The Marketer's Data Dilemma

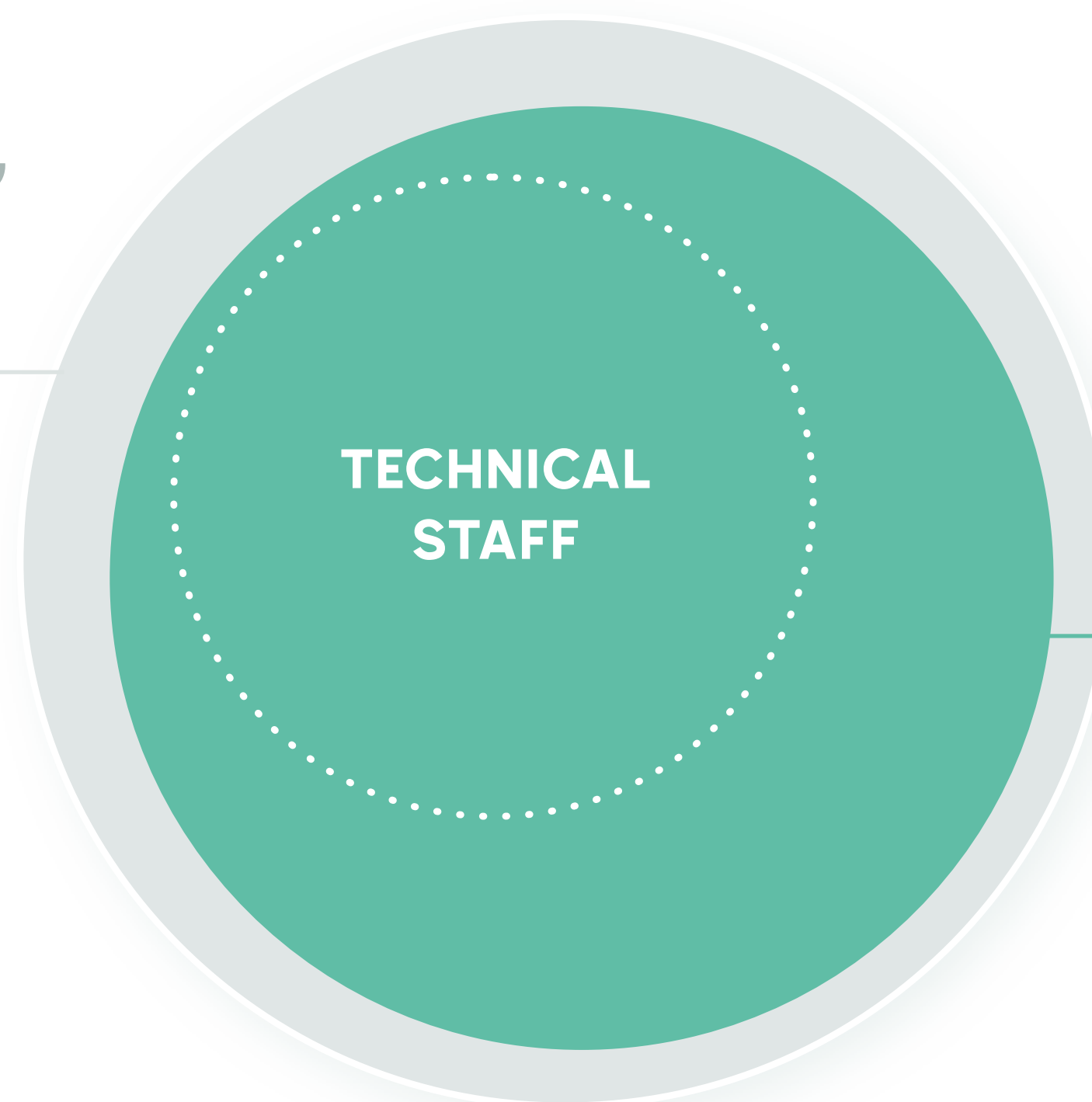
To increase sales, companies that sell to other businesses must find new prospects that are well-suited to buying their proffered products or services. Who are the ideal prospects? It is the marketer's challenge to figure that out because a sales team doesn't want to waste time on people who aren't truly prepared to buy. A sales team's dream would be to have as much detailed information as possible on highly qualified leads.



To be a good lead, a prospect must have a desire or need for the seller's offerings. Such prospects might subtly exhibit "buying signals," which are attributes that imply a readiness to make a purchase. Good prospects also must have the budget to make the purchase and the capacity to consume the product or service once the sale is made.

What do we mean by capacity? Consider, for example, a complex cybersecurity solution such as a threat hunting system. Not only must the customer organization have access to a skilled technical staff to fully operate the solution, but it also must be at a sufficient security maturity level to be able to use the system once deployed.

NEED FOR A
THREAT HUNTING
SYSTEM



SECURITY
MATURITY

These types of factors help define an organization's capacity to use the product that is for sale. Unfortunately, buying signals and capacity are often subtle, hidden attributes that aren't found in common sources for marketing data.

Common Sources for Marketing Data and Their Limitations

Every marketing team has both public and private data sources available to it. Public data often comes from B2B list brokers like D&B Hoovers and ZoomInfo who sell firmographics data about a limited number of companies. **Firmographics** are sets of characteristics that help segment prospect organizations, for example, industry segment, company size,

number of employees, etc. A marketer can specify a set of parameters (for example, “U.S.-based financial services companies with \$500 million or more in annual revenues”) and get a database of companies that fit that particular profile—assuming those companies are present in the list broker’s database.

☒ United States

☒ Financial Services

☐ \$500M+ Revenue

While public data sources are generally good, they aren’t “good enough.” They cover a limited number of companies—typically only tens of thousands of companies out of tens of millions worldwide. This means there could be many missed opportunities to find prospective customers that aren’t even in the source databases.

These data sources are notoriously slow to reflect changes at companies. For example, fast-growing companies need to buy a lot of things, but these important B2B prospects often look small or insignificant in traditional data sources because that’s how they looked a year or two ago.

What’s more, the data on companies that does exist within the databases isn’t very deep. Marketers can’t get certain kinds of information that would be quite useful, including buying signals and capacity to use a product or service. That information must be inferred from a deeper kind of analysis of companies that firmographics companies simply don’t do.

The accuracy of data can be in question, too. For example, **Standard Industrial Classification** (SIC) codes are still an important way to categorize businesses into various industries, but the classification of specific companies can be way off. Consider these examples from a major list broker:

Company Domain	How the List Broker Categorizes the Business	Reality
Avl.com	Libraries	Autonomous vehicle technologies
Palumboliquors.com	K-12 Schools	Alcoholic beverage merchant
Villagedollhospital.com	Hospitals & Clinics	Doll Repair
Huawei.com	Toys & Games	Massive electronics manufacturer
Victorstires.net	Sports Teams & Leagues	Retail tire shop

Imagine marketing educational solutions to a liquor store, or medical equipment to a shop that fixes broken babydolls! It’s easy to see how companies can be marketing to people who have no interest in their products because of inaccurate data.

Beyond public data, many organizations collect their own prospect data through webinar registrations, trade show contacts, signups to download white papers, and so on. These leads may show “interest” but not necessarily “buying intent.” For example, some people will watch a demo at a trade show just to get a free T-shirt or mug. Others attend a webinar for continuing education credits rather than genuine interest in a product. So, a high percentage of private data could be false leads. Moreover, the data isn’t very deep. At best, only basic contact information is captured. As a result, marketing and sales teams waste time on weak and poorly targeted leads.

Essential data is lacking in both public and private data sources. This explains why AI, until now, has failed to deliver real value in B2B marketing. If there is a lack of essential data, it doesn’t matter what sophisticated AI algorithms are applied—you still miss the mark. The type of B2B data that marketers really need – the data that deeply describes companies and the people that work there – just has not been available to power effective AI that in turn can help generate useful sales leads.

What Makes Data “Good Enough”?

You can’t solve a problem with bad data. Thus, good data is critical to solving the problem of finding the right sales prospects for any company. There are three elements to good data:

1. **Accuracy** – The data must reflect the real world
2. **Coverage** – The data must exist for the entities that matter.
3. **Depth** – The data must enable real understanding so you can take actions with confidence.

Traditional B2B data falls short on all three requirements. However, if good data doesn’t exist, it’s possible to aim the full power of AI toward *creating* good B2B marketing data.

Truly Valuable Data Can Be Created

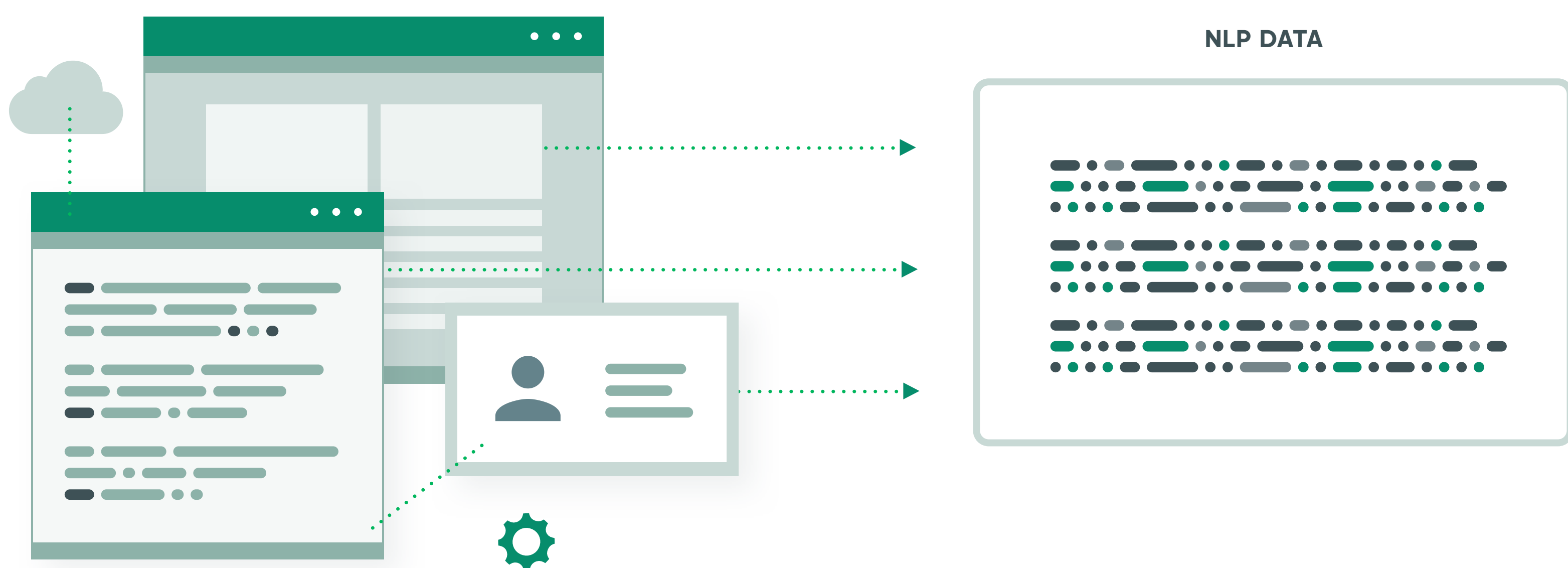
In B2C marketing, the goal is to understand people, their characteristics, and their buying interests. Companies like Google, Facebook, Amazon and many others know deep things about us as individual consumers, much of which we ourselves have provided to them. B2B marketers need similar data on companies to understand them in a very deep way in order to sell things to them.

This data dilemma requires a new way of looking at companies. We must go far beyond simple classifications such as SIC codes and company size. A better way to look deeply at businesses is to use “company vectors”—lists of deeper information marketers want to know about a company. For example, is this company an early adopter of solutions, a follower, or a laggard? How fast are they growing? What is the makeup of the company in terms of the functions of the people inside the company?

Are they heavier on science and engineering or on sales and marketing? Who are their customers? These kinds of vectors help a marketer understand who to target, and how. This data doesn't exist—but it can be created. The creation process is a big undertaking because the data must be accurate, deep and very high coverage to be truly transformative for marketing programs. This is where AI comes in.

How to Create the Data Marketers Really Need

The process of creating more complete and more accurate data starts with a very broad set of companies and people that project any sort of public image, such as via a company website. An enrichment process using AI and **natural language processing** (NLP) turns an ordinary directory of businesses and people into a deep, multidimensional profile and mathematical representation of each company. This ultimately yields a unique ability to target businesses that have similar characteristics on as many 40 different dimensions.



Like any effort to manufacture something that doesn't exist, creating good data requires raw materials (i.e., basic data and general information) and a factory consisting of machines running very sophisticated AI algorithms and NLP processes.

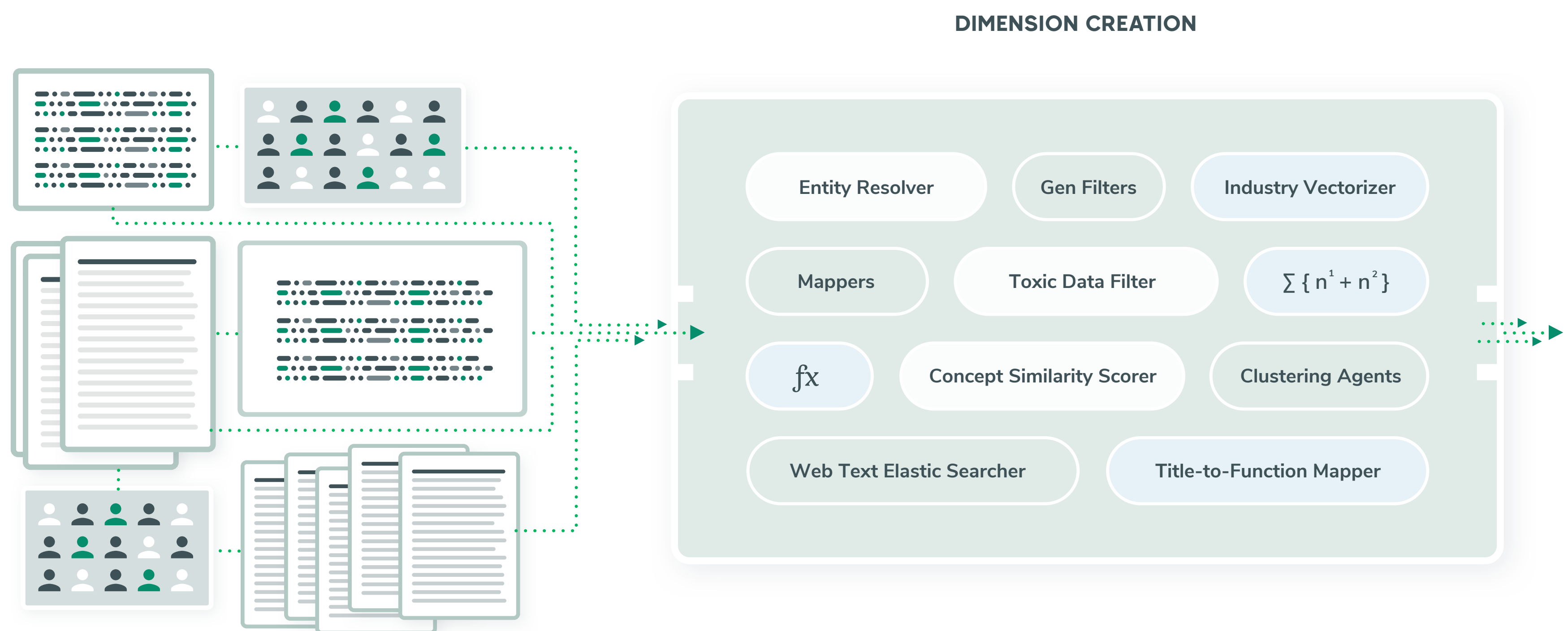
The Raw Materials: Source Data and Information

When we say the good data must be created, we don't mean through magic. It must be built from basic data that is further enhanced to bring out the characteristics, or dimensions, that are needed. The starting point is basic data that comes from three general pools of information that are available to anyone. Among the pools are:

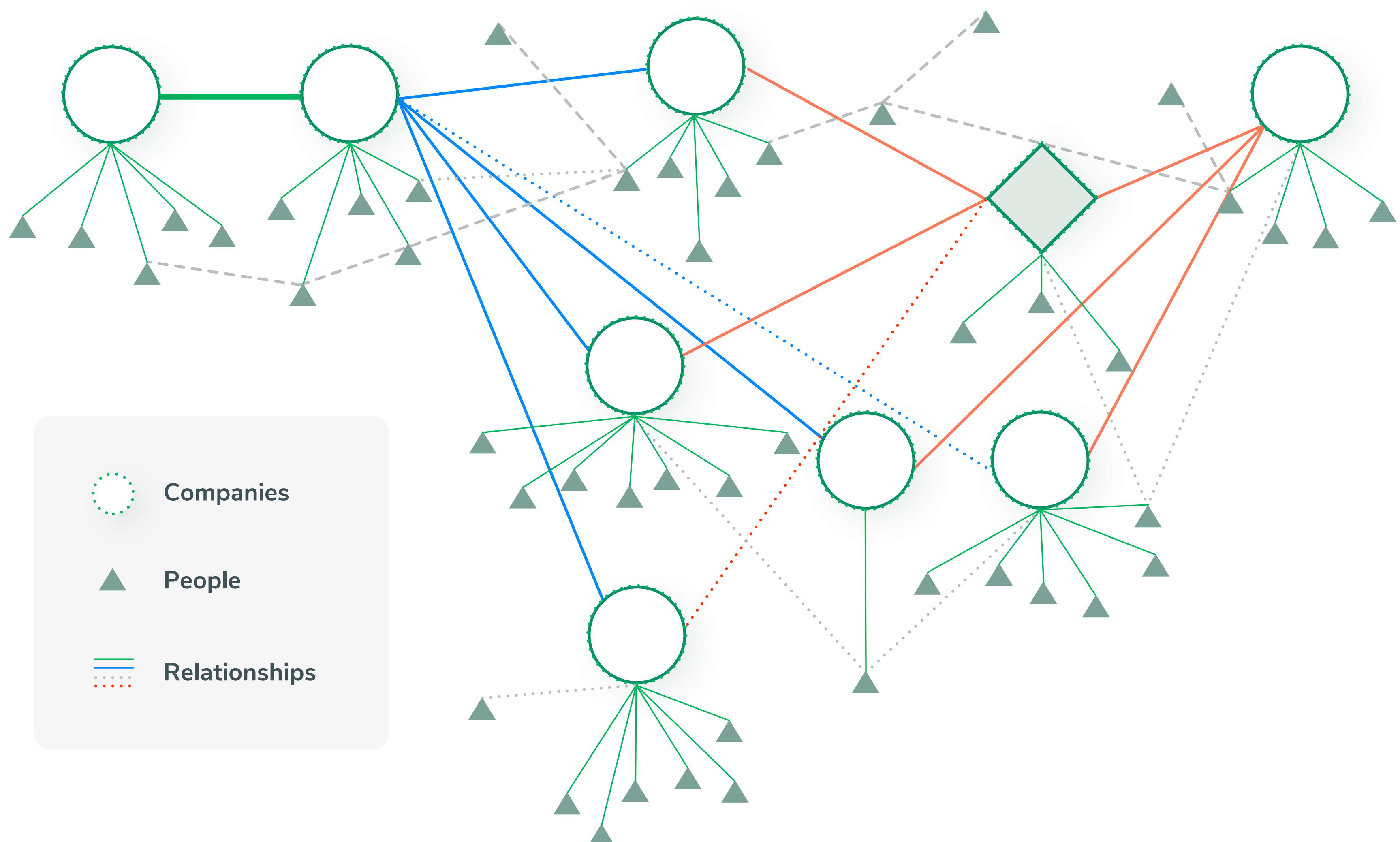
- Paid structured and unstructured data sources, such as firmographics and people data produced by companies like ZoomInfo, D&B Hoovers, LinkedIn and others. It's basic data that provides a baseline of information about companies and people.
- Public structured data sources such as those published by government agencies, for example, Statistics of U.S. Business (SUSB) from the U.S. Census Bureau. These sources contain lots of free but very general data about companies, including tax filings and public financial reports.
- Unstructured information from websites, which consists of important details that companies tell us about themselves—like what they really do as a business. This content is actually much more revealing than any structured databases. It is here where the nuanced information of buying signals is likely to be found.

The Factory: Turning Chaotic Information into Clean, Powerful Dimensions

It takes a “factory” to turn this chaotic data from all the various sources into clean, powerful data dimensions that deeply define what millions of businesses worldwide really do, and how they do it. The factory consists of a variety of sophisticated filters and processes that apply AI and natural language processing to make sense of the raw input, remove information that offers no value, map data into categories, and so on.



The resulting product that comes out of the factory is a structured database whose data is accurate, deep, and very broad, covering millions of companies of all sizes worldwide. It includes not just companies but their employees as well. Marketers need to look at people in a deeper way, to understand what functions they perform, regardless of business title. This view helps determine the right prospects to target with specific marketing campaigns.



From Haystack to Leads: Finding Lookalike Gems

Once a clean and powerful database exists, a “lookalike AI engine” can be used to find highly qualified leads—the golden needles in a massive haystack. This is done using a profile of a current or desired top customer and searching the source database for others that closely match its characteristics. Alternatively, the marketer can specify the precise characteristics, or dimensions, that are desired.

Lookalike seeds are typically better than having someone specify the properties that define good target for several reasons. First of all, marketers often don’t know what these targeting properties are, or worse, they think they know but are they wrong. And second, it’s often the case that a large number of properties play a role in the match, and the way the different properties interact is very complex. This requires an enormous amount of careful manual effort to do properly, whereas AI can work through the property associations very quickly.

The resulting list contains the companies and people that are prime prospects for the marketer. The entries are fully validated in terms of having the right contacts to receive outreach. B2B marketers that have used these techniques have experienced a 99.5% lead acceptance rate¹. Compare this to a 20% to 30% acceptance rate for traditional marketing approaches.

In Summary

Traditional sources of organizational data used by marketing professionals is shallow, narrowly focused, and often inaccurate. It’s no wonder, then, that marketing campaigns based on this data are ineffective in reaching the desired target audience. A brilliant campaign can fail to generate compelling sales leads if it is built on a poor data foundation.

1. Internal LeadCrunch analysis

Artificial intelligence can be used to uncover the broad, deep and accurate data that underpins highly successful lead generation campaigns. AI refines raw data that is readily available about millions of companies and employees worldwide. It is here where marketers can reach the prospects that are giving off subtle buying signals that are otherwise hidden and undetected. Campaigns built around this manufactured data have been proven to generate an acceptance rate approaching 100%.

Want to learn more? For more information, contact: Nick Arnaiz, (209) 712-8352, nick.arnaiz@leadcrunch.ai, or visit the LeadCrunch website at <https://leadcrunch.com/>.

About LeadCrunch

LeadCrunch uses artificial intelligence to drive new revenue growth for business-to-business enterprises. The technology identifies new opportunities, segments, markets, and audiences. It automatically collects, cleans, and creates (where needed) more than 30 billion data points on more than 10 million companies and 400 million business professionals worldwide. LeadCrunch's AI is 217% more accurate at targeting and classifying company data than traditional data sources. This data advantage enables LeadCrunch to help its clients better target, segment and prioritize their target accounts and, optionally, expand their addressable market by an average of 84% while delivering leads with a 99.5% accuracy and acceptance rate.

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