THE DANGERS OF ONLY FOCUSING ON BOTTOM OF FUNNEL LEADS

Focusing on bottom of funnel (BOFU) leads is an intuitive choice for many marketing and sales teams and it is not difficult to see why. After all, to be categorised as BOFU, these leads will have been assessed based on their interest in a solution, the number of touchpoints with sales teams, and the subsequent lead score that will have indicated that they are sales-ready —typically, these are the leads that are the most likely to convert.

However, according to a **2022 study published by LinkedIn's B2B Institute** in unison with the University of South Australia's Ehrenberg-Bass Institute for Marketing Science, the average percentage of a **business's total addressable market (TAM) that actually has intent to buy is an average of only 5%**. This essentially means that overprioritising BOFU marketing may result in 95% of your potential leads becoming neglected, resulting in missed opportunities. Indeed, many of these leads may already be in your sales funnel at the top of funnel (TOFU) and middle of funnel (MOFU) stages, simply requiring the right strategy to avoid the risk of drop off.

This statistic also brings into question the accuracy of current methods being utilised to determine the purchase intent of the 5%. While intent data and buyer behaviour are the foremost indicators used to drive outreach strategies with BOFU leads, care must be taken not to overemphasise these metrics in marketing strategies—even BOFU leads still require adequate nurturing and are not guaranteed to make a purchase.

The importance of a full-funnel strategy

Having the agility to pivot strategies when needed to appeal to your broader market and address the 95% who are "not in-market" has become a necessity. This means having an extensive but flexible plan for guiding a lead's journey with a **seamless experience** from the first engagement to their conversion and beyond. An agile approach will ensure that businesses are targeting all leads throughout the funnel while preventing the loss of revenue that inevitably occurs when sinking full budgets into rigid marketing plans.
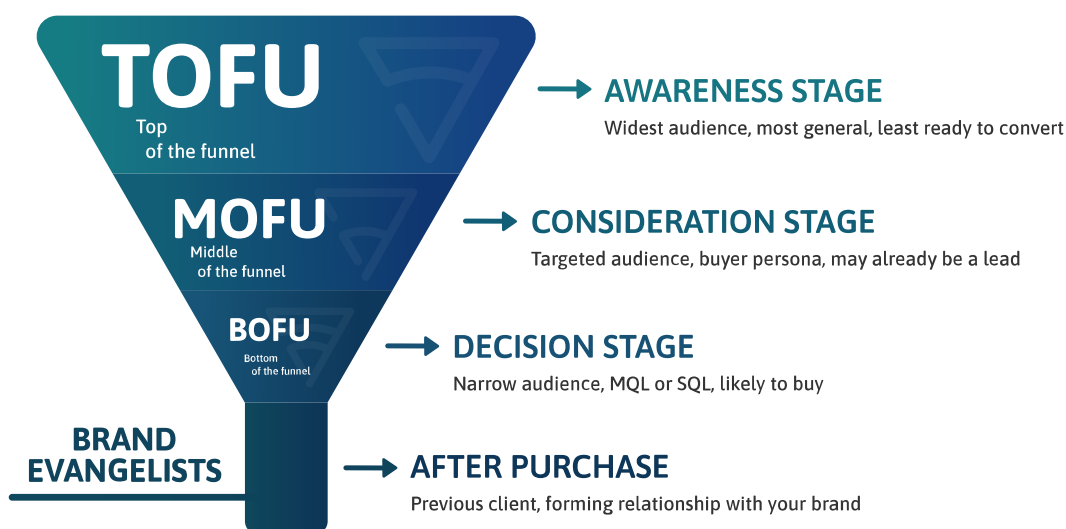
Research by Gartner shared that 83% of a lead's journey is not spent with the sales rep. Given the priority of bottom of the funnel marketing and BOFU leads, the part of the journey that involves the sales department (17%) will most likely be focused on these leads, emphasising the need for the marketing team to prioritise **lead nurturing** in higher levels of the funnel in order to feed into the buyer's journey and encourage their progress towards lead conversion.

This need for nurturing leads throughout the funnel is emphasised by 2017 **research by the Rain Group** that shows that it takes an **average of eight touches before leads book a sales meeting**. This demonstrates how further touches and nurturing are necessary before an actual sale is likely to take place.

Implementing effective lead nurturing to drive outcomes is more relevant than ever due to the **greater levels of pressure that marketers are facing** due to widespread changes in **the marketing landscape and buyer behaviour** led by the impact of the recession and easing of the pandemic. Understandably, this has resulted in reduced budgets and a greater emphasis on performance across the board—and therefore the importance of developing a full-funnel strategy.

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The sales funnel explained

TOFU
Top
of the funnel

→ **AWARENESS STAGE**
Widest audience, most general, least ready to convert

MOFU
Middle
of the funnel

→ **CONSIDERATION STAGE**
Targeted audience, buyer persona, may already be a lead

BOFU
Bottom
of the funnel

→ **DECISION STAGE**
Narrow audience, MQL or SQL, likely to buy

**BRAND
EVANGELISTS**

→ **AFTER PURCHASE**
Previous client, forming relationship with your brand

AWARENESS → **CONSIDERATION** → **DECISION**

Stage | Stage | Stage

The lead is recently aware that they have a problem or that they could be performing better in some way and is seeking to further educate themselves on the problem and possible solutions.

The lead is educated on their problem and is actively searching for the brands and solutions available to them.

The lead is aware of the multiple solutions available to them and is actively seeking the best solution that will fit their problem effectively.

SALES FUNNEL (TOFU, MOFU, BOFU)

The sales funnel is a marketing and sales model that describes a lead's journey from their first engagement with a brand until they purchase a solution or product. This is typically comprised of three stages known as the top of the funnel (TOFU), the middle of the funnel (MOFU), and the bottom of the funnel (BOFU)—they represent the awareness, interest, and opinion of a brand's prospective buyer, as well as their readiness to purchase a brand solution. Lead scoring best practices and lead qualification processes are used to determine what stage leads are in based on specific criteria and touchpoints.

WHAT IS TOFU (TOP OF FUNNEL)?

The TOFU stage, also known as the awareness stage of the funnel, is where potential leads understand the scale of their problems. As a result, the goal at this stage is to create awareness both for the brand and its solutions, as well as address leads' pain points.

WHAT IS MOFU (MIDDLE OF FUNNEL)?

The MOFU stage, also referred to as the consideration stage, is where potential leads are aware of the available solutions to their problem and how each will allow them to improve performance. At this point, a marketer's goal should be to educate further on the problem, as well as the unique benefits of solutions that are specific to the brand's solutions and lead's goals.

WHAT IS BOFU (BOTTOM OF FUNNEL)?

The BOFU stage, or the decision stage, is the point in the lead's journey when they are ready to make a decision. Therefore, it is imperative that marketers showcase the solution's competitive features that are most relevant to their needs. Sharing BOFU content that highlights performance is particularly effective at this stage. Some bottom of funnel content examples include case studies and client testimonials to showcase key information.

Create your own strategy for moving leads through the buyer's journey with these 6 steps →

WHAT IS TAM (TOTAL ADDRESSABLE MARKET)?

According to **Hubspot's definition**, "Total addressable market or TAM refers to the total market demand for a product or service. It's the most amount of revenue a business can possibly generate by selling their product or service in a specific market."

TAM is also the starting point used to determine subsections of target markets, ideal client profiles (ICP), and **buyer personas**.

Learn how to effectively build your own sales funnel for quality lead conversion with 5 unique templates $\longrightarrow$

How do you identify the 5% with buyer's intent?

Intent data is information on a lead's digital activity that can then be analysed to indicate what and when buyers are actively researching. Intent is normally collected using a range of software, including Client Relationship Management (CRM) and other analytics tools. As such, depending on the accuracy of the data and its source, it has the potential to be used to gauge a lead's level of interest in particular solutions and their propensity to make a purchase.

Leveraging this data is the primary method of determining the 5% of your TAM that has buying intent. According to **2020 research by Insights For Professionals** (IFP), 99% of large companies are leveraging intent data in some capacity—a strong indicator of its popularity and role in marketing activities today.

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WHAT ARE THE TYPES OF INTENT DATA?

First-party intent data

All information that you collect from your website and owned digital assets can be considered first-party intent data. This includes all the metrics from your analytics software, information from webinars and virtual events, whitepapers and content downloaded, and any other forms that have been filled in.

Second-party intent data

This often overlooked type of intent data is another business's first-party data monetised as a service, such as review sites and publishing or **content syndication** networks. If you have trusted partnerships with the same targeted audience, you could also facilitate an exchange of first-party data between yourself and the provider.

Third-party intent data

Third-party intent data is collected by businesses without any direct connection to your company and is usually sourced from third-party providers that collect data from a myriad of different sources. This includes the buying activity and research being conducted by your leads on various other channels and websites through specialised software, interviews, feedback forms, and surveys.

Intent data is fluid in nature and can be affected by a myriad of factors, including:

- Seasonality
- Demographics
- Global economics
- Client satisfaction
- Brand equity
- Competitor equity

This means that intent data is only as effective as it is up-to-date. Identifying trends takes time and once campaigns have been built, trends may have already passed. **This can greatly impact performance if strategies are unable to capitalise on the original intent when the data was captured**. The rapidly changing nature of intent is the primary reason why marketers need to remain agile and avoid allocating too much budget or resources into activities based on data that is subject to such rapid change.

Likewise, it is important to score intent signals as not all data can be considered an ultimate indication of sales readiness, particularly in isolation. Depending on the source, **intent data** should be measured and categorised differently and contribute to the lead score accordingly. For example, downloading a whitepaper should not be considered the same level of intent as downloading a case study, given the function of the content. Gated content should also be factored into scoring.

HOW IS INTENT CATEGORISED?

Intent data can be categorised in many ways to capture insights and identify where leads are in the sales funnel. Below are just a few of the categories that intent data can be refined into to gain further clarity:

- **Informational** - when leads gather information about a particular topic such as how to increase revenue, generate demand, or improve Google ads.

- **Investigational** - when leads are comparing products or services between various brands by reading reviews, looking for comparison summaries, and reaching out on social media.

- **Navigational** - when leads are interested in a particular brand (e.g., searching for "Facebook" usually means they want to navigate to the official Facebook website).

- **Transactional** - when leads demonstrate a high propensity to purchase a service or solution.

How to leverage intent data

In order for intent data to support strategies effectively, it is imperative to combine data with other sources to aid **lead qualification** rather than relying on intent data alone. For example, in the case that user activity indicates an intent to buy, this information does not provide insight into their buying capability or even if your services would be a good fit. As a result, combining other data sources with intent is essential for identifying promising leads.

Other data that businesses can use to qualify leads include:

Market segmentation data (Fit data)

Data from market segmentation, your ICP, and buyer personas will assist you in determining if leads are a good fit for your brand and solutions (which is why this can also be considered "fit data").

Opportunity data

Opportunity data can be used to identify favourable conditions in target companies that indicate a good opportunity for them to purchase your solution. This can include details such as:

- Increased revenue

- More budget

- Mergers

- Acquisitions

- Changes to the structure of the C-suite hierarchy or board members

Buying intent, according to each organisation's definition, is too often interpreted as sales-readiness. However, especially given the fluidity of intent data, this is often not the case. Intent data requires interpretation and in-depth analysis to validate propensity to buy within a TAM.
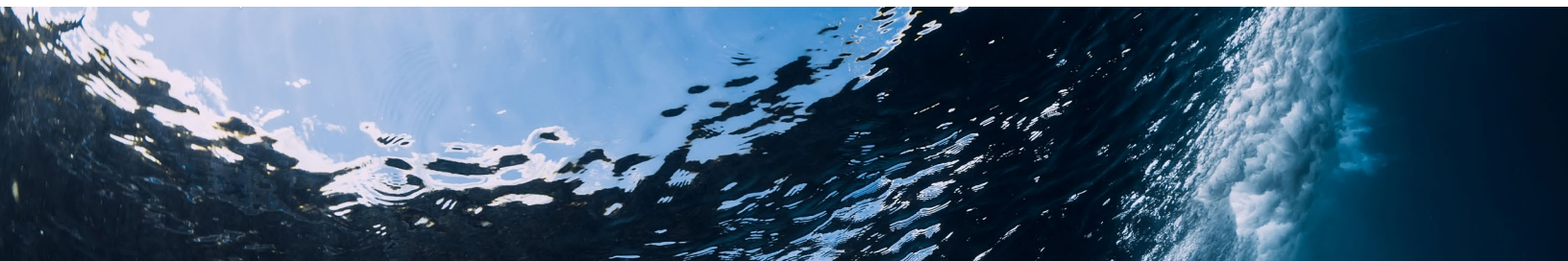
Strategies for calculating the 5%

Identifying the 5% of your TAM that has a genuine interest in your solutions can be challenging without the right processes. **Below are some strategies that can be used to more easily identify this market segment:**

Target leads in the dark funnel

Leads in the **dark funnel** are those that fall completely outside the sales funnel. These leads can be targeted by filtering your "direct traffic" on your analytics (people would not be able to directly enter your URL without hearing about you somewhere else first), adding user-friendly share buttons to your content to discourage sharing via direct links, using social listening to track brand mentions, and ensuring that all published content is trackable even on syndicated websites. Doing this will help prevent businesses from missing out on leads in the dark funnel or misattributing their sales readiness.

Align your first, second, and third-party data

Compiling data will provide a more accurate picture of overall trends, the leads that are currently in your funnel, and the stage they are in. Aligning all your data is especially important for ABM as it will allow you to more accurately judge the type of nurturing they will need to move toward the bottom of the funnel based on their current funnel stage.

Audit and refresh your data sources regularly

This will ensure that all data sources are accurate, reliable, and up to date. As most nurturing activities will be crafted using this data as a foundation, it is imperative to ensure that the data is correct and current.

Combine your intent data with fit and opportunity data

Using intent data in isolation may result in targeting leads who lack buying power or whose business structure, tech stack, or other influencing factors do not align with your solutions. As such, combining intent, fit, and opportunity data will refine targeting activities and improve performance.

Break through the hype to discover real uses of intent with 5 Intent Based Marketing Myths ⟶

The risks of targeting only the 5%

Wasted budget: Overprioritising the 5% of the TAM with intent, runs the risk of overinflated spending for BOFU marketing activities. Depending on the accuracy of the intent data, these leads, while still requiring nurturing and bottom of funnel content, will likely require less effort to move through to sales and, thus, will not require such a large portion of the marketing budget.

Neglect of TOFU and MOFU leads: Overprioritisation of bottom of the funnel marketing means that leads entering the funnel will not be nurtured and will likely fall out of the funnel altogether. Indeed, according to **research by Outreach**, marketing and sales teams often miss lead conversion expectations by more than 37% due to top of funnel inefficacy. Bottom funnel content cannot effectively nurture leads in the top and middle funnel.

Lack of agility and foresight: The risks of utilising bottom of the funnel marketing in isolation is particularly pertinent in cases where the target market, ICP, or buyer persona has changed or evolved (or show signs of changing), as this would be reflected within the lead scoring and analysis that mostly occurs within TOFU and may be missed as a result. According to our **2023 market surveys**, 40% of buyers consume 4-6 pieces of content when making a purchase decision.

Reduced proactiveness: Exclusive BOFU marketing may reduce a business's ability to be proactive, as they may not notice trends and changes quickly enough to adjust nurturing accordingly. A more reactive approach to marketing is often less effective and can lead to wasted budget and resources if the timing is incorrect.

Struggling to reach your targeted buying committee?
Follow these 6 steps $\longrightarrow$

Why demand generation is essential for expanding your market

Demand generation is an ideal strategy for targeting the entirety of the sales funnel as it prioritises brand awareness and authority as well as relationship building and lead nurturing. Thus, it's no surprise that 58% of marketers indicated that they are looking to increase full funnel demand in the year ahead, signaling demand generation as a priority for many this year (according to our **2023 market surveys**).

Developing demand generation strategies is ideal for driving the progress of TOFU and MOFU leads, especially when lead nurturing campaigns are effectively leveraged (see below).

Demand generation tactics include:

- Personalised content with inbound and outbound syndication

- Webinars and events

- Building communities through social media and influencer marketing

- Email cadences tailored to targeted individuals or accounts

Effective demand generation activities are led by data on targeted leads based on their position in the pipeline. This ensures that messaging, timing, and channels are well-aligned with their position in the buyer's journey, their specific pain points and needs, and the channels that they frequent.

While demand generation techniques are often long-term strategies, when successful they can increase brand awareness, bring in more quality leads, and have greater return on investment (ROI) due to high levels of personalisation, a data-centric approach, and emphasis on lead nurturing. As such, the more invested in demand generation a business is, the more likely it will be able to engage and expand the percentage of its target market with buying intent.

Contact a demand expert to plan your full funnel marketing strategy ⟶

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Lead nurturing best practices

Lead nurturing should be tailored depending on a variety of factors, including the stage of the funnel being targeted. However, below are some **best practices that can be applied to every funnel stage** to improve targeting, ROI, and lead generation.

#1 Understand your target audience

Conduct an audit of your data sources to ensure that all data you receive is relevant, correct, and up to date. Then bolster your existing data with further research to ensure a deep and thorough understanding of who your leads are, their pain points, and which channels they frequent the most.

When campaigns and strategies are not performing optimally, it may be necessary to fully reassess your **ICP and buyer personas** to ensure accuracy. This is especially important when utilising **Account Based Marketing (ABM)**, as the accuracy of your account targeting will often be a key factor in determining success. This will be invaluable when creating TOFU, MOFU, or BOFU content.

#2 Create omnichannel campaigns with personalised messaging

Based on your research and data, craft personalised messaging with content specific to pain points of the lead and distribute it on priority channels. According to **research by Marketo**, nurturing leads helps companies generate 50% more sales-ready leads at 33% lower costs. Adapt material across your **marketing channels** to ensure that all content complements each other and builds brand awareness and authority through the quality of the thought leadership of your brand.

Creating a **content marketing** roadmap and **lead nurturing** plan can assist in ensuring that all pertinent topics are covered at the right time. This content can then be fed into personalised lead nurturing, driving outcomes. According to **Salesforce's 2020 Trends In Personalisation**, 97% of marketers witnessed a rise in business outcomes as a result of personalisation.

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#3 Identify the correct cadences to make contact with leads

Ensure that any contact that you make with leads serves a clear purpose. If leads feel bombarded by outreach, especially if across multiple channels, this may lead to churn. Patience is key. Be sure to develop campaigns that take into consideration the correct cadence to ensure that leads are kept aware of solutions but do not feel pressured to make a purchase.

#4 Implement SEO

Optimising your content for search engines is an essential component of targeting leads with TOFU marketing. Indeed, according to a **2019 report by Brightedge Research**, 68% of online experiences begin with a search engine and 53.3% of all website traffic comes from organic search. Implement SEO by identifying keywords that align with the search intent of leads and leverage them in content marketing. This will drive more traffic to your website and support demand generation, as well as your brand's authority as a trustworthy source.

Discover how demand generation can drive brand awareness at scale and learn to build a 6-month campaign ⟶

How to target TOFU and MOFU with effective lead nurturing

For lead nurturing to yield the best outcomes, it is crucial to align strategies with the stages of the sales funnel, as well as implement personalisation. **Here are some effective tactics for TOFU and MOFU marketing:**

4 Steps for effective TOFU targeting

1. Create educational materials

Educational content is essential at the awareness stage of the buyer's journey, as leads need to discover their problem, or are in the process of researching to better understand their situation. Content should highlight potential problems they could be unaware of, provide further insight into what these problems could mean, and give actionable advice. These TOFU marketing materials can include how-to guides, articles, checklists, and video tutorials. This content is best suited for email, content hubs, and syndication.

Cadences:

- Smaller articles: 1-2 times per week

- Longer pieces like guides and eBooks: 3-4 times per week

2. Post snackable & informative social media posts

This should provide insights into potential pain points and their solutions in an easily shareable and digestible format. If your posts are interesting, informative, and helpful enough, your leads may follow your page, keeping your brand top of mind. Video posts are especially effective in this medium, and more likely to gain attention and engagement.

Cadences:

- Instagram: 3-7 times per week

- Facebook: 1-2 times a day

- Twitter: 1-5 tweets a day

- LinkedIn: 1-5 times a day

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3. Provide useful tools

A great way to build awareness for the brand is by developing useful free tools that solve or optimise processes. Tools not only establish social proof of the outcomes a brand can deliver, but it also builds trust, and familiarity, and encourages repeat visits to channel hubs such as websites. This can include online tools, templates, eBooks, and cheatsheets.

Cadence: 3-4 useful tools per year (one well-developed tool every 3 months)

4. Thought-leadership content

Content that provides a different point of view, insights on trends, and the potential changes in the industry for leads to be aware of demonstrates a brand's thorough understanding of their niche and promotes trust, as it showcases the business's expertise and knowledge. Thought leadership is also particularly effective as sales enablement materials to spark conversations with leads. This type of content is especially likely to reach leads through **content syndication**, as relevant topics can appear in their subscribed feeds.

Cadence: 1-2 times a week

4 Steps for effective MOFU targeting

At this point in the funnel, leads are aware that they have a problem or that they would like to improve an area of their lives but are considering which solution will be the best choice. All activities within MOFU targeting are designed to nurture interest and guide them through the funnel to BOFU.

1. Create targeted touchpoints through email and events

At this point in their journey, leads will be swayed by relevant data that demonstrates the value of your solution. Sending **emails** or hosting events with information that will provide insight into how solutions can solve leads' specific problems or improve performance, will keep your brand top of mind and facilitate lead research. This is what sets MOFU content apart from TOFU or BOFU content.

Email cadence: Up to 1 email per week

Event cadence:

- Every 2 months for events over 30 min

- Every 1-2 weeks for events under 30 min

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2. Host product demonstrations

Highlighting the features of your brand and giving a direct demonstration of not only how a business's solution works, but how effective it is, is an easy and attractive strategy to move leads through the funnel. This can be done in an event format with lead participation for more direct engagement or an on-demand format that allows for snackable information that can also easily be shared.

Cadence: Every 2 weeks to once per month

3. Showcase case studies & testimonials

Success stories from existing clients can showcase the versatility of your solution for different use cases and pain points. Both testimonials and case studies build trust and demonstrate the effectiveness of your solution from a more objective point of view that acts as social proof that is often more powerful than brand advertising. In fact, according to the **2022 B2B Content Marketing Benchmarks, Budgets, and Trends Report** by the Marketing Institute, 73% of the most successful content marketers use case studies. Additionally, nearly 50% of Software As A Service (SaaS) companies reported that case studies actively drive sales.

Cadences:

- Consistently showcase testimonials

- Produce 1-2 case studies per month

4. Communicate on forums, social media, and communities

By discussing relevant topics and answering pertinent questions on your industry or solution, your brand will become an established thought leader. Regular communication within these communities will also help keep your brand top of mind and will likely encourage prospective clients to seek you out when they have questions.

Cadence: Preferably multiple times a week but twice a week at minimum

Boost your sales with 10 TOFU lead nurturing best practices ⟶

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How to use retargeting to reach the cold prospects within TOFU and MOFU

WHAT IS RETARGETING?

Retargeting (or remarketing) is a marketing technique where a business reaches out to visitors of their website, app, or other content through display advertising or direct communication like emails and direct messages.

Retargeting can be an invaluable tool to reengage leads that have gone cold or seemingly dropped out of the sales funnel. According to **research by GoSquared**, only 2% of web traffic converts on the first visit, which means that 98% of your total visiting audience will be neglected without the use of retargeting. In addition, those that utilise retargeting efficiently can improve their lead conversion rate by as much as **161%** (as the company Tirendo did with their retargeting campaign).

Retargeting Best Practices

Use your data to personalise content

Be sure to leverage content and messaging that is specific to reignite the lead's interest at the stage that they last interacted with the brand. The more personalised the messaging, the more successful the retargeting activity will be.

Don't overuse the same retargeting ads or messaging

Even if the messaging or ads of your retargeting is working with the targeted audience, ensure that messaging is regularly updated to engage and entice leads to return. A great way to implement this is to make use of A/B testing when crafting new messages and use the best choice as the next contender to measure against.

Set the right cadences to avoid brand blindness and aggravation

Cadences should be personalised to suit lead data and behaviour, but an average cadence would usually be between 10-15 touches per month. If a lead has fallen out of the funnel for some time, it would be better to decrease the touches so as to not suddenly bombard them.

Keep your retargeting activities simple

Keep in mind that the leads you are targeting are already familiar with your brand (and in some cases your solutions). Therefore retargeting should be simple, with messaging pertinent to the data and stage of the funnel that the lead is in. This is particularly relevant with display ads, as over explanation can lead to the ad looking messy and crowded. Simple Calls To Action (CTAs) are best.

Set up retargeting with the help of a demand expert $\longrightarrow$

Case Studies: TOFU and MOFU nurturing outcomes

Within INFUSE's experience, there have been many instances where full-funnel marketing has proven its value. Below are two such case studies that showcase why TOFU and MOFU are important points to target to drive demand outcomes.

	ZEISS	**west**MONROE
THE COMPANY	ZEISS IQS, a segment of ZEISS Group (a global leader in optics and optoelectronics), specialised in quality assurance products through the use of metrology.	West Monroe is a digital services firm that was born in technology but built for business—partnering with companies in transformative industries to deliver quantifiable financial value.
THE REQUIREMENT	**Generate more marketing qualified leads** for its metrology solutions. Their two biggest obstacles included finding a new source of quality individuals in key industries and the need for a proactive demand generation provider.	With strategically targeted accounts in seven core industry verticals, West Monroe required a myriad of **content to generate and nurture leads at scale from its account list**, as well as **accelerate their buyer journey** until they were ready to make a purchase.
THE APPROACH	**A lead generation program** with **six clearly-defined email touchpoints** for **nurturing leads** which incorporated **buyer intent data** to assess sales readiness, as well as tracking of two lead touches based on interaction with assets distributed via **content syndication**.	Five campaigns paired **omnichannel content syndication** with **lead nurturing campaigns**, both fueled with **custom-tailored content** by the INFUSEmedia creative team with multitouch lead attribution and a content map supplied by West Monroe.
THE RESULTS	**Discover the success of this campaign →**	**Discover the success of this campaign →**

Both campaigns utilised a full-funnel approach, as well as intent data and personalisation, exceeding the expectations of clients with exceptional results.

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Key takeaways

- TOFU and MOFU are important parts of the funnel to target in order to expand your target market.

- Exclusively targeting BOFU can lead to the neglect of 95% of potential prospects, leads not progressing through the funnel, and the loss of potential clients through lack of nurturing.

- Utilising demand generation and effective lead nurturing campaigns are the most effective ways to target all leads throughout the funnel.

- The use of intent data and personalisation will assist in guiding leads through the funnel more swiftly and efficiently.

- For cold prospects and leads that have left the funnel, retargeting can be a useful method of bringing them back for a second chance.

- All retargeting activities must be well-planned and personalised in order to be effective.

Our INFUSE demand experts are available to help you implement a targeting strategy that effectively engages with and nurtures your desired leads to empower your teams to meet quota and drive demand outcomes.

CONTACT OUR TEAM AT letstalk@infusemedia.com TO LEVERAGE CUSTOM-TAILORED AND CONVERSION-OPTIMISED CONTENT CRAFTED BY OUR TEAM OF INDUSTRY EXPERTS ⟶

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