

FIVE KEY CONSIDERATIONS IN DEMAND CENTER DEVELOPMENT

Demand Centers are the essential “must have” for large enterprise marketing organisations, bridging the space between siloed marketing and sales organisations. However, there are several crucial aspects to think about before embarking on your journey. Here are five key areas to consider.

1. Start with a structured approach.

Failure to take a structured Demand Center approach will cripple your marketing efforts before the get-go.

To avoid the traps, consider the following:

Conduct a needs assessment.

Conducting a needs assessment involves...



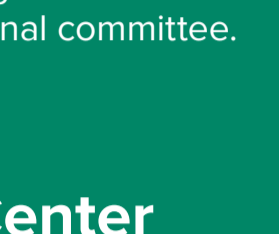
Understanding the underpinning marketing and sales strategy.



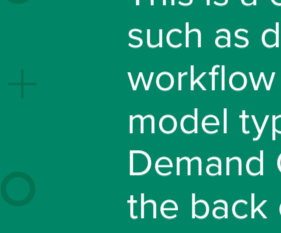
Auditing your current processes, technology platform, people and skills, and reach.



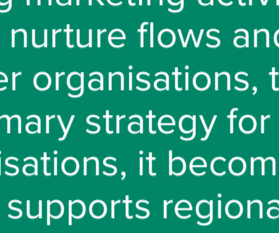
Getting buy-in from the C-suite – especially the CMO and Head of Sales.



Selecting the optimal Demand Center model for your business.



Looking at the roles required and the scope of responsibilities related to each role.



Establishing a means of measuring success.

Which Demand Center model is right for you?

SirusDecisions identifies four main models of Demand Center. The size, reach, structure and maturity of your marketing model will impact on which Demand Center is best for your business...

Virtual Demand Center

This model of Demand Center involves a strong marketing operations function that, acting as a central hub, virtually connects specific functions of a marketing team responsible for demand. These individual aspects of a marketing team are then organised into one cross-functional committee.

Central Demand Center

This is a centralised team owning marketing activities such as data services, long-term nurture flows and workflow management. In smaller organisations, this model typically becomes the primary strategy for a Demand Center; in global organisations, it becomes the back office organisation that supports regional Demand Centers.

Regional Demand Center

Based in specific geographical locations, regional Demand Centers are centres of excellence for that area and provide demand-creation-related shared services.

Specialised Demand Center

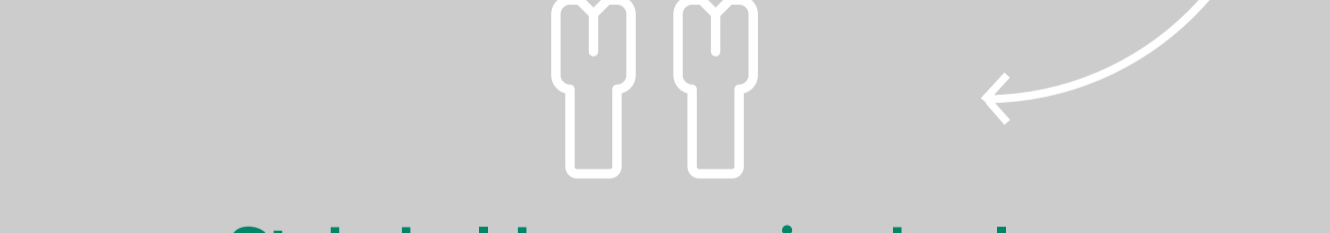
This is a much narrower Demand Center model. The specialised version only focuses on specific industries and/or a limited number of companies. Services provided include account-based marketing, pipeline acceleration and sales enablement.

2. Ensure your engagement model is solid.

For your Demand Center to be successful it needs to be based around an engagement model.

SirusDecisions defines the engagement model as four key areas focused around a service level agreement which serves to enable and encourage communication between functions.

THE FOUR AREAS OF THE ENGAGEMENT MODEL ARE:



Planning

Creating a clear framework for campaigns.

Guidance

Making a clear and structured set of best practices.



Managing requests

Being clear about the services offered, the cost of these services and the approval process to engage with internal stakeholders as well as external suppliers.



Account management

Ensuring there's a “go-to” person for those in key areas of the Demand Center.

3. Be prepared to invest in your people and processes.

Running a Demand Center requires acceptance that there's a need to invest in both people and technology. This investment is essential in order to obtain and hone the specialist technology, project management and analytical skills required for your Demand Center to be a success.

4. Establish strategically aligned scorecards.

Whichever Demand Center model you settle on (and you might go through a few versions), each one needs a set of KPIs that are aligned to core marketing and sales deliverables. SiriusDecisions recommends that KPIs should be measured across three categories:

Business contribution

Measuring the impact of the Demand Center on the overall business performance.

Operational efficiency

Measuring the efficiency of the Demand Center's operations.

Stakeholder perceived value

Measuring the perceived value of the Demand Center by stakeholders.

5. Align your organisation's culture.

Setting up a Demand Center requires a high level of trust and buy-in across departments and the organisation. This requires cultural alignment driven through communication between local and regional teams or, in the case of global organisations, regional and global teams.

TAKEAWAYS

1 Start your Demand Center with a structured approach.

2 Ensure that your engagement model is solid.

3 Invest in your people and processes.

4 Make sure KPIs are aligned with demand and revenue goals.

5 Ensure your culture is aligned to the Demand Center model.