

2015

DEMAND GEN REPORT BENCHMARK STUDY:

What's Working In Demand Generation

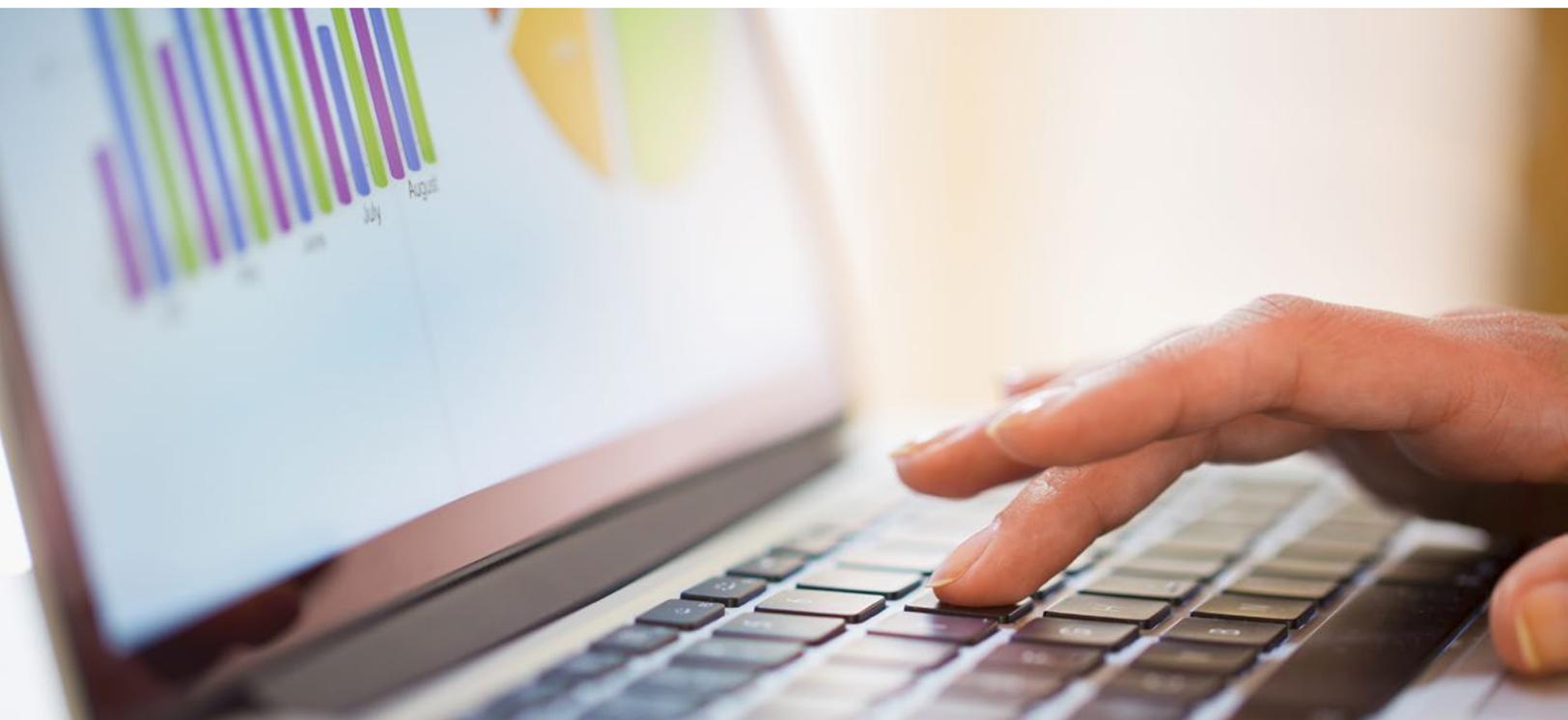
Persona development, multichannel lead nurturing and predictive lead scoring are some of the key tools marketers plan to use as they rev up their demand gen efforts in the coming year.

DEMAND GEN
REPORT

Marketeto®

TABLE OF CONTENTS

- 03** Executive Summary
- 05** Lead Quality Remains A Top Priority
- 07** B2B Marketers Eyeing Personas, Multichannel Lead Nurturing To Drive Demand
- 10** CrownPeak Leverages Marketo To Triple Number Of Campaigns
- 11** Gaining Time To Focus On Strategy
- 12** Email Still Top Channel For Engaging B2B Buyers
- 14** Measuring Success
- 16** About The Survey Sample
- 16** About Demand Gen Report
- 16** About Marketo



EXECUTIVE SUMMARY

More than one third (38%) of B2B marketers expect their demand generation budgets to grow by 20% or more in 2015, and they will invest in a number of tactics to drive results, including persona development, webinars and in-person events. In addition, 36% report that their budgets will increase 1% to 10% in the coming year.

Respondents to the *2015 Demand Gen Report Benchmark Study* report that those numbers will closely mirror their overall budgets, with 21% anticipating growth of 20% or more in their total marketing budget.

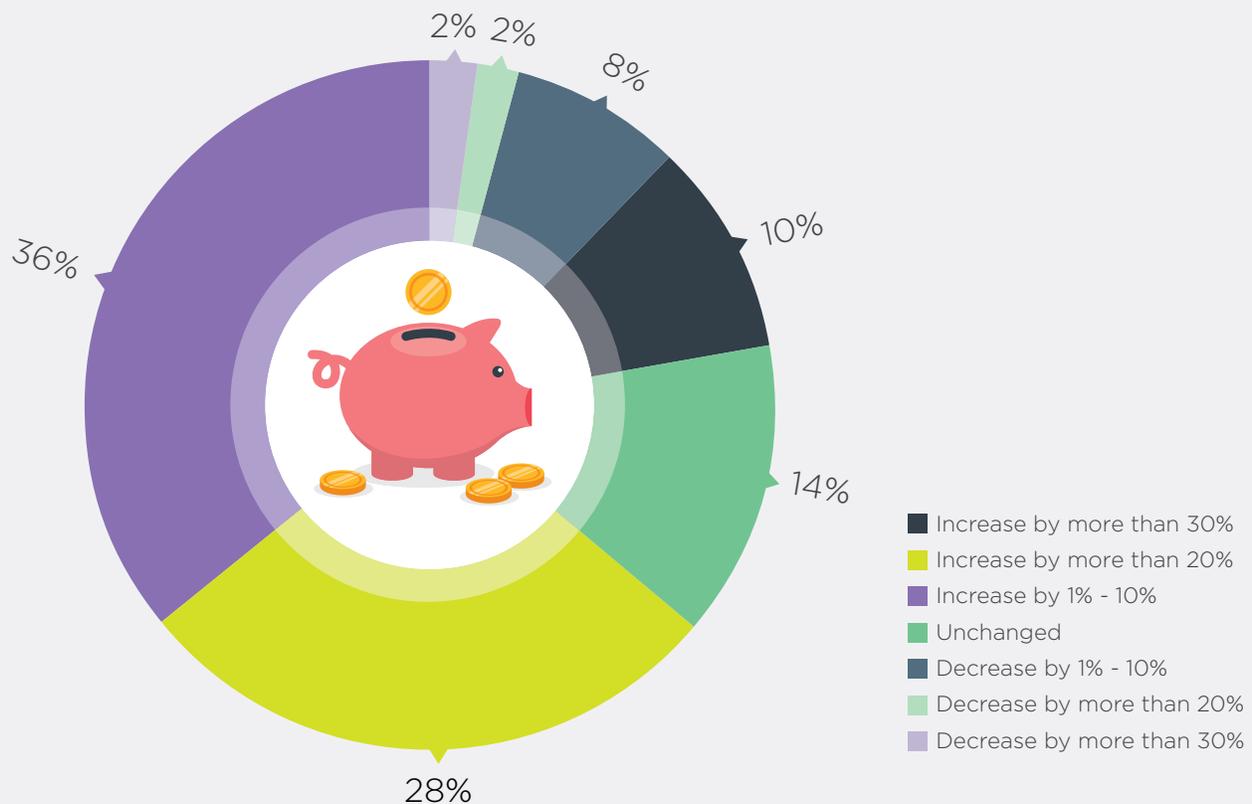
The demand gen and overall marketing budgets are not keeping up with revenue growth, however, as two thirds of respondents (63%)

expect the overall revenue of their organizations to grow by 20% or more.

Content that can assist with their demand generation efforts will get top priority, according to the respondents, as B2B marketers face increasing pressure to keep the sales pipeline filled with high quality leads. Marketing is now charged with more than top-of-funnel lead generation, as they are expected to attract prospects and support the nurturing of those leads as they move toward closed deals and even once they become customers.

Given the increasing focus on data-driven marketing, it is not surprising that nearly three quarters of respondents are focusing on lead quality over lead quantity.

How will your demand generation budget change in 2015?



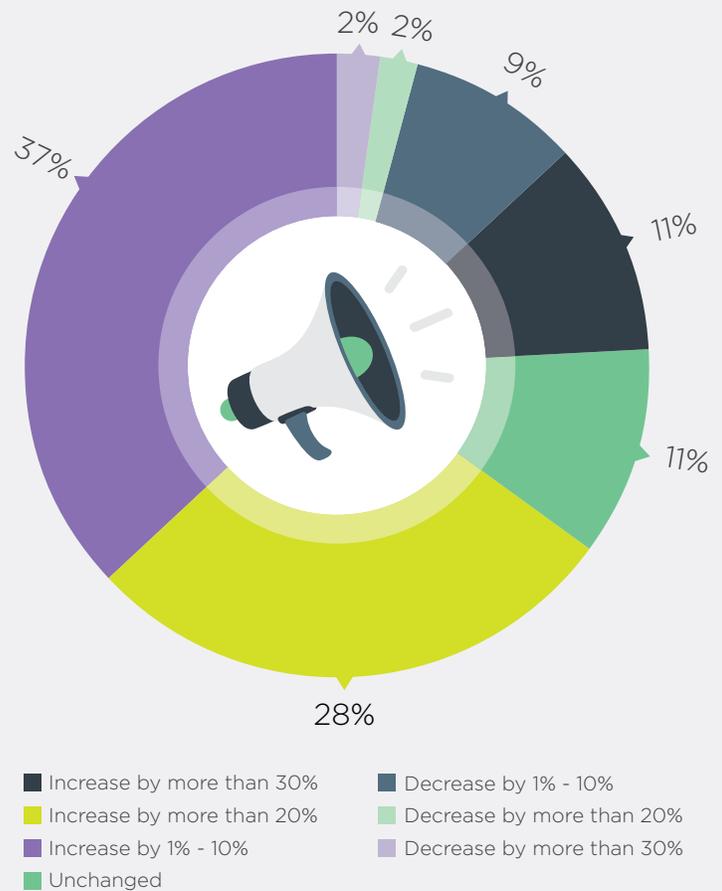
When asked about the tools and tactics they will use to achieve their goals, B2B buyers cited multichannel lead nurturing and predictive lead scoring at the top of the list.

Established demand generation practices, such as email and webinars, remained atop the list of channels to engage with, while social media is still looking to gain a foothold with many B2B marketers as they struggle with metrics to track social engagement.

This research report will delve deeper into the survey responses, including:

- Lead generation priorities;
- Top technologies and tactics;
- Most successful channels for engaging B2B buyers; and
- Strategies for measuring and improving demand gen performance.

How will your overall marketing budget change in 2015?



More than **one third** of B2B marketers expect their demand generation budgets to grow by **20%** or more in 2015, which closely mirrors the trend in overall marketing budgets.



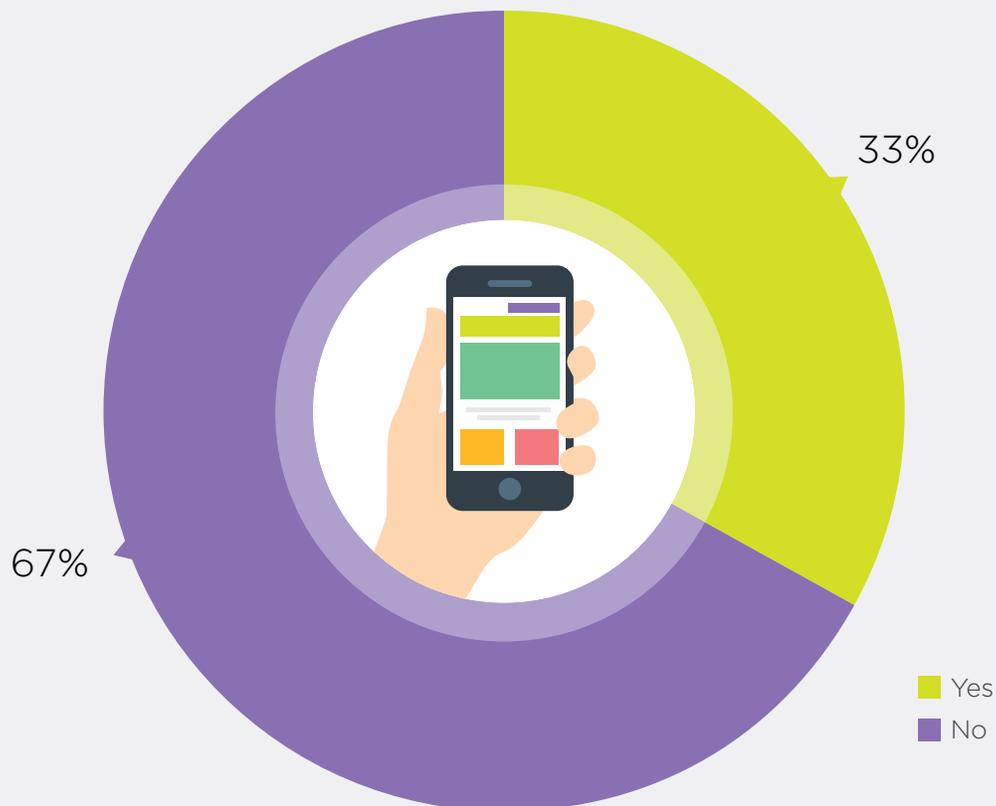
LEAD QUALITY REMAINS A TOP PRIORITY

As metrics get more sophisticated and marketers are being charged with attributing their spending at the top of the funnel to closed deals, B2B marketers are focusing on generating leads that are more likely to convert. Nearly three quarters (74%) rank “focusing on lead quality over lead quantity” as being the most important demand generation goal during 2015.

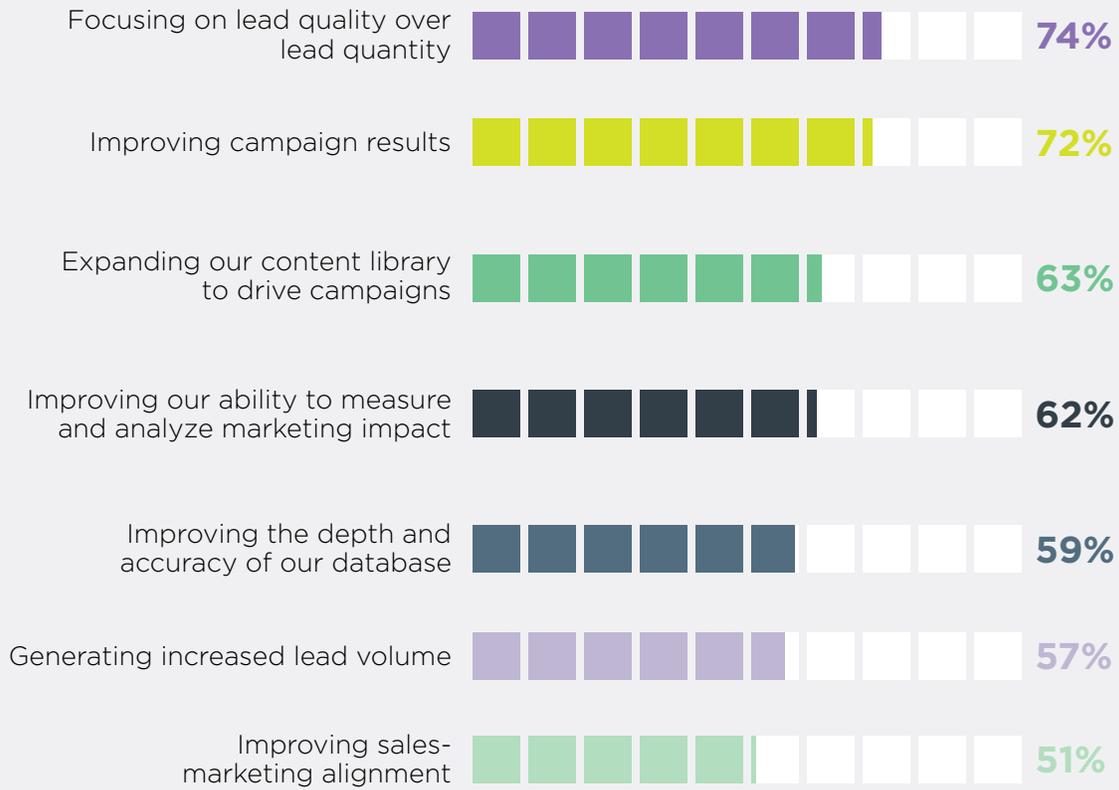
As content remains the primary vehicle for generating demand, it is no surprise that nearly two thirds (63%) cited “expanding our content library to drive campaigns” as a top initiative for 2015.

While more B2B buyers are turning to their tablets and smartphones to engage with and research vendors, marketers have not made mobile optimization a priority. More than two thirds (67%) noted that their content — including emails and E-books — is not optimized for mobile devices.

Is your demand gen content (emails, E-books, etc.) for all stages of the buying process optimized for mobile?



Rank your organization's demand generation priorities for 2015.
 (Respondents chose 4 or 5 out of 5, with 5 being MOST important)



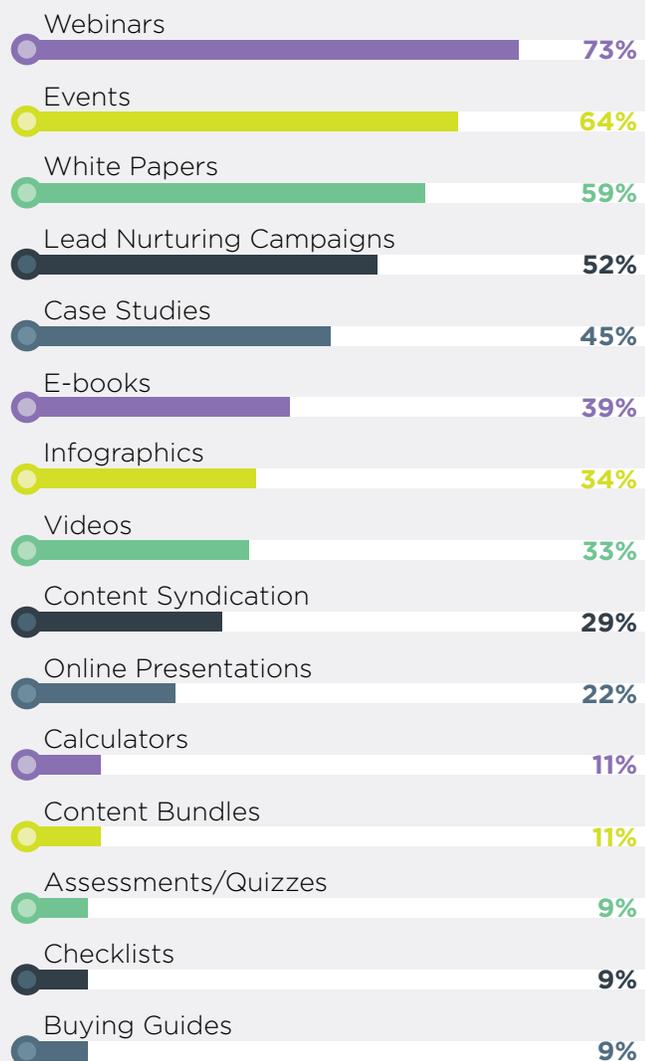
Nearly **three quarters** of respondents will focus on lead quality over lead quantity in **2015**.



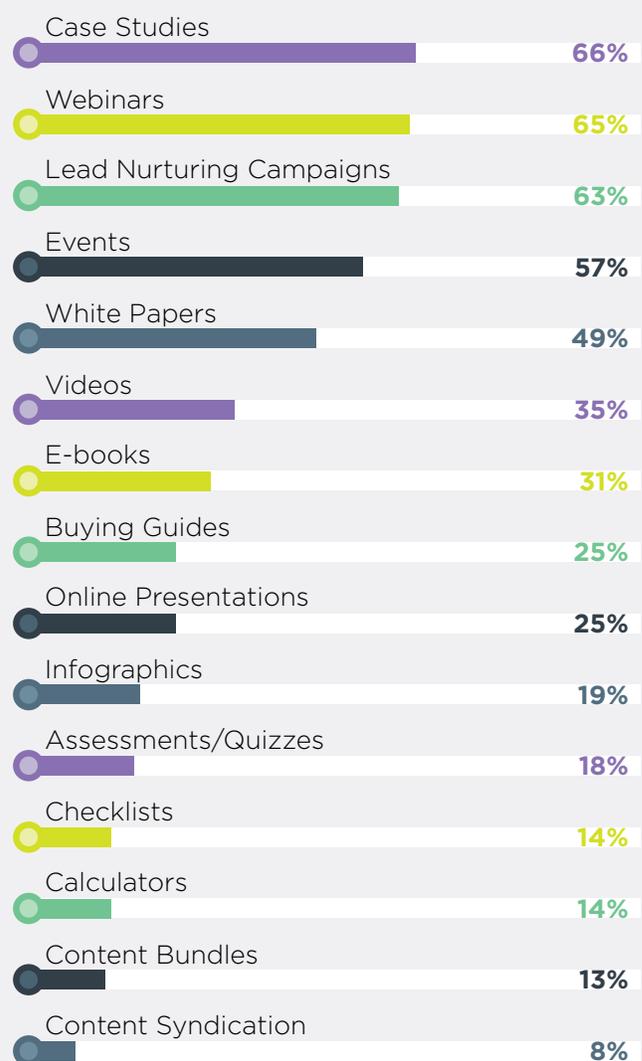
B2B MARKETERS EYEING PERSONAS, MULTICHANNEL LEAD NURTURING TO DRIVE DEMAND

When looking at new tools and tactics to generate demand, multichannel lead nurturing is on the agenda, as nearly two thirds (64%) of respondents will test or deploy the technology in 2015. Predictive lead scoring — a much-talked-about technology in 2014 — will be tested or deployed by 45% of respondents in the coming year.

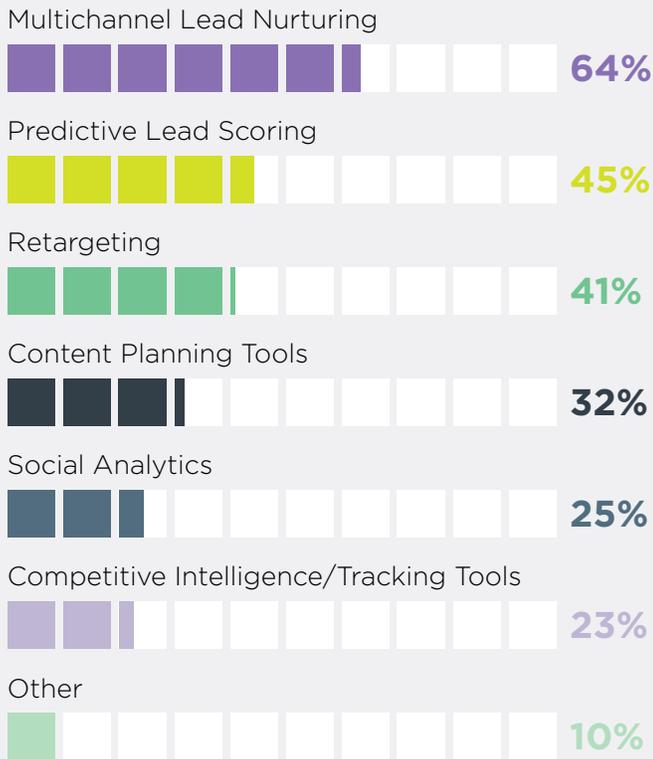
Which engagement tactics were most successful for you in 2014 in terms of generating qualified leads for top of the funnel? (Pick top five)



In 2014, which tactics were most successful in helping to convert and accelerate leads at mid and late stages of the funnel? (Pick top five)



Which new tools are you planning to test and/or deploy in 2015?
(Choose all that apply)



When asked about personas as a tool in their demand generation strategy, just a little more than one quarter (27%) reported that their personas are well documented and aligned to their messaging.

Nearly one third (31%) of respondents reported that they do not have personas in place, but plan to build them in the coming year.

Of the B2B marketers that have implemented personas, 30% noted that there will need to be some fine-tuning of their efforts. They reported that their personas are not well aligned to their content and messaging strategy.

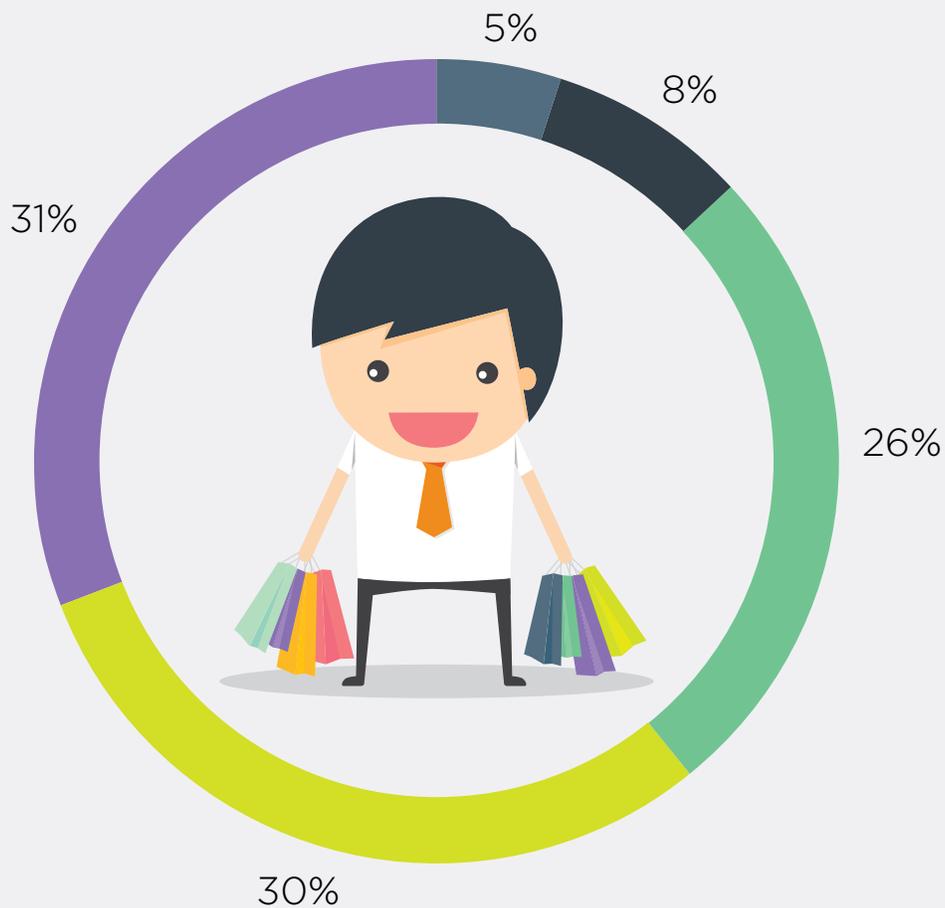
One third of respondents plan to build personas in the coming year to help boost the effectiveness of their demand gen efforts.



When it comes to the tactics that were most successful in 2014, events and webinars continue to take the top spots. When asked to choose the most successful engagement tactics in 2014, webinars (73%); events (64%); and white papers

(59%) were in the top three when it came to top-of-the-funnel lead generation. While these are typically top-of-funnel tactics, respondents indicated that they were also the three most successful tactics for mid- and late-stage funnel.

How would you describe your current progress with buyer personas?



- We have well-documented personas in place and have aligned them to our messaging strategy.
- We have personas in place, but it has been 2-3 years since we've updated or refreshed them.
- We have personas in place, but they are not well aligned with our content and messaging strategy.

- We don't have personas currently, but plan to build them in the next 12 months.
- We don't have personas and have no plans to build them.



CROWNPEAK LEVERAGES MARKETO TO TRIPLE NUMBER OF CAMPAIGNS

CrownPeak is a web experience management platform that allows digital marketers to launch websites quickly, while giving them full control over their content-driven digital experiences across multiple touch points.

Before Marketo, CrownPeak used a marketing automation solution, but it wasn't scalable to accommodate the company's growth. The execution of campaigns and programs was hampered by technical issues. "Something wouldn't post or leads had to be manually routed to the CRM," explained Christopher Im, Marketing Coordinator at CrownPeak.

CrownPeak was looking to become more sophisticated in its demand generation initiatives and campaigns, but the previous solution lacked the

capabilities necessary to accomplish those goals. CrownPeak recognized the need for a solution that was robust enough to meet their requirements and scalable to the growing business, as well as one that shared their vision of centering on the customer and enabling the marketer.

They chose Marketo for the seamless Salesforce CRM integration, its robust reporting capabilities, ease of use and Marketo's integration with a host of tools and technologies to help create better, more sophisticated capabilities for marketers.

Leveraging one of Marketo's Launch Point Partners, LeadMD, CrownPeak was able to launch Marketo 60 days after signing the agreement. The easy integration between Marketo and the Salesforce CRM has already helped create

alignment between sales and marketing. Sales now has access to the content that's been sent by marketing, so they can have relevant, timely conversations with leads and customers.

With Marketo, CrownPeak is also working to create sophisticated scoring and nurturing tactics in order to hand off better, more relevant leads to sales. Marketo enables CrownPeak to run complex reports, utilizing functions such as progression statuses so the company has access to reporting that wasn't available in their previous solution. Utilizing Marketo's training videos, CrownPeak was launching email campaigns in Marketo immediately. The Marketo community provides CrownPeak with ideas on how to engage with customers, as well as thought leadership focused on centralizing business processes around the customer.

GAINING TIME TO FOCUS ON STRATEGY

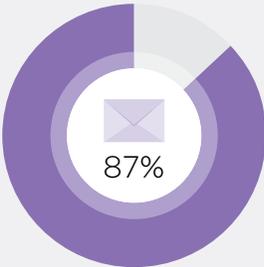
In one month since implementing Marketo, CrownPeak has been able to triple the number of campaigns that they are running simultaneously. Where a webinar took an entire day to set up in the previous solution, Marketo's cloning capabilities and ease of use means it can now be done in under two hours. With the extra time, Im can focus on strategy and providing more meaningful reporting to drive business decisions.

"Whether it's web hooks, engagement programs or something through a flow or a smart list, I can do it with Marketo. The solution's flexibility means we can run more sophisticated campaigns smoothly and easily, and the efficiency means I can focus on creating quality content and strategizing about the different programs to run, and the nurturing streams we should create. The sky's the limit; it's all possible with Marketo," emphasized Im.

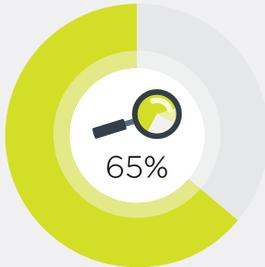
EMAIL STILL TOP CHANNEL FOR ENGAGING B2B BUYERS

When asked which channels B2B marketers are using to drive leads through the funnel, email (87%) is still the top method for engaging with B2B buyers. Nearly two thirds (65%) reported using SEO, while social was cited by almost half (47%) of respondents.

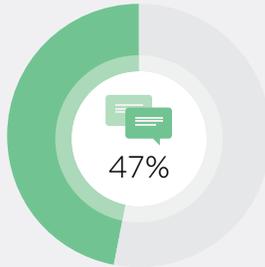
Which channels are you currently using to drive leads for your pipeline?
(Pick top three)



Email



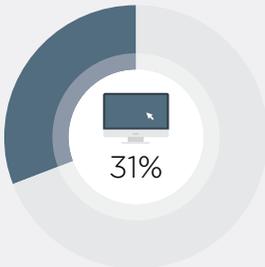
SEO



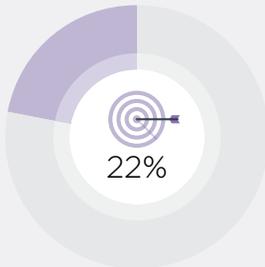
Social



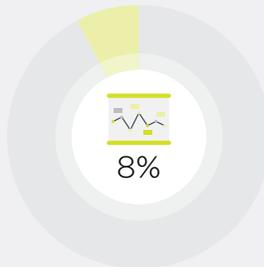
Telemarketing



Online Ads

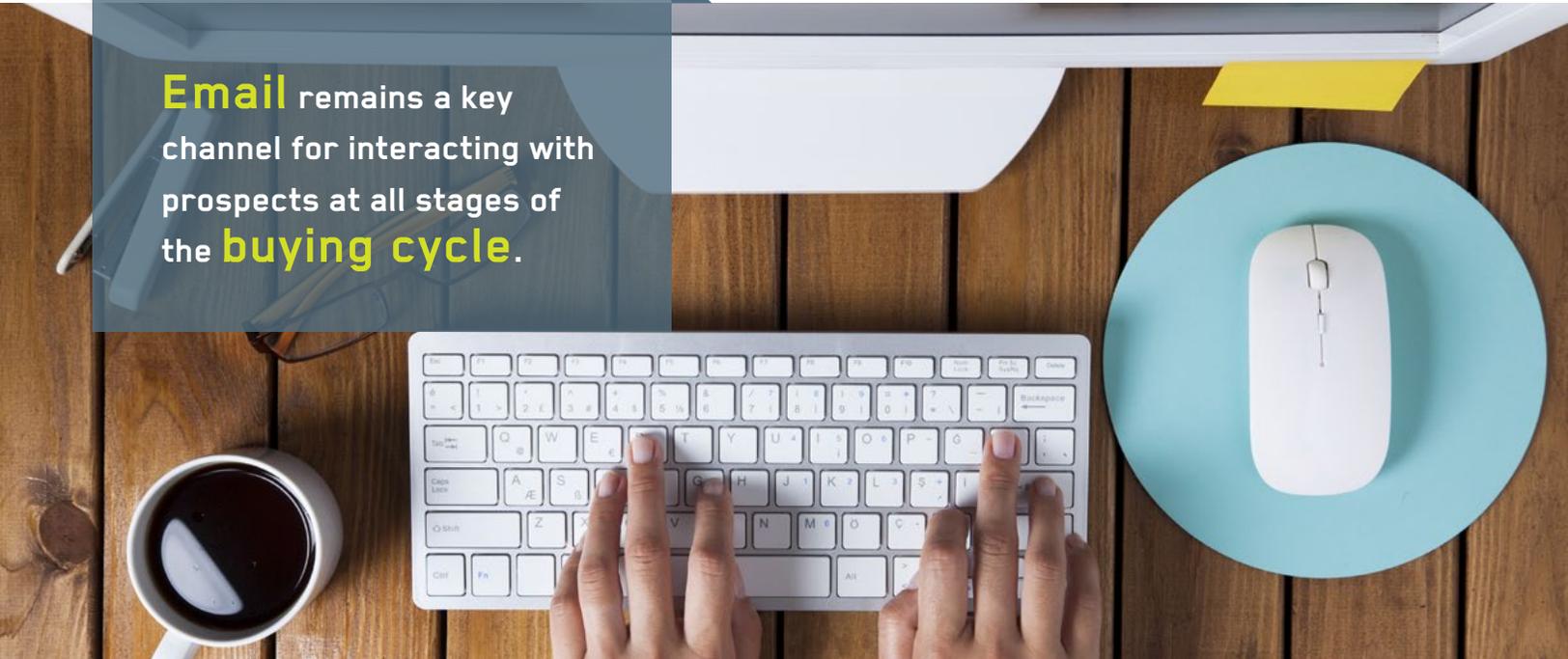


Retargeting



Predictive Analytics

Email remains a key channel for interacting with prospects at all stages of the **buying cycle**.

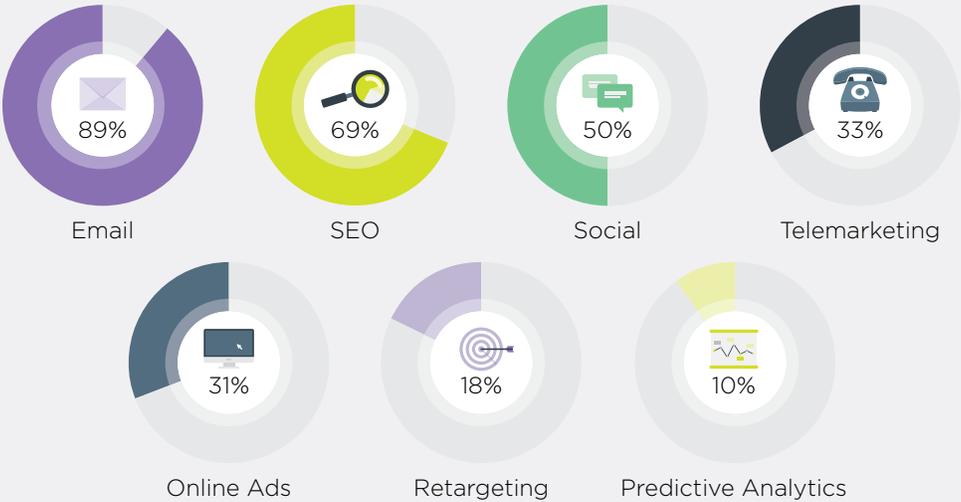


When asked about the effectiveness of various channels for early-stage engagement, email was a clear winner at 89%. SEO was second at 69%, followed by social at 50%.

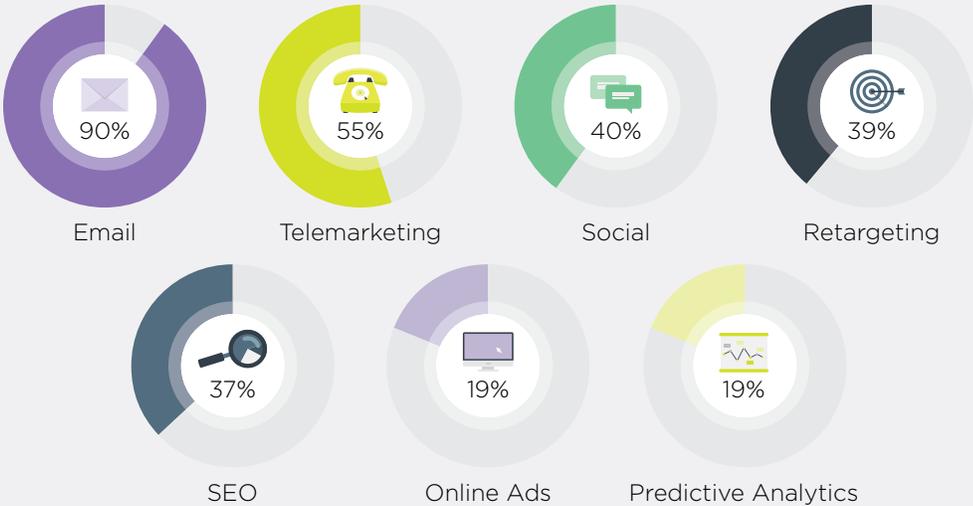
Later in the buying cycle, email is again far ahead of other channels, with 89% of respondents citing it among the top channel

for later-stage buyer engagement. SEO (37%) and social (40%) did not have as much impact later in the buying journey. However, at this stage, telemarketing (55%) was the second most successful channel in driving conversions.

Which channels have been the most effective in driving early-stage engagement? (Pick top three)



Which channels have been the most effective in driving conversions later in the funnel? (Pick top three)

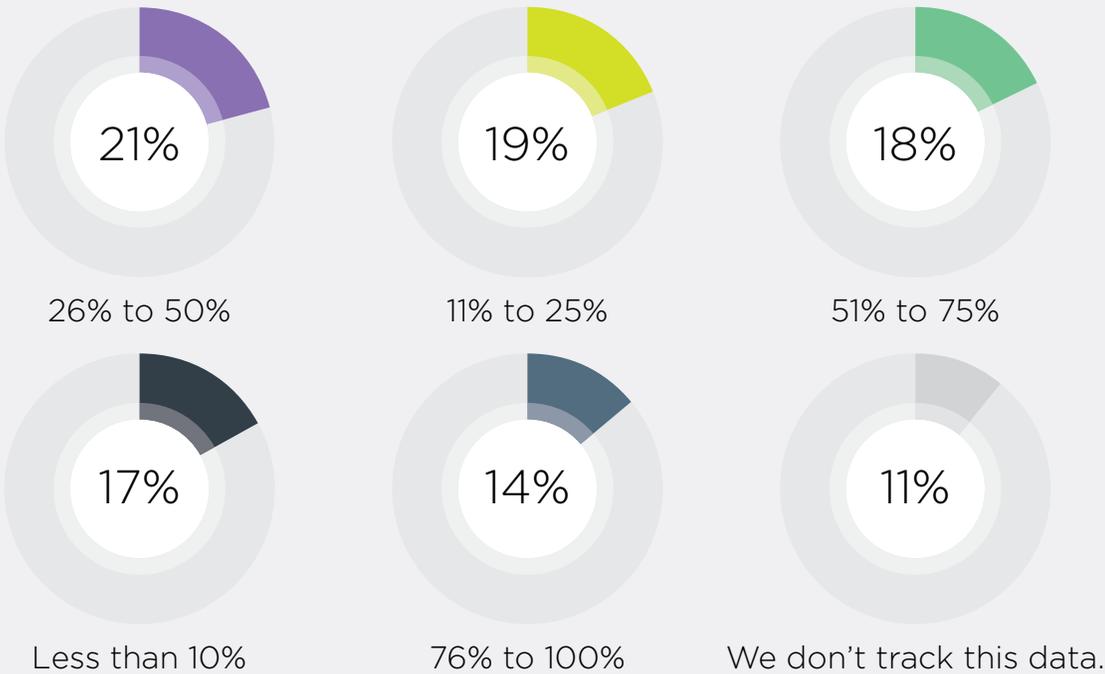


MEASURING SUCCESS

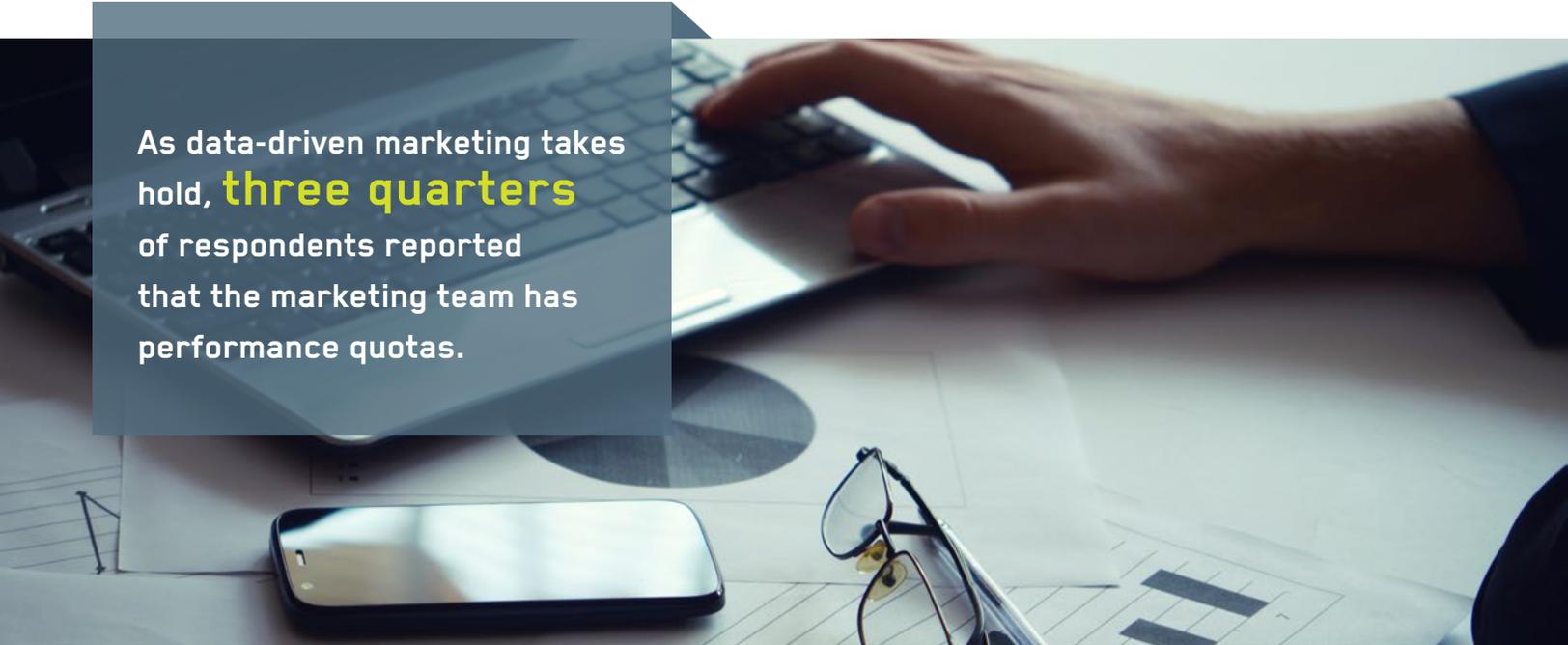
As marketing becomes increasingly data driven, it is no surprise that nearly three quarters (73%) of respondents reported that they have performance quotas. Of the respondents who have quotas, 38% indicated that they were a mix

of lead- and revenue-based goals. Measurement based on leads alone was cited by 17% of respondents, while 18% cited that their goals were only based on revenue generated.

What percentage of your company's annual revenue is attributable to marketing-sourced leads?



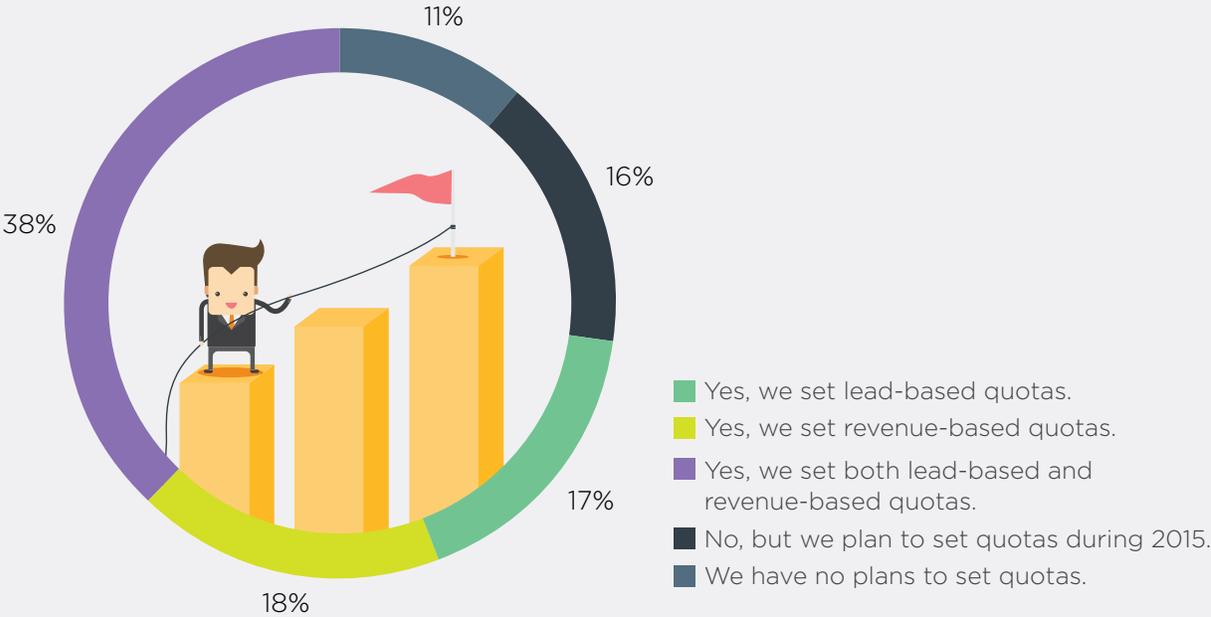
As data-driven marketing takes hold, **three quarters** of respondents reported that the marketing team has performance quotas.



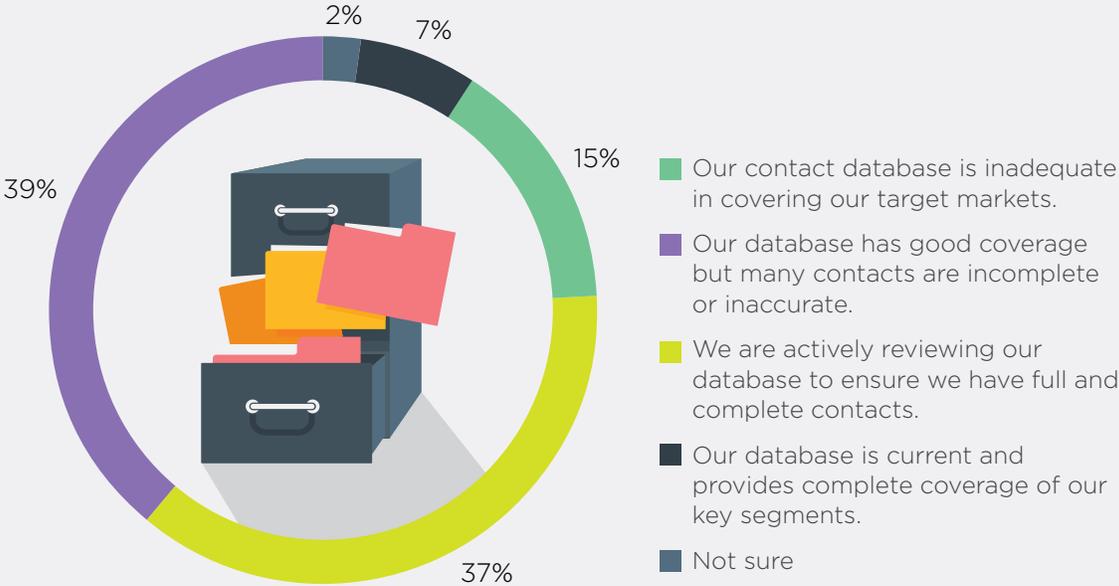
When it comes to tracking revenue that is attributable to marketing-sourced leads, 21% of respondents indicated that one quarter to one half of their leads could be linked to marketing efforts. Just a small percentage (11%) indicated that they don't track lead attribution data.

Campaign influence was a significant metric being followed, with more than three quarters (82%) tracking the impact of campaigns.

Does your marketing organization have performance quotas?



How would you describe your current database performance and capabilities?



ABOUT THE SURVEY SAMPLE

The 131 respondents serve a variety of industries, with software/technology as the top industry chosen. The business services and consulting sector was ranked second, with financial services rounding out the top three.



411 State Route 17 South
Suite 410
Hasbrouck Heights, NJ 07604

P: 201.257.8528
F: 201.426.0181

info@demandgenreport.com

ABOUT DEMAND GEN REPORT

Demand Gen Report is a targeted e-media publication spotlighting the strategies and solutions that help companies better align their sales and marketing organizations, and ultimately, drive growth. A key component of the publication's editorial coverage focuses on the sales and marketing automation tools that enable companies to better measure and manage their multi-channel demand generation efforts.



Marketo, Inc.
901 Mariners Island Blvd.
Suite 500
San Mateo, CA 94404

P: 1.877.260.MKTO (6586)

ABOUT MARKETO

Marketo (NASDAQ: MKTO) provides the leading marketing software and solutions designed to help marketers master the art and science of digital marketing. Through a unique combination of innovation and expertise, Marketo is focused solely on helping marketers keep pace in an ever-changing digital world. Spanning today's digital, social, mobile and offline channels, Marketo's® Engagement Marketing Platform powers a set of breakthrough applications to help marketers tackle all aspects of digital marketing from the planning and orchestration of marketing activities to the delivery of personalized interactions that can be optimized in real-time. Marketo's applications are known for their ease-of-use, and are complemented by the Marketing Nation®, a thriving network of 400 third-party solutions through our LaunchPoint® ecosystem and over 50,000 marketers who share and learn from each other to grow their collective marketing expertise. The result for modern marketers is unprecedented agility and superior results. Headquartered in San Mateo, CA with offices in Europe, Australia and Japan, Marketo serves as a strategic marketing partner to more than 3,400 large enterprises and fast-growing small companies across a wide variety of industries. For more information, visit www.marketo.com.

