



# DATABASE MARKETING AND CONTACT ACQUISITION

## SURVEY REPORT



# THE DISCONNECT BETWEEN CONTACT DATABASE STRATEGIES & CURRENT REALITIES

B2B marketers realize that their contact database is a critical component of successfully reaching revenue goals, and they have tangible objectives focused on better defining and reaching their total addressable market as well as becoming more targeted in reaching defined segments. Most of them are far less interested in merely growing the database in size, choosing instead to find and develop the most relevant contacts for their business.

However, the new Database And Contact Acquisition Survey Report, conducted in August by Demand Gen Report, revealed the majority of B2B organizations admit their current strategies and processes are lagging.

The majority of B2B marketers now view their contact database as the foundation for these processes, but implementing a solid strategy for their database for marketing purposes is a future goal rather than a current reality. It is clearly a complex issue to solve. These marketers typically have some type of strategy in place for database marketing, but they acknowledge that their strategy needs work.

B2B marketers also continue to struggle with data quality issues, which could be part of the reason strategy is lacking. A majority of survey respondents said the top challenge to maintaining data quality is old or outdated information. This has always been a stumbling block for marketers with B2B data, and this latest research underscores that it remains a big challenge; they simply have not discovered effective processes to maintain data quality.

B2B marketers are focused on better defining and reaching their total addressable market, as well as becoming more targeted in reaching defined segments.



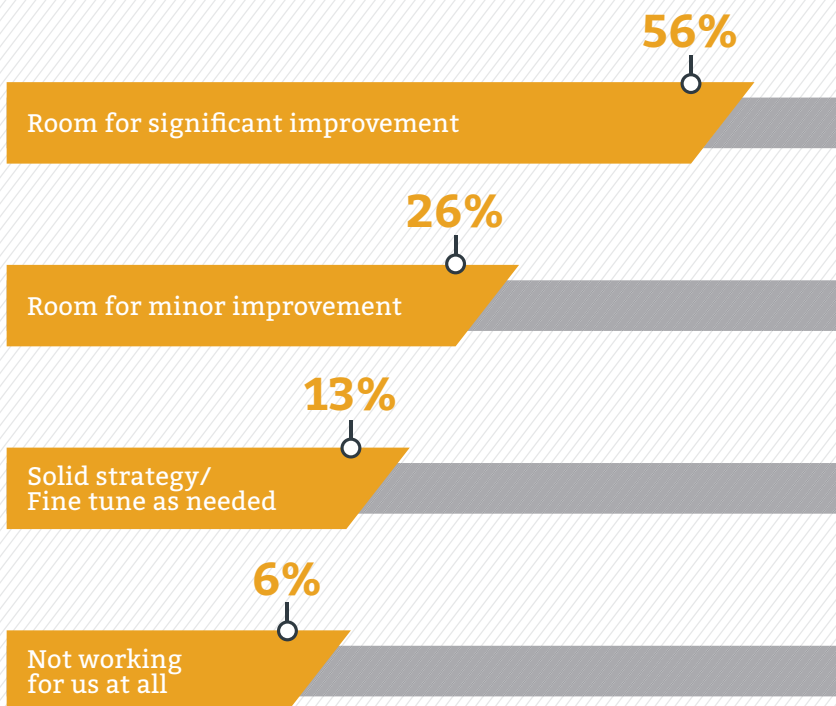
# STILL SEARCHING FOR A SOLID DATABASE STRATEGY

A majority of companies (80%) surveyed said they haven't yet figured out the key to unlocking a solid database strategy. More than half (56%) indicated there is room for significant improvement in their database strategy, while 26% said there is room for minor improvement. Just 13% of those polled indicated their strategy is solid, while 6% suggested their strategy — or lack thereof — is not working at all.

More than half of companies report that there is room for significant improvement when it comes to managing their databases.



## State Of Database Acquisition Strategy

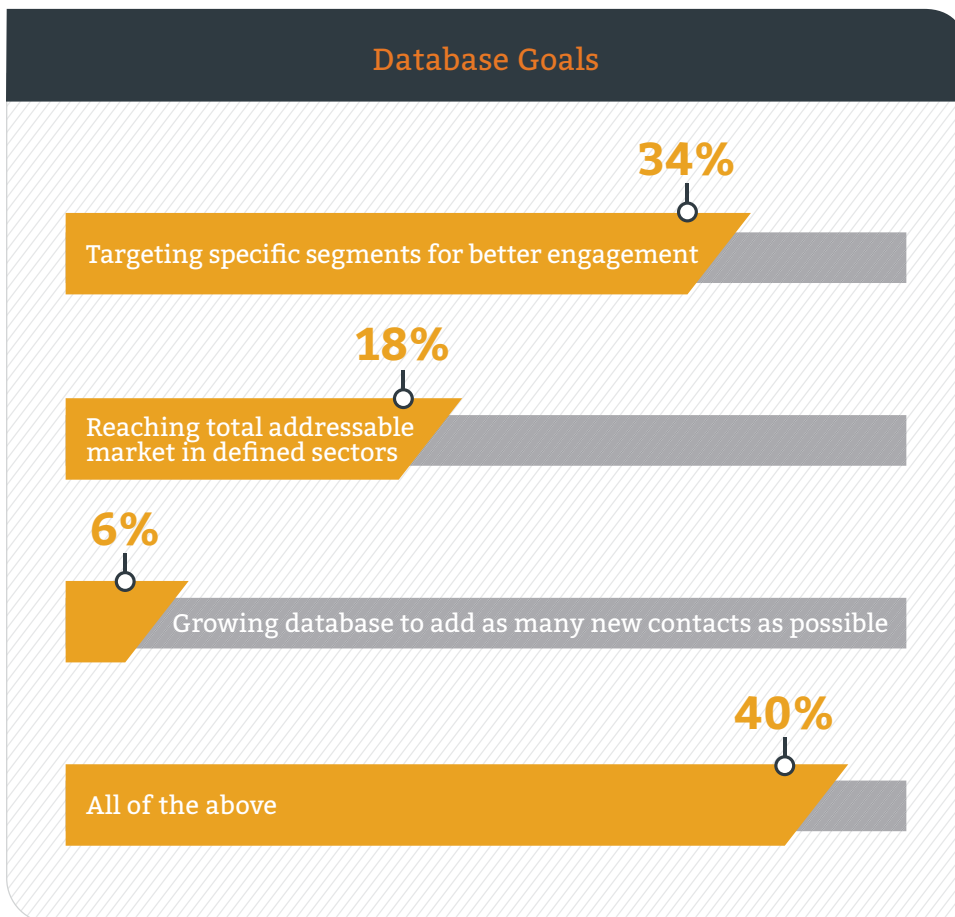


# TARGETING AND ENGAGEMENT TOP THE LIST OF MARKETER GOALS

B2B marketers do have tangible goals they would like to achieve using database marketing and data acquisition tactics, and not surprisingly, targeting is high on the list. One-third of B2B marketers (34%) said that their primary goal with the database is to enable targeting to specific segments for better engagement, while 18% said reaching the total addressable market in defined sectors is the goal. Forty percent of those polled said they are focusing on three goals – targeting segments, reaching total addressable markets and growing the database to add new contacts – which suggests that marketers are trying to achieve a comprehensive approach when it comes to database marketing.

Growing the database to add as many new contacts as possible is the goal of just 6% of those surveyed, which is good news, since quality of leads is generally far more important than mere quantity. These results indicate B2B marketers are beginning to understand the value of relevant contacts for targeting purposes.

Marketers are trying to achieve a comprehensive approach when it comes to database marketing.



# WEB FORMS, CONTENT DOWNLOADS AND EVENTS ARE WORKHORSES OF DATA ACQUISITION

One of the other underlying issues in constructing actionable and insightful contact databases, which the study highlighted, is the fact that most marketers are still relying heavily on basic web forms to collect initial information on their prospects. This strategy is often limiting because forms are often confined to basic fields and rely on the contact to supply accurate information.

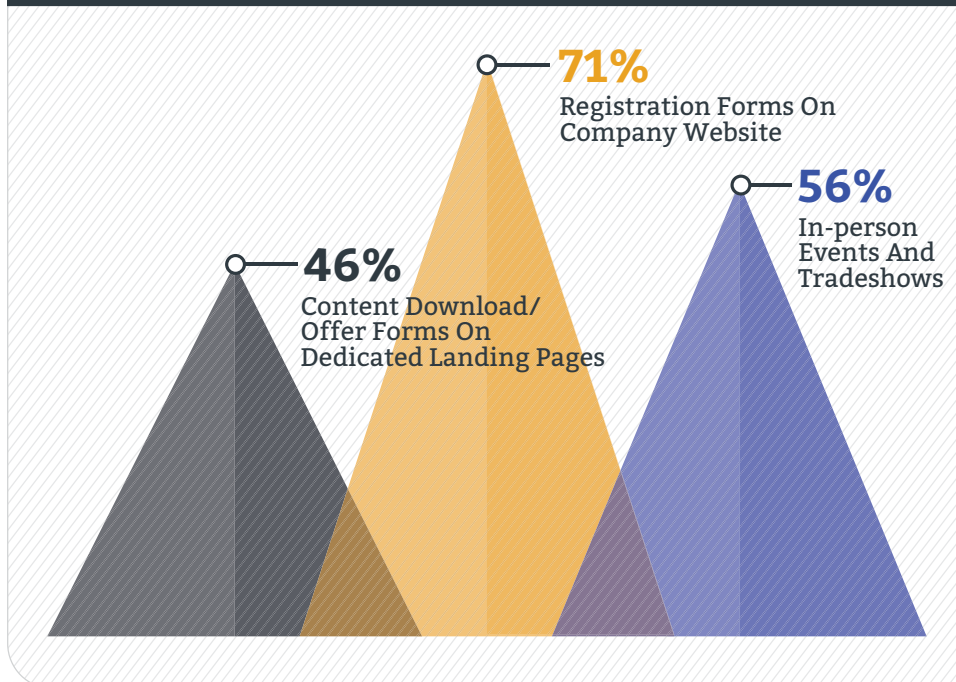
A majority of B2B marketers surveyed (71%) indicated that registration forms on their own websites is the top tactic they use to acquire prospect and customer data. While effective, this data is self-reported and not validated. An over-reliance on forms to add new customer data may not be the best or most savvy approach. In-person events and tradeshow, cited by more than half of B2B marketers (56%), are another common source of prospect and customer information, which makes sense given the high level of engagement of typical show attendees.

Highlighting the continued importance of content in the B2B buyer journey, almost half (46%) of respondents told DGR that content downloads and offer forms on dedicated landing pages round out the top 3 tactics used to acquire prospect and customer data.

71% of respondents noted that registration forms on their own websites are a top source of data on new and existing customers.



## Top 3 Tactics Marketers Use To Acquire Prospect And Customer Data



# BASIC CUSTOMER INFORMATION REQUIREMENTS

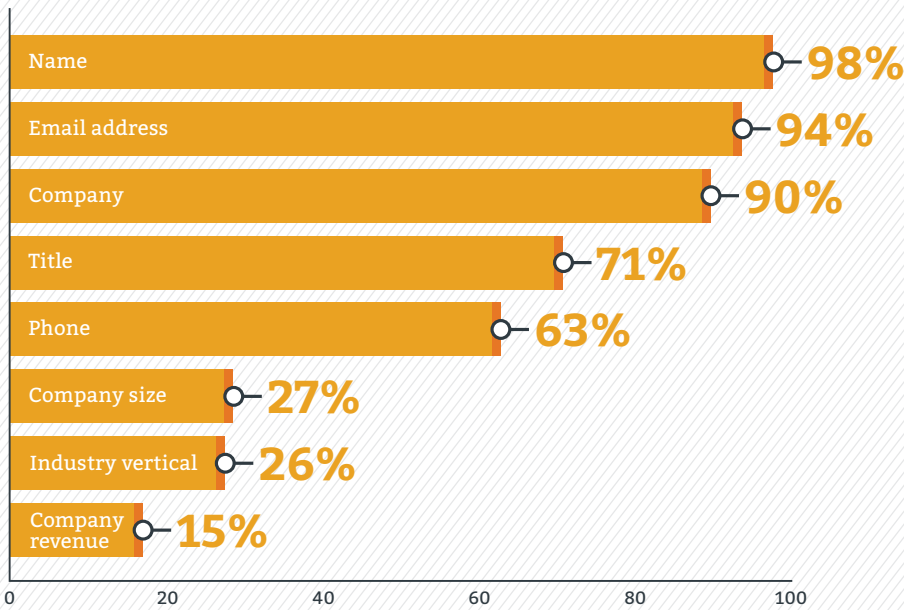
Information collected from contacts by the majority of marketers includes the basic identifiers – name, email address, company name and title – according to respondents. Almost two-thirds (63%) said they typically require phone numbers as well.

Company size, industry vertical and company revenue are cited far less often as the typical types of data marketers require; this data resides more commonly in the “want” category rather than the “have” category. Collecting only the most basic information prevents marketers from doing the most accurate targeting, because they don’t possess deeper intelligence on those customers.

Collecting only the most basic information can hamper efforts to accurately target.



### Types Of Information Typically Required When Collecting Contact Information



# DATA MARKETERS DESIRE TO GO BEYOND THE BASICS

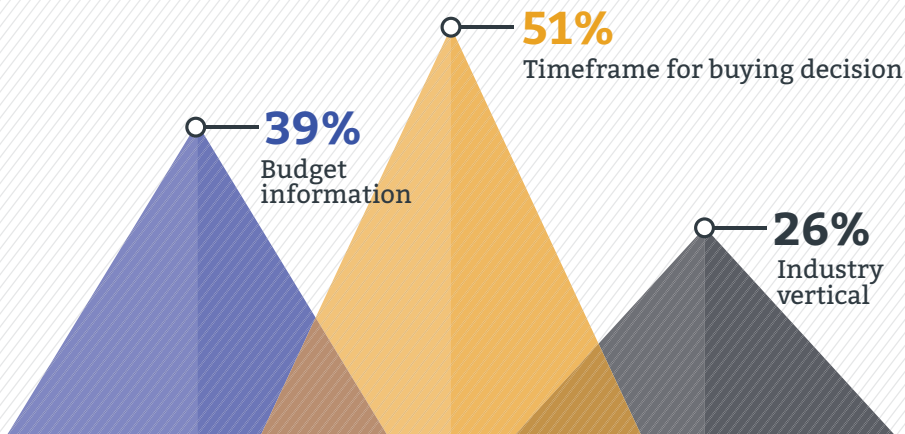
Beyond the basics – such as name, email address and company name – B2B marketers said the top three most valuable pieces of additional data and information they would like to obtain from prospects are buying timeframe (51%), budget information (39%), and the industry vertical (26%) of the customer target.

These data bits are harder to come by and often require delicate lead nurturing to coax the information from prospects and customers. This is an area where working with data appenders and data enrichers can help.

Buying timeframe, budget information and industry vertical are the top three additional data points sought by marketers.



## Top 3 Data Points Marketers Desire Beyond Basic Fields

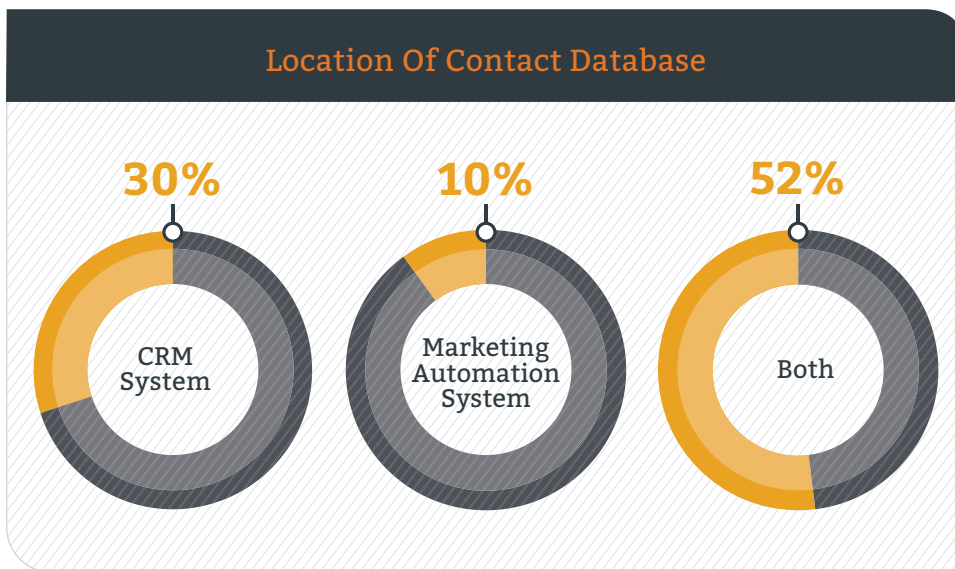


# WHERE IT LIVES, WHO MANAGES IT AND HOW IT'S UPDATED

More than half of marketers (52%) store data in both their CRM and marketing automation systems for access during all phases of the buying process. That is good news for marketers, as long as the CRM and MA systems are integrated.

The CRM system was cited by close to one-third (30%) of marketers as the primary residence for contact data, while just 10% keep data in their marketing automation system.

Close to one-third of respondents said that the CRM system was the primary repository for contact data, while just 10% keep data in their marketing automation system.



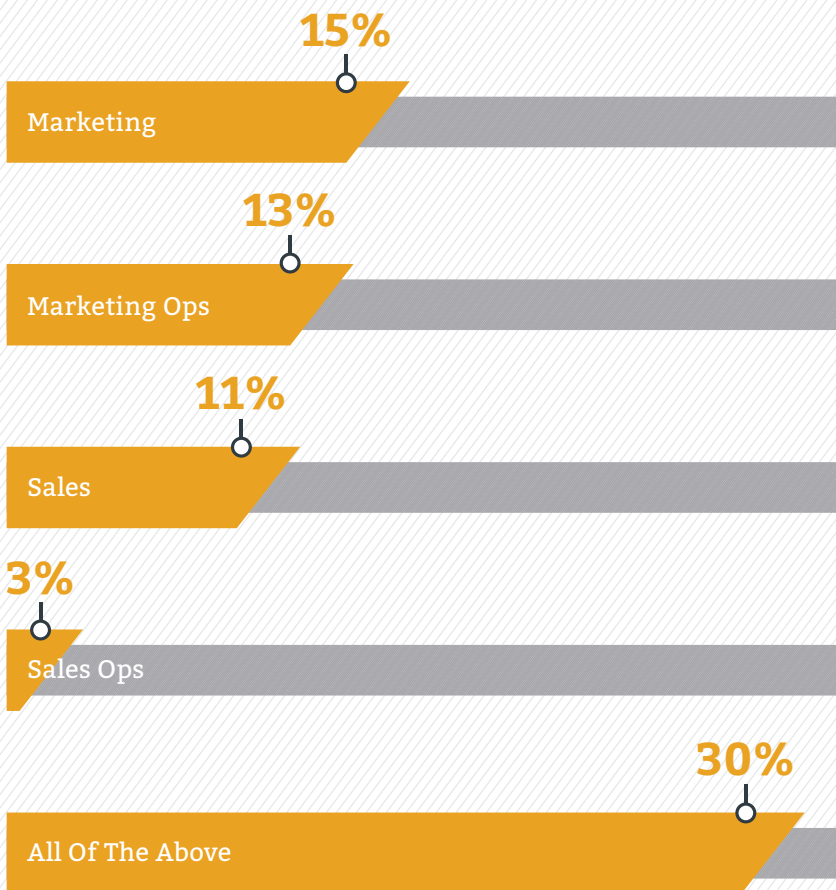


It's clear from the research that sales and marketing teams are both responsible for data management to some extent, which could mean problems for some marketers. It's a take on the old adage: when everyone manages the data, the danger is that no one owns it.

More often than not, though, the marketing team is responsible for the data. More than a quarter (28%) of respondents said the marketing team manages it, while just 14% said sales manages the data.

Old or outdated data is a top challenge to maintaining data quality, cited by 69% of respondents.

### Teams Responsible For Data Management



Despite its foundational status, keeping prospect and customer information up-to-date and accurate continues to vex the majority of B2B marketers. More than two-thirds (69%) of respondents said the top challenge to maintaining data quality is old or outdated information. This has always been an issue with B2B data, and this latest research only highlights that it remains a big challenge for marketers.

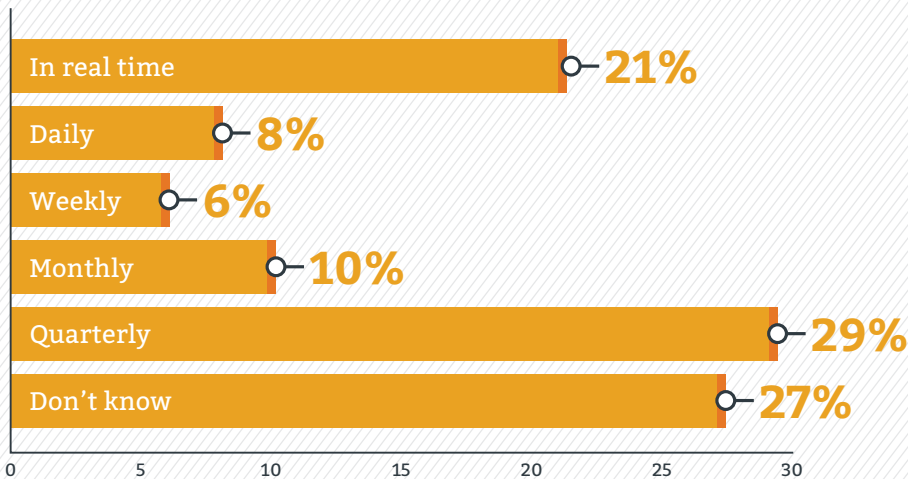
Part of the challenge is that marketers are simply not performing data cleansing often enough to keep track of their B2B contacts. Twenty-nine percent of B2B marketer respondents said they only do so on a quarterly basis, and 27% said they don't even know how often their data is cleansed. A smaller percentage (10%) conduct data cleansing on a monthly basis, and just 6% do so weekly.

However, about one-fifth (21%) of B2B marketers are ahead of the curve when it comes to data accuracy; this segment indicated they are updating/cleaning their data in real-time.

More than one-quarter of respondents (27%) don't know how their data is cleansed.



### Frequency Of Data Cleansing For Accuracy And Data Quality



# MAINTAINING DATA QUALITY REMAINS A CHALLENGE

Real-time data management is clearly the best solution to the data quality issue, but almost half of respondents (46%) told us they either don't have the time or they don't have the resources to implement an effective process for data quality management. And 41% said they simply don't have enough data on current customers.

Nearly half (46%) of respondents said they lack the time or resources to manage data effectively.

## Top 3 Challenges To Maintaining Data Quality



# WIDEN TOP OF FUNNEL TO GENERATE MORE MQLS

As marketers embrace account-based marketing (ABM), the identification of the right accounts and contacts is critical for ensuring success. With an ABM approach, there is a natural tendency to become too targeted, narrowing the addressable market and suffocating lead flow. You also need to consider the potential negative ramifications such as audience fatigue and increasing opt-outs. To ensure your ABM yields sustainable marketing-attributed revenue, here are three important tips specific to the audience definition and contact discovery strategy.

## Rethink Your Audience Definition

The audience definition serves as the blueprint for your ABM. The process can sometimes go awry when the definition is designed to be too restrictive. This narrowing of funnel results in a smaller lead pool to nurture over the long term. Let's consider some of the shortfalls that marketers might make when developing their audience definition.

1. The first section of the definition typically describes the firmographics associated with the target audience. For some marketers, this approach works well, but keep in mind that firmographic data is not always accurate or complete, especially among private companies.
2. The second part of the audience definition outlines the targets/people you seek to reach within each named account. Marketers tend to define target contacts based on a combination of job titles and personas. When defining the target audience, consider how your prospects present themselves on social media. For example, the "skills" or "groups" highlighted on their profile contains actionable intelligence that can be leveraged within your contact discovery strategy. It's also important to think in terms of "buying committee" and invest the time to build profiles for various stakeholders, such as decision-makers, influencers and end-users.

by **Brian P. Hession**  
*President & Founder*

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Oceanos



3. Another means to establish named accounts is with predictive analytics. In this case, multiple internal and external data points are analyzed, and accounts are scored and ranked. If you haven't adopted a predictive analytics solution, you can still leverage buyer intent data. Lastly, collaborate with and empower your sales team to assist in establishing the named account list.

### Reach More of Your Addressable Market

With the audience definition complete, it's time to get a handle on how your database measures up. That means taking inventory of your contacts. Run a contact gap analysis to understand the percent of your database that currently aligns to the definition. This process will also compare the contacts you have with those available within the known contact universe to help establish the percent of the addressable market being missed.

### Implement a Strategic Contact Discovery Plan

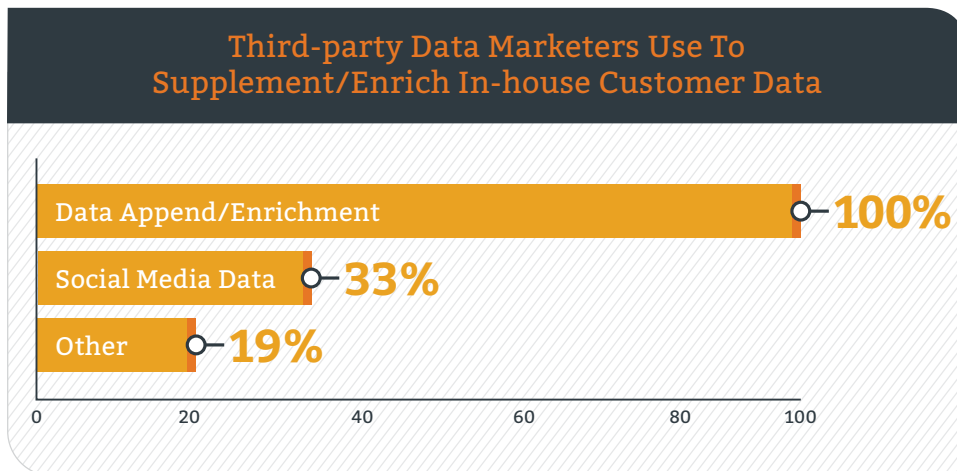
With tight budgets and resources, it's important to source the most valuable contacts first. To accomplish this, you need to diversify your search to include multiple databases, along with web and social media discovery tools. If you restrict your search to a couple of databases, you will limit your chances of finding the ideal contacts. With your data in constant flux from inbound activities and aging data (3% goes bad each month), re-run the gap analysis periodically to understand the current database condition. The updated report ensures that efforts are continually aimed at closing the most important gaps first.

**“As marketers embrace account-based marketing (ABM), the identification of the right accounts and contacts is critical for ensuring success.”**

— BRIAN P. HESSION,  
OCEANOS



# APPENDING AND ENRICHING DATA THROUGH OUTSOURCING



“It’s encouraging that B2B marketers are viewing social data as worth investigation and experimentation.”

— RUTH STEVENS,  
EMARKETING STRATEGY

Since B2B marketers don’t have enough information on customers and prospects, they turn to outside partners to fill in those gaps. All B2B respondents surveyed are employing data appending and enrichment in order to supplement their in-house customer database. One-third (33%) of marketers are using social media data to further enrich the data on hand about customers.

Ruth Stevens, President of eMarketing Strategy, a B2B digital consultancy, said social data “is still a new concept in B2B.” She said that “data” is typically broken out into two key areas of social media: the social media address and additional information on a contact and social intent data, in which a contact is engaging online to discuss a company or its products and services. Stevens said the latter “is difficult to capture and open ended.”

She added that overall, “It’s encouraging that B2B marketers are viewing social data as worth investigation and experimentation.”

Brian Hession, President and Founder at Oceanos, said he is not surprised about the high number using social media to supplement their customer intelligence. “This information is likely fueling lead scoring and predictive models,” he said. Oceanos uses social information to cleanse and enrich contact data and to aid the selection of net new contacts.

However, many marketers are not using data from these providers to append or enrich their database; several survey respondents who checked “other” said that they aren’t enriching or supplementing their data.

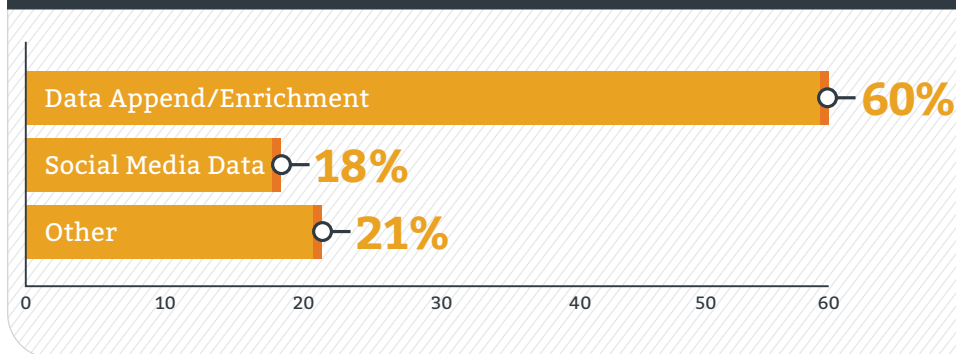
Some respondents to the survey (the 19% who chose “other”) specified that their data is appended from other sources, such as web-based behavioral data, tradeshow attendee lists and directory providers, such as ZoomInfo.

“[Social media data] is likely fueling lead scoring and predictive models.”

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### Most Effective Third-party Data Used By Marketers To Supplement/Enrich Customer Database



Data appending and enrichment vendors ranked as the most effective third-party data source among B2B marketers – 60% of respondents chose this data source – that are looking to the outside to garner intelligence on current and future customers. And social media data was third most effective data source, chosen by 18% of respondents.

# INVESTMENT IN DATABASE MANAGEMENT AND CUSTOMER ACQUISITION

Despite the huge challenges still present in database management and contact acquisition, some B2B marketers are investing very little to remedy the situation.

Forty-three percent of marketers are investing 1% to 5% of their marketing budget on data management and acquisition, and another 27% say they portion 6% to 10% for database initiatives. Only 12% of respondents said they are investing 11% to 20%.

Oceanos' Hession said it might be influenced by company size or by what they count as part of the database management budget.

"Perhaps they're not considering the fixed investments in related technologies or subscription products that address data management [and] customer acquisition," Hession said.

"Certainly marketers are spending a lot of money with publishers to generate content and acquire leads. The latter would be part of customer acquisition."

Ruth Stevens agreed with Hession.

"Database management is a fuzzy concept, because often the expenses in database management are administrative, and salaries tend to be accounted for in the marketing overhead budget," Stevens said.

Some forward-thinking B2B marketers are reserving a higher percentage of their budget for database management.



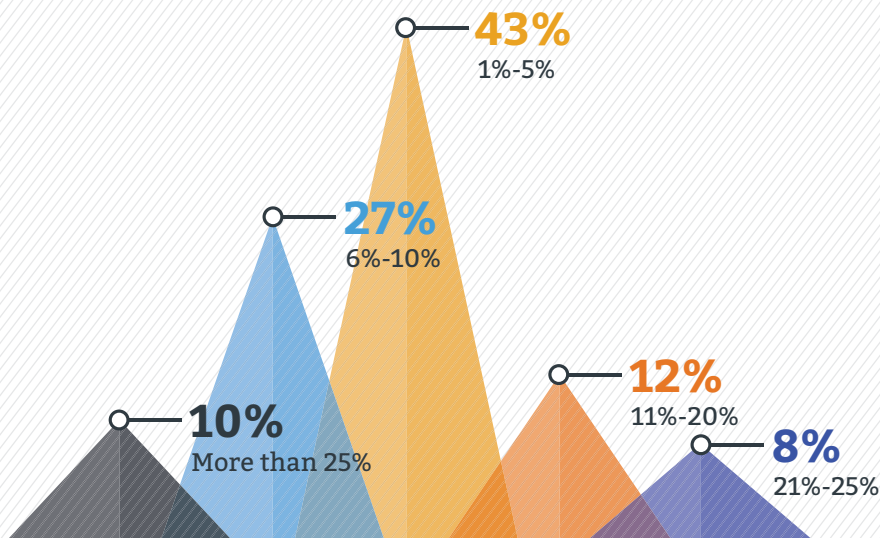


She queried whether the cost for acquiring data from third parties is included in the numbers marketers cited, and what percentage of campaign expenses related to the database might be included.

Since this survey is the first Demand Gen Report has conducted on this particular topic, we have no point of comparison. However, this benchmark will be enhanced when we can look at year-over-year marketer sentiment in future studies.

Some forward-thinking B2B marketers are reserving a higher percentage of their budget for database management. That minority of B2B marketers said they are investing more than 20% of their marketing budgets on database strategy: 8% are investing up to one-quarter of their budget and 10% said they are investing more than 25% of their budget on database initiatives.

### Percentage Of Marketing Budget Dedicated To Database Management and Customer Acquisition In Next 12 Months



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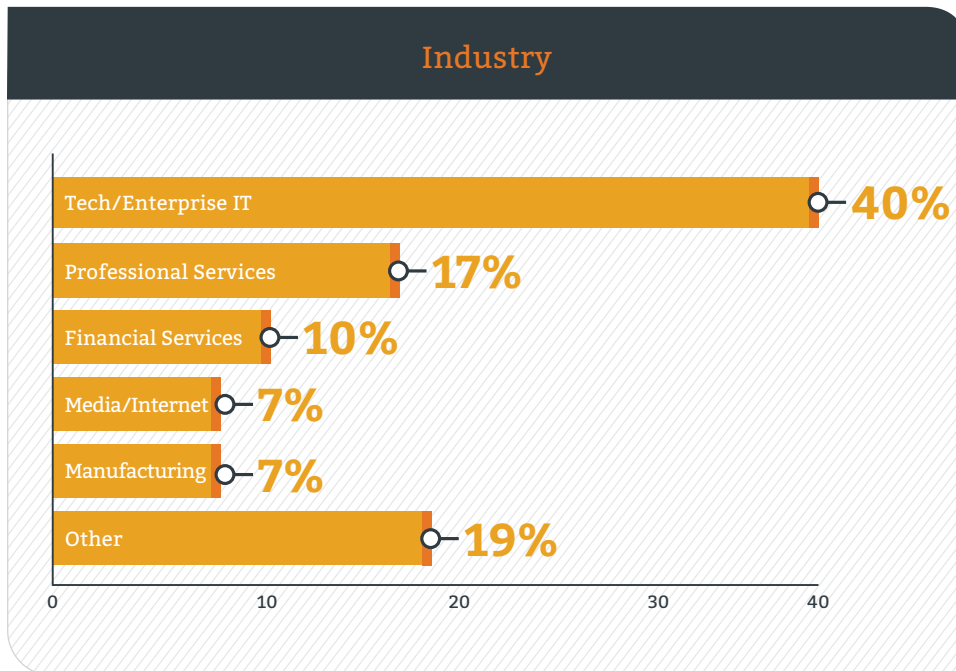
# ABOUT THE SURVEY

Demand Gen Report's 2015 Database Marketing And Contact Acquisition Survey Report polled 153 marketing executives about their database marketing and acquisition strategies.

Nearly two-thirds of the respondents (63%) were at the director level or above.

The top three industries represented were tech/enterprise IT (40%) professional services (17%); and financial services (10%).

Two-third of survey respondents (63%) were at the director level or above.



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## ABOUT OCEANOS

Oceanos is a marketing technology firm that designs data management strategies that empower sales and marketing performance. We cleanse and enrich your data and find the key contacts missing within each account. The result is a wider top of funnel that accelerates lead generation and revenue. [www.oceanosinc.com](http://www.oceanosinc.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.

