

Increased Pipeline Influence

UPS THE ANTE ON
Attribution, Reporting & Measurement



New Research On The Tools And Tactics B2B Marketers
Are Prioritizing To Drive Performance

INTRODUCTION

Doing more with less is a growing reality for most roles and industries these days, and B2B marketers are no exception. While the majority of marketers are expecting budgets for demand generation to rise this year, the rate of increase is shrinking, especially compared with the expected impact on pipeline.

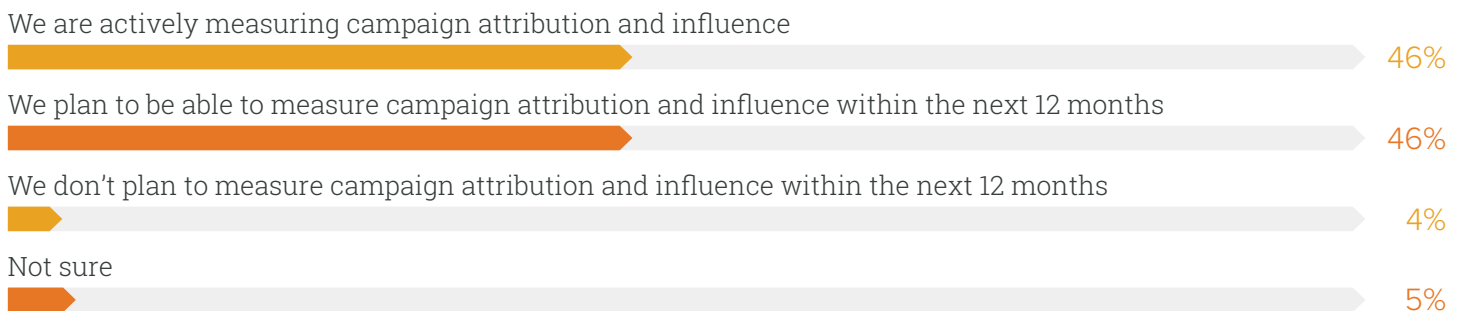
This growing gap between budget and performance expectations was one of the key findings from the 2017 Demand Generation Benchmark Survey. The annual study also revealed significant shifts in the priorities and strategies marketers are emphasizing for this year, including:

- Greater precision and intelligence on marketing influence and impact, with 32% of marketers reporting that they are now directly measured on influenced pipeline;
- Deeper emphasis on reporting and measurement, with 88% of responses citing the ability to measure and analyze marketing impact as a top priority for this year;
- An overwhelming majority (92%) either already actively measuring campaign attribution and influence or are planning to do so this year; and
- An ongoing focus on account strategies, with 59% of marketers saying they plan to test/deploy ABM tools in 2017.

In the following report, we will offer an in-depth look at these trends, as well as the channels, tactics and tools demand gen marketers are prioritizing to drive pipeline performance in 2017 and beyond.

The number of respondents who indicated their demand generation budget would decline increased from 8% last year to 13% this year.

How would you describe your current ability to measure campaign attribution and influence?



DEEPER DIVE INTO DEMAND GEN BUDGETS

The good news is organizations are still prioritizing demand generation and allocating more budget towards the acquisition of new leads, as well as nurturing and accelerating those new contacts through the latter stages of the buying cycle.

More than two-thirds of respondents to the survey indicated their demand generation budgets would increase this year, with a third of companies expecting them to increase between 1% and 10%.

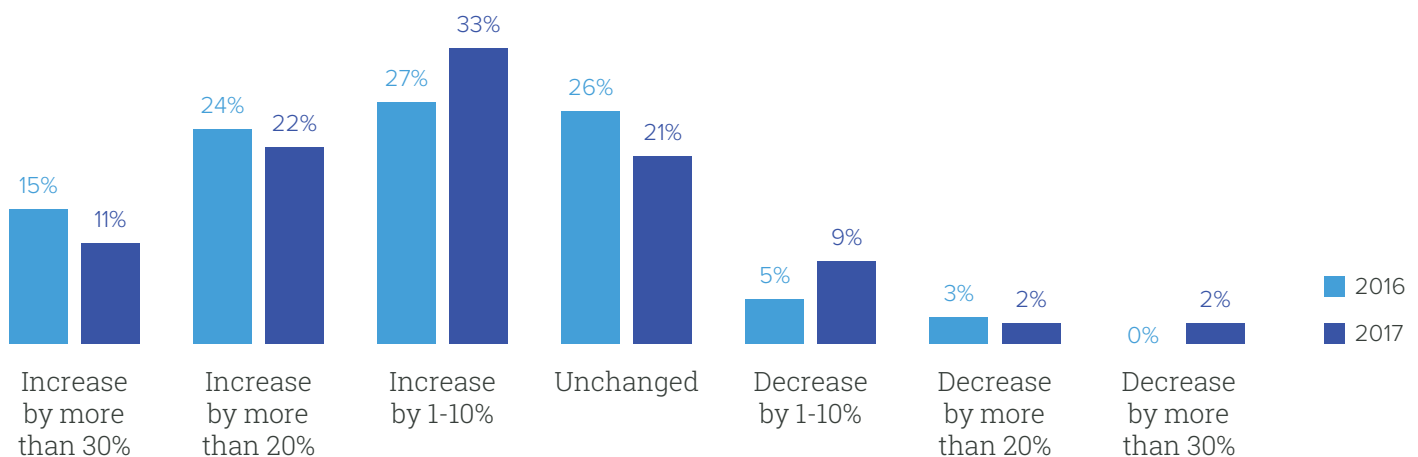
However, a point of concern is the level of increase in budgets for demand generation is starting to shrink. Comparing year-over-year responses to this question, the number of participants citing 20% or greater increases declined from 38% in 2016, to 33% this year.

In addition, the number of respondents who indicated their demand generation budget would decline increased from 8% last year to 13% this year.

While overcoming smaller budget increases could be manageable for B2B marketers, the issue becomes more challenging for marketers when you consider the growing expectations for revenue growth most companies are projecting.

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How will your demand generation budget change in 2017?



INCREASED PIPELINE IMPACT MAKES MEASUREMENT AN IMPERATIVE

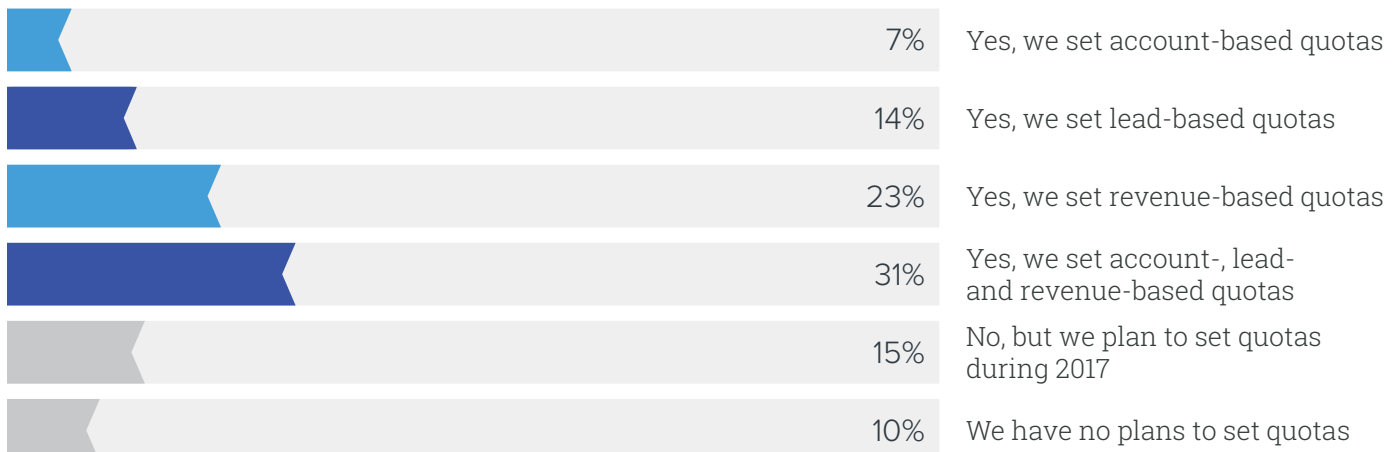
Despite having to work with tighter budgets, B2B marketers are expecting to have a greater impact on revenue. Nearly one-third of respondents (31%) said they expect between 26% and 50% of their annual revenue to be attributable to marketing-sourced leads. That is an increase of almost 10% compared with last year's survey, when only 23% expected to tie that level of revenue to marketing.

Consistent with increased expectations around marketing-sourced leads attributed to revenue, the survey showed continued expansion of marketing organizations that have specific quotas and metrics in place:

- The number of organizations without any plans for performance quotas dropped from 14% in 2016 to 10% in 2017.
- Those organizations planning to add and set performance quotas increased from 6% last year to 15% this year.
- The number of organizations with quotas tied to both lead and revenue increased from 46% in 2016 to 54% this year.
- With the growth of ABM, 31% of companies are now setting account, lead and revenue-based quotas.

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Does your marketing organization have performance quotas?



We also asked for the first time this year which primary metric marketing departments were being measured on, and the top response was pipeline influenced (32%), followed by MQLs/SALs (27%), total leads/inquiries (15%) and accounts engaged (15%).

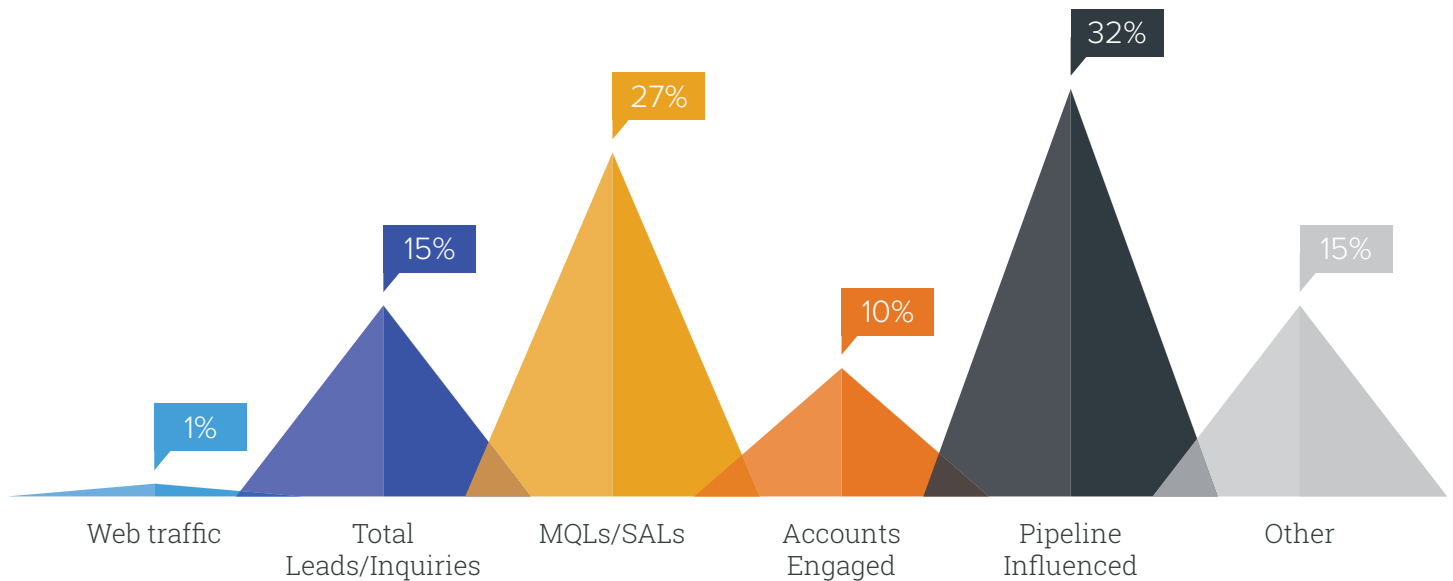
Given the increased emphasis on metrics and attributable influence on pipeline, it was not surprising that the top demand gen priorities for 2017 were all tied to improving lead quality, conversion rates and the ability to measure impact.

- When asked to rate the importance of improving the ability to measure and analyze marketing impact, 89% ranked it a top priority.
- 90% ranked improving conversion rates/campaign results a top priority.

When asked to describe their current ability to measure campaign attribution and influence, 92% of marketers said they are either already actively measuring this (46%), or are planning to add the ability (46%) to do so in the next 12 months.

89%
of marketers
ranked improving
the ability to
measure and
analyze marketing
impact as a top
priority.

What is the primary metric you are measured on?



NEW ADDITIONS FOR THE MARTECH TOOLKIT

Considering that ABM has been all the buzz this year, there wasn't much surprise that it ranked far and away as the top tool marketers said they were planning to test/deploy this year, with 59% planning to roll out account-based tools.

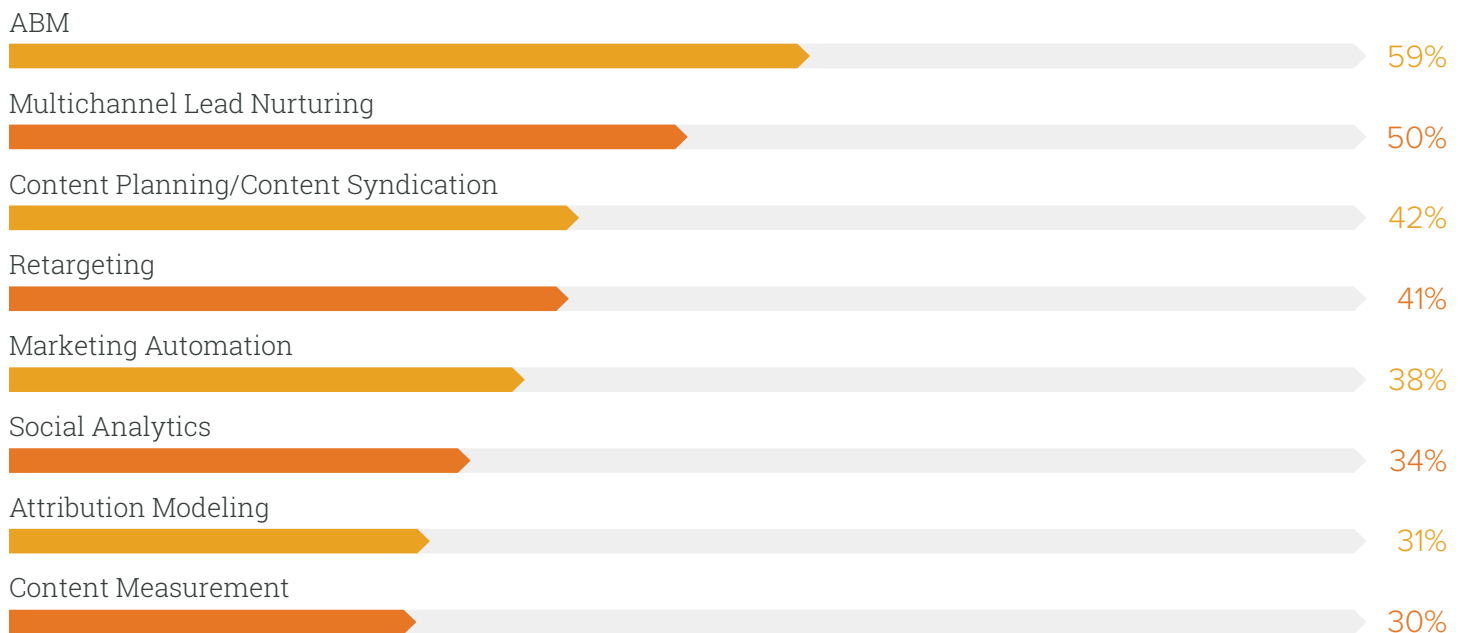
There were significant increases in plans for other tools as well, especially around multi-channel lead nurturing, measurement and modeling.

- Multichannel lead nurturing plans increased to 50% this year (up from 41% in 2016).
- Content planning/content syndication plans climbed to 42% this year (up from 35%).
- Social analytics jumped to 34% (up from 23%).
- 30% of respondents plan to test/deploy attribution modeling (up from 23% last year).

Top tools marketers are planning to test/deploy in 2017 include: ABM, multichannel lead nurturing, content planning and social analytics.

Which tools are you planning to test and/or deploy in 2017?

(Choose all that apply)



The survey also showed growing sophistication around how specific channels and tactics are performing relative to different stages of the funnel.

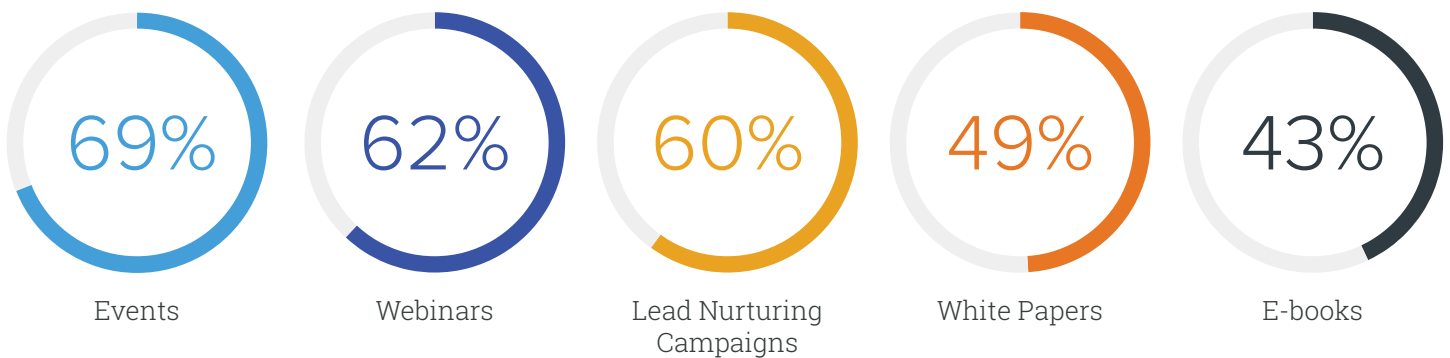
For example, at the top of the funnel where marketers are looking to generate initial inquiries and qualified leads, marketers continued to identify events, webinars and lead nurturing campaigns as their most successful tactics.

However, white papers declined from 66% last year to 49% this year as a successful top of funnel tactic, while content bundles climbed from 11% last year to 19% in 2017.

The survey showed growing sophistication around how specific channels and tactics are performing relative to different stages of the funnel.

Which engagement tactics were most successful for you in 2016 in terms of generating qualified leads at the top of the funnel?

(Choose top five)



CONCLUSION: ENTER THE AGE OF ATTRIBUTION & ANALYTICS

B2B organizations are forecasting significant growth in 2017, with more than half of the companies surveyed projecting revenue growth of more than 20%.

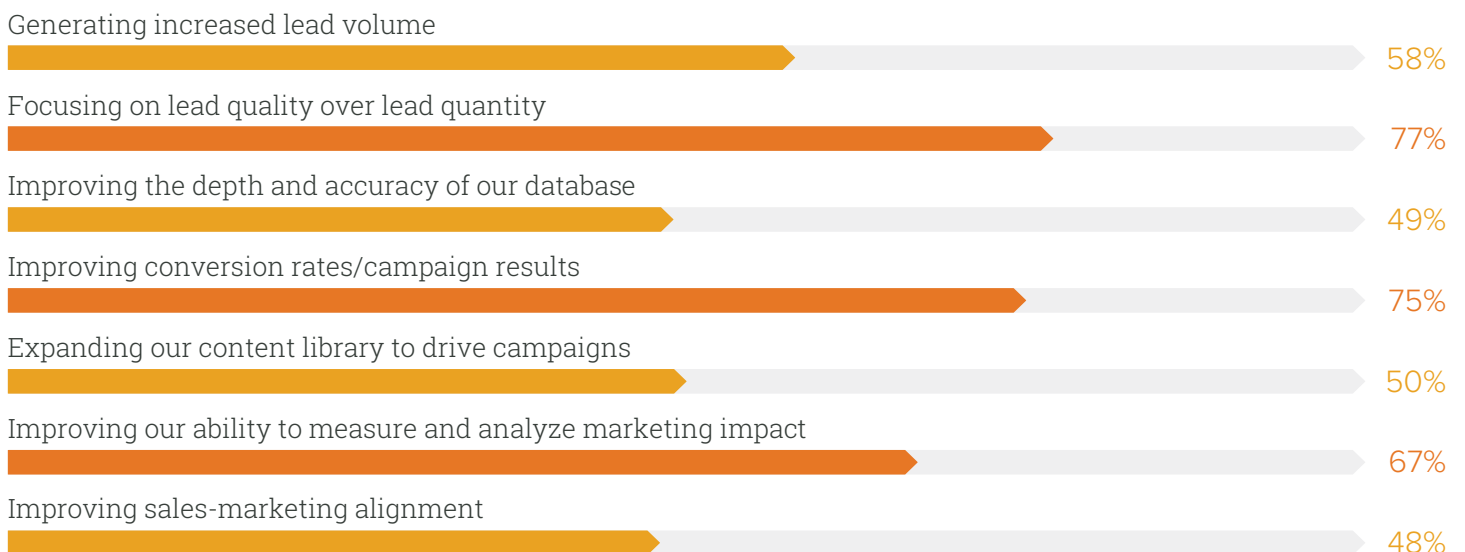
That is good news for the economy and the sector; however, marketing organizations will be responsible for supporting that growth. Given these increased expectations around attributable pipeline influence, marketers are understandably increasing their focus on measurement and reporting.

Increased investments in measurement tools and tactics should also bring B2B marketers greater ability to analyze, predict and forecast which channels and offers are showing the strongest results in terms of conversion rates. However, the rise in demand gen budgets is shrinking, requiring marketers to fulfill high expectations with lower budgets. Analysis should help organizations optimize their marketing investment and shift dollars around to the campaigns that are driving the highest percentage of qualified leads that align with the targets and accounts their sales teams are actively working.

Given the increased expectations around attributable pipeline influence, marketers are increasing their focus on measurement and reporting.

Rank your organization's demand generation priorities during 2017?


(Ranked on a scale of 1-5 with 5 being most important)



INTERESTED IN LEARNING MORE?



Demand Gen Report is a targeted online publication that uncovers 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.

 201.257.8528

 info@demandgenreport.com



Andrew Gaffney is a story teller and publisher focused on helping brands create content that sparks conversations with their prospects.


ABOUT THE SURVEY

The 2017 *Demand Generation Benchmark Survey* was conducted from December 2016 through early January 2017, and the report is based on responses from 105 marketing executives from companies ranging in size from under \$10 million in revenue (34%) to \$1 billion plus (10%). The highest percentage of respondents (39%) were midmarket from organizations in the \$100 million range.

The respondents represent a range of different industries; the largest sector is software/technology (53%), followed by business services/consulting (19%).



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