2020 State Of Marketing Technology

Marketers Temper Appetite For Tech With Strategy & Savvy

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Introduction

In the current state of martech, B2B marketers' enthusiasm for technology seems to have cooled. There is a palpable shift away from adding to the tech stack for the sake of having the latest tech, which has been replaced with a more cautious approach. There is also a trend of a consolidation with vendors.

Scott Brinker's **Martech Landscape Supergraphic** may be growing, but there have also been an increasing number of acquisitions. With **Demandbase** acquiring **Engagio**, and **IDG** acquiring **Triblio**, the focus seems to be how well platforms integrate and how easily data is shared — not just another layer on the tech stack. Over the last year, industry experts point out that factors like integration, easy access to data and personalization will be critical factors for the martech landscape in 2020 and beyond.

In this new age, marketers need more than the latest technological solution. They need vision, strategy and the savvy to leverage the technology they already have. Even before the COVID-19 pandemic, marketers have been taking a more conservative approach to buying technology, weighing their options and considering how to implement technology solutions, rather than buying the newest solution off the shelf. According to *Demand Gen Report's* **2020 *Demand Generation Benchmark Study***, 66% of respondents are focusing on increasing revenue, which means marketers must have a more judicious approach to their campaigns.

"The change that I've seen over the last couple of years is quite a bit more conservatism and due diligence before people bring in marketing technologies," said Dave Lewis, CEO of **DemandGen**, a demand generation, lead management consulting and marketing automation agency. "When you bring in the tools and technologies, what marketers learn very quickly is it's not even just about the cost or a license fee of that technology in terms of the cost of ownership. Instead, it's the cost of implementation and adoption and a lot of learnings around just how challenging adoption is for sales, engagement and sales enablement, for example."

Marketing technology is not the end of the journey, and it should not be treated that way. Rather, martech is the beginning of more harmonious relationships between buyers and the sales team and between marketers and their teams. Marketers are at a point where they can implement more thoughtful campaigns in a space where there are so many choices that can overwhelm and slow operations.

This report will uncover the state of marketing technology in B2B, including insights on:

- Why more technology isn't always better;

- How to better integrate your existing systems; and

- The value of attaching KPIs to ROI numbers.

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Slowing Down On Technology Acquisition

Despite the growing number of technology solutions available, marketers are in fact more bogged down than ever — even though they are spending a larger portion of their budget on technology. Neglecting the human factor of their business has created more problems than the technology was supposed to solve.

"I think B2B has gotten harder than ever," said Jeff Pedowitz, CEO of **The Pedowitz Group**, a marketing consultancy for revenue impact. "Marketers are under more pressure to be accountable. They're juggling more technology, more channels, more processes. They're having a harder time finding and keeping talent. Marketers are now spending a disproportionately higher amount of their budget on technology.

"There is an expectation from the CEO and other stakeholders that marketers will get a better return, but they're not," Pedowitz continued. "A fallacy is that because marketers are buying more technology, they should be able to scale. But as you buy technology, you need more people with the right skill set. The systems can't run by themselves."

To avoid simply buying a solution that neither the marketer nor anyone in the organization knows how to use, it's extremely important to be able to teach team members how to use the technology at its intended capacity.

Kathy Macchi, VP of Consulting Services at **Inverta**, a B2B marketing consulting firm, described a process of writing instruction manuals for incoming marketers at the beginning, intermediate and advanced levels of using the martech stack so that marketers could feel comfortable making decisions for their campaigns in real time.

"Right now, with one company, we have a project where we are putting together beginner, intermediate and advanced guides [for technology solutions]," she said. "Let's say someone starts at that company [as a senior marketer]. Now, here's the core technology they need to know, and here's how you need to become an expert over time. To facilitate this, we created comprehensive guides. The most advanced ones are how to use all the technologies in their stack together. I think they're probably one of the more forward-thinking companies that has made this investment in the tech and that also made investment in people to figure out how we use and get value from that technology."

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'Good Enough' Is No Longer Good Enough

Modern Marketers Must Think Differently When It Comes To Tech

BRANDI STARR, TEGRITA

Modern marketers have seen 5,233% growth in available technologies since 2011, according to the latest **Marketing Technology Landscape Supergraphic**. Back when fewer technologies were available — and integrating tech meant lengthy (expensive) custom integration projects — a technology only had to be "good enough" to be chosen. Technology suites were sought after as an all-in-one option, and organizations often adapted their needs and processes to match the capabilities of the suite.

Fast forward to today's "mature" industry. There are new sub-categories of technology and an abundance of options within each category. Spending on marketing technology has continued to grow year over year, as organizations figure out how to best leverage all the newly available technology to meet their revenue objectives. All the options, coupled with a pandemic that has drastically altered the global economy, have forced marketers to evaluate technology differently in 2020 — or, at least, they *should*.

Despite the economic downturn, I believe companies that are able to will still invest in technology. However, I expect that most will need to re-evaluate their current martech spending using a different lens than in the past. Specifically, when looking at current or new tech, marketing departments will need to take into account shifts in priorities, changing marketing strategy and even reduced staff size. For example, a reduction in sales resources may lead to the purchase of a conversational AI platform to fill the gap. Or the shift to virtual events may require a digital events platform with enhanced capabilities.

The growth in the size and complexity of the martech landscape has also led to a shift in how organizations are evaluating the need for talent. Historically, marketers have been creative. As the use of technology grows, true **modern marketers also need to be strategic technologists**, easily switching between creativity, technology and analytics. This puts extra pressure on many organizations that are striving to be "self-contained," a scenario where the marketing department has all of the required technical skills within the team, but outsources creative to agencies where needed. Some can't get the headcount to have enough internal experts, while others struggle to find (or retain) top talent. This has caused marketing leaders to consider a pivot from a self-contained model to the same "ecosystem" approach used for selecting technology, where multiple agencies or consultants are involved to support the martech stack. How do you evaluate what approach is right for your company?

- Holistically, the purpose of marketing technology is to deliver a connected and positive customer and prospect experience. **Each technology in the stack must have a specific purpose; a job or set of jobs that support some component of the marketing strategy. Each job needs to have clear (and defined) measures of success.** And, unlike in the past, each job and the definition of success needs to be defined ahead of the technology purchase (or ahead of the next renewal for current technology). This is the first, and primary, criteria by which you should evaluate technology (not the extensive list of product features). In other words, you need to first define how the technology will support the overall strategy, not the other way around.

- **The second evaluation criteria for technology is data flow and the ability to integrate with other systems.** Modern marketers recognize this as a critical key to success, so it is no surprise that the data category saw the most growth in the 2020 report, up 25.5% compared to 2019. In general, all marketing technologies need to integrate with your marketing automation platform (MAP), but there is also value in integrating smaller systems together. For example, our video marketing software, chatbot, content publishing platform and website CMS are all integrated into our content hub (in addition to our MAP). This enables us to track engagement across platforms, create a consistent prospect experience, and it overlaps reporting so we can track and analyze performance of our initiatives and return on marketing investment (ROMI).

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So, what is the best tech strategy considering all the new options available to meet specific needs? In recent years, we have seen multiple tech acquisitions by a few large players, as well as consolidations of smaller vendors. At first glance, this seems to align to the historical desire for all-in-one solutions. However, I believe that smaller, niche technology companies are better positioned to contribute to marketing success in the coming years.

Smaller companies are more agile and tend to have a better understanding of their customers' unique needs. I strongly believe you need a powerhouse MAP. But beyond that, I favor a strong technology ecosystem where each component is integrated within the stack and is exceptional at doing the specific job it needs to do. In this scenario, technology drives success for not only marketing, but also the entire revenue team (marketing, sales, support, product, success). This strategy is better at meeting specific business objectives over an all-in-one solution that does many things "good enough."

In order to create a customer and prospect experience that attracts and delights, "good enough" is no longer good enough. The success of your business and growth trajectory hinges on having the right technology and people in place with clear and connected objectives and defined measures of success. In many cases, this may mean a robust ecosystem of many integrated technologies, all aligned with your success in mind.

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Looking At The Big Picture

If marketers find themselves overwhelmed, experts emphasized the importance of resisting the urge to double down on what they're already doing.

For marketers who are discouraged by the challenging responsibilities of technology and implementation, Pedowitz said, "When you're struggling, your first inclination is to do more — more and more campaigns, buying more leads, buying more advertising, doing whatever it takes. Actually, you should do the opposite and slow down."

Pedowitz recommended taking a step back and taking a holistic view at a technology stack and rethinking an overall strategy if necessary. "Get rid of the technology that you're not using. Take a hard look at your organization. Look at reorganizing and centralizing the core functions so that you can get better yield." Pedowitz also stressed the need for marketers to align more closely with sales to have a better working relationship and better centralize core functions in the organization.

In terms of building better integrations, the answer may be as simple as sitting down with an Excel spreadsheet and filling in data cells, just to get an idea of which data fields appear in which applications that are integrating with each other. Lewis suggested that marketers build out a "data dictionary" to better understand which fields they should focus on.

"For example, you might have your marketing automation system in column A, and things like first name, last name, company and whatever fields of information that you need from that system," said Lewis. "And then have your CRM and say, 'OK, what fields within the CRM also need to be mapped and synced?' By building this kind of column view of the different data values, you will know what needs to be in your system. That's a very structured approach to figuring out what needs to be interconnected."

It's very tempting for marketers to hit the gas pedal in order to meet high expectations from the C-suite. But their problems may be organizational, or just a lack of a detailed picture. Before planning and executing another campaign, rushing out to buy more technology or assuming an integration works fine because its table stakes, marketers should take the time to dig deep and ask tough questions to make thorough evaluations that can lead to cost-saving measures and less headache down the road. The questions can include:

- Which data do I really need?

- Is my technology stack helping me reach my goals? Why or why not?

- Do I need to hire more staff, or do I need outside help?

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Keeping Track Of Integration And ROI

Industry experts noted that marketers are seeking to better leverage the technology that already exists.

Brandi Starr, Chief Operations Officer at **Tegrita**, shared her perspective on helping marketers integrate existing platforms. Speaking of one particular use case with a client, "There were a lot of manual processes," she observed after looking at their overall tech stack. "There were inconsistencies in their data because their systems didn't talk to each other. And they had a lot of antiquated technologies.

"Over the past three and a half years, we have worked with them to sunset some of their internal technologies," she continued. "In some cases, it's just been doing the work to integrate things. And then over the past three and a half years, we have automated all of their processes so that all their systems talk together, the data is consistent throughout, they have the right ancillary technologies that all plugged into it and are getting good reporting."

Marketers are also realizing that they need to track actual KPIs to understand the ROI their campaigns are generating.

"The biggest challenge is that most people aren't even really set up to properly track ROI — a lot of the return is guesswork," Starr said. "You have to actually do the work to be able to show ROI and that comes down to the technology. In some cases, it also comes down to integrations and being able to have proper tracking and visibility in terms of what drove revenue is important. You must set real KPIs, not just clicks and opens. Marketers in general love the vanity metrics of 'what's my click to open rate?' but you need to have actual business KPIs tied to the campaign."

Starr emphasized that tracking KPIs that are tied to ROI are critical to those inevitable conversations with the CEO and CFO. "If you think about going into the boardroom, a lot of times you have CMOs that show up with open rates and how many form fills there are, and it doesn't really have much meaning," she said. "If a thousand people fill out a form but none of them convert, that stat has no meaning. But if you had five form fills and all of them turned into sales, that's really significant."

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Unpacking The Tech Stack

Marketers are in a unique position to use the current state of martech to get ahead, and now is a good time to slow down and evaluate the strengths and weaknesses of their tech stacks, their teams and their organizations before planning additional campaigns and spending down their budgets. Now is not the time to buy more technology, not unless it's absolutely necessary and there is a demonstrated need to do so. Marketers need must focus on what is working and what isn't within their teams and campaigns and leverage the existing technology to best serve their goals internally.

In the coming years, martech may look less like a "stack" with different technologies layered on each other, producing varied results. It may look more like a "chain" linked together with human team members to produce a personalized, relevant experience for customers and prospects. B2B marketers should take this moment to pause, reflect and centralize their resources before launching their next campaigns and strategies.

Tegrita is a full-service marketing technology consulting firm that enables digital marketing strategy with technology. Privately held and based in Toronto, ON, Tegrita is a remote team of experienced and innovative consultants specializing in marketing automation to support growth-minded organizations. Tegrita brings your marketing strategies to life through marketing automation and the technologies that surround it.

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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.

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