BtoB Research Insights

Priming the Pipeline: 
Driving Awareness, Conversions & Sales

In partnership with

Bizo
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NOTES & RESOURCES

In January and February, 2013 BtoB surveyed 243 b-to-b marketing professionals about the evolving b-to-b purchasing process, including attribution across the sales funnel. This study, sponsored by Bizo, presents the findings, including details of how marketers view their marketing mix, assess their abilities at filling the sales pipeline and determine their success (or failures) in differentiating their brands. Also included are key takeaways for future consideration. See the Appendix for further details on the methodology.

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THE PIPELINE PROBLEM

More than half of marketers believe that the online marketing mix is not meeting the needs of the sales pipeline.

Marketing has changed dramatically over the past few years, perhaps most profoundly—thanks to rapidly evolving marketing technology—in its increased potential for driving sales. More and more, marketing executives have a seat within the executive suite and a stake in business success. Marketing compensation and budgets often are tied to real business results. But is the potential for driving sales and adding revenue actually being fulfilled? Many marketers don’t think so. More than half believe the online marketing mix is not meeting the needs of the sales pipeline. They recognize that customers are doing their own research and eliminating less-prominent brands from consideration; that sales cycles are increasingly elongated and complex; and that there are real concerns about about their abilities to differentiate their own brands from the competition.

In this white paper we will explore marketing's role in filling the sales funnel, and the barriers to successfully doing so. We will offer as well considerations toward achieving the kinds of revenue potential of which modern marketing increasingly is capable of achieving.

BRANDING FOR LEADS

By a strong 60% majority, marketers say their most important goal is generating more leads (see chart below), with secondary goals being additional means of generating those leads: reaching more of the target audience (55%) and elevating brand online (39%). Targeting and brand awareness are more important to marketers this year than last year.

<table>
<thead>
<tr>
<th>Goal</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generating more leads</td>
<td>60%</td>
<td>61%</td>
</tr>
<tr>
<td>Reaching more of our target audience</td>
<td>55%</td>
<td>48%</td>
</tr>
<tr>
<td>Elevating brand online</td>
<td>35%</td>
<td>34%</td>
</tr>
<tr>
<td>Measure &amp; attribute online conversions to</td>
<td>36%</td>
<td>39%</td>
</tr>
<tr>
<td>correct channels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Better incorporate targeting throughout</td>
<td>34%</td>
<td>28%</td>
</tr>
<tr>
<td>marketing mix</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer retention/loyalty</td>
<td>24%</td>
<td>24%</td>
</tr>
</tbody>
</table>

Question: What is your greatest online marketing goal this year?
In addition, better incorporating targeting throughout the marketing mix, and customer retention/loyalty also have risen as top goals. Only measurement across channels experienced a lessening of importance year over year, and this actually may be due to somewhat better measurement practices as marketer knowledge and platform sophistication improves.

But what, in essence, is the most important factor that leads to powerful lead generation? Marketers say it’s differentiating their company brands from the competition: 79% said that it is imperative to differentiate the brand (see chart below). In a world in which prospects do their own due-diligence online, and eliminate most potential vendors based on recognition, marketers’ key first step is reputation and branding.

However, 60% report they are dissatisfied or neutral with their current efforts to differentiate on brand. Forrester Research estimates that more than 50% of vendors are eliminated by a buyer before a sales rep is even approached. Historically, to increase revenue a company might have hired more sales people. Today, if buyers aren’t even talking to you until late in the decision process, more sales people won’t help. Marketers are recognizing that they need to be much more effective with branding, and gaining heavy awareness, in order to get into the consideration set at the top of the funnel.

Despite this, marketers often have little idea how to effect that goal, or even how to measure it. As seen in the chart at right, just 42% of marketers indicate that they can “see” the total marketing funnel as designated by multichannel attribution, and can link specific marketing channels to a conversion. Significant proportions attempt to assign first- or last-click attribution (generally considered less-than ideal) to the conversion. A stunning 32% make no attempt to connect leads to any marketing touch whatsoever.
In addition, marketers tend to have a fuzzy idea of the value of various channels at various points in the buying cycle, and often have little understanding of the channels that have a specific impact on the critical goal of branding.

As seen in the chart at left, email (84%), in-person events (80%) and the corporate website (77%) are considered just about equally valuable at any point in the buying process, whether it concerns branding and awareness at the top of the funnel, or the ultimate conversion at the bottom. Email’s pre-eminence may have something to do with its ubiquity and general usefulness. However, email only reaches a small slice of the target market—the people you already know and who already know you. There is no branding problem with this population. Considering email and many other channels as valuable in any part of the pipeline means a significant proportion of marketers are not thinking about top-of-funnel awareness.

There are some indications of improvement. As seen in the chart at right, more marketers are indicating that they are meeting sales pipeline demands than last year (although this percentage is still less than those not meeting pipeline demands at all). Also to the good, the proportion of marketers who are unable or unsure about measuring their contributions to sales has decreased compared with last year.

Question: Which of these methods are appropriate for any point in the buying process, e.g., awareness, nurturing or conversion?

Question: To what degree is your online marketing mix driving enough leads to meet sales’ goals?
OBSTACLES TO SUCCESS

What’s standing in the way of marketers’ ability to respond to the changing needs of customers and prospects? As is often the case, lack of budget and resources to implement new strategies rise to the top. A related obstacle is poor infrastructure to collect and analyze data (see chart below).

<table>
<thead>
<tr>
<th>Issue</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of budget and resources</td>
<td>59%</td>
</tr>
<tr>
<td>Can’t reach the right target at the right time</td>
<td>39%</td>
</tr>
<tr>
<td>Poor support and follow-up by sales</td>
<td>38%</td>
</tr>
<tr>
<td>Poor infrastructure to collect and analyze data</td>
<td>34%</td>
</tr>
<tr>
<td>Lack of understanding metrics needed at each buying stage</td>
<td>22%</td>
</tr>
<tr>
<td>Lack of knowledge about strategies for emerging marketing channels</td>
<td>19%</td>
</tr>
</tbody>
</table>

**Question:** What are your top obstacles in meeting the changing needs of your b-to-b prospects?

But that’s not all of the story. Most of the other obstacles cited in the chart are frank admissions that a poor understanding of targeting, the sales pipeline, metrics to measure specific stages of that pipeline, and strategies for emerging markets are standing in the way of success. **These are knowledge issues,** obstacles that can be overcome regardless (in many cases) of budget. Even poor sales support and follow-up, and lack of budget, could conceivably improve dramatically, if the knowledge problem was addressed.

**Knowledge issues can be overcome, regardless of budget, and can improve both budget and sales support.**
Further hampering marketers' efforts are the increasing complexity of the pipeline process: 71% of marketers report that there are two or more b-to-b decision makers in any one sale, and 30% say the suffocating influence of multiple decision-makers and procurement departments stand in their way.

71% of marketers say there are 2 or more decision makers in every deal, and the complexity of the process hinders their ability to serve sales.

These results have particular impact on targeting and customizable messages, not to mention tailoring the marketing outreach to separate stages of the buying process. In addition, the length of b-to-b sales processes is getting ever longer, say 43% of marketers. In the complexity of the lead-gen process, the obstacles in achieving marketing goals are worsening.

Reaching the right target at the right time is difficult in any situation, but with multiple decision-makers and an elongated sales process, it's made even more difficult. Every company is different, and identifying key decision-makers at each company and nurturing multiple leads through an elongated pipeline is stressing marketer competencies. One result is marketer discontent with sales—a perennial complaint—which is worsening as sales becomes frustrated by a decision process that is opaque and difficult to parse.
TOWARD A BETTER UNDERSTANDING

While marketers face undeniable budgetary and infrastructure pressures, and are having difficulties in assessing appropriate channels to feed the top of the pipeline, a picture is emerging overall of an approach consensus. When asked specifically about channels that reinforce top-of-the-funnel branding, marketers abandon their preconceived notion that almost all methods are equally good throughout the funnel. Instead, certain channels rise to the top as key influencers of brand awareness and pipeline feeders:

![Graph showing channel effectiveness](image)

**Question: Which channel is best at achieving brand awareness?**

Here, the corporate website and display advertising are the top two channels that achieve brand awareness, according to BtoB’s study. Social media also plays a role in reinforcing the value of the corporate brand and heightening its awareness. Webinars and email are, appropriately, considered nurturing elements.

“

Certain channels rise to the top as key influencers of brand awareness and pipeline feeders.

“
These findings are reinforced by other responses that underscore the effectiveness of particular channels in supporting brand awareness.

As seen in the chart above, “impressions” can be considered a proxy for brand awareness. In answering this question—how are you measuring the effectiveness of your marketing channels—b-to-b marketers refine and reinforce their assessment of what are the primary metrics in support of brand awareness, as indicated by the downward facing arrow: The one-two punch: the corporate websites (note the plum colored segment) combined with display advertising (note the orange colored segment) below the arrow.

To be sure, other elements impact on branding, including search, cited by 29% of marketers, and (paradoxically) email, at 20%. Yet, it is a brand’s website presence in tandem with display advertising that marketers say primarily reinforce brand awareness.

"A brand’s website presence, combined with display ads, reinforce brand awareness."
KEY TAKEAWAYS

✓ Marketing has changed dramatically in the past few years. Prospects and customers do enough online research on their own to eliminate less well-known brands from consideration before the first call is placed to a sales rep.

✓ Marketing increasingly is being held responsible for filling the sales pipeline. Generating more leads to serve the sales side is key.

✓ The primary way to achieve generating more leads, marketers say, is brand awareness. First things first: To be considered by prospective customers—to be among the choice few that are called after all preliminary research has been conducted—is the essential goal of marketers.

✓ Achieving a total marketing view of this process is considered essential. Many marketers aren’t measuring which touches produce which leads. Others are using inadequate first- and last-touch metrics. A total view of the pipeline, for adequate attribution purposes, is essential to ultimate success.

✓ If brand awareness is key to filling the top of the sales pipeline, marketers must gain a better understanding of the methods to do so. Best practices indicate that it is not necessarily email, although that is cited by marketers in this study as effective across the entire sales funnel. When pressed, marketers admit that the dynamic tandem of the corporate website and display advertising are more effective brand-awareness channels.

✓ Most obstacles to success have nothing to do with budget or resources. What is holding marketers back are lack of knowledge about gathering data, metrics and correct strategies for emerging markets.

“Most obstacles to success have nothing to do with budget or resources. What is holding marketers back are lack of knowledge about gathering data, metrics and correct strategies for emerging markets.”
APPENDIX

Methodology

In January and February 2013 BtoB surveyed 243 b-to-b marketing professionals about the evolving b-to-b purchasing process, including attribution across the sales funnel. Companies of all sizes were represented in the survey, with a significant proportion from small-to-midsize companies: 22% of respondents said their company revenue was $500 million or more, 14% came from organizations with revenue of $100 million to $500 million, 22% reported revenue of $10 million to $100 million, and 42% said their companies had annual revenue of less than $10 million. Marketers from technology companies comprised 28% of all respondents, with non-tech manufacturing companies at 15% of the total, financial services companies (including accounting, banking, insurance and real estate) making up 12% of all respondents, and consulting firms, wholesale trade/distribution, and healthcare/pharma/medical companies also well represented.

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About BtoB

BtoB is the only media brand dedicated to integrated business-to-business marketing. The magazine, its newsletters and its website content are read by 140,000 b-to-b marketers, with every issue filled with game-changing strategies and tactics needed for success, including news, analysis, benchmarks and best practices. BtoB publishes a wide variety of e-newsletters addressing specific areas of b-to-b marketing, and hosts webcasts, virtual trade shows and live events. In addition, BtoB publishes BtoB's Media Business for business publishing executives.

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About Bizo

Bizo is how b-to-b marketers identify and reach their target audiences online. Fueled by Bizo’s audience of more than 120 million professionals around the world, including more than 85% of the U.S. business population, the Bizo Marketing Platform can precisely target business people by specific business demographic criteria. Bizo’s customers use the platform’s data management and targeting capabilities to reach audiences anywhere they travel online and engage those that come to their websites, landing pages and social channels. Bizo has earned the confidence of more than 600 SMB marketers and large global brands, including AMEX, Mercedes-Benz, Monster, Salesforce.com, Porsche, Microsoft, AT&T, and UPS that use Bizo to impact every stage of their sales and marketing funnels.

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