ANNUITAS

2016 B2B ENTERPRISE DEMAND GENERATION SURVEY

3rd Annual Benchmarking Study

CONDENSED VERSION

KEY TAKEAWAYS

The majority of enterprise organizations have very large demand generation teams with 41% reporting 20+ people focused on demand generation. The rest of the organizations have teams that range from five to nine people (26%) and as small as two to four people (17%). Organizations clearly recognize the importance of demand generation and the role it plays in driving revenue.

Marketers still struggle with effectiveness of demand generation in reaching their primary goals with only 17% reporting they are very effective. Although 70% report moderate effectiveness, that still means more than 10% are ineffective or don't track results.

Organizations are still not spending enough time on building and documenting a content marketing strategy with only two-thirds documenting their strategies. This is an increase of 14.8% from last year. The lack of documented strategy, coupled with the majority of enterprise marketers (55%) increasing their spend on content marketing, may lead to poor results from their content marketing investments.

2016 B2B ENTERPRISE DEMAND GENERATION SURVEY

EXECUTIVE SUMMARY

This is the third year we have surveyed B2B Enterprise Marketers to get a better understanding of their approach to and success in the practice of demand generation.

The ever-changing world of B2B marketing continues to challenge marketing and sales teams to better engage with our buyers. The third annual Enterprise B2B Demand Generation Study by ANNUITAS seeks to understand the strategies, objectives and goals of marketers working in enterprise organizations with revenues of $250 million and above. All B2B marketers face challenges, however, the enterprise is a unique group often underrepresented in surveys and studies.

This year we saw a 9% increase in the number of organizations who state that they are seeing success in demand generation. Additionally, more and more organizations are involving sales teams in marketing strategy and taking a more holistic approach to understanding their buyer. However, even with all the improvements, there are some areas, specifically measurement and content, that are still lagging behind with a less than optimal process and results.

Our hope is the results of this survey give you an idea of where your team ranks currently in terms of demand generation sophistication, illustrates the improvements that can be made and that it serves as a motivation to you and your team as you seek to transform your demand generation. Achieving best-in-class results isn't easy, but it can be done.

CARLOS HIDALGO
CEO, ANNUITAS

How many Demand Generation programs/campaigns do you run on an annual basis?

DEMAND GENERATION OVERVIEW

When asked this question in the 2015 study, less than 50% indicated that they were running 15 campaigns per year.

Seeing that more than half of enterprise organizations are conducting 15 campaigns a year indicates that many demand generation departments are still taking a tactical (one and done) versus strategic (perpetual/always on) approach to their programs.

Buyers want to have an ongoing conversation throughout the sales process, an “always-on,” strategic approach that is optimized over time will yield better results.

What are the goals of your Demand Generation programs/campaigns? (Select top 3)

How effective are your Demand Generation Programs/ Campaigns at achieving your primary goal(s)?

What is your PRIMARY measure of success for Demand Generation programs/campaigns?

What are the biggest obstacles to achieving your Demand Generation goals?

Limited resources
25.2%

Lack of budget
18%

No defined strategy
15.3%

Lack of technology
14.4%

Lack of time
14.4%

Limited skill set
12.6%

Does your organization utilize buyer personas in the planning of Demand Generation Programs and activities?

BUYER PERSONAS

More and more we are seeing organizations utilize buyer personas as a part of their demand generation planning. This year saw an 11% increase in organizations who make buyer personas a standard part of their demand generation program.

This continuing upward trend (22% increase since 2014) shows that organizations are becoming more buyer-centric in their approach to demand generation.

What criteria do you use to develop your buyer personas? (Choose All That Apply)

Who is primarily responsible for the development of buyer personas in your organization? (Select All That Apply)

Which of the following do you consider when you are developing buyer personas? (Select all that apply)

Is sales involved in the development or approval of buyer personas?

How often do you refresh your buyer personas?

Do you take into account buying committees (i.e. multiple buyers involved in the purchase process) when you create buyer personas?

How will your spend on content marketing compare to last year?

CONTENT MARKETING

The number of organizations that say they will increase their content marketing spend rose only by .9% year-over-year while those who said it will stay the same decreased by 4.9%.

While content is the fuel for any demand generation program, organizations need to be aware that simply creating new content will not necessarily equate to overall demand generation success. The key is creating content that is aligned to buyers and their purchase process.

Do you have a documented content marketing strategy?

Does your content align to your buyer's pain points and challenges?

Do you create content that speaks to every member of the buying committee?

Who is responsible for creating content in your organization? (Select all that apply)

How many different marketing tactics (email, social media, direct mail, telemarketing, etc.) do you use to deliver your content?

Do you assign lead scoring value or weight to your content based on where it is used in the buyer's purchase process?

Do you use Lead Nurturing as part of your Demand Generation Strategy?

Yes
89.4%

No
10.6%

LEAD NURTURING

The overwhelming majority (89%) of respondents are using lead nurturing as a part of their demand generation strategy, which is a 12.3% increase over last year.

This is an indication that marketers are focusing on on-going engagement with their buyers and understanding the importance of communication throughout the purchase process.

If you answered yes to the previous question, is Lead Nurturing integrated into your strategy or do you run separate Lead Nurturing Campaigns?

Do you create specific content for lead nurturing (middle of the funnel) that is different in tone and language from early and late stage content?

Are there defined Lead Stages, Lead Qualification Stages and Definitions that both marketing and sales agree on in your organization?

Yes
67.3%

No
10.6%

We have informal definitions but nothing is documented
22.1%

LEAD MANAGEMENT

More and more organizations are seeing the importance of marketing and sales having an agreement on lead qualification stages and definitions.

The 67.3% of organizations that have agreement, represents a 6.7% increase over the 2015 study. Of the 22% stating it is informal, but not documented, there is a high probability that there is nothing in place to drive more value and alignment across the two departments.

What lead stages do you use? (Select all that apply)

How do you score leads? (Select all that apply)

When does marketing pass leads to sales?

Does your organization have specific lead routing rules that govern how qualified leads will be sent to sales?

Does your organization have defined agreements (SLAs) between marketing and sales that define times for lead routing, lead response and lead disposition?

How does your organization primarily capture information on potential leads?

How are leads routed in your organization?

Do you have a department that oversees all aspects of Demand Generation including the development of personas, creation of content, implementation of programs and measurement?

ORGANIZATIONAL DESIGN

It is interesting to see that nearly 57% of organizations have what they deem as a "dedicated demand generation team", yet 60%+ of respondents stated that either their product marketing or corporate marketing teams are responsible for the creation of buyer personas and/or content.

Given the specialization for B2B demand generation, it is a positive sign that more organizations are looking to departmentalize the demand generation function, but this needs to include all aspects.

How many people in your marketing organization are focused on Demand Generation?

How involved is sales in the design, review and approval of Demand Generation strategies?

How is the Demand Generation organization aligned?

Does your organization have a team dedicated to content production?

Is there any formal training/ongoing marketing enablement for your teams?

Please rate the skill set of your marketing personnel in terms of executing Demand Generation Strategy.

Are your marketing automation and CRM systems integrated?

Yes, but strictly one way marketing automation to CRM
31.2%

Yes, bi-directional integration with CRM changes applied to MAS
45.9%

I'm not sure
9.2%

No
13.8%

MARKETING TECHNOLOGY

The ever-increasing availability of new marketing technologies and the applications of those technologies causes this an area of the study change a little each year.

As organizations adopt more technologies into their daily use, the goal is to have technology enable the strategy, instead of drive the strategy. Introductions of new technologies also means that new processes are needed to enable the technology and optimization of new processes will become important to best utilize the technologies.

Although organizations are becoming more sophisticated in their use of technology, there are still some best practices that need further adoption including overall integration of technologies into the organization. Marketing automation and CRM technologies are common solutions for enterprise marketers in 2016, yet with less than 50% using these bi-directionally, we still have work to do.

Has your organization been effective with the use of marketing automation?

What other marketing applications does your organization use? (Select all that apply)

Who owns the governance of your marketing technology?

Is there a marketing technology team, or a dedicated marketing technologist in your organization? (Not marketing automation power users, more general technology specialists)

Does your organization have a standard set of KPIs that it tracks to measure Demand Generation Success?

MEASUREMENT / KPI

A great majority of enterprise demand generation teams have a standard set of Key Performance Indicators (KPIs) that they apply to their demand generation programs.

This 5% increase over last years study shows an increasing focus by demand generation marketing departments on measurement that has been minimal in the past.

Please select all of the marketing performance KPIs that you currently track:

Do marketing and sales have a common set of KPIs that they both use to measure success?

Yes
38.1%

No
33.6%

We are moving towards a common set of KPIs
28.3%

From what systems do you pull your KPIs? (Select all that apply)

Do you have performance KPIs for each stage of the buying process, and the buyers' online and offline behavior?

How often do you review your Demand Generation KPIs?

Do you analyze the KPIs and leverage your findings to optimize program performance?

CONCLUSIONS

Enterprise organizations continue to struggle to achieve greater results from their demand generation efforts and content marketing investments. Although some significant progress has been made over the last year in terms of organizations that document their strategies, have better trained resources and have sales better integrated into the demand generation process, there is still much work to be done.

Organizations must continue to focus on buyer-centricity across all aspects of demand generation and gain a better understanding of the roles buying committees play in enterprise B2B purchases. Today's B2B buyer is complex, with a multi-faceted buyer's journey. The more organizations can understand their buyers and align the people, process, content, technology and data to deliver value to the buyer, the more successful they will be in creating opportunities to drive revenue.

What is the size of your organization in terms of annual revenue?

Would you describe your company as a B2B or B2C Enterprise?

How many employees does your organization have?

What is your primary industry?

What marketing automation platform do you use?

What CRM System does your organization use?

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