THE STATE OF B2B
MARKETING AUTOMATION:

5 STEPS
TO HELP YOU
GET MORE FROM
YOUR MARTECH
INVESTMENT

act-on

INTRODUCTION

Marketers today face a changing, daunting world: a crowded vendor landscape, online channels that are fast-multiplying, and a digitally disrupted customer journey. With access to endless amounts of information and choice, our buyers now have complete control of this course from start to finish. The modern buyer is empowered to make their own decisions and interact with content and their peers in ways that give them more control over the entire buying process – often only engaging with sales at the last possible stage of the evaluation process. This makes it paramount for marketers to nurture buyers for longer, and, as a result, steward more of the customer experience from brand building, to demand generation, to customer retention and expansion.

This means that technologies like marketing automation (MA) have a bigger role to play than ever before. Much more than a simple email marketing tool, marketing automation can be the command center for businesses. Using marketing automation to its fullest potential ensures that your brand stays top-of-mind for buyers throughout their decision-making process, enables marketers to automate and trigger engagements based on buyer behavior, and allows you to nurture and score buyers based on who they are and the unique actions they take. Ultimately, marketing automation is the workspace that can streamline the execution and reporting of multi-channel, customer-centric campaigns. But is that how it's being used?

THE STATE OF **B2B MARKETING**

Act-On commissioned Econsultancy to conduct research on the **State of B2B Marketing Automation**, surveying 350 B2B marketing professionals across North America and Europe. This eBook looks at what we found – some of it was what we expected, and some of it surprised us. From this research, we've come up with some actionable steps to ensure you get the most mileage out of your marketing automation system. The goal of the research was to explore marketing automation and look at feature adoption, types of strategies organizations are using, and overall satisfaction with the technology – to ultimately better understand the maturity level of marketing automation.

Secondly, we wanted to look at what B2B companies – particularly those that are succeeding in their marketing activities, the Leaders – are doing differently from the rest that's allowing them to see higher levels of success. It's clear from our research that the use of marketing automation technology is directly correlated with success. In fact, industry leaders are 24% more likely than their peers to say they are currently using marketing automation.

While the numbers speak for themselves, and it's clear that marketers are seeing incredible results from implementing marketing automation (MA), we also wanted to find out if marketers are really seeing the value they expected from their MA investment?

98[%]
of respondents agree

that marketing automation use is critical to long-term business success.
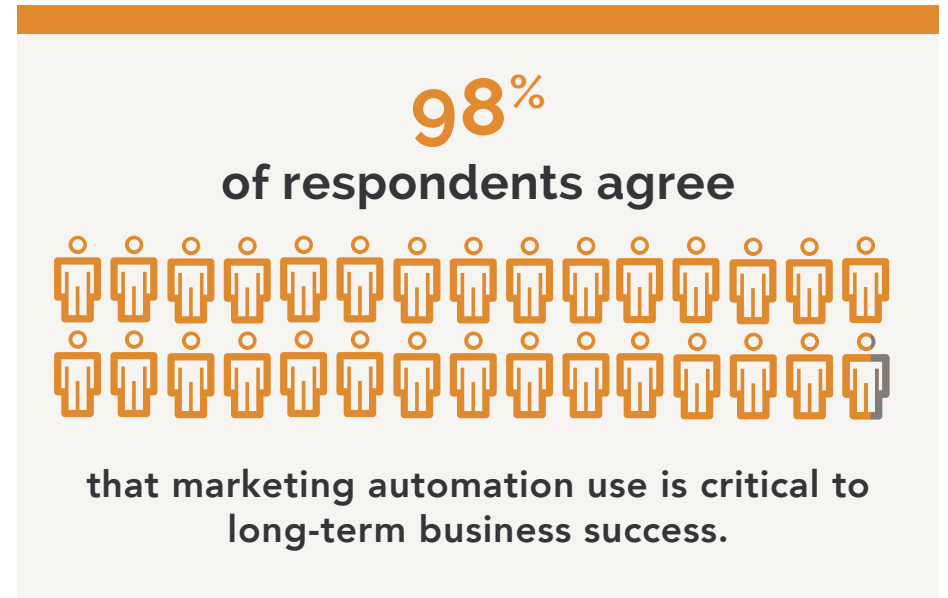
While most every respondent (98%) agree that effective MA use is critical to long-term business success, only two in five (41%) believe their organizations are actually using it to its fullest capacity.

While marketers are finding value in their marketing automation investments already, there's clearly a massive opportunity for current marketing automation users to maximize their return on their MA investment by increasing feature use, applying new strategies to what they do, and broadening their use case across brand, demand, and expand (customer) marketing initiatives.

WHY ARE MARKETERS IMPLEMENTING
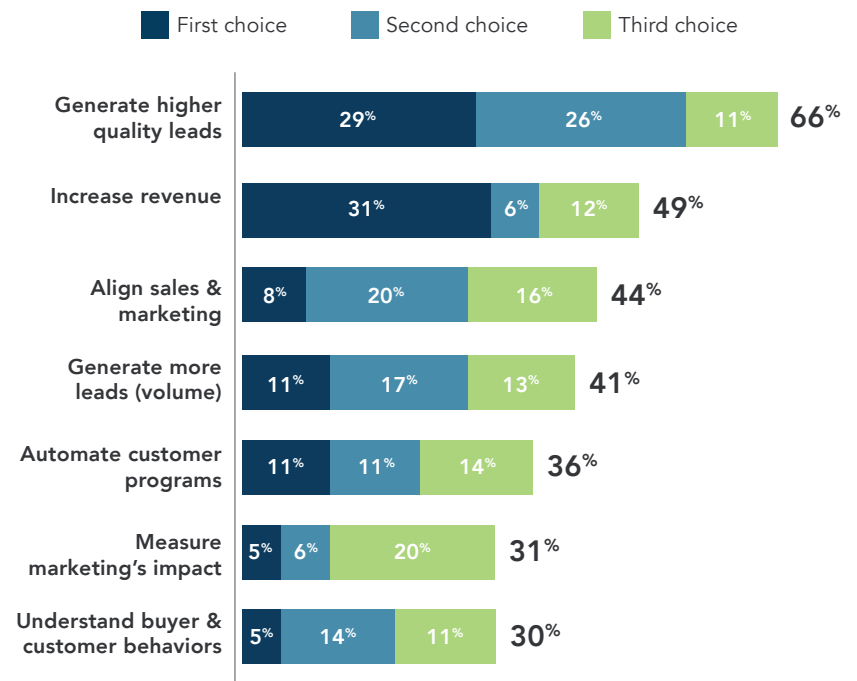## MARKETING AUTOMATION?

Our respondents stated that the two most important strategic goals for implementing marketing automation are generating higher quality leads and increasing revenue. And what we found was that a significant two-thirds (66%) of respondents rank higher quality leads as being among their top three reasons for implementing automation, while just under half (49%) say the same for increased revenue.

Other reasons for implementing marketing automation are automating customer onboarding and retention programs (36%), having the ability to measure marketing's impact on company bottom line (31%), and understanding the digital behaviors of buyers and customers (30%).

Ideally, of course, what B2B organizations want is both quality and quantity, and the right technology – properly implemented – can help deliver that.

Yes, these are all significant benefits of marketing automation technology, however, the use of the technology for programs beyond demand gen are just now beginning to get noticed. The financial benefits of more effective onboarding should not be underestimated, with considerable efficiencies typically being achievable when cumbersome manual processes are replaced with automated programs that maximize customer engagement, satisfaction, and upselling or cross-selling opportunities.

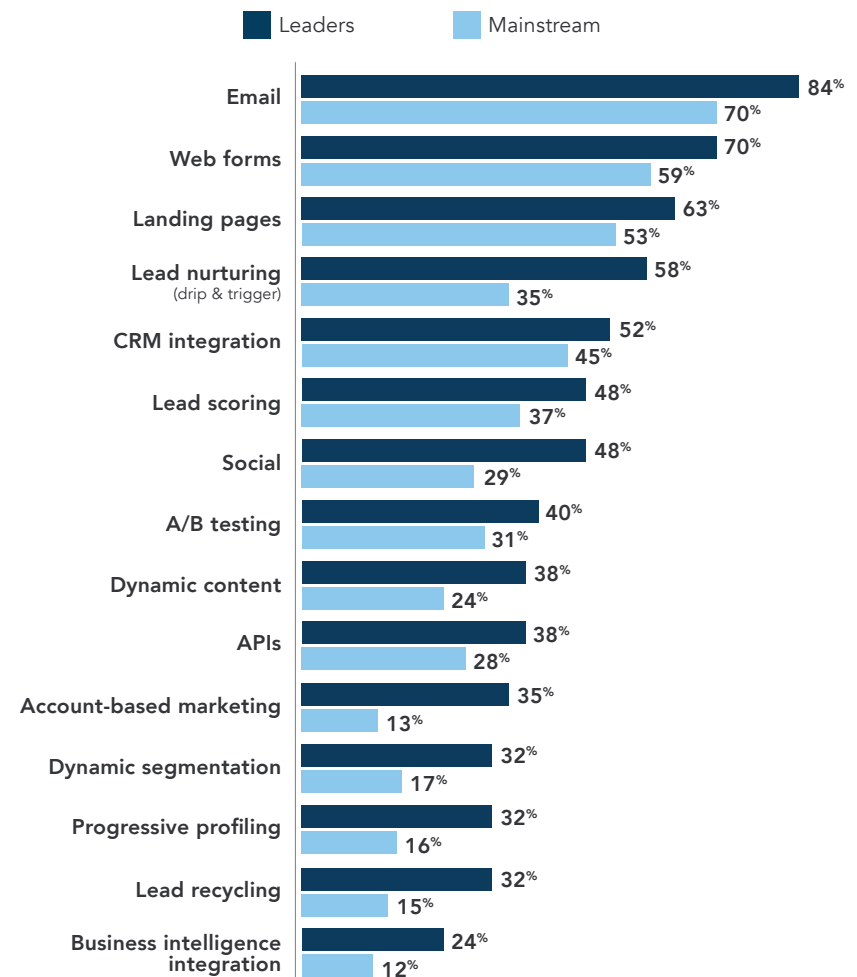### TOP REASONS FOR CHOOSING TO IMPLEMENT MARKETING AUTOMATION

■ First choice   ■ Second choice   ■ Third choice

Reason	First choice	Second choice	Third choice	Total
Generate higher quality leads	29%	26%	11%	66%
Increase revenue	31%	6%	12%	49%
Align sales & marketing	8%	20%	16%	44%
Generate more leads (volume)	11%	17%	13%	41%
Automate customer programs	11%	11%	14%	36%
Measure marketing's impact	5%	6%	20%	31%
Understand buyer & customer behaviors	5%	14%	11%	30%

HOW ARE MARKETERS IMPLEMENTING
MARKETING AUTOMATION?

There remains significant room for B2B marketing practitioners to expand the scope of their use of marketing automation systems, beyond the traditional low-hanging fruit. In fact, more than half of B2B organizations surveyed are using marketing automation in only three areas: email, web forms and landing pages. Yikes! That's quite a bit of missed opportunity.

While features like email, landing pages, and forms are core to any marketing automation platform, these features just scratch the surface of the platform's capability when it comes to driving demand, nurturing leads, and converting prospects into happy, paying – and staying – customers. It's apparent that the majority of users are not even close to utilizing the power of the tool to its fullest capacity. In fact, the more sophisticated components of marketing automation like **progressive profiling**, **Account-Based Marketing (ABM)**, and dynamic content are way under utilized. However, if leveraged properly, these features are actually the ones that can make a big impact on the performance and success rates of campaigns.

Want to know more about Account-Based Marketing? Check out our guide on **How to Profit from Account-Based Marketing**.

PROPORTION OF COMPANIES USING
MARKETING AUTOMATION FUNCTIONALITY

■ Leaders ■ Mainstream

Functionality	Leaders	Mainstream
Email	84%	70%
Web forms	70%	59%
Landing pages	63%	53%
Lead nurturing (drip & trigger)	58%	35%
CRM integration	52%	45%
Lead scoring	48%	37%
Social	48%	29%
A/B testing	40%	31%
Dynamic content	38%	24%
APIs	38%	28%
Account-based marketing	35%	13%
Dynamic segmentation	32%	17%
Progressive profiling	32%	16%
Lead recycling	32%	15%
Business intelligence integration	24%	12%

USING MARKETING AUTOMATION
TO ITS FULLEST POTENTIAL

For the most part, marketers have used marketing automation solely for demand generation purposes and have not yet fully realized how to leverage their existing technology to extend to branding and customer marketing needs. However, the same tactics used for demand gen (e.g., trigger messaging, segmentation, scoring, nurturing) can also be applied to other marketing disciplines. And the same technology – marketing automation – makes your strategic execution consistent, repeatable, scalable, and measurable, while ensuring a consistent customer experience.

Marketing automation can perform as well as it does for demand generation for other functions in marketing. In fact, marketing leaders are increasingly interested in seeing demand gen-style results from branding and customer marketing efforts. According to our research, Revenue Generation, Return on Investment (ROI), and Leads Generated are among the most popular performance indicators for both brand and customer marketing.

To learn more about using marketing automation across the entire buyer's journey – from branding, to demand generation, to customer success – check out this eBook: **Rethink Marketing [Automation]**. Or for a great, high-level look at the broader use cases for MA, check out this interactive infographic, **What Can You Do With Marketing Automation? Surprise, It's More Than You Think!**

> *"Research shows that it can cost up to **30 times as much** to get a new customer as it does to keep an existing one. It pays to stay very close to your customers, so you know their exact needs, today and tomorrow. Your aim is to be irreplaceable as their supplier."*
>
> **MIKE JOHNSTON**
> *The Chartered Institute of Marketing*

MOST POPULAR
PERFORMANCE INDICATORS FOR BRAND & CUSTOMER MARKETING:

Return on Investment (ROI)	Leads Generated

HOW EFFECTIVE IS
MARKETING AUTOMATION?

Marketing automation is known for improving marketing and sales operations, **but how effective is MA, truly?**

58%	**57**%	**85**%	**3x**
of respondents strongly agree that marketing automation makes marketing teams more efficient	of respondents strongly agree that marketing automation increases marketing's contribution to pipeline	The vast majority (85%) of those surveyed rate their marketing automation systems as effective...	and leaders are almost three times as likely as their peers to rate them as very effective (20%, versus 7% of those in the Mainstream group)

While 85% of those surveyed rate their marketing automation platforms as effective, there are still 15% that rate it as ineffective. Where are you along the effectiveness continuum? Is your marketing automation a right fit for your business needs? If you're feeling like you might not be getting the most out of your MA investment, there are a few things you can do to increase the results you're getting.

FROM GOOD TO GREAT: INCREASING YOUR MARKETING AUTOMATION ROI

To see a quicker return on your MA investment, think about these 5 things before selecting and implementing:

1. **HAVE A STRATEGY AND PLAN**

2. **APPOINT A PROJECT LEAD**

3. **CHOOSE THE RIGHT PLATFORM**

4. **CHOOSE THE RIGHT IMPLEMENTATION PARTNER**

4. **BUILD THE BUSINESS CASE FOR INVESTMENT**

1. HAVE A STRATEGY AND PLAN

Automation is not something that should be taken lightly. A well-thought-out plan can not only take the headache out of your marketing efforts, but it can also greatly increase the opportunity for success in your results. Many marketing automation implementations flounder because there's a lack of strategy from the outset. It's important to clearly identify what goals and objectives you're looking to achieve, and to define your software requirements within this context.

In order to be most successful, companies must first map out their plans and gain a thorough understanding of both the manual tasks that are going to be automated and the workflows that are going to be disrupted. Consider fully which cogs and gears within your organizational machinery need to be operating in harmony to ensure success, and the type of inter-departmental co-operation that'll be necessary. Getting unanimous **executive buy-in** from all parties is key if you want things to go off without a hitch.

A good starting point would be to align the processes within your organization to ensure that there are clear overall business objectives for marketing automation, as well as a solid understanding of the roles played by different departments in delivering against these goals. To give your planning a head start, take a look at this handy **marketing automation checklist** we've created.

Cross-team alignment may have more benefits than we ever could have imagined. In our study, the third most widely cited reason for choosing to implement marketing automation is to align sales and marketing for mutual success. It's well documented that the **alignment of sales and marketing functions** within B2B organizations has become an important factor for businesses that want to thrive.

The **third most widely cited reason** for choosing to implement marketing automation is to **align sales and marketing for mutual success.**

1. HAVE A STRATEGY AND PLAN (CONTINUED)

Recent research by **MarketingProfs** has found that companies with aligned sales and marketing functions can generate up to 208% more revenue from marketing, while disconnected sales and marketing technologies and processes cost B2B companies 10% of revenue or more per year. When sales and marketing teams work together, the MarketingProfs research has shown that companies see 36% higher customer retention and 38% higher sales win rates.

Integration is widely regarded as one of the fundamental traits that define sales and marketing alignment. This includes the use of integrated technology to ensure the efficient movement of leads and other forms of data, effective metrics and reporting, and shared access to key business processes and workflows.

Think about how your culture, and technology, will need to evolve in order to improve alignment between sales and marketing, and ensure that you fully benefit from implementing marketing automation software.
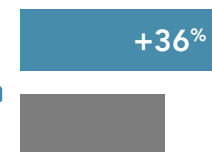
Check out this eBook to learn more about creating a **High Performance Marketing Plan**.

ACCORDING TO MARKETINGPROFS, COMPANIES WITH **ALIGNED SALES AND MARKETING FUNCTIONS:**

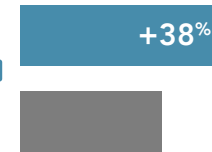can generate up to
208% more
revenue
+208%

see
36% higher
customer retention
+36%

and see
38% higher
sales win rates
+38%

2. APPOINT A PROJECT LEAD

While your choice of marketing automation technology is crucial to success, software in isolation is not a panacea for an area of marketing that is very much 'people-powered'. Organizations adopting MA need to ensure that they're set up for success. Taking the time to set the right processes in place to help you get full value from your investment, with co-operation between different stakeholders and business functions, is essential from the outset.

Implementation of a marketing automation platform, whether starting from scratch, or replacing a technology that is no longer the right fit, can therefore require some heavy-duty project management, and a project manager with sufficient influence within the business who can "make stuff happen."

Marketing is the new steward of the customer journey. No longer just interacting with those who have yet to buy, marketing now touches customers across the entire customer lifecycle. This means that the marketing team needs to be on the same page as both sales and customer success (CS). And just as the marketing team is directly connected to CS and sales, marketing automation sits at the intersection of other marketing technologies such as email, CRM, and CMS. Therefore, marketing plays an even more important role in selecting, deploying,

and optimizing the technology required to unify the Team Trifecta – the sales, marketing, and customer success teams – behind a shared customer lifecycle engagement strategy.

Much will depend on the effective use of data, which will likely sit in separate parts of the business and very possibly different marketing and sales technology silos. There needs to be a plan to pool together these sources

Implementation of a marketing automation platform… can therefore require some heavy-duty project management, and a **project manager with sufficient influence within the business who can "make stuff happen."**

3. CHOOSE THE RIGHT PLATFORM

While B2B marketing automation vendors offer a similar core range of capabilities relating to areas such as lead management, account-based marketing, integration with other marketing technologies, and templates for email and landing pages, there can be significant variation in the emphasis that these software providers place in different areas. Particular vendors may focus on specialized areas of functionality that may, or may not be core requirements for your business.

It's also essential to pay attention **to the user interface and ease with which people in your business** – with a variety of backgrounds and specialised skillsets – will be able to operate the software. This directly impacts how quickly you'll see results from your MAP investment. So don't underestimate the importance of both ease of use and time to value when making your selection, as both are **must-haves for MA success**.

This sentiment is clearly reflected in our survey results:

- The foremost obstacle in MA adoption is the perceived complexity of marketing automation which is cited as a significant challenge by more than 4 in 10 respondents

- Half of respondents referenced limited availability of skilled experience as a barrier to success

Consider also the vendor's commitment to customer service and the testimonials of other customers. Ensure that you adopt a rigorous vendor selection process to ensure the right partner, by using a carefully thought-out **request for proposal (RFP) template**, and a scorecard to rate your shortlisted vendors that's based on criteria that match your business needs as closely as possible.

If you need help figuring out what you need out of a marketing automation solution and which one might be right for you, take a moment to fill out this **interactive survey** to received tailored suggestions.

MA **ADOPTION CHALLENGES**

PERCEIVED COMPLEXITY	**4 in 10** respondents

| LIMITED AVAILABILITY OF SKILLED EXPERIENCE	**5 in 10** respondents

4. CHOOSE THE RIGHT IMPLEMENTATION PARTNER

Successful implementation of marketing automation may require more sophisticated knowledge and skills than exist within your own organization – based on which platform you choose.

Depending on the scale of your business and the level of sophistication you require, it may be necessary to appoint a third-party implementation partner to ensure that your technology platform is properly set up and optimized. This will need to be factored into your budgeting, as many companies set aside too little money for implementation and delivery anticipating only the cost of the platform and not its many accompaniments.

A **reputable and qualified agency partner** can provide guidance around strategic direction and data usage, as well as help on more tactical activities such as content and campaign management. They can also play a useful role as an impartial voice in helping to align different parts of your business, because they are sufficiently detached from company politics and internal agendas.

It's worth talking to potential implementation partners before you commit to a particular technology, in order to understand from them the pros and cons of different vendors, though keeping in mind that they may not necessarily be platform-agnostic themselves.

If you're already sold on a particular vendor, then ask about their agency partner programs and advice on which company might provide the best fit, based on your company size, budget and culture.
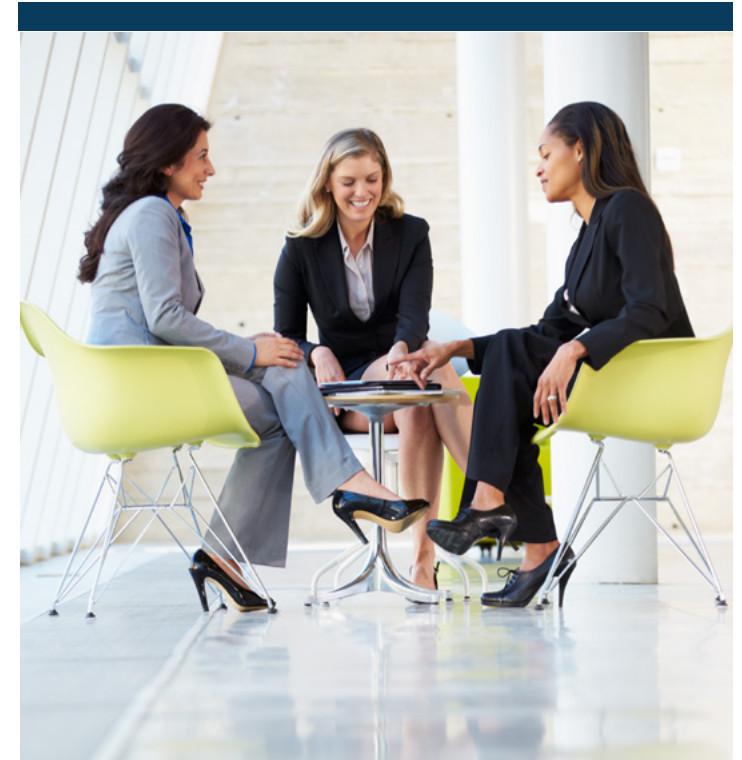
It's worth talking to potential implementation partners before you commit to a particular technology, in order to understand from them the pros and cons of different vendors...

5. BUILD THE BUSINESS CASE FOR INVESTMENT

Building the business case for investment should already be a core part of your implementation strategy and planning (first tip), but it's worth calling out and elaborating on as a standalone tip for success. In order to get the necessary budget, you'll need to provide estimates of the value that marketing automation technology will bring to your business – in terms of increased revenues and greater efficiencies that will ultimately result in reduced costs and ROI.

This exercise should be well received by those who control the purse strings within your business, because it's ultimately about turning the marketing department into a profit center – rather than a cost center. That's what we all want, right?

Marketing automation creates a digital infrastructure that allows marketing and sales to learn about, understand, and interact with buyers throughout the entire lifecycle – from attraction to conversion to retention – in a well-timed, personalized way. That's something that we can all get behind.

Think about what sales and marketing activities cost under your current setup, and what the upside will be in both reduced costs and revenue uplift when you're up and running with a new MA platform. Ensure you're providing tangible figures (i.e. actual dollars) when estimating the amount of uplift you expect to see, based on sensible and achievable assumptions such as 'increase conversion rates by x%'.

Be realistic about the costs that the new implementation will incur, including training, setup and management costs (including any third parties), as well as the cost of the technology itself.
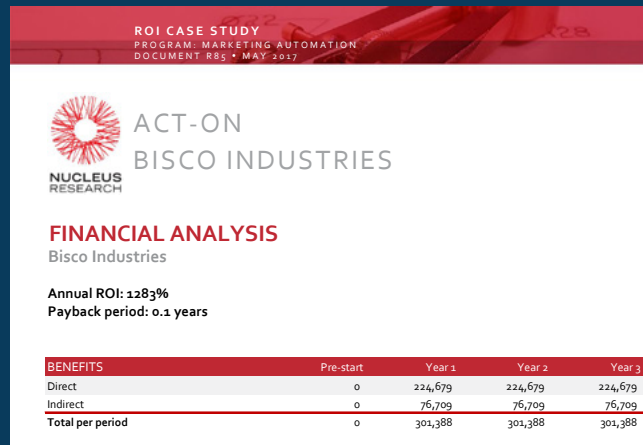
> *"Bottom line, you can't realize the benefits of nurture marketing the way top performers do unless you incorporate a technology platform that can preconfigure business rules to manage timely engagement and escalate prioritized leads to sales via integration with CRM. No amount of hired resources could manually reach out and touch prospects at just the right time with just the right message. Marketing automation forms the backbone for configuring nurture marketing campaigns across channels and managing communications based on prospect engagement. It's also one of the only ways marketers can actually start to attribute marketing spend to closed sales."*
>
> **GLEANSTER**

WHY MARKETING AUTOMATION?

At the end of the day, a successful business relationship, starting with marketing and continuing with customer success, is all about understanding your customers. Every time a prospect interacts with you – whether it's visiting your website, or clicking on an email, registering for a webinar, or downloading an eBook – tells you something. It tells you something about who they are and what they want and need. It's important for you to track, measure, and analyze those interactions in order to understand them and to sell smarter. The driving idea behind your marketing technology should be to help you do that – to let you understand your customers and all those interactions in a single place. In short, your marketing technology should enable you to communicate with your audience in a way that makes sense.

Considering marketing automation for the first time? Unsure whether you are seeing the value from your current investment? Looking to migrate from one system to another? Act-On can help! **Schedule your 30 minute consultation with a specialist today and let us get you on the path to marketing ROI.**

ROI CASE STUDY
PROGRAM: MARKETING AUTOMATION
DOCUMENT R85 • MAY 2017

NUCLEUS RESEARCH

ACT-ON
BISCO INDUSTRIES

FINANCIAL ANALYSIS
Bisco Industries

Annual ROI: 1283%
Payback period: 0.1 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	224,679	224,679	224,679
Indirect	0	76,709	76,709	76,709
Total per period	0	301,388	301,388	301,388

Nucleus Research found that Act-On enabled Bisco Industries to improve marketing effectiveness and see an amazing ROI of 1283% within just 1.2 months.

Acclaim for Act-On

act-on

FORRESTER®
WAVE LEADER 2016
Lead-To-Revenue Management Platform Vendors

FROST & SULLIVAN
2016 BEST PRACTICES AWARD
GLOBAL MARKETING AUTOMATION SOFTWARE COMPANY OF THE YEAR AWARD

Inc. 500

Deloitte.
Technology Fast 500™

See all of Act-On's awards & accolades...

About Act-On Software

Act-On Software is a marketing automation company delivering innovation that empowers marketers to do the best work of their careers. Act-On is the only integrated workspace to address the needs of the customer experience, from brand awareness and demand generation, to retention and loyalty. With Act-On, marketers can drive better business outcomes and see higher customer lifetime value. The Act-On platform provides marketers with power they can actually use, without the need for a dedicated IT resource.

Connect with us to learn more

www.act-on.com | @ActOnSoftware | #ActOnSW