INDUSTRY INSIGHTS FOR B2B TECHNOLOGY MARKETERS

Staying relevant in the fiercely competitive technology industry is a challenge we know all too well as a longtime marketing partner for this rapidly changing market.

This report illustrates our findings from a poll of software and technology VARs, ISVs and other providers specific to B2B technology marketing. We hope it provides you with helpful insights on how related businesses from small resellers to global technology firms are approaching marketing.

Thank you to all who took the time to respond to this survey and we hope to continue building this report in the years to come. Please contact us at info@thepartnermarketinggroup.com if you’re interested in sharing your valuable input in our next survey.
LEAD GENERATION
Tactics used for lead generation

<table>
<thead>
<tr>
<th>Tactics</th>
<th>2014</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email Marketing</td>
<td>90.5%</td>
<td>94.9%</td>
</tr>
<tr>
<td>Social Media</td>
<td>83.8%</td>
<td>86.4%</td>
</tr>
<tr>
<td>Webinars</td>
<td>70.5%</td>
<td>78.0%</td>
</tr>
<tr>
<td>Search Engine Optimization (SEO)</td>
<td>89.5%</td>
<td>76.3%</td>
</tr>
<tr>
<td>Blogging</td>
<td>74.3%</td>
<td>71.2%</td>
</tr>
<tr>
<td>Trade Shows</td>
<td>58.1%</td>
<td>64.4%</td>
</tr>
<tr>
<td>Live Events / Seminars</td>
<td>61.9%</td>
<td>55.9%</td>
</tr>
<tr>
<td>Search Engine Marketing (Including Re-Targeting and PPC)</td>
<td>31.4%</td>
<td>40.7%</td>
</tr>
<tr>
<td>Third Party Lead Services (pay-per-lead)</td>
<td>20.0%</td>
<td>27.1%</td>
</tr>
<tr>
<td>Telemarketing / Telesales</td>
<td>29.5%</td>
<td>27.1%</td>
</tr>
<tr>
<td>Social Media Advertising (i.e, Linked In or Facebook ads or sponsored updates)</td>
<td>N/A</td>
<td>25.4%</td>
</tr>
<tr>
<td>Direct Mail</td>
<td>24.8%</td>
<td>18.6%</td>
</tr>
<tr>
<td>Advertising (print, billboards, radio)</td>
<td>36.2%</td>
<td>16.9%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>4.80%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

While Email Marketing remained the top tactic used by technology marketers, outbound tactics such as Direct Mail and Advertising decreased from 2014.

94% of respondents use email for lead generation.

86.4% are using social media, yet many are struggling to measure results from their efforts.
LEAD GENERATION (cont.)

Personal engagement through live events, webinars and trade shows are delivering the most leads.

Many respondents are still struggling to make social media and social advertising work as an effective lead generation strategy.

Effectiveness of lead generation tactics

Chart reflects the weighted average of all responses
1 = most effective, 5 = least effective

"Done alone, most lead generation tactics are only somewhat effective. We have found best results when done as a coordinated effort."

-Respondent comment

*Including LinkedIn and Facebook ads and sponsored updates
INBOUND/OUTBOUND MARKETING

More than 50% of respondents view content as a high priority and are splitting their marketing dollars equally between inbound and outbound tactics.

Breakdown of inbound vs. outbound

Importance of content in inbound/outbound strategy

“We want to be primarily focused on inbound for lead generation, and then utilize outbound as a prospect progress through the nurturing or sales cycle.”

-Respondent comment
INBOUND/OUTBOUND MARKETING (cont.)

Biggest challenges in inbound marketing

Chart reflects the weighted average of all responses
1 = most difficult, 5 = least difficult

As compared to 2014....

- Building content remains the top challenge for effective inbound marketing.
- Getting responses is still the biggest hurdle for outbound marketing.
- Only 5.1% of respondents feel content is not a priority to inbound/outbound marketing.
OUTSOURCING

Outsource any portion of marketing

- Yes: 75.9%
- No: 24.1%

Marketing activities outsourced

Outsource any portion of marketing

75.9% of respondents outsource all or a portion of their marketing, up from 61.6% in 2014.

Web design is the most outsourced marketing element, followed closely by content development.

Other elements outsourced include:
- Marketing automation
- Social media management
- Webinar execution
- Adwords optimization
CONTENT

Create or source original content

- 66.1% Yes
- 33.9% No

33.9% of respondents are not creating any original thought leadership pieces.

Challenges to creating original content

91% cite lack of internal resources as the biggest challenge to creating original content, up 7.8% from 2014.
CONTENT (cont.)

Number of content pieces created annually

- 25.6% create 1-3 pieces per year
- 12.8% create 4-7 pieces per year
- 38.5% create 8-10 pieces per year
- 23.1% create 11+ pieces per year

Creating industry-specific content

- 39.7% Yes, all of our content is industry-specific
- 19.0% More than 50% is industry-specific
- 36.2% Less than 50% is industry-specific
- 5.2% None – not important to be industry-specific at this time
- 5.2% None – not important to be industry-specific at this time

25.6% of respondents create more than 11 pieces of content per year.

More than half create industry-specific content.
BLOGGING

Respondents with blogs

- **86.4%** of respondents have a blog, with the majority posting at least a few times a month.

- **6.8%** haven’t posted updates in more than 6 months.

Frequency of blog posts

- **Daily**: 15.3%
- **Weekly**: 11.9%
- **A few times a week**: 15.3%
- **A few times a month**: 15.3%
- **Occasionally**: 11.9%
- **Haven’t updated the blog in the last 6 months or more**: 6.8%
- **Not applicable, we don’t have a blog**: 33.9%
COLLABORATIVE MARKETING
Engaged in collaborative marketing

Most respondents are engaging in some type of collaborative marketing.

Groups that respondents are collaborating with

Other collaborators include:
- Channel resellers
- Software publishers
- Group blogs
COLLABORATIVE MARKETING (cont.)

Reasons for collaborating

Half of those who aren’t collaborating simply hadn’t thought of doing it.

Reasons for not collaborating
CUSTOMER ENGAGEMENT

Respondents with customer advocacy programs

Lack of time—for both respondents and their customers—is the biggest barrier to putting customers at the center of marketing efforts.

70.7% of respondents have no customer advocacy program in place.

Barriers to putting customers at the center of marketing

- We don't know where to start / how to build a plan
- We don't have the time to manage
- Our customers don't have the time to participate
- Our customers do not want to go public
- We do not want to put our customers in our materials (concerned about competition, other reasons)
CUSTOMER ENGAGEMENT (cont.)
How respondents engage with customers

33.9% don’t ask customers to publicly promote their business.

How many customers partners rely on to promote business through events, social media, etc.

- None. We don’t ask customers to support us this way
- 3 or less
- 4 or more
CUSTOMER ENGAGEMENT (cont.)

Customers that have provided a case study, testimonial or quote for public use

- 35.6% of respondents are using case studies to engage with customers.

Top 3 biggest barriers to putting your customers at the center of your marketing efforts*

- **63.6%** We don’t have time to manage.
- **49.1%** Our customers don’t have time to participate.
- **32.7%** Our customers do not want to go public.

*More than one answer allowed.
NURTURE MARKETING
Nurture program in place (other than a monthly newsletter)

More than half of respondents have some type of nurture marketing program in place.

Frequency of nurture touches

Top 3 reasons for not nurturing*

50.0% Too difficult to set up and execute
47.4% Don’t have the content to support nurture
21.1% No budget allocated

*More than one answer allowed.
NURTURE MARKETING (cont.)

Who respondents are nurturing

97% of respondents are nurturing prospects.

The majority of respondents are not segmenting their nurture touches by prospects, customers, influencers, channel partners, etc.

Those with different nurture programs in place for the above audiences

45.5% Yes

54.5% No
SOCIAL MEDIA

Most active social networks

- LinkedIn personal profile: 80.0%
- LinkedIn corporate profile: 60.0%
- Twitter: 50.0%
- Facebook: 40.0%
- Google+: 30.0%
- YouTube: 20.0%
- Pinterest: 10.0%
- Microsoft Yammer groups: 0.0%

Most effective social networks

- LinkedIn personal profile: 50.0%
- LinkedIn corporate profile: 40.0%
- LinkedIn groups: 30.0%
- Twitter: 20.0%
- Facebook: 10.0%
- Google+: 0.0%
- YouTube: 0.0%
- Xing: 0.0%
- Pinterest: 0.0%

23.7% of respondents report they get no leads through social media.
SOCIAL MEDIA (cont.)
Frequency of posts and updates

42.4% post updates multiple times per week across social networks.

“Measuring success via social media seems to be a challenge thus increasing budget in this area is difficult. We have been very successful hosting live events.”

-Respondent comment
MARKETING AUTOMATION

Using marketing automation

- **67.8%** of respondents use a marketing automation system, up 8.2% from 2014.

- **ClickDimensions** remains the most popular marketing automation platform among respondents.

Marketing automation systems used

- **ClickDimensions**
- **HubSpot**
- **Marketo**
- **CoreMotives**
- **SalesFusion**
- **Pardot**
- **ActOn**
- Other systems, including:
  - Butterfly Publisher
  - Microsoft Dynamics Marketing
  - BizActions
  - SharpSpring

- 17.5%
- 42.5%
- 5.0%
- 5.0%
- 5.0%
- 7.5%
- 15.0%
- 2.5%
CLOSING THOUGHTS

Because we’ve spent decades marketing software and technology from inside and outside publisher, VAR, ISV and vendor organizations, this survey and report is a passion of ours. It’s interesting to learn what the industry is doing in terms of marketing—what’s changed, what hasn’t and what the biggest hurdles are—and there are always a few surprises.

The best part for us is being able to provide this level of targeted insight for an amazing community that often struggles to find ways to stand out and grow in their marketing.

For 2016, here are a few things that stood out for our team:

- **Content struggles.** While more than 50% of respondents view content as a ‘high priority’ to their marketing strategies, it’s also stated to be the biggest challenge.

- **Lack of time.** A recurring issue cited throughout the survey was lack of time, resources and expertise to execute. A large group (91%) said this is the reason for not creating original content.

- **Social media.** We see in B2B technology marketing, social media still hasn’t proven itself for lead generation. It was great to see that 86% of respondents have a blog though!

- **More outsourcing.** Likely due to the lack of time and expertise reported, outsourcing is on the rise with 75% of respondents outsourcing at least a portion of their marketing, up from 2014.

- **Customer advocacy.** A surprising statistic for us was that 33% of respondents do not ask customers to publicly promote them—at all. As one of the best marketing assets you have, we hope to see this number increase next year.

Many respondents reported the same roadblocks to taking their marketing to the next level.

Common challenges cited:

- Lack of time
- Lack of internal resources
- Measuring results
- Hiring the right people
- Creating original content

This is an indicator of why we are also seeing more outsourcing across the board.
RESPONDENT DEMOGRAPHICS

Annual marketing budget, excluding salaries

- 24.1% $0-$10,000
- 10.3% $10,001-$25,000
- 29.3% $25,001-$50,000
- 10.3% $50,001-$100,000
- 25.9% $100,001+

26.3% of respondents work with a marketing budget of $10,000 or less.

45.6% expect to increase marketing budgets over the next year.

Expected change in budget over next 12 months

- 45.6% expect increase
- 48.3% expect the same
- 3.4% expect decrease
91.2% have a marketing team of 1-4 people, about the same as 2014.
Roles of respondents
(may be more than one)

Type of firm
(may be more than one)

Mid-market ERP products represented
(may be more than one)

Headquarters country

34.4% respondents have more than one role.

18.9% of firms are both a reseller/services partner and an ISV.

67.2% of firms represent more than one mid-market ERP product.

96.6% US, 1.7% Canada, 1.7% Other
ABOUT THE PARTNER MARKETING GROUP

Marketing Solutions for Software and Technology Vendors, Resellers and Providers

The Partner Marketing Group is 100% dedicated to B2B technology marketing which is why we can confidently add the highest level of industry expertise and experience to your team.

Marketing support on your terms.

Marketing must be targeted, strategic and consistent to stand out in this industry. Wouldn’t it be helpful if you had professional B2B marketers on your team who understand your world—your customers, your products, your channel, your vision—from day one? We offer flexible services and guidance to supplement your marketing efforts and staff, and accelerate your ability to compete.

Like you, we’re passionate about technology and know how to illustrate your unique value to engage customers across multiple channels and markets.

www.ThePartnerMarketingGroup.com
info@ThePartnerMarketingGroup.com
734.425.7414