

# STATE OF PIPELINE MARKETING | 2016 |



# THE STATE OF PIPELINE MARKETING REPORT 2016

---

Marketers in 2016 have access to more technology, more marketing channels, and more data than ever before. Because new technologies are constantly evolving and maturing, marketers have to constantly adapt their strategies and tactics to keep up and maintain their advantages.

Pipeline marketing is the methodology in which marketing focuses on impacting the entire funnel, not just the top of the funnel. It's the foundation that, no matter what the newest technology and channels are, keeps marketers focused on the outcome of marketing: revenue.

The State of Pipeline Marketing Report is an annual study of marketers' priorities, strategies, and tactics, and it shows how they measure performance.

In the second annual State of Pipeline Marketing Report, you'll find statistics and insights on how marketers invest in marketing channels, how they measure success, and much more.

## The State of Pipeline Marketing Report Highlights

- **57.3%** of marketers expect their marketing budget to increase in 2017
- **11.0%** of marketers are primarily judged based on lead volume, while about **50%** are judged based on pipeline, revenue, or customer generation
- **73.6%** of marketers plan on increasing their amount of content marketing in 2017
- **65.9%** of marketers report at least moderate confidence in the accuracy of their marketing data
- **22.2%** of respondents said that word-of-mouth referrals have the greatest impact on revenue, the most of any marketing channel or activity
- Marketers who identify as pipeline marketers are **119%** more likely to report sales and marketing alignment, and those familiar with pipeline marketing are **48%** more likely to see ROI greater than 1.5x

# TABLE OF CONTENTS

Respondent Firmographics	pg. 4
Marketing Budgets and Tech Stacks	pg. 7
Marketing Performance and Measurement	pg. 10
Marketing Channels and Activities	pg. 16
Pipeline Marketers	pg. 23

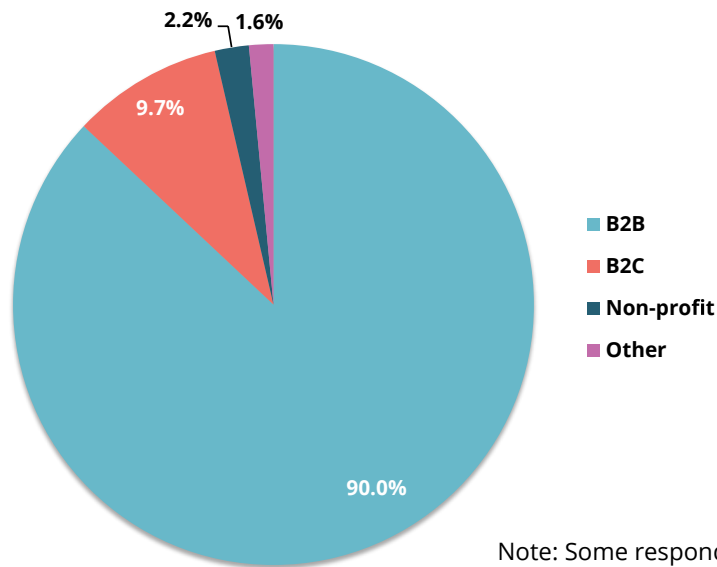
## **Key Data Pivots:**

Marketing Leadership vs. Practitioners	pg. 27
Marketers Using Multi-Touch Attribution	pg. 32
B2B vs. B2C	pg. 35
Company Size	pg. 40

---

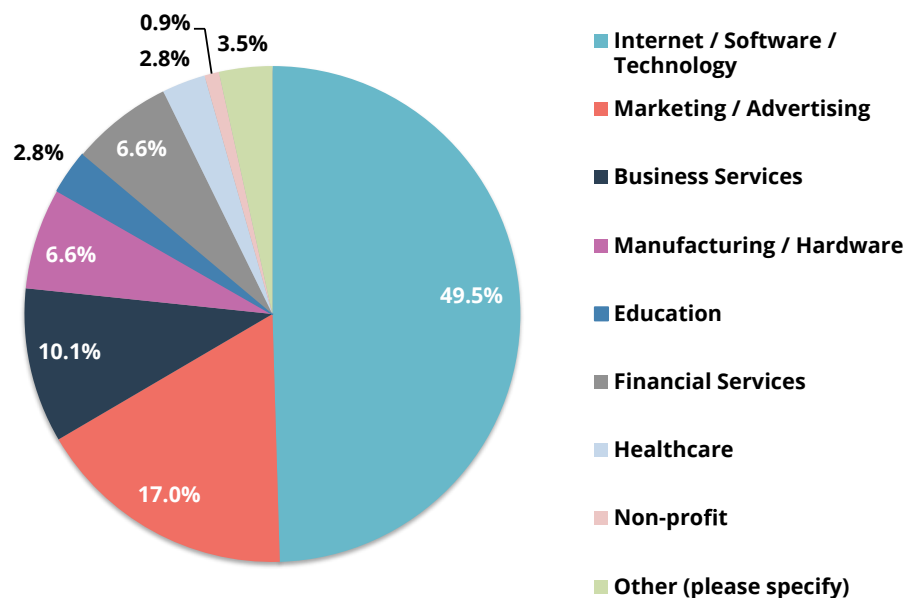
# RESPONDENT FIRMOGRAPHICS

## How would you best classify your organization?



Note: Some respondents indicated that they are both B2B and B2C; therefore, the sum of the percentages is greater than 100%

## Which of the following best describes your industry?

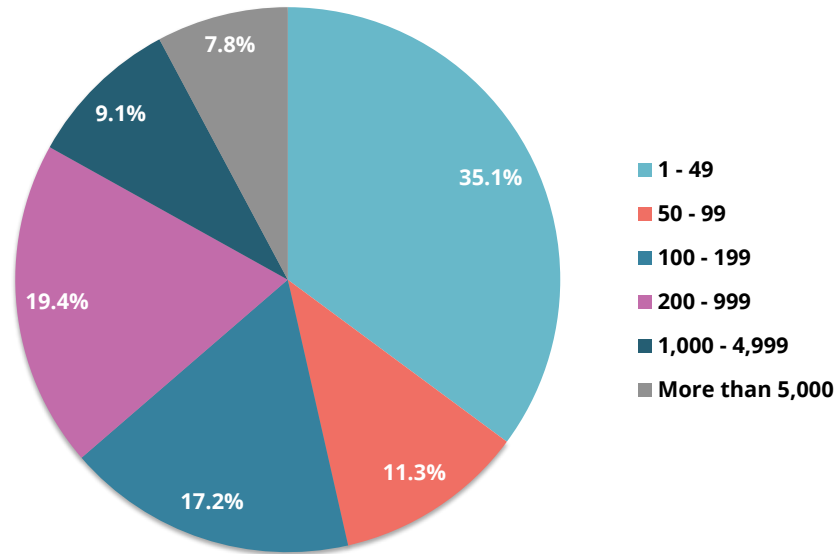


# INDUSTRY

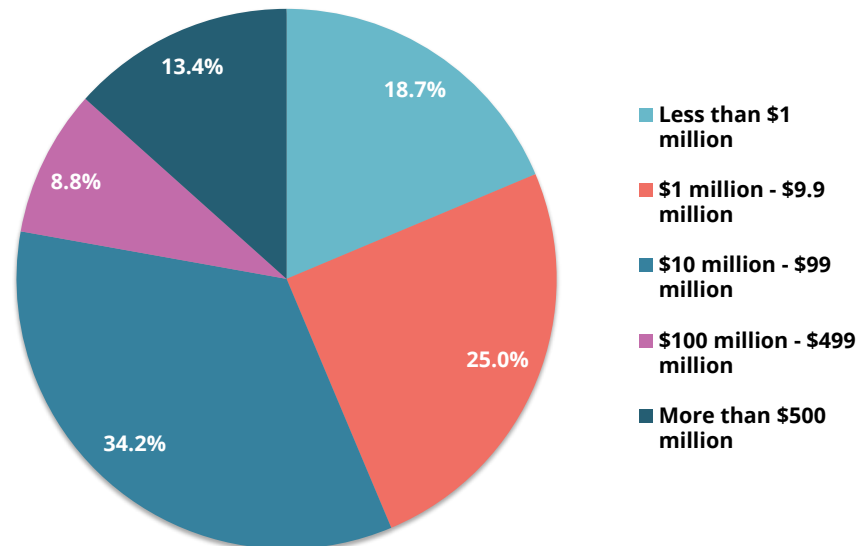
Pipeline marketing focuses on impacting the entire funnel, rather than only focusing on the top of the funnel and then passing leads to the sales team.

Therefore, many of the pipeline marketing principles and concepts only apply to B2B industries and B2C industries with sales teams and processes.

How many full-time employees currently work for your organization?



What best describes your company's annual revenue?

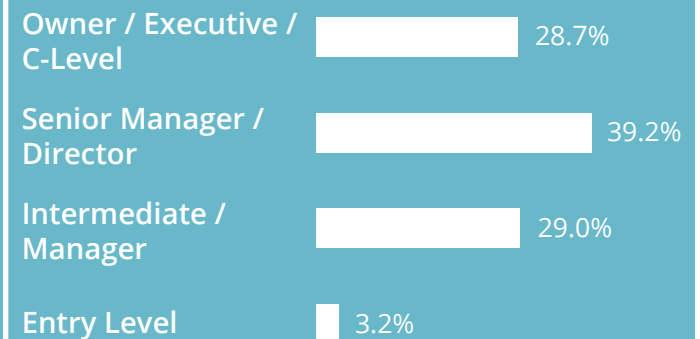


# COMPANY SIZE

The data included in this study comes from a wide range of organizations.

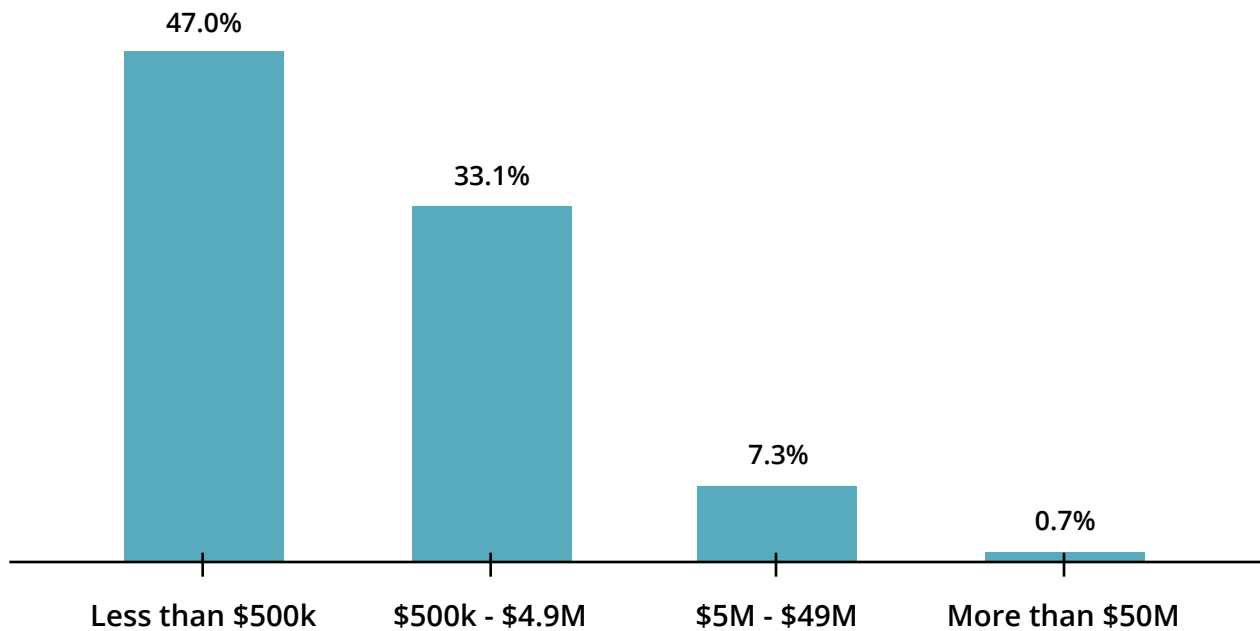
The median respondent works for an organization that employs 100 - 199 employees and has an annual revenue of \$10 million - \$99 million.

## Job Level

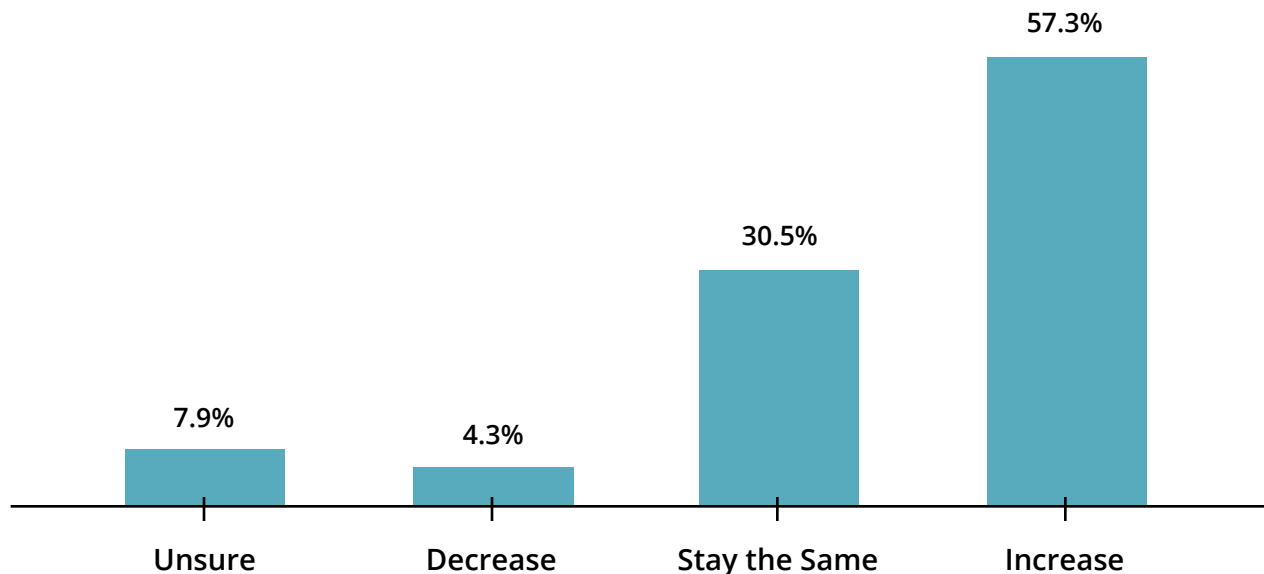


# MARKETING BUDGETS AND TECH STACKS

What is the approximate range of your 2016 marketing budget?



In the next year, do you expect your company's marketing budget to increase, decrease or stay the same?



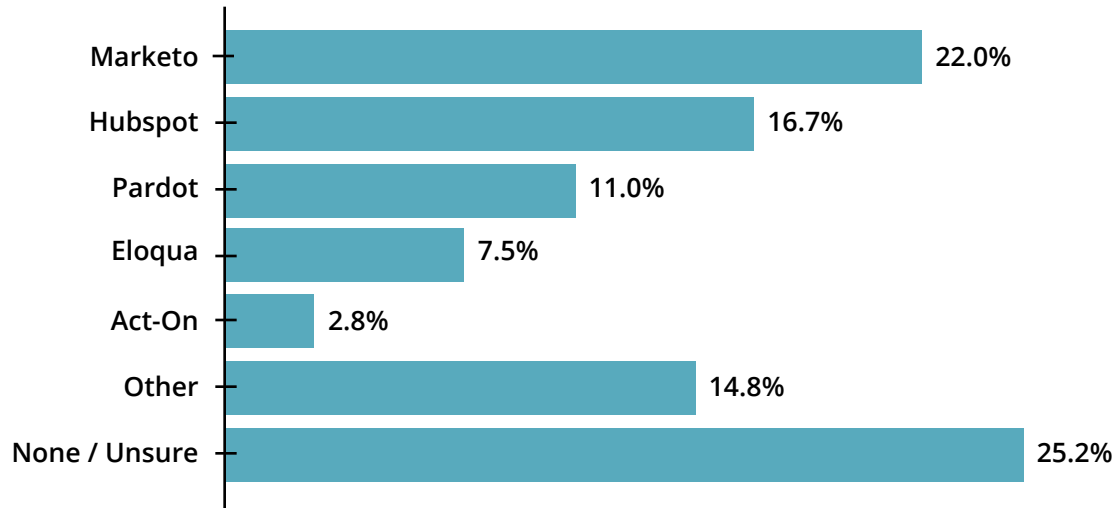
# MARKETING BUDGET

The majority of respondents are confident that their budgets will increase in 2017.

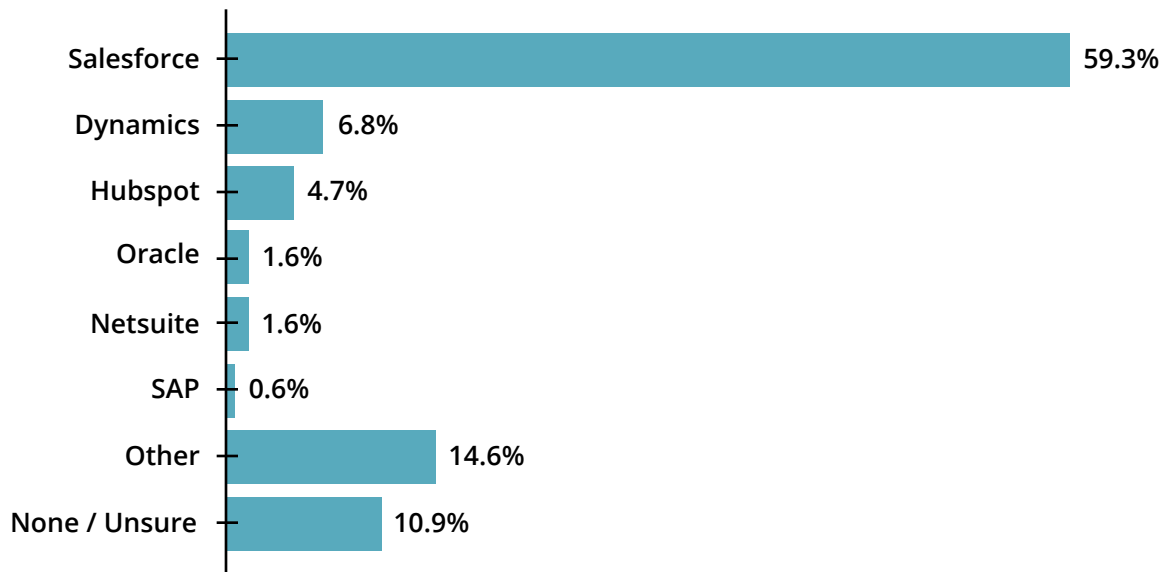
**57.3% expect their marketing budget to increase, while only 4.3% expect their budget to decrease.**



What marketing automation software does your company use?



What customer relationship management (CRM) software does your company use?

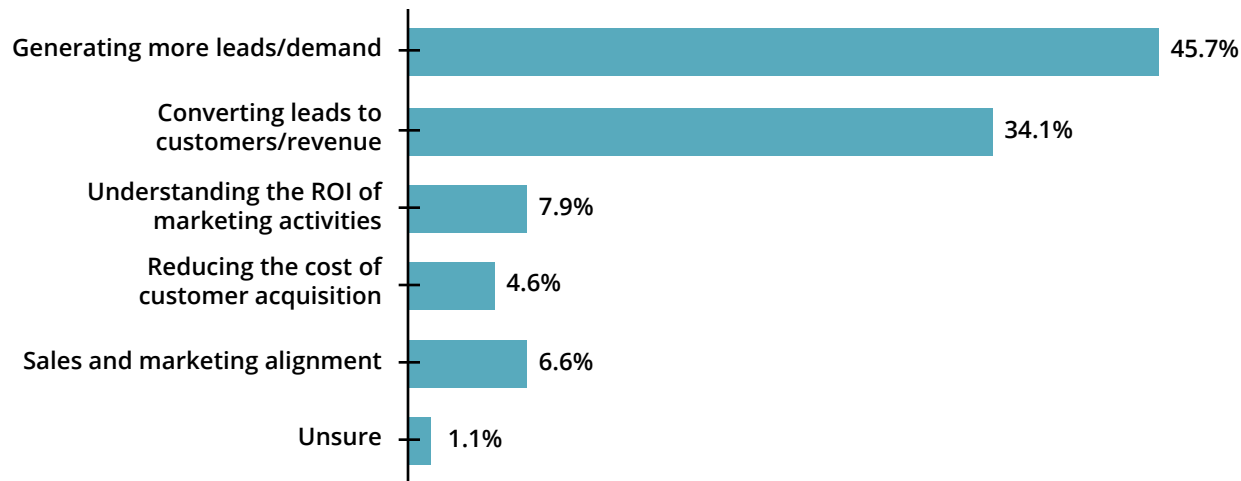


# MARKETING AUTOMATION AND CRM

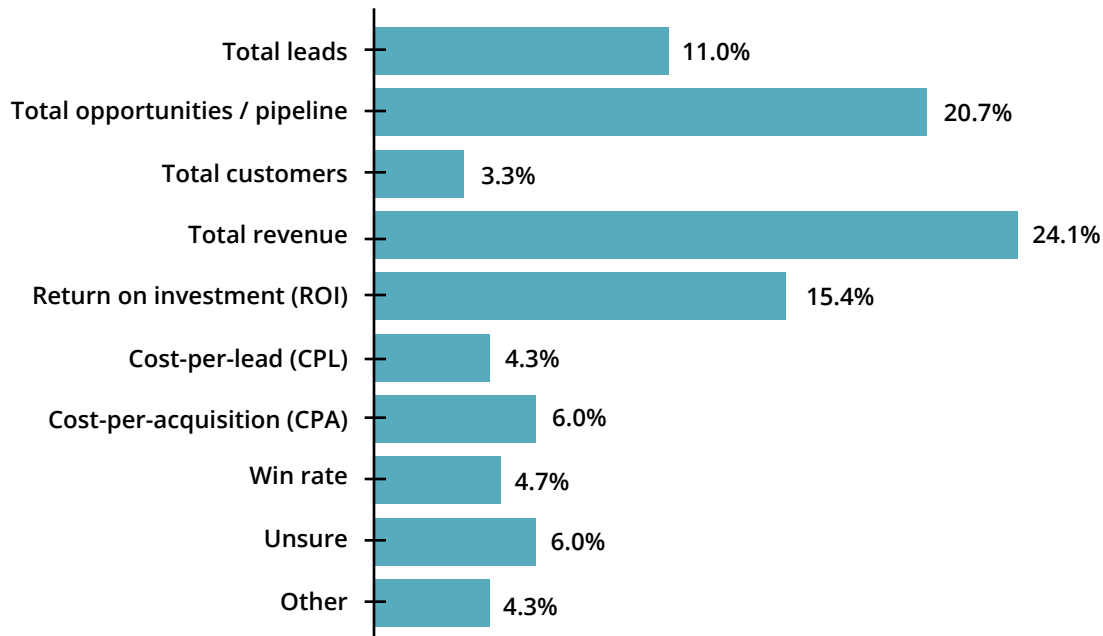
67% of respondents report having both marketing automation software and CRM software in their marketing stack.

# MARKETING PERFORMANCE AND MEASUREMENT

## What is your top marketing priority?



## What is the primary metric you use to measure marketing performance?

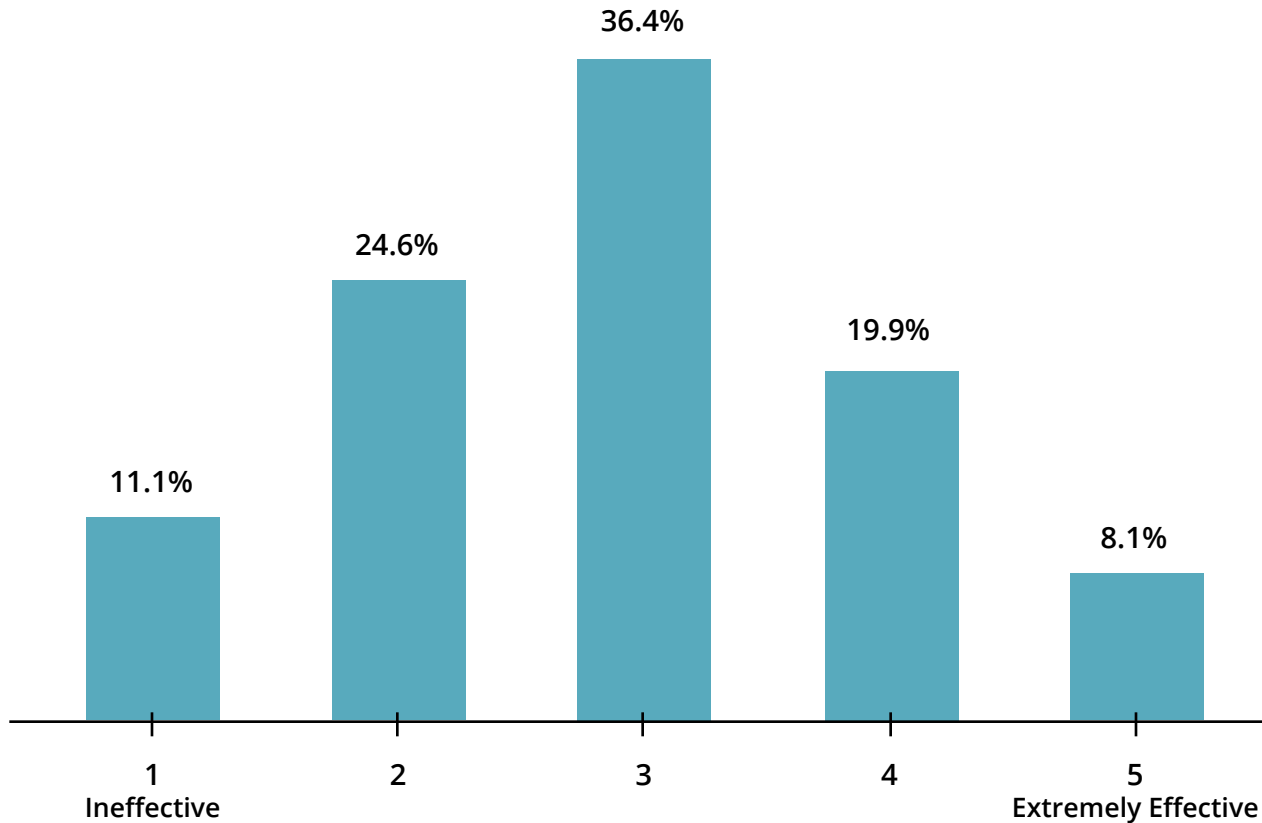


# TOP PRIORITY & METRIC

The top of the funnel is still the leading priority for marketers. However, it's not necessarily the primary way their performance is being measured.

**Only 11% are primarily judged based on lead volume, while about 50% are judged based on pipeline, revenue, or customer generation.** More and more, marketers are responsible for down-funnel metrics.

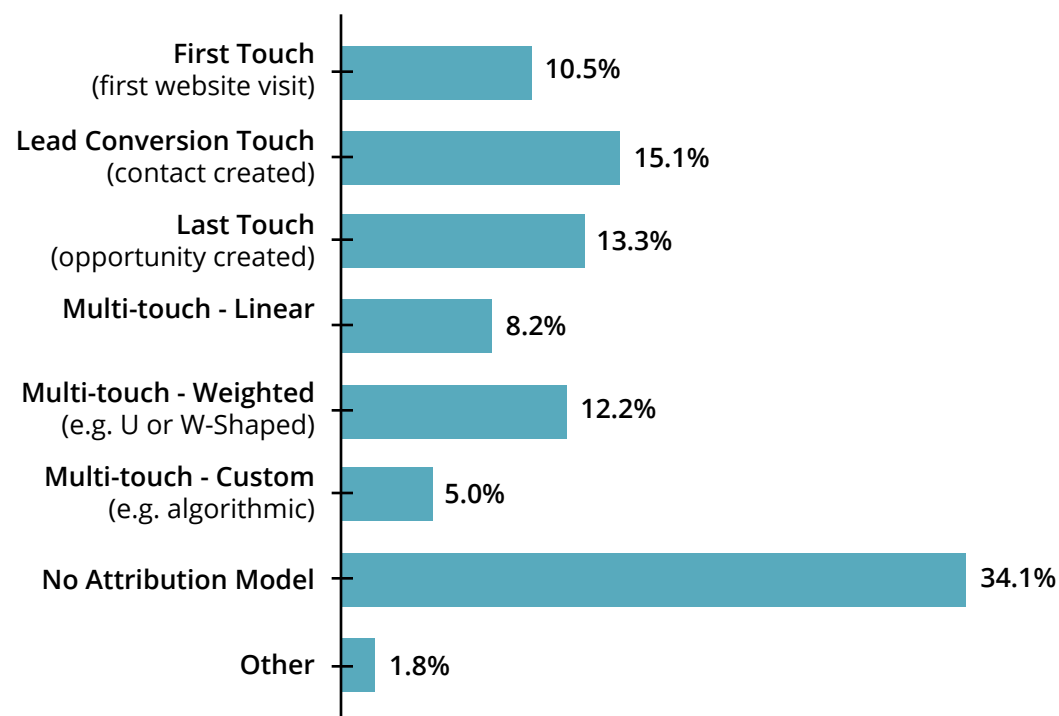
On a scale of 1-5, rate your organization's ability to effectively measure marketing performance



# MARKETING MEASUREMENT

While marketers are being held accountable to down-funnel metrics, it's not clear that marketing orgs are able to measure that effectively today. **Only 28% of respondents said that they think that their company is able to measure marketing performance effectively.**

## Which attribution model does your marketing team use to measure performance?



# MARKETING MEASUREMENT

Marketing attribution plays a huge role in measuring marketing performance, particularly to down-funnel metrics such as revenue. While 75% of respondents said that they had an attribution model in place, **38.8% of respondents reported using single touch models, while 25.4% are using multi-touch models.**

When asked why they are using their current attribution model, respondents were split between three reasons: ease of implementation and setup (29.7%), accurately giving revenue credit to marketing (25.9%) and because it was the default option (22.0%).

The role of attribution in the martech stack is to connect marketing efforts to marketing outcomes (e.g. revenue). It's interesting to see that only about 1 in 4 marketing orgs are using their current attribution model for that reason. It's no surprise, then, to see that **only 22.4% of respondents believe that they are using the right attribution model.** Despite that, only 30.2% plan to change their attribution model in the near future; however, over 40% were also unsure if they were going to change models.

### What is the primary reason for using the attribution model you're using?

Accurately give revenue credit to marketing	25.9%
Ease of implementation and setup	29.7%
Ease of optimization	5.8%
Default option in system	22.0%
Other	16.6%

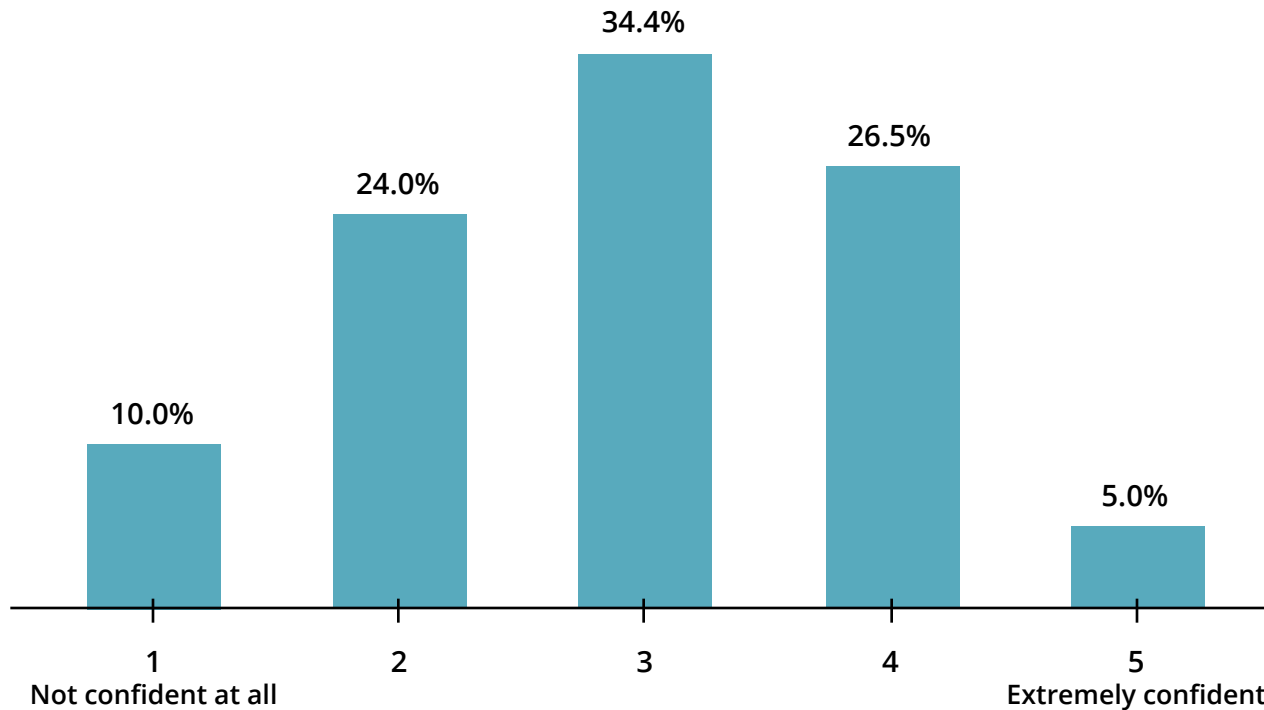
### Do you believe your organization is using the right attribution model?

Yes	22.4%
No	42.7%
Unsure	34.9%

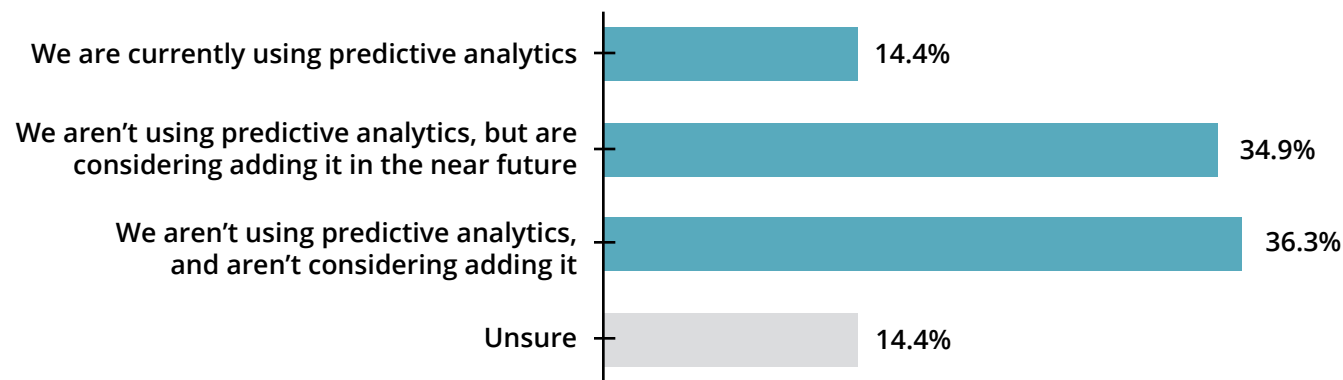
### Do you plan on changing your attribution model in the next 6 months?

Yes	30.2%
No	27.6%
Unsure	42.2%

On a scale of 1-5, how confident are you in the accuracy of your marketing data?



How does predictive analytics currently fit into your marketing stack?



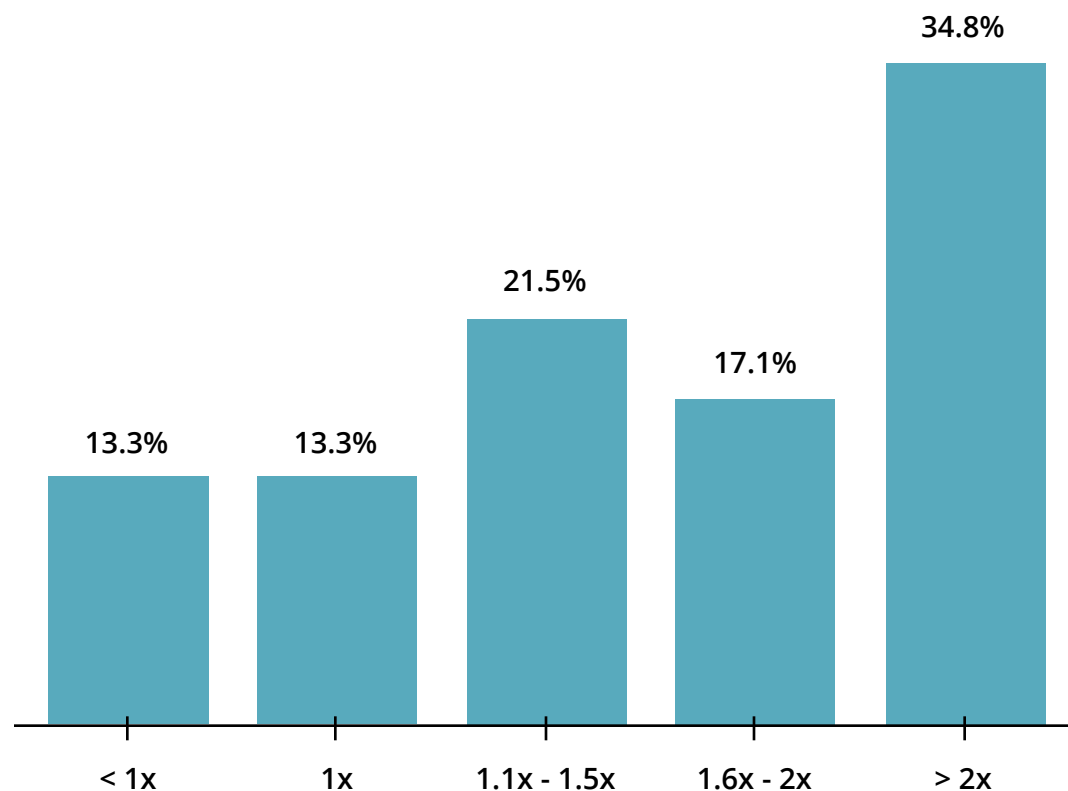
# MARKETING MEASUREMENT

Marketing technology promises to increase marketing performance through data — data to better plan, execute, optimize, and measure marketing programs. But it can only help marketers if the data is good.

It seems like not all marketers are there yet. **35.0% of respondents reported not being confident in the accuracy of marketing data (1 or 2 rating), 34.4% reported being neither confident nor not confident (3), and 31.5% reported being confident (4 or 5).**

When it comes to marketing measurement, the next step is to take the analysis of past behavior (marketing attribution), and use it to create predictive insights. For many companies, predictive analytics is in their near future. **Only 14.4% of respondents are currently using predictive analytics, but 34.9% are considering adding it in the near future.**

What is your current average ROI for marketing?

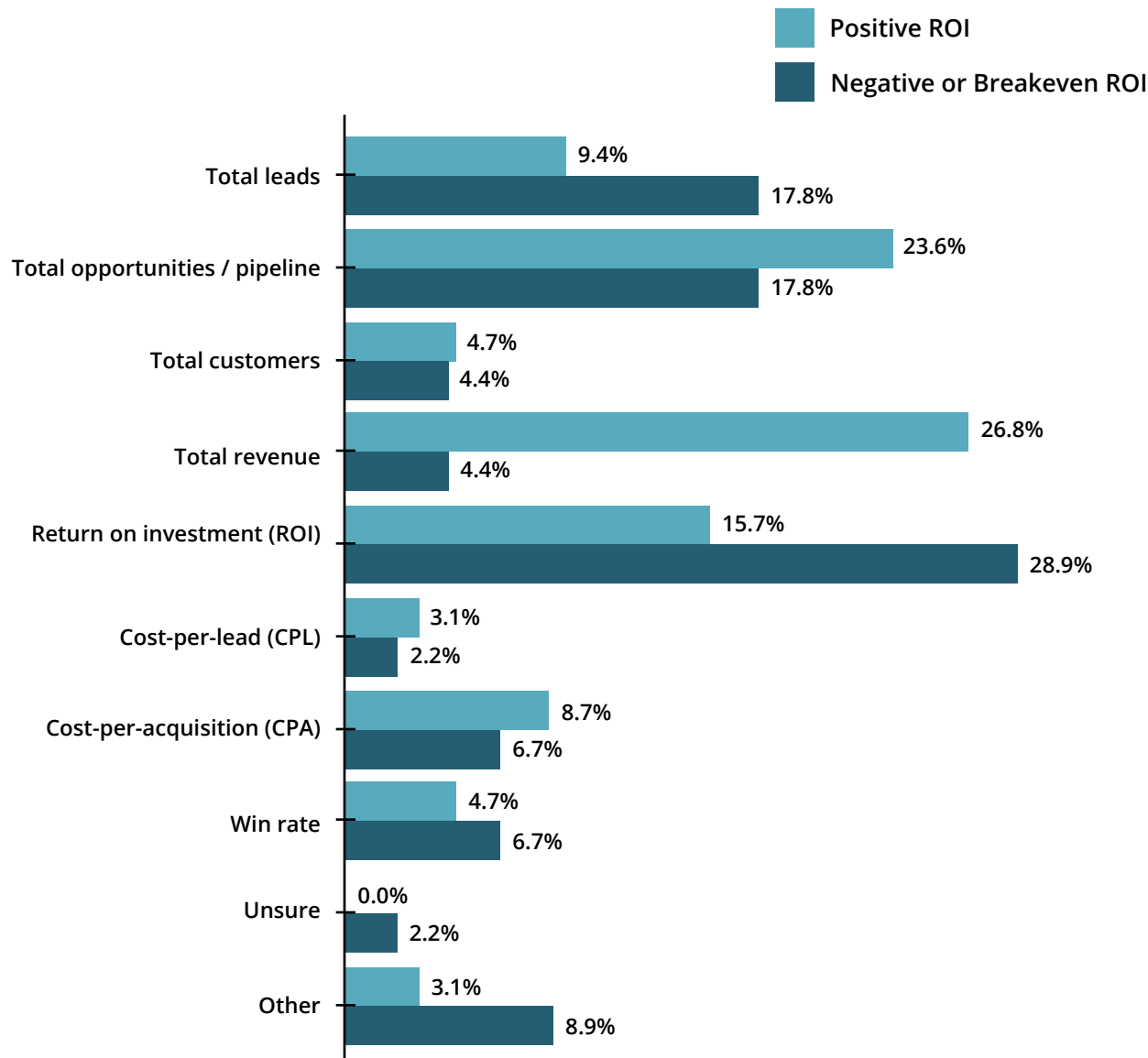


# RETURN ON INVESTMENT

Calculating the ROI of marketing still seems to be a struggle. **42.4% of respondents said that they were unsure of their current ROI.**

Of those that were able to report ROI, most reported that their marketing was a success. **73.4% of respondents reported positive ROI, 13.3% reported breaking even, and 13.3% reported ROI of less than 1x.**

What is the primary metric you use to measure marketing performance?



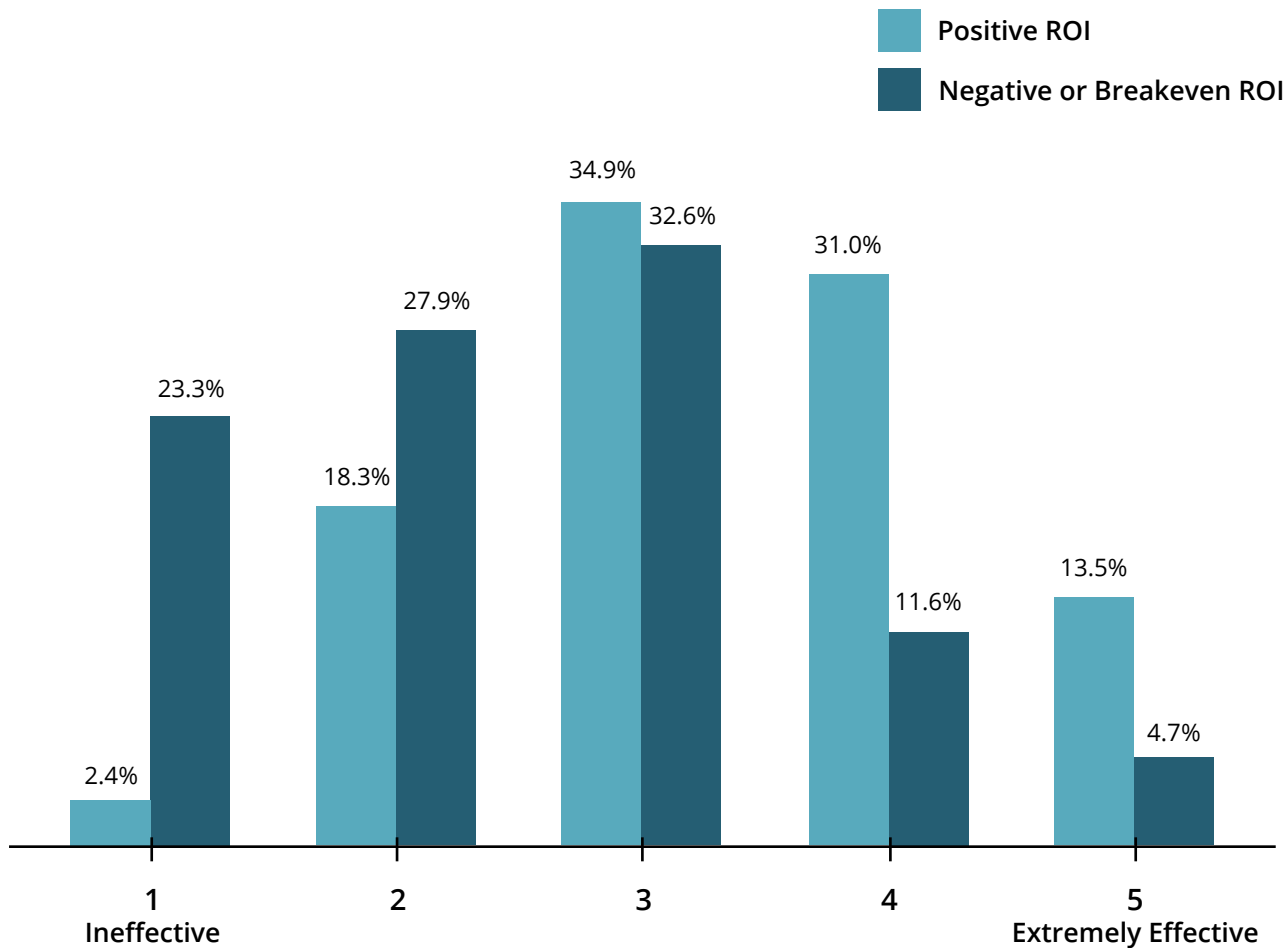
# MARKETING METRICS AND ROI

Companies with positive ROI focus a lot more on driving pipeline and revenue. **50.4% of marketers with positive ROI use pipeline or revenue as their primary metric, compared to just 22.4% of companies with either breakeven or negative ROI.**

Somewhat ironically, companies with breakeven or negative ROI are much more likely to report using ROI as their primary marketing metric (28.9% vs. 15.7%).



On a scale of 1-5, rate your organization's ability to effectively measure marketing performance?



#### Average Rating

Marketers with positive ROI 3.35

Marketers with negative or breakeven ROI 2.47

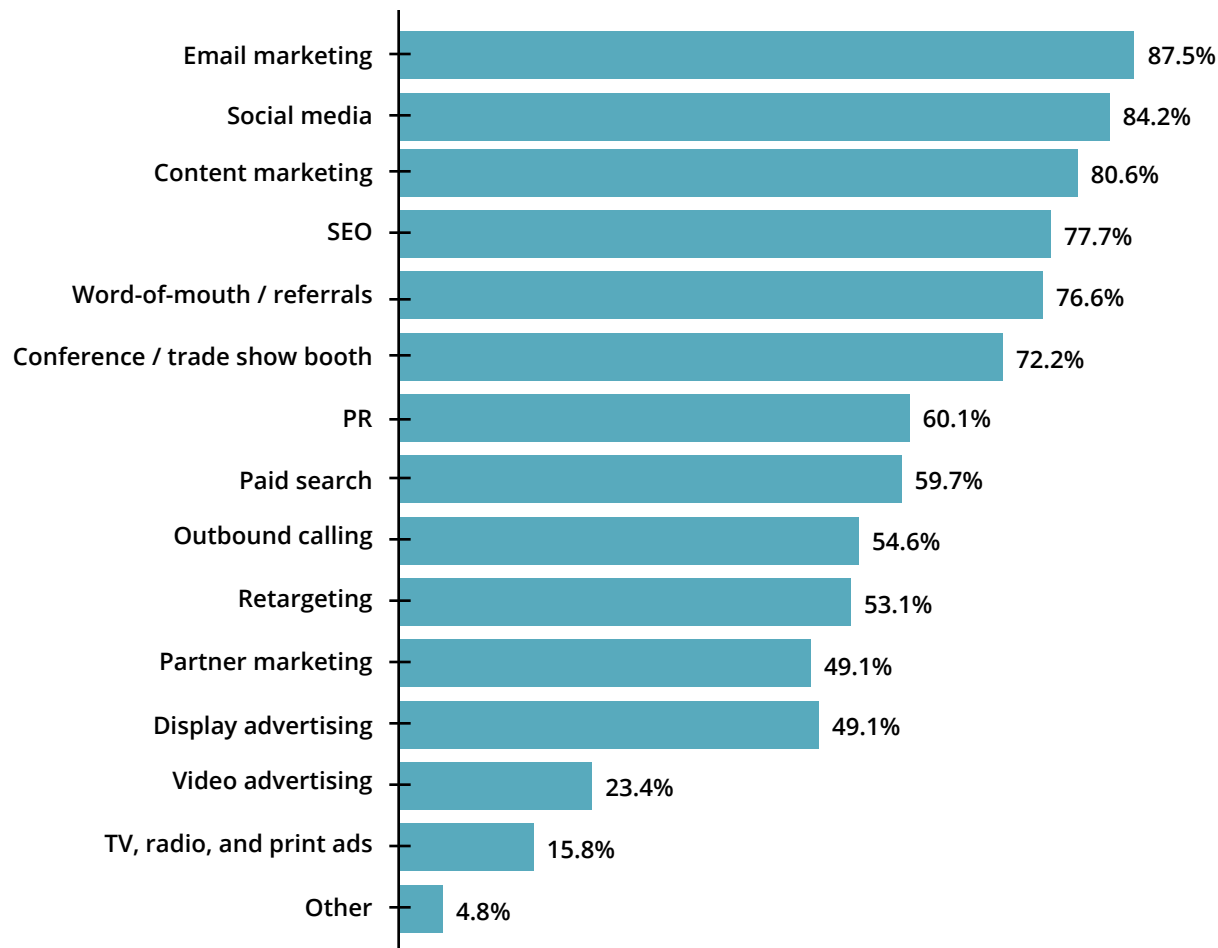
# MARKETING MEASUREMENT AND ROI

Marketers with positive ROI are far more likely to be able to effectively measure their marketing performance.

On average, marketers with positive ROI rate their ability to effectively measure marketing performance a 3.35 out of 5, while marketers with negative or breakeven ROI rate their ability a 2.47.

# MARKETING CHANNELS AND ACTIVITIES

Which marketing activities / channels are you currently using to acquire customers?

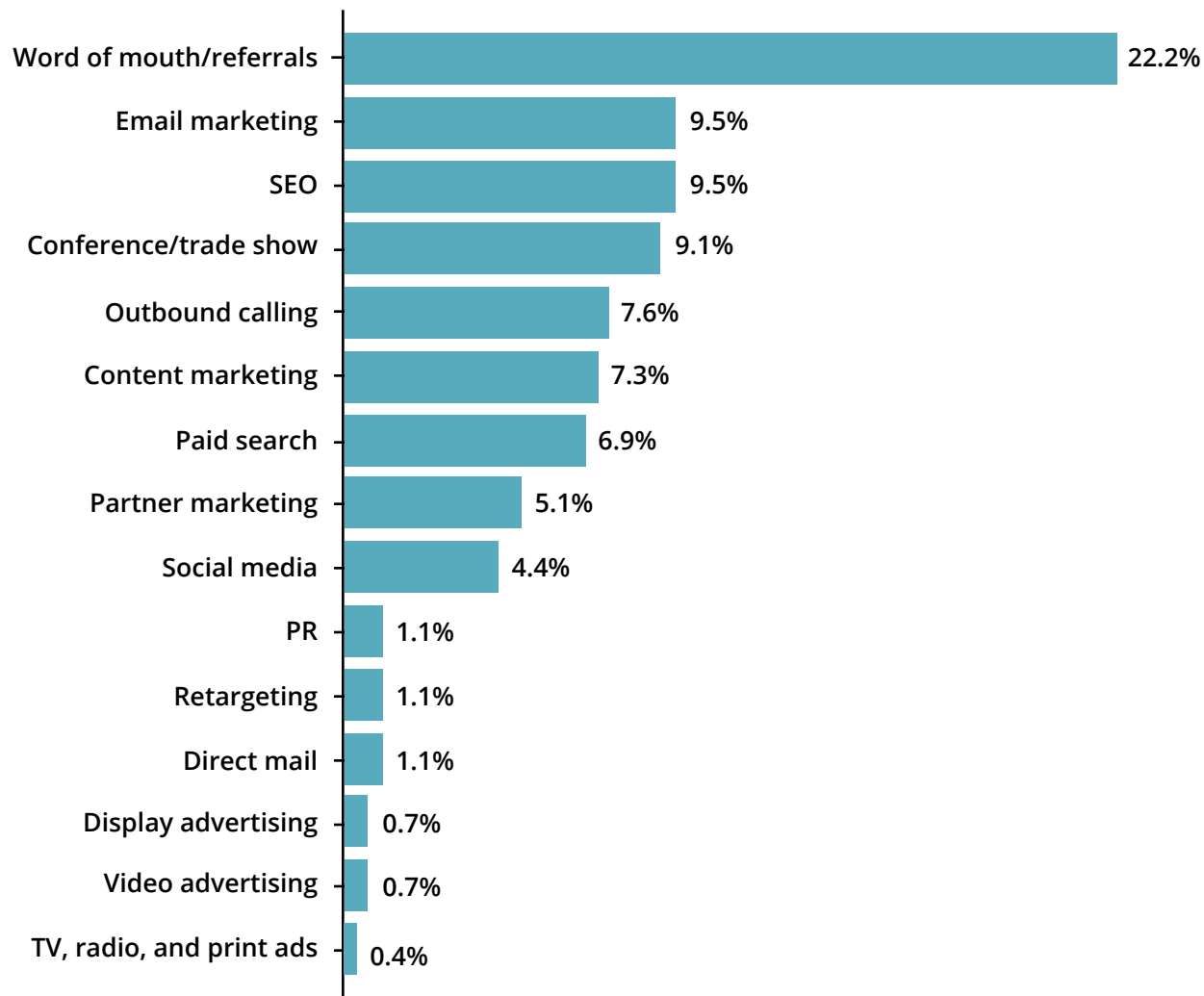


# MARKETING CHANNELS & ACTIVITIES

For the second year in a row, this study has found that **email marketing is the most commonly used marketing channel**. Social media jumped five spots into the second slot and content marketing dropped from second to third.

At the other end of the spectrum, traditional media continues to decline, with just 15.8% of respondents reporting that they use that channel (down from 24.2% in 2015).

Which activity/channel makes the most positive impact on revenue?



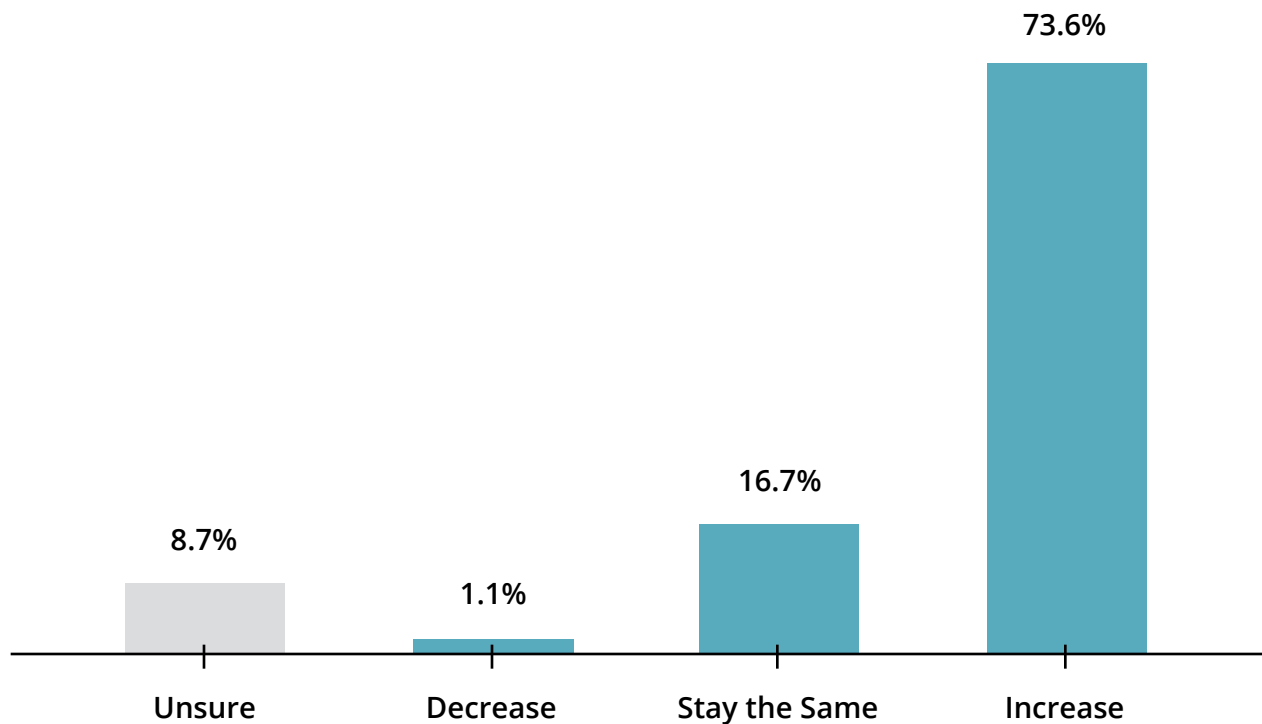
# MARKETING CHANNELS & ACTIVITIES

Even in today's tech-centric marketing world, relationships reign supreme.

**Nearly a quarter of respondents said that word of mouth / referrals is the most impactful channel on revenue, more than double the second most frequent response.**

Email marketing, SEO, and conferences round out the top four. These three channels formed the top three in the 2015 study.

In the next year, do you plan on increasing, decreasing, or doing the same amount of content marketing?

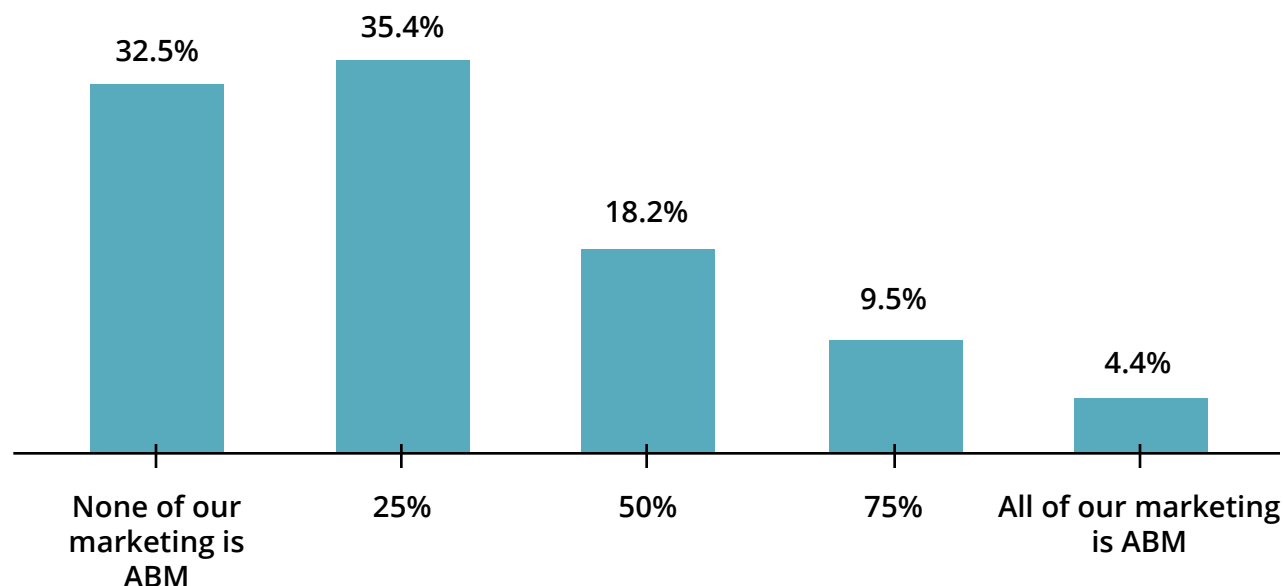


# CONTENT MARKETING

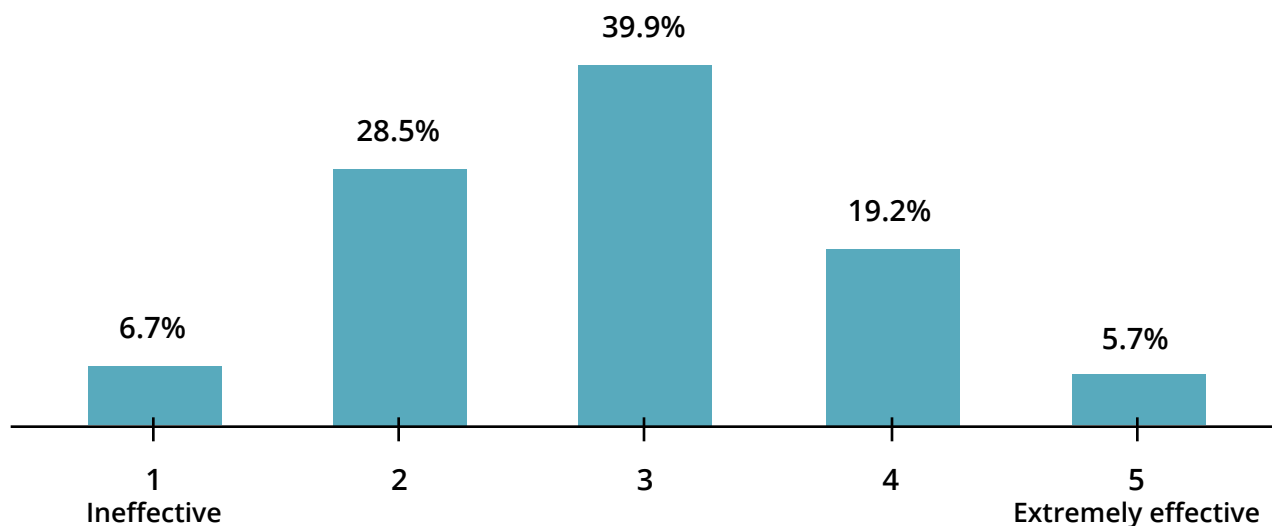
Content marketing, a hot topic in B2B marketing, continues to be popular.

**About three-quarters of respondents said that they plan on doing more content marketing in 2017, while only 1.1% said that they would be doing less.**

What percentage of your marketing is account-based marketing (ABM)?



On a scale of 1-5, do you consider your account-based marketing (ABM) efforts to be effective?



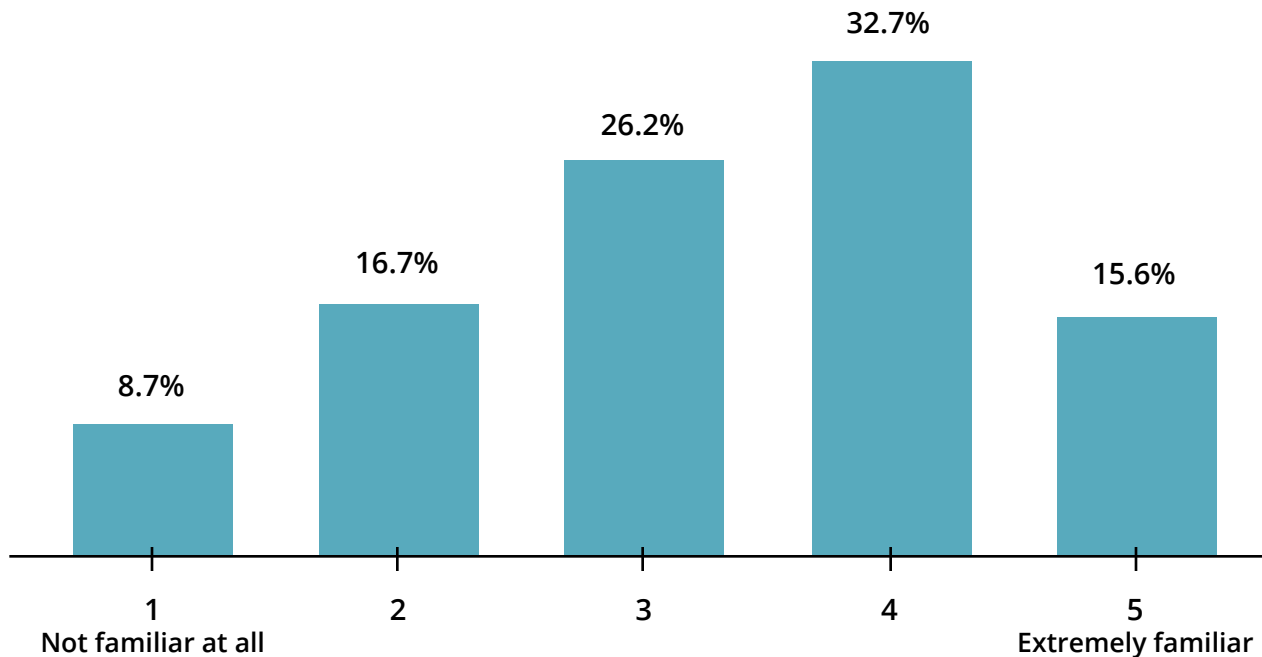
# ABM (ACCOUNT-BASED MARKETING)

Account-based marketing is the rising star of the B2B world. ABM has had a big year, with about two-thirds of respondents saying that ABM makes up some part of their marketing programs.

However, ABM is still far from reaching full maturity as a B2B marketing strategy. **Fewer than 15% of respondents said that ABM made up more than half of their marketing and only 25% rated the effectiveness of their ABM efforts as a 4 or 5.**

# PIPELINE MARKETERS

On a scale of 1-5, what is your familiarity with pipeline marketing?



Do you consider yourself to be a pipeline marketer?



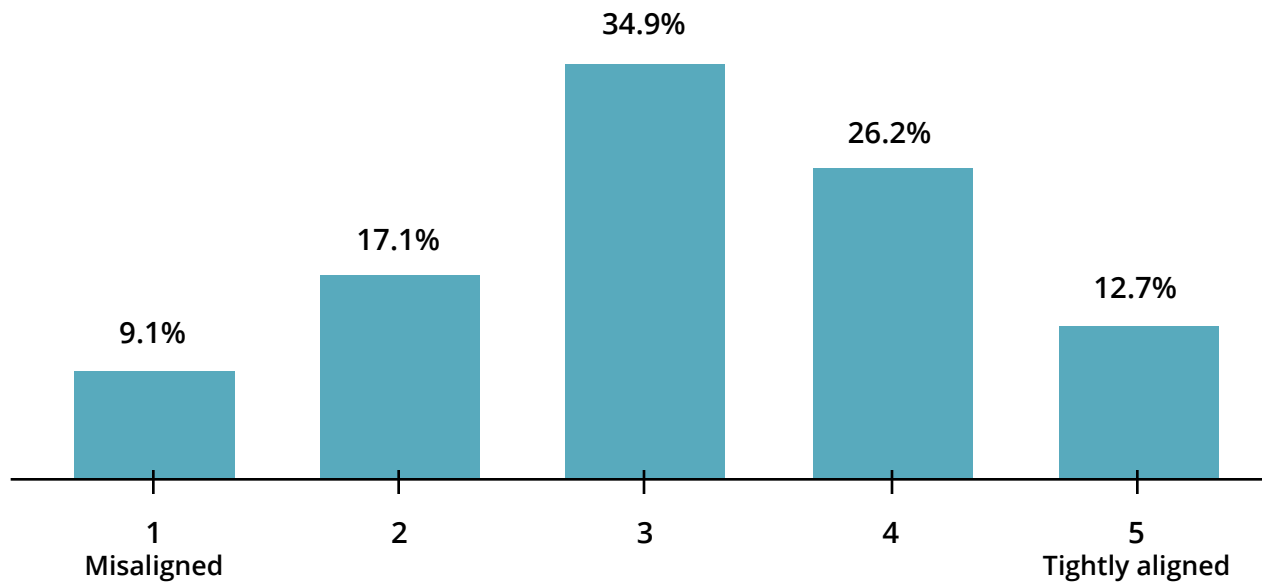
# PIPELINE MARKETERS

74.5% of respondents are at least moderately familiar with pipeline marketing.

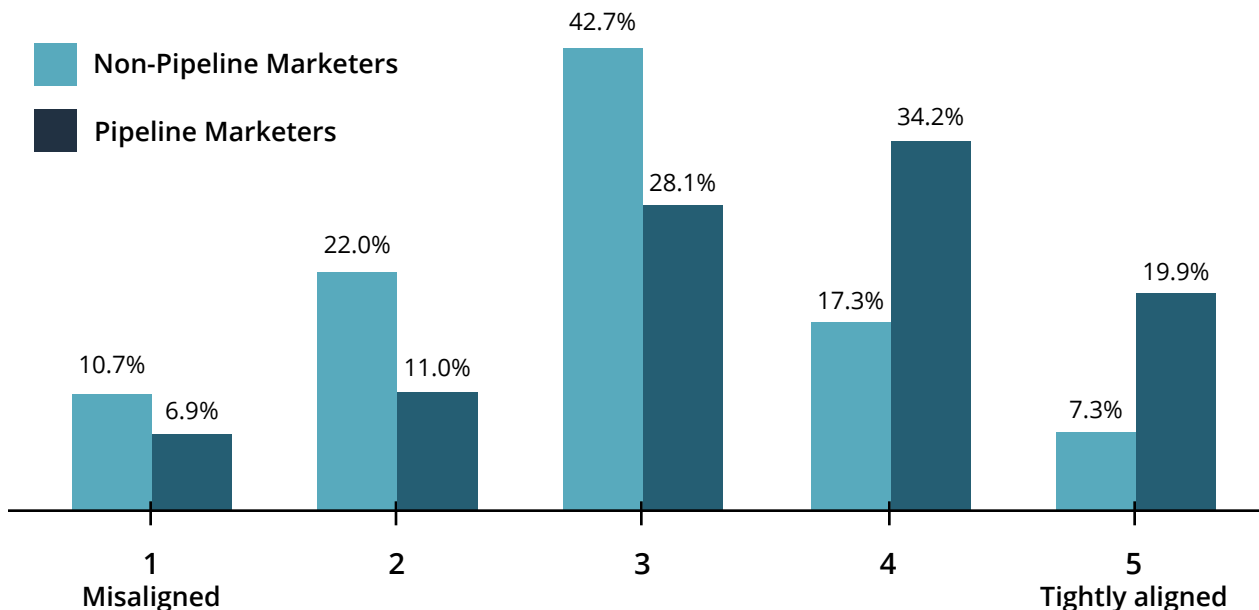
About half consider themselves pipeline marketers.



On a scale of 1-5, how would you characterize your company's sales and marketing alignment?



Sales and marketing alignment, by pipeline marketing identification

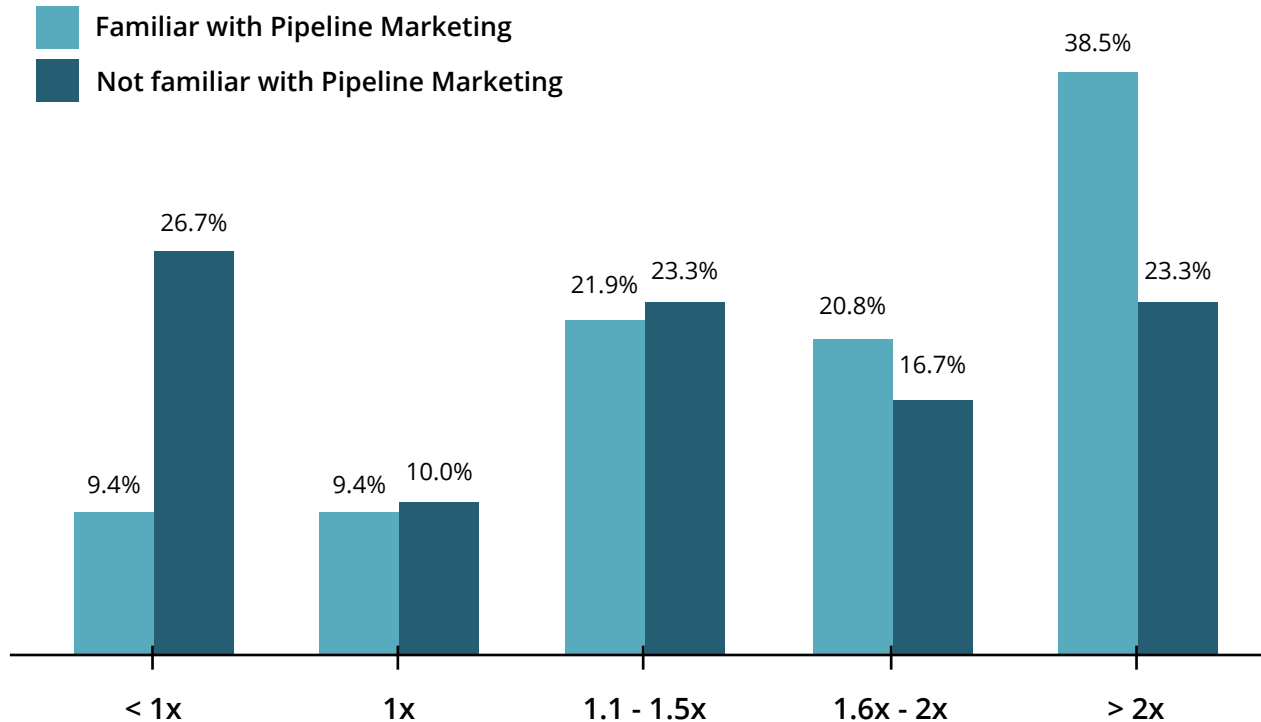


# SALES & MARKETING ALIGNMENT

Pipeline marketers are more than twice as likely to report sales and marketing alignment (4 or 5 rating) than marketers who do not identify as pipeline marketers.

# PIPELINE MARKETING & ROI

## Return on investment, by pipeline marketing identification

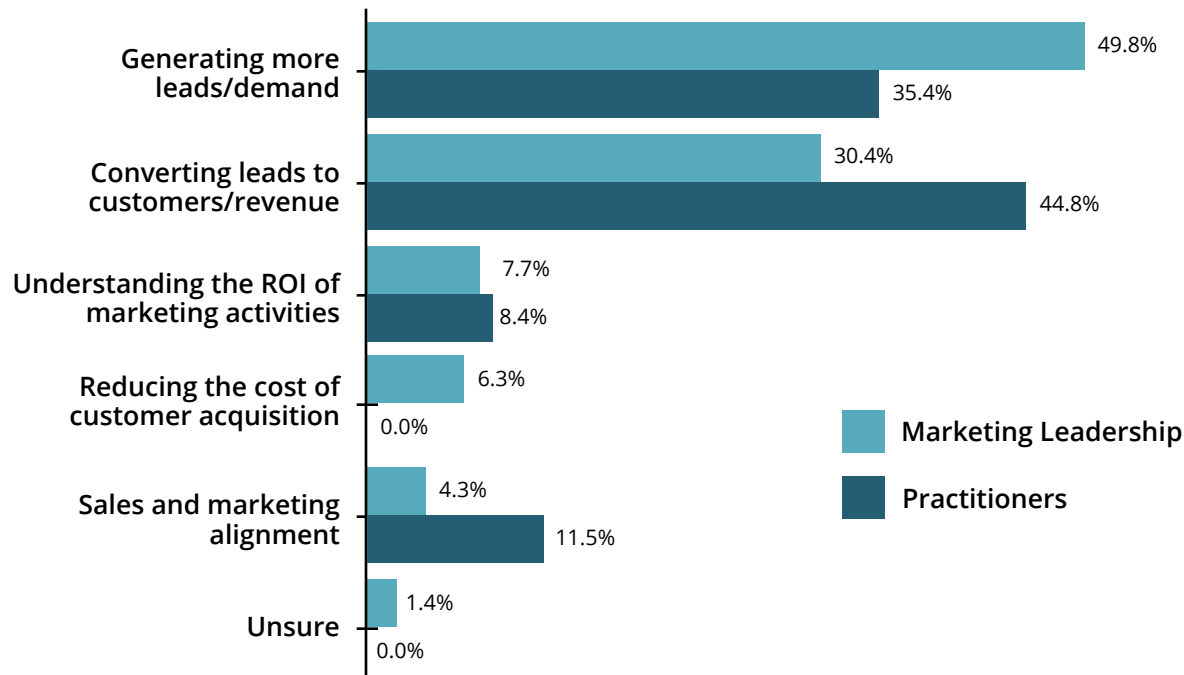


Marketers who are familiar with pipeline marketing (rated their familiarity a 4 or 5) are 48% more likely to report ROI greater than 1.5x than marketers who are not familiar with pipeline marketing (1 or 2 rating).

# MARKETING LEADERSHIP VS. PRACTITIONERS

# TOP MARKETING PRIORITY

What is your top marketing priority?

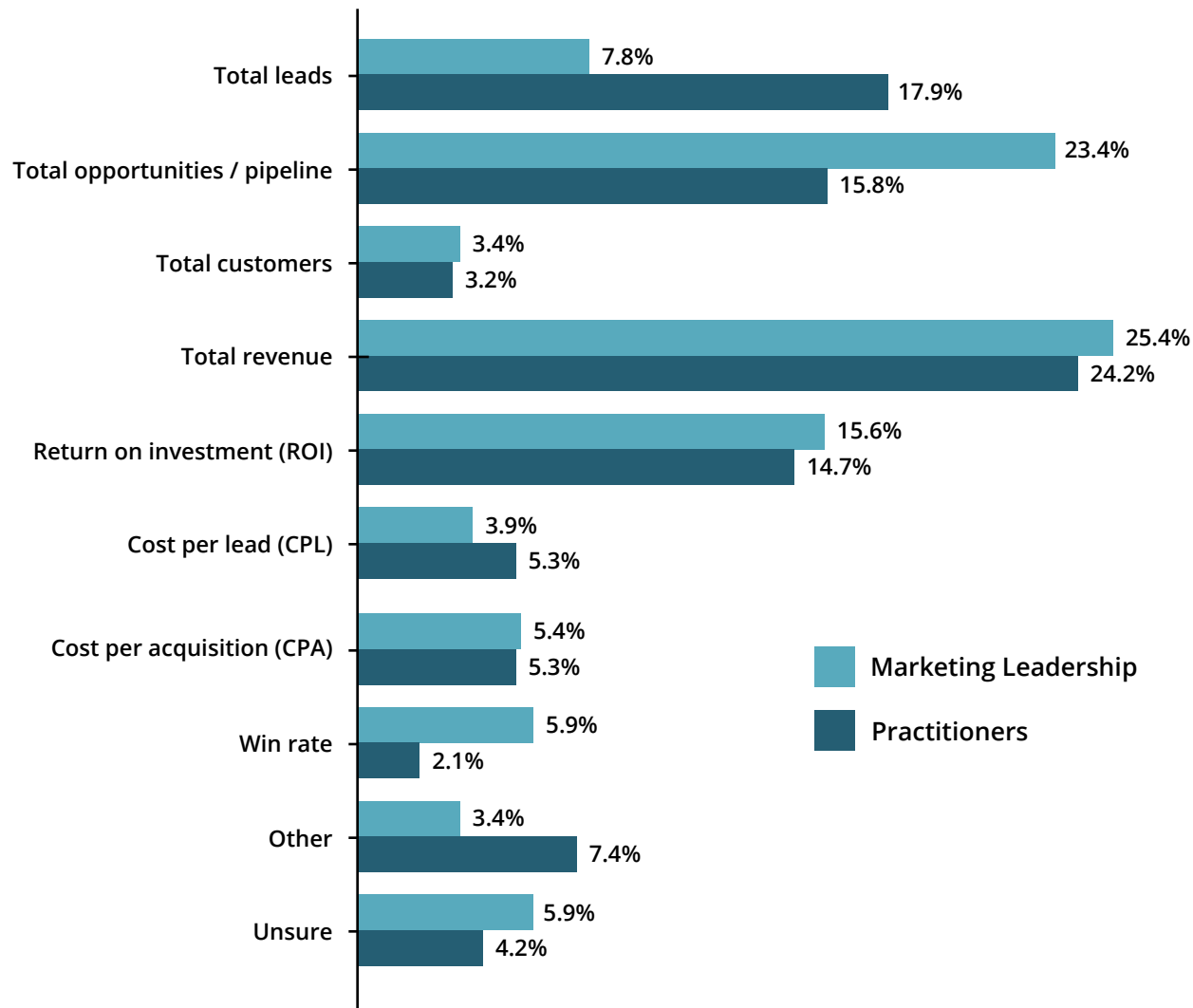


For the purpose of this analysis, Marketing Leadership” is determined by their job level identification as “Owner / Executive / C-Level” or “Senior Manager / Director.” On the other hand, “Practitioners” are respondents that identified their job level as “Intermediate / Manager” or “Entry Level.”

Surprisingly, marketing leaders are more likely to report top-of-the-funnel goals as their top marketing priority compared to more junior marketers.

This is a reversal from the findings in the 2015 study.

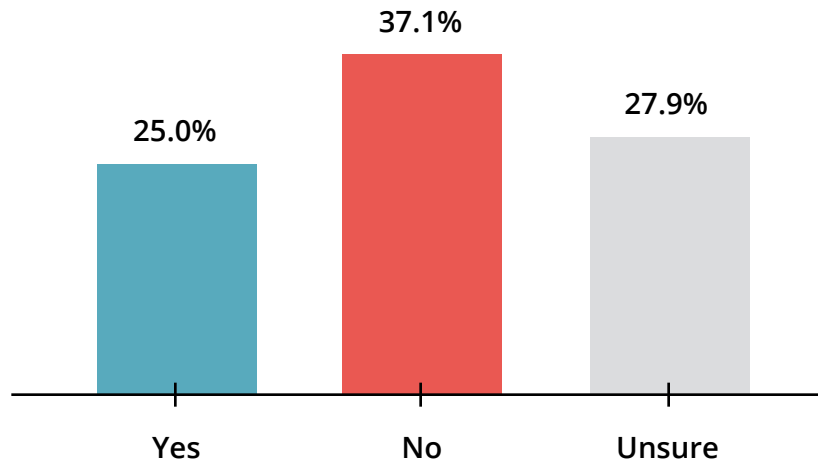
## What is the primary metric you use to measure marketing performance?



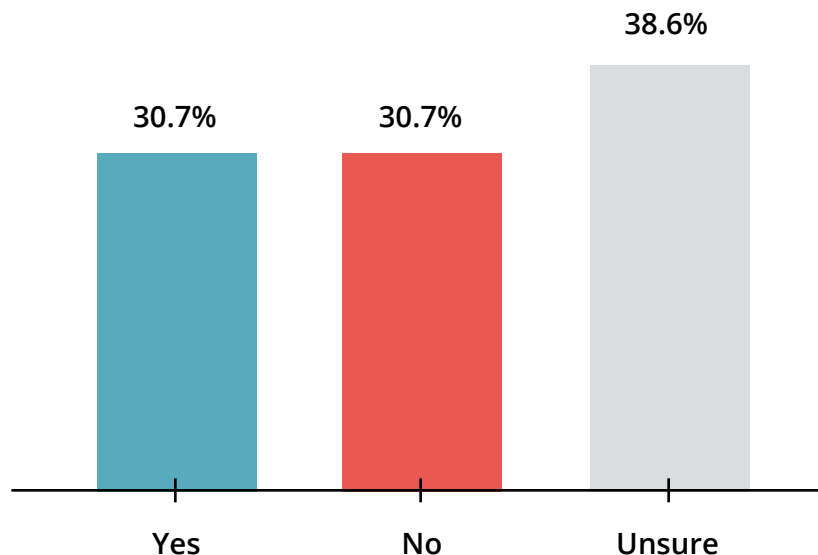
# PRIMARY MARKETING METRIC

When it comes to metrics and accountability, marketing leadership is interested in down-funnel metrics. They place less value on lead volume and cost-per-lead, and they place higher value on pipeline, customers, revenue, ROI, cost-per-acquisition, and win rate.

Do you believe your organization is using the right attribution model?  
(Marketing leadership only)



Do you plan on changing your attribution model in the next 6 months?  
(Marketing leadership only)



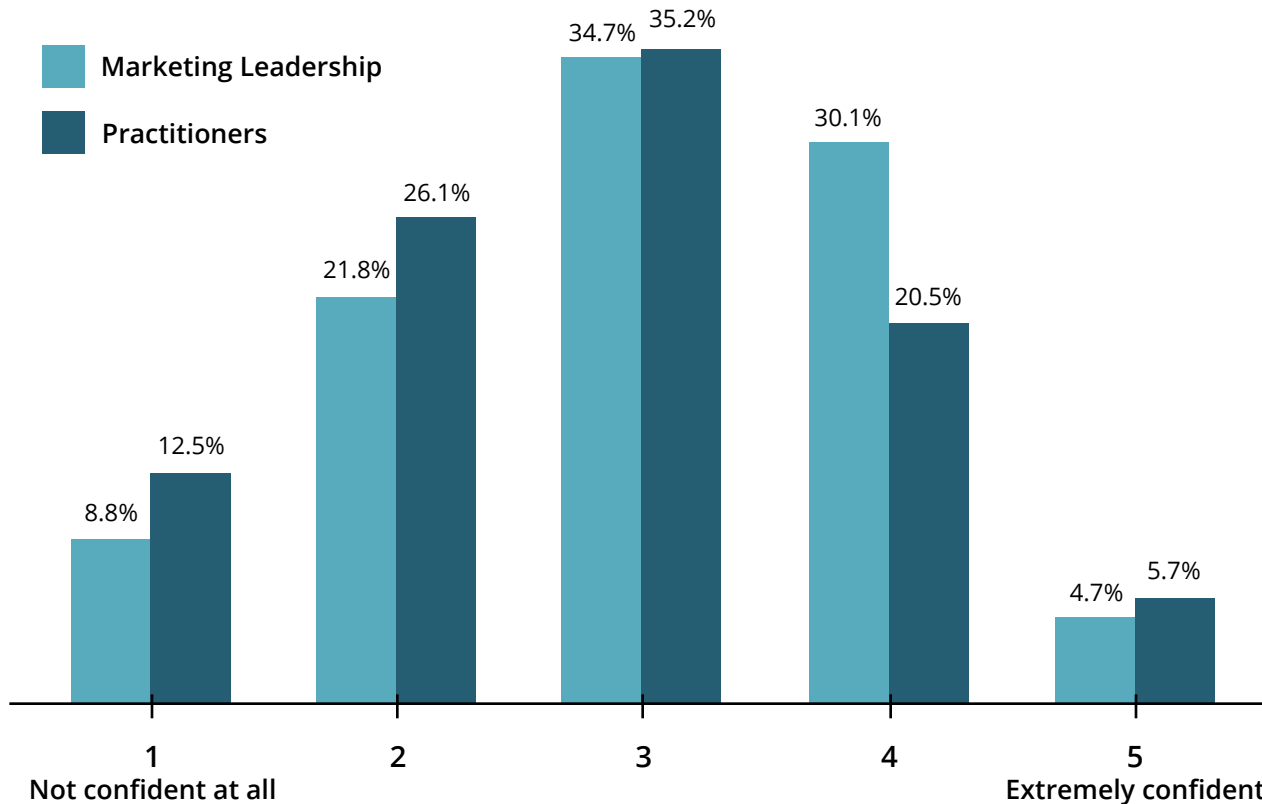
# CHANGING ATTRIBUTION MODELS

Are marketing leaders happy with their current marketing measurement? It seems like the answer is no, or at least they're not sure. **Only 25% of marketing leaders believe their organization is using the right attribution model.**

But actually switching attribution models appears to be a significant hurdle. Even though few marketing leaders believe they are using the right model, **only 30.7% are planning on actually changing models.**

# DATA CONFIDENCE

On a scale of 1-5, how confident are you in the accuracy of your marketing data?



It's great to see that there isn't too much of a disparity between the marketing leadership and the marketing practitioners in the area of data confidence.

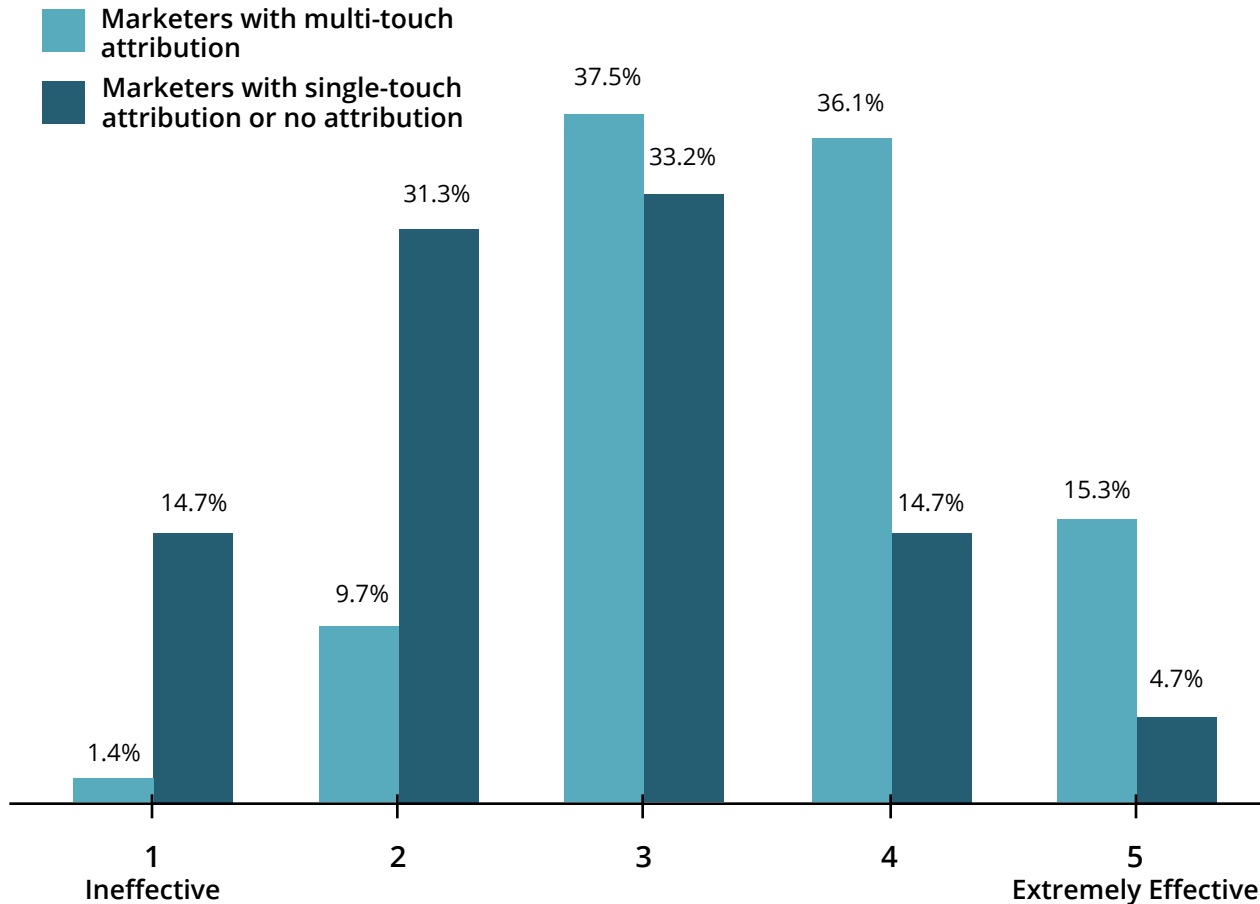
**In fact, 34.8% of marketing leaders rated their confidence a 4 or 5, compared to just 26.2% of marketing practitioners.**

# MARKETERS USING MULTI-TOUCH ATTRIBUTION



# MARKETING MEASUREMENT

On a scale of 1-5, rate your organization's ability to effectively measure marketing performance



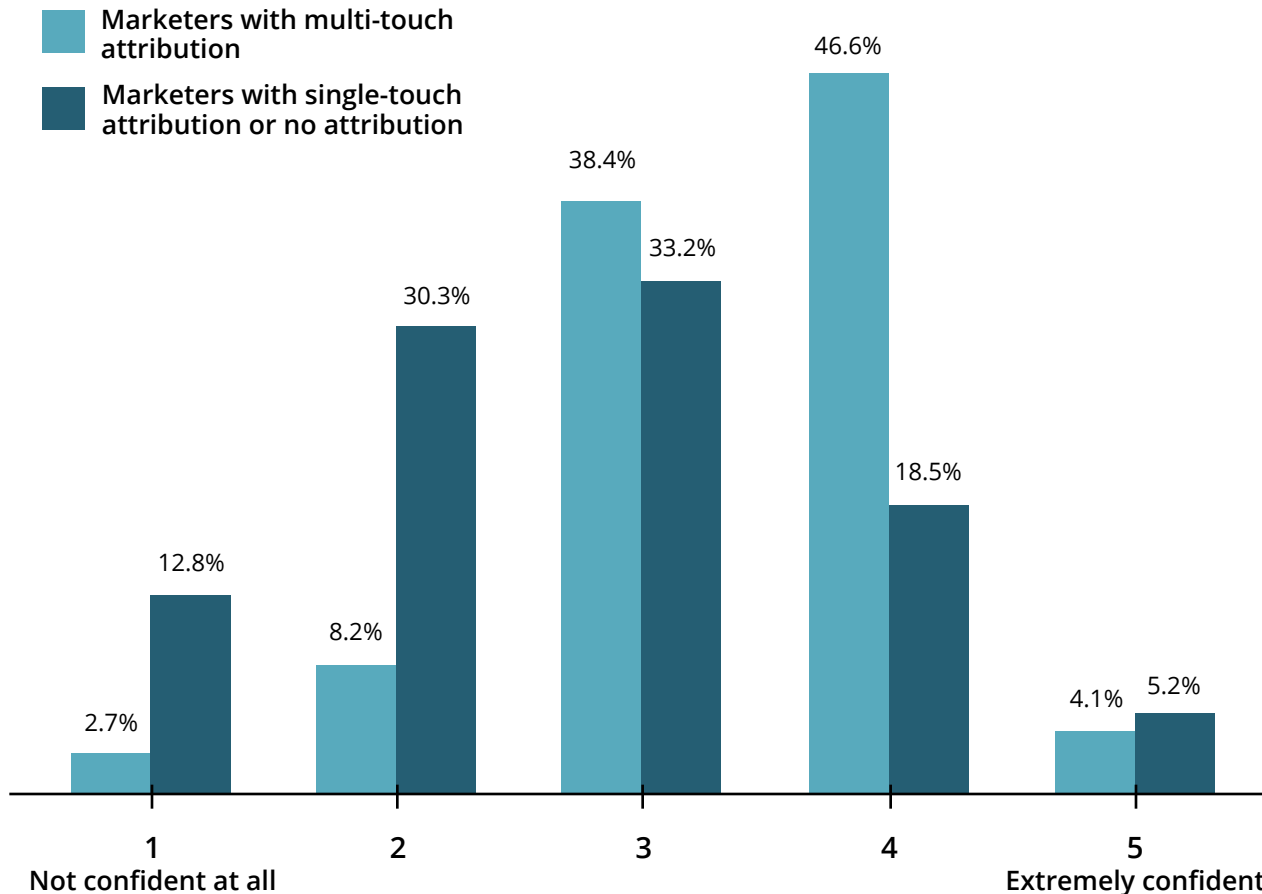
## Average Rating

Marketers with multi-touch attribution	3.54
Marketers with single-touch attribution or no attribution	2.59

Marketers who are using multi-touch attribution believe that their organization is much more effective at measuring their marketing performance. **On average, they rated their ability a 3.54, while marketers who are not using multi-touch attribution rated their ability 2.59.**

# DATA CONFIDENCE

On a scale of 1-5, how confident are you in the accuracy of your marketing data?



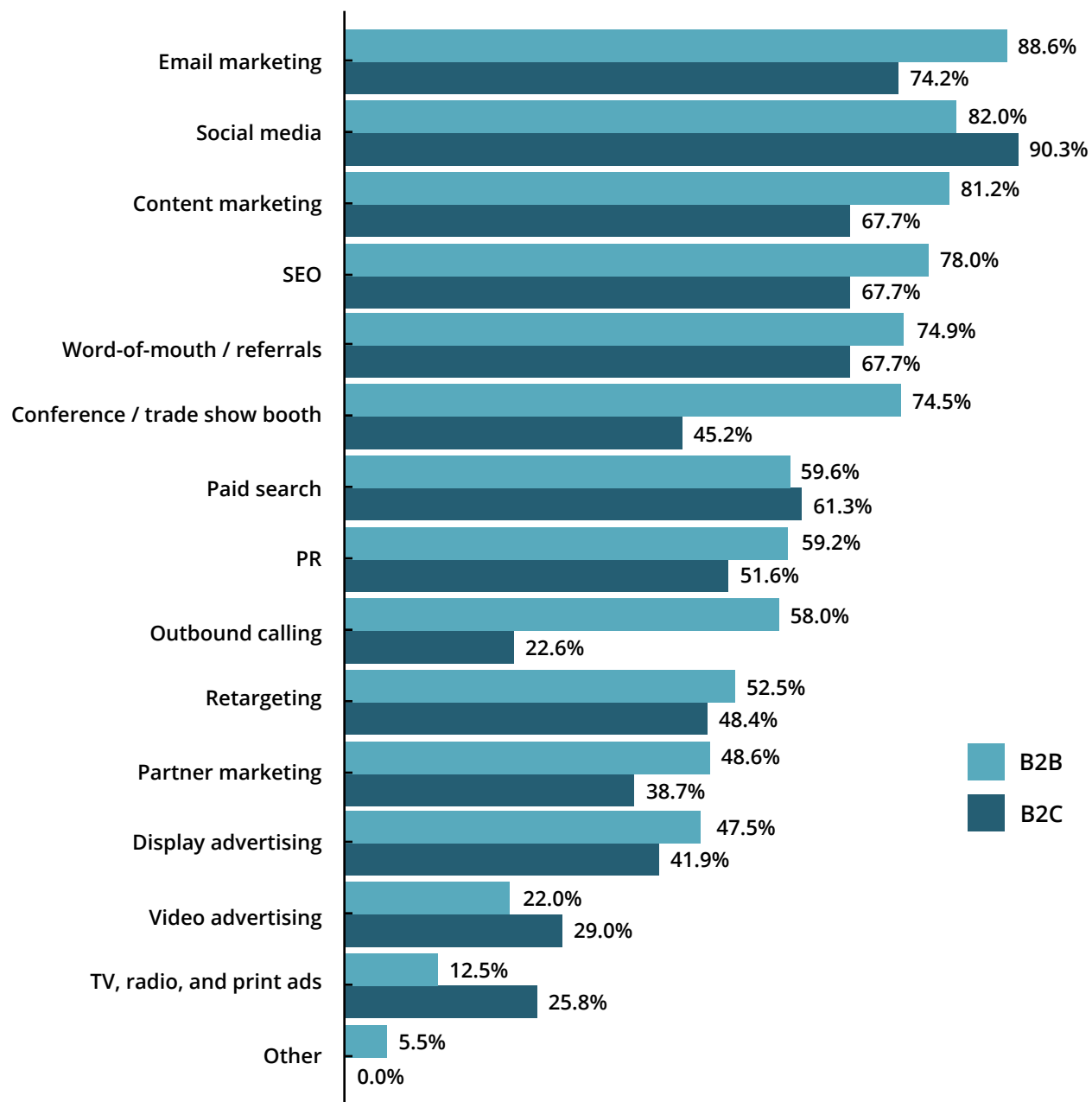
## Average Rating

Marketers with multi-touch attribution	3.41
Marketers with single-touch attribution or no attribution	2.73

Marketers who use multi-touch attribution are also much more confident that their marketing data is accurate. **On average, marketers who use multi-touch attribution rated their confidence in the accuracy of their marketing data a 3.41, while marketers who are not using multi-touch attribution rated their confidence a 2.73.**

# B2B VS. B2C

Which marketing activities / channels are you currently using to acquire customers?

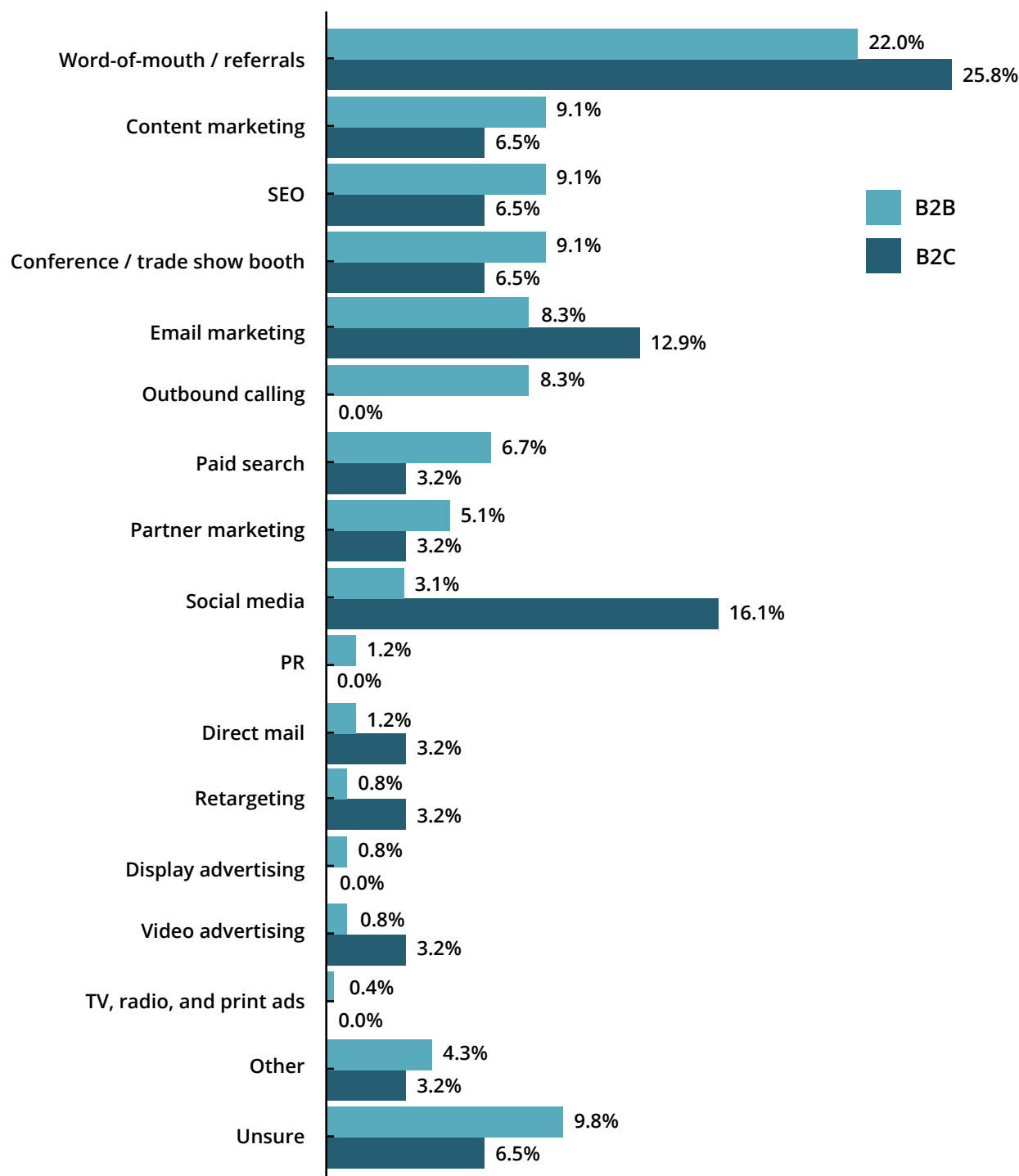


# MARKETING CHANNELS & ACTIVITIES

Here are some of the biggest differences between the marketing channels used by B2B organizations compared to B2C organizations:

Outbound calling — B2B +35.4  
 Conference / trade show — B2B +29.3  
 Email marketing — B2B +14.4  
 TV, radio, and print — B2C +13.3

## Which activity/channel makes the most positive impact on revenue?



# MARKETING CHANNELS & ACTIVITIES

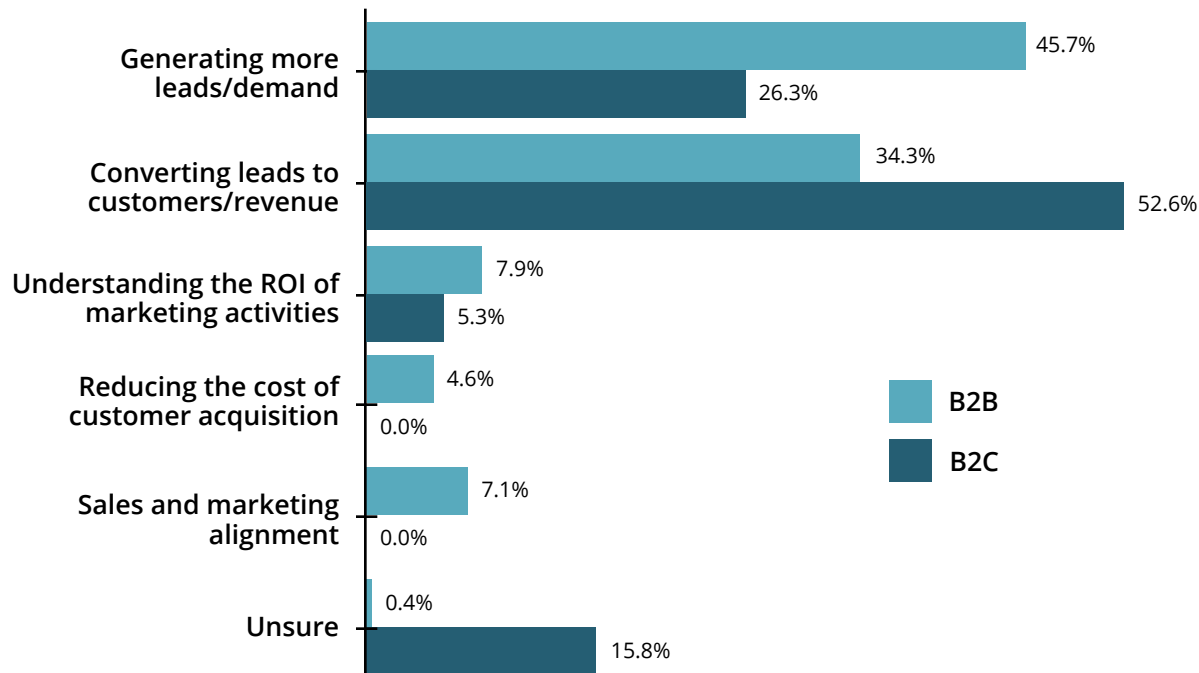
When asked to pick the top performing marketing channel, both B2B and B2C organizations chose word-of-mouth / referrals most frequently. After that, we see some differences.

B2C organizations were much more likely to choose social media and email marketing as their most effective channel.

On the other hand, B2B organizations were more likely to say that outbound calling and paid search were their most impactful channels.

# TOP MARKETING PRIORITY

What is your top marketing priority?

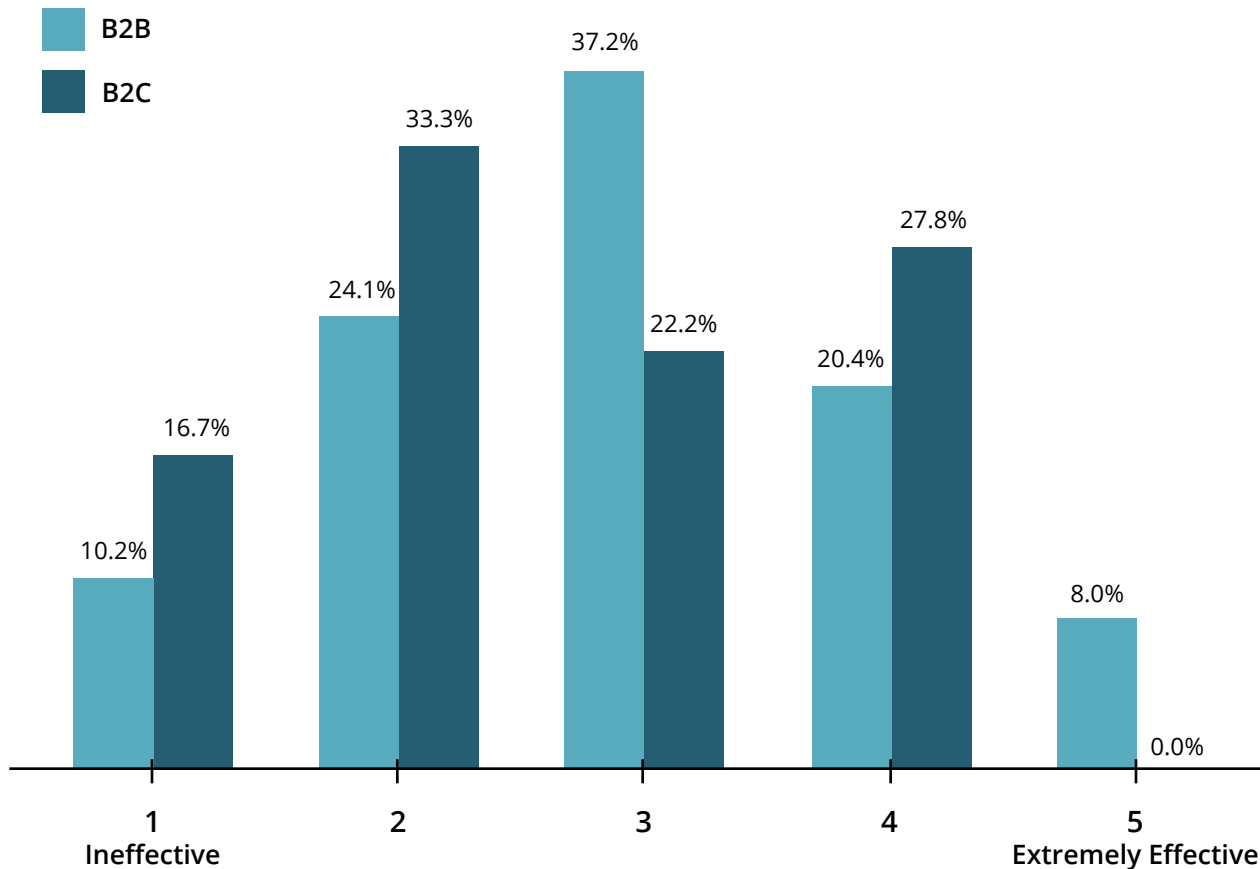


A greater percentage of B2C organizations with sales teams are putting an emphasis on customer and revenue generation than B2B organizations, which seem to still be focused primarily on lead gen.

It's also interesting to note that there is more uncertainty when it comes to marketing priorities with B2C organizations (15.8% vs. 0.4%).

# MARKETING MEASUREMENT

On a scale of 1-5, rate your organization's ability to effectively measure marketing performance



## Average Rating

B2B organizations	2.92
B2C organizations	2.61

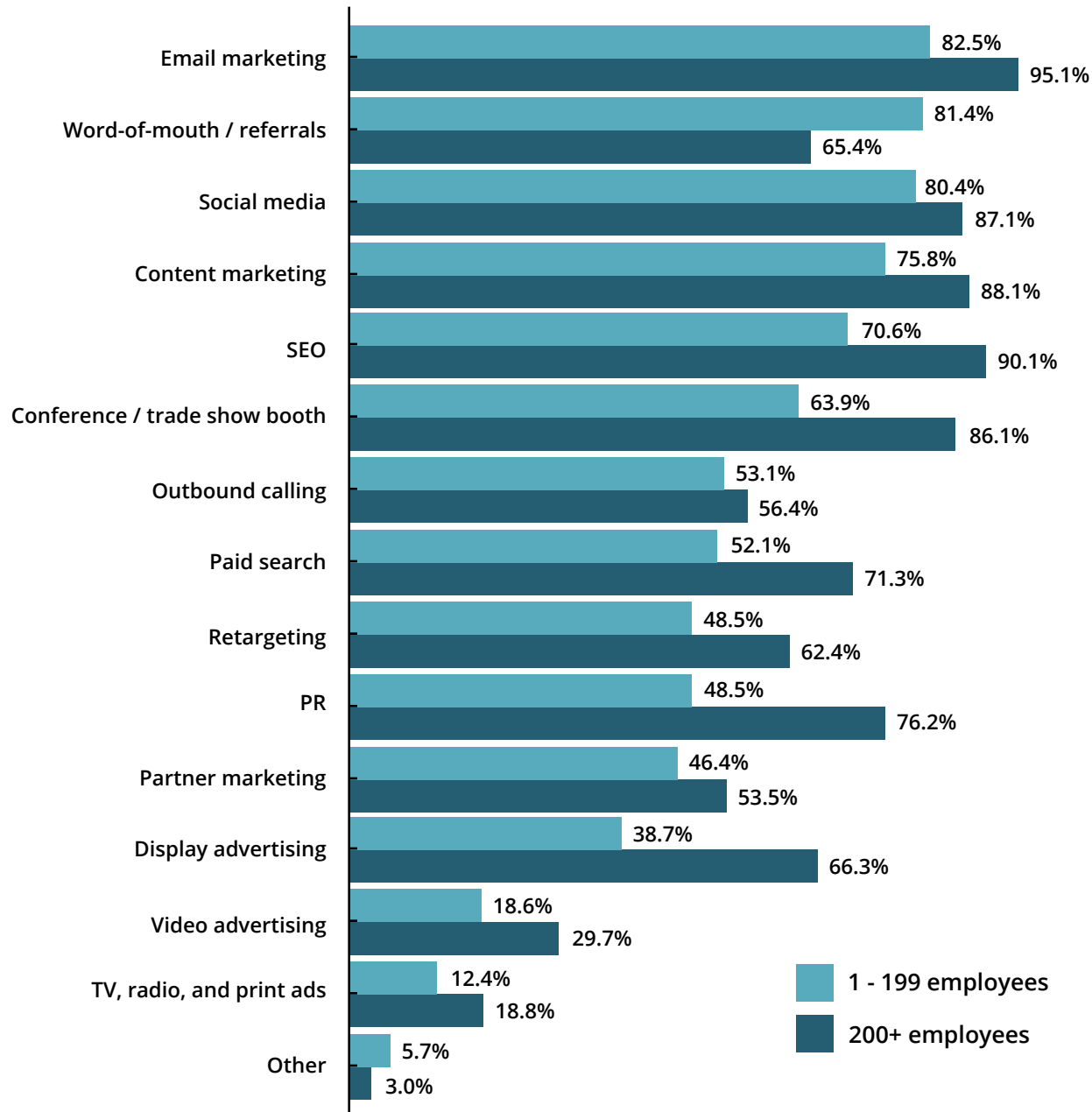
B2B organizations have a slight edge in terms of their ability to effectively measure marketing performance.

**On average, marketers at B2B organizations rate their ability a 2.92 out of 5 compared to 2.61 for B2C organizations.**

# COMPANY SIZE



## Which marketing activities / channels are you currently using to acquire customers?

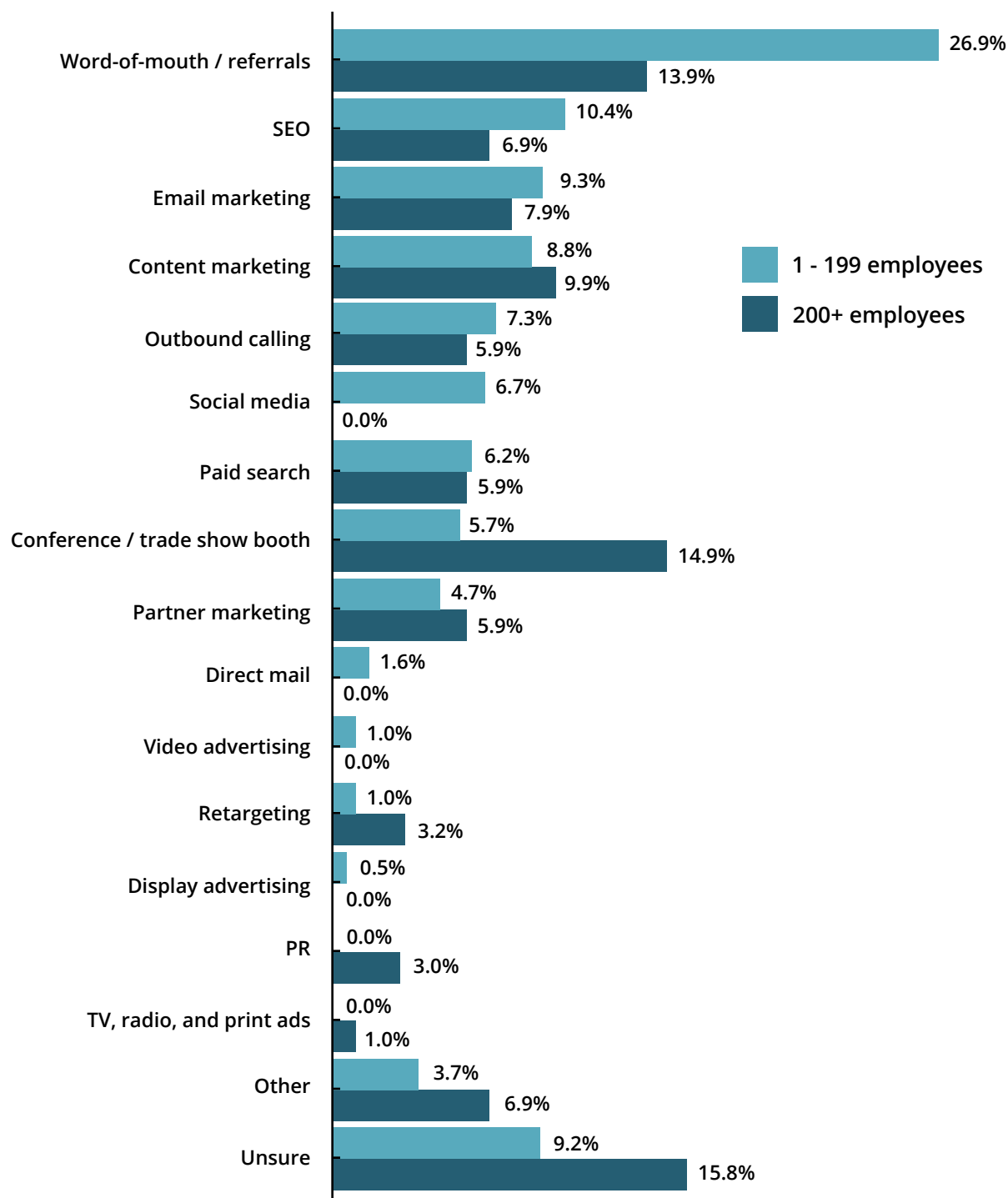


# MARKETING CHANNELS & ACTIVITIES

Regardless of company size, email marketing is the most frequently used marketing channel. However, larger companies are more likely to use every marketing channel, with the exception of word-of-mouth / referrals.

Some of the channels with the greatest differences are display advertising (66.3% for large companies vs. 28.7% for smaller companies), PR (76.2% vs. 48.5%), conferences and trade shows (86.1% vs. 63.9%), and paid search (71.3% vs. 52.1%).

## Which activity/channel makes the most positive impact on revenue?



# MARKETING CHANNELS & ACTIVITIES

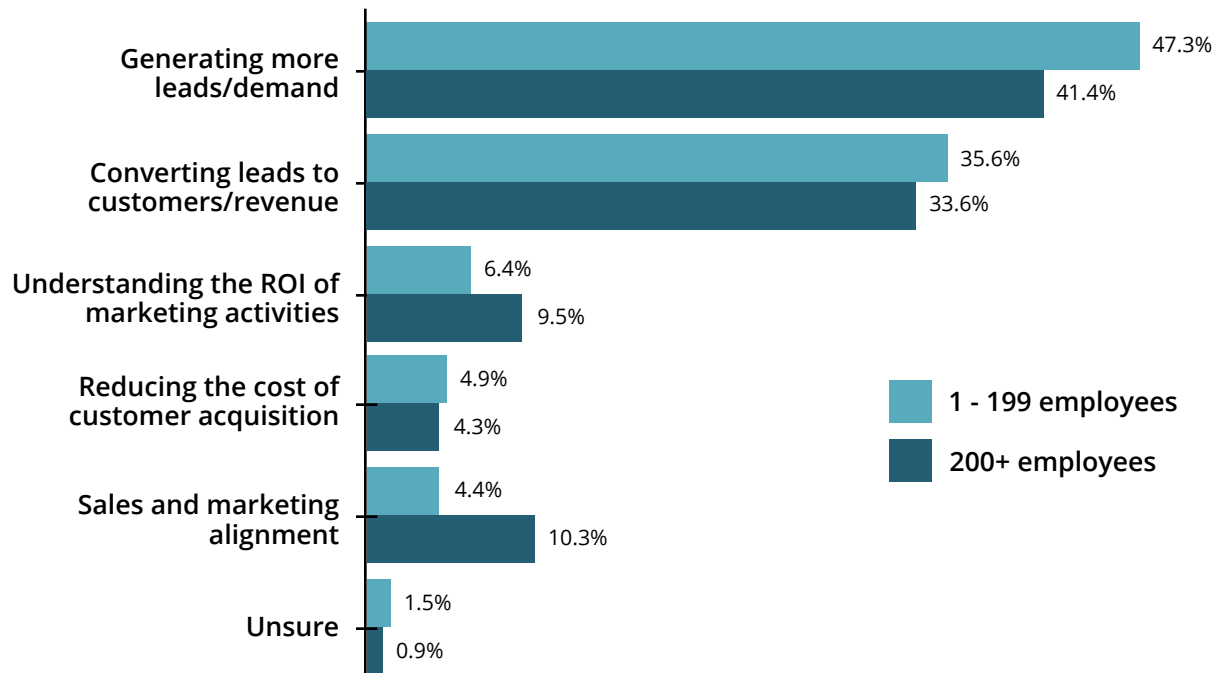
Looking at the top three channels in terms of impact on revenue shows how companies shift strategies and tactics as they grow.

The top three channels for companies with over 200 employees are: conferences, word-of-mouth, and content marketing.

The top three channels for companies with fewer than 200 employees are: word-of-mouth, SEO, and email marketing.

# TOP MARKETING PRIORITY

What is your top marketing priority?



A greater percentage of smaller organizations are prioritizing lead generation (47.3% vs. 35.6%), while a greater portion of large organizations are focused on understanding ROI (9.5% vs. 6.4%) and sales and marketing alignment (10.3% vs. 4.4%).

# CONCLUSION

---

Pipeline marketing is an increasingly popular marketing methodology that is helping marketers increase their impact on revenue.

With a focus on driving pipeline and revenue, marketers can make a greater impact on the bottom line, and as a result, they become more valuable to the organization.

The data found by this study shows that marketing leaders increasingly value down-funnel metrics and are increasingly accountable to metrics like pipeline and revenue.

Moreover, marketers most frequently cited word-of-mouth / referrals as the marketing channel with the most impact on revenue, with email marketing and SEO rounding out the top three.

And finally, those who are familiar with pipeline marketing are more aligned with their sales organizations and are more likely to see positive ROI.

# ABOUT THE REPORT

---

The State of Pipeline Marketing Report is an annual study of how B2B marketers and marketers from B2C industries with sales teams drive growth. The 2016 report is based on data from a survey taken in October 2016.

There were over 360 respondents from a wide range of industries and company sizes. The respondents also represented a wide variety of job levels. About 30% of the respondents are owners, executives, or C-level; 40% are senior managers or directors; and 30% are intermediate or manager-level. There were also a few responses from entry level employees.

This report was produced by Jordan Con in partnership with Bizible, Heinz Marketing, Radius, Reachforce, and Uberflip.