

# STATE OF B2B MARKETING 2015

B2B Marketing Trends, Predictions and Forecasts Survey - Report Dec 2014





## || WHO WE SPOKE TO

We surveyed CXOs and senior marketing executives in companies ranging in size from under a million dollars in annual revenue to over a billion dollars, to understand the state of B2B marketing today and what marketers think could be the success recipe for 2015. A majority of the respondents we spoke to were B2B marketers with a fairly good mix of product & services in their portfolio. Over half the respondents were from the technology sector, while the rest were chosen to cover a wide range of other industries. 85 percent of companies we surveyed had marketing budgets of up to USD 10 million for the year 2015. The survey was done globally covering all major geographies.

## KEY FINDINGS:

The research indicates a gradual shift among B2B marketers toward investing more in digital channels to meet their marketing goals. While the traditional channels of marketing aren't going away, they will see reduced investments in the coming years.

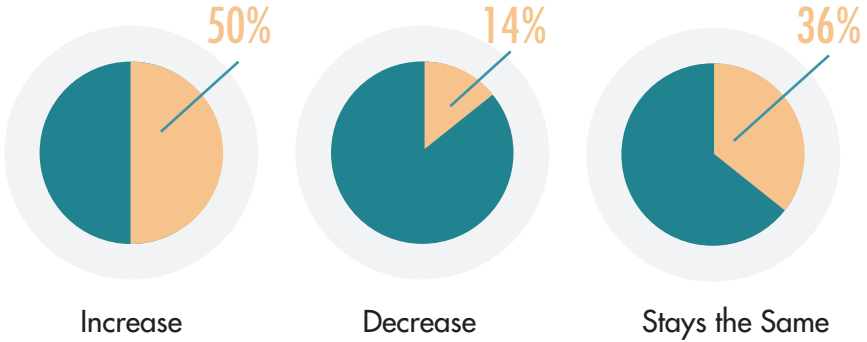
In the digital marketing space, the usual suspects within channels ( read *Search*, *Email*, and *Social* ), continue to dominate, signaling a clear need for further innovation that digital agencies and content providers need to address.

Videos and webcasts seem to be growing in importance and that is a refreshing change. The initial promise held out by mobile seems to be wearing off and their relevance in the B2B space needs to be re-assessed.

While practicing marketers appear to have reposed their faith on digital, it looks like top management is yet to buy into its promise. That is a challenge that both marketers and their agencies need to jointly overcome.

# MARKETERS EXPECT SPENDS TO INCREASE OVER LAST YEAR; OR AT BEST, REMAIN THE SAME

*Compared to 2014, how do you expect your marketing budget to change in 2015?*



# REVENUE IS TOP-MOST IN THE MINDS OF MARKETERS

Our survey revealed that for most marketers *Increase in Revenue* continued to be the top priority marketing objective for the coming year, as it was the last year.

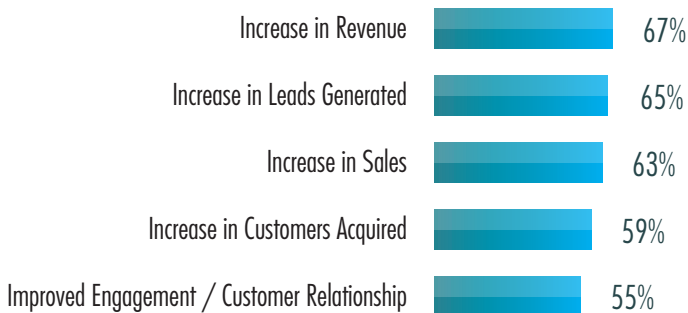
Not surprisingly then, the other leading objectives for 2015 happen to be *Increase in Customers Acquired* and *Increase in Leads Generated*.

*Improved Engagement/ Customer Relationship* seems to have fallen in priority this year, giving us the feeling that marketers, especially in the B2B space, are yet to find a direct correlation between increased customer engagement and sales, a space that digital agencies and content companies need to address with their clients.

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## Which of the following marketing objectives did you accomplish in 2014?

(Top 5 responses shown here)



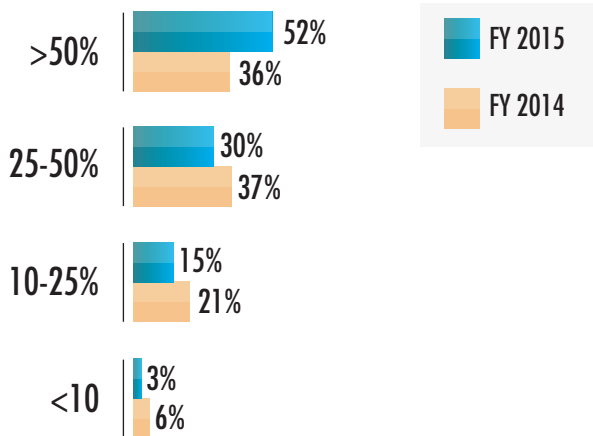
**Which of the following marketing objectives would be top priority for your brand in 2015?** (Top 5 responses shown here)



# B2B MARKETERS MORE INCLINED TO INVEST IN DIGITAL MARKETING

In terms of their planned marketing spend, *Digital/Online Marketing* dominated with 82% of respondents saying they plan to increase their online spend in 2015. In fact, more than half (52%) said they plan to spend over 50% of their marketing budget toward digital this year, as compared to 36% last year.

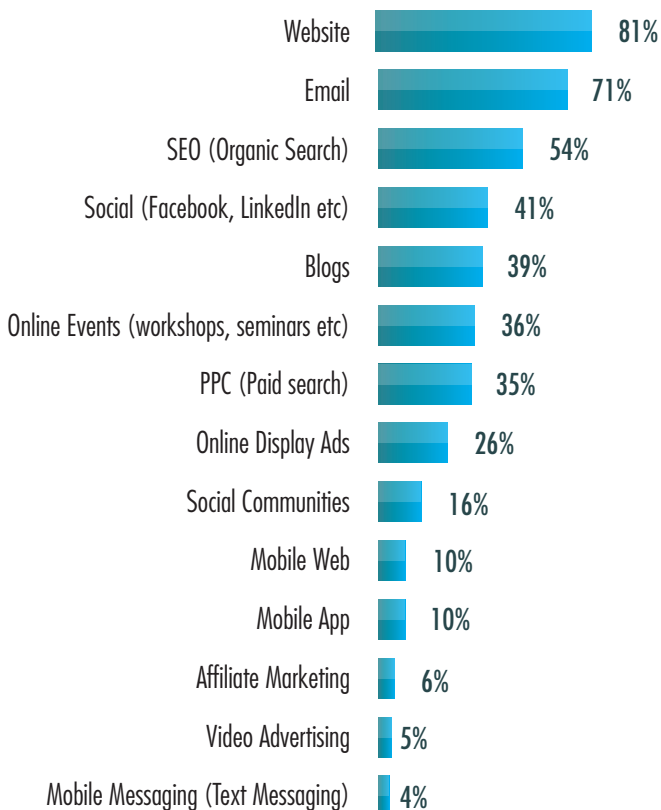
## What is the current and planned allocation of your marketing budget towards digital/online marketing initiatives?



# IN THE ONLINE SPACE, MARKETERS STAY WITH TRADITIONAL CHANNELS

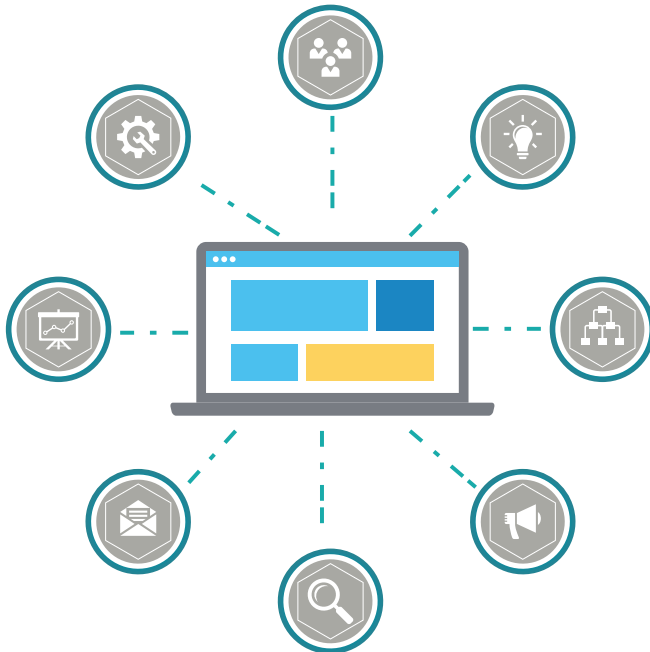
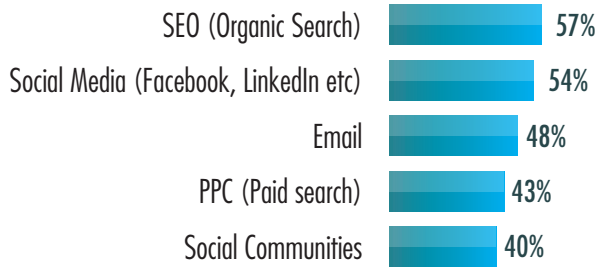
Amongst the different online channels that marketers invested into, in the year 2014, the humble *Website* proved to be the most effective of all, followed by *Email*, *SEO* and *Social*. It is not surprising then, that the same channels have found favor for investment this year too.

## *Which of the following digital/online distribution channels proved to be effective for the accomplishment of your marketing goals in 2014?*





***In which of the following digital/online distribution channels do you plan to increase spends, in the year 2015? (Top 5 responses shown here)***



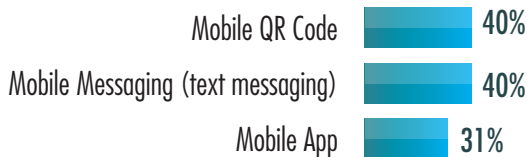
# MOBILE FINDS LESSER TAKERS

It is interesting to note at this point, that *Mobile*, whether as *Mobile App*, *Mobile QR Code* or *Mobile Messaging*, seems to have not delivered on its original promise, and over a third of marketers plan to decrease their spends on them this year. The only area that can expect an increase in spends in the mobile space is in the development of *Mobile Websites*.

This provides a great opportunity for digital agencies to see how they can help their B2B clients get more out of their mobile investments.

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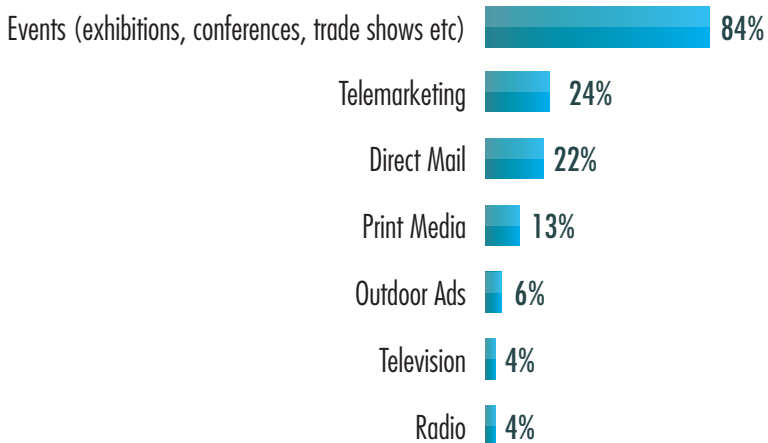
## ***In which of the following digital/online channels do you plan to decrease spends, in the year 2015?*** (Top 3 responses shown here)



# AMONG OFFLINE CHANNELS, EVENTS WAS THE OUTRIGHT WINNER

Most offline channels can expect reduced spends in 2015. The only bright spot in the offline mix appears to be *Events* and marketers continue to repose faith in it.

*Which of the following offline distribution channels proved to be effective for the accomplishment of your marketing goals in 2014?*



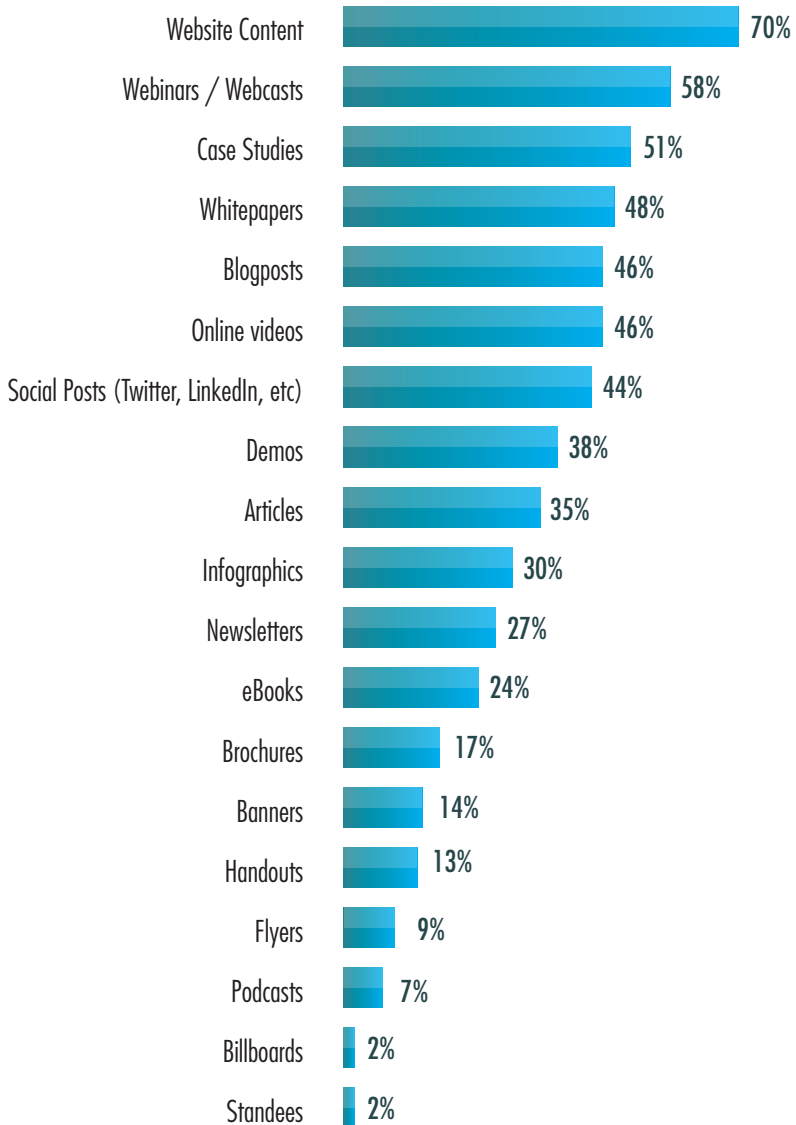
# VIDEOS & WEBINARS ARE THE NEW CONTENT TYPES FINDING FAVOR WITH B2B MARKETERS

If the website was the most effective channel, *Website Content* proved to be the most effective Content Asset for the B2B marketer. Amongst the other usual suspects like *Case Studies* and *Whitepapers*, *Webinars/Webcasts* appear to have paid dividends last year. Marketers seem to be very positive about the effectiveness of *Online Videos* and as much as 65% of respondents have said they plan to increase spends on them in the coming year. Passive offline content assets like *Billboards*, *Flyers* and *Brochures* will be victims of decreased spends this year.



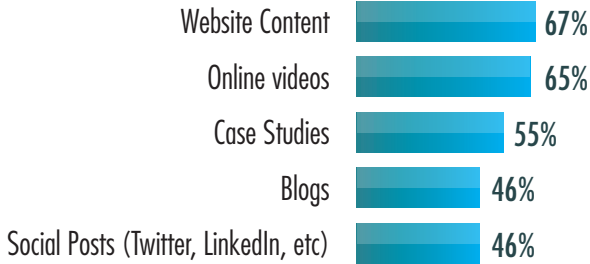
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**Which of the following content assets proved to be effective for the accomplishment of your marketing goals in 2014?**



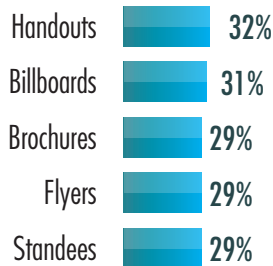
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***In which of the following marketing content types do you plan to increase spends, in the year 2015?*** (Top 5 responses shown here)



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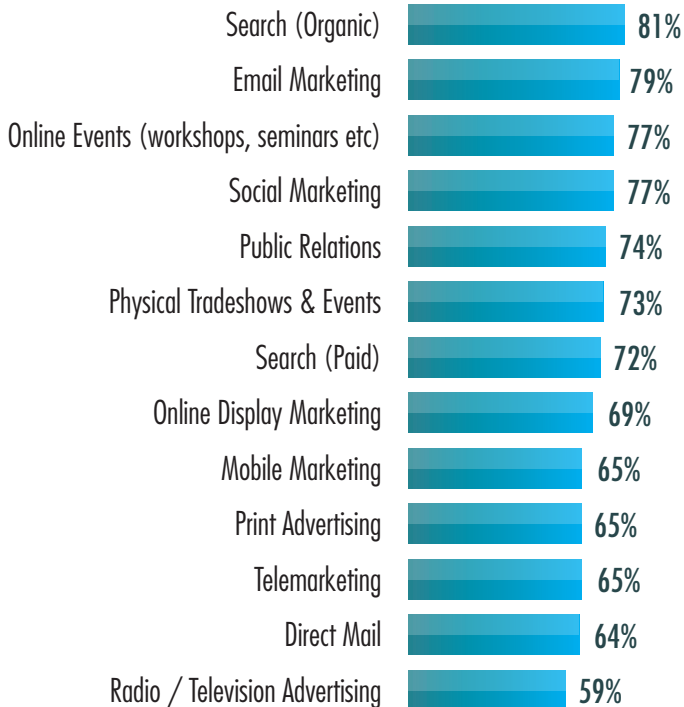
***In which of the following marketing content types do you plan to decrease spends, in the year 2015?*** (Top 5 responses shown here)



# ONLINE PROGRAMS VIE FOR LARGER SHARE OF MARKETING DOLLARS

Amongst the various marketing programs that our respondents preferred to invest in, *search* topped the list, followed by *Email Marketing*, *Social* and *Online Events*. In keeping with the trend this year, offline programs can expect lesser investments.

***Out of the total marketing spend, which of the following marketing programs will you apportion budgets for in 2015?***



In the *Search* space, 46% of our respondents indicated that they plan to increase spend in *Organic* and *Paid* search in the coming 12 months.

On the *Social* side, 85% of respondents said that they would spend more on LinkedIn this year, followed by Twitter at 78% and YouTube at 70%. Facebook, on the other hand, appears to be falling out of favor with B2B marketers with as much as 48% of them preferring to spend less on it this year.

Keeping in line with their focus on increasing revenue, 61% of the marketers we spoke to said they plan to increase spend on *Lead-nurturing Mailers* in the coming year.



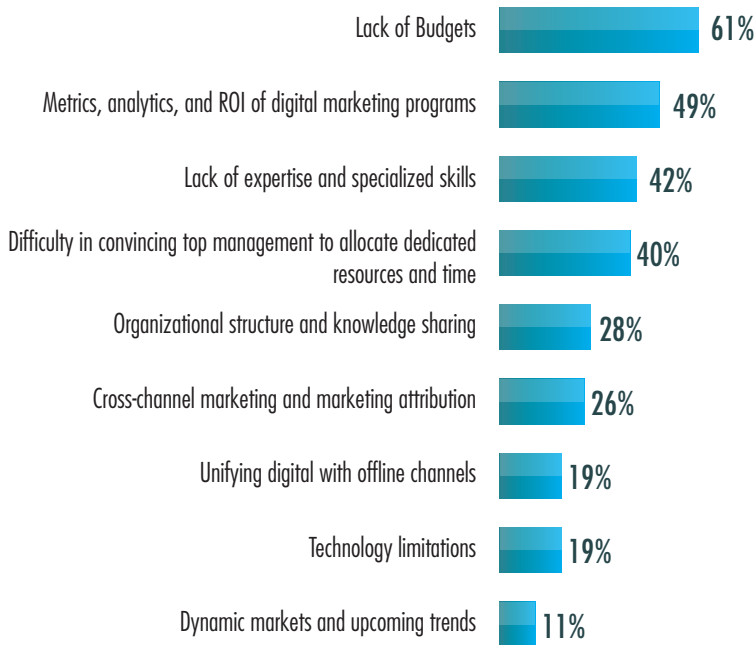


# DIGITAL MARKETING NEEDS EVANGELISTS IN THE BOARDROOM

While digital initiatives have received an overwhelming thumbs-up from our B2B marketers, *Lack of Budgets* is seen as the biggest challenge facing them, followed by *Analytics* and *Lack of Expertise and Specialized Skills*.

Convincing top management on the efficacy of digital marketing is a task that both marketers as well as their agencies need to address in the coming year.

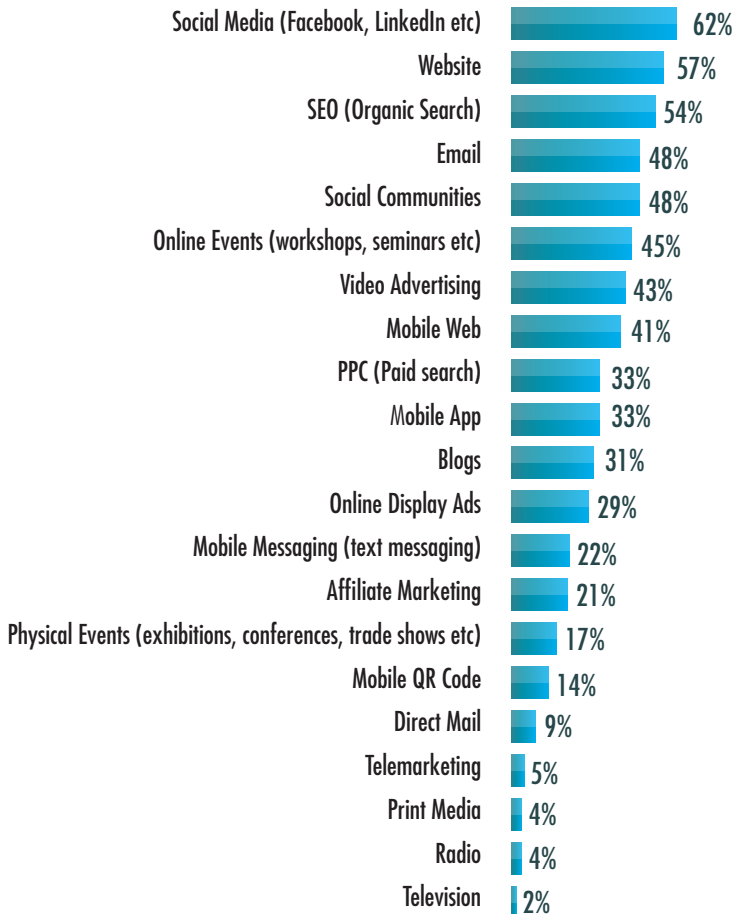
## Which of the following obstacles prevent successful implementation and execution of digital marketing programs?



# WHAT THE MARKETERS FORETELL

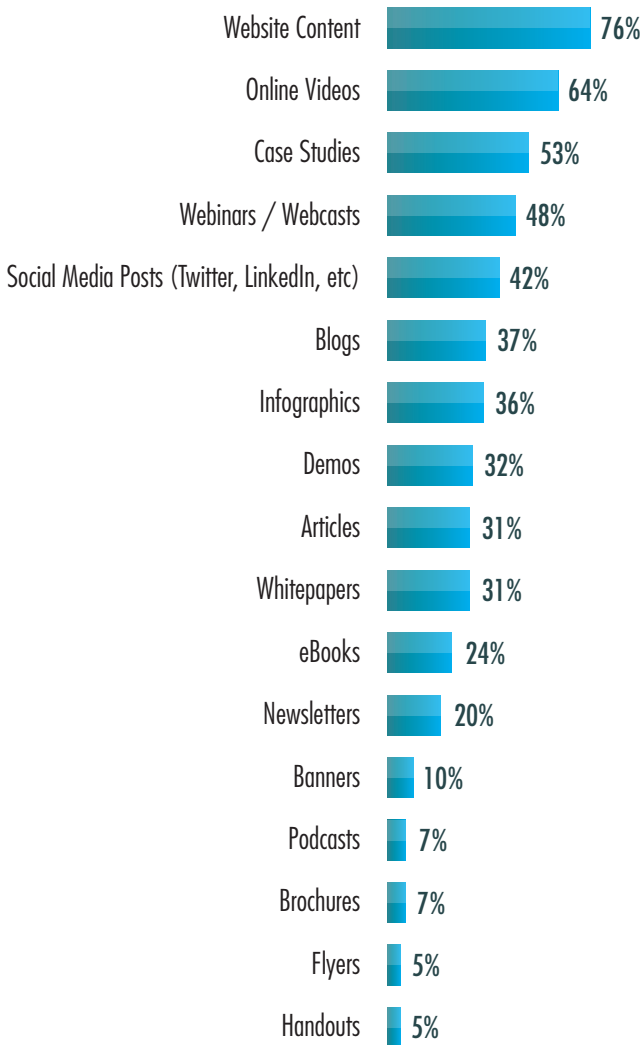
Time for some crystal gazing. Here's how our B2B marketers see the marketing landscape in 2015.

*In your opinion, which of the following distribution channels will see increased adoption and usage in the year 2015?*



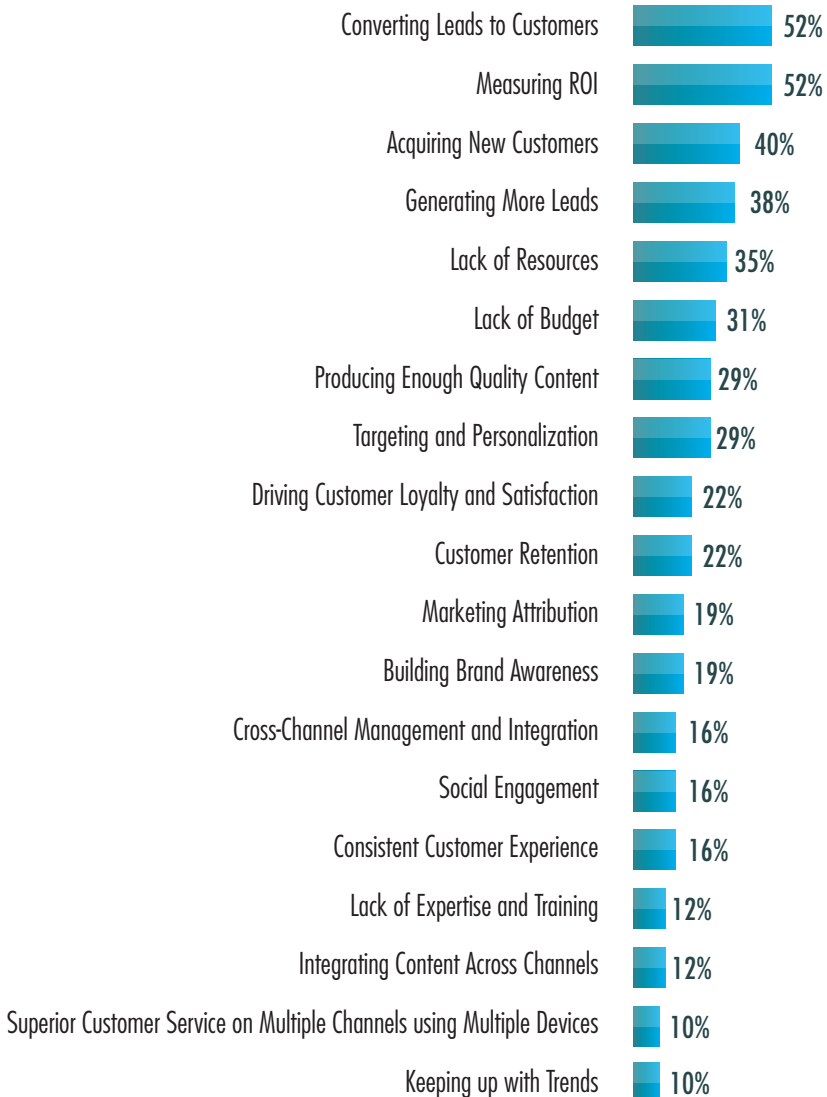
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***In your opinion, which of the following content assets will become indispensable for B2B marketers in the year 2015?***



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**What would be (according to you), the five marketing challenges faced in the year 2015?**

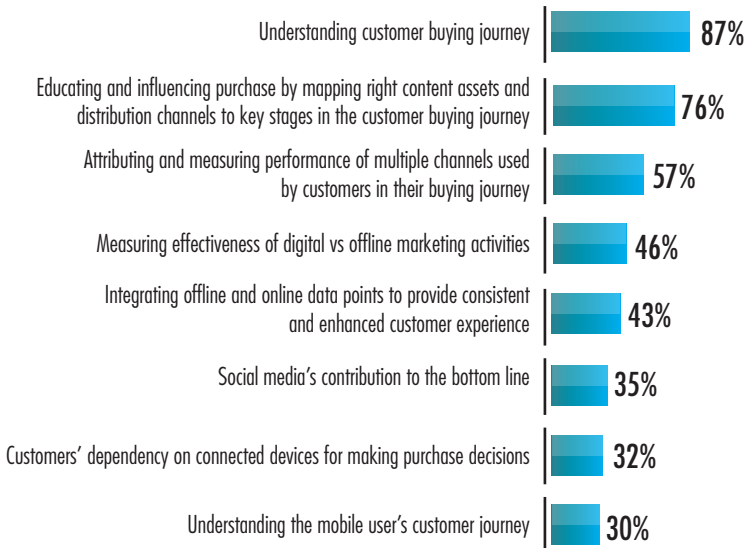


# MARKETERS CHOOSE THEIR RECIPE FOR SUCCESS

With regard to what they think would determine the success of their digital marketing initiatives over the next 3 years, the overriding factors for a majority of the marketers were in understanding the customer buying journey and in delivering the right content to the customer using the right channel at different stages of this journey.

The growing importance of the customer's dependency on multiple connected devices including mobile, is yet to find traction with our respondents. It is also surprising to see that while social media is seen as a significant piece in the marketing mix, the customer engagement that it facilitates is not seen as directly impacting the bottom line; at least, not for now. This is an area where we expect increased traction in the near future.

## *According to you, how important will the following be for your digital marketing initiatives over the next 3 years?*



## || ABOUT THE ANALYSTS

### Nimish Vohra

SVP, Principal Analyst

Nimish, Senior Vice President works, with CMOs and senior marketing professionals. His research focuses on customer experience management, predictive analytics, mobile enablement and other emerging trends that help customers leverage technology as an enabler of marketing and business outcomes.

### Srinivasan Seethapathy

Senior Marketing Manager

Srinivasan's research is focused on optimizing customer experiences across all channels. His research is aimed at marketers who want to understand how they can spend their budgets more efficiently by improving customer experiences across marketing channels.



# ABOUT REGALIX RESEARCH

Headquartered in Silicon Valley, we help the CMO organization leverage emerging digital practices for creating marketing leverage as they bring new products and innovation to market. Regalix Research helps marketers through research-based insights, consulting and peer-to-peer programs that guide marketing strategy development and execution. Our focus is helping Technology companies leverage innovation and best practices to create real differentiation. Our analysts are practitioners with a successful track record of delivering real marketing results for both leading Fortune 500 companies as well as venture backed firms.

Regalix is an award-winning Global Innovation company that leverages technology and marketing to help companies grow. We create successful ventures with our clients through co-innovation and idea-driven frameworks that inspire companies to think different. We bring ideas to life by envisioning new companies, developing brands, engineering products, and designing technology platforms. Founded in 1998, Regalix is based in Palo Alto. Our Silicon Valley setting has enabled us to stay ahead of emerging trends in digital technology and marketing.

For over a decade, we have provided complete marketing services – Social, Mobile, Content, Multi-channel Campaigns, Technology Development, and Analytics – to companies such as CA Technologies, Citi, Apple, eBay, Cisco, VMWare, NetApp, Cypress, LSI, Keynote, and MetricStream.

## For more information

To find out how Regalix can help you, please contact our office, or visit us at [www.regalix.com](http://www.regalix.com)

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