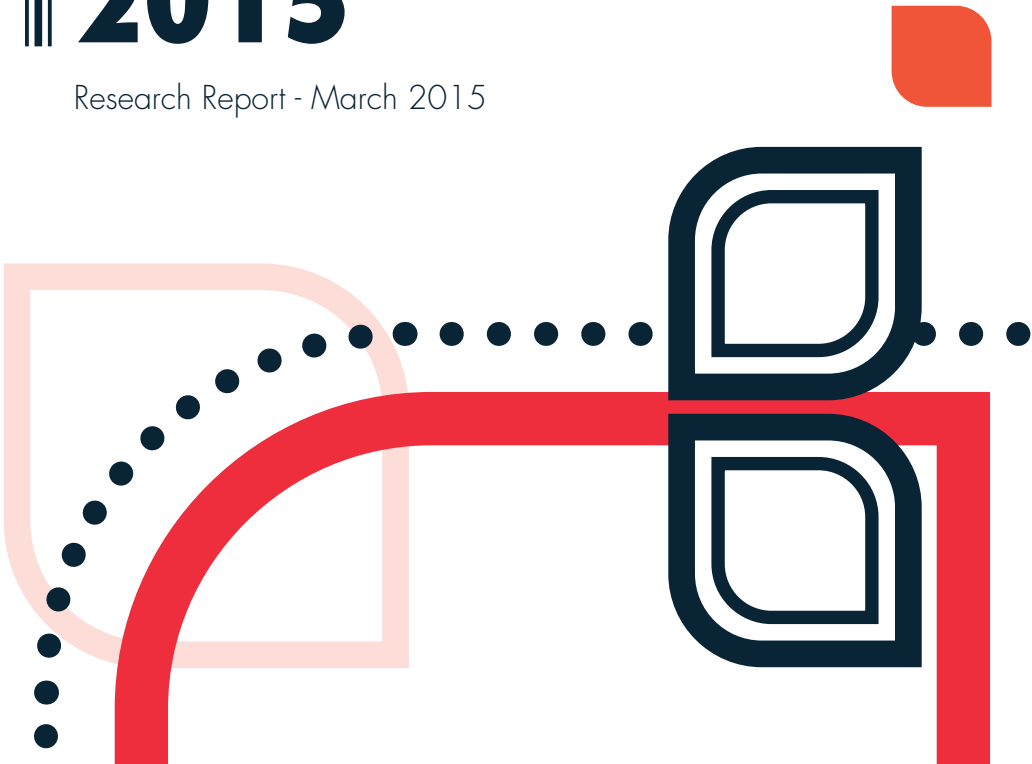


STATE OF B2B PRODUCT MARKETING 2015

Research Report - March 2015



|| WHO WE SPOKE TO

To understand the state of product marketing in B2B companies, we spoke to senior marketers on current trends and practices in the field.

The companies we spoke to were spread across various product types ranging from Software (72%) to Hardware (23%), Cloud (50%) and Mobile (28%). A majority of the companies were in the technology sector. While 67% of the companies were from the US, the rest were from across the globe.

KEY FINDINGS:

89% marketers mention new customer acquisition as the metric they use to measure the impact of product marketing

 » tweet this «

84% respondents say they invest in product marketing

 » tweet this «

81% executives choose direct selling as their top sales distribution strategy

 » tweet this «

70% respondents say they look at revenue generated to measure the success of a product launch

 » tweet this «

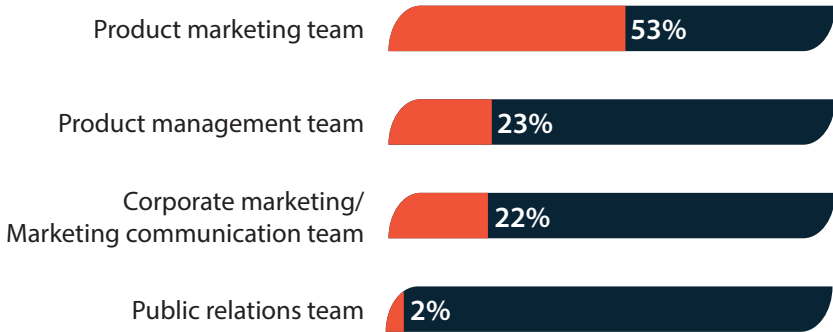
69% marketers choose understanding buyer needs or pain points as the most important go-to-market strategy to a product launch

 » tweet this «

PRODUCT TEAMS LEAD PRODUCT LAUNCH ACTIVITIES

76 percent of the companies identified their product teams as owners of product launch activities within the company.

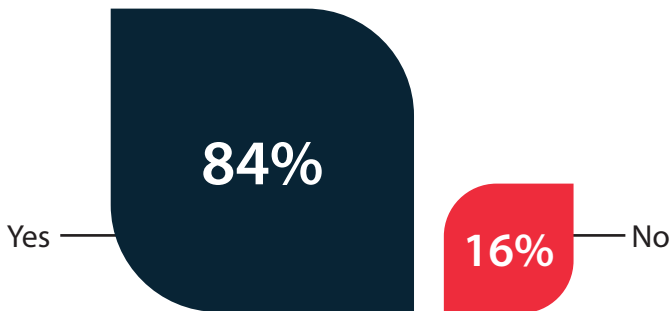
Which of the following teams own product launch activities in your organization?



MAJORITY OF COMPANIES INVEST IN PRODUCT MARKETING

84 percent of the respondents said their companies invested in product marketing; 16 percent said they didn't.

Does your organization invest in Product Marketing?



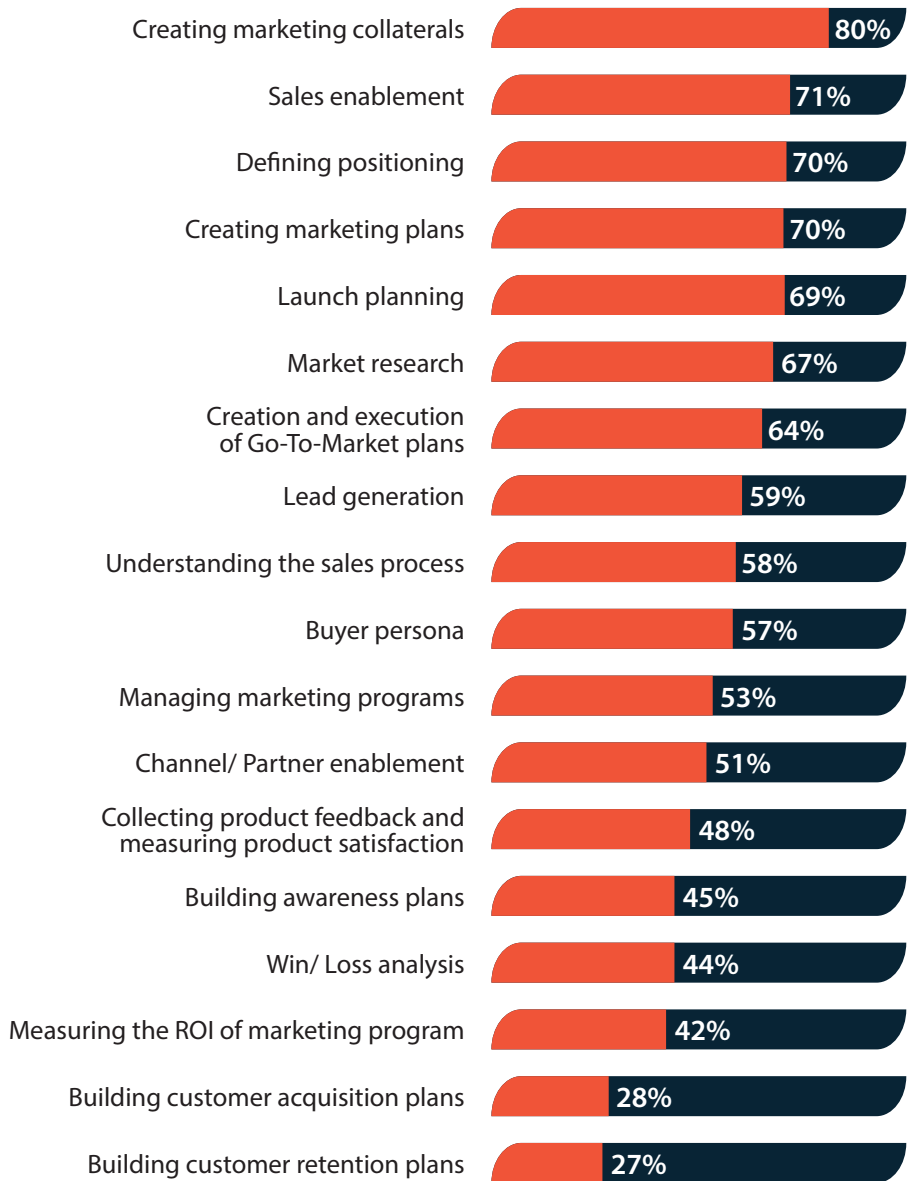
CREATING MARKETING COLLATERAL & ENABLING SALES TOP THE LIST OF ACTIVITIES CARRIED OUT IN PRODUCT MARKETING

80 percent of marketers we spoke to chose **creating marketing collateral** as an activity that they carry out to achieve their product marketing goals; while the same figure for **sales enablement** stood at 70%.

While it was encouraging to hear 67% of our respondents mention **market research** as part of their product marketing initiative, we were surprised to find a lack of such enthusiasm when it came to **collecting product feedback & measuring product satisfaction**, which scored a low 48%.

Given the current relevance of 'lean business' practices and the minimum viable product, increased focus on product feedback might be necessary for future product successes.

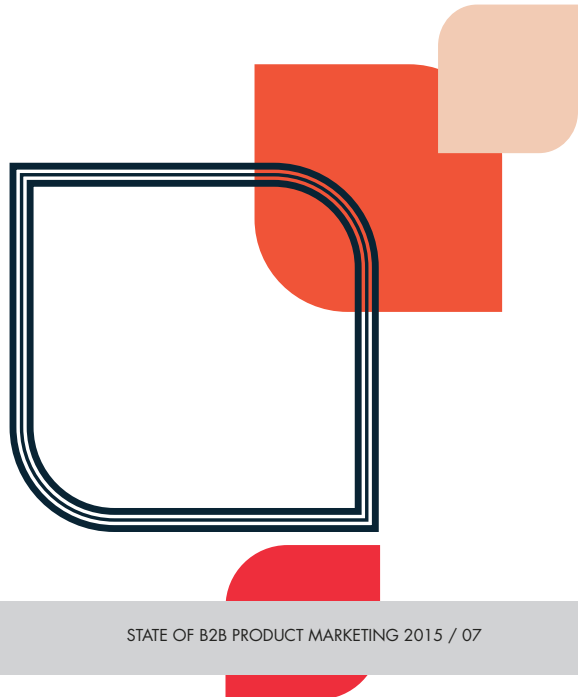
Which of the following activities do you carry out to achieve product marketing goals?



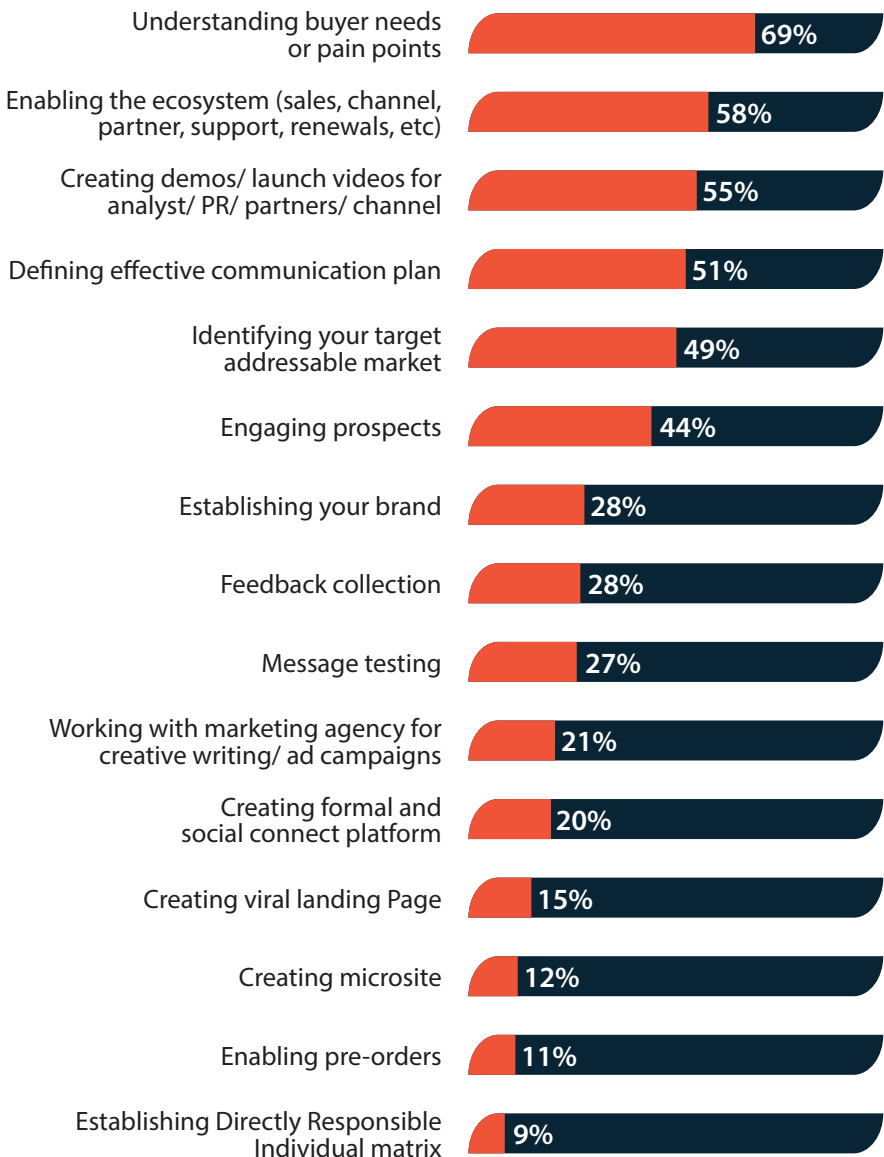
UNDERSTANDING BUYER NEEDS IS THE MOST CITED GO-TO-MARKET STRATEGY

69 percent of respondents picked **understanding buyer needs or pain points** as the most important go-to-market strategy to a product launch. **Enabling the ecosystem** came next at 58%.

Only 21% of marketers chose **working with a marketing agency for creative writing/ad campaign** as important to their product launch; sending a gentle reminder to agencies to relook at the role they currently play in product marketing and see how they could make themselves strategically more relevant to the client's needs.



Which of the following go-to-market strategies are most important to your product launch?



WEBSITE & EMAIL ARE THE MOST POPULAR DIGITAL CHANNELS THAT COMPANIES RELY ON FOR MARKETING THEIR PRODUCTS

Besides [Website](#) and [Email](#), preferences on the list chosen by our respondents, include [Webinars](#), [Social Media](#), [Search](#) and [Blog](#).

Mobile finds less favour with our marketers. This trend was evident even in our earlier study on the '[State of B2B Marketing 2015](#)'.

Which of the following digital channels does your organization tap into for marketing its product?

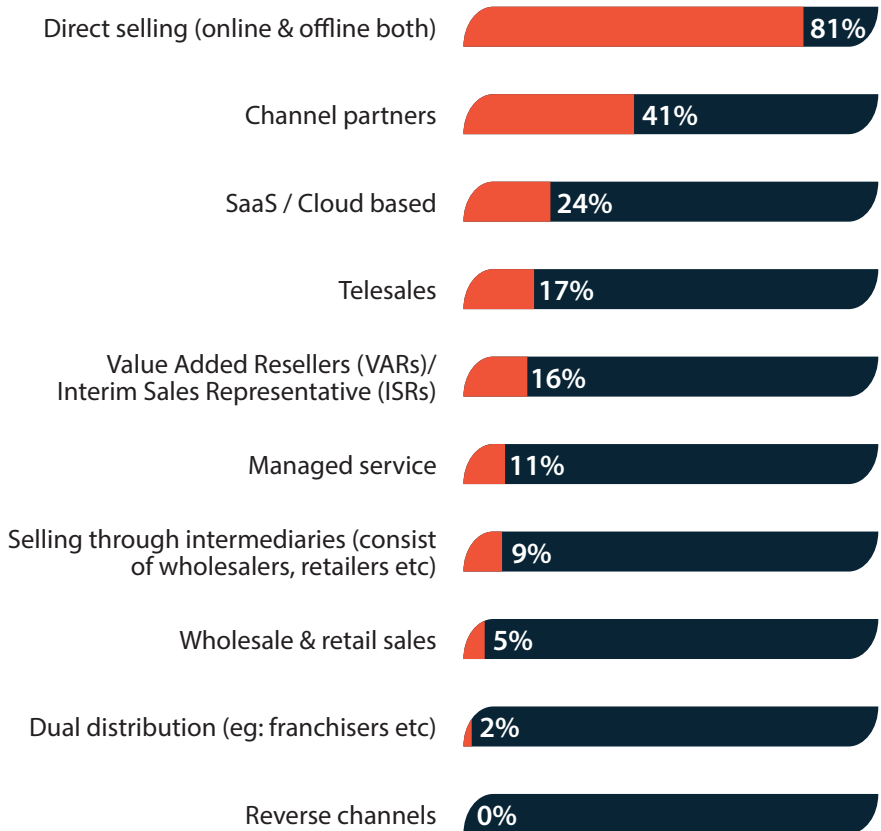


81 PERCENT OF MARKETERS CHOOSE DIRECT SELLING AS THEIR TOP SALES DISTRIBUTION STRATEGY

Direct selling included both online and offline selling.

Channel partners came a distant second at 41%.

What is your top sales distribution strategy?

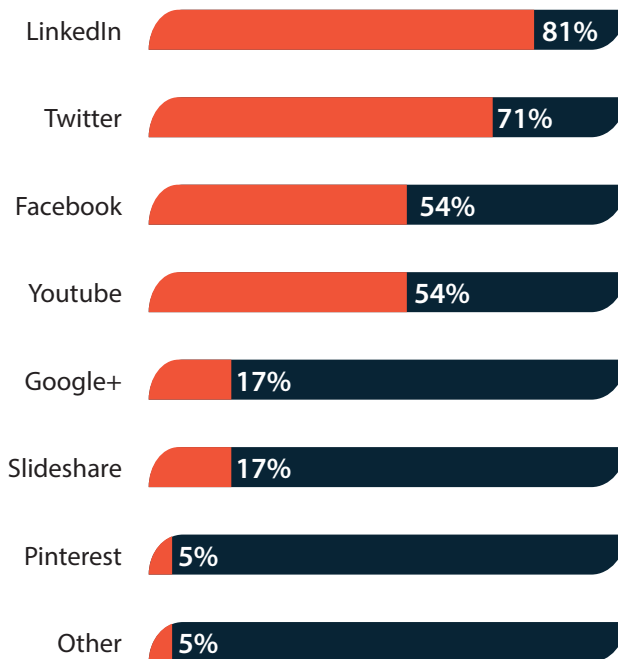


LINKEDIN & TWITTER ARE THE MOST PREFERRED SOCIAL MEDIA PLATFORMS

LinkedIn at 81% and Twitter at 71% lead the way as the most sought after social media platforms for a product launch.

With increasing interest being shown on video as a content type in the B2B space (Source: [State of B2B Content Marketing 2015](#)), we anticipate YouTube to soon beat Facebook to third place.

What are your top social media platforms for product launch?

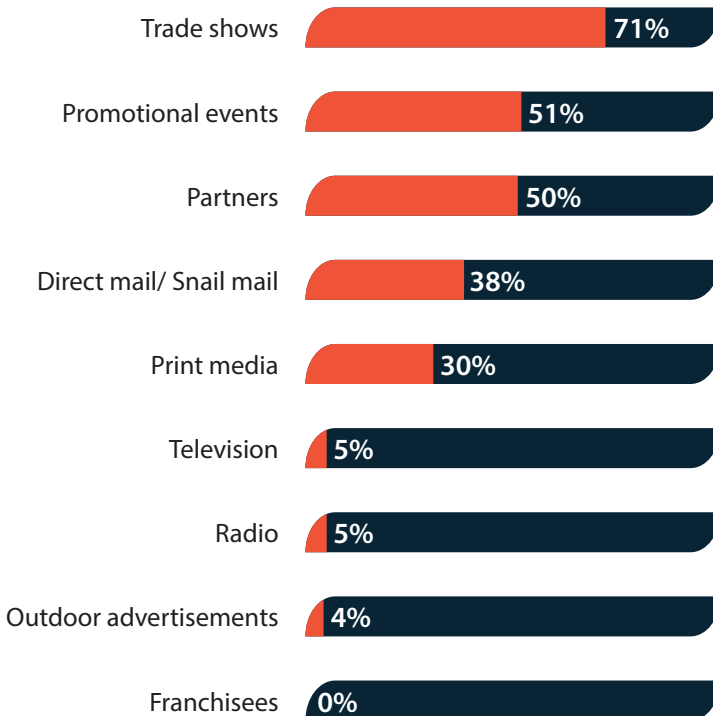


TRADE SHOWS DOMINATE OFFLINE CHANNELS IN LEAD GENERATION

71 percent of respondents chose **Tradeshows** as the offline channel they used for generating leads and creating a pipeline. **Promotional events** came in next at 51% followed by partners at 50%.

Except for **Print media** (30%), which offers the option of niche technical journals for targeted communication, other mass media alternatives like **Television**, **Radio** and **Outdoor advertisements** have little significance in B2B product marketing.

What are the traditional/offline channels used by your organization for leads or pipeline generation?



MAJORITY OF CHANNELS FIND FAVOR DURING THE GROWTH PHASE OF THE PRODUCT LIFECYCLE

This includes all the popular channels that were preferred by our respondents including [Website](#), [Social media](#), [Email](#) and [Trade shows](#).

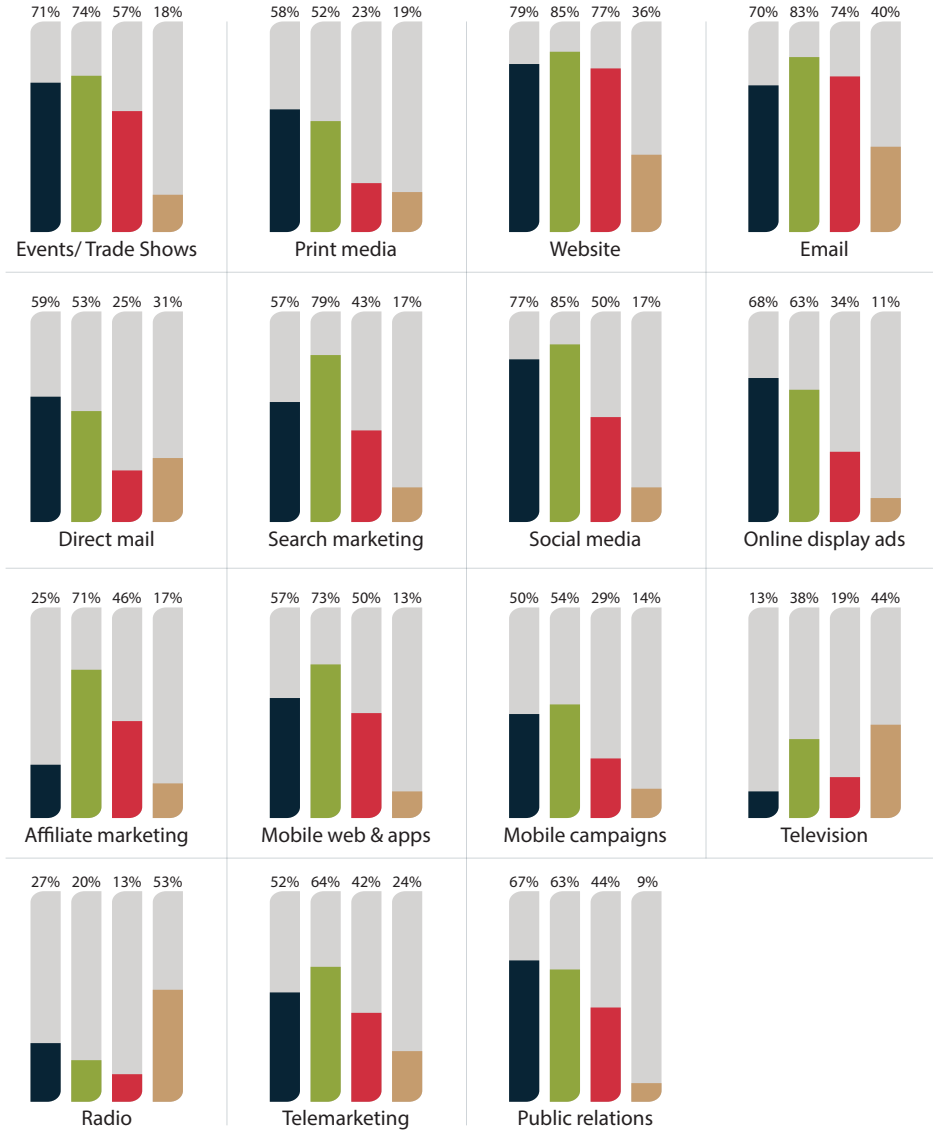
The exceptions include [Print media](#), [Direct mail](#), [Online display ads](#) and [Public relations](#) which found greater favour among the marketers during the introductory phase of the product lifecycle.

Only [Television](#) and [Radio](#) were found to be more suitable during the decline phase than at any other stage of the product lifecycle. While the intention to get the audience back through the broadcast media is understandable, the cost efficiency of such an exercise during the decline phase is questionable.

Interestingly, there appears to be a sharp surge in the need for [Affiliate marketing](#) during the growth phase of the product; a pointer, perhaps, to the strategic role that it could play in the growth plan of organizations.

Please map the marketing channels based on their suitability of usage during the various phases of the product lifecycle

Introductory Growth Maturity Decline



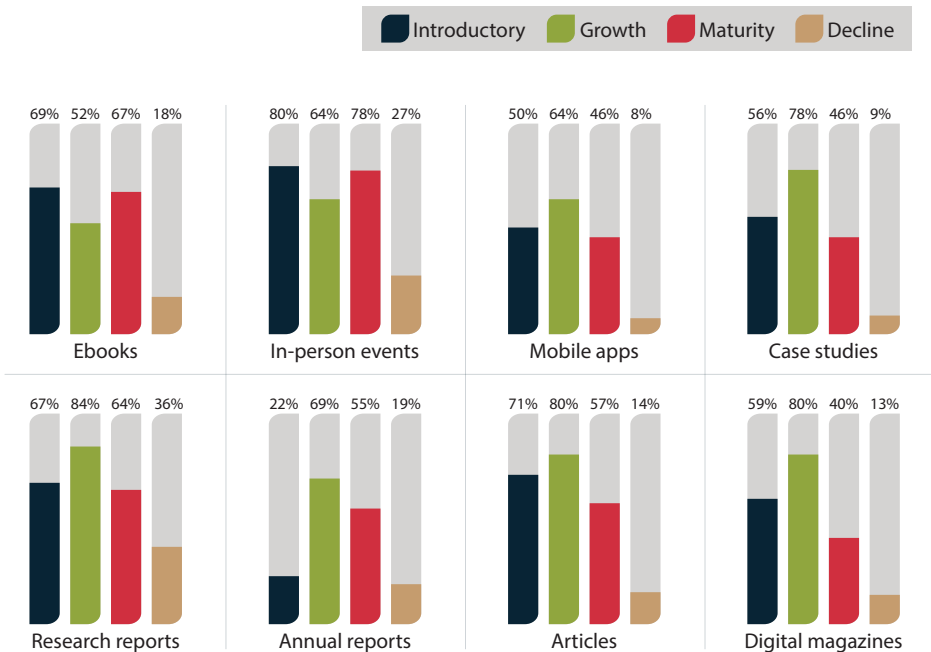
PRODUCT VIDEOS SEEN AS MOST SUITABLE CONTENT TYPE DURING INTRODUCTORY & GROWTH PHASE

Among all the content types, **Product videos** got the most nods from our respondents for their suitability during the introductory & growth phase of the product lifecycle.

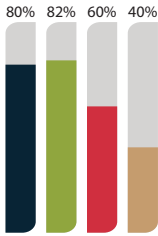
Most of the content types scored the highest on suitability for use during the growth phase.

Print magazines & **Press releases** were favoured more in the introductory phase, while **Infographics** & **FAQ documents** found equal favour both in the introductory & growth phase.

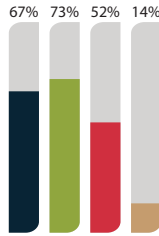
Please map the content types based on their suitability of usage during the various phases of the product lifecycle



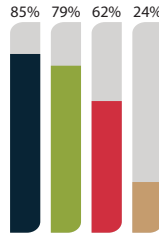
Introductory Growth Maturity Decline



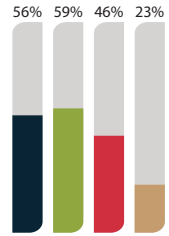
Blogs



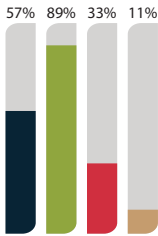
White papers



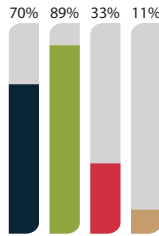
Product videos



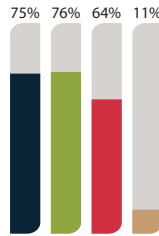
Print magazines



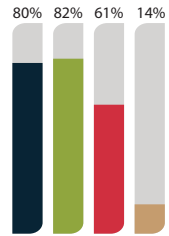
Newsletters



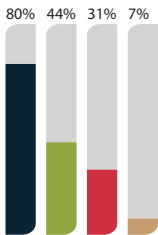
Mobile content



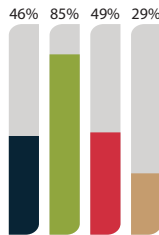
Webinars/Webcasts



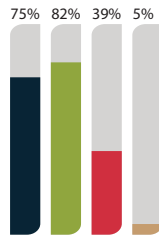
Infographics



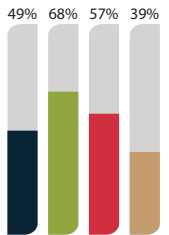
Social media



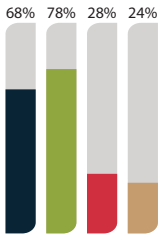
Podcasts



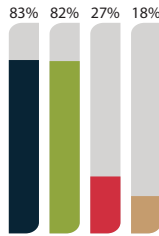
Data sheets



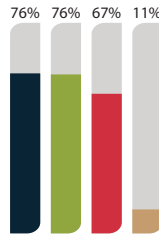
Product manuals/Catalogues



FAQ documents



Presentations



Press releases

The top 5 content types in each phase of the product lifecycle

INTRODUCTORY



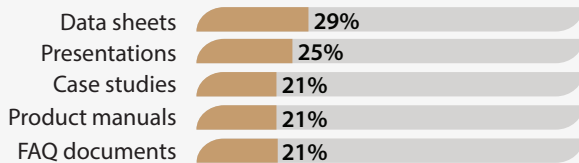
GROWTH



MATURITY



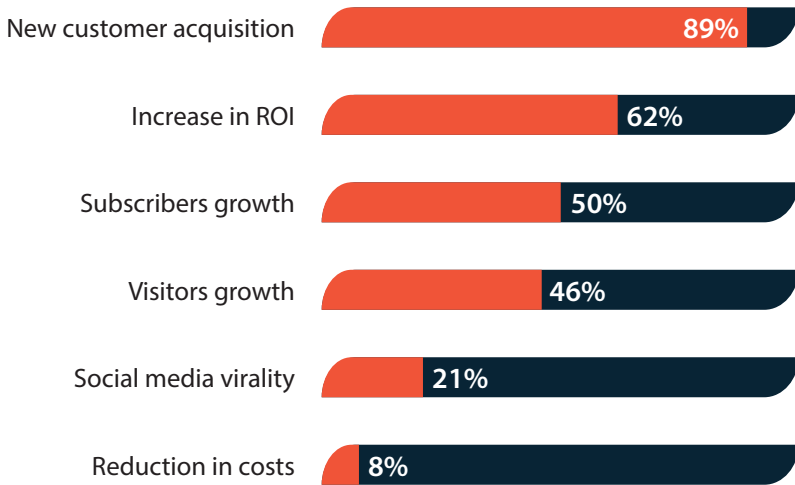
DECLINE



NEW CUSTOMER ACQUISITION MOST WIDELY USED METRIC TO MEASURE IMPACT OF PRODUCT MARKETING

89 percent of respondents mentioned **New customer acquisition** as the metric they used to measure the impact of product marketing. **Increase in ROI** was ranked second at 62%.

In your opinion, which metrics are primarily used for measuring the impact of product marketing?

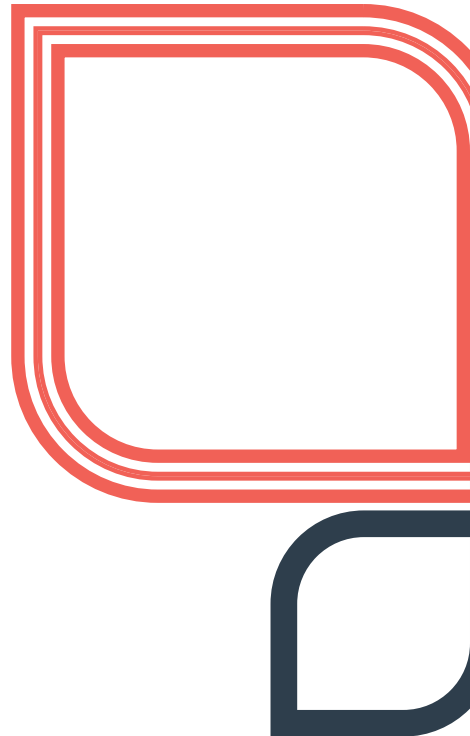


REVENUE & LEADS DETERMINE THE SUCCESS OF A PRODUCT LAUNCH

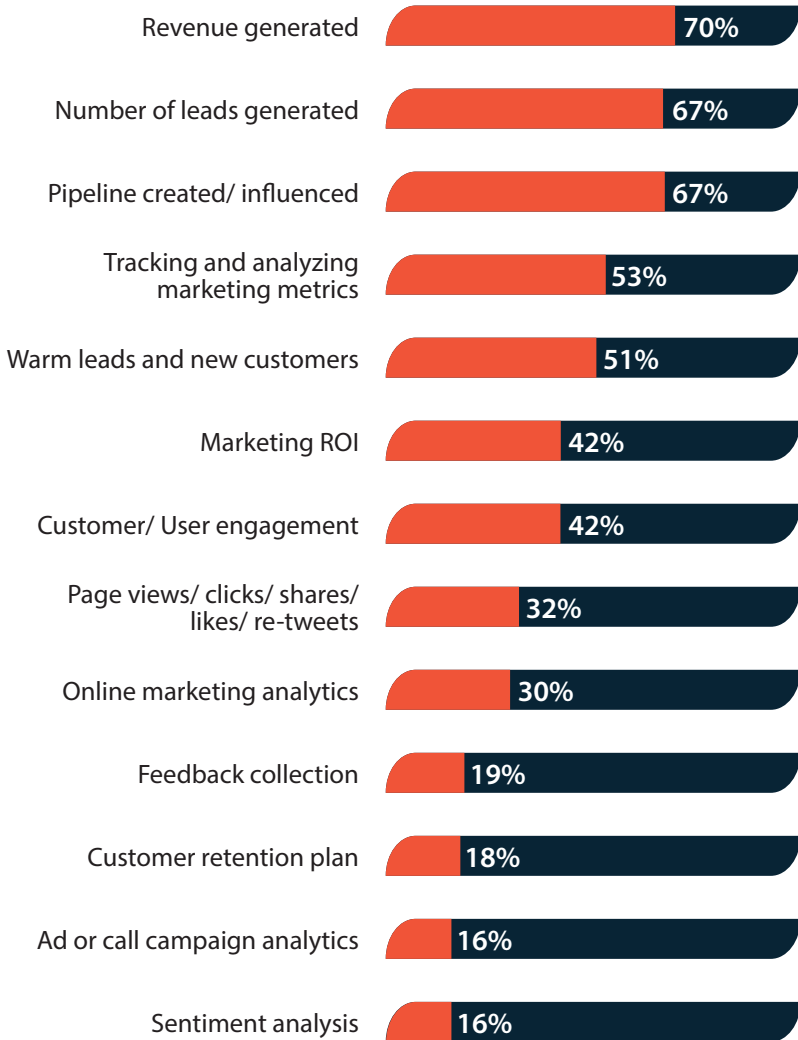
With increasing pressure on sales, more and more marketers are defining revenue generation as their top priority marketing objective (Source: [State of B2B Marketing 2015](#)).

[Revenue generated](#) (70%), [Number of leads generated](#) (67%) & [Pipeline created](#) (67%) overshadowed all other metrics in defining the success of a product launch.

It was heartening to see as much as 53% of respondents mention [Tracking and analysing marketing metrics](#) as an important measure of success. This is in the right direction, keeping in mind our earlier study on the [State of B2B Marketing Metrics & Analytics 2015](#), where 86% of the marketers we spoke to said marketing analytics was very important for the success of their marketing program.



How do you measure the success of a product launch?

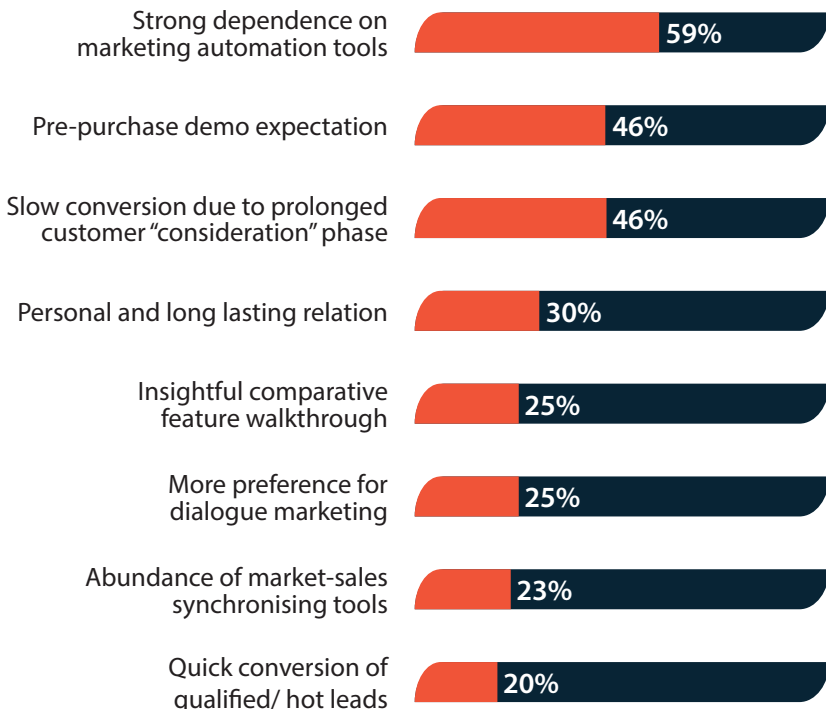


MARKETING AUTOMATION TOOLS ARE CHANGING LEAD CONVERSION TECHNIQUES SAY MARKETERS

Strong dependence on marketing automation tools are changing the way lead conversions are being managed today, said 59% of our respondents.

Pre-purchase demo expectation & slow conversion due to prolonged customer 'consideration' phase were the second most cited change to be noticed in lead conversion techniques.

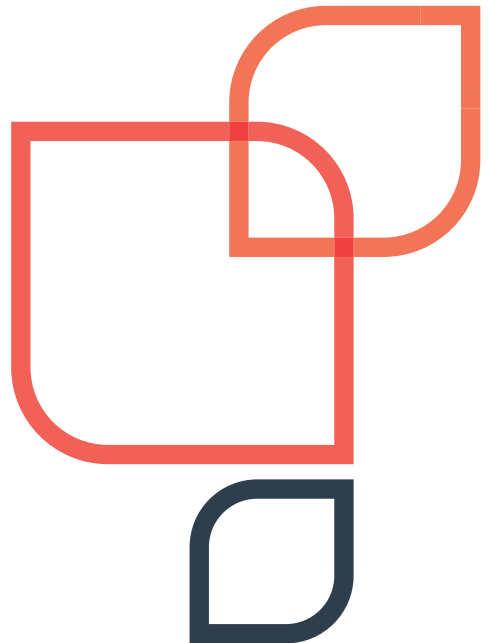
What changes have you noticed in the contemporary lead conversion techniques?



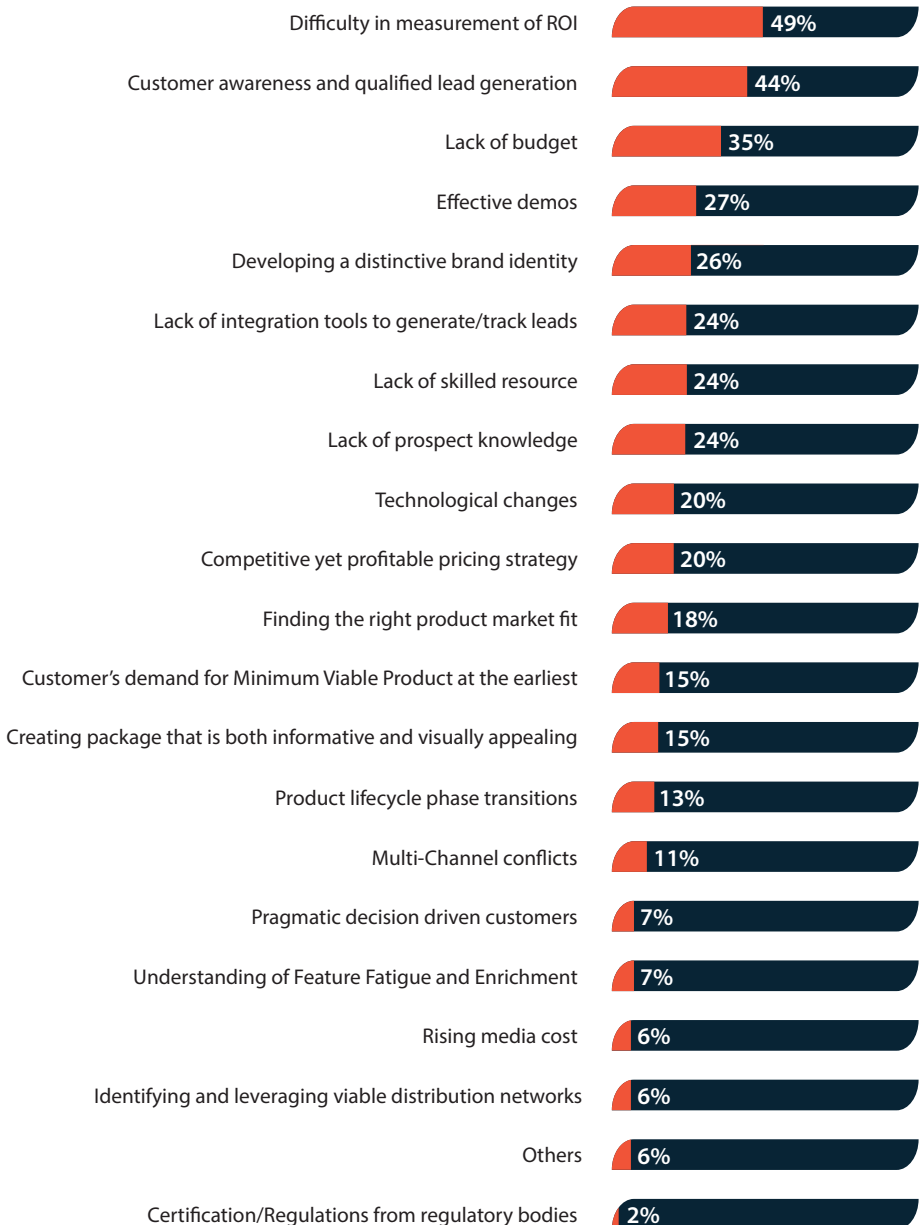
DIFFICULTY IN MEASURING ROI & GENERATING QUALIFIED LEADS ARE THE MOST PREVALENT CHALLENGES FACED BY MARKETERS

When we asked our respondents what their key product marketing challenges were, 49% of respondents mentioned **difficulty in measurement of ROI**, while 44% chose **customer awareness and qualified lead generation**.

Measuring ROI continues to trouble marketers. This is an area where we see potential for analytical companies to make a contribution.

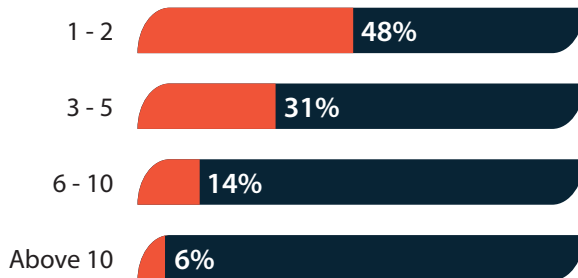


Which of the following digital channels does your organization tap into for marketing its product?

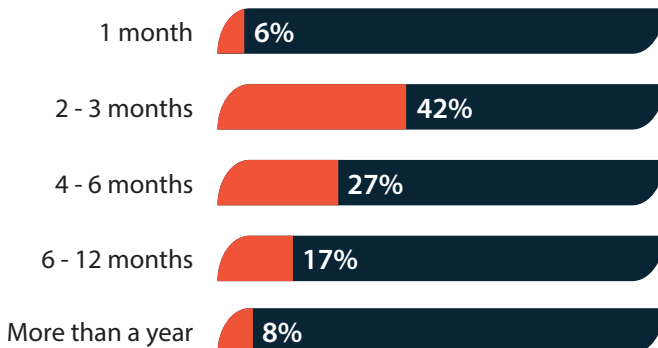


48 PERCENT OF RESPONDENTS SAY THEY HAVE 1 OR 2 MAJOR PRODUCT LAUNCHES EVERY YEAR; AND 42% SAY THEIR GO-TO-MARKET PLAN LASTS BETWEEN 2 & 3 MONTHS

How many major product launches do you have every year?

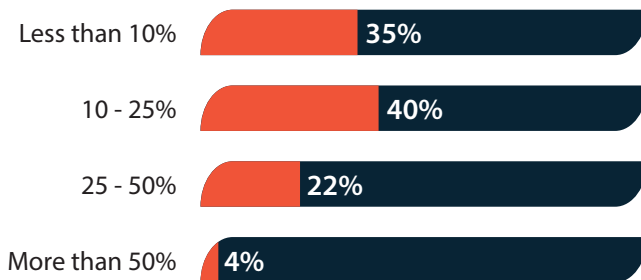


How long does your go-to-market plan approximately last for a product launch?



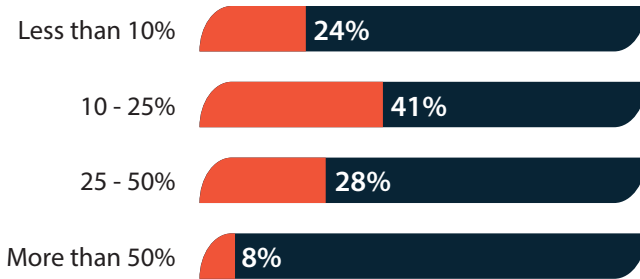
75 PERCENT OF COMPANIES WE SPOKE TO ALLOCATE UP TO 25% OF THEIR MARKETING BUDGET TOWARDS PRODUCT MARKETING

What percentage of your marketing budget is currently allocated toward product marketing?

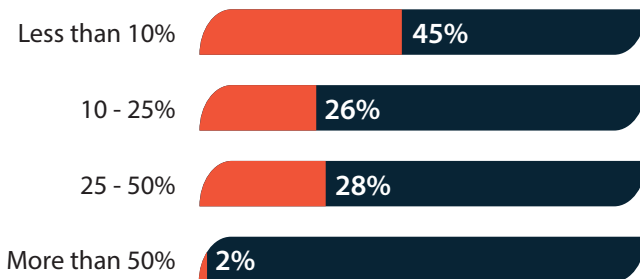


OUTBOUND MARKETING RECEIVES A LARGER SHARE OF THE PRODUCT MARKETING PIE

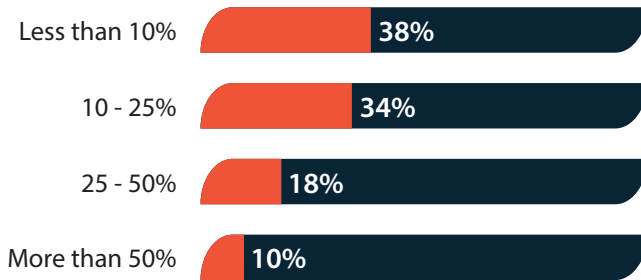
What percentage of your product marketing budget is currently allocated towards outbound marketing?



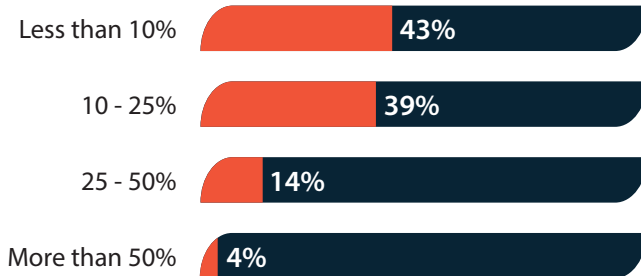
What percentage of your product marketing budget is currently allocated towards inbound marketing?



What percentage of your product marketing budget is currently allocated towards digital marketing?

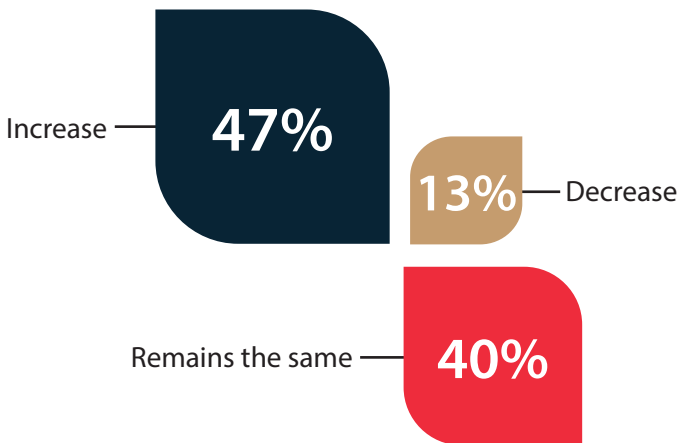


What percentage of your product marketing budget is currently allocated towards traditional marketing?



MAJORITY OF MARKETERS SEE THEIR PRODUCT MARKETING BUDGET EITHER INCREASE OR REMAIN THE SAME IN THE NEXT 12 MONTHS

How do you see your product marketing budget change over the next 12 months?



FINAL THOUGHTS

Product marketing has changed dramatically in the digital age. We have tools and technologies today that enable us to launch products faster, target them better and track their adoption more closely. It is heartening to see a significant majority of the companies in our survey willingly investing in product marketing.

We are also seeing an increased awareness amongst B2B marketers of the importance of automation tools for creating a more efficient delivery system

In terms of marketing channels, most of the traditionally popular digital channels continue to dominate. This is an area that could see some innovations soon. Video as a content type is being consumed more and B2B marketers will do well to take note of this.

The only area that worries us is the overarching importance being placed by companies on revenue generation and customer acquisition in product launches. Such a unidimensional approach to new product strategy can stifle innovation; and ignore, in the process, other important aspects of marketing like consumer engagement. This is an area where B2B marketers can learn a lesson or two from their counterparts in the B2C space.

|| 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.



Ravish Kamath

Senior Director, Products



Ravish Kamath has over a decade of experience in bringing products and ideas to life. At Regalix, Ravish is responsible for driving the overall product strategy and its execution. He is passionate about prototyping, evangelizing new technologies, building and mentoring teams and of course launching new products.



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

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