

2019

STATE OF THE INDUSTRY

Marketing Trends in B2B Software & Technology

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A Note From Kiwi Creative



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I am SO excited to present the inaugural **“State of the Industry Report: Marketing Trends in B2B Software & Technology,”** which provides a never-before-seen look at the real-life practices and perspectives of sales, marketing and executives working in B2B software and tech.

(On that note, I want to send out a big thank you to everyone who responded to our in-depth survey! I hope you enjoyed your Starbucks gift card. Or Tim Horton's, for our Canadian friends.)

What follows is the culmination of months of research and analysis by our team. And while many of the findings can stand alone as valuable insights, it's also important to look at the state of the industry as a whole...especially how fast it is evolving!

By now, I bet you're curious how your own tech company stacks up to others in the same industry...go on and get reading to find out.

Then, feel free to contact me directly if you want to discuss ways to up your tech marketing game. *We might know a thing or two about that topic.*

Executive Summary

Don't have time to read the full report? Here are our top 10 key findings.

According to our survey, B2B software and tech companies are...

- using a balance of inbound and outbound marketing, with tradeshow producing the best leads.
- hitting or exceeding their KPIs, which they define as qualified leads or opportunities.
- unsatisfied with the quality of their efforts, with limited tools and resources being the biggest challenge.
- blogging once per week, but wanting to post 2-3 times that amount.
- creating premium content offers once per month, most of which are gated for lead gen.
- posting on social networks (mainly LinkedIn, Facebook and Twitter) an average of 2-3 times per week.
- investing very little in PPC with poor results.
- redesigning their website every couple years.
- excited about video and wanting to try out chatbot technology.
- confused about search engine optimization.

About the Report

Who did we survey for the data?

For the inaugural “State of the Industry Report: Marketing Trends in B2B Software & Technology,” we conducted an online survey of more than 100 marketing, sales and executives to discover:

- Overall trends changing the role of marketing
- Key insights about marketing goals and planning
- Perspectives about the direction of the industry

We reached out to our own contacts, as well as marketing professionals outside of our network, through a variety of tactics, including email, paid social and account-based marketing. For their time, we compensated respondents with a nominal \$5 coffee gift card.

While this report looks exclusively at the marketing practices of companies in the B2B software and tech space, respondents came from a wide variety of companies selling into a large range of industries.

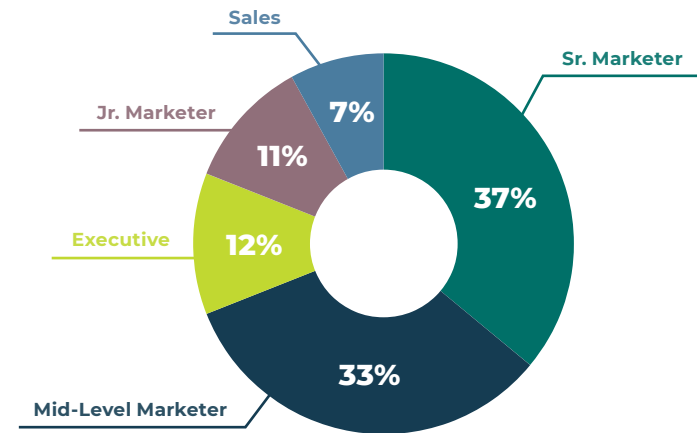
About the respondents

The overwhelming majority of respondents (70%) are senior- and mid-level marketing professionals.

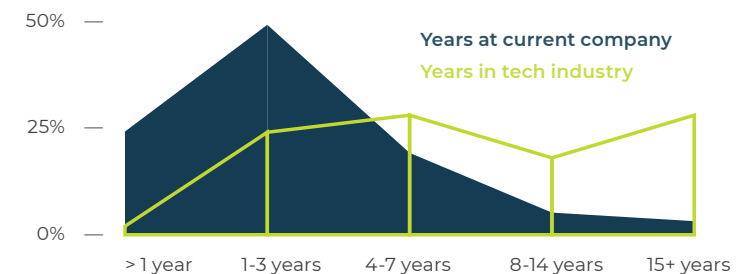
The survey also invited business and sales leaders who are close to the marketing initiatives in their organization.

The majority of respondents (73%) have worked at their current software or tech company fewer than four years, but that doesn't mean they aren't experienced marketers; **nearly half of respondents have worked in the tech industry eight years or longer.**

Job Role



Experience



About the companies

While **respondents describe their company's products/services primarily as SaaS**, many are in other tech-related fields, such as consulting, cybersecurity and managed services.

Tech companies often sell into multiple verticals; amongst survey respondents, healthcare, manufacturing and finance/banking are the most popular.

Top Vertical Markets



Healthcare 57%



Manufacturing 49%



Finance/Banking 48%

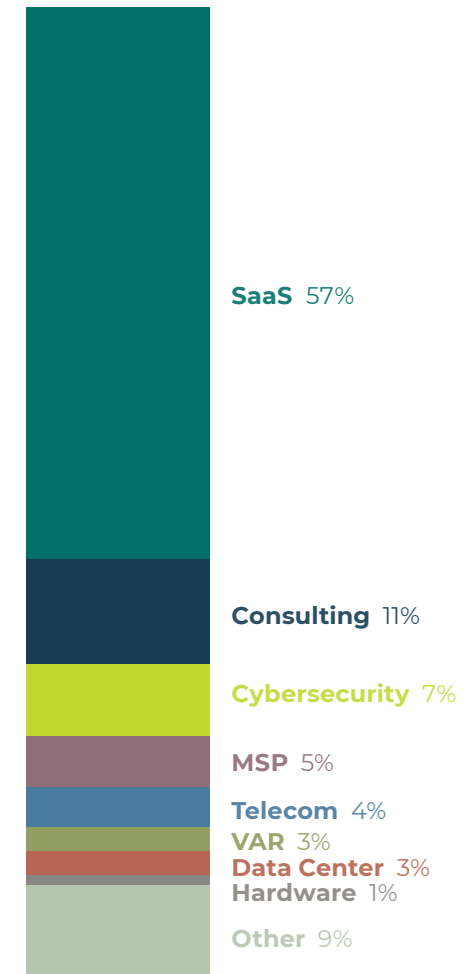


Retail 46%



Government 44%

Type of Tech Company



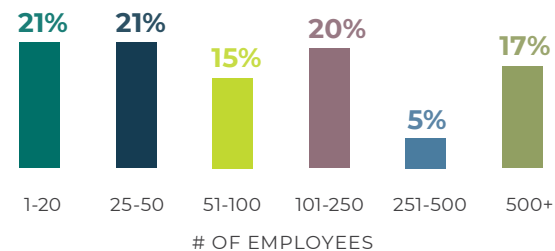
Company size vs. marketing department size

It was especially important to us that survey respondents come from a wide range of company sizes, understanding that the size of marketing departments (and marketing budgets!) would vary across the board.

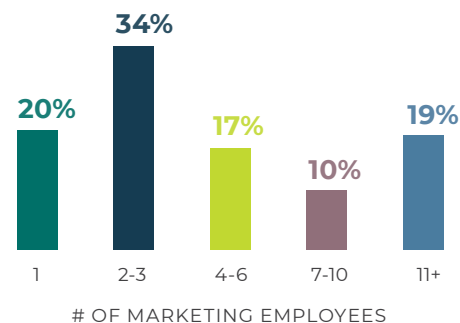
Of the marketing professionals surveyed, **more than half have a marketing department with three or fewer full-time employees.**

There is, of course, a correlation between the company size and size of the marketing department.

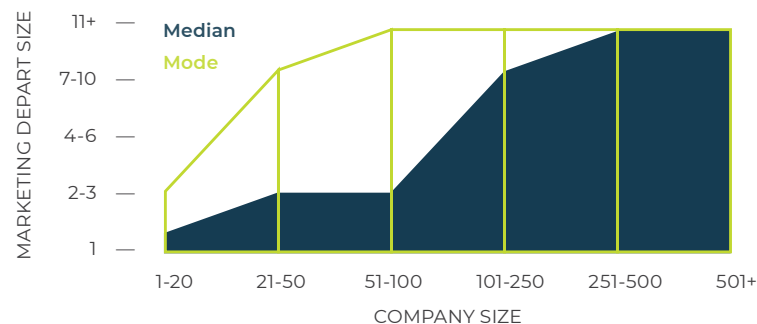
Company Size



Marketing Department Size



Company vs. Marketing Size



Annual revenue vs. marketing budget

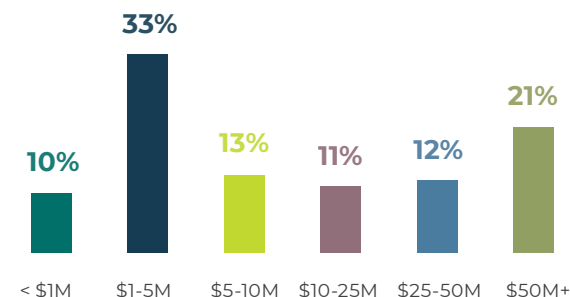
Just like how the number of employees at a company correlates with the size of a marketing department, logic says the same should apply to annual revenue vs. marketing budget.

However, there are some surprising findings:

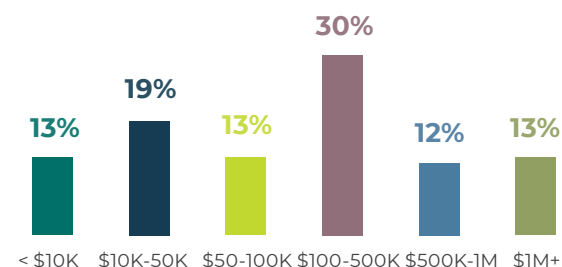
- The highest-revenue companies are spending disproportionately less on marketing, with many spending less than \$10,000/year
- The highest marketing budget for a low-revenue tech company (>\$1M) fell in the \$100-500K
- Companies in the \$5-10M range are spending disproportionately more on marketing
- The lowest marketing budget for a high-revenue tech company (\$50M+) was \$10-50K

(Note: we asked respondents to include items like paid media, agency spend, printing and conferences in their budget, but to exclude salaries and other overhead expenses.)

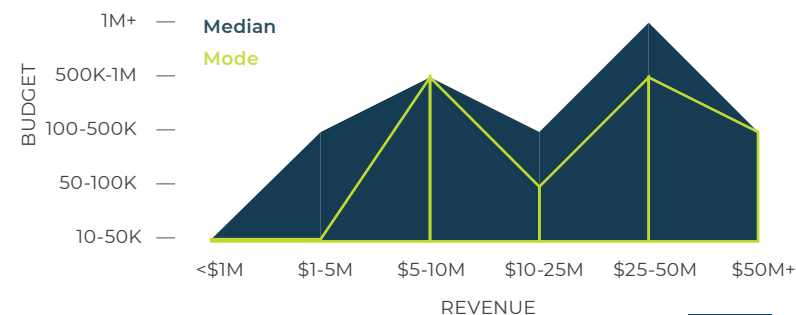
Annual Revenue



Annual Marketing Budget



Revenue vs. Budget



The Current State of B2B Software & Tech Marketing

What are tech marketers actually doing today?

Smart marketers have read plenty of articles about what so-called experts say they *should* be doing for a top-notch, in-house marketing program. But have you ever wondered what your industry peers are actually doing in the REAL world?

We have the answers.

First, we'll examine how tech marketers are planning for success—everything from developing marketing strategies to measuring KPIs. Then, we'll explore how tech marketers are using (or not using!) specific lead generation tactics.

Wondering how you stack up? Read on...

What marketing philosophies do tech marketers subscribe to?

For the past several years, inbound marketing has been touted as the go-to lead generation tactic for B2B companies.

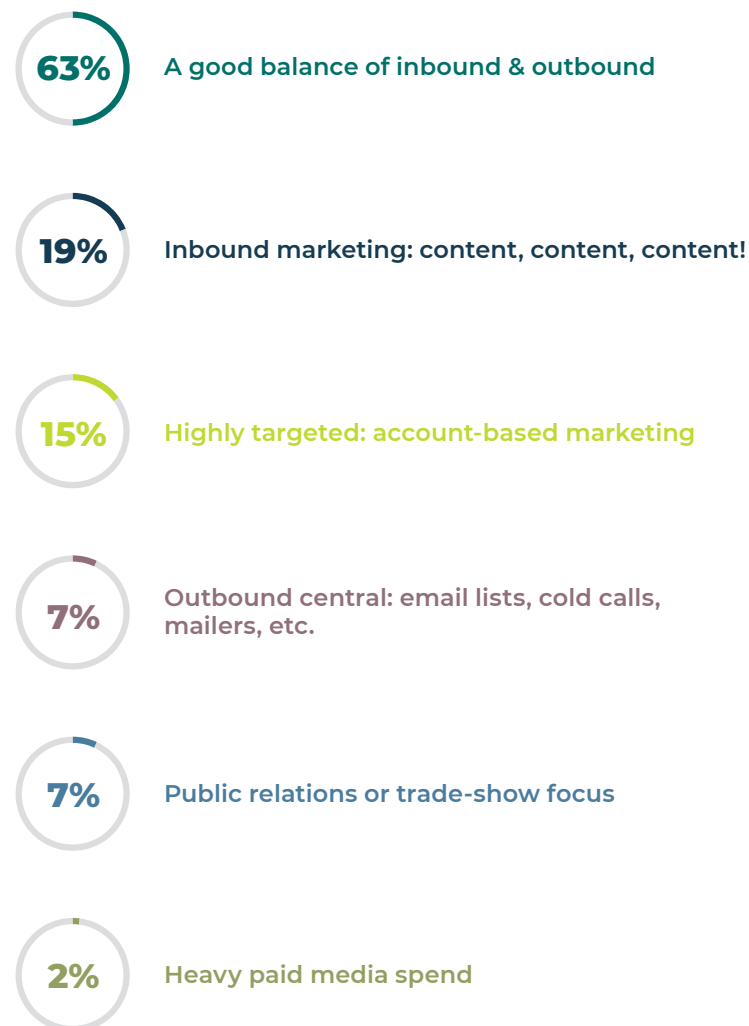
According to our survey, however, tech marketers haven't gone "all in" on content...they're still trying to balance outbound methods with inbound tactics.

In fact, **fewer than 20% of B2B tech marketers are relying primarily on inbound marketing.**

However, the percentage of marketers employing an exclusively outbound marketing strategy is low (around 7% of marketers).

Conclusion: Tech companies understand the importance of inbound marketing, but are still relying on some outbound methods. This is likely because content generation is a time-consuming, long-term marketing play vs. the quick win of traditional outbound sales.

Primary Marketing Philosophy



How do tech marketers rate their marketing plans?

With an average ranking of 3.4 out of 5, tech marketers are feeling relatively good about the quality of their marketing plans.

Luckily, very few respondents rank their marketing plan at the bottom end of the scale, but there is also a low percentage of perfect scores—**approximately 3% of tech marketers give themselves a 5-star grade.**

Conclusion: Tech marketers are always looking to learn, grow and continuously improve, so perfection is a constantly moving target. While they're generally satisfied with their marketing initiatives, tech marketers are always on the lookout for the most effective tools and tactics to "up their game."

Quality of Marketing Plan



Average Quality Ranking



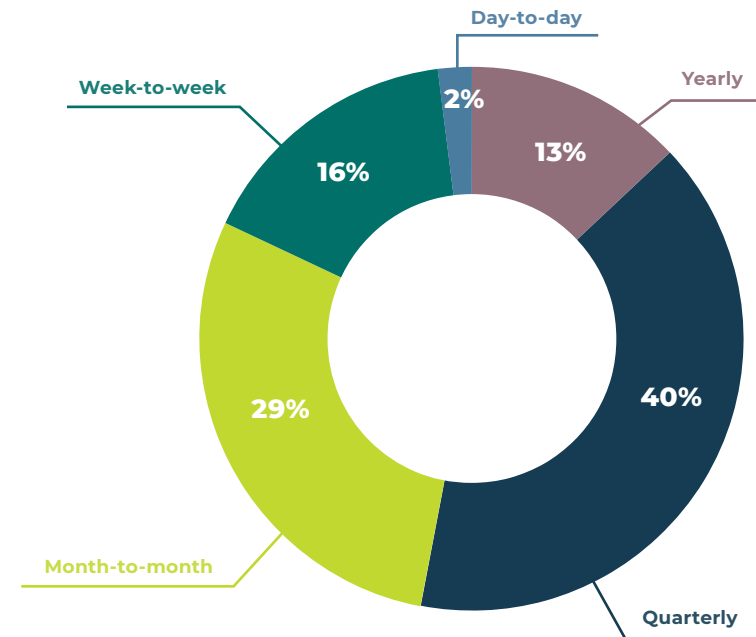
How far in advance do tech marketers plan?

While strategic planning is important in any industry, it's especially important for tech marketers to be agile and use real-time data to adapt to changing scenarios

40% of B2B tech marketers develop their marketing strategies on a quarterly basis, while another 29% develop and refine their plans on a monthly basis. Thankfully, very few tech marketers are operating on a day-to-day basis.

Conclusion: Tech marketers are planning 1-3 months in advance. This proactive approach allows enough time to accurately measure the success of a marketing plan, while also leaving room for flexibility and data-based adjustments.

Timeframe for Planning



How are tech marketers measuring success?

It wasn't long ago that marketers were only concerned with top-of-funnel metrics, like website traffic and impressions.

Today, however, **the majority of tech marketers measure their success via the number of qualified leads generated (36%)** or the number of opportunities created (22%).

In fact, only 5% of marketers look at visitor traffic as their primary metric.

Conclusion: Tech companies now recognize that marketing's responsibility goes beyond lead generation alone. Today, the idea of marketing as a revenue center is becoming the new norm.

Primary Marketing Metric

36% **Qualified Leads:** MQLs or SQLs

22% **Opportunities:** # of new deals, etc.

22% **Sales:** \$ revenue, ROI, etc.

15% **Leads:** form fills, calls, etc.

5% **Visitors:** traffic, cost per visit, etc.

Are tech marketers hitting their goals?

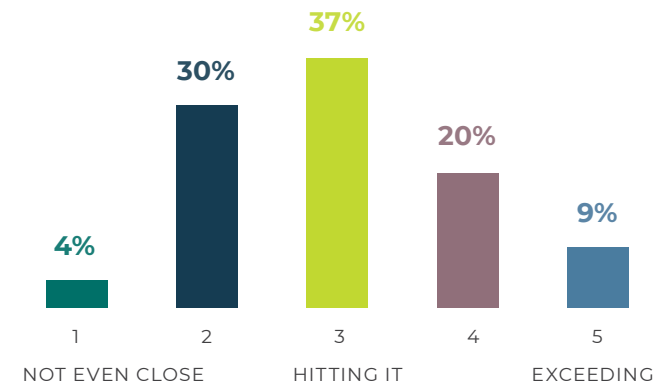
Now that we know that tech marketers are primarily focused on measuring MQLs and opportunities, are they actually hitting their goals?

66% of marketers say that they are hitting or exceeding their primary KPI—way to go!

Of the remaining 34% of marketers who aren't hitting their goal, very few respondents say they're really far off the mark.

Conclusion: Tech marketers are their own harshest critics. Even though two-thirds of them are performing on or above plan, they're fully not satisfied with the quality of their marketing program.

Goal Achievement



What are a tech marketers' biggest challenges?

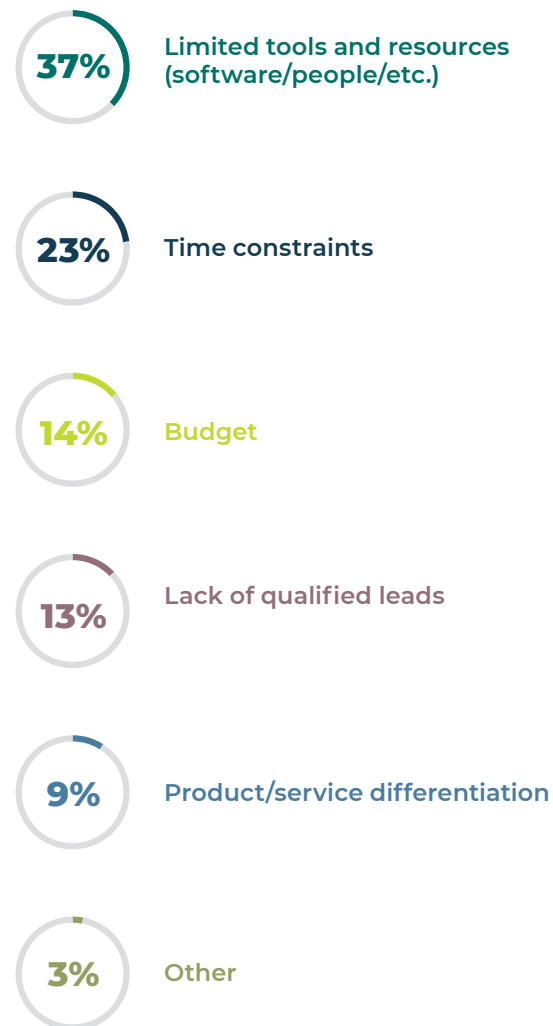
Today's marketers have a lot of responsibilities: lead generation, branding, PR, web design and more.

So when asking marketers about their biggest challenge, it's not surprising that the majority of **tech marketers cite limited tools and resources as their #1 challenge.**

The second biggest challenge? Time constraints.

Conclusion: In-house tech marketers have many hats to wear, but struggle with a lack of tools, resources and time to get the job done right.

Biggest Marketing Challenge



What lead generation tactics are tech marketers currently using?

B2B tech marketers use multiple lead gen channels as part of a comprehensive marketing plan. **The most popular tactic, used by 88% of tech companies, is email marketing.**

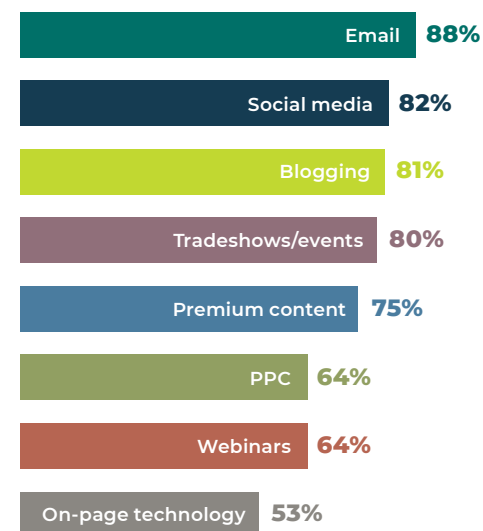
The least popular tactic, yet still used by over half of tech companies, is on-page conversion technology, like live chat or pop-up forms.

But where do the BEST leads come from? Old-school, in-person events, like tradeshows and conferences. (Note that we didn't ask where the most leads come from...this one is all about quality over quantity.)

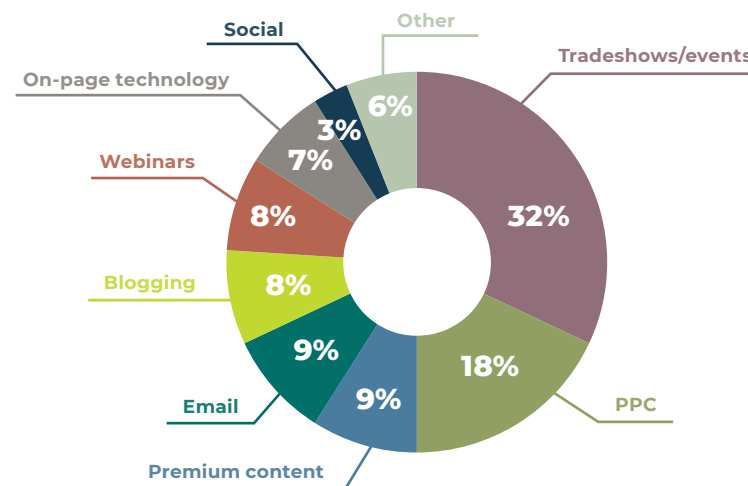
That said, leads attributed to an event may have seen pre-show social posts, email messages or advertisements, so that might not be a perfect stat.

Conclusion: Tech marketers have a variety of digital lead gen tactics in their toolbelt, yet connecting with prospects face to face still produces the best relationships.

Current Tactics



Best Lead Source



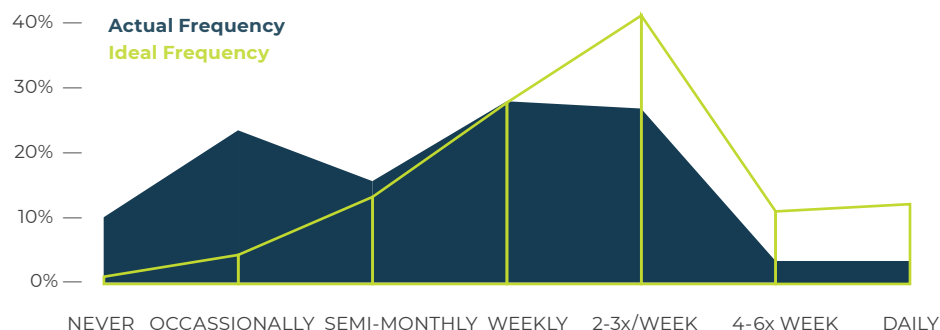
How are tech marketers using blogging?

The vast majority of tech companies are blogging, but frequency is a problem. One-quarter of marketers working in software and tech are blogging once per week, yet nearly **40% of respondents say they would like to post 2-3 posts a week in an ideal world.**

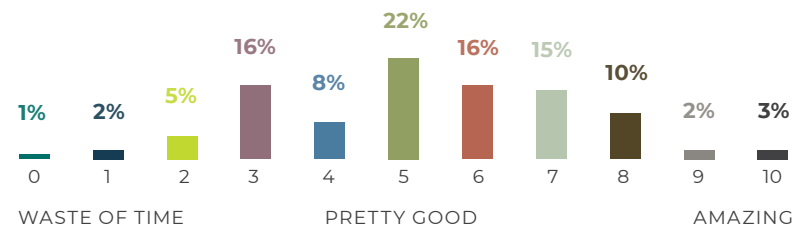
Marketers also grade their blog efforts pretty harshly, with an average effectiveness score of 5.3 out of 10.

Conclusion: Tech marketers recognize the importance of ongoing content creation, but most aren't satisfied with the quantity or quality of their blogging efforts.

Blog Frequency



Blog Effectiveness



Average Effectiveness Ranking



How are tech marketers using premium content?

Similar to blogging, almost all software and tech companies are also producing premium content. Case studies and white papers are the most popular tactics, followed by webinars and eBooks.

Since premium content takes more time to create, **most companies are producing one piece per month, which is right on target with their goal.**

However, they're still not confident in its effectiveness, rating their efforts 5.7 out of 10.

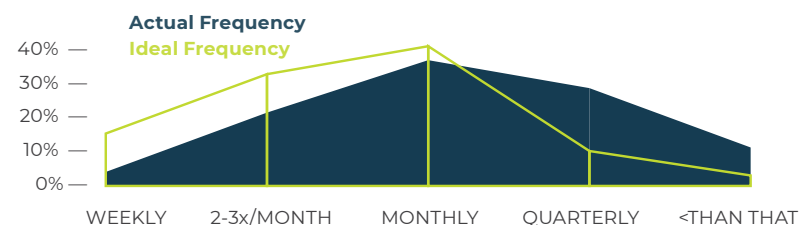
That said, roughly two-thirds of companies "gate" their content while the other one-third let users access premium content without requiring an email address.

Conclusion: Tech marketers understand the value of long-form, premium content and use it as a lead gen tactic, producing new pieces about once per month.

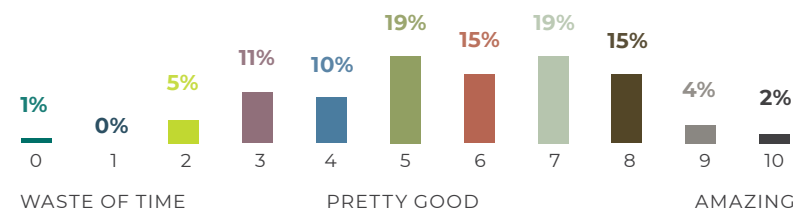
Types of Premium Content



Premium Content Frequency



Premium Content Effectiveness



How are tech marketers using email?

While 93% of software and tech companies send out emails, just two-thirds use segmentation to target messages to the specific reader.

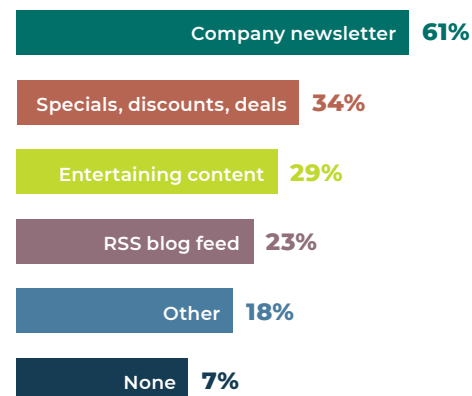
The most popular type of email content? Company newsletters and sales promotions.

In an ideal world, most marketers would like to reach out to their database weekly, but only 30% are hitting that frequency goal now.

Overall, email marketing effectiveness is rated 5.1 out of 10.

Conclusion: Marketers are focusing on self-promotional email content, but the frequency is not where they'd like. There's still a huge opportunity to personalize email messaging through list segmentation.

Types of Emails

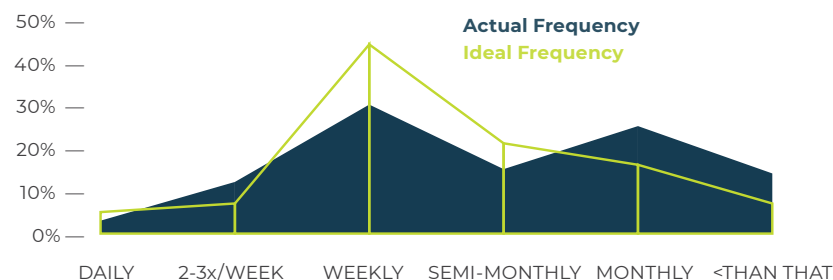


Do you segment your emails?

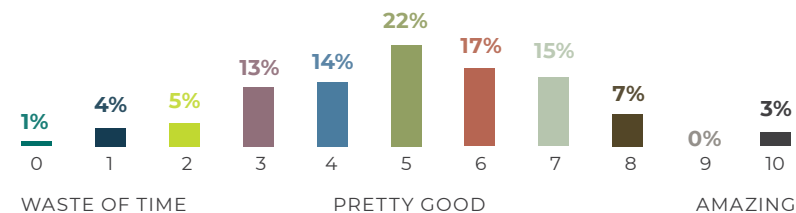
66% YES

34% NO

Email Frequency



Email Effectiveness



How are tech marketers using social media?

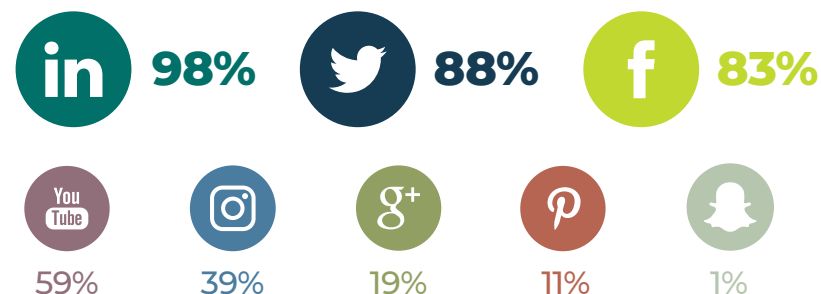
Years ago, many B2B organizations dismissed social media, thinking that they couldn't reach a professional audience directly. You'll see in that data, however, that B2B tech companies are in fact investing in this important marketing tactic.

About one-quarter of tech marketers are posting to social media 2-3 times a week, while another one quarter are posting daily (the ideal posting frequency, according to respondents).

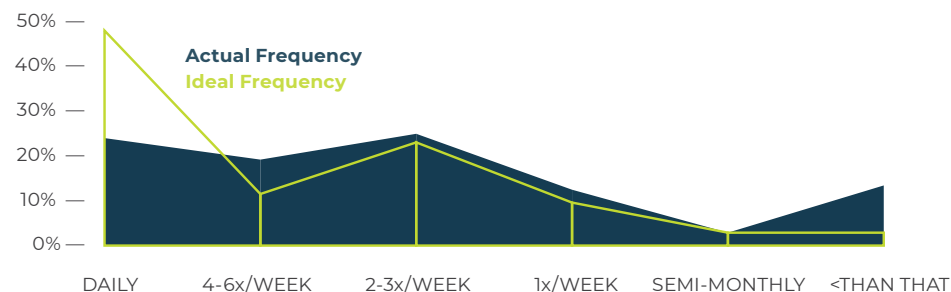
Not surprisingly for B2B, **the most popular social platform is LinkedIn, followed closely by Twitter and Facebook.** However, marketers only rank the effectiveness 4.9 out of 10.

Conclusion: Social media is an easy and inexpensive marketing tactic, yet not viewed as an overly effective channel for tech companies.

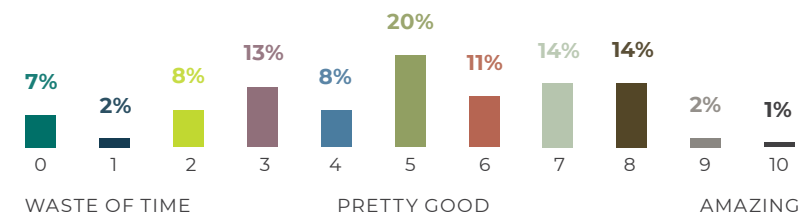
Social Media Platform Usage



Social Media Frequency



Social Media Effectiveness



How are tech marketers using tradeshows?

When asked what single lead generation tactic is the most effective, the majority of tech marketers cite trade shows with a score of 5.9 out of 10.

28% of tech marketers attend 3-5 tradeshows per year, while another one-quarter of companies attend a whopping 15+ tradeshows a year—that's a lot of swag giveaways!

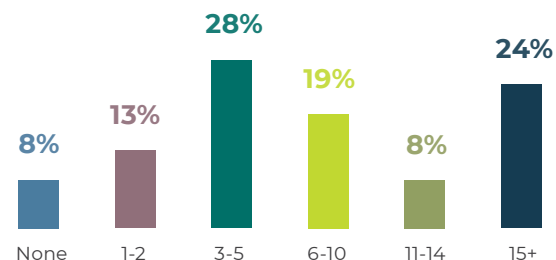
Even more impressive? Over half of tech companies are putting on events themselves.

Conclusion: In-person events are still a crucial part of the B2B buying process, with most tech companies attending at least one event per quarter and over half planning events themselves.

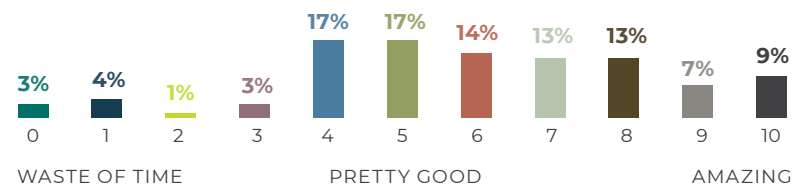
Does your company put on any events?



Tradeshows Attended/Year



Tradeshow Effectiveness



Average Effectiveness Ranking



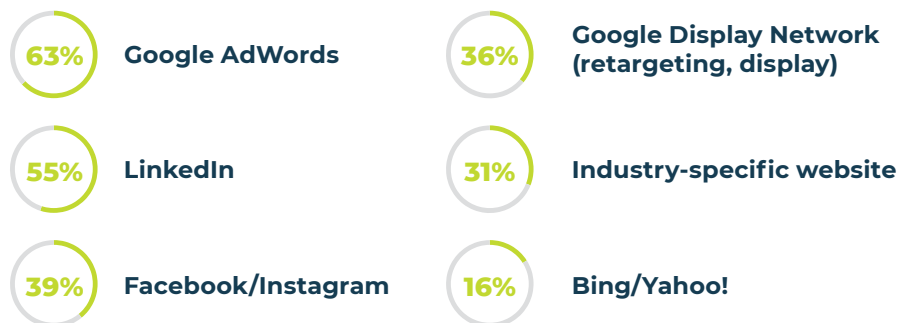
How are tech marketers using PPC?

Despite a move toward content generation for organic SEO efforts, three-quarters of tech companies are still purchasing paid advertising, primarily through Google Ads and LinkedIn. However, they're not spending very much: **most tech companies are paying under \$250/month for PPC.**

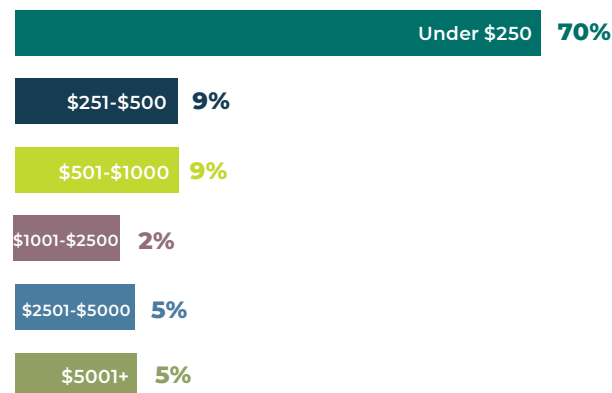
Tech marketers ranked PPC as the least effective marketing tactic, with an abysmal score of 2.2 out of 10.

Conclusion: Tech marketers try to get quick wins with paid advertising, but are hesitant to put any real spend behind their efforts. Correlation or causation? You be the judge.

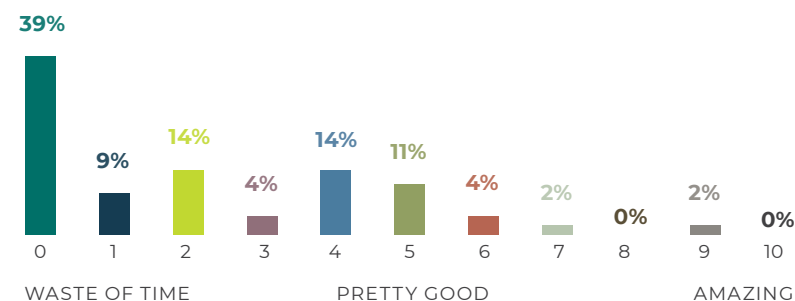
PPC Platform Popularity



Monthly PPC Spend



PPC Effectiveness



Average Effectiveness Ranking



How are tech marketers using sales enablement?

While the term “sales enablement” is fairly new, the idea of aligning sales and marketing for a streamlined buyer’s journey has been around for awhile.

The good news? **78% of tech marketers are familiar with the concept of sales enablement**, but they would only rank the quality of their program as 3.1 out of 5.

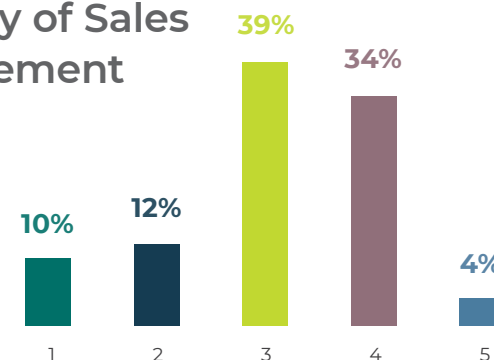
The biggest challenge for sales enablement? Again, a lack of resources.

Conclusion: Tech marketers want to empower their sales team, but limited time, money and manpower prevent quality sales enablement.

Do you know what sales enablement is?



Quality of Sales Enablement



Average Quality Ranking



Biggest Sales Enablement Challenge



What tools are tech marketers using?

The marketing technology landscape is crowded, so tech marketers have their choice of tools to help out with everything from distribution, to automation, to optimization, to visualization and more.

(If you're keeping track, [Scott Brinker's famous "Martech 5000" infographic](#) is now up to 6,000+ total platforms broken out across 49 categories.)

Out of all of those options, which do tech marketers cite as THE single must-have resource in their toolbox?

HubSpot was the clear winner, with 30% of the votes.

Marketo, another marketing automation software, was also popular amongst tech marketers (8%), with Google Analytics (7%) rounding out the top three.

Conclusion: Smart tech marketers understand the power of unifying activities and data under one marketing automation umbrella.

Disclaimer: Kiwi Creative is a HubSpot Gold Agency Partner.

Popular Marketing Tools

#1 HubSpot

#2 Marketo

#3 Google Analytics

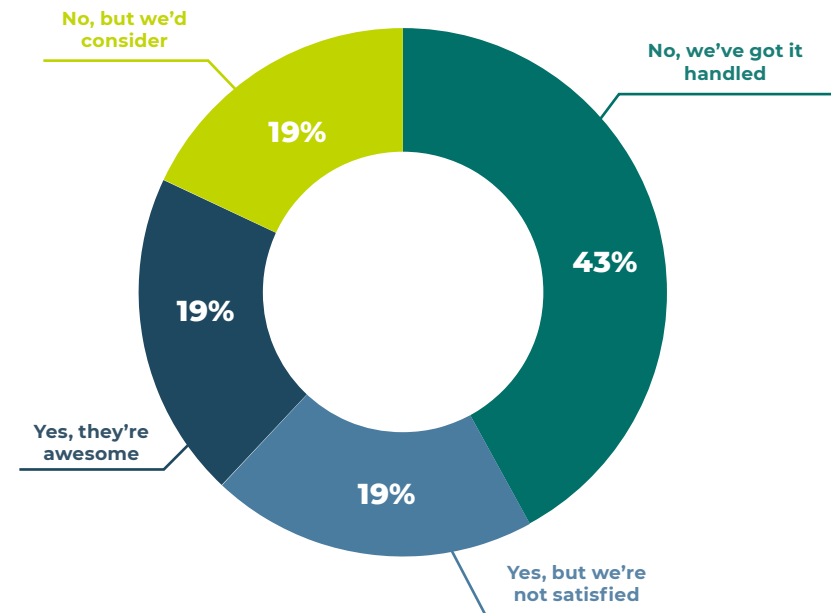
Are tech marketers using marketing agencies?

Even though marketers cite limited tools and resources as their top challenge (not budget!), **62% of tech companies are still doing all marketing work in-house.** However, about one-third of those people would consider using an agency in the future.

On the other hand, of the 38% who do currently use an agency, half aren't completely satisfied with that relationship.

Conclusion: Marketers struggle to find an agency who just “gets” their industry and can produce the type of work they need. As such, they're unsatisfied with agency relationships or choose to do the work in-house.

Do you use a marketing agency?



The Future of B2B Software & Tech Marketing

How will tech marketing change in the future?

In addition to asking respondents about what they are currently doing, we also wanted to get a better understanding of where the industry is going in 2019 and beyond.

Here is what tech marketers say they're focused on this year and how the changing technology landscape is going to affect the industry going forward.

What are tech marketers focusing on in 2019?

Tech marketers have a lot on their plate...how are they prioritizing their plans for 2019 and beyond? 37% of tech marketers say that inbound marketing is still at the top of their list, but sales enablement, or improving the flow of leads from marketing to sales, is a close second.

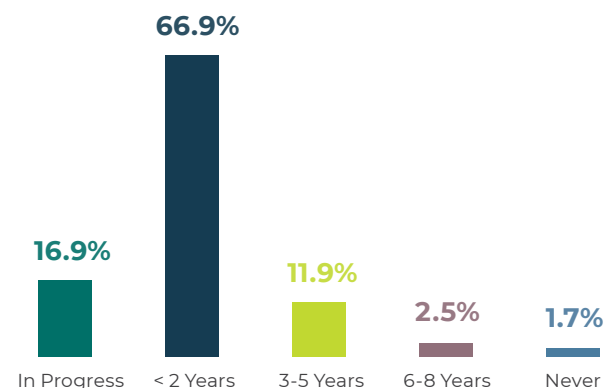
While it may not be their top focus, tech marketers are also looking to refresh their websites. **Even though two-thirds have redesigned their website within the last two years, 60% are going to do it again in 2019!**

Conclusion: Tech marketers realize that their job description goes beyond lead generation and extends all the way through the sales cycle to customer creation.

Top Marketing Focus for 2019



Last Website Redesign



Do you think your website is due for a refresh?



What marketing roles do tech companies want to hire for in 2019?

As we've already established, marketers are busy people with limited resources. But what if they were able to hire whoever they wanted to add to their internal team... who would that perfect addition be?

Here's a sample of what we heard:

- **Product Marketer** - focuses on being able to differentiate a product based on complex technology
- **Campaign Manager** - ensures campaigns across all teams producing content and collateral create a cohesive customer experience
- **Content Strategist** - brainstorms, schedules and creates new content (blogs and premium content) to keep production on schedule
- **Growth Marketer** - creates exponential non-traditional new customer acquisition campaigns

Conclusion: The tech industry needs thoughtful writers who can think both creatively and strategically to produce consistent, compelling content.

How will emerging technologies impact tech marketing in 2019?





Tech marketers are most excited about video marketing, but are also optimistic about the impact of artificial intelligence, chatbots and even blockchain on the industry overall. However, they're less enthusiastic about the positive impact of emerging technologies on their own marketing.

According to respondents, other areas to watch include:

- Revenue attribution
- Reporting capabilities
- Conversational marketing
- Lead auditing

Conclusion: Tech marketers understand the power of video as it relates to their own marketing and are eager to try chatbots. AI and blockchain are intriguing, but less applicable to day-to-day operations.

Which of these emerging technologies do you think will have a positive impact on marketing?

	MARKETING IN GENERAL	MY COMPANY'S MARKETING
 Video	92%	70%
 Chatbots	77%	54%
 AI	86%	49%
 Blockchain	44%	31%

What do tech marketers want to learn about in 2019?

Google is constantly changing the rules of SEO, so it's no surprise that **tech marketers want to brush up on their search engine optimization knowledge.** (36% of respondents want to learn more about that topic.)

The next most requested areas for continued learning? Coding, automation and analytics.

Conclusion: Tech marketers are innately curious, lifelong learners who recognize the need to keep up with changing technical requirements.



Final Thoughts

So...how did you stack up compared to your industry peers?

What did you find most surprising about the results?

What are you most excited about for tech marketing in 2019 and beyond?

We'd love to hear from you!

Use the hashtag **#MarketingInTech** to join in on the conversation.



Finally...a full-service marketing agency just for the tech industry.

Kiwi Creative is the go-to marketing agency for B2B software and technology companies looking to grow better.

As a HubSpot Gold Agency Partner, we help our clients develop an authentic brand, increase lead generation and enable their sales team.

Our services include:

- Branding
- Website Design
- Inbound Marketing
- Sales Enablement

How are we different from other agencies?

We Speak Tech

We already “get” the unique challenges of the B2B tech industry, so we’re able to jump right in and create compelling content without a steep learning curve.

We Value Design

Great content is nothing without user-focused design. Our work is more than just “pretty”—it’s strategically designed to drive people to action.



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