



2013
Lead Generation
Marketing Effectiveness Study
Examining Content Marketing, Automation & ROI

Lenskold Group
Innovating the path to marketing profitability.

Deeper Insights.
Smarter Marketing.
More Profitable Performance.

Published
November 2013

Sponsored by:



Table of Contents

Research Methodology	3
Executive Summary	4
Recommendations	6
Sponsor Commentary	7
Legend for Key Segments	8
Detailed Findings	9
1. Lead Generation Marketing ROI Trends	9
2. Impact of Integrated Marketing Automation on Content Marketing	11
3. Content Marketing Uses and Capabilities	17
4. Content Marketing Measurement Capabilities	21
5. Summary of Greater Growth Companies	25
6. Summary of Highly Effective and Efficient Companies	25
7. Summary of Integrated Marketing Automation Companies	26
8. Summary of Marketing ROI Metric Users	26
Participant Profile	27
About the Author – Lenskold Group	28
About the Sponsor – The Pedowitz Group	29

Note: Use of content or results from this research report should reference the source as:
2013 Lenskold Group / Pedowitz Group Lead Gen Marketing Effectiveness Study.
This copyright material belongs to Lenskold Group and the use of graphs, charts or substantial portions of the content requires written permission which can be requested by reaching us at Lenskold Group, Inc. by phone at (+1) 732-292-2600 or e-mail at info@lenskold.com.

For image files of key findings you can use in your presentations, plus additional content, visit www.lenskold.com/LeadGenStudy_2013.

Research Methodology

The *2013 Lead Generation Marketing Effectiveness Study* was conducted by Lenskold Group and sponsored by The Pedowitz Group. The results are drawn from 323 respondents who indicated that they were in B2B companies (half or more of their revenues generated from business customers) and whose marketing group generates leads for a sales organization or channel partners.

Survey integrity is an important part of our research design. Members of Demand Gen Report's subscriber base were invited to participate in the online survey to represent an unbiased random sample of B2B Lead Generation marketers for select questions. Supplemental participants were recruited through social media and direct contacts of The Pedowitz Group to increase the base of marketing automation users. The combined set of participants was analyzed against the random sample to ensure there was no recruitment bias. The supplemental base of participants was slightly skewed toward larger companies with more automation. However, the vast majority of survey responses were very consistent across both groups and therefore combined and analyzed as one group.

We extend our sincere thanks to Demand Gen Report and their members for participating in this research. Visit [Demand Gen Report](#) for informative and leading edge content on lead generation practices and automation, including blogs, newsletters, events and webinars.



Executive Summary

This research study focused on the practices and processes for managing and measuring content marketing to understand what leads to highly effective and efficient marketing, incremental revenue contribution and high growth. Content has taken on a more significant role in lead generation marketing as more buyers seek out information and form their decisions before engaging with sales people. This shift, combined with rich data from marketing automation, has provided marketing with a greater opportunity to drive measurable revenue contribution. However, this research shows that most marketing organizations need to move from tactically delivering content toward strategically engaging potential buyers that convert into sustainable financial results.

Top tier marketers show strengths in content marketing practices and take performance further by leveraging high-impact capabilities that marketing automation enables.

Content marketing is a core part of lead generation marketing – representing close to a third of the total budget on average – yet the majority of marketers do not consider their capabilities for managing content marketing as strengths. In fact, just 53% of marketers indicate a strength in “educating prospects on solving needs,” which is one of the most fundamental roles of content marketing.

Conversely, top tier marketers with highly effective and efficient marketing (13% of those surveyed) report strengths in most of the practices presented, including “educating prospects on solving needs.” The most significant gaps between this group and general marketers were in more advanced practices, including intelligent targeting and capturing intelligence for the sales team. This top tier group is equipped with marketing automation (80% have automation integrated with sales/CRM systems and another 10% have automation not integrated), so they are clearly leveraging their technology for targeting and improving sales team effectiveness.

Lead scoring ranks as a primary driver of revenue generated from content marketing for top tier marketers and those with integrated marketing automation.

Highly effective and efficient marketers are far more likely to include lead scoring in their list of top 3 capabilities that have improved their revenue contribution from content marketing. Lead scoring helps companies concentrate marketing and sales resources on the best prospects, which in turn drives revenue contribution. Marketing automation that captures engagement and outcomes from content marketing can deliver more precise lead scoring. This is a challenge for companies with no marketing automation, as evidenced by half as many citing lead scoring as a primary driver (57% vs. 26%).

Companies outgrowing competitors have a slight advantage in measurements of the incremental revenue and ROI from their content marketing.

Companies that measure key financial outcomes are the same companies achieving greater growth. Measuring the incremental revenue and the ROI of content marketing is not a strength of marketing organizations overall. However, those companies outgrowing competitors were three times as likely to measure ROI and twice as likely to measure revenue compared to those with the same or slower growth. One of the biggest surprises from this study is that just 1 in 5 marketers in total (and only 25% of greater growth companies) are measuring the incremental revenue from content marketing. There is certainly room for improvement in this area so marketers can better demonstrate the power of content marketing in driving financial outcomes.

Content marketing measurements are dominated by basic tracking and simple attribution.

The majority of marketers are using nothing more than basic tracking of campaign results to assess the contribution from content marketing. Integrated marketing automation improves the ability to move from basic tracking to some form of results tracking that includes attribution of leads or sales to a specific content marketing, including multi-touchpoint attribution measures. These are valuable measurements but are still far less precise than modeling or market testing in terms of determining the incremental contribution of specific marketing initiatives. ROI metric users are more likely to use more precise measurement techniques such as modeling and market testing, demonstrating the discipline among these marketers.

Top tier companies and marketers with integrated marketing automation are more likely to measure all forms of engagement outcomes from content marketing, including sales conversion.

Over two-thirds of companies with integrated marketing automation are measuring sales conversion as an engagement outcome from content marketing compared to just one-third of those without marketing automation. Measurement of other engagement outcomes, such as content requests and content participation, are also used more often by companies with integrated marketing automation. Top tier companies with highly effective and efficient marketers are also more likely to measure sales conversion (73% vs. 56% of all other companies), as are three-fourths of companies using ROI metrics.

The opportunity to improve performance is both significant and attainable.

There are companies that currently have strengths in content marketing processes and practices, as well as strengths in using advanced techniques to measure engagement and financial outcomes. These companies are the top tier segment of highly effective and efficient marketers who are using marketing automation and ROI metrics to support their capabilities and achieve their high levels of performance.

Other marketers must look closely at what makes these high performers stand out, starting with having objectives and measurements of revenue contribution from content marketing. Building strengths in strategic marketing practices that support better targeting and customization have great impact on marketing ROI. Advanced measurements create competitive advantages from improved effectiveness and revenue contribution. Ultimately, the key to success is establishing the organizational capabilities and culture committed to driving sales, revenue and ROI.

Lenskold Group Recommendations

Based on these research findings, the following recommendations are presented to help marketers achieve higher levels of marketing performance and profitability.

1. Leverage automation for marketing practices that drive high ROI.

Marketing automation makes it much easier to manage, deliver and track content marketing. This basic functionality is just the beginning. The most significant increases to marketing effectiveness and ROI are driven by targeting, which marketing automation enables by helping to reach the right contacts at the right time. The value of targeting was reinforced by the research findings that show highly effective and efficient marketers ranking lead scoring as a primary driver of revenue and rating “intelligent targeting to trigger content” as a strength in their marketing processes. Marketers must be maximizing these capabilities to score leads and trigger content based on conversion potential, lifetime value, content needs and contact preference.

2. Understand how content influences revenue contribution to guide capability-building.

Most content marketing practices and processes are not yet considered strengths, so where do marketing organizations begin? That answer should come from understanding the buyers’ journey, their content needs and how content ultimately influences revenue contribution. These insights will help focus content on “educating prospects on solving needs” as well as the benefits of customizing content to job titles and the buyer journey stage. Measurements that assess funnel “leakage” offer insights into where content can be added or improved.

3. Optimize content marketing with advanced measurements and analytics.

Marketers suffered from data gaps for decades and now that they are data rich, there is uncertainty as to how to use it. The initial action was to churn out reports based on basic tracking, but this is driving decisions to become more tactical and lacks the strategic insight into how integrated, multi-contact marketing is working collectively to drive sales and revenue. The time has come to apply more advanced statistical measurement practices (market testing and modeling) to determine key sales drivers, identify the strengths of content at different stages of the buyer journey, and optimize content engagement.

4. Keep measurements strategic as well.

Companies without marketing automation were more likely than those with integrated automation to report “strategic planning of content” as one of their primary drivers of revenue. Marketing automation equips marketers to become more strategic but can only achieve this if supported with strategic planning practices. The same applies to measurements, which become much more strategic when planned 6 to 12 months in advance. Proactive measurement planning forces marketers to prioritize measurements based on insights that are most critical for achieving objectives instead of building measurements around individual tactics. Techniques, such as market testing, are used to uncover major strategic opportunities while modeling and analytics uncover the synergies of multi-contact marketing working together.

Improving content marketing processes and practices requires a mindset shift in how automation is used. The learning curve for marketing automation requires marketers to first concentrate on operationally managing content and campaigns. But true success comes from strategically planning and executing content marketing that influences buying behaviors and long-term customer value.

The Pedowitz Group Sponsor Commentary

Today's CMO understands the value of content to the overall Revenue Marketing™ strategy. Content is the fuel for the lead generation engine and it's how marketing creates a digital dialog with prospects, resulting in a Marketing Qualified Lead. This report does not question the importance of content but it does vividly show that while progress has been made, marketers overall are still not using content strategically, are not using content for the digital dialog, and are not measuring the effectiveness of content. In essence, content has become the new "bright and shiny" toy for marketing and they are struggling in execution, drowning in activities, and operating with little focus on financial outcomes.

The report findings also show that marketing has plenty of technology to effectively measure and manage content. What is clearly lacking are business processes that provide a laser focus of all content activities to enhance the digital dialog and generate financial results. Marketers who have marketing automation integrated with CRM report low scores on the strength of content marketing processes - repurposing content at 45%, capturing sales intelligence at 35%, using intelligent targeting to trigger content at 27%, and customizing content to the Buyer Journey at 27%. While this group outperforms non-marketing automation users, these numbers are still pretty low given the functionality offered by marketing automation and the 75% who attribute revenue contribution for content marketing to their use of marketing automation. Again, it goes back to a lack of business process, which is a huge missed opportunity for marketers to radically improve Revenue Marketing performance.

Finally, while marketers are doing a good job of measuring engagement outcomes, they are still struggling with the more sophisticated financial measures such as ROI, incremental revenue and lift in revenue per sale. This is an ongoing issue in marketing today and one that is slowly improving.

Based on the findings in this study, here are five actions marketers – especially Revenue Marketers – should take:

1. Map the Buyer Journey and align your content to the stages.
2. Assess content gaps on the Buyer Journey map and create targeted content for the associated campaigns that align to those stages.
3. Fully develop segmented personas for more targeted messaging in content.
4. Develop a plan that has a laser focus on content development for campaigns/lead generation.
5. Use technology you have in house and begin a program of measurement for how well your content is performing. Be ruthless. If your measures show that a piece of content is not generating engagement or conversion outcomes for 6 months, ditch it.

Legend for Key Segments

The following segments, defined by survey responses, were used for the deeper analysis:

- Highly effective and efficient organizations, representing just the 13% of “best practice” marketers versus all others (Figure 1)
- Marketers that use integrated marketing automation versus no marketing automation (Figure 2)
- Companies outgrowing their competitors versus companies with same/slower growth (Figure 3)
- Marketers that use ROI metrics to assess marketing effectiveness versus marketers that use only traditional, non-financial metrics (Figure 4).

Figure 1: Marketing Effectiveness and Efficiency

Which statement best describes your marketing effectiveness and efficiency? (n = 323)

Highly effective and efficient (Best Practice Segment)		13%
Somewhat effective and efficient	} All Others	55%
Somewhat effective but not efficient		21%
Not effective or efficient		8%
No clear read on effectiveness or efficiency		3%

Figure 2: Use of Marketing Automation

Do you use full-featured marketing automation in your organization? (includes technologies such as Marketo, Eloqua, Aprimo, Oracle, Pardot, Silverpop, etc.) (n = 323 including the supplemental sample used for cross-tab analyses)

Yes, and our marketing automation is integrated with sales/CRM automation (i.e., Integrated Marketing Automation)	58%
Yes, but it is not integrated	19%
No marketing automation	23%

Figure 3: Growth Relative to Competitors

How would you describe your firm's expected growth in the upcoming year relative to your primary competitors? (n = 323)

Much greater growth than our primary competitors	} Greater Growth	22%
Somewhat greater growth than our primary competitors		45%
About the same growth as our primary competitors	} Slower/Same Growth	25%
Somewhat slower growth than our primary competitors		7%
Much slower growth than our primary competitors		1%

Figure 4: Use of ROI Metrics

Does your firm calculate marketing profitability, ROI (return on investment) or a similar financial measure to assess marketing effectiveness? (n = 312 excluding Don't Know responses)

Yes, we calculate ROI, net present value (NPV), or other profitability metrics for at least some of our marketing campaigns/investments (i.e. ROI Metrics Users)	38%
Somewhat, we calculate some financial metrics such as cost per lead and cost per sale but not profitability metrics such as ROI and NPV.	39%
No, we use traditional marketing metrics but not financial metrics (i.e., Traditional Metrics Users)	23%

Detailed Findings

1. Lead Generation Marketing ROI Trends

ROI metric users continue to demonstrate advantages in marketing effectiveness and growth.

Marketing ROI Use Holds Steady after Increases Since 2009

While the use of ROI metrics has held steady over the prior year, since 2009 there has been a steady increase in companies that “calculate ROI...for at least some marketing campaigns” (38% in 2013 vs. 24% in 2009). This was accompanied by a steady decline in companies who “use traditional but not financial metrics” (23% in 2013 vs. 34% in 2009). See Figure 5.

Figure 5: Use of Marketing ROI – 5 Year Trend

Does your firm calculate marketing profitability, ROI (return on investment) or a similar financial measure to assess marketing effectiveness? (Choose one) (n = 323)

	2009	2010	2011	2012	2013
Yes, we calculate ROI, net present value (NPV), or other profitability metrics for at least some of our marketing campaigns/investments.	24%	27%	28%	39%	38%
Somewhat, we calculate some financial metrics such as cost per lead and cost per sale but not profitability metrics such as ROI and NPV.	42%	38%	39%	36%	39%
No, we use traditional marketing metrics but not financial metrics.	34%	32%	33%	24%	23%

Companies That Calculate ROI Metrics Outgrowing Competitors

Twice as many companies that use ROI metrics expect to have “much greater growth than their competitors” with 29% compared to just 14% of users of traditional marketing metrics as shown in Figure 6. Also, a high portion of ROI metric users indicate that their marketing is highly effective and efficient (26% vs. 3% as shown in Figure 7).

Figure 6: Percent w/Much Greater Growth

How would you describe your firm's expected growth in the upcoming year relative to your primary competitors? (% selecting top choice shown; n = 117, 73)

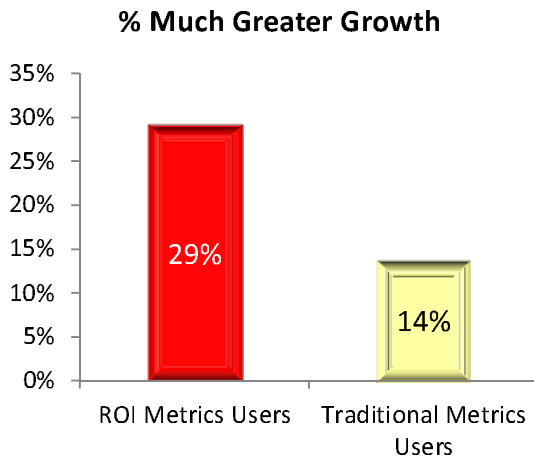
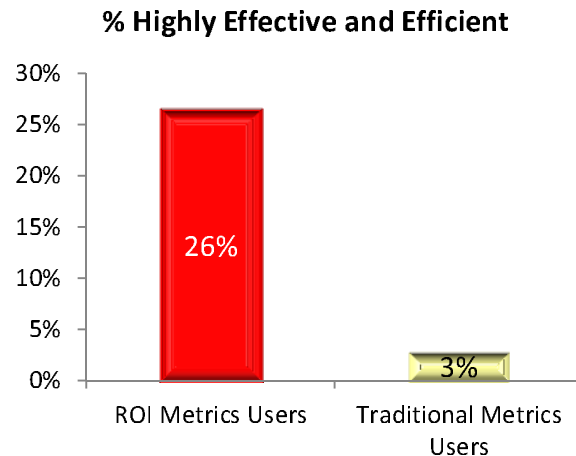


Figure 7: Percent Highly Effective & Efficient

Which statement best describes your marketing effectiveness and efficiency. (% selecting top choice shown; n = 117, 73)



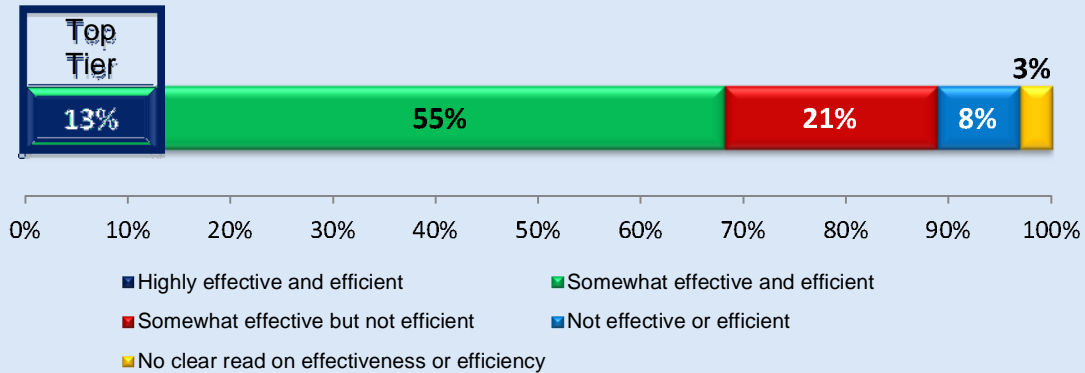
Highly Effective and Efficient Marketers Provide Insight into Best Practices

About the Highly Effective and Efficient “Best Practice” Marketing Organizations

Throughout this report, the analysis will compare the 13% of marketers that described their marketing as highly effective and efficient against all others. These marketers are more likely to report much greater growth than their competitors (41% vs. 19%), use marketing ROI metrics to measure effectiveness (76% vs. 30%) and use integrated marketing automation (80% vs. 55%) as described in Section 6.

Figure 8: Marketing Effectiveness & Efficiency

Which statement best describes your marketing effectiveness and efficiency? (n = 323)

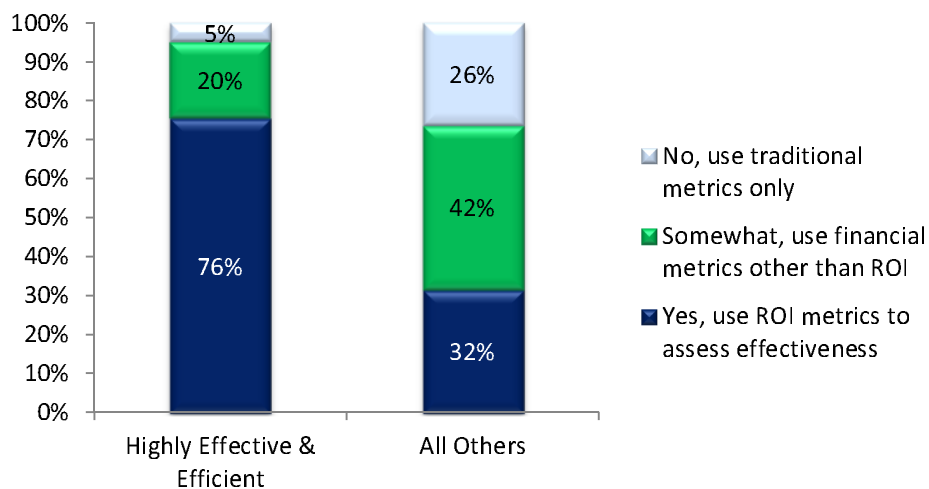


Marketing ROI Use Common among Highly Effective and Efficient Marketers

A high percentage of top tier marketers with Highly Effective and Efficient marketing use marketing ROI metrics to assess their performance (76% vs. 32% of all others as shown in Figure 9 below).

Figure 9: Use of Marketing ROI – Highly Effective & Efficient vs. All Others

Does your firm calculate marketing profitability, ROI (return on investment) or a similar financial measure to assess marketing effectiveness? (Choose one) (n = 41, 282)



2. Impact of Integrated Marketing Automation on Content Marketing

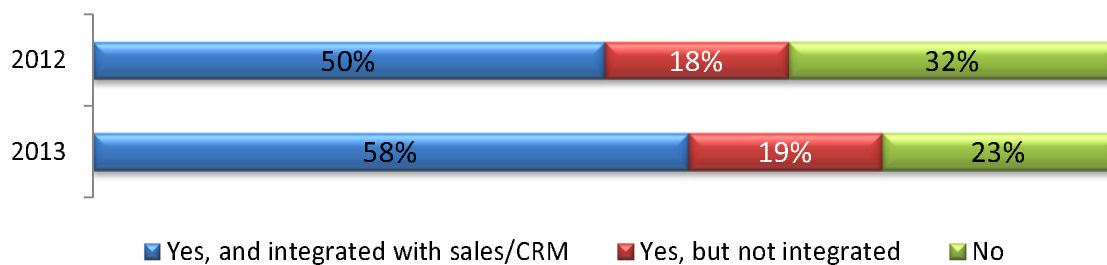
Marketing automation integrated with sales/CRM systems improves content marketing processes and practices, enables marketing effectiveness and efficiency, and supports greater growth.

Integrated Marketing Automation Increased in Prior Year

Over half (58%) of all lead generation marketers reported using “full-featured marketing automation that is integrated with sales/CRM automation” while 23% reported using “no full-featured marketing automation” (Figure 10). This is an increase over 2012 when 50% were using integrated marketing automation.

Figure 10: Use of Marketing Automation – 2013 vs. 2012

Do you use full-featured marketing automation in your organization? (Includes technologies such as Marketo, Eloqua, Aprimo, Oracle, Pardot, Silverpop, etc.) (n = 323 in 2013 and 373 in 2012)



Note: To keep the content of this report reader-friendly, comparisons are made between integrated marketing automation users and companies with no automation. The middle tier of non-integrated marketing automation consistently falls between the two groups.

Integrated Marketing Automation Supports Higher Growth, Efficiency and Effectiveness

Three times as many companies with integrated marketing automation anticipate their firm’s expected growth in the upcoming year to be much greater growth than those companies with no marketing automation (27% vs. 9% as shown in Figure 11). More companies using integrated marketing automation describe their companies as being more highly effective and efficient than those without marketing automation (18% vs. 5% as shown in Figure 12). Also companies using integrated automation are more likely to calculate marketing profitability, ROI or similar financial measures versus those who use no marketing automation (41% vs. 28% as shown in Figure 13).

Figure 11: Growth Relative to Competitors - Integrated Automation Users vs. Non-Users

Do you use full-featured marketing automation in your organization? (Includes technologies such as Marketo, Eloqua, Aprimo, Oracle, Pardot, Silverpop, etc.) (n = 188, 74)

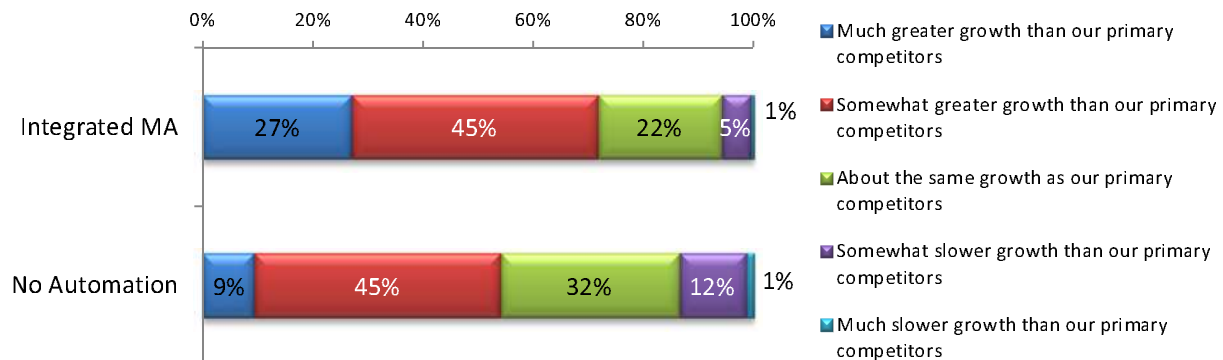


Figure 12: Marketing Effectiveness & Efficiency – Integrated Automation Users vs. Non-Users

Which statement best describes your marketing effectiveness and efficiency. (% top choice, n = 188, 74)

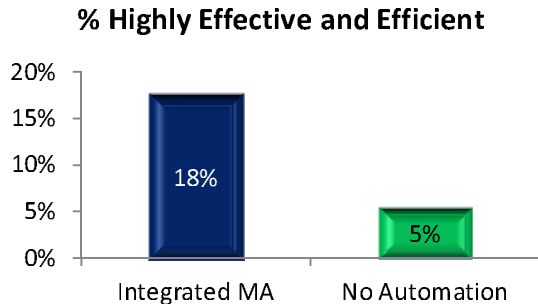
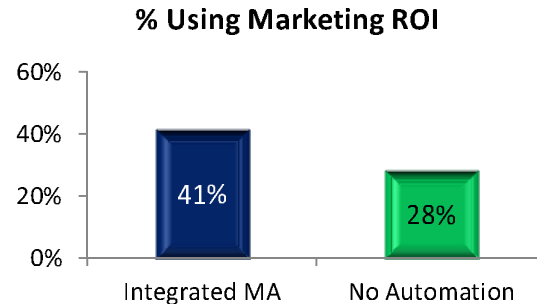


Figure 13: Use of Marketing ROI – Integrated Automation Users vs. Non-Users

Does your firm calculate marketing profitability, ROI (return on investment) or a similar financial measure to assess marketing effectiveness? (n = 188, 74)

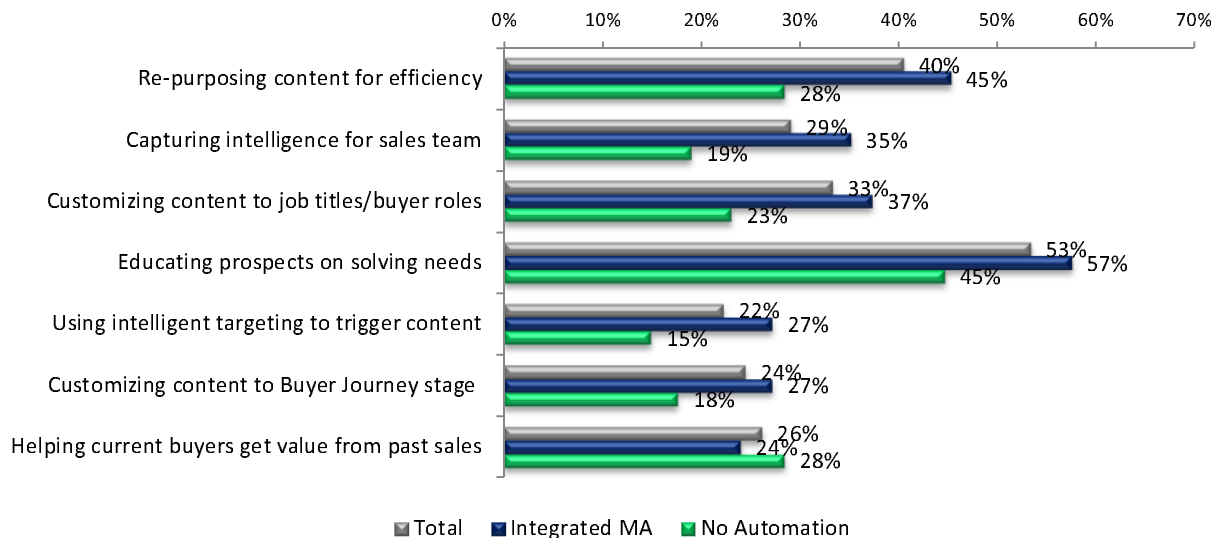


Content Marketing Process is Strengthened through Marketing Automation

In general, companies have not yet established strengths with their content marketing process, as only “educating prospects on solving their needs” received a strong rating from over 50% of all marketers (4 or 5 rating on a 5-point scale). In addition, across all companies, most aspects of their organizations’ content marketing process scored well below 40% on the strength rating (Figure 14). However, integrated marketing automation companies had significant advantages over non-automated companies in “re-purposing content for efficient creation value” (45% vs. 28%), “capturing intelligence for sales team” (35% vs. 19%) and “customizing content to job titles or buyer roles” (37% vs. 23%; all shown in Figure 14).

Figure 14: Content Marketing Process Strengths – Integrated Automation Users vs. Non-Users

How would you rate the strength of your organization's content marketing process for each of the following using a scale of 1 to 5 where 5 is Very Strong and 1 is Very Weak? (n = 188, 74)



Content Marketing Practices Benefit from Automation

Marketers from companies with integrated marketing automation are more likely to have budget to use external resources to produce content (46% vs. 24% of non-automated companies) (Figure 15). Interestingly, both automated and non-automated companies struggle with their marketing teams current content marketing practices; such as, keeping content fresh, producing new and culling old content (41% vs. 35%) and finding it easy to produce new and compelling content (30% vs. 26%).

Figure 15: Content Marketing Practices – Integrated Automation Users vs. Non-Users

Using a 5-point scale, how much do you agree or disagree with the following statements regarding your current content marketing practices? Please rate each using 1 for strongly disagree to 5 for strongly agree. (n = 188, 74)

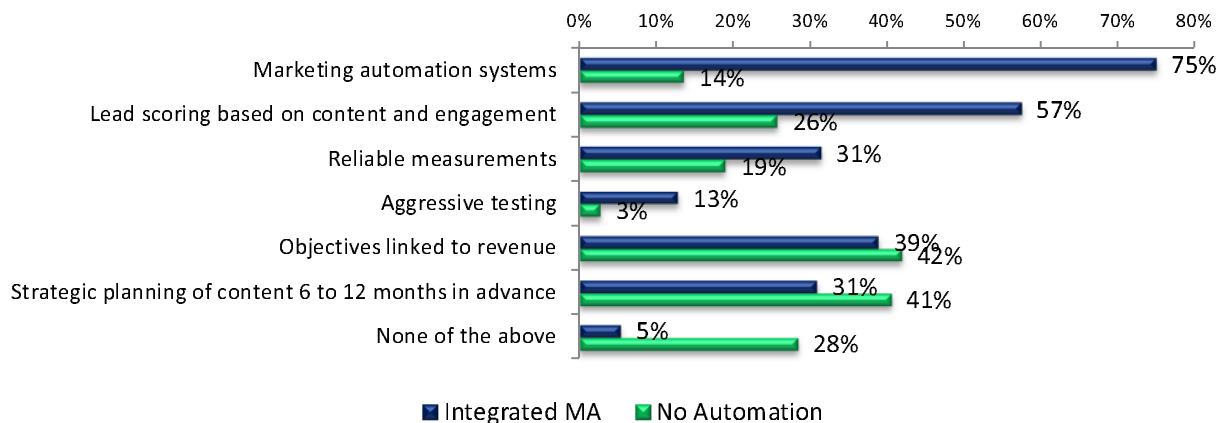
Current Content Marketing Practices (Top 2 ratings on 5 point scale)	Integrated MA	No Automation	Gap
Our marketing team is budgeted to use external resources to help produce content	46%	24%	22%
Our marketing team owns the content budget	73%	62%	11%
Our marketing team owns the complete content development process	66%	57%	9%
Our marketing team keeps our content fresh, producing new and culling old content	41%	35%	6%
Our marketing team finds it easy to produce new and compelling content	30%	26%	5%
Our marketing team develops all content for campaigns	55%	58%	-3%

Marketing Automation is a Primary Driver Improving Revenue

Companies with integrated marketing automation have very different drivers that improve the revenue contribution from content marketing. Companies with integrated marketing automation primarily indicate that their marketing automation system (75%) is most responsible for improving revenue, followed by lead scoring based on content and engagement (57%). Companies without automation cite capabilities that are least dependent on automation; objectives linked to revenue (42%) and strategic planning of content 6 to 12 months in advance (41%) (Figure16).

Figure 16: Primary Revenue Contribution Drivers – Integrated Automation Users vs. Non-Users

Which of the following capabilities are most responsible for improving the revenue contribution from your content marketing? (check up to 3) (n =188, 74)



Automation Improves Measures of Sales Conversion

Integrated automation provides significant benefit in measuring engagement outcomes for content request (85% vs. 46% with no automation) and participation in consuming content (68% vs. 36%), as the technology eliminates the need for manual tracking of such outcomes. Most critical of all is the increased measurement of sales conversion as an outcome (68% vs. 36%; Figure 17). This measure of sales conversion provides the closed loop tracking needed to connect content marketing engagement to closed sales, revenue contribution and ROI.

Figure 17: Engagement Outcomes Measured – Integrated Automation Users vs. Non-Users

Which types of engagement outcomes from content marketing is your organization measuring regularly to maximize effectiveness? (check all that apply) (n = 188, 74)

Engagement Outcomes Measured– Top 2 Ratings (Listed in order from most basic to most advanced)	Integrated MA	No Automation	Gap
Content views (impressions, clicks, downloads, etc.)	78%	64%	15%
Content requests (complete a form)	85%	46%	39%
Content shared (like, share, comment, etc.)	45%	43%	2%
Participation in consuming content (attend live/recorded event)	68%	36%	32%
Response/Inquiry about products/services (contact request/form)	69%	49%	21%
Sales conversion	68%	36%	31%

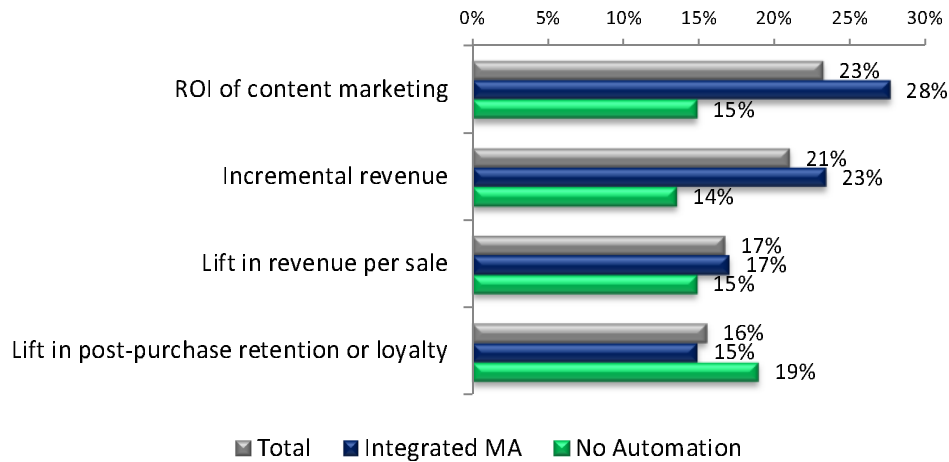
Companies Lack Strengths in Measuring Financial Outcomes from Content Marketing

Those companies with integrated marketing automation rate the strength of their organization higher on measuring financial results of ROI of content marketing (28% vs. 15% with no automation) and incremental revenue (23% vs. 14% with no automation; Figure 18). No difference was found in the strengths of measuring either “lift in revenue per sale” or “lift in post-purchase retention or loyalty,” both of which are measurements that tend to be addressed after strengths are first established in measuring incremental revenue and ROI.

Overall, less than a quarter of all companies (23%) rate the strength of their organization a 4 or 5 in measuring any of the financial results from content marketing presented (Figure 18). It is surprising that roughly 3 out of 4 companies with integrated automation are not measuring revenue or ROI from content marketing. This finding indicates that marketers are missing an opportunity to better leverage the data and results tracking capabilities that come from automation.

Figure 18: Financial Outcome Measurement Strengths – Integrated Automation Users vs. Non-Users

How would you rate the strength of your organization in measuring financial results from content marketing using a scale from 1 for very weak through 5 for very strong? (n = 188, 74)

**Automation Has Yet to Support Adoption of Advanced Measurement Techniques**

“Basic tracking of campaign results” ranks as the measurement methodology most used by both companies using integrated automation (83%) and those with no automation (65%). Less than 40% of integrated automation users and 15% of marketers with no automation report strengths in any other measurement technique.

More companies with integrated marketing automation indicated a strength in results tracking with “attribution divided across multiple touchpoints” (36% vs. 11%), “a single attribution to the first touchpoint” (39% vs. 15%), and “a single attribution to the last touchpoint” (28% vs. 11%), compared to companies with no automation. However, there is no difference between companies with or without automation in their use of more advanced statistical techniques, with less than a quarter indicating a strength in “market testing using control groups”, “modeling and statistical analyses” and “lift of post marketing results compared to a pre-marketing baseline” (Figure 19).

Figure 19: Content Marketing Measurement Techniques – Integrated Automation Users vs. Non-Users

What measurement techniques do you use to assess the contribution of content marketing to qualified leads passed to sales? (check all that apply) (n = 188, 74)

Strength in Measurement Techniques - Top 2 Ratings (Listed in order from most basic to most advanced)	Integrated MA	No Automation	Gap
Basic tracking of campaign results	83%	65%	18%
Results tracking with a single attribution to the first touchpoint	39%	15%	24%
Results tracking with a single attribution to the last touchpoint	28%	11%	17%
Results tracking with attribution divided across multiple touchpoints	36%	11%	25%
Lift of post-marketing results compared to a pre-marketing baseline	21%	12%	9%
Market testing using control groups	11%	7%	4%
Modeling and statistical analyses	14%	7%	7%

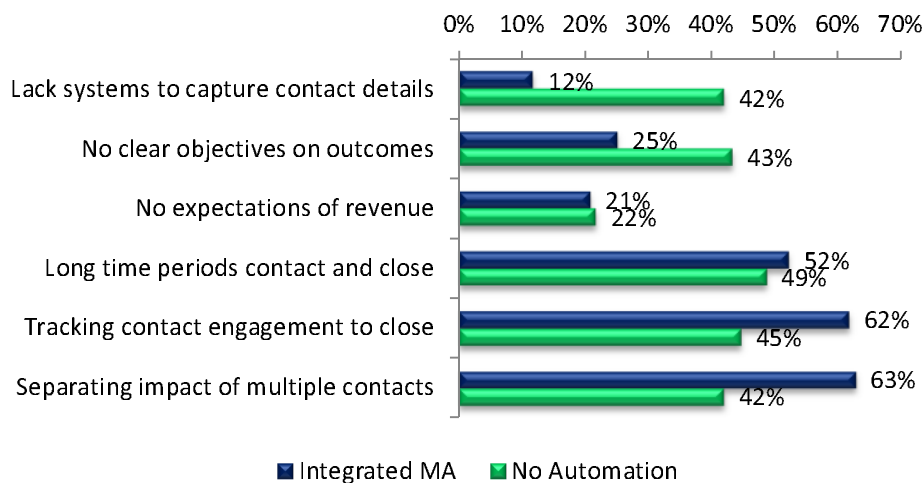
Automated Companies Must Address Challenge to Link Marketing to Sales

Companies without automation have many measurement challenges. Areas where they show greater challenges tend to be more process-oriented, lacking systems that capture contact details (42% vs. 12% for integrated automation users) and having no clear objectives on outcomes (43% vs. 25%).

As previously noted, companies with marketing automation indicate much higher strengths in attribution measurements, which rely on tracked outcomes. Their measurement challenges indicate they desire more precise measures that link marketing to incremental sales, with roughly two-thirds challenged by the ability to track from content engagement to close (62%) and the ability to separate the impact of multiple contacts (63% as shown in Figure 20). While automation companies may have the data needed, they currently lack the measurement practices of applying more advanced methodologies to overcome these challenges.

Figure 20: Content Marketing Measurement Challenges – Integrated Automation Users vs. Non-Users

What are the greatest challenges for measuring content marketing's contribution to revenue? (check all that apply) (n = 188, 74)



3. Content Marketing Uses and Capabilities

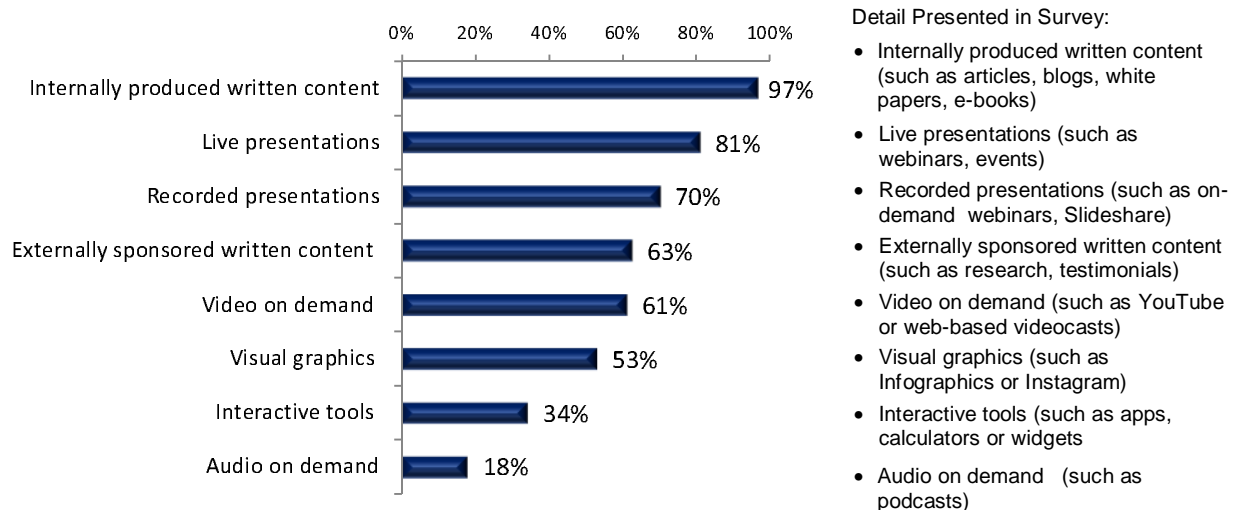
Process and practices for content marketing are improved with marketing automation but generally still lack strengths and alignment to revenue contribution.

Diverse Forms of Content Marketing in Use

At least half of marketers surveyed use the majority of content marketing forms presented with the exception of “interactive tools” (34%) and “audio on demand” (18%).

Figure 21: Types of Content Marketing Used

What types of content marketing is your organization currently using? (check all that apply) (n = 323)



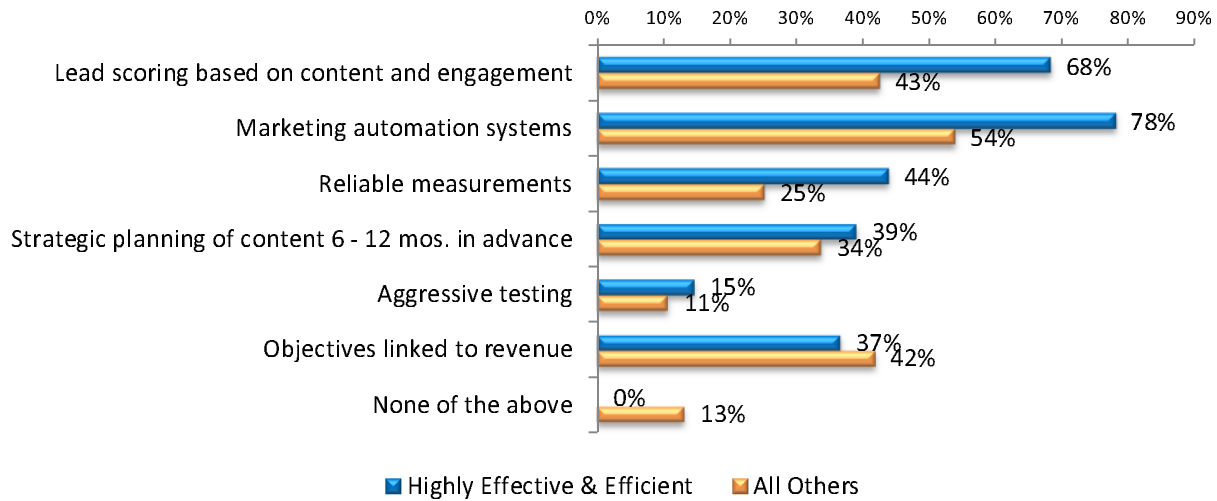
While not shown, it can be noted that more companies with integrated marketing automation tend to indicate using each type of content marketing than firms with no automation, as are those companies that use ROI metrics when compared to companies using just traditional metrics. This may result from the fact that better run companies will use automation, ROI measures and many forms of content marketing.

Automation and Lead Scoring are Most Responsible for Improving Revenue

Highly effective and efficient marketers are more likely than all other marketers to identify their primary drivers of revenue contribution as marketing automation systems (78% vs. 54%), lead scoring based on content and engagement (68% vs. 43%), and reliable measurements (44% vs. 25%). See Figure 22.

Figure 22: Primary Revenue Contribution Drivers – Highly Effective & Efficient vs. All Others

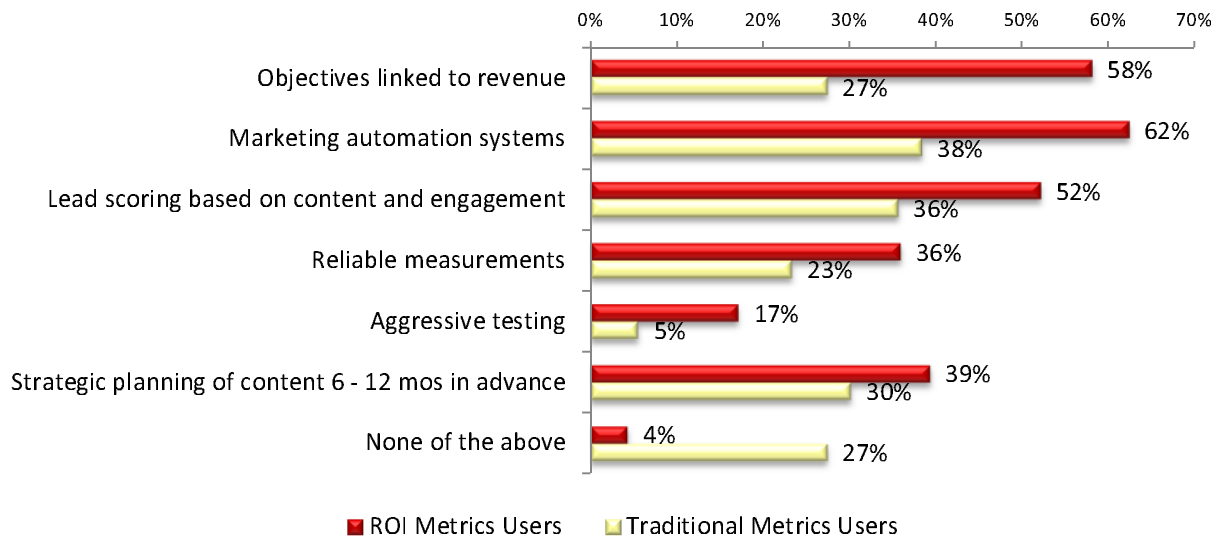
Which of the following capabilities are most responsible for improving the revenue contribution from your content marketing? (check up to 3) (n = 41, 282)



For companies using ROI metrics versus traditional metrics, the biggest gaps on capabilities most responsible for improving revenue contribution are “objectives linked to revenue” (58% vs. 27%) and “marketing automation systems” (62% vs. 38%) as shown in Figure 23. ROI metrics users not only have measurement discipline, but actually attribute their revenue improvement primarily to planning based on objectives linked to revenue. Over one in four (27%) of those companies using only traditional metrics cannot name one driver improving revenue contribution – most likely due to a lack of insight into marketing-driven revenue contribution.

Figure 23: Primary Revenue Contribution Drivers – ROI Metrics Users vs. Traditional Metrics Users

Which of the following capabilities are most responsible for improving the revenue contribution from your content marketing? (check up to 3) (n = 117, 73)

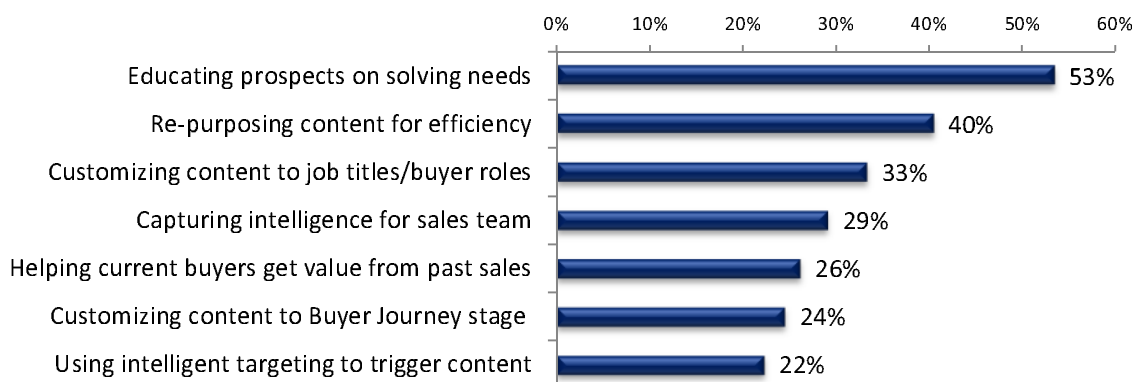


The Content Marketing Process has Plenty of Room for Improvement

The content marketing process is still evolving within most companies. As indicated in Figure 24, only one process - “educating prospects on solving their needs” received a strength rating from more than half of marketers (53%). Less than 40% of all marketers gave their organizations strong scores on the remaining content marketing processes.

Figure 24: Content Marketing Process Strengths

How would you rate the strength of your organization's content marketing process for each of the following using a scale of 1 to 5 where 5 is Very Strong and 1 is Very Weak? (n = 323)



Highly effective and efficient organizations are more likely than all other organizations to rate their organization’s content marketing processes as strengths. The biggest gap between highly effective and efficient marketers and all others is in “using intelligent targeting to trigger content based on scoring of higher conversion potential” (59% vs.17%). This was followed by at least a 20% gap for each of the remaining processes in favor of companies with highly effective and efficient marketing (Figure 25).

Figure 25: Content Marketing Process Strengths – Highly Effective & Efficient vs. All Others

How would you rate the strength of your organization's content marketing process for each of the following using a scale of 1 to 5 where 5 is Very Strong and 1 is Very Weak? (n = 41, 282)

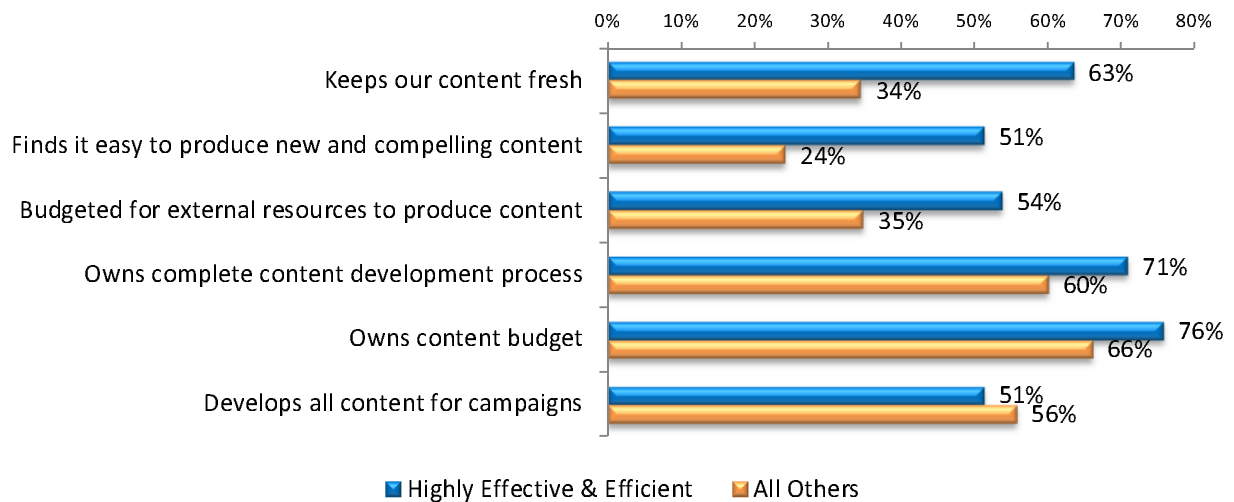
Content Marketing Process Strengths (Top 2 ratings on 5 point scale)	Highly Eff & Eff	All Others	Gap
Using intelligent targeting to trigger content	59%	17%	42%
Capturing intelligence for sales team	54%	25%	29%
Customizing content to Buyer Journey stage	49%	21%	28%
Re-purposing content for efficiency	63%	37%	27%
Educating prospects on solving needs	76%	49%	26%
Helping current buyers get value from past sales	44%	23%	21%
Customizing content to job titles/buyer roles	51%	30%	21%

Top Tier Companies Benefit from Fresh Content and Budget for External Resources

In general, producing new content and keeping fresh content are top issues for all companies. As shown in Figure 26 below, highly effective and efficient companies have an advantage over all others in having ownership of budget (76% vs. 66%). This group is more likely to have budget to use external resources to help produce content (54% vs. 35%), which in turn most likely helps them score high on keeping “content fresh, producing new and culling old content” (63% vs. 34%) and finding it “easy to produce new and compelling content” (51% vs. 24%).

Figure 26: Content Marketing Practices – Highly Effective & Efficient vs. All Others

Using a 5-point scale, how much do you agree or disagree with the following statements regarding your current content marketing practices? Please rate each using 1 for strongly disagree to 5 for strongly agree. (% rating 4 or 5, n = 41, 282)



Percent of Budget Dedicated to Content Marketing

Overall, companies are spending 32% of their marketing budget on content marketing. Highly effective and efficient markets spend 39%, compared to all other companies at 31%.

4. Content Marketing Measurement Capabilities

Highly effective and efficient marketers show moderate strengths in measuring financial outcomes, but overall measurements are at basic levels and lack insights into sales and revenue contribution.

Automation and ROI Metrics Improve Measurement Capabilities

As Figure 27 indicates, companies using ROI metrics have greater strengths than traditional metric users in measuring sales conversion (74% vs. 37%), content requests (84% vs. 56%) and response/inquiries (74% vs. 49%), which are all outcomes that help measure sales attribution and support more advanced measurement techniques to calculate ROI. In addition, highly effective and efficient marketing organizations showed a significant difference in just one of the engagement outcomes measured, and that was sales conversion (73% vs. 56% of all other marketers – not shown).

Figure 27: Engagement Outcomes Measurements – ROI Metrics Users vs. Traditional Metrics Users

Which types of engagement outcomes from content marketing is your organization measuring regularly to maximize effectiveness? (check all that apply) (n = 323, 117, 73)

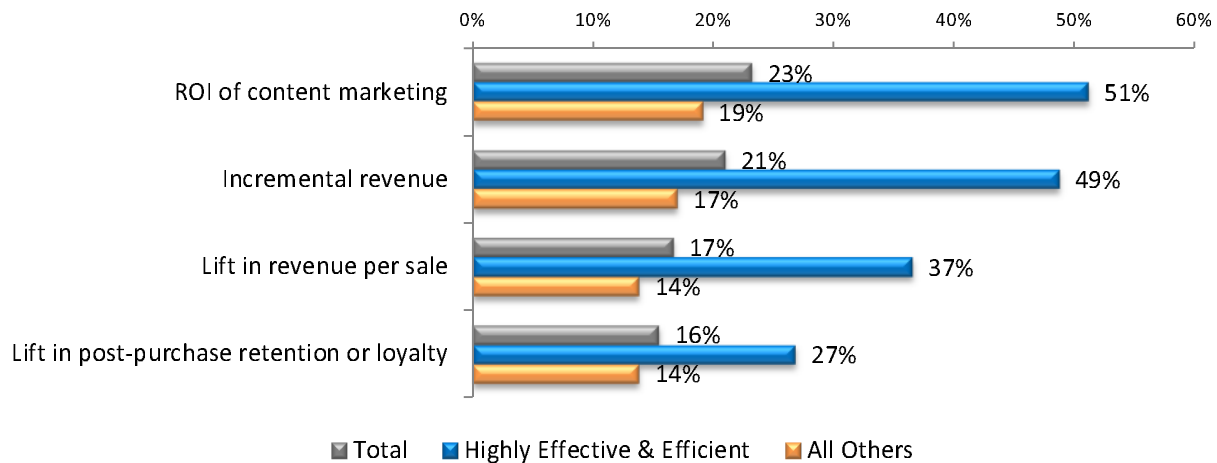
Engagement Outcomes (list in order of early to late in the buying process)	Total	ROI Metric Users	Traditional Metric Users	Gap
Content views (impressions, clicks, downloads, etc.)	76%	80%	73%	8%
Content requests (complete a form)	75%	84%	56%	28%
Content shared (like, share, comment, etc.)	43%	53%	36%	17%
Participation in consuming content (attend event)	56%	62%	48%	14%
Response/Inquiry for product/services (contact form)	65%	74%	49%	24%
Sales conversion	58%	74%	37%	37%

Financial Measures More Prevalent for Top Tier Companies but Lacking Overall

Half of highly effective and efficient marketers report strengths in measuring the ROI of content marketing (51%) and incremental revenue (49%), compared to less than 1 in 5 of all other marketers (19% and 17%, respectively as shown in Figure 28). With just 21% of all marketers measuring incremental revenue, the need to improve measurement of content marketing is apparent.

Figure 28: Financial Measurement Strengths – Highly Effective & Efficient vs. All Others

How would you rate the strength of your organization in measuring financial results from content marketing using a scale from 1 for very weak through 5 for very strong? (n = 41, 282)



Of the financial results measured, greater growth companies were three times more likely to report measuring ROI of content marketing when compared to same or slower growth companies (30% vs. 9%, as shown in Figure 29). As expected, there are huge gaps between users of ROI metrics and traditional metrics across all financial outcomes, as shown in Figure 30.

Figure 29: Financial Measurement Strengths – Greater Growth vs. Same/Slower Growth Companies

How would you rate the strength of your organization in measuring financial results from content marketing using a scale from 1 for very weak through 5 for very strong? (n = 215, 108)

Financial Measurement Strengths – Top 2 Ratings	Greater Growth	Same/Slower Growth	Gap
ROI of content marketing	30%	9%	21%
Incremental revenue	25%	13%	12%
Lift in post-purchase retention or loyalty	18%	11%	7%
Lift in revenue per sale	18%	14%	4%

Figure 30: Financial Measurement Strengths – ROI Metrics Users vs. Traditional Metrics Users

How would you rate the strength of your organization in measuring financial results from content marketing using a scale from 1 for very weak through 5 for very strong? (n = 117, 73)

Financial Measurement Strengths – Top 2 Ratings	ROI Metric Users	Traditional Metric Users	Gap
ROI of content marketing	44%	7%	37%
Incremental revenue	37%	10%	27%
Lift in revenue per sale	32%	5%	26%
Lift in post-purchase retention or loyalty	26%	3%	24%

Even Basic Measurement Techniques of Content Marketing are Not Very Strong

Almost 8 in 10 companies (79%) use basic tracking of campaign results to assess qualified leads passed to sales, the most fundamental and easiest measurement technique presented. The remaining measurement techniques are used by less than one third of companies overall. Tracking with attribution to single or multiple content marketing touchpoints are the next most popular measurement techniques, with 25-30% of marketers using them, as shown in Figure 31.

Figure 31: Content Marketing Measurement Techniques Used

What measurement techniques do you use to assess the contribution of content marketing to qualified leads passed to sales? (check all that apply) (n = 323)

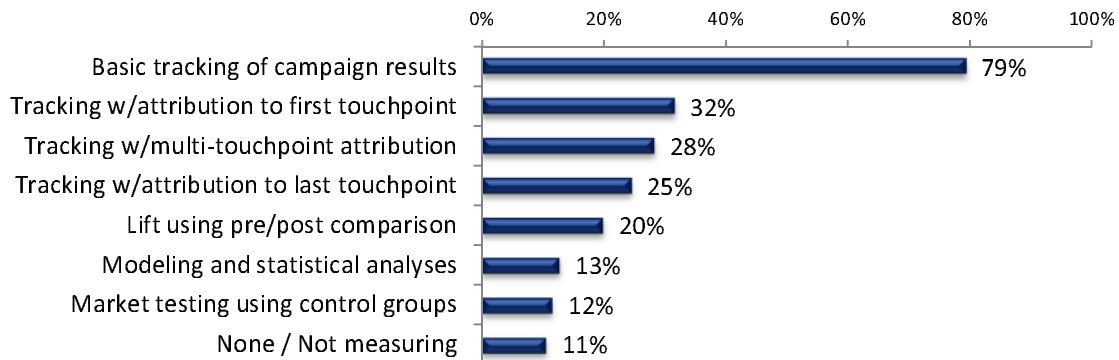


Figure 32 shows that the largest gaps between the highly effective and efficient companies and all other companies are in the less commonly used techniques of “modeling and statistical analyses” (32% vs. 10%) and “lift of post-marketing results compared to pre-marketing baseline” (37% vs. 17%).

Figure 32: Content Marketing Measurement Techniques – Highly Effective & Efficient vs. All Others

What measurement techniques do you use to assess the contribution of content marketing to qualified leads passed to sales? (check all that apply) (n = 41, 282)

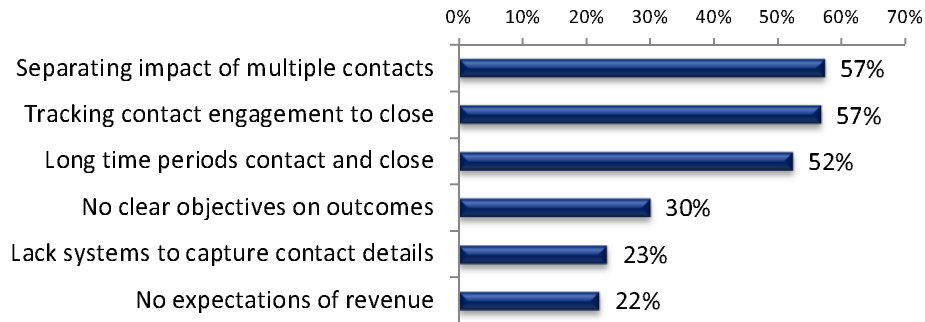
Content Marketing Measurement Techniques	Highly Eff & Eff	All Others	Gap
Modeling and statistical analyses	32%	10%	22%
Lift of post-marketing results compared to a pre-marketing baseline	37%	17%	19%
Results tracking with attribution divided across multiple touchpoints	44%	26%	18%
Results tracking with a single attribution to the first touchpoint	46%	29%	17%
Market testing using control groups	20%	10%	9%
Results tracking with a single attribution to the last touchpoint	32%	23%	8%
Basic tracking of campaign results	73%	80%	-7%
None / Not measuring	0%	12%	-12%

Top Measurements Challenges are Linking Sales Back to Engagement and Multi-Contact

Overall, the most significant measurement challenges include the ability to “track contact from content engagement to close” and “separating impact of multiple content and marketing contacts,” each reported by 57%, as shown in Figure 33.

Figure 33: Content Marketing Measurement Challenges

What are the greatest challenges for measuring content marketing's contribution to revenue? (check all that apply) (n = 323)



As shown in Figure 34, ROI metric users indicate they are less likely to experience challenges in “no clear objectives on outcomes” (42% traditional metric users vs. 13% vs. ROI metric users), “lack of systems that capture contact details” (42% vs. 15%), and “no expectations of revenue” (30% vs. 15%). The primary challenges, which require more advanced measurements to overcome, are the same for both ROI and traditional metrics users.

Figure 34: Content Marketing Measurement Challenges – ROI Metrics Users vs. Traditional Metrics Users

What are the greatest challenges for measuring content marketing's contribution to revenue? (check all that apply) (n = 117, 73)

Content Marketing Measurement Challenges	ROI Metric Users	Traditional Metric Users	Gap
No clear objectives on outcomes	13%	42%	-30%
Lack systems to capture contact details	15%	42%	-28%
No expectations of revenue	15%	30%	-15%
Tracking contact engagement to close	56%	62%	-5%
Long time periods contact and close	50%	52%	-2%
Separating impact of multiple contacts	63%	58%	6%

5. Summary of Greater Growth Companies

Of the 323 participants, 67% of respondents expected their growth to be much greater or somewhat greater than their primary competitors (presented in Figure 3). This section summarizes the differences these companies have in content marketing processes and practices and their use of automation, ROI and measurements compared to companies expecting the same or slower growth than competitors.

Companies outgrowing their competitors are more likely than same/slower growth companies to:

- Use marketing ROI to assess at least some of their marketing campaigns (40% vs. 28%)
- Use integrated marketing automation (63% vs. 49%)
- Report strength in their organization's ability to customize content to job titles/buyer roles (37% vs. 23%)
- Measure content requests (80% vs. 66%)
- Measure the ROI of content marketing (30% vs. 9%) and incremental revenue (25% vs. 13%)
- Measure lift of post-marketing results compared to a pre-marketing baseline (23% vs. 13%)

6. Summary of Highly Effective & Efficient Companies (the Best Practice Group)

As Figure 1 shows, 13% of respondents categorize their marketing organization's performance as both highly effective and efficient. Presented below are the findings of this category with comparisons to all other marketers not in that best practice group.

Highly effective and efficient companies are more likely than all other companies to:

- Report greater growth than their primary competitors (41% vs. 19%)
- Have marketing automation integrated with sales/CRM automation (80% vs. 55%)
- Use marketing ROI to assess at least some of their marketing campaigns (76% vs. 30%)
- Have strengths in content marketing practices, including:
 - Using intelligent targeting to trigger content (59% vs. 17%)
 - Capturing intelligence for sales team (54% vs. 25%)
 - Customizing content to Buyer Journey stage (49% vs. 21%)
 - Re-purposing content for efficiency (63% vs. 37%)
 - Educating prospects on solving needs (76% vs. 49%)
 - Helping current buyers get value from past sales (44% vs. 23%)
 - Customizing content to job titles/buyer roles (51% vs. 30%)
- Agree their marketing team:
 - Keeps content fresh, producing new and culling old content (63% vs. 34%)
 - Finds it easy to produce new and compelling content (51% vs. 24%)
- Report "lead scoring based on content and engagement" and "marketing automation systems" as most responsible for improving revenue contribution (68% vs. 43% & 78% vs. 54%, respectively)
- Measure sales conversion (73% vs. 56%)
- Report strengths in measuring the ROI of content marketing (51% vs. 19%) and incremental revenue (49% vs. 17%)
- Use the following measurement techniques to assess content marketing;
 - Modeling and statistical analyses (32% vs. 10%)
 - Lift of post-marketing results compared to a pre-marketing baseline (37% vs. 17%)

7. Summary of Integrated Marketing Automation Companies

The 58% of companies using marketing automation integrated with their sales/CRM system (as shown in Figure 2) has a number of advantages over the 23% of marketers not using marketing automation.

Integrated Marketing Automation companies more likely than companies without automation to:

- Expect greater or somewhat greater growth than their primary competitors (72% vs. 54%)
- Report highly effective and efficient marketing (18% vs. 5%)
- Use marketing ROI to assess at least some of their campaigns (41% vs. 28%)
- Use live presentations (90% vs. 58%) and recorded presentations (80% vs. 47%)
- Re-purpose content for efficiency (45% vs. 28%) and capture intelligence for the sales team (35% vs. 19%)
- Report a strength in having budget for external resources to produce content (46% vs. 24%)
- Indicate that marketing automation systems are responsible for improving revenue (75% vs. 14%)
- Measure engagement outcomes, including content requests (85% vs. 46%), participation in consuming content (68% vs. 36%) and sales conversion (68% vs. 36%)
- Have a strength in measuring the ROI of content marketing (28% vs. 15%)
- Measure content marketing using results tracking with attribution to multiple touchpoints (36% vs. 11%) and tracking with attribution to the first touchpoint (39% vs. 15%)
- Report the measurement challenge of "separating impact of multiple contacts" (63% vs. 42%)

8. Summary of Marketing ROI Metrics Users

Marketing ROI is used by 38% of marketers and these ROI metric users are much different than the 23% of companies using just traditional, non-financial marketing metrics.

Marketing ROI metrics users are more likely than users of traditional metrics to:

- Expect greater or somewhat greater growth than their competitors (74% vs. 58%)
- Have highly effective and efficient marketing (26% vs. 3%)
- Use recorded presentations (75% vs. 53%) and video on demand (68% vs. 49%)
- Report strengths in the following processes:
 - Educating prospects on solving needs (67% vs. 33%)
 - Using intelligent targeting to trigger content (35% vs. 5%)
 - Capturing intelligence for sales team (38% vs. 11%)
 - Customizing content to job titles/buyer roles (45% vs. 21%)
 - Helping current buyers get value from past sales (34% vs. 12%)
 - Customizing content to the Buyer Journey stage (31% vs. 12%)
- Agree that they have budget for external resources to produce content (45% vs. 22%) and find it easy to produce new and compelling content (39% vs. 19%).
- Credit the primary capabilities for improving revenue as "objectives linked to revenue" (58% vs. 27%) and "marketing automation systems" (62% vs. 38%)
- Measure the engagement outcomes of sales conversion (74% vs. 37%), content requests (84% vs. 56%) and response/inquiry (74% vs. 49%)
- Report strengths in all measures of financial outcomes, including ROI, incremental revenue, lift in revenue per sale and lift in post-purchase retention (average score 35% vs. 6%)
- Report strengths in measurement techniques from basic tracking (84% vs. 67%) to modeling and statistical analyses and attribution to various touchpoints (average score 34% vs. 10%)

Participant Profile

The following charts show the profile of the survey respondents included in the analysis.

Figure 35: Region

In which geographic region is your business based?
(n = 323)

	2013
United States & Canada	84.5%
Europe and Eurasia	5.6%
East Asia & Pacific	1.2%
Latin America	1.2%
Africa	.6%
Central & South Asia	.3%
Other	6.5%

Figure 36: Company Size based on Annual Revenue

Approximately how much annual revenue did your business generate last fiscal year (for government and non-profit groups, please use your expense budget)?
(n = 323)

	2013
Less than US\$5 million	25%
US\$5 million to under US\$50 million	28%
US\$50 million or over	38%
Don't Know / Not Answered	9%

Figure 37: Annual Marketing Budget

Approximately how much did your company spend on marketing, advertising and sales activities in your prior fiscal year? (n = 323)

	2013
Less than US\$1 million	43%
US\$1 million to under US\$5 million	26%
US\$5 million to under US\$50 million	10%
US\$50 million or more	4%
Don't Know / Not Answered	18%

About the Author

Lenskold Group delivers deeper insights that lead to smarter marketing and more profitable performance. We offer one of the most comprehensive and innovative approaches to applying marketing ROI techniques and tools to plan, measure and optimize marketing strategies toward maximum profitability. Since 1997 the firm has delivered high-quality consulting and marketing services to generate profitable growth for a broad range of Fortune 500 and emerging mid-market client companies such as Qualcomm, Constant Contact, Siemens, EMC, Seagate, John Deere, Zurich Insurance, MasterCard and Kodak.

Key Solutions Offered

- **Lead Generation ROI Tools**, supporting strategic and financial campaign planning as well as results measurement and budget optimization.
- **Multi-Contact Sales Attribution**, providing a more accurate measurement of true lift in sales and revenue from specific marketing initiatives.
- **Content & Engagement Path Optimization**, identifying the strengths of marketing contacts as first touch, last touch, and any touch to guide multi-contact integration and optimization.
- **Strategic Measurement Plans**, developing a 6 to 12 month action plan to boost marketing performance with strategic insights and improved ongoing measurement practices.
- **Buyer Funnel & ROI Analytics**, identifying strategic opportunities to improve marketing effectiveness, sales and revenue contribution.
- **Marketing Mix Modeling**, applying innovative measurement techniques that capture multi-step impact of content on engagement and engagement on sales.
- **Dashboard Metrics**, developing high-impact metrics for ROI-based decision support and creating interactive dashboards to monitor and improve ongoing performance.
- **Brand Measurement Assessment**, providing a comprehensive evaluation of brand metrics and measures along with a roadmap for improving the link to financial outcomes.

Our team of senior consultants and partners has extensive backgrounds in performance optimization, advanced analytics and high-impact strategic marketing; providing 360-degree customized solutions for measuring and improving marketing ROI. Company President, Jim Lenskold, authored the award-winning book "[Marketing ROI: The Path to Campaign, Customer and Corporate Profitability](#)" which remains the best-selling book on this topic.

Visit www.lenskold.com for ROI tools, 50+ articles, additional research reports, CMO Guide white papers and more.

Subscribe to the [mROI Insights e-newsletter](#) to stay in touch with new articles, research and events.

Lenskold Group

Phone: +1 732 292-2600
info@lenskold.com

About the Sponsor

A growing number of companies now hold marketing accountable for revenue contribution (Revenue Marketing™); in many cases, for the first time. Marketing often shoulders this responsibility by investing in exciting new technologies without addressing the impact that new strategies, business processes and change management will have on the technology's success.



Companies hire The Pedowitz Group (TPG), considered a thought leader in the marketing automation space, when connecting marketing to revenue is a strategic imperative. We've been at this since 2007 and all we do is Revenue Marketing. In 2010, TPG coined the term Revenue Marketer™ and has used this as a messaging foundation for providing services that help marketers transform from cost centers to revenue contributors.

One Agency, One Integrated Solution

We have guided more than 1,100 companies through different stages of the [Revenue Marketing Journey™](#). Based on our experience, we created the [Revenue Marketing Transformation™](#) model, which provides organizations a roadmap to implement best practices and to realize incremental success milestones. The key building blocks for a Revenue Marketing Transformation are: Strategy, People, Process, Technology, Content and Results. Called the [RM6](#), we use this as the set of controls (the HOW) to determine and adjust the sequence, pace, and path for your unique journey.

We have developed [Revenue Marketing solutions](#) that focus on three primary areas: Marketing Strategy, Cloud Technology and Integrated Marketing Services.

Experience and Validation

Our philosophy, credo, and operating procedures are simple. Do right by clients, partners, and employees. You will find it on our website. You will find it in the services we deliver for our clients and partners. You will find it with our employees. We hire the best and the brightest – people with proven track records of success in Revenue Marketing. Our culture encourages thought leaders and innovators, as well as giving back to the community.

One of our proudest achievements is the validation of our vision. In 2013, for the 2nd consecutive year, The Pedowitz Group won recognition on the [2013 CRM Watchlist](#). TPG was in the top five winners amongst some of the largest global consulting organizations, including Accenture and Ernst and Young.

For more information on how The Pedowitz Group helps clients become successful Revenue Marketers, visit www.pedowitzgroup.com, call us at 855-REV-MKTG, or visit [The Revenue Marketer Blog](#).