



The State of Marketing Leadership

How Senior-Level Marketers are Redefining Success and Integrating the Customer Journey

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Introduction

Marketing strategy has evolved more quickly in the past five years than it did in the past five hundred. For centuries, print advertising and mass media dominated until the internet changed everything, creating opportunities to craft unique customer journeys on an ever-larger palette of platforms. Even the phrase “customer journey” is new to marketing vocabulary, although most senior-level marketers today (86%) agree on the importance of the concept, according to this research.

Yet the customer journey is more than a phenomenon, buzzword, or trend; it’s a requirement. Respecting and refining the customer journey is the only way for companies to succeed in the age of the customer.

At Salesforce Marketing Cloud’s Connections event in September 2014, Beth Comstock, SVP and CMO of GE, said, “You have to put your customer in the middle, no matter what industry you’re in—and that is changing with digital tools.”

As marketers create 1:1 connections that *do* put customers in the middle, they need to know and recognize customers across channels and devices. These customers have done their

research, and they know brands well before ever stepping into a store or picking up the phone. Today’s audiences expect that brands, in turn, will get to know them and deliver increasingly personalized brand experiences. Marketing is now the hub for customer insight and understanding through advanced analytics, predictive intelligence, and technology that serves customers on the go.

This is an exciting time to be a marketer, and marketing leaders must be more agile, data-focused, and customer-obsessed than ever before. To understand these new marketing leaders better, we partnered with LinkedIn to survey more than 900 senior-level marketers on the LinkedIn platform to see what’s top-of-mind in their roles and companies today.

We hope this research confirms what you’re seeing in your own role and company: that creating an authentic customer journey—one that delivers both real-time and long-term engagement—is the future of marketing. We hope these insights help you better understand your peers and evolve your customer journey.

“

You have to put your customer in the middle, no matter what industry you’re in—and that is changing with digital tools.

”

Overview

In September 2014, LinkedIn and Salesforce Marketing Cloud partnered to survey 985 senior-level marketers on LinkedIn—510 B2B and 475 B2C—about their roles, the current marketing landscape, and the ways they're delivering customer experiences across touchpoints and channels.

This report looks at the changing responsibilities and challenges that marketing leaders face today, including:

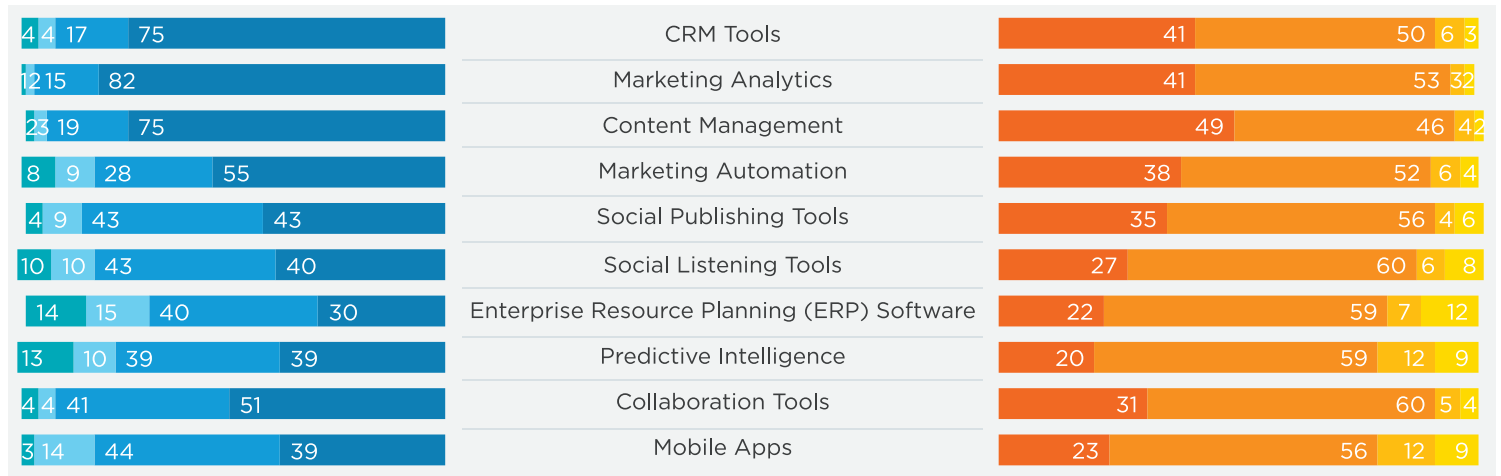
- Collaboration between senior-level marketers and their peers
- Most common metrics used to report success
- Marketing technologies most implemented and their effectiveness
- Customer service as a marketing tool

In studying the results of the survey, we found a direct link between how well a marketer integrated customer data and the self-reported successes of that brand's strategy. Throughout this report, you'll see comparisons by the level of customer data integration within that company (whether fully integrated, partially integrated, or not at all integrated). We've also segmented data by B2B, B2C, and size of business: enterprise, mid-sized, and small.

For more information on how the survey was conducted, see "Methodology" at the end of the report.



Percent of B2B Marketing Leaders Rating These Technologies Important to and Effective for Creating a Cohesive Customer Journey



- % Absolutely Critical/Very Important
- % Moderately/Slightly Important
- % Not At All Important
- % Don't Know

- % Very Effective/Effective
- % Somewhat/Not Very Effective
- % Not At All Effective
- % Don't Know

B2B marketers ranked marketing analytics, CRM tools, and content management as the most important for customer journey success; these tools were also rated among the most effective.

Percent of B2C Marketing Leaders Rating These Technologies Important to and Effective for Creating a Cohesive Customer Journey



■ % Absolutely Critical/Very Important
■ % Moderately/Slightly Important
■ % Not At All Important
■ % Don't Know

■ % Very Effective/Effective
■ % Somewhat/Not Very Effective
■ % Not At All Effective
■ % Don't Know

This chart shows the technologies that B2C marketers find most important to creating a cohesive customer journey, also showing the effectiveness of these channels.

Like B2B marketers, B2C marketers also rated marketing analytics, CRM tools, and content management as highly important to creating a cohesive customer journey, but B2B and B2C marketers differed in some technologies of choice.

For example:

- 35% of B2B marketers rated social publishing tools “very effective” in the customer journey vs. 43% of B2C marketers.
- CRM tools were rated “very effective” by 41% of B2B marketers vs. 36% of B2C marketers.

Flip to “Recommendations: B2B” and “Recommendations: B2C” for more on how to use the findings from this report for your business.

Data Integration: A Critical Piece of the Customer Journey

As discussed in the previous section, regardless of whether a company uses the term “customer journey,” most marketing leaders (86%) agree on the importance of creating a cohesive customer journey across all touchpoints and channels. Even senior-level marketers who work for companies that don’t use the term see the value: **83% of marketing leaders whose companies don’t use the term “customer journey” still believe it is absolutely critical or very important for their marketing team to create one**, compared to 93% of marketers from companies who do use the term. This section explains how integrating customer data is proving to be a critical part of refining that customer journey.

Companies That Integrate Customer Data vs. Those That Don’t

Most marketers believe their marketing team is at least somewhat effective at creating a cohesive customer journey: 85% of total marketers say their company does it either somewhat or very effectively. When you compare companies

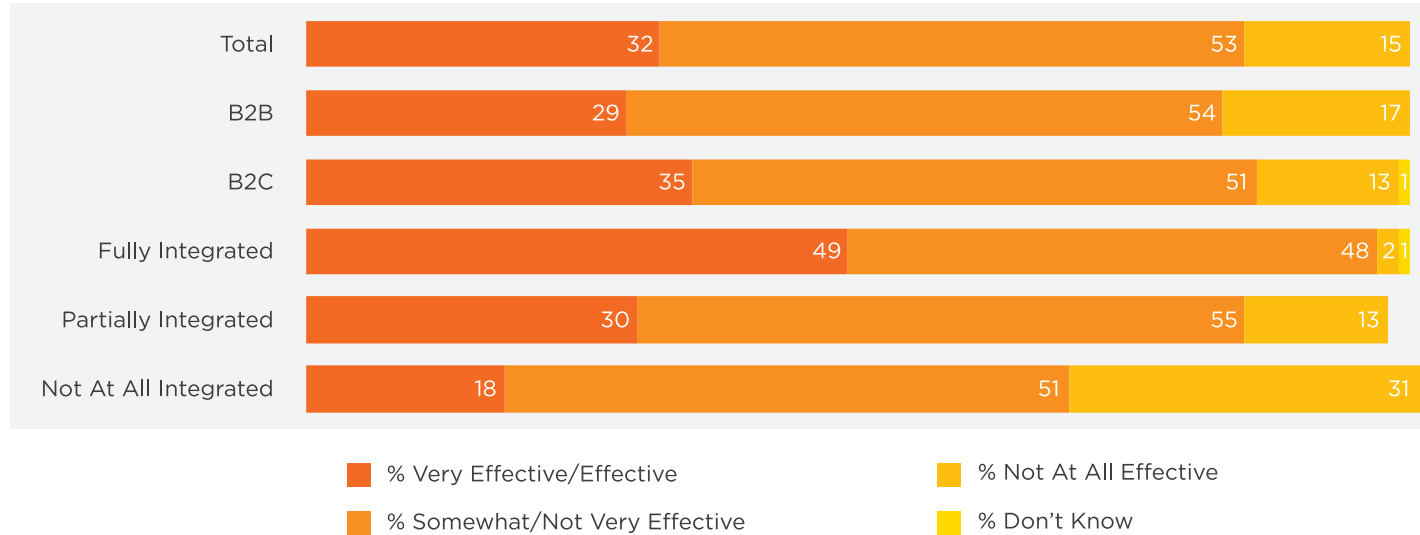
who have fully integrated customer data systems to those that haven’t, however, the major effect of data integration on the customer journey becomes clear.

Only 17% of respondents said their company had fully integrated their customer data across all areas of the organization. **However, 97% of those “fully integrated” marketing leaders said they were at least somewhat effective at creating a cohesive customer journey across all touchpoints and channels.**

In other words, senior-level marketers who have successfully integrated their customer data ranked their effectiveness considerably higher than those who had no integration at all, as shown in the following chart.

Most marketers haven’t fully integrated customer data across the organization—but of those who have, 97% said they were now successfully creating a cohesive customer journey.

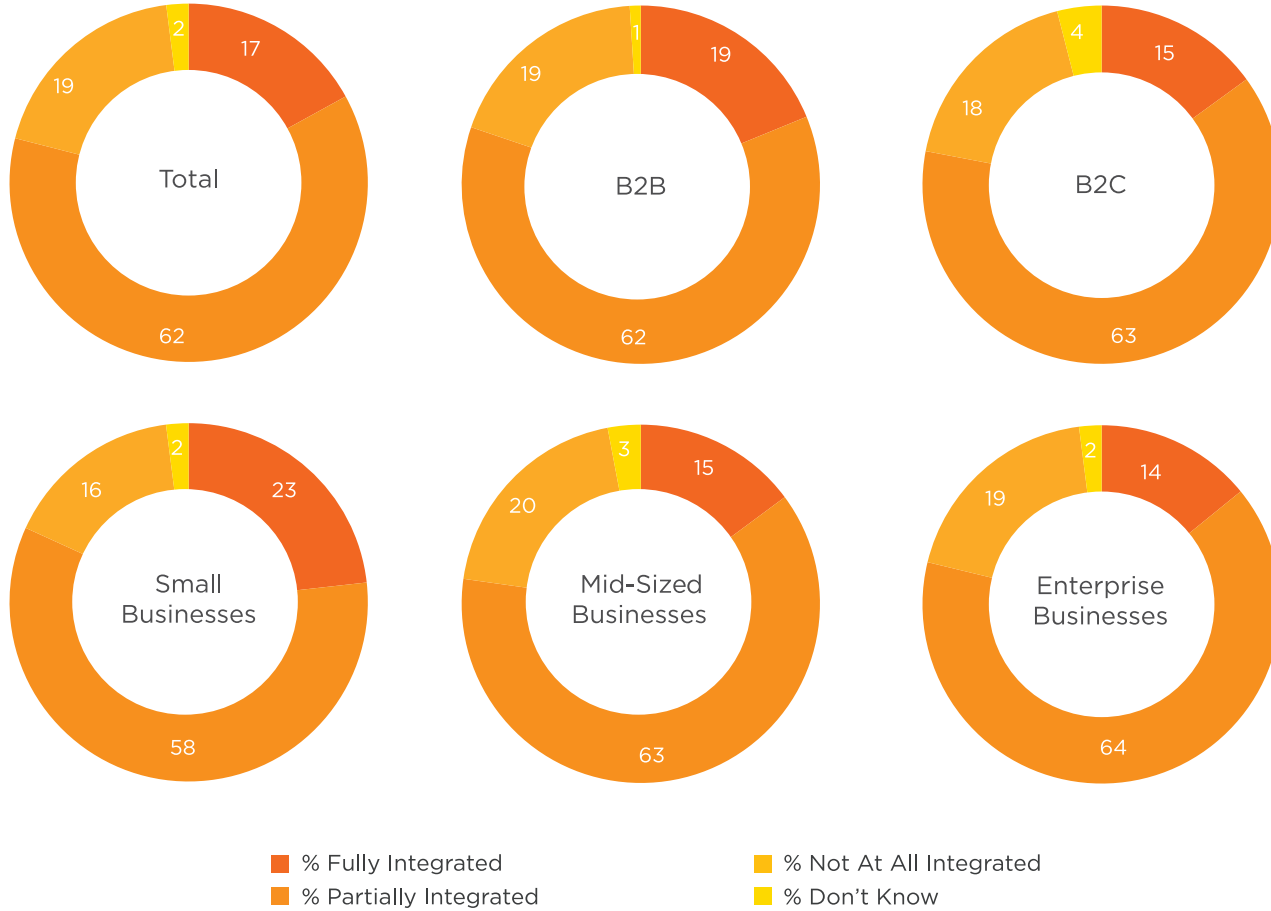
Percent of Marketing Leaders Rating Their Efforts Effective at Creating a Cohesive Customer Journey, Based on Level of Customer Data Integration and B2B vs. B2C



Sixty-two percent of senior-level marketers said their data was partially integrated, 19% had no integration, and 2% were unsure. Enterprise-level businesses reported lower levels of data integration within both B2B and B2C companies, as shown in the following chart. So while enterprise companies

may enjoy greater budgets and resources, they may also suffer from longer approval processes and decreased agility. Smaller businesses are leading the way in customer data integration and should serve as a model for less agile corporations.

Percent of Marketing Leaders Who Have Integrated Customer Data Across Their Organizations



All Businesses are Mobile Businesses— Or They Should Be

We asked senior-level marketers which technologies were most critical to their overall marketing success and how effective these technologies were at creating a cohesive customer journey. In this analysis, we noticed a significant gap between the success rates of mobile and the number of marketers who find mobile technology important. For example, among marketers who rated mobile apps critical or important to their overall marketing strategy, mobile apps were rated as highly effective—but more than 50% of B2B marketing leaders don't plan on using mobile in their strategy.

Rating Digital Marketing Technologies: Importance and Effectiveness

The following chart depicts various marketing technologies, their importance to marketers, and their perceived effectiveness. An astounding 100% of marketers who valued mobile app technology as important went on to rate their

company as either very effective or effective at using mobile apps to execute their overall marketing strategy (39% of these respondents were B2B; 61% were B2C).

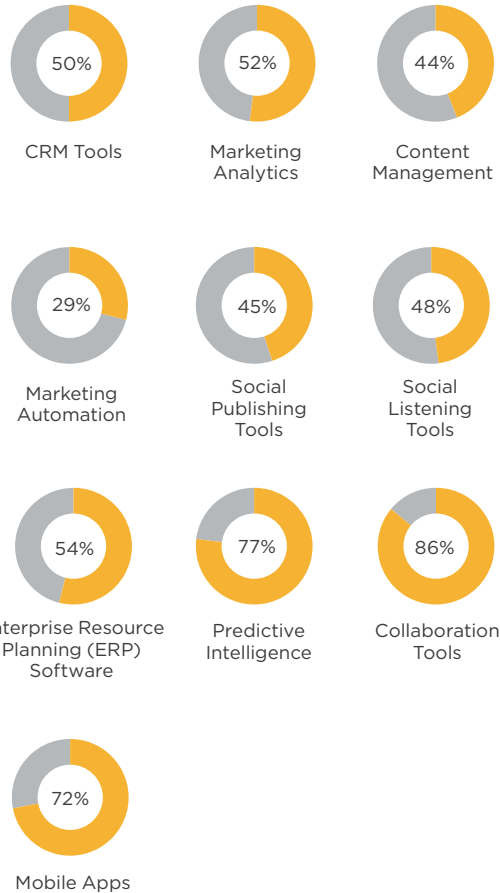
Other big wins came to marketers who placed a high importance on the following three technologies:

- Predictive intelligence (20% more effective to these marketers vs. marketers who didn't rate predictive intelligence as very important)
- ERP software (19% more effective)
- Social listening tools (19% more effective)



Percent of Marketing Leaders Rating These Technologies Effective by the Importance They Place on Collaboration

% Rating Collaboration as Absolutely Critical/Very Important



% Rating Collaboration as Very Effective/Effective



■ % All Marketers
 ■ % of Marketers Rating Collaboration as Absolutely Critical/Very Important

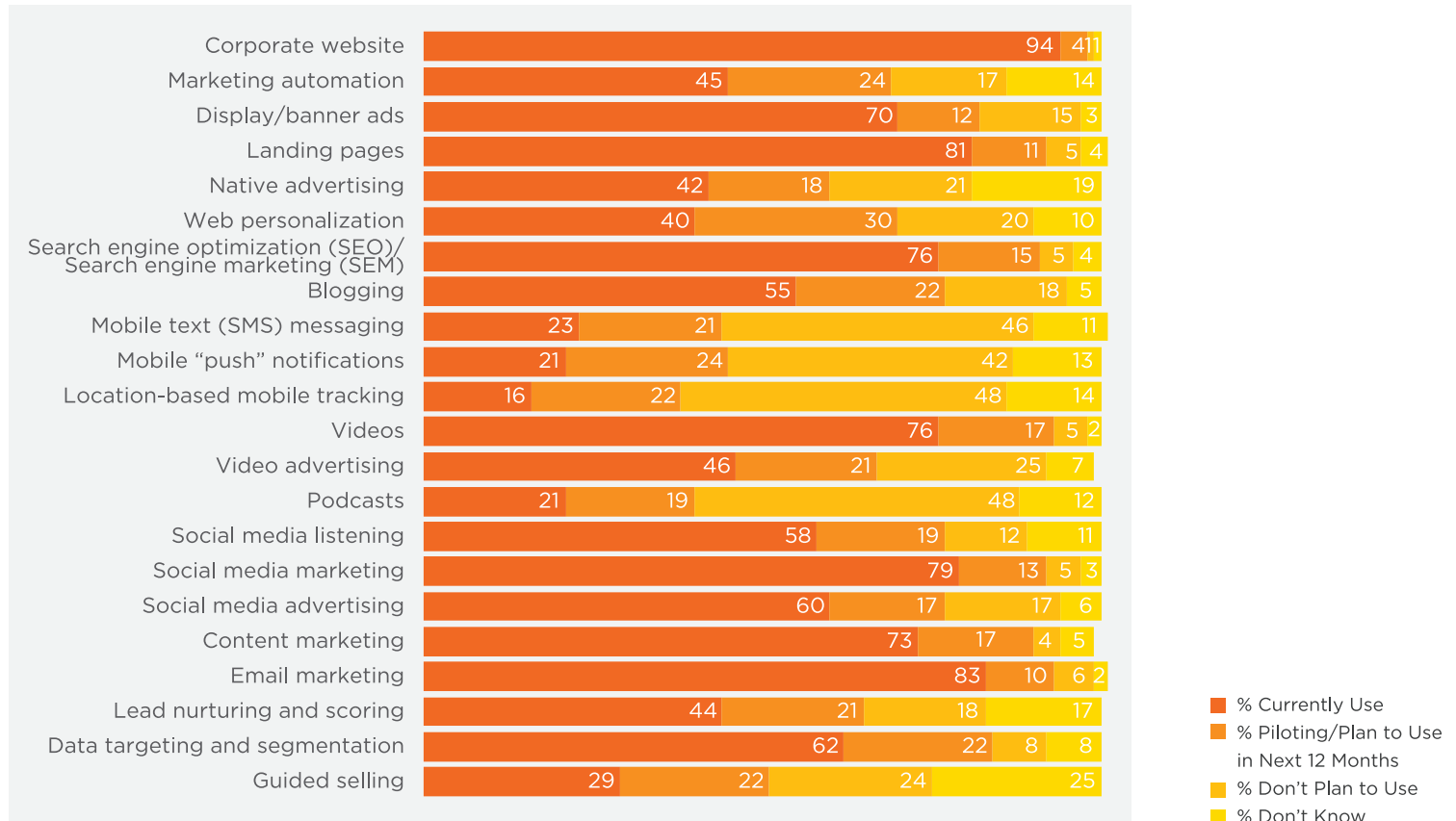
Rating Digital Marketing Effectiveness: Usage Rates, Current and Planned

Next, we took a look at the technologies, channels, and strategies marketers are using to create seamless customer journeys. If you're a CMO, you probably know this stat by heart: Gartner predicts that by 2017, CMOs will outspend CIOs on IT.¹ Whether or not this prediction comes true, we do

know that the availability of new technologies for CMOs to purchase shows no sign of slowing down.

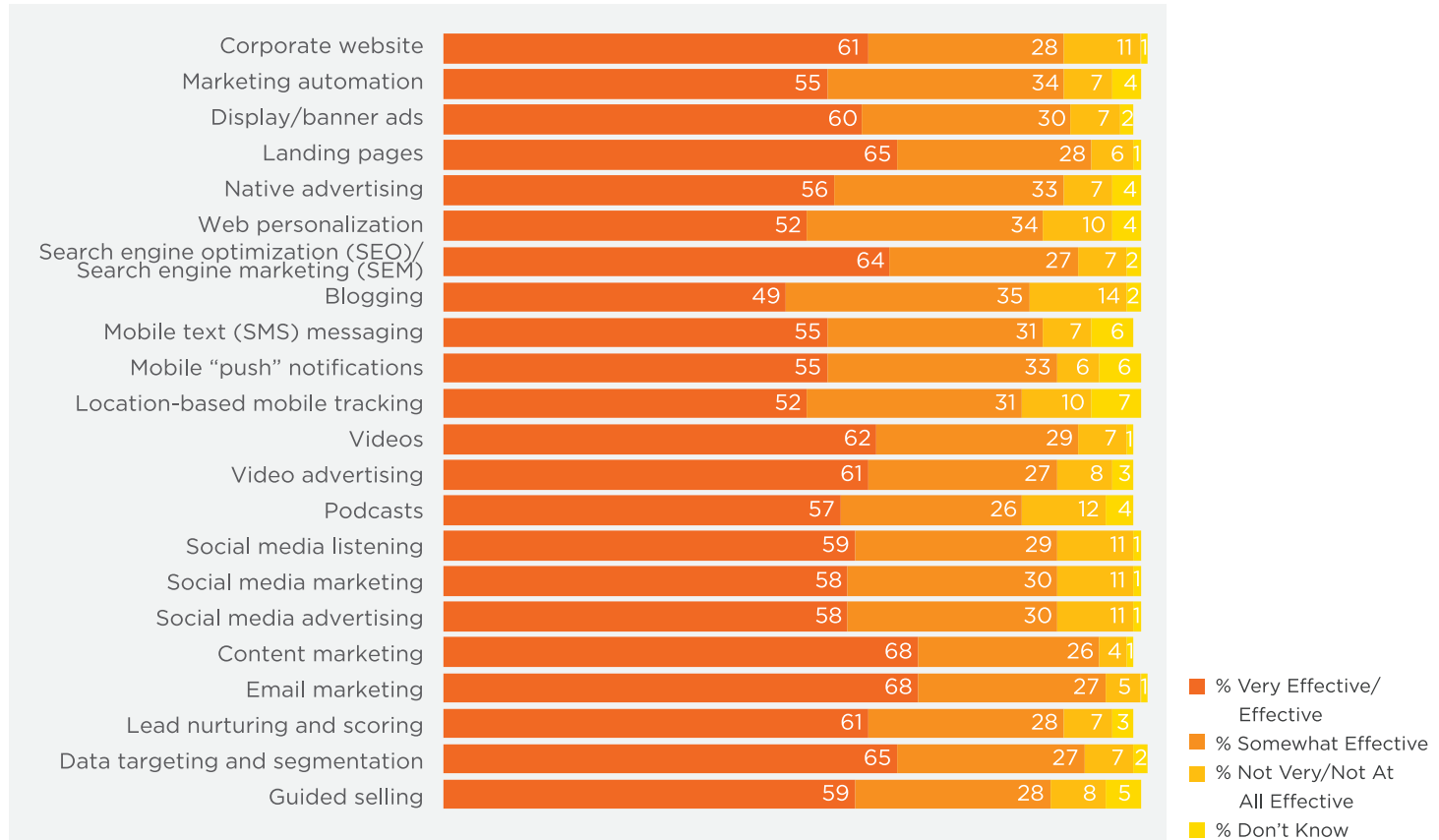
The following charts depict the percentage of marketing leaders who use (or plan to use) a given channel and a rating of that channel's effectiveness.

Percent of Marketing Leaders Using Popular Digital Marketing Technologies



¹ Laura McLellan, Research VP, Gartner

Percent of Marketing Leaders Rating Popular Digital Marketing Technologies as Effective



The three technologies with the highest “don’t plan to use” rates are in the mobile category: SMS, push notifications, and location-based mobile tracking. Yet **86% of marketers who use SMS and 88% of those who use push notifications rate them as at least somewhat effective, and mobile apps scored the highest effectiveness rating**, as shown in the chart “The Importance and Effectiveness of Marketing Technologies.”

B2B marketers are significantly less likely to use mobile tactics when compared to B2C marketers; however, regardless of whether

a company is B2B or B2C, mobile marketing adoption should be far higher than these “don’t plan to use” numbers indicate, thanks to the mobile boom we see around the globe and across channels.

LinkedIn reports that 70% of clicks to sponsored updates happen on mobile.² Considering that there will be 5 billion smartphones by 2017, 75 billion connected products by 2020 (largely used on mobile devices), and consumers have downloaded 140 billion mobile apps globally, the mobile imperative has never been greater.

² marketing.linkedin.com/blog/up-level-your-lead-generation-strategy-on-linkedin-learn-how-wednesday-820/

Shifting Measurement to Customer Success

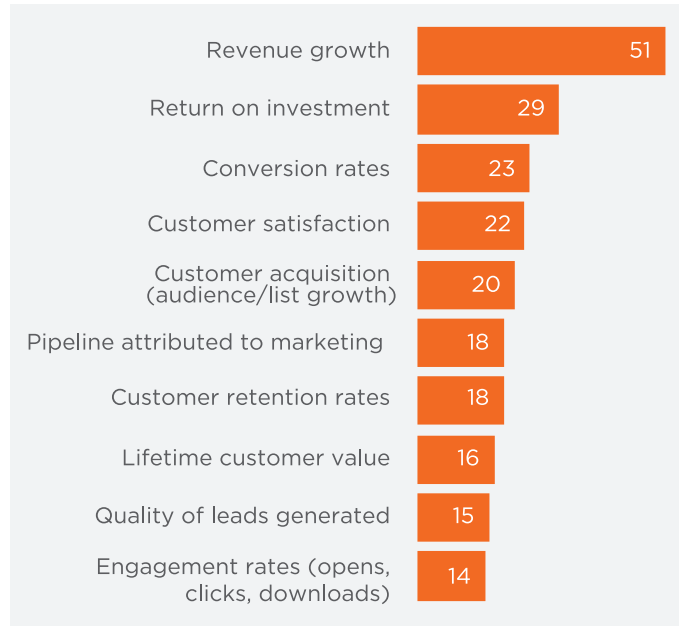
Ask a marketer how they measure success and you're likely to get some variation of the same answer: revenue growth, ROI, or increased conversion rates. Increasingly, however, customer-focused metrics are factoring into reporting, and B2B marketers could learn something from B2C marketers when it comes to the importance they place on customer-centric metrics.

How Marketing Leaders Are Measuring Their Efforts

We asked marketing leaders how they measure marketing success. Results are shown in the chart on the following page.



Percent of Marketing Leaders Using These Metrics to Gauge Success (Showing Top 10 Metrics)



	% Small	% Mid-Sized	% Enterprise	% B2B	% B2C
Revenue growth	46	52	53	51	50
Return on investment	25	31	30	26	32
Conversion rates	25	22	20	21	24
Customer satisfaction	18	24	24	19	25
Customer acquisition (audience/list growth)	24	19	19	17	24
Pipeline attributed to marketing	14	17	21	25	10
Customer retention rates	19	18	16	15	21
Lifetime customer value	16	17	14	11	20
Quality of leads generated	18	17	12	21	10
Engagement rates (opens, clicks, downloads)	15	15	12	14	15

Right: Top three metrics highlighted in orange by each category.

Across the board, **senior-level marketers rate revenue growth as the most important metric (51% rated as most important), followed by return on investment (29%), and conversion rates (23%).**

B2B vs. B2C Metrics

Metrics aren't one-size-fits-all, and that truth emerges when comparing B2B and B2C companies' metrics:

- **B2B marketing leaders focus on metrics related to leads**, such as pipeline directly attributed to marketing activities (25% use this metric), quality of leads generated (21% use this metric), and number of leads generated (17%).
- **B2C marketing leaders place a heavy emphasis on customer-related metrics**, including customer satisfaction (25%), customer retention rates (21%), and lifetime customer value (20%).

Of course, the importance of marketing-influenced revenue growth will never (and shouldn't) disappear. But customer journey ownership means that marketers must measure and act on data about customers, not just data about dollars. As one senior-level survey respondent wrote, "We are gathering metrics on our customers in order to find out what makes them choose us." Marketing success now sits squarely on the shoulders of data and analytics expertise.

When measuring metrics that can predict future conversion rates (like lifetime customer value), data and analytics become even more important. Considering that only 17% of respondents said their company had fully integrated their customer data across all areas of the organization (i.e., sales, operations, customer service, marketing, etc.), we expect to see more marketers integrate data to improve personalized interactions and customer satisfaction.

Today more than ever before, customers are in charge. With technology's constant changes and the resulting business impacts, companies must become helpful, accessible, and always-on resources for their customers. A customer doesn't care what your marketing ROI is, but he or she can surely affect it—pointing to a need for more "state of the customer" metrics across all marketing teams.



Collaborating, Enabling, and Preparing for the Future

Data, a customer focus, and mobile technology are changing the roles of marketing leaders, but before they can impact business results, employees need to be properly trained and ready to collaborate. Planning for the future is a chief responsibility of marketing leadership, albeit a difficult one, and it all starts with internal collaboration.

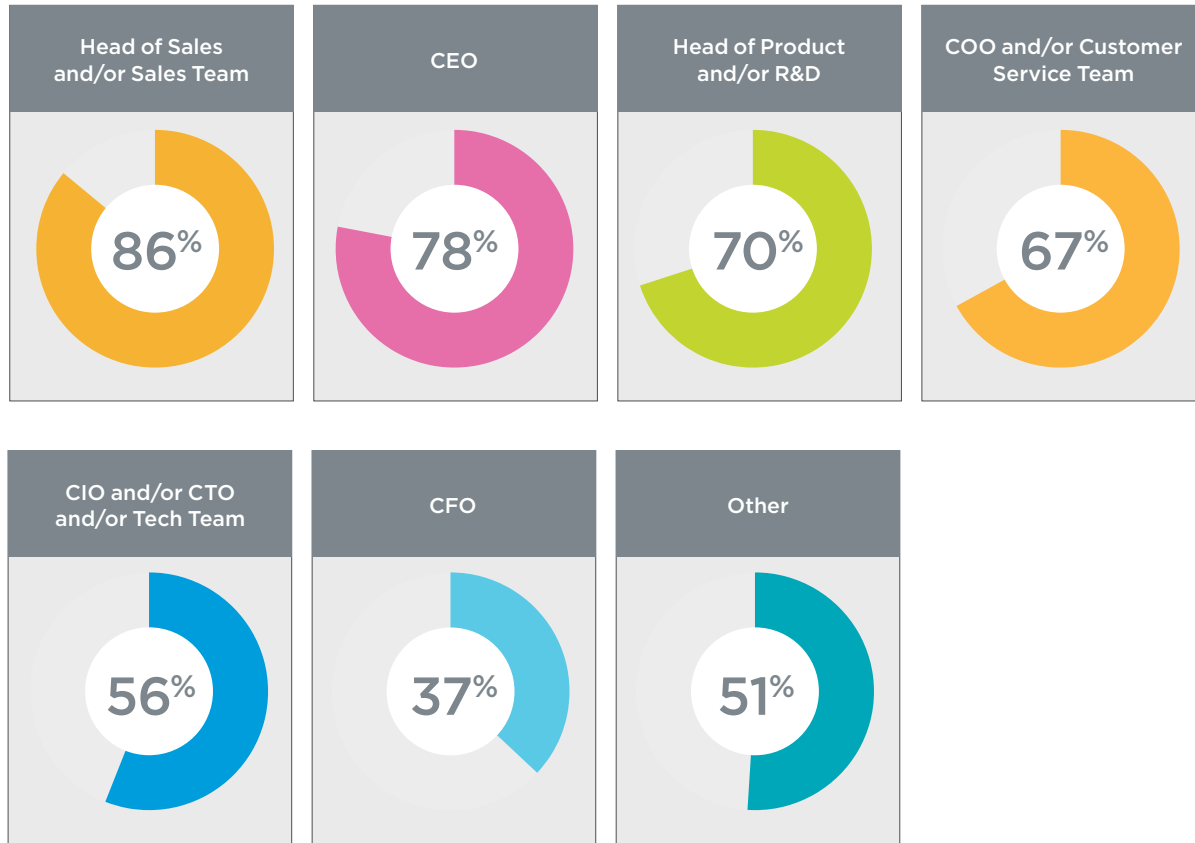
Marketing Leaders and Cross-Functional Collaboration

We asked marketing leaders which internal stakeholder relationships they view as most key to marketing success, discovering that the relationship with head of sales is most frequently seen as absolutely critical or very important.



As the customer focus becomes a cross-functional responsibility, collaboration is key. Fifty-six percent of marketers view their relationship with the CIO as absolutely critical or very important, but that number must increase.

Percent of Senior-Level Marketers Rating Cross-Functional Relationships as Absolutely Critical/Very Important



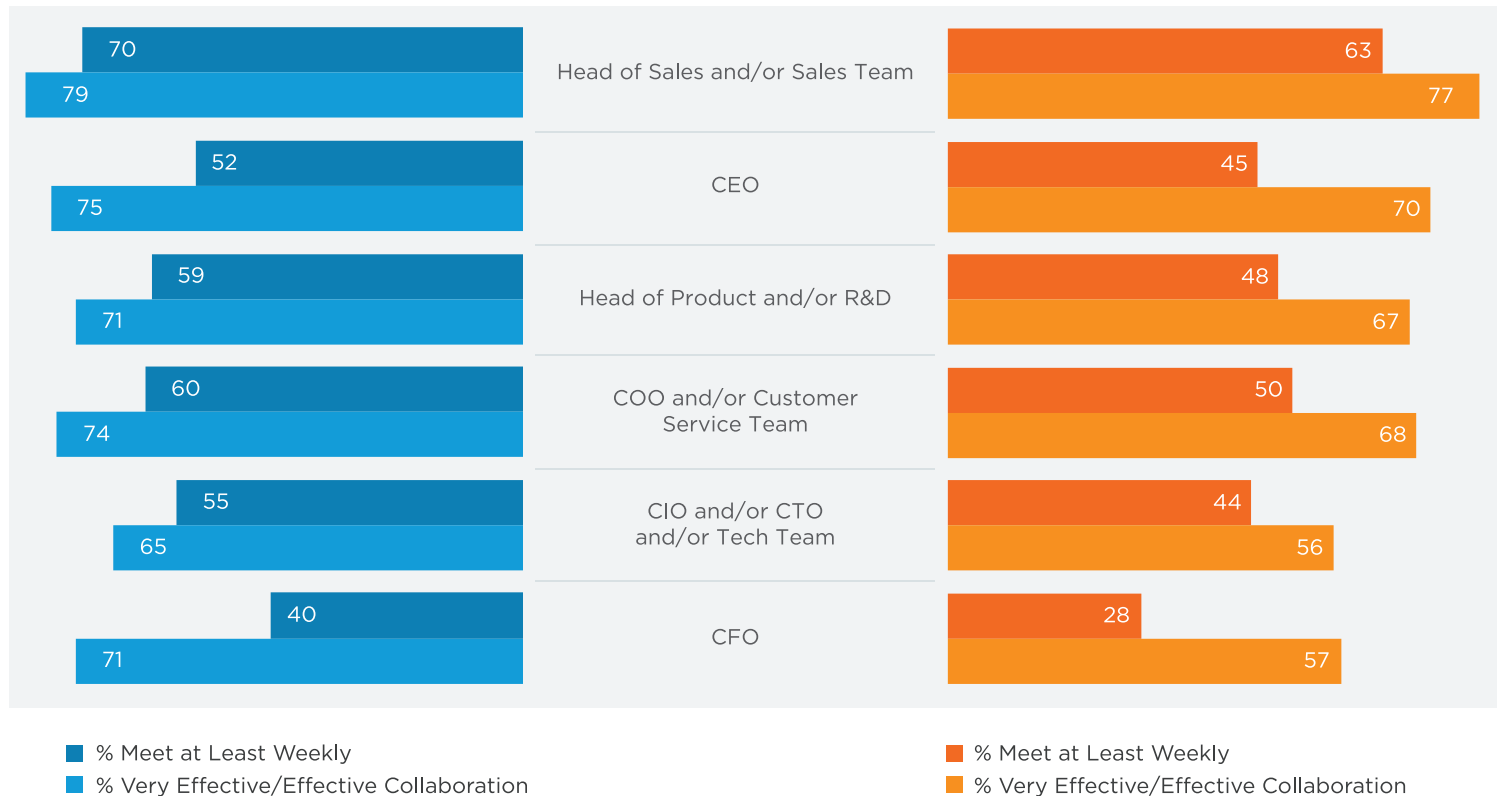
Data integration isn't possible without collaboration, and we see at least a 7% increase in the frequency of weekly collaboration among marketers who view the relationship with their peers as either absolutely critical or very important. This also translates into more effective relationships between teams, as shown in the following chart.

Fifty-six percent of senior-level marketers view their relationship with the CIO (or other tech team leaders) as absolutely critical or very important. As improvements in marketing continue to require improvements in technology, that relationship—whether strong or weak—will deeply affect the success of the overall customer journey.

Percent of Senior-Level Marketers Who Collaborate with Peers at Least Weekly and Effectiveness of Those Collaborations

% Marketers Rating Relationships as Absolutely Critical/Very Important

% All Marketers



Senior-level marketers told us they feel unprepared for increasing demands on data and analytics expertise. In fact, **46% reported an increased need for data and analytics expertise over the past 12+ months, while 43% expect to see an increased need over the next 12+ months.**

These marketers are also feeling unprepared to gain a deeper understanding of marketing technologies and best practices—while simultaneously owning increased alignment of internal functions (e.g., marketing, product, sales, operations).

Recommendations: B2B

We surveyed 510 B2B marketing leaders for this research. Based on our findings, consider these recommendations for using the data in your own marketing plans.



Map the customer journey.

Of the 510 senior-level marketers surveyed, 37% had adopted the term “customer journey” into their overall business strategy, compared to 42% of B2C senior-level marketers. We recommend that B2B marketers increasingly focus on customer journey strategy, improving customer experience of lead forms, lead nurturing campaigns, sales interactions, advertising, and beyond. Customer journey mapping, or illustrating important touchpoints along the customer journey and the different ways customers might respond to them, will be an important area for marketing leaders to oversee.



Prioritize mobile strategy.

There are already billions of smartphones in the world, but more importantly, those smartphones are creating hundreds of trillions of data points by the second. B2B marketers currently aren’t adopting mobile marketing strategies at a high rate (61% don’t plan to use SMS or location-based tracking for marketing, and 53% don’t plan to use push notifications). Marketing leaders in B2B companies should invest research, budget, and effort into how customers use mobile channels and act accordingly, because mobile penetration is exponentially higher every moment.



Test new tools.

Marketing automation, videos, content marketing, guided selling, and landing pages are the most effective channels and strategies that B2B marketers can leverage. A fair test takes longer than three or even six months to yield genuine results, however. Seeing success can take 12 months or more, especially for progressive profiling tools like predictive intelligence, so give new tactics a reasonable chance if you have the budget and personnel to test them in the first place. Consult the *Predictive Intelligence Benchmark Report* for data on predictive intelligence success rates over time.³

Beyond these recommendations, data and analysis are at the core of any B2B marketing strategy. If your customer data isn’t fully integrated across systems and departments just yet, focus on internal collaboration until you’ve arrived at a synthesized view of the customer. As a B2B marketing leader, the CEO or CMO isn’t the only boss you have anymore. The customer should be guiding your marketing programs, the channels you use, and the nurturing along the way.

For more charts about the B2B marketing leader’s responsibilities, see the Appendix.



Focus on internal collaboration until you’ve arrived at a synthesized view of the customer.



Recommendations: B2C

We surveyed 475 B2C marketing leaders for this report. As you refine your company's B2C marketing strategy, consider these recommendations based on our findings.

Maintain a customer journey focus.

B2C companies are on the right path when it comes to the customer journey; more B2C companies than B2B are using the term “customer journey,” and their definitions of the customer journey included customer-centric concepts like path, experience, and lifecycle. Still, some B2C marketers are unsure about the technologies that yield customer journey success, and customer data integration is low across the marketing industry. B2C marketers are beginning to understand what's at stake with customer experience, and they should maintain a clear focus in that direction.

Rely on SEO/SEM, content marketing, and email as the workhorses of B2C.

These three channels ranked most effective for B2C marketing leaders among all digital channels. While SEO and email may be older technologies, they're providing a strong foundation for brand-to-customer communication and information gathering. Content marketing also performs well for B2C companies, but be sure any content and email created can also be easily accessible on mobile.

Close the data integration gap.

Sixty-five percent of B2C marketing leaders say they have only partially integrated customer data across the organization (between sales, ops, customer service, marketing, and so on). For example, one enterprise B2C director said, “We need a better foundation in understanding what data we have and how we can get more. The biggest struggle is between operations and marketing.” Closing this gap is inherent to marketers wanting to build a personalized, responsive customer journey model. Without the data to do it, the customer journey lacks any relevancy beyond broad segmentation.

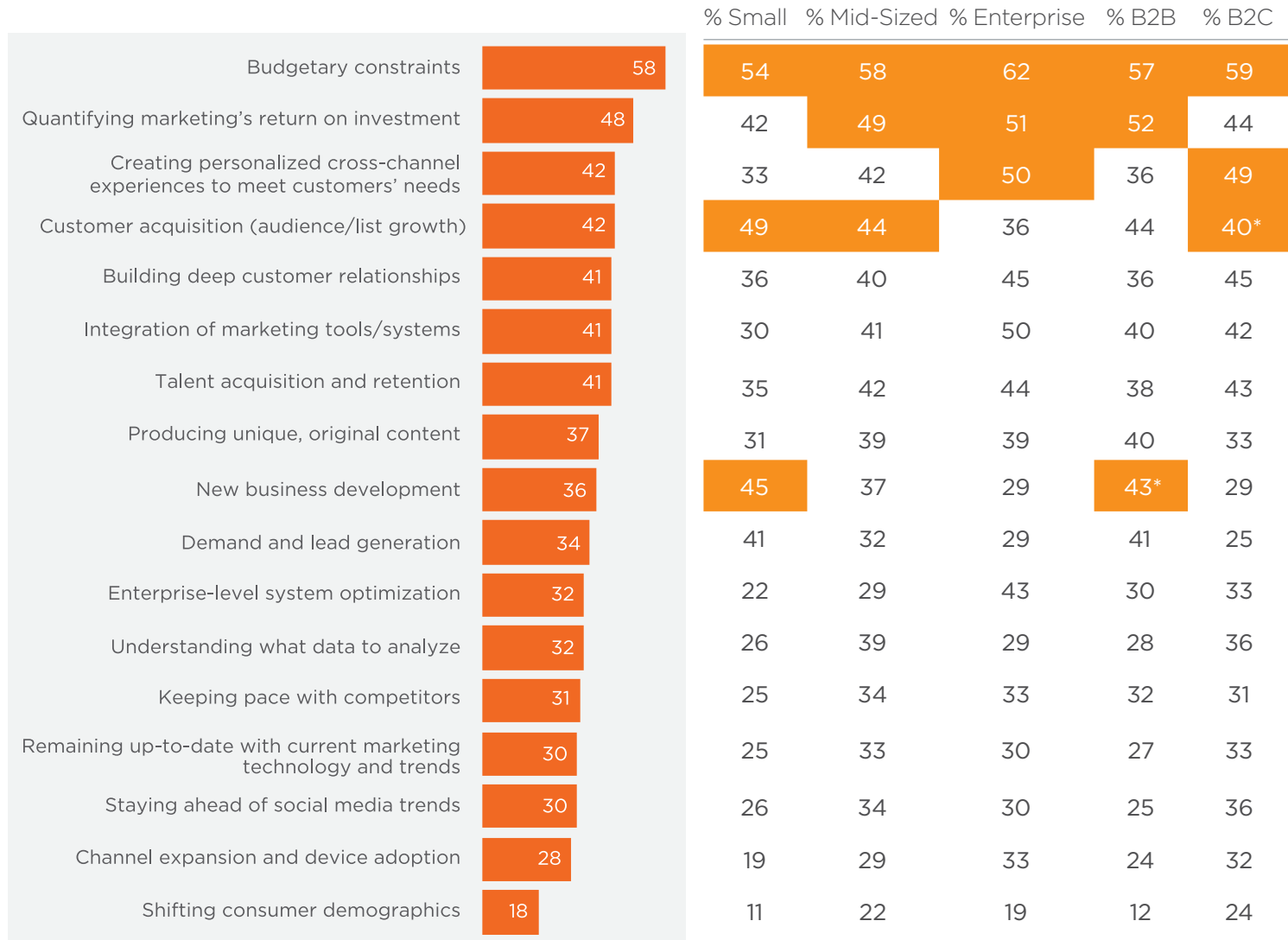
No matter the size of your B2C business, you should be working toward a more customer-centric organization and marketing program. Your customers are mobile and multi-platform—and they're showing you how to communicate with them with every click. CMOs are now in charge of tuning out the many voices telling them how to spend budget and time. Instead, it's all about listening to individual customers and crafting a journey around their actions.

For more data and charts useful to marketing leaders in B2C, consult the Appendix.

“ Your customers are mobile and multi-platform—and they're showing you how to communicate with them with every click. ”

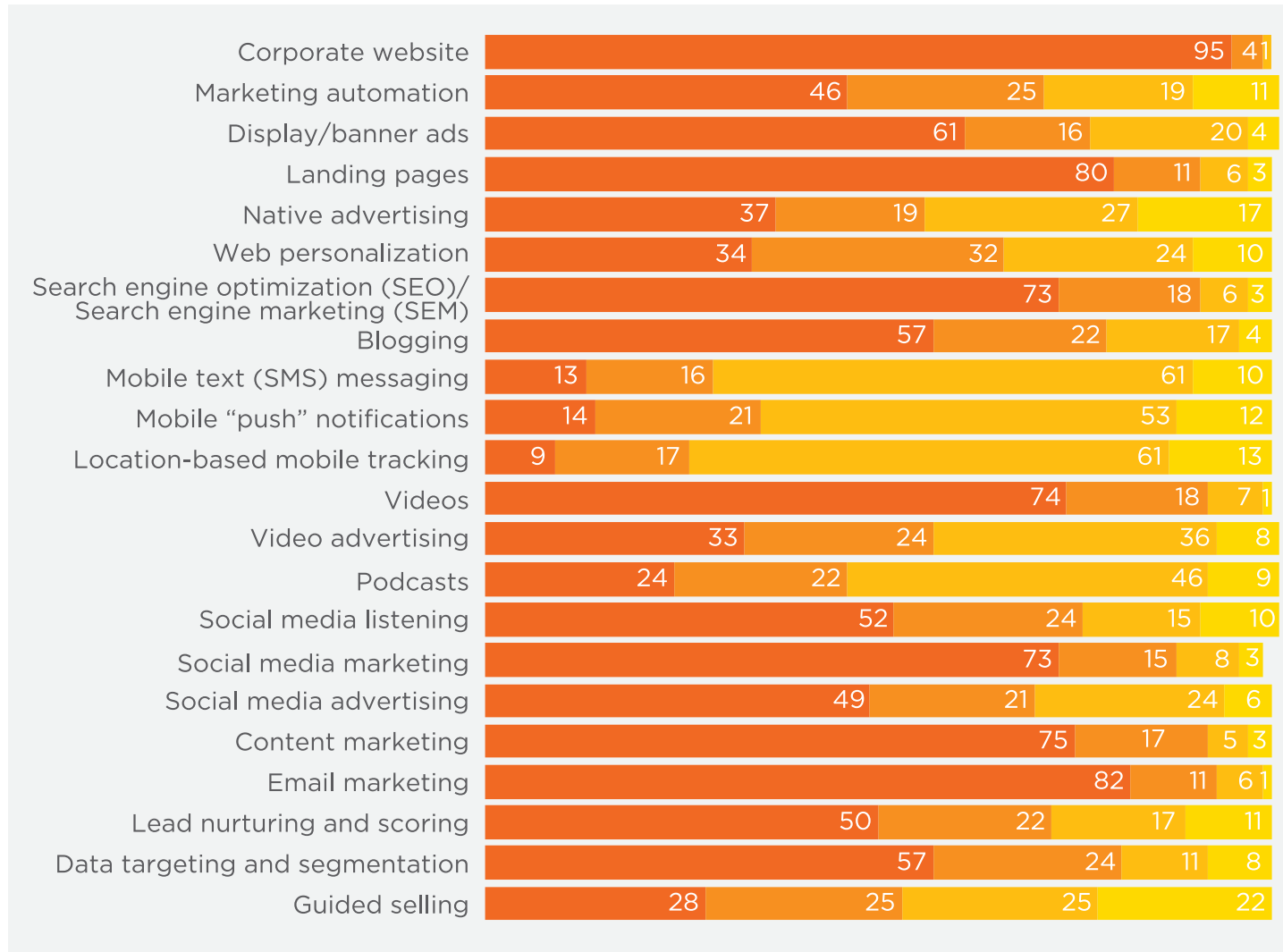
Appendix: Additional Charts

Percent of Senior-Level Marketers Facing These Business Challenges



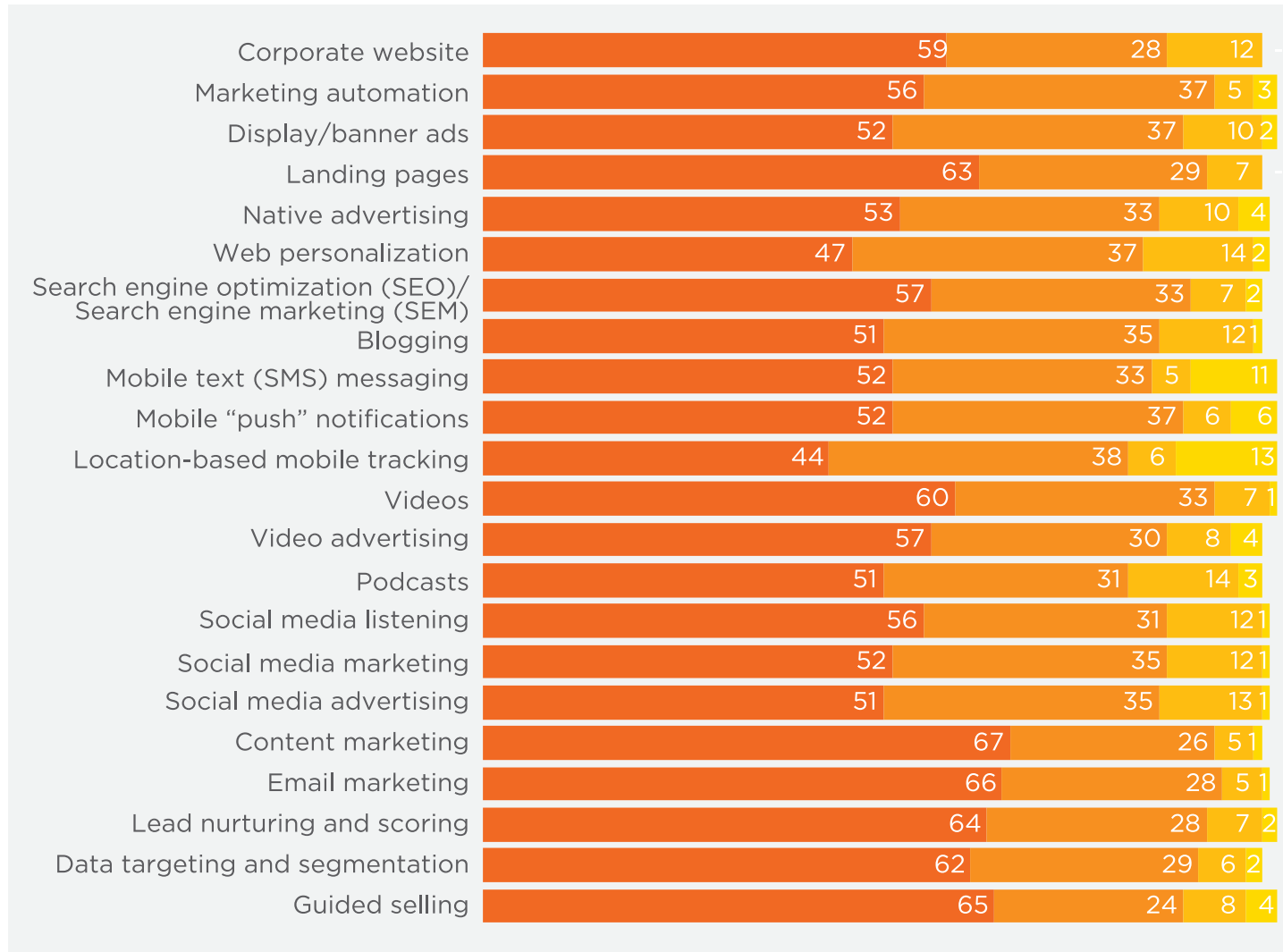
* Respondents were first asked to select all of the challenges their company faced in executing their overall marketing strategy. A follow-up question asked respondents to rank their top three priorities. Therefore, an attribute may have been selected more often but not selected as one of their top three priorities.

B2B: Percent of Marketing Leaders Using Popular Digital Marketing Technologies



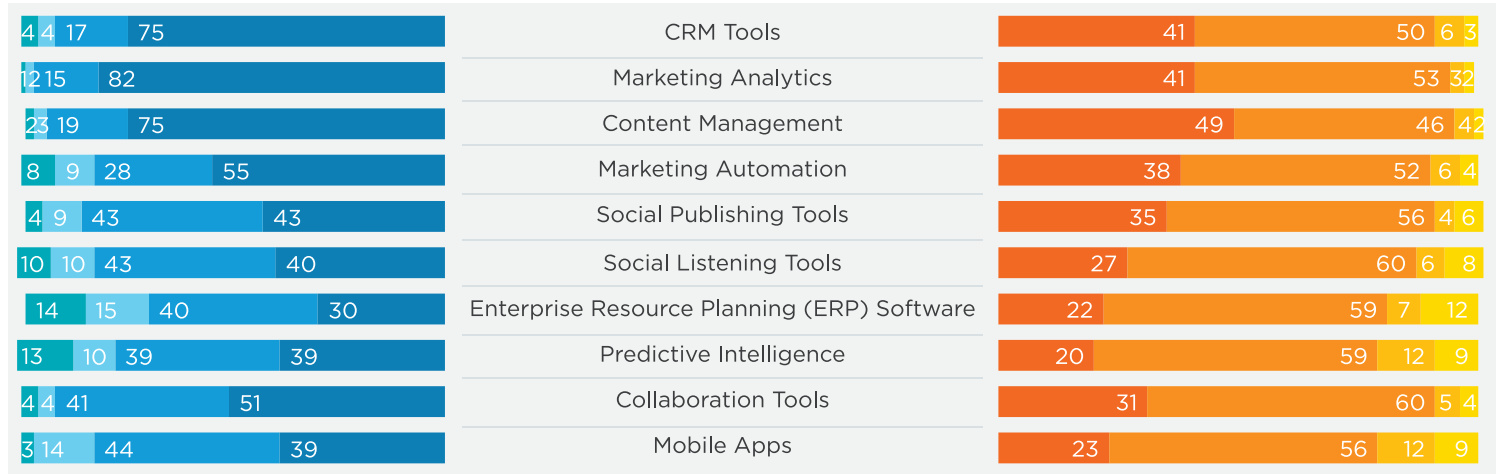
■ % Currently Use ■ % Don't Plan to Use
■ % Piloting/Plan to Use in Next 12 Months ■ % Don't Know

B2B: Percent of Marketing Leaders Rating Popular Digital Marketing Technologies as Effective



■ % Very Effective/Effective ■ % Not Very/Not At All Effective
■ % Somewhat Effective ■ % Don't Know

B2B: Percent of Marketing Leaders Rating These Technologies Effective by the Importance They Place on Collaboration



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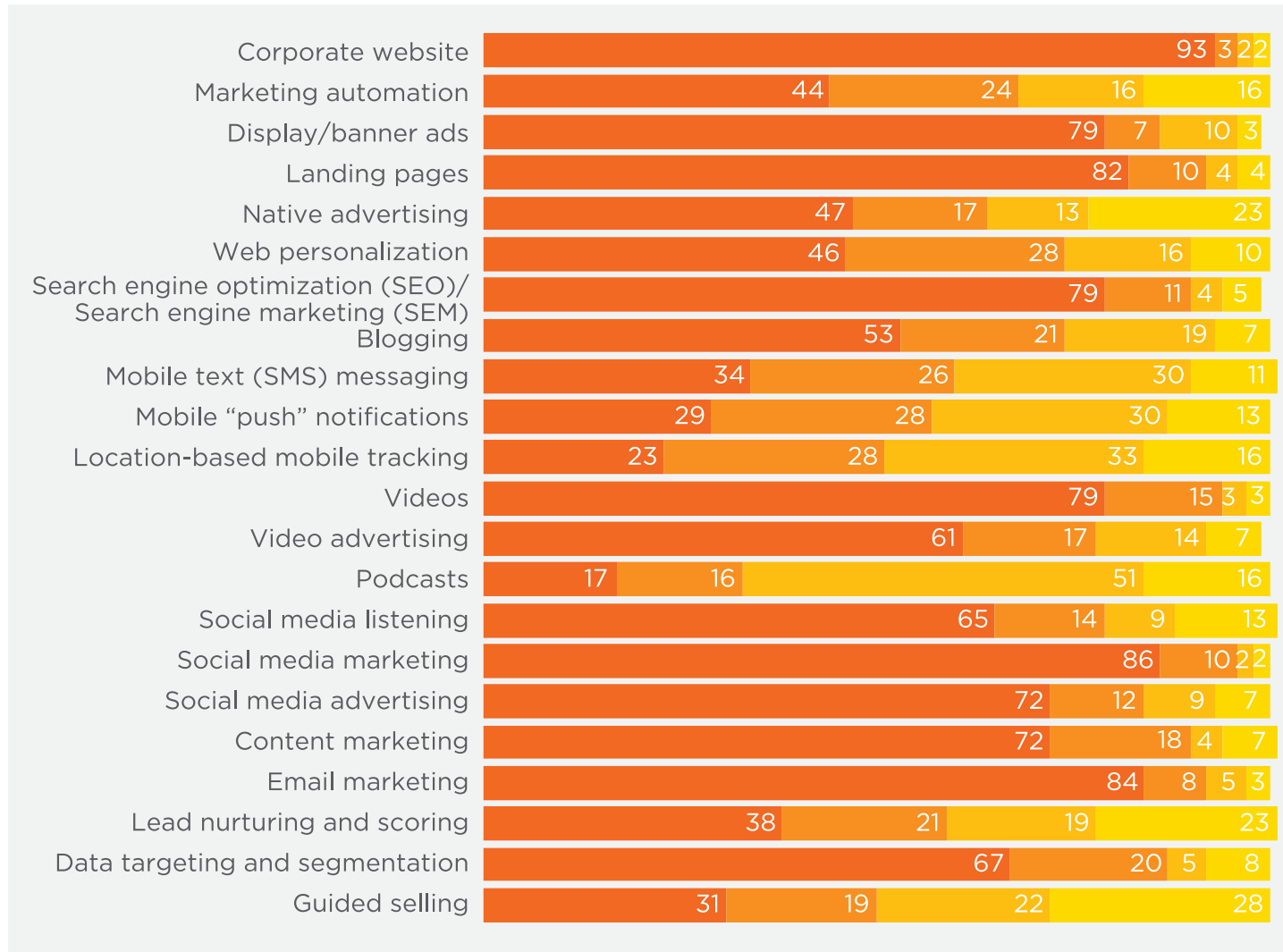
B2B: Percent of Marketing Leaders Using These Metrics to Gauge Success (Showing Top 10 Metrics)



B2B: Percent of Senior-Level Marketers Facing These Business Challenges

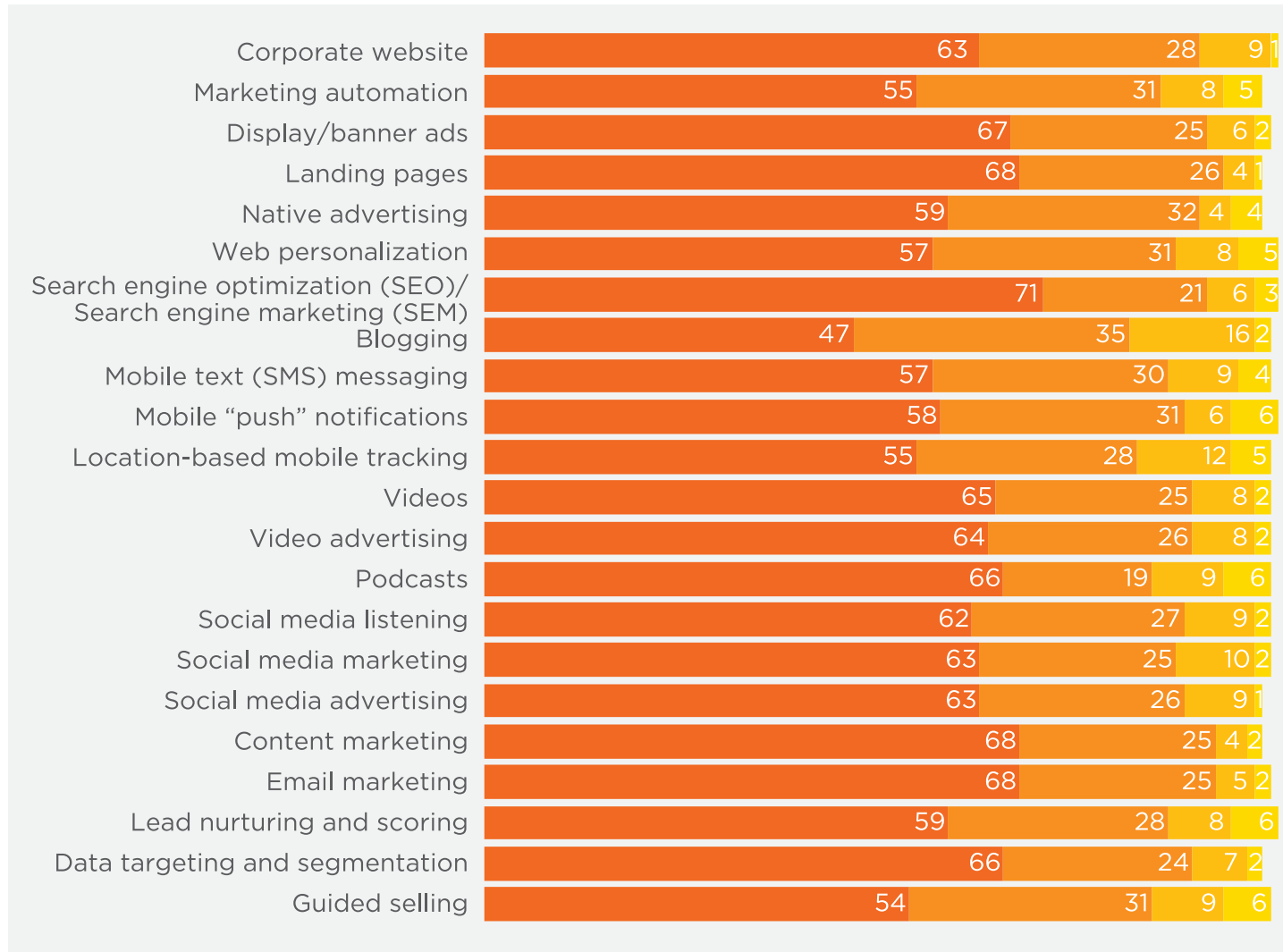


B2C: Percent of Marketing Leaders Using Popular Digital Marketing Technologies



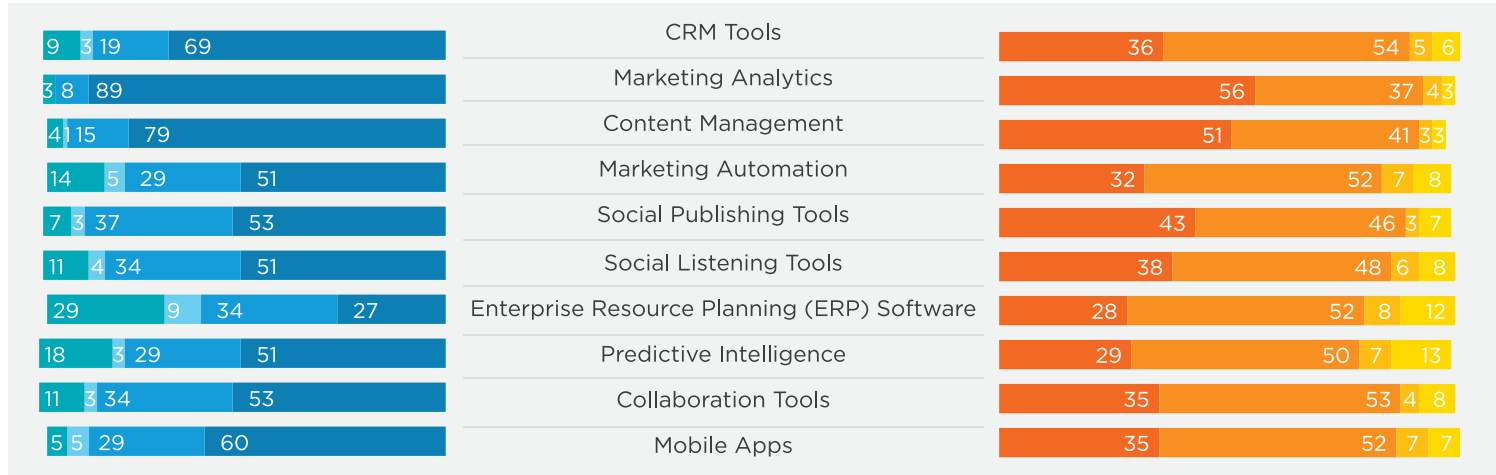
■ % Currently Use ■ % Don't Plan to Use
■ % Piloting/Plan to Use in Next 12 Months ■ % Don't Know

B2C: Percent of Marketing Leaders Rating Popular Digital Marketing Technologies as Effective



■ % Very Effective/Effective ■ % Not Very/Not At All Effective
■ % Somewhat Effective ■ % Don't Know

B2C: Percent of Marketing Leaders Rating These Technologies Effective by the Importance They Place on Them



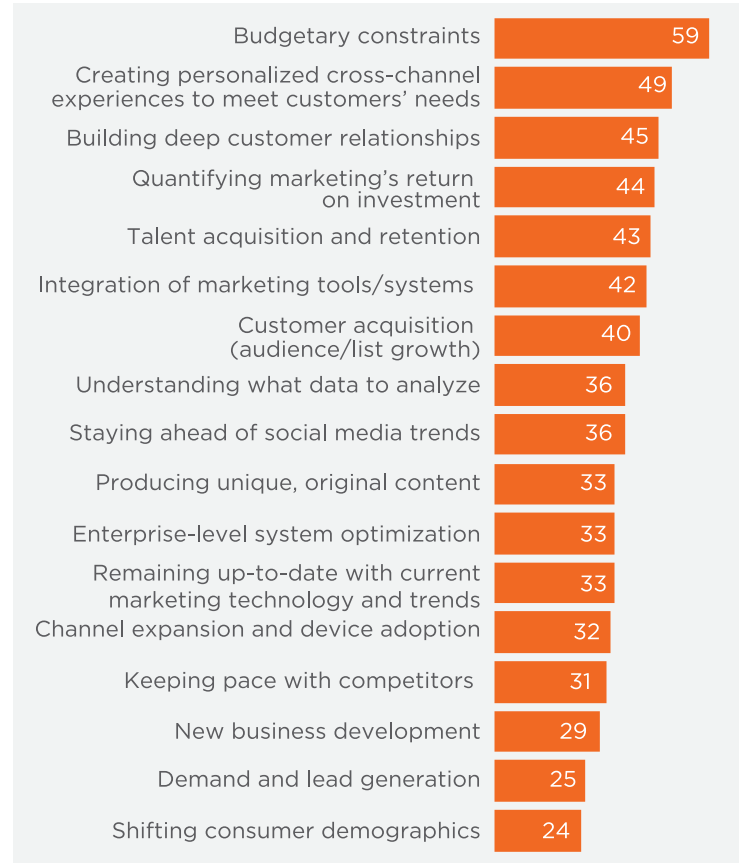
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B2C: Percent of Marketing Leaders Using These Metrics to Gauge Success (Showing Top 10 Metrics)



B2C: Percent of Senior-Level Marketers Facing These Business Challenges



Survey Methodology

This report is based on an online survey of 985 senior marketers on LinkedIn, fielded by LinkedIn in the United States from September 10-18, 2014. Respondents were evenly distributed across primary type of business and company size: of the total qualified respondents, 52% were B2B, while 48% were B2C;

29% were from small businesses, 35% mid-sized, and 36% enterprise. All qualified respondents are in a marketing function and hold a director-level position or higher. Respondents who qualified and completed the 15-minute survey received a \$10 incentive.

TITLE/ROLE WITHIN COMPANY					
<u>TOTAL</u>		<u>B2B</u>		<u>B2C</u>	
CMO	17%	CMO	20%	CMO	12%
Owner	5%	Owner	7%	Owner	3%
Self-employed or consultant	5%	Self-employed or consultant	4%	Self-employed or consultant	6%
Vice President	21%	Vice President	21%	Vice President	21%
Director	53%	Director	48%	Director	58%
NUMBER OF EMPLOYEES					
<u>TOTAL</u>		<u>B2B</u>		<u>B2C</u>	
Small: 1 to 200	29%	Small: 1 to 200	32%	Small: 1 to 200	26%
Mid-Sized: 201 to 2,500	35%	Mid-Sized: 201 to 2,500	33%	Mid-Sized: 201 to 2,500	37%
Enterprise: 2,501+	36%	Enterprise: 2,501+	35%	Enterprise: 2,501+	37%
TYPE OF BUSINESS					
Business to Business (B2B)	52%				
Business to Consumer (B2C)	48%				

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