



CAN MARKETERS SEE WHAT'S COMING **NEXT?**





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About



Introduction

Marketers are very good at seeing what has already happened. And that's much more complimentary than it may first appear. The evaluation of past work – be it marketing strategies or campaigns, right down to individual pieces of content – is vital for marketers in planning what to do next. Finding out what has worked, what hasn't, and why, are fundamental marketing skills; testing, learning and developing are in the DNA make-up of B2B marketers.

But such processes, by their very nature, are reactive, relying on information gleaned from events

that have already happened. Does this create a backwards-looking mindset? Do marketers need to be more proactive so they are able to create not only their own marketing strategies, but also influence the strategic planning for the business as a whole? After all, the *market* part of 'marketing' surely implies not just talking to the market, but also knowing what is going to happen *in* the market.

While such proactive thinking may have been possible in the past largely through gut feeling and estimation, today, with the advent of predictive

analytics and semantic search tools, it's possible to see the future with a far higher degree of data-reinforced accuracy than ever before.

This survey of over 100 global B2B marketers, carried out by B2B Marketing and Avention OneSource Solutions, explores the readiness of B2B marketers and their organisations to embrace the power of predictive insights, both in terms of practical matters such as data cleanliness, budget and organisational barriers, and in terms of the mindset shift needed for marketing to be more proactive.

This report investigates:

- Marketers' confidence in their ability to make forecasts about the market and align their strategies with those forecasts
- Marketers' ability to segment customer data and build personas and profiles for targeted marketing efforts
- The quality, depth and accuracy of customer data and the organisational challenges in having access to a 'single source of truth'
- The barriers to marketing having influence in the c-suite and on business-wide strategy.



A divide between understanding and action

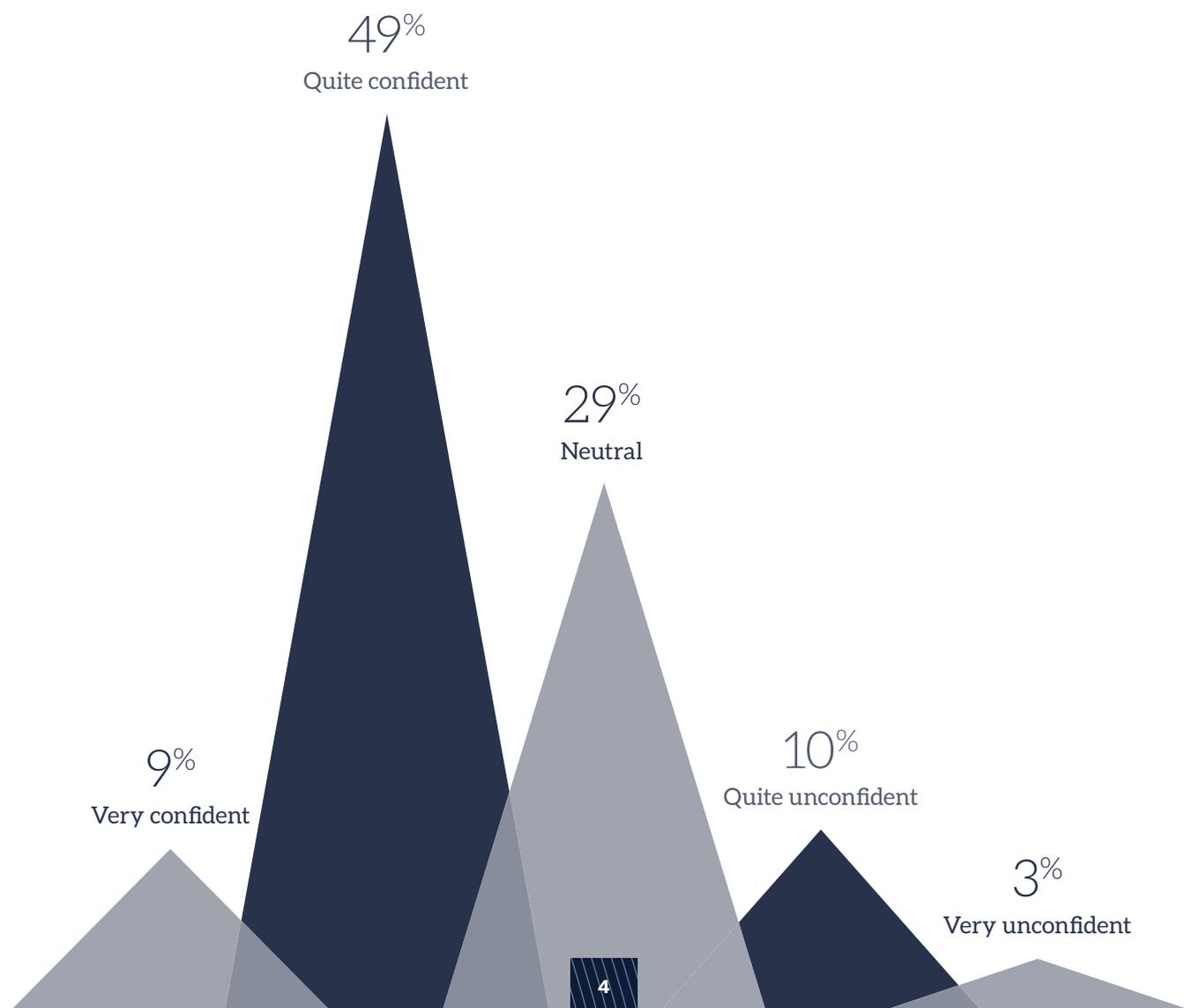
When asked to give an assessment of how confident they were in their ability to accurately forecast where future marketing efforts should be focused to maximise returns, respondents gave a resoundingly positive answer: just under half (49 per cent) claimed to be 'quite

confident', with a further nine per cent claiming to be 'very confident', and a mere 13 per cent stating they were 'quite' or 'very unconfident'.

And this confidence seems initially justified: 58 per cent of those surveyed argued that knowing as much as

possible about their best customers and customer segments was a 'high priority', with a whopping 72 per cent stating they were either 'very confident' or 'quite confident' in their ability to identify and target new prospects and high-potential customers based on customer segments.

Q: How confident are you in your ability to forecast accurately where future marketing efforts should be focused to ensure maximum returns?



A divide between understanding and action

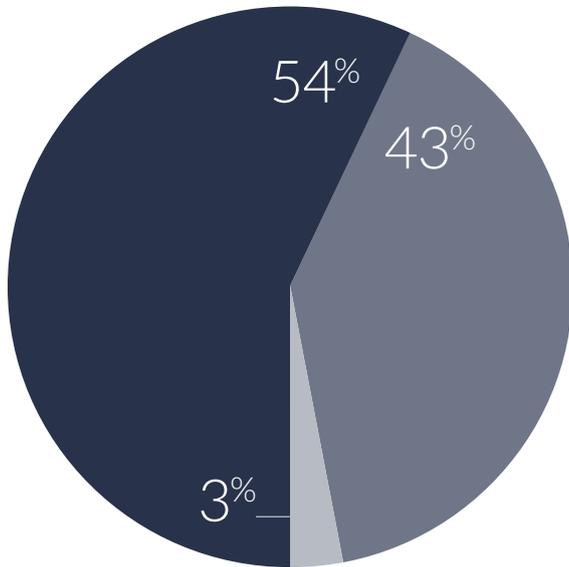
But for all this confidence, digging deeper into the results of the research shows not all marketers are doing the things you'd expect with their customer data. For instance, only slightly more than

half (54 per cent) are using their data to create customer profiles or personas.

Building personas using customer data is the basis of any targeted

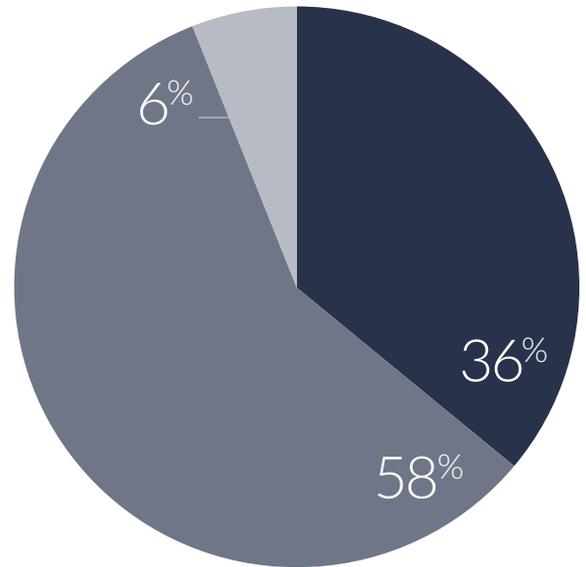
marketing strategy and should be the first step in forecasting future acquisitions; the fact so many organisations are not yet doing so suggests a lack of maturity with regards to customer data.

Q: Do you currently use your data to create customer profiles/personas?



- Yes
- No
- Don't know

Q: Do you segment your customer database based on propensity to purchase?



- Yes
- No
- Don't know

Similarly, a mere 36 per cent of respondents currently segment their database on propensity to purchase. The fact almost two-thirds

of marketers either don't know which customers in their database are most likely to purchase, or don't use this information to inform their

marketing strategies, suggests they are still struggling to use their customer data to its fullest potential.



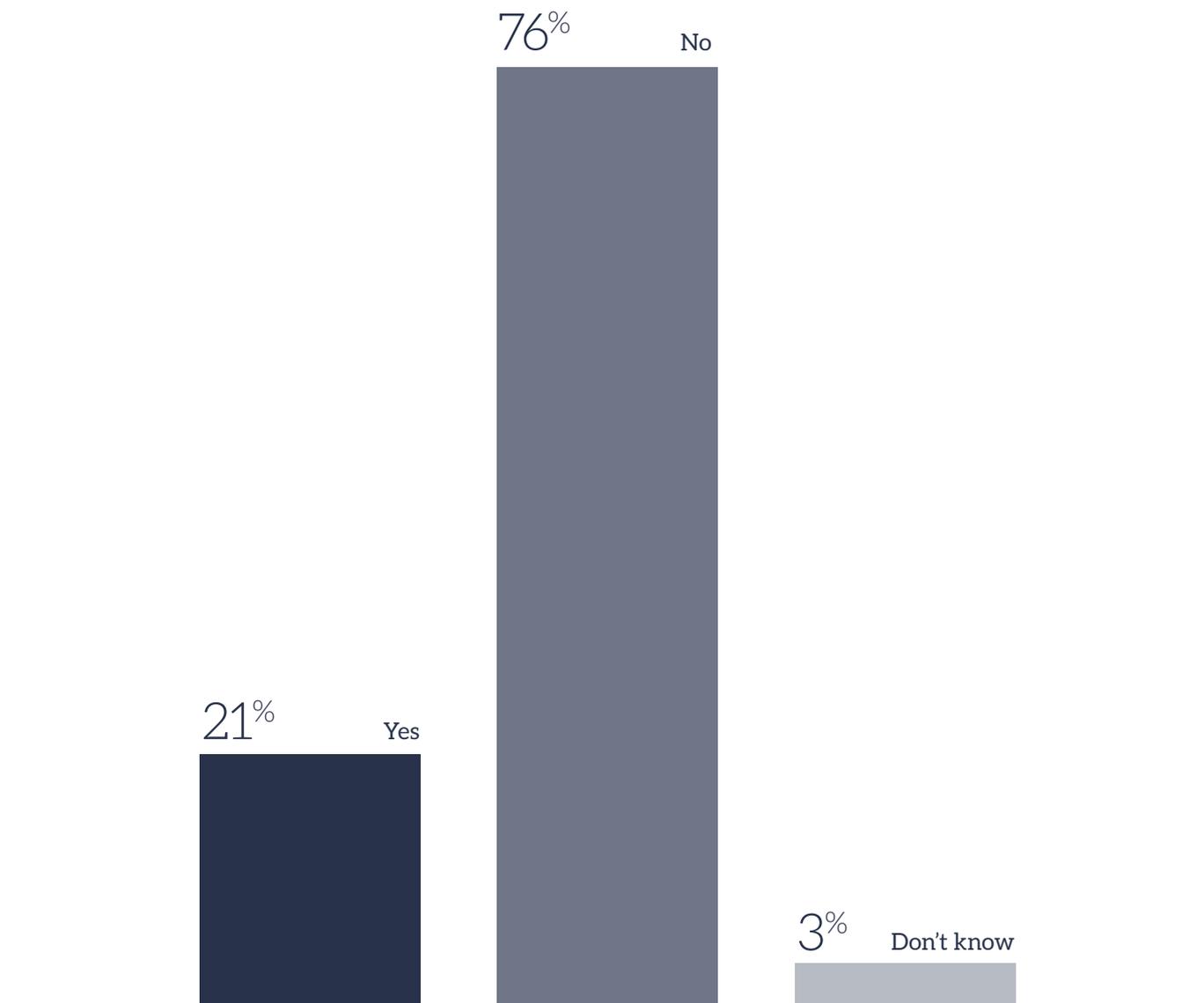
Organisational data issues

This was borne out when we asked marketers to reflect on their customer and prospect data: only 21 per cent of respondents believed their organisation was getting the most out of its customer or prospect data.

The reasons for this are, unfortunately, all too commonplace: only 34 per cent of marketers rated the accuracy of their customer data as 'good' or 'excellent', and 33 per cent rated its usability in the same terms.

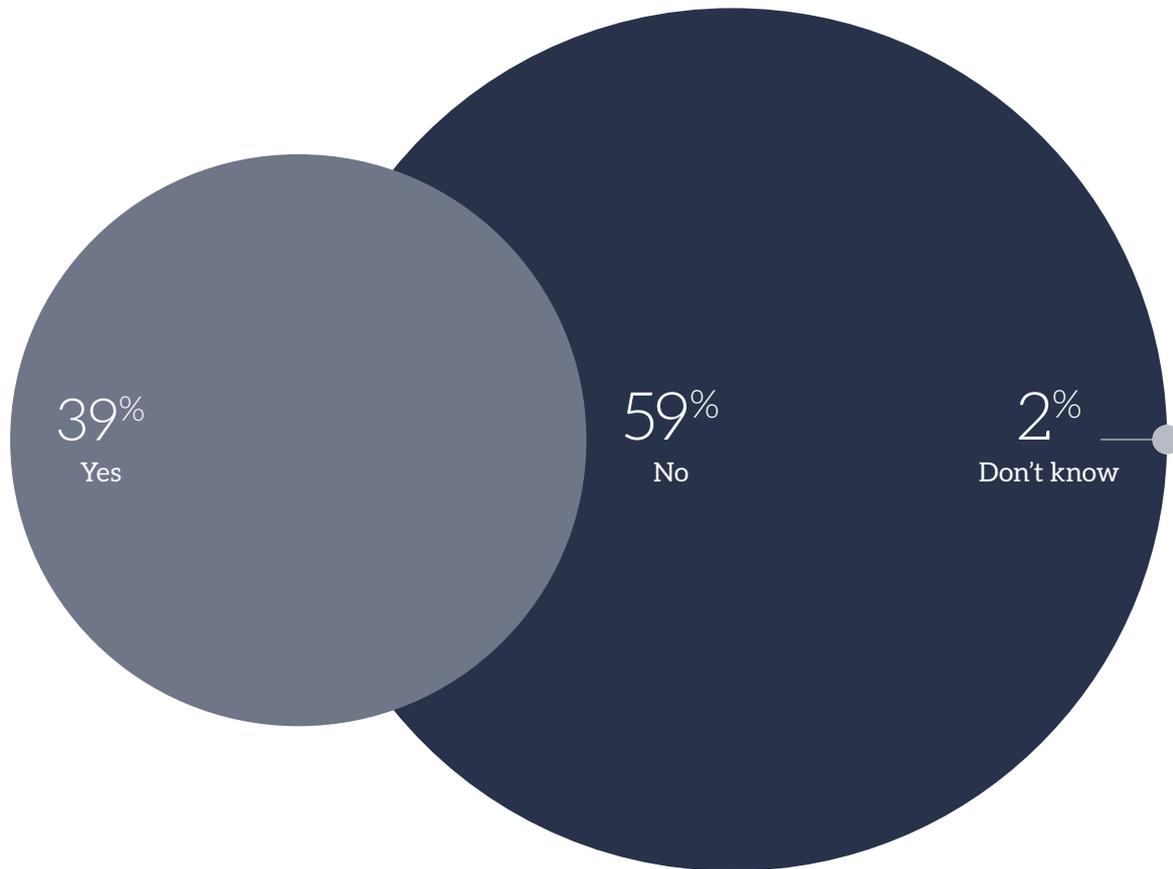
For most marketers, customer data is still too often inaccurate and hard to access. It's therefore unsurprising they're not seeing great results.

Q: Do you believe your organisation is getting the most out of its customer/prospect data?



Organisational data issues

Q: Does the marketing department have access to a single source of truth for organisation-wide customer data (e.g. finance, transactions, customer service, sales contacts, etc.)?



The root of this problem may well be organisational. Only 39 per cent of marketers say their department has access to a single 'source of truth' for organisation-wide customer data (i.e. data from finance, transaction, customer service, sales, and so on). Such interdepartmental alignment when it comes to sharing customer data is vital for giving marketers a full picture of who they should be targeting and how they should be going about it. Perhaps even more surprisingly, only half of marketers buy

in external data to supplement existing customer segments and identify new possible targets. The half of marketers who are currently failing to do this are putting themselves at a huge disadvantage in terms of seeing future opportunities.

This is echoed in another piece of research produced by Avention, which found only 24 per cent of marketers believe they have access to the right data to do their job.^① Clearly, marketers understand the

need to address this with a further 51 per cent building towards having their data in order. But the current situation, where three quarters of marketers are being hampered in their use of data to at least some extent, suggests the industry is still very much catching up to the insights their data can supply.

^① *The Art of the Start - Avention Account Based Marketing survey 2016*



Forward-thinking failure

Inaccurate and inaccessible data, coupled with a lack of clarity in identifying existing or prospective customers, have consequences for marketers trying to look forward. For instance, respondents were readily able to identify the indicators they use for identifying their best customers: 1) annual spend 2) length of relationship and 3) estimated lifetime value (ELV). However, only half considered themselves very effective (24 per cent) or quite effective (27 per cent) in accessing the data to identify such indicators.

It's also notable that only one of the above factors is forward looking and involves predictive insights. In an ideal world, the ELV of a customer should be the most important indicator of a best customer

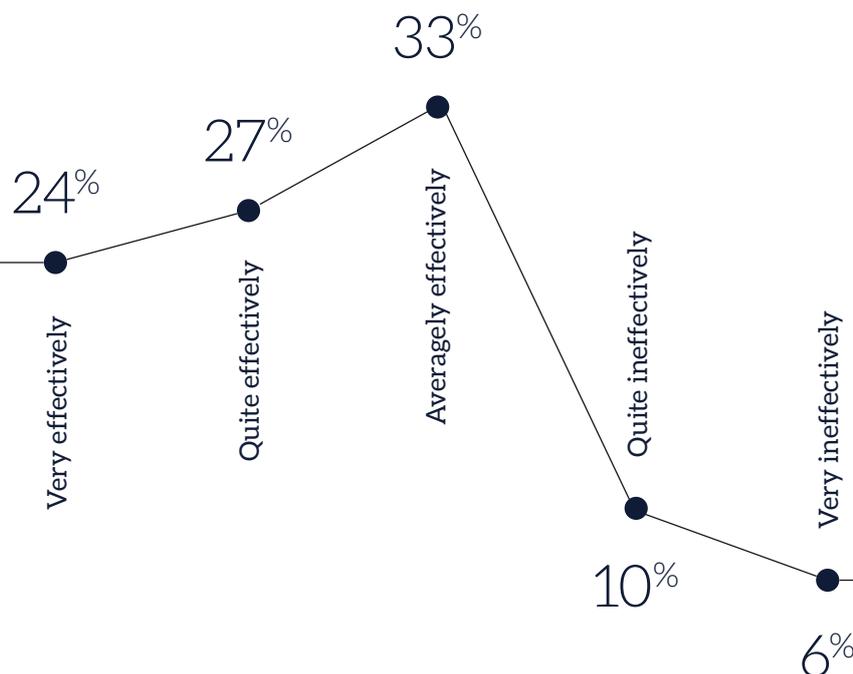
or prospect, as it is one of the most important factors allowing marketers to make their own strategic plans; annual spend and length of relationship can contribute to determining an ELV, but on their own are unlikely to be persuasive factors in marketing influencing business strategy at c-suite level. It's also surprising that hardly any marketers are looking at growth as an indicator: a mere five per cent of respondents selected 'expanding/hiring' as a top customer indicator. This is a missed opportunity, as it is an obvious business signal that a customer or potential customer is going to be looking to spend.

When the above concerns over data quality and access are taken into consideration, however, it's unsurprising that marketers are

largely unable to use predictive insights in their decision-making. This is echoed by independent research by Avention, which asked marketers to assess their effectiveness in gathering real-time updates on customer/prospect actions that represent a buying need: only 14 per cent claimed to be doing well in their category, with 41 per cent ranking their ability as limited or worse.^① Very similar numbers were seen when marketers were asked how quickly they were able to learn about new prospects or markets, with 43 per cent admitting they were limited in their ability or unable to do so, and only 14 per cent claiming competence.

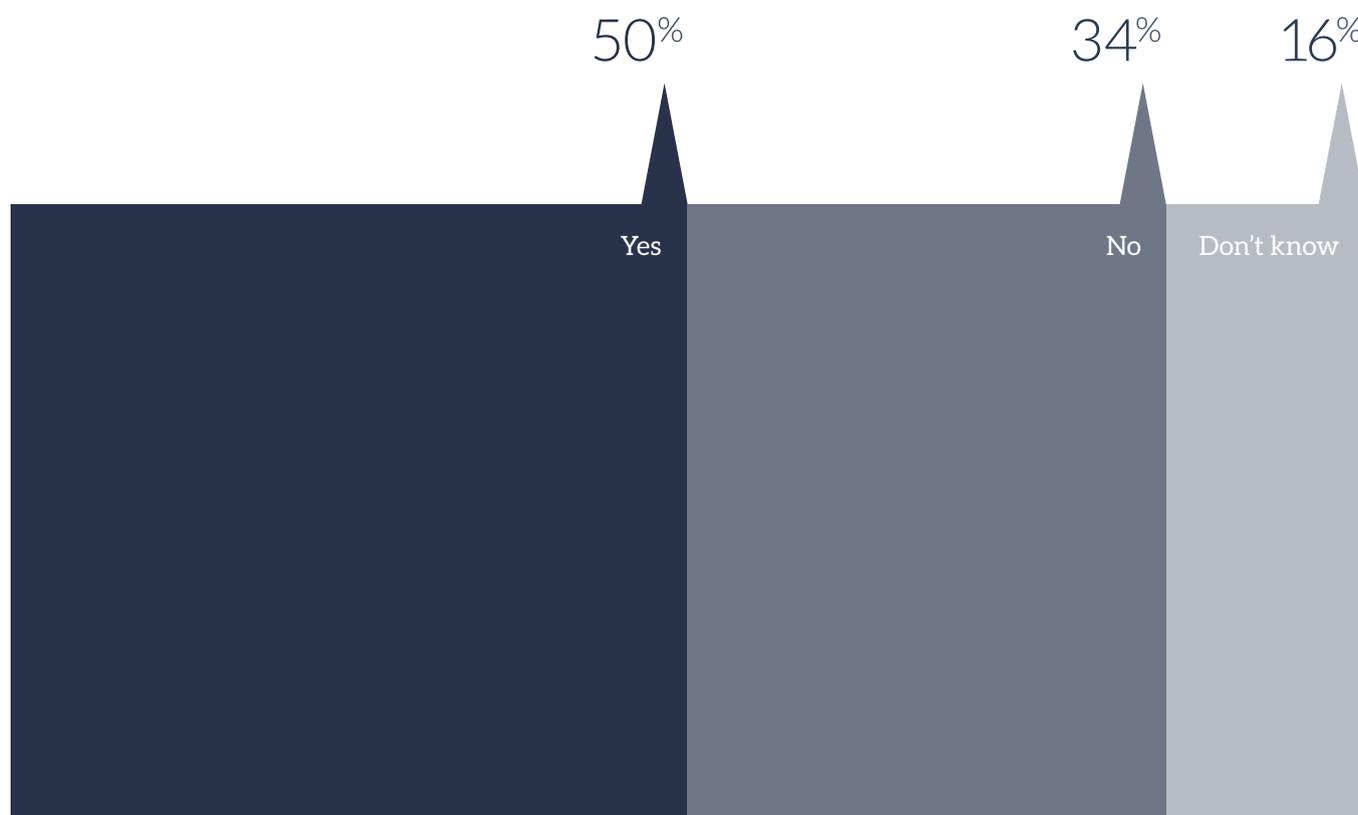
① *The Art of the Start - Avention Account Based Marketing survey 2016*

Q: How effectively are you able to access the data to identify the above indicators?



Forward-thinking failure

Q: Do you have a defined strategy for converting high-potential customers into 'best customers'?



This means that even when marketers are trying to get a picture of the market and make strategic data-driven decisions about customers and prospects, they are hampered. For instance, 59 per cent of

respondents said their organisation had identified a group of high-potential customers within their current customer base with the intention of turning them into 'best' customers. But within this group,

only half had a defined, data-driven strategy for such conversion. In other words, less than a third of marketers have a plan in place for increasing revenue from their high-potential customers.



Mindset change

Data-driven predictive insights are vital for marketers to ensure they are directing their resources and efforts towards customers and prospects who are going to deliver the greatest

value. This, in turn, increases the weight of the voice that marketing carries in influencing business strategy, as it demonstrably ties forward-looking market knowledge to strategic metrics

such as revenue, pipeline and growth. It is encouraging that 41 per cent of respondents feel they are moving towards this position, but clearly there is still some distance to travel.

Q: How confident are you in the ability of your marketing department to forecast the success of marketing initiatives?



- 9% Very confident
- 36% Quite confident
- 37% Neutral
- 15% Quite unconfident
- 3% Very unconfident

As a department, sales is still more likely to influence decisions about what customer and business profiles to target in the future and this is undoubtedly due to a lack of confidence in marketing's forecasting ability: under half of marketers are 'very confident' (nine per cent) or 'quite

confident' (36 per cent) in their ability to forecast the success of marketing initiatives, and over a half consider themselves 'average' or 'below average' when it comes to forecasting pipeline and revenue. Without the ability to say what marketing initiatives are likely to be successful or provide

accurate estimates on the influence of marketing strategy on pipeline and growth, senior management are unlikely to be swayed by the marketing department's assessment of which existing customers have the most potential and the best prospects to target.

Mindset change

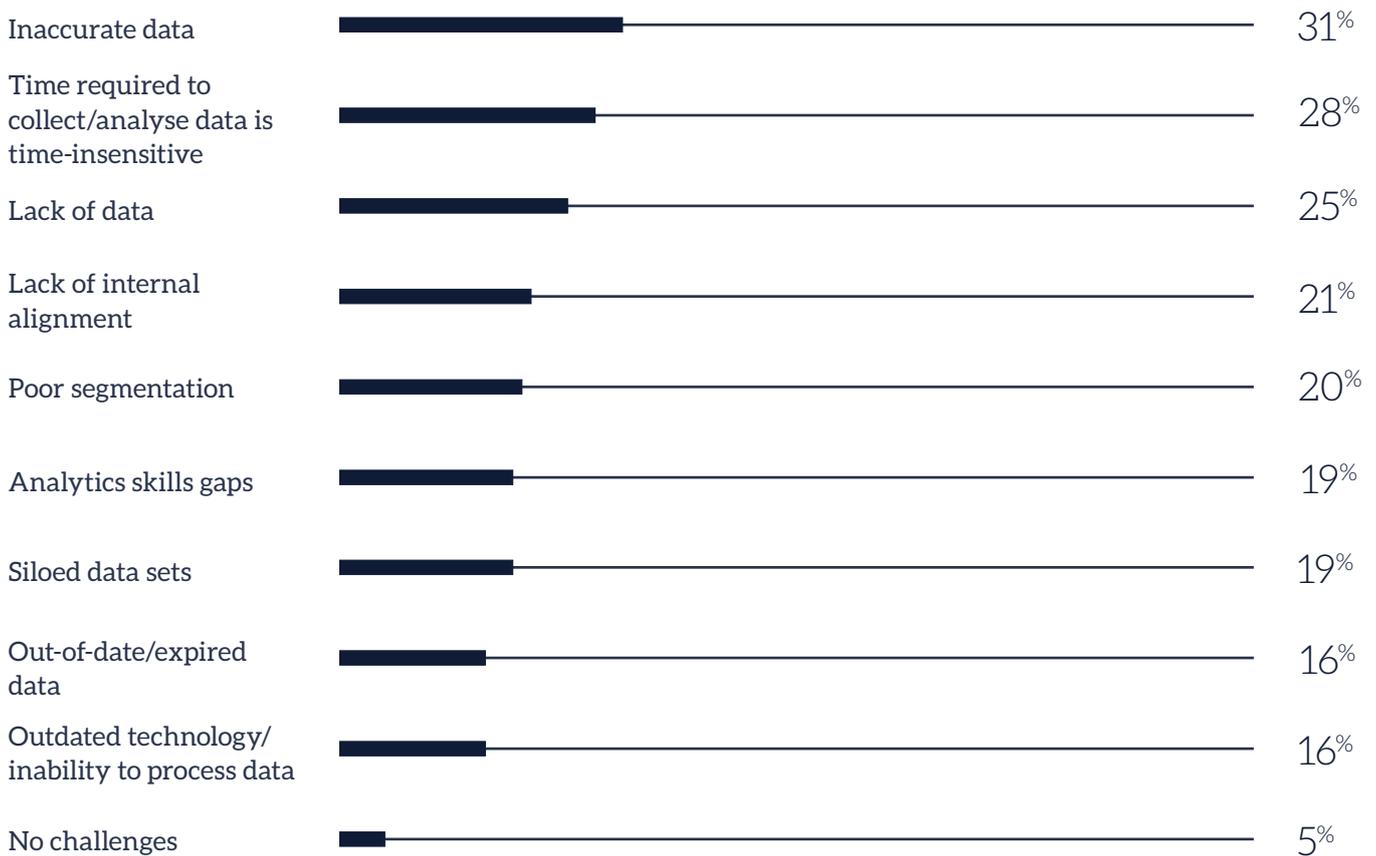
The good news, however, is that this is within the marketing department's power to change. Marketing is the department most likely to have responsibility for the upkeep and quality of customer/prospect data (40 per cent compared to the next highest, sales with 29 per cent), and it needs to drive the change of mindset which can lead to make better use of customer

data. To build a complete 360-degree customer profile, marketers need information from finance, customer service, IT, and especially sales.

This means even where marketers are not in control of company data, they can still drive forward changes by working with other departments to establish guidelines on what data

is needed by who, agree on expiry dates, deduplicate systems to stop customers being spammed, and break down information silos that prevent knowledge sharing. While this might not ever be totally, perfectly achievable, the goal of collating and reorganising data sets so they are available and useful to all departments will mean everyone is a winner.

Q: Please select the two biggest challenges your organisation faces in relation to customer/prospect data?



Mindset change

Over half of marketers are in the process of developing their organisation's ability to use prospect and customer data as a strategic asset, while 23 per cent already think they're

doing so. These are optimistic signs that marketers are getting up to speed with harnessing the power of predictive insights. Over the coming years, it's no exaggeration to say the key factor

differentiating the best from the rest will be those who most effectively embrace the ability to look forward, gather data-driven insights and influence business strategy accordingly.

Q: What single factor is preventing the marketing department from influencing future business strategy?

Nothing is preventing marketing influencing strategy

20%

Lack of marketing credibility with senior management

17%

Lack of credible forecasting data

14%

Lack of analytical data skills

14%

Insufficient understanding of markets and business potential

14%

Lack of ability to prove success

13%

Lack of tech investment

8%



The data, technology and tools that mean strategic marketing is ready for launch



Vicki Godfrey, CMO
Avention OneSource Solutions

It's a prospect that has tantalised marketing for a generation: the potential for customer data, intelligence and insight to combine in ways that allow us to predict revenue and growth opportunities. While limitations to technology and access to data have prevented marketers from realising this achievement, new advances are enabling marketers to be more strategic than ever before.

The results from this survey revealed over half of B2B marketers believe that making data strategic was a priority for their company. At Avention, we think there are two primary factors driving this move towards more strategic market planning: easier access to data and more advanced technology, both of which allow a more informed, focused approach to decision-making.

The data and technology mix

While I hesitate to introduce the often over-hyped topic of big data here,

it's clear the promise of harnessing near real-time information, combined with more traditional sources, can revolutionise marketers' ability to drive strategy.

But this data is only useful if it can be accessed, visualised and interpreted to deliver insight that's immediately actionable in the real world. The technologies, tools and applications to do this, and do it easily, are now a reality.

Today, online tools can combine internal and external data with a vast array of predictive insights, such as whether a business is entering new markets, opening new facilities, hiring new executives or experiencing rapid growth. All of this puts power in marketers' hands to use the right data to develop the right strategies.

One example is [Avention's OneSource DataVision](#) platform,



which combines global data from over 100 sources to give marketers the ability to access greater insight about existing accounts, identify look-alike prospects, target key decision-makers, and act on triggers and predictive business signals.

Putting it into practice

So, what does this convergence of data sources and technology mean for a strategic marketing approach? One of the most significant developments we're seeing is the rise of account-based marketing (ABM) as a core element of organisations' marketing strategies. ABM is nothing new, but with data and technology having finally caught up, the concept is gaining traction.

In a separate [survey of over 100 global marketers](#),^① 90 per cent said they see ABM as relevant to their businesses and 86 per cent are confident it will drive growth. This confidence is well placed, with MarketingProfs reporting that companies using an account-based approach generate 208 per cent more revenue from their marketing efforts.

Most people don't talk about it, but data really is the foundational building block and necessary fuel for any account-based strategy. Without the right data, your decisions will be based on guesses or half-truths. And the data I'm talking about isn't just data in your CRM or marketing automation system. Nor is it just external data. It's the combination of internal and external data, analysed, and presented in a way that's easy to understand, making ABM something that's feasible.

There are hundreds of questions you should be able to ask yourself about your own particular market using this combined internal and external data, including 'what technologies are in use?' or 'are they under new leadership?' All of these characteristics can be mapped to accounts to help you understand which companies are more likely to buy your products. This is where a data partner like Avention comes in; we can provide the insights that allow marketers to make the correct account selection decisions.

With target accounts selected, you can move on to realising potential, first by validating the targets you have identified, mapping contact coverage and assessing the extent of account penetration to date. Then you can identify the most relevant and effective contacts based on function and role to ensure you have the right coverage for growth.

Now we really get down to business, by adding depth to the insight created by your account map. This can include financial information, employment data, the technologies your target uses, key recent business events, company expansion or diversification, other companies in the group and purchasing intent information. As well as company data, you can harness understanding of contacts, with comprehensive address data (email/phone/mobile/social media), seniority and how long they have been at the company.

Combining these approaches will allow you to build a strategy that results in relevant, timely campaigns and messaging to engage your targets. When you look at the boost

Without the right data, your decisions will be based on guesses or half-truths

that data-fuelled ABM brings, it makes you wonder how you ever marketed without it.

Ready for launch

This Avention survey shows just over half of marketers are starting or piloting ABM strategies, with another 21 per cent planning to in the next six to 12 months. This means there is a tremendous opportunity for marketers to finally use their data as a strategic asset and to understand markets and segments in rich detail, to identify and predict growth and revenue opportunities.

I've spoken before about the phenomenon of '[data paralysis](#)' acting as a drag on marketing's evolution into a powerful business decision maker. But access to internal and external data, combined with the technologies that drive insight, shows data is now energising our industry. Strategic marketing insight is ready for launch.

① *The Art of the Start - Avention Account Based Marketing survey 2016*



About

B2B Marketing

B2B Marketing is the comprehensive information resource for B2B marketers. Its mission is to provide practitioners with the information they need to perform better and achieve more, whatever sector of the B2B space they are operating in.

Launched in 2004 as *B2B Marketing* magazine, it has since evolved into a multi-faceted resource, delivering a broad range of content in a variety of different forms and formats.

Its key products are:

- Online community
- Magazine
- Awards
- Research and reports
- Training
- Events
- Membership

For more information on any of these products or services go to b2bmarketing.net or call +44 (0)20 7014 4920.



B2B Marketing

Avention

Avention, Inc., maker of OneSource Solutions, delivers smarter insights to help businesses get a deeper understanding of company, contact, and market data. With a unique combination of strong data aggregation, analytics-based applications, and live content updates, Avention provides accurate, timely information to drive growth and improve productivity.

The Avention OneSource Solutions delivers customers a comprehensive view of their data so they can make more informed business decisions, stay ahead of the competition and close more deals.

Headquartered in Concord, MA with offices across North America, Europe and APAC, Avention has nearly 4000 customers worldwide.

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