



2018 B2B

MARKETING MIX REPORT

SAGEFROG MARKETING GROUP

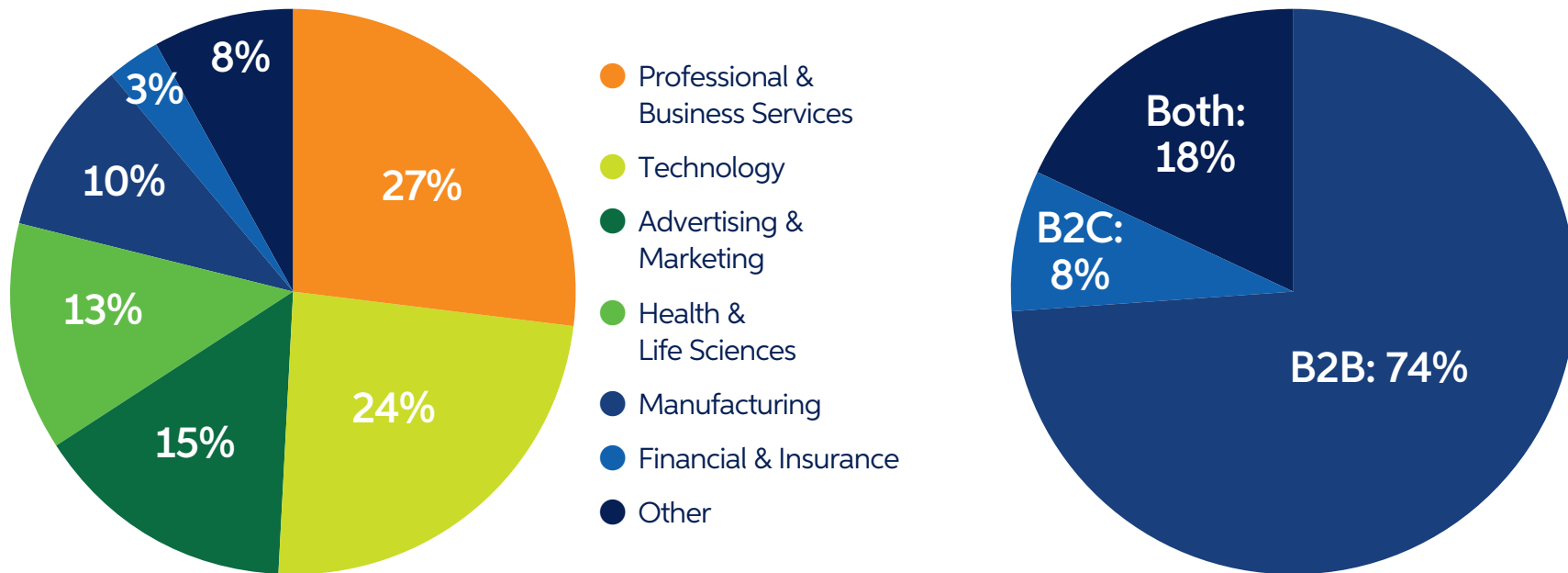


Now in its eleventh year, the B2B Marketing Mix Report by Sagefrog Marketing Group compiles data from a survey of B2B marketing professionals in healthcare, technology and business services industries.

This report serves as a strategic planning tool to help marketing professionals optimize their marketing programs through emerging and competitive trends to maximize marketing ROI in the year ahead.

A majority of those surveyed work for B2B companies, with one in five also serving consumers.

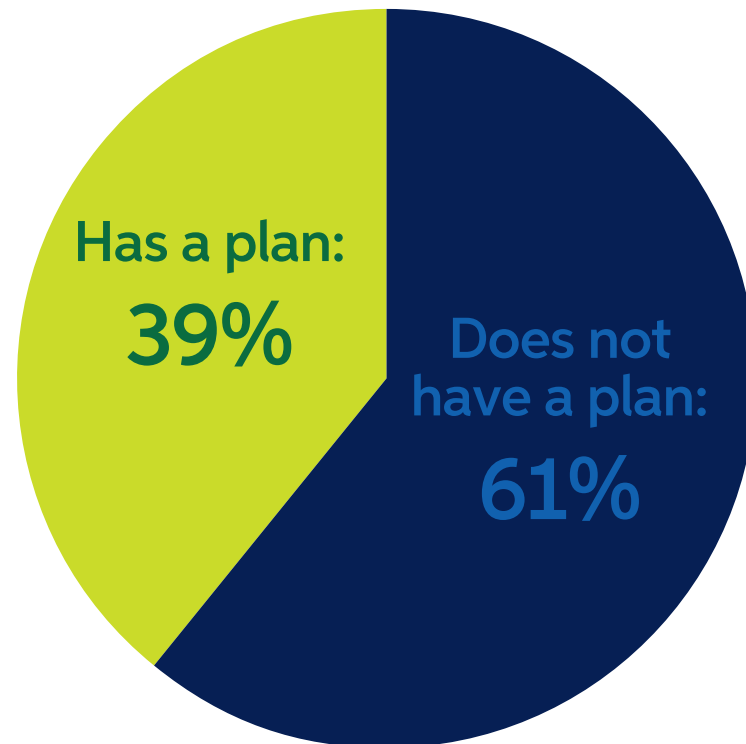
Who We Surveyed



Over half of businesses lack a formal marketing plan

Without a strategic marketing plan in place, B2B companies lack insight into their industry landscape and actual market opportunity, which can greatly reduce the impact of marketing.

A formal marketing plan is vital to an effective marketing strategy and can remain a rigid or flexible document depending on your capabilities and industry needs. In addition to establishing marketing priorities, a solid plan sets SMART goals that help you reach your company's long-term goals.



“Marketers tasked with building B2B brands – especially small businesses – can’t afford to ‘wing it’ in 2018. Having a documented marketing plan, complete with market research, is the foundation for success because it carves out your market opportunity to direct your marketing to the white space.”

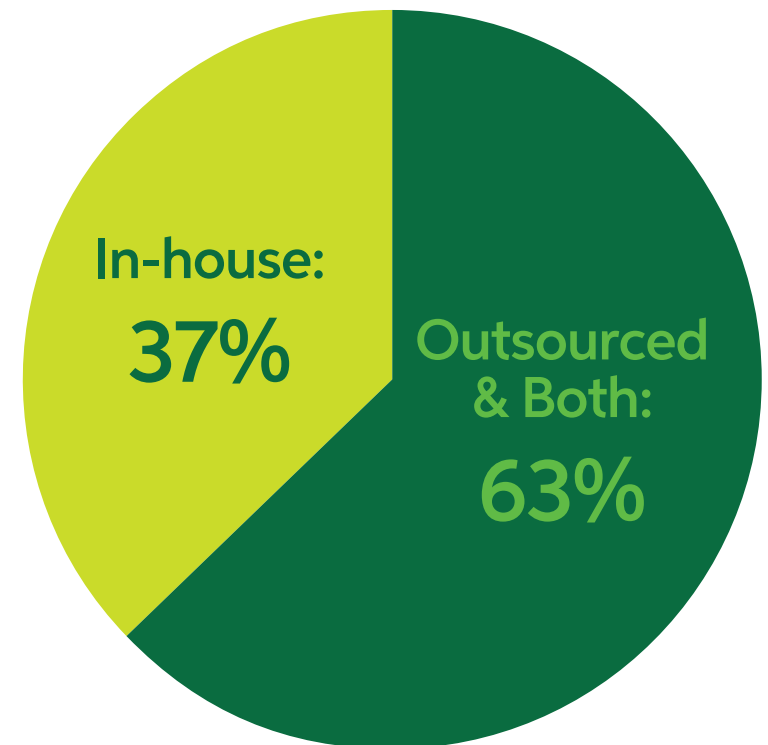
— Mark Schmukler, Co-founder & CEO at Sagefrog

Nearly two-thirds of businesses outsource their marketing

A majority of B2B companies outsource at least some marketing, with about a fifth of these companies granting full management of their marketing program to an agency. Those that utilize the marketing capability and capacity of an agency often see greater results than when managed in-house.

Professional marketing services combine specialized industry expertise with premium platforms, tools and tactics as well as dedicated skill in branding, copywriting, public relations, creative design and marketing planning and execution.

The percentage of B2B companies that outsource has grown since last year, according to data from the 2017 Marketing Mix Report.



“The best marketing agencies take time to get to know their clients and industry landscape so they can capitalize on the white space that exists. This, in addition to dedicated marketing capability and capacity, is what makes agencies the most effective choice for most B2B companies.”

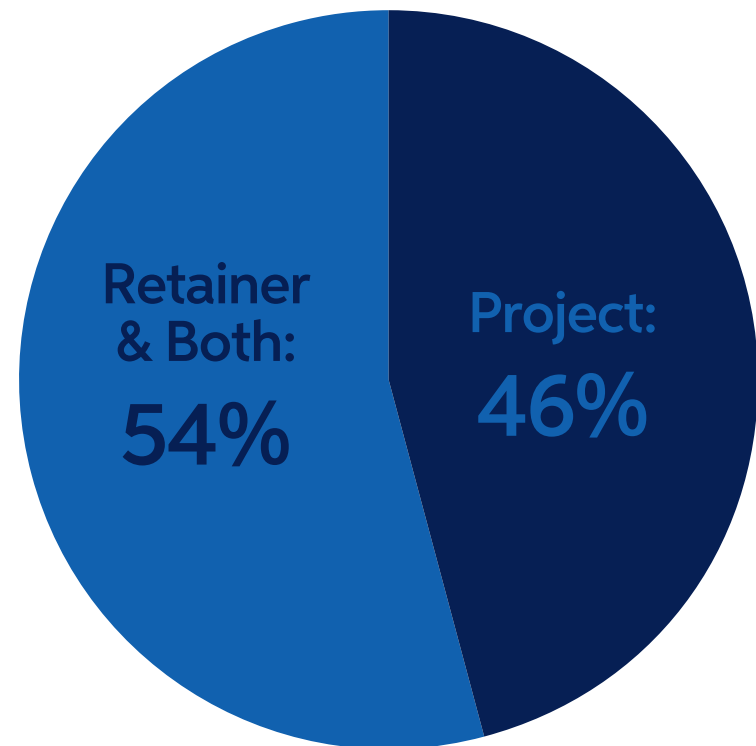
— Suzanne Morris, Co-founder & Creative Director at Sagefrog

Over half of all outsourced marketing is executed via retainers

To set forth a consistent brand identity across all marketing channels, many B2B companies have retainer agreements with their marketing agencies. **While project work is an effective way to execute branding, websites and collateral, retainers provide an ongoing and flexible way to manage programs.**

20% of survey respondents said they outsource their marketing through both retainers and project contracts. Oftentimes this means a company will engage an agency for a brand strategy or website and then continue the partnership through a retainer that supports an integrated marketing program.

More companies are utilizing retainers to better regulate marketing results and form a lasting partnership with their marketing agency.

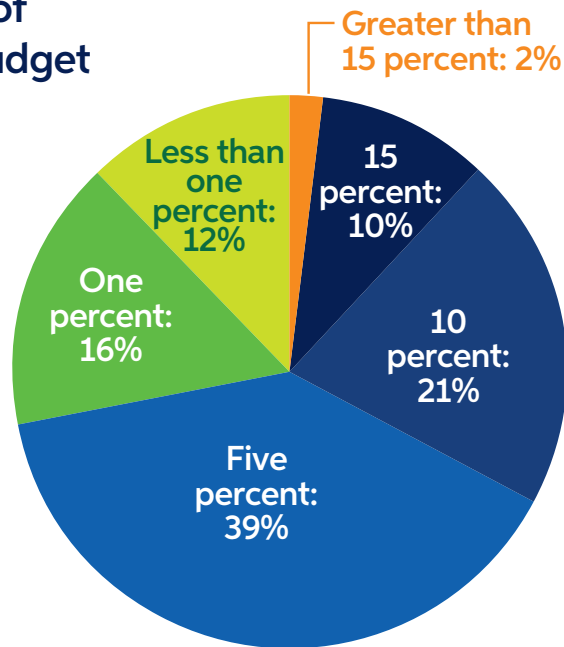


One-third of B2B companies spend 10% or more of their company budget on marketing

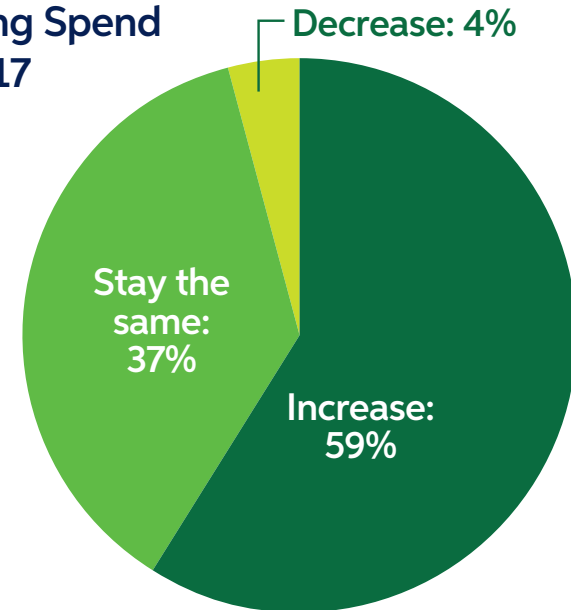
As more executives and sales teams recognize the need for brand awareness and lead generation – and as the demand for skilled marketing professionals grows – companies are allocating more money to their marketing departments and increasing marketing spend year over year.

Most marketing plans can increase website traffic and leads, but only the proper investment can ensure that the traffic is relevant and the leads are qualified. **A marketing budget should be suited to the size of your company and the quarterly goals you set and be optimized based on the tactics that bring the most ROI.**

Percentage of Company Budget Allocated to Marketing



Change in Marketing Spend from 2017 to 2018



B2B marketers spend big on event marketing and digital tactics

Even with the steady climb of inbound marketing strategies, B2B professionals are still making large investments in traditional methods such as event marketing and print advertising. This year, 53% of those surveyed said tradeshows and events were a top area of marketing spend.

B2B companies also know the importance of web presence in the age of IoT, which is why they are spending more of their marketing budget on building up a digital presence through web development and other online tactics such as search engine optimization (SEO) and search engine marketing (SEM).

Top Areas of Marketing Spend

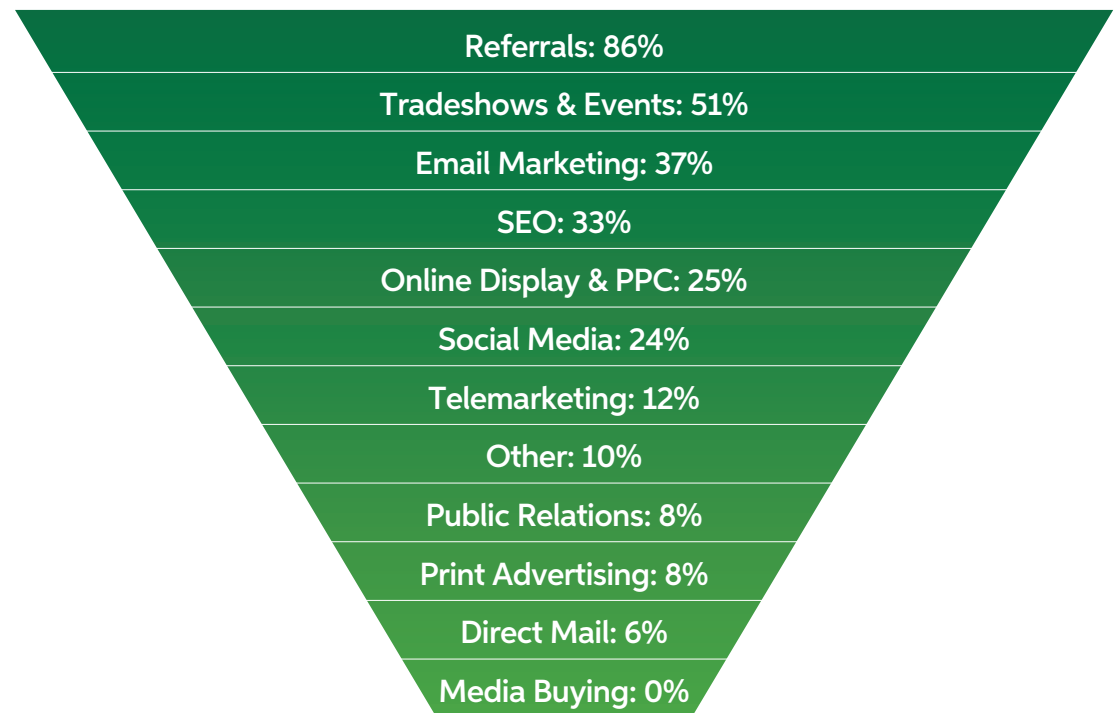


Referrals are the largest source of qualified leads in B2B

An overwhelming majority of marketing and sales professionals attributed their 2017 leads to referrals – a powerful source of new B2B clients. Budget set aside for hands-on industry events also paid off, with 51% of survey respondents naming tradeshows and events a top source of leads.

To obtain experience-based, reputation-based and specialization-based referrals, create a referral marketing strategy that optimizes the presentation of your brand to potential clients. Build brand awareness by showcasing your company's unique value, success stories and industry expertise.

Top Sources of Sales and Marketing Leads



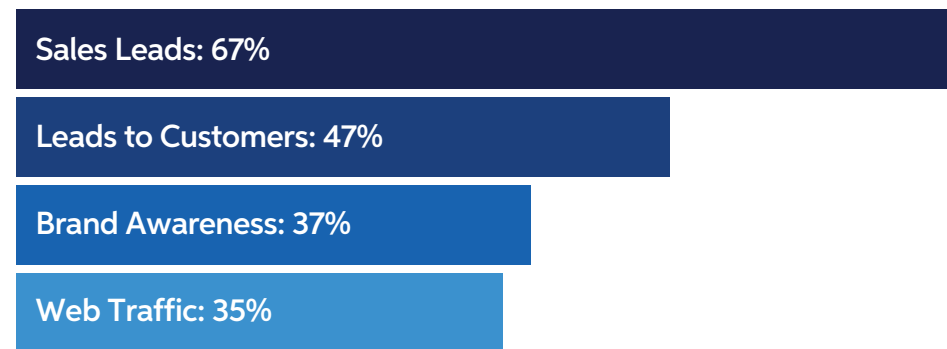
Increasing leads for sales teams is today's most important marketing objective

Most marketing professionals across B2B and B2C markets place a greater importance on growing sales leads over marketing leads. This means that **marketing teams are tasked with generating marketing qualified leads (MQLs) and bringing them through more of the funnel until they become sales qualified leads (SQLs). Our survey results underscored the confusion in modern B2B companies.**

Converting leads into customers was the second most important objective for marketers – another multifaceted task that has historically fallen on sales professionals. The lines between marketing and sales are blurred, but to combat role confusion, B2B companies should align both teams under one goal and clearly define lead scoring and handoff procedures.

Top 2018 Marketing Objectives

HIGH PRIORITY



OTHER PRIORITIES

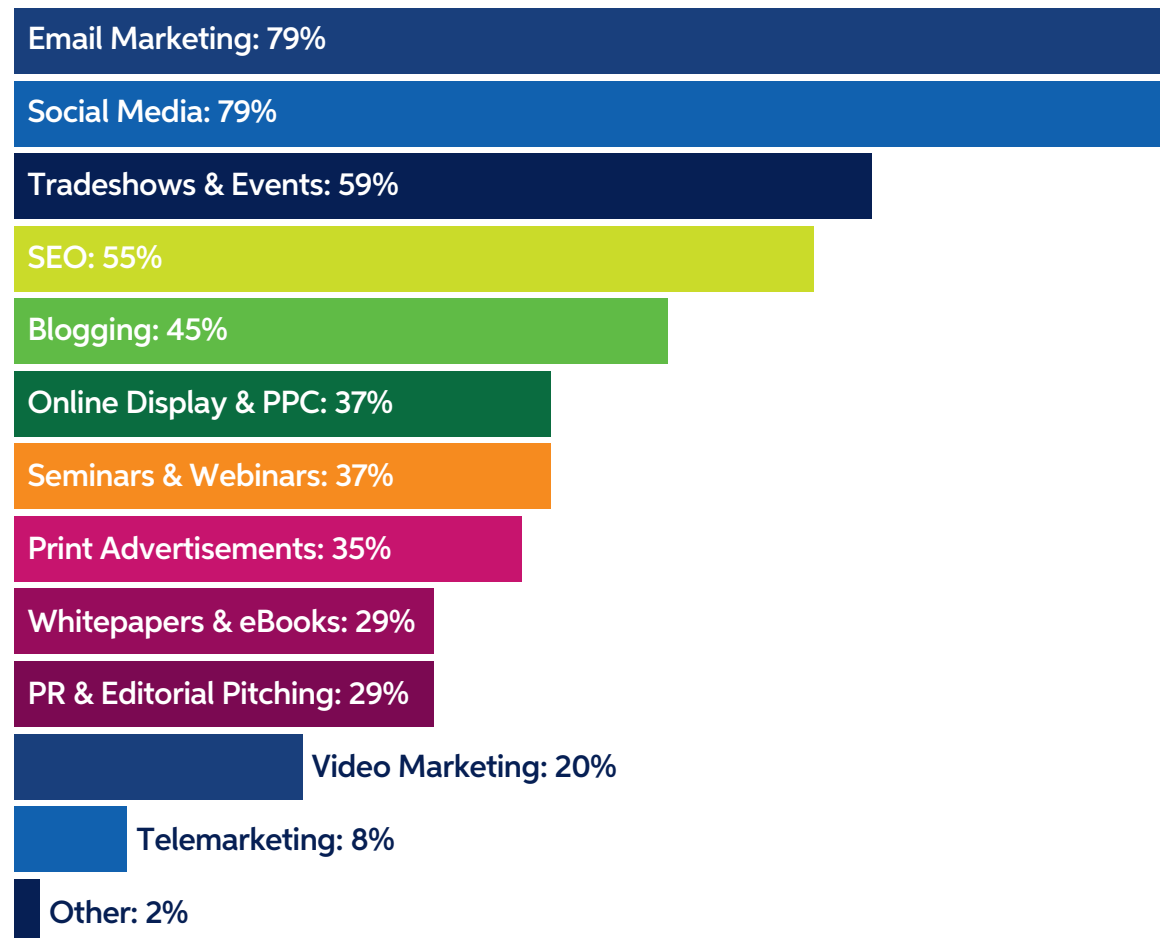


Social media and email marketing are standout marketing tactics

What do marketers spend their time on every week? Data shows most are creating and sending emails, maintaining a presence on social media and participating in industry events.

Digital marketing channels will always remain popular, but survey results show marketers still implement print advertising and public relations to engage with audiences.

Most Implemented Marketing Tactics

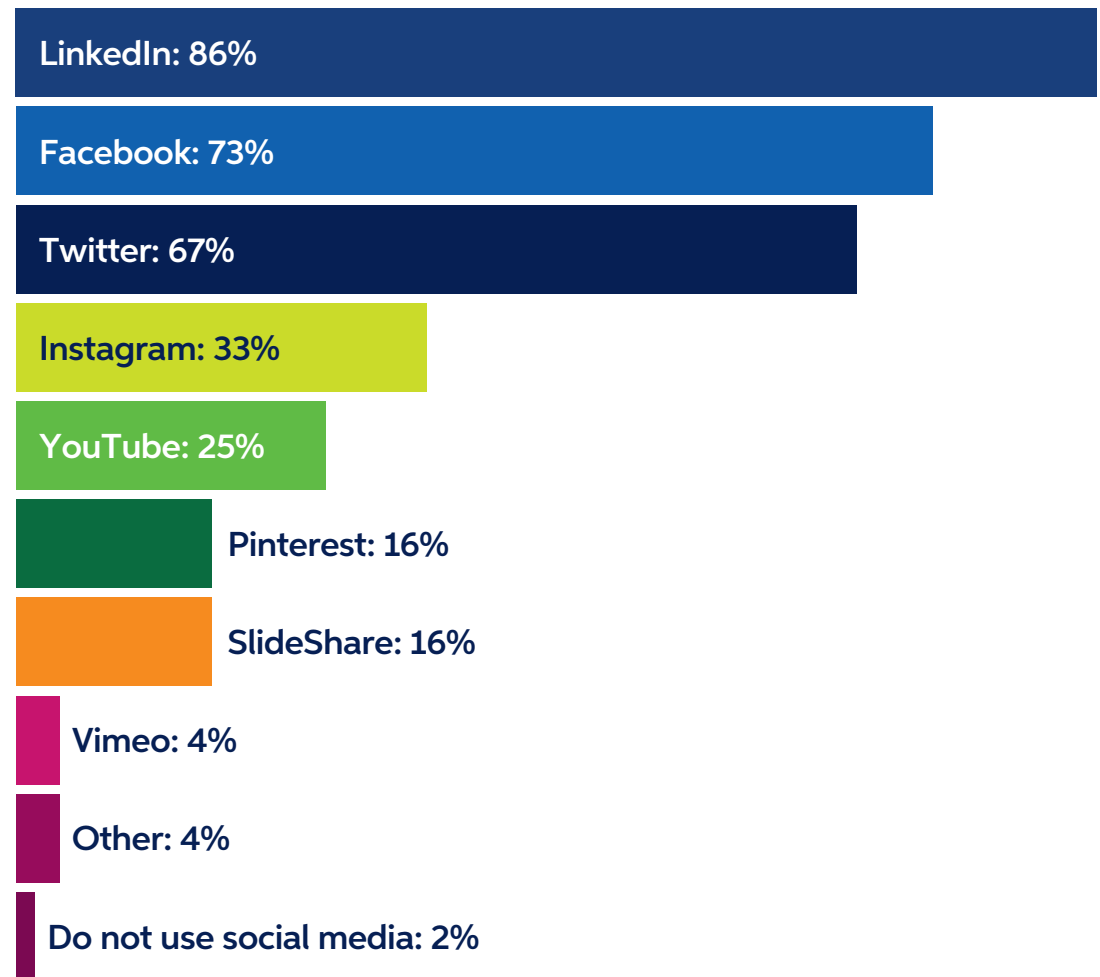


LinkedIn is on top of the B2B social media pyramid

Almost all of the B2B professionals we surveyed turn to LinkedIn to promote their brand and make connections with potential customers. Because the platform has held onto its status as a professional channel, it has become a hub for B2B companies looking to attract leads through thought leadership and paid advertising.

Although the B2B community has found its social channel of choice, social media marketing does not hold a high importance in today's marketing plans. Still, maintaining fresh feeds on all active profiles is vital to demonstrating relevance and availability to audiences.

Most Used Social Media Websites



What B2B marketers can do with the 2018 Marketing Mix Report

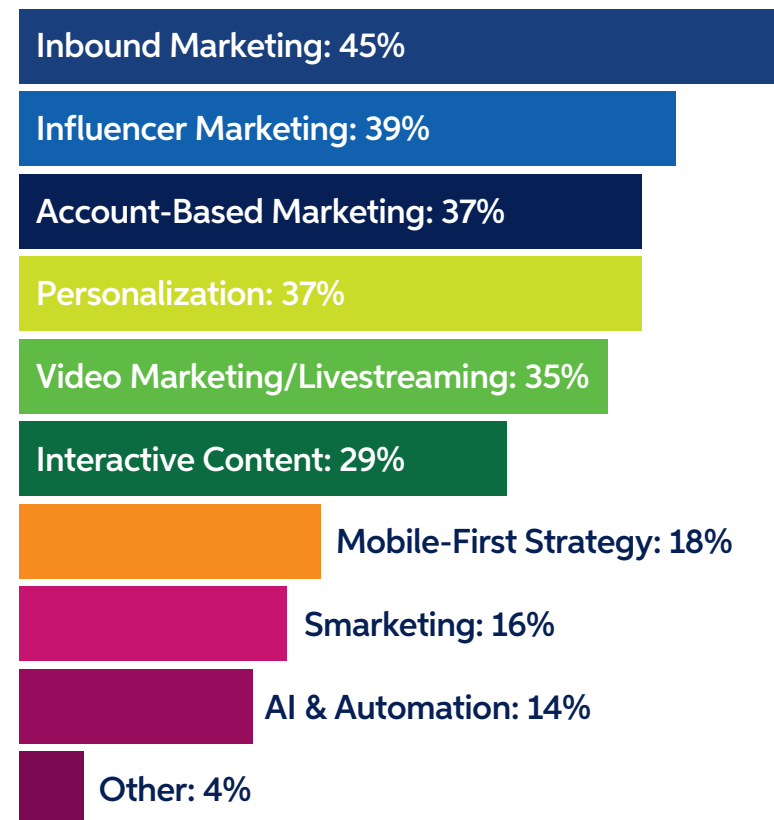
Data is useful, but what we do with it is most important. Use the findings from this year's Marketing Mix to bolster your own research on marketing trends, spend allocations and popular tactics. Then compare everything you've learned to your own marketing plan to learn how you stack up in your industry.

Figuring out what works best for your B2B company may mean optimizing existing tactics, testing new ones or staying on top of trends to beat out your competitors.

See how your marketing strategy measures up to those of the marketers we surveyed and be prepared to adjust your program to maximize your reach and start making valuable, real connections with qualified leads.

Here's to a productive and successful 2018!

Trending Topics for Marketers in 2018



About Sagefrog Marketing Group

Sagefrog Marketing Group is a top ranked B2B marketing agency with specialties in healthcare, technology and business services. With offices in Doylestown, Princeton and Philadelphia, Sagefrog is dedicated to accelerating client success through brand building and integrated marketing services. Sagefrog's service offerings include branding, digital and content marketing, public relations, social media and traditional tactics. Its proven process JumpStart™ integrates the strategy, tools and programs needed to unlock the potential of B2B companies.

Contact us to put the insights from this report into action for your company.

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