

TOPLINE REPORT



**B-to-B Marketing in 2009:
Trends in Strategies and Spending**

**A report on findings from a study conducted by
MarketingProfs in conjunction with Forrester Research**

B-to-B Marketing in 2009: Trends in Strategies and Spending

Executive Summary

Overall, the findings from this study suggest that the economic situation has accelerated the pressure on B2B marketers to (a) reduce spending, (b) gain experience with new media as part of an integrated marketing program, and (c) focus efforts on a narrower segment of their target markets.

Key Findings:

- **Budget reductions are expected** – In terms of their budget expectations for the coming year, marketers at the end of 2007 were more likely to anticipate increased spending; this expectation has been replaced at the end of 2008 by an outlook rooted in the realities of an economic crisis. Anticipated increases often failed to materialize in 2008, and marketers are far more likely to expect budget cuts in 2009.
- **Marketers are sharpening their focus** – In coping with the effects of reduced budgets, the majority of marketers indicate they plan to direct their activities to a more selective target audience. This is consistent with findings regarding increased usage of Web 2.0 tactics, as many of these tactics lend themselves much more to “one-to-one” communication and can therefore be very specific to their audiences.
- **New media are on the rise** – Digital tactics, both Web 1.0 and 2.0, have generally held claimed usage levels while traditional media have declined. With company websites and email marketing (both Web 1.0) approaching saturation levels in terms of usage, attention is now shifting to interactive/social media. While some of these tactics are still in their infancy (in terms of marketers’ experience with them), as a group they are growing rapidly (off a small base) and beginning to share prominence with more traditional tactics.
- **Emphasis is particularly strong for Search Marketing, Webinars, Email and Company Web Site** – Marketers most often cite these tactics among those slated for budget increases; they also see these tactics as having increasing effectiveness; and they expect these media to be more important in the 2009 marketing mix.

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Executive Summary (continued)

- In some cases, traditional tactics still hold strong for reported effectiveness – Executive Events and Inside Sales are highly regarded as effective tools for lead generation, as was observed in 2007. TV Advertising and Public Relations garner top ratings for effectiveness in generating brand awareness, although the proportions indicating that they are each highly effective at this marketing objective have fallen off in the last year.
- **Digital and traditional tactics are being woven into an integrated marketing program** – Traditional media still represent the largest share of budgets in most cases, suggesting that new media are mostly being integrated into the mix rather than totally displacing traditional approaches. Because web-based media have a lower apparent cost, we suspect that reduced budgets are driving the shift away from [more costly] traditional media and toward [less costly] new tactics.

Implications:

The trend toward adoption of digital tactics, which started before the economic crisis, has been accelerated by the need for B2B marketers to “do more with less” in the current environment.

With a heightened focus on select targets, reduced budgets, and new media in the mix, we would expect that marketers will be faced with a few new challenges:

- **An increased need to measure and track effectiveness** of all marketing tactics and strategies to identify the optimum mix on an ongoing basis. The demand for both marketing effectiveness and efficiency will likely increase in the coming months, probably to a greater extent than ever before.
- **The opportunity to leverage a deeper understanding of customer needs**, afforded by the application of interactive/social media.
- **The need to explore and learn from best practices for tactical implementation**, as marketers continue to integrate traditional and digital tactics into their overall marketing mix.

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Research Objectives

MarketingProfs and Forrester Research teamed up for the second consecutive year to update insights and trends in B2B marketing with respect to budget and marketing mix allocations. By updating results observed at the end of 2007, we planned to observe shifts that had occurred since that time to provide updated guidance to organizations facing their own marketing planning decisions.

In addition, we sought to compare the results from both years to measure and assess the effects of the changing economy on marketing strategies and budgets in 2009. Our overall goal was to begin to assess the early effects and implications of the changing economy on the marketing variables that will affect B2B marketers for the next several years.

Methodology

In late 2008, Marketing Profs and Forrester Research recruited marketing executives and other management professionals from the MarketingProfs database of more than 300,000 individuals and the Forrester business-to-business panel. 656 respondents were surveyed on a number of issues and questions related to current and anticipated marketing strategies, tactics, budget, attitudes, and administration, as well as current and predicted changes in response to economic conditions.

The data collected are compiled in this report and compared with those gathered in late 2007 via a similar survey instrument. In analyzing both study waves, we came across several changes in both the data and the survey instrument that may impact analytical interpretation:

- The 2008 results indicate a larger representation of small companies than 2007, potentially impacting other aspects of the overall respondent profile, as well as observed attitudes and budget allocation decisions. Some of these possible effects are raised in this report; a larger report due out later this year will seek to address the impact on study outcomes in a more in-depth manner.

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Methodology (continued)

- Some questions varied in wording between the two waves of the study. For example, the current wave queried respondents on some tactics which had not been specifically identified in the 2007 survey (e.g., Virtual Trade Shows, Company Web Site and Discussion Forums/Social Networking). Therefore, we are not always able to assess valid comparisons between years and have noted analytical adjustments in the report.
- Because Virtual Trade Shows and Discussion Forums/Social Networking were added as tactics studied, the definition of “Other Web 2.0 Media” changed for some respondents from what it was in 2007. Therefore, year-to-year comparisons for this aggregate cannot be made.

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RESPONDENT PROFILE

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Survey Participants

The composition of participants spans a wide spectrum of industries and company sizes, as detailed on the following pages. Small companies (i.e., those with less than \$20 million in annual sales) represent 46% of the respondent base, while those with annual sales exceeding \$1 billion represent 12%. This is a significant shift from the respondent base last year, when small companies represented 35% and those with \$1 billion in sales represented 24%.

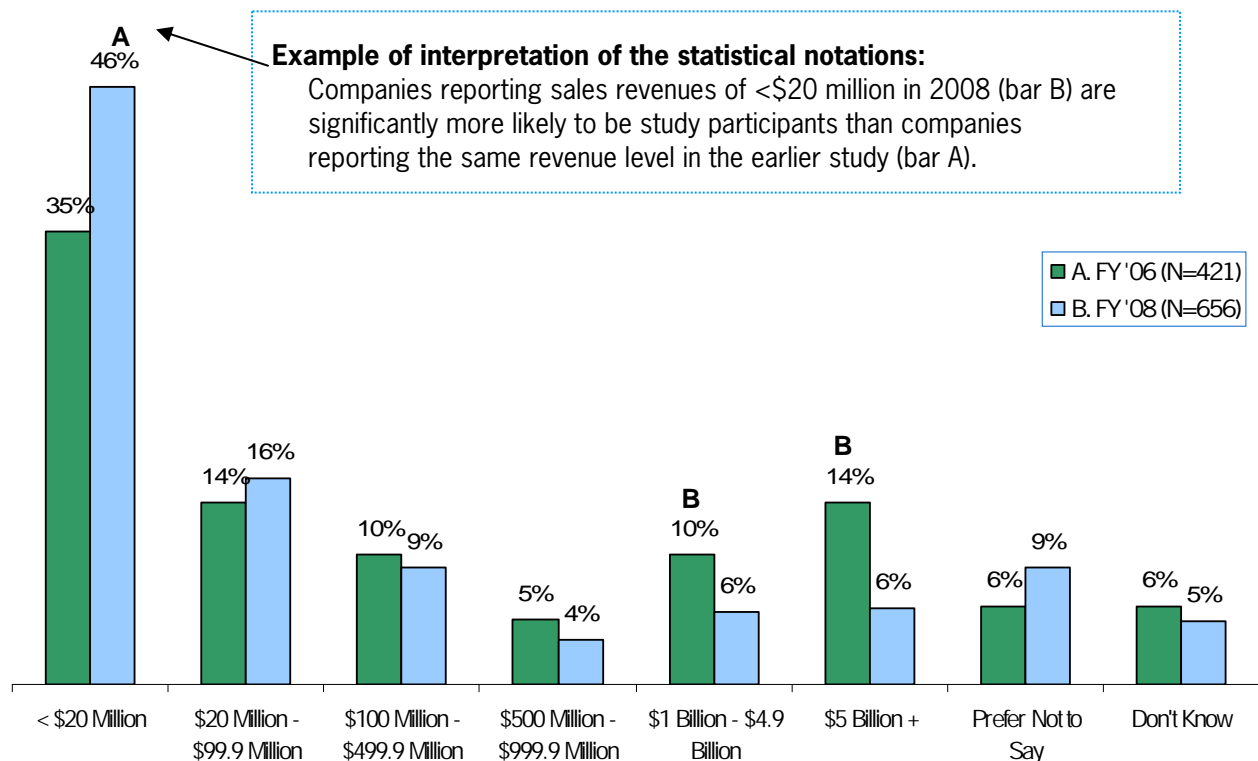
Related, at least in part, to the shift in the respondent base (by company size), 62% of respondents report marketing budgets under \$1 million, compared to 40% in the previous year.

The majority of respondents are in professional services (32%) or high-tech products manufacturing (24%), distribute their products exclusively through direct channels (48%) or some combination of direct and indirect (46%), and are involved in B2B marketing exclusively (49%) or primarily (28%). The majority (82%) also indicate that they are in senior marketing positions.

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Current Revenues¹

While survey respondents represent organizations of all sizes, small companies (<\$20 million) account for the largest segment of survey participants at 46%, a sharp increase over the segment's presence in last year's study (35%). In contrast, just 12% represent companies with fiscal year revenues surpassing \$1 billion, a significant drop from 24% about one year prior.



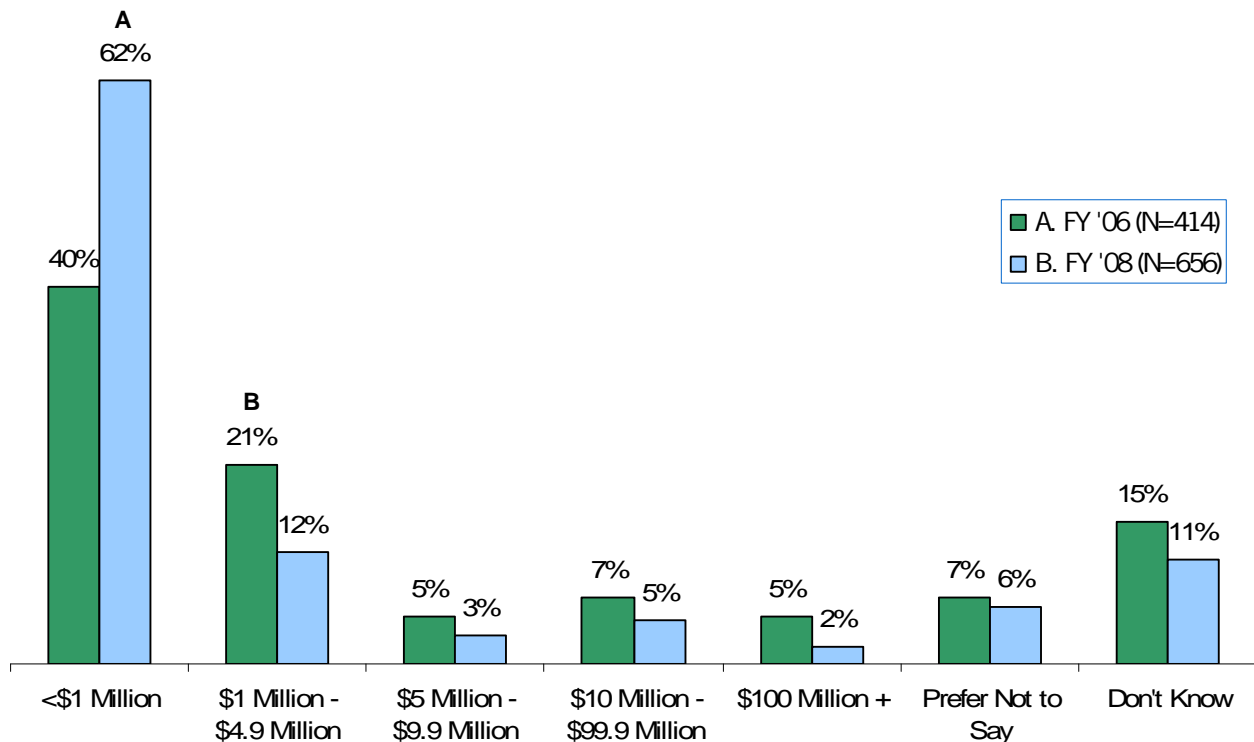
Data statistically tested at the 95% level of confidence: A/B

¹ Note that in 2007, this question concerned the prior fiscal year.

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Marketing Budget²

Companies with small marketing budgets dominate in terms of study participants, with 62% reporting a budget of under \$1 million, a significant increase from 40% last year. 12% report a budget which is slightly larger (\$1 million to \$4.9 million), a decline from 21% at the end of 2007. The greater presence of companies with smaller budgets may be related, at least in part, to a greater representation of small companies.



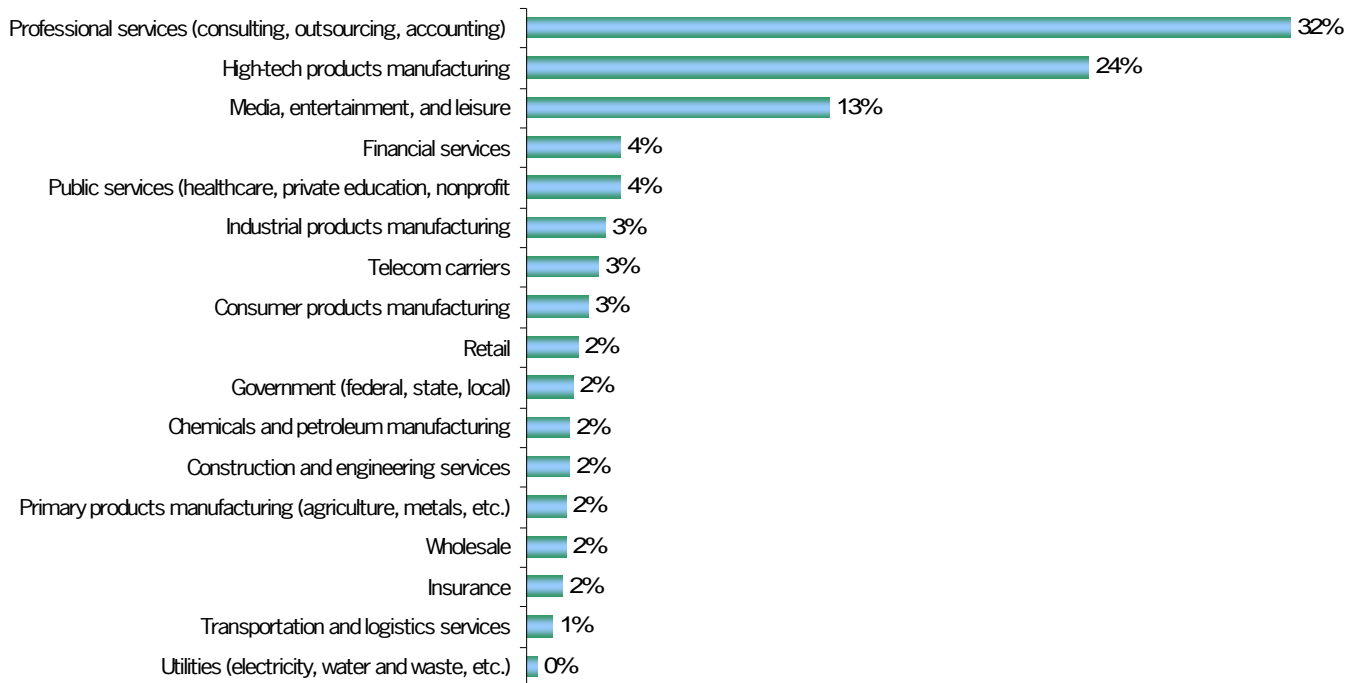
Data statistically tested at the 95% level of confidence: A/B

² Note that in 2007, this question concerned the prior fiscal year.

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Industry Group

Respondents represent a broad range of industries, with particular concentration in professional services (32%), high-tech products manufacturing (24%), or media, entertainment and leisure (13%). No other sector is represented by more than 4% of respondents.

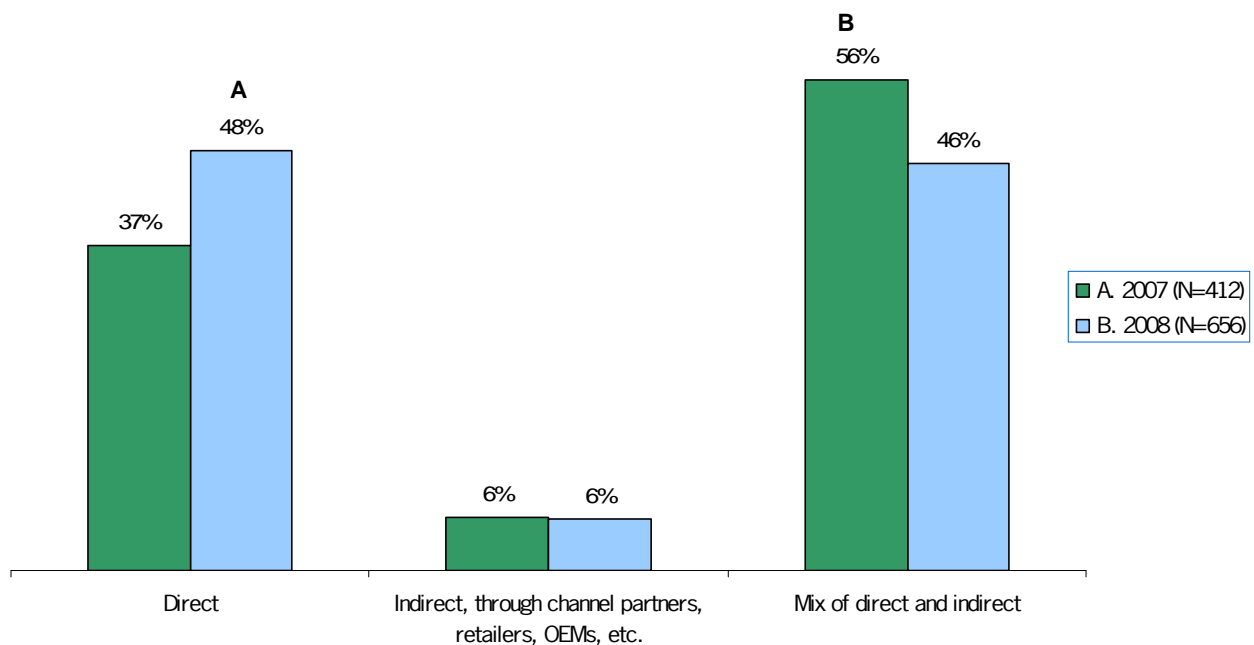


Total = 656 respondents

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Primary Distribution Model

Organizations that distribute exclusively through direct channels (48%) and those that use a mix of direct and indirect (46%) are nearly equally represented among 2008 study respondents. The current data, though, represent a shift toward companies exclusively using direct channels, increasing significantly from 37% in late 2007 to 48% in 2008. A very small proportion relies primarily upon indirect channels (6%), and this proportion is similar to that observed last year.

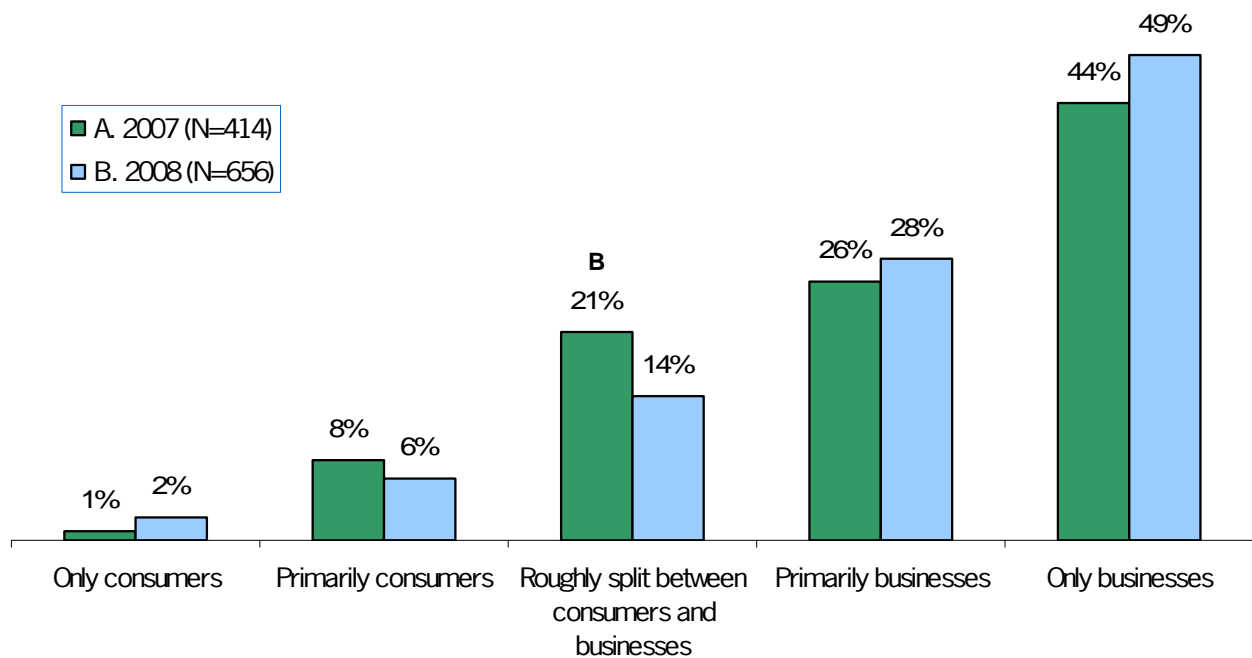


Data statistically tested at the 95% level of confidence: A/B

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Customer Focus

The main target market focus for most respondents is in the business-to-business arena, with 49% focusing exclusively on businesses and an additional 28% indicating that this is their primary focus. 14% sell to a mix of businesses and consumers, down significantly from 21% last year.

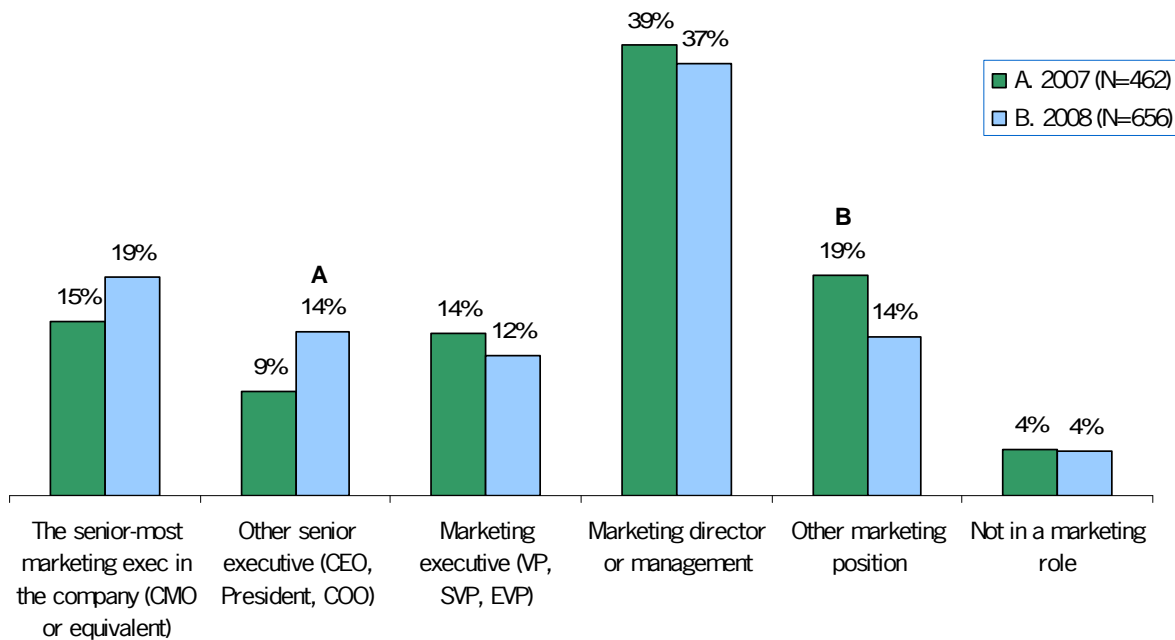


Data statistically tested at the 95% level of confidence: A/B

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Respondent Title/Position

Most respondents are in upper-level marketing positions, with 37% in the role of Marketing Director or Manager, 19% in the senior-most Marketing Executive position in their company, and 12% identifying themselves as Marketing Executives. 14% are in an executive position, although not necessarily within a marketing role. This overall position profile is similar to that observed in late 2007, although a 2008 increase in Other Senior Executives and a corresponding decline in Other Marketing Positions are noted.



Data statistically tested at the 95% level of confidence: A/B

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**CURRENT MARKETING TACTICS
AND BUDGET ALLOCATIONS**

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Tactics, Budget Allocations and Expectations

We asked respondents about the tactics they use to accomplish their marketing objectives. Additionally, we gathered data from respondents with regard to current budget allocations, changes in the budget (versus plan) during 2008, and anticipated changes for 2009.

Respondents were far less likely to have observed actual overall budget increases in 2008 when compared with what they had expected at the end of 2007. A greater proportion is also expecting budget declines to occur, when compared with that anticipating increases, in the coming year.

Overall, we found that marketers are relying on using digital tactics more often than traditional. Company Web Sites and Email are the most frequently used tactics, followed by Public Relations, Tradeshows (in-person) and Search Marketing. Marketers have not yet widely adopted the usage of Virtual Trade Shows (the tactic used least frequently of all studied) and traditional tactics such as Outdoor Media, Radio and TV Advertising are also used on a relatively infrequent basis. Looking at overall usage changes from 2007 to 2008, it is clear that usage rates of digital tactics has remained essentially the same, while the usage of many traditional tactics has declined.

In terms of dollar allocation, traditional tactics and media still command the majority of the marketing budget. While a greater proportion of respondents indicate using their Company Web Site more than any other tactic, this media receives, on average, the sixth-largest budget allocation, behind Tradeshows/Conferences (in person), TV Advertising, Inside Sales/Telemarketing, Direct Mail, and Print Advertising.

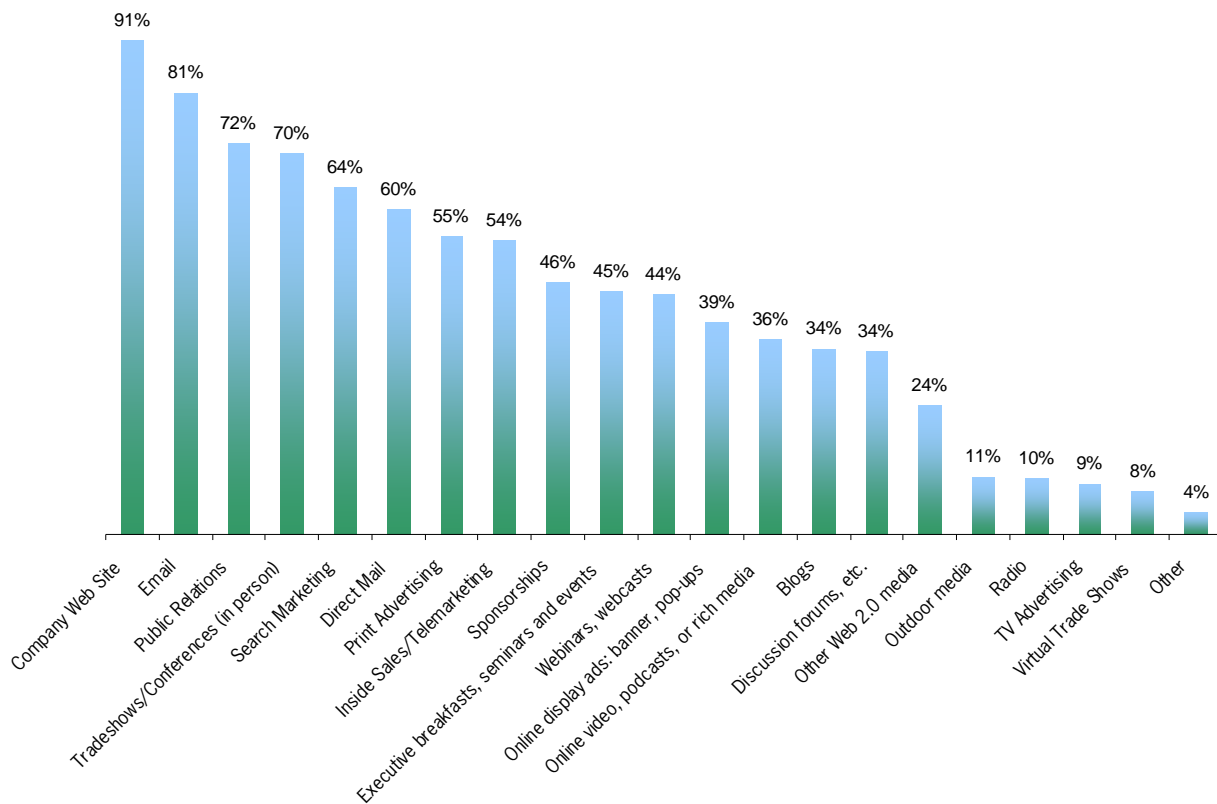
Marketers are more likely to indicate increased effectiveness with digital tactics than traditional, and the presence of digital media in the marketing mix is forecasted to increase. A greater proportion of respondents expect to increase spending on digital tactics when compared with those anticipating increases to traditional media. However, for nearly all tactics, the magnitude of the increase is expected to fall short of that predicted last year.

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Marketing Tactics Used

The data suggest that marketers are relying heavily on certain digital tactics. The top two media used are Company Web Site (91%) and Email (81%), followed by some traditional tactics, such as Public Relations (72%) and In-Person Tradeshows (70%). Marketers are also using Search Marketing (64%) at a greater rate than traditional tactics such as Direct Mail (60%), Print Advertising (55%), Inside Sales/Telemarketing (54%), Sponsorships (46%), and Executive Events (45%).

Respondents use Virtual Trade Shows least often (8%), yet it is worth noting that compared with other infrequently used tactics, such as TV Advertising (9%), Radio (10%), and Outdoor Media (11%), this digital tactic is a relative newcomer to the marketing arsenal.



Total = 656 respondents

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Marketing Tactics Used – Annual Comparison

Usage of most digital tactics in 2008 appears to be stable when compared with usage rates observed at the end of 2007. Some of the “traditional” tactics, though, have experienced significant declines in usage, including Direct Mail, Print Advertising, Sponsorships, Executive Events, Outdoor Media, Radio, and TV Advertising. Webinars is still the fourth-most used digital tactic, although it’s usage rate appears to be down slightly.³

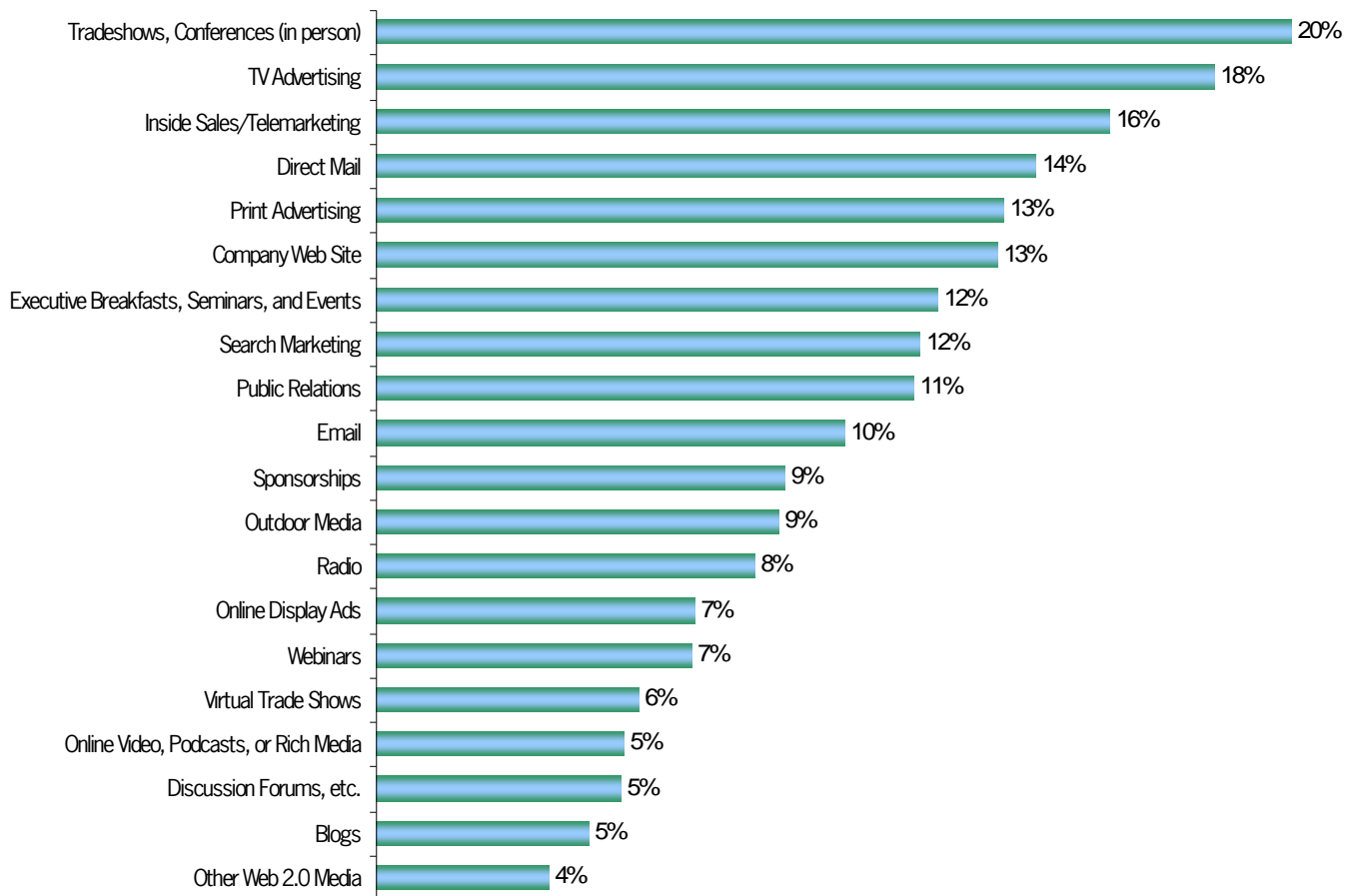
MARKETING TACTICS USED	A. 2007 (N=410)	B. 2008 (N=656)	Percentage Point Change
Company Web Site	N/A	91%	N/A
Email	84%	81%	-3
Public Relations	76%	72%	-4
Tradeshows/Conferences (in person)	72%	70%	-2
Search Marketing	61%	64%	3
Direct Mail	67% B	60%	-7
Print Advertising	62% B	55%	-7
Inside Sales/Telemarketing	55%	54%	-1
Sponsorships	59% B	46%	-13
Executive Events	58% B	45%	-13
Webinars, webcasts	52% B	44%	-8
Online display ads: banner, pop-ups	44%	39%	-5
Online video, podcasts, or rich media	34%	36%	2
Blogs	32%	34%	2
Discussion forums, etc.	N/A	34%	N/A
Outdoor media	17% B	11%	-6
Radio	18% B	10%	-8
TV Advertising	16% B	9%	-7
Virtual Trade Shows	N/A	8%	N/A

³ In both years, respondents evaluated “other web 2.0 media” as a separate aggregate. However, since Discussion Forums and Virtual Trade Shows were included as tactics assessed in the 2008 survey, but not in the 2007, the definition of “other Web 2.0 media” may have changed for some respondents in the two years studied. Therefore, we have opted not to include “Other web 2.0 media” in this analysis when results from the two years are compared. Further, since Discussion Forums and Virtual Trade Shows, along with Company Web Site, are included for the first time this year, comparisons with 2007 data for these tactics are unavailable.

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Budget Proportions by Tactic

Among those using the various tactics, in-person Tradeshows and Conferences grab the largest share of the budget, at 20% on average, followed by TV Advertising (18%) and Inside Sales/Telemarketing (16%). Most digital tactics demand smaller budget proportions on average, typically of 4-7%, including Other Web 2.0 Media, Blogs, Discussion Forums, Online Video, Virtual Trade Shows, Webinars, and Online Display Ads. Company Web Site (13%), Search Marketing (12%) and Email (10%) are the digital tactics that receive the largest budget allocations.



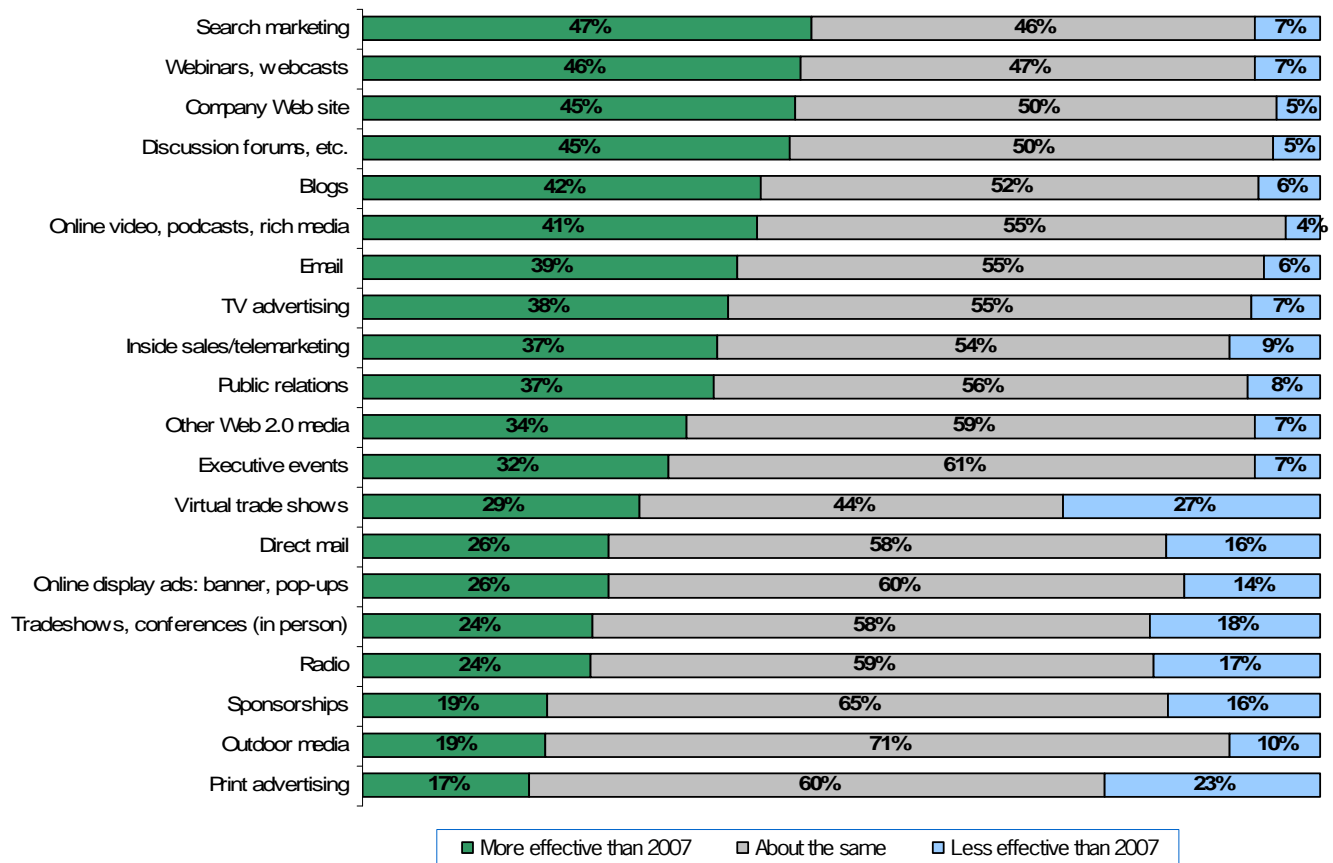
Base = varies by tactic

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Perceived Marketing Tactic Effectiveness Versus 2007

Respondents evaluated the perceived effectiveness of specific tactics currently used, versus their perceived effectiveness a year earlier. A majority of marketers surveyed generally indicate that they experienced the same levels of effectiveness in both years for most tactics. A substantial proportion indicate increased effectiveness ratings over the past year, though, with Search Marketing (47%), Webinars (46%), Company Web Site (45%), Discussion Forums (45%), Blogs (42%), Online Video (41%) and Email (39%).

Out of all tactics studied, only Print Advertising is judged to be less effective by a greater proportion of respondents (23%) than those seeing an increase in effectiveness (17%). Although the study reveals a decline in the effectiveness of Virtual Trade Shows (27%), it may be possible to misinterpret this finding since Virtual Trade Shows were rarely used, if at all, in 2007.



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Expected Tactic Importance in Marketing Mix

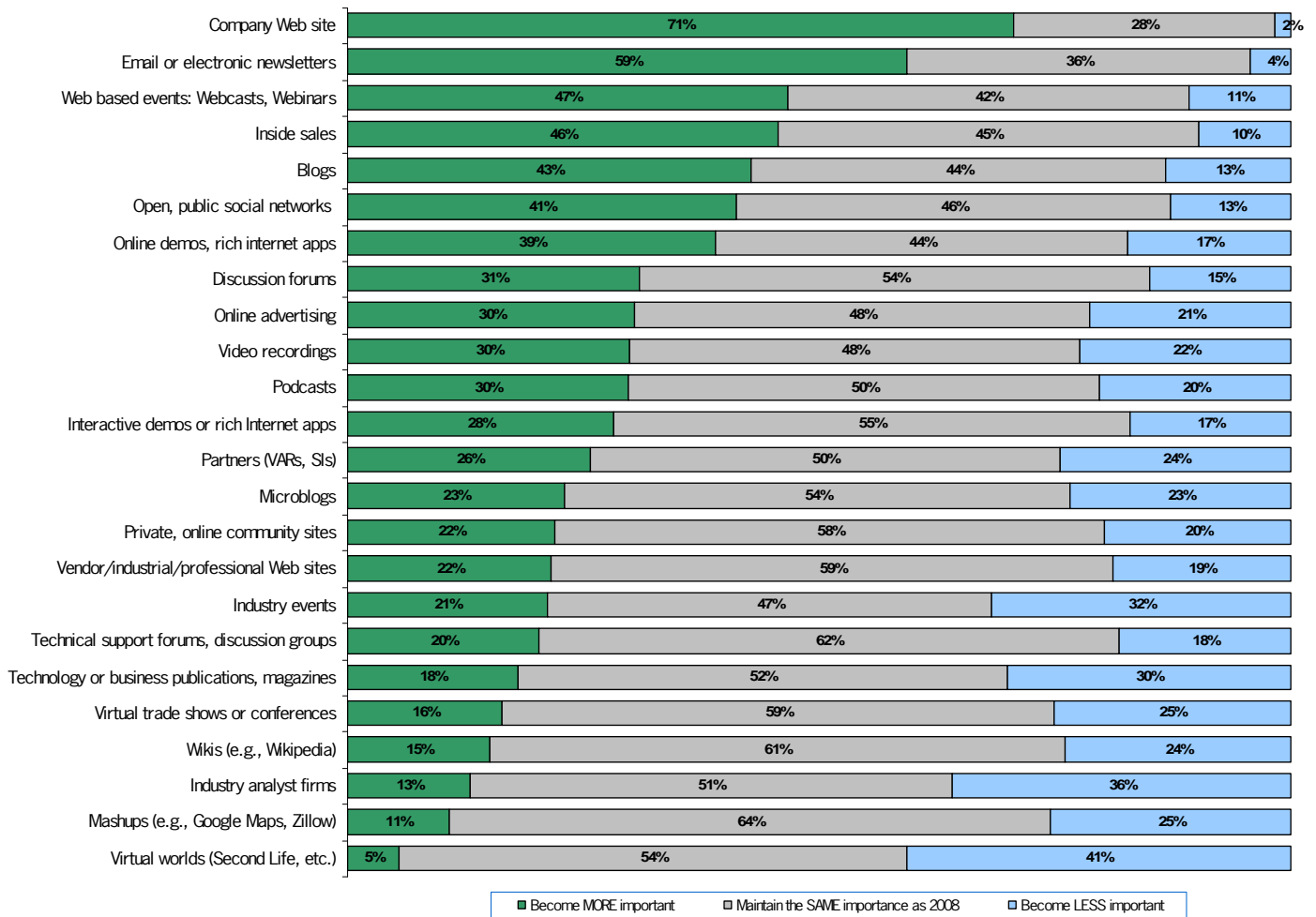
More than any other tactic, respondents are most likely to believe that their Company's Own Website (71%) will become more prominent in their organization's marketing mix in 2009 when compared with its position in 2008. More than half also have the same belief about Email (59%), and more than 40% anticipate that Web-based Events: Webcasts, Webinars (47%), Inside Sales (46%), Blogs (43%), and Open, Public Social Networks (41%) will each have a more important role in their 2009 marketing mix.

Respondents most often foresee the influence of Virtual Worlds as fading, although given the fact that this digital tactic is a relatively new media tool, it is not clear whether its importance is truly in decline, or if marketers are still evaluating its application to the marketing mix.

Industry Analyst Firms (36%), In-person Industry Events (32%), and Technology or Business publications (30%) are also predicted to be less importance to the company's 2009 marketing plans. However, approximately half of all marketing executives surveyed (47-52%) anticipate that the usage of these tactics will be emphasized to the same degree in 2009 that they were in 2008.

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Expected Tactic Importance in Marketing Mix (continued)



Total = 582 respondents

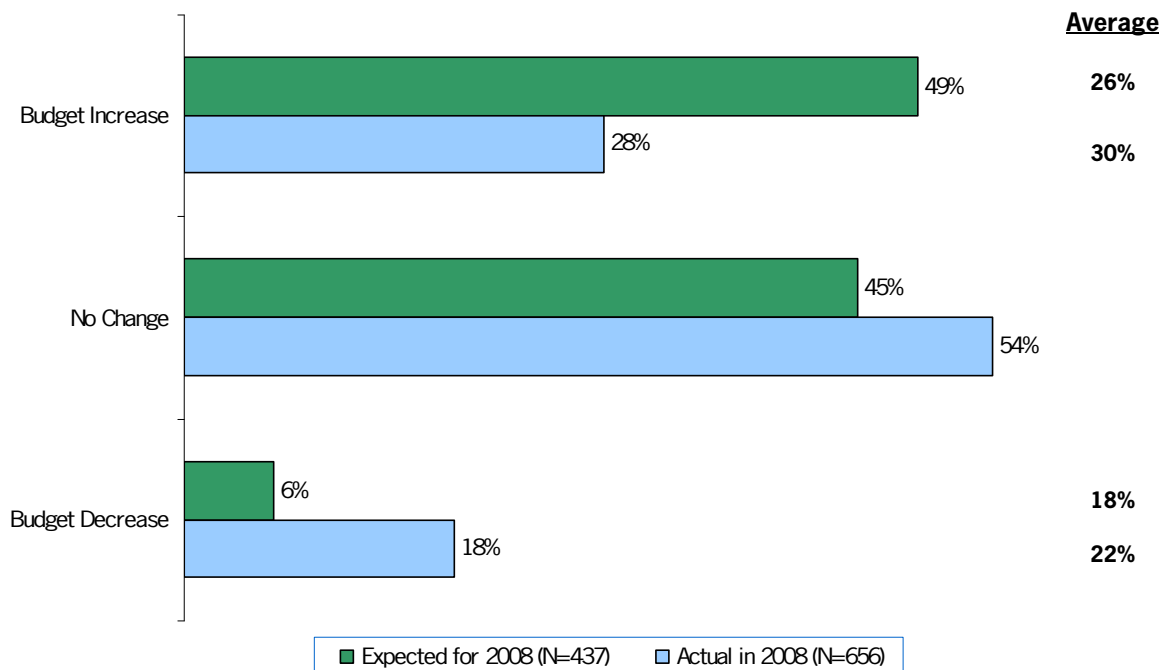
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Expected versus Actual Budget Change in 2008

Since respondents were asked, in late 2007, about their predicted budget changes for 2008, we wanted to compare the answers they gave at that time with current responses about what actually happened to budgets in the past year.

While 49% of survey respondents had predicted a budget increase for 2008 at the end of 2007, just 28% of current survey respondents saw that increase come to fruition. The proportion who observed an actual decrease in 2008, at 18%, was substantially larger than 6% who predicted a decline at the end of 2007.

The average amount of the increase that occurred (30%) was slightly higher than that which had been predicted (26%), as was the average decline (22% versus 18%).⁴

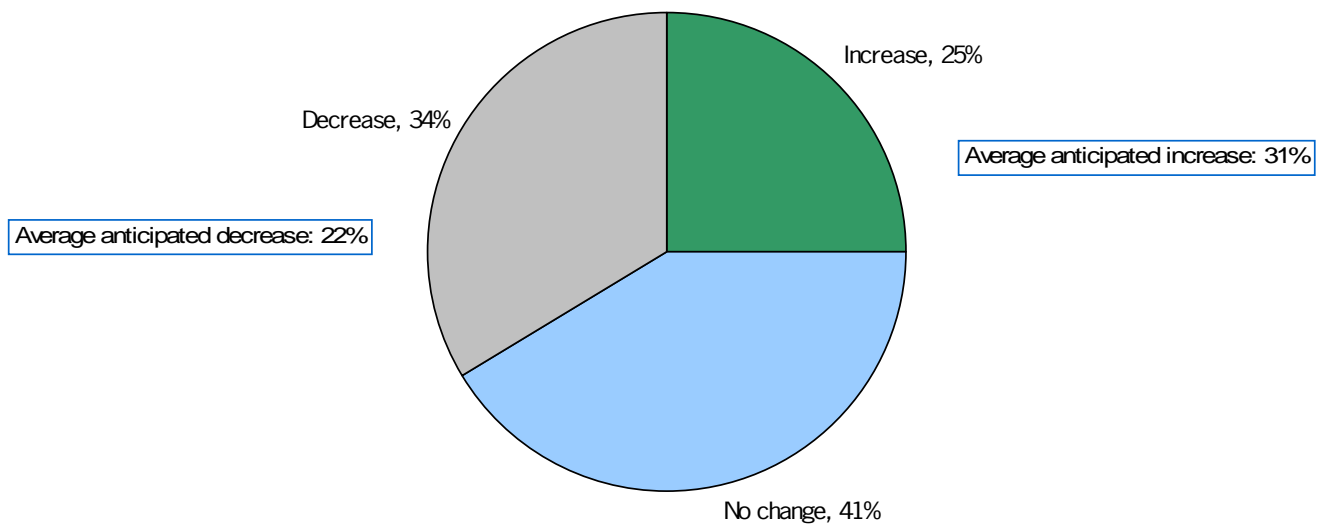


⁴ These findings are gleaned from questions which were asked differently in the two years studied, but the differences are nonetheless striking.

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Expected Overall Marketing Budget Changes in 2009

Respondents are most likely (41%) to believe that their organization's marketing budget will remain unchanged in 2009. However, 34% anticipate a marketing budget decrease, with 25% of respondents believing that their marketing budget will increase in 2009. Among those who expect an increase, the average amount of the increase is expected to be 31%. Among those who expect a decrease, the average amount of the decrease is expected to be 22%.

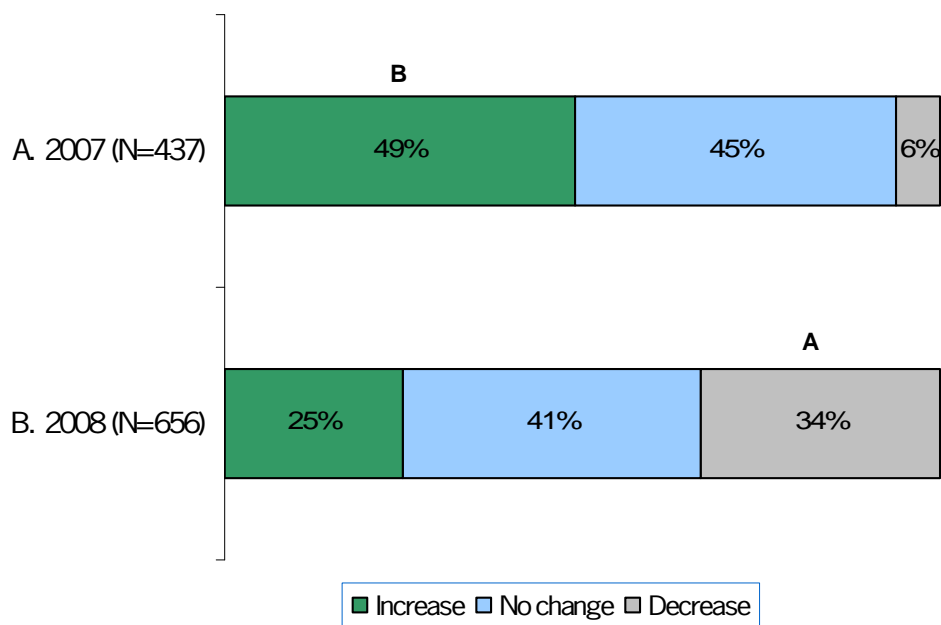


Total = 656 respondents

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Expected Overall Marketing Budget Changes – Annual Comparison

The proportion of respondents predicting a decrease in marketing budgets in the next year has risen sharply since 2007, from just 6% at that time to 34% in 2008. In addition, the proportion anticipating an increase in the coming year is 25%, down significantly from 49% predicted a year earlier.

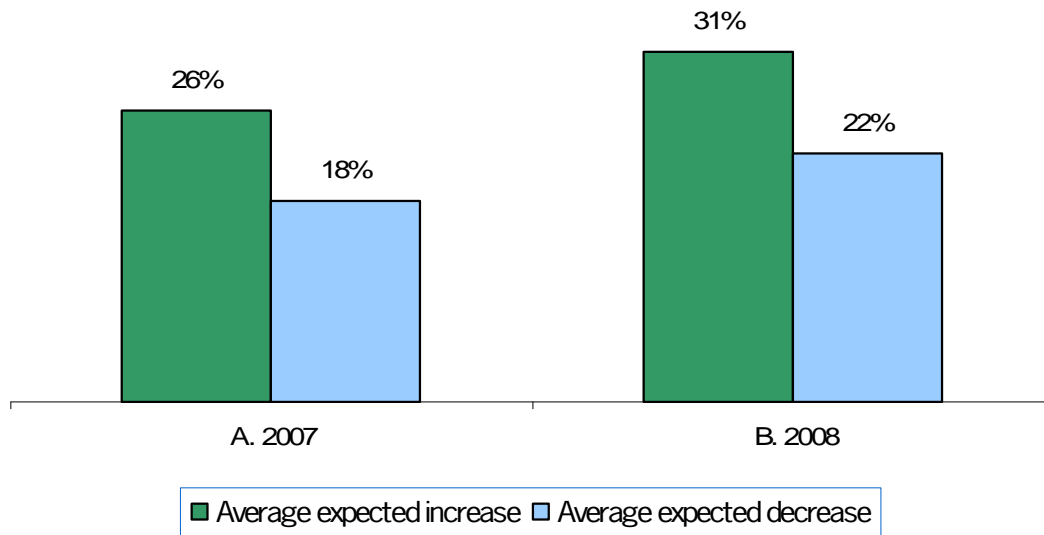


Data statistically tested at the 95% level of confidence: A/B

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Expected Overall Marketing Budget Changes – Annual Comparison of Averages

The average predicted decrease appears to have grown somewhat, from 18% to 22%. The average amount of the predicted increase also seems to have risen, though, from 26% to 31%.



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Anticipated Marketing Budget Changes by Tactic

Of those currently using each tactic, respondents are most likely to think that resources allocated to digital tactics such as Company Web Site and Search Marketing will increase in 2009, with 47% saying so for each, and a proportion slightly smaller saying the same for Online Video (42%) and Webinars (41%). Other digital tactics, such as Email, Discussion Forums, and Blogs are forecast to experience an increase by 34-39%. In contrast, respondents are most likely to forecast declines in spending on traditional tactics, such as Print Advertising (55%), Outdoor (54%), TV Advertising (51%), and Radio (48%).

TACTICS USED	MARKETING BUDGET CHANGES		
	Decrease	No Change	Increase
Company Web site	11%	42%	47%
Search marketing	15%	38%	47%
Online video, podcasts, or rich media	16%	43%	42%
Webinars, webcasts	14%	45%	41%
Email	11%	50%	39%
Discussion forums, social networks, or communities	11%	53%	36%
Blogs	7%	58%	34%
Executive breakfasts, seminars and events	25%	43%	32%
Other Web 2.0 media	14%	55%	31%
Inside sales/telemarketing	15%	54%	31%
Public relations	17%	53%	30%
Online display ads: banner, pop-ups	31%	42%	28%
Virtual trade shows	40%	35%	25%
Direct mail	34%	43%	23%
Radio	48%	32%	21%
Tradeshows, conferences (in person)	43%	40%	17%
Outdoor media	54%	31%	15%
Print advertising	55%	30%	15%
Sponsorships	40%	46%	14%
TV advertising	51%	36%	13%

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Marketing Budget Increase by Tactic – Annual Comparison

When compared to late 2007, respondents are less likely to expect increases in resources for all tactics in the coming year with the exception of Direct Mail and Radio. Most notably, proportions anticipating increases in Sponsorships, Online Video, and Executive Events have all tumbled by 14 percentage points, with slightly smaller negative changes in those expecting additional funds for Online Display Ads (-13 points), Public Relations (-12 points), and TV Advertising (-11 points).

TACTICS USED	Proportion Planning to Increase		Percentage Point Change
	2007	2008	
Direct mail	23%	23%	0
Radio	21%	21%	0
Email	41%	39%	-2
Inside sales/telemarketing	37%	31%	-6
Blogs	41%	34%	-7
Outdoor media	23%	15%	-8
Search marketing	55%	47%	-8
Print advertising	23%	15%	-8
Webinars, webcasts	51%	41%	-10
Tradeshows, conferences (in person)	27%	17%	-10
TV advertising	24%	13%	-11
Public relations	42%	30%	-12
Online display ads: banner, pop-ups	41%	28%	-13
Sponsorships	28%	14%	-14
Online video, podcasts, or rich media	56%	42%	-14
Executive breakfasts, seminars and events	46%	32%	-14
Company Web site	N/A	47%	N/A
Discussion forums, social networks, or communities	N/A	36%	N/A
Virtual trade shows	N/A	25%	N/A

Statistical testing not available due to variations in sample sizes for each tactic.

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Marketing Budget Decrease by Tactic – Annual Comparison

Respondents are far more likely to anticipate budget decreases for most tactics in the next year than those who had had the same opinion when forecasting for 2008. Respondents are most likely to de-emphasize traditional tactics, with the proportion expecting a decrease in budget for Outdoor Media shooting up by 36 percentage points, followed by Print Advertising (28 points), TV Advertising (26 points), Radio (26 points), Sponsorships (22 points), Tradeshows (21 points), and Executive Events (17 points).

TACTICS USED	Proportion Planning to Decrease		Percentage Point Change
	2007	2008	
Outdoor media	18%	54%	36
Print advertising	27%	55%	28
TV advertising	25%	51%	26
Radio	22%	48%	26
Sponsorships	18%	40%	22
Tradeshows, conferences (in person)	22%	43%	21
Executive breakfasts, seminars and events	8%	25%	17
Online display ads: banner, pop-ups	14%	31%	17
Direct mail	22%	34%	12
Online video, podcasts, or rich media	4%	16%	12
Public relations	6%	17%	11
Search marketing	4%	15%	11
Webinars, webcasts	3%	14%	11
Inside sales/telemarketing	12%	15%	3
Email	8%	11%	3
Blogs	7%	7%	0
Company Web site	N/A	11%	N/A
Discussion forums, social networks, or communities	N/A	11%	N/A
Virtual trade shows	N/A	40%	N/A

Statistical testing not available due to variations in sample sizes for each tactic.

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**ATTITUDINAL AND BEHAVIORAL
ANALYSIS**

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Responses, Attitudes and Their Implications

Finally, we asked respondents about their own company's responses to the economic situation, how the economy is likely to affect their plans for 2009, and about their attitudes and beliefs regarding the effectiveness of various tactics for generating leads and building brand awareness.

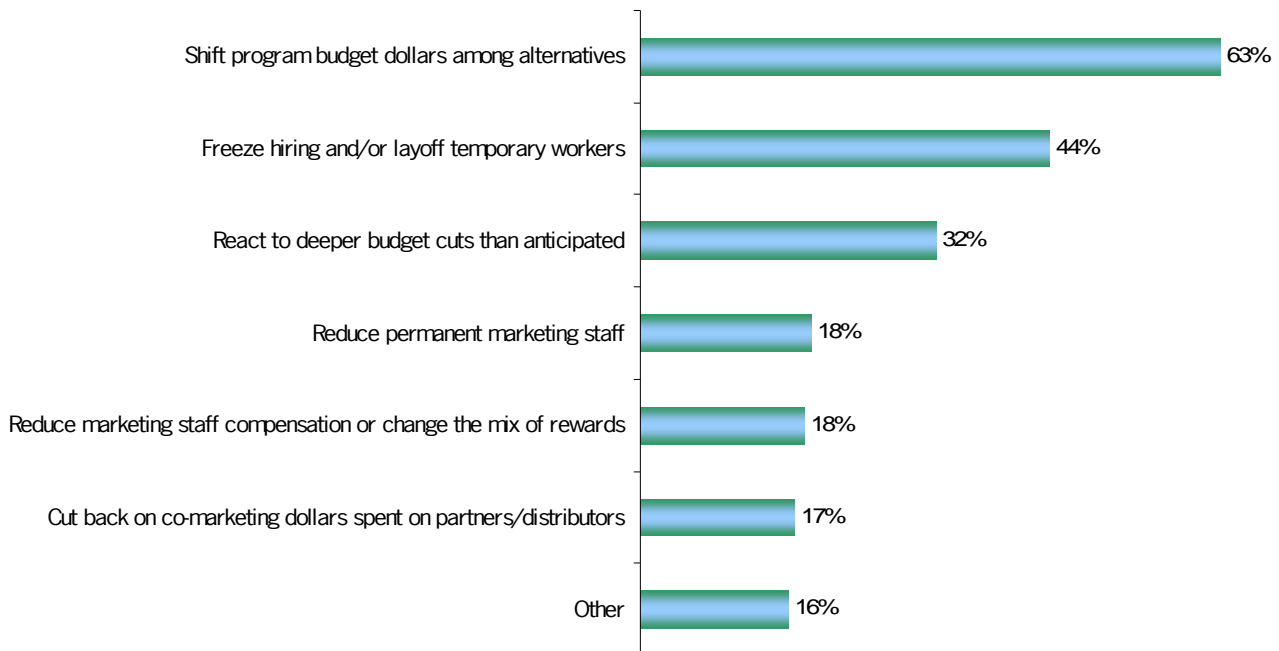
As shown on the following pages, there are a number of different responses to the economic situation, with the most frequently cited being a shift in program dollars among various alternatives (63%). Also, 44% expect to implement temporary worker layoffs and/or hiring freezes. In gauging anticipated marketing strategies, respondents most often indicate that they plan to invest selectively to reach targeted segments (75%).

When it comes to usage and effectiveness of various marketing tactics for lead generation, Executive Events and Inside Sales are most frequently cited as being most effective, as they were in 2007. For driving brand awareness, both TV Advertising and Public Relations continue to be seen as the most effective tactics, though both are seen as less effective when compared to last year.

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Responses to Current Economic Conditions

Respondents clearly indicate that they are reacting to current economic conditions in a variety of ways in their staffing and budget decisions for this year. 63% are shifting program dollars between various alternatives, 44% are implementing temporary worker lay-offs and/or hiring freezes, and 32% find themselves reacting to budget cuts that are deeper than they had earlier anticipated. Fewer respondents are planning to cut back on partner/distributor co-marketing dollars (17%), reducing staff compensation or altering their reward mix (18%), or reducing permanent marketing staff (18%).

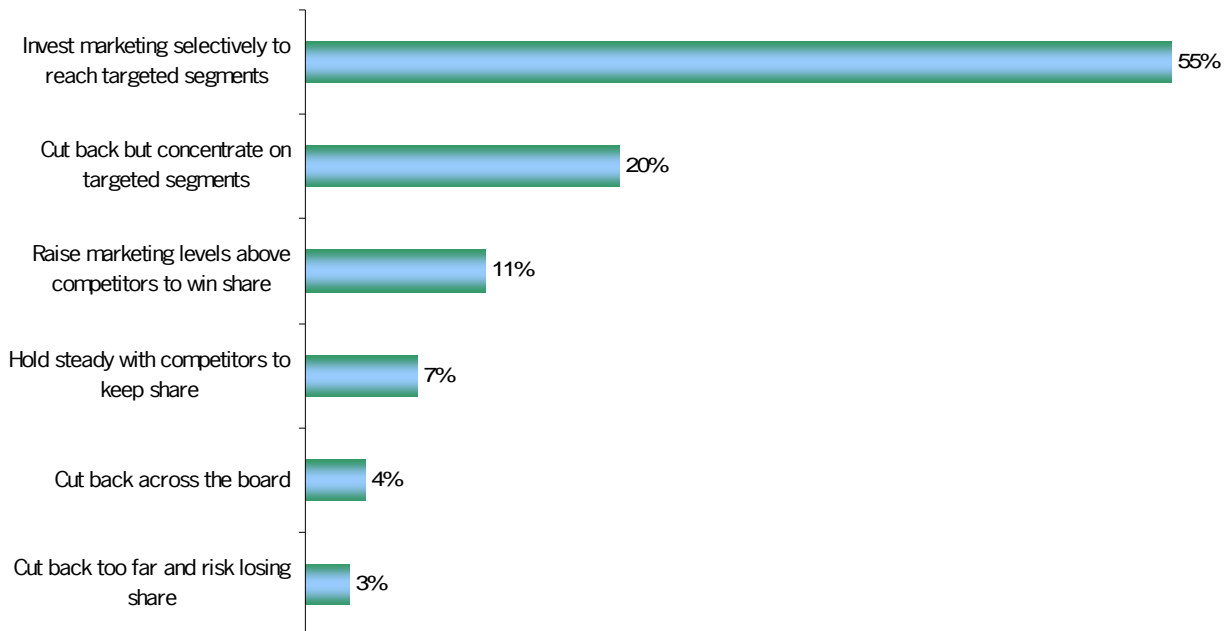


Total = 609 respondents

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Anticipated Marketing Strategies

Respondents are most likely to indicate (55%) that current economic conditions will dictate that they invest selectively to reach targeted segments. An additional 20% plan to cut back overall but concentrate remaining budget on these targeted segments. Very few respondents plan to cut so extensively that they risk losing share (3%) or believe these cut backs will be across the board (4%).



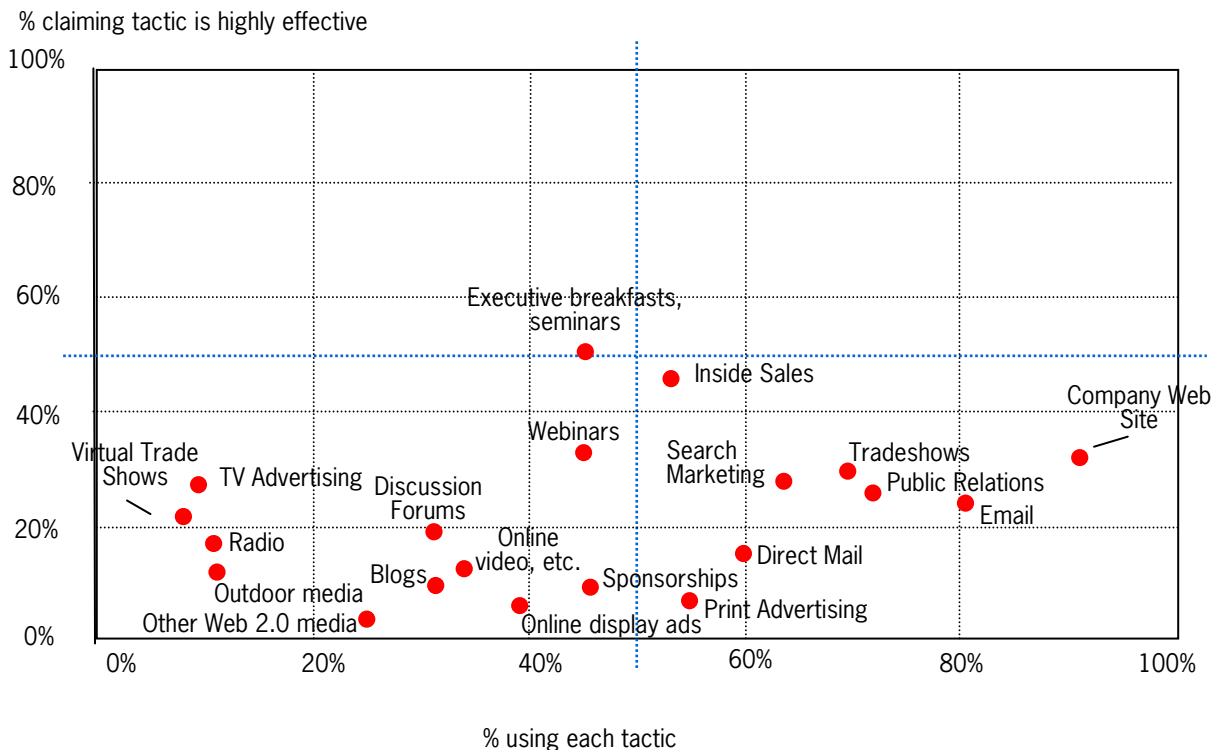
Total = 606 respondents

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Tactics Generating Leads

When combining ratings for usage and effectiveness together, we're able to observe which tactics are most effective for a given purpose among those who use them.

For example, while 91% of respondents use a Company Web Site (the horizontal axis below), only 31% of these users find that tactic to be highly effective (vertical axis) at generating leads. In contrast, Executive Events are utilized by a much smaller proportion of respondents (45%), but this tactic is rated highly effective most often (50%) for lead generation. Inside Sales (46%), Webinars (33%) are rated second and third most frequently as being effective for this strategy, followed by Company Web Site (31%), Tradeshows (29%), Search Marketing (28%) and TV Advertising (26%). Other Web 2.0 Media, Online Display Ads, Print Advertising and Sponsorships are infrequently viewed as highly effective tactics for generating leads.

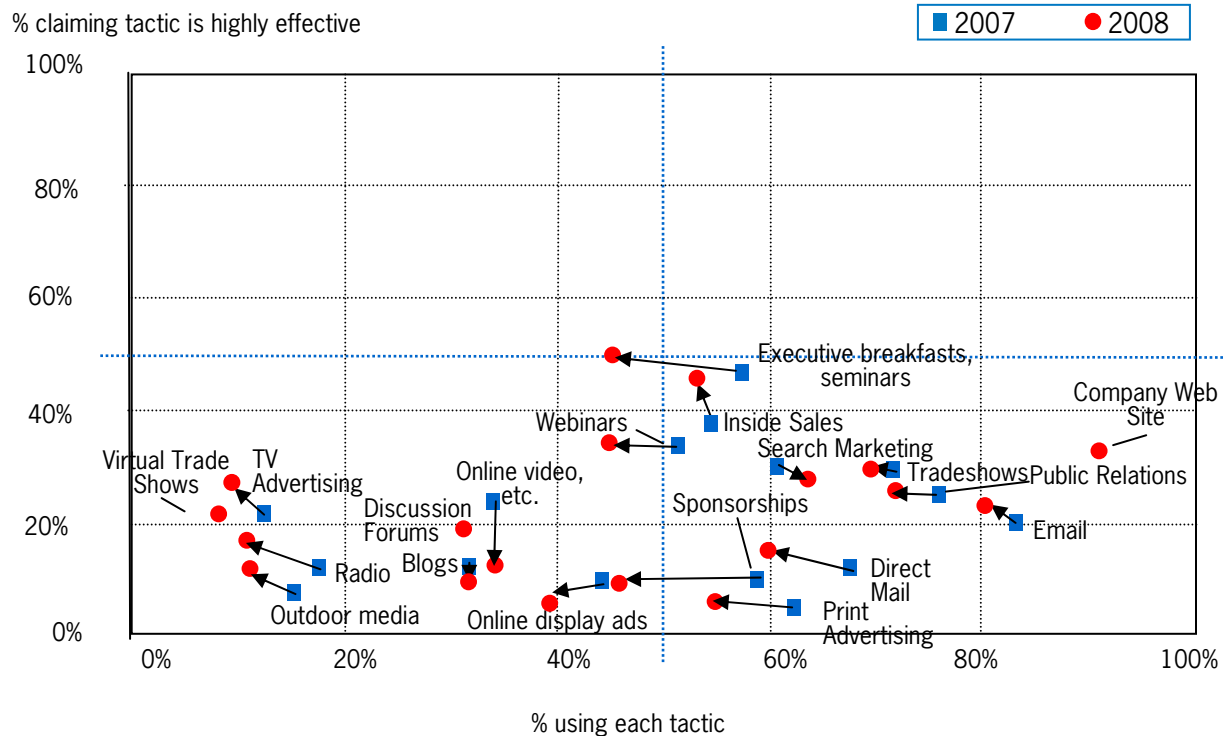


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Tactics Generating Leads – Annual Comparison

The overall picture concerning ratings for tactical usage and effectiveness for lead generation has not changed substantially from 2007, although usage rates as a whole appear to have declined.

Executive Events and Inside Sales both experience increases in their effectiveness ratings, and, as observed last year, are still perceived as the most effective tactics for lead generation. Other tactics which appear to have gained somewhat in efficacy over last year are Email and several traditional tactics, such as TV Advertising, Radio, Outdoor Media, Direct Mail and Print Advertising. Effectiveness ratings for some digital tactics appear to have slipped somewhat, including Online Video, Blogs, Online Display Ads, and Search Marketing. A similar proportion of respondents rate some tactics, including Webinars, Public Relations and Tradeshows, as being highly effective in both years.

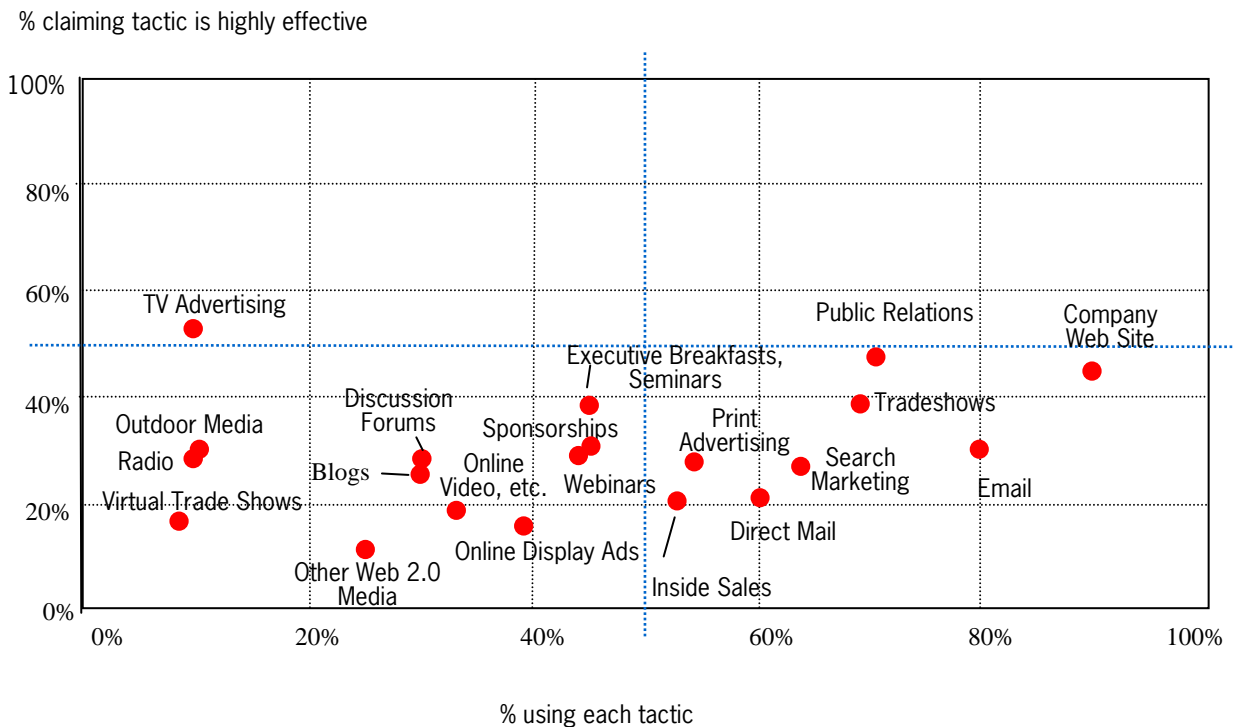


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Tactics Driving Brand Awareness

When it comes to driving brand awareness, more than half of respondents believe that TV Advertising (53%) is the most effective tactic (vertical axis), although it is used by relatively few (9% - horizontal axis). A proportion nearly as large believes Public Relations (49%) and Company Web Site (45%) have been highly effective at driving brand awareness, both of which are used far more often than TV Advertising.

Respondents are far less likely to find that Other Web 2.0 Media (14%), Online Display Ads (17%), Virtual Trade Shows (17%), or Online Video (19%) have been highly effective at achieving this marketing objective. Several tactics, such as Discussion Forums (27%), Webinars (28%), Email (30%), Sponsorships (31%), Radio (31%), and Outdoor Media (32%) occupy the middle ground, relative to other media, in terms of being regarded as highly effective for driving brand awareness.

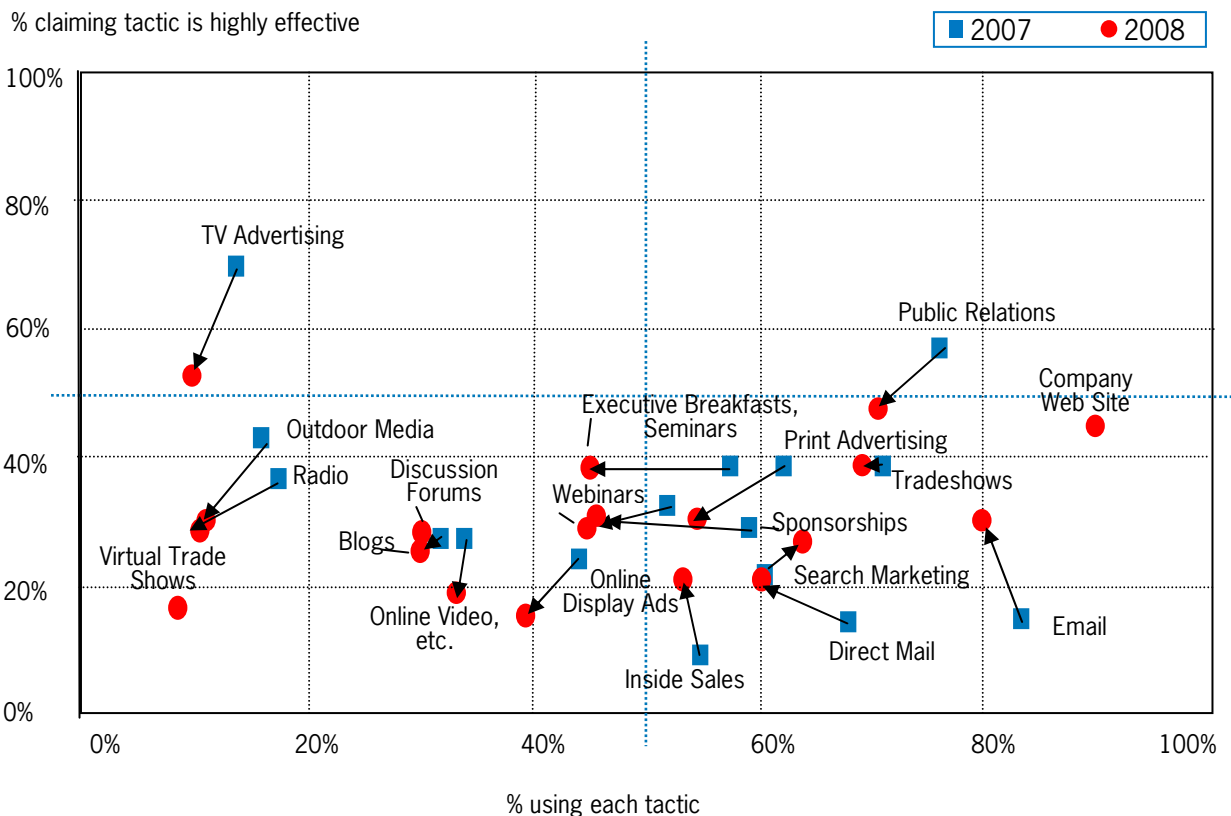


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Tactics Driving Brand Awareness – Annual Comparison

Many tactics, both traditional and digital, have suffered declines in efficacy for driving brand awareness over the past year. While still being judged most often as a highly effective tactic, the effectiveness rating for TV Advertising has slipped markedly, from 70% in 2007 to 53% in 2008 in conjunction with a substantial usage decline (16% to 9%). Similar declines are observed for Public Relations, Print Advertising, Outdoor Media, and Radio, although effectiveness ratings for Inside Sales, Direct Mail, and Sponsorships indicate some improvement.

Effectiveness ratings for digital tactics such as Online Video, Blogs, Online Display Ads, and Webinars have all dropped, while those for Search Marketing and Email indicate that respondents have found greater success with them recently than in the past.



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