

MARKET
ONE.


TechTarget

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Virtual Progress

How 2020 is bringing B2B marketing and sales
closer together

Background of the study

Six months into the Covid-19 pandemic, it has become clear that what had once seemed like a temporary hiccup has evolved into change that will impact business for the foreseeable future. To get a real understanding of the changes taking place, MarketOne and TechTarget teamed up to research how B2B marketing practitioners and their companies are adapting. We conducted 30-minute interviews of 30 B2B marketing, sales and operations leaders with titles equivalent to Director, VP and CMO across a variety of industries. This report summarizes our observation of themes currently resonating with these leaders.

Before Covid: A chronic challenge

For over 10 years, arguably the largest struggle that B2B marketers have faced has been lack of alignment with sales. Unlike consumer marketers, B2B marketers are primarily beholden to supporting their sales counterparts. Because they don't drive sales directly, a marketer's success or failure hangs on whether their work helps to accelerate or increase sales. And the only way to do that is to get sales to play along by actively working leads and using content and tools marketing has provided.

In recent years, marketers have begun focusing more on ABM (Account-Based Marketing), shifting their attention away from how they've traditionally generated demand. As their thinking has moved beyond, "How do I get individuals to engage," they're paying closer attention to how salespeople need to think and work. This ABM focus has given rise to an entirely new category of suppliers challenged to service emerging needs. These needs must be met with tools, data and services designed to:

1. help identify buying teams
2. aggregate individual team members' activities into cohesive insights
3. enable marketers to act on insights to improve outcomes

Marketers have rightly embraced ABM and the tools that have proliferated to make it work. And yet for most B2B companies the chasm separating Sales and Marketing has hardly budged.

Field Sales has always used the content that marketing provided as they saw fit. When presented in a succinct way, they've appreciated the account

intelligence that comes from marketing's vast stores of data. But they've fallen short of truly embracing the engagement insight (the "leads") that marketing generates. Frankly stated, no amount of lead scoring and qualification has been able to convince salespeople that, in place of some quantity of their own preferred activity—whether it's repeat buyers, chasing referrals, or having great conversations at live events—they should spend significant effort following up on marketing qualified leads. And, before Covid, they had a point. When Sales is hitting their numbers, they have no major need for leads from Marketing. There's no incentive for them to abandon their lowest hanging fruit to chase what are in essence

much longer-tail possibilities. Unless Sales is missing its numbers or there's a giant push to scale, marketing MQLs look like gravy; something that you can live without. Covid, however, seems to be changing everything.

The impact of no face-to-face

With the world suddenly forced to "shelter in place," Field Sales can no longer do what they do so well. They can't rely on face-to-face interactions to establish and build relationships. New business from live events has dried up completely. It's harder to connect over the phone or on video calls

Large Storage/Backup Provider:

"The biggest change has been the massive shift in customer interaction, from in-person to digital marketing and remote sales. There had been a mix of digital and more traditional marketing and sales, but now it's a whole new ball game."

than around a conference table or over dinner. Over just a few months, we have all been turned into de-facto Inside Salespeople. And one outcome of this is that those engagements achieved through Marketing are starting to look a little more attractive. Our research showed this clearly.

ABM has started to really matter

In contrast to slower-evolving organizations, companies who had already embraced ABM with a strong Inside Sales model fueled by leads from demand generation activities and supported by a mature stack of Marketing technology have found the transition to the world of working from home much easier.

Marketing teams are quickly learning to deliver real value from their ABM efforts by working more closely with Sales teams who are now in real need of additional types of support. Importantly, rather than a focus on tools and tactical delivery, ABM attention has shifted to providing deeper understanding of buyer journeys, the teams involved, and most importantly, where they are still occurring.

\$Billion Storage/Backup Vendor:

"For us, it's all about account-based marketing. Because we serve the Fortune 2000, it's really important for us to create a virtual view of our customer. Before the pandemic, Sales and Marketing relied on the Rolodex and in-person relationships. Now, the questions about measuring activity include, "How are we touching those top customers? How often are we engaging with the right contacts? What's our ability to get them in dialogue around one of our solutions?" The customer base, technology solutions and processes are now more important."

Leading Global IT Services Provider:

“Executive leadership has instructed Marketing to focus on the top 200 customers. It is unclear how things will play out with regard to email and account-based marketing.”

Several companies surveyed have decided to shift the bulk of their energies from prospecting to servicing existing clients. For them, prospecting has been largely put on the back burner during the pandemic. The adoption of ABM techniques has helped support these kinds of more rigorous customer lifecycle initiatives. While this attention

to improving customer CX makes perfect sense, we wonder if the intention will be to scale the learning more broadly as recovery inevitably begins.

Accelerating digital transformation

As with companies who had a fully capable demand generation operation in place before shelter-in-place, those who had begun a rigorous digital transformation effort prior to the pandemic have seen less disruption. In fact, their plans are accelerating. Many who had 5-year transformation plans have now found ways to implement major components within a few months.

The first big impact for most was a tactical reduction in variable components in Marketing and Sales budgets. But forward-looking teams were able to preserve investment, and, for example, shift it from live events to replacement activities leveraging digital channels.

Global Diversified Chemical Company:

“We were heavy participants in trade show and face-to-face events, and those events are not taking place. We were basically able to save some of those dollars and redeploy some of them into more digital tactics. Overall, the cost savings is greater than what we’re spending in digital.”

Global Translation & Localization CMO: “We need to harness digital tactics. Sales is looking at new approaches, new ways of talking to customers and reaching more buyers; getting sales to engage. Now they have no choice. I don’t think we’ll ever go back to the old model.”

Cable Giant Segment Marketer: “For the mid-market, we scaled back on omni-channel and direct marketing efforts and moved more towards sales enabling tools like social and LinkedIn Sales Navigator. And our field marketing efforts, which were 100% centered around in-person events, have now shifted exclusive to virtual, with 1-2 webinars a week.”

For many, the pressure to meet business goals has not significantly subsided. Instead, there is now a microscope on process and performance. As Sales has sprinted to adopt digital platforms and leverage marketing inputs, management is looking more closely at what people are doing. Unproductive activities are being quickly addressed. Here again, those who had already embraced the use of digital tools for Sales processes, prospecting and follow-up are finding greater success than those who had not.

In the short run, the adoption of digital tactics by Sales is necessary. Where it will lead is a different yet intriguing question. One survey participant expects that in the next three to six months their marketing/sales mix will change. They sensed a possibility that, similar to Marketing, Sales teams may soon begin working with external agencies to support account-based approaches. We believe that management should

Leading IT Services Provider: “People that never really cared that much about MQLs suddenly care a lot and want to ensure that spend is properly accounted for. I think that’s good. Like so many other organizations, we spend all this money on generating leads, and the follow-up from Sales is not what you’d hope for. There is a lot of infrastructure in place to track KPIs through the funnel. There are all sorts of attribution modeling and plug-ins with Marketo. We, as a team, stopped doing stuff that was sort of fluffy and not getting a return.”

monitor such developments in order to optimize resourcing, capitalize on past learning and avoid investing in unnecessary reinvention within siloed departments.

Everyone seeks better measurement

As previously mentioned, the increased need for demand identification has rightly increased scrutiny on tactical outputs and lead quality. Marketers and Sales teams are collaborating aggressively to ensure alignment on the definitions and drivers of better quality. Specifically, by improving their abilities to measure and quickly report on conversions throughout the funnel

and pipeline, they are gaining a much clearer picture of who to target and how best to manage precious demand end-to-end.

With the pressure to meet challenging goals still unabated, some Marketing leaders indicated that they “had never worked so hard in their lives.”

At the same time, it's notable that many are claiming better returns on their efforts. By deprioritizing activities now understood as largely unnecessary, marketers have become laser-focused on the subset of activities that directly drive sales.

Improvements like these—a new focus on data, lead quality, Marketing and Sales productivity—are surfacing as positive developments out of difficult circumstances. What is less certain is how adaptations made during the pandemic will persist post-Covid.

Growing Networking Technology Vendor: “The move towards virtual and digital efforts has actually forced us to improve how we gauge and evaluate marketing program success.”

Navigating forward

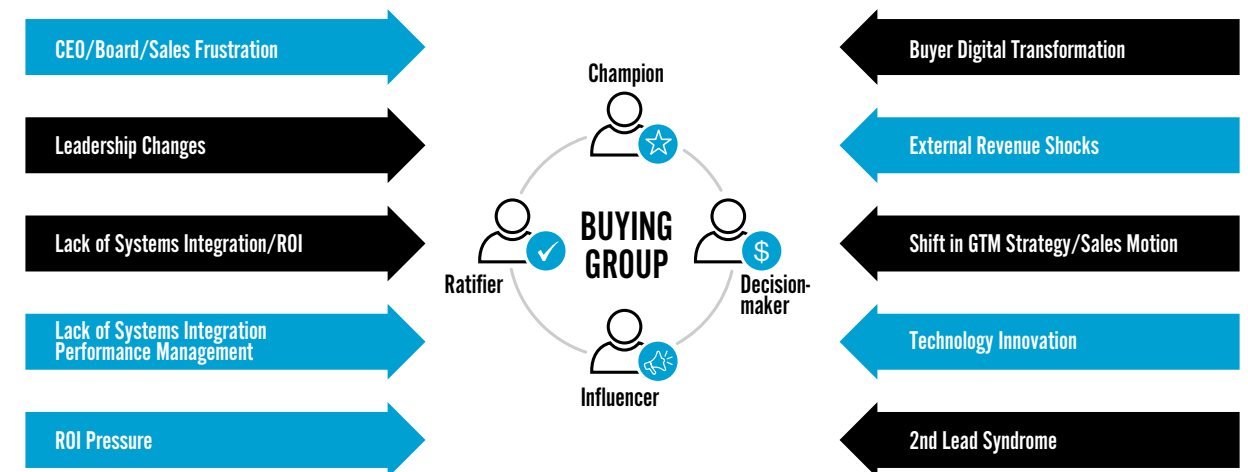
As the pandemic subsides and work gets back to “normal”, some adoption of digital methods will doubtlessly continue. Habits developed over decades of work experience however may be hard to break. We suspect that unless companies remain vigilant, some comfortable but outmoded approaches will return. Reliance on face-to-face events in many organizations may represent one of these habits. The emotional allure of business travel and in person meetings may be hard to displace.

We believe that the most productive companies will use the learnings of the pandemic to put further distance between themselves and the competition.

For Field Marketing in particular, we believe the days of large tradeshows where Sales cherry-picks only the ripest of booth visitors for follow-up could be forever in the rearview mirror. We suspect that the best Marketing and Sales organizations will have in place a solid virtual and live event strategy complete with mature processes for systematically following up with all those who engage. And we believe that the days may finally be over when key team members may ignore systems designed to make activities more transparent. Processes will become more manageable as they are optimized using activity data and outcomes rather than anecdotes.

The pandemic has highlighted key forcing factors pressuring Marketing and Sales organizations towards change.

(Forrester | SiriusDecisions/TechTarget webinar: Today's Realities Require New Demand Gen Strategies)



As CROs have learned how important gauging sales activity can be as a metric, they will no longer tolerate a lack of visibility. Likewise, Marketing will no longer consciously support KPIs that don't contribute effectively to the bottom line. Leads that should never have been passed to Sales will be worked with other tactics. Substantive Lead Development Teams will become standard in order to vet newly engaged contacts for sales readiness and, when appropriate, initiate warm transfers to Sales with tighter SLAs for proper management.

To reiterate, Sales and Marketing will be aligned on what qualification really means. These definitions will be operational, maintained through regular feedback processes and implemented in systems end-to-end.

These and related improvements reflect a growing understanding of the true power of Marketing and Sales alignment together with what real success requires. From the establishment of shared business goals that extend from the CRO and CMO executives all the way down to individual tactical practitioners, the Covid-19 pandemic has stimulated changes within Sales and Marketing that had previously lagged what analysts and other experts had determined to be better practices. Although concepts like account-based marketing made a lot of headlines and some headway, with the sidelining of face-to-face options, the need for these more focused and better-coordinated digital approaches is being acknowledged by many more organizations. Despite organizations increasingly realizing what works, required changes go against long-held behaviors. It remains to be seen whether these learnings will stick as conditions return to normal.

From this research and our closely related daily activities in service of hundreds of B2B companies, we have clearly seen that companies that have addressed these issues head-on have made a smoother transition during the pandemic. It is the opinion of both MarketOne and TechTarget that more companies should undergo the important work of adopting end-to-end best practices. This should be addressed post haste in order to better address the shifted landscape and to accelerate growth as recovery begins.

Top Five Changes of Best-Performing Teams During the Pandemic

1. **Business outcome-based top-to-bottom Sales and Marketing alignment**
2. **Regular, collaborative account-based focus**
3. **Proper technologies and processes to ensure their effective use**
4. **Rigorous measurement of activity and impact**
5. **Reduction in nice-to-have but unnecessary activities**

About MarketOne

MarketOne is a leading global agency in B2B demand generation. Through our unique combination of strategic advisory plus scalable, efficient digital and tele production services, MarketOne helps B2B marketers grow revenue and build a high performing, predictable sales funnel. Headquartered in Waltham, MA with offices in London, Tokyo, Toronto, Melbourne, Singapore, Bangalore, and Barbados, MarketOne brings both a global and local perspective to our clients around the world.

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About TechTarget

TechTarget (Nasdaq: TTGT) is the global leader in purchase intent-driven marketing and sales services that deliver business impact for enterprise technology companies. By creating abundant, high-quality editorial content across more than 140 highly targeted technology-specific websites, TechTarget attracts and nurtures communities of technology buyers researching their companies' information technology needs. By understanding these buyers' content consumption behaviors, TechTarget creates the purchase intent insights that fuel efficient and effective marketing and sales activities for clients around the world. TechTarget has offices in Boston, London, Munich, Paris, San Francisco, Singapore and Sydney.

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