BENCHMARK REPORT

2012 Lead Generation

Key industry trends for generating leads of the highest quality

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Improve quality through lead generation strategies

This report is the most extensive lead generation study available, containing actionable data, key insights from marketers and CMOs, and in-depth analytical commentary from a team of marketing and lead generation experts. This information will provide you with the ability to develop an effective strategy that will generate high-quality leads, and favorably position you against the competition.

You will learn:

- How to determine top lead generation tactics despite declining effectiveness
- How to improve lead conversion when faced with a skeptical audience
- How to determine marketing budgets for 2012, even with limited resources
- How to evaluate optimal lead generation performance
- How to attribute multichannel lead generation campaigns to revenue
- How to select the best lead generation technology and tools for 2012

You will also get answers to important and practical questions like:

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- How many organizations monitor lead quality before sending leads to Sales? (p. 13)
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Benchmark Report

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Dear Marketing Leader,

You are holding in your hand the latest iteration of our research cycle. Just 15 years ago it was difficult to envision the process that now produces the findings you will discover within the covers of this book. Nearly 2,000 organizations from around the globe were questioned to help prepare this benchmark study. It is the largest sample size in the industry.

One of the first places to start your perusal is with the inside cover. It lists some of the most common questions we hear from the marketing community. Here is a sample:

- What can you expect for ROI of lead generation activities? (p. 23)
- How long is the average sales cycle? (p. 28)
- What is the average cost for each new customer, by primary market? (p. 43)
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The MarketingSherpa research team, together with the Science group of MECLABS, is relentlessly committed to improving both the quality of the research, and the relevance of our findings.

The lead author of this work, Jen Doyle, is uniquely positioned to guide this effort. Jen has overseen the research work across 6,791 companies. She has analyzed more than 241 interview questions. And, she has authored six lead publications from MarketingSherpa. Jen has brought all of this experience to bear on the *2012 Lead Generation Benchmark Report*.

I want to ask you to help us make it even better. Once you have read (or at least surveyed) this material, you may find that you have unanswered questions. Please, please share those questions with me. If there is any way we can find answers, we shall…

We need your advice. You can give your feedback at: http://sherpa.LeadGen.sgizmo.com/s3/

I promise we will carefully factor in every comment or suggestion. Together, we can build a deeper understanding of the demand generation discipline.

Thank you for your trust,

Dr. Flint McGlaughlin
Managing Director and CEO, MECLABS

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RECEIVE INSIGHTS FROM THE WIDEST, MOST VARIED AUDIENCE IN THIS BENCHMARK STUDY

CMOS AND MANAGERS FROM A VARIETY OF ORGANIZATION TYPES WEIGH IN ON LEAD GENERATION ISSUES

For this report, **MarketingSherpa collected data from the largest sample size for a lead generation study – a total of 1,915 organizations, making it the most extensive study conducted on lead generation industry trends**. Since it includes the largest survey pool, the data provided in this report is the most accurate and reliable information available on the subject of lead generation.

Not only have we collected the largest sample size, but also **the widest variety of organization type**, so you **can hone in on the results of other organizations like yours**. Participating industries span from high-tech to e-commerce, and a variety of organization sizes participated from startup to enterprise. Finally, for the first time ever, MarketingSherpa has included B2C respondents in a study normally focused on B2B, to report for the first time on the processes of a complex consumer sale.

Considering the role and decision-making authority of our respondent pool, we collected data from high-caliber marketers, with the majority representing CMOs and marketing management.

Chart: Respondent role and decision-making authority

Q. Which best describes your role and marketing decision-making authority in the organization you work for?
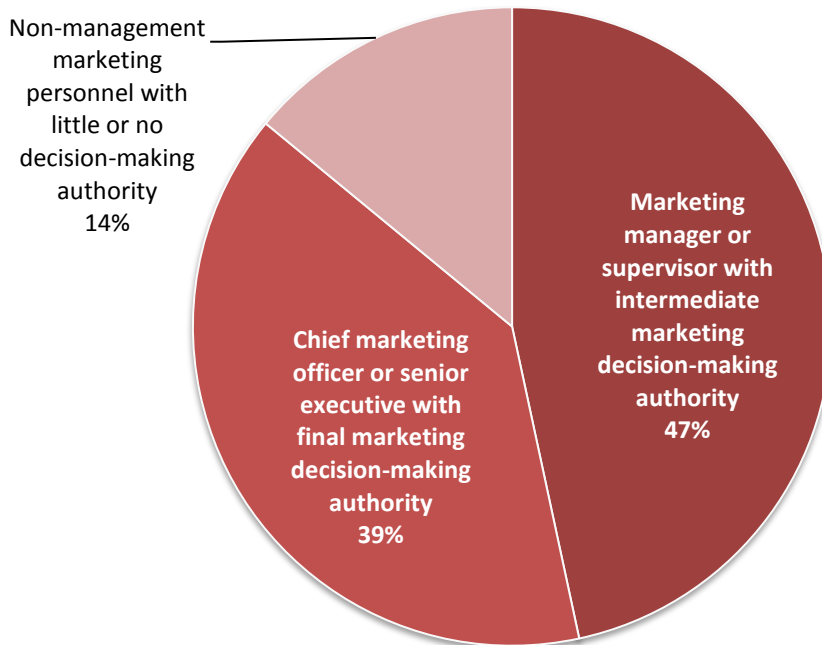
Non-management marketing personnel with little or no decision-making authority
14%

Chief marketing officer or senior executive with final marketing decision-making authority
39%

Marketing manager or supervisor with intermediate marketing decision-making authority
47%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

EXECUTIVE SUMMARY

THE MARKET IS CHANGING, AND BUYERS HAVE EVOLVED

Over the past decade, **the way people buy products and services has completely transformed**. Before the growth of the Internet and social media sites, when a buyer had a problem, they would turn to various sellers, request brochures and other information, and *then* make a decision. Sales teams were involved early in the buying process, and served as the primary source for purchasing information.

Today, buyers don't need to engage with Sales to obtain the information they need in the early stages of the buying process. They have access to a wealth of information online, through search engines and social media sites. They can learn about sellers' product and service offerings, company reputation and history, without ever requesting any information from Sales*.*

This monumental shift has taken the power of the seller and given it to the buyer.

Buyers don't need to receive sales calls while in the independent research phase … and they don't want to, either. If we engage Sales teams with our buyers too early, we risk losing the sale entirely. To succeed in this evolved market, it is more critical than ever to have an intricate understanding of our audience, our messaging, and our channels. When we understand our audience's needs and preferences, we create memorable communications experiences that will resonate and convert.

Quality is about finding the right people at the right time.

This evolved marketplace and empowered buyer has created a more challenging environment for marketers, and has created *a greater importance of not just lead quantity, but lead quality*.

Sales: "This lead is bad. Why am I getting bad leads?"

Translation: It's possible that this lead was not a fit for your solution. If you're like most organizations, it is more likely that this lead was sent to Sales at the wrong time, since a majority immediately sends leads to Sales. To address the top marketing challenge of lead quality, we must not only find the right leads, but we must send them to Sales *at the right time.*

> **Benchmark Reports**
>
> *Benchmark Reports provide marketing executives and practitioners the comprehensive research data and insights needed to compare an organization's practices and performance against industry benchmarks, for guiding strategic planning and tactical optimization.*

IMPROVE QUALITY THROUGH LEAD GENERATION STRATEGIES

When embarking on this lead generation study, MarketingSherpa wanted to identify the top lead generation strategies and tactics necessary to improve lead quality and generate ROI, and we have collected data from the largest sample size to create **the most extensive study on lead generation available**.

Throughout this report, you will receive actionable data, key insights from marketers and CMOs, as well as in-depth analytical commentary from a team of marketing and lead generation experts. This will provide you with the ability to **develop an effective strategy that will generate high-quality leads, and excel against the competition**.

This report will focus on how to improve lead quality, specifically addressing the following questions:

- **How can we determine their top lead generation tactics for 2012 when all tactics are declining in effectiveness?**
  In our 2012 B2B Marketing Benchmark Study, we uncovered that all lead generation tactics, including online and offline tactics, experienced severe declines in effectiveness from 2010 to 2011. This report will reveal the top strategies for improving this effectiveness for 2012.

- **How can we improve lead conversion, despite a skeptical audience that doesn't want to talk to Sales?**
  We cannot simply generate leads and consider them "Sales territory" anymore, forgetting about them once they have converted. If we engage leads with Sales before they are ready, we risk losing the sale by disregarding our buyer's preferences.

- **How can we determine our marketing budgets for 2012, despite limited resources?**
  We will reveal average allocations of lead generation budgets, as well as budgeting trends for 2012 to support your decisions.

- **How can we evaluate lead generation performance for 2012, to ensure we're outperforming our competition?**
  This report includes results for key industry benchmarks, including cost-per-lead, cost-per-acquisition, average length of sales cycle, and average sale amount – broken out by organization size, primary market and industry sector.

- **How can we attribute lead generation campaigns to revenue when so many campaigns include multichannel efforts?**
  We have identified the most commonly used tactics for multichannel lead attribution, and will discuss the most effective strategies so you can tie your activities in to revenue and optimize your campaigns.

- **How can we select the best lead generation technology and tools for 2012?**
  You will the top marketing tools and technologies for 2012, and gain valuable insights from marketers and CMOs on lead generation technology.

KEY FINDING: CMO PRIORITIES ECHO THE IMPORTANCE OF QUALITY

Chart: CMOs prioritize ROI, optimization and insights

Q. As CMO or the senior marketing executive in your organization, what are your top strategic priorities for lead generation in the next 12 months?

Achieving or increasing measurable ROI — **52%**

Optimizing the Marketing-Sales funnel — **51%**

Gaining greater insight of audience — **51%**

Maximizing the lifetime value of customers — **47%**

Implementing lead tracking systems — **29%**

Insight into multichannel lead generation programs — **28%**

Demonstrating marketing's contribution to revenue — **22%**

Improving database hygiene — **19%**

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

*"**We have a complex marketing process with a long lifecycle** between opportunity identification and closure. The most effective ROI comes from closely monitoring our opportunity pipeline and conducting thorough opportunity reviews."*

-CMO insight

Most CMOs agree that **ROI, optimization and audience insights are of premier importance for 2012**. The underlying theme of these priorities lies in the quality of leads generated. In fact, when these priorities are given to marketers, they are translated to the top objective of improving quality for all lead generation campaigns.

CMO response levels take a nosedive when it comes to prioritizing critical functions for performance evaluation and optimization, such as lead tracking systems, tracking multichannel programs and database hygiene. This creates an unbalanced marketing strategy, since it is necessary to perfect these tracking and optimization functions if organizations hope to improve lead quality and ROI.

KEY FINDING: ORGANIZATIONS TARGET QUALITY, BUT THEY AREN'T PAYING FOR IT

Chart: Can you really get a high-quality lead for $20?

Q. Please select the range that represents the estimated COST to your organization of one qualified lead.
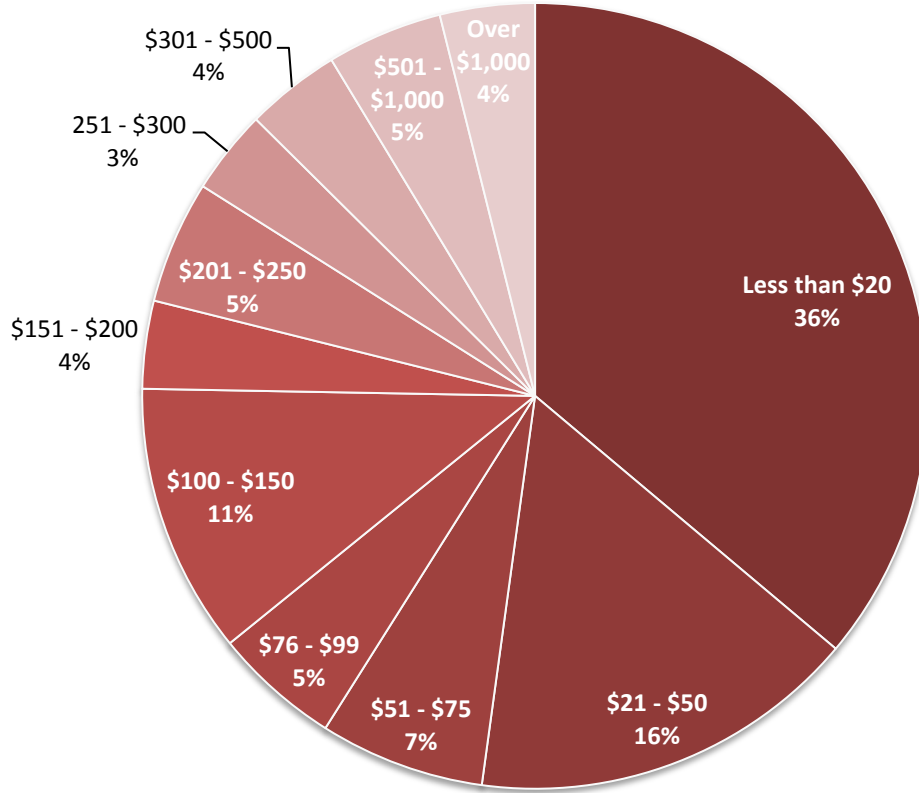
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Despite an increasing need for quality, many organizations invest less than $20 per lead. The second-most popular response was only one tier up, at $21-$50 per lead.

In the past, it may have been acceptable to assume that if an organization can lower their upfront cost-per-lead, they will also increase lead generation, improve ROI and drive revenue.

This makes sense when calculated on a spreadsheet, but when rolled out in an evolved marketplace with an empowered buyer, **it's going to take a lot more than simply lowering the cost-per-lead to achieve the goals of today's CMO**.

"Marketers can justify a higher cost-per-lead of the leads generated are also of a higher quality.

By focusing only on low-cost activities, marketers may sacrifice quality for volume without even knowing it"

Marketers may be weary to increase investments at the top of the funnel, and possibly generate *less leads for the same investment.* However, it will be easy to justify a higher cost-per-lead of leads that are higher in quality, and are actually ready to begin the sales process.

KEY FINDING: LEAD NURTURING PROVEN TO IMPROVE LEAD GENERATION ROI

Chart: Lead generation ROI by use of lead nurturing
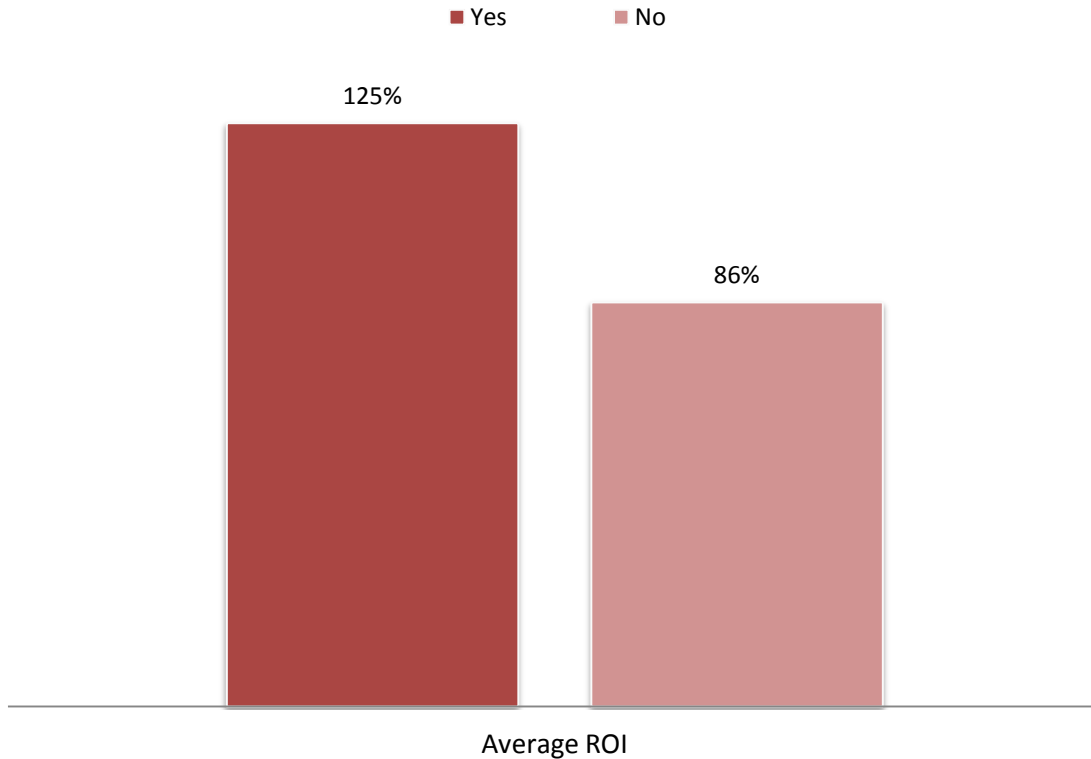
Q. Do you have lead nurturing campaigns in place?

■ Yes   ■ No

125%

86%

Average ROI

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Webinars and whitepapers sent to our nurture lists draw prospects interest, and open the door for our Sales reps."

-Marketer insight on most effective lead generation tactics

On average, organizations that nurture their leads experience a **45% lift in lead generation ROI** over those organizations that do not.

It's no longer enough for organizations to generate leads, send them off to Sales and call it a day. Lead quality requires finding the *right buyers at the right time*. Lead generation strategies find and convert the right buyers, but **scoring and nurturing strategies must be used to identify the right time to send them to Sales**.

The results are clear. By nurturing leads with relevant content, such as webinars, whitepapers or thought leadership articles, organizations can effectively **encourage the right buyers to engage with Sales at the right time, and improve overall lead generation ROI**.

KEY FINDING: CLEAR COMMUNICATION OF VALUE IS VITAL TO SUCCESS

Chart: Lead generation ROI by use of value proposition

Q. Do you have a defined value proposition for one or more of your products or services?
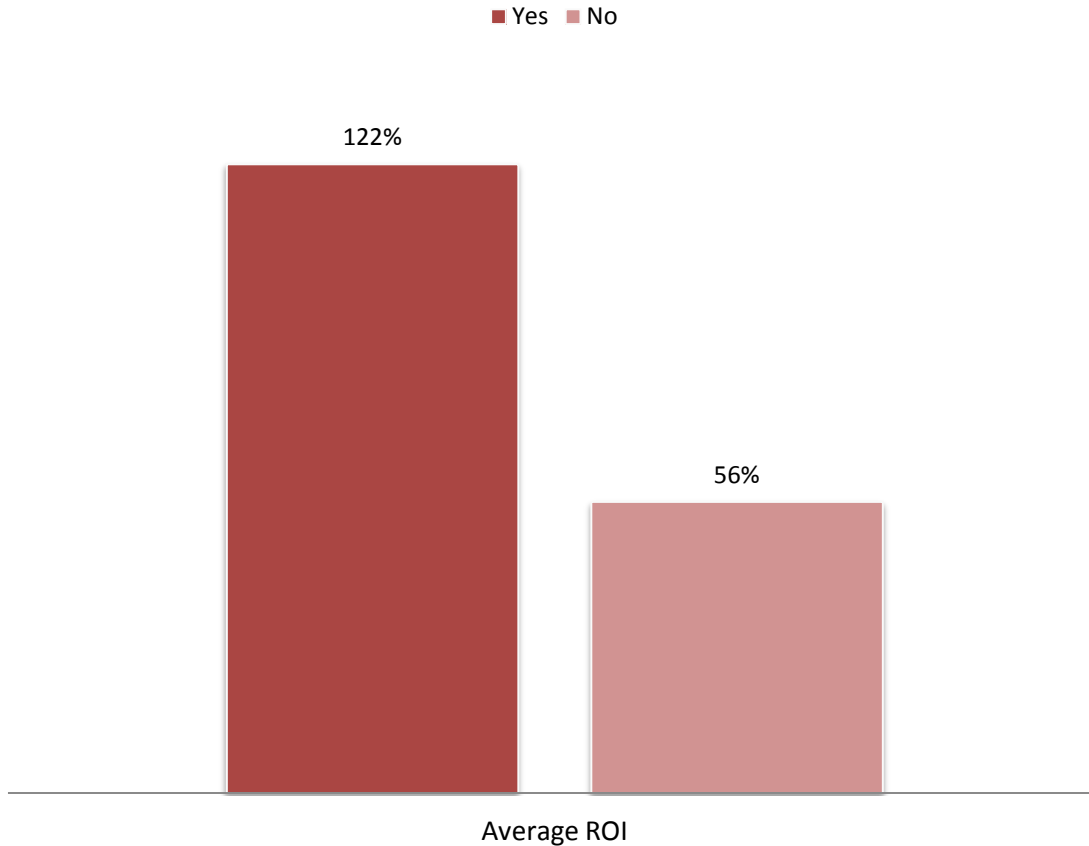
■ Yes   ■ No

Average ROI

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

The foundation of marketing messaging lies in the value proposition. Without a clear and compelling value proposition, buyers are left wondering why they should buy your product instead of a competitor's. What differentiates your product, and makes it more appealing, more exclusive and more desirable? Why should your buyers choose your solution instead of your competitors? Your value proposition should clearly communicate the answers to these questions in a credible, compelling way.

On average, organizations that had defined a clear value proposition for their products experienced a 117% lift in lead generation ROI over organizations that did not.

*"Our top challenges include getting business owner's attention and differentiating us from other companies. **Building a stronger, clearer value proposition** that can be communicated quickly and easily."*

-Marketer insight

KEY FINDING: ONLINE TACTICS TOP THE CHARTS IN EFFECTIVENESS

Today's marketer has no shortage of tools at their disposal to deliver messaging to audiences. From the old standby tactics of direct mail, print advertising and tradeshows, to newer online tactics like social media, search engine marketing and email, how does one choose the channel that will inspire conversions?

The real question is which *channels* will convert audiences. **Multichannel messaging has been rated as the most effective tactic for increasing engagement** (MarketingSherpa *2012 B2B Marketing Benchmark Report*). When your targets receive the same message from you via multiple channels, you create a consistent and engaging experience.

The following chart evaluates the use, difficulty and effectiveness of various lead generation channels, to help you identify your optimal, multichannel mix.

Chart: Inbound or outbound - degree of difficulty not affecting use of effective tactics
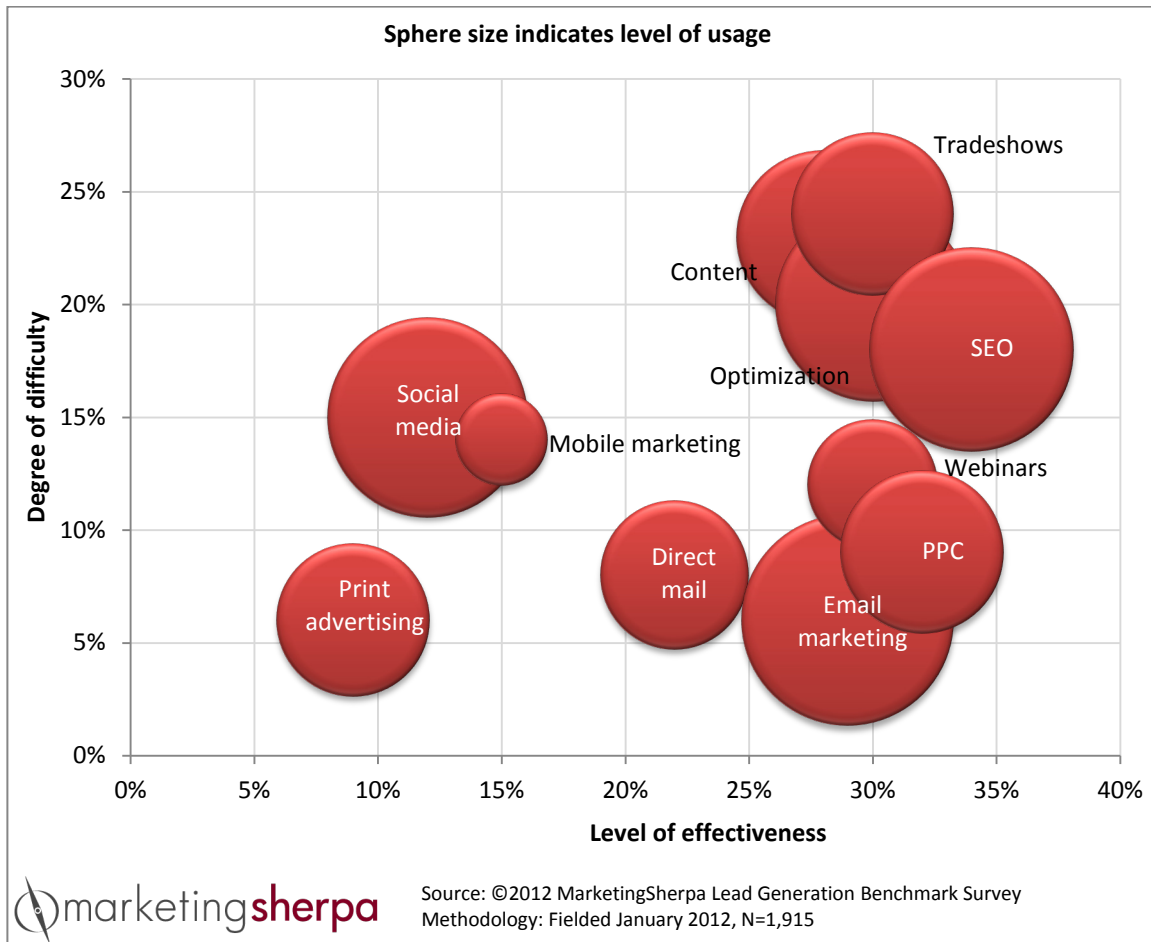
During this study, we uncovered that organizations lack maturity in the planning and execution of lead generation tactics, in fact – **only a quarter of respondents had formal processes with thorough guidelines that are routinely performed**.

While the majority lacks maturity in planning and strategy, marketers are not lazy! Results indicate that degree of difficulty does not affect the level of usage for the most effective lead generation tactics, such as

SEO, website optimization, email marketing and content marketing. Clearly, marketers are willing to put in the work for the tactics that deliver the greatest returns.

Throughout the results of this study, from budget allocations to ratings of effectiveness, **there is an ongoing trend of marketers moving to online marketing tactics**. These tactics have a well-known reputation for being cost effective and quick to generate results.

However, despite this undeniable trend, marketers must be cautious. There are still a large number of organizations finding great value in offline tactics like direct mail, print advertising and tradeshows. Before migrating to a highly online-focused strategy, **marketers must test and assess the appropriate channels to convince and convert their specific targets**.

KEY FINDING: LEAD GENERATION BUDGETS FAVOR ONLINE ACTIVITIES

Chart: Trends in 2012 marketing budgets

Q. Please indicate the expected changes to your lead generation budget for the following channels for 2012.
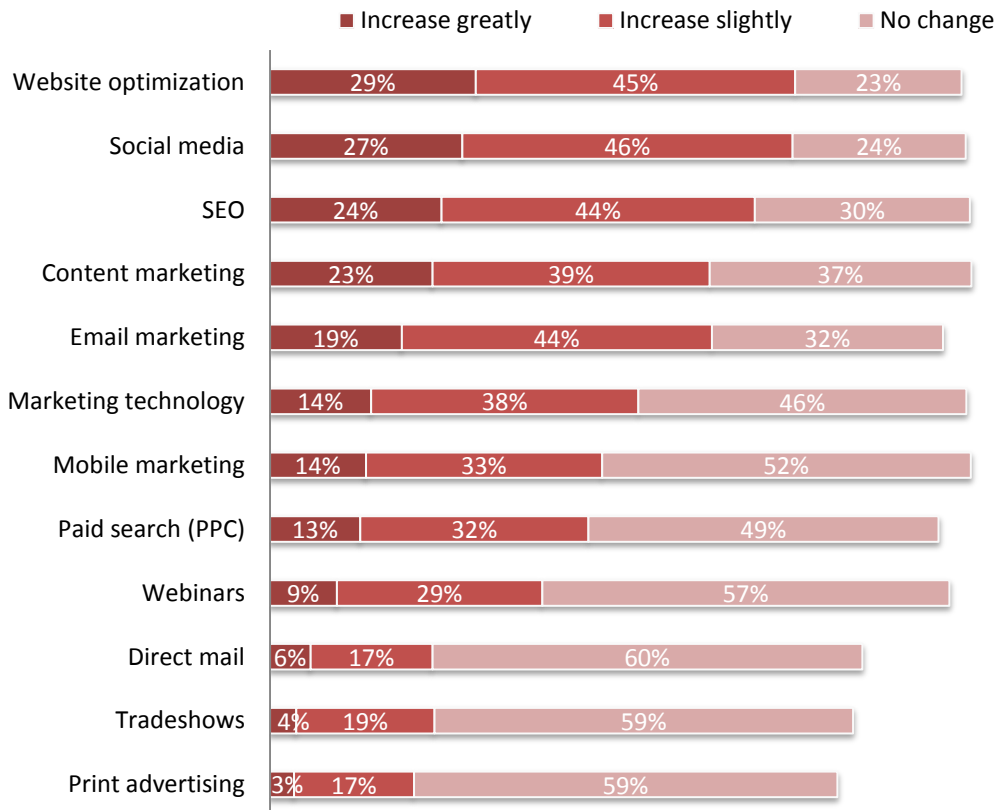
Legend: ■ Increase greatly ■ Increase slightly ■ No change

Channel	Increase greatly	Increase slightly	No change
Website optimization	29%	45%	23%
Social media	27%	46%	24%
SEO	24%	44%	30%
Content marketing	23%	39%	37%
Email marketing	19%	44%	32%
Marketing technology	14%	38%	46%
Mobile marketing	14%	33%	52%
Paid search (PPC)	13%	32%	49%
Webinars	9%	29%	57%
Direct mail	6%	17%	60%
Tradeshows	4%	19%	59%
Print advertising	3%	17%	59%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

The trend towards online marketing is further demonstrated when analyzing changes in marketing budgets for 2012. The tactics that will receive the greatest increases in budget for 2012 include website optimization, social media and SEO. The tactics receiving the lowest increase are all outbound, including print advertising, tradeshows and direct mail.

"Management doesn't seem to believe that marketing is an investment but more of a department to "waste" money so getting budget is extremely challenging."

-Marketer insight

Many marketers struggle with generating high-quality leads with limited budgetary resources, as it is somewhat common for organizations to view Marketing as a cost center, and Sales as a revenue generator. In order to prove this perception false, and barter for budget increases, **marketers must implement lead attribution processes to properly tie marketing activity to revenue**, so they can properly plead their case.

KEY FINDING: WHETHER IT'S B2B OR B2C, IT'S ALL LEAD GENERATION

Chart: Marketers cite insignificant differences between B2B and B2C lead gen

Q. How do you perceive the difference between B2B lead generation and B2C lead generation?
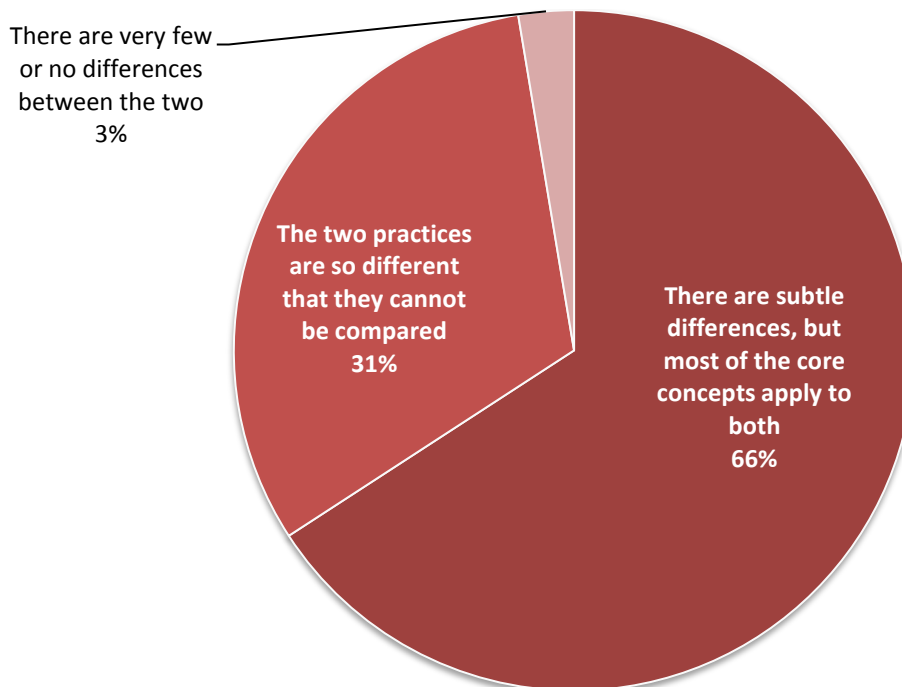
There are very few or no differences between the two
3%

The two practices are so different that they cannot be compared
31%

There are subtle differences, but most of the core concepts apply to both
66%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Just because an organization isn't B2B, doesn't mean that they don't need to perfect their lead generation strategies. Plenty of B2C organizations have a complex sale with high average sale prices, long sales cycles, and multiple decision makers. For these organizations, there are few differences in the core concepts of lead generation to their B2B counterparts, as the majority of respondents (66%) agree.

CHAPTER 1 – UNDERSTANDING THE NEW MARKET

INTRODUCTION: ASSESSING TARGETS AND COMPETITORS FOR OPTIMAL LEAD GENERATION

Gaining a solid understanding of the marketplace before adjusting lead generation strategies enables organizations to **properly target the right segments, and differentiate their offerings in a credible, compelling way**. A critical element to this assessment includes benchmarking lead generation performance to the results of competing organizations to determine how effective your campaigns are against those of the competition.

In this chapter, you will learn to assess your audience for quality, and how you can improve that quality. You will also be armed with **industry benchmarks for key performance indicators of modern lead generation campaigns**.

This chapter will specifically address the following questions:

Evaluating lead generation processes

- What types of processes are organizations using for lead generation?

Assessing targets to improve lead quality

- Do organizations monitor quality as much as they should?
- What is a qualified lead?
- How can we improve lead quality with nurturing strategies?

Benchmarking performance against the competition

- What can I expect for ROI of lead generation activities?
- How long is the average sales cycle?
- How much is the average sale amount?
- How much do organizations pay for leads?
- How much do organizations pay per acquisition?

WHAT TYPES OF PROCESSES DO ORGANIZATIONS USE FOR LEAD GENERATION?

When considering the processes organizations use for their lead generation strategies, **planning precedes power**. Since marketers are facing an increasingly challenging marketplace, they cannot expect to throw campaigns together in an unorganized manner without consideration for targeting and integration and *actually get the greatest potential results*.

Improving lead quality and ROI requires strategic planning in understanding the target audience, the message to convince that audience, the channels available to deliver that message, and the overall optimization of tactics.

We wanted to learn more about the formality of the processes organizations are using to plan and execute their lead generation campaigns, so we asked study participants to indicate whether they have a formal or informal process, or no process at all.

Chart: Lead generation maturity

Q. Which statement best describes the process your organization uses to plan, execute and measure the performance of lead generation programs?
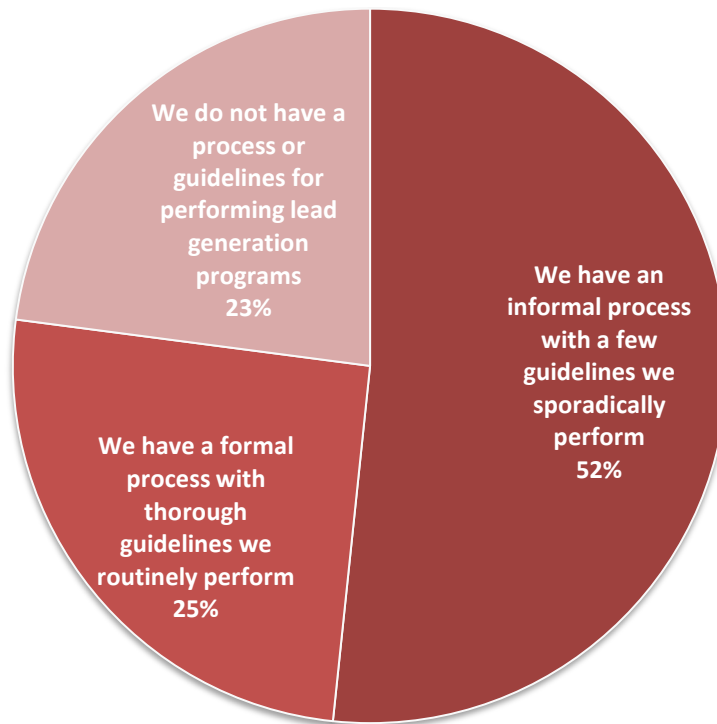
We do not have a process or guidelines for performing lead generation programs
23%

We have an informal process with a few guidelines we sporadically perform
52%

We have a formal process with thorough guidelines we routinely perform
25%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Despite the growing challenges facing marketers responsible for lead generation, **the majority lack maturity** in the planning and execution of lead generation processes. In fact, nearly 25% admitted that they have no process or guidelines in place.

Until organizations acknowledge the importance of process and strategy in lead generation campaigns, their challenges will only continue to increase in the upcoming years.

Do organizations monitor quality as much as they should?

We centered this study on improving lead quality because it is the most pressing lead generation challenge currently faced by marketers. In fact, **71% of our survey respondents indicated that generating high-quality leads was a top challenge**.

To improve lead quality, we must adapt to our evolved buyer's preferences, and engage with them on their terms. Both the timing of communications and hand-off to Sales play integral roles in this process.

Chart: Submission of all leads to Sales

Q. Do you send all leads that respond to marketing campaigns directly to Sales?
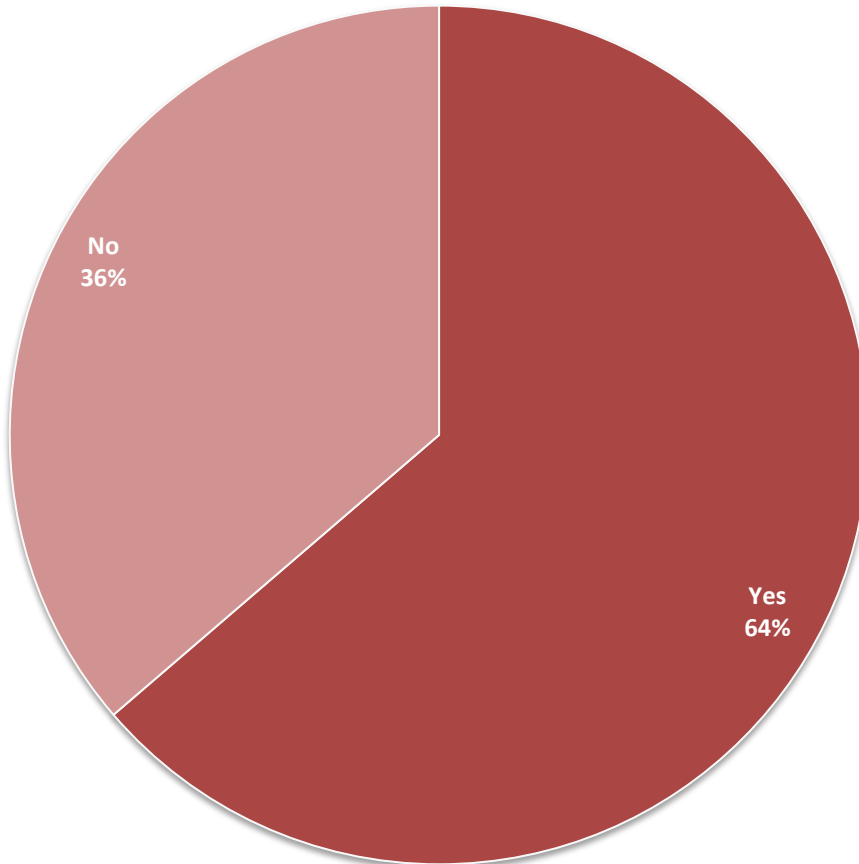
*marketing*sherpa

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Despite the challenges marketers currently face with lead quality, they still do not adequately monitor quality. By sending all leads directly to Sales, **64% of organizations show a complete lack of regard for their audiences' timing preferences**. As a result of employing this hasty approach, these marketers don't know if their leads are in the independent research phase, or if they are ready to engage with Sales. They assume all leads will respond to Sales engagement, which is unacceptable for today's buyer.

Chart: Submission of all leads to Sales by organization size
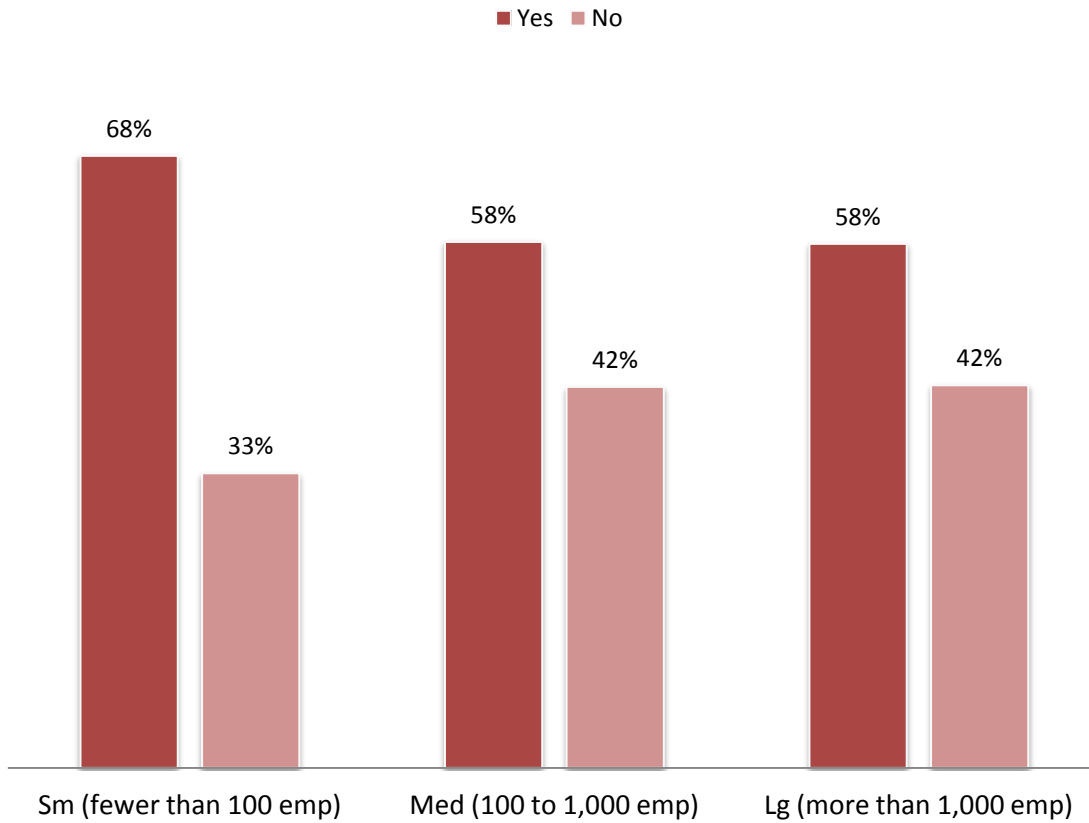
■ Yes ■ No

| | Sm (fewer than 100 emp) | Med (100 to 1,000 emp) | Lg (more than 1,000 emp) |

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Fact: On average, 73% of all leads generated will not be qualified and ready for Sales at time of initial conversion."

MarketingSherpa's 2011 B2B Marketing Benchmark Survey

If you are among the majority of marketers that sends all leads directly to Sales, withholding *any* portion of lead volume from Sales control is a difficult concept to sell, much less a majority of leads. Our research shows that **nearly two-thirds of all leads generated are not immediately ready for Sales**. This political barrier with Sales is a major factor in lack of adoption.

Medium- and large-sized organizations seem to have a slight advantage over small-sized organizations in this matter, as they have greater adoption of screened leads from Sales. Does the more advanced structure in larger organizations influence accelerated political buy-in? In smaller organizations, a Lead Generation Specialist may barter for Sales buy-in, while the demands of a CMO at a larger organization may carry more weight. Large organizations may also have a wider range of product offerings, which may create a greater need for lead evaluation prior to Sales submission.

Chart: Submission of all leads to Sales by primary market
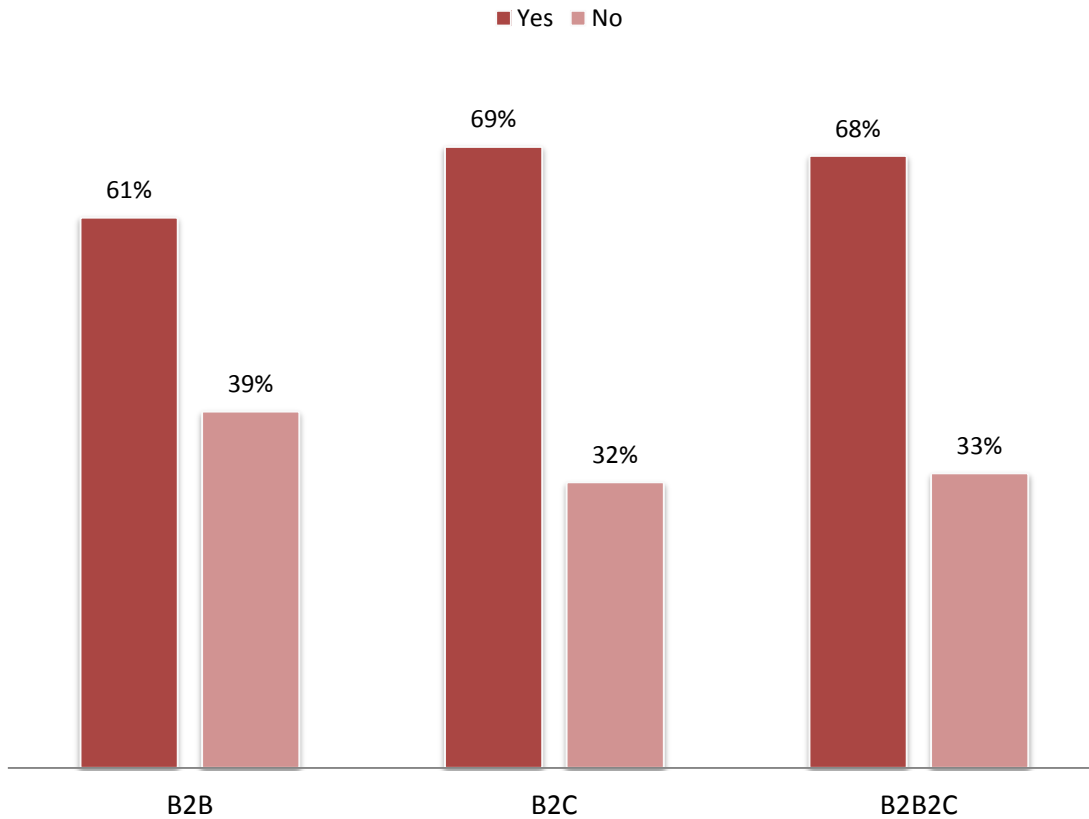
■ Yes ■ No

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Though a majority of survey respondents cited insignificant differences between B2B and B2C lead generation, **B2B companies clearly have a leg up on their consumer-targeted counterparts in terms of quality**.

A distinct difference lies in the *execution* of B2B lead generation, as these companies typically require a higher level of targeting than B2C organizations. For example, a B2C organization that sells mortgages to new homeowners will have certain financial and employment criteria for buyers seeking mortgages of different amounts. If the buyer doesn't qualify at one price point, they may still qualify at another.

A B2B organization that sells finance management software solutions may need to target buyers who have adequate budgets, are technically savvy, see value in the software, and already use QuickBooks. The B2B organization has more levels of demographic and behavioral characteristics to consider before determining lead quality.

Since B2B organizations tend to have finer targeting needs than B2C organizations, they are also more likely to monitor lead quality, and assess whether or not a lead is ready for Sales.

Chart: Submission of all leads to Sales by industry sector
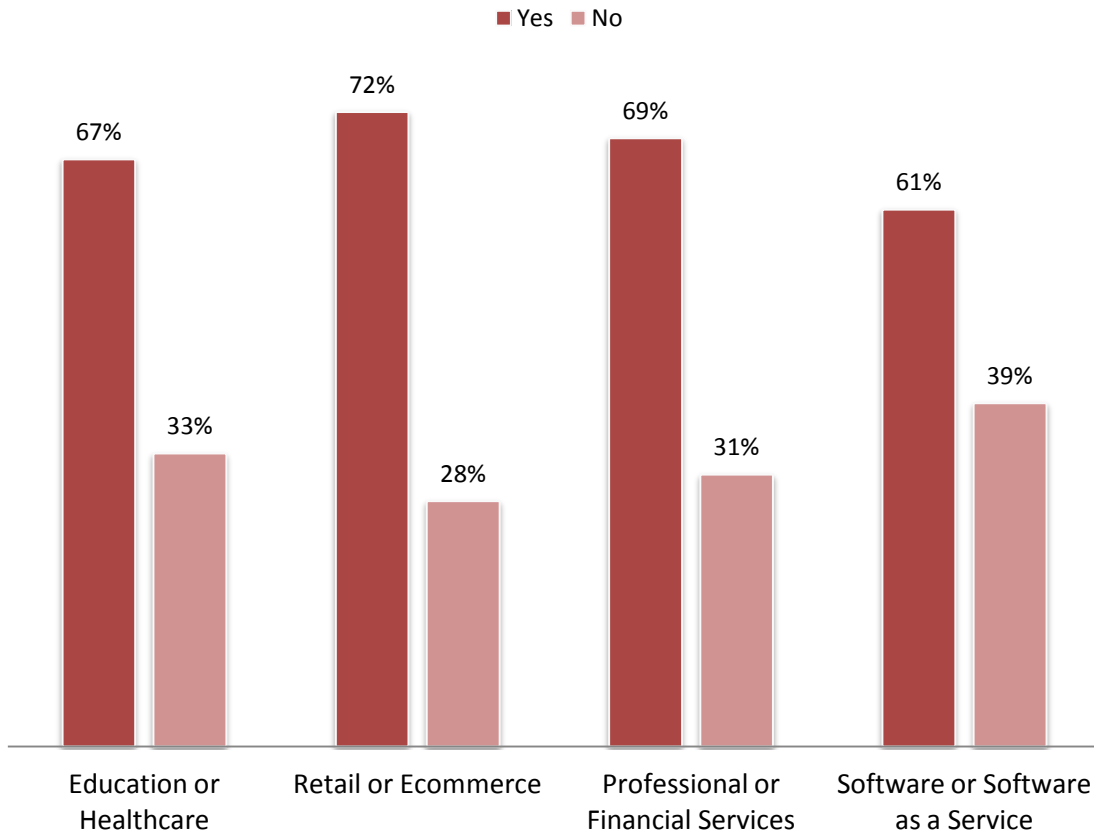
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Organizations in the software or software-as-a-service (SaaS) sector typically have a number of specific criteria for qualified leads, such as budget, technical savvy, integration capabilities, etc. It is because of this intricate targeting that these organizations are most likely to screen leads from Sales. Conversely, organizations in the retail or e-commerce sector are least likely to do so, due to broad audience targeting.

In order to convert skeptical buyers, **Sales teams of all industries need to engage with the right customers at the right time**; however, organizations frequently find the right customers at the *wrong time*.

Finding the "right" customer takes a great deal of effort and investment. Marketers essentially *lose* their investment when they find the right people, only to send them to Sales at the wrong time. **The premier challenge is not finding the right customer at the right time, but finding the right customer, and then *identifying* the right time to send them to Sales.**

"Our greatest challenge is finding the right customer at the right time in the buying process."

-Marketer insight

WHAT IS A QUALIFIED LEAD?

Today, leads have countless ways in which they can engage with organizations, ranging from the traditional contact methods, such as calling and submitting an RFP, to modern methods like Twitter and Facebook interaction. How can we determine which actions make for a qualified lead?

Chart: Required actions for lead consideration

Q. At what point do you consider a prospect or inquiry a true lead for your organization?
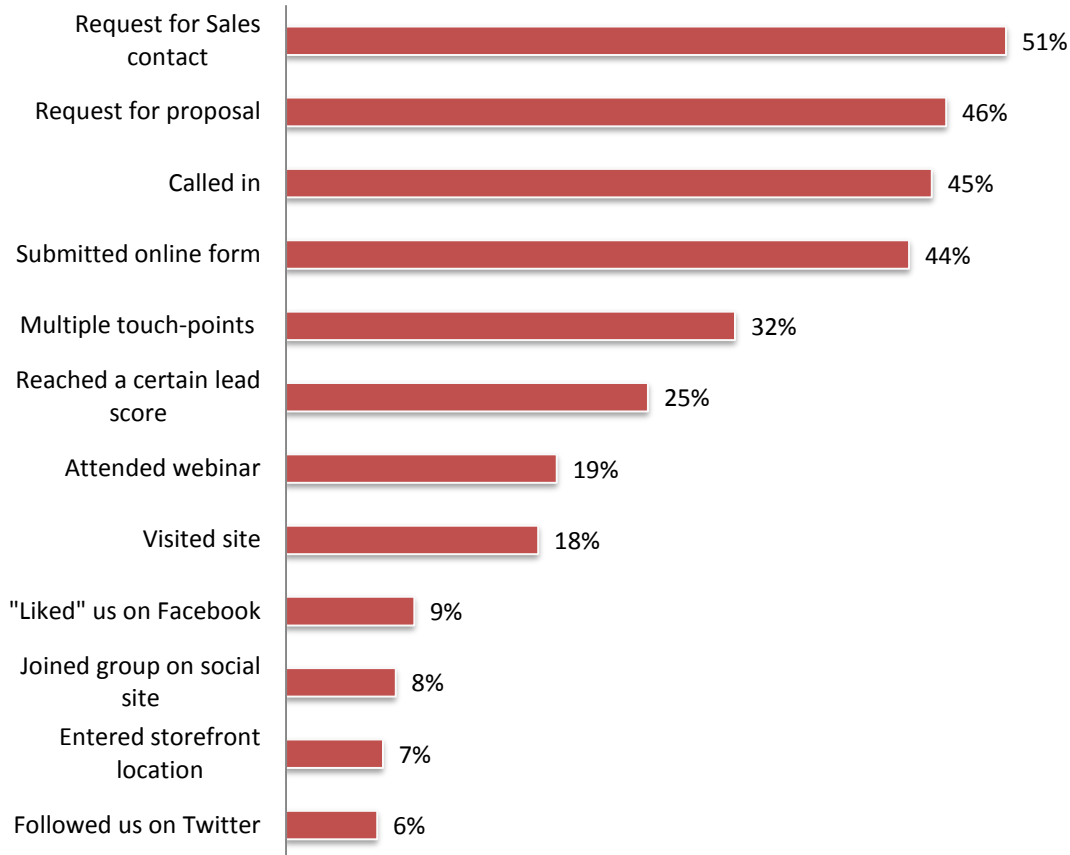
Action	Percentage
Request for Sales contact	51%
Request for proposal	46%
Called in	45%
Submitted online form	44%
Multiple touch-points	32%
Reached a certain lead score	25%
Attended webinar	19%
Visited site	18%
"Liked" us on Facebook	9%
Joined group on social site	8%
Entered storefront location	7%
Followed us on Twitter	6%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"When considering actions that determine lead quality, one must determine the level of commitment that each action requires."

When considering the actions leads take when engaged, we must evaluate the level of commitment each action shows. **The more committed the lead, the higher the lead quality will be**.

The three most common actions required for lead consideration involve a high level of lead commitment. For a lead to request Sales contact, contact by phone, or a proposal shows they are willing to commit time to evaluating this decision in the near future. More modernized communication methods like joining a social media group, or "liking" a brand on Facebook, require just seconds of a prospect's time.

HOW CAN WE IMPROVE LEAD QUALITY WITH NURTURING STRATEGIES?

When we find the right customers at the right time, those leads can be sent directly to Sales. But, how do we manage appropriate leads found at the *wrong* time? To protect the investments we make to capture leads, we must encourage their progression through the buying process with nurturing strategies.

Chart: Use of lead nurturing
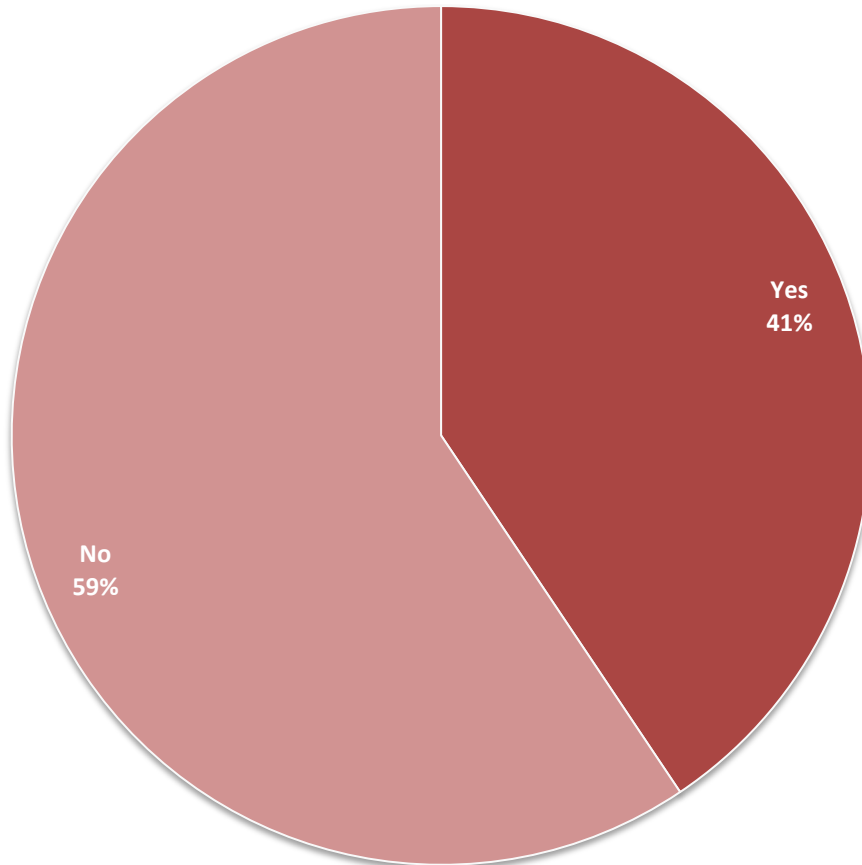
Q. Do you have lead nurturing campaigns in place?

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Since a majority of organizations send all leads directly to Sales, it's hardly surprising that *the majority also do not nurture their leads.* This represents another lost opportunity to improve lead quality, and move buyers through the funnel.

When we convert the right customers at the wrong time, we need to be the trusted providers of the information they seek. **Nurturing these leads with targeted, segmented content is the best way to win their trust**, and protect the initial investments made to convert them.

Chart: Use of lead nurturing, by organization size
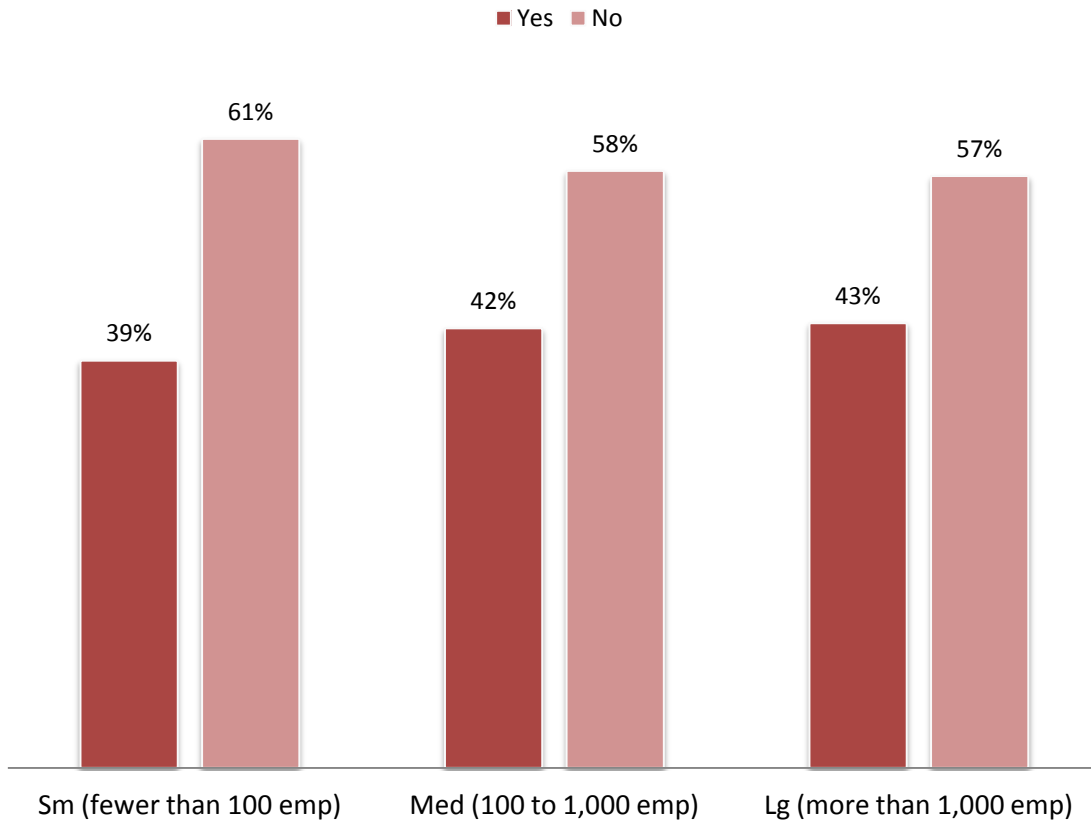
■ Yes ■ No

Sm (fewer than 100 emp)   Med (100 to 1,000 emp)   Lg (more than 1,000 emp)

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Leads are generated, but follow-up is sporadic, leading to lost leads."

-Marketer Insight on top challenges

Small-sized organizations have a marginally greater inclination to nurture leads. These organizations tend to have the advantage of agility. Typically, they can establish and approve new processes faster than larger organizations.

Even when lead generation tactics are refined and optimized, leads can easily slip through the cracks. Without post-conversion nurturing, organizations of all sizes risk losing the lead.

It is dangerous to expect all leads to be far enough along in the buying process at time of conversion. This thinking can wreak havoc on the effectiveness of lead generation campaigns and the overall success of an organization.

Chart: Use of lead nurturing, by primary market
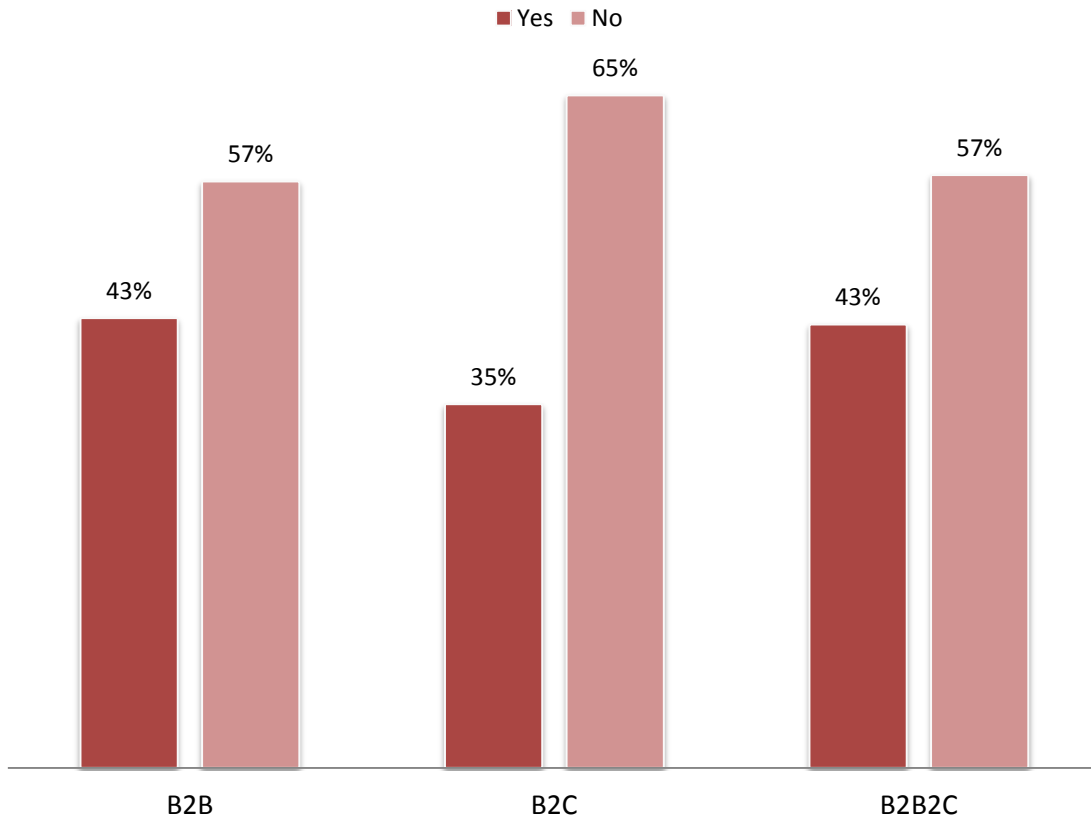
Yes ■ No

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Earlier in this chapter, we learned that B2B organizations were most likely to screen leads prior to Sales submission, which is now a best practice for organizations with a complex sale. In the above chart, we learn these organizations receive a second "gold star" for adopting another best practice at the highest rate – lead nurturing.

B2B organizations have longer average sales cycles than organizations within any other primary market. This creates a greater need for B2B organizations to optimize lead progression through the buying process, and accelerate pipeline performance. Both objectives can be achieved and supported with the use of dedicated lead nurturing campaigns.

"Organizations in the B2B space are more likely to screen leads from Sales, AND nurture those that aren't yet qualified."

Chart: Use of lead nurturing, by industry sector
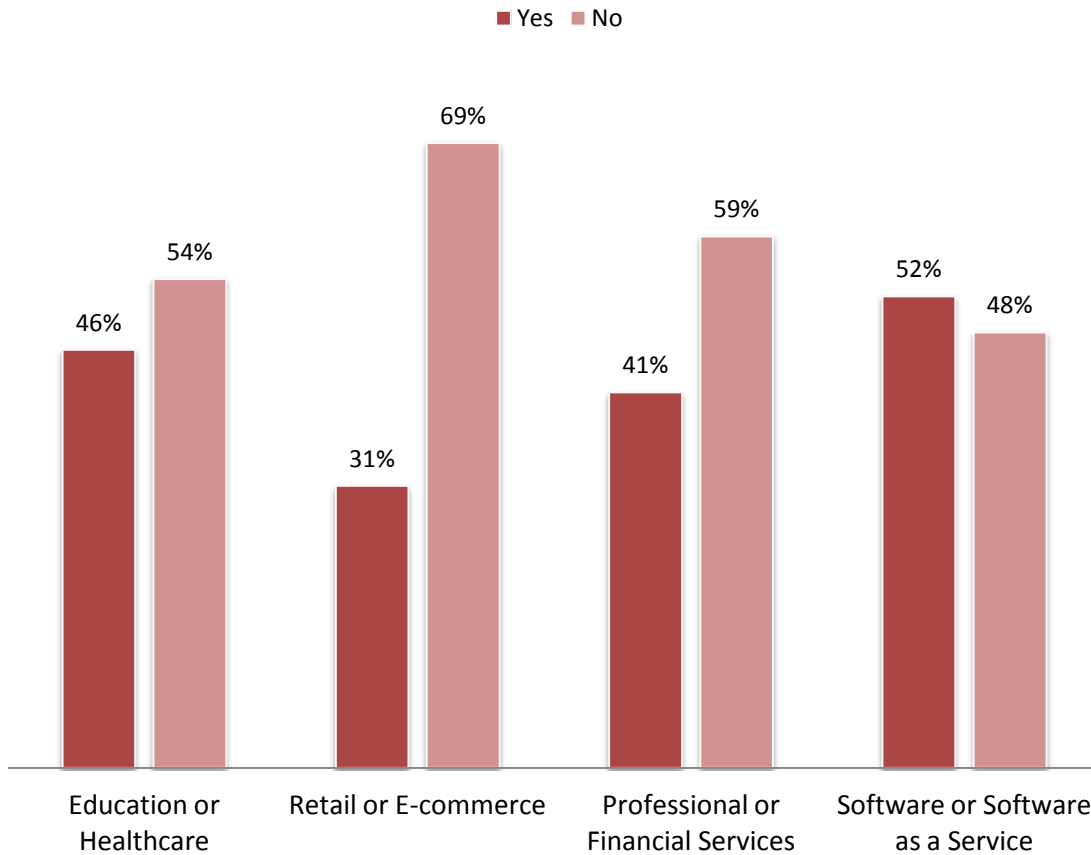
■ Yes ■ No

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Organizations in the software or SaaS industry are most likely to use lead nurturing campaigns. As we learned in the previous section, they are also the most likely to screen leads from the Sales team until they are qualified. **Organizations in this high-tech sector tend to have greater qualification criteria of leads, and longer average sales cycles, essentially creating a more complex sale**, and a greater need for lead optimization techniques.

Marketers have a number of options when it comes to the tactical execution of lead nurturing campaigns, from email marketing platforms, to CRM solutions, to complete marketing automation tools. Regardless of preferred execution, technical savvy will be required. Technical skills are embedded in the cultures of high-tech organizations, which may also influence an increased adoption rate of lead nurturing among the software or SaaS industry.

CASE BRIEFING: CUSTOMER RESEARCH LEADS TO 940% INCREASE IN SUBSCRIBERS

Case Study ID: 31868
Location: MarketingSherpa Member Library
Summary: A B2B organization uses customer analytics to increase readership by 940%.

CHALLENGE

Content plays an integral role in any marketing effort, and marketers have countless types of content to choose from. How can organizations determine what type of content is going to resonate with their audience?

Danny Brown, CEO, Bonsai Interactive Marketing, a Canadian agency offering social media and mobile marketing, found out how powerful customer analytics data can be in improving visits, shares, engagement and readership.

CAMPAIGN

1. Integrate the entire network

Brown's content network included the company website, his personal blog, Twitter, Facebook, YouTube, and partner websites. An important aspect of integrating the entire content network is determining what content should appear in different places – for example the content that is best placed on his personal blog might not be a good fit for partner websites. Brown used analytics to make decisions on which content should be published through various media, focusing on answering community member questions.

2. Let your audience tell you what they want by their actions

The most important aspect of bringing analytics into the content marketing strategy is it allows you to better understand your reader. Once Brown began using analytics, he was able to understand what his audience was doing on various online properties including what they were searching for, and how long they were on the site. These numbers give Brown an overview of his audience and their behavior. He knew if traffic was coming from Facebook or Twitter, and in which countries his visitors were based.

3. Turn data into visits

Content without readers is not doing anything for you. Brown gained an understanding of what was being searched for, where was being searched from, the keywords that were being used and trends within his audience. He used this information to tailor new content, attract new visits and subscribers.

RESULTS

- 940% increase in subscribers
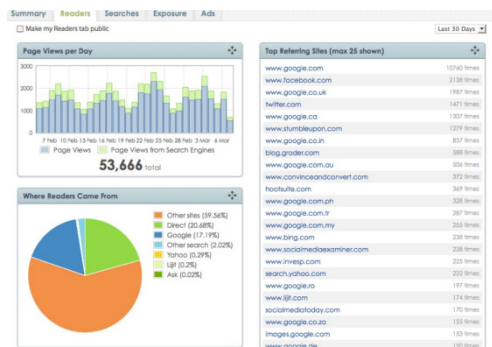
WHAT CAN I EXPECT FOR ROI OF LEAD GENERATION ACTIVITIES?

52% of CMOs indicated achieving or increasing measurable ROI from lead generation activities is a top objective for 2012, more than any other lead generation objective. Though many CMOs are laser-focused on improving this critical performance metric, it can be difficult to discern what does, and does not, work for marketing ROI.

We benchmarked average ROI for all 1,915 of our survey participants, to help you determine how your performance compares with data from the largest available community of marketers.

Chart: Average and median return-on-investment

Q. What is the average return on investment (percent ROI) from your lead generation programs? Please use your best estimate. If not able to provide a reasonable estimate, OK to skip question.
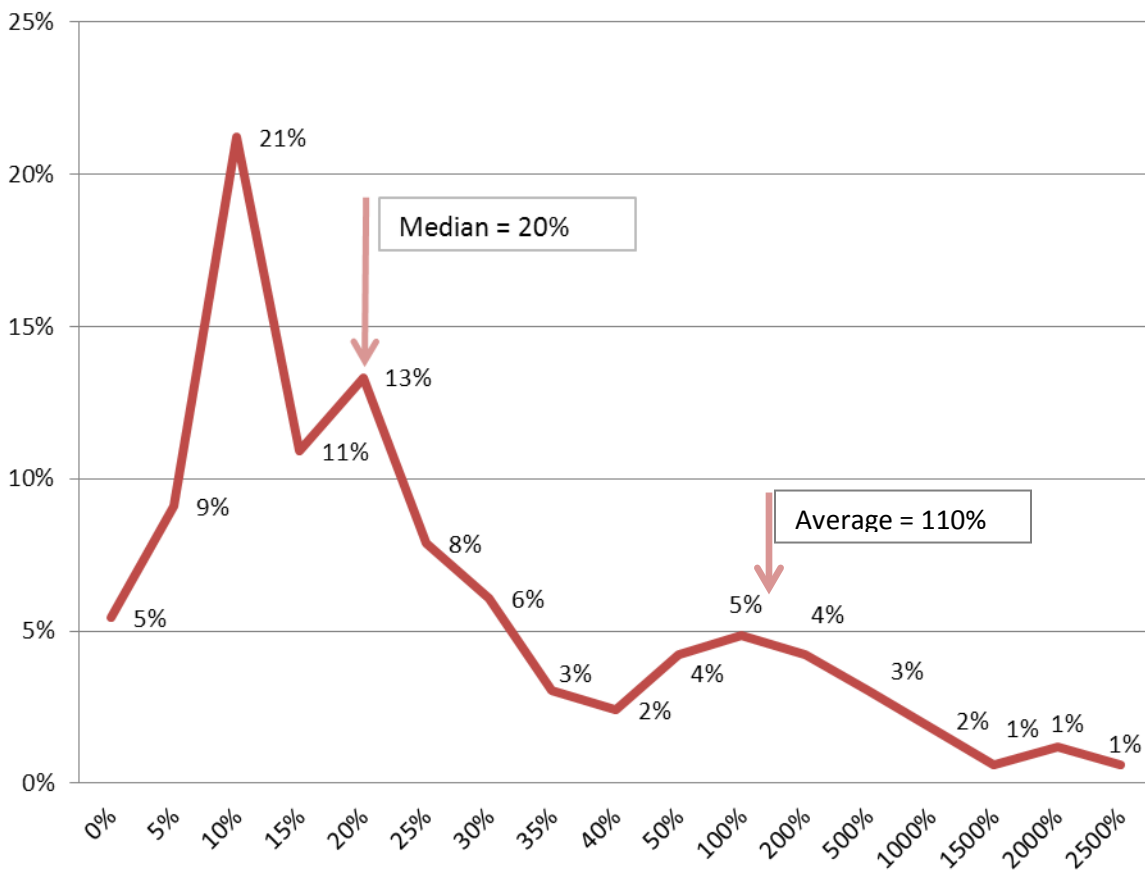
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

The above chart benchmarks lead generation ROI for organizations of all sizes, targets and industries. On average, marketers receive a return of 110% on their lead generation activities, essentially doubling their initial investment. The median value of 20% indicates there are many organizations that don't recover their full lead generation investment, despite the well-performing average.

TABLE: WHAT DO CMOS DO TO IMPROVE LEAD GENERATION ROI?
Q. As CMO or the senior marketing executive in your organization, what strategies have been the most effective in increasing ROI from your lead generation activities?

- Better use of CRM, quicker initial contact with customer, elimination of print media spending.

- Consistency is the key of all the activities with focused segmentation.

- Constant monitoring, and refining processes

- Focus on quality

- Implementing and integrating lead tracking system

- Optimizing lead progression through the Marketing-Sales funnel

- Gaining greater insights of customers and target audience

- We find lead generation varies by target audience and title. For IT management professionals we target who have been in the business for over 15 years, they tend to respond more often to traditional vehicles, i.e. email, telemarketing, newsletters. For IT executives, face-to-face meetings, events, summits and conferences. For younger IT professionals (22-35 years of age), they engage and respond to social media more often than the more senior target.

- Multichannel marketing programs involving email, direct mail, social CRM and sales follow-up have proven highly successful.

- Referrals are our best sources for new business. We recently surveyed customers with the goal of understanding what they value and are using that data to improve messaging which we expect will turn into improved ROI.

- Smart segmentation – Companies with positive income and revenue growth where the decision maker is relatively new to the organization. Smart messaging – razor-sharp messages with focus on one solution. Nurturing with multiple mails, calls and webinars to build the mind share before asking for a sales call trusted advisor. Do not pretend to be what you are not; be candid with what you have done, what you can do, and what is "a stretch."

- Our focus has been on value creation marketing. In line with this we have (and are developing) tools and solutions that speak proactively to identifying clients' needs and developing tailored solutions to meet them.

- Implementation of CRM system which gathers forms information directly from our website. This helps to track and manage opportunities and the source of the original lead.

- Low cost and easily measurable channels of advertising. Usually the least complex and lowest cost end up outperforming the more complex and higher-cost avenues. Things like direct mail, email advertising, and information marketing have done very well.

- The best thing we ever did was eliminate the activities that we thought we must do as part of universal marketing philosophies but that simply didn't work for us. My experience is that people don't measure final results with tangible data (e.g., $ sold), they measure activity and results with intangible ideas (e.g., we're getting more calls). Example 1: More calls are irrelevant if the calls are asking about products we don't supply. Plus they take time away from productive work. By the way, 'productive time' is time put directly into the product, NOT being busy at work. Support services, rework, expedite, meetings, research, and education are not considered productive time in my business. Example 2: Selling twice the number of items at half the price is NOT good because production costs double.

- Consistently looking at new markets we can enter, keeping informed on competitive intelligence, developing better word-of-mouth marketing techniques

- The development of sales enablement tools that are matched to the sales cycle. We did a better job of this last year and are committed to greatly improving it this year. Nothing is faster at pulling people through the sales funnel.

- We are constantly testing, measuring, analyzing and then optimizing every marketing program. Aggressive goals are set to motivate improvement and regular feedback loops have been instituted to encourage accountability. Initial negotiation of vendor pricing is also a key factor. After a mutual incremental ROI projection is completed, the numbers must align with our organizational goals. Otherwise, we do not make the commitment or investment.

- Conference exhibits, social media - Twitter, Facebook, YouTube, Google Pay-per-click, Search Engine Optimization. 1. Continual improvement in our search campaigns – in both improving the keywords/ads in the campaign and optimizing landing pages through testing. 2. Building email lists and testing subject lines, body copy and landing pages.

- Database segmentation; mapping content creation to targeted personas and buyer phases; consistent messaging via marketing automation; and, behavior specific responses.

- Being certain that sales channel is aligned with lead gen efforts. Choosing offer that ties to/ supports sales effort. Being certain that sales channel has the skills and willpower to contact inquiry.

- Ensuring all outreach – blogs, newsletters, Tweets - asks the reader to take some action thus developing a two way relationship with our prospects. Being flexible with offers and always ready to test, tweak and redeploy

- Strategy that combines word-of-mouth and good references, build trust with people, so they are more open to try suggestions, and spend more money with us. Our main rule is being short and aggressive in presentation. Not to widen story, but take little steps on the way to final destination.

- Direct telemarketing to our existing customers continues to provide the greatest incremental revenue improvement over all other channels.

- Increase in use of social media – primarily Facebook - combined with past client referrals has resulted in approx. 70% of sales last year. Also have found that social networking with other industry professionals has led to sales due to referring their unfulfillable orders to us.

- Rigorous pruning of underperforming channels/list/stations etc., which sometimes requires patiently re-explaining to the non-marketing execs that direct marketing is not a case of "if some is good, more is better" You should not expect to see the same cost-effective results if you mail deeper into the list, run on non-core TV stations or include non-direct marketing activities in the 'weighted' cost of acquisition.

- More robust design of CTAs and landing pages for capture of lead data. More focus on design of campaigns which can be tracked and measured effectively

- Getting very focused on targeting specific prospects within verticals - we are attacking the classic "bowling pin" prospect that is discussed in **Crossing the Chasm**.

- Accurately measuring and improving lead conversions. We are a B2C transmission repair shop where our definition of a conversion is a phone call. Being able to accurately measure what keyword drove what phone call and being able to tie offline sales to online activity has been a challenge. We are a lot better at it now with keyword-level dynamic phone numbers. However, there's room for improvement and we're constantly tweaking what we do in an effort to increase our ROI.

- Creating original thought leadership for the industries that we target, taking our horizontal offerings and making them industry-relevant, messaging by role type, and activating lead generation through marketing automation platform.

- Utilizing social media and blogging to better acquaint ourselves with the individual needs and interests of our current and potential customers.

- Our sales are indirect. We do not perform marketing activities aimed at the consumer. We enlist the support of experts who recommend the product. Purchase influence comes from our experts, not from our company.

- Targeting, list quality, using content-driven relevant content, multi-touch campaign execution and established service level agreements with sales.

- It's a new business selling branded apparel and promotional gifts to organizations and events. Have dabbled into ROI but it has been met with little interest. That may well be user error! Am trying not to get caught in a low cost always wins spiral - which has been the first question or response from potential clients. "I've already got great (as in low) bids…" "What do you charge for..." Shifting conversation away from price is goal. Would like to create something very short – a few slides or very short video on ROI of products – and distinguishing my biz from others.

- 1. Utilizing buyer research based content assessment for content portfolio development 2. Implementing a clear nurture plan 3. Building qualitative and quantitative bridge between marketing and sales; effective demand requires process and measurement; but excellent and transparent relationship with sales org is key as well.

- SEO has given us our biggest gains. Online reputation management has also been extremely important, although, we have more work to do in this area.

- #1. Identifying and rapid testing of new online channels for monetizable traffic (display and email). #2. Maximizing revenue/lead using internal lead management software. #3. Schedule rotation of best performing creative and landing page combos.

- Personal relationship outreach. We are in the luxury end of the travel business, with products in the multi-thousand dollar range, so it is often personal connection with clients (we have huge repeat business) or leads that closes a sale.

- Last year we instituted a major overhaul on our website with a lot of attention spent on SEO and Web analytics. This in order to better record and find out what our customers were searching for but to also find out what conversion rates we were actually getting.

- It may seem simple, but using our current client database and offering additional services to our existing clients.

- Generating multiple touch points; providing relevant content; providing temporary price reductions / bonus offers.

- Maximizing lifetime value of customers, cross-/up-selling through focused marketing programs and sales support.

- A strict follow-up process after the lead generation activities is a must. Customer centric, focused team effort with right resource allocation has been an effective strategy towards increasing ROI.

- Ensuring that initiatives are not one-offs, but instead, sustained programs and/or campaigns. Frequency and repetitiveness, i.e., long term commitment, win the day with ROI.

- Greater attention to segmenting our contact database and more targeted promotions geared towards each category of potential customer. We are taking a much longer view of our customer relationships and therefore we want to generate awareness across the board, to build up a groundswell of support, rather than pick off a few key decision-makers.

- Split testing of ad campaigns. Measurement of funnel abandonment and improvement of the sales process.

- Multichannel campaigns featuring a mix of email, direct mail, social outreach and sales follow-up have proven most effective.

- Direct response advertising thru email, however we have not done much of this so far, we want to build our customers email database both past and future.

- Direct, organic communication with our customers. One to one marketing. Fast attention and response to customer complaints.

- 1. Move to Web-based sales programs (from mail/print) 2. Integrating channels (radio, mail, Web) 3. converting to second purchase and increasing lifetime ROI

HOW LONG IS THE AVERAGE SALES CYCLE?

Approximately one- third (27%) of our study participants indicated that **marketing to a lengthening sales cycle is a highly pertinent challenge.** Even though this is a significant percentage, sales cycle length was not rated as pressing as generating high-quality leads or a high volume of leads. When properly managed with funnel optimization techniques, a sales cycle of any length can create a reliable, predictable revenue stream.

However, if sales cycles continually increase in length, organizations face unpredictability. Furthermore, if your sales cycle is considerably longer than that of your competition, you may lose opportunities to their more efficient approach.

In this section, you will learn average sales cycle lengths for all study participants, as well as breakout data by organization size, primary market and industry sector. This will enable you to benchmark your sales cycle length against the industry as a whole, as well as other similar organizations, likely including competitors.

Chart: Average length of sales cycles

Q. Please select the time period closest to the length of your organization's entire sales cycle, from first lead inquiry to purchase.
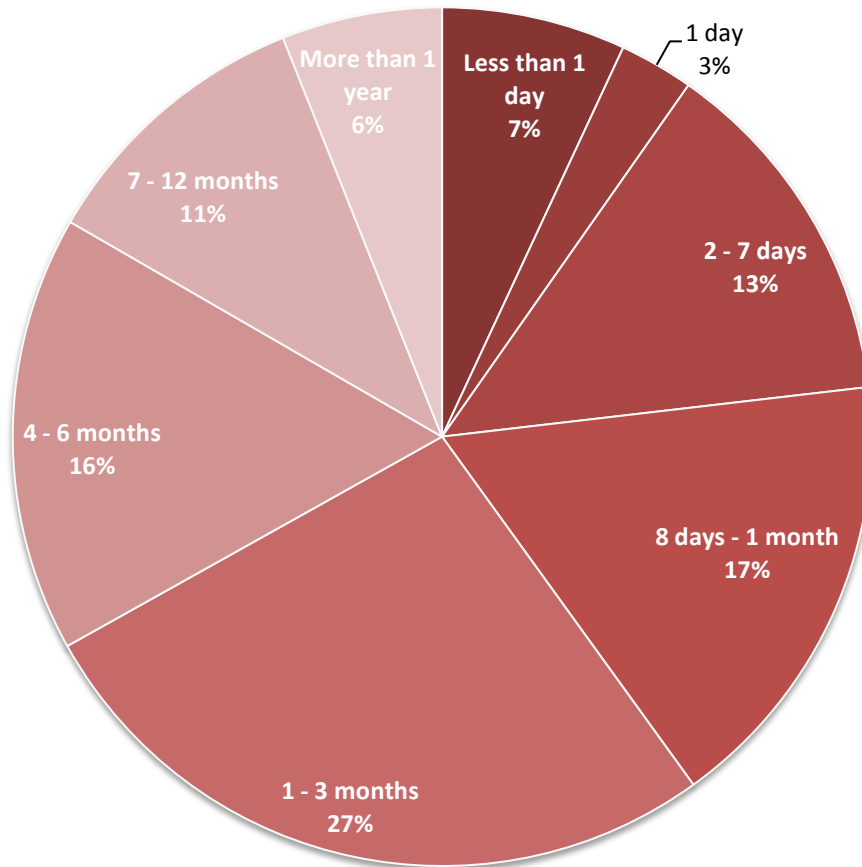
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Average length of sales cycles, by organization size
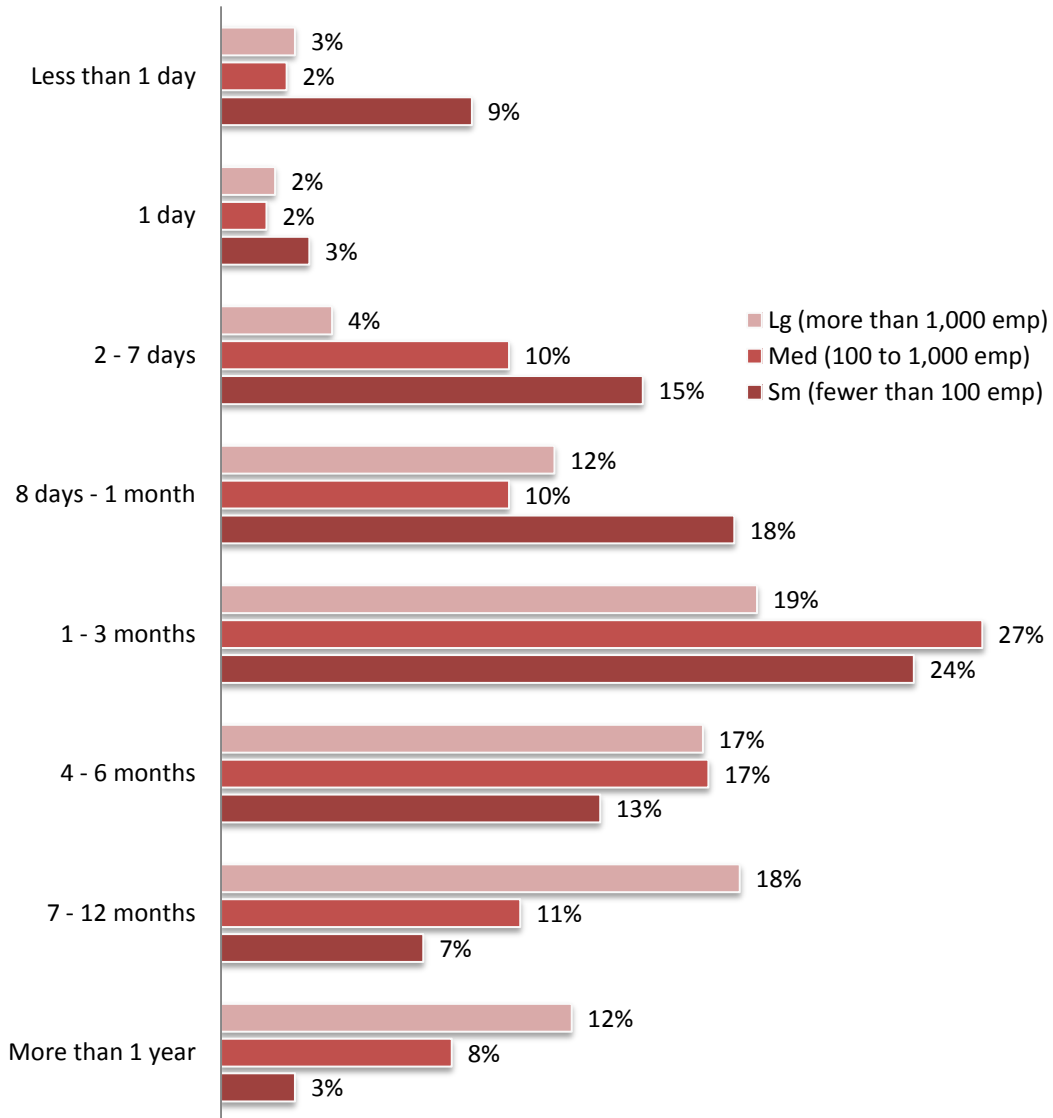
Legend:
- Lg (more than 1,000 emp)
- Med (100 to 1,000 emp)
- Sm (fewer than 100 emp)

Less than 1 day
- 3%
- 2%
- 9%

1 day
- 2%
- 2%
- 3%

2 - 7 days
- 4%
- 10%
- 15%

8 days - 1 month
- 12%
- 10%
- 18%

1 - 3 months
- 19%
- 27%
- 24%

4 - 6 months
- 17%
- 17%
- 13%

7 - 12 months
- 18%
- 11%
- 7%

More than 1 year
- 12%
- 8%
- 3%

*marketing*sherpa

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Over several years of vigorous research and data from more than 3,000 marketers, we have learned there is an undeniable connection between average length of sales cycle and average deal size. The greater the average deal size, the longer the average sales cycle. This is largely due to the level of commitment and investment required of buyers of larger ticket items.

Deal size may be a key influencer in large-sized organizations averaging the greatest lengths of sales cycles. These organizations may be larger in size because of their high-priced ticket items or deal sizes.

"There is an undeniable connection between average length of sales cycle and average deal size."

Chart: Average length of sales cycles, by primary market
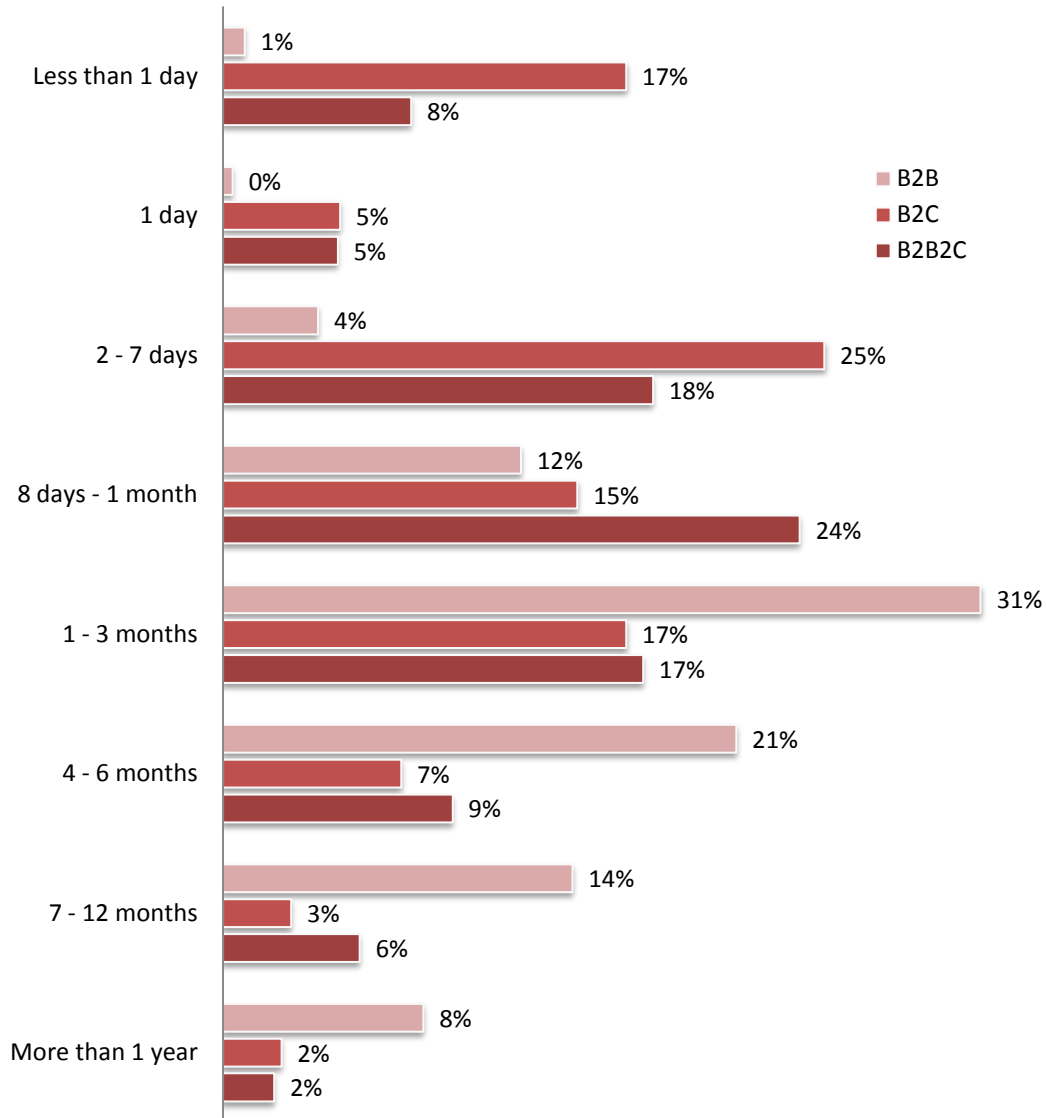
Less than 1 day
- 1% (B2B)
- 17% (B2C)
- 8% (B2B2C)

1 day
- 0% (B2B)
- 5% (B2C)
- 5% (B2B2C)

2 - 7 days
- 4% (B2B)
- 25% (B2C)
- 18% (B2B2C)

8 days - 1 month
- 12% (B2B)
- 15% (B2C)
- 24% (B2B2C)

1 - 3 months
- 31% (B2B)
- 17% (B2C)
- 17% (B2B2C)

4 - 6 months
- 21% (B2B)
- 7% (B2C)
- 9% (B2B2C)

7 - 12 months
- 14% (B2B)
- 3% (B2C)
- 6% (B2B2C)

More than 1 year
- 8% (B2B)
- 2% (B2C)
- 2% (B2B2C)

Legend: ■ B2B ■ B2C ■ B2B2C

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Large sales in the B2B space have multiple people involved. This is where the sales cycle gets longer and more complex."

-Marketer insight

On average, B2B organizations tend to have the longest sales cycles. When selling to organizations, sales teams often need to convince multiple buyers, whereas B2C organizations are less likely to sell to committees.

Having "more cooks in the kitchen" creates a longer, more complex buying process. Challenges include navigation of internal selling, office politics, personal preferences, disagreements, budget approvals and more.

Chart: Average length of sales cycles, by industry sector
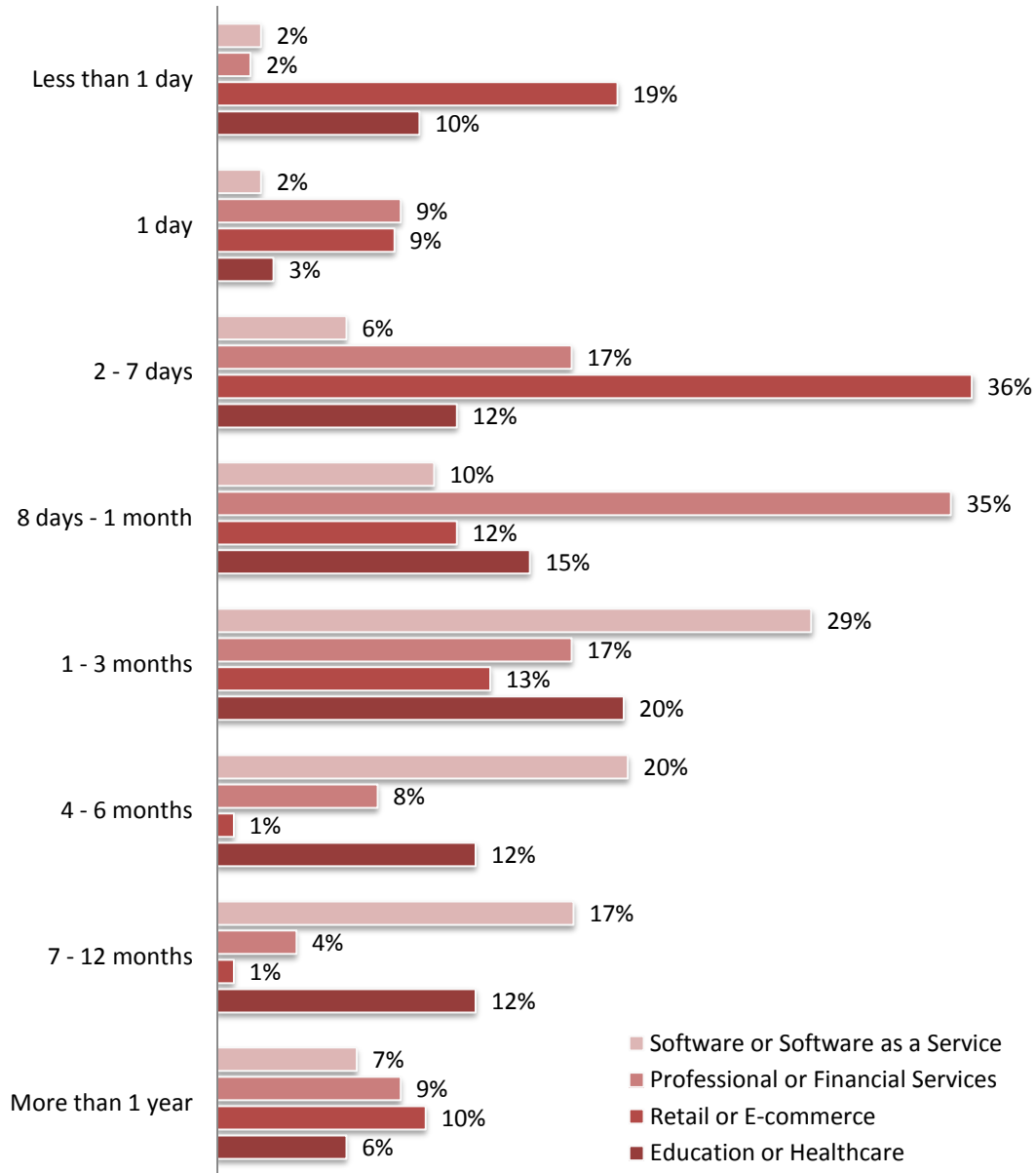
Less than 1 day
- 2%
- 2%
- 19%
- 10%

1 day
- 2%
- 9%
- 9%
- 3%

2 - 7 days
- 6%
- 17%
- 36%
- 12%

8 days - 1 month
- 10%
- 35%
- 12%
- 15%

1 - 3 months
- 29%
- 17%
- 13%
- 20%

4 - 6 months
- 20%
- 8%
- 1%
- 12%

7 - 12 months
- 17%
- 4%
- 1%
- 12%

More than 1 year
- 7%
- 9%
- 10%
- 6%

- Software or Software as a Service
- Professional or Financial Services
- Retail or E-commerce
- Education or Healthcare

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Organizations in the retail or e-commerce sector tend to have shorter sales cycles. There is often one key decision maker per purchase for most retail items in mid- to low- price ranges. For larger ticket retail, such as cars, furniture, boats, etc., there can be many buyers involved in a single purchasing decision, potentially lengthening the sales cycle. This explains the high level of response in the short-term categories (less than one day and two to seven days), and the greater response level for the longest term, as well.

HOW MUCH IS THE AVERAGE SALE AMOUNT?

As we learned in the previous section, there is a direct correlation between average deal size or sale amount, and average length of sales cycle. When organizations prioritize shortening the length of their sales cycles, they risk falling into a dangerous – yet common – trap.

Organizations know that if they lower a price, deals currently in the pipeline will close more quickly, and average sales cycles will shorten. This is frequently executed as a temporary promotion; less often with a permanent price reduction. **When organizations compete on price instead of value, appeal and differentiation, they train buyers to comparison shop for the lowest price**, which will, in turn, reduce margins and profitability.

The exception to this trap is a pricing strategy where a product or service is intentionally priced over value, with the intention to mark it down for a perceived promotional opportunity. This can be an effective tool to accelerate deals while maintaining profitability. But, take caution. What happens when buyers continue to wait for even greater promotions? Even with this strategy, organizations can find themselves struggling to maintain margins.

Chart: Average sale amounts

Q. Please select the range that best represents your organizations' AVERAGE SALE AMOUNT, average deal size, or average daily purchase per customer.
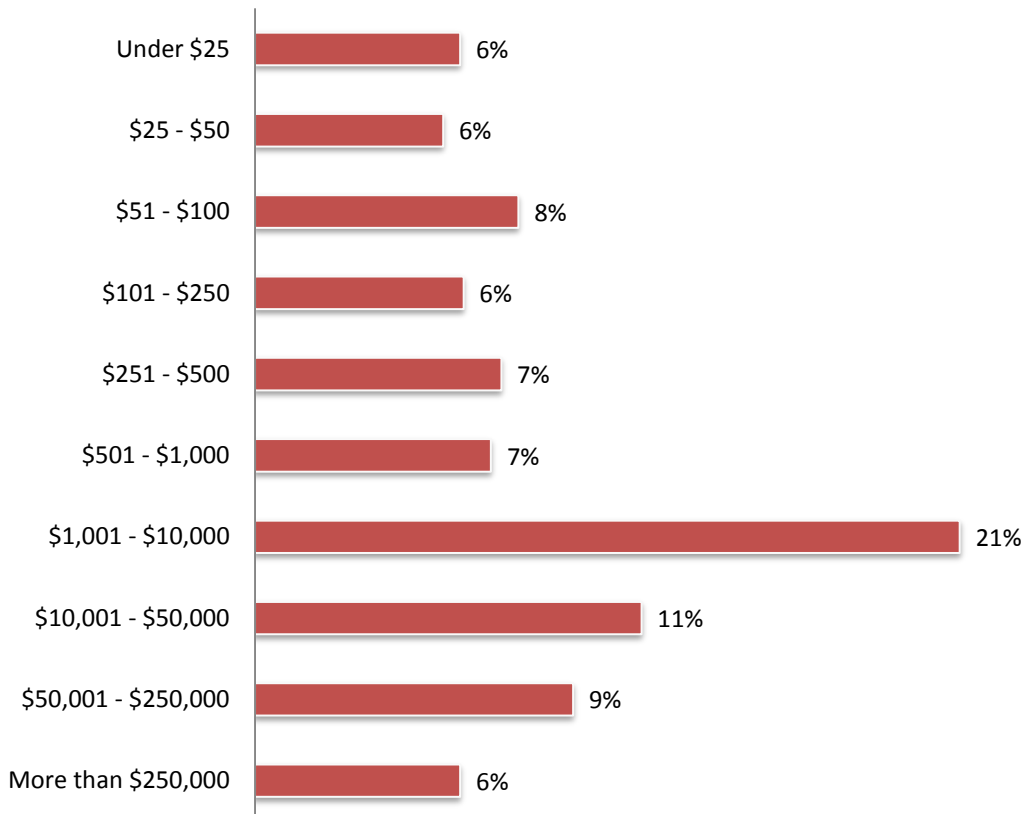
Range	Percentage
Under $25	6%
$25 - $50	6%
$51 - $100	8%
$101 - $250	6%
$251 - $500	7%
$501 - $1,000	7%
$1,001 - $10,000	21%
$10,001 - $50,000	11%
$50,001 - $250,000	9%
More than $250,000	6%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Average sale amount, by organization size
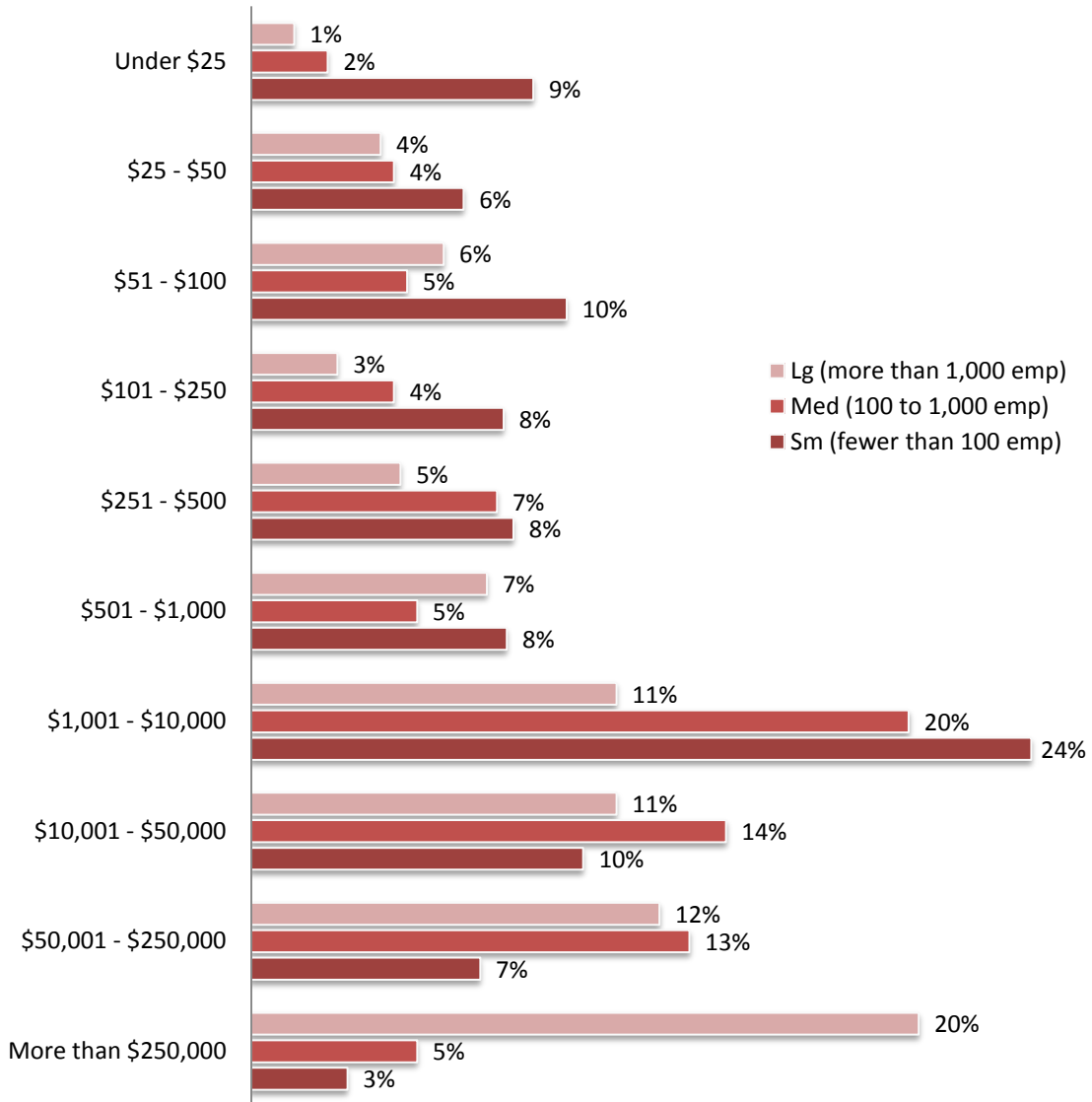
■ Lg (more than 1,000 emp)	
■ Med (100 to 1,000 emp)	
■ Sm (fewer than 100 emp)	

Under $25
- 1%
- 2%
- 9%

$25 - $50
- 4%
- 4%
- 6%

$51 - $100
- 6%
- 5%
- 10%

$101 - $250
- 3%
- 4%
- 8%

$251 - $500
- 5%
- 7%
- 8%

$501 - $1,000
- 7%
- 5%
- 8%

$1,001 - $10,000
- 11%
- 20%
- 24%

$10,001 - $50,000
- 11%
- 14%
- 10%

$50,001 - $250,000
- 12%
- 13%
- 7%

More than $250,000
- 20%
- 5%
- 3%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

It's not surprising that large-sized organizations have, by far, the greatest response level for the highest category of more than $250,000. This revenue enables these organizations to hire additional employees and expand departments.

Conversely, small-sized organizations have strong response levels for the lowest categories, such as under $25 and $25-$50. Less revenue equals lower staff volume.

Chart: Average sale amount, by primary market
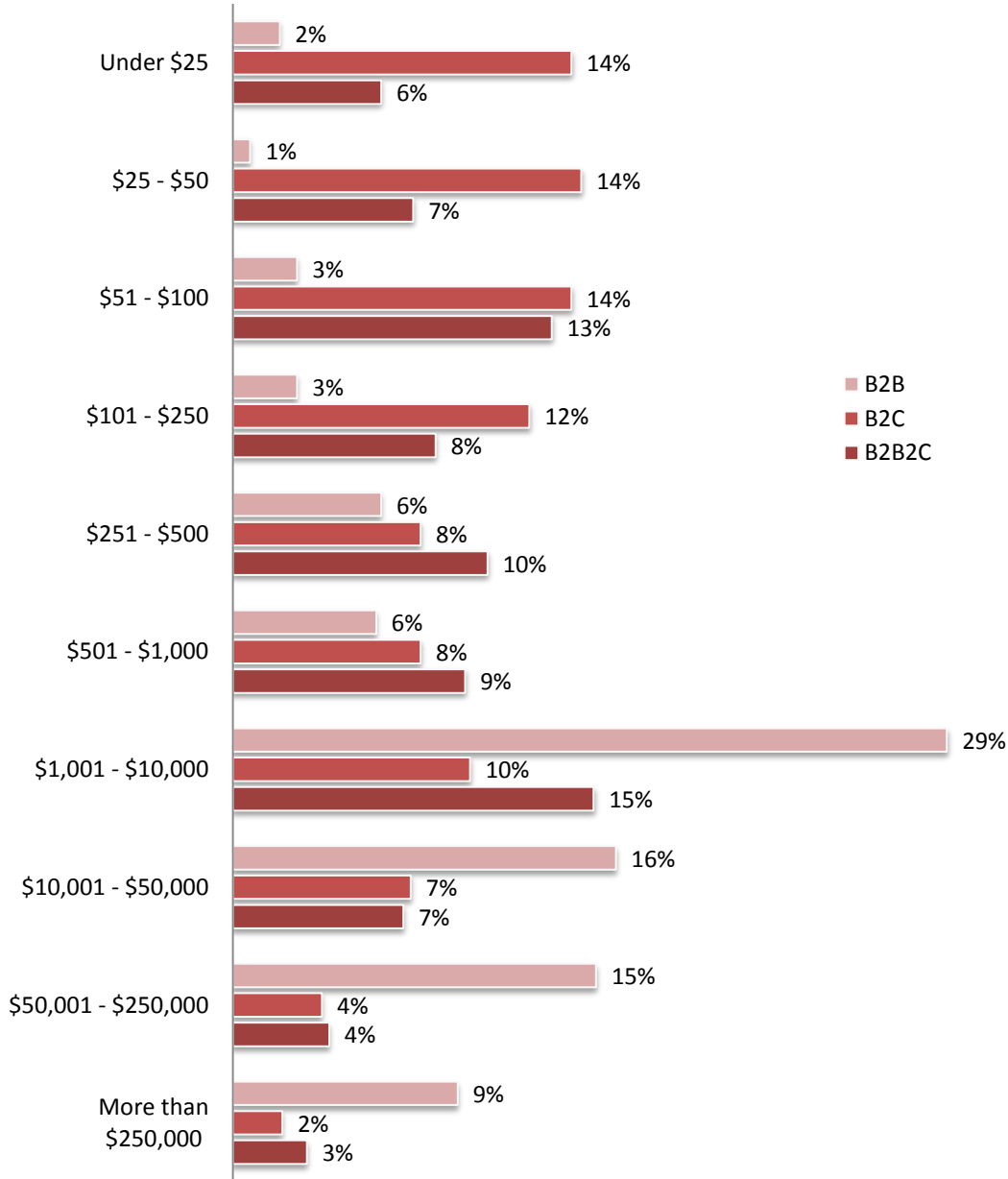
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

In the previous section, we learned that B2B organizations had longer sales cycles than B2C or B2B2C organizations. In the above chart, we receive clarity on this statistic because we find that B2B organizations also have the greatest deal sizes, dominating the response in the highest pricing categories.

Chart: Average sale amount, by industry sector

Price	Software or Software as a Service	Professional or Financial Services	Retail or E-commerce	Education or Healthcare
Under $25	3%	2%	12%	6%
$25 - $50	4%	4%	14%	6%
$51 - $100	9%	3%	23%	4%
$101 - $250	2%	5%	15%	8%
$251 - $500	6%	9%	9%	9%
$501 - $1,000	3%	29%	8%	13%
$1,001 - $10,000	20%	16%	6%	14%
$10,001 - $50,000	16%	12%	4%	17%
$50,001 - $250,000	20%	7%	1%	4%
More than $250,000	6%	12%	1%	4%

■ Software or Software as a Service
■ Professional or Financial Services
■ Retail or E-commerce
■ Education or Healthcare

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"My product has a low price point so my challenge is finding quality leads at a cheap price – in order to generate ROI."

-Marketer insight

Organizations in the retail or e-commerce industry sector have the greatest response levels for the lowest categories. Even at a price point of $25, lead generation can still pose challenges.

Achieving and improving ROI becomes a challenge at low sales prices because organizations cannot afford to pay much for a lead. For example, at a price point of $25, an organization must pay $12.50 per lead to achieve a 100% ROI.

Chart: Average sale amount, by length of sales cycle

Legend:
- More than 1 year
- 7 - 12 months
- 4 - 6 months
- 1 - 3 months
- 8 days - 1 month
- 2 - 7 days
- 1 day
- Less than 1 day

Under $25: 1%, 2%, 7%, 9%, 23%, 32%

$25 - $50: 2%, 1%, 2%, 6%, 15%, 15%, 17%

$51 - $100: 2%, 1%, 2%, 6%, 8%, 20%, 23%, 14%

$101 - $250: 3%, 4%, 8%, 15%, 15%, 12%

$251 - $500: 1%, 2%, 8%, 13%, 14%, 8%, 8%

$501 - $1,000: 5%, 1%, 6%, 9%, 11%, 10%, 4%, 5%

$1,001 - $10,000: 9%, 16%, 32%, 35%, 27%, 6%, 8%, 3%

$10,001 - $50,000: 11%, 16%, 24%, 15%, 7%, 6%, 4%

$50,001 - $250,000: 29%, 30%, 18%, 6%, 4%

More than $250,000: 29%, 23%, 7%, 2%, 1%, 2%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

For the above chart, we analyzed average sale amount by average length of sales cycle to showcase the relationship between these two metrics. The data demonstrates a clear shift in sales cycle length in the price range of $1,000 - $10,000, indicating a longer, more complex buying process for purchases of this amount.

HOW MUCH DO ORGANIZATIONS PAY FOR LEADS?

Organizations are laser-focused on generating high-quality leads for 2012, however many pay less than $20 per lead. Can you *really* get quality at that price point, or are marketers determined to achieve a specific volume of leads with the budgets they have available?

Many marketers are held to a goal of generating a certain number of leads within a given time period, to provide sufficient volume to their Sales teams and keep their calendars filled with sales calls and appointments. This model embodies the concept that more leads and more salespeople lead to more revenue. This is not necessarily a formula for success.

Chart: Average cost-per-lead

Q. Please select the range that represents the estimated COST to your organization of one qualified lead.
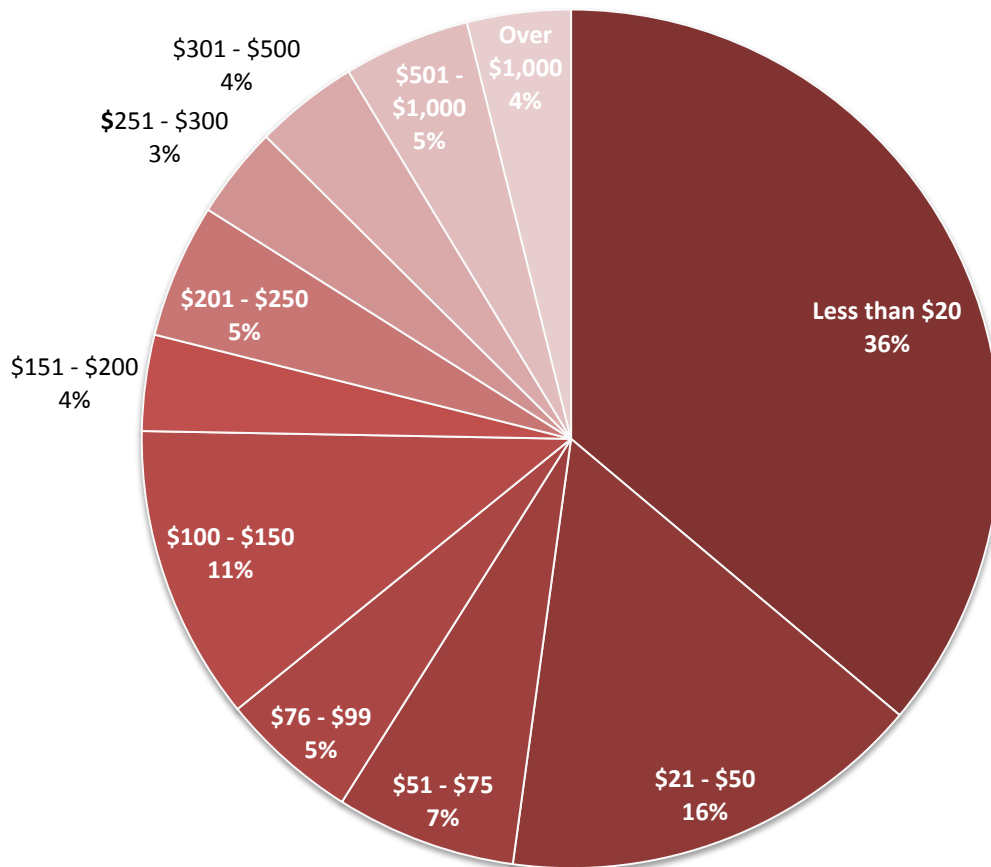
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

More than half of organizations pay less than $51 per lead. The other 48% spend anywhere from $51 to upwards of $1,000 per lead. The high response levels in the lowest two categories indicate a significant number of marketers aiming for a low target cost-per-lead. When cost-per-lead takes precedent over revenue, organizations risk falling into a trap of perceived ROI. Many find that, as sales cycles come to a close, their low-cost leads do not deliver quality.

Chart: Average cost-per-lead, by organization size
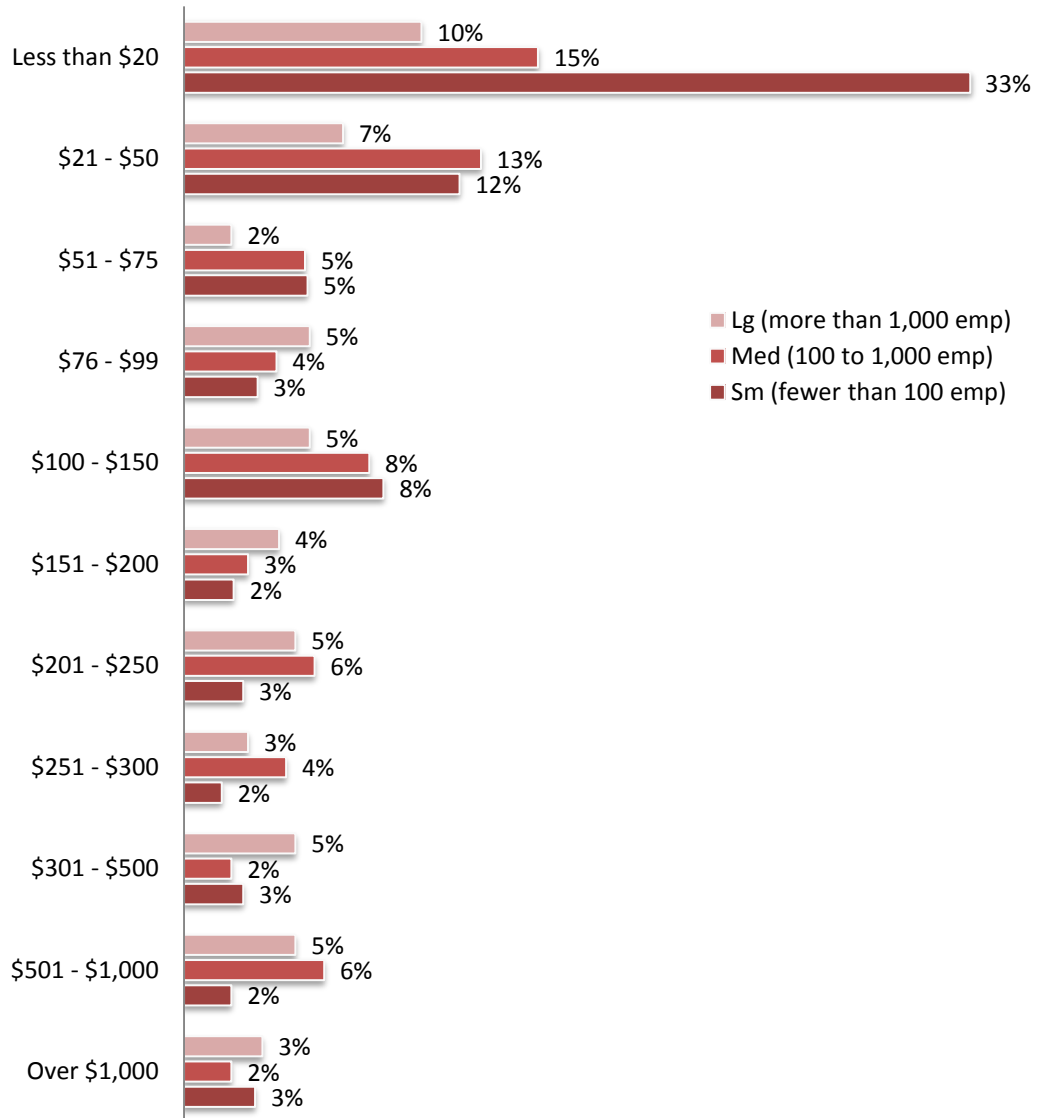
Range	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Less than $20	10%	15%	33%
$21 - $50	7%	13%	12%
$51 - $75	2%	5%	5%
$76 - $99	5%	4%	3%
$100 - $150	5%	8%	8%
$151 - $200	4%	3%	2%
$201 - $250	5%	6%	3%
$251 - $300	3%	4%	2%
$301 - $500	5%	2%	3%
$501 - $1,000	5%	6%	2%
Over $1,000	3%	2%	3%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Small-sized organizations have, by far, the highest rate of response for the lowest category of spending less than $20 per lead. Organizations of this size often have greater challenges in budgeting and resources than their larger counterparts, and are more likely to target a low-cost lead than a high-quality alternative.

"With such a small organization and budget and a large territory to cover (US), finding cost-effective methods we can execute quickly to deliver leads for the sales team is where we're struggling."

-Marketer insight

Chart: Average cost-per-lead, by primary market

Range	B2B	B2C	B2B2C
Less than $20	11%	49%	33%
$21 - $50	9%	16%	10%
$51 - $75	6%	5%	2%
$76 - $99	5%	2%	4%
$100 - $150	9%	4%	10%
$151 - $200	4%	1%	2%
$201 - $250	5%	2%	2%
$251 - $300	3%	2%	2%
$301 - $500	5%	0%	1%
$501 - $1,000	6%	0%	1%
Over $1,000	3%	2%	2%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Since B2C organizations tend to have shorter sales cycles and lower sale amounts than B2B organizations, it's not surprising they also pay less per lead. For example, lead quality is not as great a concern with a ticket price of $25 as it is with a purchase of $10,000. The sales cycle length is significantly shorter for the lower-priced item, there is likely only one buyer to convince, and this buyer doesn't need to meet a great number of criteria to qualify as a valid lead. These organizations make their revenues through volume of purchases, so they must garner a high volume of leads, at a good price, to achieve a positive ROI.

While many B2C organizations with low ticket prices have good reason to buy cheap leads, many B2Bs with high ticket prices do not. The lowest category of cost-per-lead saw the greatest response for B2B organizations, as well.

Chart: Average cost-per-lead, by industry sector

Less than $20
- 14%
- 17%
- 59%
- 19%

$21 - $50
- 11%
- 12%
- 11%
- 14%

$100 - $150
- 8%
- 10%
- 1%
- 6%

$76 - $99
- 5%
- 3%
- 6%
- 5%

$201 - $250
- 6%
- 5%
- 1%
- 4%

$301 - $500
- 4%
- 4%
- 0%
- 4%

$251 - $300
- 3%
- 3%
- 17%
- 3%

$51 - $75
- 8%
- 5%
- 4%
- 3%

Over $1,000
- 3%
- 3%
- 0%
- 3%

$151 - $200
- 3%
- 6%
- 2%
- 2%

$501 - $1,000
- 6%
- 5%
- 0%
- 2%

Legend:
- Software or Software as a Service
- Professional or Financial Services
- Retail or E-commerce
- Education or Healthcare

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

In the previous chart, we learned the importance of maintaining a low cost-per-lead for B2C organizations with low ticket prices. In the above chart, we receive further validation, as **a large percentage of the retail or e-commerce sector pays less than $20 per lead**. It's no coincidence that half of these organizations also have average sale amounts of less than $100. At this price point, quality of leads is not as relevant a challenge, and there is increased importance in lowering cost-per-lead for optimal ROI.

How much do organizations pay-per-acquisition?

While cost-per-lead measures what we pay for each lead generated, cost-per-acquisition measures what we pay for *each new customer*. When compared to the average sale amount per customer, cost-per-acquisition can be an excellent metric to monitor ROI.

Chart: Average cost-per-acquisition

Q. Please select the range that represents the estimated COST-PER-ACQUISITION to your organization (i.e. what is the average cost for each new customer?).
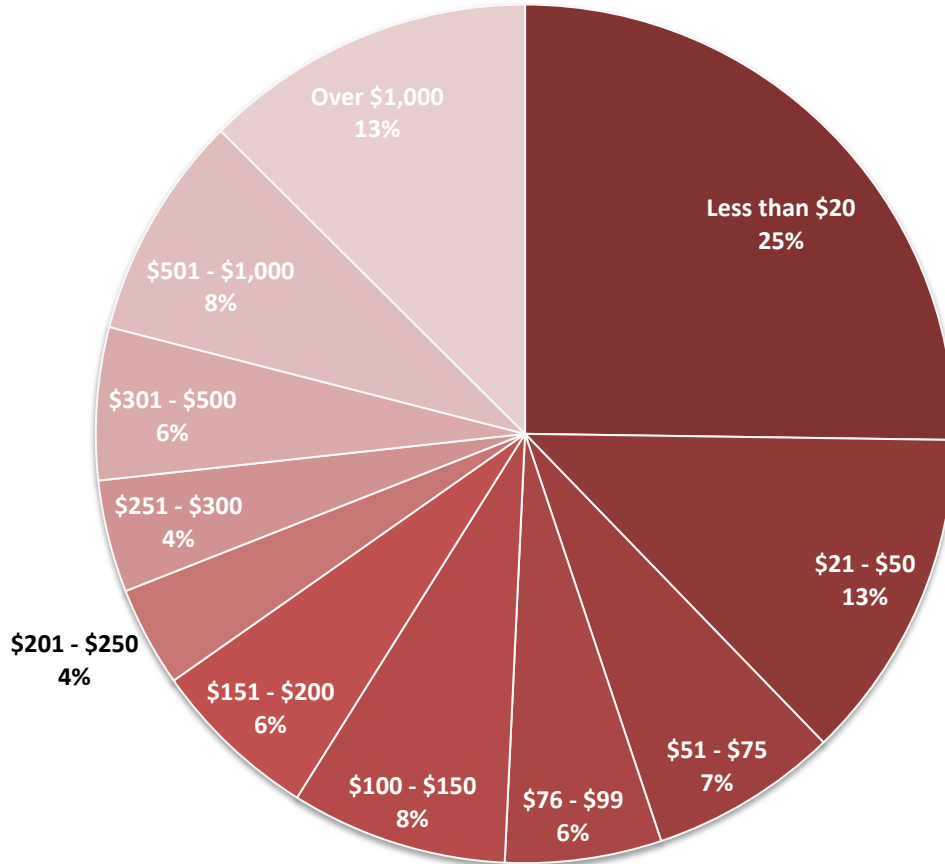
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

While only 4% of organizations pay more than $1,000 per lead, a considerable 13% pay this amount per customer. Meanwhile, 36% of organizations pay less than $20 per lead, but that percentage drops to 25% when analyzing cost-per-acquisition.

What this really means is that **often, quality costs more than many organizations may think.** For example, an organization may be garnering leads for only $20 each, but their customers may come at a far greater price point. In this scenario, it would be considerably more effective to target a lower cost-per-acquisition rather than focusing on a low cost-per-lead.

Chart: Average cost-per-acquisition, by organization size

|	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Less than $20	3%	12%	22%
$21 - $50	4%	6%	11%
$51 - $75	4%	3%	5%
$76 - $99	5%	2%	4%
$100 - $150	3%	6%	6%
$151 - $200	3%	4%	4%
$201 - $250	3%	2%	3%
$251 - $300	4%	3%	3%
$301 - $500	3%	4%	4%
$501 - $1,000	6%	8%	5%
Over $1,000	14%	10%	6%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Fact:

34% of participating organizations did not know the amount of their average cost-per-acquisition.

Small-sized organizations tend to spend less per acquisition than medium- or large-sized organizations. They also have shorter sales cycles and lower sale amounts, so their low cost-per-acquisition is understandable.

If you currently monitor your cost-per-acquisition, you are ahead of the curve. We found in our study that one-third of survey participants did not even know of this critical metric.
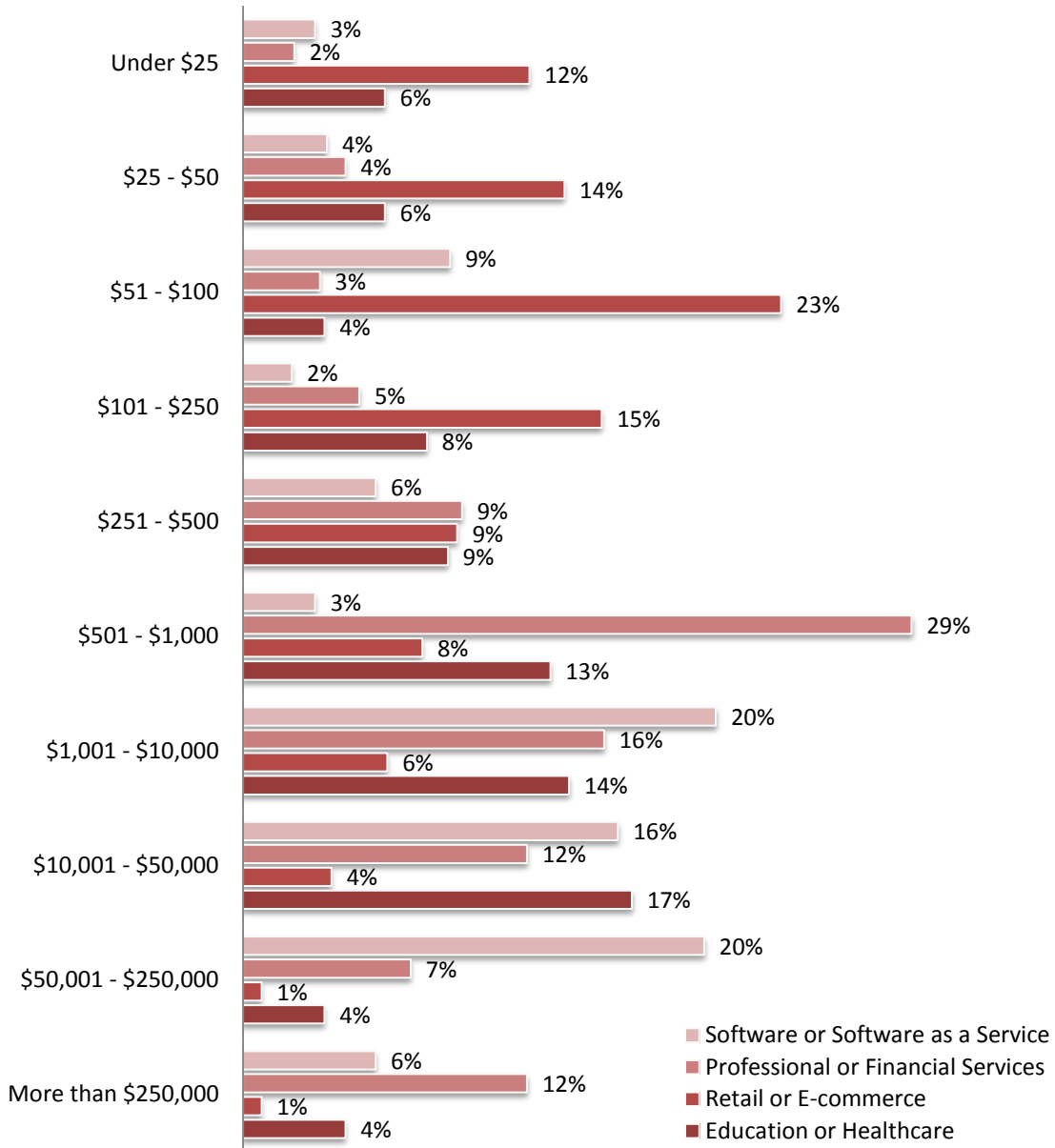
Chart: Average cost-per-acquisition, by primary market
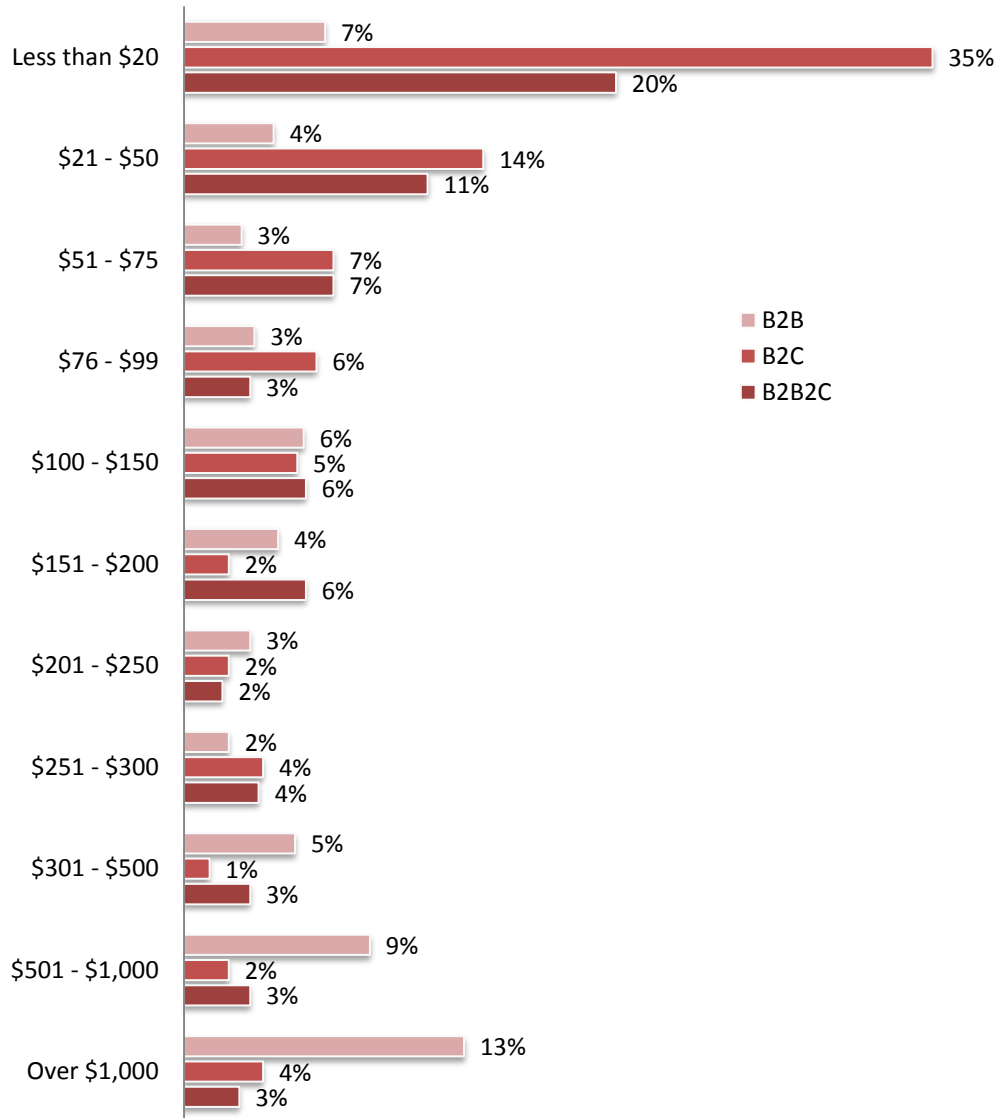
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

A significant percentage of B2C organizations indicated they spend less than $20 for each new customer. In previous sections, we learned 49% of these organizations spend less than $20 per lead, and have lower sale amounts than B2B or B2B2C organizations. Organizations that meet these criteria have a less complex sale, which can allow (and even require) them to pay less for both leads and customers.

In short, the less complicated the sale, the less organizations can pay for leads and customers.

Chart: Average cost-per-acquisition, by industry sector
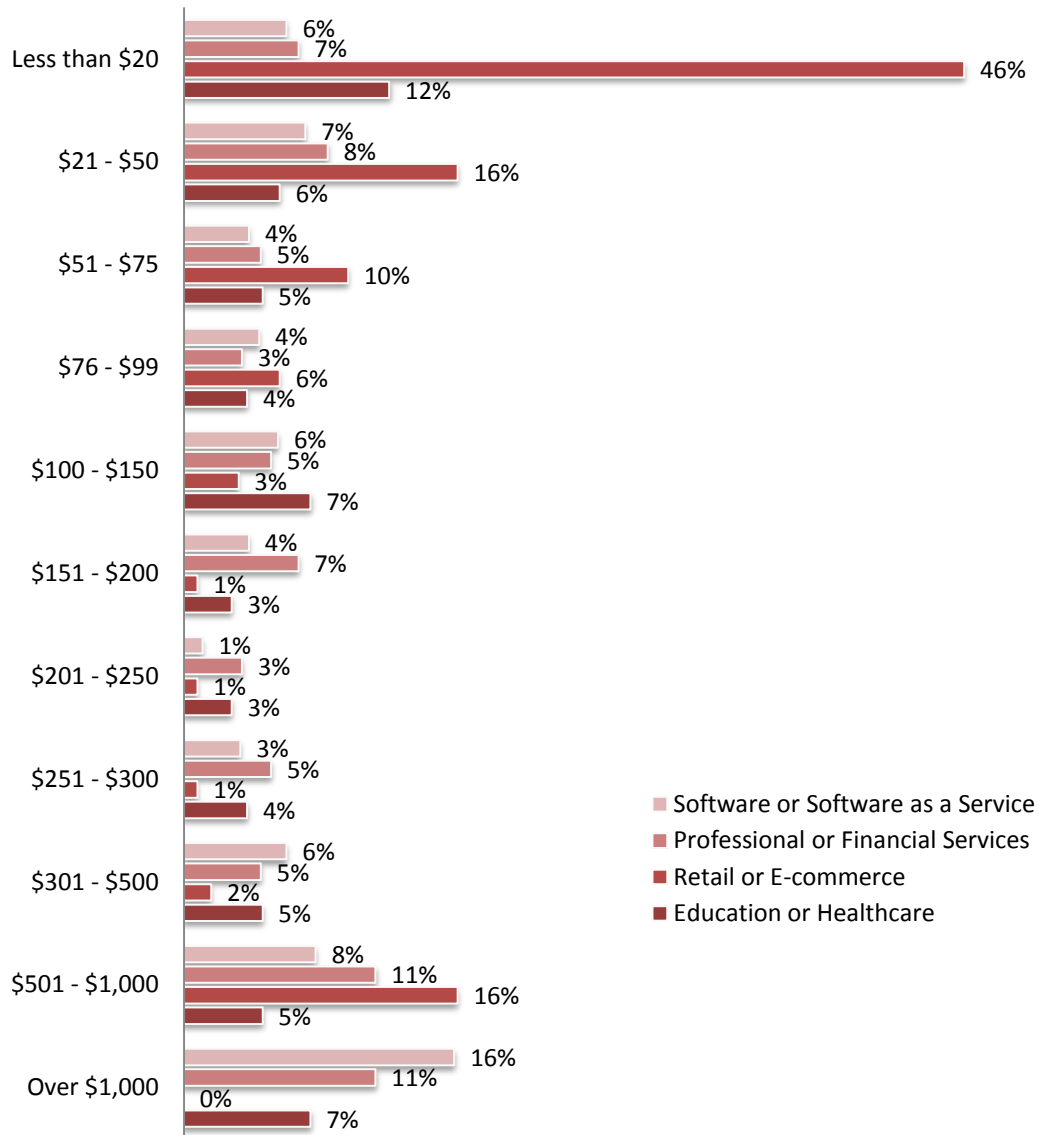
Less than $20
- 6%
- 7%
- 46%
- 12%

$21 - $50
- 7%
- 8%
- 16%
- 6%

$51 - $75
- 4%
- 5%
- 10%
- 5%

$76 - $99
- 4%
- 3%
- 6%
- 4%

$100 - $150
- 6%
- 5%
- 3%
- 7%

$151 - $200
- 4%
- 7%
- 1%
- 3%

$201 - $250
- 1%
- 3%
- 1%
- 3%

$251 - $300
- 3%
- 5%
- 1%
- 4%

$301 - $500
- 6%
- 5%
- 2%
- 5%

$501 - $1,000
- 8%
- 11%
- 16%
- 5%

Over $1,000
- 16%
- 11%
- 0%
- 7%

Legend:
- ■ Software or Software as a Service
- ■ Professional or Financial Services
- ■ Retail or E-commerce
- ■ Education or Healthcare

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

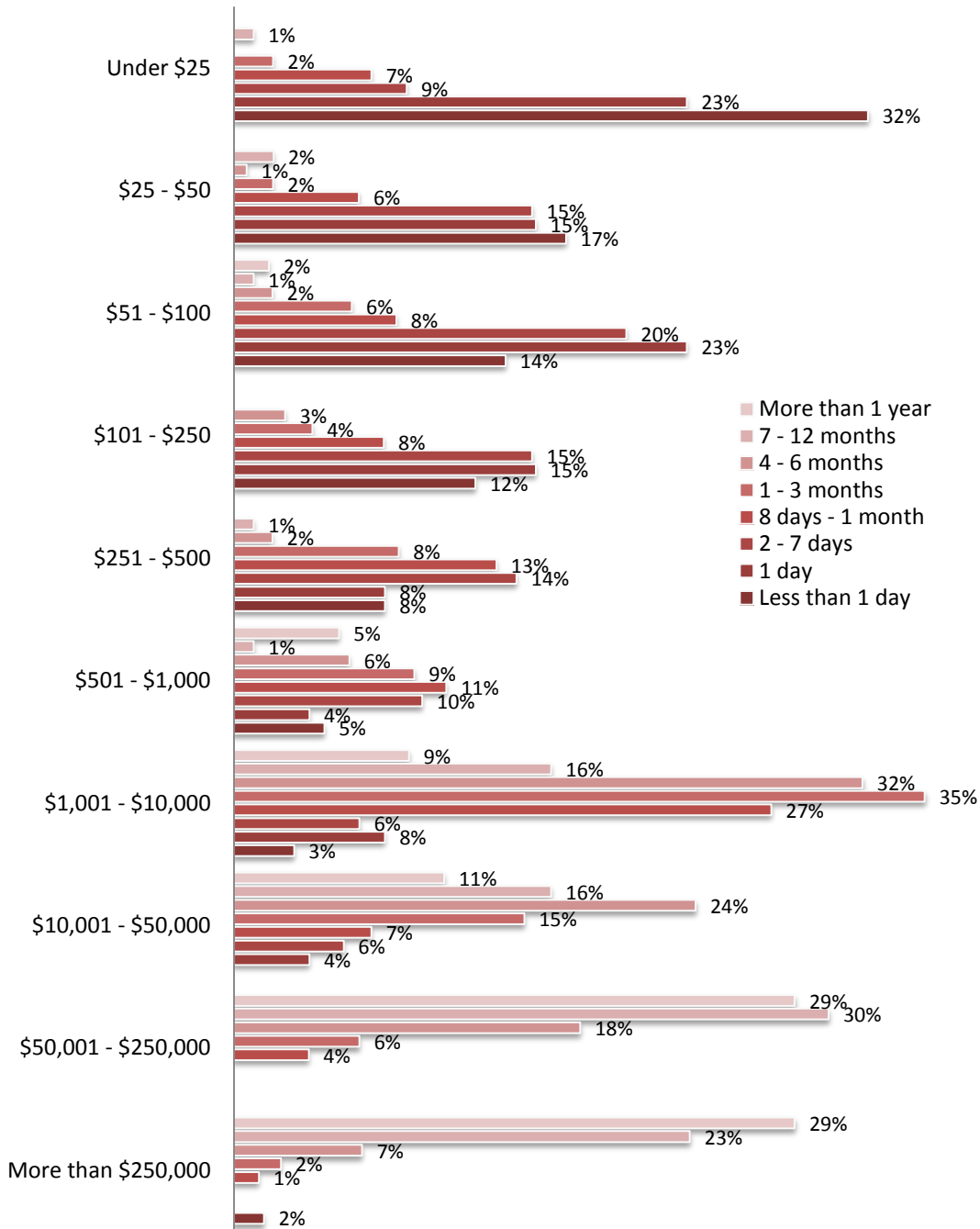Organizations in the retail or e-commerce sector have, by far, the greatest level of response in paying less than $20 per-acquisition. Many respondents in this sector also paid less than $20 per-lead, and had average sale amounts of less than $100. As we learned in the previous chart, organizations meeting these criteria have a less complex sale and can pay less for both leads and customers.

Organizations in the software or SaaS industry are most likely to pay in excess of $1,000 per-customer. These organizations also tend to pay more pre-lead, and have higher average sale amounts.

CHAPTER 2 – CRAFTING THE MESSAGE TO CONVINCE AND CONVERT

INTRODUCTION: IDENTIFYING VALUE, CHANNELS AND SEGMENTATION FOR ENGAGEMENT

In order to impress today's buyer, organizations must create a highly engaging experience. **They must delight buyers with relevant, important and interesting content** that not only provides buyers with the information that they want and need, but provides it at a time that they choose to receive it, in a way that's convenient for them.

It's a tall order, but marketers can deliver such an experience in their messaging strategy, with a proper understanding of the market, their product's value, and the channels available to them.

In this chapter, you will learn how to build upon your market research with a compelling value proposition and key segmentation strategies that will create an impressive and engaging experience for your audience. This chapter will address the following questions:

The foundation of all marketing messaging – the value proposition

- Are you testing to optimize your value proposition?

Using segmentation strategies to improve relevance and engagement

- How do we cater messaging strategies to audience preferences?
- What are the differences between inbound and outbound messaging for lead generation?
- How can you integrate your messaging strategy for optimal lead generation?
- How many marketers segment the delivery of messages to improve relevance?

ARE YOU TESTING TO OPTIMIZE YOUR VALUE PROPOSITION?

Do you have a value proposition for one or more of your product offerings? If so, do you test it to optimize its effectiveness? **If you don't express a clear reason for why your product excels over the competition for your target audience, your messaging strategy will never reach its full potential**.

We asked these very questions to the 1,915 organizations that participated in this study, with the (somewhat surprising) results explained in the following charts.

Chart: Use of value propositions

Q. Do you have a defined value proposition for one or more of your products or services?
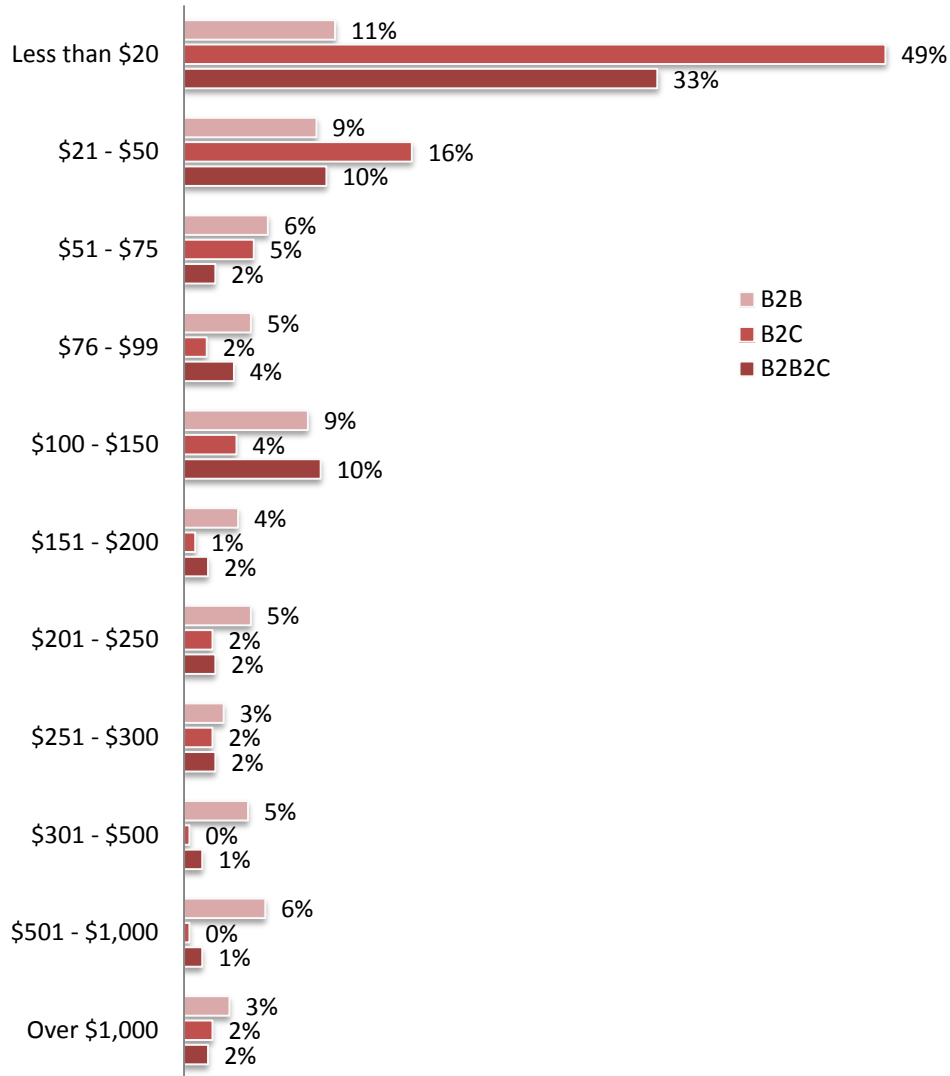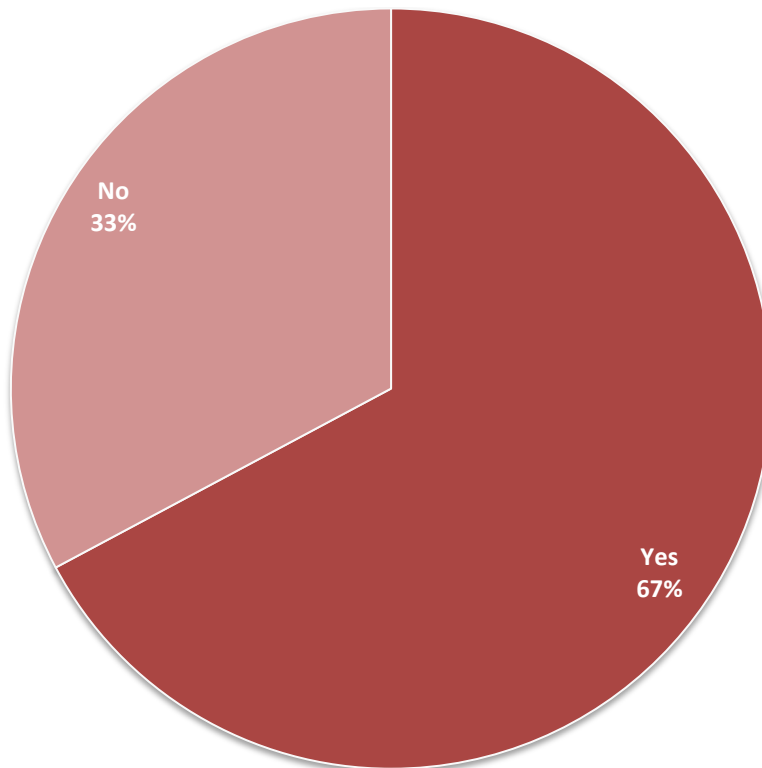

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

When asked if they had a defined value proposition for their organization, 67% of all respondents indicated that they did, but **how many have value propositions that are clear, compelling, exclusive and credible?**

For many organizations, value proposition is one of those "Marketing 101" tools that everyone must possess. Yet, countless organizations have stale, confusing or simply average value propositions that do little more than house the first page of an employee handbook.

For a value proposition to be truly effective, it must clearly communicate to your target audience why they should purchase your product over the competition. This is one of the top challenges organizations face in their marketing strategies.

Chart: Testing of value propositions

Q. Do you test your value proposition to optimize its effectiveness in driving qualified conversions?
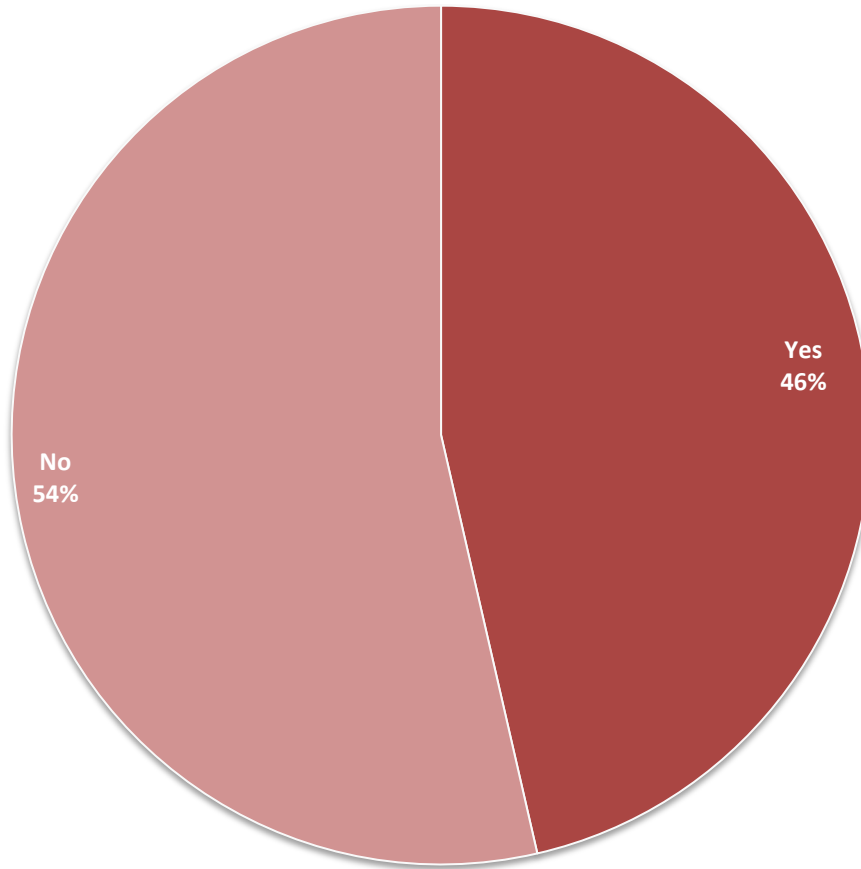
Yes
46%

No
54%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Fact:

68% of participating organizations either do not know their value proposition or fail to test it.

In the previous chart, we learned that 67% of organizations have a value proposition of some kind. In the above chart we learn that **54% of those respondents are not doing anything to optimize their value propositions**. For this majority, how old, outdated, or irrelevant *are* these value propositions, and are they even being used?

A real value proposition is not a vague statement of assessment as to what the company does, but rather a highly valuable and organic tool that must be generated from a need in the marketplace, and used to convince and convert even the most skeptical of buyers. And, just as a tool can become rusty, **value propositions must be tested and optimized over time to evolve with today's ever-changing marketplace.**

Chart: Top platforms for testing value propositions

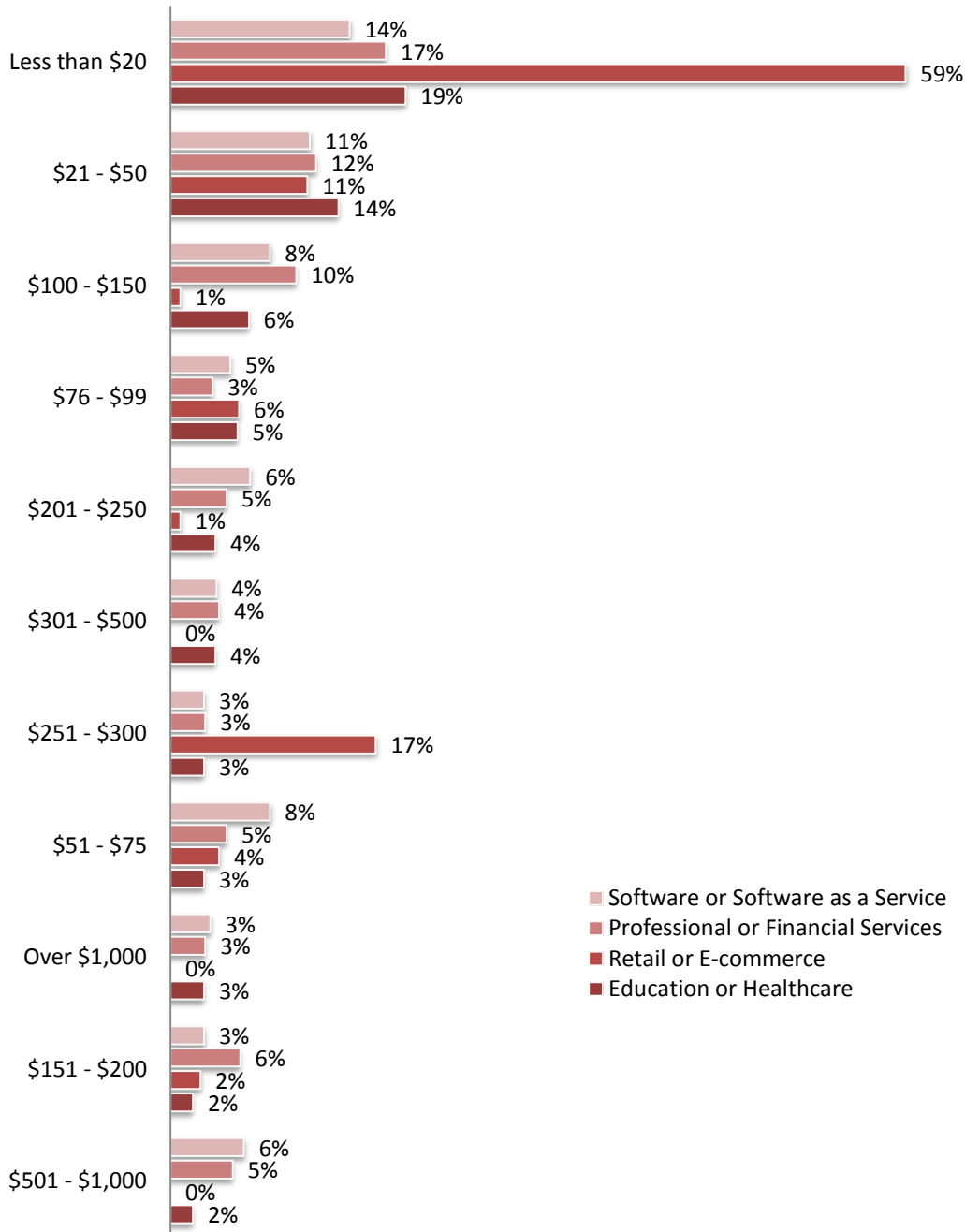*Q. Which methods have been the most effective at testing your value proposition? Select up to three responses.*
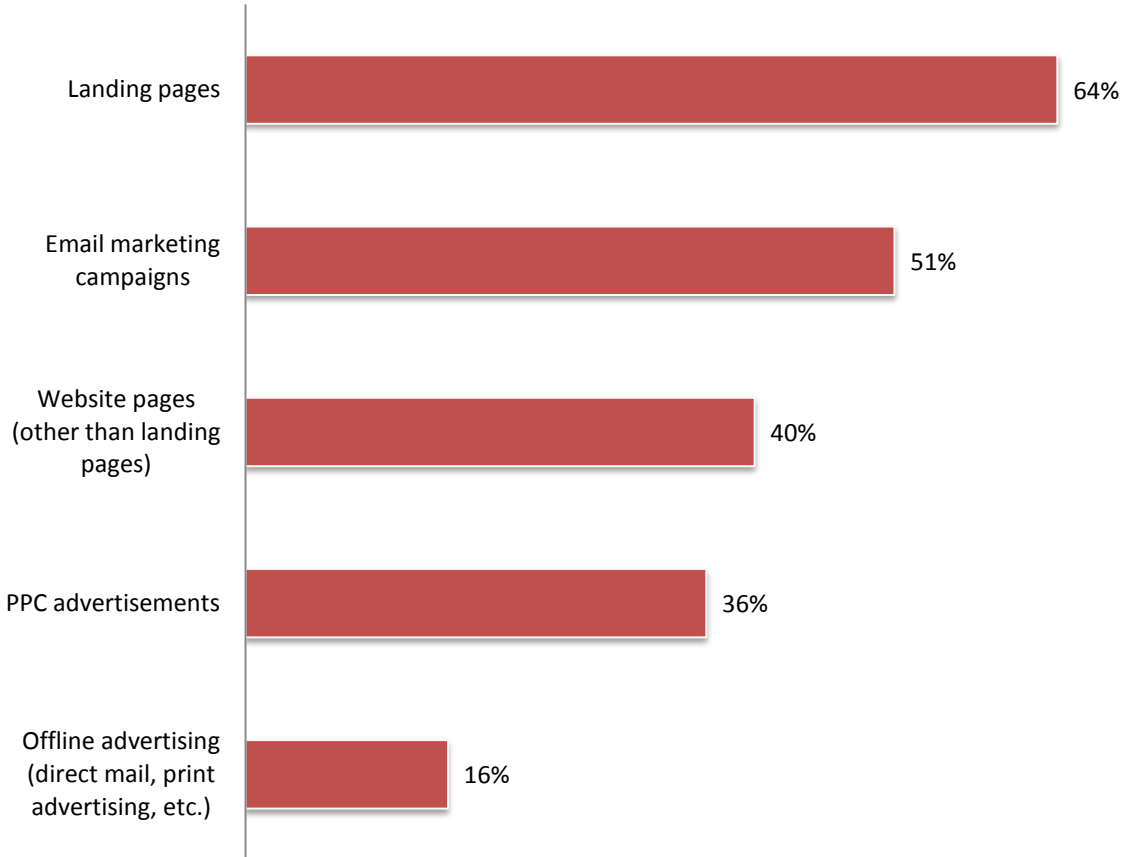
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

We wanted to learn more about the most effective means of testing the value proposition. As such, we asked the 31% of survey participants that test their value propositions which methods they found to be most effective.

The clear winner is the landing page. **Marketers have a multitude of options when it comes to testing any content of their landing pages, including the value proposition**. Possible tests include A/B and multivariate testing, which can reveal the components of the page that generate a higher conversion rate, lower bounce rate, and ultimately more qualified leads.

Email marketing campaigns were also rated as a highly effective tool for testing value proposition – perhaps slightly more complex than a landing page test, yet still a viable solution. Where a landing page can be changed quickly to collect new data, once a single email campaign is sent out, no further changes can be made. Marketers must wait until the next blast send to run another test, while simultaneously managing their lists and frequency of messaging.

Chart: Effectiveness of testing value propositions

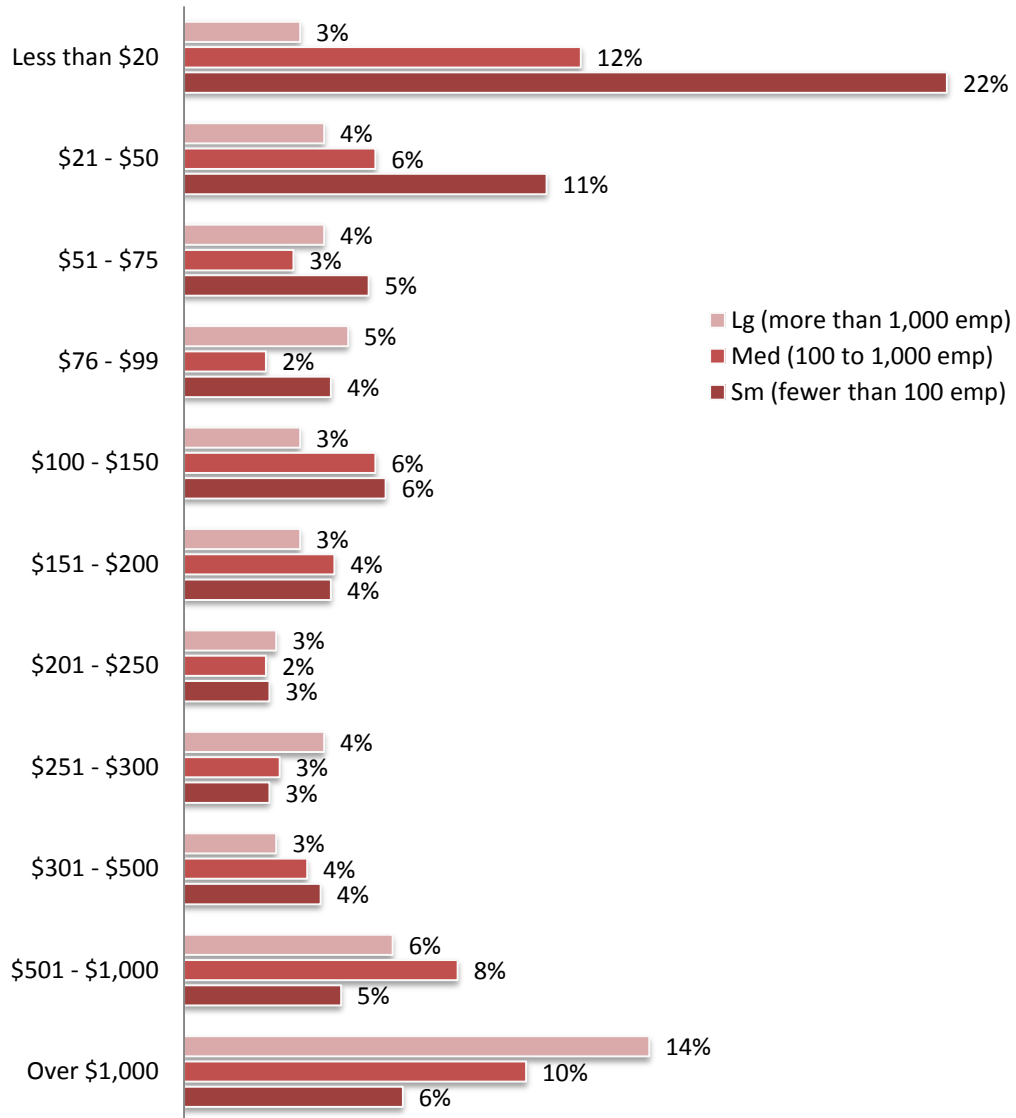*Q. How has the testing of your value proposition impacted its effectiveness at driving qualified conversions?*

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

When we asked the 31% of organizations that test their value propositions about the impact testing has had on its effectiveness, respondents had the following options from which to choose:

- Extremely positive improvement
- Positive improvement
- No change
- Negative result
- Extremely negative result

Not one respondent indicated that they had a negative result from testing their value proposition, and only 12% indicated no change in performance. The vast majority of organizations who test have received positive results. If this is not enough reason to begin testing, ask yourself this: If you aren't testing your value proposition, how do you even know it's effective?

Testing the value proposition is a must.

If you aren't testing this, how do you even know it's effective?

HOW DO WE CATER MESSAGING STRATEGIES TO AUDIENCE PREFERENCES?

In order to create an engaging experience with your audience, you must be attentive to their preferences. What content do they want or need? What subject matter is in demand, and in what format do they want to receive it?

Many organizations may have ideas and opinions about these questions, but until actual research is conducted on target audiences, their answers may not be accurate. This research can be conducted by going directly to the source, and collecting qualitative and quantitative data from members of your target audience.

Once organizations are armed with reliable research, they can move toward constructing a highly effective messaging strategy, with multiple segments, personas and channels.

We wanted to learn more about which channels were most effective for the 1,915 organizations who participated in this study, and the results are shared via the following chart. This data can be used in consideration with the research you conduct on your specific audience to make a determination of your messaging mix.

Chart: Most effective messaging strategies for nurturing

Q. Which of the following have been the most effective for nurturing your leads?
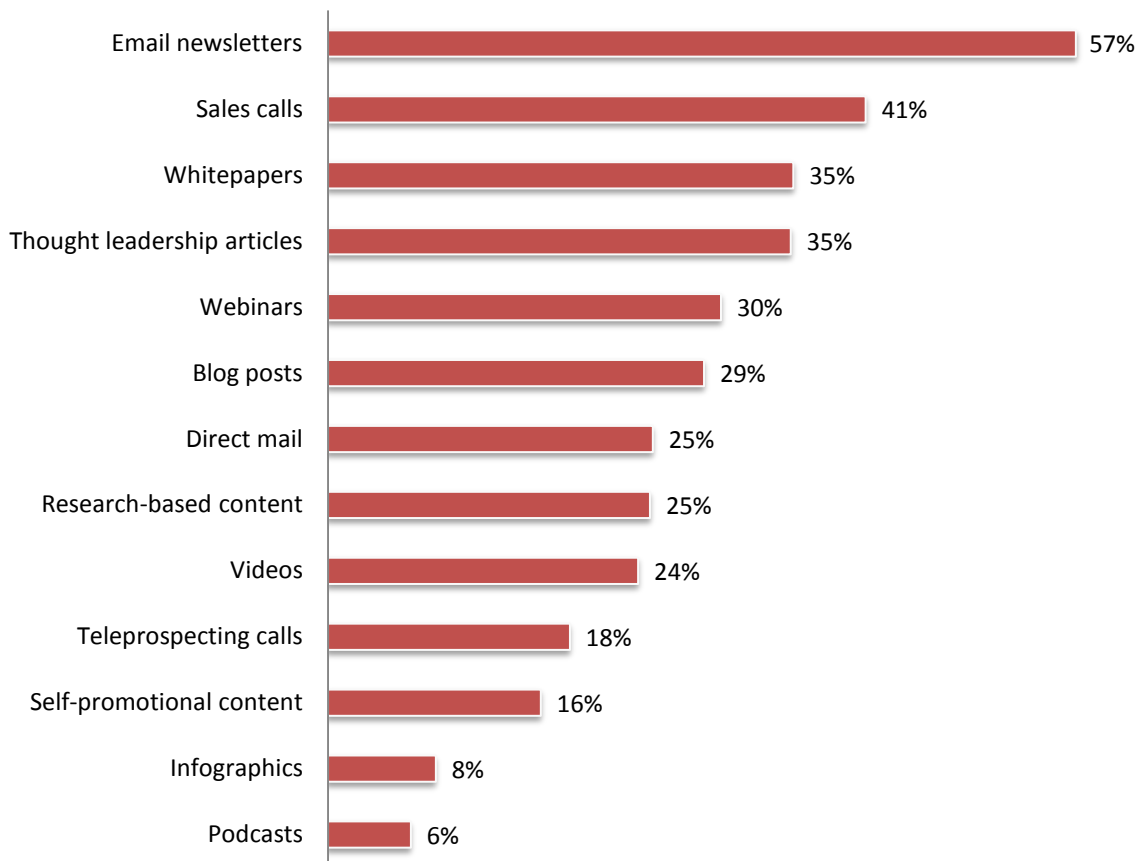
Email newsletters	57%
Sales calls	41%
Whitepapers	35%
Thought leadership articles	35%
Webinars	30%
Blog posts	29%
Direct mail	25%
Research-based content	25%
Videos	24%
Teleprospecting calls	18%
Self-promotional content	16%
Infographics	8%
Podcasts	6%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Most effective nurturing messaging, by organization size
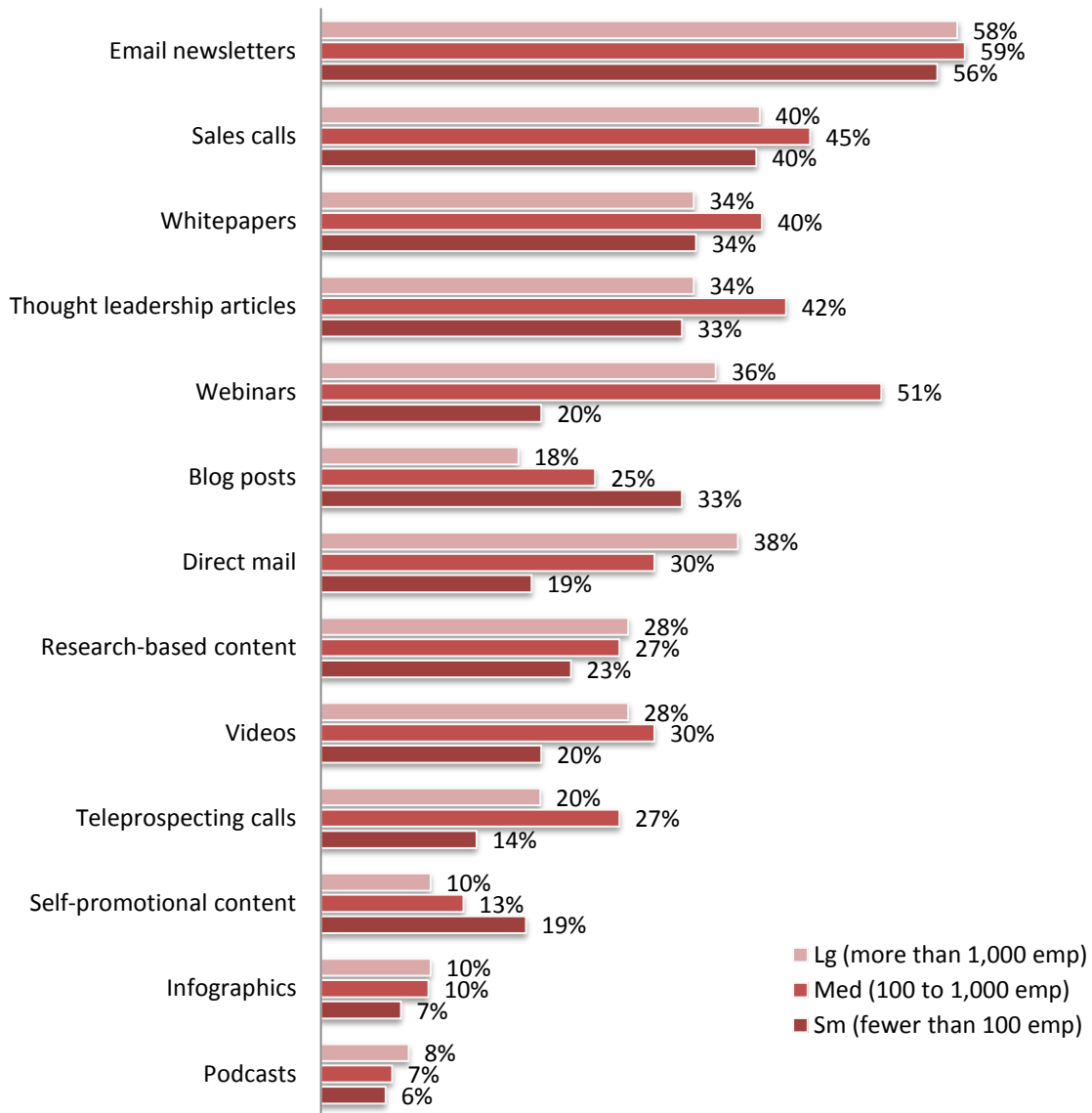
Category	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Email newsletters	58%	59%	56%
Sales calls	40%	45%	40%
Whitepapers	34%	40%	34%
Thought leadership articles	34%	42%	33%
Webinars	36%	51%	20%
Blog posts	18%	25%	33%
Direct mail	38%	30%	19%
Research-based content	28%	27%	23%
Videos	28%	30%	20%
Teleprospecting calls	20%	27%	14%
Self-promotional content	10%	13%	19%
Infographics	10%	10%	7%
Podcasts	8%	7%	6%

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Methodology: Fielded January 2012, N=1,915

Despite the buzz surrounding new messaging tactics like infographics and podcasts, **email newsletters have been rated as the most effective channel for nurturing leads**.

The greatest challenges marketers face when nurturing leads is **delivering relevant content to the right people, at the right time**. Marketers have a great deal of testing capabilities with email newsletters, and can collect data on the most effective content, to pinpoint precise times their audience wants to receive it.

"Our greatest challenge is delivering the right content to the right person at the appropriate time in the buying cycle."

-Marketer insight

Chart: Most effective nurturing messaging, by primary market
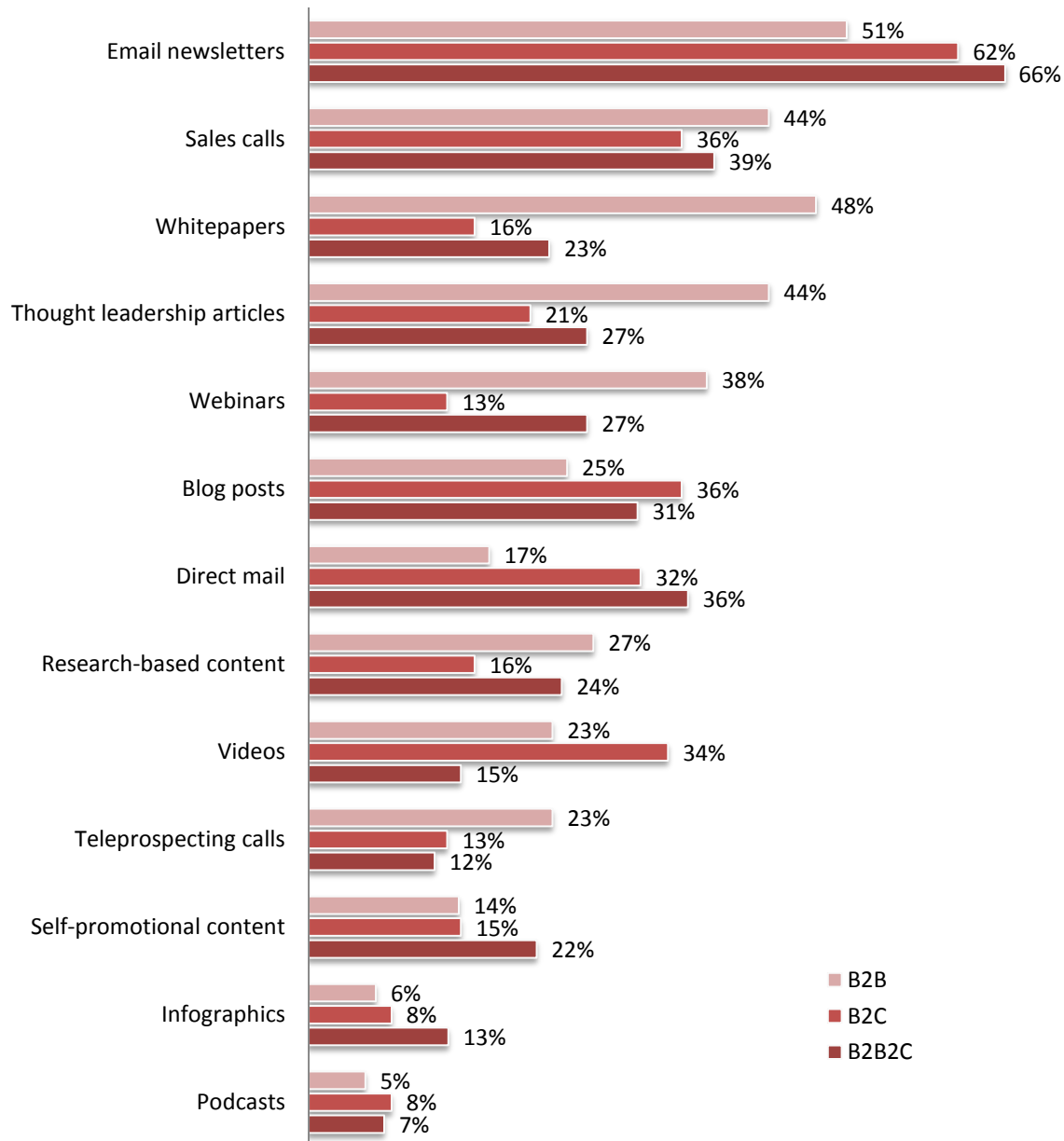
Category	B2B	B2C	B2B2C
Email newsletters	51%	62%	66%
Sales calls	44%	36%	39%
Whitepapers	48%	16%	23%
Thought leadership articles	44%	21%	27%
Webinars	38%	13%	27%
Blog posts	25%	36%	31%
Direct mail	17%	32%	36%
Research-based content	27%	16%	24%
Videos	23%	34%	15%
Teleprospecting calls	23%	13%	12%
Self-promotional content	14%	15%	22%
Infographics	6%	8%	13%
Podcasts	5%	8%	7%

■ B2B
■ B2C
■ B2B2C

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Whitepapers, thought leadership articles and webinars are all tactics that are highly geared for the B2B market. **B2B buyers take longer to buy, spend more on their purchases, and involve more people in their purchasing decision than typical B2C buyers**. This creates a greater need for informative materials to assess their needs, and evaluate the various features and benefits of available solutions. These needs are reflected by indications B2B organizations have made on the effectiveness of whitepapers, thought leadership articles and webinars, in terms of nurturing effectiveness.

Chart: Most effective nurturing messaging, by industry sector

Category	Software or Software as a Service	Professional or Financial Services	Retail or E-commerce	Education or Healthcare
Email newsletters	49%	63%	58%	57%
Sales calls	33%	46%	27%	44%
Whitepapers	52%	42%	24%	30%
Thought leadership articles	45%	54%	21%	24%
Webinars	56%	30%	6%	22%
Blog posts	30%	30%	36%	30%
Direct mail	7%	27%	18%	48%
Research-based content	30%	34%	15%	13%
Videos	27%	16%	33%	26%
Teleprospecting calls	12%	24%	6%	26%
Self-promotional content	14%	22%	24%	9%
Infographics	5%	13%	9%	9%
Podcasts	7%	6%	6%	7%

Legend:
- ■ Software or Software as a Service
- ■ Professional or Financial Services
- ■ Retail or E-commerce
- ■ Education or Healthcare

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Using self-promotional content is one of the least effective ways you can nurture your leads.

In the past, marketers had to think of the best ways to promote products through each of their messaging channels. Today, this is one of the least effective ways in which to nurture leads.

Today's buyers value their control over their purchasing decisions. They want to *find* the information they need, instead of "being sold." When buyers receive self-promotional or sales content during the independent research phase, it's almost as negative an experience as receiving sales calls before they're ready.

WHAT ARE THE DIFFERENCES BETWEEN INBOUND AND OUTBOUND MESSAGING FOR LEAD GENERATION?

The terms "inbound" and "outbound" emerged over the course of the last five to 10 years, alongside the introduction and growth of various online marketing tactics, such as organic search, pay-per-click and social media. The concept behind these terms relates to whether the lead finds you (inbound tactics), or you find the lead (outbound tactics).

When identifying various marketing channels as either inbound or outbound activities, we found that this identification isn't as clearly defined as it may initially seem. For example, many would argue that pay-per-click is an inbound tactic, since the lead finds sellers online. But, would the lead have found the seller if the it hadn't first selected targeted key terms for which to display their ads, created ad copy, and targeted certain locations and times of day?

Since the lines between inbound and outbound activities are becoming blurred, we asked participants how they executed various marketing tactics, and whether they consider them inbound or outbound in nature.

Chart: Use of lead generation tactics for inbound vs. outbound

Q. Please indicate the primary manner of which you use the following online marketing channels, whether it is an INBOUND activity (the lead finds you), or an OUTBOUND activity (you find the lead).
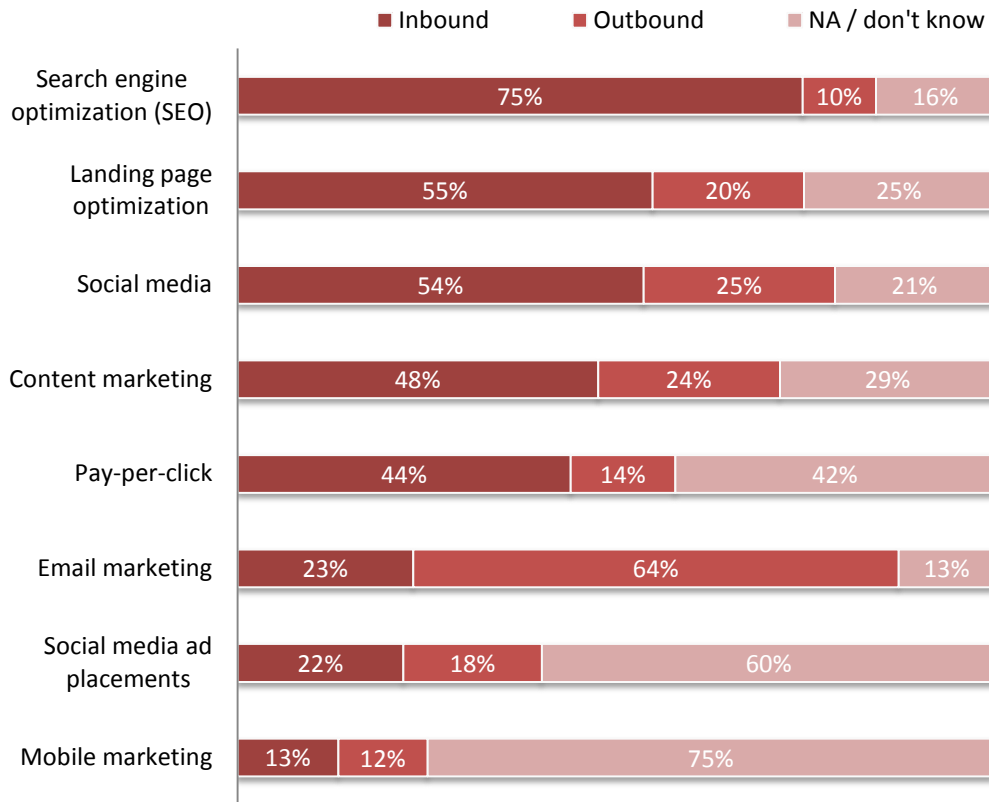
Legend: ■ Inbound ■ Outbound ■ NA / don't know

Tactic	Inbound	Outbound	NA / don't know
Search engine optimization (SEO)	75%	10%	16%
Landing page optimization	55%	20%	25%
Social media	54%	25%	21%
Content marketing	48%	24%	29%
Pay-per-click	44%	14%	42%
Email marketing	23%	64%	13%
Social media ad placements	22%	18%	60%
Mobile marketing	13%	12%	75%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
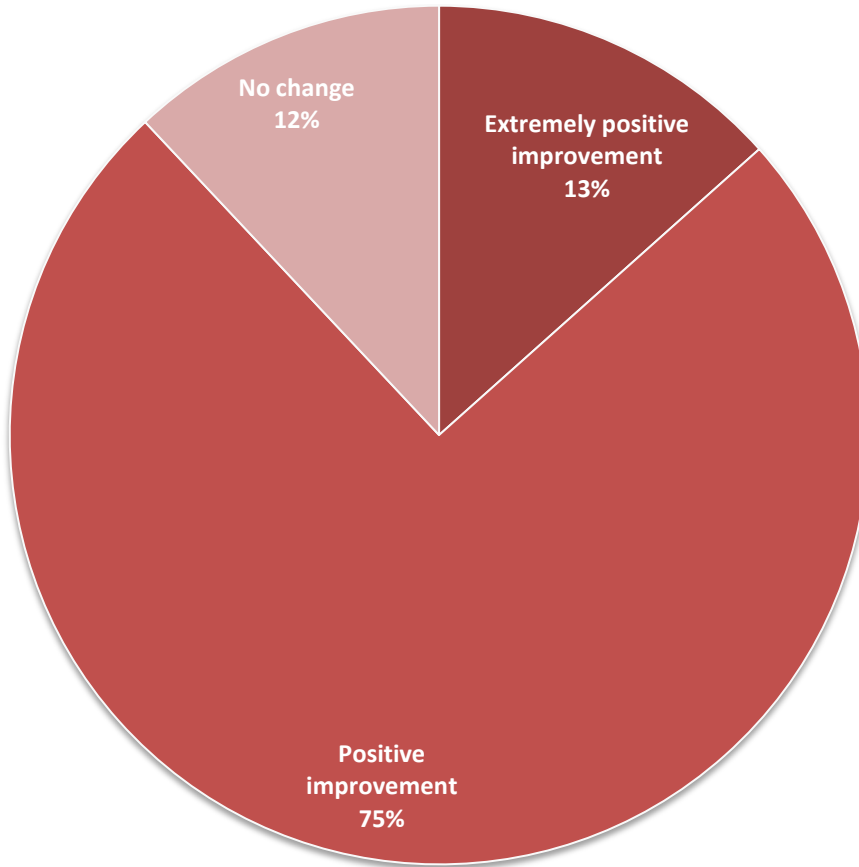Methodology: Fielded January 2012, N=1,915

HOW CAN YOU INTEGRATE YOUR MESSAGING STRATEGY FOR OPTIMAL LEAD GENERATION?

No matter which channels you choose to include in your messaging strategy, an integration plan is of the utmost importance. In fact, **multichannel messaging was rated as the most effective strategy for improving engagement amongst buyers** (MarketingSherpa's *2012 B2B Marketing Benchmark Report*).

Despite its effectiveness, few organizations indicated they have a high level of integration in their online and offline marketing tactics.

Chart: Integration of online and offline marketing tactics

Q. At what level do you integrate your online and offline marketing tactics?
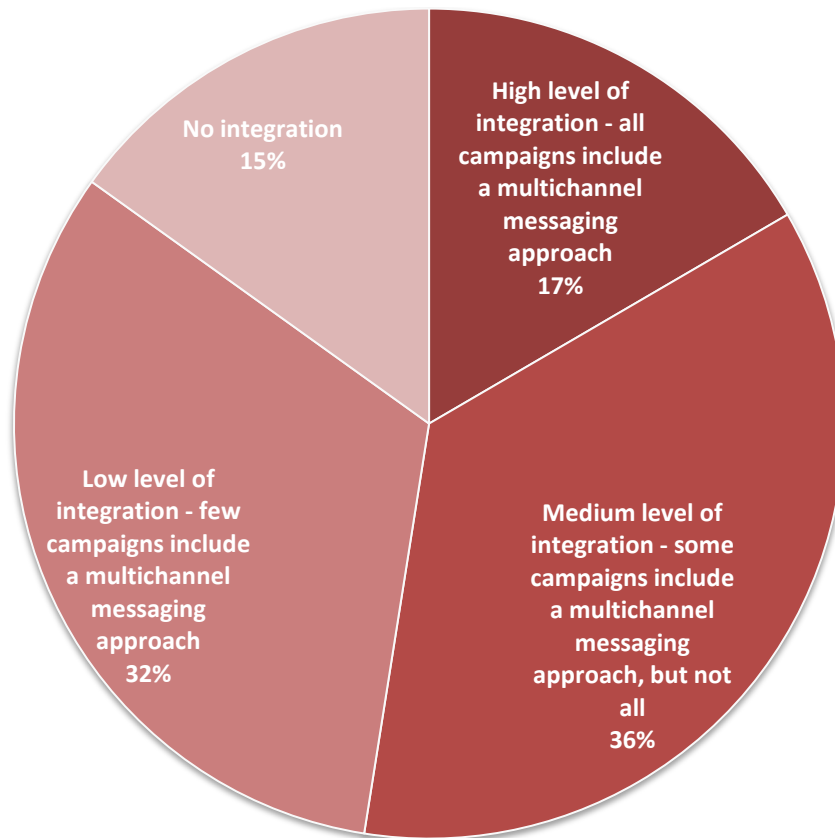
High level of integration - all campaigns include a multichannel messaging approach
17%

No integration
15%

Low level of integration - few campaigns include a multichannel messaging approach
32%

Medium level of integration - some campaigns include a multichannel messaging approach, but not all
36%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Fact: *Multichannel messaging was rated as the most effective messaging strategy for improving engagement amongst buyers.*

-MarketingSherpa's 2012 B2B Marketing Benchmark Report

The vast majority of respondents indicated they have a low to medium level of multichannel integration in place.

When it comes to convincing and converting modern, skeptical buyers, it requires more than sporadic integration; it is necessary to have a sophisticated messaging strategy that consistently delivers value propositions across multiple media.

55

To further exemplify the great importance of a solid integration strategy, we have analyzed the average lead generation ROI for organizations with various levels of integration in their campaigns.

Chart: Lead generation ROI by integration of tactics

Q. At what level do you integrate your online and offline marketing tactics?
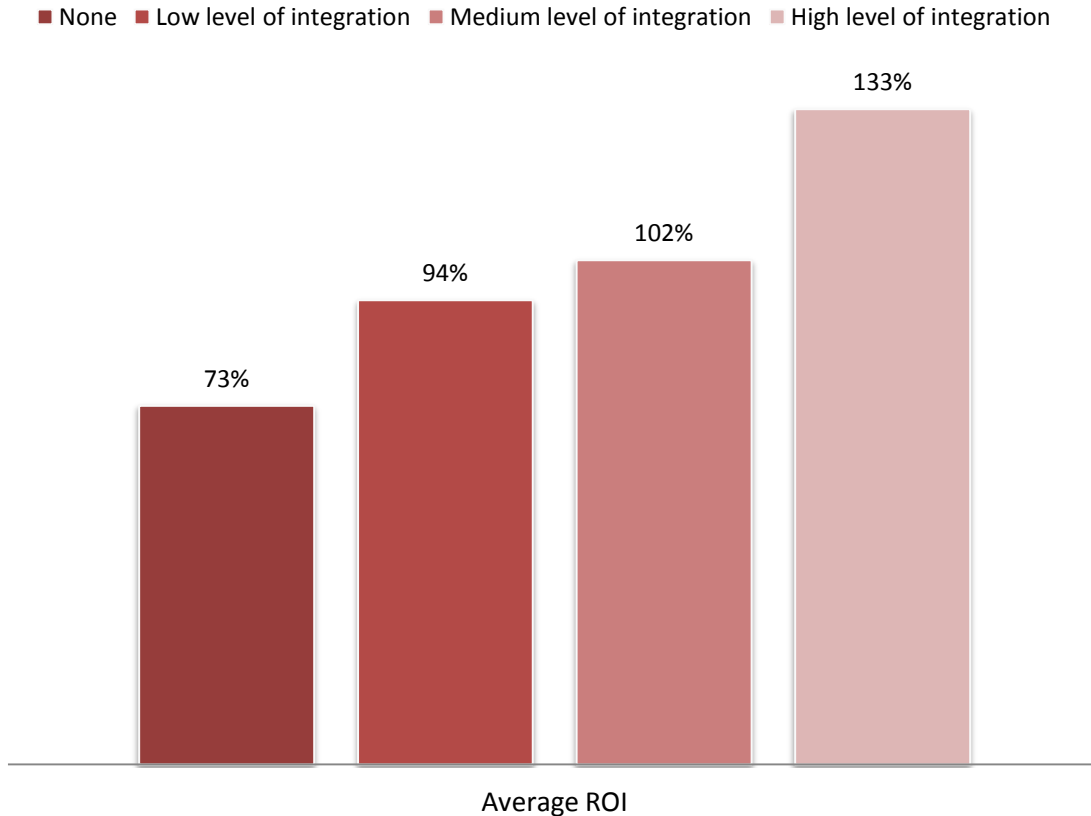
■ None ■ Low level of integration ■ Medium level of integration ■ High level of integration

133%

102%

94%

73%

Average ROI

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Overall, **organizations with a high level of integration experienced an 82% lift in lead generation ROI** over those without an integration strategy in place.

When buyers receive a consistent, compelling message from organizations across multiple media, engagement increases alongside conversions. These integration strategies also enable organizations to meet their audiences' preferences, in terms of how they want to receive their content.

Chart: Integration of tactics, by organization size
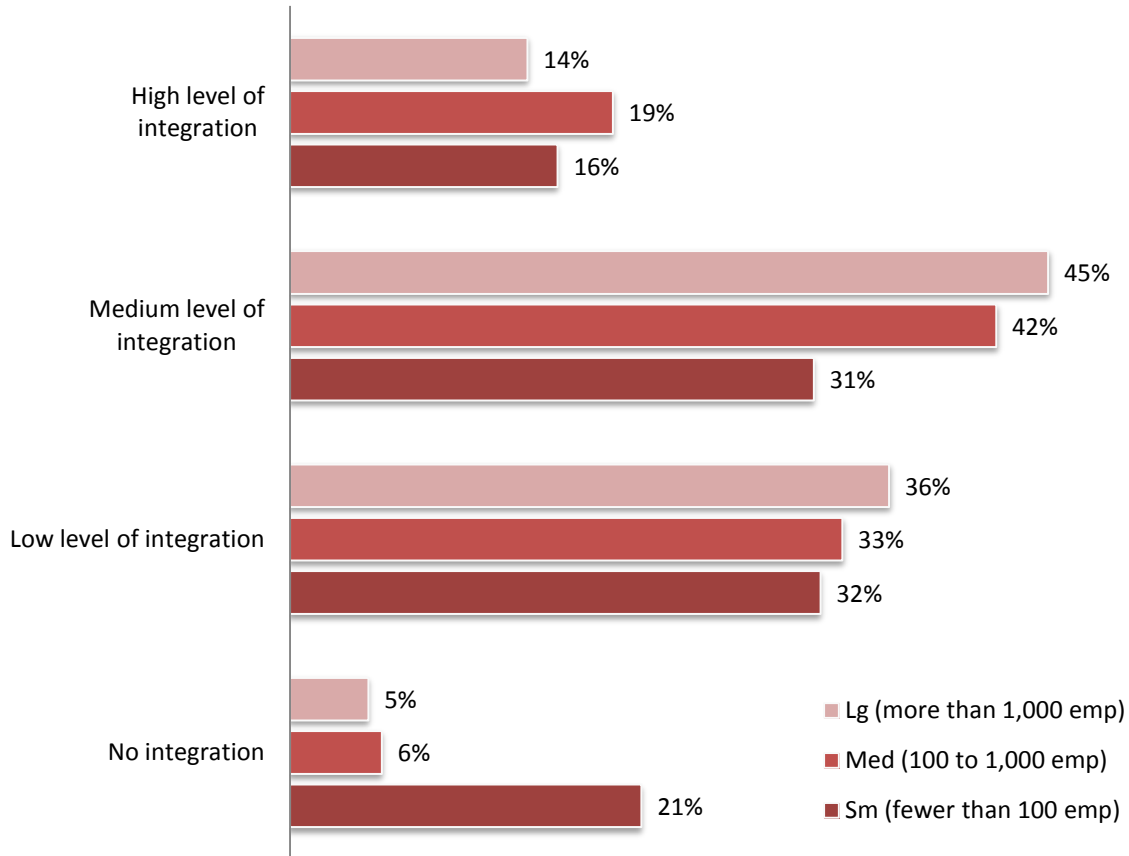
■	Lg (more than 1,000 emp)
■	Med (100 to 1,000 emp)
■	Sm (fewer than 100 emp)

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

What's truly surprising about this chart is the high level of response for lack of an integration strategy within small-sized organizations.

Typically, when analyzing new, advanced tactics and best practices, small-sized organizations have high response rates for early adoption and mastering. This can be attributed to the agility small-sized organizations tend to have over larger counterparts. In smaller organizations, there are fewer levels of approval, and buy-in for new tactics is accelerated.

In the case of multichannel messaging, the opposite is true, and small-sized organizations are most likely to lack an integration strategy. Multichannel messaging can require significant resources in order to execute message strategies across multiple ad buys and other media. Since smaller organizations tend to struggle with resources more than larger organizations, they may struggle with this particular tactic, as well.

Key Insight:

Small organizations are the least likely to integrate, which could be caused by less sufficient resources than their larger counterparts.

Chart: Integration of tactics, by primary market
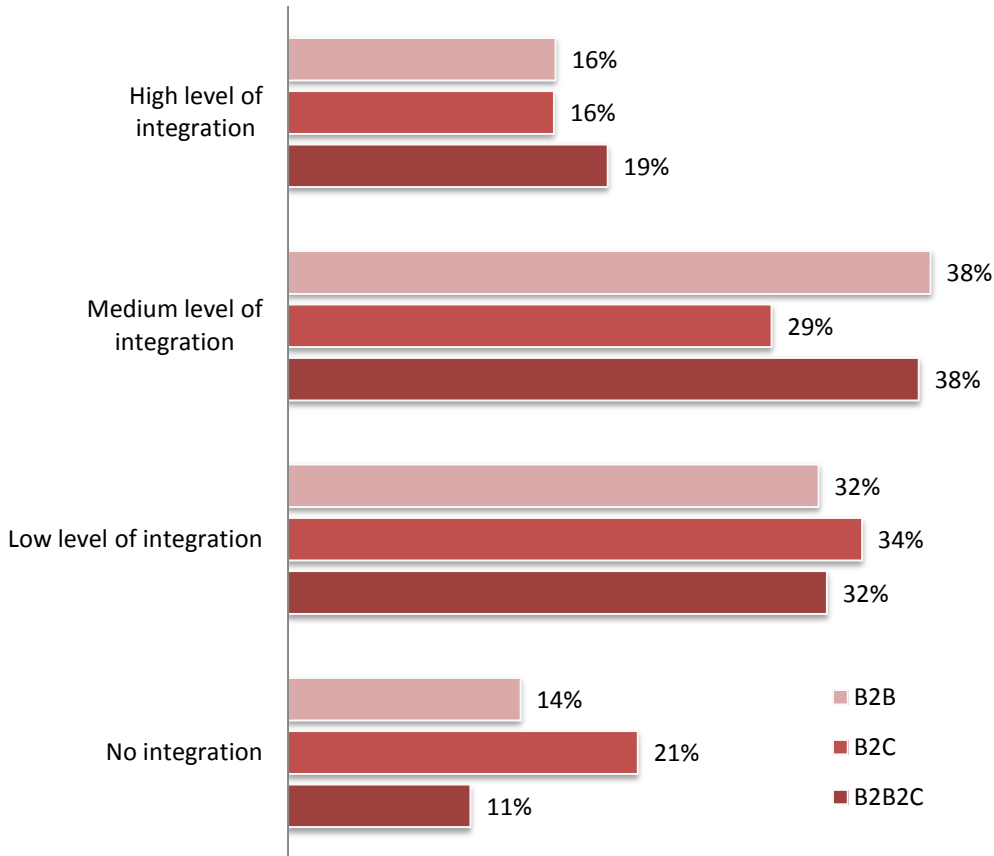
High level of integration
- 16%
- 16%
- 19%

Medium level of integration
- 38%
- 29%
- 38%

Low level of integration
- 32%
- 34%
- 32%

No integration
- 14%
- 21%
- 11%

Legend:
- B2B
- B2C
- B2B2C

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

B2B respondents to this study had a slightly greater inclination to integrate messaging channels than B2C organizations. B2B respondents were also more likely to have a complex sale process than B2C respondents.

When challenged with a more complex sale, creating engagement amongst buyers is increasingly important, and is likely the motivation for this increased integration.

When organizations lack an integration strategy, they risk confusing buyers with multiple messages and value propositions through various media. **Without consistency through channels, buyers may even receive conflicting messages from organizations about product offerings**.

For example, a buyer may receive an email from a B2B software organization that promoted its extensive feature sets, and then visit a landing page that communicates ease of use. The buyer is left asking, "Which is it? A comprehensive, feature rich solution? Or a user-friendly option? They can be left confused, and may not buy into both statements of appeal.

Chart: Integration of tactics, by industry sector

High level of integration
- 18%
- 14%
- 16%
- 21%

Medium level of integration
- 39%
- 40%
- 25%
- 35%

Low level of integration
- 29%
- 34%
- 38%
- 35%

No integration
- 15%
- 12%
- 21%
- 9%

Legend:
- Software or Software as a Service
- Professional or Financial Services
- Retail or E-commerce
- Education or Healthcare

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Organizations in the retail or e-commerce sector are least likely to have a multichannel integration strategy in place, while organizations in the Software or SaaS sector are the most likely.

In the previous chart, we learned how a complex sale can influence the need for an integration strategy. Since B2C organizations are less likely to have a complex sale, response levels for organizations in the retail or e-commerce sector are sensible.

How many marketers segment the delivery of messages to improve relevance and engagement?

By now, we understand that **blanketing one message to a wide, varied audience will no longer be effective**. Buyers expect more from brands. They expect to receive content that is relevant to their interests, at a time they want or need it.

In order to meet audience preferences, you must have the ability to segment the delivery of content. When marketers have the ability to segment their lists based on multiple fields, they are able to cater messages to specific types of buyers with specific goals and interests, rather than blasting one message to their entire list.

A solid segmentation strategy must begin with reliable data – a great challenge for many marketers. In fact, this may be the reason why only 35% of survey respondents indicated that they were able to segment based on multiple fields.

If you have a database full of prospects, but have little data beyond name and email address, do not worry. **Re-engagement campaigns can be highly effective in collecting new data for future segmentation on existing leads**. The key is to provide something of value, and get the lead to resubmit a form asking more detailed questions, and then appending this new information to the lead record in your CRM.

Chart: Respondent segmentation capabilities
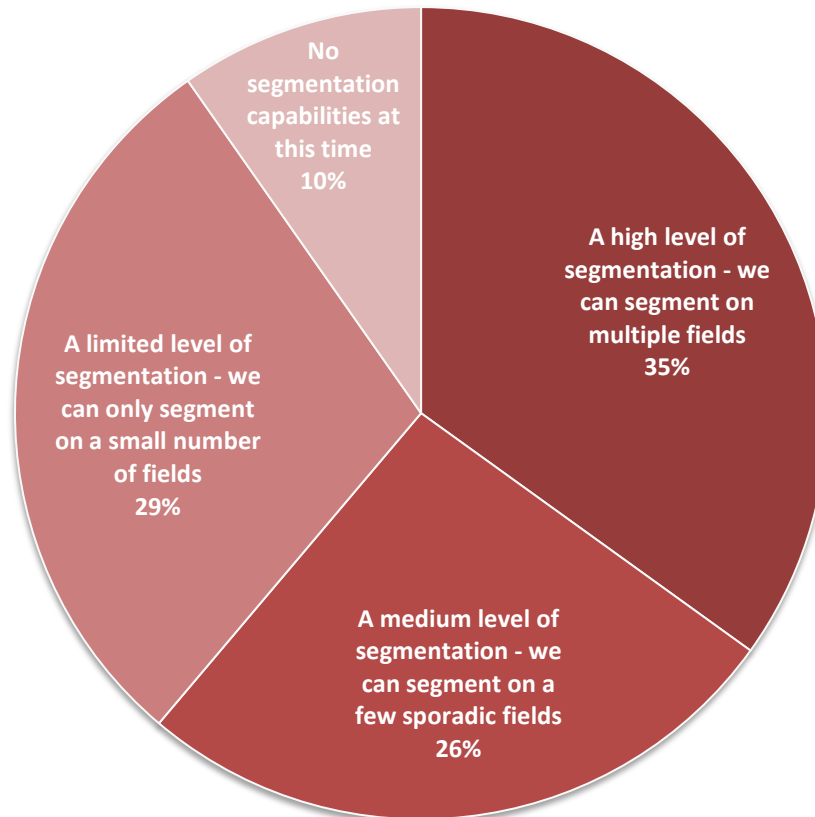
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

CASE BRIEFING: USING SEGMENTATION TO IMPROVE QUALITY AND ENGAGEMENT

Case Study ID: 32014
Location: MarketingSherpa Member Library
Summary: A technology support company revamps lead generation efforts using segmentation and generated an increase in qualified lead volume.

CHALLENGE

CenterBeam, a company that delivers technology infrastructure support for mid-sized businesses, had a messaging strategy that was completely managed by the Sales team, without regard to segmentation. This resulted in a shrinking pipeline, and Marketing needed to rebuild Sales pipelines and attract qualified leads.

CAMPAIGN

CenterBeam needed to build the effort around the optimal target market. Their plan included the following steps.

1. Segment your market

The marketing team conducted research that identified 43,000 mid-market businesses to target. Because of a variety of business reasons, they decided to drop various segments that were not optimal targets. After further evaluation, they decided to further segment that list based on where most of their orders were coming from.

From there, the company developed a list of high-performing SIC (Standard Industrial Classification) codes on which industries generated leads more likely to turn into signed deals. This further segmentation reduced CenterBeam's lead "universe" from 43,000 to 26,104 mid-market businesses, essentially ignoring 16,896 companies.

2. Focus on quality leads

A sales-qualified lead had to several criteria, including: the company has 200-5,000 employees, a minimum of $20 million in revenue, the decision-maker is engaged in the process, have a budget process and a time frame, etc.

3. Implement a multi-touch outbound lead generation effort

Marketing put an eight-touch process over two weeks, incorporating outbound dials and informal emails to generate sales-qualified leads.

RESULTS

- 13% conversion rate on completed dials
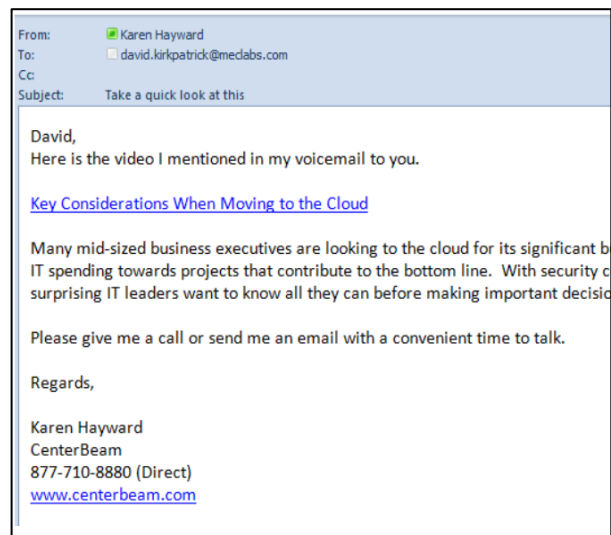
CHAPTER 3 – SELECTING THE OPTIMAL MEDIUM

INTRODUCTION: SELECT, INTEGRATE AND OPTIMIZE

Today, marketers have plenty of marketing channels from which to deliver their message. In fact there are so many opportunities marketers often become overwhelmed**.** It's not uncommon to feel a need to use all available tools, and simply "do it all." However, in an environment where marketers are more pressed for time and resources than ever before, this approach can result in departments being spread too thin, leading to weak or incomplete execution of strategies and campaigns.

This chapter will provide data and insights on three critical steps to take in selecting the optimal medium:

Select marketing channels

- What are the top lead generation tactics for 2012?
- How do we attract leads through online activities?
- Which online lead generation methods generate the most traffic?
- Which online lead generation methods generate the most conversions?
- Which optimization techniques produce lead volume and quality?
- How important are offline tactics?
- Can offline tactics achieve direct lead generation?

Integrate tactics for multichannel engagement

- How do marketers integrate lead generation tactics?

Optimize for continual improvement

- How does lead attribution promote quality and ROI?
- How often do organizations attribute the original lead source?
- How are organizations attributing leads for multichannel efforts?

How do marketers integrate lead generation tactics?

Since there are so many channels and opportunities for marketers to distribute their messages, there is often pressure to use all of the tools available. But, **what's really important is selecting the channels that will resonate with specific preferences of target audiences**.

We wanted to learn more about how marketers were integrating lead generation tactics, so we asked study participants to indicate the percentage of total lead volume generated from a selection of commonly used lead generation tactics.

Chart: Percentage of total lead volume generated by lead gen tactics

Q. Approximately what percentage of your total lead volume is generated by each of the following tactics?
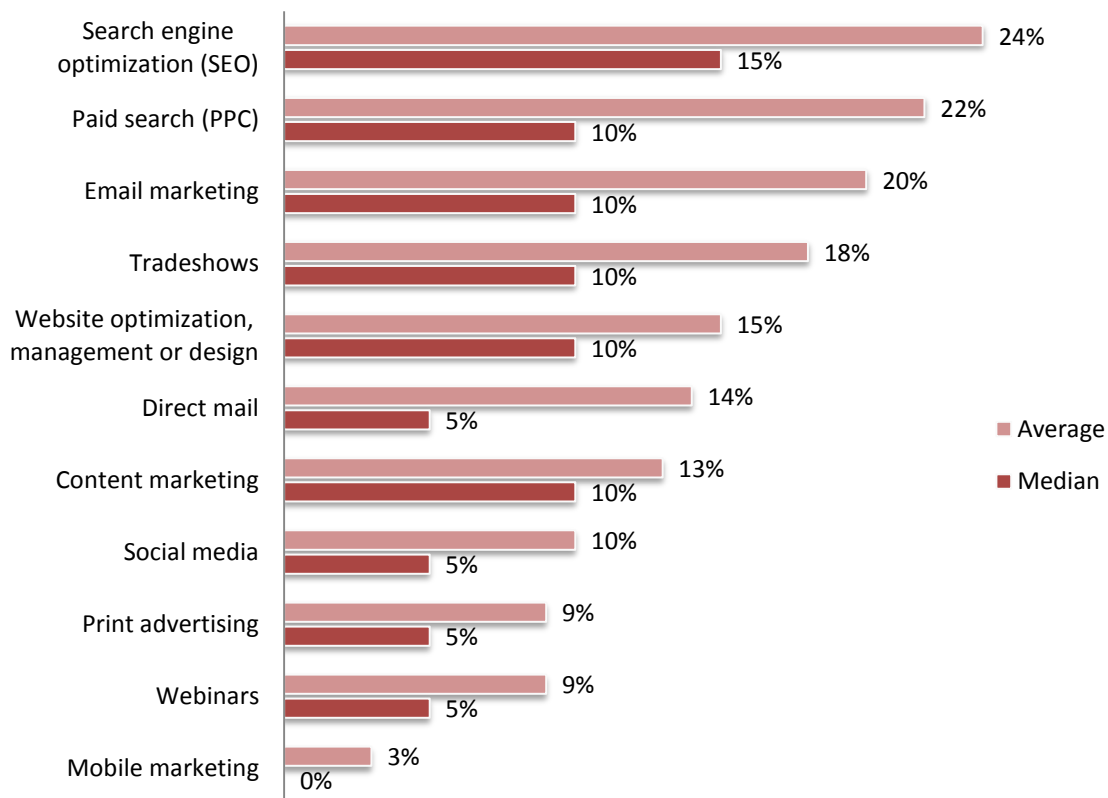
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
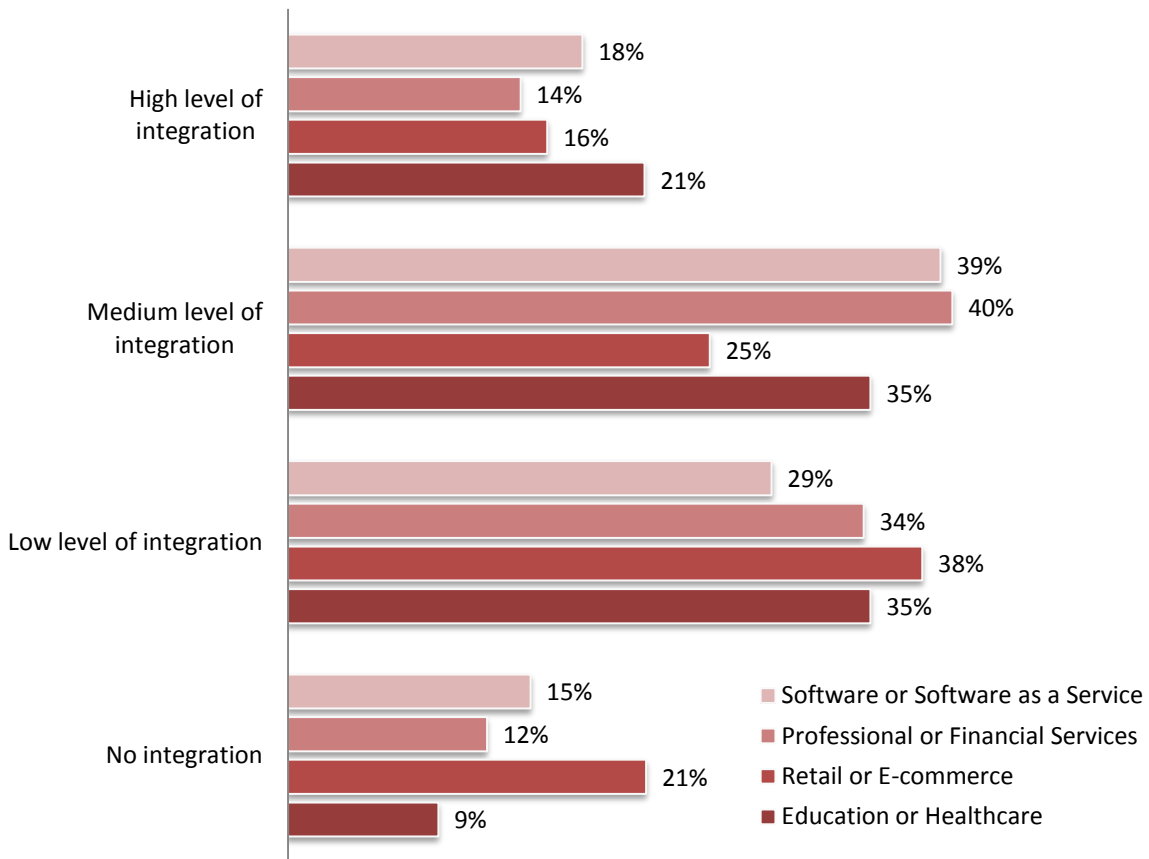Methodology: Fielded January 2012, N=1,915

When collecting this data, respondents were able to enter an approximate percentage of total lead volume for each tactic, with entries for each respondent equaling 100% for total lead volume. We have displayed the average and median values for each channel to provide a clear perspective on overall volume per channel. Since some organizations' lead volume is more heavily weighted towards specific activities than others, the averages can get weighted in either direction. The median values represent the middle value of all responses.

The data in the above chart displays lead generation strategies that are slightly weighted towards online lead generation activities.

Although these channels may not be integrated as a multichannel messaging strategy, organizations commonly use more than one channel as part of their lead generation campaign, and the trend is to emphasize online activities. Since many online activities are presumed to be of an inbound nature, we wanted to dig deeper to learn approximately what percentage of lead volume was generated by inbound or outbound activity explicitly. The results may surprise you.

Chart: Lead volume, by inbound / outbound activity

Q. Approximately what percentage of your total lead volume is generated by INBOUND activity (the lead found you); vs. OUTBOUND activity (you found the lead)?
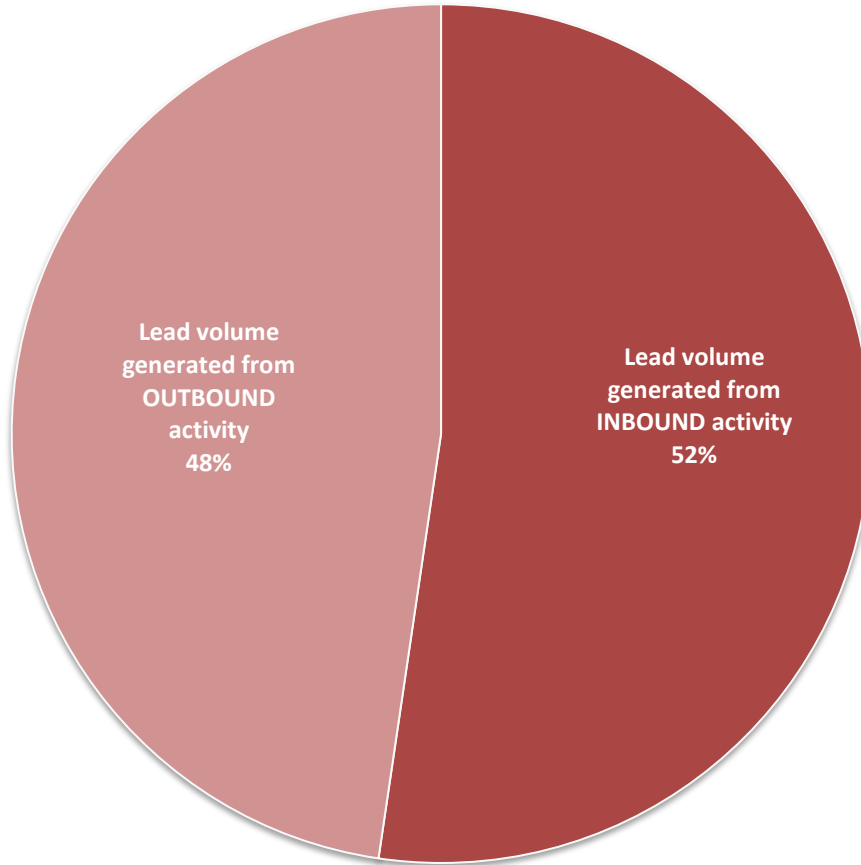
Lead volume generated from OUTBOUND activity
48%

Lead volume generated from INBOUND activity
52%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Key Insight:

The lines between inbound and outbound activity continue to blur.

When we analyzed lead volume by marketing channel, we learned that organizations use multiple channels to generate leads, but the trend leans towards online activities for volume. In the above chart, we learn that **there is a fairly even split between inbound and outbound lead generation**.

This data further concludes that the determination of **inbound and outbound activity is not necessarily specific to the channel, but how the channel is used to generate leads.**

WHAT ARE THE TOP LEAD GENERATION TACTICS FOR 2012?

With so many tools available, **marketers need to make the most of their time by utilizing and optimizing an appropriate balance**. They need to be able to evaluate the use, effectiveness and difficulty of tactics that their audience prefers, in order to decide which channels will work best for their organization.

To help guide you in selecting an optimal mix of lead generation tactics, we asked study participants to indicate the use, effectiveness and difficulty of various options. The results shared in this section should be used in combination with your own audience research to make a final decision for building your lead generation strategy.

Chart: Use of lead generation tactics

Q. Which of the following lead generation tactics does your organization currently use?
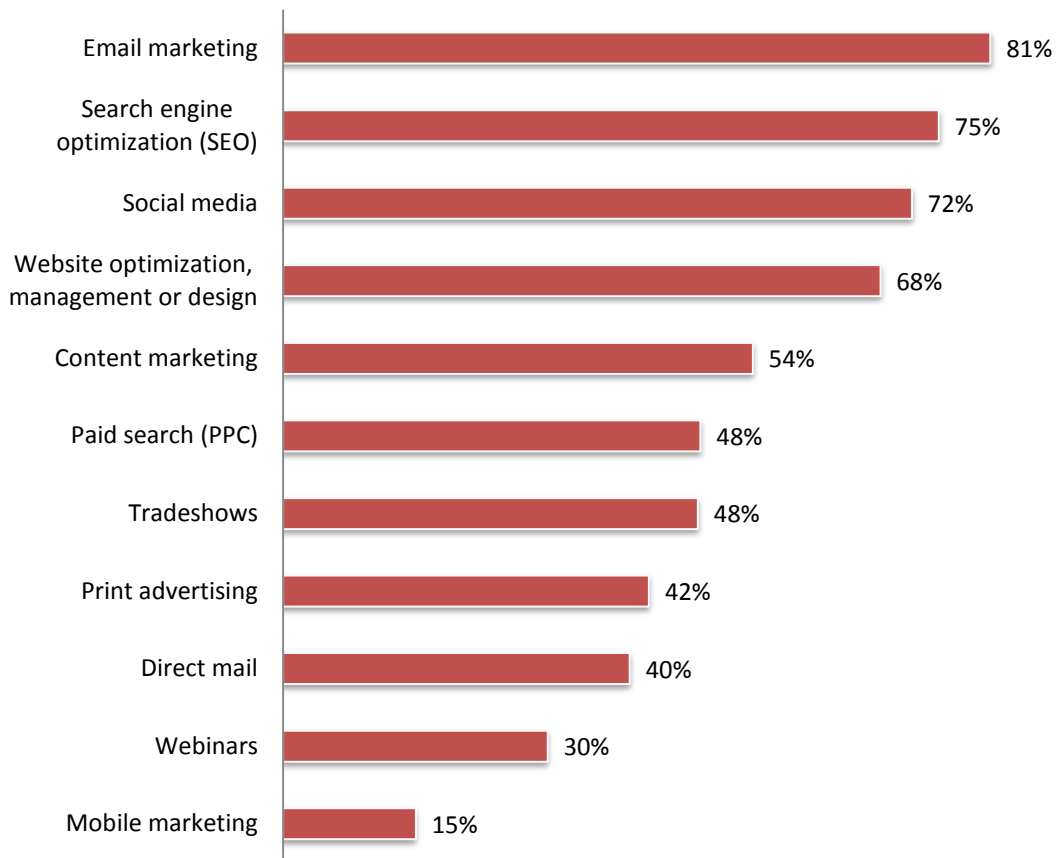
Tactic	Percentage
Email marketing	81%
Search engine optimization (SEO)	75%
Social media	72%
Website optimization, management or design	68%
Content marketing	54%
Paid search (PPC)	48%
Tradeshows	48%
Print advertising	42%
Direct mail	40%
Webinars	30%
Mobile marketing	15%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

The trend toward online marketing is further demonstrated when evaluating the use of lead generation tactics, since email marketing, search engine optimization and social media are most commonly used.

The latest buzzworthy tactic – mobile marketing – is also the least commonly used. As marketers quantify results and mature in their execution of this tactic, it is likely that its use will increase amongst the marketing community.

Chart: Use of lead gen tactics, by organization size

Tactic	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Email marketing	93%	86%	76%
Search engine optimization (SEO)	75%	74%	76%
Social media	75%	77%	70%
Website optimization, management or design	73%	72%	66%
Content marketing	55%	57%	53%
Paid search (PPC)	63%	54%	42%
Tradeshows	67%	65%	36%
Print advertising	73%	54%	29%
Direct mail	65%	53%	28%
Webinars	44%	38%	24%
Mobile marketing	28%	18%	11%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

*marketing*sherpa

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Large-sized organizations are more likely to use all lead generation tactics than medium- or small-sized organizations are, especially when it comes to more expensive channels like:

- PPC
- Tradeshows
- Print advertising
- Direct mail

Large organizations also have larger marketing departments and budgets. These additional resources enable organizations of this size to execute more campaigns.

Chart: Use of lead gen tactics, by primary market
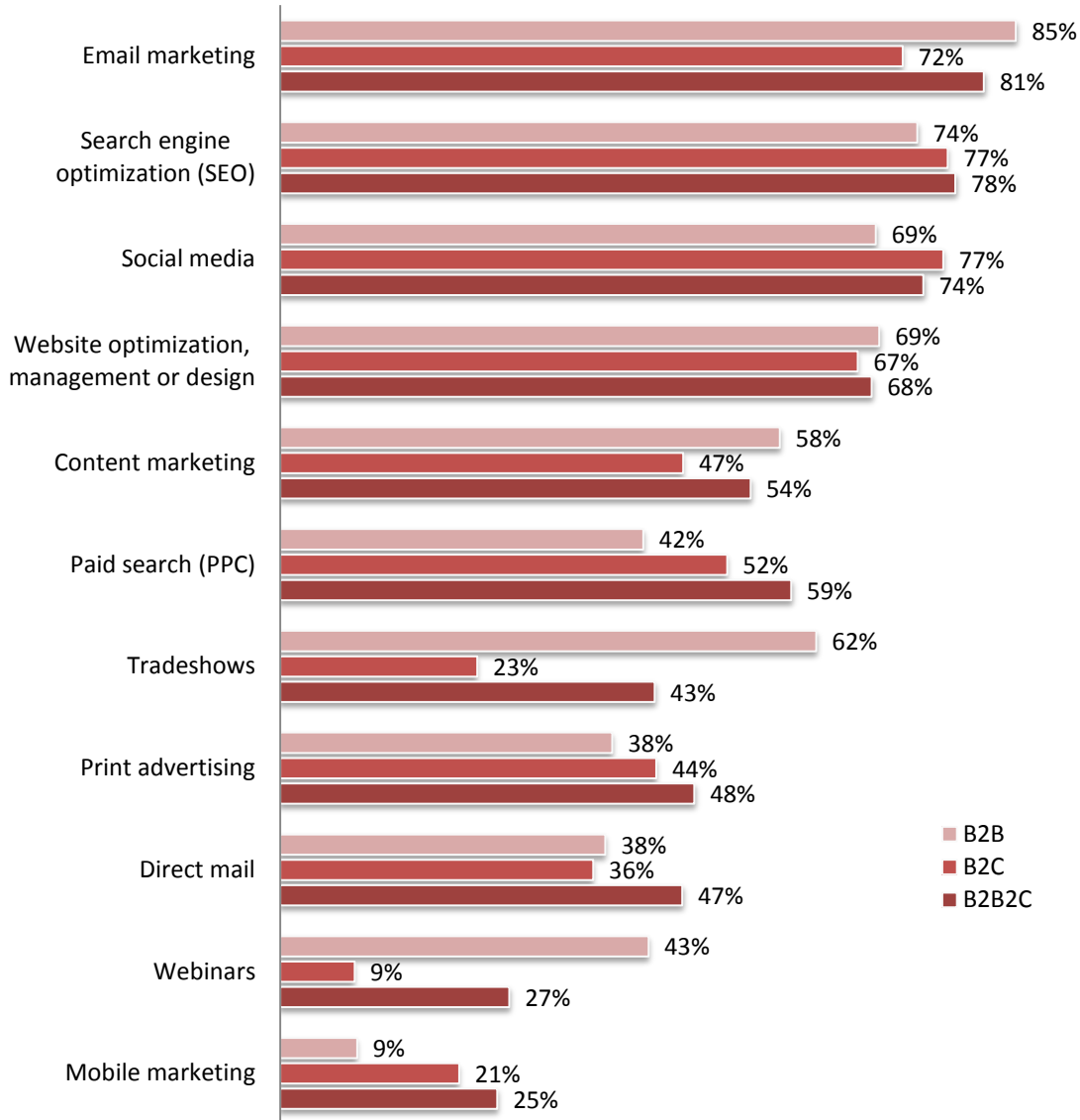
Tactic	B2B	B2C	B2B2C
Email marketing	85%	72%	81%
Search engine optimization (SEO)	74%	77%	78%
Social media	69%	77%	74%
Website optimization, management or design	69%	67%	68%
Content marketing	58%	47%	54%
Paid search (PPC)	42%	52%	59%
Tradeshows	62%	23%	43%
Print advertising	38%	44%	48%
Direct mail	38%	36%	47%
Webinars	43%	9%	27%
Mobile marketing	9%	21%	25%

Legend: ■ B2B ■ B2C ■ B2B2C

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Our greatest challenge is resource management and allocation towards lead generation activities such as content marketing and SEO."

-Marketer Insight

While organizations of all primary target markets employ a multitude of lead generation tactics, **tradeshows and webinars appear to be primarily B2B focused**.

Search engine optimization and content marketing are closely related tactics, and we expect the use of content marketing to grow in the upcoming years.

Chart: Use of lead gen tactics, by industry sector

Tactic	Software or Software as a Service	Professional or Financial Services	Retail or E-commerce
Email marketing	85% / 87%	70%	82%
Search engine optimization (SEO)	83%	69%	86% / 66%
Social media	75% / 71%	81%	69%
Website optimization, management or design	70% / 67%	71%	62%
Content marketing	63%	50%	59% / 43%
Paid search (PPC)	57%	39%	60% / 55%
Tradeshows	64% / 44%	19%	44%
Print advertising	29% / 38%	35%	51%
Direct mail	34%	48%	27% / 51%
Webinars	57% / 35%	7%	26%
Mobile marketing	10% / 15%	23%	15%

■ Software or Software as a Service
■ Professional or Financial Services
■ Retail or E-commerce

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

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"25 minute "Executive Briefing" webinars aimed at CXOs have been the most effective in generating lead generation ROI."

-CMO Insight

While most organizations in the retail or e-commerce sector do not have heavy use of webinars, many organizations in more B2B focused industry sectors do.

Webinars can be a highly effective tool for educating and nurturing target audiences within these industries.

Chart: Effectiveness of lead generation activities

Q. Please indicate the LEVEL OF EFFECTIVENESS (in terms of achieving objectives) for each of the lead generation tactics your organization is using.
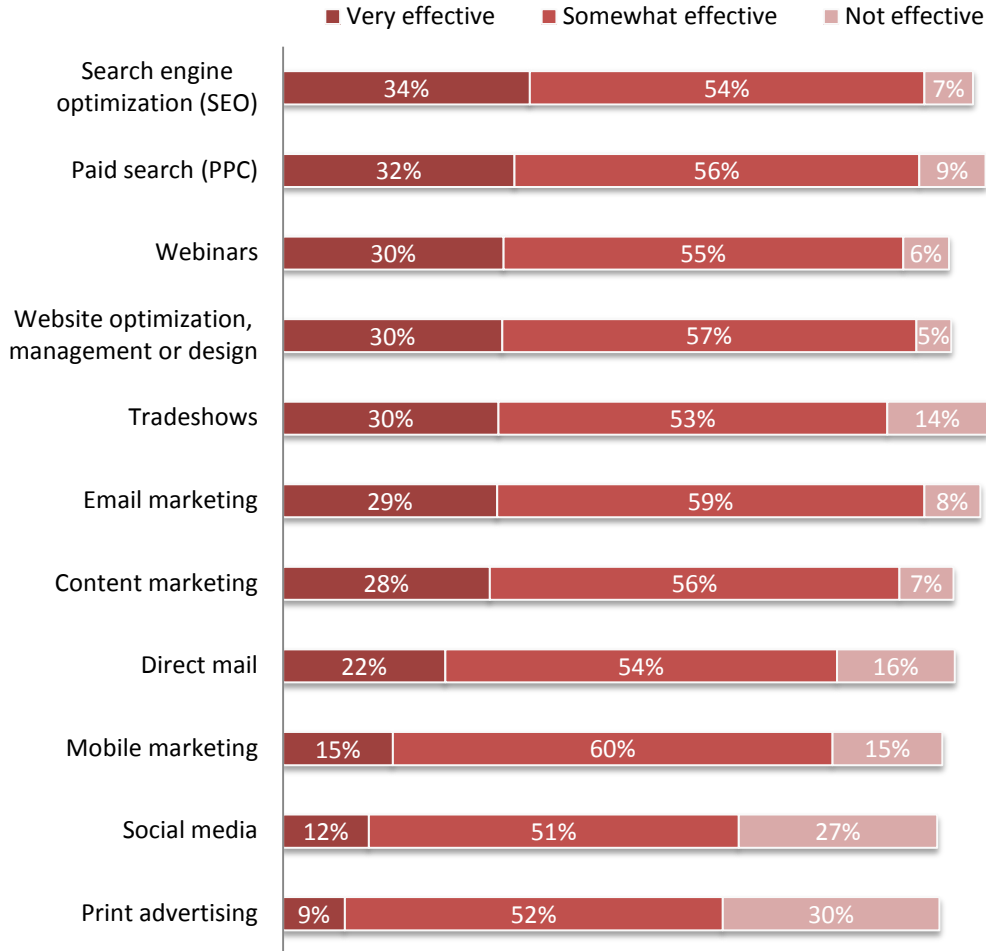
Legend: ■ Very effective ■ Somewhat effective ■ Not effective

Tactic	Very effective	Somewhat effective	Not effective
Search engine optimization (SEO)	34%	54%	7%
Paid search (PPC)	32%	56%	9%
Webinars	30%	55%	6%
Website optimization, management or design	30%	57%	5%
Tradeshows	30%	53%	14%
Email marketing	29%	59%	8%
Content marketing	28%	56%	7%
Direct mail	22%	54%	16%
Mobile marketing	15%	60%	15%
Social media	12%	51%	27%
Print advertising	9%	52%	30%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Online lead generation activities like search engine optimization, PPC, webinars and website optimization have been rated as the most effective. These activities have a reputation for being cost effective, which could help support lead generation ROI.

SEO, the most effective tactic, was the second most commonly used lead generation tactic, with 75% of organizations indicating use. PPC, however, has been rated as the second-most effective tactic, yet only 48% of organization indicated use. **Since organizations are receiving such great value for SEO, they are less willing to pay-per-click**, despite the effectiveness of this potentially more expensive tactic.

The most widely used lead generation tactic is email marketing. However, it is only the sixth most effective, with 29% of organizations deeming it very effective. Email marketing may achieve such great usage due to its perceived ease of use. However, executing a highly effective email campaign is quite complex, and involves testing, segmentation, and list hygiene.

Chart: Difficulty of lead generation activities

Q. Please indicate the DEGREE OF DIFFICULTY (time, effort and expense required) for each of the lead generation tactics your organization is using.
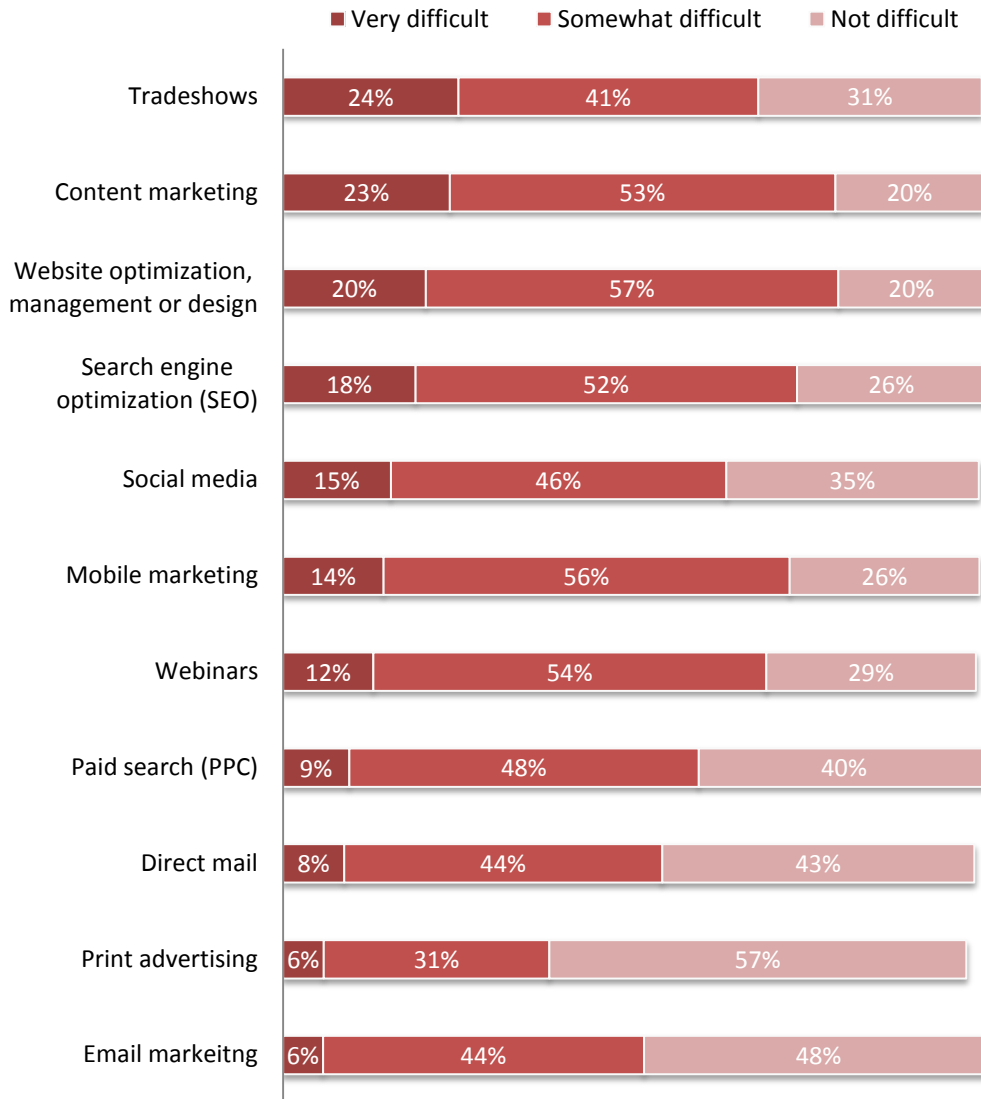
■ Very difficult   ■ Somewhat difficult   ■ Not difficult

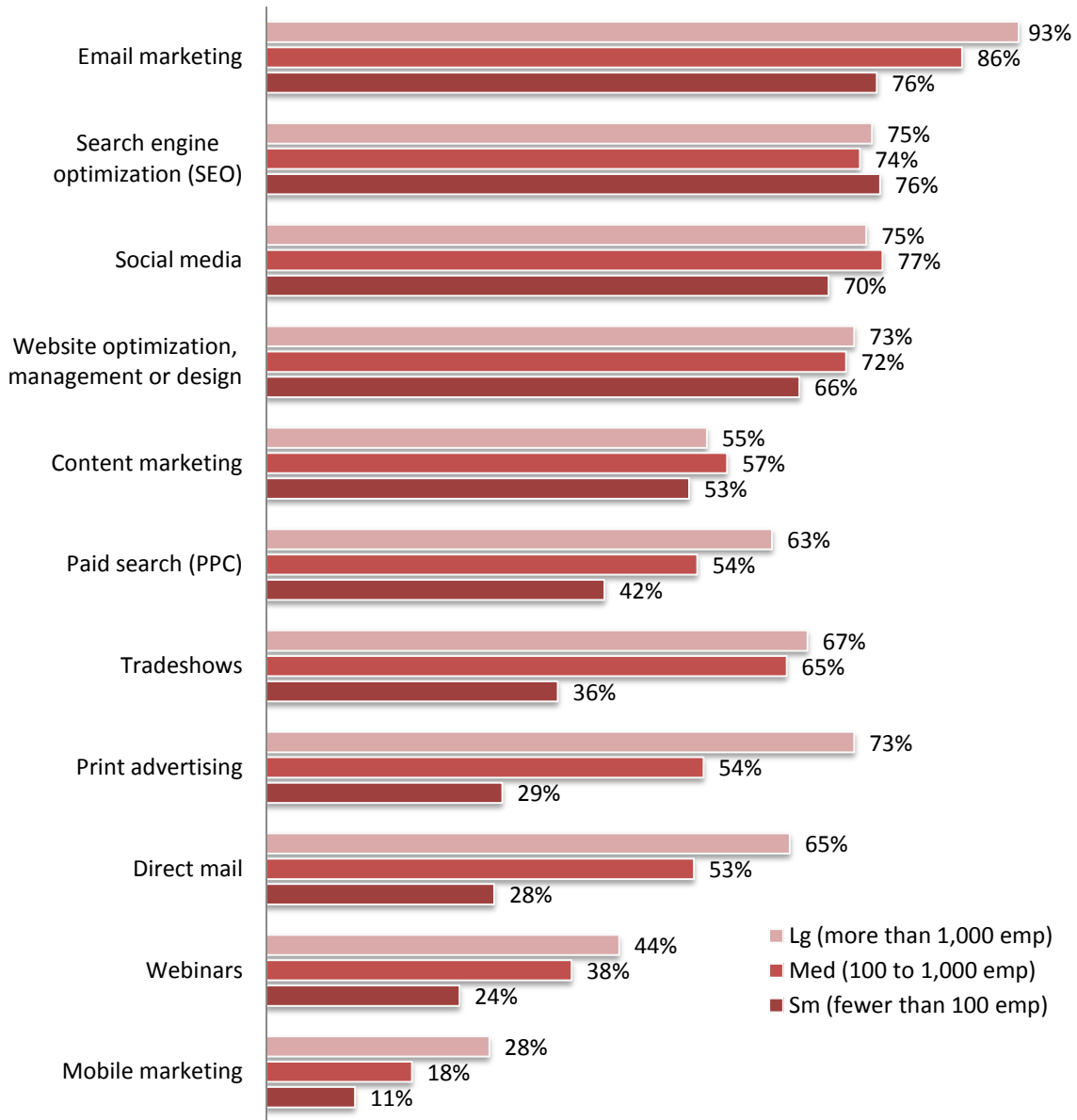| Activity	Very difficult	Somewhat difficult	Not difficult
Tradeshows	24%	41%	31%
Content marketing	23%	53%	20%
Website optimization, management or design	20%	57%	20%
Search engine optimization (SEO)	18%	52%	26%
Social media	15%	46%	35%
Mobile marketing	14%	56%	26%
Webinars	12%	54%	29%
Paid search (PPC)	9%	48%	40%
Direct mail	8%	44%	43%
Print advertising	6%	31%	57%
Email markeitng	6%	44%	48%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Study participants rated email marketing as the least difficult lead generation tactic. As we learned earlier, this tactic is also the most commonly used, but only the sixth most effective. It's a perfectly simple process to select a list, create an email and send it out – but how effective *is* this process? **To truly gain effectiveness and results out of an email marketing campaign, marketers need to consider a far more strategic – and – difficult approach**.

Though study participants rated website optimization as the third most difficult lead generation tactic, a healthy 68% of respondents still use it. Marketers are willing to master a difficult or complex tactic in order to achieve effectiveness.

TABLE: WHAT ARE MARKETERS' TOP LEAD GENERATION TACTICS?
Q. Please describe the top lead generation challenges that are most pertinent to your organization.

- Asking our current customers to recommend us to their colleagues.

- Combined approach of product branding and multichannel touches brings the best response.

- Content has been huge – whitepapers, research and our blog.

- Content specific to related markets delivered at the right time in the buying process

- Email marketing has had the clearest ROI. Other efforts have been more difficult to quantify.

- Google Search (organic and paid), in combination with a usable website.

- SEO is by far the most effective technique. Miles ahead of any other.

- Cold calls and hard outbound phone campaigns work best for us. Tradeshows and unique events work well also. We do have some success with mail and email campaigns.

- Improved online presence. Difficulty in capturing leads generated and coming by phone. Better data base management. Email campaigns to house list. Content marketing through blog and targeted webpage development

- Steady, regular emails (loaded with content) results in readers recommending our e-zine to their peers. Unfortunately, you don't get a big chunk of new customers this way, just a regular steady stream.

- Using email to promote content offers to targeted prospects combined with form submission to access the content. Marketing screens inquiries and hands off "leads" to sales for follow up and discovery.

- Multi-touch campaigns that focus on a topic/product and drive potential customers through an educational cycle – nurture/follow up campaigns

- Targeted direct mail with telemarketing follow-up and webinars. Tradeshows with webinar follow-up.

- Educational approach, where we give detailed proposal of all possibilities for the organization, as well as ROI analytics, with business plan how to achieve goals. We give them three parameters to calculate with: time, quality and money. Than we make and roll out the best strategy, with constant revision in six months.

- Website optimization. You can drive huge volumes to your site, but if the user experience is poor, you'll never convert the lead. I always focus first on the conversion rates, the user experience and the call-to-action. When the user enters your funnel, you need to drive them to an action.

- Asking for customer recommendations and asking customer to introduce you to other prospective customers

- Taking direct leads from tradeshows and nurturing those leads through email, direct mail and phone calls.

- Direct mail and email marketing to lead buyers in specified markets. Our website was totally revamped about 15 months ago, pushing us closer to top results in search engines and providing more relevant information for customers and potential customers.

- Paid search and affiliate programs are the most mature and refined of our lead generation tactics. Together they generate a large percentage of our captured revenue.

- 1. Web tactics: SEO or paid search —> lead caption –> lead nurturing –> lead qualification 2. TeleTactics: database creating –> telemarketing or email marketing —> lead nurturing –> lead qualification

- We conduct A/B and multivariate testing ongoing for our registration page, landing pages, biweekly email newsletters and various pages throughout our website. We approach marketing as a science, constantly trying new ideas and testing them. Learning what works and always working to improve our services for our customers and increase our revenue, all while becoming more nimble by fine-tuning processes. We've worked hard to test automated campaigns such as trigger emails based on customer interactions – these are highly effective for us since it provides us a broader reach, particularly since we're a small business.

- Calling on warm leads and meeting face to face with the decision makers. I follow up with email contact and an email campaign with interesting items that I feel, by my conversations with potential clients, will be of interest to all.

- Clearly state one's value proposition at all times, one that is contained at all times within the brand.

- Tradeshows still account for most of our lead generation. We attend several throughout the year.

- Email marketing, with a mix of direct mail and content marketing to complement the email marketing.

- We often write comments, pertinent comments, in targeted forums. We try to gain customer attention by using social media like Twitter. We keep on optimizing our website. We consider ourselves a buddy brand.

- Our issue is we have many niches we service, so there's no one way to do things. Also, success depends upon individual participation (i.e., if a product manages selects to engage certain tactics). LinkedIn has proven good – targeted audience. SEO is one of the best, as is PPC.

- We run webinars throughout the year for our clients and prospects on relevant topics (not necessarily associated to our specific product) and we've had great response and feedback that have kept prospects engaged and our name top of mind. It has also worked twofold - we have improved our "advocacy" program. We have industry professionals deliver the webinars - they get business through the webinars, we get business and these industry professionals in turn become advocates for us!

- Automated email flows for lead nurturing traffic to site. Then displaying personalized content to these visitors to get them to complete call-to-action.

- Traditional Direct Mail (beyond any comparison) BTW, e-marketing will force to consider new techniques involving synergistic efforts and tactics.

- Finding the right people to generate leads, finding a good strategy, funding lead generation activities

- Emphasis on value prop, then quantitative statements, then features, the call-to-action simplifying copy and message

- Our most successful tactics involve targeting people are familiar with our brand, particularly those who have product with us already and have a high propensity to buy additional products.

- Both SEO and website design/development have proved to be the best for lead generation. Email campaigns have been less than successful.

- So far, tradeshows. And networking by members of the sales team. Some inbound marketing through our website which is fairly decent. Performance of our product attracts interest.

- Tradeshows/events are very effective for us mainly because the events we attend are targeted so we know that we will talk to decision makers. Webinars work well, but they are very time consuming and we need to get more volume out of them.

- Mixed media contact, direct mail, email and pURL websites. The best is, by far, relationship building.

- SEO: we are found on search engines and then hand hold individual customers through detailed sales lifecycle (small numbers so we can spend a lot of sales time on each customer)

- Audience specific e-newsletters sent on a regular basis. These are people who have opted in for the information. The website in general.

- Combination of lead gen and brand awareness programs which end up in lead nurturing email campaigns using marketing automation. The process of selling within marketing with early stage marketing.

- We help companies in an emerging area of business that few marketers understand how to take advantage of yet so I run a luncheon series for the CMOs of our largest clients and prospects. They are welcome to bring friends from other companies. It works as a lead generation tool, reinforces our value to prospects and strengthens the relationship with our existing key clients.

- PPC advertising has been the best strategy to date. Easily implemented, easily measured and, although we don't have precise conversion rates or cost per acquisition, we do see a correlation between PPC spend and sales volume.

- Webinars presented by organizations such as MarketingSherpa have been the best for us. We get to explain our value proposition by educating the audience.

- SEO and website design has done the best for us in 2011. Redesign of the Google Adwords campaign has also reduced marketing waste. New opportunities were found in the online Buyers guides and directories from industry trade publications.

- Tradeshows are always great at driving high volume of leads, but not necessarily qualified leads. We've also used outbound teleservices which are great at driving qualified leads, but not at a high volume. Emails are great at driving leads when there is a relevant download, but most leads are cold.

- Direct mail, print advertising, and webpages with a giveaway to stimulate a response have been the most effective.

- Prior to me joining the company, they've done very little other than tradeshows, which have been ineffective. The company name has carried some weight for years and people bought because it's a brand they trust. Tradeshows have been one of the primary Averages for years. They've kept doing them for no reason other than "They've always done them".

- The absolute best has been creating an email marketing system where we collect emails with either landing pages or through an 800#, and then send the leads through an information/content marketing system until they're ready to buy. All of this is completely automated and extremely low cost and low maintenance when up and running.

- Direct mail and phone follow up. Has been and always will be a marketer/salesman's most effective ROI.

- SEO and website design. We are very well known in our industry and have significant repeat traffic to our website for execution of orders which permits us to market other products and services.

- Webinars to Technical audiences is an area we are looking to expand. Our Target persona is Electrical Design Engineers. Other channels include tradeshows / PR / print media / social media (LinkedIn, primarily).

- Development of the value proposition with short iterative cycles where we test against actual prospects. Creation of high quality educational content that we use to nurture prospects towards our offer. Revision on website copy to maintain accurate communications with NEW inbound leads

- Email marketing has been one of the best ways we've found to find and keep new business. Surveys have been growing in popularity lately as well, especially as they relate to events and webinars we put on.

- Cold calling combined with social media. Regular follow-up with past clients and prospects. Email and content marketing.

- Webinars and the follow up from them have been working, especially since they hadn't been done in the past.

- Blogging has had a major impact on driving new traffic to our site. Website optimization has also had a positive impact on organic traffic to our site plus lead conversion towards our free trial signup form.

- Our lead process is mainly done through online advertising (banners and emails). The user is taken to our online order form for a free book. Once the form is completed the book is shipped and should arrive within 3-5 business days for US addresses. We have a six-part email follow-up series that is triggered at the time they order the book. This email series ends at day 30 and the first of the direct mail appeals hits around day 21. The purpose of this is to generate donations/sponsors. We have done minimal testing with the digital follow-up process since it's relatively new. The direct mail side has done minimal changes but has been the main way in which donations and sponsorships are driven through these follow-up processes.

- Quarterly email campaigns on topics of interest, copy and offer tailored to the target audience (segmentation is key), webcasts.

- Inbound tactics and social media will become more important due to complex buying cycle and lack of marketing personnel at my firm. Since the Web has to be optimized anyway and does not cost much in terms of expense and time, doing more PPC and SEO makes most sense from an ROI perspective. Social media too is relatively inexpensive and we can ensure an online presence at all times to avoid timing and to make up for our lack of automation.

- We've relied on direct mail quite heavily for lead generation. After winning endorsements from banking organizations, we use direct mail to introduce our company and offerings to the members. We've done some webinars and published articles in the organizations' online and print publications.

- We use a large reseller base that is currently offering 30 day trials of our solution. These have been incredible successful for conversion rates of around 80%

- Targeted call-to-action in PPC ad that leads to specific landing page relevant to message; targeted Web takeover; email blast with engagement question / response included

- Webinars and email campaigns are currently outpacing social media efforts, but that is largely due to the fact that the vast majority of our target audience has been in the industry for 20+ years – this is my opinion based on experience/observation.

- Social media has been the biggest lead generator, but there still is a vast majority that does not use any social media. How can we get more non-social media users?

- Just in terms of sheer numbers, webinars generate the most leads. In terms of percentage, PPC generates the highest percentage of sales-ready leads.

- We have found that face-to-face is the best way to connect with valuable clients. Our products and services are personal and customized, and I think our clients want to feel comfortable with the person they're doing business with.

- Optimizing landing pages on all levels – inbound and outbound landing pages on our website and PPC campaign landing pages, affiliate landing pages. SEO practices and tactics – mainly on-page SEO with site layout, forms and content. Off-page SEO with link building. Affiliate marketing campaigns have converted well.

- Direct mail has been very effective until recently. Lately, we have had some success with online bannering.

- In the past, it was the in-person events; however, the market is changing quickly and attendance is down because they are inundated with invites and there is more pressure to put in long hours at work. We are now sponsoring more tradeshows and trying new tactics (social media, etc.) for drip-marketing.

- Social marketing, email Marketing and affiliate marketing are by far our top performers. Shopping Engine Feeds are effective at bringing in new leads, but in low volume and at a high cost. They are also too time-consuming to manage without the proper tools.

- While declining in popularity, tradeshows continue to be a viable source of new business, perhaps because the attendees are more motivated or the competition for mind share/headspace is declining in this venue.

- Subsequent to our internal process of generating leads through email or direct mail, or the inbound leads that reach us through our website, the most that helps in generating a further stream of leads as well as converting those prospects into customers is our policy of immediately giving them warm calls and keeping in touch with them on phone till they become customers.

- All efforts work together. SEO and PPC bring new visitors to the site. Social media, new content and email marketing nurture current contacts and leads. Website optimization converts visitors to customers. PR generates company buzz and brand awareness. They are all important parts of the pie – remove one piece and the others are less effective.

- Lead form optimization and optimization of the response provided immediately after the form is submitted.

- Webinar campaigns produce strong numbers as well as quality leads. Our inbound Campaigns (SEO/SEM) are our strongest

- Our ongoing monthly webinar series is by far the most effective. Providing free webinars on pertinent topics helps to generate large audiences and often times starts a dialog between our company and theirs.

- Tightly targeted and tested PPC. Currently developing and testing multiple landing pages. Desire to move to organic but keyword competition is high.

- Webinars but the hitch is getting people to actually attend as opposed to say they will and don't.

- Sticking to only one or two of the top value propositions rather than the laundry list is more effective in advertising. The laundry list can appear on a landing page or your site rather than your advertising. Also providing an offer to entice always seems to work better than just the base value prop.

- All call-to-action point to 1: Calling or 2: Filling in website form and giving us all the pertinent information that makes them a complete qualified lead. We shy from pushing our info on them. We wait and let them take charge.

- Direct mail still wins the day. Insights from sales force are also important for identifying new decision-makers.

- Giving referral incentives to our current service customers. Offering free coupons to customers who accept free estimates.

- SEO is the most important tactic/activity for lead generation. This also results in highest number of inbound leads. Email marketing would be a close second. We run monthly e-newsletter as also special one off email campaigns. PPC also helps a bit but lesser than the previous two. SMO has not been very useful in B2B lead generation for us.

- Webinars and whitepapers sent to our nurture lists draw prospects interest, and open the door for our sales reps. Print has been very disappointing and expensive. Partnering has been very successful - working with complementary service companies on webinar campaigns or conferences. In UK, face time is more important - conferences and tradeshows are very successful.

- For web, split-testing webpages. However, getting senior management to understand why we should do this, took several months. Additionally, although content doesn't seem to have a direct, measurable effect, when we do push out press releases and articles, our Web traffic and leads from websites, goes up. It appears that they are not clicking through anywhere in the article or press release but are instead searching for us or the topic of the press release/article. Sending emails continues to bring in our highest volume of leads. However, the number of leads we get as a percentage of what is sent out is very low.

- Social media: Posting of content-based messages with links; Email: E-newsletters by focus area to target audience.

- Emailing local businesses with a clear message of how we can help them generate new customers. The email message contains an offer with a deadline. We follow up the initial message with two to three more emails. We get a 10% response rate when we do this.

- Social media marketing: Facebook, Twitter and YouTube now – expanding to other social platforms. A dedicated social media editor posts content daily and watches stats. Major direct email campaigns three times/year plus weekly content emails. One or two direct print mail campaigns a year. Slowly updating our content and our website for SEO optimization.

- We sell components to niche industrial markets. In the main sectors in which we operate, we are well known and prospects find us. The challenge is to identify prospects in new sectors where we need to evangelize the benefits of our technology. Industry conferences are helpful in this.

How do we attract leads through online activities?

Earlier, we learned that **organizations' mix of lead generation tactics are weighted towards online activities**. Both the use of lead generation tactics and the percentage of total lead volume generated trend towards a preference of online activities.

In this section, we'll analyze online lead generation methods, starting with providing benchmark data on the hub of the online marketing strategy – the company website.

Chart: Volume of monthly website visitors

Q. Approximately how many monthly website visitors do you receive (including repeat visits)?
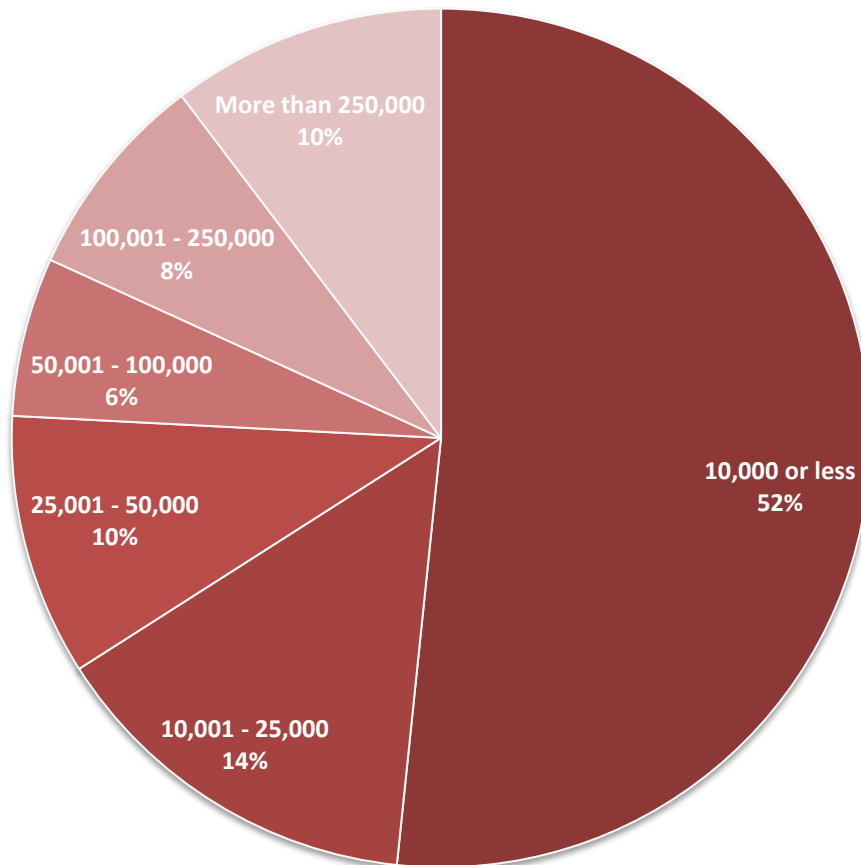
More than 250,000
10%

100,001 - 250,000
8%

50,001 - 100,000
6%

25,001 - 50,000
10%

10,001 - 25,000
14%

10,000 or less
52%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

The majority of respondents have 10,000 website visitors or less per month, including repeat visits. While this may seem like a low volume, **a mere 1% conversion rate will collect 100 leads per month**.

Much like actual leads generated, **the volume of website visitors is not as important as the quality of the traffic**. An organization may receive more than 250,000 visits per month, but if those visitors do not convert into qualified leads, then the expense of attracting those visitors has little return.

Chart: Monthly website visitors, by organization size
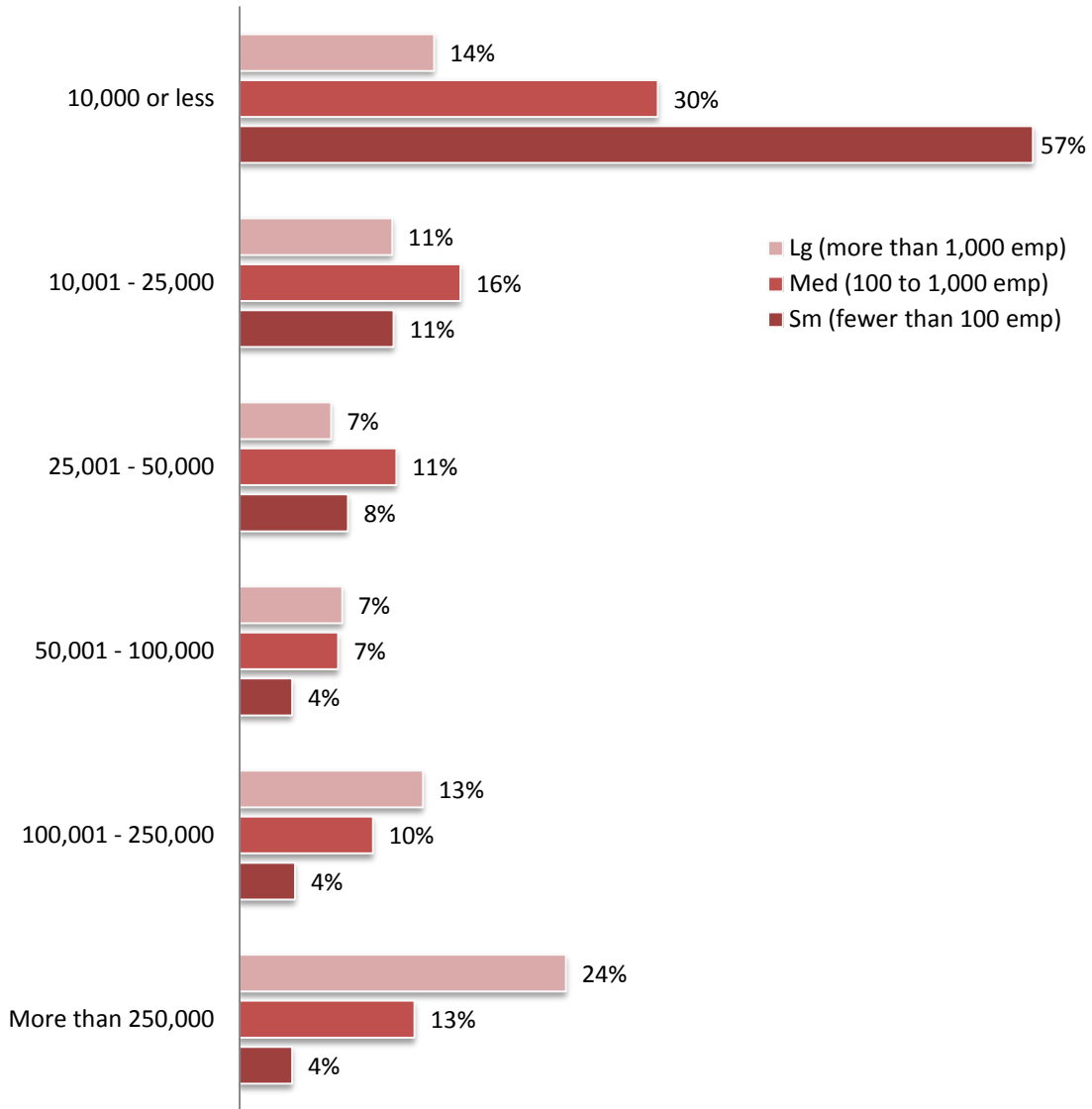
	10,000 or less	
Lg	14%	
Med	30%	
Sm	57%	

Legend:
- ■ Lg (more than 1,000 emp)
- ■ Med (100 to 1,000 emp)
- ■ Sm (fewer than 100 emp)

10,001 - 25,000
- 11%
- 16%
- 11%

25,001 - 50,000
- 7%
- 11%
- 8%

50,001 - 100,000
- 7%
- 7%
- 4%

100,001 - 250,000
- 13%
- 10%
- 4%

More than 250,000
- 24%
- 13%
- 4%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

It is expected that **large-sized organizations have a greater volume of website visitors** than small- or medium-sized businesses. Larger organizations have more financial resources to generate paid traffic, and generally greater brand recognition to produce organic traffic, as well.

Much like actual leads generated, the volume of website visitors is not as important as the quality of the traffic.

Chart: Monthly website visitors, by primary market
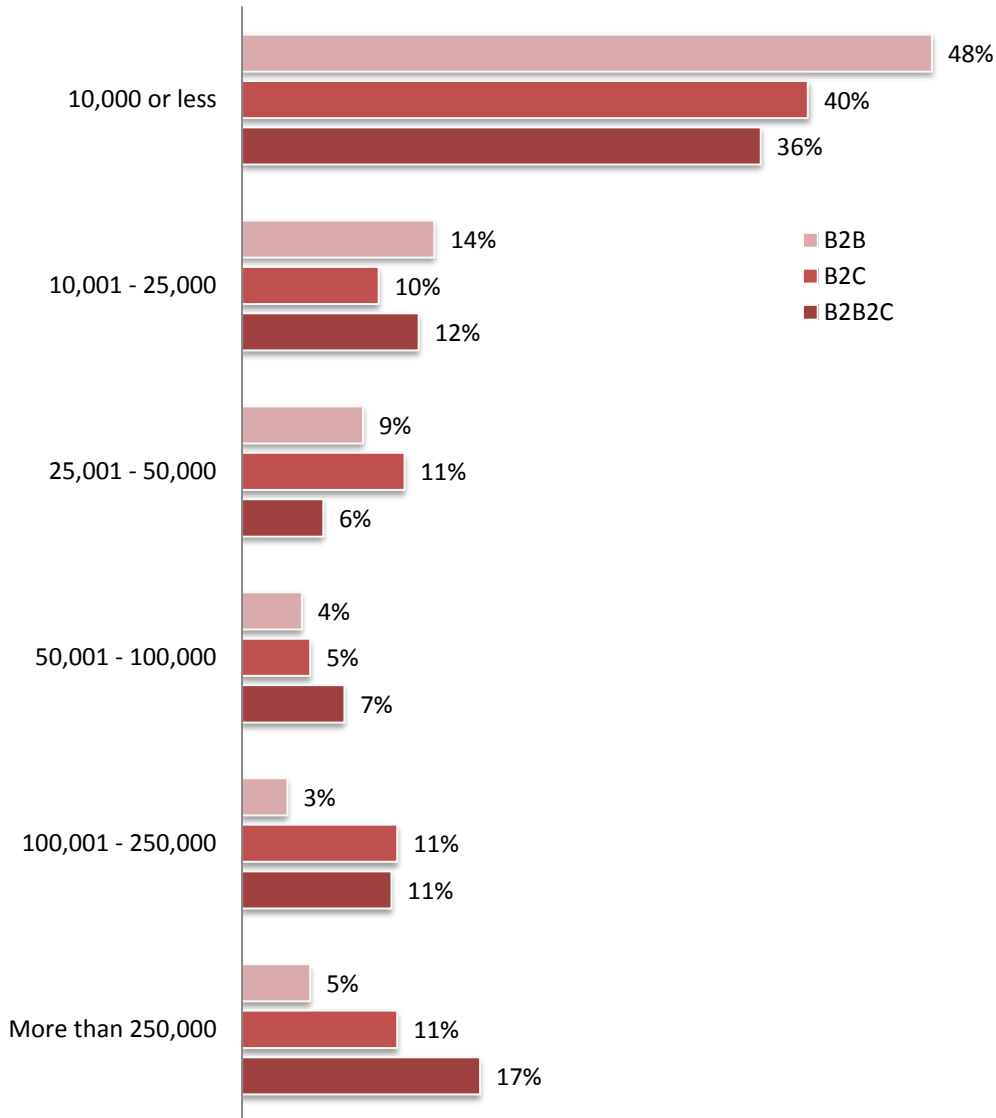
■ B2B
■ B2C
■ B2B2C

Category	B2B	B2C	B2B2C
10,000 or less	48%	40%	36%
10,001 - 25,000	14%	10%	12%
25,001 - 50,000	9%	11%	6%
50,001 - 100,000	4%	5%	7%
100,001 - 250,000	3%	11%	11%
More than 250,000	5%	11%	17%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Our greatest challenge is keeping visitors on the site."

-Marketer insight

B2C organizations target a much wider audience than a typical B2B organization. For this reason, they are generally able to attract a greater volume of website visitors.

Generating a high volume of visitors is an achievement in itself, but **if you're going to generate qualified leads from that volume, just getting visitors to sites won't be enough**. We need to deliver engaging content and offer clear value in order to keep visitors on the site, and convert them to leads.

Chart: Monthly website visitors, by industry sector

10,000 or less
- 41%
- 54%
- 37%
- 43%

10,001 to 25,000
- 18%
- 10%
- 13%
- 13%

25,001 to 50,000
- 12%
- 5%
- 6%
- 13%

50,001 to 100,000
- 6%
- 3%
- 5%
- 5%

100,001 to 250,000
- 3%
- 5%
- 9%
- 8%

More than 250,000
- 7%
- 7%
- 17%
- 8%

Legend:
- ■ Software or Software as a Service
- ■ Professional or Financial Services
- ■ Retail or E-commerce
- ■ Education or Healthcare

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Organizations in the e-commerce sector are highly likely to be efficient in generating a greater volume of website visitors than other sectors, since their business is conducted online.

Organizations in the professional or financial services sector are most likely to have 10,000 or fewer website visitors per month. This industry commonly includes individual consulting firms that rely heavily on referrals, and may not require as high volume of traffic or leads due to large deal sizes.

WHICH ONLINE LEAD GEN METHODS GENERATE THE GREATEST TRAFFIC?

In the previous section, we learned that the majority of organizations generate 10,000 or fewer website visitors per month. In this section, we'll analyze where that traffic is coming from.

Chart: Top traffic sources for volume

Q. Which of the following sources generates the GREATEST VOLUME of traffic coming to your site?
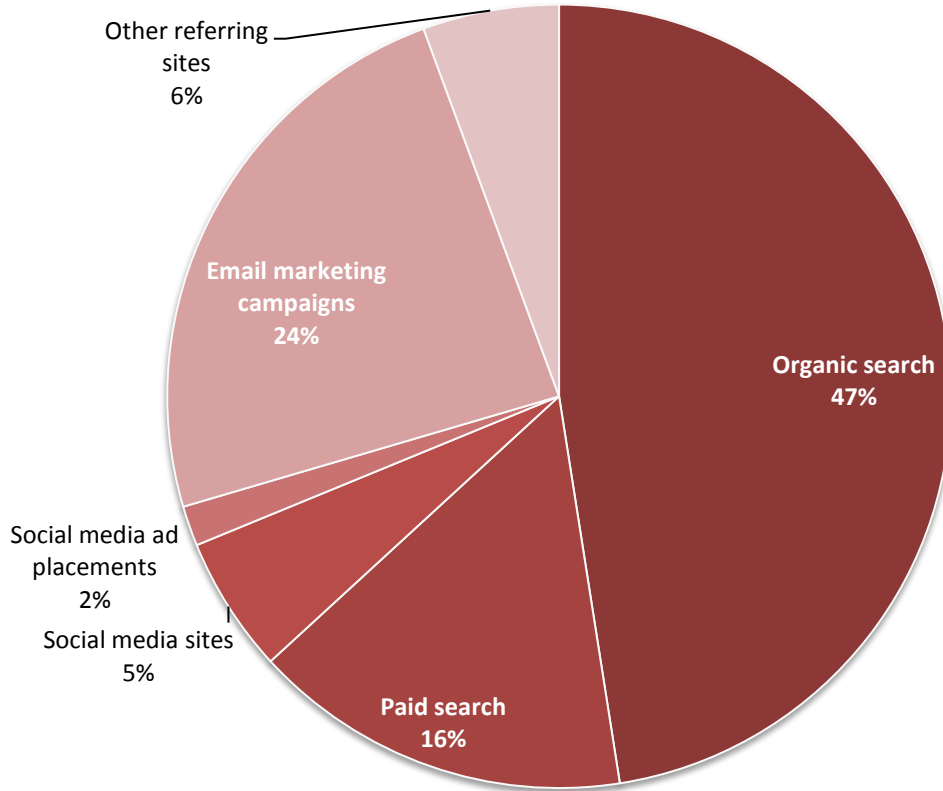
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"#1 – Identifying and rapid testing of new online channels for monetizable traffic."

-CMO insight on top tactics for improving lead generation ROI

Study participants rated organic traffic as the online source that generates the greatest volume of traffic to their sites.

With organic search, there may not be a cost-per-click, but this doesn't mean that **good rankings don't always come without considerable investments**. Once an organization is ranked, and there is a strategy in place for staying ranked, organic search engines attract the majority of traffic on the Web.

Outside of organic search, **organizations have myriad options for testing new channels to generate quality traffic**, such as paid search, social media sites and ad placements. While these sites may not perform as well in terms of volume, organizations may find high-quality traffic from this testing.

Chart: Top traffic sources for volume, by industry sector
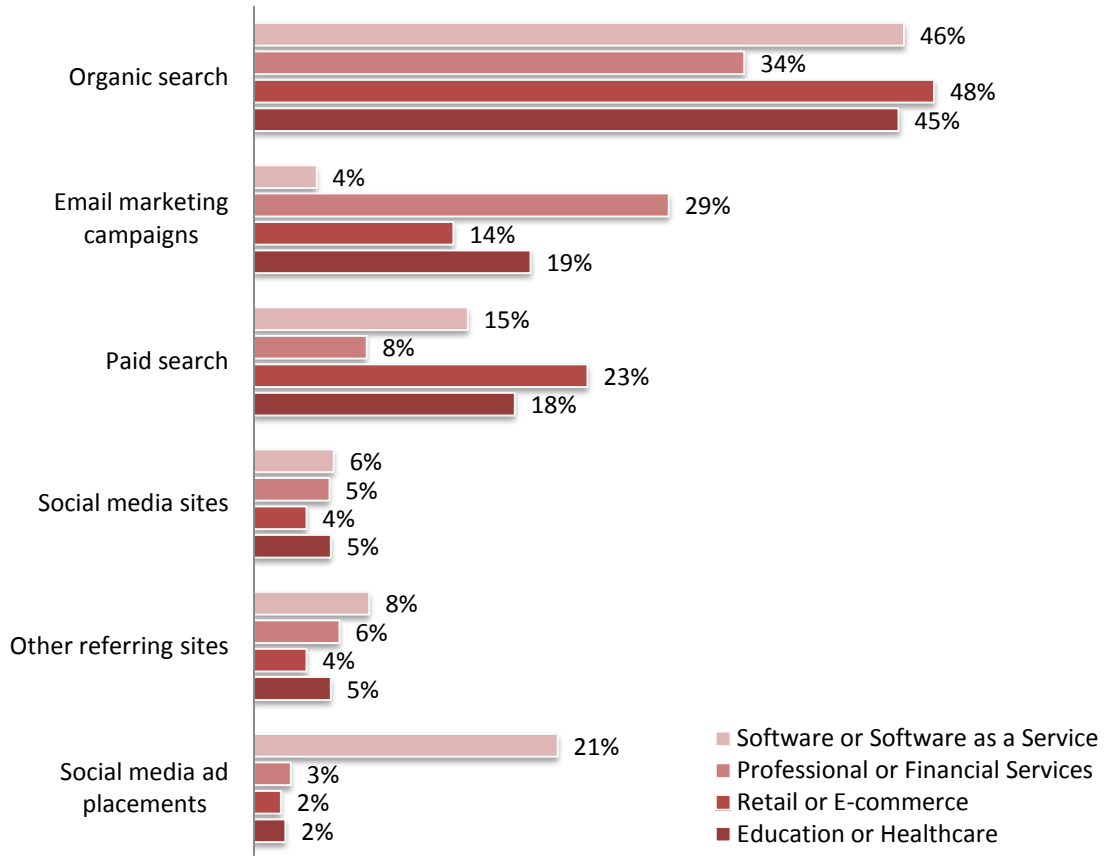
Organic search: 46%, 34%, 48%, 45%

Email marketing campaigns: 4%, 29%, 14%, 19%

Paid search: 15%, 8%, 23%, 18%

Social media sites: 6%, 5%, 4%, 5%

Other referring sites: 8%, 6%, 4%, 5%

Social media ad placements: 21%, 3%, 2%, 2%

■ Software or Software as a Service
■ Professional or Financial Services
■ Retail or E-commerce
■ Education or Healthcare

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

When analyzing the top traffic sources for volume by organization and primary target market, there was little differentiation in responses. However, when it comes to industry sectors, there are notable data.

While study participants ranked social media ad placements as the source generating the lowest volume of traffic, this is also the youngest tactic in the list. **As organizations develop more strategic approaches for optimizing social media ad placements, traffic and conversions are likely to improve.**

One of the benefits of social media ad placements is the ability to use the detailed user profile information these sites record, to segment and target specific ad displays. For organizations that have a high number of qualification criteria about their leads, this can be a significant advantage.

In terms of traffic when compared to other sectors, **organizations in the professional or financial services sector find the least value in organic search**, **and instead have a greater perception of email marketing campaigns**. These organizations are likely to have contractual agreements with large deal sizes, and may benefit from opportunities to segment and personalize messaging to high-value targets.

WHICH ONLINE LEAD GENERATION METHODS GENERATE THE MOST CONVERSIONS?

In the previous section, we learned that organic search is the top source for generating website traffic. But, much like actual lead generation, volume alone doesn't offer much value. In many cases, **it's the quality of both leads and website traffic that generates revenues and returns**.

The following chart compares the responses for top sources of traffic, and top sources for conversion, of visitors on study participants' websites.

Chart: Total traffic vs. converting traffic of online channels

Q. Which of the following sources generates the GREATEST VOLUME of traffic coming to your site?

Q. Which of the following sources generates traffic with the greatest CONVERSION RATES on your site?
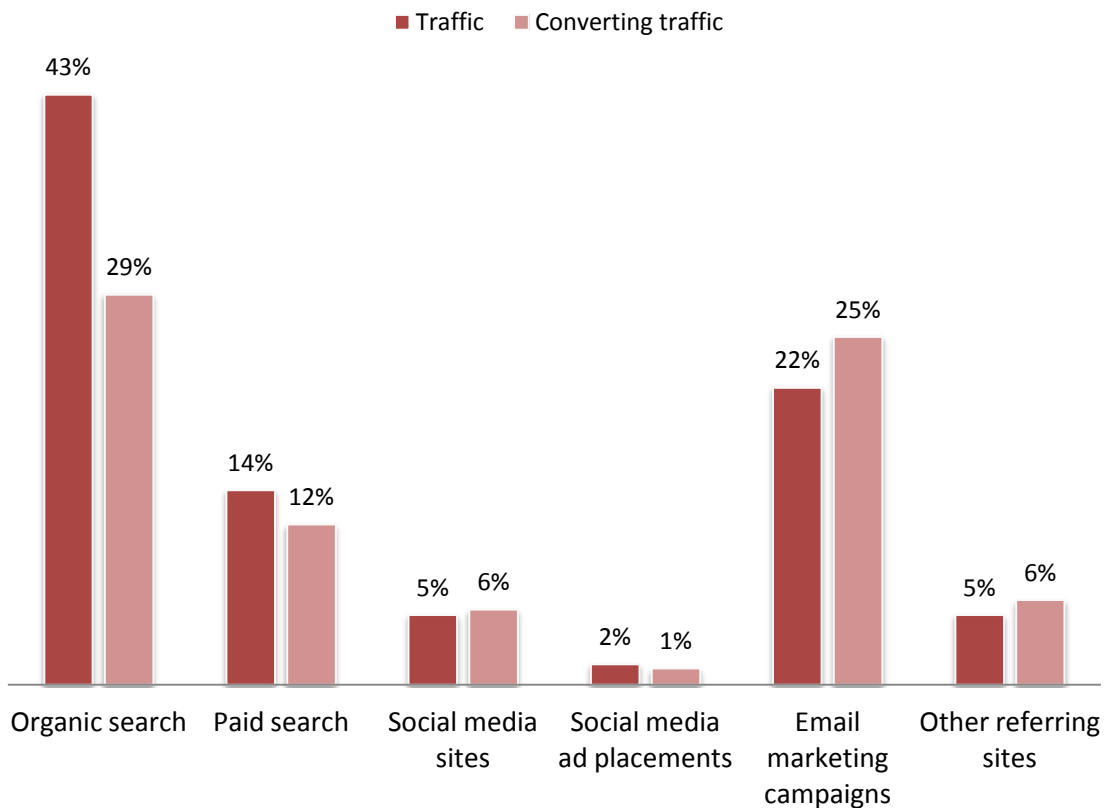
■ Traffic   ■ Converting traffic

Source	Traffic	Converting traffic
Organic search	43%	29%
Paid search	14%	12%
Social media sites	5%	6%
Social media ad placements	2%	1%
Email marketing campaigns	22%	25%
Other referring sites	5%	6%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

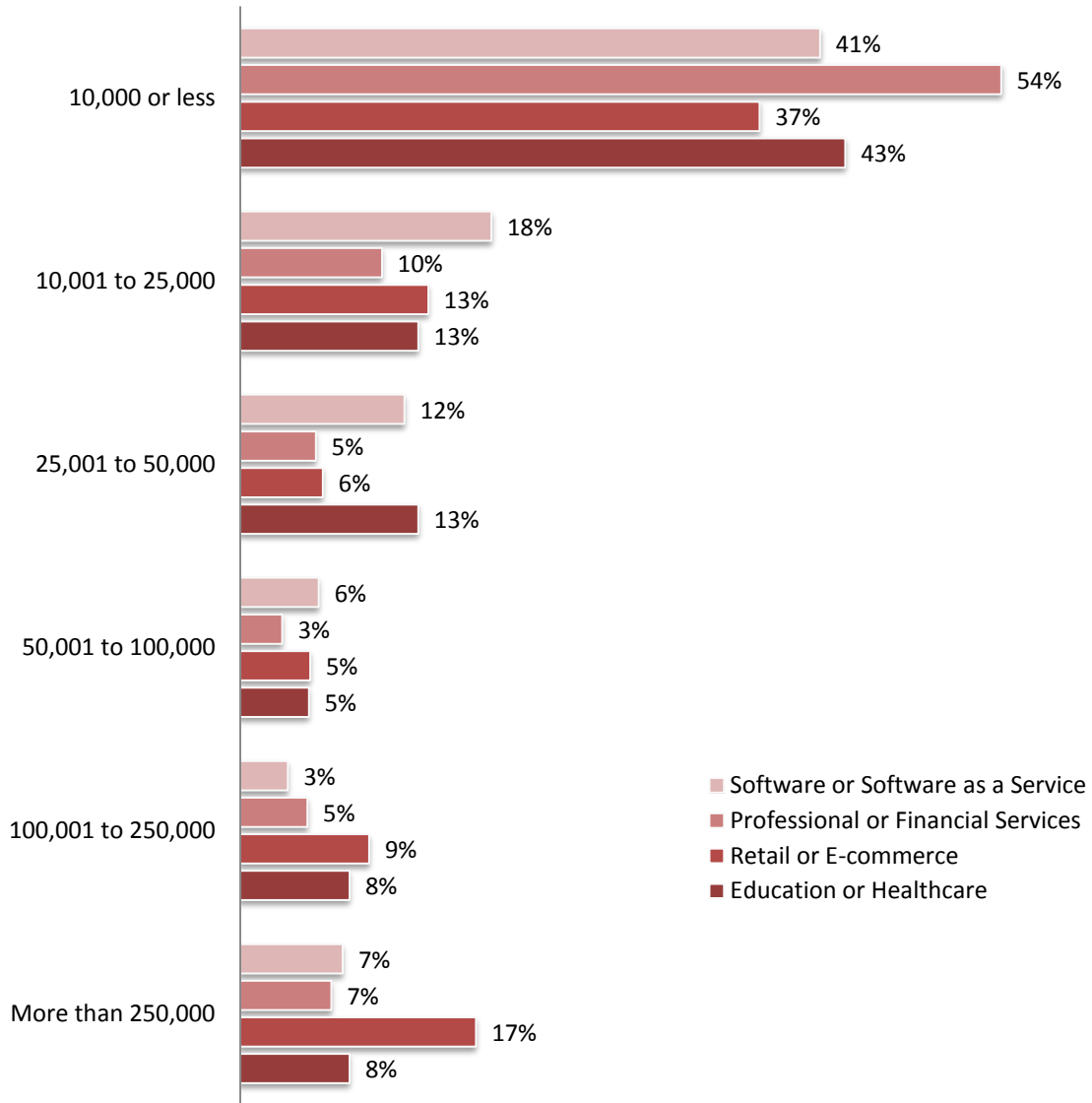Study participants indicated that **organic search is the top source for volume and quality of website traffic**. When buyers research products online, the search engine is often where they begin, and the majority of search engine users trust organically placed ads over paid advertisements. This experience creates a powerful combination of volume and quality to websites that are well-optimized for organic search results.

Organic search delivers in volume and quality of website traffic.

Chart: Top traffic sources for conversion, by industry sector
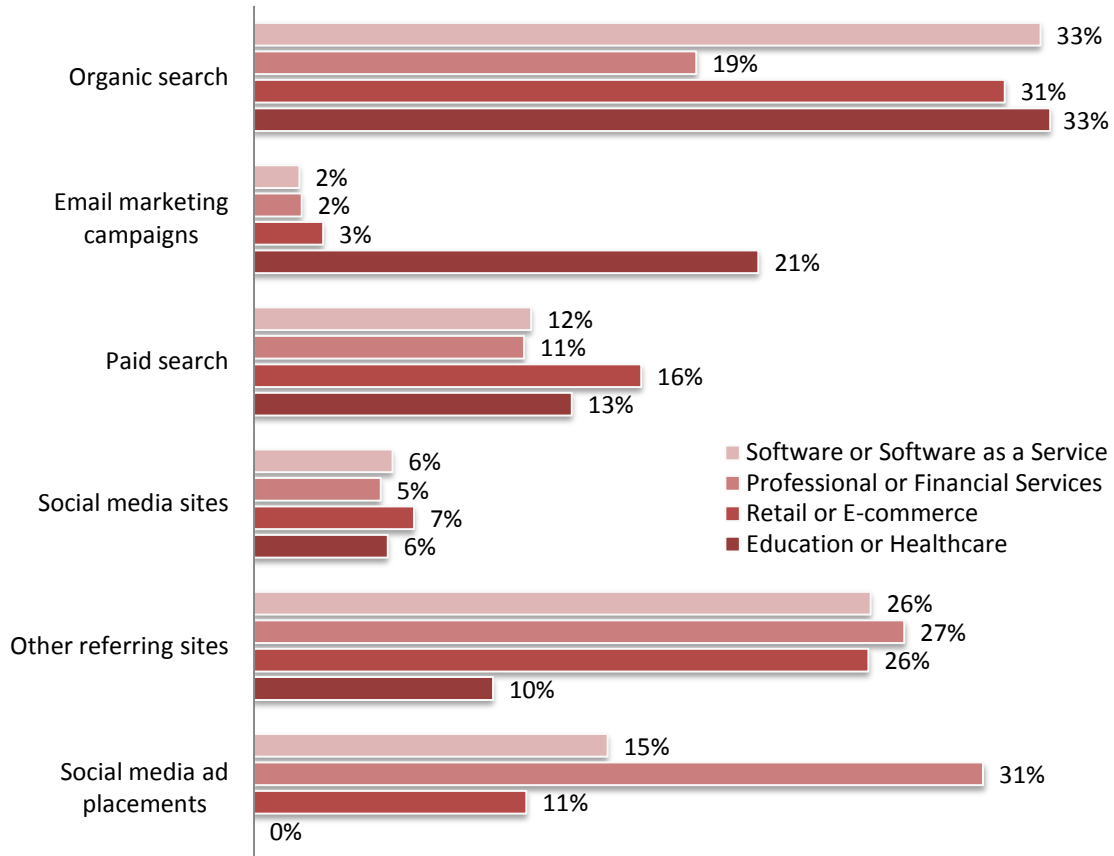
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Study participants rated organic search as the top source for generating traffic and conversions, and email marketing as the second most effective for achieving both goals.

Email marketing offers marketers the opportunity to generate a high volume of targeted traffic to specific landing pages. This creates an engaging experience that is ideal for qualified lead generation.

Much like their perception of traffic, **organizations in the professional or financial services sector are the least likely to value in organic search in terms of conversions**.

Organizations in the retail or e-commerce sector are the most likely to find value in paid search. This channel offers a unique opportunity for organizations in this sector, as they can control a multitude of campaign elements to generate conversions from search engine users. Features that are appealing to this sector include:

- Geotargeting
- Ad scheduling
- Network selection
- Promotional scheduling
- Display ads

WHICH OPTIMIZATION TECHNIQUES PRODUCE LEAD VOLUME AND QUALITY?

Survey respondents rated website optimization as one of the most commonly used and one of the most effective lead generation tactics. In this section, we'll analyze how organizations are optimizing their landing pages to produce lead volume and quality.

The selection and prioritization of form fields on the landing page can dramatically affect volume and quality of conversions. Include too many required fields, and volume will plummet. However, quality may improve. Include too few fields, and volume soars while quality suffers. Organizations must find the right number of form fields, and the right prioritization to collect the information they need while generating a volume of high-quality leads.

Chart: Top lead gen form fields

Q. Please select the most important fields that you need to collect from your leads on the lead generation form.
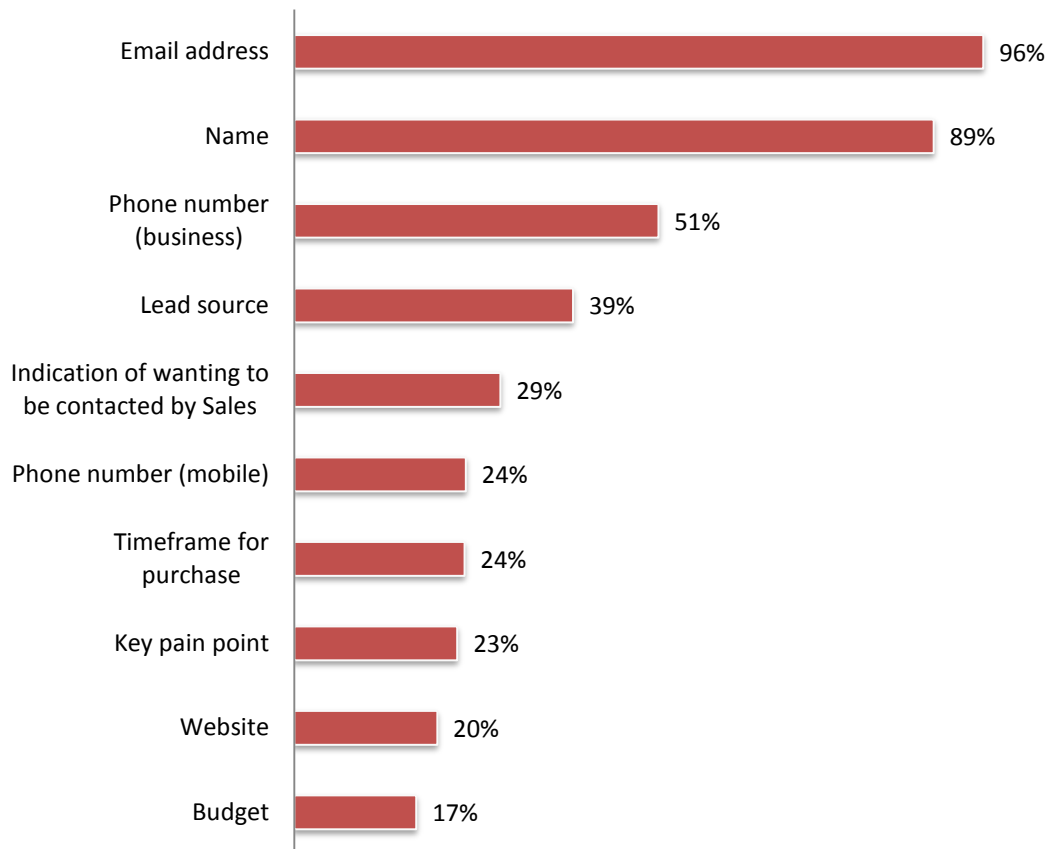
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

When asked to select the most important landing page data collection fields, the majority of respondents indicated that names and email addresses were most critical. Collecting such minimal information on the landing page will result in a high volume of conversions, but how will this affect the quality of email lists … *or leads*?

Chart: Top lead gen form fields, by organization size
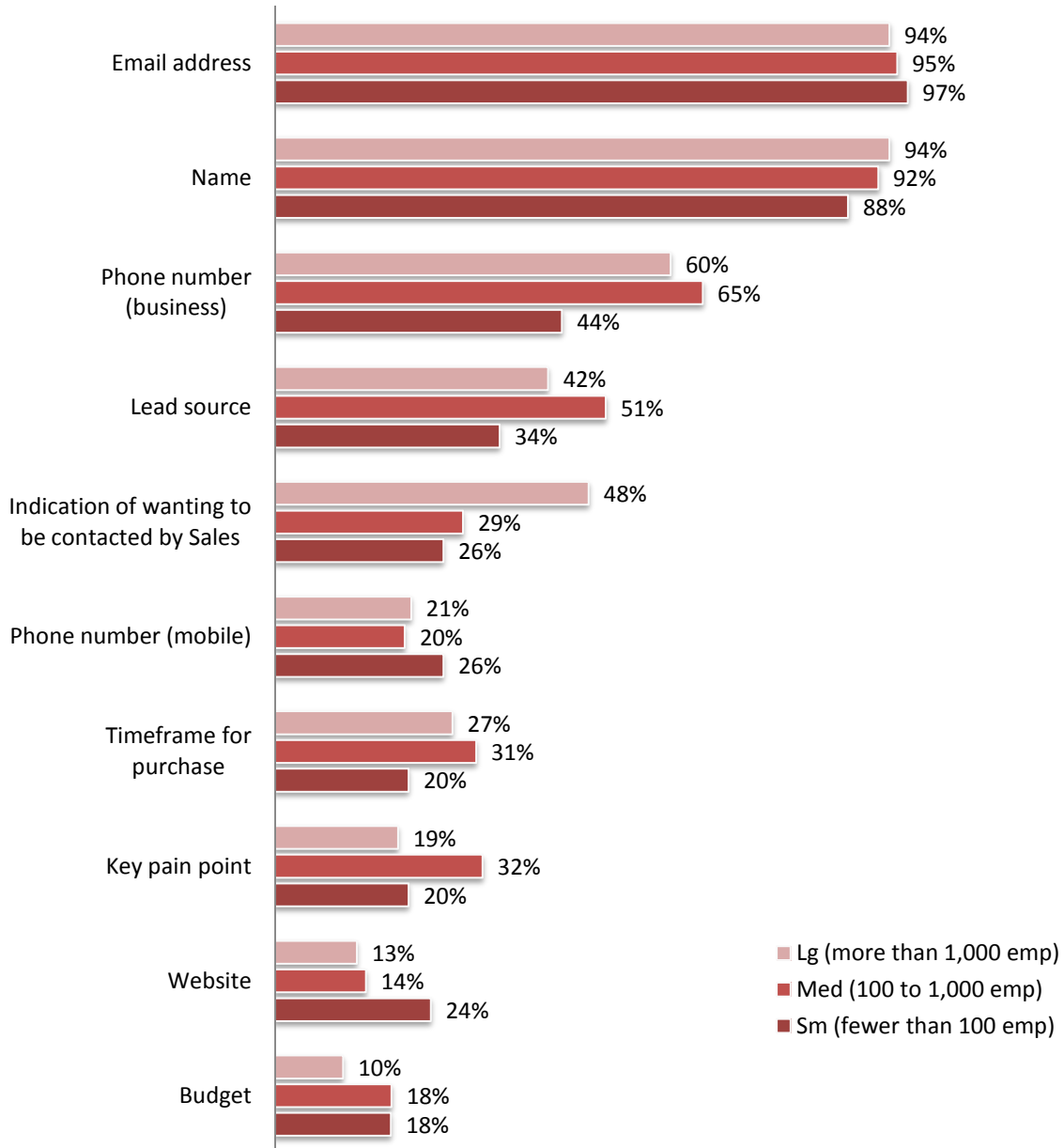
Form field	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Email address	94%	95%	97%
Name	94%	92%	88%
Phone number (business)	60%	65%	44%
Lead source	42%	51%	34%
Indication of wanting to be contacted by Sales	48%	29%	26%
Phone number (mobile)	21%	20%	26%
Timeframe for purchase	27%	31%	20%
Key pain point	19%	32%	20%
Website	13%	14%	24%
Budget	10%	18%	18%

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

What's interesting about this data is that organizations of all sizes have prioritized the collection of email addresses – more than even a name. Email has also been prioritized well over other contact information like phone number or website. Clearly, **organizations value the collection of email addresses as the primary method for lead follow-up and nurturing**.

It's a positive sign that the original lead source has been prioritized as an important lead generation form field. If organizations don't know where their leads are coming from, it is very difficult (if not impossible) to optimize programs for effectiveness and ROI.

Chart: Top lead gen form fields, by primary market
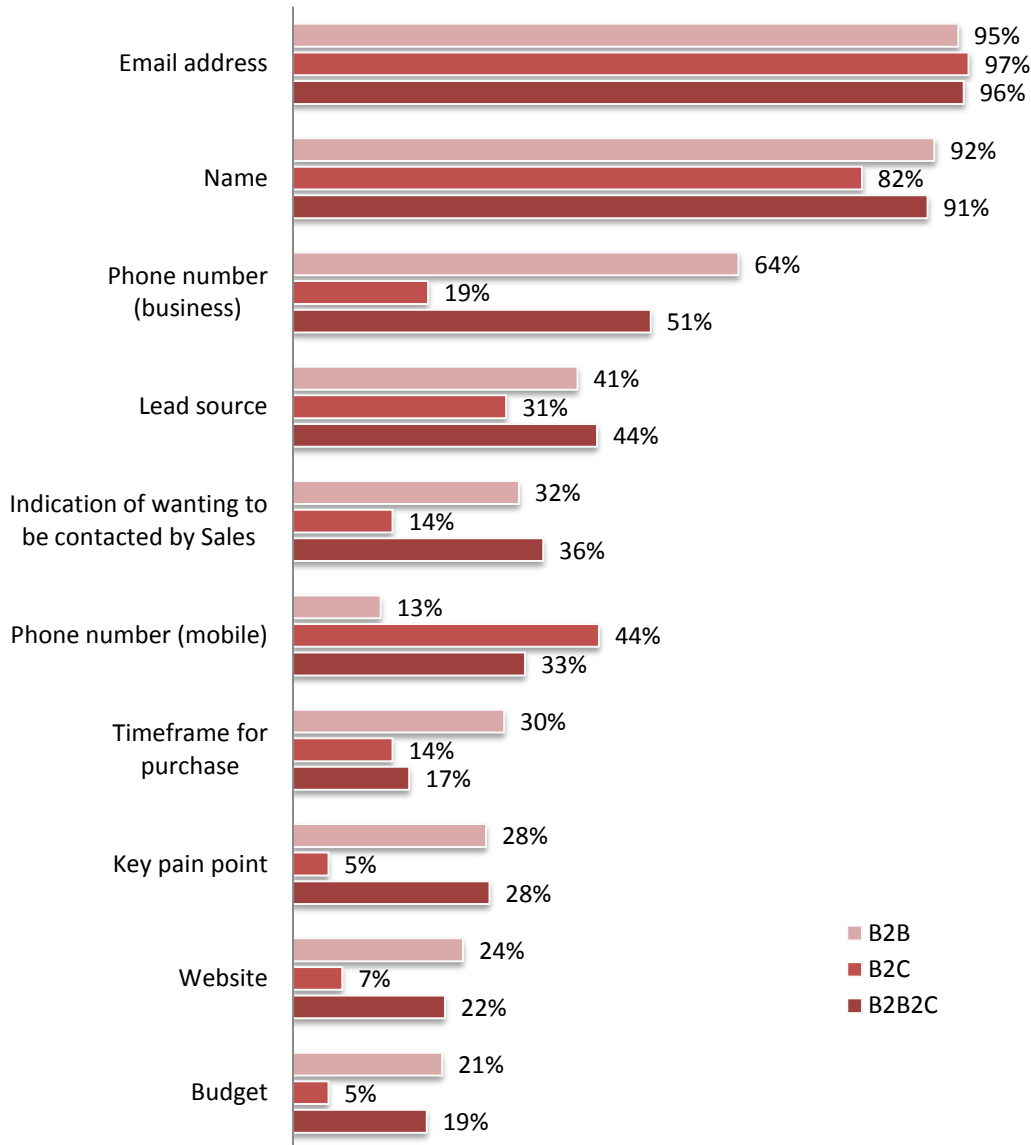
| Field	B2B	B2C	B2B2C
Email address	95%	97%	96%
Name	92%	82%	91%
Phone number (business)	64%	19%	51%
Lead source	41%	31%	44%
Indication of wanting to be contacted by Sales	32%	14%	36%
Phone number (mobile)	13%	44%	33%
Timeframe for purchase	30%	14%	17%
Key pain point	28%	5%	28%
Website	24%	7%	22%
Budget	21%	5%	19%

■ B2B
■ B2C
■ B2B2C

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

B2B organizations have indicated a greater importance for many of the lead generation form fields because overall, **lead quality tends to be a far greater challenge in this target market**. The ability to collect information on leads regarding timeframe for purchase, key pain point, website and budget can help B2B organizations score and prioritize leads for sales follow-up.

B2C organizations are far more interested in collecting mobile phone numbers than B2B organizations. While B2B organizations have prioritized the collection of business phone numbers, mobile phones aren't as important to them. Mobile marketing is a fairly new marketing tactic, and is perceived to be more effective for B2C. But, as more B2B organizations test this channel with success, adoption amongst this segment will increase.

Chart: Top lead gen form fields, by industry sector

Field	Software or Software as a Service	Professional or Financial Services	Retail or E-commerce	Education or Healthcare
Email address	98%	95%	94%	90%
Name	93%	92%	83%	85%
Phone number (business)	64%	53%	23%	48%
Lead source	37%	35%	45%	40%
Indication of wanting to be contacted by Sales	24%	29%	28%	23%
Phone number (mobile)	12%	26%	38%	33%
Timeframe for purchase	31%	22%	23%	23%
Key pain point	22%	30%	11%	18%
Website	30%	17%	13%	10%
Budget	21%	20%	11%	5%

■ Software or Software as a Service
■ Professional or Financial Services
■ Retail or E-commerce
■ Education or Healthcare

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

In the previous chart, we learned that B2C organizations are far more interested in collecting mobile phone numbers from their leads on the lead generation form than B2B organizations. In the above chart, this trend is further demonstrated in the response levels for organizations in the retail or e-commerce sector, as well as those in B2B sectors.

Retailers are far more interested in collecting mobile phone numbers and less interested in collecting business phone numbers than B2B organizations, such as those in the software or SaaS sector, or the professional or financial services sector.

CASE BRIEFING: WEBSITE REDESIGN LEADS TO 34% INCREASE IN REVENUE

Case Study ID: 31819
Location: MarketingSherpa Member Library
Summary: One B2C marketer faces a complete website redesign, and rebranding effort on a limited budget. Results include a 34% increase in revenue.

CHALLENGE

Phil Edelstein, Marketing Director, Two Leaves and a Bud Tea Co., needed to drive e-commerce revenue and usability from the company website, and build their brand while driving sales. As a small organization, budget was a significant constraint.

Because the website redesign was such an integral part of the rebranding effort, it also tied very closely into a content marketing strategy involving blog posts, e-newsletters and social media outreach. Find out how Edelstein turned a website redesign into a complete overhaul of Two Leaves and a Bud's brand and marketing efforts on a shoestring budget.

CAMPAIGN

Because a new website was the centerpiece of an entire rebranding and marketing effort, the starting point was the steps taken to turn limited funds into a website that can drive at least 10% of the company's revenue.

1. Build the new website

Edelstein conducted research on their target audience to determine needs, and also conducted competitive research to support differentiation. This research served as the foundation for the rebranding effort.

Edelstein worked closely with the designer to plan the site's architecture and determine how the site would be organized, and most importantly, the user flow experience. He gave the designer a set of objectives, the three most important being – in order – usability, brand building and product selling.

2. Promote the new website

Edelstein did not have an adequate budget for heavy advertising, so he focused on low cost opportunities including content marketing, rewards programs, social media and email marketing.

RESULTS

- 34% increase in revenue
- 63% increase in website conversion rate

ARE OFFLINE TACTICS STILL RELEVANT TO TODAY'S BUYER?

While the industry certainly trends towards a preference for online lead generation tactics, **many organizations are still able to find value in seasoned, more traditional offline marketing channels**, like direct mail and print advertising. Though many organizations may believe offline tactics are *outdated* and *ineffective*, the decline in use of these tactics creates a unique opportunity for organizations to stand out within specific markets.

In this section, we'll analyze perceptions and trends in offline marketing, and how these channels can still be effective for direct lead generation.

Chart: Importance of offline tactics

Q. How do you feel the importance of OFFLINE lead generation has changed over the last three to five years?
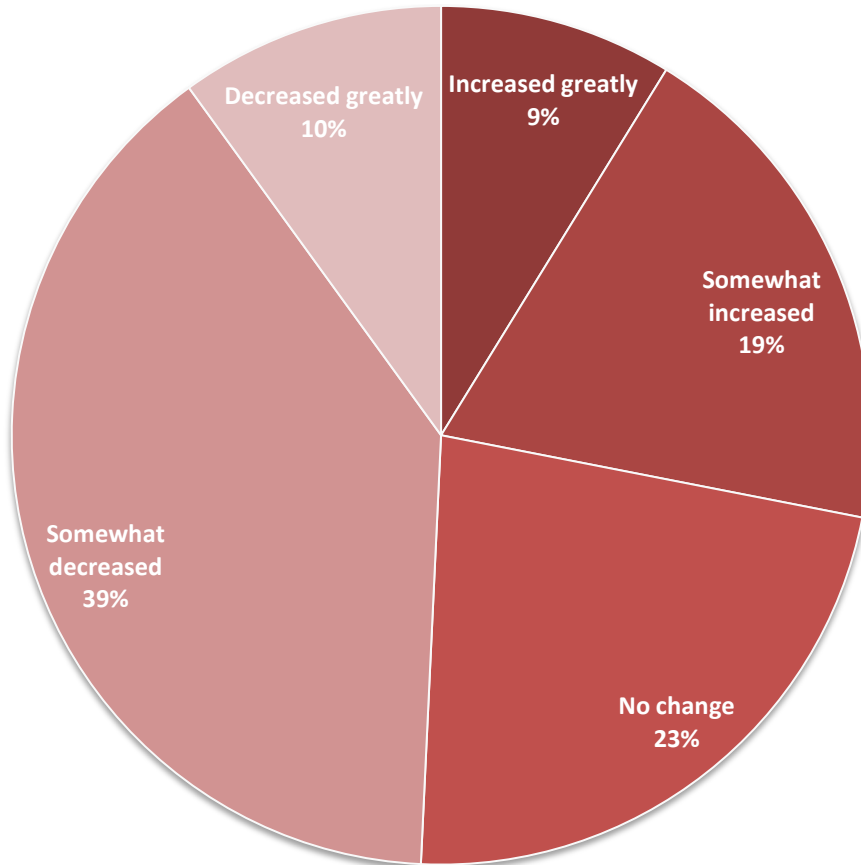
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

While nearly half of respondents believe the importance of offline tactics has declined over the last three to five years, **there is still one-third who believe the importance of these tactics has actually *increased***. With the majority of organizations currently focusing on online lead generation, certain segments can effectively reach and convert target audiences – and even *stand out* – in channels that were once more heavily used.

Chart: Expectations on the future of offline tactics

Q. How do you feel the importance of OFFLINE lead generation will change over the next three to five years?
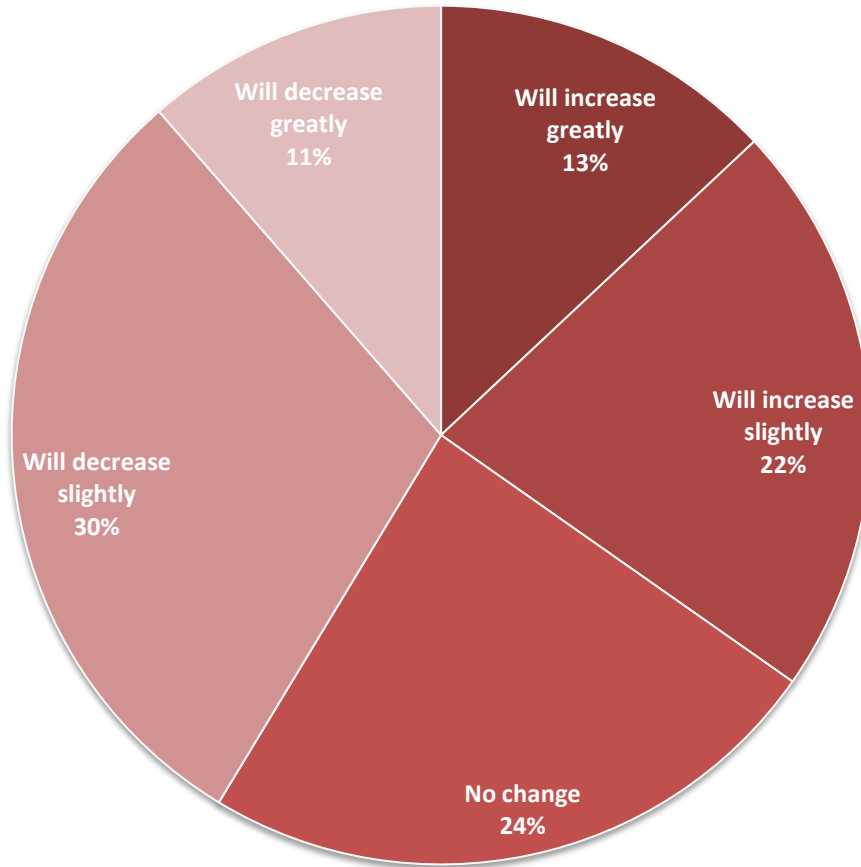
Will decrease greatly
11%

Will increase greatly
13%

Will increase slightly
22%

Will decrease slightly
30%

No change
24%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Don't be afraid to go against the grain.

Despite the massive popularity of online tactics, many organizations still find great value in traditional, offline methods.

While nearly half of study participants indicated the importance of offline lead generation tactics has declined over the last three to five years, only 41% believe this trend will continue. Furthermore, while 28% of respondents believe the importance of offline lead generation tactics has increased over the last three to five years, 35% believe this will be the trend moving forward.

The lesson to be learned is to not be afraid to go against the grain. **While online tactics may garner the most buzz in today's marketing journals, more mature offline tactics can still generate impressive ROI**. It's important to assess the preferences of your audience, as they may prefer to receive messaging in their mailboxes, or on their televisions.

CAN OFFLINE TACTICS ACHIEVE DIRECT LEAD GENERATION?

While offline lead generation may not be among the most popular tactics, it can still be highly effective for converting specific audiences, *even for direct lead generation*.

In addition to driving conversions, **offline tactics can achieve a number of other important marketing objectives, such as branding, driving website traffic and even direct sales**.

We wanted to learn more about how organizations use offline tactics, and the most effective objectives these tactics have been able to achieve. The following chart depicts our key findings.

Chart: Most effective offline lead generation objectives

Q. Please select the most effective objective that your OFFLINE lead generation tactics have been able to achieve.
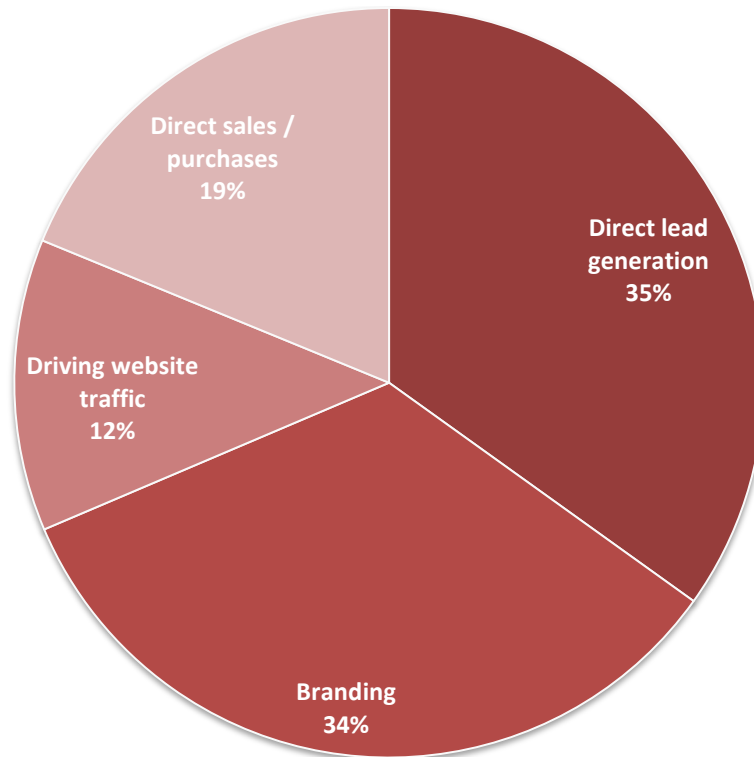
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

For those organizations that use offline tactics, the majority find value in either direct lead generation or branding.

By enlisting new developments and technologies available to marketers in offline tactics, such as **variable data printing, PURLs and segmentation**, marketers can effectively target segments, personalize their messages, and convert targets as leads.

Branding's value can be difficult to measure. However, offline tactics offer highly effective platforms for this goal by accessing a large population of targets.

CASE BRIEFING: REVAMPED DIRECT MAIL STRATEGY GENERATES 15% RESPONSE RATE

Case Study ID: 31910
Location: MarketingSherpa Member Library
Summary: An established industrial parts business targets a new market with an innovative direct mail campaign that generated a 15% response rate.

CHALLENGE

CRP industries, a 60-year old industrial parts company needed to expand their market for a specific product, industrial hoses.

Looking at this specific product category, the company realized its customer mix was heavily oriented to one market area for the product – paint spray. It was very successful in this market, but the team knew there was more opportunity for its industrial hose product.

CAMPAIGN

After 60 years serving industrial markets, CRP had developed a strong reputation. The marketing campaign needed to stand out without being too radical in order to allow CRP to gain traction in a new market.

1. Identify the new target market

CRP was well-established in the paint spray market for its industrial hoses. It sold to large paint chain distribution partners that in turn sold to painting contractors. After serving that market for 25 years, Palm decided CRP needed to penetrate a new customer group and determined the industrial hose distribution customer segment was the target audience.

2. Grab your audience's attention in an unconventional way

The team executed a three-part direct mail campaign that included attention-grabbing materials. For example, the first mailer was an empty box with a product catalog in the form of a mini brochure. The headline read, "If you had ordered a hose from us yesterday, it would have been inside this box."

3. Continue to nurture

About two months after the direct mail campaign ran, CRP implemented a follow-up campaign as a continuation of the effort. The follow-up consisted of post cards rather than boxes, and was part of a larger effort to maximize the effect of the first direct mail campaign.

RESULTS

*   15% response rate

HOW DOES LEAD ATTRIBUTION PROMOTE QUALITY AND ROI?

Lead attribution refers to the technologies and processes organizations use to track the results of both generated leads and marketing campaigns. **Marketing campaign and lead attribution can help organizations tie marketing activities into revenue, and also improve quality and ROI**.

An organization can improve lead quality with attribution strategies, as they provide insight on how the highest-quality – and lowest-quality – leads were generated. This information gives marketers insights as to which tactics they should increase, and which ones do not perform as well.

Organizations can also improve lead generation ROI with lead attribution. **By gaining an understanding of which tactics lead to closed deals, marketers are able to make sound budgetary decisions** when evaluating lead generation plans.

Since lead attribution is so important, we began our exploratory research on the topic by identifying the percentage of organizations that have the ability to track the original source of generated leads.

Chart: Ability to attribute leads

Q. Are you able to track the original source of leads generated for your organization?
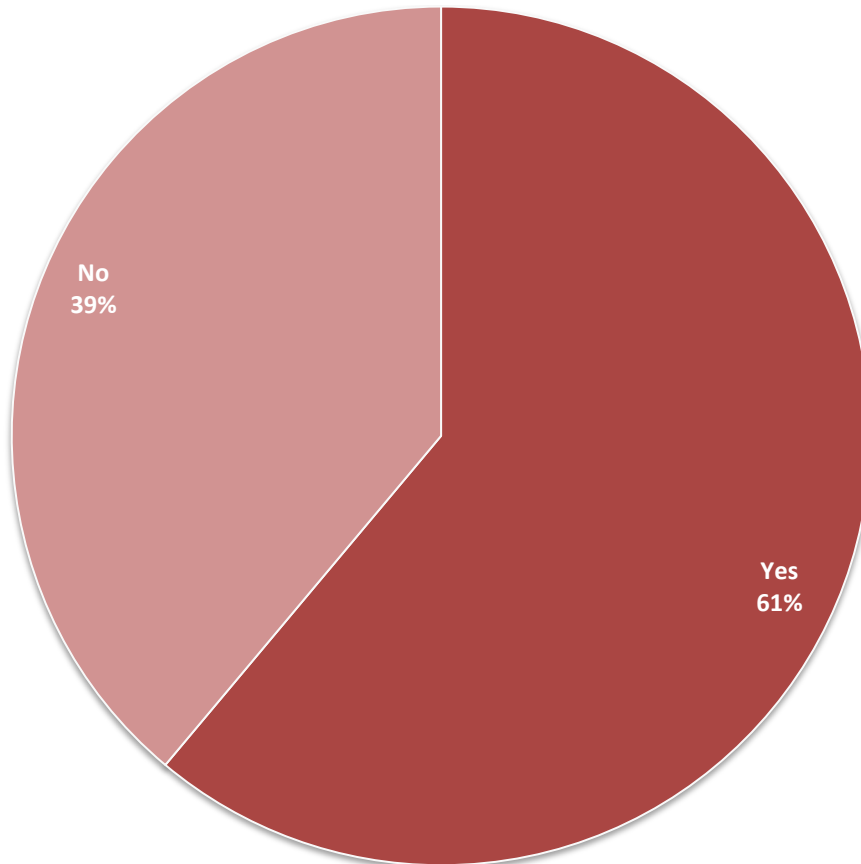
No
39%

Yes
61%

marketing**sherpa**

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Lead attribution, by organization size
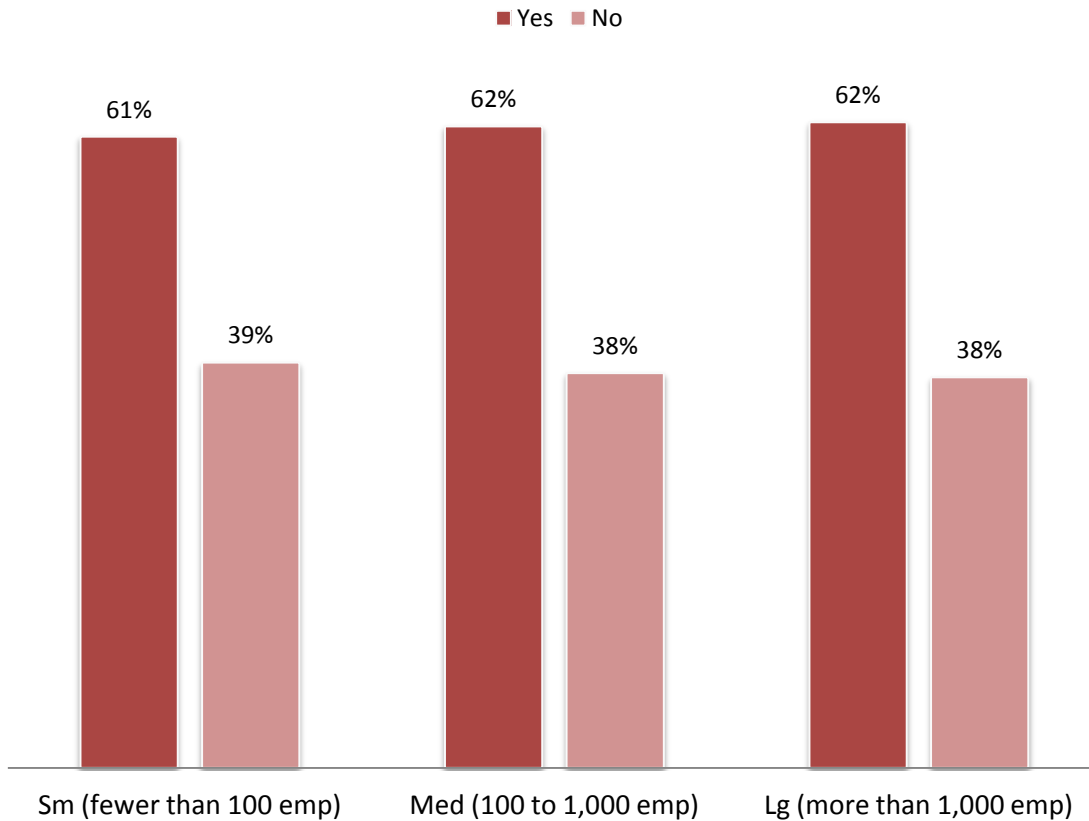
■ Yes   ■ No

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

The majority of organizations have the ability to attribute their leads, but what matters is the actions they take based on what the data reveals.

The results show that overall, 61% of organizations have the ability to attribute the original source of their leads. While this is a positive sign for marketers, what's *truly* important is the actions they take based on their lead attribution results. **Lead attribution without action provides little value**.

To accurately attribute a high-volume lead source, organizations must have sophisticated technologies and processes in place. Often, a CRM is a must, in addition to unique landing pages, automated tracking URLs, multichannel calculations and more. Such systems can require significant time and budgeting resources, which makes it surprising that there is little difference in the ability to attribute leads when organization size is compared.

Chart: Lead attribution, by primary market
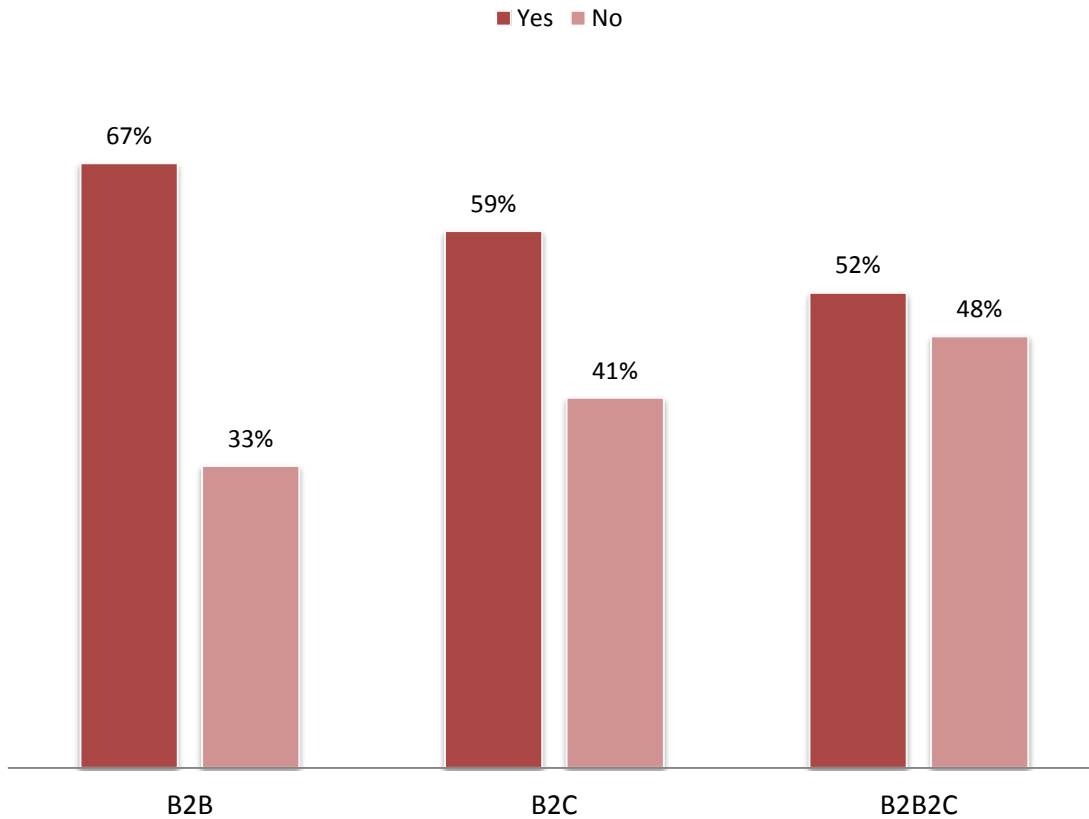
■ Yes ■ No

B2B organizations are most likely to have the ability to attribute the original sources of their leads. Since these organizations tend to have longer sales cycles, larger deal sizes, and more complex sales, their need to attribute the results of their marketing campaigns increases.

B2C organizations still prioritize lead attribution, as the majority of B2C respondents do have this ability. B2C organizations tend to be larger in size, and may be challenged with tracking the original lead source between multiple departments and lead generation follow-up programs.

"Our greatest challenge is determining the true value of the lead generation program. Partly an internal tracking issue with our company. Partly an attribution issue between the original source of the lead and the lead generation follow up program."

-Marketer insight

Chart: Lead attribution, by industry sector
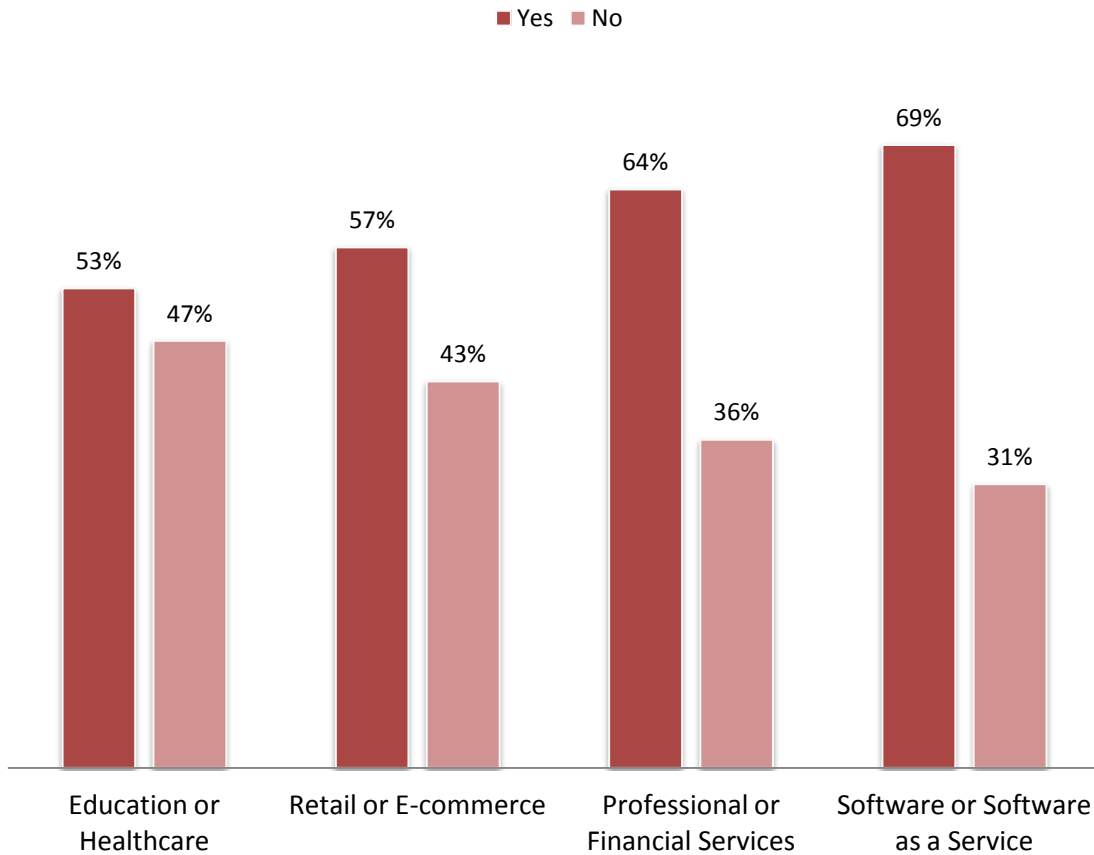
■ Yes ■ No

	53%	57%	64%	69%
	47%	43%	36%	31%

Education or Healthcare   Retail or E-commerce   Professional or Financial Services   Software or Software as a Service

Organizations in the software or SaaS industry are most likely to have the ability to attribute leads. These organizations also had the longest average sales cycles when compared to other industries surveyed.

When organizations have long sales cycles, it can be difficult to identify valuable programs and balance the need for immediate results with long-term value. The increased need to determine value over time creates a greater importance for lead attribution.

"Our greatest challenge is finding the highest quality leads with the maximum ROI. There is tension between immediate results and long term value. Challenges lie in tracking data and attribution.

-Marketer insight

THE MAJORITY MAY ATTRIBUTE, BUT HOW OFTEN?

We were impressed to learn that the majority of respondents had the ability to attribute leads, but we wanted to dig deeper to learn *how often* organizations were doing this. Just having the ability to attribute leads is only part of the battle. **Unless the original source is tracked for all generated leads, marketers are left with gaps of data in their lead generation results that prohibit them from making the best possible decisions**.

We asked the 61% of respondents who indicated they could attribute leads how often they append the original source to each lead record in their CRM or lead database.

Chart: Frequency of lead attribution

Q. How often do you append the original source to each lead record in your CRM or lead database?
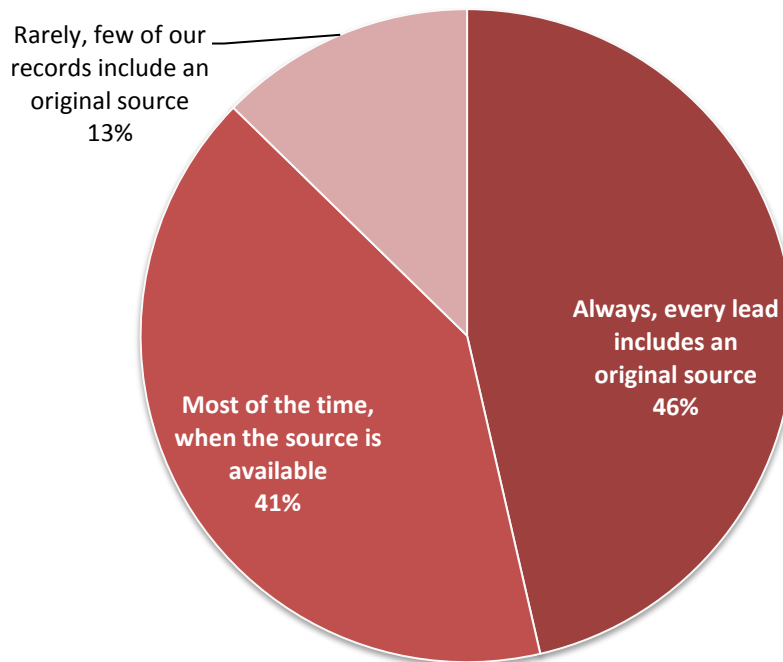
Rarely, few of our records include an original source
13%

Most of the time, when the source is available
41%

Always, every lead includes an original source
46%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Fact:

27% of all survey respondents attribute the source of leads generated – every time.

Of the 61% of total respondents that indicated they had the ability to attribute leads, about half actually include the original source for every lead that is generated. When considering all respondents, this leaves a total of 27% that indicated they attribute the original source of leads generated every time.

Sporadic attribution is almost as ineffective as not having attribution. When there are gaps in attribution, decisions will be made on incomplete data, which can be just as bad as inaccurate information … or no information at all.

HOW DO ORGANIZATIONS ATTRIBUTE LEADS FOR MULTICHANNEL EFFORTS?

When organizations execute multichannel marketing campaigns, lead attribution becomes even more complex. How can organizations attribute revenue generated from a single lead that received multiple campaigns, touch points and nurturing messages?

The following chart displays the most popular methods that surveyed organizations use to attribute leads from multichannel efforts, but in this case, **popularity may not necessarily dictate the best practice**.

Chart: Attribution of multichannel campaigns

Q. How do you attribute leads generated from a multichannel campaign?
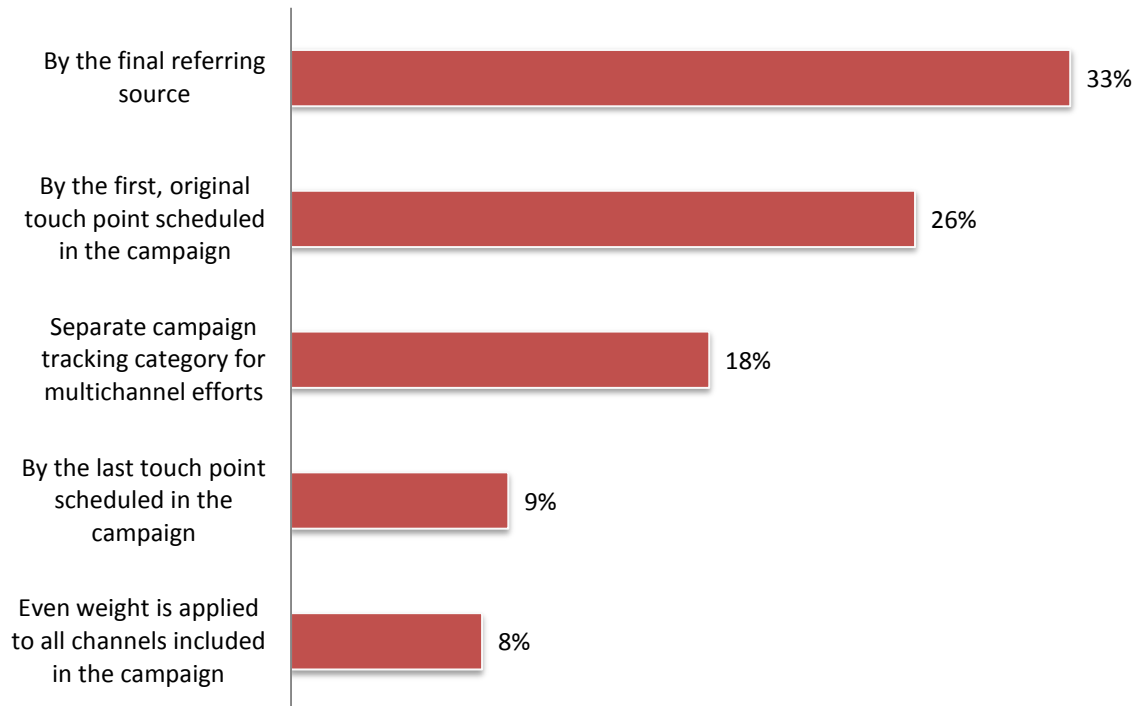
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

The most popular method of attributing leads from multichannel campaigns is by the final referring source of the lead. This means that the lead could have been influenced by several previous campaigns that promoted them to take action on the final referring source. Without the previous campaigns, that lead may have never converted on this final referring source, and yet it is now getting all the credit and revenue attribution. Based on the analysis, an organization may make the determination that previous campaigns did not generate revenue, and subsequently scale back efforts, only to learn that the effectiveness of the final referring campaign has dramatically declined with their absence.

The more effective methods of attributing multichannel campaigns are also the least popular, and include separate campaign tracking for multichannel efforts, and applying even weight to all channels included in the campaign. This excellence in attribution comes with a price that deters popularity: complexity of systems and difficulty of execution.

CHAPTER 4 – MANAGING MARKETING OPERATIONS

INTRODUCTION: THE MARKETING TEAM AS A BUSINESS

The role of the marketer is highly focused on generating leads and driving revenue. But, what about all of the other responsibilities marketers have that keep their department operating effectively as a business? Because marketers are so busy, it is not uncommon for them to spend their time executing campaigns rather than stepping back, thinking strategically, setting priorities, and building their teams. It is team building that will ultimately help them improve the efficiency and results of the former.

In this chapter, we'll benchmark key issues in marketing operations, including:

Assessing top lead generation challenges and priorities

- What are the best ways to evaluate challenges and align objectives?
- What do *CMOs* prioritize for lead generation?
- What do *marketers* prioritize for lead generation?

Managing a tight marketing budget

- How do organizations set marketing budgets that drive growth?

Developing effective marketing teams

- What are the keys to managing marketing teams for premier productivity?

Managing marketing technologies and databases

- Which marketing tools and technologies are the most effective?
- Which tactics improve database hygiene?

Ongoing optimization for continual growth

- At what frequency should we optimize activities for ongoing growth?
- Which metrics really matter?

WHAT ARE THE BEST WAYS TO EVALUATE CHALLENGES AND ALIGN OBJECTIVES?

In an unstable economy, marketers are constantly faced with new increasing challenges and must assess the best solutions to them.

The economy has created a number of external challenges beyond a marketer's control, such as skeptical buyers, longer sales cycles, and a growing number of prospects involved in purchasing decisions. Other external factors include search engines and social media sites, which have empowered modern buyers with much of the information they need to learn about organizations without engaging with Sales.

In addition to these external factors, marketers face internal factors within their organizations. There is sluggish adoption of latest best practices of screening, scoring and nurturing leads, because marketers cannot gain buy-in, there are alignment issues with the Sales team that prohibit effective collaboration, and there are limited resources in both time and budget.

With such challenges, it sounds as if the odds are stacked against marketers. But for those who can properly evaluate the challenges most pertinent to their organizations, and effectively align objectives, success can be achieved.

First, let's assess the top lead generation challenges, as indicated by study participants.

Chart: Top lead generation challenges

Q. Which of the following lead generation challenges are currently most pertinent to your organization?
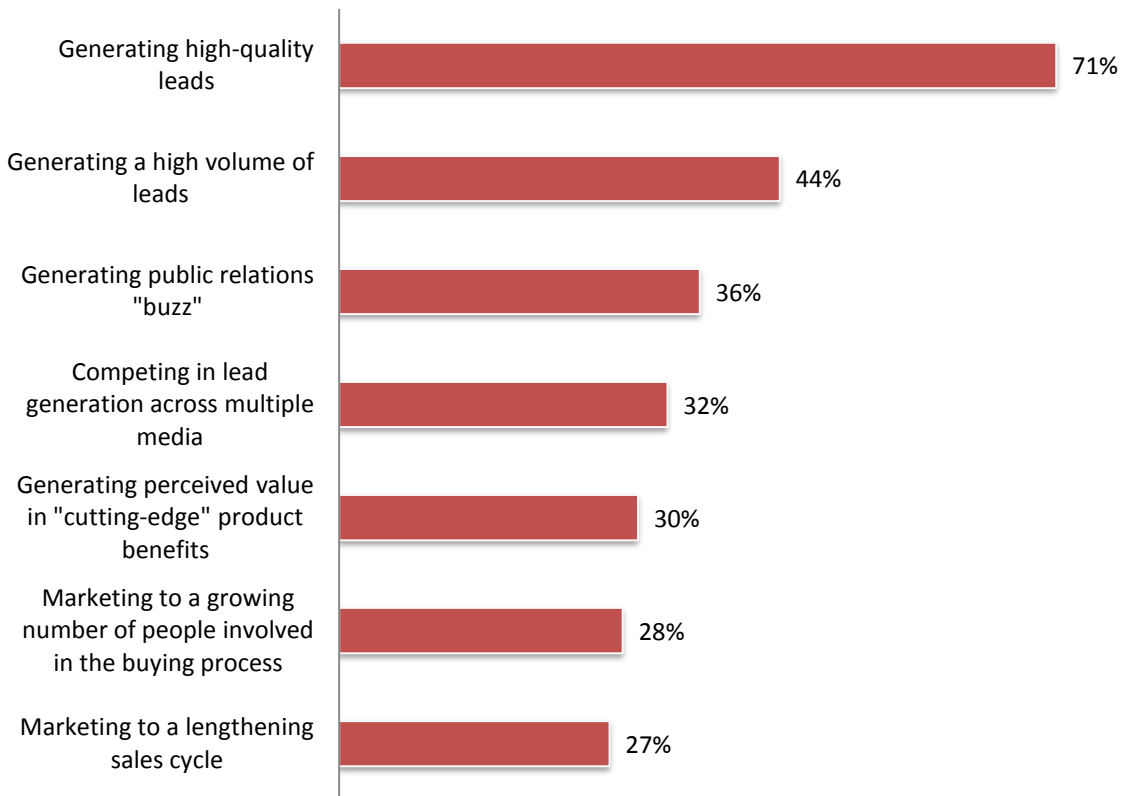
Generating high-quality leads — 71%
Generating a high volume of leads — 44%
Generating public relations "buzz" — 36%
Competing in lead generation across multiple media — 32%
Generating perceived value in "cutting-edge" product benefits — 30%
Marketing to a growing number of people involved in the buying process — 28%
Marketing to a lengthening sales cycle — 27%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Top challenges, by organization size
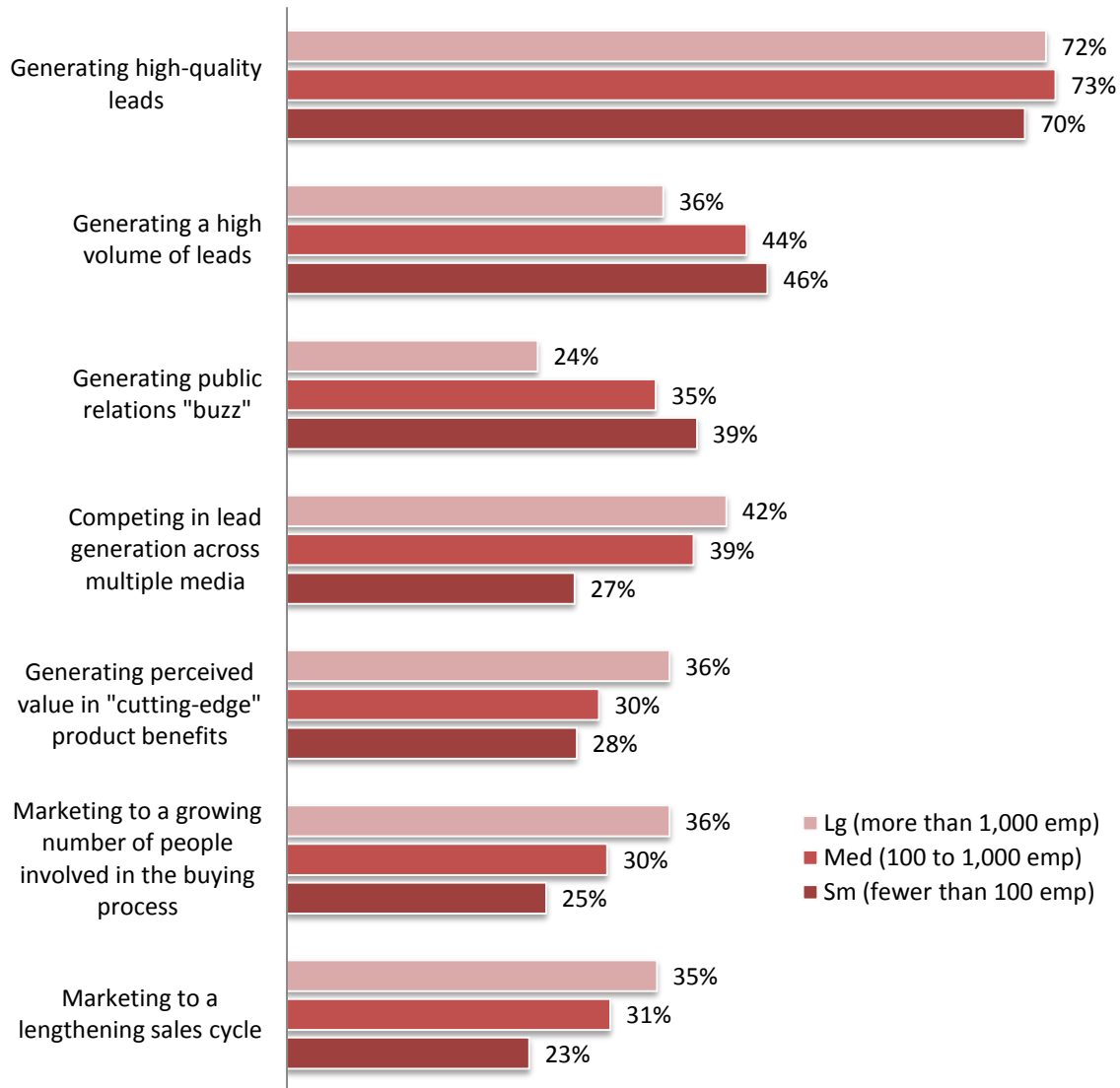
Challenge	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Generating high-quality leads	72%	73%	70%
Generating a high volume of leads	36%	44%	46%
Generating public relations "buzz"	24%	35%	39%
Competing in lead generation across multiple media	42%	39%	27%
Generating perceived value in "cutting-edge" product benefits	36%	30%	28%
Marketing to a growing number of people involved in the buying process	36%	30%	25%
Marketing to a lengthening sales cycle	35%	31%	23%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Fact:

Lead quality has been rated as the top lead generation challenge consistently since 2009.

-MarketingSherpa 2012 B2B Marketing Benchmark Report

Organizations of all sizes agree on the greatest challenge – generating high-quality leads.

The primary causes that make it more difficult for marketers to generate high-quality leads include the external and internal factors that influence modern buyers' behaviors, and challenge marketers within the organization.

An important aspect of managing lead quality is sending leads to Sales at the right time of the buying cycle, a recent best practice that has yet to gain strong adoption.

Chart: Top challenges, by primary market
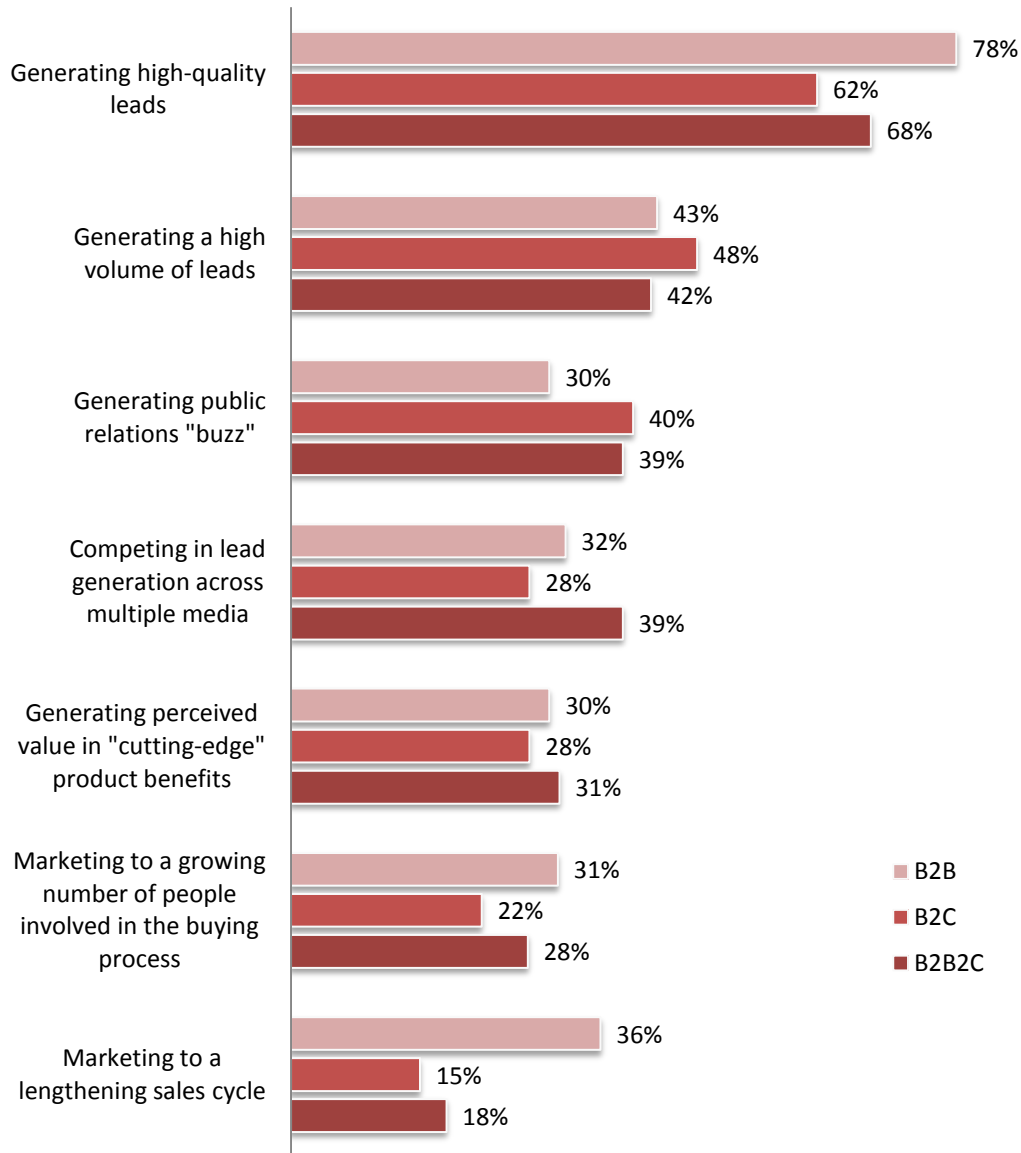
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

B2B organizations tend to find lead quality, growing buying committees, and lengthening sales cycles more challenging than B2C or B2B2C organizations. Since B2B organizations typically also have greater lead qualification criteria, it can be difficult for them to first assess quality and readiness for Sales, and then find more leads to meet specific criteria.

As buyers become more skeptical, more individuals become involved in purchasing decisions, which results in a longer time for them to commit. Sellers face challenges with creating champions for internal selling, as well as convincing a large number of buyers for one sale instead of just one or two.

Chart: Top challenges, by industry sector
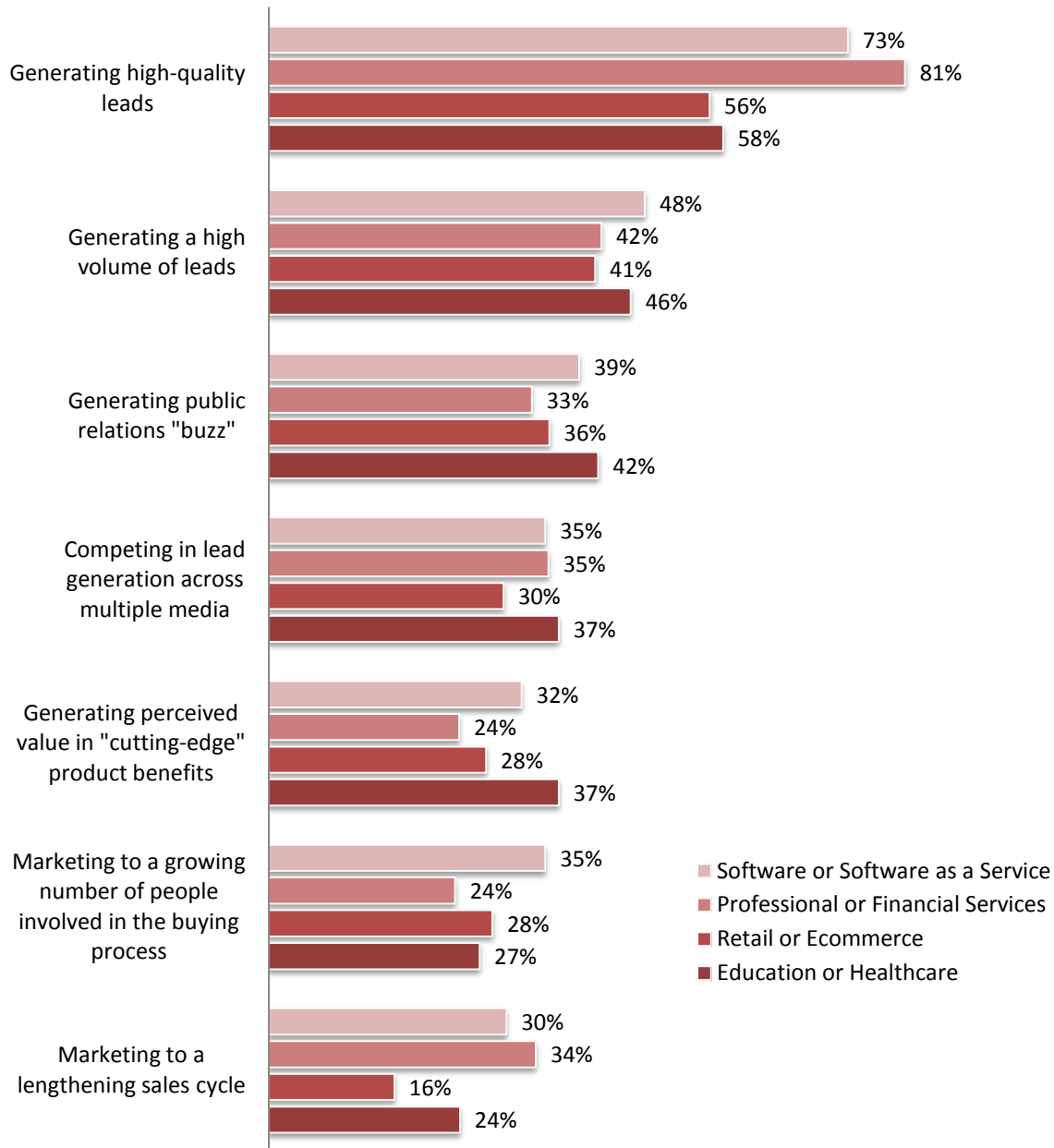
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Lead quality is the premier challenge because of how difficult it is to address. But, lead volume can be addressed fairly easily. **It's simple enough for marketers to dial up on certain lead generation activities and drive volume of leads,** *if they have the budgets to do so*.

The effects of the economy are seen in the ratings of lead volume as the second greatest challenge for organizations in all industries. If they had ample marketing budgets that could be accessed when needed, lead volume wouldn't be as significant a challenge. Clearly, marketers don't have this luxury, and are instead challenged to generate a high volume of leads on limited budgets.

TABLE: WHAT ARE MARKETERS' TOP CHALLENGES?
Q. Please describe the lead generation challenges that are most pertinent to your organization.

- All organizations it should be the same; Generating more leads and higher quality leads.

- Attributing marketing source back to leads in a long B2B sales cycle.

- Automating the nurturing process

- Being able to articulate and demonstrate how we add value to the client's offering.

- Being able to find the psychographic characteristics in a research base.

- Being able to tie offline activity and sales back to our online marketing efforts.

- Better segmentation of results for proper analysis.

- Find the proper people at the right time and engage them

- Finding marketing channels that get to our target buyer – finding the needle in the haystack.

- Finding qualified leads and perceived value of our products.

- Finding the right customer at the right time in the buying process.

- Finding the right people, generating interest and getting them to act.

- Generating quality leads without busting our budget!

- Generating valuable content on website

- Getting multiple departments on board

- Lack of time

- Low budgets, limited access to good Web design.

- Our greatest challenge is generating both high-quality leads along with a high volume of leads.

- Properly qualifying leads before they are turned over to the sales team.

- Providing pertinent content to our prospects.

- Providing qualified leads to Sales, and closing the loop to ensure they follow through.

- Re-engaging old leads that were not immediately ready to buy

- Reaching high-quality prospects and converting leads into active leads.

- Senior management's willingness to invest.

- The B2G (government) service market is primarily customer relationship-focused.

- To create value propositions whilst still attracting quality end customers.

- Too much or too little email? Where is the balance?

- We have a long sales cycle, 18 - 36 months. Lead nurturing is a big challenge.

- Delivering the right content to the right person at the appropriate time in the buying cycle

- Resource management and allocation towards lead generation activities such as content marketing and SEO.

- Leads that are left behind due to insufficient data, not sales ready, not the right contact to take the next step. Cost of lead acquisition. Balancing lead gen and brand awareness.

- We market B2B, but our products end up in the hands of the average consumer (one way or another). Since we sell through multiple, competitive distributors, we frequently do not know the exact needs of the end user. Generating high quality leads with a good potential ROI is a challenge because we must understand the need of the end user (consumer) with sometimes only nominal information from our customers.

- Attribution of cost and revenue across multiple channels. Staying on top of the ever-changing and evolving SEO tactics

- Creating relevant content/offers that convey value, and are mapped to where our prospects are in the buying cycle.

- Being spread too thin. Determining what the customer perceives as value. Selecting which channels are the most effective in a changing world.

- Because we're a service organization we have to try finding quality leads in many different core businesses for work. However in doing this, pricing becomes a problem, as not every service is identical ... pricing our product competitively can be a challenge.

- Understanding multiple touch points, or influences, on leads as they progress to deals. Lead nurturing.

- The biggest challenges are: moving people from old views to new rules of internet marketing involving people online – employees on all levels justifying the need to always analyze and improve marketing strategy

- Measuring results of the lead generation channels. Ensuring that value (ROI) is achieved that results in the channel paying for itself.

- Making offers or "lead magnets" that have real value and depth takes a significant investment of time and money. Establishing and nurturing long-term relationships that take people from suspect to prospect to lead to client.

- Qualifying and prioritizing leads based on their often unknown interests for our different products and topic areas.

- Understanding where the buyer is within the buying cycle and determining how to best nurture them, along with having internal and standardized processes in place so we can take timely action to follow up on opportunities.

- Awareness is the first challenge... with the least direct ROI. Finding the qualified leads through search is relatively easy compared to most other tactics.

- Budget to market effectively; difficulty in finding targeted email lists in our local government IT market.

- Need to convince management about the importance of lead generation through online channels. For now we only work with (key) account managers.

- Really, the biggest challenge is trying to stay productive with all the "new" and "cutting edge" marketing avenues that show up each and every day. You can easily be consumed by greener grass.

- With over 100 financial services products, I'm challenged with finding the right level to speak to in my treatments. Generic enough to be grouped into a manageable numbers of campaigns versus targeted enough to generate more of a response. Tracking. Enabling a measurements framework. Member experience. I want to make sure not to over contact and drive customers away or to opt out or DNC. Lead management. Cross channel integration.

- We are trying to refine our processes to get better results. The three verticals that we are selling into have very different buying patterns so it is a challenge finding the right mix of campaigns to generate enough leads to meet our goals every month.

- Identifying and targeting the right market within our diverse audience. Identifying what the consumer wants – to offer these desires as a benefit for helping our company. Deciding if advertising is effective for our needs.

- We are a nonprofit educational institution with a very low marketing budget. The top challenge is finding cost-effective lead-generation activities. To meet our objectives, ROI has to be very, very high.

- While we are highly skilled and successful in getting results with traditional marketing techniques, we face a certain difficulty to replicate our methods using internet marketing end email related promotional activities.

- Our biggest priority is assigning leads to marketing activities and assigning budgets accordingly. The marketing department's second priority is getting sales to work with us to nurture warm leads.

- Reaching target markets we have very long purchase cycle... some don't buy for 6-24 months... so hard to determine ROIs. That's our biggest challenge with doing something 'now' and trying to interpret its value.

- We operate with a very small team in sales and marketing and have very limited time and money resources to devote to this. Though I see this activity as a priority, these limitations make it difficult to produce the content that is needed for inbound marketing/lead generation. The other obstacle is current lack of good follow-up procedures/policies with sales team. Lack of IT horsepower to get the infrastructure in place to easily implement all aspects of the program.

- Creating synergy between email marketing and social media marketing; getting the social media aspect to recognize the importance of lead generation and not just use social media to hold "conversations" or engage customers and potential customers for the sake of conversation. There is a need to move beyond developing awareness.

- Once we identify properly our target market, how to find out where to market to them effectively (mainly cost effectively) has been a big challenge.

- I'm still new at my company and not sure what the ROI is on our lead gen programs. But one of my goals in 2012 is more innovative lead gen programs. Most likely mobile lead gen opportunities.

- Small organization marketing and lead generating on a DIY-basis, quick results and high-quality leads is a must to make it work over time...

- It continues to be the closed-loop process – getting leads into the hands of the telemarketing team QUICKLY for conversion to sales qualified leads. This is the engine for our field sales force. Then the results looped back to Marketing and analyzed.

- With such a small organization and budget and a large territory to cover (US), finding cost-effective methods we can executive quickly to deliver quick leads for the sales team is where we're struggling.

- Generating a high volume of leads is first, but being able to convert those leads has been a challenge.

- Increasing efficiency by moving emphasis to natural search, landing page to optimizing and content marketing. Moving away from pay per click. Using lead scoring now.

- I work primarily with B2C leads. My product has a low price point so my challenge, on a consumer front, is finding quality leads at a cheap price – in order to generate an ROI.

- Lack of visibility about end users who have bought when they come direct: sometimes it is difficult to know why a customer bought, how they found us, and indeed whether they would have bought more if we had approached it differently. It is also difficult to size the market and understand who we are not reaching in this sector. I am not sure if this should be considered to be an active market to grow, or we should simply accept it as nice to have 'cream'. My gut says the former but lack of visibility remains the issue.

- Our product line requires a major paradigm shift in thinking, the ability to leave 100-year old practices behind. Our top challenge is to educate our potential customers and to generate enough genuine interest that the prospect gives us enough opportunity to create this shift in procedure and product perception.

- Locating quality leads. Containing costs while expanding responses. Measuring the impact of new media (social, wireless, etc.).

- Getting the bosses to implement actionable metrics rather than vanity metrics. Building split-tests into the software and getting customer feedback would really help. Currently our software is being designed by non-designers (bosses) that think they know what people want - but have never done the research to really find out what they want.

- We sell a fairly expensive product and so finding cost effective ways of generating leads in volume is a huge challenge.

- Developing a social media program that will generate quality leads. Finding new, fresh lead sources. Filling in our database with the information that will allow us to target our messaging by customer segment.

- We have multiple product lines geared at different audiences and industries - being able to generate leads within each of these successfully is a huge challenge.

- Convincing senior managers to adopt technological solutions for generating and measuring and monitoring the funnel. Getting sales and marketing to understand how they complement each other. Then building a holistic marketing strategy that makes the best use of both departments.

- Identifying and targeting decision makers; marketing to them at the optimal time in the buying cycle.

- Our biggest challenge is that we do not have CRM tool in place. For a company with over $2 billion in revenue and just 100s of customers it is quite amazing that we do not have a Marketing CRM tool implemented to support our global marketing team's lead generation activities.

- Getting to the right decision makers. Number of Qualified Leads - Need MORE! Getting a qualified response, qualified lead, getting a sale. Simple demonstration of the value of our work.

- Finding highest-quality leads with maximum ROI. Tension between immediate results and long-term value. Challenges in tracking data and attribution.

- We have multiple sales channels - individual and complex, consumer and business. There is no formal process currently, and we have used search engines, databases, and public records to generate majority of our qualified leads. Internal lead generation is poor and unqualified, usually highly inaccurate.

- Engaging our target along the entire awareness, consideration, evaluation and purchase cycle ... keeping the conversation going.

- Determining the true value of the lead gen program. Partly an internal tracking issue with our company. Partly an attribution issue between the original source of the lead and the lead gen follow up program.

- Finding and maintaining quality leads in a downward economy. Most of our customers are small businesses, and we need to create value for our business to help them grow theirs.

- Lead generation is the easy part in our business, it is the conversion of leads that poses the largest challenge

- Not enough resources to be able to handle the workload, so best practices processes to streamline and improve effectiveness of execution aren't in place.

- We sell services that are critical for risk management but clients are either unwilling to spend money if they don't see an immediate ROI or they think that "It can't happen to me." They fail to see the value of compliance and risk reduction as it does not appear to add value. Oddly enough when we ask them if they have ever had a fire in their house, they, of course, answer "No, why do you ask?" or some similar phrase. When we ask them why they have fire insurance they answer with some variation of "I can't take the chance," or "My mortgage requires it." Even when we ask why the mortgage requires it, they still don't see the connection to risk management for their business.

- Tracking the leads once they come in, developing an effective follow up process, and integrating those leads into our communications cycle

- Management doesn't seem to believe that marketing is an investment but more of a dept. to "waste" money so getting budget is extremely challenging.

- We have top-class lead gen software, but lack the resources to take full advantage of it. Plus, we lack support from sales and management.

- Having the right people to generate leads, finding a good strategy, funding lead generation activities.

- Biggest challenge is influencing executive level to approve multichannel lead gen campaigns. They're caught up on emails and phone calls, and it's been challenging to educate/advise them on the value of multiple touchpoints via various channels.

- The problem lies with the sales force. Competing for their attention is a prime concern. Each of our 13 US sales districts have different priories. We have company sales reps plus distributor reps. Competency to value sell by the latter is also a key concern.

- Finding the right database and a system to match to nurturing it. Concurrently try to find good quality collateral to support the marketing effort.

- 1. Finding the right individuals (titles) in an organization to target and being able to reach these individuals with our message. 2. Generating quality leads - we get a lot of tire-kickers, students, consultants and other types of leads that aren't valuable to us.

- We are too much of a "me too" in our communication. Shallow understanding of ideal customer profiles and therefore doesn't guide our activities. Lack of sophistication in digital marketing. Lack of content.

- Managing third parties such as affiliates, particularly controlling the quality of leads and monitoring inappropriate business practices.

- We are a multi-services company with a rich and diverse client portfolio. Translating these capabilities into solutions that make sense and bring value to the customer requires patience, stamina and structural changes in the way we operate and share information.

- Currently, loss of marketing personnel and training of new quality marketing staff who know and understand our complex array of products and services and their potentials

- Engaging B2B prospects over a long lead time with few but high dollar sales. Retention and referral is our current focus.

- Lead generation is tough because our industry is seen as a commodity. Financial services businesses do generally offer all of the same products. So we have to use our lead generation cycle to promote how we do things differently.

- Large sales in the B2B space have multiple people involved. This is where the sales cycles get longer and more complex.

- Keep pace with the fast changing communications channels when it comes to reaching our markets. Knowing when to add or drop media choices. And lots of competition – getting noticed with the other competitors

- Complexity of sales organization. Campaign managers at the country-level to execute WW created campaigns. Strict privacy policies.

- Qualified buyers versus timid explorers. Better prospects that can be closed not leads that expend customer service for little ROI of time.

- Finding the right audience for our service is our biggest challenge. We market our service to Sales Leaders who manage a direct sales force with more than five reps. Our process works best for those companies who are involved in more complex, multi-step sales challenges. Finding Sales Leaders that meet this criteria has been extremely challenging

- Build a lead development program to nurture leads in the sales cycle and working together with sales to turn them into buying customers. Setting a proper CRM system in place to manage this system across multiple partners and channels.

- Availability of a continuously stream of added value content to become a valuable source of information for our target audience.

- Delivering high-quality leads to field sales that prompt a call-to-action. Implementing a teleprospecting function that is dedicated to lead generation. Institutionalizing a lead generation process globally

- Targeting the appropriate audience through the appropriate channels. Our target audience is at the Engineering level.

- Leads are generated, but follow-up is sporadic, leading to lost leads, as well as unable to calculate lead ROI.

- We are very much a niche market so referrals are our number one source of new leads. Just getting our name out there in our industry is one of our main objectives – getting people talking about us. Search volume for our keywords is very low - not a lot of success in lead generation using both Adwords as well as securing top positions in organic search. Having advocates and happy customers is key!

- 1. Getting business owner's attention and differentiating us from other companies marketing services to them. 2. Building a stronger, clearer value proposition that can be communicated quickly and easily 3. Developing an easy to implement formal system for automatic follow up

- We are a brand new organization. Our challenge is to communicate what we have, engage our target, and have them choose to visit our attraction over many competitors. Finding targets who are high-income, and prefer a nature-based attraction experience is imperative – and we have to get the word out to everyone! Additionally, we fight previous negative press about our attraction trying to open, so when we are in the search engines, lots of negative press comes up in top results.

- Quality of leads understanding our ROI and length of time of getting to a qualified lead. Understanding what the lead is interested in – what content if any that we offer.

- We have two sides to our business, the established B2C product and now a new B2B product. Because of the altruistic nature of product, creating buzz is key to the B2C, and for the B2B is awareness.

- Developing self-qualifying lead gen programs where delivered leads are of a high quality and readily manageable.

- As a small business, our biggest challenge is actually being seen and heard amidst the barrage of audio and visual ads by big business.

- Executing campaigns consistently with little staff. Qualifying the lead without asking too many questions on landing page thus, balancing abandonment of form and qualification of lead.

- Convincing senior management that we need to alleviate margin requirements to generate new leads for the business Measuring impact of driving overall category awareness/interest vs. specific brand awareness Developing the "right" creative in a cost-effective manner

- Keeping content current mapping the decision making unit and reaching all triaging leads appropriately for sales involvement

- The ultimate challenge – developing the level of trust required to appropriately share the value offering with the client.

- Balancing the need for a high quantity of leads with a high quality of leads. Being able to measure effectiveness of lead generation programs based on contribution to pipeline. Ensuring leads continue through to the sales pipeline. Also, being able to assess how much of each element of the marketing mix we should be dialing up or down.

- The ability to see what campaigns produce all smoke and no fire from those that produce smoke and fire.

- There's a fine line between the number of leads generated and qualification of leads. You need to have a good qualification process to get the better leads; however, you can't make the process so complex that you discourage the user.

- Lead generation is not that a challenge to our company but converting the lead to opportunity and pipeline is the issue.

- Define the appropriate and effective lead channel generation. Define a strategic investment path balanced with lead and value proposition. Define specific lead for regional customer critical mass to improve our best value proposition and ROI.

- We compete globally with manufacturers of similar products; therefore, we need to insure that we establish some degree of perceived value that makes us stand out. Also we deal in the world of manufacturing where the offshore shore competition is tough. We deal with engineers and have to approach marketing in a highly technical manner. Keeping our website fresh is an ongoing task, but increasing our inbound links is also very important. Maintaining all of our marketing efforts is very difficult considering I'm a marketing staff of one.

- Identifying the diamonds amongst the rough, spending too much time on leads that don't lead anywhere

- Being a young startup we need to more effectively measure the channels through which we generate quality leads in order to make the most of our limited marketing budget.

- To understand all the touchpoints for our systems and therefore to identify all those individuals who have a say in the decision process.

- My company's focus is primarily in niche markets. Lead gen is often too broad and always costly in terms of converting those leads to paying customers.

- With technology options growing daily, it can difficult to balance priorities between testing and investing in new technology versus optimizing existing tools. In terms of attribution, measuring success through multichannel attribution while holding domain leads accountable for their individual channels occasional leads to internal organizational conflict. Moreover, we have yet to find an analytics package that can integrate both offline and online attribution.

- Breaking through the clutter, whether it is organize search, paid search, social media or loyalty programs

- A hugely competitive market in danger of being commoditized, price is a huge purchase factor so to stay in business we need to be different in ways the customer values and the competitors can't copy – WAY easier said than done.

- Gaining the attention of decision makers in an extremely competitive marketing and sales environment – getting them to notice and perceive a difference, a company with an offer worth clicking, or following up.

- Pinpoint the right (sub)segments AND individual customers (potential and actual value; drivers purchase behavior) for a more focused and in-depth approach

- Few options to hit target audience, which is small, hard to find and hard to track. Problems with scaling up.

- We're in media/custom publishing, so generating high volumes of quality leads for our clients in a timely and cost-effective manner is critical. We are a small company, so managing our time and resources is also critical.

- Having the time to do the appropriate follow-up. I am a one-woman show (both marketing and sales for current and potential clients), so my time for lead generation, database building, follow- up etc. is limited.

- We are a faith-based nonprofit, so targeting our advertising toward generating leads is pretty slim. There are a few large (quality) sites and a handful of smaller (quality) sites. At this point we have done well at generating enough leads; however, there seems to be resistance on the part of the traditional marketers on how that direct mail follow-up process happens.

- Our demographics are prospective adult students interested in an undergraduate degree program. The age range is from 21-70. This alone creates a fragmentation of the market, so we have to run multiple executions to attract people at different stages in their lives with ultimately different objectives.

- Top challenge is market awareness of our product followed by direct email marketing effectiveness (conversion and ROI).

- We are an Advertising Agency. Awards. PR on our Campaigns & Word of Mouth are extremely important in generating leads and a new business

- Our organization has a vast array of targets/functions and levels within an organization with different types of pain points that we can address. It's challenging for the organization to explicitly state who the primary target buyers we should be going after, so we have to take a scattershot approach. And we have a very small budget considering the targets and channels available.

- Alignment with sales – alignment with product marketing – developing nurture processes to qualify leads.

- I am struggling to get my online business started at the moment and trying to drive traffic to a blog in order to then generate some revenue.

- Reaching decision makers when they are "ready to buy," generating leads for a product that requires education in the marketplace, generating interest for a low-interest category, ability to target effectively by vertical, seasonality challenges.

- Lead quality – there are a vast amount of ways to gather leads through email and social media but it is deciphering between those that are truly interested, those that are just researching, and those that just wanted the free sample.

- Our top challenge is converting rather than generating leads, therefore re-targeting strategies are an important part of our cycle that needs attention.

- Obtaining executive approval for untested lead generation initiatives. Evaluation and measurement difficulties.

- Achieve high-level qualified leads Process them thoroughly throughout sales opportunities and last but not least into real revenue (always with a possible view to repeatable sales).

- Quality of leads. In our industry (dental manufacturing), doctors do not have high expectations of getting any value in return from traditional lead generation tools (BRC, Web requests, ads) so the universe of doctors using them is small. We follow up on EVERY lead with our sales team so there are two types of response. #1 - thrilled and will listen to a sales pitch (20%) and #2 - I did not expect a call, just send me a free sample. We are not fans of free samples.

- With B2B selling to small organization, educating our customers about their channel is very often difficult.

- It is always a challenge to find quality leads that will buy. Volume gives you marketing emails but does not provide quality buyers that we are looking for.

- We are a young organization and have yet to develop and launch a lead generation system. Our sales targets are growing but our sales force feels that they have no one to sell to. Therefore, we must develop a system that will provide us with quality prospects and a vehicle to nurture them to sales-ready leads.

- Need to get to C-level of potential clients, as the decision needs to be made by C-level executives. The selling process is long, due to the clients' need to consider different factors before determining a move to Science Park.

- Building marketing and sales infrastructure/systems that enable lead tracking from the very first point of contact to the final sale.

- To find good channels to get the lead volume (own and bought media), and management and processes of the sales team (all leads needs to be taken care of).

- Market has been declining. Market is changing as a result. Sales process is being redefined by new technology and mobile trends.

- We generate leads in two markets - Australia and Indonesia. Success in the lead gen process requires cultural sensitivity and understanding of how to minimize friction in each market. We have to run almost two separate testing programs for the same product based on market differences.

- Targeting high-quality leads * changing professional landscapes (mobility of managers – actually a challenge and an opportunity) * economic downturn – smaller budgets

- We market to engineers and it's often difficult to get their attention. We've learned that you have to solve a problem for them and that interruption marketing techniques like ads aren't as effective as working through a process that helps them solve their challenges quickly. Through our registration process to gain access to our database of technical information about plastic materials, we promise them what they'll get in exchange for their registration information. And it's extremely important to be upfront about our privacy policy and how we handle their contact information – we learned that the Terms of Use and Privacy link on our registration page is in fact clicked often.

- Developing a number of high-quality leads, converting leads into buyers and maintaining a positive relationship with our buyers over multiple seasonal buying periods.

- The biggest challenge we face is not creating a volume of leads, but rather creating highly qualified leads. The manufacturing processes we use to produce our products are very common, but the products themselves are highly engineered and customized. Additionally, the products we make are continually evolving and thus our target market shifts over time. There are generally several people involved in the decision making processes of whether or not to buy our products each with their own set of decision making values making crafting a marketing message even for a single product difficult.

- Our greatest challenge is keeping our sales team busy with quality leads on a small advertising budget.

- Clear content strategy and focus on publishing optimized inbound resources. Consistency of message across inbound and outbound. Holistic and well communicated metrics on process and results.

- The industry we serve is narrow, and has been doing business in a certain way for so long that our prospect list seems unwilling to take a chance on our product.

- Since our leads our every company in the United States finding them is not a problem. Qualifying them is.

- Developing a compelling offer/call-to-action – Quality list acquisition – The balance between offer and lead capture (friction).

- Cutting through the clutter of competitors with inferior products who are adopting our look/feel to deliberately create confusion within our target audiences.

- Increasing the marketing database in view of the privacy requirements, competing for buyers' attention, connecting the opportunities with the related marketing program which generated them.

- Targeting the right individual at the right time in their product development cycle. Then, getting our sales team to follow up with that individual at that right time to allow for conversation leading to an opportunity.

- Identifying and addressing different personas involved in the complex purchase process and communicating with them effectively.

- Identifying and closing relationships with distributors that can deliver sales Long sales cycle with intense relationship, proposal, terms development Developing sound pilot programs with distribution partners that will lead to solid offering with long term sales Finding the right "hook" and pricing for products when exploring new sales channels

- Leading and making understand insurance products in various manners. Push is the current common way to lead sales.

- Selling through distributor network. Providing right incentives. Difficult to track results because purchase is made by distributor and not the end user. Primary methods to gain leads: Product demonstration requests. Quote requests passed along to our distributors -Distributor reward programs.

- Providing consistent quality marketing content to build attract attention, build relationships and demonstrate value.

- Lack of brand equity - competing for leads against more well-known companies in the same space. Measurement of leads and subsequent conversion to sales - tracking applications can at times be difficult due to lack of proper tracking devices.

- Defining quality leads that serve to shorten the sales cycle and decrease time/labor/talent resources involved to close the sale.

- We are a government agency. Government staff are not used to implementing sales strategies to influence behavior change, and behavior change is significantly harder to measure than a sale or a lead.

- Being able to generate leads economically across a range of overlapping target segments, with varying requirements seasonally.

- Explaining the benefits of an eco-friendly product that don't compare apples to apples with conventional solutions. Gaining trust for a less-known brand in a world of big names even if our prices are better and products are equal or better than the competition.

- Improving the reach and efficiency of our outreach and developing an effective and reliable measurement process.

- Closing the loop from end customer sale through multiple channels back to a given marketing campaign or activity.

- We are facing market saturation for our targeted product/service offering and are attempting to broaden our offering to target new markets.

- Ease of execution while maintaining quality of leads due to the amount of manpower available. The ability to check the ROI of leads for management.

- Ill-defined and inefficient process for lead qualification, lead nurturing and hand-over to sales

- Identify our demographic, presenting that demographic with our lead generation offer and then helping those new leads learn the value of our products and service.

- I am working with very limited funds. As such, I have to rely upon trying to reach and attract leads through Web resources WITHOUT "spamming!"

- Lack of automation makes for many disparate, manual campaigns and does not promote a healthy, clean database.

- Lack of a truly effective and easy-to-use tracking system. Currently it is very cumbersome to setup and measure the effectiveness of different funnels and individual pieces in a meaningful manner.

- How to qualify these leads to ensure that they are close to buying / purchasing as compared to sending cold leads to the salespeople and wasting their time. The capability to track a lead from when they first come in to whether they actually purchase our product is also lacking

- Finding and targeting the correct audience. Our software is very specific to companies that sell through indirect channels (dealers, resellers, distributors).

- To obtain quality leads, understand the sales cycle of varied buyer-types, and return to pipeline.

- Generating a high enough volume of leads to keep the sales pipeline healthy, while ensuring the quality does not sour the sales team on marketing generated leads.

- We are a nonprofit organization dedicated to providing food for the hungry, shelter and guidance for the homeless.

- For us it's finding the time to plan rather than just race along tweaking the activities we are doing. Implementing new strategies and data systems that allow measurement is proving more complex than originally thought in an organization without a history of metrics and processes.

- Most of our lead gen is through search engine marketing. We focus on conversion and paid advertising account structure.

- Having the IT support that allows us to move nimbly, even on things as simple as messaging. Getting the sales team to actively contribute to the success of the sales-marketing partnership.

- No list buying. Quality of leads is key. Acquiring addresses through other channels via promotions, offers, etc.

- Finding the right form of media to target our audience. Gaining for leads through social media. Utilizing email newsletter to maximize leads.

- We are a community college and the goal is to have students enroll in classes over multiple semesters. We consider an inquiry from a prospective student to be a qualified lead. But in order to "purchase our product" the person needs to first apply to the college and pay a $25 fee. Then, they can enroll for classes (pay tuition, etc.). The decision process can take years. We begin communicating with prospective students while they are still in high school. And, even if they apply and eventually enroll, they don't always complete the semester or re-enroll for the next semester. We have no control over the retention process, unfortunate since it affects our ROI.

- Even though whitepapers are the craze, getting people to actually take the time to read them is a challenge. I say this because we have been promoting this to a cold list and even though there is an expressed need, getting prospects to take that step is proving challenging.

- We would like to create more "buzz" in the community of B2C - our B2B distributors sell a much

higher volume of our products than we do, but with books, we find the Facebook and other social media consumers want to get to know the authors and publishers, in order to buy new books from new authors.

- Determining the best channel to reach our targeted audience of decision makers because they are bombarded every day with information. We want to provide relevant and timely info that demonstrates the value and benefits of our offerings and finding the best ways of doing so is challenging.

- We sell education to students – a $150K over 3.5 year investment. Finding the few, the proud, who want this career is our greatest challenge.

- Quality of the leads; often receive lists of leads that are either duplicates of one another (Dba for example) or businesses that have been closed.

- Physicians wait too long to refer patients to hospice. Lack of understanding by family members of when to ask for hospice as an option to end-of-life care. Misconception that hospice is for the last few days before death.

- Quite a few times, the generated leads do not fall under the category of what we specialize in. Though the same can be handled but with an extra amount of effort, resource allocation and increased cost.

- Understanding how to effectively measure ROI in social media; generating net new qualified leads; use and support of tools for tracking and reporting (throughout organization and beyond marketing).

- Identifying prospective customers (companies) and the individuals responsible for sponsoring new product development initiatives.

- Establishing long term relationship with leads. Maintaining a high strategic level to the lead generation process.

- We would like to try bucking the trend and do hard copy press releases with a free sample. Where are those lists of press offices now?

- We work with referral personnel (as nonprofit) they are overworked and may miss quality candidates

- Accessing a group of buyers that are, for the most part, nonprofit organizations and do not have a strong business structure. Also, when contact is made, getting past the gatekeeper of the organization.

- Complex sales and long sales cycles demand a continuous flow of information and marketing to customers.

- Generating leads is less of a problem. The biggest challenge is getting qualitative leads and in having Sales do a good follow-up.

- We sell through distribution, so we must target both the dealer reps, as well as the end users (dentists and their staff). In addition, it is not always easy to get our own sales reps to buy in to our activities, which is quite frustrating.

- Communications both internally to understand what is going on with different departments and externally to keep up with our clients.

- Too many options with very low ROI. Difficult and expensive to find reasonable channels for marketing investment.

- Our biggest challenge is keeping up with a high volume of leads and nurturing them over a long period of time leading to a very large purchase. Our conversions increase as we are able to give each lead more personalized service.

- Data Quality – Quality of contact database Content Quality - Quality of messages, case examples, webinars. Multi Touch – Coherence in mailing, calling, events and building relationship with one person from the organization.

- Leads generated through onsite ballot (contest entry) are hand written making them difficult to enter and often inaccurate.

- Being able to target to a specific decision maker within an organization, and have enough volume of leads to test messaging.

- For our team we have been able to nail down direct benefits of a campaign. The harder part is understanding and creating buzz at the top of the funnel to feed that single click or action that then turns a lead into a highly qualified sales opportunity.

- High-end product for a niche consumer. Most off-the-shelf campaigns target too broad an audience to return an acceptable ROI. Also, new lead lifetime value is not considered by execs when factoring our ROI ... only direct sales contribute. Therefore, we have limited resources to foster new leads.

- Long lead cycle. Many competitors. Looking for a needle in a haystack (select individuals qualify for our program)

- Our marketing department spends more time in a customer support role instead of developing strategy and content.

- * Too many leads (i.e. not pre-qualifying enough) * Integrating/syncing lead info. From CRM system with business and marketing systems * Automating a triggered nurture program for long-term prospects * Not enough dedicated resources.

- Deployment of lead-generation software and applications Funding for leads-generation programs human capital to manage lead gen programs

- Identifying targets and then fine tuning that process to identify more of the same or new targets as the market evolves.

WHAT DO CMOS PRIORITIZE FOR LEAD GENERATION?

When it comes to lead generation, what matters most in the eyes of the CMO? We wanted to learn more about CMOs' top priorities for lead generation campaigns, so we asked those participating in our study to prioritize objectives such as **ROI, optimization and better customer intelligence**.

Chart: CMO priorities, by organization size

Q. As CMO or the senior marketing executive in your organization, what are your top strategic priorities for lead generation in the next 12 months?
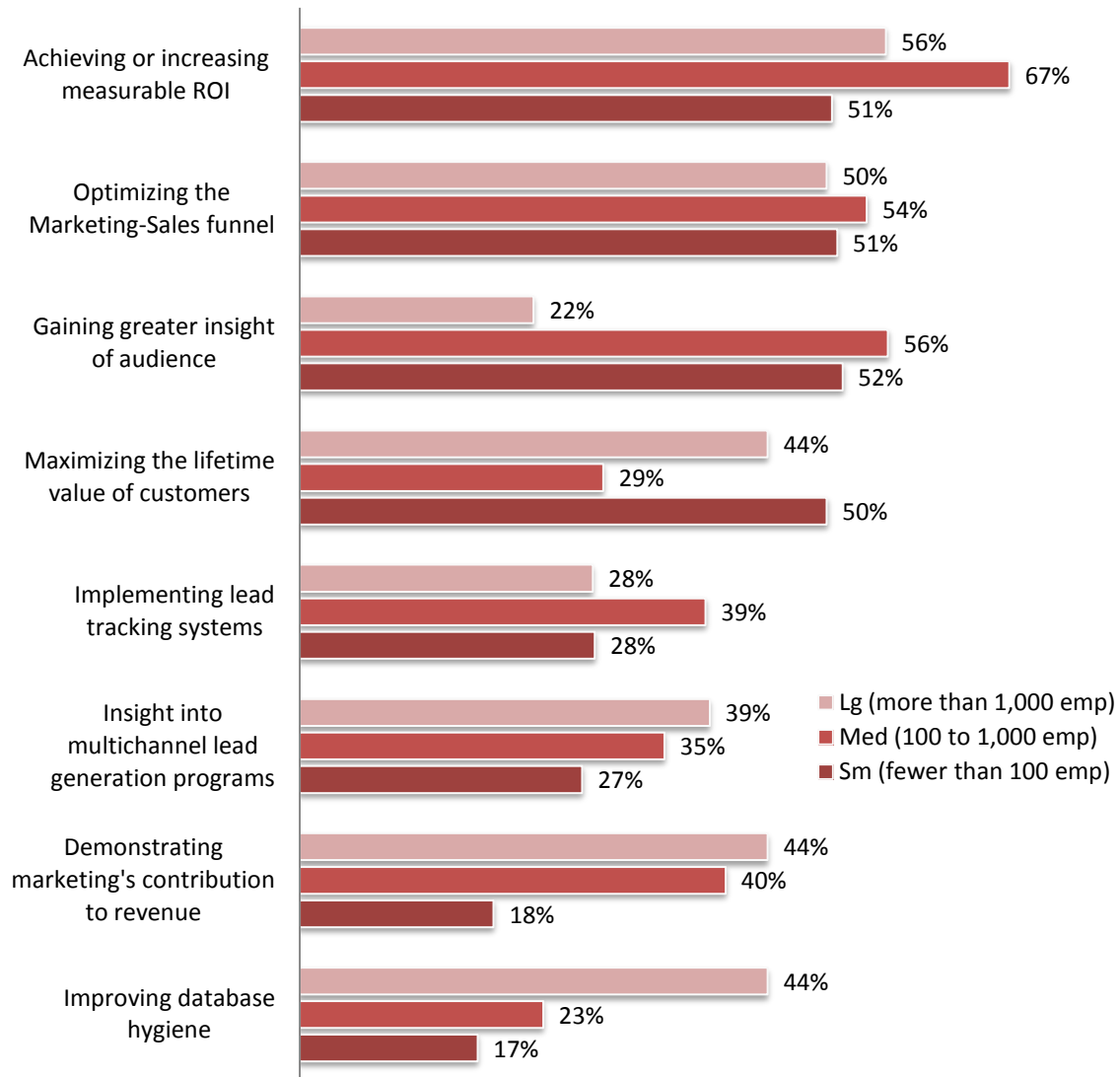
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Clearly, **ROI is atop CMOs' minds, regardless as to what size the organization**. With tightening marketing budgets, there is increased pressure to attribute a return on lead generation activities.

Chart: CMO priorities, by primary market
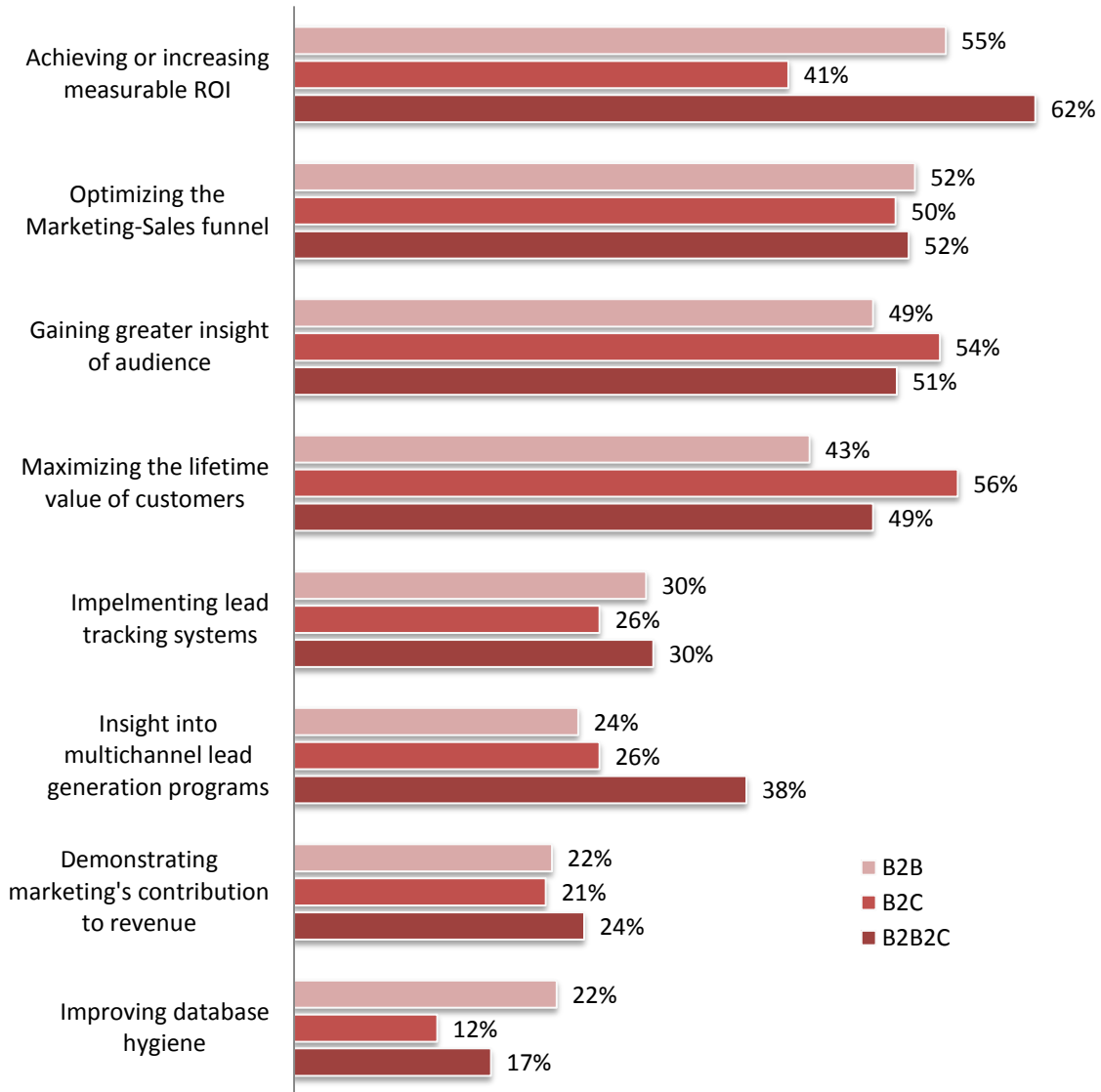
Priority	B2B	B2C	B2B2C
Achieving or increasing measurable ROI	55%	41%	62%
Optimizing the Marketing-Sales funnel	52%	50%	52%
Gaining greater insight of audience	49%	54%	51%
Maximizing the lifetime value of customers	43%	56%	49%
Impelmenting lead tracking systems	30%	26%	30%
Insight into multichannel lead generation programs	24%	26%	38%
Demonstrating marketing's contribution to revenue	22%	21%	24%
Improving database hygiene	22%	12%	17%

Legend: ■ B2B ■ B2C ■ B2B2C

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Ensuring alignment with the sales channel is imperative for generating any ROI from lead generation activity. Similarly, ensuring that back-office processes are in place to handle volume operationally from any leads that begin the conversion process. Without Sales and Operations working in tandem with marketing, its dollars down the drain."

-CMO insight

CMOs for B2C organizations don't seem as concerned with lead generation ROI as their B2B counterparts.

We have learned throughout this study that the sales processes for B2B organizations tend to be more complex. This increases the need to collaborate with Sales, and makes it more difficult to determine ROI on marketing activities.

WHAT DO MARKETERS PRIORITIZE FOR LEAD GENERATION?

CMOs prioritize ROI, but what does this mean to the role of the Marketing Manager, Specialist, Coordinator, etc.? How do individuals in these roles of the marketing department translate the priority of the CMO to actual objectives for executing lead generation campaigns?

The following section will specify what marketers prioritize when executing lead generation campaigns.

Chart: Marketers' top lead gen campaign objectives

Q. Which of the following objectives do you consider to be the most important in a lead generation campaign?
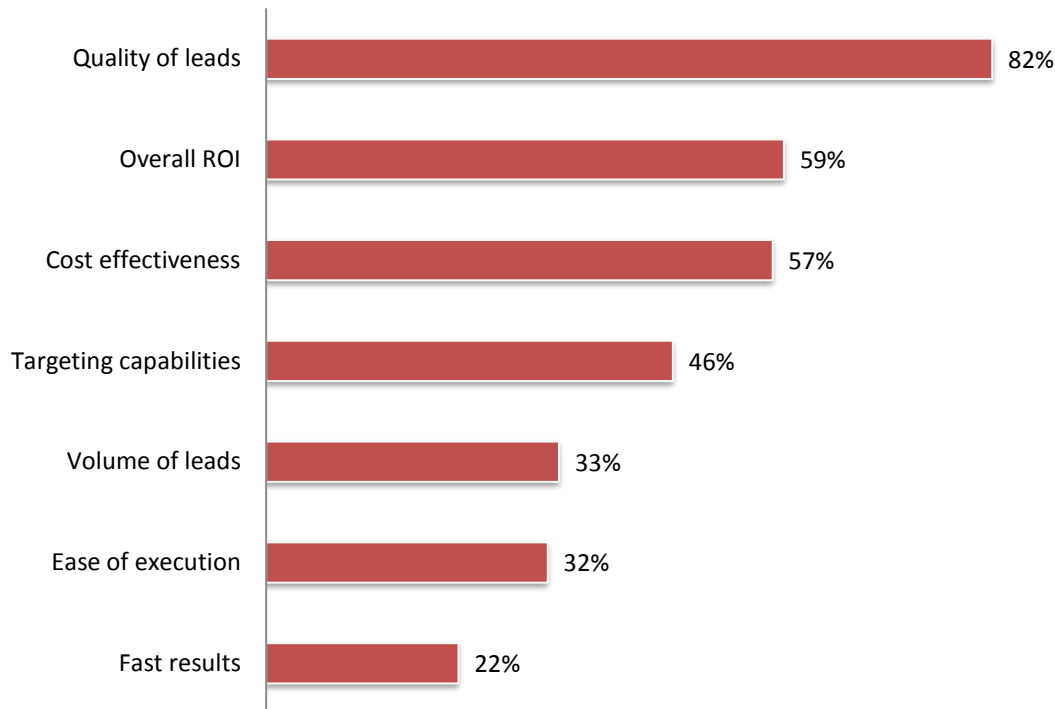
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

When a CMO asks for better ROI of lead generation campaigns, marketers interpret this as a desire to generate more high-quality leads, as indicated by 82% of marketers participating in this study.

Marketers understand that improving the quality of leads generated is vital to improving campaign ROI, and that **a high volume of leads is worthless unless they have quality**. Only 33% of marketers indicated volume of leads was a top objective of their lead generation campaigns, just slightly greater than the response for ease of execution and fast results.

When we analyzed this data by organization size, primary market and industry sector, we learned there is little variance in lead generation priorities from the marketer's perspective. **Across the board, lead quality is the top objective**.

HOW DO ORGANIZATIONS SET MARKETING BUDGETS THAT DRIVE GROWTH?

The marketing budget is a great source of challenge and opportunity to marketers. Today, many are faced with limited budgetary resources and are forced to make better decisions regarding total budget amounts, percentage allocated to in-house staff vs. marketing campaigns, and how to allocate what's left for lead generation activities.

In this section, we will reveal key benchmark statistics for all of the above, as well as **new trends in marketing budgets** to help support your budgetary decisions.

Chart: Marketing budget as percentage of gross revenue

Q. Please enter your organization's marketing budget as a percentage of gross revenue (marketing budget / gross revenue) including personnel.
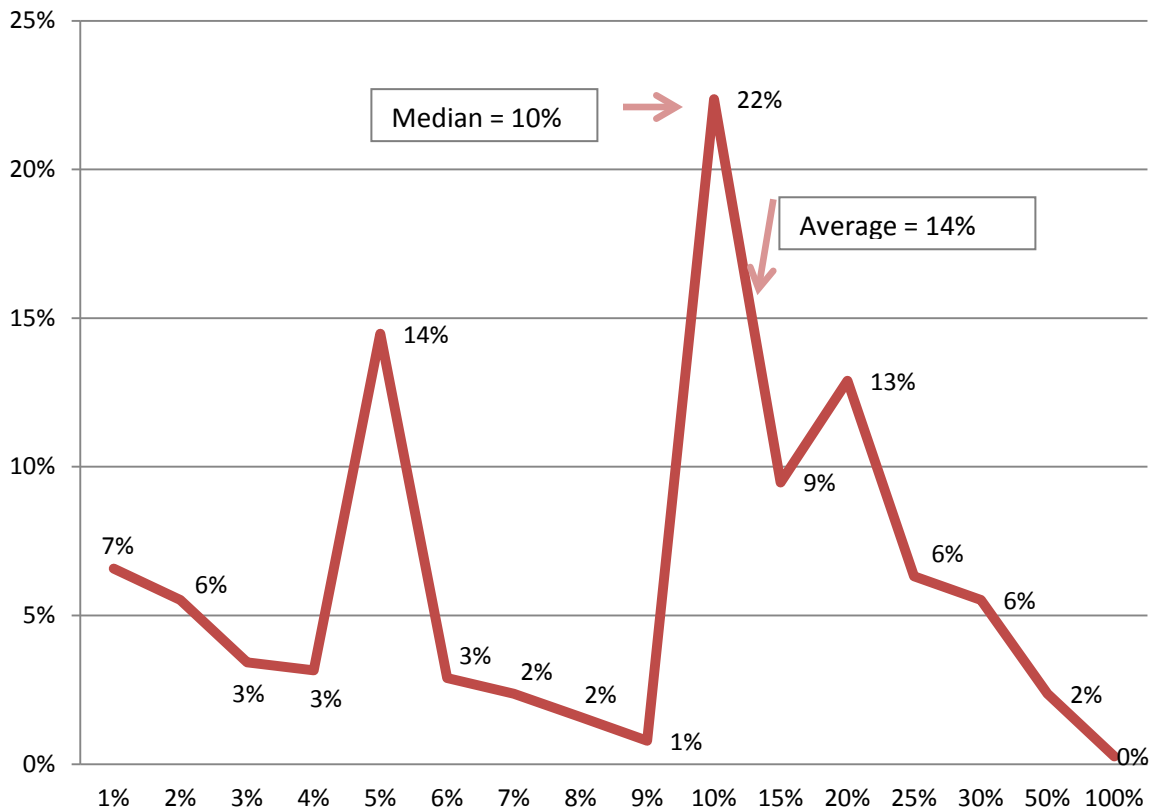
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Overall, the average percentage of marketing budget out of gross revenue is 14%, including personnel; however the most popular response was 10%, which also happened to be the median value of all responses. This figure varies widely from one organization to the next; in fact, we received responses of up to 100%. This is why we provided the median value of the data to show the exact mid-point.

An organization allocating much of its revenue to marketing is a sign it is in an early stage of growth, while a lower percentage reflects more maturity of the organization, the product and the service offering.

Chart: Percentage of marketing budget allocated to in-house staffing

Q. Please enter your organization's percentage of marketing budget allocated to personnel.
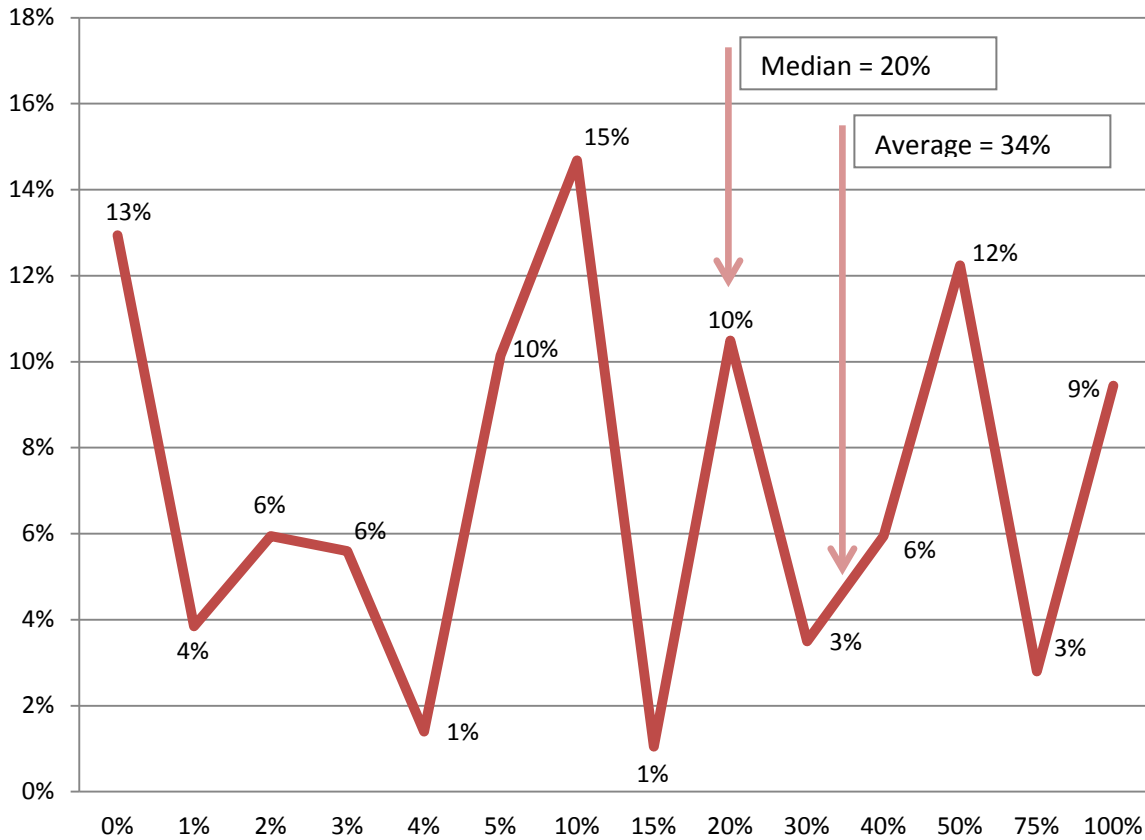
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

While the percentage of gross revenue allocated to Marketing has a high variance in responses, when we asked what percentage of the marketing budget is allocated to personnel, responses varied even more, as displayed by the multiple peaks of data in the above chart.

Overall, the **average percentage of marketing budget that gets allocated to in-house personnel is 34%, with a median value of 20%**. We had 13% of respondents indicate that none of their marketing budget was allocated to marketing personnel, and another 9% indicating that 100% of their budget was allocated. For those that do not allocate to personnel, there may be a separate budget under Human Resources for this, it could be taken out of the Sales staffing budget, or they may have the CSO managing all marketing operations.

Organizations that allocate 100% of their marketing budgets to in-house personnel must execute a lot of labor intensive lead generation activities, such as content marketing, website optimization, search engine marketing and social media. When comparing the percentage of your marketing budget that is allocated to in-house personnel, consider the amount of these types of labor intensive activities you execute as part of your lead generation strategy, as this would warrant a greater percentage of investment in your staff.

Chart: The allocation of lead generation budgets

Q. Approximately what percentage of your marketing budget is allocated to each of the following tactics, including personnel, media and other direct costs?
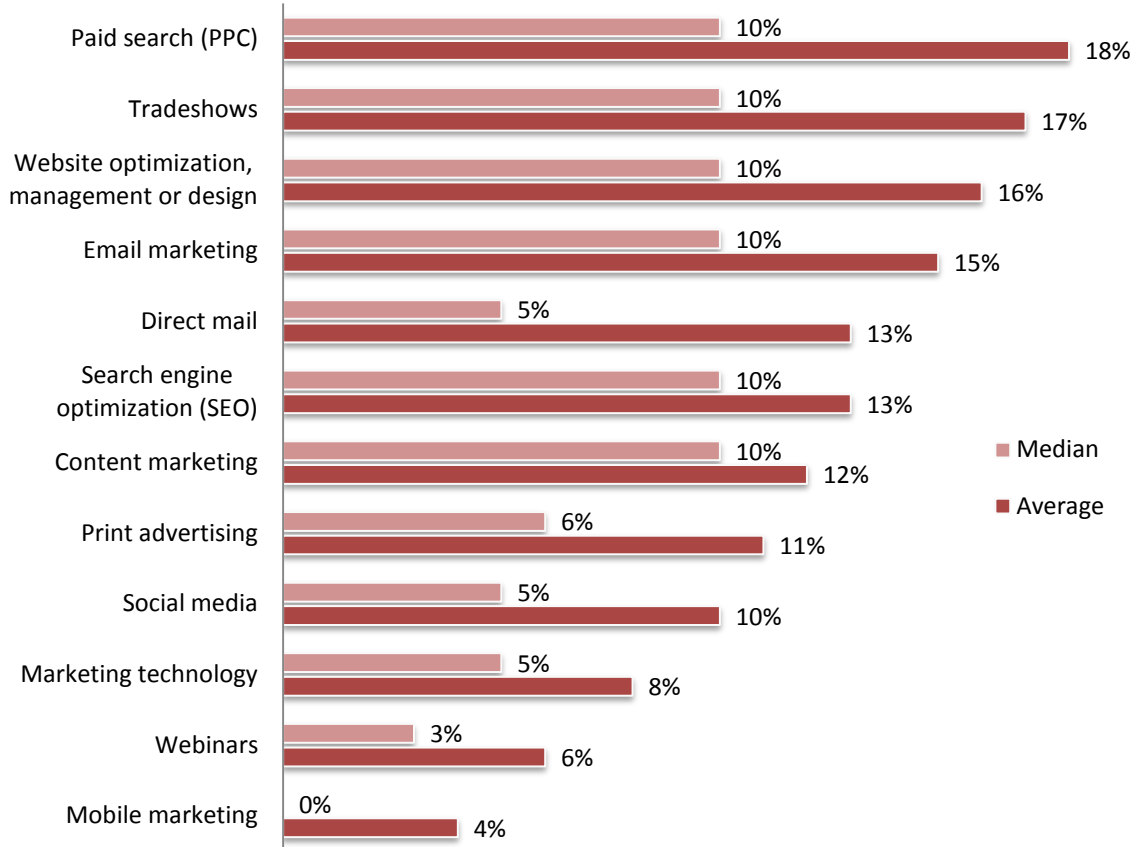
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

How an organization decides to allocate their lead generation budget is highly dependent on how various lead generation activities have performed for their market in the past, but we provide the above chart to serve as a guideline to gain insight on what the rest of the market is doing.

One of the first notable surprises of this chart is that the average values do not add up to 100%; in fact it is significantly higher than 100%. This is because respondents were asked to enter percentages for each line item from 0% to 100%, and since some organizations are heavier than others in specific tactics, the averages can be weighed. This is why we have provided the median values for greater insight.

Overall, this chart's takeaways are not the actual percentages allocated, but the trend of tactics, and where they lie in relation to each other. For example, the **most expensive marketing tactics have translated into the highest averages of allocation**, like PPC and tradeshows. Both of these tactics have a number of expensive costs associated with them. **Mobile marketing, however, is currently receiving the least investment**. This is likely due to the youth of this tactic, and the resulting reluctance of adoption that can accompany new emerging tactics – especially when it comes to allocating budgets.

Chart: Average budget by average lead volume for lead gen tactics
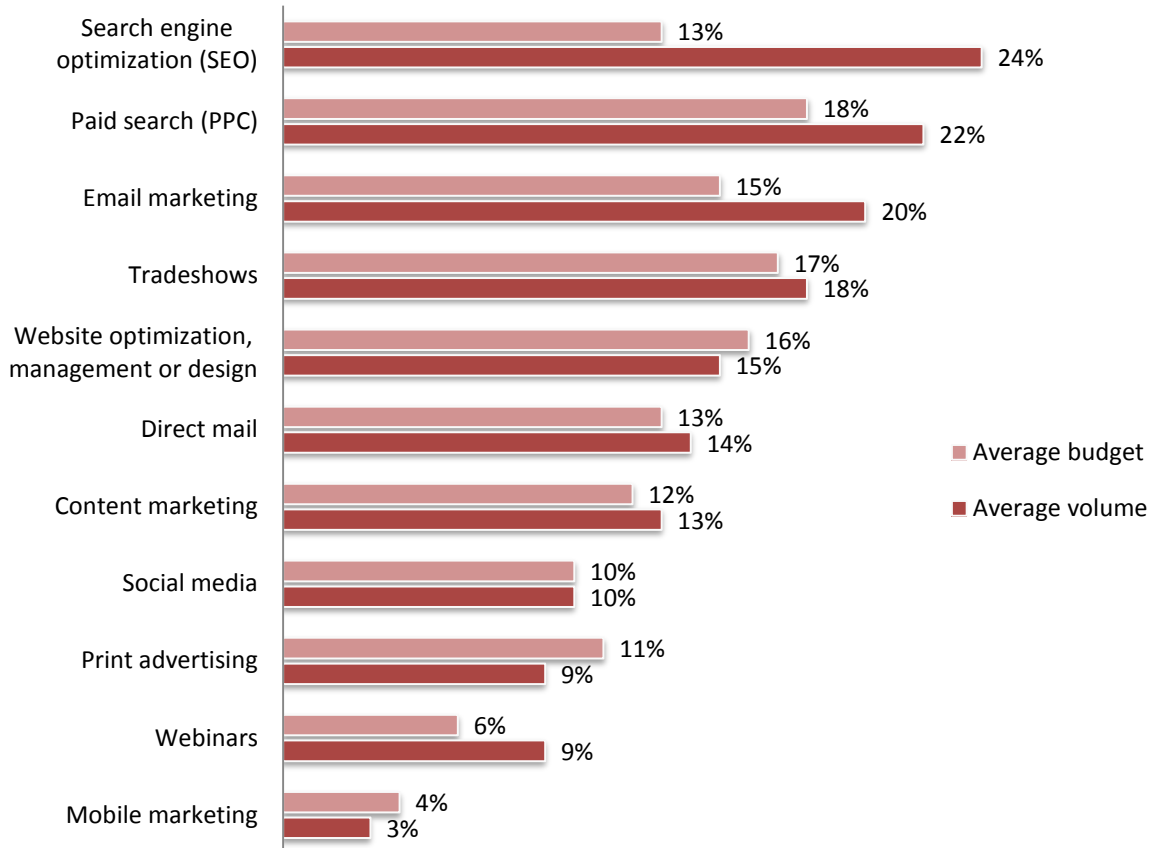
Tactic	Average budget	Average volume
Search engine optimization (SEO)	13%	24%
Paid search (PPC)	18%	22%
Email marketing	15%	20%
Tradeshows	17%	18%
Website optimization, management or design	16%	15%
Direct mail	13%	14%
Content marketing	12%	13%
Social media	10%	10%
Print advertising	11%	9%
Webinars	6%	9%
Mobile marketing	4%	3%

■ Average budget
■ Average volume

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"SEO has given us our
biggest gains.

Online reputation
management has also been
extremely important
although, we have more
work to do in this area."

-CMO insight

The above chart provides an interesting demonstration of the relationship between the average budget allocated to lead generation tactics, and the average lead volume generated as a result. Our goal with this comparison was to identify the most cost effective channels.

Clearly, SEO is providing a great value for budget dollars invested in this tactic, as the average lead volume generated from this tactic significantly outweighs the average budget allotted to it. Other winners include PPC, email marketing and webinars.

Of course, as we have learned throughout this study, **lead volume is not valuable without quality**, and you must consider that when reviewing these results. But, as long as the quality is there, this data suggests SEO, PPC and email are of the most cost effective lead generation tactics.

WHAT ARE THE KEYS TO MANAGING MARKETING TEAMS FOR PREMIER PRODUCTIVITY?

How productive is your marketing department, and how are responsibilities divided among team members? Most marketers feel pressed for time among other resources, but how much of this time is spent productively executing campaigns? We wanted to learn more about how many campaigns marketing teams from various-sized organizations executed, to help you benchmark your team's productivity.

Chart: Marketing team productivity

Q. Approximately how many lead generation campaigns do you execute on an annual basis? For example, an email blast or a direct mail campaign would be considered one new campaign. An ongoing monthly SEO or PPC strategy would be considered 12 campaigns.
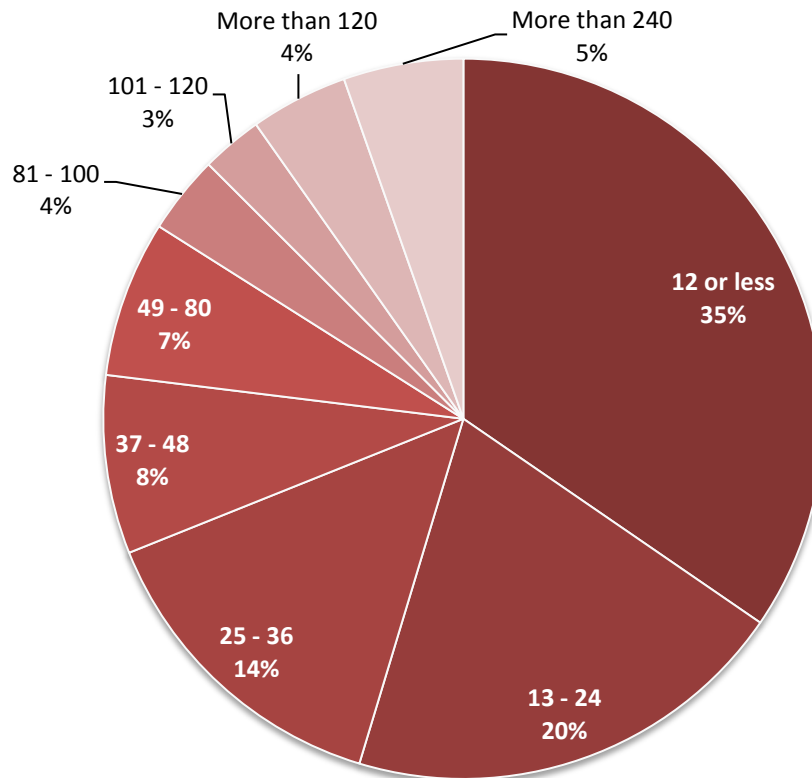
More than 120
4%

More than 240
5%

101 - 120
3%

81 - 100
4%

49 - 80
7%

37 - 48
8%

25 - 36
14%

13 - 24
20%

12 or less
35%

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**The top response category for campaign execution is 12 campaigns or fewer, per year**. However, if you asked most marketers if they thought executing one email blast, direct mail campaign, or SEO maintenance in one month would be a heavy workload, most would say no. *So, where is all this time being spent*?

Many marketers are victim to circumstances where campaigns are nearly completed, then canceled. Or, there are so many individuals involved in the approval process that campaigns never get approved or launched. This is not productive use of a marketer's time, and needs to be managed appropriately so marketers can get campaigns out the door, and leads coming in to their Sales teams.

Chart: Marketing team productivity, by organization size
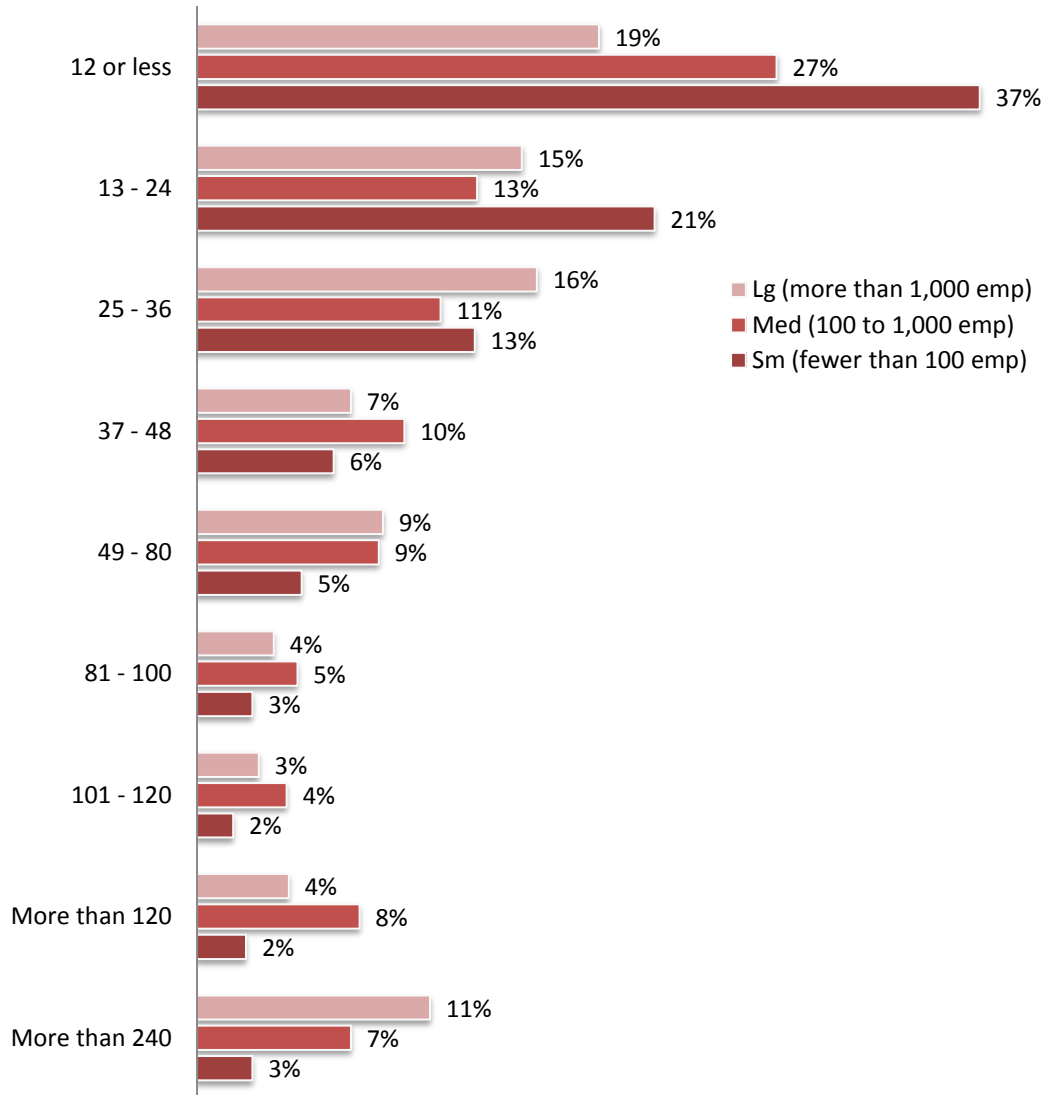
12 or less
- 19%
- 27%
- 37%

13 - 24
- 15%
- 13%
- 21%

Legend:
- ■ Lg (more than 1,000 emp)
- ■ Med (100 to 1,000 emp)
- ■ Sm (fewer than 100 emp)

25 - 36
- 16%
- 11%
- 13%

37 - 48
- 7%
- 10%
- 6%

49 - 80
- 9%
- 9%
- 5%

81 - 100
- 4%
- 5%
- 3%

101 - 120
- 3%
- 4%
- 2%

More than 120
- 4%
- 8%
- 2%

More than 240
- 11%
- 7%
- 3%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Larger departments do not necessarily equate increased productivity"

Since the number of campaigns a marketing team executes on a monthly basis can depend on the number of team members, we wanted to analyze marketing team productivity by organization size. It is safe to assume that, in general, organizations with a greater number of employees will have a larger-sized marketing team.

The data suggests that while the number of campaigns executed per year increases in accordance with organization size, **it cannot be concluded that marketing teams at larger organizations are actually more productive.** In order to draw this conclusion, we would need to see a greater variance between organization sizes, alongside an increase in the number of campaigns executed per month.

Chart: Assignment of marketing team responsibilities

Q. How are the responsibilities of your department divided among your marketing team?
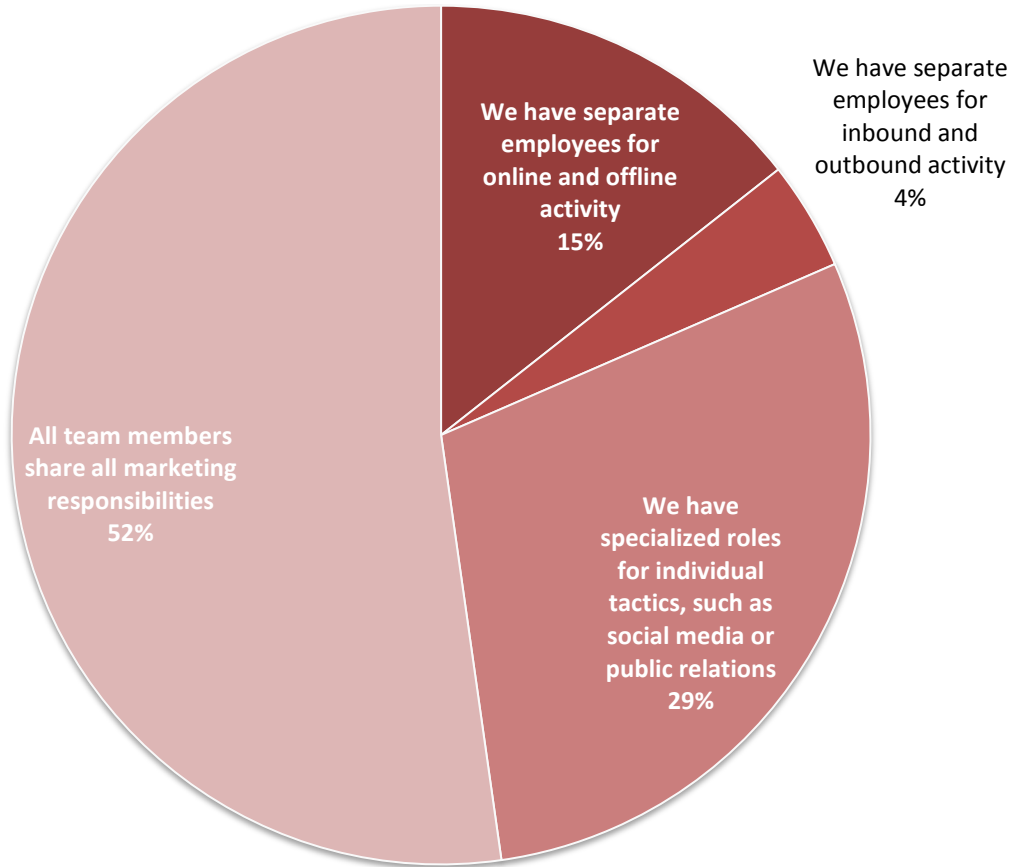
We have separate employees for online and offline activity
15%

We have separate employees for inbound and outbound activity
4%

All team members share all marketing responsibilities
52%

We have specialized roles for individual tactics, such as social media or public relations
29%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

When we asked respondents how they assigned responsibilities to their marketing teams, the most common response was having all team members share all marketing responsibilities. The next most common assignment was hiring specialized roles for individual tactics, such as social media or public relations, as indicated by 29% of respondents.

Since the differentiation of inbound and outbound activity is becoming more blurred, very few organizations assign marketing responsibilities in this manner – just 4% of respondents.

Overall, team collaboration is an important function for today's marketer. This creates a need for marketers to learn best practices for multiple lead generation tactics, and have the ability to multitask.

Chart: Assignment of marketing team responsibilities, by organization size
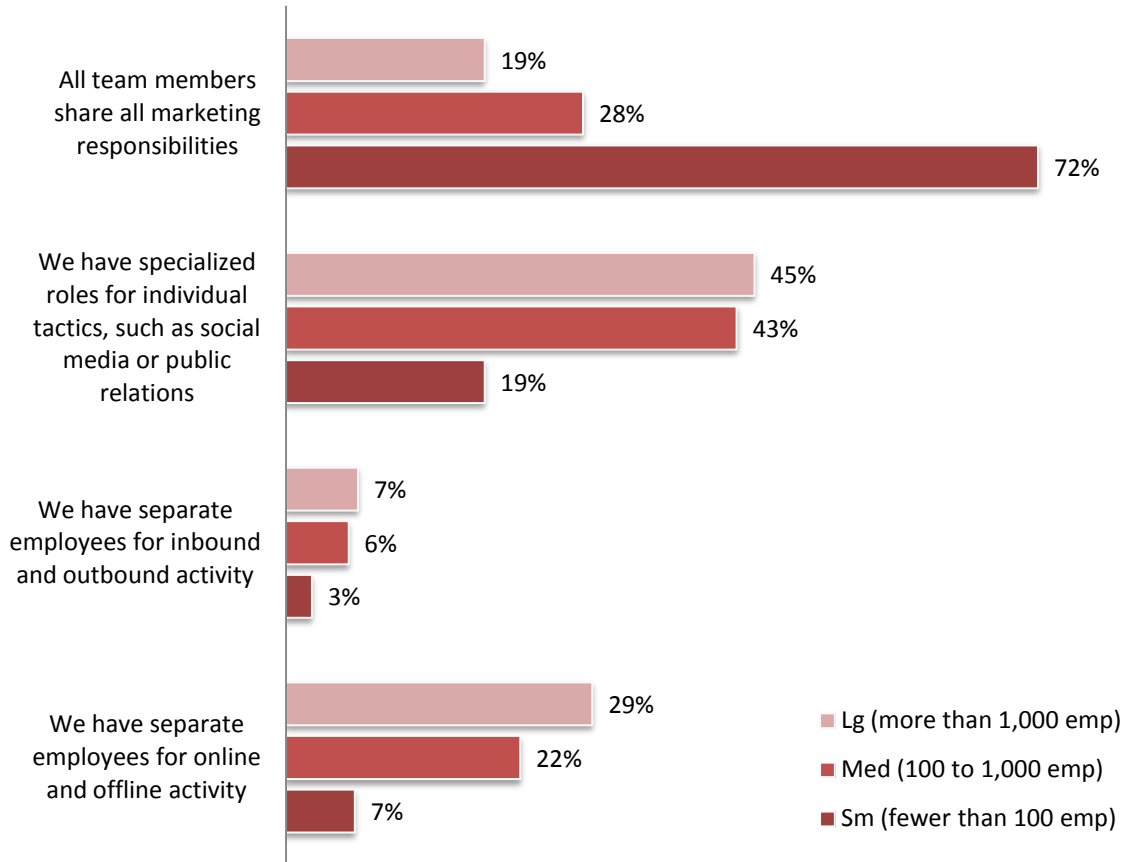
All team members share all marketing responsibilities
- 19%
- 28%
- 72%

We have specialized roles for individual tactics, such as social media or public relations
- 45%
- 43%
- 19%

We have separate employees for inbound and outbound activity
- 7%
- 6%
- 3%

We have separate employees for online and offline activity
- 29%
- 22%
- 7%

■ Lg (more than 1,000 emp)
■ Med (100 to 1,000 emp)
■ Sm (fewer than 100 emp)

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Methodology: Fielded January 2012, N=1,915

"Not enough resources to be able to handle the workload so best practices processes to streamline and improve effectiveness of execution aren't put in place."

-Marketer insight on top challenges

Marketers from smaller organizations have a greater need to wear multiple hats, and collaborate by sharing marketing responsibilities. This marketer is a "jack of all trades," and must have an understanding of the latest best practices in online and offline lead generation tactics.

This can be an effective structure. However, when the workload outweighs the manpower, the lack of resources can make it difficult (or even impossible) for multitasking marketers to truly master all lead generation activities, implement best practices, and improve effectiveness.

In an environment with maximum workload and minimum resources, it becomes more important to prioritize lead generation tactics, based on what works to convert the highest volume of qualified leads that progress through the sales cycle.

WHICH MARKETING TOOLS AND TECHNOLOGIES ARE MOST EFFECTIVE?

All the tools and technologies required to run an effective marketing campaign require today's marketer to be a skilled technologist in the implementation, maintenance and management of a number of marketing systems. In addition to the ability to manage multiple deadlines, multitask and master a wealth of lead generation tactics, **marketers must also possess technical savvy** and experience working with a variety of marketing technologies.

We wanted to learn more about the marketing technologies that organizations used, and the following chart depicts the most popular choices.

Chart: Use of marketing technologies

Q. Which of the following marketing technologies do you currently use?
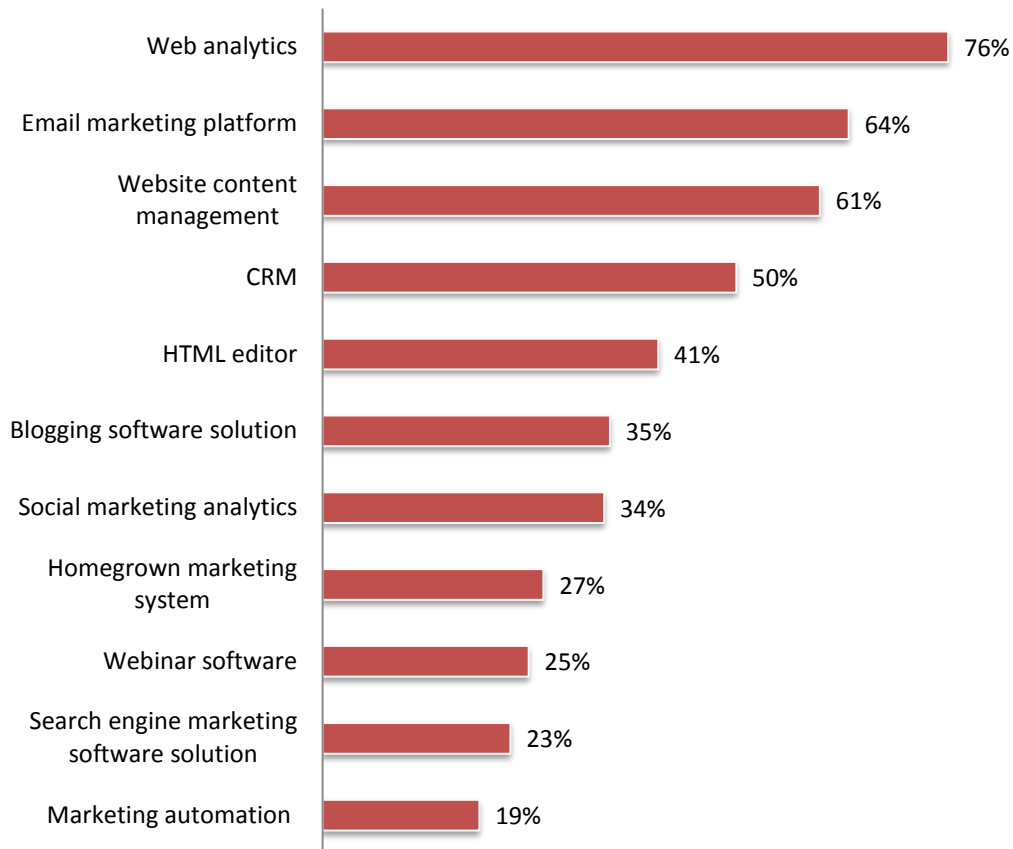
Technology	Percentage
Web analytics	76%
Email marketing platform	64%
Website content management	61%
CRM	50%
HTML editor	41%
Blogging software solution	35%
Social marketing analytics	34%
Homegrown marketing system	27%
Webinar software	25%
Search engine marketing software solution	23%
Marketing automation	19%

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Web analytics, email marketing platforms and content management systems top the list as the most commonly used technologies for study participants. Web analytics is a popular choice, not only because of the value of Web visitor information, but also for the accessibility of these tools, as there are a number of robust solutions available free online. Email marketing platforms are necessary, because email marketing is one of the top lead generation tactics. And, it's impossible to manage a website without having a content management system in place.

Chart: Use of marketing technologies, by organization size
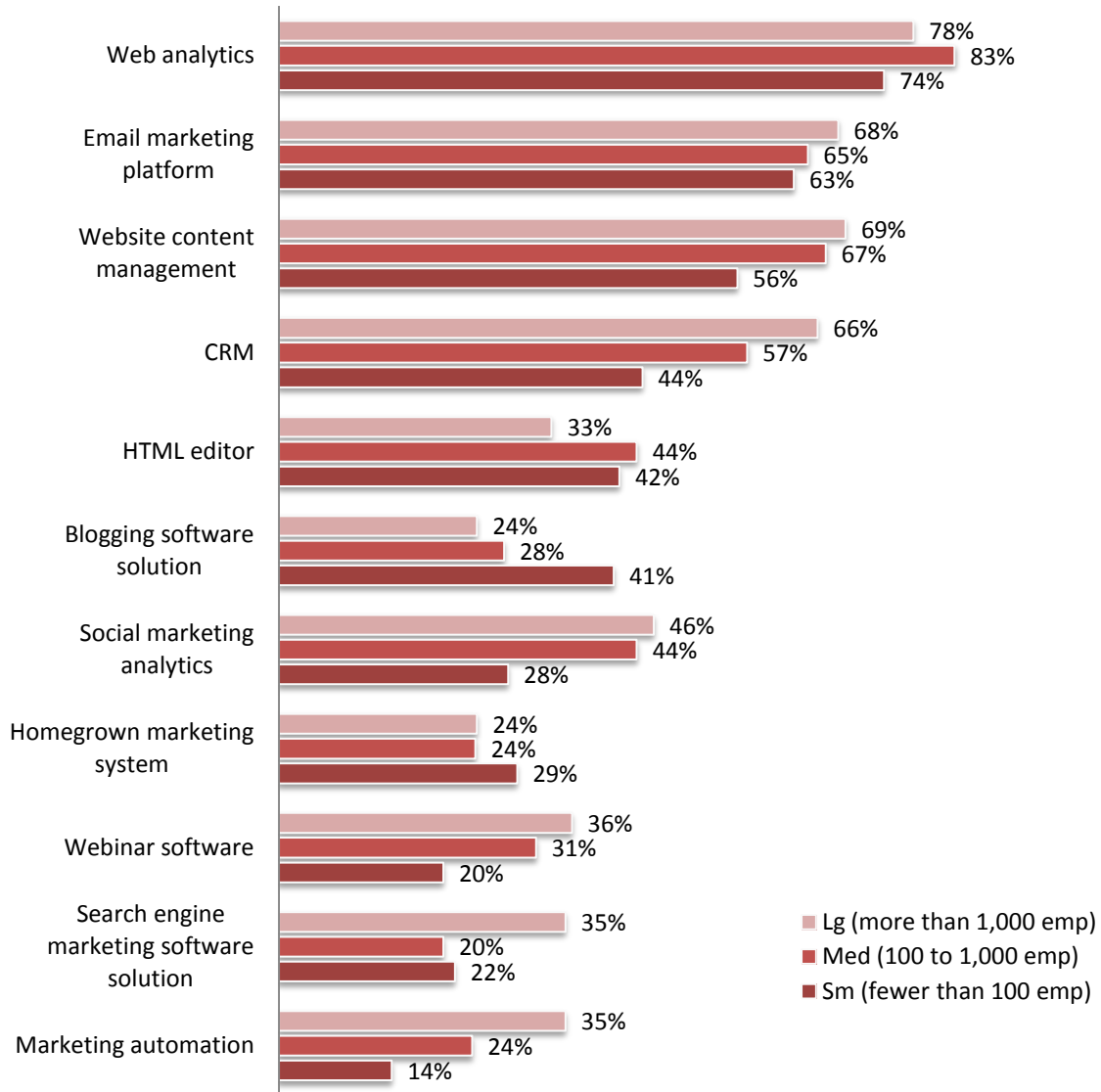
Technology	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Web analytics	78%	83%	74%
Email marketing platform	68%	65%	63%
Website content management	69%	67%	56%
CRM	66%	57%	44%
HTML editor	33%	44%	42%
Blogging software solution	24%	28%	41%
Social marketing analytics	46%	44%	28%
Homegrown marketing system	24%	24%	29%
Webinar software	36%	31%	20%
Search engine marketing software solution	35%	20%	22%
Marketing automation	35%	24%	14%

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"With technology options growing daily, it can be difficult to balance priorities between testing and investing in new technology versus optimizing existing tools."

-Marketer insight on top challenges

In general, **larger organizations have a greater propensity to use marketing technologies**, especially those that require more significant financial investments, including CRM, social analytics, search engine marketing software and marketing automation. Since these organizations invest in more new technologies, prioritizing efforts for new practices and optimizing existing tools must be balanced.

Chart: Use of marketing technology, by primary market

Technology	B2B	B2C	B2B2C
Web analytics	76%	75%	77%
Email marketing platform	62%	66%	68%
Website content management	60%	59%	63%
CRM	60%	36%	45%
HTML editor	37%	42%	50%
Blogging software solution	35%	30%	41%
Social marketing analytics	29%	41%	42%
Homegrown marketing system	24%	29%	31%
Webinar software	33%	11%	24%
Search engine marketing software solution	20%	26%	28%
Marketing automation	26%	10%	15%

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Overall, B2B organizations tend to have a greater likelihood of using various marketing technologies than B2C or B2B2C organizations. B2B organizations are the most likely to utilize CRM, webinar software, and marketing automation solutions.

Since B2B organizations also tend to have a more complex sale, the need for CRM and marketing automation increases. These tools enable marketers to not only attribute leads, but also to track all lead activity, sales activity, and lead progression through the Marketing-Sales Funnel – all critical elements of evaluating the Marketing and Sales performance with a complex sale.

Chart: Use of marketing technology, by industry sector

Technology	Software or Software as a Service	Professional or Financial Services	Retail or E-commerce	Education or Healthcare
Web analytics	82%	70%	74%	78%
Email marketing platform	63%	71%	64%	61%
Website content management	59%	64%	62%	58%
CRM	69%	56%	29%	48%
HTML editor	45%	35%	53%	36%
Blogging software solution	47%	33%	40%	29%
Social marketing analytics	33%	34%	37%	39%
Homegrown marketing system	20%	28%	27%	30%
Webinar software	46%	28%	9%	27%
Search engine marketing software solution	24%	23%	35%	20%
Marketing automation	40%	18%	8%	11%

■ Software or Software as a Service
■ Professional or Financial Services
■ Retail or E-commerce
■ Education or Healthcare
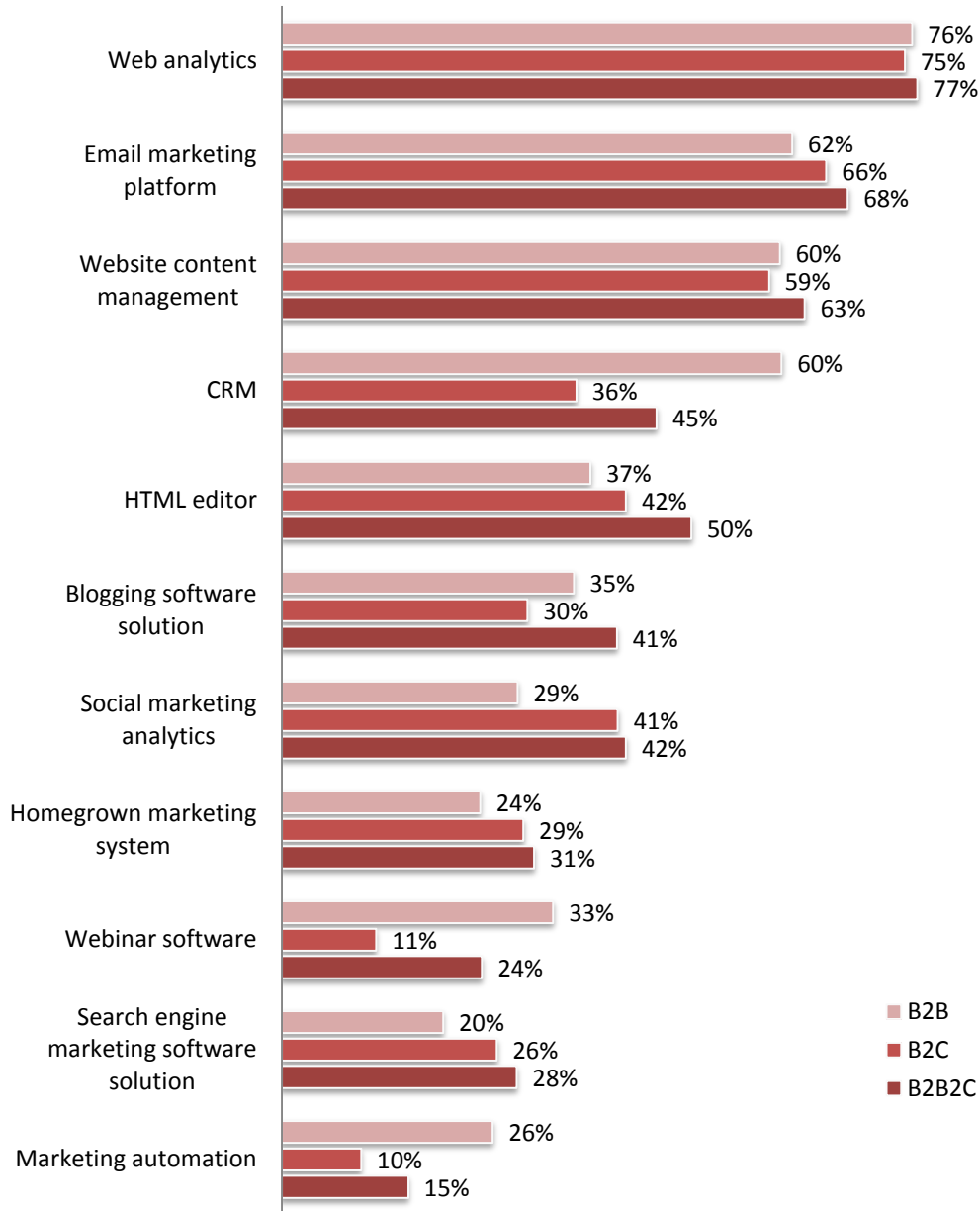
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It's not surprising that organizations in the software or SaaS industry are most likely to use marketing technologies. First, technology is their industry, and these organizations attract employees with a higher level of technical savvy. Secondly, these organizations have a clear value for technology, and an understanding of its implementation, integration and management.

TABLE: WHAT CHALLENGES DO MARKETERS FACE WITH TECHNOLOGY?
Q. Please describe the greatest challenges you face with selecting, implementing and managing various marketing technologies.

- Analytics and leads qualification.

- Applying the various technologies with our organizations and client base.

- As a small company, cost for advanced features is an impediment.

- Bandwidth to implement something new yet still get the day to day activities done.

- Budget and resources.

- Data quality; Standard fields; SIC Codes.

- Dealing with duplicate leads that represent legitimate leads for separate, but related, products.

- Determining best practices for a given technology or tactic. Allocating time for management of [the technology].

- Integration between Marketing and Sales.

- Integration between systems and data cleanliness/maintenance across platforms.

- Integration with all of the support systems - CRM connect to email to intranet, etc.

- Selecting marketing technologies is not a challenge, their integration is.

- Selecting the correct vehicle for our product, and updating on a consistent basis.

- The ability to segment our data depends on the source database, of which there are many!

- The data flows and finding the most important metrics and data and support for metrics.

- Time to learn! Agreeing on configuration, for ex., rules for lead scoring.

- Tracking and attribution.

- Training employees on new platform/tool. Updating existing contact/lead database.

- Understanding how it works 100%. Integrating it so that it works 100% as described.

- Cost vs. benefit.

- Data consistency, getting data filled up in the first place.

- Database fields not properly developed or fully utilized.

- Integrating multiple systems, and end-to-end reporting across multiple platforms.

- Tracking and matching costs and benefits to results. Maintaining data integrity and ensuring that the data from various sources matches each other.

- 1. Working with IT/obtaining IT bandwidth. 2. Managing homegrown CRM solution. 3. Obtaining executive support for marketing initiatives. 4. Ensuring consistent branding across disciplines.

- Knowing when enough contact has been made to be effective, without overwhelming prospects to the point of opt out.

- SEO is rather inefficient since most search engines do not yet track video effectively. This is made worse by the fact that much of our content is embedded and distributed via client sites, and we are dependent on the quality of their analytical capabilities for viewing data.

- Our greatest challenge is not having good visibility of all our projects, campaigns and events in one source.

- Lack of good reliable software, emailing services/instrument still too expensive for small organizations and too high risk to be considered a spammer unless you have real double opt-in email addresses.

- List hygiene is a big issue. Not enough people in IT or money to purchase services. Partially functioning technologies such as email campaign program - very basic. No tracking or marketing intelligence. All based on "feel."

- We used to allow everyone to register freely. Now that we've grown to 340,000 active users, we have changed our strategy over 2011 to focus on quality vs. quantity. We no longer allow people with generic email addresses such as gmail.com or yahoo.com to enter our database, and every registrant is now reviewed prior to us activating their account. As a result, we are able to work with highly qualified users to market our paid services. Obviously registration numbers declined greatly, but the quality of users increased immensely. Prior to the new process we registered approximately 300 people

per day, now with the new system we register 1/2 that. The calls we receive from our users are much more qualified where we find that those people need our paid services, whereas the unqualified people using our search engine and database previously were highly unlikely to use anything that they had to pay for.

- We have a lot of different points of entry and several disparate systems – right now we are working to help them "talk" to each other so we have one clean repository of information.

- Biggest challenge is keeping the database clean, fully filled in, organized, to the level necessary in order to build a robust segmentation strategy.

- Our data revolves around both people and events, so connecting those two fields and extracting and displaying the right data at the right time gets complicated.

- Economy has bottomed out design and construction industry for smaller practitioners, so it is like starting over, only worse, because now everyone is afraid, and there is no cash flow to deal with it, long- or short-term.

- Finding a MA platform that is both affordable and includes the capability of associating opportunities with the various marketing touches that influenced it – first-click attributions, conversion event, sum of all marketing touches encountered by all contacts associated with the opportunity.

- Having the appropriate skill sets in place to support our marketing automation platform in order to ensure a high level of functionality performance is achieved.

- We have a small volume of customers (distributors). Our lists are small, so it's difficult to experiment and expect relevant results. We do not have access to the end user. We rely on distributors to market to our customers and sell directly.

- Identifying and prioritizing the tasks involved in executing a campaign, particularly since these will be carried out by a very few people.

- My biggest challenge is dealing with innovative technologies. As the world and people's methods change, so do the things we've got to do. Sometimes that takes education and time to watch how it works is real life. Matching that with production schedules and selling holidays is challenging.

- This past year has seen a decrease in donations via direct mail. We have had minor success from grants.

- As we are a manufacturer, our CRM solution is tied to our ERP. Both are to be replaced this year, but the decision criteria for the ERP selection is intense and will be the top priority. So we wait to pick a CRM. And wait. And wait.

- Ease of budget accessibility and related approvals, timing, resources and

coordination with product launches can be a challenge.

- Establishing systems while trying to keep up with high lead volume is difficult with a very small staff.

- Keeping up with social media trends and implementing latest best practices for video and content delivery, etc.

- Using the email program effectively. Learning more to implement SEO, HTML and other blog/site-related marketing.

- Giving enough time to each strategy. Not spending too much time with one and forgetting the other.

- Getting as much information as possible on our leads, with regard to their areas of responsibility.

- In discussion with management to implement a full CRM system to manage the sales funnel and lead nurturing process.

- Adequate time and resources to execute or to follow-up/measure and adjust. Specific feedback from sales team on what's working or not, win/loss product sale stories, etc., which could help focus and prioritize marketing efforts.

- Integration of various platforms, and understanding the impact (is it really working?) of social networking in particular.

- Senior management understanding of issues lacking. Disparate departments failing to understand potential synergy.

- Educating customers about our products, especially ones that involve intellectual properties, i.e. branding, logo creation and marketing campaigns. Effective pricing for these services.

- Ensuring the data is readily accessible across all platforms to paint an accurate and holistic picture.

- Getting all departments to manage lists through a common interface, such as ExactTarget, so things are tracked consistently, don't violate SPAM Act, provide opt-out, etc.

- Knowing the best way to set up campaigns in Salesforce to best interact with the triggers in our marketing automation solution.

- We deal primarily with schools, so segmentation tends to be by title and by grade level of the school

- Knowing which are working and which aren't, and more specifically being able

to identify where my visitors and clients are actually coming from, then which marketing pieces and funnels are converting. Very frustrating not being able to do this!

- We do not have an easy solution for tracking individual customer purchase history. We can view product performance, and overall traffic patterns on our websites, but we don't have an easy way to identify repeat customers, or customers who buy a certain brand, or customers who spend more than $X.XX. I think we could create something like this, but it hasn't been considered a big priority by management.

- The lack of communication between different technologies, especially with the database (webinar and offline events technologies are usually not integrating with CRMs). We would like to see a marketing suite on the market containing all the necessary components (marketing automation, online and offline events centers, analytics, etc.).

- There is NO all-in-one solution, although some expensive ones are close. Getting the different systems to work effectively together is sometimes a challenge, as well as time-consuming.

- Our challenge is how to effectively, both in cost and presentation, educate our potential customers in the benefits of using our product. We are the only company providing this solution and it is an immense change is methodology from the current practices.

- Resource constraints often create a challenge in implementing new software tools. We are also in the midst of a new data warehouse project to centralize and combine disparate systems into a single source.

- Integrating multiple platforms in a manner that is useful and efficient can be difficult. Further, there is sometimes a divide (or a lot of red tape) between the tech and marketing departments that makes quick iteration difficult.

- No one at this organization if familiar enough with the tools so they are not as useful and they should be.

- Lack of budget to employ external marketing management system and legacy in-house database which isn't fit for purpose

- Given the very long sales cycle to purchase ... it's difficult to effectively evaluate the impact of marketing strategies ... other than generating levels of interests. Hence, decisions about "doing more of the same" is not predicated on any analytics, other than level of interest of queries.

- Data completion, data quality, and data analysis capabilities are the major issues we face. We are implementing a Data Mart to help us in these areas.

- We are small; marketing is a very part-time activity, secondary to sales. No one has a marketing background. We know it's important, but we just don't have the time to do it right.

- We have someone else managing the website. I have no access to analytics. We have someone else making the reservations who keeps great records on how they found us, and again, I have no access to those records.

- If by "marketing technologies" you're talking about database hygiene, there aren't really any challenges other than being time-consuming. If you're talking about technologies such as CRM solutions SEO software, then we have huge challenges. Our entire internal process rests on the back of a home-grown system. Although there are a number of newer, better, more elegant solutions now available, the cost of migrating over has become cost-prohibitive to the owner. Additionally getting the owner to approve any sort of marketing software or technology is very time-consuming.

- Challenge is that we're having to pull analytics from a variety of tools/sources and try to get them to "line up" in an apples-to-apples format. Other challenge is that we're somewhat reliant on the sales organization to track leads after they have been converted to opportunities so the quality of the data may not be as high as we need.

- We need to have implement more marketing automation into our lead process with workflows and well thought out paths for buyers to go through.

- Keeping all the technologies connected and working well together. Managing through the mountains of data each creates to find what's meaningful.

- Getting authorization to purchase. Teaching those that need to know how to use it. Finding technologies that fit our audience.

- Lack of resources. Automation, design, and analytical resources fetter our ability to implement CRM.

- Finding the right hook/value proposition for a given potential client. Finding their real pain points as opposed to those they think are their pain points and then demonstrating the reality so that they understand.

- Data is not currently cleaned up (lots of dupes, all fields not filled out properly, etc.) - in progress now to improve.

- SEO is completely untouched at this point. I recognize the value, but we haven't dedicated resources yet.

- Finding qualified personnel with the right blend of marketing, technical, literary and social skills. When we find these elusive individuals, we hang on to them!

- 1. The learning curve and time involved in learning new technologies 2. Deciding which technologies can have the biggest benefit to our business 3. Evaluating the transition period to move from existing system to new one

- Integration. However, we solved this by using a system that combines web, email, analytics, common campaigns, etc. in one system.

- Budget and costs always a challenge, getting buy-in for marketing tools that can assist in-house marketing employees.

- All of the solutions I have found don't seem to be supported in Australia. I need a supplier who can advise us and help choose and maintain systems but I have been unable to find anyone who can help.

- I keep the marketing "wish list" fresh. Programs like Marketo, Hubspot, etc. are always in the forefront. As a manufacturing company the marketing budget is sometimes attacked if one of our expensive machines needs to be repaired. I have to make due with self-imposed marketing efforts. The bottom line is money, so it's hard to convince management that automation software is worth the investment (although they know it is).

- Integration of the information we have, budget for marketing does not exist as such, shifting responsibilities with cultural changes required by accrediting agencies.

- Our pseudo-CRM doesn't integrate with our Eloqua instance, handcuffing the power of Eloqua to a degree. This also impedes analytics and the quality of our data. The system we use for CRM contains little customer data, making it hard to laser target and fully understand our prospects and customers. We are hampered by our Web content management tool, as it has limited templates and abilities.

- Biggest challenges are the organization and its structure; shifting focus from print to also include digital; IT systems integrating to the marketing engine; building out the tools to utilize more capabilities (Salesforce, ExactTarget, etc.)

- Trying to find applications that actually talk to each other. There's no point bringing in a [great] ESP system if I've got no idea what happens when the reader clicks through from the email to our website.

- Time is the main issue. Then comes money, technical expertise to build-out website or drive leads and refine PPC campaigns.

- Evaluating success and ROI Increasing the number of QUALIFIED leads. Implementation time frame. Buy-in by sales and ownership.

- Integration among all database management software is the biggest challenge to cleaning the database. Then communication between marketing and sales of the changes is almost nonexistent.

- Database integrity, for the most part, is a manual process. You can have automation rules in place but at the end of the day someone needs to scan through the contact records to make sure they are correct.

Which tactics improve database hygiene?

Database hygiene may not be one of the more buzzworthy terms in marketing, but remains one of the most important. It is more critical than ever for marketers to optimize all of their lead generation activities, a task that is impossible to complete without reliable data on performance.

The benefits of improving database hygiene extend beyond performance evaluation and optimization. It is also essential to maintain a clean email list for effective email marketing campaigns, and for lead generation and nurturing. Maintaining a clean house list ensures email will make it to audience inboxes, and allows marketers to segment the delivery of various campaigns for improved relevance and results.

Since database hygiene is so important, we wanted to learn more about the top tactics organizations used to maintain their databases.

Chart: Use of database hygiene tactics

Q. Which of the following tactics are you currently using to maintain database hygiene?
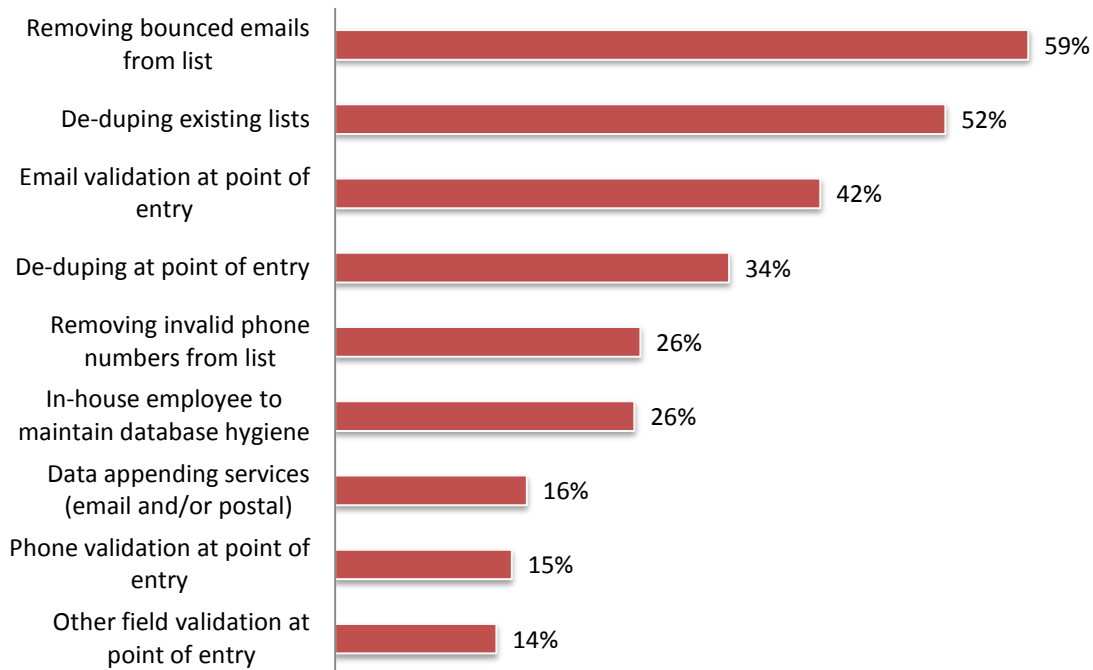
Tactic	Percentage
Removing bounced emails from list	59%
De-duping existing lists	52%
Email validation at point of entry	42%
De-duping at point of entry	34%
Removing invalid phone numbers from list	26%
In-house employee to maintain database hygiene	26%
Data appending services (email and/or postal)	16%
Phone validation at point of entry	15%
Other field validation at point of entry	14%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Removing bounced emails from house lists is the most commonly used database hygiene tactic. This tactic is both important and effective, since **deploying emails to bounced addresses not only tarnishes your reputation with ESPs, but is also a wasted effort that increases email marketing costs**. Other top tactics are targeted towards streamlining processes and messaging, such as de-duping existing lists, which is essential to avoid confusion with Sales, and for delivering duplicate messaging to leads.

Organizations of all kinds agree on top tactics for database hygiene. When we analyzed tactics used, by organization size, primary market and industry sector, the variance in results was highly insignificant.

AT WHAT FREQUENCY SHOULD WE OPTIMIZE ACTIVITIES FOR ONGOING GROWTH?

Marketers have a greater need than ever before to tie all activities into revenue, and maximize the return on their lead generation investments. Marketers have also indicated that regular performance review has a positive impact on the results of their campaigns. *But, at what frequency should marketers conduct this evaluation*?

To help answer this question, we asked surveyed organizations to indicate the frequency at which they conduct their performance reviews.

Chart: Frequency of marketing performance evaluation

Q. How often do you evaluate the performance of your lead generation activities to identify opportunities for optimization and improvement?
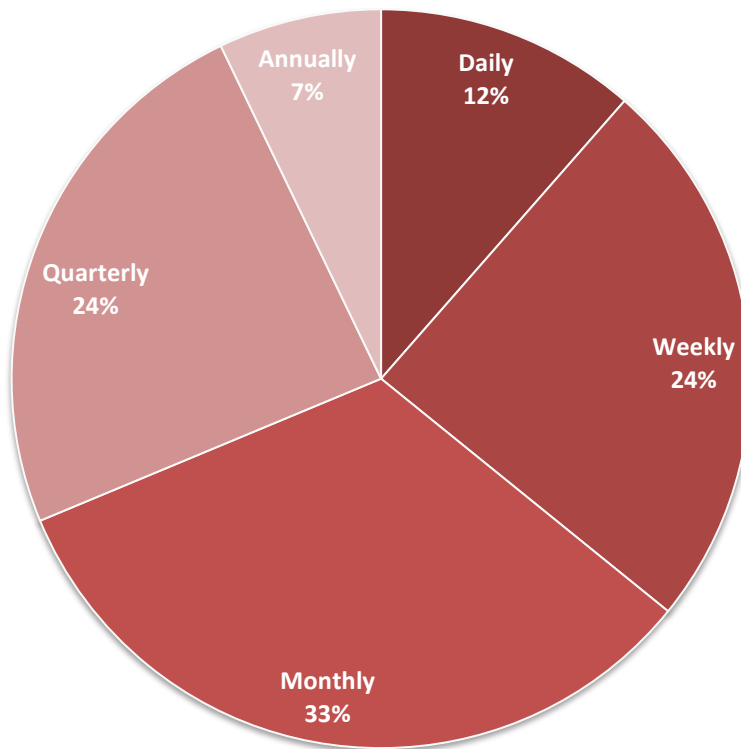
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Organizations are conducting performance reviews of lead generation activities at a variety of frequencies. While the most popular response is a monthly review, results are pretty evenly split among weekly, monthly and quarterly processes. **Whatever frequency an organization can afford to execute, consistency is going to be key to truly optimize lead generation efforts**. Ensuring consistency of review will support marketers in improving ROI and maximizing revenues.

"Our greatest challenge is optimization to get the highest quality leads combined with a sufficient volume of those leads."

-Marketer insight

WHICH METRICS REALLY MATTER?

When conducting regular performance evaluations, marketers have plenty of metrics from which to choose. From top-of-the funnel measurements like overall lead volume and cost-per-lead, to revenue-focused metrics like ROI and cost-per-acquisition, it's easy to become overwhelmed and hone in on just one or two metrics.

In order to make the best decisions in optimizing lead generation campaigns, it is crucial to consider a collection of top- and bottom-of-the-funnel metrics. By gaining a multi-dimensional view into the performance of lead generation campaigns, marketers are armed with highly reliable data that can be used to make the best decisions.

Chart: Critical metrics for evaluating lead generation performance

Q. Which of the following metrics are the most effective for evaluating the performance of your lead generation activities?
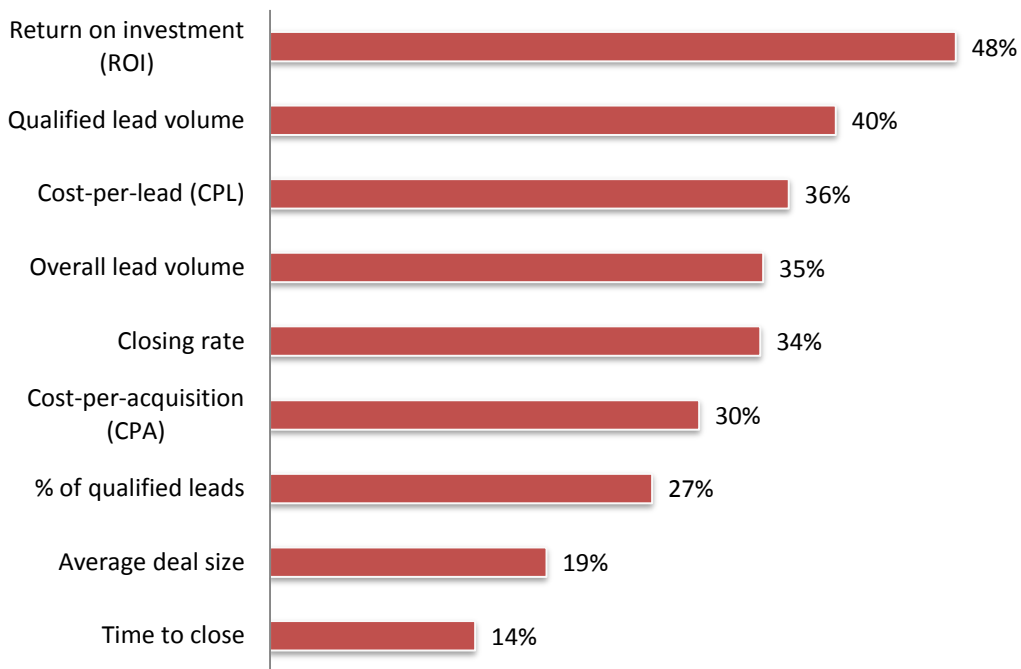
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Earlier in this study, we learned that improving ROI was at the top of the list for CMO priorities, and now it is also rated as the most effective metric for evaluating the performance of lead generation activities. **At the end of the day, marketers and CMOs really want to ensure that they're getting a solid return on the investments made in lead generation**.

Although it is the top metric for effectiveness, evaluating ROI alone will not give marketers enough insight into whether or not they're providing a sufficient volume of leads to their sales team, or that closing rates are optimal. **Even the most effective metrics should be combined with complimentary data to gain a clear picture of performance**.

Chart: Critical metrics by organization size

Metric	Lg (more than 1,000 emp)	Med (100 to 1,000 emp)	Sm (fewer than 100 emp)
Return on investment (ROI)	56%	52%	45%
Qualified lead volume	44%	48%	36%
Cost-per-lead (CPL)	44%	37%	35%
Overall lead volume	42%	37%	32%
Closing rate	32%	38%	34%
Cost-per-acquisition (CPA)	32%	30%	30%
% of qualified leads	32%	27%	26%
Average deal size	22%	21%	18%
Time to close	12%	12%	16%

Legend:
- Lg (more than 1,000 emp)
- Med (100 to 1,000 emp)
- Sm (fewer than 100 emp)

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

"Getting the bosses to implement actionable metrics rather than vanity metrics."

-Marketer insight on top challenges

Overall, organizations that are larger in size tend to find a slightly greater effectiveness in all metrics for performance evaluation. Earlier, we also learned that large-sized organizations were also the most likely to use various marketing technologies, which makes it easier for marketers to both determine and analyze a multitude of metrics.

No matter the size of the organization, **performance reviews should focus on actionable metrics that support key decisions**.

Chart: Critical metrics, by primary market

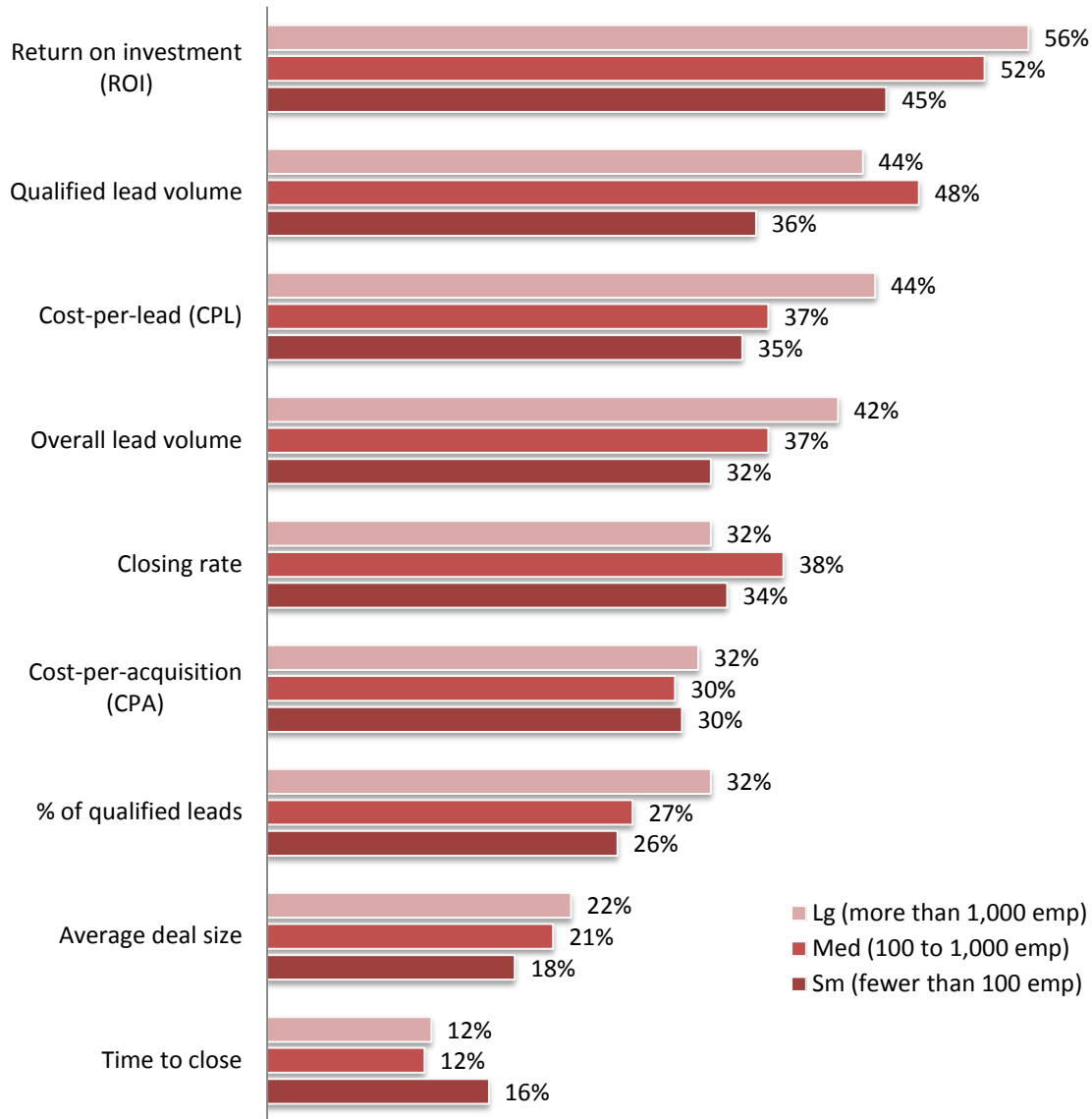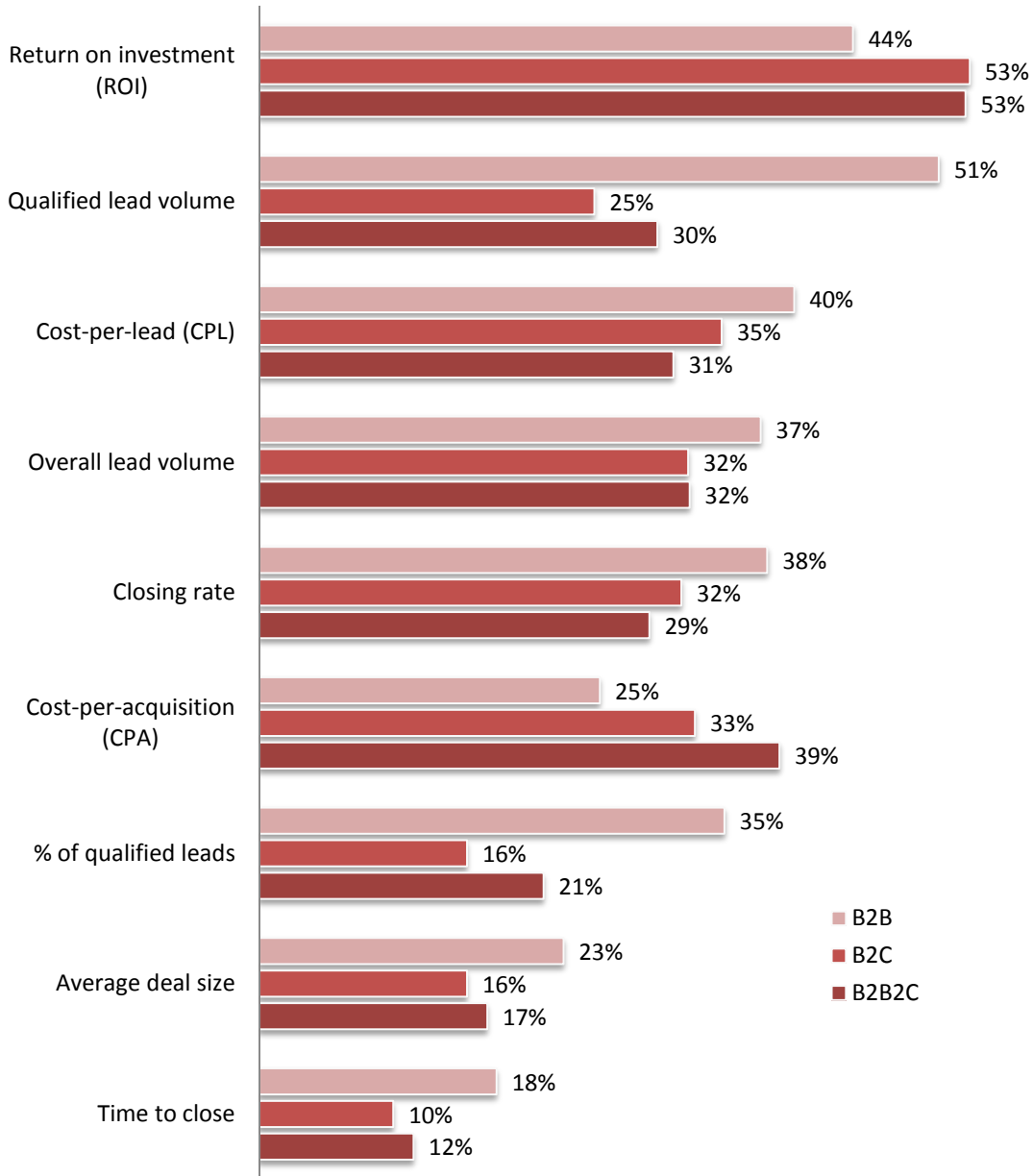| Metric	B2B	B2C	B2B2C
Return on investment (ROI)	44%	53%	53%
Qualified lead volume	51%	25%	30%
Cost-per-lead (CPL)	40%	35%	31%
Overall lead volume	37%	32%	32%
Closing rate	38%	32%	29%
Cost-per-acquisition (CPA)	25%	33%	39%
% of qualified leads	35%	16%	21%
Average deal size	23%	16%	17%
Time to close	18%	10%	12%

■ B2B
■ B2C
■ B2B2C

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Of the various primary target audiences organizations have, those targeting other businesses are far more concerned with lead quality. B2B organizations had significantly greater response levels, indicating the effectiveness of qualified lead volume and percentage of qualified leads.

The attentiveness to lead quality is directly related to overall complexity of the sale, and B2B respondents in this survey tended more toward greater complexities in their sales process than B2C respondents.

Chart: Critical metrics, by industry sector

Metric	Software or Software as a Service	Professional or Financial Services	Retail or E-commerce	Education or Healthcare
Return on investment (ROI)	46%	48%	61%	42%
Qualified lead volume	44%	43%	20%	22%
Cost-per-lead (CPL)	47%	39%	30%	33%
Overall lead volume	35%	39%	23%	45%
Closing rate	40%	41%	27%	21%
Cost-per-acquisition (CPA)	32%	33%	44%	29%
% of qualified leads	31%	28%	16%	18%
Average deal size	22%	22%	23%	4%
Time to close	21%	19%	7%	7%

Legend:
- Software or Software as a Service
- Professional or Financial Services
- Retail or E-commerce
- Education or Healthcare

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Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

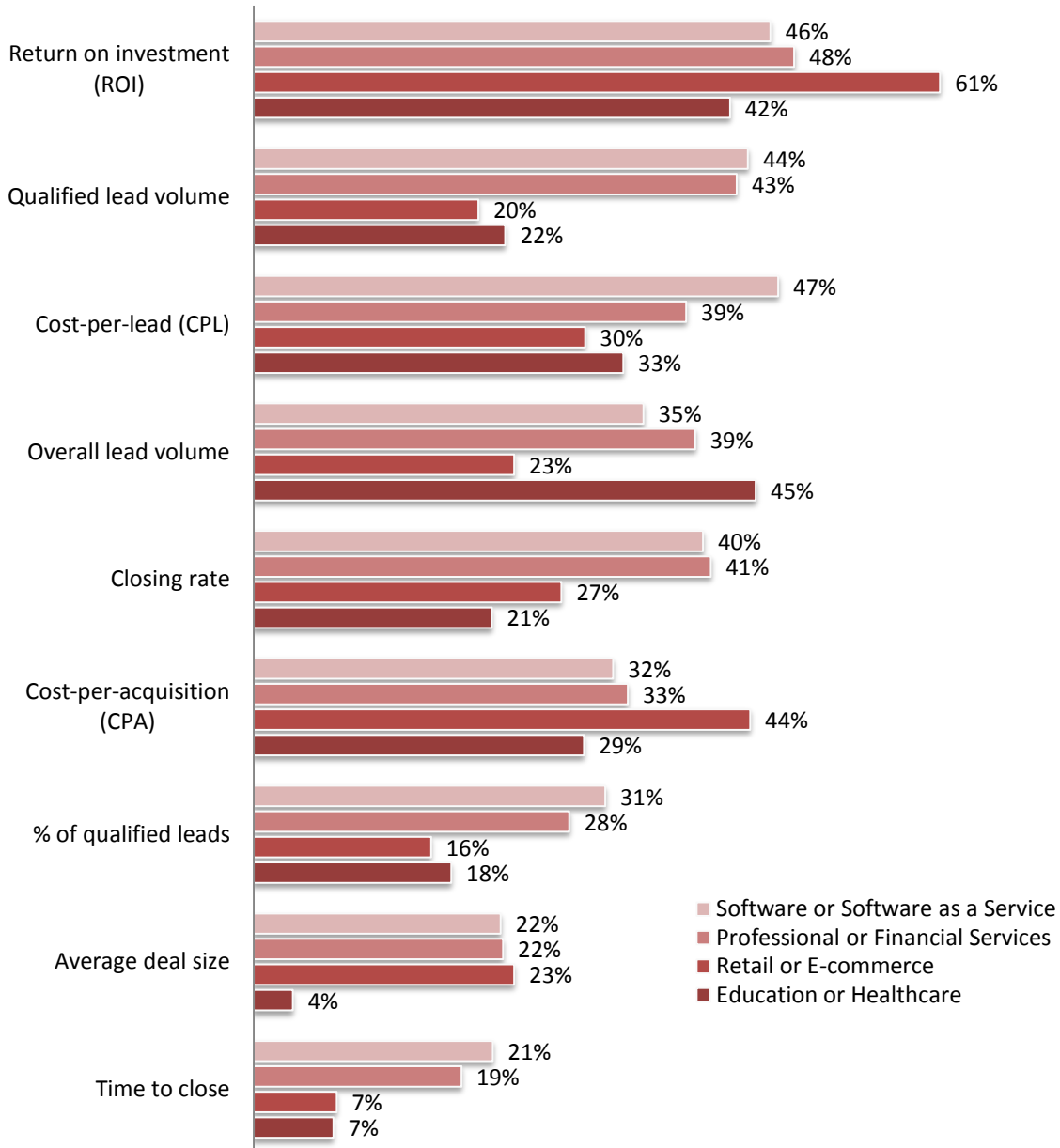While B2B organizations are highly focused on lead quality, **organizations in the retail or e-commerce sector are more focused on ROI and cost-per-acquisition**. Both metrics are closely tied into the bottom line, making them highly effective in determining revenue-related results.

Since e-commerce organizations conduct their business entirely online, they are likely to have robust tracking systems and Web analytics programs in place that enable them to track purchases and other activity of their website visitors, as well as the original source to which an activity can be attributed.

METHODOLOGY

RESEARCH-BASED PUBLISHING AND TRAINING CYCLE

MarketingSherpa helps marketers improve the performance of their marketing programs by providing them with the most up-to-date tactics and insights. To this end, we research, write and speak about what works – and doesn't work – in marketing today. Our annual research-based publishing and training cycle fuels and guides these activities – and falls into four stages:

- Research what works
- Identify what works
- Formulate a methodology
- Teach how to apply
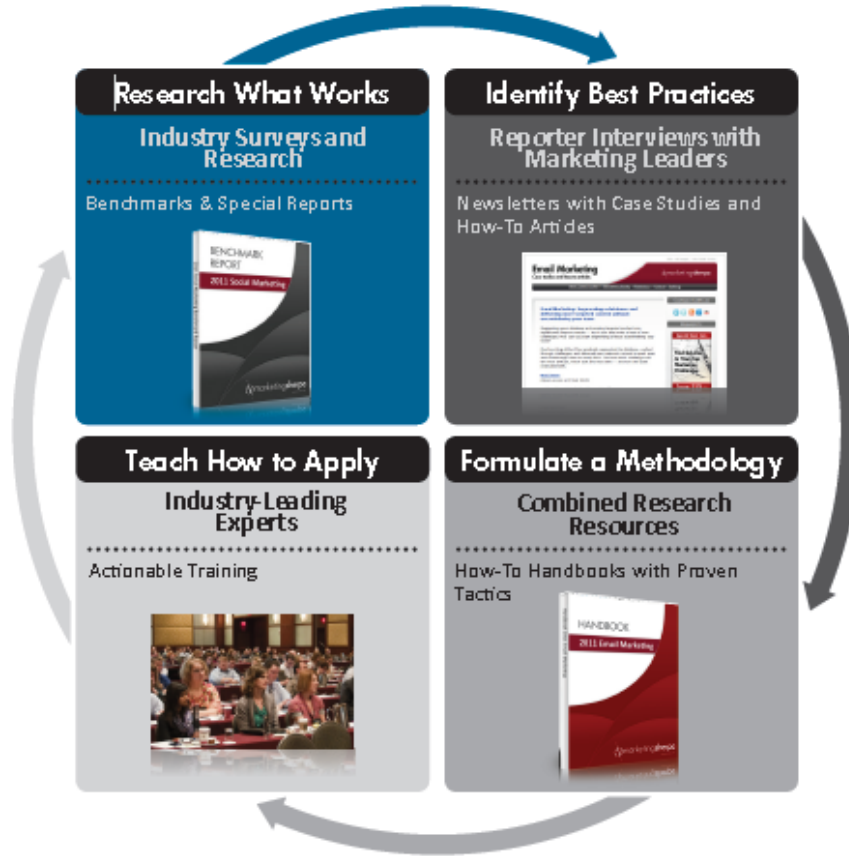
In Stage One: *Research what works* – We survey thousands of marketing, advertising and PR professionals across multiple industries to find out their top objectives, challenges and approaches for their particular marketing programs (e.g. email, social, search, B2B). This survey data becomes the foundation of our Benchmark and Special Reports.

Stage Two: *Identify best practices* – We capture the experiences and insights of the marketing community. Our team of reporters interviews marketing leaders and then develops a series of newsletters featuring case studies and how-to articles.

Stage Three: *Formulate a methodology* – We combine the research and best practices into how-to handbooks featuring tested, proven tactics.

Stage Four: *Teach how to apply* – We convert the research and handbook material into actionable training. Webinars, workshops, on-site training sessions, and large vendor-agnostic Summits are all forums for us to transfer this acquired knowledge back to the marketing community.

DESCRIPTION OF RESEARCH CONTENT

Research-driven content is at the heart of our three main publications: Benchmark Reports, Special Reports and Handbooks.

Benchmark Reports guide strategic planning and tactical optimization by arming marketing practitioners with <u>comprehensive</u> research data and insights for comparing an organization's practices and performance against industry benchmarks.

Special Reports support the strategic planning and decision-making of senior marketing executives by providing them with <u>concise</u> research, insights and actionable advice specific to unique market segments contained in our research results.

Handbooks present research-supported best practices for improving the performance of marketing programs. The content also serves as curriculum for self-instructed and professional career advancement training programs. Handbooks include case studies, methodologies, best practices, worksheets, and data to support the recommended practices.

DEMOGRAPHICS

THE WIDEST VARIETY OF INDUSTRIES AND ORGANIZATION SIZES ARE REPRESENTED

Chart: Top respondent industries span high-tech to e-commerce to healthcare

Q. Which best describes the type of organization you work for?
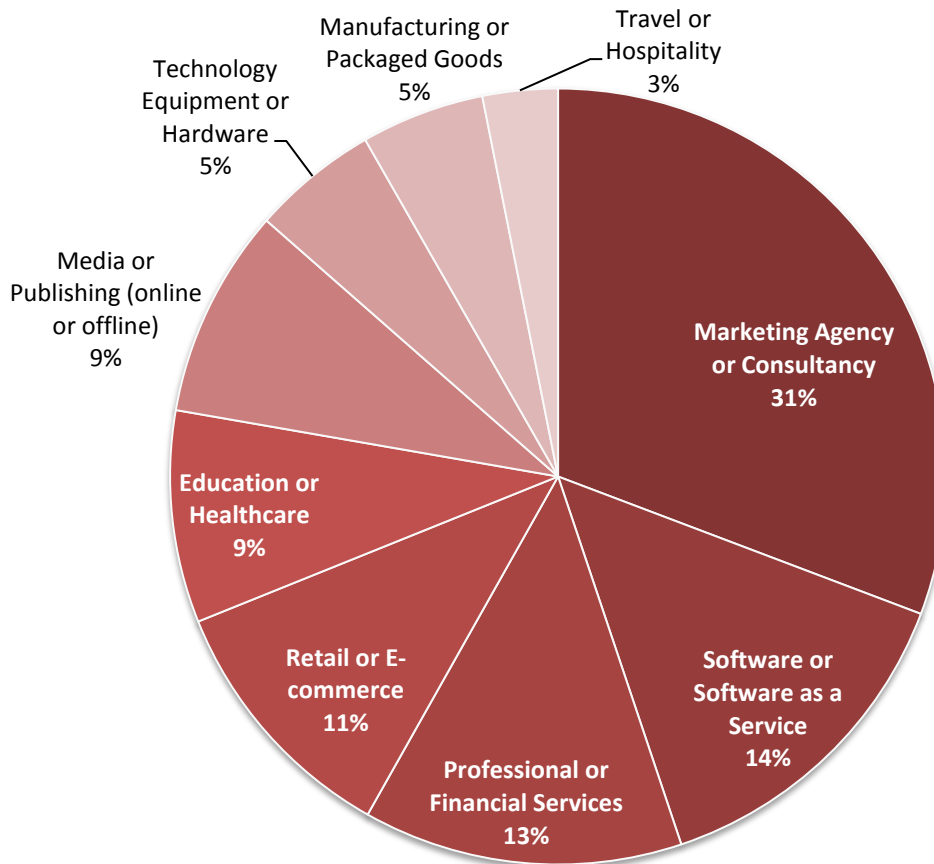
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Respondent primary sales channels include B2B, B2C and B2B2C

Q. Which best describes your organization's primary sales channel?
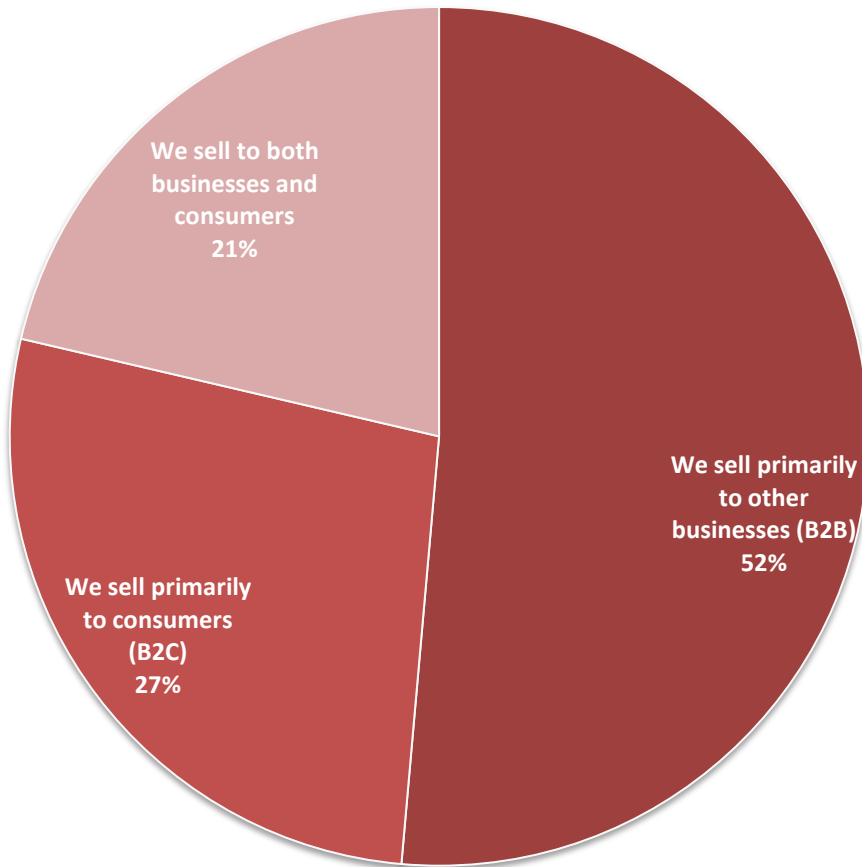
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Respondent organization size – from startup to enterprise

Q. Please select the approximate number of employees in your organization.
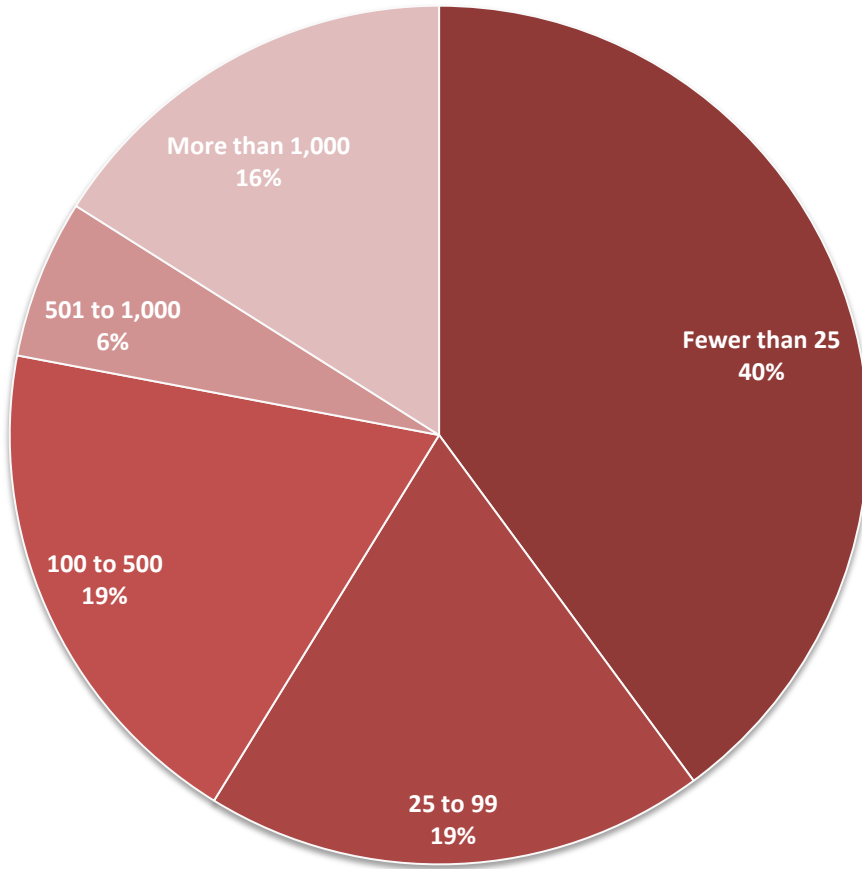
Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Small marketing departments not uncommon

Q. lease select the approximate number of employees in your Marketing department.
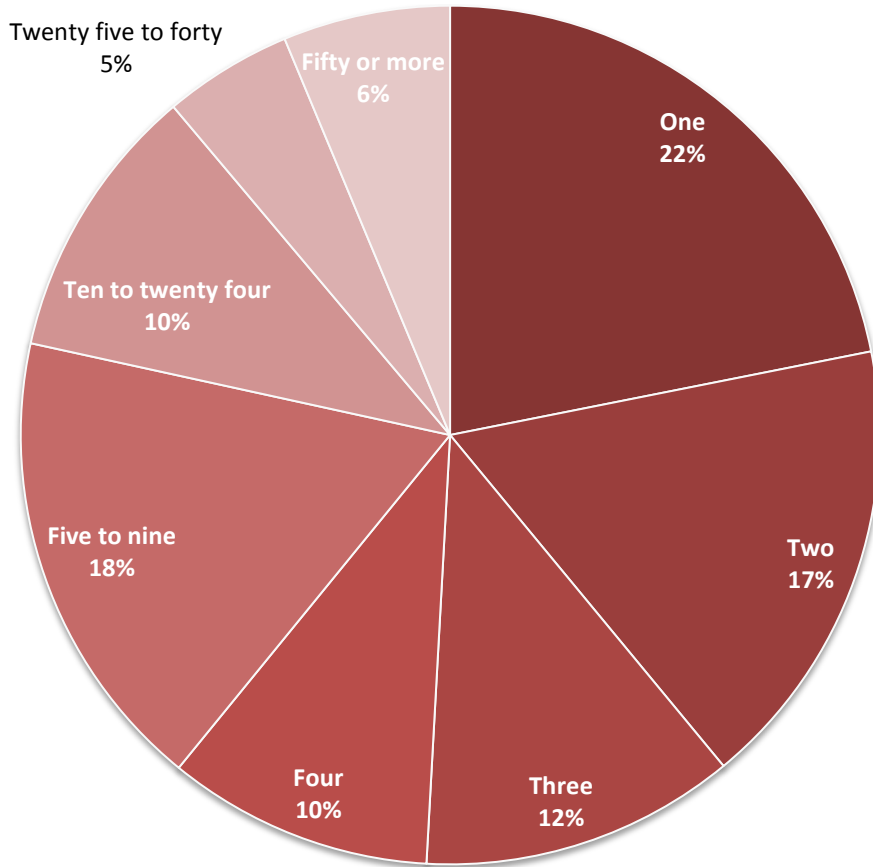
Twenty five to forty
5%

Fifty or more
6%

One
22%

Ten to twenty four
10%

Five to nine
18%

Two
17%

Four
10%

Three
12%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Respondent sales process – direct vs. complex sale

Q. Please indicate the way that your organization executes its sales process.

We have a COMPLEX SALE process - we market and sell products or services to one or more buyers for a single purchase decision over a period of time
45%

We have a DIRECT SALE process - we market and sell products or services directly to individual buyers
55%

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
Methodology: Fielded January 2012, N=1,915

Chart: Respondent sales process by primary market
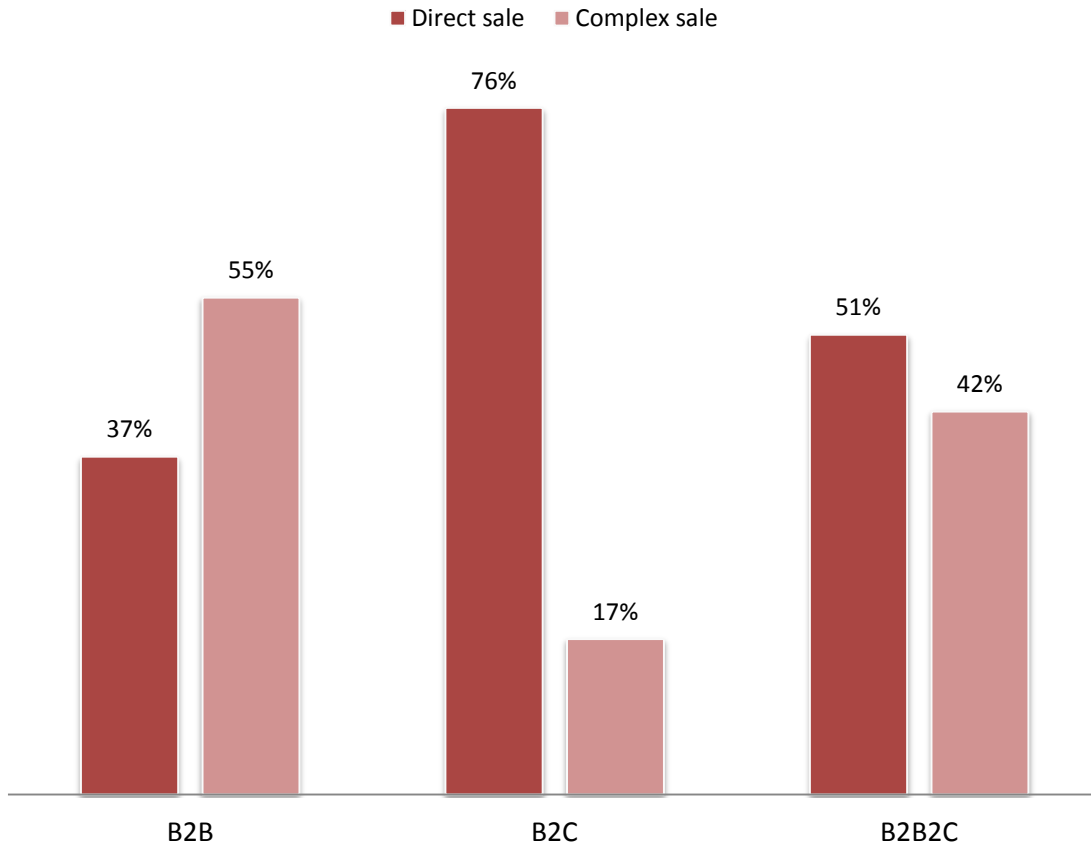
■ Direct sale   ■ Complex sale

76%

55%

51%

42%

37%

17%

B2B   B2C   B2B2C

Source: ©2012 MarketingSherpa Lead Generation Benchmark Survey
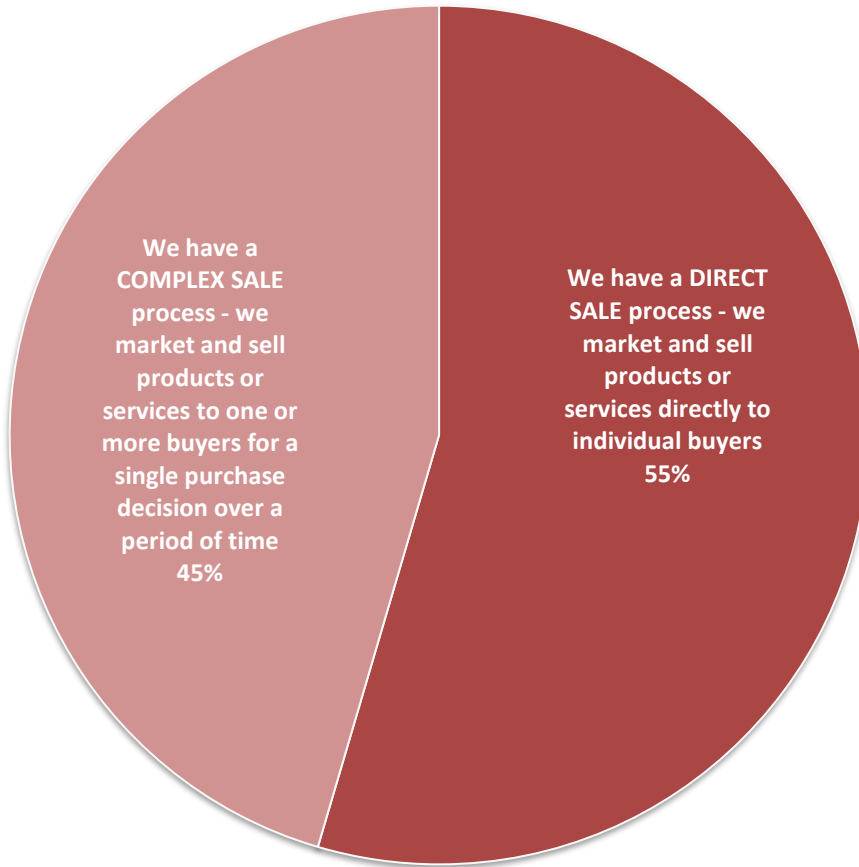Methodology: Fielded January 2012, N=1,915

MECLABS Marketing Optimization Glossary

1st-party Cookie: A piece of code placed on the user's browser by the website they are currently visiting that tracks visitor behavior. Also **First-Party Cookie**.

2nd-tier Search Engine: Vague grouping of search engines/properties that can be simply any search property but Google, Yahoo!, MSN and AOL.

3rd-party Cookie: A piece of code used to track user behavior, placed on the user's browser by someone other than the website the user is currently visiting. Third-party cookies are used in Web analytics and ad serving, among other areas. Also **Third-Party Cookie**.

4PC: In print advertising, the abbreviation for "four-page, full-color" — a standard unit on most print media price lists.

A/B Split: Refers to a test situation where two randomized groups of users are sent different content to test performance of specific campaign elements. The A/B split method can only test one variable at a time.

Abandonment: As in call or site abandonment, measured when people leave a site, telephone call, etc.

Abandonment Rate: It is the number of users who abandon divided by the total number of unique visitors for a given period, measuring the efficiency of the marketing tool.

Above the Fold: The part of a webpage that is visible without scrolling. Material in this area is considered more valuable because the reader sees it first. It refers to a newspaper term for the top half that's above the fold but, unlike a newspaper, email and webpage fold locations aren't predictable. Your fold may be affected by the users' preview pane, monitor size, monitor resolution and any headers placed by email programs.

Access: The ability to see what you are trying to view, e.g., accessing a friend's photo but not their profile.

Acquisition Cost: The cost to generate one lead, newsletter subscriber or customer in an individual email campaign; typically, the total campaign expense divided by the number of leads, subscribers or customers it produced.

Acquisition List: A rented list of prospects to which email can be sent. Prospects on a legitimate acquisition list are supposed to have opted in to the list and possess a certain set of characteristics. Example: dog owners who shop online.

Ad Swap: An exchange between two publishers who agree to run each other's comparably valued ad at no charge. Value is determined by rate card, placement, size of list, quality of list, name brand fame, etc.

Address Book Whitelisting: When a consumer adds a company's email address or domain name to their email address book. This prevents inadvertent "false positive" filtering out of content that the consumer wants to receive.

Adsense: Google's pay-per-click, context-relevant program available to blog and Web publishers as a way to create revenue.

Advertising Network: Sells ads across multiple publishers to optimize ad delivery based on the user rather than context, e.g., Adknowledge, RockYou, Social Cash, DoubleClick.

Adwords: The advertiser program that populates the Adsense program. The advertiser pays Google on a per-click basis.

Affiliate Marketing: A partnership between a website owner (affiliate) and a retailer (affiliate merchant) where the website owner advertises the retailer on their site and receives a fee for every lead or sale generated.

Affiliate Network: Cost-per-action (CPA) ads for multiple retailers across multiple publishers, e.g., Affiliate Window, TradeDoubler.

Aggregator: A Web-based tool or desktop application that collects syndicated content.

Affiliate: A marketing partner that promotes your products or services under a payment-for-results agreement. The affiliate relationship ranges from simply carrying a button on a webpage to full-blown email campaigns by the affiliate.

Affirmative Consent: An active request made by a reader or subscriber to receive advertising or promotional information, newsletters, etc. Generally, affirmative consent does not include the following: failing to uncheck a pre-checked box on a Web form, entering a business relationship with an organization without being asked for separate permission to be sent specific types of email or opt-out.

Agent Name Delivery: The attempt to feed search engine spiders different content from what is delivered to "human" website visitors in an attempt to optimize for page ranking. This tactic has fallen out of use as search engine spiders generally appear to be standard browsers. Also **Bait-and-Switch** and **IP Delivery**.

AJAX: An acronym for Asynchronous Java Script and XML that represents a way to create real-time Web applications.

Akismet: Comment spam filter that is popular with WordPress blogs.

Alerts: Tool to get a search engine to tell you whenever a new page is published on the Web, which includes your specific keyword. This can include email messages that notify subscribers of an event or special price.

Algorithm: A set of mathematical rules that describe or determine a circumstance or action. In the case of search engines, unique algorithms determine the ranking of websites returned within search queries. Although some of the qualities used to determine ranking (number of referring sites, metatags, etc.) are known, the precise functioning of search engine algorithms is a closely kept secret to prevent the manipulation of the system

A-List Bloggers: The blogging elite with heaps of daily blog posts and many links to their blogs.

Anonoblog: A blog site authored by a person or persons who do not publish their name(s).

App: A program that performs a specific function on your computer or handheld device.

Applet: Small programs (usually written in Java) or another Web-friendly language that run within a Web browser. Some applets may be negatively viewed by search engine spiders, affecting indexing and page rank

Application Program Interface (API): How a program (application) accesses another to exchange data. A client may have an API connection to automatically load database information to an email vendor and receive data back from the email.

Application Service Provider (ASP): A company that provides a Web-based service. Clients don't have to install software on their own computers; all tasks are performed, or hosted, on the ASP's servers.

Archives: Most often an index page, often organizing posts or entries by either category or date.

AstroTurfing: A fake grassroots push to generate buzz or interest in a product, service or idea. This movement is often motivated by a fee or gift to the writer of a post or comment, or may be written under a pseudonym. Atom: A popular feed format used for syndicating content.

Attachment: A text, video, graphic, PDF or audio file that accompanies an email message but is not included in the message itself. Attachments are not a good way to send email newsletters because many ISPs, email clients and individual email recipients do not allow attachments since hackers use them to deliver viruses and other malicious code.

Authentication: A digital automated process that verifies an email sender's identity.

Authentication: Digital method of proof to authorize online activities.

Authorization: Permission to perform a desired action.

Auto Responder: Automated email message-sending capability, such as a welcome message sent to all-new subscribers the minute they join a list. Triggers can include users joining, unsubscribing or email arriving at a particular mailbox. Auto responders may be used for more than a single message and can be a series of date or event-triggered emails.

Avatar: A graphical image or likeness that replaces an author's photo on a blog.

Average Adopter: Those who want to take advantage of new technologies but have lengthy processes in place to protect them from adverse reactions. They'll often wait for a big-name company to offer a solution in an area spearheaded by smaller, faster-moving companies.

Average deal size: The average amount of all purchases made during a specified time period.

Awareness: The first phase of the product marketing cycle, during which prospects gain awareness of the product/service.

B2B: Business-to-business. Also B-2-B , BtoB and B-to-B.

B2C: Business-to-consumer. Also B-2-C, BtoC and B-to-C.

Back Channel: Communications such as private emails or other messages sent by the facilitator or between individuals during public conferencing.

Backlink: (or inbound links) A link pointing to a particular webpage.

Badge: An image usually squared and displayed on a blog, which signifies the blogger's participation in an event, contest or social movement.

Bait-and-Switch: The attempt to feed search engine spiders different content from what is delivered to "human" website visitors in an attempt to optimize for page ranking. This tactic has fallen out of use as search engine spiders generally appear to be standard browsers. Also **Agent Name Delivery** and **IP Delivery**.

BANT: An acronym for the basic pieces of lead development information: budget, authority, need and timeframe.

Bayesian Filter: An anti-spam program that evaluates header and content of incoming email messages to determine the probability that it is spam. Bayesian filters assign point values to items that appear frequently in spam, such as the words "money-back guarantee" or "free." A message that accumulated too many points is either rejected as probable spam or delivered to a junk mail folder. Also **Content-Based Filter**.

Biz Blogs: Blogs that companies and organizations write to communicate with customers, partners and employees.

Black Hat: Involves techniques that aim to deceptively or unethically show relevance or importance of a website per a specific key term. Search engines frown upon black hat techniques. If found out, websites utilizing black hat techniques are generally blacklisted by the search engines. Also known as search engine spamming in PPC.

Blacklist: A list developed by anyone receiving email — or processing email on its way to the recipient, or interested third parties — that includes domains or IP addresses of any emailers suspected of sending spam. Many companies use blacklists to filter inbound email, either at the server level or before it reaches the recipient's inbox. Also Blocklist and Blackhole List.

Blast: In postal mail or email, and also referred to as solo blasts, a reference to promotional campaigns done on a one-time basis. Blasts are distinct from ongoing communications, such as email newsletters.

Bliki: A blog that readers or an agreed group of collaborators can edit; like a combination of a blog and a wiki.

Block: A refusal made by an ISP or mail server to forward your email message to the recipient. Many ISPs block email from IP addresses or domains that have been reported to send spam or viruses, or have content that violates email policy or spam filters.

Blog (weblog): A style of Internet publishing using content management software that allows for quick posting of journals, news and articles, e.g., WordPress, Blogger, MovableType.

Blog Digest: A regularly-updated summary of related blogs.

Blog Post/Entry: Content published on a blog. Entries may include pictures, embedded videos and URLs for online sources.

Blog Storm: In hopes of garnering mainstream media attention, bloggers write thousands of posts about a subject. Sometimes known as a "blog swarm."

Blogging: The act of writing and/or posting content to a blog.

Blogosphere: The term used to describe the totality of blogs on the Internet, and the conversations taking place within that sphere.

Blogroll: A list of recommended blogs.

Boardreader: An aggregator of message boards and forum discussions.

Bonded Sender: A private email-registration service, owned by email vendor IronPort, that allows bulk emailers who agree to follow stringent email practices and to post a monetary bond to bypass email filters of Bonded Sender clients. The program debits the bond for spam or other complaints from recipients.

Bookmarking: An online tool that saves the address of a website or item of content, either in your browser, or on a social bookmarking site such as del.icio.us.

Bookmarklet: A "faux" bookmark containing scripting code, usually written in JavaScript, that allows the user to perform a function.

Bounce: [Website-related] When website visitors leave after a single page visit, or leave after a short time period. [Email Marketing] A bounce is when a message is undeliverable. Emails can bounce for dozens of reasons: incorrect email address, closed email address, full mailbox, downed mail server, or spam or offensive content detected by the system. See **Hard Bounce** and **Soft Bounce**.

Bounce Handling: The process of dealing with the email that has bounced. Bounce handling is important for list maintenance, list integrity and delivery. Given the lack of consistency in bounce messaging formats, it is an inexact science at best.

Bounce Message: Message sent back to an email sender that reports the message could not be delivered and why. Note that not all bounced emails result in returned message to the sender, and not all bounce messages clearly or accurately relay the reason the email bounced.

Bounce Rate: Regarding a website, it refers to the percentage of website vistors that bounce. For Email Marketing, it is the number of hard/soft bounces divided by the number of emails sent. This is an inexact number because some systems do not clearly or accurately report back to the sender. Also **Return Rate**.

Broadcast: The process of sending the same email message to multiple recipients.

Bulk Folder: Where many email clients send messages that appear to be from spammers, contain spam, or are from any sender who is not in the recipient's address book or contact list. Some clients allow the recipient to override the system's settings and direct that mail from a suspect sender to be sent directly to the inbox, e.g., Yahoo! Mail gives recipients a button marked "Not spam" on every message in the bulk folder. Also **Junk Folder**.

Bulletin Boards: A place where users connect with a central computer to post and read email-like messages. These early vehicles for online collaboration are the equivalent of public notice boards.

Buyer persona: A detailed profile that represents an actual, real-life group of a target audience. It includes common interests, motivations and expectations, as well as demographic and other behavioral characteristics. By establishing buyer personas, organizations are enabled to deliver unique content that will attract and nurture new and existing leads. Although buyer personas are profiles developed for marketing purposes, they should be based on sound qualitative and quantitative research.

Buzz: The cumulative coverage of an issue, event, company, etc. in all media outlets and the population at large. Companies that measure buzz examine the volume and tone of coverage in both individual-generated media — blogs, message board postings, discussion lists — and mass media outlets.

Call-to-action: The link or body copy that tells the recipient what action to take in marketing messages, Web ads, emails, etc.

Campaign: A set of coordinated marketing messages delivered at intervals with a specific goal, such as raising funds for a cause or candidate or increasing sales of a product.

CAN-SPAM: Popular name for the U.S. law regulating commercial email. Full name: Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003.

Canvas: The screen area an application can use to serve content and features within a social network.

Categories: Pre-specified ways to organize content, such as a set of keywords that you can use, but not add to, when posting on a site.

Catch-all: An email server function that forwards all questionable email to a single mailbox. The catch-all should be monitored regularly to find misdirected questions, unsubscribes or other genuine live email.

Cause Marketing: A business relationship in which a for-profit and a nonprofit form a partnership that results in increased business for the for-profit and a financial return for the nonprofit.

Cell: A list segment in which a different treatment is sent specifically to see how it responds versus the control (normal treatment). Also Test Cell or Version.

Challenge-Response System: An anti-spam program that requires a human being on the sender's end to respond to an emailed challenge message before their messages can be delivered to recipients. Senders who successfully answer the challenge are added to an authorization list. Bulk emailers can work with challenge-response if they designate an employee to watch the sending address's mailbox and to reply to each challenge by hand.

Champions: A group of enthusiasts willing and confident to get things moving by posting messages, responding and helping others.

Chat: Interaction on a website with a number of people adding text items one after the other into the same space, most often in real-time.

Churn: The percentage of customers who decide not to continue doing business with an organization over a certain length of time. In email marketing, churn is the percentage of subscribers leave a mailing list (or how many email addresses go bad) over a certain length of time, usually expressed as a percentage of the whole list.

Circulation: Total distribution of individual copies of a publication. Distinct from the total readership, which refers to the total copies printed, multiplied by the average number of pass-along readers, which is different for each publication.

Civic Media: Any form of communication that strengthens the social bonds within a community or creates a strong sense of civic engagement among its residents.

C-Level Executive: Any chief officer of a company, including CIO, CEO, CFO, COO, CMO and more. CXO can refer to any C-level executive.

Clickthrough: When a hotlink is included in an email, search ad or online ad, a clickthrough occurs when a recipient clicks on the link.

Clickthrough Rate: Total number of clicks on email link(s), search ads, etc. divided by the number of emails sent, impressions,page views, etc. Also **CTR**.

Clickthrough Tracking: Refers to the data collected about each clickthrough link, such as how many people clicked it or how many clicks resulted in desired actions such as sales, forwards or subscriptions.

Click-to-Open Ratio: An email metric that looks at the quality of content by comparing the number of people who opened the email with those who clicked. Several factors can have a dramatic impact on CTO ratio, including filtering of images that suppresses open rate and newsletters that include only snippets of content in an email, elevating click numbers. Also **CTO**.

Client: The user's computer, browser or application that requests information from another online application. Most client applications request information from a server-side application.

Closing rate: The percentage of leads closed out of the total lead volume. ((Number of closed deals / total lead volume) *100).

Cloud Computing ("the cloud"): A growing phenomenon of users who can access their data from anywhere rather than being tied to a particular machine.

Cluster: Content grouped with similar tags, e.g., Flickr Clusters

Cold calling: Involves contacting prospects with a phone call to generate leads See also**Telemarketing**.

Collaboration: Ability to discuss and work with people across boundaries of organization, time and space. Activities like commenting, social bookmarking, chatting and blogging help develop the trust necessary for collaboration.

Collaborative Filtering: Using the experience of previous searchers to return results that are more relevant. Also **Social Filtering**.

Commercial Email: Email whose purpose, as a whole or in part, is to sell or advertise a product or service, or to persuade users to perform an act, such as to purchase a product or click to a website with content designed to sell, advertise or promote.

Common Gateway Interface (CGI): The specification for transferring information between the Web and a Web server, such as processing email subscription or contact forms.

Communities: Groups of people who mainly communicate through the Internet. They may simply have a shared interest to talk about or more formally learn from each other and find solutions. Online communities may use email lists or forums, where content is centralized. Communities may also emerge from conversations around or between bloggers.

Community Building: The process of recruiting potential community or network participants, helping them to find shared interests and goals, use the technology, and develop useful conversations.

Comparison Shopping Site: Similar to search engines, comparison shopping sites or engines allow users to compare products from a variety of sources (websites). Merchants feed product data to the comparison sites and pay for leads or sales generated.

Compete: Provides Web analytics (i.e., unique monthly visitors to the site) and enables people to compare and contrast up to five different sites at a time.

Complex sale: Refers to B2B sales cycles with a number of lead stages, generally with sales cycles of several months or more.

Conditional Content: Use of a database to allow or block content based on user behavior. This is done with "if" and "then" statements.

Confirmation: An acknowledgment of a subscription or information request. It can be either a company statement that the email address was successfully placed on a list or a subscriber's agreement that the subscribe request was genuine and not faked or automatically generated by a third party.

Confirmed Opt-in: May refer to double opt-in subscription processes or may refer to email addresses that do not hard bounce back a welcome message. Ask anyone using this term to define it more clearly.

Connect (Facebook Connect / Friend Connect): The ability to bring friends to existing sites. Also, the ability for existing websites to allow users to log in with their Facebook or Google accounts.

Consideration: The second phase of the buying cycle, when consumers familiarize themselves with products, features, prices and benefits. Consideration is the phase during which relationship marketing using email, telemarketing, etc., is commonly used to warm the lead, or move the lead from consideration to the sales funnel. Also **Consideration Phase**.

Consumer Generated Media: Any of the many kinds of online content that are generated at the user level. Personal Webpages, such as MySpace profiles, are rudimentary examples. Blogs and podcasts are more evolved forms.

Content Management Systems (CMS): Software suites offering the ability to create static webpages, document stores, blog, wikis and other tools.

Content Rich: Refers to a webpage that contains relevant content to the topic at hand, usually used to refer to the need to repeat keyword phrases within the body copy of a website. Search engine algorithms give higher ranking to a site that contains the keyword phrases that a user is searching for.

Content: All of the material on a webpage, including all words, images and links.

Content-Based Filters: A type of filtration that sorts messages based on strings or keywords located within the message. Filtering can take place based on a score assigned to some words or phrases, or based on binary if/then statements. Example: Block if "free" in subject field.

Context Ads: Advertisements placed directly inside or next to relevant content or features.

Conversion nurturing: Lead nurturing campaigns that target prospects that are further along in the sales cycle. The goal of these campaigns is to drive prospects to make a purchase. Examples of conversion nurturing content include buyer's guides, case studies, etc.

Conversion Rate: The percentage of visitors/users who "convert" on the action of a webpage or campaign. For example, actions may be purchasing, submitting a form, downloading content, calling a telephone number, or making an extended site visit.

Conversion: The point at which a recipient of a marketing message performs a desired action. A conversion could be a monetary transaction, such as a purchase made after clicking a link. It could also include a voluntary act such as registering at a website, downloading a whitepaper, signing up for a webinar, or opting in to an email newsletter.

Co-registration: Arrangement in which companies collecting registration information from users (email sign-up forms, shopping checkout process, etc.) include a separate box for users to check if they would also like to be added to a specific third-party list.

Cost-Per-Lead (CPL): The price of each lead generated from a marketing channel or campaign. (Total investment / total lead volume).

Cost-Per-Thousand: The advertiser pays for a set number of page impressions, paying for each 1000 impressions the ad receives. See also **Cost-Per-Mile**.

Cost-Per-Acquisition (CPA): A method of paying for advertising where payment is based on the number of times users complete a given action, such as visiting a website, purchasing a product, or signing up for a newsletter that takes place as a result of the marketing effort. Essentially, it's the price of each new customer. (Total investment / number of closed deals). See also **Cost-Per-Action**.

Cost-Per-Action (CPA): A method of paying for advertising where payment is based on the number of times users complete a given action, such as visiting a website, purchasing a product, or signing up for a newsletter that takes place as a result of the marketing effort. See also **Cost-Per-Acquisition**.

Cost-Per-Click (CPC): A method of paying for advertising where payment is based on the number of clicks on a link, such as in Google Adwords. Different from CPA because all you pay for is the click, regardless of what that click does when it gets to your site or landing page.

Cost-Per-Install (CPI): A specific type of cost-per-action where the required action is the installation of a social application. See **Cost-Per-Action**.

Cost-Per-Mille (CPM): "Mille" means thousand in Latin. The advertiser pays for a set number of page impressions, paying for each 1000 impressions the ad receives. See also **Cost-Per-Thousand**.

Crawler: A small program that surfs the Web to index information for a search engine. See also **Spider**.

Creative Commons: A nonprofit organization and licensing system that offers creators the ability to fine-tune their copyright, spelling out the ways others may use their works.

Creative: An email message's copy and any graphics.

Cross-Campaign Profiling: A method used to understand how email respondents behave over multiple campaigns.

Cross-Post: To send the same email message to at least two different mailing lists or discussion groups.

Crowdsourcing: The act of sourcing tasks traditionally performed by specific individuals to a group of people or community (crowd) through an open call..

C-suite: The group of officers within an organization with the word "Chief" in their title and represents the highest level of management.

Clickthrough Rate (CTR): Slightly inexact because some clicks get lost between the click and your server. Be sure to ask if the CTR is unique, meaning that each individual user is only counted once, no matter how many times they click on a link.

Customer Lifetime Value (CLV): A measure of the total amount the customer is going to spend with a merchant during their tenure. Usually calculated by their spending per year multiplied by the average number of years they are likely to be a customer.

Customer Relationship Management (CRM): The software and processes of tracking the information that defines a prospect or customer relationship. CRM systems typically store contact and interaction data, such as number and dates of touches, products considered.

Cyberspace: A once widely used, general term for the Internet or World Wide Web.

Dashboard: The administration area on blog software that allows users to post, check traffic, upload files, manage comments, etc.

Date-based Archives: The archives of a blog, organized by timestamp. Nearly all blogs have some form of timestamp. Some list in weekly, but most on a month-by-month basis

Daypart/Weekpart: Division of the month and day into sections for the purposes of targeting marketing. For example, a radio buyer might target "drive time" while a restaurant might target weekends versus weekdays.

Dedicated Server: An email server used by only one sender. A dedicated server often costs more to use because the expense is not spread among multiple users, but it performs better than a shared server. Email usually goes out faster, the server is more secure, and it eliminates the possibility that another sender could get the server blacklisted for spamming.

Dedupe: Identifying and consolidating duplicate names, usually done in a merge/purge operation.

Deduplication (also Deduping): The process of removing identical entries from two or more data sets such as mailing lists. Also Merge/Purge.

Deep Linking: Links that direct the person clicking on the link to a page beneath the homepage of a website. Sometimes used to mean linking to a deep page on someone else's website, which has different legal issues than simply directing someone to a homepage.

Deferred Conversion: Sales that take place after visiting a website. With many online marketing tactics, it is not always possible to discern whether a sale took place as the result of some past interaction. See also **Latent Conversion**.

Delicious: A social bookmarking site that allows users to quickly store, organize (by tags) and share favorite webpages. Users may also subscribe to RSS feeds of other users and specifically share a page with another user.

Deliverability: The degree to which emails are successfully delivered, or not. Also refers to the general issues surrounding this question.

Delivered Email: Number of emails sent minus the number of bounces and filtered messages. A highly inexact number because not all receiving ISPs accurately report which emails don't go through and why.

Delivery Tracking: The process of measuring delivery rates by format, ISP or other factors and delivery failures (bounces, invalid address, server and other errors).

Deploy: To send a marketing campaign into the field.

DHTML: The technology on which floating online ads are built. DHTML can be made to sit on top of the page, incorporating movement and sound. DHTML is not typically blocked by pop-up/pop-under blocking software.

Digest: A shortened version of an email newsletter that replaces full-length articles with clickable links to the full article at a website, often with a brief summary of the contents.

Digg: A popular social news site that lets people discover and share content from anywhere on the Web. Users submit links and stories, and the community votes them up or down and comments on them.

Digital Inclusion: An effort to help people who are not online gain access with affordable hardware, software, tech support/information and broadband Internet service.

Digital Story: A short personal nonfiction narrative that is composed on a computer, often for publishing online or publishing to a DVD.

Discussion Group: An email service in which individual members post messages for all group members to read ("many to many"). In contrast, a newsletter is a "one-to-many" broadcast, where comments by members or subscribers go to only the message sender. Also known by the trademarked name Listserv.

Do-good Networks: Online communities aimed at societal improvement.

Domain Name System (DNS): How computer networks locate Internet domain names and translate them into IP addresses. See also **Reverse DNS**.

Domain Name: The actual name for an IP address or range of IP addresses, e.g., MarketingSherpa.com. The identifying name of a website.

DomainKeys: An anti-spam software application, developed by Yahoo!, using a combination of public and private "keys" to authenticate the sender's domain and reduce the chance that a spammer or hacker will fake the domain sending address.

Double Opt-in: A process that requires new list joiners to take an action (such as clicking on an emailed link to a personal confirmation page) to confirm they do want to be on the list. Some email broadcast vendors incorrectly interpret it as a new subscriber who does not opt-out of or bounce a welcome message. See also **Verified Opt-in**.

Drupal: A free, open source platform and content management system written in PHP. It is often used as a "back-end" system that powers community features on many different types of sites, ranging from personal blogs to large corporate and political sites.

Dynamic Content: Email newsletter content that changes from one recipient to the next according to a set of predetermined rules or variables, usually according to preferences the user sets when opting in to messages from a sender. Dynamic content can reflect past purchases, current interests or where the recipient lives. *[Email Marketing Usage]*

Dynamic Content: Webpage information that changes according to rules set by the client or server and can adapt to instructions. For example, a dynamic content system makes it possible for unique homepages to be delivered to millions of Yahoo! users whose personal preferences have been set. *[Website Usage]*

Early Adopters: The first to experiment and benefit from new technologies. They are often beta testers and tech companies themselves.

e-Book: An electronic version of a traditional printed book that can be downloaded from the Internet and read on your computer or handheld device.

Email Change of Address (ECOA): A service that tracks email address changes and updates.

Ecosystem: A community and an environment functioning as a whole. The blogosphere can be viewed as an ecosystem.

Ecto: A standalone publishing application, allowing users to compose posts offline.

Edublog: A blog site focused on education, be it teacher, administrator, consultant or student.

Effective Rate: Metric that measures how many of those who opened an email message clicked on a link, usually measured as unique responders divided by unique opens.

Electronic Frontier Foundation (EFF): The leading civil liberties group defending users' rights in the digital world.

Email Address: The combination of a unique username and a sender domain (JohnDoe@anywhere.com). The email address requires both the username and the domain name.

Email Append: Service that matches email addresses to a database of personal names and postal addresses. Appending may require an "OK to add my name" reply from the subscriber before you can add the name to the list.

Email Client: The software recipients use to read email, such as Outlook Express or Lotus Notes.

Email Domain: The portion of the email address to the right of the @ sign. Useful as an email address hygiene tool, e.g., identify all records where the consumer entered "name@aol" as their email address and correct it to "name@aol.com."

Email Filter: A software tool that categorizes, sorts or blocks incoming email, based on the sender, email header or message content. Filters may be applied at the recipient level, the email client, the ISP or in combination.

Email Friendly Name: The portion of the email address that is displayed in most, though not all, email readers in place of, or in addition to, the email address. Also **Display Name** or **From Name**.

Email Harvesting: An automated process in which a robot program searches webpages or other Internet destinations for email addresses. The program collects the address into a database, which is frequently resold to spammers or unethical bulk mailers. Many U.S. state laws forbid harvesting. CAN-SPAM does not outlaw it by name but allows triple damages against violators who compiled their mailing lists with harvested names.

Email Newsletter: Content distributed to subscribers by email on a regular schedule. Content viewed as valued editorial in and of itself, rather than primarily a commercial message with a sales offer. See also **Ezine**.

Email Prefix: The portion of the email address to the left of the @ symbol.

Email Vendor: Another name for an email broadcast service provider, a company that sends bulk (volume) email on behalf of its clients. See also **Email Service Provider** (ESP).

Embedding: The act of adding code to a website so a video or photo can be displayed while it's being hosted at another site. Many users now watch embedded YouTube videos or see Flickr photos on blogs rather than on the original site.

Engagement Ad: A display ad that includes interactivity specific to the particular social network.

Engagement Nurturing: Lead nurturing campaigns that targete prospects that are early in the sales cycle. The goal is to build stronger relationships with new prospects to increase interest. Engagement nurturing can also be used to re-engage dormant sales opportunities. Examples of engagement nurturing include content specific to prospect needs, such as webinars, articles, whitepapers, etc.

Enhanced Whitelist: A super whitelist maintained by AOL for bulk emailers who meet strict delivery standards, including fewer than one spam complaint for every 1,000 email messages. Emailers on the enhanced whitelist can bypass AOL 9.0's automatic suppression of images and links.

Entry: An individual post or article published on a blog. These entries, while appearing in an index, are also webpages unto themselves.

Event Blog: A blog specifically launched as a companion to an event.

Event-Triggered Email: Preprogrammed messages sent automatically based on an event such as a date or anniversary.

Expression Engine: A robust content management system (CMS).

Eye Tracking: A type of webpage testing that follows the eye movements of participants to gauge how they interact with the page.

Ezine: Another name for email newsletter, adapted from "electronic 'zine" or "electronic magazine."

Facebook: The most popular social networking site in the western world, with more than 800 million active users worldwide. Users' homepage streams can now be seen in a wide range of applications and devices.

Fair Use: A doctrine in U.S. law that permits limited use of copyrighted material without obtaining the permission of the copyright holder.

False Positive: A legitimate message mistakenly rejected or filtered as spam, either by an ISP or a recipient's anti-spam program. The more stringent an anti-spam program, the higher the false-positive rate.

Frequently Asked Question (FAQ): Listed questions and answers, all supposed to be commonly asked in some context, and pertaining to a particular topic.

Fast Follower: Someone who stays informed about new technologies as they appear and move to integrate them as soon as they are proven effective. The sales process can be a long one with fast followers because they want information long before they are ready to buy.

Feed: Online content served at regular intervals.

Feed Reader: An aggregator of content, subscribed to by the user so specific content or search results arrives in their "reader."

FeedBlitz: An RSS service that makes it easy for avid email users.

FeedBurner: A Google tool allowing websites, blogs and podcasts to gather content into a simple way for readers to subscribe.

Filter: See **Email Filter**.

Findability: Refers to being locatable. Has become a popular term in creating a findable, locatable and navigable presence on and across the Web and social networks.

Firewall: A program or set of programs designed to keep unauthorized users or messages from accessing a private network. The firewall usually has rules or protocols that authorize or prohibit outside users or messages.

Flash Mob: A group of individuals who gather and disperse with little notice for a specific purpose through text messages, social media or viral emails.

Flickr: A leading photo sharing and hosting site. Its members have uploaded more than 5 billion photos.

Folksonomy: Categorization taxonomy determined by democracy rather than by authority.

Footer: An area at the end of an email message or newsletter that contains information that doesn't change from one edition to the next, such as contact information, the company's postal address or the email

address the recipient used to subscribe to mailings. Some software programs can be set to automatically place this information.

Forums: Discussion areas on websites, where people can post messages or comment on existing messages independently of time or place.

Forward: The process in which email recipients send an email to people they know, either because they think their friends will be interested in the message or because of incentives to forward messages. See also **Forward to a Friend** and **Viral Marketing**.

Frequency: The number of times someone is exposed to an advertisement or marketing message.

Friend (noun): A person with whom you have a mutually agreed connection.

Friend (verb): The act of adding a person to your social graph on a particular social network.

Friend List: A user's personal sub-categorization of friends on a social network.

From: Whatever appears in the email recipient's inbox as the visible "From" name. The sender chooses it, and may be a personal name, a brand name, an email address, a blank space or alphanumeric gobbledygook. **Note**: This is not the actual "From" contained in the header and may be different from the email reply address. Also **Email Friendly Name**.

Full-Service Provider: An email vendor that also provides strategic consulting and creative support, in addition to sending messages.

Gateway Page: A page submitted to a search engine that is designed to give the spider what it's looking for (fitting the algorithm for that particular search engine) and increasing the relevance of the site. Most, if not all, search engines seek to discover and eliminate the use of these pages, because it is another form of "gaming," or trying to fool, the algorithms.

Geolocation: Serving targeted/different content to users based on their location. See also **IP Delivery**.

Geotagging: The process of adding location-based metadata to media such as photos, video or online maps. Geotagging can help users find a wide variety of businesses and services based on location.

Gmail: A free email service from Google that gives users more than 7GB of storage space, email search, instant messaging and conversation threading. Gmail also uses technology that adds advertisements next to messages containing keywords that match those advertisers in its AdWords program.

Goodbye Message: An email message sent automatically to a list member who unsubscribes, acknowledging the request.

Groundswell: A social trend in which people use technologies to get the things they need from each other, rather than from traditional institutions like corporations.

Groups: Collections of individuals with some sense of unity through their activities, interests or values.

Haloscan: A free commenting, ratings and trackback service for blogs and websites, allowing visitors to leave instant feedback.

Hard Bounce: An undeliverable message returned to the sender due to an invalid, closed or nonexistent email account.

Hashtag: A community-driven convention for adding additional context and metadata to your Tweets. Similar to tags on Flickr, Twitter users often use a hashtag like #followfriday to aggregate, organize and discover relevant posts.

Hat Tip: A public acknowledgment to someone (or a website) for bringing something to the blogger's attention.

Header: Routing and program data at the start of an email message, including the sender's name and email address, originating email server IP address, recipient IP address and any transfers in the process.

Heatmap: A map of a webpage that displays where consumers are most likely to direct their eyesight on a webpage.

Hero Shot: A shot of a product or brand from its best position to make it look as good as possible.

Heuristic Filters: Heuristic filters attempt to identify UCE using reiterative guesswork and past experience, to establish filtering rules. The longer a heuristic filter system is in place and its experience grows, the more accurate it becomes.

Hidden Text: A black hat technique in which text is invisible to readers (same color as background, an HTML comment, etc.) but is visible to spiders. Most search engines can detect this practice, and pages suffer the consequences in rank.

Hits: A measurement used in Web analytics, often defined as any request for a file from a Web server.

Honeypotting: Occurs when planted email addresses find their way into permission email marketers' lists. ISPs and spam-fighters place these addresses on the Web, waiting for a spammer or unreputable list creator to harvest them. If an emailer sends to a list containing a honeypot, all mail going to the ISP using the honeypot is blocked, even if some or most list recipients did opt-in.

House List: List of email addresses an organization develops on its own.

HyperText Markup Language (HTML): The most common of the programming languages used to create webpages.

HTML Message: Email message that contains any type of formatting other than text. This may be as simple as programming that sets the text in a specific font and font treatment (bold, italics, Courier 10 point, etc.). It also includes any graphic images, logos and colors.

HTML Sniffer: Technology embedded in email software that determines if users' email clients can receive HTML content.

HyperText Transfer Protocol (HTTP): The (main) protocol used to communicate between Web servers and Web browsers (clients).

Hub: Refers to an organization's corporate website.

Humanizing the Brand: Portraying human traits of a corporate entity. By humanizing brands, organizations are able to build trust, manage their reputations, and generate leads that meet ideal customer profiles for their organization. Social marketing can be an effective tactic in humanizing brands.

Hygiene: The process of cleaning a database to correct incorrect or outdated values. See also **List Hygiene**.

Hyperlink: A navigational reference to another document or page on the Web.

Hyper-local Community: A group of people from a specific location who interact in online communities and use social media tools.

Ideal Customer Profile: A buyer persona that identifies common interests, motivations and expectations, as well as demographic and other behavioral characteristics of an organization's ideal customer. The ideal customer may be the most profitable customers, or the customers that are the most ideal fit for a solution, for example.

Identity: The general term for ensuring the correct representation of a particular individual on a Web application.

Impression: A single view of one page by a single user, used to calculate advertising rates.

Inactivity: When a list member or registered user has been inactive for some period of time. There are no industry standards, as inactivity depends on the nature of the relationship and frequency of communication. For example, a list member who is mailed quarterly wouldn't be considered inactive as quickly as one who is mailed weekly.

Inbound Marketing: Marketing strategies and tactics that increase the visibility of a company's website to prospects that are researching and shopping for a solution. Inbound marketing tactics include search engine optimization, social media and content.

Index: Provides a comparison against the average. Typically, 100 is the average in an index.

Influencer: A person specialized in a specific subject matter and highly recognized in an online community that has the ability to sway others' thoughts

Instant Messaging (IM): A chat in real-time between two people using a tool such as AOL Instant Messenger, Microsoft Live Messenger or Yahoo! Messenger.

Internet Message Access Protocol (IMAP): A standard protocol for accessing email from a server.

Internet Newsroom: An area of a corporate website that communicates corporate messages and makes content available to the news media and public.

Internet Protocol Address (IP Address): A unique number assigned to each device connected to the Internet. An IP address can be dynamic, meaning it changes each time an email message or campaign goes out, or it can be static, meaning it does not change. Static IP addresses are best because dynamic IP addresses often trigger spam filters.

Internet Protocol Delivery (IP Delivery): Serving targeted/different content to users based on their IP address, often because the IP address provides geographic information. See also **Geolocation**.

Internet Service Provider (ISP): A company that provides access to the Internet Examples: AOL, EarthLink, MSN, RoadRunner, etc.

Joe Job: A spam-industry term for a forged email, in which a spammer or hacker fakes a genuine email address to hide his identity.

Keyword Density: The percentage of a page's text a single keyword makes up. For example, if a 500-word press release has the keyword "security" in it ten times, it has a two percent keyword density.

Keyword Phrase: A phrase that forms all or part of a search engine query.

Keyword: A word that forms all or part of a search engine query.

Laggards: A group defined by their attitudes toward change and innovation. Laggards depend on tried-and-true technology and are more concerned with stability and security than cutting-edge ideas.

Local Area Networks (LAN): Technologies and industries that create and maintain data communications networks that are geographically small and allow interconnection of terminals, microprocessors and computers within nearby buildings.

Landing Page: The destination webpage for people responding to an advertisement, designed specifically for that campaign and audience. The campaign might be in any medium, but is typically search or online-ad driven and email. The key difference between a homepage and landing page is that the former must be all things to all visitors, while the latter should be very narrowly designed for the campaign and, perhaps, for a segment of the audience responding to it.

Latency: Regarding search marketing and conversion, the likelihood of a conversion to take place after an initial visit. Estimates say, in some categories, 85% of conversions are latent.

Lead Development: The process of moving a qualified lead toward becoming a prospect (someone in the sales funnel).

Lead Nurturing: A process of building and nurturing relationships with ongoing, valuable communications, whether or not the prospect buys from you.

Lead Scoring: The process of adding or subtracting points because of various lead attributes and behaviors that identify sales-ready leads.

Lifecasting: An around-the-clock broadcast of events in a person's life through digital media.

Lifestage: In marketing, the division of life into stages based on age and family status, from "young singles" to "empty nesters."

Lifestreaming: The practice of collecting an online user's disjointed online presence in one central location or site. Lifestreaming services bring photos, videos, bookmarks, microblog posts and blog posts from a single user into one place.

Limbo Leads: Leads for which Marketing and Sales are mutually responsible. This usually includes sales-ready leads that have been passed to Sales, and enrolled in a conversion nurturing campaign.

Link Bait: Useful, interesting or entertaining website content that encourages other websites to link to it.

Linkrot: Term describing the process of links going bad over time, because either a website has shut down, or a site has stopped supporting a unique landing page provided in an email promotion.

Links: The highlighted text or images that, when clicked, bring users from one webpage or item of content to another.

List: The list of email addresses to which you send your message. Can be either your house list or a third-party list that sends your message on your behalf.

List Fatigue: A condition producing diminishing returns from a mailing list whose members are sent too many offers, or too many of the same offers, in too short a period of time.

List Host: See **Email Vendor**.

List Hygiene: The act of maintaining a list so hard bounces and unsubscribed names are removed from mailings. Some list owners also use an email change-of-address service to update old or abandoned email addresses (hopefully with a permission step baked in) as part of this process. See also **Hygiene**.

List Management: How a mailing list is set up, administered and maintained. The list manager has daily responsibility over list operation, including processing subscribes and unsubscribes, bounce management, list hygiene, etc. While the list manager can be the same as the database manager, the manager is not always the same person as the list owner. See **List Owner**.

List Owner: The organization or individual who has gathered a list of email addresses. Ownership does not necessarily imply "with permission."

List Rental: The process in which a publisher or advertiser pays a list owner to send its messages to that list. Usually involves the list owner sending the messages on the advertiser's behalf. (If someone hands over their list to you, beware).

List Sale: The actual purchase of a mailing list along with the rights to directly mail it. Permission can only be "sold" if the subsequent mailings continue to match the frequency, brand name, content and "from" of the past owner's mailings — and even then this is a somewhat shaky procedure on the spam front. You are, in effect, buying a publication and not just a list.

Listening: In the blogosphere, the act of skimming feeds to see what topics are discussed, and when an organization is mentioned.

Live Chat: A website alternative to customer service using real-time chat. Typically more inexpensive than toll-free numbers, but not as widely used or accepted.

Log File Analysis: Combing through website log files to study Web visitor behavior.

Long-Tail: Refers to keywords usually with three or more words and lower search volumes. These terms target a niche audience and tend to convert at a high rate.

Loyalty Program: A program initiated by a company to create or maintain customer loyalty by offering benefits for continued use of the brand.

Lurker: Someone who reads social media content but rarely contributes. The usual ratio is 1% creator, 10% commenter and 89% lurker.

Mail Bomb: An orchestrated attempt to shut down a mail server by sending more messages than it can handle in a short period of time.

Mail Loop: A communication error between two email servers, usually happens when a badly configured email triggers an automated response from the recipient server.

Mailing List: A list of email addresses that receive mailings or discussion group messages.

Mailto: A code to make an email address in either a text or HTML email immediately clickable (mailto:JohnDoe@anywhere.com). When the link is clicked, it usually opens the user's email client and inserts the email address in the "To:" link of a blank message.

Mail Transfer Agent (MTA): A computer that forwards email from senders to recipients (or to relay sites) and stores incoming email.

Mail User Agent (MUA): See also **Email Client**.

Marketing Automation: Software solutions that support marketing processes like lead scoring, nurturing and management in execution and measurement.

Mashup: Combining two or more Web services to create something new, such as combining Twitter posts with Google maps to create TwitterVision.

Mentions: Number of times your brand is mentioned in any publicly communicated capacity. Mentions consist of press release pickups, news article coverage and financial message board postings. This is used as a barometer of PR share of voice.

Message Boards: An online discussion site where people look to discuss particular issues or needing support post threads (a message) on the forum or message board in hopes to gain more information or start a conversation.

Meta Search: A search that aggregates the results from a variety of search engines by submitting the query to them and consolidating the results.

Meta Tags: HTML components that can include page titles, descriptions and keywords. These components are visible to search engine spiders but do not affect the appearance of the webpage.

Metadata: Information — including titles, descriptions, tags and captions — that describes a media item such as a video, photo or blog post.

Microblogging: Is the act of broadcasting short messages to other subscribers of a Web service. On Twitter, entries are limited to 140 characters, and applications like Plurk and Jaiku take a similar approach with sharing bite-size media.

Micro-philanthropy: Donations made in small amounts ($1, $5, $10, $20).

Microsite: A cross between a landing page and a regular website. These sites often have their own domain names and even separate brands from the organization's core brand. Marketers use them to offer a user an extended experience for branding or educational purposes. In fact, the visitor might even return to a microsite as a destination.

Mobile Search: Conducting a search query from a handheld device with wireless Internet connection, such as a smartphone or blackberry.

Moblogging: Posting to a blog via mobile phone.

Modality: Generally used as a synonym for "category." For example, "Direct mail is among the oldest modalities of offline marketing."

Monetisation: The approach to making money from an online property, usually by display advertising, subscription, affiliate links or context advertising.

Movable Type: A publishing platform created by SixApart.

Multichannel Marketing: Marketing efforts that use multiple mediums to target unique prospects. For example, sending direct postal mail and email with complementary messaging and offers to the same people with coordinated timing.

Multichannel: A differentiator of merchants that employ multiple sales channels, as opposed to being strictly one (brick-and-mortar) or the other (Web-only or "pureplay").

Multimedia: Media and content in different forms such as videos, pictures, etc. Examples include YouTube and Flickr.

Multi-Part MIME: Message format that includes both an HTML and a text-only version in the same message. Most, but not all, email clients receiving messages in this format will automatically display the version the user's system is set to show. Systems that can't show HTML should show the text version, but this doesn't always work — in particular for many Lotus Notes users. See also **Email Sniffer**.

Multivariate Testing: Using a statistical model to allow the simultaneous testing of multiple variables. Contrast with A/B testing, which examines only one variable at a time. Also known as the Taguchi Method.

MyBlogLog: A Yahoo!-owned community and social networking site that tracks traffic and visits to member sites.

MySpace: An online social network. MySpace caters to artists and bands that enjoy the flexibility of creating an individual "look" for their page. MySpace allows users to "friend" each other and create groups.

Natural Results: See **Organic Listing**.

Navigation (Nav): A menu of links or buttons allowing users to move from one webpage to another within a site.

NetNewsWire: A free RSS news aggregator for the Mac platform.

Network: A Facebook term for a broader social grouping, such as a city, large company or university.

New Customer Nurturing: Nurturing programs that provide educational "how-to" information to new customers to propel customer satisfaction.

News Aggregator: A Web-based tool or desktop application that collects syndicated content.

News Feed: Throttled, filtered amalgamation of friend-generated stories.

News Reader: Gathers the news from multiple blogs or news sites via RSS feeds, allowing users to access all their news from a single site or program. See also **Feed Reader**, **RSS** or **News Aggregator**.

NewsGator: An RSS company that offers its own Web-based feed reader and powers the feeds in Microsoft Outlook.

Newsvine: An open source, community news service that lets members customize news viewed by "seeding" articles or posting for others to view and rate.

NoFollow: An HTML attribute instructing search engine spiders that a URL should not be considered in ranking algorithms. Nofollow tags exist to maintain credibility of a "vote" that is represented when one site naturally links to another.

Notification: A low-importance message generated either automatically or because of a friend's action.

Nth Name: The act of segmenting a list for a test in which names are pulled from the main list for the test cell by number, such as every fifth name on the list. See also **A/B Split**.

Offline Conversion: Sales or other conversion events that take place in the real world, typically in a brick-and-mortar store.

Ongoing Nurturing: Consistent communications intended to keep brands on prospects' minds. Examples include regular company newsletters.

Online Advertising: One or a combination of CPA, CPC, CPM or Tenancy. Search is a form of CPC but is so large (Google Adwords) that it usually referred to separately.

Online Community: A group of people using social media tools and sites on the Internet.

Open Media: Video, audio, text and other media that can be freely shared.

Open Rate: The number of HTML message recipients who opened your email, usually as a percentage of the total number of emails sent. The open rate is considered a key metric for judging an email campaign's success, but it has several problems. The rate indicates only the number of emails opened from the total number sent, not just those that were actually delivered. Opens can't be calculated on text emails. Also, some email clients allow users to scan message content without actually opening the message, which is falsely calculated as an open.

Open Relay: An SMTP email server that allows outsiders to relay email messages that are neither for nor from local users. Often exploited by spammers and hackers.

Open Video: A movement to promote free expression and innovation in online video. With the release of HTML5, publishers will be able to publish video that can be viewed directly in Web browsers rather than through a proprietary player.

OpenID: A single sign-on system that allows Internet users to log on to many different sites using a single digital identity, eliminating the need for a different username and password for each site.

Openness: A measure of a user's tendency to share and collaborate – something aided by social media.

OpenSocial: A technology for deploying the same application across multiple platforms (MySpace, Friendster, Hi5 but not Facebook or LinkedIn).

Opt-in: A specific, proactive request by an individual email recipient to have an email address placed on a specific mailing list. Many list renters and buyers now require list owners to provide proof of opt-in, including the email or IP address date and time the request was received.

Opt-out: A specific request to remove an email address from a specific list or from all lists operated by a single owner. Also, the process of adding an email addresses to lists without the name's pre-approval, forcing names who don't want to be on your list to actively unsubscribe.

Organic Listing: Search page result that is provided free and based on the search algorithms of the search engine. A site might have a high "organic" ranking without paying the search engine anything at all. Conversely, a high spending advertiser in a keyword category might not appear anywhere near the top organic results. See also **Natural Listings**.

Outbound Marketing: Demand and lead generation marketing activities that involve the delivery of a message from the company to a targeted audience. Outbound marketing tactics have existed a lot longer than inbound marketing tactics, and are viewed as more traditional marketing practices. Outbound marketing tactics include direct mail, email marketing, outbound calls, print advertising, etc.

Outreach Nurturing: Lead nurturing campaigns that aim to capture new leads, or permission from new leads to have a salesperson reach out to them. Outreach campaigns can also collect additional data from a lead. When marketers ask for more from their prospects in an outreach nurturing campaign, they should expect to provide something of value.

Paid Placement: Ad model in which search engines return paid advertising when appropriate queries are used. For example, if someone searches for "new cars," a paid ad from a major auto manufacturer may appear. Advertisers bid on specific keywords that are contained in search queries and attach specific text ads to them. Google, Yahoo! and Bing are the largest paid placement search engines. See also **Pay-Per-Click**.

Paid Search Marketing: The placement of paid ads for a business or service on a search engine results page. An advertiser pays the search engine if the visitor clicks on the ad. See also **Pay-Per-Click**.

Pass-Along: An email recipient who received a marketing message that was forwarded from a subscriber. Some emails offer "forward to a friend" in the creative, but the vast majority of pass-alongs happen using email clients. Pass-alongs can affect the formatting of the email, often stripping off HTML.

Passed Parameters: The act of including known subscriber information in a redirect URL. This allows you to provide Web applications that can pre-populate form values requiring the subscriber to do less typing.

Pay-Per-Click (PPC): Regarding search engine marketing, refers to search engine advertisements based cost-per-click payment model. Advertisers place a bid on various keywords, and pay when their ads receive a click. The ranking position and number of impressions an advertiser receives is calculated by their bid, any other bids on that keyword, their daily budget and their quality score. See also **Sponsored Search**.

Penetration: In search, the percentage of the total potential search engine users who conduct a search on a given engine or site.

Percentage of Qualified Leads: The number of sales-ready leads in relationship to total leads generated. ((Qualified lead volume / total lead volume) *100).

Permalinks: The permanent URLs to individual blog posts, as well as categories and other lists of blog postings.

Permission: The explicit approval given when a person actively requests to have their email address added to a list.

Persona-based Design: Personas are virtual customers — useful templates based on common customer types that can guide site design, offer testing, etc.

Personal Media: User-created material; typically grassroots works such as video, audio and text.

Personalization: A targeting method in which a webpage or email message appears to have been created only for a single recipient. Personalization techniques include adding the recipient's name in the subject line or message body, or an offer reflecting purchasing, link clicking or transaction history.

Personalized Search: Search engine feature that determines a search engine user's results based on that user's search history.

Pretty Good Privacy (PGP): Software used to encrypt and protect email as it moves from one computer to another. Can be used to verify a sender's identity.

Phase I: Trial: For the purpose of this report, survey respondents who indicated that they had no repeatable process.

Phase II: Transition: For the purpose of this report, survey respondents who indicated that they had an informal process.

Phase III: Strategic: For the purpose of this report, survey respondents who indicated that they had a formal process that was routinely performed.

Phishing: A form of identity theft in which a scammer uses an authentic looking email to trick recipients into giving out sensitive personal information, such as credit card or bank account numbers, Social Security numbers and other data.

Phone-Ready Leads: Rules-validated leads that meet certain criteria agreed upon by Sales and Marketing teams as a lead that is ready for Sales follow-up.

Phone-Validated Leads: Phone-ready leads that have been validated by Sales and confirmed to meet agreed-upon criteria.

Plain Text: Text in an email message that includes no formatting code. See **HTML**.

Platform: The ability for third parties to serve additional applications to users, such as Facebook.

Podcast: A downloadable radio show designed to be listened to on a portable media device.

Podcast: A way to publish audio content to the Internet for multimedia players to download.

Podsafe: A term created in the podcasting community to refer to any work that allows the legal use of the work in podcasting, regardless of restrictions the same work might have in other realms, such as radio or television use.

Poke: Smallest unit of communication on a social network.

Post Office Protocol (POP): Used by email clients to send to or receive messages from an email server. Not to be confused with Point of Presence, an access point for the Internet.

Postmaster: The person to contact at a website, ISP or other site to request information, get help with delivery, or register complaints.

Preference Center: In email or website registration, the practice of asking the registrant questions that tell the marketer more about them. Typical preference centers will ask about interests and preferences for HTML vs. text emails. They can, however, be more sophisticated and guide frequency and segmentation.

Preferences: Options a user can set to determine how they want to receive your messages, how they want to be addressed, to which email address messages should go, and which messages they want to receive from you.

Preview Pane: The window in an email client that allows the user to scan message content without actually clicking on the message. See also **Open Rate**.

Privacy Policy: A clear description of how your company uses the email addresses and other information it gathers via opt-in requests for newsletters, company information or third-party offers or other functions. If you rent, sell or exchange your list to anyone outside your company, or if you add email addresses to opt-out messages, you should state so in the privacy policy. State laws may also compel you to explain your privacy policy, where to put the policy statement so people will see it, and even in the form the policy should be displayed.

Privacy Policy: A clear description of how your company uses the information it gathers about visitors, users and/or customers. Links to privacy policies are generally included on landing pages, email registrations, lead forms, etc. as a best practice.

Privacy Settings: The ability to limit social content by network or friend lists.

Profile: The online representation of an individual's identity.

Property: A generic term for a page, application, widget or website.

Prospect: A lead that has progressed from the qualified lead stage into the sales funnel. However, the term is often heard used as a synonym for qualified lead.

Public Domain: A work that becomes available for public use when donated by its creator or when a previous copyright expires. A work in the public domain can be freely used in any way, including for commercial purposes.

Public Media: Any form of media that increases civic engagement and enhances the public good.

Purchase Phase: The final stage of the buying process, when consumers commit to purchasing a product.

Qualified Closing Rate: The percentage of qualified leads that closed out of the total qualified lead volume. ((Number of qualified leads that closed / qualified lead volume) *100).

Qualified Lead Volume: The total number of sales-ready leads collected from lead generation campaigns that meet the universal lead definition.

Qualified Lead: While the definition varies from marketer to marketer, a qualified lead is generally the next step up from inquiry — the lead fits some criteria to warrant lead development. It may be as simple as "anyone who searched for this term is qualified" to "they only corresponded to three of five criteria from our registration form, they're not qualified."

Quality Score: A measurement of the relevance of a pay-per-click advertiser or ad to a search query that considers a number of factors including an advertiser's historic performance in clickthrough rate. In general, high-quality scores lead to higher ranking positions in sponsored search at a lower cost-per-click.

Quantcast: Tool used to measure the amount of traffic a URL receives, as well as data about the readership (demographics, psychographics, etc.).

Query: A word, phrase or string of words used to define the response from a search engine or database.

Queue: Where an email message goes after you send it but before the list owner approves it or before the list server gets around to sending it. Some list software allows you to queue a message and then set a time to automatically send it, either during a quiet period on the server or at a time when human approval isn't available.

Ranking: A webpage's position in search engine results for a particular keyword/search phrase. Higher rankings typically indicate better PPC and SEO, as well as high volume and quality traffic.

Read Email: There is no real measure of "read" email, although the term is sometimes used as a synonym for opened email. Only opens and clicks are measurable. You can never know if a recipient read your message.

Readability: The degree to which an email client correctly renders an HTML email.

Readership: Circulation multiplied by average readers per copy. Equals the total reach of a publication.

Readiness: A check on whether a user (or organization) is prepared to engage with social media.

Real Time Search: A search engine's ability to index Web content and index it in real time without delay. Content commonly displayed in real time includes social media content.

Recency: A measure of how recent information was produced. Usually refers to the age of contacts on a rented or third-party list.

Record: A file in a marketer's database. It may contain anything from an anonymous code with preferred site characteristics to an extensive profile of a customer or prospect.

Recreational Shopper: Someone who is part of the approximate 40% of the population who say they like to shop and consider shopping a hobby or fun activity.

Referrer: The address of the webpage from which a visitor arrived.

Registered Leads: Includes all inquiries that respond to a marketing campaign by calling in, sending a direct response card, submitting a form on an organization's website, or responding in some other form.

Registration: The process of providing a username, password and other details when seeking to access a website that has otherwise restricted content.

Registration: The process where someone not only opts in to your email program, website membership program, etc., but provides some additional information, such as name, address, demographic data or other relevant information, usually by using a Web form.

Relationship Email: An email message that refers to a commercial action — a purchase, complaint or customer-support request — based on a business relationship between the sender and recipient. Generally, are not covered by CAN-SPAM requirements.

Remix: Any work that takes elements from two or more media files and combines them to create a new piece of media.

Reply-To: The email address that receives messages sent from users who click "reply" in their email clients. Can differ from the "From" address, which can be an automated or unmonitored email address used only to send messages to a distribution list. "Reply-to" should always be a monitored address.

Research Phase: The initial stage of the buying process, when consumers begin to understand a product and its role in the market.

Retention Loop: The application dynamic that encourages users to return regularly to an application.

Return Rate: The percentage of total sales (by item, category or all sales) that is ultimately returned by customers.

Reverse Domain Name System Lookup (Reverse DNS): When an IP address is matched correctly to a domain name, instead of a domain name being matched to an IP address. Reverse DNS is a popular method for catching spammers who use invalid IP addresses. If a spam filter or program can't match the IP address to the domain name, it can reject the email.

Rich Media Ad: A display ad that includes video or interactive elements.

Robots.txt: A website command in HTML that tells search engine spiders to stop indexing a site or page.

ROI (Return on Investment): Either mathematical or anecdotal analysis of payback for a project. Mathematical calculation for ROI equals ((Return – investment) / (investment) x 100).

Really Simple Syndication (RSS): XML-based content distribution method that powers many blogs and other types of content websites. RSS gathers "feeds" of content from user-designated sources — blog entries, news stories, headlines, images, video. The "feeds" include clickable headlines and blurbs about full pieces of content. RSS is seen as an alternative to some types of email communication, but has yet to become an established marketing medium.

Rules-validated Leads: Registered leads that pass the criteria as valid leads and appear to be in the organization's target market.

Sales Cycle: All lead stages between first direct contact (may simply be a registration on a website) and ultimate sale. Sales cycle is a measure of efficiency of the sales organization. Also known as Sales Funnel.

Sales Outcome: Determined when the sale is won, lost or indefinitely postponed.

Sales-forecasted Opportunities: Meet the criteria defined by sales management for forecasting future deals.

Sales-ready Opportunities: Phone-validated leads who are willing to begin the sales process with a salesperson and often meet another set of criteria agreed upon by Marketing and Sales.

Sales-validated Opportunities: Sales-ready opportunities that have been validated by Sales to meet agreed upon criteria.

Scheduled Nurturing Message: A nurturing message developed and deployed at a pre-determined time.

Scraping: The process of obtaining keywords from competitors' websites.

Search Engine Marketing (SEM): All of the tactics and versions of search engine advertising, including search engine optimization (SEO) and pay-per-click marketing (PPC).

Search Engine Optimization (SEO): Includes a set of processes to increase the visibility of an organization's website, webpage or multimedia content so search engines will index them in the natural, organic results. While there is no cost-per-click for organic listings, the cost of these programs typically includes the use of in-house resources or agency time.

Searchjacking: Optimizing a page for highly sought after search terms, even though the page has nothing to do with the subject matter. Used to generate large volumes of (highly irrelevant) traffic.

Seed Emails: Email addresses placed on a list (sometimes secretly) to determine what messages are sent to the list and/or to track delivery rate and/or visible appearance of delivered messages. Seeds may also be placed on websites and elsewhere on the Internet to track spammers' harvesting activities. Also known as Seed Addresses.

Segment: The ability to slice a list into specific pieces determined by various attributes, such as open history or name source.

Segmenting Log File: A process that goes beyond simply correlating keywords by frequency with later conversion. Often keywords that occur infrequently can be top converters. The inverse is also true.

Select: A segment of a list determined by any number of attributes, such as source of name, job title, purchasing history, etc. CPM list renters pay an additional fee per thousand names for each select on top of the base list price.

Selections: Information about people, households, companies, etc. that is used to target direct marketing. Demographic selectors may include age, income, gender, hobbies, holding a credit card, etc. B2B selectors include role, title, purchasing history, etc.

Selective Unsubscribe: An unsubscribe mechanism that allows a consumer to determine which email newsletters they wish to continue receiving while stopping the sending of others.

Sender ID: The informal name for a new anti-spam program combining two existing protocols: Sender Policy Framework and Caller ID. Sender ID authenticates email senders and blocks email forgeries and faked addresses.

Sent Emails: Number of email names transmitted in a single broadcast. Does not reflect how many were delivered or viewed by recipients.

Search Engine Results Page(s) (SERP(s)): the listing of webpages returned by a search engine keyword query.

Server: A host computer that fulfills requests from other computers such as information, data, webpages, emails, images, etc. Can store and distribute email from one mailbox to another, or relays email from one server to another in a network.

Share of Wallet: A measure of how much business in a given category is owned by a merchant. For example, of everything that someone might be expected to spend on product X this year, how much are they spending with merchant Y?

Shopping Search Engine: See Comparison Shopping Site.

Stock Keeping Unit (SKU): Any product, part or accessory that is numbered. Often used to refer to the number of products sold by a merchant.

Short Message Service (SMS): A feature of mobile phones that allows the transmission of short text messages from one device to another.

Simple Mail Transfer Protocol (SMTP): The most common protocol for sending email messages between email servers.

Social Marketing: The planning, execution and measurement of marketing tactics deployed through social media sites and involving the voluntary actions of prospects and consumers.

Social Media Integration: The use of social media to support search marketing plans. For organic search, content development and link building tasks are facilitated. For pay-per-click, clickthrough and conversion rates are improved.

Social Media: Applications and websites that allow for the publishing and sharing of user generated content and discussions. Examples of social media include social networks, blogs, microblogs, multimedia sharing sites and games.

Social Sharing: Tools and tactics that enable email recipients to share email content on popular social networks and other social media sites.

Soft Bounce: Email sent to an active (live) email address but is turned away before being delivered. Often, the problem is temporary — the server is down or the recipient's mailbox is over quota. The email might be held at the recipient's server and delivered later, or the sender's email program may attempt to deliver it again. Soft-bounce reports are not always accurate because they don't report all soft bounces or the actual reason for the bounce.

Solo Mailing: A one-time broadcast to an email list, separate from regular newsletters or promotions, and often includes a message from an outside advertiser or a special promotion from the list owner.

Spam: The popular name for unsolicited commercial email. However, some email recipients define spam as any email they no longer want to receive, even if it comes from a mailing list they voluntarily joined.

Spamcop: A blacklist and IP-address database, formerly privately owned but now part of the email vendor, IronPort. Many ISPs check the IP addresses of incoming email against spamcop's records to determine whether the address has been blacklisted because of spam complaints.

Spamdexing: Any technique designed to fool search engine spiders, and increase or artificially change a search ranking or result.

Specifier: Someone whose role in the technical purchase process is to identify specific needs, features, etc., needed from a product.

Sender Policy Framework (SPF): A protocol used to eliminate email forgeries. A line of code called an SPF record is placed in a sender's Domain Name Server information. The incoming server can verify a sender by SPF record before allowing a message through.

Spider: A small program that surfs the Web to index information for a search engine. See also **Crawler**.

Spidering: The process of surfing the Web, storing URLs and indexing keywords, links and text. Because there is far too much information available to index it all, every search engine has unique (and highly proprietary) ways in which it saves time and space.

Sponsored Search: A method of search engine marketing based on a cost-per-click model. See also **Pay-Per-Click**.

Spoofing: The practice of changing the sender's name in an email message so it looks as if it came from another address.

Status: Short character description of what a user is doing at a specific moment, e.g., "Sergio is writing a glossary of social media terms."

Stemming: An advanced search quality of some search engines that allows the engine to return results containing the same word stem as the keyword. Example: A "stemming" return for "marketing" might return results for "marketer."

Stop Word: Words that are so common they don't affect search results, such as "a," "an," "the," etc.

Streaming Media: Video or audio that can be watched or listened to online but not permanently stored.

Style or Style Sheet: CSS that determines the look/feel of a site.

Subject Line: Copy that identifies the topic of an email message, often designed to entice the recipient into opening the message. The subject line appears first in the recipient's inbox, often next to the sender's name or email address. It is repeated in the email message's header information inside the message.

Subscribe: The process of joining a mailing list, either through an email command, by filling out a Web form, or offline by filling out a form or requesting to be added verbally. (If you accept verbal subscriptions, you should safeguard yourself by recording it and storing recordings along with time and date, in a retrievable format).

Subscriber: The person who has specifically requested to join a mailing list.

Subscribing: The process of adding an RSS feed to an aggregator or newsreader.

Suppression File: A list of email addresses you have removed from your regular mailing lists, either because they have opted out of your lists or because they have notified other mailers that they do not want to receive mailings from your company. Required by CAN-SPAM.

Syndication: Allows blog content to be distributed online.

Tag Cloud: A visual representation of the popularity of the tags or descriptions that people use on a blog or website. Popular tags are often shown in a large type and less popular tags in smaller type.

Tagging: The act of allocating particular keywords to content, such as in Flickr photos.

Tags: Keywords added to a blog post, photo or video to help users find related topics or media, through either browsing on the site or as a term to make your entry more relevant to search engines.

Target Market: A profile that an organization selects to target with marketing materials. Target markets are typically based on demographics, such as location, company size, annual revenue, etc. They differ from buyer personas, which are more in-depth profiles that include behavioral characteristics.

Technorati Authority: Used to determine the number of times a keyword or URL are mentioned and linked in blogs.

Teleconferencing: A meeting held without being in the same place, using a network connection and tools like Voice over IP, instant messaging, video and whiteboards.

Telemarketing: Involves contacting prospects with a phone call to generate leads See also **Cold Calling**.

Tenancy: An ad displayed for a set period of time. See also **Sponsored Search**.

Terms of Service (TOS): The legal basis upon which you agree to use a website, video hosting site or other place for creating or sharing content.

Test: A necessary step before sending an email campaign or newsletter. Many email clients permit you to send a test email before sending a regular email newsletter or solo mailing, in which you would send one copy of the message to an in-house email address and then review it for formatting, copy errors or improperly formatted links. Email marketers should also send a test campaign to a list of email addresses not in the deployment database to determine likely response rates and how well different elements in the message perform.

Text Newsletter: Plain newsletter with words only — no colors, graphics, fonts or pictures. Anyone with email can receive it.

Thank-You Page: Webpage that appears after a user has submitted an order or a form online. Is often a receipt.

Threads: Strands of conversation. On an email list or Web forum, they will be defined by messages that use the use the same subject. On blogs, they are less clearly defined, but emerge through comments and trackbacks.

Throttling: The practice of regulating how many email messages a broadcaster sends to one ISP or mail server at a time. Some ISPs bounce email if it receives too many messages from one sending address at a time.

Time to Close: The average number of days it took for deals to close during a specified time period.

Tool: Software applications on your computer, and also for applications that are Web-based.

Top 2 (or Top 3): Scoring method in which only the top two responses are used in calculation. Top two responses are usually expressing favorability toward the selection and usually include "very" and "somewhat" as the two responses.

Total Investment: Includes the total financial investment made for a marketing channel or campaign. Can also include employee salaries or sales commission.

Total Lead Volume: The total number of leads collected from lead generation campaigns. Includes sales-ready leads and non-sales-ready leads.

Total Revenue: The total revenue gained for a marketing channel or campaign.

Trackback: A facility for bloggers to leave a calling card, instead of commenting.

Transactional Email: An email that is part of a transaction, usually a receipt. Has been used to refer to rich-media emails with transactional capability embedded in the email itself. However, this term has largely fallen out of use as filtering of email has limited the utilization of rich media elements. Also known as Transactive Email.

Transparency: Enhancing searching, sharing, self-publish and commenting across networks makes it easier to find out what's going on in any situation where there is online activity.

Triggered Nurturing Message: A lead nurturing message sent in response to an action that a lead has taken.

Troll: Someone who posts controversial, inflammatory, irrelevant or off-topic messages in an online community, such as an online discussion forum or chat room, with the primary intent of provoking other users into an emotional response or to generally disrupt normal on-topic discussion.

Tweet: A post on Twitter, a real-time social messaging system.

Tweetup: An organized or impromptu gathering of people who use Twitter. Users often include a hashtag, such as #Tweetup or #sfTweetup, when publicizing a local Tweetup.

Twitter: A popular social network, unveiled to the public in July 2006, that lets members post updates of no more than 140 characters. People often use Twitter to point to news stories, to raise funds for charity or other unexpected uses. See also **Microblogging**.

Twitterverse: Akin to blogs and the blogosphere, the Twitterverse is the community of people who use Twitter and the conversations taking place within that sphere.

Unsolicited Commercial Email (UCE): See also **Spam**.

Unconference: A collaborative learning event organized and created for its participants, by its participants.

Unique Reference Number: A unique number assigned to a list member, usually by the email broadcast software, and used to track member behavior (clicks, subscribes, unsubscribes) or to identify the member to track email delivery.

Unique Visitor: A single visitor to a website determined by the number of unique IP addresses that hit the site.

Universal Lead Definition: A lead that has been determined to fit the profile of the ideal customer, has been qualified as sales-ready, and spells out the responsibilities and accountabilities of the participants in the program, Sales and Marketing (Brian Carroll, Executive Director of Applied Research of MECLABS, CEO of InTouch).

Universal Search: A search engine's ability to deliver multimedia content in search results pages, including images, videos, news, local information, social media sites and books.

Universe: The total membership of a defined group. The universe of influencers on technology purchases, for example, includes technical staff, IT management, Line of Business managers and executives at the VP and C-level.

Unsubscribe: To remove oneself from an email list, either via an emailed command to the list server or by filling in a Web form.

Update: A newsletter sent to fans of a specific social media page.

Upload: Transfer a file or other content from your computer to an Internet site.

Uniform Resource Locator (URL): The Web address for a page, always beginning with http:// (or https:// for a secure page) and followed by "www." (or variations, although some URLs are set up to not include this information) and the domain name, e.g., http://www.marketingsherpa.com.

Usability: The study of how people interact with their environment. In online marketing, a specialized form that focuses on webpage design.

User-Generated Content (UGC): An industry term that refers to all forms of user-created materials such as blog posts, reviews, podcasts, videos, comments and more.

Value Proposition: A clear and concise statement that defines the key reason why an organization becomes the best chose their ideal customer. It should clearly communicate both what the company does and its unique benefits over the competition.

Vendor: Any company that provides a service. See **Email Vendor**.

Verification: A program that determines an email came from the sender listed in the return path or Internet headers; designed to stop email from forged senders.

Video Email: An email message that includes a video file, either inserted into the message body, accessible through a hotlink to a website or accompanying it in an attachment (least desirable because many ISPs block executable attachments to avoid viruses).

Video Search: A search engine's ability to "crawl" the Web for video content and index it on a search results page.

Videoblog (or vlog): A blog that contains video entries. Often called video podcasting, vodcasting or vlogging.

Viral Loop: The dynamic that encourages one to share a property with friends.

Viralocity: The number of new users gained for each user. A viralocity of one means for each user, one new user is gained.

Virtual Event: Much like a webinar but intended to include a large number of participants, and is often marketed as an online conference or summit. See also **Webinar**.

Virtual World: An online computer-simulated space such as Second Life that mixes aspects of real life with fantasy elements.

Voice Over Internet Protocol (VOIP) Service: Enables you to use a computer or other Internet device for phone calls without additional charge, including conference calls, e.g., Skype.

Wall: Shared discussion board specifically about an individual and displayed on the individual's profile.

Warm Traffic: Sending users to your website who have already been engaged via a social page or app – e.g., "warmed-up" users who are more likely to convert to customers.

Web 2.0: Refers to the second generation of the Web, which enables people with no specialized technical knowledge to create their own websites to self-publish, create and upload audio and video files, share photos and information, and complete a variety of other tasks.

Web Analytics: The measurement, collection, analysis and reporting of Internet data for the purpose of understanding who your visitors are and optimizing your website.

Web Bug: A one-pixel x one-pixel image tag added to an HTML message and used to track open rates by email addresses. Opening the message, either in the preview pane or by clicking on it, activates the bug and sends a signal to the website, where special software tracks and records the signal as an open.

Web Conferencing: Used to conduct live meetings or presentations over the Internet.

Web Feed: Allows you to read, listen or watch new content on a blog or a website without having to revisit that site. See also **RSS**.

Web-based Tools: Google, Yahoo! and a host of other commercial organizations provide an increasing range of free or low-cost tools including email, calendars, word processing and spreadsheets that can be used on the Web rather than a desktop.

Webcasting: Refers to the ability to use the Web to deliver live or delayed versions of audio or video broadcasts.

Webinar: Short for Web-based seminar, a webinar is a presentation, lecture, workshop, meeting or seminar that is transmitted over the Internet through a Web conferencing tool.

Webmail: Any of several Web-based email clients where clients have to go to a website to access or download email instead of using a desktop application. Some examples are Gmail, Yahoo! Mail and Hotmail.

Welcome Message: Message automatically sent to new list members as soon as their email addresses join a list.

White Hat: In PPC, this refers to ethical and acceptable methods of optimizing a website to achieve higher search engine rankings and increased traffic.

Whitelist: Advance-authorized list of email addresses, held by an ISP, subscriber or other email service provider, which allows email messages to be delivered regardless of spam filters. See also **Enhanced Whitelist**.

Widget: A small block of content, typically displayed in a small box, with a specific purpose, such as providing weather forecasts or news that is constantly updating itself (typically via RSS). Widgets make it easy to add dynamic content to your site or blog. **Sometimes called a gadget, badge or applet.**

Wiki: A technology designed to allow many different people to edit a webpage by providing an easily reversible audit trail of edits and changes. The best example of this in practice is the Wikipedia project.

Wish Lists: A merchandising technique that allows registered website users to store a list of products they would like. Like a digital version of a wedding registry.

Word-of-mouth (WOM) Marketing: An emerging area in marketing that attempts to measure and/or harness the power of personal recommendations. With the explosion of blog readership, WOM has become a hot topic in virtually every industry.

WordPress: A popular open source blog publishing application.

XML (Extensible Markup Language): A new language that promises more efficient data delivery over the Web. XML does nothing itself. It must be implemented using "parser" software or XSL.

Extensible Markup Language (XML): An advanced language developed by the World Wide Web consortium (W3C) to complement HTML. HTML is about displaying information, while XML is about describing information. XML does nothing itself. It must be implemented using "parser" software or XSL.

XML Feeds: A method of feeding page information to search engines using XML. Some feeds are paid by the user on a CPC or subscription basis.

YouTube: A video sharing website where users can upload, view, share and comment on clips from TV, film and amateur videos.

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MarketingSherpa is a primary research facility, wholly-owned by MECLABS, dedicated to determining **what works in marketing** via exclusive case studies, surveys, and results data analysis. Then we publish what we learn so our community of marketers and weekly readers can improve their results and train their teams.

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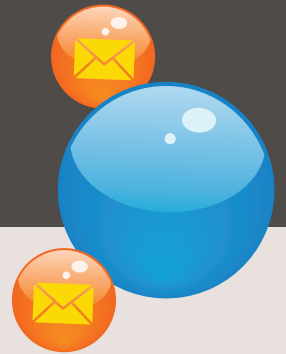
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