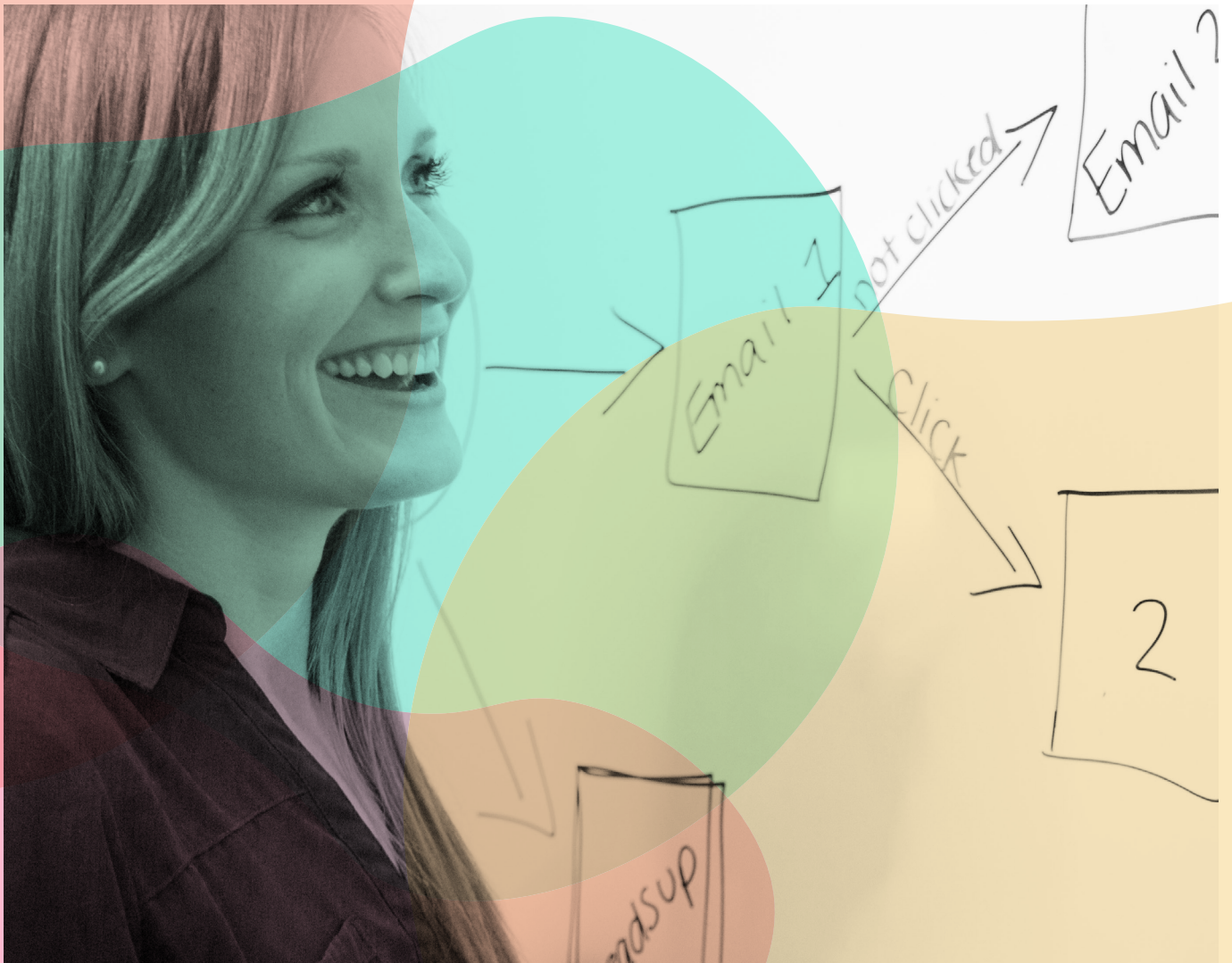


## 2016 State of Customer Journey Marketing

# WHERE MARKETERS ARE INVESTING, WINNING, AND FAILING



# Expert commentary



**“More than ever before, the customer has control of the levers and flow of information that influences buying decisions”**

## **Adrienne Weissman**

Changing the way brands buy B2B software |  
Chief Marketing and Customer Officer



Today, more than ever before, the customer has control of the levers and flow of information that influences buying decisions. Autopilot’s 2016 State of Customer Journey Marketing research further confirms the need for greater transparency and continued relationship-building with both prospects and existing customers.

This new level of transparency and interaction is democratizing the marketplace and providing forward-thinking businesses with opportunities to build healthier, long-term relationships with a more educated consumer.

**Adrienne Weissman,**  
Chief Marketing and Customer Officer, G2 Crowd

## Executive Summary

In this second State of Customer Journey Marketing report, Autopilot surveyed 505 US-based marketing decision makers to discover where they are investing, the strategies they are adopting to achieve high growth, and which marketing tactics and channels get results.

Social media and mobile devices have strengthened consumers' ability to connect 1:1 with brands at any time, from anywhere. 88 percent of high performing marketers get results by investing in customer experience initiatives including analytics, content, social and nurture-based strategies for growth.

By focusing on the customer's journey, high performers are producing more leads, turning one-time buyers into repeat buyers, and converting new customers more rapidly.



Marketing automation adoption has grown 4x in 2 years. Users are twice as likely to hit lead targets and are 60% more likely to stay in touch.

### Top non-email marketing channels



1. SOCIAL MEDIA (70%)

2. DIRECT MAIL (53%)



3. SMS (32%)

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# Key Findings

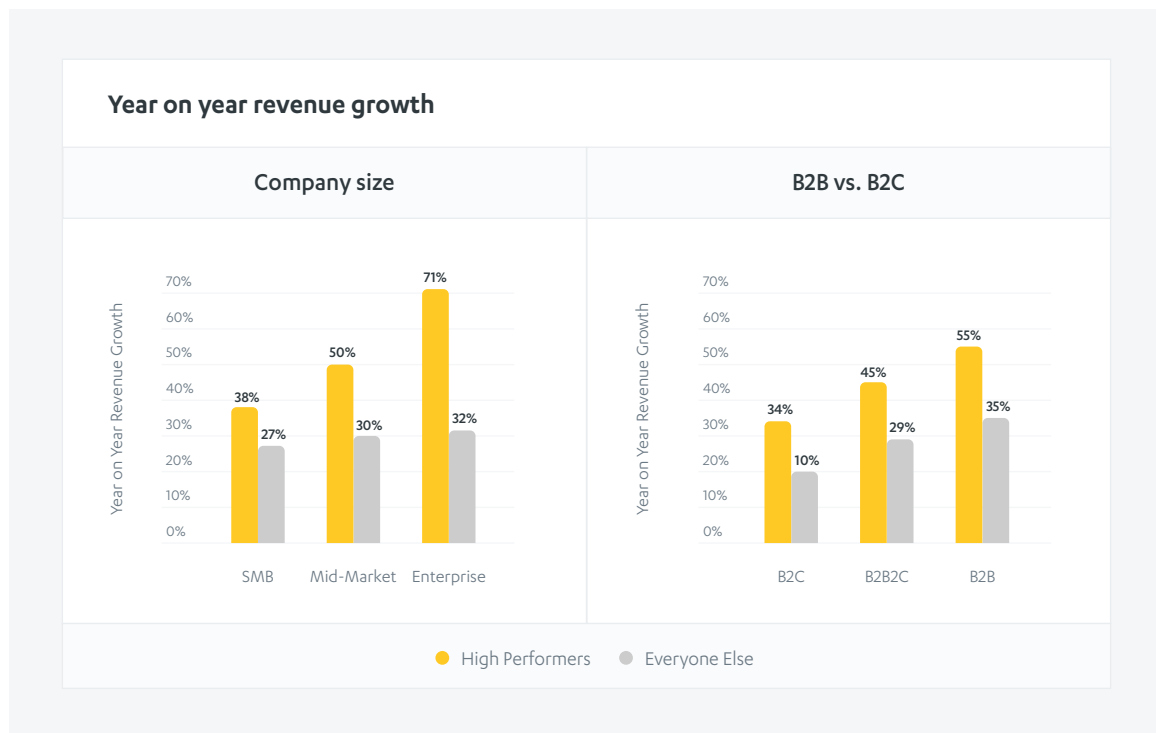
- 1 High performing marketers make up 24 percent of the 505 marketers surveyed.** Defined as attainers of 80 percent or more of their lead or performance goals, they grow revenue 58 percent faster than everyone else, generate more leads for their companies, are 2.5X happier with their performance, and have more satisfied customers.
- 2 All marketers are prioritizing brand awareness, converting leads to sales, and generating new leads.** But high performers are investing in customer events and marketing, referral and satisfaction programs, and analytics and attribution, rather than in online ads, to get there.
- 3 71 percent of high performers have mapped their customer's journey,** and an astonishing 88 percent say this initiative is driving better customer acquisition, satisfaction, and retention.
- 4 Marketing automation adoption is up more than 4X in two years.** Cost, not lack of awareness or complexity, is now the main impediment of use. 64 percent of high performers send automated emails to their contacts at least once per week.
- 5 70 percent of marketers now rank social media as their top performing non-email channel,** 81 percent are using data to personalize their marketing, with the majority saying it creates a better customer experience.
- 6 48 percent of marketers list budget constraints as their number one challenge,** B2B marketers are most concerned with converting leads into sales, while B2C marketers seek high ROI-approaches to grow with thin margins and tight budgets.
- 7 84 percent said marketing owns or is a key stakeholder in their customer journey initiative.** Marketing leaders who have not done so already should start a cross-functional initiative that aims to grow leads, conversions, and customer satisfaction.
- 8 48 percent of marketers intend to invest in predictive analytics.** Expect SMBs to get more data-driven in how they allocate budget and prioritize key campaign decisions as simpler, more affordable tools emerge.

# 2

## What Makes a High Performing Marketer?

Throughout this report, we compare responses from high performing marketers with everyone else to extract their winning tactics and secrets. **We defined high performers as those who attain “80 percent or more of their lead or performance goals this year.”** 24 percent of survey respondents met this definition of a high performer.<sup>1</sup> So, *what are the attributes of a high performing marketer?*

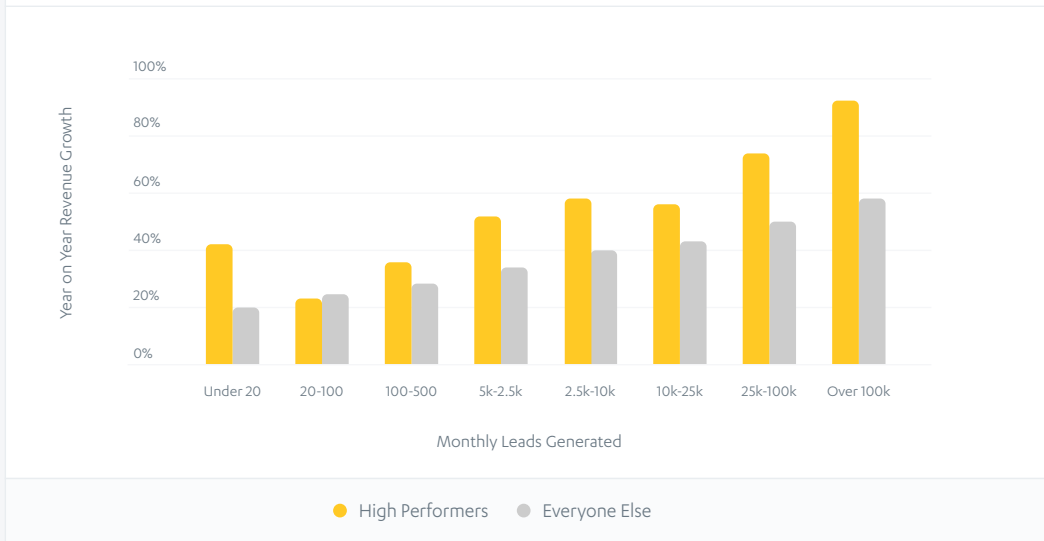
**High performers grow revenue faster – by 58% on average.** This is consistent regardless of their company size or business focus, with high performers outperforming peers by as much as 122% in Enterprise and by 74% in B2C-facing companies.



**High performers produce more leads and grow faster.** 43 percent of high performers create more than 500 leads per month. In every lead bracket except for companies generating 20 to 100 leads per month, the high performers create 23 percent more leads on average, and also drive higher year on year revenue growth.

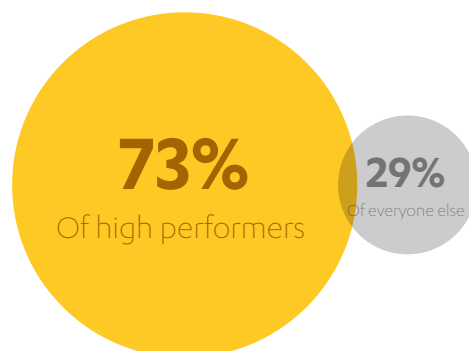
<sup>1</sup>Other criteria for defining high performers were investigated, including number of leads generated, revenue growth rates, satisfaction with marketing, customer satisfaction rates, tech usage, and tactics. But more than any other, those who hit 80 percent or more of their goals drive faster revenue growth, regardless of their company size or audiences.

### Impact of lead generation on revenue growth rates



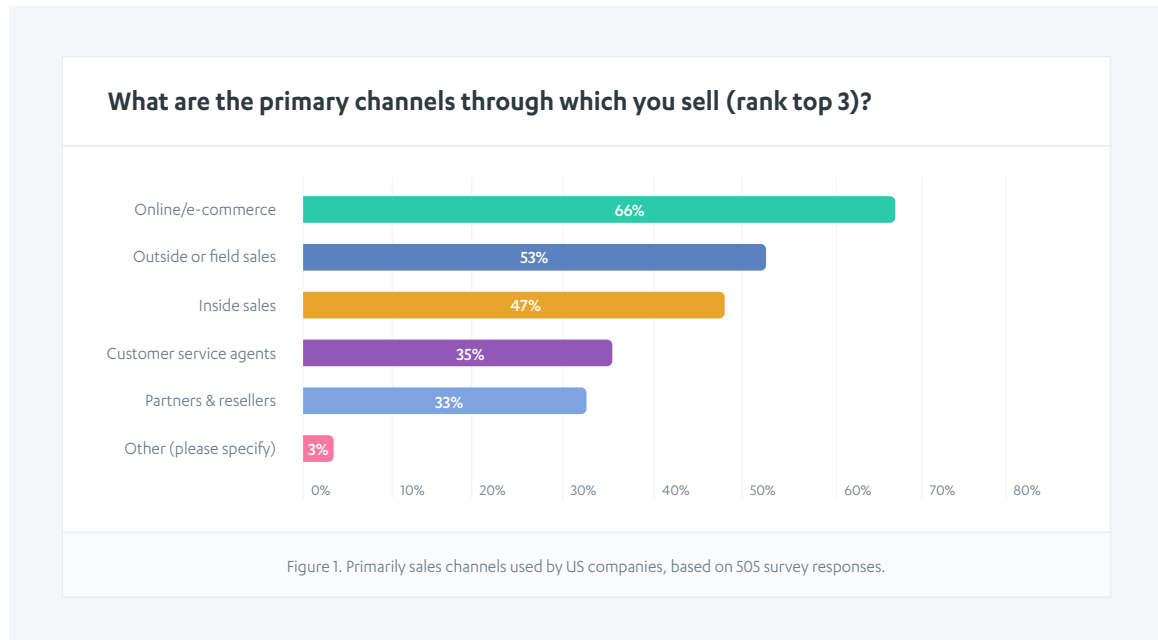
**High performers delight their customers.** 86 percent of high performers said their customers are very or extremely satisfied, compared to 70 percent for everyone else. Millennial marketers know that today's consumer cares about building trusted, authentic relationships and being able to connect with their preferred brand at any time, from anywhere.

### High performers are far more satisfied with marketing's performance.



A whopping 73 percent of high performers are “very” or “extremely” satisfied with marketing's results and performance, which is 2.5 times higher than everyone else. Marketers in mid-sized companies are more satisfied with their performance than those in small businesses under 250 employees (by 61 vs. 29 percent), perhaps reflecting access to more resources, larger budgets, and an established market presence.

**Higher performers have a firm grasp on driving online revenue.** In this study, the top sales channel is online/e-commerce (66%), followed by outside/direct selling (53%), then inside sales (47%). Succeeding in driving revenue involves retooling and refocusing marketing, from traditional top of funnel lead generation and pipeline metrics, to driving demand, growth, and satisfaction through the customer lifecycle and across acquisition channels.



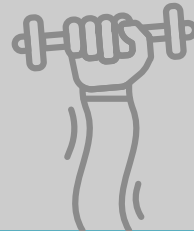


# WHAT DOES IT MEAN TO BE A *High Performing Marketer?*



## *High Performers*

attain >80% of their marketing goals



## *Everyone Else*

attain <80% of their marketing goals

**53%**

High Performers



**38%**

Everyone Else



Are growing revenue fast  
(>20% YoY)



**73%**



**29%**

High Performers

Everyone Else

Very/extremely satisfied with marketing's performance



**86%**

High Performers



**70%**

Everyone Else

Have very/extremely satisfied customers

**71%** High Performers

**54%** Everyone Else

Have defined a customer journey initiative

**71%**  
High Performers

**52%**  
Everyone Else

Are using marketing automation



**71%**

High Performers



**45%**

Everyone Else

Are in touch with customers & contacts at least weekly

**80%**

High Performers

**63%**

Everyone Else

Feel they have data analytics needed to track results



**88%**

High Performers



**81%**

Everyone Else

Would do better at work with improved insights



**43%**

High Performers



**35%**

Everyone Else

Create 500 or more leads per month

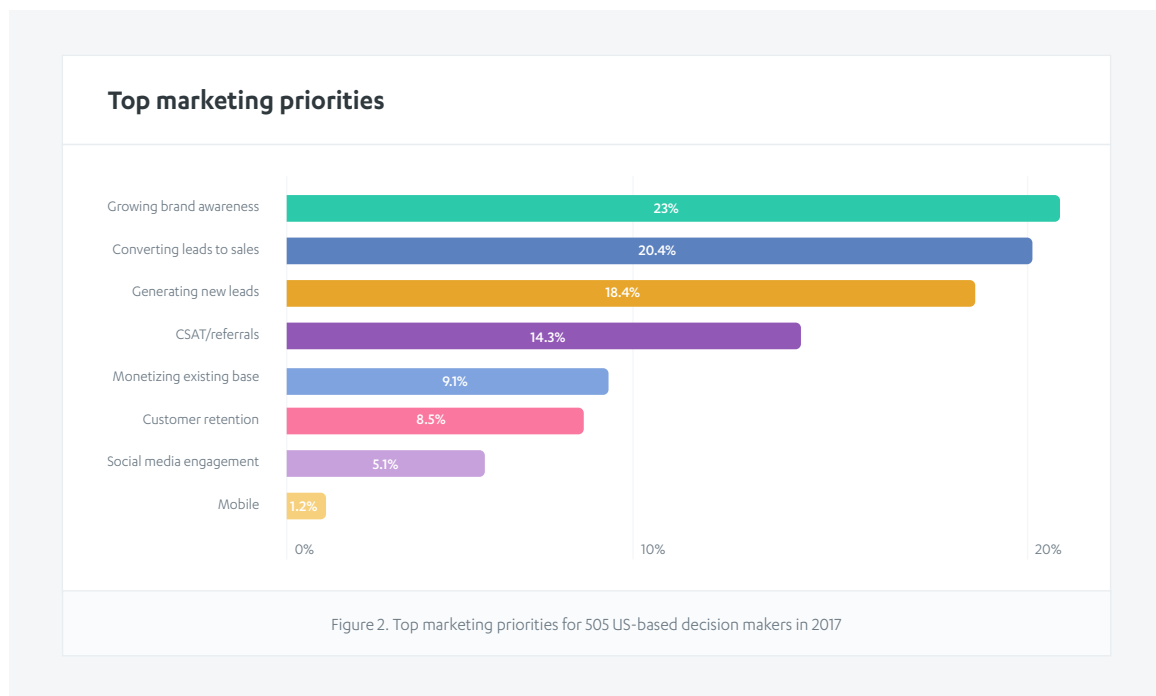
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# 3

## In the Social Media Age, Brand is Still King

### What are today's marketers prioritizing?

Even as the digital world continues to transform marketing and provide flashier metrics and new tools, **growing brand awareness remains marketers' top priority and was ranked first by 23 percent of respondents**, followed by converting leads into sales (21 percent) and generating new leads (18 percent).



**High performers are even more focused on brand**, with 27 percent ranking it as their top priority, followed distantly by lead generation (21 percent) and customer satisfaction (19 percent).

In contrast, everyone else is more evenly split between growing brand awareness (21.8 percent) and tactical lead-based initiatives such as converting leads into sales (22.1 percent) and generating new leads (18 percent). Amongst B2B-focused marketers, 43 percent indicated “brand awareness” as the leading priority at more than twice the rate of their second priority, customer satisfaction.

	1	2	3
<b>High Performers</b>	Growing brand awareness (27%)	Generating new leads (21%)	Improving customer satisfaction & referrals (19%)
<b>Everyone Else</b>	Converting leads into sales (22%)	Growing brand awareness (22%)	Generating new leads (18%)

Figure 3. Top three areas of marketing investment in 2017 for 124 high performing marketers compared to everyone else (based on 505 total survey responses)

The focus on brand and satisfaction/referral initiatives jives with today's consumer, who is increasingly a self-service generation used to Googling product research from the palms of their hands, or checking into their flight and checking-out from the store without ever removing their headphones. They want an online experience that is engaging and authentic.

## So where are marketers investing?

In 2017, marketers are investing first in online ads (30 percent) and customer events & marketing (30 percent), followed by email marketing, social media ads, and content.



**High performers focus more on the customer experience than ads:** they invest in customer events and marketing (35 percent), and referral and loyalty programs (29 percent), to get ROI from creativity, proof points, and buyer incentives to drive referrals and repeat purchases.

	1	2	3
High Performers	Customer events & marketing (35%)	Referral and loyalty programs (29%)	Analytics & attribution (19%)
Everyone Else	Online advertising (30%)	Social media ads and engagement (29%)	Customer events & marketing (28%)

Figure 5. Top three areas of marketing investment in 2017 for 124 high performing marketers compared to everyone else (based on 505 total survey responses)

High performers are also investing in analytics and attribution (19 percent), meaning that as budget allocation shifts from advertising to customer-focused marketing, **marketing leaders need to hire math men over mad men** to analyze behavioral and purchasing data to accurately attribute what content and campaigns generate ROI.

Examples of proven growth tactics that benefit from having math men (and women) to track ROI:

- Influence of social media engagement on leads and buying decisions
- Pre-targeting or re-targeting visitors with relevant website content and ads
- Use of content and lifecycle lead nurturing to educate and “warm up” early buyers
- Winning advocates online by leading virtual meetups and live discussions
- Driving organic traffic through search-optimized content
- Using multiple channels to influence buyers, for example web chats or 1 to 1 personalized emails to guide buyers through an online check-out

## And how are B2B vs. B2C marketers investing in 2017?

- **High performing B2B marketers are investing first in brand assets (43 percent).** Taking control of the brand narrative and defining a strong point of view will always form a basis for competitive differentiation, as well providing many opportunities to repurpose gated content for lead generation.
- **B2C marketers favor customer advocacy and loyalty programs (46 percent),** which is more than 3X higher than high performing B2B marketers (13 percent). We do expect to see advocate marketing uptick in B2B as subscription-based businesses adopt more consumer-like approaches to grow meaningful customer relationships.

## How is marketing being measured in their company?

**The fastest growing companies measure marketing on their ability to grow their brand and tailor high-end customer experiences, rather than purely on customer acquisition:**

- 29 percent of high performers say their company's main measure of marketing success is raising brand awareness, followed by customer satisfaction (22 percent)
- In contrast, customer acquisition was the top measure of success for everyone else (19 percent), vs. the third place consideration amongst high performers



Take it from the former CMO of Slack and Zendesk who views the [brand as the sum of all experiences a customer has with a company](#) and insists that a strong brand will always generate long-term growth, revenue, and customer acquisition.

## Takeaways on the modern brand

In a sense, this is back to basics. The best companies have always focused on building a unique point of view that reflects their values and on satisfying customers. A famous study in the 1990s revealed that customers of Xerox, a company in a highly competitive marketplace, were [six times more likely to repurchase Xerox products if they were totally satisfied customers](#) (5 on a 5-point scale) compared to those who were merely satisfied (4 on a 5-point scale).

So what are the differences today about how a brand is discovered and perceived?

**Information is transmitted nearly instantaneously.** A positive brand interaction ripples across Facebook, LinkedIn and review sites, while a single negative tweet leaves a permanent scar. The more extreme the opinion, often the faster it gets shared. [Zendesk's transparency in rescinding new pricing](#) after a mass-uprising of its customers was rewarded with community love, while [a horrified traveler's Facebook post attracted over 600,000 shares](#) when European discount airline, Ryan Air, charged 300 euros to print out a boarding pass.

**Online subscription-based businesses are easily shopped,** and brands are judged on a relationship rather than transactional basis. Software is subscribed to monthly, as are media, wine, razor blades, and children's toys. Savvy consumers try and buy multiple services before picking, and can shop alternatives at any time.

**Millennials expect more.** Millennials, who will make up 1 in 3 adults by 2020, refuse to settle for cookie-cutter products or experiences. They know 24/7 customer service is possible, are accustomed to being able to personalize everything, and are willing to give up personal details in exchange for an immediate answer.

The brands who are embracing the customer experience enjoy spectacular growth and public valuations. Examples of those winning through a differentiated experience include:

- **Quicken Loans – “engineered to delight.”** Quicken Loans delivers refinance applicants a crafted online and at-home experience that includes delivery of a color-coded, personalized “getting started” kit within 24 hours of inquiry, a mobile app, and trained service reps and triggered emails to guide you through financial diligence.
- **Gazelle – buy and sell used iPhones.** Gazelle turns disposing a broken or obsolete iPhone into an easy and lucrative online experience. Gazelle buys any phone, unit unseen, by offering clear upfront rates, free courier retrieval from your house, and real-time email notifications.

# Practical tips for growing your brand online

Whether you're a B2B tech startup, a consumer enterprise, or a brick-and-mortar shop, here are proven ways to ramp up without spending much.



## Grow SEO and your company narrative by blogging consistently.

Build and rank your keyword universe using [Google Search Console](#). Optimize blog titles, metadata, and body content to build authority against your base and long-tail keywords.



## Your customers are a bank for content ideas.

Survey them periodically using free or cheap [SurveyMonkey](#) software to discover what best practices, customer examples, industry reviews, and other helpful content they'd like to see from your company.



## Nurture leads and contacts from day one.

It's cheaper to reactivate and retain 20% of your existing leads than to generate 20% more new leads. Tools like [Autopilot](#) allow you to easily nurture leads, send personalized messages, and take your customers on a helpful journey.



## Share content and engage regularly on social media.

Use [Buffer](#) to queue up links to fresh content on an ongoing schedule, and [Hootsuite](#) to monitor and act on your most popular posts in real time.



## Ride the coattails of influencers, experts and partners.

Get to know the most influential voices on Twitter associated with the hashtags that you care about. Grow your online reach by tweeting recent blog posts, content, releases, or commentary at them, asking their opinions, and engaging their audience.



## Acquire paid leads for next to nothing.

Boost popular content on Facebook, retarget visitors with relevant ads based on their initial interest, and nurture subscribers into paying customers—for pennies on the dollar.



## Become a source for the press.

The media loves data. Earn hits by doing relevant industry survey research with [SurveyMonkey](#) or [Cint.com](#) (as we did here), then offering findings under embargo to land an op-ed. Increase reach by publishing on LinkedIn Pulse, Medium, and your blogs.



## Transform mind-numbing data into beautiful visual content.

Infographics, annotated images, videos, visual ebooks, and webinars are ideal content to gate, allowing you to build a contact list for ad retargeting, nurturing, and social media campaigns.



## Actively participate in your community.

Stay up on the latest tools and trends while growing a presence in the community. Be on the hunt for new forums, whether they are Quora, Slack channels, or niche industry hangouts, and share a healthy mix of unbranded and branded links.

# 4

## Customer Journey Marketers Are Winning

85 percent of B2B buyers say that online content has a “[moderate to major effect on purchasing](#)” decisions. Banner ads, videos, social posts, review sites, comparisons, pricing sheets, and branded articles all act as signposts for the customer as they prepare to place orders or speak with sales. Yet the touch points along the path to purchase are more disconnected and more numerous than ever before.

This presents an immediate opportunity for brands to surprise and delight their buyer, and earn trust by offering “[guided influence](#),” or valuable, engaging, and emotionally evocative content that educates and saves them time along the way. *So how do you create a winning customer journey?*

### Launch a Customer Journey (CJ) initiative

Creating a wow customer experience starts with an initiative to map your buyer’s journey in order to understand their needs and habits, pinpoint key the decisions they must make, then creating experiences, content, and guides that influence those decisions.

In this study, we find that 71 percent of high performers have defined an initiative to map the customer journey, and **an astonishing 88 percent say the customer journey initiative is driving better customer acquisition, satisfaction, and retention.**







Marketers in this study who have defined a CJ initiative report many benefits, including:

- **Faster revenue growth:** Only 41 percent of high revenue-growth companies have not mapped their customer journey, compared to 82 percent in slower-growth companies.
- **More common in big business, but works for all:** 78 percent of Mid-Market and Enterprises report having a CJ initiative, compared to only 45 percent of SMBs. Yet more than two thirds (70 percent) of all respondents strongly or enthusiastically agreed the initiative is producing positive business results, which did not vary by company size.
- **Getting personal with customers:** 84 percent of marketers who map their customer journey also personalize customer marketing. 42 percent incorporate online behavior like website activity or payments in their targeting and content personalization

## How to get results from the Customer Journey initiative

A successful CJ initiative starts with bringing together a team of cross-functional, customer-oriented doers to dissect on a touchpoint by touchpoint basis the experience of interacting with your product through the eyes of your customer.

Doing so unleashes the creativity needed to design inspiring experiences and get conversion, growth, satisfaction, and retention results. It helps build brand equity that is measurable via [Net Promoter Score](#) (NPS) surveys, a leading indicator of customers' willingness to refer and buy again. Deliverables include developing target personas, lead-to-customer lifecycle maps, dashboards, and results from growth initiatives proven through testing, per the inset table.

# How to Start a Customer Journey Initiative

## Objectives



### Find New Growth.

Increase conversion and satisfaction rates, improve, accelerate user and revenue growth, or improve retention and usage



### Win on CX.

Develop a forward thinking customer experience (CX) environment to differentiate your brand and increase loyalty



### Spark Innovation.

Create a fertile environment to test and validate new methodologies or tactics



### Bring Focus.

Provide internal customer focus to boost employee productivity and morale

## Foundational Tasks

- **Form a team and cadence.** Identify project owner and cross-functional team participants from marketing, sales, support, customer success, product, engineering, or operations. Meet weekly
- **Define your goals.** Align goals to company priorities, such as driving growth from new customer acquisition, increasing customer satisfaction, or improving retention
- **Develop target personas for 1-3 key buyers.** Including titles, experience level, company size, target audience, personal interests, pains/challenges, existing solution, and ideal solution
- **Map the life of a customer.** From pre-purchase to post-purchase, including initial awareness, consideration, evaluation, purchase, learning, and using. At each stage, note: customer's need, goal, timing, current touchpoints, and database or tool where interaction data is captured and/or sent from.
- **Create a lead to customer lifecycle diagram.** From anonymous lead channel to known lead to evaluation to purchase to ongoing customer, including the types of touchpoints and systems of record
- **Prioritize growth initiatives.** Start with simple quick wins to gain project momentum, then tackling harder, more strategic opportunities
- **Create before/after measurement.** Compile baseline data against which to assess the results of your growth initiatives, for example lead funnel metrics, onsite conversion pathways, NPS, customer satisfaction surveys, initial customer response times, or usage & retention rates.

## Growth Initiatives

Automate or streamline your new customer welcome experience and emails (*Autopilot + Salesforce*)

Author a "Getting Started" guide

Understand common dropoff points or missing content on website (*HotJar or InspectLet*)

Conduct post-sales feedback interviews with new customers to find ways to smooth friction

Nurture unqualified leads who aren't ready to buy, or run a reactivation campaign (*Autopilot*)

Automate Net Promoter Score surveys to every customer 90 days after buying to spot quick wins (*Delighted or Satismeter*)

Automate proactive support outreach emails to customers who have not taken key actions within 7 days of starting the app or service (*Autopilot*)

Implement live chat support to engage visitors and customer in real time (*LiveChat or Zopim*)

Develop in-product tips to increase usage or conversion (*Heap or MixPanel*)

Automate manual outreach emails sent from sales reps (*Autopilot + Salesforce*)

Assess impact of initial response times on customer satisfaction in support (*Zendesk CSAT*)

Identify top-requested SEO and content opportunities by surveying your community (*SurveyMonkey*)

Implement a shopping cart abandonment journey to increase conversion rates (*Autopilot*)

Implement a central data warehouse to store and query data, then create a single source of truth for company dashboarding (*Amazon Redshift + BI tools*)

## Why don't companies focus on the customer journey?

Despite the benefits mentioned above, **44 percent of respondents say their companies have not defined a customer journey initiative.** Typical reasons for this, and tips to overcome them, include:

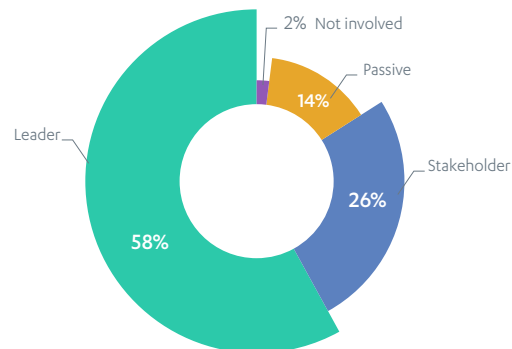
- **Never heard of a customer journey initiative.** *Suggestion: find a friend who has done so for their company, and invite them for a lunch and learn to share their results.*
- **A culture of “getting on with the job.”** Departments shape the customer experience to fit their internal needs and motivations in isolation from other teams. *Suggestion: Champion the CEO or CMO by showing the benefits of NPS on referrals and revenue, then win support to lead a short-term pilot that proves results.*
- **Lack of clarity, or disagreement, over who owns the customer relationship.** *Suggestion: Find customer-centric individuals in other departments to identify some quick wins (see previous page), then pitch the bosses together. Leading or being part of a CJ initiative will better your company and can lead to career opportunities for you.*
- **Customer data is too scattered across silo'd databases and tools.** If your customer data lives in separate customer relationship management (CRM), billing, email marketing, and customer support databases, the CJ initiative can be the catalyst needed to justify centralizing your data and tool stacks. *Suggestion: As above, champion the executive team by running a pilot experiment to illustrate the value of the initiative.*

## The marketing leader is the new primary business architect

In this study, **84 percent of respondents said that marketing owns or is a key stakeholder in their customer journey initiative,** with 66 percent of high performers leading it.

This is a significant shift that is strengthening the marketer's role in SMBs and Enterprises alike. Through brand engagement, online customer acquisition and growth, and personalized lifecycle nurturing, marketers are now directly impacting revenue and lifetime value. A recent online survey by the CMO Council found that 70% of marketing leaders believe their organizations expect [marketing to be the primary revenue driver](#) and business growth architect.

### Marketing's role in the customer journey initiative



And by 2017, [89 percent of marketers expect to compete primarily on customer experience](#) and are prioritizing customer experience initiatives as the focal point of the branding, design, delivery and differentiation of their products and services.

Brian Anderson of Demand Gen Report recently told me, “This requires hitting the system reset: marketers need to be bi-lingual in sales and marketing — market to customer needs and grow revenue.”

The question is, are you ready to reset and become a customer journey marketer?

## Marketing Automation Adoption Has Taken Off

Marketing automation software (MAS) is widely seen as critical to communicating with customers and prospects in a scalable, automated and personalized way.

Until recently, many companies have yet to implement it, with research completed as recently as mid-2014 suggesting that MAS adoption hovers [around only 3% for non-technology companies](#). The complexity, high costs and arduous implementation of traditional MAS vendors have warded off most companies, [particularly SMBs](#), from adopting the technology.

### Marketing automation is going mainstream

But in 2016 [adoption of MAS has taken off](#), largely driven by the new visual tools that hit the market. The radically simpler and more flexible experience of visual marketing automation allows marketers and growth managers to publish and evolve automated customer journeys without needing to code or undergo extensive technical training.

Since Autopilot launched its [visual marketing platform for automating customer journeys](#) in early 2015, numerous vendors have launched competing visual offerings, including Pardot by Salesforce, Campaign Monitor, LeadPages, and most recently, GetResponse.

The growth in MAS adoption is striking, as seen in this study:

- **MAS adoption is up more than 4X in two years**, with 57 percent of all marketers, and 71 of high performers, now reporting that they use it, compared to 13 percent in 2014
- **22 percent of marketers rank MAS in their top three investment areas**, which places it ninth overall
- The top three industries using marketing automation technologies are Advertising and Marketing, Retail and Consumer Durables, and Technology and Electronics

Ascend2 recently reported that [71 percent of companies are currently using marketing automation](#), with another 23 percent who are planning to start doing so in the near future.

## What is driving this wave of automation adoption?

A number of factors are driving adoption, the first of which is that more companies are recognizing that lead nurturing and online personalization get results. Here we learned that:

- **High revenue growth companies are 2.7X more likely to use marketing automation** (57 percent) compared to non-users of MAS (21 percent)
- MAS users **are twice as likely to hit their marketing performance goals**, which also implies they are producing more satisfied customers and growing revenue faster
- MAS users are **2.5X as likely to be satisfied with their marketing teams' performance** as non automation users
- **MAS users are 60 percent more likely to stay in touch frequently** with their customers than non-MAS users, with 51 percent communicating at least weekly. In 2015 research, we found that marketers who stay in touch frequently [generate 2X the leads](#) as those staying in touch less frequently
- Small businesses like Ohio-based commercial and residential services company [Perfect Power Wash](#) is [generating over \\$210,000 in new revenue](#) in less than a year by nurturing lost opportunities.

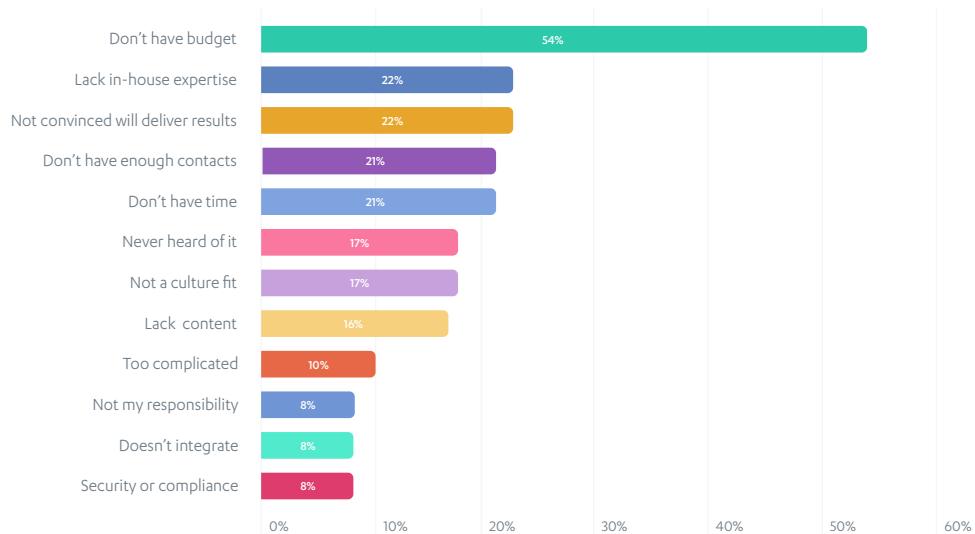
The second trend driving marketing automation adoption is the ongoing shift in marketing mindset and tactics, from marketing at customers using interruptive batch and blast tactics, to connecting with customers at every touchpoint through a cohesive buying journey. [Salesforce's 2016 State of Industry Marketing Report](#) reported that **high-performing marketing teams are 8.8x more likely to have adopted a customer journey strategy**, with seventy-three percent saying it has positively affected overall customer engagement.

A third driver of MAS adoption is a **stronger emphasis on orchestrating messaging and marketing across channels and applications to deliver contextual customer experiences**. 95 percent of top-performing marketers in the Salesforce report said that integrating email, social, or mobile channels into their digital marketing has been highly effective. [New platforms with open APIs](#) are allowing companies to create rich experiences and automate tedious manual workflow by connecting their marketing apps.

## Cost, not lack of awareness, is now the main impediment to use

As recently as late 2014, 44 percent of surveyed marketers had “never even heard of” marketing automation software, which was the top reason for not implementing it. Today, **54 percent said cost was the main factor prohibiting them from using MAS**, while only 17 percent cited lack of awareness.

### What are your primary concerns with implementing marketing automation?

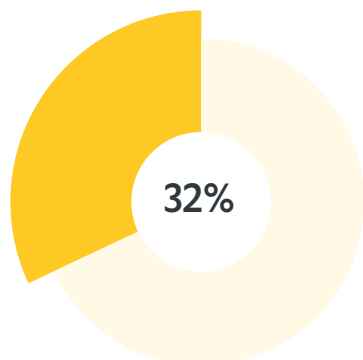


Most likely the emergence of substantially lower cost options is driving industry adoption of MAS, with newer visual marketing automation entrants costing as little as \$20 per month without requiring implementation or consulting fees.

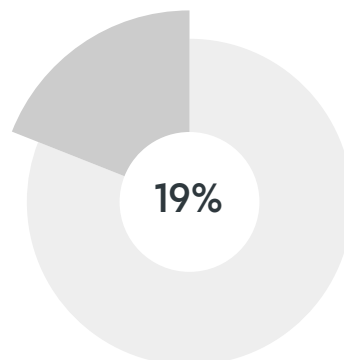
### Ease of use is driving wider adoption

Marketers are also concerned that they don't have the skills and expertise (22 percent), or the time (21 percent), to implement MAS. There is a learning curve with marketing automation software, and a third of high performers are long-time users of the technology (more than 3 years) compared to only 19 percent of everyone else.

### Have used marketing automation software for more than 3 years



High Performers



Everyone Else

However, the new crop of MAS vendors is changing the game by delivering easier, more intuitive tools with drag and drop interfaces for creating journeys and automation on the fly. They are also designed for self-service learning and usage by the marketer, with built-in guides and tips that reduce setup times to hours or days, not weeks or months. The data shows that the simpler, purpose-built approach is working.

- **50% of new Autopilot customers implement in less than one month,** according to a survey of 187 users in 2016

### Time to implement marketing automation

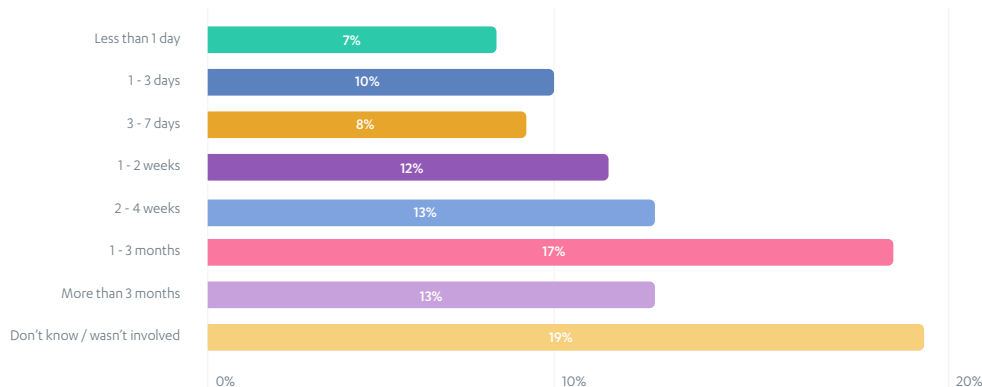


Figure 6. Time to implement marketing automation based on survey of 187 Autopilot users in 2016.



- According to G2Crowd, **74 percent of Autopilot customers see ROI within six months** of implementing, which is more than twice as quickly compared to what users of traditional MAS vendors like Hubspot (32 percent) and Marketo (29 percent) reported.

## Still a big chasm in the SMB

80 percent of non-MAS users in this survey are in small businesses of under 250 employees, many of whom are the owners. 73 percent generate under \$5M per year. The industries with lowest adoption include Construction, Machinery, and Homes; Retail & Durables; and Entertainment & Leisure.

That is not to say SMBs aren't savvy with technology: 73 percent use **social media** as their top non-email channel to engage audiences, and 64 percent **personalize** their marketing with technology.

In the next section, we'll dive into the tactics that high performing automation marketers are using to drive stellar results, and lessons learned that others may use too.

# 6

## Tactics That Are Working

High performing marketers are in touch with customers at least weekly, focus mostly on onboarding and reactivation, communicate heavily on social media and SMS, and personalize their marketing to the user.

### Staying in touch regularly gets results

Millennials are coming of age as [first generation digital natives](#) who are willing to accept more frequent marketing content if it is engaging and relevant. In this study we find that:

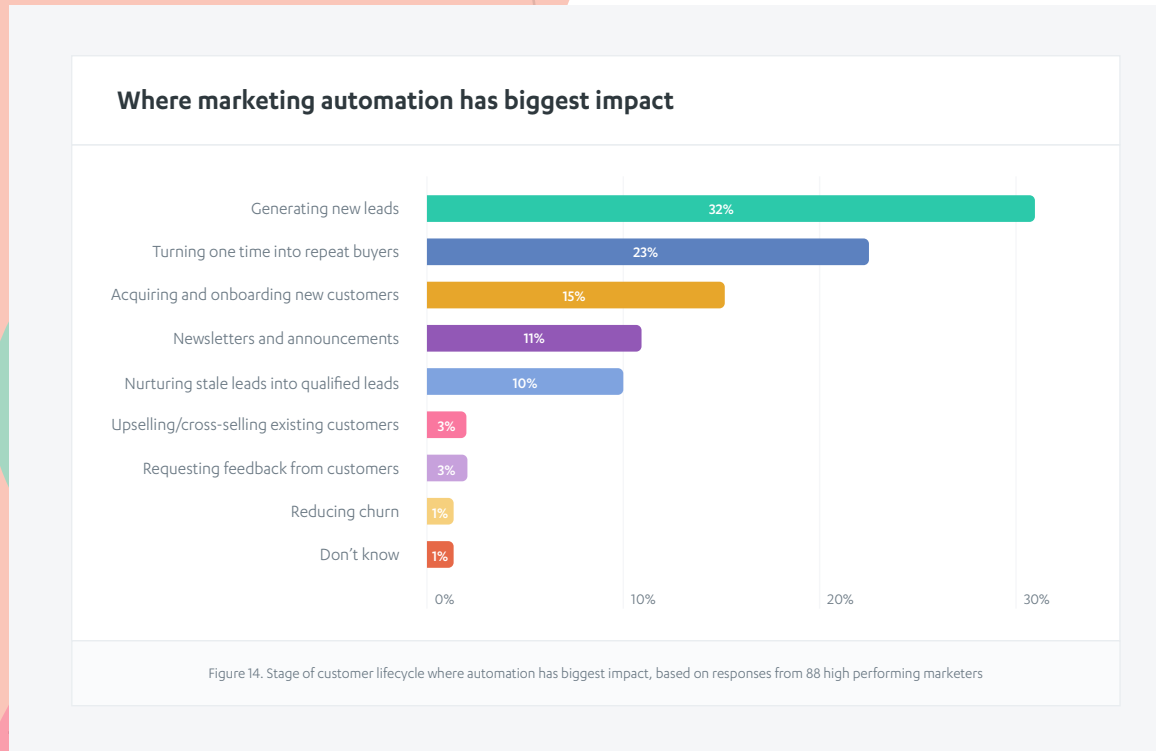
- **64 percent of high performers are sending automated emails to their customers at least once a week**, while 43 percent do so across all marketers.



- **Marketers who nurture contacts at least weekly are almost twice as likely to hit their goals**, with 38 percent hitting goal compared to only 20 percent for those in touch every two to four weeks.
- **Customers are more satisfied when communicated with regularly.** 82 percent of marketers who communicate at least weekly say their customers are “very or extremely” satisfied, compared to only 72 percent who communicate less frequently.

## Marketing automation drives leads, revenue, and the experience

71 percent of high performing marketers leverage marketing automation to nurture leads and personalize their customer's experience. So *what's working?*



High performers say marketing automation's biggest impact is on lead generation (32 percent).

For example, the Corporate Mobility Solutions (B2B) unit of ride-sharing service **Lyft reported a 600%+ increase in leads in 2016 by using Autopilot connected to Salesforce to automate the follow up, qualification, and routing of new web and content leads.**

The second most valuable use of marketing automation is for enticing satisfied one-time buyers to purchase again (23 percent). For example, popular B2C services like the flower delivery service **BloomThat** tailors their new user experience based on the number of times their customers have purchased. Non-paying users are nudged to make their first purchase, while first time purchasers are sent compelling offers to buy again.

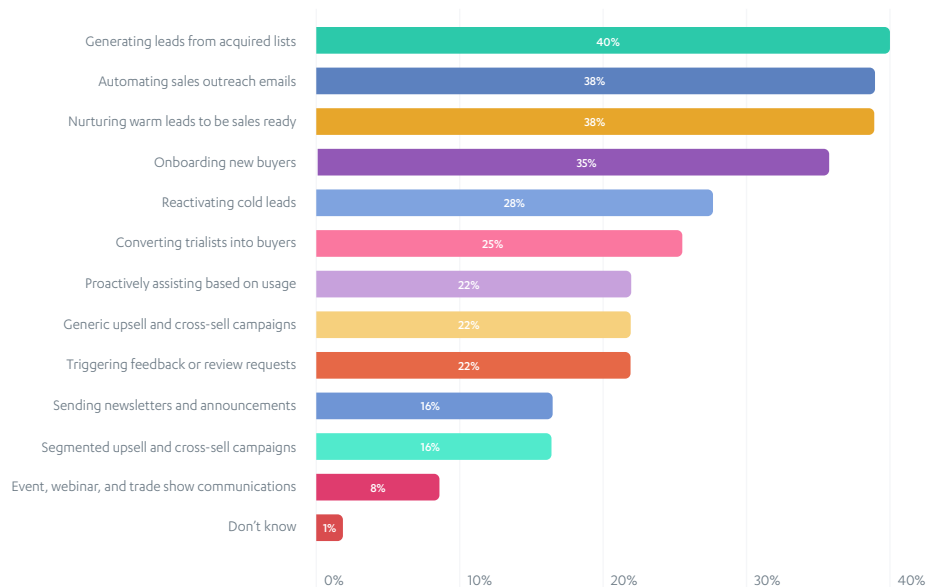
Other successful nurturing approaches to acquire and onboard new users include:

- Triggering a regular cadence of helpful content designed to help users reach "Aha!" moments
- Personalizing content based on prior behavior (can be in-app, web-based, or purchasing)
- Crafting a compelling multi-channel experience (email, in-app, SMS, web) and focusing on vertical or functional use cases (industry, need, department)

## Lifecycle: Which specific journeys are working?

When asked to rank their top-performing automation journeys, marketers said generating new leads by emailing purchased lists, automating sales outreach, nurturing warm leads, onboarding new users and reactivating cold leads.

### Top performing automation journeys



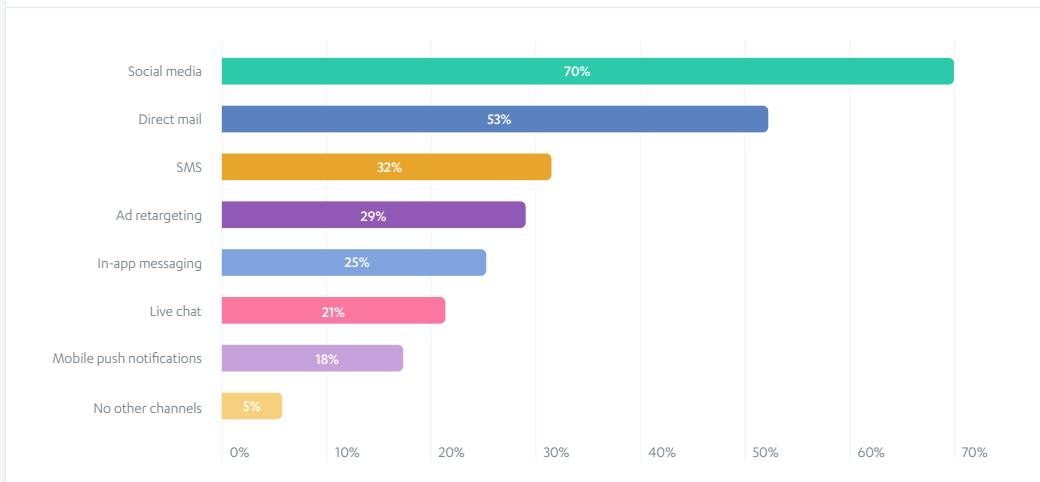
B2B marketers are more focused on lead generation, immediate follow up, and nurturing of warm leads, while B2C marketers focus first on welcoming and onboarding new consumers, then generating new leads and nurturing warm leads not yet ready to buy.

## Channels: social media, SMS, and direct mail are still ahead

**Outside of sending emails, social media is now the dominant channel with 70 percent of marketers**

**using it to engage their audience.** This is no doubt being driven by the increasing influence of millennials, who [recognize the power of social marketing](#) use it as a core aspect of their approach.

### Top marketing channels beyond email



Somewhat surprisingly, **direct mail ranked as the second most popular non-email channel**. It is likely that this includes sending a single batch of mail, gift orders, thank you baskets, or prizes, as opposed to regular, heavy campaign usage. It is also possible that a new focus on **account-based marketing (ABM)** may be driving direct mail usage, although the majority of direct mail senders were SMBs (72 percent) and almost twice as many in B2C (30 percent) than B2B companies (18 percent).

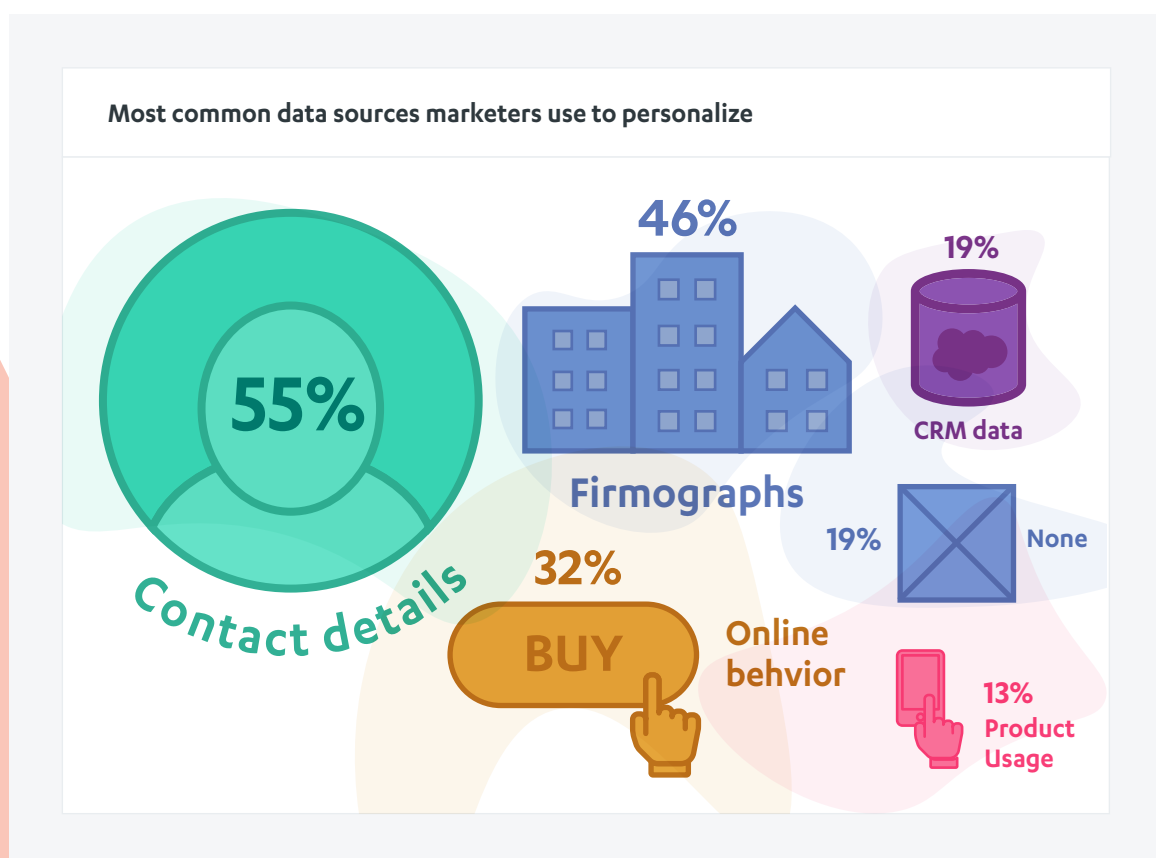
The third and fourth channels differ between high performers and everyone else, with the former leveraging contextual technical channels like in-app messages and mobile messaging, and the latter using broadcast channels like SMS and ad retargeting.

# 7

## Nearly Everyone is Personalizing

81 percent of marketers in this study are using data to personalize their marketing, and are 54 percent more likely to say it's resulting in a better customer experience.

Most are using basic contact details or firmographic data, like name, company, or industry, to segment and personalize their newsletters or promotions for better results.



Rich personalization is still in its infancy, with only a third of marketers using online behavior, integrated CRM data like lead status or sales-entered data (19 percent), or in-app usage (13 percent), to deliver more granular, relevant experiences and content. *So what are the benefits of this personalized marketing?*

Not surprisingly, **the more personalized the marketing, the better the customer experience they deliver**: 83 percent of those using in-app data and 79 percent of those using online behavior believe that personalization is improving the experience, compared to only 54 percent of those who do not use personalization.

Marketers using personalization are also staying in touch more regularly with their customers with automation software, and generally have defined an internal customer journey initiative.

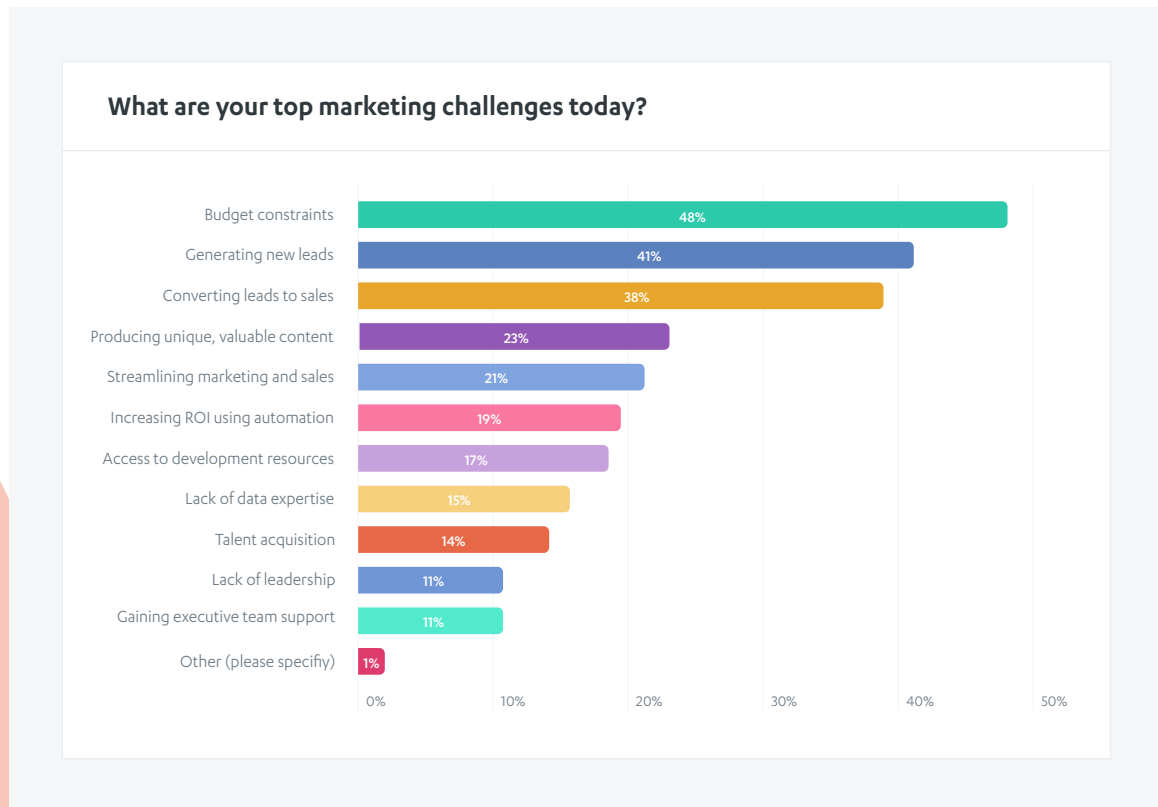
	Do not personalize	Personalize based on online behavior	Personalize based on app usage
<b>Stay in touch weekly</b>	42%	51%	62%
<b>Use MAS</b>	43%	74%	82%
<b>Have mapped customer journey</b>	47%	75%	82%
<b>Feel data is delivering a better CX</b>	54%	79%	83%

Figure 7. Marketers who use higher levels of personalization tends to stay in touch more regularly, use automation, map their customer journey, and deliver a better customer experience.

# 8

## The Challenges Ahead

The top three challenges cited by marketers today are: budget constraints (48 percent), generating leads (41 percent) and converting those leads into sales (38 percent).



### B2B marketers' biggest challenges

60 percent of B2B marketers revealed that their biggest challenge is converting leads into sales. Budget constraints came in a close second at 45 percent, with generating new leads earning the third spot at 32 percent.

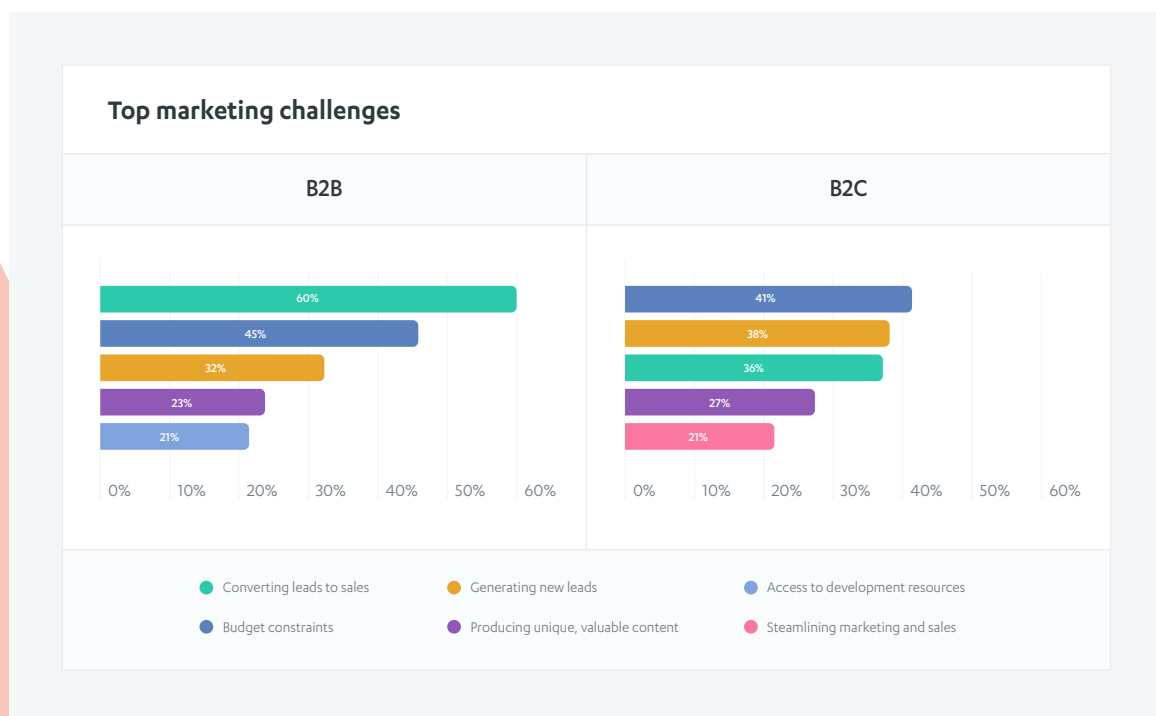
However, amongst high performers, access to development resources tied first as their biggest challenge, along with the need to get more automated and focused. Since high performers are thriving in the challenges common to all marketers, it seems as if they've moved their attention toward blue ocean strategies that require development resources and automation to scale their efforts. *So how do high performers make the case for these precious dev resources?*



**Tie marketing goals to company objectives.** For example, improving the entire customer journey to acquire, nurture, and grow more customers benefits more than just the marketing department. The ripple effect will be felt across the whole company—the product team’s roadmap, customer success’ retention goals, and sales’ revenue quota.

**Demonstrate the power of personalization.** 72 percent of consumers are frustrated with generic marketing that fails to relate to their past activities. With recommendation engines like Amazon, Spotify, and Netflix shaping consumer attitudes towards personalized content, consumers are accustomed to receiving what they want, when they want it.

**Model the ROI of nurturing.** Ridesharing giant Lyft, saw a 600%+ increase in leads by moving from a manual to automated lead nurturing. Assume you can reactivate two to five percent of your lead database each year through nurturing – how much revenue would this generate?



## B2C marketers’ biggest challenges

41 percent of B2C marketers cited budgets constraints as their biggest challenge, with 38 percent struggling to generate more leads, and 36 percent racking their brain on how to convert leads into sales.

Both B2B and B2C marketers face these similar challenges, but for B2C marketers experiencing budget constraints due to thinner margins, the name of the game is doing more with less. Pursue enhanced insight into the performance of your programs, so that the conversation becomes more about investment tradeoffs rather than spend.

Some tricks for getting more with less:

- **Content-driven strategies.** Run a 15-minute content audit and look for ways to repurpose what you already have into different mediums. It's a quick win.
- **Leverage word-of-mouth.** Ask your promoters and best customers to review you online on sites like [G2Crowd](#) and [GetApp](#). For example, LiveChat, a SaaS app with 15,000 customers, sends an automated journey to users with an NPS score greater than 8 asking them to leave a review. This automated effort has led to 100+ customer reviews and multiplied word-of-mouth.
- **Optimize the bottom of the funnel.** For late-stage leads, enough trust has been built where they are on the brink of taking the next step and buying from you. Try giving them a nudge by sending a targeted promotional offer based on the content they've been reading or a demo request to get on the phone with sales and close the deal.
- **Focus on retention.** Acquiring a new customer costs far more than retaining an existing customer. Consider setting up an automated email to re-engage users who haven't logged into your product over the past 30 days, or notifying a success or service rep to reach out.

# 9

## Predictions for 2017

Where do these findings lead us? What's next for the industry? Here are three predictions:

### 1. The journey-centric approach is evolving—and it's about orchestration

Newer, best-of-breed [customer journey orchestration engines](#) are leaving outdated, all-in-one marketing automation systems behind. **The modern marketer's role is growing akin to a composer who stiches their marketing systems - like Segment, Slack, Instapage, Autopilot, and Salesforce - to form a beautiful symphony.**

With this unbundled software approach and baked in lead intelligence, real-time data inputs from across the marketing stack will enable marketers to more quickly respond to user needs and adapt automated journeys on the fly— with less dependence on developers.

Goal-oriented insights, fueled by data at marketers' fingertips, will drive actionable outputs and obvious ways to improve emails, on-site messages, SMS, and even direct mail efforts. The end result will be better targeting, segmentation, and a richer customer journey that spans a plethora of channels.


### 2. Personalization at scale is not an oxymoron

It's still the early days for personalization. Although 81 percent of marketers are personalizing their marketing, only 13 percent are utilizing personalization in the most relevant and contextual manner— based on app and service usage. Those who do, like Netflix and Facebook, regularly add value through personalized experiences that hook users, produce satisfied customers, and inspire their fair share of copycats.

Expect to see a continued convergence of marketing, success, and growth, fueled by this growing awareness of behavior-based personalization and its impact.

### 3. SMBs will make smarter bets using predictive analytics

Almost half of today's marketers are leveraging predictive intelligence to personalize their marketing. High-performing B2B marketers are the largest group of adopters, and are nearly twice as likely to be using predictive analytics (80 percent) in comparison to B2C marketers (41 percent).



The technology is continuing to gain steam, with 48 percent of marketers planning to invest in predictive in the next 12 months. B2B marketers make up the majority of future purchasers (53 percent), with about half as many B2C marketers intending to buy (28 percent).

Mid-market and enterprise companies are the primary beneficiaries of what predictive has to offer—with the budgets and margins to support the technology—but SMB marketers should know that predictive can:

- Route qualified leads to sales
- Build internal trust between sales and marketing
- Drive higher conversion rates
- Increase forecasting and pipeline predictability

Keep an eye out for simpler predictive analytics solutions who can bring to the SMB the tools to personalize marketing and craft a better, differentiated customer experience à la Amazon.

# Appendix

## Methodology

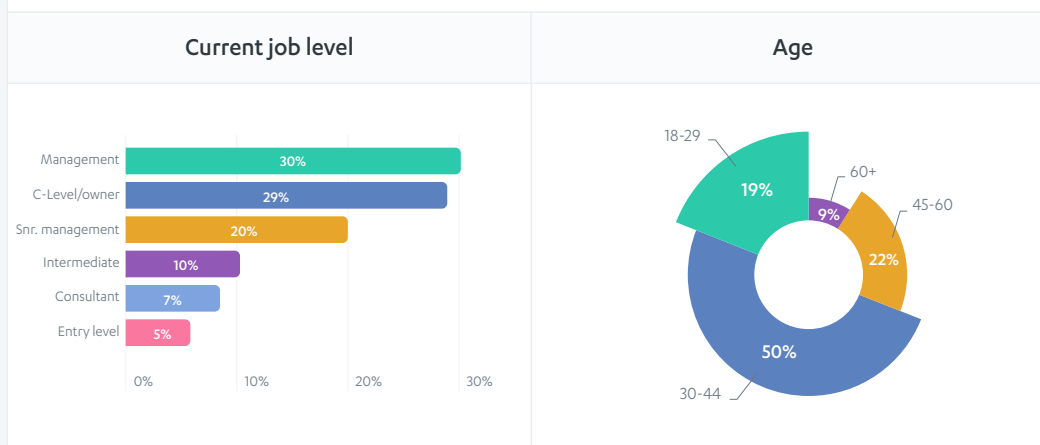
The “2016 State of Customer Journey Marketing Survey” was conducted online by Cint.com’s Access service on behalf of Autopilot in August 2016. US-based marketing and advertising decision makers ages 25 and over were targeted in multiple industries in order best represent the viewpoints of their respective marketing organizations.

Survey Window	Started	Completed	% Female / Male
8/2/16 – 8/11/16	1,833	505	53/47

## Role

Senior management or owner/C-level are 59 percent of responses, 53 percent are female, and 81 percent are aged 30 or older.

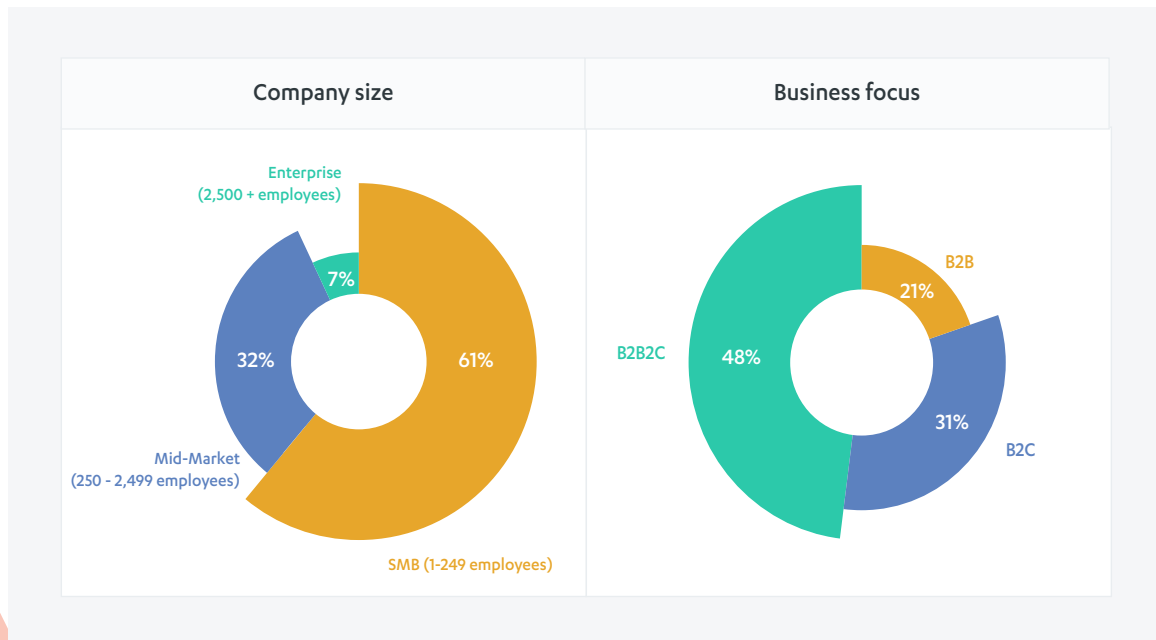
### Which of the following best describes your current job level?



## Companies

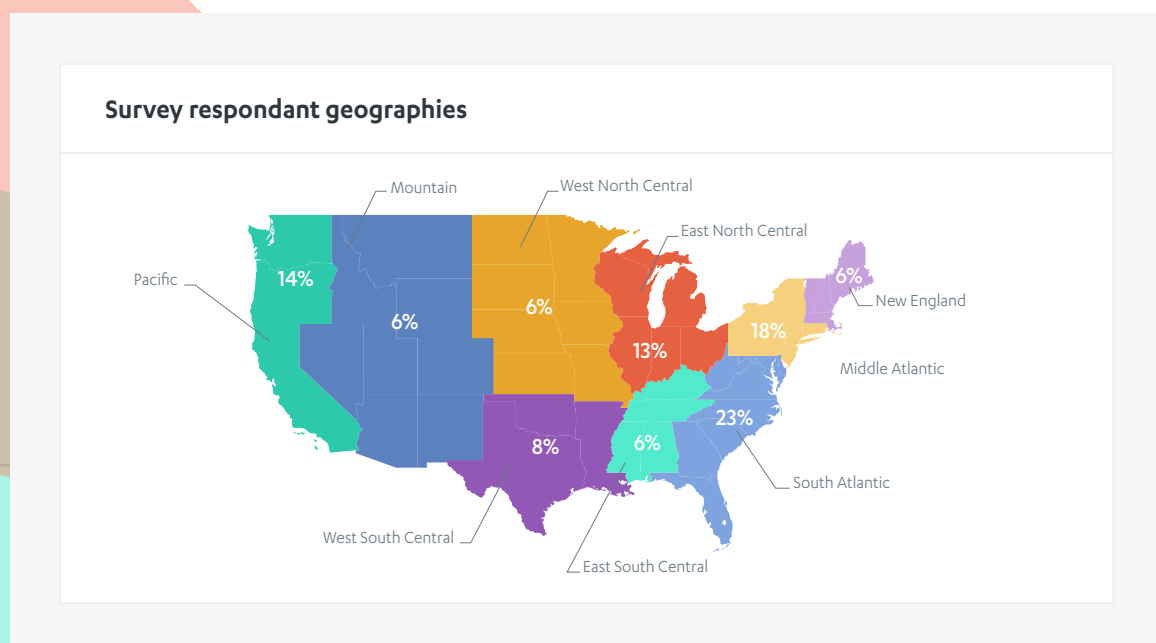
61 percent of respondents work in small to mid-sized businesses, with mid-market companies representing 32 percent and Enterprise 7 percent.

21 percent served business customers (B2B), 31 percent serve consumers (B2C), and 48 percent serve both businesses and consumers (B2B2C).



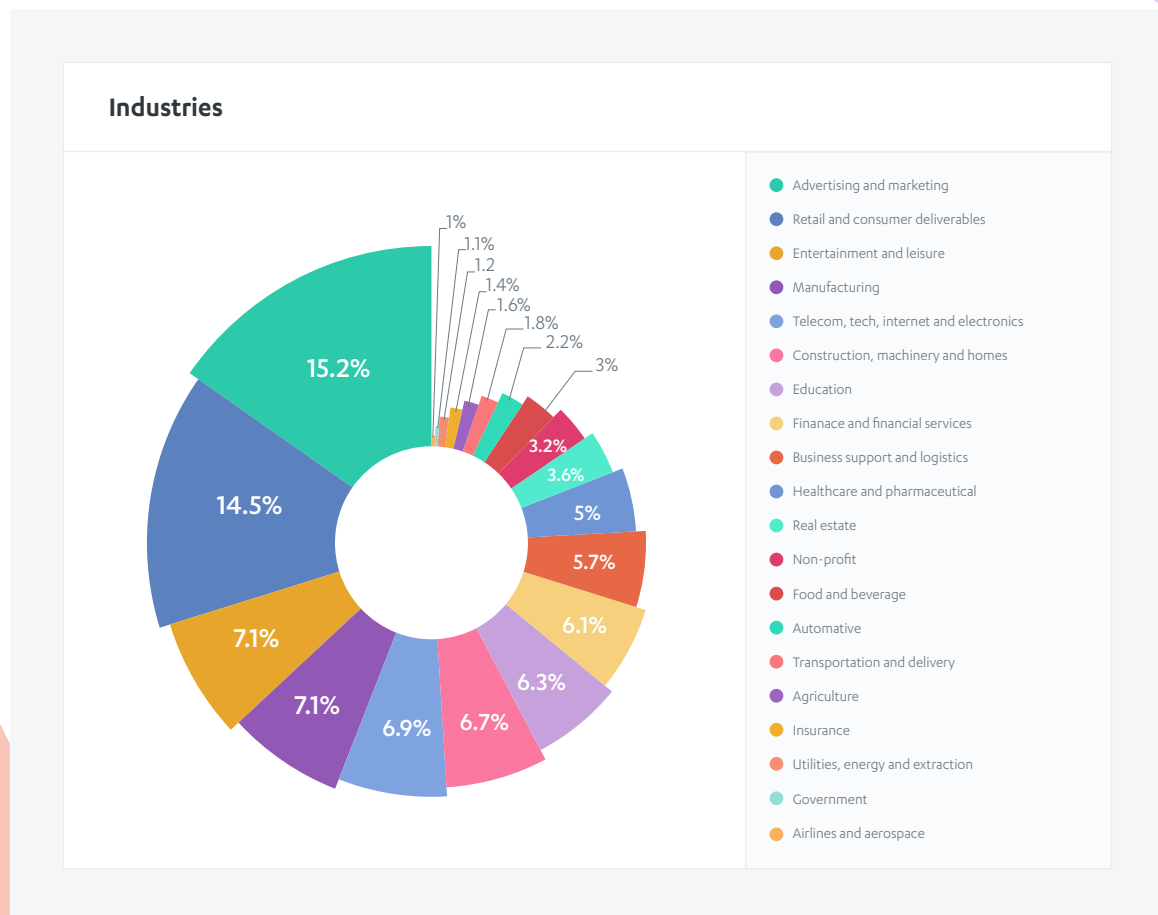
## Geography

Respondents were fairly evenly distributed across 9 major US Geographies. States representing 5 percent or more of respondents include California (9%), New York (9%), Florida (8%), Texas (5%), Pennsylvania (5%), and Illinois (5%).



## Industries

There were 20 industries represented, ranked as follows:



## About Autopilot

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Autopilot is visual marketing software for automating customer journeys. We help marketers acquire, nurture, and grow customers using an intuitive drag and drop canvas. Our built-in integrations to popular tools like Salesforce, Segment, Twilio, Slack, GoodData, and Zapier make it easy to message consistently across multiple channels including email, SMS, in-app messages, and direct mail.

Founded in 2012, Autopilot has offices in San Francisco and Sydney, Australia. The company serves over 2,000 B2B and B2C customers, including Microsoft, Lyft, Freshdesk, Crunchbase, Winder Farms, and RoadRunner Transportation Systems.

Learn more at [www.autopilothq.com](http://www.autopilothq.com)

## About the Author



### **Guy Marion, Ph.D.**

CMO & Growth, Autopilot

Guy spearheads Autopilot's go-to-market strategy, growth, and operations. Prior to Autopilot, Guy worked as Head of Online Sales at Zendesk, VP & General Manager of CollabNet, and CEO of Codesion (acq. by CollabNet). Guy blogs regularly, is a contributor to Forbes, DemandGen Report, and VentureBeat, and is a speaker at events like Growth Marketing Conference and Dreamforce.