

2023

B2B TECHNOLOGY DEMAND GENERATION TREND REPORT



BLUEWHALE
RESEARCH



EXECUTIVE SUMMARY

Through demand generation efforts, Marketing has increasingly become a growth driver within businesses. With an increased focus on growth in the face of economic uncertainty, how has this affected demand generation within the B2B Technology sector?

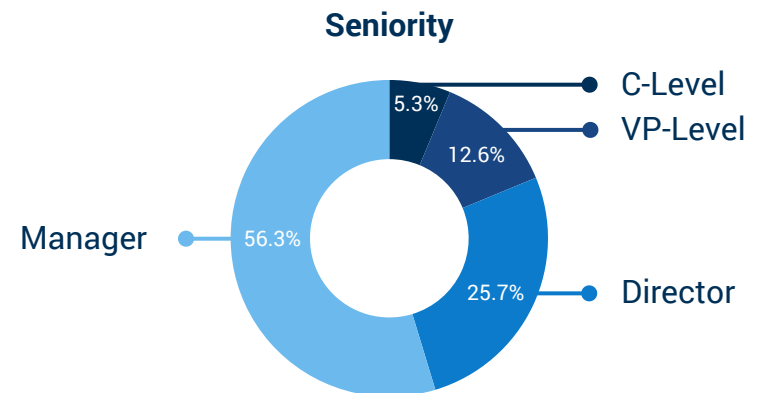
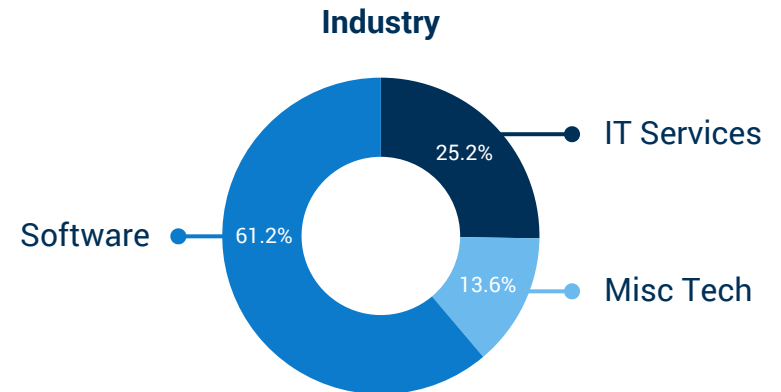
The 2023 B2B Technology Demand Generation Trend Report analyzes marketers' priorities and challenges with their demand generation strategies. This report explores:

- Future investment in lead generation;
- The factors marketers use to evaluate their lead generation providers;
- The involvement of the inside sales team in demand generation strategy and implementation;
- The tech stacks used to manage demand generation.

ABOUT THIS SURVEY

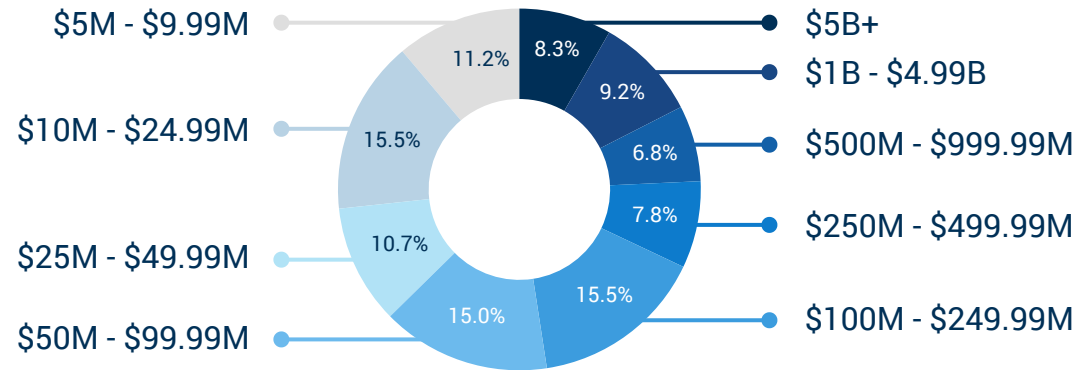
BlueWhale Research's SURVEY program was used to gather research insights from marketers responsible for demand generation at B2B technology companies.

A total of 206 marketers from 197 companies within the United States and Canada responded to our SURVEY in late 2022 and early 2023. Respondents were captured from a wide range of seniority levels and companies, to better represent demand generation priorities and challenges across B2B technology industries. Six closed-ended and two open-ended questions were asked over the phone, with between 113 and 150 responses per question to ensure significance of results.

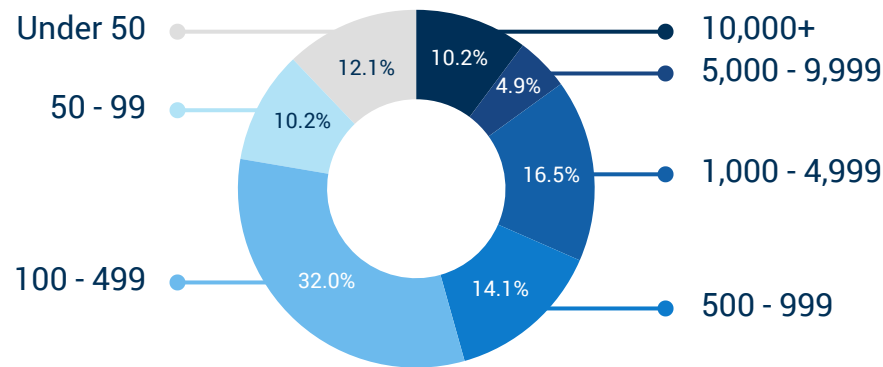


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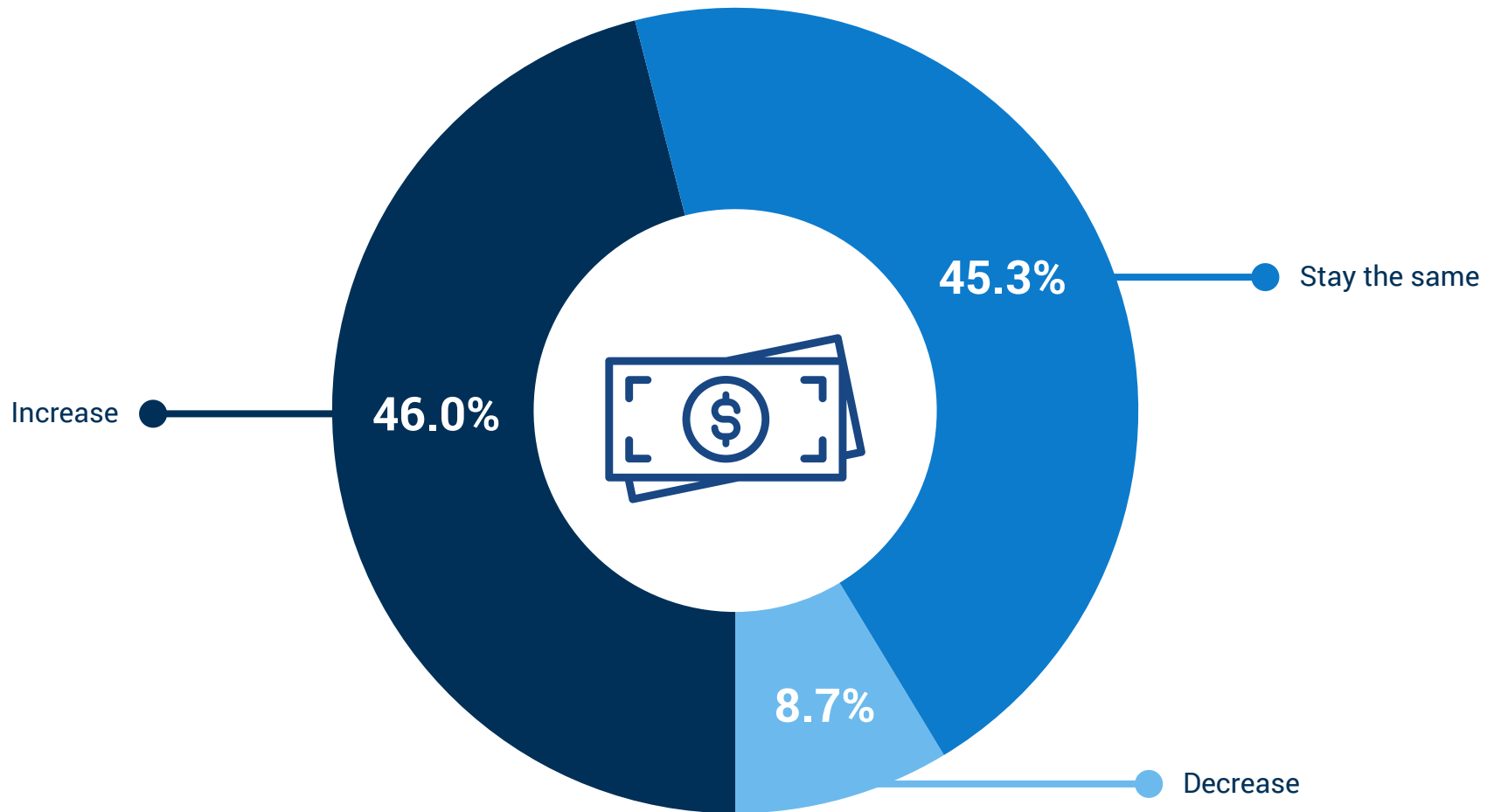
Company Revenue



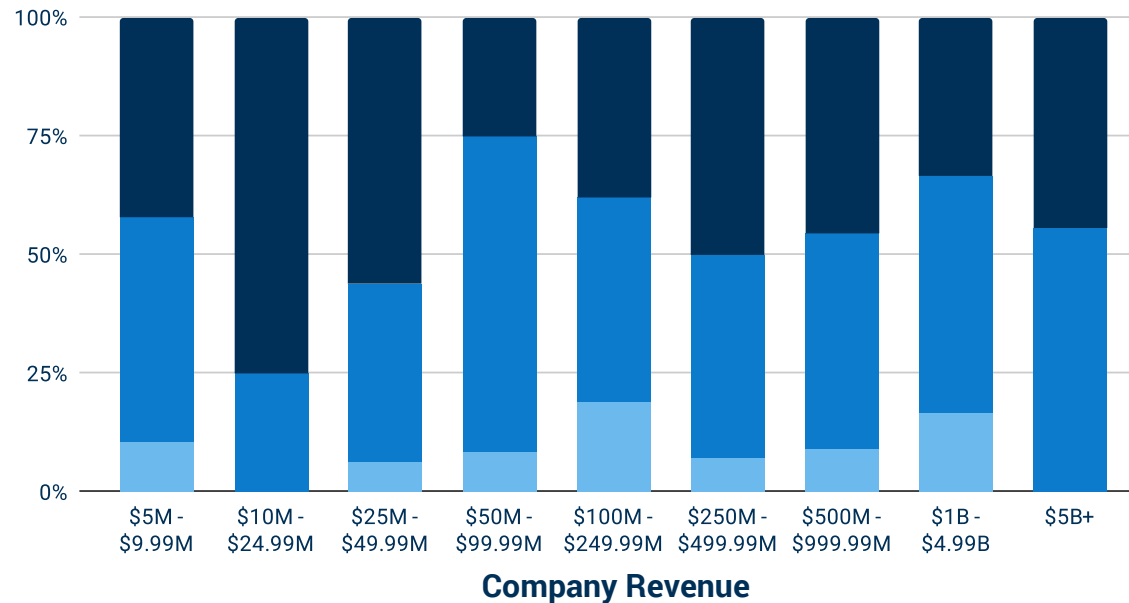
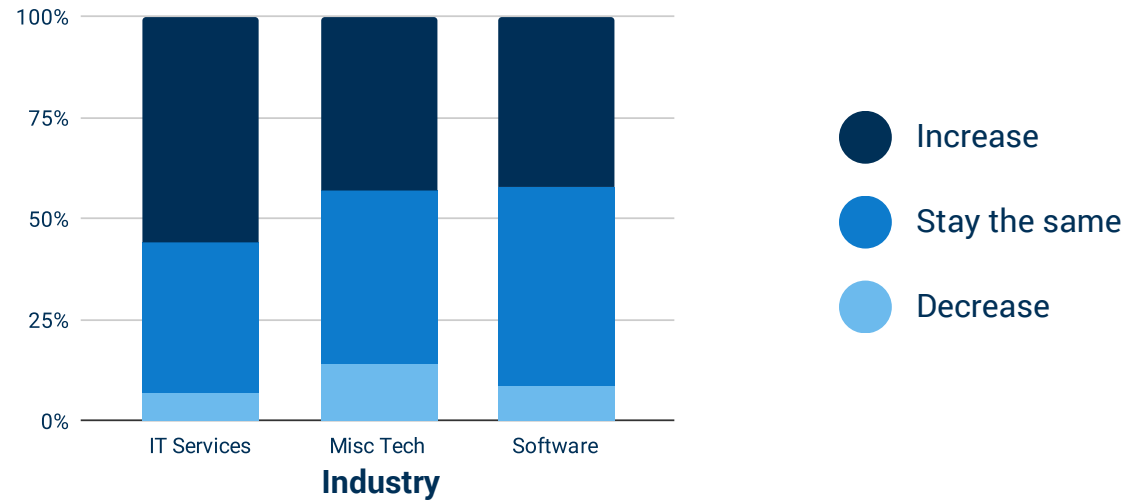
Company Size



WILL YOUR INVESTMENT IN LEAD GENERATION IN 2023 INCREASE, DECREASE, OR STAY THE SAME COMPARED TO 2022?



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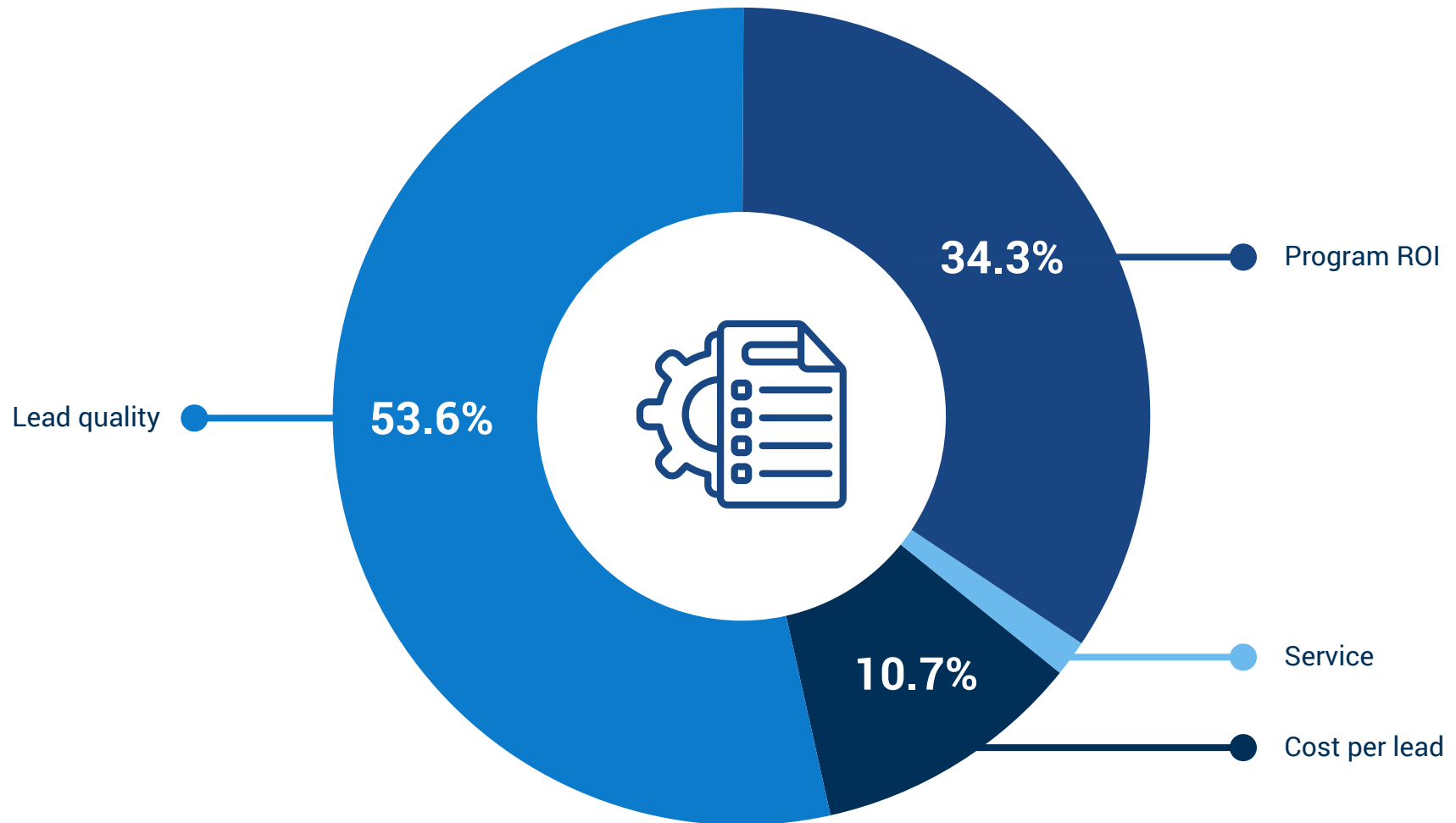
INVESTMENTS IN LEAD GENERATION ARE INCREASING ACROSS B2B TECHNOLOGY.

It is clear that demand generation remains a high priority, even – or especially – in an uncertain economy. Companies recognize that lead generation’s direct contribution to revenue growth makes it a key part of marketing and overall business strategy. Over 90% of marketers reported that their lead generation budget would increase or stay the same in the coming year. Half of those marketers (46%) planned to invest more heavily in lead generation.

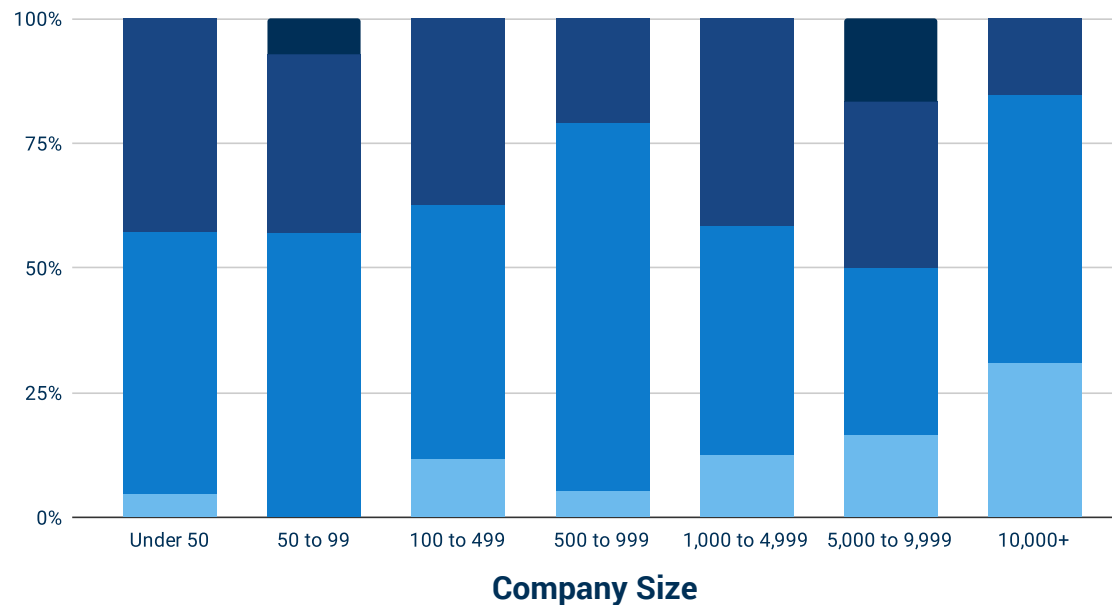
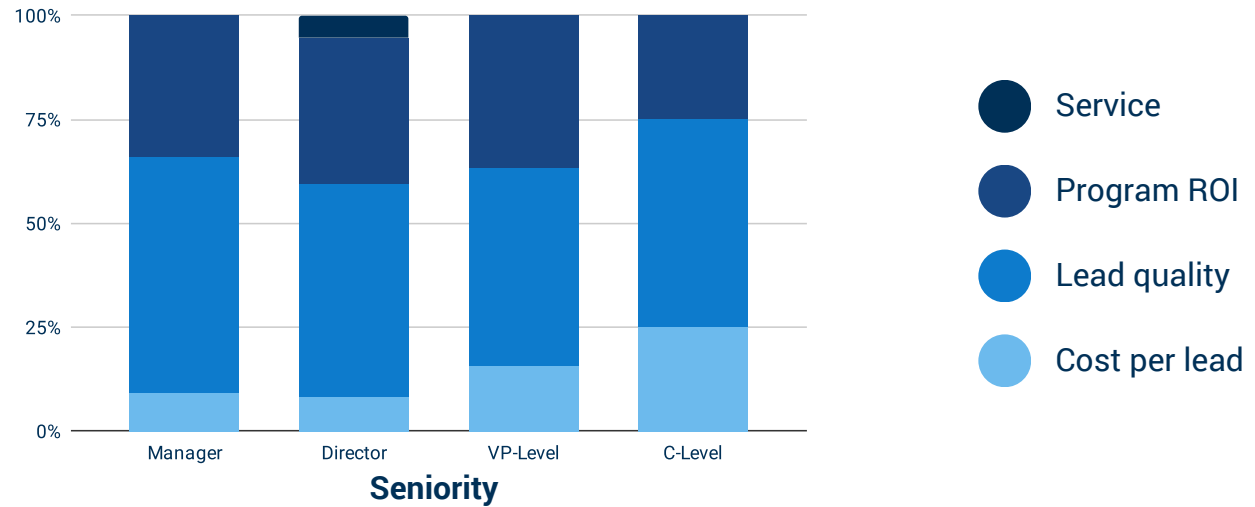
Marketers within Information Technology Services showed an even greater proportion of increased investment in lead generation (55.8%) compared to marketing departments within Software (41.9%) or other Technology (42.9%) companies. Marketers within the IT Services subset of B2B Technology should take this into consideration. With competitors in the same industry strongly focused on lead generation, marketers stand to miss out on reaching prospective buyers if they do not implement an effective lead generation strategy.

While we might expect to see higher revenue companies investing more in lead generation, the companies with \$10MM – \$49.99MM also showed a heavier investment. This suggests a growth tipping point for technology companies who may have maxed out their inbound and organic channels. These companies are likely highly growth-focused to propel themselves into the next revenue brackets and are leveraging their marketing departments to contribute to meaningful revenue growth.

WHAT IS MOST IMPORTANT WHEN EVALUATING A LEAD GENERATION PROVIDER?



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MARKETERS PRIORITIZE LEAD QUALITY AND ROI AMONG LEAD GENERATION PROVIDERS.

When it comes to what marketers care about most, lead quality reigns. Lead quality encompasses everything from accurate contact information and lead data to ensuring leads are within target criteria and profiles. This should be a basic expectation of lead generation programs, and yet still remains a large concern for marketers.

Lead quality is also closely tied with program ROI. After all, a positive return on your lead generation investment isn't possible without quality leads that turn into qualified pipeline. When asked in follow-up why they placed importance on lead quality and ROI, marketers said:

- “If the quality is not there, you cannot convert leads into real opportunities.”
- “It’s difficult to get ahold of the right buyer and right person. Increased quality is equal to an increase in sales.”
- “Program ROI is most important since cost per lead doesn’t take lead quality into account. I’m happy to spend more on a lead if I know it’s highly qualified within the target audience.”
- “The objective is to close new business. It doesn’t matter how grand the ROI is or cost per lead if we’re not closing deals.”

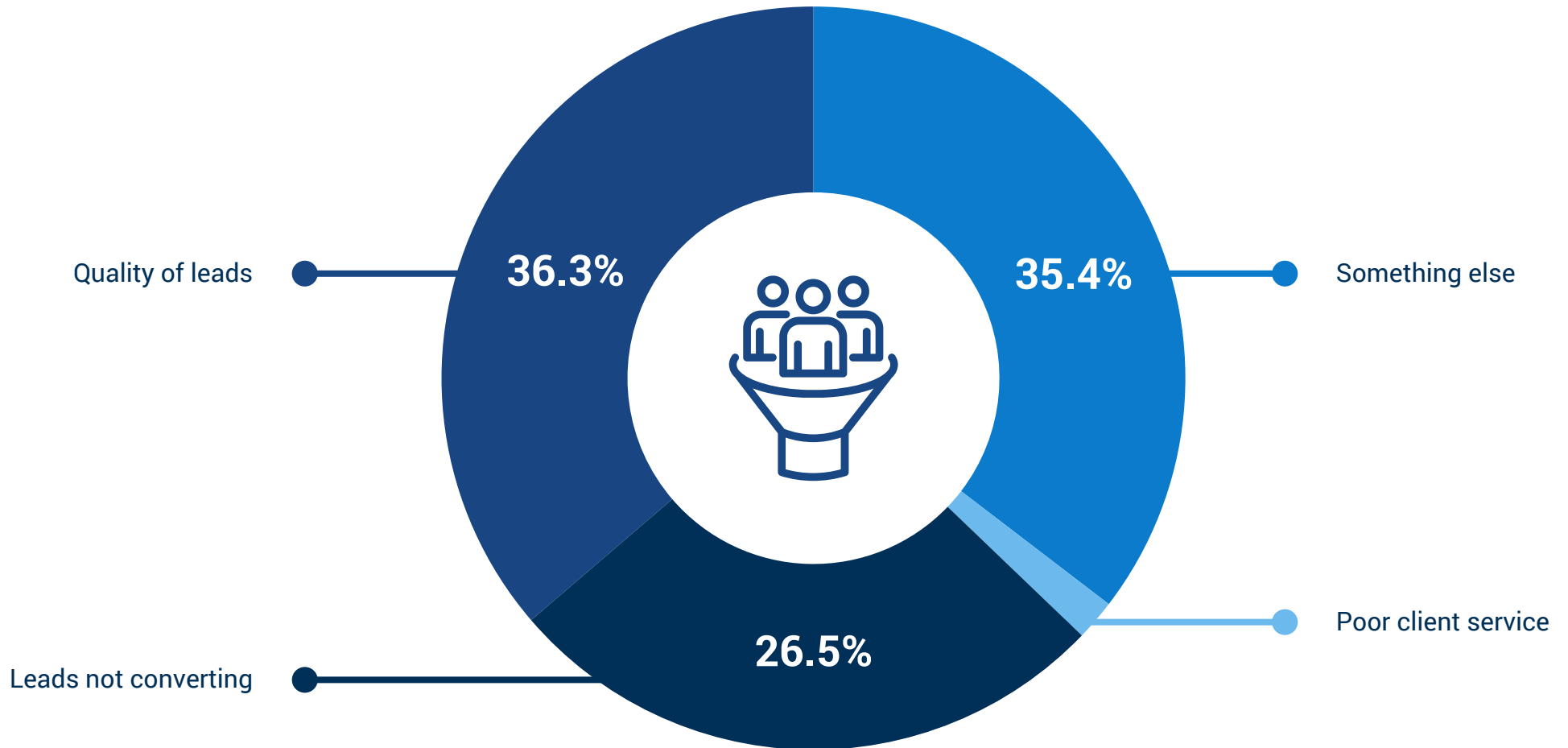
MARKETERS PRIORITIZE LEAD QUALITY AND ROI AMONG LEAD GENERATION PROVIDERS.

Cost per lead is not as important of a factor to marketers, but remains a large part of the discussion when considering lead generation providers. Marketers should shift their vendor evaluation conversations to match their priorities and ensure programs are designed to produce quality leads and ROI.

When comparing priorities across company size, the largest enterprises with 10,000+ employees place relatively high importance on lead quality. This is perhaps due to their ability to implement more complex marketing nurture sequences over longer periods of time and more robust inside sales functions who are capable of handling larger lead quantities and eventually converting leads into ROI.

Lead generation priorities are very similar across job seniority. This suggests that goals are aligned within Marketing departments from the top-down, and Manager level marketers are evaluating performance of their lead generation campaigns using the same metrics as more senior level staff.

WHAT IS YOUR BIGGEST FRUSTRATION WITH YOUR CURRENT LEAD GENERATION PROVIDER?



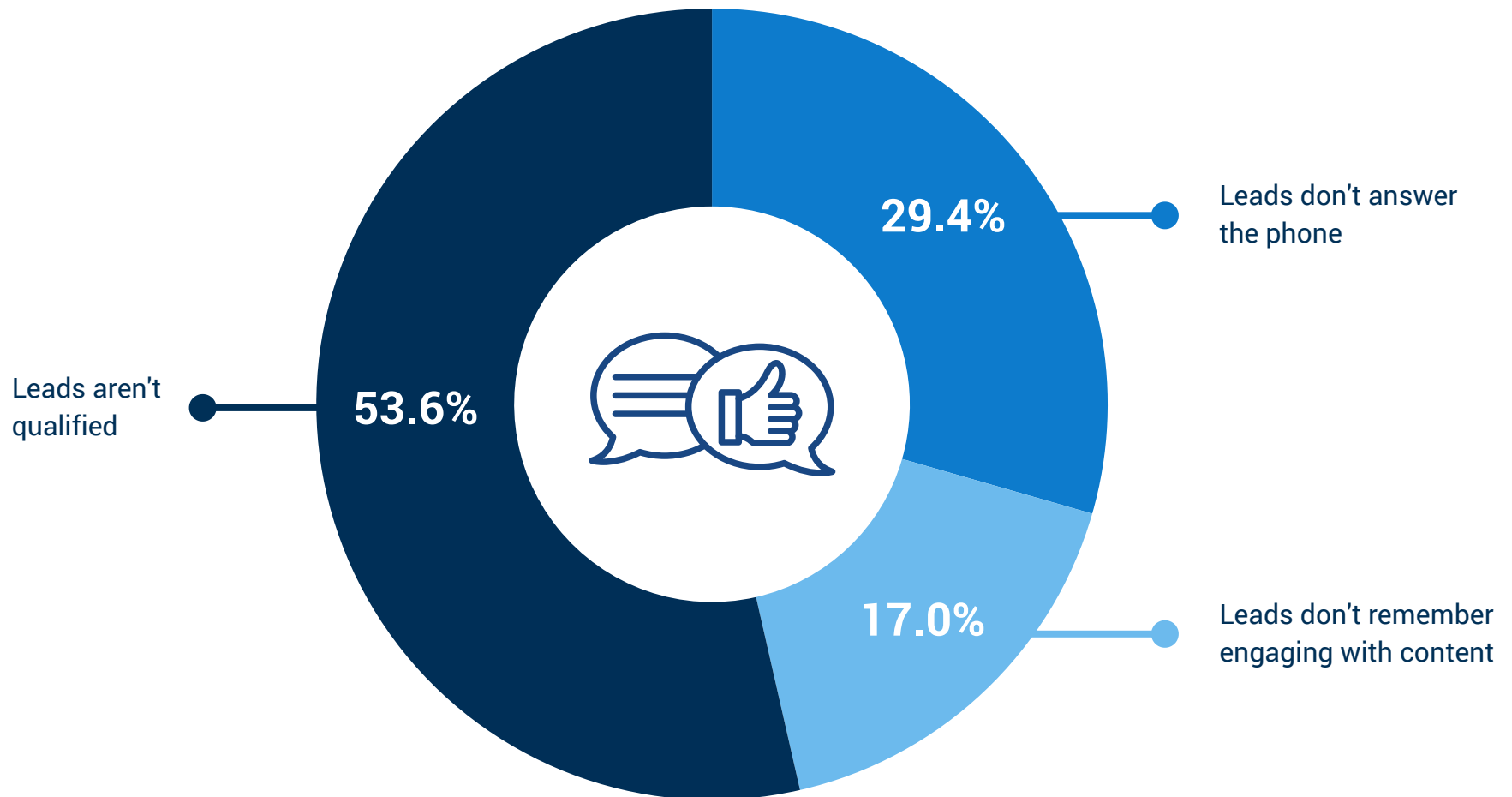
MARKETERS ARE FRUSTRATED WITH LEAD QUALITY.

Lead quality is both the most important factor when marketers evaluate lead generation providers – and also their biggest frustration. A quarter of marketers also expressed frustration around leads not converting. This implies that even if they are receiving high quality leads, marketers are not getting those leads at the right time or do not have the systems in place to align Sales and Marketing in an effort to move leads through the funnel when they're ready to buy. When asked to elaborate about their frustrations, marketers said:

- “Our biggest frustration is leads not converting. They're just stuck in the middle of the funnel and don't convert or close.”
- “Leads are very cold and more nurturing is required to convert leads.”
- “Leads seem to be accurate, they have the right title and industry, but the sales team wasn't able to convert them at a high enough rate into opportunities.”
- “Sometimes we have challenges in understanding where the leads come from.”

A third of marketers also expressed additional frustrations around low or insufficient lead volume, outdated tech stacks used by their lead generation providers, lack of integration between lead delivery and marketing automation, and poor communication.

WHAT FEEDBACK DO YOU MOST COMMONLY RECEIVE FROM YOUR INSIDE SALES TEAM ABOUT LEADS?



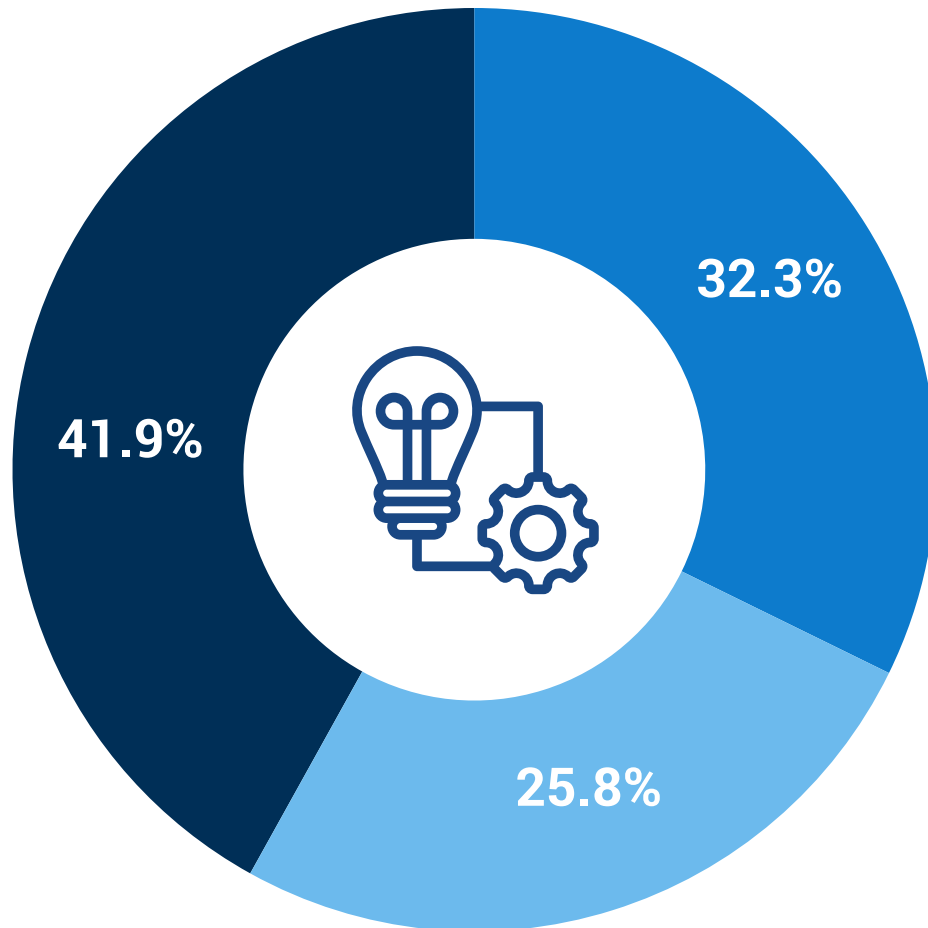
INSIDE SALES TEAMS REPORT MARKETING LEADS ARE UNQUALIFIED.

With lead quality being the biggest pain point for lead generation programs, it's no surprise that unqualified leads are the inside sales team's biggest challenge as well. Over half of marketers say that their sales development representatives most commonly share that the marketing leads in their cadences are unqualified.

Marketers are also frequently sending their inside sales team leads who don't answer the phone. Even if leads are highly qualified, if your inside sales representatives cannot get ahold of them, then they cannot be converted into pipeline.

These challenges make it difficult for Sales and Marketing teams to be aligned throughout the funnel and buyer journey, ultimately impacting the goals of both departments and leading to further misalignment.

HOW INVOLVED IS YOUR SALES AND SALES DEVELOPMENT TEAM IN YOUR DEMAND GENERATION STRATEGY?



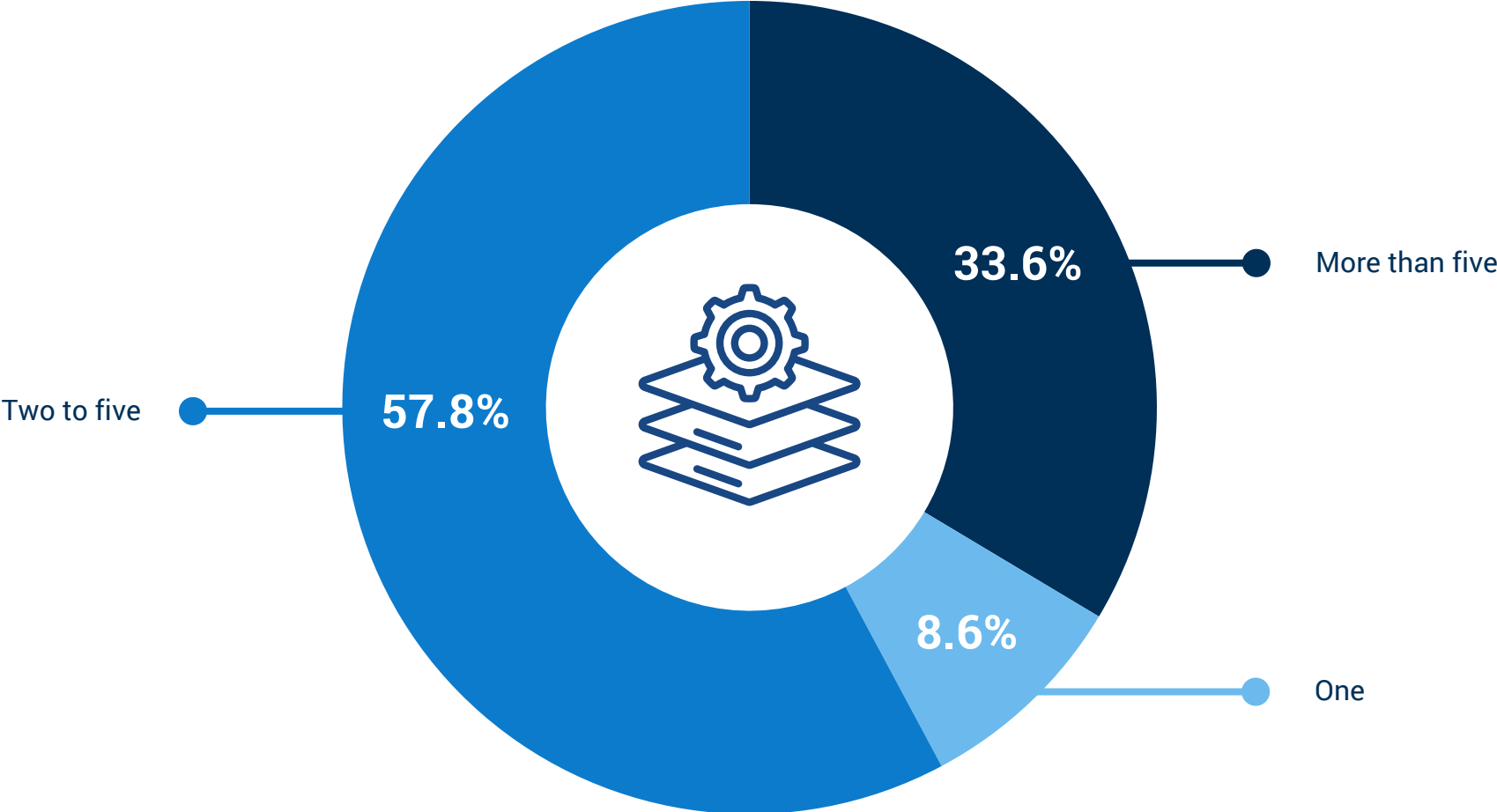
- Our sales team is involved in both creating and implementing lead generation strategy
- Sales provides feedback on the strategy the marketing team develops
- Sales has very little involvement in the strategy and planning process

THE MAJORITY OF SALES TEAMS ARE NOT INVOLVED IN DEMAND GENERATION STRATEGY.

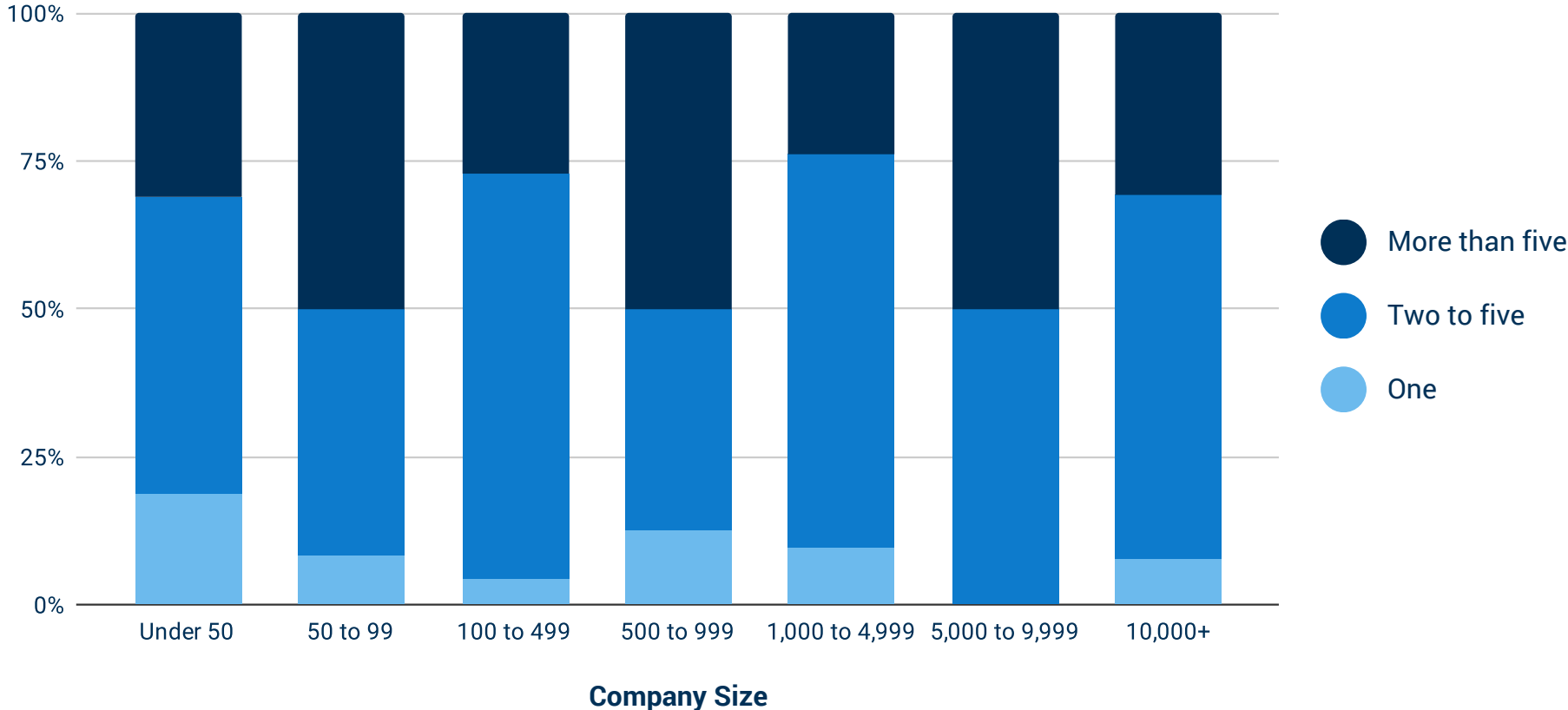
Over half (58.1%) of Sales teams are not involved in creating demand generation strategy with their Marketing counterparts, and a quarter (25.8%) of Sales teams do not even provide feedback on strategy. This presents a large missed opportunity for Sales and Marketing alignment. Continual feedback is very important for lead generation program improvements and adjustments, but feedback can only go so far without strategic alignment.

Co-creating demand generation strategy means Sales and Marketing should agree on shared goals before the campaign begins. This process should go beyond requesting a sign-off from Sales to include agreeing how leads are qualified, routed, and handled. Ensuring everyone involved from both departments has an understanding of their role in the process elicits buy-in at all stages. A shared understanding of when and how leads will be delivered from Marketing to Sales, the cadences Sales will use, as well as regular opportunities for feedback from all involved is key to strategy creation.

HOW MANY SOLUTIONS ARE IN THE TECH STACK THAT YOU USE TO MANAGE DEMAND GENERATION?



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DEMAND GENERATION TECH STACKS ARE BULKY.

Almost all marketers use more than one solution to manage their demand generation efforts, with the majority (57.8%) using between two and five solutions. A third of marketers (33.6%) use more than five solutions. Marketers who reported using only one solution were mainly concentrated at smaller companies. It is expected that larger companies may utilize more technology solutions for a variety of efforts and that they likely have larger budgets to devote to growing tech stacks, but that does not necessarily mean those solutions are being used effectively.

Larger tech stacks present potential challenges for attribution and alignment as information is shared between systems, making it even more difficult to measure the ROI of demand generation programs. With program ROI being a top priority for B2B marketers, revenue from demand generation activities must be accurately assigned in order to prove the value of the investment. Tech stacks with too many solutions could complicate or interfere with revenue attribution and make it challenging for marketers to make a case for future demand generation budget. If not well managed, bulky tech stacks have the potential to lead to further misalignment on demand generation attribution and priorities between Sales and Marketing.

CONCLUSION

The 2023 B2B Technology Demand Generation Trend Report reveals that marketers in the B2B Technology industry are strongly focused on lead quality and ROI. However, they are not getting high quality leads from their current lead generation providers. Inside sales teams also report challenges with lead qualification, creating friction between the two departments.

Further, most marketers are using multiple solutions within their tech stack to manage demand generation efforts, which showcases the complexity of these efforts and need for strategic alignment across the organization.

Marketers are continuing to invest in lead generation at the same or increased levels, so they must ensure that their investment is worthwhile. This report identified a significant area for improvement in aligning Sales and Marketing teams around demand generation strategy creation, which will improve campaign results.

CONDUCT YOUR OWN SURVEY

Understand your buyers' motivators and challenges with SURVEY from BlueWhale Research. SURVEY gathers research insights from your audience with questions tailored to the topics most important to your marketing efforts.

SURVEY results can be used for content creation (such as this report), to generate demand with relevant insights into your audience, to enable your Sales team with real-time market intelligence, and more.

[Learn more about SURVEY](#)

ABOUT BLUEWHALE RESEARCH

BlueWhale Research provides innovative demand generation services designed to enable marketing and sales to close more deals than they ever thought possible. We believe that marketing relationships should be more than just buying and selling leads and appointments. Our demand generation services are rooted in impeccable execution and transparency, giving marketing and sales teams the insights they need to reach prospects first and turn them into buyers. From improving your lead results for marketing automation, to educating your team on lead handling, to providing sales development support, BlueWhale gets you closer to the close.



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