

The Rise of the Third R: Relationships

ITSMA's 2018 State of the Marketing Profession

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#ITSMA18



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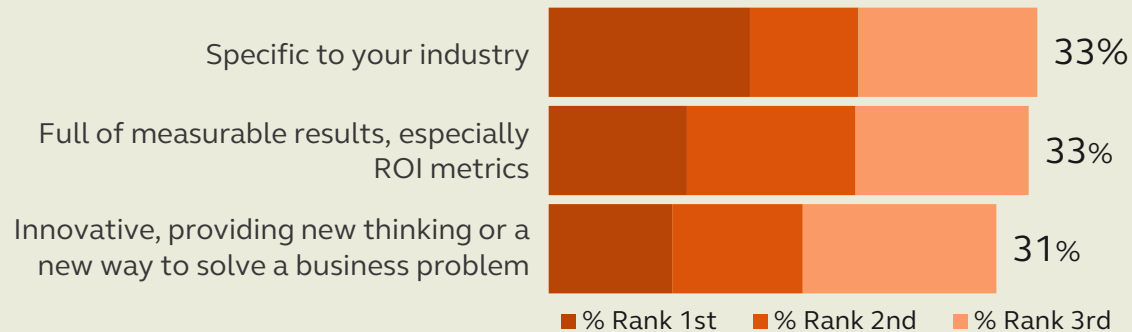
2018: The Year of Relationships

**Marketing that is
more targeted,
tailored, and
personal**

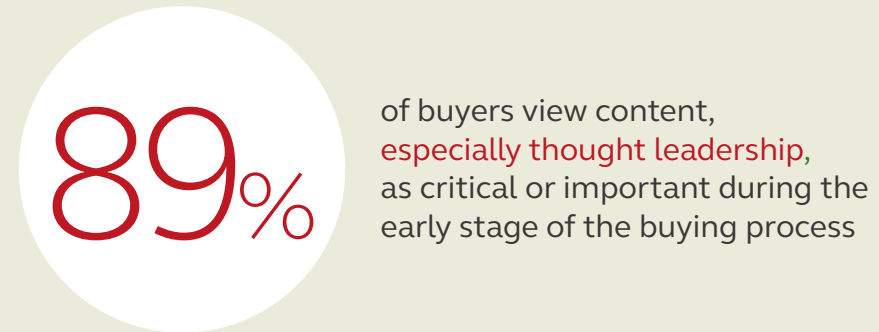


Buyers work with providers that know them, provide personalized content, and build trust, both on and offline

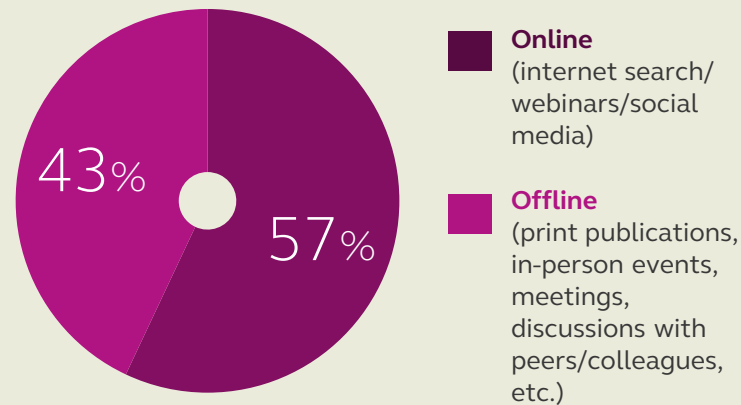
Buyers want **innovative ideas** that are relevant to their business issues



Relevant ideas that add value are essential during the initial phase of the buying process



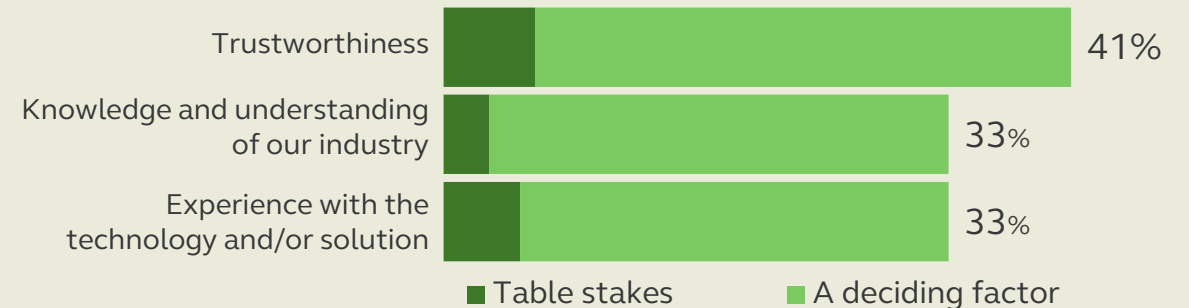
Although the time spent online is growing, buyers still spend a **large portion of their time offline**



% of respondents (N=417)

Source: ITSMA, How Buyers Choose Survey, 2017

Trustworthiness, an attribute based on personal interaction, is key for deciding which providers make the shortlist



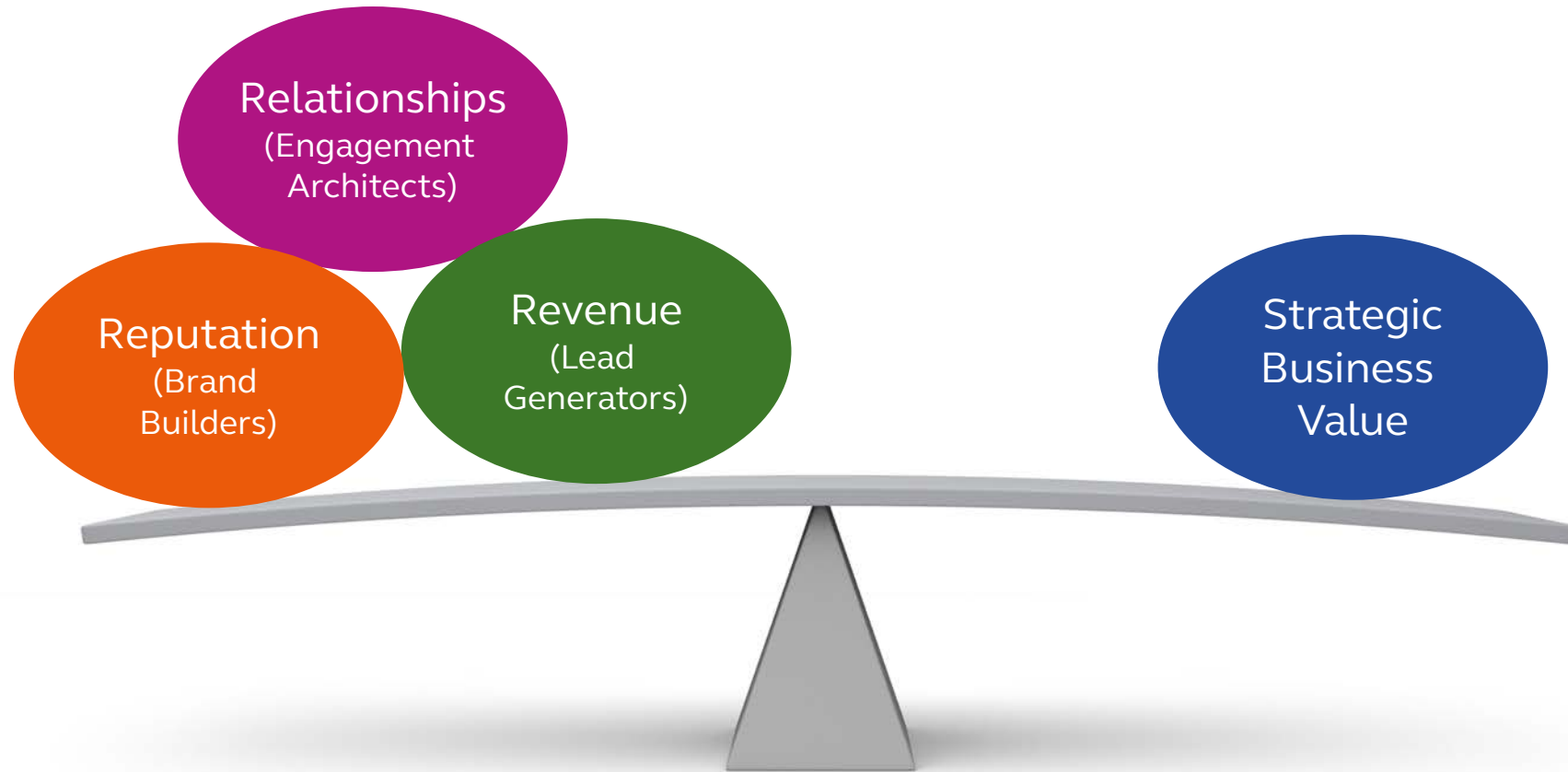
The rise of the third “R”

Reputation

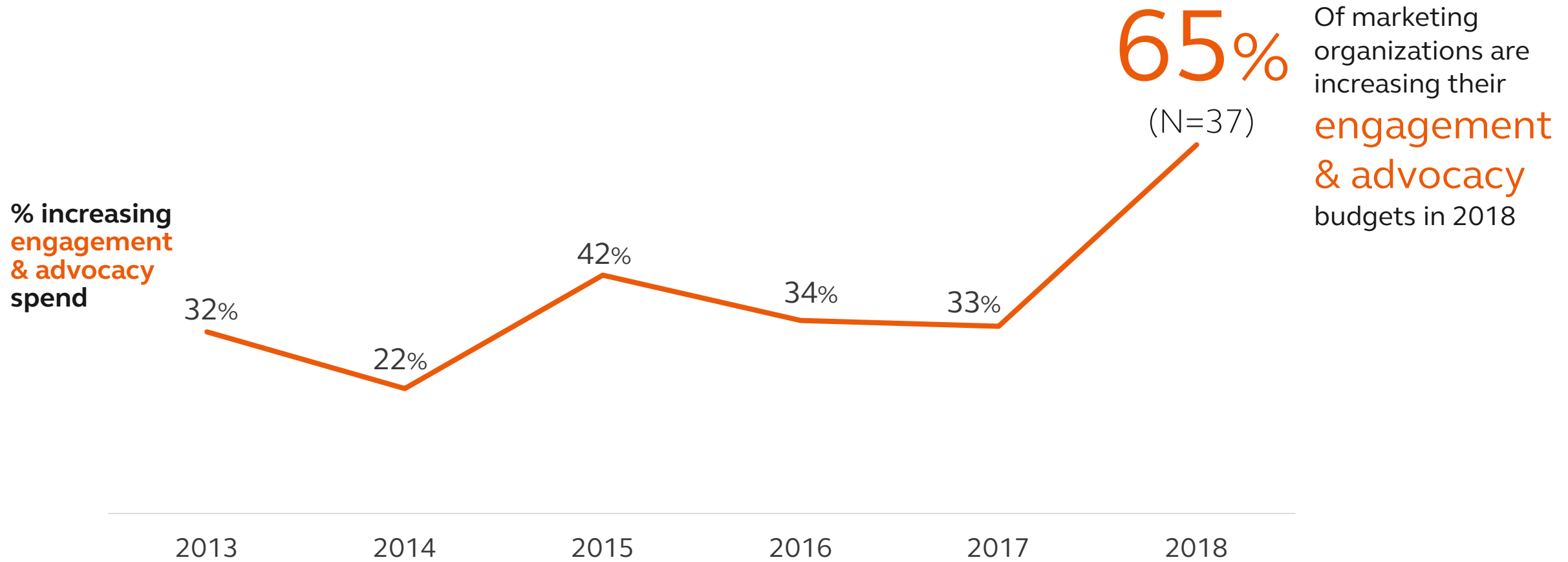
Revenue

Relationships

When marketers execute the right balance among their three roles, they deliver business value



For the first time, marketers are investing seriously in building and sustaining relationships

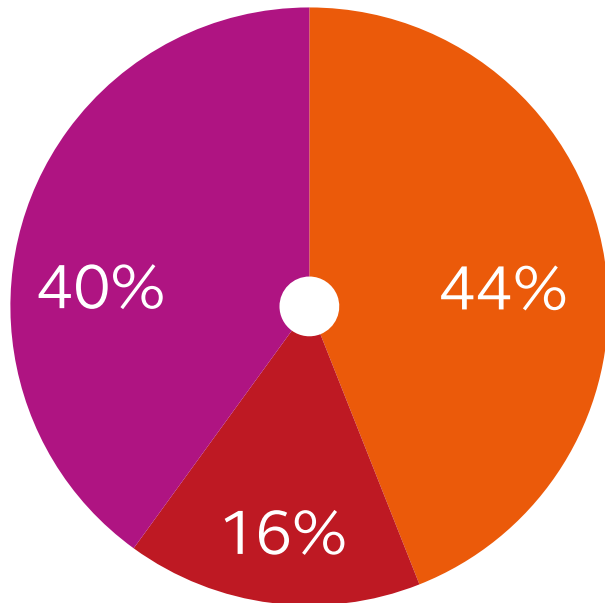


Source: ITSMA, Services Marketing Budget Allocations and Trends 2013, 2014, 2015, 2016, 2017 and 2018 studies

We see healthy growth in both services marketing budgets and staff, but not for all

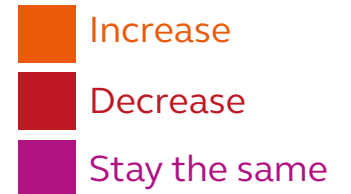
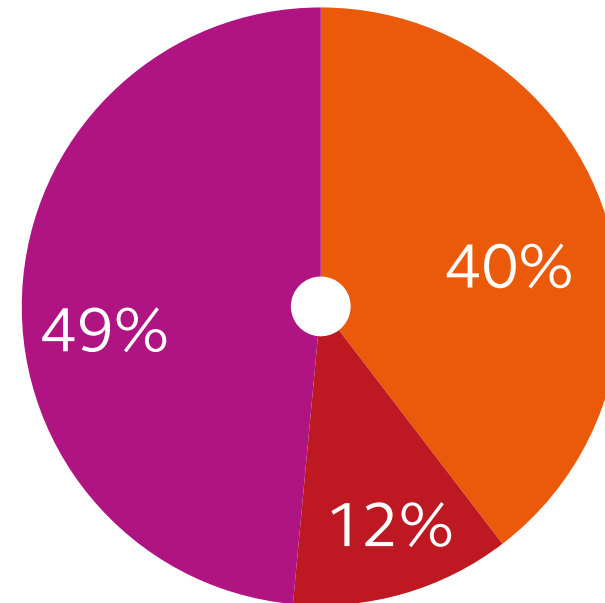
In FY2018, do you expect your services marketing budget to increase, decrease, or stay the same when compared to FY2017?

2017
B2B
Services
Marketing
Budget
Growth:
11.3%



What changes do you anticipate in your marketing staff in FY2018?

2017
B2B
Services
Marketing
Staff
Growth:
7.5%



% of respondents (N=43)

Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

2018's top marketing priorities show the importance of ABM, digital marketing, and lead generation

2018	2017	2016	2015	2014	2013	Marketing Priorities
1	4	4	5	3	4	Account-based marketing (ABM)
1	5	6	8	5	9	Digital and social media marketing
1	2	2	1	5	3	Lead generation, management, and nurturing
2	1	1	3	2	5	Brand/reputation management/differentiation
2	7	4	7	2	2	Sales and marketing alignment
3	3	4	7	3	8	Marketing performance management
4	10	–	–	10	13	Influencer marketing
4	8	6	5	4	10	Integrating marketing programs and messaging
5	6	6	2	1	1	Thought leadership development and dissemination
6	7	13	5	6	14	Marketing technology and automation systems

Source: ITSMA, Services Marketing Budget Allocations and Trends 2013, 2014, 2015, 2016, 2017, and 2018 studies

The top three priorities focus on enhancing engagement and nurturing relationships

Account-based marketing (ABM)

Digital and social media marketing

Lead generation, management, and nurturing

Marketing Priority #1a

Account-based marketing (ABM)

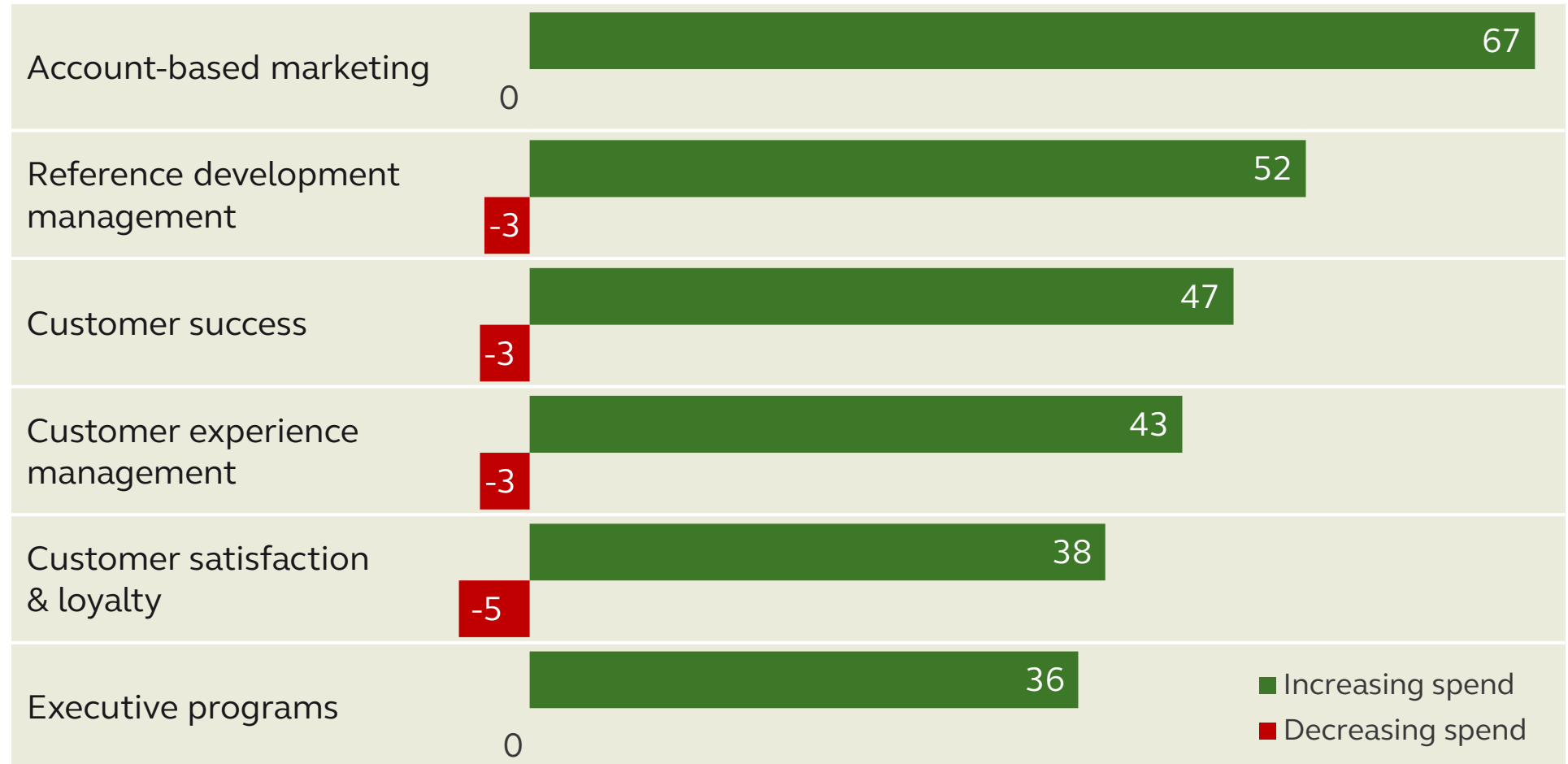
Digital and social media marketing

Lead generation, management, and nurturing

Account-based marketing is leading the increased investment in engagement & advocacy

How do you anticipate the components of your **engagement & advocacy** spend changing in FY2018?

% of respondents (N~32)

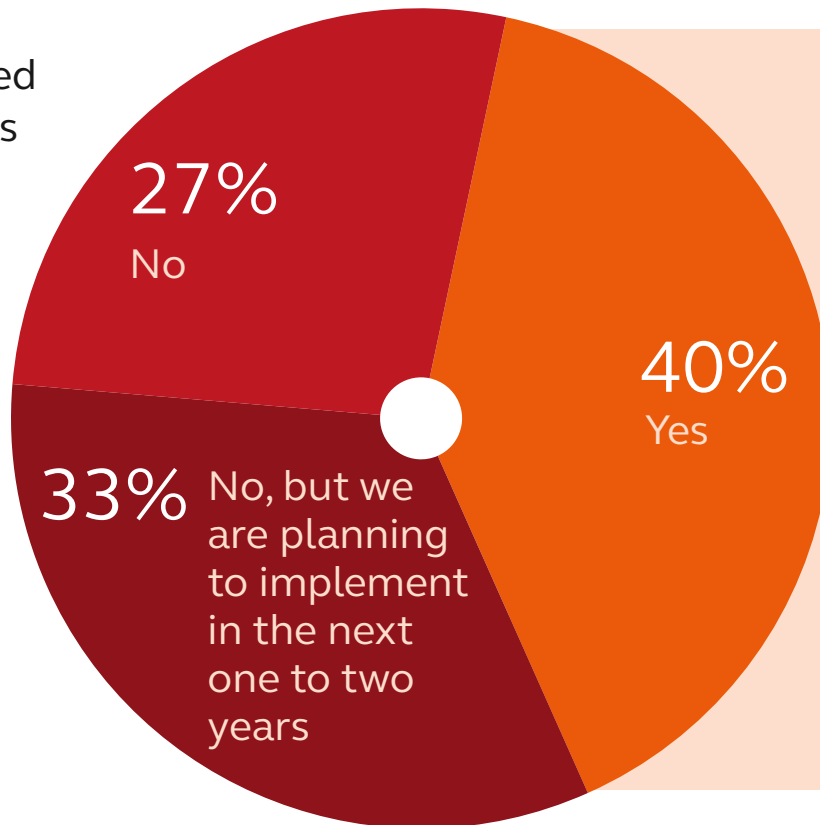


Source: ITSMA, 2018
Services Marketing
Budget Allocations
and Trends

ABM is still ramping up and budgets are growing fast

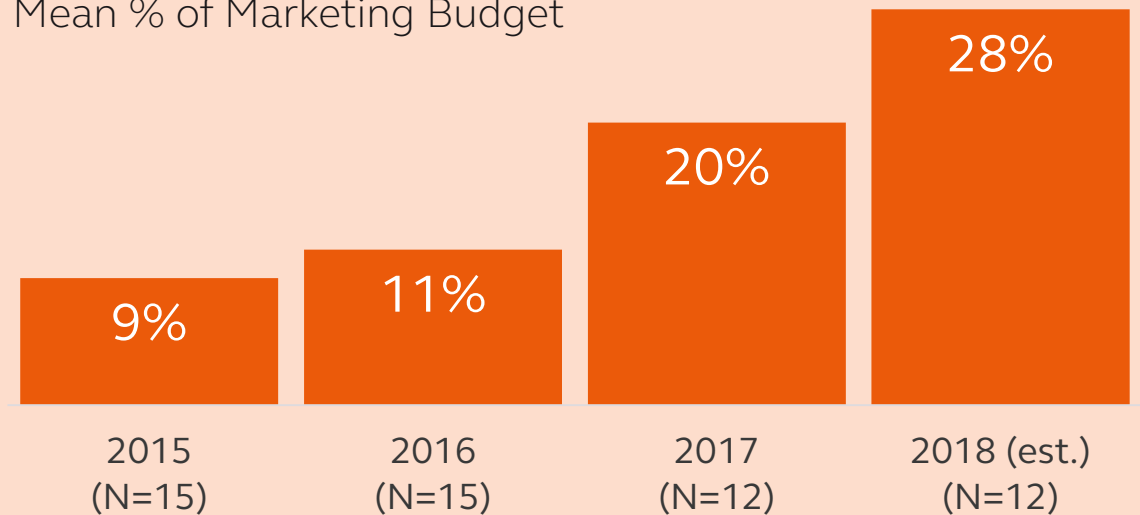
Are you currently doing account-based marketing (ABM) as defined by ITSMA?

% of respondents (N=40)



Approximately what percentage of your marketing budget was/will be dedicated to account-based marketing?

Mean % of Marketing Budget



Note: Account-based marketing (ABM): treating individual accounts as markets in their own right.
Source: ITSMA, Services Marketing Budget Allocations and Trends, 2015, 2016, 2017, and 2018 studies

Marketing Priority #1b

Account-based marketing (ABM)

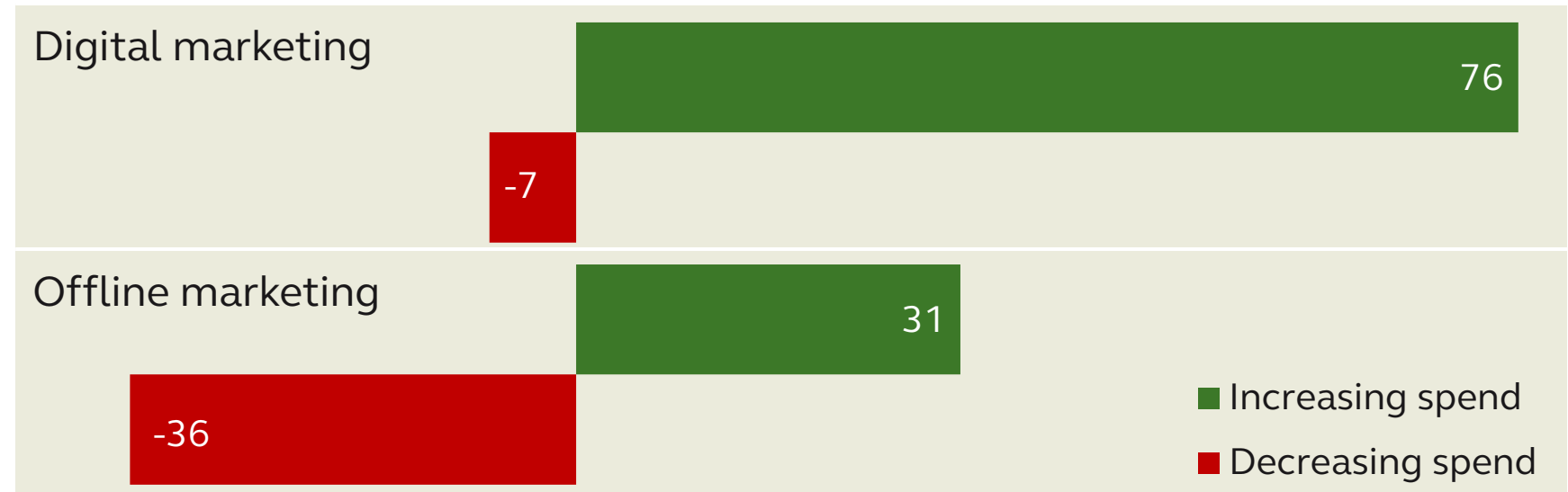
Digital and social media marketing

Lead generation, management, and nurturing

Digital marketing continues to be the fastest growing segment of the budget

How do you anticipate your digital and offline marketing spend changing in FY2018?

% of respondents (N~40)



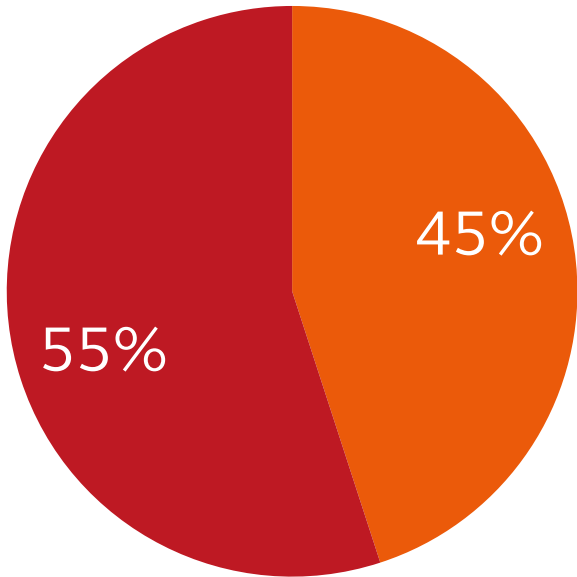
Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

Marketers now spend an equal amount on digital and offline marketing

How was/will your digital & offline marketing spend be allocated?

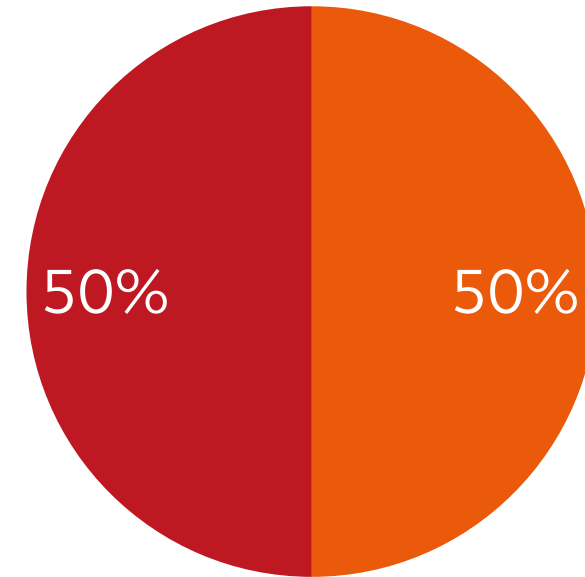
Mean % (N=34)

FY2017



Digital marketing
Offline marketing

FY2018 (est.)



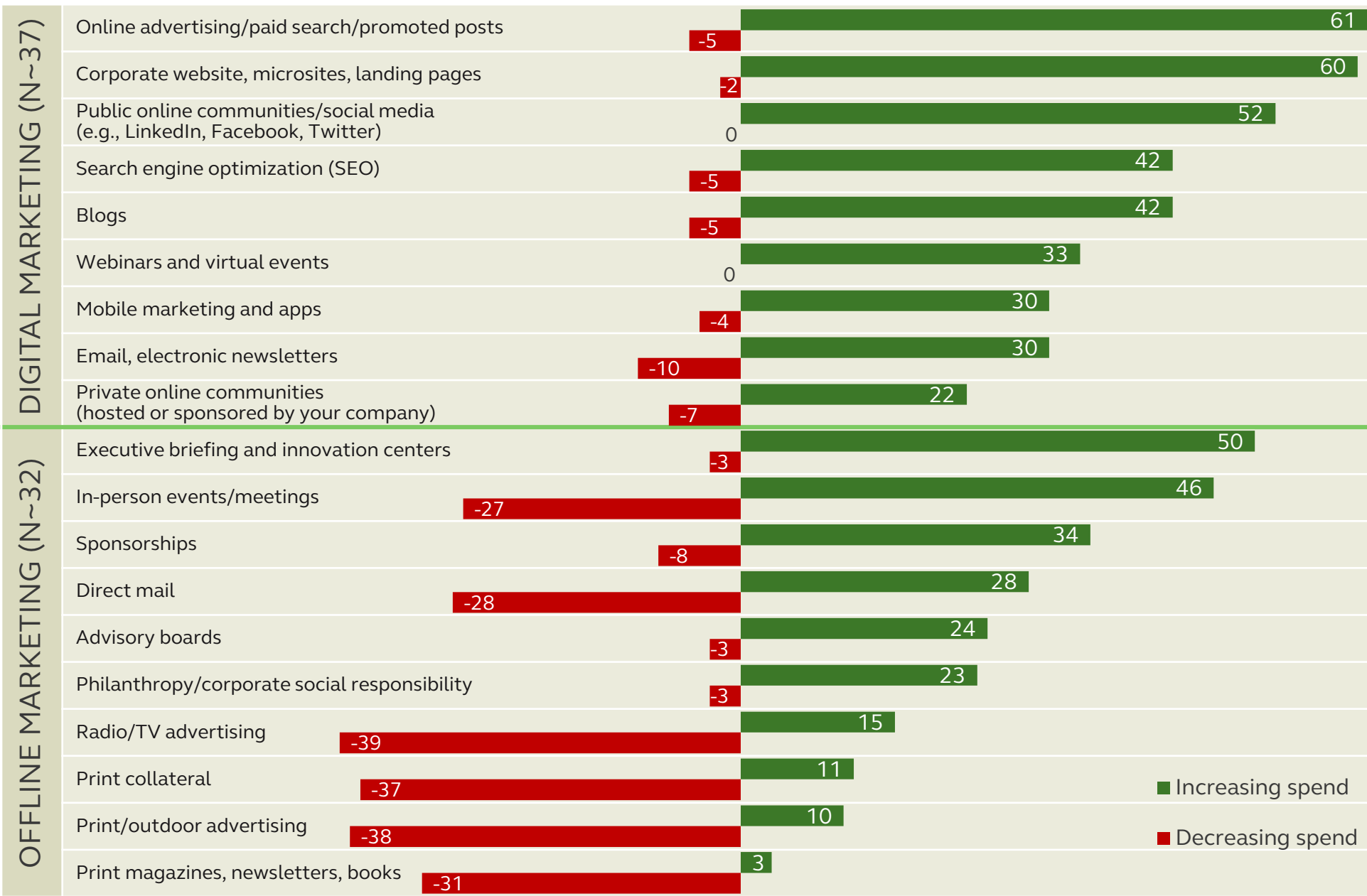
Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

We see increasing spend in both on and offline tactics

How do you anticipate your marketing tactics spend changing in FY2018 compared to FY2017?

% of respondents

Source: ITSMA, 2018
Services Marketing
Budget Allocations
and Trends



Marketing Priority #1c

Account-based marketing (ABM)


Digital and social media marketing

Lead generation, management, and nurturing

As lead generation shifts to nurturing and relationship development, recognition of marketing's contribution to revenue grows



Senior management would strongly agree that marketing contributes to revenue growth:
% of respondents



Effective lead generation, management, and nurturing require...

High quality content and thought leadership

Data and analytics

Marketing technology and automation

Sales and marketing alignment

Integrated campaigns and messaging

Agility

Demand generation & lead nurturing head the list of 2018 skill investments

In 2018, what areas of marketing expertise are the most important to strengthen to ensure your marketing organization can fulfill its role effectively?

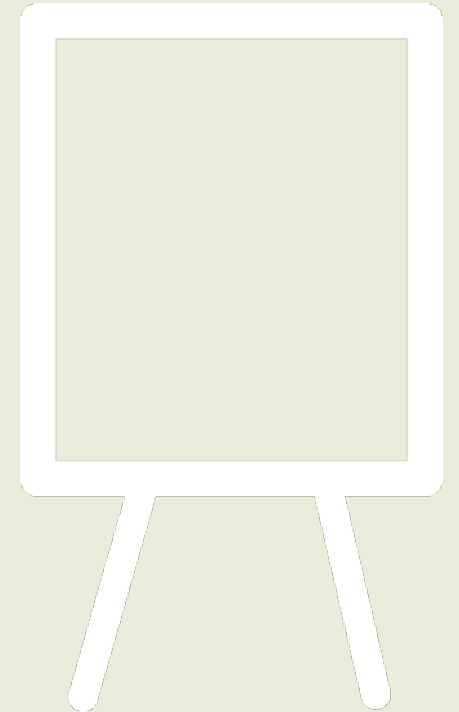
% of respondents
(N=43)

Note: Up to five responses allowed.
Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

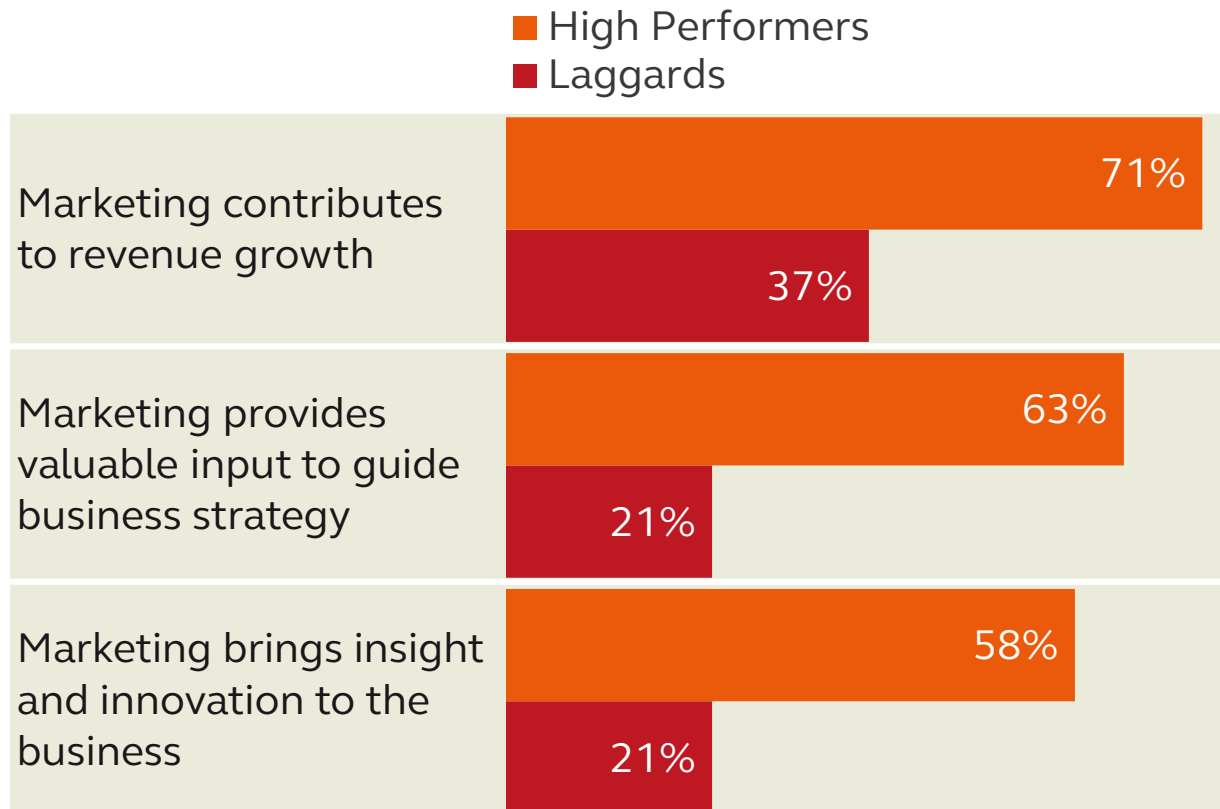


Here's what the B2B services marketing high performers have planned for 2018

- Transforming marketing to play a more strategic role, bringing insight and innovation, and contributing to growth
- Focusing on enhancing the total customer experience and ensuring customer success
- Developing world-class marketing operations organizations
- Building highly-targeted, personalized, content-driven lead management and nurturing programs
- Cultivating long term relationships with account-based marketing



High performance marketers are guiding strategy, bringing innovation and contributing to revenue



% of respondents agree (N=43)

Note: Differences are statistically significant

Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

What is Intent ?



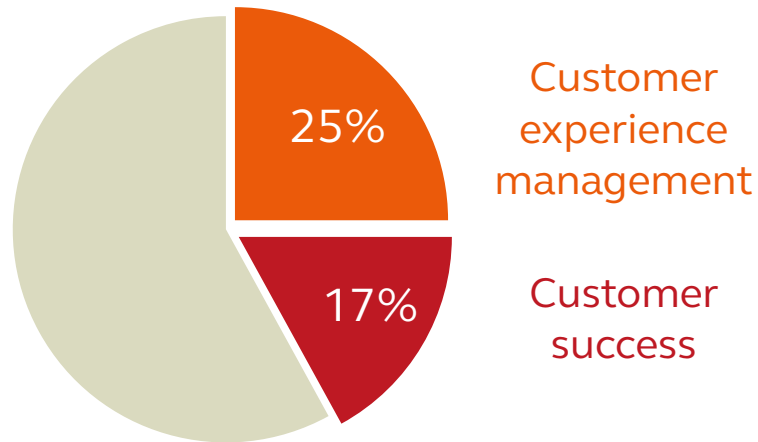
TATA COMMUNICATIONS Marketing Insights Platform



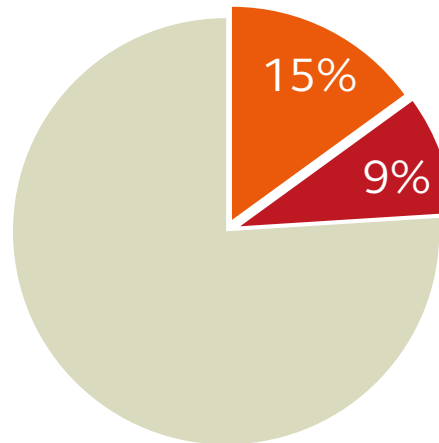
Focusing on enhancing the total customer experience and ensuring customer success

% of 2018 Engagement & Advocacy Budget (est.)

High Performers



Laggards

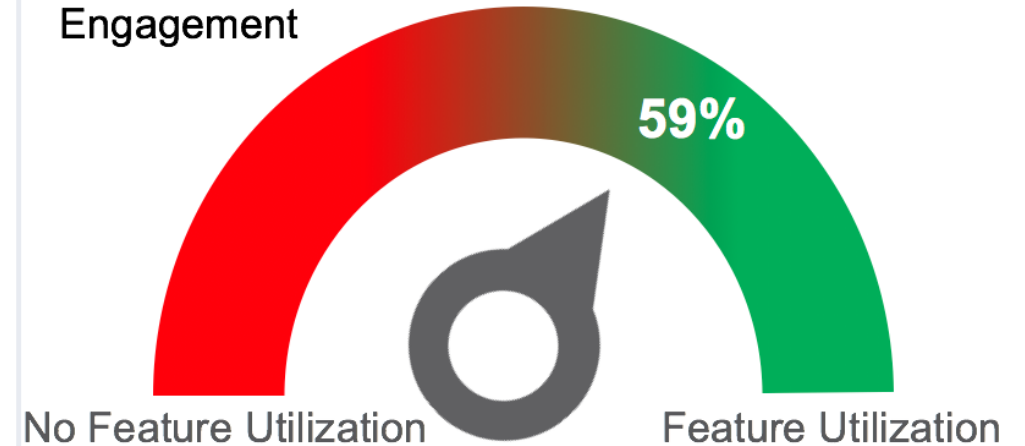


% of respondents (N=13)

Note: Differences are statistically significant

Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

59% Began Healthy Feature Utilization After Digital Engagement



Cisco Transforms to Ensure Customer Success in the Digital Future



Building and strengthening world-class marketing operations organizations and capabilities

% that have a dedicated
Head of Marketing Operations

88% High Performers
(N=24)

56% Laggards
(N=18)

Note: Differences are statistically significant
Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

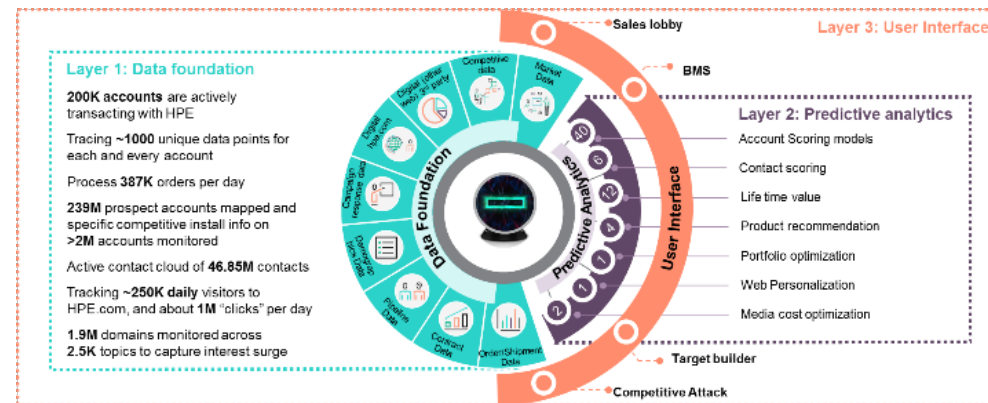


IBM and the New
work of Marketing.

OUR WHOLE TEAM COLLABORATES TO EXECUTE
THE NEW WORK OF MARKETING



IBM



Crystal Ball: Customer Intelligence and
Predictive Analytics “Super Forecasting” Engine

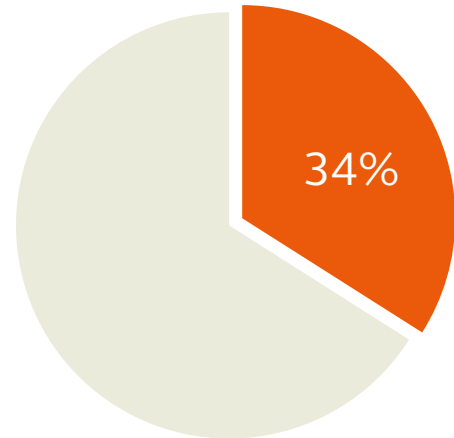
Hewlett Packard
Enterprise

ITSMA
mea
MARKETING EXCELLENCE
DIAMOND AWARD WINNER 2017

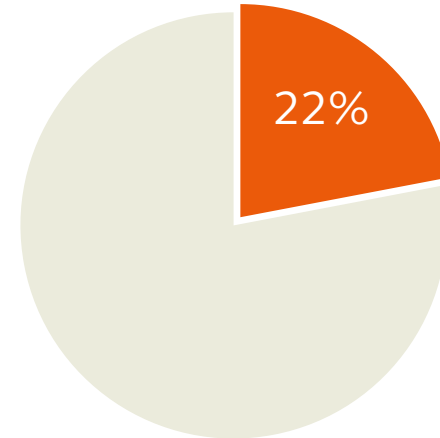
Building highly targeted, personalized, content-driven lead management and nurturing programs

% of Content & Communications Marketing Budget

High Performers
(N=15)

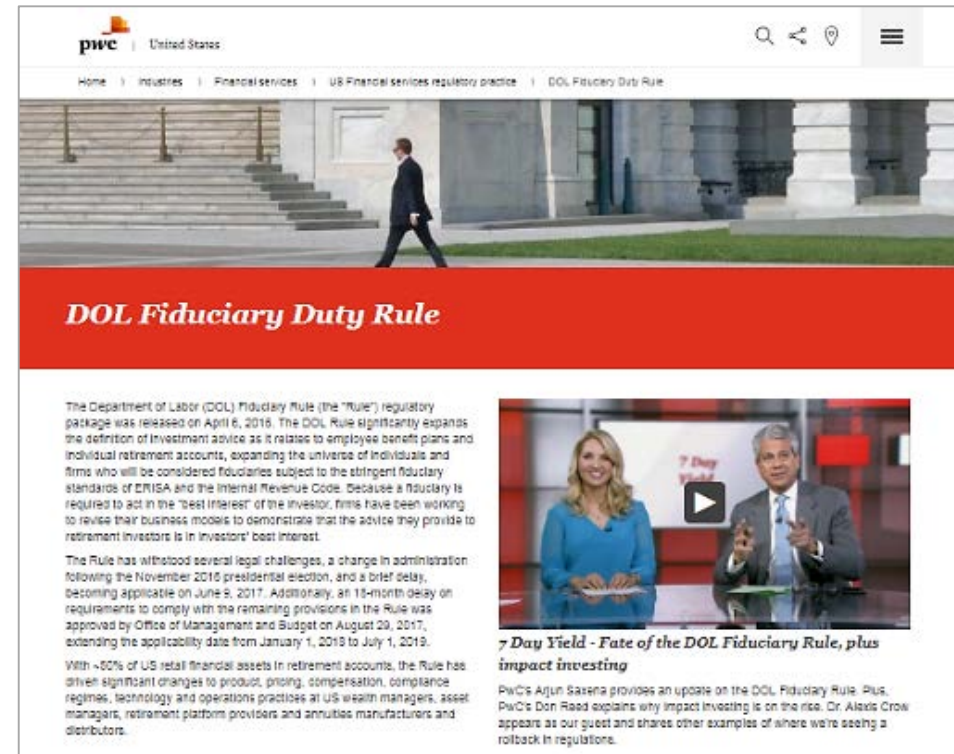


Laggards
(N=18)



**Demand Generation
& Lead Management**

Note: Differences are statistically significant
Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends



Enabling Sales Growth from a Regulatory Opportunity



Cultivating long term relationships with account-based marketing

% strengthening ABM skills in 2018

63% High Performers (N=24) 32% Laggards (N=19)

% having significant influence on key account planning

30% High Performers (N=23) 5% Laggards (N=19)

Note: Differences are statistically significant

Source: ITSMA, 2018 Services Marketing Budget Allocations and Trends

The screenshot shows the NTT DATA website with a dark blue header containing the logo and navigation links for 'Industries', 'Services', and 'Insights'. The main content area features a story about a high school senior soccer player, Courtney Wise, who suffered a head injury. The text describes how NTT DATA Services supported Dignity Health in this situation. The story includes a quote from Courtney: "I was going for a header, and I bumped shoulders with another player," she said, "My feet swept from under me, and I hit the back of my head - hard - when I landed." Below the text are two images: one of Courtney in a blue soccer jersey with the number 17, and another of a male doctor in a red lab coat. The headline "NTT DATA Services supports Dignity Health" is displayed in a yellow banner. The story continues with: "She got back in the game, saying she felt fine and without any symptoms of injury or pain. Her mom, Deanna, said it was her style - to keep going." and "I'd see these other parents pushing their kids to keep going - to get out there and play," said her mom, "but with Courtney, this

NTT DATA
Every Touch Matters

ITSMA
mea★
MARKETING EXCELLENCE
GOLD AWARD WINNER 2017

Going into 2018, the future looks bright—however, we have some concerns

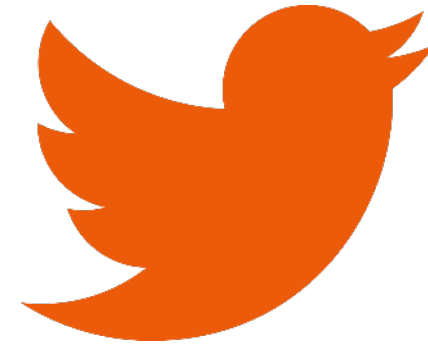
- B2B services marketing budgets will grow 11.3% and staffs at 7.5% in 2018
- Marketing's top priorities are aligned with what the business needs
- High performers are:
 - Transforming marketing to play a more strategic role, bringing insight and innovation, and contributing to growth
 - Focusing on enhancing the total customer experience and ensuring customer success
 - Developing world-class marketing operations organizations
 - Building highly-targeted, personalized, content-driven lead management and nurturing programs
 - Cultivating long term relationships with account-based marketing

Our concerns

- Marketing budgets still underfunded given what marketers are being asked to do
- Few dedicated marketing leaders for customer experience and customer success
- Over reliance on training to close marketing skills gaps
- Limited investment in and focus on data analytics/AI

Tweetable takeaways

1. For B2B marketers, 2018 will be The Year of Relationships: targeted, tailored, and personal **#ITSMA18**
2. Buyers want providers that know them, provide personalized content, and build trust, both on and offline **#ITSMA18**
3. B2B services marketing budgets will grow 11.3% and staffs at 7.5% in 2018 per **#ITSMA18** research
4. B2B marketing's top 3 priorities in 2018: ABM, Digital & Social, LeadGen & Nurturing **#ITSMA18**
5. High performance B2B marketers are investing in insight & innovation, marketing ops, ABM, lead mgmt, CX and customer success **#ITSMA18**



#ITSMA18

Q&A



ITSMA 2018 research themes



Research



Education



Advisory



Community

- Transforming marketing for the digital future: Talent, organization, and culture
- Driving growth with thought leadership and executive engagement
- Strengthening marketing's role in customer experience and success
- Exploring the next wave of martech tools to improve impact and reporting
- Scaling account-based marketing programs: Moving to a blended strategy

Upcoming events

Event	Date	Type	Location
ITSMA's 2018 State of the Profession Address	January 23, 24	Webcast	Online
ITSMA AT LARGE What Does Best-in-Class ABM Look Like?	January 25	Webcast	Online
ITSMA Account-Based Marketing SM Certification and Mentoring Programme—Kickoff Workshop	March 5–6	Workshop	London, UK
ABM Forum: ITSMA and the ABM Leadership Alliance	March 8	Forum	San Francisco, CA
Next Steps for Marketing with Customer Experience and Success	March 13	Webcast	Online
Driving Growth with Thought Leadership and Executive Engagement	April 17	Webcast	Online
ITSMA's 2018 MARKETING LEADERSHIP FORUM	May 15–16	Global forum	Napa, CA

More information Visit www.itsma.com/events/ for the latest information and to register online.

Thank you



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