

B2B CONTENT MARKETING:

2012 BENCHMARKS, BUDGETS & TRENDS



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FOREWORD

Hello, Fellow B2B Marketer!

In the past year, content marketing has gained incredible momentum. As this topic gains mindshare, it's fueling discussions around the web, at events, and in boardrooms. But just how well are B2B marketers achieving their goals when it comes to [content marketing](#)? And how much has changed in the past year?

To answer these questions, the Content Marketing Institute and MarketingProfs surveyed 1,092 marketers in August 2011.¹ In this second annual survey, we uncovered some interesting findings.

While we saw some unexpected changes between this year and last, we weren't surprised to see that content marketing still ranks highly in the list of priorities for B2B marketers. Just as in 2010, **9 in 10 organizations market with content** – regardless of company size or industry.

And they are doing what it takes to bring about desired results:

- **On average, B2B marketers employ eight different content marketing tactics to achieve their marketing goals.**
- **60% report that they plan to increase their spend on content marketing over the next 12 months.**
- **Marketers, on average, spend over a quarter of their marketing budget on content marketing.**

However, while marketers are committing time and budget to adopt the concepts and practices of content marketing, it's clearly a tool they are getting accustomed to using. As a result, they're still formulating strategies for how to best measure effectiveness. From all appearances, marketers are headed in the right direction; we see a significant improvement in the perceived effectiveness of the most popular content tactics. The good news is that with progress come even better results.

B2B Content Marketing: 2012 Benchmarks, Budgets and Trends provides a detailed look at many aspects of content marketing, including the tactics used, social media considerations, goals, measurements, budgets, outsourcing, and challenges. The end of the report presents the practices of self-described “best in class” content marketers.

We hope this report helps you benchmark your content marketing efforts and inspires you to pump up your content marketing strategy!



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¹ Last year's survey covered North America; this year's survey was worldwide, with the majority of respondents from North America.

EXECUTIVE SUMMARY

B2B Content Marketing: 2012 Benchmarks, Budgets and Trends is the second annual survey about content marketing in the business-to-business (B2B) space. We surveyed 1,092 marketers from diverse industries and a wide range of company sizes in August 2011. Last year, the results revealed content marketing is a well-established, core marketing strategy in the B2B marketplace. However, while many marketers were using these tactics, they were uncertain about their effectiveness. This year, even though the confidence gap is shrinking regarding content marketing, there is still more education that needs to be done.

For purposes of the research, the survey defined content marketing as follows:

“Content marketing/custom media (sometimes called custom publishing, custom content, or branded content) is the creation and distribution of educational and/or compelling content in multiple formats to attract and/or retain customers.”

Content Marketing Institute and MarketingProfs developed and conducted the study.

MAJOR FINDINGS IN 5 KEY AREAS

1. Usage and Effectiveness:

Just as last year’s survey showed, nine out of 10 B2B marketers are using content marketing to grow their businesses, and on average, marketers use eight content marketing tactics to achieve their marketing goals. The most popular tactics are article posting (79%), social media (excluding blogs) (74%), blogs (65%), eNewsletters (63%), case studies (58%), and in-person events (56%).

While marketers are confident about the value of content marketing, they are challenged to demonstrate the effectiveness and impact of individual tactics and distribution channels. That said, the “confidence gap” we discovered last year is shrinking when it comes to the rates of adoption of specific content marketing tactics and the perceived effectiveness of those tactics.

Content marketing uptake is high across industries, with no single industry reporting below 70% adoption. The professional services industry reports the highest level of adoption, just nudging out computing/software, which ranked number one last year.

2. Goals and Measurement:

Marketers are using content marketing to support multiple business goals, led by brand awareness (69%), customer acquisition (68%), lead generation (67%), and customer retention/loyalty (62%); just as we found last year, the least widely employed goal for content marketing is lead management/nurturing.

Just as in last year’s findings, web traffic is the most widely used success metric (58%). However, this year, sales lead quality (49%) is the second-highest used metric (versus direct sales in the previous study).

3. Budgets and Production:

B2B marketers dedicate approximately 26% of their total budgets to content marketing initiatives – precisely the percentage allocated in the previous year. Also in line with last year's results is the fact that smaller companies (in terms of number of employees) allocate a larger share of their budget to content marketing than do larger companies.

This year, a majority of marketers (60%) report they plan to spend more money on content marketing in 2012 (compared to 51% in 2011).

62% of B2B marketers use outsourcing for content marketing, a substantial increase compared to last year's findings (55%).

4. Challenges:

As it was last year, the greatest reported challenge is “producing the kind of content that engages prospects and customers” (41% of respondents). And nearly the same percentage of respondents in 2011 as in 2010 reports that “producing enough content” (20%) and “budget to produce content” (18%) are their greatest challenges in content marketing.

5. Practices of Best in Class:

40% of marketers consider themselves to be more effective in content marketing than their competitors.

All marketers have the opportunity to increase effectiveness, and they all can learn from the “best in class.” Just as was the case last year, effective marketers spend more and are more strategic in their approach:

- They allocate 31% of their budget to content marketing, compared to less effective marketers who invest 18%.
- They are 50% more likely to consider the “stage in the buying cycle” when developing content, whereas less effective marketers are less likely to tailor content in any way.
- They benefit from substantially more buy-in from senior members of the organization. Only 8% of effective marketers complain about lack of buy-in from higher-ups, versus 17% of those who rate themselves as less effective (though, on a positive note, this number has declined, dropping down from last year's rate of 24% for less effective marketers).

While the data indicates marketers have made solid headway over the past year, marketers from all industries and company sizes can benefit from fine-tuning their approaches to content planning, development, promotion, and measurement. Those that do will reap the rewards.

Read on for our detailed findings in all of these areas.

USAGE & EFFECTIVENESS

Content Marketing Adoption Remains Steady at 90% of Marketers

In general, B2B marketers are using the same mix of tactics as they did in the previous study (average of 8 tactics in both years). Some notable increases:

- Blogs (27% increase)
- White papers (19% increase)
- Videos (27% increase)

Content Marketing Tactics Used

Just as we found in last year's study, article posting and social media (excluding blogs) are the most popular tactics and are currently used by 79% and 74% of B2B marketers, respectively (Figure 1). However, use of social media actually declined in 2011 by 5 percentage points.

Articles and social media continue to be most popular content marketing tactics.

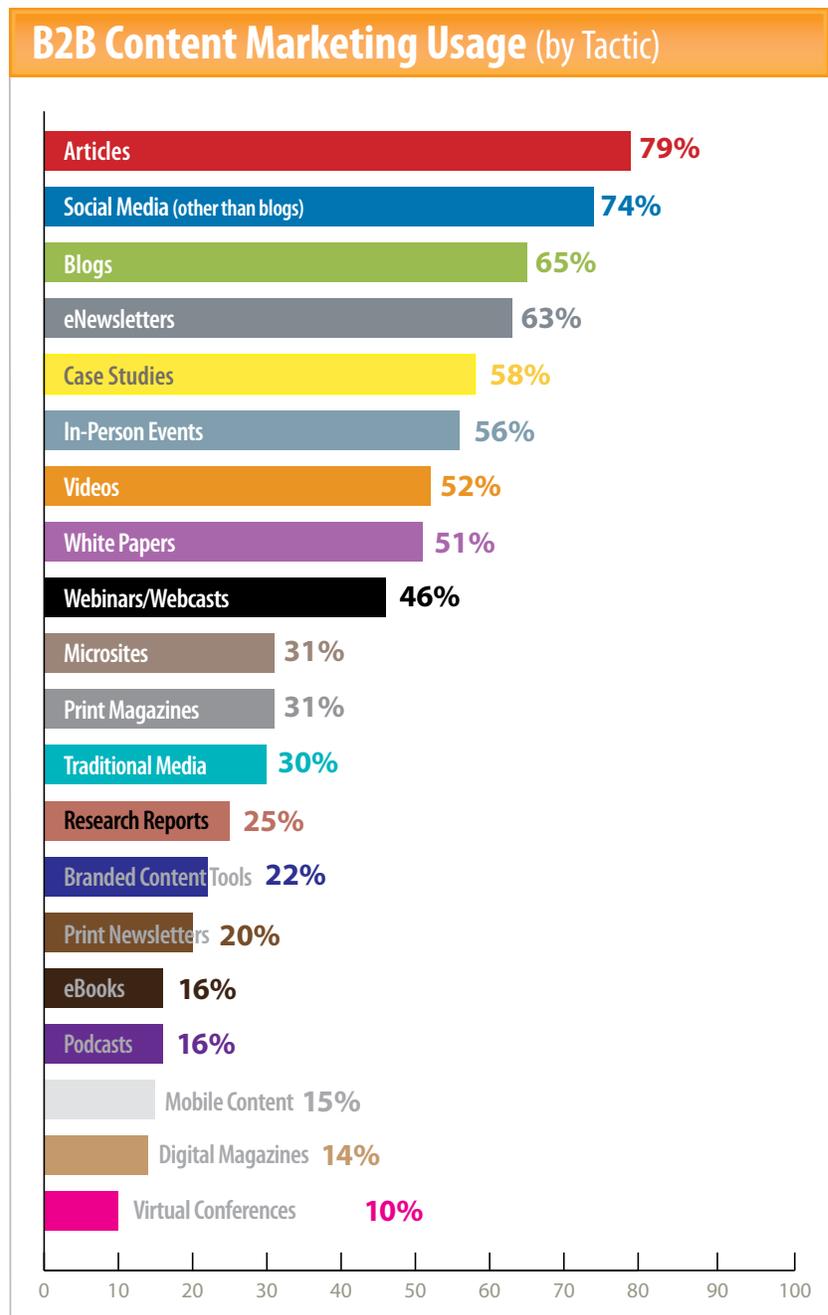


Figure 1 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

Some of the tactics, such as blogs, video and white papers are used much more frequently this year than in the previous study (Figure 2).

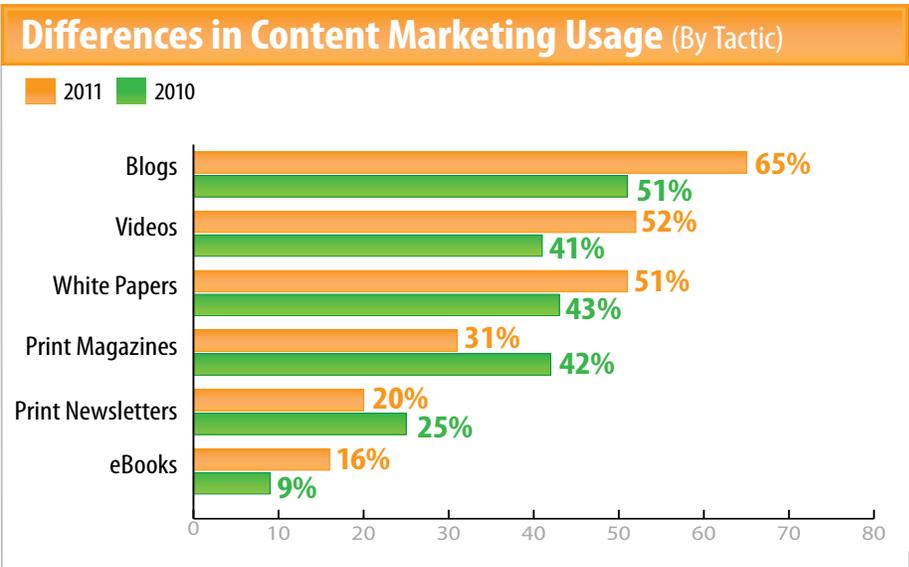


Figure 2 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

CONTENT MARKETING BY COMPANY SIZE

For some tactics, adoption varies widely based on company size:

Just as in the previous study, on average, the larger the company, the greater number of content marketing tactics used. **The largest companies (those with over 1000 employees) use 9 tactics, and the smallest companies (those with fewer than 10 employees) use 6 tactics.**

- Like last year, **the largest companies report a higher adoption rate for most tactics.** Last year, the most marked differences between the largest and smallest companies were seen in their use of print magazines and microsities. This year, the most notable differences lie in their use of white papers (67% of the largest companies versus 35% of the smallest companies), webinars (60% of the largest companies versus 28% of the smallest companies), and microsities (54% of the largest companies versus 16% of the smallest companies).
- This year, **small- and medium-sized companies report higher adoption rates than the largest companies in a number of categories.** For example, while 79% of the largest companies use articles, 85% of medium-sized companies (those with 100-1,000 employees) use this tactic; 78% of medium-size companies use social media (not including blogs), while only 65% of the largest companies do. And 68% of companies with 10 – 99 employees maintain a blog, though only 55% of the largest companies employ this tactic.

Industries with the highest rates of content marketing adoption:

- Professional Services 94%
- Computing/Software 93%
- Advertising/Marketing 89%
- Healthcare..... 89%
- Business Services 84%
- Manufacturing/Processing 83%

SOCIAL MEDIA DISTRIBUTION CHANNELS

We also asked marketers to tell us what social media channels they use to distribute content. Once again, **Twitter trumps all other social media distribution types (Figure 3)**, and at higher rates than last year (Figure 4). That said, every social media channel is seeing increased adoption, often by 15-20%:

- YouTube: 47% increase
- LinkedIn: 39% increase
- Twitter: 35% increase
- Facebook: 30% increase

It should come as no surprise that the increased adoption rate of the video-sharing site YouTube (56%) is in line with the increase in video usage (52%).

This year, Google+ joins the list of distribution channels, with an industry average of 13%. Three industries are using this channel at higher rates than other industries: professional services (19%), advertising/marketing (19%), and business services (17%). For the first time, we surveyed marketers about their use of SlideShare and Flickr, and found these channels being used at rates of 20% and 10%, respectively. Those marketers rating themselves as effective are significantly more likely to use all of these distribution channels.

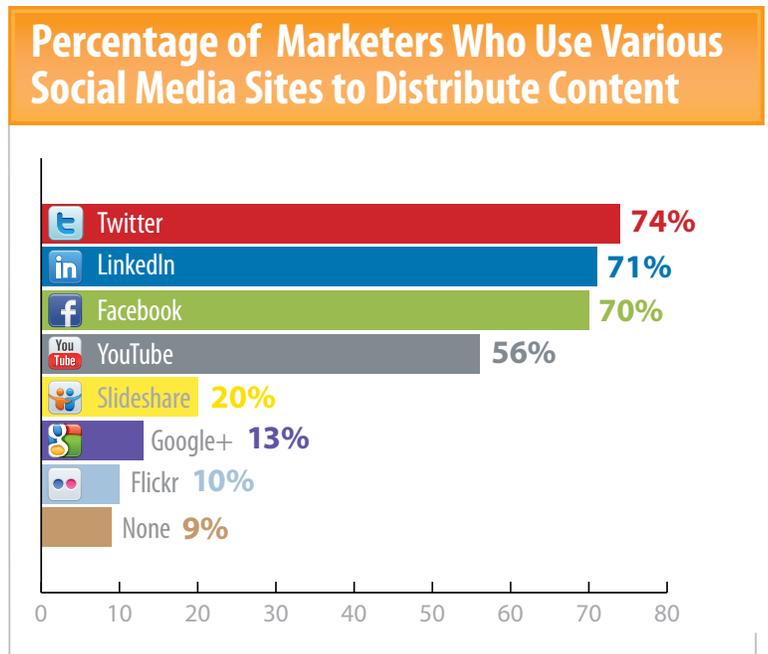


Figure 3 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

Every social media channel is seeing increased adoption, often by 15-20%.

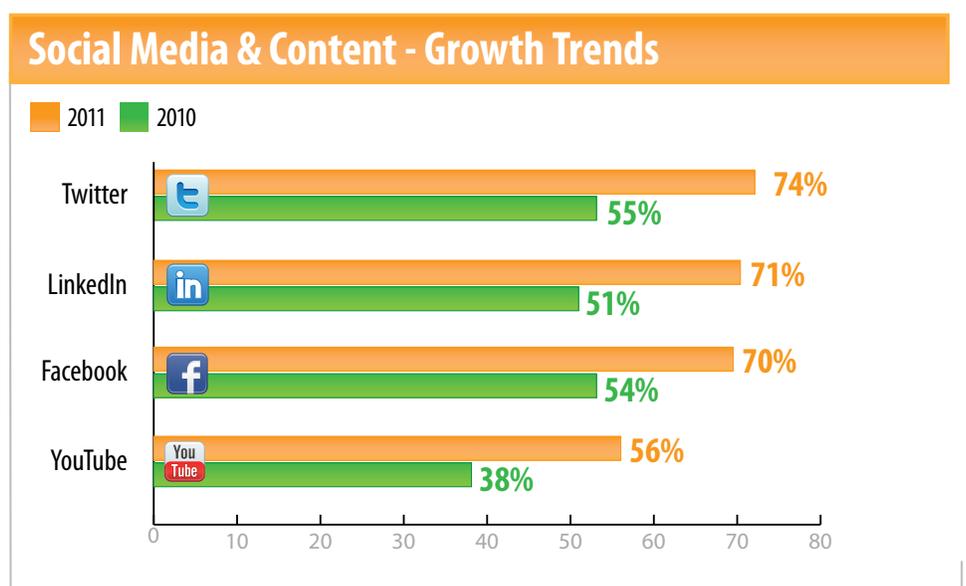


Figure 4 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

CONTENT MARKETING EFFECTIVENESS

It's clear that marketers are feeling more assured in using content marketing to achieve their goals. Just as important, they're more confident in how well they are using these tactics — across just about every tactic. In other words, the large confidence gap we saw in last year's study is shrinking.

Figure 5 shows how marketers rated the effectiveness of each tactic.

While in-person events and webinars are still seen as the most effective tactics, on average, the following ranked notably higher in perceived effectiveness compared to our last report:

- Blogs: 45% increase
- Case studies: 32% increase
- Videos: 36% increase
- Webinars/webcasts: 25% increase

Though social media is still considered the least effective of the top tactics, just as it was in 2010, half of this year's respondents think it is effective. And, in fact, 61% more marketers perceive social media as effective in 2011 than last year.

Now that marketers have found ways to use some of these tactics to effectively achieve their goals, the next step is to gain confidence in their use of branded content, digital magazines, mobile content, and podcasts.

Confidence Gap: Effectiveness Ratings of Tactics Among Users

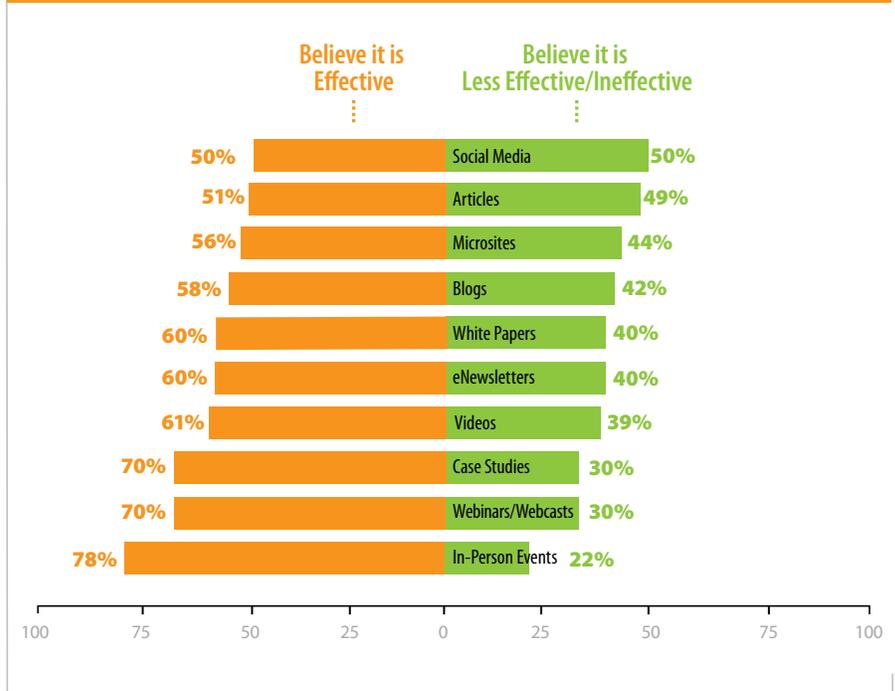


Figure 5 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

Content Marketing Tactic Effectiveness Ratings: High & Low

Among those who use a particular content marketing tactic, what percentage of marketers believe that tactic is either "very effective" or "effective"?

Top Effectiveness Ratings Amongst Those Who Use A Given Tactic

- 78%Rate **In-Person Events**
- 70%Rate **Webinars/Webcasts**
- 70%Rate **Case Studies**
- 68%Rate **Research Reports**

EFFECTIVE/VERY EFFECTIVE



Bottom Effectiveness Ratings Amongst Those Who Use A Given Tactic

- 37%Rate **Podcasts**
- 42%Rate **Mobile Content**
(e.g., content formatted for PDAs/iPhones, content applications for smart phones, etc.)
- 43%Rate **Digital Magazines**
- 47%Rate **Branded Content Tools**
(e.g., website grader, online calculator, widget, etc.)

EFFECTIVE/VERY EFFECTIVE



GOALS & MEASUREMENT

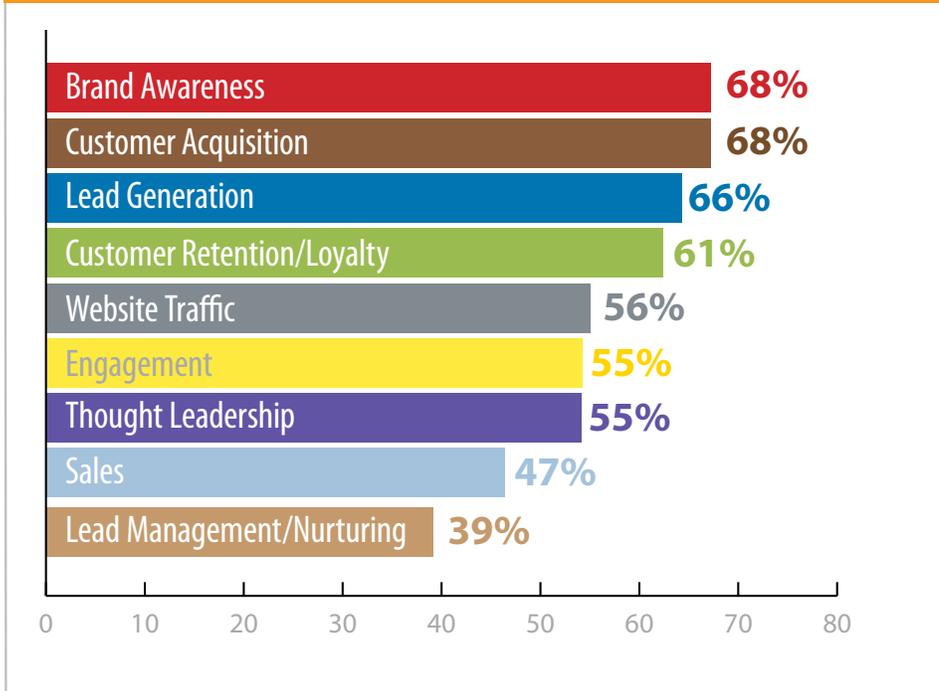
Content Marketers Name Different Objectives and Measurements for Success:

- **Brand awareness and customer acquisition rise to the top of content marketing goals.**
- **Marketers use a number of metrics to measure effectiveness. Just as in last year's report, web traffic and sales lead quality top the list.**

Just as in the previous year, marketers are adopting content marketing strategies to achieve a variety of goals. In fact, the top goals of brand awareness, customer acquisition, lead generation, and customer retention/loyalty remain the same (Figure 6). Some notable differences from last year:

- Fewer marketers are using content marketing to achieve brand awareness, customer acquisition/loyalty, and sales.
- More marketers are using content marketing for customer acquisition (referred to as customer recruitment in last year's report), lead generation, website traffic, thought leadership, and lead management/nurturing.

Organizational Goals for Content Marketing



Brand awareness and customer acquisition rise to the top of content marketing goals

Figure 6 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

To measure the effectiveness of content marketing, marketers are now relying on slightly different criteria than they did last year. While web traffic and sales lead quality still top the list, we see a 12 percentage point bump over last year in the number of marketers using SEO ranking to measure success. Inbound links are also proving more valuable to marketers in gauging effectiveness. At the same time, fewer marketers are expecting direct sales as the result of their content marketing efforts (Figure 7).

While web traffic and sales lead quality still top the list, we see a 12 percentage point bump over last year in the number of marketers using SEO ranking

Measurement Criteria for Content Marketing Success

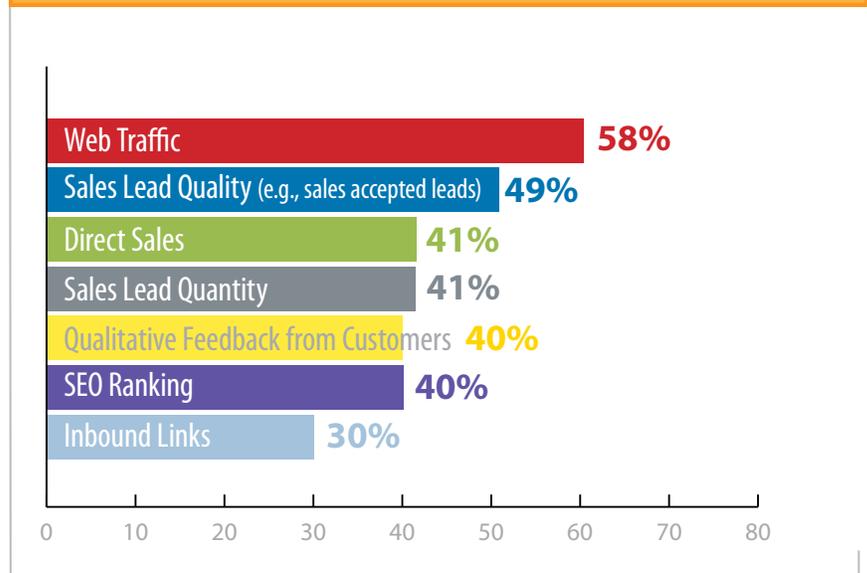


Figure 7

B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

BUDGETS & PRODUCTION

Content Marketing Spend is Jumping, Marketers are Increasingly Outsourcing

While approximately 26% of B2B marketers' total budgets are allocated to content marketing efforts – exactly the same percentage as in last year's report – investment in content marketing continues to grow:

- 60% of respondents indicate they will increase spending on content marketing in 2012.
- Over half (62% of respondents) use outsourcing for at least a portion of their content marketing activities, a significant increase over last year's use of outsourcing (52%).

Content Marketing Spending

Rising confidence in the effectiveness of content marketing seems to be spurring marketers to dedicate more budget to this strategy. **On average, 60% of respondents indicate that they plan to increase their content marketing budgets over the next 12 months (Figure 8).**

While, like last year, B2B marketers, on average, spend 26% of their budgets on content marketing activities, **this varies by company size.** The smaller the company (in terms of number of employees), the larger the percentage it spends on content marketing (Figure 9). Companies with fewer than 10 employees spend 34% of their budgets on content marketing, whereas companies with greater than 1000+ employees spend 20% of their budgets on content marketing.

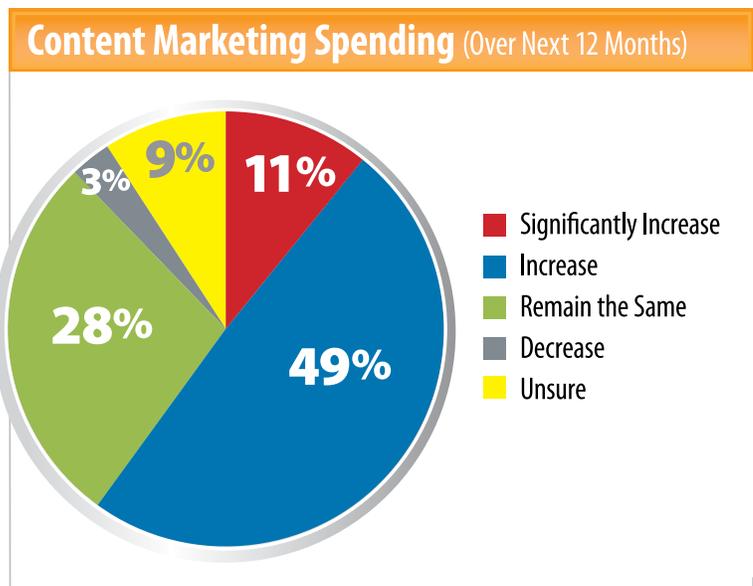


Figure 8 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

60% of respondents indicate that they plan to increase their content marketing budgets over the next 12 months.

Total Marketing Budget Spent on Content Marketing

Company Size	Ratio of Distribution to Creation	Percentage of Budget
Micro (Fewer than 10 employees)	1.8	34%
Small (10 - 99 employees)	2.0	26%
Mid-size (100-999 employees)	2.2	23%
Large (1000+ employees)	5.5	20%
Overall	3.5	26%

Figure 9 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

On average, the spend on content distribution is 3.5 times the size of that spent on content creation. The ratio increases with the size of the company (Figure 9). For instance, companies with more than 1,000 employees spend over 5.5 times as much on content distribution as they do on creation, and companies with fewer than 10 employees spend only 1.8 times as much on distribution as they do on creation.

Content Marketing Outsourcing

As content marketing budgets increase, so too does the percentage of companies that outsource.

Last year, only 55% of marketers used outsourcing in some capacity. This year, 62% of B2B marketers use a mix of insourced and outsourced content. Outsource-only strategies are rare at only 4% (Figure 10).

While 38% of marketers handle their content creation in house, respondents spend, on average, 25% of their content-creation budget with outside resources, such as consultants and agencies. A much smaller percentage of marketers hire external resources to help with distributing content.

Our survey also finds that **larger companies (defined as greater than 1,000 employees) are 24% more likely than smaller companies (10-99 employees) and 19% more likely than the average company to outsource content (Figure 11).**

When seeking out the right vendors to support content marketing – whether for writing, management, or production – marketers use a variety of resources. The biggest changes from last year’s report are:

- An increase in use of consultants (32% in 2011 versus 27% in the previous report)
- A decrease in the use of trade shows as a venue to find support (20% in 2011 versus 26% in last year’s report)

This year, 62% of B2B marketers use a mix of insourced and outsourced content.

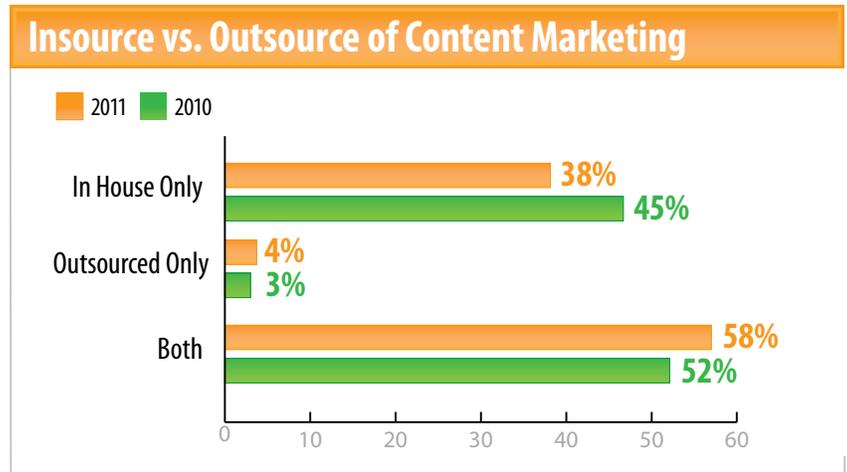


Figure 10 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

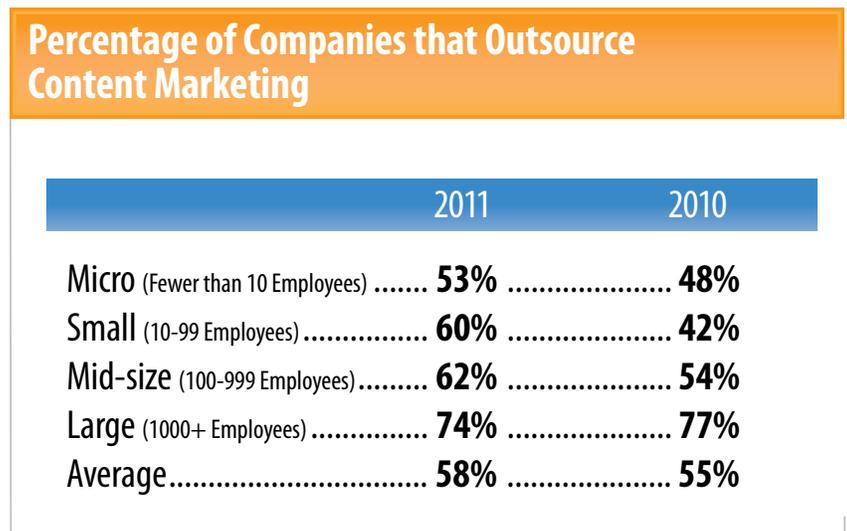


Figure 11 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

CHALLENGES IN CONTENT MARKETING

Marketers Still Challenged to Stay Relevant and Compelling

Just as in last year's report, the number one challenge is producing engaging content, followed closely by resource constraints.

The largest challenge (for 41% of respondents) is "producing the kind of content that engages prospects and customers" (Figure 12). While a greater number of respondents are struggling with this in 2011 compared with last year (36% of 2010 respondents reported this as their biggest challenge), just like last year, this year's respondents are also struggling with two challenges that go hand in hand: producing enough content (20%) and having the budget to produce enough content (18%).

Marketers were asked to explain what particular challenges they face within their own organizations. We noticed a number of themes running throughout their comments:

- **Getting buy-in:**

"Management patience - mgt needs to understand that in today's B2B environment it takes time to engage prospects. The prospect has a lot more power than they did in the 90's and 2000's."

- **Finding internal help:**

"Finding people within my organization to contribute their expertise to relevant content. Nobody outside of marketing seems to see the value in sharing our expertise with the market via content marketing."

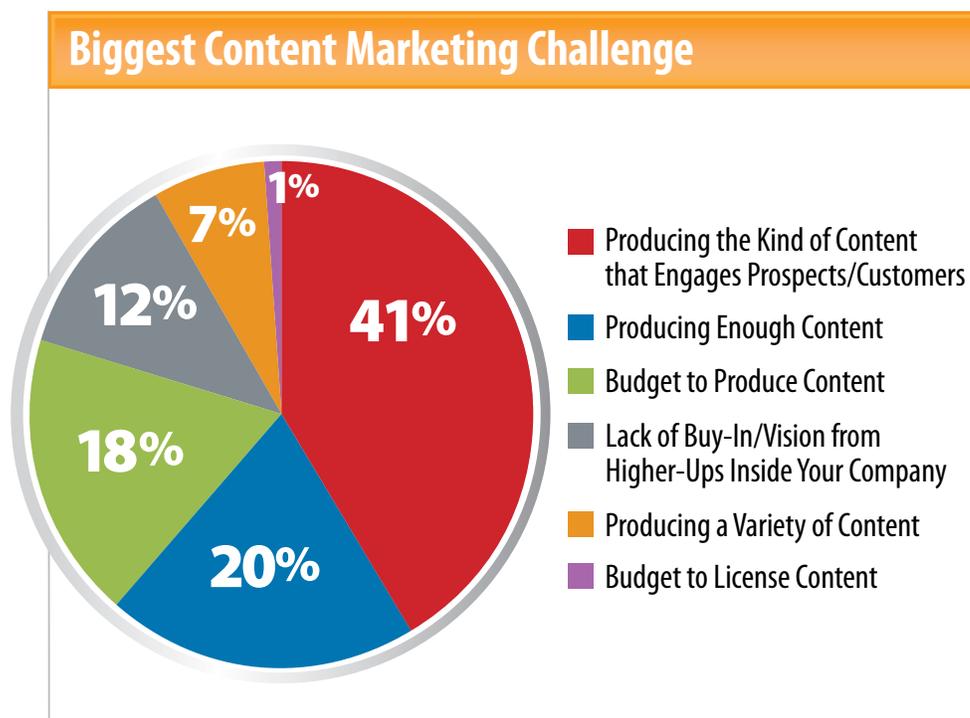


Figure 12 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

- **Having enough time:**

“Time and content creation. The ideas are all there, it’s just a matter of finding time to create and write copy.”

“Producing enough content and distributing it through *all* of the relevant channels. (I am the sole person responsible for creating/promoting our content, and there’s never enough time in the day.)”

- **Creating a sustainable process:**

“Creating emotionally compelling content and maintaining a consistent cadence of creation/distribution”

“Having the discipline and being able to assign sufficient resources to create and manage the right content for the target audience, in a sustainable manner.”

That said, more B2B marketers are segmenting their audience than last year (88% versus 82%). While the most popular way to segment an audience last year was by company characteristics (50%), marketers are becoming more sophisticated, increasingly segmenting based on the profile of the decision maker (57% versus 49% last year).

Only 39% of respondents align content with the stage in the buying cycle or sales funnel. And 12% of respondents do not tailor their content in any way (Figure 13). Regardless, segmentation is becoming more common.

Marketers are becoming more sophisticated, increasingly segmenting based on the profile of the decision maker.

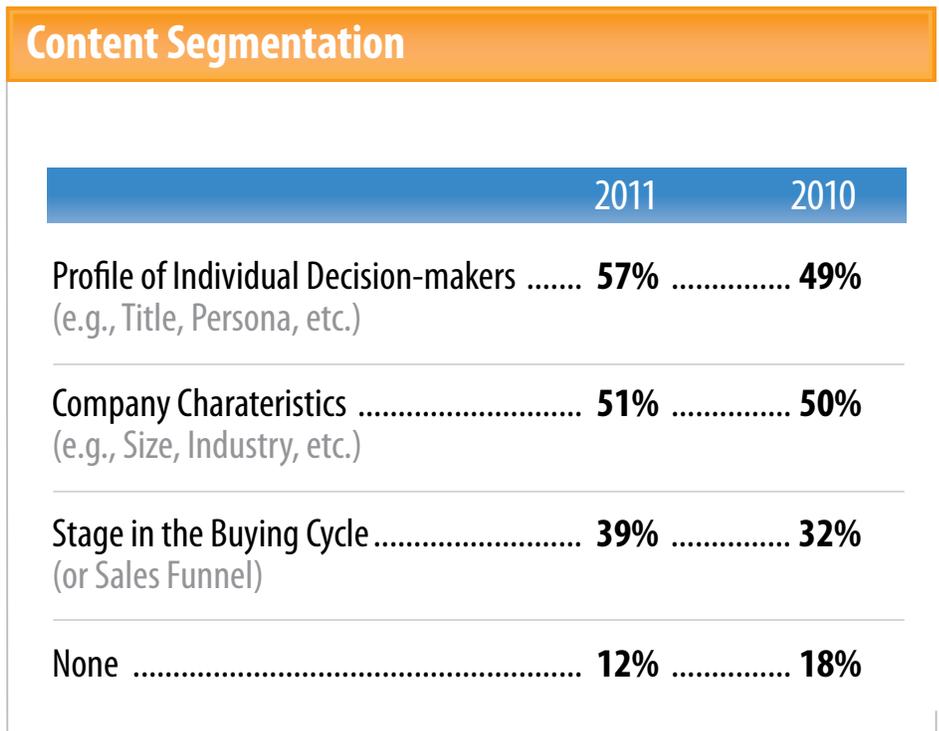


Figure 13 B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

PRACTICES OF BEST IN CLASS

Lessons from the Best Content Marketers: Spend More, Align with the Buying Cycle, and Secure Exec Buy-in

Those marketers who rate their work as more effective than their competitors' spend more overall, align their content with the buying cycle, and have more support of top executives.

A subset of respondents to our survey (40%) identified their own content marketing as "effective" or "very effective" (defined as an answer of 4 or 5 on a scale of 1 to 5) compared to that of their competitors. We were interested in finding out whether this self-selected group differed in any meaningful way from their peers (Figure 14).

- Best-in-class marketers invest 31% of their budgets in content marketing, compared to the least effective marketers, who only allocate 18%.
- They are also more likely to segment their content based on the buying cycle (45% of best in class versus 39% of industry average and 29% of laggards).
- They are less likely to lack executive buy-in for content marketing (8% of best in class versus 12% of industry average versus 17% of laggards).

Marketers are becoming more sophisticated, increasingly segmenting based on the profile of the decision maker.

Comparison of Most Effective Content Marketers to Least Effective Content Marketers

	Most Effective	Overall/Average	Least Effective
Percentage of Marketing Budget Allocated to Content Marketing	31%	26%	18%
Percentage Who Segment Based on Buying Cycle	45%	39%	29%
Percentage Who Cite Exec Buy-In as a Challenge	8%	12%	17%
Percentage Who Plan to Increase Content Marketing Spend in Next 12 Months	63%	60%	59%

Marketers were asked to rate how effective they thought their organization's use of content marketing was as compared to the competition. Respondents could then rate themselves on a scale of 1 (least effective) to 5 (most effective). This section compares self-rated effective (rating of 4 or 5) to less effective (rating of 1 or 2) content marketers.

Figure 14

B2B Content Marketing: 2012 Benchmarks, Budgets and Trends

RESEARCH DETAILS

B2B Content Marketing: 2012 Benchmarks, Budgets and Trends was produced by MarketingProfs and Content Marketing Institute.

The survey was mailed electronically to a sample of B2B marketers from among members and subscribers of MarketingProfs and the Content Marketing Institute. A total of 1,092 responded worldwide (with the majority from North America) in August 2011, representing a full range of industries, functional areas, and company size, as shown in the tables to the right.

Here's what we found:

- Those marketers who describe themselves as effective content marketers have adopted content marketing tactics at far greater rates than the laggards. On average, effective marketers use nine tactics, whereas less effective marketers use six.
- Self-proclaimed effective content marketers outpace less effective respondents by at least 15 percentage points in adoption rates across six content categories: blogs, articles, videos, eBooks, social media, and mobile content.
- Effective marketers tap into a more extensive distribution network, using all distribution channels in the survey at significantly higher rates than their less effective peers. 94% of effective marketers are using at least one platform compared to 82% of ineffective marketers. Interestingly, even the least effective marketers have boosted their use of social-media channels, up from 66% last year.
- Effective marketers use 3.6 social media platforms on average compared to the average of 2.4 used by ineffective marketers.

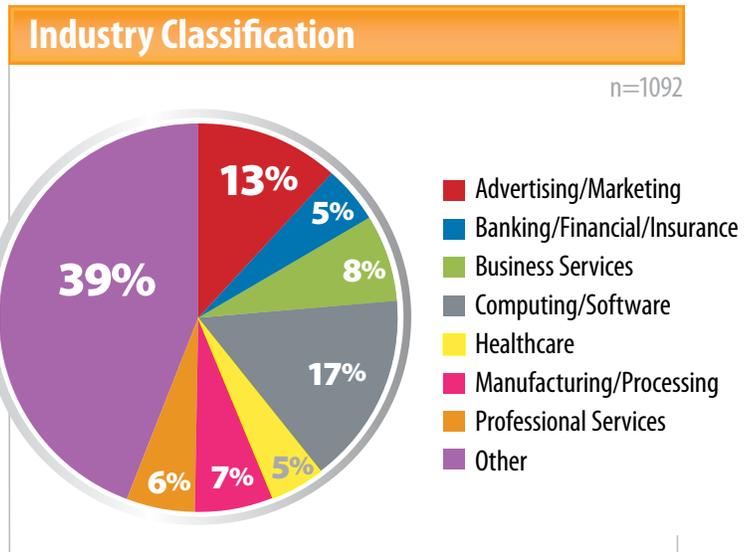


Figure 15 *B2B Content Marketing: 2012 Benchmarks, Budgets and Trends*

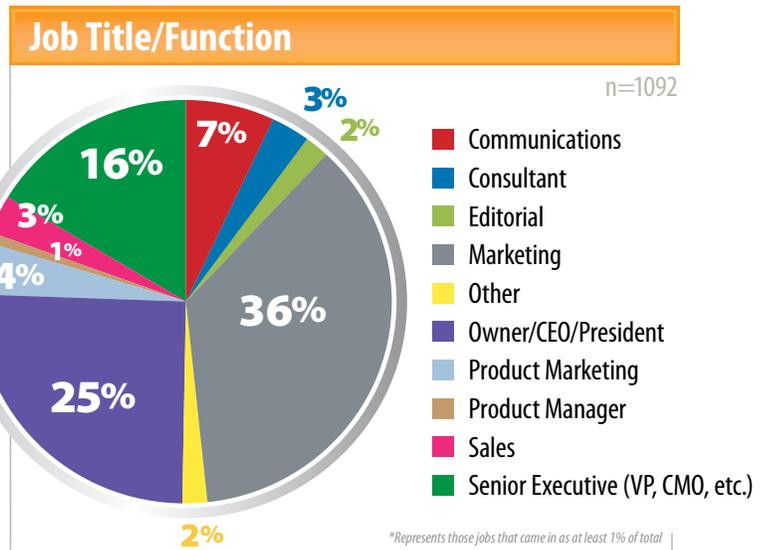


Figure 16 *B2B Content Marketing: 2012 Benchmarks, Budgets and Trends*

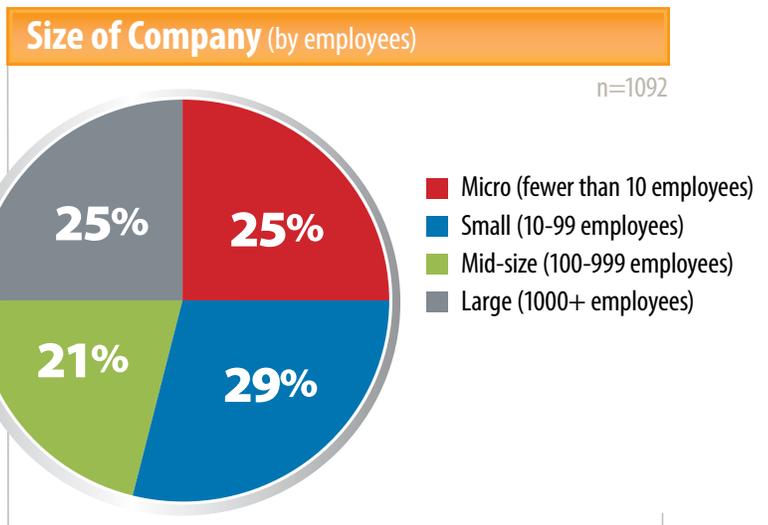


Figure 17 *B2B Content Marketing: 2012 Benchmarks, Budgets and Trends*

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ABOUT CONTENT MARKETING INSTITUTE:

The [Content Marketing Institute \(CMI\)](#) teaches marketers how to own their media channels instead of having to rent them through advertising. We do this through events like [Content Marketing World](#), media properties like [Chief Content Officer](#) magazine, and strategic consulting and research for some of the best known brands in the world.

CMI content marketing experts Joe Pulizzi and Robert Rose have teamed up to help marketing pros and business owners develop a content marketing plan that goes beyond theories, and explains it in a way that can actually be implemented in their new book, [Managing Content Marketing: The Real-World Guide for Creating Passionate Subscribers to Your Brand](#).

To get more content marketing how-to resources, sign up to [CMI blog alerts](#).

ABOUT MARKETINGPROFS:

[MarketingProfs](#) helps the smartest marketers worldwide turn even the toughest marketing challenges into success stories. More than 400,000 members rely on its free daily publications, virtual conferences, online seminars and short webcasts, in-depth how-to reports, research, interactive planning tools, online courses, and in-person events (and more!) for actionable know-how designed to make marketers both smarter and more effective.

MarketingProfs Chief Content Officer Ann Handley is the co-author of [Content Rules: How to Create Killer Blogs, Podcasts, Videos, Ebooks, Webinars \(and More\) That Engage Customers and Ignite Your Business](#) (Wiley 2010), which streamlines the process of creating remarkable web content that will lure would-be customers to you.

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