



December 2014

# MARKETING AUTOMATION ROUNDUP

The rise of digital has brought more automation to marketing activities than ever. From targeting to media buys to email messaging and more, marketers are relying on software to make their efforts more efficient—and more effective. To help you stay on top of the latest trends in marketing automation, eMarketer has curated a roundup of some of our latest coverage, including statistics, insights and interviews.

presented by

**ORACLE**<sup>®</sup>  

---

**MARKETING  
CLOUD**

## Overview

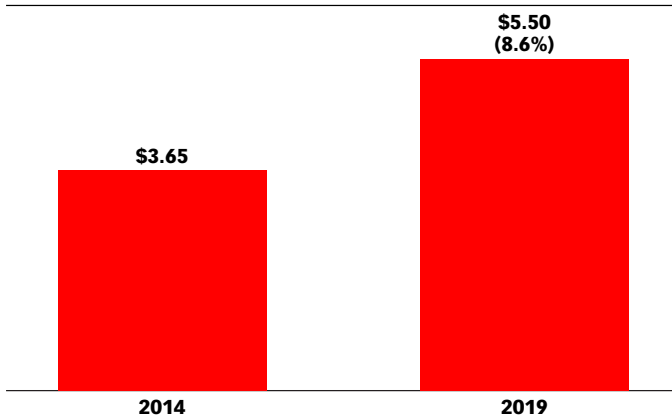
The rise of digital has brought more automation to marketing activities than ever. From targeting to media buys to email messaging and more, marketers are relying on software to make their efforts more efficient—and more effective.

MarketsandMarkets estimated in November that worldwide, marketing automation software revenues would reach \$3.65 billion in 2014. Five years from now, it forecast revenues would reach \$5.50 billion, representing a compound annual growth rate over the period of 8.6%.

Why are marketers looking to spend more on automation? According to research from the CMO Council, nearly seven in 10 expected more automation investments would lead to better efficiency and effectiveness, by far the top benefit expected. About a third thought they would have more—and better—prospects as a result, and nearly as many expected better yield and accountability.

Ascend2 found that more than one-third considered it an important data-driven marketing objective to automate more processes. And depending on particular marketing functions, automation may be even more critical.

### Marketing Automation Software Revenues Worldwide, 2014 & 2019 billions and CAGR



Source: MarketsandMarkets (M&M), "Marketing Automation Software Market by Application (Campaign Management, Email Marketing, Mobile Application, Inbound Marketing, Lead Nurturing and Lead Scoring, Reporting and Analytics, Social Media Marketing) - Global Forecast to 2019" as cited in press release, Nov 3, 2014

181465

www.eMarketer.com

Among US B2B marketing professionals surveyed in September 2014 by Software Advice, 16.7% said automation was "extremely important" for tracking, managing and executing demand generation programs. Another 24.0% said it was "very important." Only 6.3% said it wasn't important at all.

### Benefits Marketing Leaders Worldwide Expect to Gain from New Marketing Automation Investments, Q1 2014

% of respondents



Note: respondents selected their top 3 responses  
Source: CMO Council, "State of Marketing 2014: A Global and Multi-Regional Marketing Assessment" sponsored by NetBase and Infor, Aug 18, 2014

179063

www.eMarketer.com

# Marketers Rank the Technologies Designed to Help Them

## CRM software was the only thing rated effective by a majority of respondents

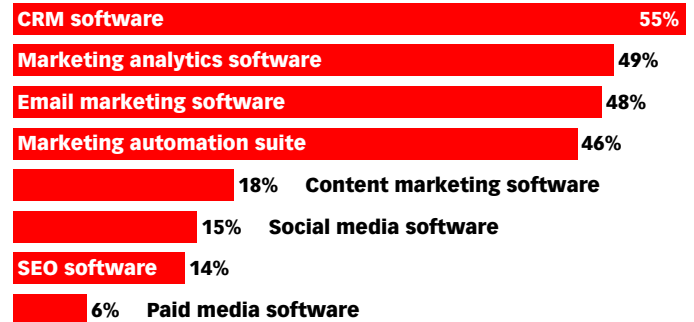
Every digital marketer knows there's a wealth of data out there to make their efforts—potentially—more effective. Likewise, every digital marketer knows there are approximately a million and one tools that promise to take that data and turn it into proven ROI. But what kinds of technology actually help?

As marketers struggle with marketing integration technologies, a survey from Ascend2 asked them what technologies were actually helpful in their data-driven marketing efforts. The survey base included marketing professionals worldwide, the bulk of whom worked at firms with fewer than 500 employees. And CRM software won out by 6 percentage points.

CRM software was the only type of digital marketing technologies that more than half of respondents said was useful in their data-driven efforts. Close to half said the same of marketing analytics software as well as email marketing software, and 46% gave the thumbs-up to marketing automation suites.

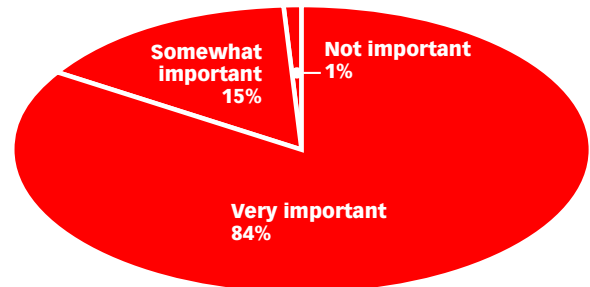
And these were respondents who agreed that data was important to begin with. Fully 84% said it was "very important" for their marketing data to be high-quality and complete. Only 1% did not think this was critical for their segmentation and targeting efforts.

### Types of Digital Marketing Technologies that Are Useful to Data-Driven Marketing According to Marketing Professionals Worldwide, Nov 2014 % of respondents



Note: n=272  
Source: Ascend2, "Data-Driven Marketing Research Summary Report," Nov 14, 2014  
182114 [www.eMarketer.com](http://www.eMarketer.com)

### Importance of Data Quality/Completeness to Marketing Segmentation/Targeting According to Marketing Professionals Worldwide, Nov 2014 % of respondents



Note: n=272  
Source: Ascend2, "Data-Driven Marketing Research Summary Report," Nov 14, 2014  
182113 [www.eMarketer.com](http://www.eMarketer.com)

# Marketers Can't Avoid Technology Anymore

## Nearly 60% of execs worldwide say big data is extremely important

Marketers are constantly striving to understand consumers, increasing data collection efforts as a result. However, professionals need to up marketing technology investments if they hope to make sense of this data, according to September 2014 research by Signal, and the majority have taken note: 53% of US marketers polled said they had increased marketing technology investments in the past three years.

Simply adding separate technologies isn't enough. Thanks to consumer use of multiple devices each day, marketers must also focus on integrating technologies and data across channels. One-quarter of respondents said most or all of their tools were integrated, and a close percentage had at least combined their core ones. An additional 41% of respondents were making some moves, albeit slowly.

In all, 96% of marketers said that fully integrated marketing technology would have a positive, strong or very strong effect on their marketing goals, and 88% said the same about innovation. Fully 86% also believed that integrated marketing technology would improve their customer relationships and create more loyalty.

April 2014 research by Accenture also found big data was top of mind for the majority of executives worldwide, with 59% saying it was extremely important. Of course, technologies are needed to make sense of and combine all of this information, and Accenture noted that using such tools to understand big data could transform an entire enterprise—if done correctly.

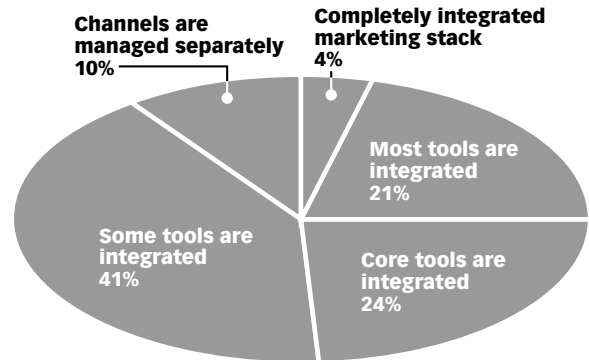
Big data's biggest impact was on customer relationships, with 37% citing this as the top effect and 63% ranking it in the top three. But respondents expected big data to transform their companies internally as well: Redefining product development, changing organization operations and supply chain optimization were all at the top of the list.

Companies that avoid implementing and using marketing technology to make sense of data have an uncertain

future. Nearly 80% of execs agreed that companies that did not embrace big data would lose their competitive advantage—and possibly face extinction.

### Level of Integration of Marketing Technology and Data According to US Marketers, Sep 2014

% of respondents



Source: Signal, "Overcoming Barriers to Cross-Channel Success: Optimizing the Marketing Technology Stack," Sep 24, 2014

179995

www.eMarketer.com

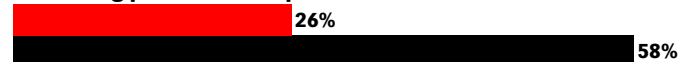
### Areas in Which Big Data Will Have the Biggest Effect According to Executives Worldwide, April 2014

% of respondents

#### Impacting customer relationships



#### Redefining product development



#### Changing the way we organize operations



#### Optimizing the supply chain



#### Making the business more data-focused



#### Fundamentally changing the way we do business



■ Top effect

■ Top 3 effect

Note: in the next 5 years

Source: Accenture, "Big Success with Big Data," Sep 10, 2014

179938

www.eMarketer.com

# Big Data Still Not Fundamentally Changing Business

## Is the revolution coming?

Big data is big. It's been making the media rounds now for years, and marketers are using it more widely than ever. They report it's making a difference across a host of areas in their business—but by most accounts, it's not changing things at a fundamental level.

When Accenture polled executives worldwide in April 2014 about the areas where big data was having the biggest effect on their business, just 5% said its primary effect was fundamentally changing the way they did business. About a quarter put that answer in their top three.

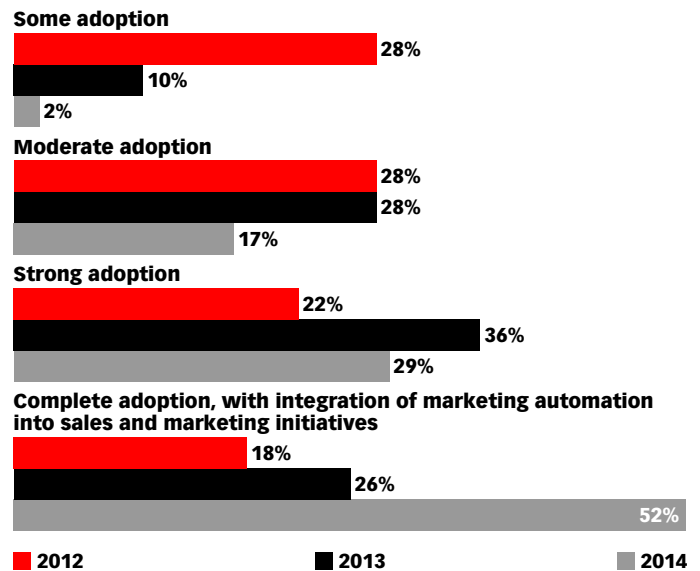
Respondents were much more likely to say big data was making major waves in impacting customer relationships, redefining product development and operational organization—answers that ranged across many business functions, but still didn't add up to a basic shift in business practices, according to respondents.

In spite of this, the same survey found that respondents typically expected big data would transform their worlds.

Fully 89% of executives told Accenture they thought big data would “revolutionize the way we do business” as much as the advent of the internet had done, including more than half of the total who strongly agreed with that statement. Strong majorities foresaw other big changes as well.

What it will take to get from the dream to the reality, though, remains to be seen.

### Level of Marketing Automation Adoption According to US B2B Marketers, 2012-2014 % of respondents

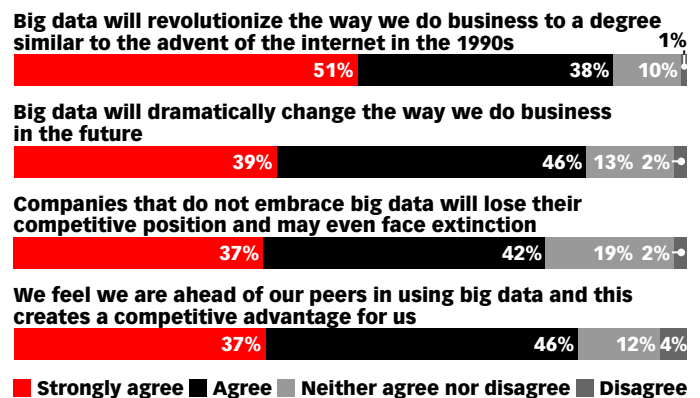


Source: BtoB Magazine, "Marketing Automation: Best Practices in a Rapidly Changing World," Nov 11, 2013

166017

www.eMarketer.com

### Attitudes Toward the Significance of Big Data Among Executives Worldwide, April 2014 % of respondents



Note: numbers may not add up to 100% due to rounding

Source: Accenture, "Big Success with Big Data," Sep 10, 2014

179936

www.eMarketer.com

## Next Up for B2B Email Marketing: Automation

### Email requires sophisticated systems thanks to cross-channel, personalization

Email is one of the most widely used and established of all platforms and has long been the cornerstone of many business-to-business (B2B) marketing plans. Given the maturity of this medium, spending on email remained flat for years, though its efficiency did draw some B2B dollars during the economic recession, according to a new eMarketer report, "B2B Email Marketing: Benchmarks and Best Practices for 2014."

But even as new digital marketing and advertising platforms, formats, and channels draw companies' attention and budgets, email remains vitally important and is arguably more valued by B2B marketers now more than ever before. While its core function has not changed substantially, there are new developments and challenges marketers must address: mobile, content marketing and automation.

For B2B marketers that use email—and indeed for any B2B marketer today—personalizing messages and integrating channels are vital, and automation is essential for executing those tactics.

With content marketing now table stakes for email marketers and mobile making it critical that B2Bs reach the right individual with the right message at the right moment, it becomes nearly impossible to personalize email marketing without some form of automation.

B2B marketers recognize the value of marketing automation solutions, but many have been slow to fully integrate the technology into their sales and marketing efforts. Data released in November 2013 by BtoB Magazine showed just 26% of US B2B marketers had completely integrated automation into their sales and marketing initiatives at the end of 2013. More than half (52%), however, expected full marketing automation adoption for this year.

Automation solutions are often broad and can be applied across multiple channels and formats, but for most, email automation is vital. B2B marketers surveyed by Regalix in

March 2014 reported that among marketing automation features, email automation was the most important to them.

One significant insight from the Regalix data is that marketers say the email technology they need is not simply mechanisms to automate and manage email. Instead, they want sophisticated systems to manage cross-channel campaigns and deliver personalized, targeted experiences to customers.

#### Important Marketing Automation Features According to B2B Marketers Worldwide, March 2014

% of respondents

Email marketing	89%
Lead nurturing	84%
Campaign management	82%
Integration (CRM, social mobile, etc.)	80%
Lead scoring	73%
List segmentation	70%
Campaign effectiveness analytics	61%
Reporting tools	61%
Landing page creation abilities	57%
Web analytics	41%
Website visitor demographics tools	39%
API/integration	36%
Sales intelligence	34%
Social media integration	32%
Visual campaign creation tools	27%
Revenue cycle modeling	20%
Website content optimization	18%
Pay-per-click ad tie-ins	18%
Marketing budgeting	16%
Other	0%

Note: among B2B marketers who use marketing automation  
Source: Regalix, "The State of Marketing Automation 2014," May 15, 2014

174846

www.eMarketer.com

# Why Marketing Tech Investments Will Change in 2015

## Marketers look to improve customer service, satisfaction with technology

The importance of marketing technology will only get bigger in 2015, based on an August 2014 study by Econsultancy in association with Teradata. The research noted that the demand for technology was growing thanks to marketers' continuing prioritization of personalization and customer centricity.

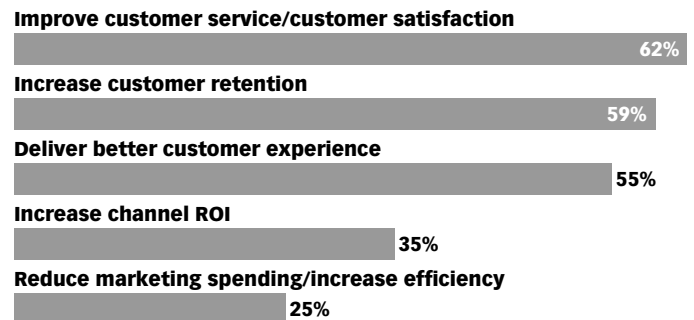
Demographic studies of tablet and smartphone video indeed, marketers worldwide were all about the consumer when asked about technology investments. Improving customer service and satisfaction was the primary reason for putting money toward new technology, cited by 62%. Increasing customer retention and providing a better customer experience also scored high marks. Meanwhile, respondents were less focused on purchasing new tools to increase return on investment or save a few dollars in the end.

Marketers are aware that integrating technologies is just as important as acquiring the right ones. When evaluating new tools to invest in, nearly half of respondents said it was critical for them to be able to fully integrate the new with the old. This makes sense when one considers that 40% of respondents' workflows weren't as efficient as they needed to be because technologies they used didn't work in tandem and that 31% and 28% lost time and accuracy to data integration issues, respectively.

Privacy and data security were also key when deciding where to invest. However, Econsultancy noted that these were more in the IT and tech domain, suggesting marketers' attention would be better focused elsewhere, such as on purchasing easy-to-use technology that didn't require IT involvement.

Despite its importance, technology grabbed just 16% of digital marketing spend, on average, with around half of respondents saying this was included in their budgets.

### Reasons for New Technology Investments According to Marketers Worldwide, Aug 2014 % of respondents

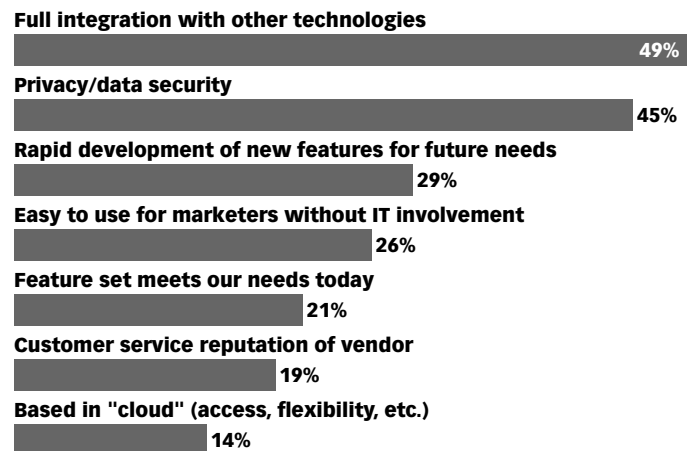


Note: n=233  
Source: Econsultancy, "Enterprise Priorities in Digital Marketing: Exploring the Investment in Technology and Marketing for a Customer-Centric Future" in association with Teradata, Sep 30, 2014

180507

www.eMarketer.com

### Key Criteria for New Technology Evaluations According to Marketers Worldwide, Aug 2014 % of respondents



Note: n=219  
Source: Econsultancy, "Enterprise Priorities in Digital Marketing: Exploring the Investment in Technology and Marketing for a Customer-Centric Future" in association with Teradata, Sep 30, 2014

180508

www.eMarketer.com

# Why Small Businesses Accept the Challenge of New Technology



**Brian Zang**

*Vice President, Sales & Marketing*

**ShopKeep**

ShopKeep supplies small businesses with cloud-based iPad point-of-sale systems to help manage registers and customer data as well as inventory and employees. Brian Zang, vice president of sales and marketing at ShopKeep, spoke with Elyssa Goldberg about the unique challenges of small business owners and how customer data helps brick-and-mortar compete with larger retailers at the holiday season and year-round.

**eMarketer:** Can you give us some background on ShopKeep?

**Brian Zang:** We provide point-of-sale hardware and cloud-based software to our customer base. We're really a tech company for over 10,000 small, independent businesses. That's our core focus. We do not work with large chains or larger enterprises, so you're not going to see ShopKeep in Starbucks. You will see it in the local, independent coffee shops.

**eMarketer:** Are most of the small businesses also new businesses or have older mom-and-pop shops also come into the fold?

**Zang:** In the beginning in 2013, the majority were new business owners, and they're early adopters. They like tech. They have iPads. They understand the value of it. If you open a new business nowadays, you're going to opt for a tablet point of sale whereas, traditionally, you would choose a PC-based point of sale. People who are starting a new business choose tablets.

**"If you open a new business nowadays, you're going to opt for a tablet point of sale whereas, traditionally, you would choose a PC-based point of sale."**

What's interesting, though, and what we've seen more this year, is more traditional, established businesses upgrading from PC-based point-of-sale systems, as well as electric cash registers. There are still a lot of business owners with manual electric cash registers out there. But with all this credit card fraud and with the onset of next year, we're seeing many start to upgrade to EMV [Editor's Note: EMV is Europay, MasterCard and Visa. The onset of EMV indicates a switch to chip-and-pin cards at POS terminals and ATMs.]

**eMarketer:** What are some of the challenges to adoption for ShopKeep?

**Zang:** There are two big hurdles for small business owners. One is time. They have so many things to do they often can't afford to think about upgrading to a different point-of-sale thing. They're doing everything from the books to the staffing.

Two, a lot of US small business owners still are using an electric cash register. So by the time they try ShopKeep, they've been doing this for so long—10, maybe 15 years—and they don't understand how valuable some of this new tech is, so they don't look into it.

Our goal is to make everything as easy as we possibly can. We believe in service. You can try ShopKeep for free. You are assigned a [customer service rep] to actually work with you to help make sure it's set up: learn the system, order hardware, etc. That's a unique thing in the tech world. Normally, you download an app and you're on your own. We have 24/7 customer care.

**eMarketer:** Ecommerce retailers collect all sorts of customer data that brick-and-mortar businesses may not have. How does ShopKeep help these smaller, offline merchants keep up?

**Zang:** We believe in helping independent business owners to compete against the likes of Amazon.com and other larger companies that have so much personalized data for customer marketing.



## Why Small Businesses Accept the Challenge of New Technology (continued)

Retailers, full-service restaurants and bars can send an email receipt to you and we allow them to brand it, customize it and include offers to really use that receipt as a marketing vehicle. When they do that, we tie purchase history to that customer. Some of our competitors out there will not give that information to them, but our merchants can access that information and use it for marketing campaigns.

**eMarketer:** Have they found those measures helpful?

**Zang:** Just having the data about different areas of the business makes a difference. Our customers like that we help with even the simple things: 'What's my top-selling item? How many people should I staff on a Tuesday?' If you're using an electric cash register, you don't know these things. It's a manual process.

**eMarketer:** How has the 'Amazon Effect'—consumers' assumptions that they should be able to get anything they need at any time—affected small businesses and how does ShopKeep help small business owners handle that?

**Zang:** Unfortunately the biggest effect of Amazon is that, while it's great for consumers, because consumers love lower prices, it ultimately constrains margins for small independent businesses.

Our business owners aren't going to have unlimited inventory, but thanks to our personalized data experience they know, 'Hey, how much did I order of this specific item last week, last month, etc.? How much did I sell? Should I order more at a time? Should I order less?' So, they are optimizing their inventory to make sure that they have stock on hand.

**“Retailers, full-service restaurants and bars can send an email receipt to you and we allow them to brand it, customize it and include offers to really use that receipt as a marketing vehicle.”**

The other good thing, especially coming up to the holiday season, they can look with one click and say, 'All right, what products did I sell last year during the holidays? When I call my suppliers now and get ready for the holiday rush, I have the products necessary to ensure I'm maximizing my revenue for this time period.'

**eMarketer:** Are there any other measures that you're taking on the ShopKeep end to help merchants prepare for the holiday season?

**Zang:** One is making sure that they understand the inventory needed for the season. That's really, really important. The worst thing in the world is a customer standing in line asking for a product because they want to buy and you don't have it.

Two is the ability to add a register very, very easily. We have a lot of customers who might have one or two registers, and then they add three or four for the holiday season. If you're a quick-service restaurant, you might add another register. If you're a retailer, you might add a handheld, like an iPad mini, as well as another register. A lot of the retailers employ iPad minis as line busters. So, you can have a mini and a person out there on the floor helping someone. It's really the Apple Store experience. 'Okay, you want this item? Let me check. Let me ring it up.'

## B2B Perspective: How to Lead a B2B Decision-Maker Through the Funnel?



**Ruth Stevens**

President

eMarketing Strategy

Ruth Stevens is president of B2B consultancy eMarketing Strategy and has taught business at Columbia University and New York University. She spoke to eMarketer's Kris Oser about the B2B decision-maker's path to purchase and how the marketer can take advantage of each step closer to a sale.

**eMarketer:** Given that B2B decision-makers spend 60% of the time in the purchase funnel doing online research on their own, what should the B2B marketer's strategy be in reaching them?

**Ruth Stevens:** Firstly, educate them so that you are really being helpful. Secondly, establish yourself as a trusted authority and thought leader, and thirdly, try to identify that buying signal, insinuate yourself into the process. That is typically done by motivating them to raise their hands through gated content. The marketer would say, 'give me your email address and your name in exchange for this wonderful research report or case study.'

**eMarketer:** In the early stages of the funnel, how important is the marketer's website?

**Stevens:** The website is the single most important tool in this first 60% of the buying process because that is where you have the ability to add value that will make you easier to find. Your wonderful content will bring you up to the top of search results, and you'll be able to provide education, thought leadership, a trusted-advisor mission.

**eMarketer:** Don't you risk disillusioning the decision-maker at this point, bringing them to your site so fast?

**Stevens:** The content needs to be authoritative, nonsales-y and beautifully titled and convey a high perception of value. It should be the content piece that gets found, not the corporate promotional material or even the product name.

**"The website is the single most important tool in this first 60% of the buying process because that is where you have the ability to add value that will make you easier to find."**

Also, banner retargeting has turned out to be a really wonderful secret tool in this area because if I'm able to attract you to my website because I'm helping educate you and solving a business problem you have, I can drop a cookie and then retarget you as you're roving around the web, later.

**eMarketer:** How do you know who the decision-maker is or how many decision-makers there are?

**Stevens:** At an SMB (small and medium-sized business), it's probably one decision-maker. At a large enterprise, the top decision-maker has likely delegated and she'll be coming in at the later stage of the buying process when all the specifiers have presented to her and said, 'Here's our short list.'

**eMarketer:** How do you start to nurture leads when there are multiple people involved at the same company?

**Stevens:** If the lead has downloaded a white paper, that's a digital signal that they're researching in that category. When someone is poking around and downloading white papers, that's an early buying signal. But at some point, especially when you're sending a salesperson in there, you need to have the names and the job roles and the buying roles of all of those members of the buying circle. In large enterprises, there's an average of 21 people in that circle in high-ticket decisions.

## *B2B Perspective: How to Lead a B2B Decision-Maker Through the Funnel? (continued)*

We still don't know who they are or what their buying role is, but this may be a point at which you might want to start digging in and seeing if you can populate your database with more insight into these prospective buyers.

So my marketing database needs to have the names of all 21 people, how to get ahold of them, and my sales team needs to be able to start building relationships with them. From a marketing perspective, sometime during that 60% time frame that we discussed, the marketing department needs to start trying to collect that data.

There are a number of different data sources available. You might go to your data vendor and say, 'Hey, I'm seeing some buying signals from account X. I've never been in there before, tell me the name you've got in there. Fill out my profile or my account. Fill out my database with everybody you've got in that account.'

Another way to supplement that after you've done the data append is by hand. So you'll be digging around and hiring someone in India to find out who all the parties are using LinkedIn and other resources.

**eMarketer:** So, this is the point at which you qualify the lead?

**Stevens:** Yes, this is the point where you try to identify whether the person has the characteristics of the kind of prospect they want standing in front of them. They ask a number of questions that will allow them to understand whether this person is really qualified. Some of the scoring models assign weights to the various answers to some of those questions, and once they reach a certain threshold, the person is qualified.



# Create Ideal Customers

Modern Marketers are creating ideal customers with Oracle Marketing Cloud. They personalize every digital customer experience to increase engagement, advocacy, and revenue.

Get started on your journey to Modern Marketing. Plug into cross-channel, content, and social marketing with data management and activation on a single platform.

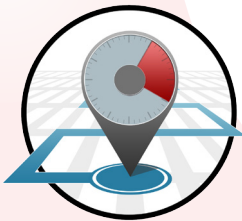
Take advantage of award-winning marketing technology, best practices, and expertise to engage your audiences across every digital channel. That's how Modern Marketing works.

**[oracle.com/marketingcloud](http://oracle.com/marketingcloud)**



## Coverage of a Digital World

eMarketer data and insights address how consumers spend time and money, and what marketers are doing to reach them in today's digital world. [Get a deeper look at eMarketer coverage](#), including our reports, benchmarks and forecasts, and charts.



## eMarketer Corporate Subscriptions: The Fastest Path to Insight

All eMarketer research is available to our clients via an annual corporate subscription. The subscription provides clients with access to all eMarketer analyst reports, signature charts, interviews, case studies, webinars and more. See for yourself how easy it is to find the intelligence you need. [Learn more about subscription options](#).



## Confidence in the Numbers

Our unique approach of analyzing data from multiple research sources provides our customers with the most definitive answers available about the marketplace. [Learn why](#).

**Schedule a personalized demonstration or request a quote today.**

Go to [eMarketer.com](http://eMarketer.com), call 212-763-6010, or email [sales@emarketer.com](mailto:sales@emarketer.com).