



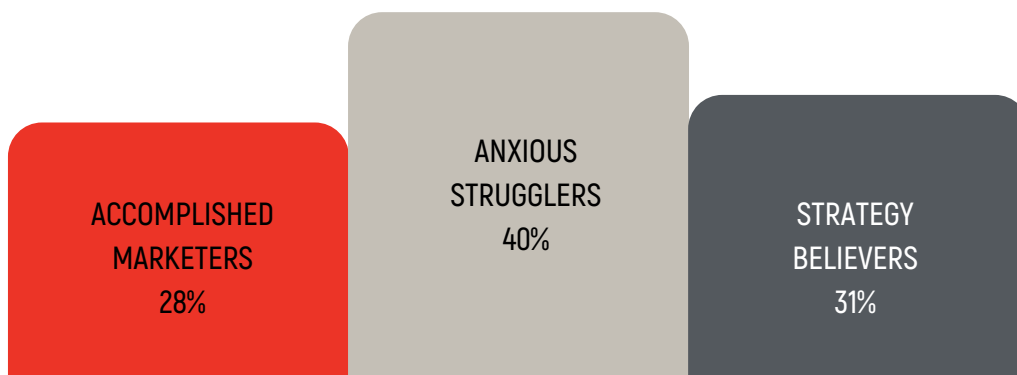
MARKETER'S I.V. SEGMENTATION RESEARCH

INTRODUCTION

Between October 2021 and February 2022, Avocet conducted research into the attitudes, perceptions, and beliefs of professionals who are leaders of their organizations. Our goal was to better understand how these professionals think about marketing for their organizations, their goals and challenges, and how they're getting the work done. Respondents from more than 30 industries participated in the survey, and 85% are the marketing leads for their organizations.

THREE DIFFERENT TYPES OF BUSINESS MARKETERS

The study reveals that not all business marketers feel the same way about their organizations and their capabilities.



ACCOMPLISHED MARKETERS (28%)

Accomplished Marketers display a high degree of confidence and trust in their organizations. They say their organization understands its competitors well, excels at differentiating itself, and is well-positioned to achieve its goals in 2022. Marketing initiatives are core to these accomplishments -- they clearly define marketing objectives, focus marketing activities around those goals, tracks the impact of their marketing efforts, and have the in-house expertise to pull it all off.

These respondents also appreciate their organization's innovation and creative thinking, saying their organization considers novel marketing activities and thinks outside of the box. They are significantly less likely to say their organization needs to engage in more marketing than it does today.

"The in-house staff replaced the overpriced agency we were working with."

"We feel that we can do our marketing ourselves."

ANXIOUS STRUGGLERS (40%)

Anxious Strugglers worry economic conditions and shifts in buyer behavior will create significant challenges for their organization in 2022. They also say that finding new customers is more difficult than it was before the pandemic.

These respondents say their organization engages in the same marketing activities it's always used and is reluctant to pursue the marketing activities it should.

They believe their organization needs better marketing strategy, innovative thinking, and outside perspectives on their marketing efforts. In fact, they believe their organization needs expert help more than ever, but says finding qualified marketing employees is a significant challenge.

"As time progresses, the more we need to have collaborations with agencies to keep our own business going."

"Agencies are more professional about strategic plans. They will have better solutions for expanding markets."

STRATEGY BELIEVERS (31%)

Strategy Believers prioritize the importance of research-based marketing strategy. For them, a strong marketing strategy is not only worth the effort but also necessary before developing content or creative. Also, they say strategy is an avenue for their organization to differentiate itself from the competition in addition to carefully managing their brand identity. When it comes to marketing execution, they believe marketing with multiple types of content and using multiple content platforms is more effective than other approaches.



“We need to develop campaigns that use integrated strategies for increased revenue and conversions and which are easily measured and reported.”

“Growth is a necessity and marketing has been proven to be a financial need.”

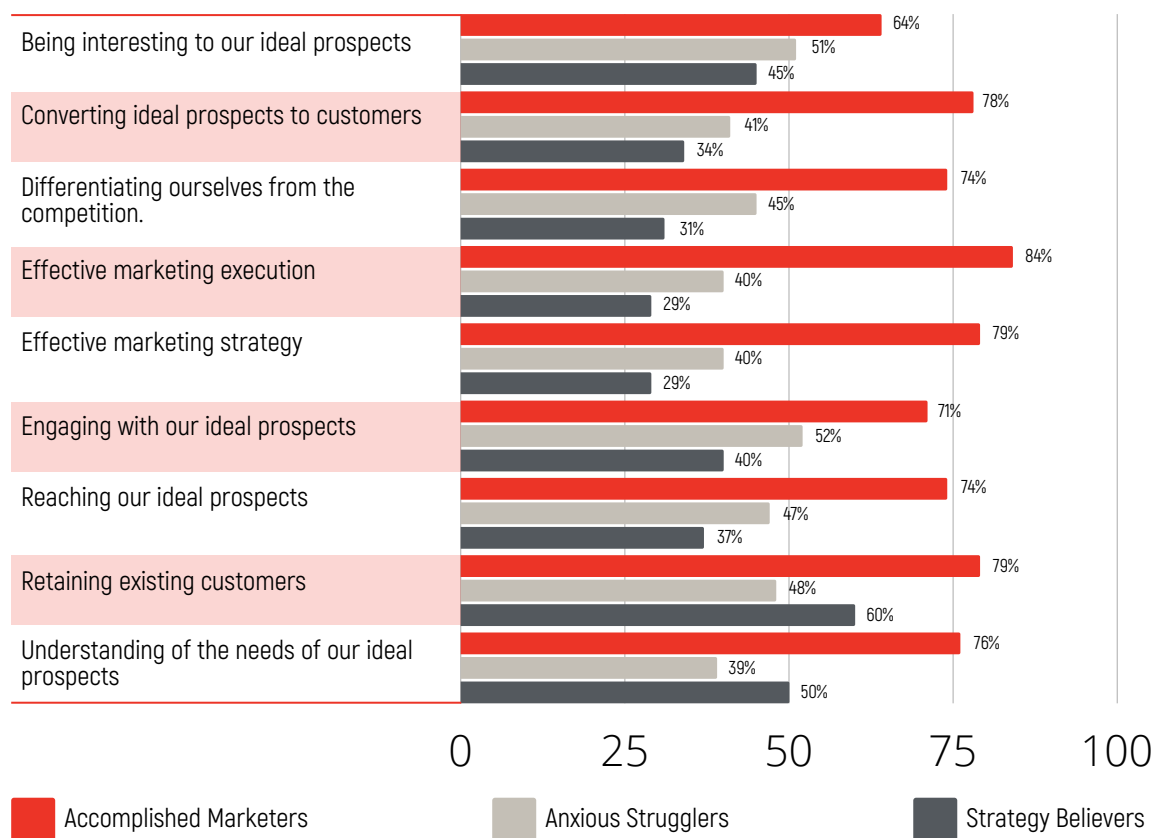
All segments are found across all respondent age groups, levels, and roles. Strategy Believers are significantly more likely to be over 30 and to be in core marketing positions.

There are no significant differences between segments based on organization revenue, marketing budget, or customer types (B2B/B2C).

Accomplished Marketers consistently give their organizations high ratings for understanding the needs of their ideal prospects, reaching and engaging with them, converting them to customers and then retaining them.

They also give their organizations significantly higher ratings than the other two segments for effective marketing strategy and execution, with double the percentage saying their organization is very good or excellent compared to other segments.

% RATING VERY GOOD OR EXCELLENT: RATE ORGANIZATION



AVOCET'S TAKE

It can be hard to see clearly where our own organizations may have roadblocks and opportunities with respect to marketing. The research demonstrates that some organizations are confident about their marketing activities and optimistic about their future, while others are feeling overwhelmed by changes in their industry, their economic opportunities, and their ideal audiences.

If you're an Accomplished Marketer -- great!

You work in an organization that understands its ideal prospects and how to market to them effectively. Your organization prioritizes marketing, has clearly defined objectives, and has the marketing expertise in-house to accomplish most or all of your marketing activities. You may find that working with an agency allows you to tap into specialized expertise or simply share the load of strategizing and implement your marketing tactics.

If you're an Anxious Struggler -- you're not alone!

Anxious Strugglers make up 40% of our sample -- the largest segment. Clearly, many organizations are facing difficult challenges and have considerable concerns about their futures. This group includes organizations of all revenue levels, all budgets, and a huge range of industries, demonstrating that even organizations that seem successful may be struggling.

You may need help educating your leadership about the value of marketing and the many ways organizations can market effectively today. Or you may need assistance identifying robust sources of good prospects and determining how to reach them effectively and efficiently. Chances are you're struggling to maintain in-house marketing expertise in this employment climate.

Outside marketing support can be transformative for organizations like yours -- offering expert advice, marketing education, and strategic and tactical support. Before you know it you too can be an Accomplished Marketer!

If you're a Strategy Believer -- bravo!

Your organization may not be accomplishing everything you'd like in terms of marketing just yet, but your belief in fact-based marketing strategy and a robust content program will

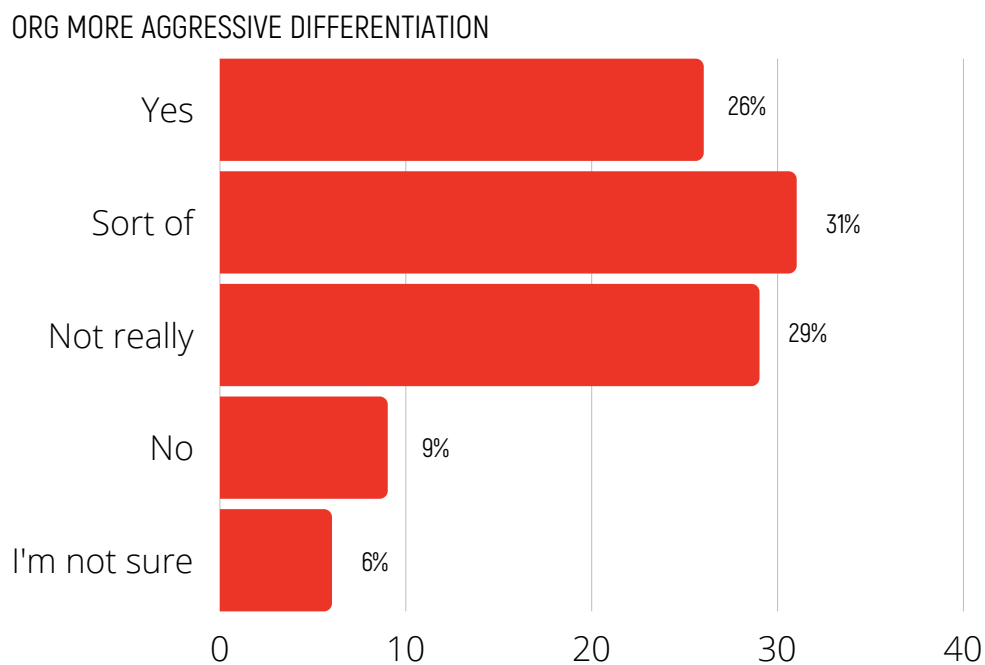


support your organization's brand identity, revenue generation and profitability goals if you stick to it.

Marketing agencies can often help by providing research, working with you to clarify key strategies, and helping you manage the load of an active and diverse content development program.

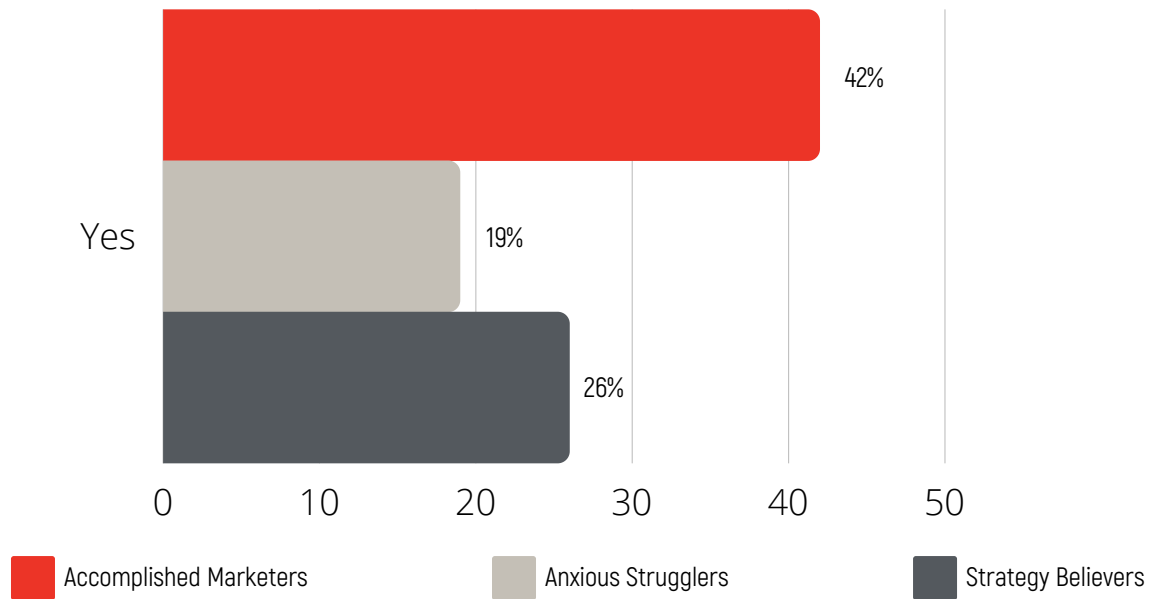
EFFORTS TO DIFFERENTIATE & NICHE

Differentiating from competitors is a key component of organizational success. 26% of respondents say their organization has definitely become more aggressive in its efforts to differentiate itself from competitors in the last two years. Another 31% say they have done so to some extent. Another 29% say they have done so to some extent. Another 9% say they have not, and 6% are not sure.



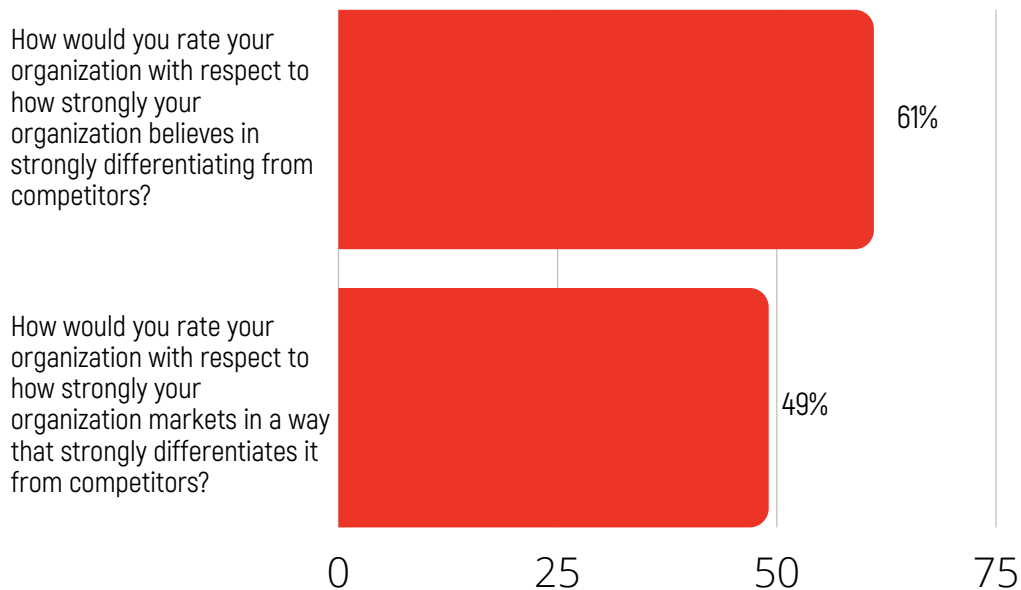
Accomplished Marketers are significantly more likely than the other two segments to say their organizations have amped up their efforts to differentiate from their competitors.

ORG MORE AGGRESSIVE DIFFERENTIATION (n=193)



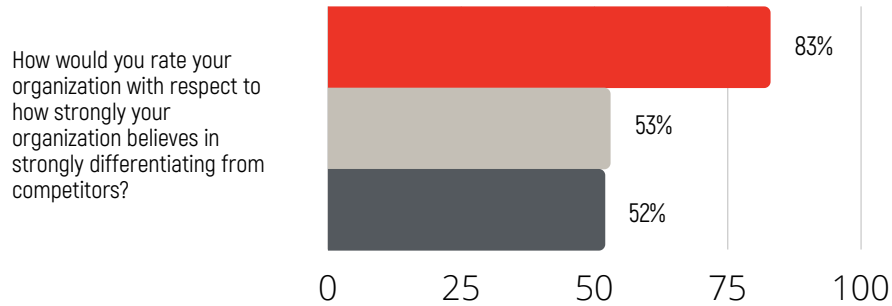
Overall, 61% of respondents give their organization very high ratings for strongly differentiating from competitors, and 49% of respondents give very high ratings for highlighting that differentiation in their marketing.

% RATING VERY GOOD OR EXCELLENT: ALL

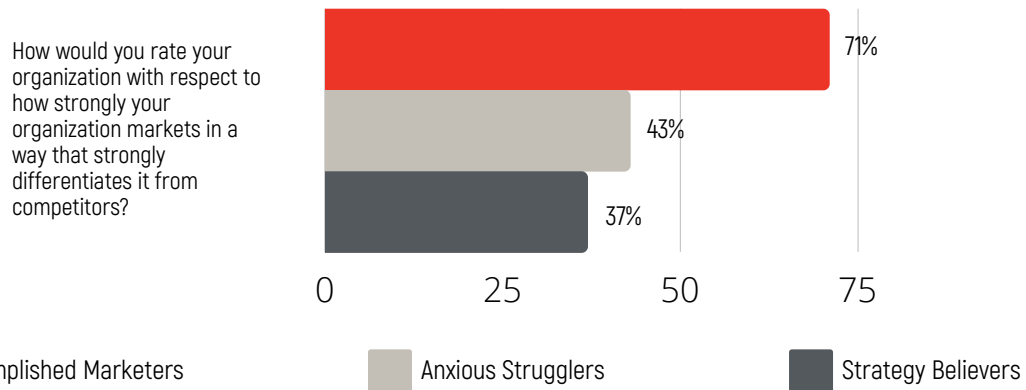


Accomplished Marketers were far more likely to say their organization firmly believes in strongly differentiating from its competitors and aggressively highlights that differentiation in their marketing.

% RATING VERY GOOD OR EXCELLENT: DIFFERENTIATION FOCUS



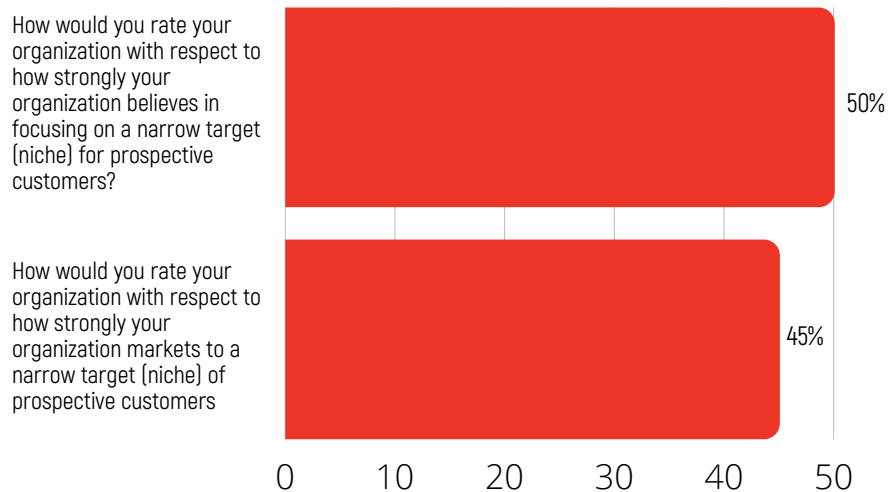
% RATING VERY GOOD OR EXCELLENT: DIFFERENTIATED MARKETING



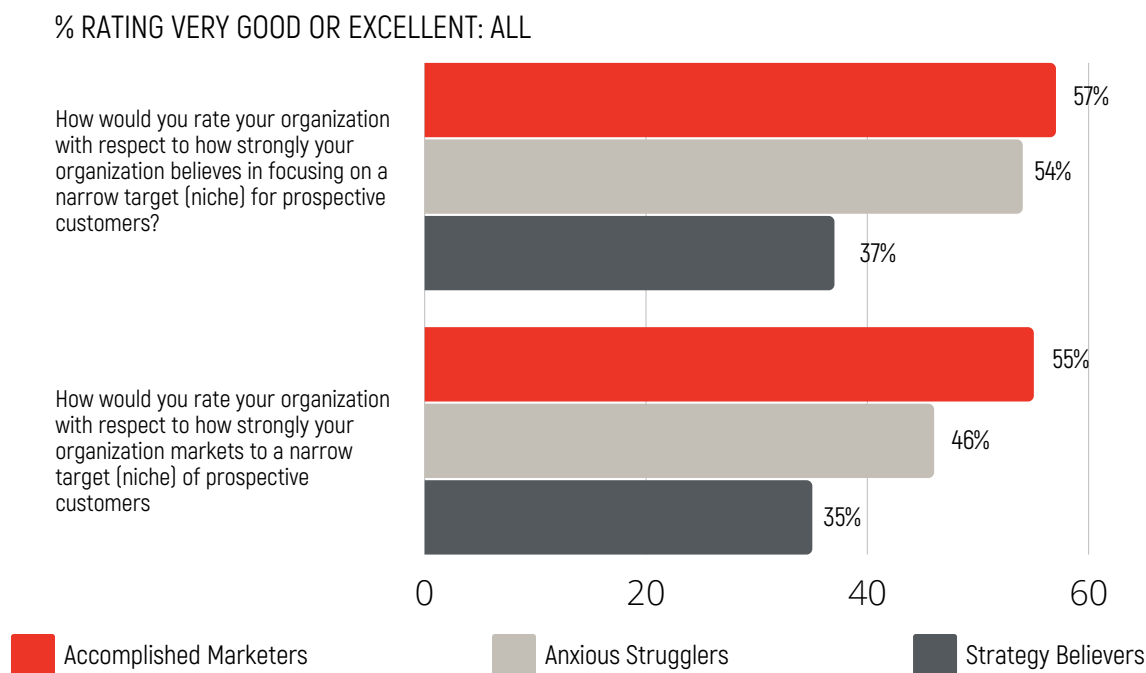
While many respondents say their organizations work hard to differentiate, fewer say their organization strongly believes in focusing on a narrow niche and marketing to that niche for new customers.

50% of respondents give their organizations strong ratings for focusing on a narrow target niche for prospective customers, and 45% said their organization strongly markets to a narrow niche.

% RATING VERY GOOD OR EXCELLENT: ALL



Accomplished Marketers are significantly less likely to say their organization strongly believes in and markets based on a narrow niche, a departure from their responses to the questions about differentiation from competitors. Strategy Believers are even less likely than the other two segments to say their organization strongly believes in focusing on a narrow niche for prospective customers.



AVOCET'S TAKE

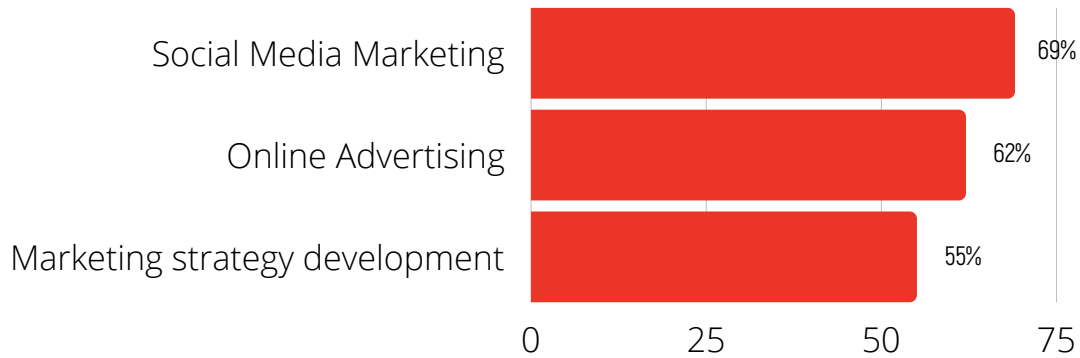
It's encouraging to see so many respondents report that their organizations strongly believe in leaning into their differentiation from their competitors. However, we would like to see a more universal acceptance of the role differentiation has in effective marketing, and how critical it is to demonstrate your organization's points of differentiation in your marketing activities.

More concerning is that few respondents say their organization believes in focusing on a narrow niche and marketing to that niche.

While embracing a niche can worry organizations afraid that they're giving up opportunities for new customers within a broader base of prospects, it is much more difficult to develop relevant and compelling marketing messaging when you're trying to connect with a wide range of potential customers. The result of narrowing your niche is that your marketing becomes more targeted, more effective, and drives a greater return on your marketing investment.

MARKETING ACTIVITIES

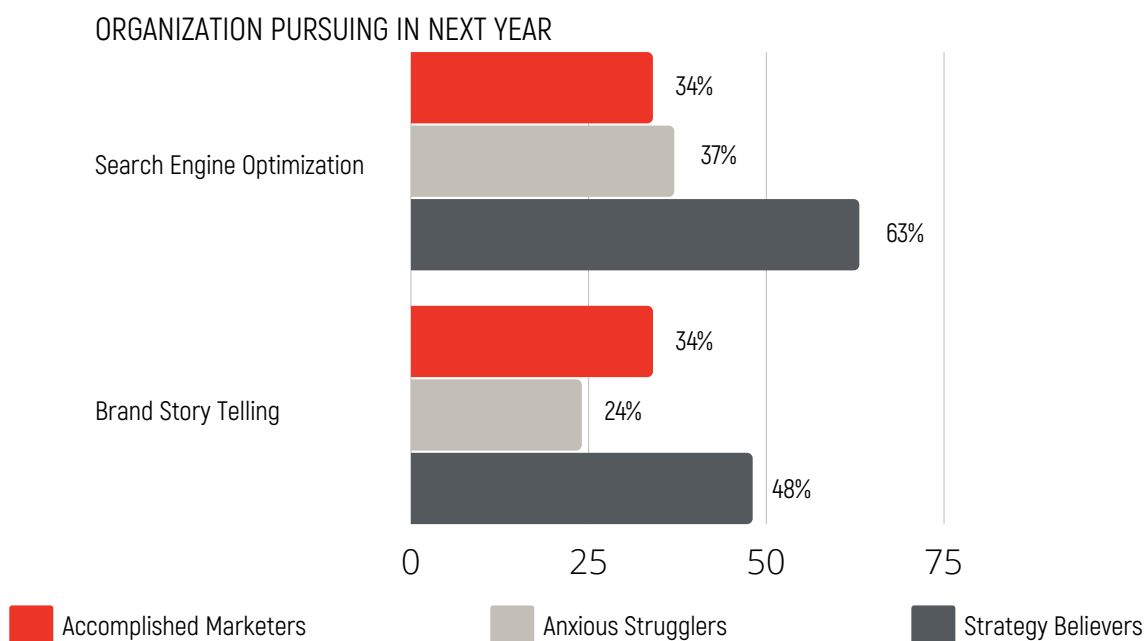
ORGANIZATION PURSUING IN NEXT YEAR



Respondents say their organizations are pursuing a wide range of marketing activities in the next year. The most common initiatives are social media marketing, online advertising, and marketing strategy development.

Fewer than 20% of respondents say their organizations are planning to pursue programmatic media buying, out-of-home advertising, and artificial intelligence initiatives.

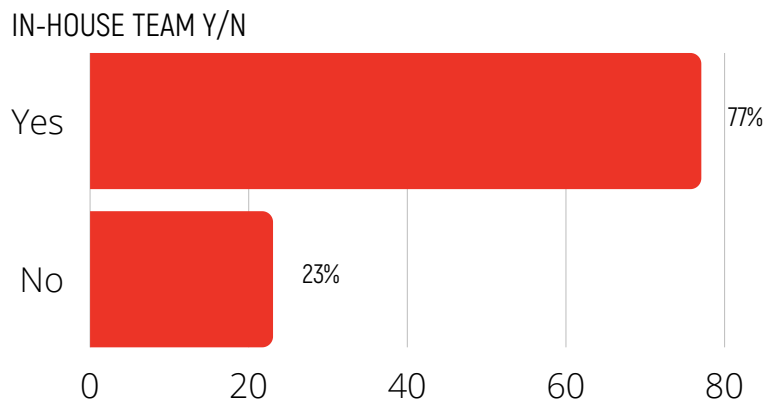
Anxious Strugglers are the least likely to be pursuing many of the marketing activities we listed, while Strategy Believers are more likely to be pursuing SEO and brand storytelling compared to the other attitudinal segments.



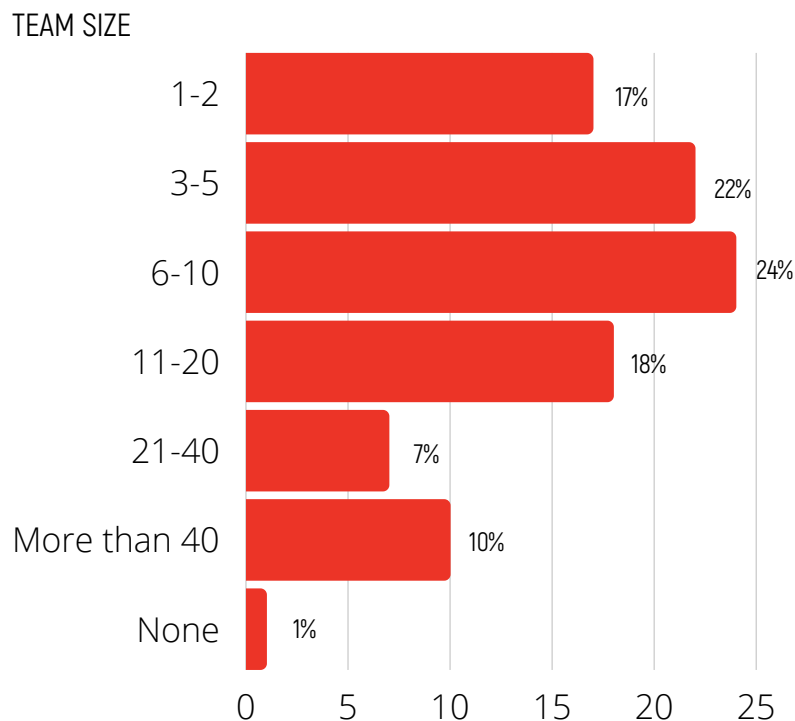
GETTING MARKETING DONE

Marketing Team Size, Skills and Experience

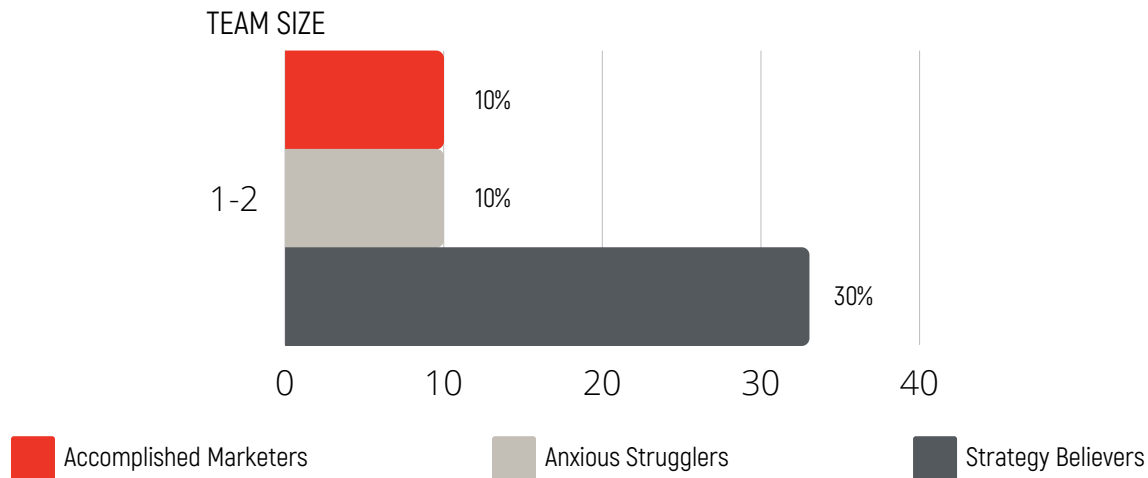
Overall, 77% of survey respondents say their organization has an in-house marketing team. There are no statistically significant differences between the attitudinal segments.



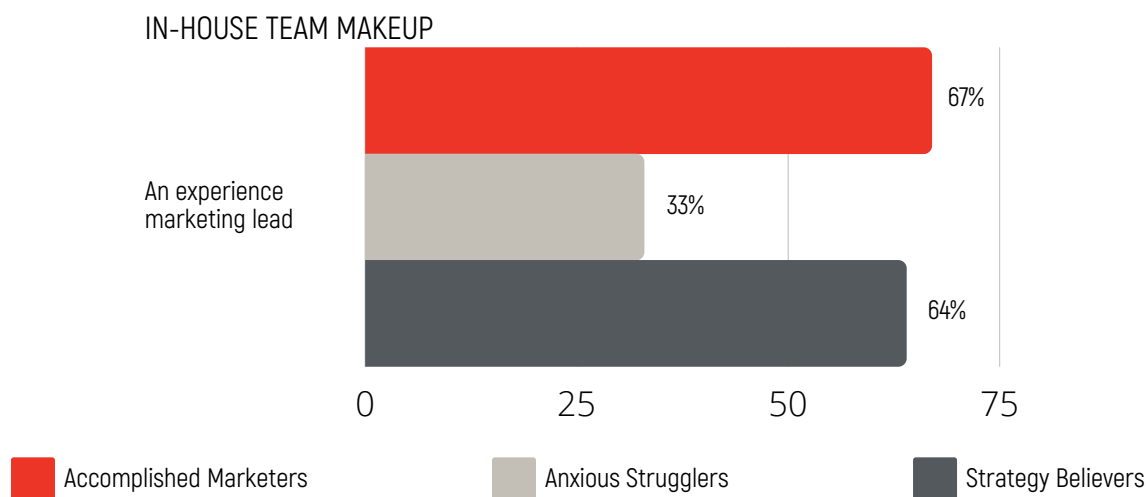
Respondents report marketing sizes from one person to more than 40.



Strategy Believers are significantly more likely than other attitudinal segments to say their organization has a marketing team of only one or two people.

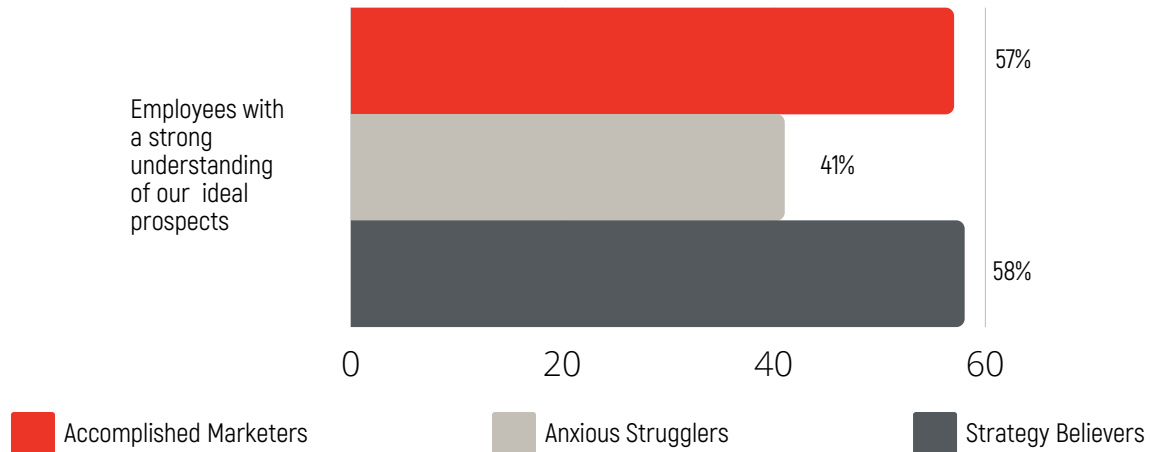


Both Accomplished Marketers and Strategy Believers are more likely to say their in-house team has an experienced marketing lead. Additionally, both of these attitudinal segments are more likely than Anxious Strugglers to say their organization has employees with strong skills and experience across a range of marketing areas—digital marketing, design, content development, and strategy.



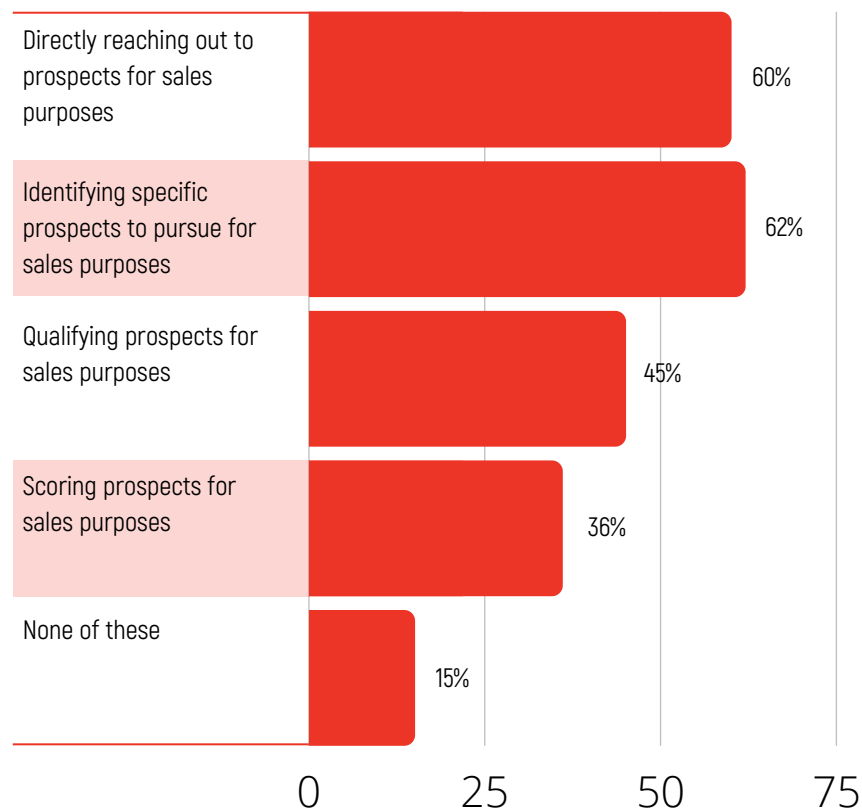
Accomplished Marketers and Strategy Believers are also more likely to have said their organizations have employees with a strong understanding of their ideal prospects. Organizations with larger teams are no more likely to have employees with these skills than those with smaller teams.

IN-HOUSE TEAM MAKEUP



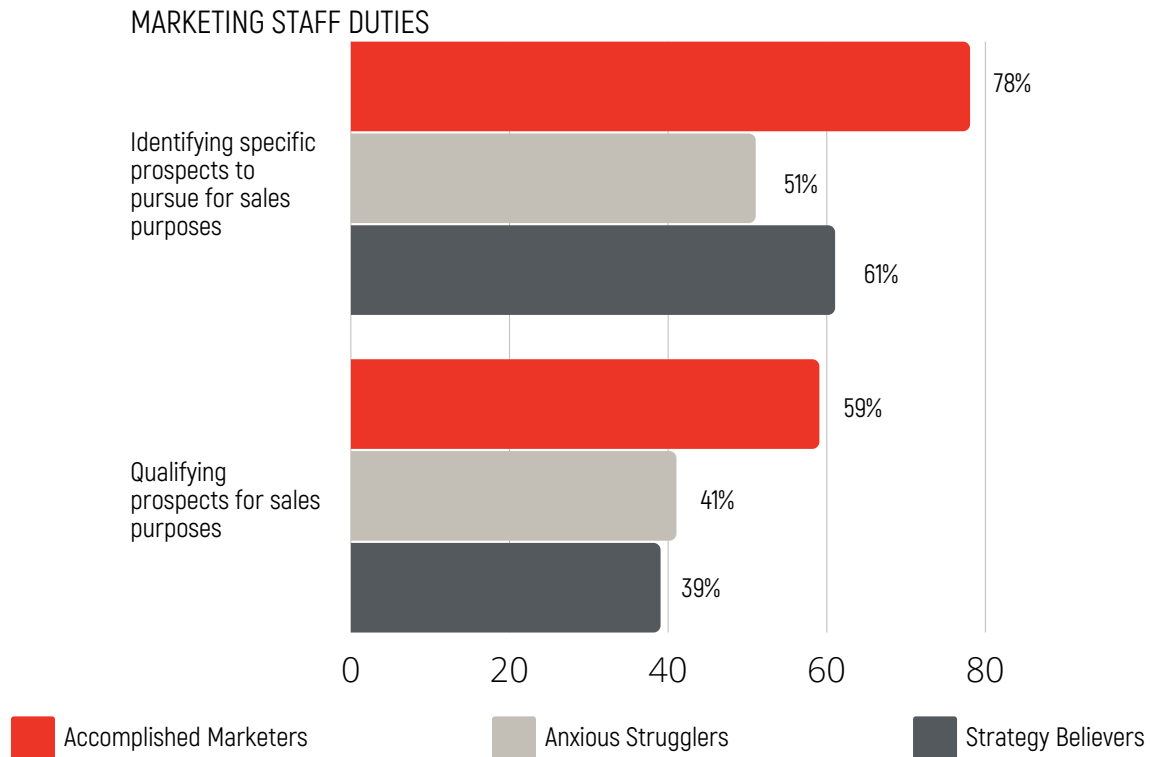
A striking number of respondents said their marketing staff also has duties traditionally associated with salespeople, such as identifying specific prospects to pursue, qualifying them, and even directly reaching out to prospects for sales purposes.

MARKETING STAFF DUTIES



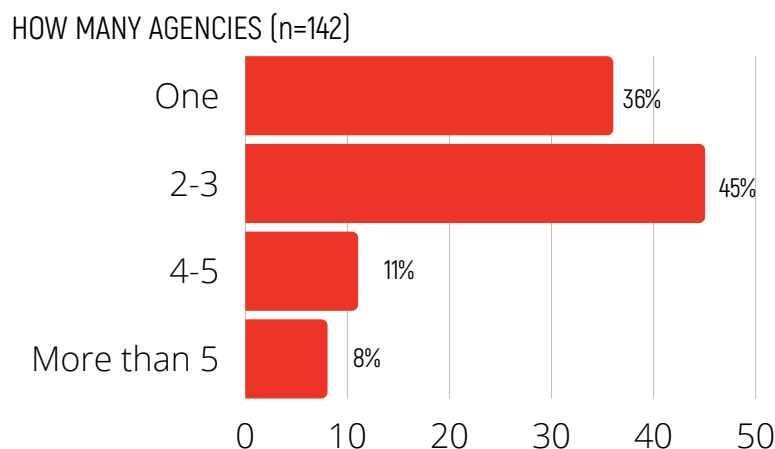
Accomplished Marketers are the most likely of the attitudinal segments to say their marketing team has responsibility for identifying and qualifying prospects. There is no statistically significant difference based on the size of the marketing team or the organization's revenue.





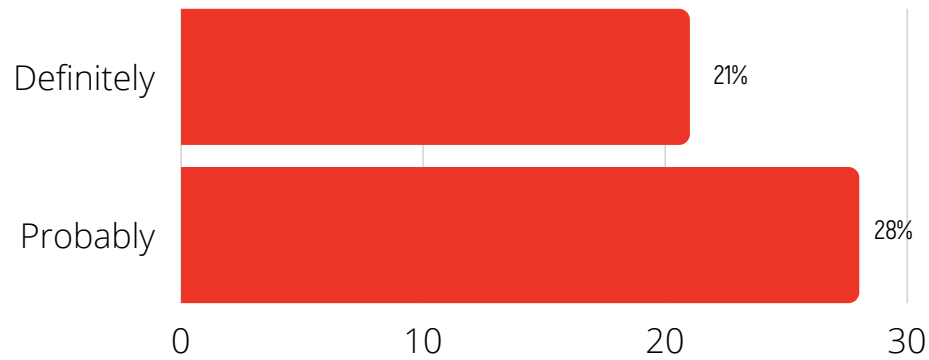
Interface With Marketing Agencies

Overall, 70% of respondents said their organization currently works with advertising or marketing agencies to fill gaps in their marketing operations. Among those working with agencies, 64% work with more than one.



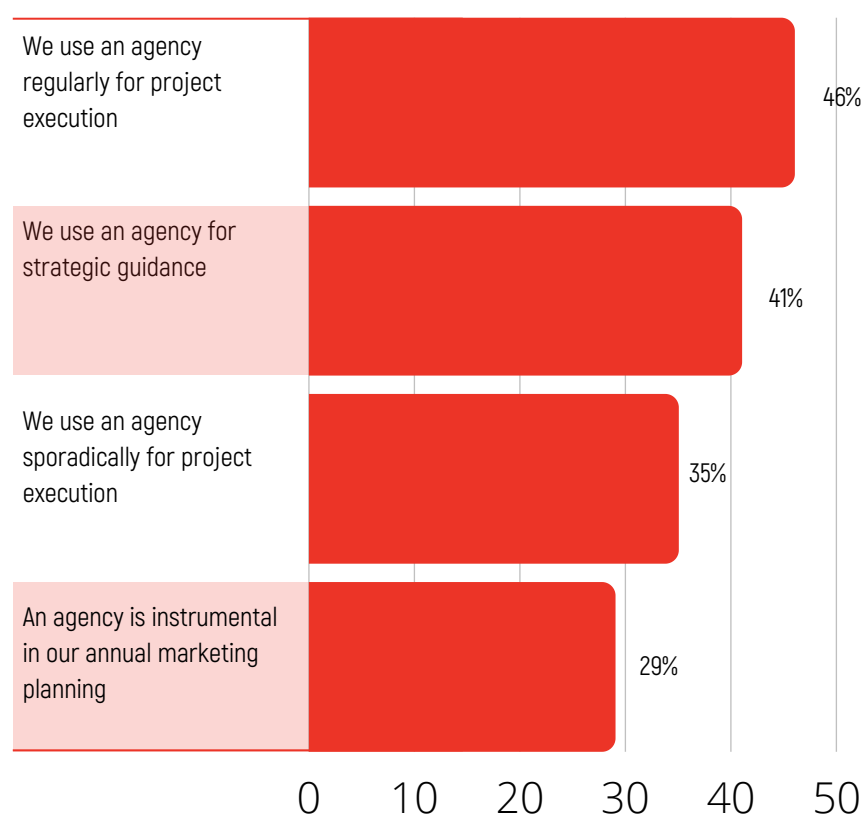
There is no statistically significant difference between attitudinal segments with respect to the number of agencies they work with. However, organizations with more than \$25 million in annual revenue are significantly more likely to be working with an agency compared to those with less than \$1 million in annual revenue.

WOULD BENEFIT FROM AGENCIES



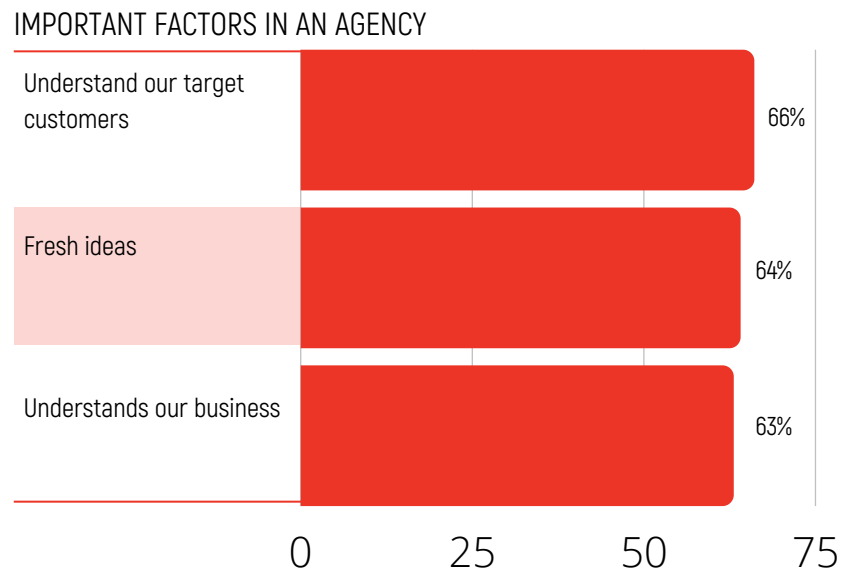
Many respondents said their organizations are using agencies regularly for project execution and strategic guidance. Only 29% said their agency partner is instrumental in their annual marketing planning.

RELATIONSHIP WITH CURRENT AGENCY

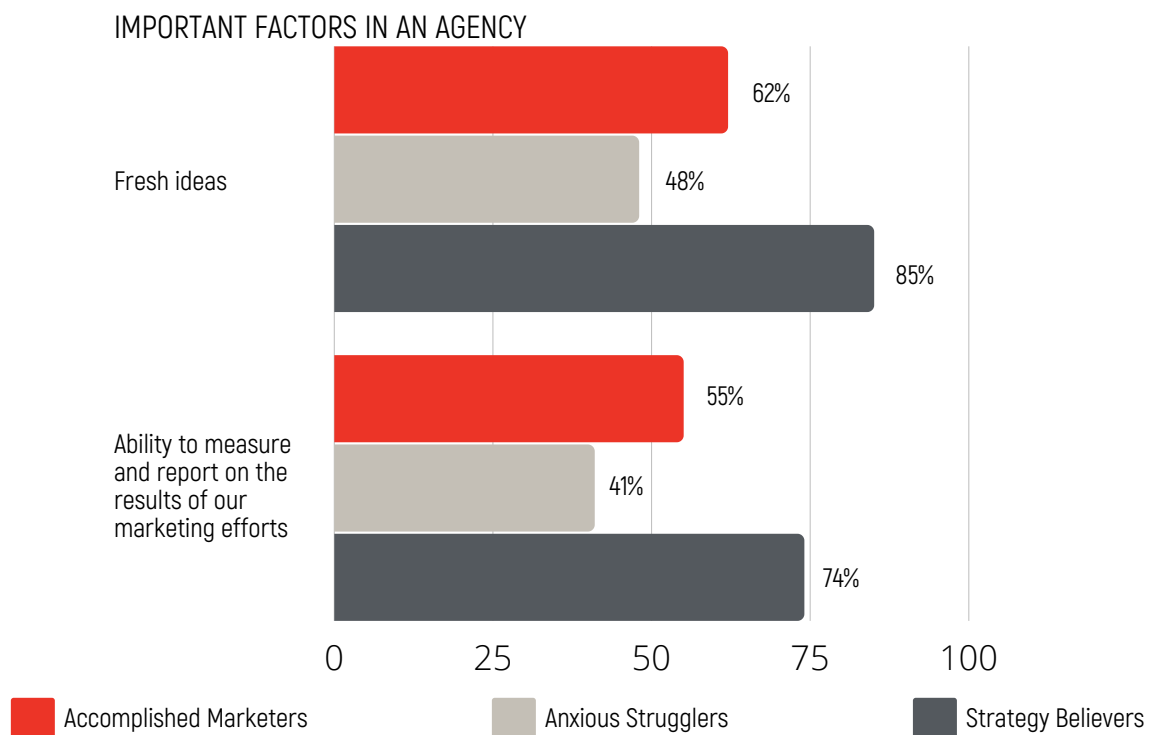


When asked what are the most important factors for agencies to exemplify, the top responses were as follows:

- Understands our target customers
- Brings fresh ideas
- Understands our business

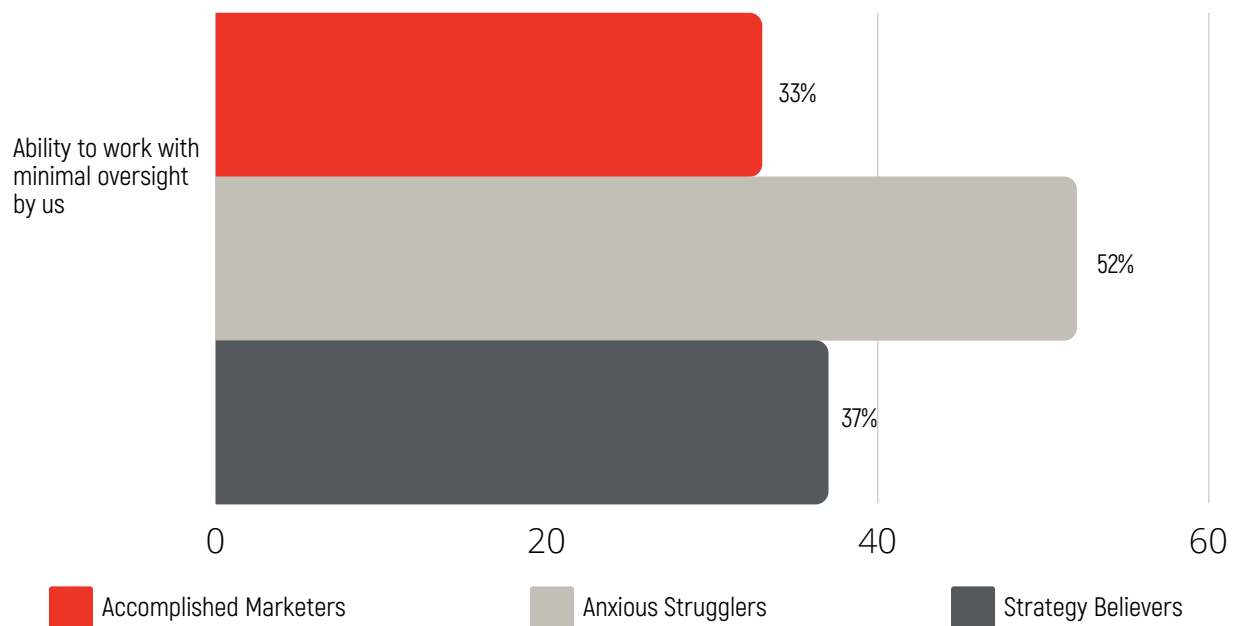


Strategy Believers are most likely to cite many different factors as important in an agency. They are significantly more likely than other segments to cite fresh ideas and the ability to measure and report on results of marketing efforts as important factors.



On the other hand, Anxious Strugglers are consistently and significantly less likely to cite any factors as very important in an agency, with the exception of the ability to work with minimal oversight by the client.

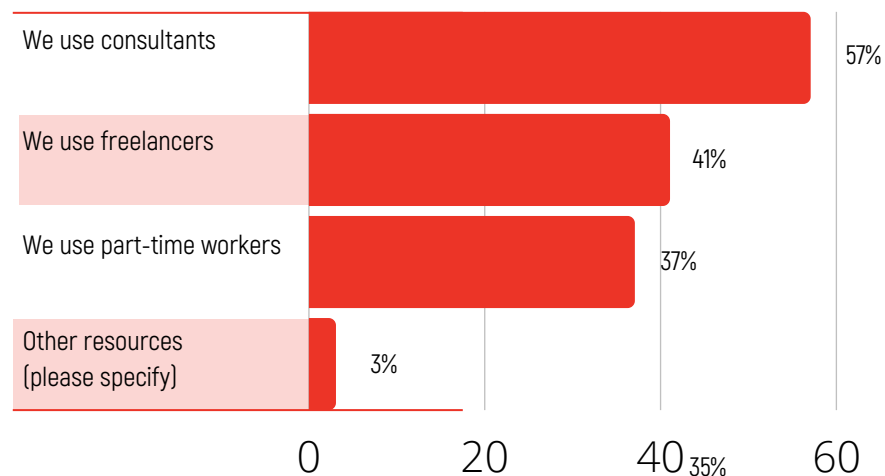
IMPORTANT FACTORS IN AGENCY (n=203)



TYPES OF EXTERNAL ASSISTANCE

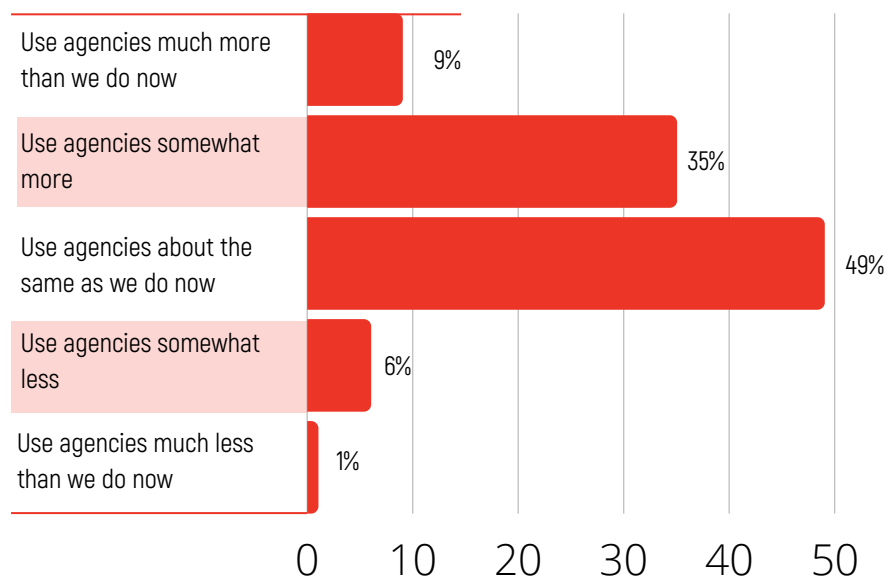
Out of respondents who say their organizations are currently working with agencies, 57% said they are also using consultants to support their marketing operations. Another 41% said they use freelancers and 37% use part-time workers.

RELATIONSHIP WITH CURRENT AGENCY



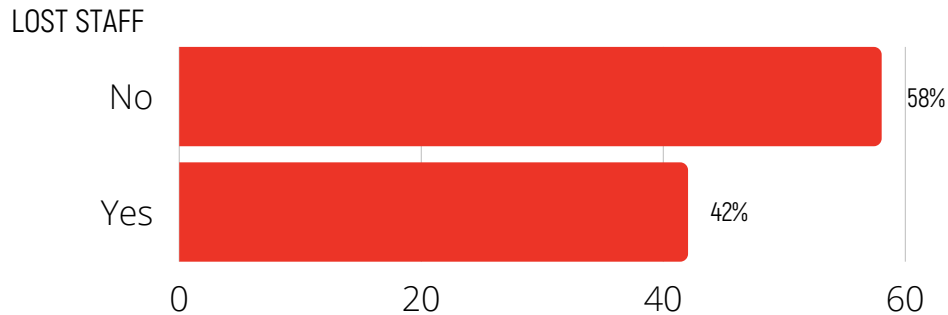
Of respondents who said their organizations currently work with agencies, 44% said they anticipate using them more in the next two years.

RELIANCE ON AGENCIES NEXT 2 YEARS

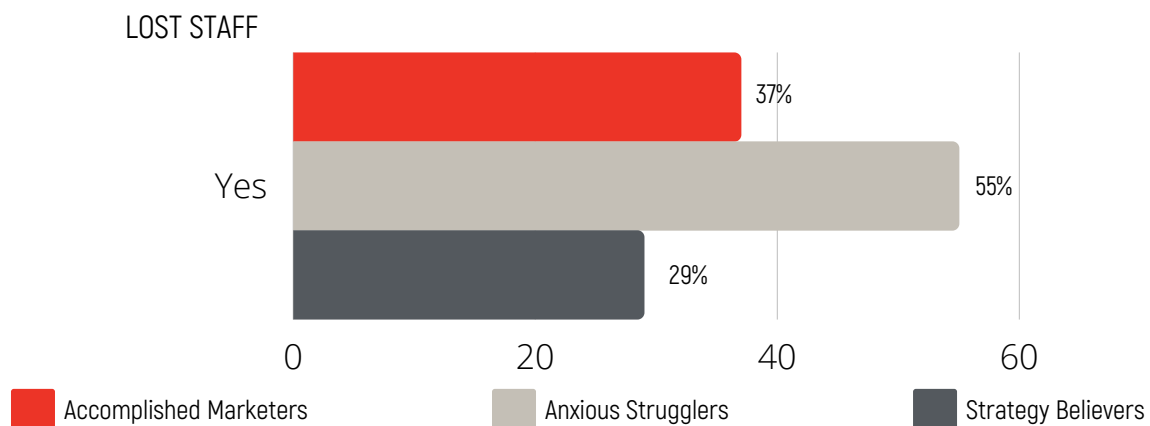


MARKETING TEAM ATTRITION

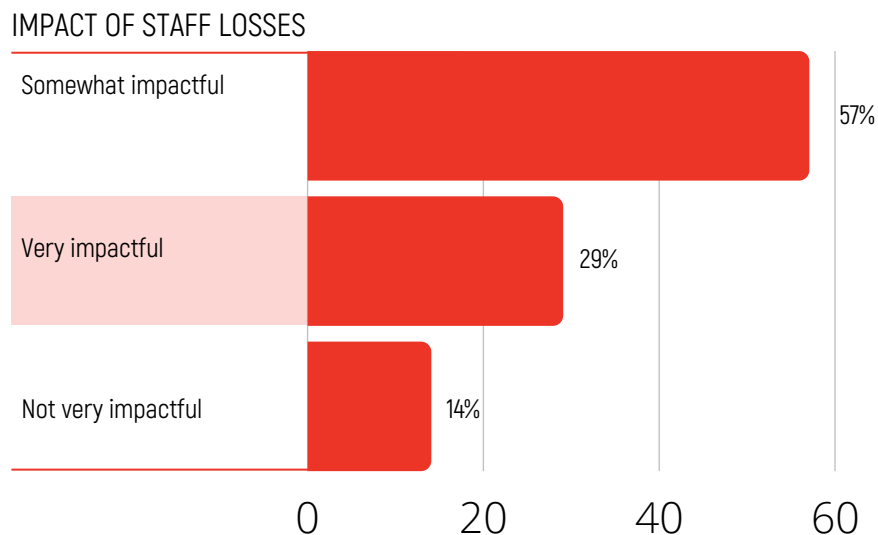
Overall, 42% of respondents with an in-house marketing team say their organization has lost marketing staff in the last six months.



Anxious Strugglers are significantly more likely than other attitudinal segments to report their organization has lost staff.

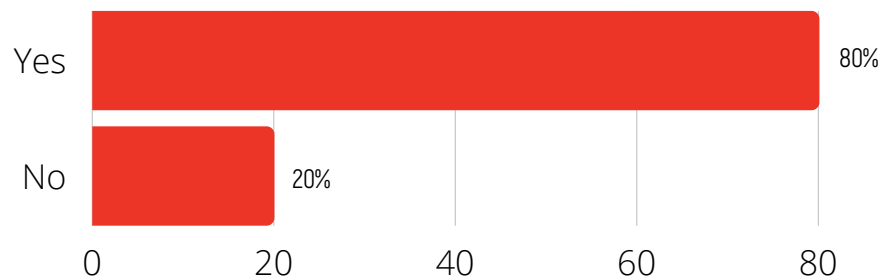


Among those who report staff losses, 57% say the losses have been somewhat impactful and 29% said they have been very impactful with respect to achieving their organizations' marketing goals.



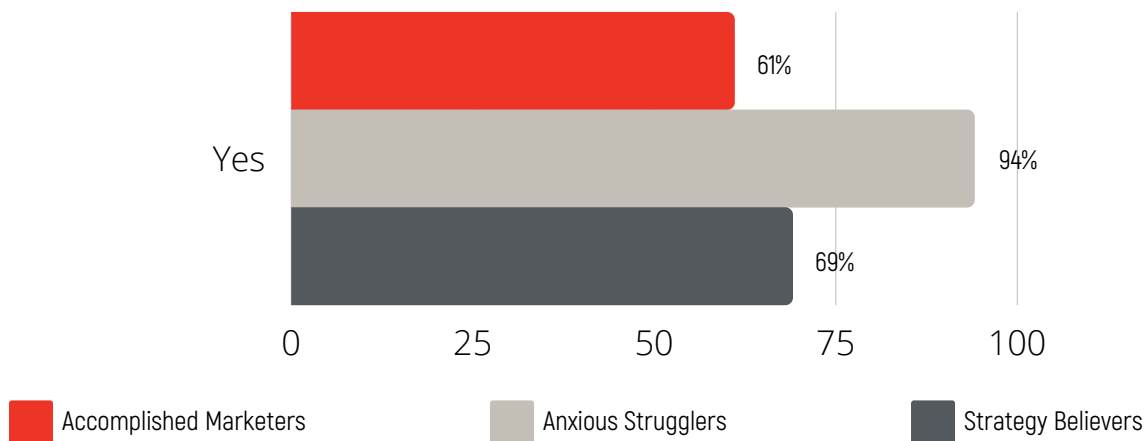
Of those who report staff losses, 80% say their organizations have considered using marketing agencies to fill the gaps in their marketing operations.

CONSIDERED AGENCIES TO FILL GAPS



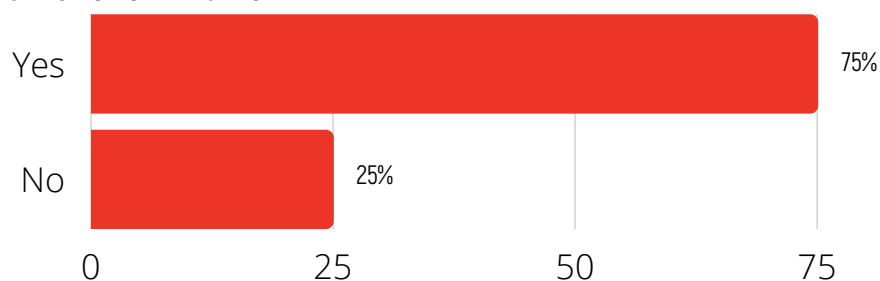
Anxious Strugglers are the most likely of any of the attitudinal segments to say their organizations have considered using agencies to fill roles.

CONSIDERED AGENCIES TO FILL GAPS

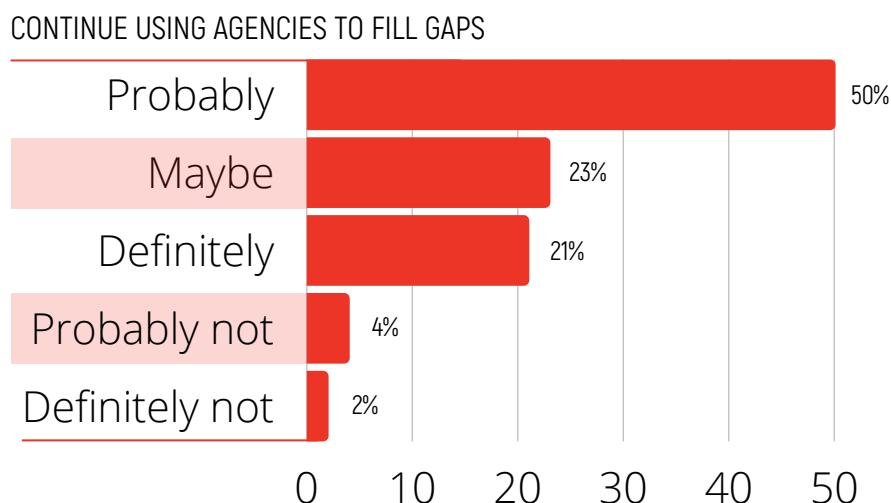


Out of those respondents who said their organizations have considered using agencies to fill roles, 75% reported that they have actually used agencies to do so.

USED AGENCIES TO FILL GAPS



When asked whether their organizations would utilize agencies to fill roles in the future, 71% of respondents say they'll probably or definitely do so, even if their organization could handle the work in-house.



AVOCET'S TAKE

Finding the right agency can be challenging, and the right agency for your organization may be different than the right agency for another.

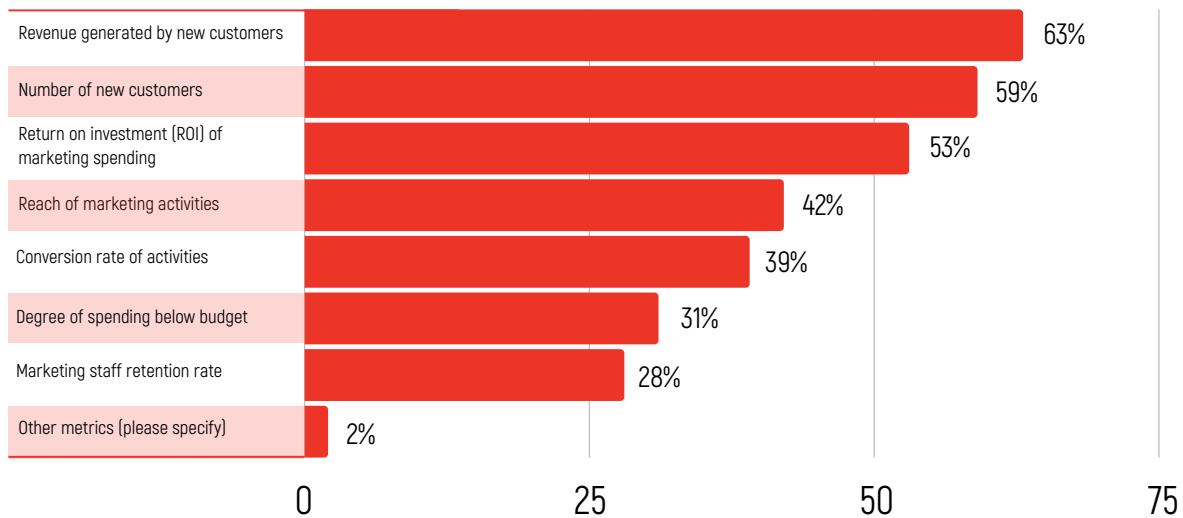
Many of the organizations in our study say they're using agencies for project work, but few are using agencies to help them strategize their marketing plans and activities. Bringing your agencies in when you're making key decisions about target audiences, spending, and objectives can go a long way towards helping your organization achieve its goals for marketing -- even if your in-house team will be doing much of the work.

We recommend you carefully consider your challenges and goals with respect to marketing, and ask potential agencies specific questions to help you understand whether they're the right type of agency for you.

EVALUATION OF MARKETING LEADS

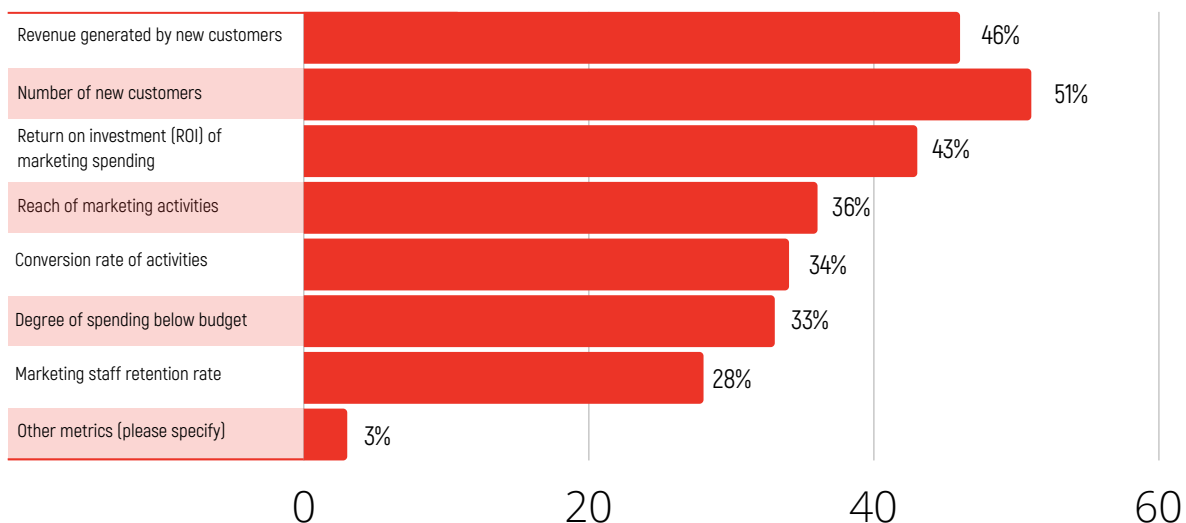
Our study also explored how respondents' organizations evaluate marketing leaders. The marketing leads in our study are most commonly evaluated based on revenue generated by new customers, the number of new customers, and the ROI of marketing spending. 31% are evaluated based on the degree of spending below budget.

MARKETING LEAD EVAL (FROM LEADS) (n=148)



Anxious Strugglers who are marketing leads are significantly less likely than other segments to be evaluated based on revenue generated by new customers. In fact, they are just as likely to be evaluated on their spend below budget and staff retention rate as they are to be evaluated on reach, conversion rate, ROI, and revenue resulting from their marketing efforts.

MARKETING LEAD EVAL (FROM LEADS) (n=148)



AVOCET'S TAKE

With so many organizations hosting in-house marketing teams, the impact on expertise and capabilities created by the labor upheaval of the last year can't be overstated. Small teams are even more likely to struggle with maintaining staff and experience -- and 65% of respondents in our study have a team of no more than 10 employees.

In addition, it's clear that many marketers are being asked to carry sales responsibilities as well -- and are often being evaluated based on their ability to bring in new customers and revenue.

Accomplished Marketers and Strategy Believers are more likely than Anxious Strugglers to have teams with experience and expertise -- but when many teams are so small, accomplishing marketing activity that connects with your audience and generates a return on investment can still be a significant challenge.

And with the pressure to spend below budget that many marketers are feeling, growing team size to accommodate the necessary marketing efforts is unlikely.

Many respondents have turned to agencies to help bring strategic insight or simply carry the load of day-to-day tactical implementation. Choosing the right agency can create a partnership that serves your organization well and in the way your organization needs.



audienceaudit

Audience Audit is a research firm specializing in attitudinal segmentation audience research and strategy. Founded in 2009, the firm has conducted audience research for organizations including Gap, AT&T, Jayco, and many more.



AVOCET

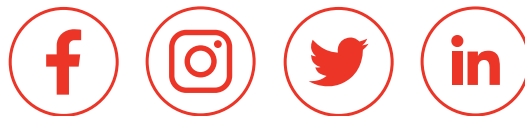
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