

THE STATE OF INBOUND 2016

Global

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Intro- duction

Welcome to our eighth annual State of Inbound report. I might be biased, but I think this year's report is one for the books. Let me tell you why.

For the last eight years, we've surveyed thousands of marketers and salespeople around the globe about their challenges, priorities, and strategies in marketing and sales. The result is a testament to the trends and growth of inbound, something you're unlikely to find anywhere else.

When we first started looking at inbound, it mostly applied to finding out how to turn complete strangers into website visitors. Shortly thereafter, it became about how you turn that visitor into a qualified lead. As time went on, people began applying inbound to turn qualified leads into delighted customers. And it was this step that changed everything.

Inbound means transforming how we do business to be more helpful, more human, more empathetic. It focuses on the whole process of turning a stranger into a delighted customer. Inbound is about matching the way you market and sell with the way people actually want to shop and buy.

We've seen a global movement grow around this philosophy of inbound -- one you may very well already be a part of. This community of like-minded marketers and salespeople constantly elevate one another, both personally and professionally, by sharing their expertise and insights.

The majority of our over 4,500 respondents are non-HubSpot customers hailing from marketing backgrounds in B2B, B2C, small, and mid-sized businesses. Half of the companies represented here generate under \$1 million each year. With data collected from all corners of the map, this document represents over 132 countries. A truly global community.

But where is that movement headed? What's not only on the horizon, but miles beyond it? We've always used the State of Inbound report as a barometer for current trends and where inbound is headed directionally.

This year, we're taking it one step further.

We've taken these incredibly diverse insights to provide the current state -- and then predict the future -- of inbound. So along with the benchmark data you've come to expect, this year, we've also looked at new trends and technologies.

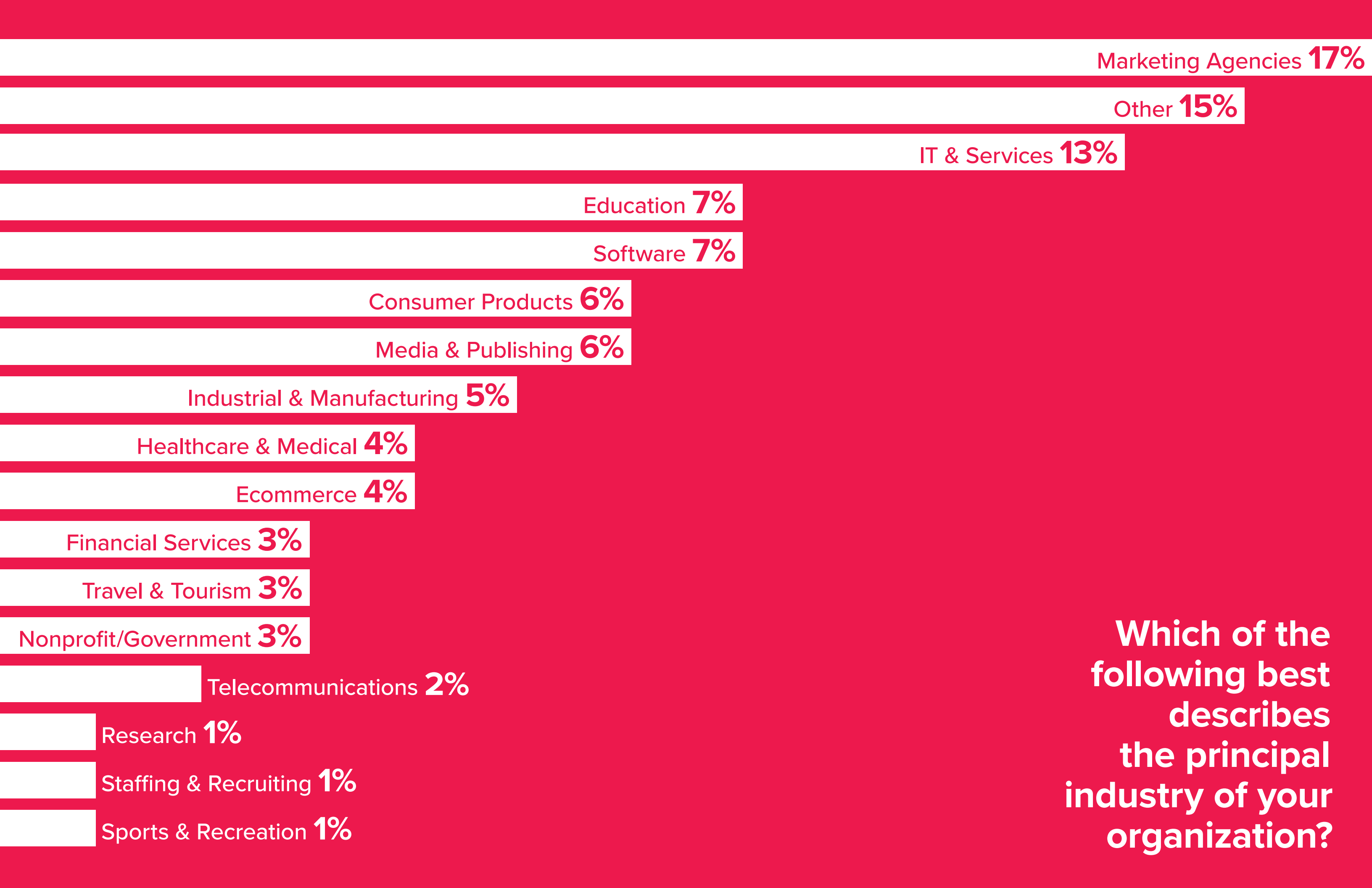
We may not have a crystal ball, but the 2016 State (and Future) of Inbound holds some of the most informed predictions for the future of marketing and sales you're likely to find.

The world is becoming more inbound. It's growing more authentic, less interruptive. And with the findings of this year's report, I think it's safe to say that over the next ten years we're going to see an even more inbound world.

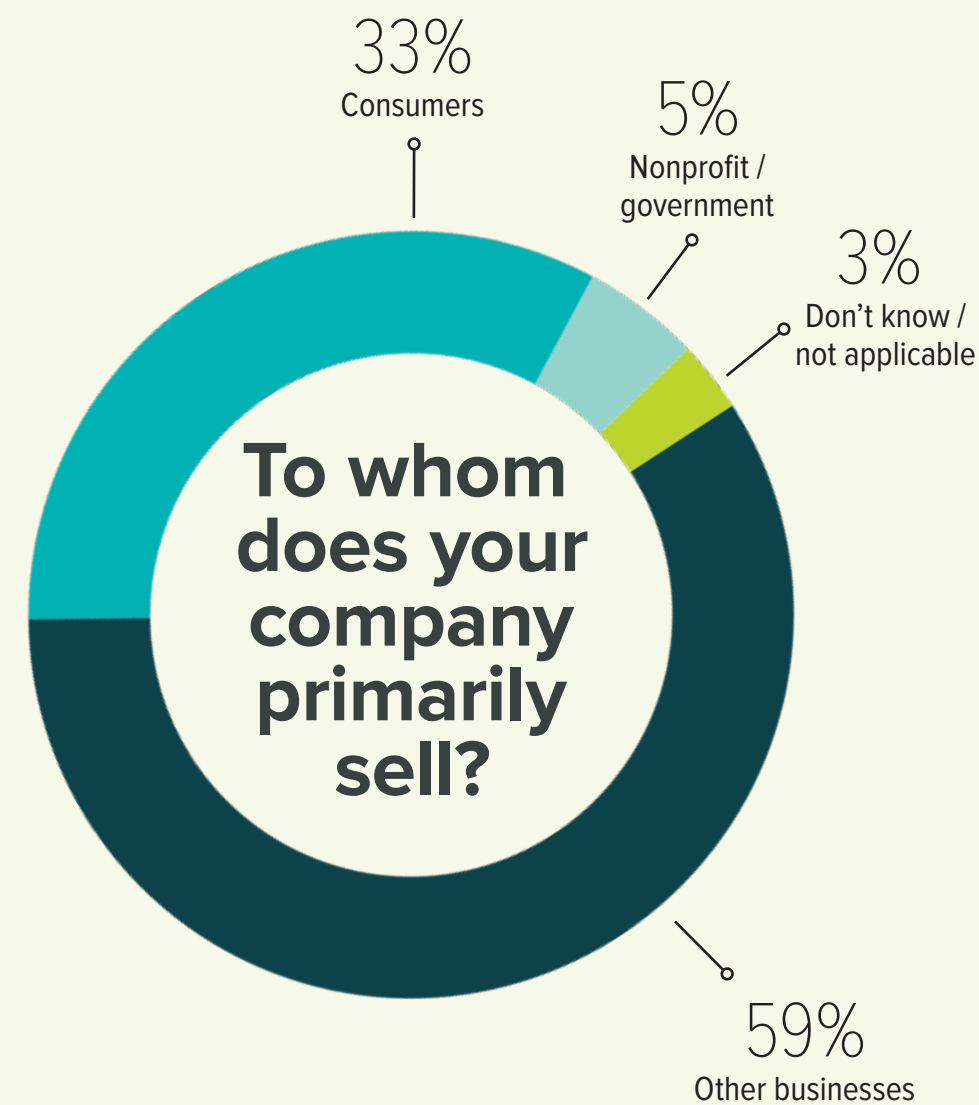
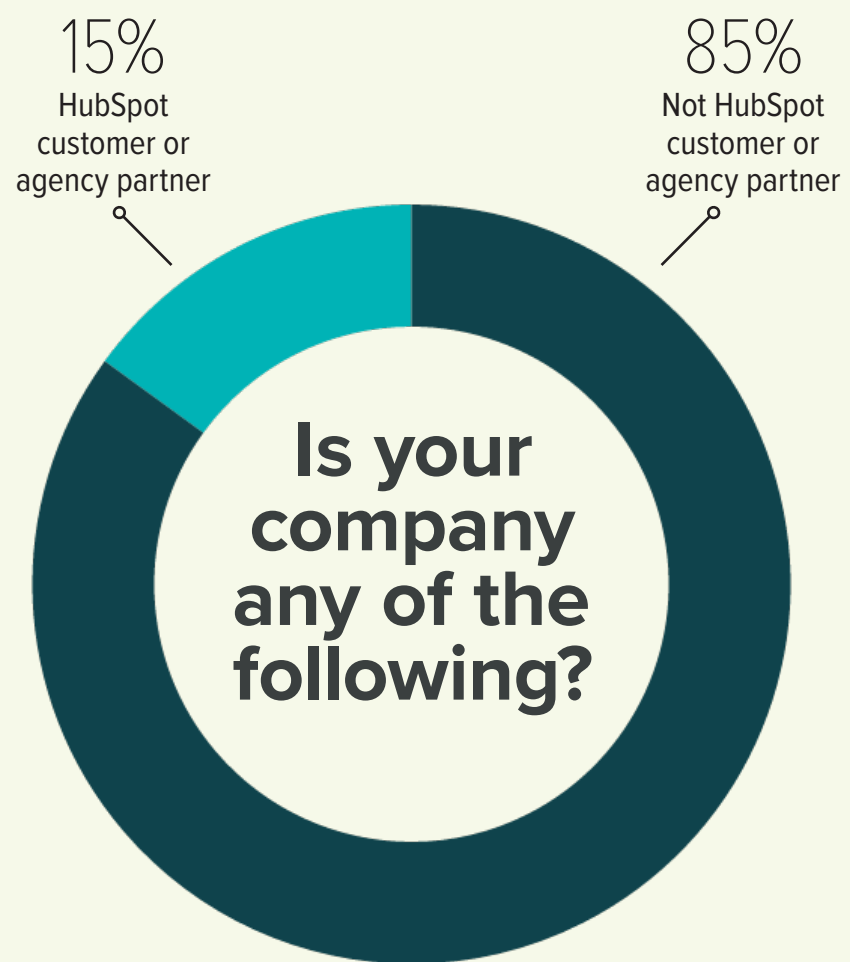
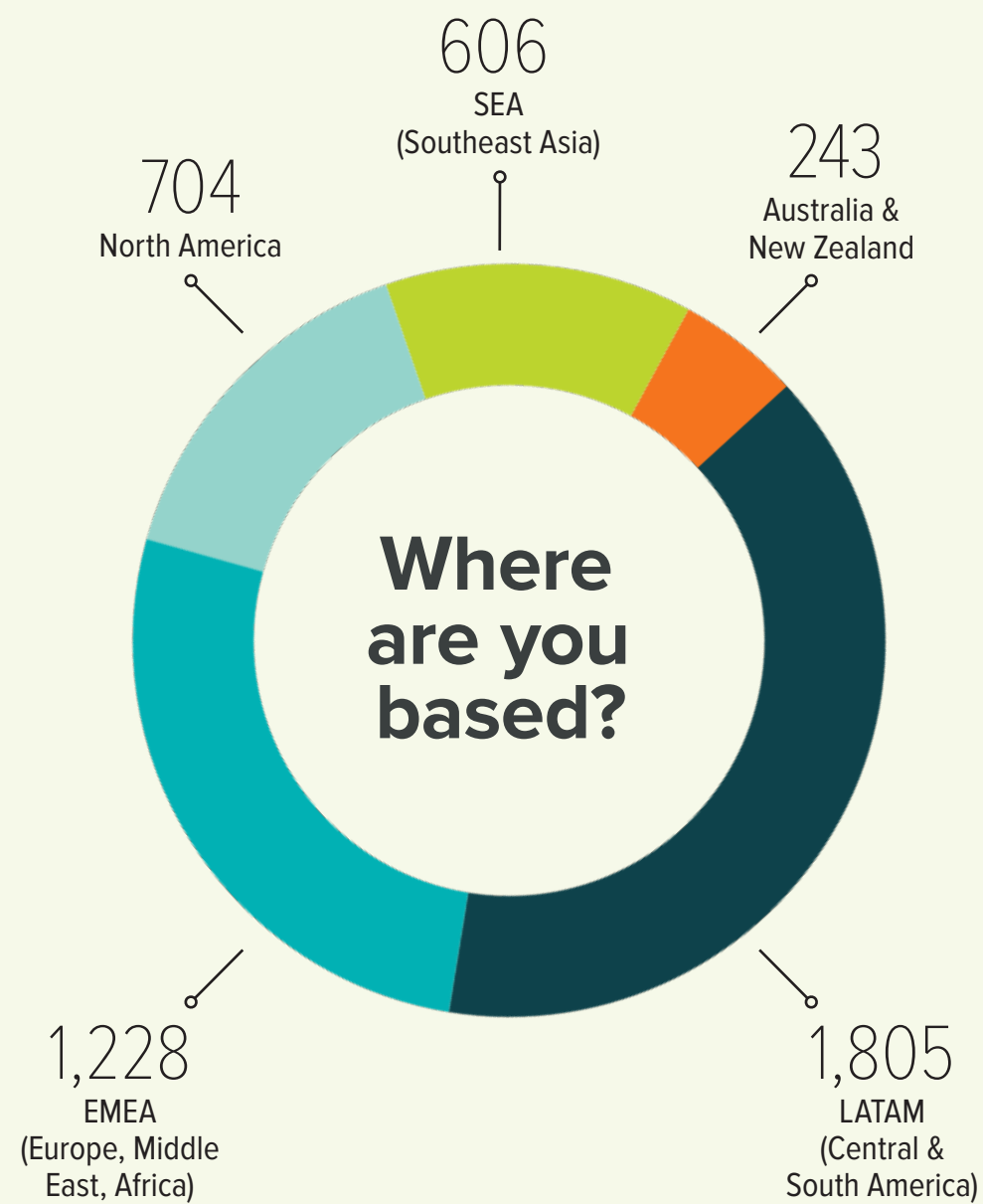
Best,

A handwritten signature in orange ink, appearing to read 'Brian Halligan', with a stylized flourish at the end.

Brian Halligan
CEO, HubSpot

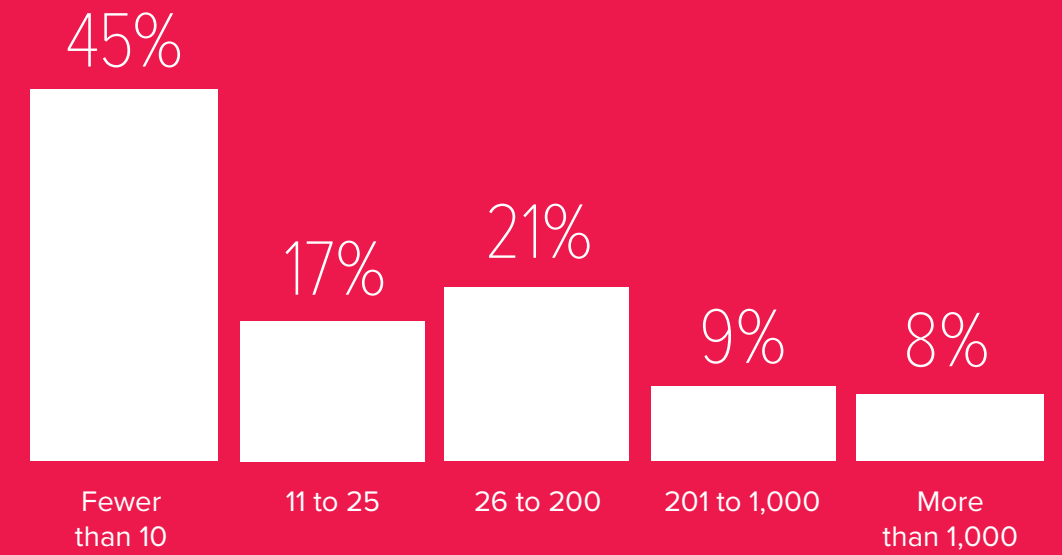


Which of the following best describes the principal industry of your organization?

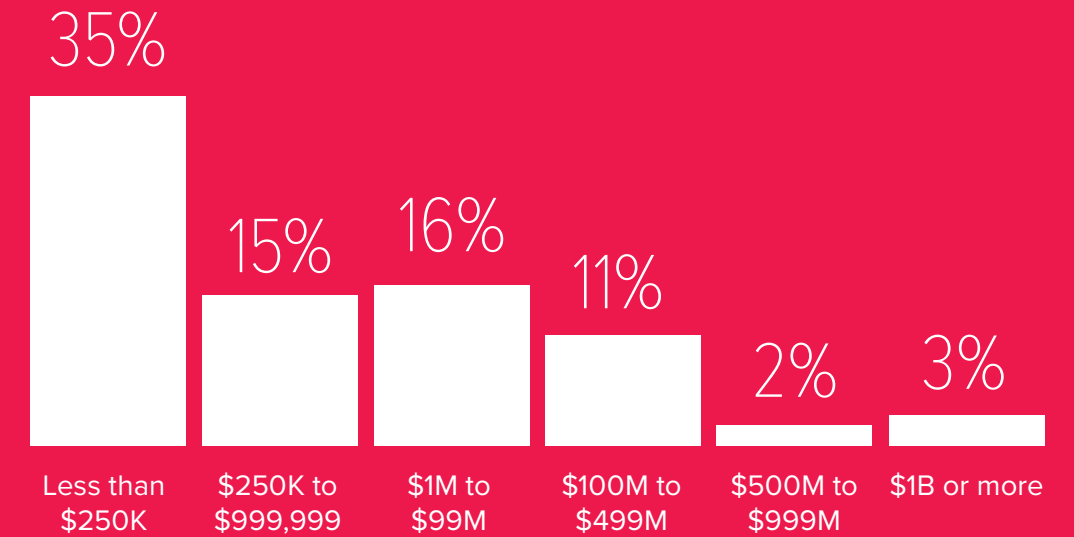




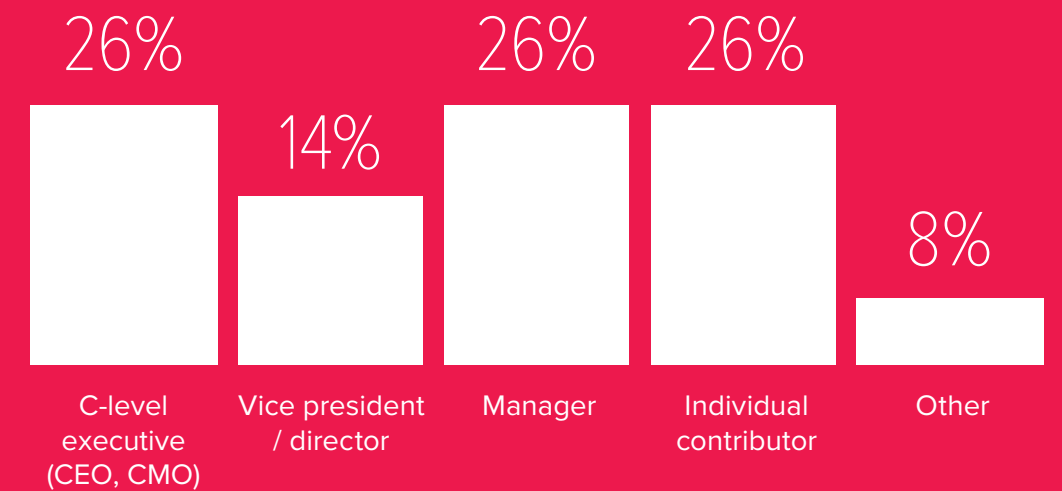
How many full-time employees does your company have?



What best describes your company's average annual revenue?



What best describes your level in your company?

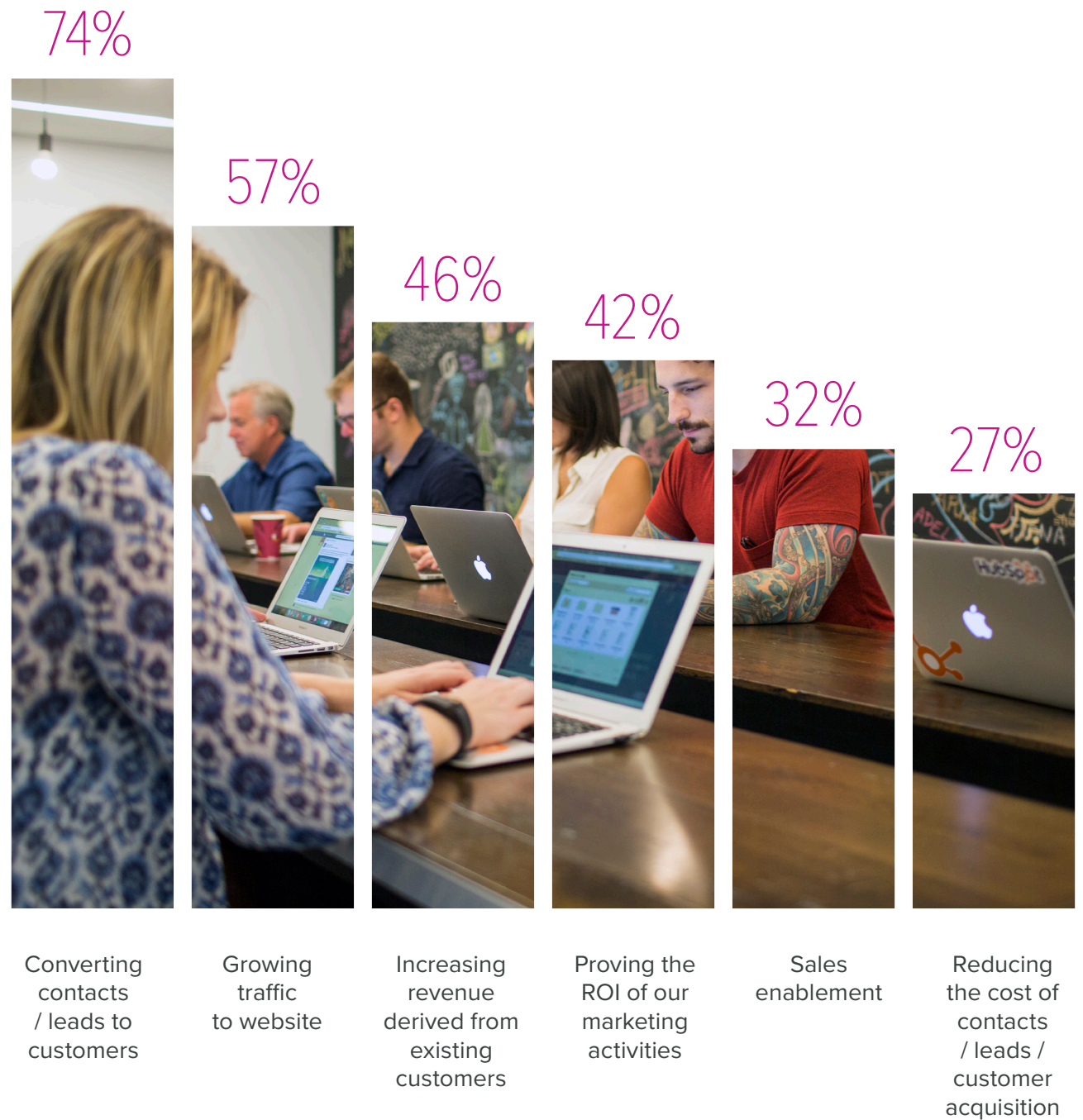


Today's Marketing and Sales Priorities

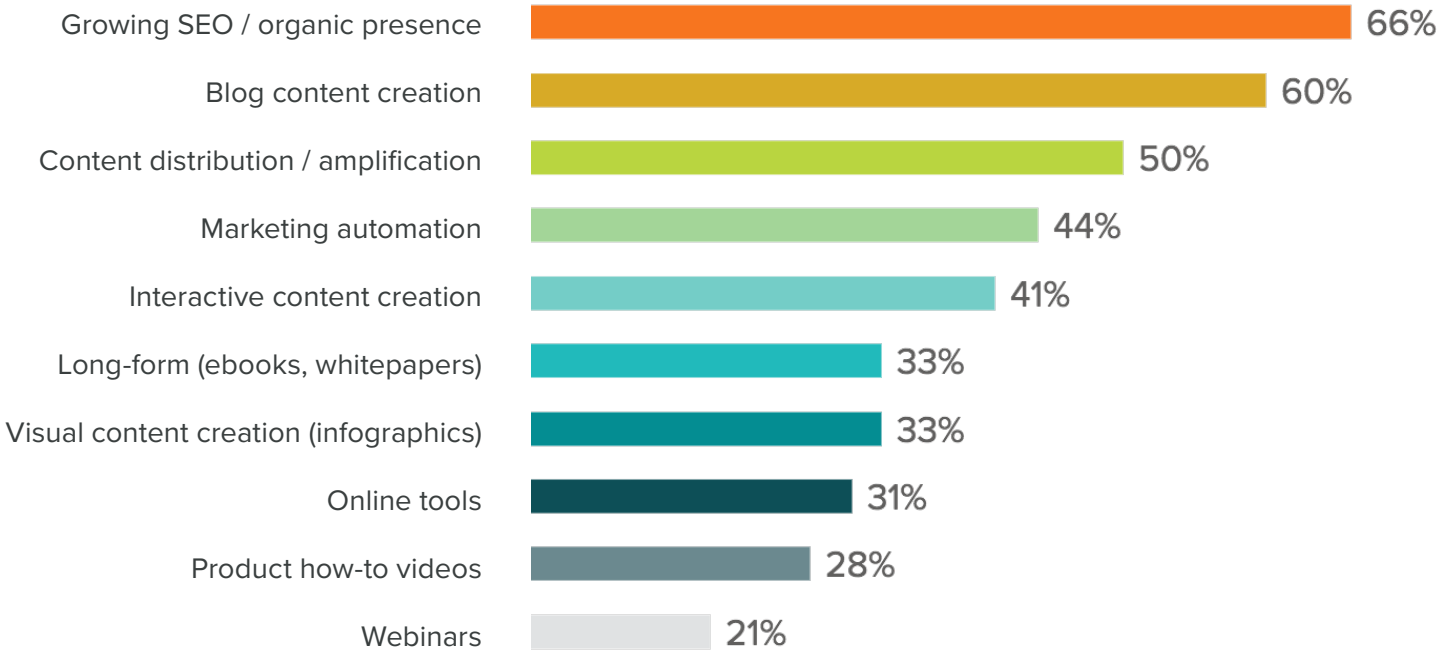
Marketers today are focused on converting the visitors they attract into leads and customers. Next is growing traffic to their website, followed by increasing revenue from existing customers (upselling).

Clearly, the mandate marketers received is: Keep the engine running with a keen eye toward monetizing their marketing activities.

What are your company's top marketing priorities over the next 12 months?

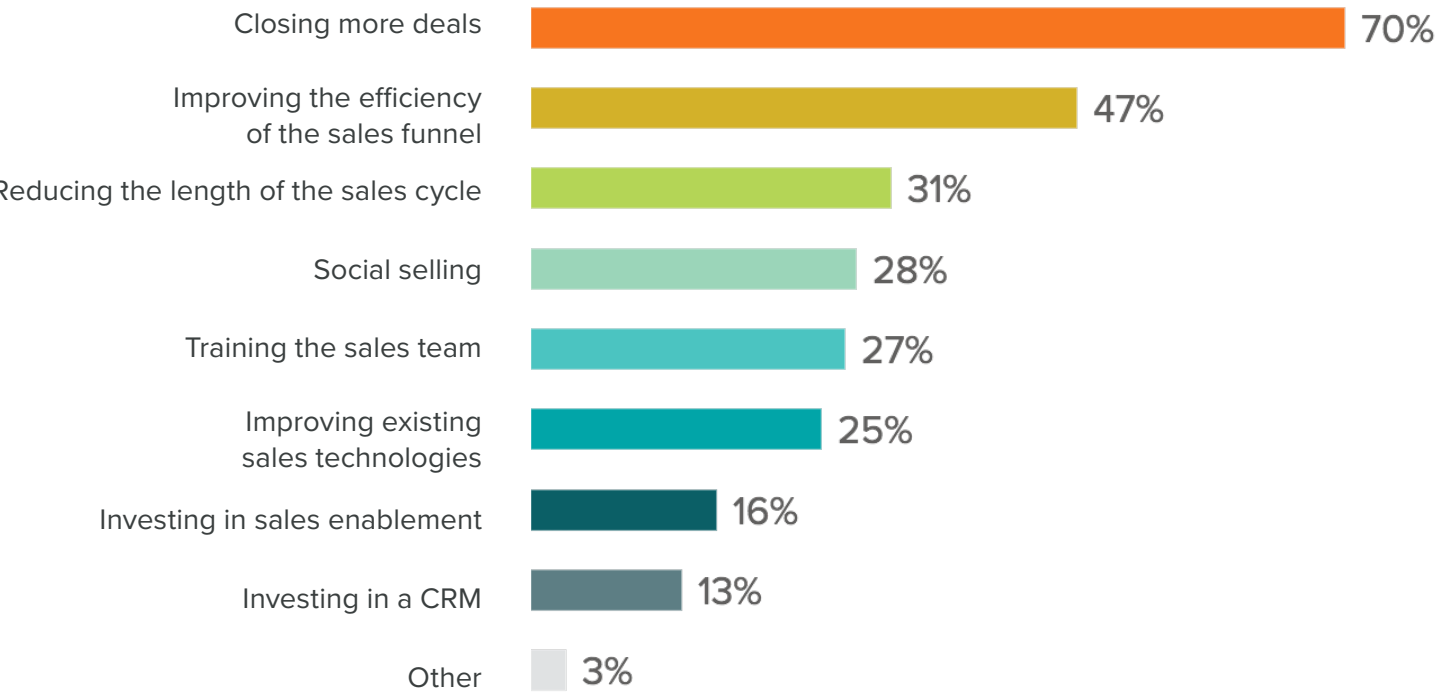


Thinking specifically about inbound marketing projects, what are your company's top priorities?



What are your company's top sales priorities for the next year?

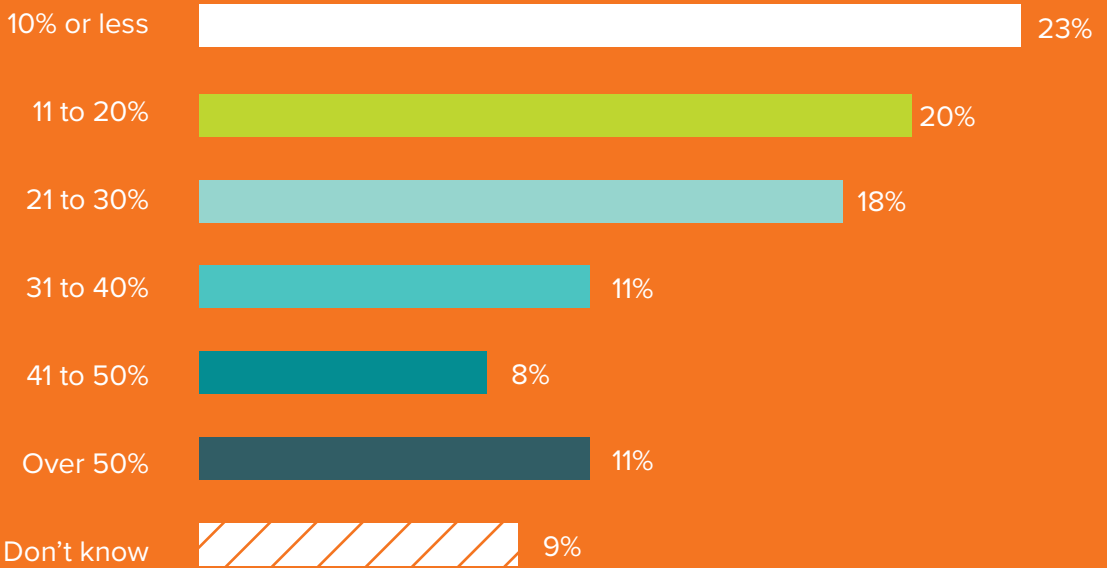
Despite the fact that Sales is undergoing a radical transformation right now -- similar to the inbound revolution that swept over Marketing a decade ago -- the function's primary directive is still the same: Sell more, better, faster. Seventy percent of respondents are dead set on closing more deals this year.



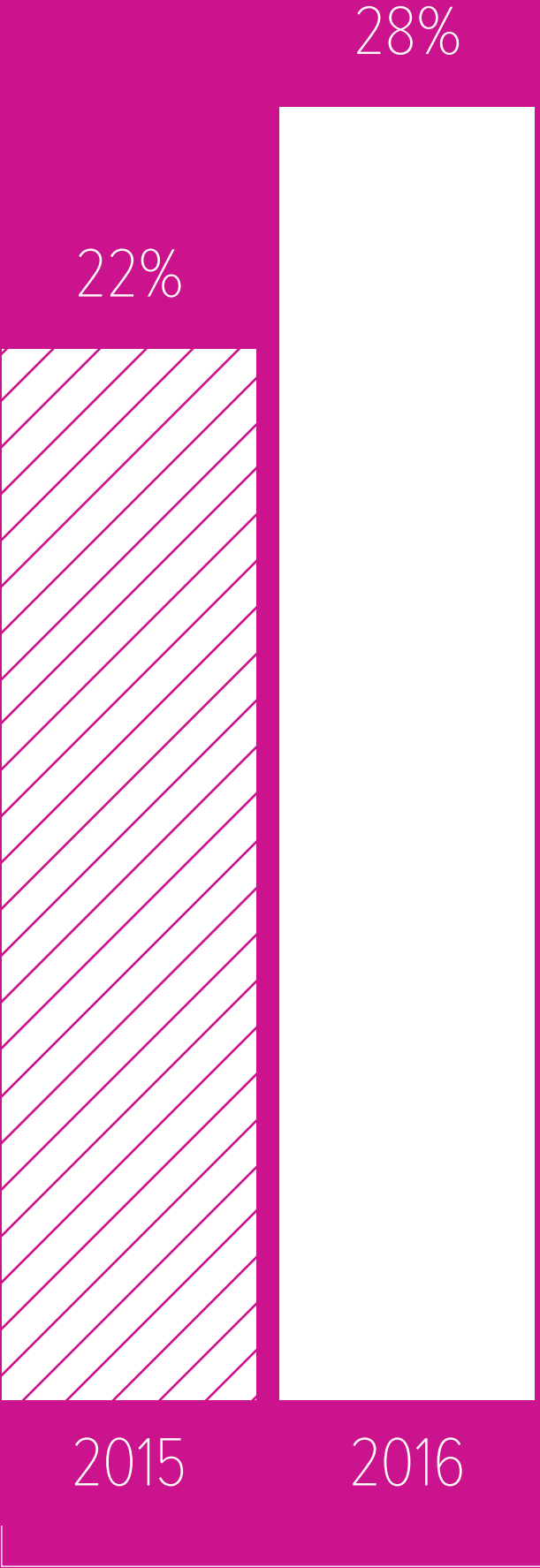
For specific inbound marketing projects, marketers focus on growing SEO, blog content creation, and content distribution. Blog content is marketers' bread and butter, with 60% focusing on blogs in their work.

What is the average percentage of leads your company converts to sales?

Just how many leads are salespeople closing into deals today? Currently, the average lead-to-customer conversion rate is below 20% for almost half of respondents.



Social selling is a priority for more salespeople in 2016 than ever before.



Social selling

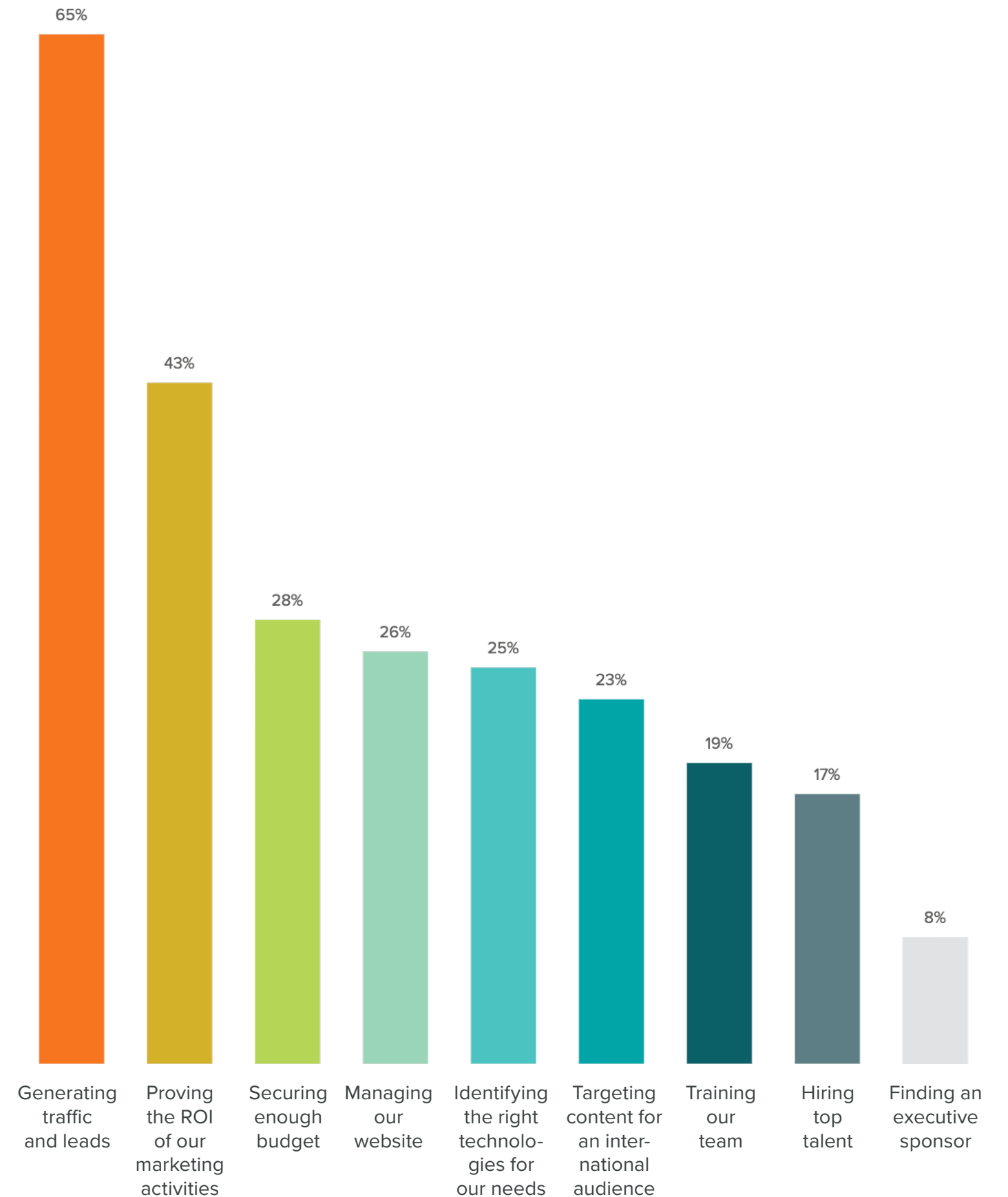


Today's Marketing and Sales Challenges

Marketers still lack access to tools that can help them track concrete results for their campaigns.

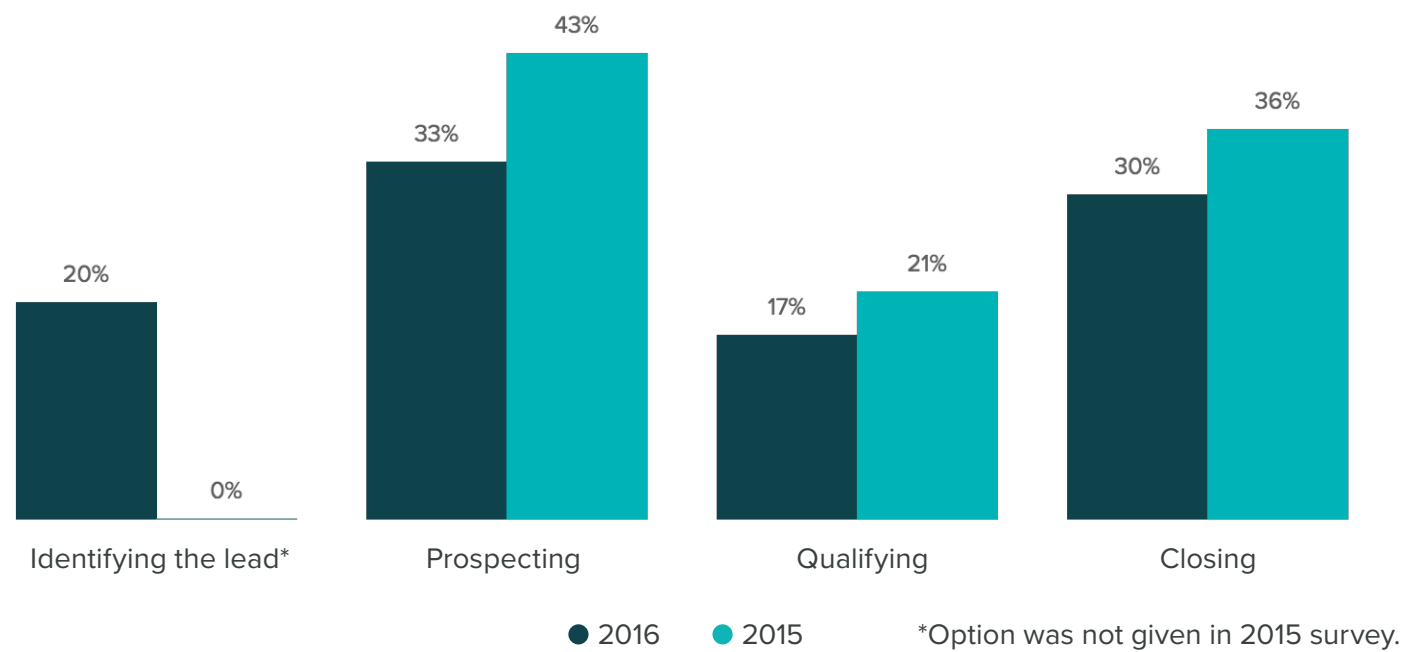
What are your company's top marketing challenges?

Metrics driven challenges (amount of traffic and leads generated and proving ROI) are the big challenges facing marketers -- they still lack access to tools that can help them track concrete results for their campaigns.



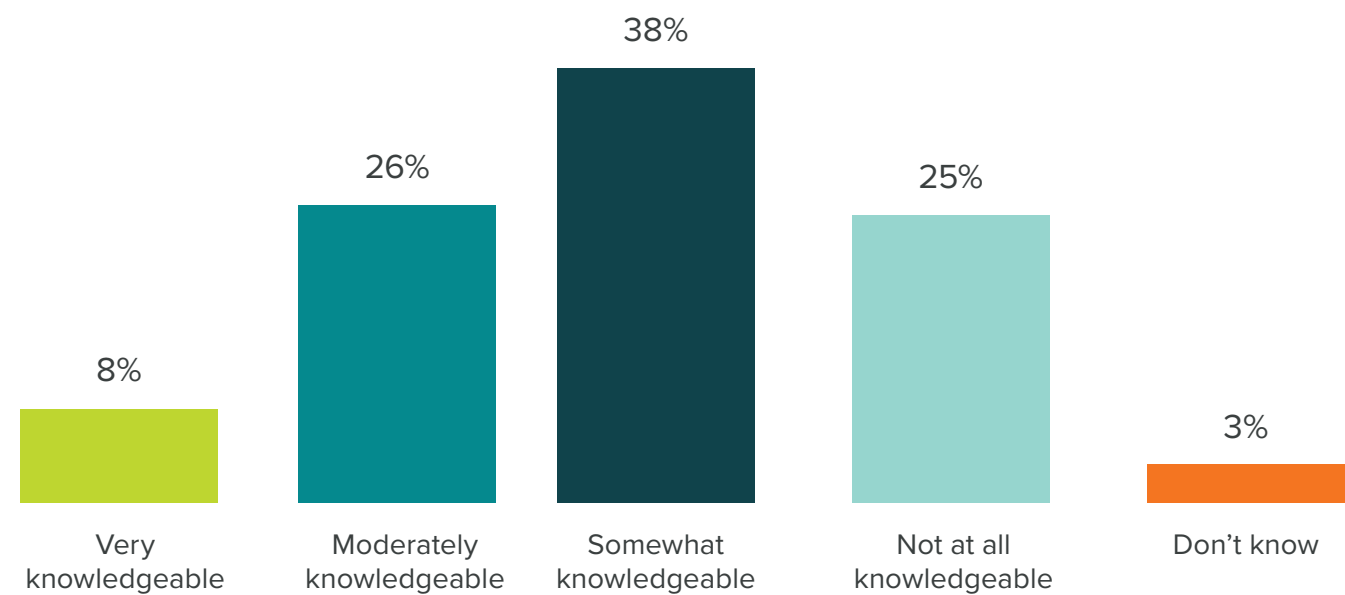
What part of the sales process do reps struggle with the most?

The part of the sales process salespeople are struggling with most is prospecting. In addition, 20% of respondents indicated that identifying the lead -- a new option in this year's survey -- was the biggest challenge at their company. It's clear that the beginning of the sales process is thorny for reps, more so than the middle or the end.



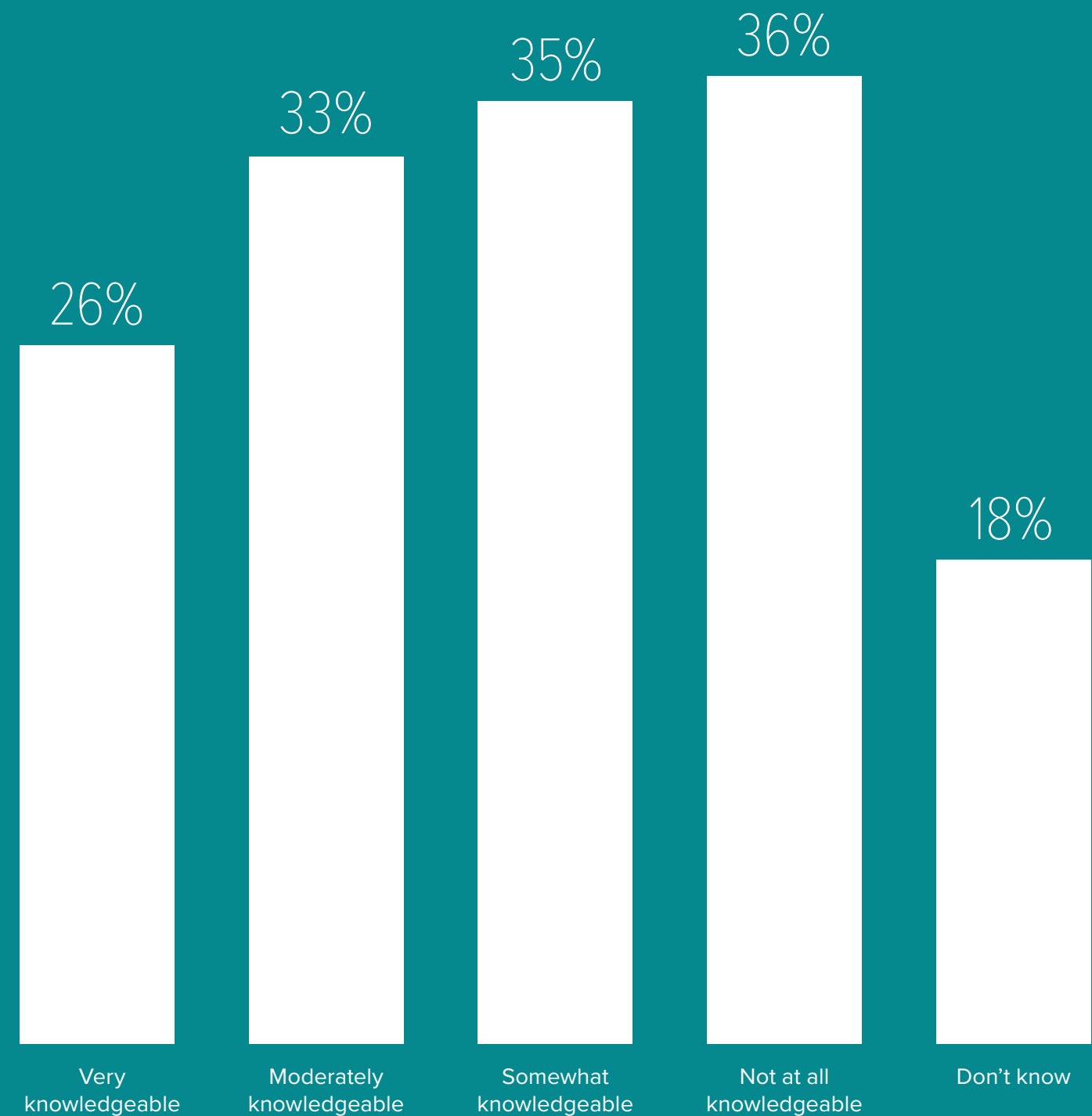
How knowledgeable are your prospects about your company before your sales rep makes the first contact?

Why is prospecting so painful? One reason might be buyers' lack of knowledge about the products or services our sales respondents are selling. A full 63% of survey takers indicated that prospects are "somewhat" or "not at all" knowledgeable about their companies before a sales rep makes first contact.



Prospecting is more difficult for Sales when prospects aren't knowledgeable about their company's services or offerings.

Just 26% of salespeople say prospecting is hard when their lead is very knowledgeable about the salesperson's product or services. But when a lead is clueless about what the salesperson is selling, the task of prospecting gets harder. Marketers, take note. The best way to help your sales team is to educate your audience.



“Prospecting is difficult when my lead is...”

The Evolution of Marketing and Sales Priorities

What are your company's top marketing priorities over the next 12 months?

Priorities have stayed relatively static through the years. Since leads tends to be the major metric marketers are measured by, they continue to be a top priority.

Rank	2016	2015	2014	2013
1	Converting contacts / leads to customers	Increasing number of contacts / leads	Increasing number of contacts / leads	Reaching relevant audience*
2	Grow traffic to website*	Converting contacts / leads to customers	Converting contacts / leads to customers	Converting contacts / leads to customers
3	Increasing revenue derived from existing customers	Increasing revenue derived from existing customers	Reaching relevant audience*	Increasing total lead volume*
4	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities	Increasing revenue derived from existing customers	Creating quality content*
5	Sales enablement*	Reducing the cost of contacts / leads / customer acquisition	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities
6	Reducing the cost of contacts / leads / customer acquisition		Reducing the cost of contacts / leads / customer acquisition	

*Option only available that year

Thinking specifically about inbound marketing projects, what are your company's top priorities?

When we look at inbound-specific priorities, growing SEO has replaced blog content creation in the top spot. There's also movement further down the list. Webinars ranked high in 2014 but dropped off in 2016.

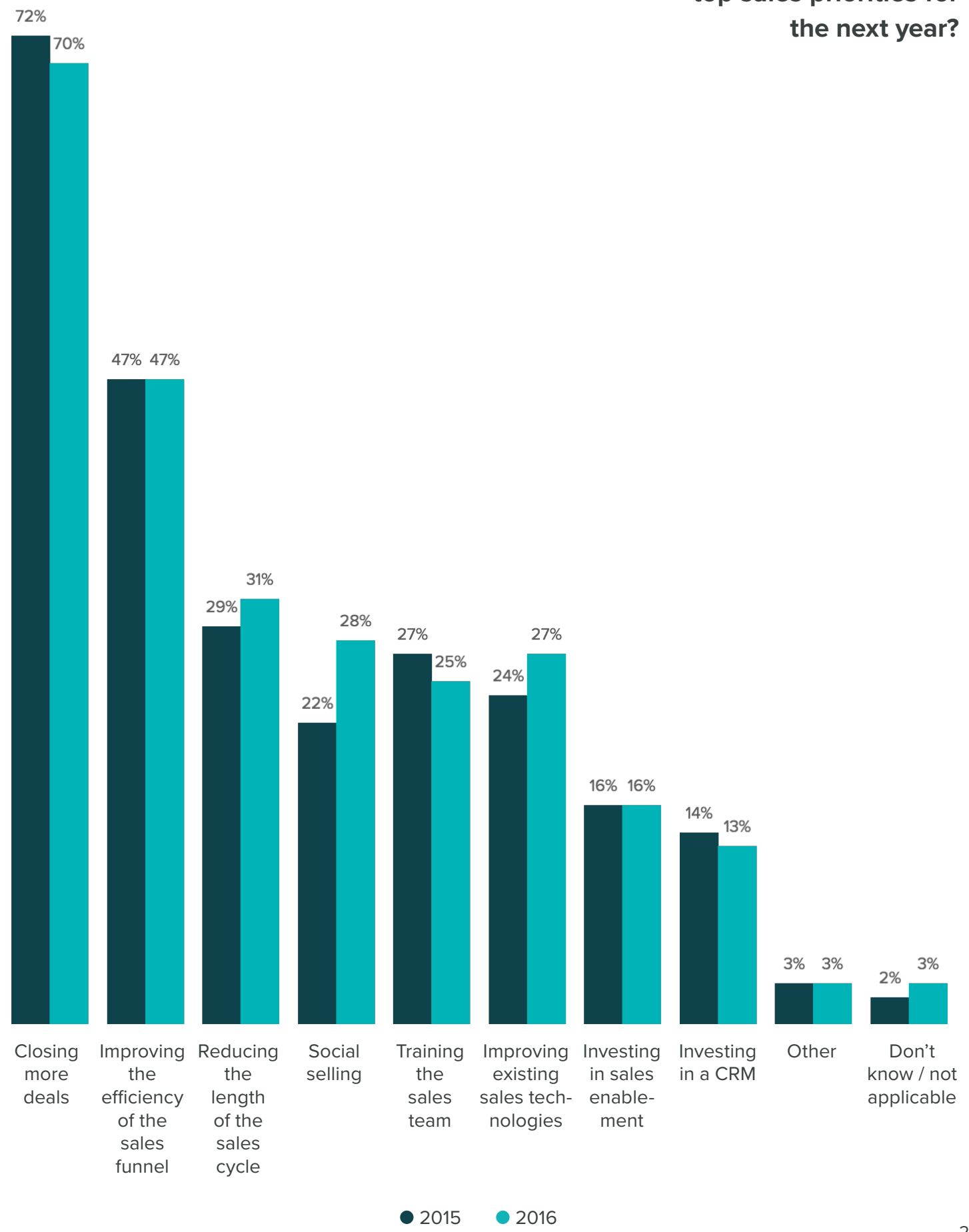
Rank	2016	2015	2014
1	Growing SEO / organic presence	Growing SEO / organic presence	Blog content creation
2	Blog content creation	Blog content creation	Growing SEO / organic presence
3	Content distribution / amplification	Content distribution / amplification	Content distribution / amplification
4	Marketing automation*	Long-form / visual content creation	Webinars
5	Interactive content creation	Interactive content creation	Long-form / visual content creation
6	Long-form (ebooks, whitepapers)	Online tools	Interactive content creation
7	Visual content creation (infographics)	Webinars	Product how-to videos
8	Online tools	Product how-to videos	Online tools
9	Product how-to videos	Freemium trials	Freemium trials

*New Option



We see some minor shifts in sales priorities year-over-year -- with the biggest gain in the social selling category (+6%)

What are your company's top sales priorities for the next year?



Proving ROI has been a consistent challenge for Marketing.

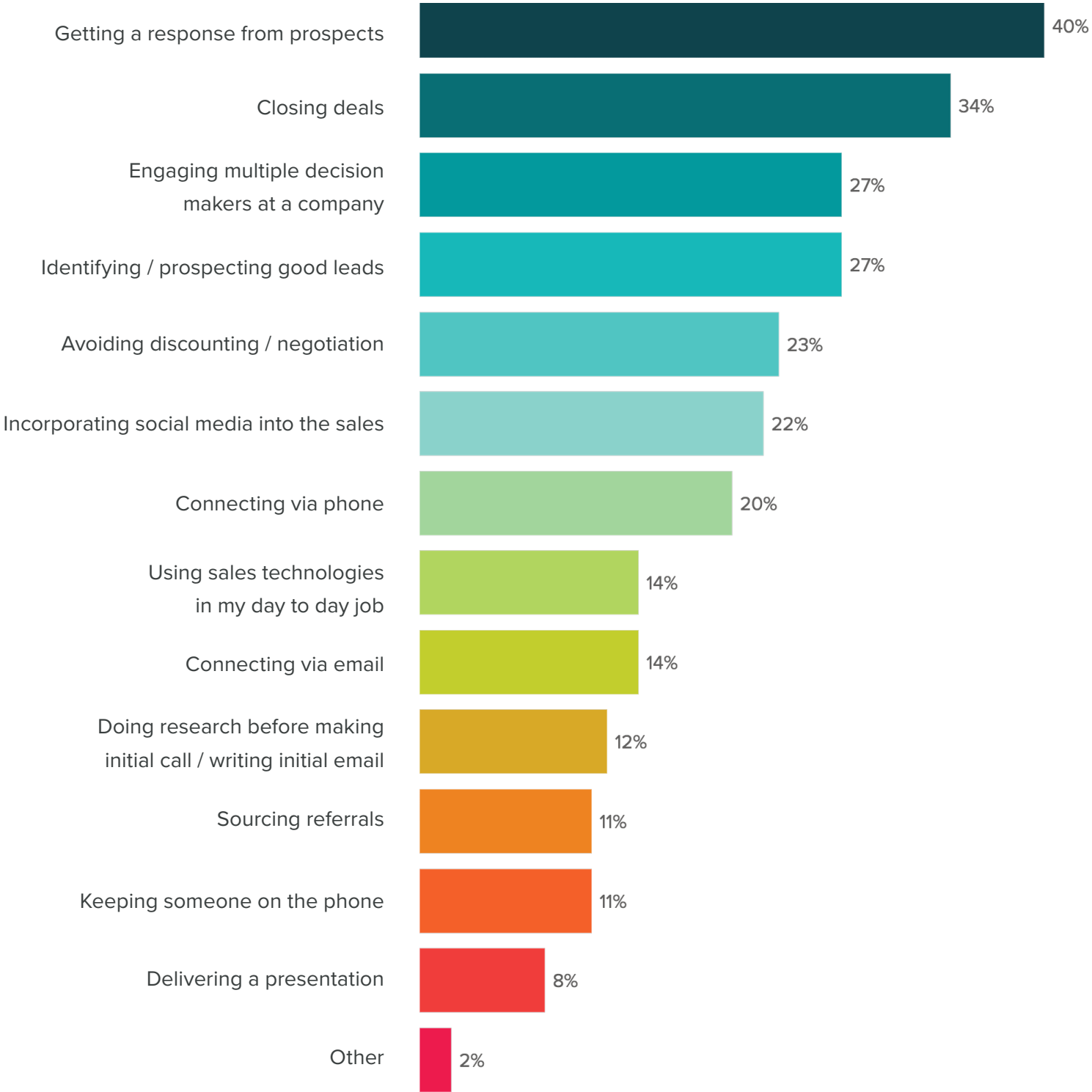
In previous State of Inbound reports, we’ve found measuring and proving ROI impacts the success of a marketing organization and their future budget.

Rank	2016	2015	2014	2013
1	Generating traffic and leads*	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities
2	Proving the ROI of our marketing activities	Securing enough budget	Securing enough budget	Securing enough budget
3	Securing enough budget	Managing our website	Controlling my technology or website	Controlling my technology or website
4	Managing our website	Identifying the right technologies for my needs	Targeting content for an international audience	Targeting content for an international audience
5	Identifying the right technologies for my needs	Training our team	Hiring top talent	Hiring top talent
6	Targeting content for an international audience	Targeting content for an international audience	Training our team	Training our team
7	Training our team	Hiring top talent	Finding an executive sponsor	Finding an executive sponsor

*New Option

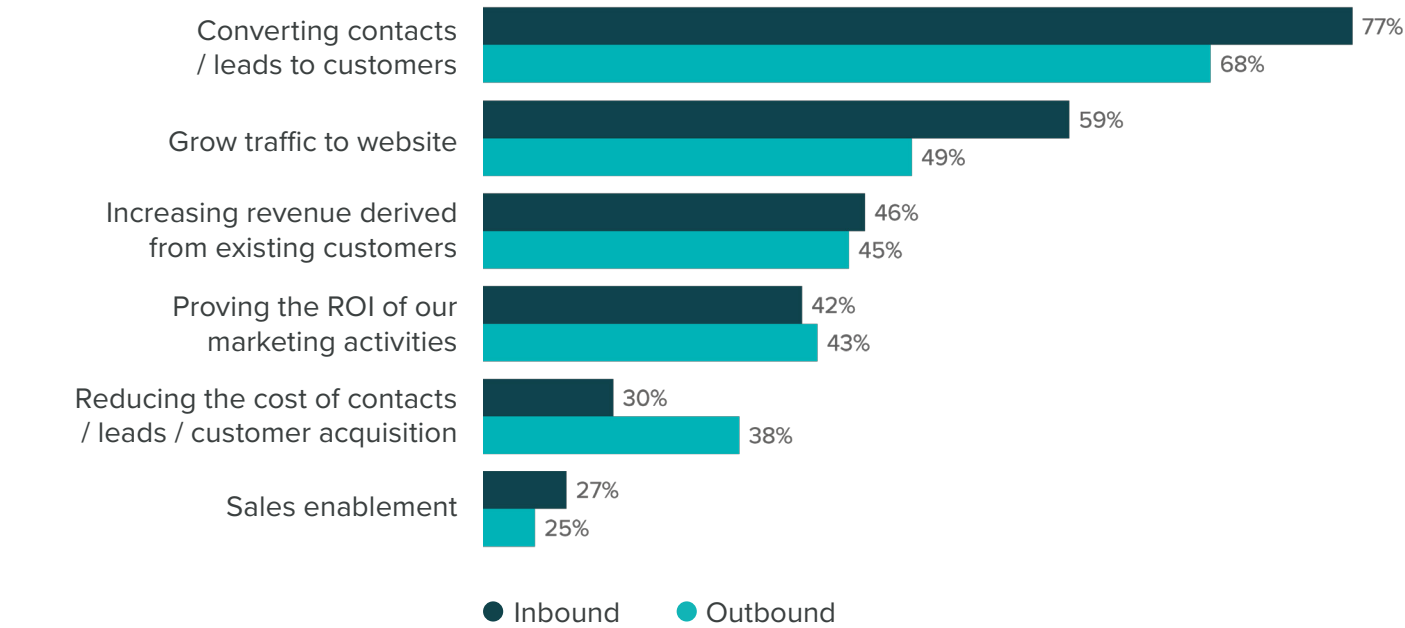
What is more difficult to do in sales compared to 2 to 3 years ago?

On the sales side, getting a response is the biggest challenge compared to a few years ago. A quarter of sales respondents also face more complex purchases with multiple decision makers involved in the sale. 14% also say using their sales technologies has gotten more difficult -- this may reflect the complexity of sales tools available today or the sheer number of tools some sales representatives have to use.



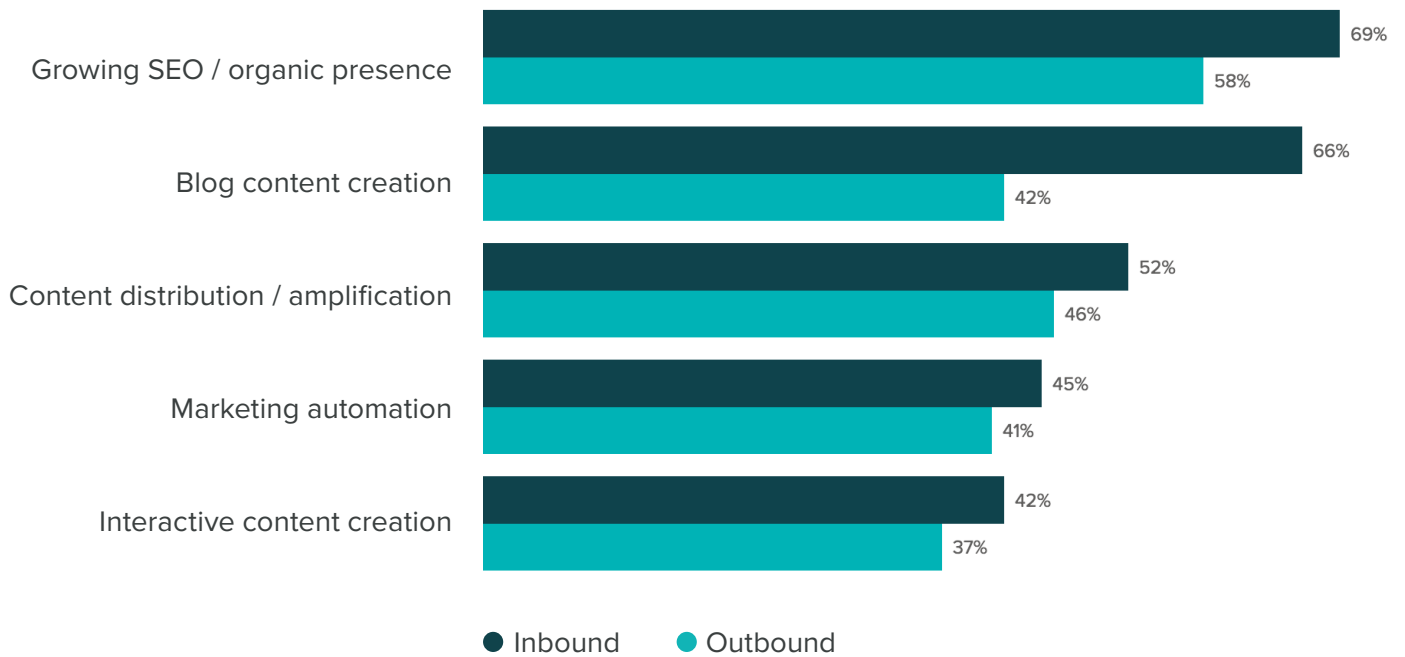
What are your company's top marketing priorities over the next 12 months?

If we dissect the responses of inbound and outbound marketing teams, we see a few differences in how these respective teams approach marketing. Overall, outbound organizations are slightly more likely to focus on sales enablement than inbound organizations — which are more inclined to focus on leads and traffic growth.



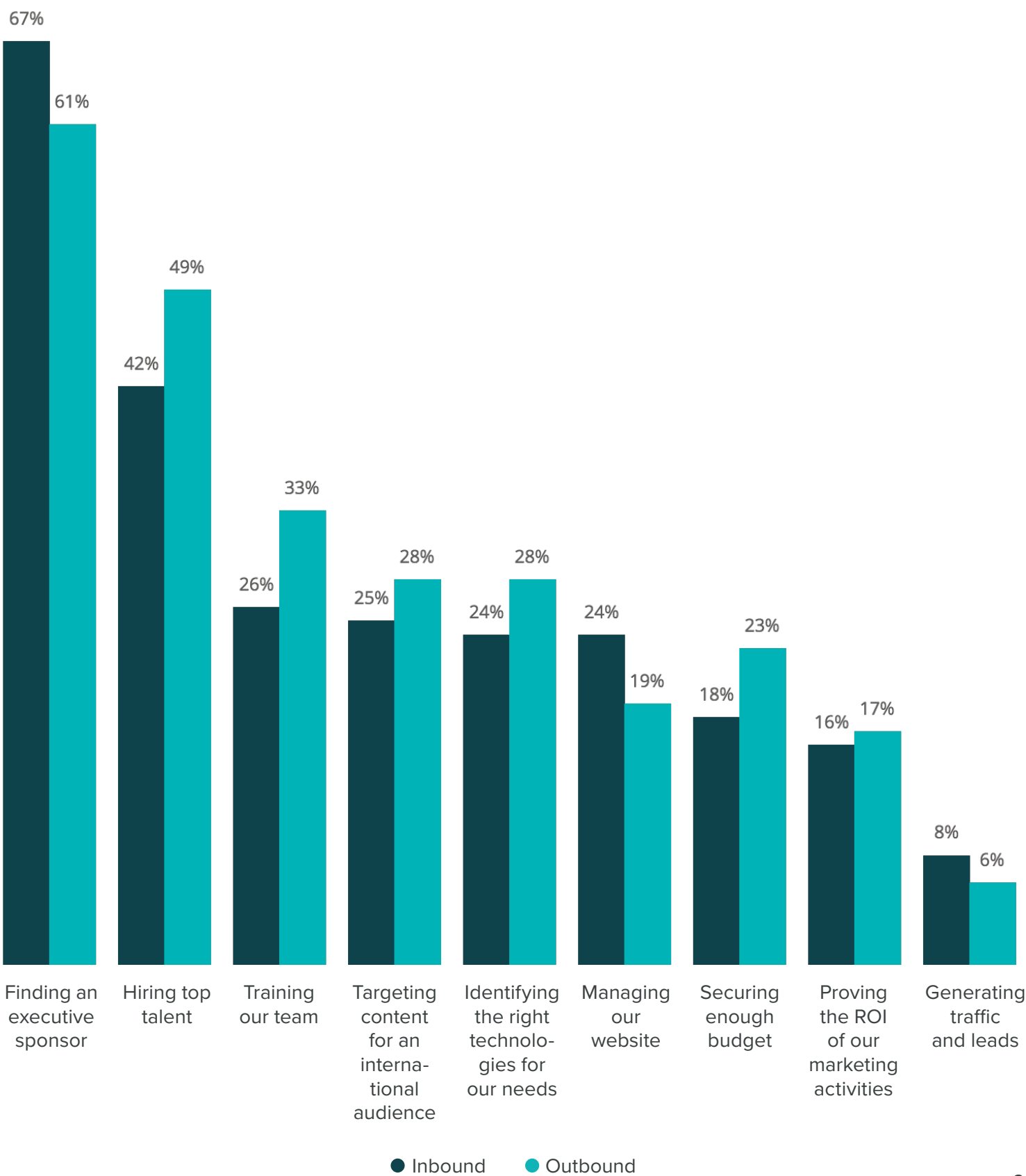
What are your company's top inbound marketing priorities over the next 12 months?

Compared to outbound teams, 24% more inbound organizations will focus on content creation; 11% more inbound organizations prioritize growing organic reach.



What are your company's top marketing challenges?

Companies that described themselves as outbound shops also seem to have slightly more trouble with proving ROI (49% versus 42%), securing budget (33% versus 26%), and training their team (23% versus 18%) compared to their inbound marketing peers.




Inbound's Role in Marketing Effectiveness

Over the past few years, we've established the challenges and priorities for marketing and sales teams in the State of Inbound report. This year, we introduced a new angle in our study: Do marketers believe in their organization's marketing strategy?

Turns out, 61% of marketers think their organization's marketing strategy was effective.





When we looked into the composition of effective marketing organizations, we found

inbound organizations were 4 times as likely to rate their marketing strategy highly.

Based on our data, inbound marketers are much more likely to be satisfied with the tactics their organizations are prioritizing.

Based on your organization's approach to marketing, do you feel that your marketing strategy is effective?

18%
We primarily conduct outbound marketing



81%
We primarily conduct inbound marketing



“Yes, our marketing strategy is effective.”

What are your company's top marketing challenges?

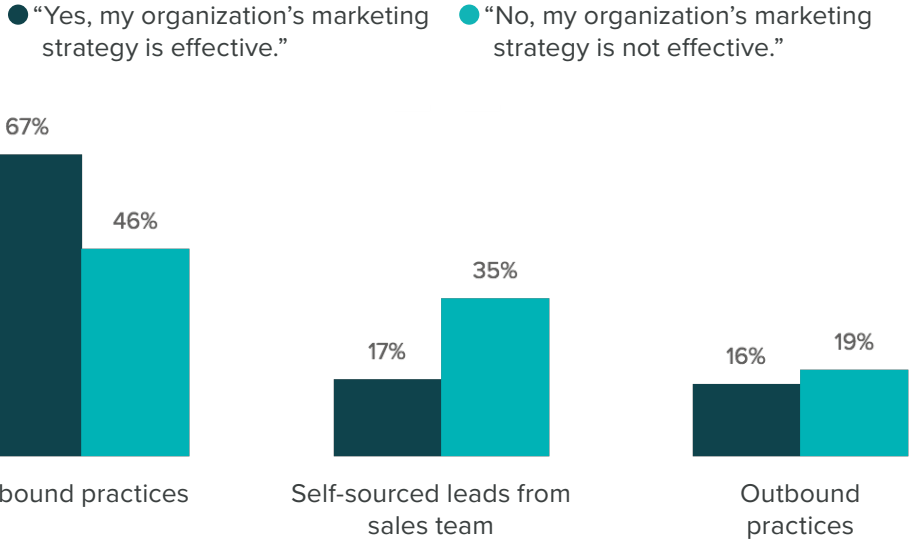


When we looked at the challenges faced by marketing teams, ineffective teams cited managing their website as a challenge 10% more often than effective teams.

Perhaps lack of control or technical limitations to ineffective teams' websites also impacts lead quality. In a separate question about the best sources of leads sales teams receive, ineffective marketing teams were twice as likely to admit the best leads were produced by sales compared to effective teams. Just 17% of effective marketing teams ranked self-sourced sales leads as the highest quality leads for their organization, compared to 35% of ineffective teams.

Many components contribute to a marketing team's failure to provide quality leads to Sales, but with a third of ineffective marketing teams saying they have trouble managing their own website, this barrier likely contributes to Marketing's failure to provide great leads.

Which source provides the highest quality leads for your sales team?

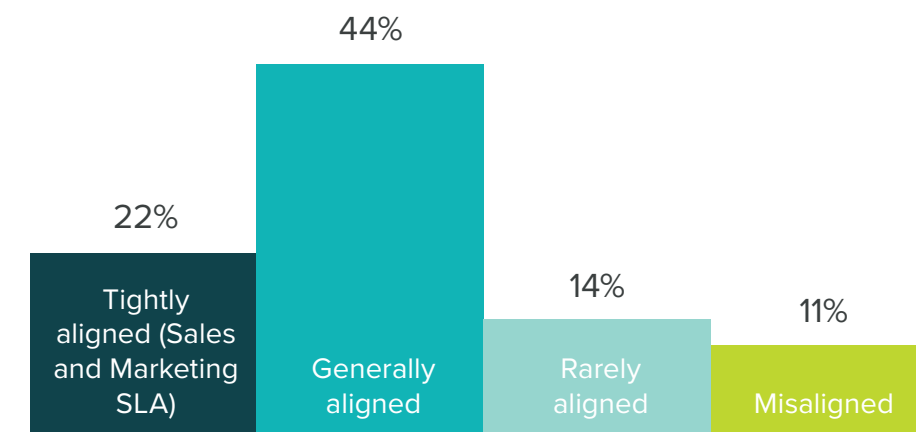


Why Marketing and Sales Alignment Is Critical

The handshake between Sales and Marketing tends to produce the most measurable results for a marketing team.

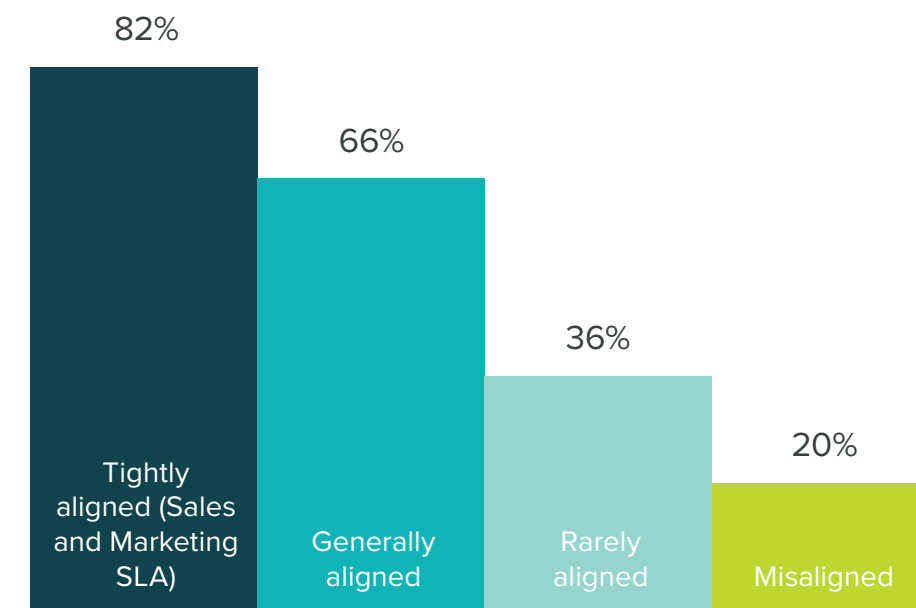
Some typical key performance metrics are number of leads sourced by Marketing for Sales, number of marketing qualified leads (MQLs) handed to Sales, number of MQLs worked by Sales, and number of deals closed by Sales that originated from Marketing.

How would you characterize your company's sales and marketing relationship?



Inbound marketing philosophy works hand in hand with the concept of smarketing, and our data shows that when the two work in tandem, there is a higher chance for success. Of those with an SLA, 82% said their marketing strategy was effective. For those who said they were misaligned, only 20% thought their marketing strategy was effective. The less aligned Sales and Marketing are, the more negative the outlook.

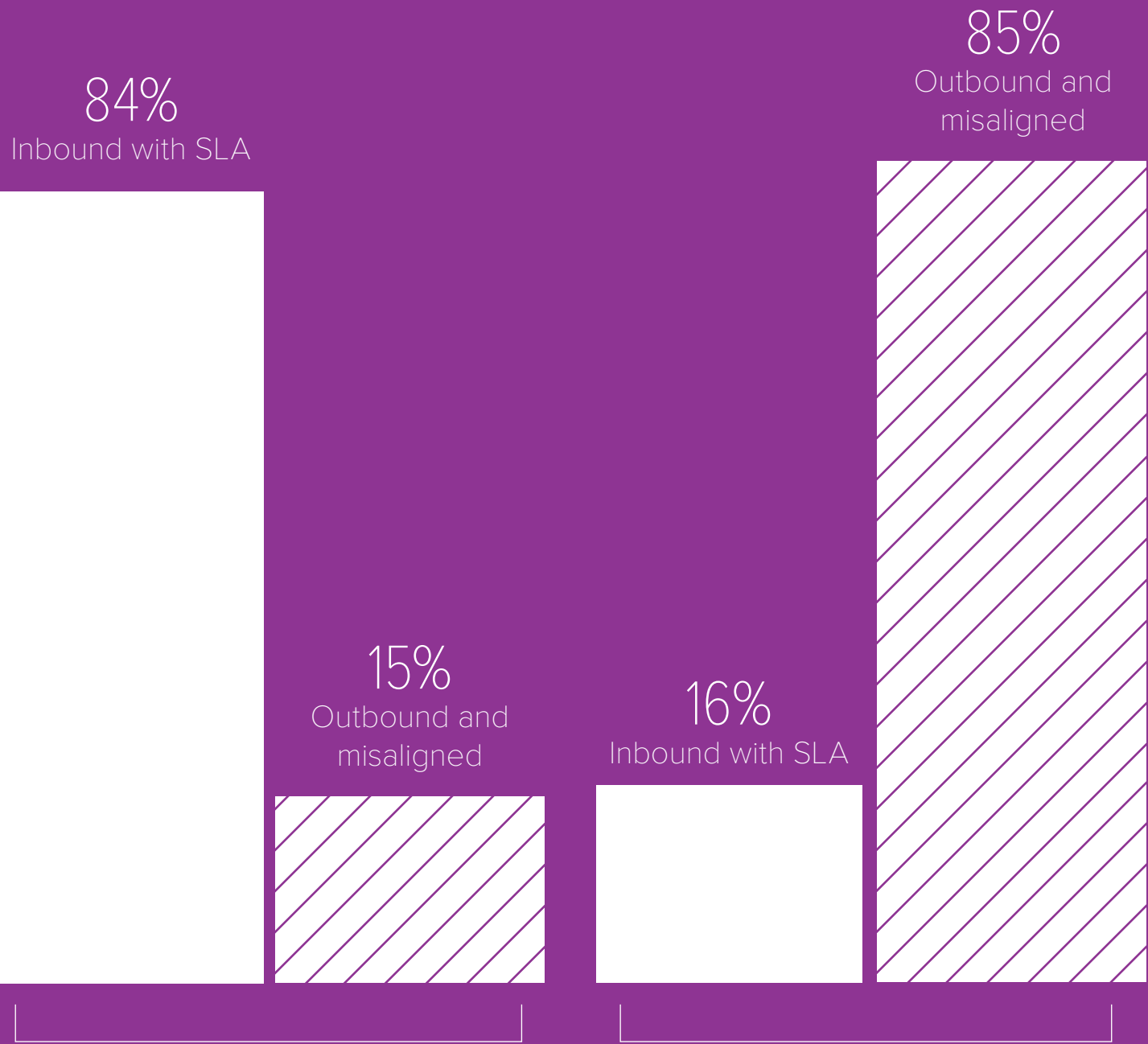
Of company's who say their marketing strategy is effective, how aligned is their Sales and Marketing relationship?



“Our marketing strategy is effective.”

Based on how you characterized your company's Marketing and Sales relationship, do you feel that your marketing strategy is effective?

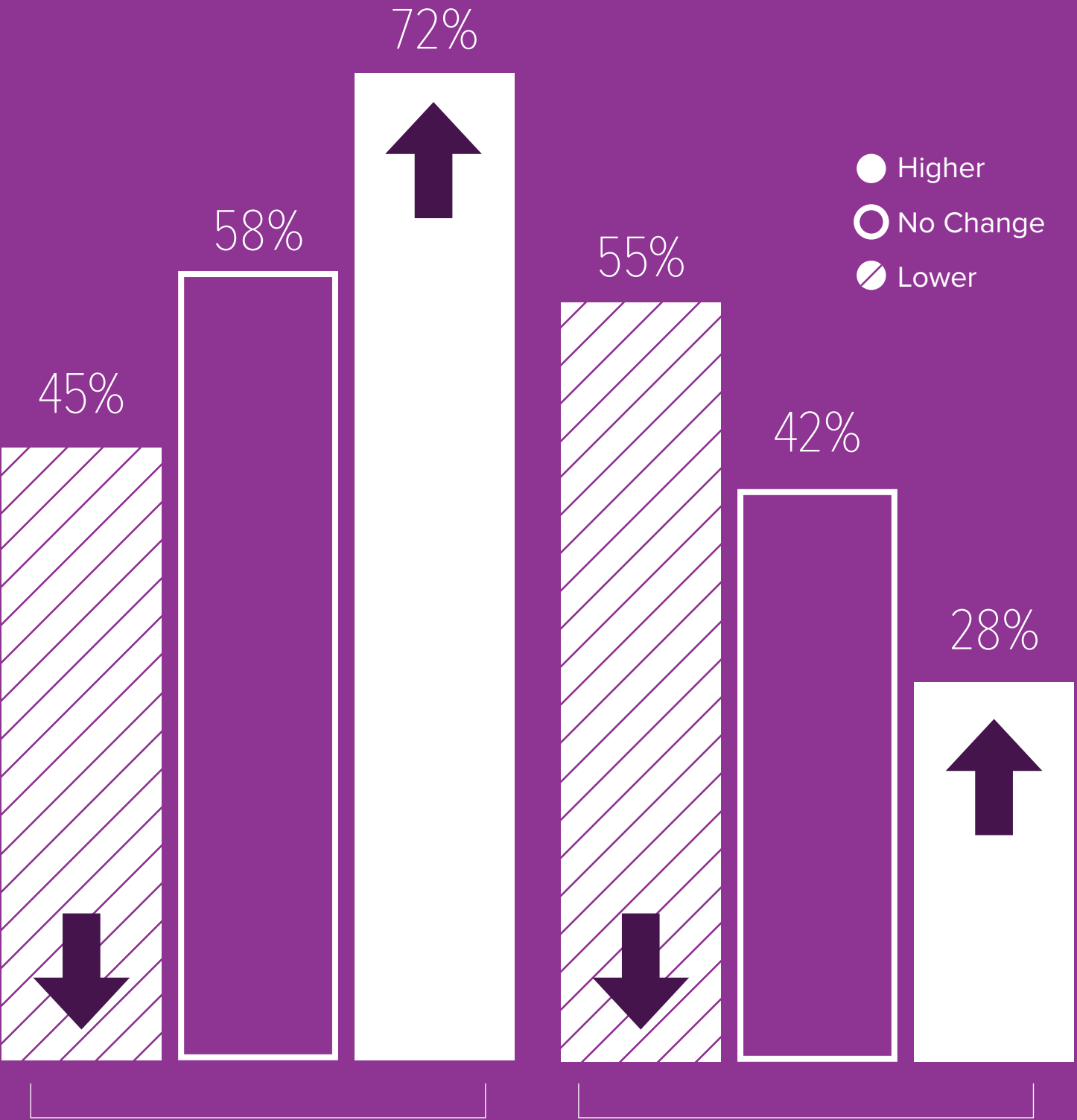
For our survey respondents, the most powerful combination of characteristics for an effective marketing organization is to 1) be inbound and 2) have an SLA between Sales and Marketing. Inbound organizations with SLAs are over 5 times as likely to rate their marketing strategy as effective compared to outbound organizations with misaligned marketing and sales teams.



“Our marketing strategy is effective.” “Our marketing strategy is not effective.”

How does your company's current budget for inbound marketing compare to last year's?

Effective strategies obviously produce results, and our data shows those who feel confident in their marketing strategy are over 2 times as likely to get higher budgets for their marketing teams.



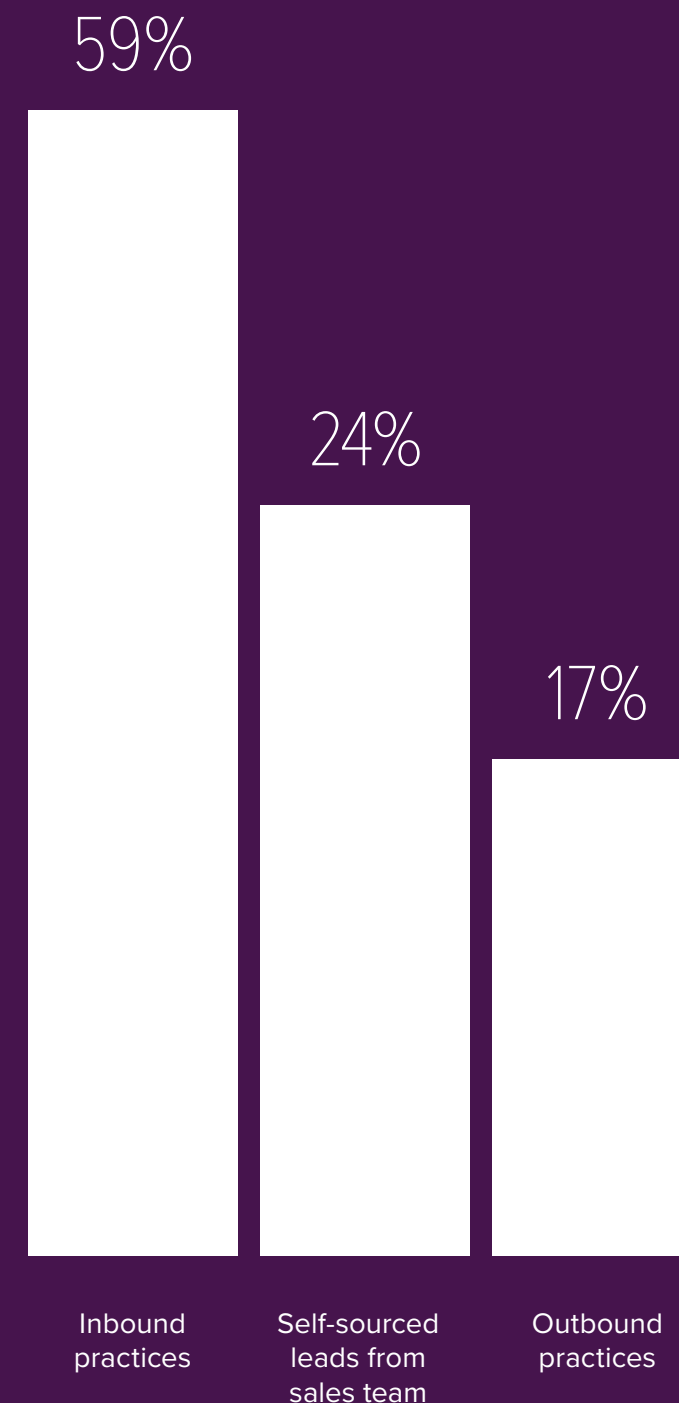
“Our marketing strategy is effective.” “Our marketing strategy is not effective.”

We Need to Talk: Marketing and Sales' Disconnect

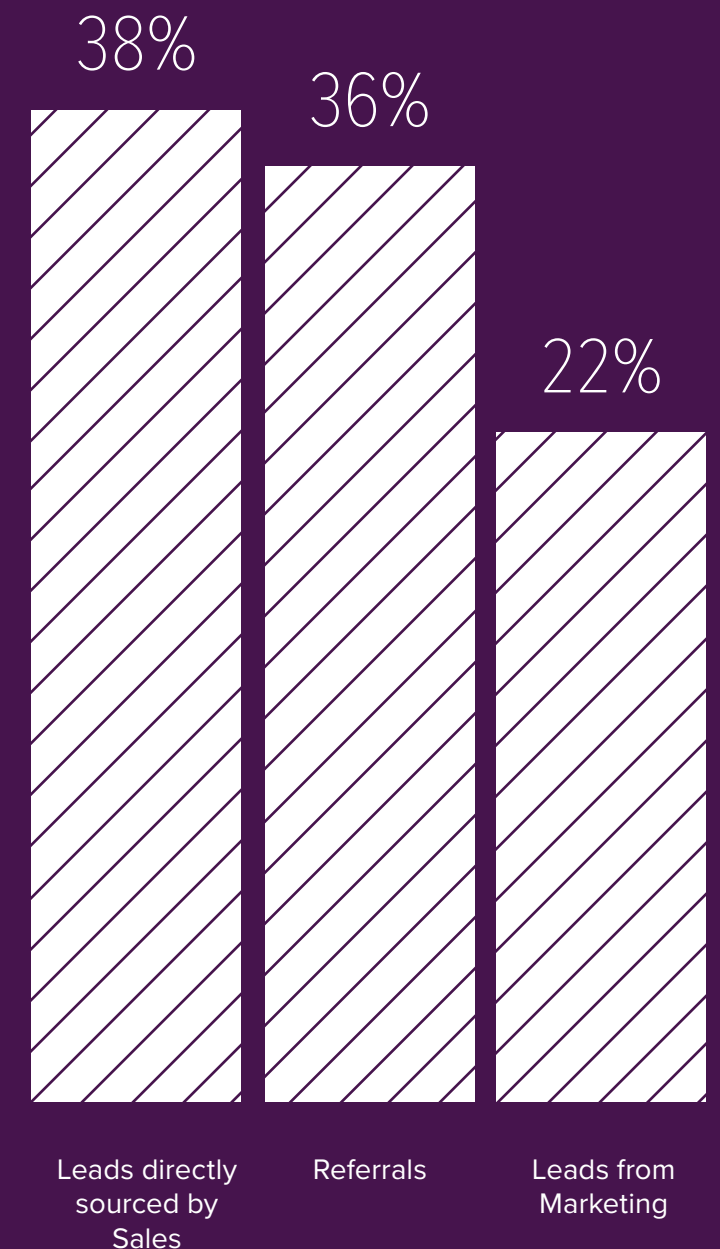
There's always room to improve the handoff between Marketing and Sales, and our data shows marketing and sales teams need to continually communicate and refine their SLA, even if there's already one in place.

When we asked marketers where they got their best leads, the majority said inbound-sourced leads were the highest quality. However, salespeople who participated in our study rated marketing-generated leads last, behind self-sourced leads and referrals.

Marketers, which source provides the highest quality leads for your sales team?

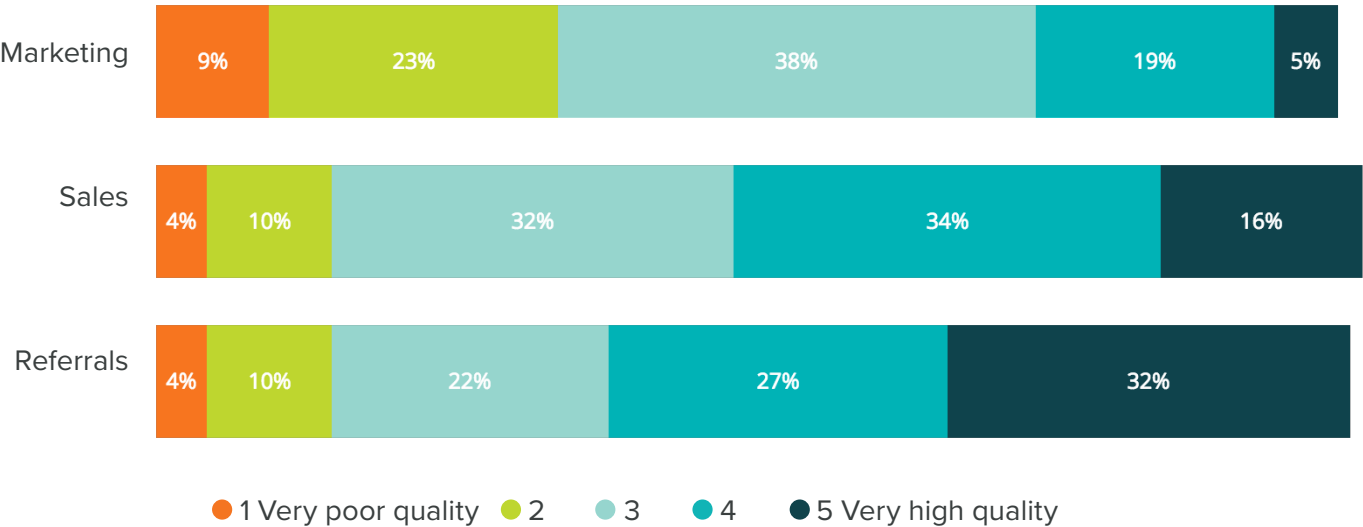


Salespeople, which is the top source of leads for your sales organizations?



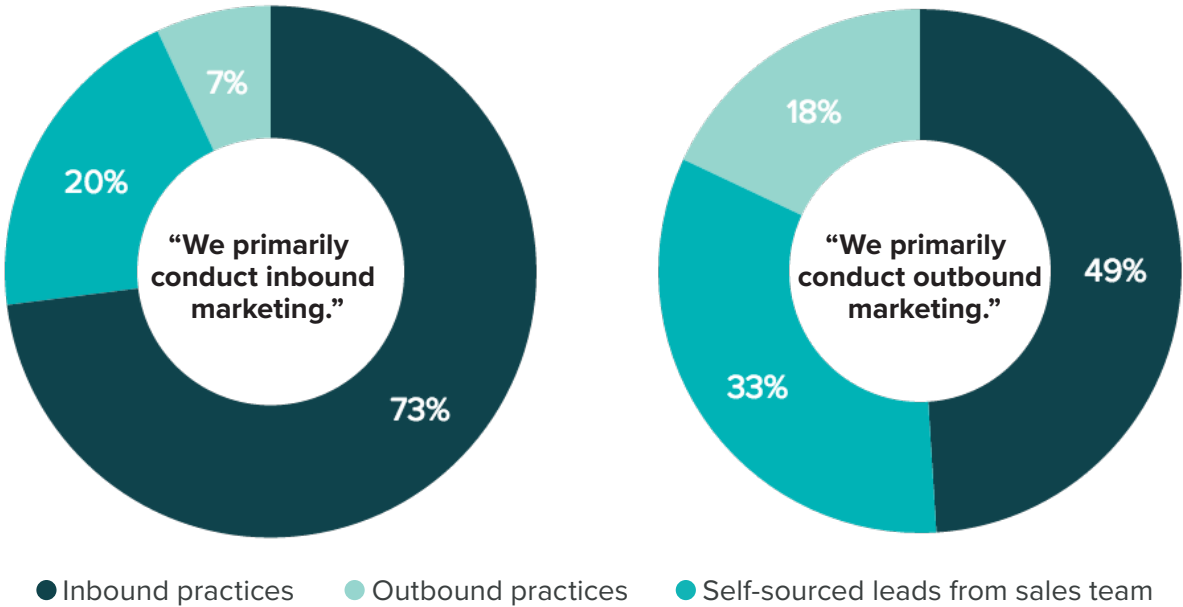
How would you rate the quality of the leads you receive from the following sources?

Breaking down scores on a more granular level, a full 70% of sales respondents gave marketing-generated leads a 3 out of 5 or less.



Based on your organization’s primary marketing approach, which source provides the highest quality leads for your sales team?

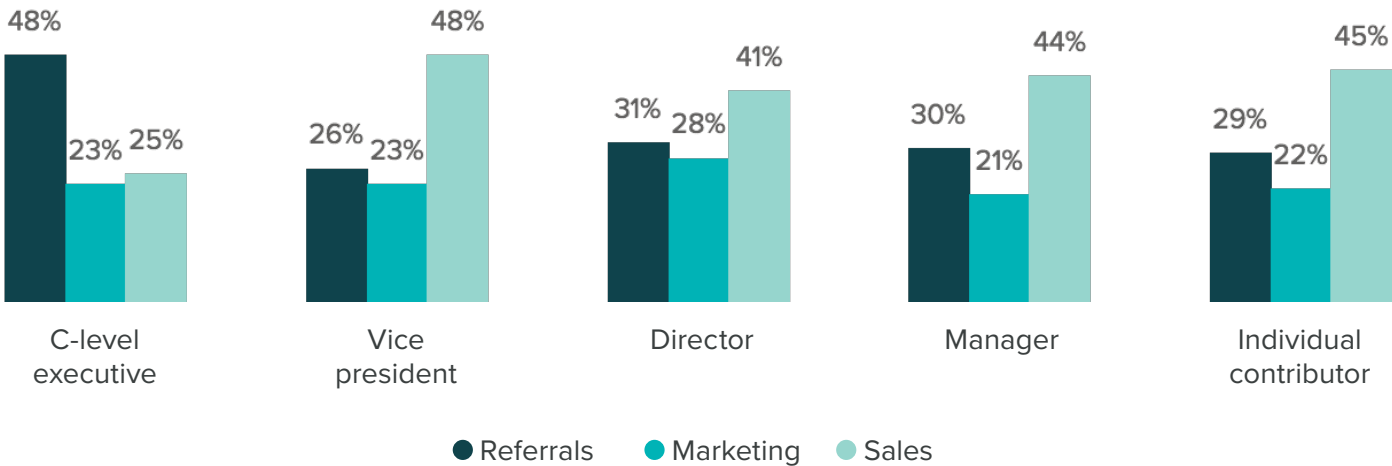
The difference in where quality leads comes from is pronounced when we compare inbound and outbound marketing teams. 73% of inbound marketers say the best leads originate from inbound practices, compared to just 18% of outbound marketers. Given the different focuses of the cohorts, their differences are expected. What is interesting is that 20% of inbound marketers and 33% of outbound marketers admit that the best leads are sourced directly by Sales.



Which source provides the highest quality leads for your sales team? (by seniority)

The marketers who recognize Sales values the leads they individually source are realistic and pretty darn perceptive. When we asked sales professionals where the best leads came from, they rated the ones sourced from Marketing dead last.

When we cut the responses by seniority, we find that senior sales leaders actually value referrals the most. All other groups consistently rated Sales-sourced leads the highest.



Based on your company’s Marketing and Sales relationship, which source provides the highest quality leads for your sales team?

Clearly, the leads sourced by Marketing aren’t favored by Sales, even if Marketing is none the wiser. So we broke down Sales’ ratings of leads against Marketing and Sales alignment and found that sales organizations with SLAs were more likely to rate leads from Marketing higher. When Sales and Marketing have agreements in place that 1) defines a good marketing lead and 2) guarantees a work rate from Sales, the two groups work better together.



At the end of the day, it comes down to

commu- nication.

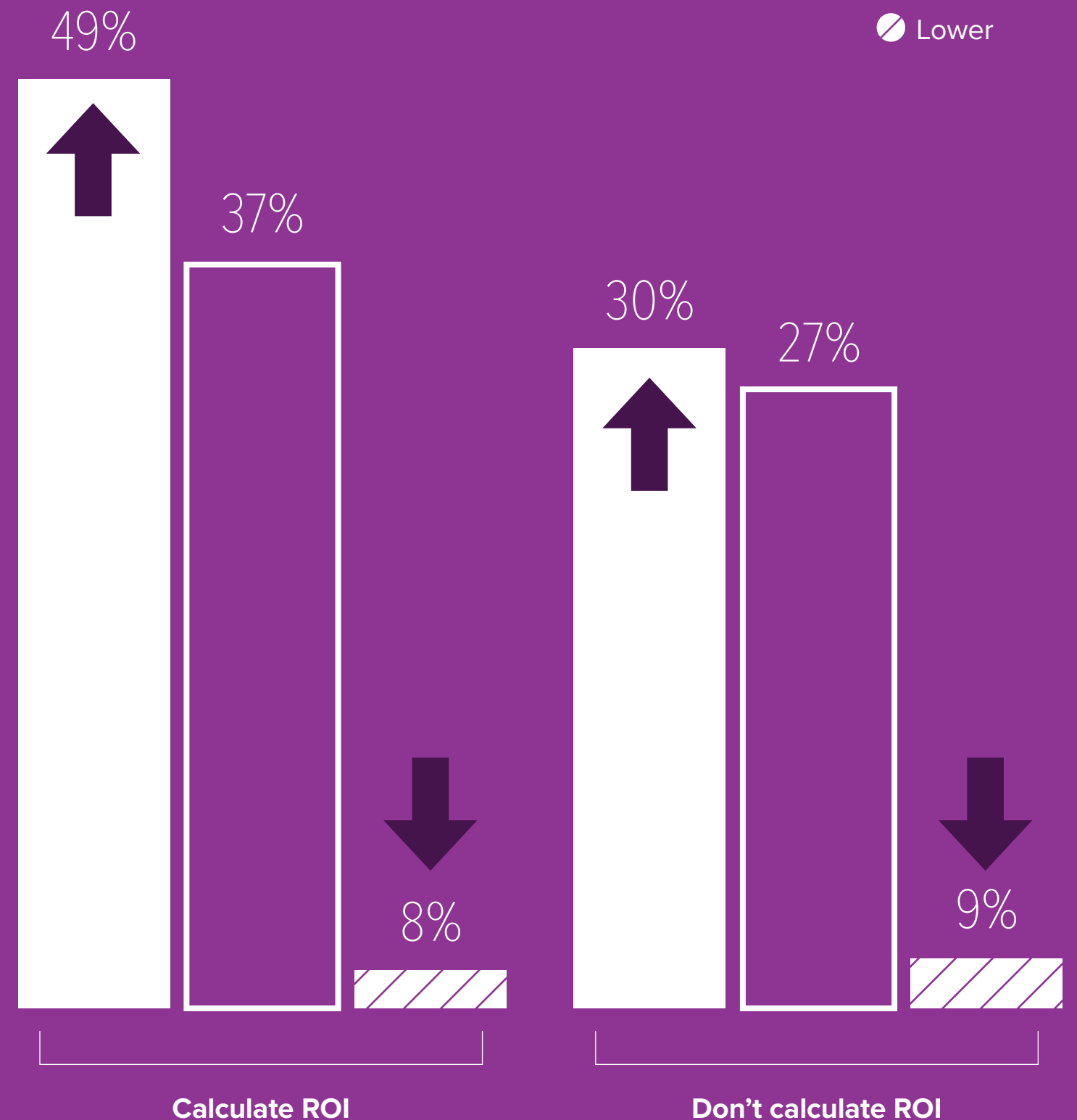
There's room for improvement on Marketing-sourced leads, but Marketing won't know what needs to be fixed unless there's a feedback mechanism built into the Marketing and Sales relationship. Whether it's truly the case that Marketing is failing to deliver enough quality leads to Sales or not, marketers should be aware of salespeople's low opinion of their work, and take action accordingly.

The Undeniable Connection Between ROI and Budget

Measuring ROI has been a top challenge for marketers over the years, yet we consistently find that being able to prove ROI is crucial to a marketing team's success. Those who can calculate ROI are 1.6x as likely to receive higher budgets.

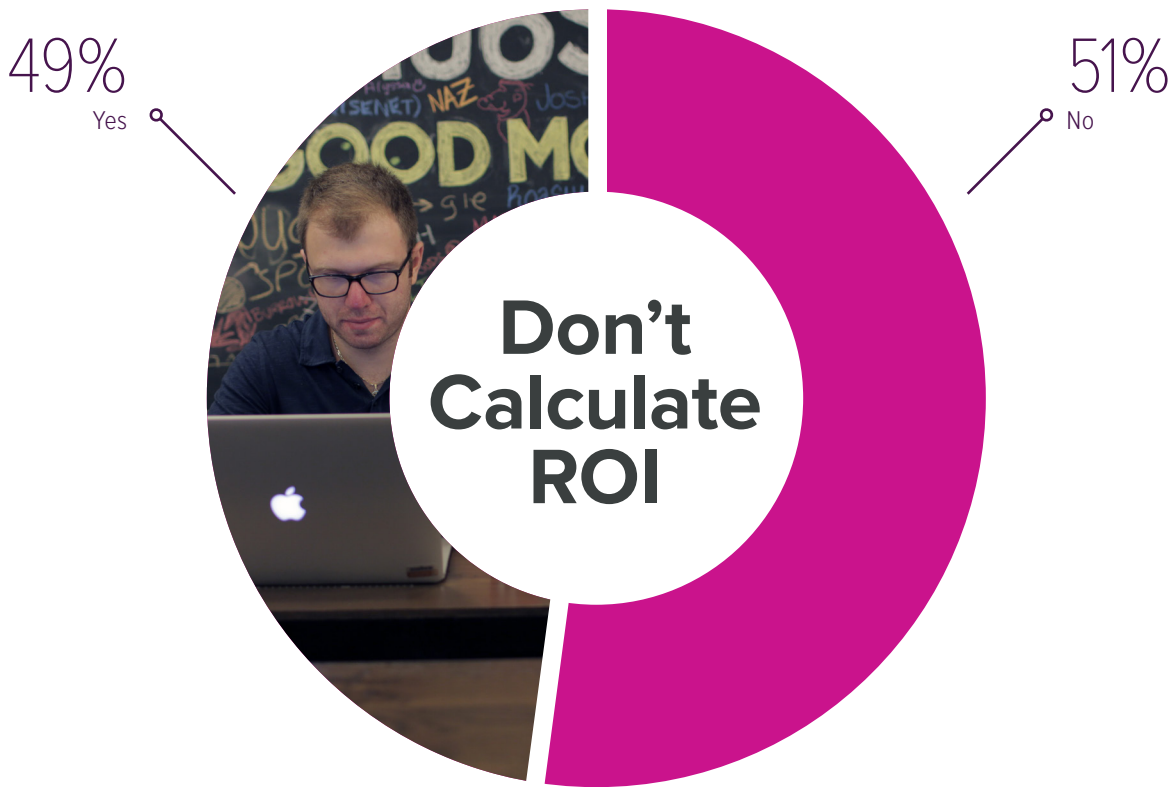
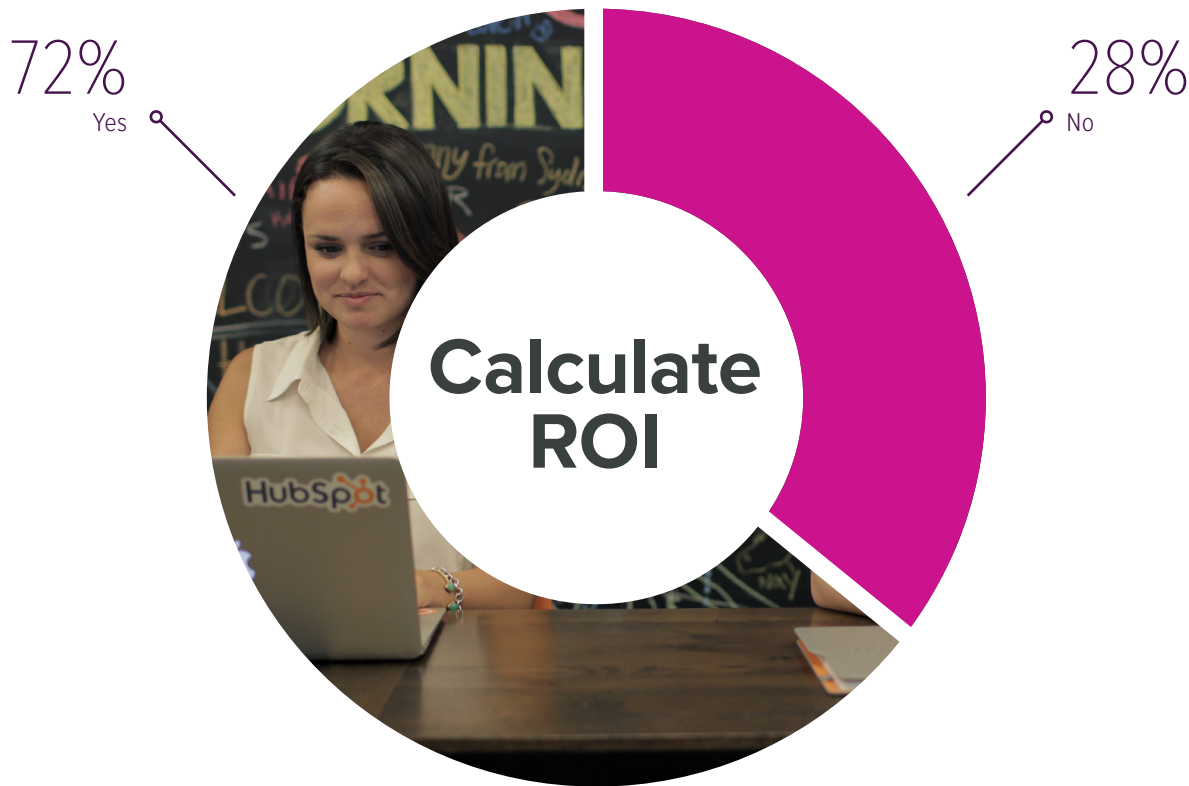
How does your company's current budget for inbound marketing compare to last year's?

- Higher
- No change
- ◐ Lower



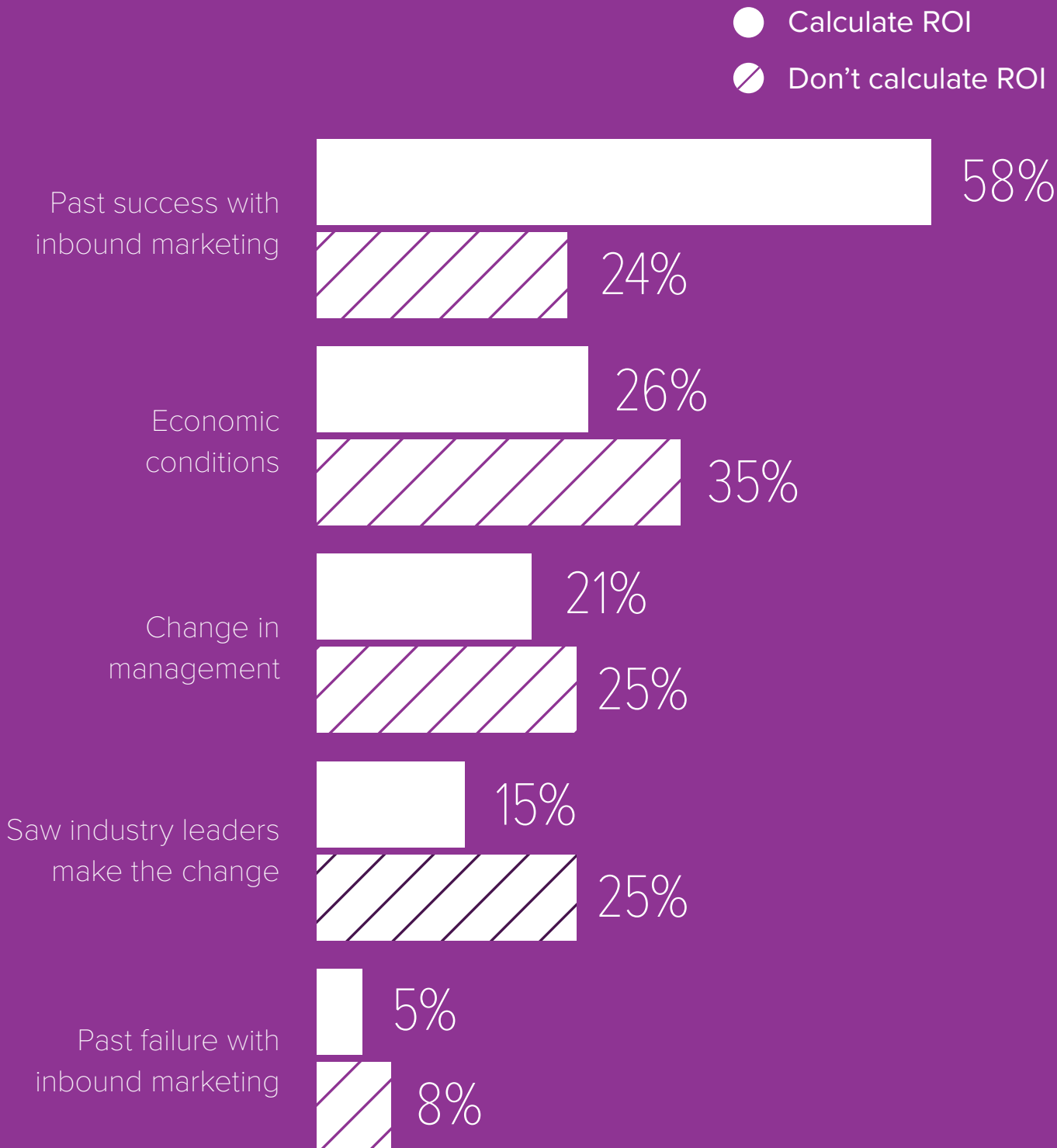
Do you feel that your organization's marketing strategy is effective?

Those who have calculated ROI have confidence in their marketing strategy. Those who don't calculate ROI are much more mixed in their assessment.



What drove the decision to change your inbound marketing budget year-over-year?

When asked what drove their marketing budget allocation, those who calculated ROI cited past success with inbound. Those who didn't calculate ROI said economic conditions had the most impact on budget.

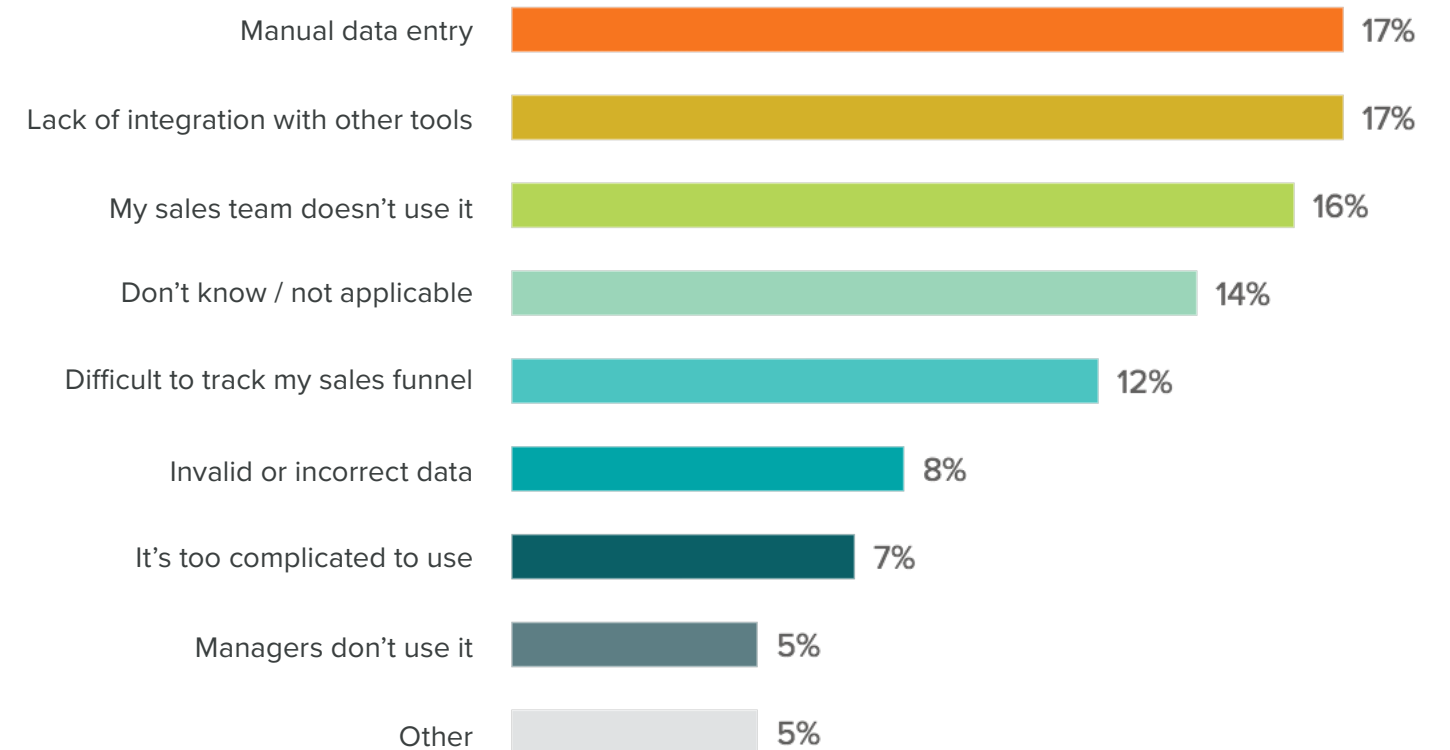


As marketing becomes more metrics driven, those who don't measure ROI risk losing out on budget. Marketing's strategic effectiveness is also more questionable when there are no numbers to justify specific tactics or campaigns.

The State of Sales Technology

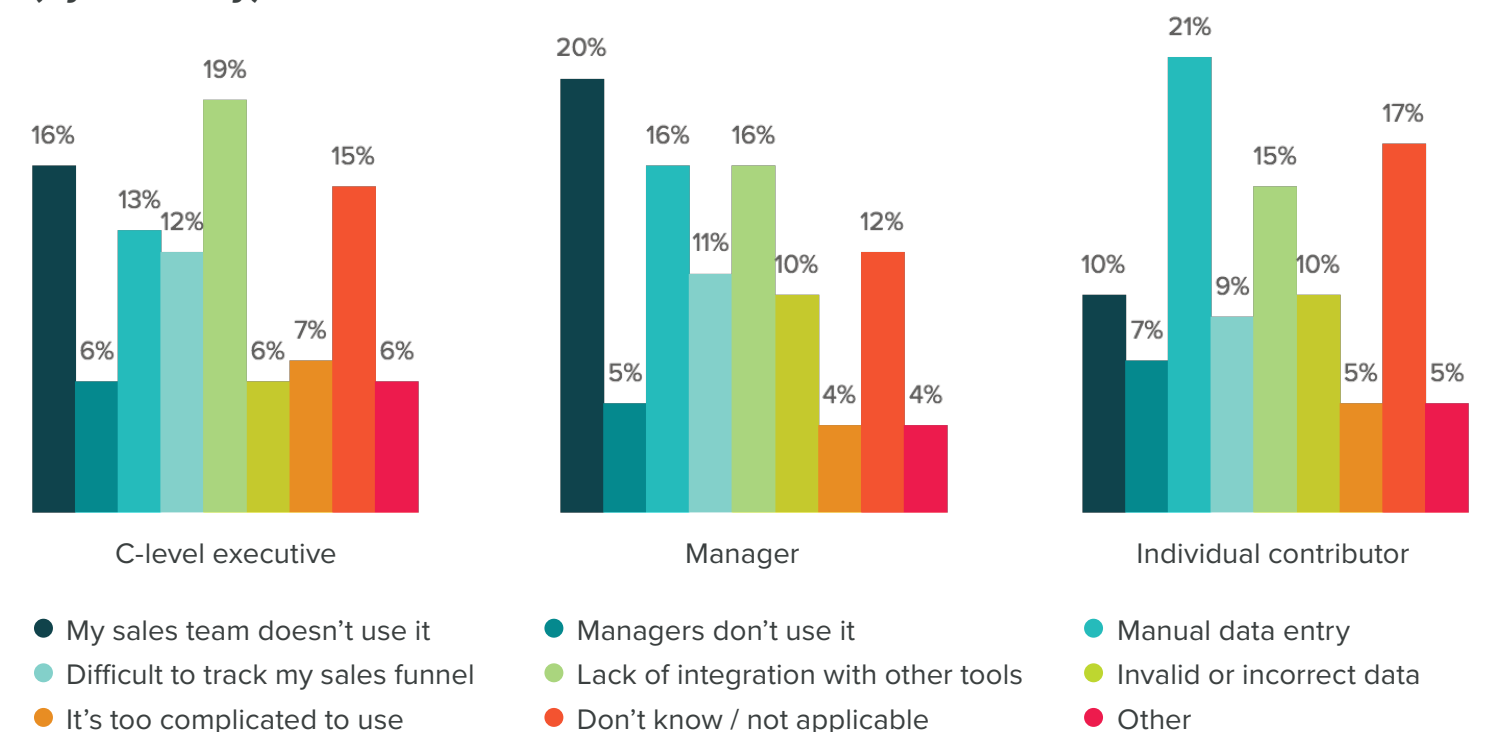
This year's survey data on sales technology makes one thing abundantly clear: It's time for sales and marketing tech vendors to have an integration conversation. "Lack of integration" and "manual data entry" tied as respondents' #1 CRM challenge.

What is your biggest challenge in using your existing CRM?



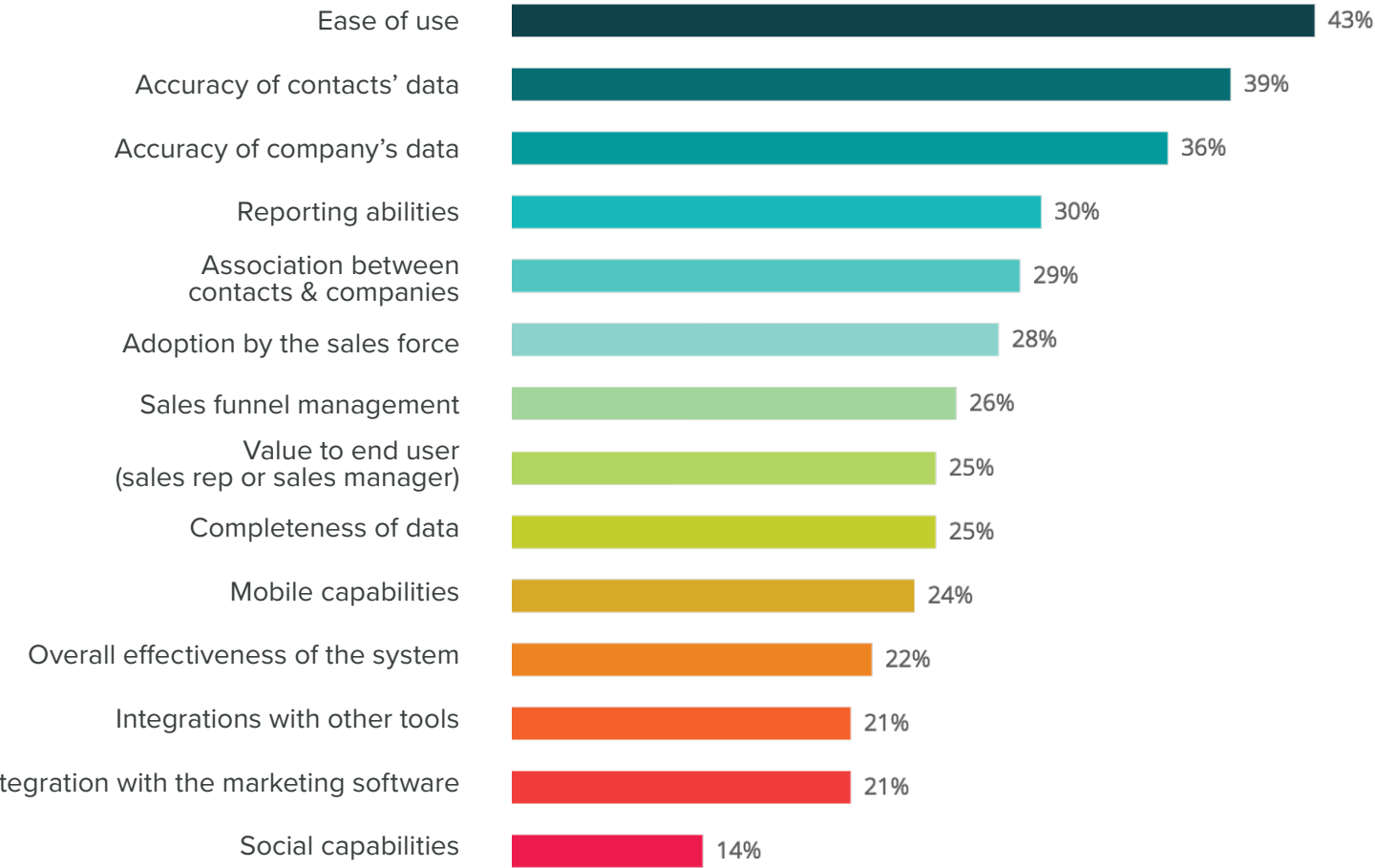
What is your biggest challenge in using your existing CRM? (by seniority)

While C-level executives were primarily concerned with integration issues, managers complained of low team usage, and reps cited manual data entry.



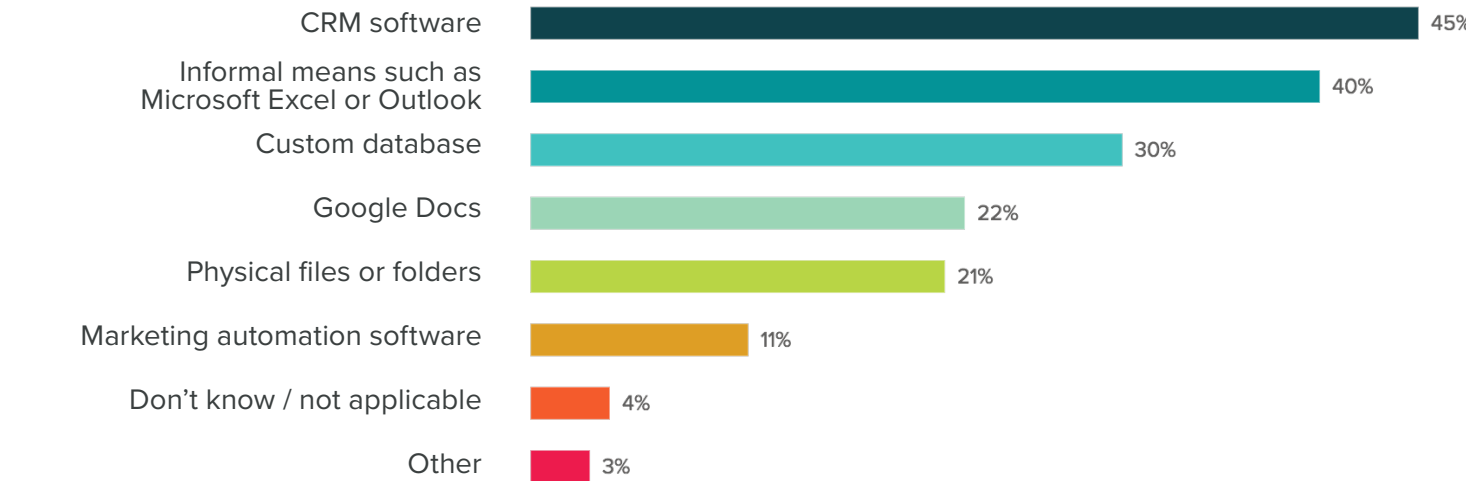
What aspects of your company’s CRM software are you confident in or consider to be high quality?

Dissatisfaction with integration also surfaced when talking about specific CRM features. Only 21% of salespeople said they considered their CRM software’s integration capabilities -- with marketing software or other tools -- to be high quality.



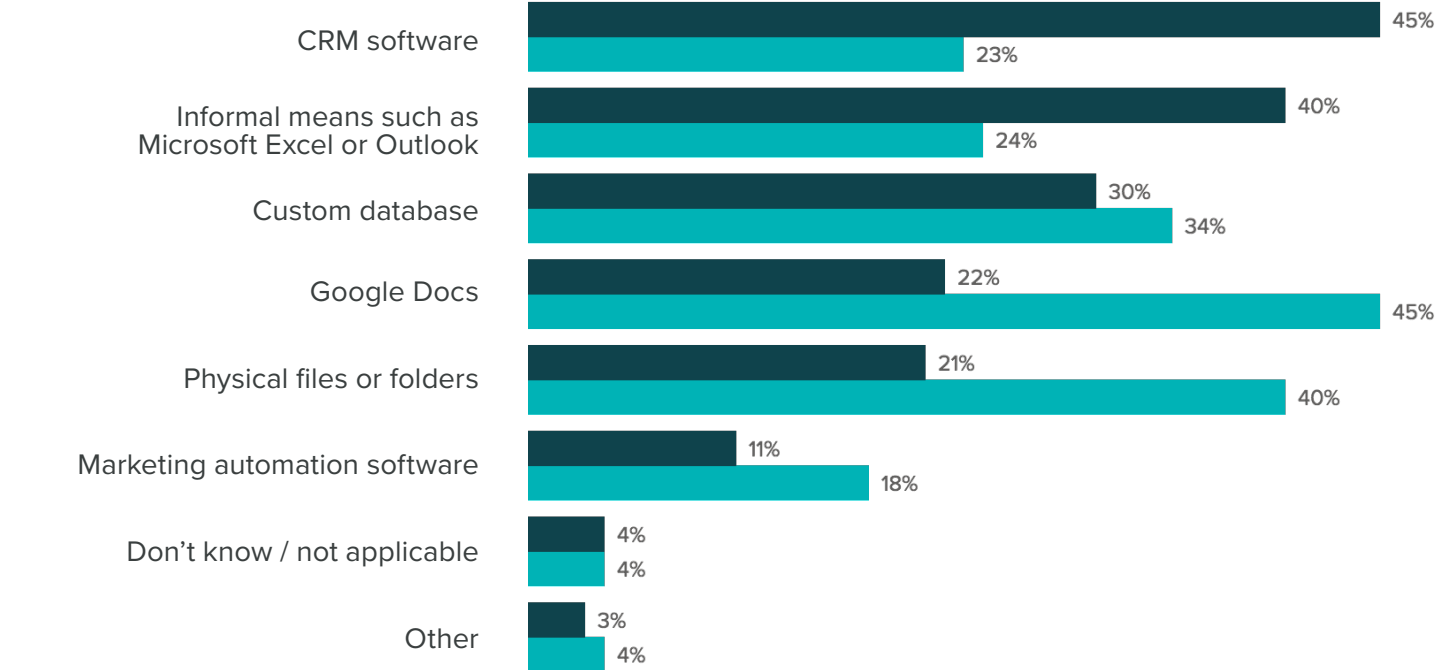
What tool or system does your organization use to store its lead and customer data?

Less than half of salespeople in our survey reported that they stored lead and customer data in a CRM. An astounding 40% use informal means such as Microsoft Excel, and 21% use physical files and folders.



What tool or system does your organization use to store its lead and customer data?

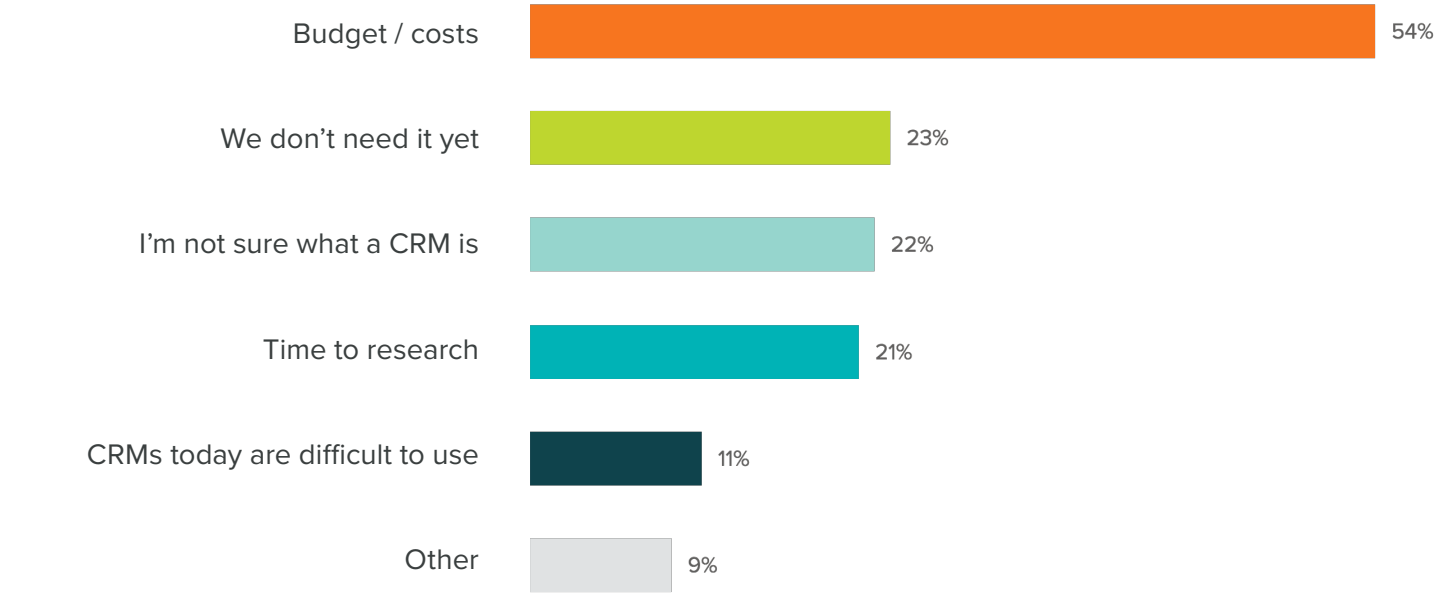
When we compare year-over-year data, there has been good progress in CRM adoption. But informal storage of lead and customer data grew in lockstep with CRM. A silver lining is that many stopped using physical files or folders or Google Docs to store customer data.



2016 2015

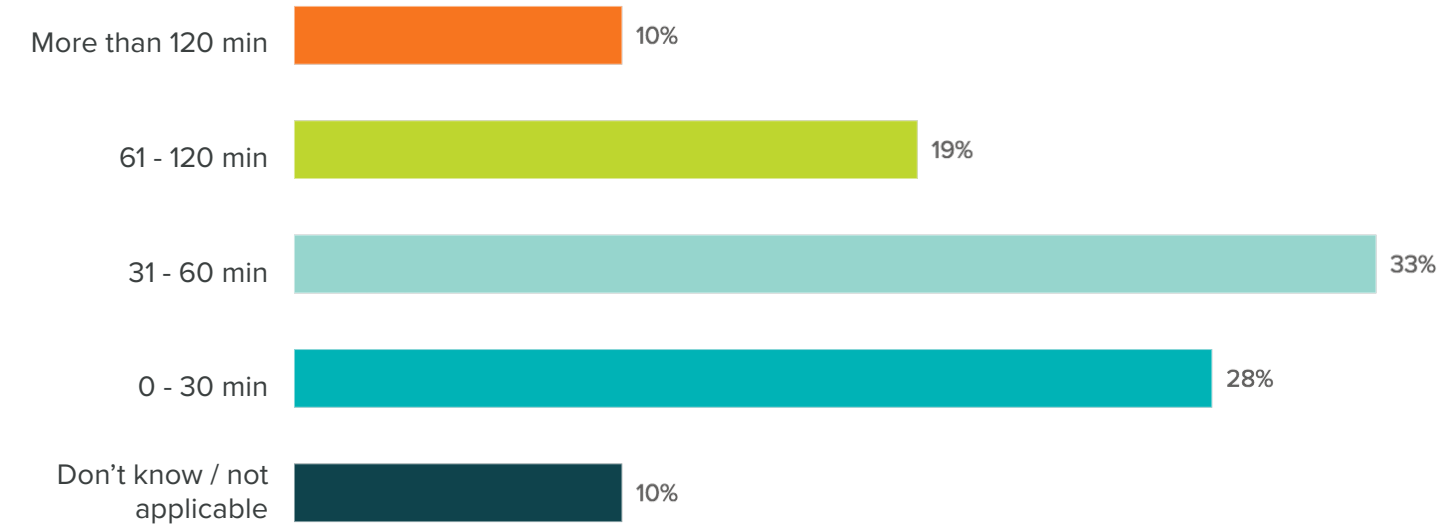
You said your organization doesn’t have a CRM. What are the factors that are limiting you from using one?

What’s stopping salespeople from implementing dedicated technology such as a CRM to store critical customer information? The majority of non-adopters are hamstrung by a lack of budget. Perhaps even more concerning, however, is the 22% of respondents who indicated they weren’t sure what a CRM was.



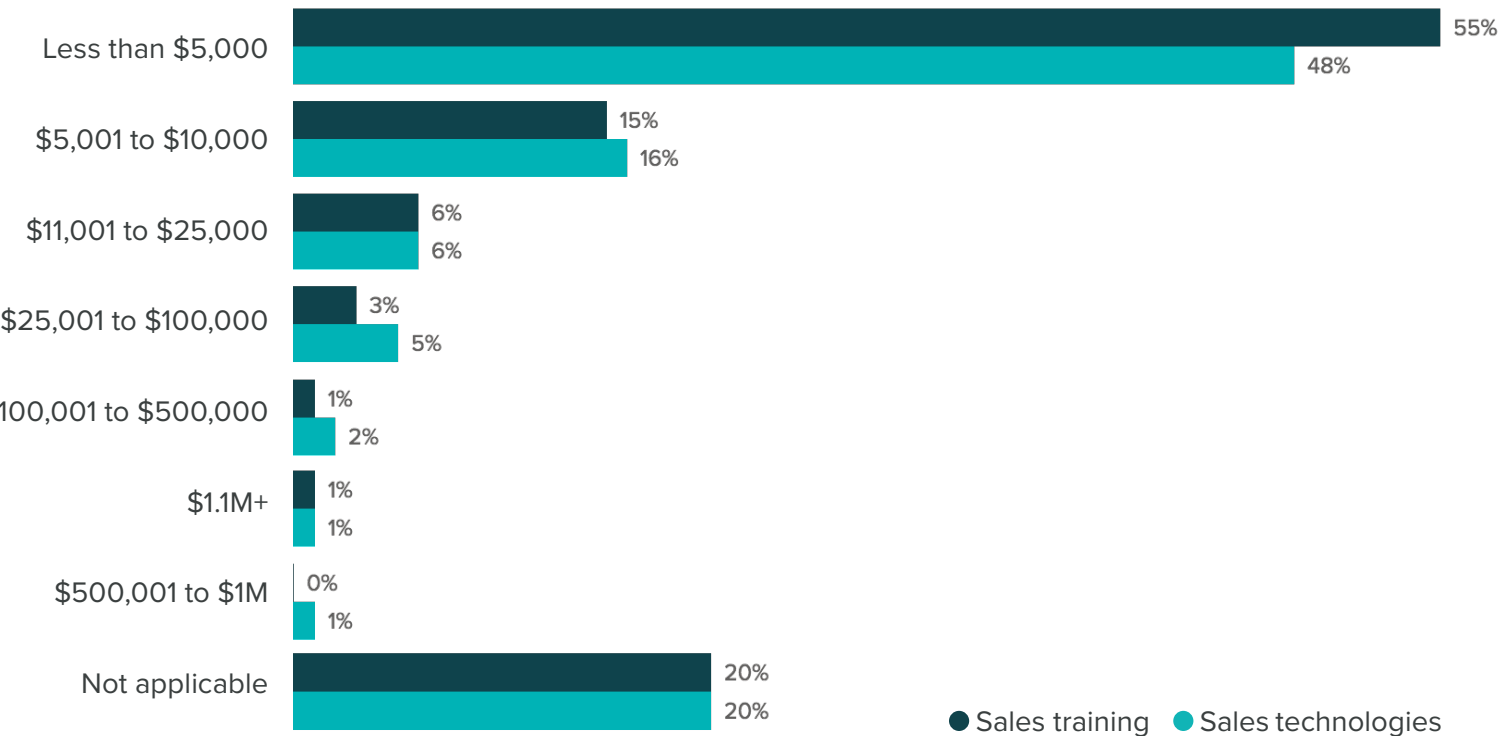
On average, how much time per day does your sales team spend performing data entry or other manual tasks?

29% of salespeople are spending an hour or more on data entry each and every day. And the more time sellers spend on data entry, the less time they have to sell.

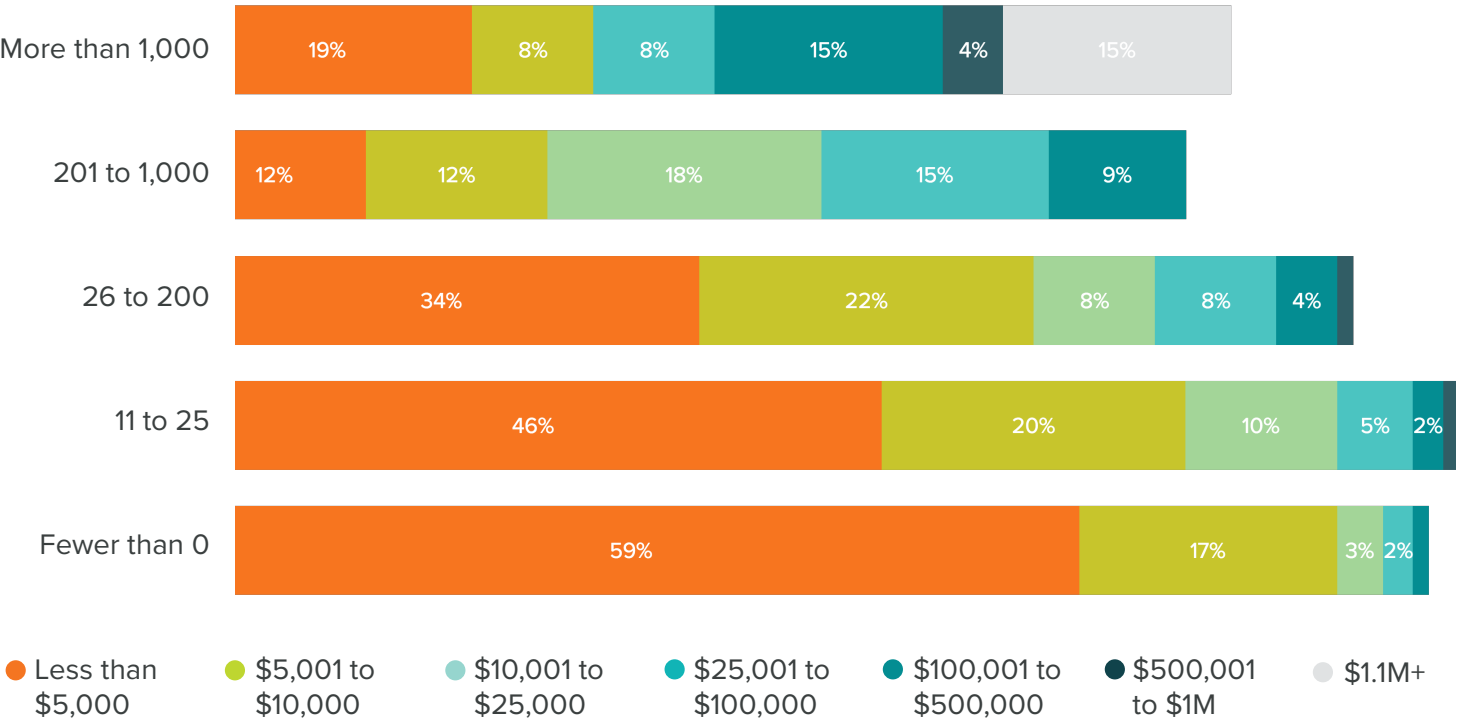


How much will your company invest in the following?

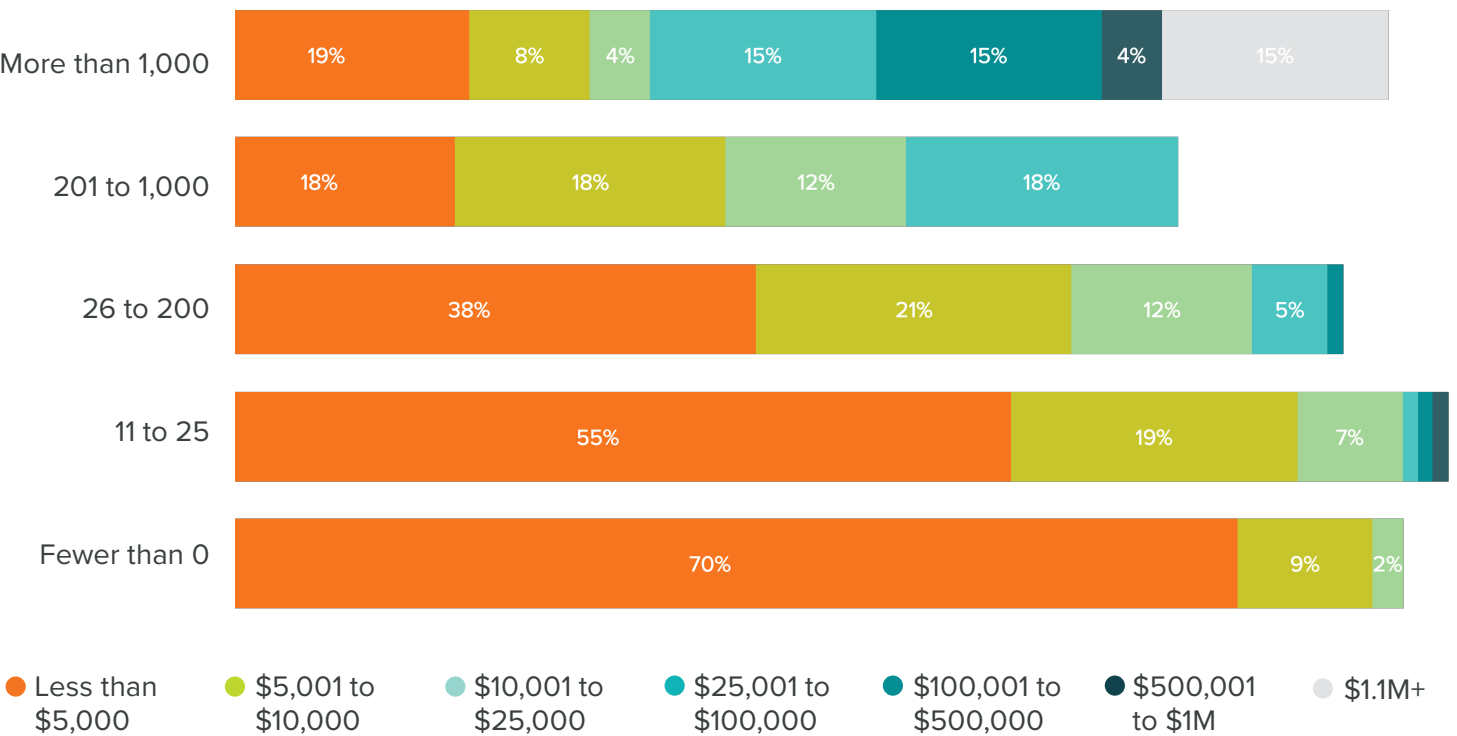
According to our survey, the majority of our respondents are working with \$5,000 or less to spend on technology and training, respectively. Unsurprisingly, as company size increases, so does budget.



Planned spend on sales technologies by number of employees



Planned spend on sales training by number of employees



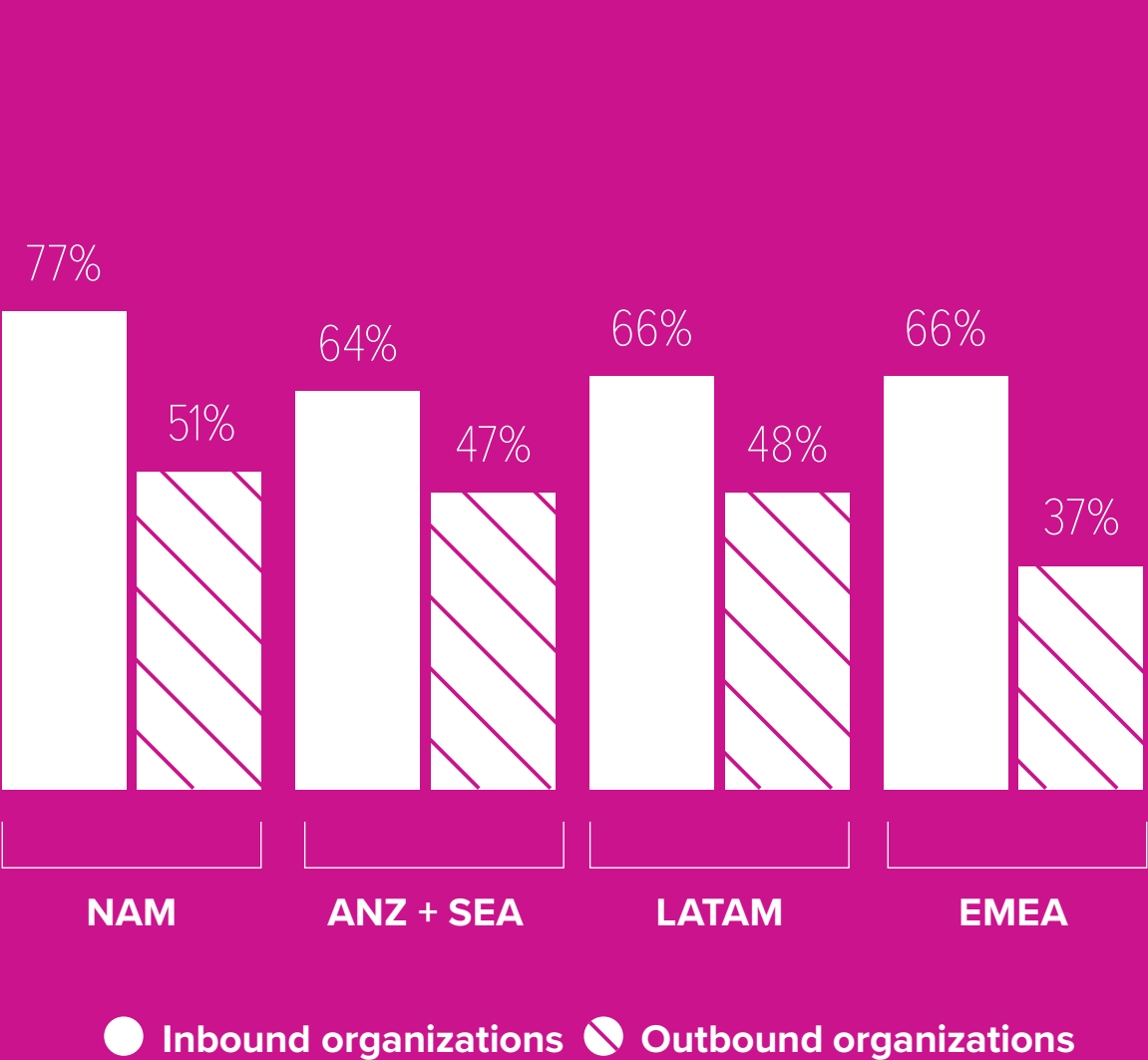
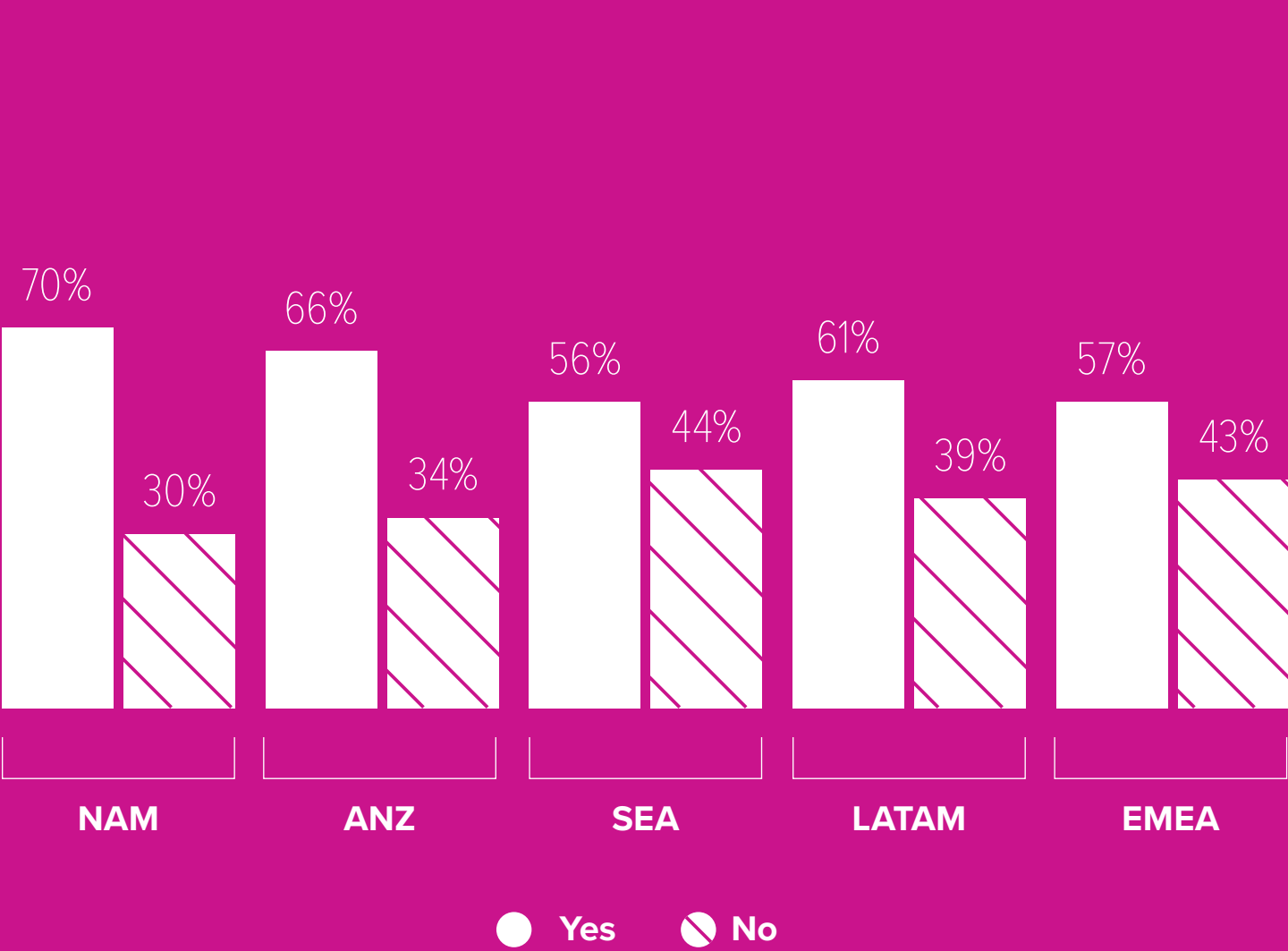
Global Inbound

Globally, marketers in NAM (North America) and ANZ (Australia and New Zealand) have the most faith in their organization's marketing strategy. Just over half of respondents in SEA (Southeast Asia) and EMEA (Europe, Middle East, and Africa) expressed confidence in their strategy.



Do you feel that your organization’s marketing strategy is effective?

We isolated just the respondents who had confidence in their marketing strategy, and compared inbound organizations against outbound organizations. Inbound marketing organizations report being more strategically effective compared to outbound organizations. The majority of strategically effective organizations use inbound marketing.



Commonalities and differences

Generating leads and proving ROI are universal challenges across geographies. Key differences relate to website management, targeting international audiences, training, and hiring. For NAM marketing teams, wrangling the website was cited as a top-3 challenge. SEA- and EMEA-based organizations were more concerned with targeting content for their international audiences; ANZ- and LATAM-based organizations with securing budget.

What are your top marketing challenges?

Rank	NAM	ANZ	SEA	LATAM	EMEA
1	Generating traffic and leads	Generating traffic and leads	Generating traffic and leads	Generating traffic and leads	Generating traffic and leads
2	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities
3	Managing our website	Securing enough budget	Targeting content for an international audience	Securing enough budget	Targeting content for an international audience
4	Securing enough budget	Identifying the right technologies for my needs	Identifying the right technologies for my needs	Identifying the right technologies for my needs	Securing enough budget
5	Identifying the right technologies for my needs	Managing our website	Managing our website	Managing our website	Managing our website
6	Training our team	Training our team	Securing enough budget	Training our team	Identifying the right technologies for my needs
7	Hiring top talent	Targeting content for an international audience	Hiring top talent	Targeting content for an international audience	Training our team
8	Targeting content for an international audience	Finding an executive sponsor	Training our team	Hiring top talent	Hiring top talent
9	Finding an executive sponsor	Hiring top talent	Finding an executive sponsor	Finding an executive sponsor	Finding an executive sponsor

What are you top marketing priorities?

All marketing teams globally prioritize converting their leads into customers. Marketers in LATAM then focus on increasing revenue from existing customers while the other regions focus on growing overall traffic.

Rank	NAM	ANZ	SEA	LATAM	EMEA
1	Converting contacts / leads to customers	Converting contacts / leads to customers	Converting contacts / leads to customers	Converting contacts / leads to customers	Converting contacts / leads to customers
2	Growing website traffic	Growing website traffic	Growing website traffic	Increasing revenue derived from existing customers	Growing website traffic
3	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities	Increasing revenue derived from existing customers	Growing website traffic	Increasing revenue derived from existing customers
4	Increasing revenue derived from existing customers	Sales enablement	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities	Proving the ROI of our marketing activities
5	Sales enablement	Increasing revenue derived from existing customers	Sales enablement	Sales enablement	Sales enablement
6	Reducing the cost of contacts / leads / customer acquisition	Reducing the cost of contacts / leads / customer acquisition	Reducing the cost of contacts / leads / customer acquisition	Reducing the cost of contacts / leads / customer acquisition	Reducing the cost of contacts / leads / customer acquisition



With respect to inbound marketing priorities, NAM marketers focus on blog content while other regions say growing SEO/organic presence is their top goal -- both distinct but certainly interrelated marketing projects.

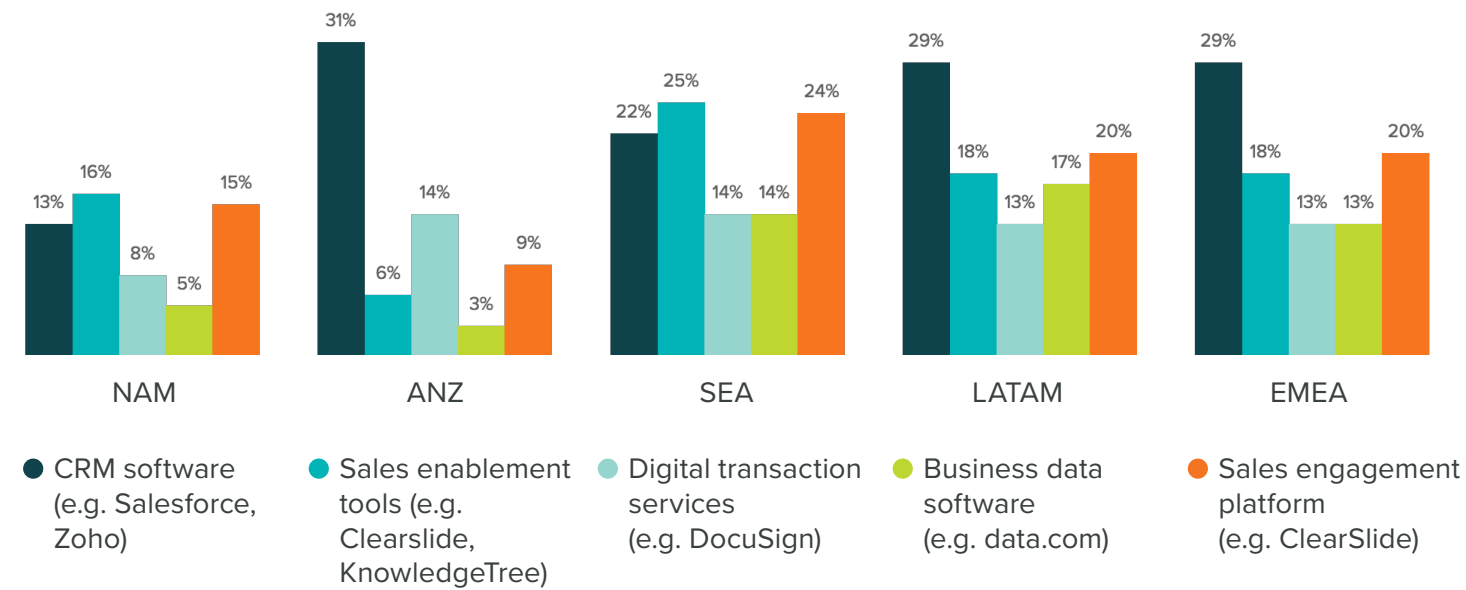
As we go down the list, there's marked difference on the inbound projects each region prioritizes. Notably, webinars are lower ranked in SEA, LATAM, and EMEA. LATAM is very interested in creating interactive content while NAM and ANZ are focusing on the tried-and-true ebook format. Visual content, like infographics, are not being pursued by many marketers in NAM or ANZ.

What are your top inbound marketing priorities?

Rank	NAM	ANZ	SEA	LATAM	EMEA
1	Blog content creation	Growing SEO / organic presence	Growing SEO / organic presence	Growing SEO / organic presence	Growing SEO / organic presence
2	Growing SEO / organic presence	Blog content creation	Blog content creation	Blog content creation	Blog content creation
3	Content distribution / amplification	Content distribution / amplification	Content distribution / amplification	Interactive content creation	Content distribution / amplification
4	Marketing automation	Marketing automation	Interactive content creation	Marketing automation	Marketing automation
5	Long-form (ebooks, whitepapers)	Long-form (ebooks, whitepapers)	Marketing automation	Content distribution / amplification	Interactive content creation
6	Interactive content creation	Interactive content creation	Visual content creation (infographics)	Visual content creation (infographics)	Identifying the right technologies for my needs
7	Webinars	Online tools	Long-form (ebooks, whitepapers)	Online tools	Visual content creation (infographics)
8	Product how-to videos	Product how-to videos	Online tools	Product how-to videos	Online tools
9	Visual content creation (infographics)	Webinars	Product how-to videos	Long-form (ebooks, whitepapers)	Product how-to videos
10	Online tools	Visual content creation (infographics)	Webinars	Webinars	Webinars
11	Freemium trials	Freemium trials	Freemium trials	Freemium trials	Freemium trials

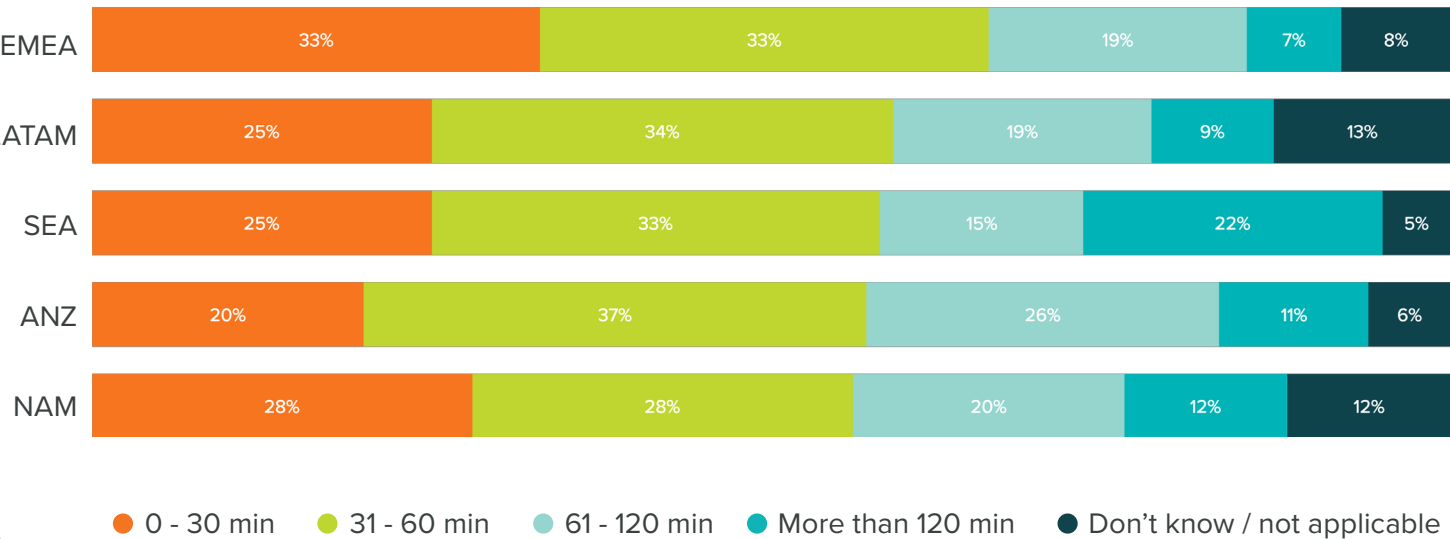
Which of the following technologies or tools do you plan to evaluate or purchase by the end of 2017? (by geography)

On the sales side, we found nearly a third of respondents in ANZ, LATAM, and EMEA were on the search for a new CRM. SEA-based respondents are looking for sales enablement and sales engagement software in the upcoming year.



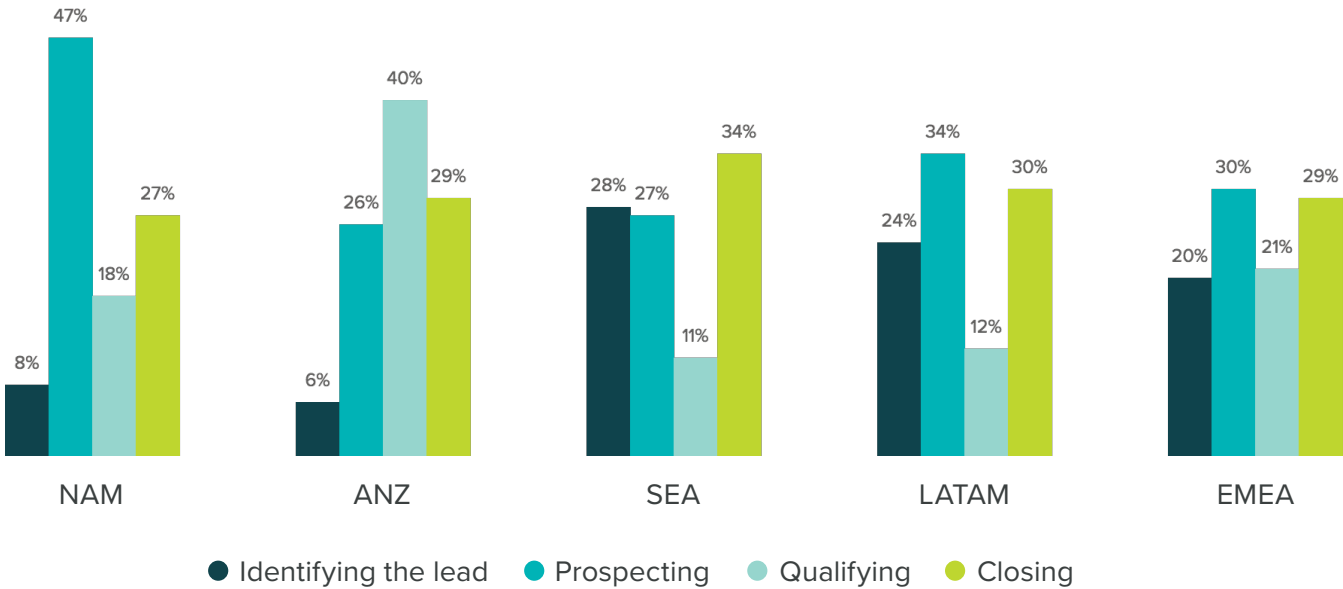
On average, how much time per day does your sales team spend performing data entry or other manual tasks? (by geography)

When we break down how much time sales teams are spending on data entry a day, we see a staggering 37% of ANZ sales teams spend at least an hour a day manually entering data. It’s not surprising that 31% of organizations in ANZ want to find a new CRM.



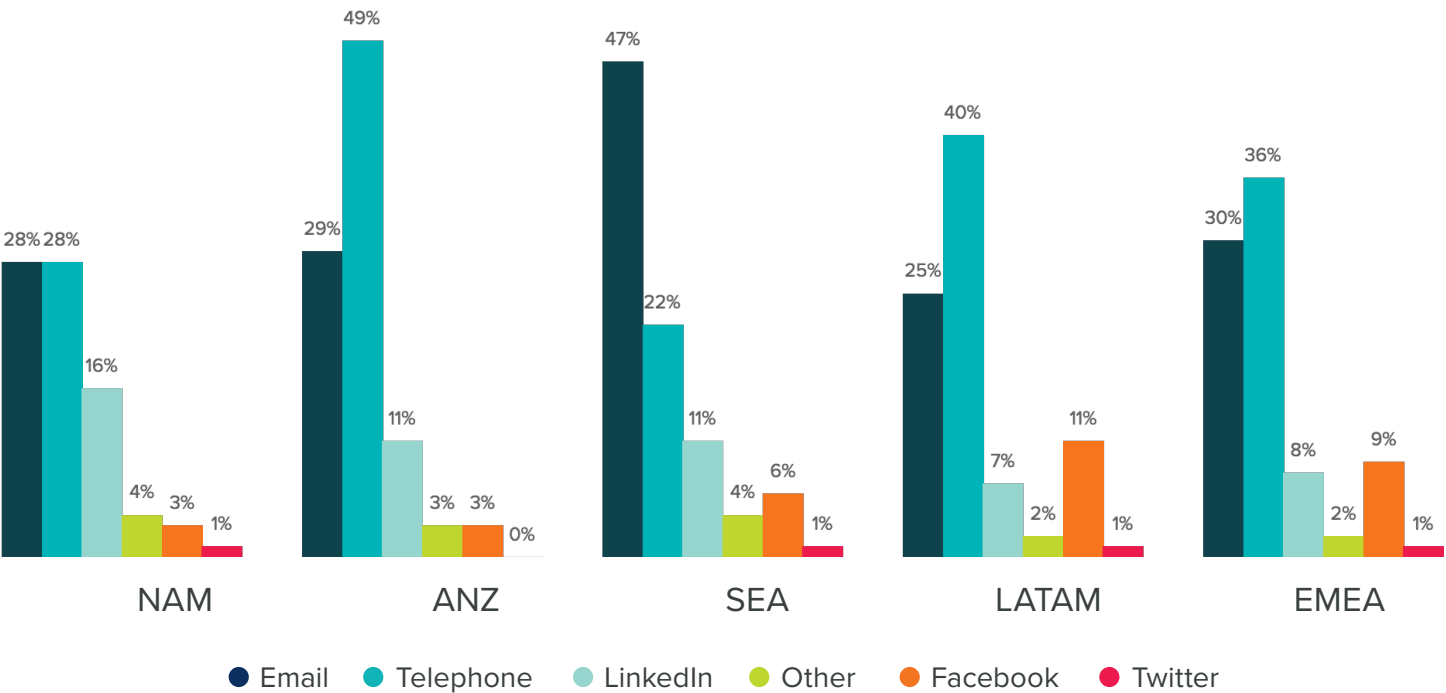
In your opinion, what part of the sales process do reps struggle with most? (by geography)

Generally, NAM sales teams have the most trouble with prospecting, followed by LATAM and EMEA. ANZ sales teams have issues with qualifying. SEA-based teams have the most trouble with closing.



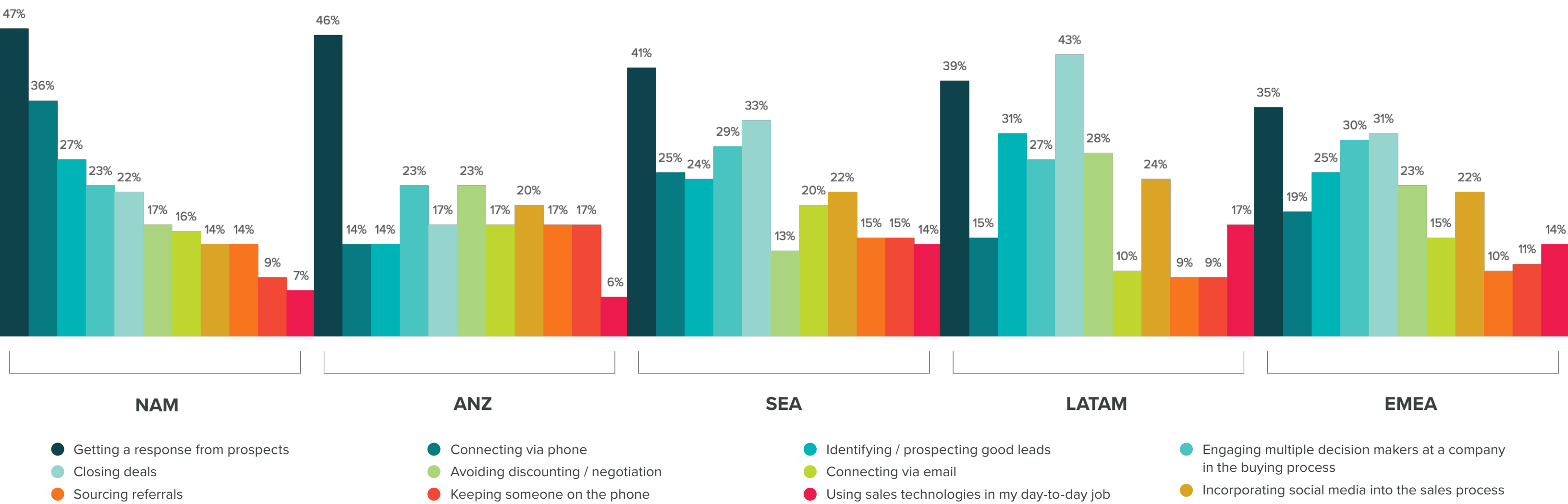
What has been the most successful channel for your sales representatives to connect with a prospect? (by geography)

As for successfully connecting with a prospect, NAM respondents are split: There are no clear cut best ways to reach prospects. Telephone works best for ANZ, LATAM, and EMEA. SEA sales teams connect best through email.



What is more difficult to do in sales compared to 2 to 3 years ago? (by geography)

There are some regional differences in how Sales gets its job done today. LATAM respondents have the most difficulty closing deals and identifying good leads. 36% of NAM sales teams have trouble connecting via phone, in contrast to just 14% of sales teams in ANZ and 15% of LATAM.



How Different Industries View Inbound

Across industries we see different rates of adoption for inbound. In our survey, more ecommerce (89%), marketing agencies (84%), and software (78%) companies use inbound marketing.



What is your organization’s primary approach to marketing?

	Consumer Products	Education	Ecommerce	Financial Services	Healthcare and Medical	Industrial and Manufacturing	IT and Services	Media and Publishing	Marketing Agencies	Nonprofit / Government	Software
We primarily conduct inbound marketing	59%	66%	89%	62%	57%	59%	72%	76%	84%	76%	78%
We primarily conduct outbound marketing	39%	30%	8%	35%	39%	39%	27%	21%	12%	20%	21%

How would you characterize your company’s Sales and Marketing relationship?

Likewise, the same industries with high adoption of inbound marketing also have highly aligned sales and marketing teams: 28% of ecommerce companies, 31% of marketing agencies, and 20% of software companies have an SLA.

	Consumer Products	Education	Ecommerce	Financial Services	Healthcare and Medical	Industrial and Manufacturing	IT and Services	Media and Publishing	Marketing Agencies	Nonprofit / Government	Software
Tightly aligned (Marketing and Sales SLA)	19%	19%	28%	21%	20%	13%	21%	18%	31%	9%	20%
Generally aligned	42%	37%	39%	41%	37%	44%	46%	45%	48%	38%	53%
Rarely aligned	16%	17%	18%	17%	13%	17%	15%	16%	8%	21%	13%
Misaligned	12%	12%	7%	11%	14%	16%	11%	9%	7%	17%	7%

What are your company’s top sales priorities for the next year?

The top sales priority is closing more deals for a majority of industries. Some then prioritize making the sales funnel more efficient while others focus on reducing the length of the sales cycle or training.

	Consumer Products	Education	Ecommerce	Financial Services	Healthcare and Medical	Industrial and Manufacturing	IT and Services	Media and Publishing	Marketing Agencies	Nonprofit / Government	Software
Closing more deals	60%	68%	42%	60%	82%	63%	79%	70%	83%	38%	77%
Improving the efficiency of the sales funnel	34%	41%	35%	43%	35%	44%	54%	55%	49%	50%	60%
Reducing the length of the sales cycle	20%	32%	19%	33%	18%	23%	50%	25%	28%	0%	46%
Training the sales team	43%	24%	31%	30%	41%	31%	25%	40%	21%	13%	31%
Investing in sales enablement	20%	11%	19%	17%	14%	13%	21%	13%	11%	13%	31%
Improving existing sales technologies	27%	24%	38%	17%	35%	24%	27%	40%	15%	13%	27%
Social selling	33%	32%	42%	27%	32%	27%	31%	13%	26%	0%	23%
Investing in a CRM	19%	16%	15%	20%	23%	11%	15%	10%	9%	0%	10%

What are your company’s top marketing priorities over the next 12 months?

Top marketing priorities vary by industry, with most focused on either converting leads to customers or growing overall traffic to their website.

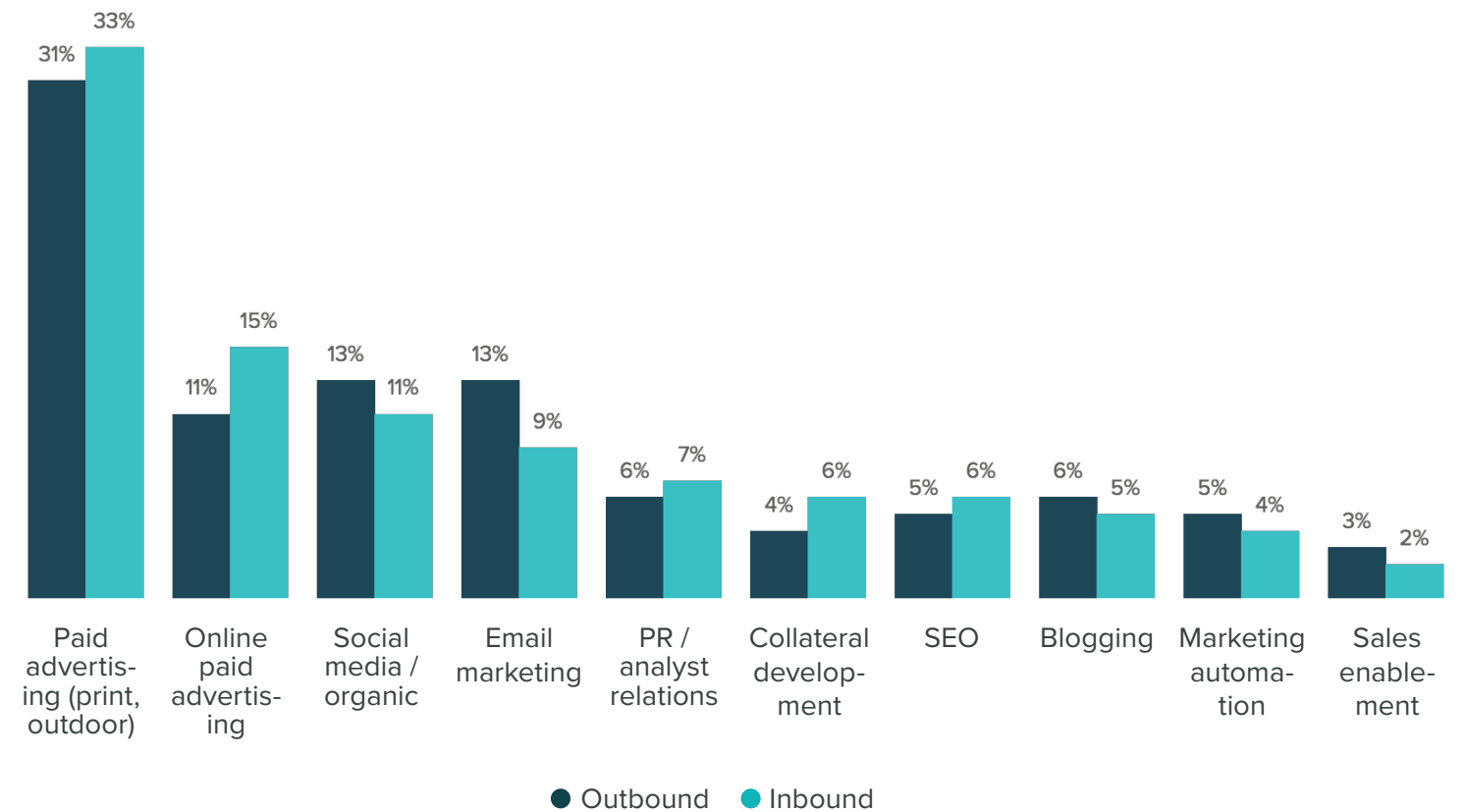
	Consumer Products	Education	Ecommerce	Financial Services	Healthcare and Medical	Industrial and Manufacturing	IT and Services	Media and Publishing	Marketing Agencies	Nonprofit / Government	Software
Growing website traffic	66%	52%	70%	55%	53%	57%	60%	57%	46%	64%	58%
Converting contacts / leads to customers	53%	83%	65%	75%	75%	68%	83%	62%	77%	66%	81%
Increasing revenue derived from existing customers	55%	36%	43%	43%	54%	53%	43%	48%	47%	36%	38%
Proving the ROI of marketing activities	47%	35%	35%	54%	36%	44%	47%	33%	39%	43%	51%
Reducing the cost of contacts / leads / customer acquisition	24%	25%	30%	35%	29%	24%	30%	16%	25%	25%	34%
Sales enablement	37%	24%	20%	43%	36%	37%	43%	28%	25%	11%	39%

Overrated Marketing Tactics

(Hint, it's outbound)

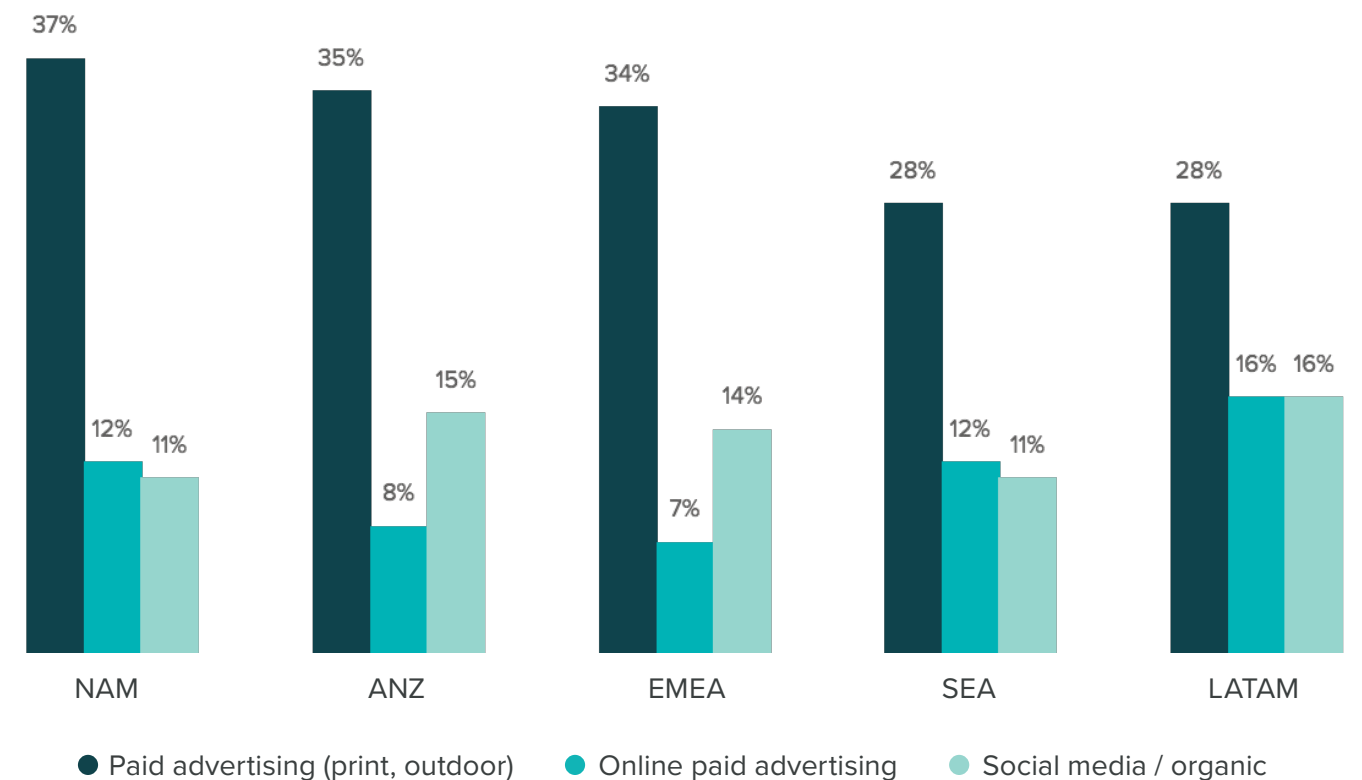
This datapoint has stayed consistent year-over-year: Outbound marketing (paid advertising) is considered the most overrated marketing tactic. Regardless of what kind of marketer you are or where you're from, outbound marketing is always most overrated.

In your opinion, what's the most overrated marketing tactic?



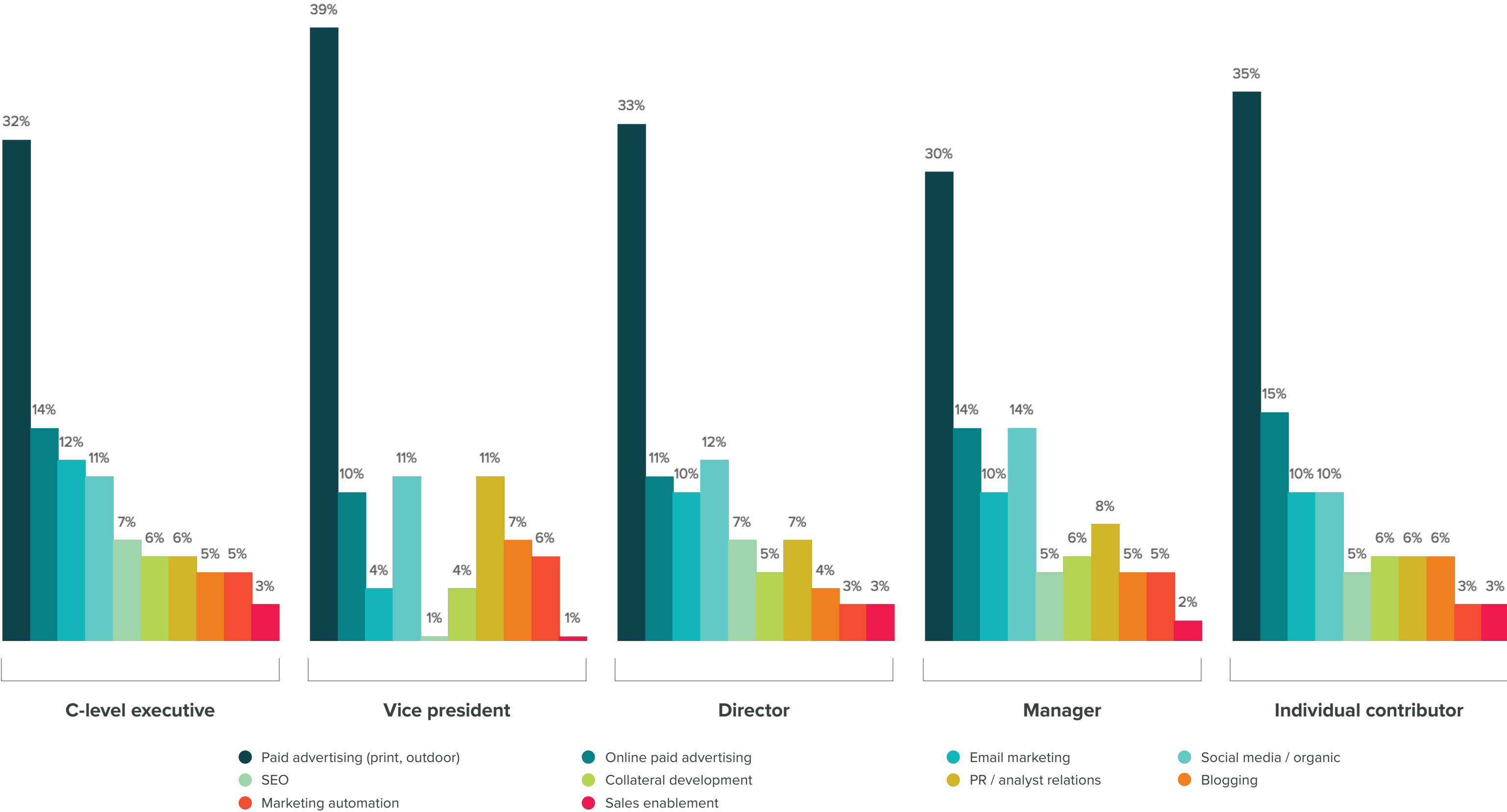
In your opinion, what's the most overrated marketing tactic? (by geography)

Outbound is reported as the most overrated marketing tactic across geographies, though respondents in SEA and LATAM were not as emphatic compared to respondents in NAM, ANZ, and EMEA.



In your opinion, what's the most overrated marketing tactic? (by seniority)

There are some interesting variations based on respondent seniority. Paid outbound advertising is still the most overrated, but managers are more skeptical about social media, while VPs are slightly more likely to dislike PR/analyst relations tactics. VPs are also least likely to think SEO, email marketing, or sales enablement is overrated.

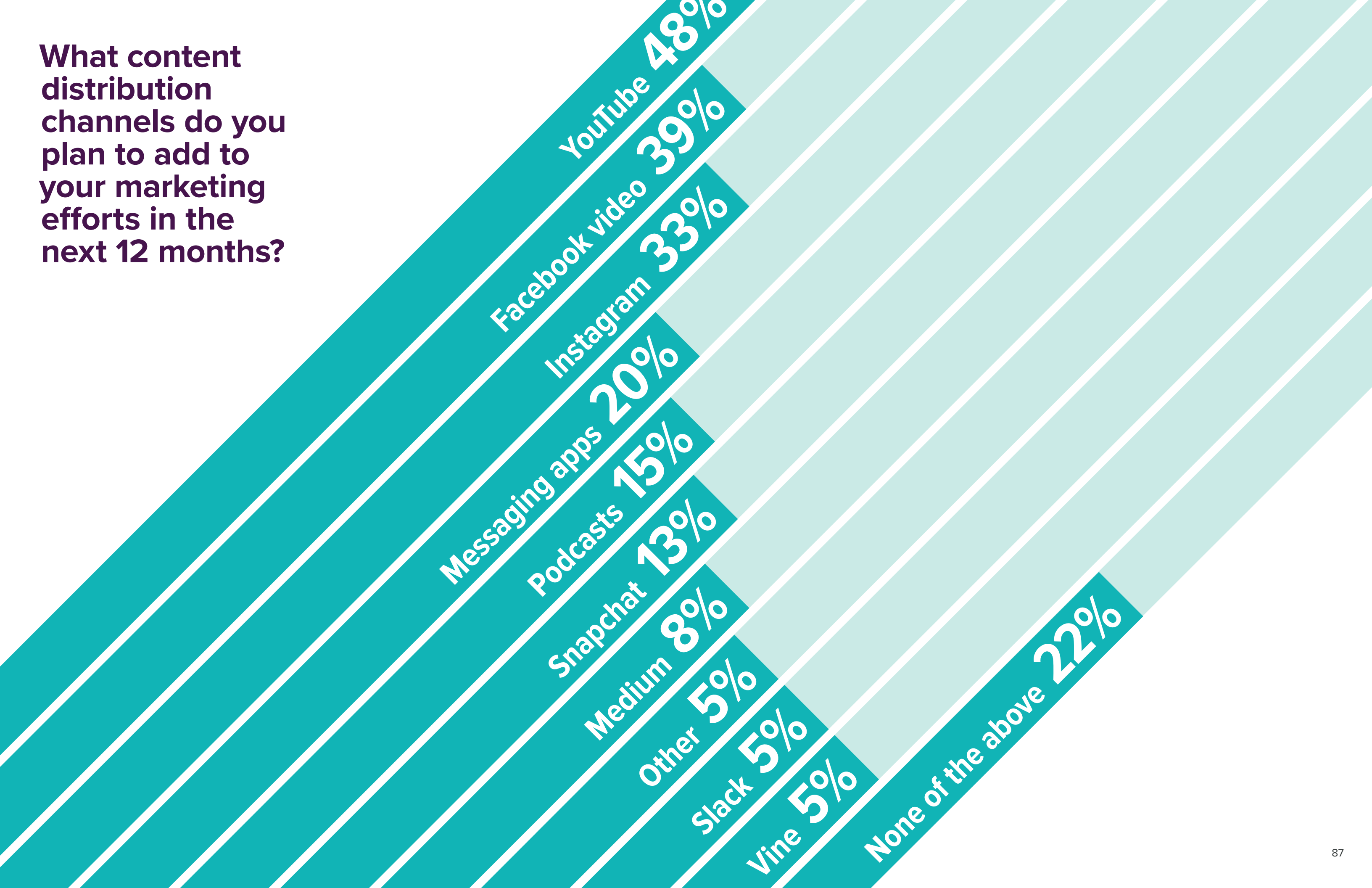


The Future of Marketing

What will the future of marketing look like?
We asked what channels marketers are planning to add to their marketing mix in the next year.

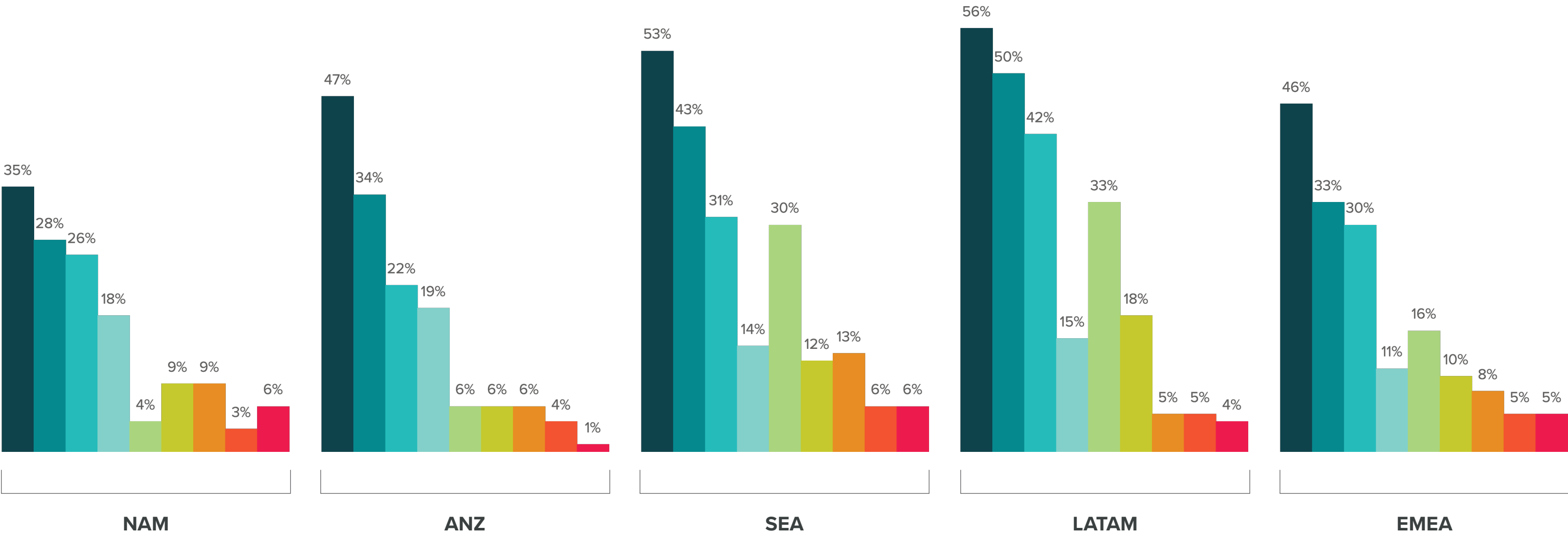
The biggest takeaway: Marketers are thinking hard about decentralized content. Many are experimenting with taking their content to new channels; this is a fairly new tactic that few have mastered, but many are working on. In our survey, marketers clearly are accounting for video content's rising popularity among global online browsers, with 48% planning on using YouTube and 39% looking to use Facebook video. Podcasts are enjoying a resurgence in popularity, and new channels like Instagram are in the marketer's mix as well. 8% of marketers are even looking into posting content on Medium.

What content distribution channels do you plan to add to your marketing efforts in the next 12 months?



What content distribution channels do you plan to add to your marketing efforts in the next 12 months? (by geography)

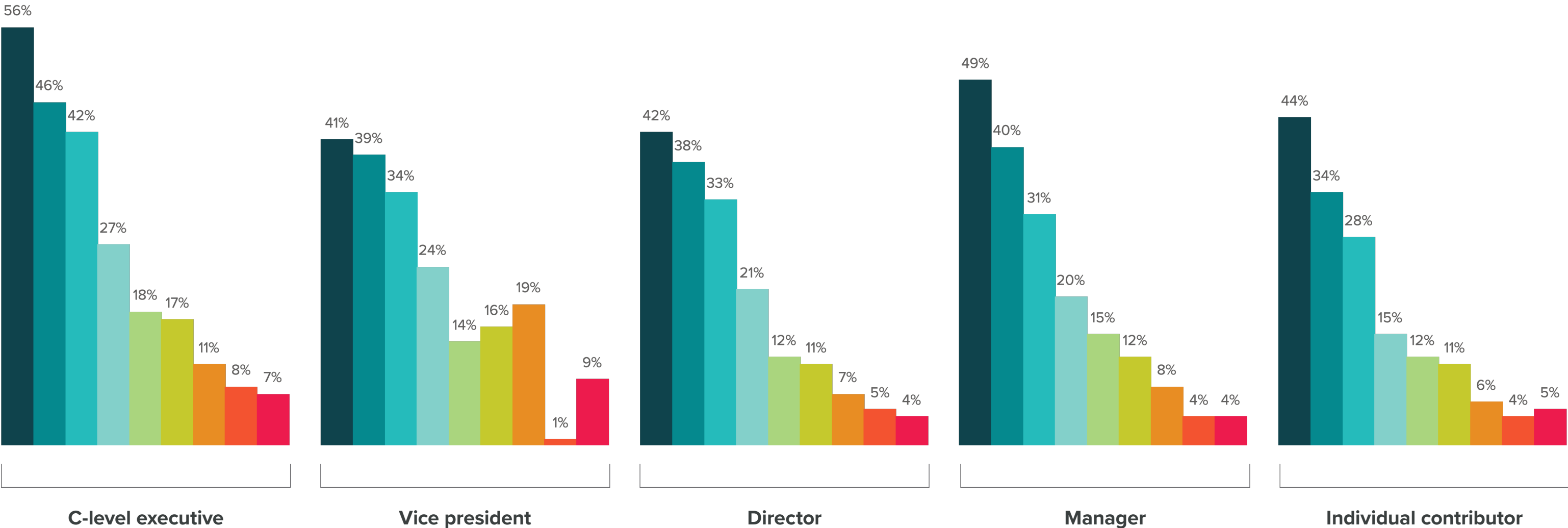
NAM marketers are the least enthusiastic about video content, with only about a third saying they'll use YouTube as a channel, while half of their counterparts in SEA and LATAM plan on leveraging YouTube and Facebook video in the future.



What content distribution channels do you plan to add to your marketing efforts in the next 12 months? (by seniority)

Video dominates the agenda of C-level business leaders. By far, senior executives are embracing video content for their business, with 56% of C-levels planning to add YouTube as a content channel, 46% with Facebook video, and 17% looking into Snapchat. VP-level marketers have interest in leveraging Medium for a distributed content play, and 9% plan to leverage Slack as a content channel.

For many marketers, visual and audio content are channels they think will help win the future. We also asked respondents about the technologies or channels they believe will disrupt their industry. Of the write-ins, 41 said marketing automation, 35 respondents called out virtual reality and artificial intelligence technologies, and a handful specifically mentioned Snapchat will disrupt how they do their jobs.



And how will marketers
prepare for upcoming
disruptions?

“SLOOOOWLY”

- 19 write-in respondents

The majority of respondents have plans in place to iterate and adjust their strategy based on data, and trial and error:

“We’re thinking about where to reach consumers outside of email, i.e., Facebook, Messenger, Slack rooms.”

“We aren’t. I
hope we do
soon. UGH.”

UGH.

“We evaluate the efficacy of our content to drive across the lead lifecycle.

**What works
stays; what
doesn't is
abandoned.**

New ideas are tried and evaluated the same.”

The Future of Sales

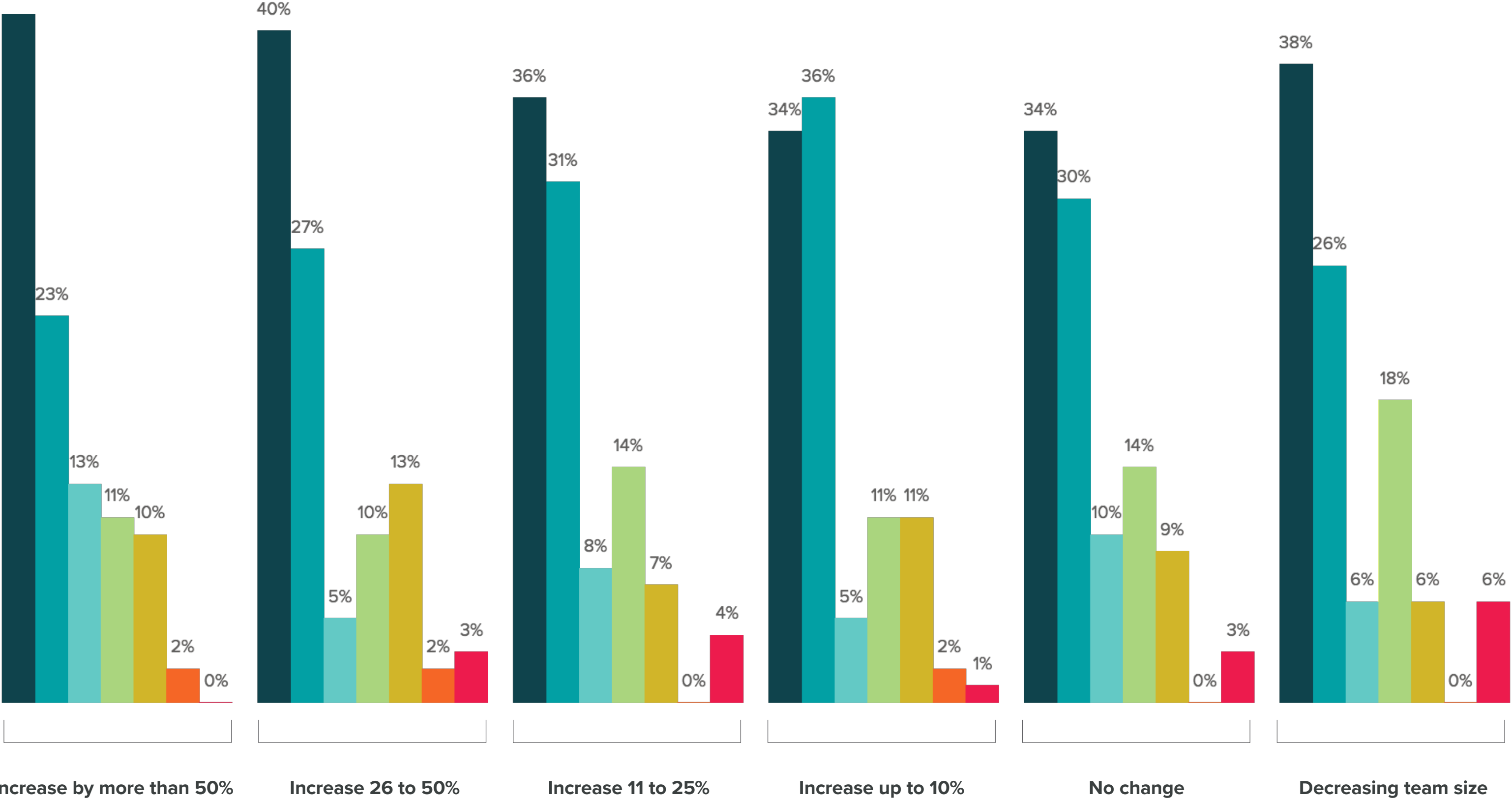
The door-to-door salespeople of decades past wouldn't recognize selling today -- and that's a good thing. As power shifts from the seller to the buyer, salespeople are incentivized to be helpful instead of pushy. Just like inbound marketing obliterated pushy outbound marketing, inbound sales will transform sellers from aggressive closers into helpful advocates.

For salespeople to remain relevant to the empowered buyer of today, making the following 7 strategic changes will be critical.

1 Invest in social selling.

A full 42% of buyers in our survey said they communicate via social networks such as LinkedIn and Twitter for business purposes, and sales teams growing more than 50% were more likely than any other group to identify LinkedIn as a valuable sales connection channel. It's clear that buyers are engaging with salespeople on social media. Make sure your company is part of the conversation.

Based on sales team growth plans, what has been the most successful channel for your salespeople to connect with prospects?



2

Overhaul the prospecting process.

Prospecting is becoming increasingly difficult for salespeople with each passing year, due to seismic shifts in information availability and buyer behavior. With this in mind, a band-aid won't cut it -- it's time for a total makeover of prospecting strategies. Align your prospecting efforts with how buyers want to purchase by tuning into signals that indicate interest, and working with Marketing to increase the flow of inbound leads with a few simple tweaks.

3

Stop cold calling.

To be clear, making tweaks to the standard cold calling script or cold email template is a band-aid. There are more effective, buyer-friendly ways to prospect today, but as with any major strategic shift, taking the first steps can be scary. Pledge to stop doing what no longer works -- for both buyers and sellers -- in order -- to kickstart your prospecting overhaul. While there might be some turbulence in the short term, this shift will ensure your sales team's health (and indeed, its very existence) in the long term. Stop patching broken processes, and start future-proofing -- or you might just be out of a job.

4

Commit to better Sales and Marketing alignment.

As salespeople begin to move away from cold calling and mass blasting email to a more inbound and targeted approach, Sales and Marketing departments must work more closely than ever before. Work with your marketing team to clearly define a "qualified" lead so Marketing can source the best-fit companies, and salespeople can capitalize on buyer interest as soon as they see it -- not when Marketing passes them a contact record days or week after the fact.

5

Determine how your buyers want to communicate, and meet them where they are.

While email emerged as the preferred communication channel in our survey, buyers are individuals with unique preferences. Diversify your channels based on prospect preferences -- whether that involves prioritizing networking events, setting up a YouTube Live instead of a traditional phone call, or even writing to a buyer via messaging app (three survey respondents identified WhatsApp as their communication channel of choice).

6

Adopt CRM with an eye to integration capabilities.

In many organizations, CRM acts as the source of truth for prospect and customer interactions. With no system of record outside of spreadsheets or physical notes, true Sales and Marketing alignment becomes all but impossible, and companies run the risk of saying the wrong thing to prospects at the wrong time. Ensure everyone in the organization knows exactly how and when to communicate with leads, prospects, and customers by adopting a CRM that works in conjunction with other mission-critical systems. No budget? No problem. Several low-to no-cost options have emerged in recent years. Re-evaluate the market if you haven't recently done so.

7

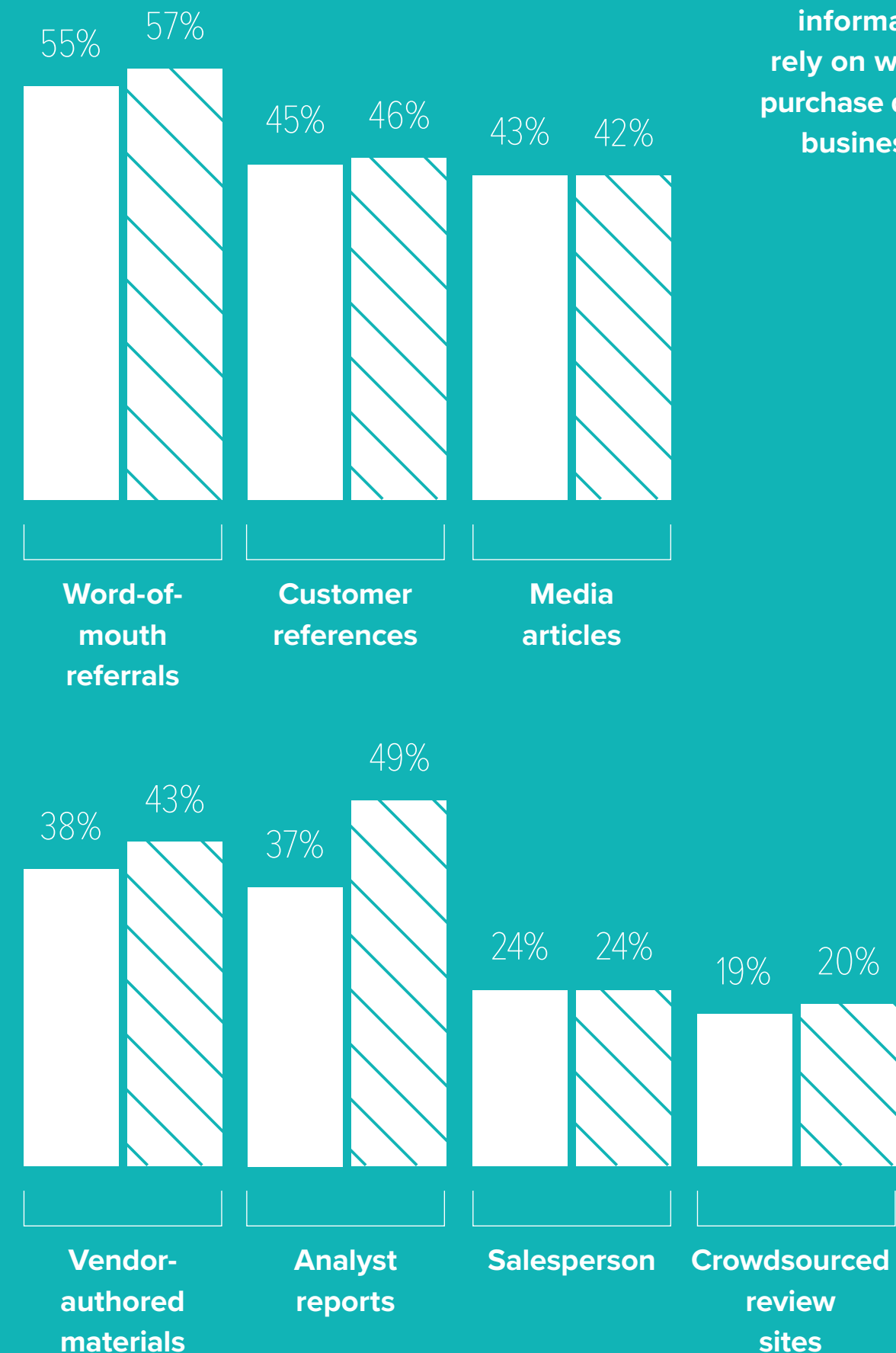
Train your sales team.

Sales is undergoing radical changes, and for salespeople to keep up, they need proper training. Investigate sales training that will equip reps with the necessary skills to serve the modern buyer, such as social selling, prospecting based on prospect interest, research frameworks, and personalized messaging. This might also help you attract and retain top-performing salespeople -- the #1 thing reps are looking for in a new job is the opportunity to grow, according to our data.

Where Decision Makers Go for Information

When looking for information for business purchases, our respondents trust word-of-mouth, customer references, and then media- and vendor-authored articles. Compared to last year, vendor-authored materials took a slight dip, while industry analyst recommendations dropped 12%.

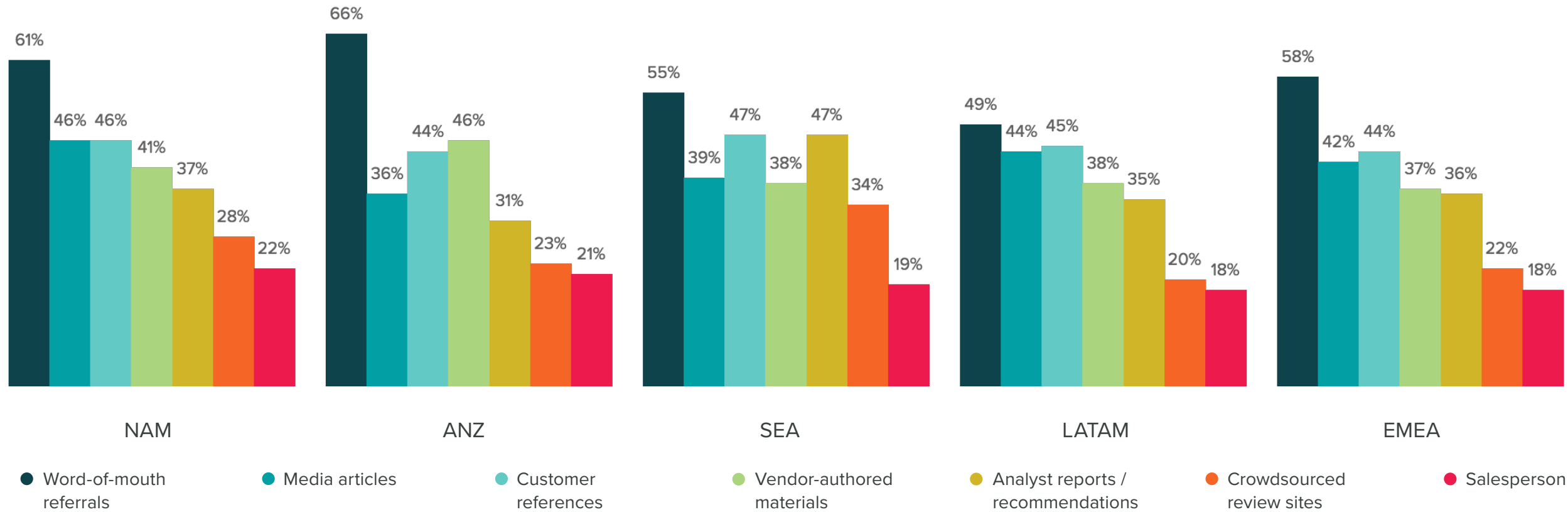
What sources of information do you rely on when making purchase decisions for business software?



● 2016 ▨ 2015

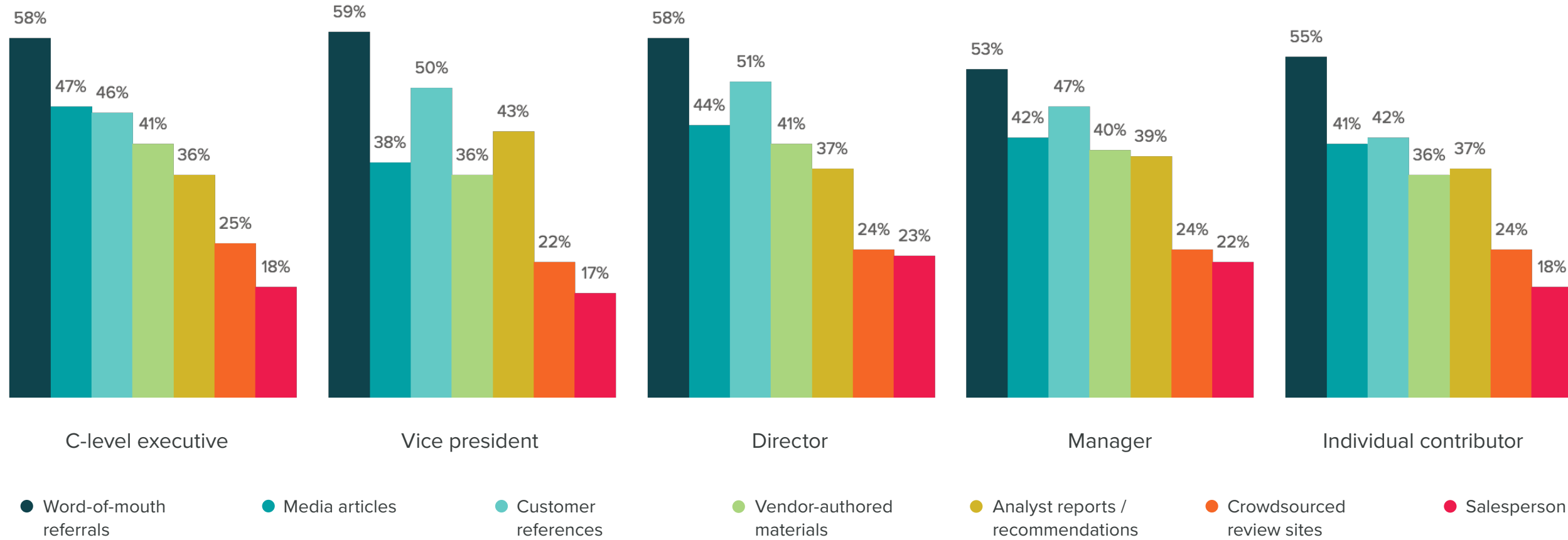
What sources of information do you rely on when making purchase decisions for business software? (by geography)

Globally, there are slight variations in the order of importance. Two elements are consistent across regions: Word-of-mouth referrals are the most important while the salesperson ranks last.



What sources of information do you rely on when making purchase decisions for business software? (by seniority)

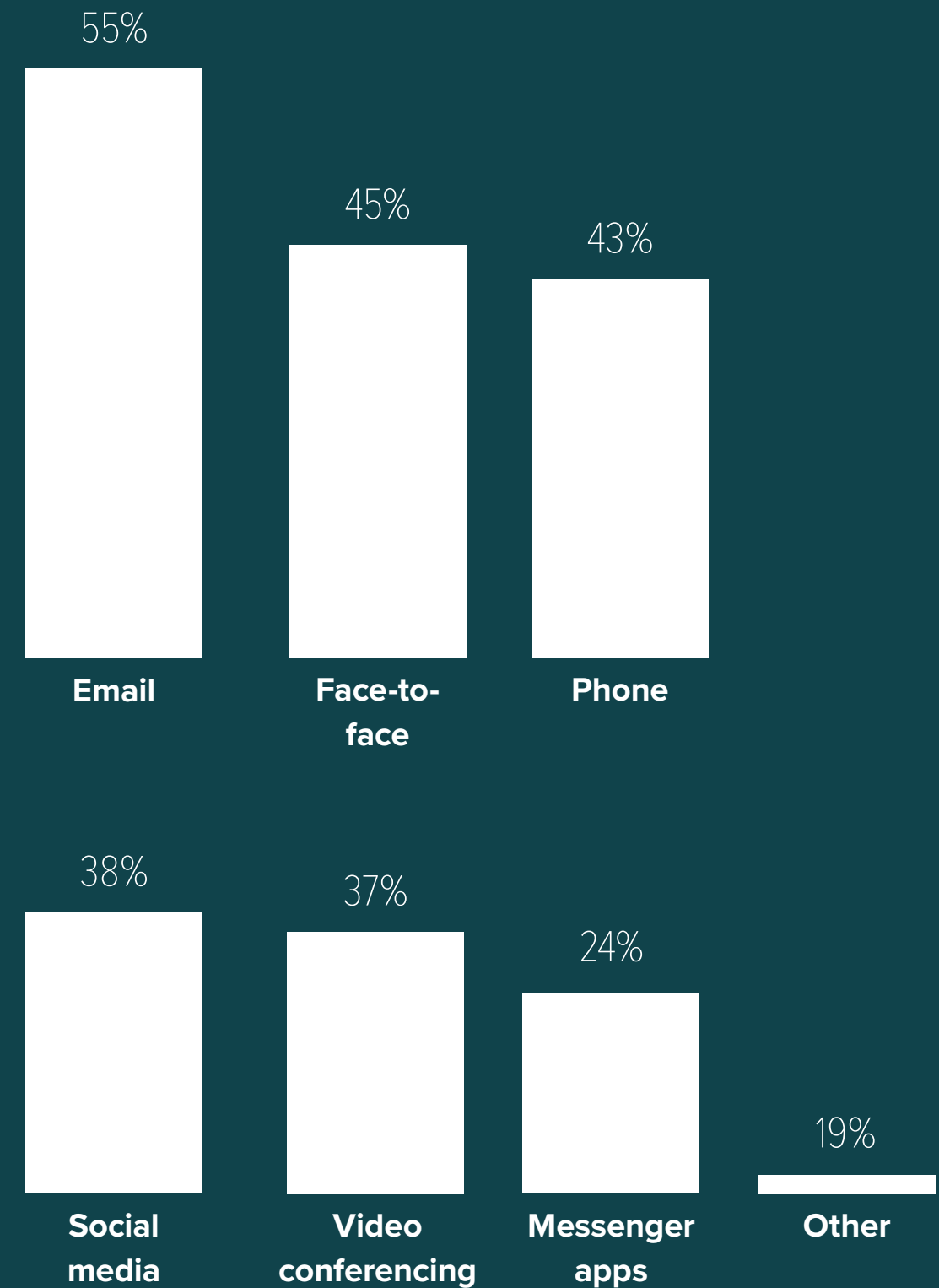
When targeting people by job level, VPs are slightly more likely to seek out analyst reports while C-level executives are more swayed by media coverage.



Reaching the Right Audience: How People Connect Globally

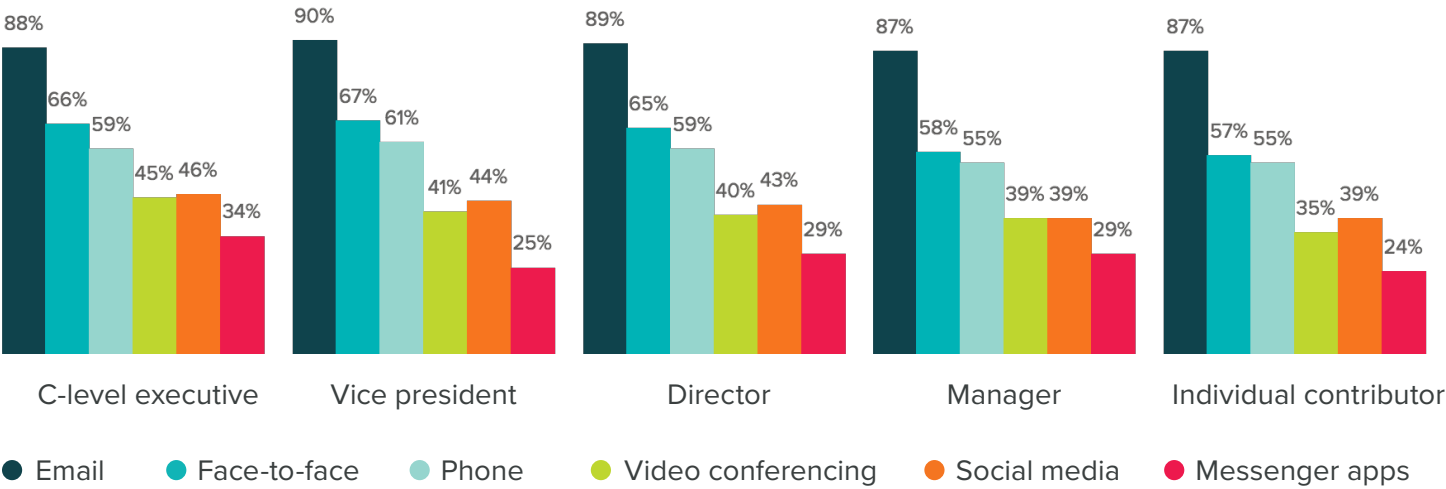
How do you prefer to communicate for business purposes?

For business communications, respondents prefer email, face-to-face, and phone. A good portion of our respondents like using social media to communicate (42%), and 29% like using messaging apps like WhatsApp or WeChat.



How do you prefer to communicate for business purposes? (by seniority)

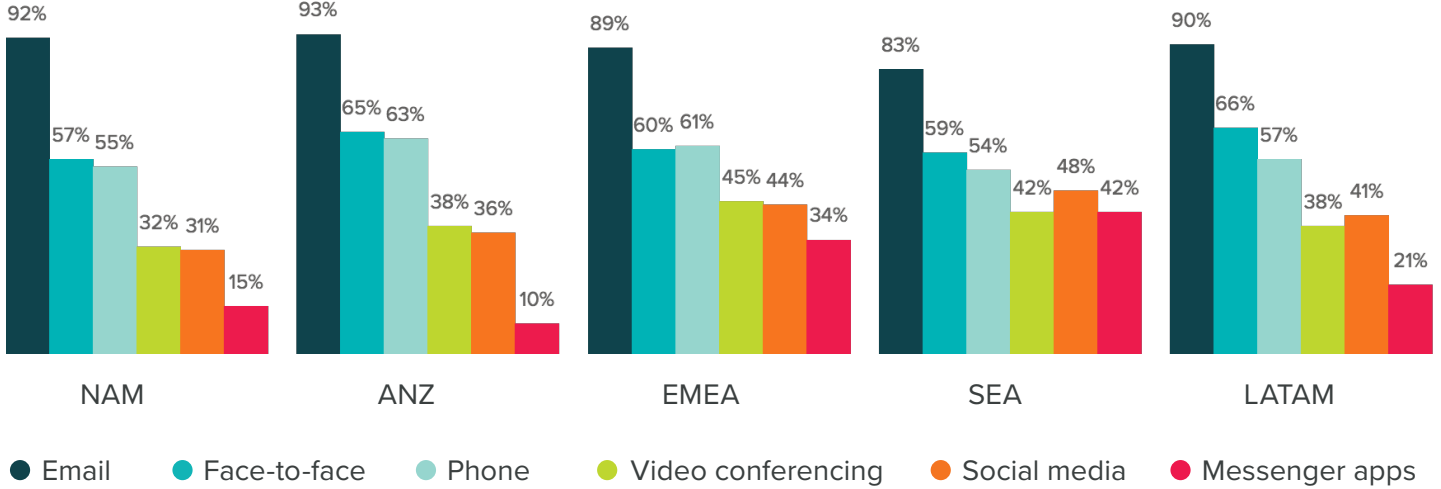
Across seniority levels, communicating via email is the top preference. Those in junior roles are less likely to prefer face-to-face or phone conversations.



How do you prefer to communicate for business purposes? (by geography)

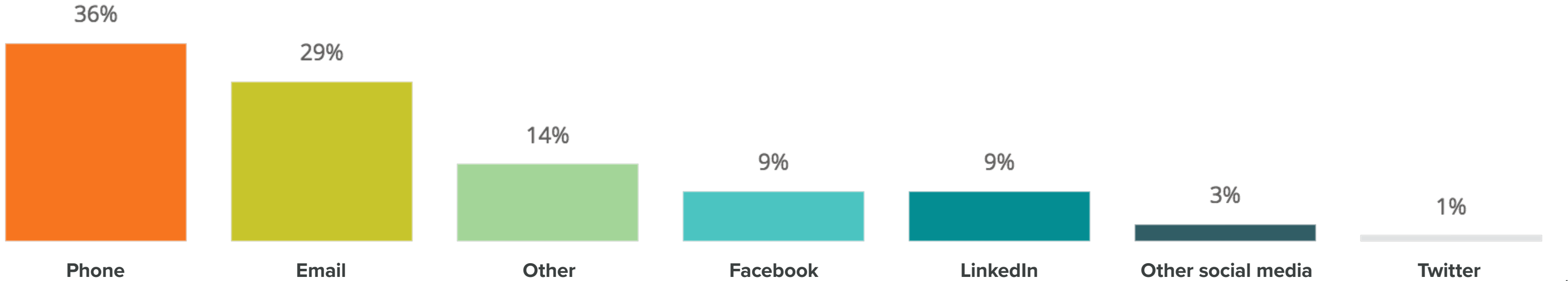
Bearing in mind that decision makers far prefer email and face-to-face over phone, it might be wise for salespeople to forge the initial buyer relationship through email or at a networking event, and then schedule a phone call when it’s time to discuss the opportunity in more depth.

Globally, we see preferences for messenger apps for business communication in mobile-first regions like LATAM and SEA. Likewise, these same regions reflect a higher preference for using social media for business communication.



What has been the most successful channel for your sales representatives to connect with a prospect?

However, salespeople aren’t necessarily accommodating these preferences. Sales respondents indicated that the telephone is the most effective channel to connect with prospects.

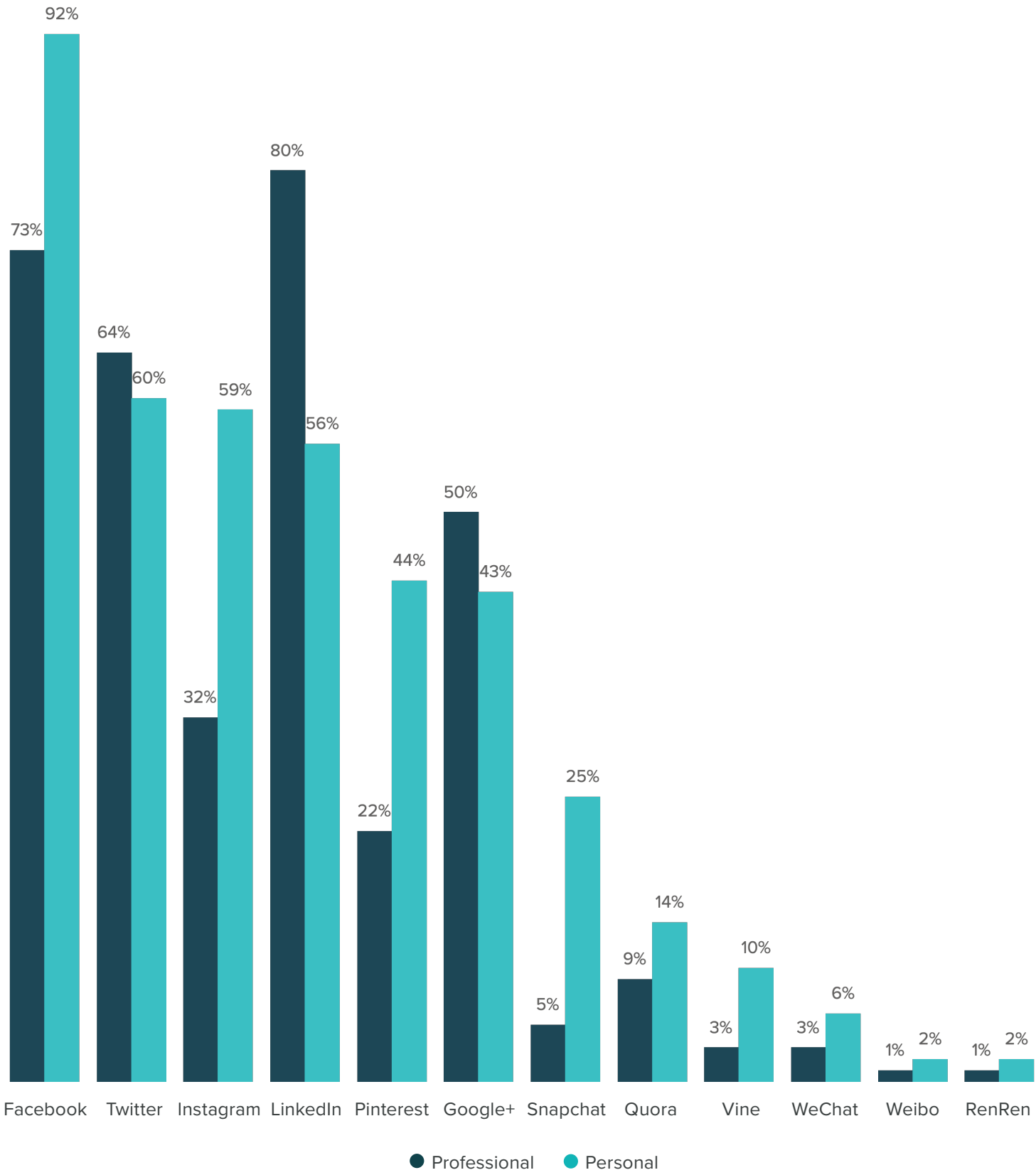


Messaging apps and social media as communication channels both have a surprisingly strong positive showing among more senior marketers. Messaging apps are usually seen as tools younger people use to communicate socially and not as a platform where senior leaders conduct business. Perhaps senior-level professionals curate their connections on social and messaging platforms more tightly, and so they're more willing to converse on these networks. Messaging apps work in a completely closed network, which offers privacy to those using the app to communicate.

We also wanted to see if the line between social networking and professional networking is blurring. Traditionally, Facebook is known as a personal network while LinkedIn is aimed at professional networking. When asked, 73% of respondents use Facebook for professional reasons, and 56% use LinkedIn for personal reasons.

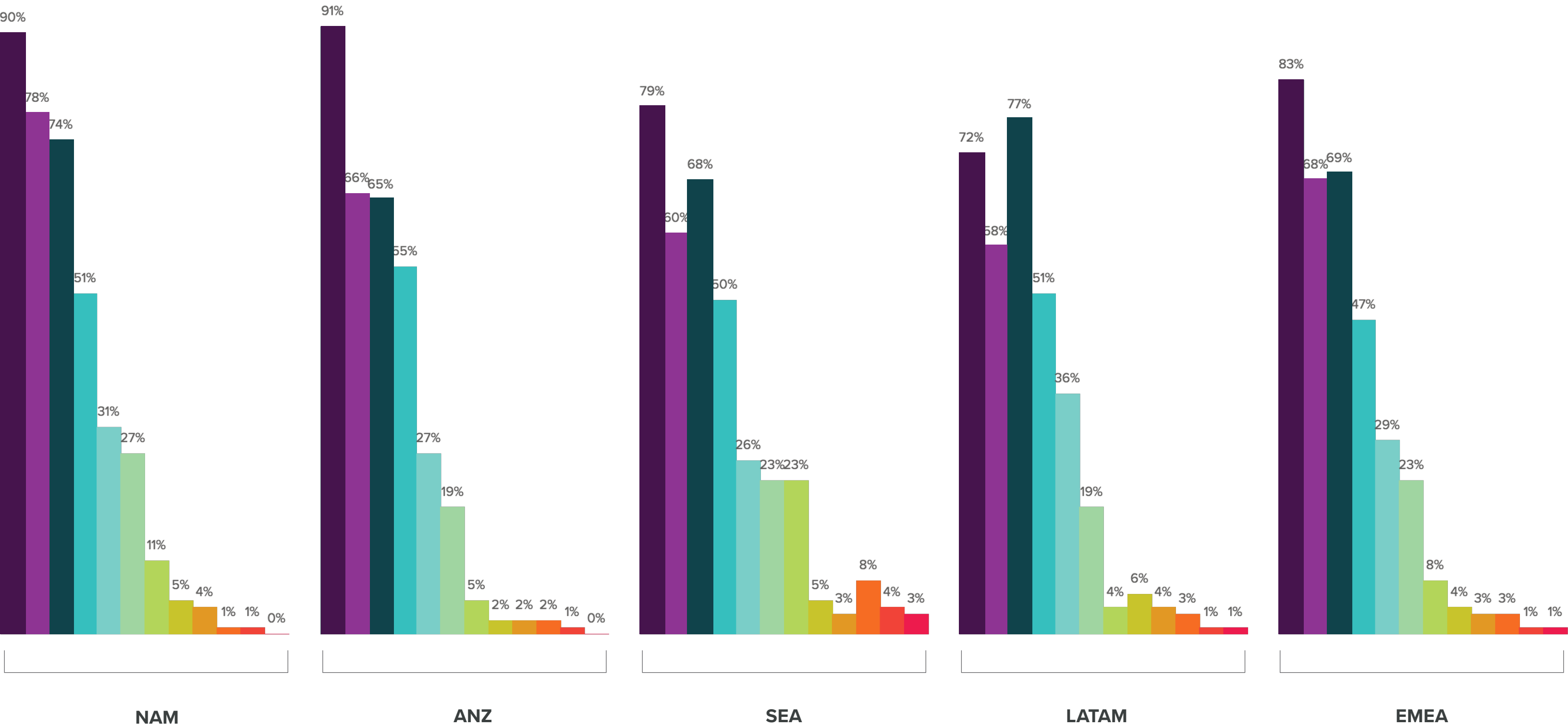
Emerging social networks like Instagram, Snapchat, and Vine are still mostly seen as personal channels. That's likely because very few business have figured out how to successfully brand and represent themselves on these networks.

Which social media channels do you use for professional and/or personal purposes?



Which social media channels do you use for professional and/or personal purposes? (by geography)

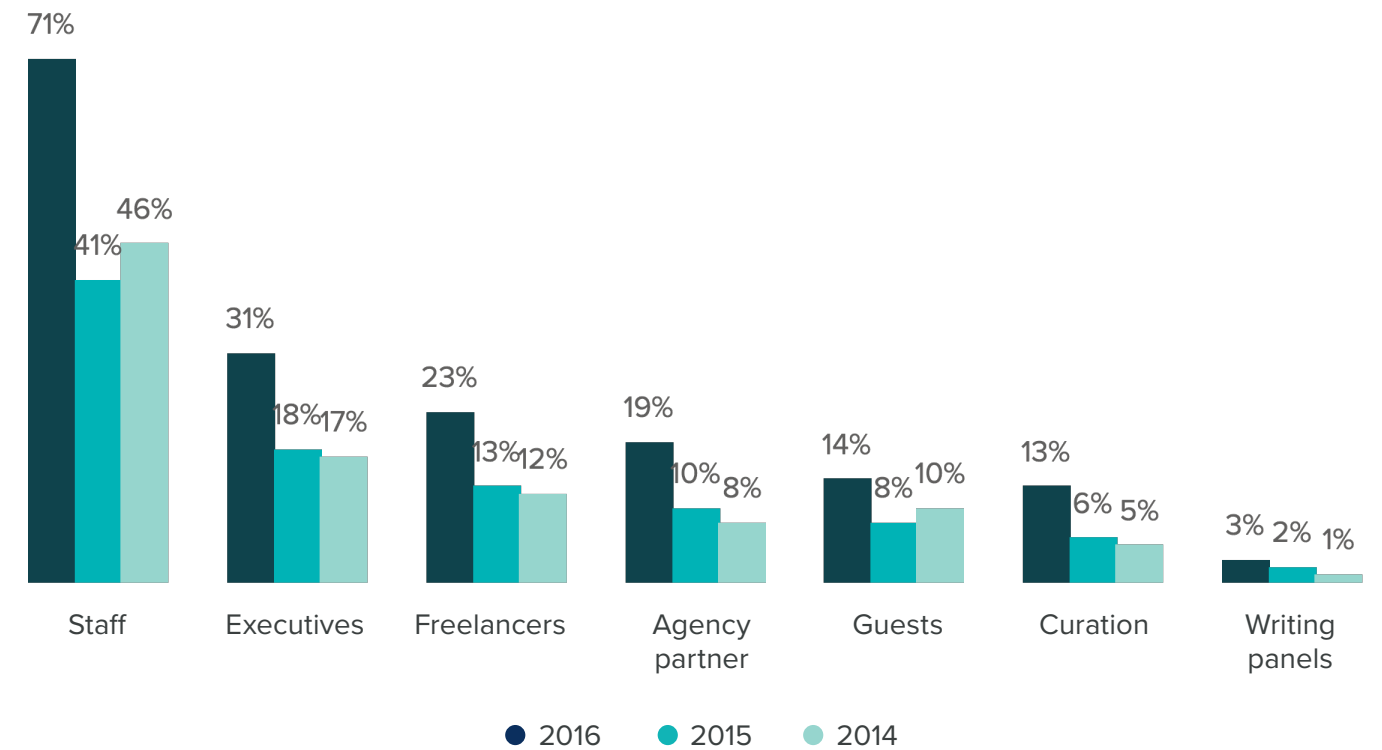
LinkedIn is the top-used social media channel for professional purposes across all geographies except LATAM. Our LATAM-based respondents prefer Facebook over LinkedIn.



Content: Who's Writing and How Long it Takes

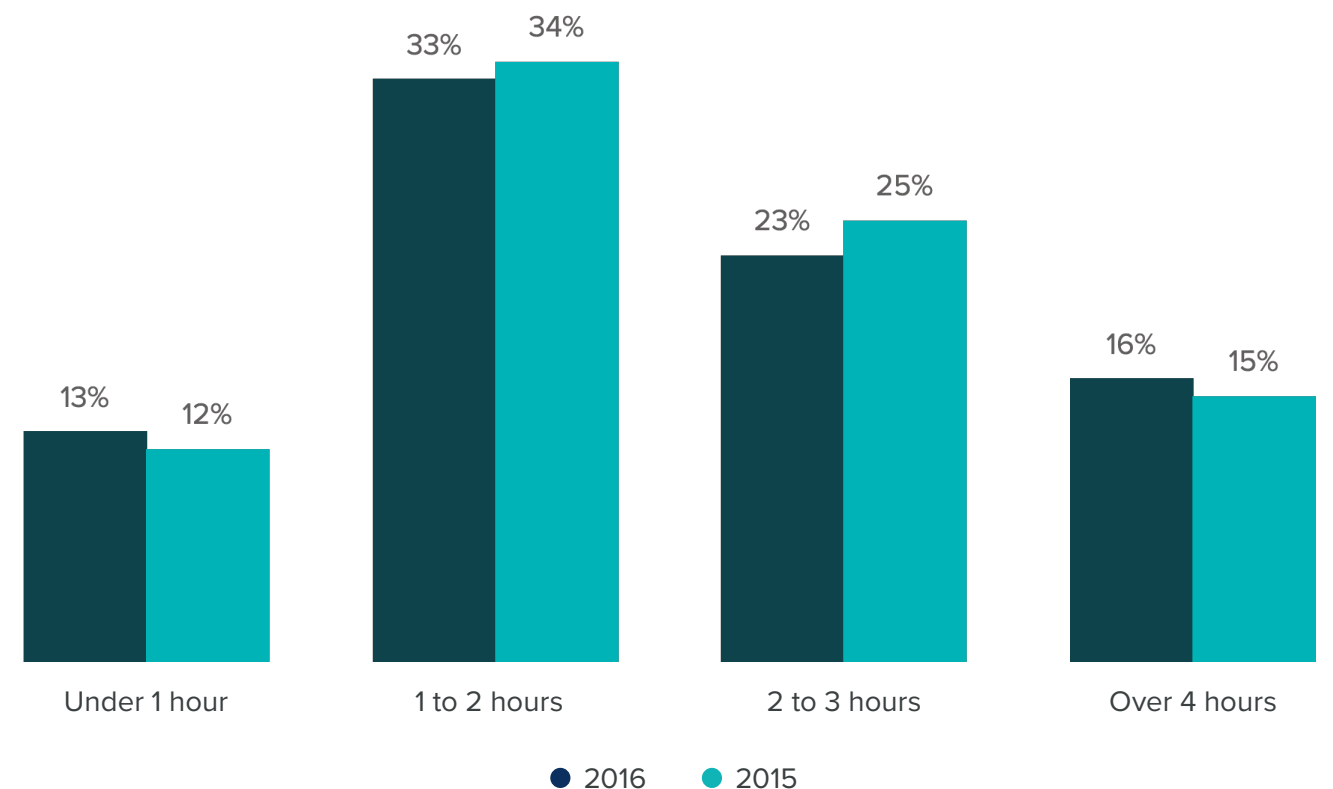
Marketing teams today use a wide range of resources to write their blog content. The heavy lifting is done by staff, but executives, freelancers, and even guest posters help fill the blog queue. The participation rates across the board are higher this year, pointing to continued investment in creating blog content.

Who writes your content?



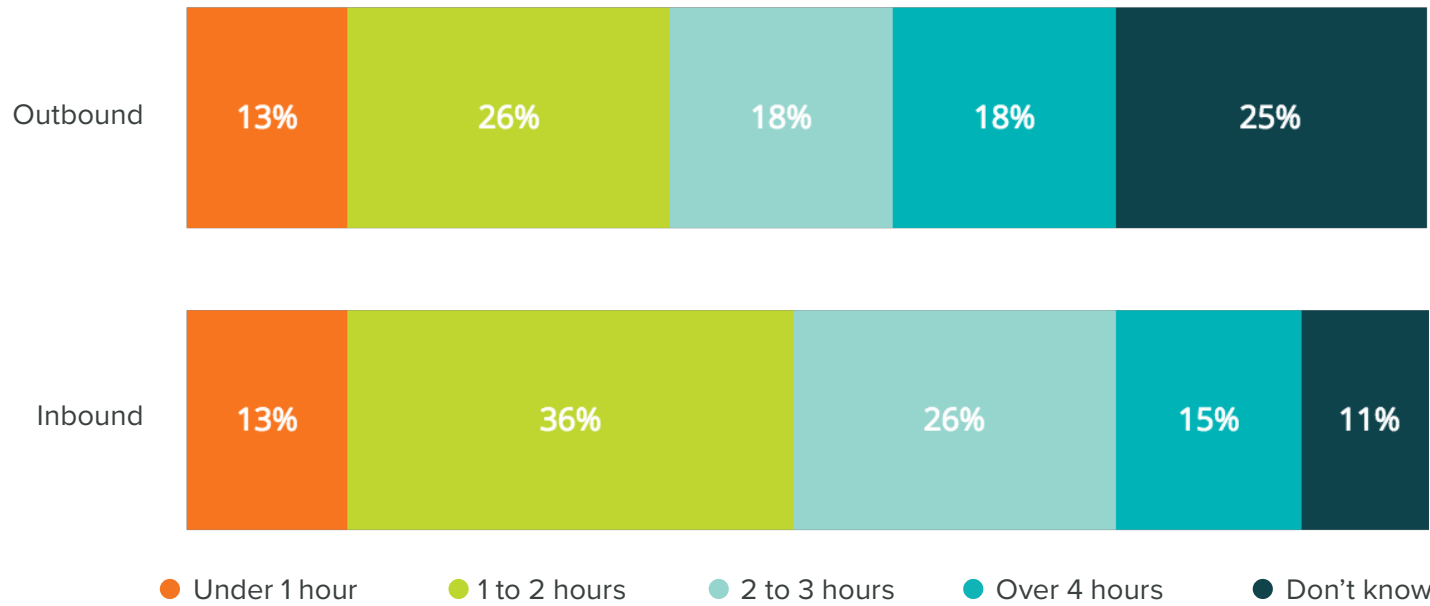
How long does it typically take you or someone in marketing to write a 500-word blog post?

We've seen only slight shifts over the past year for time spent to generate a blog post.



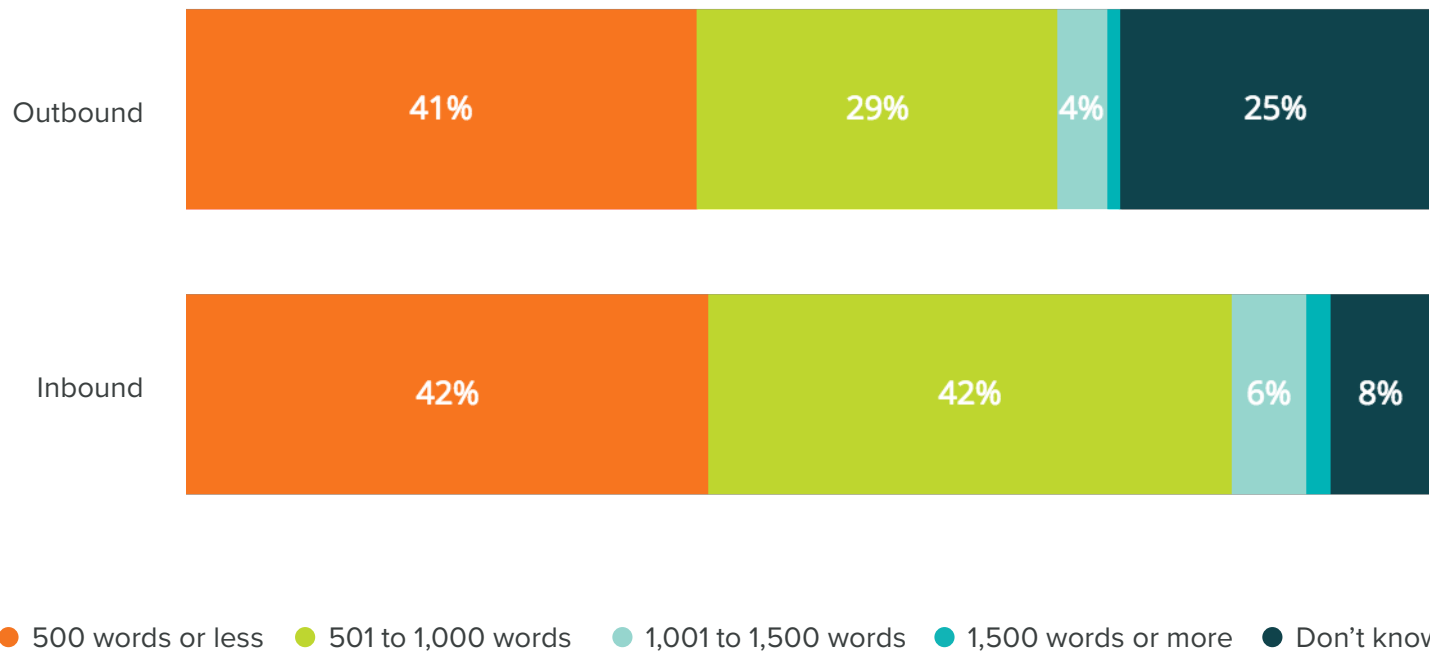
How long does it typically take you or someone in Marketing to write a 500-word blog post? (by marketing approach)

Inbound marketers take less time to write a blog post -- perhaps practice makes perfect.



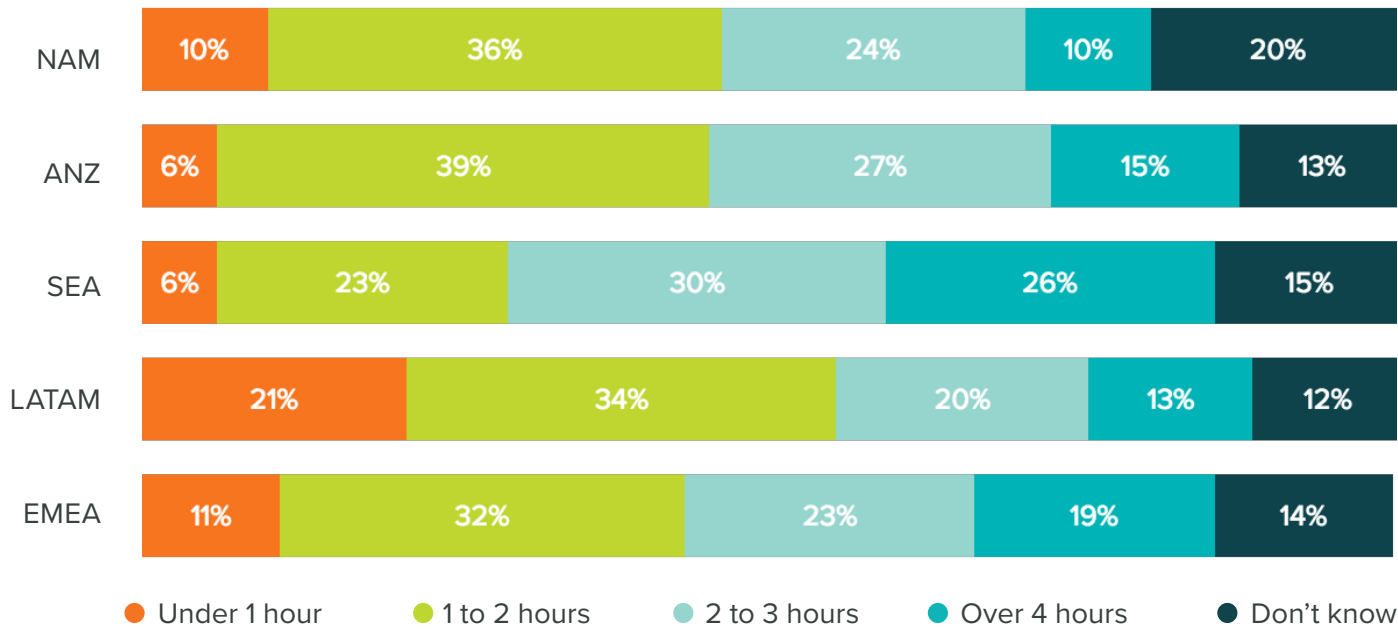
How long is the average blog post for your organization?

Inbound organizations also tend to write longer blog posts.



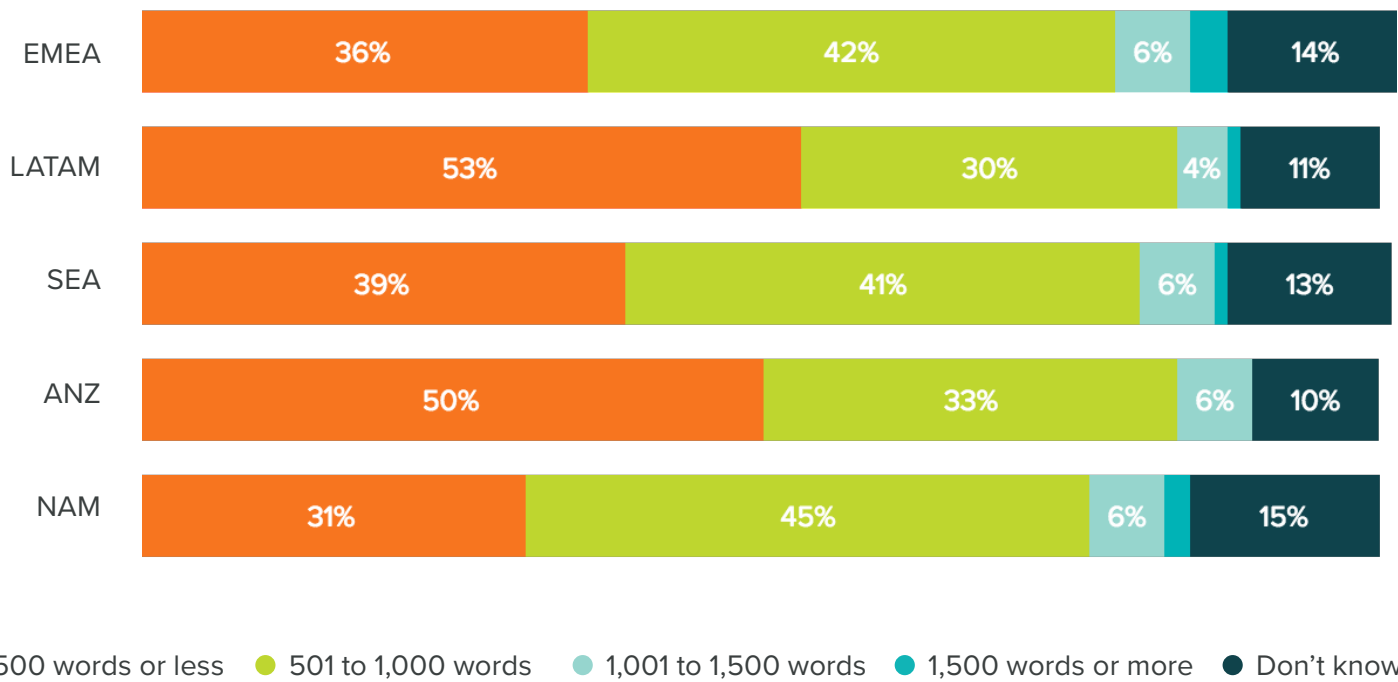
How long does it typically take you or someone in Marketing to write a 500-word blog post? (by geography)

Globally, LATAM marketers write the fastest, followed by EMEA and NAM.



How long is the average blog post for your organization? (by geography)

LATAM blog posts tend to be shorter, which is likely why they're so quick to write.

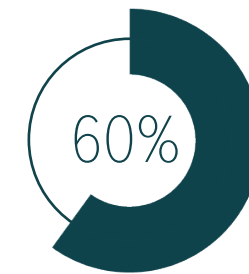


What People Look For in a New Job

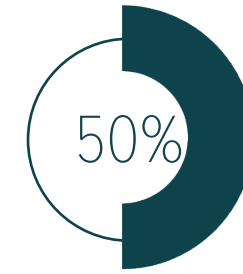
Our respondents have consistently ranked opportunities for growth as the biggest deciding factor when considering a new role, followed by work/life balance, and then compensation.

What do you consider when looking for a new job?

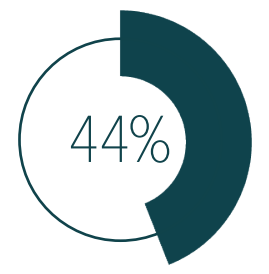
While the top three options are consistent across sales and marketing roles, we see some differences further down the list: 11% more marketers factor in culture, while sales teams consider the quality of the sales team and overall company performance.



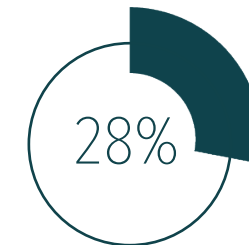
Opportunities for growth



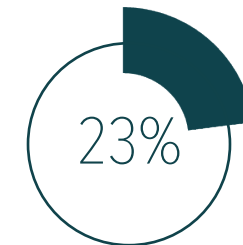
Work / life balance



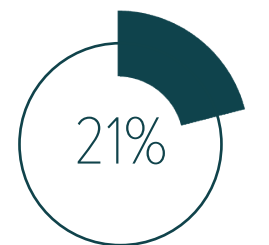
Compensation



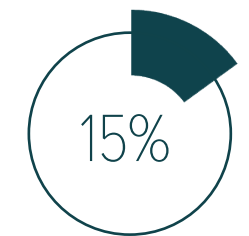
Culture



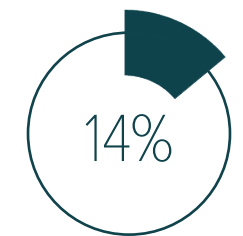
Geography / location



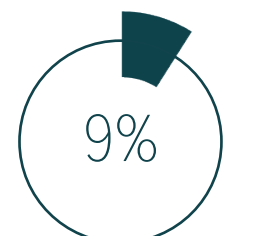
Company performance



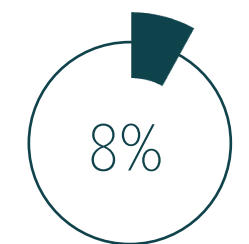
Colleagues / team



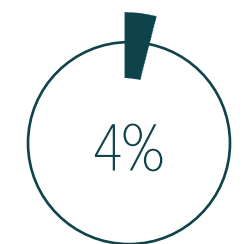
Industry



Perks (tuition, child care, etc.)

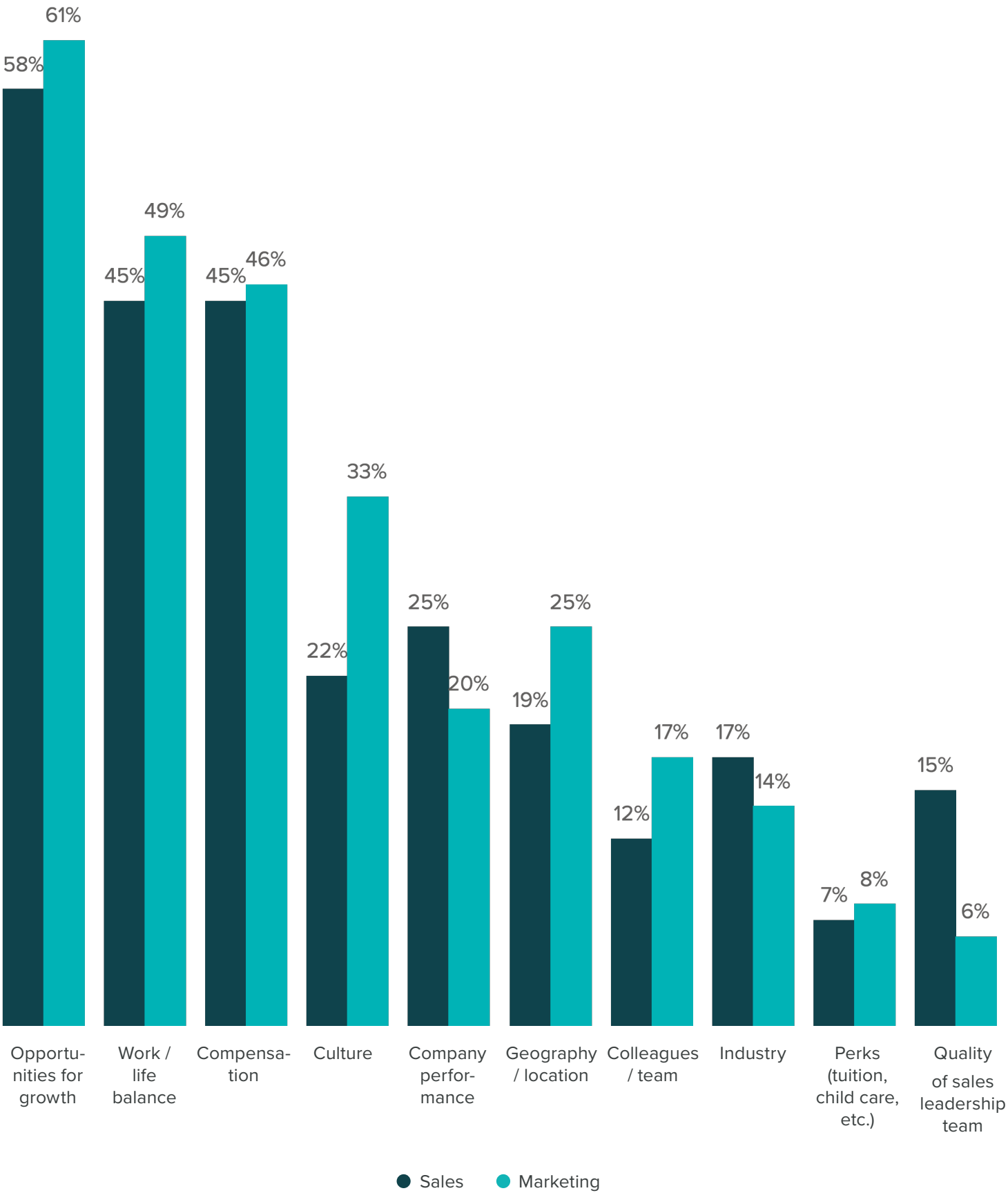


Quality of sales leadership team



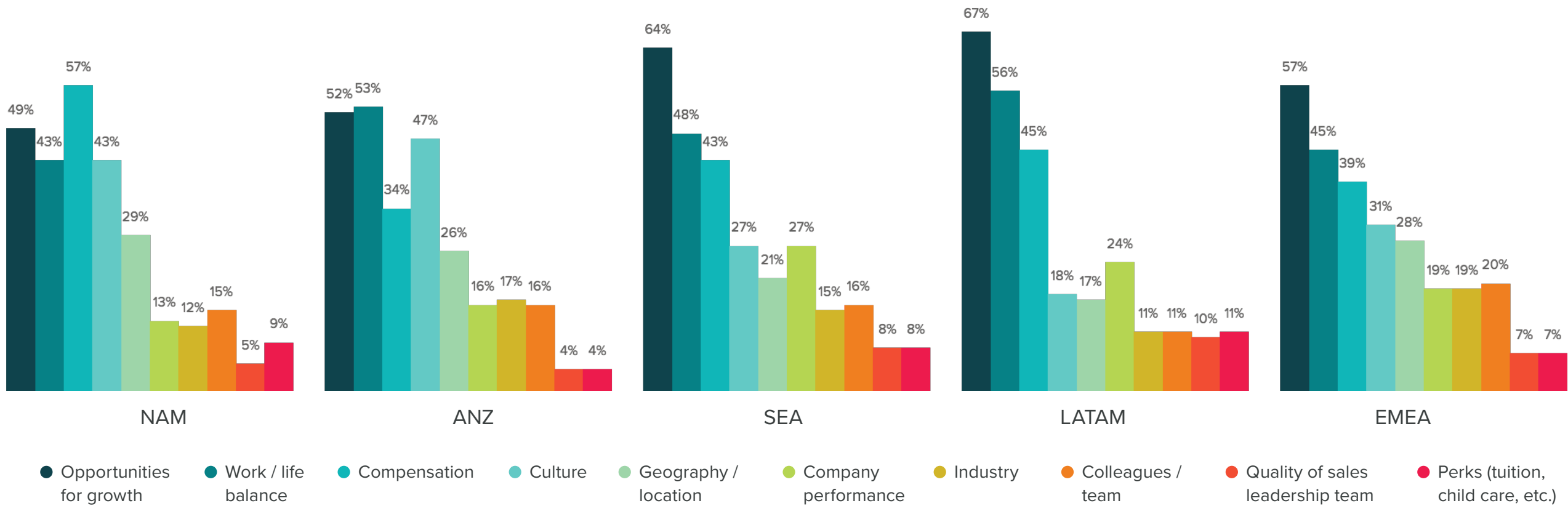
Other

What do you consider when looking for a new job? (by role)



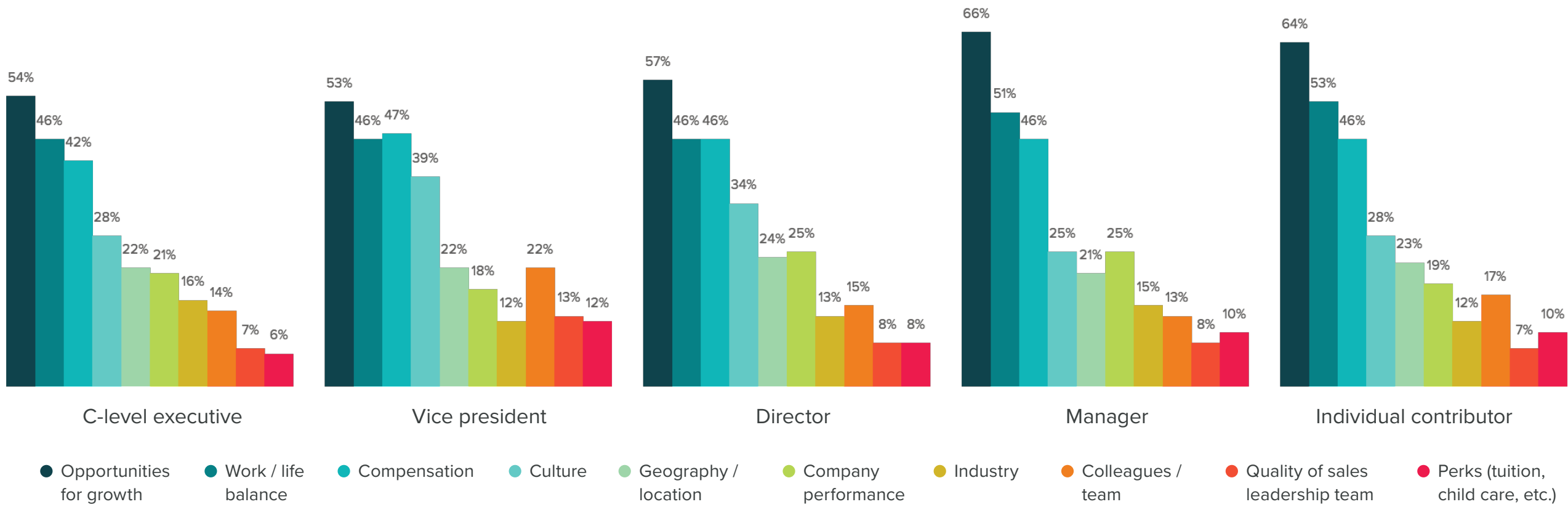
What do you consider when looking for a new job? (by geography)

Regionally, compensation is the biggest consideration for NAM respondents. Work/life balance just edges to the top in ANZ, while respondents in SEA, LAT-AM, and EMEA focus on growth opportunities. Company culture is not a huge factor in LATAM, EMEA, or SEA -- but company performance is.



What do you consider when looking for a new job? (by seniority)

Finally, when we examine responses based on seniority, we find individual contributors and managers are most interested in growth opportunities and work/life balance. The strength of culture is most important to VP- and Director-level respondents. Compensation factors consistently across roles.



Bylines and Method- ology

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Methodology:

HubSpot fielded a global online survey from February 2016 through May 2016. The survey was available in English, French, German, Spanish, and Portuguese. The responses were sourced via email invitations, blog promotion, and social sharing. No personal information was collected and no incentives were offered for responses.