How Digital Branding Drives B2B Demand

New research shows how hundreds of B2B tech companies drove new leads and increased consideration by 25%+.

By Andrew Briney

TechTarget

“Do I need to spend on branding? How does it really help me drive value for my company?”

You’ve surely asked yourself these questions at one time or another. And rightly so. Most B2B marketers “get” branding but are driven to track the ROI of every marketing expense. And let’s face it: Compared to other tactics, it’s just harder to measure the ROI of branding.

The other common obstacle to branding is the assumption that you must “go big or go home.” And who has that kind of budget, unless you work for a giant multinational brand? Under the circumstances, you may conclude branding is a luxury you can’t afford.

Turns out, that would be the exact wrong conclusion.

In today’s hyper-competitive B2B marketplace, branding is more important than ever to breaking through the logjam of vendors and information competing for your customers’ attention. This plays out in several practical ways:

- If you’re a startup, branding helps you “punch above your weight” so you can build consideration vs. 800-pound competitors.
- If you’re an established label, branding helps you defend your turf against upstarts whose mission is to steal share of mind and wallet.
- Whether you’re big or small, branding is essential for new product launches or establishing a beachhead in a new geo.
- If your reps have ever called a whitepaper lead only to have them say, “Sorry, I’ve never heard of you,” or, “I didn’t know you guys did *that*,” targeted branding can be the difference maker.

Each of these benefits is about using branding to *create* and *qualify* demand for your company and your products. What’s different today is you can leverage new digital techniques to achieve these goals in a much more cost-efficient way that tracks to bottom-line sales and revenue.

We know this last statement to be true because over the past two years at TechTarget, we’ve conducted several studies that examined how branding can be used as an effective demand-creation tactic for B2B companies and their solutions. We analyzed 1,600 digital display campaigns comprising 700 million+ banner impressions that ran across our extensive publishing network. These campaigns were run by B2B technology firms of all shapes, sizes, geos and markets.

We carefully measured the impact of those campaigns on key B2B purchase behaviors, seeking answers to these key questions:

- Does digital display quantitatively improve how buyers engage with you?
- Does digital display quantitatively increase the number of buyer short lists you make?
- And can you quantify digital display in terms of sales pipeline?

We examined how digital display can be used as an effective demand-creation tactic by looking at 1,600 campaigns comprising 700M+ banner impressions.

The studies revealed several tangible connections between digital branding and demand gen. Specifically, we discovered that well-targeted digital display directly lifted email response rates

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by over 20%; that consistent brand presence was a key factor in increasing short list consideration by up to 25%; and that when you leverage branding as part of a cross-digital-channel effort to influence prospects you can increase sales pipeline by a factor of more than 2X. Each of these conclusions are discussed in detail below.

Beyond the results themselves, we were intrigued by what these studies taught us about how to maximize prospect engagement using digital display, practices we immediately put to work in the marketing campaigns we run for B2B customers.

For example, we learned which buyer characteristics drive the most engagement (recent interests, vendor interactions) and which have less impact (demographics). We learned how to improve performance by targeting banners based not just on an individual buyer's behavior, but on the collective behavior of the account team surrounding him. And we learned how important promotional timing and messaging synchronization are to maximizing results across email and display.

The goal of this white paper is to explore all these outcomes so you, too, can take advantage.

To Know Me Is to Like Me

Ever heard of "mere-exposure effect" (AKA the "familiarity principle")? Basically it states that people tend to develop a preference for things simply because they're familiar with them. Whether it's a new song you heard on the radio, a painting at a museum or a store you drive by every day, the very act of repeatedly seeing and experiencing that thing makes you like it more.

This is why branding works. Branding familiarizes buyers with your company and products so you have an edge when it comes time to buy.

That doesn't mean every branding campaign you run will magically yield net new leads at a $10 CPL. But it does mean you'll get more qualified, informed prospects into your funnel who will progress faster from 10% probability to 50% to 70% to closed-won.

This white paper is all about how to quantify the ROI of banding. But it's important to remember that branding works whether or not you can measure it in dollars and cents.

Robert Zajonc, a pioneer of the "familiarity principle." Zajonc's research pointed to the fact that branding works whether we measure it or not.

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You Can Never Have Enough Qualified Demand

Demand creation is Job One for most marketers, but there's a big difference between *demand gen* and *lead gen.* It's easy to fill the top of your funnel with low-cost responders. Much harder to convert them to MQLs, SQLs and pipe.

One mistake we often see B2B advertisers make is trying to use display to convert leads via landing pages. Our research shows that digital display is great for *qualifying* demand but not for B2B lead conversion, for two reasons:

1. B2B buyer behavior is not transactional; and
2. While B2B buyers expect email-based content promos to be gated, they're turned off when banner-driven ones are.

B2C tech products cost $50-$500. Behavioral retargeting works well in B2C because many clickers are ready and able to buy now. A well-targeted banner featuring a discount offer is the perfect nudge to turn interest into purchase. And so naturally, many ad agencies assume what's good for B2C must be good for B2B.

But B2B, obviously, is very different. Enterprise technology products cost tens-of-thousands if not hundreds-of-thousands of dollars. The purchase process involves 6-9 months of online research by a team of decision-makers and influencers, each of whom averages a dozen or more Google searches as they narrow down their strategic and technical options.[1] This is a long, dynamic, self-directed process where the buyer is firmly in control of when and how they interact with you.

Banner click-thrus that lead directly to a landing page reg form are a big turnoff for B2B buyers in the midst of this educational journey. As a marketing practice, it assumes you can perfectly time display ads to the exact moment the buyer is ready to enter your sales cadence. You can't.

While banner lead gen will surely yield new inquiries, our experience is that many of these leads are at best tire-kickers or, at worst, a dead end. The B2B marketing battlefield is littered with qualified prospects you'll never know because they registered as Mickey Mouse or Smokey the Bear simply to get at the asset. Meanwhile, hundreds of otherwise qualified buyers simply bounce away forever.

From Integrated Marketing to Synchronized Messaging

So if digital display is an ill-advised tactic for landing page lead gen, how can it be used to drive more demand? The answer lies in how prospects view email promotions and, more specifically, how synchronized messaging across email and display make them more likely to click on an email offer.

Unlike banner click-thrus, users who click thru an email *expect* to hit a reg wall. The challenge is email has a much narrower reach than display, and the typical B2B buyer's inbox is already inundated with promotions from you and all your competitors. Our research shows that a proven way to break through the noise is to synchronize your digital display and email messaging together.

I purposefully use the words "synchronized messaging" here, as opposed to "integrated

1 Source: Think With Google, https://www.thinkwithgoogle.com/consumer-insights/the-changing-face-b2b-marketing/

marketing." Most marketers already do campaign-based integrated marketing: the art of using multiple digital channels simultaneously. But all too often the most important elements get lost in integrated marketing: the audience and timing.

Prospects targeted with banner ads are 22% more likely to click on an email offer. Think about the impact of that across thousands or tens-of-thousands of emails.

There's a big difference between targeting "IT decision makers" at-large and synchronizing your messaging to the *same* cloud backup buyers at the same time across media tactics.

At TechTarget we run hundreds of synchronized messaging campaigns each year on behalf of B2B tech brands, targeting the same individuals with banners and email at the same time with the same message and offer. For this study, we compared the email click-thru rates of 10,000 prospects who were simultaneously targeted with banners and email vs. that of 40,000 prospects who received email only.

We found that prospects reached via synchronized messaging were 22% more likely to click on the email offer. While 22% lift was the average, lots of brands exceeded that. For example, a provider of software development testing tools saw a 130% increase in email CTRs through synchronized messaging. An app security provider generated a 140% increase in email CTRs.

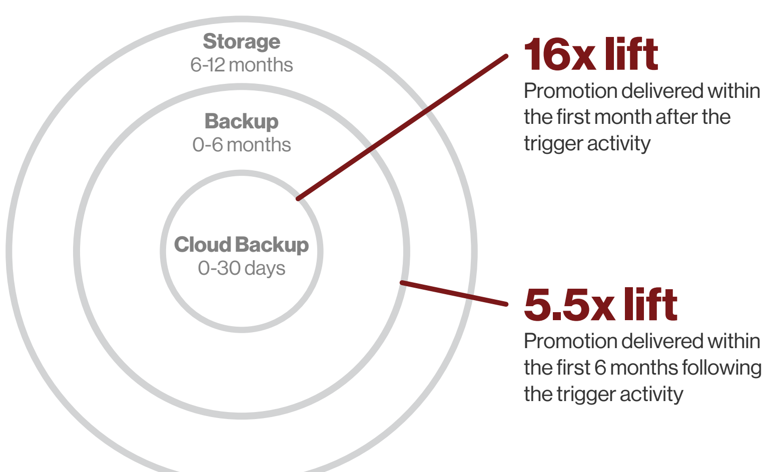
Other recent studies have reached similar conclusions. According to Salesforce.com, Fortiva Credit Union saw a 25% increase on response rates when adding advertising to their email campaigns.[2]

A critical factor to making this work is timing. When you coordinate display and email outreach within the first 30 days of a prospect's fact-finding research, they're up to 16 times more likely to respond to you (Figure 1).

2 Source: Salesforce Webinar, "Why are Unified Audiences the Key to Digital Advertising in 2018?"

Figure 1:
Timing Is Everything

TechTarget's content syndication engine generates nearly 10,000 leads per day. From our years of experience delivering that volume of leads, we learned that the two most important factors to positive response are timeliness and relevancy. More specifically, there's abundant evidence that behaviorally targeted promos delivered within 30 days of a prospect's trigger activity increase response rates by up to 16x.



Digital Display Boosts Consideration

Well-timed and well-targeted digital display creates more demand. Our research shows it also boosts brand preference later in the buyer's decision process.

Advertisers who ran targeted display campaigns consistently over a year-long period lifted their short-list consideration rate by more than 25%.

Over the course of an 8-quarter period from 2015-2017, we analyzed 1,600 banner campaigns comprising 700 million+ banner impressions that ran across our publishing network. We wanted to quantify what impact, if any, those placements had on a prospect's consideration for that brand.

We're able to assess purchase consideration at scale because of our business model. In addition to display advertising and demand generation tools, we have an entire practice devoted to pre- and post-purchase deal verification. Each year we survey more than 185,000 enterprise tech buyers about their company's upcoming projects, asking them about their challenges, current install environment and new technologies they're planning to purchase. One of the key questions in this survey process pertains to suppliers: "What vendors are on the short list for your purchase?"

By correlating the two data sets together—targeted display banners and short list consideration—we're able to get direct line of sight into how branding impacts buyer preferences across hundreds of IT markets.

Figure 2 shows the average lift in consideration achieved by 109 midmarket tech suppliers broken into three groups: those with a consistent brand

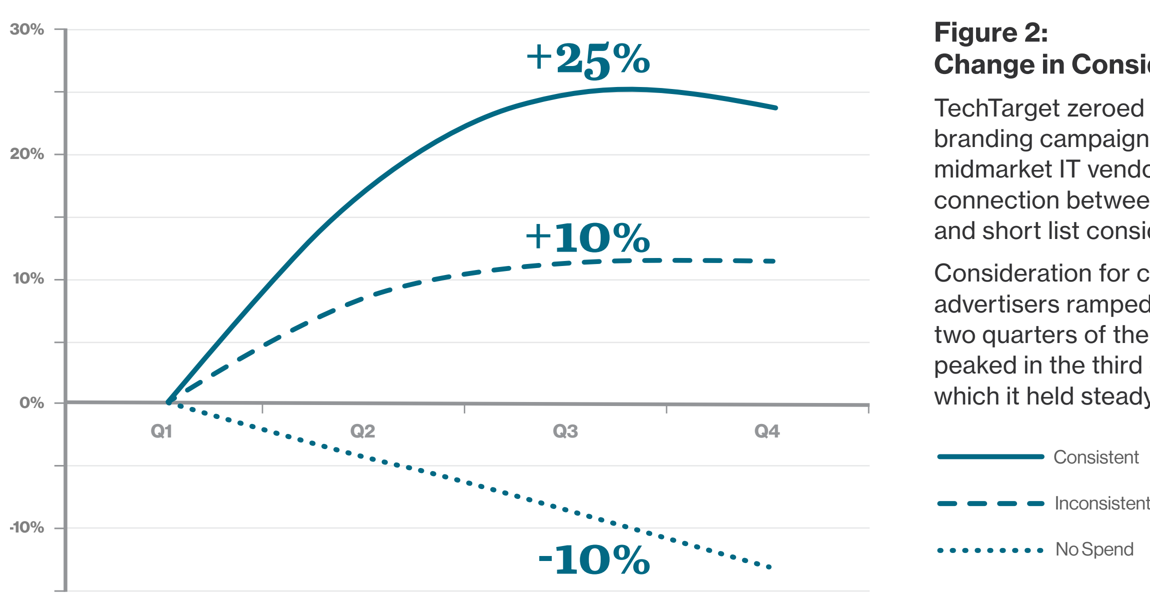
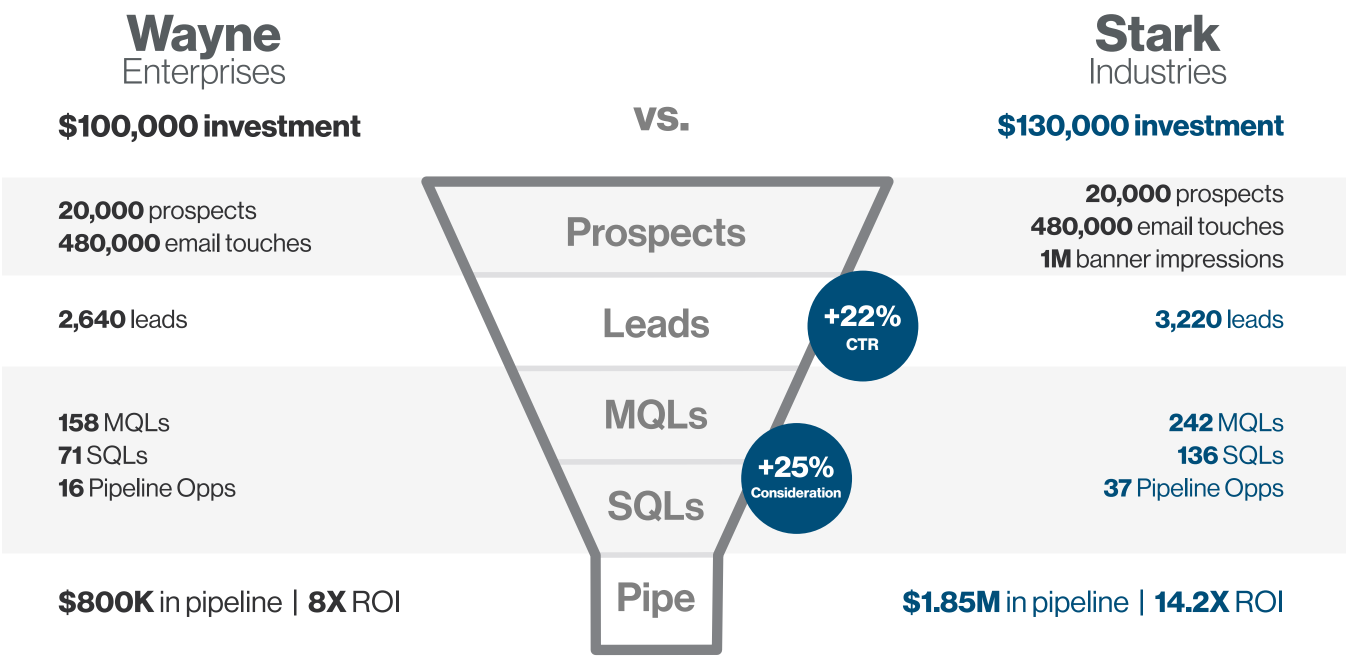


Figure 2: Change in Consideration

TechTarget zeroed in on 425 branding campaigns from 109 midmarket IT vendors, assessing the connection between digital display and short list consideration.

Consideration for consistent advertisers ramped in the first two quarters of the campaign and peaked in the third quarter, after which it held steady.

Figure 3: How Branding Impacts the Bottom Line



presence; those with an inconsistent brand presence; and those with no brand presence.

Advertisers who ran targeted display campaigns consistently over a year-long period lifted their short-list consideration rate by more than 25%. They appeared on buyer's short lists 25% more often than before their brand campaign started. Companies that ran *some* digital display but not consistently also showed a lift of about 10% in short-list placements. And interestingly, when compared to their peers, vendors who did *no* branding actually declined in consideration during the period—they were bumped off short lists by their better-known competitors.

How Digital Display Can Double Your Pipeline

This paper began by challenging two long-held beliefs: That it's hard if not impossible to track and measure the effect of B2B branding on sales pipeline; and that you have to go big or go home when it comes to branding.

By carefully observing branding's impact on demand across hundreds of marketing campaigns, our research shows that digital display has a positive effect on both email response and purchase consideration. And when you apply those results to a marketing/sales pipeline model, it clearly illuminates how branding impacts the bottom line.

Figure 3 represents a basic marketing/sales funnel. On the left side is "Wayne Enterprises," a typical midsized technology vendor that doesn't run targeted display. On the right side is "Stark Industries," a competitor in the same market that synchronizes promotions and messages across digital display and email. Both companies sell solutions with an ASP of $50,000.

Wayne enterprises spends $100,000 to acquire 20,000 top-of-funnel prospects and wants to convert them to leads via email nurturing. The company nurtures each prospect an average of two times a month for a year, for a total of 480,000 email touches. Using industry-average conversion rates[3], Wayne produces 2,640 leads (.55% prospect-to-lead conversion rate), 158 MQLs (6% lead-to-MQL conversion rate); 71 SQLs (45% MQL-to-SQL conversion rate); and 16 pipeline opportunities (22% SQL-to-pipe conversion rate). At a $50,000 ASP, Wayne nets $800,000 in pipeline for an 8X ROI.

Stark Industries spends the same $100,000 to acquire 20,000 prospects. Stark emails the prospects the same frequency as Wayne, but in addition spends $30,000 on 1M targeted banner impressions. Now, as Stark emails prospects it also targets them with display banners, making sure to promote the same content and messaging. According to our observed research, Stark will benefit with an average 22% increase in email conversions. What was 2,640 leads for Wayne is now 3,220 leads for Stark.

Furthermore, thanks to synchronized digital display targeting, the Stark leads are now more predisposed to consider Stark for purchase. The consistent, integrated brand targeting effort helped create awareness, recognition and credibility that lifted consideration by 25%. The impact of that lift is like compound interest at every down-funnel stage:

- Stark's 3,220 leads are 25% more likely to respond to email follow-ups (an MQL qualifying action); what was 158 MQLs for Wayne is 242 MQLs for Stark.
- Stark's MQLs are 25% more likely to take a meeting (an SQL action); what was 71 SQLs for Wayne is 136 SQLs for Stark.
- Stark's SQLs are 25% more likely to put Stark on the short list and enter their opportunity pipeline; what was 16 piped ops for Wayne is 37 piped ops for Stark.
- At the same $50,000 ASP, Stark is able to pipe $1.85M, 14.2X ROI on their spend, 78% higher than Wayne Enterprise's ROI.

While this comparison assumes a lot of numbers that will vary for your company—e.g., cost of prospect acquisition, ASP, whether your conversions under- or over-perform averages—it's a useful model to determine how branding can help you accelerate and win more opportunities.

The underlying lesson is clear: If you take advantage of the many new technologies and techniques for targeting banners based on prospect interest and activity, and if you can do it in a synchronized way with your email promotions, digital display is an extremely effective tool for distinguishing your solutions, driving more demand, building preference and consideration and, ultimately, winning more business.

If you'd like to further explore how digital display can help drive more business at your company, visit techtarget.com/products.

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3 The comparative pipeline exercise assumes these industry-supplied B2B conversion rate averages: .55% prospect-to-lead conversion rate (source: Marketo); 6% lead-to-MQL conversion (source: Sirius Decisions); 45% MQL-to-SQL conversion (source: Sirius Decisions); 22% SQL-to-pipeline conversion (source: Sirius Decisions).

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How TechTarget Helps You Create Digital Demand

3 Keys to Success

In the process of pulling together this study we learned to spot the common ingredients of successful digital branding campaigns. Some ad agencies today assume the difference between success and failure comes down to how they manage their programmatic platform—more specifically, how well they manipulate the DSP/SSP/DMP ecosystem to find and reach in-market prospects at the lowest bid rate.

Our publishing model attracts people who are actually buying, versus building cookie pools that simply look like potential buyers.

Our research shows that targeting tactics are important, but the keys to good performance are much more fundamental: Audience, Context and Measurement. Let's explore each of these a little further.

Actionable First-Party Data

TechTarget gathers unique audience insights that aren't available elsewhere. Programmatic advertising today tends to gloss over the most important factor in good performance: whether you're targeting a relevant audience! That's a problem in B2B because there's a huge shortage of good audiences you can actually identify and reach. To build scale almost every programmatic solution aggregates audiences from multiple data providers. You end up with a stew of anonymous lookalikes who may or may not care one bit about what you're promoting.

At TechTarget we don't do that. All our branding solutions rely exclusively on our own first-party insights into *who's* buying and *what* they're buying. This data's not available on the Open Exchange or through any DMP. We're able to gather it because we operate the Web's most comprehensive network of IT decision-support content—nearly 600,000 articles and downloadable vendor PDFs across 140 Web sites. Because it's both deep and specific, this content ranks highly in search engines, which contributes to the nearly 200M unique visitors that come into our network each year from organic search.

Just because our data's proprietary doesn't inherently make it valuable. What makes it valuable is that we're attracting people who are actually buying, versus building cookie pools that simply look like potential buyers. We also have better insight into what IT projects they're researching *right now.* In short, we access a more qualified audience and have better qualifying data about their interests.

Hyper-Aligned Context

Better audiences and better data make for better targeting. The banners you place on our network are hyper-aligned to the content buyers are researching. No other online community offers anything close to this level of alignment. You hit people who matter when it counts—at the critical stage when they're forming opinions about who they should buy from.

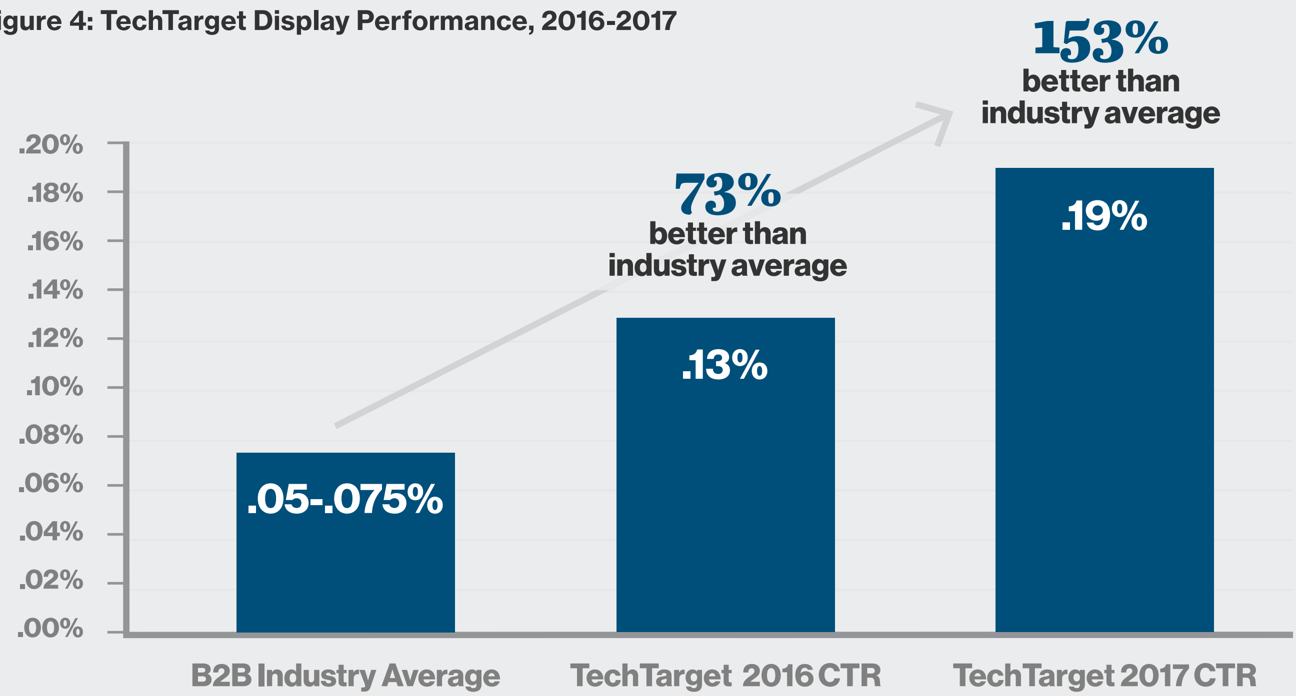
Now, as that buyer's research path continues across other relevant sites on TechTarget and across the Web, we leverage all these data insights to retarget them, increasing awareness and consideration through repetition.

Measure the Front- and Back-End

The best way to know you're reaching and engaging the right audience is to examine both front-end and back-end engagement. Most advertisers translate that in terms of a binary: Easy-to-measure click metrics (CTR, CPC) or hard-to-achieve conversion metrics (CPL).

While CTR isn't the most important KPI to focus on, neither is it a "vanity metric" as some have called it. CTR tells you whether you have compelling creative and calls to action. And TechTarget is a leader in this category. Our year-over-year click-thru performance continues to increase and is now 153% better than industry averages (Figure 4).

Figure 4: TechTarget Display Performance, 2016-2017



Source: https://www.smartinsights.com/internet-advertising/internet-advertising-analytics/display-advertising-clickthrough-rates/
TechTarget: All standard banner impressions served on TechTarget networks, comparison of 2016 and 2017.

Figure 5: Comparative Front-end and Back-end Branding Performance

Banner Metrics	TechTarget	Data Provider 2	Data Provider 3
CTR	0.27%	0.19%	0.18%
Cost per click	$4.66	$4.96	$6.23
Cost per landing	$9.06	$10.11	$15.45
Landing Page Metrics	**TechTarget**	**Data Provider 2**	**Data Provider 3**
Home page viewthroughs	2,079	450	90
Cost per viewthrough	$25.00	$77.52	$250.70
Content engagements	570	69	123
Cost per qualifying action[4]	$19.62	$67.21	$97.67

4 Viewthroughs plus content engagements.

Source: Just Media, Inc.

What CTRs don't tell you is whether your branding is actionable. Are you reaching buyers in market to buy now? Does your offer and content address their needs? Are you able to engage and educate them so when they convert, they're prequalified?

TechTarget recently collaborated with digital marketing agency Just Media on a comprehensive analysis of the relationship between audience composition and prospect engagement. The study, based on digital display campaigns from 9 different B2B advertisers, illustrates that strong front-end brand performance doesn't always correlate to strong prospect engagement downstream (Figure 5). Across all 3 data providers the overall front-end metrics were relatively consistent (TechTarget's were slightly higher). Conversely, the back-end engagement metrics showed a dramatic difference: TechTarget's prospects were nearly 600% more engaged with advertisers' Web pages and content, at one-fourth the cost per qualifying action.

The study's lessons are clear: Front-end performance alone can be misleading. If your business focus is on driving qualified demand, to maximize returns you have to make sure you're accessing the best possible audience. It's only by understanding what happens after the initial click that this becomes obvious.

If you'd like more information about digital brand campaigns at TechTarget, visit techtarget.com/products.

About TechTarget

TechTarget (Nasdaq: TTGT) is the global leader in purchase intent-driven marketing and sales services that deliver business impact for enterprise technology companies. By creating abundant, high-quality editorial content across more than 140 highly targeted technology-specific websites, TechTarget attracts and nurtures communities of technology buyers researching their companies' information technology needs. By understanding these buyers' content consumption behaviors, TechTarget creates the purchase intent insights that fuel efficient and effective marketing and sales activities for clients around the world.

TechTarget has offices in Boston, London, Munich, Paris, San Francisco, Singapore and Sydney.

For more information, visit techtarget.com and follow us on Twitter @TechTarget.

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