FOREWORD

Hello Software Marketers!


When we recently surveyed 1,416 business-to-business (B2B) marketers from North America (United States and Canada) representing a full range of industries, we found that in many ways, software companies have adopted content marketing with more gusto than their B2B peers overall.* For instance, 99% of software marketers use content marketing, they use more content marketing tactics than their peers, and they use those tactics with greater frequency, indicating their willingness to try different things.

Here are some other key findings:

► On average, software marketers allocate 29% of their total budget to content marketing.
► 53% say they will increase their content marketing budget over the next 12 months.
► Software marketers cite lead generation as their top goal and put more emphasis on thought leadership than other B2B marketers do.

Like their B2B peers overall, software marketers are challenged with effectiveness: just 38% believe they are effective at content marketing. However, they are no less challenged with lack of budget and executive buy-in than their B2B peers overall – and yet they have the highest adoption rate of content marketing – which indicates that software marketers are especially resourceful. Over time, we expect their confidence in their effectiveness to grow with more experience.

On with the content marketing revolution…

Joe Pulizzi
Founder
Content Marketing Institute

*See page 19 for study demographics.
99% of software marketers use content marketing.

Percentage of Software Marketers Using Content Marketing

99% use content marketing
1% do not use content marketing

Software marketers use an average of 14 content marketing tactics.

Number of Tactics Software Marketers Use

- 20+ Tactics: 13%
- 16-19 Tactics: 21%
- 13-15 Tactics: 23%
- 10-12 Tactics: 22%
- 5-9 Tactics: 15%
- 1-4 Tactics: 3%

Average: 14

Software marketers use more tactics than their B2B peers, who use an average of 12.

Content Marketing Among Software Marketers (by Tactic)

- Social media (other than blogs) is the most popular tactic among software marketers (93%) and their B2B peers (87%).
- Software marketers use all but one of the top 15 tactics shown here more often than their B2B peers. The exception is “articles on your website,” which 83% of both groups report using.
While B2B marketers overall consider in-person events to be the most effective content marketing tactic (67%), software marketers say they get better results with webinars than their peers do (71% vs. 61%).

Software marketers consider these tactics less effective than their B2B peers do: videos (50% vs. 58%), social media (39% vs. 49%), and articles on other websites (36% vs. 50%).

Software marketers consider these tactics more effective than their B2B peers do: white papers (65% vs. 57%), research reports (63% vs. 57%), ebooks (60% vs. 55%), and microsites (57% vs. 50%).
Software marketers, like their B2B peers, use an average of five social media platforms to distribute content.

Software marketers use these platforms more often than their B2B peers do: Twitter (89% vs. 80%), LinkedIn (87% vs. 83%), Facebook (82% vs. 80%), YouTube (69% vs. 61%), and SlideShare (29% vs. 23%).

Software marketers use these platforms less often than their B2B peers do: Google+ (33% vs. 39%) and Pinterest (21% vs. 26%).

Software marketers cite lead generation as their top goal for content marketing.

The following goals are more important to software marketers than they are to their B2B peers:
- Lead generation (82% vs. 71%)
- Thought leadership (79% vs. 64%)
- Lead management/nurturing (66% vs. 45%)

Thought leadership is an important goal even for software marketers who rate themselves as least effective at content marketing, with 82% of that group citing it as a top goal.
Software marketers most often use sales lead quality to measure content marketing success.

### Measurement Criteria for Content Marketing Success (Software Companies)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Lead Quality</td>
<td>69%</td>
</tr>
<tr>
<td>Website Traffic</td>
<td>63%</td>
</tr>
<tr>
<td>Sales Lead Quantity</td>
<td>60%</td>
</tr>
<tr>
<td>Social Media Sharing</td>
<td>45%</td>
</tr>
<tr>
<td>SEO Ranking</td>
<td>43%</td>
</tr>
<tr>
<td>Inbound Links</td>
<td>42%</td>
</tr>
<tr>
<td>Direct Sales</td>
<td>37%</td>
</tr>
<tr>
<td>Time Spent on Website</td>
<td>36%</td>
</tr>
<tr>
<td>Qualitative Feedback from Customers</td>
<td>36%</td>
</tr>
<tr>
<td>Benchmark Lift of Company Awareness</td>
<td>23%</td>
</tr>
<tr>
<td>Benchmark Lift of Product/Service Awareness</td>
<td>21%</td>
</tr>
<tr>
<td>Increased Customer Loyalty</td>
<td>20%</td>
</tr>
<tr>
<td>Cross-selling</td>
<td>9%</td>
</tr>
<tr>
<td>Cost Savings</td>
<td>4%</td>
</tr>
</tbody>
</table>

Software marketers most often use sales lead quality to measure success, whereas their B2B peers most often use website traffic.
More than half of software marketers plan to increase their content marketing budget over the next 12 months (2012-2013).

53% of software marketers say they will increase their content marketing spending.

The spending patterns shown here closely resemble the patterns of B2B marketers overall.

Content Marketing Spending Among Software Marketers (Over Next 12 Months)

- **Increase 46%**
- **Remain the Same 34%**
- **Significantly Increase 7%**
- **Unsure 10%**
- **Decrease 2%**

On average, software marketers allocate 29% of their budget to content marketing.

Software marketers allocate slightly less of their marketing budgets for content marketing (29%) than their B2B peers (33%) do.

54% of software marketers outsource content creation.

Insourcing vs. Outsourcing of Content Creation (Software Companies)

- In-House Only: 45%
- Outsourced Only: 0%
- Both: 54%

Software marketers outsource content creation more frequently than their B2B peers (43%) do.

Nearly all software marketers segment their content.

94% of software marketers tailor their content in at least one way, compared with 91% of B2B marketers overall.

Software marketers are more likely than their B2B peers to tailor content by profile of individual decision maker (67% vs. 59%), company characteristics (59% vs. 52%), and stage in the buying cycle (56% vs. 42%).

Software marketers are less likely than their B2B peers to tailor content by personalized content preferences (13% vs. 23%).
Producing enough content is the top challenge faced by software marketers.

Software marketers are slightly more challenged with producing enough content (69% vs. 64%) and producing the kind of content that engages (58% vs. 52%) than their B2B peers are.

Lack of integration across marketing is a particular area of challenge for software marketers, when compared with their B2B peers (36% vs. 25%).
Like their B2B peers, the two biggest challenges software marketers face are producing enough content and producing the kind of content that engages.
Just 38% of software marketers believe they are effective at content marketing.

Slightly more software marketers (38%) rate their organizations as effective at content marketing, when compared with their B2B peers (36%) overall.

How Software Marketers Rate the Effectiveness of Their Organization’s Use of Content Marketing

- Very Effective: 5%
- Effective: 33%
- Fairly Effective: 45%
- Ineffective: 13%
- Not At All Effective: 3%
OVERALL EFFECTIVENESS

Profile of a best-in-class B2B content marketer.

Comparison of Most Effective Software Content Marketers with Least Effective Software Content Marketers

<table>
<thead>
<tr>
<th>Percentage of marketing budget allocated to content marketing</th>
<th>Most Effective</th>
<th>Overall/Average</th>
<th>Least Effective</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>37%</td>
<td>29%</td>
<td>13%</td>
</tr>
<tr>
<td>Average number of tactics used</td>
<td>16</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>Average number of social platforms used</td>
<td>5</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Plan to increase content marketing spend in the next year</td>
<td>54%</td>
<td>53%</td>
<td>42%</td>
</tr>
<tr>
<td>Tailor content to profile of decision maker</td>
<td>87%</td>
<td>67%</td>
<td>35%</td>
</tr>
<tr>
<td>Challenged with producing engaging content</td>
<td>40%</td>
<td>58%</td>
<td>77%</td>
</tr>
<tr>
<td>Challenged with producing enough content</td>
<td>65%</td>
<td>69%</td>
<td>85%</td>
</tr>
</tbody>
</table>


▶ “Most Effective” = Respondents who rated their organization’s use of content marketing as 4 or 5 in terms of effectiveness (on a scale of 1 to 5, with 5 being “Very Effective”)

▶ “Least Effective” = Respondents who rated their organization’s use of content marketing as 1 or 2 in terms of effectiveness (on a scale of 1 to 5, with 1 being “Not at all Effective”)
Like their best-in-class B2B peers, the most effective software marketers:

- Allocate a greater percentage of their marketing budget to content marketing
- Use more content marketing tactics
- Use more social media platforms to deliver content
- Tailor content to specific profiles/personas much more frequently
- Are far less challenged with producing engaging content
- Are less challenged with producing enough content
**DEMOGRAPHICS**


This report is based on the responses of 165 software marketers who were part of a larger business-to-business (B2B) North America (United States and Canada) survey, from which the overall comparisons in this report were drawn (for more information, see *B2B Content Marketing: 2013 Benchmarks, Budgets, and Trends—North America*). The electronic survey was mailed to a sample of B2B marketers from among subscribers of MarketingProfs and Content Marketing Institute in August 2012. A total of 1,416 B2B marketers from North America responded, representing a full range of industries (advertising/marketing, software, consulting, manufacturing, healthcare, finance, and others), functional areas, and company sizes. Special thanks to MarketingProfs for their participation in the overall B2B North American comparisons used in this report.

### Industry Classification, Software

<table>
<thead>
<tr>
<th>Industry Classification, Software</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software Design/Development/Distribution</td>
</tr>
</tbody>
</table>

### Size of Company, Software

<table>
<thead>
<tr>
<th>Size of Company, Software (by Employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large (1000+ Employees)</td>
</tr>
<tr>
<td>Midsize (100-999 Employees)</td>
</tr>
<tr>
<td>Small (10-99 Employees)</td>
</tr>
<tr>
<td>Micro (Fewer than 10 Employees)</td>
</tr>
</tbody>
</table>

### Job Title/Function, Software

<table>
<thead>
<tr>
<th>Job Title/Function, Software</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing/Advertising/Communications/PR</td>
</tr>
<tr>
<td>Content Creation/Management</td>
</tr>
<tr>
<td>Corporate Management/Owner</td>
</tr>
<tr>
<td>Marketing Administration/Support</td>
</tr>
<tr>
<td>General Management</td>
</tr>
<tr>
<td>Sales/Business Management</td>
</tr>
<tr>
<td>Corporate Management</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>
About the Content Marketing Institute:
The Content Marketing Institute (CMI) is the leading global content marketing education and training organization. CMI teaches enterprise brands how to attract and retain customers through compelling, multi-channel storytelling. CMI’s Content Marketing World event is the largest content marketing-focused event. CMI also produces the quarterly magazine Chief Content Officer, and provides strategic consulting and content marketing research for some of the best-known brands in the world. Get more content marketing resources at ContentMarketingInstitute.com. CMI is a division of Z Squared Media, a 2012 Inc. 500 company. View all content marketing research from CMI.

About International Data Group (IDG):
IDG is the leading technology media, events, and research company reaching more than 280 million technology buyers in 97 countries.

IDG Enterprise’s media brands include Computerworld®, InfoWorld®, Network World®, CIO®, CSO®, ITworld®, CFOworld, and CITEworld. IDG’s Consumer & SMB brands are Macworld®, PCWorld®, and TechHive™. This media network spans business technology, consumer technology, digital entertainment, and video games. The IDG TechNetwork represents more than 550 independent websites in an ad network and exchange.

With expertise in digital branding, lead generation, and social media marketing, IDG Global Solutions delivers multinational programs to influence technology vendor prospects.

IDG also produces more than 700 technology and entertainment conferences and events worldwide.