B2B Social Media Marketing:
Are we There Yet?

March 2012

Trip Kucera

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Executive Summary

According to the Pew Internet & American Life Project half of all adults in the US use social networking sites[1]. Despite its obvious appeal as a marketing channel, social media is far from achieving "equal citizenship" status among the marketing mix, particularly for Business-to-Business (B2B) marketers. This benchmark report will examine the pressures and challenges social media presents for B2B marketing, and the path taken by top performing companies to achieve success. Aberdeen's research shows that top performing companies have integrated social media marketing with existing, core marketing channels and processes.

Best-in-Class Performance

Aberdeen used the following key performance criteria to distinguish Best-in-Class companies:

- 20% year over year company revenue growth

- 10% year over year increase in marketing leads that resulted in closed business

- Marketing contributes 44% of sales-forecasted pipeline leads

- 73% annual customer retention rate

Competitive Maturity Assessment

Survey results show that the firms enjoying Best-in-Class performance shared several common characteristics, including:

- 230% higher percentage of marketing-generated leads acquired through social media marketing

- 186% greater increase in year-over-year social "buzz" (positive social mentions)

Required Actions

In addition to the specific recommendations in this report, to achieve Best-in-Class performance, companies must:

- Listen, and identify the right social media channels and influencers

- Get quick wins (and fails); include some meaningful measurement

- Start integrating with existing marketing channels, processes and systems

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[1] http://pewresearch.org/pubs/2088/social-networking-sites-myspace-facebook-linkedin

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Chapter One:
Benchmarking the Best-in-Class

The self-service trend that started with search has accelerated with the rapid adoption of social networking for both personal and business use: the social web has transformed the way buyers research and discover answers to their questions and solutions to address their business challenges. From news outlets and vendor websites, to Facebook, Twitter, online forums and LinkedIn Groups, all discoverable through search, there is very little that customers can't find out about the products and services available to them.

"Customers have gotten really good at answering their own questions."

~ Cheryl Mikovch, IBM

Business Context

Social media has created an asymmetrical relationship between buyers and sellers that Aberdeen calls the "hidden sales cycle." This concept was introduced in *The Marketing Executive's Agenda for 2012: Uncovering the Hidden Sales Cycle* (October 2011):

"When it comes to product and services selection, buyers have more information than ever before to guide their discovery and evaluation processes. From their professional social networks, to solution providers' websites, and third-party, independent content (such as Aberdeen's research), buyers and solution providers are operating in an unprecedented era of transparency. As a result, many are observing that their prospects and customers are entering the formal sales cycle more informed about the problem they want to solve, the technologies available to them, and even how much the solutions should cost."

Aberdeen's survey of more than 500 companies conducted in October through December 2011 shows that marketing is concerned about the impact of customers and prospects communicating on social networks (Figure 1).

Figure 1: Top Pressures Shaping the Adoption of Social Media Marketing
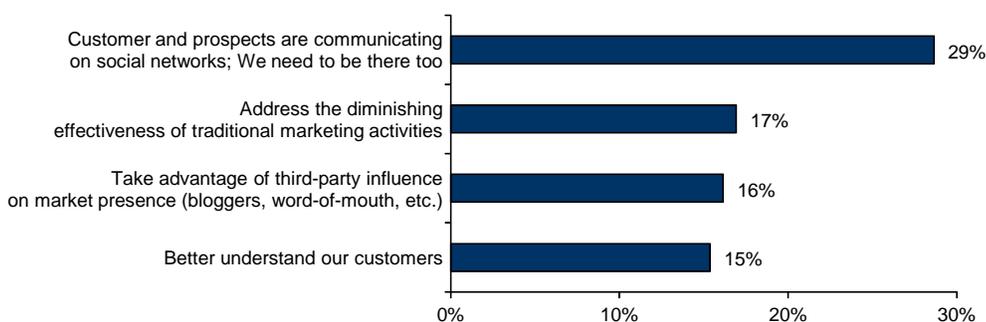
Percent of all Respondents, n = 520

Source: Aberdeen Group, December 2011

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Of course, adoption of social media marketing isn't a given, nor was it a prerequisite for participation in Aberdeen's survey. While some self-selection is bound to occur with a survey focused on any specific topic, Aberdeen found that 84% of respondents were using social media marketing in some form. And our research revealed that the performance of social media marketing users outperforms that of non-users in several key marketing metrics, as illustrated in Table 1.

Table 1: Top Performers Earn Best-in-Class Status

Value of the Difference: Performance of Social Media Marketing Users vs. Non-Users	
Using Social Media Marketing	**Not Using Social Media Marketing**
20% of sales-forecasted pipeline generated by marketing	7% of sales-forecasted pipeline generated by marketing
4.3% year-over-year increase in marketing's contribution to sales-forecasted pipeline	0.2% year-over-year increase in marketing's contribution zto sales-forecasted pipeline
0.9% year-over-year reduction in cost per marketing-generated lead	1.5% year-over-year increase in cost per marketing-generated lead

Source: Aberdeen Group, December 2011

For the purposes of this study, Aberdeen is examining the activity and performance of social media marketing users *only*, and we use their performance in creating our performance classes as described below.

The Maturity Class Framework

Social media marketing is not an end unto itself; it is a means to achieving better marketing and overall company performance. To this end, Aberdeen does not include social media-specific metrics to distinguish between Best-in-Class, Industry Average and Laggard performance cohorts in this study.

Table 2: Top Performers Earn Best-in-Class Status

| Definition of Maturity Class	Mean Class Performance
Best-in-Class: Top 20% of aggregate performance scorers	20% average growth (increase) in company annual revenue 44% of Sales forecasted pipeline generated by Marketing 10% Increase in marketing-generated leads that resulted in closed business 73% customer retention rate

Fast Facts

Tweet This

√ Social media marketing users increased marketing's contribution to sales-forecasted pipeline 20 times faster than non-users

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Definition of Maturity Class	Mean Class Performance
Industry Average: Middle 50% of aggregate performance scorers	8% average growth (increase) in company annual revenue 10% of Sales forecasted pipeline generated by Marketing 3% increase in marketing-generated leas that resulted in closed business 27% customer retention rate
Laggard: Bottom 30% of aggregate performance scorers	3% average decline (decrease) in company annual revenue 5% of Sales forecasted pipeline generated by Marketing 1% decline (decrease) in marketing-generated leads that result in closed business 7% customer retention rate

Source: Aberdeen Group, December 2011

One way to test the efficacy of social media as a marketing channel is to consider whether better performing companies are adopting social media at a higher rate, and if their efforts are rewarded in terms of social media marketing metrics per se. In fact, Best-in-Class companies acquire 230% more marketing leads from social media channels compared with all other companies (Figure 2). Best-in-Class companies are also more actively engaged in social media marketing on average than Industry Average and Laggard companies: 80% of Best-in-Class companies indicate they're somewhat or extremely active in social media marketing compared with 73% of Industry Average and 60% of Laggard firms. Additionally, Laggard firms are 1.5 times more likely to be somewhat or extremely passive in social media marketing (little or no organizational awareness or response to social media).

**Figure 2: Best-in-Class Generated More Leads from Social Media Marketing**

Source: Aberdeen Group, December 2011
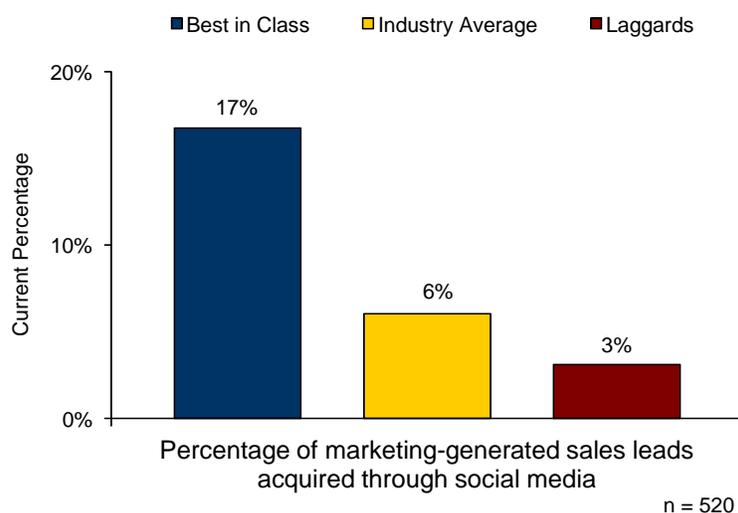
Fast Facts

Tweet This

√ Best-in-Class companies generate 17% of marketing leads from social media marketing

Best-in-Class Strategies

A wide majority of Best-in-Class companies cite expanding lead generation through social media marketing as their primary or secondary strategy (this was also the most-cited strategic action across all companies). These companies are combating the diminished influence of the hidden sales cycles by listening to and engaging buyers in social networks, with a focus on generating marketing conversions (i.e. lead generation) through this engagement.

Figure 3: Strategic Actions of the Best-in-Class

Percent of Best-in-Class Respondents, n = 87

Source: Aberdeen Group, December 2011
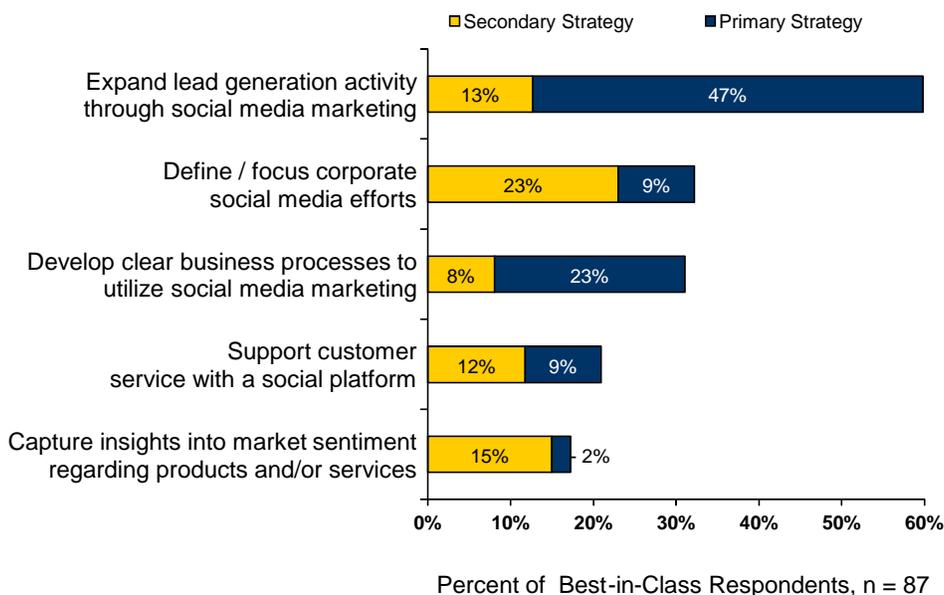
> "Brand awareness has really been our focus for social media marketing up to this point. Our goal moving forward is to integrate social media more directly with our performance marketing programs."
>
> ~ David Dorling, Head of Global Marketing for Swiss Post Solutions

The relative maturity of social media marketing was fairly even across respondents to Aberdeen's survey. The weighted average length of social media marketing use for Best-in-Class companies was two years compared with 1.7 years for all others (the Industry Average and Laggards combined), a rather narrow difference. Further, some 30% of Best-in-Class companies have been active less than a year, and only 10% of the Best-in-Class and 4% of all others have been active with social media marketing for more than four years. These facts help explain why approximately 30% of Best-in-Class companies are still defining the focus and are developing clear business processes for their use of social media marketing. It also means in part that Best-in-Class performance in social media marketing is based on execution of best practices now, rather than years of experience. The recommendations provided in Chapter Two shed light on some of these practices.

Swiss Post Solutions Builds Foundation
for Social Media Marketing Success

Formed in 2000 by the Swiss Post as reaction to falling postal mail volumes, Swiss Post Solutions (SPS), with more than 6,000 employees in 15 countries, provides document processing services/strategic document outsourcing and comprehensive customer management BPO services to organizations. The company has grown through both organic performance, as well as a series of acquisitions. As a result, SPS has gone through a process to bring 40 different brands under a single, unified Swiss Post Solutions brand.

"Brand awareness has really been our focus for social media marketing up this point," said David Dorling, Head of Global Marketing for Swiss Post Solutions. "Our goal moving forward is to integrate social media more directly with our performance marketing programs."

The company's early efforts focused on developing a YouTube channel and presentation sharing services (Slideshare), as well as standardizing its corporate profiles on LinkedIn. SPS is extending this through a comprehensive examination of customer communities to identify the most important social channels and influencers.

Dorling also notes that content and resources to generate that content are the biggest challenges SPS faces in executing its social media marketing strategy. Senior-management support is not a problem that Dorling and SPS are facing however, as social media marketing not only has the support of senior level management, but has been made a mandate by the company's Executive Board.

Going forward, SPS is integrating social media marketing into its marketing automation system, including a standard measurement model across marketing activities, such as conversion through the marketing and sales funnel.

"Our approach with social media marketing is to focus on the existing channels and show quick wins," says Dorling. "We've put the pieces in place to really be able to test different approaches in different countries to see what's working, where it's working, and how much business it's actually generating."

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Chapter Two:
Benchmarking Requirements for Success

Several trends emerge from the best practices that Aberdeen has identified through its benchmark methodologies. Best-in-Class companies are more likely to support social listening and analysis practices, and engage more frequently than other companies on social networks. Additionally, Aberdeen's research shows a clear correlation between integration of social media with existing marketing channels and processes, such as lead management and measurement.

"Buying software is a process of de-risking and social media is one of the many ways that people identify options and de-risk those options. We're always looking for channels and content that will support that mission."

~ CMO of enterprise mobility management solutions provider

Northwest Analytics LinksIn to Social

With a focus on delivering analytics and intelligence solutions for global manufacturing companies, Northwest Analytics (NWA) may not be the first company you think of when it comes to social media marketing, but Vice President of Marketing Peter Guilfoyle says the company generates more post-webinar leads through social media than through targeted email. When setting out its social media marketing strategy, Guilfoyle states the company's goal in two words: "Sell more."

"We sell a highly sophisticated, specialized analytical software solution to global manufacturing companies like Dow and Chevron, as well as smaller companies such as Kettle Chips and Craft Brew Alliance, Inc. to help them improve product quality and reduce waste in their manufacturing processes," Guilfoyle states. "We weren't looking to attract a massive Twitter following or Facebook likes."

NWA's social media marketing strategy focused on complementing the company's education-oriented marketing. They are active on LinkedIn, including approximately five industry LinkedIn Groups, Twitter, YouTube and SlideShare, as well as managing their own blog. On LinkedIn Groups, NWA is participating in ongoing discussions relevant to analytics and enterprise manufacturing intelligence through comments to threads, as well as initiating conversations. NWA primarily uses webinars to reinforce its market leadership positioning and convert this activity into marketing responses.

"We are generating one-third of webinar registrations through social media marketing," Guilfoyle says. "And we actually get more post-event views of the presentation using social media than through traditional channels."

To measure these efforts, Northwest Analytics utilizes unique tracking URLs for social media that can be tracked through its marketing automation system into its CRM system. As a result, Guilfoyle can measure the impact of social media on marketing-generated leads, and the business.

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Competitive Assessment

Aberdeen Group analyzed the aggregated metrics of surveyed companies to determine whether their performance ranked as Best-in-Class, Industry Average, or Laggard. In addition to having common performance levels, each class also shared characteristics in five key categories: (1) **process** (the approaches they take to execute daily operations); (2) **organization** (corporate focus and collaboration among stakeholders); (3) **knowledge management** (contextualizing data and exposing it to key stakeholders); (4) **technology** (the selection of the appropriate tools and the effective deployment of those tools); and (5) **performance management** (the ability of the organization to measure its results to improve its business). These characteristics (identified in Table 3) serve as a guideline for best practices, and correlate directly with Best-in-Class performance across the key metrics.

Table 3: The Competitive Framework

	Best-in-Class	Average	Laggards
Process	Ability to deliver social media marketing campaigns		
	69%	54%	41%
	Social media marketing initiatives are integrated with other multi-channel marketing efforts		
	59%	48%	31%
	Formalize process for monitoring community-generated content specific to our industry or company		
	47%	38%	29%
	Email messages to customers / prospects can be shared socially		
	39%	29%	23%
	Process to identify and categorize social influencers		
	38%	22%	12%
Organization	Senior management support for social media marketing and/or monitoring initiatives		
	78%	63%	46%
	Ability to direct socially-captured information to the appropriate responder within our organization		
	60%	46%	33%
Knowledge	Social profile included within prospect / customer records		
	33%	15%	11%
	Ability to score leads based on information captured from social media marketing		
	32%	17%	18%

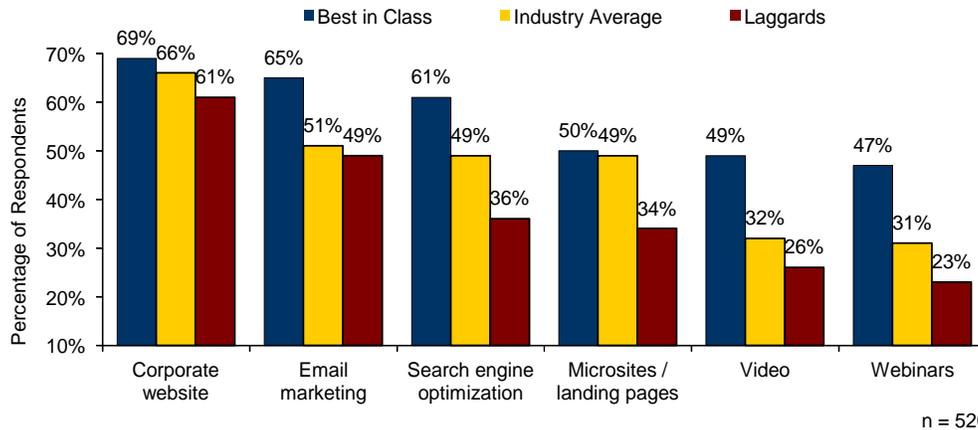|	Best-in-Class	Average	Laggards
Technology	Social media marketing technology currently in use:		
	▪ 54% URL shortener ▪ 49% Keyword-based social media monitoring ▪ 47% Social media marketing platform ▪ 43% Email-based social sharing ▪ 37% Marketing automation ▪ 21% Social sign-on	▪ 52% URL shortener ▪ 39% Keyword-based social media monitoring ▪ 40% Social media marketing platform ▪ 35% Email-based social sharing ▪ 27% Marketing automation ▪ 8% Social sign-on	▪ 44% URL shortener ▪ 29% Keyword-based social media monitoring ▪ 31% Social media marketing platform ▪ 31% Email-based social sharing ▪ 15% Marketing automation ▪ 7% Social sign-on
Performance	Track and report on social media metrics (followers, retweets, likes, views, etc.)		
	59%	58%	35%
	Ability to identify the most effective social media outlets, platforms or channels		
	57%	45%	25%
	Ability to connect our social media activities with measurable business results (web traffic, marketing responses, etc.)		
	47%	40%	21%

Source: Aberdeen Group, December 2011

Social Sign-On Defined

Social sign-on allows web visitors to use a social profile, like their Facebook, Twitter or LinkedIn credentials, to authenticate and / or complete a registration form fill. Rather than complete the registration or site log-in form, the users selects their preferred social profile and authorizes access to specified information. Some companies will augment the information available through OAuth with additional form fields or progressive forms.

Best-in-Class capabilities reflect the fact that social media is a one-to-one marketing channel. These companies are more likely to have processes in place to monitor social media, identify the most appropriate channels and influencers, and connect the right people to those conversations as needed. These capabilities help address one of the challenges of the hidden sales cycle, that marketing and sales may not have the full context of buyers' education at the point when they enter the visible part of the marketing and sales funnel. Best-in-Class companies are also 40% more likely than all others to integrate social media with other multi-channel marketing efforts. Figure 4 illustrates the rate at which respondents cite strong integration between social media marketing and other channels like email, search engine optimization and webinars.

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Figure 4: Best-in-Class are More Likely to Cite Strong Integration of Social Media Across Existing Marketing Channels

Legend: ■ Best in Class ■ Industry Average ■ Laggards

Corporate website: 69%, 66%, 61%
Email marketing: 65%, 51%, 49%
Search engine optimization: 61%, 49%, 36%
Microsites / landing pages: 50%, 49%, 34%
Video: 49%, 32%, 26%
Webinars: 47%, 31%, 23%

Y-axis: Percentage of Respondents

n = 520

Source: Aberdeen Group, December 2011

Technology

Marketers considering technology solutions to support their social media marketing programs are have a wide range of offerings to consider among an array of both free and paid-for tools. Best-in-Class companies are more likely to have adopted many of these solutions, including keyword-based social media monitoring, social media marketing platforms (software that supports the creation, workflow and publication of social content), social media campaign management and URL shortening services (web-based sites that shrink and track URLs). Additionally, existing marketing technology providers continue to add integrated social functionality within their products, including Customer Relationship Management (CRM), email marketing and marketing automation systems providers. Users of social media marketing-specific technologies tend to use multiple social media marketing products. For example, social media marketing platform users are over 140% more likely to also use keyword-based social media monitoring compared with non-users (60% v. 25% respectively). But these users are also adopting marketing automation systems at higher rates. These figures suggest several things; that no one technology or platform has become dominant, and also that marketing technology suite providers have some ground to cover if they want to provide an all-in-one solution to their customers.

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Figure 5: Top Social Media Marketing Technologies in Use
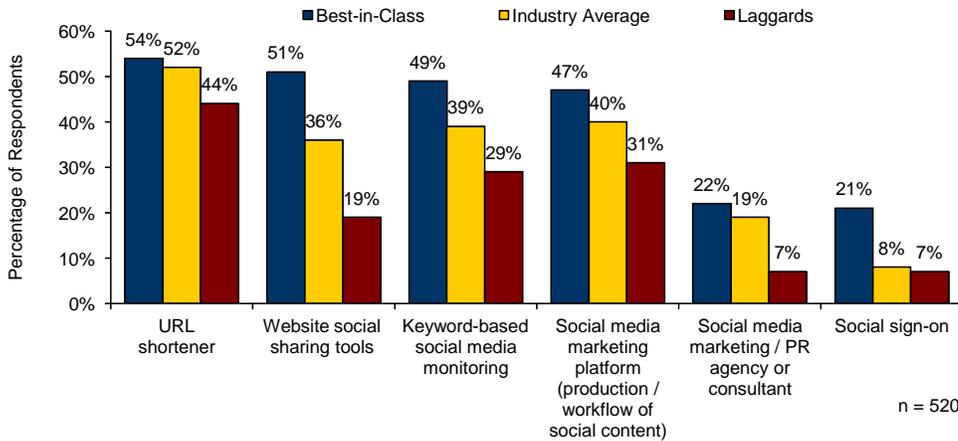
Source: Aberdeen Group December 2011

Recommendations

Whether a company is just starting with social media marketing or seasoned pros, the following actions will help inform forward-looking strategy and associated performance improvements:

Laggard Steps for Success

Applying the "rules" of traditional email marketing and campaign management to social media marketing is likely to leave organizations frustrated by a lack of results.

Capabilities and Enablers

Compared with Industry Average and Best-in-Class firms, Laggards are less likely to have developed processes to monitor social media networks and channels, filter user-generated content, and identify social influencers. Building competency in these areas will help them navigate the bi-directional nature of social media marketing, and to identify where, how and from whom buyers are seeking and receiving information. Laggards should also consider tools that help automate social publishing, including those that allow multiple parties to share and collaborate on social content. Finally, companies should put a process in place to support basic measurement of social media engagement, such as tracking followers, "likes," Tweets, Retweets and content views. Tools that support these processes are readily available, and many of them are free or freemium (free for an entry-level version). In summary:

- Put social media monitoring in place, as well as a process to identify active channels and influencers

- Use tools to support social content collaboration and publication

How Does Your Performance Compare to the Best-in-Class?

- Compare your processes

- Receive a free, personal PDF scorecard

- Benefit from custom recommendations to improve your performance, based on the research

Take the Assessment

Receive Your Free Scorecard

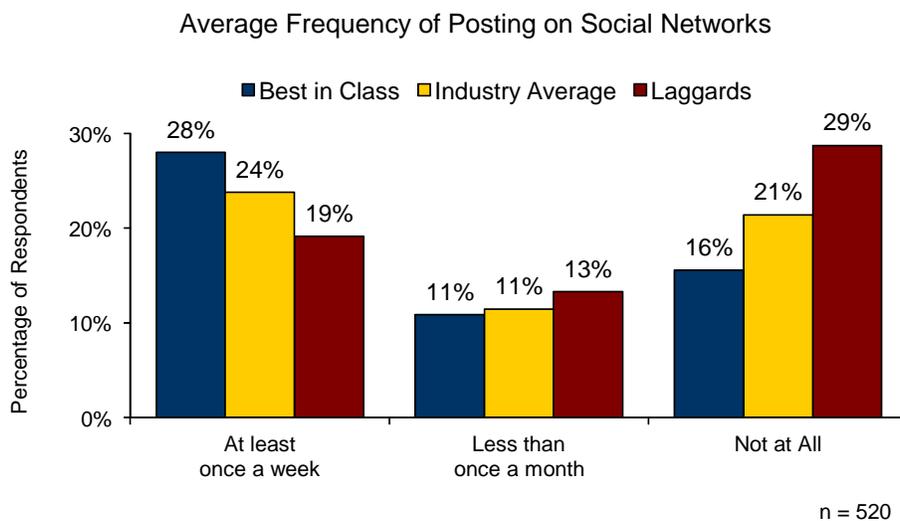- Start activity-level measurement of social media marketing engagement

Industry Average Steps for Success

One very clear trend emerges from Aberdeen's research: Best-in-Class companies are more likely to integrate social media marketing with their existing marketing efforts, including established channels and lead management processes. They're also more likely to measure the impact of these efforts on lead generation, the most-cited strategy in our study. For example, 41% of Best-in-Class companies have integrated social media marketing with lead management and scoring, compared with 27% of Industry Average companies.

Capabilities and Enablers

Best-in-Class companies are 27% more likely than Industry Average firms to cite strong integration between email marketing and social media, and the Best-in-Class use email-based social sharing technology at a rate 23% higher than their Industry Average counterparts. As noted above and shown in Figure 4, Best-in-Class are more likely to integrate social media marketing across established marketing channels. This suggests that social media marketing is being used by these companies to amplify and promote content and events. One company we spoke with noted that they generate more post-event views of webinars (i.e. webinar replays) from their engagement in LinkedIn Groups than from targeted email blasts.

Figure 6: Best-in-Class Publish to Social Networks More Frequently

Average Frequency of Posting on Social Networks

Best in Class | Industry Average | Laggards

- At least once a week: 28% / 24% / 19%
- Less than once a month: 11% / 11% / 13%
- Not at All: 16% / 21% / 29%

n = 520

Source: Aberdeen Group, December 2011

"We are generating one-third of webinar registrations through social media marketing and we actually get more post-event views of the presentation using social media than through traditional channels."
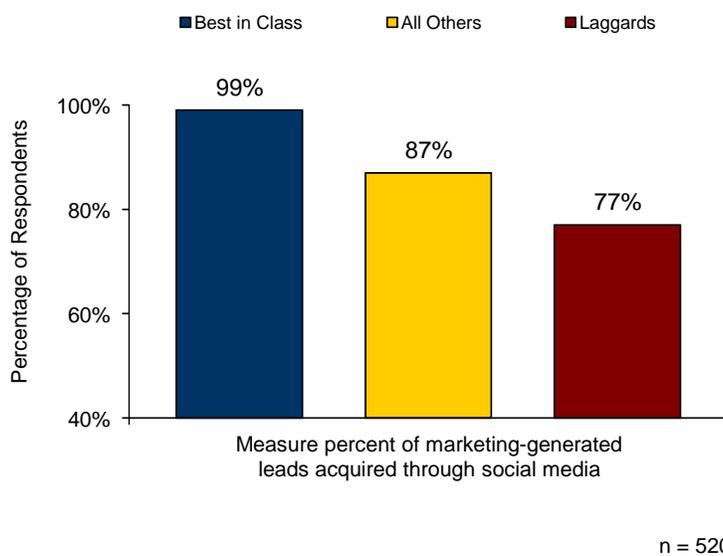
~ Peter Guilfoyle, Northwest Analytics

Tactically, Industry Average companies should focus on the frequency and quality of social media posting. Figure 6 shows the *average* frequency of

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social content publishing across all types of social networks (note: the overall percentages are low because the average includes less popular social networking types). A clear pattern of increasing performance correlation appears as posting frequency increases. Each social network has its own cadence, so Industry Average companies should focus on identifying the most effective social channels (Best-in-Class do this at a rate 27% higher than the Industry Average) and track the performance of the content used there. They should also develop a process to identify and categorize social influencers in their space, which may include customer, industry experts and analysts, and even competitors.

Figure 7: Measure for Measure

n = 520

Source: Aberdeen Group, December 2011

Fast Facts

Tweet This

√ Best-in-Class companies are 28% more likely than Laggards to measure the impact of social media marketing on lead generation

The primary or secondary social media marketing strategy for most Industry Average companies (50%) is to expand lead generation through social media, yet 13% of Industry Average respondents don't measure the percent of marketing-generated leads acquired from social media marketing (and an additional 27% of survey respondents didn't know), compared with just 1% of the Best-in-Class not measuring the impact of social media on their leads. Industry Average firms should focus on developing processes to better track social media as a lead source. In summary:

- Integrate social media with established marketing channels, including corporate website, email marketing and events

- Increase the frequency of social media publishing, with a focus on good quality content

- Develop process to track and measure social media lead sources

Best-in-Class Steps to Success

Despite the high rate of social network use among business decision makers, social media marketing for B2B marketing is still in its early days. Best-in-Class respondents are generating an average of 17% of their marketing leads from social media, and boast higher annual increase in social "buzz" as a result of their efforts. For social media to become an "equal citizen" among the marketing mix, these companies should continue to take a behavioral profiling approach and integrate social media with established lead management processes, such as lead scoring and nurturing.

Capabilities and Enablers

There are several capabilities where the adoption gap between Best-in-Class and all others is significant, but overall Best-in-Class adoption is nascent. These represent opportunities for other top performers to establish competitive differentiation. Two in particular stand out:

- 33% of Best-in-Class companies have social profile information integrated within prospect or customer records (some have called this "Social CRM")

- 32% of Best-in-Class companies have the ability to score leads based on information captured from social networks, compared with 17% of all others

These two capabilities and others point to a future in which companies will treat social media interactions in the same way they do email opens and prospect website activity. They suggest an emerging capability to use social media activity, among other data, to develop a B2B behavioral profile for marketing.

The relative new-ness of social media marketing means that overall Best-in-Class adoption of supporting technologies and services is modest. For example, social sign-on technology, which provides form completion using social profiles, is being used by 21% of Best-in-Class companies compared with 7% of all others. In addition to the use of stand-alone social media marketing platforms, users should expect to see established marketing technology providers adding social media marketing functionality to their product suites through technology acquisition, partnerships and organic development. As reported in Aberdeen's December 2011 *Marketing Automation Product Updates Give Social Media Lead Gen a Boost* Market Alert, marketing automation suite providers are making strides in this area. As noted above, many companies are using more than one social media marketing technology combined with general purpose marketing technology. Best-in-Class companies should continue to take a portfolio approach to social media marketing technology, as no one tool is likely to provide everything they want or need. In summary:

- Incorporate social profiles within customer records

- Increase use of social media activity for lead scoring and nurturing

- Take a portfolio approach to social media marketing technology

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Aberdeen Insights — Summary

B2B marketers are right to be skeptical of the hype surrounding social media marketing, but they shouldn't let healthy skepticism blind them from real change and opportunity ahead. The buying process of considered purchases is multi-touch, multi-channel and sometimes multi-influencer – social media adds another touch point, but an important one given the value buyers place on peer insight. Social media engagement is the opportunity for marketing to uncover the hidden sales cycle and claw back some of its influence on customers' vision. Social media marketing winners will be companies that can out-educate and in some cases out-entertain the competition with compelling content and experiences.

Aberdeen's research shows that Best-in-Class companies are both more likely to use social media marketing vigorously, but also enjoy better performance in terms of social media lead generation and awareness building, the top two goals of companies in this study.

Best-in-Class companies are achieving this performance by integrating social media with existing channels and processes, and by measuring the business impact of their activity. Marketers with social media marketing experience know that social networks have their own "personalities" which shapes the effectiveness of various approaches (and why listening is so important). And while "batch and blast" won't work, Best-in-Class companies are having success using social media channels to amplify their message and generate conversion events. The next step for many B2B marketers is to make social media a more normalized part of their campaign management.

For More Information:

Tweet This

Check out Aberdeen's B2B Social Media Marketing benchmark report

Appendix A:
Research Methodology

Between October and December 2011, Aberdeen examined the use, the experiences, and the intentions of more than 500 enterprises undertaking social media marketing initiatives in a diverse set of businesses.

Aberdeen supplemented this online survey effort with telephone interviews about their social media marketing strategies, experiences, and results.

Responding enterprises included the following:

- *Job title:* The research sample included respondents with the following job titles: CEO / President (22%); Manager (21%); Director (16%); Vice President, EVP or SVP (11%); Consultant (6%); Partner / Principal (4%); General Manager / Managing Director (3%); and other (17%).

- *Department / function:* The research sample included respondents from the following departments or functions: Marketing (47%); Information Technology (4%); Business Development / Sales (18%); Corporate Management (10%); Operations (4%); IT (4%) and other (17%).

- *Industry:* The research sample included respondents predominantly from Software (16%); followed by Software (16%); IT Consulting / Services (15%), Media / public relations (6%); Telecommunications equipment / services (6%); Industrial equipment / product manufacturing (6%); Health / medical / dental devices & services (5%); Financial Services (4%); Retail (3%); and other (39%).

- *Geography:* The majority of respondents (73%) were from North America. Remaining respondents were from Europe (14%), the Asia-Pacific region (8%), Middle East, Africa (2%) and South / Central America and Caribbean (3%).

- *Company size:* Thirteen percent (13%) of respondents were from large enterprises (annual revenues above US $1 billion); 23% were from midsize enterprises (annual revenues between $50 million and $1 billion); and 64% of respondents were from small businesses (annual revenues of $50 million or less).

- *Headcount:* Twenty-two (22%) of respondents were from large enterprises (headcount greater than 1,000 employees); 26% were from midsize enterprises (headcount between 100 and 999 employees); and 52% of respondents were from small businesses (headcount between 1 and 99 employees).

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Table 4: The PACE Framework Key

Overview
Aberdeen applies a methodology to benchmark research that evaluates the business pressures, actions, capabilities, and enablers (PACE) that indicate corporate behavior in specific business processes. These terms are defined as follows: **Pressures —** external forces that impact an organization's market position, competitiveness, or business operations (e.g., economic, political and regulatory, technology, changing customer preferences, competitive)   **Actions —** the strategic approaches that an organization takes in response to industry pressures (e.g., align the corporate business model to leverage industry opportunities, such as product / service strategy, target markets, financial strategy, go-to-market, and sales strategy)   **Capabilities —** the business process competencies required to execute corporate strategy (e.g., skilled people, brand, market positioning, viable products / services, ecosystem partners, financing)   **Enablers —** the key functionality of technology solutions required to support the organization's enabling business practices (e.g., development platform, applications, network connectivity, user interface, training and support, partner interfaces, data cleansing, and management)

Source: Aberdeen Group, March 2012

Table 5: The Competitive Framework Key

Overview
The Aberdeen Competitive Framework defines enterprises as falling into one of the following three levels of practices and performance: **Best-in-Class (20%) —** Practices that are the best currently being employed and are significantly superior to the Industry Average, and result in the top industry performance.   **Industry Average (50%) —** Practices that represent the average or norm, and result in average industry performance.   **Laggards (30%) —** Practices that are significantly behind the average of the industry, and result in below average performance.   In the following categories: **Process —** What is the scope of process standardization? What is the efficiency and effectiveness of this process?   **Organization —** How is your company currently organized to manage and optimize this particular process?   **Knowledge —** What visibility do you have into key data and intelligence required to manage this process?   **Technology —** What level of automation have you used to support this process? How is this automation integrated and aligned?   **Performance —** What do you measure? How frequently? What's your actual performance?

Source: Aberdeen Group, March 2012

Table 6: The Relationship Between PACE and the Competitive Framework

PACE and the Competitive Framework – How They Interact
Aberdeen research indicates that companies that identify the most influential pressures and take the most transformational and effective actions are most likely to achieve superior performance. The level of competitive performance that a company achieves is strongly determined by the PACE choices that they make and how well they execute those decisions.

Source: Aberdeen Group, March 2012

Appendix B:
Related Aberdeen Research

Related Aberdeen research that forms a companion or reference to this report includes:

- *Bloggers Paradise: Best Practices for Business Blogging*; January 2012

- *Marketing Automation Product Updates Give Social Media Lead Gen a Boost*; December 2011

- *The Marketing Executive's Agenda for 2012: Uncovering the Hidden Sales Cycle*; October 2011

- *The Marketing Executive's Agenda for 2012, Part 2: Channel Conflicts and Resolutions*; October 2011

- *Aberdeen 2011 Sales-Driven Marketing Post Event Webinar*; October 2011

Information on these and any other Aberdeen publications can be found at www.aberdeen.com.

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