



 **engineering.com**

2021 Marketing to Engineers Survey

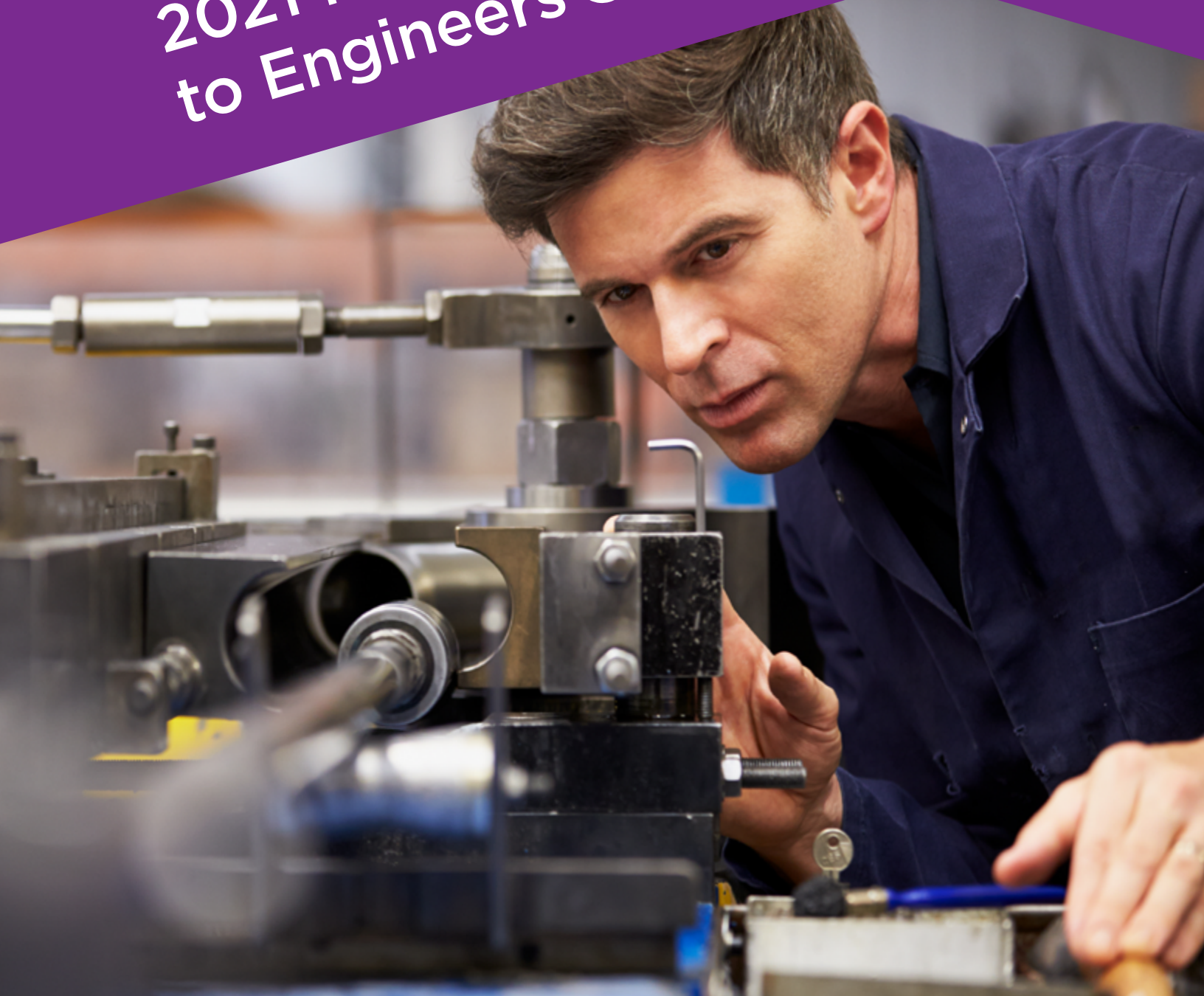
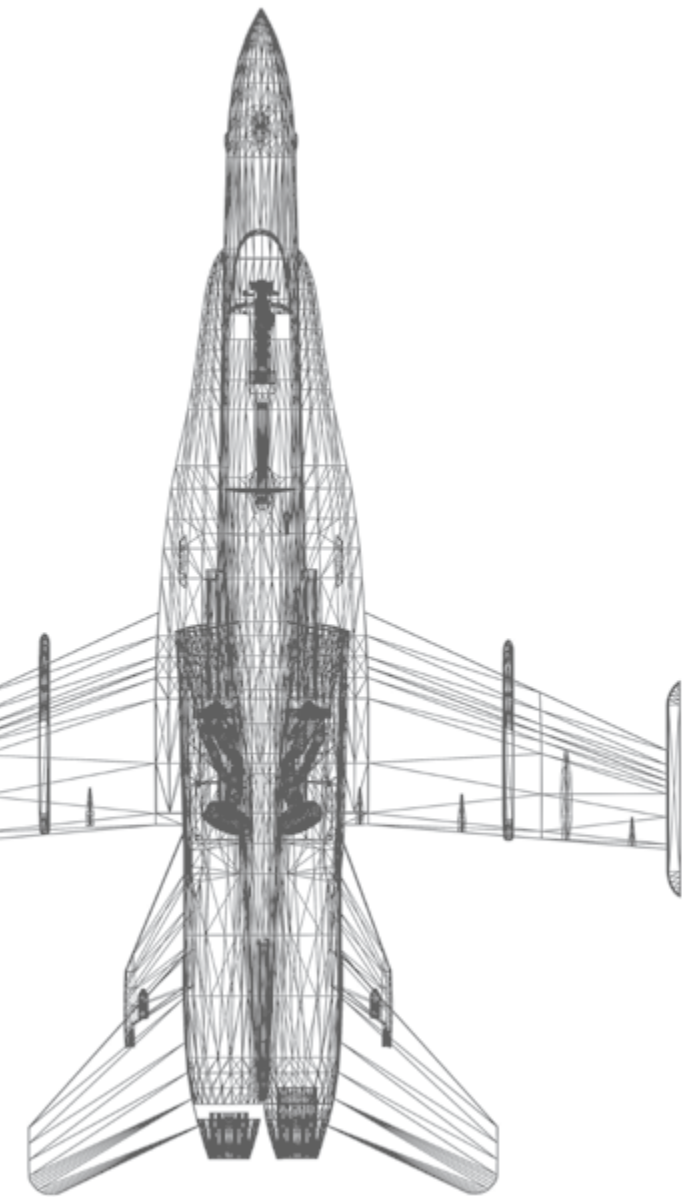




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INTRODUCTION

At the end of each year, we at engineering.com look back on our marketing activities in the prior year to assess their effectiveness. What activities worked? Which ones did not? Should we re-allocate the budget? If so, from where to where? And so on.

We combine the answers to the questions with our knowledge of new and emerging marketing technologies and techniques, along with our understanding of the broader business landscape. Then we develop a strategy that will help us achieve our goals.

Eight years ago, it struck us that others in our industry go through the same exercise, and we knew there would be value in pooling our collective knowledge and experiences into a single study and sharing it. In response, we launched the first “Marketing to Engineers Survey.”

Aside from a hiatus last year as the pandemic took hold, we have conducted these surveys annually to understand how wise and progressive marketers in industrial and technology fields were thinking and executing.

This year, 94 marketers participated. They represented companies in manufacturing, software, and other engineering-related disciplines; from high-growth startups to leaders of the Fortune 500.

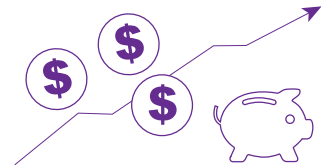
We have isolated the current trends shaping how marketing to a technical audience continue to evolve. Please keep reading to learn what your peers are focused on in the quarters ahead. Many thanks to those who participated, and we hope you find the insights helpful.

Warm regards,
The engineering.com Marketing Team

KEY INSIGHTS

32%

Reported Larger Budget Sizes in 2021



SPENDING PROJECTIONS



Highest for
Video Content



Lowest for Print
Advertising

**CONTENT MARKETING
THE HIGHEST
PRIORITY AND THE
BIGGEST CHALLENGE!**

BUDGETS, GOALS, AND OBJECTIVES



Given the events of the last year and a half, we anticipated that for the first time since we started conducting this survey, marketing budgets might see a year of contraction rather than growth.

However, while the pandemic undoubtedly impacted marketing budgets going into 2021, the good news is that 32% of respondents are seeing more funding this year. We will dive more into how and where this increased marketing budget is being spent in a later section of the report.

At a high level, it's encouraging to see marketing departments entrusted with more resources when so many organizations have experienced decreased sales due to COVID-19. We believe marketers are now more focused than ever on leveraging digital technologies to help compensate for the challenges of face-to-face selling.

Marketers are also feeling optimistic about the state of their organizations compared to the competition. For example, 42% of respondents believe their companies are growing revenue faster than their rivals, and another 43% feel they are growing at the same rate as competitors.

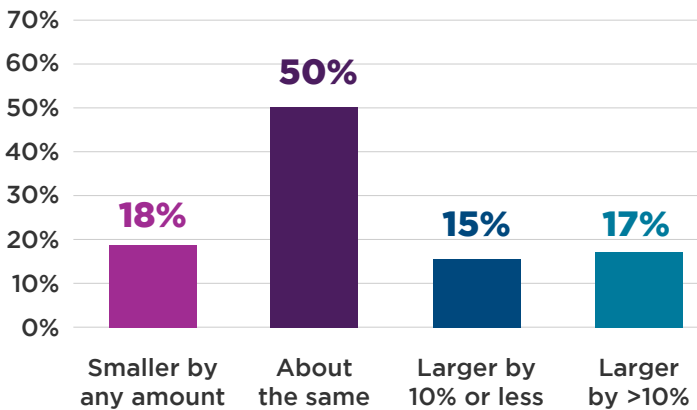
28% of respondents noted their organization experienced an overall decrease in sales as a result of the COVID-19 pandemic.

However, it's not all good news since the number of marketers working with smaller budgets has also risen. In our 2019 survey, only 10% of marketers saw budgets decline year-over-year, while in 2021 this figure rose to 18%. Given the impact of COVID-19 on the global economy, this is not surprising.

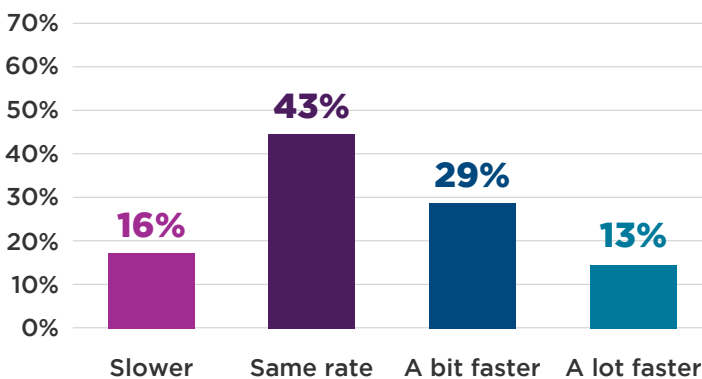
For those organizations working with larger budgets this year, much of the new funding available is allocated towards digital avenues of communication and lead generation.

The creation of content, particularly video, was once again cited as the top activity that marketers expect to spend more of their budgets on this year, with webinars coming in a close second. It seems likely that digital events will continue displacing live ones as the primary vehicle for professional gatherings for the balance of 2021.

How Marketing Team Budgets Changed in 2021



Revenue Growth Rates Compared to Competitors



Software Continues to Drive Upward Trend

Marketers targeting engineering prospects work in diverse industries from manufacturing to software, engineering consulting, and numerous other fields. As such, it is essential to break down the budget growth story as much as possible.

Once again, budgets for marketers in the software space saw the most growth, with 53% seeing increases. It should be noted that 63% of software marketers also reported budget uplifts in 2019.

Where Budgets Hurt Most

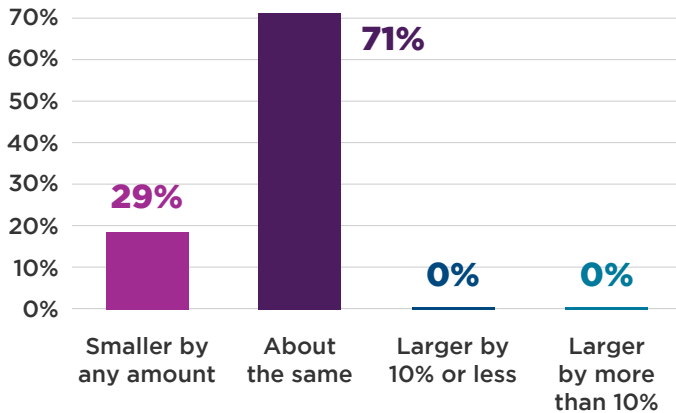
On the flip side, manufacturing continues to lag other industries in budget growth. In 2019, 39% of manufacturing marketers reported at least some budget growth (which was the smallest amount of any industry at the time). But this year, not a single marketer surveyed in manufacturing saw a larger budget.

This budget freeze is likely the result of international trade disruptions caused by the pandemic. We will dive into the impact of COVID-19 in more detail later.

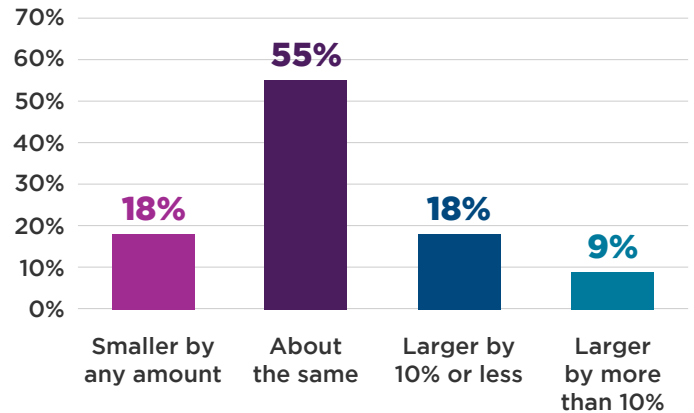
For now, it's important to note that 52% of marketers in manufacturing reported smaller budgets in the immediate wake of COVID-19, indicating a disproportionate impact of the pandemic on this industry.

For engineering consulting, 27% of respondents reported increased budgets, down from 53% in 2019. Those who didn't fit the 3 previously discussed buckets have been grouped into "other." This group shows 40% of marketers have higher budgets, which is quite positive given the economic climate.

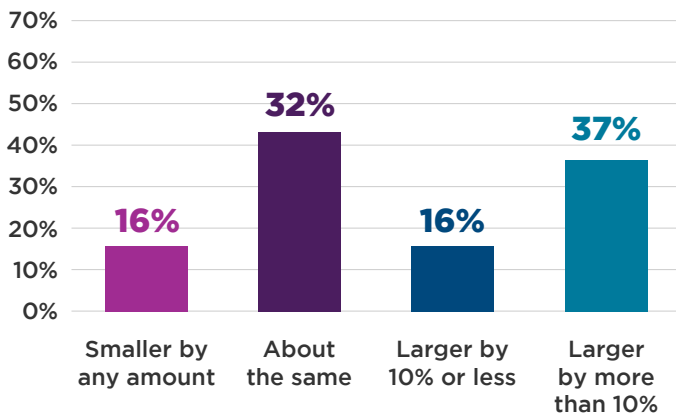
Manufacturing Industry



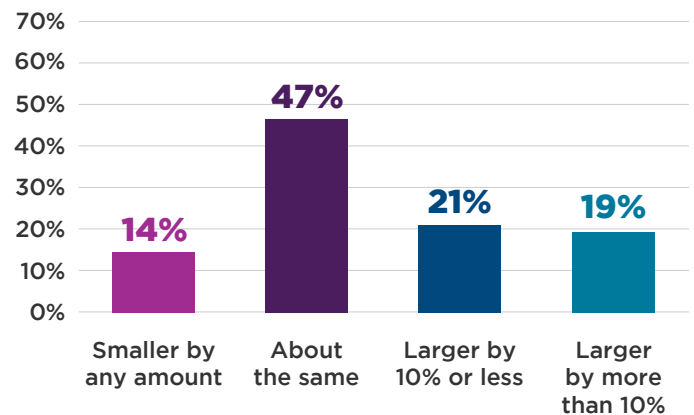
Engineering Consulting



Software Industry



Other



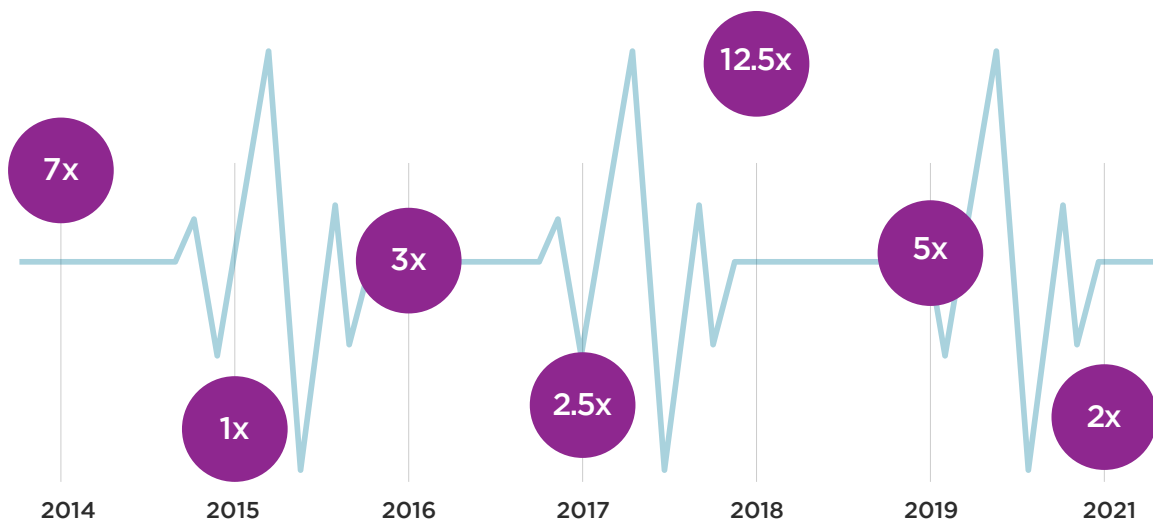
Higher Number of Shrinking Budgets in 2021

An important metric to consider when assessing the health of an industry is the relative Growth-to-Shrinkage (GTS) ratio of marketing budgets. As we have seen, budgets are continuing to grow year-over-year for most sectors.

However, we also must ask how stable the growth rate is. In other words, is budgetary growth across all marketers and industries, or is the growth of some budgets coupled with the shrinkage of others?

The chart below highlights the answer to this question. Unfortunately, this year's ratio of 2 to 1 shows the lowest GTS ratio since 2015.

We have charted GTS ratios since we started this study, with 2018 being the highest ratio of growth at 12.5 to 1 and 2015 the lowest at 1 to 1. While the GTS ratio in 2021 is the second-lowest on record, we are not surprised, given the impact of the pandemic.



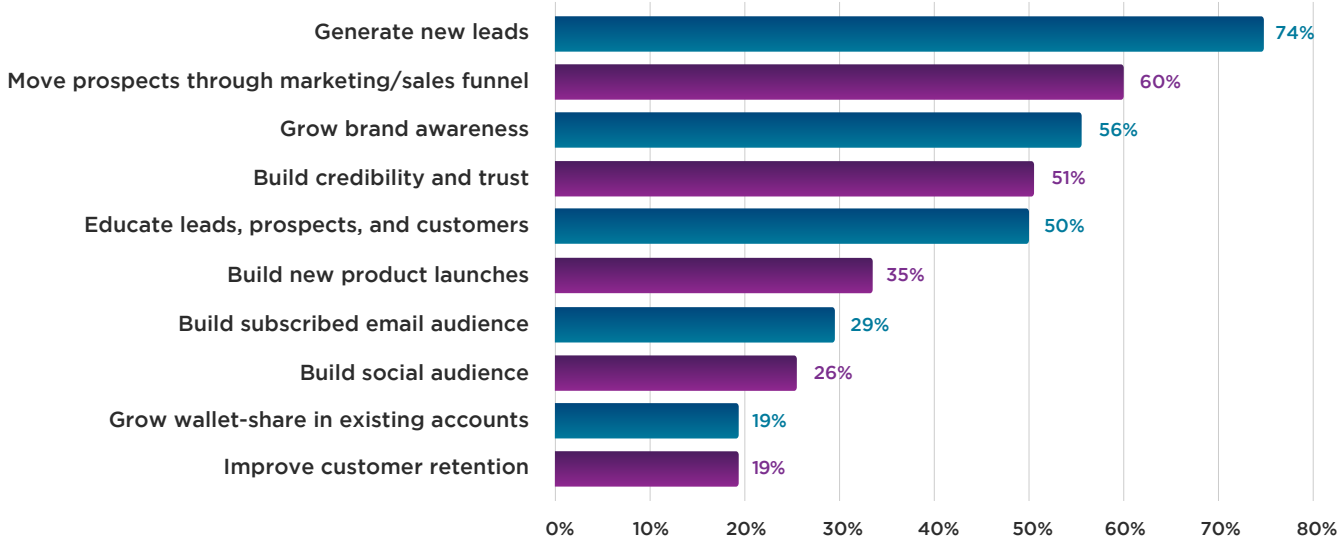
Leads are Still the Goal. Content Still the Challenge.

With reasonably healthy budgets across the board, what goals are marketers hoping to achieve this year? The top chart below shows the key activities the marketers surveyed are focusing on in 2021.

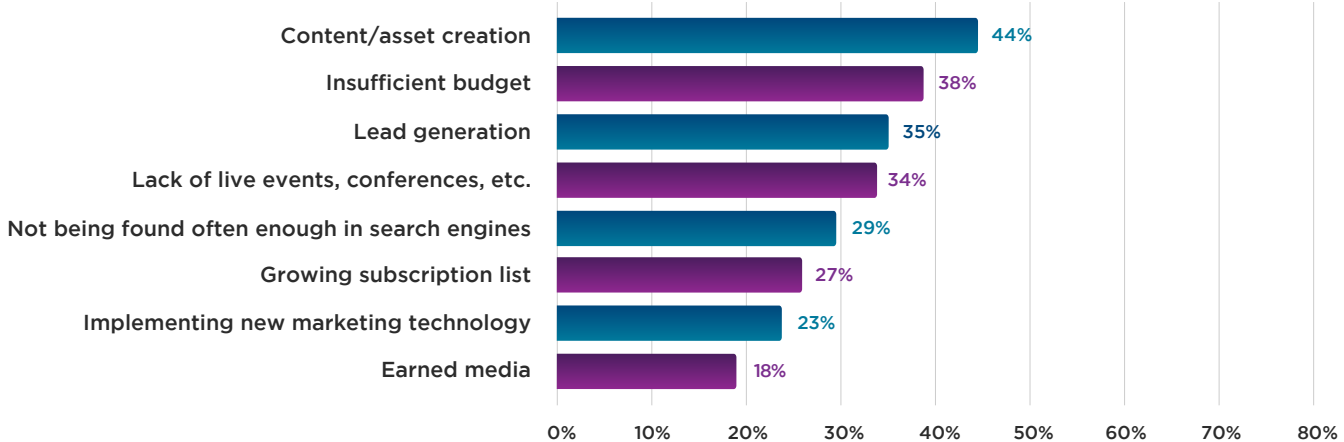
The top three goals selected are the same as they were in 2019. Again, this year's top spot is lead generation (74%), which makes sense since marketing is about stimulating demand at its core. Funnel movement (60%) and growing brand awareness (56%) follow up in second and third.

In terms of challenges, content creation (44%) still ranks as the most pressing issue facing marketers in 2021. Despite budgets increasing for many, insufficient budget (38%) was cited as the next biggest challenge, ahead of even lead generation (35%). Implementation of new MarTech (23%) dropped from the third-highest ranked obstacle in 2019 to seventh. This shift may be due to budget contraction, resulting in less focus on tech investments. However, it's possible marketers may have already deployed more sophisticated technologies over the last year and a half to improve their digital capabilities further.

Top Marketing Goals



Top Marketing Challenges



STRATEGIES AND TACTICS



Content is Still King!

With marketing goals and challenges still top-of-mind, we next asked marketers to rank a series of marketing activities from most to least effective at generating pipeline.

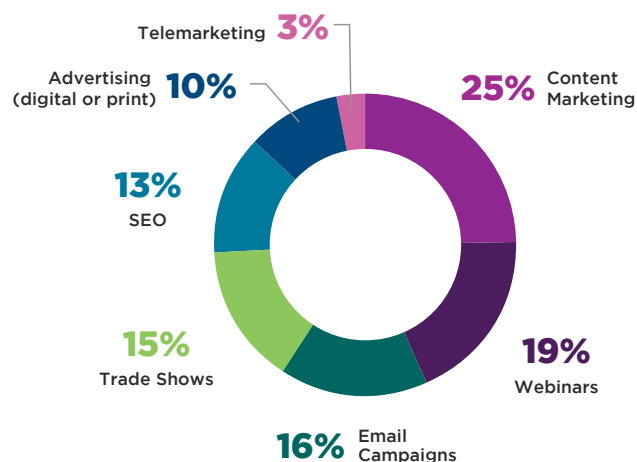
Content marketing and webinars ranked as the number one method by an equal number of people – 24% of respondents each. On the other hand, telemarketing was only ranked first by 5% of respondents.

However, while content marketing and webinars each received an equal number of first-place rankings, it becomes clear that content is still king when we examine respondents' top 3 choices.

The adjacent graph outlines each tactic's share of the top 3 rankings. With 25% of all top 3 positions, content takes the cake as the primary means of creating interest. Webinars still come in second, while email, trade shows,

and SEO (often related to content marketing) are clustered closely together between 13% and 16%. Advertising ranked suspiciously low in this analysis. This approach is typically longer-term in nature, and we suspect companies wanted more immediate results to sustain them through the pandemic.

Share of Top 3 "Most Effective" Tactics



Finally, telemarketing averaged an even smaller number of top 3 positions than it did first place positions, with only 3%. Telemarketing also was ranked as the least effective method by 61% of respondents. The fall of telemarketing is a trend we saw developing in our 2019 survey when telemarketing and print marketing both ranked as the least effective means of sourcing new customers.

The strength of content marketing and webinars demonstrates that offering value to your customers is a strategy with proven results over time. When you offer quality content and learning opportunities to potential customers, they come to trust and rely on your brand. Advertising is a great awareness tool, and linking it to helpful content rather than a hard sales pitch is a great one-two punch.

Email Emerges as the Number One Tactic in 2021

In terms of more tactical marketing activity, email marketing has emerged as the top option for marketers in 2021.

We asked marketers to select the top 5 tactics they felt would help them reach their goals in 2021. The graph below shows the share of respondents who selected each option.

We asked this question in our 2019 survey, and the changes between then and now are stark. In 2019, search marketing and case studies took the top spots, with 61% and 54% of marketers selecting them, respectively.

Case studies still came in second in 2021, but email marketing has risen 6 places to usurp search marketing as the number one tactic used by marketers to achieve their goals.



We speculate this change is in large part due to the pandemic. As businesses grapple with re-opening the economy, many have switched from a more passive approach to reach their audiences (i.e., search marketing) to a more active one (i.e., email marketing). Rather than wait for prospects to come to them, marketers are more aggressively trying to generate leads as quickly as they can.

There is also a marked shift to digital marketing tactics, which we assume is driven by our new reality this past year and a half. For example, in 2019, trade shows ranked as a top 5 tactic by 49% of respondents. In 2021, this dropped to 23% for obvious reasons.

We at engineering.com don't see trade shows going away anytime soon. Instead, we predict a hybrid model will emerge where physical events also have "digital twins" so attendees

can interact in both settings. We've even developed a platform to support this concept called [ProjectBoard](#). As the economy gains momentum and gathering restrictions ease, we expect in-person industry events will be valuable tools for marketers once again. But virtual events likely won't disappear since the two forms will support one another to capture an even larger audience.

For all the tactics we examined earlier, we asked if marketers planned on increasing, decreasing, or freezing their spending in 2021. The graph on the next page shows the net growth (or decline) of each, represented by the percentage increasing minus the rate of decline. For comparison's sake, we have also included the results from our 2019 survey.



Positive Net Growth for Most Tactics, but Focus has Shifted

Video still holds the top spot for increased spending. Recall that on page 10, marketers indicated that video was the sixth most effective tactic. Why, then, are marketers so focused on increasing spend for video and not, say, email marketing (their most preferred tactic)?

We believe this is because quality videos are difficult and expensive to produce, and many marketing teams are in the early stages of using them. Most marketers have email marketing engines already in place, but their video production may still be in its infancy and require more resources to get started.

Video is just the top tactic for increased spending. However, most other digital forms of content and delivery also see increased

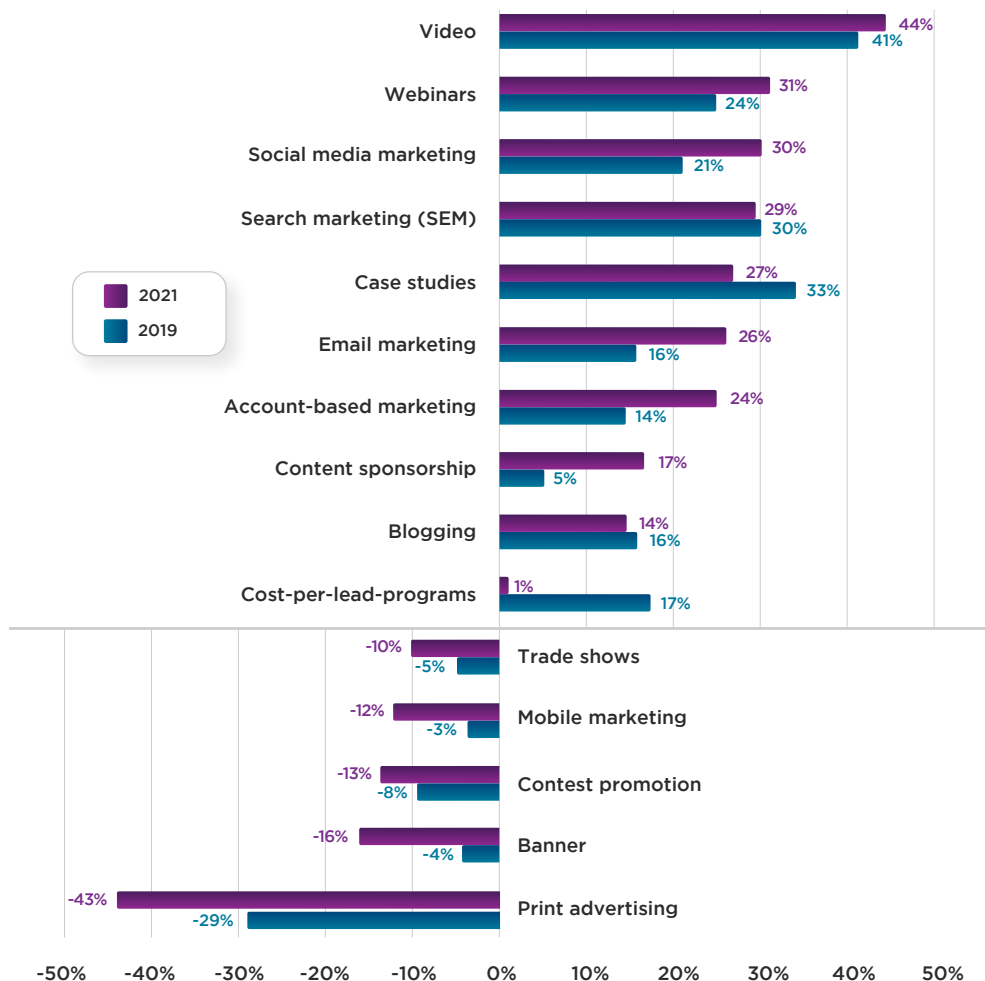
budgets, including email, webinars, social media, and content sponsorship. This trend is undoubtedly a factor of the widespread remote work scenario that started last year.

It's projected that several tactics will experience spending decreases this year. In 2019 most were close to net-zero change, but this year the gap has widened; print advertising having the most significant drop with a -43% net growth in spending.

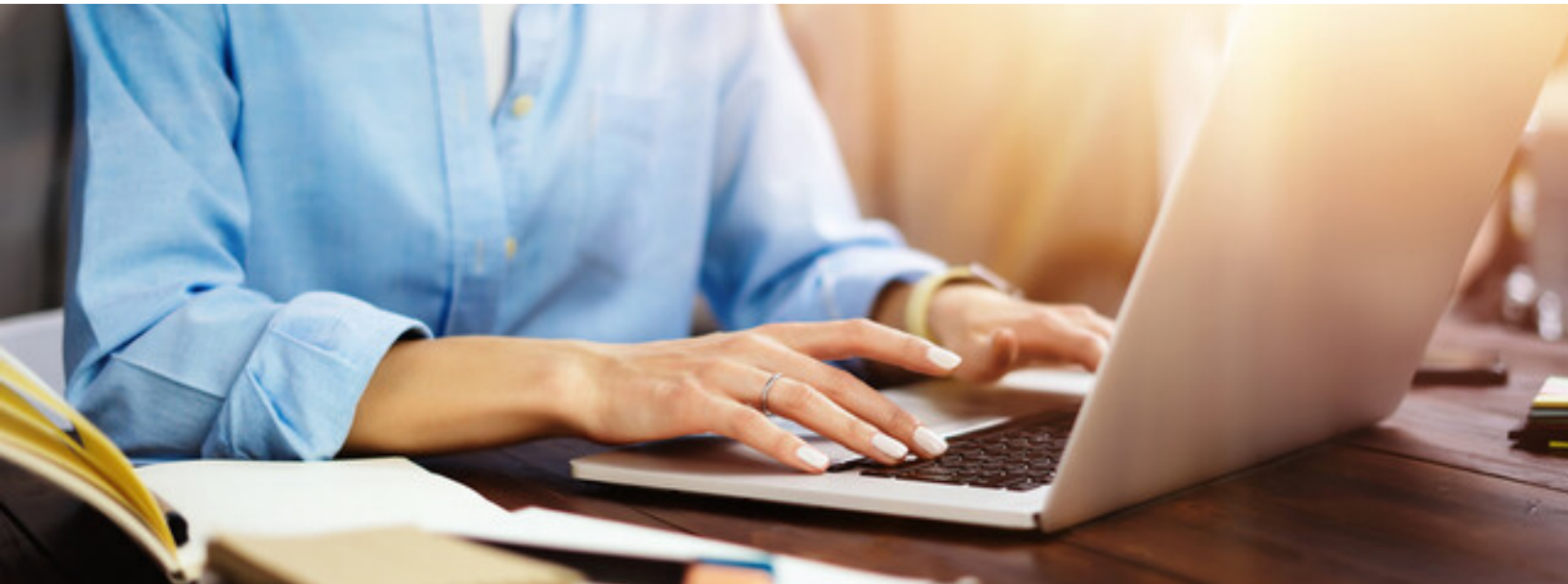
Contradictory to the goal of lead generation, cost-per-lead programs dropped 16% from 2019, perhaps due to lead quality issues found with some of these programs.

The big winners since our 2019 survey are content sponsorships (up 12%), email marketing (up 10%), and account-based marketing (up 10%, and a rising star in the B2B arena).

Net Spending Growth Rates for Core Marketing Tactics



CONTENT MARKETING



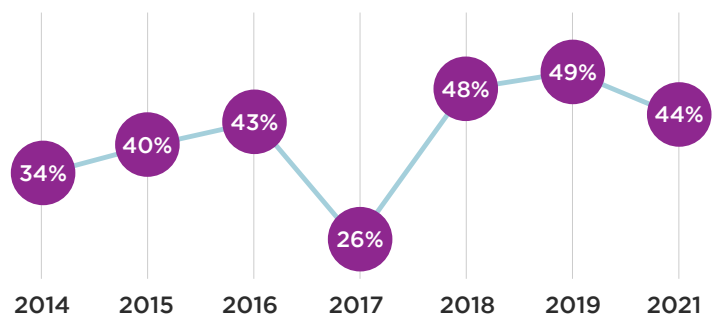
Content Creation Challenges

As we saw on page 8, content creation is a pressing issue for marketers again this year. While most stated content creation is their biggest challenge, the number fell slightly from its peak in 2019 (49%). But, it's still the major pain point for 44% of marketers.

The chart on the right shows the number of respondents who listed content creation as a significant challenge for the years we have conducted this survey. The challenge of content development for marketers steadily increased since starting this survey in 2014 (save for an outlier in 2017). Nearly one in two marketers listed it as the top issue in 2019.

As mentioned earlier, this is the third year in a row that content creation ranked as the number one concern for marketers, and it begs the question, why haven't marketers been able to solve this problem?

Marketers Ranking Content First



Creating content takes considerable time and resources. Also, developing it for engineers requires a high level of technical knowledge from specialized experts, making it even more difficult to sustain momentum.

Marketing and engineering are two different worlds, and collaboration can be complex. In our [Collaborating with Engineers ebook](#), we offer some helpful advice on this.

Content Budget Allocations

As the adjacent chart shows, marketing budgets are spread evenly across numerous forms of content. Video edges out all other forms of content to take the top spot, but only by a narrow margin.

When taken together, video and blogging are two activities we believe create strong top-of-funnel attraction, and they make up 37% of the average marketer's content budget. White papers, ebooks, and case studies, which we consider middle to bottom-of-funnel conversion-focused content, represent 32%.

Of particular interest here, webinars increased from 12% of budgets in 2019 to 19% in 2021. Since most in-person industry events will continue to be virtual in the short term, the increase in spending for webinars is not surprising.

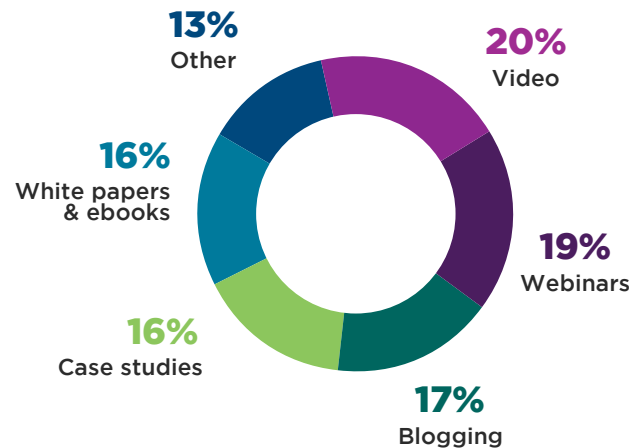
The average budget allocations indicate that marketers are doing a good job directing their content budgets towards both ends of the funnel.

Focus on Lead Generation

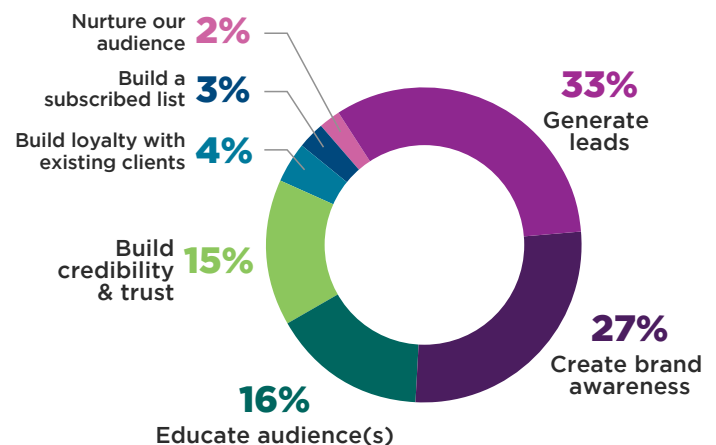
We next asked marketers what their number one goal was with content. As you might have guessed, lead generation is the number one objective for marketers; 33% of marketers said their top goal with content marketing is to generate leads, followed closely by building brand awareness.

The goals of educating audiences and building credibility almost tied for third, both of which serve similar roles of building trust between a brand and its customer.

Average Content Budgets



Primary Content Objectives



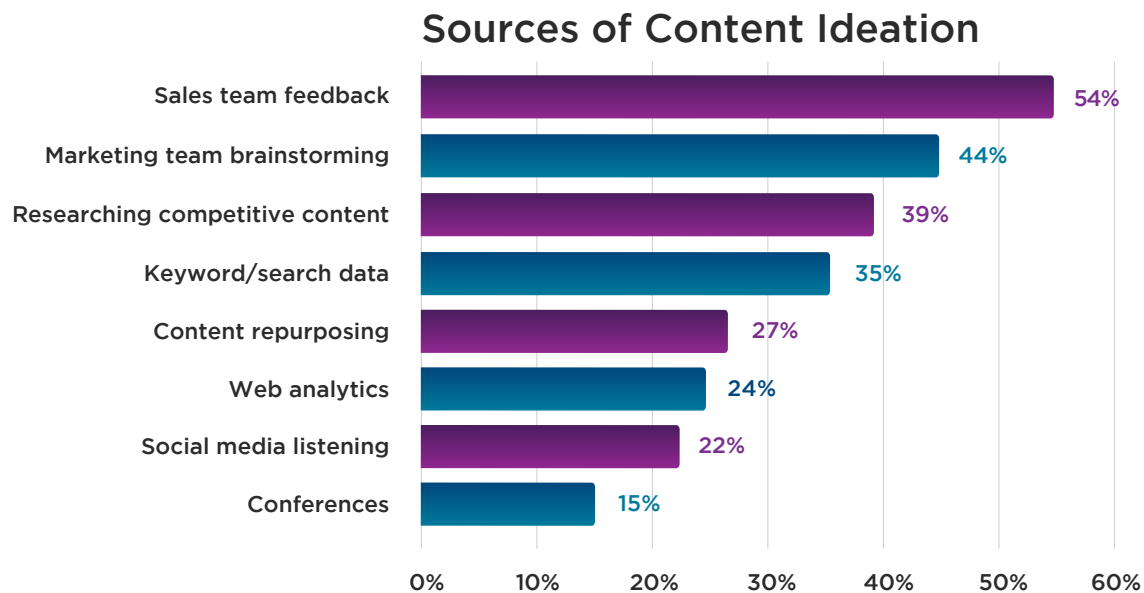
Sales Input a Key Driver of Content Ideation

We next asked marketers what their primary source for content inspiration was. This year we asked respondents to be more selective with their choices, only allowing them to choose the top three sources of content ideas from a list of eight.

When marketers are in the content ideation stage, the first resource they go to is the sales team. Feedback from the sales team was the number one resource for content ideation that marketers listed in 2019, and it remains so in 2021. This result reinforces the importance of close integration between Sales and Marketing.

The following two most common sources of inspiration are new options added this year – marketing team brainstorming (44% of respondents) and researching competitive content (39%).

Interesting to note, conferences were the fourth most popular source of inspiration in 2019 but dropped to last place in 2021. This decline makes perfect sense, given on-location shows were canceled for most of the past year and a half. However, we believe this will certainly bounce back again when the conference circuit eventually resumes.



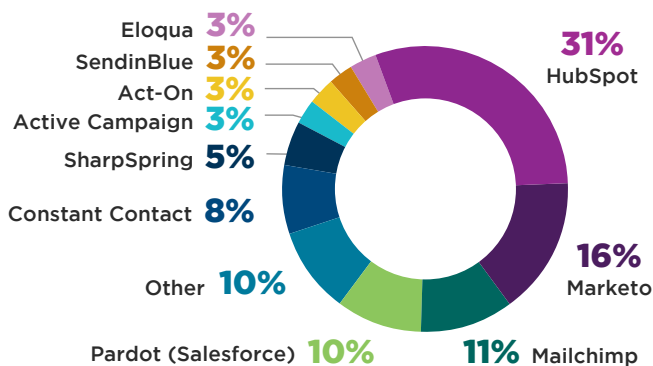
MARKETING AUTOMATION



Automation Tools Adopted, but not Fully Utilized

This year we included a new question on the use of marketing automation tools. Of those surveyed, two-thirds, or 66%, confirmed they currently use a marketing automation technology of some kind. Of these, just over 30% rely on HubSpot as their primary email platform.

Automated Email Platforms



Marketo is the second most popular tool among our group of respondents, with Mailchimp and Pardot (by Salesforce) following closely behind.

However, although two-thirds of marketers use some form of marketing automation, not all of them feel they are utilizing the full functionality of these systems. Therefore, we asked respondents to rate their team's effective use of the system capabilities on a scale from 1 to 10 (1 being completely ineffective, and 10 being extremely effective). You can view the distribution of these answers on the next page.

The average effectiveness rating was 6, which, although on the positive side, is only slightly above average. Therefore, making better use of these technologies seems to be an area of improvement for marketers moving forward.

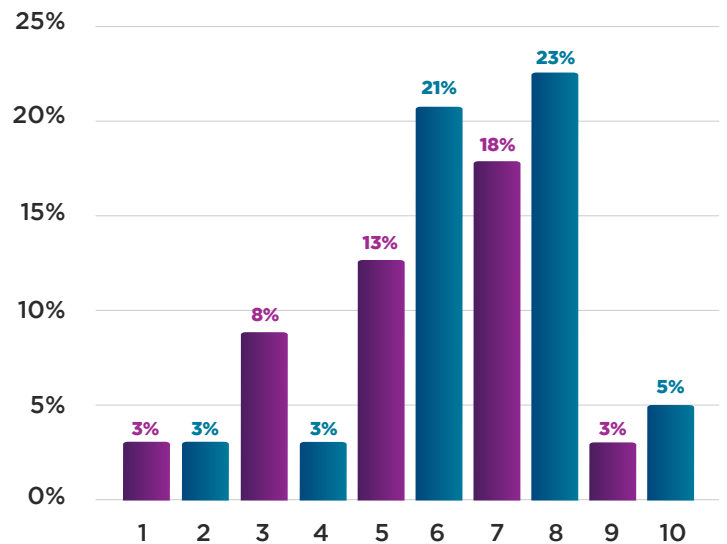
Automation Brings Competitive Advantage

Marketing automation can be a competitive advantage if used to its full potential, and it enables or supports many of the tactics outlined in prior sections.

From lead capture and nurturing to social media management to quickly building elegant landing pages - when leveraged effectively, today's platforms provide deep insights into customer journeys and the marketing/sales funnel.

Given email marketing is so fundamental in 2021, marketers should be encouraged to learn more about their platform capabilities, experiment, and improve utilization.

Effective Use of Marketing Automation



IMPACT OF COVID-19



Marketing in Tough Times

The final set of questions we asked our survey participants had to do with the impact of the COVID-19 pandemic on their teams, their budgets, and their means of doing business.

89% of marketers felt the impact of COVID-19. However, most adapted and some even thrived.

First, 89% of marketers experienced some impact as a result of COVID-19. However, the vast majority of this impact was unfavorable, such as layoffs, reduced working hours, stagnant growth, or decreased sales.

Only about 7% of respondents experienced positive changes without adverse effects.

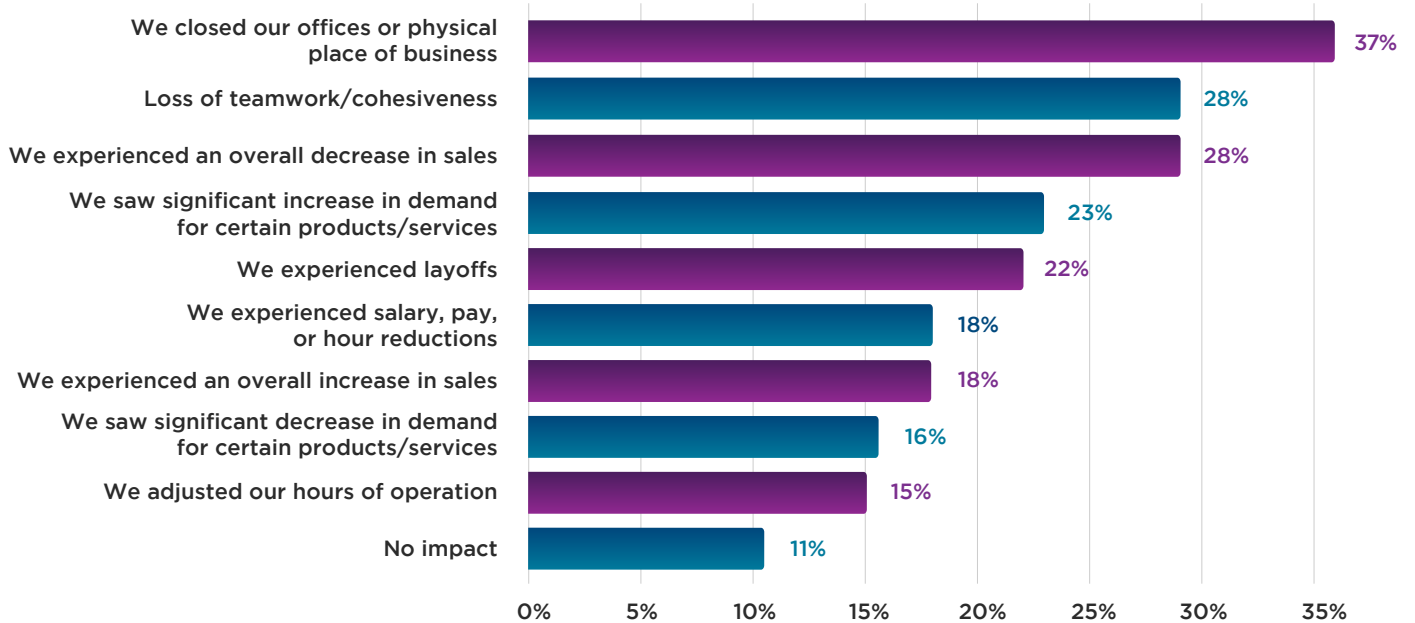
By far, the most common disruption for marketers during the pandemic was the closure of their offices. 37% of respondents indicated their physical workplace was closed for some length of time during the crisis. While this number is significant for technical marketers as a whole, it's lower than what we expected before we conducted the survey.

In addition, 28% of respondents cited a noticeable decrease in team cohesion and an overall decrease in sales at their companies.

Finally, 18% of those surveyed indicated an increase in sales during the pandemic, but, as noted earlier, less than half of these experienced purely positive effects with no negatives.

In other words, most of these respondents experienced sales growth but also had layoffs or struggled with team cohesion and other operational challenges.

Impact of COVID-19



We also asked marketers how their budgets were impacted during the pandemic. Nearly half (47%) of respondents had their budgets reduced during the early days of the pandemic in 2020.

As was expected, the onset of COVID-19 was not easy for technical marketing teams. Like countless other industries, these marketers felt the impact of cutbacks, closures, and layoffs. This data helps add context to the weaker budgetary increase figures we saw earlier in the report.

While most of 2020 and 2021 may not be record-setting times for growth and expansion, it's good to still see some positive or neutral results despite so many challenges brought about by the pandemic.

Budget Changes During COVID-19



Email and Webinars to the Rescue

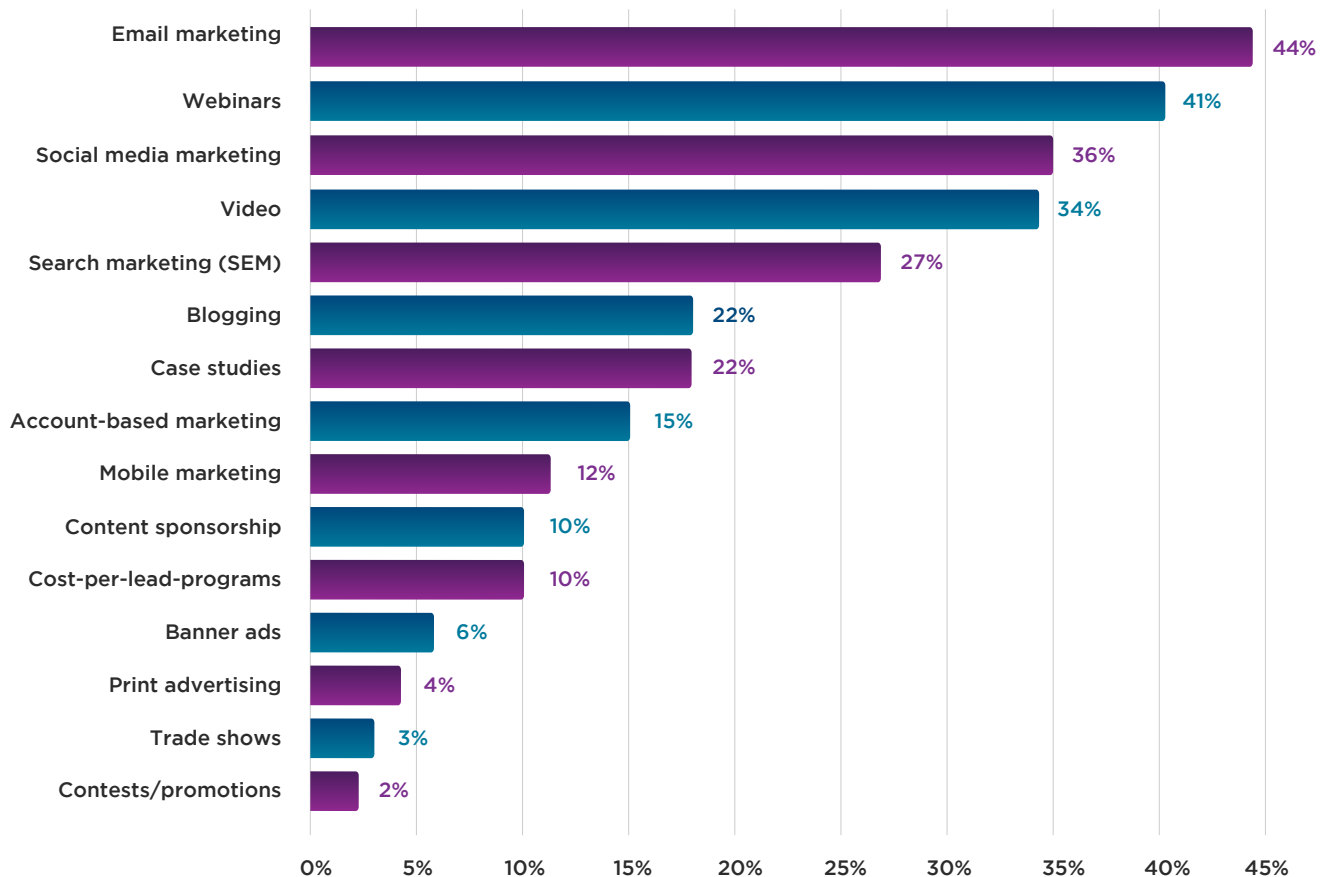
Despite the effects of the lock-down, the show had to go on. Marketers adapted to working from home with fewer resources and funneled their energies into activities that would allow them to continue reaching customers and prospects virtually.

We asked marketers to select the activities they found to be most effective during the pandemic. Again, email marketing was the clear favorite. In addition, email was so successful during 2020 that marketers now consider it the most effective tactic for achieving their goals this year.

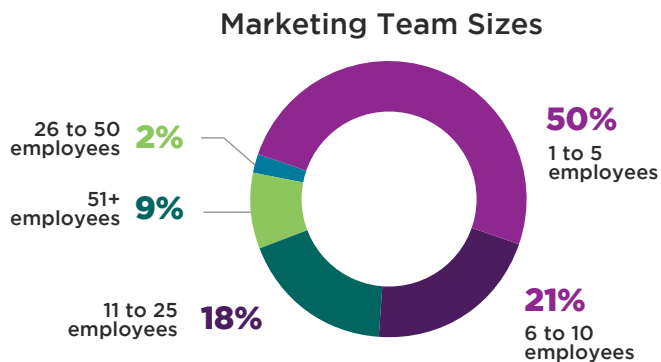
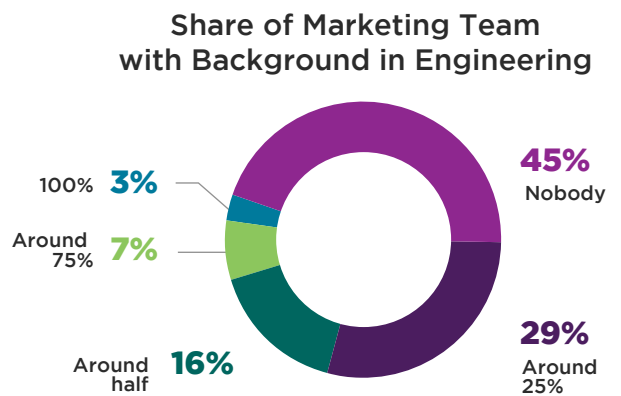
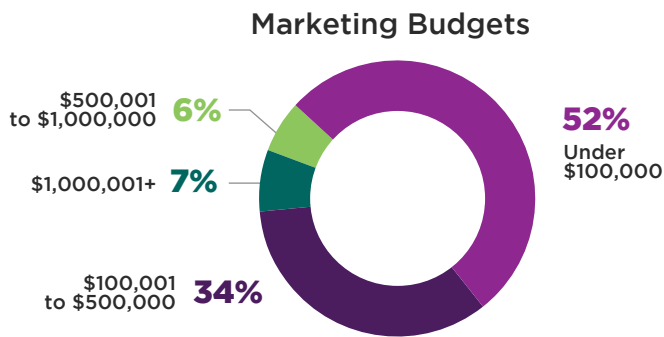
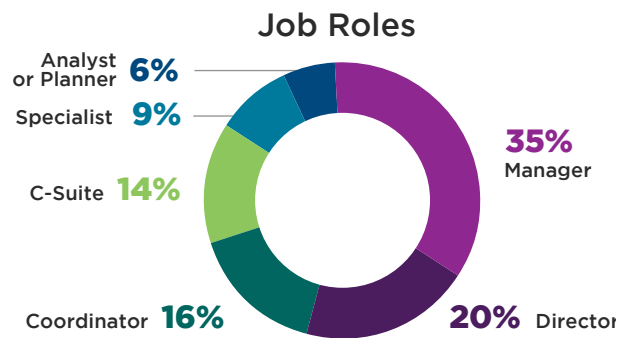
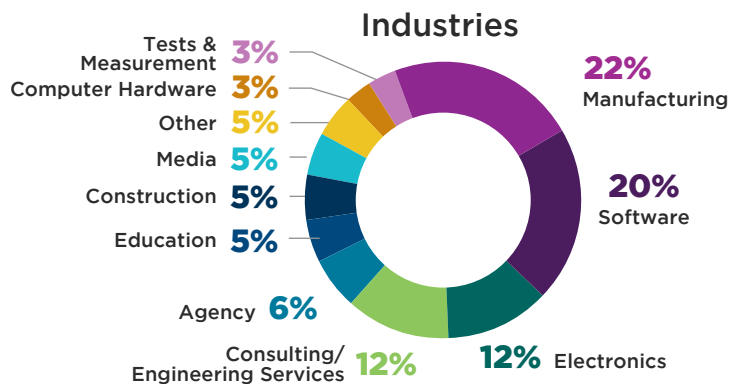
Webinars were the second most coveted tool for marketers during the pandemic. Once again, this makes sense, as virtual events all but replaced in-person gatherings. Trade shows, by contrast, were only seen as effective by 3% of respondents, and even these were likely virtual conferences or events of some kind.

While there are some minor differences, this data looks very similar to the numbers we examined on page 7. More than any other factor, COVID-19 and the measures that followed influenced marketing decisions. The top-ranking activities outlined here undoubtedly influenced marketers heading into 2021 and may continue to impact marketing strategies moving forward.

Most Effective Activity During the Pandemic



DEMOGRAPHICS



SUMMARY AND CONCLUSIONS



Despite the hardships of the pandemic, technical marketers are now starting to see a slow but steady return to normal. Though budgetary growth in 2021 is far off from previous years, there is a slight upward trajectory that should be considered a success given the circumstances.

Much of what we found in the survey was as expected, given the situation. We anticipated marketers would continue to struggle with content creation, and it doesn't appear this challenge will go away anytime soon.

Creating content for a technical audience is difficult because of the expertise, time, and resources required. However, this needs to be overcome since content marketing is still the most effective tool at our disposal.

There was a marked shift towards more virtual and direct marketing methods in 2021. For example, Webinars and virtual learning sessions replaced on-location trade shows

as organizers had to cancel and postpone events worldwide.

In addition, email marketing surpassed search marketing as the most pervasive marketing tactic. We speculate this is because email allows marketers to be more personalized and proactive in reaching prospects to generate more leads in the short term.

Our research also found that better utilization of automation tools is an area marketers with these technologies should seriously consider.

We hope you found the insights in this report helpful and wish you great success as you continue to evolve your marketing strategies as we approach a post-pandemic horizon.

Once again, thank you to all those who participated in this year's survey!

Our Engineering Marketing Community

Marketing to engineers can be challenging given their unique pain-points and a natural aversion to engaging with sales and marketing people.

Engineering.com maintains a regularly updated blog and LinkedIn discussion group called “Digital Marketing for Engineers” to share meaningful insights gleaned from daily interactions with our engineering audience and engineering marketers.

We also publish analyses, best-practices, and market research reports from our industry experts, as well as guest authors from some of the world’s largest engineering marketing firms and consultancies.

Check it out for yourself and see why over 13,000 engineering marketers have connected with us!

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