



2024 ALLOY TECH MARKETING REPORT

State of the modern customer journey

An in-depth look at the challenges and priorities facing today's revenue & marketing leaders - from acquiring new prospects to engaging loyal customers

September 2024

Applying a longitudinal lens to the customer lifecycle

In 2022, Alloy released [first-of-its-kind data](#) that took an in-depth look at customer lifecycle challenges as well as up- and cross-selling demands facing global tech brands. This post-COVID survey revealed that tech companies had begun prioritizing the customer lifecycle over the sales funnel. For example, in 2022 73% of B2B tech companies said they had accelerated existing customer revenue goals and as a result, 41% had decreased their emphasis on net new sales.

At the time, we predicted that this shift could fundamentally reshape global B2B sales and marketing departments. So, this year we set out to check-in with revenue leaders again to see if 2022's findings had advanced or retracted.

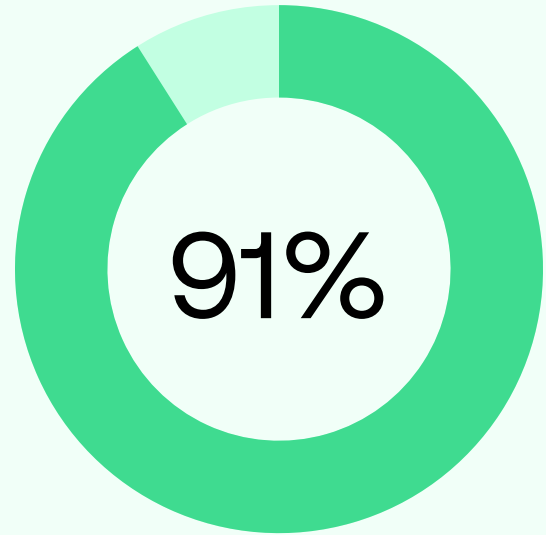
A lot has changed in the past two years. While the world is no longer facing a global pandemic, businesses are facing heightened regulation. Other dynamics, such as AI hype and political uncertainty are also dominating buyers' mindshare. Our 2024 research sought to understand if these macro factors are adding pressure to today's customer lifecycle, and if so, how revenue leaders are addressing them.

The resulting 7-page Annual Tech Marketing Report aims to help marketing, customer success, CX and sales executives all work together to more effectively attract, engage and retain customers at every stage of the lifecycle.

David Randolph
SVP of Strategy

All eyes (still) on the customer

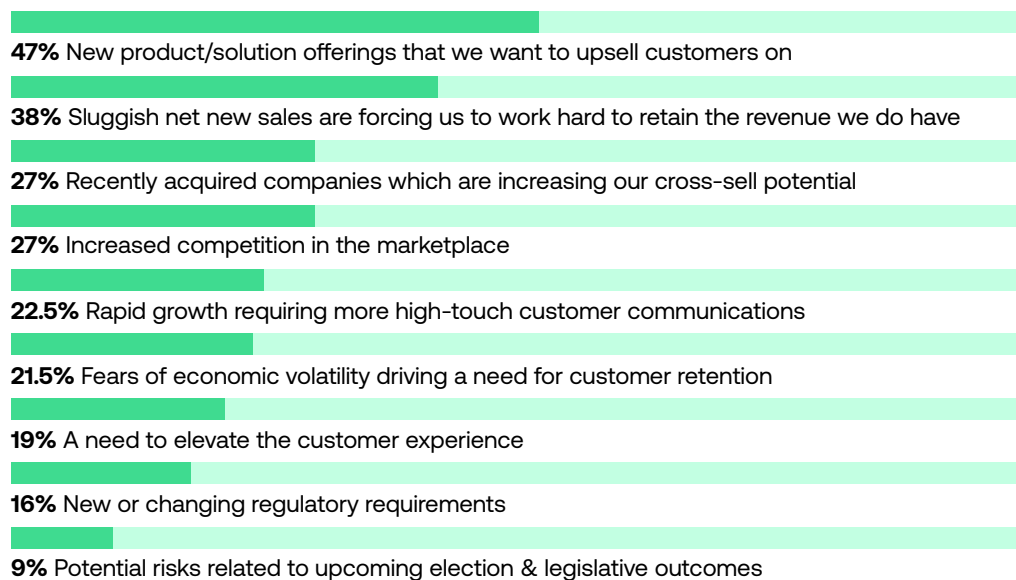
Our research set out to first gauge whether B2B tech brands are still placing a **greater focus on serving existing customers**. Ninety-one percent of respondents confirmed that they are, a number almost unchanged from 2022 (93%). For certain industries, this number was even higher. For example, 94% of FinTech/banking brands and 100% of cybersecurity and enterprise IT brands are placing a greater emphasis on the customer base.



91% OF B2B TECH COMPANIES ARE PLACING A GREATER EMPHASIS ON SERVING EXISTING CUSTOMERS

However, factors driving this focus are different today than they were in 2022. For example, 14% fewer respondents said that they had **new products/solutions** that they wanted to upsell customers on today compared to two years ago. And almost half as many respondents this year said that increased competition in the marketplace was causing them to fight to retain customers.

So, what challenges are revenue leaders facing in 2024? Near the top of the list is a slow down in net new sales, which has displaced pressure onto customer success teams.



Customer satisfaction trumps new deals

Further illuminating today's IT brands' need to delight their customers, we asked them to prioritize customer lifecycle issues. Surprisingly, "customer satisfaction / NPS scores" topped the list, beating "customer acquisition."

Top customer lifecycle issues

#1

Customer Satisfaction/NPS Scores

#2

Customer Acquisition

#3

Customer Engagement

#4

Customer Retention

#5

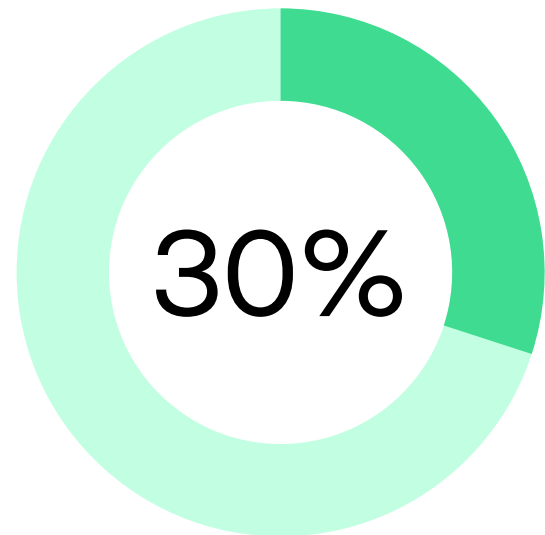
Cross-Selling

#6

Customer Education

Not surprisingly, these customer lifecycle priorities parallel revenue objectives.

Sixty-one percent of survey takers say their organizations have **increased their goals for growing existing customer revenue** over the past 12 months - a 12% dip from 2022. While there's fewer brands doubling down on existing customer revenue than two years ago, the ones that are signal that they're more serious about it. Thirty percent of them are **decreasing their emphasis on net new sales**, which is up 5% from 2022.



OF TECH BRANDS HAVE DECREASED THEIR EMPHASIS ON NET NEW SALES, OPTING TO PRIORITIZE UP- AND CROSS-SELLING GOALS

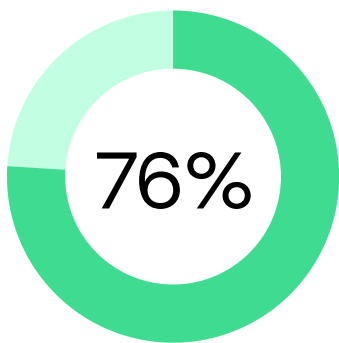
Digital channels dominate

So, how are today's B2B tech brands finding success at engaging the customer base? We found that in-person and direct customer contact isn't back post-Covid, and perhaps, never will be.

When it comes to building customer engagement and loyalty, respondents overwhelmingly said the top four most effective channels are their website, customer portals/apps, email marketing and content marketing. As you'll see in the table to the right, these **digital channels beat out in-person and direct human interactions.**

Moreover, our survey takers said they're **ramping up marketing budgets to support the customer lifecycle.** Specifically, 27% of respondents are significantly increasing their investment in customer engagement channels and another 49% are increasing their investment "somewhat."

For certain industries, these investments are clearly more accelerated. For example, 89% of FinTech/banking, enterprise IT and clean tech/energy brands as well as 100% of cybersecurity organizations are ramping up investment.



OF B2B TECH COMPANIES PLAN TO INCREASE THEIR SPEND ON CUSTOMER ENGAGEMENT IN THE NEXT 12 MONTHS

There is a direct correlation between what channels respondents find most effective and where they are increasing budget allocation. **You guessed it - it's digital.** Website, customer portal/apps, email marketing, content marketing and social media are the top five customer engagement channels that organizations plan to increase spend on in the next 12 months.

What are the most effective channels for building customer engagement & loyalty?

01 Website

02 Customer Portal/Apps

03 Email Marketing

04 Content Marketing

05 User Conferences

06 Intimate Customer Events

07 Tradeshows

08 Customer Support Teams

09 Social Media

10 Account Reps/Direct Contact

11 Earned Media

12 Paid Media

Digital channels dominate cont.

Since we asked marketing and sales leaders what marketing channels were most effective for customer engagement and loyalty, we also wanted to hear what channels they most valued when it comes to customer acquisition. In many ways, **their responses were inverse**.

- For example, paid and earned media both ranked dead last as effective channels for engaging with customers. However, they were both in the **top five most effective channels for reaching prospective buyers**.
- And while email marketing was valued as the third best way to engage with existing customers, the same is not true for reaching prospects. Respondents put **email marketing at the bottom of their list for effective customer acquisition tools**, only to be followed by direct mail.

However, it's clear that digital channels reign as the most effective way to engage with both existing customers as well as prospective buyers. For example, respondents ranked "tradeshows and conferences" ninth out of 11 as preferred sales channels. Moreover, out of the top five most effective channels - content marketing is the only channel that made both lists, coming in as the **#1 most effective channel for customer acquisition**.

What are the most effective channels for reaching prospects who are looking for new solutions or to switch vendors?

01 Content Marketing	07 Industry Influencers
02 Earned Media	08 Channel Partnerships
03 Organic Search	09 Tradeshows/Conferences
04 Paid Search	10 Email Marketing
05 Paid Social Media	11 Direct Mail
06 Display Advertising	

Conclusion: patterns & predictions

As the global economy moves into the fourth quarter of 2024 and eventually 2025, Alloy expects these trends to sustain. For example, uncertainty due to the American presidential election and a new Congress will likely pause spending. This is compounded by renewed fears of a global recession. Assuming IT sales remain sluggish in the upcoming months, tech brands should continue to prioritize the existing customer base.

As our survey respondents signaled, we anticipate increased spending on channels that produce the best customer success ROI - digital ones. In addition, tech brands would be wise to also invest in the channels that support new customer acquisition - like content marketing, earned media and organic search - so that they are well-positioned when markets gain confidence and new software sales return.

Alloy is adept at supporting global innovators as they adapt go-to-market strategies for an ever-changing marketplace. To discuss which channels your brand should be investing in to support the entire customer lifecycle, [contact our strategists today](#).

Methodology

In July 2024, Alloy conducted an online survey with a sample size of nearly 110 B2B tech professionals in marketing and sales functions across the United States. Thirty-three percent of respondents were customer experience leaders, 28% sales, 18% customer success, 16% marketing and 5% revenue optimization. Their companies spanned startup and growth stage to PE-backed mid-markets and publicly traded enterprises. A range of tech sectors were represented, including automotive & transportation tech (5%), banking/FinTech (17%), clean tech/energy (8%), cybersecurity (7%), EdTech (3%), healthcare/HealthIT (9%), enterprise IT (8%), supply chain & logistics IT (4%), retail tech/ecommerce (25%), MarTech/AdTech (2%) and 12% other.

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