

B2B EXPERT ROUNDUP:

WHICH DEMAND MARKETING
KPIs ARE MOST IMPACTFUL
FOR YOUR BUSINESS AND WHY?

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Tracking and evaluating the progress of campaigns past and present is integral to the success of any marketing strategy. Without the right data, making adjustments and evolving how businesses conduct their marketing is impossible.

As demand generation marketing continues to change over time, so must the way that marketers evaluate success. The real challenge, then, emanates from determining the correct Key Performance Indicators (KPIs) and metrics to track in order to identify shortfalls, patterns of positive results, and insights concerning audience behavior and preferences.

WHAT IS DEMAND GENERATION MARKETING?

Essentially, the function of demand generation is to create strategies and content that boost interest and awareness of a brand, therefore generating demand for its products and services. Implementing effective demand generation is crucial to driving leads through the buyer journey and a company's consistent growth within the B2B marketplace.

Given the challenge of quantifying interest, part of any demand generation marketing strategy must be focused on defining success with the right KPIs. After all, tracking progress is integral to ensuring that future campaigns yield greater results.

DEMAND GENERATION AND LEAD GENERATION ARE OFTEN CONFUSED WITH ONE ANOTHER. ALTHOUGH THERE IS AN OVERLAP, THE TWO ARE QUITE DISTINGUISHABLE FROM EACH OTHER.

Unsure about the differences between both strategies? Read our article, [Demand Generation vs Lead Generation: A Breakdown of Both](#), for insights, strategies, and how to build campaigns that work together in harmony. →

KPI MARKETING GLOSSARY

Before we explore arguments for which metrics are the most beneficial to track, here are all the marketing KPI examples featured in this article and their respective definitions:

- ▶ **ACV** - Annual Contract Value
- ▶ **CAC** - Client Acquisition Cost
- ▶ **CPL** - Cost Per Lead
- ▶ **CLV** - Client Lifetime Value
- ▶ **CPO** - Cost Per Opportunity
- ▶ **CTOR** - Click To Open Rate
- ▶ **MCL** - Marketing Captured Leads
- ▶ **MRR** - Monthly Recurring Revenue
- ▶ **ARPA** - Average Revenue Per Account
- ▶ **Bounce rate**
- ▶ **Conversion rate**
- ▶ **MQL** - Marketing Qualified Lead
 - ▶ MQL to closed won rate
 - ▶ MQL to demo rate
 - ▶ MQL to opportunity won rate
 - ▶ MQL to SQL
 - ▶ MQLs per channel
- ▶ **Lead to close ratio**
- ▶ **MSIO** - Marketing Sourced to Influenced Opportunities
- ▶ **SQL** - Sales Qualified Lead
 - ▶ SQL to closed won rate
- ▶ **Traffic** (organic + 3rd party)

Once chosen, the appropriate KPIs can be managed in a marketing KPI dashboard for greater ease and oversight of campaign progress.



WHAT IS A MARKETING KPI DASHBOARD?

Identifying the right metrics to focus on can be a lengthy and complex process that requires refining over an extended period of time. Marketing KPI dashboards allow marketers to have an overview of all of their KPIs at the same time, as well as create reports covering campaign progress.

This is particularly important for companies with holistic omnichannel or multichannel marketing strategies, as siloing information and analytics from each channel can make creating reports sluggish.

Having an overview of the data from all demand marketing efforts with a marketing KPI dashboard not only facilitates the reporting process but also allows marketing teams to identify patterns in data.

This is particularly prudent given the high expectations for results, even from low marketing budgets. Utilizing a marketing KPI dashboard can play an instrumental part in demonstrating the value of demand marketing and help alleviate the pressure of maximizing results.

THE EMPHASIS ON THE ABILITY TO PROVE ROI, TYPICALLY BEFORE A CAMPAIGN HAS STARTED, HAS CONTRIBUTED TO THE EVOLUTION OF THE CHIEF MARKETING OFFICER ROLE.

Read our [Outlook 2022](#) for more detail on how the responsibilities of the CMO continue to shift in the face of lower budgets and the mounting pressure of defining achievables for campaigns. →



INSIGHTS AND RECOMMENDATIONS FROM INDUSTRY EXPERTS

In light of the complex and often confusing nature of tracking the success of demand generation marketing accurately, we asked fellow B2B demand marketing experts to share their thoughts and insights on deciding the right KPIs to measure.

Below is a roundup of various marketing KPI examples, the motivations behind prioritizing certain metrics over others, how they define KPIs and success in the demand marketing space, as well as the role each goal has in boosting growth.



Samuel Timothy

Demand Generation is unique in its benefits and its ability for effective strategies to acquire and retain high-value clients. But for demand generation marketing to work, you have to pay close attention to KPIs and distinguish the most important ones to track from the many that are available.

You see, one can decide to look at engagement metrics like website visits, email opens, and social media likes. But in my experience working with entrepreneurs to improve their marketing, it can be a tricky ordeal.

The funny thing with metrics is that they don't tell the truth without context. The more surface level your metric is, the higher the chances of being misled. This is why demand generation optimization is about tuning the right knob.

And to be in tune with the actual performance of your demand generation campaign, I suggest you pay attention to two metrics—client acquisition cost (CAC) and client lifetime value (CLV).

The relation between CAC and CLV gives you a guide on how to balance customer acquisition with retention. In simple terms, what would it cost to bring in my customer, how much would they contribute to the profits of my organization in the long term, and what is the difference, i.e. CLV.

So, your CLV over a business relationship of 10 years could be \$10,000 or \$3,000 depending on your approach to customer acquisition and retention. This is how you fix your demand marketing strategy and set your business and clients on the most profitable and fulfilling path respectively.

Understanding calculations is secondary.

About the Author:

Samuel Timothy is a knowledgeable expert in online marketing, demand generation, and sales. He helps businesses develop and execute marketing strategies that improve their lead generation efforts and drive business growth.

Currently, he serves as the Chief Growth Officer for OneIMS, an inbound marketing agency. He also co-founded Clickx, the digital marketing intelligence platform that eliminates blind spots for brand marketers and agencies.

Samuel is a contributing author on Forbes, Inc. Magazine, and other business publications. He hosts and produces his own show called Coffee with Closers, where he gathers valuable insights from successful entrepreneurs and business leaders.



Robert M. Bettencourt

It seems that account based marketing is the strategy that marketing teams are pursuing as their B2B strategy for 2022. I believe that account based marketing will be revolutionary this year as marketing teams find ways to get qualified leads to their sales teams.

Account based marketing forces sales teams and marketing teams to work more cohesively and be less adversarial. The marketing team focuses their efforts on messaging that will bring engagement and focused leads from the accounts that the sales team deems have the best chance of turning into clients.

By changing the way that marketing and sales teams work with each other, demand generation marketing strategies will become more focused on those leads that will matter to the company. Focusing on collaboration is arguably more important than any KPI. Work together and the results will follow.

About the Author:

Robert Bettencourt is a B2B marketer who specializes in Digital Marketing and Demand Generation. Rob has worked for companies such as Fujifilm Medial Systems and Labster. He currently lives in Massachusetts with his family.



Carey Straetz

Most teams end up tracking outmoded metrics that don't pertain specifically to demand marketing's KPIs, or that don't offer meaningful insight into marketing's contribution to growing pipeline and revenue.

Marketing teams need to be agile to bring the most value possible to the wider organization, so they don't have time to track metrics that don't bring value. Ditch your lead count and look at pipeline dollars generated per channel. Stop monitoring your CPL and look down the funnel at CAC. Drop all the vanity metrics and look at the big picture KPI marketing metrics, such as CLV.

About the Author:

Carey Straetz is a demand generation marketing leader with substantial experience creating full funnel demand generation strategies for both B2B and B2C organizations. Straetz is experienced in driving MQL growth through diversified lead channel strategies. Her digital website expertise includes streamlining conversion pathing, user experience, and Conversion Rate Optimization (CRO) test sprints.



Andrew Babb

Demand marketing should focus on our MQL to Closed Won conversion rate. Even though Demand Generation/Growth Marketers live and breathe by MQLs, how many of those actually make it to a sale is what really measures the quality of your team's work.

Are you stuffing the top of the funnel with clicks, website visits, webinar registrations, social media interactions, downloads, and MCLs (marketing captured leads)? That's great, but the velocity at which they move down the funnel towards Sales Qualified and Closed Won is really what's important—at the end of the day, we're trying to make dollars, after all.

Bonus points if you can identify what those Closed Won deals have in common, and then double down on those channels/tactics. It might be that a particular message/CTA is performing well, but it may be that some ponds have bigger & better fish in them. For us, that's usually trade publications and in-person events.

About the Author:

Andrew Babb is a Demand Generational expert and a lover of all things inbound. Babb's forte is content creation, lead handling and nurturing, data management, and event marketing. He has driven results for companies in the financial, legal, automotive, and eCommerce industries for over 10 years by providing analytical and strategic insight into their marketing efforts.



Veronica French

It's always important to keep track of the traditional KPIs that impact the business, such as leads, opportunities, deals, and tracking change over time.

Then, there are the efficiency metrics, so looking at funnel conversion and, from a demand marketing perspective, the CPL and cost per opportunity metrics (CPO). Those will help you better understand the performance of individual programs or channels so that you're allocating spend appropriately.

However, it's the new KPIs I'm most interested in continuing to explore, those that can help us better understand the performance of community engagement or the impact of dark social, PR or branding. I don't think we've gotten that completely right, but it's the new frontier for KPI Marketing and Demand Generation.

About the Author:

Veronica French is a SaaS Marketing, Growth, and Demand Generation leader. She is passionate about customer-centric products and brands.



Andreea Cojocariu

I look at demand generation marketing perhaps differently. At the end of the day, everything we do from a marketing perspective drives demand in some way. Demand generation for my team at net2phone is combined with brand, traditional demand gen, and sales. The KPIs that matter most center around revenue.

Things like conversion from MQL to SQL and closed won conversion from opportunity matter. That influences our direction and quite frankly, future investment in particular strategies among a long list of other things. Our demand marketing team also co-owns sales metrics like monthly recurring revenue (MRR) and average revenue per account (ARPA), along with deal size by unit (for us that's seats) so we can optimize our efforts to bring in more profitable accounts.

Then we have inbound marketing efforts, so the other half of my team focuses on KPIs related to top of funnel efforts (traffic, bounce rate on our website, SEO) and traffic from third parties we work with, and MQLs. These metrics help us optimize at a more granular level.

Lastly, a KPI we touch on all the time that is not measurable in Salesforce or a graph is communication. All members of our team ask for feedback because communication allows us to improve results on KPIs that drive our business. It may sound cliché, but transparency helps us stay focused and feedback prevents groupthink. We come up with innovative ways to grow.

About the Author:

Andreea Cojocariu, known in past lives as The Smiling Marketress, is a veteran digital marketer. She is currently head of marketing at net2phone where she leads all things demand generation, brand, and digital. She is known for crazy things like being one of the first to use social media back in 2006 in a marketing campaign—an early adopter at heart. Now she helps others break down traditional marketing strategies that drive demand and revenue.



Matt Barudin

First and foremost, I think it's crucial to point out that old-school demand generation and inbound marketing have been outdated for years. Marketers have long held the belief that the success of campaigns they create and launch from scratch hinges on an arbitrary number of leads they receive over a set timeline. For example, maybe you launched a Google display ad campaign that led to 100 eBook downloads on your website in the first month so that must mean the campaign was successful, right?

The problem is that while marketers work hard to get prospects through the door, many don't fully consider what to do next aside from passing them on to their sales colleagues.

With that being said, the KPIs that truly define the success or failure of a demand generation marketing campaign revolve around creating a fantastic prospect experience from first touch to closed won. It's all about keeping them engaged with your brand while enhancing their knowledge of and interest in your offering every step of the way. Depending on the complexity and size of your offering, this process could take anywhere from a matter of weeks to a year or longer.

The number of leads collected in a campaign may help to increase the size of your marketing contact database today, but are you doing everything possible to help transform those same leads into viable, net new revenue opportunities for your business a month, six months, or a year from now?

About the Author:

Matt Barudin is the Demand Generation Manager at Terminus, a leading Account Based Marketing software company based in Atlanta, Georgia. His passion for and experience bringing SaaS products to market and facilitating growth opportunities at every stage of the marketing funnel has spanned several key industries, including MarTech, FinTech, and AI.



Cody Ward

The demand generation marketing KPIs that are most impactful to my business include the number and percentage of Marketing Sourced and Influenced Opportunities (MSIO). The reason is, those can't be artificially inflated (like MQLs can) without the integration and action by the sales organization, and they are a forecastable indicator towards growth and revenue that can be measured against spend.

About the Author:

Cody Ward is the VP of Demand Generation at Sequoia Consulting Group. He is a tech enthusiast and growth-focused B2B marketing operations leader in Chicago.

Cody specializes in sourcing pipeline and accelerating revenue for SaaS companies via demand marketing. He has learned over the last 10+ years how to build a scalable, predictable, and profitable marketing engine. Cody's approach holistically unifies the people, strategy, tactics, process, technology, and data together.





Victoria (Linehan) Wilkinson

In today's economy, all efforts must be measurable and contribute to your organization's bottom line. This includes marketing efforts such as brand awareness, demand generation, and program planning.

The most impactful KPIs are those that affect your pipeline and overall revenue. To track demand marketing performance, we need to look at the full funnel and how prospects progress through it. Each contributing asset should be measured from beginning to end. For example, if 200 prospects download an asset we should be capable of evaluating exactly how that asset contributed to the bottom line revenue and pipeline.

We can do this by examining how many of those downloads became a sales accepted lead, how many of those became an opportunity, what the pipeline value is of those opportunities, and so on.

Keep in mind though, that marketing activities are not solely a source for new opportunities, but are also influential on current opportunities. While evaluating net new results from assets, we should also take a look at how many existing contacts or opportunities were affected as well.

If you're able to see how each demand marketing activity performs all the way through the pipeline and past the surface level of simply contributing "xx" marketing qualified leads, then you'll be able to see which marketing activities are contributing to your bottom line and help scale your business from a marketing perspective. Marketing KPIs should be closely aligned with revenue KPIs as demand generation marketing should be supporting the revenue team to source and influence pipeline.

About the Author:

Victoria is a creative marketing professional, skilled in B2B demand marketing, campaign development, content syndication, and digital marketing. After receiving her marketing degree at Auburn University, Victoria went on to work for OneTrust Privacy, OneTrust DataGuidance, and now works as the demand generation manager at Enable Rebate Management.



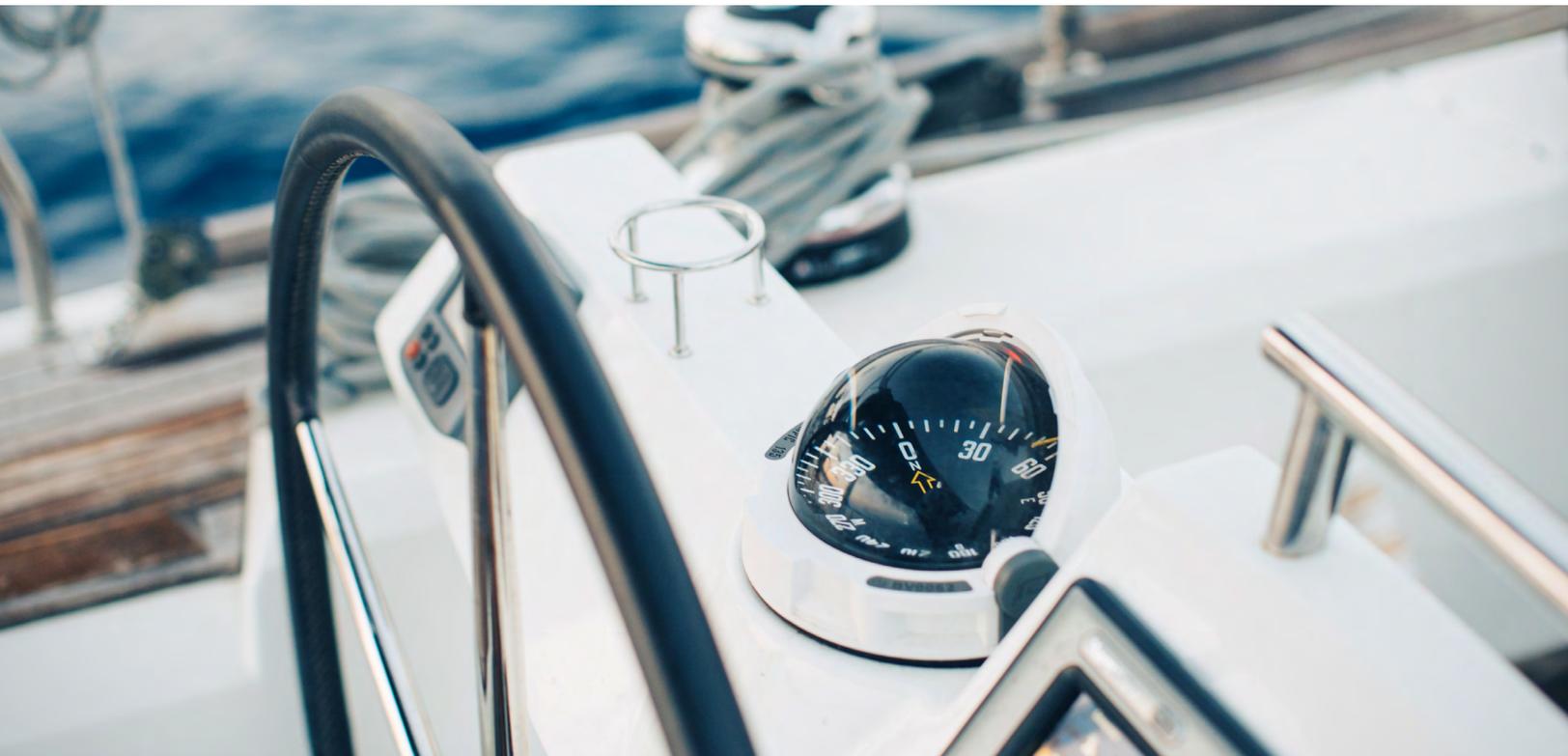
Erika Goldwater

The most important demand marketing KPIs have to do with pipeline contribution. At the end of the day, marketing drives revenue for an organization and if you can't track and show that, something is missing. Vanity metrics like impressions or clicks give us insights into activity, but what really matters is the conversions of opportunities and growth of the pipeline with a high level of granularity. You must be able to measure marketing revenue attribution, CAC, CLV and of course, marketing ROI. If you keep that goal in mind, you can start to understand the real impact marketing has on revenue and make adjustments before pipeline and revenues are impacted.

Campaigns are ineffective. Real results come from buyer-centric marketing programs that are perpetual and utilize a variety of channels including inbound, outbound, and public relations.

About the Author:

Erika Goldwater is the director of global communications and content for inriver. She's a B2B demand generation and content marketing professional with extensive experience in driving revenue via integrated marketing programs. Erika has worked with leading SaaS companies including Leadspace, Monetate, Protagonist.io, and Eloqua.





Kindra Kernes

At Revalize, we're working on a roll-up of 14+ brands so, from a lifecycle marketing and content marketing perspective, being able to track what campaigns are having the most impact with each unique audience is extremely important. That's why I've found the most impactful KPIs to be those regarding Pipeline Performance and ROI.

For us measuring Pipeline Performance mainly looks like MQLs per channel, MQL to SQL rate, MQL to Demo rate, and MQL to Opportunity Won rate. When it comes to measuring our ROI per channel, the quality of leads is almost always more important than the quantity. That's why Pipeline Performance is so important.

Last, but certainly not least, are KPIs that help us continuously optimize our campaigns. I like to think of all of our campaigns as being in a constant state of testing. It's so important to be able to adapt to the audience's change in behavior especially when you're trying to market to varying audiences.

For example, in email marketing you might have an eBook offer that results in a 50% CTOR (click-to-open rate) with one audience and a 15% CTOR with another. Another example is with content marketing: You might publish a blog that has a high number of page views and a low bounce rate in Q1, but by Q4 it could become irrelevant. That's why it's so important to look at these granular KPIs frequently—optimization is key.

About the Author:

Kindra Kernes is a Sr. Demand Generation Manager specializing in lifecycle and content marketing. She currently works at Revalize, a B2B design-to-cash solution for manufacturing companies.



Sharon Palermo

I feel that close rate per channel is a demand marketing KPI that impacts my business. We already understand the importance of conversions through the funnel but we also want to understand what channels are producing the most revenue.

Simply put, budgets can be different based on the type of campaign tactics you are using such as email, PPC, or events. Knowing which campaign is more successful allows us to adjust budgets accordingly. We could place more of our efforts and money towards the activity that is producing higher conversion rates and increased revenue for the company.

About the Author:

Sharon Palermo is a Senior Marketer with over 12 years of experience driving integrated, omnichannel marketing programs and strategies. Sharon has an extensive background in demand generation, strategic partnerships, and communications in mid-to-enterprise SaaS companies.





Myles Madden

The goal of demand generation is to drive revenue at a scalable rate while reducing acquisition costs.

Therefore, there are three demand marketing KPIs that are the most impactful:

1) Revenue **2) Pipeline Velocity (website sourced)** **3) Blended CAC**

Revenue is the most important KPI because this is what we as demand generation experts must focus on—driving revenue and business growth! Leads or SQLs don't mean anything if money is not coming in the door.

Pipeline Velocity = *win rate* x *annual contract value* x *total qualified opportunities* / *sales cycle length*

The second most important KPI is pipeline velocity sourced by your website. Pipeline velocity is calculated by multiplying your win rate x annual contract value (ACV) x total qualified opportunities and dividing this number by your sales cycle length in days.

This KPI is exceptional for demand generation marketing teams because it directly speaks to the health of your demand generation efforts and its ability to succeed and grow.

Lastly, blended CAC is incredibly important for the obvious reason that it is a defining factor of profitability. At the end of the day, if the revenue generated from a customer is less than the cost to acquire that customer, then you don't have a business.

We calculate blended by dividing the total cost of marketing and sales with the number of clients acquired.

About the Author:

With four years of directorial and managerial positions in B2B SaaS demand generation for high-growth companies, Myles has experience in effectively strategizing and executing successful go-to-market strategies. He prides himself in bringing a fun environment to the workplace and is incredibly passionate about business and marketing.

FINAL THOUGHTS

Thanks to our contributors, we have explored a variety of marketing KPI examples (see [glossary](#) for the full list), and their role in evaluating the success and continued viability of demand marketing strategies.

Key points covered:

- Focus on tracking big picture KPIs that go beyond vanity metrics (clicks and impressions).
- Conversion rates, client value, and revenue metrics are far more reliable indicators of success.
- Identify correlations between strategies and the cost of closed deals to increase or decrease expenditure accordingly.
- Consider campaigns to be in a constant state of testing and experimentation to continuously optimize.
- Invest in identifying and reducing acquisition costs by improving strategies to maximize account value.
- Sales and marketing alignment is central to success and critical to track. Encourage communication and transparency to maintain a unified focus.

We would like to take this opportunity to thank all the demand generation experts who contributed and wish them success in their strategies this year and beyond.

For more on how to create successful B2B lead generation strategies and demand generation campaigns, view our latest [Insights](#) content by demand generation experts on content marketing, B2B lead nurturing, content syndication, how to create a B2B sales funnel, and more.

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