STATE of Conversational MARKETING

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Welcome to the first-ever State of Conversational Marketing report, presented by Drift and Clearbit.

We’ve teamed up to analyze the sales conversations that have been taking place on thousands of B2B websites all around the world.

Our goal: Understand the influence conversational marketing is having on today’s buying experience, and identify the types of leads conversational marketing can help you capture, qualify, and connect with.

Here’s what you’ll find inside the report...
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“For thousands of years, we knew exactly what markets were: conversations between people who sought out others who shared the same interests. Buyers had as much to say as sellers. They spoke directly to each other...”

-The Cluetrain Manifesto
Conversations have always been central to marketing and sales.

Before the internet, before the telephone, before the printing press, conversations were how people marketed and sold their products. And it’s still how a lot of corner stores, mom and pop shops, and other small businesses market and sell today.

But over the decades, businesses have slowly been removing themselves from the conversation.

Instead of engaging with potential customers one-to-one, we’ve been plastering their screens with advertisements, and blasting them with automated emails, and bombarding them with cold calls.

Then, if someone does want to talk, and they come to our website, what do we do? We make them fill out a lead capture form, and then we follow up when it’s convenient for us.

The problem with this approach? It was created for a world that no longer exists.
Today, **81%** of tech buyers who encounter gated content *don’t fill out the form* -- they’d rather go elsewhere for information.

Buyers have come to expect a real-time, on-demand experience. The longer you make them wait, the less likely it is that they’ll end up as customers.

Research shows that responding to a new lead within five minutes of when they first reach out is crucial.

Respond any later than that, and there’s a **10x** decrease in your odds of actually getting in touch with that lead. After 10 minutes, there’s a **400%** decrease in your odds of qualifying that lead.

To ensure that leads can always get a response within that five-minute window, more and more companies have been turning to **conversational marketing**.
conversational marketing

noun

the process of having real-time, one-to-one conversations in order to capture, qualify, and connect with your best leads.

Unlike traditional marketing, conversational marketing uses targeted messaging and intelligent chatbots instead of lead capture forms — that way leads never have to wait for follow-ups, and can engage with your business when it’s convenient for them (like when they’re live on your website).

Keep reading to learn how the conversational marketing movement has been spreading around the globe.
A Global Phenomenon

“There are literally millions of alive, flawed, human, passionate, influential and authentic conversations going on around you right now: isn’t it time you joined in?”

-Joseph Jaffe
Billions of people around the world now use real-time messaging as their default channel for having conversations.

Whether it’s chatting with friends on Facebook Messenger or WhatsApp, or exchanging ideas with coworkers on Slack or Microsoft Teams, messaging has become an essential part of people’s lives.

So why aren’t more businesses offering messaging as a communication channel on their websites?

A 2016 survey of 6,000 consumers (spread across North America, Europe, and Asia) found that 9 out of 10 wanted to be able to use real-time messaging to have conversations with businesses.

That same survey found that 66% of people preferred messaging over any other communication channel for talking to businesses.
When we dug into our conversation data, we weren’t too surprised to find that the people who are going to websites, starting conversations, and converting into leads come from every single country -- all 195 countries were represented in the data.

The bottom line: **People from all around the world are seeking out a conversational buying experience.**

Let’s learn more about them...
Behind the Conversations: The People

“Get closer than ever to your customers. So close that you tell them what they need well before they realize it themselves.”

-Steve Jobs
By opening up a real-time communication channel on your website, you’re giving potential customers a direct line to your business.

(And for your product team, you’re building an incredibly useful customer feedback loop.)

But what types of people are going to websites and having these conversations? And, more importantly, are they the types of people your business is trying to attract?

A 2017 study found that 92% of marketing leaders believe selling at the executive level is more important to their strategy than it was two years ago.

That being said, we’ve got some good news: Our data shows that executives are one of the top groups seeking out a conversational buying experience.
Look Who’s Talking (By Seniority)

Breakdown of who’s using real-time messaging to start sales conversations

- 41% Managers
- 39% Executives
- 20% Directors
When we look at who’s having conversations by role, people working in Sales, Marketing, Engineering, and Operations claim the top spots.

But right behind them are CEOs (representing just over 7.4% of all conversations) and founders (6.5% of all conversations).
Look Who’s Talking (By Role)

Breakdown of who’s using real-time messaging to start sales conversations

- Sales: 16.3%
- Marketing: 16.1%
- Engineering: 14.4%
- Operations: 8.3%
- CEO: 7.4%
- Founder: 6.5%
- Product Owner: 6.0%
- Owner: 4.6%
- Education: 3.4%
- Finance: 3.1%
- President: 2.3%
- Information Technology: 2.0%
- Communications: 2.0%
- Human Resources: 1.6%
- Recruiting: 1.4%
- Real Estate: 1.2%
- Health Professional: 1.0%
- Legal: 1.0%
- Customer Service: 0.8%
- Research: 0.7%
- Public Relations: 0.2%
Overall, people in every role are having conversations on B2B websites -- including decision-makers (a.k.a. the gatekeepers of the budget).

But engaging with the right types of people is only part of the conversational marketing equation: You also need to make sure the companies those people work at are a good fit for your product.
“Our work, our relationships, and our lives succeed or fail one conversation at a time. While no single conversation is guaranteed to transform a company, a relationship, or a life, any single conversation can.”

-Susan Scott
So now that we have a better understanding of the types of people having real-time conversations on websites, let’s look at the companies those people represent.

Specifically, we’re going to break these companies down by sector, industry, and number of employees.
Conversations by Sector

Breakdown of who’s using real-time messaging to start sales conversations

- Information Technology: 33.9%
- Consumer Discretionary: 26.4%
- Industrials: 20.3%
- Telecommunication Services: 5.8%
- Financials: 4.2%
- Health Care: 3.9%
- Consumer Staples: 2.8%
- Utilities: 1.3%
- Materials: 1.0%
- Energy: 0.5%
As you can see, people from every sector are having real-time conversations.

The sectors with the most people seeking out a conversational buying experience are Information Technology (34% of all conversations), Consumer Discretionary (26%), and Industrials (20%).
Conversations by Industry

Breakdown of who's using real-time messaging to start sales conversations

- Internet Software & Services: 28%
- Consulting: 15%
- Education: 9%
- Integrated Telecom Services: 6%
- Internet: 5%
- Consumer Staples: 4%
- Specialized Consumer Services: 3%
- Hotels, Restaurants, & Leisure: 2%
- (unknown): 2%
- Integrated Telecom Services: 2%

2017 State of Conversational Marketing Report
Nearly every industry is represented in our conversation data. Of the 92 industry groups we looked at, people from 96% of them are having real-time conversations.

The most “talkative” industries include Internet Software & Services (28% of all conversations), Consulting (15%), and Education (9%).
Conversations by Company Size

Breakdown of who’s using real-time messaging to start sales conversations

<table>
<thead>
<tr>
<th># of employees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 10</td>
<td>20%</td>
</tr>
<tr>
<td>11 - 50</td>
<td>18%</td>
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<tr>
<td>51 - 250</td>
<td>19%</td>
</tr>
<tr>
<td>251 - 1K</td>
<td>12%</td>
</tr>
<tr>
<td>1K - 5K</td>
<td>13%</td>
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<tr>
<td>5K - 10K</td>
<td>5%</td>
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<tr>
<td>10K - 50K</td>
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<td>2%</td>
</tr>
<tr>
<td>100K+</td>
<td>3%</td>
</tr>
</tbody>
</table>
As you can see, employees from companies of all sizes are having real-time conversations.

People from companies with one to ten employees are the most likely to engage in real-time (they represent **20%** of all the conversations we looked at), while people from companies with 51 to 250 employees come in a close second (representing **19%** of conversations).
“Through the power of community, dialogue and partnership, marketing can be a conversation; a welcome guest in the homes, experiences and lives of our consumers, if — and only if — certain principles, pathways and philosophies are put into practice.”

-Joseph Jaffe
In order to turn conversational marketing theory into practice, you can follow the **Capture, Qualify, Connect** methodology — it’s a step-by-step guide for using conversations to turn visitors into leads, lead into opportunities, and opportunities into customers.

Here’s a quick overview of how the methodology works...
1. CAPTURE

- Replace lead capture forms with messaging
- Bots capture leads even when you’re offline
- Targeting lets you filter out the noise
Replace traditional marketing automation with conversational AI

Bots ask leads qualifying questions and can book demos for reps 24/7, 365
1. **CAPTURE**

2. **QUALIFY**

3. **CONNECT**

- Intelligent routing connects leads to the right reps based on sales territory
- Bots replace manual meeting scheduling
Conversational ABM

As we learned in Section 2, executives represent 41% of the leads having conversations on business websites (and another 20% are directors).

So if your account-based marketing (ABM) strategy doesn’t include real-time messaging, your marketing and sales team isn’t providing the type of buying experience the decision-makers in your target accounts have come to expect.

By applying the principles of conversational marketing to ABM, you can finally deliver a personalized, one-to-one website experience at scale.

After all, these are your ABM prospects we’re talking about here, the best of the best. They deserve the VIP treatment.

Here’s how you roll out the red carpet for them:
STEP 1
Set up personalized welcome messages for target accounts.

STEP 2
Connect outbound email to real-time messaging.

STEP 3
Get alerts whenever prospects visit your site or open email.
Conversational Marketing
Metrics
Now that you have a general understanding of how conversational marketing works, let’s take a look at how you measure conversational marketing performance.

Ultimately, marketing and sales teams that have adopted a conversational approach look at a lot of the same metrics they’ve always looked at, with a few notable exceptions -- like the introduction of the conversation-qualified lead, or CQL.

But let’s start with the most fundamental metric of all when it comes to conversational marketing:

**Conversations**

How many conversations are you having on your website each day, week, month? Are you having more conversations week-over-week?

Conversations are the fuel your conversational marketing engine runs on. And we’re not just talking about human-to-human conversations.

At Drift, chatbots now participate in nearly 90% of all website conversations, and chatbot-only conversations are approaching 50%. 

Drift Conversation Breakdown: Who’s Doing the Talking?
Conversation-Qualified Leads (CQLs)

A CQL is someone who has expressed intent to buy during a one-to-one conversation with either A) an employee, or B) a chatbot.

Unlike marketing-qualified leads (MQLs), sales-qualified leads (SQLs), and product-qualified leads (PQLs), CQLs come to your website with specific questions about your product that they want answered in real-time.

For years, marketing and sales teams have been letting these leads slip through the cracks. But with the rise of messaging and intelligent chatbots, teams can now open up a fast lane for CQLs and give them a direct line to their sales reps.

At ThriveHive, leads that come in through conversations close at 2x the rate of leads from other sources.
Meetings Booked

How many conversations result in leads scheduling demos with sales reps?

Now that chatbots allow teams to schedule meetings at scale, this is a key metric to track.

At TrainedUp, 15% of all chatbot-only conversations convert into demos. And 40% of those demos convert into customers (and they convert within a month of their demo).

Opportunities

How many potential future sales are being sourced from conversations? (We’re not just talking about people who are a good fit for the product, but real revenue opportunities.)

MongoDB saw a 170% increase in opportunities less than three months after adopting a conversational approach to generating and qualifying leads.
Pipeline Created

What’s the total dollar amount associated with the opportunities that are being sourced from conversations?

Conversational marketing influences 25% of RapidMiner’s open sales pipeline (worth more than $1 million) and is the source of 10% of all new sales pipeline created.
1) **Conversational marketing has gone global.**

The people who are visiting websites, starting conversations, and converting into leads come from every single country on the planet.

2) **Executives and CEOs have joined the conversation.**

In terms of seniority, 41% of the people having conversations on company websites are executives. In terms of role, 7.4% are CEOs.

3) **Buyers from every type of company want a real-time experience.**

Employees from companies of every size, sector, and nearly every industry are having real-time conversations.
Conclusion:

If you’re not using conversations to drive engagement, you’re missing out -- regardless of who your target buyer is.
Drift and Clearbit partnered to analyze the leads generated by the thousands of organizations using Drift to power their conversational marketing.

Clearbit’s data enrichment technology allowed us to identify the following data points for each lead:

- Country
- Seniority level
- Role
- Sector
- Industry
- Employee count
Learn more about Drift

Learn more about Clearbit