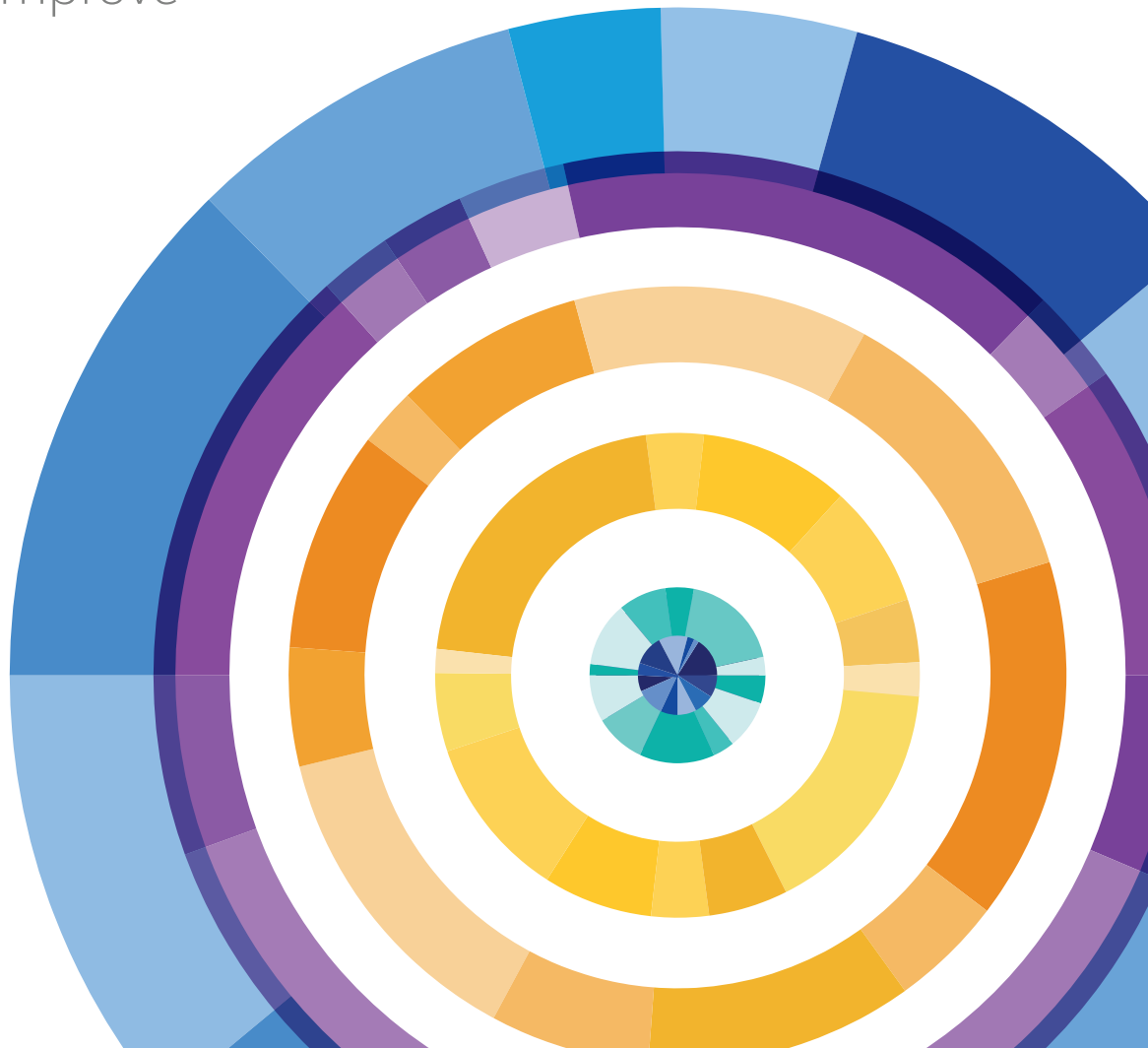
B2B Personas: Targeting Audiences

A detailed audience analysis to improve marketing accuracy



salesforce research

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LinkedIn

About This Report

Beginning in the fall of 2014, Salesforce began to analyze more than 15 million data points, spanning a four-year period, from two of the largest B2B databases: Data.com and LinkedIn. Growth and churn data was anonymized in accordance with LinkedIn's members-first standards. In addition, some of the findings come from various Salesforce Research studies and third-party resources as noted.

The combined data – yielding 90 specific B2B personas – provides deep insights into individuals within a B2B persona defined as a grouping of individuals filtered by specific demographic characteristics: business vertical, department, and seniority.

Each of these levels has significant impact on a person's membership to a persona. To accurately understand the lifecycle of a persona, we factored in the length of time an individual has worked for a company, the vertical and horizontal career changes, and the individual's tenure.

All of these factors – along with demographic characteristics – must be understood to answer these questions:

- What is the annual growth of a specific persona?
- What is the annual churn of a specific persona?
- What is the size of your audience?

The *B2B Persona Report* answers these questions, and more, to provide a foundation for a successful B2B marketing strategy.

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Executive Summary

Key findings from 15 million data points

The *B2B Persona Report* is the first large-scale research project to provide a high-level yet detailed view of B2B personas resulting in accurate data on audience growth, churn, and size. These findings are vital to B2B marketers who spend the majority of their resources building email databases and social audiences.

The average B2B company has a database of 50,000[1] individuals and spends an average of $150[2] to acquire a single email address. Our research identified social audiences ranging from 10,000 to millions, with the average social database being 50,000.[3] This means an email database alone is worth $7.5 million, likely making it the largest asset under a marketer's control. Include the cost of acquiring social followers, and the value of an audience quickly reaches into tens of millions of dollars.

While an email database is a significant asset, measuring its health can be an elusive task. Knowing exactly how personas grow, churn, and change in size can help B2B marketers determine the health of their audiences and accurately estimate reach, while informing better decisions to fuel marketing success.

1 50,000 is a summation of multiple sources looking at the total size of B2B email databases across all sizes of B2B businesses.

2 $150 is a summation of multiple sources ranging estimated acquisition cost of $10 well into the thousands. It accounts for time, resources, and execution to obtain an email address.

3 Average social database size per *Pardot State of Market Report 2014*.

Executive Summary

Key findings from 15 million data points

B2B Growth Rates

Sales personas have the largest variance in one-year growth. Growth for individual contributors who are sales professionals in the retail and consumer products vertical is nearly two times higher than the same sales persona in the medical vertical.

Lowest Annual Growth for Any Single Persona

8%

Finance vertical – director and above finance professionals

Average Persona Growth per Year by Seniority

16% Individual contributor

14% Manager

12% Director and above

B2B Churn Rates

On average, it takes a B2B email database 4.2 years to completely churn, and the average annual churn rate for any single persona is 17%.

Highest Annual Churn for Any Single Persona

27%

Retail and consumer products vertical – individual contributor sales professionals

Average Persona Churn per Year by Seniority

20% Individual contributor

17% Manager

15% Director and above

Highest Churn by Department

#1 Marketing

#2 Sales

#3 HR

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.
Audience size derived from Data.com information in combination with public-facing government data.

Size of B2B Audience

21.3 million full-time B2B professionals were analyzed for this study. In total, 60 million full-time professionals make up the total B2B population, representing 43% of all employed individuals in the United States.

60,000,000

Total B2B professionals across all verticals

21,276,471

B2B professionals analyzed across six verticals

2,918,362	High-tech
2,882,692	Manufacturing
6,339,933	Retail and consumer products
4,016,529	Medical
1,476,648	Transportation
3,642,307	Finance

01 | B2B Persona Overview

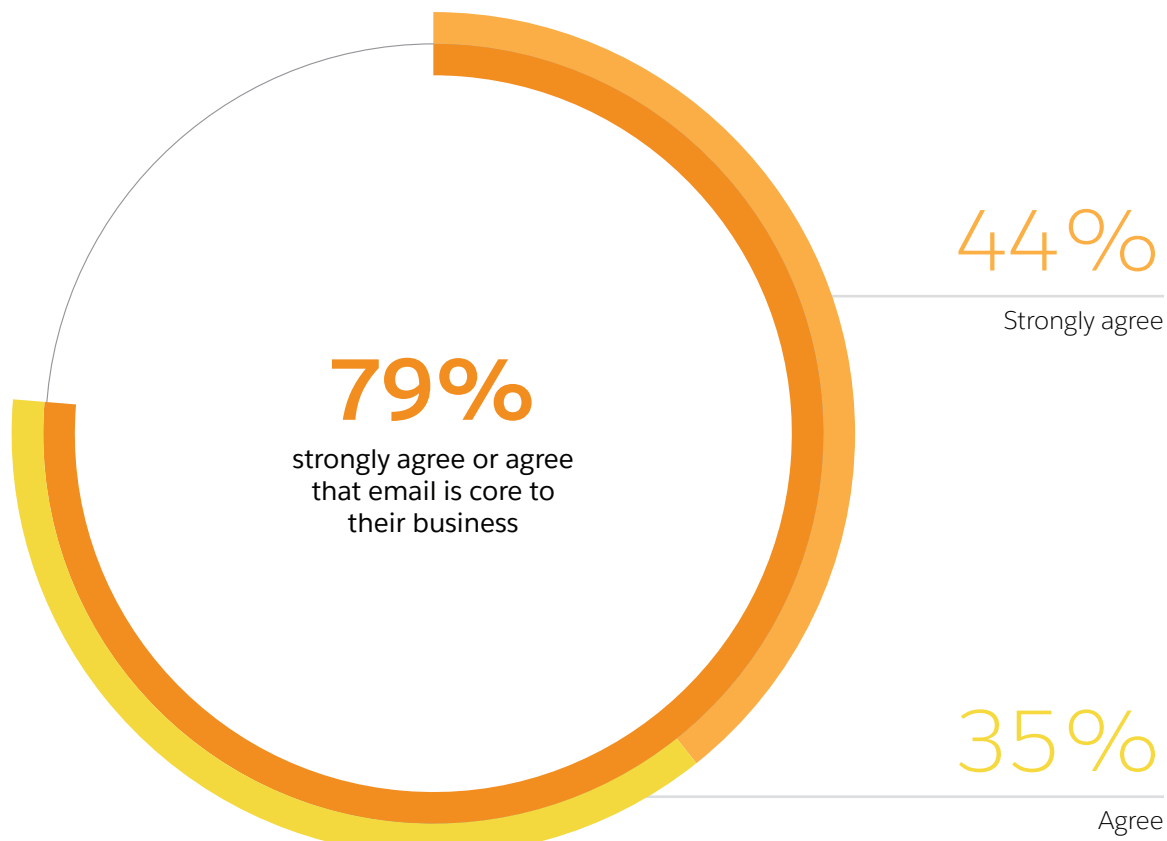
B2B marketers place a high value on obtaining an email address, and with good reason. According to our "2016 State of B2B Marketing"[4] report, 79% of B2B marketers agree that email marketing is core to their business, and 52% plan to increase their email marketing investments.

Obtaining email addresses is a critical step toward effective contact management. Without a detailed understanding of the total audience size, marketers have no way to judge market penetration or determine how many emails they need to acquire.

Marketers must account for the volatility of audience size over time. Change has two major aspects – growth and churn. The average growth and churn of each persona allows a marketer to accurately set realistic goals for management and to evaluate the health of their current marketing audiences. Through our research, we were able to track the growth of a persona by tracking the number of people who moved into a different persona from the previous year.

More Than Three-Fourths of B2B Marketers View Email as Core to Their Business

Email continues to be an integral touchpoint along the customer journey, with 79% of B2B marketers agreeing that it is core to their business and 51% saying it is directly linked to their business' primary revenue source.



[4] *2016 State of Marketing* B2B data, Salesforce Research, March 2016

9 years

highest tenure of a persona

4.2 years

average tenure of a persona

2.6 years

lowest tenure of a persona

[5] Data supplied by the Bureau of Labor Statistics.

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

Size of audience derived from Data.com information in combination with public-facing government data.

Tracking Persona Churn

Tracking persona churn can be difficult. Typically, a marketer only has one gauge to determine whether an email address has churned – does it bounce? However, this is not an accurate indicator of a person's membership in a persona because an email address is only deleted if an individual leaves the company.

In many organizations, we see both horizontal and vertical employment changes, which might remove a person from the target persona without changing their email address. So while the email address is still valid, the individual may no longer be a valid audience member of a target persona. Our research was able to take this construct into consideration, and is accounted for in this report.

To determine the growth and churn of a persona, our databases considered start and end dates of a individual's employment within a specific role and business vertical. We also account for the difference of vertical and horizontal moves within an organization.

As part of this analysis, LinkedIn explored data from more than 7 million records over a period of four years to provide a clear picture on the lifecycle of a persona. The Bureau of Labor Statistics[5] data validated that the data is on par with macro trends; however, it did not allow for granular data segmentation like LinkedIn's database. Our analysis of the Salesforce Data.com database revealed two high-level findings:

- The average professional employment is 4.2 years, which accounts for how both departmental roles and level of seniority affect audience tenure. This is compared to the U.S. Bureau of Labor Statistics finding of 4.7 years.
- The highest tenure of any persona segments is nine years and the lowest tenure is 2.6 years.

02 Vertical Effect on B2B Personas

A business vertical significantly affects growth, churn, and size of a persona. This is easy to understand in scenarios where a specific audience might have many barriers to entry, such as high levels of education or desirability of jobs in that audience. Regardless of the reasons, the verticals exhibit distinct differences on the tenure and size of the audience.

Growth is measured as the number of individuals who are new to a vertical compared to the previous year. Churn is measured as the combined vertical and horizontal movement inside an organization as well as external moves, which cause an individual's email address to be invalid within a target audience. This either means the address is still valid but no longer a target persona, or an individual has moved to a new company and has a new email but is still a part of the target audience.

Average Annual Growth by Vertical

When we studied how many new individuals enter into a vertical per year – over the period of four years – we found a slight variation among the six verticals. The retail and consumer products vertical boasts the highest annual growth rate. The numbers below are aggregates for all departments and all levels of seniority by vertical.

High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
15%	14%	19%	14%	15%	13%

Average Annual Churn by Vertical

High-tech has the highest annual churn rate, followed closely by retail and consumer products.

High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
20%	15%	22%	17%	15%	16%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

Audience size derived from Data.com information in combination with public-facing government data.

03 Departmental Effect on B2B Personas

Within the traditional targeting of a persona, we look at the departmental role and its effect on the persona. The department an individual belongs to can impact audience growth and churn. Like verticals, some departments tend to see a higher volume of growth or churn, due to the nature of the job inside of the business vertical. Marketing has the highest growth and churn per year, followed closely by sales.

Average Annual Growth by Vertical and Department

Marketing has the highest annual growth rate across all verticals, followed closely by sales.

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IT	13%	14%	16%	15%	15%	13%
Marketing	20%	17%	21%	19%	18%	17%
Sales	15%	14%	19%	12%	14%	14%
HR	17%	15%	17%	16%	16%	14%
Finance	15%	15%	16%	15%	15%	12%

Average Annual Churn by Vertical and Department

B2B marketers who target marketers see the highest growth potential; however, they see a high percentage of that same audience churn. Marketing has the highest annual churn rate across all verticals, followed closely by sales.

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IT	19%	15%	18%	16%	16%	16%
Marketing	23%	18%	22%	20%	18%	18%
Sales	20%	14%	24%	18%	15%	16%
HR	20%	16%	19%	17%	16%	16%
Finance	18%	16%	17%	16%	16%	17%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

04 Seniority Effect on B2B Personas

In addition to business verticals and departments, it is important to categorize by seniority when evaluating target personas. Our research revealed that higher seniority levels have slower growth and churn rates.

Average Annual Growth by Seniority

There are more individual contributors entering the persona than director-level employees. The average is even higher when we compare the total number of individuals and their shift to other organizations while maintaining the same job title.

Individual contributor	Manager	Director and above
16%	14%	12%

Average Annual Churn by Seniority

B2B marketers who target individual contributors see 16% pure growth potential; however, 20% of the existing audience will churn over that same period.

Individual contributor	Manager	Director and above
20%	17%	15%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

05 Audience Profiles: IT Vertical

The size of a persona is critical for marketers to understand when estimating the total size of their audience. Marketers need to understand both the penetration into a specific audience, as well as where their audience is lacking in membership with their core personas. The following charts break down each persona by total size, annual growth, and churn by departmental role, business vertical, and seniority.

4,254,423 individuals make up the IT vertical

IT: Annual Size by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
Total	**772,151**	**680,611**	**896,552**	**1,137,637**	**278,160**	**489,312**
IC	501,898	442,397	582,759	739,464	180,804	318,053
M	193,038	170,153	224,138	284,409	69,540	122,328
D+	77,215	68,061	89,655	113,764	27,816	48,931

IT: Annual Growth by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	13%	14%	17%	15%	16%	13%
M	14%	13%	15%	15%	13%	13%
D+	13%	13%	13%	13%	12%	10%

IT: Annual Churn by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	20%	16%	20%	17%	17%	17%
M	17%	13%	16%	15%	13%	14%
D+	16%	14%	15%	14%	13%	13%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

Audience size derived from Data.com information in combination with public-facing government data.

2,269,903 individuals make up the Marketing vertical

Marketing: Annual Size by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
Total	**358,691**	**319,340**	**840,942**	**424,163**	**132,876**	**193,891**
IC	233,149	207,571	546,612	275,706	86,369	126,029
M	89,673	79,835	210,236	106,041	33,219	48,473
D+	35,869	31,934	84,094	42,416	13,288	19,389

Marketing: Annual Growth by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	24%	21%	25%	22%	21%	20%
M	18%	15%	20%	19%	18%	17%
D+	15%	13%	16%	16%	13%	14%

Marketing: Annual Churn by Vertical and Seniority

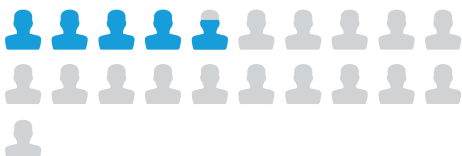
	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	25%	19%	26%	21%	19%	21%
M	22%	17%	21%	19%	18%	17%
D+	21%	16%	17%	18%	15%	15%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

Audience size derived from Data.com information in combination with public-facing government data.

05 | Audience Profiles: Sales Vertical

4,705,331 individuals make up the Sales vertical



Sales: Annual Size by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
Total	**728,034**	**577,116**	**1,552,203**	**513,585**	**315,588**	**1,018,805**
IC	473,222	375,125	1,008,932	333,830	205,132	662,223
M	182,009	144,279	388,051	128,396	78,897	254,701
D+	72,803	57,712	155,220	51,359	31,559	101,881

Sales: Annual Growth by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	15%	14%	21%	11%	15%	14%
M	15%	12%	14%	14%	13%	14%
D+	13%	12%	12%	14%	11%	11%

Sales: Annual Churn by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	21%	14%	27%	18%	15%	17%
M	19%	14%	19%	17%	14%	16%
D+	19%	14%	16%	17%	13%	14%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

Audience size derived from Data.com information in combination with public-facing government data.

1,2012,014 individuals make up the HR vertical

HR: Annual Size by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
Total	**160,382**	**198,964**	**330,688**	**309,668**	**106,056**	**106,256**
IC	104,248	129,327	214,947	201,284	68,936	69,066
M	40,096	49,741	82,672	77,417	26,514	26,564
D+	16,038	19,896	33,069	30,967	10,606	10,626

HR: Annual Growth by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	18%	16%	19%	17%	17%	16%
M	15%	12%	15%	16%	14%	14%
D+	13%	12%	12%	12%	12%	10%

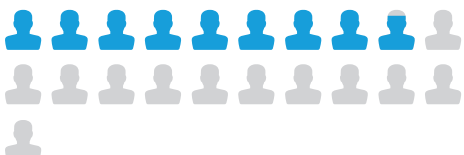
HR: Annual Churn by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	22%	17%	21%	19%	18%	18%
M	17%	14%	18%	16%	15%	15%
D+	16%	13%	14%	14%	13%	13%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

Audience size derived from Data.com information in combination with public-facing government data.

8,834,800 individuals make up the Finance vertical



Finance: Annual Size by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
Total	**899,104**	**1,106,661**	**2,719,548**	**1,631,476**	**643,968**	**1,834,043**
IC	584,418	719,330	1,767,706	1,060,459	418,579	1,192,128
M	224,776	276,665	679,887	407,869	160,992	458,511
D+	89,910	110,666	271,955	163,148	64,397	183,404

Finance: Annual Growth by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	17%	16%	19%	17%	17%	13%
M	15%	16%	16%	16%	15%	12%
D+	11%	11%	11%	11%	11%	9%

Finance: Annual Churn by Vertical and Seniority

	High-tech	Manufacturing	Retail and consumer products	Medical	Transportation	Finance
IC	20%	17%	20%	18%	17%	18%
M	17%	16%	16%	16%	15%	15%
D+	15%	14%	14%	14%	12%	11%

Growth and churn data provided by LinkedIn, in accordance with its members-first standards.

Audience size derived from Data.com information in combination with public-facing government data.

Recommendations

B2B marketing as we know it is fundamentally changing.

The *B2B Personas* research makes it clear that marketers need to have a clear picture of their audience segments due to the high frequency of churn and growth of the personas that make up their full audience. If you'd like to make this report's data more actionable in your strategy, consider the following recommendations.

Marketing as we know it is fundamentally changing. We are moving away from silo execution to omni-channel execution, making it even more critical for B2B marketers to understand their audience. Marketers who can accurately break down their audience by persona – to truly understand their market penetration, annual growth, and annual churn – will see distinct advantages, including the ability to:

- Better identify new leads.
- Manage audiences more effectively.
- Send content to the right audience segment.

This detailed level of audience information opens up prospects for new marketing programs, and it provides a better way to value different communication methods for our audience by giving it a timeline of usefulness.

Recommendations on the following pages are organized by marketing channel.

Recommendations

Email

Evaluate email's role in your marketing strategy based on its limited lifecycle.

- **Evaluate the average cost of obtaining an email address against its lifetime value.** Data shows obtaining email addresses for some audiences might not be the best use of resources given the short life span of the email address.
- **Data management is crucial to email engagement rates.** Many marketers judge email performance based on open rates and click-through rates. The viability of addresses in your email list can dramatically skew engagement rates.
- **Due to its volatility, email is only one of many touchpoints marketers should obtain from an audience member.** Relationships with individual audience members should not end when his or her email addresses changes; however, if you have no other contact methods, it might.
- **The size of an email database can be used as a measurement of success via penetration rates.** Successful B2B marketers understand the demographics of their email database and compare it to their potential audience size to estimate penetration into that audience.
- **Properly identifying personas helps marketers to improve both the acquisition of email addresses and the gating process.** Marketers can dynamically gate content in real time based on whether they need email addresses from a target audience.

Recommendations

Social

Social can play an integral role in long-term communications.

- **The average cost of a social engagement is much less than that of an email address.** The churn of social handles is also not tied to the tenure of an employee, which might provide your business with a more valuable investment over the lifecycle of the relationship than previously imagined.
- **Future success hinges on integration of omni-channel interactions.** Matching an individual's social profiles to his or her email address is critical to creating a successful omni-channel customer journey.
- **Include social interactions as part of your audience adoption.** Successful marketers know the number of individuals from their target audience that are in their social profile; they also know how often they engage with their target audience(s) via social channels.
- **Understanding audience size can maximize effectiveness of paid social targeting.** The actual size of your audience can help you to evaluate whether your paid audience segment is specific enough.

Content

Content can provide additional relevance to a target audience segmented by seniority.

- **Relevance is often thought of as a factor of intent and digital behavior; however, it also can be a factor of condition.** This means that B2B marketers who understand an individual's persona within a target audience can now create new campaign types that deliver relevant content based on an individual's lifecycle in that role.
- **Correctly identifying individuals within a persona allows marketers to measure content based on penetration into specific audience segments.** Publishers can track individuals who engage with content in real time, proving the impact a piece of content can have on a specific audience segment. Marketers can also show the value of third-party, native, and paid content in a more targeted way.

Recommendations

Campaigns

Expect new campaign types to emerge.

- **Understanding an individual's seniority can help B2B marketers create more targeted campaigns.** For example, an individual that leaves company A to work for company B has a new email address but is also an existing audience member. Identifying these individuals, and targeting specific campaigns to their new address, can result in a cost-effective net-new lead generation campaign.
- **Sales teams can use this same growth and churn data to determine when to follow up with accounts.** Churn is often a trigger for purchasing behavior that sales can leverage to identify new opportunities.
- **Customer retention teams can launch campaigns based on churn data.** Churn in personnel is a sign of churn in purchasing behavior.
- **Marketing can be more proactive with paid advertising display and targeted account-based marketing with actionable churn data.** Being proactive will help marketers generate new leads for sales and help mitigate churn of current customers.

Data Management

Having the correct data is the key to successful marketing campaigns.

- **The biggest challenge marketers have with data is identifying churn within an existing database.** Successfully meeting this challenge will require augmented datasets that keep up with vertical and horizontal changes of audience members.
- **Augmented data will provide marketers with an edge to execute new types of campaigns.** As a result, marketing, sales, and other teams get into accounts faster, and better mitigate churn.
- **Data management might become a core role of marketing.** In fact, data management could become a metric marketers are responsible for if:
  1. Companies find a better way to value the audience as a business asset.
  2. Audience management becomes easier with the increased data availability.

Survey Methodology and Demographics

The *B2B Persona* report was conducted in partnership with LinkedIn and Salesforce Data.com. Data leveraged from the LinkedIn database was analyzed by LinkedIn analysts in accordance with the user agreement and putting member privacy first. Historical data from the last four years was leveraged for this project. Economy and employment rates also were taken into account.

Audience size was calculated by comparing Data.com's dataset to its total penetration into the audience segments per the United States Bureau of Labor Statics (BLS). Multipliers based on comparable datasets were then calculated and used to estimate the total audience sizes.

Total employed numbers – both male and female – over the age of 20 is 139.47 million. We report on individuals employed full time – 40% of the total – based on a BLS estimate of 83.68 million hourly and 55.79 million salaried workers. The calculated estimates were rounded up to 60 million since we are dealing with an approximation. For the purpose of this report, we focused only on the six largest verticals, five departments, and three levels of seniority – giving us a view of approximately one-third of the total population.

Verticals

Finance – banking, insurance, accounting, real estate
High-tech – computer hardware, computer software, internet, telecommunications
Manufacturing – chemicals, mining and metals, oil and energy, machinery
Medical – hospital and healthcare, medical device, pharmaceuticals, mental healthcare
Retail and consumer products – food and beverages, hospitality, restaurants, leisure, travel and tourism, cosmetics, apparel and fashion, retail, food production
Transportation – airlines/aviation, warehousing, maritime, trucking/railroad

Departments

IT
Marketing
Sales
HR
Finance

Seniority

Individual contributor
Manager
Director and above – director, VP, CxO, owner, partner, president, or equivalent

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