Study: How Much of Your Content Marketing is Effective?

What's working—and what's not—for over 700 content marketers.

By Jordan Teicher

Content marketing is having a moment. U.S. companies will spend in the neighborhood of 50 billion dollars on content marketing this year, and that number is growing fast. As marketers dedicate more and more of their budgets to content, we wanted to understand more about where their goals—and concerns—lie. In November, we surveyed more than 600 marketers about their fears, ambitions, and plans heading into 2015. This month, we teamed with *Adweek* to add 144 more people—and paint a more statistically significant portrait of the the content marketing industry.

Instead of just letting the numbers talk, we're also interested in how those numbers relate to the more in-depth thoughts of those who participated in our study. As you'll see below, we've included some of these open-ended answers throughout from the respondents who gave us permission to identify them by their names and companies. We hope their perspectives give you a more complete understanding of how your colleagues feel about their content marketing successes and failures from the past year, and what they expect to accomplish in the next 12 months.

Table of Contents

Introduction

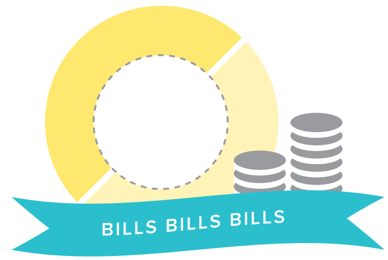
There's a good chance we will look back at 2014 as the year brands first seriously plunged into the content marketing waters. Terms like native content, brand publishing, and owned media are set to evolve from buzzwords into crucial staples of marketing success. Marketers are looking to invest in longform storytelling, both in print and online. And instead of relying on disruptive banner ads, brands are starting to get smart about targeting customers with original content.

But content marketing is still in its infancy, and marketers have a number of challenges to overcome. As we discovered earlier this year, measurement remains a hurdle. Our content measurement survey from this summer found over 90 percent of marketers were not confident that their key content metrics were effective in measuring business results. For 2015, we wanted to broaden our scope and ask our audience of content marketers some important questions related to their triumphs, failures, and future goals: What types of content led to the most ROI? What resources were in short supply? What are some of the biggest challenges marketers face on a daily basis?

What follows is a crucial snapshot of the content marketing landscape as we move further into 2015.

Methodology

Between November 5 and November 17, we surveyed 601 marketers with an 18-question online survey. A few weeks later, Adweek sent the questionnaire to 144 additional marketers. As the survey was answered by nearly our entire population target, the calculated margin of error was approximately 1 percent.



24%

Devote more than 50% of their budget to content.

68%

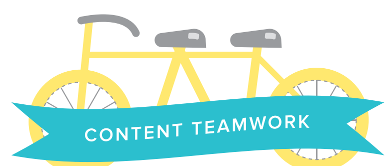
Back original over licensed content.

50%

Are looking at ROI and LTV as the most valuable goals.

57%

Have two or more people dedicated to content marketing.

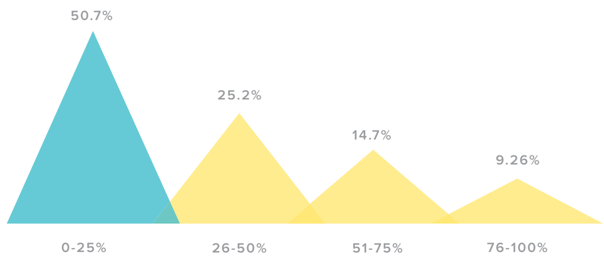


76%

Believe that they could drive 2-5x more ROI if they had an expert content team.

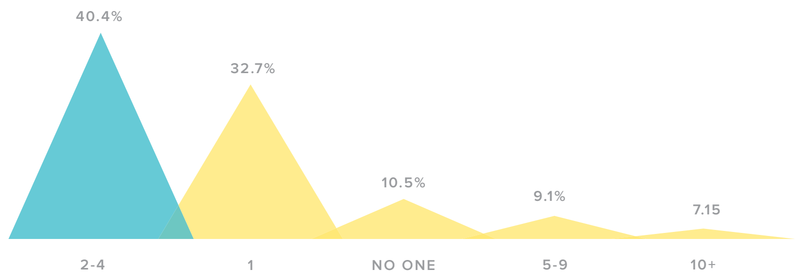
Results & Analysis

What percentage of your 2015 marketing budget is devoted to content?



Publishing quality content over time requires a healthy investment when you account for the talent and tools required. Here, we see there's a huge range in the resources companies are devoting to content marketing. While 51 percent of marketers are devoting 25 percent or less of their marketing budget to content, a significant group—24 percent—have shifted over half of their marketing budget to content.

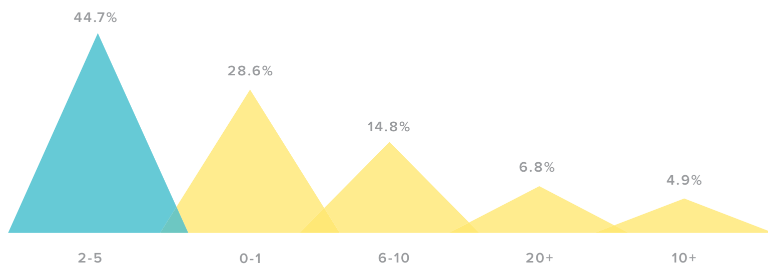
How many employees do you have dedicated to content marketing?



Over the past few years, it's been common to see content marketing treated as an experimental marketing practice, often put in the hands of a single employee juggling other responsibilities. While that's still the case for 43 percent of respondents, it's promising that more than half of all brands have at least two employees dedicated full-time to content marketing. Companies like Coca-Cola have succeeded with a balanced model that teams a few full-time employees with dozens of freelancers working remotely.

(Full disclosure: Coca-Cola is a Contently client)

How many pieces of content do you create each week (excluding social media posts)?



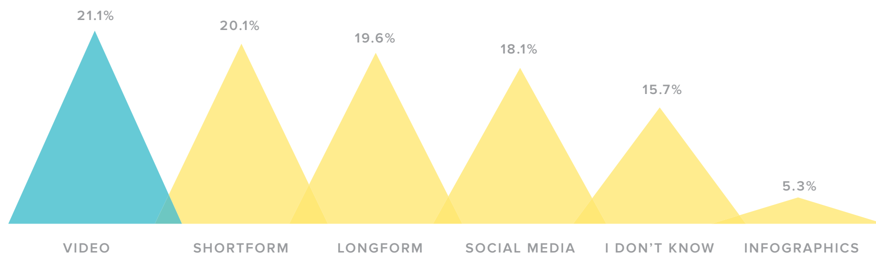
Given the small teams who are dedicated to content marketing, it's not a big surprise that approximately two-thirds of respondents are creating fewer than five pieces of content per week. Finding the right balance of quality and quantity is one of the biggest challenges marketers face today, but it's one that needs to be tackled if brands want to compete with traditional media companies for audience attention.

However, before settling on a certain number, marketers need to have a clear strategy in place that outlines big-picture goals and guides the total output. Just churning out articles for the sake of publishing more content often leads to diminishing returns.

For example, Thea Oliver, communications manager at Thrive, said her biggest content failure last year was pushing "guest blogs on non-audience-relevant sites in the hope of getting more content out there and the vain hope of helping our SEO." Now, guest posts can certainly benefit some brands in the short-term, but only if the external publications are relevant to your business.

In 2015, we expect to see brands and agencies really step back and look at their thought processes for making content marketing decisions. As we try to figure out fluid, complex topics like SEO, it may be better to publish fewer pieces of content that are right for a particular audience based on data-driven insights instead of putting more pieces on other publishers' sites based on intuition.

In your experience, what form of content marketing is most effective in terms of ROI?



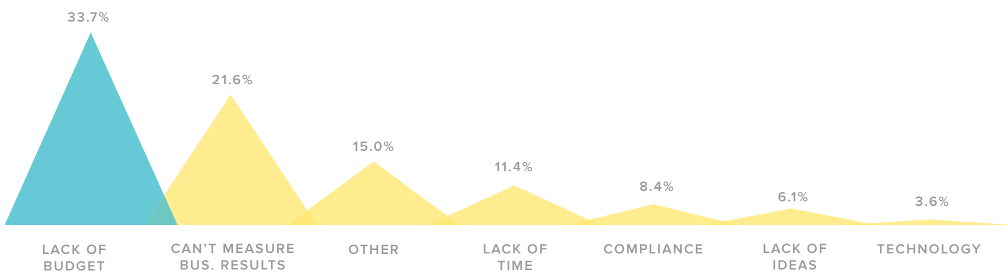
Considering most marketers only publish a few times per week, filling those slots with the right content becomes even more important. Interestingly, respondents didn't overwhelmingly prefer or dismiss one medium over another—save for infographics.

This question was the only part of the study that had a statistically significant difference between the responses from our original study and the total responses including Adweek's results. The discrepancy can almost be attributed entirely to the impact of video. While longform and shortform writing topped our first batch of results, video content gets a slight nod in this iteration.

That outcome isn't a shock: Video content has become increasingly popular in the last year and will continue to grow—an Invodo report from earlier this year predicted video content will account for an incredible 74 percent of all Internet traffic by 2017. A year from now we expect video and multimedia to be a clear winner ahead of any text-based content.

Also of note: Almost 16 percent of those surveyed picked "I don't know." Perhaps the popularity of that answer choice echoes the idea that marketers are still searching for the best way to link their content to business results.

What is the biggest challenge to creating effective content that you face today?



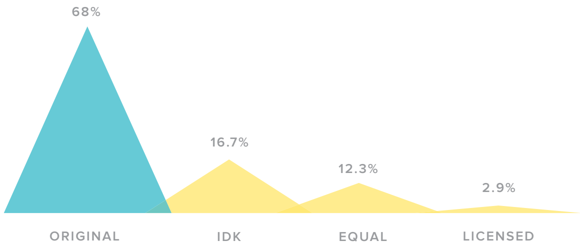
A marketer is only as good as his/her tools, and those tools include time, money, and analytics. Fittingly, our respondents identified budget (34 percent), the inability to measure business results (22 percent), and lack of time (11 percent) as their biggest challenges.

Ostensibly, these challenges are all connected. A larger budget can open access to the necessary analytic tools and resources, and the right analytics help content marketers devote their time and money to the most effective tactics.

Ricardo De Lucia Leite, owner and marketing director of Brazilian firm HyTrade Marketing & Comunicação, said: “We only produced blog posts this year due to lack of budget and time, and for 2015 our goal is to make content for the whole sales funnel, including white papers, e-books, webinars, case studies, and testimonials.”

Leite’s words are a good example of why marketers need time to explore what works for their particular audiences. Marketers get a good grasp of what content ties to ROI only after they have enough firsthand experience with different mediums.

Which is more effective, original or licensed content?



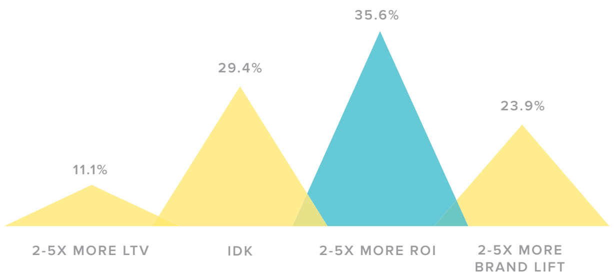
When it comes to publishing original content versus licensing content from other publishers—also known as syndication—the results are clear: More than two-thirds of those surveyed favor original content. That answer shouldn't come as too much of a surprise. If readers can get your content elsewhere, what would make them come to you specifically?

As Cyrus Shepard, director of content and SEO at Moz, told Contently co-founder Shane Snow: "Syndicated content is like giving popcorn to children. It will keep them busy for a while, but that's it."

Moz, a robust content creator in its own right and a leader in SEO, doesn't syndicate any content in either direction. "I think all the value is having something original," Shepard said.

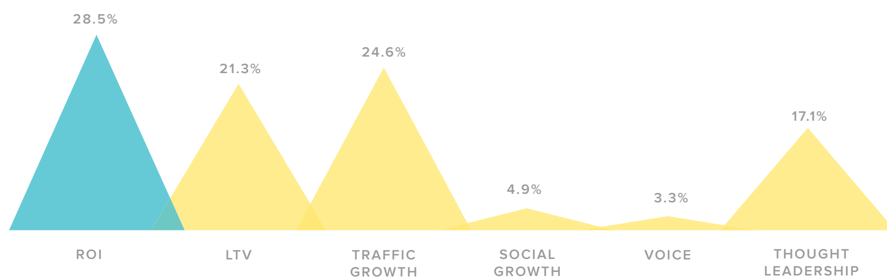
Licensed content from other publishers rose in popularity in the early days of content marketing as a one-click solution to populating corporate blogs and as a hack for boosting search rankings. But it's clear from these findings that marketers see limited value in it.

If you had an expert team to produce high-quality content, what results do you think you could deliver?



What if marketers could create content under ideal conditions? The responses here show how optimistic marketers are about the maximum benefits of their content marketing operations. Notably, a majority of respondents seem to think they could increase ROI or brand lift by 2–5x with the right team producing high-quality content.

When it comes to overall marketing goals, which are most important?



Interestingly, even though a plurality of marketers selected ROI as their most important marketing goal, lifetime customer value and audience growth were very close behind. When it comes to content, measuring success can be a complex endeavor, with ROI, LTV, and audience growth all intersecting at various points.

However, the results suggest marketers are embracing a nuanced approach when figuring out how content can impact their bottom lines. Cultivating a loyal audience takes time, but the benefits are long-lasting. Once you have a relationship with your consumers, the ROI should follow.

Keesia Wirt, a content strategist at Two Rivers Marketing, offered interesting insight into how her goals fared in 2014. When asked about her biggest content marketing success in the last year, she didn't directly mention ROI. Instead, she said: "My biggest success was getting clients to focus on their audience needs and interests instead of just telling them about the company's products."

I'd imagine that sentiment rings true for many marketers in all industries. In 2014, many brands learned that a sales pitch doesn't necessarily work with content. These companies need to talk with their audiences, not at them. That's a powerful distinction, and those who have already started to change their approach to suit the needs of their target consumers are way ahead of the game.

Conclusion

Content marketing may still be the shiny new toy of the advertising industry, but brands that want to create content are beginning to learn how to best spend their sacred budgets.

Clearly, there's plenty of room for growth. According to a recent study by the Content Marketing Institute, only 23 percent of B2C marketers are successful at tracking ROI. Everyone points to Red Bull, GE, and American Express as the all-stars of content marketing, but aspiring content marketers likely need some of the resources afforded to those best-in-class brands—a stable supply of time, money, and analytics that take the guesswork out of their jobs.

Ultimately, the fate of content marketing isn't in the hands of the marketers pushing for creativity on a daily basis; the future depends on a dedicated investment from the executive level. American Express President Ed Gilligan, for example, fully supported OPEN Forum's initiative to publish small business content. Marriott International's chairman, Bill Marriott, who doesn't use computers, still saw the value of telling his company's story directly to consumers and has invested heavily in content.

Thanks to an early commitment from the executive level, Red Bull now employs approximately 135 people just for their media house. Marriott's content studio has grown to 65 employees, and Nestlé's digital editorial team consists of almost 20 community managers and designers producing content every day. And according to the *Columbia Journalism Review*, Coca-Cola "now reportedly spends more money creating its own content than it does on television advertising."

(Full disclosure: Coca-Cola, GE, and American Express are Contently clients.)

In 2014, many brands tested the waters, and a few dove in headfirst. In 2015, we'll see how many follow.

Want more insights into the state of content marketing?

For daily insights, subscribe to our online magazine, The Content Strategist.

And if you'd like to talk to someone about Contently's services, please reach out to us at sales@contently.com
or visit contently.com.

Contently

contently.com