Does engaging content marketing help generate more B2B leads?

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Abstract:

A webinar is a type of content marketing (CM) activity used to engage customers at an appropriate point in their buying consideration processes to influence their purchase decision. We study the ability of webinars to generate B2B leads using the theory of customer engagement behavior (CEB). We use the marketing analytics data from a large multi-national B2B firm, collected over one and a half years, consisting of 1478 customer companies. Findings show, when CEB dimensions such as scope and nature of its impact are positively geared, the customer experiences deeper engagement with CM which results in greater lead generation. When CEB dimensions of form or modality are highly associated with CM, it does not have a positive influence on lead generation in the short term. These findings give new insight into B2B content marketing from the perspective of customer engagement.

Content marketing, B2B webinar, Customer engagement behavior

Track: Business-To-Business Marketing & Supply Chain Management

1. Introduction

Content marketing (CM) provides a way for the sales and marketing departments in B2B firms to align their activities and concentrate on engaging customers and generating sales (Wang et al., 2017). Holliman & Rowley (2014, p.285) defines B2B content marketing as "engage customers at the appropriate point in their buying consideration processes, such that it encourages them to convert to a business building outcome." CM is aimed to educate and inform the customer about a vast array of subjects and significantly differs from traditional promotional marketing and sales tactics. B2B firms aim to build relationships with customers by engaging with them using CM activities (Holliman & Rowley, 2014). With the development of digital marketing, B2B firms can create many different types of CM activities with lower investment than traditional face-to-face events. During current years, with the travel restrictions imposed by the Covid 19 pandemic, digital CM activities became more common. The marketing departments had to move face-to-face events to the digital space and salespeople had to change the traditional way of selling through in-person meetings to virtual events (Hartmann and Lussier, 2020). This created an opportunity for B2B marketing and sales departments to host online CM activities in the form of webinars. Webinars allow marketing departments to invite and inform prospective customers about the firm's products and services. While salespeople can be present at the same event to build relationships with these prospects. With the growing popularity of B2B webinars, it posits an interesting question about what type of engagement makes these events successful. Previous studies examine the usage and effectiveness of CM in B2B firms (Wang et al., 2017; Järvinen and Taiminen, 2016). However, there are no studies that explore the effectiveness of individual CM activities like webinars on the B2B sales funnel. In this study, we use marketing analytics data to analyze customer engagement behavior associated with webinars and establish which engagement dimensions help firms generate more leads in the B2B sales funnel. The findings of this research will uncover more about the role of CM in B2B firms and establish which customer engagement behaviors make a successful webinar. Managers can implement these customer engagement behaviors when creating webinars to increase business efficiency.

2. B2B sales funnel and content marketing

A B2B sales funnel describes the four phases of the customer acquisition process, suspect, prospect, lead, and customer (D'Haen & Van den Poel, 2013). Prospective customers must go through all three stages in the funnel before they become a customer. In our study, we will focus on the conversion of prospects to leads phase of the B2B sales funnel. At the prospect phase, the B2B firm has the profile and contact details of the prospective customer. This allows the marketing department to target and send information directly to the prospect to promote the firm's products and services. At this stage, CM activities like webinars can be an effective marketing tool (Mitchell, Schlegelmilch, & Mone, 2016). Webinars are informative events where prospects can find helpful content containing more than the firm's own products and services. During the webinar, prospects can also directly interact with the firm's personnel. As prospects are in the buying consideration processes, interactive and informative CM activities like webinars are well suited in this phase of the B2B sales funnel.

2.1 Webinars

Webinars are online seminars hosted by the firm; the attendees have to register their contact details to gain access to the event. This makes it possible for firms to know exactly who attended the webinar which allows them to conduct follow-up activities after the event finishes. Most webinars are hosted on marketing automation platforms that have many types of interactive and analytical features. Interactive features like chat functionalities, call-to-action links, online surveys, live video product demonstrations, and presentation tools make it an engaging activity for prospects. Analytical tools like the number of webinar participants, webinar views, engagement score from the usage of interactive features, etc., make it an efficient CM activity for firms to analyze.

2.2 Customer engagement behavior

Customer engagement behavior goes beyond transactional motivation towards a firm, their behavior is manifested towards the brand resulting from motivational drivers (Van Doorn et al., 2010). Customer engagement is defined as, "the intensity of an individual's participation in and connection with an organization's offerings and/or organizational activities, which either the customer or the organization initiate," Vivek, Beatty, & Morgan

(2012, p.133). As B2B firms aim to offer problem-solving and educational content to customers via CM activities, this type of marketing is thought of as a customer engagement initiative (Wang et al., 2017). Therefore, exploring how engaged a customer is with CM activities (in this case webinars) may give us a good indication of what makes it successful. We can consider the five dimensions of customer engagement behaviors to understand the nature of the customer's engagement. These include valence, form or modality, scope, nature of its impact, and customer goals (Van Doorn et al., 2010). Valence, from the firm's perspective, is when the customer takes a positive or negative action resulting from the customer engagement behavior. For this study, we will consider webinar attendance as a positive customer engagement behavior. Form or modality is when the customer invests something valuable to them e.g., time, money, etc., it shows there is positive engagement. For this study, we will look at how much time the customer invested in viewing webinars to measure high or low customer engagement behavior. Scope and nature of its impact relate to the longevity and intensity of customer engagement. In our study we will use the average customer engagement score resulting from the usage of interactive features of the webinar hosting platform, to measure this customer engagement behavior. Goal refers to how aligned the customer's goals are with the firm's, we will use the conversion from prospect to lead to measure this customer engagement behavior.

Therefore, we hypothesize that: H1: More webinar attendees (valence) from prospect customer companies will result in greater conversion to leads. H2: More webinar minutes viewed (form or modality) by prospects will result in greater conversion to leads. H3: Higher average engagement score (scope and nature of its impact) from prospects will result in greater conversion to leads.
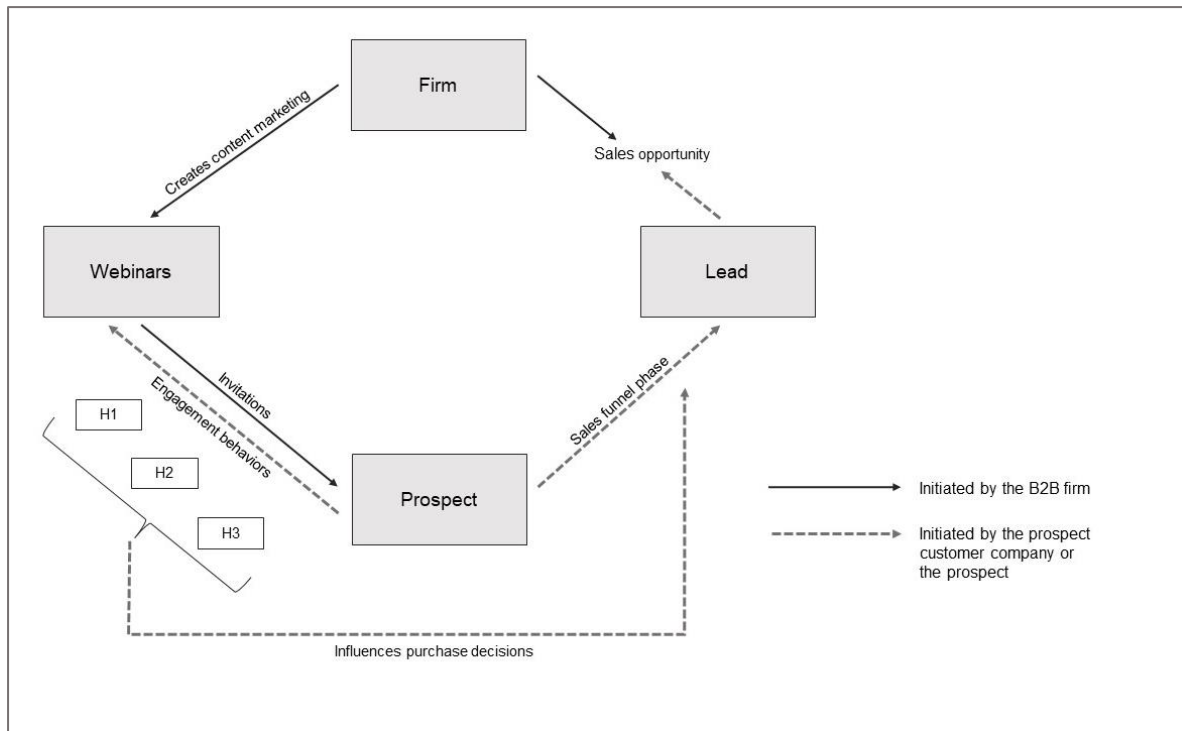
Figure 1. The effect of customer engagement behavior on prospect to lead conversion in the B2B sales funnel.

Figure 1 shows how firms promote CM to customers and how the different dimensions of customer engagement behavior influence the prospect's purchase decisions. Once the prospect converts to a lead then a sales opportunity arises for the firm.

3. Methodology and data

We use the marketing analytics data from a webinar hosting platform for a large multi-national B2B firm. The firm uses the B2B funnel phases to segment and target marketing campaigns to prospects. The data is collected from webinars that are promoted to prospects over one and a half years and consists of 1478 customer companies. All marketing activities directed to prospects are with the aim of converting them to leads.

The binary dependent variable in our logistic regression model represents the prospects who did not become leads (N=756)) and the prospects who were converted to leads (N=722). As for the independent variables, we measure the number of attendees from each prospect customer company, the total minutes of webinar views per attendee in the company, and the average engagement score allocated to each company from the usage of the interactive

features on the webinar platform. The average engagement score algorithm is calculated by the marketing automation software integrated into the webinar hosting platform. A score between 1 and 10 is calculated using an algorithm that attributes points based on an attendee's engagement with the interactive features in the webinar hosting platform. These features include questions submitted, polls answered, files downloaded, completion of surveys, hyperlinks clicked, and embedded buying signal links opened (e.g., book meetings, request product demonstrations, and start free trials). We standardized the independent variables due to their different scales.

4. Results

The Cox & Snell R square value of 0.368 and the Nagelkerke R square value of 0.491 indicate an acceptable percentage of variance explained. The regression results indicate that the average engagement score is the strongest and highly significant positive predictor for prospects to convert leads (β=2.127; p<0.001). This supports our hypothesis 3. However, the results suggest that minutes of attendance per attendee has a significant (p=0.007) negative effect (β=-0.263) on the dependent variable, while the effect of the number of attendees is non-significant. These findings reject our hypotheses 1 and 2 (Table 1).

Predictors	β	S.E.	Wald	Sig.
H1: Number of webinar attendees	-0.032	0.061	0.283	0.595
H2: Minutes of attendance per attendee	-0.263	0.098	7.278	0.007
H3: Average engagement score	2.127	0.128	277.302	<0.001
Constant	0.152	0.070	4.697	0.030

Table 1: B2B prospect to lead conversion predictors from webinar marketing analytics data

5. Discussion

This study tests how different measures of B2B customers' webinar attendance derived from marketing analytics data predict the conversion of prospects into leads. The findings suggest that prospects who are more engaged with the interactive features within a webinar are more likely to convert to leads in the short term. When attending a face-to-face seminar,

attendees expect to interact and network with the firm's representatives in many ways. Similarly, webinars are seen as a truly interactive virtual experience by prospects where the attendee does not only watch a presentation but also digitally engages with the firm using interactive features. However, the number of attendees per company does not have an effect, and interestingly, the more webinar minutes viewed by the attendees of the company, the less likely they will convert into leads. A possible explanation for this can be the characteristics of the CM activity. Webinars are educational and informative CM activities that go beyond the scope of the firm's sales agenda. The attendees who spend more minutes viewing the webinars may have attended due to the informational nature of the CM activity and not because of their interest in purchasing the product. These attendees may later consider this firm when a 'need for this product or service' arises.

6. Implications

6.1 Theoretical implications

These findings advanced our knowledge of CM and customer engagement behavior. We establish that webinars are an important CM activity especially in the growing digitized aged and how webinars can be used effectively in the B2B sales funnel. Using customer engagement behavior, we uncover the engagement behaviors that influence prospective customers the most when attending webinars. These findings will allow future researchers to advance research in the areas of CM and customer engagement behavior.

6.2 Managerial implications

When managers know what type of engagement behavior will influence prospects to convert to suspects, they are able to create webinars that encourage especially those types of customer engagement behaviors. Managers should focus on adding interactive features to webinars so, the attendees can interact with the webinar in several ways. They should also invest in marketing automation tools that have sophisticated interactive features which allow attendees to engage with webinars. Marketing and sales-related information should be shared with the attendees in the early part of the webinar as attendees who stay till the end are there more for educational purposes.

7. Conclusion

Engaging CM activities like webinars are a good digital marketing channel for generating B2B leads. A very interesting finding is that it does not matter how many attendees attend from a company and how long they stay in the webinar, but rather how digitally interactive a webinar is. This interactivity is enabled by marketing automation software which aims to replicate face-to-face human engagement through digital platforms. Sophisticated algorithms allow this engagement to be captured as marketing analytics. This shows us the opportunities created by the development of marketing automation software and how it is assisting B2B firms in their marketing and sales practices. Future researchers could study the different interactive features of these webinar hosting platforms to understand which type of engagement is more desired by attendees. In addition, many attendees only attend these webinars for educational purposes. Future researchers can study these prospective customers over a longer period to understand the influence of the webinars on their purchase decisions.

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