

Justifying Your Investment in TechValidate

Guess what? Your prospects trust your other customers more than they trust your product or your company. According to TrustRadius, peer generated content, like referrals and user reviews, is the most useful source of information during the buying process after direct product experience. Why? Because prospects know that you want to sell, but they trust customers' experience to be an honest, unbiased opinion. "Peer recommendations always trump anything a sales person says," points out the [TrustRadius](#) study.

So, you need customer evidence. But does it make sense for your organization to invest in software that automates customer content creation? The goal of this guide is to provide a prospective TechValidate buyer with a candid, unbiased process for building an internal business case that answers the question: “to invest or not invest?”

Hint: The answer should be “no,” if you can’t identify a concrete set of cost and efficiency benefits from deploying a solution. For some companies, these benefits will be easy to calculate, while for others it will quickly disqualify a potential investment.

What’s Our Problem?

The first question to ask yourself and your team: *Does our company have a marketing problem related to creating or using voice-of-customer content, such as case studies, testimonials, and reviews?* If the answer is “not really” or “no”, then automating customer content won’t provide you with any significant gains. After nearly a decade and over 500 deployments, the TechValidate team has discovered that if a prospective customer is not already painfully in touch with a challenge in this area, we probably are not a good fit. The most common problems that a prospective buyer uses to justify their investment in TechValidate fall into 3 general categories:

1. Shortage of unbiased marketing content.

When the marketing and/or sales teams experience a lack of solid, reality-based content, it can hold back their efforts to tell compelling stories to the marketplace. This lack of adequate content may be impacting social media initiatives, lead generation, competitive positioning, field sales efforts, PR activities, or even trade shows and live seminars. You know you have this problem when business objectives are not being met to satisfaction due to the team’s inability to support marketing claims with customer proof.

2. Inadequate targeting of content. For some, the challenge is not content availability, but rather a lack of targeted content. Some companies have amassed large portfolios of unread or unused content, which can show up as a problem in many ways. Stale or irrelevant

content can hinder success with online and email marketing programs, while a lack of customer evidence can lead to complaints from the sales team or partners.

3. Lack of customer references. Commonly, companies are able to get a small percentage of their customers to become named references, but this leads them to rely too heavily on this small cadre to tell their stories. The result is potential advocacy burnout and a reference collection that doesn’t support the full catalogue of products or industries they serve. The challenge is amplified when they try to scale the reference program but find it extremely difficult to get other customers to participate. As a result, creating new customer content suffers.

The Gut Check: What is Our Cost of Lost Opportunity?

Before calculating your actual current costs and building a business case, start by performing a simple “gut check” on what the costs of *inaction* are for your team. In other words, what is the absence of the right content costing your business? What are the costs of lost opportunities due to your current approach?

We find that many organizations struggle to put hard numbers to some of the hidden costs associated with their current under-performing content marketing activities. The reason for this is that many problems in content marketing have a downstream impact on revenue activities that are often removed by several steps in the

causal chain. So, realistic and fair accounting of opportunity costs can be a challenge. For some companies, it's possible to use internal, pre-existing performance metrics to determine the impact of not solving their marketing problems (i.e. marketing lead to sales lead conversion rates based on campaigns.) But for most companies, it comes down to a qualitative assessment that there simply are "significant," "moderate," or "small" business impact costs being incurred due to the content marketing problem *not* being addressed. We see that those costs are generally calculated internally based on the following types of metrics that ultimately impact revenues:

- Insufficient lead generation
- Poor lead quality
- Low lead conversions and funnel conversions
- Less engaging key product or pricing pages, public thought leadership, and PR opportunities, resulting in lower prospect engagement
- Low prospect engagement leading to lost sales opportunities
- Less efficient partner-based selling activities leading to lower sales
- Poorly performing nurture campaigns

If any of the above inefficiencies resonate, the next step is to get a general sense of your lost opportunity costs. For example, if you know your organization's average deal size revenue (Average Sales Price, or ASP), it's possible to create even a modest yardstick that illustrates how improved marketing content can assist with increased sales efficiency.

Example: A company with an ASP of \$30,000 and a belief that their customer content marketing is 75% as efficient as it could be, might be able to reasonably deduce that they are missing at least one deal per quarter due to inefficient prospect engagement. Thus, at least \$120,000 in lost opportunities.

Even this modest example illustrates the point: By whatever metrics you have available, performing some manner of "gut check" on your current inefficiencies is important. If you cannot convince yourself that there are lost opportunities of some reasonable magnitude, it will be very difficult to build a strong business case for a wider executive team.



“TechValidate gives our sales team quick, easy to digest content that is targeted and specific. They can easily leverage these cuts of data to drive prospect engagement.”

— Marketing Manager, Medium Enterprise Computer Software Company

Addressing Your Problem: Determining Costs

Obviously, there are ways to address any of the 3 problems identified at the top of this document *without* customer content software. A critical part of your business case should be providing a

breakdown to the costs in both time and money for utilizing traditional approaches for creating customer content. This section will provide you with some common benchmarks that our existing customers have told us were useful in their internal discussions.

WHITEPAPER

The following are the basic approaches that can be taken for generating customer content, with their industry average costs ranges. To the extent

that your organization's experience varies against these numbers, please substitute data as needed.

Content Generation Approach	Cost
3rd Party Research/Analysts	\$20,000 to \$60,000+ per content project or custom engagement
Marketing Services	\$5,000 to \$10,000+ per piece. e.g. case studies, whitepapers
Internal Team Member	Salary, or percentage thereof (to represent time on task). Ex: Content writer at \$80k x 75% of time per year = \$60k

All of these methods can produce excellent content, but output is restricted by the amount of direct human effort required. This reality of labor-bound costs is what makes content so "expensive" for most organizations. There is no way around the fact that humans making content is a detail-oriented process with many components that often go unnoticed. In addition

to capital outlay, the other major component for consideration in calculating your costs is time.

The following are typical components that go into generating customer-based content. Again, you may omit or adjust cost and time components based on your organization's experience.

Component	Average Time Required
Customer survey instrument objectives and design	1 to 3 weeks of analysis and writing
Customer list hygiene and pre-survey metadata sorting to enable cross-tabulation, sub-setting, etc.	1 day to 2 weeks of data gathering
Authoring of email-based offer to customers, including procurement of incentives	2 days to 1 week of writing and procurement
Ensuring delivery of survey to customers	1 to 3 days of testing and email simulation
Ensuring response rate of the customers	1 day to 1 week for multiple sends and reminders
Transforming data into finished content	2 weeks to 2 months
Presentation of finished content in online venues for public consumption (e.g. website, microsite)	1 week to 1 month
Presentation of finished content in venues suitable for sales teams (e.g. CRM, online outlets)	1 week to 1 month
Presentation of finished content for marketing programs (e.g. landing pages, content offers in email campaigns, online offers, etc.)	2 weeks to 1 month
Third party validation of content created (e.g. handing raw research data to a research service to complete under their logo. See costs above.)	1 month to 2 months

We've found for many companies, the time component is often at least as painful as the economic costs of creating customer-based content. The sometimes significant lead times

required for generating content can outstrip the "just-in-time" requirements coming in from the marketplace or from sales teams.



“Developing quantified data associated with customer use cases is time consuming and often not easily possible. TechValidate helped accelerate the creation and availability of that type of content, which enhanced a number of marketing deliverables.”

— Marketing Manager, Medium Enterprise Computer Software Company

Creating Customer Content: Traditional Approaches

The following examples illustrate how the various components explored above express themselves in a typical technology vendor's content creation process:

The Internal Approach

A technology vendor's internal marketing team member embarks on what she anticipates will be a 2 to 3-month project to conduct her own outreach to the customer-base and create content assets from that data. She budgets 30% of her working time for that period to this task. To reduce costs, she uses a low-cost but reputable online survey tool for her survey. If she is experienced, she will conduct her own manual metadata analysis on the customer list to sort it by verticals and size, perhaps leveraging her company's CRM account metadata if it is available. She authors the survey email offer to her customers and creates what she hopes will be a compelling reason to garner their participation. She sends the survey, waits for responses, and then manually takes the data that comes back from customers and turns it into a

report or populates the data into other content assets. She may use the simple visualization tools that come with a survey tool or create them internally at their company, or hand them to a marketing services firm. **Within weeks to months, depending on the scope and focus of the project, they may create 5 to 10 usable medium to long format content assets if this is a successful project.** This finished content is then published by the company and is not associated with a third party.

Pros: Low capital costs, doesn't require evaluating and selecting an external vendor

Cons: Very significant labor effort and potential for the project to deliver less than optimal output due to the varied steps and skill-sets required.

The Research or Analyst Firm Approach

A product marketing director at a security software vendor determines that he wants to create customer-based proof of competitive differentiation to support an upcoming product launch, which is 3 months away. He wants third-party verification to lend credibility to this topic.

He plans to leverage the resulting content for demand generation campaigns. He coordinates with his internal analyst relations team and then meets with a security software industry analysis firm with whom the company has worked in the past. After 1 to 2 hours of briefing the analyst team, he then waits a week to receive a formal proposal for work from the firm. **The cost to conduct this research will typically range between \$15,000 and \$50,000 or higher for the project.** The output for this engagement will be a single research report bearing the logo of the analyst firm. After two to three months, with scheduled check-in calls, the product marketing director will receive a draft copy of the research report for review. In most cases, the content and tone of the research report will be what he had hoped, and with minor edits for accuracy, the report is then finalized and becomes usable by the security software vendor.

Pros: Lower labor requirements for the marketing team, the benefit of third party verification of content.

Cons: High capital costs, long time frame, little control over content.

The TechValidate Investment Comparison

The next step in determining if there's a potentially positive return on investment is a head to head comparison of what you do today versus the TechValidate approach to software-based customer content automation.

Project Completion Time

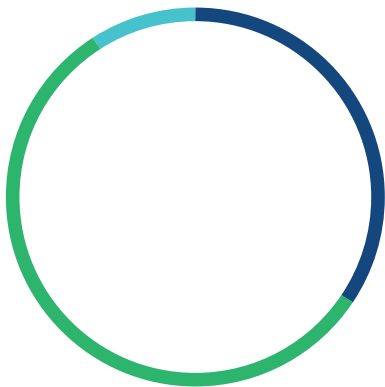
The following are a list of the time-based components that go into a typical TechValidate project for creating *dozens to hundreds* of pieces of unique content.

TechValidate's software has reduced the entire workflow into something that is measured in hours of commitment, not months. An entire project will be completed 30 days from kick-off call, providing the vendor with third party content assets that are out and live in various online venues and in the hands of sales teams. TechValidate can literally produce dozens to hundreds of third party verified content assets from a single set of outreach, due to automation of both workflow and the content authoring process. A breakdown of the TechValidate time commitment is below:

TechValidate Related Activity	Your Time Required as a TechValidate Client
Kick-Off and Training	60 minutes
Question design with TechValidate Support Team	4 hours over a 1 week period, including gathering team member input
Customer list acquisition and upload	1 hour to 1 day, depending on how readily available customer lists are to the marketing team.
TechValidate handles all aspects of email outreach language, delivery, metadata analysis of the customer list, management of the email system (bounces, opt-outs, etc.), and data gathering.	None
Content Publishing session with TechValidate Support Team to review the potential content assets that can be produced from the project	60 Minutes
Additional content selection and publishing over the course of several weeks	1 to 5 hours

Over Half of Customers Were up and Running Within 1 Month

How quickly were you able to get up and running on the platform?



- Immediately, it was dead simple: 35%
- Within a couple of weeks, relatively easy to navigate: 57%
- Within a month, required significant assistance from Customer Success team: 9%
- It took a few months, very challenging process: 0%

Source: TechValidate survey of 23 users of TechValidate Software (in their first 6 months of subscription)

Content Volume

On average, TechValidate customers generate approximately 60 pieces of third-party verified marketing content for every project they conduct with the platform. There are no restrictions, and some customers choose to generate well over 100 pieces of content from each project. Some customers need less. In any situation, given the nature of the tool, this kind

of fine-grained targeted content publishing is a straightforward process.

This same process is typically repeated two to four times per year by all TechValidate clients for each product family on which they are using the tool. To give you an idea, here's an example of a customer's library of assets: [EMC Xtremio Content Collection](#).



“Just one customer survey through TechValidate has delivered more valuable content than we thought was possible within the project timeframe. The Global Sales Team now has a wealth of customer reference material to support their outreach, and also help key prospects build a stronger business case to make a quicker purchase decision.”

— Diana Galli, Marketing Manager, Revelation Software Concepts

Leads and Closed Deals

Beyond time savings and increased content volume, TechValidate customers report a number of improvements in the sales process as well as more successful marketing campaigns, leading to increased revenues. In a survey of TechValidate customers, we found 7 out of 10 experienced increases in prospect engagement of 25% or more.

The average TechValidate customer experiences a 2.3% increase in number of leads*, and most also report increased lead quality—70% of marketers have seen marketing qualified leads grow by 3-5% and up. And over two-thirds of customers reported their close rates increased by 3% or more, with 1 in 10 achieving an increase of over 10%.



Techvalidate software customer statistic

70% of surveyed marketing organizations believe the use of TechValidate content in marketing campaigns can increase MQL generation for their company by 3 – 5% or more.

Source: TechValidate survey of 103 users of TechValidate Software

Conclusion: Comparing Approaches to Determine ROI

First, you performed a “gut check” to determine that you did need an improvement. If that was an affirmative result, you were then able to spell out your capital and time investments for using traditional approaches to generating customer content.

Next, you are able to use the above time and cost estimates to compare your current approach and TechValidate head to head. Are you saving capital and time for your team in the traditional approach or with customer content automation? The hard cost comparison between these two

approaches might not come out favorably for automation for all companies, in which case the efficiencies of TechValidate might not make sense. However, for many companies, the capital savings and gains in speed and quality of output free up their marketing team to stay focused on other high-value added activities, while supplying a source of relevant, professional content. Additionally, the increase in lead volume and quality and improved close rate can generate extra revenue for many companies.

If you have specific questions in the authoring of your business case to justify an investment in customer content automation, [contact the TechValidate team.](#)

* A recent study conducted by Sales Benchmark Index