

# Nine growth hacks for Kiwi tech companies

Insights from top Kiwi and US firms on driving growth through sales and marketing.

**Market Measures 2018**



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# Author's note

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We started Market Measures so we could share the lessons of growth amongst New Zealand technology companies. Over nine years we've gathered a mountain of data across all aspects of how Kiwis take their innovations to global markets.

There are plenty of sources of data in New Zealand telling us that Kiwi tech is growing at an exciting rate. Market Measures provides people with insight into *how to achieve that growth*.

The questions we always ask at the start of the survey process is 'so what'? How can our tech company readers get some actionable insight out of all of this?

In this report we're answering that question with nine growth hacks; specific recommendations to help your tech company grow, based on the data we've gathered. I hope it proves an interesting, and more importantly, useful read.



**Owen Scott**  
Managing Director  
Concentrate

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## Comment from NZTE

NZTE is pleased to be involved with the Market Measures survey again in 2018.

For tech entrepreneurs there are many reports and resources with interesting material that highlight challenges you were unaware of, or opportunities previously unknown, on which you can capitalise. Often though there is a void, when you realise they lack the concrete next steps required to address the insights you have gained.

What I like about Market Measures is that it provides this next level of detail, and provides specific tactics that can be put in place. There is a wealth of content that can be practically applied to companies where ever you are on your growth and export journey.

The report enables a tech company CEO or founder to inspect and tune their marketing and sales teams, applying best practice learned from those companies who exhibit mastery. Clarity on how New Zealand tech companies operate in comparison to the US, and how you can translate that into action is also invaluable.

I hope you enjoy the report.

**Terry Allen**

Global Head of Technology Sector  
New Zealand Trade and Enterprise

# Executive summary

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## Can you hack growth?

Growing a tech business is hard and relentless. It requires a delicate mixture of innovation, inspiration and pure hard work. It takes courage to compete against some of the world's largest companies, and critically, the confidence you can offer something of unique value.

Kiwi tech companies do this day in, day out. So of course there are insights from the way they do it; smarter ways to achieve growth aspirations i.e. 'hacks'.

According to the 318 responding companies in the 2018 Market Measures survey, the classic Kiwi tech company tends to be a software firm, most likely software-as-a-service (SaaS), selling business-to-business (B2B) and growing at a rate of 40% per annum. They will be exporting, probably to Australia and the US, and investing 27% of their turnover on marketing and sales, including personnel. This tells us almost nothing.

What's more interesting is what the best (the high-growth subset) of this group, and the best from the US, are doing to 'hack' growth. We crunched the data, and have come up with nine hacks you could use to fuel growth in your tech company:

### Hack 1 - Hold marketing's feet to the fire

Compared to our US counterparts we don't generate a high enough proportion of leads from marketing, leaving too much for the sales teams to do. Generating quality leads from marketing campaigns, and ensuring your marketing and sales teams work together effectively, lowers your overall cost of sale.

### Hack 2 - Get out more

The Market Measures survey found that high-growth companies (87%) are significantly more likely to export than the average (64%), treading the well-worn path to Australia and North America. The logistics and cashflow challenges of exporting can be overcome by being laser-focused on your target markets.

### Hack 3 - Turn your website into something useful

Your digital channel should be delivering a good number of regular leads, but the survey found that 43% of us don't even monitor what our website is doing, let alone understand whether it's effective. Your website should be the hub of lead generation activity, converting around 4% of traffic to leads.

### Hack 4 - Do more content marketing, but don't be boring

If you are not engaging with your buyers digitally, you risk becoming invisible. It's important to provide them with useful content to help them on their journey. Where we can learn from the US is generating more types of content, and providing it to buyers across a broader mix of channels.

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## Hack 5 - Use marketing technology, consider HubSpot

Improving your digital marketing is down to using technology. As technologists we know software helps increase efficiency and improve visibility to data, but the survey found that 47% of companies don't use marketing automation tools. There are over 6500 'martech' products on the market, but you only need a couple to make real progress. Of the companies that do use marketing automation technology, they use a product called HubSpot by an overwhelming margin.

## Hack 6 - Grease your funnel

Growth is about really understanding how your customer acquisition funnel works and then streamlining it. This was a priority for 10% of Kiwi companies, against 30% of US firms. 43% of us don't know our lead to customer conversion ratio. The hack is to really understand how buyers find and buy your product, and how you can systemise this process as much as possible.

## Hack 7 - Don't be so low tech

Again, technology is the key to making your sales team more efficient. The average Kiwi tech sales person has 3.4 quality sales conversations per day, as against the high-growth group with 4.9 and US 5.1. This is mirrored in the level of technology use where US tech firms will use 4 sales enablement technologies (e.g. email automation and tracking) compared to high-growth Kiwi businesses with 2.9 and the rest 1.9.

## Hack 8 - You need more sales people

Really, you do. High-growth companies employ 40% more sales people than the remainder, adjusted for company size. And those sales people tend to be more mid-level and junior personnel. The key is having the right systems and support in place to help your sales team become more effective, and efficient.

## Hack 9 - Love your customers

While it may seem obvious in one sense, the importance of customer success is often underestimated in modern marketing and sales. The rise of digital marketing is making good customer experiences even more important to growth, as buyers' trust in traditional company information is diminishing. People want real-life, authentic examples of customer success.

## The benchmarks

The nine growth hacks identified in this study have emerged from benchmarking the 2018 survey data against two groups:

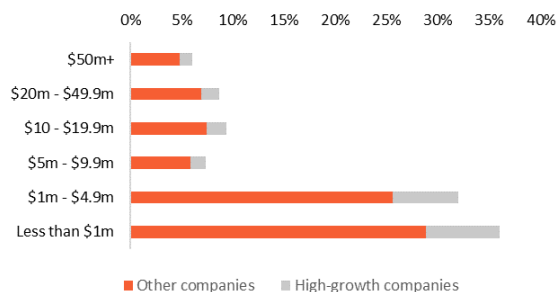
1. A subset of high growth New Zealand companies that participated in the 2018 survey
2. Similar report data from the US.

### High-growth New Zealand companies

Throughout the Market Measures study “high growth” companies are compared to other survey respondents.

High growth companies are determined using a methodology developed by the [Bridge Group, Inc.](#) where the fastest-growing companies are identified per revenue band. In the survey, turnover growth was used to mark companies as being in the top 20% of companies in each turnover band. These companies are referred to as “high growth”.

#### High growth companies by turnover band (% of companies)



### US benchmark information

US data used in these benchmarks was taken from five different sources, more information on which is contained in the methodology section of this report: The Bridge Group, Content Marketing Institute, HubSpot, Capterra and Softletter.





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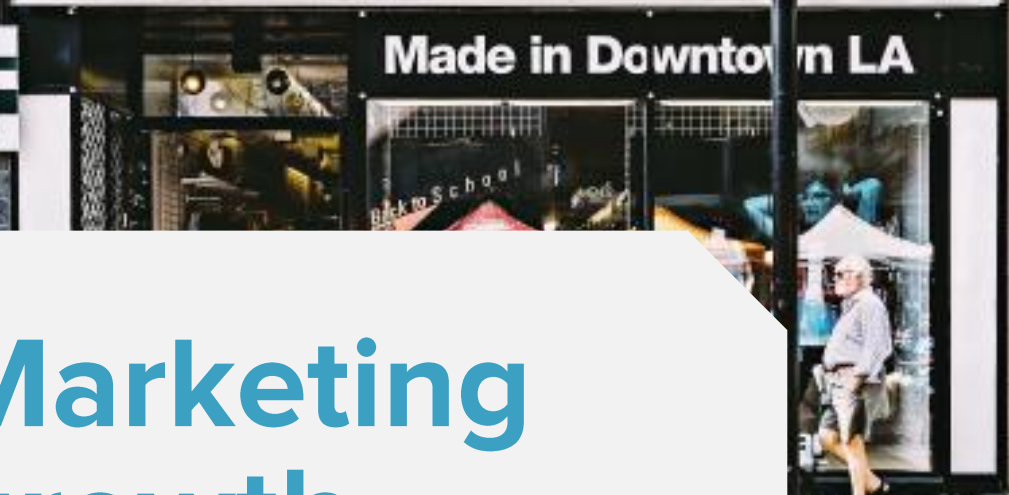
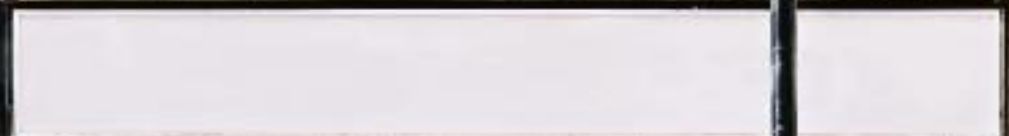
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# Marketing growth hacks



# Marketing growth hacks

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## **The hacks:**

1. Make marketing more accountable for lead generation, and improve the alignment with sales.
2. Be more aggressive about going offshore, in a focussed way.
3. Get your website delivering more as a lead generation tool.
4. Streamline and measure your content marketing so you can do more.
5. You're a tech company, so use technology to automate sales and marketing.

# Growth hack #1

## Hold marketing's feet to the fire

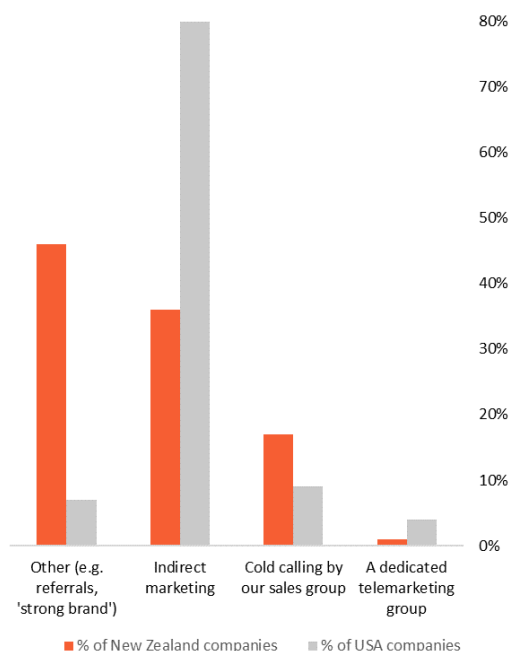
### What's the problem?

#### Marketing aren't generating enough qualified leads.

For the average Kiwi tech company, marketing needs to do a better job at delivering qualified leads to the sales team.

The contrast with the US experience is stark. Kiwi sales people have to do a whole lot more of the leg work when finding and nurturing sales opportunities than their US counterparts.

#### Primary source of marketing leads (% of New Zealand companies vs. the US)



In the survey, indirect marketing (e.g. email campaigns, advertising, social media, etc.) was the primary source of sales leads for 36% of companies, compared to 80% in the US.

There's no real difference for the high growth companies in the survey; they're still heavily dependent on what we identified in our 2015 survey as the talented 'lone wolf' sales person who is driving most of the activity.

Too many of our Kiwi sales teams are having to find their own sales leads through referral and cold calling.

### What's the solution?

#### Drive better alignment across marketing and sales.

Sales efficiency is about building an in-house or outsourced marketing function that is focussed on generating qualified leads, that can be closed at a lower cost by sales.

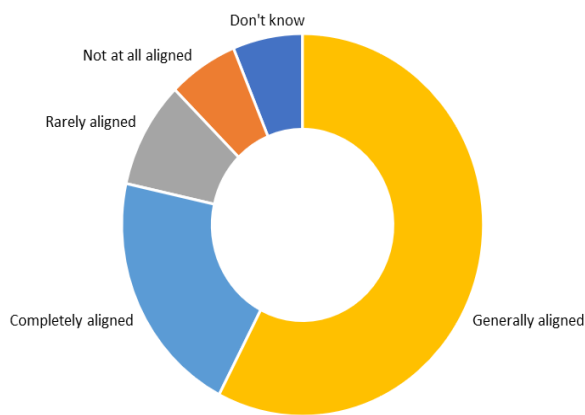
Growth comes from making marketers responsible for generating qualified leads for sales, and for sales to commit to processing those effectively.

“Don't let good leads go cold through inactivity.”

*Market Measures respondent*

This alignment means marketing commits to a number and quality of leads required to hit company revenue goals, while sales commit to the speed and depth of lead follow-up that makes economic sense.

### Sales and marketing relationship (% of companies)



Ultimately alignment is defined and agreed as a Service Level Agreement (SLA) between marketing and sales. 21% of companies in the survey believe they have complete alignment between sales and marketing.

**“Ensure the hand-off of leads from marketing to sales is automated and seamless.”**

*Market Measures respondent*

High growth companies in the survey show better alignment than the average.

**Only 7% of high growth companies in the survey showed a lack of alignment, compared to 18% for all other companies.**

High growth companies also have a higher proportion of completely aligned marketing and sales teams, which typically includes having a SLA in place.

# Growth hack #2

## Get out more

### What's the problem?

#### We're not aggressive enough about exporting.

We are a nation of exporters, and it is no different in the technology sector. Our innovations are found across the globe in every sort of application.

**An average of 69% of companies in the survey sell their products and services outside New Zealand.**

#### Companies exporting outside New Zealand (% of companies)

Exporting	% of companies
High growth companies	87%
Other companies	64%

While the typical US technology company can build a large business on a regional or even state-wide basis, Kiwi firms must go offshore early to achieve growth. In previous *Market Measures* surveys we've found the large majority of firms export, and they do so relatively early in their growth cycle.

**In the survey 23% more high growth firms are operating offshore than non-high growth companies. The growth dynamic of exports markets is clear.**

"You need to spend at least some of your time in the markets you are selling into."

*Market Measures* respondent

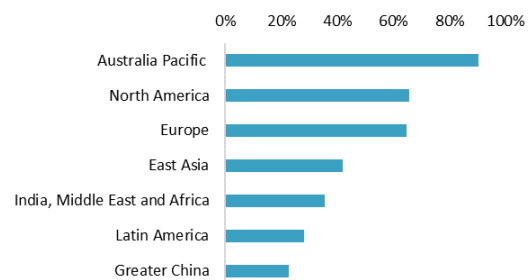
### What's the solution?

#### Choose the smallest profitable niche in Australia or the US, and go hard.

The most common approach for tech exporters is to build momentum and cashflow in New Zealand, start moving offshore into Australia and then launch into the US. The key underlying principle is the larger the market, the more laser-focussed you need to be.

**66% of exporting companies in the survey are selling into North America (includes Canada and the United States), accounting for 26% of their export revenue.**

#### Export markets (% of companies)



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Focus means consciously selecting a market, i.e. a set of connected businesses with a similar level of buying interest (not necessarily by geography, it could equally be by industry or some other factor), and concentrating your sales and marketing activity on it.

Focus also means saying no to potential business. Selecting a market isn't easy. When you're striving hard to grow and expand, it seems counterintuitive to reject sales opportunities, but the reality is the wider you choose to spread your marketing effort the less effective it will be.

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**“Be very, very focussed.”**

*Market Measures respondent*

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Even in the Australian market, most Kiwi tech companies need to take a selective approach to market entry, identifying a realistic niche that they can dominate before moving to the next.

# Growth hack #3

## Turn your website into something useful

### What's the problem?

#### Digital isn't generating enough leads.

Growth comes from generating leads for your sales teams. A significant proportion of that are leads that come through your digital channels, primarily your website.

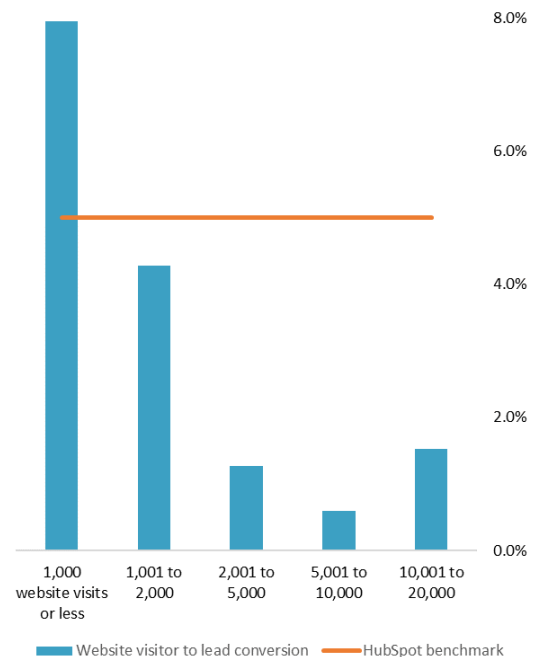
**The survey found that 26% of Kiwi companies are focussed on growing website traffic as one of their two main marketing priorities, compared to 54% of US companies.**

Where tech companies do track website visitor numbers (a significant 44% don't), they are performing well at the lower end converting visitors to leads. In the survey companies with 1,001 to 2,000 website visitors achieved a 4.3% lead conversion rate.

This compares favourably with one of the biggest benchmark studies in this area, from HubSpot, which sets a 5% website visitor to lead conversion as a good benchmark.

However, we struggle at converting effectively beyond the 2,000 unique visitor per month mark.

Website visitor to lead conversion rate (% of website visits)



**The survey showed that the average website visitor to lead conversion for companies averaging 2,001 to 5,000 website visits was 1.3%.**

Tech companies need to understand that their website is the hub of their lead generation efforts. All other activities should include the website as the place to drive potential customers and start supporting people on their buying journey. Obviously, the more transactional your business (e.g. SaaS) the more critical this is.

### What's the solution?

#### Make quality traffic growth a priority, and measure it.

Simply tracking your website data is the place to start.

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Use [Google Analytics](#) or a similar tool, and start measuring on a monthly basis your traffic and where it comes from (i.e. organic search visits, direct URL visits, social media visits, email link visits, paid search visits).

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## “Online marketing is the best.”

*Market Measures respondent*

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### **44% of companies in the survey don't know how many website visitors they have in a month.**

If you are tracking the numbers, a 4% website visitor to lead conversion is a reasonable target. A large MIT study put the average visitor to lead conversion ratio at 1-3%. HubSpot's benchmark is 5%.

### **Quick tips for website marketing effectiveness:**

1. Clean, functional design focussed on user experience.
2. User friendly CMS that marketing can drive.
3. Regular blogging and content production schedule.
4. Review your metrics monthly.



# Growth hack #4

## Do more content marketing, but don't be boring

### What's the problem?

#### We're too conservative with our content marketing.

Content marketing (i.e. the distribution of educational and/or compelling content in multiple media formats to attract and/or retain customers) is an established weapon in the tech marketer's arsenal. Buyers of technology solutions expect useful information to help them all the way along their buying journey, not just product data.

Kiwi tech firms have embraced content marketing, with the majority doing some form of it. The trouble is we're a little boring about it, sticking to a narrower set of content types than US companies.

**"Create decent content, with true insight and value."**

*Market Measures respondent*

#### Content marketing tactics used (% of companies)



The biggest opportunity is video, which is exploding as a way of communicating with prospects, whether through your website, social media channels or more direct approaches like email.

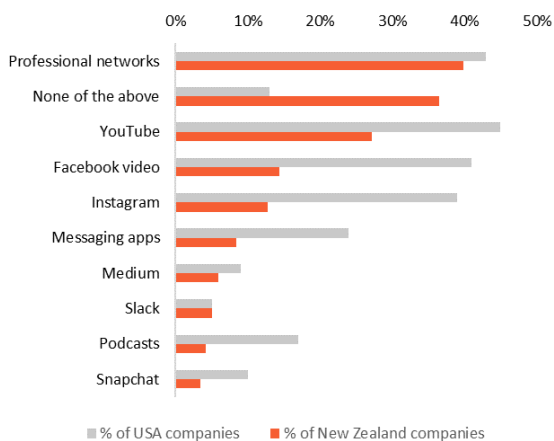
Video is the preferred channel for content. According to a recent global survey, 54% of consumers preferred video for brand or business-related content.

We are also 'boring' when it comes to the channels we use to share our content. There are large gaps between our planned adoption of

mainstream platforms like YouTube or Instagram compared to US companies.

**In the survey, 14% of companies planned to add Facebook video as a content distribution channel compared to 41% in the US.**

### Content channels to be added in the next 12 months (% of New Zealand companies vs US)



## What's the solution?

**You can manage what you measure.**

Two keys to being innovative with your content marketing are planning and measurement.

**“Do your customer personas and journey mapping if you haven't already.”**

*Market Measures respondent*

Fundamental to content marketing success is building a consistent plan of output, aimed at distinct ‘personas’ (target audiences) across all stages of their buying process (from initial problem awareness through to purchase decision), using a variety of methods and publication channels.

The most effective way to do this is by focussing on the persona’s core business problems (e.g. competitive pressure, operational efficiency, growing revenue, etc).

The other key is measuring the response to understand what sort of content, e.g. video, case studies, blogs, eBooks - works across the available publication channels (e.g., social media, email, organic search, paid searches). Visibility to content and channel performance gives you confidence to invest in the approaches that work.

**“Don't overspend resources on marketing that is not effective.”**

*Market Measures respondent*

# Growth hack #5

## Use marketing technology; consider HubSpot

### What's the problem?

**We aren't getting enough out of our marketing spend.**

Kiwi tech firms typically invest aggressively in sales and marketing. The challenge is getting the most out of that investment, something we are not sufficiently focussed on.

**15% of companies in the survey put 'proving the ROI of marketing activities' as a top priority in the next 12 months, compared to 42% in the US.**

Marketing automation technology (software that exists with the goal of automating marketing actions such as emails, social media, and other website actions) helps tech firms build and run marketing programs more efficiently, and makes the results much more visible.

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**"Invest in marketing by at least 25-30% of revenue."**

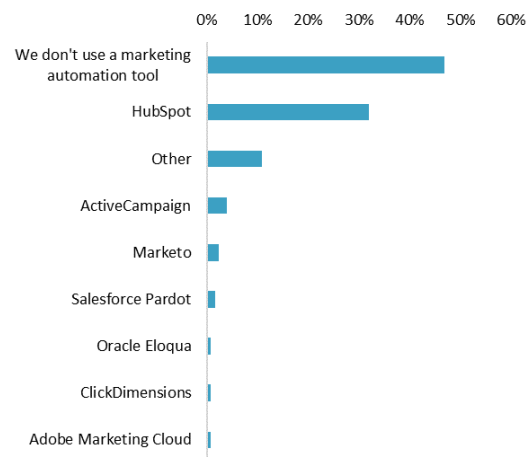
*Market Measures respondent*

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**The survey showed that 53% of companies are using marketing automation, with HubSpot being the platform of choice by some margin.**

There are many options for automation technology, from basic free solutions through to powerful and expensive enterprise platforms. HubSpot seems to be a good fit for the typical Kiwi tech business as a platform that is relatively easy to apply and can be scaled up.

### Use of marketing automation software platform (% of companies)



**According to the survey, 50% of companies produce software products or SaaS, but 47% don't use marketing automation in their own business.**

### What's the solution?

**Choose a marketing technology stack.**

According to [chiefmartech.com](http://chiefmartech.com) there are 6,829 marketing technology solutions from 6,242 unique marketing technology vendors. Fortunately, you don't need them all.

The key categories are:

1. A website Content Management System (CMS) that is widely used, well supported by the vendor or partners, and is easy for marketing people to use when managing content. It should include the ability to easily add content landing pages and conversion forms.
2. Marketing automation software that makes it easier to perform key tasks like email distribution, list management, and lead scoring. It should also be able to collect intelligence on leads, support email nurturing and lead analytics.
3. Content delivery tools to support blogging, social media publication, remarketing and paid ad management.

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**“Automate as much as possible.”**

*Market Measures respondent*

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# Sales growth hacks



# Sales growth hacks

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## **The hacks:**

6. You need to really understand how your customer acquisition funnel works and then streamline it.
7. Equip your sales team better with hi-tech tools.
8. More sales people means more growth. Really.

# Growth hack #6

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## Grease the funnel

### What's the problem?

**We need to be more focussed on sales efficiency.**

**The survey found that only 10% of Kiwi firms have 'reducing the cost of generating new contacts, leads and customer acquisition' as a marketing priority in the coming year, compared to 29% of US companies.**

Selling Kiwi tech is typically a complex, lengthy process with an average sales lead time of 5.8 months. Not surprising, given 86% of us sell B2B.

What is surprising is that almost half (43%) of companies surveyed didn't know their lead to customer conversion rate, a key part of their sales funnel.

The less you know about the funnel, the harder it is to drive alignment between marketing and sales, hold marketing especially accountable, and achieve ongoing improvement in the way you market and sell.

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**"Develop a sales focus. Engage the whole team in a sales approach."**

*Market Measures respondent*

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**For those that did track it, the average lead to customer conversion rate is 38% and for high growth Kiwi companies even higher.**

This compares favourably with larger US benchmark studies which put average lead to customer conversion rates anywhere from 2% to 10%.

A high rate is not necessarily a cause for celebration though, given almost 40% of survey respondents put 'productivity and performance' as their top challenge in managing account and sales teams over the coming year.

While our sales teams convert at a high rate, there is frustration amongst Kiwi tech companies at the inability to scale that into high sales volumes.

### What's the solution?

**Building your sales 'system'.**

**In this survey, 63% of sales people, with variable compensation, achieve their sales quota, which is consistent with 68% for US companies.**

However, US firms achieve this when their average experience required for a new sales hire is considerably less (1.4 years in the US compared to 5.1 years in New Zealand).

The difference is a more systemic and process oriented approach to sales in the US. As the graph on the following page shows, US firms are significantly more focussed on ramping and onboarding, motivation and ongoing training of their sales people than we are in New Zealand.

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Their less experienced, less expert sales people can perform at a similar level to our teams because they are supported with more of a sales 'system'.

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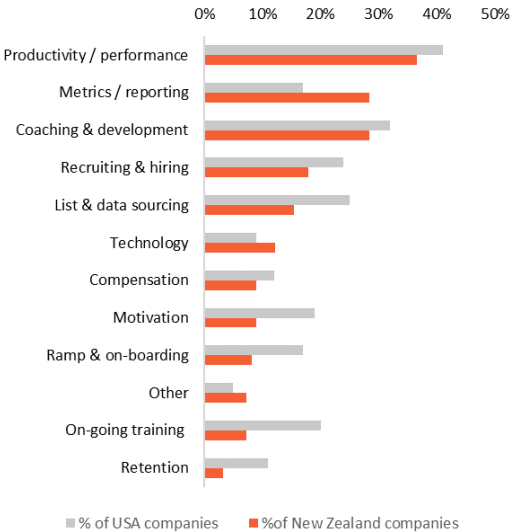
“Work on sales enablement materials, so once the region is ramped up the sales team has everything at their finger tips to drive growth.”

*Market Measures respondent*

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Achieving the same quota with less experienced sales people suggests Kiwi firms could do more to implement systems and processes to support their sales teams.

**Top two challenges in managing account management and sales teams (% of companies)**





# Growth hack #7

## Stop being so low tech

### What's the problem?

#### We need to increase sales productivity.

While there are many indicators of sales productivity, number of quality conversations is a useful metric commonly used in US sales teams.

Quality sales conversations are defined as a connect call or response where the sales person learns at least one piece of qualifying or disqualifying information.

**In the survey, sales people had 3.4 quality conversations per day compared to 5.1 in the US (33% less conversations).**

For high growth Kiwi companies the average was much closer to the US figure, at 4.9 quality conversations per day.

**“Pick up the phone. Personal contact is the single most effective way to achieve cut-through.”**

*Market Measures respondent*

### Top two challenges in managing account management and sales teams (% of companies)



### What's the solution?

#### Use technology to drive efficiency.

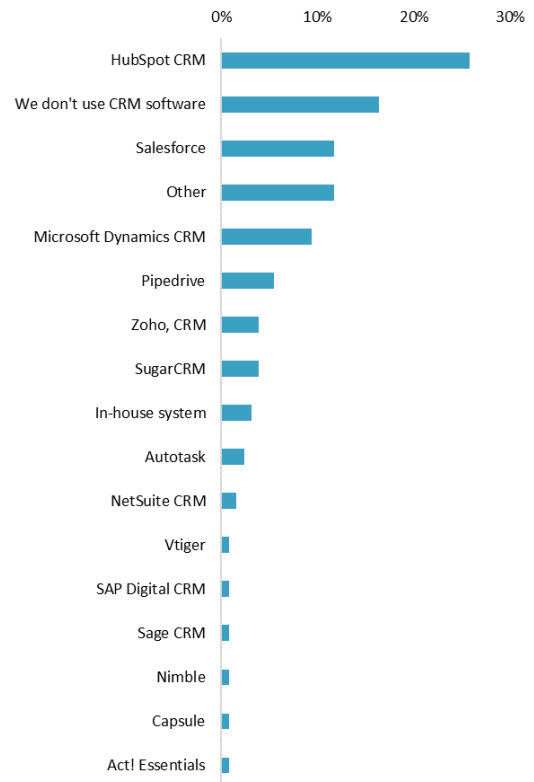
As any good tech company knows, a major benefit of many tech tools is increased productivity. We don't invest enough in that for our own sales teams.

**On average, US tech companies will use 4 sales enablement tools per team. In the survey, high growth Kiwi companies use 2.9 and the rest 1.9.**

**Technologies used by sales team (% of companies)**



**CRM software platform (% of companies)**



16% of firms still don't use a Customer Relationship Management system (CRM), the building block of any marketing technology. Of those that do, HubSpot is again the most popular choice.

**“Get a CRM early, get coaching, follow up on leads even if you think it's been too long.”**

*Market Measures respondent*

# Growth hack #8

## You need more sales people

### What’s the problem?

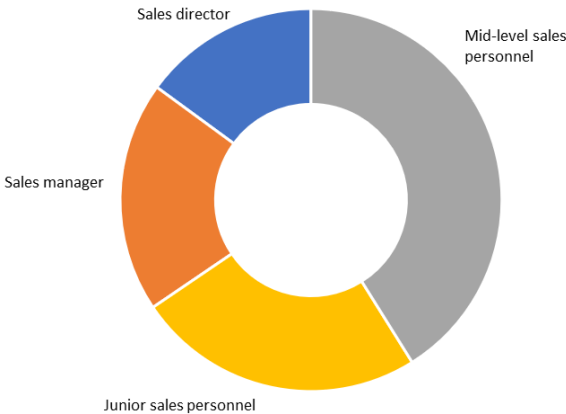
**The average Kiwi tech company is under-resourced in sales.**

**In the survey, Kiwi high growth companies have 40% more sales people than non-high growth companies, across all company sizes.**

New Zealand’s tech industry has been built on a generation of highly talented ‘lone wolf’ sales people who travel the world sourcing customers for their innovations. Technically competent, business savvy and converting at a high rate describes the classic lone wolf. They are also expensive and can’t be easily scaled.

To scale more effectively Kiwi tech needs to be able to build structured, repeatable sales processes that enable a bigger number of lower level sales people to sell effectively.

### Sales team capability (average makeup of team)



“Both sales and marketing have a deep understanding of who our company is fit to provide value to.”

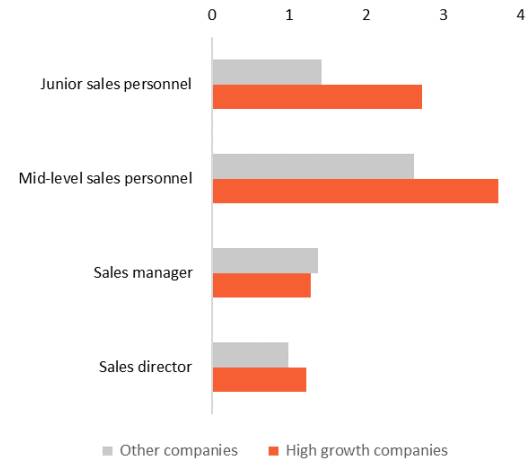
*Market Measures respondent*

### What’s the solution?

**Less ‘lone wolves’ and more pack members.**

**According to the survey, high growth Kiwi companies have the same number of sales managers but significantly more sales personnel overall (adjusted for company size).**

### Capability within the sales team (average number of people)

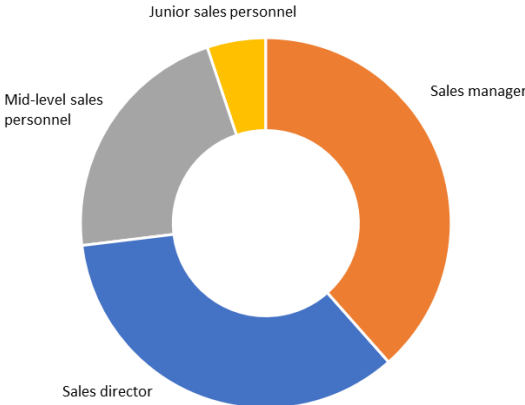


Consequently they require less experience on average. In the survey the average experience required for a new sales hire is 5.1 years, compared to 4.5 years for high growth firms.

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The survey showed that companies tended to employ more experienced people as their first hire in export markets.

**First sales hire in export markets (% of companies)**



Increasing your number of sales people isn't straightforward. Do you have the money, are the right people available to hire, where should they be located and so on?

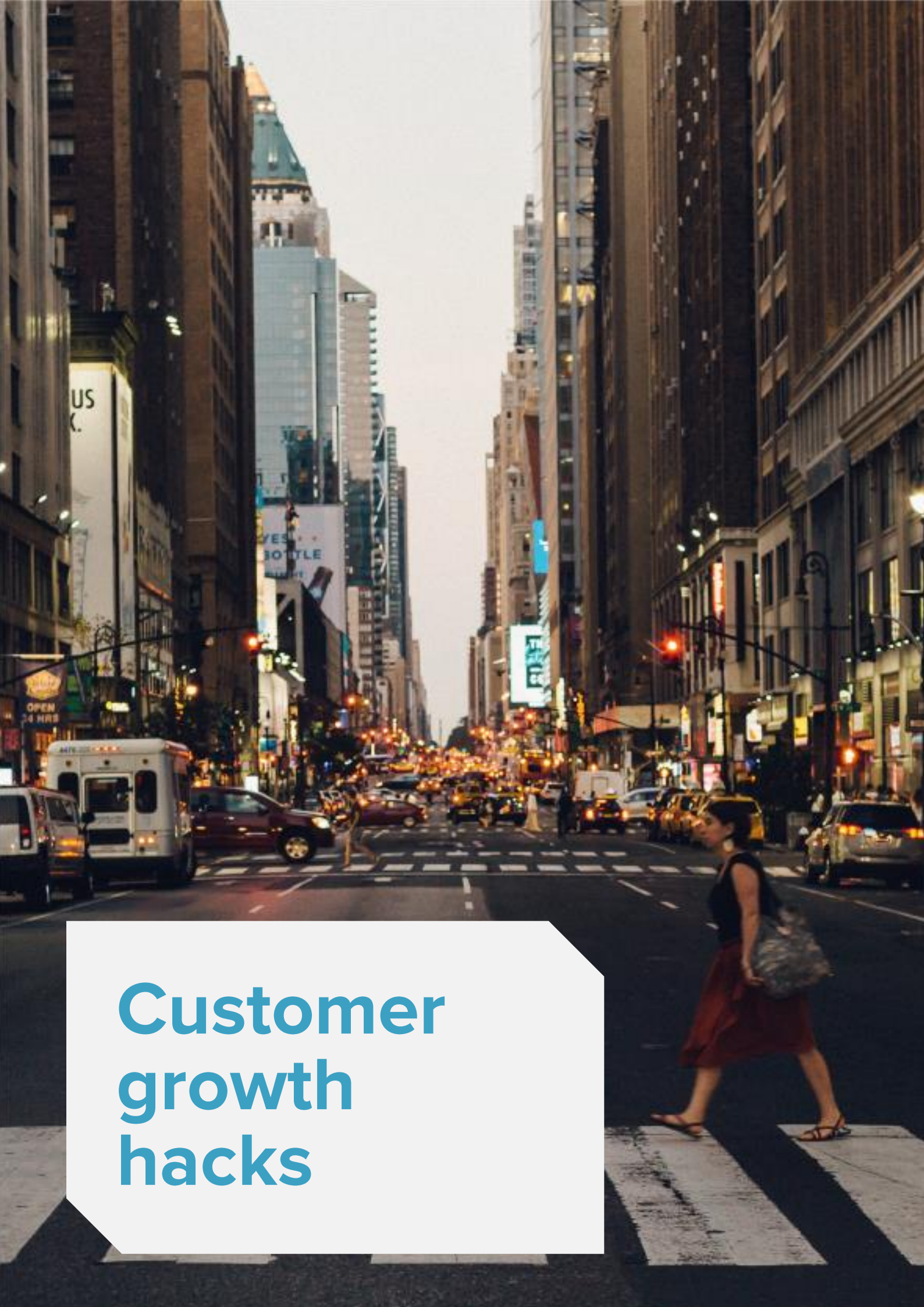
What the data shows is that high growth companies are more aggressive in their hiring, and tend to have more of the systems in place to enable less experienced sales personnel to deliver effectively.

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**“Stay real, be personal and never give up.”**

*Market Measures respondent*

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# Customer growth hacks

# Customer growth hacks

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**The hacks:**

9. You also need to focus on your customers to drive growth.

# Growth hack #9

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## Love your customers

### What's the problem?

#### Trust is harder to earn.

Digital marketing has enabled companies to reach potential customers far more easily and at a lower cost than ever before. The flip side has been diminishing trust in these messages.

Recent HubSpot data shows:

- 81% trust their friends' and family's advice over advice from a business.
- 55% no longer trust the companies they buy from as much as they used to.
- 65% do not trust company press releases.
- 69% do not trust advertisements, and 71% do not trust sponsored ads on social networks.

Marketers and sellers have tended to focus on generating and closing leads, almost forgetting about the importance of the end result – ensuring customers are successful with our product or service.

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“Keep the customers that you have buying more. It is easier to retain than to gain.”

*Market Measures respondent*

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And while always a foundation of business success, customers are taking on greater importance for marketers in the digital age.

Because people have access to so much information about products and companies, they can educate themselves completely online, and are less likely to be persuaded by marketing. Increasingly what they need amongst all this noise is a trusted endorsement or referral from an existing customer – whether that's from online reviews or direct conversations. These are becoming more and more important.

As tech marketers and sellers we need to make sure we pay attention to the experience of our customer.

### What's the solution?

#### Realise customer success drives growth.

Doing a good job for your customers is becoming your best marketing tactic, especially for SaaS businesses.

A key step is to measure customer satisfaction rigorously, with Net Promoter Score (NPS) being the most common method. In the survey NPS was up slightly (42 vs. 40 in 2017).

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“Focus on NPS, referrals and automate back end systems.”

*Market Measures respondent*

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**The biggest difference in the survey was between high growth SaaS companies who had an average NPS of 44, compared to other SaaS companies who had an NPS of 37.**

New Zealand's smartest tech companies are now leveraging satisfied customers as a marketing tool, using their experience to drive new business.

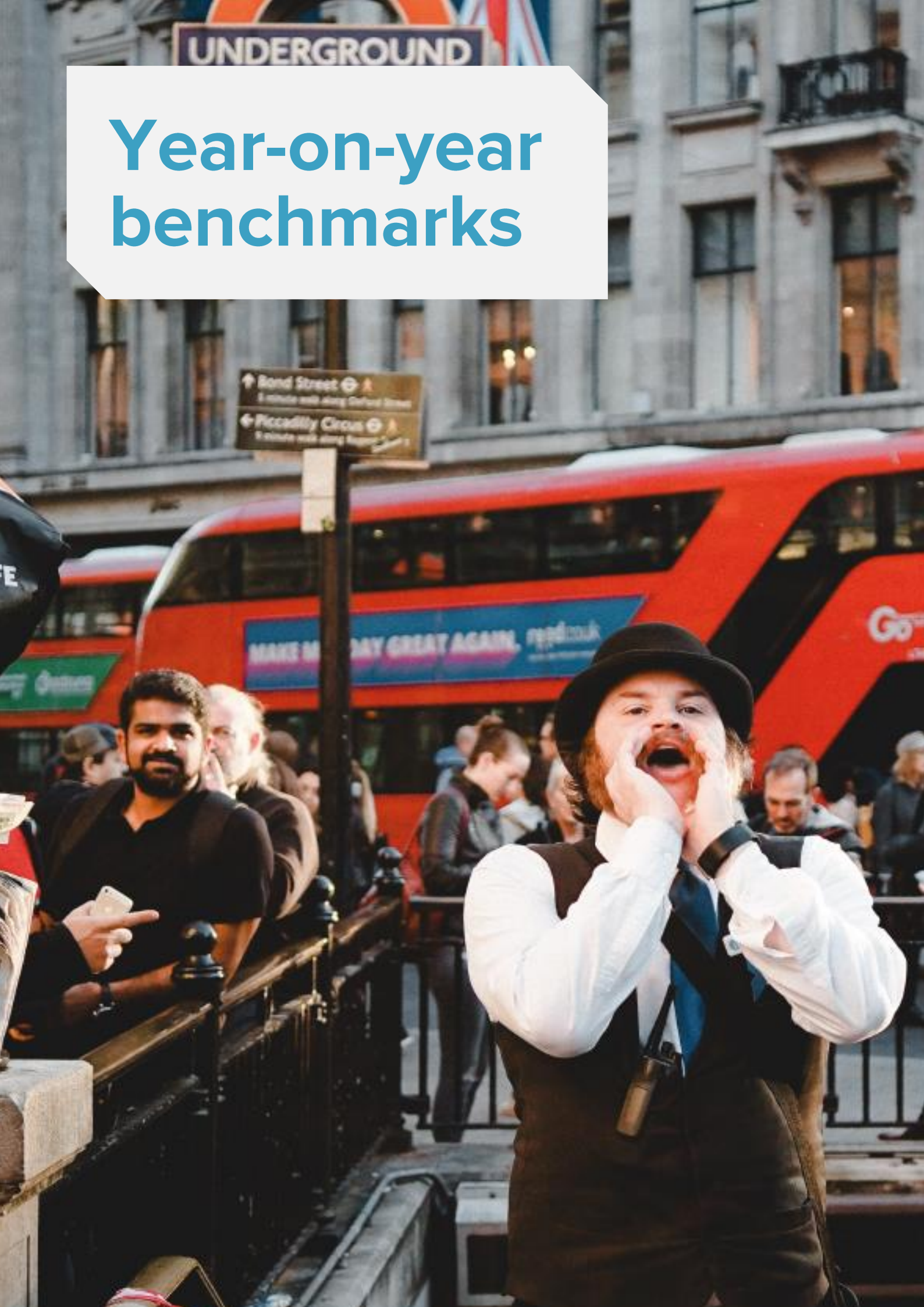
Loving your customers equals growth.



UNDERGROUND

# Year-on-year benchmarks

↑ Bond Street 5 mins walk along Oxford Street  
← Piccadilly Circus 5 mins walk along Regent Street



# Benchmarks

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## Nation of exporters

### Key Market Measures benchmarks<sup>1</sup>

Benchmark	2015	2016	2017	2018
Annual turnover growth	44%	41%	54%	40%
Companies exporting	68%	73%	73%	69%
Sales and marketing expenditure (as a percentage of turnover)	20%	34%	39%	27%

### Sales and marketing expenditure (as a % of turnover)

Benchmark	2018
Expenditure on employed or contracted sales staff	14%
Expenditure on employed or contracted marketing staff	6%
Expenditure on non-staff related sales & marketing activity	7%
Total sales and marketing expenditure (as a percentage of turnover)	27%

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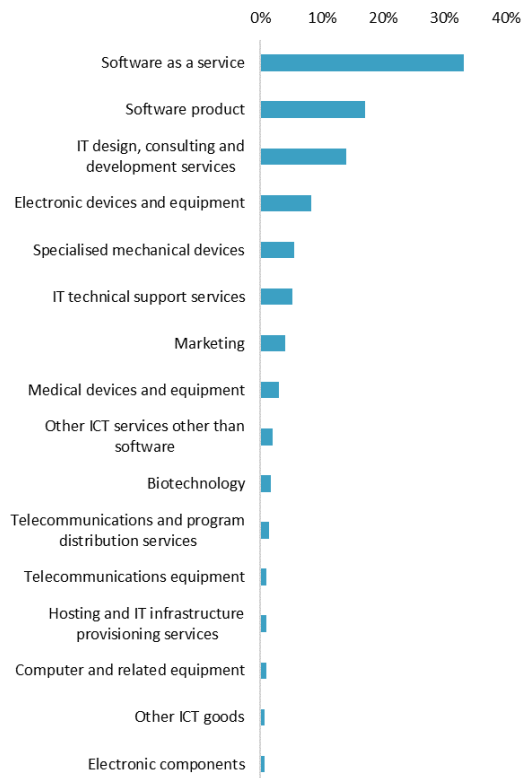
<sup>1</sup> Sales and marketing spend includes sales and marketing staff expense, and non-staff marketing expense (e.g. promotion), and is expressed as a percentage of turnover.

# Further survey results

318 companies participated in the 2018 Market Measures study.

50% of companies in the survey are producing software and 66% of software companies are SaaS businesses.

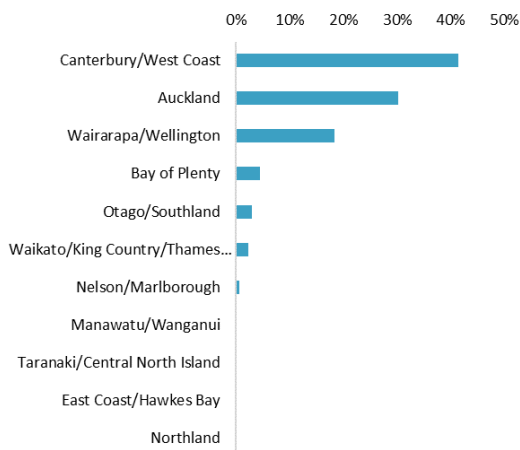
## Company's core business output (% of companies)



## Location

In the survey 90% of companies are from Auckland, Wellington or Canterbury regions.

### Company location (% of companies)



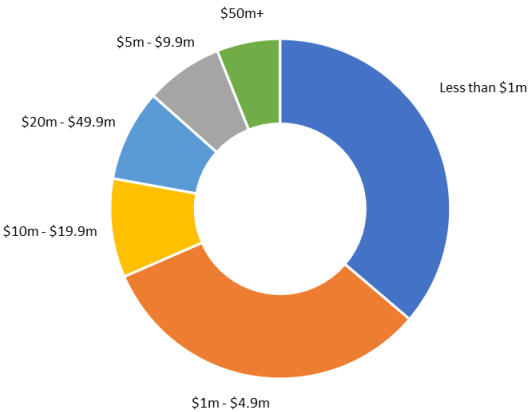
## Type

In the survey, 86% of companies sell to other businesses (B2B).

Market type	% of companies
Consumer (B2C)	9%
Government (B2G)	6%
Other businesses (B2B)	86%

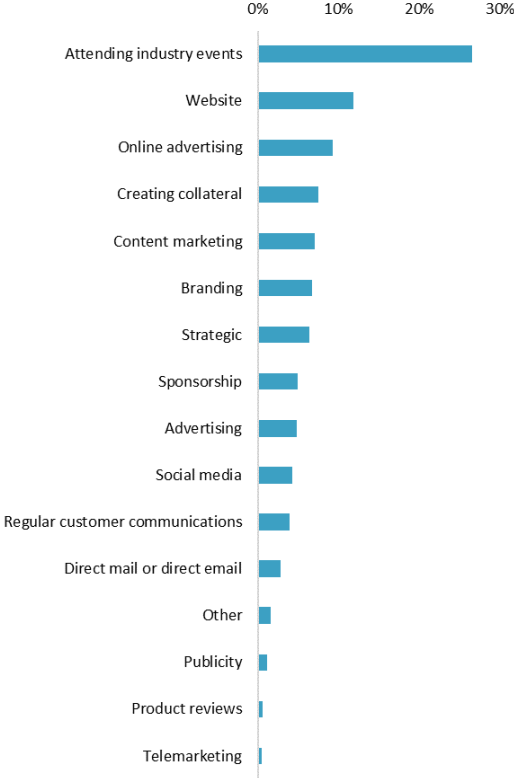
## Size

Company turnover at the end of last full financial year (% of companies)



## Marketing expense

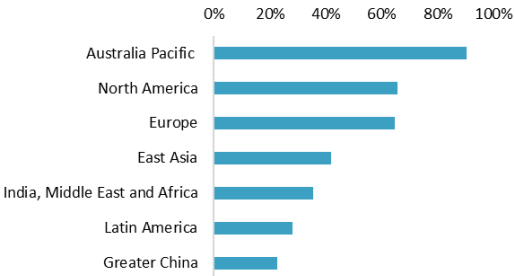
Non-staff related sales and marketing expense per annum (% of marketing spend)



## Top 10 export markets

In the survey, 66% of exporting companies sell into the US generating 26% of export revenue.

Export markets (% of exporting companies)



# Methodology

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The *Market Measures* study was conducted as an online survey during September 2018.

Invitations to participate in the survey were distributed by Concentrate, Swaytech, and survey sponsors and supporters. This included being sent to all of the major hi-tech sectors' industry bodies, which forwarded to their members.

38% of the 2018 survey participants had completed a *Market Measures* survey in a prior year.

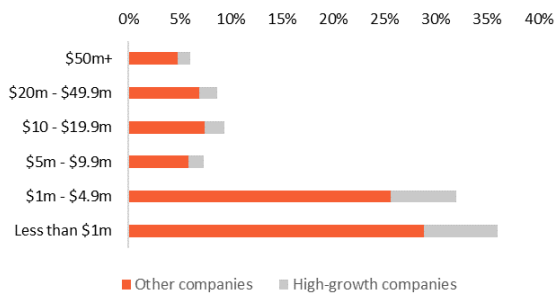
Concentrate completed the analysis of results and produced the 2018 report. All analysis is reviewed by an independent statistician.

## High growth companies

Through the *Market Measures* study “high growth” companies are compared to other survey respondents.

High growth companies are determined using a methodology developed by the [Bridge Group, Inc](#) where the fastest-growing companies are identified per revenue band. In the survey turnover growth was used to mark companies as being in the top 20% of companies in each turnover band. These companies are referred to as “high growth”.

### High growth companies by revenue band (% of companies)



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## References

All US benchmarks referred to in this report can be found in the following reference documents.

1. Sales Development 2018, Metrics and Compensation Research Report, [The Bridge Group, Inc.](#)
2. B2B Content Marketing, 2018 Benchmarks, Budgets, and Trends - North America, [Content Marketing Institute](#) and [MarketingProfs](#) (870 respondents who indicated their organisation is for-profit in North America, primarily selling products/services to businesses (B2B)).
3. State of Inbound 2018, Global Report, [HubSpot Research](#)
4. The Ultimate List of Marketing Statistics, [HubSpot](#).
5. The Average B2B Conversion Rate: How to Benchmark Your Performance Against Competitors, [Capterra B2B Marketing Blog](#).
6. The Softletter Lead Generation, Management, and Conversion to Sales Report for Software Companies, 2016. [Softletter](#). A survey of 103 software companies (53% of companies identified themselves as SaaS; 28% as On Premise/Client Server; 11% as Desktop/Retail; 6% as OEM; and 2% as Mobile Applications).

# About Market Measures

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## Sponsors and supporters

### New Zealand Trade and Enterprise

New Zealand Trade and Enterprise (NZTE) is the Government's international trade promotion and business development agency. NZTE has a single purpose: growing companies internationally, bigger, better and faster, for the benefit of New Zealand.

We provide customised services and support to ambitious businesses looking to go global. We help them build their capability, boost their global reach, connect to other businesses and invest in their growth. We also connect international investors with opportunities in New Zealand through a global network of investment advisors.

We employ 600 people, have over 200 private sector partners and draw on a global network of thousands more. We have people based in 50 offices, working across 24 time zones and 40 languages to support New Zealand businesses in over 100 countries. This global presence lets us deliver value to the businesses we support, through our unique know-how (knowledge and experience) and know-who (networks and connections).

We call on our Government network, and work closely with our NZ Inc partners and the business community, to grow our national brand and help businesses to open doors in global markets.

See [www.nzte.govt.nz](http://www.nzte.govt.nz) for more information.



### Supporters

This year's survey has also received support from the New Zealand Technology Industry Association (NZTech), New Zealand Software Association (NZSA), New Zealand Hi-Tech Trust (Hi-Tech Awards), ChristchurchNZ, Canterbury Tech, Wellington Regional Economic Development Agency (WREDA), Priority One, Auckland Tourism, Events & Economic Development (ATEED), New Zealand Financial Innovation & Technology Association (FinTechNZ), Tech Marketers Group (TMG).

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## The Market Measures team

Technology marketing firms Concentrate and Swaytech are the organisations behind the *Market Measures* study.

### **Concentrate**

Concentrate's mission is to get New Zealand tech companies more leads, more sales and more customers.

As well as strategic marketing advice, we offer [lead generation packages](#) aimed at providing domestic and export sales teams with high quality leads. We are experts in HubSpot marketing automation and CRM, recognised with a [global digital marketing award](#) in 2017 and 2018.

[www.concentrate.co.nz](http://www.concentrate.co.nz)

### **Swaytech**

Swaytech is a marketing and communications specialist for New Zealand tech companies going global.

We only focus on tech companies and all of our marketing consultants have held senior marketing/sales positions in leading tech businesses both locally and globally. This leads to more practical advice and a flexible approach to getting things done.

We are a full service marketing agency offering everything from strategy, to PR, to web development and everything in between. We also offer full design and development services in both print and digital.

[www.swaytech.co.nz](http://www.swaytech.co.nz)

### **Disclaimer**

*This report is intended as a guide only. Readers are advised that before acting on any matter arising from this document, they should consult an advisor.*



