



Startup Marketing Trends

2021 Report

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We wanted to know how startups run their marketing and how they're growing their business—so we asked them. We reached out to our audience, startup communities, and founders to take part in a survey and share details on marketing budgets, successful strategies, challenges, and more.

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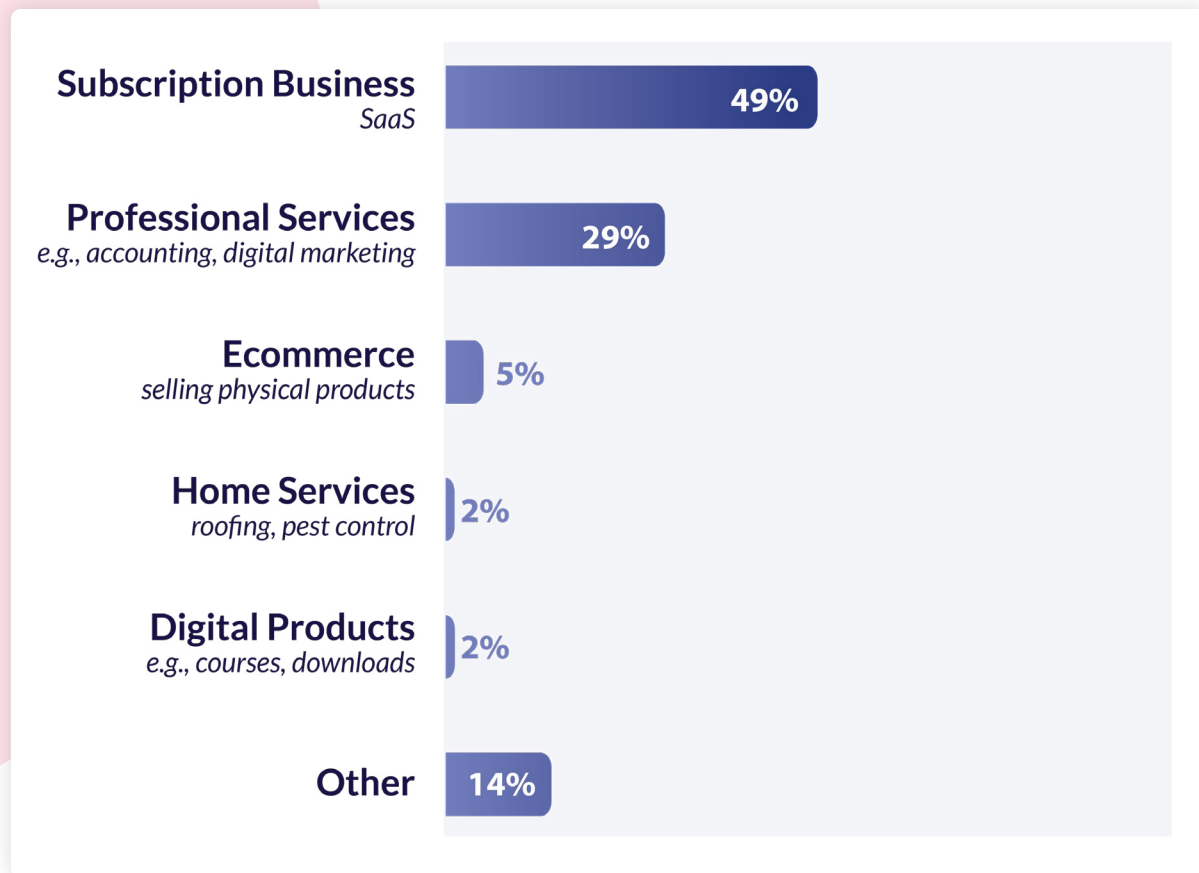


Demographics

Before we go through the results, here's a closer look at who is represented in this startup marketing report.

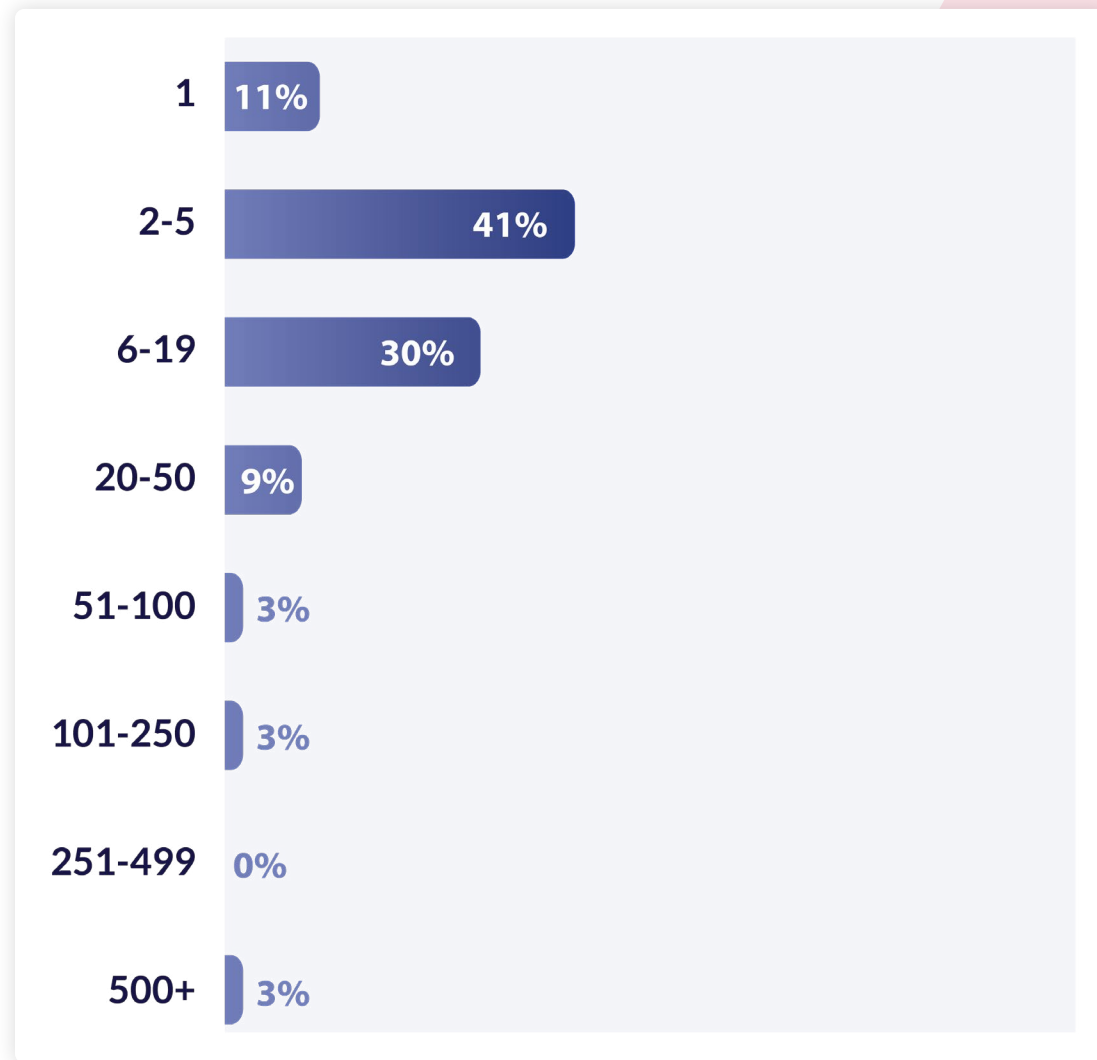


What is your business model?



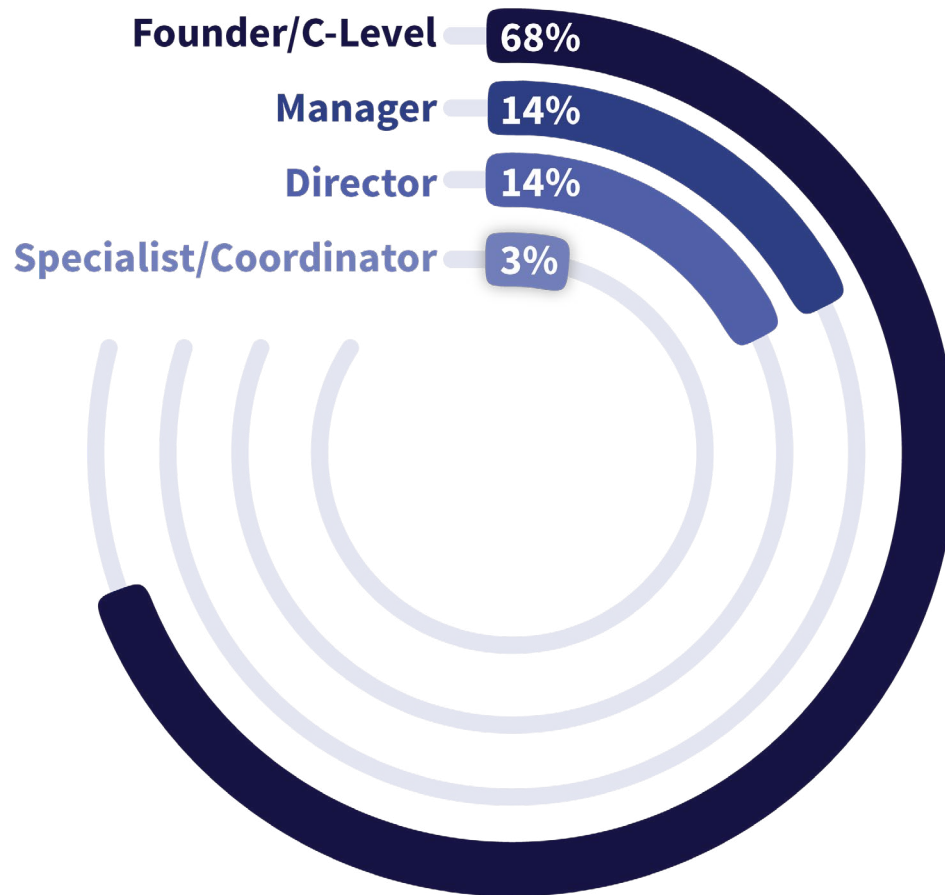
About half of these startups operate software as service, or SaaS, models, and a few of the write-in responses are combinations of these models, SaaS included. SaaS businesses are common, and the opportunity is there, too. In fact, the annual growth rate of the global SaaS market is [18%](#).

How many people work for your company?

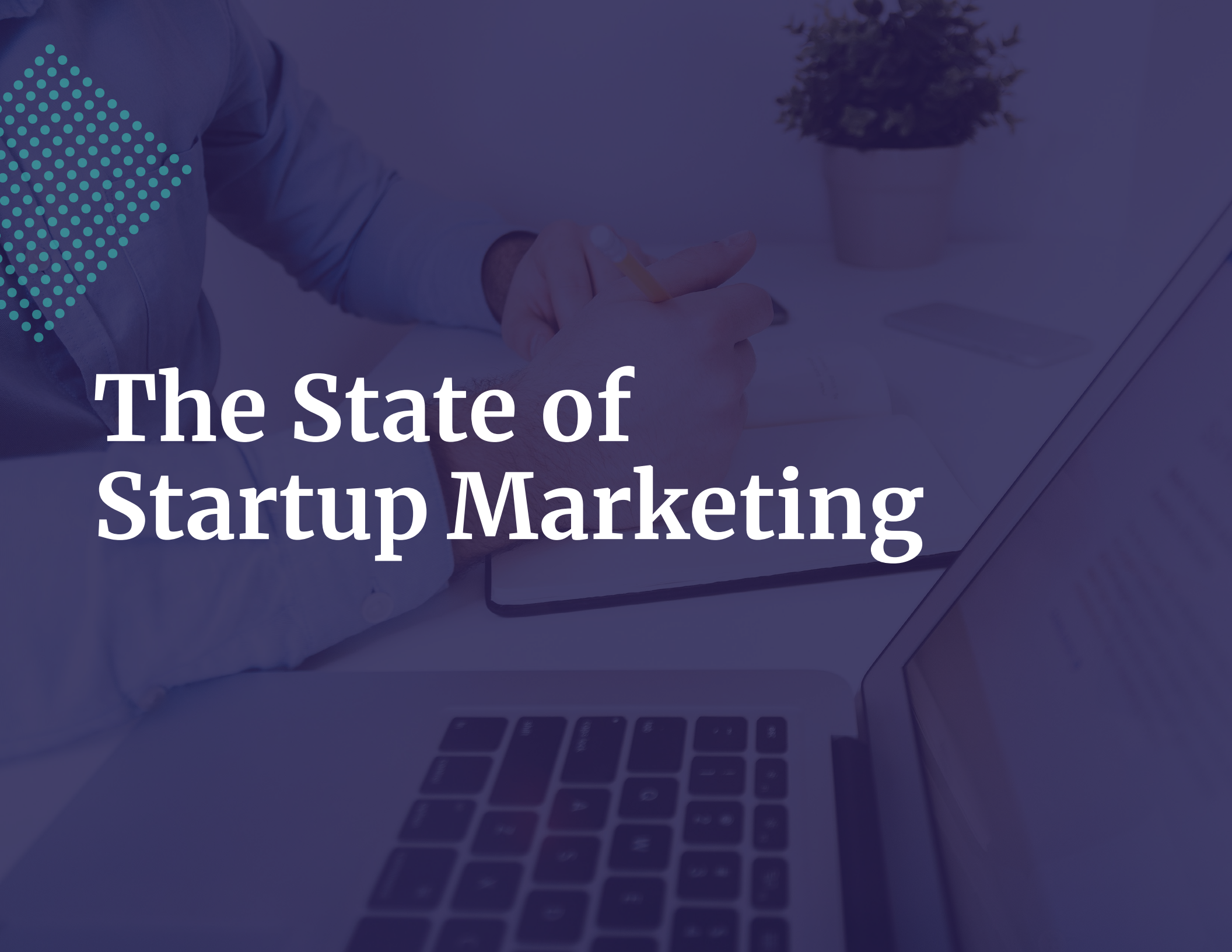


Over 40% have 2-5 people working for the company, and over 10% are single-person operations.

What is your role within the company?

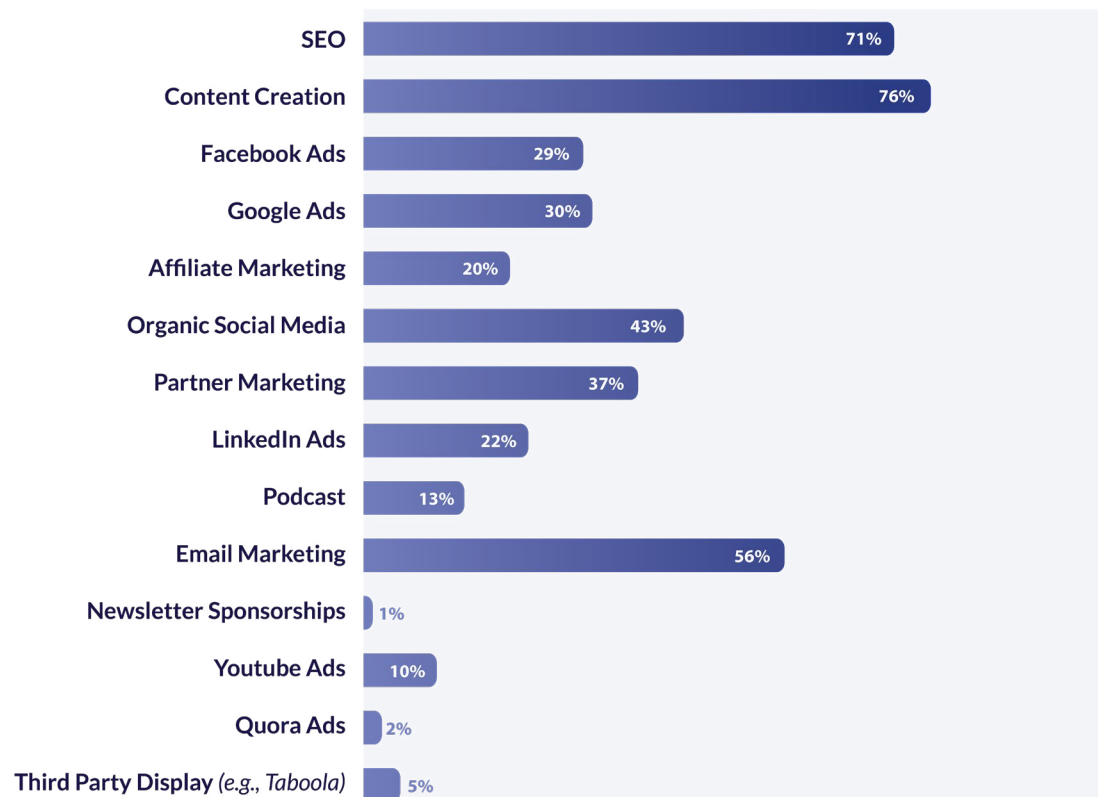


Almost 70% of the people taking this survey are founders or C-level executives at these startups, which means we've got an inside view on startup marketing from founders who are actively building their businesses.




The State of Startup Marketing

Which marketing channels are most important to your business?



Most of the startups we surveyed identified SEO and content creation as the top marketing channels for their businesses. This isn't a surprise—these are both key levers for growing your business online.

Email marketing and organic social aren't far behind here, with around half of respondents indicating the importance of these channels for their strategy. Both of these channels are great for establishing brand awareness and encouraging engagement with followers, customers, and even leads—all things that startups building brand recognition and a marketing funnel should be thinking of.



The SaaS marketing funnel truly begins with SEO. While digital ad spend boosts short term MRR, startups only see marginal improvements with optimization and need to drastically increase ad spend if they want to scale. Long term strategic growth truly comes from the top of the funnel—obtaining free, organic traffic, and funneling that traffic into all of your other marketing efforts.

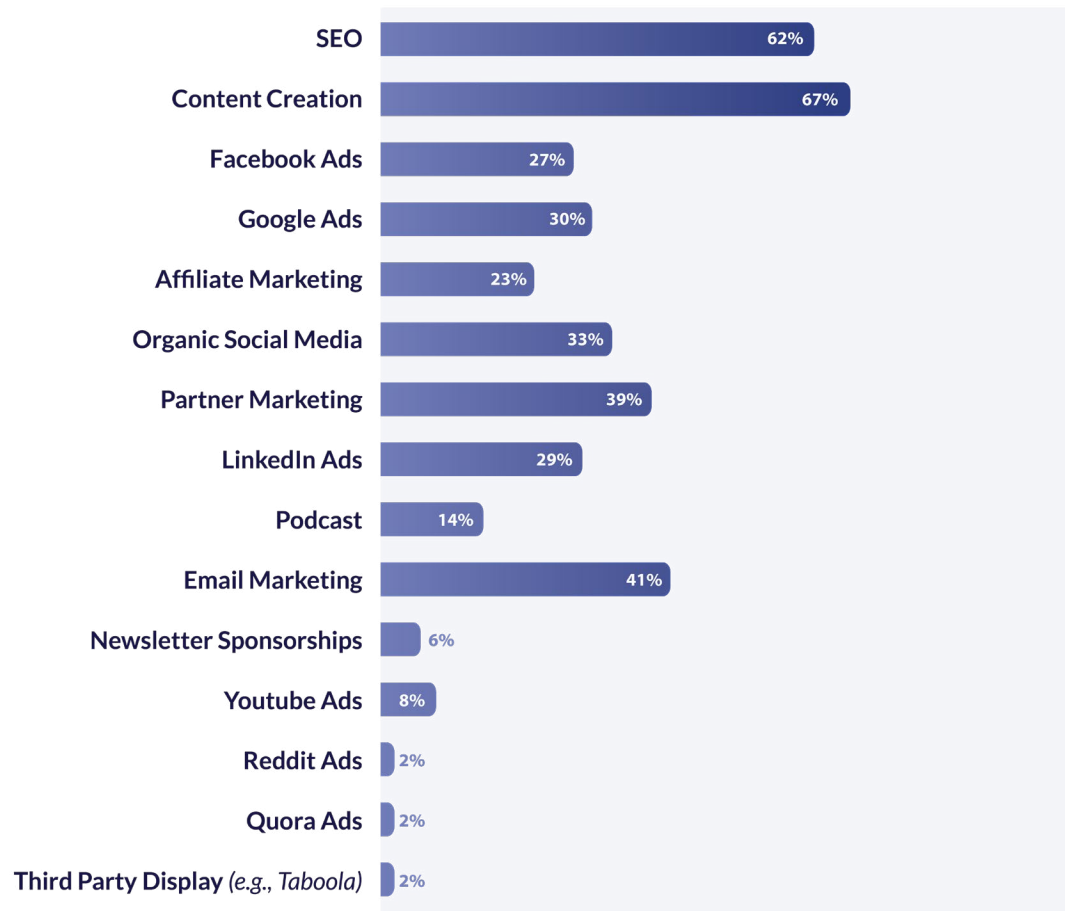
— ADAM ENFROY, FOUNDER OF [ADAMENFROY.COM](https://adamenfroy.com)

Which marketing channel is the #1 driver of growth for your business?



While startups indicated all of the most important marketing channels in the previous question, they shared the most important one here. **25% of respondents singled out SEO as the biggest driver of growth for their business in 2020.**

Which channels do you think will be the biggest growth drivers for your business in 2021?



SEO and content creation lead again, as most of our respondents expect these marketing channels to continue to drive growth in 2021. However, these don't have as drastic of a lead in these marketing plans.

More founders and marketers will invest in Reddit ads, Quora ads, and LinkedIn ads next year than used them this year. (You'll see in the graphs above that no one reported using Reddit ads this year.) Testing new channels to make sure you're distributing your marketing budget effectively is a good idea, especially if your goals are to outperform and grow rapidly.

For example, CEO of [Accelity](#) Jackie Hermes focused on organic LinkedIn throughout 2020—and plans to continue this in 2021 after seeing success.

For us, personal branding was #1 in 2020 and will continue to expand into 2021. In fact, I just announced a challenge and put cash on the line for my team to build their own brands, which probably sounds weird as heck to other business owners—paying your people to build their own brand on company time—but hear me out! For a new or growing startup, the culmination of your team’s personal brands is so much more effective than trying to grow a new audience for a company.

Social algorithms (especially on LinkedIn) work in the favor of individual people, not company brands. If you decide to go this route, do not, I repeat, do not force your people to post ‘the company line’ on social media. Let them get creative, talk about their specialties, interests, and hobbies. People sell, market, and work with other people—not companies—and your audience will grow much faster if you’re bold and authentic.

— JACKIE HERMES, CEO OF ACCELITY

How are you measuring the success of your SEO efforts?

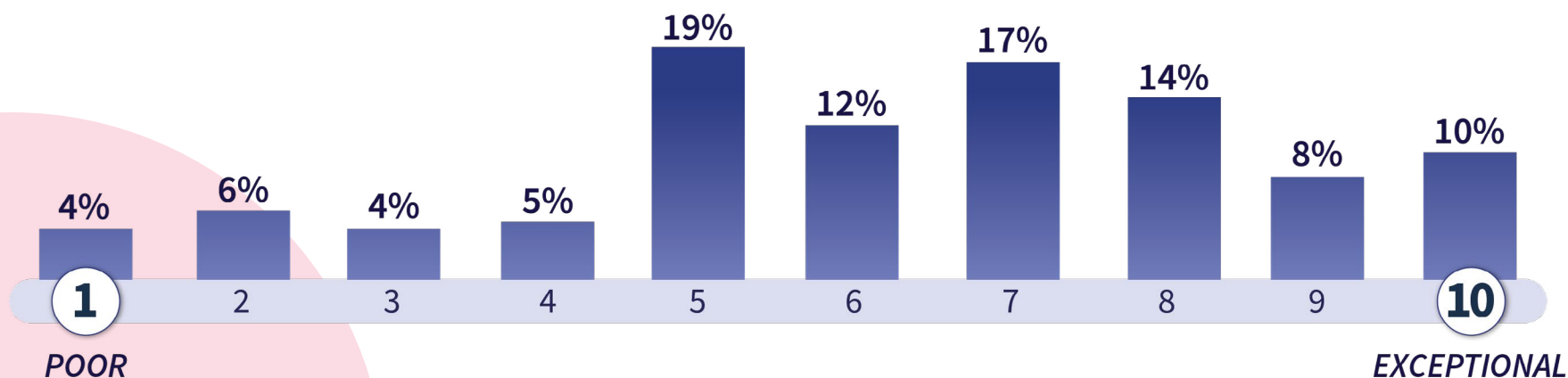
- #1 Google Analytics**
- #2 Google Search Console**
- #3 SEMRush**
- #4 Hotjar
- #5 Ahrefs
- #6 Moz

So much of SEO and content marketing is metrics—sure, there are moments when you’ve got pen to paper brainstorming blog post titles, but more often you’re knee-deep in [content analytics](#) to figure out what’s working, how well it’s working, and how you can improve.

Almost every startup that responded to our survey uses Google Analytics to measure these metrics and track their progress.

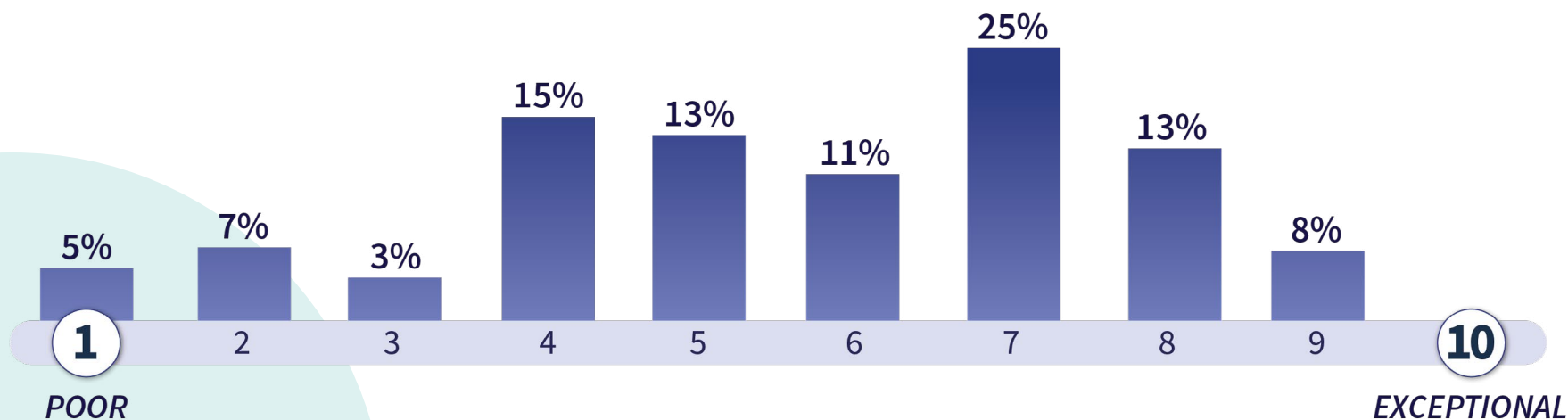
Almost half are taking advantage of the [Google Search Console](#), too, and fewer are using SEO tools that require a paid subscription. That makes sense, given the wealth of information available for free in Google’s tools.

How would you rate the effort your team put into marketing in 2020?

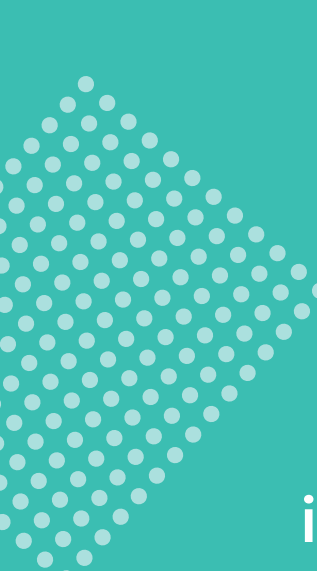


Most startups rated their marketing efforts last year between a five and an eight, far above poor but still below exceptional. The mean is 6.3, which indicates fair effort and focus.

How would you rate the results of your marketing efforts in 2020?



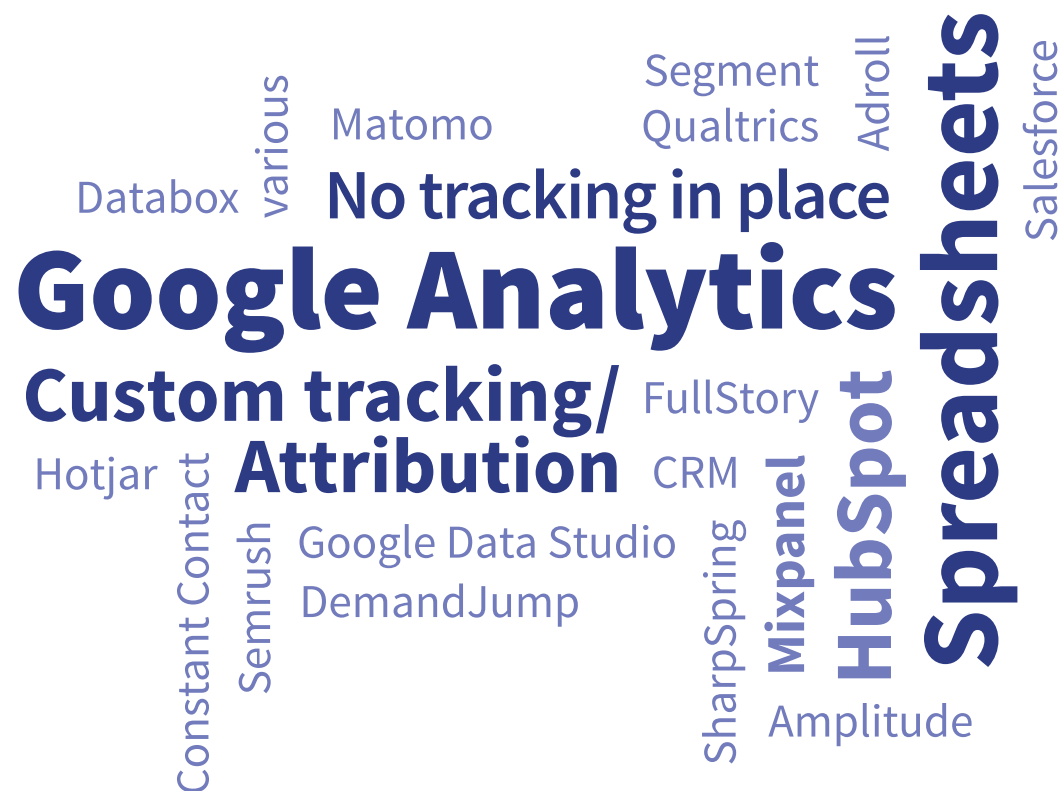
Unfortunately, the effort was there but the results were not. Most startups rated the results between a four and a seven. The mean for these responses was 5.8. Also, while 10% of respondents rated the effort their team put into marketing in 2020 at a 10, none reported the results at a 10.



This—again, unfortunately— isn't a surprise considering the events of 2020, which saw millions impacted by the coronavirus pandemic as well as the record unemployment and resulting recession. In light of these issues, the presidential election captured global attention.

In fact, we found that Unstack websites saw a 13% drop in traffic MoM in the first week of November, during the US election. **People, rightly, had bigger concerns this year, making marketing a challenge.**

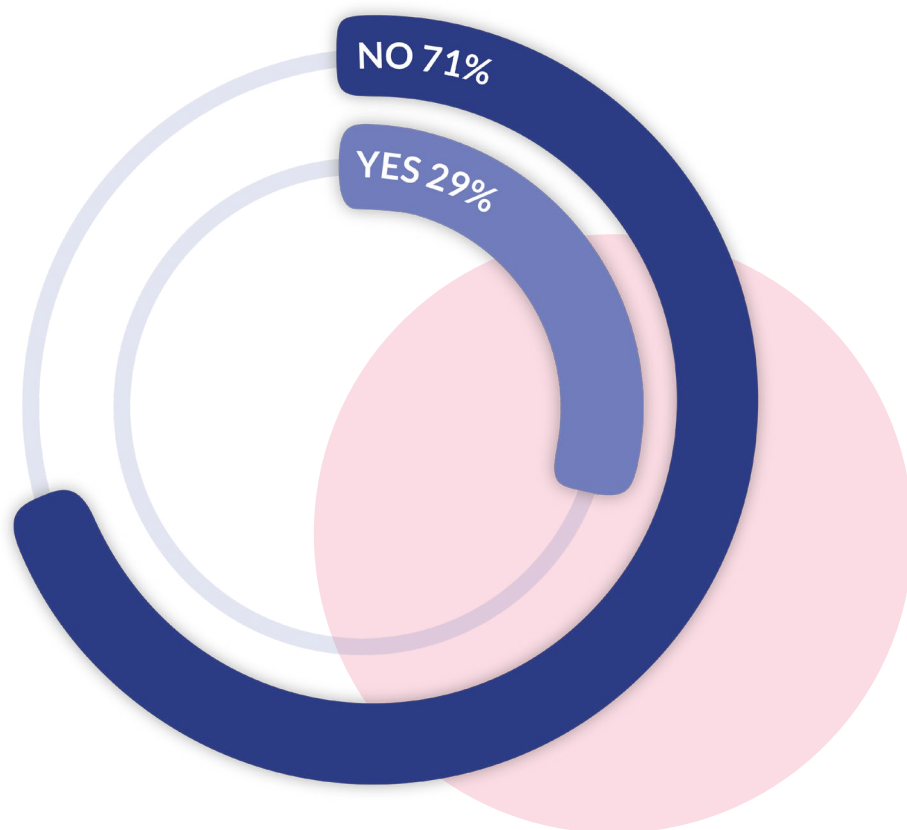
How are you currently tracking the performance of your marketing efforts?



Here, we asked for the tools that respondents used to track all of their marketing efforts, and Google Analytics is the clear winner for tracking. HubSpot and Mixpanel are also common tools, as are spreadsheets.

This biggest concern here is that just over **10% of respondents said they had no tracking in place whatsoever**. Without tracking in place, you lose out on valuable data that can help you figure out who your leads are, why they're converting, and where they're dropping in the process.

Do you currently have a referral or affiliate program in place?



Only 30% of companies represented in this survey had a referral marketing program, which means 70% are missing out on a valuable source of high-quality leads.

Referral programs work well because people trust their peers more than ads. Referral leads are more likely to convert than other leads, and they often have a higher lifetime value. Those are two compelling reasons to consider [building a referral program](#) for 2021 if it's not in your marketing plan already.

What is your biggest challenge in growing your business?

#1 Lowering Customer Acquisition Costs

#2 Capturing More Leads

#3 Generating More Website Traffic

#4 Finding Talent

#5 Supply Chain

More than half of people reported that capturing more leads is the biggest challenge to growing their business. This makes sense—for businesses that operate with inbound marketing, lead generation is critical for converting your website visitors into customers and generating revenue that keeps the lights on.

What tool do you use for landing pages?



There are tons of landing page tools out there, and it looks like startups are using a variety, including Unstack, HubSpot, and Unbounce.

The biggest takeaway here, though? About a third of respondents aren't using landing pages at all.

Landing page tools make it easy to get these lead captures up and running quickly, and the best ones offer A/B testing that lets you optimize for even better results.

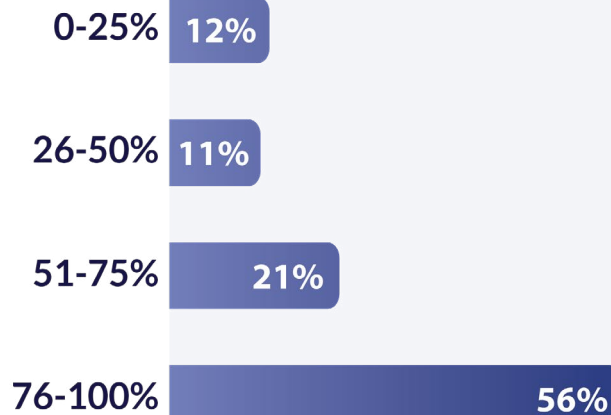


Across Unstack websites, the average landing page conversion rate is 2%. The average landing page conversion rate on pages without A/B testing is 1.7%, while the average conversion rate on page with A/B tests is 2.6%. This might seem like a small jump, but think about it in terms of leads.



If you're getting 1,000 visitors per month to that landing page, **the 50% increase in your conversion rate means about 10 more leads on that one page alone.**

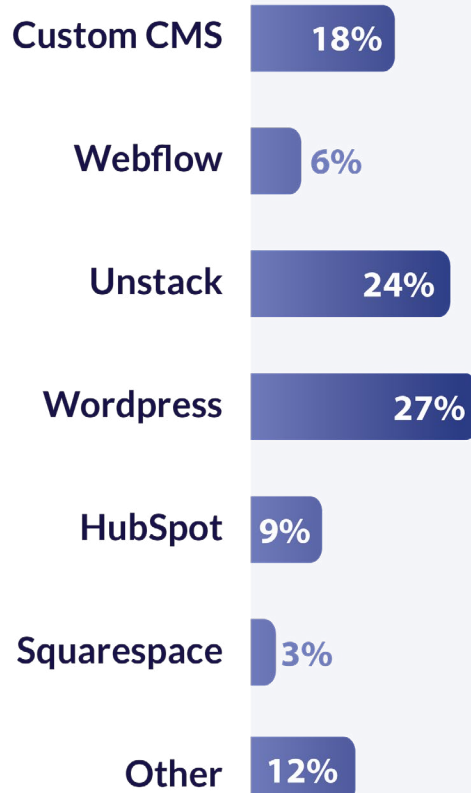
How much of your marketing efforts are dedicated to digital marketing?



No surprises here. We're living in an increasingly digital world. That's why having tracking in place, focusing on SEO are so important, and setting up landing pages for lead capture—especially for startups looking to launch and scale their business.

Digital marketing encompasses your paid advertising spend, as well as other online interactions with your prospects. That means video content, social posts, email, and more. Digital marketing should be accounting for the majority of most budgets in 2020, 2021, and beyond.

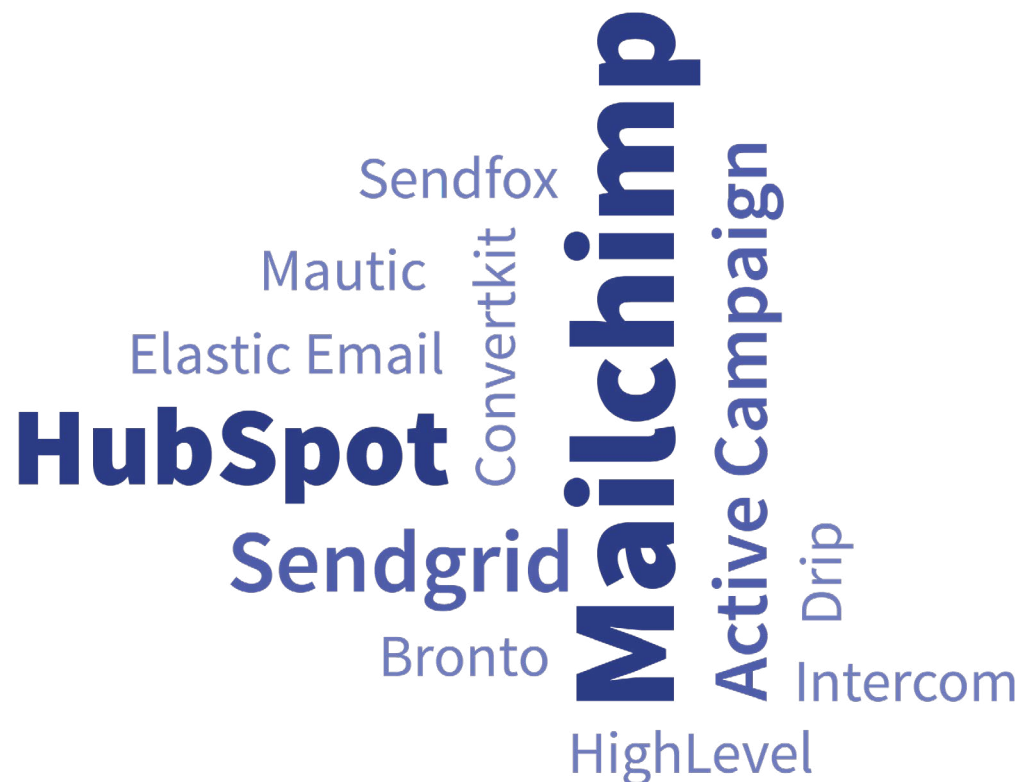
What CMS do you use for your website?



WordPress has been one of most of the most popular content management systems for most of the company's two-decade long run, and it currently powers about [38% of all websites](#). But all websites include lots of enterprise and legacy businesses that use the platform with the dev resources it requires.

Industry trends show that no-code website builders like Unstack are catching up with custom CMS and WordPress sites. This is especially true for SaaS marketing and startups, where developmental resources are slim and change is constant. **Being able to make adjustments on a no-code website and push those live immediately is crucial, and keeping costs low is important when you're starting out.**

What are you using for email marketing?

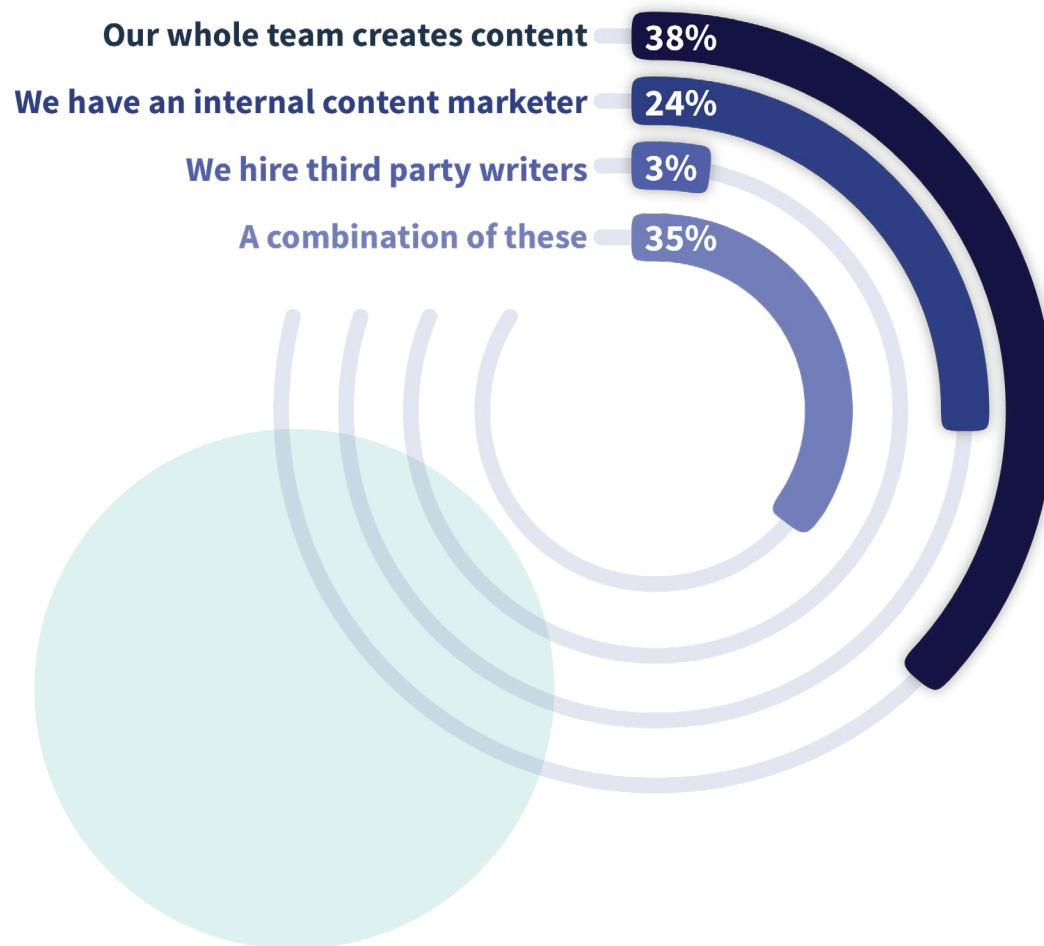


Mailchimp and HubSpot are the most common email management systems here, in addition to Intercom, Active Campaign, and Sendgrid.

A few respondents reported no email automation and managing email content manually. Skipping an email marketing solution is tempting—another tool to learn, another bill to pay—but email marketing is effective.

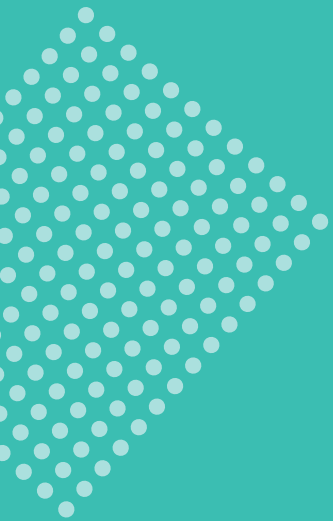
If your business is looking for a marketing channel to automate, this is it.

How do you create content?



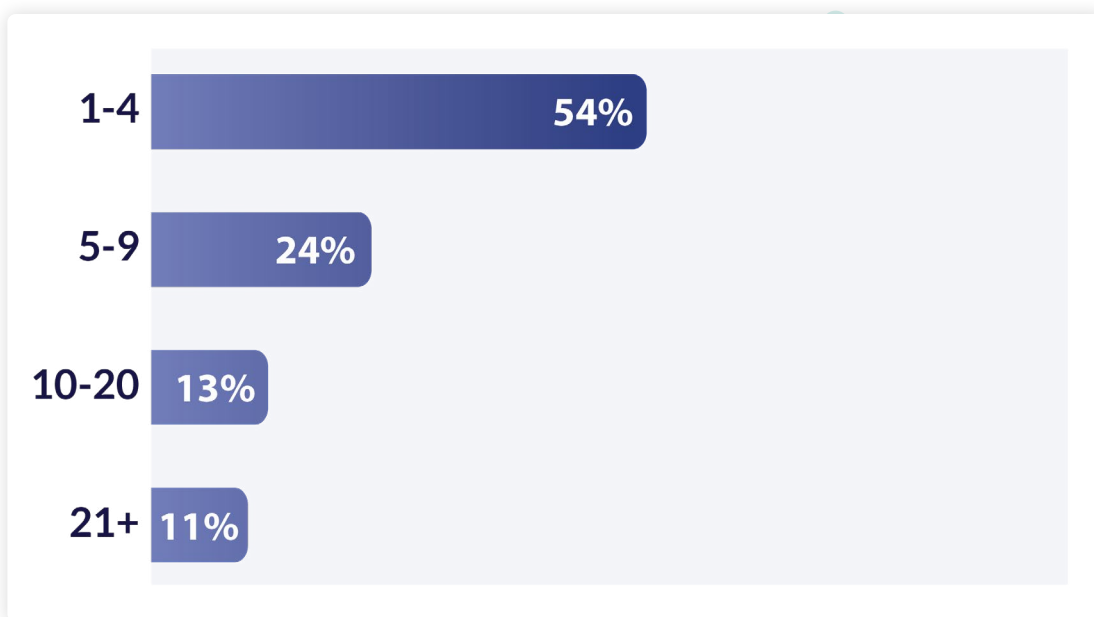
Most teams are all pitching in to create content, and only 3% use third-party writers as a rule to create content.

Budgeting for external content creation or a dedicated content marketer can be a challenge, especially for early-stage startups, but it can be worthwhile if you consider the opportunity cost. Is your time as a founder really best spent writing a keyword-optimized blog post? Sometimes that's a yes. More often, that's a no.



Getting everyone across the company involved in content creation is great—the best ideas for blog posts and guides come out of problems we’re having or conversations with customers. But having dedicated resources for content—whether that’s an internal marketer, a budget for writers, or both—is the best way to ensure this channel drives growth for your business.


How many pieces of content are created per month?



More than half of respondents report producing 1-4 pieces of content per month, making this the most common output by far. About a quarter of respondents stick to 5-9 pieces of content per month, and another quarter create 10 or more.

More content can lead to more traffic, but you're better off making sure that your team is producing quality, consistent content than trying to hit 10 or more per month. Instead, 1-4 is a great benchmark, and one post per week a better goal for 2021.

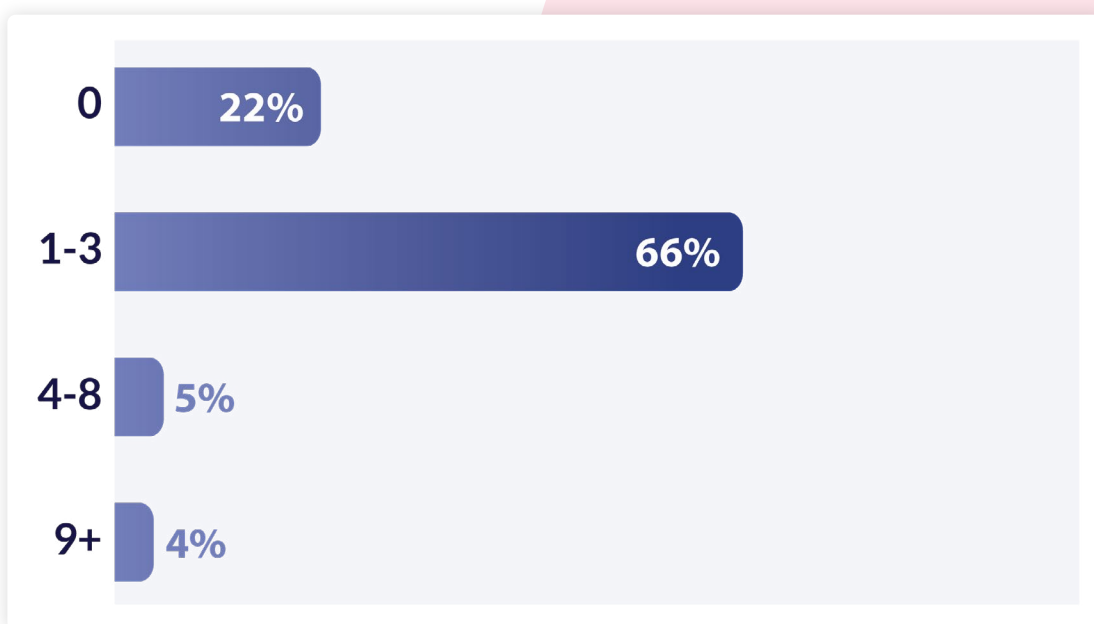
Here, consistency is key for growth.



While all content teams vary in size, posting regularly and consistently is the only way to see your traffic rise steadily and ranking for certain keywords go up. Our in-house writers each have a niche they focus on: marketing, sales, IT, data analytics, AI—you get it. With consistent writing and 2-4 pieces live per month per writer, the niches they write about start to see more and more traffic per article, especially from interlinking earlier pieces they've written.

— REBECCA REYNOSO, CONTENT EDITOR & GUEST PROGRAM MANAGER AT G2

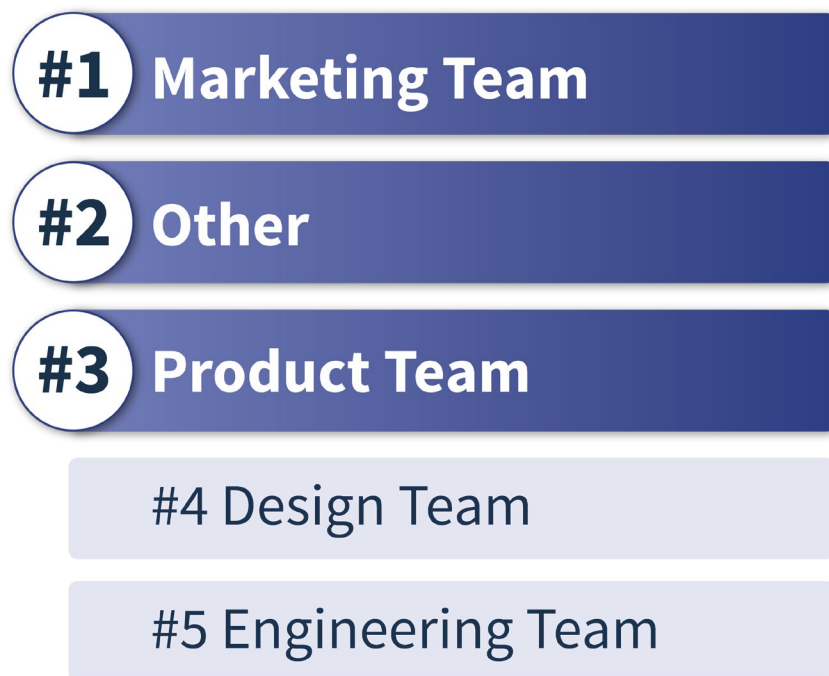
How many people are on your marketing team?



With 66%, the most common size for these startup marketing teams is 1-3 people. Almost 10% have teams with four or more people, and over 20% don't have a dedicated marketing team at all.

As you've seen in the demographics section above, most of the startups represented in these results are small companies. We're not surprised to see companies that size without a marketing team or with a super small one—in fact, we can relate. Here at Unstack we technically have two people on our marketing team.

Who manages your website and landing pages?



Website

Marketing teams own the website for 43% of businesses. The next leading response was “Other,” with just over 23%. The write-in responses indicated that these were—almost exclusively—founders. This many founders and marketers owning the business website is a good indication that no-code alternatives enable businesses to leverage their site as a tool to grow their business.

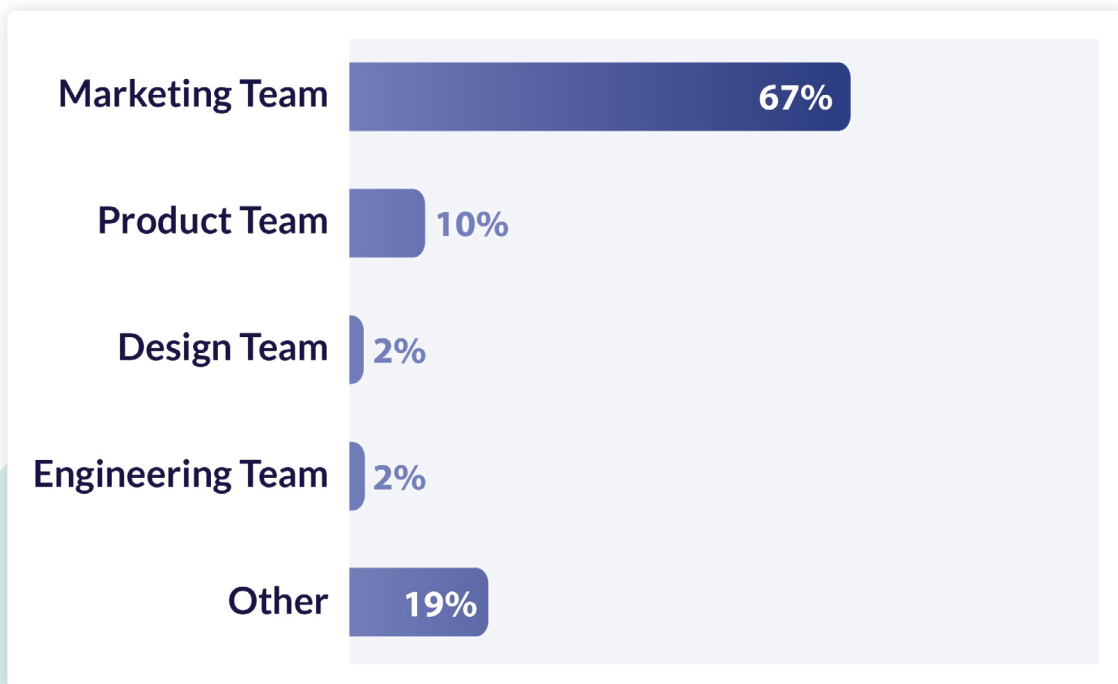
Landing pages

55% of businesses have landing pages run by marketing teams, which makes sense. As we discussed, these are powerful lead generation tools.

Again, the next leading response was “Other,” this time with 20%, and these were almost all founders. Considering the size of companies surveyed, it’s not surprising that many founders own different business functions.

Who manages your content?

Including blogs, videos, downloads, and free tools

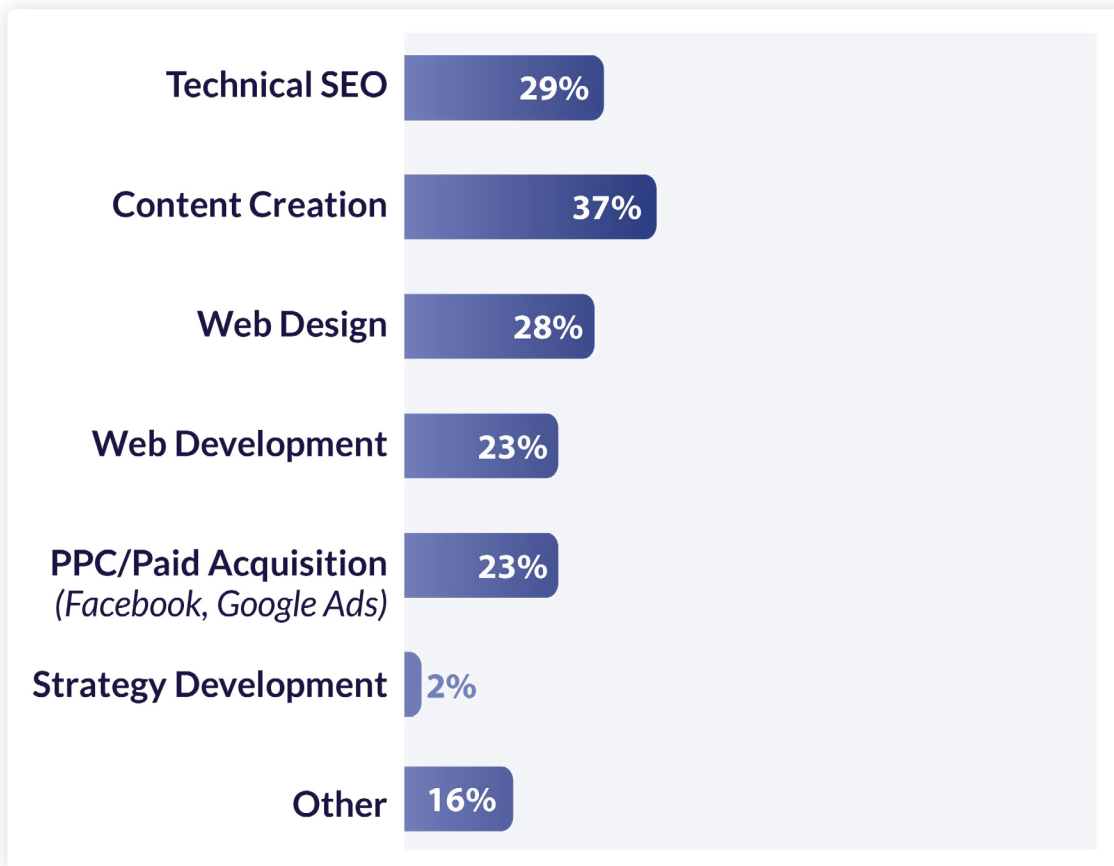


The lead for marketing teams was bigger here, as 67% of businesses reported that this team owned content completely.

The next leading response was “Other” with about 19%, but this time it wasn’t just founders. Leaders—including marketing leaders, C-level, and founders—account for this ownership.

With so many businesses reporting content as a key area for growth, it makes sense that leaders would play a role in content creation and even direction of the strategy. **Still, it’s striking that so many leaders are not only contributing, but owning and executing content creation and distribution**—more on this with the next question, as well.

Which marketing services do you outsource to contractors or agencies?



Content creation and technical SEO are the most common outsourced marketing services, with about 37% and 28% of businesses, respectively, using freelancers or agencies for these tasks.

This makes sense following up on the question above. Leaders on small teams owning content can benefit greatly and save time by using outside help for the execution if you can budget for it.

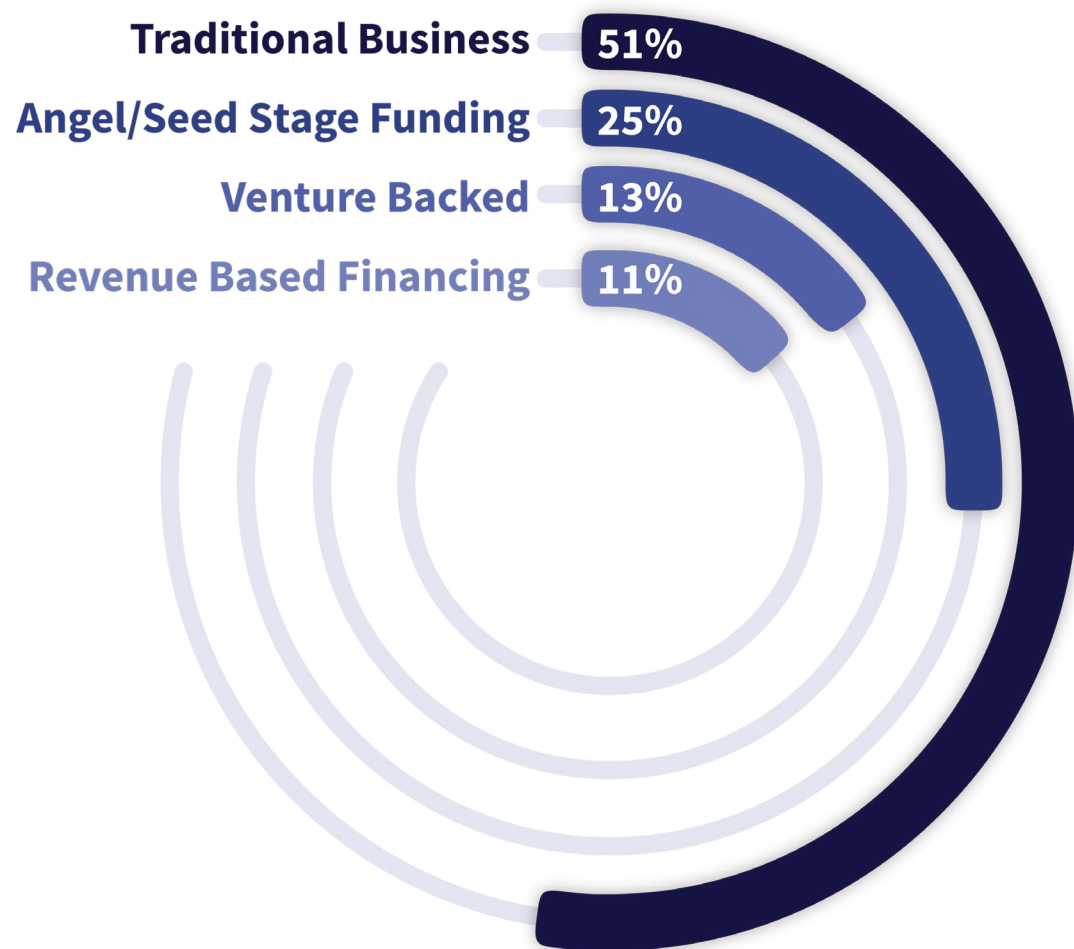
What is your monthly **budget** for outsourced services?



For this question, we wanted to know how much startups have to spend on services—excluding any ad spend.

Budgets for outsourcing services might be the reason why more companies aren't supplementing marketing with freelance or agency resources: Over 30% of respondents report no budget for that.

How have you funded your business so far?



More than half of people taking this survey ran or worked for traditional business, which generally means securing a line of credit with a bank or other financial institution.

About 11% of these businesses have revenue-based finances. This model of financing requires paying a predetermined percentage of revenue to investors until an agreed upon multiple of the initial investment is repaid. Revenue-based financing is also currently gaining traction with certain industries. “With the vast number of SaaS companies out there, or subscription ecommerce companies, that is the perfect type of financing, at least on some level, for those companies,” founder and venture capitalist Elizabeth Yin explained on our podcast.

► [You can listen to the whole episode with Elizabeth here.](#)



Key Takeaways for Startup Marketing in 2021

Lead capture is an enduring challenge—but simple solutions are powerful. This is a common challenge, and focusing on building email capture forms into websites and creating more landing pages can help attract more leads. But more isn't always better when it comes to leads. Using tools like landing pages to learn about visitors and optimize accordingly will not only help you get more leads; it'll also help you learn how to target engaged, qualified leads.

Content and SEO remain priorities for marketers and founders. Content marketing and SEO were key drivers of growth in 2020, and this isn't changing next year. Marketers and founders recognize the value in building brand awareness, establishing authority, and growing a following through strategic content creation. In order for that content creation to work, SEO is an essential investment.

Resources, including time and budget, are valuable—and limited. We work with a ton of startups, and we're a small team here, too. So this isn't a surprise takeaway, but it is important to note in a startup marketing report. Founders and leaders are creating content, building websites, and running landing pages—and that's all time taken away from developing the product, working with customers, running the business, or even raising funding. That means startup marketing needs a solid plan, an effective strategy, and tools that can help save some of the time without taking up too much of the budget.



Get started building with Unstack today. Sign up for our free trial to get started setting up landing pages, optimizing with A/B testing, and measuring your progress with built-in analytics.

Get started



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