ENVY

THE ULTIMATE CYBER SECURITY PPC BENCHMARKS

2023 Edition
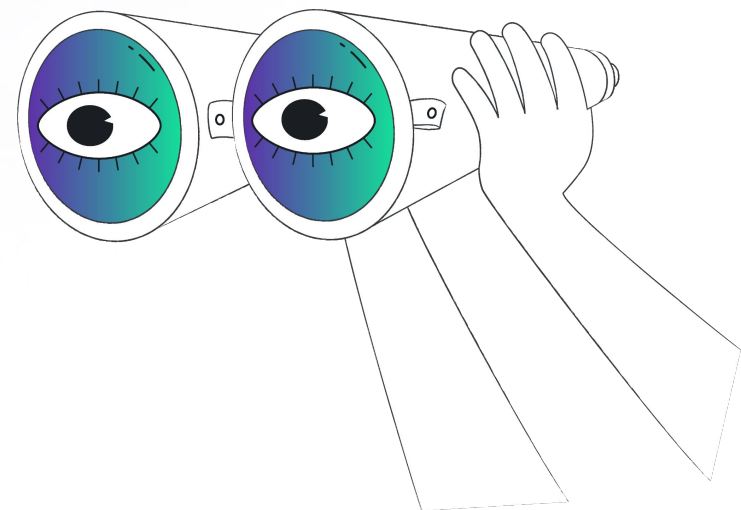
WHAT'S INSIDE

ENVY

ENVY:
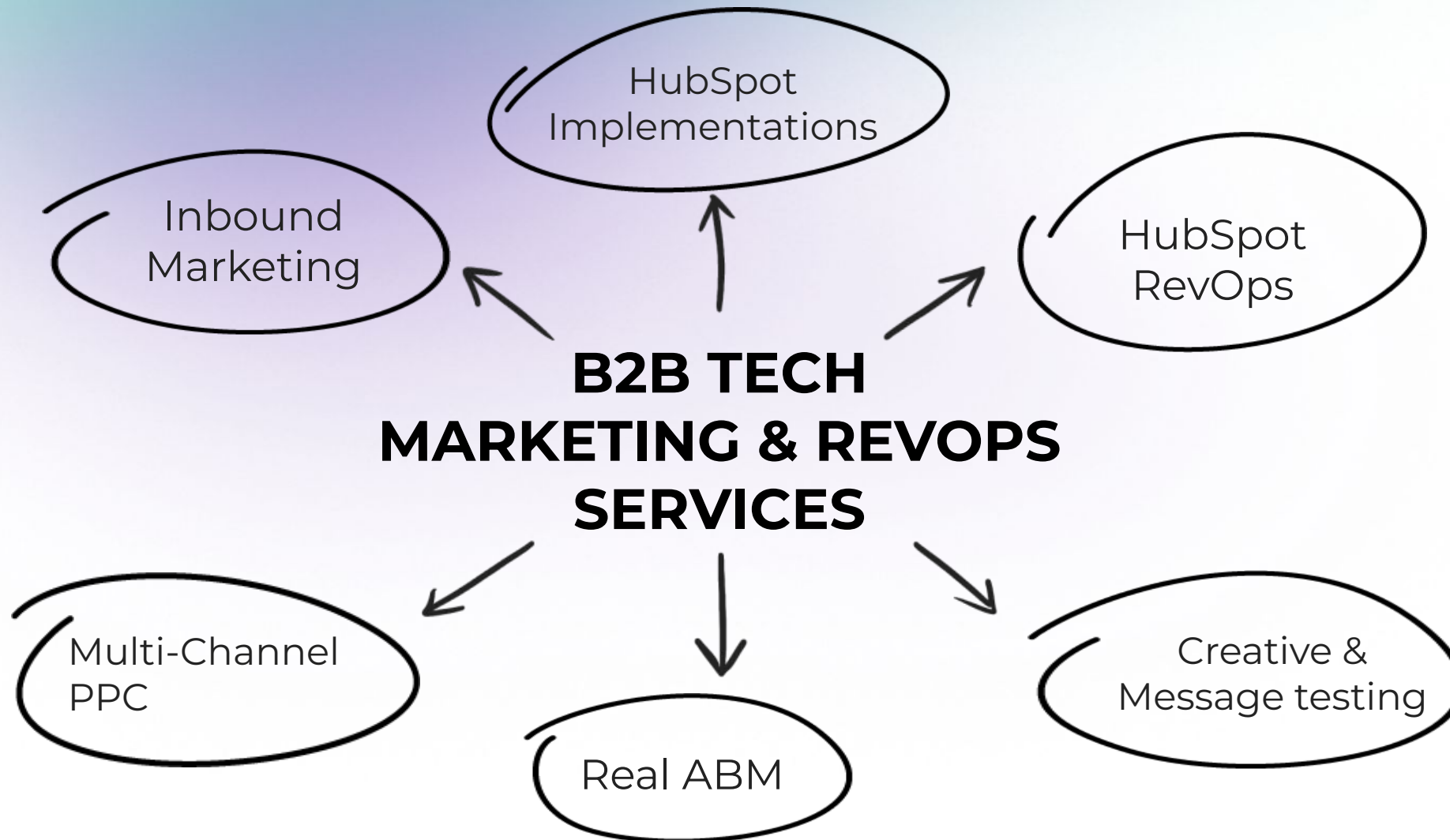## STRATEGY, DIGITAL MARKETING, REVOPS AGENCY.

- B2B tech and startups Est. 2014
- Partners: Billy Cina, Idan Carmeli, Ronit Iaroslavitz, Maya Tako
- 20 employees in Israel, Europe, N. America
- HubSpot Diamond Partner

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ENVIABLE CLIENTS INCLUDE

ENVY

ENVIABLE SERVICES

HubSpot Diamond — Solutions Partner Program

B2B TECH MARKETING & REVOPS SERVICES

- HubSpot Implementations
- Inbound Marketing
- HubSpot RevOps
- Multi-Channel PPC
- Real ABM
- Creative & Message testing

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Welcome to the 3rd edition of
The Cyber Security Benchmarks from Envy

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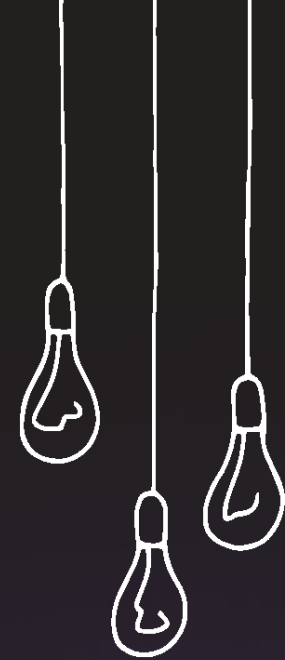
FEW CMOS HAVE A MORE DIFFICULT REMIT THAN CYBER SECURITY CMOS

The market for cyber security has never been more buoyant but neither has the level of competition.

Standing out is extremely hard.

Companies that do not invest in awareness and highly targeted strategies will remain unsuccessful. Spray and pray is not just expensive, it simply doesn't work.

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ABOUT THE CYBER SECURITY BENCHMARKS

We released the original Cyber Security Benchmarks in June 2019 and witnessed the sharp increase in lead generation costs during the pandemic.

We thought that "an economic slump" would cause the prices to return to pre-pandemic rates, but it did not.

As the leading B2B tech marketing & RevOps agency that day in, day out helps cyber security companies reach their goals, we know how challenging it can be to stand out and connect with your target audience.

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ABOUT THE CYBER SECURITY BENCHMARKS CONT.

Every US Dollar, British Pound or Euro dedicated to the marketing budget needs to be signed off in blood, sweat and tears; every Sales Qualified Lead (SQL) secured is a gem. And in 2023, life will not be a piece of cake for the CMO and her/his marketing team:

CEOs under stress are asking CMOs to do more with less:

- Less resources
- Less time to show marketing impact
- Less tolerance for activities that don't show direct impact on pipeline

Marketing teams are being asked to accomplish more with less and, for a CMO, these are challenging odds to overcome.

In Q1 2022, 50% of the C-suite wanted to use marketing to grow revenue; 41% indicated reducing costs and finding greater efficiency as a priority.

The Drum

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ABOUT THE CYBER SECURITY BENCHMARKS CONT...

Demand for cyber security products is at an all time high.
Yet, so is the competition.

And standing out is (almost) mission impossible. Successful companies are investing in:

- Testing their messaging to ensure they know what resonates with their audience
- Building awareness through multiple channels
- Highly targeted strategies as opposed to casting a wide net

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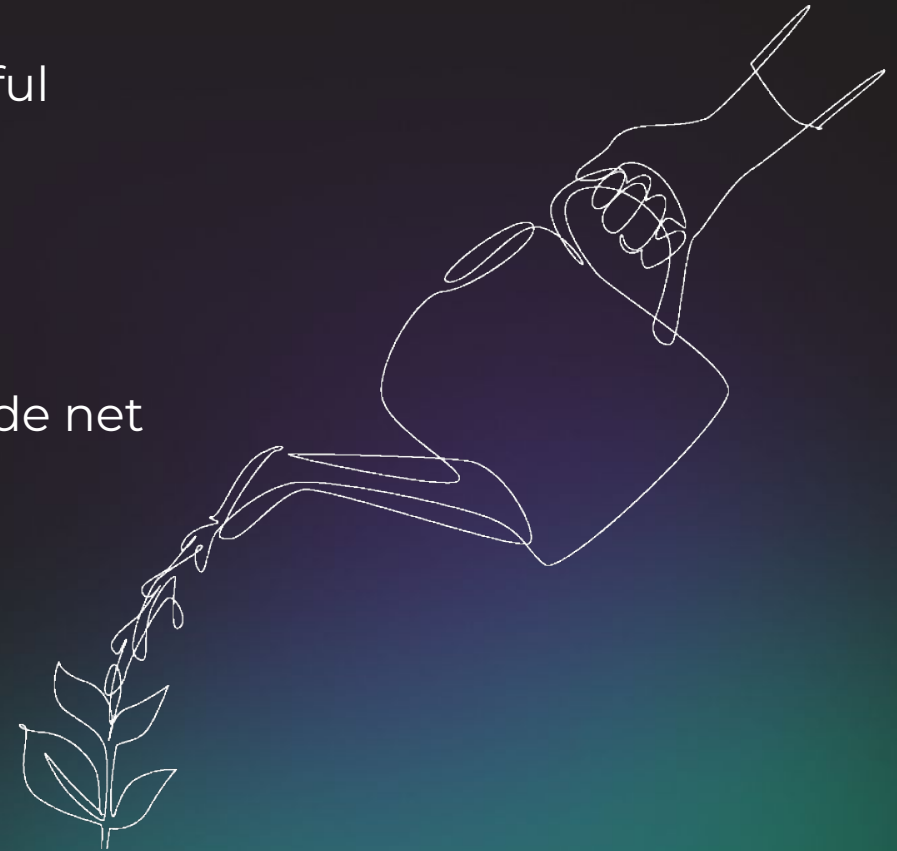
ABOUT THE CYBER SECURITY BENCHMARKS

The aim of this Cyber security PPC benchmark report is to provide you with vital insights to confirm that you are on the right track with your campaign ROI, or are way off and need to adjust.

Data was collected throughout 2022.

We'd love to hear your thoughts and feedback (genuinely 🙂).

Billy & Maya
Envy Managing Partners
(February 2023)

Billy@GoEnvy.io
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METHODOLOGY & SAMPLE

Geography
Cyber security startups and tech companies marketing to English speaking markets (mainly North America)

Platforms
Google Ads, LinkedIn and HubSpot
Note:
1. Facebook has proven to be largely ineffective for cyber sec campaigns 😔
2. Twitter on the other hand started showing very promising results towards the end of 2022. 😃

Campaign duration
Min. 3 months & max. 12 months (during 2022)

Click sample size
Google Ads: 436,000, LinkedIn Leadgen Ads: 32,704

Impression sample size
Google Ads: 10m, LinkedIn Ads: 5m

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SO WHAT'S CHANGED IN CYBER SECURITY MARKETING SINCE JUNE 2021? (PREVIOUS BENCHMARK EDITION)

1

Single channel, single asset success is dead.
Not so long ago, a good ebook and decent demo ads for retargeting on LinkedIn could get you SOME solid leads. This is no longer the case due to...

a. **Gated ebooks must RIP -** It's not THAT easy to get your audience to give you their details.
b. **Awareness is King -** Let them come to you is the desired (and successful) approach.
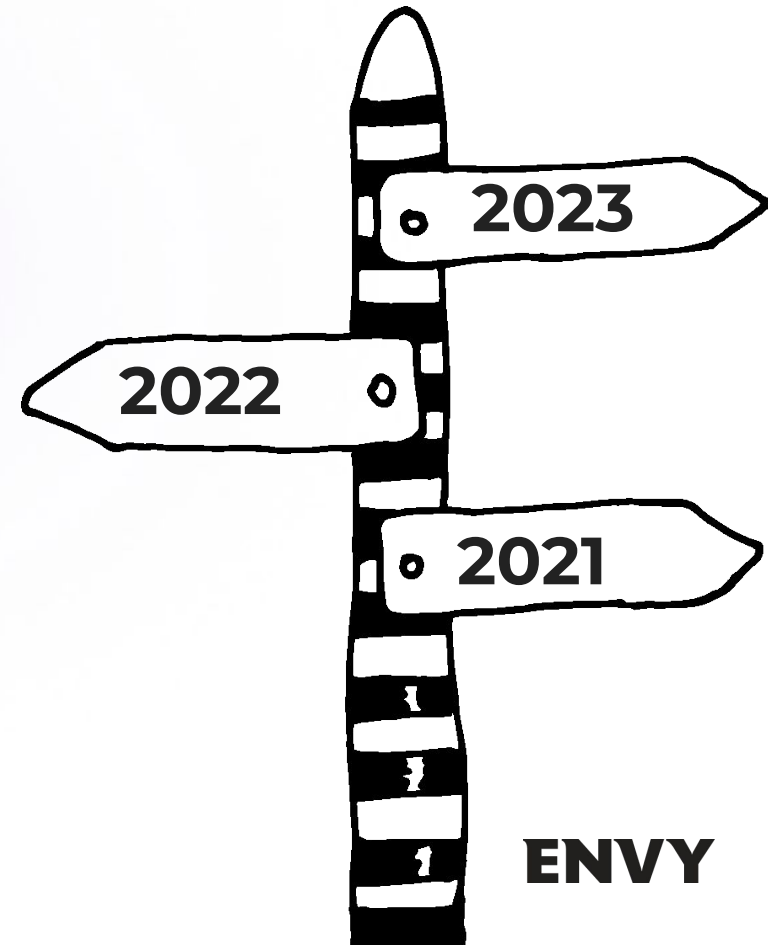
2023

2022

2021

ENVY

SO WHAT'S CHANGED IN CYBER SECURITY MARKETING SINCE JUNE 2021? (PREVIOUS BENCHMARK EDITION)

2023

2022

2021

2
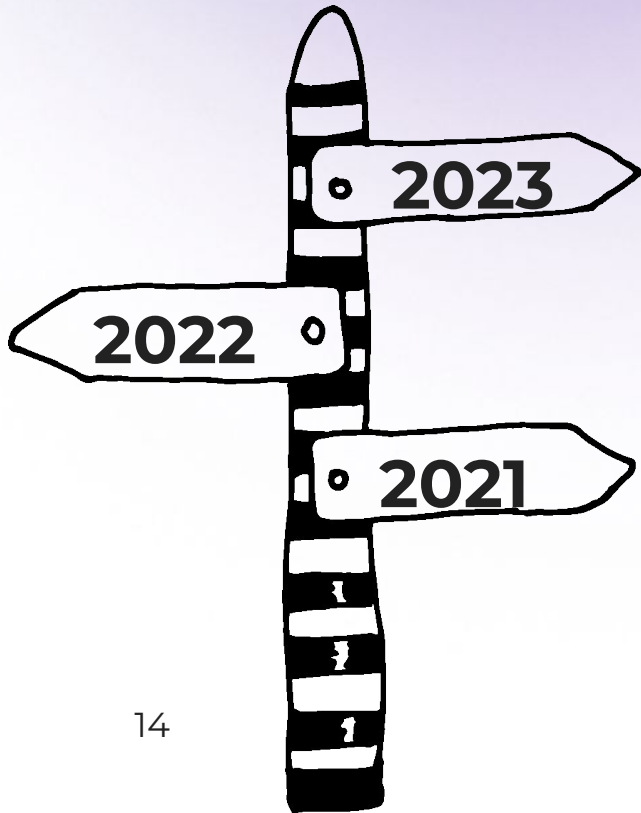
Brand Messaging and awareness - More important than ever and the successful cyber security companies are investing heavily in this, due to point 1.b. above. Your company needs to stand out in a crowd of over ~3000 cybersecurity vendors.

a. **Investment in messaging and branding** - finally!
b. **Changed mix between lead generation <> awareness** – Moving to a ~40:60 mix.
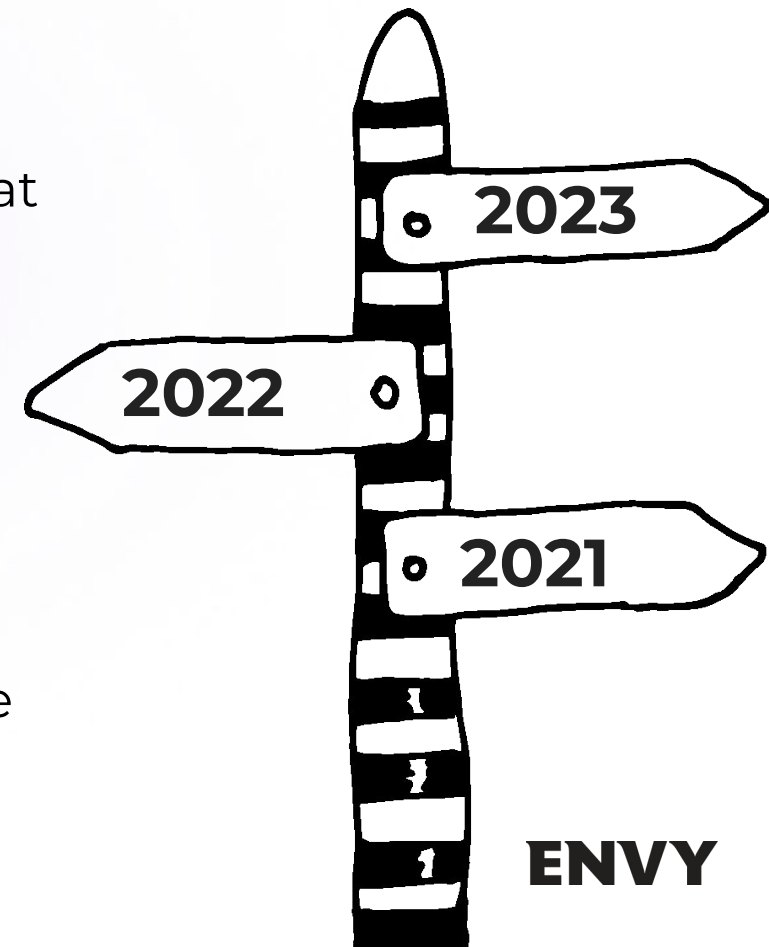c. **The increasing rise of video** – no longer a nice to have.

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SO WHAT'S CHANGED IN CYBER SECURITY MARKETING SINCE JUNE 2021? (PREVIOUS BENCHMARK EDITION)

3
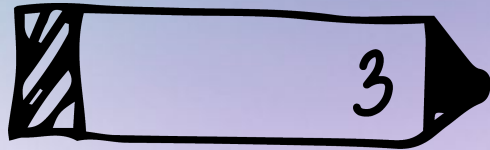
The dark funnel

Has always been an issue, but now C-levels are on board that first touch/last touch metrics are almost irrelevant.

a. **Marketing budget buckets** - Splitting the marketing budget into buckets of
   EVENTS,
   ONLINE CAMPAIGNS,
   OUTBOUND
   to calculate ROI makes more sense.

b. **Attribution tools** – yes, really important to identify those companies who do enter your funnel and how.

2023

2022

2021

ENVY

SO WHAT'S CHANGED IN CYBER SECURITY MARKETING SINCE JUNE 2021? (PREVIOUS BENCHMARK EDITION)

4

Real ABM

The demise of spraying and praying with paid campaigns, tighter budgets and the culmination of points 1, 2 and 3, have driven B2B tech marketers to do more research and select a specific ICP to target.

More in depth explanations can be found [here](#).

2023

2022

2021

ENVY
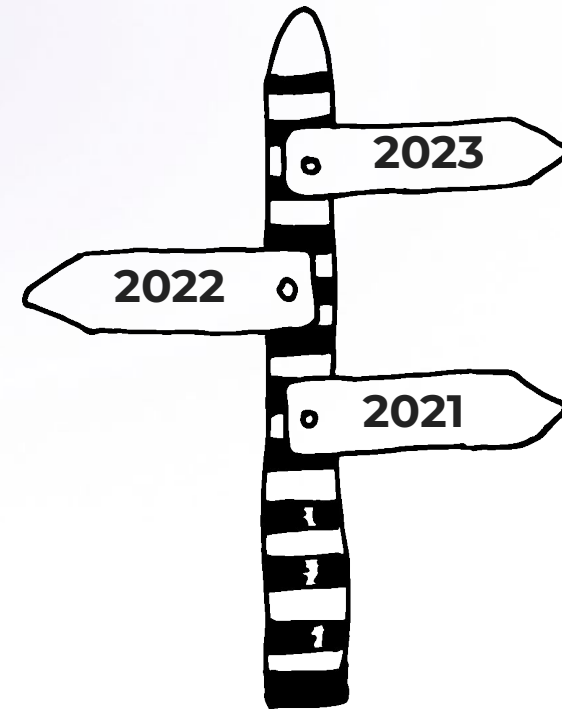
MINIMUM SPEND PER CHANNEL

We're increasing our minimum recommended spend per channel to **$15,000,** here's why:

Post promotion on LinkedIn	$2000
Retargeting	$1000
Leadgen on LinkedIn	$12,000
Ave CPL $250	48 leads
10% - 20% Lead to MQL	4 - 8 MQLs, monthly*

*Now do the maths for any budget under that.

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Let's get down to
the benchmark numbers

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GOOGLE ADS

Cyber Security Campaign Benchmarks

ENVY

CYBER SECURITY CAMPAIGN BENCHMARKS: GOOGLE SEARCH

Have not changed significantly since 2021

CTR
Click Through Rate

Median **4%**

CPC
Cost Per Click

Low **$1-5**

Median **$10-20**

High **$30-50**

CTR: Excludes brand name search. Anticipated numbers are low due to many bidders on each search term, so there is no dominant contender. But each click will be highly relevant, high intent.
Video and graphic content receives highest CTRs.

CPC: Bottom of the funnel (high intent to buy keywords) will be the most expensive. For example, 'Online Brand Protection' is between $11-$97, while 'Domain Brand Protection' is between $7-$42.
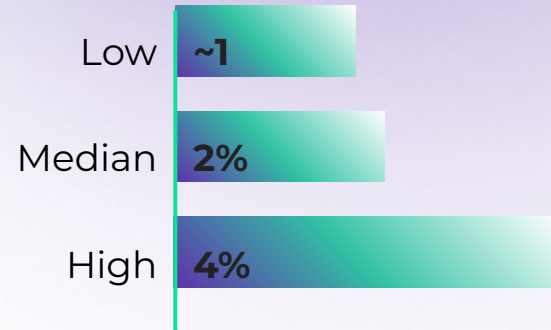
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CYBER SECURITY CAMPAIGN BENCHMARKS: GOOGLE SEARCH

CVR

Slightly decreased since 2021

Conversion Rate

Low	~1
Median	2%
High	4%

CVR: These will vary significantly between the types of offers. An eBook download, free tools or videos will have a higher CVR. Request a demo or meeting will always drive lower CVR as it is considered 'prime' interest or intent.

We recommend optimizing based on conversion to MQL or SQL or Opportunity as opposed to the primary CVR to lead.

CPL

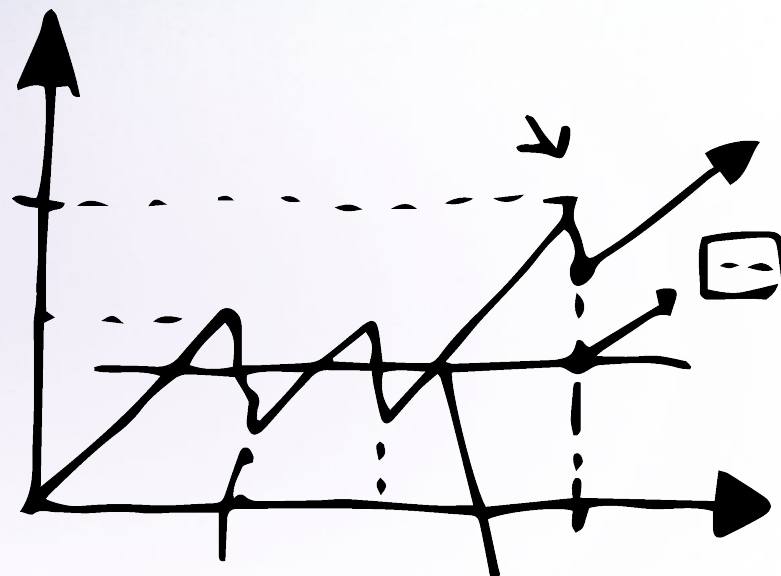*Not much change since 2021*

Cost Per Lead

Median	$150 - 250
High	$550 - 700*

*Highly competitive keywords and demo requests

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CYBER SECURITY CAMPAIGN BENCHMARKS: GOOGLE ADS

CRL to MQL**

Conversion Rate from Lead to Marketing Qualified Lead

Median **20 - 25%**

** This is increasingly difficult to benchmark as each company has a different way to qualify an MQL.
If your lead scoring is based on demographic and behavioural indicators, Google will drive the lowest cost MQLs.
Google becomes a cheaper channel the further down the funnel you go. ie, Opportunities derived from Google will be cheaper than those derived from LinkedIn.

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LINKEDIN ADS

**Cyber Security
Campaign Benchmarks**

ENVY

CYBER SECURITY CAMPAIGN BENCHMARKS: LINKEDIN ADS

CTR
Click Through Rate

Median	0.6 - 0.8%

CPC
Cost Per Click

Low	$7
Median	$10
High	$34

10 - 30% increase since 2021

CTR: Much like Google, the magic number to aim for is 1% CTR. However, LinkedIn is far more sensitive to low CTR, so if your CTR is dropping below 0.6%, it is time to change your ads.

LinkedIn is also increasingly becoming an awareness platform supporting wider marketing activities.

CPC: Expect to pay more for CISOs and significantly less for more junior security personnel. CTR is key to keeping CPC low.

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PPC CYBER SECURITY BENCHMARKS: LINKEDIN ADS

CPL: This is considered the holy grail of all metrics. …. but it shouldn't be. Why? Because it is really easy to bring cheap leads that are actually irrelevant and will never convert…. as mentioned earlier. LinkedIn performs incredibly well as an awareness platform, as opposed to leadgen.

Cost Per Lead - Lead Generation*

Low $50 - 100**

Median $200 - 250

High $350 - 600

*Depends greatly on offer. For example, eBook download vs. request a demo. Recent trends show a shift to request a demo together with ebook promotion due to difficulty in converting to MQL based on asset download only.
** HUGE brands and / or excellent asset only will derive such a low CPL

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PPC CYBER SECURITY BENCHMARKS: LINKEDIN ADS

Cost per MQL & CVR to MQL

Your guess is as good as ours. There are too many factors influencing the conversion rate, for example:

1. How a company scores MQLs/SQLs/Opps
2. Level of awareness - startup vs. established company
3. Campaign creative and messaging - hitting the nail on the head or not
4. How long campaigns have been running & on how many channels. Multi-channel campaigns tend to be cheaper
5. Who is running the campaigns - novice or professionals
6. Nurture paths - optimized/not;
7. SDR & sales' involvement in the nurture process
8. Much More

Companies running only LinkedIn campaigns are going to have extremely low CVR and high CPMQL, whereas those running multi-channel campaigns will find it easier and cheaper to convert.

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AWARENESS APPROACH: **ENGAGEMENT ROUTES**

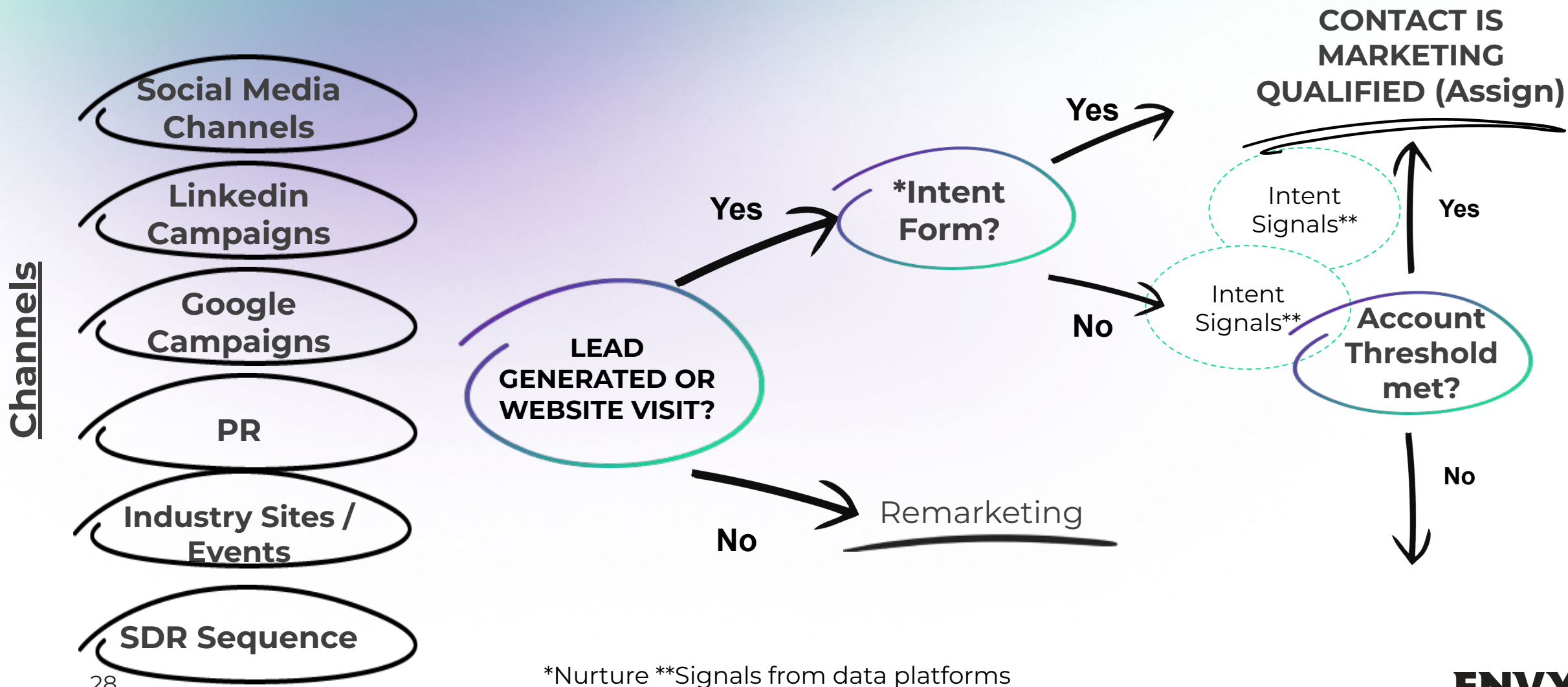The death of the single asset promo, push for a demo has lead to the Awareness Approach.

Show multiple pieces of content to the same audience as part of the engagement journey. **Educate. Entertain.**

Each one is a stepping stone to the audience becoming interested enough to check out your product…. **When they are ready!**

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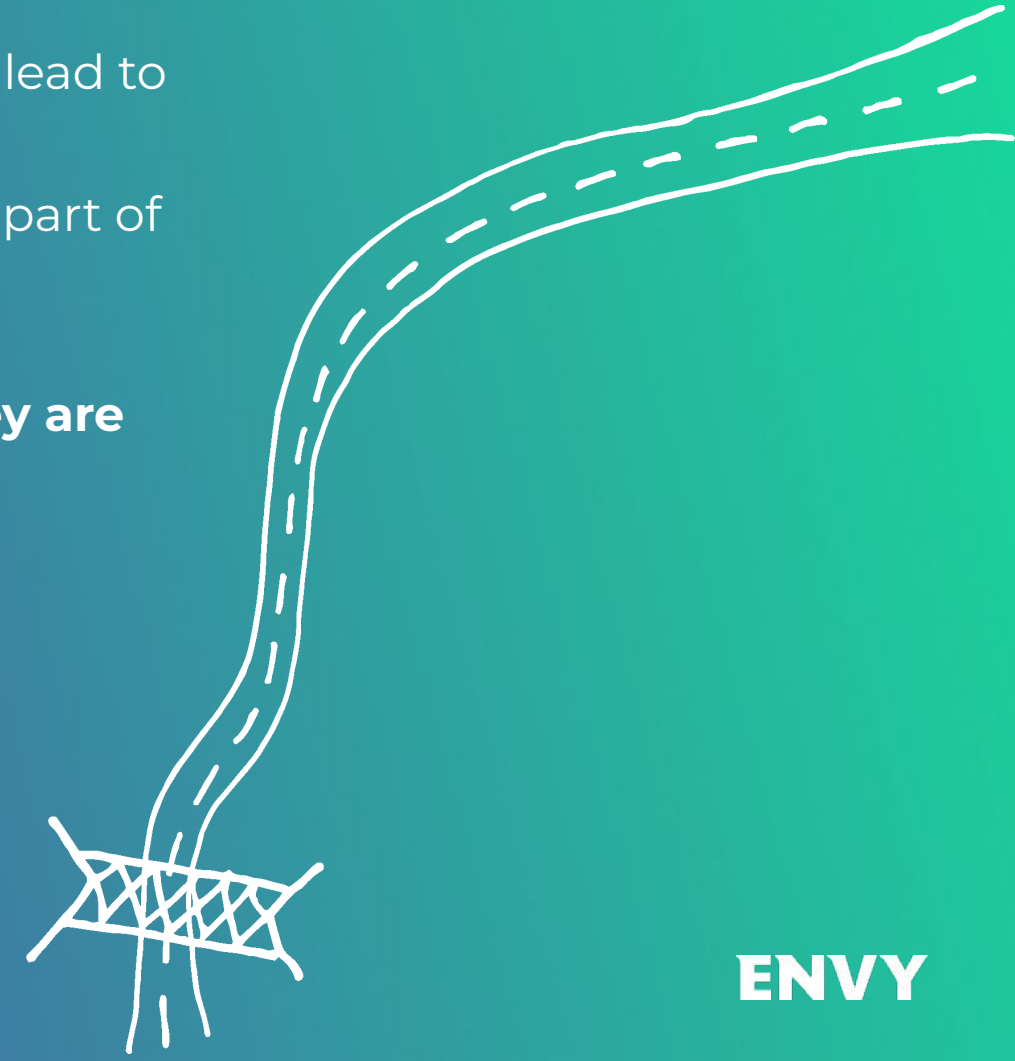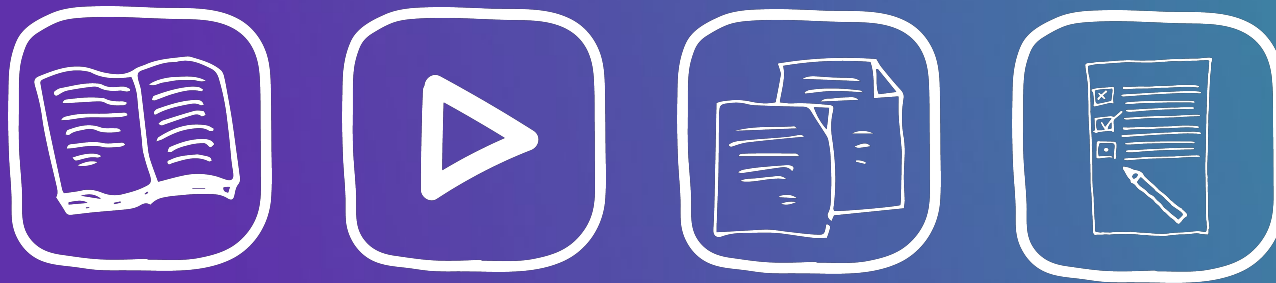
CYBER SECURITY CAMPAIGN BENCHMARKS:
AWARENESS APPROACH, **ENGAGEMENT ROUTES**

Channels

- Social Media Channels
- Linkedin Campaigns
- Google Campaigns
- PR
- Industry Sites / Events
- SDR Sequence

LEAD GENERATED OR WEBSITE VISIT?

Yes → ***Intent Form?**

No → Remarketing

*Intent Form?
- **Yes** → **CONTACT IS MARKETING QUALIFIED (Assign)**
- **No** → Intent Signals** / Account Threshold met?

Intent Signals**

Account Threshold met?
- **Yes** → **CONTACT IS MARKETING QUALIFIED (Assign)**
- **No** → ↓

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*Nurture **Signals from data platforms

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LETS BREAK IT DOWN ON ABM.....⬇

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WHAT'S ALL THE FUSS ABOUT ABM????

ABM is the strategic approach to business marketing that emphasizes specific target accounts within a market and utilizes highly personalized campaigns in order to spark interest and generate engagement and then leads.

In short, it's nothing new.

This is what B2B marketers have been (or should have been) doing for years.

Standing out is extremely hard.

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FROM LEAD GENERATION   TO ABM APPROACH

Lead Generation	Account Based Marketing
Buyer Personas	Ideal Customer Profile (ICP)
Target Market / vertical	Target Account List (Specific companies)
Lead Score	Account Engagement Score
MQLs	Marketing Qualified Accounts
Attribution to source of lead	Split attribution between touch points
Sales Pipeline	"Target Account" Pipeline
Measure New Leads	Measure Engagement from Target Accounts
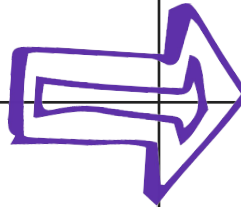
Focus on Lead Quantity & Marketing Funnel   **Focus on *strengthening relationships* as the core of the sales process**

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WHAT THIS LOOKS LIKE

Identifying ICP
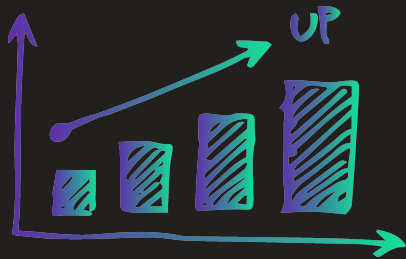
Setting KPIs & Measurement
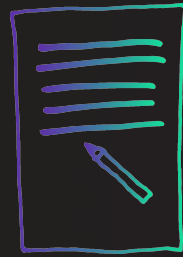
Content Audit & Funnel

Deciding on Data
Intent Data and Media Suppliers

Marketing <> Sales Alignment:
When are leads flagged to sales?

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SETTING KPIs & MEASUREMENT

Understanding campaign objectives, building campaign plan and estimations to support it.

Get channels to work together in order move the lead along in the funnel.

ENGAGED

MQL

SQL

OPP

PAYMENT

ENVY
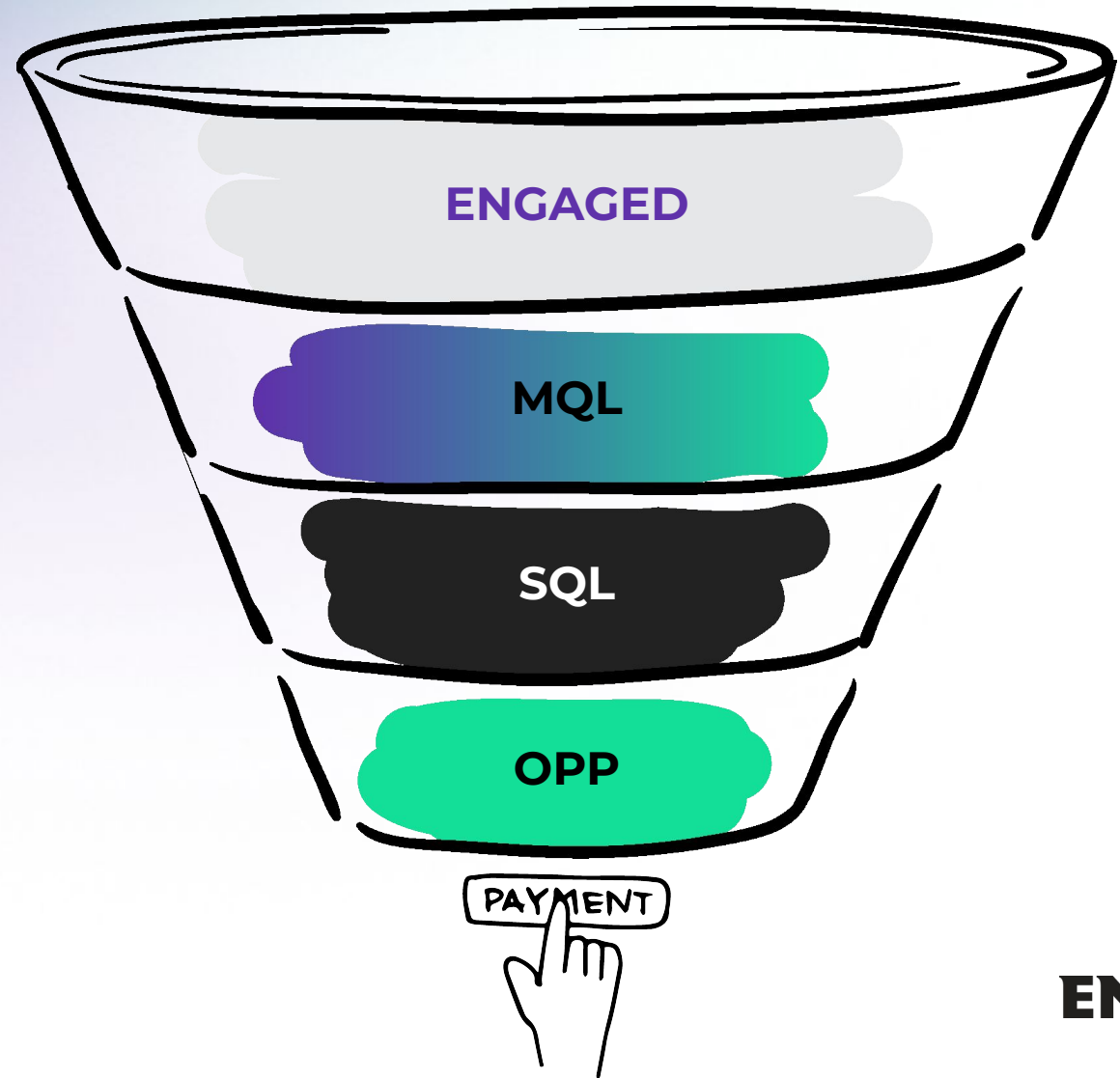
SAMPLE ABM STRATEGY

Target List / Segment → LinkedIn / Google → Leadfeeder Identified Visit → SDR Sequences / Sales team

LinkedIn / Google → Content Download → Nurture → Demo Requests

Website Traffic → Leadfeeder Identified Visit → Target List / Segment

Nurture → Digital campaigns

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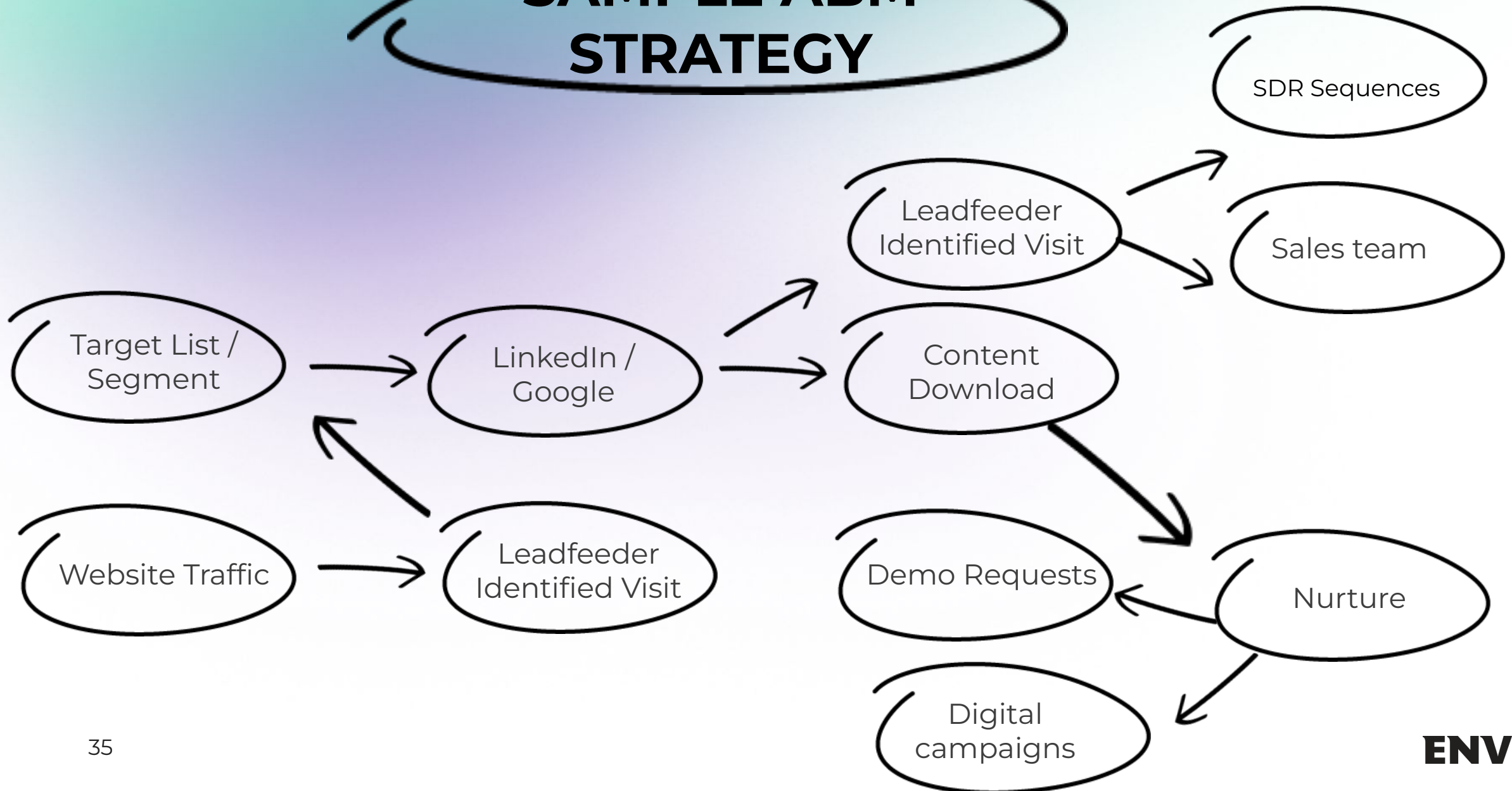
It typically takes 2-3 months to validate and reach the right messaging and creatives and to start seeing results from ABM campaigns

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BONUS MATERIAL

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BONUS MATERIAL

- How to calculate your PPC/PAID campaign budget
  - Google
  - LinkedIn
- Getting your B2B marketing budget approved
- Cybersecurity marketing essentials
- Knowing your cybersecurity audience
- Creating value for CISOs
- Everything you need to know about ABM
  - Lots of info here
  - ABM Metrics

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CALCULATING YOUR PPC / PAID CAMPAIGN BUDGET

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GOOGLE ADS: CALCULATING YOUR REQUIRED BUDGET

01
Use free tools such <u>Ubersuggest</u> or <u>Google Ads Keyword Planner</u> to find the most relevant keywords, their monthly search volume and their cost per click.

02
Use Google Ads Forecast tool to define the CTR. If not available, as a rule of thumb, use a 1% click through rate to forecast the number of clicks for your campaign.

03
Multiply the forecasted number of clicks per keyword by the estimated cost per click (CPC).

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GOOGLE ADS: CALCULATING YOUR REQUIRED BUDGET

Minimum Campaign Budget Calculations:

Calculation Example

- Keyword: "Cloud Security Providers"
- Calculations: 210 * 1% = 2.1 (estimated clicks)
- 2.1 * $47.58 (estimated cpc) = "Cloud Security Providers" campaign keyword cost

Keyword	Avg. monthly searches	Estimated CTR	Forecast Clicks	Estimated Avg. CPC	Estimated Total Cost
cloud security providers	210	1.00%	2	$47.58	$99.93
cloud security services	390	1.00%	4	$65.32	$254.76
cloud security solutions	590	1.00%	6	$35.85	$211.52
cloud security companies	480	1.00%	5	$23.45	$112.56
cloud security vendors	140	1.00%	1	$31.94	$44.71
cloud security review	10	1.00%	0	$20.09	$2.01
cloud security systems	110	1.00%	1	$39.73	$43.70
cloud security whitepaper	20	1.00%	0	$46.88	$9.38
cloud security comparison	10	1.00%	0	$48.93	$4.89
Total	**1960**	**1.00%**	**20**	**$39.97**	**$783.45**

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GOOGLE ADS: CALCULATING YOUR REQUIRED BUDGET

Keyword Performance Evaluations:

In order to evaluate if a keyword is working well for you, you'll need to get at least 100-200 clicks for this keyword.

Campaigns should run and be optimized throughout, for 3-6 months before evaluating if the channel is working well for you.

Minimum Monthly Budget Recommendation:
We recommend a **minimum of $10,000 - $15,000** per month, per market, per channel, for at least 6 months!

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Linked in ADS:
CALCULATING YOUR REQUIRED BUDGET

Important to know:
The cost of LinkedIn Ads is dictated by your target market, target audience and down the line, your ad's performance.
For example:

CISOs in the US
can cost between $42-$100 per click*

Security Admins in the US
can cost between $30 - $82 per click*

*More than double since 2021

LINKEDIN ADS: CALCULATING YOUR REQUIRED BUDGET

Estimated Campaign Price Calculation:

1. Define 2-3 sets of audiences (e.g. CISOs & Cyber Security Analysts).

2. For each audience type build your targeting to calculate estimated audience size.

3. As a rule of thumb, use 0.5% click through rate to get the number of estimated impressions.

4. Multiply your estimated impressions by clicks.

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THANK YOU

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