Tech CEOs: Generative AI Can Make Sales and Marketing More Efficient

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Tech CEOs heading into the product-market-fit stage have clear opportunities to apply generative AI to inject speed into baseline sales and marketing operations. This research presents key use cases to adopt.

Overview

Key Findings

- Content creation is consistently conveyed as the top use case for generative AI
 (GenAI) in support of marketing efforts providing startup CEOs with significant
 opportunities to operate with greater effectiveness and throughput in terms of their
 content strategy.
- GenAl offers startup CEOs the opportunity to save time and resources in the development and delivery of sales training content, making onboarding sales hires and sales processes more efficient.

Recommendations

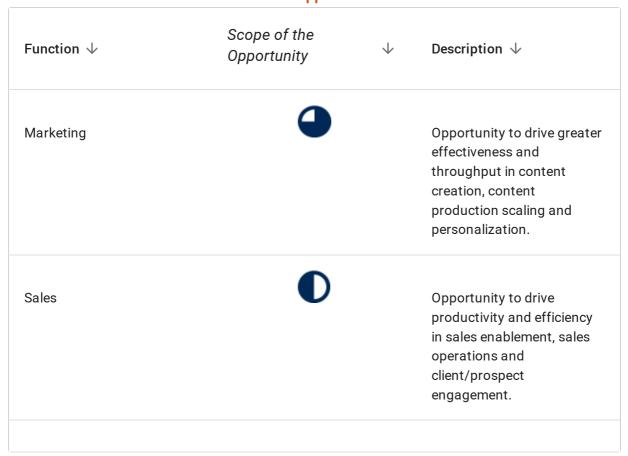
Startup tech CEOs seeking to accelerate through product market fit (PMF) stage, leveraging GenAl for marketing and sales execution, must:

- Boost content creation efforts by leveraging GenAl through three key themes: foundational content creation, content production scaling and content personalization.
- Improve sales process efficiency by implementing use cases such as sales enablement, operations and prospect engagement leveraging GenAl technology.

Analysis

Early-stage startup tech CEOs pursuing product-market fit have an opportunity to leverage GenAl technology to impact productivity and efficiency in two key functions of their business: sales and marketing. This opportunity should enable the path to scale up phase much faster than previously possible. Table 1 provides a summary of GenAl-driven opportunities.

Table 1: Product-Market Fit GenAl-Driven Opportunities



Source: Gartner

Startup CEOs Realize Increased Scale and Throughput for Marketing Content Through GenAl

Strategic Planning Assumption: By 2025, GenAl will enable startup CEO organizations to create marketing content and collateral (in terms of volume, variety and velocity) only previously possible by organizations larger in scale.

For startup companies, limited resources in the marketing team, sales team and sales enablement team that can execute lead generation, a content marketing strategy/plan, a social media presence and a bare-bones website. Each of these needs requires time, talent and funding to realize, as startup CEOs tread through to reach product-market-fit phase with the aim of achieving scale. GenAl will reduce the time and costs, as well as improve the quality of all of these deliverables.

According to the 2023 Gartner Technology and Service Provider GenAl Survey, 49% of technology provider leaders utilizing GenAl or considering utilization in the next six months will use GenAl for content marketing and 40% will use GenAl to generate sales or technical enablement material. Thirty percent will use it for sales representatives or sales development representatives developing prospecting emails (see Figure 1).

Figure 1: Generative Al Use Cases

Generative AI Use Cases

Percentage of Respondents



n = 43 technology provider leaders utilizing or considering utilization of generative AI in the next six months

Q: What generative AI use case(s) is your company currently implementing/planning to implement? Source: 2023 Gartner Technology and Service Provider Generative AI Survey Note: Gartner's Research Circle members and external participants. 799290_C

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This shift will enable startups, especially those composed primarily of engineers, to develop marketing and sales content much more rapidly. Marketing resources will still be necessary, but the profile of these resources will change to be fewer in volume but more senior in terms of experience. Buyer enablement content presents startup tech CEOs with three central use cases to leverage GenAI, including content creation, content scaling and content personalization.

GenAl-Leveraged Opportunities in Marketing for Startup CEOs

Content Creation

GenAl can be a significant enabler for tech CEOs by accelerating the ideation and production content creation efforts for all formats and media. Gartner finds that text content creation is an expectation of all leaders leveraging GenAl, followed by 33% leveraging for image creation, 9% for video creation and 7% for audio creation. ¹ Text and image content creation are the most broadly adopted use cases, and tech CEOs can depend upon GenAl to enable content creation in these areas at a greater volume, variety and velocity than they would otherwise be capable of. Numerous tools support tech CEOs and their goals — see Tool: Vendor Identification for Generative Al Technologies for a use-case-centered directory of tool and application providers that support content creation, among other technology-related use cases.

Content Production Scaling

Startup tech CEOs' limited resources can impede their ability to create content with a consistent cadence at scale. GenAl can provide significant leverage to tech CEOs in this context. Blog posts are a common content type leveraged by startups due to the low cost and rapid time to production. Gartner finds that tech CEOs rate blog posts as a Top 5 performing content type in terms of marketing-qualified lead generation (see Tech CEOs: Use Marketing Benchmarks to Set Baselines for Channel, Call-to-Action and Content Decisions).

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Blogs are a great example for GenAl's ability to facilitate content production scaling. Tools such as Bing Compose provide tech CEOs with a no-cost offering to create specialized content, including blog posts. ² These tools can facilitate content creation through prompts, like "Act as the CEO of a startup provider of business intelligence tools and create a blog post addressing the importance of data storytelling within your business intelligence platform." However, in the context of production scaling, tech CEOs can also direct these tools to create follow-up content from prior posts. An example would be reviewing the feedback or comments from a prior blog post and leveraging GenAl to create a subsequent blog, continuing the conversation from the prior post with a few key reflections. An illustrative example prompt would be: "Act as the tech CEO of a startup provider of a business intelligence platform and create a blog post that relates to <*URL* of *original post here*> while speaking about data storytelling for a virtual or distributed workforce." GenAl enables tech CEOs to address common shortfalls in terms of content publication cadence at scale by creating content that extends the conversation of existing first- and third-party content.

Content Personalization

As tech CEOs seek to maximize relevance to prospective buyers, they must look for opportunities to personalize content at a low cost and with limited effort. GenAl enables tech CEOs to do this through content atomization and content contextualization.

- Content atomization places one piece of content as a centerpiece to create derivative content. An example may include leveraging a previously created white paper and prompting a GenAl tool to create a set of three blog posts, an outreach email with a call-to-action referencing the white paper and a social media post. Startups can leverage atomization to rapidly develop derivative content from webinars for other regions and content form factors. Atomization leverages GenAl to create derivative content for different personas or marketing channels.
- Content contextualization leverages existing content to create a subsequent version that is personalized for a new audience, role or geography. GenAl tools give tech CEOs the opportunity to use existing information to create contextualized content in a translated language (e.g., creating a version of your white paper for another geography) or in a personalized segment (e.g., creating a variant of your white paper for a healthcare client), leading to more effective targeting and more qualified lead generation. However, such machine-generated translations may not be accurate, hence a review and oversight is required before publishing.

As illustrated, GenAl enables startup tech CEOs to operate at a scale that exceeds their established marketing team size and experience. GenAl equips startup tech CEOs to more effectively compete in terms of their content strategy and delivery as they increase their content volume, variety and velocity to better support demand and lead-generation activities.

GenAl Offers the Opportunity for Increased Sales Productivity and Efficiency

Strategic Planning Assumption: By 2026, GenAl will enable startup CEOs to spend 60% fewer resources in development of training content and delivery used for onboarding sales hires.

Strategic Planning Assumption: By 2026, GenAl will enable startup CEOs to reduce their sales cycle time by 30%.

Startup CEOs can leverage GenAl technology to affect the most vital parts of the sales cycle, including lead generation, nurturing and insight generation. As per High Tech CEO Benchmarks, for technology companies with revenue under \$10 million, the average sales (new hire) ramp-up time to productivity averages nine months. The average ramp-up time of new sales hires in startups is much higher than in a well-established company because of lack of resources, time bandwidth, as well as due to low to no knowledge base to tap in to. GenAl technology can help reduce the time and effort required to develop training content as well as delivery used for onboarding new sales hires. For startup CEOs, GenAl can also affect the following three activities within the sales process:

- Sales Enablement
- Sales Operations
- Engage Directly/Indirectly in the Selling Process or Augment Salespeople

GenAl Leveraged Opportunities in Sales for Startup CEOs

Sales Enablement

Leveraging GenAl technology offers startup CEOs an opportunity to boost their sales productivity and efficacy metrics by affecting the following sales enablement tasks:

- Sales Onboarding and Training
- Enablement Content Creation

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Enablement Analytics and Insights

Sales Onboarding and Training: New hires in sales go through onboarding and training to gain the requisite skills and product, process, target customer and market knowledge. Startup CEOs could potentially look at creating GenAl-powered sales training for simulations and role-playing scenarios to train new hires in various sales situations. Such training could be taken at any time and self-paced. This technology would likely free up productive hours of tenured salespeople who usually conduct such training sessions, as well as have a positive impact on new hires' time to being quota-bearing or time to productivity.

Enablement Content Creation: Startup CEOs, generally have limited resources and sales enablement leaders, and do not have a full-fledged team. And if they do have a full team, it's lean and always lacks the resources and time it requires. Due to this challenge, startups struggle to create high-quality content to suit different scenarios and needs in a timely manner. Startup CEOs can use GenAl technology to create (with oversight) written content for collateral and programs much faster, as it can create original media content (like training videos), create personalized emails (based on CRM, LinkedIn, company website's data), design presentation slides (as design is not a common skill of a sales reps), among other things. Technology that supports resource-deficient teams would help alleviate a big challenge of creating quality sales enablement content.

Enablement Analytics and Insights: Startup CEO's sales teams must leverage analytics and insights to understand the impact of change-in-pricing in the commercial organization and also across customer buying groups. Sales enablement teams at startups can leverage the data gathered over the years and use GenAl to assess the effect of such changes by running simulations across various scenarios. GenAl-based tools can analyze market conditions, effect of price variations in relation to competitor pricing and buyer behavior to recommend optimal pricing strategies. This approach ensures products and services are competitively priced while maximizing revenue. This could result in a very powerful tool that could be used in competitive situations. In addition, GenAl-based tools can also help analyze sales interactions to coach sales reps either real time or in retrospect, analyze prospect data (multiple sources in respect to ideal customer profiles [ICP], buyer personas, etc.) to help in lead prioritization/scoring.

Sales Operations

Leveraging GenAl technology offers startup CEOs an opportunity to make their sales operations more efficient, thereby leading them to be more agile and responsive to customers' needs and changes in market conditions. Startup CEOs could then leverage GenAl for sales forecasting and insight generation, as well as the sales process.

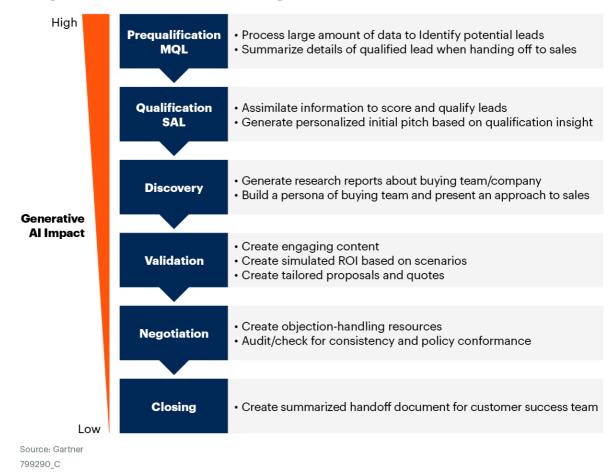
Sales Forecasting and Insight Generation: Startup CEOs who have maintained a robust database of good-quality, clean data, capturing various parameters and metadata have a great opportunity to leverage GenAl in assisting them in accurate sales forecasting. Startups CEOs can use GenAl to analyze historical sales data and market trends to generate sales forecasts. This strategy would help startup CEOs in planning, budgeting, resource allocation and goal setting.

Startups can use several data sources, such as customer feedback from their experience in using the products, feedback and chatter in public platforms, product reviews in various sites, to generate insight about buyer behavior and expectations, product capability gaps, market trends, and competitive analysis. Startup CEOs could then use GenAl technology to process and analyze such data to generate insights.

Sales Process: GenAl offers startup CEOs the opportunity to affect the time and effort/resources required to move cases from the prequalification stage to the closure stage. Startup CEOs could use GenAl to process and analyze large amounts of data (e.g., a lead-generation database sourced from a third party) to identify potential prospects based on filtering criteria, such as ICP criteria. This tactic could make the whole sales process more efficient for startup CEOs. Figure 2 lays out the possible usage areas of GenAl across the sales process. The impact of GenAl will likely be more in the early stages of the sales process (prequalification, qualification, discovery) than in the late stages.

Figure 2: Usage of Generative Al Across Stages of Sales Process

Usage of Generative AI Across Stages of Sales Process



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Engage Directly/Indirectly in the Selling Process or Augment Salespeople

Startup CEOs can also use GenAl technology to impact sales more directly, through virtual sales assistants and by augmenting their salespeople.

Virtual Sales Assistants: GenAl-powered virtual sales assistants (or chatbots) that are specifically trained on startup CEOs' products can directly engage prospects and answer their questions, clarify their doubts, guide them through a demo (in the metaverse or in their site) and help move such prospect cases forward in the sales process. This technology could potentially shorten the sales cycle.

Augment Salespeople: Virtual sales assistants can also be internal-sales-facing conversation assistants to salespeople. Such GenAl-powered assistants could help boost the productivity of salespeople (including sales engineering or solutions people) by being their assistant in every step of the way in the sales process. This technology could assist in fetching any kind of information, such as looking up the prospect's annual reports, profile on LinkedIn and other information from social media. It could also assist in executing tasks such as summarizing notes, sending follow-up emails, posting in CRM systems or spreadsheets, or supporting account servicing and management tasks.

Conclusion

Early-stage startup tech CEOs who leverage GenAl technology to improve the productivity and efficiency of their sales and marketing functions are likely to traverse through the product-market-fit phase faster, and with greater market success. This success will, in turn, help CEOs scale their organizations more efficiently.

Evidence

 1 2023 Gartner Technology and Service Provider Generative AI Survey. This survey was conducted online from 28 March through 10 April 2023 to explore how technology and service providers (TSPs) utilize GenAl in content marketing. In total, survey participants included 43 TSP leaders utilizing or considering utilization of GenAl in the next six months. Forty-two TSP leaders were members of Gartner's Research Circle, a Gartner-managed panel, and one was from an external survey link shared via social channels and analyst contacts. Research Circle member participants were from EMEA (n = 19), North America (n = 17) and Asia/Pacific (n = 6). Disclaimer: The results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

² Compose, Microsoft.

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Table 1: Product-Market Fit GenAl-Driven Opportunities

Function ψ	Scope of the Opportunity \downarrow	Description ↓
Marketing		Opportunity to drive greater effectiveness and throughput in content creation, content production scaling and personalization.
Sales		Opportunity to drive productivity and efficiency in sales enablement, sales operations and client/prospect engagement.

Source: Gartner

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