

Gartner Research

Accelerate Customer Acquisition and Retention Primer for 2025

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29 January 2025

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29 January 2025 - ID G00822402 - 10 min read

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Initiatives: Accelerate Customer Acquisition and Retention

Meeting the ambitious customer acquisition and retention targets of growth-stage companies demands maturation of marketing, sales, and customer success strategies and execution. This initiative describes how tech CEOs can balance investments in processes and resources for sustainable success.

Scope

This initiative supports sustainable growth for providers through refining marketing strategy, amplifying demand generation, boosting sales effectiveness and strengthening customer relationships.

Topics in this initiative include:

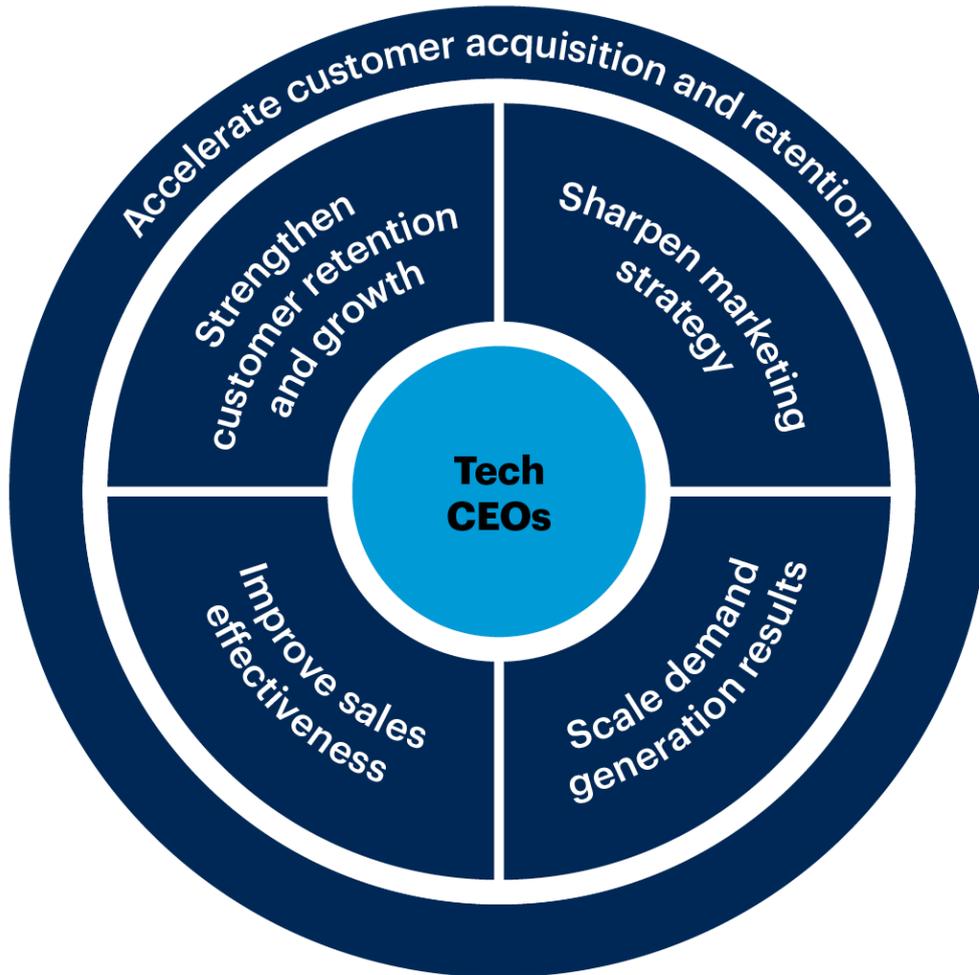
- **Sharpen Marketing Strategy:** Refine positioning, ICPs, segmentation and personas for more targeted and effective storytelling and differentiated messaging delivered through a strategic investment in automation and marketing programs.
- **Scale Demand Generation Results:** Calibrate awareness, marketing channels, content, events and top-of-funnel activities to generate more-qualified leads and to support improved pipeline conversion.
- **Improve Sales Effectiveness:** Refine the sales model, sales processes and sales enablement (including channel, reseller and partner enablement) to improve sales effectiveness.
- **Strengthen Customer Retention and Growth:** Cultivate customer advocacy, customer success, account management, and upsell and cross-sell efforts to nurture and grow the business.

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Analysis

Figure 1: Accelerate Customer Acquisition and Retention Overview

Accelerate Customer Acquisition and Retention



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Although recent and rapid advancements in technology, particularly in conversational and generative AI (GenAI), promise desirable marketing and sales efficiency gains for CEOs of growth-stage technology and service providers, the same advancements also exacerbate challenges in increasingly crowded markets.

Gartner has predicted that, by 2027, high-growth startup and midsize tech providers will double their marketing technology budgets from 2024 in pursuit of competitive advantage through GenAI (learn how in Predicts 2024: AI Will Change Customer Acquisition for Tech CEOs). Respondents to the Gartner tech marketing benchmarks survey with \$10 million to \$100 million in revenue indicated that marketing investment was on the rise in 2024 (average budgets of 8.4% of revenue), and 34% reported that tech spend had increased when compared with 2023 (another 37% reported that it has stayed the same as 2023).¹ As organizations deploy and support more AI and machine learning use cases, that trend is likely to continue.

Yet, as these use cases become more mainstream, tech CEOs will need to carefully optimize effectiveness and productivity in a shifting mix of human- and technology-based content and channels. Fifty-seven percent of consumers express negative emotions regarding the amount of content they are exposed to through all channels of communication,² which carries over into their roles on B2B buying teams. And AI-generated content is becoming more recognizable and disregarded by both buyers and buying tools, such as generative search engines.

In sales, the opportunity for productivity gains to support ambitious customer acquisition and expansion goals may be even greater, although these potential gains may be throttled by inconsistent processes. Today, only 42% of tech CEOs believe their sellers are following their formal sales process for every opportunity, and despite the digital preference of buyers, only 22% believe their sellers are using digital content every time.³ If adoption and implementation of consistent processes can be achieved, sales technology advancements ranging from AI/GenAI-driven insights, predictive analytics, and personalized customer interactions promise tremendous upside: Gartner predicts that tech CEOs will be able to increase average sales conversion rates, from sales-accepted lead to close, from 5% in 2024 to 30% by 2028.³

To achieve the revenue targets of a growth organization amid a changing landscape of external and internal dynamics, tech CEOs must:

- Deliver precision messaging to target audiences through an optimized balance of marketing investments in people, process and technology.
- Grow the strategic impact of demand generation activities.
- Close sales strategy-to-execution gaps to enable sellers and buyers and to increase deal conversion.

- Build stronger buyer and customer relationships to drive value recognition, realization and expansion.

Topics

This initiative is designed to help CEOs meet revenue goals at the accelerated pace of a growth-stage business. Set against a climate of rapidly changing technology and tools, along with customer and buyer expectations, this research consists of benchmarks, diagnostic tools, data insights, case studies, maturity models and repeatable best-practice guidance.

Our research in this area addresses the following topics:

Sharpen Marketing Strategy

To sustain growth, providers must avoid becoming consumed by day-to-day execution. They should revisit their larger strategy in order to elevate and scale operations, matching the movements of their expanding markets, buyer targets and business models. Although whom to target and how to reach them with relevant and compelling messaging requires constant vigilance and realignment, executing those activities requires a diligent balance of evolving marketing technologies, roles and program investments to keep up.

Scale Demand Generation Results

Building awareness, engaging prospects, and growing and nurturing a pipeline of leads requires a mix of strategic planning, strong fundamentals and creative execution. This topic examines the practices and investments needed to grow the strategic value of demand generation activities to improve funnel conversion rates, grow campaign effectiveness and measure impact.

Improve Sales Effectiveness

To improve sales effectiveness and increase deal conversion as the business grows, sales model, process and enablement programs must appropriately scale to ultimately make it easier for sellers to sell and for buyers to buy. Direct sales programs and resources must continuously enhance buyer journeys within an evermore digital and self-service environment. At the same time, channel and reseller programs must make it easier for channel partners to prioritize the provider's solution and clearly incentivize them to do so.

Strengthen Customer Retention and Growth

Customers are more likely to renew or expand contracts and become references or advocates when they recognize the value delivered by successful technology or service projects. Effective account management and customer success practices are essential in nurturing retention and growth by increasing loyalty, feedback, and positive word-of-mouth and endorsement.

Evidence

¹ **2024 Gartner Tech Marketing Benchmarks Survey.** This survey was conducted online from January through March 2024 among 244 respondents. Respondents came from technology-focused organizations located in the U.S., Canada and the U.K. with more than \$10 million in annual revenue. Among the total respondents surveyed, 90 respondents came from organizations with \$10 million to less than \$100 million in annual revenue. Respondents were required to have knowledge of the marketing budget and spend (for the company or business unit) and the marketing campaign/program tactics. Quotas were established to guarantee a good distribution in terms of countries, product offering (software, technology services and hardware), customer type (B2B and B2B2C) and company size (annual revenue). 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 **2023 Gartner Consumer Omnibus Survey Q4.** The purpose of this survey was to understand consumer behaviors and sentiment across a wide range of topics and industries. The research was conducted online from 21 November through 15 December 2023 among 2,015 respondents in the United States. Respondents were required to be at least 18 years old. Disclaimer: Results of this survey do not represent global findings or the market as a whole, but reflect the sentiments of the respondents surveyed.

³ For more information, see [Predicts 2024: AI Will Change Customer Acquisition for Tech CEOs](#).

⁴ **2024 Gartner Tech CEO Sales Effectiveness Survey.** This survey sought to uncover sales enablement trends and effectiveness among tech CEOs in 2024. The study was conducted online from 23 April through 7 May 2024. In total, 50 respondents from technology/services organizations consisting of field marketing teams (and being at least somewhat involved in their field marketing strategy) participated. Participants included 15 technology and service provider (TSP) leaders who were members of Gartner's Research Circle (a Gartner-managed panel), five from an external survey link shared via social channels and analyst contacts, and 30 from an external sample partner. Participants from North America (n = 25), EMEA (n = 15), Asia/Pacific (n = 8), and Latin America (n = 1) responded to the survey. Disclaimer: The results of this study do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed. Participant demographics include data from respondents who responded to the demographic questions.

Document Revision History

Marketing and Sales Execution for Tech CEOs Primer for 2024 - 31 January 2024

Marketing and Sales Execution for Tech CEOs Primer for 2023 - 2 February 2023

Customer Acquisition for Tech CEOs Primer for 2022 - 4 February 2022

Customer Acquisition for Tech CEOs Primer for 2021 - 5 January 2021

Customer Acquisition for Tech CEOs Primer for 2020 - 9 January 2020

Customer Acquisition for Tech CEOs Primer for 2019 - 2 January 2019

Customer Acquisition for Tech CEOs Primer for 2019 - 2 January 2019

Customer Acquisition for Tech CEOs Primer for 2018 - 23 May 2018

Related Priorities

Initiative Name	Description
Advance Product and Services Strategy	This initiative helps tech CEOs create evidence-based product and services strategies that support critical, growth-oriented go-to-market (GTM) decisions.
Scalable Business Operations for Tech CEOs	To achieve scalable business operations, tech CEOs must focus on practices and strategies that help them effectively attract and retain talent, manage operations, predict finances, and measure KPIs.
Corp. Development & Growth Strategy for Tech CEOs	This initiative covers corporate development and expansion actions technology providers must pursue in planning and executing strategies for growth. beyond their current products and customer segments.
Technology Market Essentials	This initiative helps organizations harness growth opportunities by providing a quantitative fact base with market analysis and insights on market dynamics and technology trends.

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