



The State of Marketing Budgets

Introduction

Marketers have faced some significant headwinds in 2022. Anecdotal evidence suggests many marketing budgets have been frozen or even cut, but goals and growth expectations have not.

Integrate and Demand Metric partnered to explore the current state of B2B marketing budgets, hiring, and resource allocations. The study gathered data about projections for meeting expectations in 2022 and the optimism in the marketing community about 2023. The data from this study will help the broader marketing community position budgets and resources for 2023.

The following report summarizes the results of this year's survey and shares insights from over 500 B2B Marketers from the United States and the United Kingdom.



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Section 1

KEY FINDINGS

Key Finding #1

A majority of marketers report budgets were cut or stayed flat in 2022 compared to 2021.

Few marketers (12%) enjoyed significant year-to-year budget increases.



Key Finding #2

Despite economic headwinds, the performance bar for most marketers hasn't lowered.

Over three-fourths (79%) report they are expected to achieve the same or more than they did in 2021.



Key Finding #3

Most marketing teams have the same or lower staffing levels in 2022 compared to 2021.

One-fourth of teams expected to achieve more in 2022 are doing it with smaller teams.



Key Finding #4

Inflation is the top driving force behind marketing budget changes.

One in five study participants (21%) have experienced mid-year marketing budget cuts.



Key Finding #5

Buyer-driven, cross channel campaigns are the top strategic marketing approach.

Just over one-fourth (27%) report using ABM/ABX. Buyer-driven, cross channel campaigns are the top approach (54%), followed by inbound/always-on (42%), and traditional outbound/demand generation (42%).

This report details the results and provides insights from the study data analysis. For more detail on the survey and its participants, please refer to the [Methodology](#).



Section 2

CURRENT BUDGET AND RESOURCE LANDSCAPE

Inflation is the leading force behind changes to marketing budgets, and it has plenty of company.

Marketing’s budget has always been under the influence of various opportunities and threats. Those affecting 2022 budgets most are inflation, the lingering impact of COVID, and economic recession as **Figure 1** shows.

Inflation is the primary driving force in both the US and the UK, although felt more keenly in the US.

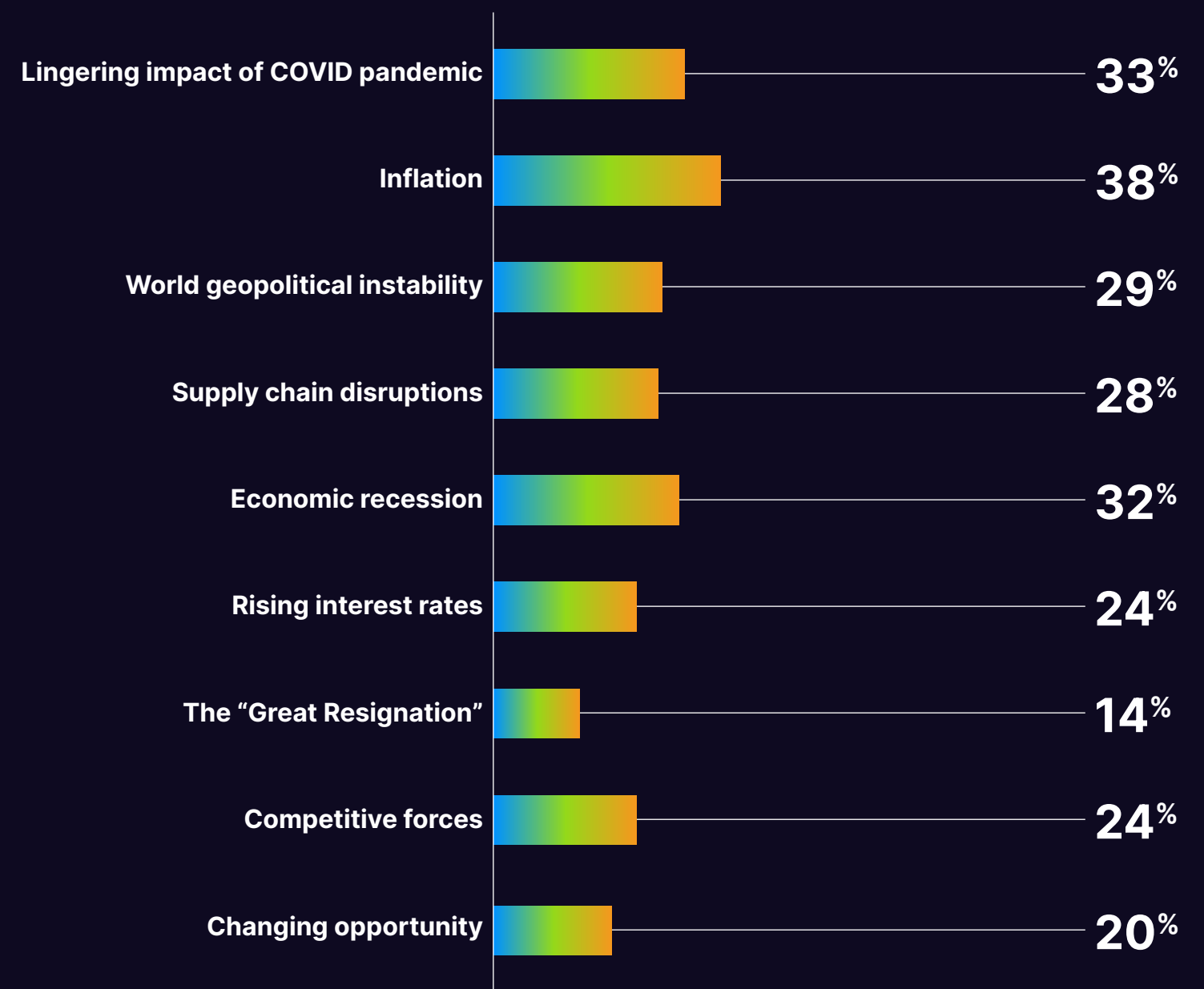
Significant differences in these driving forces are seen when looking at this data by industry as shown in **Table 1**.

INDUSTRY	TOP DRIVING FORCE (%)
Healthcare	Lingering impact of COVID (55%)
Insurance	World geopolitical instability (46%)
Financial Services	Inflation (38%), Rising interest rates (38%)
Manufacturing	Inflation (41%)
Technology	Economic recession (39%)
Telecommunications	Lingering impact of COVID (43%)

Figure 1

Forces Driving Marketing Budget Changes

What are the primary driving forces behind changes to your marketing budget from 2021 to 2022? Check all that apply.



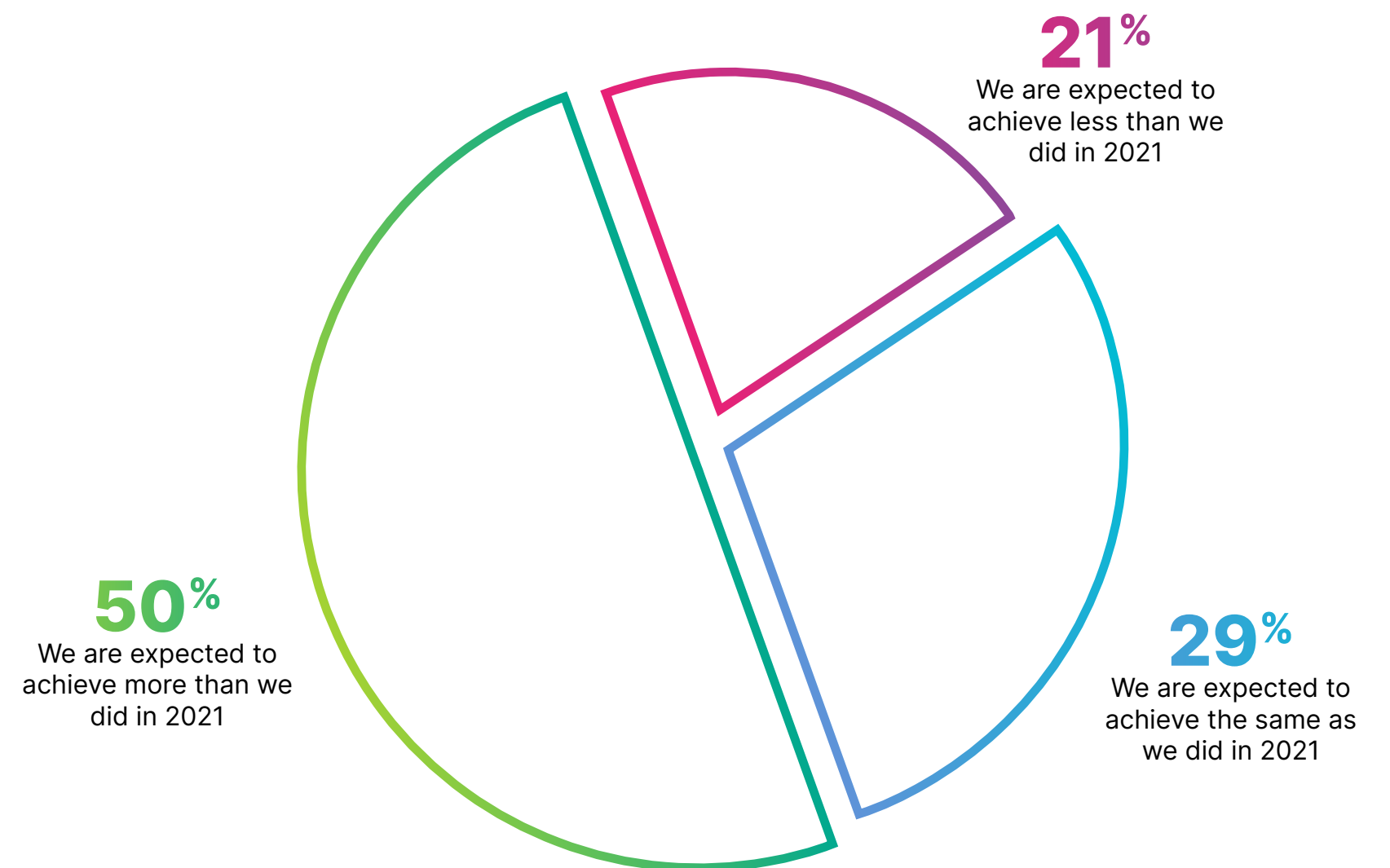
Marketing's performance expectations remain high.

Regardless of the external factors affecting marketing's success, such as inflation or the economy, most organizations have not backed off 2022 performance expectations for the marketing team compared to 2021 as **Figure 2** shows.

Figure 2

Marketing Performance Expectations

Which of the following statements best describes the 2022 performance expectations set for your marketing team compared to 2021?

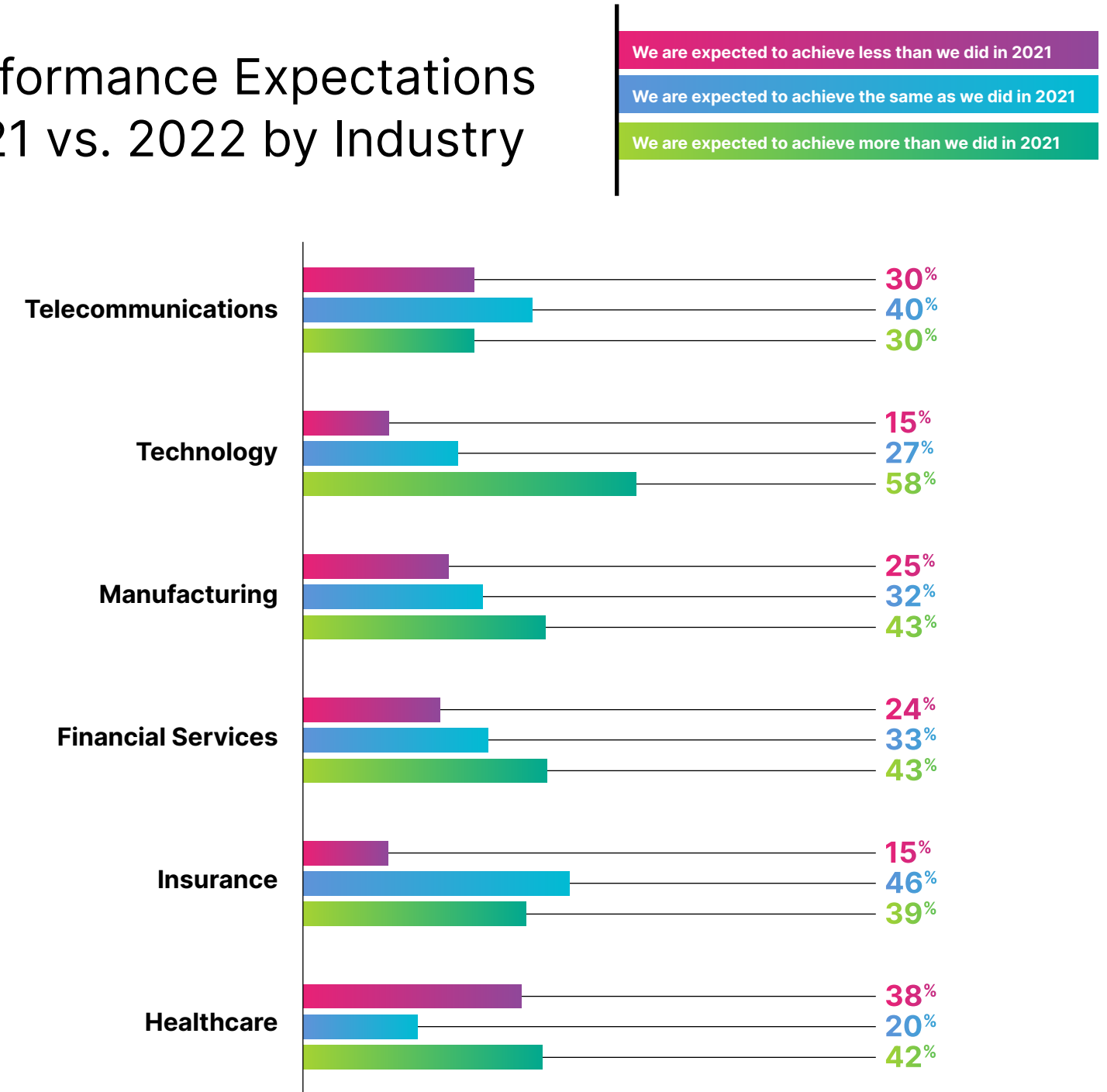


Marketing's performance expectations remain high.

Expectations for performance vary by industry as **Figure 3** shows, with the technology sector carrying the highest year-to-year performance expectations.

Figure 2

Performance Expectations 2021 vs. 2022 by Industry



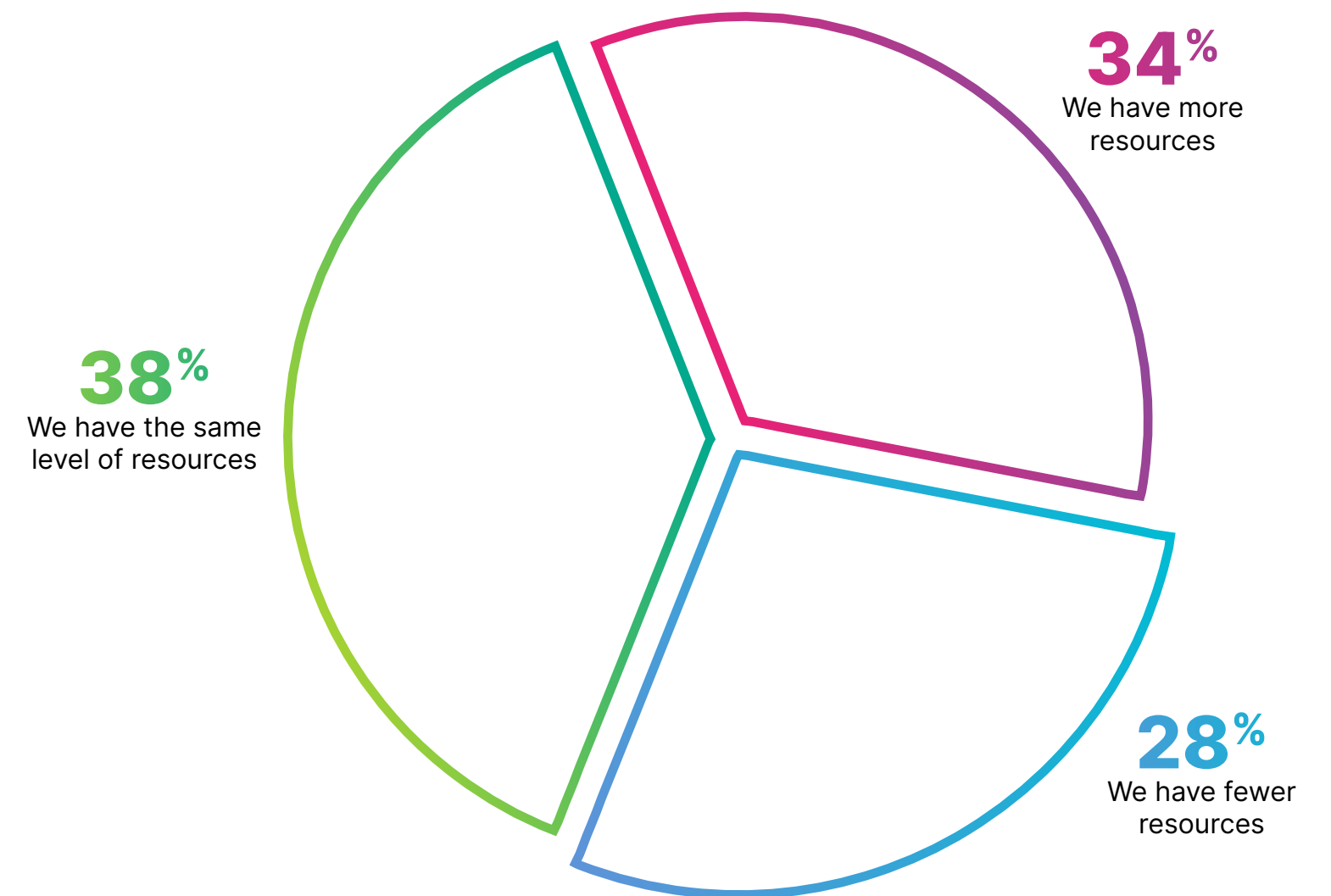
Compared to 2021, two-thirds of marketing teams have the same or fewer resources to achieve their 2022 goals.

The marketing function relies on budgets, human capital, martech, and other resources to achieve its goals. Experienced marketers are familiar with the ebbs and flows of available resources to facilitate marketing's success. As shown in **Figure 4**, most marketers have dealt with the same or fewer resources in 2022.

Figure 4

Resources to Achieve Goals: 2021 vs. 2022

Compared to 2021, how do you feel about the resources you have to help you achieve your 2022 goals?

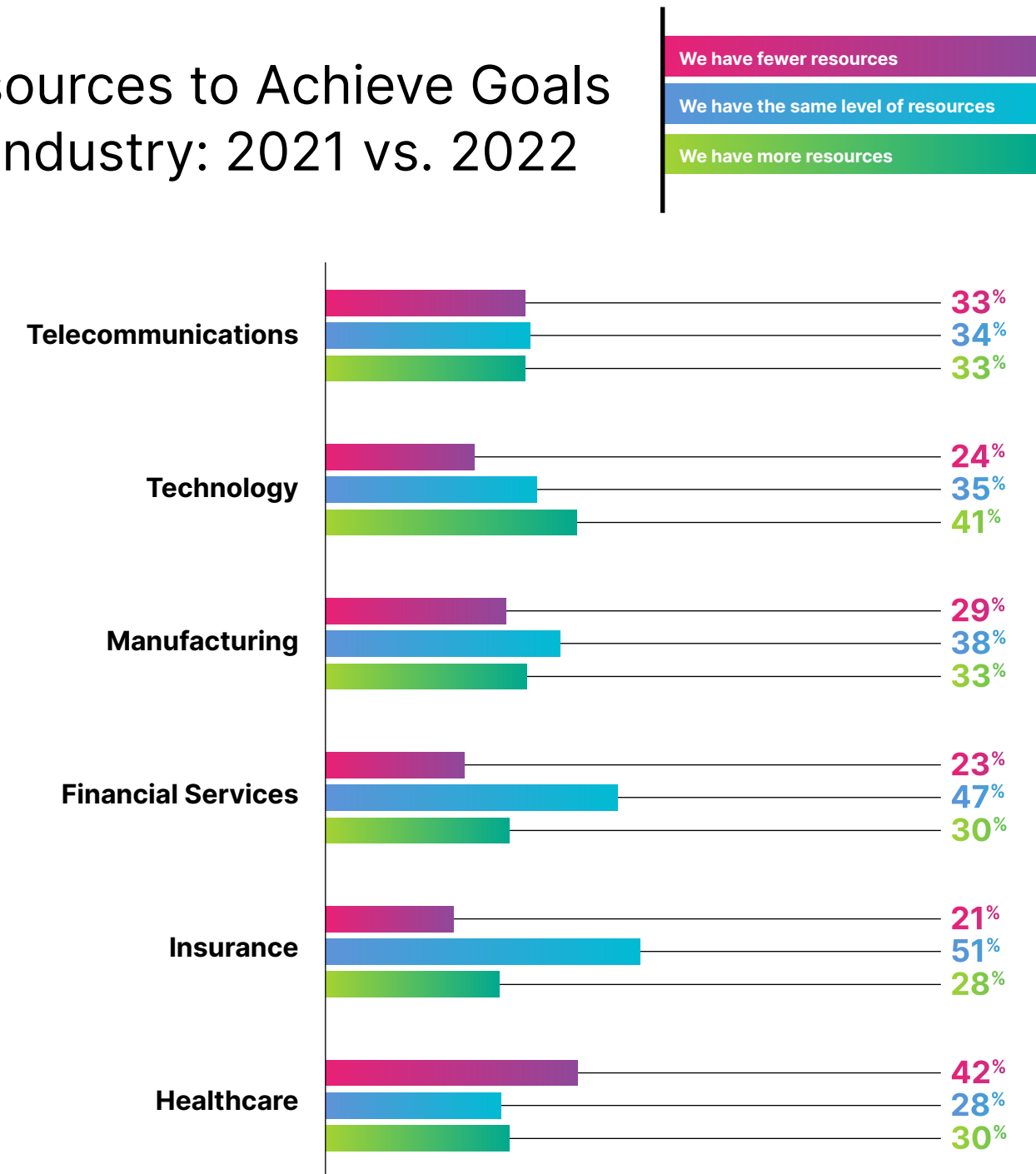


Compared to 2021, two-thirds of marketing teams have the same or fewer resources to achieve their 2022 goals.

The technology sector carries the highest year-to-year performance expectations and also leads other sectors in resources to achieve them. The healthcare sector suffers the greatest marketing resource constraints. **Figure 5** summarizes resources by industry.

Figure 5

Resources to Achieve Goals by Industry: 2021 vs. 2022



Most marketing teams did not experience budget growth from 2021 levels.

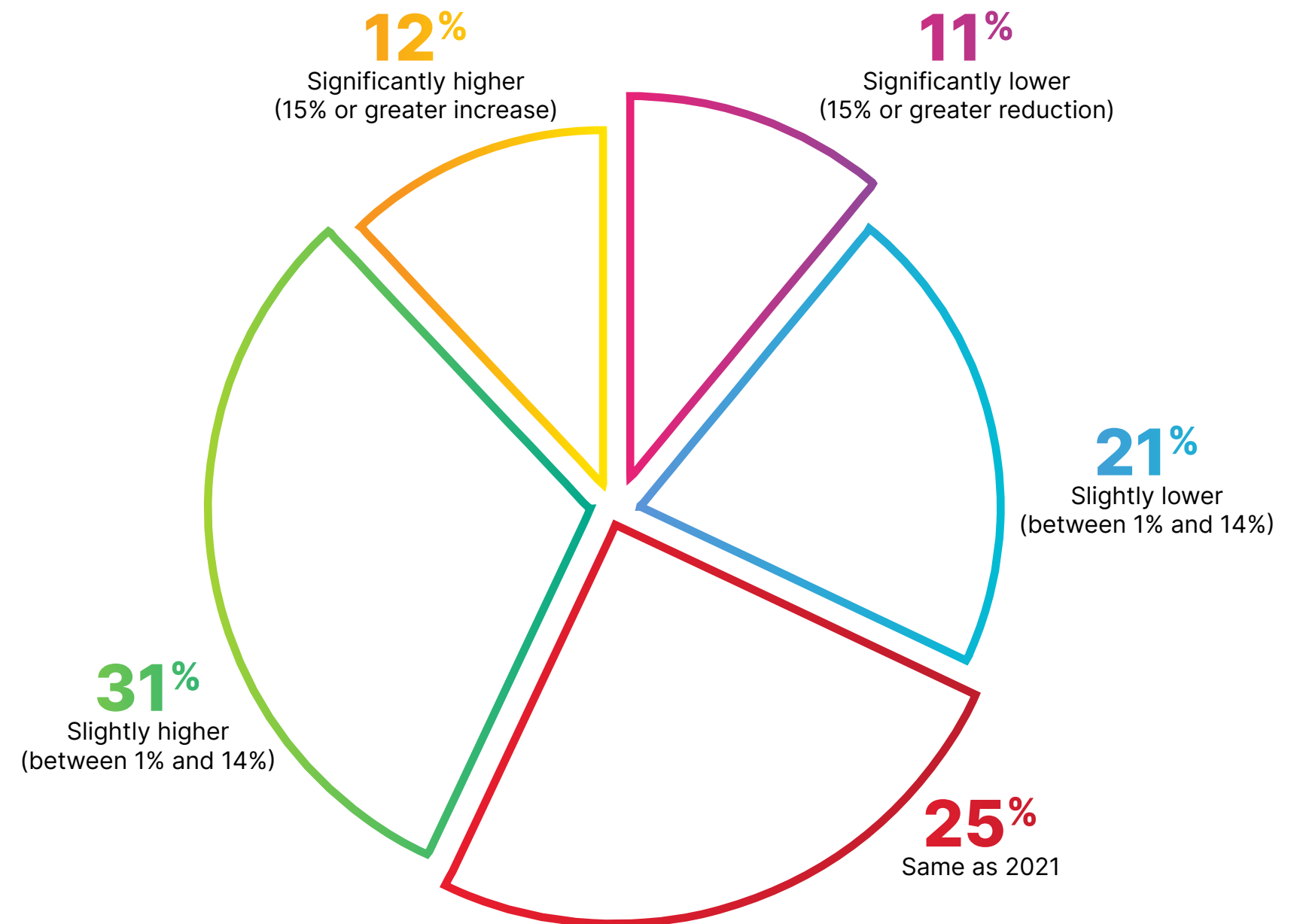
Marketers are used to having to do more with less, or more with the same budget as in past years. 2022 was no exception to this reality for most marketing teams. Even 17% of teams expected to achieve more in 2022 reported having smaller budgets with which to do so. **Figure 6** compares 2021 to 2022 marketing budgets.

Almost half of study participants (47%) report their 2022 marketing budgets have not changed since they were set. About one-third (32%) saw their budgets increase, while 21% report their budgets were cut during the year.

Figure 6

2021 to 2022 Marketing Budget Comparison

How does your 2022 marketing budget compare to 2021?



Marketing staffing levels mirror budgets in 2022.

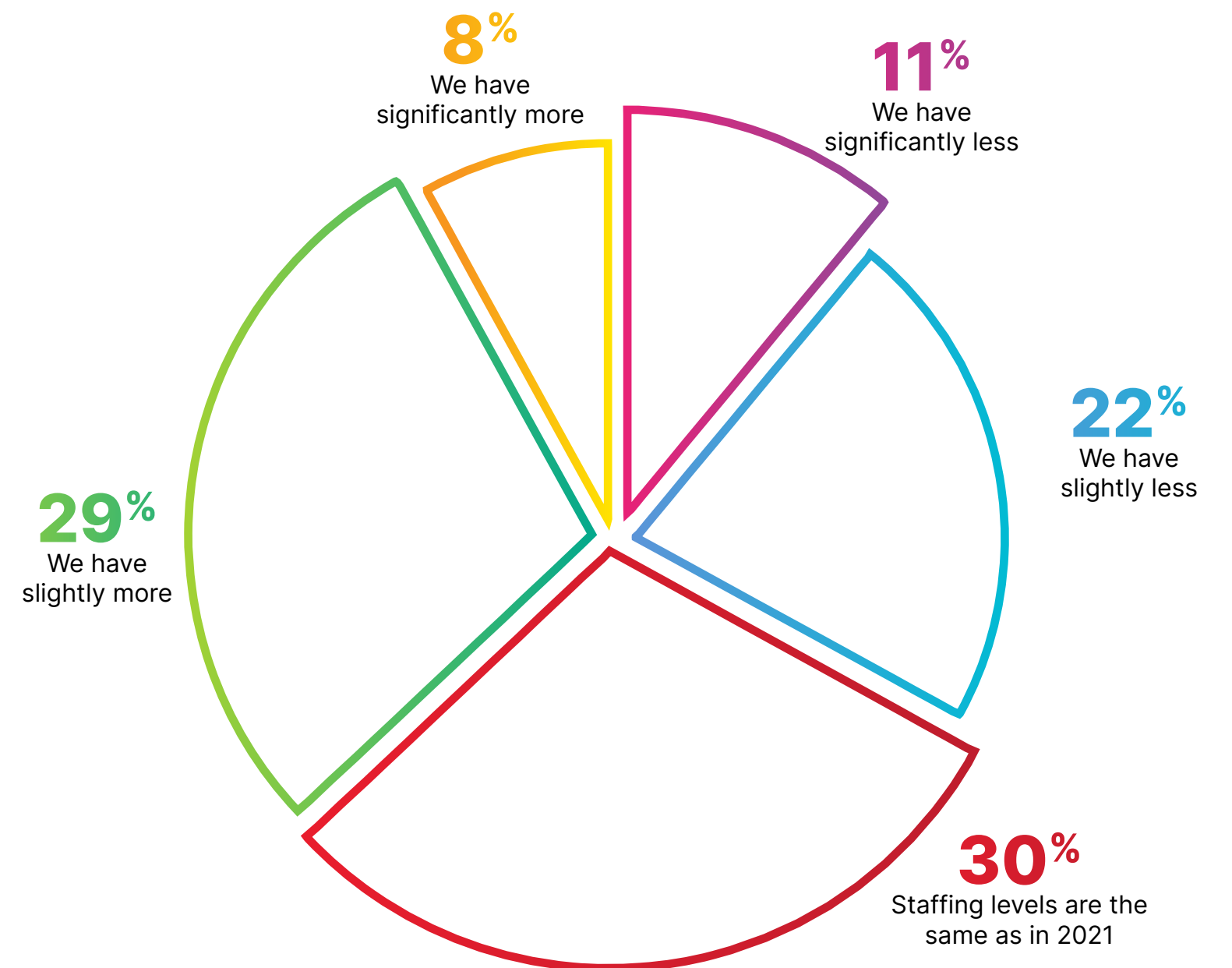
Staffing and budgets remain closely linked, and one-third of marketers report staffing levels are lower now than in 2021. Even one-fourth of the marketers expected to achieve more this year report they have slightly to significantly less staff in 2022. **Figure 7** compares 2021 to 2022 staffing levels.

Just over one-fourth of study participants (27%) report their 2022 staffing levels have not changed during 2022. Almost half (49%) saw staffing increases, while 23% report experiencing attrition or cuts during the year.

Figure 7

2021 to 2022 Marketing Staff Comparison

How do your 2022 staffing levels compare to 2021?

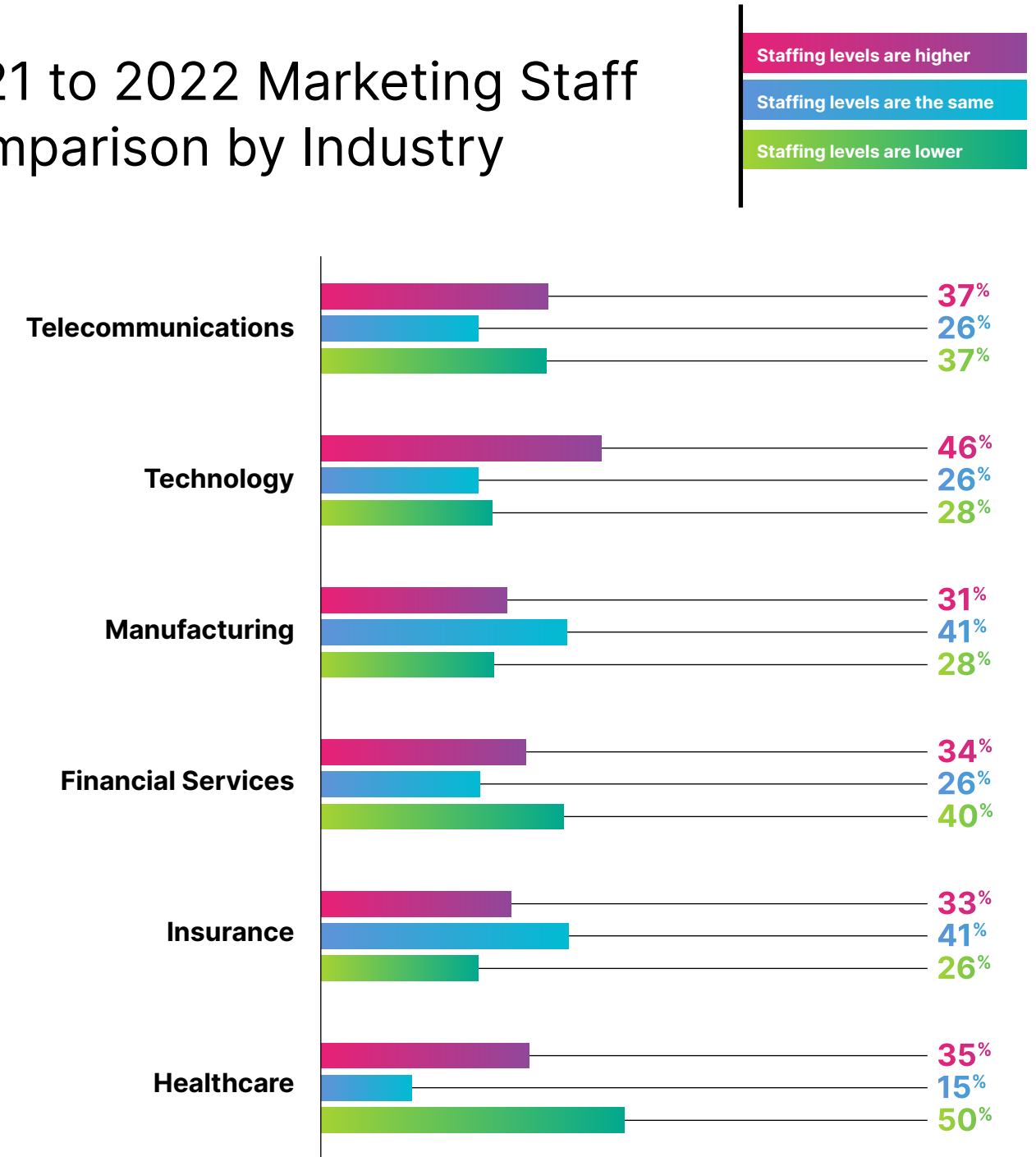


Marketing staffing levels mirror budgets in 2022.

Figure 8 displays staffing changes across industries in the study. Healthcare and Financial Services suffered the greatest decreases.

Figure 8

2021 to 2022 Marketing Staff Comparison by Industry



Impact of budget cuts or freezes affects many functional areas of marketing.

Study participants who reported the same or lower budgets or staffing levels in 2022 than 2021 were asked to share which functional areas are most negatively affected. The impact is not isolated to a few areas, but is instead more widespread and uniform. **Figure 9** shows the areas of impact.

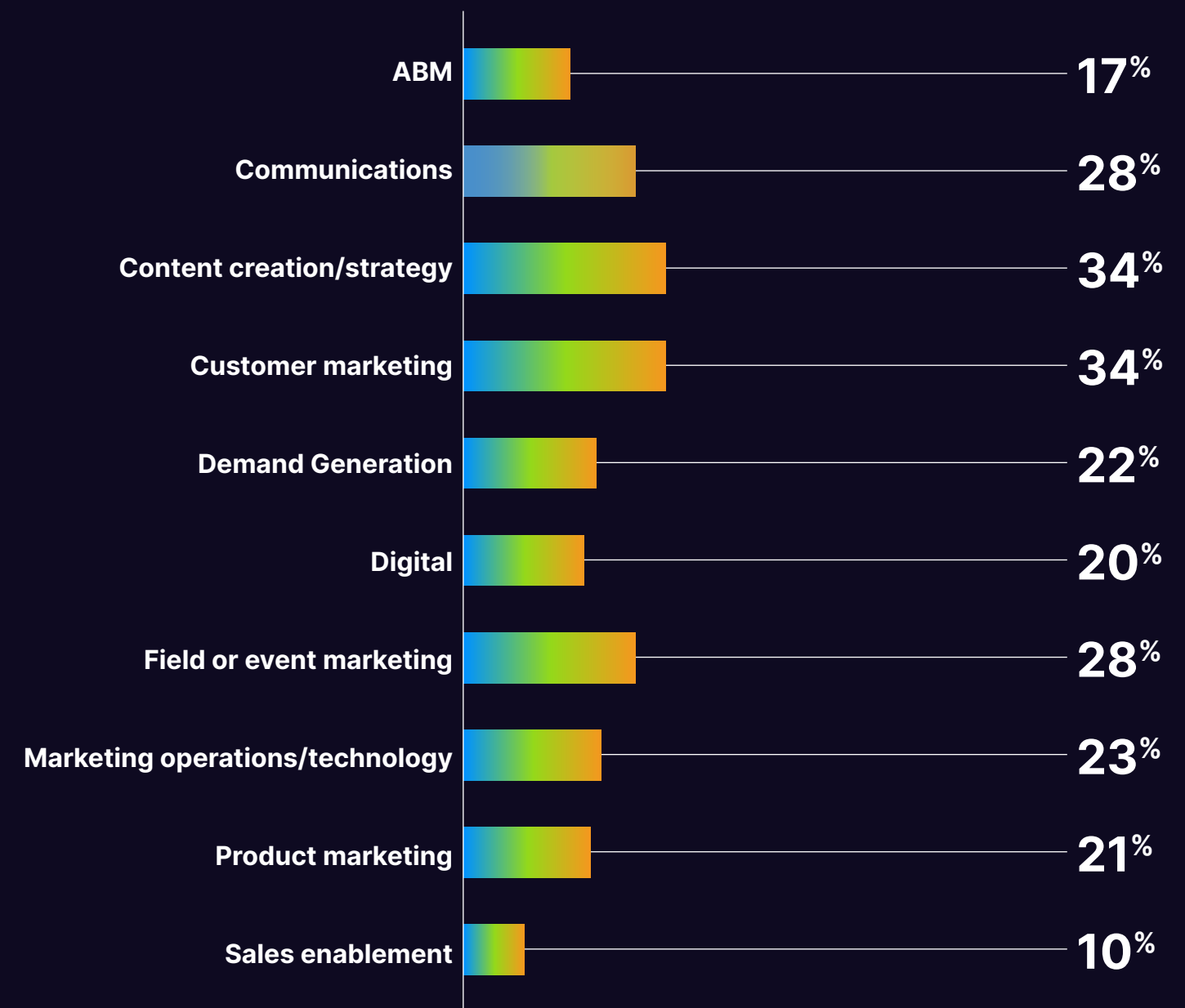
Customer marketing was the most impacted functional area for companies of all sizes, but was heaviest for firms with over \$500 million in annual revenues, with nearly half (46%) reporting an impact here. For these larger firms, over one-third report a negative impact on content creation/strategy (38%) and ABM (35%).

Content creation/strategy was the most negatively affected functional area for firms with greater than \$100 million but less than \$500 million in revenue. Small firms, with less than \$100 million in revenue saw customer marketing (31%) take the biggest hit.

Figure 9

Areas Most Affected by Cuts or Freezes

Which functional areas are most negatively affected by budget/hiring cuts or freezes? Check all that apply.



Section 3

STRATEGIES, INVESTMENT, AND MARTECH

Content is king in terms of investment.

Content creation/strategy was one of the most negatively affected functional areas by 2022 budget cuts or freezes (Figure 9). It is also the top area of investment, as **Figure 10** shows.

Areas of investment by industry reveal insights about priorities and differences across these industry segments, as **Table 2** shows.

INDUSTRY	TOP AREA OF INVESTMENT (%)
Healthcare	Product marketing (45%)
Insurance	Content creation/strategy (36%)
Financial Services	Customer marketing (42%)
Manufacturing	Customer marketing (35%)
Technology	Content creation/strategy (44%)
Telecommunications	Product marketing (43%)

Figure 10

Marketing Budget Areas of Investment

Where is your marketing team investing its existing budget?
Check all the apply.



Three approaches dominate 2022 marketing strategies.

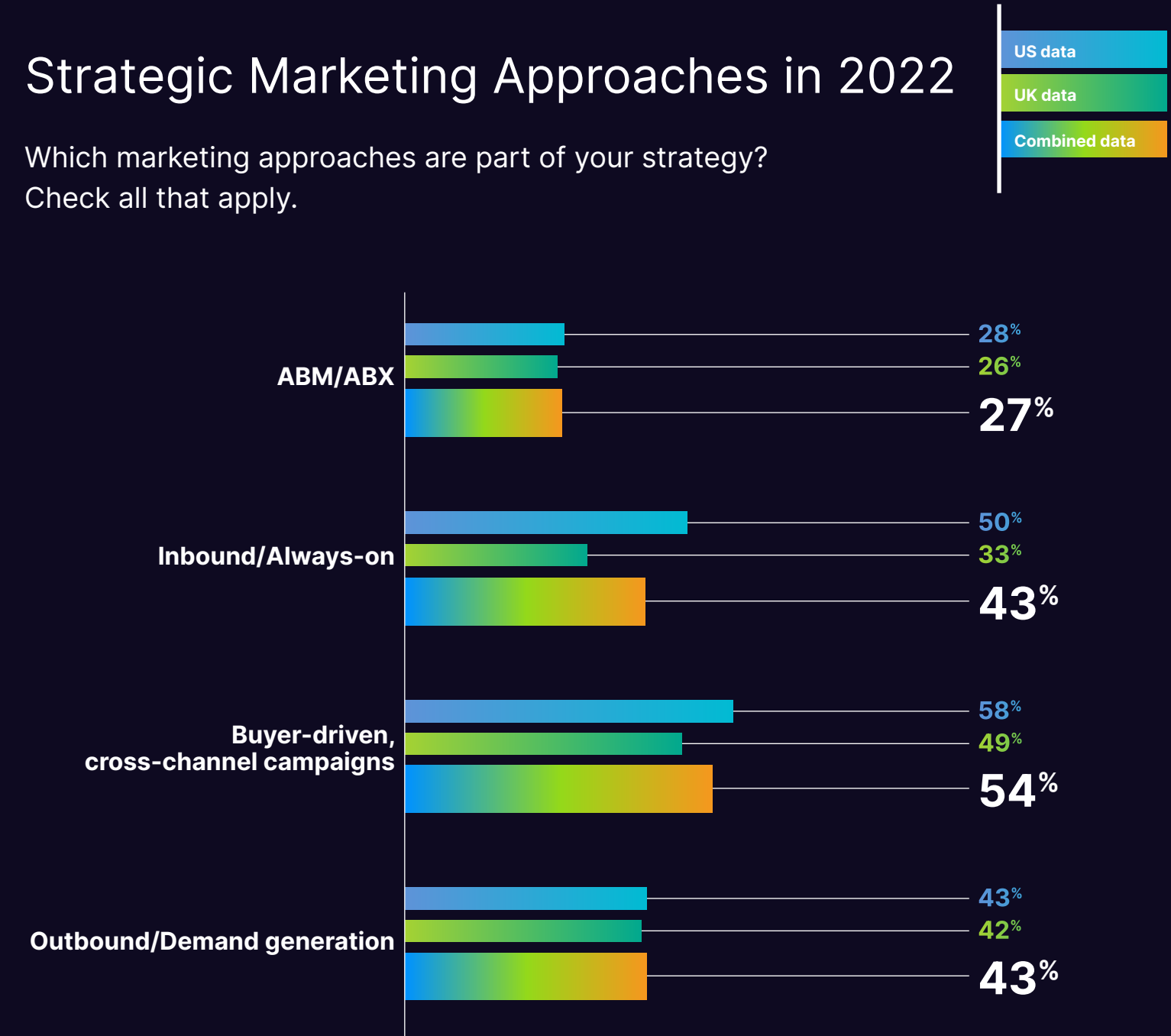
After years of strong adoption, ABM/ABX has been eclipsed by three approaches: (1) buyer-driven, cross-channel campaigns, (2) an always-on approach, and (3) traditional outbound/demand generation, as shown in **Figure 11**.

US marketers have bought in far more (50%) to the inbound/always-on approach than their UK counterparts (33%). Buyer-driven, cross-channel campaigns are the top approach for every industry segment in this study except for Telecommunications, whose top approach is outbound/demand generation (60%).

Figure 11

Strategic Marketing Approaches in 2022

Which marketing approaches are part of your strategy?
Check all that apply.



Satisfaction with current marketing approaches is evenly split.

Just under half of study participants are satisfied or very satisfied with the results they are getting from their current marketing approach, as **Figure 12** shows.

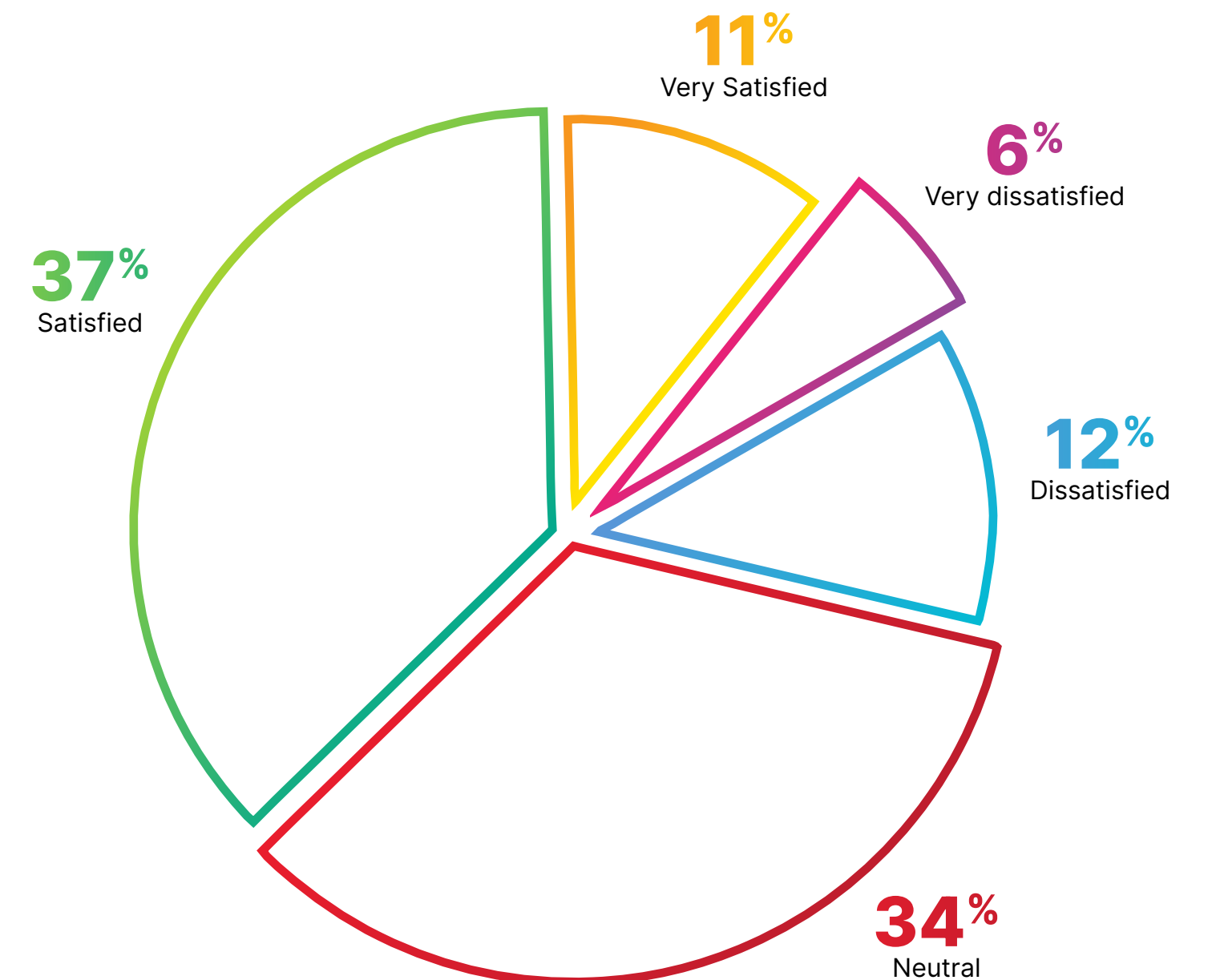
Satisfaction with current marketing approaches shows considerable differences by industry segment, as **Table 3** shows.

INDUSTRY	% SATISFIED/VERY SATISFIED WITH CURRENT MARKETING APPROACH
Healthcare	35%
Insurance	46%
Financial Services	46%
Manufacturing	45%
Technology	56%
Telecommunications	60%

Figure 12

Marketing Approach Satisfaction

How satisfied are you with the results you're getting from your current marketing approach?



Less than half of marketers feel their martech stack supports their work well.

Marketing has never been more data and technology driven than it is in 2022. However, less than half of study participants (48%) agree that their martech stack supports marketing’s work well or very well, as **Figure 13** shows.

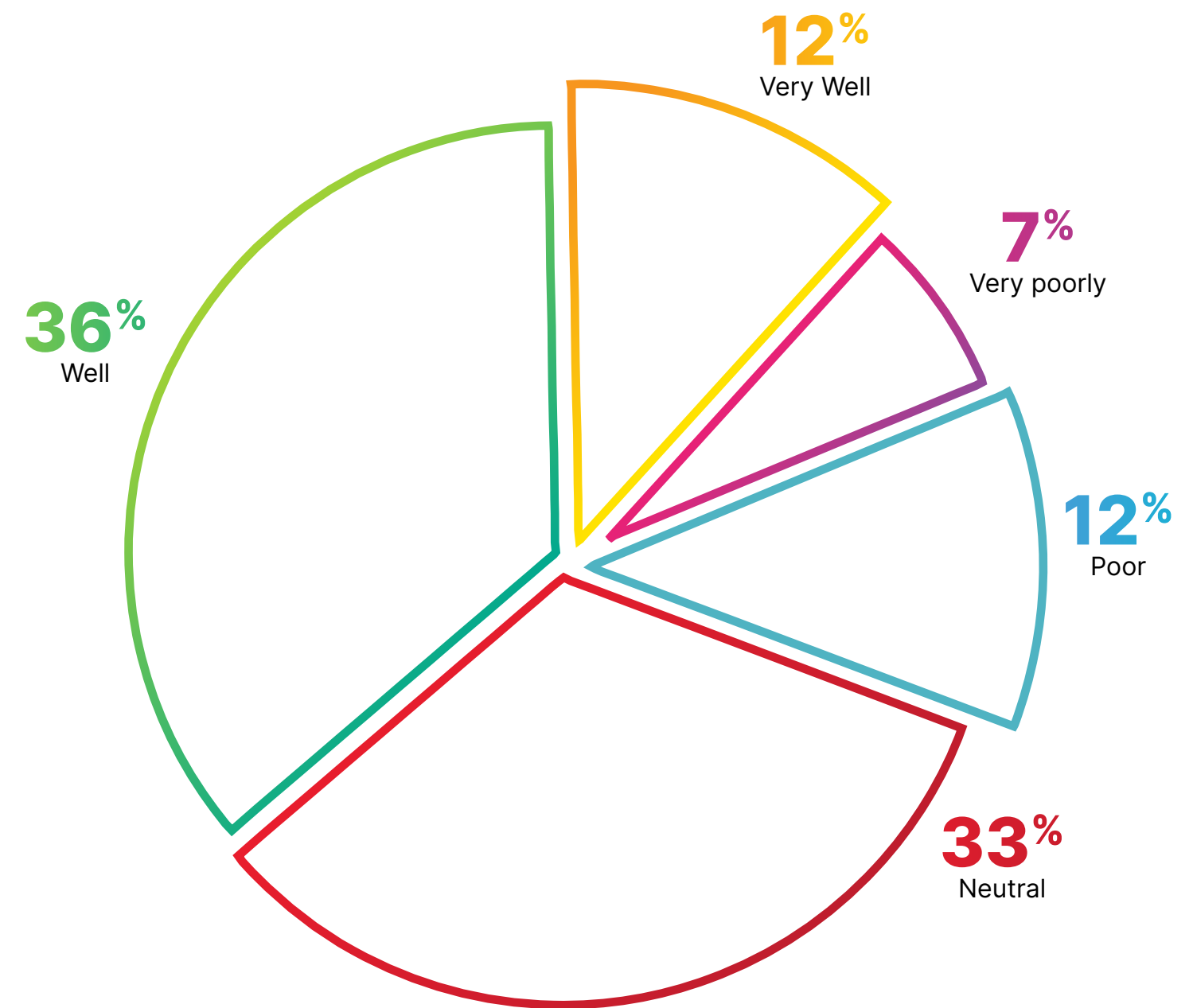
Just 40% large companies (over \$500 million in annual revenue) feel their martech stacks are supporting marketing’s work well or very well. From an industry segment perspective, healthcare lags all other segments in this study in feeling this way (30%) while technology (56%), financial services (54%), and manufacturing (53%) lead all segments in this measurement category.

Marketers who feel their martech stack supports their work well or very well are almost twice as likely (31%) to be constantly evaluating solutions to improve their stack compared to those who feel their stack provides poor or very poor support (17%) for their work. Clearly, constant attention and evaluation of stack options pays off.

Figure 13

Martech Stack Support of Marketing

How well does your current martech stack support the marketing team’s work?



For many, the martech stack contains unused or redundant solutions.

Over one-third (38%) of marketers in the study report having redundant or unused martech stack components to a great or very great extent, as **Figure 14** shows. UK respondents reported similar stats, with 37% reporting a great or very great extent of unused or redundant solutions and only 7% reporting no extent of redundancies.

Table 4 shows how the industry segments in the study differed.

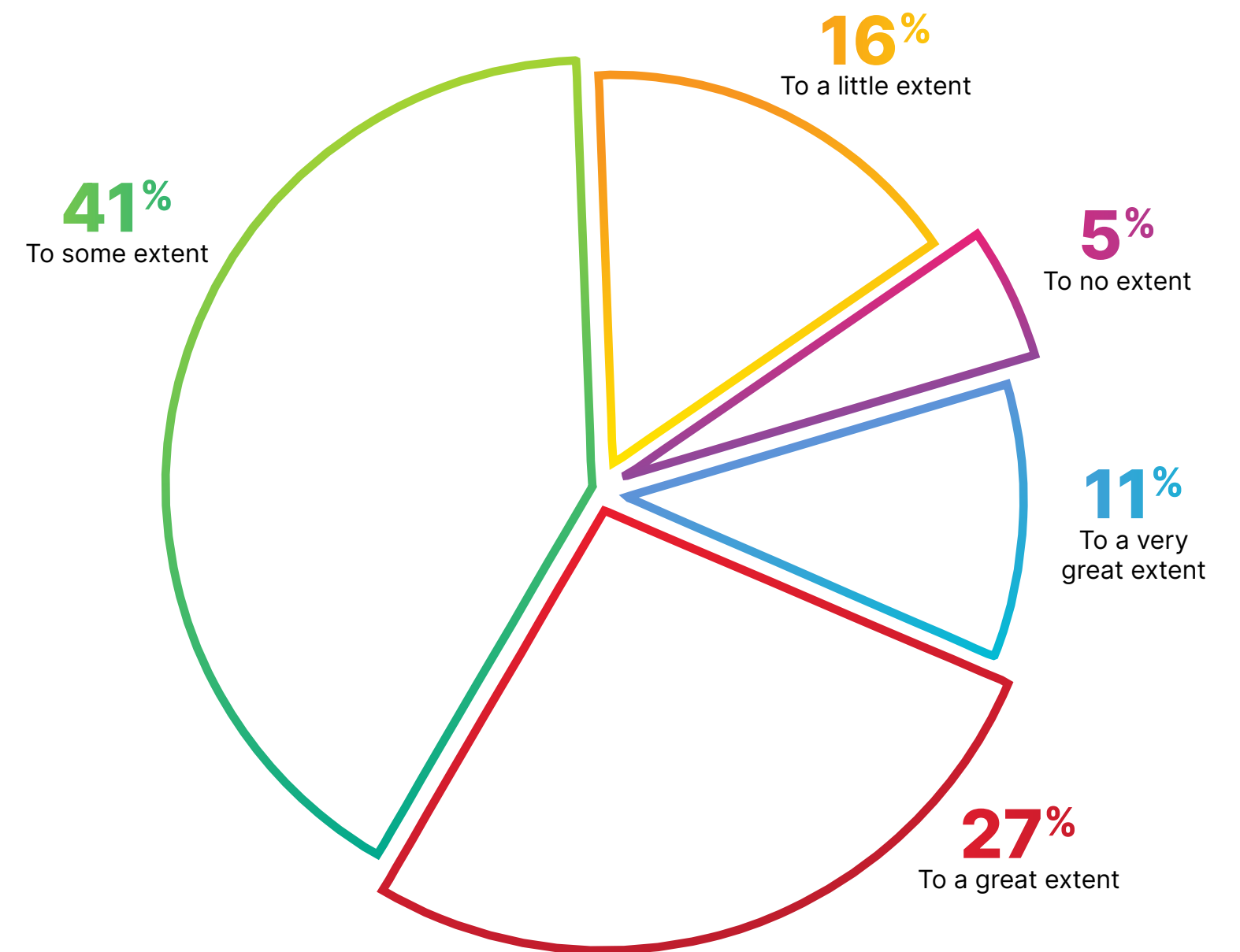
INDUSTRY	% GREAT OR VERY GREAT EXTENT OF REDUNDANT/UNUSED MARTECH STACK SOLUTIONS
Healthcare	35%
Insurance	54%
Financial Services	48%
Manufacturing	38%
Technology	36%
Telecommunications	40%

Those who are constantly evaluating new solutions to improve their martech stack (43%) report stack redundancies or unused tools at almost the same rate as those who report never (46%) evaluating new stack solutions.

Figure 14

Martech Stack Redundancies/Unused Tools

To what extent does your martech stack include solutions, tools, or technologies that are redundant or simply not used?



Section 4

PROJECTIONS AND OPTIMISM FOR 2023

One-fourth of marketers anticipate lower 2023 marketing budgets.

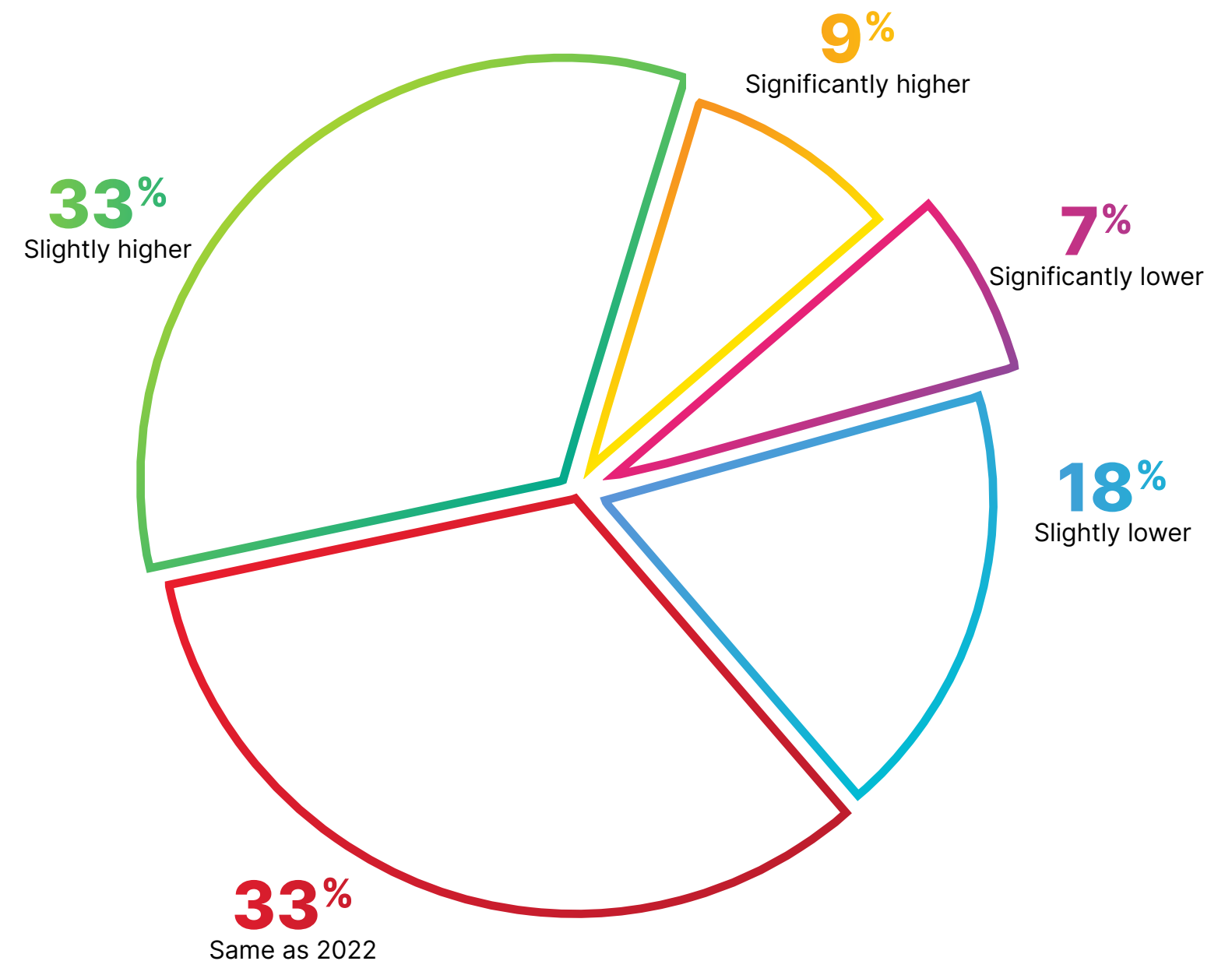
One-fourth of marketers in the study are anticipating slightly or significantly lower 2023 marketing budgets, as **Figure 15** shows.

In one sense, this 2023 outlook is more optimistic compared to the 2022 budgets shown in **Figure 6**, where 32% are experiencing lower budgets than in 2021. The reality is that those who anticipate lower or the same budgets in 2023 match almost exactly those who are experiencing that in 2022 compared to 2021. Marketers clearly do not expect much year-to-year change in their budget situation.

Figure 15

2023 Marketing Budgets

What changes do you expect in your 2023 marketing budget?



Biggest changes to 2023 marketing budgets are to ABM, Customer Marketing.

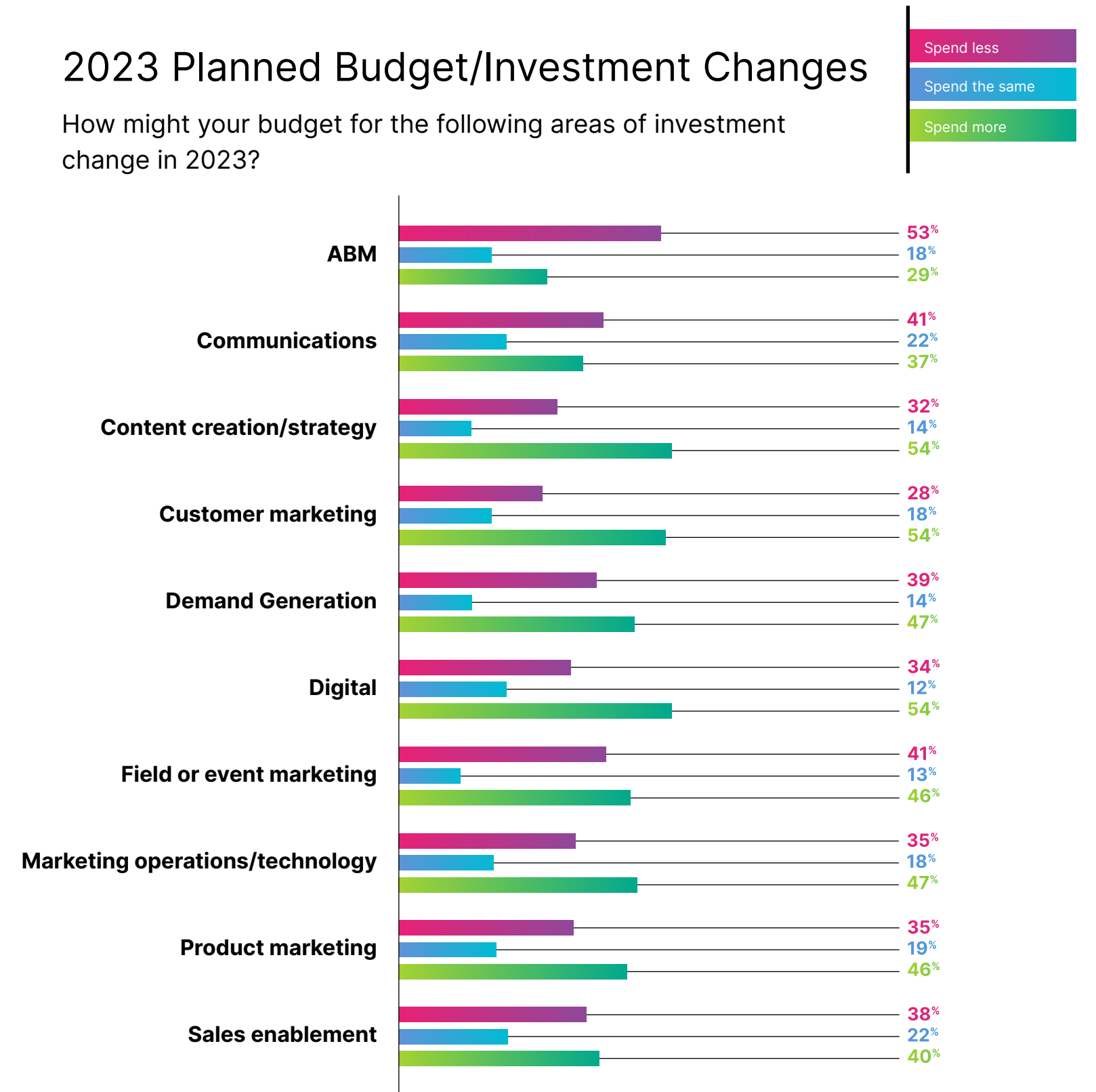
The area of investment that the largest number of study participants (53%) plan to decrease spending is on ABM. The areas in which the largest number of participants (54%) plan to increase spending are Content creation/strategy, Customer Marketing, and Digital. **Figure 16** summarizes the 2023 marketing budget investment changes.

In the UK, B2B marketers plan to invest the most in content creation (48%), customer marketing (46%), and digital marketing (45%). Conversely, they will plan to spend less on ABM (47%), field or event marketing (45%), and communications (45%).

Figure 16

2023 Planned Budget/Investment Changes

How might your budget for the following areas of investment change in 2023?



Marketers are more bullish on 2023 staffing than budgets

Almost one-third of marketers have experienced staff reductions in 2022, but only 19% expect to have lower staffing levels in 2023, as **Figure 17** shows.

Expectations for lower 2023 staffing levels in the UK (26%) is higher than it is in the US (14%).

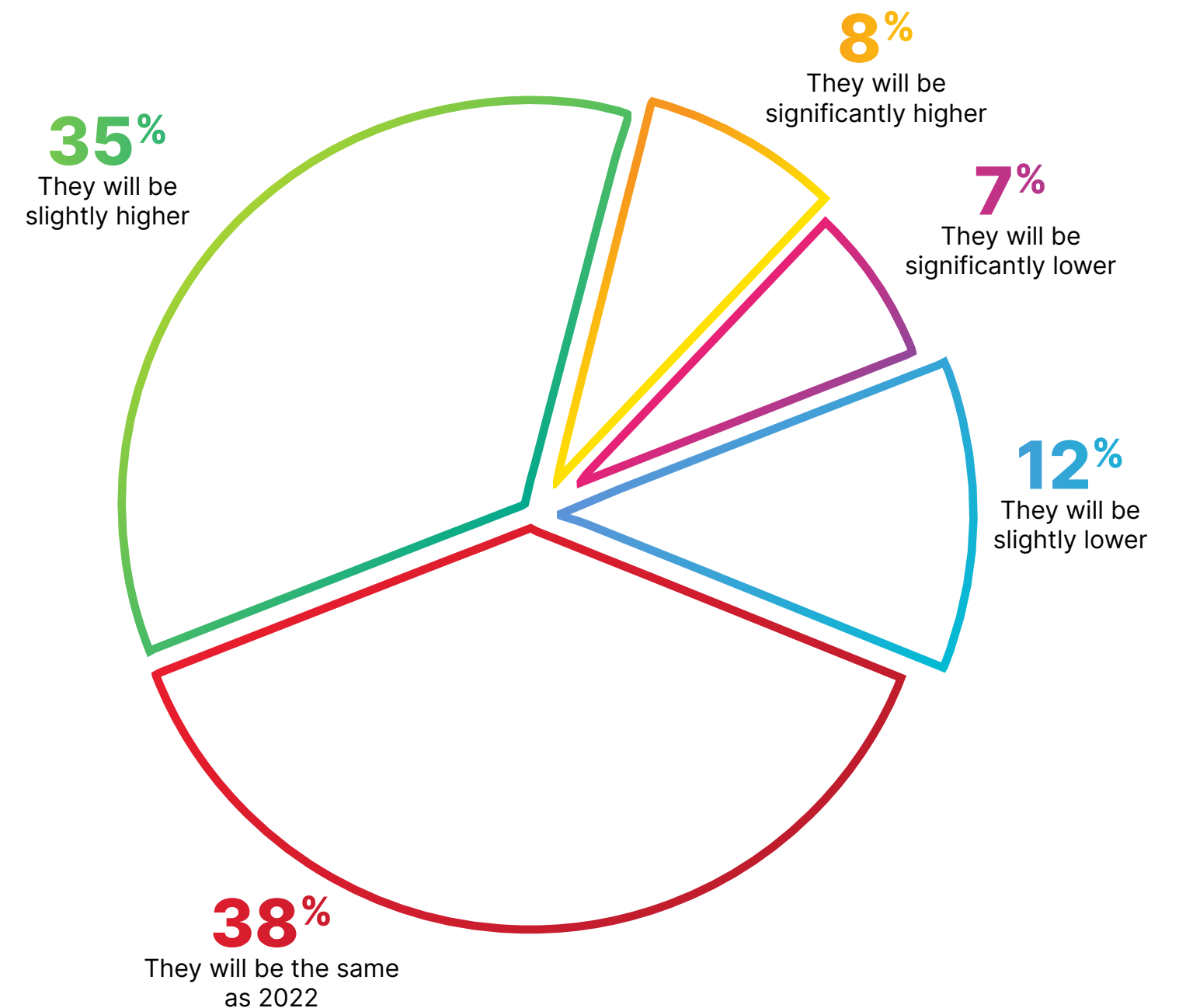
Table 5 shows expectations for higher staffing levels in 2023 by industry.

INDUSTRY	% SLIGHTLY OR SIGNIFICANTLY HIGHER STAFFING LEVELS
Healthcare	38%
Insurance	54%
Financial Services	37%
Manufacturing	49%
Technology	52%
Telecommunications	43%

Figure 17

2023 Staffing Levels

What changes do you expect to your staffing levels in 2023? Please consider all sources of staff — full-time, part-time, and contractors — when answering this question.



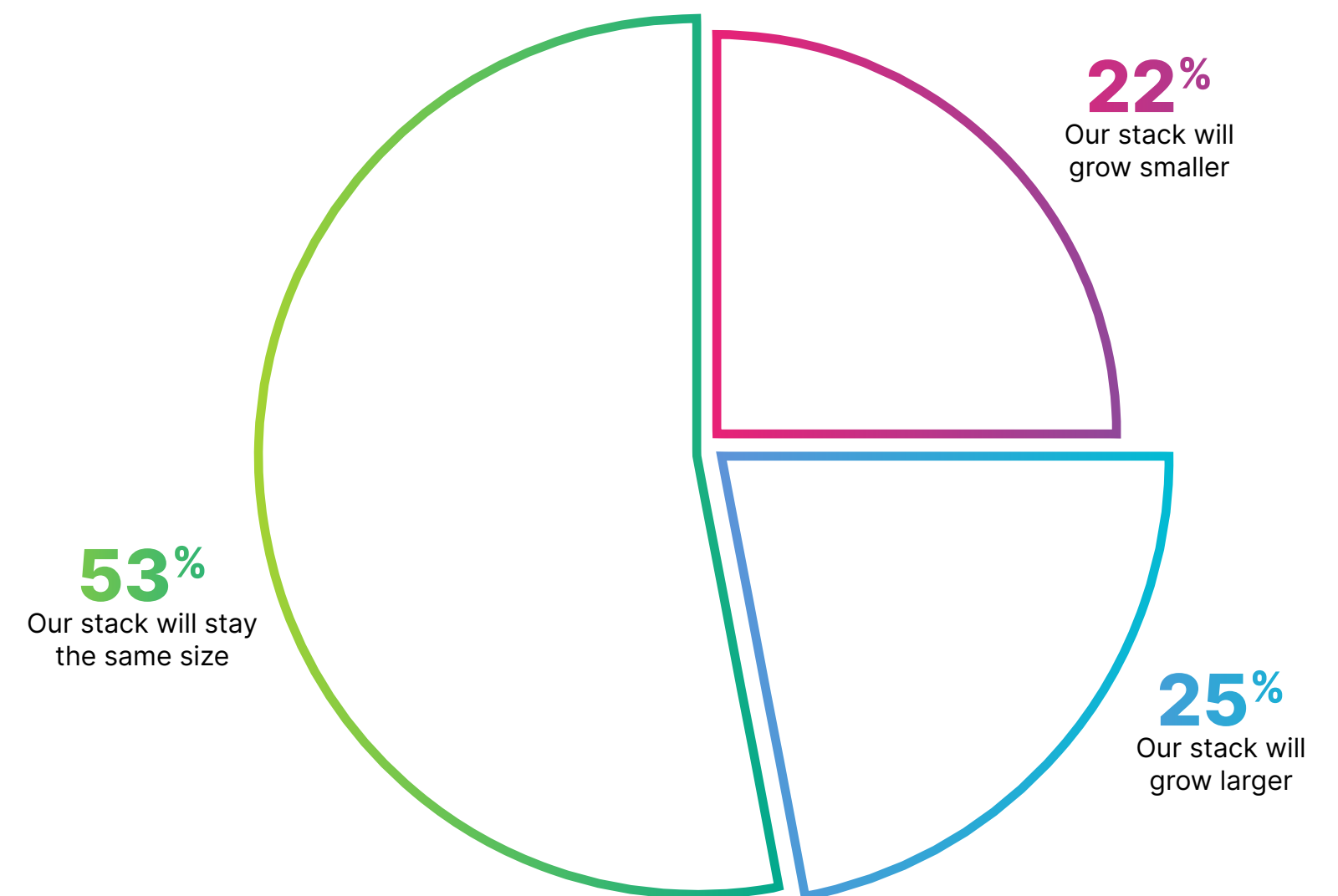
Martech stack consolidation and growth will occur almost equally.

The percentage of marketers who expect their martech stack to grow smaller, through consolidation or elimination of some solutions, is almost equal to those who plan to grow their stack by adding new solutions, as **Figure 18** shows.

Figure 18

2023 Martech Stack Changes

Which of the following statements best reflects how your MarTech stack will change in 2023?



Over half of marketers expect to meet or exceed their 2022 goals.

Despite the headwinds that many marketers are facing, over half expect to meet the goals set for marketing in 2022, as **Figure 19** shows.

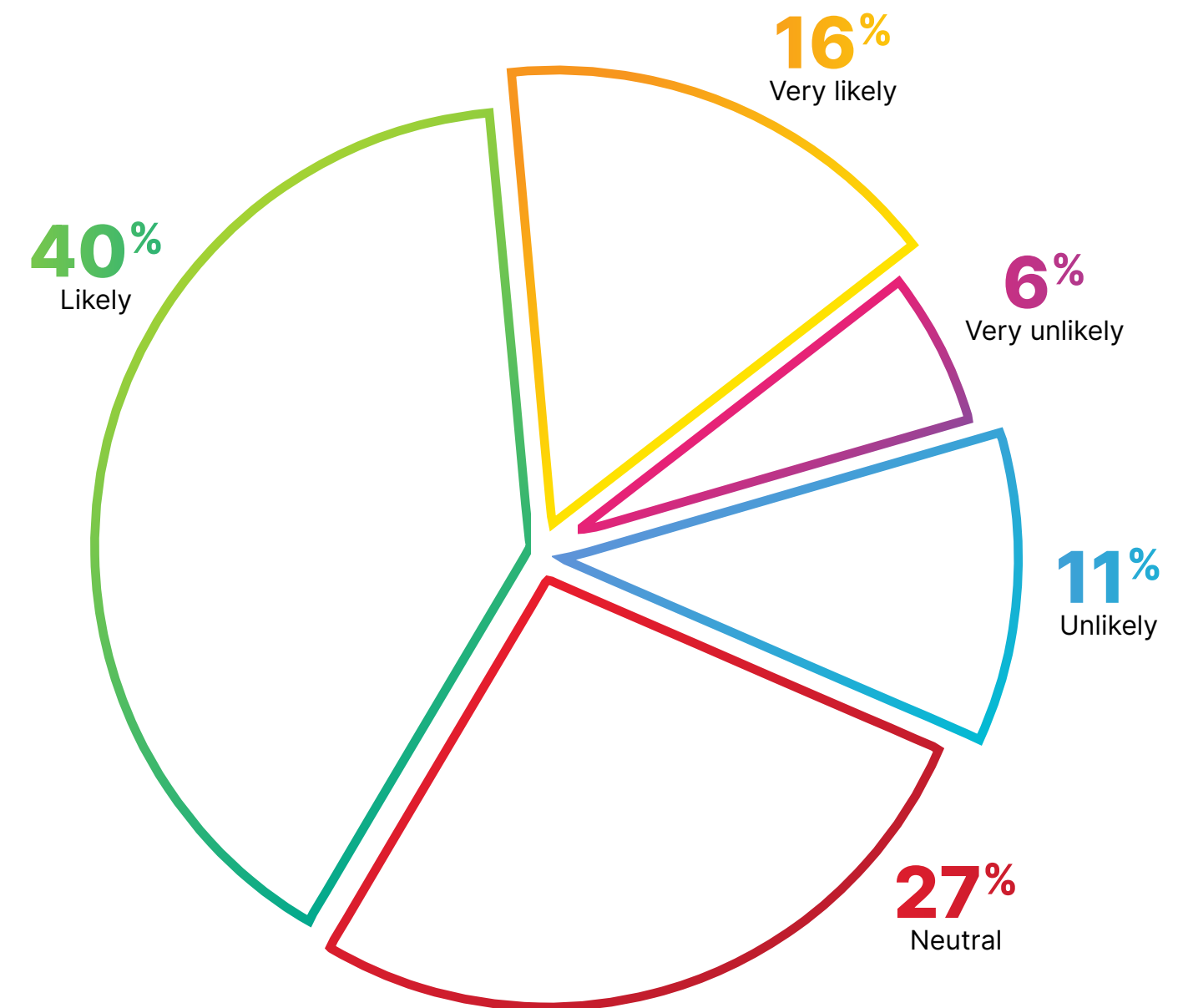
Table 6 shows how expectations for achieving 2022 goals by industry varies by almost 30 percentage points.

INDUSTRY	% LIKELY OR VERY LIKELY MARKETING WILL MEET OR EXCEED 2022 GOALS
Healthcare	40%
Insurance	44%
Financial Services	64%
Manufacturing	52%
Technology	67%
Telecommunications	57%

Figure 19

Achieving 2022 Marketing Goals

How likely is it that your marketing team will meet or exceed the goals set for it in 2022?



Compared to one year ago, most marketers are optimistic about their team and current performance.

Half of marketers in this study expect to achieve more this year than they did in 2021 (Figure 2). This confidence is reflected in the overall optimism marketers expressed in this study, with more than half (52%) feeling optimistic or very optimistic today compared to one year ago, as **Figure 20** shows. UK respondents were slightly less optimistic overall, with 14% very optimistic, 39% optimistic, 21% neutral, 17% pessimistic, and 9% very pessimistic.

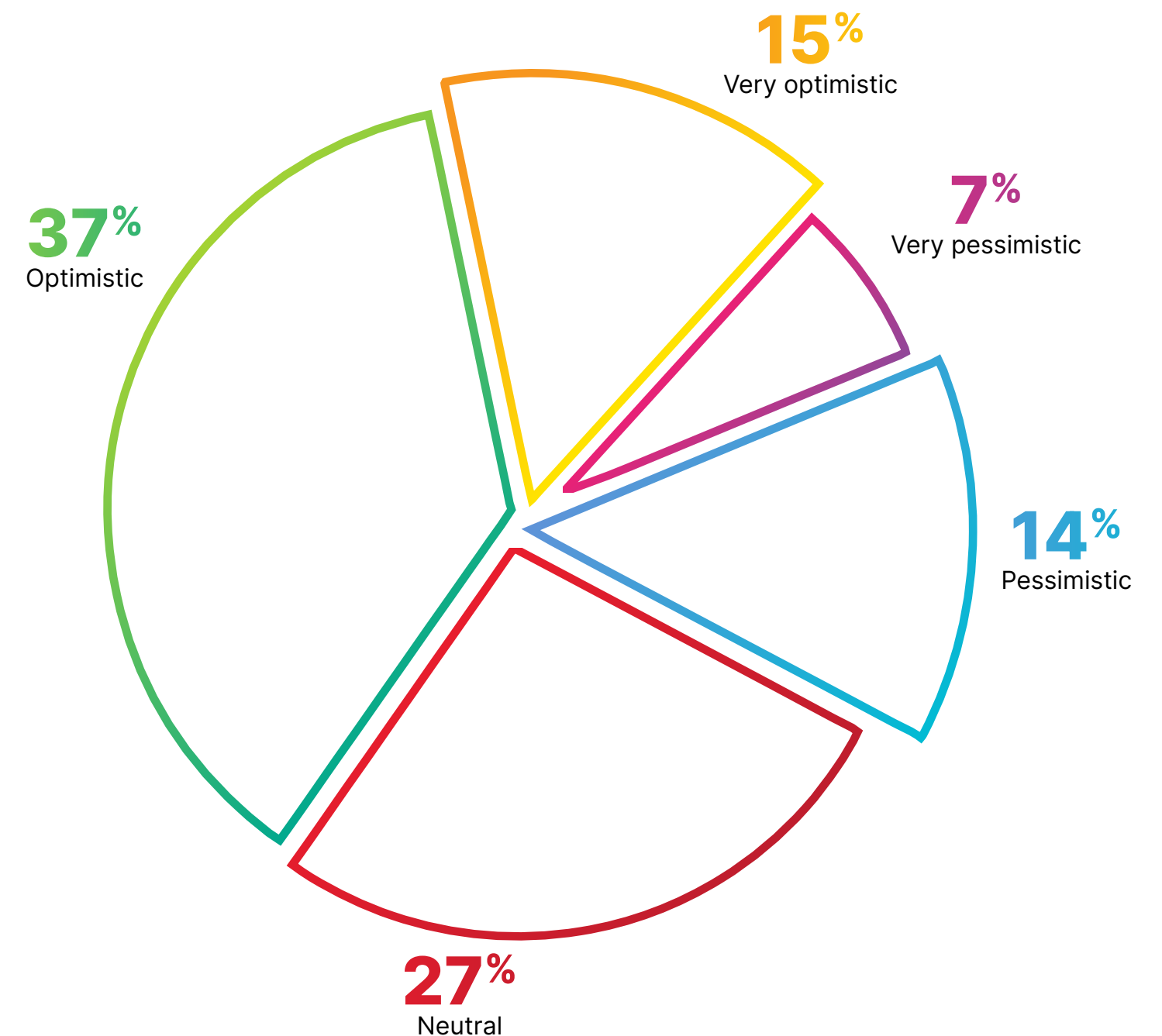
Table 6 shows how the current level of optimism varies significantly by industry.

INDUSTRY	% OPTIMISTIC OR VERY OPTIMISTIC ABOUT THE MARKETING TEAM AND ITS PERFORMANCE COMPARED TO ONE YEAR AGO
Healthcare	58%
Insurance	46%
Financial Services	60%
Manufacturing	40%
Technology	57%
Telecommunications	50%

Figure 20

Optimism Today vs. 2021

How optimistic are you today compared to one year ago about your marketing team and its performance?



Section 5

ACTION PLAN

The economic headwinds buffeting businesses as 2022 draws to a close show no signs of abating quickly. Marketers must expect to do what they are often called to do: more with less. This study indicates that opportunities exist for marketers to be more efficient in ways ranging from their strategies to their martech stacks. The following steps are recommended to help marketers position themselves to not just survive but excel in 2023.

Step 1

Invest in greater marketing precision.

Customers in the B2B space are increasingly moving through their buying journeys in a self-service, digital fashion. In this regard, B2B buyers are acting more like B2C buyers. As this trend accelerates, marketers must do their homework well to understand their B2B customers better than ever if they are to provide content that resonates and experiences that differentiate. Former levels of precision in this area will not allow marketers to remain competitive. Marketers must leverage data and sustain a relentless focus on buyers to keep them at the center of their marketing efforts.



Step 2

Be more intentional about managing your martech stack.

Components of a martech stack are not “fire-and-forget” technologies. The stack holistically, as well as its individual component technologies, require regular attention and maintenance. In this study, only 16% of marketers who constantly evaluate solutions to improve their stack were dissatisfied with the results they’re getting from their current marketing approach. By contrast, 29% of marketers who never evaluate stack solutions were dissatisfied. An area of emphasis should be eliminating redundant or unused stack solutions, something 38% of marketers in this study experience to a great or very great extent.



Step 3

Adopt buyer-driven, cross-channel marketing approaches.

Today's B2B buyers navigate an increasingly complex and omnichannel buying journey. Success requires marketers to engage with these buyers throughout their journeys, across all the channels buyers interact with, and with compelling, original content. Executing campaigns of this type means leveraging data, measuring results, and adjusting campaign parameters in agile fashion. Marketing can't do this with a spreadsheet. It's imperative for marketers to have the right tools in the martech stack and take the right approach to using them.



Step 4

Conclusion

The macroeconomic headwinds of the past few years have resulted in massive disruptions to B2B marketing. Factors such as the lingering effects of the pandemic, supply chain disruptions, geopolitical instability, inflation, and economic recession have affected businesses worldwide, leading to budget and staffing cuts in 2022.

Yet, despite this economic softening, marketers remain optimistic about 2023. It is likely that marketers are accustomed to the constant pivots and evolution of B2B, and doing more with less.

To attain their goals for the coming year, marketers will need to rethink the traditional assumptions of demand generation. They will need to drive toward greater precision, activating, managing, and measuring buyer-centric campaigns that deliver sustainable revenue.



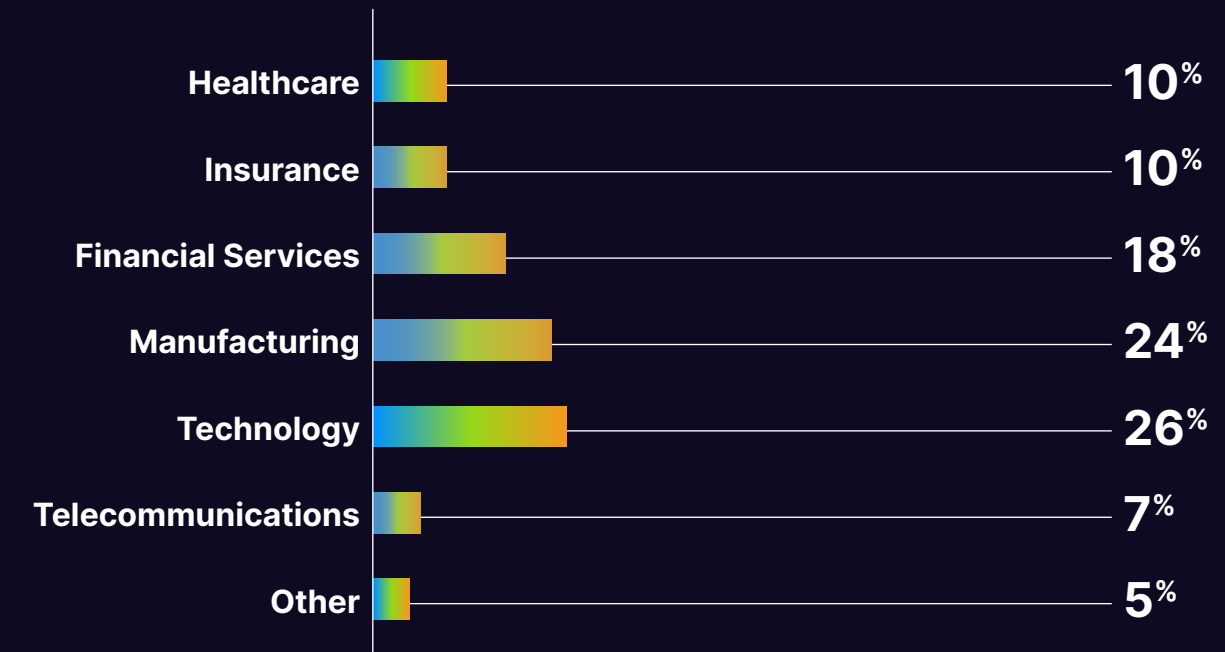
Methodology

This B2B Marketing Budgets survey was administered online from September 9th, 2022, until September 20th, 2022. During this period, 617 responses were collected, and 539 were qualified and complete enough for inclusion in the analysis. Only valid or correlated findings are shared in this report.

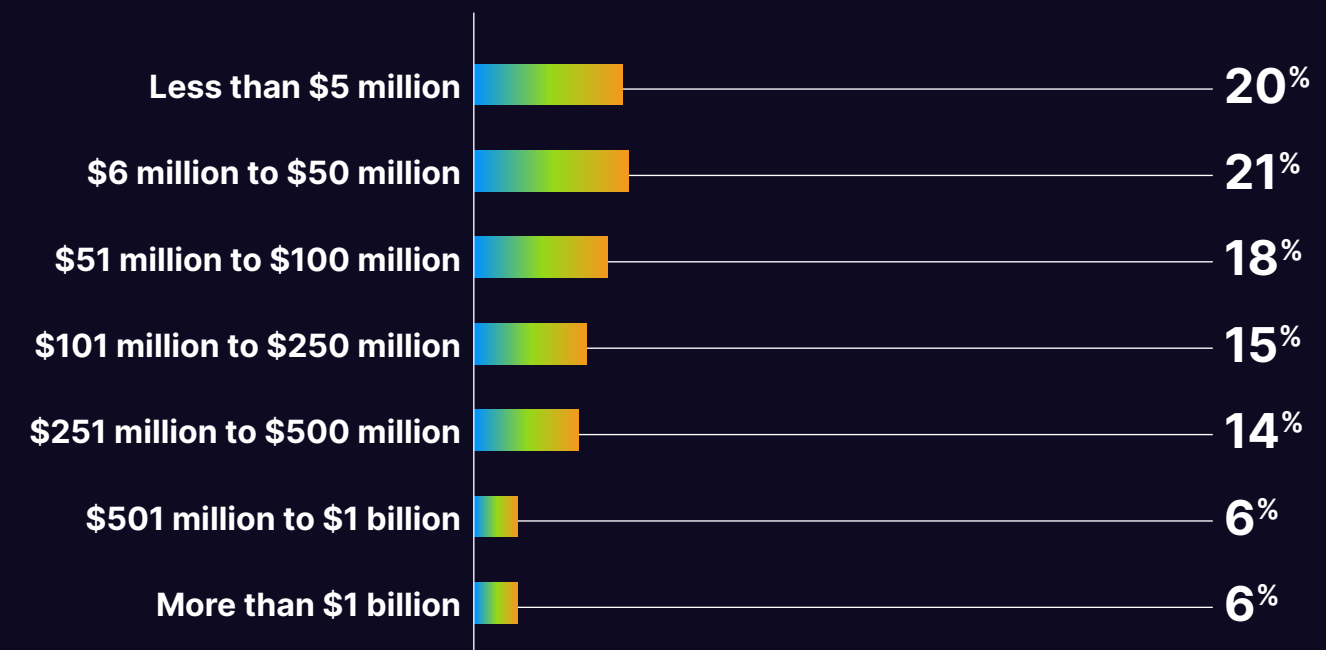
The representativeness of this study's results depends on the similarity of the sample to environments in which this survey data is used for comparison or guidance. Some figures are based on low sample sizes and should be used for informational purposes only.

Summarized to the right is basic categorization data collected about the 517 US and UK-based B2B marketers to enable filtering and analysis of the data:

Which industry do you work in?



What is your company's approximate annual revenue?





About

Integrate activates, governs, and measures marketing campaigns across demand channels. This enables marketers to launch cross-channel buyer experiences, ensure data integrity, measure the impact of their programs, and inform the next best investments. Integrate works with high-growth and enterprise organizations like Salesforce, Microsoft, Akamai, and Pluralsight to power their Precision Demand Marketing strategies. Today, Integrate's Demand Acceleration Platform helps create more precise and personalized buying experiences that reach the right buyer with the right message at the right point in their buying journey, and ultimately convert more leads to revenue.

For more information, please visit www.integrate.com or follow us on LinkedIn, Facebook, Twitter and Instagram.

Learn More



About

Demand Metric is a global research and advisory firm that supports marketing professionals with primary research and benchmark reports, technology research and advice, consulting services, training, and software.

Demand Metric's core focus is to help B2B marketing organizations grow revenue by operationalizing the best practices discovered in their research.

Through strategic partnerships with the AMA, ANA, and AIPMM, Demand Metric's tools have become the industry standard for Marketers and Product Managers. Access their 1,000+ tools and resources to get your team punching above their weight class.

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