



2023 Edition

The State of **B2B Marketing Budgets**

Introduction

Marketing budgets, priorities, and sentiments have changed in the past six months as marketers cope with challenges in and outside of their organisations. In 2022 a majority of marketers reported budgets were cut or stayed flat compared to 2021 with few experiencing significant year-to-year budget increases. Have the headwinds that buffeted marketing last year eased or persisted? This study finds the answer is “both” with marketers having to “defend the spend” while dealing with burnout. Yet, marketers remain an optimistic bunch.

Integrate and Demand Metric teamed up again to present the 2023 State of B2B Marketing Budgets report that explores the status of B2B marketing budgets, hiring, challenges, priorities, and resource allocations. The study gathered data about projections for meeting expectations and the optimism in the marketing community about 2023. The data from this study will help marketers benchmark and plan a strong finish to 2023.

The following report summarises 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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KEY FINDINGS

Key Finding #1

68% of study participants report meeting or exceeding their growth targets.

In the past 6 months, over two-thirds of organisations in the study have met or exceeded targets for growth.



Key Finding #2

Difficulty using data is the top challenge.

45% of study participants report their top challenge is using data to inform decisions and/or measure marketing performance.



Key Finding #3

Customer marketing, upselling, and cross selling is the top growth strategy for 2023.

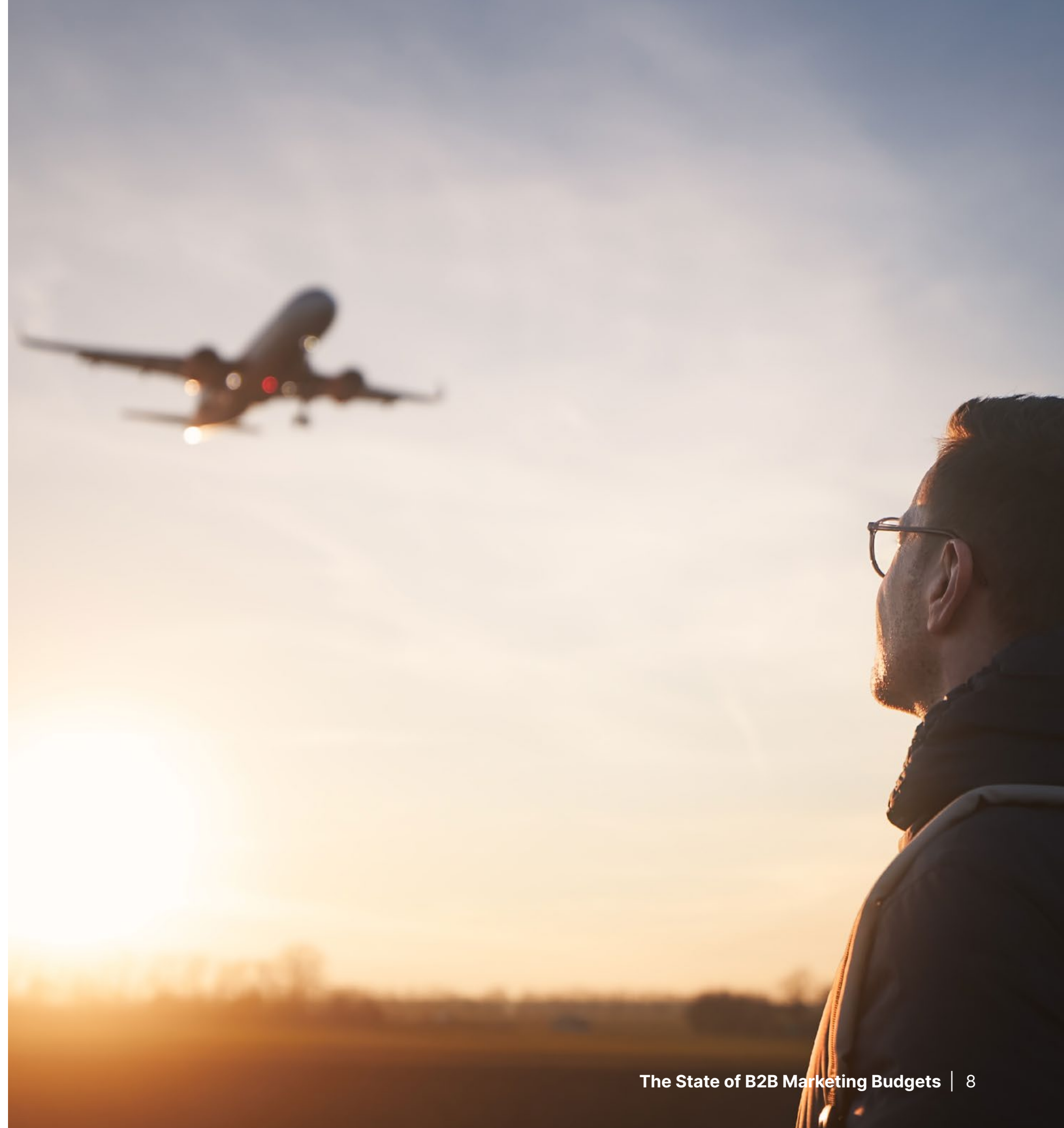
Over half (57%) of the organisations studied plan to grow by leveraging existing customer relationships.



Key Finding #4

Organisations are increasingly cutting travel costs as a way to manage marketing budget reductions.

46% of organisations cite cutting travel budgets to adapt to layoffs or budget cuts.



Key Finding #5

Most organisations are prioritising data compliance and accuracy.

Nearly 90% of marketers in this study report data compliance and accuracy is a priority at their company.



Key Finding #6

ABM is the top investment area targeted for less spending.

One-quarter of study participants report ABM is the most likely investment in which they will spend less in 2023.



Key Finding #7

Two-thirds of marketers are experiencing burnout.

The stresses of the current business environment and economy are causing 66% of study participants to experience burnout.



Key Finding #8

Most marketers expect to meet or exceed their 2023 goals.

Despite the burnout and current stresses marketers are experiencing, 72% of study participants expect to meet or exceed their goals for 2023.



Key Finding #9

Marketers are overwhelmingly optimistic for the rest of 2023.

84% of marketers report having a neutral to optimistic outlook for the remainder of 2023, up slightly from 80% six months ago.

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](#).



MARKETING GROWTH, PERFORMANCE, AND CHALLENGES

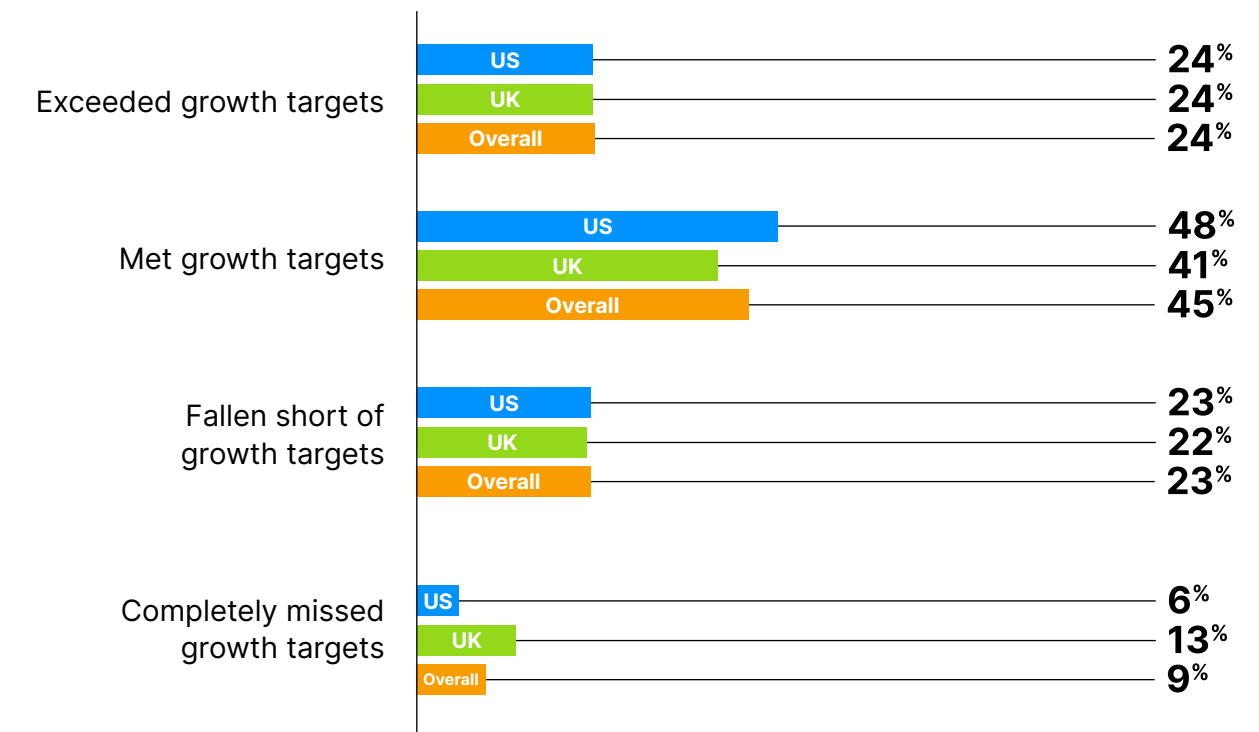
Most organisations are achieving or exceeding growth targets over the past 6 months.

Economic headwinds have characterised all of 2023, creating a more difficult environment for hitting goals. In this environment, 65% of UK and 72% of US organisations in the study report having met or exceeded their growth targets in the past 6 months, as **Figure 1** shows.

Figure 1

Success Achieving Growth Targets in the Past Six Months

Which of the following statements best describes the performance of your company over the past 6 months?



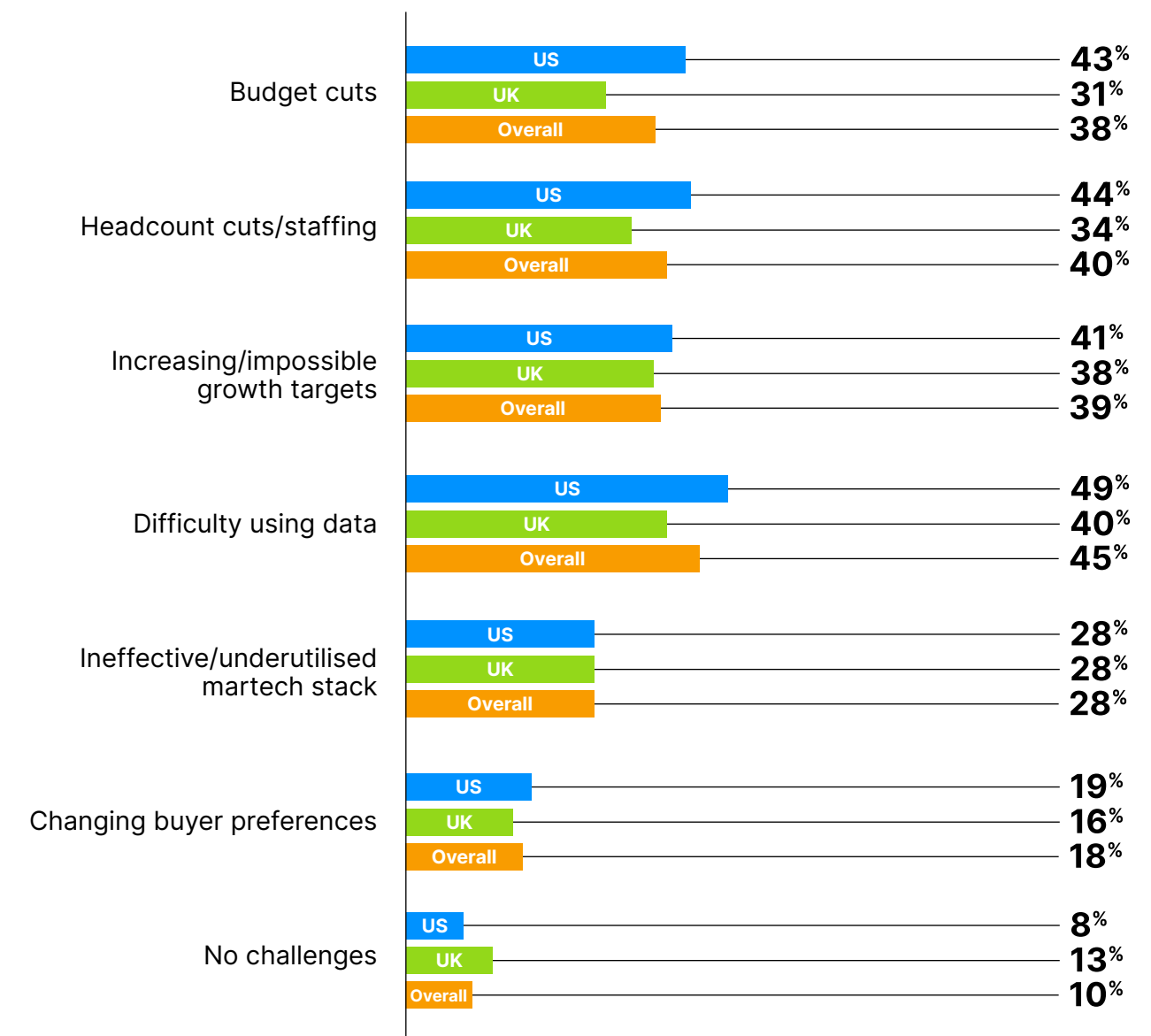
Difficulty using data to drive decisions or measure performance is the greatest challenge.

The top challenge was the same for both geographies this study considered: difficulty using data to inform decisions or measure performance. The second and third ranked challenges then diverge: in the US, they are headcount cuts/staffing and budget cuts. In the UK, they are increasing/impossible growth targets and headcount cuts/staffing, as **Figure 2** shows.

Figure 2

Current Marketing Challenges

What challenges are you facing right now in marketing?
Check all that apply.



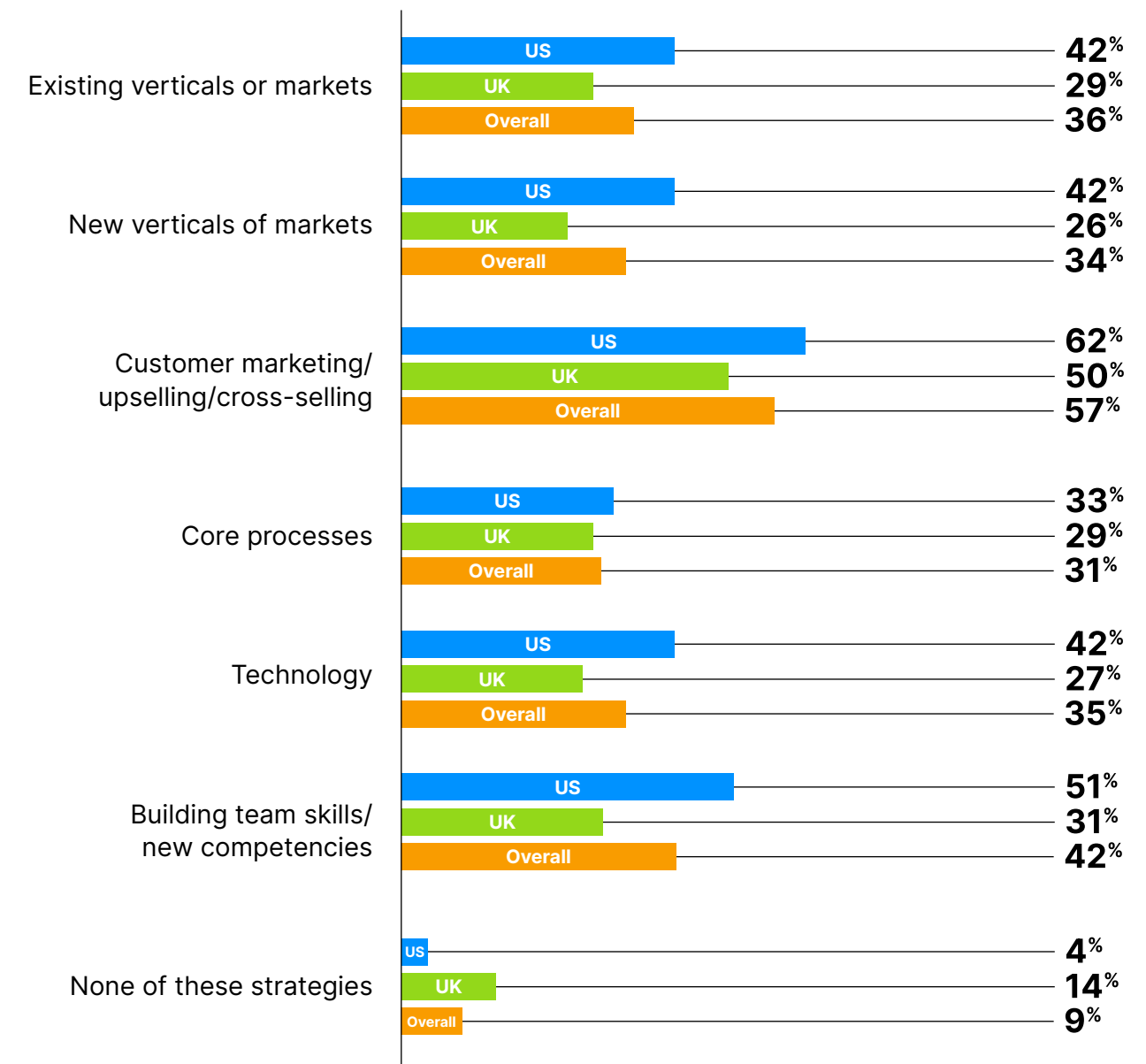
Marketers are staying with what’s worked to optimise growth for 2023.

Marketers in the US and UK both rank customer marketing/upselling/cross-selling as the area they are most optimising for growth in 2023. US marketers are more “all in” (62%) on this strategy than their UK counterparts (50%). Pursuing building team skills/adding new competencies ranks second in both geographies (51% US; 31% UK), with technology (42%) third in the US and existing verticals or marketing (29%) third in the UK as **Figure 3** shows.

Figure 3

How Marketing is Optimising for Growth in 2023

Which of the following are you optimising for growth in 2023?
Check all that apply.



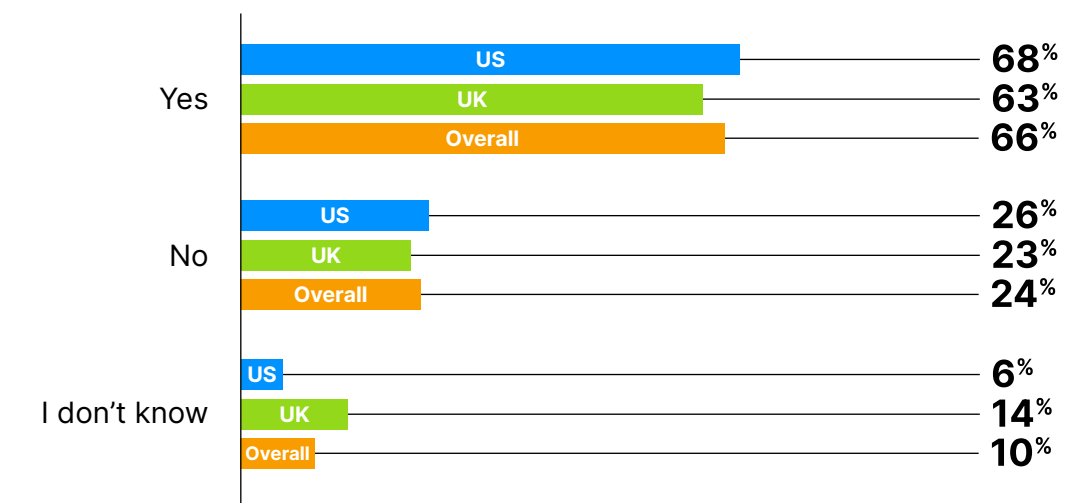
Marketers are experiencing burnout.

2023 has not brought relief from the stresses marketers have experienced in the past few years. Additional political, economic, social, technological, and environmental stresses are causing 68% of US and 63% of UK marketers in the study to experience burnout, as **Figure 4** shows.

Figure 4

Most Marketers Report Experiencing Burnout

Are you experiencing burnout as a result of the additional stress?



2023 BUDGET AND STAFFING LANDSCAPE

Organisations with lower staffing levels equal those with higher staffing levels in 2023.

Across the full survey sample, organisations saw staffing levels decline (36%) or increase (36%) in equal proportions. This balance disappears when looking at the geography segments. 28% of US marketing organisations have less staff while 44% have more. These figures are reversed in the UK where 45% have less staff while 29% have more, as **Figure 5** shows.

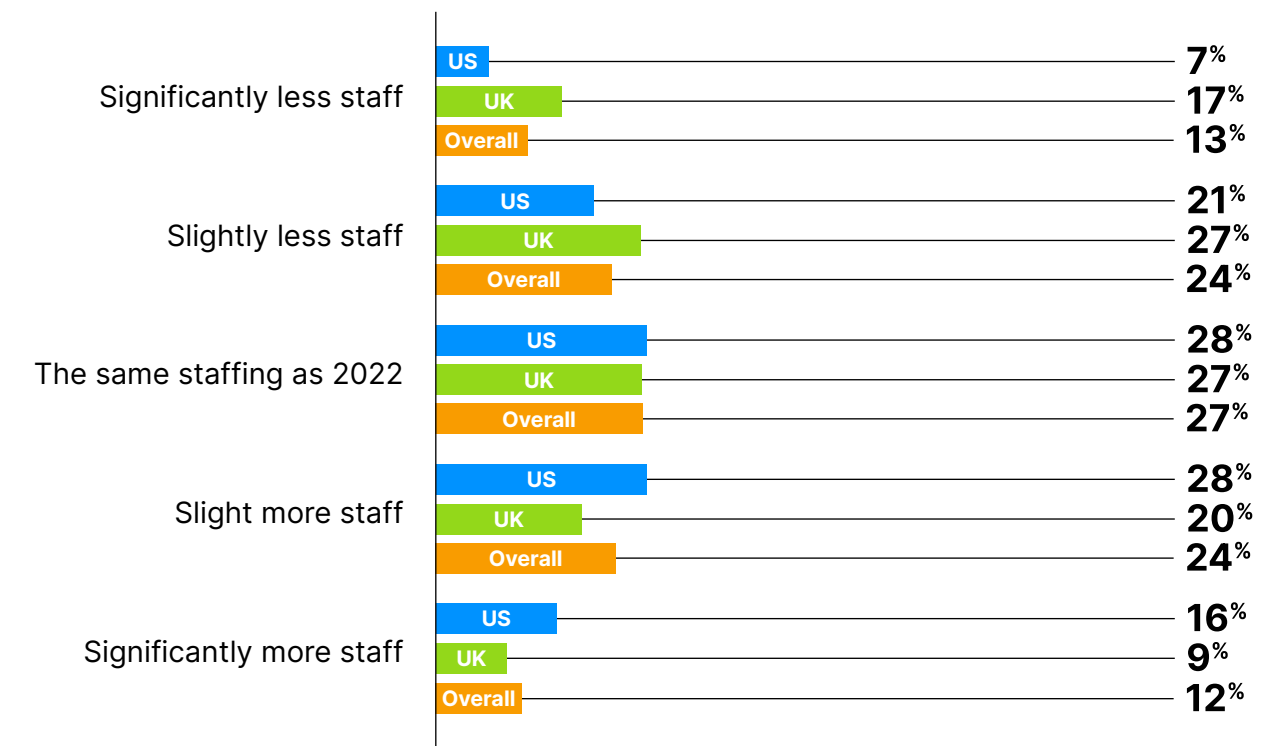
Staffing levels had no impact on performance against growth targets over the last six months ([Figure 1](#)).

Lower staffing levels are a major driver of burnout ([Figure 4](#)). 80% of study participants who report lower staffing levels in 2023 are experiencing burnout, compared to 60% who report higher staffing levels, a 20-point difference.

Figure 5

2023 Staffing Levels Up and Down in Equal Proportion

How do your 2023 staffing levels compare to 2022? Please consider all sources of staff — full-time, part-time, and contractors — when answering this question.



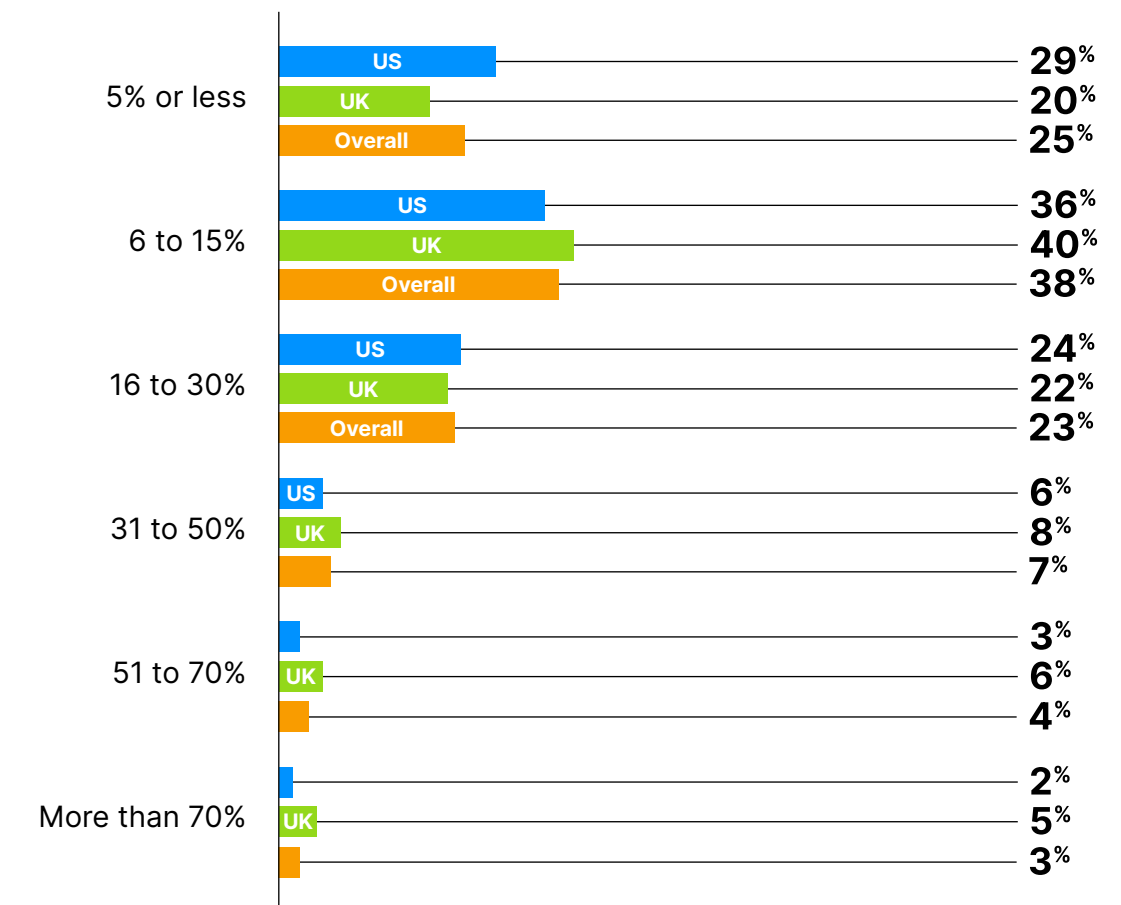
Marketing team attrition cuts deep for over one-third of organisations in the study.

36% of US and 39% of UK marketing teams have experienced attrition or staffing cuts in the past six months. For 37% of all study participants, those cuts have been deep, resulting in a net loss of more than 16% of staff. The degree of loss was deeper for UK marketing organisations, as **Figure 6** shows.

Figure 6

Marketing Team Attrition Over the Past Six Months

What percentage of your marketing team would you estimate has been let go over the past six months?



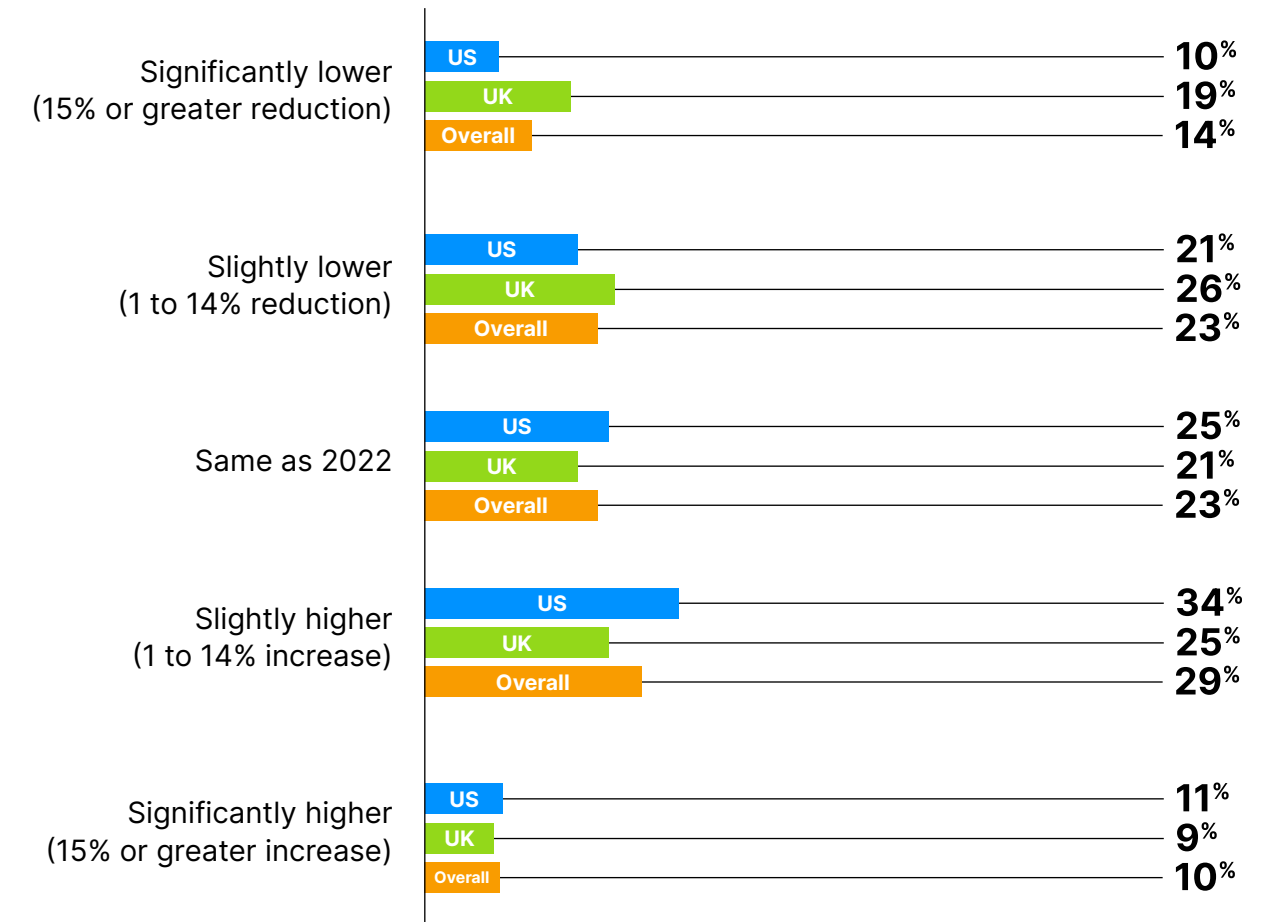
Budgets and staffing levels are in lockstep.

About the same percentage of organisations in the study report reduced budgets (37%) as increased budgets (39%) in 2023. Staffing and budgets tend to rise and fall together, and the data confirms that connection in 2023. 60% of the study segment reporting lower 2023 budgets also report having lower staffing levels. This compares to 24% reporting lower staffing levels for the study segment whose marketing budget is higher this year. Less than one-third (31%) of US marketers in the study report lower budgets compared to 2022, while almost half (45%) of UK marketers are dealing with lower budgets, as **Figure 7** shows.

Figure 7

2022 to 2023 Marketing Budget Comparison

How does your 2023 marketing budget compare to 2022?



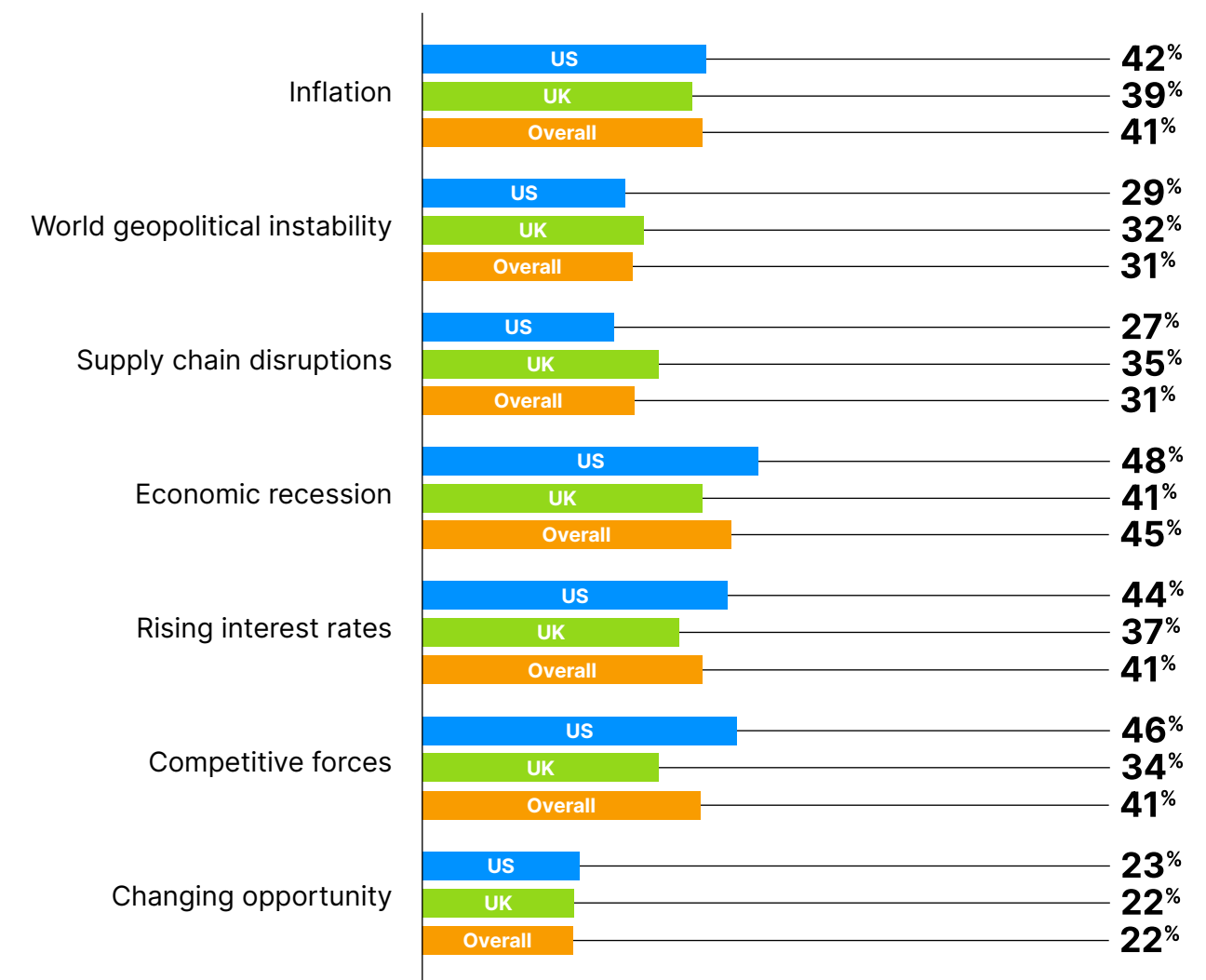
Economic factors are the primary drivers of budget changes.

Study participants cite a trifecta of economic factors as the primary driving forces behind year-to-year changes in the marketing budget: economic recession (45%), rising interest rates (41%), and inflation (41%). The ever present specter of competition (41%) is also in view as a force affecting budget allocations. These drivers are very similar on both sides of the Atlantic, as **Figure 8** shows.

Figure 8

Drivers of Marketing Budget Changes

What are the primary driving forces behind changes to your marketing budget from 2022 to 2023? Please select all that apply.



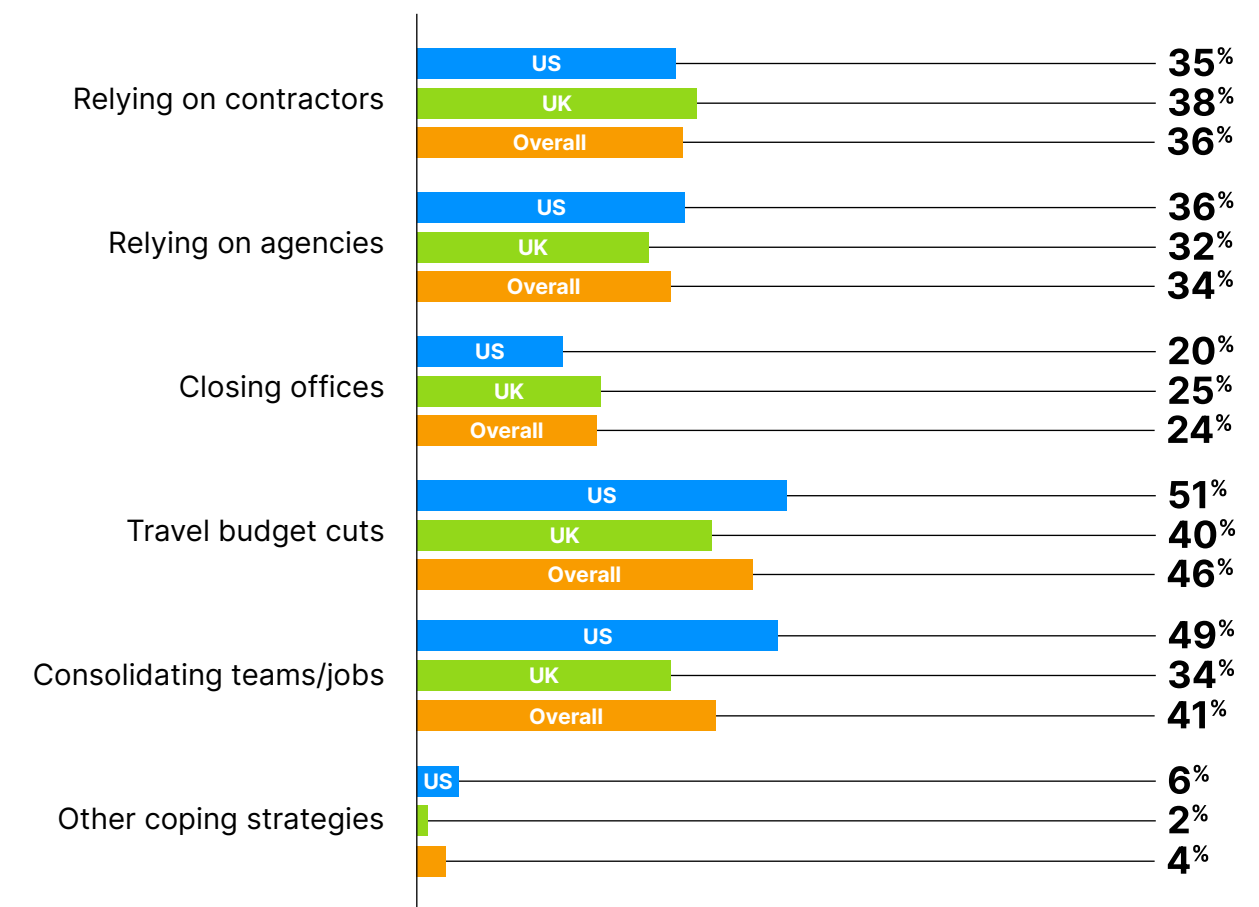
Marketers are dealing with layoffs and lower budgets by cutting travel.

Marketers who indicated their budgets or staffing levels were lower in 2023 were asked how they are adapting. Travel budget cuts were the top coping strategy for 46% of study participants. The coping strategies show some variation when comparing the US to the UK, as **Figure 9** shows.

Figure 9

Adapting to Layoffs or Budget Cuts

How is your company adapting to layoffs or budget cuts?
Check all that apply.



Content and customer marketing feel the brunt of budget/hiring cuts or freezes.

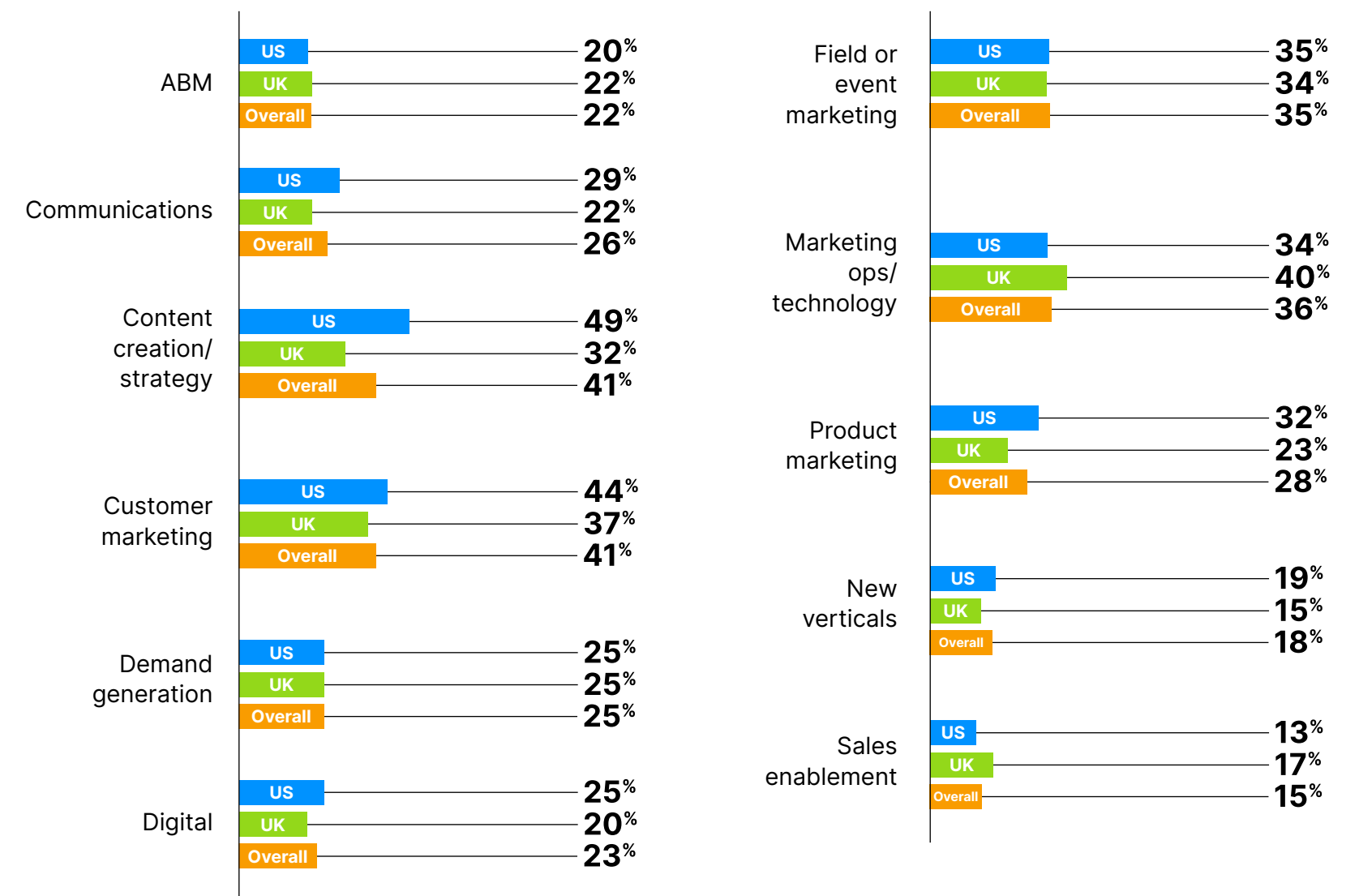
Marketers who indicated their budgets or staffing levels were lower in 2023 were also asked which functional marketing areas are most negatively impacted. In the full survey sample, two areas were tied for the top spot: Content creation/strategy (41%) and Customer marketing (41%). The US segment of the study sample mirrors this ranking, while the UK sample has marketing operations/technology (40%) in the top spot with customer marketing (37%) in second, as **Figure 10** shows.

Over two-thirds (68%) of marketers are managing internal stakeholders' expectations while doing "more with less" by increasing internal communications efforts. More so in the US (76%) than in the UK (58%).

Figure 10

Marketing Areas Most Negatively Affected by Budget/Hiring Changes

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



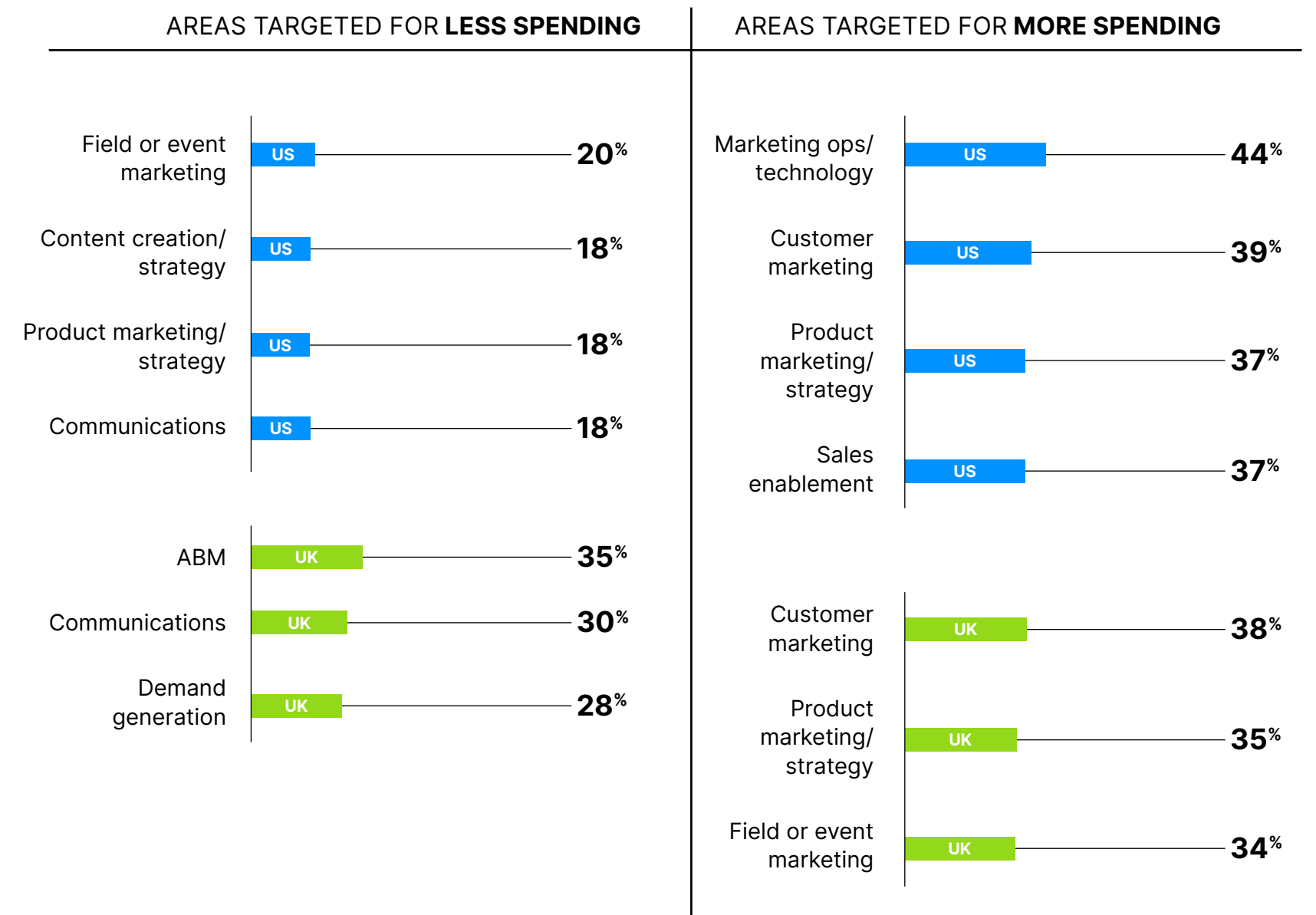
2023 marketing budget changes reveal different priorities in the US, UK.

In the full survey sample, the top area targeted for less spending is ABM (25% of respondents) with customer marketing (38% of respondents) receiving the greatest increase. Segmenting the data by US and UK geographies reveal different priorities, as **Table 1** shows.

Table 1

2023 Marketing Budget Spending Changes

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



Customer marketing is the top area of investment for 2023.

In a nod to sticking with what works, study participants rank customer marketing as the top area of investment for 2023, followed by content creation/strategy, and sales enablement. US and UK survey segments had slightly different investment rankings, as **Table 2** shows.

Table 2

2023 Marketing Investment Ranking

Please select your top 3 areas of marketing investment in 2023.

	UNITED STATES	UNITED KINGDOM	OVERALL
1.	Content creation/strategy	Customer marketing	Customer marketing
2.	Customer marketing	Sales enablement	Content creation/strategy
3.	Marketing ops/technology	Content creation/strategy	Sales enablement

APPROACHES, MARTECH, SATISFACTION, AND OUTLOOK

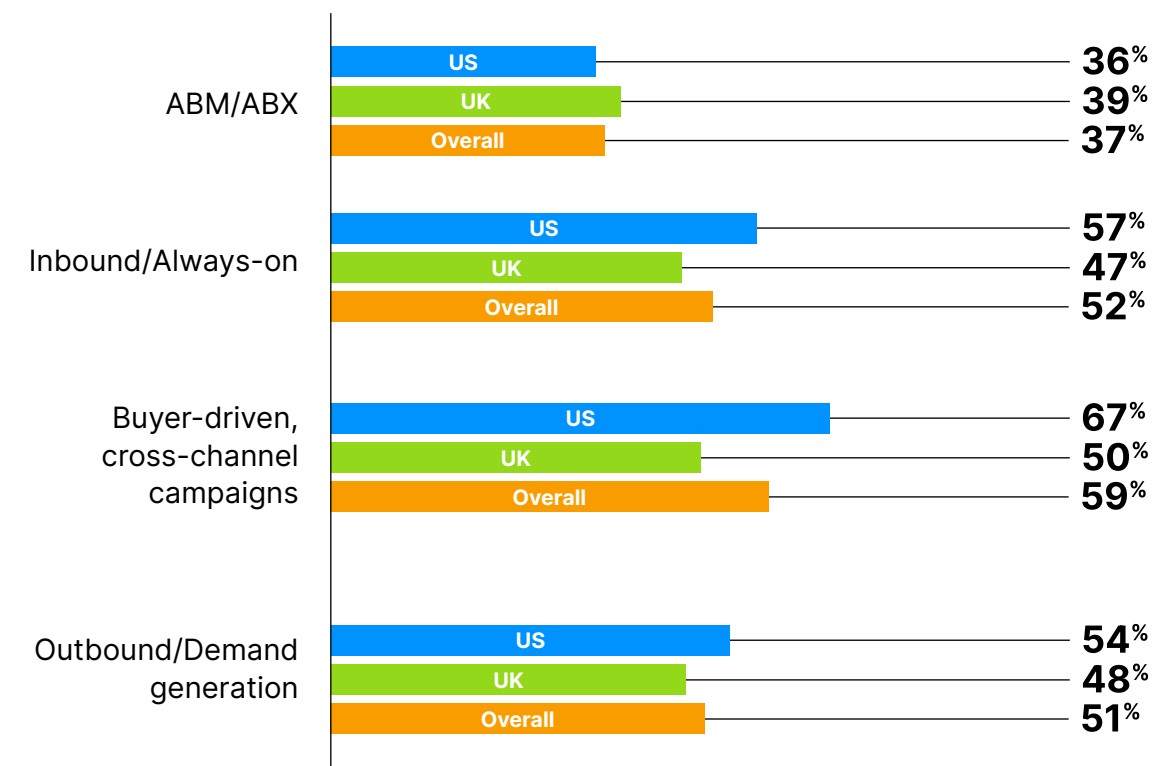
Buyer-driven, cross-channel campaigns are the most favoured strategic approach.

Buyer-driven, cross channel campaigns are the most likely approach to study participants' 2023 strategy with ABM/ABX the least likely. US marketers were more committed to this approach (67%) than their UK counterparts (50%), as **Figure 11** shows.

Figure 11

2023 Marketing Approaches

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



The martech stack supports marketing's work far better in 2023.

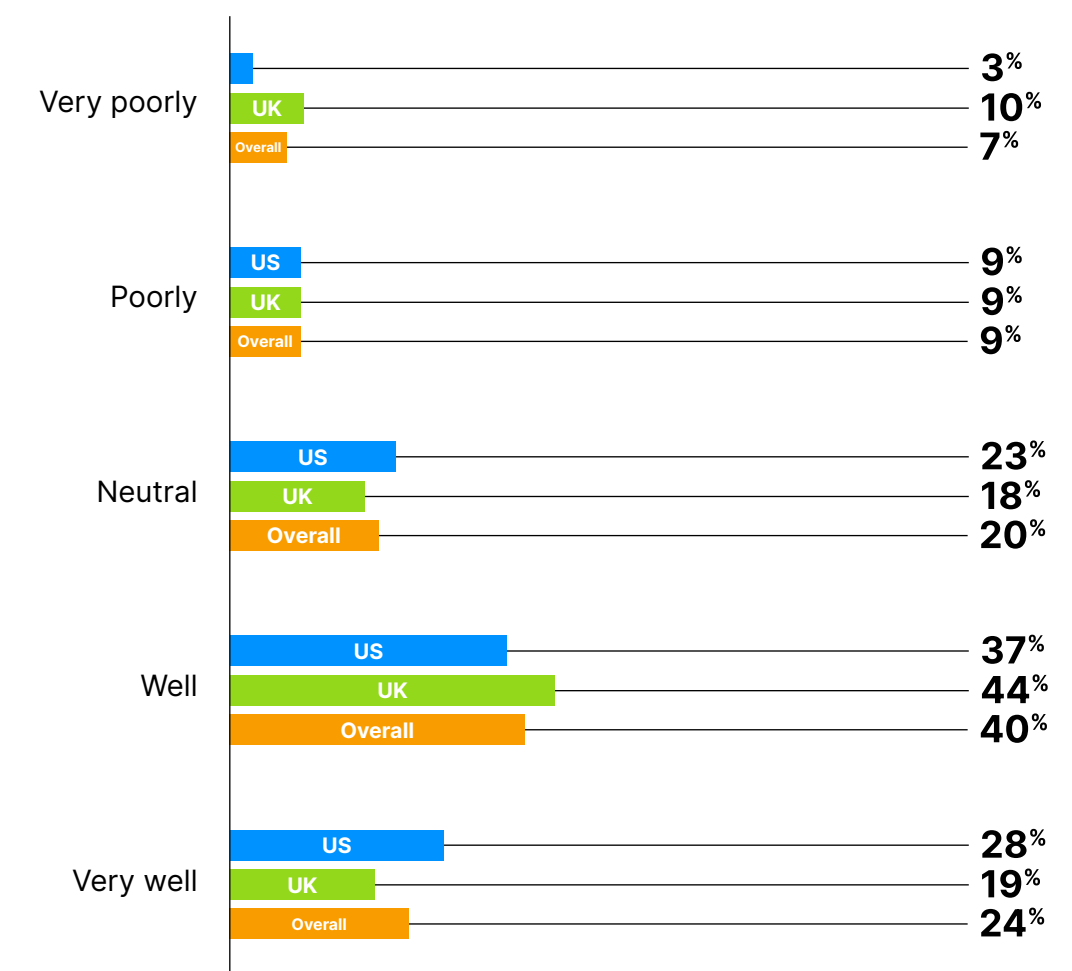
Just six months ago, less than half (48%) of marketers felt their martech stack supported their work well. Now, almost two-thirds (64%) feel their martech stack supports the team's work well or very well. This sentiment is shared almost equally by US and UK marketers, as **Figure 12** shows.

Almost half of marketers (45%) who feel their stack supports their work well are constantly evaluating solutions to improve their martech stacks. In sharp contrast, less than one-quarter (22%) who say their stack does a poor job supporting their work evaluate solutions with this same frequency. The US segment (41%) and the UK segment (37%) are close in terms of staying in constant stack evaluation and improvement mode.

Figure 12

Martech Stack Support of Marketing

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



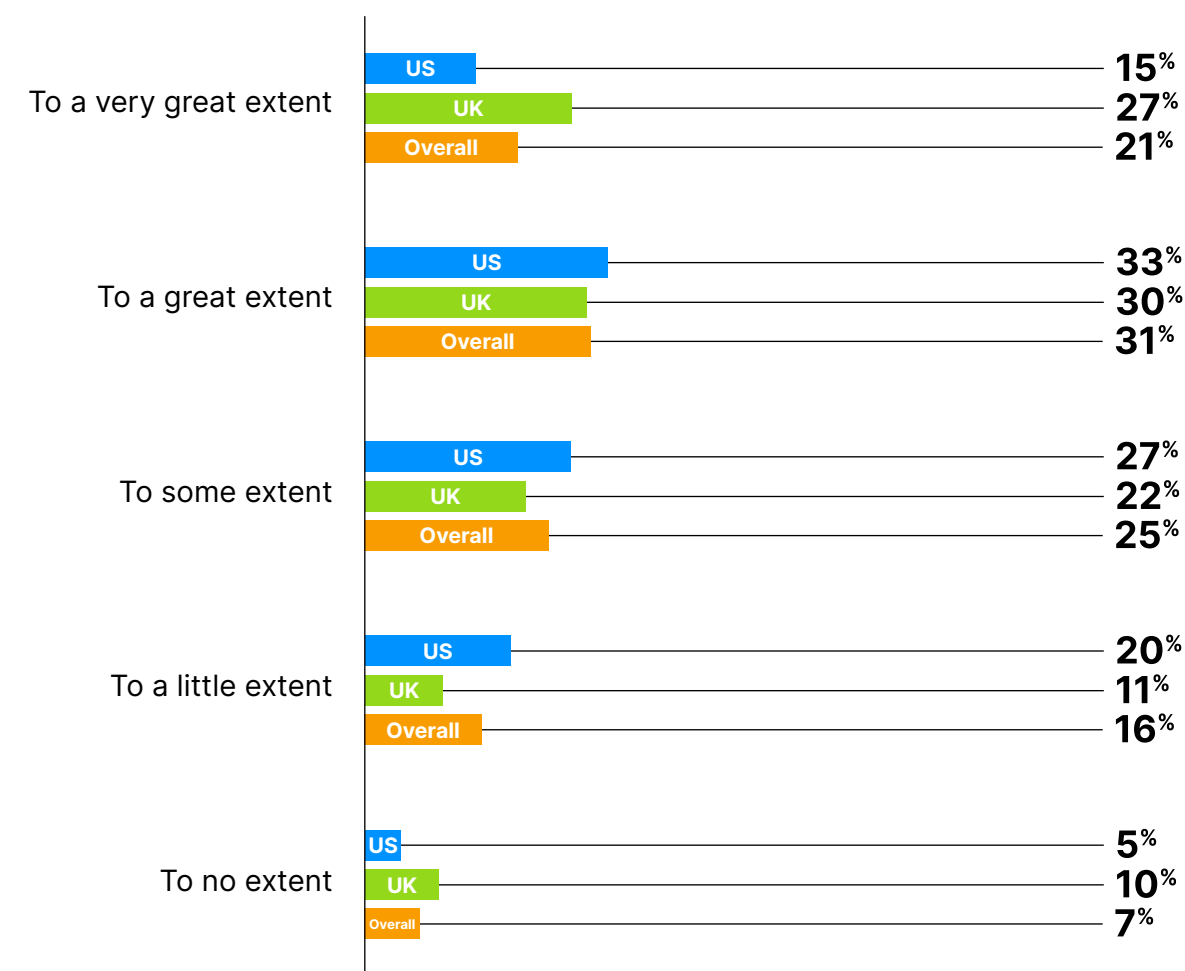
For most, the martech stack contains unused or redundant solutions.

The 2022 study revealed to a great or very great extent, 38% of marketers had redundant or unused components in the martech stack. The current study shows 52% of study participants report this level of redundancy. This significant increase is perhaps due to the more aggressive approach marketers are taking to improving their stacks, adding new solutions in advance of eliminating redundant or old ones. There is less stack redundancy in the US (48%) than in the UK (57%), as **Figure 13** shows.

Figure 13

Martech Stack Redundancies/Unused Tools

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



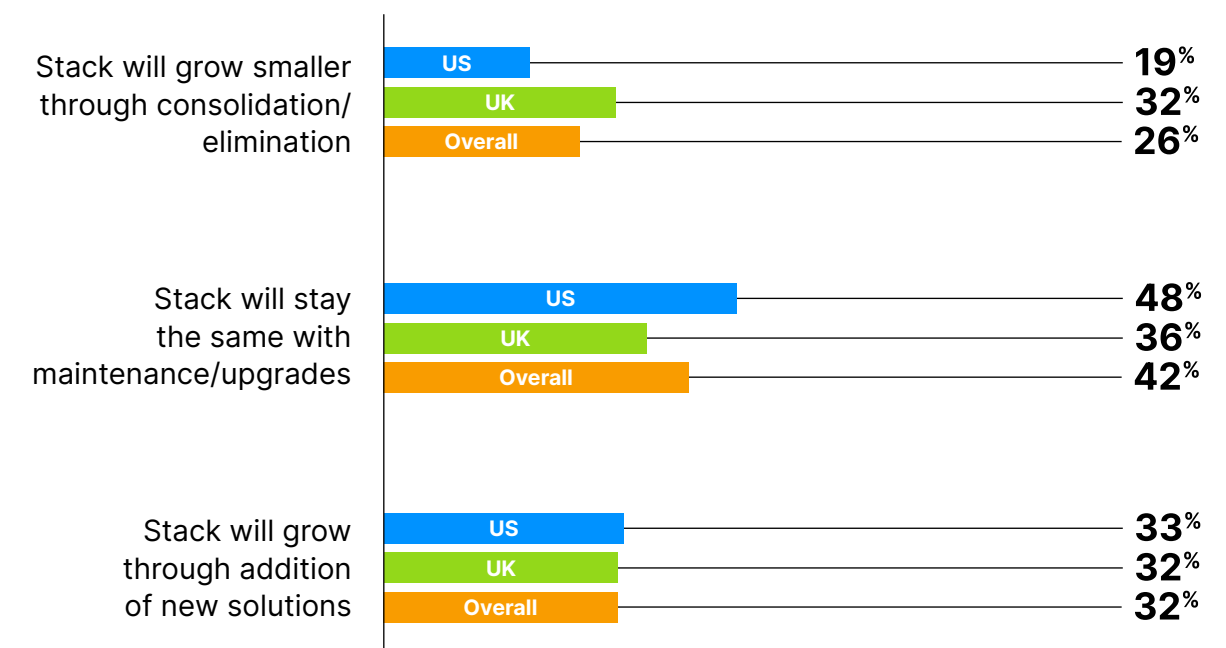
About one-third of study participants expect 2023 martech stack growth.

30% of this study's participants report their stack has grown in the past six months through the addition of new solutions. More US marketers (34%) grew their stacks than their UK counterparts (25%). Throughout the remainder of 2023, about one-third (32%) of all study participants expect to grow the stack by adding new solutions, with the US and UK segments having nearly identical growth expectations, as **Figure 14** shows.

Figure 14

2023 Martech Stack Growth

What changes do you expect will happen to your MarTech stack throughout the remainder of 2023?



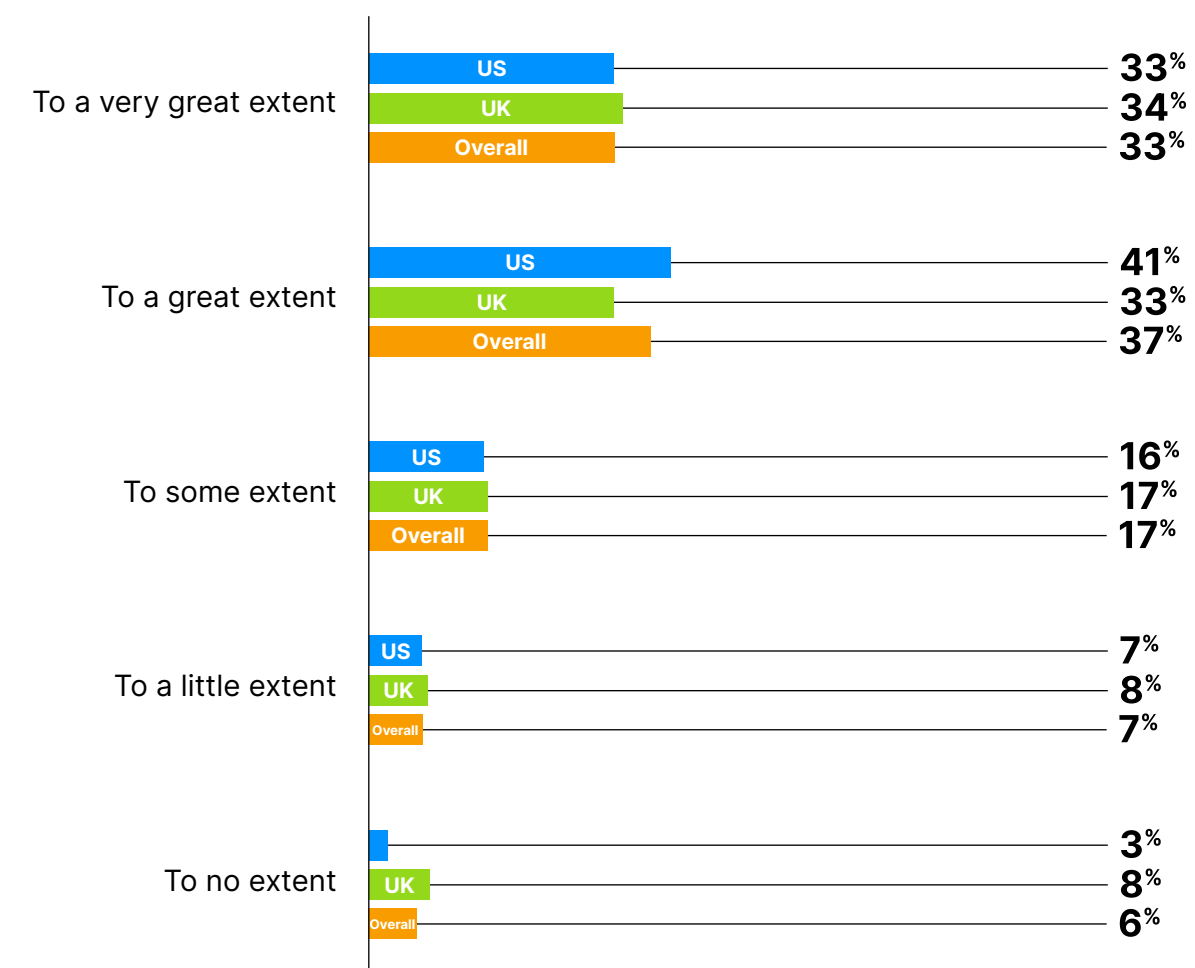
Data compliance and accuracy is almost everyone's concern.

In this era of data breaches and data-driven marketing, data compliance and accuracy should rank high on every organisation's priority list. Indeed it does for most in this year's study: most organisations (87%) have it on the list of priorities. This focus on data is slightly higher for US marketers (90%) than UK marketers (84%), as **Figure 15** shows.

Figure 15

Prioritising Data Compliance and Accuracy

To what extent is ensuring data compliance and accuracy a priority at your company?



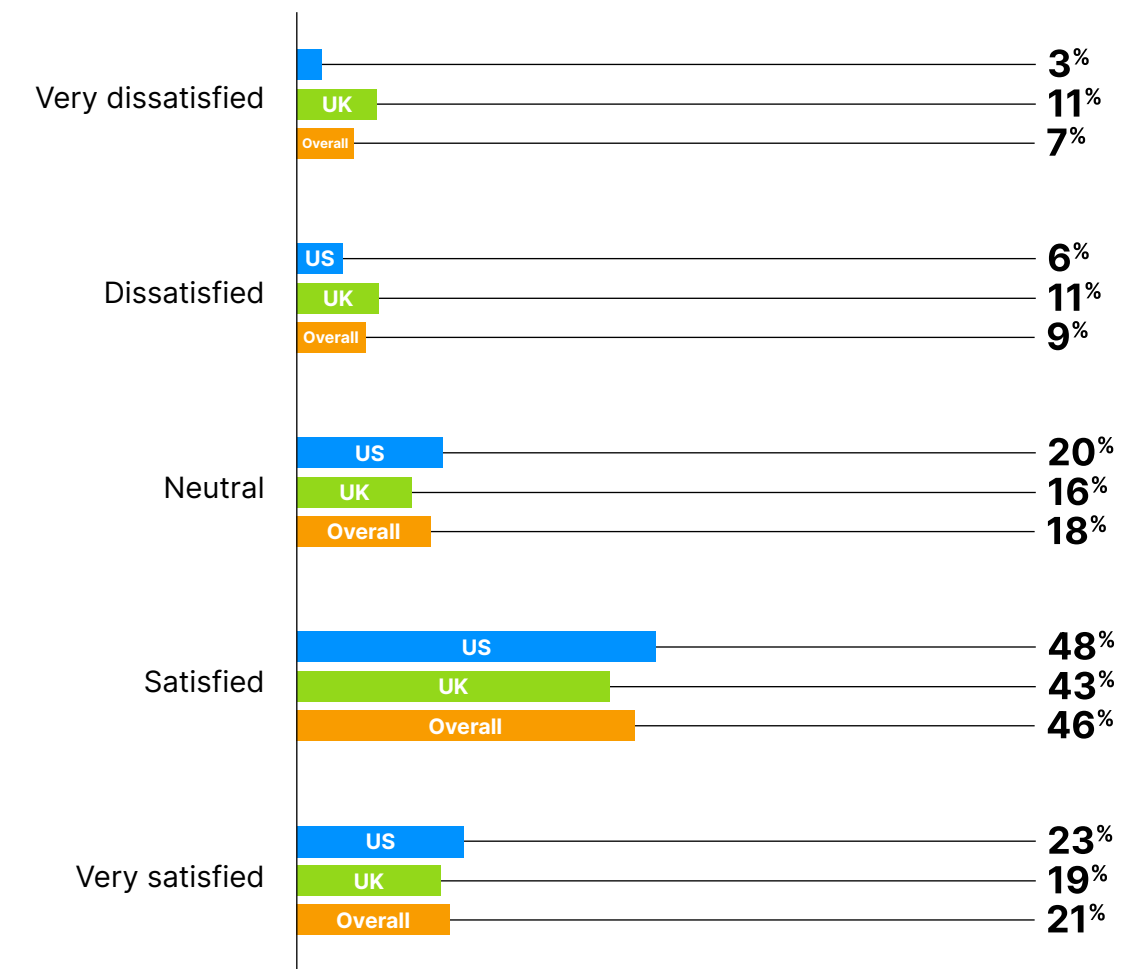
Satisfaction with approach to marketing is far higher in 2023.

Last year, just under half (48%) of the study’s participants were satisfied with the results they were getting from their marketing approach. This year, satisfaction has risen to 67%. US marketers have the greatest satisfaction (71%) while their UK counterparts are more subdued (62%), as **Figure 16** shows.

Figure 16

Marketing Approach Satisfaction

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



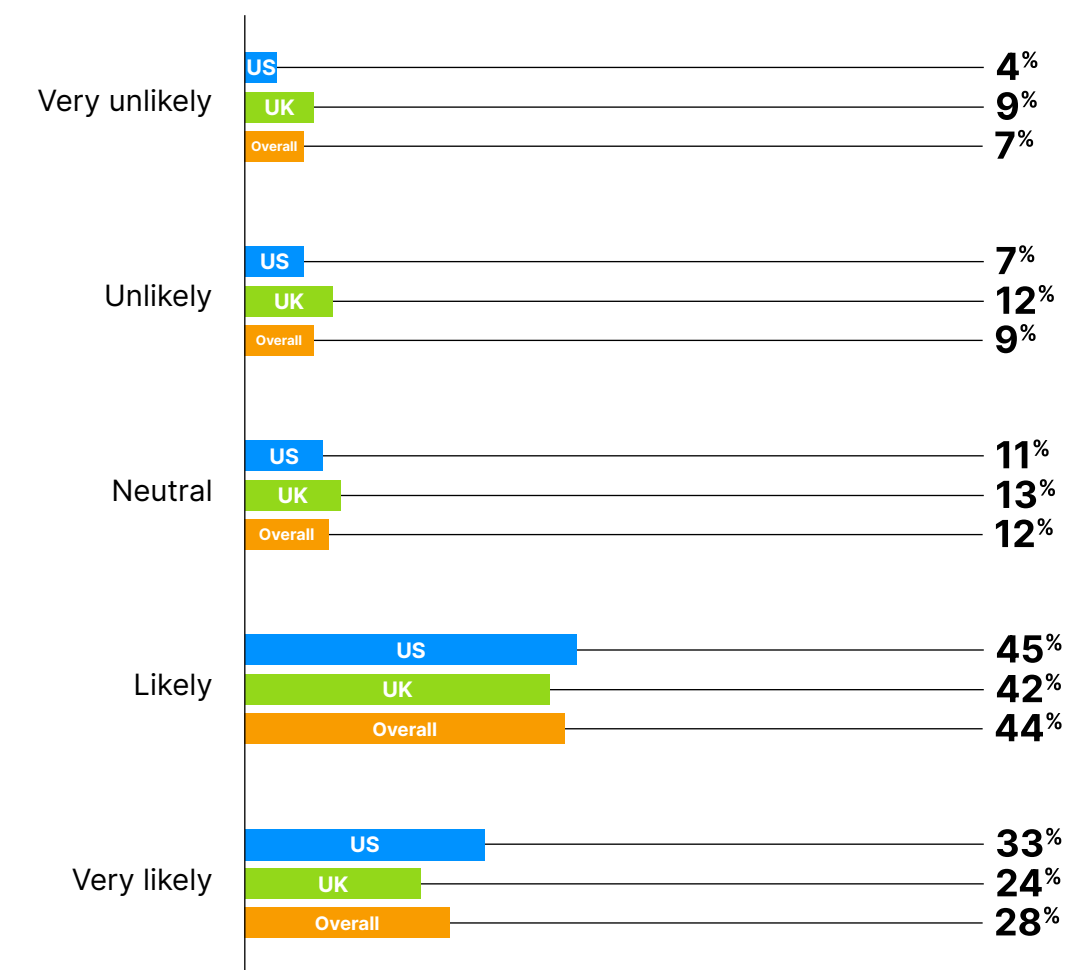
Almost three-quarters of marketers expect to meet or exceed their 2023 goals.

Over half (56%) of the marketers in last year's study expected to meet their 2022 goals. The optimism around goal achievement in 2023 has grown to 72% of those in the current study. US marketers (78%) are more bullish about goal achievement than those in the UK (66%), as **Figure 17** shows.

Figure 17

Achieving 2023 Marketing Goals

How likely is it that your marketing team will meet or exceed the goals set for it in 2023?



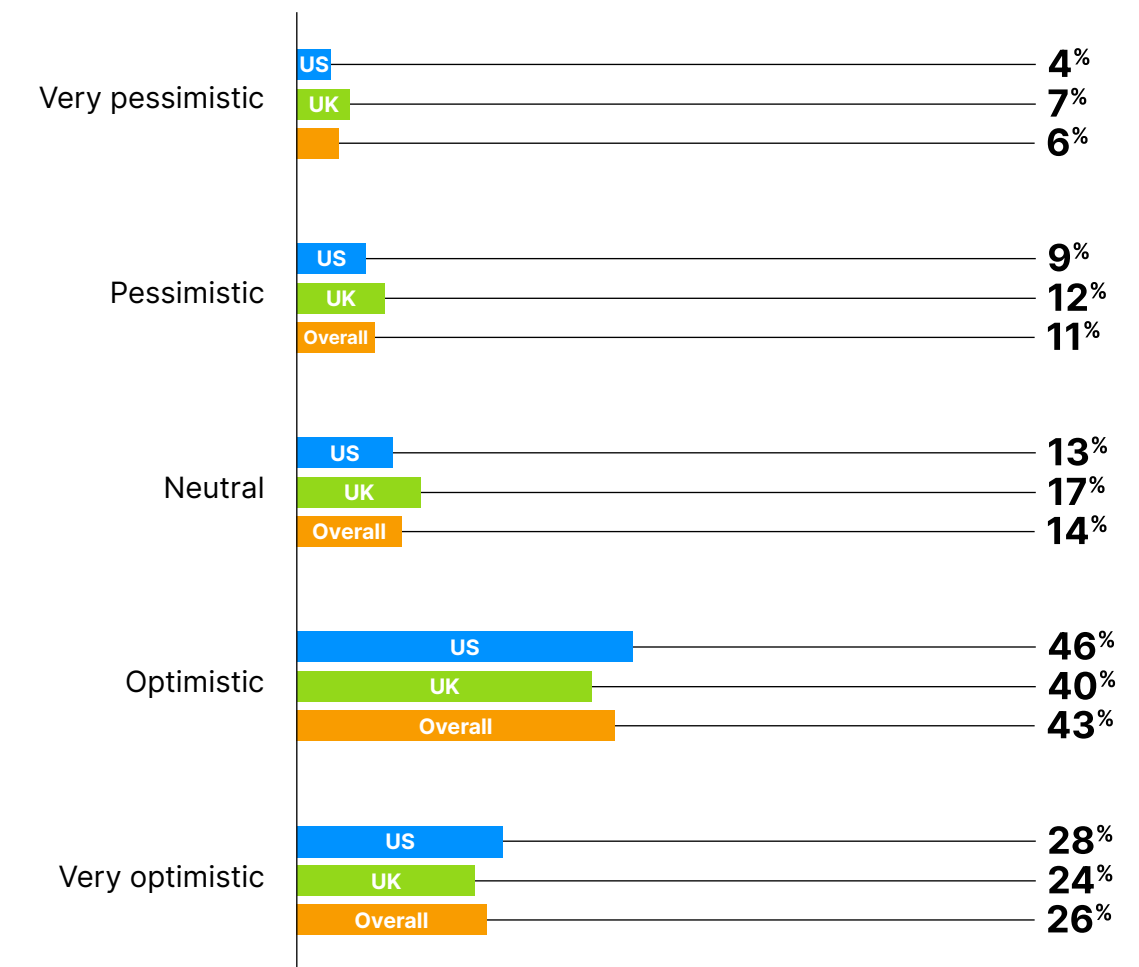
Marketers are more optimistic in 2023.

Just over half (52%) of the marketers in 2022 were optimistic about their team and its performance. Having weathered the challenges of the previous year, 70% of marketers in this year's study say they are optimistic. True to the pattern in this year's study, US marketers (74%) express greater optimism than their colleagues in the UK (65%), as **Figure 18** shows.

Figure 18

Optimism Today vs. 2022

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



ACTION PLAN

Action Plan

The current state of the economy and the impact it is having on how marketers work has weighed heavily on marketers in all of 2022 continuing into this year. Marketers, however, are a resilient bunch and are used to riding the budget roller coaster. In this survey, they express optimism and willingness to “defend the spend” and do all that is required of them, within the constraints of budgets and staff, to achieve their goals. More specifically, marketers can take the following steps in 2023.

Boldly lean into new approaches for getting things done

STEP 1

Gone are the days when marketing was being told to do more with more. Marketing’s stakeholders now expect the team to do more with less and prove its contribution to pipeline and revenue. Having the right data is foundational to both reaching your buyers and defending the spend.

Prioritise data to ensure you can defend the spend

Be customer-centric

STEP 2

Talking to customers is not the same as listening to customers. Marketers need to listen to their customers and truly understand their stories. What do they care about? What are their challenges? How do they feel? The hero in the story is the customer, not a product or service. A good story should make you feel something and it should create emotion.

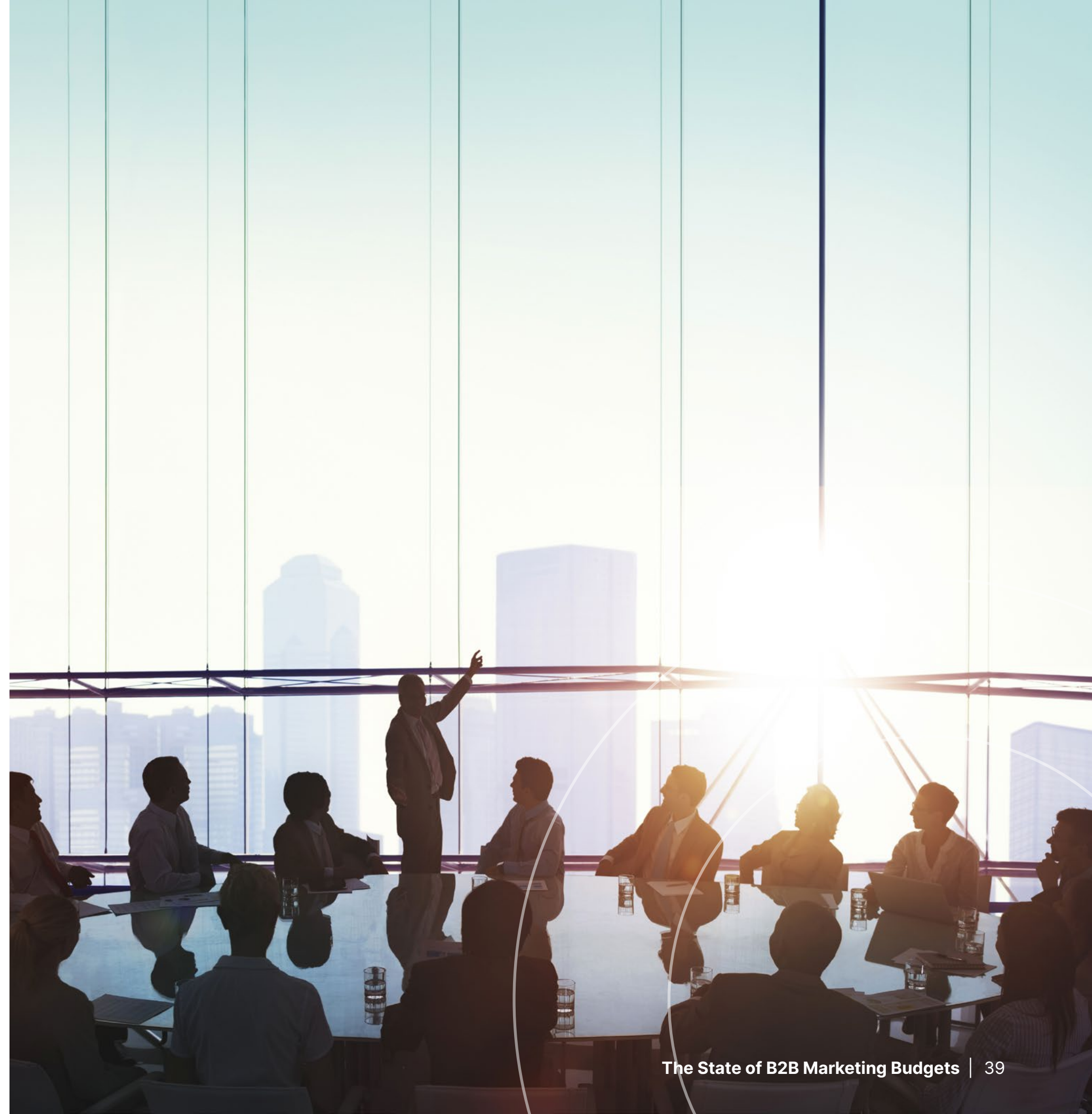
In today’s world, we can’t waste time and resources on efforts that don’t connect to our customers. B2B marketing and selling is highly relational. While our customers are making business decisions, they prefer to make within the context of a relationship with those who listen and understand them.

STEP 3

Having spent the years since the COVID pandemic optimising everything we do to the Nth degree, it’s time to blaze a new trail and take some risks by trying the untried, testing the untested, and in general pushing the envelope outside the comfortable boundaries in which we’ve confined ourselves for too long. The biggest competitive advantages come from being the first to take creative new approaches. Practice a “fail fast” mentality and quickly abandon those that don’t work, but jump with both feet into those that show early promise. So whether it’s adopting buyer-driven, cross-channel marketing approaches, exploring new verticals, or leveraging AI for content, remember that standing still gets you nowhere.

Conclusion

It's likely that the remainder of 2023 will present as of yet unseen challenges to marketers. This study shows that marketers in early 2023 have dealt with challenges, suffered burnout, but remain optimistic and resilient. Each season's challenges come with opportunity for those that are willing to boldly take some risks.



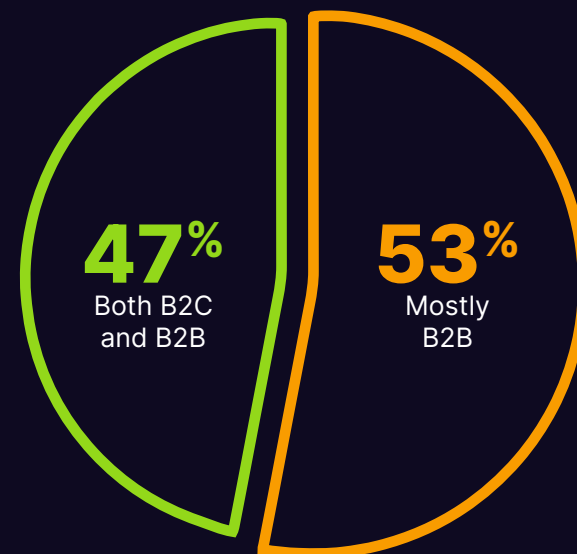
Methodology

This State of B2B Marketing Budgets 2023 survey was administered online from March 16, 2023 until March 23, 2023. During this period, 587 responses were collected, and 547 were qualified and complete enough for inclusion in the analysis. Only valid or correlated findings are shared in this report.

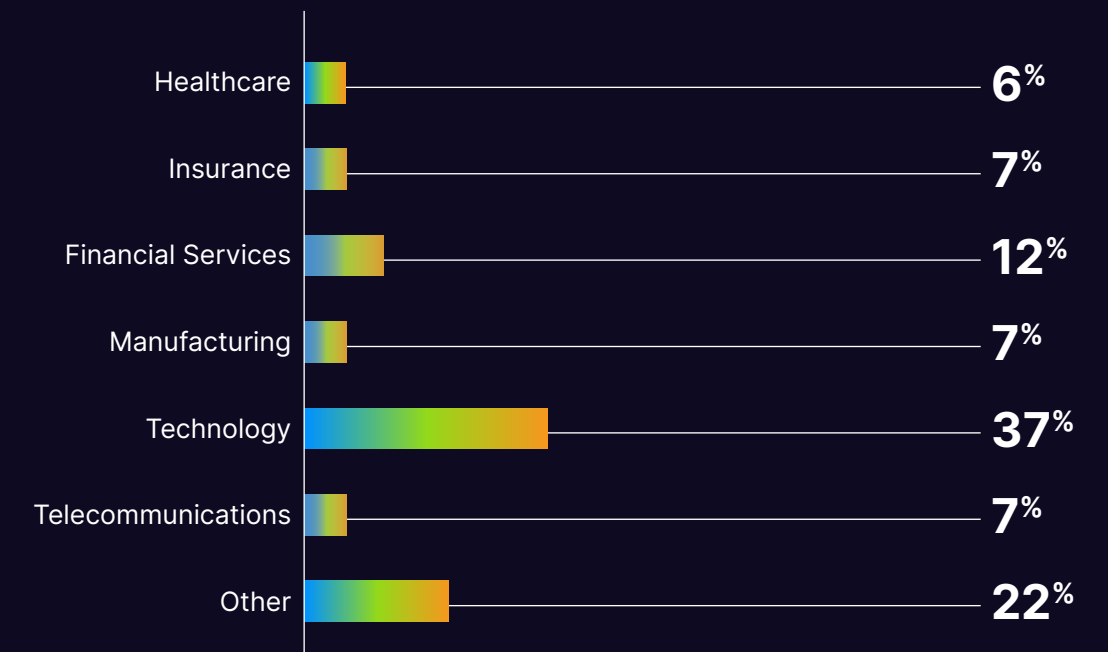
The representativeness of this study's results depends on the similarity of the sample to environments in which this survey data is used for comparison or guidance. Some figures are based on low sample sizes and should only be used for informational purposes.

Summarised below is basic categorisation data collected about the study participants to enable filtering and analysis of the data:

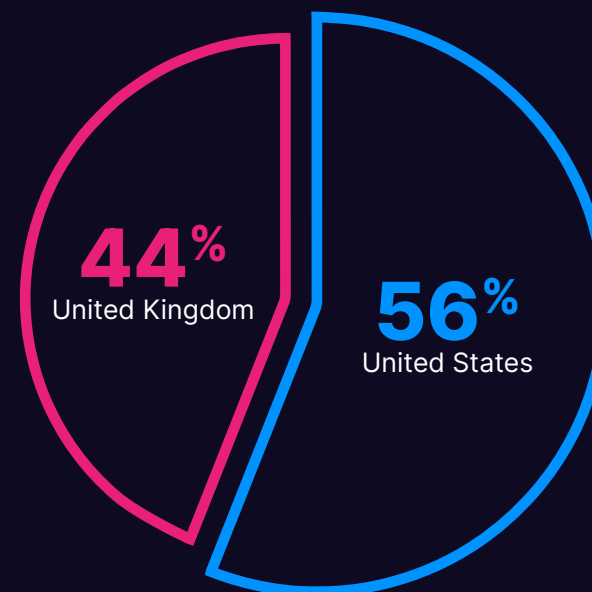
Which best characterises the nature of your company?



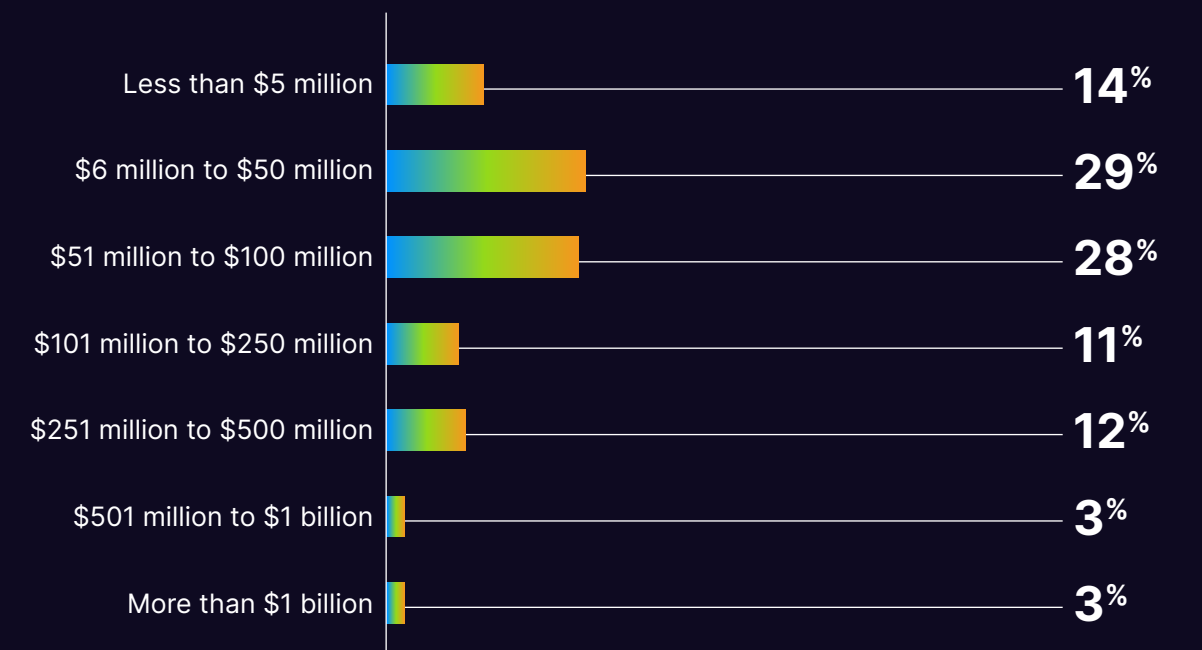
Which industry do you work in?



Where are you located?



What is your company's approximate annual revenue?





About

Integrate connects, 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 organisations like Salesforce, Microsoft, Akamai, and Pluralsight to power their Precision Demand Marketing strategies. Today, Integrate's Demand Acceleration Platform helps create more precise and personalised 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.

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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 organisations grow revenue by operationalising 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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