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# The Gartner CMO Spend Survey 2022: The State of Marketing Budget and Strategy

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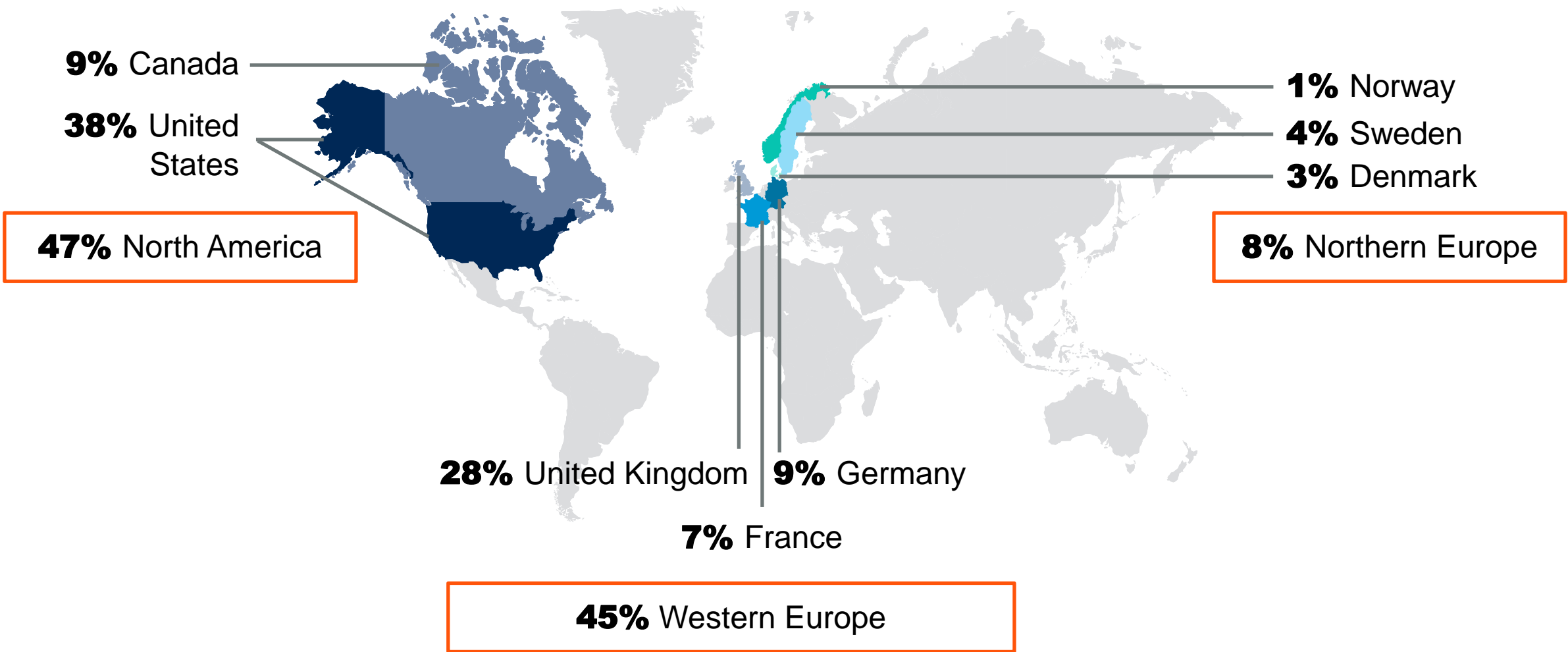
# What Exactly Is The CMO Spend Survey?



# Methodology

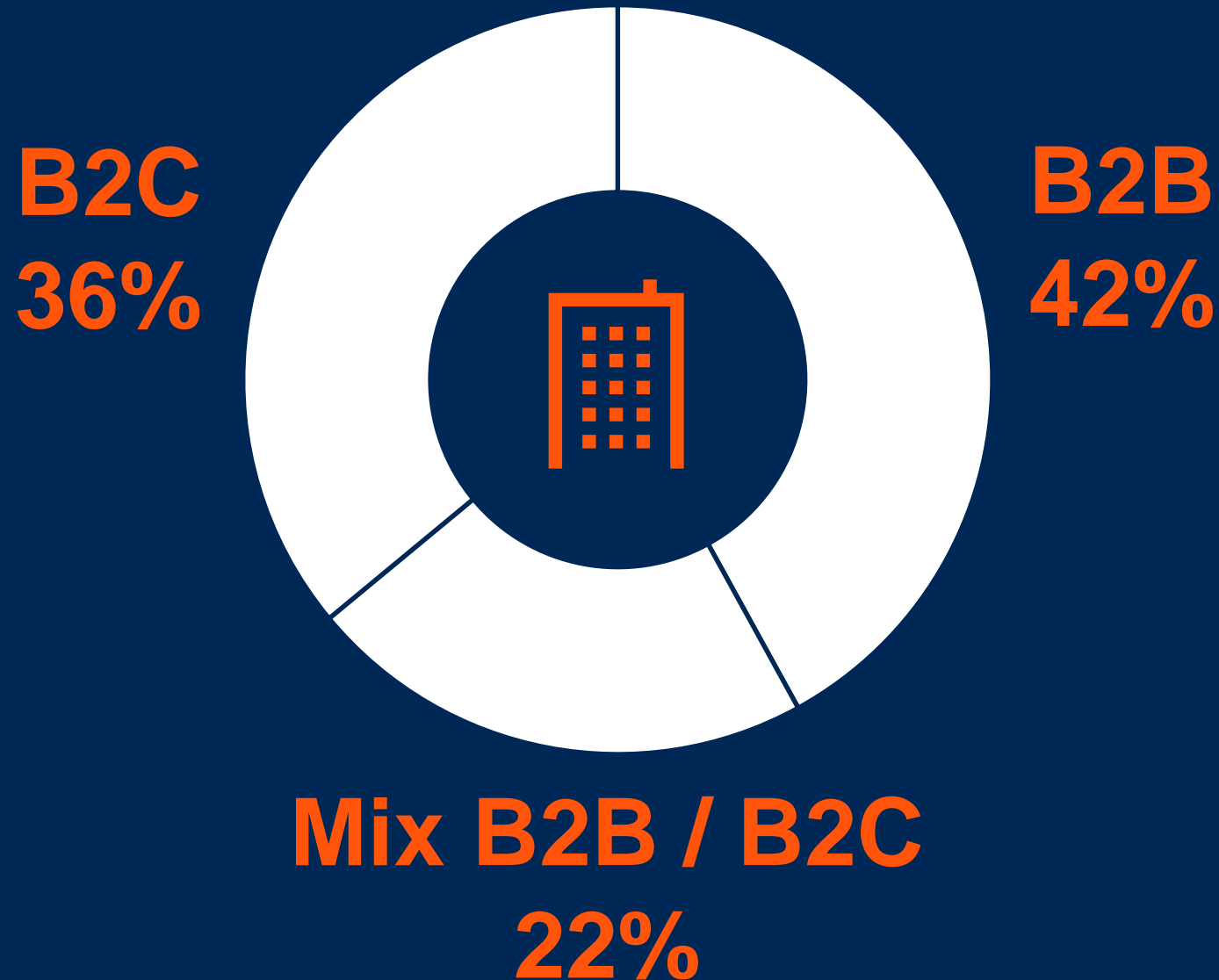
- **Gartner's CMO Spend and Strategy Survey, 2022:** The purpose of this survey is to understand the marketing organization's strategic priorities and budget allocations for 2022. The research was conducted online from February through April 2022 among 405 respondents in the U.S. (38%), Canada (9%), France (7%), Germany (9%), the U.K. (28%), Denmark (3%), Sweden (4%) and Norway (1%). Respondents were required to have involvement in decisions pertaining to setting or influencing marketing strategy and planning, as well as have involvement in aligning marketing budget/resources. Seventy-four percent of the respondents came from organizations with \$1 billion or more in annual revenue. The respondents came from a variety of industries: financial services (66), tech products (38), manufacturing (49), consumer products (42), media (35), retail (40), healthcare providers (57), IT and business services (35), and travel and hospitality (43). The survey was developed collaboratively by a team of Gartner analysts and by Gartner's Research Data, Analytics and Tools team.
-  Disclaimer: Results of this survey do not represent global findings or the market as a whole, but do reflect the sentiments of the respondents and companies surveyed.

# Firmographics - Geographical Breakdown



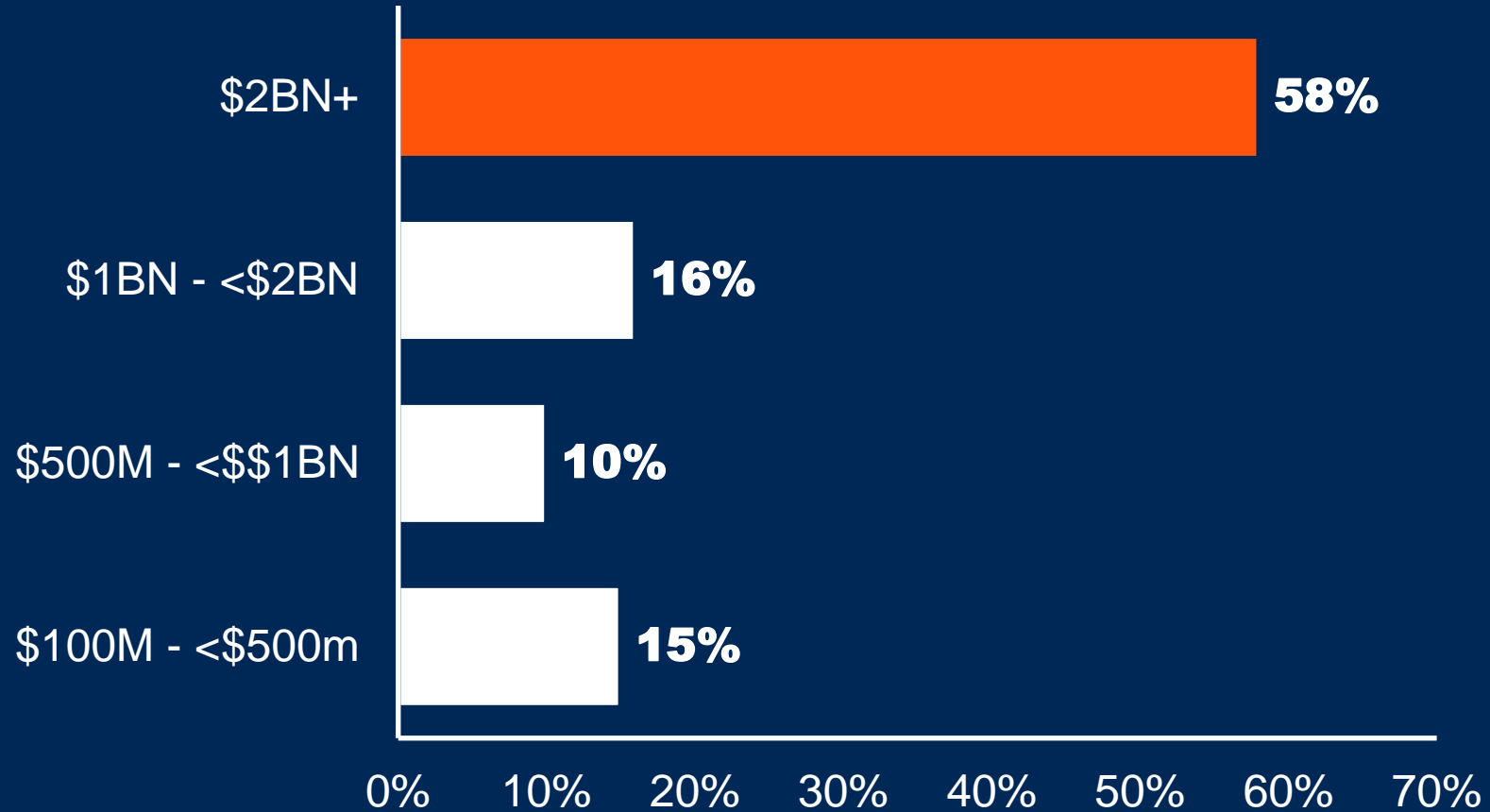
n = 405 CMOs  
S01. Where is your primary workplace located?  
Source: 2022 Gartner CMO Spend and Strategy Survey

# Firmographics – Business Model

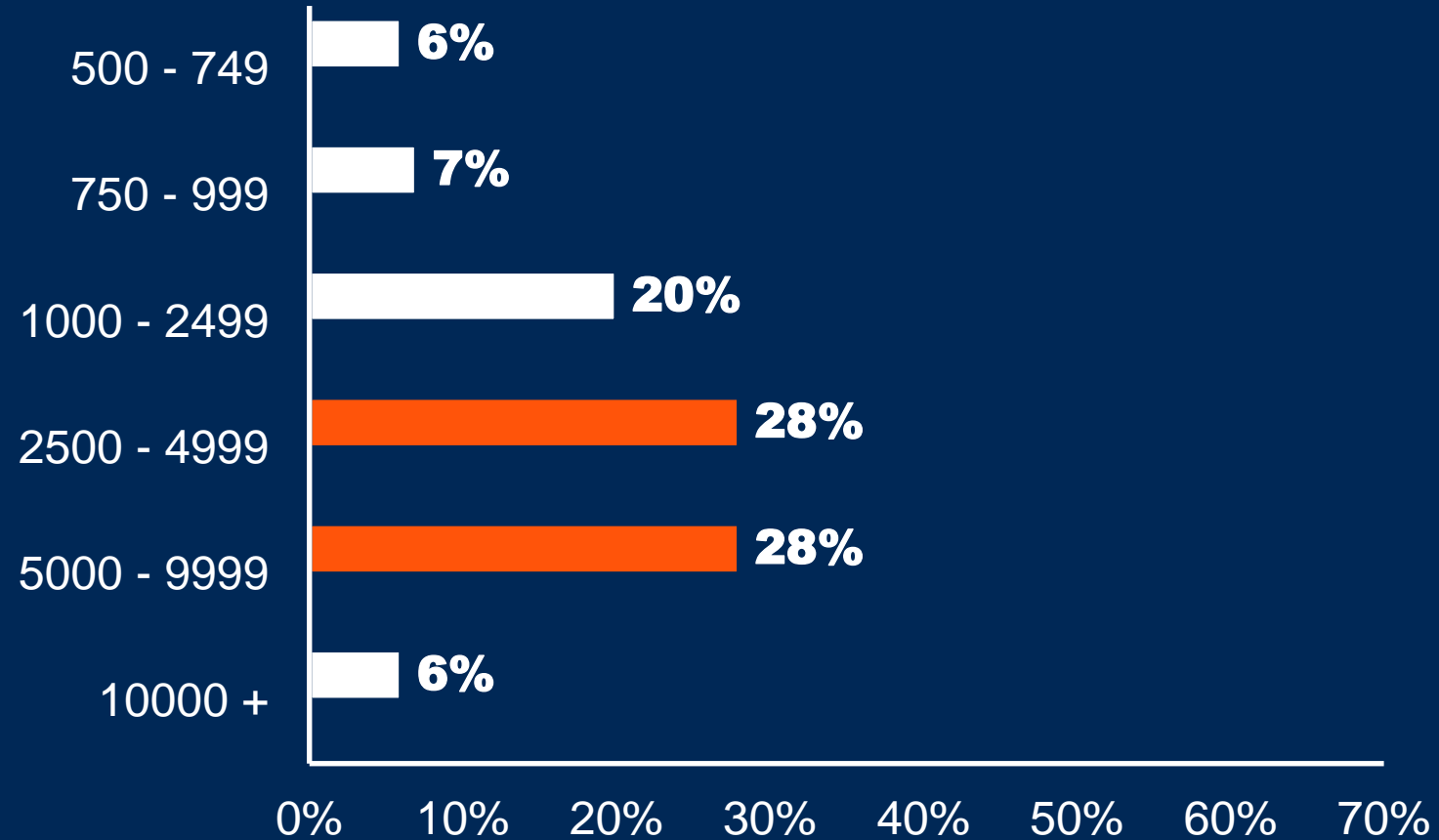




# Firmographics – Annual Revenue



# Firmographics – People







# V.U.C.A.

Volatility, Uncertainty, Complexity and Ambiguity



# In This Session **We'll Discuss**



The State of Marketing  
Budgets Following a  
Time of Crisis



Marketing Channel  
Allocations and  
Priorities



Strategically Important  
Programs and  
Capabilities



# The State of Marketing Budgets Following a Time of Crisis

## **Key Issue Take-Away:**

Marketing budgets have started to climb back, but there's no going back to 2019.

# Where Are Budgets Today?



**9.5%**

Marketing budgets as a proportion of company revenue in 2022.



**72%**

of CMOs surveyed reported that their budget had increased on the prior year.

n = 405 CMOs

Q: What percentage of your revenue is being allocated to your total marketing expense budget in 2022?

Q: To the best of your knowledge, what was your actual year over year total marketing expense budget change from 2021 to 2022?

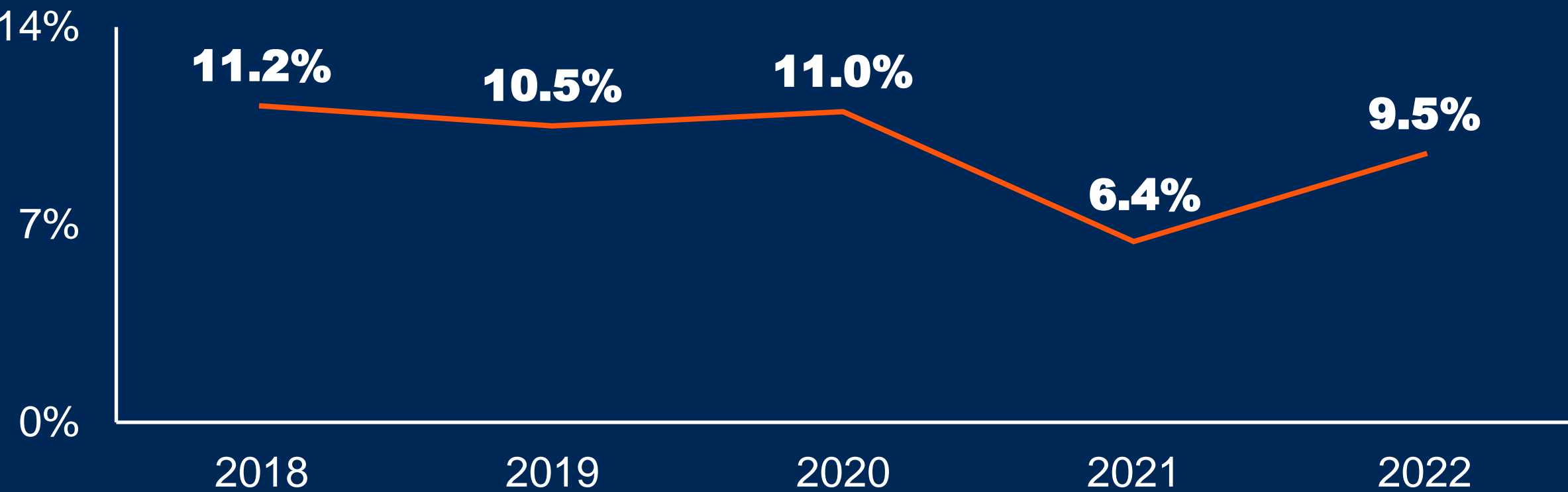
Source: 2022 Gartner CMO Strategy and Spend Survey

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# Budgets Build Back, But Lag Pre-COVID-19 Levels

2022 Marketing Budget of % of Total Revenue  
Mean Percentage of Budget Shown

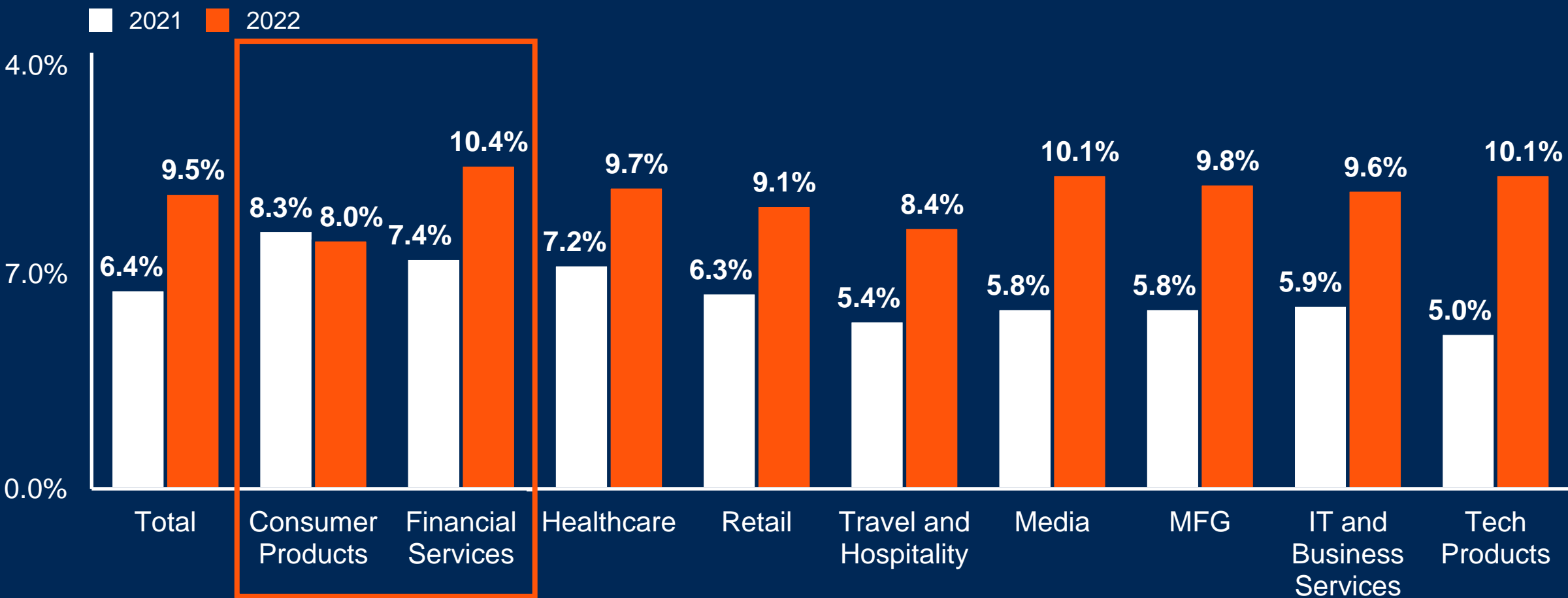


n = 405 CMOs; 400 (2021); 342 (2020); 342 (2019); 618 (2018); 350 (2017); 375 (2016); 424 (2015); 363 (2014), excluding “don't know”  
Q: What percentage of your revenue is being allocated to your total marketing expense budget in 2022?  
Source: 2022 Gartner CMO Strategy and Spend Survey  
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# Marketing Budgets Bounce Back (Mostly)

Percentage of Revenue Allocated to Marketing 2021-2022



n = 405 CMOs (2022); 400 (2021); Q: What percentage of your revenue is being allocated to your total marketing expense budget in 2022?  
Q: What percentage of your revenue is being allocated to your total marketing expense budget in 2022?  
Source: 2022 Gartner CMO Strategy and Spend Survey  
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# **Talking point – Industry and business model budget variances**





# Inflation

# The Impact of Inflation

**How will inflation impact the delivery of your 2022 marketing strategy?**

- A. Significant negative impact**
- B. Some negative impact**
- C. No impact**
- D. Some positive impacts**
- E. Significant positive impacts**

## How to participate in our polling

If you are in full screen mode – click Esc

The poll question is on the “Vote” tab.

Please click the box to make your selection.

Upon voting you will see the results.

Thank you!

Ask a question

Attachments

**Vote**

Rate this

Details

Q. Polling Question  
(please choose 1 answer)

A. Answer	<input type="checkbox"/>
B. Answer	<input type="checkbox"/>
C. Answer	<input type="checkbox"/>
D. Answer	<input type="checkbox"/>
E. Answer	<input type="checkbox"/>

# Macroeconomic Challenges — Marketing's Cognitive Dissonance



Labor  
costs

60%



Business  
costs

59%



Costs experienced  
by my customers

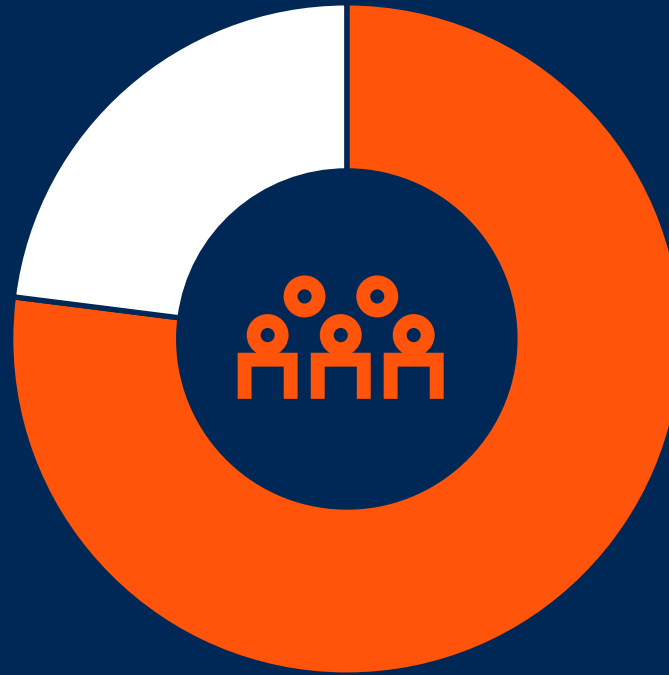
63%

Believe this will have as **positive** impact

n = 405 CMOs

Q. What level of impact do you expect each of the following to have on your 2022 marketing investment and strategy as compared to 2021?

Source: 2022 Gartner CMO Spend and Strategy Survey



**87%**

of CMOs met, or  
exceeded goals

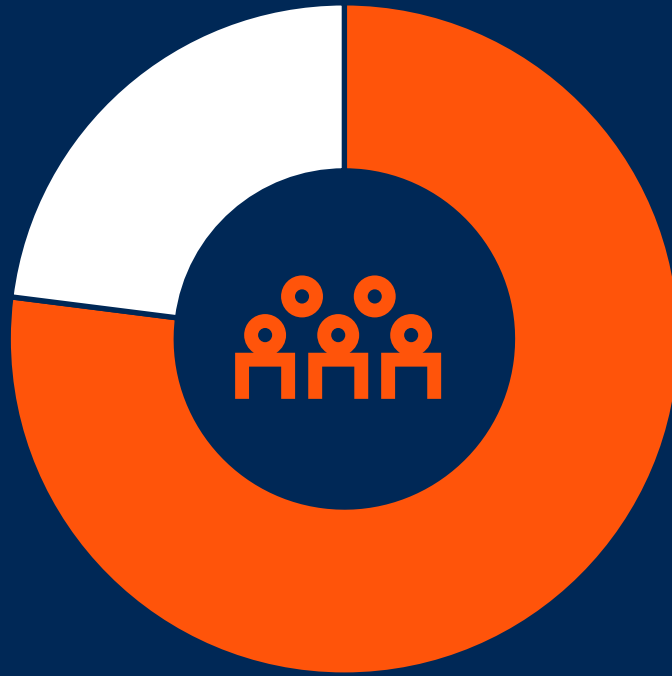
n = 405 CMOs

Q. How did the part of the business that Marketing is aligned to perform against the following objectives in 2021?

Source: 2022 Gartner CMO Spend and Strategy Survey

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**87%**  
of CMOs met, or  
exceeded **goals**

- Revenue growth
- Profit growth
- Acquiring customers
- Retaining customers
- Improving loyalty and repurchase

n = 405 CMOs

Q. How did the part of the business that Marketing is aligned to perform against the following objectives in 2021?

Source: 2022 Gartner CMO Spend and Strategy Survey

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A photograph of a dark, winding road through a dense forest. The road is marked with a white line on the left and a double yellow line in the center. The road curves into the distance, disappearing into a thick fog or mist. Tall evergreen trees line both sides of the road, their details softened by the haze. The overall mood is mysterious and uncertain.

# Uncertainty Lies Ahead

# Scenario Planning



**Focal Issue**



**Scale**



**Time horizon**



# The State of Marketing Budgets in Summary

- **Budgets are on the up**, but uncertainty lies in the future
- Many **CMOs** are confident that they're **driving demonstrable business value**
- Furthermore, they **don't perceive** that inflationary challenges will harm their strategy, but their optimism may be misplaced
- **Scenario planning** will help CMOs deal with the positive position in the immediate term, while anticipating future bumps in the road



# Marketing Channel Allocations and Priorities



## **Key Issue Take-Away:**

CMOs adapt to a post-lockdown, hybrid channel environment

# Channel Priorities

Have you changed the proportion of budget allocated to digital channels in 2022?

- A. Increased spend by more than 5%
- B. Increase of less than 5%
- C. It's about the same year-over-year
- D. Decrease of less than 5%
- E. Decrease of more than 5%

## How to participate in our polling

If you are in full screen mode – click Esc  
The poll question is on the “Vote” tab.  
Please click the box to make your selection.  
Upon voting you will see the results.

Thank you!

Ask a question

Attachments

Vote

Rate this

Details

Q. Polling Question

(please choose 1 answer)

A. Answer

☐

B. Answer

☐

C. Answer

☐

D. Answer

☐

E. Answer

☐



**56%**

Online Channels



**44%**

Offline Channels

n = 404 CMOs, excluding "don't know"

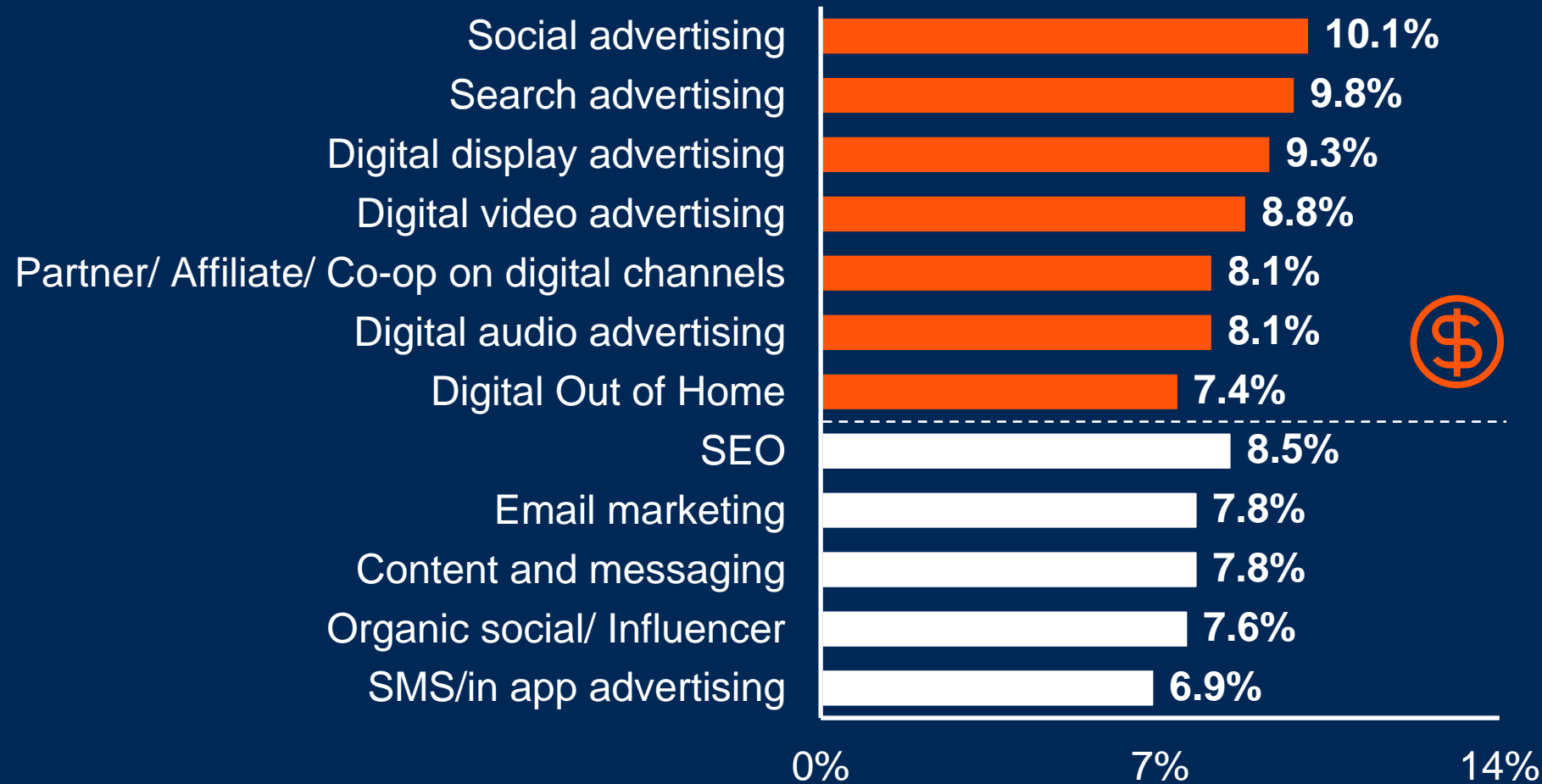
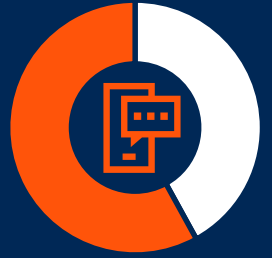
Q. What percent of your 2022 total marketing expense budget is allocated to digital channels versus offline channels?

Source: 2022 Gartner CMO Spend and Strategy Survey

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# More Than Half of Digital Spend Allocated to Paid Channels



n = 400 CMOs with budget allocated to digital channels. Bases vary by channel.

Q. How is your 2022 total marketing expense budget allocation for digital channels being allocated to or spent on each of the following digital channels?

Source: 2022 Gartner CMO Spend and Strategy Survey



# 2022 Marketing Budget Allocation Across Digital Channels

Mean Shown

  Highest Budget Allocation

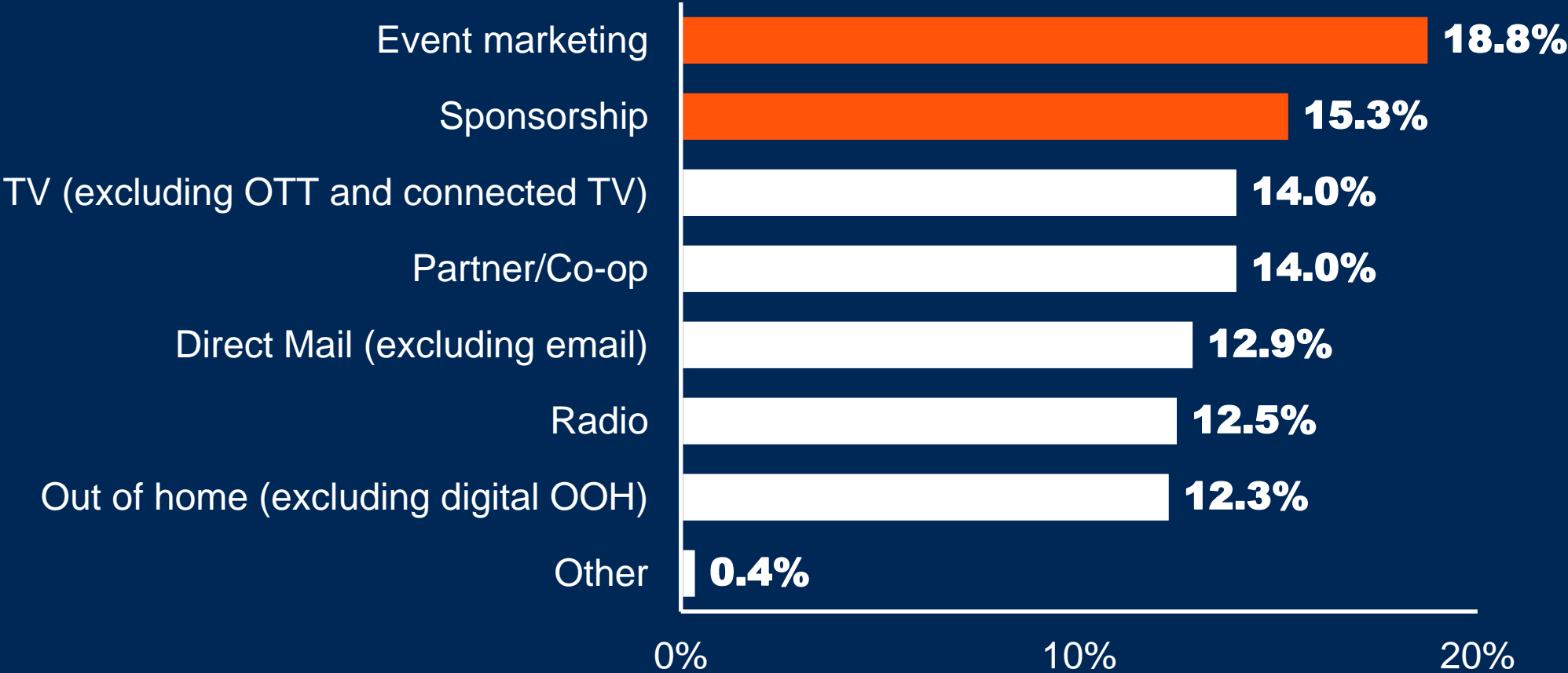
	Financial Services	Healthcare	Tech Products	Manufacturing	Consumer Products	Media	Retail	IT and Business Services	Travel & Hospitality
Email Marketing	<b>10.9%</b>	7.6%	8.0%	4.4%	6.3%	8.0%	8.0%	7.2%	8.3%
Social advertising	10.6%	9.6%	10.5%	9.9%	<b>12.0%</b>	8.3%	<b>11.2%</b>	11.3%	7.6%
Search advertising	10.0%	<b>9.9%</b>	<b>11.7%</b>	9.0%	10.6%	8.6%	10.1%	10.3%	7.6%
Organic Social/Influencer	9.4%	7.2%	6.2%	5.9%	7.2%	8.1%	7.1%	8.1%	8.7%
SEO	8.6%	9.0%	10.6%	8.4%	8.3%	7.2%	8.8%	9.1%	6.0%
Partner/Affiliate/Co-op on digital channels	8.2%	7.9%	6.6%	8.9%	9.1%	<b>9.3%</b>	7.5%	6.1%	8.9%
Digital display advertising	8.1%	8.8%	11.0%	8.3%	9.9%	8.8%	9.5%	11.0%	9.6%
Content and messaging	7.3%	8.1%	8.0%	8.2%	7.1%	8.0%	8.3%	7.0%	7.7%
Digital audio advertising	7.3%	8.9%	6.0%	<b>11.0%</b>	5.2%	8.8%	8.6%	7.3%	9.3%
Digital video advertising	7.0%	8.9%	7.8%	9.2%	9.3%	7.9%	7.5%	<b>13.1%</b>	<b>9.9%</b>
Digital Out of Home	6.7%	7.5%	5.9%	9.1%	9.1%	7.5%	6.9%	4.9%	8.6%
SMS/in app advertising	5.8%	6.8%	7.7%	7.7%	5.7%	<b>9.3%</b>	6.8%	4.7%	7.8%

n = 400 CMOs allocating budget to digital channels. Base vary by industry.

Q. How is your 2022 total marketing expense budget being allocated to or spent on each of the following digital channels?

Source: 2022 Gartner CMO Strategy and Spend Survey

# Events and Sponsorship Bounce Back



n = 397 CMOs allocating budget to offline channels.

Q. How is your 2022 total marketing expense budget allocation for offline channels being allocated to or spent on each of the following offline channels?

Source: 2022 Gartner CMO Spend and Strategy Survey

# 2022 Marketing Budget Allocation Across Offline Channels

Mean Shown

■ Highest Budget Allocation

	Financial Services	Healthcare	Tech Products	Manufacturing	Consumer Products	Media	Retail	IT and Business Services	Travel & Hospitality
Event marketing	18.6%	21.3%	22.3%	18.0%	16.3%	15.2%	16.8%	24.3%	16.0%
Sponsorship	17.2%	12.2%	15.6%	17.4%	14.8%	15.6%	13.6%	15.2%	15.3%
Partner/Co-op	15.7%	12.1%	10.8%	14.0%	16.4%	13.0%	13.4%	15.7%	14.5%
Direct Mail (excluding email)	12.9%	13.6%	11.6%	12.4%	11.5%	13.7%	15.8%	10.8%	13.0%
Radio	12.6%	13.9%	10.8%	11.1%	11.3%	16.8%	12.7%	9.6%	13.2%
TV (excluding OTT and connected TV)	12.1%	14.2%	15.4%	13.6%	17.5%	12.0%	16.1%	11.3%	14.4%
Out of home (excluding digital OOH)	10.5%	12.7%	10.6%	13.4%	12.0%	13.8%	11.7%	13.0%	13.5%
Other	0.4%	0.0%	2.9%	0.1%	0.3%	0.0%	0.0%	0.0%	0.0%

n = 397 CMOs allocating budget to offline channels. Base vary by industry.

Q. How is your 2022 total marketing expense budget being allocated to or spent on each of the following offline channels?

Source: 2022 Gartner CMO Strategy and Spend Survey

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**Talking point – Industry and business  
model variances channel variances**

# Did Your Marketing Org Change the Prioritization of Its Investments From 2021 to 2022?



n = 400 CMOs. Bases vary by investment area.

Q. Did your Marketing organization change the prioritization of its investments from 2021 to 2022 in any of the following areas?

Source: 2022 Gartner CMO Spend and Strategy Survey

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# Digital Channel Winners and Losers — 2022



**Increasing Investment in 2022**

SEO

Digital Video

Digital Display



**Decreasing Investment in 2022**

SMS/In-app

Digital Display

Email

n = 404 CMOs. Bases vary by channel.

Q: In which of the following digital channels are you increasing/decreasing investments in 2022 as compared to 2021 and in which are you increasing/decreasing investments?

Source: 2022 CMO Strategy and Spend Survey

# Offline Channel Winners and Losers — 2022



**Increasing Investment in 2022**

Partner/Co-op

Event Marketing



**Decreasing Investment in 2022**

Radio

Direct Mail

n = 404 CMOs. Bases vary by channel.

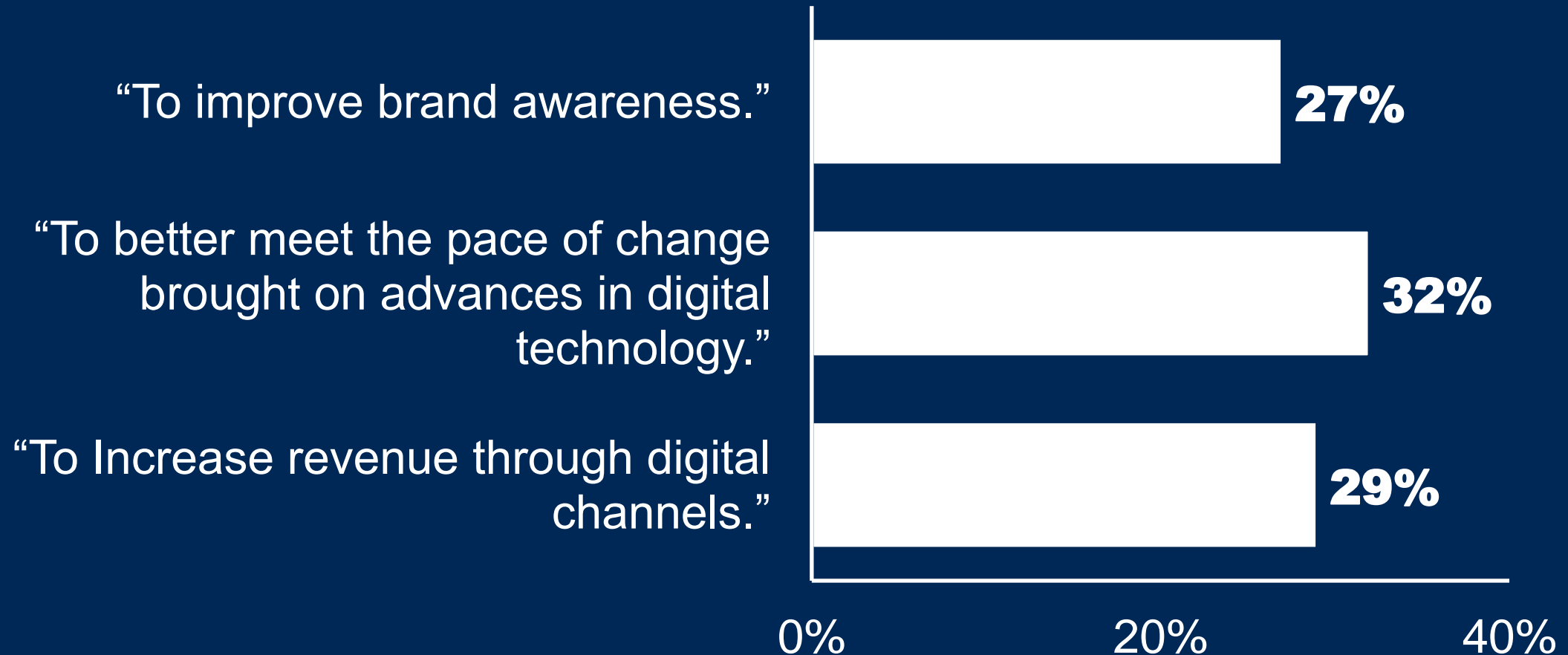
Q: In which of the following offline channels are you increasing/decreasing investments in 2022 as compared to 2021 and in which are you increasing/decreasing investments?

Source: 2022 CMO Strategy and Spend Survey

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# What's Driving Channel Reallocations in 2021?



n = 389 CMOs who changed prioritization of investments from 2021 to 2022.

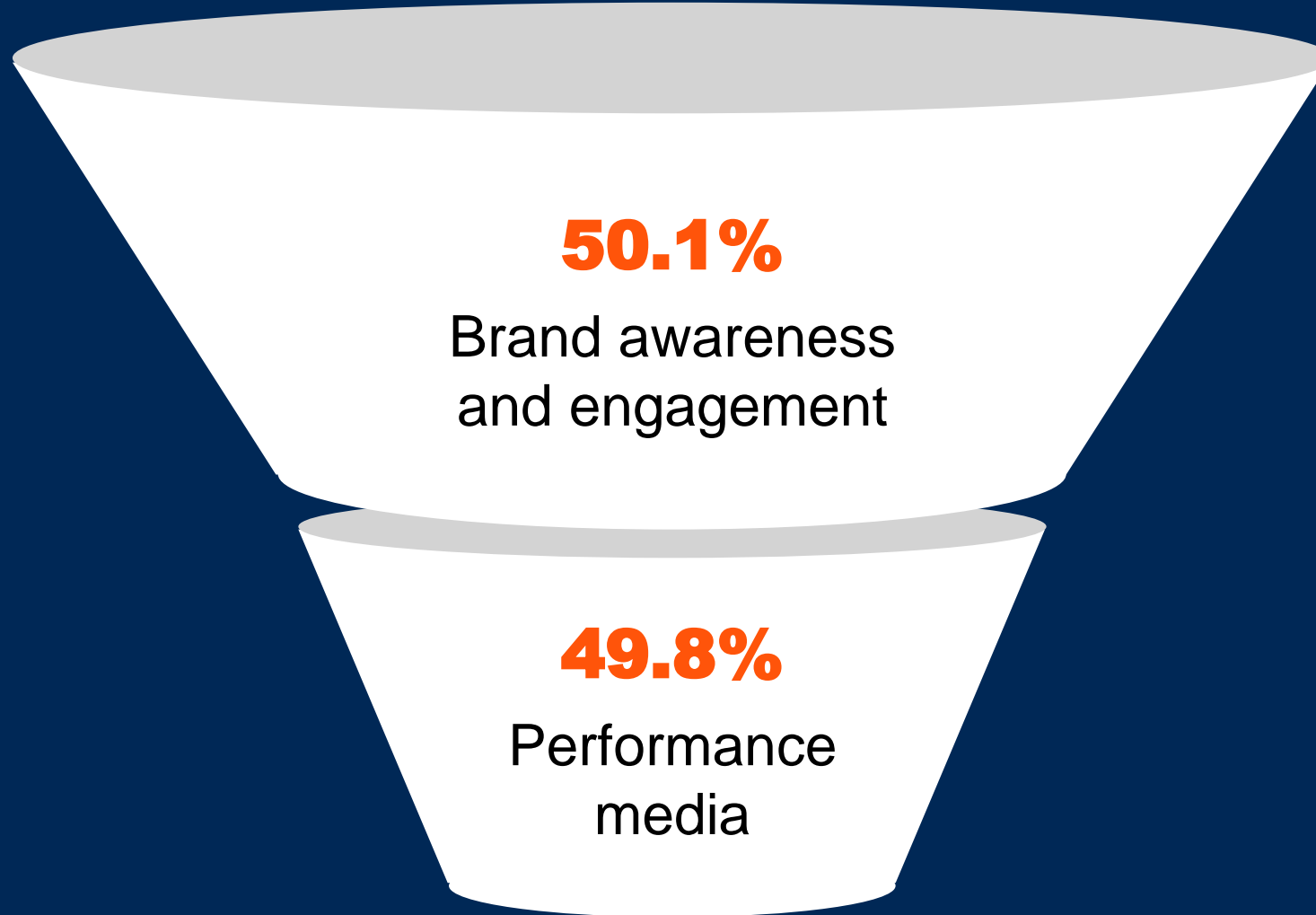
Q: What are the top reasons why your investment priorities have changed over the past 12 months (top three responses)?

Source: 2022 Gartner CMO Strategy and Spend Survey

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n = 392 CMOs with budget allocated to paid media

Q: What percent of your 2022 paid media budget managed by marketing will fund brand awareness and engagement and what percent will fund performance marketing?

Source: 2022 Gartner CMO Strategy and Spend Survey

**Talking point – Industry and business  
model variances between  
performance and awareness**

# **How Often Do Your Customers Transact With Your Brand?**



# The State of Marketing Channels in Summary

- **Digital dominates the channel mix**, but offline has started to fight back, with post-lockdown event investment boost.
- **Digital** is no longer the differentiator, as it **becomes the marketing norm**. CMO must seek strategic advantage through customer journey orchestration.
- **Balancing** brand and performance spend has never been easy. Data implies 50/50 split, but this is far from a balanced portfolio.



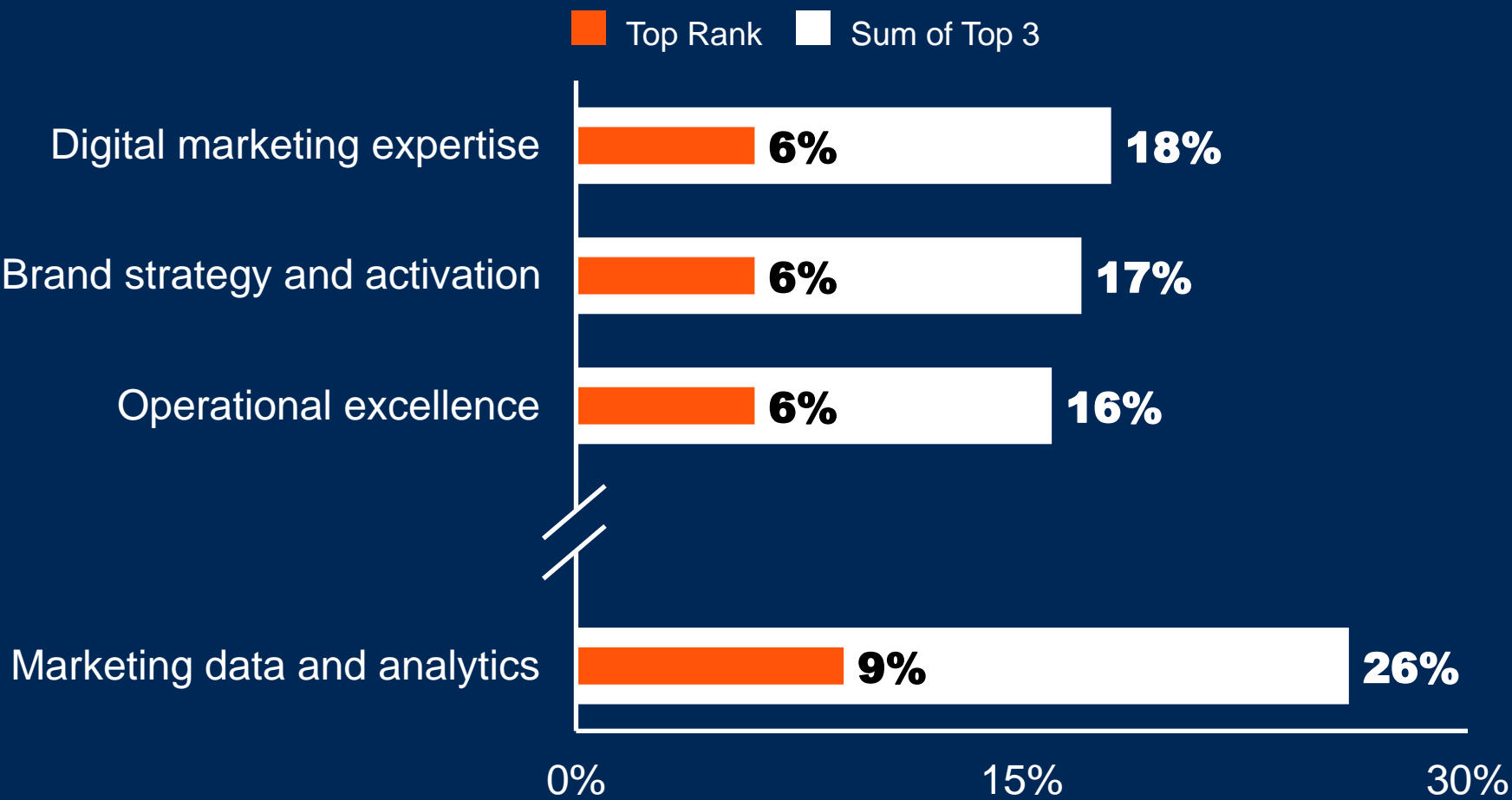
# **Strategically Important Programs and Capabilities**

## **Key Issue Take-Away:**

Marketing goes big on brand, but risks underinvesting to plug other strategic gaps

# CMOs Are Confident About Brand Capabilities

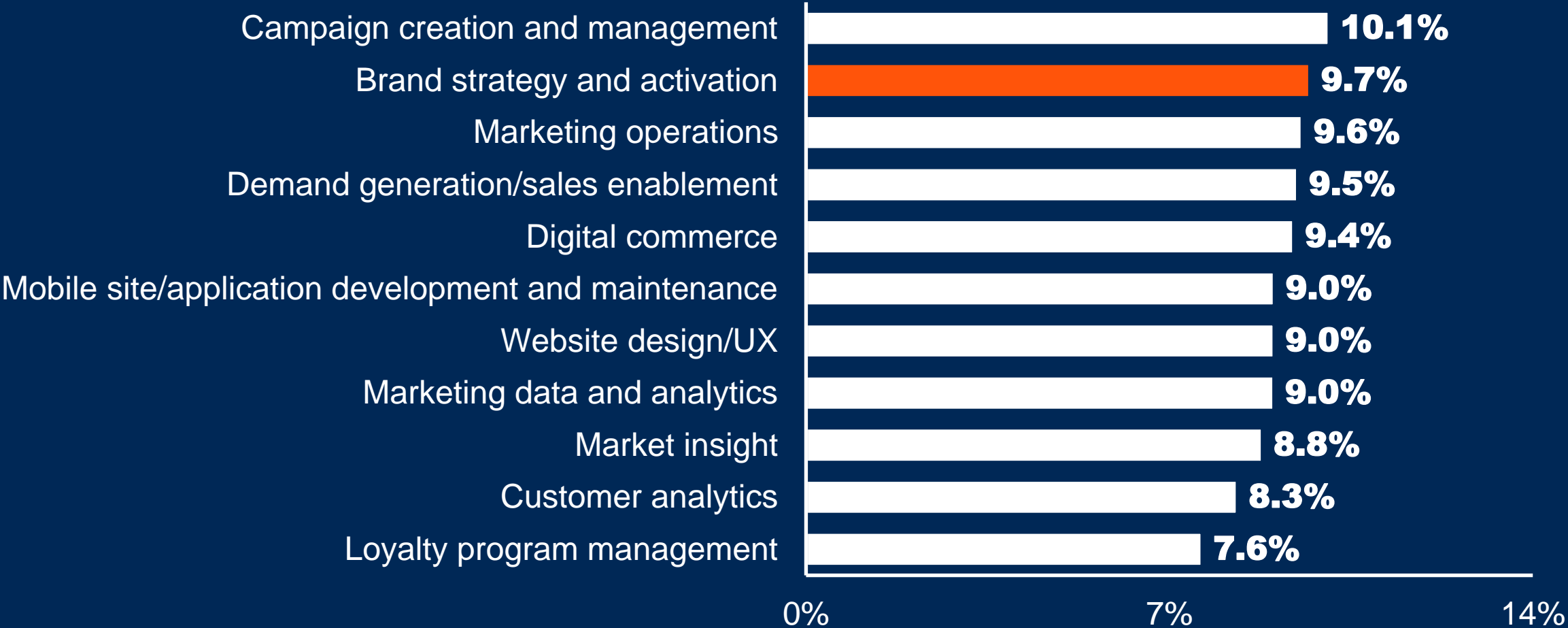
Current Marketing Capabilities Gaps  
Sum of Top 3 Rank/Top Rank



n = 403 CMOs excluding “don’t know”  
Q. In what areas do the largest gaps between existing capability and capability needed to meet business goals currently exist within the marketing organization?  
Source 2022 Gartner CMO Strategy and Spend Survey  
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# Campaigns and Brand Top Marketing Program Spend



n = 401 CMOs excluding “don’t knows”.  
Q. How is your 2022 total marketing expense budget being allocated to or spent on each of the following marketing programs and operational areas?  
Source: 2022 Gartner CMO Strategy and Spend Survey  
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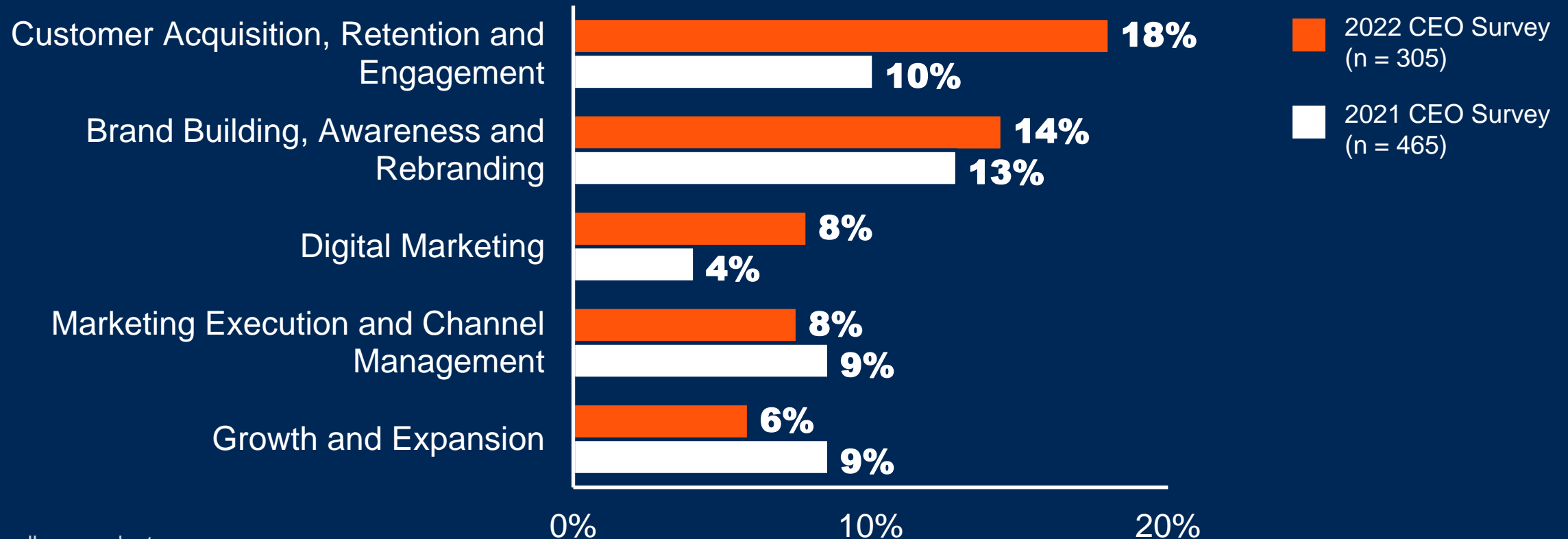
**Talking point – Industry and business  
model variances in programs and  
operational area**

# Why Brand, and Why Now?

# CEOs Prioritize Customer Acquisition and Brand for CMOs

## Chief Marketing Officer (CMO) Priorities

Coded responses — Showing Top 5



n varies, all respondents

Q. In next 6 to 12 months, what is the #1 issue you or your CEO is pushing each of your executives to focus on, within their respective functional specialization?

Source: 2022 Gartner CEO and Senior Business Executive Survey

Note: Numbers may not total 100% due to rounding

**When the same money buys your customer less, focusing on why they should choose your brand should be your **No. 1 priority.****

# The Importance of Brand

**What's the level of interest and engagement that your internal stakeholders have in brand?**

- A. Internal stakeholders have a high level of interest and engagement in brand**
- B. Internal stakeholders have a moderate level of interest and engagement in brand**
- C. Internal stakeholders have no interest and engagement in brand**
- D. My internal stakeholders don't really understand what brand is**

## How to participate in our polling

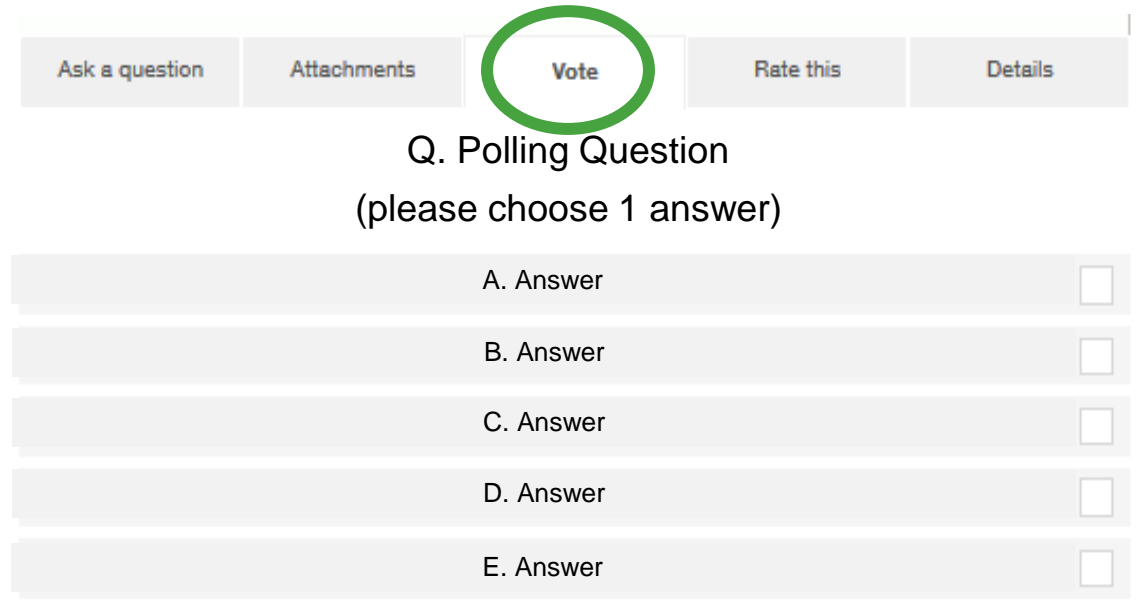
If you are in full screen mode – click Esc

The poll question is on the “Vote” tab.

Please click the box to make your selection.

Upon voting you will see the results.

Thank you!



Ask a question	Attachments	<b>Vote</b>	Rate this	Details
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Q. Polling Question  
(please choose 1 answer)

A. Answer	<input type="checkbox"/>
B. Answer	<input type="checkbox"/>
C. Answer	<input type="checkbox"/>
D. Answer	<input type="checkbox"/>
E. Answer	<input type="checkbox"/>

# Marketing Sees Its Strength in Balancing Hard and Soft Capabilities

## Top-Ranked “Soft” Capabilities

- Brand strategy and activation
- Customer understanding and experience management

## Top-Ranked “Hard” Capabilities

- Marketing technology
- Marketing data and analytics



Marketing

n = 404 CMOs excluding “don’t know”.

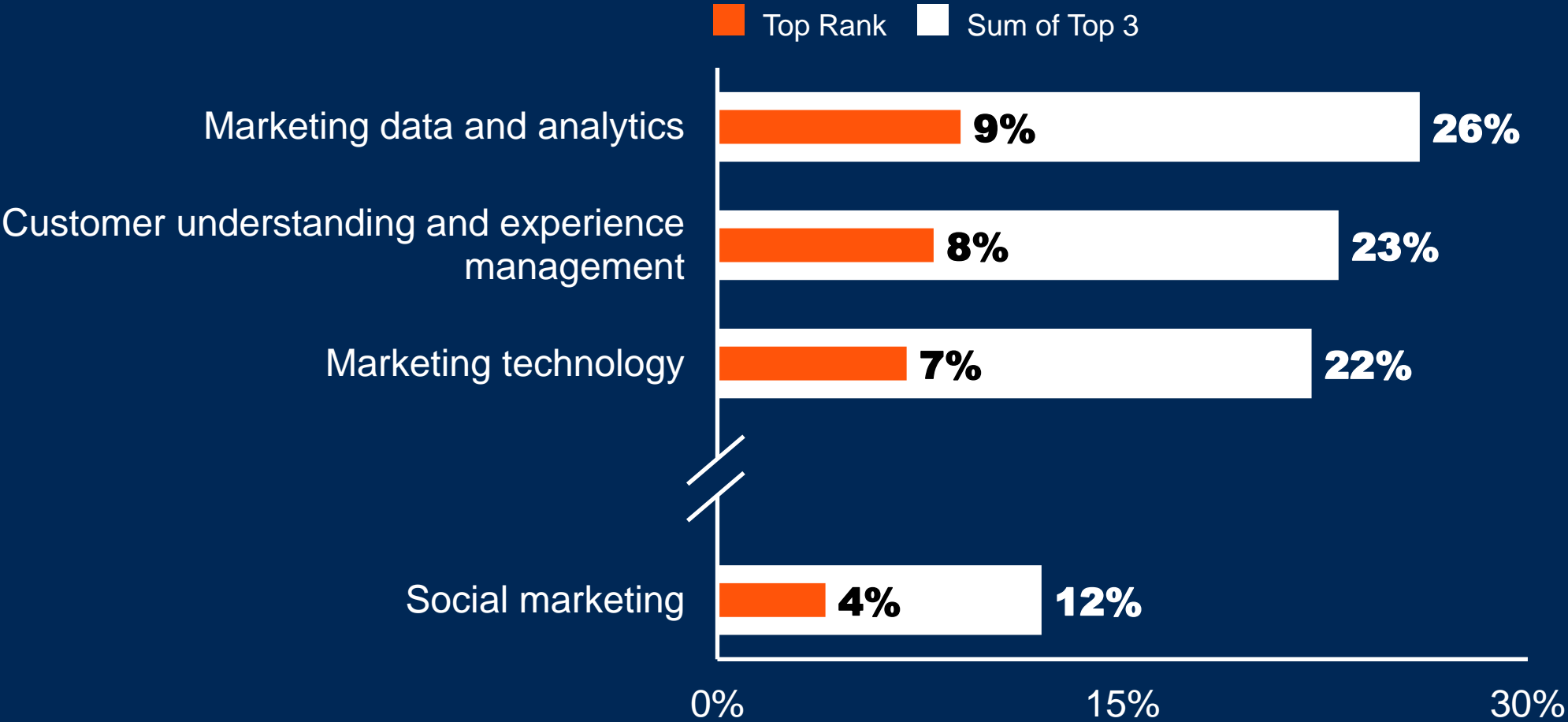
Q: As compared to other functions, which of the following competencies are ways that marketing can add the most unique value to successfully executing your organization’s strategy?

Source: 2022 Gartner CMO Strategy and Spend Survey



# Strategically Important Capability Gaps

Current Marketing Capabilities Gaps  
Sum of Top 3 Rank/Top Rank

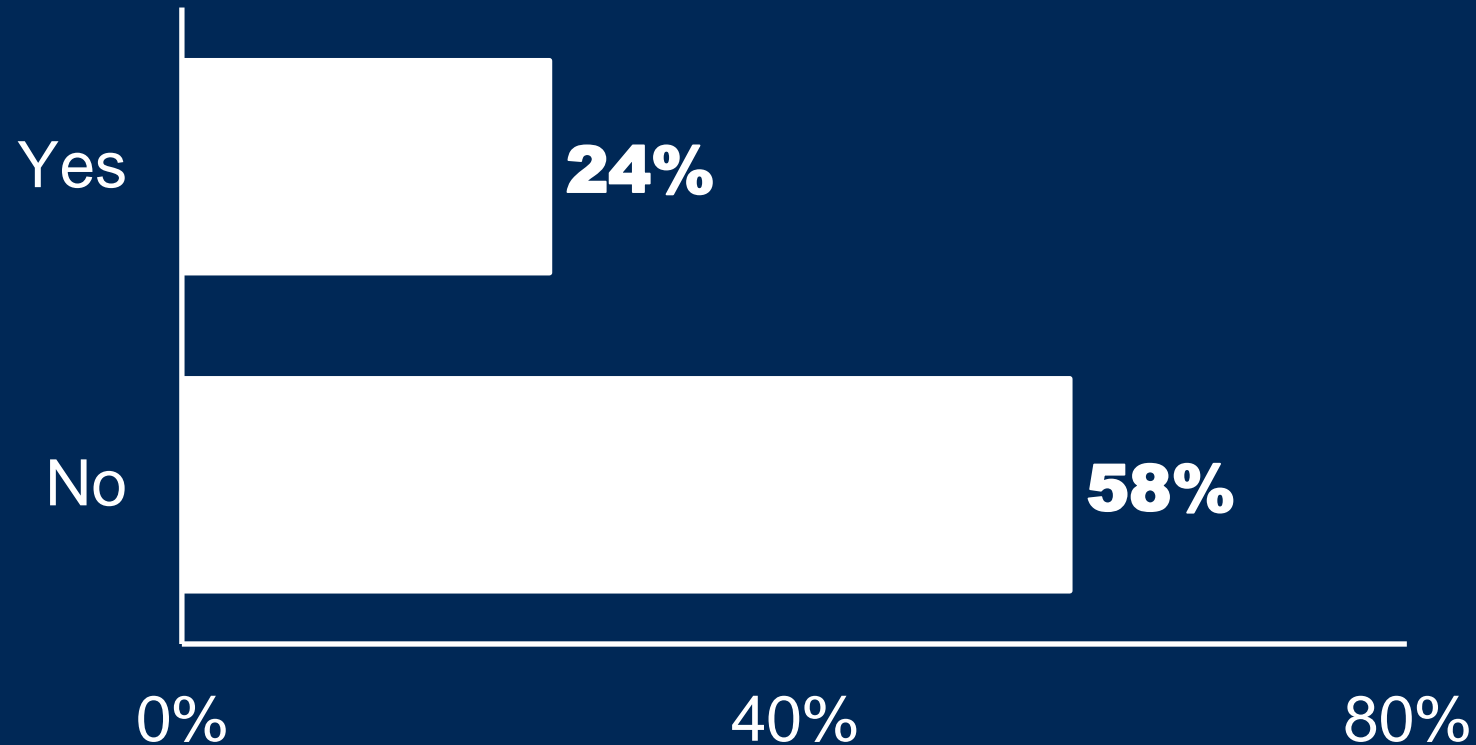


n = 403 CMOs excluding “don’t know”

Q. In what areas do the largest gaps between existing capability and capability needed to meet business goals currently exist within the marketing organization?

Source 2022 Gartner CMO Strategy and Spend Survey

# We Have the Capabilities to Achieve Our Strategy Objectives Within Our Marketing Organization



n = 401 marketing leaders excluding “don’t know”.

Q: Statement Agreement: We have many of the capabilities we need to achieve our future strategic objectives within our marketing organization.

Source: 2022 Gartner CMO Strategy and Spend Survey

# Marketing's Resource Mix Largely Unchanged

	2021	2022
<b>Agencies and Services</b>	23.0%	23.7%
<b>Paid media</b>	25.1%	25.7%
<b>Labor</b>	25.0%	24.9%
<b>Marketing technology</b>	26.6%	25.4%

n = 401 CMOs excluding "don't know".

Q: How is your 2022 total marketing expense budget being allocated to or spent on each of the following major resource categories?

Source: 2022 Gartner CMO Strategy and Spend Survey

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# The State of Marketing's Strategically Important Programs and Capabilities in Summary

- CMOs are **confident about brand capabilities**
- **But there are gaps** in other important competencies that will help achieve business goals
- Respondents to the survey **feel stuck in tactical limbo**
- **Resource and capability constraints** will be a constant theme if investment in strategic vision is not a priority

# In This Session **We've Discussed**



The State of Marketing  
Budgets Following a  
Time of Crisis



Marketing Channel  
Allocations and  
Priorities



Strategically Important  
Programs and  
Capabilities

# Action Plan for CMOs

- **Monday Morning:**
  - Benchmark your total budget against the 2022 CMO Spend Survey data.
  - Review your allocations against resources, programs and channels.
- **Next 90 Days:**
  - Build scenario plans, exploring the potential impact of inflationary pressures.
  - Check the balance of brand and performance media investments against journeys.
- **Next 12 Months:**
  - Define your strategically important capability gaps.
  - Consider the mix of *soft* and *hard* capabilities needed to meet business goals.

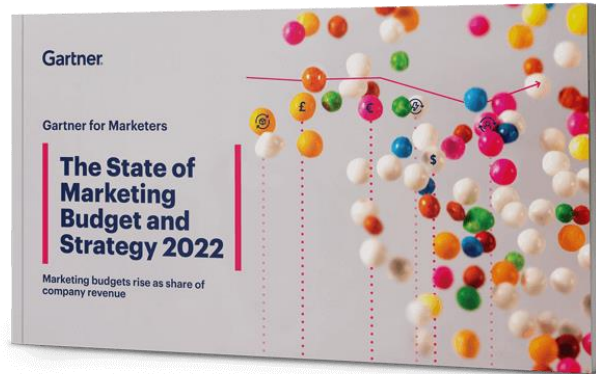


# Ask your questions



The image shows a web interface for asking questions. At the top, there is a horizontal navigation bar with four tabs: 'Ask a question', 'Attachments', 'Rate this', and 'Details'. The 'Ask a question' tab is highlighted with an orange border, and an orange arrow points to it from the left. Below the tabs, the heading 'Ask a question' is displayed. Underneath is a large text input area with a placeholder text 'Type your question here...'. At the bottom right of the form, there is a 'Send Question' button, which is also highlighted with an orange border and an orange arrow points to it from the left.

# Additional resources to know more about marketing budgets and drive growth



## Optimize your marketing budget for success

Marketing budgets have climbed from 6.4% to 9.5%. Leverage these insights from the state of marketing budget and strategy 2022.

**Download Research**



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