

Achieving Market-Beating Growth in a Volatile World

2023 MPX Survey | Executive Summary

Julie Schwartz, Senior Vice President,
Research, Momentum ITSMA

momentum[®]
itsma



Introduction

Growth Investors are making strategic plays to drive market-beating growth

If your business goal is to achieve market-beating growth, it might make sense to make some strategic investments, even in times of budgetary constraints.



In response to the current economic environment, marketers are sharpening focus and doubling down on existing accounts and partners **#ITSMA23**



It is nearly impossible to predict what 2023 has in store for us, given the current state of economic, social, environmental, and political disruption.

However, despite this volatility, 72% of marketers we surveyed say they are optimistic about the year ahead. (The rest of the marketers feel “neutral.”)

Perhaps this optimism is driven by marketer’s confidence that they are proactively tackling the current economic situation. Specifically, they are sharpening their focus, doubling down on existing clients, increasing investment in account-based marketing (ABM), and strengthening the partner ecosystem.

Not surprisingly, as many companies tighten budgets, marketing is also being asked to do more with less. Budget pressures are reflected in marketers’ top priorities for 2023:

- Contending with marketing resource constraints
- Measuring and communicating marketing's impact
- Prioritizing and narrowing focus

Yet, there are bold marketers who are bucking the trend. Even in the midst of unpredictability, some companies continue to invest in growth. These “Growth Investors” are increasing spend to grow and expand market share.

Our analysis revealed five different points of differentiation for Growth Investors:

1. **Brand:** Growth Investors are investing in strengthening and building their brands; ESG will become even more important to this group in 2023.
2. **ABM:** ABM is not just the top priority for Growth Investors; each and every one of them will increase their ABM budgets.
3. **Digital transformation:** Data shows that Growth Investors are further along than other marketers in building digital resiliency and agility.
4. **Marketing metrics:** Marketers must do more than collect data; they need to connect the dots between marketing activities and business outcomes. Growth Investors use data extensively to improve marketing.
5. **Customer success:** Customer success is vital for profitable growth, and overall 50% of marketers are increasing their customer success budgets this year. But that is low compared with the 80% of Growth Investors who are spending more in this area.

As always, there are areas where all marketers, whether Growth Investors or not, can improve. However, if your business goal is to achieve market-beating growth, it might make sense to make some strategic investments, even in times of budgetary constraints.

Table of contents

- 04** Survey Highlights
- 29** Survey Methodology & Demographics
- 35** Appendix A: Table of Contents for Full Report, Achieving Market-Beating Growth in a Volatile World | MPX23 Survey
- 36** Appendix B: Momentum ITSMA Budget Taxonomy & Definitions Used in this Report

Survey Highlights



Despite economic, social,
environmental, and political
upheaval...

...marketers remain
optimistic for the
year ahead

Marketing achieved its 2022 goals and is prepared to take on the challenges of 2023

71%

Effectively achieved their goals in 2022

71%

Are well prepared to take on the challenges of the next 6–12 months

In response to the current economic environment, marketers are sharpening focus and doubling down on existing accounts and partners

Sharpening Focus

55%

Sharpening focus on a smaller set of existing products, services, or solutions

50%

Narrowing focus to target a few specific vertical/horizontal markets

Doubling Down on Existing Accounts

66%

Marketing more to existing clients

77%

Increasing investment in account-based marketing (ABM)

Strengthening Partner Ecosystems

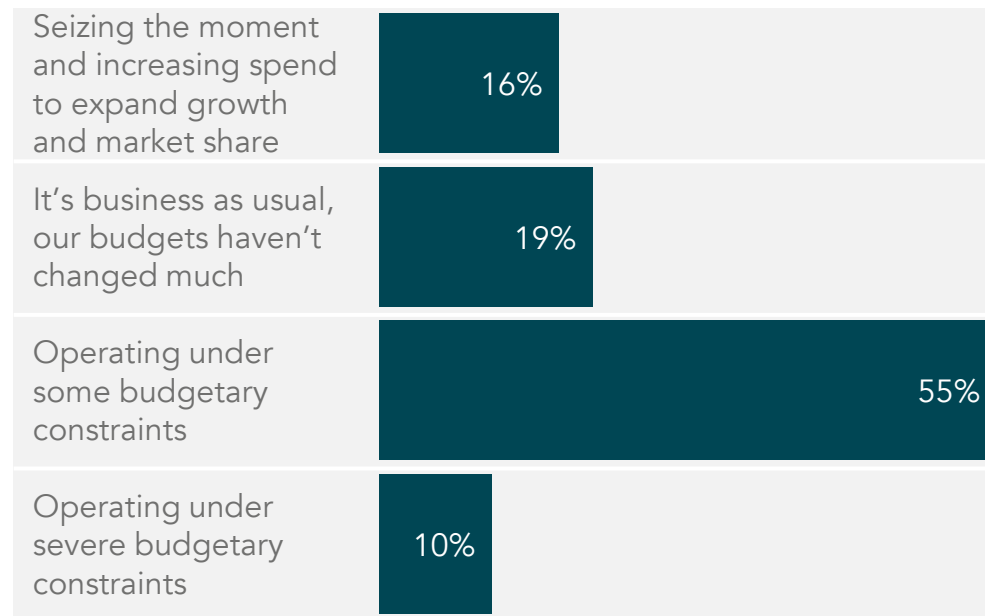
63%

Looking for new business partners and alliances to help drive the 3R's

Which action is your organization taking in response to the current economic situation?

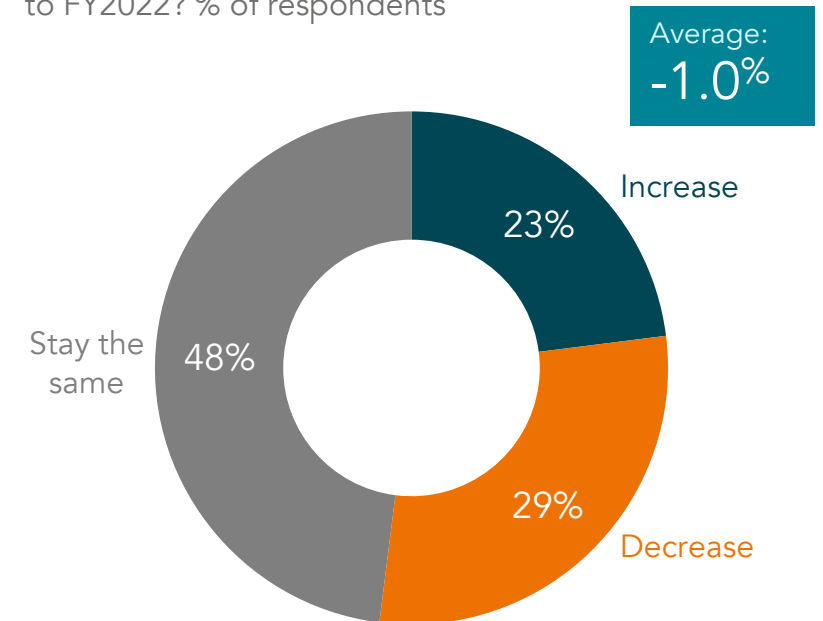
Many companies, and therefore marketing organizations, are operating under some level of budgetary constraint

How would you describe the current environment at your company?
% of respondents



65%
experiencing budget pressures

In FY2023, do you expect your marketing budget to increase, decrease, or stay the same when compared to FY2022? % of respondents



In 2023, marketers are facing a new set of top challenges

Top 3 challenges 2023

- Contending with marketing resource constraints (budget and staff)
- Measuring and communicating marketing's impact
- Prioritizing and narrowing focus

Top 3 challenges 2022

- Acquiring, developing, and retaining marketing talent
- Optimizing the value of martech
- Generating demand, pipeline, and revenue

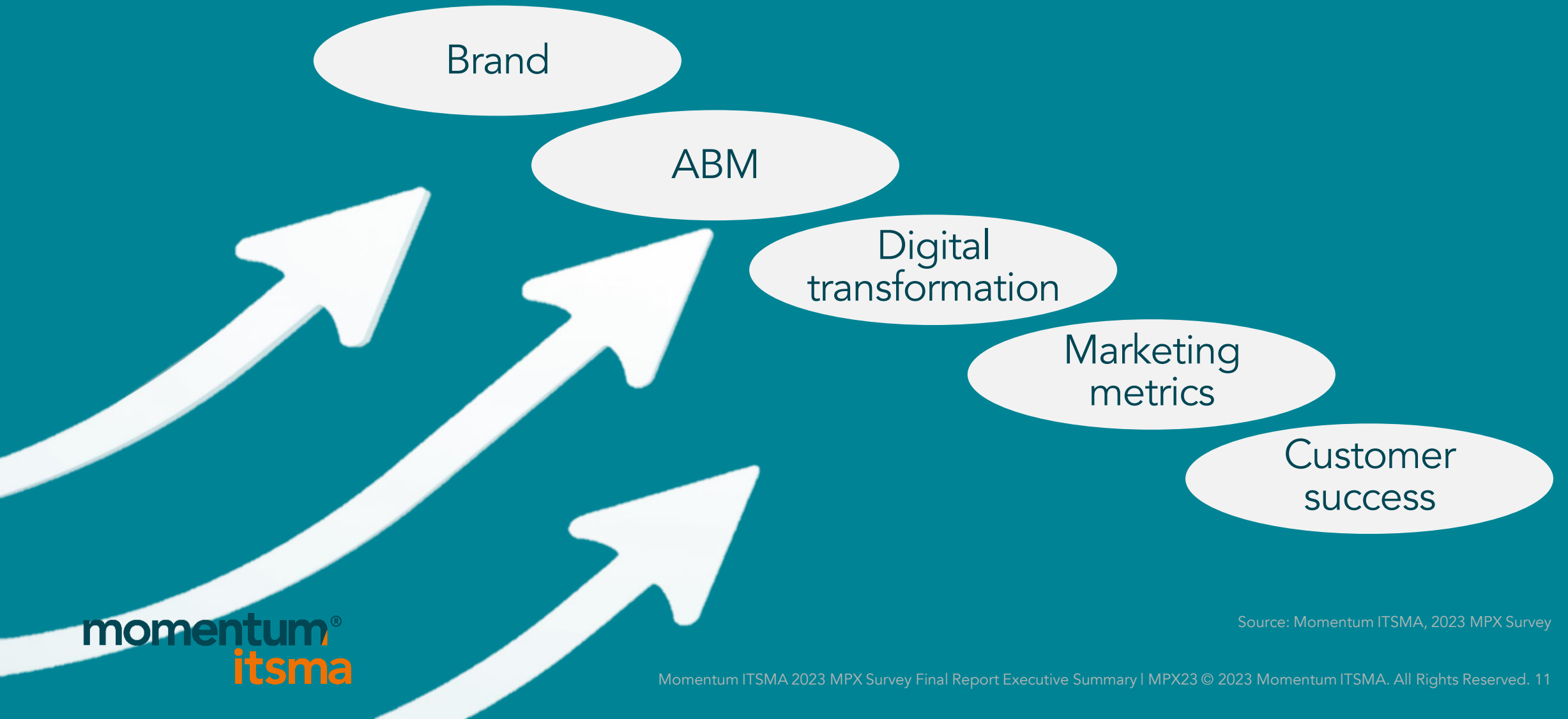
Most, but not all, companies are reining in budgets

Amid the volatility, some companies continue to invest in growth.
Meet the growth investors:

35% are seizing the moment and investing to grow revenue and expand market share

What are the growth investors doing differently?

Growth Investors' points of differentiation



Marketing's top priorities in 2023 point to growth-oriented and market-pressure moves

2023	2022	2021	2020	2019	Marketing Priorities
1	1	1	2	1	Account-Based Marketing (ABM)
2	2	2	1	2	Lead/demand generation, management, and nurturing
3	4	3	6	4	Integrating marketing programs and messaging
4	18	23	15	10	Collaborative innovation with clients and prospects
5	6	6	3	5	Marketing metrics/performance management
6	11	13	6	7	Thought leadership/content development and dissemination
7	16	14	—	—	Adapting marketing messages/value propositions to the current business environment
8	7	6	10	7	Agile marketing culture (to improve the speed and adaptability of marketing)
9	3	4	5	2	Brand/reputation management/differentiation
10	17	20	10	9	Vertical/industry marketing

2022 priorities that dropped off the top 10 list

- Data-driven marketing culture (#5)
- Marketing talent, training, and retention (#8)
- Marketing organization restructuring (#10)

Collaboration is now one of marketing's top priorities, likely in response to market demand

81%

We are more interested in **collaborating** with providers

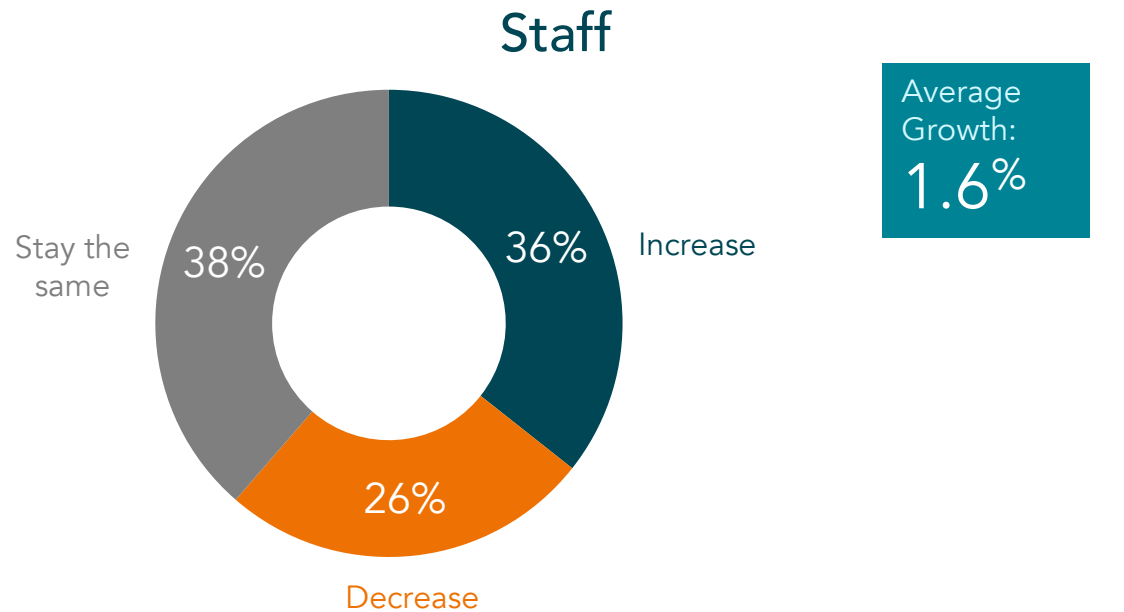
Source: Momentum Group, CBX Survey 2022, Wave 1 (N=450)

Top areas for increasing spend emphasize client collaboration

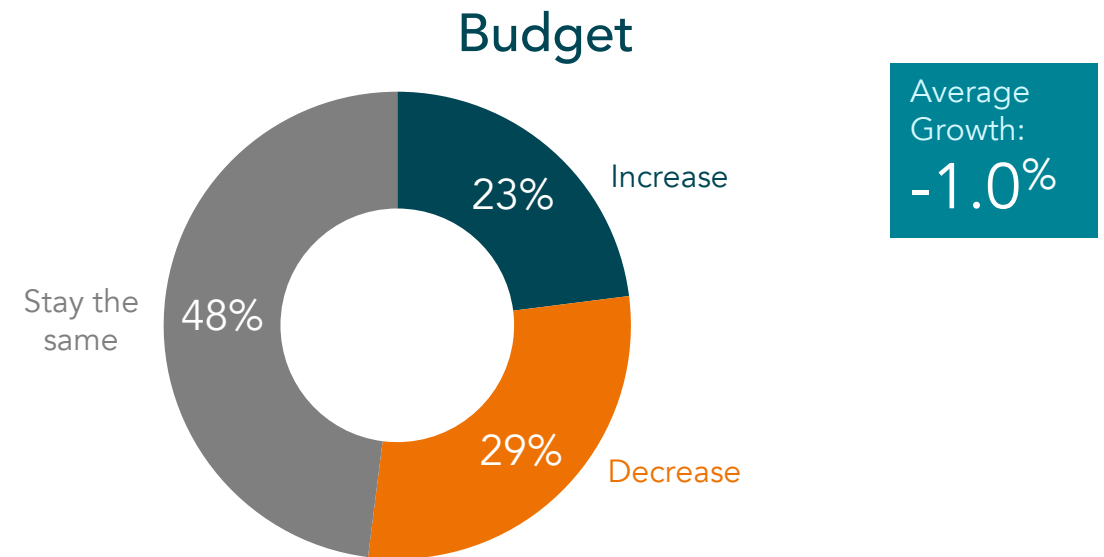
- 1 Account-based marketing
- 2 Executive programs
- 4 Executive briefing and innovation centers
- 5 Owned in-person events
- 6 Advisory boards/customer councils

Source: Momentum ITSMA, 2023 MPX Survey (N~22)

More marketing organizations are increasing staff than budget, showing the continued importance of talent



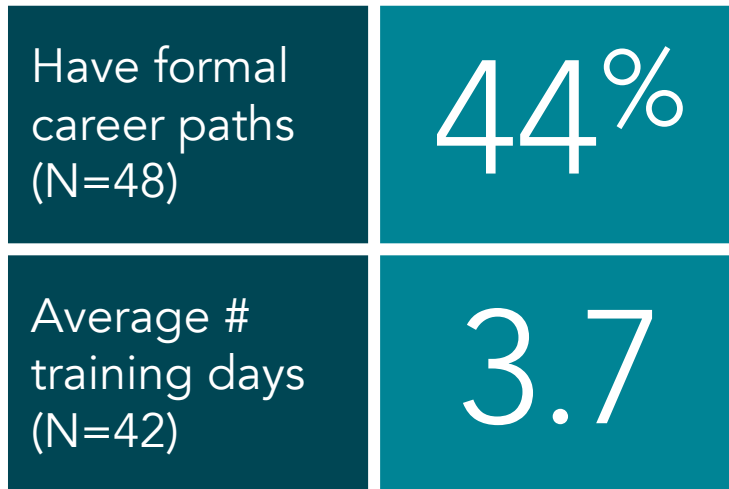
What changes do you anticipate in your marketing staff in FY2023 (includes direct employees, staff augmentation contractors/associates, and marketing interns)? % of respondents



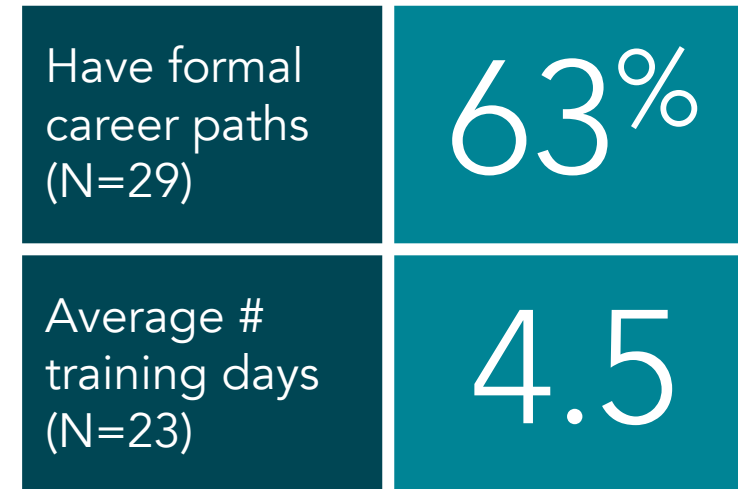
In FY2023, do you expect your marketing budget to increase, decrease, or stay the same when compared to FY2022? % of respondents

Marketing orgs are making strides around talent management, but acquisition, development, and retention are challenges for many

2022



2023



Marketing is increasing spend on the programs and tactics with the highest expected return

Top areas for **increasing** spend

Account-based marketing

Executive programs

Martech tools and technology

Executive briefing and innovation centers

Owned in-person events

Advisory boards/customer councils

Video

Philanthropy/corporate social responsibility

Marketing is also selectively trimming budgets, eliminating less effective programs and tactics

Top areas for **decreasing** spend

Traditional paid media

Mobile apps

Third-party webinars, virtual events, and virtual event sponsorships

Third-party hybrid events and event sponsorships

Direct mail

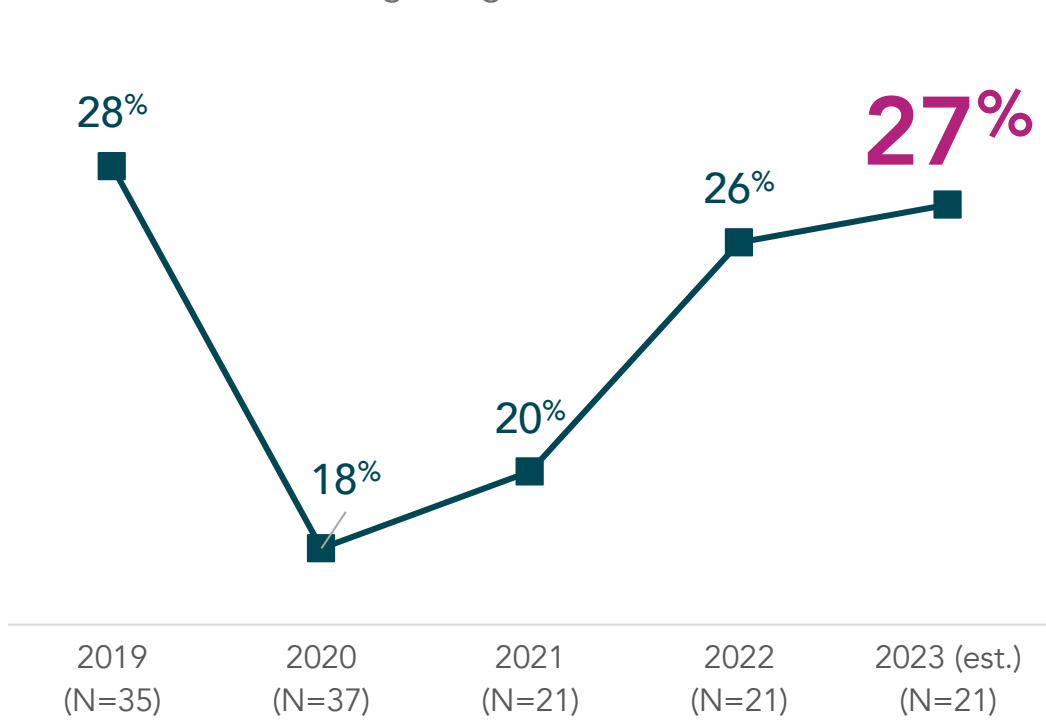
Third-party in-person events and event sponsorships

Digital paid media

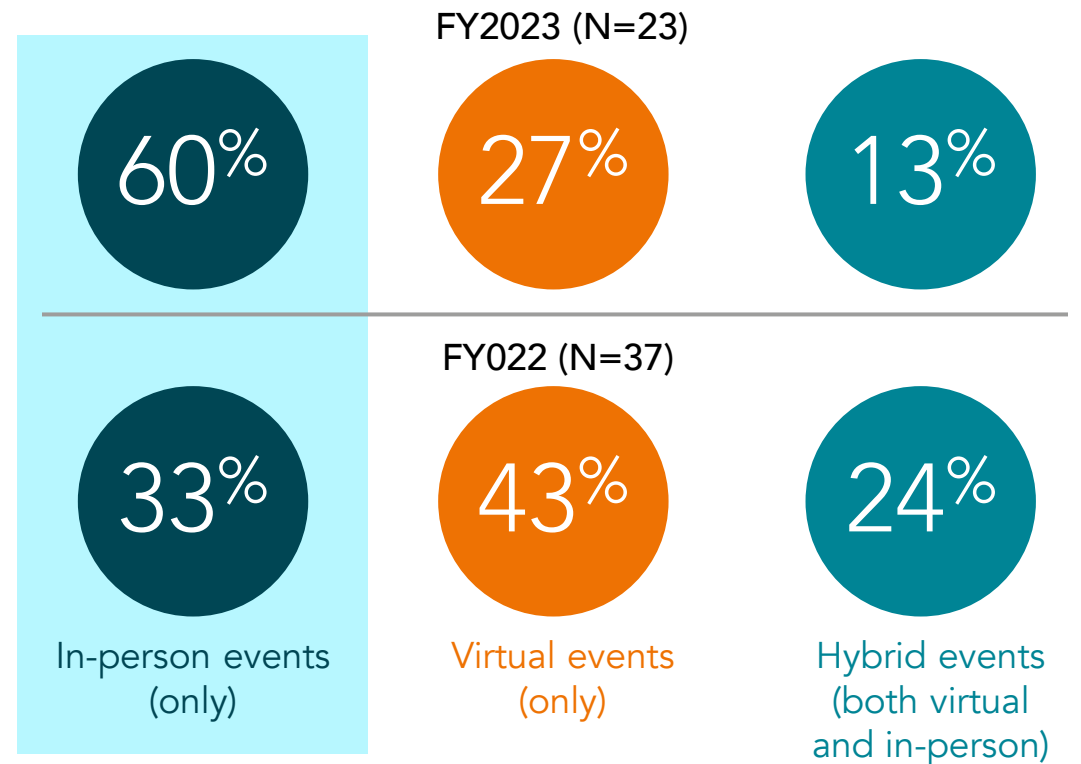
Overall event spending remains up; in-person events are back!

Approximately what percentage of your total marketing budget was/will be dedicated to **Event Marketing**?

% of the total marketing budget (N=21)



How will your event budget be allocated between virtual, in-person, and hybrid events? % of respondents



There are four key areas where marketers need to improve



Relevant, personalized campaigns

14% Personalizing marketing campaigns and content to a notable extent

% of respondents (N=29)



Metrics to prove and improve marketing impact

23% Very effectively use business impact metrics to report outcomes

% of respondents (N=26)



Data integration across the company

4% Very satisfied with cross company data integration

% of respondents (N=28)



Investment in people and skills development

11% Very satisfied with investment in people and skills development

% of respondents (N=28)

Amid the volatility, some companies
continue to invest in growth.

What are the growth investors
doing differently?



Meet the growth investors



These companies are seizing the moment and increasing spend to grow and expand market share

Growth investors' points of differentiation

Brand

ABM

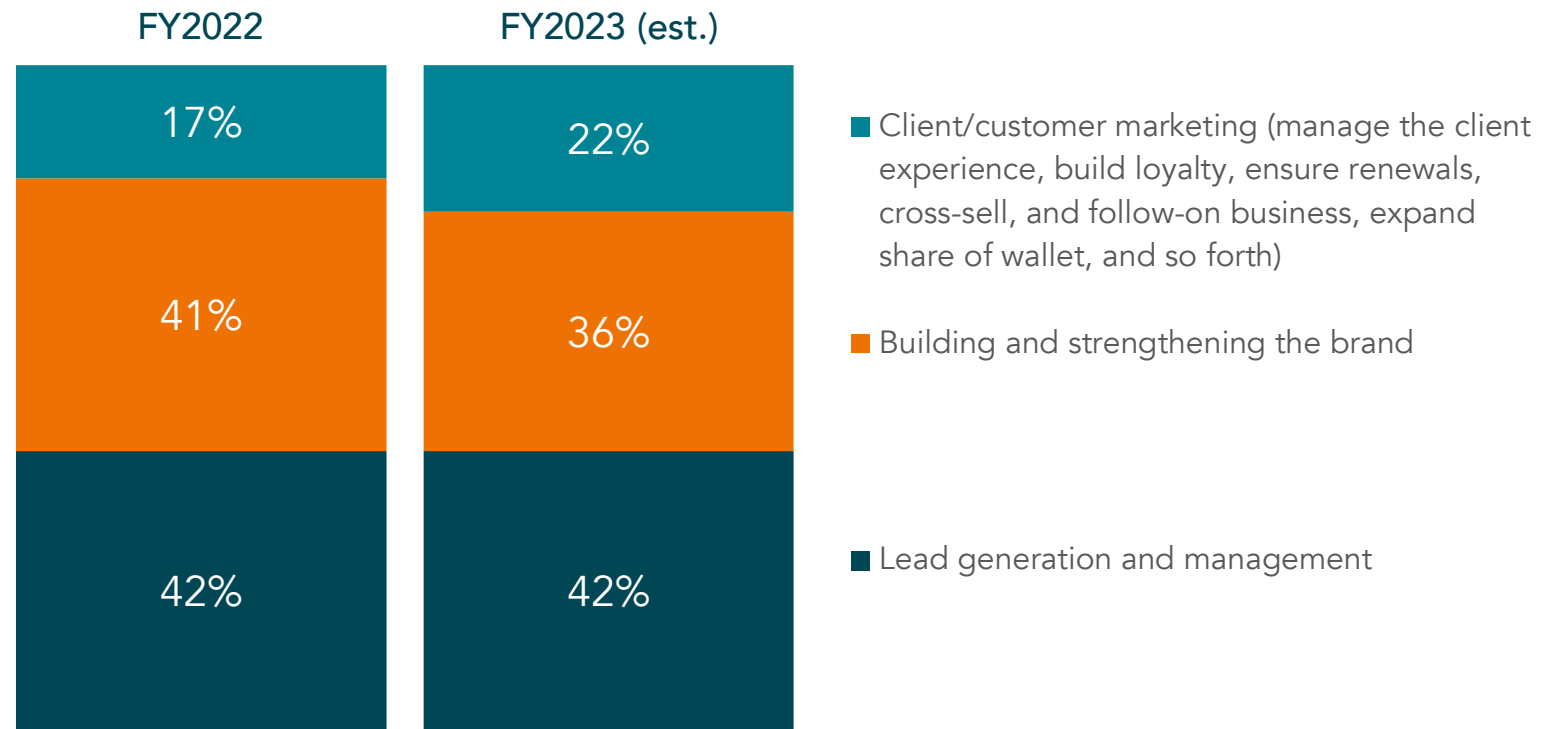
Digital transformation

Marketing metrics

Customer success

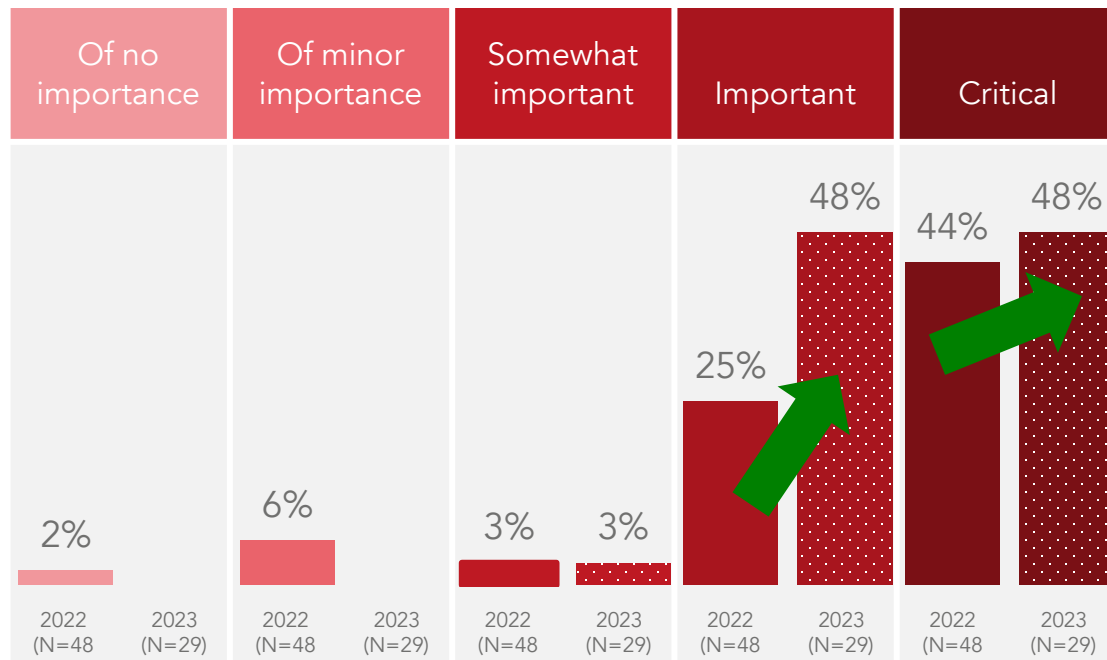
Building the brand and client marketing remain essential, although pressure exists to source more leads

Approximately, how will your marketing budget (be) allocated across the following broad categories?
% of marketing budget (N=25)



ESG, a strategic investment in strengthening brand, continues to grow in importance

What is your company's view of the role ESG (environmental, social, governance) plays in strengthening your company's brand and reputation?
% of respondents



What are your company's most important objectives for its ESG programs?
% of respondents (N=29)



Note: Multiple responses allowed.

ABM is a critical growth investment

Top 2023 Marketing Priority

#1 Account-Based Marketing

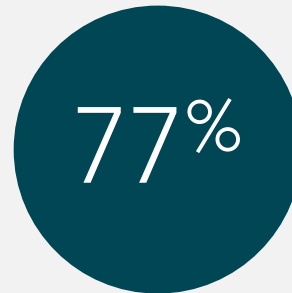
How do you anticipate your **Account-Based Marketing** spend changing in FY2023? % of respondents (N=26)



Decrease



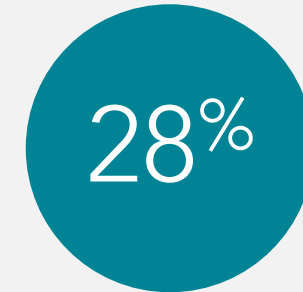
No change



Increase

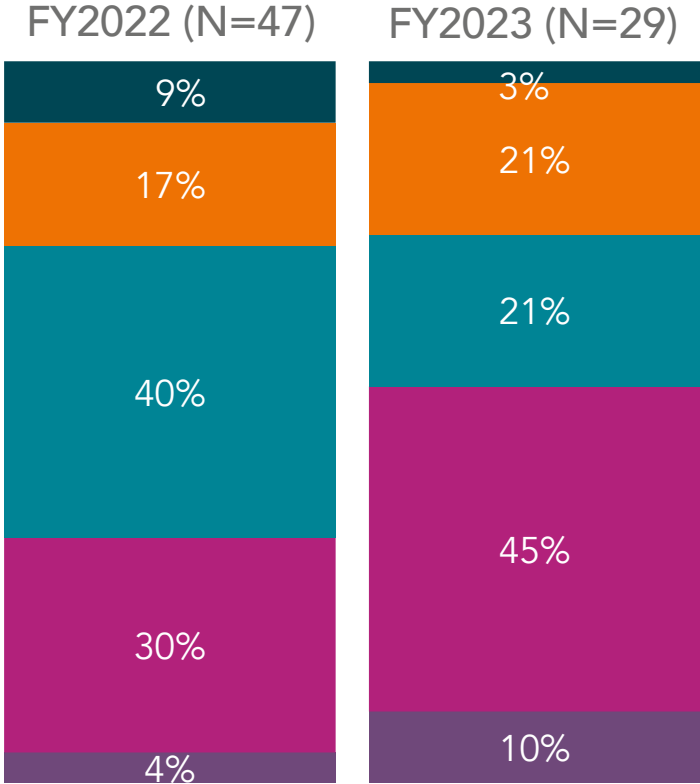
Source: Momentum ITSMA, 2023 MPX Survey

FY2022, percentage of total marketing budget spent on ABM? % of marketing budget (N=125)



Source: Momentum ITSMA and ABM Leadership Alliance, 2022 ABM Benchmark Study, September 2022

Marketing is making strides with digital transformation, building agility and resilience

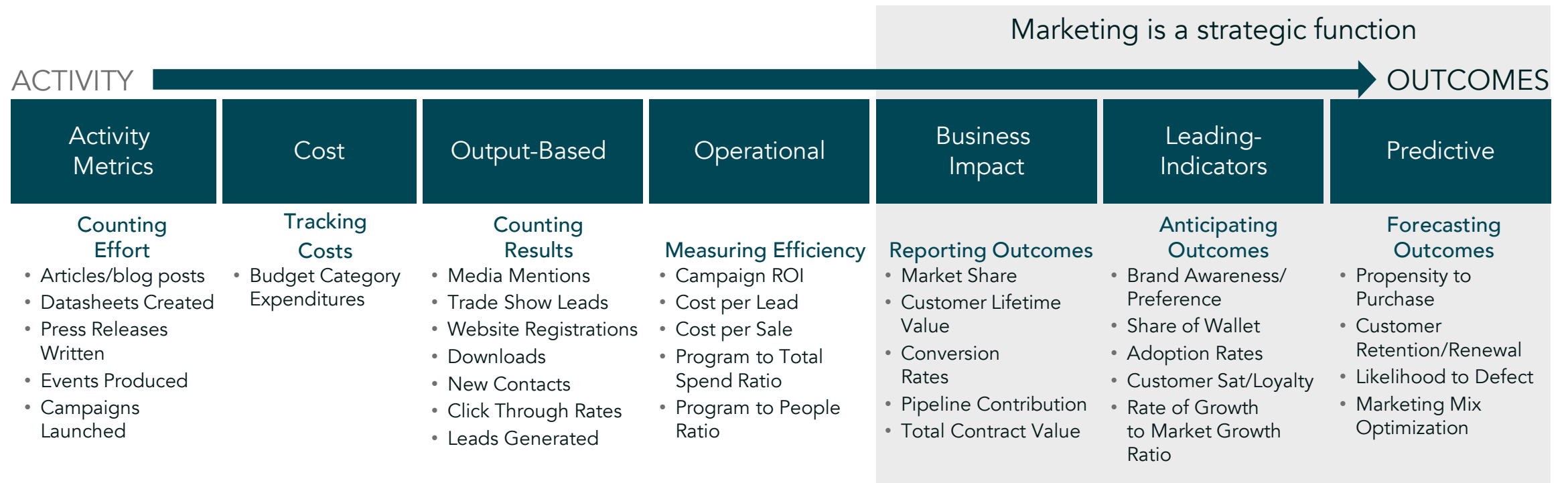


- Getting started
- Building the technology foundation
- Implementing new technology-based marketing processes
- Integrating marketing (and sales) technology
- Optimizing an omnichannel client experience

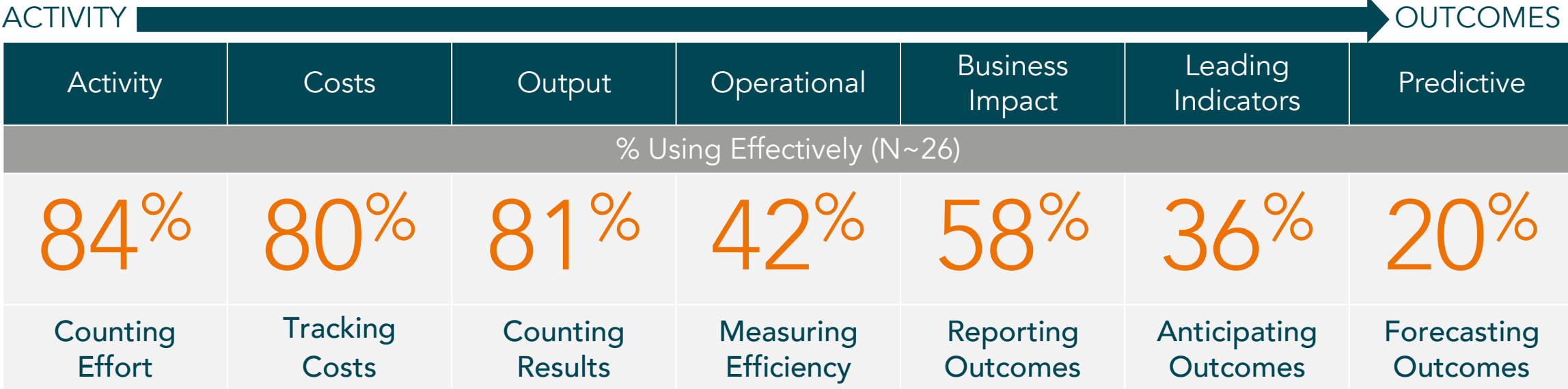


Which of the following best characterizes your organization’s transformation in terms of marketing technology infrastructure?% of respondents
 Source: Momentum ITSMA, 2023 MPX Survey and 2022 B2B Marketing Trends Survey

Momentum ITSMA's Marketing Metrics Framework charts the course to becoming a strategic growth driver



Marketing metrics are still more heavily weighted to the activity end of the spectrum

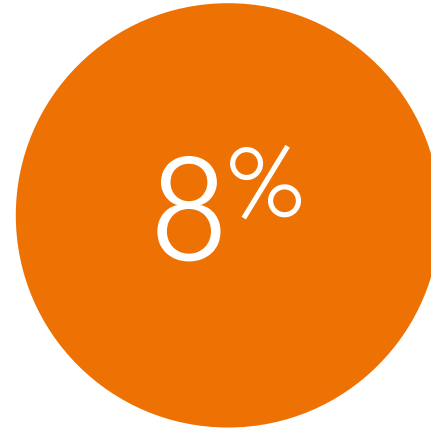


How effectively are you using the following categories of metrics to measure marketing performance?

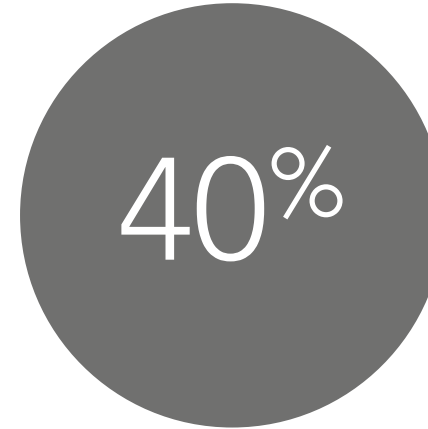
Marketing is gaining traction with customer success

How do you anticipate your **Customer Success** spend changing in FY2023?

% of respondents (N=25)



Decrease



No change



Increase

What do you need to do to achieve market-beating growth? Be a growth investor!

- Increase investment in ABM; double down on your key accounts
- Strengthen the brand; elevate ESG; review and renew differentiation
- Tackle the data integration problem
- Accelerate your digital transformation journey
- Step up marketing's role in customer success
- Rethink your partner ecosystem



Survey Methodology & Demographics

Study participants

accenture

 ACTIAN™

birlasoft

brillio

ciena

 CISCO

CONDUENT 



 Crowe

FIS

FORTINET

HCLTech


HEXWARE



HubSpot

IDEXX

kyndryl

 MathWorks®

mazars

 Microsoft

NTT DATA

 NTT

Optum

 Persistent



splunk

tcs | TATA
CONSULTANCY
SERVICES

/thoughtworks

UiPath

 VOSS

 wipro

momentum®
itsma

Methodology

Web-based survey



Survey invitations were emailed December 2022 through January 2023 to Momentum ITSMA member and select non-member companies



31 participating companies

- Participation by invitation only
- All respondents screened for:
 - Momentum ITSMA member marketing community relevance
 - Budget authority
- Rigorous post-data collection cleaning
 - Validate responses
 - Check for consistency
 - Remove outliers

Study participants

Accenture

Action

Birla soft

Brillio Technologies

Cena

Cisco Systems, Inc.

Conduent

CRB

Crowe

FIS

Fortinet

HCLTech

Hexaware

HP Inc

HubSpot

IDEXX

Kyndryl

MathWorks, Inc.

Mazars USA LLP

Microsoft

NTT DATA

NTT Ltd.

Optum

Persistent Systems

SAP

Splunk

TCS

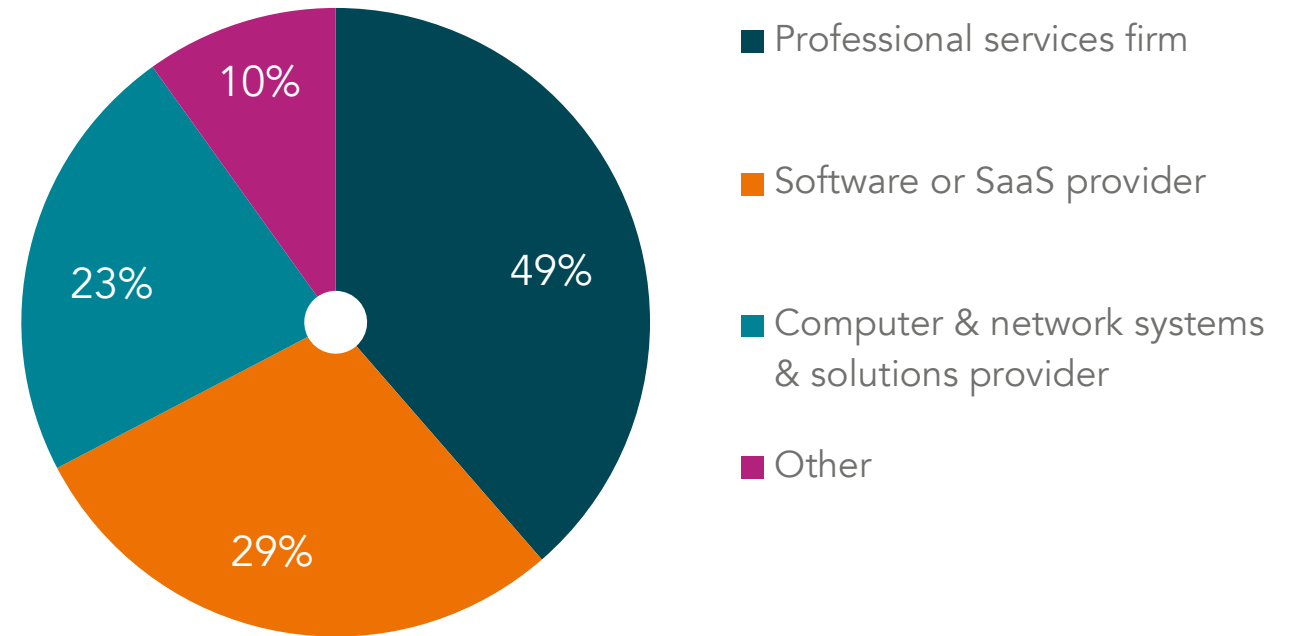
Thoughtworks

UiPath

VOSS Solutions

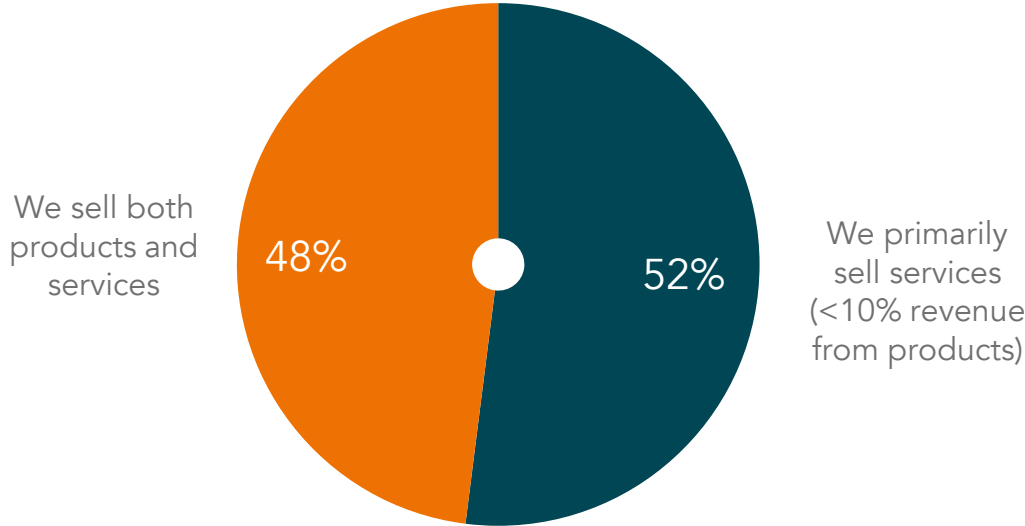
Wipro

Which of these categories best describes your industry subsector?
% of respondents (N=31)

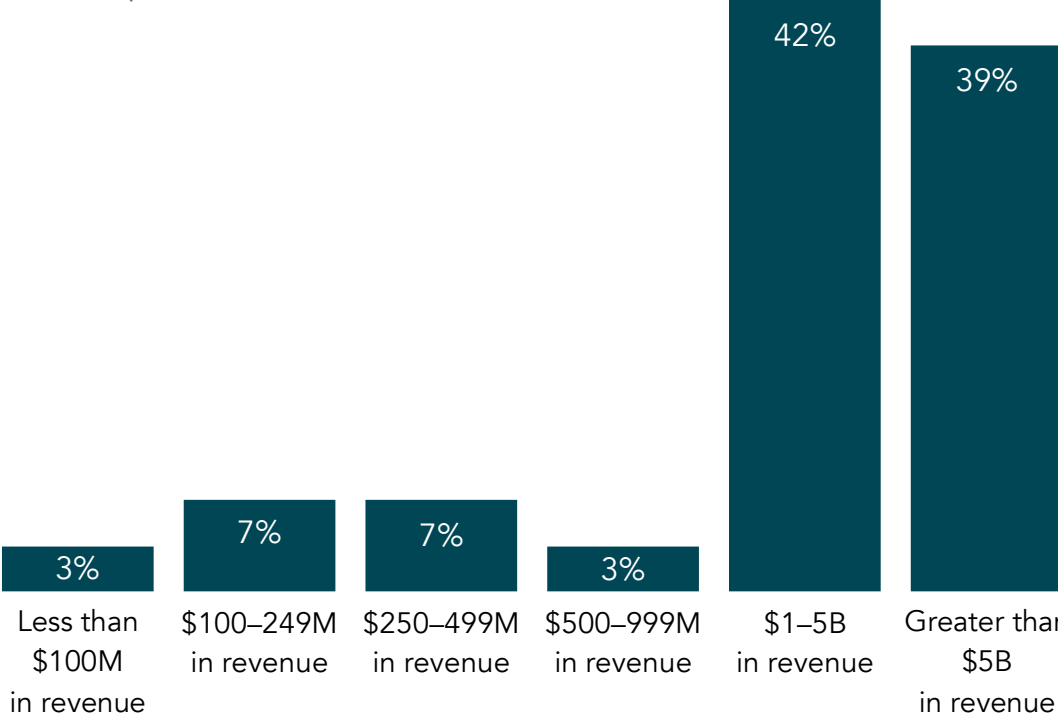


Respondent demographics: Type of company and size of business

Which of the following best describes your company?
% of respondents (N=31)

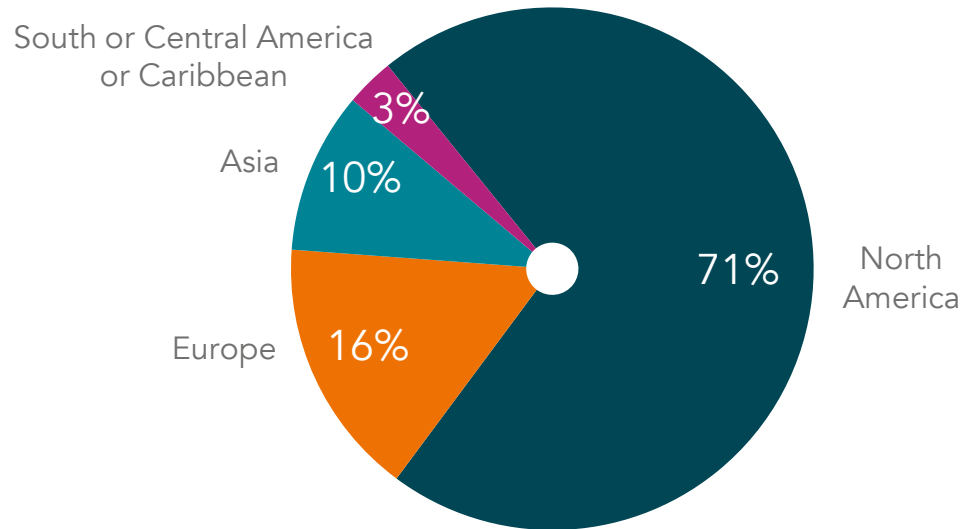


How large is your business?
% of respondents (N=31)

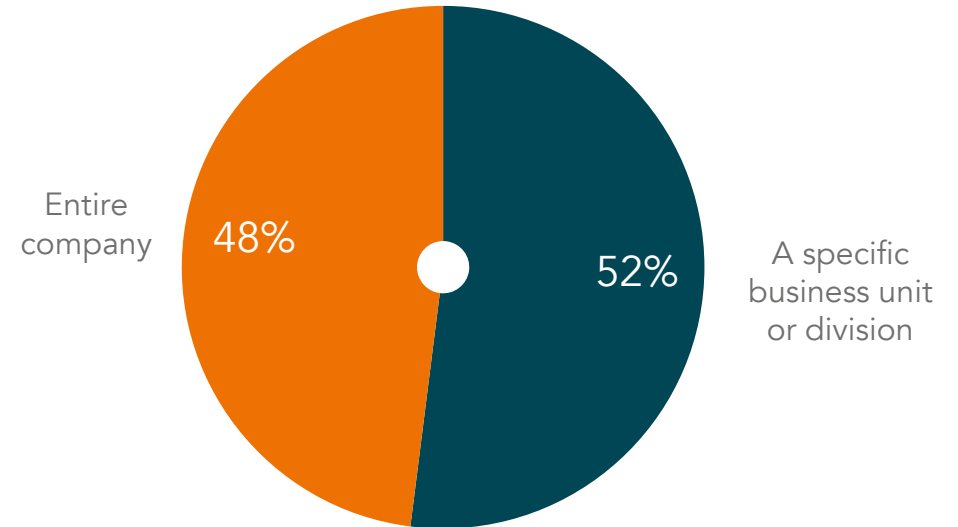


Respondent demographics: Respondents' physical location and perspective

In which geography are you (personally) physically located?
% of respondents (N=31)



From which perspective will you be answering this survey?
% of respondents (N=31)



Appendix A: Table of contents for Full Report, Achieving Market-Beating Growth in a Volatile World | MPX23 Survey

04	Executive Summary
29	Survey Methodology & Demographics
35	Current Business Environment
44	Marketing Priorities
50	Marketing Budget
57	Marketing Organization & Staff
60	Changes in the Marketing Budget
67	Events Budget
70	Environmental, Social, Governance (ESG)
74	Marketing Operations
80	Marketing Metrics
84	Personalization
89	Marketing Talent: Attraction, Development, and Retention
101	Appendix: Momentum ITSMA Budget Taxonomy & Definitions Used in this Report

Appendix B: Momentum ITSMA Budget Taxonomy & Definitions Used in this Report

Scope of the marketing budget

The Momentum ITSMA Marketing Framework™



Calculating the size of the marketing budget

- The marketing budget is calculated as a % of revenue.
- When calculating a specific marketing budget, use the corresponding revenue. For example, use total revenue in EMEA to calculate the size of the EMEA marketing budget.
- **FY:** Fiscal year
- **Include people expenses.**
- **People expense:** Direct employee salaries and benefits, marketing interns, and staff augmentation contractors
- **Program expense:** All expenses other than people, such as agencies, events, advertising, and so forth

Momentum ITSMA marketing budget taxonomy

- **Strategy & Planning.** Market/competitor intelligence, opportunity identification, brand & positioning, buyer insight, go-to-market planning
- **Portfolio Management.** Offer development, value proposition development, pricing, lifecycle management from concept to termination
- **Content & Communications.** Brand communications, thought leadership, content management, influencer & public relations
- **Demand Generation & Lead Management.** Attract and educate potential buyers with programs and campaigns; capture information about prospects and nurture them to move from one buying process stage to the next
- **Engagement & Advocacy.** Client experience management, customer success, executive programs, account-based marketing, reference management, client satisfaction & loyalty
- **Marketing Operations.** Organizational design, budget management, talent management, tools, technology, data and analytics, and performance management
- **Sales & Field Enablement.** Education, data analysis, programs, tools, support
- **Partners & Alliances.** Recruitment, education, enablement, programs, tools, support
- **Other.** Anything else that does not fit in the above buckets but is part of the marketing budget

Momentum ITSMA marketing content and communications budget taxonomy

- **Brand Communications.** Communicate to key stakeholders the brand's promise, personality, differentiators, benefits, and proof points
- **Thought Leadership Research & Development.** Define topics, conduct research and develop points of view that educate buyers about important business issues and helps them solve those issues—without promoting specific offers
- **Content Development & Management.** Manage the marketing content production process, including writing, editing, packaging, producing, updating, and retiring content assets
- **Content & Thought Leadership Promotion.** Use various channels to communicate content, messaging, and thought leadership to target audiences
- **Influencer, Analyst, & Public Relations.** Communicate and build relationships with key individuals in the industry who have the power to affect the perceptions and decisions of others
- **Employer Brand and Internal Marketing.** Recruitment marketing, internal communications, employee value proposition
- **Other.** Anything else that does not fit in the above buckets but is part of the marketing budget

Definitions used in this report

Areas of Marketing's Influence

- **Customer experience management** (optimizing the customer experience at every touch point to create satisfied and loyal customers)
- **Identification of new market opportunities and offers** (researching current and future trends impacting an industry or market segment; analyzing the information to identify opportunities for growth and differentiation)
- **Key Account planning and analysis** (developing plans and strategies to expand business with key accounts, including through ABM programs)
- **Marketing Technology** (selecting, implementing, and/or operating technology solutions to manage/analyze marketing data and automate marketing processes)
- **Thought leadership issues agenda** (defining priority themes, evaluating and vetting topics, including veto power; managing the research and development process)
- **Customer success management** (developing programs to increase solution utilization, customer retention, and value delivered)
- **Sales enablement** (developing and disseminating content, tools, and training with the goal of increasing sales productivity and win rates)
- **Partner and alliance management** (developing and supporting programs and initiatives to market and sell to, with, and

through business partners and alliances)

- **Employee brand** (recruitment marketing and employee value proposition)

Marketing Digital Transformation Stages

- **Getting started.** We have the basics: a website and social media presence. Marketing automation is either in the planning stages or partially implemented.
- **Building the technology foundation.** We have the foundation of our marketing infrastructure in place, including marketing automation, CRM, and content management. However, few marketers outside a core group are conversant with the technology. We are using new tools to automate but have not yet leveraged the technology to change the way we market.
- **Implementing new technology-based marketing processes.** We are adding multiple new tools on top of the technology foundation and training marketers outside of a core group to use them. Wider spread adoption across the marketing organization is enabling marketing innovation. Rather than automate existing marketing processes, we are implementing new ways to market.
- **Integrating marketing (and sales) technology.** Multiple

marketing tools and technologies are being integrated to provide a “single source of truth” and eliminate time-consuming manual internal processes. Technology is being leveraged to personalize marketing content based on contextual relevance.

- **Optimizing an omnichannel client experience.** We have a fully integrated marketing and sales technology infrastructure that provides every department in the enterprise with a 360 degree view of the customer/account as well as dynamic, visual access to the data. Technology is being leveraged to personalize marketing content based on individual relevance.

Thank You!

Julie Schwartz, Senior Vice President, Research,
Momentum ITSMA
julie.schwartz@momentumitsma.com

momentum[®]
itsma