

2020 State of Spend

Expectations vs Reality



COVID-19 and the ensuing recession up-ended marketing investments in 2020.

How did marketing organizations pivot their budgets and strategy when faced with the upheaval of all they'd previously known?

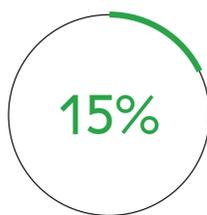
Budget Cuts to Events Never Came Back

Expectation: After in-person events became a no-go, all funds were shifted to safer channels

Reality: Event spend dropped 46% and didn't necessarily mean re-allocating, often those funds were completely cut from overall program budgets



of all companies lost more than 10% of their program spend

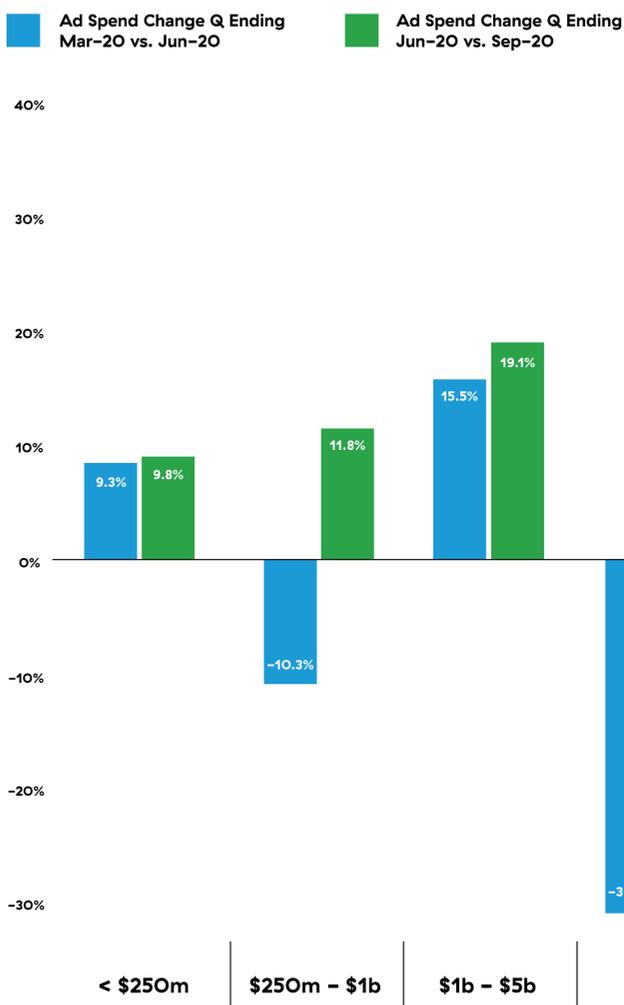


of companies lost more than a third of their total program spend

Not All of Us Are All-In on Advertising (Yet)

Expectation: Advertising is an accessible channel to reach your audience that every marketing organization invested in

Reality: Q2 shows wide variations in ad spend according to company size, reflecting the very different needs immediately after the pandemic hit. But in Q3 everyone plans for heavy investments in digital, marking it as a crucial driver of growth for the remainder of 2020



Demand Beats Awareness

Expectation: Many analysts encouraged marketers to double down on brand awareness, especially given that many people weren't in a position to buy

Reality: 45% of marketing organizations cut PR budgets by more than 20%. At the same time, there was an overall 23% increase in direct marketing

Loyalty Programs Lagged

Expectation: Analyst and industry pundits shouted the importance of loyalty programs from the rooftops and we all listened right?

Reality: Investment in loyalty and advocacy programs decreased by 4% in Q2. But 47% of companies are forecasting a more than 20% increase in these programs for the remainder of 2020.