

 **ALLOCADIA**

Hindsight Is 2020

Game-Changing Marketing
Lessons from a Pandemic Year



**A NEW DATA REPORT BASED ON LEARNINGS
FROM NORTH AMERICAN MARKETING LEADERS**

Executive Summary

The learnings from this survey of North American marketing leaders are valuable for CMOs, senior marketing leaders, and marketing budget owners who want to evolve their marketing team's strategy and processes post pandemic. Additionally, it is useful for finance leaders looking to identify winning strategies when investing one of their company's largest discretionary budgets: the marketing budget.

Key findings

1. Marketing Organizations Changed for the Better

We found that although 74% of marketers are eager to return to the office, virtual meetings did have benefits. The majority of marketers, 84%, said virtual meetings improved collaboration because they allowed for quieter voices to be heard.

We found that 78% of marketers believe going through the pandemic made them a better marketer, and 99% are confident about marketing in a post-pandemic environment.

2. Agile Marketing isn't a Phase, it's our New Paradigm

In our survey, we found that 66% of marketers say their teams are fully agile, and a further 25% said they had adopted some agile processes and tactics.

And this isn't just a phase. Of the marketers that adopted agile marketing tactics, 74% plan to keep all of their methods, and 25% of marketers will keep some agile marketing processes post pandemic. Only 1% of marketers do not plan to continue with agile marketing at all.

3. Visibility into Marketing Budgets is Critical for Success

If faced with another pandemic or economic crisis, we found that 48% of marketers said the first way they would prepare would be to have better visibility into their marketing budget at all times. When looking at CMO responses to the question, 72% would prioritize budget visibility.

We also found that 27% of marketers now check their budget daily, and 51% check in on a monthly basis. Less than 1% of marketers check their budgets as rarely as bi-annually or annually.

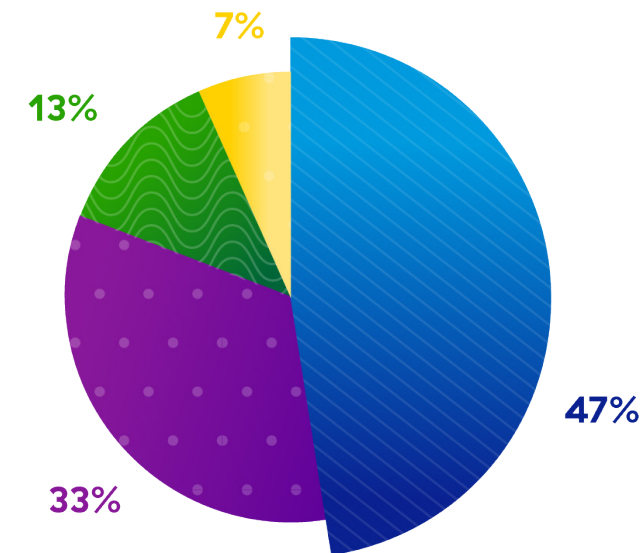
Takeaway Actions

For organizations to flourish in this new era of marketing, they must have an agile framework to guide campaigns and visibility into their budgets.

We recommend starting by improving budget visibility, and then implementing agile marketing processes. Fixing broken processes and getting better budget insights will yield faster results for your marketing team. Budget visibility will continue to accelerate results as agile marketing processes are adopted.

Please check out our [Marketing Planning Crash Course](#) to better understand how complex marketing teams can take action today and transform into operationally efficient, agile organizations.

Where marketers would focus to better prepare for another crisis



- Better visibility into my marketing budget at all times
- Better visibility into the ongoing performance of my marketing programs
- Build a contingency plan if we need to scale down our budget and resources
- Ensure I have a more varied marketing mix without relying too much on in-person events

Introduction

The pandemic seemingly brought a fresh challenge every day. Marketing during this time was like baptism by fire. We had to think smarter, react faster, and be more resilient.

But as difficult as the pandemic was, marketers not only survived 2020—they thrived. They adopted new strategies and tactics to build pipeline and revenue growth, despite shrinking resources and budget uncertainty.

Hindsight is 20/20, and as it turns out, some pandemic strategies and processes worked better than our traditional models.

“COVID-19 has initiated some trends and altered the direction of others, but its most enduring impact will be as an accelerant. Take any trend—social, business, or personal—and fast-forward 10 years. Even if your company isn’t living in the year 2030 yet, the pandemic has spurred changes in consumer behavior and markets.”

Scott Galloway

Long after the pandemic is behind us, the lessons from 2020 will still impact how we operate. Marketing, and marketing teams, will never be the same again.

So, what does the future of marketing look like after a game-changing year?



Key Findings

In our survey of North American marketing leaders, we found three key pandemic learnings that changed the way we market.

Our key findings:

- 1. Marketing organizations changed for the better** 5
- 2. Agile marketing isn't a phase, it's our new paradigm** 9
- 3. Visibility into marketing budgets is critical for success** 14



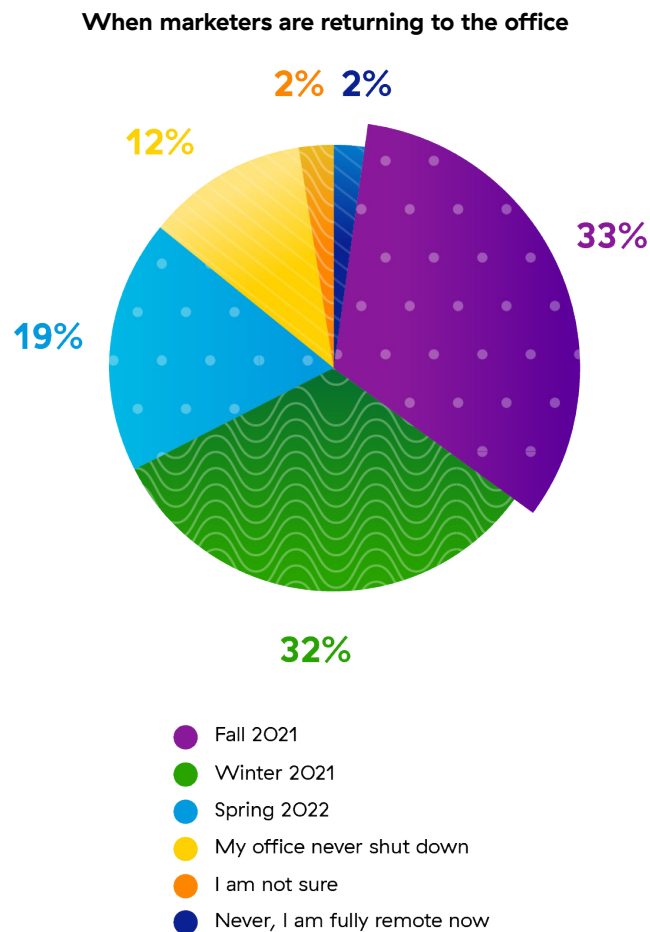
KEY FINDING 1

Marketing Organizations Changed for the Better

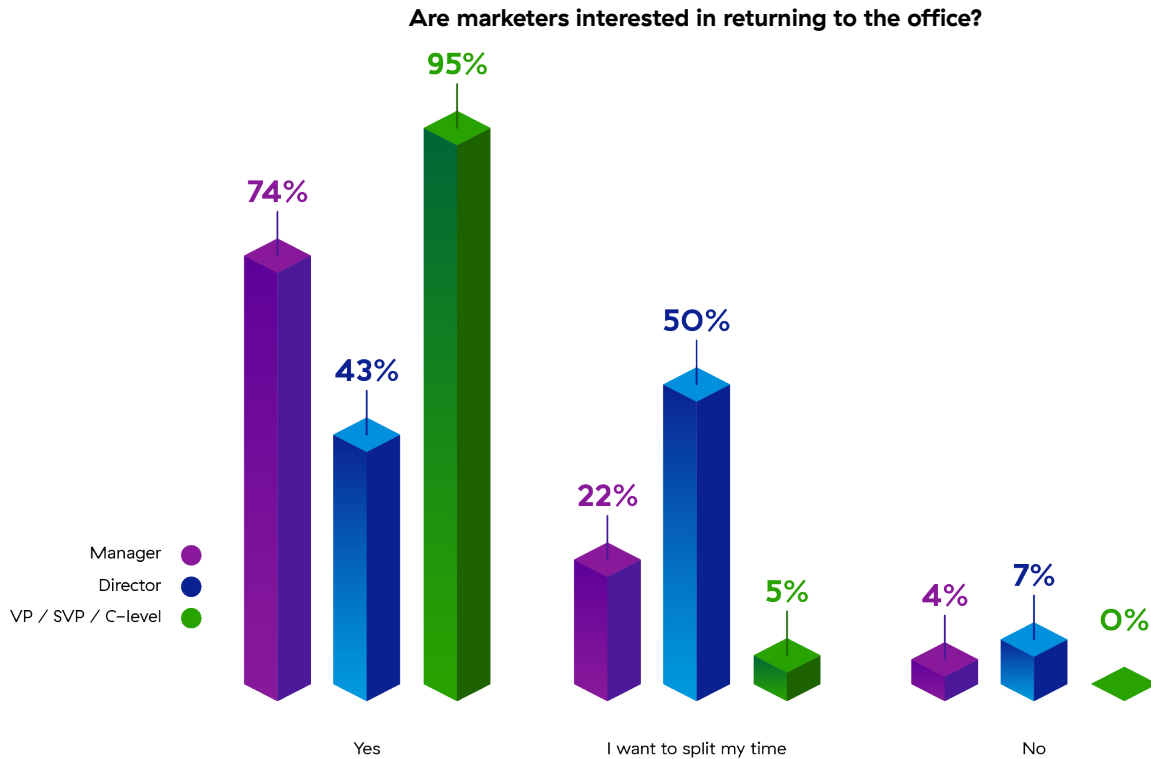
Key Finding 1: Marketing Organizations Changed for the Better

Everyone had to adapt and make changes over the last 18 months. And now that offices are starting to reopen, we have the opportunity to combine the best aspects of remote working with everything we missed from the office.

What will marketing offices in 2022 look like? Hopefully a bit livelier than they did in 2021. We found that 33% of marketers expect to be back in the office by the end of Fall 2021, 32% are returning in Winter 2021, and 19% are returning in Spring 2022. Surprisingly, only 2% will make the transition to fully remote.



However, we found that 26% of marketers want to embrace the best of both worlds and split their time between home and the office. It's interesting to note the changes in responses when looking at roles. We found that an overwhelming 95% of CMOs want to return to the office, whereas Directors are much more divided, with 43% wanting to return full time and 50% wanting to split their time between home and the office.



Although returning to the office is not without some concerns. We asked marketers for any fears they have related to an office return (even if only part-time), and their top five concerns were:

1. Needing to still wear a mask at the office
2. Having more in-person meetings
3. Spending less time with family due to a long commute
4. Needing to socialize with coworkers who aren't double vaccinated
5. Losing their work-life balance

Given the continuing uncertainty surrounding the pandemic, as well as the undeniable convenience of working from home, these concerns are unsurprising. But what is surprising is marketers' desire to retain virtual meetings.

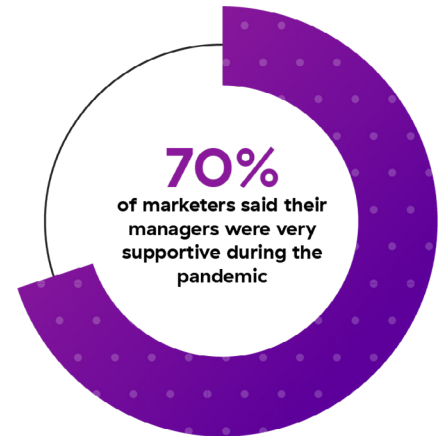
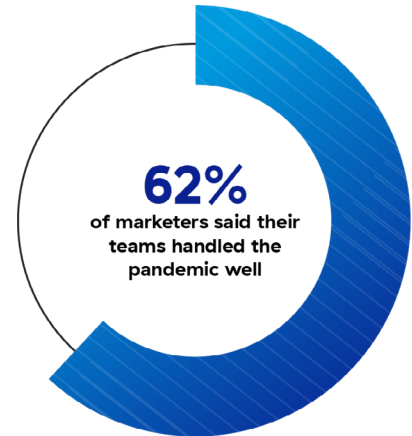
Far from feeling "Zoomed out", 84% of marketers said virtual meetings actually improved collaboration because it allowed for quieter voices to be heard. This may be easy to keep even as marketers return to the office, because with all of the remote hiring, there will still be far-flung team members.

Overall, marketers feel positive both about how they handled the pandemic and about the future. In our survey, 62% of marketers said their teams handled the pandemic well and 70% said that their managers were very supportive.

We also found that 78% of marketers believe that going through the pandemic made them a better marketer. When asked how they felt about marketing in a post-pandemic environment, 99% said they were confident.

It won't be "business as usual". It's going to be better.

Have virtual meetings/planning sessions affected your marketing team's collaboration?



The image features a green-tinted background with silhouettes of three hikers on a mountain peak. The hiker on the right is in the process of climbing, while the other two are standing and holding hands. The overall scene is set against a bright green sky and a darker green foreground.

KEY FINDING 2

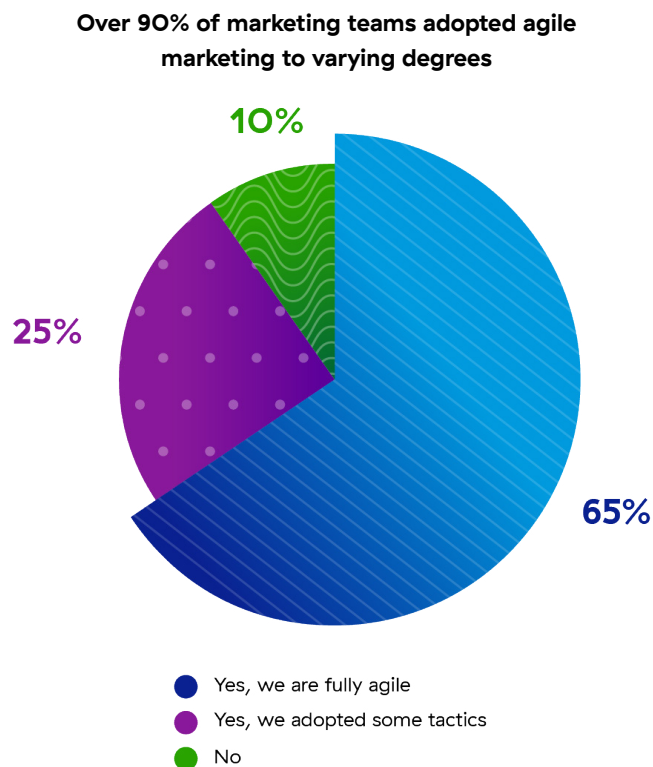
Agile Marketing isn't a Phase, it's our New Paradigm

Key Finding 2: Agile Marketing isn't a Phase, it's our New Paradigm

To drive revenue growth over the last 18 months, marketers had to be fast, flexible, and iterative. They had to expect the unexpected. In short, they needed to adopt an agile approach to marketing.

[Agile marketing](#) is a framework for marketing planning and execution that relies on frequent releases, deliberate experimentation, continuous iteration, and thorough retrospectives to learn from past experiences. Another way to think of it, agile marketing processes allow marketing teams to make changes on the fly based on changing conditions and performance. If a digital ad campaign isn't working for example, it's easy to switch up the copy, find a new image, or change the call to action in different iterations to hone in on what works best.

In our survey, we found that 66% of marketers say their teams are fully agile and a further 25% said they had adopted some agile processes and tactics.



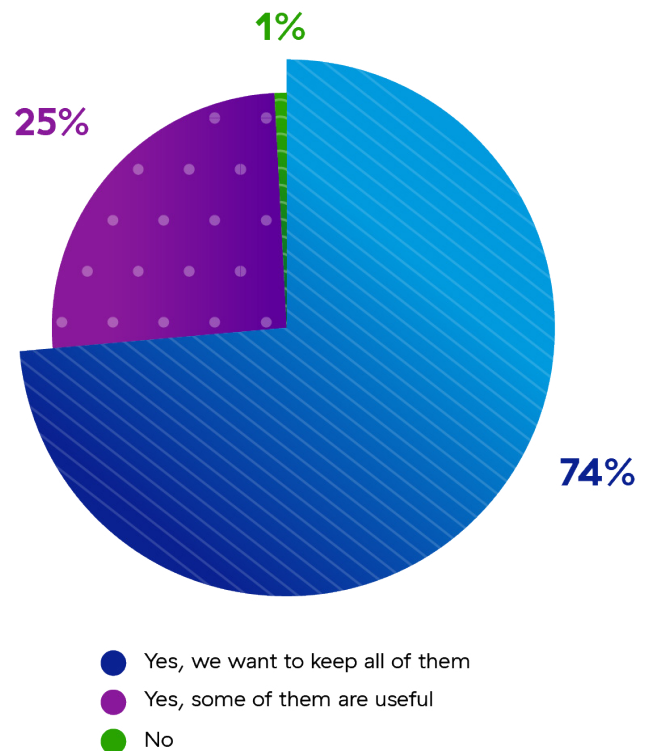
“Agile marketing is purpose-built for change... how marketers plan and think about planning must change to accommodate this shift. But at the same time, marketers can't take software methodologies and adopt them wholesale. Marketing is different, and I think Agile marketing isn't finished evolving.”

Kathleen Schaub, former VP, CMO Advisory and Customer Experience Practice at IDC

Agile marketing wasn't born out of the pandemic, but it certainly accelerated the adoption and turned what was a trend into a new paradigm for strategic marketing planning. Agile isn't going away any time soon.

Of the marketers that adopted agile marketing tactics, 74% plan to keep all of their methods, even when the pandemic ends. Another 25% of marketers intend to keep some of their agile marketing processes. Only 1% of marketers do not plan to continue with agile marketing post pandemic.

We found that 99% of marketers that adopted agile marketing tactics will continue using them post-pandemic



A large part of the appeal of agile marketing is the idea of slowing down to speed up. [And it's working](#). More programs move out the door when marketers are focused on one or two at a time. It also makes it easier to switch between plans, a massive upside when strategies need to pivot on a dime.

And pivoting is something marketers are now very comfortable doing. With unprecedented changes across all facets of our lives in 2020, it's not surprising that marketers had to throw out their usual playbooks and turn to new strategies.

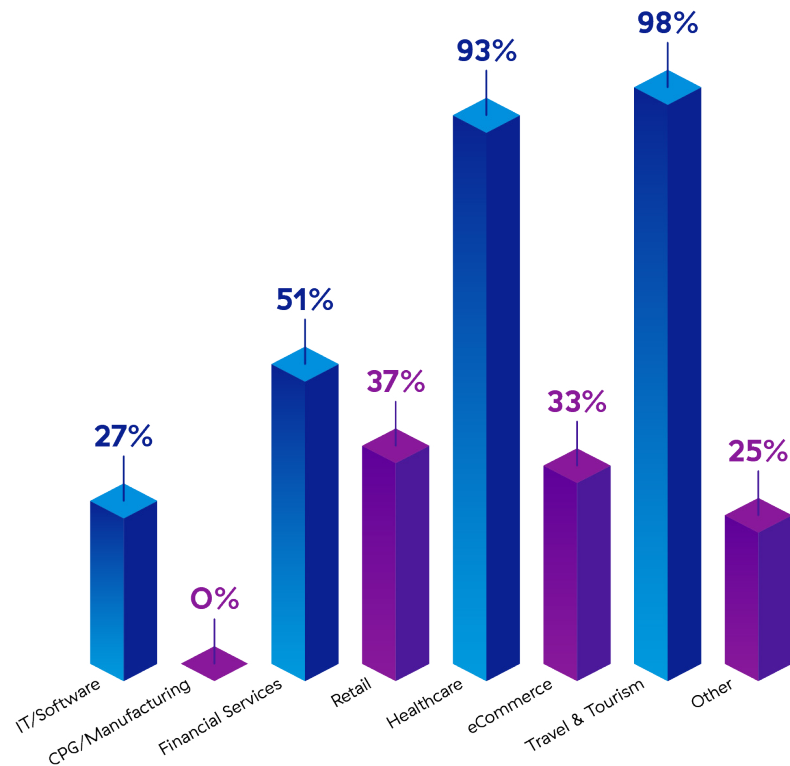
Every marketer changed their strategy in 2020



The two industries that were forced to make massive changes to their usual strategies were Travel and Tourism (98%) and Healthcare (93%). This is unsurprising based on the number of government regulations that affected these industries more than any other for much of 2020 and into 2021.

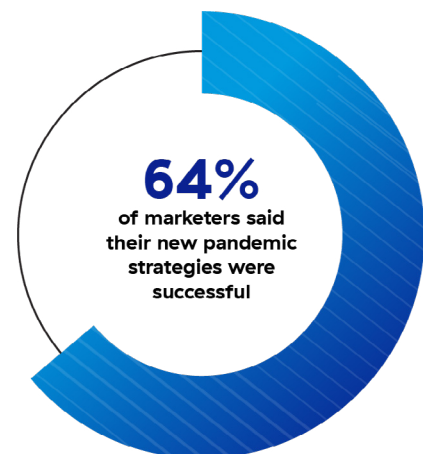
At the opposite end of the spectrum, 75% of consumer product goods (CPG) marketers made only small changes to their marketing strategies. As grocery stores were kept open and considered a necessity, CPG marketers weren't faced with the same demand shifts as those in an industry like Travel and Tourism. Consumers still needed these goods, and traditional strategies remained effective.

Break down by industry of how many marketers adopted completely new strategies



Regardless of how many pivots were required, 64% of marketers said the new strategies they adopted during the pandemic were successful. So, while the pandemic often felt unpredictable, two thirds of marketers were able to remain effective—due in no small part to their ability to remain agile in the middle of tremendous uncertainty.

But while most talk of agile marketing is limited to planning and execution, it's a mistake to think it stops there. Agile marketing plans are only half of the equation. To execute effectively on new plans, marketers need full visibility into their budgets and the flexibility to move funds around as a situation evolves.





KEY FINDING 3

Visibility into Marketing Budgets is Critical for Success

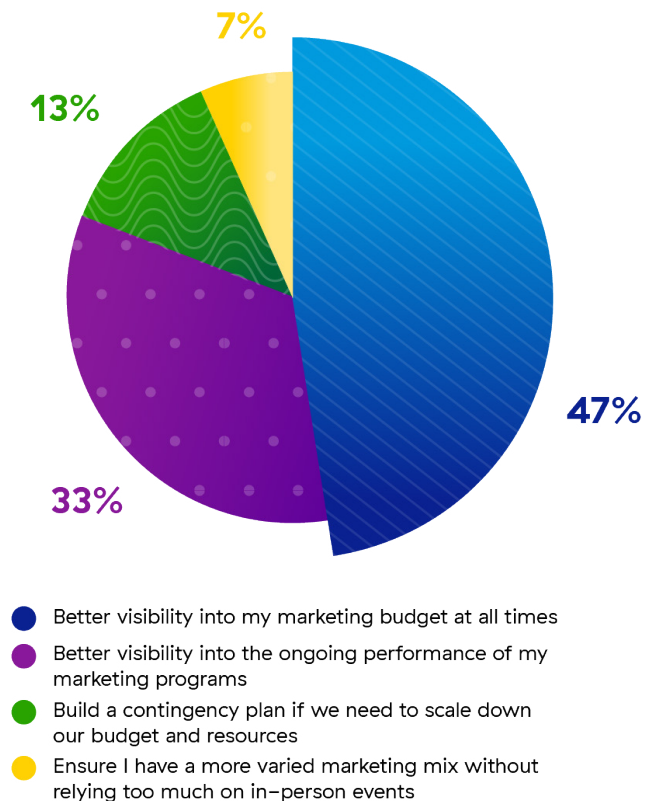
Key Finding 3: Visibility into Marketing Budgets is Critical for Success

Depending on the industry, COVID-19 caused an acceleration, a slowdown, or a complete shutdown of businesses and services. Back in March 2020, no one knew how long the pandemic might last, or how their business might be impacted by government regulations. When the market conditions are that chaotic, it's smart to be more conservative with spend. But reallocating—or even cutting—your budget can be difficult when you're unsure where exactly funds have been committed.

If faced with another pandemic or economic crisis, we found that 48% of marketers said the first way they would prepare would be to have better visibility into their marketing budget at all times. When looking at CMO responses to the question, 72% would prioritize budget visibility.

Marketing budgets don't just show where funds are invested: they're the ultimate expression of strategy for any marketing organization. And marketers learned they must have reliable budget insight to act on their chosen strategy—especially when the future is uncertain and they need to remain agile.

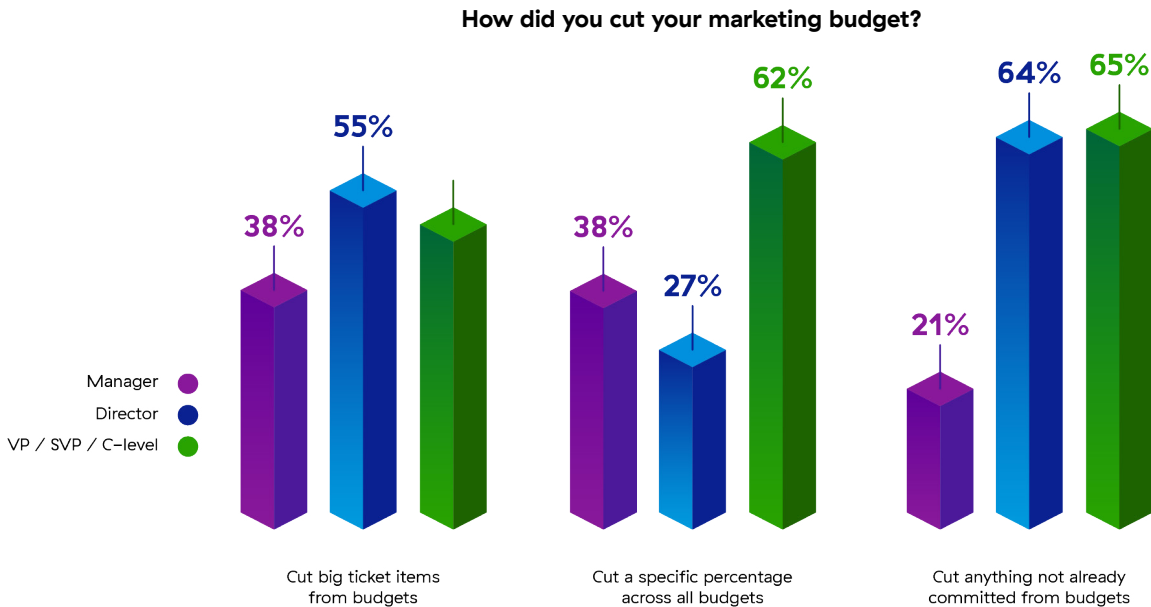
Where marketers would focus to better prepare for another crisis



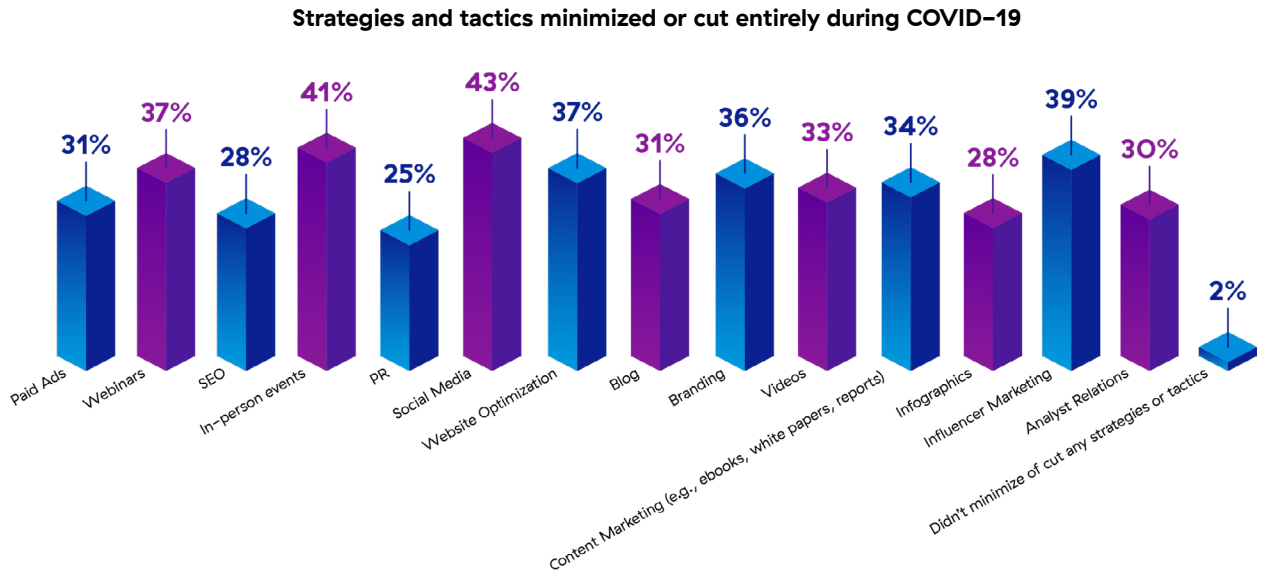
We found that 27% of marketers now check their budget daily, and 51% check in on a monthly basis. Less than 1% of marketers check their budgets as rarely as bi-annually or annually. Missing numbers isn't a mistake they can afford.

At the beginning of the pandemic, [Gartner](#) stated that 65% of marketing leaders were braced for moderate to significant budget cuts. Marketers had to strategically invest their shrinking budgets within constantly fluctuating markets. Only the safest bets could go ahead.

And it seems as though different roles within a marketing organization had different ways of approaching these budget cuts. When it came time to re-aligning their marketing budgets to the new reality, we found that 64% of marketing directors cut everything that wasn't committed in their budgets. Instead, 62% of CMOs gave their teams a specific percentage that they had to cut across the board.



The specific marketing strategies that saw significant budget cuts were social media at 43%, in-person events at 41%, influencer marketing at 39%, and webinars and website optimization at 37% each.

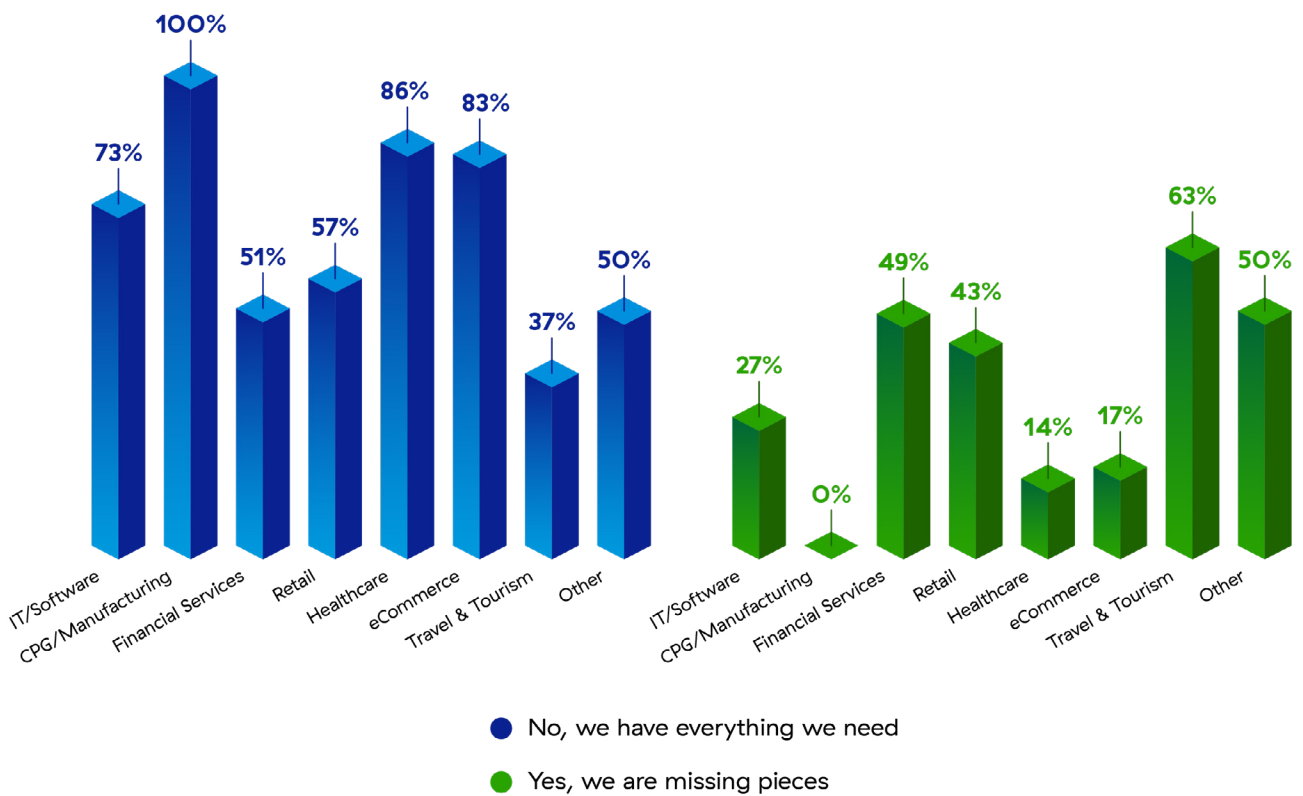


Where did marketers invest instead? Although we found both heavy cuts and significant investments into digital channels, this is easier to understand and less contradictory when looking at a breakdown by industry. While some companies and industries found social media to be particularly effective and increased spending, others didn't and quickly redirected funds towards more effective activities.

Overall, 65% of marketers invested more into social media and 44% increased spend on paid ads. But, we found that 25% of CPG marketers minimized social media spend, compared with 46% of marketers in the tech industry.

Another way marketers made room in their budgets was by getting rid of any “nice-to-have” technologies. We found that 40% of marketers cut marketing software to free up more of their budgets. Overall, 44% of marketers are in a place where they can add missing pieces back into their tech stacks, whereas the remaining 56% say they have everything they need. When we look at the response by industry, Travel and Tourism, Financial Services, and Retail are the ones with the greatest need to add to their tech stacks. In contrast, only CPG marketers unanimously answered they didn’t need any more marketing software.

Will you be adding to your marketing tech stack post-pandemic?



Takeaway Actions

Every challenge thrown at marketers during the pandemic made them stronger, smarter, and more nimble. Whatever is coming in 2022, they'll be ready to meet it head-on.

For organizations to flourish in this new era of marketing, they must have an agile framework to guide campaigns and visibility into their budgets to support the quick pivots necessary to succeed against the unexpected.

We recommend starting by improving budget visibility, and then implementing agile marketing processes. Fixing broken processes and getting better budget insights will yield faster results for your marketing team. Budget visibility will continue to accelerate results as agile marketing processes are adopted.

When leveraged together, agile marketing and budget visibility will help marketing teams conquer unexpected market disruptions, competitive moves, and changes in customer sentiment. Please check out our [Marketing Planning Crash Course](#) to better understand how today's complex marketing teams are transforming into operationally efficient, agile organizations.

About Allocadia

Allocadia provides best-in-class money management capabilities for marketers and gives them the confidence to know where to invest their next dollar. Its award-winning marketing performance management platform enables marketers to plan strategically, invest with purpose, measure the performance of their activities, and ultimately maximize marketing's impact on the business.

Allocadia was recently acquired by BrandMaker to create the global category leader in Marketing Operations.

Companies like Autodesk, Charles Schwab, Juniper Networks, and Land O'Lakes manage more than \$25 billion marketing dollars within Allocadia, which enables them to save up to 40% of the time they spend on budgeting and planning as well as double their pipeline-to-spend ratio and ROI. Learn more at [Allocadia.com](https://www.allocadia.com)

Survey Demographics: The following results are based on a non-probability sample of 279 Canadian and US marketing and marketing operations decision makers.