

Marketing leaders are somewhat optimistic about the economy, but they are being forced to adapt to market uncertainty

Article

The news: A new Insider Intelligence study finds senior marketing leaders are somewhat optimistic about their fortunes in 2023—while simultaneously realizing they will need to shift priorities and embrace agility.

Economic outlook: In terms of their personal outlook for the US economy in 2023, a plurality (43.5%) of the 177 leaders surveyed expect GDP to start to rise; 27.0% expect it to stay the same; and 22.6% expect it to slow but avoid a recession. Only 7% expect a mild or deep recession.

- Just under half (45.3%) expect inflation to continue to go up; 33.1% expect it to stay the same; and 20.1% expect a slight decline.

A hazy economic outlook and increased uncertainty have forced marketers to become more nimble than ever and adjust their strategic plans.

Adapt or die: Given signs of economic slowness in the US, marketers are looking to implement a number of changes in the next six months:

Changes Implemented as a Result of US Economic Outlook According to US Marketing Leaders, November 2022

% of respondents

Action	Percent
Change our marketing messaging	52.0%
Change our marketing channels	49.7%
Revise some/all technology implementation plans	46.9%
Reduce the number of open positions	46.3%
Revise some/all market expansion plans	44.6%
Revise some/all product launch plans	44.1%
Reduce spending on ad hoc programs	43.5%
Shift spend from outside agencies/services to in-house	39.5%
Shift spend from in-house to outside agencies/services	38.4%
Reduce spending with outside agencies/services	35.0%

Source: Insider Intelligence, "Marketing Leaders Survey 2022," November 2022

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Nearly half (48.6%) are planning to reduce the amount they spend with outside agencies, with 35% saying they've already done so.

Marketing priorities: The most oft-cited priority functional areas for the leaders' marketing departments next year (with a maximum of five selectable and 14 options presented) are

marketing systems/technology (38.4%), digital transformation (36.2%), advertising and customer insights/data (33.9% apiece), and customer loyalty (33.3%).

- All of those disciplines were selected more frequently compared with 2022 priorities with the exception of digital transformation, which was cited as a current priority by only 22.6% of respondents.

Channel investments: The five customer touchpoints that will be most critical for marketing departments in 2023 are the same as this year: Social media advertising (61.6%), Display and online video advertising (52.5%), Mobile app (43.5%), Website (40.7%), and Email (33.3%).

- The most notable shift in this group is Website, which was selected as a top five 2022 marketing touchpoint by 53.1% of respondents.
- Among other investment channels, 27.1% called Traditional TV a priority in the past year, but only 17.5% expect it to be a priority in 2023.
- Less than one in 10 respondents (9%) consider the metaverse a priority in 2022, but more than one in five (22%) believe it will be a major focus in 2023. With budgets increasingly under scrutiny, it remains to be seen if that will happen—though it does suggest marketers are optimistic about their opportunity to test and learn some new channels in the year ahead.

Our take: Uncertainty has forced marketers to become increasingly agile and pivot on the fly—but they're also leaning into what works.

- Despite social media players being in the headlines for weak revenue growth in 2022, marketers, on the whole, don't expect those campaigns to go away anytime soon. "For many brands, social is still working, so marketers are continuing to spend," said Insider Intelligence analyst **Dave Frankland**, who notes that the top five customer touchpoints in our study tend to be among the more measurable.
- Websites' drop as a top channel investment could be surprising, but there's a reason. "Some brands could potentially get away without refreshing their website every year," said Frankland. "When it comes to your marketing campaigns on email, social, and display, you simply can't do that."

Macroeconomic/Market Developments US Marketing Leaders Expect to Have the Most Impact on Their Businesses in 2023

Ranking Points

Macroeconomic/Market Developments	% of Point Allocation
US inflation	23.9%
US GDP growth	15.9%
US unemployment rate	15.4%
Global supply chain	13.1%
War in Ukraine	9.6%
Domestic competition	7.7%
Midterm elections	6.3%
International competition	4.2%
Regulation	4.0%

Note: marketers were asked to rank the top 5 options that applied to them from most impactful to least and assigned points accordingly.

Source: Insider Intelligence, "Marketing Leaders Survey 2022," November 2022

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