

# How marketers can do more with less after a rocky earnings season

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Q1 has been a mixed bag for marketers. [Ad spend grew in January and February](#), hitting double digits for the first time since March 2022. But many tech and retail companies were hit with layoffs as companies tightened ad spend. [IBM](#), [TikTok](#), and [Google](#) all slashed their marketing and advertising teams. On earnings calls, [Nike's finance chief](#) said the company is

planning for a “subdued macro outlook” and [Paramount](#) mentioned “softness in the global advertising market.”

For marketers, this invokes a familiar sentiment: They need to do more with less. So how can marketers actually implement low-cost, high-return strategies?

## 1. Invest in AI

[IBM cut back on marketing and communications jobs](#) in March. This came after IBM CEO Arvind Krishna said the company was “massively upskilling all of our employees on [AI](#),” per CNBC.

Adobe is another company encouraging the use of generative AI in marketing. On its Q1 2024 earnings call, president of digital media David Wadhvani said the company is using AI to “imagine, ideate, create and deliver content” across all channels.

And [Proctor & Gamble said AI](#) tools are generating \$200 to \$300 in savings, with an emphasis on using AI for marketing productivity.

**Takeaway:** AI can help marketers ideate and serve advertisements, improving the performance of leaner teams. But before any of that can happen, [marketers need to focus on upskilling](#).

## 2. Consider lower-funnel tactics

Marketers with tighter budgets need to prove their campaigns work. Lower-funnel campaigns can help drive performance.

“We’re seeing across the entire ad industry [that] performance matters more than ever, and we’re winning on that front,” Pinterest CEO Bill Ready said in an earnings call, “We’re driving more performance to advertisers than ever before” via partnerships with Google and Amazon.

Stitch Fix invested in upper- and mid-funnel tactics to increase traffic, noted CEO Matt Baer on the company’s Q2 2024 earnings call. That includes Stitch Fix’s [‘Style Forecast,’](#) which provided style inspiration to potential customers. But Baer noted the company has “an opportunity to improve our current levels of client conversion, which have not met our expectations.”

**Takeaway:** In tough times, investing in ad dollars closer to the point of conversion can help marketers demonstrate ROI. Just make sure this ad spend doesn’t come at the expense of

brand identity.

### 3. Consider niche creators

Influencer and creator marketing is a powerful way to get in front of consumers without going overboard on ad spend.

On Instagram, nano-influencers, which have under 10,000 followers, can actually be more effective than bigger creators. As an influencer's Instagram follower count increases, the engagement rate tends to decrease, according to data shared exclusively with EMARKETER by KPI partner Captiv8.

**Takeaway:** Look to niche Instagram creators as an effective way to spend marketing budgets. Costs can run lower than big names, and the payoff can be powerful.

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