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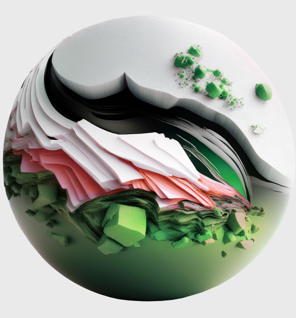

You know marketing can drive real growth. How do your investments stack up?

New research by Deloitte Digital reveals where leaders are prioritizing resources in a time of rapid evolution.

May 2025

How can we break through the noise AND deliver breakthrough results?

CMOs rarely lack creativity when confronting challenges like these. What many *often* lack are data-backed insights that can help illuminate the landscape, narrow the possibilities, identify the priorities and drive the solutions that matter for their specific businesses, customers and operations.

To help address those needs, Deloitte Digital surveyed 1,395 US marketing leaders at midsize and large B2C and B2B companies.[1] We collected information about priorities, budget allocations and key performance indicators (KPIs), as well as operational structures, responsibilities, technologies, teams and external partner relationships.

While our research illuminated plenty of sector- and industry-specific trends, it also revealed broad insights into the realities faced by CMOs today—and what they're prioritizing next—as they navigate change and pressure to deliver results.

BUDGET REALITIES:

Expectations evolve as funding stays the course

Enterprise leaders increasingly recognize that marketing can be a powerful driver of growth. Yet marketing leaders keep hearing a common refrain: "do more with less." The CMO's paradox reflects a divergence between *how marketing budgets are set* and *what enterprise leaders expect.*

ON AVERAGE, MARKETING'S BUDGET AS SHARE OF REVENUES INCREASED IN 2024 …

2023	2024
7.5%	9.1%

… BUT BUDGET INCREASES LAGGED INFLATION.

12-month marketing spend increase	US inflation (same period)
1.9%[2]	2.4%[3]

When it comes to funding, there's only so much marketing leaders can do.

HOW ANNUAL MARKETING BUDGETS ARE DETERMINED, BY PERCENTAGE OF RESPONDENTS:

% of revenue	25%
% change from prior year	21%
% of total company budget	15%
Competitor- or industry-based	12%
Return on investment threshold	9%
Zero-based budgeting	2%
Hybrid (combination)	15%

At least 61% of marketing budgets are based on **enterprise-level revenues / budgets** or **prior spend**. This leaves marketers with limited control over budget *inputs*—even when they can deliver measurable *outputs* such as return on investment (ROI).

WHEN IT COMES TO IMPACT, THERE'S SO MUCH MARKETERS ARE EXPECTED TO DELIVER.

7 — Average number of **KPIs with performance targets**

4 — Average number of **brand health KPIs**

1.4x — CMOs at **low-growth companies are held to 1.4x as many KPIs** than those at companies with high growth

SPEND PRIORITIES:

Meeting the moment while readying for the future

To meet targeted KPIs, marketing leaders often are compelled to prioritize investments that produce near-term operational metrics or top-line sales to meet financial projections, even if those sales dilute profitability. Meantime, **the best results are being achieved by organizations focused on longer-term customer value, incremental margin and return on investment**.

What's measured is *what's managed*

The most commonly used KPIs focus on important metrics throughout the marketing funnel—but only indirectly measure the impact to the bottom line or return on marketing investment.

3 MOST COMMON KPIS TO MONITOR BRAND HEALTH, BY PERCENT OF RESPONDENTS:

Brand consideration / preference	Aided brand awareness	Customer advocacy (e.g., Net Promoter Score)
64%	52%	52%

3 MOST COMMON KPIS WITH PERFORMANCE TARGETS, BY PERCENT OF RESPONDENTS:

Customer acquisition cost (CAC)	Engagement rate	Cost per click (CPC)
62%	62%	55%

What's missing is *what matters*

Performance targets for customer value and incremental revenue—or, better still, incremental margin—are significantly less common today. Through our work with clients we've seen these KPIs can have a tangible, positive correlation to growth—but accurate measurement requires data, analytics and measurement capabilities that many organizations don't yet have.

***JUST* 33%** have KPI targets for **return on marketing investment (ROMI)**

***JUST* 43%** have KPI targets for **revenue / sales lift**

***JUST* 47%** have KPI targets for **customer lifetime value (CLV)**

A quarter for this, a quarter for that …

The complex balancing act that today's CMO must orchestrate is reflected in a roughly equal allocation of budgets across the primary areas of marketing spend.

TALENT	26%
WORKING MEDIA	26%
MARKETING TECHNOLOGY (MARTECH)	25%
NONWORKING	23%

Let's explore three of these areas more closely.

TALENT:

Evolving structures, traditional role allocations

The success of marketing increasingly depends on connection to key business stakeholders. By organizing their teams and reporting results by business line / category or brand(s), an increasing number of marketing leaders are forging direct connections to how their companies make money and report performance. Head count allocations within marketing have been slower to evolve—with teams tilted heavily toward traditional roles in campaign strategy, creative and execution.

HOW MARKETING ORGANIZATIONS ARE PRIMARILY ORGANIZED

Business line / category	33%
Brand(s)	29%
Product / service	27%
Customer segment	9%
Function	1%
Geography	1%

HOW MARKETING ORGANIZATIONS PRIMARILY REPORT REVENUE / PROFITABILITY

Business line / category	36%
Product / service	27%
Brand(s)	25%
Customer segment	9%
Sales channel	2%
Geography	2%

HEAD COUNT ALLOCATIONS IN MARKETING

9% *OR MORE* **of head count is dedicated to each of the following teams**

- Marketing strategy / planning
- Creative / content design
- Brand strategy / identity
- Media planning / buying
- Campaign operations
- Channel marketing

5% *OR LESS* **of head count is dedicated to each of the following teams**

- Product marketing
- Marketing technology
- Analytics / measurement / reporting
- Customer experience / loyalty
- Market research / insights
- Influencer / creator marketing
- Public relations / communications
- Enterprise digital strategy
- Sales
- Sponsorships
- Customer data management

WORKING MEDIA:

Blanketing the channels, filling the funnel

Most marketing leaders today spread working media funds widely across channels and stages of the marketing funnel. Even at the industry and sector levels, the gaps between highest- and lowest-allocation channels and funnel stages is no greater than 8 percentage points—with most industries staying in a much tighter range. While this broad-brush approach might appear to provide little insight into the most effective spend priorities, a deeper look revealed two key findings that distinguish today's highest-growth brands.

BEYOND DIGITAL, CHANNEL SPEND ALLOCATIONS ARE NEARLY EQUAL

Digital	17%
Events, experiences, conferences, tradeshows	14%
CRM (direct mail, email, app)	13%
Traditional (TV, OOH, print, audio/radio/podcast)	13%
Affiliate / partner marketing	13%
PR / communications	13%
Sponsorships	13%
Other	5%

THE HIGHER IN THE FUNNEL, THE HIGHER THE ALLOCATION

Top of funnel (awareness)	28%
Middle of funnel (consideration)	25%
Bottom of funnel (conversion)	24%
Retention / loyalty	22%

The story in the spread

Our research reveals no significant correlation between channel mix and revenue growth. However, when looking at total media spend, martech spend, the purpose of spend and rates of growth, two key findings emerged.

1. HIGH-GROWTH COMPANIES OUTSPEND ON MARTECH *WHILE OTHERS FOCUS ON MEDIA.*

Companies with +15% YoY growth allocate …

14% **more to martech** than low-growth companies do

13% **less to working media** than low-growth companies do

2. HIGH-GROWTH COMPANIES OUTSPEND ON KEEPING CUSTOMERS *WHILE OTHERS FOCUS ON ACQUIRING THEM.*

Companies with +15% YoY growth allocate …

9% **more to retention and loyalty** than low-growth companies do

13% **less to top-of-funnel marketing** than low-growth companies do

TECHNOLOGIES AND DATA:

Getting personal—and fast

No matter how talent is allocated and teams are structured, there's only so much your people can do. No matter where you spend media dollars, there's only so much it can buy. Yet the paradoxical refrain keeps echoing louder: *do more with less.* To solve this paradox, our research shows that some leaders are leaning into martech investments.

DO MORE WITH AUTOMATION

Marketing content demand rose 93% between 2023–2024.[4]

Highly automated marketing organizations were **24% more likely to meet content demands**.[5]

Those that combine high automation with extensive use of Generative AI (GenAI) are **8.4x as likely to deliver most content *ahead of demand***.[6]

DO BETTER WITH PERSONALIZATION

2 in 3 consumers are more likely to purchase from a brand that personalizes experiences, than one that doesn't.[7]

1.5X — Organizations with mature personalization capabilities were **1.5x as likely to exceed revenue goals**.[8]

DO BOTH WITH MARTECH

Leaders recognize the importance of improving automation and personalization through martech investments. Here are their **top martech investment priorities in 2025**, listed by percentage of respondents.

Campaign / journey management	52%
Customer data management	51%
Content management / production	47%
Digital experience platform(s)	45%
Data science / machine learning	42%
Analytics / business intelligence	39%
Event management	38%
GenAI	36%
Marketing operations	31%
Ad / media acquisition technology	28%
Marketing testing / measurement	22%
Social activation	7%

FOR MANY, A LONG ROAD LIES AHEAD

Just 1 in 3 said their personalization capabilities are **"very good."**

86% said **personalization is a major strategic priority** in 2025.

Find your (im)balance

Martech can help you do more. But how can you free up the necessary investment when already feeling the pain of delivering *with less*? As some CMOs have learned, it all comes back to overall spend priorities.

ORGANIZATIONS WITH HIGHER INVESTMENT IN MARTECH *THAN WORKING MEDIA REPORTED …*

+18% greater **sales lift** from marketing, compared to companies that invested more in working media than martech

+7% greater overall **revenue growth**, compared to companies that invested more in working media than martech

Want to learn how CMOs in your industry or sector are prioritizing their investments?

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Endnotes

1. Unless otherwise noted, statistics referenced in this report are based on a blind survey conducted by Lawless Research on behalf of Deloitte Digital in October–November, 2024. Respondents included 1,395 marketing leaders (director or above) at US business-to-consumer and business-to-business companies with 500 or more full-time employees and $500 million or more in annual revenue. Respondents represented the following types of businesses: automotive; banking & capital markets; health care; industrial products & construction; insurance; life sciences; oil, gas & chemicals; power & utilities; retail consumer products; technology; telecommunications, media & entertainment; and travel & hospitality. Note: For the purposes of this report, "low-growth" companies are defined as those reporting <6% annual revenue growth, and "high-growth" companies are defined as those reporting >15% growth.
2. Deloitte LLP, Duke University and American Marketing Association, "Firm and Industry Breakout Report," The CMO Survey, p. 19, fall 2024, https://cmosurvey.org/results/fall-2024/ (accessed April 18, 2025). Referenced data reflects responses only from companies reporting $500m or more annual revenue, for consistency with the sample group included in Deloitte Digital's research (see Endnote 1).
3. US Bureau of Labor Statistics, "Consumer prices up 2.4 percent from September 2023 to September 2024," October 17, 2024, https://www.bls.gov/opub/ted/2024/consumer-prices-up-2-4-percent-from-september-2023-to-september-2024.htm (accessed April 18, 2025).
4. Deloitte Digital, "Marketing content automation takes the front seat—and drives new growth," January 2025, https://www.deloittedigital.com/content/dam/digital/global/documents/insights-20250127-genai-in-marketing-content-production.pdf (accessed April 18, 2025).
5. Deloitte Digital, "Marketing content automation takes the front seat—and drives new growth." Referenced data compares companies with very high vs. low marketing automation.
6. Deloitte Digital, "Marketing content automation takes the front seat—and drives new growth." Referenced data was collected as part of the underlying survey that the referenced report was based on, and compares companies with very high automation and extensive use of GenAI in marketing to those with low automation and limited or no use of GenAI.
7. Deloitte Digital, "Personalization: It's a value exchange between brands and customers," June 2024, https://www.deloittedigital.com/content/dam/digital/us/documents/insights/insights-20240610-personalization-report.pdf (accessed April 18, 2025). Referenced data was collected as part of the underlying survey that the referenced report was based on.
8. Deloitte Digital, "Personalization: It's a value exchange between brands and customers," p. 10. Referenced data compares companies with high vs. low personalization maturity.

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