



Milwaukee

2021-2022 State of the Marketing Industry Report

WELCOME

Marketers,

We are excited to share with you the results of our very first State of the Marketing Industry annual survey for the Greater Milwaukee region. Uniquely, it explores the 'bottom line' benchmarks of where actual budgets are being applied, as well as the trends facing our diverse community of professional marketers in an ever-changing landscape. Beyond this insightful report, we will be developing ongoing platforms to continue to discuss the findings, our community's interpretations, and how the report can inform our decisions moving forward.

We want to thank Big Shoes Network for their sponsorship support, as well as the Collegiate AMA Chapter and Department of Marketing at the University of Wisconsin Whitewater for leading this undertaking.

Stay tuned for more exciting offerings that promise to connect discussions on marketing excellence with our thriving membership.

Bryan LeMonds

VP, AMA Milwaukee



Are you interested in connecting with other Milwaukee-area marketers?
Learn more about joining AMA Milwaukee at <https://www.amamilwaukee.org>.

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BACKGROUND & METHODOLOGY

Background

What is the State of the Marketing Industry in the Greater Milwaukee area? How are marketing budgets changing across the region? These and other core questions drove the State of the Marketing Industry research.

AMA Milwaukee, in conjunction with AMA Whitewater students and faculty from the University of Wisconsin-Whitewater, conducted the inaugural annual survey to get a snapshot of the State of the Marketing Industry in southeastern Wisconsin. A total of 89 respondents representing organizations from across the region responded to the survey distributed in November 2021.

The survey results provide initial benchmarks on projected marketing budget expenditures for 2022. The results also offer insights on trends and issues facing the diverse community of marketers in southeast Wisconsin. The following report provides a snapshot of the overall results as well as a segmented analysis based on marketing function and the organization's primary focus.

Interested in receiving updated benchmarks and participating in future *State of the Marketing Industry* surveys? Send an [email to Dr. Andy Dahl](#) at the University of Wisconsin-Whitewater to join the Wisconsin Marketing Panel.

Number of Respondents: 89

Special thanks to survey sponsors and partners: Big Shoes Network, AMA Milwaukee, AMA Whitewater, and the Marketing Department at the University of Wisconsin-Whitewater.

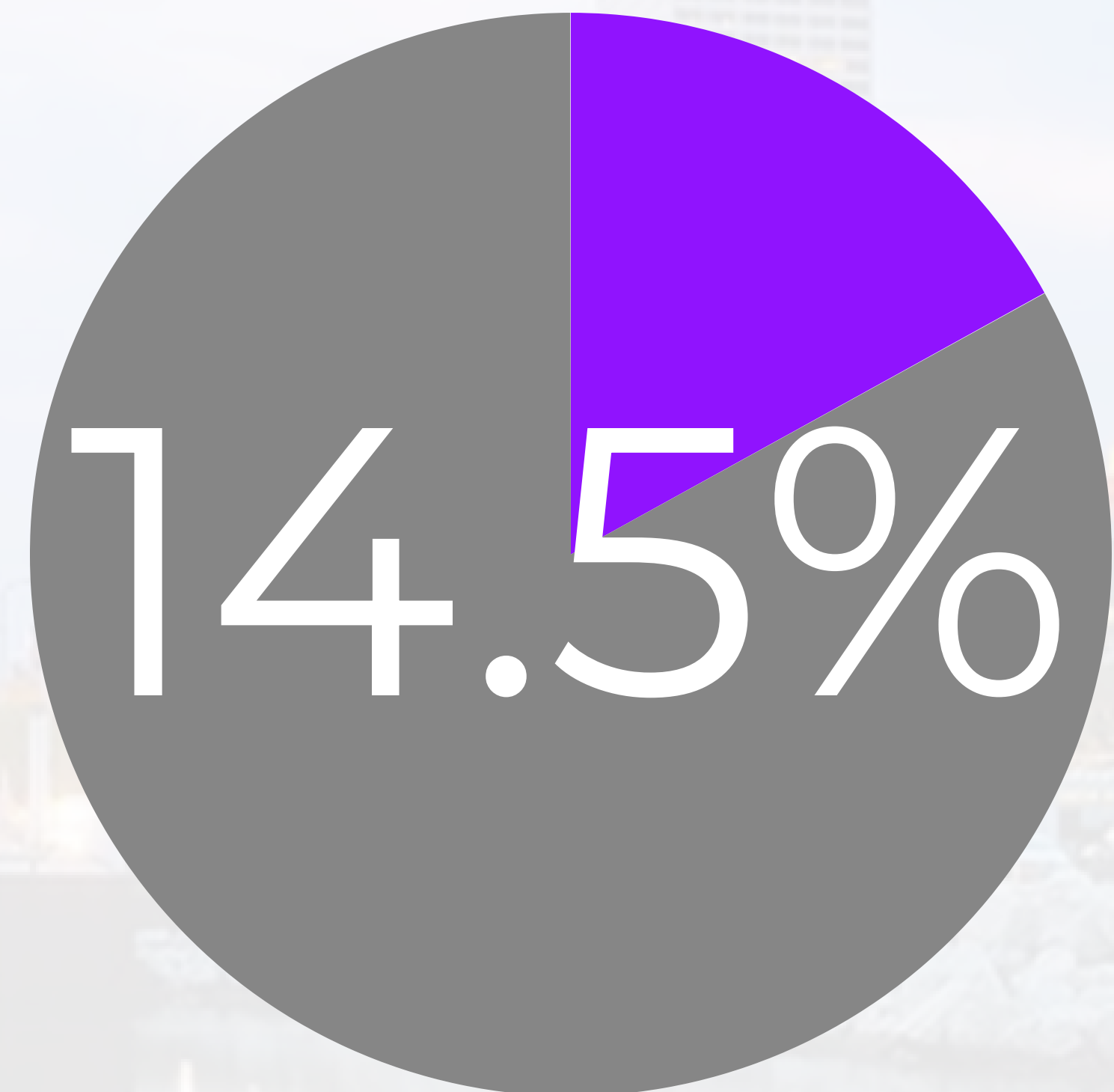
OVERALL BUDGET

Approximately how much is your
TOTAL 2022 Projected Marketing
Budget in dollars?



Milwaukee marketing budgets in 2022 will range from \$3,000 to \$30 million, with an average budget of \$2,672,903 (median of \$350,000). 74% have a budget of \$600,000 or less.

Approximately what PERCENT of
the Overall Budget will
marketing account for in 2022?



Marketing budgets on average account for 14.5% of an organization's overall budget. Values ranged from 0.2% to 60%, with a median value of 8%.

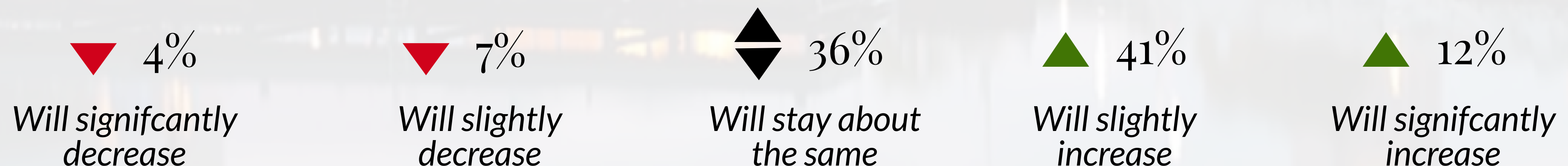
MARKETING BUDGET

Compared to 2021, over half (53%) indicate their 2022 overall marketing budget will either slightly (41%) or significantly (12%) increase. Only 11% of Milwaukee-area marketers expect a budget decrease.

Among respondents expecting marketing budgets to increase, the average increase was 17%; with B2C marketers expecting the largest average increase (26% vs. 11%).

Average decrease: 13%

Average increase: 17%

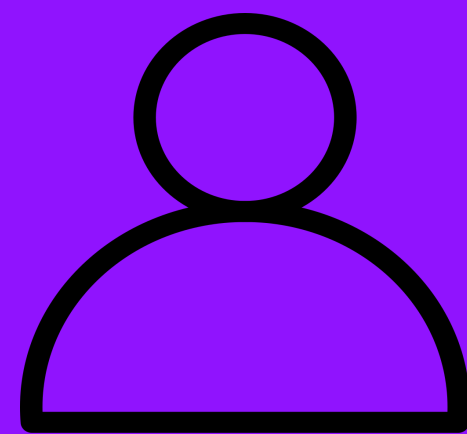


MARKETING BUDGET ALLOCATION

Below is a breakdown based on averages for how each of the following marketing resource areas is allocated budget:

15%

Marketing Agencies/
Contractors



43%

In-House Marketing
Labor



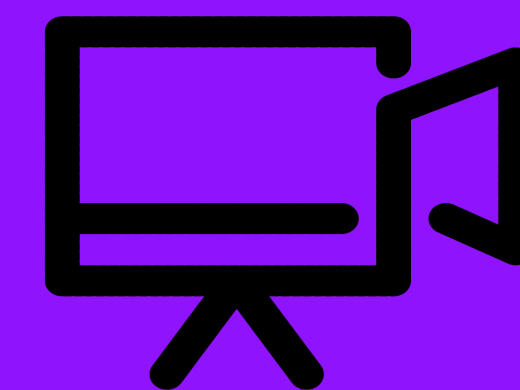
16%

Marketing Technology
(Martech)



26%

Marketing Media



MILWAUKEE vs. OTHERS

How do Milwaukee-area marketing budgets compare to other marketers?

We compared data points from Duke University's 2022 *The CMO Survey* and Gartner's 2021 *CMO Spend Survey* to get a sense of how Milwaukee-area marketing budgets compare to the rest of the U.S. and globally.

OVERALL BUDGET

Duke University's February 2022 *The CMO Survey* indicated U.S. marketing budgets account for 11.8% of the overall budget and 10.4% of company revenue (n=392 CMOs). Based on *The CMO Survey*'s trend data, both represented a reset of marketing budgets to pre-pandemic levels. Meanwhile, Gartner's 2021 *CMO Spend Survey* indicated marketing budgets in 2021 were at a low point of 6.4% of company revenue (down from 11% in 2020; n=400 global respondents). Gartner indicated this low point reflected the effects of the Covid-19 pandemic on marketing budgets.

The results suggest Milwaukee-area budgets (14.5% of the overall budget) are slightly higher than other marketers from around the U.S. However, the median value (8.0%) is lower and thus most Milwaukee-area marketers may be dealing with budgets that are slightly lower than the current national average. Overall, most Milwaukee respondents expect either a flat (36%) or increased (53%) budget in 2022, perhaps reflecting a similar trend that resets budget losses experienced during the Covid-19 pandemic.

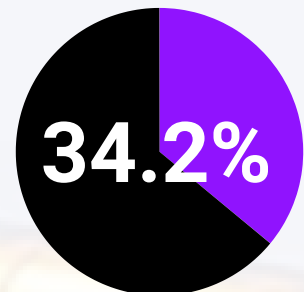
MARKETING BUDGET ALLOCATION

According to Gartner's 2021 *CMO Spend Survey*, global marketers allocate the most to martech (26.6%), followed by media (25.1%), in-house labor (25.0%), and agencies (23.0%). Of note, although relatively equal, Gartner indicated trend data from the *CMO Spend Survey* indicates an "in-housing shift" of work from agencies over the past two years – with a primary focus on bringing marketing efforts related to brand strategy, innovation and technology, and marketing strategy development in-house.

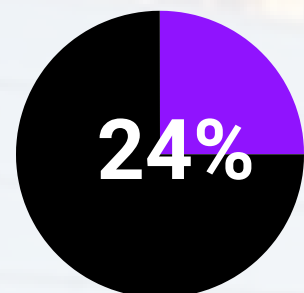
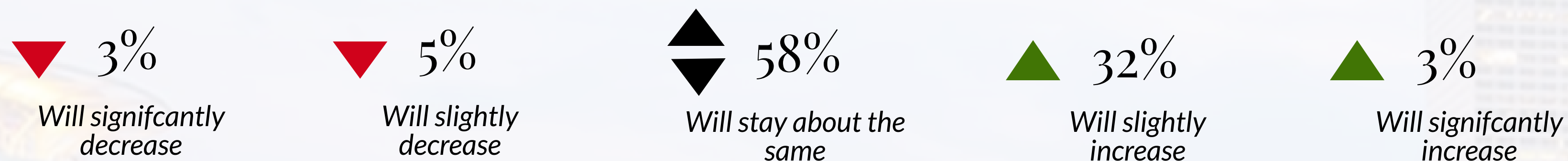
In comparison, Milwaukee marketers have a significantly higher allocation to in-house labor (43% vs. 25.0%), perhaps suggesting an even greater "in-housing shift." Media spending (26%) is on par with the global average (25.1%). However, spending on agencies (15% vs. 23.0%) and martech (16% vs. 26.6%) are significantly lower compared to global marketers.

MARKETING PROGRAM & OPERATIONAL AREAS BUDGET

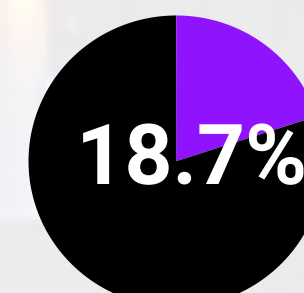
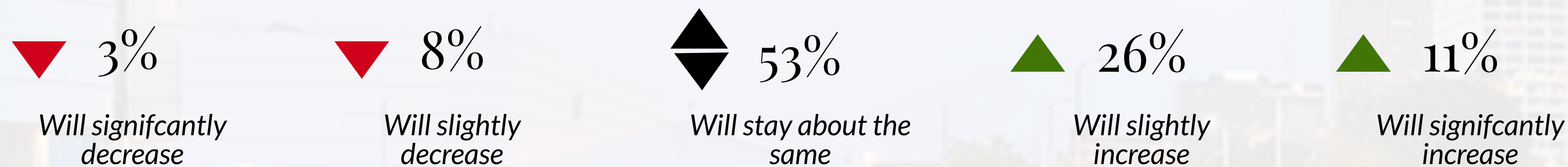
Respondents also indicated the expected allocation across five marketing program and operational areas, followed by expected changes in 2022 compared to the 2021 budget.



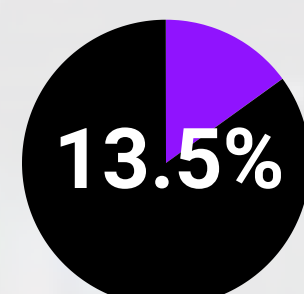
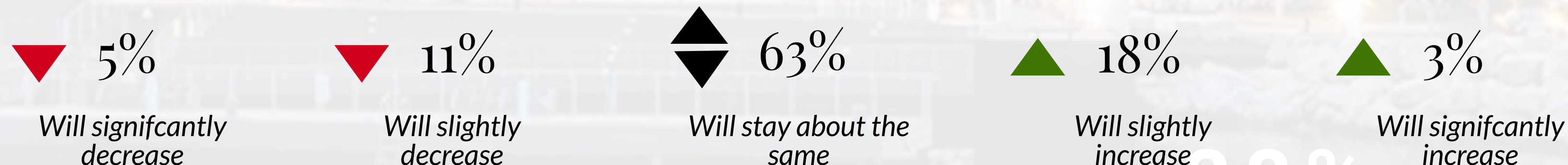
MARKETING OPERATIONS



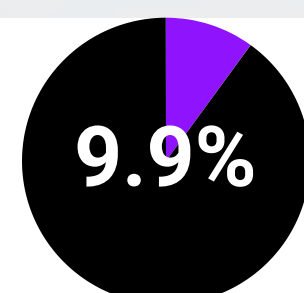
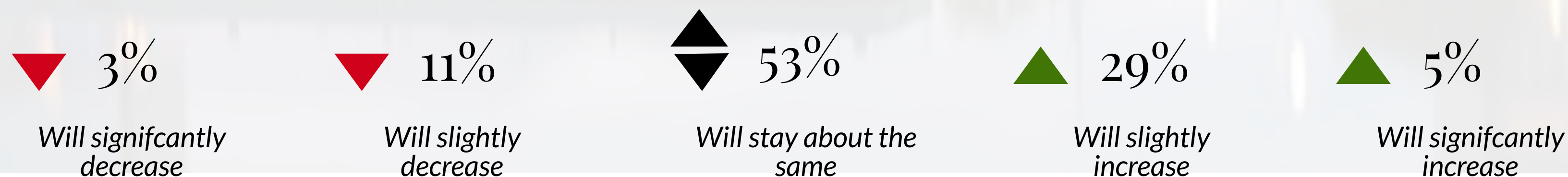
DEMAND GENERATION/ PROMOTIONS/ SPONSORSHIPS



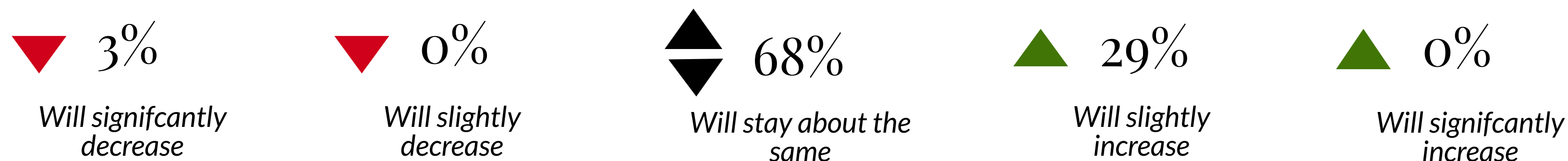
BRAND STRATEGY/ LOYALTY PROGRAM/ CONTENT CREATION



DIGITAL COMMERCE



ANALYTICS/ CUSTOMER INSIGHTS/ RESEARCH



PROGRAM & OPERATIONAL BUDGETS: MILWAUKEE vs. OTHERS

The data below show differences in marketing program/operational budget expenditures based on our survey of Milwaukee marketers vs. Gartner's 2021 CMO Spend Survey (n=400 global marketers).

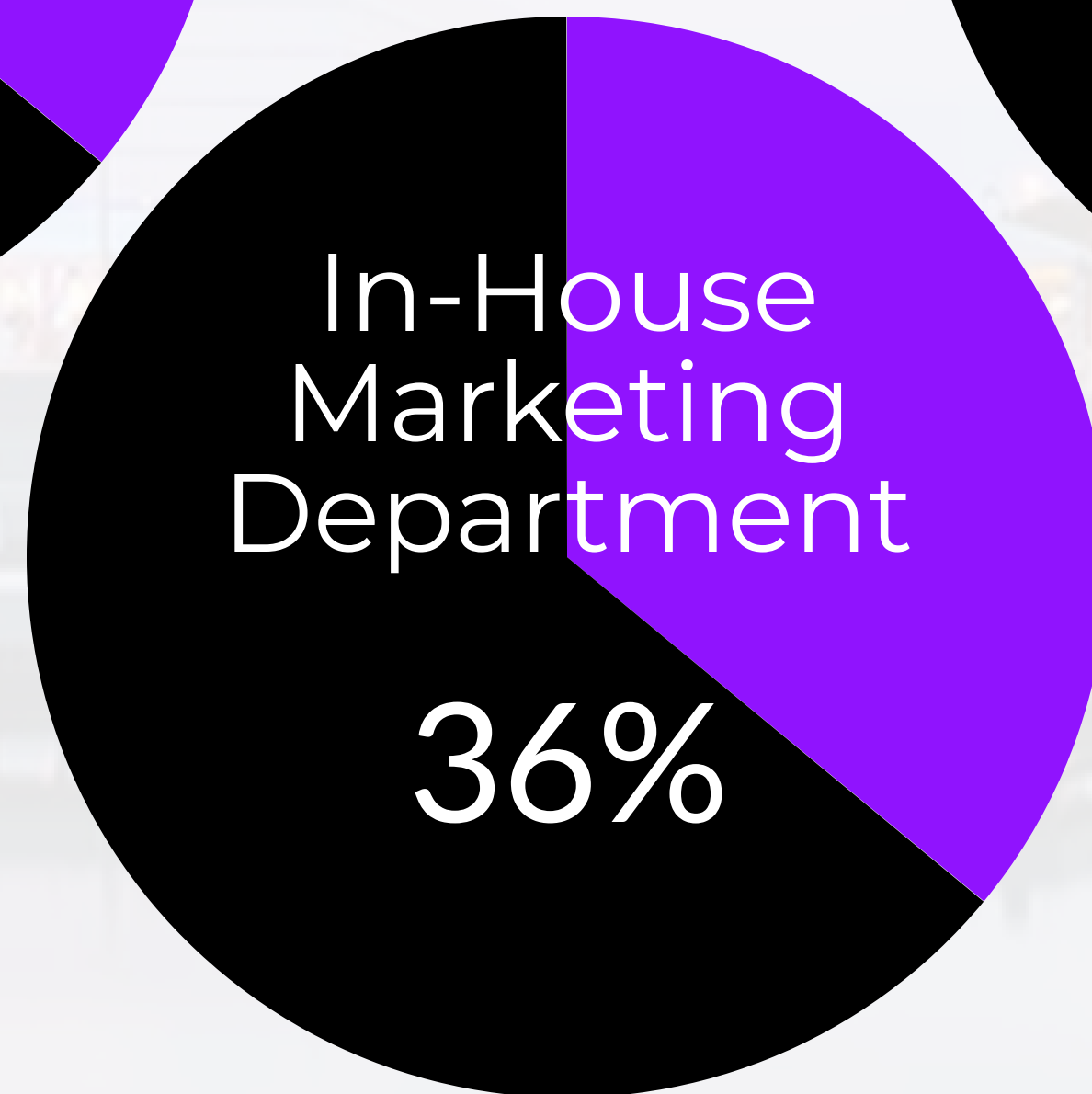
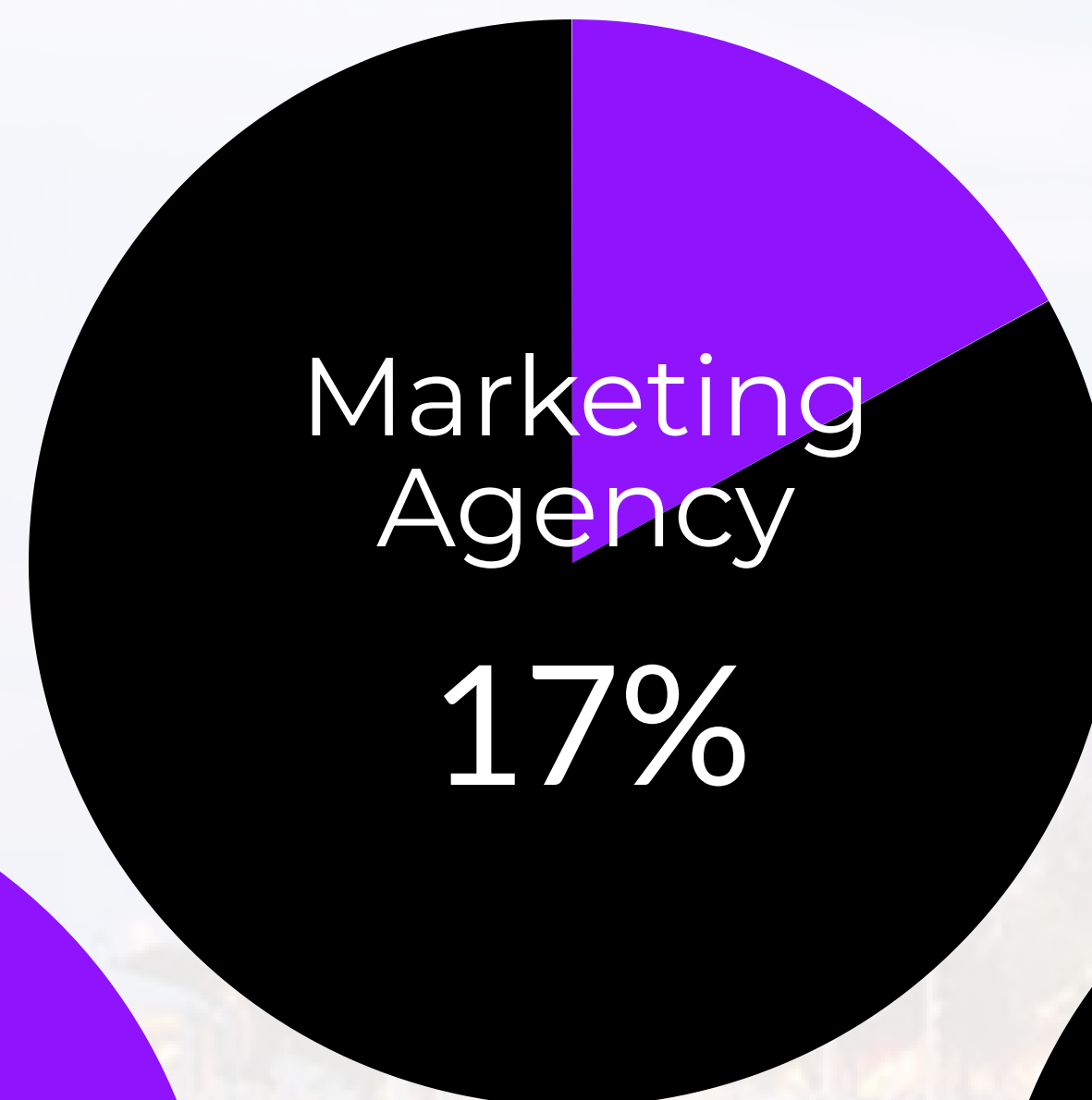
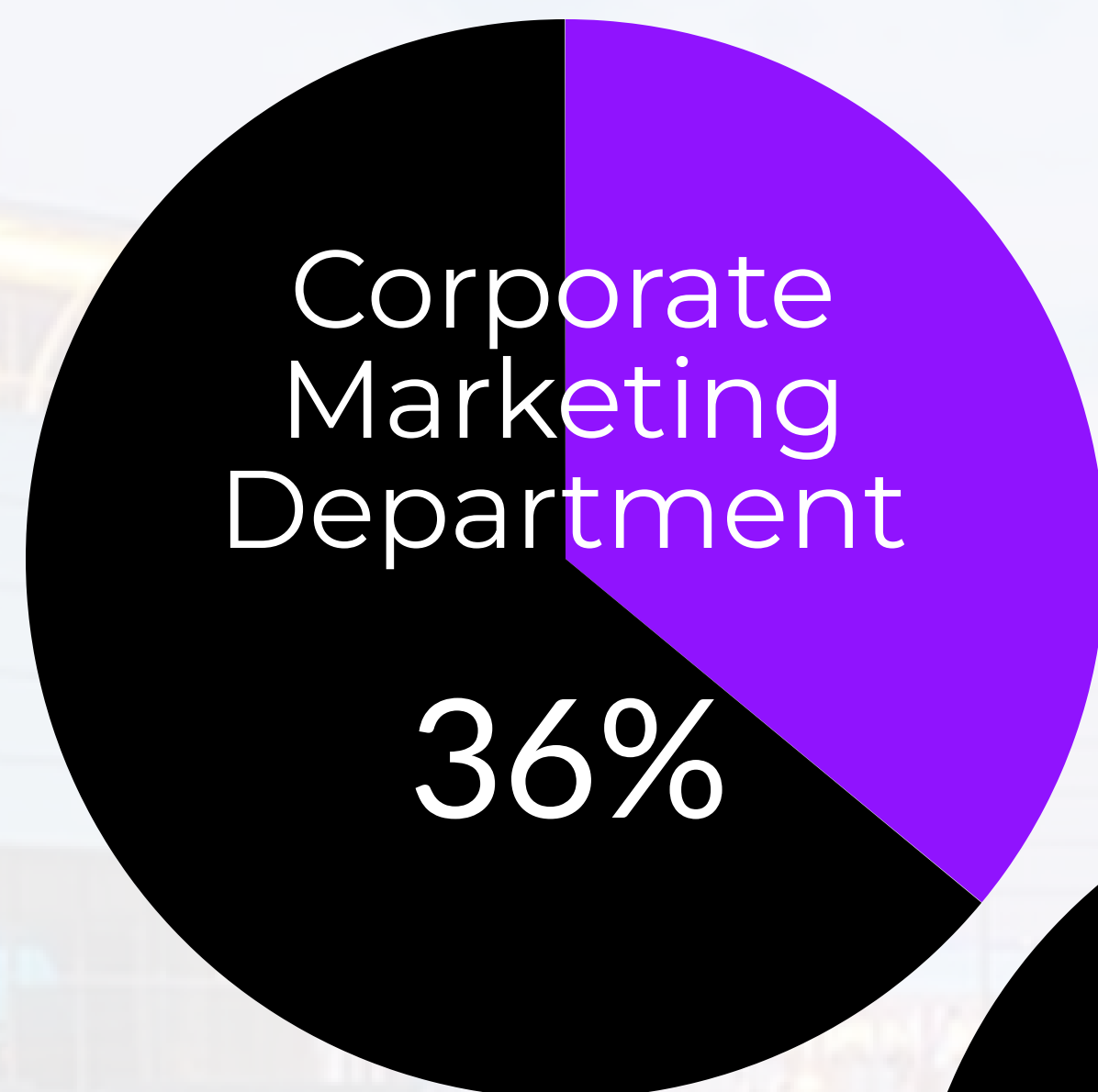
Significant differences exist when comparing how Milwaukee marketers plan to allocate budget to the specific marketing program and operational areas to global marketers that responded to Gartner's 2021 CMO Spend Survey.

Only Digital Commerce (13.5% in Milwaukee vs. 12.3% globally) is relatively similar. Milwaukee marketers appear to spend significantly more on Marketing Operations (34.2% vs. 11.9%), but significantly less in the other program and operational areas.

	Milwaukee Marketers	Global Marketers *Gartner 2021 CMO Spend Survey
MARKETING OPERATIONS	34.2%	11.9%
DEMAND GENERATION/ PROMOTIONS/ SPONSORSHIPS	24.0%	26.3%
BRAND STRATEGY/ LOYALTY PROGRAM/ CONTENT CREATION	18.7%	28.9%
DIGITAL COMMERCE	13.5%	12.3%
ANALYTICS/ CUSTOMER INSIGHTS/ RESEARCH	9.9%	20.5%

ORGANIZATION'S MARKETING FUNCTION

Respondents indicated what best reflects their organization's marketing function.



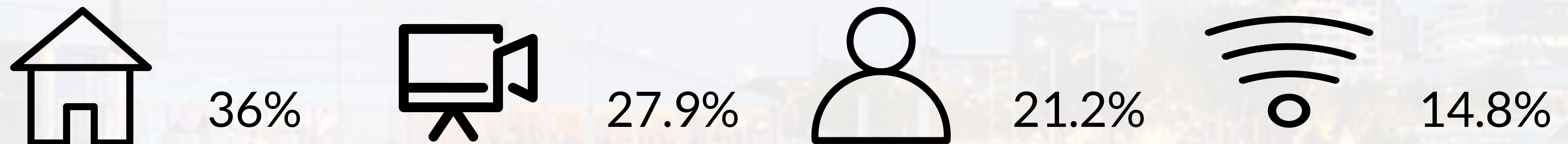
MARKETING BUDGET ALLOCATION: BY FUNCTION

The data below highlight expected marketing budget allocation for corporate, in-house, agencies, and non-profit/governmental organizations across expenditures for in-house marketing labor, marketing media, agencies/contractors, and martech.

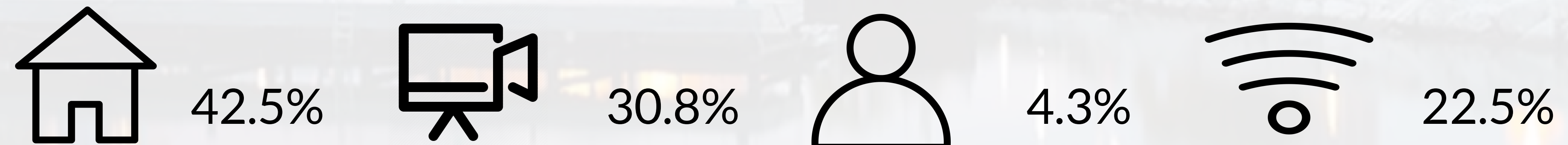
CORPORATE MARKETING DEPARTMENT



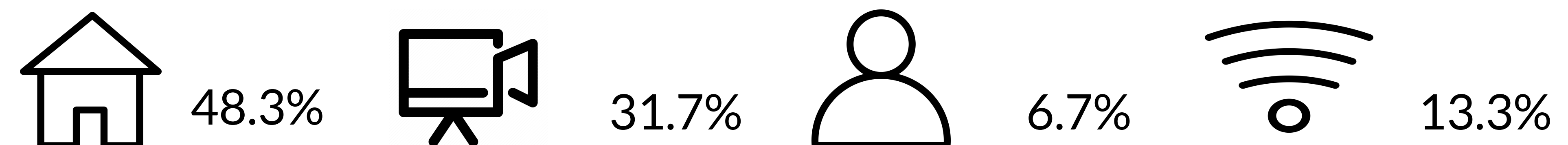
IN-HOUSE MARKETING DEPARTMENT



MARKETING AGENCY



NON-PROFIT OR GOVERNMENT ORGANIZATION



PROGRAM & OPERATIONAL BUDGETS:BY MARKETING FUNCTION

The data below show differences in marketing program/operational budget expenditures based on the respondent's marketing function.

Compared to the average, **in-house marketing departments** tend to allocate a higher percentage on marketing operations (40%) and digital commerce (20.6%). **Marketing agencies** allocate a higher percentage on brand strategy/loyalty programs/content creation (32%) and analytics/customer insights/research (16.6%). **Non-profit/government organizations** allocate a higher percentage on demand generation/promotions/sponsorships (38.3%).

MARKETING OPERATIONS

DEMAND GENERATION/ PROMOTIONS/ SPONSORSHIPS

BRAND STRATEGY/ LOYALTY PROGRAM/ CONTENT CREATION

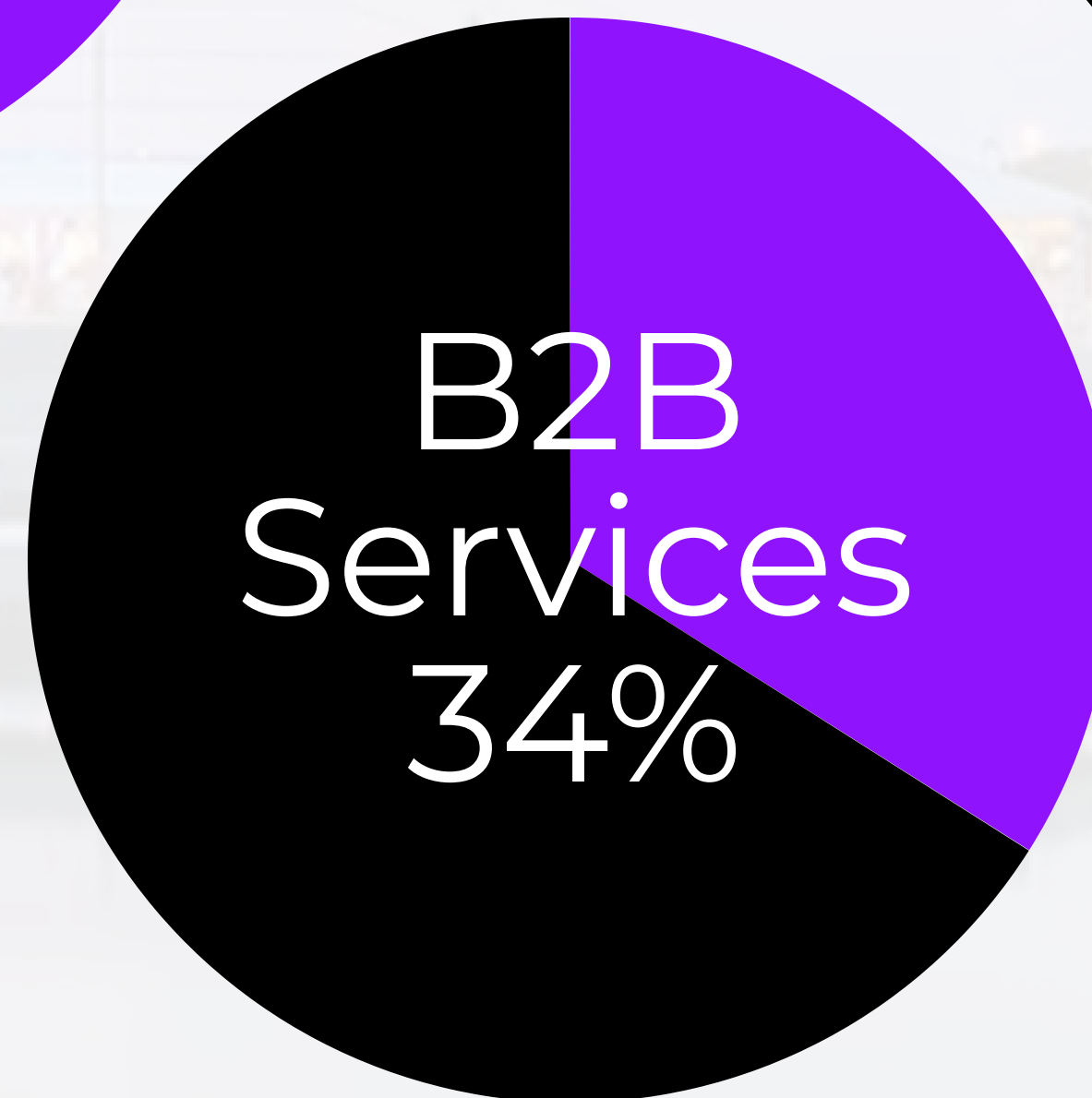
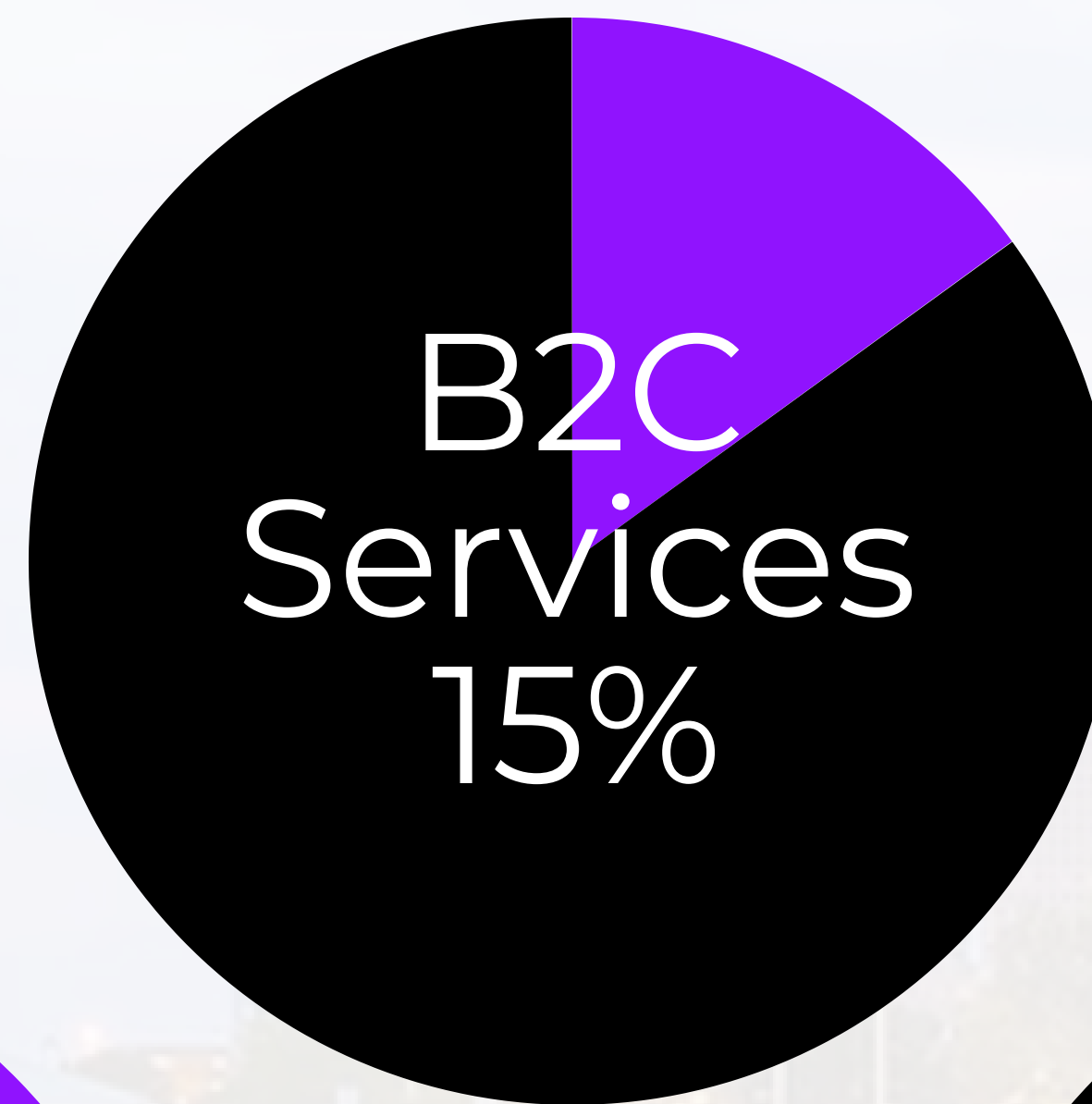
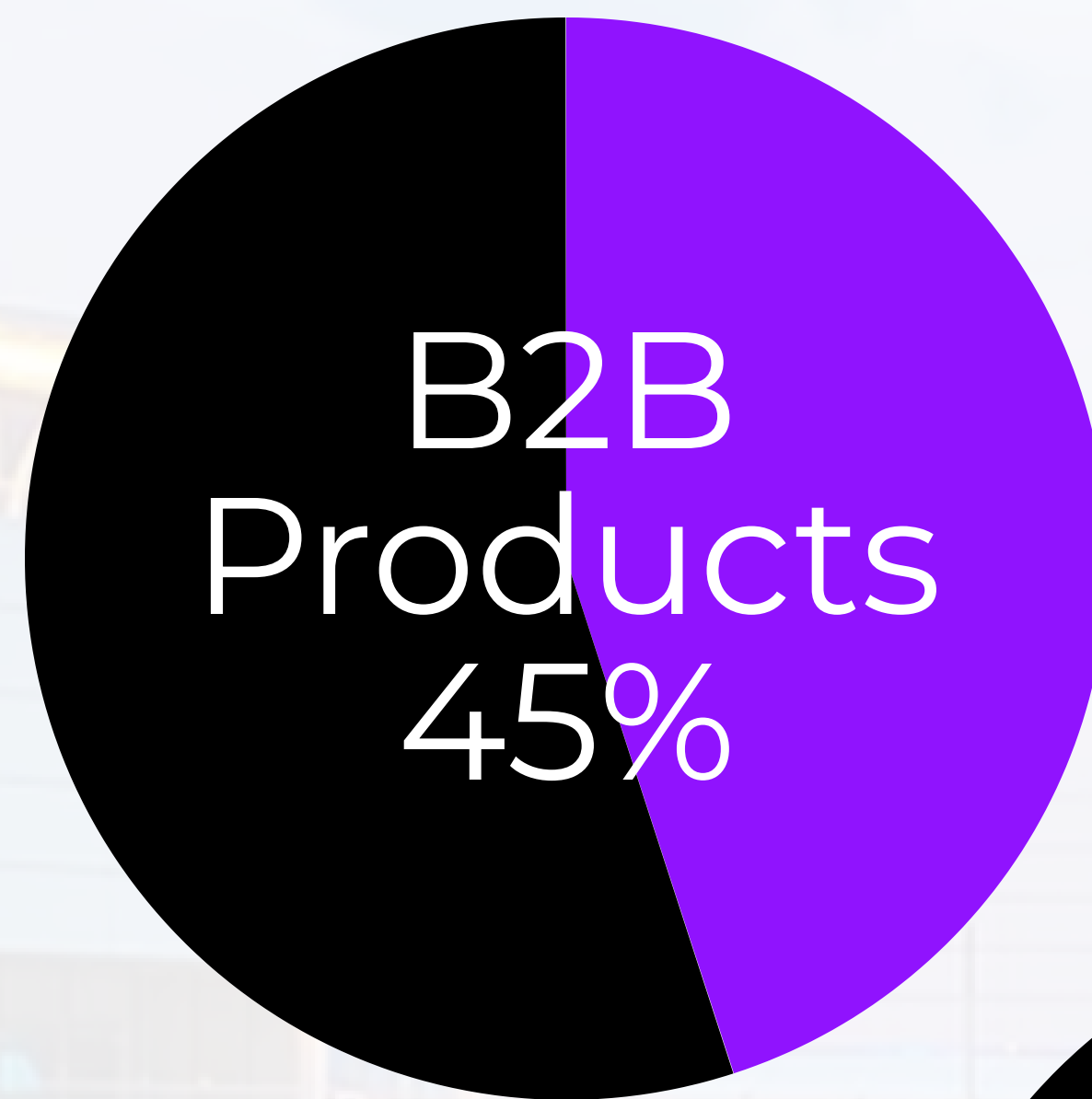
DIGITAL COMMERCE

ANALYTICS/ CUSTOMER INSIGHTS/ RESEARCH

Corporate Marketing Department	In-House Marketing Department	Marketing Agency	Non-Profit or Government Organization
31.8%	40%	31.8%	35%
28.8%	19%	15.6%	38.3%
17.7%	15.7%	32%	13.3%
11.9%	20.6%	4%	5%
10.5%	5.1%	16.6%	8.3%

ORGANIZATION'S FOCUS

Respondents also indicated their organization's primary focus; with a majority of respondents coming from B2B organizations: 45% B2B products; 34% B2B services.



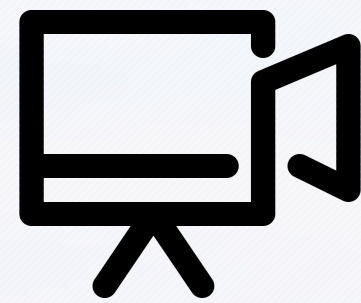
MARKETING BUDGET ALLOCATION: BY ORGANIZATION'S FOCUS

The data below highlight expected budget allocation for B2C Product, B2C Service, B2B Product, and B2B Service organizations across expenditures for in-house marketing labor, marketing media, agencies/contractors, and martech.

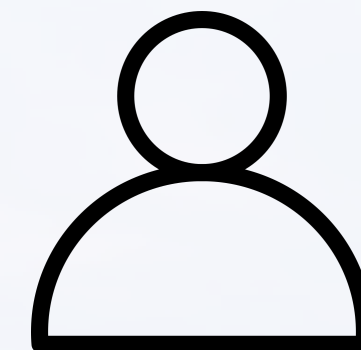
B2C Products



60%



30%



5%

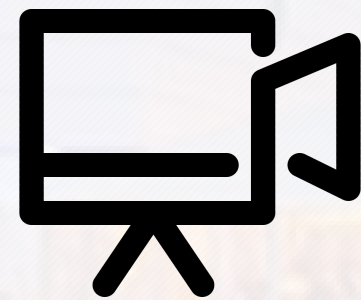


5%

B2C Services



33%



43%



9%



15%

B2B Products



36.7%



23.3%

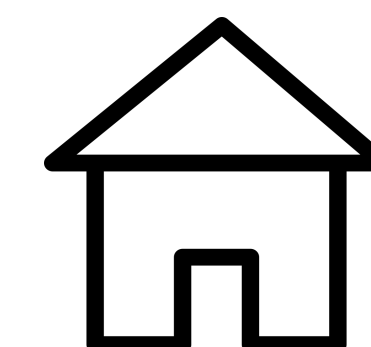


19.1%

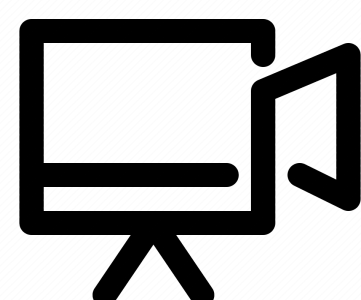


21%

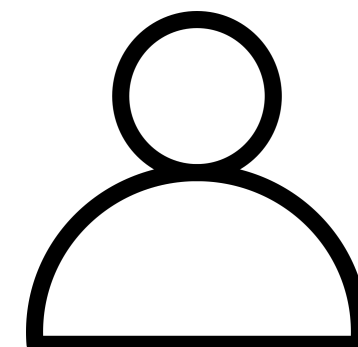
B2B Services



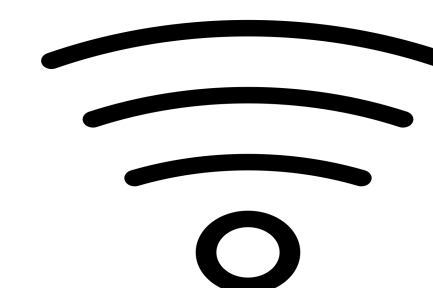
40%



20.4%



24.2%



15/5%

PROGRAM & OPERATIONAL BUDGETS:BY ORGANIZATION FOCUS

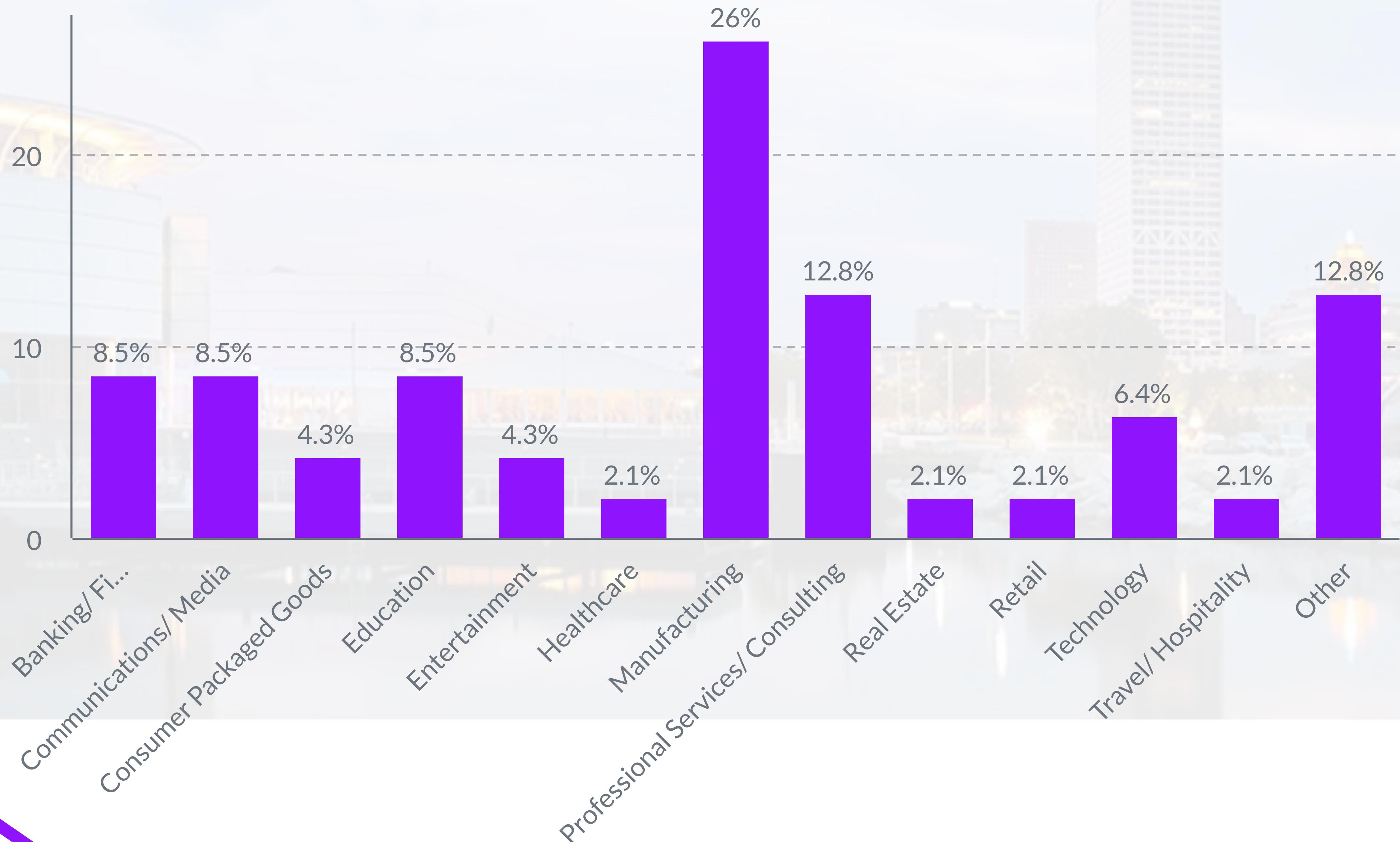
The data below show differences in marketing program/operational budget expenditures based on the organization's primary focus.

Compared to the average, **B2C Product** organizations tend to allocate a higher percentage on marketing operations (40%) and digital commerce (27.5%). **B2B Service** organizations allocate a higher percentage on demand generation/promotions/sponsorships (30%).

	B2C Products	B2C Services	B2B Products	B2B Services
MARKETING OPERATIONS	40%	26%	36%	36.2%
DEMAND GENERATION/ PROMOTIONS/ SPONSORSHIPS	15%	25%	20.9%	30%
BRAND STRATEGY/ LOYALTY PROGRAM/ CONTENT CREATION	15%	20%	18.9%	18.9%
DIGITAL COMMERCE	27.5%	19%	13.9%	6.5%
ANALYTICS/ CUSTOMER INSIGHTS/ RESEARCH	2.5%	10%	10.3%	9.3%

INDUSTRY SECTOR

How industry sectors categorize themselves (% reflects how many chose that option):



ORGANIZATION'S SIZE

62

Average Total Marketing Employees (full and part-time)

5

Median Total Marketing Employees (full and part-time)

70%

*Have less than
10 employees*

21%

*Have 11- 100
employees*

9%

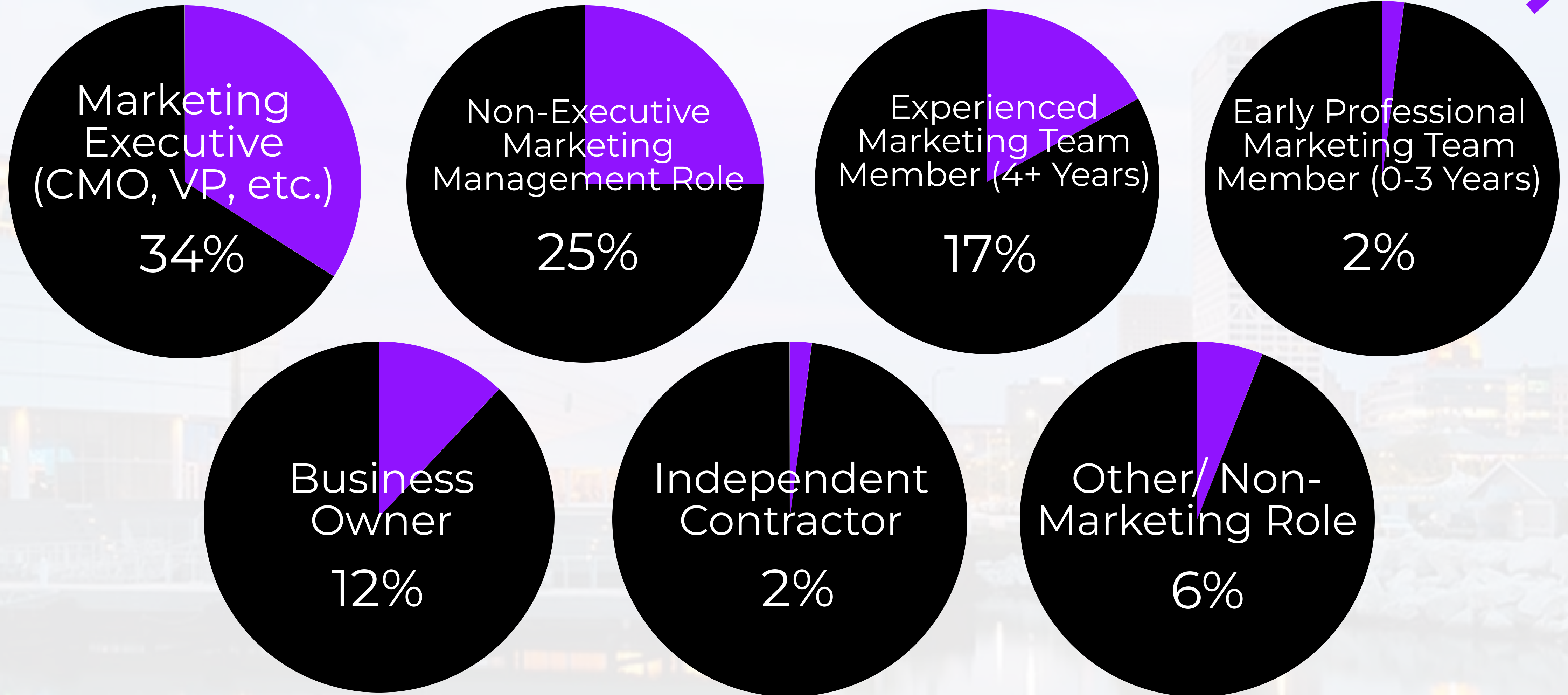
*Have 101+
employees*

\$38,153,187.50

Average
Organization's 2021
Projected Revenue:

MARKETING ROLES

Marketing Roles of those Surveyed



ROLE IN BUDGET PLANNING

64% I help plan my organizations's marketing budget

22% I am aware of my organization's marketing budget, but NOT involved in plannig

14% I am NOT familiar with my organization's marketing budget

QUARTERLY INTEREST TOPICS

Marketing Hiring and Salary Trends

57%

Marketing Education/ Training Budget and Related Trends

40%

Budget Allocation for Specific Traditional/ Digital Media

40%

Marketing Team Size by Functional Area/ Responsibility

38%

Budget Allocation for Specific Marketing Technology

28%

Others

12%

Others: Consumer Insights, Market Campaign Planning and Management, How to Justify Marketing Expenses, Job Title vs Actual Job Function(s), AI for Marketing

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Milwaukee

