

Warc report: 61% of marketers are optimistic about business in 2024

Warc has released a new report titled *The Voice of the Marketer 2024* that says the majority of marketers (61%) are optimistic and expect business to be better next year than the current year.



Source: www.unsplash.com

With global marketing investment set to increase 8.2% in 2024 to top \$1trn for the first time, per Warc Media, the report illustrates the ongoing investment trend towards digital channels. However, when exploring measurement techniques for marketing investment, more than a fifth (22%) of marketers employ no form of modelling in their evaluation processes.

Isabel Cleaver, Senior Analyst, Warc, says: “The aim of this report is to offer more insight into what is top of mind for marketers moving into 2024, particularly around investment, media channels and measurement.



The Warc Awards for Effectiveness 2024 open with more categories this year

24 Oct 2023



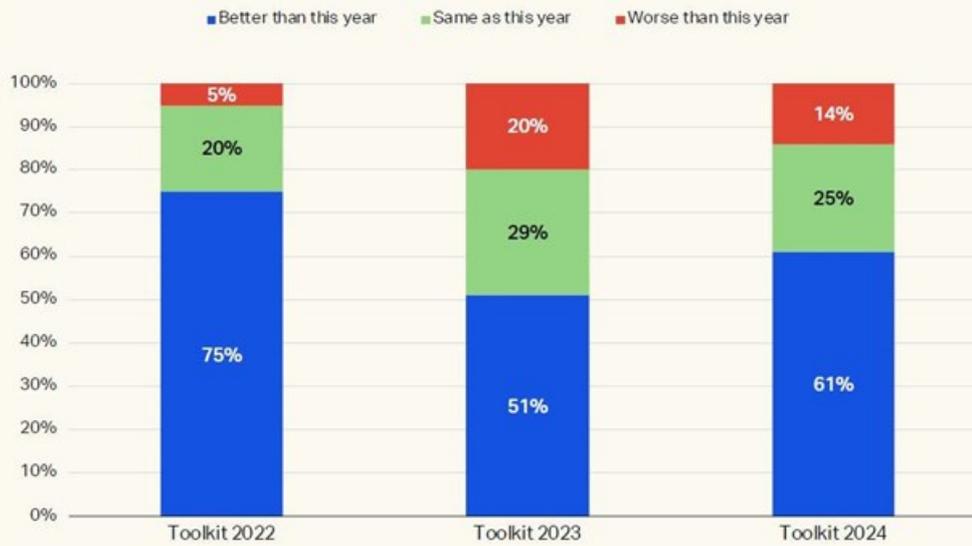
“A significant finding from our survey analysis is that while marketers are concerned about the impact of an economic recession, there is also a sense of optimism regarding the business climate and marketing budgets for 2024.”

61% of marketers are optimistic despite economic worries

For the second year running, two-thirds (64%) of marketers indicated that economic recession is seen to have the biggest impact on marketing strategies in 2024, with 41% highlighting inflation and the cost-of-living crisis as the biggest challenges they face over the next 12 months.

61% of marketers expect business to improve in 2024

Q: Which of the below best describes your business expectations for next year?



Yet almost two-thirds of marketers (61%) expect that business will improve in 2024 and 41% believe that marketing budgets will increase next year. In Europe and North America, just over a third expect budgets to be higher in 2024 (37% and 35% respectively). In contrast, half of marketers (50%) in APAC expect budgets to grow next year.

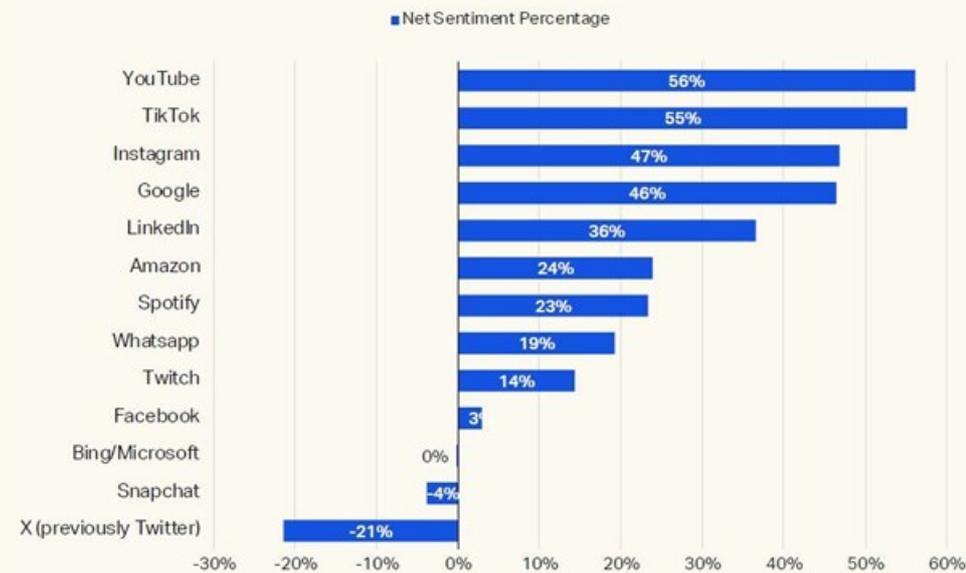
It would appear that more marketers understand that maintaining or even increasing investment in brand marketing can be effective in navigating economic downturns.

Grant McKenzie, chief marketing officer - Europe and International, Asahi, says: “Having been through a couple of these economically challenging times, you have to be very careful not to try to cut costs to the detriment of value... Marketers at these times have to be very careful not to change the strategy where it doesn't need to change.”

Investment in digital channels – especially online video – expected to grow

An ongoing migration to spend on digital channels continues. Marketers are planning to increase investments in social media, online video and mobile, with spend expected to mostly stay the same or decrease in traditional channels like print, cinema and TV.

How do you expect investment in the following digital platforms to change in next year?



Note: Net Sentiment Percentage equals the percentage of respondents that expect investment to increase minus the percentage of who expect investments to decrease

TikTok and YouTube are the platforms expected to receive the biggest increases in marketing spend in 2024. By contrast, the many controversies surrounding X (formerly Twitter) have severely impacted perceptions of the company among marketers. One third of marketers (31%) expect to decrease investments in X in 2024 - the highest decrease observed over the past three years.

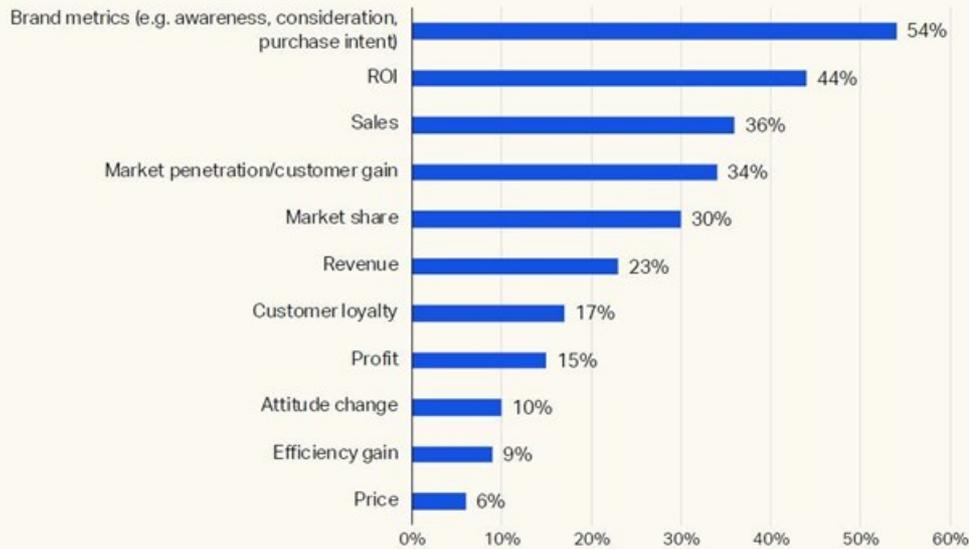
Confidence in the metaverse has also decreased significantly. While nearly half (47%) of marketers said they expected to increase investment in the metaverse in 2023, only a tenth (11%) expect to do so next year.

The advice to marketers is to diversify media investments and monitor new opportunities whilst safeguarding a brand's reputation.

Brands struggle to keep pace with evolving measurement

While measurement appears to be a key priority for marketers to assess the impact of their marketing, its implementation remains complex, patchy and inconsistent.

Which of the following measures of marketing effectiveness has the greatest impact on your / your client's marketing strategy?



39% of marketers globally have identified measurement as a top concern for 2024, increasing to 48% among those based in North America. Yet fewer than one in ten marketers (4%) use all available marketing measurement methods in combination (brand lift studies, econometrics/MMM, experiments and attribution) and one-fifth (22%) admitted to not utilising any form of modelling.

Over half (54%) of marketers view brand metrics (e.g. awareness, consideration, purchase intent) as having the greatest impact on their marketing strategy, above ROI, sales and market penetration.



Warc Report: Instagram's projected global ad revenue to soar to \$71bn by 2024

20 Sep 2023



The advice to marketers is to evaluate the different measurement tools available and incorporate different measurement techniques for a holistic view of marketing activities.

A complimentary sample of The Voice of the Marketer 2024 is available to read here. The full report is available to Warc members. It follows the recent release of The Marketer's Toolkit 2024, a report analysing the five key trends that will disrupt the marketing industry in the coming year: political polarization, the potential of generative AI, masculinity in crisis, "sportswashing", and community-based sustainability.

Both reports are part of Warc Strategy's The Evolution of Marketing programme, designed to help marketers address major industry shifts to drive effective marketing. A third report, The Future of Media, will be released in January.