

The Growth Guide

Marketing trends
for 2022



The Growth Guide

Marketing trends for 2022

01

INTRODUCTION

PAGE 3

02

**HEY BIG SPENDERS:
MARKETING BUDGETS FOR 2022**

PAGE 8

03

**A NEW MEDIA MIX FOR 2022: WHAT
CHANNELS WILL MARKETERS BE SPENDING ON?**

PAGE 11

04

**THE GREAT DEBATE: PERFORMANCE VERSUS
BRANDING CAMPAIGNS**

PAGE 18

05

**FACING HEADWINDS:
MARKETERS' TOP CHALLENGES**

PAGE 23

06

**CONSUMERS IN CONTROL:
USER ATTITUDES TOWARDS ADVERTISING**

PAGE 27



Introduction

There's no doubt it's been a tumultuous couple of years. COVID-19 has been referred to as a global Black Swan event, an unprecedented and unexpected incident that carries an extreme impact.



While it's still up for debate whether COVID was a true Black Swan event, there's no doubt it created huge ripple effects through society. For brands, these unpredictable circumstances forced them to discard the standard marketing playbook and re-examine how to connect with consumers in a time of crisis.

At DCMN, we wanted to take a closer look at where we stand right now and what impact a disrupted 2020 and 2021 has had on the marketing industry. How have the past two years impacted marketers' use of advertising channels — and their budgets? How many are using their marketing to address wider structural issues, such as inclusivity and sustainability? And just how optimistic are they heading into the new year?

That's why we enlisted leading market researchers Censuswide to help us survey in-house marketers across five countries — the US, the UK, Germany, France, the Netherlands and India — about their growth goals, planning and challenges going into 2022.



The results are impressive, and point to a marketing rebound in the coming year: advertising budgets are set to increase for the majority of marketers, and investment in channels such as podcasts and CTV providing plenty of new opportunities to reach diverse audiences.

With the data signalling a new period of growth for the advertising industry, it will also come with its challenges — namely down to ever-increasing competition, and new regulations targeting iOS and the future of cookies. We hope this report will give you a strong understanding of how the marketing landscape has changed, provide you with valuable insights and help you define your own growth goals going into 2022.

TLDR — THE REPORT AT A GLANCE

- ➔ **Money talks:** The majority (66%) of marketers' budgets are set to increase in 2022, with just 7.3% of budgets set to decrease. That's good news for agencies especially: 71.2% of respondents also planned to increase the number of agency partners they work with. [P. 8](#)
- ➔ **The right media mix:** Budgets will also be spent on experimenting with new formats and advertising channels. Outside of digital advertising, the three channels marketers plan to focus on and invest in the most are mobile advertising, podcasts and CTV. [P. 11](#)
- ➔ **Consumers in control:** Despite ongoing privacy headwinds, there's still plenty of consumer demand for tailored advertising, with 43% of German consumers saying they would find ads more helpful if they were better targeted. However, 33% of consumers stated they didn't trust any form of advertising, signalling huge reputational issues marketers will need to fight hard to dispel. [P. 27](#)

METHODOLOGY

The report draws on research conducted by Censuswide on behalf of DCMN. Censuswide surveyed 600 consumer-focused in-house marketers in the US, the UK, Germany, France, the Netherlands and India throughout October 2021.

Additional research by DCMN's Insights team was used on p.27-30. DCMN polled 2002 German consumers throughout October 2021.



Marketing budgets for 2022

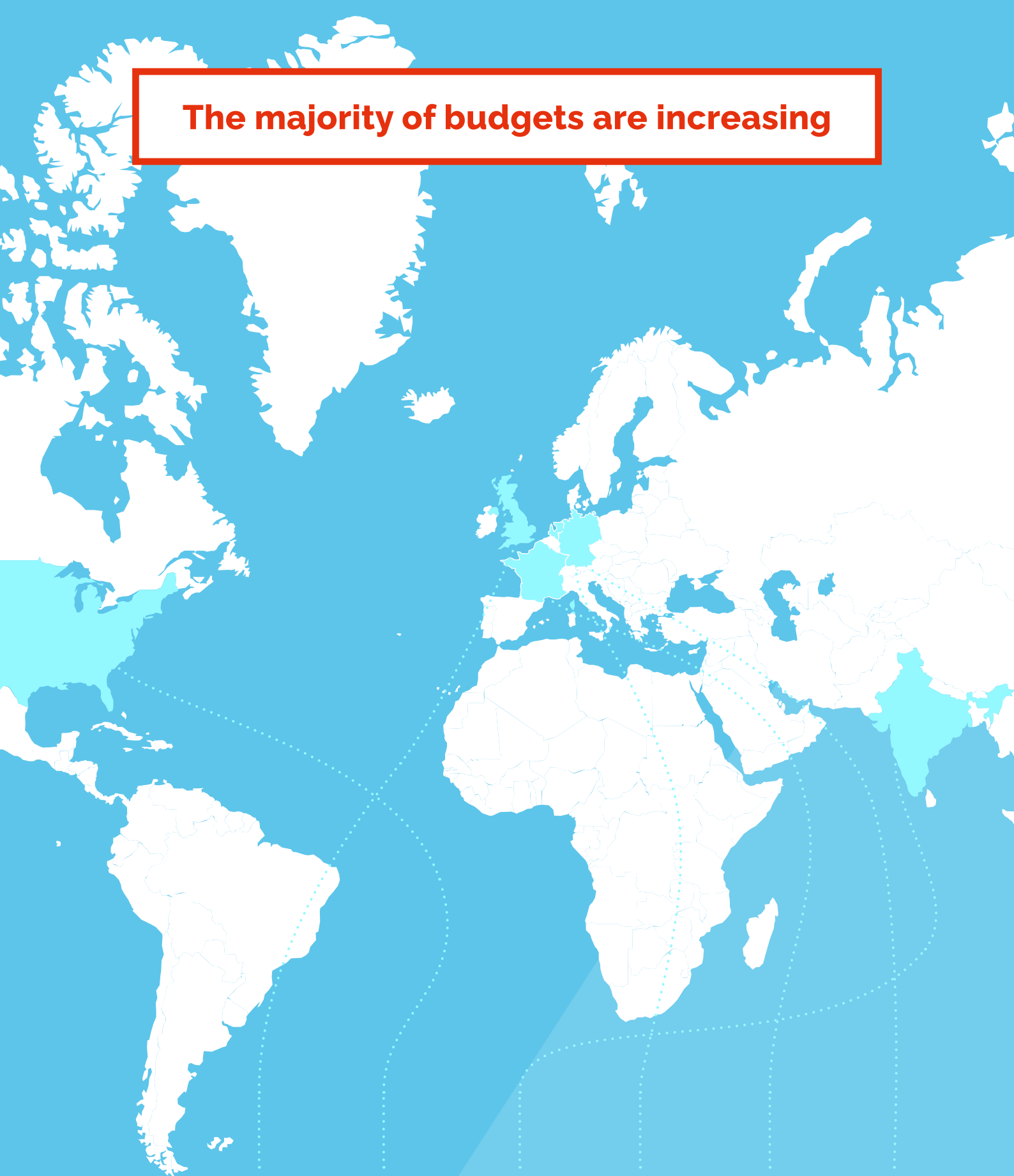
To kick things off, we wanted to get a better understanding of how marketers' budgets are faring after a tricky two years. We saw a positive pattern across all five countries surveyed: overall, 66% of respondents' will see their budget increase in 2022, with 26.7% staying the same and just 7.3% of budgets decreasing.

French marketers come out on top, with 75% saying their budget is set to increase. On the other side of the spectrum, 16% of US marketers say their budget is set to decrease — the highest out of all markets surveyed. Germany is most stable: 40% responded that their budget will stay the same.

But while budgets are set to rise for the majority of marketers, figures in the UK, the US, India and Germany paint a more nuanced picture: for marketers' whose budget is set to decrease, they'll need to tighten their purse strings a considerable amount — between 30–40%.



The majority of budgets are increasing



A world map with a blue background and white country outlines. Countries are color-coded to represent budget trends: green for 'Increasing', red for 'Decreasing', and grey for 'Staying the same'. Dotted lines connect specific countries to their data in the table below. The countries highlighted in the table are UK, USA, India, Germany, France, and Netherlands.

Budget	UK	USA	India	Germany	France	Netherlands
Increasing	69%	68%	71%	55%	75%	58%
Decreasing	9%	16%	6%	5%	1%	7%
Staying the same	22%	16%	23%	40%	24%	35%

What channels
will marketers
spend on?

A new year calls for a new media mix. Outside of digital advertising, the three channels marketers plan to focus on and invest in the most are mobile advertising (47.5%), podcasts (41.8%) and CTV (36.3%). While mobile advertising and CTV have seen stratospheric rises in the last year or so, podcast advertising is perhaps the most surprising new entrant. But podcasts offer great variety in terms of format — for example, sponsorships, branded series or traditional audio ads. Podcast ads have also been shown to be the most recalled type of ad — in a separate study, 86% of US consumers said they remembered seeing or hearing an ad on a podcast.

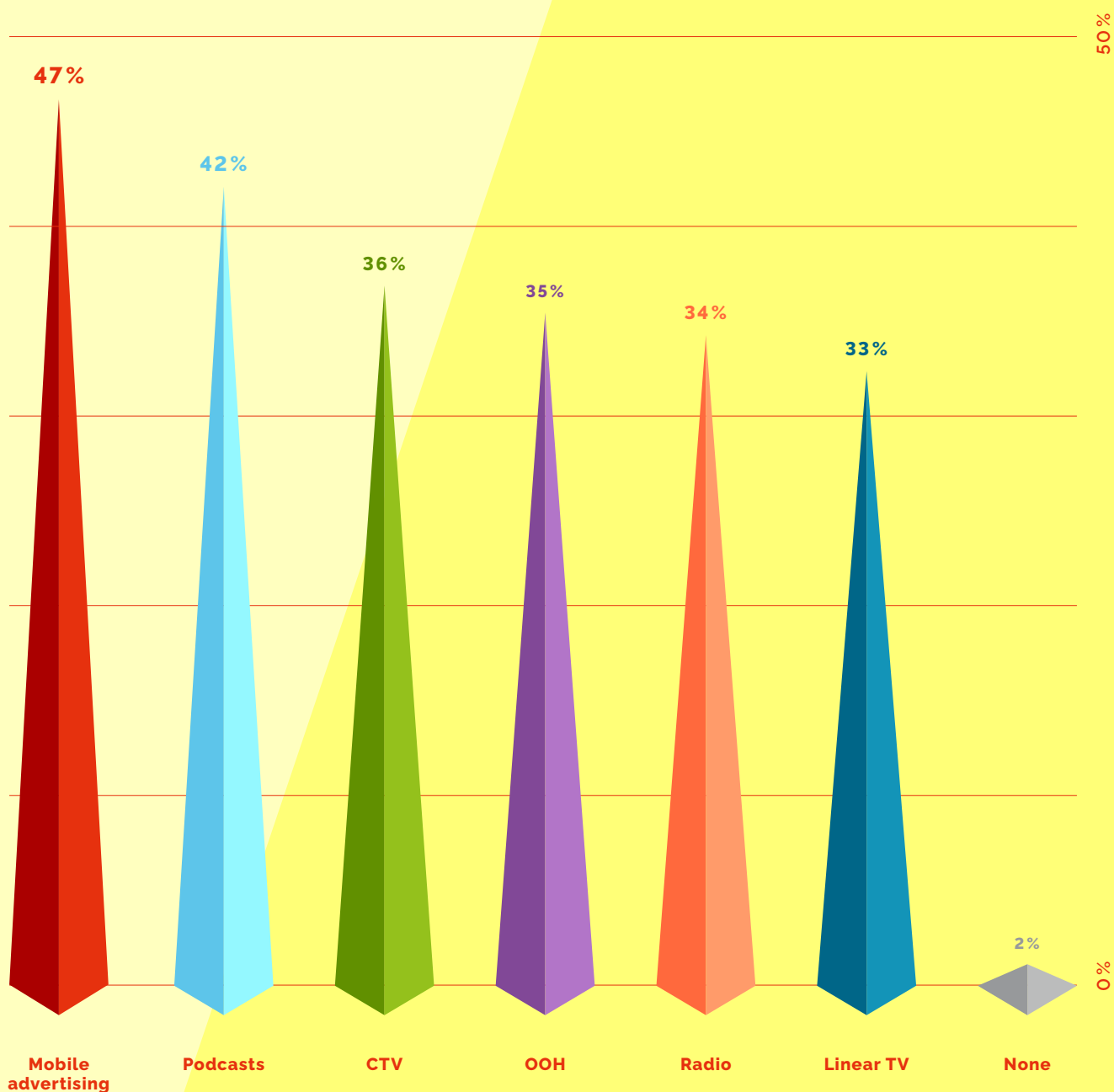
They also offer scalability depending on budget, and are far cheaper to produce than TV ads, for example.

Looking towards other channels, traditional media such as OOH, radio and TV follow closely behind the top three — proving they are still an essential part of marketers' arsenal.



A new media mix for 2022

Outside of digital advertising, what are the top three channels marketers will be focusing on in 2022?

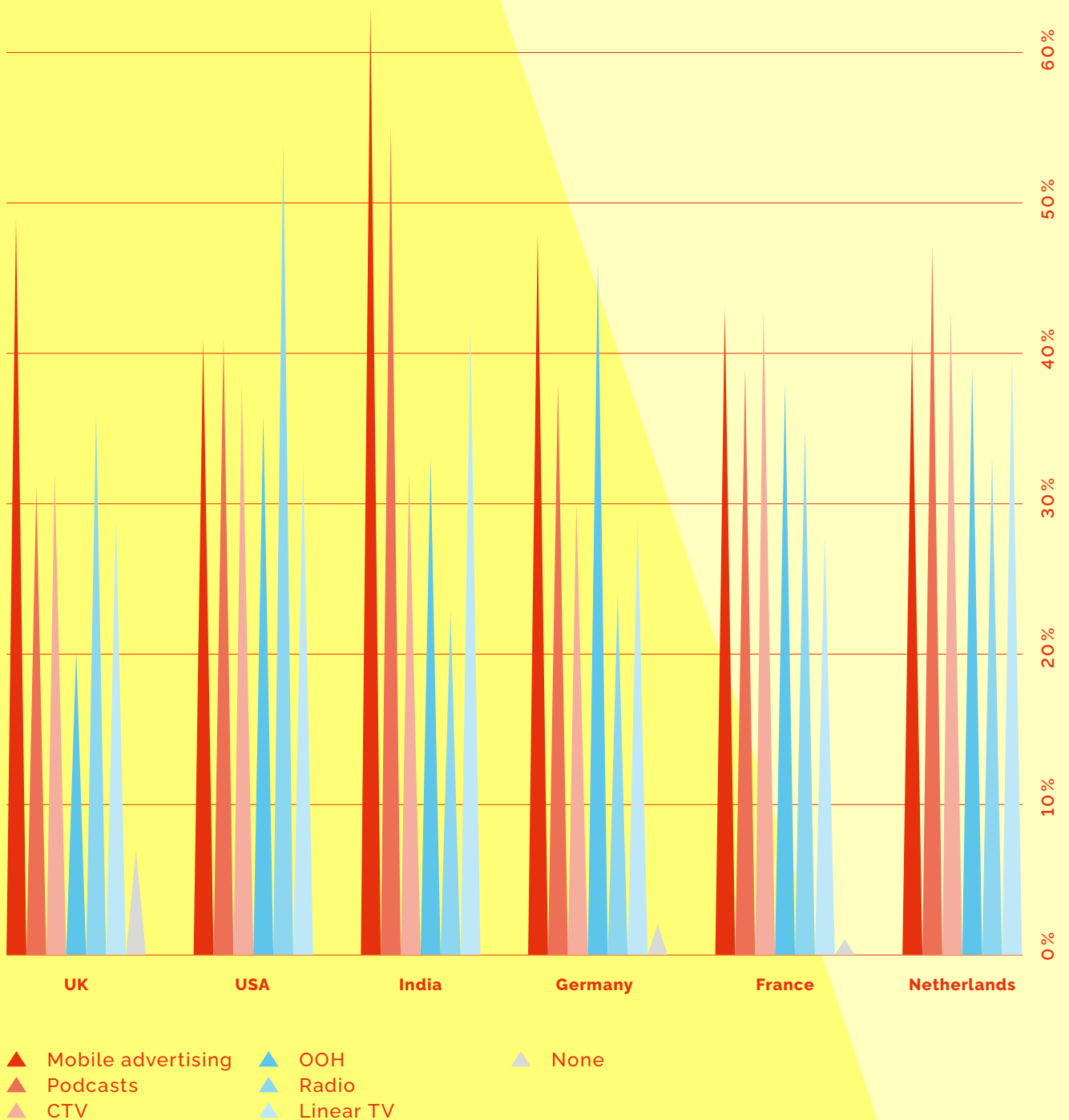


Mobile is most popular for marketers in India: 63% said they plan to invest in this channel. And in the US, radio is making a comeback in a big way: 54% plan to invest in 2022. Surprised? We get it — radio might be one of the oldest channels out there, but it still has reach to rival TV, with its estimated reach set to hit 3.1bn users globally by 2025. It's also a highly targetable and quick-to-book channel that works best on a regional basis — and it's just as good for brand building as it is for performance. If you're looking to learn more about how to set up and scale radio campaigns, we've written the ultimate guide to the speakerbox [here](#).



A regional look at 2022 channels

Outside of digital advertising, what are the top three channels marketers will be focusing on in 2022?



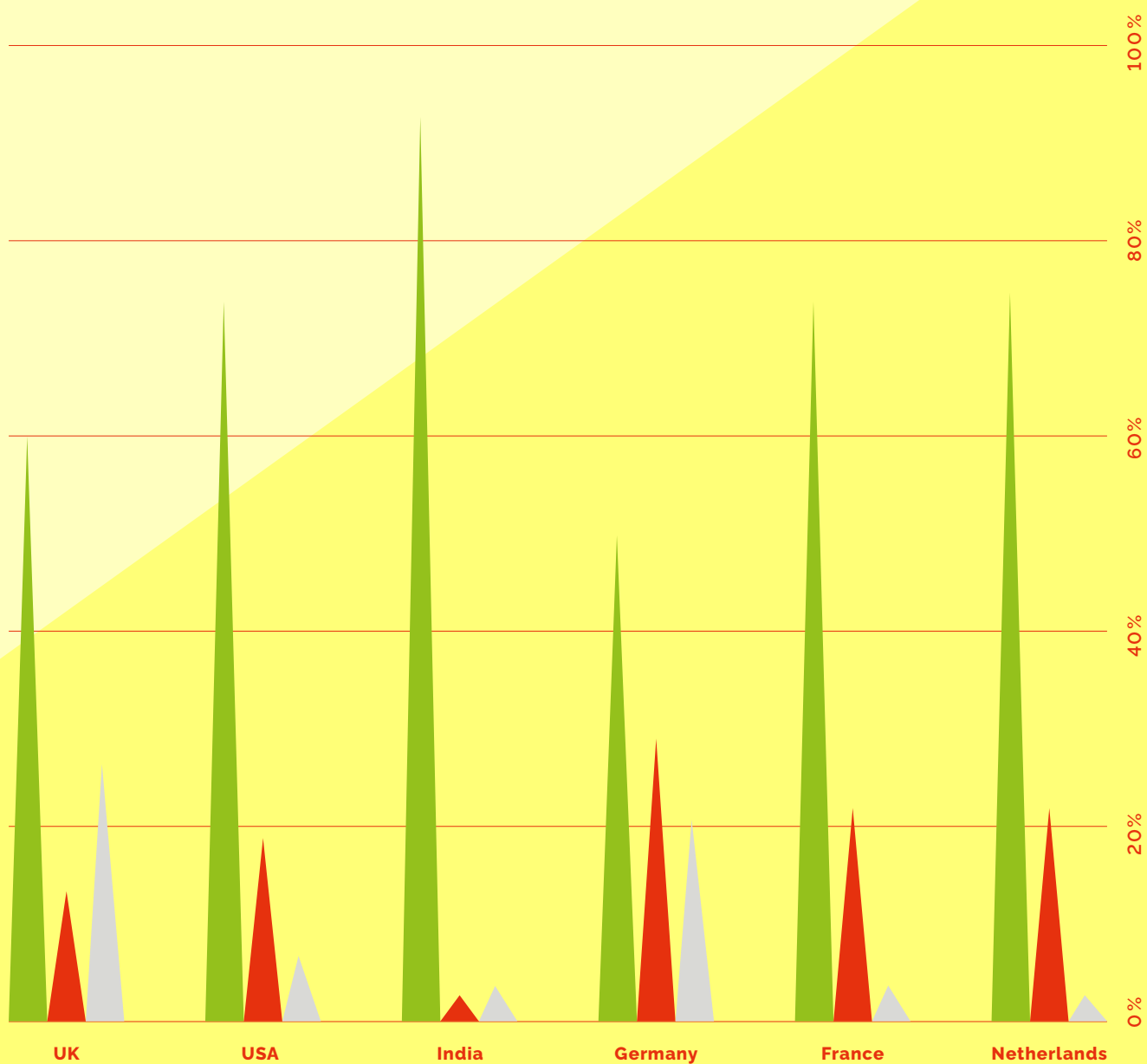
And where does this leave agency partners? While the average marketer currently works with an average 2.8 agencies (this is highest in the Netherlands with 3.4), almost three-quarters (71.2%) plan to increase their spending on agencies next year — spelling good news for the industry as a whole.

Agencies in India are set to be especially fruitful, with a huge 92.9% of marketers planning to increase their spending on agencies.



Agency spending in 2022

Are marketers planning to increase or decrease their spending on agencies?



- ▲ Increase
- ▲ Decrease
- ▲ Stay the same

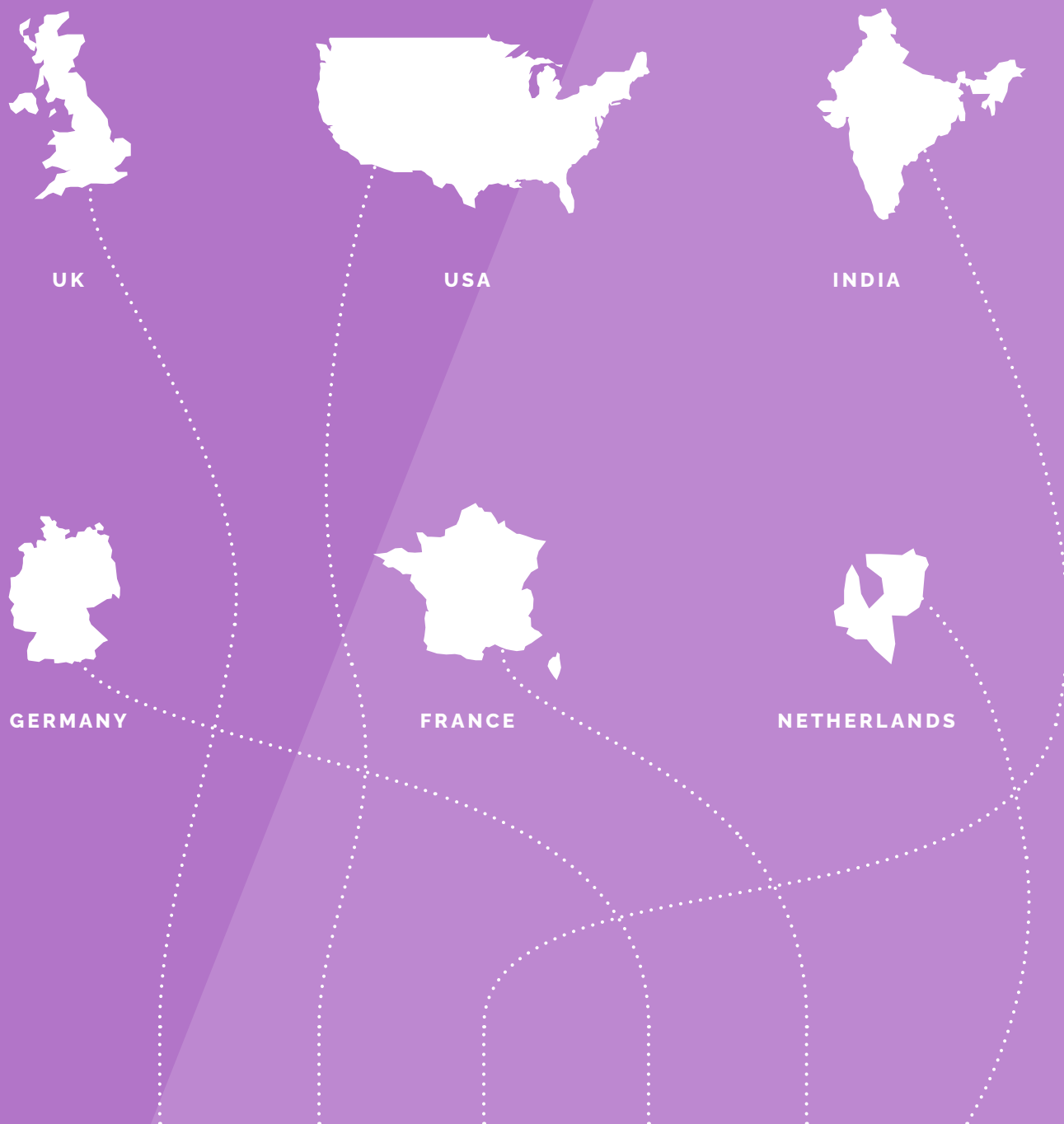
Performance versus brand marketing

For several years, we've been witnessing an ongoing contest between performance and brand marketing in terms of budget, resources and brand impact. Where do our respondents stand on the issue?

On average, we found that 65.5% of marketers are more focused on long-term branding efforts — versus 31.3% for performance-oriented goals. France and the Netherlands are the most focused on branding efforts, with 73% and 71% respectively, with Germany considerably less so at 59%.



Performance versus branding



	UK	USA	India	Germany	France	Netherlands
Branding efforts	66%	62%	62%	59%	73%	71%
Performance efforts	30%	35%	33%	37%	26%	27%
Neither	4%	3%	5%	4%	1%	2%

How does this translate into budgets and ad spend? Overall, marketers assign just over half (55.3%) of their budgets to long-term branding efforts, and the other 44.8% to their performance goals.

Unsurprisingly, it's companies with the highest turnover — 500 million or more — that allocate the most budget to branding efforts (59.8%). And while marketers in Germany seemed the least concerned with long-term branding efforts, they're also in fact spending the most — on average, 59% of their overall budget goes to brand campaigns.

COUNTRY	AVG BUDGET FOR BRANDING	AVG BUDGET FOR PERFORMANCE
UK	56,6%	43,4%
USA	56,3%	43,7%
India	54,2%	45,8%
Germany	59%	41%
France	52,7%	47,3%
Netherlands	52,7%	47,3%



While investment in performance marketing has risen sharply in the past few years, new privacy regulations have also made it increasingly harder to measure its results. Going into 2022, brands will need to make up for this loss of data accuracy in their digital efforts with more sophisticated measurement solutions elsewhere. We anticipate that bigger impact channels, such as TV and OOH campaigns, will need to adopt a more performance-driven approach, and use more sophisticated measurement solutions to prove their value.

More broadly, the old dichotomy between brand and performance will become increasingly blurred as brands look to approach all campaigns in a measurable, attributable way. This is especially true for startups and growing scaleups, for whom performance marketing was the status quo for so many years. We're now witnessing a shift in focus, with startups wanting to play the game long-term and invest in more branding efforts, earlier on in their marketing strategy.



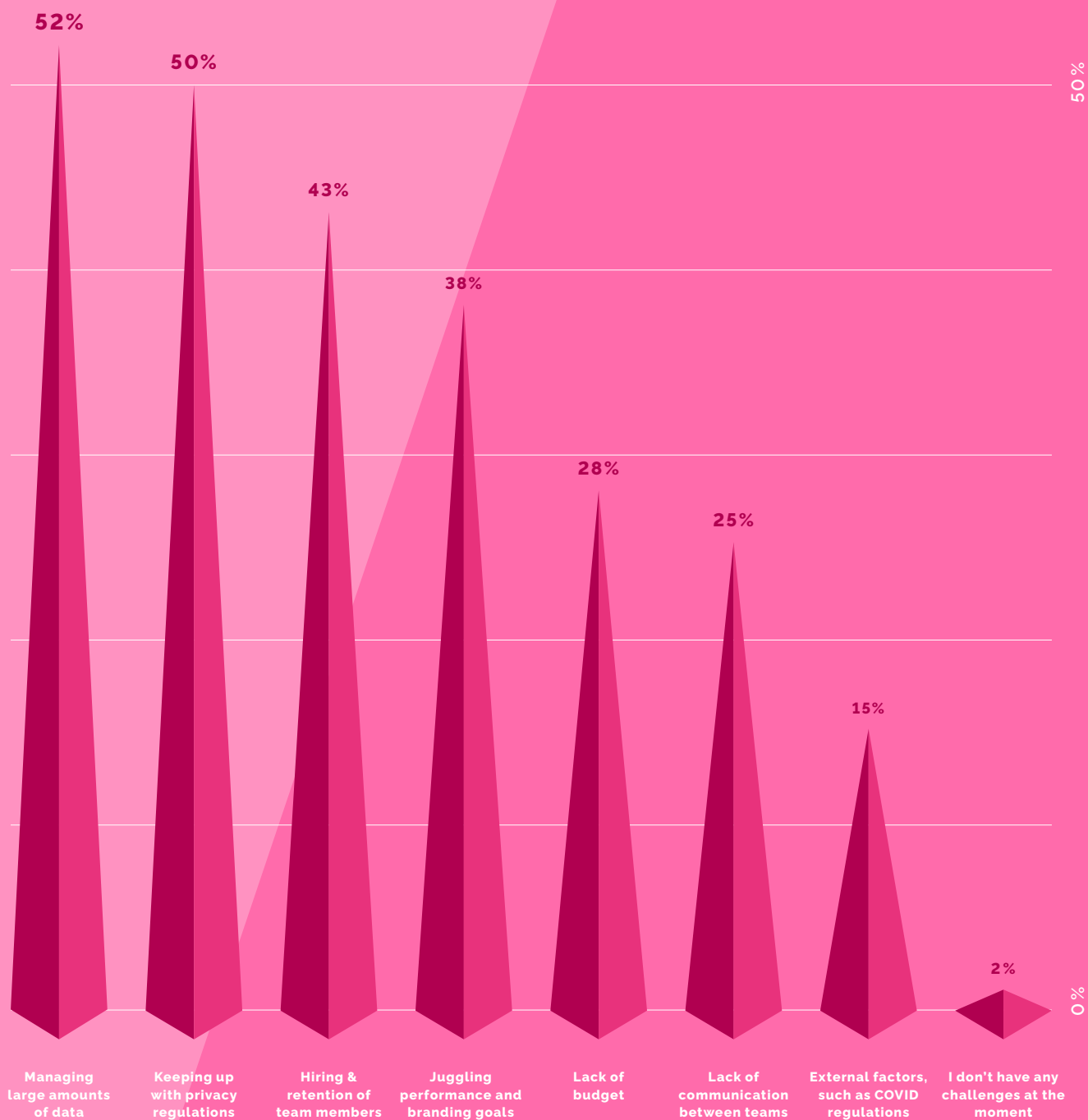
Marketers' top challenges

While there's plenty to be positive about going into the new year, marketers are also realistic about the challenges they face in their day-to-day work. Our respondents named juggling large amounts of data and keeping up with privacy regulations as their two biggest concerns. This is followed closely by hiring and retention of team members, with the so-called Great Resignation and the rise of remote-only positions altering the workforce dynamic — maybe for good.

External factors, such as COVID lockdowns and regulations, come in only at 14%. This could mean that respondents are cautiously optimistic about reaching the end of the pandemic — or that they have developed confidence in just how quickly they can pivot their marketing strategy, given the extensive practise brands have had in this regard over the last two years.

Facing challenges

What are marketers top three biggest challenges at the moment?



Marketers are also thinking about wider, more structural issues, and how to address them. When asked about their biggest focuses when it comes to brand purpose and integrity, 61.8% of respondents named inclusivity within advertising, product and their company, followed by sustainability. Protecting consumers' data comes in third place, with 55.8%. This is in keeping with recent conversations both within the industry and society at large.



User attitudes towards advertising

We've looked into marketers' hopes and dreams for 2022, but where does the consumer come into all this? We wanted to take a closer look at how marketers' goals aligned with consumer demands, and enlisted DCMN's Insights team to help us poll German consumers on the topic. This offers us a deep dive into the German market, and a more holistic understanding of consumer attitudes towards advertising.

The ultimate takeaway? Despite rising privacy concerns, there's still plenty of scope for targeted advertising: 58% of consumers find advertising helpful as long as it's relevant, and 43% said they would find ads more helpful if they were better targeted. But the results also show that 33% of consumers don't trust any form of advertising, signalling huge reputational issues marketers will need to fight hard to dispel.

For consumers receptive to ads, the challenge for brands going into 2022 and beyond will be to find the right mix between privacy and personalisation, especially in the face of iOS changes and the end of third-party cookies.

Looking at levels of trust per marketing channel, TV comes out on top: 38% say they trust TV ads the most. This is in sharp contrast to marketers' media mix for 2022, where TV ads are set to be the least prioritised for marketers. Direct mail is also popular at 22%, followed closely by radio (19%), with digital ads coming in at just 8%.

While TV ads are the most trusted, they also bother consumers the most — 33% named it their most annoying form of advertising. Ads on websites and mobiles, and influencer marketing, come in second and third place.

AGE GROUP	MOST TRUSTED CHANNEL	MOST IRRITATING CHANNEL
18–22	INFLUENCER MARKETING	EMAIL MARKETING
23–35	TV ADS	EMAIL MARKETING
36–55	TV ADS	ADS ON WEBSITES / MOBILE
56–69	TV ADS	TV ADS

THE FUTURE LOOKS BRIGHT

Marketers are no stranger to working in fast-paced environments, constantly evolving and pivoting to meet consumers' needs. But as we cautiously emerge out of the pandemic, and regulatory changes fall into place, it's fair to say that 2021 has had a dramatic effect on the marketing landscape.

And the future looks bright: ad spend — whether on channels or agencies — is going up, channels like CTV and podcasts offer exciting new ad formats with which to experiment, and marketers are increasingly engaging with important social and structural concerns like sustainability and inclusivity.

However, with a cookieless world inching closer, we are likely to see significant headwinds particularly in the world of performance marketing. This might also be one possible explanation for marketers investing more into brand marketing. But we're also starting to see that for many brands, it's not about performance versus brand marketing: both need to work in tandem and be thought about more holistically. That's why we are confident that in 2022, we'll see brand and performance working even more closely together, and that branding efforts — such as TV and OOH campaigns — will start adopting a more performance-driven approach, and using more sophisticated measurement solutions to prove their value.



And that's a wrap!

**Looking for more advice to
power your growth marketing?
Learn how DCMN can help boost
your campaigns by reaching
out to us at hello@dcmn.com**



DCMN (WWW.DCMN.COM) IS THE GROWTH MARKETING PARTNER FOR DIGITAL BUSINESSES AND STARTUPS. THE COMPANY'S HOLISTIC, DATA-DRIVEN APPROACH COMBINES TECHNOLOGY WITH EXPERT KNOWLEDGE TO GROW THE MARKET LEADERS OF TOMORROW.

FROM ITS HEADQUARTERS IN BERLIN AND FIVE INTERNATIONAL OFFICES WORLDWIDE, DCMN EQUIPS ITS CLIENTS TO SCALE EFFICIENTLY IN THEIR OWN MARKETS OR INTERNATIONALLY, WHETHER THEY NEED CREATIVES, MEDIA PLANS, OR GROWTH STRATEGIES. ALL OF THIS IS SUPPORTED BY TECHNOLOGIES DCMN DESIGNS AND BUILDS – BASED ON OVER A DECADE OF EXPERIENCE HELPING DIGITAL BRANDS GROW. INDEPENDENT AND OWNER-OPERATED, DCMN WAS LAUNCHED IN 2010 BY ANDREAS DENGLE AND MATTHIAS RIEDL. TO DATE, THE COMPANY HAS HELPED NEARLY 400 DIGITAL BRANDS WORLDWIDE TO SCALE THEIR BUSINESSES, INCLUDING AUTO1, FAIRPHONE, IDEALO, RING, VANMOOF, VINTED AND WOOGA.