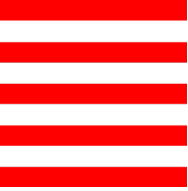


Linehub



**Marketers' guide to  
sustainable success**



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# Introduction

Welcome to Linehub's Marketing Playbook 2023, which we are launching against a backdrop of change for marketers.

In the aftermath of a global pandemic that forced immeasurable shifts across Europe, we've since seen the effect of major changes in the political landscape and war impacting the world's economy and supply chains. Meanwhile, technological advancements have most recently been felt with the impact of the meteoric rise of AI.

Within this environment of change, Linehub set out to launch the Marketing Playbook 2023. This playbook aims to help marketers to address the issues and survive the challenges that they are facing to remain relevant and continue to grow their business in a developing marketplace.

The Playbook represents a deep dive into the key drivers of change, to discover European marketers' goals for the coming year, and the challenges they encounter in terms of budgets, customer needs and headcount. We'll look at the key marketing disciplines that marketers are leaning on to help them to meet their new goals – and exactly how they see agencies and other external service providers as fitting into that focus.

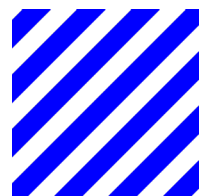
As we face a future of continued economic uncertainty, I believe the best way to ensure brand survival is to build a marketing ecosystem and tech stack that can work with the data that is available not only today but also tomorrow and helps create the right conditions for continuous growth.

This will help brands to secure and maintain a voice at the strategy table, instead of just playing a supportive role, and this is precisely what Linehub sets out to help its clients achieve every day.

That's why we carried out this research - to ensure marketers have the most up to date and relevant data at their fingertips to help them to progress faster.

I hope you enjoy reading this. If you would like to know more about Linehub and its brands – and how we can help you to deliver growth – please do get in touch.

**Martijn Zoetebier - Group Director Business Development, Linehub**



# Marketing strategies *how are they changing?*

The challenging economic environment for many companies across Europe means that most marketing decision makers are focused on getting the fundamentals right. That's why the main goal for the majority of organisations in the next 12 months is simple - and way more important than anything else: to acquire new customers in existing markets.

**84% of decision makers feel that the current economic situation has impacted their marketing strategy.**

The acquisition of new customers in existing markets is the priority for over double the number of marketing decision makers than the next most important imperatives - to expand to new markets, and to develop brand personality. Clearly, to focus on anything else is seen as an unnecessary extravagance at this current time.



## 3 in 4 decision makers agree that real time insights are crucial to remaining relevant.

economic environment: to change or update the product offering (34%); to make budget cuts (32%); to restructure teams internally (29%); and to change marketing channels (29%).

We will explore budgets in more detail in the next section, but it is clear that organisations are responding to the challenging times by updating their product offerings to meet changing customer needs. Others are restructuring teams internally to cope with the economic challenges.

Larger companies are much more likely than smaller ones to have had their marketing strategies affected by the current economic events – indeed, 28% of companies with under 251 employees report that the current economic environment hasn't affected their marketing strategy. For companies over 251 employees, that figure rests at just 4%. Clearly, large firms have had some very difficult decisions to make over the past 12 months.

With any strategy planning, decision makers feel that ensuring relevance and strong leadership are key to success. Almost 3 in 4 decision makers (74%) agree that real time insights are crucial to remaining relevant, and the same amount feel that a top down approach is necessary for brand building prioritisation.

Indeed, 84% of decision makers feel that the current economic situation has impacted their marketing strategy. Many organisations have had to make key structural changes as a result of the economic environment: to change or update the product offering (34%); to make budget cuts (32%); to restructure teams internally (29%); and to change marketing channels (29%).

### Top three marketing goals differences per country

#### **BELGIUM & NETHERLANDS**

- 60%** Acquire new customers in existing markets
- 30%** Expand to new markets
- 30%** Develop consideration

#### **GERMANY**

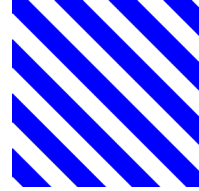
- 66%** Acquire new customers in existing markets
- 30%** Drive loyalty
- 28%** Reach new talent / hires

#### **SWEDEN**

- 67%** Acquire new customers in existing markets
- 35%** Expand to new markets
- 35%** Develop brand personality

#### **UNITED KINGDOM**

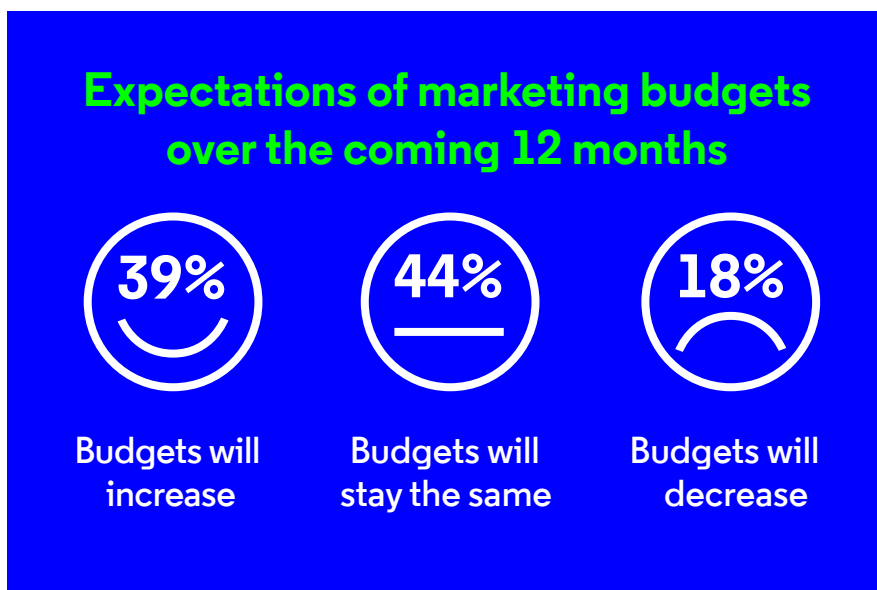
- 56%** Acquire new customers in existing markets
- 40%** Develop brand personality
- 36%** Stimulate awareness



# What does this mean for budgets?

In the previous section, we saw that brands are changing the way they operate by updating their product offerings and restructuring teams internally. But swingeing cuts to marketing budgets over the last 12 months have also impacted well-planned marketing strategies. The future is still being written - with a split between 'more of the same' and an optimism that budgets will grow back in the coming 12 months. Few expect budgets to drop further.

In the previous section, we revealed that the current economic environment has caused a third of EMEA businesses to make marketing budget cuts over the past 12 months. The future outlook is expected to see some experience similar levels, while others manage to claw back what was lost with hopes that the economy will improve.



What's clear is that marketers face a difficult uphill battle as more than half of respondents (51%) believe that the future of marketing seems uncertain given the looming global recession.

Taking a country-by-country view of budgets past and future is insightful. In Belgium and the Netherlands, nearly half (46%) of companies preferred to change or update their product offering. This is also the case in Germany (42%), while also choosing to restructure teams internally (38%). In Sweden, we can see that companies chose to split their approach between making budget cuts (35%) and changing their marketing channels (33%).

**More than half of respondents (51%) believe that the future of marketing seems uncertain given the looming global recession.**

In the UK, however, marketing departments have been particularly affected by budget cuts, with nearly half (48%) of respondents stating that they have had to make cuts - 16% higher than the average marketing decision maker.

## How the current economic environment has affected marketing strategies

differences per country

### BELGIUM & NETHERLANDS

**46%** We have changed (or updated) our product offering

**32%** We have changed our brand positioning

**30%** We have shifted our strategy from brand-building to sales activation

### GERMANY

**42%** We have changed (or updated) our product offering

**38%** We have restructured teams internally

**30%** We have changed our marketing channels

### SWEDEN

**35%** We have had budget cuts

**33%** We have changed our marketing channels

**31%** We have restructured teams internally

### UNITED KINGDOM

**48%** We have had budget cuts

**28%** We have changed our marketing channels

**26%** We have changed our target audience - focusing on new markets

Looking ahead to the next 12 months, marketing decision makers are split. 44% expect budgets to stay the same. However, around 2 in 5 (39%) say that marketing budgets are set to increase. Only 16% of respondents expect budgets to decrease.

The country view shows that once again, the UK remains the most focused on budget cuts in the future. Of those companies that expect budgets to increase, only 22% are from the UK - the majority are in Belgium and the Netherlands (50%), then Germany (46%) and Sweden (37%). While large companies have had some of the hardest decisions to make, they're also the ones feeling most optimistic about the future. Companies with over 251 employees are most likely to see budgets increase (50%), while companies with fewer than 251 employees are likely to see budgets stay the same (52%).

# Marketing disciplines and activities – which are rising, which are falling?

Since the pandemic, many firms have been focused on short-term performance marketing solutions aimed at generating sales today, but giving less consideration to the issues of tomorrow. Indeed many businesses invested large amounts of their marketing budgets in PPC while reducing investment in more strategic ‘upper-funnel’ marketing approaches such as branding. Our research reveals that this shift appears to be continuing. Traditional advertising - such as TV, radio, outdoor and print - could be relegated to second place in marketing budgets in the coming year, as decision makers look to options that have a clearer ROI, such as paid social media.

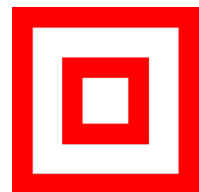
## Expectations of marketing budgets over the coming 12 months

- 9,5%** Over the past 12 months, marketing teams spent 9,5% of marketing budget on above the line advertising
- 9,7%** But over the next 12 months, marketing teams plan to spend 9,7% on paid social media marketing/advertising
- 8,4%** Above the line advertising will be relegated to second place, dropping to 8,4% of budget

Over the last 12 months, marketing budgets have been dominated by above the line advertising. But it looks like that will change over the next 12 months, as paid social media marketing or advertising are expected to take up the largest proportion of marketing budgets. Indeed, above the line advertising will see a budgetary decrease of 1.1%, while paid social media marketing/advertising will see a 2.4% increase.

Other marketing disciplines that are set to see an increase in budgeting include sponsorship, exhibitions and events (up 1.2%); organic social media (up 1.1%), and search engine advertising (paid) (up 0.9%).

Meanwhile, paid online advertising is expected to drop dramatically in the next 12 months, from 9.1% to 6.7%, perhaps due to the challenges faced by third party cookies and the over-invest-





ment in online channels which resulted in an overall drop in ROI of these channels. Meanwhile, PR and thought leadership is expected to drop from 4.8% to 3.5% as it enters the bottom three, alongside retargeting and check-out marketing.

## Paid online advertising is expected to drop dramatically in the next 12 months, from 9.1% to 6.7%

However, it is important to recognise that marketers are wary of relying on singular marketing channels, preferring the effect of a diverse range of activities. 69% of respondents agreed that the industry needs to diversify its marketing efforts to spread risk and enhance the brand. Marketers are increasingly aware of the challenges and risks of putting all their eggs in one basket. Despite this, they appear to be less willing to explore other marketing channels such as check out marketing and affiliate marketing - allocated 3.5% and 2.5% of marketing budgets respectively - which can be powerful players in the overall marketing strategy.

### Top priorities for marketing budgets per country over the next 12 months - differences per country

	Total	BE/NL	GE	SE	UK
Paid social media marketing or advertising	9,7	7,9	11,9	10,9	7,9
Above the line advertising (ie. TV, radio, outdoor and print)	8,4	6,5	5,1	13,0	7,6
Organic social media marketing or advertising	8,3	7,2	9,6	8,7	7,5
Sponsorships, exhibitions and events	7,6	9,6	6,3	7,7	7,0
Paid online advertising (ie. display)	6,7	6,6	6,8	5,4	8,3
Market research or intelligence	6,7	6,3	6,8	6,4	7,4
Search engine advertising (paid)	6,3	6,0	5,8	5,5	8,0
Email marketing	6,1	4,3	6,1	3,9	10,1
Search engine optimisation (SEO)	5,0	5,8	5,3	3,1	6,1
Insert marketing	4,6	7,2	5,5	3,2	2,6
Real-time marketing insights	4,5	5,2	4,1	3,4	5,4
Telemarketing	3,5	3,2	3,2	3,5	4,3
Affiliate marketing	3,5	3,9	4,5	2,5	3,2
PR and thought leadership	3,5	2,9	3,7	3,0	4,4
Retargeting	2,5	3,1	2,9	2,4	1,7
Check-out marketing	2,4	3,0	1,7	3,2	1,6
Other	10,7	11,4	9,6	14,4	7,0

# Attitudes towards agencies - how are brands changing the way they use them?

As we explored in previous sections, acquiring new customers in existing markets is a key goal for the majority of organisations this year, and they are prioritising marketing agencies that show real knowledge and expertise around their target audience and sector. Agencies need to play a more strategic role in marketing strategy to help navigate the year ahead.

When asked about what kind of role their marketing agency would take in the future, almost half said they wanted their agency to play a strategic role in their marketing strategy. This was followed by improved customer targeting, reduced risk and increased ROI.

**Around a third of organisations currently outsource their marketing and the majority either plan to maintain or increase the amount of work they outsource.**

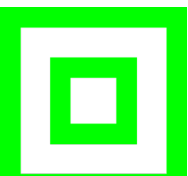
However, given that the majority of organisations are making budget cuts it is hard to see how agencies will take on this strategic role unless brands invest in this relationship and allocate appropriate budget to ensure agencies can carry out strategic marketing activities.

Around a third of organisations currently outsource their marketing and the majority either plan to maintain or increase the amount of work they outsource. The indication is that those who do outsource find it to be successful - of those who are already outsourcing marketing, 95% plan to maintain or increase the amount they outsource.

Despite this strong vote of confidence, around 32% of brands have no plans to outsource their marketing in the next 12 months, rising to 40% for UK and German decision-makers. By contrast, half of respondents in Belgium and the Netherlands are likely to outsource their marketing in the next 12 months.

It is no surprise that in the current economic environment, organisations are focused on increasing efficiency and ROI and improving their customer targeting to ensure their marketing activities are reaching the right audience. Indeed, when respondents were asked why they are currently outsourcing their marketing, the main reasons were to achieve greater visibility for

**73% of respondents agreed that the marketing industry needs to prioritise effectiveness**

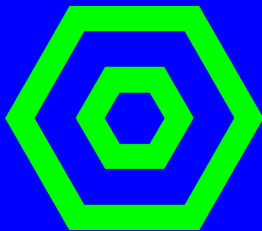
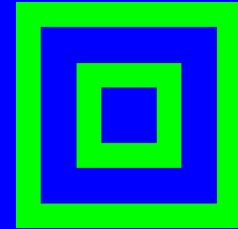


## The roles that decision makers want marketing agencies/consultants to take in the future



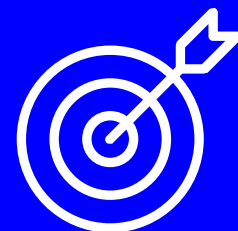
46%

To play a strategic role in our marketing strategy



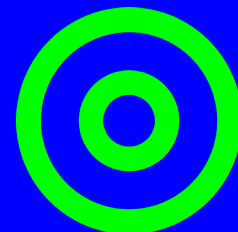
36%

To achieve improved customer targeting



36%

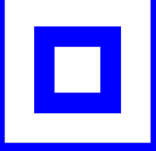
To reduce risk, cut cost, eliminate waste and increase ROI



the brand (38%), to reduce risk, cut cost, eliminate waste, and increase ROI (38%), and achieve improved customer targeting (33%).

A common theme of proving effectiveness is emerging - as 73% of respondents agreed that the marketing industry needs to prioritise effectiveness. However, while 64% of decision makers feel increasing pressure to prove the ROI of marketing, 53% agree that they have found it difficult to find a marketing agency that gives the right ROI.

Search engine advertising (paid) (77%), market research (74%) and check-out marketing (72%) are the top three outsourced marketing disciplines of the last 12 months. But this is set to change. While search engine advertising (77%) will stay as the top outsourced marketing type, insert



marketing will grow by 12% to 72%; and above the line advertising will grow by a massive 18% from 54% to 72%.

Finally, when asked what makes a marketing agency stand out, 41% of respondents said it was their knowledge and expertise of their target audience. This is particularly the case for smaller companies (fewer than 251 employees), with 62% of respondents agreeing with this statement compared to 30% of larger companies (more than 251 employees). are key to success. Almost 3 in 4 decision makers (74%) agree that real time insights are crucial to remaining relevant, and the same amount feel that a top down approach is necessary for brand building prioritisation.

**Use of agencies**

differences per country

 **BELGIUM & NETHERLANDS** 

**50%** We are planning to start outsourcing some/all of our marketing in the next 12 months

**34%** We currently outsource some/all of our marketing

**16%** We aren't planning on outsourcing any of our marketing in the next 12 months

 **GERMANY**

**40%** We aren't planning on outsourcing any of our marketing in the next 12 months

**34%** We are planning to start outsourcing some/all of our marketing in the next 12 months

**26%** We currently outsource some/all of our marketing

 **SWEDEN**

**35%** We currently outsource some/all of our marketing

**33%** We aren't planning on outsourcing any of our marketing in the next 12 months

**31%** We are planning to start outsourcing some/all of our marketing in the next 12 months

 **UNITED KINGDOM**

**40%** We aren't planning on outsourcing any of our marketing in the next 12 months

**34%** We are planning to start outsourcing some/all of our marketing in the next 12 months

**26%** We currently outsource some/all of our marketing

# How are different sectors responding?

The devil is in the detail - in this section we take a look at how different sectors are responding to the current economic climate to maximise the value of the marketing activities.

## Communications, marketing, advertising, books and publishing

- Most likely to have changed (or updated) their product offering (36%), and changed marketing channels (36%) in light of the current economic climate.
- Budgets are most likely to stay the same in the coming 12 months (45%).
- Over the next 12 months, they intend to spend the largest percentage of their budgets on paid social media marketing/advertising (13.36%).
- 67% plan to outsource more of their marketing.
- The main role that they want marketing agencies to fulfil is to reduce risk, cut cost, eliminate waste and increase ROI (39%).

## Construction, real estate, transportation and utilities

- Most likely to have made budget cuts (48%) and restructured teams internally (43%) in light of the current economic climate.
- Budgets are most likely to stay the same in the coming 12 months (48%).
- Over the next 12 months, they intend to spend the largest percentage of budgets on above the line advertising (11.35%).
- There is a 50/50 split between outsourcing more of their marketing and continuing with the same amount.
- The main role that they want marketing agencies to fulfil in future is to play a strategic role in marketing strategy (58%).

## Education, government and healthcare

- Most likely to have restructured teams internally (42%) in light of the current economic climate.
- Budgets are most likely to stay the same in the coming 12 months (42%).
- Over the next 12 months, they intend to spend the largest percentage of budgets on search engine advertising (paid) (11.05%).
- 50% plan to outsource more of their marketing.
- The main role that they want marketing agencies to fulfil in future is to provide local market knowledge and experts at every stage of the funnel (50%).

## Finance, Insurance, accounting and services

- Most likely to have shifted strategy from brand-building to sales activation (28%) in light of the current economic climate.
- Budgets are most likely to increase in the coming 12 months (56%).
- Over the next 12 months, they intend to spend the largest percentage of budgets on above

the line advertising (9.67%).

- 67% plan to outsource the same amount of marketing as this year.
- The main role that they want marketing agencies to fulfil in future is to play a strategic role in their marketing strategy (52%).

## Food and hospitality

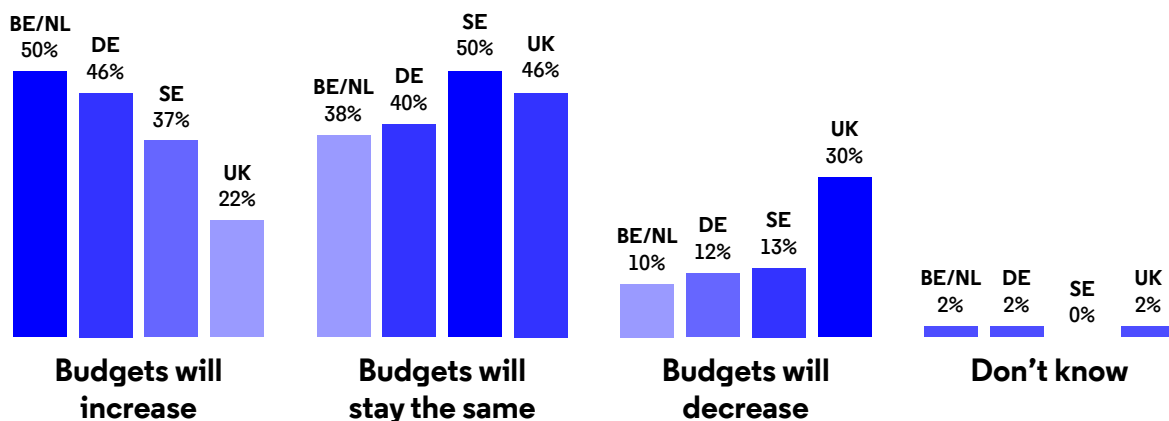
- Most likely to have made budget cuts (53%), changed (or updated) their product offering (47%) or changed marketing channels (47%) in light of the current economic climate.
- Budgets are most likely to stay the same in the coming 12 months (37%).
- Over the next 12 months, they intend to spend the largest percentage of budgets on organic social media marketing/advertising (13.79%).
- 67% plan to outsource the same amount of marketing as this year.
- The main role that they want marketing agencies to fulfil in future is to play a strategic role in their marketing strategy (58%), while providing greater certainty of outcomes (58%).

## Software, technology, telecommunication and consumer electronics

- Most likely to have changed (or updated) their product offering (58%) in light of the current economic climate.
- Budgets are most likely to increase in the coming 12 months (50%).
- Over the next 12 months, they intend to spend the largest percentage of budgets on sponsorships, exhibitions and events (8.13%).
- 54% plan to outsource the same amount on marketing as this year.
- The main role that they want marketing agencies to fulfil in future is to play a strategic role in their marketing strategy (47%).

## Wholesale, retail and manufacturing

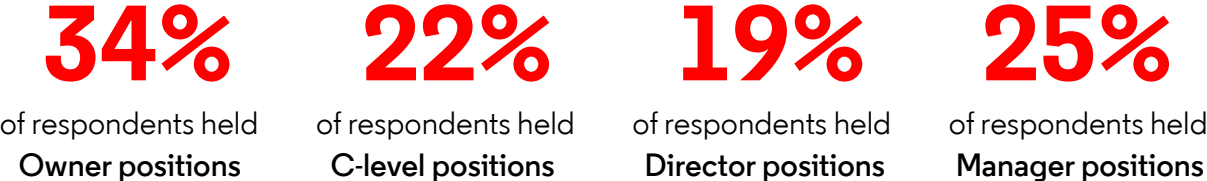
- Most likely to have changed (or updated) their product offering (47%) or changed their marketing channels (42%) in light of the current economic climate.
- Budgets are most likely to increase in the coming 12 months (47%).
- Over the next 12 months, they intend to spend the largest percentage of budgets on organic social media marketing/advertising (13.44%).
- 50% plan to outsource the same amount on marketing as this year.



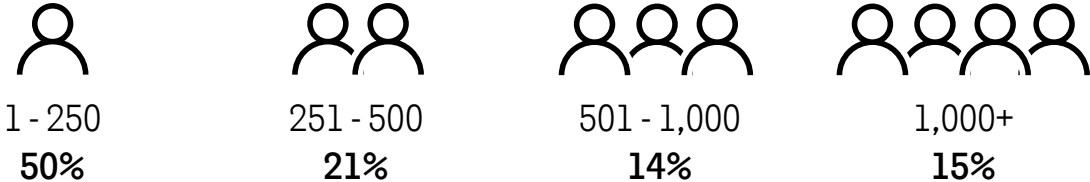
# Methodology

The survey was conducted among 204 marketing decision makers in the Netherlands, Belgium, Germany, Sweden, and the UK. The interviews were conducted online by Sapio Research on behalf of Linehub, the collective of marketing makers empowering people, driving results. In April and May 2023, using an email invitation and an online survey.

### Role types:



### Sizes of companies - # of employees:



## About Linehub

Linehub is a collective of marketing makers that empowers people and drives results.

Globally, a team of 200+ digital specialists delivers local presence at scale, expert knowledge at hand and innovation and acceleration at heart to over 1,900 companies in 32 countries.

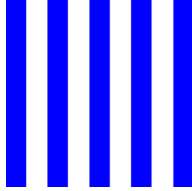
These companies are part of Linehub: Daisycon, Affiliprint, Sovendus BV, Conversive, Trendata, New Media and Basebuilder.

Linehub has offices in Stockholm, Helsinki, Aarhus, Antwerp, Bucharest, Almere, Hengelo, Oldenburg, Oslo and Utrecht.

The Linehub connection is their method and proven way of working, which is based on the premise that Linehub creates the conditions that will empower the labels to help customers progress faster, with everyone growing as a result.

That's what we strive for everyday!





## Business sector - top three sectors:



Finance  
10%



Marketing & Comms  
9%



Services  
9%

## Top priorities for marketing budgets per country over the next 12 months

differences per country

### BELGIUM & NETHERLANDS

**9,6%** Sponsorships, exhibitions and events

**7,9%** Paid social media marketing or advertising

**7,2%** Organic social media marketing or advertising

### GERMANY

**11,9%** Paid social media marketing or advertising

**9,6%** Organic social media marketing or advertising

**6,8%** Paid online advertising (ie. display) & Market research or intelligence

### SWEDEN

**13,0%** Above the line advertising

**10,9%** Paid social media marketing or advertising

**8,7%** Organic social media marketing or advertising

### UNITED KINGDOM

**10,1%** Email marketing

**8,3%** Paid online advertising (ie. display)

**8,0%** Search engine advertising (paid)