



THE STATE OF PERFORMANCE MARKETING

STRATEGIES, TACTICS & TRENDS



Research Series Conducted in Partnership with Leading Providers
of Marketing Technology and Digital Marketing Agency Services.

Ascend²
RESEARCH-BASED MARKETING

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➤ Methodology

Ascend2 benchmarks the performance of marketing strategies, tactics and the technology that drives them with a standardized online questionnaire and a proprietary 3-Minute Survey format.

This survey was fielded to a panel of marketing professionals and marketing research subscribers.

Survey Respondents

Primary Marketing Channel

B2B	42%
B2C	33%
B2B and B2C equally	25%

Number of Employees

More than 500	27%
50 to 500	22%
Fewer than 50	51%

Primary role in company

Owner / Partner / C-Level	42%
Vice President / Director / Manager	36%
Non-Management Professional	22%

The State of Performance Marketing

Marketers strive to create a frictionless journey that leads individuals to complete a transaction in the form of a purchase, click, or other desired outcome. As this process evolves, performance marketing presents an opportunity to optimize methods such as paid search, social, and advertising.

But how are marketers executing their performance-based strategies?

To help answer this question, Ascend2 and our Research Partners fielded the The State of Performance Marketing Survey. We thank the 274 marketers who responded to this survey during the week of September 14, 2020.

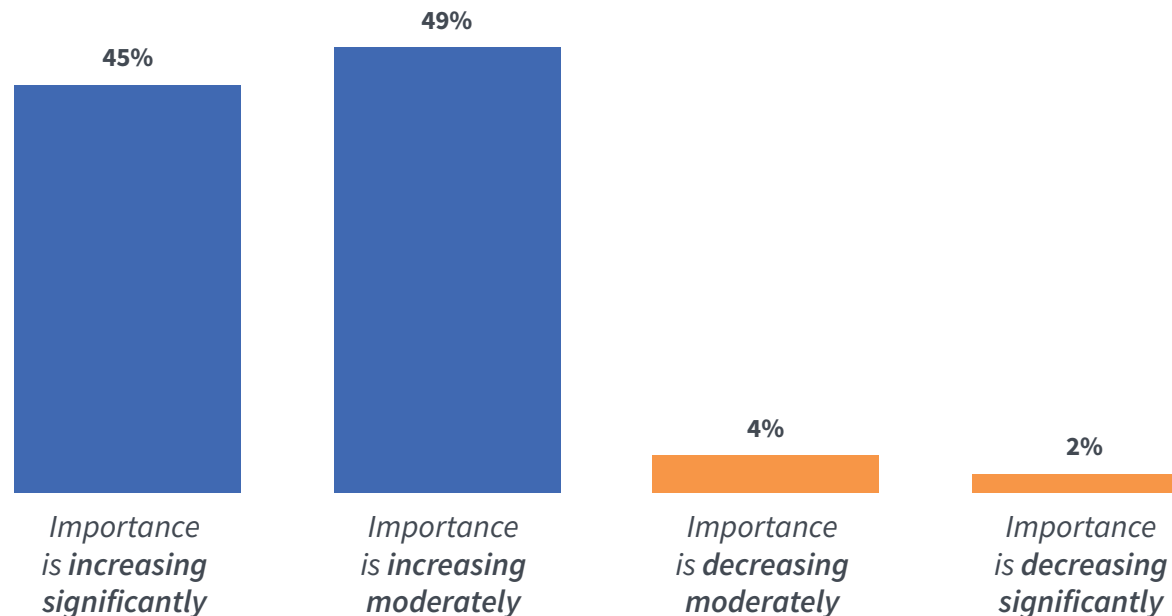
This Survey Summary Report, titled *The State of Performance Marketing*, represents the opinions of all the market segments responding to the survey. Specific market segments from the survey are reported on separately and exclusively by our participating Research Partners.

This research has been produced for your use. Put it to work in your own marketing strategy. Clip the charts and write about them in your blog or post them on social media. Please share this research credited as published.

Importance of Performance Marketing

Performance marketing is fast becoming critical to the success of an overall paid strategy for an overwhelming majority of marketers. 45% of marketers surveyed report that the **importance of performance marketing is increasing significantly** and another 49% would label this increase as **moderate**. A mere 2% of marketers report that the importance of performance-based initiatives is **decreasing significantly** as it pertains to strategic success.

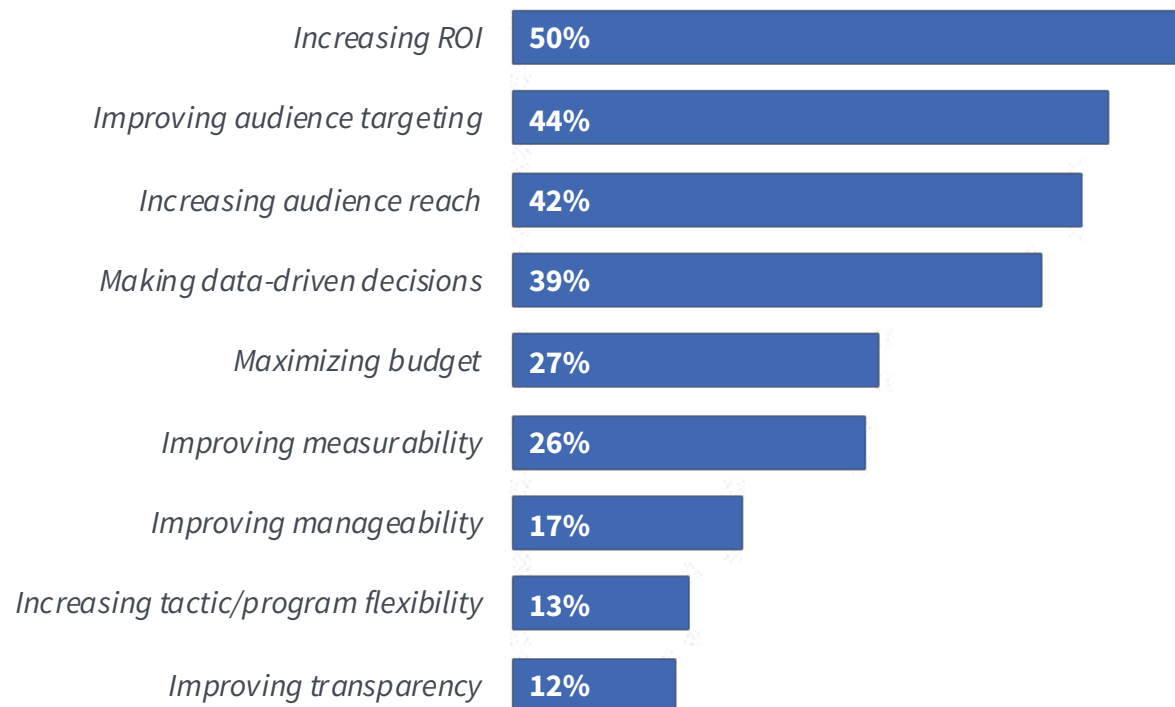
How is the IMPORTANCE of performance marketing changing as it pertains to the success of a paid strategy?



Primary Objectives

Half (50%) of marketers are using a performance marketing strategy to increase Return on Investment (ROI). Other primary objectives include audience-centric goals such as **optimizing audience targeting** and **improving audience reach** for 44% and 42% of marketers, respectively.

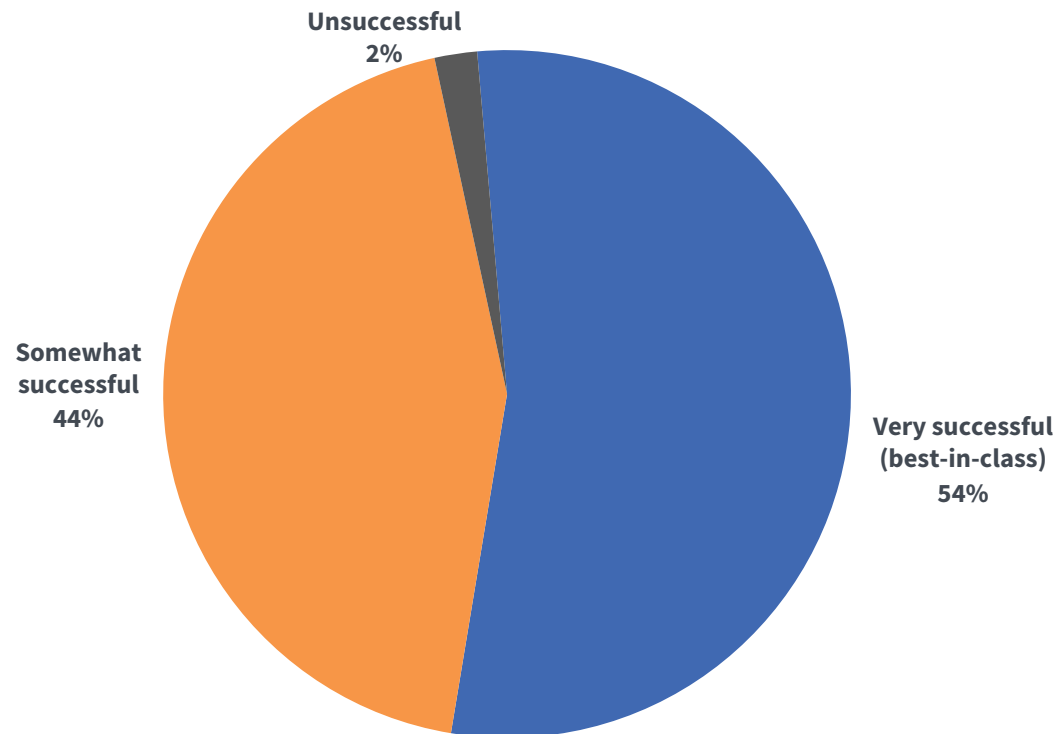
What are the PRIMARY OBJECTIVES of a performance marketing strategy?



Strategic Success

Are marketers seeing success from their performance-based initiatives? The vast majority of those surveyed report yes. Over half (54%) of marketers report experiencing **best-in-class success** from their performance marketing strategy. Another 44% say their strategy is **somewhat successful** at achieving primary objectives.

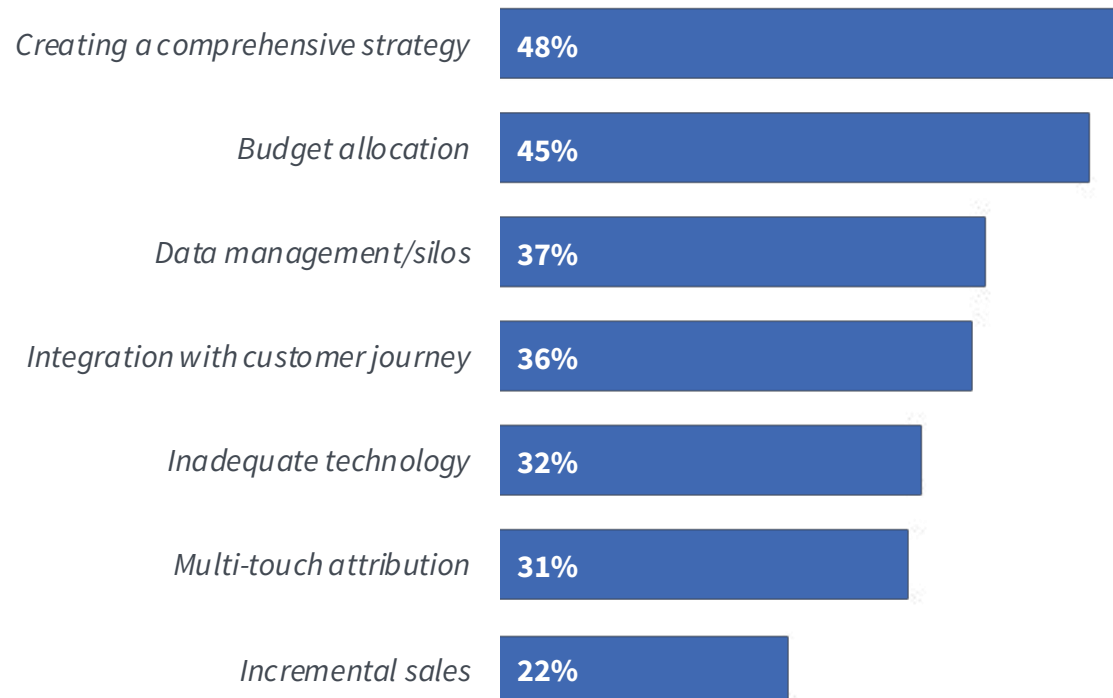
Which best describes the SUCCESS of a performance marketing strategy at achieving objectives?



Greatest Challenges

A performance-based approach provides many benefits for a paid strategy, but marketers also face challenges when executing. **Creating a comprehensive strategy** presents a challenge for half (48%) of marketers surveyed. **Allocating appropriate budget** (45%) as well as **integrating and managing disparate data** (37%) are also top barriers to strategic success.

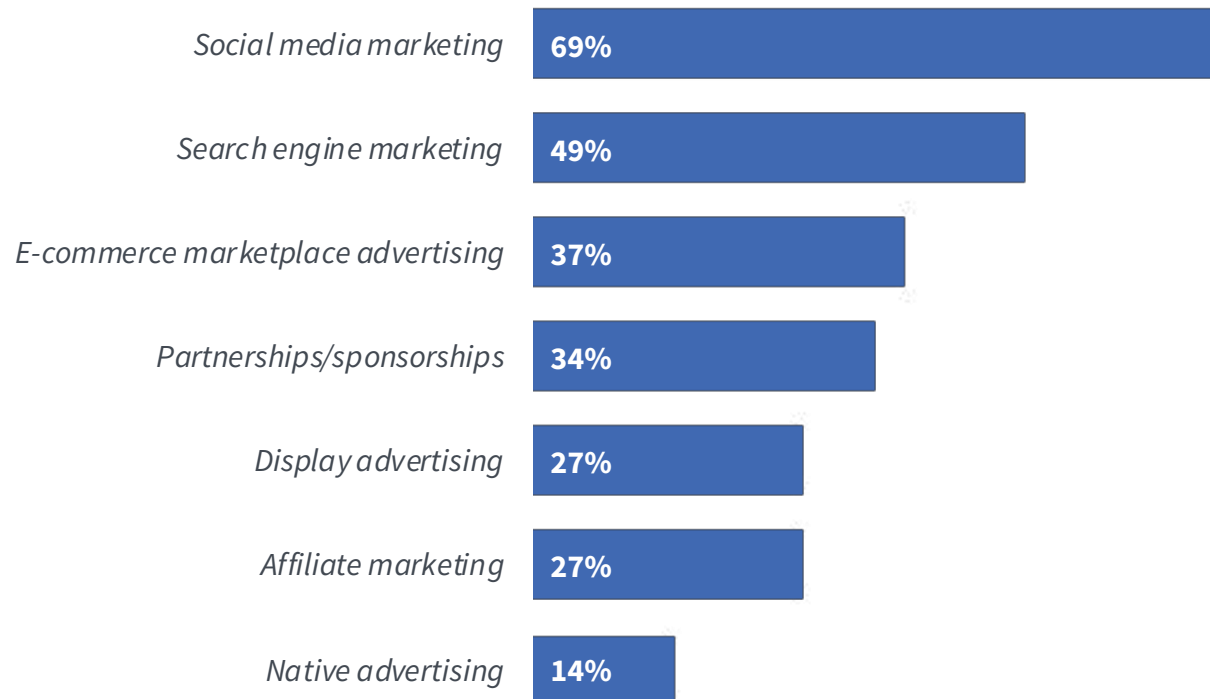
What are the GREATEST CHALLENGES to the success of a performance marketing strategy?



Most Effective Channels

Social media channels are reportedly most effective for executing performance-based programs according to over two-thirds (69%) of marketers surveyed. Search engine marketing and e-commerce marketplace advertising are also considered most effective by 49% and 37% of marketing professionals, respectively.

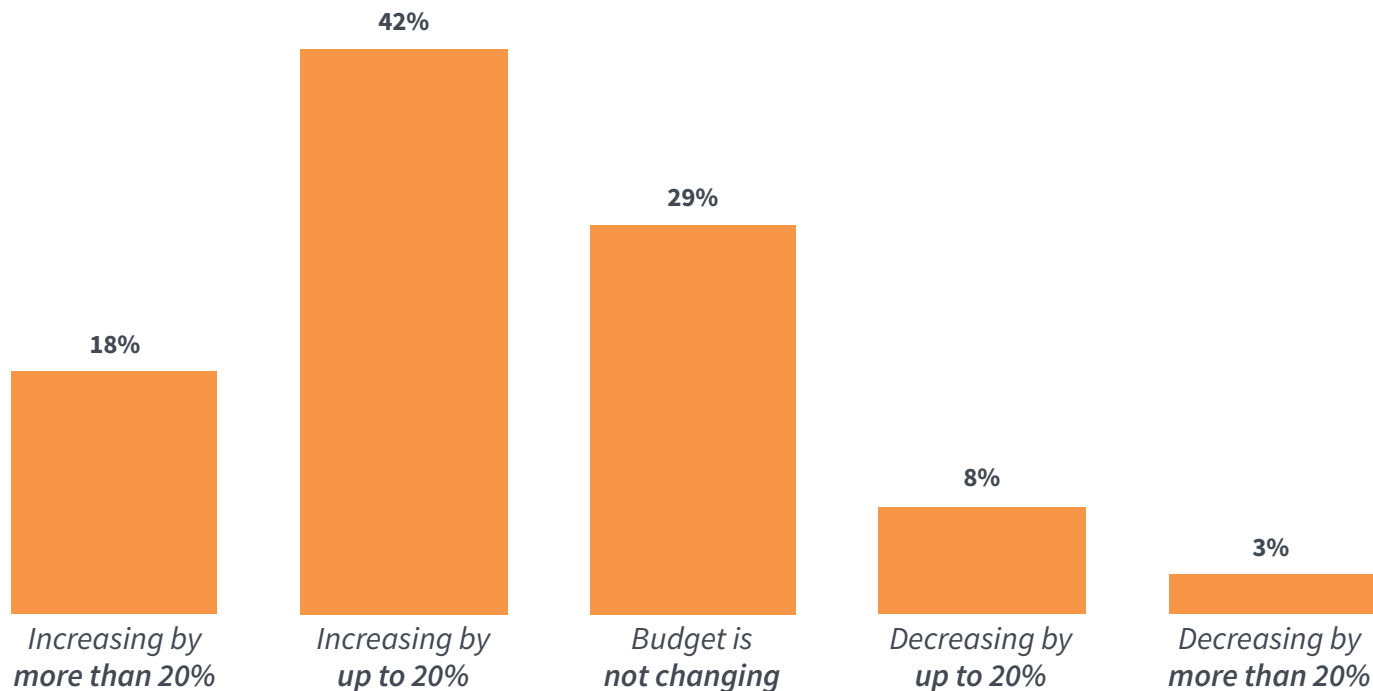
What are the MOST EFFECTIVE CHANNELS for performance marketing campaigns?



Budget Trends

Organizations are investing more in performance marketing in the year ahead. A 60% majority of marketers say their dedicated performance budgets will be **increasing over the next 12 months**, with nearly one-fifth (18%) of marketers reporting that increase will be **over 20%**. Only 11% of those surveyed say their performance marketing budgets will **decrease**.

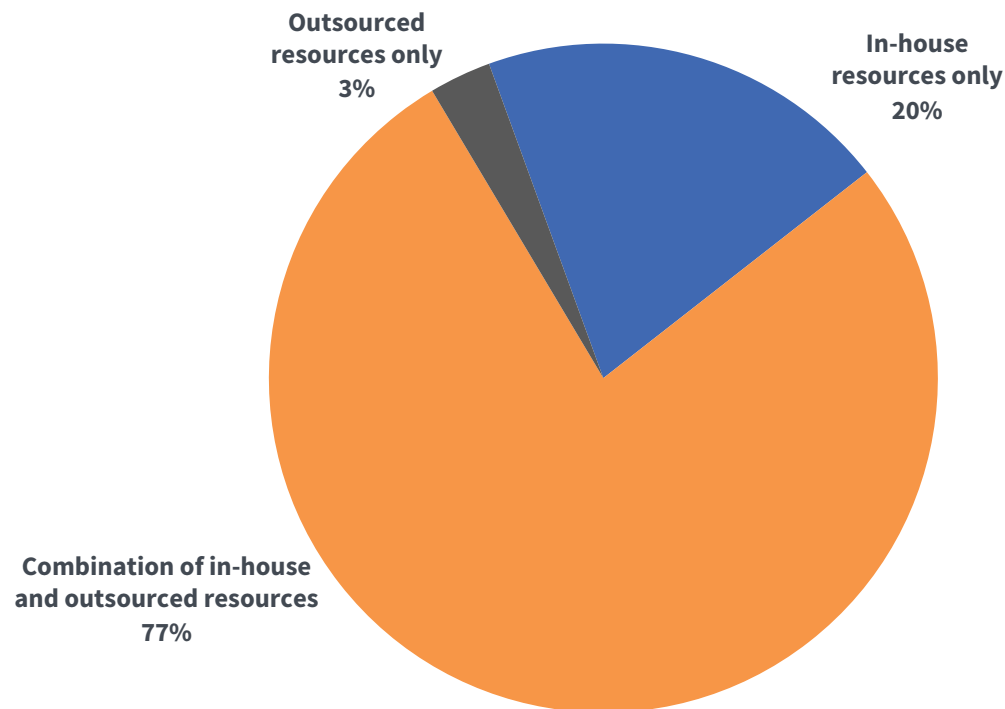
How is DEDICATED BUDGET CHANGING for performance marketing initiatives in the year ahead?



Most Effective Use of Resources

Eight out of ten marketers (80%) surveyed outsource at least a portion of their performance marketing initiatives. 77% believe the most effective way to execute a performance marketing strategy is through a **combination of in-house and outsourced resources**. Of those marketing professionals surveyed, 20% report keeping all performance-based initiatives **in-house**.

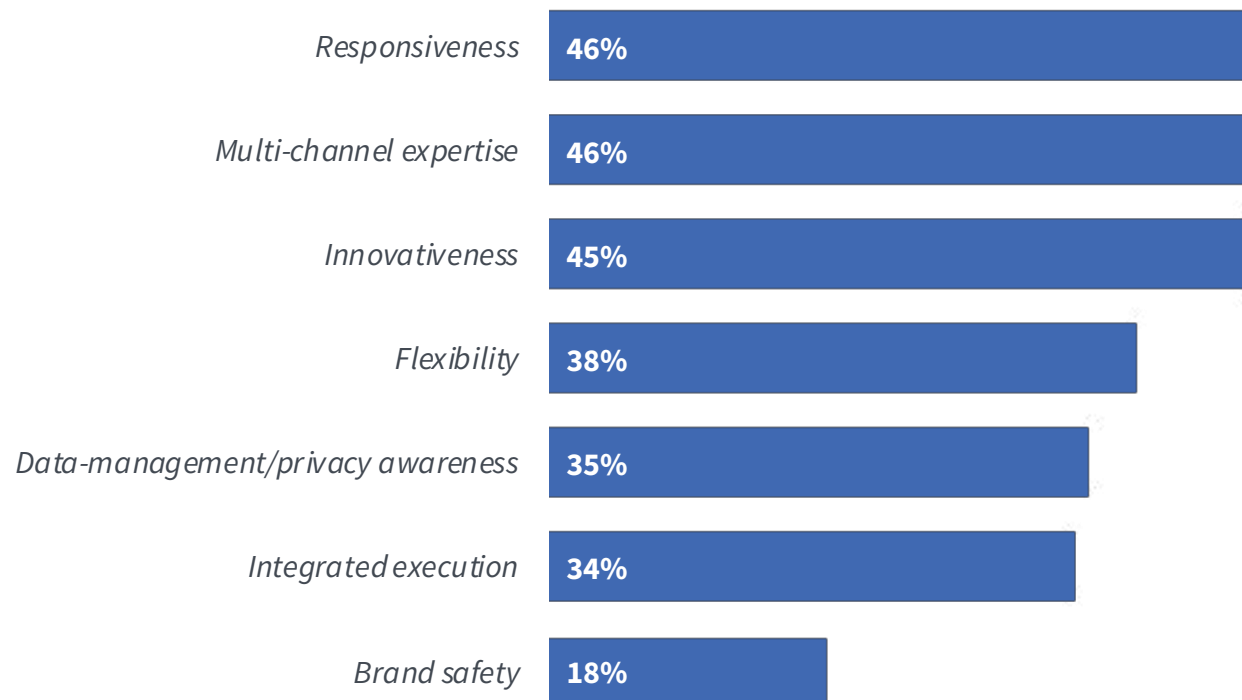
Which best describes the most effective RESOURCES used to execute a performance marketing strategy?



Attributes in an Agency

With a total of 80% of marketers outsourcing performance marketing to some extent, what are the most desirable attributes when working with an agency? **Responsiveness** and **multi-channel expertise** top the list according to 46% of marketers. An agency's **ability to innovate** is also important to 45% of marketing professionals surveyed.

What are the MOST DESIRABLE ATTRIBUTES for a performance marketing agency to possess?





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