



Marketing Benchmark Statistics

The Future of Digital Marketing

Reviewing digital maturity and the development of the 'AI-assisted marketer'

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Part of the Digital Marketing Strategy & Planning Toolkit

CONTENTS

Executive summary	3
Introduction - the pillars of effective marketing	5
About Smart Insights	8
About our Partners, Technology for Marketing and eCommerce Expo .	8
Survey results and recommendations	9
1. Marketing and brand strategy	9
2. Digital marketing strategy and governance	10
3. Data, insight, forecasting and evaluation	12
4. Digital media	13
5. Digital experiences	14
6. Content marketing	15
7. Messaging	16
8. MarTech stacks and AI adoption by businesses	16
Usage of AI in marketing	18
Summary and recommendations	21

EXECUTIVE SUMMARY

THE FUTURE OF DIGITAL MARKETING

Digital marketing is complex and inevitably will only become more so as new technologies and platforms emerge. Today, one of the key questions facing marketers is how they can best harness AI to support digital marketing. To help marketers and businesses navigate this complexity, we have defined seven pillars of digital marketing that are important to future success. In this research report - based on surveying 285 respondents - we reviewed the current and future digital marketing capabilities of businesses across these pillars (including a new section all about MarTech and AI adoption) to help show trends in managing digital marketing and technology.

The majority of participants were from the United Kingdom or the United States, of whom over three quarters were manager-level. This report has fascinating insights, showing a wide variation in adoption of different AI techniques which can help support the 'AI-assisted marketer'.

Main research findings:

1. Strategic approach. The majority of organizations do use a strategic approach to digital marketing, yet surprisingly, just over one third (38%) still don't.

2. Capability benchmark. Business capabilities for the seven pillars of digital marketing were reviewed using a benchmark evaluation (image p.4). Most businesses have limited capabilities, scoring 1 (Initial) or 2 (Managed) on a five-point scale (with an average of 2.4). Most respondents hoped to make significant improvements, taking action to achieve a digital maturity of 3 or higher by the end of 2025.

3. Barriers to increasing digital maturity. Insufficient people resource is clearly the biggest barrier to improving digital maturity (40% agreed), followed by a lack of investment into integrating platforms (23%).

4. Evaluation. Just over half of businesses are using fundamental evaluation techniques, such as using digital marketing dashboards, defined marketing source codes and digital experience assessment. However, around half of businesses aren't using these core techniques and the majority are missing out on techniques such as NPS, customer panels and media attribution.

5. Always-on optimization. A continuous, structured programme of testing is relatively uncommon. The majority of businesses are missing out on the opportunity of using digital insight to test, learn and improve the effectiveness of digital media, experiences, content,

and messaging. Around 15% agreed they had a continuous, structured programme.

6. Media effectiveness. Organic search, email marketing and marketing automation content marketing and organic social media are the most highly rated channels.

7. Digital experiences. The current maturity of managing websites and/or apps was rated as level 1 or 2 by more than 50% of respondents. Use of AI-based website personalization is surprisingly low across all sectors (22%).

8. Digital content. Since 63% of businesses are at level 1 or 2 in the current maturity assessment, this suggests many could be more proactive in this area by creating a content marketing strategy and a control process to evaluate and improve content effectiveness.

9. Generative AI. The use of GenAI has increased dramatically since the previous survey with around two-thirds of businesses using it or planning to use it. Perhaps surprisingly, nearly half of businesses are using it to support plan creation, analysis and reporting, but many are still missing out! Just 17% have an AI governance policy defining how GenAI should be used, but many felt that they should have this.

10. Digital messaging. Despite the universality of email marketing automation, the majority of businesses also rated their capabilities for this pillar at a low level.

11. MarTech stacks. 11%, - a staggeringly small proportion of businesses - have a well-defined MarTech stack, with 50% agreeing they don't have a structured approach to selecting MarTech.



Source: Smart Insights Free digital marketing benchmark template.

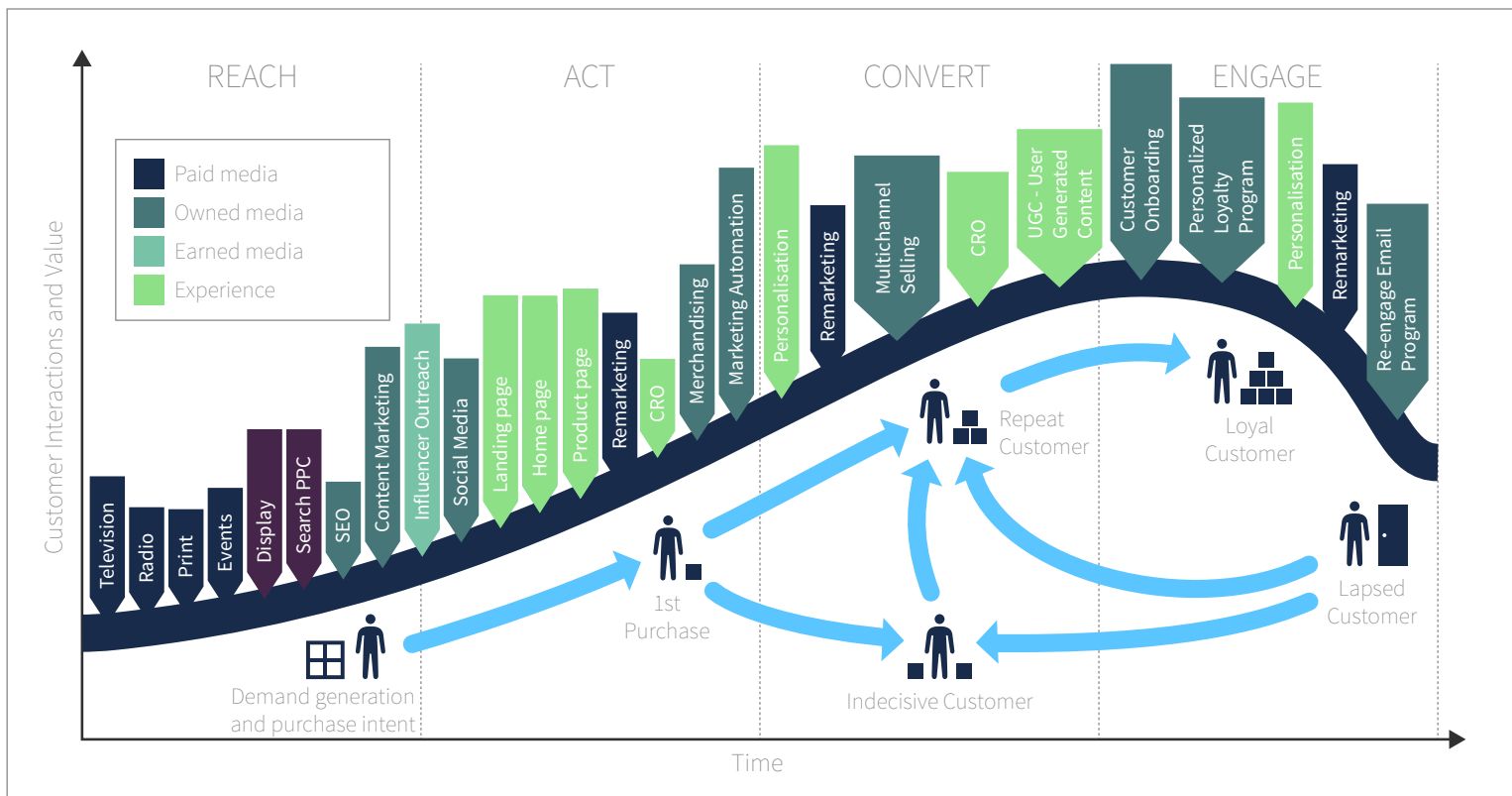
INTRODUCTION

The pillars of effective marketing

Digital marketing is already complex, and as new platforms continue to emerge now and, in the future, it is likely to get even more complex. Take the recent rapid adoption of Open AI ChatGPT and Google's AI Overviews, as examples.

Marketers also have to contend with the complexity of the many channels we need to track in our analytics, such as organic and paid search, social media, display, and email marketing.

The Smart Insights visualization of the B2B customer lifecycle below shows the opportunities for harnessing different digital marketing channels to encourage lead generation, nurture, and purchase. It also highlights the challenge of managing the always-on marketing activities that need continuous focus to maximize conversion in the face of fierce competition.



Source: [Smart Insights blog: What is customer lifecycle marketing?](#)

The 7 pillars of digital marketing

Given this complexity, to consider the future of digital marketing and to set future strategies and plans, it helps to simplify by reviewing the main areas of marketing investment and the success factors for gaining return on this investment. To help with this simplification, we have defined seven pillars of digital marketing that are important to future success. In this research, we have reviewed how these activities are managed by asking marketers for their views to provide a comprehensive view of the future of digital marketing that is relevant to businesses of all types.

In the research, we asked marketers to rate their capabilities and AI use across these pillars, which have the following aims:

- 1. Marketing and brand strategy.** Ensuring digital marketing investment is aligned with and impacts business and marketing strategy, since, particularly in larger businesses, it is vital digital activity is integrated rather than existing in 'silo'.
- 2. Digital marketing strategy.** Since digital marketing is complex and vital to future success, it requires its own plan covering aims, strategy and how to deliver them using investment in communications, people, and marketing technology. This need for clarity is why many larger organizations run digital transformation programmes.
- 3. Data and insight and evaluation.** Best practice is to define which targets are set for digital contribution to a business and how success is tracked, for example, through digital marketing dashboards. Improving the quality of customer insight and the MarTech required to collect and analyze this is also important.
- 4. Media.** Growing awareness for customer acquisition through investing in and integrating digital and traditional paid, owned, and earned media.
- 5. Content marketing.** Creating quality content to improve the effectiveness of digital media, experience, and messaging. We believe that content marketing requires its own dedicated plans and control processes to ensure it is effective in supporting all the modern marketing activities it fuels.
- 6. Experience.** Continuous focus on improving customer journeys across the website, mobile apps, offline touchpoints, and relevant mixed reality innovations is vital to engage and convert interest generated through media to leads and sales.
- 7. Messaging.** Using direct or 'conversational' communications channels such as email, mobile notifications, and chat to engage and persuade audiences is still effective. Both automated, personalized and campaign messaging also require a structured approach to improve their effectiveness.

Research aim and methodology

At Smart Insights we believe that successful marketers look beyond chasing every latest technology innovation, instead developing a more strategic, yet agile, data-driven approach based on optimizing communications for key customer touchpoints. So, in this research we wanted to go beyond reviewing the digital marketing tactics deployed and explore the strategic approaches businesses take to manage the transformation needed to improve the commercial contribution of digital marketing integrated with all marketing activities.

To achieve this aim, we surveyed Smart Insights members who are based around the world and attendees of the [Technology for Marketing](#) event who are based in the UK and Europe. The survey was completed online during June-July 2024. Thank you to everyone who took the time to share their experiences of digital marketing.

There were **285** respondents in total, with the majority coming from the United Kingdom or the United States. Over three quarters of respondents were manager-level including CEO / COO / Chairman (12%), Head of Department (18%), other Managers (30%) and Owner/Proprietor (10%).

ABOUT THE AUTHORS

About Smart Insights

Smart Insights is a self-service digital marketing improvement platform that supports individuals, teams, and organizations to plan, manage and optimize their marketing. We provide actionable templates, Standard Operating Procedures and learning across the full customer lifecycle to develop skills, improve marketing processes and deliver results.

Each year, over 2 million marketers, consultants, business owners, and students use our blog, templates, and digital marketing essentials newsletter to stay updated on marketing best practices and developments.

Thousands of Individual and Business Members from over 170 countries use our premium planning and management toolkits, templates, guides, and digital Learning Paths to map, plan, and manage their marketing using the [Smart Insights RACE Growth system](#).

Recommended Smart Insights resources:

- [Free RACE 90-day digital marketing planning template](#)
- [Digital marketing strategy planning toolkit](#)
- [Marketing campaign planning toolkit](#)
- [All resources](#)



About our Partners, Technology for Marketing and eCommerce Expo

[Technology for Marketing](#) and [eCommerce Expo](#) is excited to welcome you on 18-19th September 2024 at ExCeL London!

Be a part of the latest conversations happening in MarTech and eCommerce, gain exclusive insights from over 300 leading brands and retailers, and connect with 12,000+ pioneers in the industry to find inspiration from those who shape your favourite campaigns.

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You can also hear **Dr. Dave Chaffey** of Smart Insights present these survey findings and his recommendations at the Technology for Marketing event. [Attend Dave's session](#).

SURVEY RESULTS AND RECOMMENDATIONS

1. Marketing and brand strategy

Given the current and future importance of digital marketing to all types of organizations, it's a clear best practice to use a strategic approach, so that digital marketing activities are prioritized, costed, and integrated with your overall marketing and brand strategy. A simple test of whether a strategic approach is being used is whether there is a defined plan for digital marketing.

Does your organization have a clearly-defined digital marketing strategy?



Shockingly, nearly half (42%) of businesses don't have a digital marketing strategy, but they *are* doing digital marketing. Over the fifteen+ years we have been researching adoption of planning, we have found the percentage of businesses without a planned approach has remained similar, suggesting there are significant barriers to integrating planning in organizations.

It's good to see that more than half of businesses do have a strategic approach. The ultimate aim should be to use an integrated approach, but it can be useful initially to have a dedicated digital strategy in larger organizations, or to plan for and make the case for more investment in digital marketing before it becomes integrated.

Recommended resource: [RACE Digital Marketing Learning Path and templates](#)

2. Digital marketing strategy and governance

Whether companies are able to reap the potential of digital channels depends on whether they have the right capabilities in place in the business for all the digital touchpoints that need to be managed. Capabilities for the seven pillars of marketing success can be reviewed for different businesses between one (low maturity) to five (maximum maturity) using the digital maturity benchmark evaluation featured in the [Executive Summary](#) (p.4) of this report.

Results for businesses in our survey show that, across all pillars, around half of businesses are rated at lower levels of 1 to 2 (average 2.4), showing clear room for improvement.

For context, for small and medium businesses with limited resources, we recommend that level 3 is a suitable aspiration to compete. For businesses who have a high digital contribution where online leads and sales are vital to their success, we recommend that levels 4 and 5 are necessary if the case for investment is made.

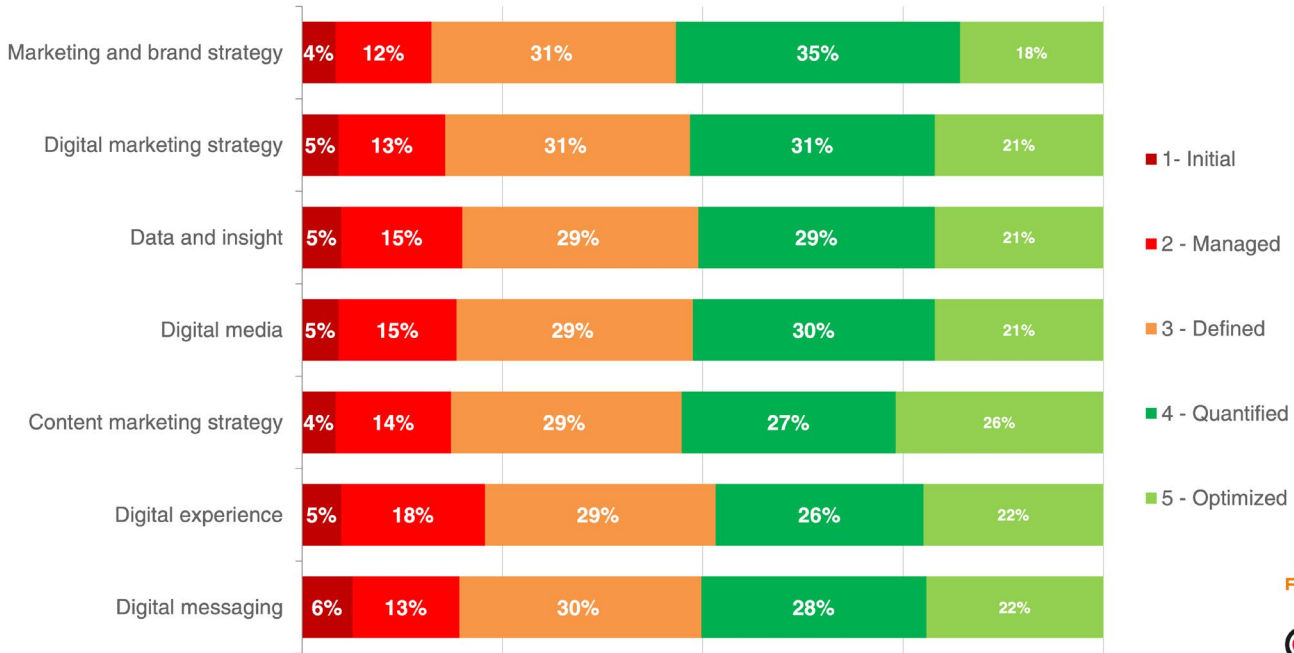
CURRENT digital marketing maturity rating



Next, to gauge how businesses are looking to improve their capabilities in the future, we asked respondents to repeat the analysis for 2025.

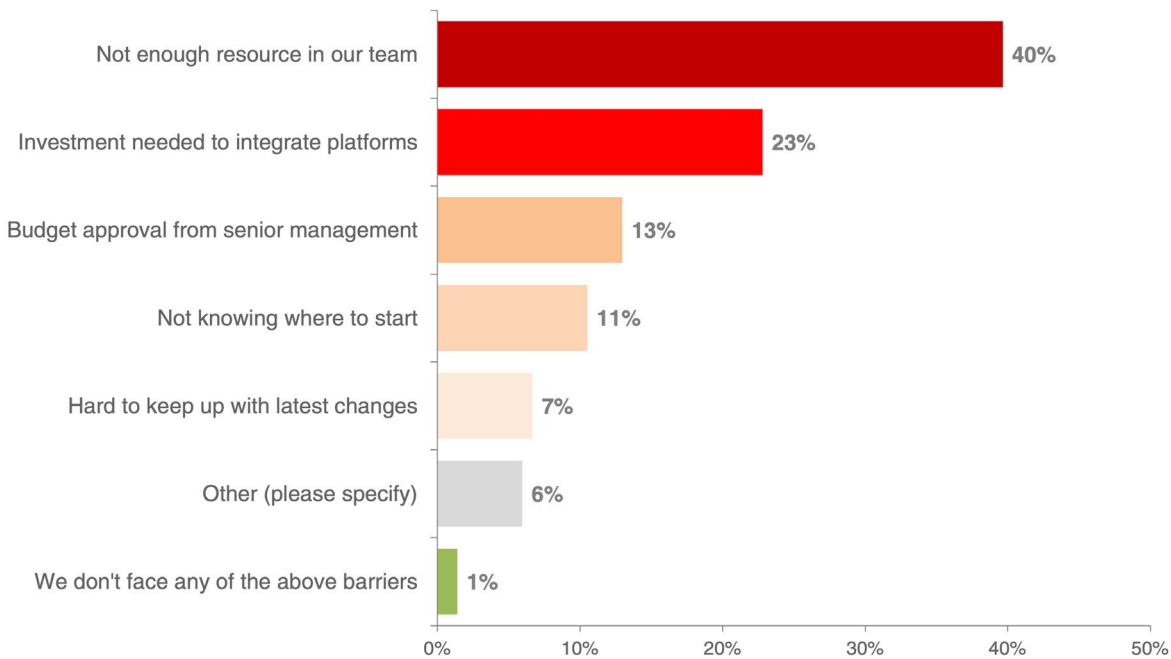
The stark contrast between the two charts suggests that many of the businesses at levels 1 and 2 are conscious that they need to improve their capabilities and are planning to invest to achieve a higher-level next year.

Future digital marketing maturity rating



Of course, it's human nature to aspire to improve, but it's likely that there will be barriers that prevent this degree of improvement for many businesses. So next, we asked about the barriers that could limit improving digital maturity. To highlight the most significant challenges we asked about the single most important barrier.

What is the main barrier you face when improving your digital marketing maturity?



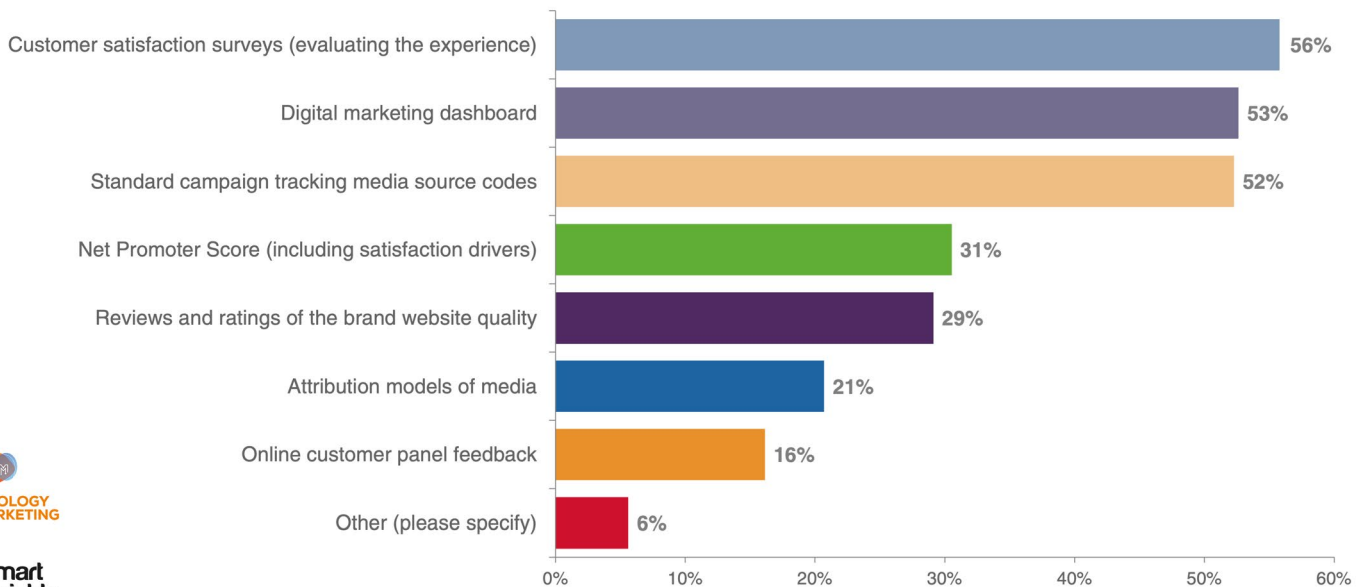
You can see that insufficient people resource is clearly the biggest barrier, followed by investment into integrating platforms. This suggests a need to gain buy-in from budget-holders. Plus, despite advances in AI, human resources are still needed to plan, manage, and optimize the complex always-on lifecycle and campaign digital communications we highlighted in the Introduction of this report.

3. Data, insight, forecasting and evaluation

Smart Insights believe in an insight-based, data-driven approach to improving digital maturity through harnessing the insights that are available through digital analytics and dedicated research into the digital experience. Our RACE Growth System involves setting targets for leads, sales and profitability based on detailed forecasts which are based on channel conversion models.

To understand the extent to which businesses are using data-driven approaches, we asked about different evaluation techniques for assessing digital media and multichannel experiences.

Which evaluation techniques do you use to assess digital media and multichannel customer experiences?

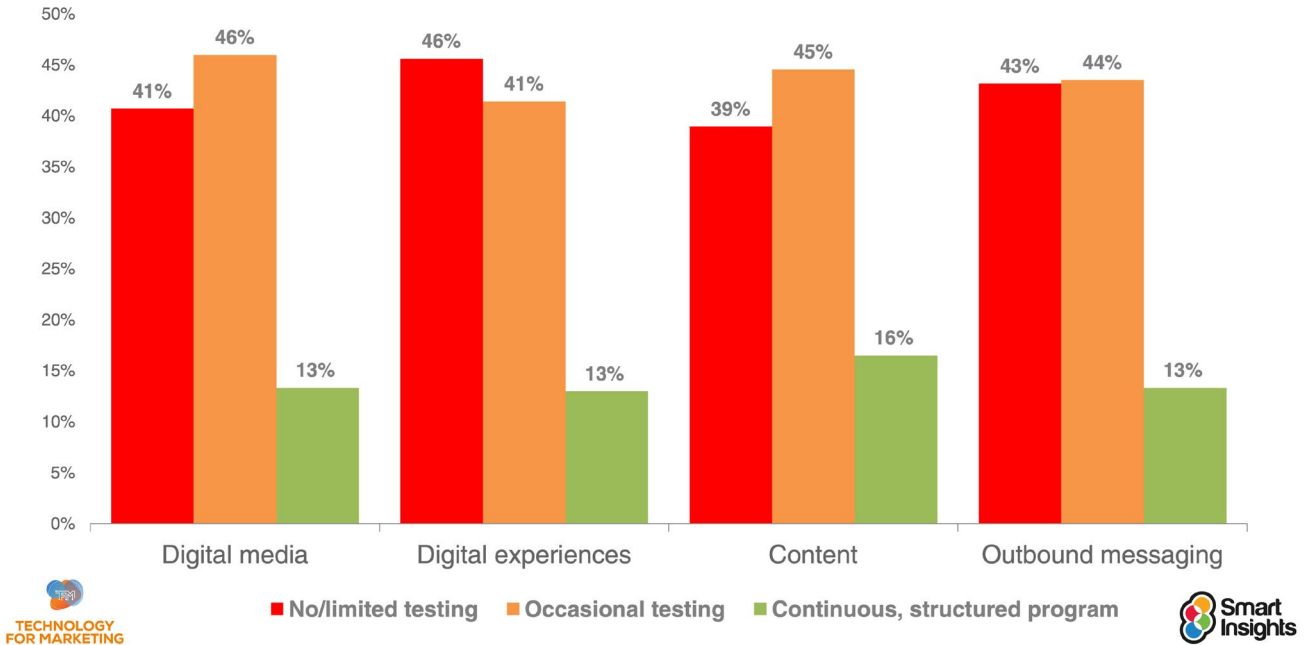


Just over half of businesses are using fundamental evaluation techniques, such as using digital marketing dashboards, defined marketing source codes and digital experience assessments. However, this shows that around half of businesses aren't using these core techniques and the majority are missing out on the other useful techniques mentioned such as NPS, customer panels and media attribution.

To assess the extent to which insight is used to test, learn, and improve the effectiveness of digital media, experiences, content and messaging, we asked marketers to categorize

their approach to testing for each. There is a similar level of testing across all four of these pillars.

Rate how often your organization uses optimization for these 'always-on' or campaign activities



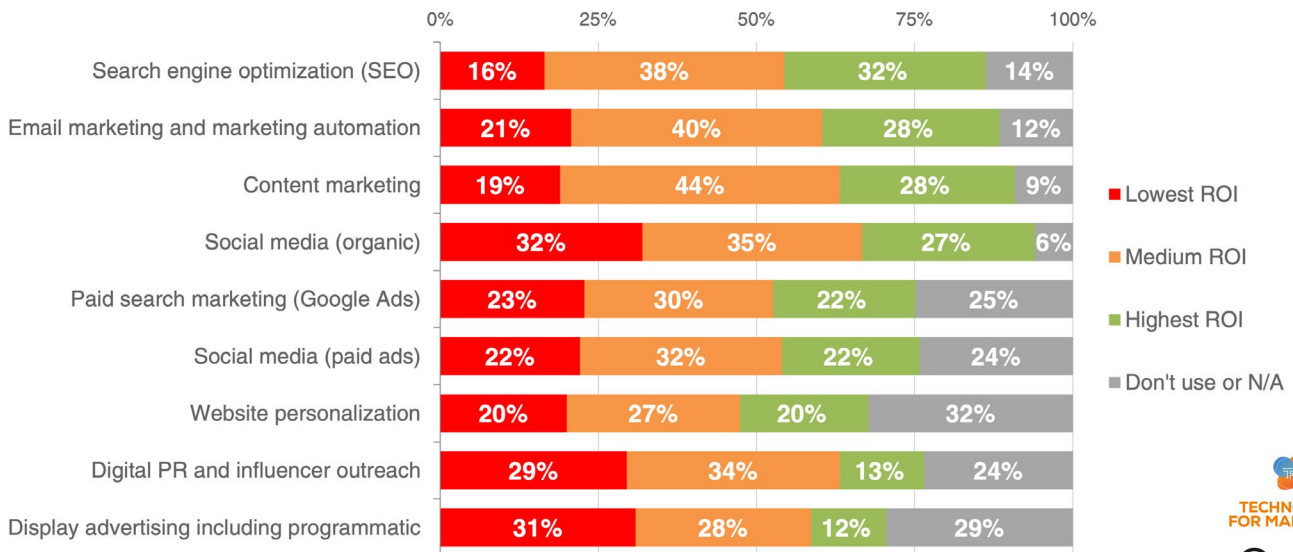
The standout finding from this chart is that a continuous, structured programme of testing is relatively uncommon, despite the often-touted benefits of digital media being ‘the most measurable’. Kudos to the fewer than 20% of companies that already have a continuous programme in place, and to those that at least test occasionally (around half of businesses)!

4. Digital media

Although there are many types of digital platforms to reach and engage audiences, these need to be simplified when developing a media strategy into the main channels which we then measure in Google Analytics, using different values of utm_medium.

We asked marketers to rate different ‘marketing channels’ in three categories of ROI to understand their effectiveness. In this analysis, we sorted the data by the channel with the highest ROI rating.

Please rate these digital marketing channels for their relative ROI (Return-on-Investment) expected for your business in 2024



Across the businesses surveyed, organic search, email and marketing automation, content marketing and social media are rated most highly, showing that inbound marketing is still highly rated. But paid media techniques, such as paid search and paid social media, aren't far behind with around half of businesses achieving high or medium ROI from these.

Finally, with the lowest ROI we have digital PR and display advertising, which nevertheless still remain vital for brands serving markets where there isn't a high-level of search intent or social media engagement is challenging.

5. Digital experiences

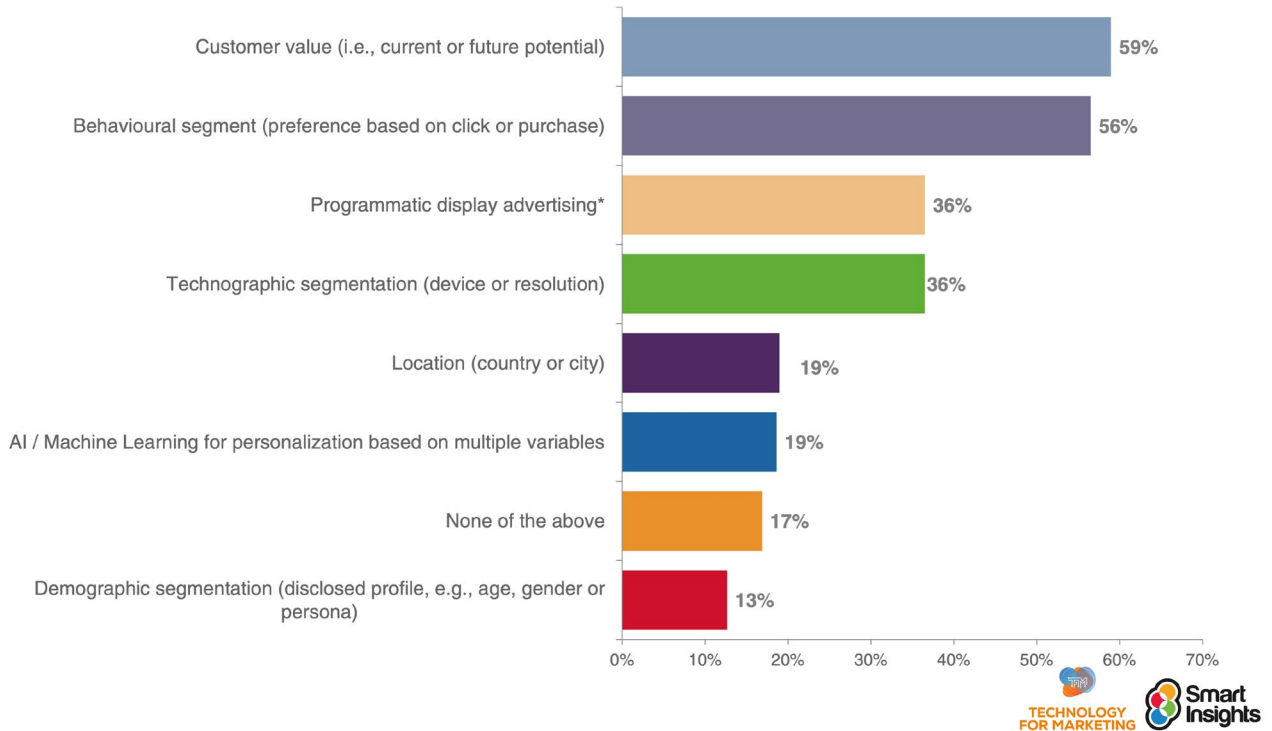
The current maturity of managing websites and/or apps was rated as level 1 or 2 by more than 50% of respondents, suggesting many businesses need to improve in this area. This was reinforced by the assessment of always-on optimization which showed that around half of businesses didn't perform any website testing.

The previous evaluation of channels included website personalization, which isn't strictly a channel. It is perhaps surprising that web personalization rates relatively low in the previous chart, but this could be because of the cost of the marketing technology required to deliver this. It can be useful to treat website as a channel for measurement purposes. For example, at Smart Insights, we use the conversational marketing tools Intercom and OptInMonster to engage audiences and showcase our templates for marketers. Measurement for these is integrated into Google Analytics 4 so that we can understand how interactions with these channels affected the path-to-purchase.

To gain more insight on personalization and other methods for delivering more

relevant messages across customer journeys, we also asked participants to say which techniques they used. Basic targeting based on segmentation practices, such as demographics, location, behaviour, and value, are widely used. Using AI-based targeting was surprisingly low since it was only used by 19% of respondents.

Which online targeting techniques do you use to serve personalized content and/or offers via ads or on-site personalization?



6. Content marketing

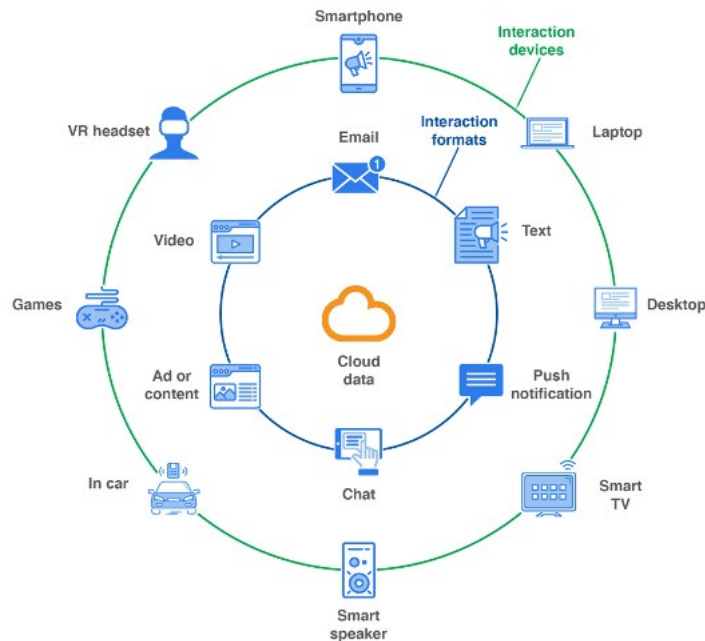
We selected content marketing as one of our pillars of effective digital marketing since we see it as the glue that integrates and fuels all digital tactics. This means that it is important to have a proactive approach to managing content as a valuable resource and asset in your organization. Therefore, having sufficient resource to evaluate content effectiveness across the customer journey and prioritize and make recommendations for future content improvements is necessary. Since 57% of businesses are at level 1 or 2 in the current maturity assessment, this suggests many businesses could be more proactive in this area by creating a content marketing strategy and a control process to evaluate and improve content effectiveness.

Recommended resource: [Content Marketing Learning Path](#)

Since many businesses are experimenting with Generative AI using large language models such as GPT for writing copy, we also asked about the applications of GenAI. This is covered in the final section of this report.

7. Messaging

Digital messaging techniques are powerful since brands can interact directly with individuals to deliver relevant personal communications based on insight - about individuals or groups of similar people - which is typically stored in the cloud or inside a company within multiple databases. The visual below summarizes the range of online messaging techniques for interacting directly with audiences that are available.



Considering email marketing, which remains a vital channel, the Radicati Group forecasts that the total number of worldwide email users, including both business and consumer users, will grow from **over 4.3 billion in 2023** to **over 4.8 billion by 2027**. They note that email is still the most pervasive form of electronic communication for both business and consumer users, so it is a key technique alongside mobile text and push notifications and other emerging formats.

The success of email marketing and other messaging techniques - such as mobile push notifications - are dependent on the marketing technology used to integrate different systems, such as web profiling and interactions with email tracking. The use of Customer Data Platforms (CDPs) in larger businesses shows the future importance of collecting insight about the customer journey, and how it can be used to deliver more relevant messages within the privacy constraints.

8. MarTech stacks and AI adoption by businesses

Being successful in messaging, media and digital experiences requires selecting the best marketing technology to form a MarTech stack. Our MarTech infographic summarizes potential tools available to help manage lifecycle marketing activities.



Source: Smart Insights - Essential digital marketing tools

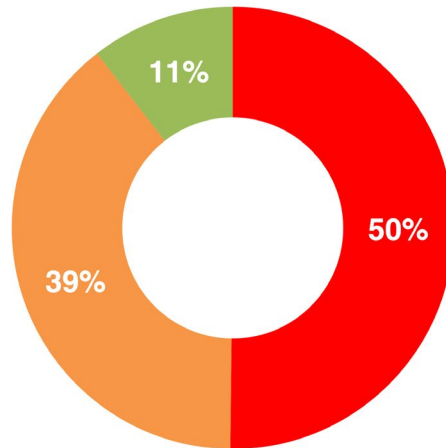
Selecting the most relevant MarTech is challenging since there is a bewildering choice of MarTech available to support different parts of the customer lifecycle with the practical challenges of how to integrate the insight from each. There is also the implication of achieving RoMT – Return on Marketing Technology investment.

In our research, we didn't review the specific MarTech used, instead we asked our respondents how well-defined their approach to selecting MarTech was. The responses show that 11%, a staggeringly small proportion of businesses, have a well-defined MarTech stack. It's perhaps not surprising when we consider the sheer number and changing options for MarTech SaaS (software as a service) available.

Scott Brinker's Supergraphic catalogues over 14,000 tools. We recommend his Stackies to review visual representations of MarTech stacks.

Recommended resource: [Selecting a MarTech stack](#)

Do you have a clearly defined MarTech stack?



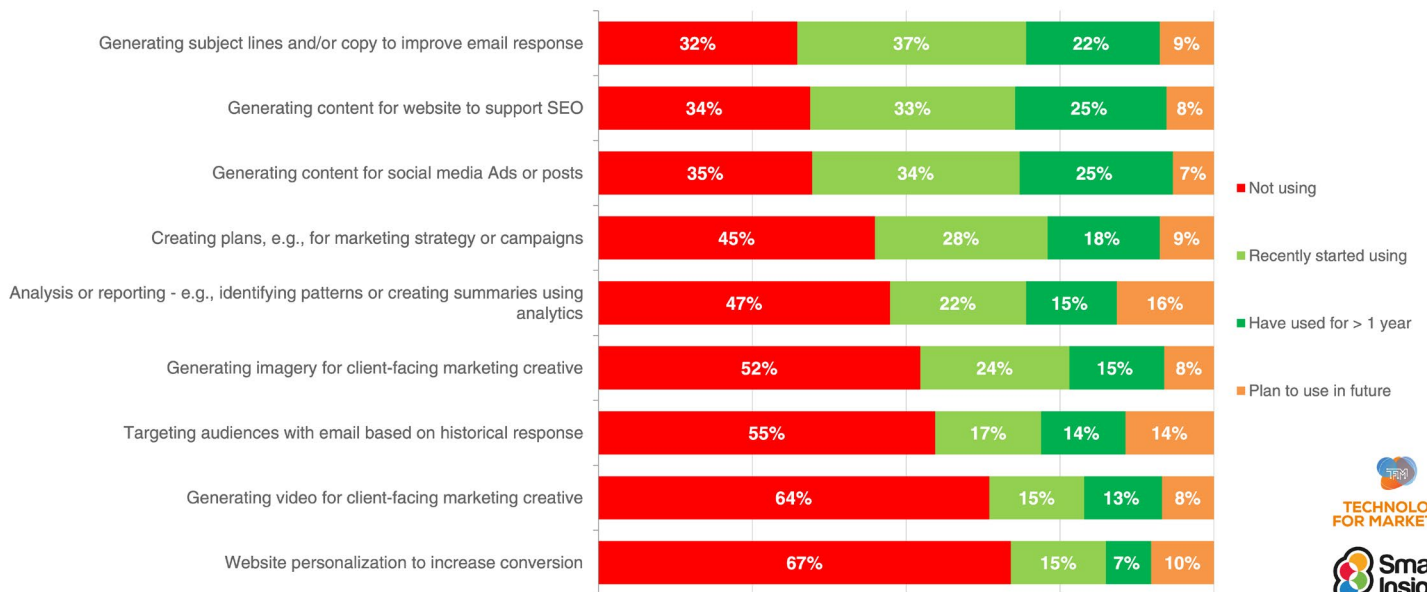
- We don't have a structured approach to selecting and integrating MarTech
- We have significant gaps in our ideal MarTech stack
- Our MarTech stack is well-defined and we review opportunities to refine it



In this report, we asked about a wide range of applications of AI in marketing, since AI can support the 'AI-assisted marketer' in so many ways beyond Generative AI for copywriting. For example, to support with planning and reporting.

The most common applications of AI were, nevertheless, using it to support copywriting for email marketing, organic search and social media. Over one half of respondents were using it for these purposes.

Current use of AI in marketing for these applications



The next most popular applications were for creating plans, analysis and reporting. Use of GenAI and video was slightly behind, perhaps reflecting that the quality of these wasn't sufficient or there is a preference for working with existing suppliers.

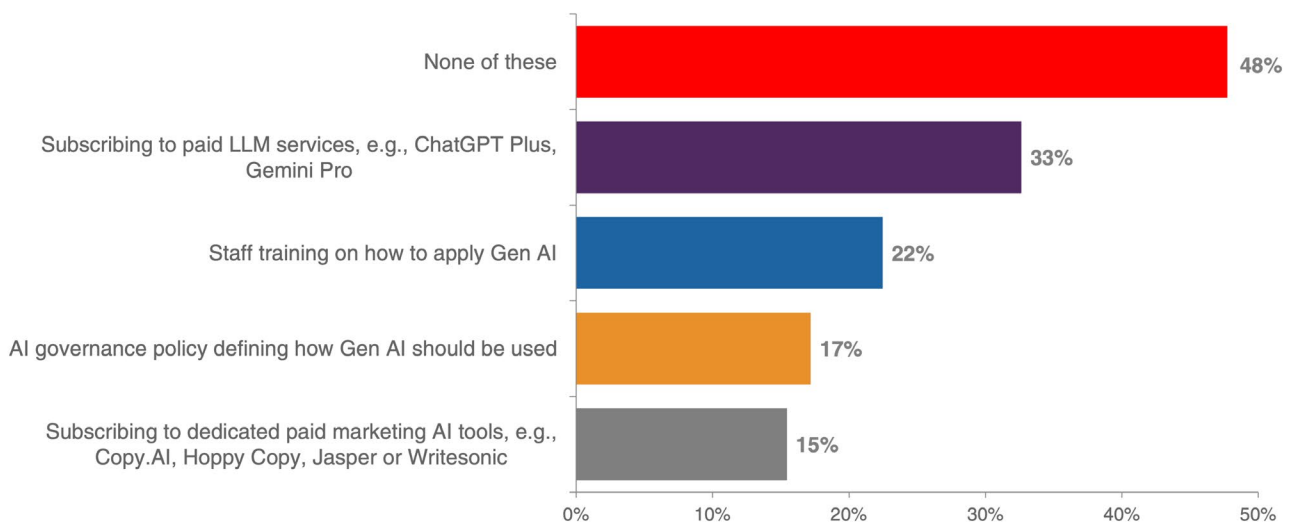
Recommended resource: [Our AI for Marketing Learning Path](#) covers both strategic and practical guidance for using AI for copywriting, including many examples of templated prompting approaches that can be used in ChatGPT.

The widespread use of AI raises big questions about how the use of AI is managed and controlled. For example:

- ☑ How is copy tailored to the brand tone-of-voice? For example, using Custom Instructions in ChatGPT
- ☑ Who checks the quality of copy and what is acceptable?
- ☑ Which tools are provided?
- ☑ Is there a governance policy to review these activities?

So, in this year's report we also asked about the management activities that were used for Generative AI. One-third of businesses subscribed to paid services, showing that businesses are seeing the benefits of paid services which have more functionality and more advanced Large Language Models. Use of dedicated AI services for marketing are less common, (around 15%).

Which of these Generative AI management techniques are you using in your business currently?



Use of training is relatively rare, as is developing a governance policy. We believe it is essential for businesses of all sizes to have a document that defines the process, tools and best practices that are used for AI to ensure that communications effectiveness

and efficiency are improved by AI. Although many said that there were no set processes or the approach was ad-hoc, good practices were suggested by these quotes taken from the research:

- ◆ *“We have just implemented a use policy, restricting use of certain platforms whilst we trial AI across the company.”*
- ◆ *“In my organization, we consistently review and update the roles, processes, and best practices in place to ensure the effectiveness of AI use in marketing, resulting in a high rating for our control mechanisms.”*
- ◆ *“We are integrating with existing teams and roles but with a focused cross functional team who are working on specific use cases and are well funded.”*
- ◆ *“Head of marketing, supported by team members responsible for ecommerce, eCRM, performance marketing, content and social media. No best practice in place but agency advice and collaboration on potential use is ongoing.”*
- ◆ *“In my opinion, managing AI based on training is most important so everyone knows how to use the AI tools and how to send the right prompts is the key!”*
- ◆ *“This is a collective responsibility for the leaders of the organization to create clear, ethical policies and guidance around how AI is being used by the organization.”*

Recommended resource: [AI governance policy](#)

SUMMARY

The world of digital marketing has always been fast-paced, and as new platforms and AI tools join the market, it looks like this is not about to slow down any time soon. In order to keep your business competitive and successful, it is important to carve out the time to create a strategic approach to your marketing to ensure you are making the most of all the opportunities available to you to grow your business and meet ever-evolving customer need.

While adopting and building an effective MarTech stack can really help you deliver an omnichannel experience for customers, this survey has also highlighted how we cannot underestimate how important investment in human resource is now, and in the future, to deliver effective, optimized digital marketing.

We hope you have found this report helpful in benchmarking your current marketing and identifying where you can look to invest time and resource in your business.

At Smart Insights we have a wealth of resources to help you develop your digital marketing strategy, optimize your tactics, upskill your team and grow your business.



The RACE Framework

Create strategies and plans with the RACE Framework and grow your business with 70 standard operating procedures for marketing.

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We'd love to show you how Smart Insights can support you and help grow your business through a short, no-obligation call.

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