

Content is truly king in marketing!

Author : Kate Maddox

Date : September 7, 2015



How CMOs Are Spending Across The Customer-Buying Cycle

More than half of marketers plan to boost **marketing** budgets, and content is making up the biggest piece of the pie, according to a new study by **IBM** and the **CMO Club** -- an organization of CMOs at b-to-b and b-to-c companies.

The report, "[Marketing is a \(Buyer\) Journey, Not a Destination](#)," was based on an online survey of 100 CMOs. It found that 57% of CMOs plan to boost **marketing** budgets over the next two to three years.

Content development will make up the largest portion of the **marketing** budget (13.3%), followed by traditional **advertising** (11.5%), the study found. Other top areas of investment will be online **advertising** (11.1%), events (10.9%), **website** development (10.5%) and public relations (9.6%).

"The number of different channels and devices continues to proliferate, and each requires its own types of content," said Jay Henderson, director of strategy at **IBM Commerce**. "Mixed in with that is the customer's desire to be treated as an individual, with personalized content. There is a steady drumbeat around content for more channels, and for content to be more personalized."

The study also looked at how **marketers** are allocating spending across the different stages of the customer's buying cycle, and the top types of content they're investing in during each phase.

"CMOs are really focused on investing across the customer journey," Mr. Henderson said. "They are looking at more sophisticated ways of experimenting with different channels at different user stages to drive revenue."

PC maker Lenovo, for example, has been investing in video content at [different stages of the customer journey](#).

"Our goal has been to create shorter, snackable content and have video placed throughout the funnel, not just at the top of the funnel," said Michael Ballard, senior manager-digital marketing

at Lenovo.

Marketers currently spend 20% of their budgets on the "discover" phase, when customers are just beginning to search for products or services, the **IBM** study found. In the discover phase, the top channel they use is social, followed by website, email, **digital** and events. (The study did not break out video as part of the **digital** content.)

A separate [CMO Survey released last week](#) by Duke University's Fuqua School of Business also found that marketers plan to boost their spending on social media, and that in five years, social will make up 23.8% of **marketing** budgets.

After the discover phase, according to the **IBM** study, CMOs allocate 16% of their budgets to the "learn phase," when consumers are doing more research and learning more about companies and products. The top channel they use for this stage is social, followed by email, website, digital and apps.

Marketers spend another 16% on the "try" phase, when prospects try out and compare different products and services,the study found. **Social** is once again the top channel for this phase, followed by email, website, apps and **digital**.

For the "buy" phase, when customers actually make the purchase, **marketers** allocate 21% of their budgets to this area, and their top investment area is their website -- the only stage in which social is not the top channel used.

Marketers allocate another 13% to the "use" phase, when customers are using the products and services and need additional support, again spending most on **social** content, followed by email, website, events and apps.

Finally, for the "advocate" stage, when customers are recommending products and companies to friends and others, **marketers** allocate 14% of their budgets to this area and spend the most on social content, followed by email, website, apps and digital.