



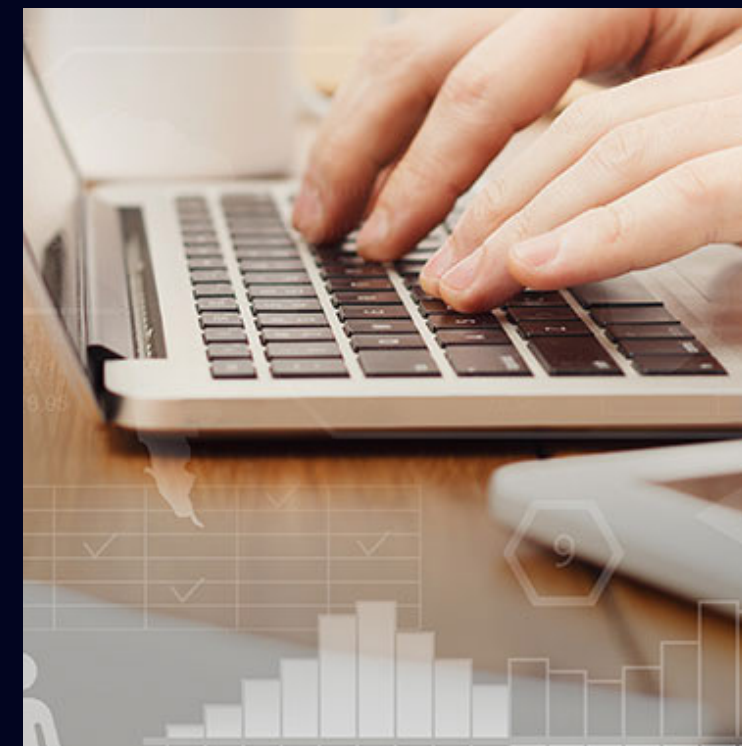
What's Next in Digital Marketing?

20 Digital Marketing
21 Industry Report



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A woman with blonde hair and glasses is sitting at a desk, smiling. She is holding a pen in her right hand. On the desk, there is a laptop, some papers, and a cup. The background is slightly blurred, showing a bookshelf and some office equipment. The overall tone is professional and positive.

Key Takeaways

Key Takeaways

With marketing trends and best practices constantly changing, Pyxl surveyed marketing and business professionals to understand the state of digital marketing for businesses in 2021. To help prepare for the new year, this survey report is intended to provide businesses with valuable insights into the emerging digital trends and 2021 marketing predictions.

Here are the key takeaways for marketing in 2021:

1 COVID has had a big impact on businesses in terms of budgeting, understanding consumer behavior, and preparing their marketing strategies for 2021.

2 Businesses are shifting focus to digital marketing and using a variety of tactics to keep up with competitors and the online expectations of their consumers.

3 Businesses are utilizing various marketing software solutions to help streamline their marketing efforts.

Continue reading the report for a deep dive into the data collected and to start preparing your digital marketing strategy for 2021.





Different Marketing Teams & Structures

Different Marketing Teams & Structures

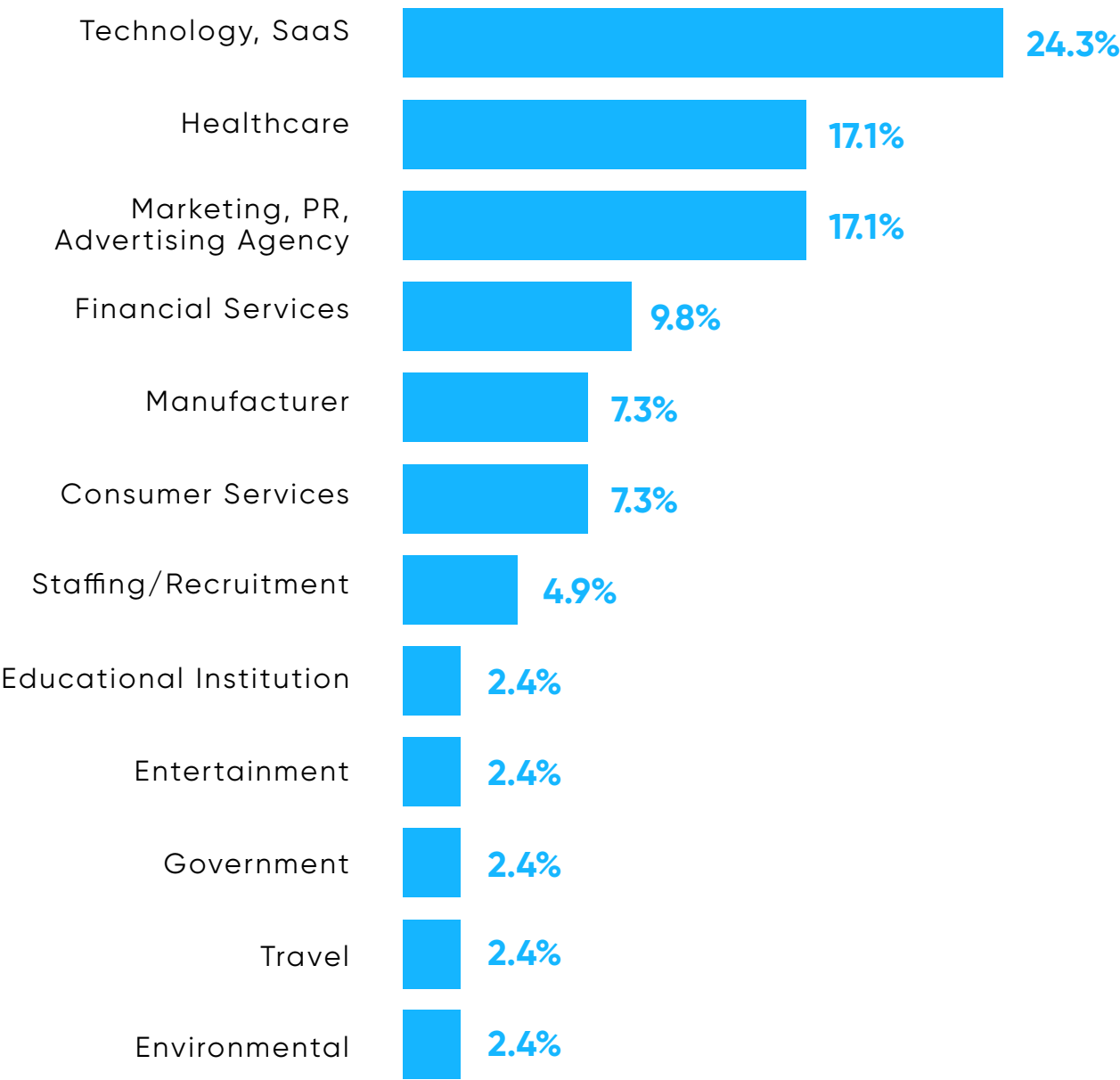
To begin the report, it's important to note that there is no such thing as an ideal marketing team structure. We surveyed businesses from a variety of different industries, marketing team sizes, and make-ups.

While each team is dependent on their industry demands, number of team members required, and the resources and skill sets needed to accomplish their unique goals, an overall commonality from each business was their **perceived value towards digital marketing and the need to restructure their strategy to align with the current landscape.**

The average marketing team size going into 2021 is:

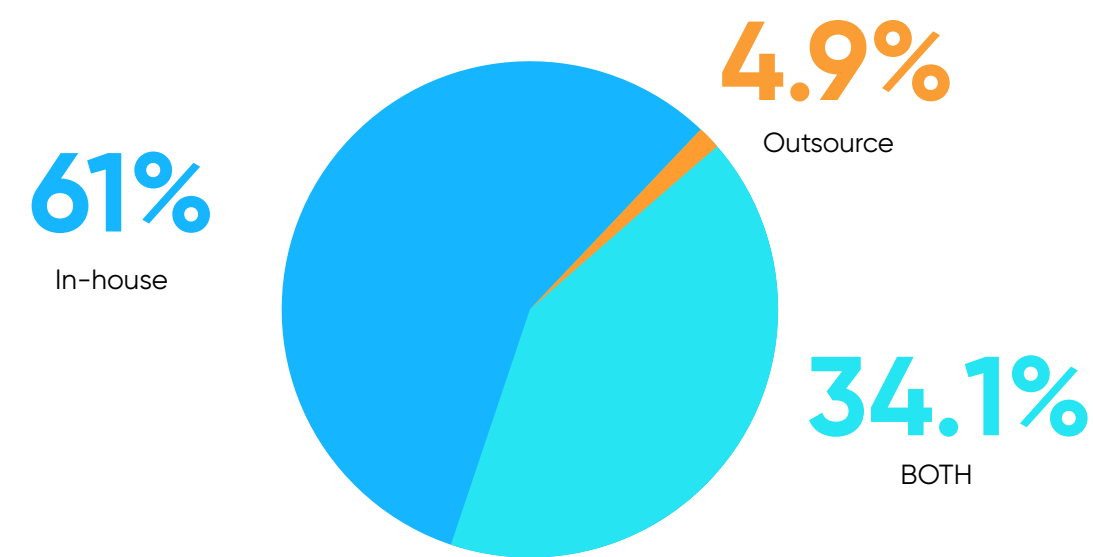


The industry segments from those surveyed were comprised of:



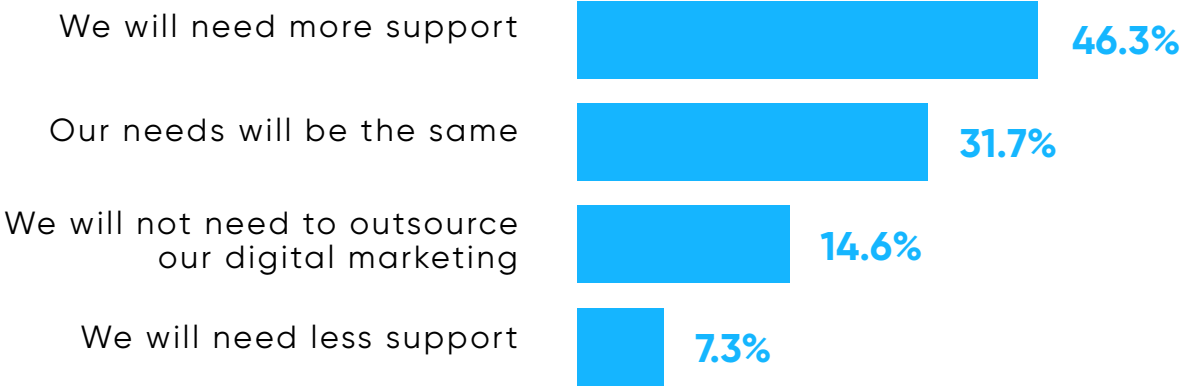
While 61% of businesses keep their marketing in-house, 39% of businesses are currently outsourcing to a digital marketing agency to help manage some, or all, of their marketing efforts.

The number of businesses outsourcing their marketing in 2021, vs in house is comprised of:



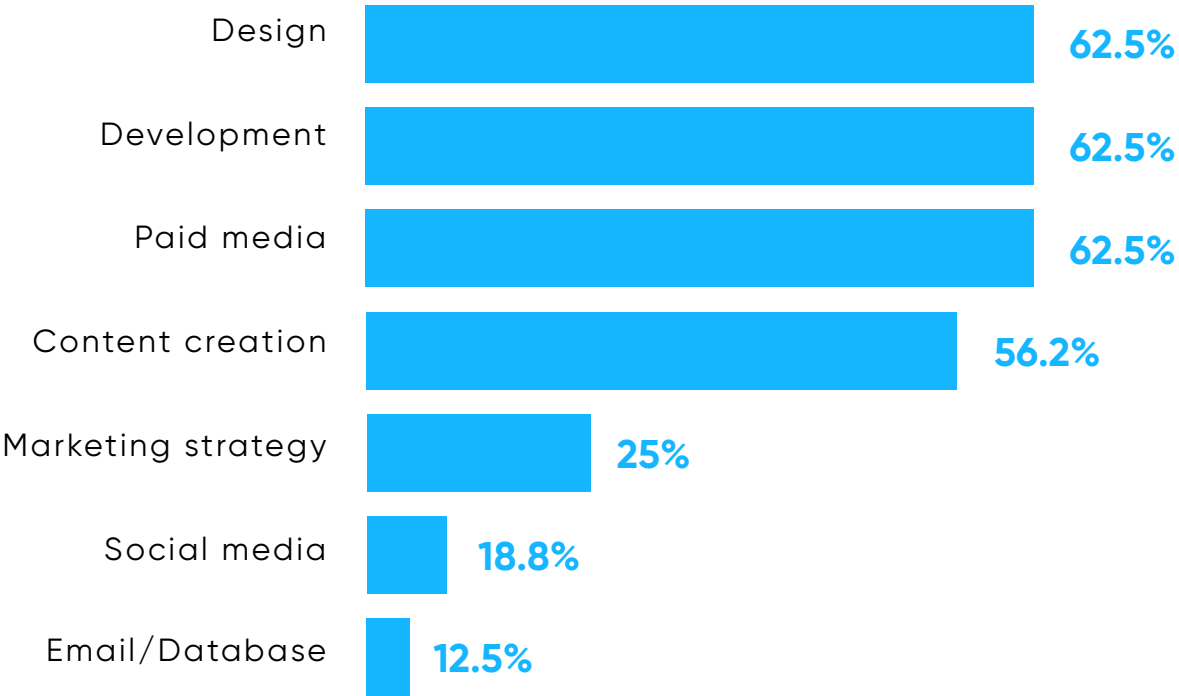
Forty-six percent of businesses surveyed said they will need more support in 2021 and are looking to outsource to a digital agency for help. This could mean **businesses are lacking resources within their current team, or are putting more efforts towards marketing tactics to compete in today's digital world** and improve business performance.

Business needs for digital outsourcing support in 2021:



Businesses who have worked with a digital agency now or in the past have cited that they mostly outsource **design, development and paid media projects** to digital agencies. This could demonstrate a need for special skill sets, or time, that a majority of marketing teams do not currently possess.

The type of projects businesses have outsourced to digital agency include:



Businesses mostly outsource **design, development, and paid media** projects

A woman and a man in business attire are looking at a tablet together. The woman is on the left, holding the tablet, and the man is on the right, looking at it. They are both looking at the screen with interest. The background is a blurred office setting.

Marketing & Industry Challenges

Marketing & Industry Challenges

The biggest marketing challenges businesses face in 2021:

Twenty percent of businesses said their biggest marketing challenge was lack of resources. This is inline with the 46.3% of businesses needing more support from digital marketing agencies in 2021. The second marketing challenge businesses face is brand awareness, followed by a four-way tie amongst requiring accurate data, adapting to changes from COVID-19, prioritizing what marketing tactics provide the highest ROI, and needing good talent.

TOP MARKETING CHALLENGE:

Lack of resources



Second marketing challenge businesses face is **brand awareness**



The biggest challenges affecting industries now and into 2021:

When asked what the biggest challenge affecting their industry right now, 46.3% of businesses said COVID-19 had the biggest impact. Followed by lack of industry awareness and education, and keeping up with the changing marketing rules and regulations.

TOP INDUSTRY CHALLENGE:

Reactions to COVID-19



Businesses are also struggling with:

- Lack of industry awareness and education
- Keeping up with the changing marketing rules





Impact From COVID-19

Impact from COVID-19

COVID-19 has provided a lot of industry challenges and uncertainty this past year, and is continuing the trend for 2021. Because of the pandemic, businesses have had to make adjustments to their strategy to adapt to the constant changes. Here are a few of the challenges some businesses have expressed due to the impact COVID-19 has had on their industry.

Concerns with budget and consumer spending

COVID-19 has changed consumer behavior and has created financial concern and uncertainty for many. Because of lack of demand, some businesses have scaled down their budget to accommodate these changes.



People having less saving/spending power due to our Covid economy

However, something to note is that some businesses, based on their industry, have seen an increase in production based on economic demand, and are struggling to meet manufacturing and production needs.



Consumer demand is extremely high making capacity constraints tighter



Decreased funding from COVID



Decrease in marketing budget



Slowing manufacturing due to the virus

Difficulty keeping up with the continuous changes

Marketing teams and businesses have had to modify or develop new assets and update their messaging to reflect changes due to the pandemic. Businesses will need to remain flexible and react quickly to unforeseen changes as the landscape continues to shift.



Uncertainty about the future; agility to react quickly and have marketing campaigns that can as well



The changing needs of the industry as a result of the unknown entity that is COVID



Adapting to changing in-store retail shopping behavior



Focus on digital marketing

Because more people are staying at home, businesses have had to focus on digital marketing efforts instead of in-person or traditional marketing tactics. This is **causing a strain on businesses to compete with the other businesses using the same digital methods**. With more businesses focusing on digital marketing, consumers are receiving more advertisements than ever before, and the need to stand out and differentiate is becoming increasingly cumbersome.



Increased focus on digital given the current inability to get face-to-face with customers



The digital landscape is very congested in the age of COVID. It's more important than ever to differentiate your brand online, whether it is inboxes, newsfeeds or websites.



How to stay relevant and seen despite the huge digital presence of all companies and brands



Businesses are **struggling to stand out and compete** with other businesses using the same digital methods

A hand is shown in the foreground, holding a pen and drawing a target with concentric circles on a dark surface. The background is dark and out of focus, showing a laptop keyboard. The overall image has a dark blue tint.

Marketing Goals for 2021

Marketing Goals for 2021

An overwhelming 61% of businesses said their primary goal for 2021 is to increase sales in 2021. This could be due to the pandemic causing financial struggles and lack of client spending in the past year.

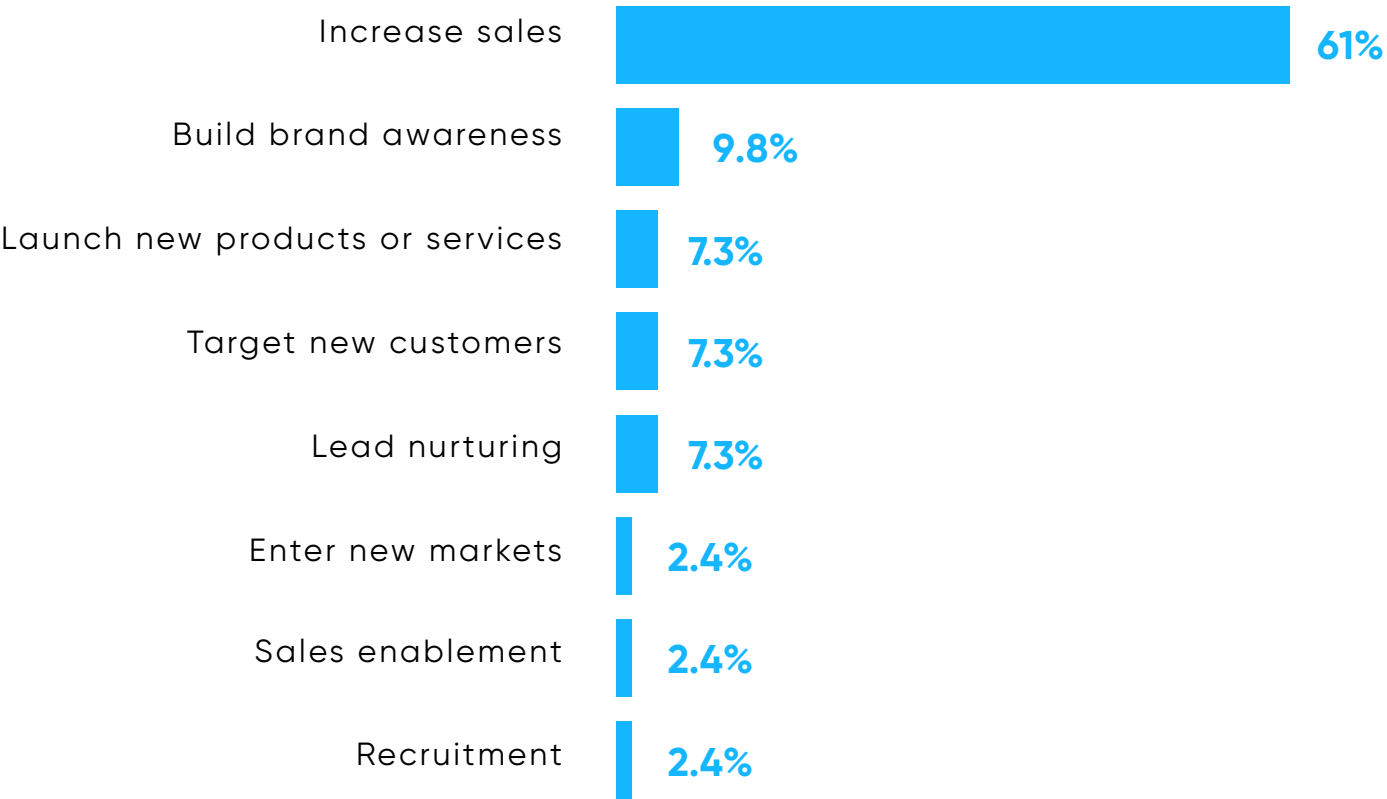
PRIMARY GOAL FOR 2021

Increase sales

\$

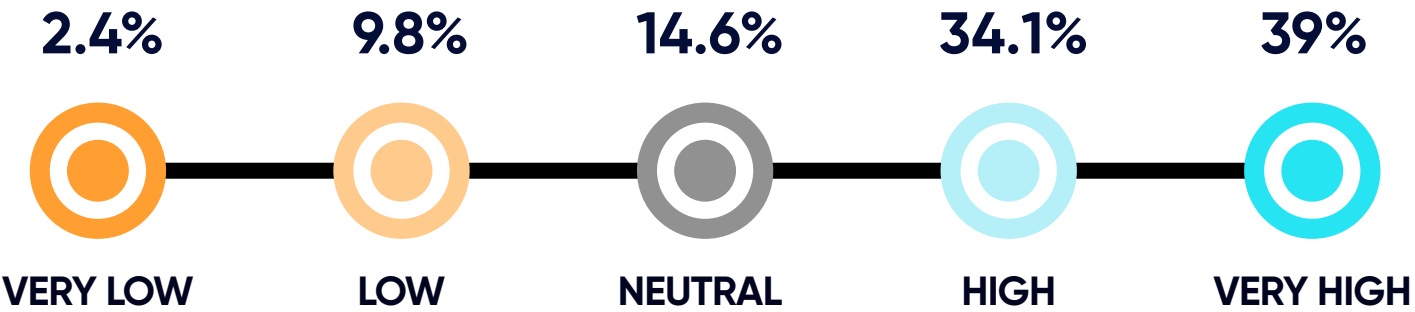
However, only 2.4% said recruitment was a marketing goal for 2021, even though the top marketing challenge was said to be lack of resources and the need for good talent. Further, only 9.8% of surveyors said their primary goal for 2021 was to build brand awareness, even though brand awareness was ranked as the second highest challenge for businesses. This shows a disconnect with **aligning marketing goals to help overcome businesses challenges**.

The primary goal for businesses in 2021 is:



Lead attribution helps determine the ROI of different marketing channels used to attract and convert customers. A majority of marketing teams will be focusing on lead attribution to measure the effectiveness of their marketing efforts in 2021.

How businesses rank the importance of lead attribution in 2021:



A majority of marketing teams in 2021 **will use lead attribution** to measure the effectiveness of their marketing



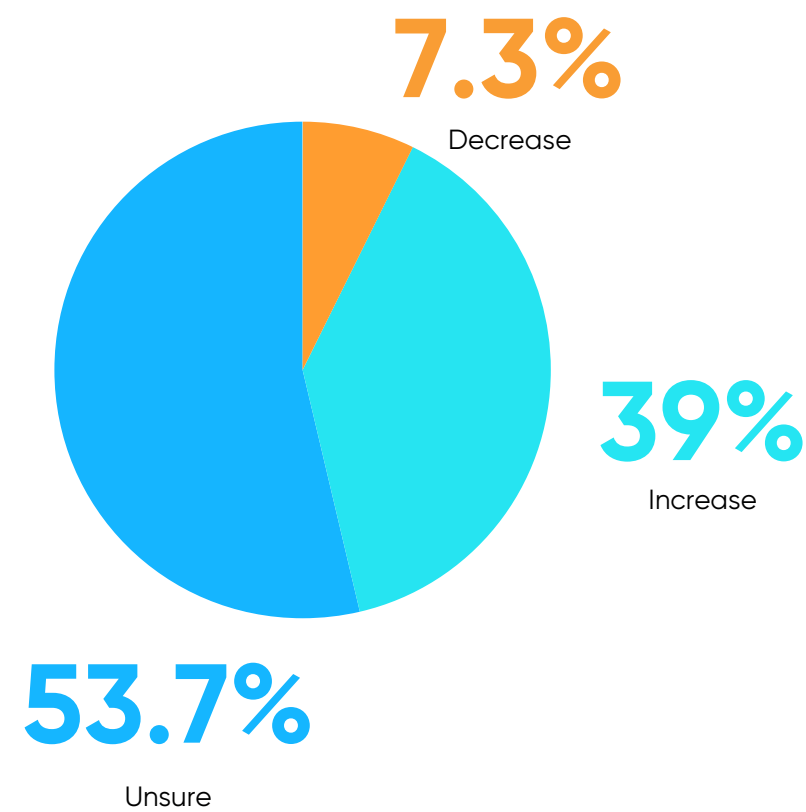
A dark, moody photograph of a person's hands counting a large stack of US dollar bills. The hands are positioned over a laptop keyboard, which is visible in the lower right corner. The lighting is low, creating a sense of focus on the money. The text 'Marketing Budget' is overlaid in white, with a thin blue horizontal line underneath it.

Marketing Budget

Marketing Budget

Thirty-nine percent of businesses are looking to increase their paid media budget in 2021, which could demonstrate a need to compete with other businesses in order to acquire more customers. Over half of businesses surveyed have yet to determine their paid media strategy in 2021.

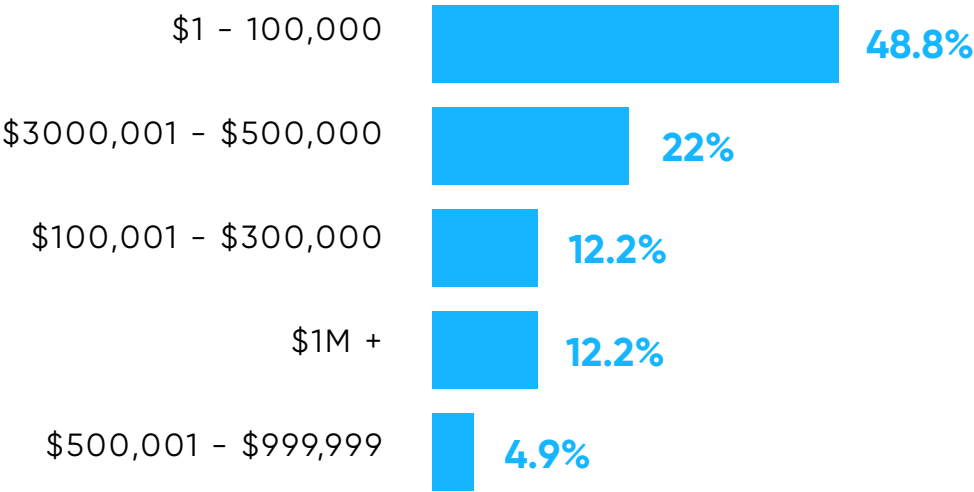
The paid media budget for many businesses going into 2021 will:



39% of businesses are looking to **increase their paid media budget** in 2021

Almost 50% of businesses surveyed said their **total marketing budget for 2021 will be between \$1-\$100,000.**

The anticipated 2021 marketing budget, INCLUDING media spend, in 2021 is:

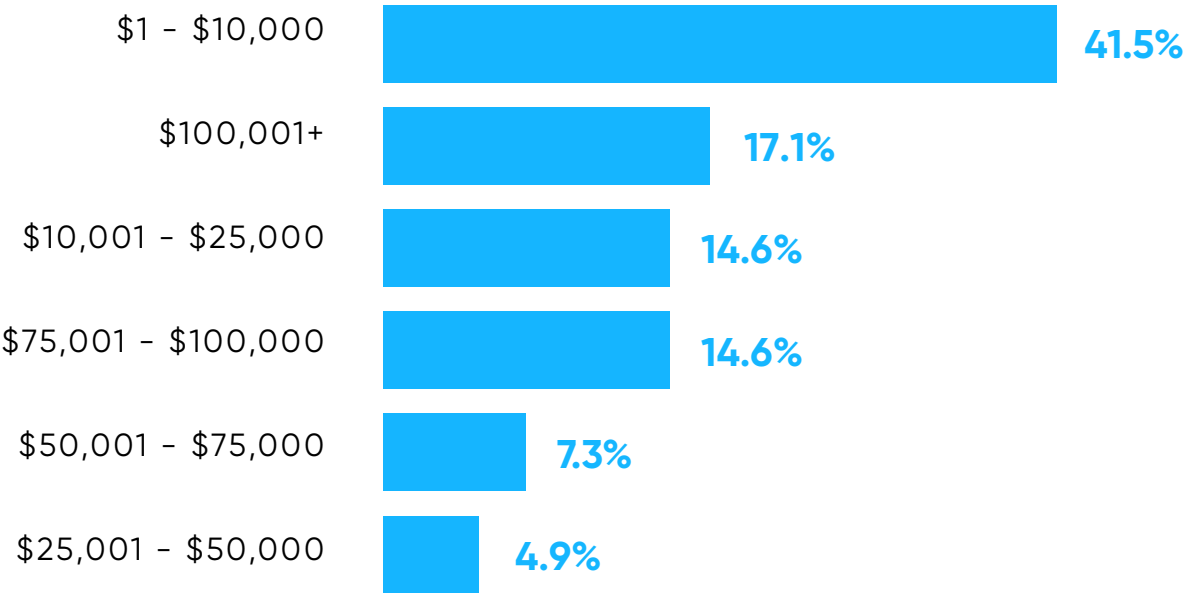


A majority of businesses in 2021 will have a **total marketing budget of**

\$1-\$100,000

And 41.5% of businesses said the **paid media portion of their marketing budget will be between \$1-\$10,000.**

The anticipated 2021 marketing budget spent on paid media in 2021 is:



Marketing Strategy & Focus



Marketing Strategy & Focus

Paid media was said to have the highest expected marketing budget allocation in 2021, followed by content creation and search engine optimization. This could reflect the need to stay connected with customers, compete on the digital landscape, and/or meet prospects where they are: online.

The category with the HIGHEST marketing budget in 2021 will be:

- Paid media
- Content creation
- Search engine optimization

Print advertising and trade show events were ranked the lowest marketing spend in 2021.

This is expected considering the impact COVID-19 has had on traditional marketing methods and face-to-face interactions.

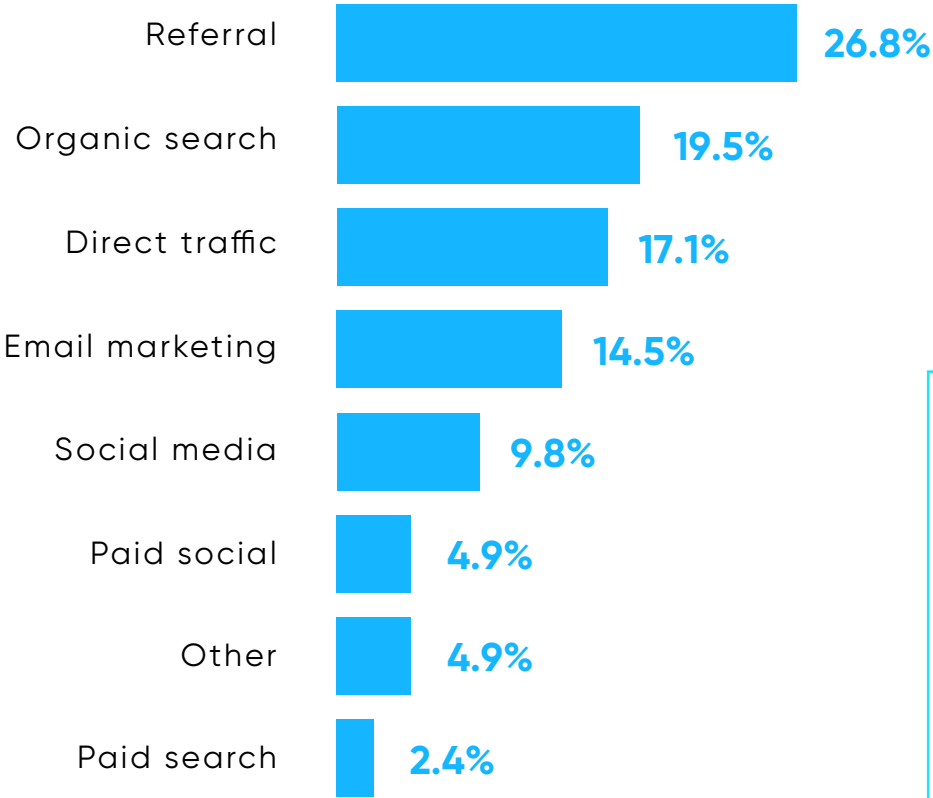
The category with the LOWEST marketing budget in 2021 will be:

- Print advertising
- Trade shows/events
- Social media



In terms of aligning marketing goals with the importance of lead attribution in 2021, 26.8% of businesses said their leads are mainly coming from referrals, 19.5% organic search, and 17.1% direct traffic. Businesses are looking to acquire new customers by trying new marketing strategies, such as paid media and SEO to help increase their sales.

The majority of leads have currently been coming from the following sources:



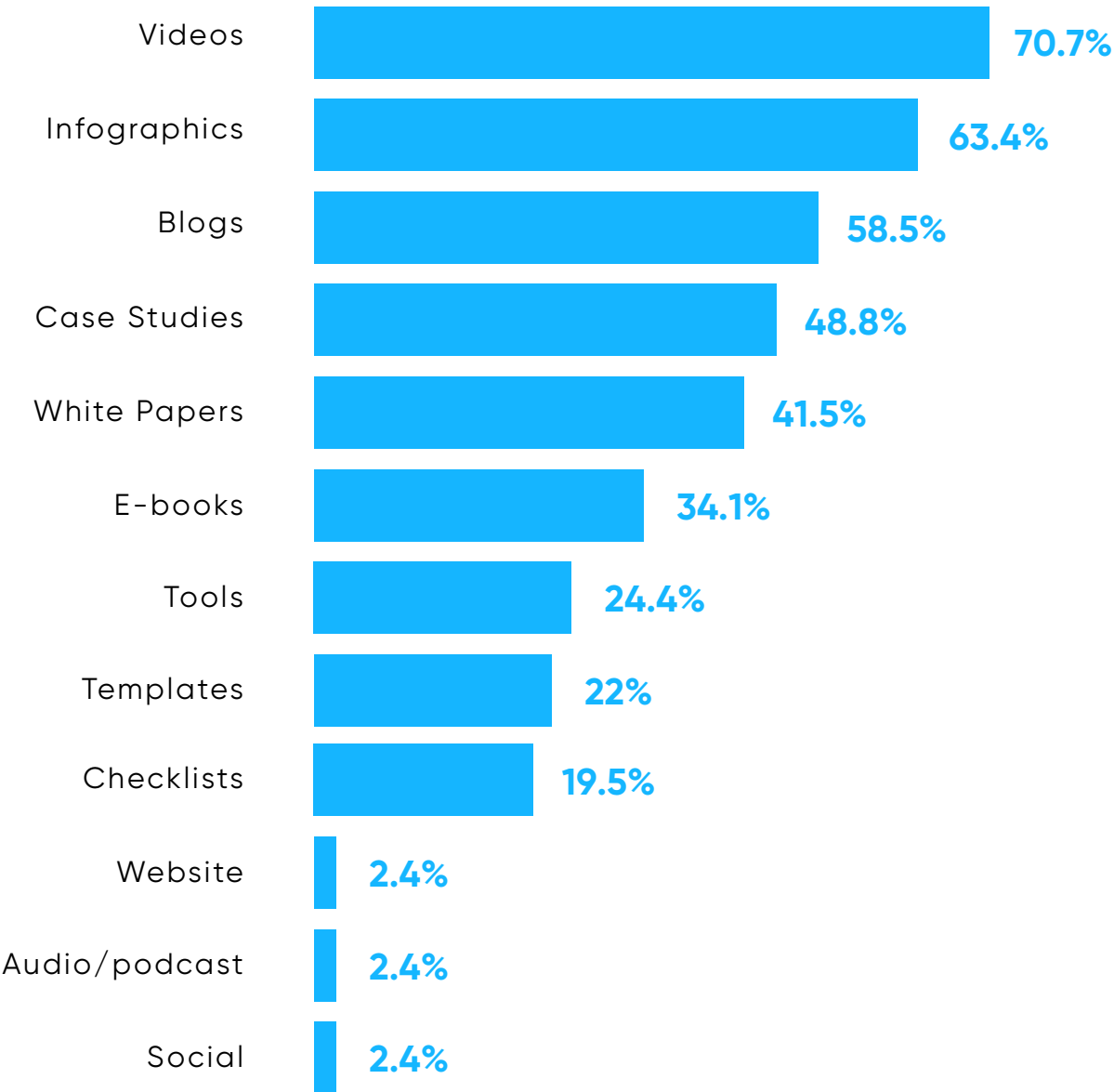
Businesses are looking to acquire new customers by trying **new marketing strategies**:

- Paid media
- Content creation
- Search engine optimization



Businesses are looking to differentiate themselves by creating engaging content and incorporating videos, infographics and helpful blog content into their 2021 strategy.

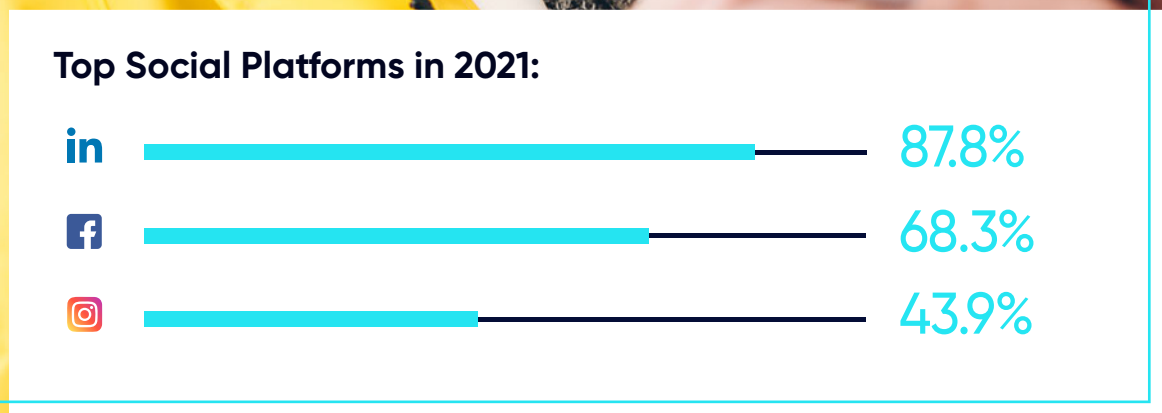
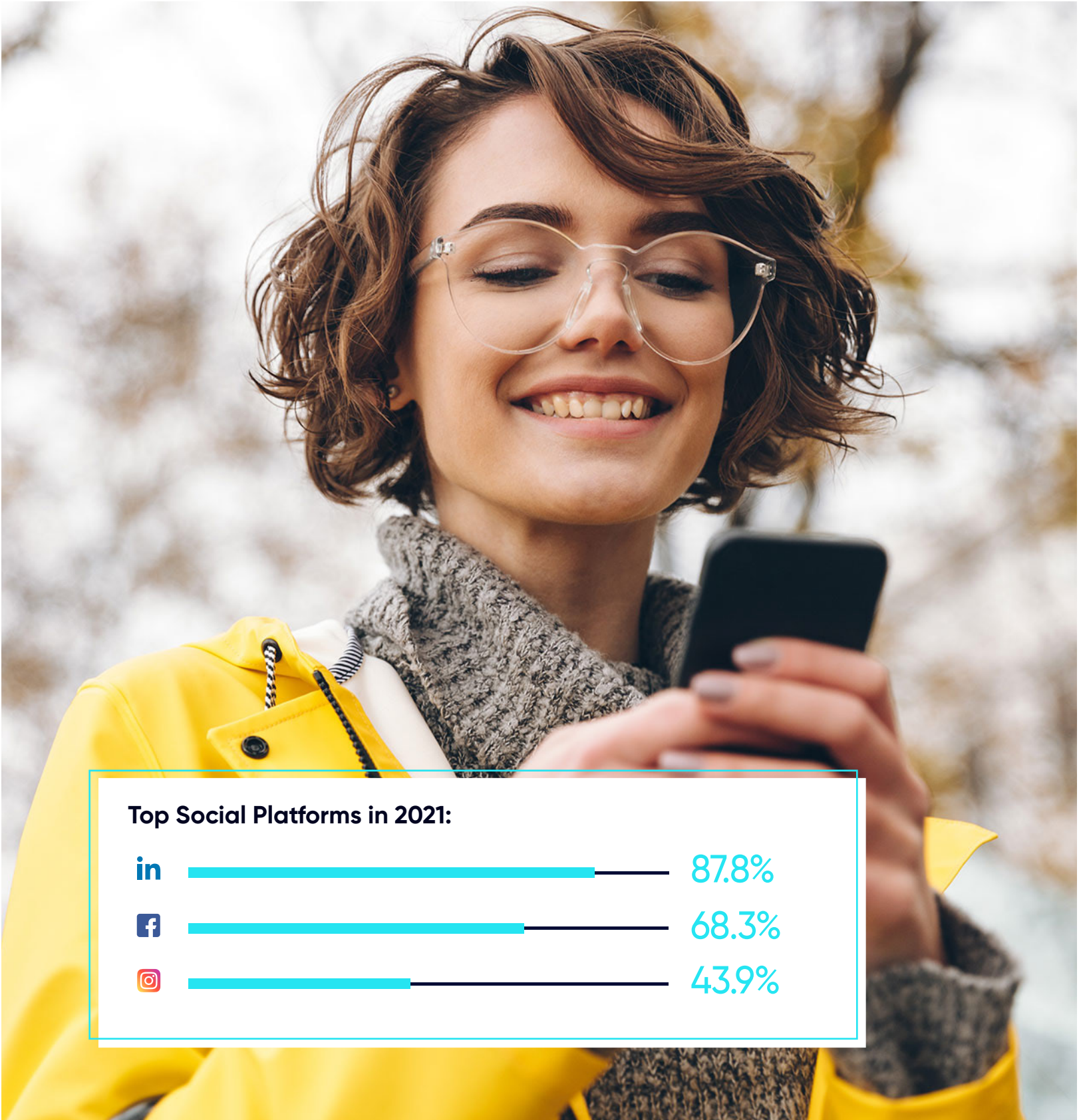
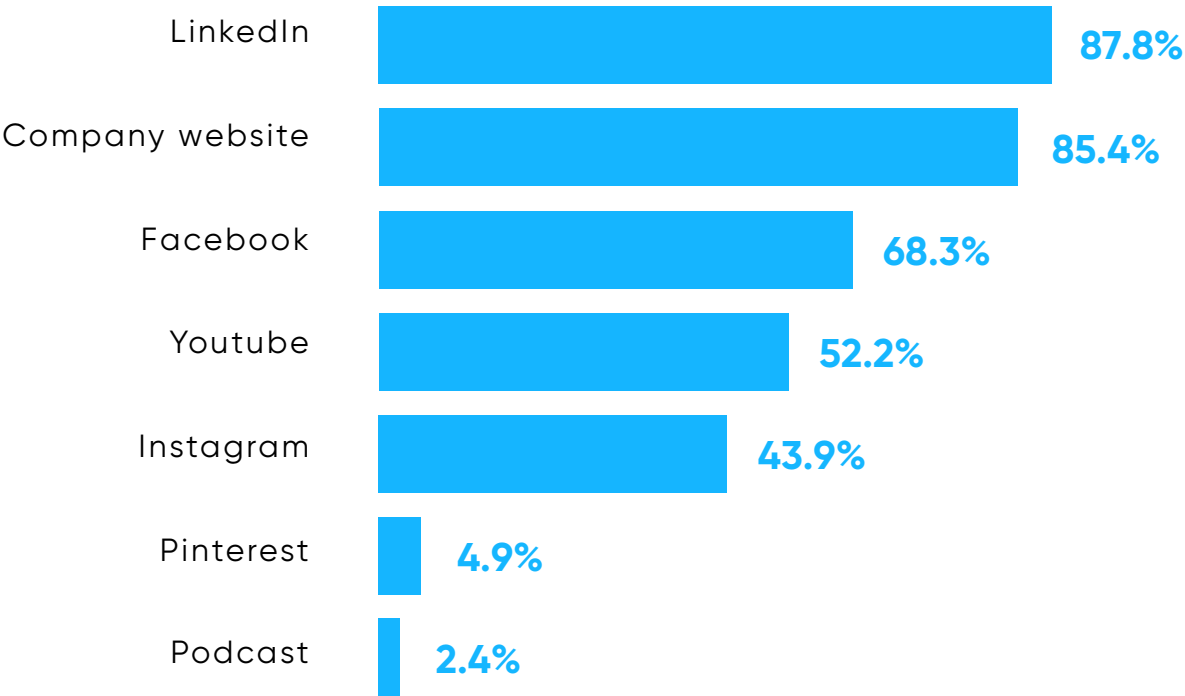
The forms of content involved in most marketing teams' 2021 content strategy include:



MORE THAN
70% of businesses will use **videos** in their 2021 strategy

A majority of businesses will be sharing content on LinkedIn, their website, and via Facebook. With 87.8% of businesses using LinkedIn and 68.3% of businesses using Facebook to promote their brand and engage with customers, the need to stand apart from other competitors on social platforms is becoming increasingly important.

The social media platforms businesses are creating content for in 2021 include:





Adoption of Marketing Software

Adoption of Marketing Software

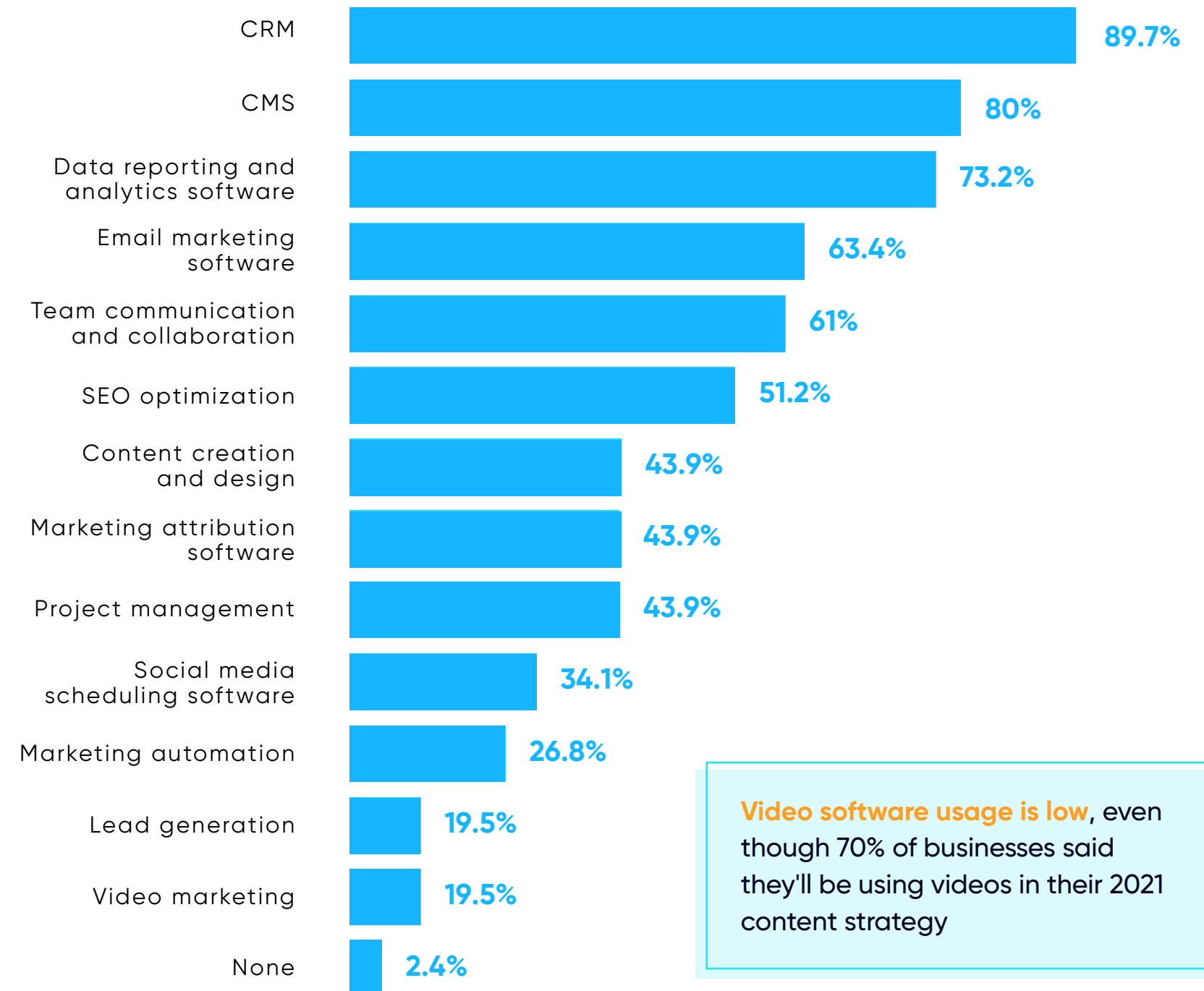
The data provided shows a high usage of marketing software and tools amongst the marketing teams surveyed. **Almost 90% of businesses are using a CRM** (customer relationship management) such as HubSpot, Salesforce, and Zoho CRM to track their customers' interactions and manage their customer accounts. And 80% of businesses are using a CMS (content management system) like Wordpress, Drupal or HubSpot to create and manage their website's content.

Marketing teams are also **using data reporting and analytics tools to measure the ROI** of their marketing efforts, which is inline with their focus on marketing attribution in 2021.

Also, marketing teams are **using tools to streamline their marketing processes** such as email marketing software, team communication and collaboration tools, and SEO optimization tools.

However, there seems to be a low adoption in marketing automation software. With so many businesses struggling with time and resources, **it's unusual that businesses aren't using automation software to help streamline their repetitive and time-consuming tasks**. Also, the adoption of video software is low, despite a majority of businesses saying video content will be part of their marketing strategy in 2021.

The marketing tools businesses will be utilizing in 2021 include:





Conclusion

Conclusion

The digital marketing industry is in a state of uncertainty and change driven by the impact COVID-19 has made to the economy.

The decrease in face-to-face events and the decrease in in-store traffic have caused businesses to rely on digital tactics to promote their product or services, and to become more flexible as the digital landscape continues to shift.

And with production slowing down and the decrease in consumer spending, marketing teams have either decreased their marketing budget all together, or have increased their spending on new tactics such as paid media to help reach a wider audience and compete with other businesses.

Marketing professionals are responding to these continuous changes and challenges by outsourcing some of their higher-skilled marketing tactics to digital agencies for help, and adopting different digital marketing softwares to improve efficiencies and become more competitive with prospects and existing clients.



Pyxl is a collection of creatives on a passion and results-driven mission to design, write and code custom digital marketing solutions not just for our clients, but for their clients. We're where the right brain meets the left brain and our strategy-based services are built on real relationships, not egos.

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About Pyxl

Pyxl is a 12-year award-winning digital agency with a focus on driving business growth and results. We provide all-in-one marketing services and solutions across your project lifecycle and specialize in enterprise-level website development, branding, and design.

LET'S TALK

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