



Gartner®

4 Actions to Improve Martech ROI

Optimize your current investments, and protect budget to set the foundation for AI.

Underutilized martech is a problem that GenAI can't solve

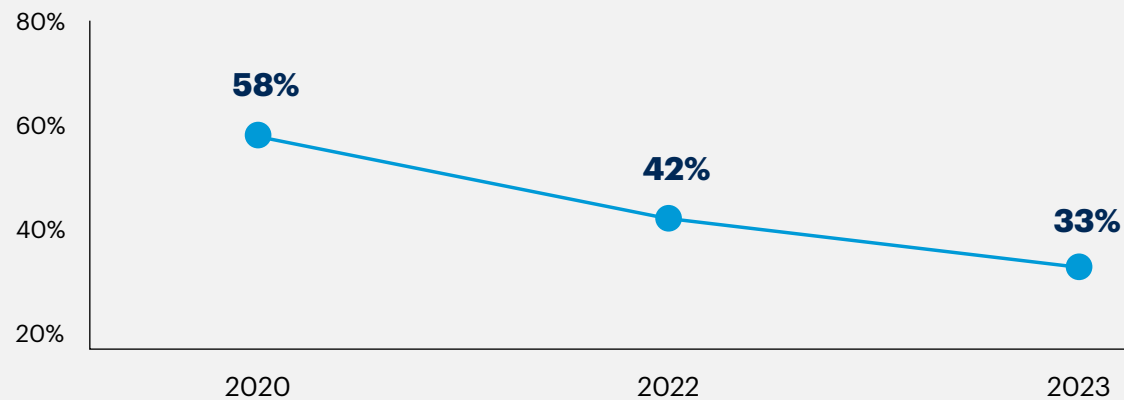
For the past several years, CMOs' urge to acquire the most compelling, digitally enabled customer experiences has resulted in an overabundance of underutilized marketing technology (martech).

The 2023 Gartner Marketing Technology Survey reveals that in most organizations, the utilization of martech stacks is in free fall.

Meanwhile, the appetite for generative AI (GenAI) in marketing continues to grow — drawing CMOs into a choice between three scenarios:

- Redouble efforts to leverage current technologies.
- Curtail investment in the current state of martech solutions, knowing that GenAI may upend the tech landscape.
- Revisit the marketing and IT partnership to better share accountability and cost, reducing the scope of martech.

Trend of Martech Utilization

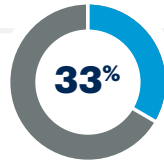


Mean percentage, n = 376-383, marketing technology leaders, excluding don't knows
D03. Thinking about the totality of the capabilities made available by marketing technology, what percentage of those capabilities are being utilized by your company today, what is planned utilization for 12 months from now, and what level (%) of utilization would meet the expectations of your key stakeholders in 2023?
Source: 2023 Gartner Marketing Technology Survey

Underutilized martech carries a cost

In 2023, martech teams report using just 33% of total martech stack capability, down from 42% in 2022 and 58% in 2020.

How does 33% utilization impact the organization?



Imagine this scenario:

An organization with \$250 million in revenue only utilizes 33% of its total martech stack.

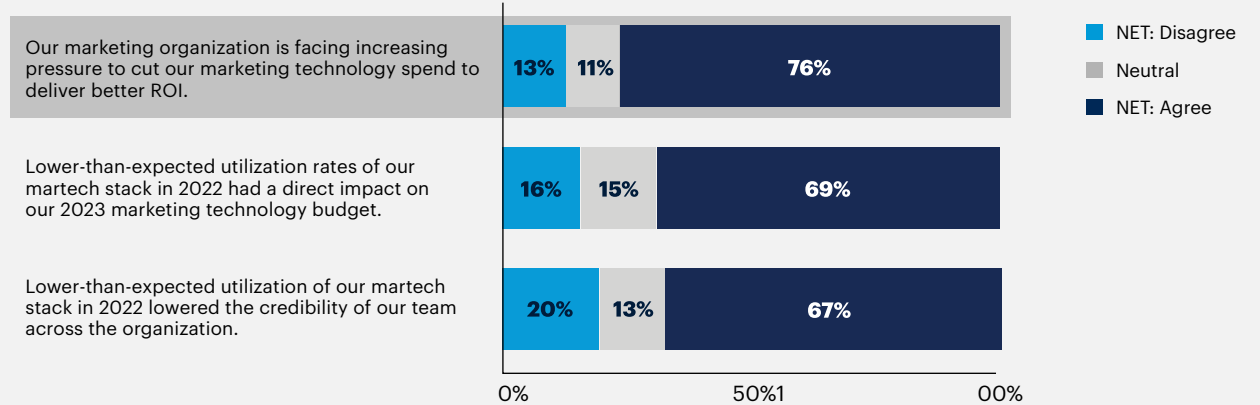
Based on Gartner benchmarks, if the organization allocates 9% of its revenue on marketing and 25% of that marketing budget goes toward technology, then the organization could be wasting nearly \$4 million in underutilized technology spend.

From this perspective, the crisis CMOs face becomes clear: Low martech utilization directly impacts the business.

Marketing Technology Teams Under Pressure to Improve ROI

Agreement Statements

Percentage of Respondents



n = 403-405 marketing technology leaders, excluding don't knows
B01. Please rate your level of agreement with the following statement.
Source: 2023 Gartner Marketing Technology Survey

4 actions to improve martech ROI

With martech budgets holding steady, the time to act is now.

CMOs looking to improve martech utilization must take action to reverse mindsets and practices that contribute to the free fall.



ACTION 1

Optimize or eliminate current martech



✓ What we've learned

When organizations use 50% or less of their martech stack, they are much more likely to report being asked to cut their martech budget.

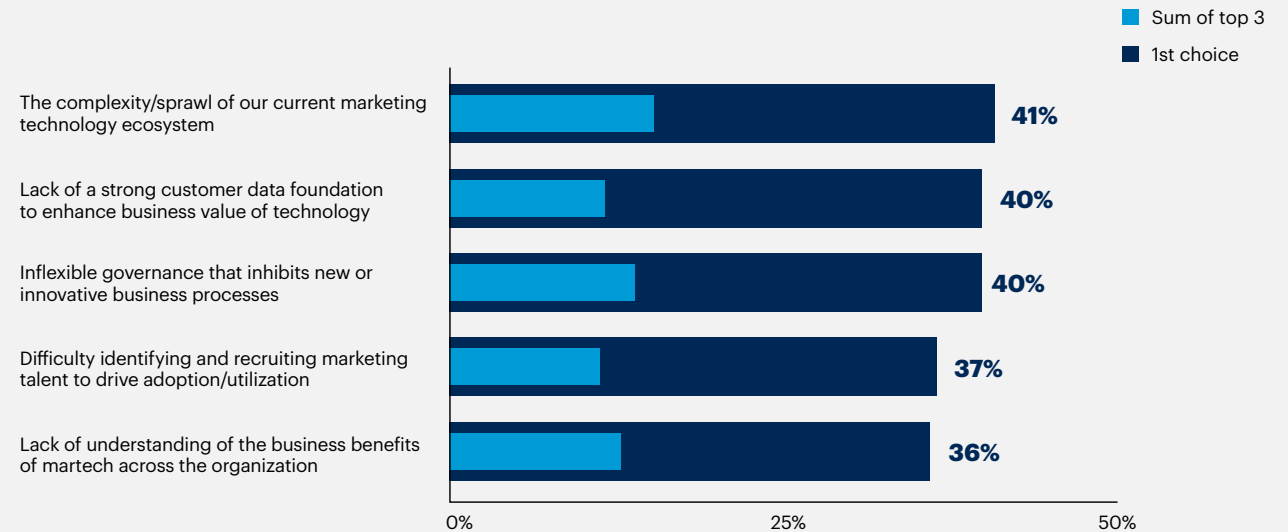
However, well-intentioned martech teams still struggle to make progress, citing impediments including the complexity of their martech ecosystem, the lack of a strong customer data foundation and inflexible governance.

➔ How to respond

CMOs must **audit** the current martech stack, assess the level of utilization and identify technologies that can be eliminated. Estimate the financial impact of these cuts to prepare for frank conversations about resource management heading into 2024 strategic planning sessions.

Impediments to Increased Marketing Technology Utilization

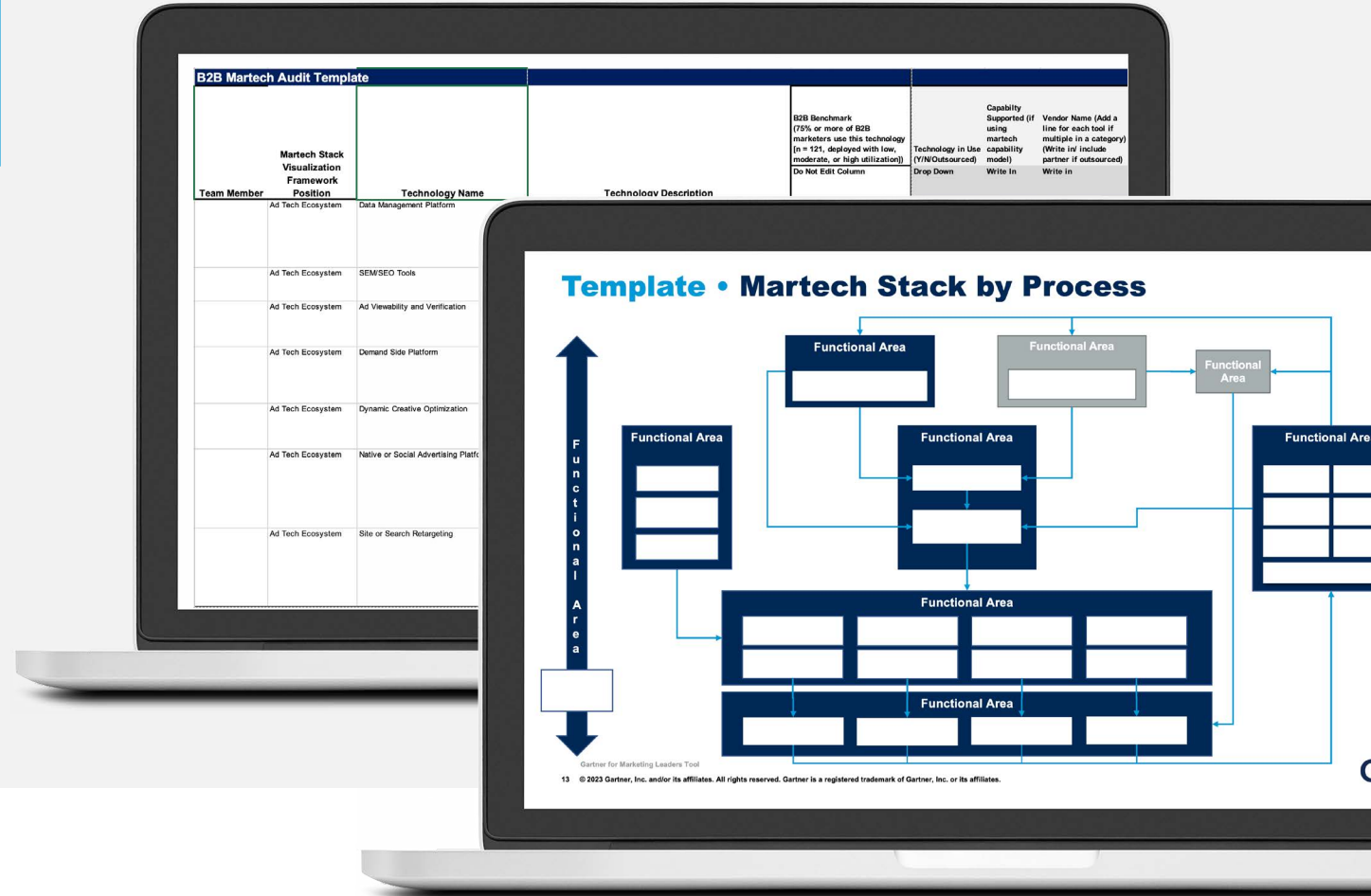
Percentage of Respondents



n = 399 marketing technology leaders with % of martech stack utilization not equal to 100%
D05. What are the top 3 impediments to increasing utilization of functionality across your existing marketing technology stack over the next 12 months?
Source: 2023 Gartner Marketing Technology Survey

How Gartner Helps Martech Audit Toolkit

Clients can use [this toolkit](#) to catalog the technologies in your martech stack, depict the workflows that they support and capture the costs for each technology. Write more results from existing tech investments, and establish a foundation for stack growth and optimization.



ACTION 2

Improve IT-marketing partnership



✔ What we've learned

A third of survey respondents said their response to low martech stack utilization is to revisit the balance of responsibility and accountability for martech activities between marketing and IT.

Our survey reveals that this is part of a trend. Across key martech activities, IT is, on average, taking greater ownership and marketing's sole ownership is shrinking, a reflection of scarce technical talent and the increasing centralization of data, compared to our 2022 survey.

➔ How to respond

Effective CMO-CIO partnerships can foster a more balanced collaboration that enables marketing and IT play to each other's strengths. Nurture a collaboration with your CIO through frequent contact. A recent survey of CxOs outside of IT found that the most digitally proficient CxOs met with their CIO counterparts twice a month on average.

Shifts in Ownership of Marketing Technology Activities — 2023 vs. 2022

■ -13 pp to -16 pp ■ -9 pp to -12 pp ■ -5 pp to -8 pp ■ -1 pp to -4 ■ 0 pp ■ 1 pp to 4 pp ■ 5 pp to 8 pp ■ 9 pp to 12 pp

Marketing Technology Activities \ Ownership	Ownership				
	Marketing Owns the Entire Activity	Marketing Leads With Guidance From IT	IT Leads, With Guidance From Marketing	IT Owns the Entire Activity	Managed by an External Services Partner
Acquisition of budget for marketing technology	-8 pp	-3 pp	-1 pp	5 pp	7 pp
Configuration and deployment of new marketing technology	-8 pp	-10 pp	2 pp	10 pp	5 pp
Creation of the marketing technology roadmap	-3 pp	-7 pp	1 pp	5 pp	4 pp
Driving adoption and utilization to support customer journeys	-15 pp	-5 pp	8 pp	7 pp	4 pp
Evaluation, selection and purchasing of new marketing technology	-4 pp	-5 pp	3 pp	2 pp	5 pp
Integration of disparate marketing technologies and databases	-7 pp	-6 pp	-2 pp	8 pp	6 pp
Management of the marketing technology roadmap	1 pp	-14 pp	3 pp	6 pp	5 pp
Managing vendor relationships and contracts	-11 pp	-1 pp	3 pp	8 pp	0 pp
Performing marketing technology audits	-1 pp	-10 pp	1 pp	7 pp	2 pp

n varies, marketing technology leaders, excluding don't knows; Q. Please rate your agreement with the following statements.
 Source: 2023 Gartner Marketing Technology Survey
 Note: pp: percentage point (YoY difference)

ACTION 3

Prepare for emerging tech



✔ What we've learned

Perennial under-investment in talent to drive martech utilization impacts not only the current state but the ability to capture future benefits of emerging technologies. Despite potential benefits, 62% of respondents say the availability of skilled talent limits the understanding or use of emerging technology — and 53% are too overwhelmed by existing technologies to explore emerging ones.

Without addressing these barriers, martech teams that prematurely invest in GenAI risk repeating the mistakes of the past and failing to win sufficient adoption.

➔ How to respond

When considering emerging technology investments, address role design, individual talent development plans and skill gaps to ensure that your marketing team has the time and knowledge base to master new solutions. Ensure marketer participation in data governance, efforts to apply ethics and detect bias, and privacy discussions. Plan to invest as much (if not more) in developing talent and skill sets as in buying new technologies.

Availability of Skilled Talent Limits Understanding/Use of Emerging Tech

Agreement Statements

Percentage of Respondents

The availability of skilled talent limits our understanding and/or use of emerging technologies.

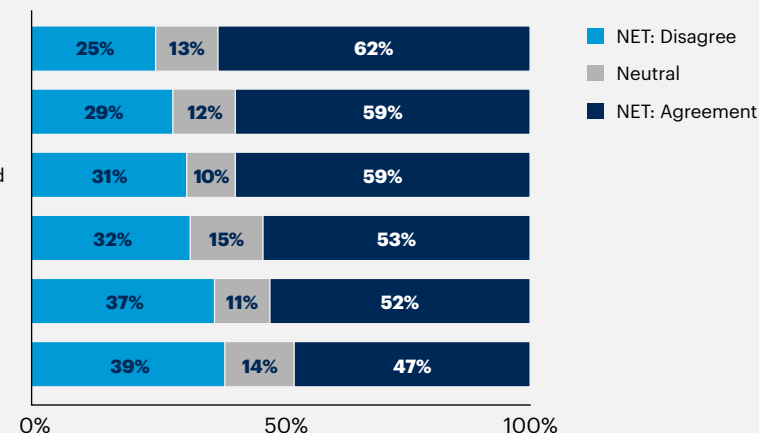
Our IT policies and/or strategy constrain our use of emerging technologies.

Our struggles with integrating existing technologies give us little appetite to add emerging technologies, which would demand more integration points.

We are too overwhelmed by existing initiatives and projects to explore the use of emerging technologies.

Our organization is unable to identify applicable needs or use cases for emerging technologies.

Our customers are not rapid adopters of emerging technologies.



n = 405 marketing technology leaders, excluding don't knows
FO1. Please rate your agreement with the following statements.
Source: 2023 Gartner Marketing Technology Survey

ACTION 4

Assess the potential of GenAI



✓ What we've learned

Marketers are enthusiastic about GenAI, as 14% have already invested in GenAI tools. Another 63% are planning to do the same in the next 24 months.

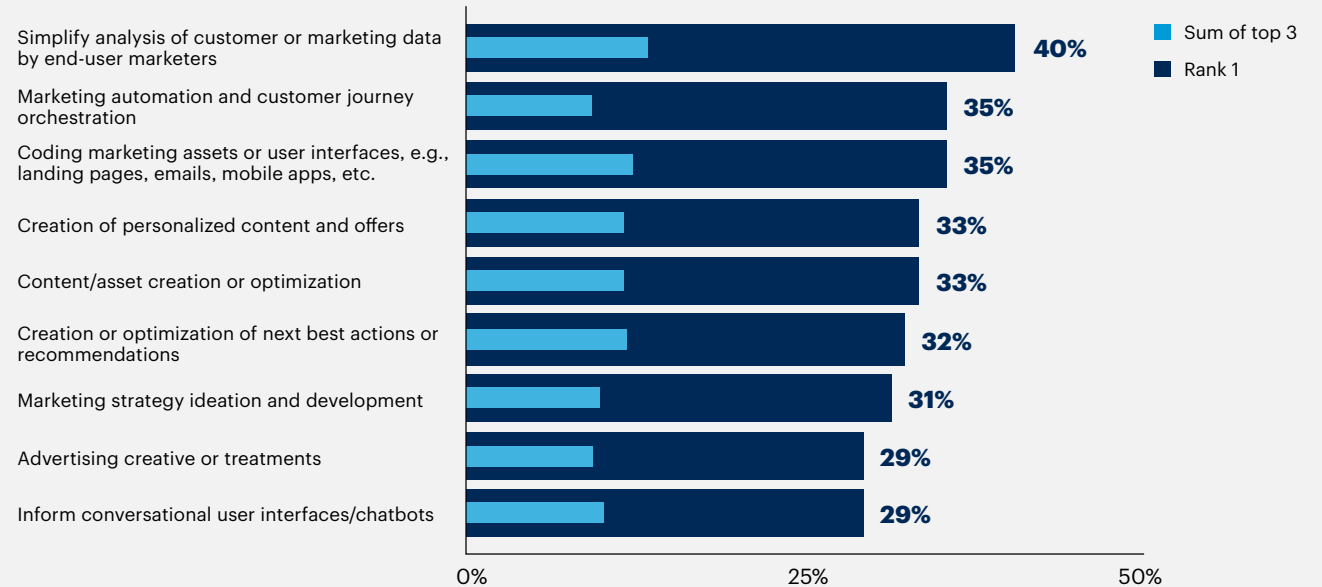
Marketers expect use cases for GenAI to overcome gaps that currently limit utilization by generating content variations or summarizing large volumes of data.

➔ How to respond

Establish clear use cases for GenAI capabilities which document the technical dependencies, business outcomes and metrics, and workflows that would need to change.

Work with IT to test marketing use cases for enterprisewide GenAI tools. Insist that compelling use cases, proofs of concept and empowered governance precede investment in GenAI to limit the risk associated with new technology.

Marketing Areas to Benefit the Most by Deploying Gen AI



n = 404, marketing technology leaders, excluding don't knows
Which marketing areas do you feel will gain the most benefit by deploying generative AI?
Source: 2023 Gartner Marketing Technology Survey



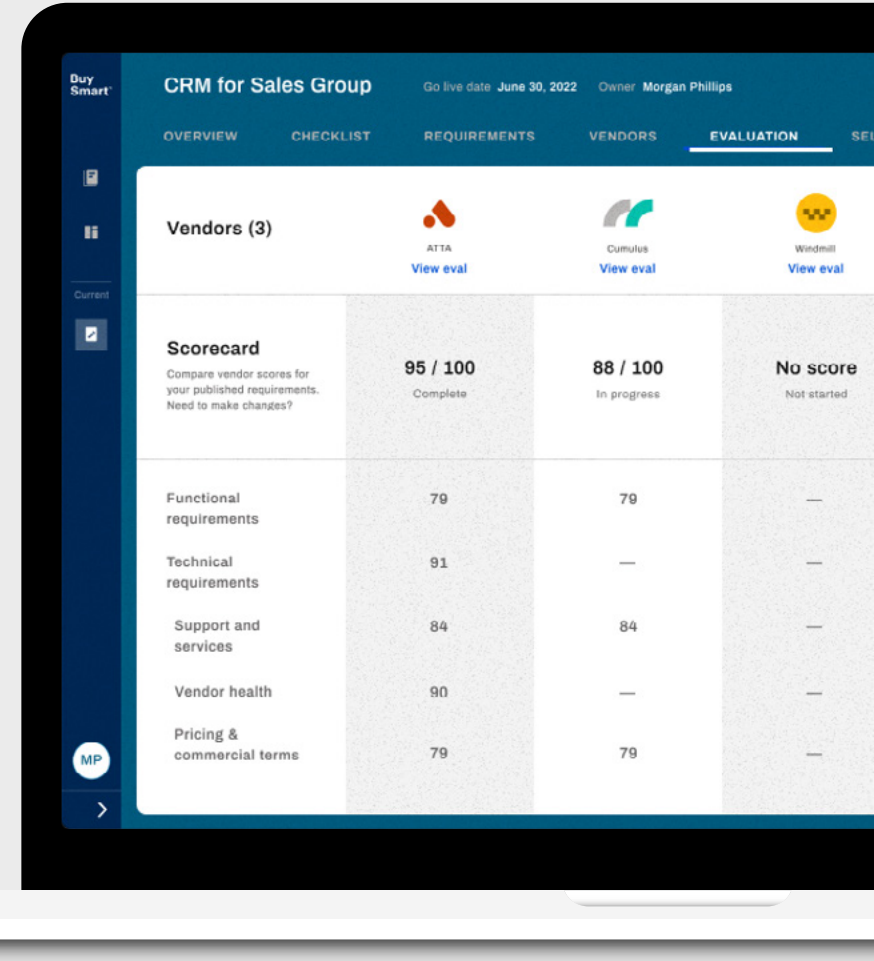
Gartner BuySmart™

Confidently Manage the Technology Life Cycle

Streamline your team's path to better tech purchasing decisions — fueled by industry-leading Gartner experts and peer insights.

What you'll get:

- Gartner insights at your fingertips
- Streamlined vendor evaluations
- Collaborative workflow within a structured process
- Confidence in selecting the right vendor



→ **Learn More**



Discover



Evaluate



Select



Optimize

How Gartner guides marketing leaders to build a highly effective marketing technology stack

Diagnose and Evaluate →

Connect With Peers

Attend a Webinar on the Impact of Generative AI on Marketing

Join your peers to explore use cases for generative AI capabilities and how it impacts your martech approach.

Benchmark and Tools

Benchmark and Optimize Spend

Leverage the [Interactive Data Story: Gartner's Annual Marketing Technology Survey*](#) to visualize and benchmark your own stack against industry peers.

Actionable Insight

Audit the Current Martech Stack

Use the [Toolkit: How to Audit and Visualize Your Marketing Technology Ecosystem*](#) to identify overlapping technology and opportunities to reallocate resources.

Develop the Plan →

Actionable Insight

Prepare to Plan

Review the Gartner [Maturity Model for Managing Marketing Technology*](#) to progressively increase the maturity of your marketing technology function.

Expert Guidance

Attend a Webinar on 2023 Martech Trends

Hear from Gartner Expert Ben Bloom as he reveals insights from the 2023 Marketing Technology Survey and implications for 2024 strategy.

Actionable Insight

Build Your Martech Roadmap

Leverage the [Ignition Guide to Building a Martech Roadmap*](#) to build a multiyear marketing technology roadmap, and communicate your plan with relevant business and IT partners.

Expert Guidance

Progress Check

Engage with a Gartner expert to review best practices and pitfalls for martech effectiveness.

Execute the Strategy →

Benchmark and Tools

Leverage Gartner BuySmart™

Identify key marketing technologies, requirements and vendors for consideration using [BuySmart](#).

Expert Guidance

Apply Best Practices

Leverage [Best Practices to Improve Martech Utilization*](#) to apply best practices across investing in, deploying and getting value out of your martech stack.

Actionable Insight

Improve Martech Adoption and Utilization

Mitigate martech underutilization and develop workstreams to successfully adopt technologies by using [3 Steps to Increase Marketing Technology Adoption and Utilization*](#)

Connect With Peers

Gartner Event

Attend an in-person marketing executive retreat to discuss the most pressing challenges with other martech leaders.

Ongoing Support

Connect With Peers

Gartner Marketing Symposium/Xpo™ Conference

Attend Gartner's premiere event for CMOs and marketing leaders.

Actionable Insight

Protect Your Investments

Engage with a Gartner expert to continuously improve your martech effectiveness and review best practices and opportunities for optimization.

Benchmark and Tools





Hype Cycle for Digital Marketing, 2023

Explore how digital marketing technologies will evolve over time and identify technologies to help manage evolving market conditions — [Hype Cycle for Digital Marketing, 2023.*](#)

*Gartner client login required

Actionable, objective insight

Explore these additional complimentary resources and tools for CMOs and marketing leaders:

 <p>Webinar Impact of Generative AI on Marketing</p> <p>Get answers to the most pressing questions about GenAI tools to gain benefit, while minimizing risks.</p> <p>Watch Now</p>	 <p>Research The State of Marketing Budget and Strategy in 2023</p> <p>Benchmark your marketing budget and learn how to do more with less.</p> <p>Download Now</p>	 <p>Conference Gartner Marketing Symposium/Xpo™</p> <p>The World's Most Important Gathering of CMOs and Marketing Executives™</p> <p>View Calendar</p>	 <p>Podcast #Hashtags: The Gartner Marketing & Communications Podcast</p> <p>Get insight into the latest marketing trends (available on Spotify, Apple or Google).</p> <p>Listen Now</p>
--	--	--	--

Already a client?
Get access to even more resources in your client portal. [Log In](#)

Connect With Us

Get actionable, objective insight to deliver on your mission-critical priorities. Our expert guidance and tools enable faster, smarter decisions and stronger performance. Contact us to become a client:

U.S.: 1 855 811 7593

International: +44 (0) 3330 607 044

[Become a Client](#)

Learn more about Gartner for CMOs and Marketing Leaders

gartner.com/en/marketing

Stay connected to the latest insights



Attend a Gartner conference

[View Conferences](#)