

How COVID-19 is Impacting B2B Marketing

Survey results report by B2B Marketing Zone and Webbiquity LLC

How is the COVID-19 pandemic affecting B2B marketing plans? In a survey, conducted from March 16 through March 21, 2020, 456 B2B marketing professionals provided details about how they expect to adjust and adapt their plans in response to the pandemic. This report presents the results and analysis of those survey responses.

“As Mike Tyson once said...everyone has a plan...then you get HIT.” - survey respondent

Beyond its direct impact on public health and healthcare systems, the COVID-19 pandemic has prompted the cancellation of virtually all large public events; forced professionals out of their offices to work from home; and shut down entire segments of the economy.

B2B marketing professionals are quickly responding to this new, hopefully temporary, reality. But how exactly? What will change, how quickly, and to what extent? How will things be done differently?

These are the questions we set out to answer with this research. More than 450 B2B marketers from a wide range of industries provided their answers. Among the key findings:

- Two-thirds of marketers expect their overall marketing budget to either stay the same or be cut moderately (by less than 20%).
- 58% of B2B marketers say they will cancel all live events scheduled in the next 60 days, and 80% plan to cancel at least some events over the next six months.
- 39% plan to reallocate event marketing dollars to other areas, with the top three tactics being content creation (cited by 43% of respondents), online events (40%), and search marketing (33%).
- The largest companies in this study are most likely to see modest declines in their overall marketing budget this year, and the smallest companies are most likely to see steep budget cuts. Midsized companies (between 500 and 5,000 employees) are most likely to maintain their 2020 marketing budget at originally planned levels.

- By industry segment, more software and healthcare companies anticipate stable or even increased marketing budgets, and plan to reallocate unused live event dollars to other marketing channels and tactics.

The final question in the survey asked respondents to describe the impact this pandemic is having on their marketing plans. Here are a few of the responses:

“We had to quickly pivot and find other ways to not just drive pipeline and business but build awareness and engagement with our target audience.”

“Tradeshows and conferences were a big part of our marketing plan. Those funds will now need to be reallocated to other lead generation efforts.”

“We are currently discussing and seeking new ways to still meet lead goals given the loss of leads through this [live event] channel.”

“In lieu of live events, we are scheduling webinars to keep the conversation going.”

“We're transitioning all live-event spending to digital efforts and may even increase our digital marketing spending further...”

“We are producing content, webinars and more to help keep prospects and customers engaged...”

“Redeployment of budget to online and digital channels. Still need to win new business!”

“...shifting to more of a digital focus and finally utilizing some of the great options that publishers in the industry offer.”

“Event marketing is key for us - need to pivot to other virtual events.”

“Live events re-positioned into webinars and webinar series. More emphasis on digital channels.”

We hope these findings will help you with your strategic and tactical planning for 2020. Be careful out there, and stay safe.

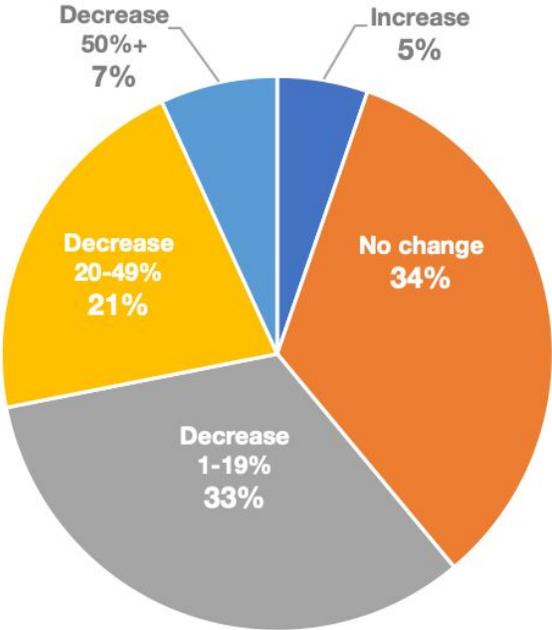
Overall Findings

At the beginning of this year, before the coronavirus was even a blip on the radar for most marketers, nearly two-thirds of companies planned to spend at least 20% of their total marketing budgets on live events (whether company-hosted or industry events such as trade shows). One out of six planned to spend 50% or more on live event marketing.

Obviously, those plans have changed. Nine out of ten respondents say they will cancel at least some planned events for the next six months. Two-thirds plan to replace some or most of their live events with online events such as webinars. One out of seven are unsure about plans for the foreseeable future.

However, there are glimmers of light in the darkness. Two-thirds of respondents believe their overall budget will stay the same or see only modest cuts. And 39% plan to reallocate live event marketing dollars to other areas, with the largest share (43%) saying they will invest more in content creation.

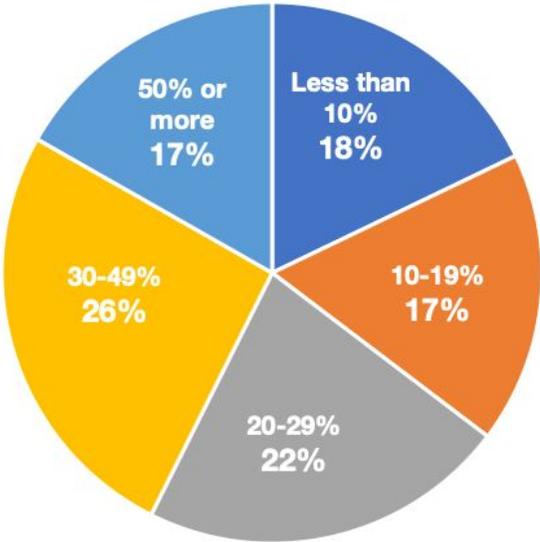
Impact of COVID-19 on 2020 Marketing Budgets



Is the glass half-full or half-empty? The good news: two-thirds anticipate either no change or a modest decline, and 39% say there will be no change or an increase. The bad news: 61% of marketers expect their budgets to decline at least somewhat due to the global pandemic.

The software, media/Internet/telecom, and healthcare segments are most likely to see marketing budgets unchanged or increased due to COVID-19. The financial services sector is most likely to see no change in marketing budgets, but the manufacturing sector expects budget cuts from 1% to 49%. Companies in the business services segment anticipate reductions of 20% or more.

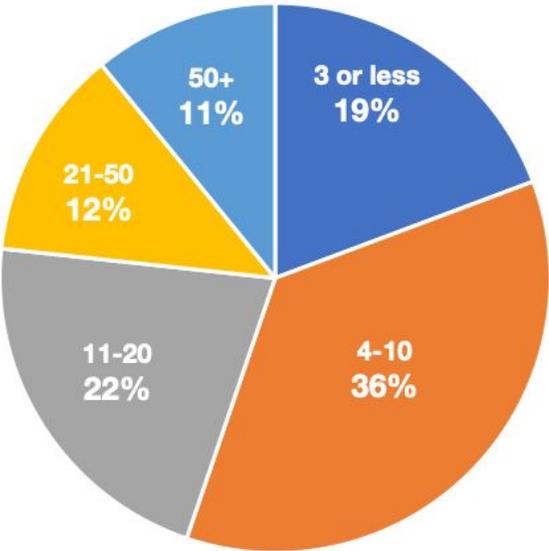
Percent of 2020 Marketing Budget for Live Events Prior to COVID-19



Before the novel coronavirus emerged as a global health threat, nearly two-thirds (65%) of B2B marketers had planned to spend at least 20% of their total marketing budget on live events this year. 43% planned to spend 30% or more of their total budget on event marketing.

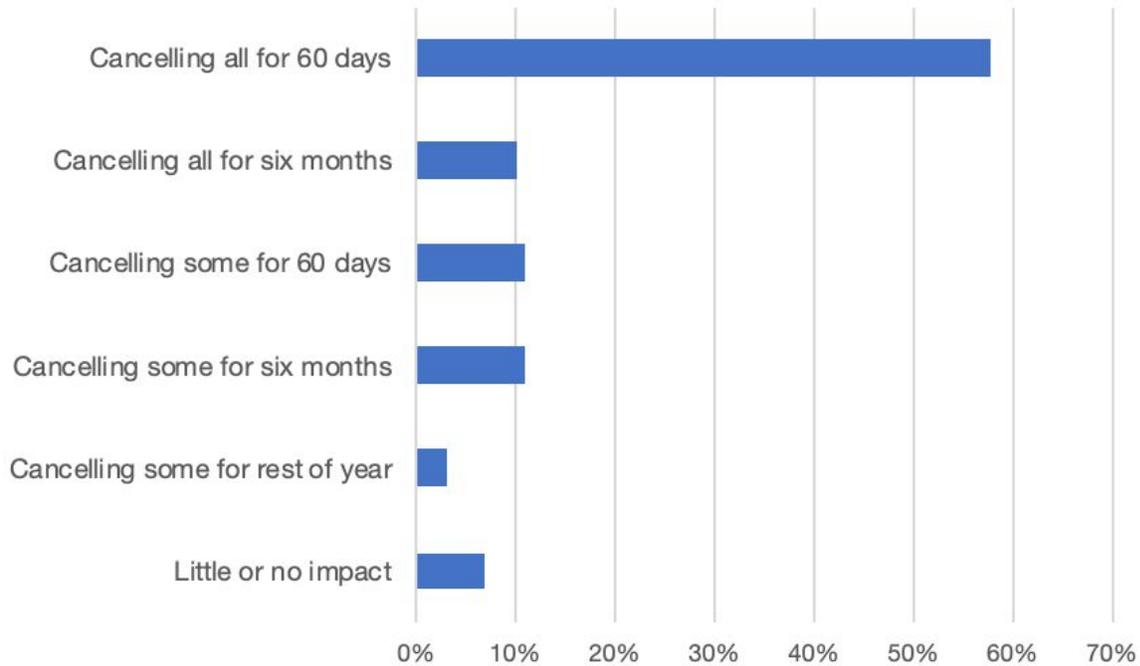
The software and media/Internet/telecom segments tended to have the largest live event budgets (20% or more) while financial & consumer services had the smallest allocations (generally 30% or less). Budget shares for the other broad segments in this study are more mixed.

Number of Live Events Planned for 2020



Before the pandemic, live events were a major component in B2B marketing plans for 2020. At least one event per quarter had been planned by 81% of the companies surveyed, while almost half (45%) had planned events at least monthly. Software companies generally had the busiest event calendars (one-third planned 21 or more events this year), while business services firms planned the fewest (71% planned 10 or fewer events).

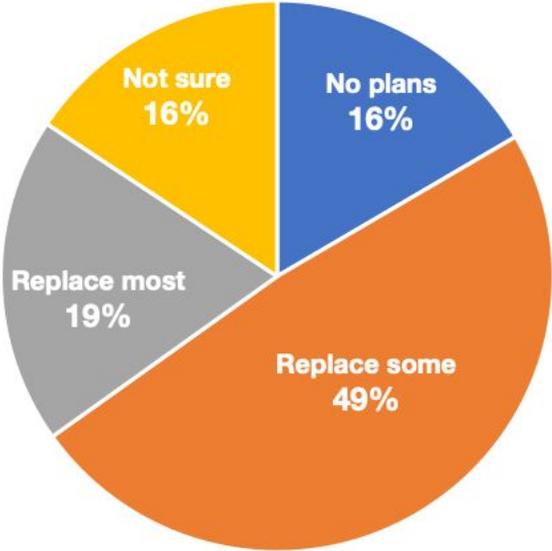
Impact of COVID-19 on 2020 Live Event Plans



The largest share (58%) of B2B marketers plan to cancel all live events in the next 60 days. Two-thirds plan to cancel at least some events within that time frame. Nearly a quarter plan to cancel some or all events in the next six months.

Businesses in the media/Internet/telecom segment are the most optimistic about their live event plans this year, being most likely to predict either no impact on plans or only short-term cancellations. Healthcare firms, not surprisingly, are most likely to cancel all events at least through May. Companies in the business services segment are the most pessimistic; they are most likely to cancel live events over the next six to 12 months.

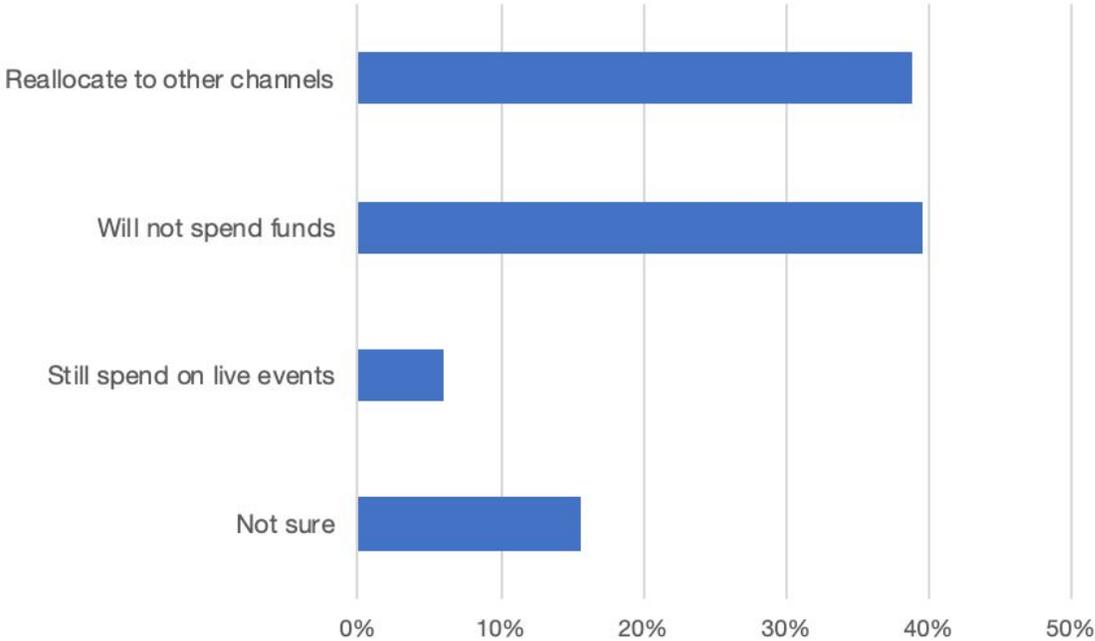
Replacing Live Events with Online Events, such as Webinars



Nearly half of marketers plan to replace at least some live events with webinars. One out of five say they will do so for most of the live events they had planned. Only 17% (primarily companies who participate in 10 or fewer live events annually) have no plans of this type.

Software companies are significantly more likely than firms in other segments to replace some or all planned live events with virtual events. Manufacturers and business services providers are most likely to have no plans to move live events online. Healthcare and media/Internet/telecom enterprises are most uncertain about plans.

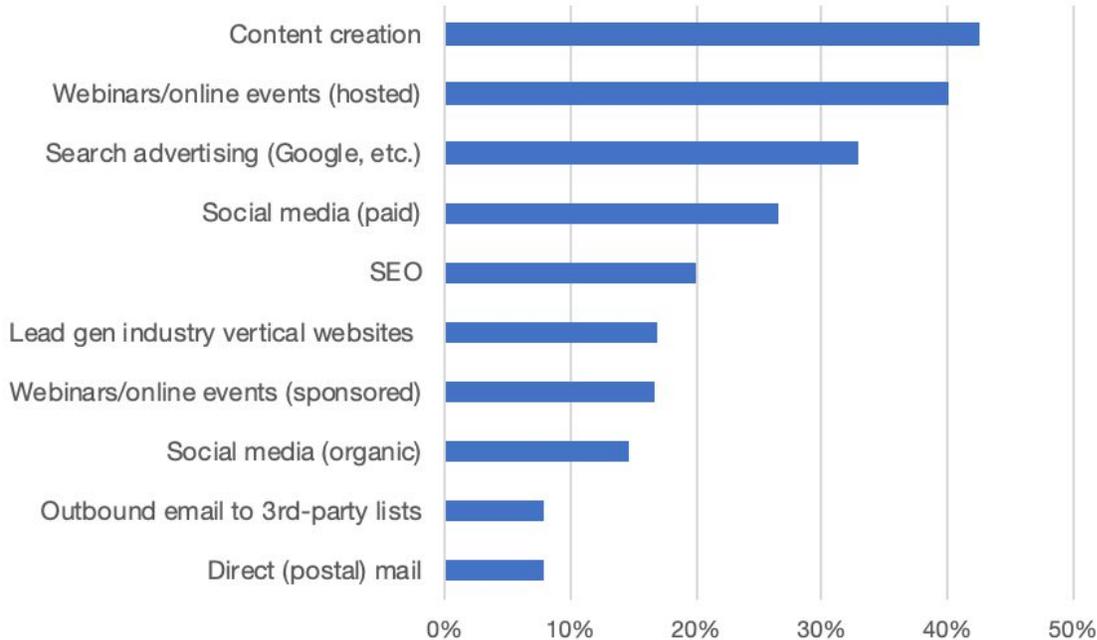
Plans for Live Event Marketing Budget



Marketers are almost evenly split on whether they will reallocate their event marketing dollars to other projects (39%) or simply not spend that money (40%). Only 6% still plan to spend most of their allocated event marketing budget on live events this year.

Software and healthcare organizations are most likely to reallocate unused event marketing dollars to other channels and tactics. Companies in manufacturing and business services are most likely to simply not spend that money and cut marketing budgets. Financial services firms are most uncertain about budget shifts.

How Live Event Marketing Dollars will be Reallocated



Respondents were asked to choose their top three areas for spending unused event marketing budgets.

Of those marketers who plan to spend money originally earmarked for live event marketing on other tactics, the largest share (43%) plan to produce more content. The next three most popular alternative areas for investment are webinars (40%), search advertising (33%), and social media ads (27%). Some industry-specific results include:

- Software companies are considerably more likely to reallocate unused live-event marketing dollars to hosted and sponsored webinars.
- Business services and media/Internet/telecom companies are most inclined to reallocate event marketing budgets to content creation.
- Healthcare organizations are most likely to move live event dollars to search advertising and social media, paid and organic.
- Financial services firms are most likely to reallocate budget to SEO and outbound email.
- Manufacturers (and B2B vendors who support them) are most likely to invest in vertical website lead gen programs and direct mail.

Summary

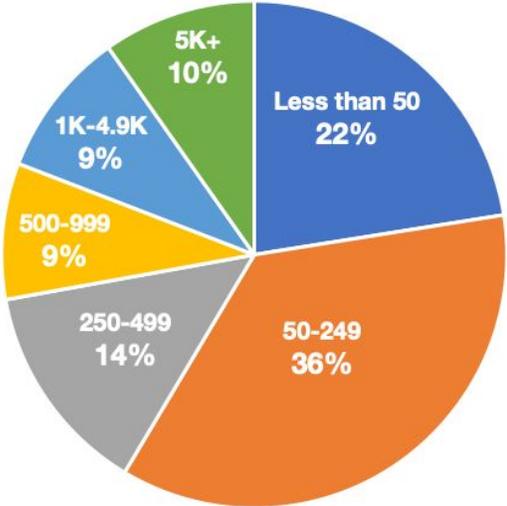
The COVID-19 pandemic is causing significant disruption to plans for B2B marketers this year, though most expect their overall marketing budgets to remain stable or decrease only moderately. Live events are *definitely* out through May, and 27% of marketers believe cancellations will go on for six or more months.

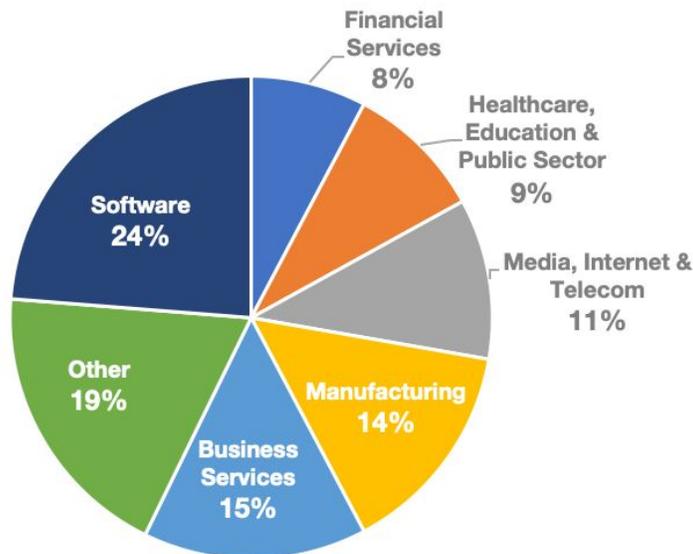
Two out of five marketers plan to reallocate unused event marketing dollars to other tactics, primarily content creation, webinars and search advertising. Software and healthcare providers appear best positioned to maintain marketing spending and activity, while those in manufacturing and business services are feeling the harshest impact.

We hope the information in this report will be helpful to your planning in these challenging times, and that your company and co-workers emerge from this downturn healthy and strong.

Respondent Demographics

A total of 456 B2B marketers responded to this survey. Respondents break down by company size (employee count) and industry segments as follows:





The "other" industry segment includes organizations in hospitality, real estate, transportation, utilities, logistics, retail, construction, and other industries.

About Aggregate and B2B Marketing Zone

[B2B Marketing Zone](#) provides readers with the best content from 350 industry thought leaders. Readers include more than 125,000 business-to-business marketing executives and managers in 51,000 companies of all sizes.

[Aggregate](#) is the publisher of B2B Marketing Zone and more than 40 other B2B publications across a wide range of industries. The company's disruptive technology platform is transforming B2B publishing through its use of social media, machine intelligence and audience-driven data to curate, personalize and deliver the widest set of expert content to each and every reader. Aggregate is led by a team of proven digital media and B2B publishing entrepreneurs.

About Webbiquty LLC and Tom Pick

Tom Pick is the founder, blog editor, and chief consultant at [Webbiquty LLC](#). He helps B2B clients improve their online visibility, increase brand awareness, and generate leads. Through SEO, PPC, social media, and content / influencer marketing, he's helped clients who range from solopreneurs to \$1 billion+ enterprises. He's the author of [The Ultimate Guide to Content Marketing Software](#) and has been named to several lists of top B2B and social media influencers. He's also written for leading blogs, been quoted in publications such as Fast Company, Forbes, and Inc. magazine, and presented at blogging and social media conferences. You can connect with him professionally on [Twitter](#) and [LinkedIn](#).