

# Navigating Marketing Challenges and Creating Demand in 2023

Top Insights from 10 CMOs

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# Introduction

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This has been a challenging year for B2B SaaS and technology marketing leaders. [Seventy-five percent of CMOs report being asked to do more with less in 2023](#), and the majority are readjusting their commitments to marketing channels, resources and programs. As budgets are tighter all around, buyers have become more selective. Churn rates have risen. Deal sizes are falling. And CFOs are scrutinizing software costs closer than ever.

The marketing leaders we spoke to note that this downturn feels different from previous ones. And the old demand-gen playbook that has worked so well over the years is no longer working.

The days of creating gated content, distributing it with lead-gen ads, and then sending all the “leads” to SDRs are long gone. Competition is more cutthroat than ever with 16X the number of SaaS solutions available now than there were 10 years ago. This has driven customer acquisition costs (CACs) to record highs—by approximately 110% in B2B and 220% in sales and marketing software over that time period according to ProfitWell’s data. **There just aren’t enough buyers in the market to go around.**

To deal with this, marketing leaders have begun to adopt a new demand marketing playbook, shifting away from traditional lead generation strategies to a more holistic approach that creates, captures, and converts demand.

In today’s oversaturated, hypercompetitive markets, brands can no longer afford to compete at any cost over the small portion of buyers (estimated at 5%) who are actively searching for a solution. In this environment, the key to growing share—efficiently and profitably—is by tapping into the 95% of potential customers **who aren’t even aware they have a problem**. That’s where demand creation comes in.

For this report, we spoke to 10 CMOs to get their insights on these challenges and how they are evolving their demand marketing playbooks to overcome them.

# **Biggest Challenges for CMOs in 2023**

Through the course of our interviews, several common themes emerged regarding the challenges B2B marketing leaders are grappling with. In this section, we'll dive into the top five, and how they're affecting CMOs' roles and businesses.

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- 02 Increasing acquisition costs >>**
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# Pressure for Greater Efficiency



What I see is a greater emphasis on ROI, which I don't think comes as a surprise. I see a greater emphasis on efficiency.

- Matt Amundson, CMO, [Census](#)

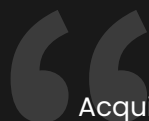
As budgets tighten and talent is harder to acquire, businesses are constantly having to **do more with less**. While this is a struggle, it also encourages leaders to make smarter choices and become more creative.

“The biggest change I’ve seen, both internally and then with peers in the B2B marketing space has been just this renewed focus around efficiency,” said Katie Hollar, VP of Marketing at [Clutch](#), a business service marketplace. Hollar began her marketing career in the midst of the Great Recession, and she recognizes the importance of being disciplined in times like these. She encourages marketers to view it as an

opportunity to focus and take stock of what strategies are actually delivering results.

Michael Freeman, VP of Marketing at [Airbase](#), agrees: “People are already working hard, but how can we work smarter with the way that we organize our quarter, organize our year, to make sure we're getting the biggest impact for that effort.”

# Increasing Acquisition Costs



Acquisition costs are rising, our cost per lead looks nothing like we've ever seen before. Competition is really stiff.

– Allie Collins, VP of Marketing, [Centime](#)

On top of this pressure for efficiency, customer acquisition costs are rising. Buyers are equally focused on time and cost savings and are reluctant to spend on new solutions. And with the number of solutions on the market, companies often feel the need to outspend the competition.

Allie Collins of Centime says, “Two years ago, it was really easy to get an efficient CAC to LTV ratio where

everything was humming along. And then, we just saw big changes in the SaaS climate where it became a whole different conversation.”

Collins’ strategy is to get creative and focus on generating organic traffic rather than trying to beat out the competition on paid ads.

# Concerns around Attribution

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So the fun part is that all of this kind of change in the market is happening at the same time as a few other things, including the deprecation of cookies, which makes paid channels that much less efficient due to the reduction in sophisticated targeting.

– Sarah Bugeja, VP of Marketing, [Mavrck](#)

Another obstacle several leaders discussed is the difficulty of attribution. While they're under pressure to show how they're bringing in customers and how much it costs, it's getting harder to demonstrate this due to recent restrictions on collecting data.

Sarah Bugeja of Mavrck explains, “Data and attribution are tough. There are a lot of limitations based on browsers and cookies and what we can and

cannot do as advertisers. It makes measuring effectiveness that much more difficult. It also presents an interesting opportunity to be creative.”

# Justifying Budget



It takes a leadership team that's willing to understand that there's going to be six months to a year where we might see traffic increasing, but it's going to be a slow burn, and it's going to take time for that to turn into inbound leads or inbound revenue.

– Allie Collins, [Centime](#)

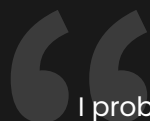
These challenges also mean it's tougher to justify budget for new initiatives like demand creation. However, several of the marketing leaders we interviewed recognize that **investing in the long term is worth it** and have even gotten buy-in from the entire leadership team.

Allie Collins noted that her leadership team understands the importance of building a strong marketing program and wisely invested the time to grow it rather than demanding to immediately see revenue.

Brand building is another long-term investment that can be hard to justify budget for, but Sarah Bugeja recommends it and says it will actually cost businesses more if they don't: "Become the thought leader and the authority in the area in which you play. When a customer actually needs you, they think of you and there's reason for consideration in the first place."



# Cutting through the Noise



I probably get hundreds of emails per day from companies trying to sell me lists, sell me lead generation tactics, trying to put our leaders into all sorts of programs like pseudo-conferences with meetings that they arranged for a very high price tag.

– Marla Malkin, VP of Marketing at [Attivo ERP](#)

Finally, just getting their business’s message heard among all the competitors is a massive hurdle for many to overcome.

“Cutting above the noise is always a challenge,” says Thi Thumasathit, VP of Marketing at [Gleen](#). In a new startup in the chatbot industry, it’s tough to stand out among larger competitors. Thumasathit is aiming to grow the company’s audience with large volumes of targeted content created with the company’s own AI generator.

Marla Malkin of Attivo, sees a similar issue as business leaders are bombarded with emails and ads from all sides. Creating a targeted message that stands out to buyers requires more strategic effort than ever.

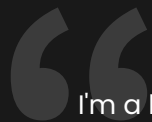
# CMOs' Top Goals for 2023

So, how are marketing leaders dealing with these challenges?

We discovered their top five goals and priorities for 2023.

- 01 Adopt new channels to reach out-of-market audiences >>**
- 02 Generate more leads >>**
- 03 Achieve greater efficiency and streamline processes >>**
- 04 Shift focus from lead generation to demand generation >>**
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# Adopt New Channels to Reach Out-of-Market Audiences



I'm a big believer that modern marketing teams need to operate like media hubs as opposed to marketing agencies. We really need to try to be, you know, if we're talking about a TV show, we need to be the show, not the commercial, right.

- Allie Collins, [Centime](#)

To effectively stand out from the competition and reach out-of-market audiences, marketing leaders are adopting innovative outreach strategies. Buyers have become desensitized to ads and pay more attention to data from trusted media sources. Industry news, podcasts, popular influencers, and communities of experts draw in those who may not even be in the market for a solution yet.

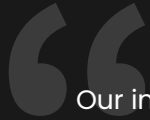
Michael Freeman explains how Airbase uses webinars and podcasts to establish the company as a thought leader: "We have two different webinar series that are all around thought leadership. We don't talk about our product at all. One is called 'Path to Becoming a CFO' where we work with a number of very well-known CFOs where we are interviewing them and they are sharing their advice and learnings for all of the financing arm...And we do a lessons-learned type podcast called 'What I Wish I Knew.' For example, our

next one is going to be our CFO interviewing someone he knows who has basically been an expert and on the front lines of Tech M&A for a couple of decades."

Airbase has also developed a large Slack community called "Off the Ledger" for finance professionals to share ideas and learn from one another. While the product is never mentioned, it creates a positive association with the company.

Getting data into the media is also a key goal for Ilana Shabtay, VP of Marketing at [Fullpath](#), who leverages influencers and journalists: "For now until the end of the year, we're going to be looking at how many tweets or retweets we get about our data, and/or how many mentions we get in reports about our data. So we're trying to distribute our data to journalists and PR reports like McKinsey and Deloitte." Fullpath has also had success with less traditional media.

# Generate More Leads



Our intent is to use content marketing and PR to generate leads, become a trusted source of information for prospects in our industry, recognizing that many of them will not currently be in the market for a solution.

- Thi Thumasathit, [Gleen](#)

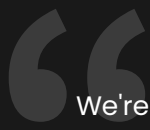
Traditional lead generation remains a priority for some as leads are a key performance metric required by many CEOs.

Although Allie Collins' leadership team allows time for the marketing team to build their demand generation engine, they still expect to see leads: "A key goal is still to drive some inbound leads for sales. So it's going to take us time to do that. But we've already started seeing our traffic improve immensely. So we're already starting to drive leads. It's one of those deals where the ultimate guiding light is by the end of this year, we need to show that we're able to do that."

While some argue that the traditional marketing funnel is broken, it's difficult to get away from it.

Rather than doing demand creation and reaching a wider audience, some businesses take an increasingly hyper-targeted approach, aiming at specific industries and enterprises: "We're doing everything related to those micro-targeted markets, and hopefully by saturating those, there are more leads coming in the funnel and we will be able to really drive those kinds of leads to come in. We do very micro-targeted and focused campaigns," says Marla Malkin.

# Achieve Greater Efficiency/Streamlined Processes



We're really tightening up our metrics. So that we can start to see clear lines between our effort and the return...what we're doing is really building our ability to track the impact of certain types of content and what kind of positive outcome they generate.

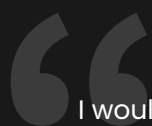
- Stefanie Di Trocchio, CCO, [Smart Ease](#)

As we've discussed above, efficiency is a major challenge for businesses this year, so improving this and streamlining processes is a top goal for nearly all the marketing leaders we spoke to.

Stefanie Di Trocchio says working on a limited budget has actually been a benefit in the long run. Now the business can dedicate resources where they know it makes the most impact.

Katie Hollar also notes, "So there's always lots of really creative, great ideas of things we can be working on, but we're making sure we're really ruthlessly prioritizing what we think are going to make the biggest impact."

# Shift Focus from Lead Generation to Demand Generation



I would say for 2023 in general the switch from lead gen to demand gen mandate was a huge goal. And just making sure that we're doing it the right way, making sure that we're actually creating the funnels that we want to create.

- Ilana Shabtay, [Fullpath](#)

At Brighttail, we believe that demand generation and especially demand creation is the way forward rather than traditional lead generation, and several leaders that we spoke with agree.

Ilana Shabtay explained how Fullpath made the bold decision to tear down the gates. They ungated everything on their website and are committed to keeping it that way. They've already begun to see amazing results: "[After we ungated everything] there was like a month where everything dropped, which we totally were prepared for. And then we actually saw MQLs start to go up significantly, which was really exciting."

The distinction between demand capture and demand creation is also important. Often, demand capture is not that different from lead generation. It's aimed at in-market buyers and asks them to take an immediate action. Now, forward-thinking businesses are recognizing the need to create demand among out-of-market buyers.

Matt Amundson observes, "In general, companies that I'm seeing, doing things right, right now, are the ones that have shifted a little bit of their focus away from just a traditional demand capture, which is like, "Hey, how do I run as many ads as possible that have a demo request as a CTA" into more brand, or I should say demand creation."

# Become a Category Owner



Becoming a category owner also goes along with demand gen. Because you're owning a new category and you're educating and you're creating value around it and awareness and then you're bringing more people to you.

- Ilana Shabtay, [Fullpath](#)

Demand creation is essential when you're introducing an entirely new category. That's what Ilana Shabtay is doing at Fullpath. Fullpath's Customer Data Platform was a first in the automotive industry. Now there are others in the category, but Fullpath strives to be the leader with its data and educational resources.

Matt Amundson also focuses on positioning Census as the leading data activation platform. Census puts extensive resources into building a community around the brand and providing educational thought

leadership content: "What's important to us is not just the fact that we're closing every deal imaginable, but that we're actually driving the category forward from a thought leadership perspective."

# CMOs' Perspectives on Demand Creation

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While marketing leaders are trending towards demand generation, the idea of demand creation is still new. There are several perspectives on what demand creation means and how to do it.



# Need to Shift from Demand Capture to Demand Creation

“For so long, a lot of marketing teams were very focused on this low hanging fruit of demand capture when they were already qualified and in-market, that 5%. But I think there's been a shift back to really creating problem awareness first. And so I think the takeaway for me here is, when you're only interested in talking to prospective buyers, who have all of this figured out up front, you're really missing out on the majority of potential leads that you could be generating for your business and sacrificing great client opportunities.

– Katie Hollar, [Clutch](#)

The distinction between demand capture and demand creation isn't discussed as often. We asked about this by referring to the 95-5 rule—that only 5% of buyers are in the market at a given time, and the other 95% are out of the market.

Most were somewhat familiar with the general concept even if they had not come across the rule as such. “I would say it's not a huge part of what we talk about on a day-to-day basis, or even a monthly or planning basis. It just boils down to knowing our seasonality,” said Sarah Bugeja.

Seasonality is one way to consider who is in and out of the market. For example, if buyers replace a solution like yours every five years, then only 20% of buyers are

in the market in any given year, and 5% in any given quarter. But it's important to stay top-of-mind to these buyers who aren't in the market so that they'll consider your solution.

Ken Chow, CRO of [Qrvey](#), sees demand creation as **addressing audiences' most frustrating daily problems that they may not have considered looking for a solution to**. He calls this the 8 a.m. inbox problem: “They come in Monday, at 8 a.m., the first thing they do is check their inbox and their email. What is the thing that they'd just go, 'Oh, I've got to deal with this again this week.'”

Once you understand that, you know how to target them.

# To Gate or Not to Gate?

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In 2023, we ungated everything and the truth is, it helps with a few different things. It helps with creating value and making sure that you're the resource for the shopper. Because if they can get that somewhere else, they will. Also, it really helps with our SEO. So we took all of our case studies and instead of gating them as PDFs, they're now hosted as a blog post almost. So none of it is gated, but actually, we're able to use that for SEO purposes as well because it's embedded on our website. And so that's actually been a huge value add.

- Ilana Shabtay, [Fullpath](#)

Gating or ungating content has been a popular debate in recent years. In traditional lead generation, gating was seen as necessary as it was the only way to get contact information. But gating also shuts out new audiences. People who aren't seriously looking for a solution are unlikely to fill out a form, so they'll never see the content.

Ungating everything is a major change and some take a more gradual approach. "I think there are assets that definitely make sense to gate. You always want to

think about the customer's experience first," says Matt Amundson. Census has ungated most of its content, but still gates content like webinars where it would make sense for customers to fill out a registration form.

# Demand Creation vs. Branding



Maybe just making sure that the market is aware of us at this stage because our business will always be via resellers. But it's a real advantage to those resellers if the end customers have positive and trusted associations with us and have different ways to get information about us.

– Stefanie Di Trocchio, [Smart Ease](#)

A central aspect of demand creation is raising brand awareness, and we found from our interviews that many marketing leaders make little distinction between demand creation and brand building.

Stefanie Di Trocchio shared that she wouldn't call what Smart Ease is doing in terms of PR and media demand creation just yet. It's more about brand awareness among both resellers and their end customers.

"I would say there's not a huge distinction between demand creation and demand generation. Thinking about who's in the market right now, and who might be in the market in the future. That's where I think that demand creation is ultimately brand building," was Sarah Bugeja's take.

Matt Amundson also describes their demand creation process as creating a brand: "And so the way I approach marketing now is very similar to the way I would recommend that other companies in general approach marketing, which is 'Let's create a brand.' Brand is very, very important to me right now."

While demand creation and brand building are not strictly synonymous by our definition, building brand awareness is one of the most important components of creating demand. Both brand and problem awareness are contained in demand creation, and many business leaders are recognizing the need for this, whether or not they define it as demand creation.

# Key Takeaways

Through the course of our interviews, we gained valuable insights on what matters most to marketing leaders this year and what they're doing in terms of demand generation and solving challenges. Here's a recap of some of the key takeaways.

## **Efficiency while working with a tighter budget is the biggest concern for most marketing leaders today.**

The term "unit economics" came up frequently in the interviews. Everyone needs to justify what brings in the most revenue compared to the cost and resources expended. This has forced marketers to take a harder look at their programs and evaluate what works.

## **Traditional lead generation remains a valued tactic to some.**

Marketing leaders dealing with tougher competition and increased acquisition costs still favor lead generation strategies by continuing to improve their targeting and using more creative tactics.

## **Demand generation is a popular concept and most say they are doing some form of it.**

Definitions of demand generation and how to do it vary, with some businesses sticking to demand capture, which is closer to lead generation, and others taking bolder steps to make their brand stand out among new audiences.

## **The concept of demand creation is less discussed and is commonly equated with branding.**

Business leaders do recognize the need to build brand and problem awareness and are using strategies that range from ungating content, to doing more market research, to prioritizing PR efforts.

## **Creativity and shifting tactics are essential for a business to stand out in this competitive climate.**

All those we interviewed offered enlightening perspectives on how their businesses are approaching this. From influencer marketing to leveraging AI, leaders are finding new ways to put their solutions in the top of prospects' minds.

While it's illuminating to dive into the minds of these marketing leaders and learn how they're navigating increasingly challenging marketing obstacles, there's still a long way to go for businesses that truly want to tap into the unaware portion of the market.

# How Brighttail Helps Today's Marketers Get Ahead of the Curve

As a full-service demand marketing agency, we're committed to helping B2B businesses cut through the noise and reach out-of-the-market audiences. Many marketing agencies promote demand generation but only focus on the 5% of in-market buyers.

We leverage demand creation to tap into that remaining 95%, who we call Buystanders. With branding expertise, thought leadership campaigns, and educational initiatives, problem-unaware audiences can be converted into buyers.

We hope you've learned from the experts we spoke to and see the importance of considering demand

creation for your business. To learn more about our unique take on demand creation and solving the Buystander problem, visit our [Buystander Personas site](#).

And if you need help with your demand generation or demand creation programs from an agency that takes the time to understand your business as deeply as your own team does, contact us for a free consultation.

[Contact us](#)

# Acknowledgments

A special thanks goes to all of the marketing leaders who took the time to speak to us and share their valuable insights.



**Matt Amundson**  
*Census*



**Katie Hollar**  
*Clutch*



**Michael Freeman**  
*Airbase*



**Allie Collins**  
*Centime*



**Sarah Bugeja**  
*Mavrck*



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