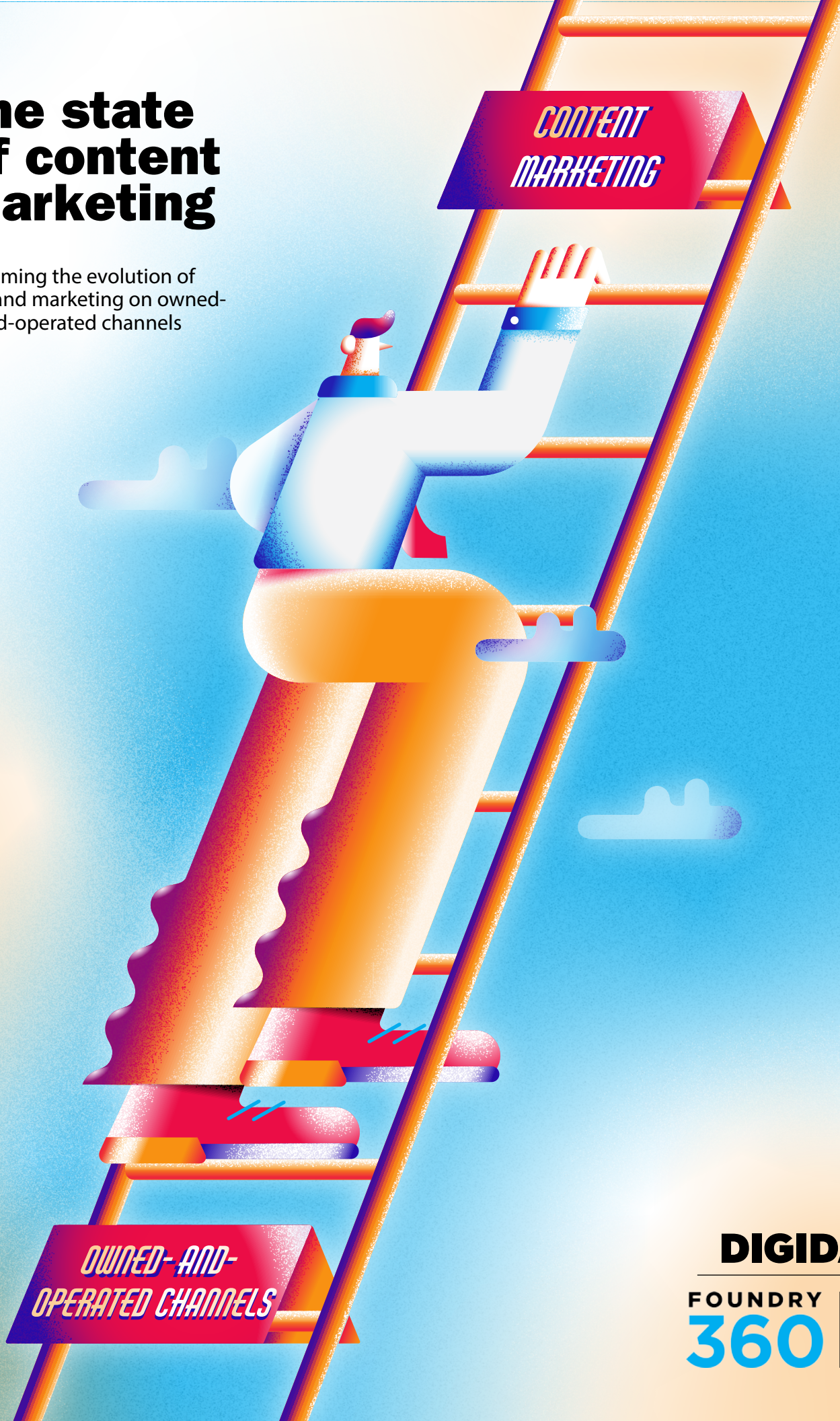


The state of content marketing

Framing the evolution of brand marketing on owned- and-operated channels



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The state of content marketing

Framing the evolution of brand marketing on owned-and-operated channels

A brand's owned-and-operated site is its blank page, a place where the story of its products, people and customers can come to life. And while significant attention has been paid to how brands engage consumers and other stakeholders in native ways across numerous channels, there is an evolution underway regarding the content marketing team that is focused on the properties a brand calls its own.

Though content marketing has experienced an increase in volume and use cases across owned-and-operated channels — and hiring has been on the rise — as an industry, it's still in its adolescence. As it matures, team structures are changing, and with that transformation come budget, allocation, deployment, measurement and other shifts.

In 2023, this kind of change is shaping the state of the content marketer in the owned-and-operated environment.

"Clients have hired more and more content people," said Dan Rubin, vice president of strategy and marketing at Foundry 360, the content marketing agency at Dotdash Meredith. "You see it on LinkedIn; you see pharma companies hiring more content people; you see it in financial services that already have robust content teams; you see travel and hospitality companies having people with editor titles that the organization has brought in. And then there are content experts — and those content experts are not novices. So, not only is the production and development of content changing, but so is the strategy."

The emergence of centralized services is another way to understand content marketing in its adolescence. Internal hubs of creators are bringing people, knowledge, tools and other resources together, maximizing content value and developing increasingly efficient strategies.

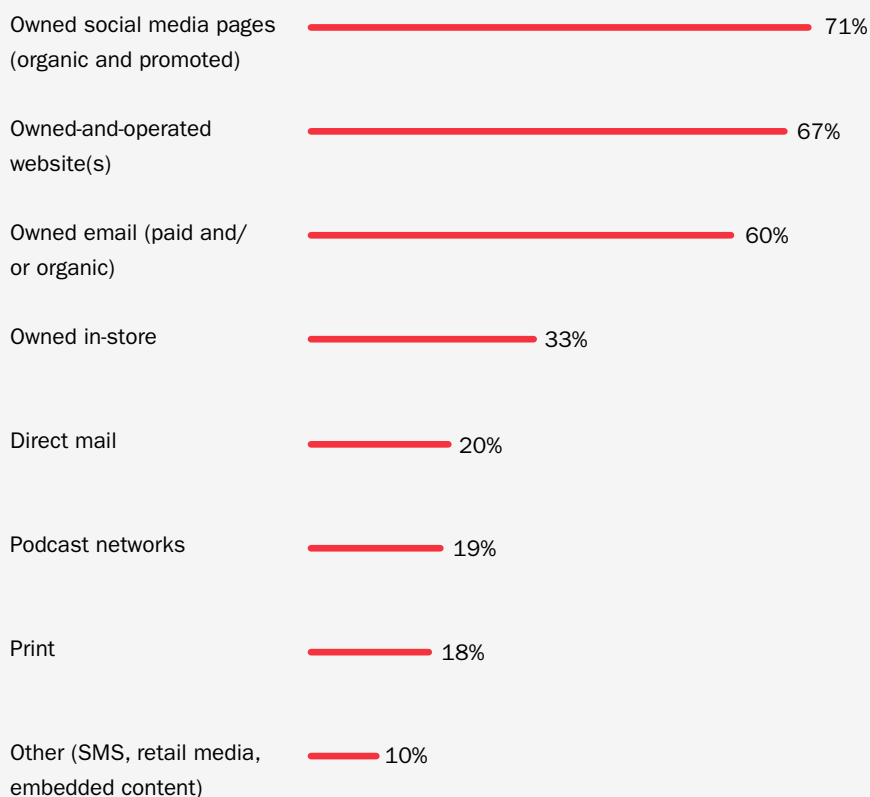
"What we're seeing more and more companies do is focus on creating centers of excellence around content," said Rubin. "We have clients who are doing this in finance and travel, and these centers of excellence are internal resources that hire external companies like ours to plus-up their skill sets and gain insights to which they don't have access."

To further explore and identify how in-house teams divide the lift and secure the skillsets needed to create educational content, thought-leadership writings, email series, customized magazines and more, Digiday and Foundry 360 surveyed 90 brand marketers. This State of the Industry report unpacks how they work with their own sites and channels to publish content that educates, engages and wins over the digital consumer in 2023.

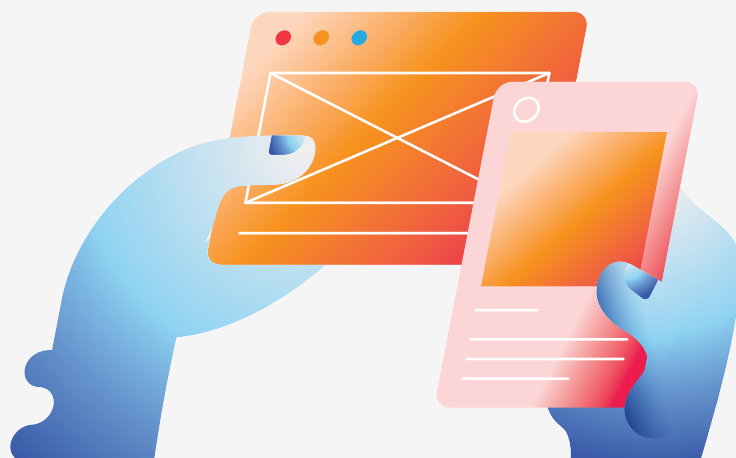
Channels and formats: Social media tops the list of marketers' content priorities in 2023

Social media posts on owned-and-operated feeds topped the channels brand advertisers use to create and deploy consumer-facing content, with 71% of our survey respondents citing it. Among formats, websites came in second (67%) and email third at 60%.

Q. Which owned-and-operated channels does your company use to carry consumer-facing content? Select all that apply.

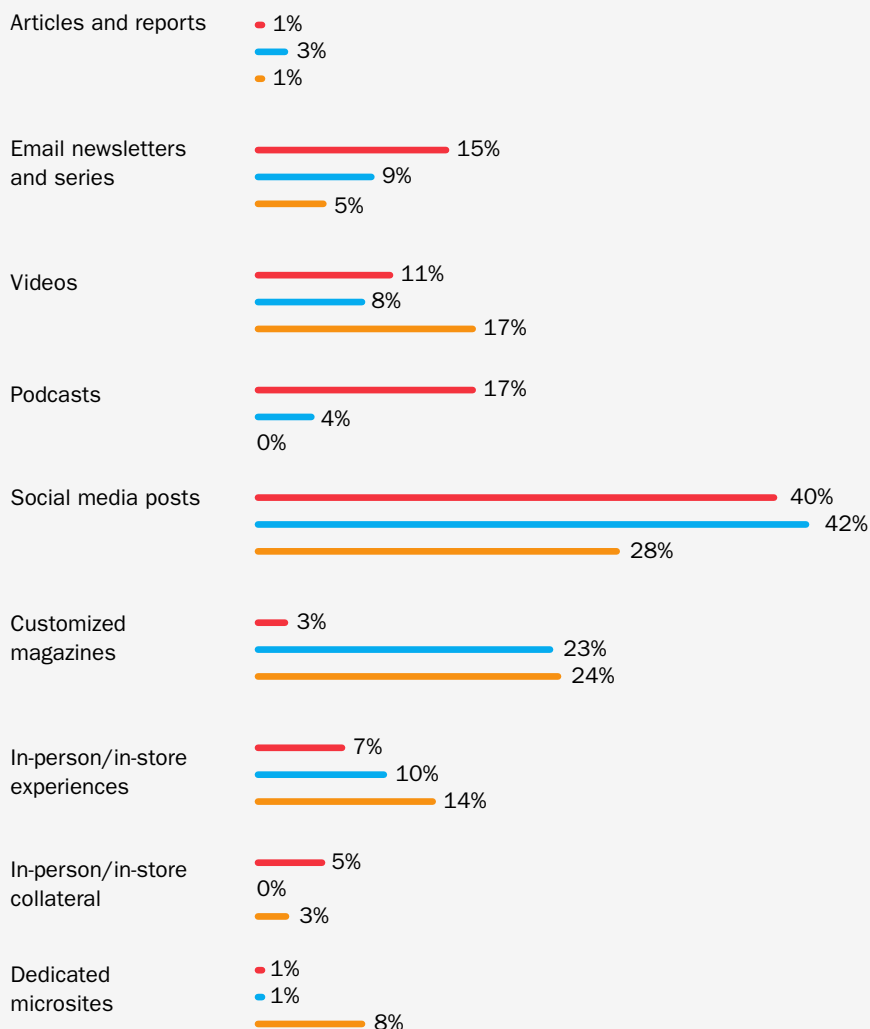


Changes are underway regarding the frequency with which marketing teams deploy specific formats within these channels. The chart on the next page highlights what our respondents told us. Our top-cited format aligns with the list of channels marketers said they use most — social media posts leads the list of formats at 42% in 2023.



Q. What format of consumer-facing content do you most often create and deploy on your company's owned-and-operated channels, and which formats do you anticipate creating and deploying most in 2024?

● 2022 ● 2023 ● 2024



Some formats on the list align with what marketers now take as a given. For example, video is expected to surge in the coming year — up 9 points to 17% in 2024 projections compared to 8% this year. The predicted move puts video higher than in the past two years.

“Video is bigger than ever,” said Rubin at Foundry 360. As he put it, the reasons likely point to a combination of the format’s function and efficiency. “Video will show someone how to do something or explain how a product fits into their lives and usually in a quicker way than reading an article. It’s also very portable, easy to share and works to deliver that value exchange at a faster pace. We’re seeing more and more clients with video in their strategy.”

And then, some findings surrounding formats are surprising. For example, email newsletters and email series have seen a 6-point decline since 2022, dropping from the top three of most-used formats (at 15%) to 9% in 2023. Marketers expect it to fall further still in 2024, to 5%. Still, as marketers will tell us later in this report, email occupies a top-three spot for effectiveness. The picture that's developing may be one of a channel that has found its level. While it's used less frequently than social media posts, it's hitting its marks efficiently and perhaps needs fewer sends to generate the KPIs for which marketing teams are looking.

"I'm not surprised," said George Baer, senior vice president at Foundry 360. "While email is a super affordable and easily automated tactic, it's starting to become background noise in our inboxes. Look at your inbox — how much do you read, and how much do you delete? It's no wonder open rates continue to fall. Even with that, you can't ignore it — it has a place in the mix."

As for social, Baer found it to be an excellent channel for directly addressing an audience with a self-indicated interest in a brand and feeding them more information.

"Nearly all the programs we work on with our clients have email components, though email remains a support channel," Rubin said. "Lead channels include social media and print while video remains a strong tactic within digital marketing."

Finally, some changes align with shifting times. For example, in-store and in-person experiences have steadily risen on the list of most used formats. In-store experiences climbed 7 points overall, projected to be in the top five in 2024 at 14%. Marketers are again meeting customers where they are, physically speaking, outside of their homes.

Notably, customized magazines jumped 20 points between 2022 and 2023 — the most significant uptick of all the formats. It comes at a time when print is getting good reviews from marketers. New [research from Ebiquity](#) shows that more traditional media channels, such as print, outperform digital channels regarding reach, attention and engagement relative to costs. Additionally, [80% of consumers act on direct mail](#) activations, 77% say it drives higher levels of recall and 92% of 18–23-year-olds say it's easier to read print than digital content.

"With email boxes more full, home mailboxes are emptier and opening the door for high-quality communication to consumers," Baer said. "Custom magazines provide a gateway to building and sharing lifestyle-driven messaging directly to consumers in their homes. Consumers still love getting mail and when something of quality is delivered to your home, you have to touch it and decide what to do with it. If you do it well, you have that consumer's undivided attention once they engage further."

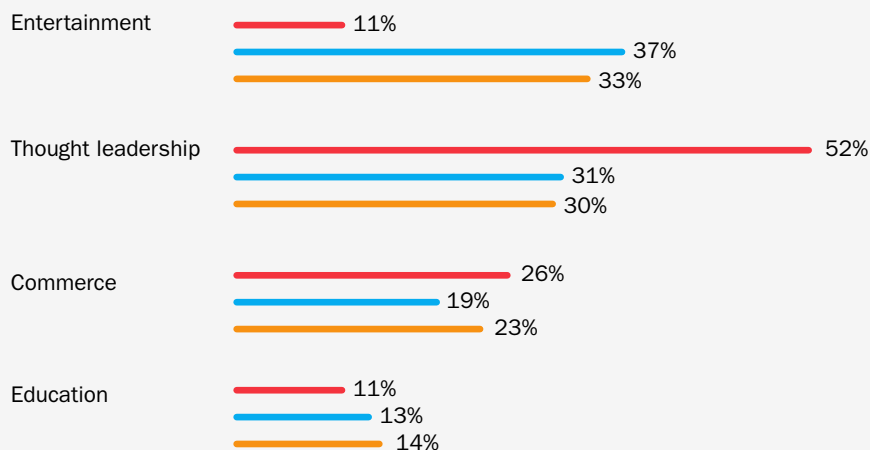
The return of the printed page may well tie to the reopening of some places where people get these items — i.e., in-store pickup, events, trade shows and the like — further evidence that people are back in those places, doing business, shopping or enjoying leisure time.

Goals: Entertainment edges out thought leadership in 2023

Our survey also shows a shift in goals. For instance, in 2022, thought leadership was the top goal of our marketing respondents (52%) when creating consumer-facing content, but no more. Entertainment came out ahead in 2023, topping the list in 2023, at 37% against 31% for thought leadership. Entertainment will keep the top spot in 2024, our respondents predict.

Q. For the following years, please indicate your company's top goal in creating consumer-facing content on your owned-and-operated channels.

● 2022 ● 2023 ● 2024



Notably, education is perennially last in our respondents' rankings. However, as a format, if we frame it as a steady performer for teams year over year — perennially [necessary for building trust and converting customers](#) — and not subject to surges and retrenchments, education perhaps represents the steady backbeat for a content marketing team's owned-and-operated cadence.

“Consumers continue to be inundated with brand messaging and advertisements and are seeking more content that entertains them,” said Baer. “Things like brand films that address social issues continue to see increased investment by brands. It's not easy to get a CMO to think outside the box, but with continued channel congestion, new content outlets are proving successful for brands and consumers.”

How do teams decide what consumer-facing content to focus on?

When building out consumer-facing content, brands must determine the specific content needed and what a consumer is likely searching for.

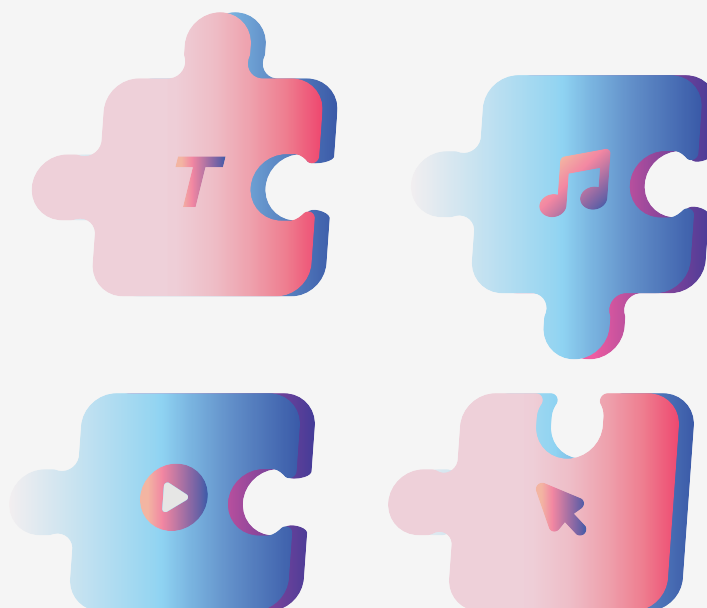
Baer shared one example.

Many pharmaceutical companies have legalese on their sites rather than universally accessible content. Additionally, many consumers are more likely to think of a drug the brand makes than the brand itself. Baer's team strives to centralize the condition as the most crucial element of the story rather than the brand, positioning those drugs as a solution.

"If you have terrible heart health, you may be searching things like, 'How do I control high blood pressure?'" he said. "That's the first question, but the next one needs to be, 'What should I eat? How much do I need to exercise? Can I travel? How does this impact my family?'"

"What we try to tell them is don't just create content that answers one question," Baer added. "Think about the experience that the customer is having and give them the total experience. We're trying to help them become the experts they need to be."

So, when a consumer searches for questions surrounding their condition, the company that makes medicine for that ailment will have content that pops up to help them find a solution.



Teams expect bigger budgets for owned-and-operated content marketing in 2024

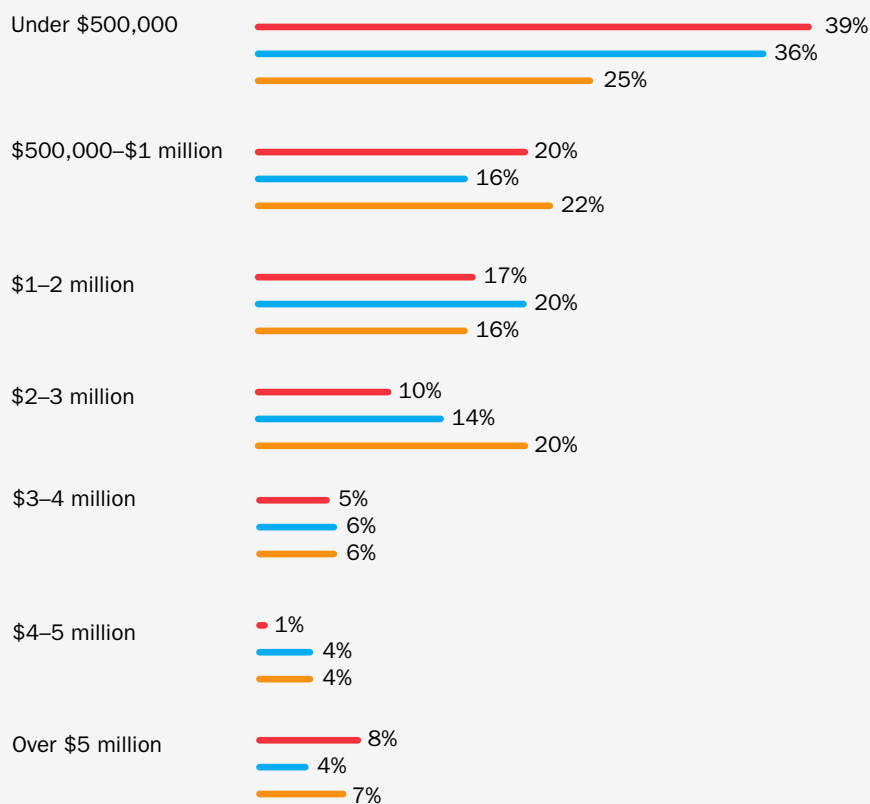
Now that the channels, formats and goals of consumer-facing content across owned-and-operated content marketing strategies are in focus, what do budgets look like for these programs in 2023 and beyond?

Most brands allocated under \$500,000 to their programs in 2022 and 2023 (36%–39%). However, that percentage will dip to 25% in 2024, and larger budget allocations are expected to rise.

For example, the percentage of teams allocating \$500,000 to \$1 million is projected to climb 6 points to 22%. Those spending \$2 million to \$3 million is expected to increase by 6 points, rising to 20%. Still, others are going further. Allocations of more than \$5 million are projected to increase by 3 points from 4% to 7%.

Q. What is the budget for consumer-facing content on your company's owned-and-operated channels?

● 2022 ● 2023 ● 2024



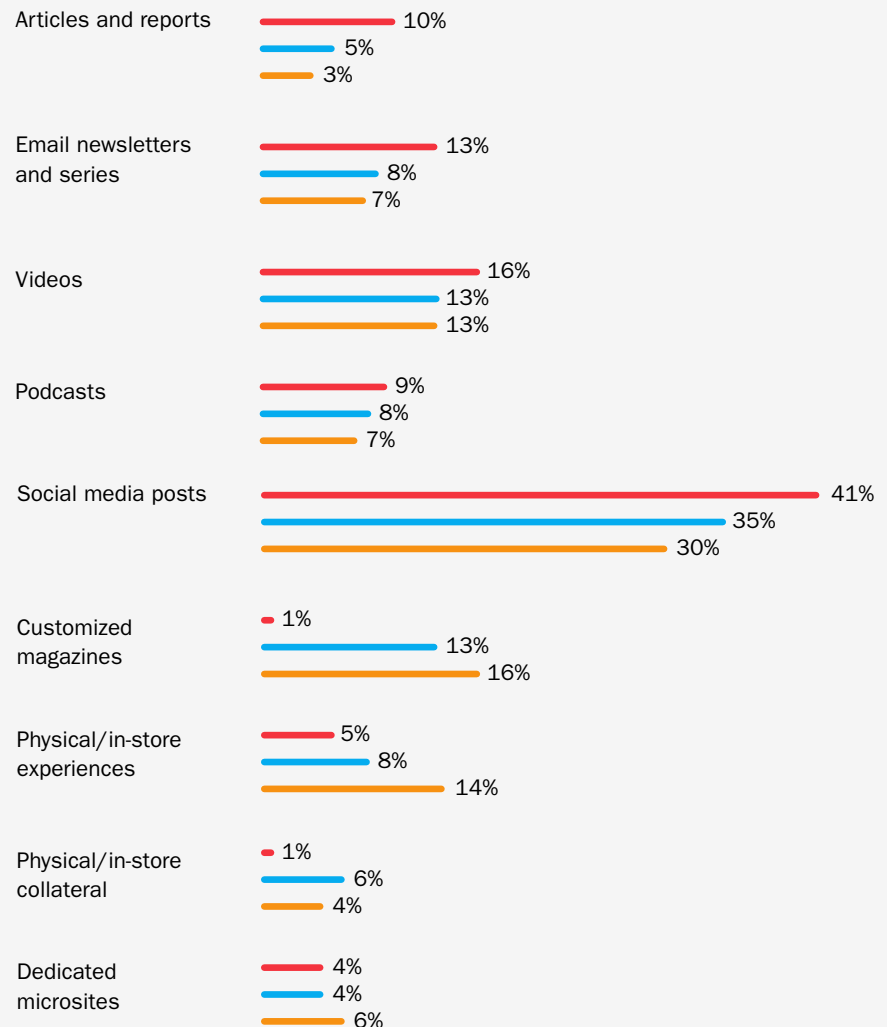
“I think that the content market has started to mature, and those that started small have seen results and are allocating more money to building deeper content experiences for their brands,” said Baer.

“More and more consumers are going brand-direct for their questions, and if the brands they select can’t offer an answer, the consumer moves on,” he continued. “I think that’s why you see growth in the larger spending areas because the importance of creating sticky experiences for consumers has become so important. I am a bit surprised there isn’t more growth in the lower spending levels as more brands get started, but perhaps they’re just starting bigger and bolder to get ahead of their competitors.”

Given the focus on social channels and formats noted earlier in this report, it is unsurprising that social media (35%) claims most of the budgets outlined in the previous chart. It’ll top the list next year, too, our respondents expect.

Q. For the following years, please indicate the format that claimed most of your budget for consumer-facing content on owned-and-operated channels.

● 2022 ● 2023 ● 2024



And while video is expected to become an increasingly important format to our content marketers in 2024, the respondents did not flag a correlating uptick in it being the format most likely claim the lion's share of budget next year (it sustains at 13% year over year). This could be due to the change in production costs as [the rise in UGC-style videos gains traction for brands](#).

In 2024, Rubin believes budgets will likely remain steady or grow slightly. He also suggests that brands leave room in their budget in the coming years as the competition for video resources will likely increase.

"There's going to be a lot of pressure on creating video, and I don't think it'll only be expensive video," he said. "I'm not predicting only brand films — there might be an element of that in some use cases. But I also think companies will use video in various ways — education and instruction. Video will be integral to delivering that value exchange."



For outcomes, social tops the charts, but email holds its own as a performer

The format nearly half of our respondents said drove the most successful outcomes across their owned-and-operated channels was the social media post. Again, not surprising considering the investment made in the format. Video came in second (35%), echoing that teams are making wise investments when they allocate to sight, sound and motion.

However, email newsletters coming in third (31%) is surprising, considering it was ranked lower in the frequency of use and received a smaller budget than other formats. Again, the format ranking as a third-best performer could be due to teams having a developed understanding of how email campaigns work, allowing them to be more strategic — in a sense, they may be getting more bang for their email buck.

Q. Which formats on your owned-and-operated channels drive the most successful outcomes based on the metrics you selected in the previous question? Select all that apply.



How big is the biggest content budget bite?

Regarding the content formats claiming the lion's share of the budget for these owned-and-operated programs, in 2023, getting the biggest bite meant that the format commanded 41%–60% of the overall available spend. Next year, 64% of the formats with the most significant allocation will account for 41%–79% of the overall content marketing budget.

"In a results-driven world, brands need to spend where they're seeing the best ROI, so I'm not shocked to see this trend continue," Baer said. "However, as consumer habits change and social media audiences mature, it's important that brands ensure that they are choosing the right place to engage with their core audiences. We are seeing big migrations from Facebook, for example, so you just need to be mindful of where your customers are. Even with the shifts in the social media landscape, I'm not surprised to see social posts as a top priority. It's super affordable, and you have a pre-qualified audience that follows your brand and wants information. So, why not feed it to them?"

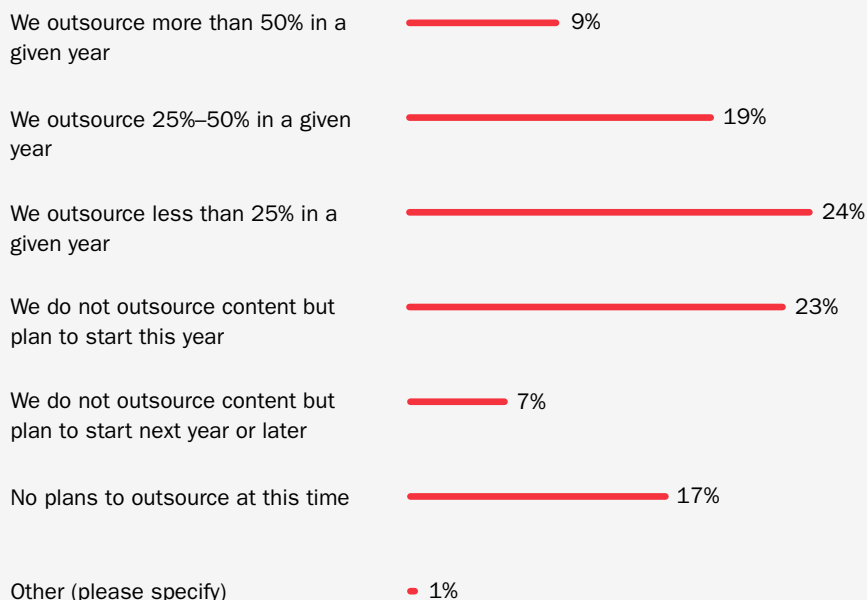


About half of the content teams are outsourcing but more plan to in 2023

With goals in mind and the budgets to drive them, our respondents highlighted how teams create consumer-facing content across owned-and-operated channels.

The survey responses echo recent reports of marketing's affinity for in-house teams, but there is evidence of a transformation in practices underway. About half (47%) of respondents have yet to outsource, with 24% either not planning to before 2024 or others not at all. As for the approximate remaining half (52%) who assign their consumer-facing content marketing to external teams, they'll be joined in 2023 by an additional 23% who expect to start outsourcing this year.

Q. How often does your company outsource consumer-facing content projects?



Not shown on the chart, overall, in-house non-specialized marketing teams were our respondents' top-cited model for creating consumer-facing content on their brands' owned-and-operated sites. The in-house content agency came in second overall at 42%.

"This reflects the trend in which clients are hiring content experts," said Rubin. "The love of the 'center of excellence' is happening."

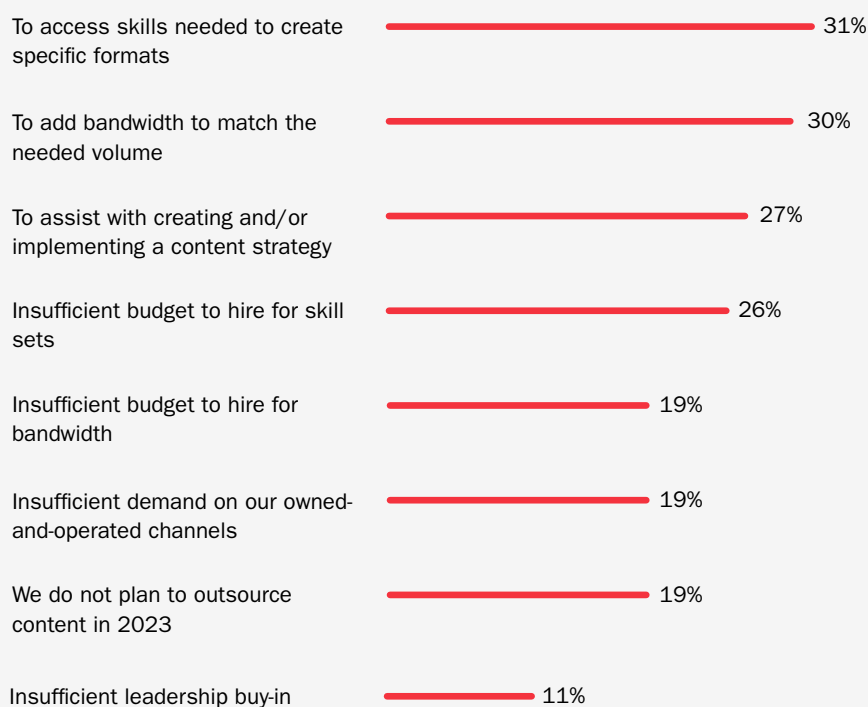
General approaches over specialized units are the structure of choice here, which suggests outsourcing is tapping external teams for perhaps more than just consumer-facing content on brands' owned-and-operated sites.

Outsourcing is about accessing skills, filling bandwidth and budget gaps

“Over the years, we’ve seen more and more in-house content groups sprout up at both brands and agencies,” Baer said. “When it comes to outsourcing, we tend to see more of it from larger brands that really need to scale their content in a big way, and doing so internally just becomes too expensive from an overhead perspective, and they need to rely on a partner like us that do this all day and every day for some of the country’s biggest and best brands. I would say that overall, these numbers don’t surprise me and fall in line with what we have seen over the years.”

The top reasons our respondents said they’re outsourcing content this year are within five points of each other — accessing skills for specific formats (31%), adding bandwidth to match volume (30%), assisting with the implementation of a content strategy (27%) and covering for budgets that are too small to onboard in-house skill sets (26%).

Q. What are the primary reasons for outsourcing that content in 2023? Select all that apply.

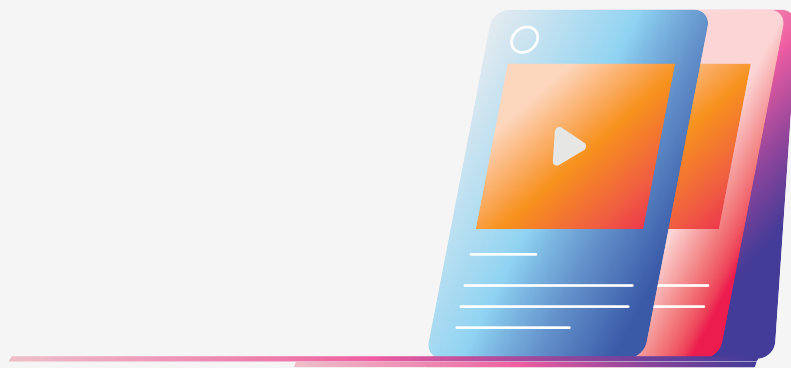
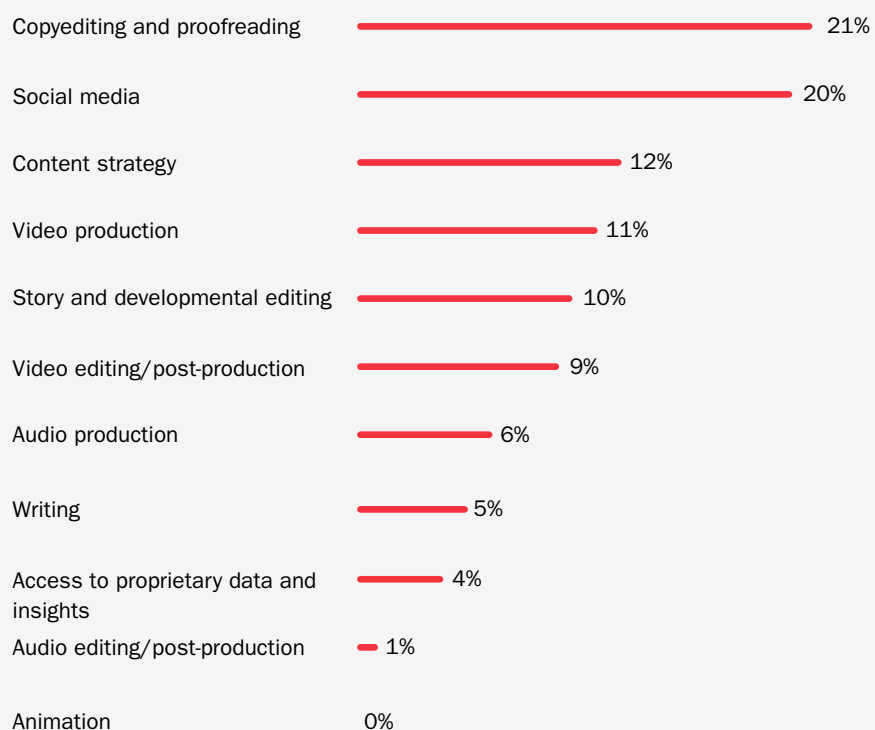


“I think the reason brands are investing [in outsourcing] is that they can’t afford to miss an opportunity,” said Baer at Foundry 360. “If you’re searching for healthcare or finance, all those companies are fighting against each other — how many times can you write about the value of savings or investing in your 401k? The brand that creates content according to how a customer asks their question, not in a way that the brand wants to sell to that customer, will win. That’s why partnering with a publisher, for example, makes sense. Brands need to access top talent to differentiate their storytelling.”

Internal skills priorities are editing and social media; external, it's video

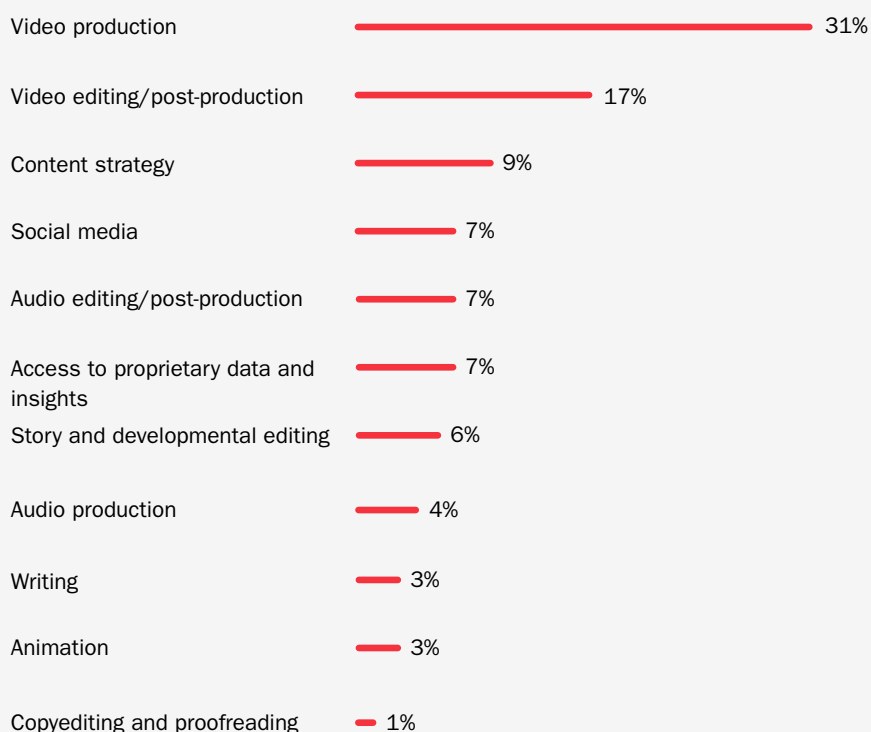
Regarding the skills internal content marketing teams need to accomplish their owned-and-operated goals and stay competitive, our respondents put quality control expertise — professional copyediting and proofreading (21%) — and social media (20%) skills at the top of their list.

Q. What internal skill sets does your team prioritize for creating consumer-facing content on your owned-and-operated channels? Select all that apply.

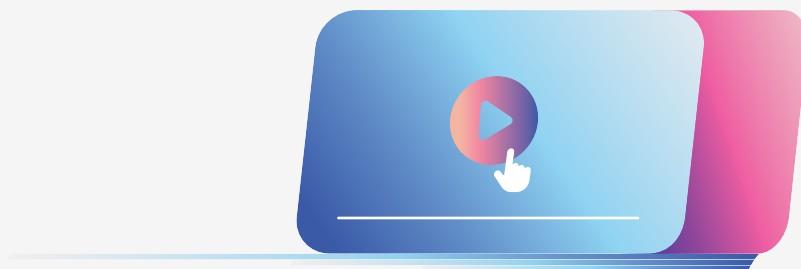


In the following chart, regarding external teams, video production is the most cited skill by a significant majority (31%), aligning with the surge in creating and deploying the medium noted earlier in this report. The following most sought-after skill set aligns with the same needs — video post-production came in at 17%.

Q. What skill sets does your team prioritize for external partners (if used) when creating consumer-facing content on your owned-and-operated channels? Select all that apply.



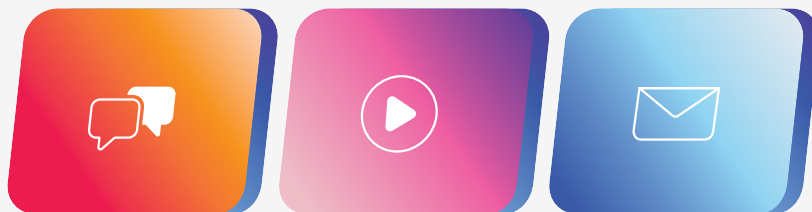
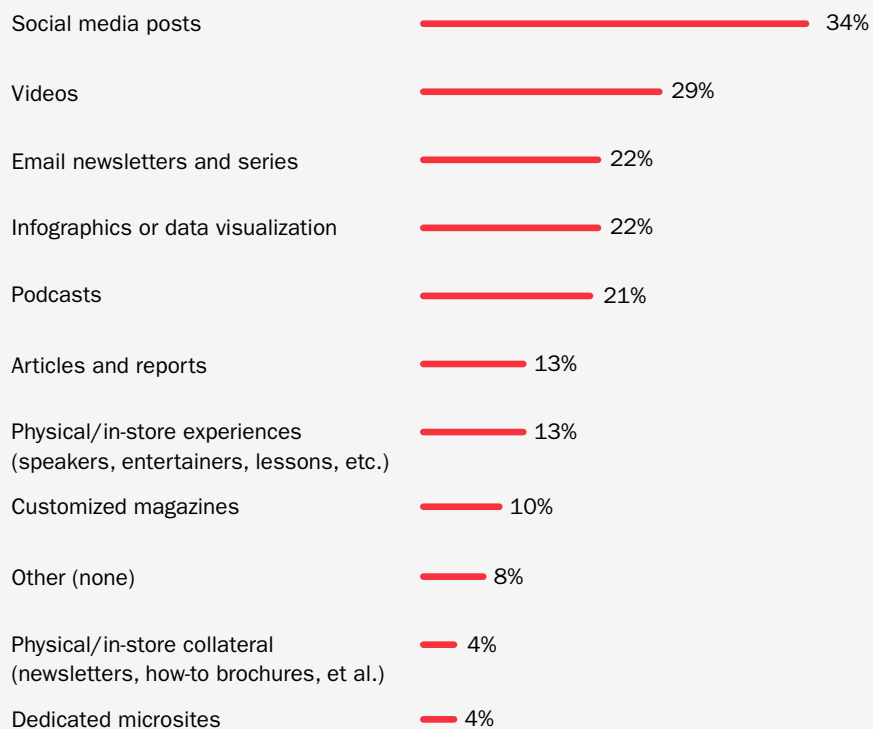
“As companies scale up internal resources, video production is an expensive proposition for investment,” Baer said. “So, we see more companies coming to us for help in video strategy and production.”



Social media and video top the list of outsourced content marketing formats

When it comes to formats most often outsourced, given the volume of social media content our respondents said they deploy, it's unsurprising to see the format at the top of the list below (34%). Similarly, given the expertise and specialized resources — influencers and creators chief among them — required for successful video production, it isn't surprising to see the format high on the list of formats being outsourced frequently.

Q. Which formats of consumer-facing content do you outsource most often? Select all that apply.



Overall, based on our survey, revenue-focused marketing is the chief goal of in-house marketing teams, leaving specialized, non-revenue-generating marketing projects to be outsourced first.

For example, with 44% of respondents working with in-house general marketing teams for their consumer-facing owned-and-operated content and with resources and specific skills being the most significant gap, it makes sense that the top goal when outsourcing content was thought leadership (44%). Beyond thought leadership, among outsourced non-revenue-focused goals cited, the ranking of importance is education (36%) and entertainment (32%), followed by those who either aren't outsourcing or are primarily focusing on driving purchases at 12%.

"When it comes to thought leadership, outsourcing to a partner brings that valuable outside perspective to shape the conversation in a consumer-facing way and appear less like 'house organ' marketing material," said Baer at Foundry 360. "We have helped major hospital systems, pharmaceutical companies and retailers establish fresh thought leadership programs that have changed how people look at their brands.

"What we see people come to us for is more of what we'd call customer-centric content — lifestyle-type content or thought leadership content," he continued. "For example, a car company might write the content about the vehicle itself, but what they'll come to us for is how to enjoy that vehicle whether it's a road trip or a family vacation — more things that relate to people in their everyday lives. They want that consumer perspective; they want to understand what's on customers' minds. We try to make sure that we answer all the questions that a customer could possibly have about what they're searching for, so that's what we try to help those brands give a voice to."

Customer-centric metrics lead when optimizing consumer-facing content on owned-and-operated sites

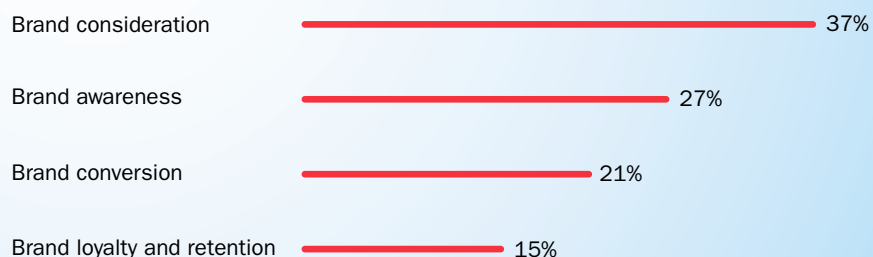
What is measured gets done, and what is measured also gets optimized. That's how teams are putting increasingly effective content on their owned-and-operated channels.

In digging into how brand advertisers assess different campaigns for success — and what happens between those audits and the campaigns that follow — the first step is to identify the metrics that are proving most important.

In the chart on the next page, the top five most impactful metrics for measuring the success of consumer-facing content were organic search rankings (32%), site traffic (28%), retention rate (27%), brand perception change (26%) and page views (26%). These measurements help marketers think about getting customers to the site, keeping them there and identifying how they view the brand because of what they discover. Given the general motivations behind owned-and-operated content, these metrics match up with the goals our respondents have identified.

And when it comes to impacts, as the following chart shows, brand consideration comes first.

Q. When creating content, where does it impact the consumer funnel most?



“When you think about the traditional marketing funnel, content does a great job of getting your brand into the conversation and building awareness among the consumers with whom you already have a voice,” said Baer. “But the real key is driving consideration. When consumers come to your brand for the answers they seek, they have established your brand as a trusted place to go for the information they need. The next step is conversion or purchase. The data proves that consumers transact at a higher rate with brands they trust and that they feel understand their needs.”



Identifying the right agency partner to strengthen owned-and-operated content

As the need for engaging, effective consumer-facing content grows across brands' owned-and-operated channels, the formats these teams are allocating most of their budgets toward will likely remain those that can quickly deliver entertaining content to consumers, such as social media and video.

While brand advertisers may continue facing resource difficulties, leading to more outsourcing, this trend will likely continue to result in excellent returns for brands, as evidenced by this survey. And this will be compounded by these teams' reliance on customer-centric metrics when optimizing their owned-and-operated strategies. The brands that will find the most success are those that acknowledge where their strengths lie and know when to bring in an expert.

In searching for a partner, brands should look for an agency with the expertise they lack. An ideal partner would be one that can engage audiences at scale and move them down the funnel. Baer added that brands could benefit from those agencies that can transform their mindsets into that of a publisher.

"When you're trying to become a real, authentic storyteller, leave it to the journalists and the people that do this every single day for a living," said Baer. "Let us use our expertise to bring your sites to life in a fluid, customer-centric way — in the way that consumers like to read content. We know those signals, we know what they're reading on our sites, and we know if they're liking slideshows, quizzes, podcasts or videos.

"Then, let's figure out how the two meet because we have to integrate products in the right way," he continued. "If you try to force it, the consumers are too smart and are going to see through it in a heartbeat — they're going to move on, and you're not going to build that trust you need with them."

This year and the next, brands are focusing on creating entertaining content across their owned-and-operated channels, specifically choosing social media as the format in which to do so, with video close behind. While most expect budgets to increase, they're still experiencing a deficit in the resources and skill sets required to deliver consumer-facing content across these channels. In response, more brands plan to increase outsourcing between this year and 2024, doubling down on social media and video content creation.

About Foundry 360

Foundry 360, Dotdash Meredith's content marketing agency, creates content marketing programs for clients' owned-and-operated channels. We deploy a "Brand As Publisher" methodology and Dotdash Meredith's resources, data and expertise. This allows us to deliver the value consumers want and the quality our clients need to propel their business forward.

To learn more, visit Foundry360.com.

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