



## Press Release

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For immediate release

# Research estimates UK & US martech market worth \$34.3bn a year

- **Brands spend 16% of marketing budgets on marketing technology**
- **Martech budgets expected to rise by 10% over next 12 months**
- **Brands believe budget limits investment, whilst agencies see a lack of technological understanding**

*12 September 2017* – New research assessing the current and future state of the martech industry, has found that the UK and US martech market is growing exponentially as demand for new tools continues to rise.

The survey released today by Moore Stephens, the top ten global accountancy firm, and WARC, the global authority on advertising and media effectiveness, questioned more than 500 UK and North American brands and agencies, and confirms a burgeoning martech industry.

The results show that on average, brands are spending 16% of their marketing budget on marketing technology. The research also reveals that the size of the martech industry for the combined UK and US markets is estimated at \$34.3bn.

Marketers are most likely to be using a martech tool for email, with 85% currently doing so. The majority also use social media and CRM tools, whereas experience optimisation and collaboration tools are currently used by around a third (37%). However, both of the latter are set for a significant rise; the survey reveals an additional quarter will invest in experience optimisation and collaboration tools in the next year.

Investment demand is driven by dissatisfaction: half (50%) of those polled state they don't have the tools they need. When analysing by agency vs brand, six in ten (58%) agencies stated they don't believe their clients have what they need and don't fully utilise the martech tools they do have.

Reflecting this, many businesses are looking to increase the investment in marketing technology: nearly half (46%) of the UK businesses and more than one in three (38%) in the US are looking to increase their investment in the next 12 months. Only 7% of US businesses and 4% of UK firms are looking to decrease.

When considering what holds marketers back from implementing martech tools, limited budget is unsurprisingly the biggest barrier, with 42% stating so. For marketing and communications agencies, 57% said that the main barrier to investment is a lack of understanding of the marketing technology available. This is compared to just a quarter (25%) of brands polled.

Commenting on the findings, **Damian Ryan, Partner, Moore Stephens, said:** "We carried out this research to better understand the size of the market and the drivers behind its growth. It is only recently that martech has been given its own name, having previously been engulfed by the adtech umbrella.

"The growth of the market shouldn't come as a surprise to brands, agencies or anyone in the media industry. We are entering a new chapter of business, one that will be governed by trust and economic common sense.

"While the rise of digital has been utterly spectacular, it has brought about widespread mistrust in the marketplace and channels that underline its success. We've seen the phenomenon that is fake news, as well as adblocking and a general worrying absence of transparency.

"These are just some of the drivers leading organisations to invest in technologies to provide a greater sense of control. Martech is growing and we see it as the industry to watch for the foreseeable future for investment and product innovation alike."

**Amy Rodgers, Research Editor, WARC, said:** "The marketing technology market has grown at a phenomenal rate over the past few years as marketers are required to do more, at a faster pace, than ever before. Tools that can assist or automate parts of this job are in high demand, especially as the evidence for their return on investment grows. This research indicates that martech use in the UK and US is set to grow by 10% over the next year, a strong indication of the strength of a market that is continually consolidating and diversifying."

A summary of the martech report is available [here](#). The full report is available to WARC subscribers.

A webinar discussing the findings of the martech report will be held on 2 October 2017. Register [here](#).

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**About WARC – Your global authority on advertising and media effectiveness**

WARC.com is an online service offering advertising best practice, evidence and insights from the world's leading brands. WARC helps clients grow their businesses by using proven approaches to maximise advertising effectiveness. WARC's clients include the world's largest advertising and media agencies, research companies, universities and advertisers.

WARC runs four global and two regional case study competitions: WARC Awards, WARC Innovation Awards, WARC Media Awards, The Admap prize, WARC Prize for Asian Strategy and WARC Prize for MENA Strategy.

WARC also publishes leading journals including Admap, Market Leader, the Journal of Advertising Research and the International Journal of the Market Research Society. In addition to its own content, WARC features advertising case studies and best practices from more than 50 respected industry sources, including: ARF, Effies, Cannes Lions, ESOMAR and IPA.

Founded in 1985, WARC is privately owned and has offices in the UK, U.S. and Singapore.

### **About Moore Stephens**

Moore Stephens is the UK's 9th largest independent accounting and consulting network, comprising over 1,700 partners and staff in 39 locations.

Moore Stephens LLP is an independent member firm of Moore Stephens International Limited, one of the world's major accounting and consulting networks with 626 offices in 106 countries.