the starr conspiracy

2023 Work Tech B2B paid media benchmark report

Introduction

Paid media. Chances are if you are reading this, you have experience with paid promotions. But how effective was your 2022 marketing budget? How did you fare against the competition? Do you know where you should be doubling down and pulling back efforts in 2023?

In our inaugural Paid Media Benchmark Report, we explore some of the recent trends shaping the Work Tech advertising landscape.

We start with sketching some of the significant paid media trends we've observed in 2022. We then share our internal formula for calculating minimum viable spend, the amount of investment an organization should make to be a competitive player in their industry advertising. Going more granular, we identify trends by maturity, between market leaders and startups, as well as the performance of different content types and channels. **Finally, we offer some advice on how best to navigate the wild world of paid media** to maximize your position and get the most bang for your buck.

In the appendix, we cover our philosophy, based on decades of collective experience, that animates how we approach paid media. We also outline the methodology that structured our research and analysis.

If you're short on time, check out the executive summary below for the highlights.
And if at any point you find yourself in need of advice, reach out to us!

EXECUTIVE SUMMARY

Calculate your context: The amout of your minimum viable spend to effectively enter paid media in general is determined by idiosyncratic factors, chiefly your goals matched by your current performance. In other words, your paid media strategy should be a deeply individualized calculation.

Brace yourself for high variability: Paid media is a variable marketplace. Many sectors experience seasonality in terms of spend and activity. Others have a radically different expectable cost per lead (CPL) and click-through rate (CTR). Different content fares better in different channels and with different audiences. TL;DR: Paid media is a viable but complex endeavor, so pack accordingly.

Get data-based forecasts on market activity: Find out what's hot this year with benchmarks on asset performance, channel tactics, and Work Tech-specific subsector and company maturity metrics.

The word on the street

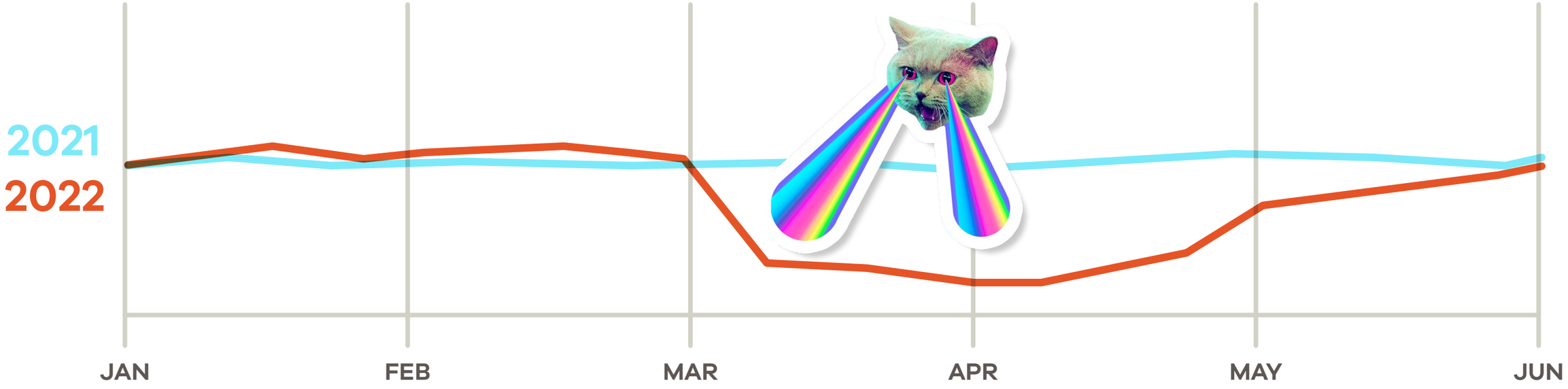
2022 IN A NUTSHELL

2022 has had a bit of an "out of the frying pan and into the fire" vibe. There's been a lot of uncertainty. More unknowns are on the horizon. But paid media players are also finding opportunities. Some approaches are seeing significant returns on investment. Other trends suggest a vital moment to pivot. In this section, we lay out our top-line insights for 2022. These are the big trends that are shaping paid media now (and will likely continue to shape it in the months to come).

Spend analysis: uncertainty dampens activity

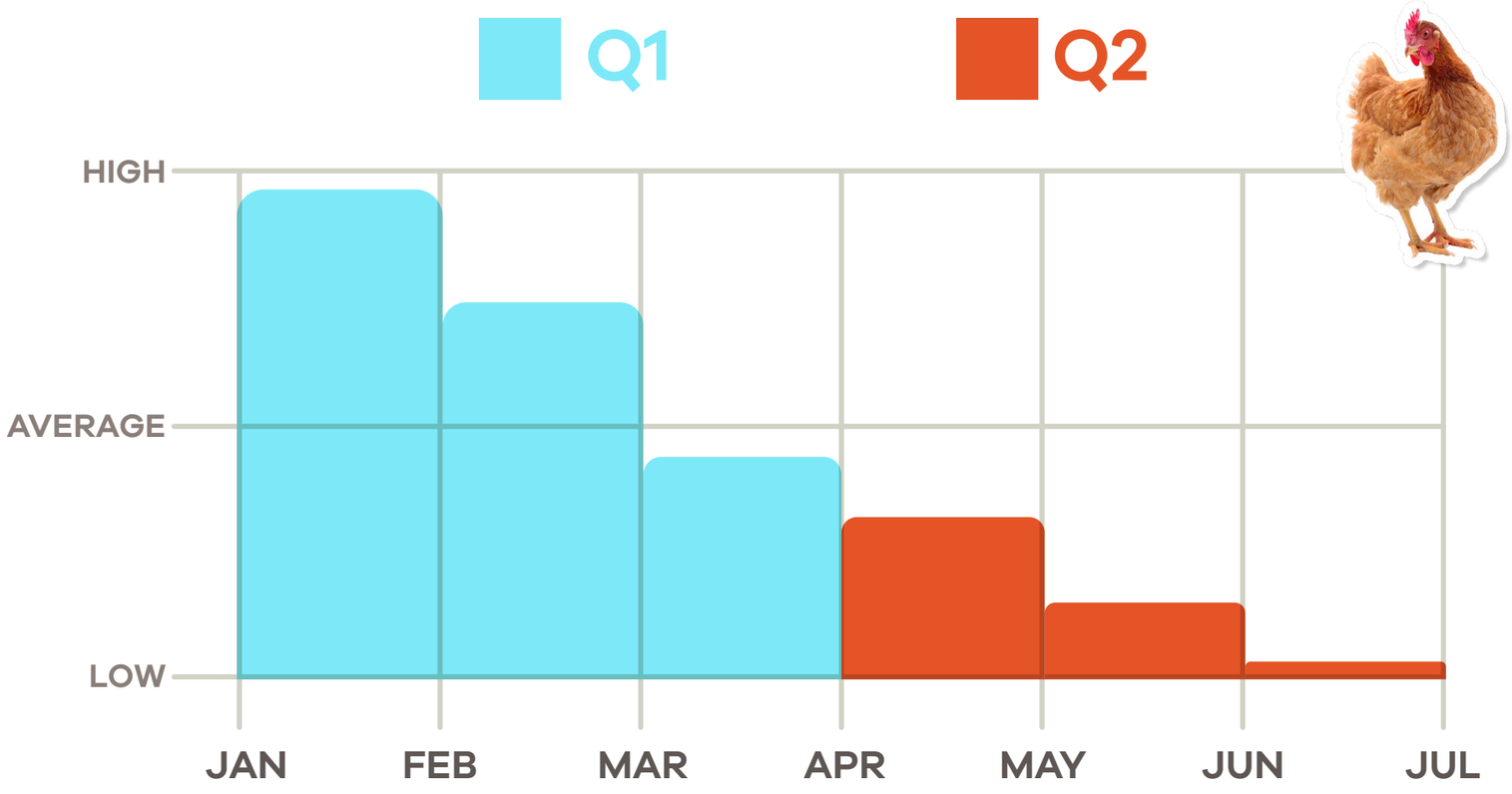
We saw a slight dip in paid media spend in March and a more significant drop **(25%)** in April, which are typically strong months in terms of prospecting for the Work Tech industry. We attribute this pullback in spend to the invasion of Ukraine, the overall slowdown in tech funding and valuations, and continued market uncertainty post-pandemic.

Skepticism of in-person events continued to linger at the start of the year. However, this sentiment faded with the 2022 HR Tech conference reaching pre-pandemic attendance.



Paid media: both a seasonal and cyclical business

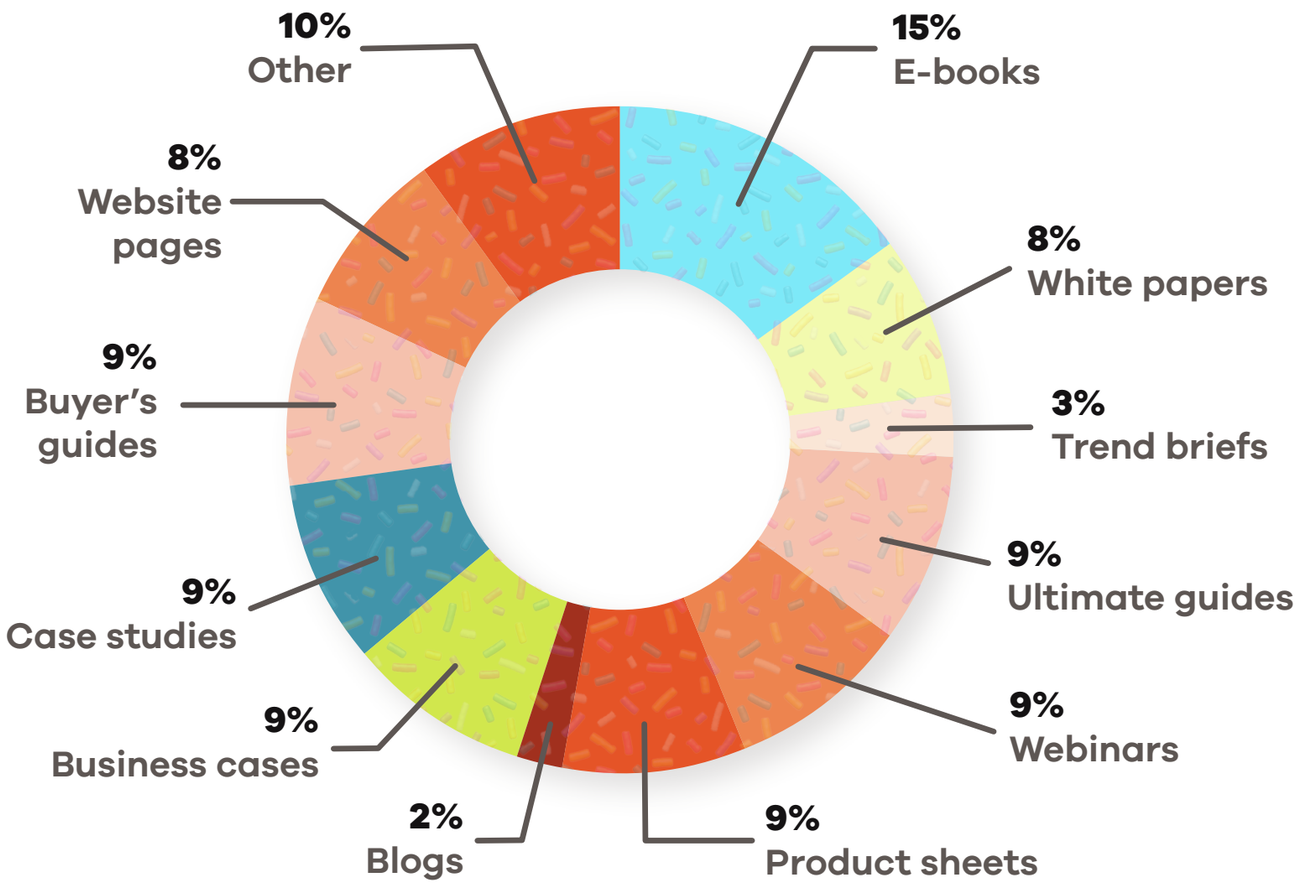
Q1 was the strongest period for paid media promotions. **2022's overall recorded spend was 32% higher in Q1 than Q2,** with January having the highest recorded spend and July the lowest. The fluctuation in media spend reflects the seasonality across many subsectors within the Work Tech industry. January is an important month for many Work Tech subsectors: It's peak season for talent acquisition; benefit admins are freed up to evaluate solutions after open enrollment closes; and overall, companies fire up their media engine and kick off the start of the year with boosted spend after having turned down media spend in December.



HR is getting flooded by e-books

Analyzing all of the content types recorded, e-book promotion made up 15% of the total spend, more than double the percentage of white paper promotion and nearly 5x more than trend briefs. However, trend reports, which use data points to highlight market trends, had a 55% higher conversion rate than e-books.

We dive deeper into this analysis below, but the overall takeaway is that the market is overflowing with e-books, creating an opportunity for alternative, well-researched and compelling content to stand out.



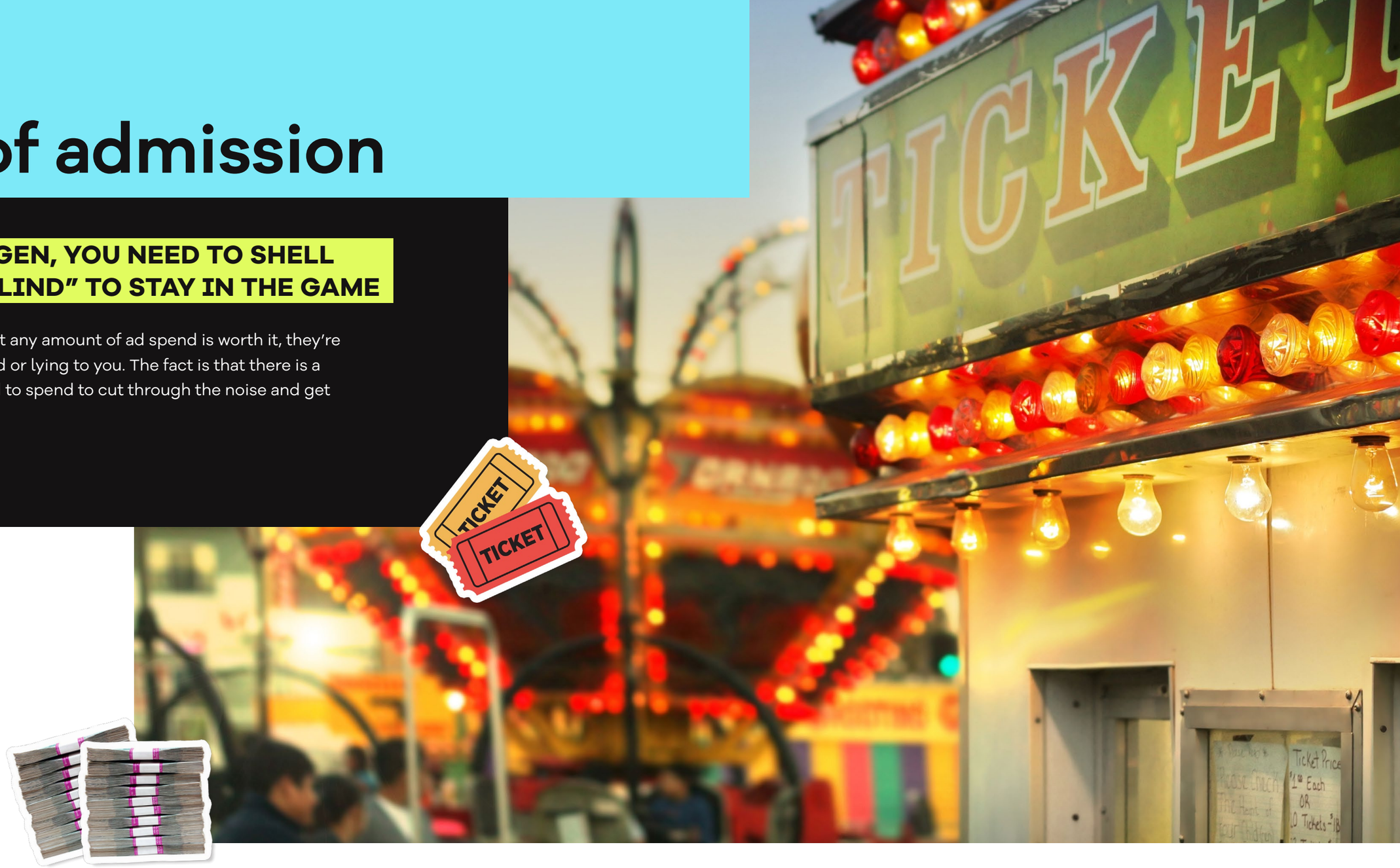
Increased competition is driving up costs

Despite continued economic uncertainty and peaks and valleys triggered by industry seasonality, we recorded an overall rise in media spend and a rise in competition with the record-breaking addition of new players in the space. With this increase, we're seeing a sharp rise in the entry cost for many paid media tactics across most Work Tech subsectors. At a high level, overall cost-related metrics are rising. In particular, we recorded an upward trend in CPM (cost per thousand impressions), CPCs (cost per clicks), and CPL. We'll get to that more in a bit.

Price of admission

WITH DEMAND GEN, YOU NEED TO SHELL OUT THE "BIG BLIND" TO STAY IN THE GAME

If someone advises you that any amount of ad spend is worth it, they're either woefully misinformed or lying to you. The fact is that there is a minimum amount you need to spend to cut through the noise and get your voice heard.



But this minimum viable spend isn't a one-size-fits-all number

Rather, it's based on a variety of individual factors including your business goals and your current cost-per-lead performance. We've developed a handy formula below:

When slashed budgets become counterproductive

Use your CPL and business goals to calculate your minimum cost of entry

$$\text{MINIMUM VIABLE SPEND} = \left(\frac{\text{\# of desired opportunities}}{\text{lead to opp \%}} \right) \times \text{CPL}$$

Demand-gen tactics, referring to strategies that focus on driving lead volume, have a lower cost of entry compared with other areas of paid media. Although several demand-gen channels have no real budget minimums, gone are the days of the $10 CPL on a good piece of content. With so many new players in the field, the cost to enter — the minimum cost to make an impact on the market — is on the rise.

TL;DR: It's not who you are but what you are that ultimately decides your budgetary fate.

Many variables affect CPL performance, such as the channel, tactic, brand awareness, target audience, and content quality. However, across all channels within the entire Work Tech industry, we recorded an average CPL range for top-performing campaigns between $40 and $135.

To calculate a minimum cost of entry, let's pick a number on the higher end of that scale, say, $100. If you had a lead-to-opportunity rate of 5% to generate five opportunities, you would need to spend at least $10,000 to get a couple of sales opportunities. If you have aggressive growth goals, then that budget threshold can really start to climb — and *quick*.

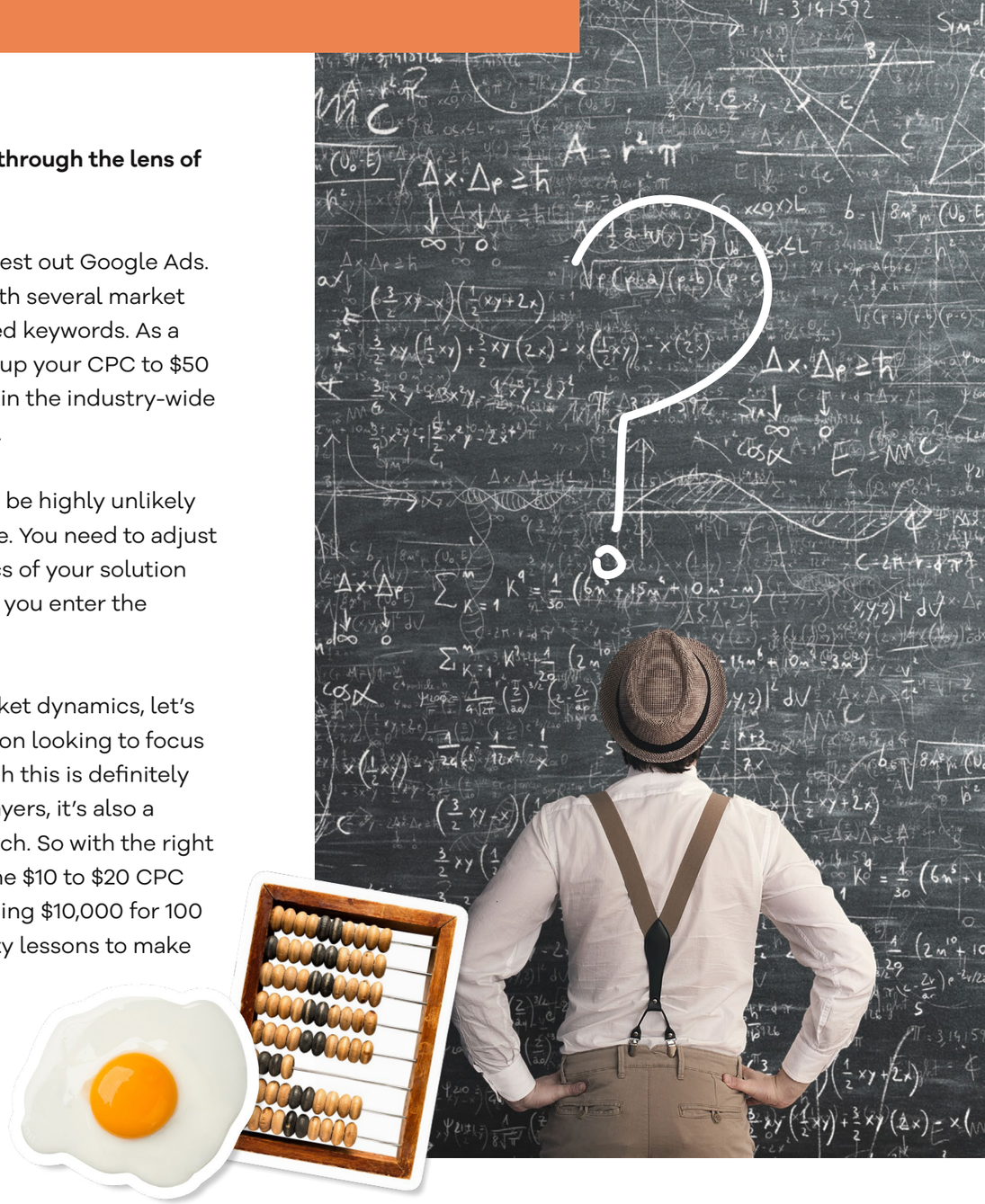
However, you can always start at the minimum viable spend and then test and capture insightful lessons before putting in some serious coin. Going under your calculated minimum viable spend is where your efforts become counterproductive, because you won't capture enough data to learn anything definitively.

Now, let's calculate the minimum threshold through the lens of the specific subsectors within Work Tech.

Say you're a new payroll solution looking to test out Google Ads. Well, payroll is a highly competitive space with several market leaders shelling out serious dough on coveted keywords. As a new player in the space, this can easily drive up your CPC to $50 or more per click. So, that $100 CPL we used in the industry-wide example above gets thrown out immediately.

Unless your CTA is "get free money," it would be highly unlikely that you would achieve a 50% conversion rate. You need to adjust your approach based on the market dynamics of your solution category and then strategically select where you enter the market in order to make an impact.

To illustrate the variance with subsector market dynamics, let's say you're a new employee experience solution looking to focus on the overall employee experience. Although this is definitely a hot topic today with a lot of established players, it's also a burgeoning category in the world of Work Tech. So with the right setup you have a fair shot at staying within the $10 to $20 CPC realm. With a little extra elbow grease, spending $10,000 for 100 leads is obtainable and should provide quality lessons to make well-informed optimizations.



Becoming a market leader comes at a cost

Spending the bare minimum on display channels will get you in the game, but it won't get you much further than that.

MINIMUM VIABLE SPEND =

(20+)
x (cost per impression)
x (# of titles)
x (# of companies)
x (number of campaigns)

It's estimated that users need to see an ad anywhere from seven to 20 times to have some form of brand recall. And we're talking seven to 20 quality impressions, not just glancing at a logo for a measly half-second. By the way, that number has steadily increased since the start of display advertising as human attention span continues to shrink. Currently, it's hovering just below that of a goldfish. Still there?

Now, if you're aiming to generate a significant brand impact targeting enterprise companies, to calculate your minimum viable spend, you'll need to take the cost of 20 or more impressions multiplied by the number of relevant titles at each company you're targeting, multiplied by the number of companies you're targeting, and then multiply that number by each message or campaign you plan on promoting.

Yeah, that's a lot multiplying and a lot of moolah.

Remember that short human attention span

Display marketing requires running continuously to maintain results. On top of that, if your goal is for your brand to become a household name, you're going to have to add a couple of zeros on top of your minimum viable spend.

Having a well-defined target audience, such as using intent signals to narrow your audience size, will allow you to concentrate your efforts and thus have a bigger brand impact. We recommend starting small, dominating that target audience, and then expanding. Keep in mind that defining your audience too narrowly — like targeting just one company — will drive up your cost per impression.

Ultimately, if you're looking to spend less than your calculated minimum viable spend, you will be wasting your money, because you won't have much to show for it at the end of the day.

Come talk to us if you knew all this already and are still not getting leads or are struggling to turn marketing leads into opportunities.

Market leader vs. startup

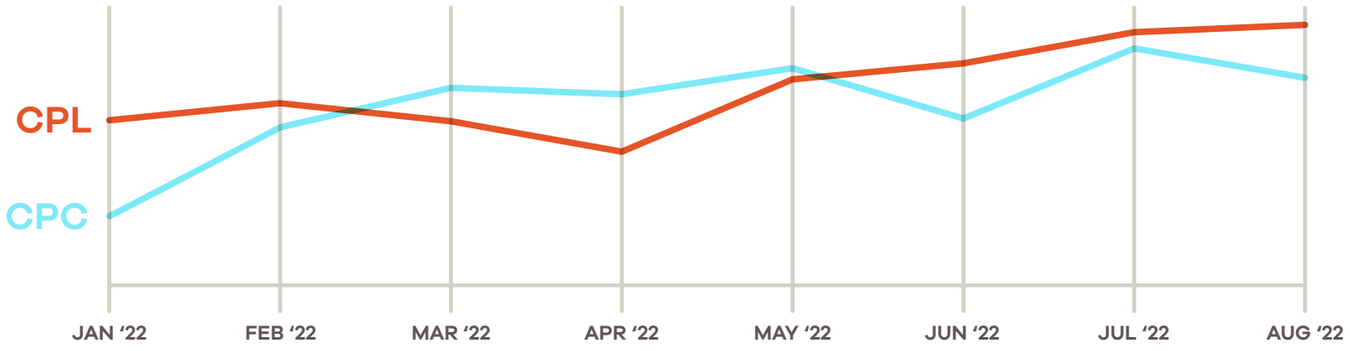
WHAT'S BRAND GOT TO DO WITH IT?

Although the pure dollar amount spent on paid advertising has a significant impact on your campaign performance (the more you spend, the higher your chances of maximizing performance), we recorded brand recognition to be an even greater contributing factor to performance. Market leaders outperformed startups across every subsector and every channel measured, with the exception of one startup that doubled down on their investment into their message strategy to broadcast a unique and highly relevant value proposition.

Google is crowded, but everyone still goes there (the anti-Yogism)

Real estate prices are rising — on SERPs.

It takes a highly strategic approach to get that coveted top placement.



Google has become one of most-used paid advertising channels for B2B and B2C markets. Its flexible nature in terms of budget pacing, relatively low cost per engagement, and ability to target search intent make it an appealing channel for market leaders and startups.

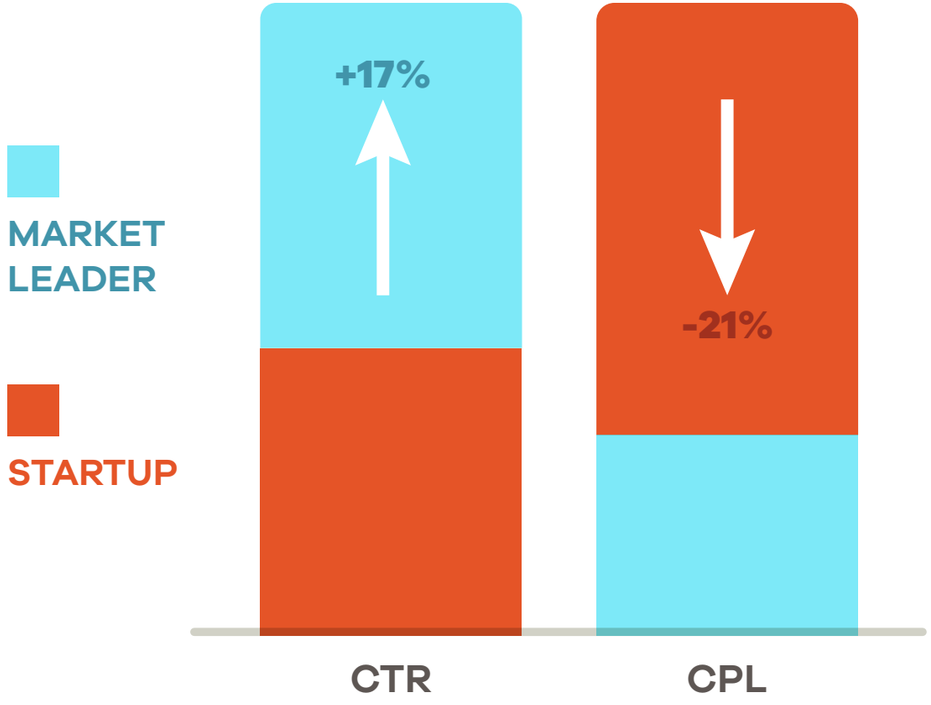
However, in the past few years we've seen a rise in the number of Work Tech players using Google Ads, which obviously heats up the competition. Over the past six months, we recorded steadily increasing CPCs and CPLs as a direct result of more players being in the game. Every click is getting more expensive, and more companies are out there now fighting for impression share.

You need to be ready to put in the *werk* if you want any shot at maintaining a sustainable CPL and other back-end metrics. With proper strategic adjustments, it's possible to lower your CPL, as shown in the overall trend data. But if you're not careful, you'll fall victim to a growing upward trend of rising CPLs.

Ad performance favors the overdog

A strong brand recognition substantially boosts Google Ads performance.

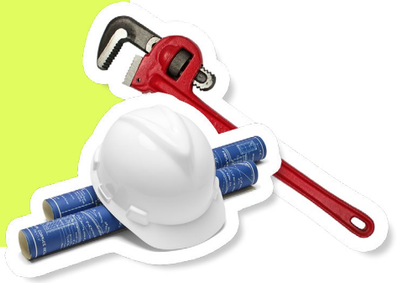
Market leaders are outperforming startup companies in Google ads with an average 17% higher CTR and 21% lower CPL.



Analyzing the data we recorded solely from startups, Google Ads performance in terms of CTR and CPL was in line with our forecasted projections, with a few companies that used a dedicated content strategy outperforming those benchmarks.

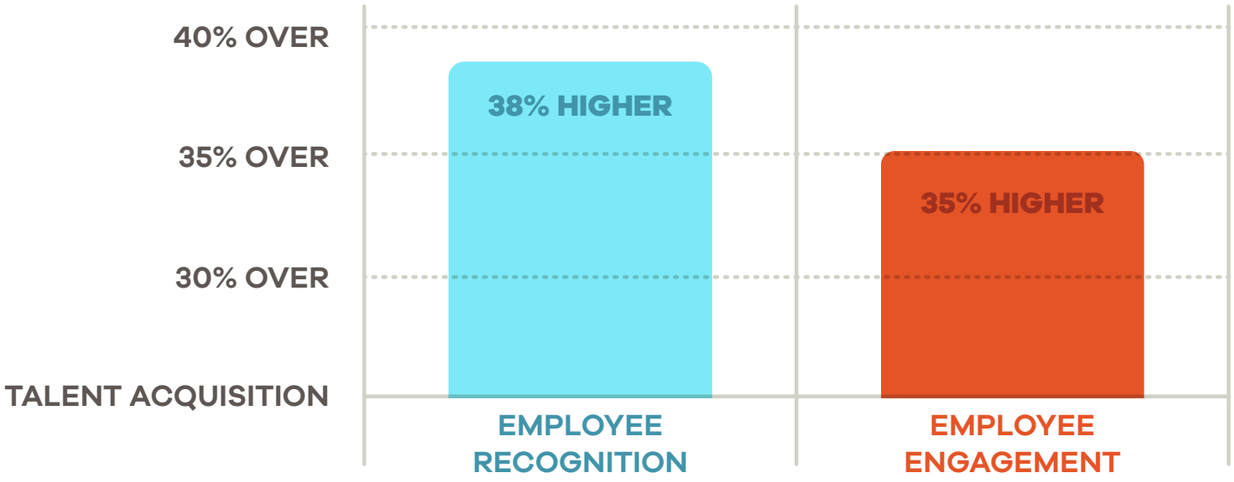
However, when compared side by side with recorded data from more well-established companies, key players showed a sharp increase in performance across the board. Matching relevant offers to search intent is still the name of the game. If you can do that while adding in a structured keyword strategy and strong content plan, you'll see fair performance. However, looking at similar offers matched to the same intent target, the more well-known player will outperform the underdog almost every time.

Some Work Tech categories are just built different



Performance metrics differ greatly among Work Tech solution categories.

Employee Recognition and Engagement had a 38% and 35% higher, respectively, than Talent Acquisition solutions,



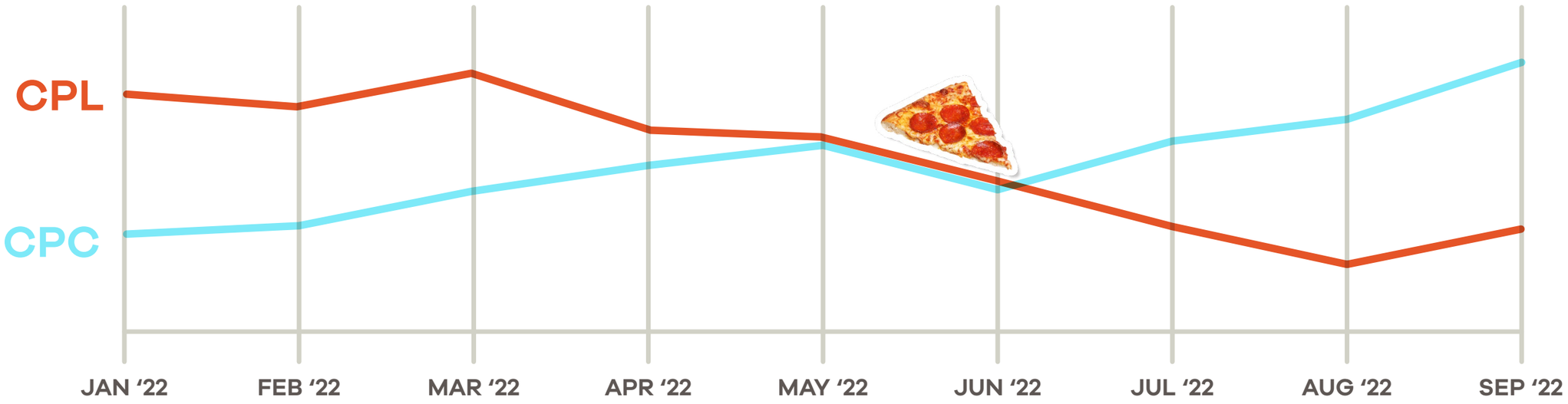
Where you live within the Work Tech ecosytem is even more important than company maturity for determining performance benchmarks than company maturity, and that rang true this year in particular, with employment movements such as the Great Resignation and hybrid work. These trending topics have allowed certain Work Tech categories to thrive on Google Ads, with the demand for content and solutions surging.

We recorded increased performance in offerings focusing on improving employee retention more than ever given the current talent landscape, followed by talent acquisition and performance management. To put it into perspective, employee experience solutions had a **47% higher CTR** than more traditional HR technology solutions (e.g., benefits, payroll, etc.).

Content on LinkedIn is flying off the shelves

Similar to Google Ads, we recorded an overall increase in CPC on LinkedIn due to a rise in competition. However, we also saw an increase in the sheer volume of content downloads, signaling that users are consuming content at higher rates. HR professionals are hungry for quality thought leadership that can be their beacon during economic uncertainty and challenging employment times. This increase in downloads as well as widespread adoption of lead-gen forms and mobile-optimized ad formats led to an overall decrease in CPLs over the past six months.

We're starting to see this CPL trend upward as CPCs continue to rise (with a significant jump around the fall HR conference season). But the increased desire from HR professionals for insightful content on LinkedIn doesn't seem to be slowing down anytime soon.



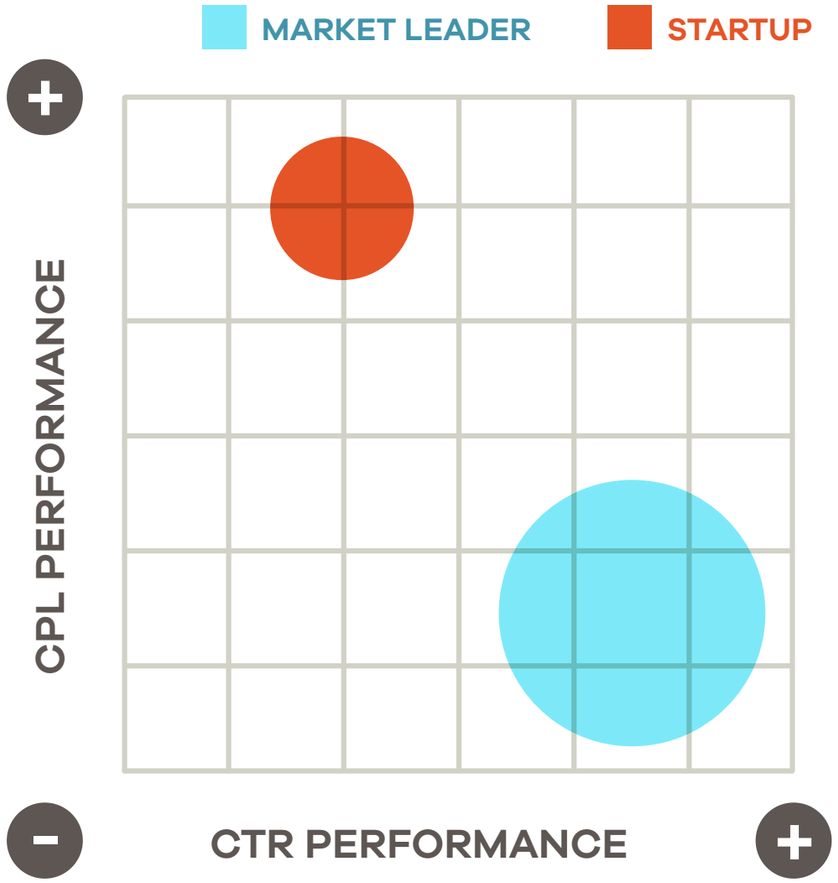
Good content is great, but name is king

PRO TIP!

If you want to stand out, you'll need a strong message and a counterintuitive point of view. To do those two things, you'll need to do two more things: Prep your leadership for a bold campaign that may alienate some of your audience, and then **give us a call** to write and execute that campaign.

A compelling content piece gets you far, but having strong brand recognition still trumps all.

At the aggregate view, market leaders showed 25% higher CTRs and 28% lower CPLs than startups. However, the single highest-performing campaign we recorded came from a startup.



Out of the data we analyzed, the highest-performing LinkedIn campaign in 2022 came from a startup with a thought-provoking campaign that challenged a supposed established norm. This proves that a strong content strategy can really make or break your LinkedIn performance.

However, overall, market leaders had a 25% higher CTR and 28% lower CPL than lesser-known startups. Although quality content stands out more on LinkedIn than other channels, brand awareness is still the largest contributor to efficiency. Since eye-catching, trendy, or thought-provoking content thrives on LinkedIn, you don't necessarily need the brand recall of Coca-Cola to see results.

Conclusively, if you are a small fry, you have a fair chance at competing with larger, more well-funded brands if you're willing to go the extra mile to create exceptional content.

Content performance

NOT ALL CONTENT IS CREATED EQUAL: OUR VIEW ON WHAT'S WORKING AND WHAT'S NOT.

Far too often in paid media plans, we see the main focus placed on channel selection and not nearly enough effort put toward building out a compelling message strategy and targeted content production plan. Through our research, we were able to validate this observation, showing the significant impact a well-developed content strategy can have on paid media performance and thus, your bottom line.

E-book burnout: hello, trend reports

Users are experiencing serious e-book fatigue.

Trend briefs had the highest conversion rate (CR%) across all channels, 55% higher than the e-book conversion rate.

From January to June 2022, companies spent 70% more on e-book promotions than trend briefs, despite trend briefs having a lower cost per lead. We encounter a common perception that e-books are "what works" for top-of-funnel lead gen. They are low-cost to produce and often have a quick production turnaround. **But the secret's out,** and with seemingly everyone going this route, **the market is flooded with e-books.**

The silver lining: E-book burnout allows more researched and compelling content (such as the trend brief) to rise above the noise.

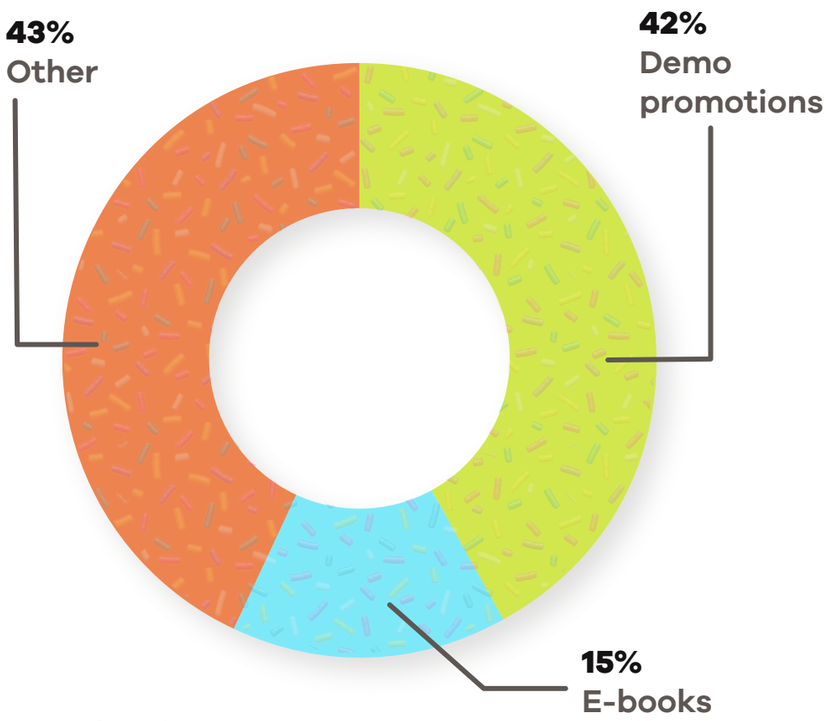
We're not saying to write off e-books forever; they're a great way to get immediate traction in the market while you're ramping up your marketing efforts. But the buck shouldn't stop there. **Investing time and budget into producing unique and impactful content** will give you the competitive edge to stand out as a thought leader, drive up conversion rates, and improve the quality of leads you're capturing.

CONVERSION RATES

Bottom-funnel conversion rates are relative to brand recognition

Companies continue putting big spend behind demo promotions.

Forty-two percent of the total spend analyzed was put toward demo promotions, followed by e-books, which made up 15% of the total spend.



While companies continue to spend a good chunk of their budget on capturing bottom-funnel leads, we are seeing this amount shrinking year over year. This signals that companies are investing more in content marketing to grow their marketable house list, in turn using owned media strategies to nurture leads through the sales funnel. Just take a look at the conversion rate: **Demos ranked 7th out of all asset types analyzed.**

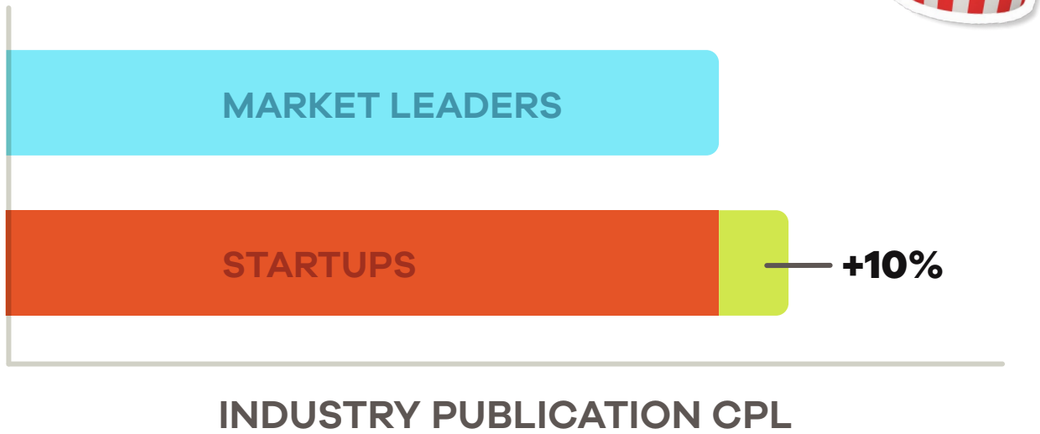
Although putting as much spend as possible toward bottom-funnel leads might seem like the appealing option, it's not sustainable and certainly not cost-effective. The most successful media plans have a **combination of top-, middle-, and bottom-funnel promotion** to build and sustain a bountiful pipeline.

The conversion rate of the bottom-funnel asset promotions was 70% higher for key players vs. startups, suggesting that having strong brand recognition will get you ahead of the game in terms of performance. If you're a relatively new brand, investing in top-funnel and middle-funnel promotions will ultimately support bottom-funnel performance by circulating your name and developing consumer trust.

Content for all ages

With a more level playing field in terms of company maturity, the stakes are higher but so are the rewards.

Market leaders still had the leg up over startups, but with only about 10% difference in average CPL.



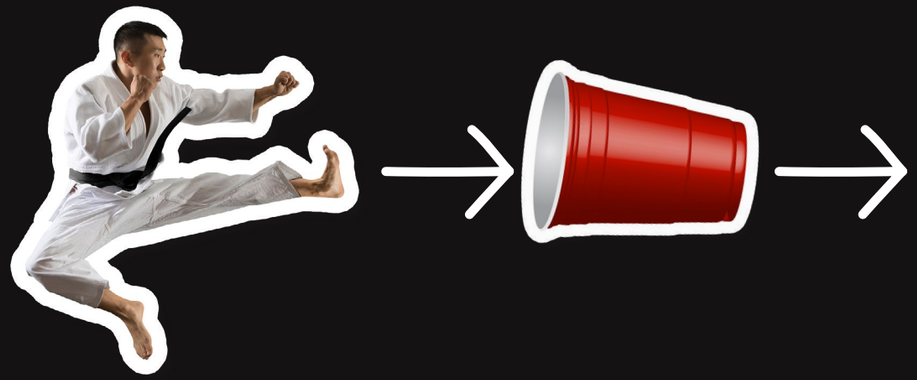
Paid placements within Work Tech publications, or as we call them industry pubs, are a great way to get your thought leadership in front of a highly engaged subset of your target audience. Users subscribe to newsletters and actively visit the sites of various HR-specific publications like SHRM, HRE, HR.com, etc., to read the latest and greatest.

So, naturally, you'll see high performance when you put content in front of them that does just that. Whether you create content that focuses on forecasting trends, navigating the market landscape, or addressing topical pain points, readers in this space will be forever grateful to you for giving them content that makes them look good in front of their professional network. In short, creating content benefits the end user, in addition to promoting your product.

Content syndication: get your money's worth

E-book was the top promoted asset via content syndication, followed by white papers.

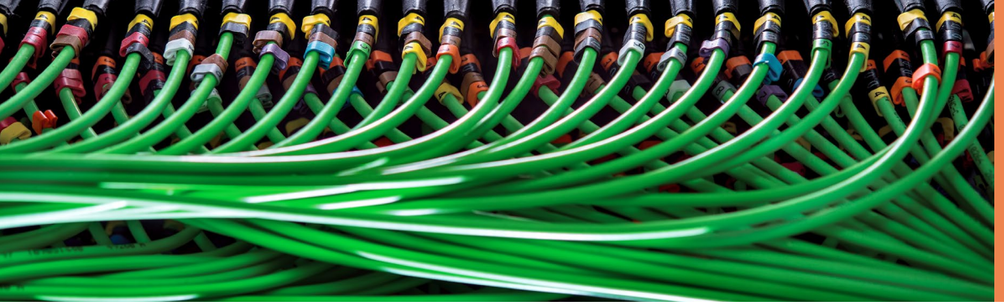
CONTENT SYNDICATION AVERAGE CPL FOR E-BOOKS = $30



Content syndication — when a third-party vendor promotes your content to a targeted audience — often gets a bad rap because leads captured tend to be ice cold. But truth be told, it's the quickest, most cost-effective way to build your house list with relevant marketable titles. When paired with a dedicated nurture stream (ideally segmented for a highly personalized UX), content syndication is an effective tactic to boost your top-of-funnel efforts. But what should you expect to pay?

We examined 10 high-performing content syndication vendors, finding that the average cost per lead for content syndication was $30. In general, if you are paying more than $30 for a general content syndication provider, you overpaid.

Yet not all content syndication programs are created equal. Using publications with niche audiences will most likely drive up the cost per lead, but you have the opportunity to tap into a highly relevant target. Add-on targeting is also available, such as intent targeting, ABM (account-based marketing) targeting, or BANT qualifying (qualifying questions that identify a user's budget, authority, needs, and time qualifying. (Want to know more about these tactics? **Hit us up!**) These tactics add an additional layer of qualifying, heating up the temperature of leads, though they also come with a higher cost.



Webinars: a high-value asset

Despite an overwhelming consensus on the world experiencing Zoom fatigue, we saw clients continue to lean into webinars as a source of lead gen.

Although webinar promotion requires a larger budget commitment than most other paid media tactics, webinars delivered a consistently high conversion rate and low CPL. Most publications promote webinars to their entire subscriber base, limiting targeting capabilities. However, webinars are a cost-effective way to gain brand exposure, especially with large, general HR publications.

If you're interested in targeting a specific subsector within the Work Tech industry, we recommend opting for niche publications with a high concentration of your target audience.

Webinars continue to be a driver for lead gen.

Webinars had the highest conversion rate and lowest CPL outside of content syndication with an average CPL of $30 CPL on industry publications.

INDUSTRY PUB AVERAGE CPL FOR WEBINARS = $30

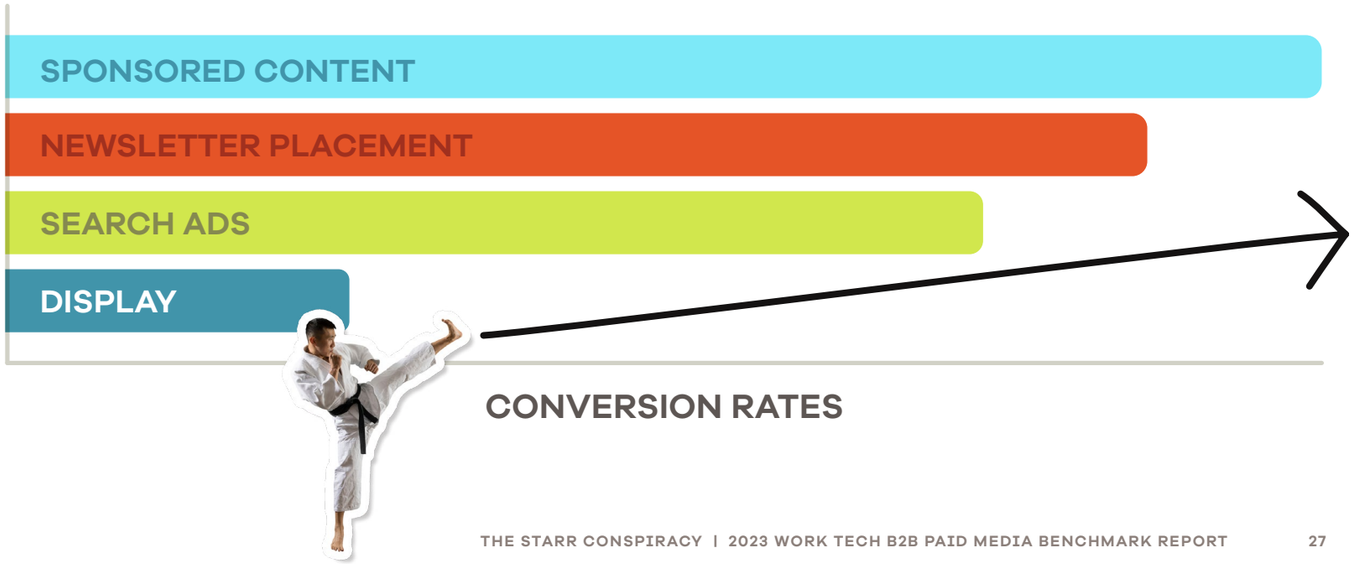
Content drill-down: media type performance

Display ain't the way to get you leads.

Display had the lowest CR% compared with sponsored content, newsletter placements, and search ads.

If you have the budget and the appetite for brand awareness, display ads are the most cost-effective way to amplify your brand in the market, with the average CPM being around $7. Industry pub display placements will run higher due to a smaller, more niche audience. We're talking $50 to $75 CPM, while broader B2B display platforms average around $5 CPM. Average CR (conversion rate) for broad display platforms was 0.6%, while industry pubs was 4%. Overall, the average CTR was 0.3%.

Remember when we said market leaders had the upper hand when it came to increased CR for bottom-funnel assets? Although brand awareness might not be a top priority to achieve your business goals, generating brand affiliation shouldn't be neglected in your long-term strategy.



Newsletters are not the place for a hard sell.

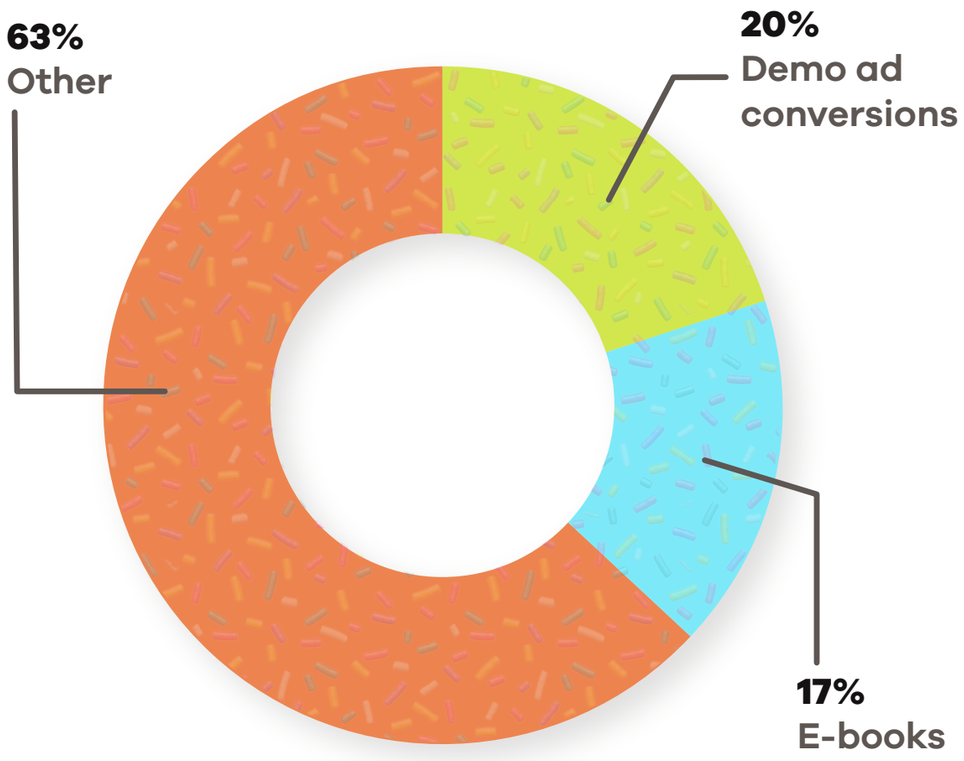
E-books had a 58% higher CTR on newsletter placements than buyer's guides.

NEWSLETTER PLACEMENT CLICK THROUGH RATE

There is a time and a place for that hard sell, but industry newsletters are not it. Similar to LinkedIn, users subscribe to industry newsletters to stay on top of market trends and are seeking content for professional growth. Ads with compelling data points and trends led to the highest engagement rate.

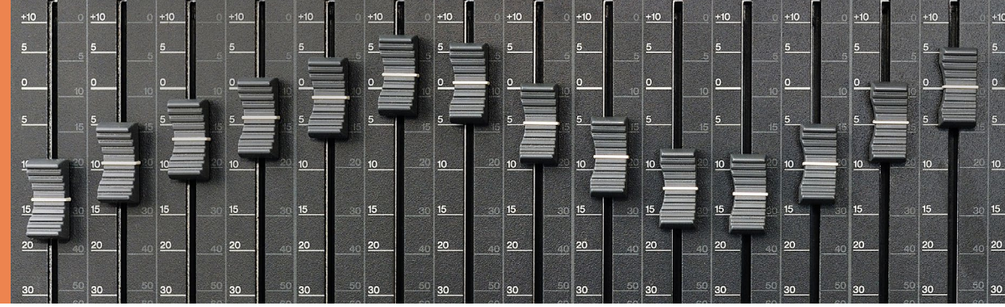
Bottom-funnel content works well with paid search ads.

Demos promoted via paid search ads ranked highest for engagement followed by product sheets, website pages, and buyer's guides.



Demo ads had the highest CTR among assets promoted via paid search. When we further drilled down, we found the majority of these clicks came from branded terms. Understandably so, as users are more inclined to click on a demo ad when searching the brand term. Demo ads were responsible for 20% of the total conversions recorded via search ads, while e-books brought in 17% of conversions.

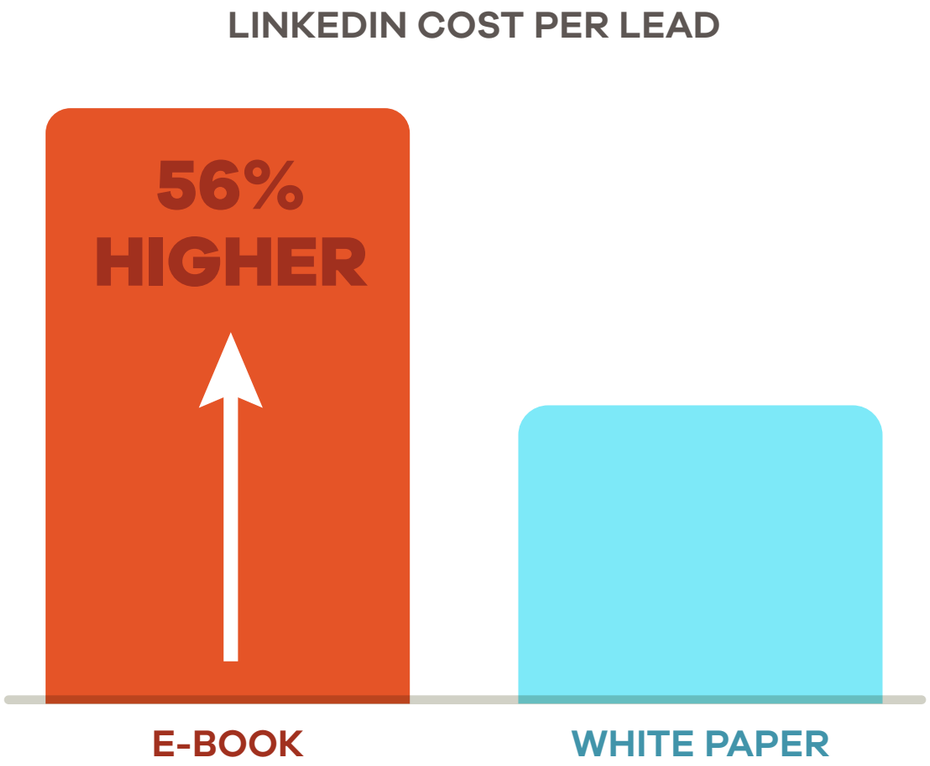
Content drill down: asset x channel mix



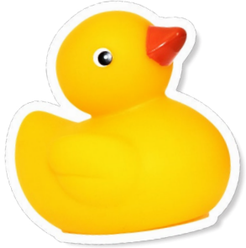
Users on LinkedIn are seeking well-researched content with findings that go deeper than a high-level e-book.

LinkedIn CPL was 56% lower for white papers than e-books.

Trend briefs had 15% higher engagement rates than e-books on LinkedIn.



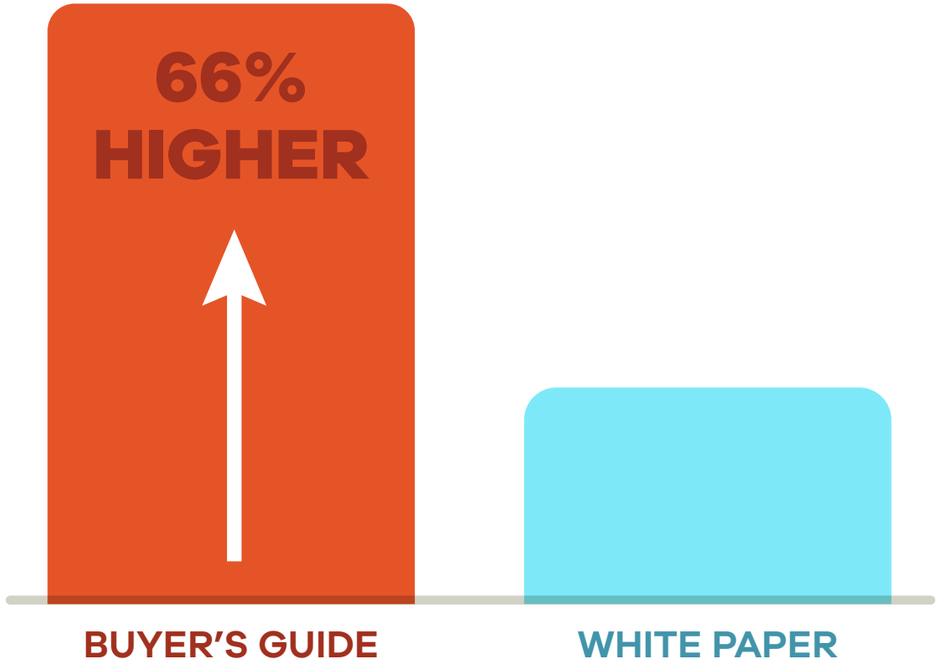
We saw higher performance rates on content rooted in data points and research. Although these types of assets take longer to produce than high-level e-books, they tend to have a longer shelf life and overall, they drive higher performance. Our recommendation, test at least two or three different assets on LinkedIn to understand what format and topics will engage your users. If a content piece is not performing well, test updating the title, ad copy, or imagery before writing the content piece off completely.



Promoting bottom-funnel content on LinkedIn is gonna cost ya.

Buyer's guides promoted on LinkedIn had a 66% higher CPL than white papers.

CPL BY FUNNEL STAGE ON LINKEDIN



The LinkedIn environment is geared toward networking and thought leadership. Although we've seen cases where sales conversations were successful on LinkedIn (specifically via conversation ads and retargeting), for it to be successful, it needs to be part of a wider strategy. As always, success relies heavily on your brand recall in the market. If you're strapped for budget and looking to keep your CPL down, you're going to run through your budget fairly quickly promoting product sheets and sales collateral.

Instead, use top- and middle-funnel content to capture lead information on LinkedIn, and then use bottom-funnel content to engage and qualify leads once they're enrolled in your owned nurture stream.

Webinars had the lowest CPL on industry publication placements followed by white papers.

E-book CPL was 3x higher than webinars and 1.7x higher than white papers.

INDUSTRY PUBLICATION COST PER LEAD

Across industry publications, we saw higher engagement rates for white papers than e-books. Most notably, webinars delivered the lowest CPL, averaging $30. This number dipped lower for general HR publications with large audiences ($12 to $18), while for niche publications, CPL averages ran higher ($80 to $100).

Keep in mind, webinars target the publication subscriber base. That means you'll capture practitioners and decision-makers. If you're focused on a strong lead-to-MQL ratio, we recommend opting for programs that allow demographic and firmographic targeting.

Speed round asset performance: LinkedIn vs. Google.

Demo ads had 5.5% higher CTR on Google than LinkedIn.

Direct website traffic had 3% higher CTR on Google than LinkedIn.

Numerical and trend briefs had 50% higher CTR on LinkedIn.

Buyer's guides had 85% higher CTR on Google than LinkedIn.

	GOOGLE CTR	LINKEDIN CTR
DEMO ADS	5.5% ↑	😮
DIRECT WEB TRAFFIC	3% ↑	😮
NUMERICAL & TREND BRIEFS	😮	85% ↑
BUYERS GUIDES	85% ↑	😮

There's a clear distinction between high-performing content on LinkedIn vs. Google Search. Bottom line: General brand promotion and bottom-funnel content performed better on Google Search Ads, while numerical and trend briefs performed better on LinkedIn. This goes back to our recommendation to promote content designed to meet users' mindsets. Google is primarily used to actively search products or solutions or a specific topic, whereas LinkedIn users are browsing content to stay up to date on industry news and leverage professional growth.

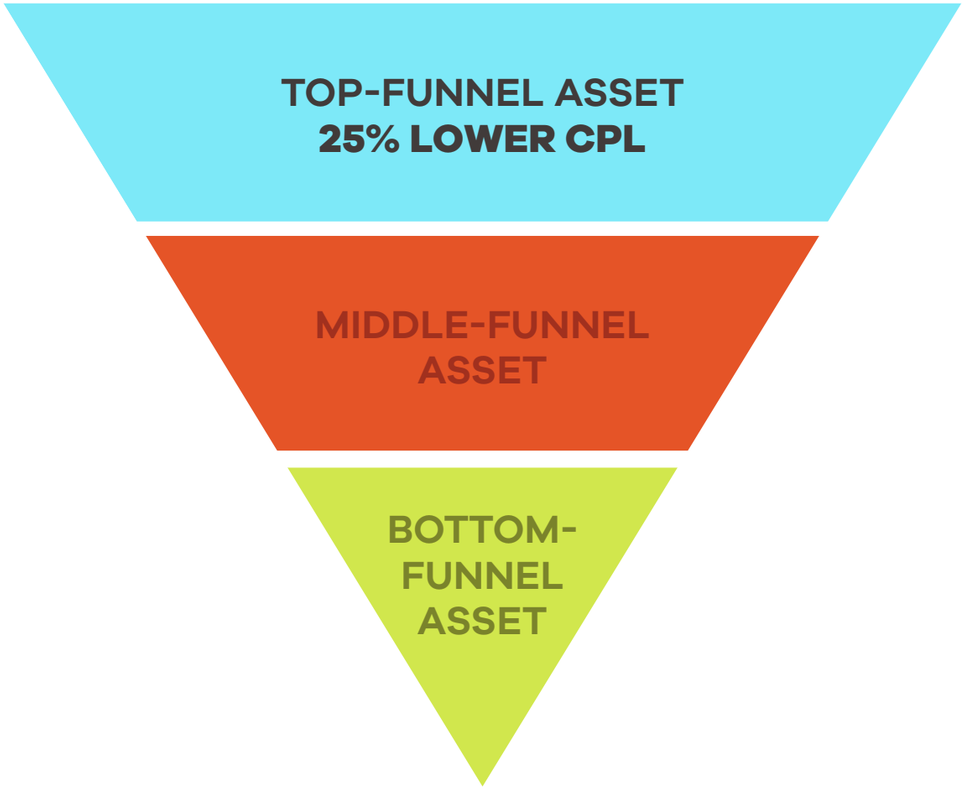
TL;DR: Users consume data differently depending on the channel they're using.

Content drill-down: funnel position performance

Top-funnel delivers high volume at lower costs.

CPL for top-funnel assets is 25% lower than MOF assets.

It's not surprising that top-funnel assets generate a lower CPL. Their coverage of high-level topics and easy-to-digest format reach a wider audience than down-funnel pieces. Top-funnel assets also had a higher engagement rate than middle- and bottom-funnel assets, except with LinkedIn and industry publications. There, we saw the highest engagement rate come from middle-funnel assets.

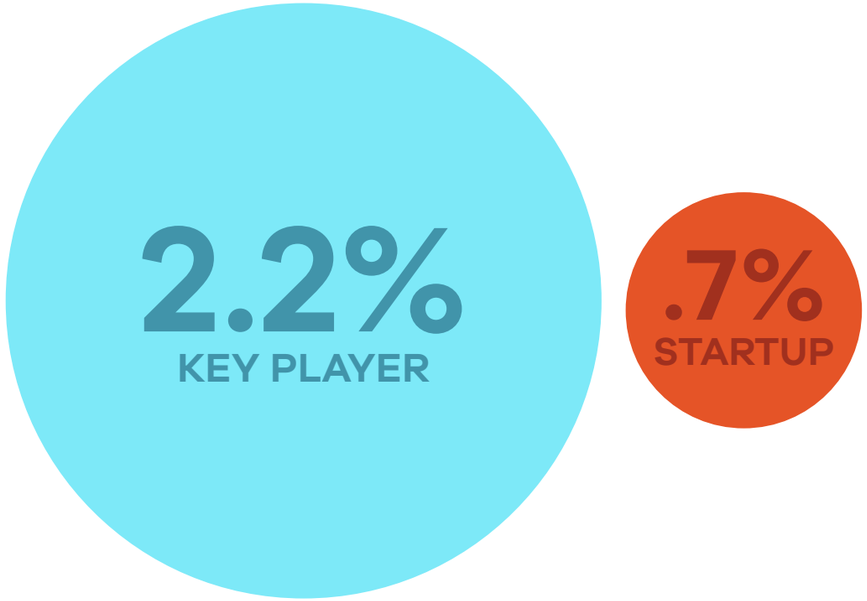


Having strong brand recognition influences BOF CR%.

Key players had an average CR% of 2.2% for demo conversions while startups had a 0.7%.

Conversion rates were higher for key players compared with startups. For nearly every asset type recorded, conversion rates were higher for key players compared with startups. The cases where we saw higher engagement rates for startups were with companies that invested heavily in content production, generating various asset types covering a wide span of topics and formats. We also saw a direct correlation between companies with high LinkedIn paid ads performance and a strong organic presence on LinkedIn.

STRONG BRAND RECOGNITION INFLUENCES CONVERSION RATES



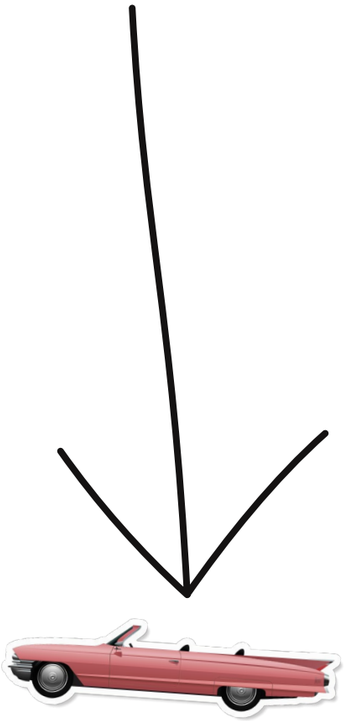
DEMO CONVERSION

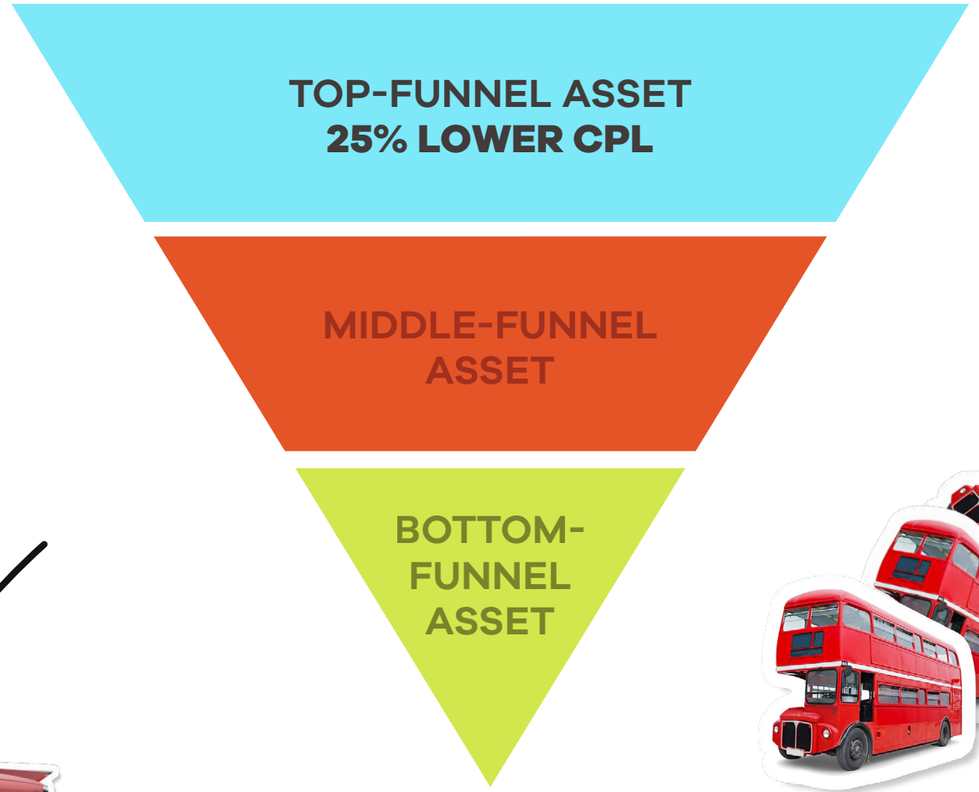
Top-funnel assets will get you the highest conversion rates — except on LinkedIn.

Overall, top-funnel had the highest CR%, except on LinkedIn, where middle-funnel had 30% higher CR% than top-funnel.

This final data point really hammers home the theme we saw throughout our research: LinkedIn users are seeking well-researched and insightful content. Investing in middle-funnel content that uncovers enlightening research will help to boost your performance on LinkedIn and help you stand out among the sea of e-books out there.

LinkedIn allows you to get pretty specific with the types of users you are targeting, meaning you can create content relevant for your different personas, industry targets, or other selects you might be segmenting. This creates a hyper-relevant experience for users, thus driving engagement rates. And don't forget to optimize for mobile! We saw a performance jump for ad formats with square and vertical image files.





Conclusion

Throughout the creation process of our Paid Media Benchmarks Report, we uncovered many profound and eye-opening insights to fuel future strategies as well as unearthed data points to validate our hypotheses on observed market trends. But, if we had to drill down six months of in-depth data analysis into three actionable takeaways, we'd say:

1. **Put the time and effort into thoroughly understanding and internally aligning on your business goals, so you can accurately forecast and measure marketing impact.**
2. **Ramp up your content efforts and allocate budget toward a well-researched and compelling message strategy, to rise above the noise of an overcrowded market.**
3. **Refine your channel, tactic, and content mix for specific persona targets, to maximize user engagement.**

At a macro level, your competitors are upping their paid media game. If you don't put in the time and money to do it right, you'll be at a competitive disadvantage. Not only will you fall behind your competitors, you'll also miss out on valuable opportunities to connect with your target audience. Paid media may not be the right solution for businesses all the time, but if used correctly, it can be an extremely effective way to achieve your marketing goals.

New to the playing field?

If you've been steering clear of paid media because you're not sure if it's worth the investment, we urge you to think again.

When executed correctly, paid media can help you win market share from your competitors and boost your bottom line in a big way. Getting started with a paid media strategy sparks a plethora of questions. Where do I begin? Do people want e-books or webinars? Should I advertise on LinkedIn or in a magazine? Is it right for me? If so, how much money do you need to play? Check out our paid media philosophy in the appendix or **give us a holler** to talk wthrough some ideas.

APPENDIX

Our paid media philosophy

Paid media often gets a bad rap in the B2B marketing world. Some are skeptical if it actually influences pipeline, while others would rather allocate their limited resources to more "meaningful" efforts such as content development or channels driving organic traffic. But what we see more often than not are marketers who tried their hand at paid media, saw lackluster results, and swore it off forever. Yet the U.S. B2B digital ad market is projected to reach $15 billion by 2023, indicating an active opportunity for brand growth. So by skipping out on paid media completely, you're doing a lot more damage than just getting a serious case of FOMO. You are leaving unclaimed white space in the market wide open for your competitors to seize and fill with their brand message.

With many brands out there seemingly "getting it right," why are so many marketers still struggling to keep up?

DON'T SKIP THE RESEARCH PHASE

The most common mistake we see in media plans gone wrong is **skipping the research phase.** A great (and successful) media plan is anchored by your company's short- and long-term goals. This involves interviewing internal stakeholders, reaching a consensus on business goals, and validating your findings with market movements, projections, and a competitor analysis. Your business goals will then dictate the direction of your strategy.

STRATEGIZE

Enter step two: **mapping out the strategy.** To simplify, we characterize the strategy spectrum with lead generation and brand awareness on either end. Depending on your business goals, your strategy might lean one way or the other, or it might be positioned somewhere in the middle.

ANALYZE VENDORS AND CHANNELS

Next up is the **vendor analysis and channel selection.** As marketers, we hypothesize, test, measure, and then rinse and repeat. This means you should build out a media plan with enough elasticity to allow you to test different tactics, channels, and creative mix along the way. If not, you might find yourself chained to a media placement with a long-term commitment, leaving you with a drained budget and unmet performance goals.

We recommend testing early and often to identify the right channel, tactic, and creative mix that delivers the best results. This also allows you to use performance data as your north star when optimizing or creating a new media plan. Remember that although your channel and tactic combination will fluctuate, your business goals should remain constant.

DEVELOP, LAUNCH, MEASURE, ANALYZE, AND REPEAT

Once you've identified your channel strategy, the steps that follow are **development, launch, measure, analyze, and repeat.**

Easy enough, right? Not quite. Remember that $15 billion projected spend for U.S. B2B digital advertising? The Work Tech advertising market is noisier than a Crüe concert. A crucial step for a successful paid media plan is thoroughly understanding your audience persona and creating a compelling message with deeply meaningful content that will shine through the market clutter.

Methodology

The Work Tech market is moving fast — like, really fast — with the market disruption from the last two years accelerating that change. At The Starr Conspiracy, we've had a front-row seat to observing, predicting, and influencing market movements. Over the past 20 years, we've worked with inspiring companies, helping them to create unique brand identities and amplify their messages, many of which are now market leaders. But with the market simultaneously expanding and consolidating, we see great companies with impactful solutions struggling to gain traction. This year, we set out to create a Work Tech Benchmarks report to provide companies a glimpse into how their efforts are measuring up and identify opportunities they might be missing out on. To do this, we analyzed our in-house paid media data from January through June 2022, from over 40 companies within the Work Tech space. That's over 160 million impressions, 54,000 conversions, and over $7 million in advertising spend.

HOW WE CALCULATED OUR BENCHMARK: Based on experience and empirical anecdotal data from clients, we identified an approximate benchmark for the minimum amount a client must spend on paid media to be competitive. This benchmark is based on data pulled from eight subsectors within the Work Tech industry. We divided this benchmark by business maturity, considering market leader vs. startup benchmarks.

INDUSTRY SEGMENTS: Considering the enormity and variance of solutions in the Work Tech space, we've grouped our data into seven industry subsectors to better dissect and understand performance in the most relevant context possible.

EMPLOYEE EXPERIENCE: B2B providers that work to strengthen employee connection to and participation in the professional and social aspects of their organizations.

HEALTH & WELLNESS: B2B providers that offer solutions and services that attempt to improve the overall physical and emotional well-being of employees, typically in ways supplementing and going beyond the scope of traditional insurance policies.

LEARNING & DEVELOPMENT: B2B providers that offer solutions and services aimed at developing worker knowledge, skills, and capabilities to improve business performance, retention, and employee experience.

PAYROLL/TIME & ATTENDANCE: B2B providers that provide or support employer payroll services, scheduling, attendance, and time-off and leave management.

TALENT ACQUISITION: B2B companies that offer ATS, CRM, VMS, and other solutions that help employers find and place qualified talent.

WORKFORCE ANALYTICS: B2B companies that offer solutions and services that measure employee performance, behavior, and other key metrics to improve employee and organizational outcomes.

OTHER WORK TECH SOLUTIONS: A catch-all category for those with overlap between multiple sectors, or that might not fit clearly in the above categories.

MATURITY LEVEL: We further segmented the data by the company maturity level, categorizing a company as a key player if its annual revenue exceeded $100 million and as a startup if the annual revenue was below this amount.

Happy planning — and good luck in the coming year.

Hit us up

Drop us a line

About The Starr Conspiracy

Put people first and everything else grows. Your mantra is our mission. To build better experiences for employees, customers, and shareholders, get a partner that gets it. The Starr Conspiracy is an experience agency for brands that put employees first to drive business value. For over 20 years, our analysts, consultants, and marketers have been at the heart of the Work Tech industry, building some of the world's most purpose-driven brands. We have the expertise to create defining moments that will transform your business.

The Starr Conspiracy is located in Fort Worth, Texas. Learn more at **thestarrconspiracy.com**.