



Kamand Industry Reports · Published June 2025

State of Marketing in Australia 2025

A structured look at how Australian businesses spend on marketing, where budgets are shifting, and what the data says about the year ahead.

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2025 EDITION

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OVERVIEW

Key Findings

\$22B

TOTAL AUSTRALIAN AD AND MARKETING SPEND, 2024

67%

SHARE OF SPEND FLOWING TO DIGITAL CHANNELS

+34%

GROWTH IN DEMAND FOR PERFORMANCE MARKETING ROLES, YEAR-ON-YEAR

- **Digital growth is slowing.** Digital advertising accounts for 67% of total spend, but year-on-year growth dropped from 22% in 2022 to 9% in 2024 as the channel matures and inventory costs rise.
- **AI adoption is wide but strategy is thin.** 61% of Australian marketers use AI tools regularly, but fewer than 20% say their organisation has a formal AI strategy. The gap between tool use and governance is the main risk.
- **Budget pressure is real and widespread.** 54% of marketing leaders reported flat or reduced budgets in FY2025, while output expectations continued to rise, compressing team capacity.
- **Brands are pulling work in-house.** 42% of brands brought marketing capabilities in-house over two years. Creative, social, and performance media are the functions most commonly internalised.
- **Short-form video is taking budget share.** Video formats now absorb 38% of social media budgets, up from 21% two years ago. Static and carousel formats are losing ground across all major platforms.
- **First-party data is now a priority.** With third-party cookie deprecation underway, 74% of brands are actively building first-party data infrastructure, up 31 points from 2022.
- **Talent gaps are most acute in data and performance.** Demand for performance marketing and analytics roles grew 34% in 12 months. Qualified candidates have not kept pace, pushing salaries up and tenure down.
- **Measurement is still the biggest unsolved problem.** Proving ROI was cited as the top challenge by 58% of senior marketers, up from 49% in 2023. Cookie deprecation has made cross-channel attribution harder, not easier.

Introduction

Australian marketing is under more pressure than at any point in the past decade. Budgets are flat. Technology is changing faster than most teams can absorb. The targeting tools that made digital advertising reliable for a generation are being dismantled. This report takes stock of where the industry is, grounded in the data available for 2024.



The Australian marketing and advertising industry employs more than 85,000 people across agency, in-house, and freelance roles. It contributes directly to GDP through media spend and enables revenue growth across every sector of the economy. Understanding the forces acting on this industry matters not just to marketers, but to the businesses, investors, and suppliers whose fortunes are tied to marketing's effectiveness.

This report covers the calendar year 2024 with forward-looking analysis through to end of FY2026. It draws from IBISWorld industry data, IAB Australia's digital advertising expenditure reports, ABS employment statistics, LinkedIn Talent Insights, and publicly available survey data from WARC, Deloitte Digital, and the Australian Association of National Advertisers.

SCOPE OF THIS REPORT

This report covers paid advertising (media placement) and marketing services including agency fees, content production, technology, and strategy. It does not cover sales or CRM functions separately unless they intersect directly with marketing. All figures are in Australian dollars. Market data reflects calendar year 2024 unless noted otherwise. Forward projections extend to end of FY2026 (June 2026).

No primary research was conducted by Kamand for this edition. The findings synthesise publicly available data into a single structured reference. Sources are cited throughout and listed in full in the appendix.



CHAPTER ONE

Market Landscape

Size, spend, and the structural forces shaping Australian marketing investment in 2024.

Market Size and Structure

Australia's marketing and advertising market reached an estimated A\$22 billion in total expenditure in 2024, placing it among the top ten advertising markets globally relative to GDP. The market has grown at a compound annual rate of approximately 6.3% over the past five years. Growth is now moderating as digital channels mature and competition for ad inventory pushes up costs.

ADVERTISING VS. MARKETING SERVICES

Total spend divides into two streams: paid advertising (media placement) and marketing services covering agency fees, content production, technology, and strategy. Paid advertising accounts for roughly 58% of expenditure, with marketing services at 42%. That split was 65/35 in 2019. The shift reflects brands investing more in owned channels and in-house capability rather than buying media through intermediaries.

A\$22B

TOTAL AUSTRALIAN MARKETING
AND ADVERTISING EXPENDITURE,
2024 (ESTIMATED)

MARKET SEGMENTS

Four segments define the industry: digital advertising, traditional media, agency and consulting services, and marketing technology.

SEGMENT	SPENDDETAIL
Digital advertising	A\$14.7BSearch, social, programmatic display, video pre-roll, and audio streaming.
Traditional media	A\$4.1BTelevision holds the largest share despite audience decline. Out-of-home, radio, and print make up the remainder.
Agency and marketing services	A\$2.3BCreative, media planning, PR, and integrated strategy.
Marketing technology	A\$0.9BSoftware licences covering CRM, email automation, analytics, and AI tooling.

FASTEST-GROWING SEGMENT

Retail media networks, including Woolworths Everyday Rewards and Amazon AU, grew 41% year-on-year to reach an estimated A\$680M in 2024. FMCG and CPG brands are attracted by closed-loop attribution that connects ad exposure directly to purchase data, something no other digital channel currently matches at scale.

GEOGRAPHIC DISTRIBUTION

NSW and Victoria together account for 71% of total industry expenditure, reflecting the concentration of major agency holding groups, brand headquarters, and media owner offices in Sydney and Melbourne. Queensland accounts for 14%, Western Australia for 9%, and remaining states and territories for 6%.

Remote-first agencies and freelance talent have partially decentralised some marketing capability, particularly in digital and content roles. Strategic and executive functions remain concentrated in the two major cities.

"The brands winning in Australia right now are not those with the biggest budgets. They are the ones with the clearest signal on who their customer actually is."

Senior Brand Director, consumer goods sector, 2024

Regional markets are growing in strategic importance as e-commerce penetration changes consumer behaviour outside metro areas. Brands historically concentrating investment on Sydney and Melbourne are beginning to rebalance, particularly in automotive, agriculture, and home improvement categories.



CHAPTER TWO

Channel Mix

Where Australian marketing budgets are flowing and which channels are gaining or losing ground.

Where the Budget Goes

SEARCH

Search advertising remains the largest single digital channel at approximately A\$4.9B, representing 33% of digital spend. Growth has slowed to 7% year-on-year as cost-per-click inflation squeezes returns and competition for high-intent keywords intensifies. Generative AI search features from Google and competitors are beginning to erode organic traffic for informational queries, pushing brands to reassess content strategies built around traditional SEO.

38%

OF SOCIAL BUDGETS NOW
ALLOCATED TO SHORT-FORM
VIDEO, UP FROM 21% TWO YEARS
PRIOR

SOCIAL MEDIA

Social media advertising accounts for A\$3.8B, representing 26% of digital spend. Meta platforms retain the largest share at 58% of social budgets. TikTok has become the second-largest social platform by advertiser spend for brands targeting under-35 audiences. LinkedIn continues to grow for B2B advertisers, particularly in financial services and technology sectors.



PROGRAMMATIC AND DISPLAY

Programmatic display and video account for A\$3.1B. The programmatic supply chain has faced scrutiny over brand safety, ad fraud, and measurement reliability. Brands are consolidating buys to fewer higher-quality publisher relationships and shifting from open exchange toward private marketplace deals.

TELEVISION AND STREAMING

Linear television commands A\$2.4B in spend. That figure has held broadly stable as broadcast audiences decline but advertising rates rise for high-reach events including sport and national news. Streaming video advertising grew 29% year-on-year to reach an estimated A\$640M in 2024, driven by BVOD platforms and the rollout of ad-supported tiers on streaming services.

THE RETAIL MEDIA SURGE

Woolworths Cartology, Coles 360, and Amazon Advertising are attracting significant FMCG and CPG budgets. Retail media is the fastest-growing channel in Australia, valued for closed-loop attribution connecting ad exposure directly to purchase records.



CHAPTER THREE

Technology and AI

How artificial intelligence and the martech stack are reshaping what it means to practise marketing in Australia.

The Martech Shift

Marketing technology is the operating system of modern marketing. Australian brands collectively invest an estimated A\$900M annually in martech licensing. That figure understates true investment when implementation, training, and integration costs are included; total martech spend is likely closer to A\$1.4B when services are factored in.

AI ADOPTION IN PRACTICE

61% of Australian marketers report using at least one AI tool in their regular workflow. The most common uses are content drafting and copywriting (72% of AI adopters), image generation (48%), audience segmentation (31%), and campaign performance optimisation (28%). Tool adoption has been rapid. Organisational readiness has not kept pace.

Fewer than 1 in 5 Australian marketing teams have a documented AI strategy, and fewer than 1 in 10 have established governance frameworks for AI-generated content. For brands in regulated industries including financial services, healthcare, and food, that gap carries measurable compliance and brand risk.

61%

OF AUSTRALIAN MARKETERS USE
AI TOOLS REGULARLY, YET FEWER
THAN 20% HAVE A FORMAL AI
STRATEGY IN PLACE

COOKIE DEPRECATION

Third-party cookie deprecation, now underway in Chrome after years of delays, is forcing a structural change in digital measurement. Australian brands are responding by investing in Customer Data Platforms, first-party data capture, and contextual targeting.

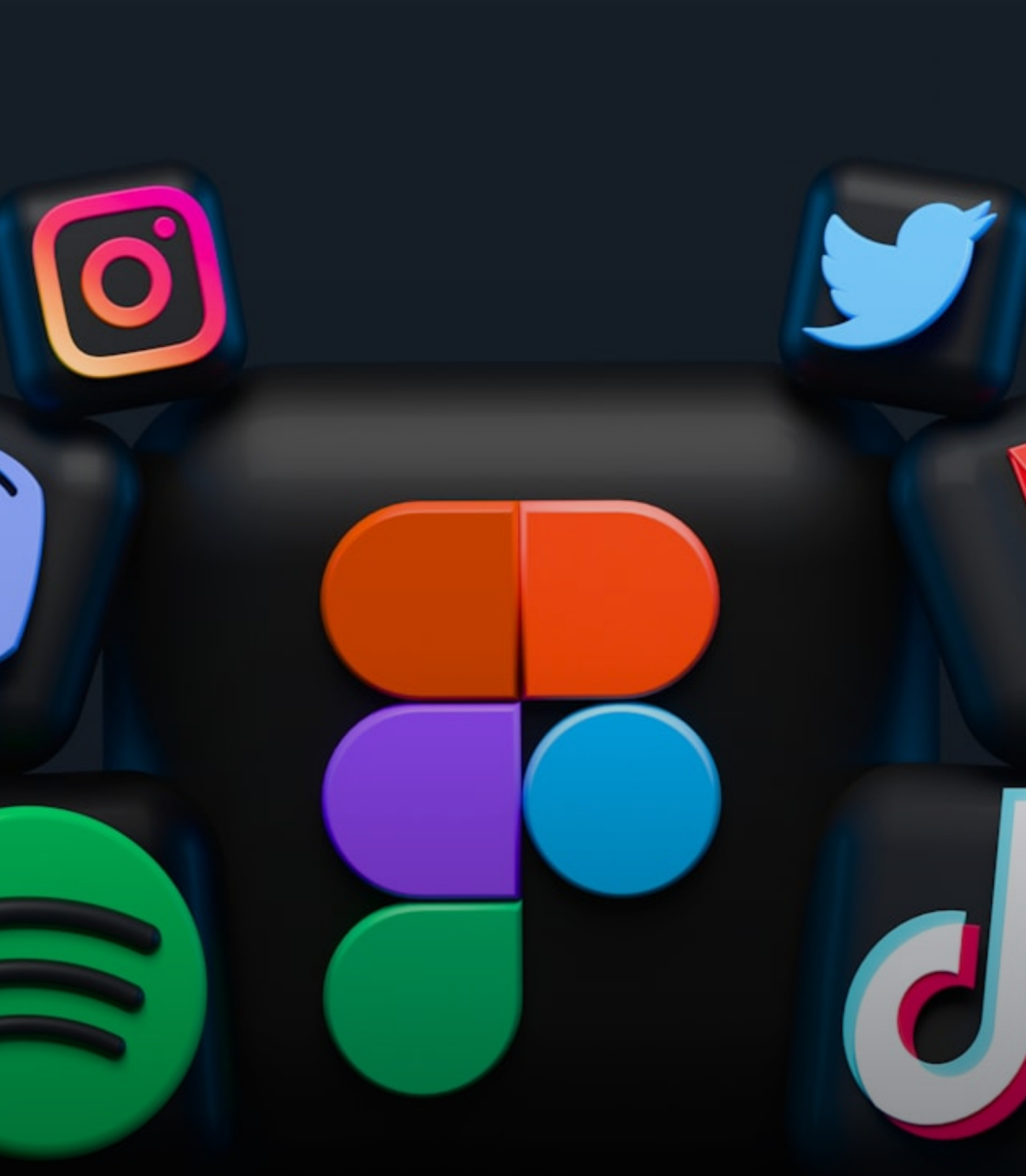
- **74%** of brands are actively building first-party data infrastructure, up from 43% in 2022.
- **CDPs** are the fastest-growing martech category in Australia, with deployments up 44% in 12 months.
- **Clean rooms** are being adopted by approximately 18% of brands with significant media budgets, primarily in retail and financial services.

THE STACK IS GETTING SMALLER

After years of proliferation, marketing teams are rationalising. The average enterprise marketing stack shrank from 22 tools in 2022 to 16 in 2024. Budget pressure is driving sharper decisions about which tools deliver measurable value versus which were acquired speculatively and never embedded into workflow.

AUTOMATION AND PERSONALISATION

Real-time personalisation remains technically achievable but operationally difficult. Only 23% of Australian brands report successfully delivering personalisation beyond email subject lines. The gap is typically a data and workflow problem, not a technology limitation.



CHAPTER FOUR

Talent and Workforce

The people behind Australian marketing: skills in demand, salary benchmarks, shortages, and the in-housing trend.

Skills, Gaps and Salaries

The Australian marketing workforce comprises approximately 85,000 employed professionals across agency, in-house, freelance, and platform roles. That number has grown 12% since 2020 but masks significant structural change in where talent is deployed. Agency headcount has contracted while in-house teams have grown, and the freelance market has expanded substantially as brands seek flexible capacity without fixed overhead.

ROLES IN DEMAND

- Performance Marketing Manager:** demand up 34% year-on-year; median salary A\$95,000 to A\$115,000.
- Marketing Data Analyst:** demand up 28%; median A\$85,000 to A\$105,000.
- Content Strategist / SEO Lead:** stable demand with evolving skill requirements as AI changes content production.
- Marketing Technology Specialist:** demand up 22%; critical in enterprises deploying CDPs and automation platforms.
- CMO / Head of Marketing:** high turnover; average tenure now 2.7 years, down from 3.9 years in 2019.

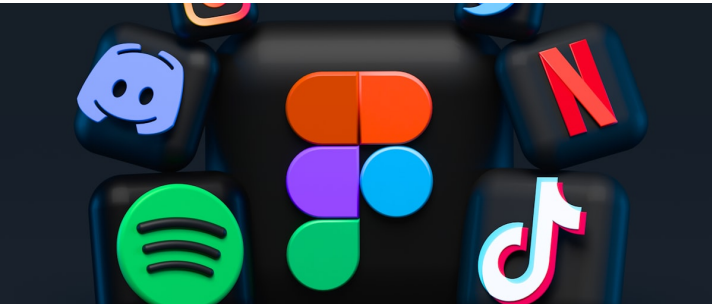
42%

OF AUSTRALIAN BRANDS
BROUGHT MARKETING
CAPABILITIES IN-HOUSE OVER THE
PAST TWO YEARS

THE IN-HOUSING SHIFT

42% of Australian brands brought marketing capabilities in-house over the past two years. The functions most commonly internalised are content creation (63% of in-housers), social media management (58%), performance media buying (41%), and design (39%). The primary drivers are cost control, faster turnaround, and greater control over brand voice.

The risks are becoming clearer. Brands that moved work in-house without adequate capability building are finding they have lost access to specialist expertise and the media buying leverage that larger agencies provide. Some are now rehiring agencies for strategy while retaining execution in-house.



THE SKILLS GAP

The most acute shortage sits at the intersection of data literacy and marketing domain knowledge. Candidates who can operate confidently in analytics environments while retaining strategic judgment command salary premiums of 15 to 25% above non-data-literate equivalents. University marketing curricula have been slow to reflect this requirement.



CHAPTER FIVE

Outlook 2026

The priorities, predictions, and strategic bets that will define Australian marketing in the year ahead.

Priorities and Predictions

1. MEASUREMENT BECOMES THE DEFINING CAPABILITY

Proving ROI was named the top challenge by 58% of senior marketers in 2024. Budgets remain constrained. The ability to connect marketing activity to business outcomes, using media mix modelling, incrementality testing, and attribution, will increasingly determine which teams receive investment and which face cuts. Brands that cannot quantify their marketing are at a structural disadvantage going into 2026.

2. AI MOVES FROM EXPERIMENTAL TO STANDARD PRACTICE

By end of FY2026, AI-assisted content production will be standard across all but the smallest Australian marketing teams. The competitive advantage will shift from who is using AI to who has built the workflows, governance, and brand guardrails to use it at quality and scale. Brands treating AI purely as a cost-reduction tool risk brand safety and quality deterioration.

+9%

FORECAST GROWTH IN
AUSTRALIAN DIGITAL
ADVERTISING SPEND ACROSS
FY2025 TO FY2026

3. RETAIL MEDIA BECOMES A CORE CHANNEL

Retail media networks will shift from experimental to core budget line for FMCG, CPG, and direct-to-consumer brands. New networks in pharmacy and fuel retail, alongside Amazon's continued growth, will increase inventory supply and improve targeting. Brands without a retail media strategy by mid-2026 will find themselves at a disadvantage in categories where competitors have invested early.

4. BRAND INVESTMENT RECOVERS

The industry has over-invested in performance channels at the expense of brand building for several years. Research from the Ehrenberg-Bass Institute and others indicates this imbalance has eroded long-term brand equity for many Australian businesses. A correction toward brand investment is anticipated, initially in categories where performance efficiency gains have plateaued and brands are competing on price as a result of weakened differentiation.

5. PRIVACY RESHAPES TARGETING PERMANENTLY

Cookie deprecation and potential reforms to the Privacy Act 1988 will continue to narrow targeting options for marketers reliant on behavioural data. Brands that have invested in first-party data, contextual targeting, and creative quality will be better positioned than those still dependent on third-party audience segments.

THE STRATEGIC BET TO WATCH

Creator and influencer marketing is moving up the budget stack, from a social tactic to a strategic channel with its own planning, measurement, and governance frameworks. Australian brands building systematic creator programmes in 2025 are positioning for a meaningful advantage as traditional reach channels fragment further.

"The next 18 months will separate the teams that built sustainable capability from those that just bought tools. The tools are the easy part."

CMO, Australian financial services, 2025

Methodology

This report synthesises publicly available industry data, survey findings, and market intelligence from multiple sources. No primary research was conducted by Kamand for this edition. All statistics are attributed to third-party research organisations and cited at the point of use throughout the report.

Market Sizing

Based on IBISWorld's Australian Advertising Agencies and Digital Advertising industry reports, cross-referenced with IAB Australia's annual expenditure data.

Channel Data

Draws from IAB Australia's Digital Advertising Expenditure Report (FY2024), WARC's Australia dataset, and publicly disclosed platform earnings.

Workforce Data

Sourced from ABS Labour Force statistics, LinkedIn Talent Insights, Seek Salary Insights, and published recruiter market reports for the marketing sector.

Technology Data

Derived from synthesised survey data from Deloitte Digital, Gartner CMO Spend surveys, and Australian-specific research where available.

Currency and Dates

All monetary figures are in Australian dollars (AUD). Market data reflects calendar year 2024. Projections extend to end of FY2026 (June 2026).

Limitations

Some figures are estimates based on aggregated and interpolated data. Industry boundary definitions are not standardised across source organisations.

GLOSSARY OF KEY TERMS

- **Programmatic advertising:** Automated buying and selling of digital advertising inventory using software and algorithms.
 - **First-party data:** Data collected directly by a brand from its own customers and audiences.
 - **CDP (Customer Data Platform):** Software that consolidates customer data from multiple sources into a unified profile.
 - **Clean room:** A privacy-safe environment enabling two parties to match and analyse data without exposing underlying records.
- **BVOD:** Broadcaster Video on Demand, the streaming services operated by Australian free-to-air television networks.
 - **Retail media:** Advertising placements within retailer-owned digital environments, using retailer purchase data for targeting.
 - **Performance marketing:** Advertising focused on directly measurable outcomes such as clicks, leads, or purchases.
 - **MMM (Media Mix Modelling):** Statistical technique measuring the contribution of each marketing channel to sales outcomes.

Sources & Disclaimer

DATA SOURCES

IBISWorld · IAB Australia · Australian Bureau of Statistics · WARC · Deloitte Digital · LinkedIn Talent Insights · Google Trends · Seek Salary Insights · publicly available industry surveys and trade publications.

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