Forrester: Slower Overall Spending Mixed With A Turbulent Economy Will Make 2023 Planning Difficult To Navigate

August 23, 2022

Forrester's Planning Guides provide benchmark data and insights to help technology, marketing, digital, CX, product and sales leaders prioritize 2023 budget investments.

CAMBRIDGE, Mass., Aug. 23, 2022 /PRNewswire/ -- According to Forrester's (Nasdaq: FORR) 2023 Planning Guides, released today, business leaders who plan for "business as usual" modest spending increases in the year ahead will fall short. Indeed, due to an unpredictable and turbulent economy, leaders will need to tackle planning with discipline and precision in order to trim waste, experiment, and make bold, smart investments.

Designed to help technology, marketing, digital, customer experience (CX), product, and sales executives prioritize their resources and investments for the year ahead, Planning Guides will be available for all 15 services included in the Forrester Decisions portfolio. Using data-driven insights, Planning Guides will enable functional leaders to prioritize spending that maximizes revenue growth, profitability, and resilience.

The reports highlight where to increase investment and cut spending, as well as which emerging technologies to experiment with in 2023. Key insights from Forrester's 2023 Planning Guides include:

Areas to increase investment in 2023:

- **Customer insights and engagement.** With 2023 unlikely to look like any past recession, many assumptions about customers and their behavior will be rendered useless. Leaders should invest in new customer data and analytics tools, such as experience research platforms (XPRs), to sharpen audience targeting strategies.

- **Technologies that improve CX and reduce costs.** Current economic headwinds will require focusing on technology tuned for optimization and resilience. Leaders should invest in tools that drive loyalty and reduce operational costs, such as robotic process automation (RPA) and agent-assist apps.

Areas to decrease investment in 2023:

- **Technical debt — including cloud.** Many thought the cloud would be the antidote to technical debt, but yesterday's lifted-and-shifted workloads are now debt themselves given how inefficient to operate and difficult to upgrade they are. In 2023, leaders should consider early cloud deployments as candidates for technical debt reductions.

- **Low-quality data partners and innovation outsourcing.** Partners will continue to play an important role in growth, but two key areas are ripe for cuts. As the quality of third-party data continues to drop, leaders should streamline these partnerships to only those that add value to customer relationships. Second, firms that relied too heavily on partners for digital innovation during the pandemic-induced digital sprint should bring more innovation in house.

Areas for experimentation in 2023:

- **Extended reality, the metaverse, and Web3 that offer immersive experiences.** These interlinked — and arguably overhyped — technologies hold the promise of immersive experiences linked to token-based ecosystems that use cryptocurrencies and public blockchains. Leaders in consumer industries should experiment with metaverse precursor platforms such as Roblox and Decentral to open doors to new audiences.

- **Intelligent agents that make experiences more human.** An intelligent agent (IA) can make decisions or perform a service based on its environment, user input, and experiences. Leaders should plan to experiment with IAs on an ongoing basis to utilize their full potential.

"Leaders are faced with navigating a tumultuous business landscape defined by global unrest, supply chain instability and soaring inflation, as well as the ongoing aftermath of the pandemic," said Sharyn Leaver, chief research officer at Forrester. "Tackling 2023 budget planning is a daunting task, but Forrester's Planning Guides will help leaders make more strategic and disciplined decisions to drive business growth at a time of such uncertainty."

Resources:

- Download Forrester's overarching 2023 Planning Guide [here](#).
- Explore the 2023 Planning Guides hub [here](#).
- Read about 2023 budgeting trends across functions in this [blog](#).

About Forrester

Forrester (Nasdaq: FORR) is one of the most influential research and advisory firms in the world. We help leaders across technology, customer
experience, digital, marketing, sales, and product functions use customer obsession to accelerate growth. Through Forrester's proprietary research, consulting, and events, leaders from around the globe are empowered to be bold at work — to navigate change and put their customers at the center of their leadership, strategy, and operations. Our unique insights are grounded in annual surveys of more than 700,000 consumers, business leaders, and technology leaders worldwide; rigorous and objective research methodologies, including Forrester Wave™ evaluations; 70 million real-time feedback votes; and the shared wisdom of our clients. To learn more, visit Forrester.com.

Press contact
Hannah Segvich hsegvich@forrester.com


SOURCE Forrester