Google Reportedly Set to Halve Marketing Budget



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As Covid-19 continues to wreak havoc on the global economy, Alphabet-owned Google is poised make significant cuts to its marketing spend according to a report from CNBC.

According to documents seen by the news outlet a memo addressed to the company's marketing team earlier this week informed employees of budget cuts and a marketing hiring freeze to be implemented in the second half of the year.

One message asserts that marketing budgets could be cut by as much as half for the remainder of the year as the company attempts to adapt to the economic impact of the ongoing pandemic.

"As we outlined last week, we are re-evaluating the pace of our investment plans for the remainder of 2020 and will focus on a select number of important marketing efforts," a Google spokesperson said.

The report comes a week after Bloomberg reported that Alphabet

chief Sundar Pichai emailed staff informing existing employees of a hiring slowdown as well as a reduction in spend on areas such as “non-business essential marketing” and travel.

In a note to clients last month, investment advisory firm Pivotal Research Group advised that the current pandemic could impact Google’s advertising business by as much as 15%.

https://www.adweek.com/brand-marketing/google-reportedly-set-to-halve-marketing-budget/