



# The State of Marketing Compliance 2024

Benchmarking & Trends Report

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## Trends shaping marketing compliance in 2024

Marketing compliance is critical to any organization's operations, ensuring adherence to regulatory standards, brand guidelines, and consumer protection. This report, based on data from a comprehensive survey conducted in Q4 of 2023, provides insights into the current state of marketing compliance in various organizations, their challenges, and future expectations. It aims to help organizations benchmark their compliance practices and identify areas for improvement.

### Methodology

A survey was distributed in Q4 of 2023 to compliance and marketing professionals from companies operating in the consumer finance space. Survey responses were then reviewed to verify the individuals' names, job titles, and employment to ensure data legitimacy and integrity. Data was then analyzed to provide the information and insights that are included in this report.

## Quick Stats

- **88%** of respondents reported having a compliance team of five or fewer
- **86%** of respondents agreed that compliance is embedded within their organization's culture
- **67%** of respondents describe their marketing compliance programs as "basic and manual, could be improved"
- **43%** of respondents lack compliance monitoring on at least one of their marketing channels
- **89%** of respondent said that they hold their partners and third parties to a high standard for compliance
- **74%** of respondents have already invested in some sort of compliance technology

## Key Findings and Themes

### **Compliance teams are small, but optimistic for the future**

While there's been a trend of smaller compliance teams in recent years, a majority of respondents expect stability or growth in their department.

### **Investment in compliance monitoring technology is rising**

Organizations have already or are planning to increase investment in compliance monitoring technology, shifting towards more automated and efficient compliance strategies.

### **Automated compliance programs are linked to increased confidence**

There's a correlation between the maturity of compliance programs (automated vs. manual) and the level of confidence in these programs.

### **Efficiency via technology is becoming essential**

Facing resource constraints, many organizations have shifted their focus to efficiency, relying on streamlined processes and technology for compliance management.

### **Manual processes and resource constraints are top challenges**

Compliance teams face challenges due to manual processes and resource constraints, impacting their ability to manage compliance tasks efficiently.

### **Growing partnerships increase compliance complexity**

Partnerships require enhanced due diligence and continuous monitoring to ensure compliance with regulatory standards.

# Team Structure and Dynamics

## Small compliance teams are the norm, and are getting smaller every year.

A majority of compliance teams are small—88% of respondents reported having a compliance team of 5 or fewer in 2024, compared to 74% in 2023 and 62% in 2022.

This continuous reduction in team size is likely a result of widespread layoffs in the industry amidst a challenging macroeconomic environment in 2023, with increased regulatory pressure, rising rates, and consumer stress.

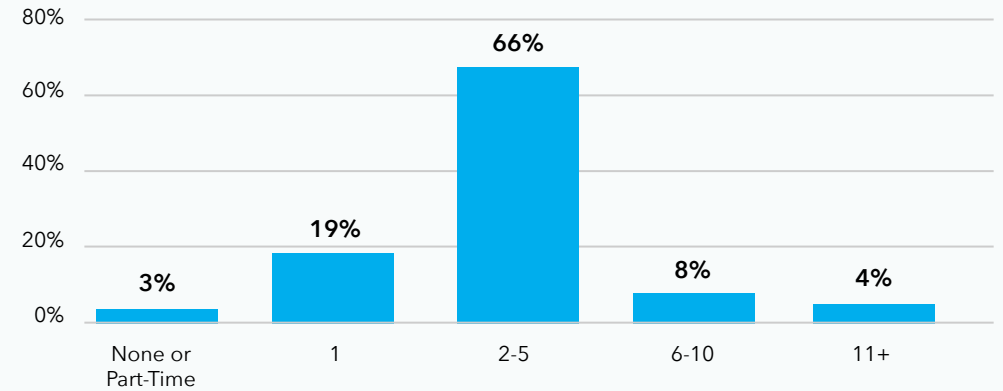
But, it's not all bad. The predominance of smaller teams could also point to a focus on efficiency or a reliance on streamlined processes and technology to manage compliance.

The good news is that most respondents (76%) expect their teams to stay the same or grow in 2024, with only 3% anticipating a reduction.

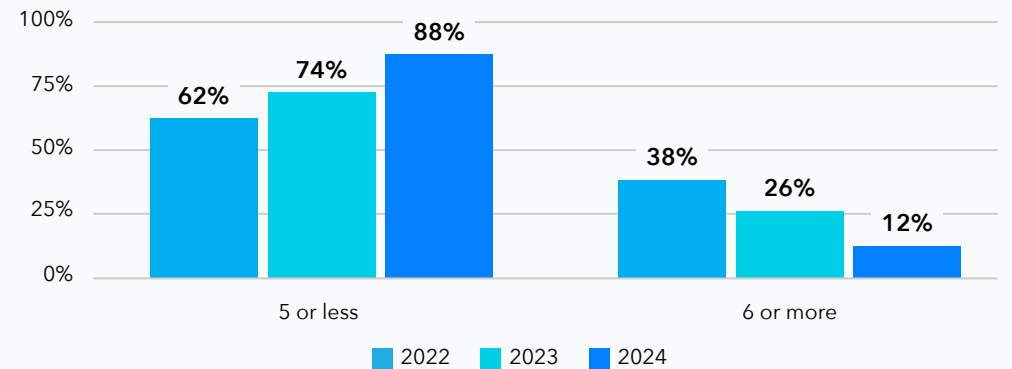
 **PERFORMLINE INSIGHT**

Whether smaller teams are due to resource constraints or an initiative to become more efficient, marketing compliance technology can help organizations “do more with less” by providing comprehensive compliance coverage without additional headcount.

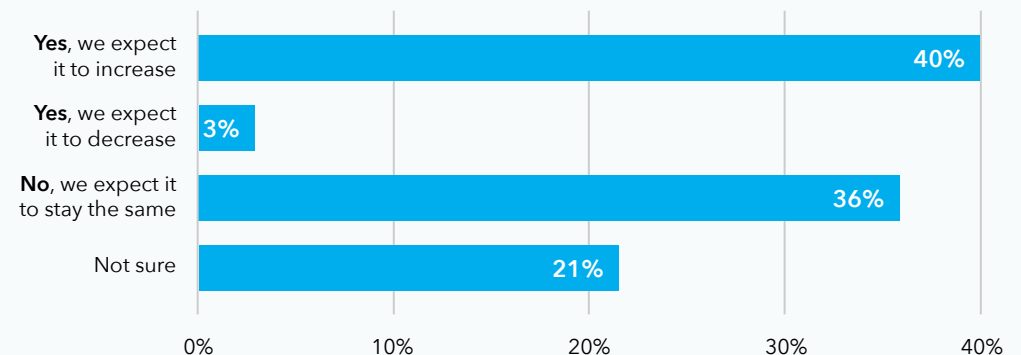
### How many individuals are assigned to monitor for marketing compliance?



### Compliance team sizes year over year

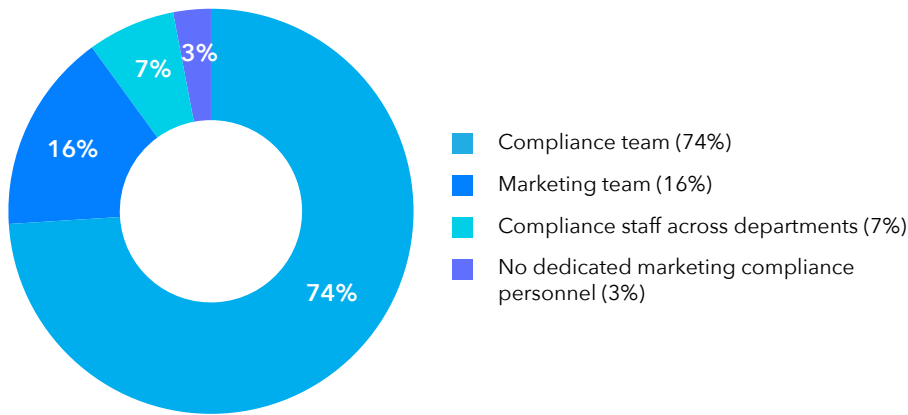


### Do you expect a change in the size of your compliance team in 2024?



# Compliance departments have primary responsibility, but marketing and other departments are involved.

Who primarily oversees marketing compliance in your organization?

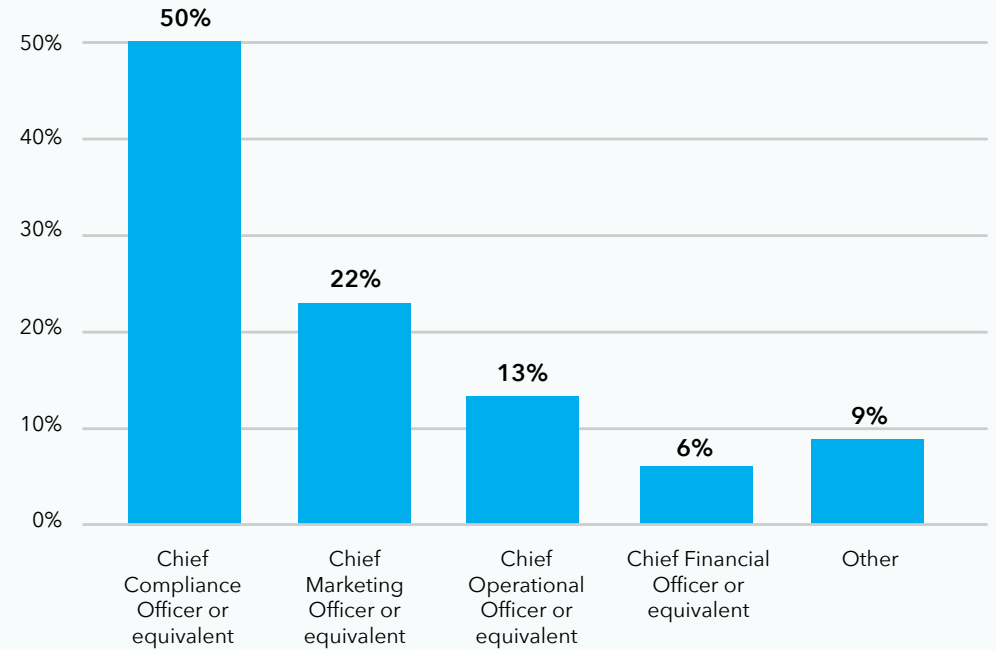


Most organizations (74%) primarily entrust their compliance department with marketing compliance oversight, with roles like the Chief Compliance Officer (50%) predominantly driving compliance-related decisions.

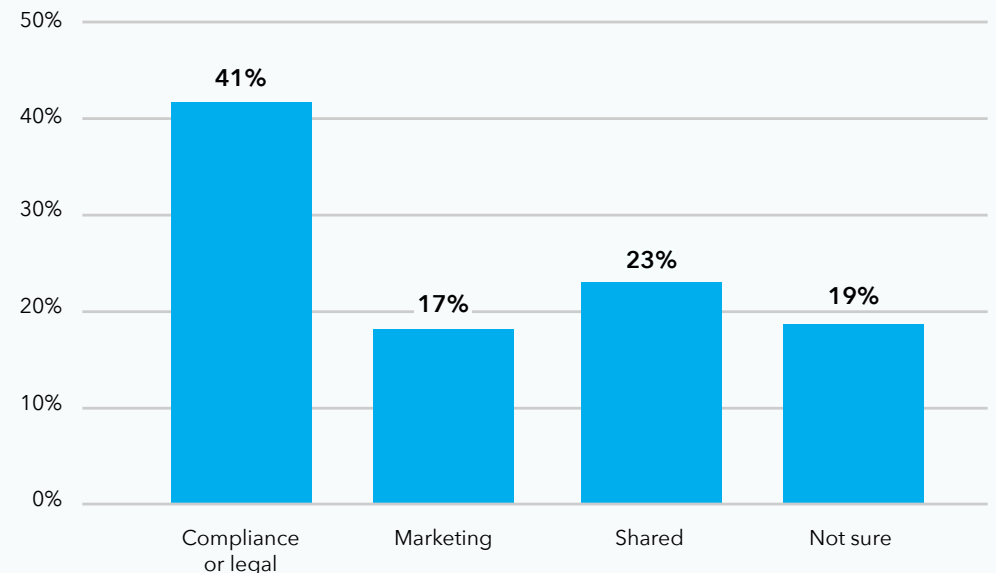
But, marketing and other departments have some skin in the game—over one-third (35%) of respondents said that Chief Marketing Officer and Chief Operational Officer roles influence marketing compliance decisions.

And while compliance and legal departments most often hold keys to the budget, 40% of respondents said that marketing teams or other departments share compliance budgets.

Which role(s) are involved in marketing compliance decisions?



Which department(s) contribute to your marketing compliance team?



## Marketing compliance is important for the whole company.

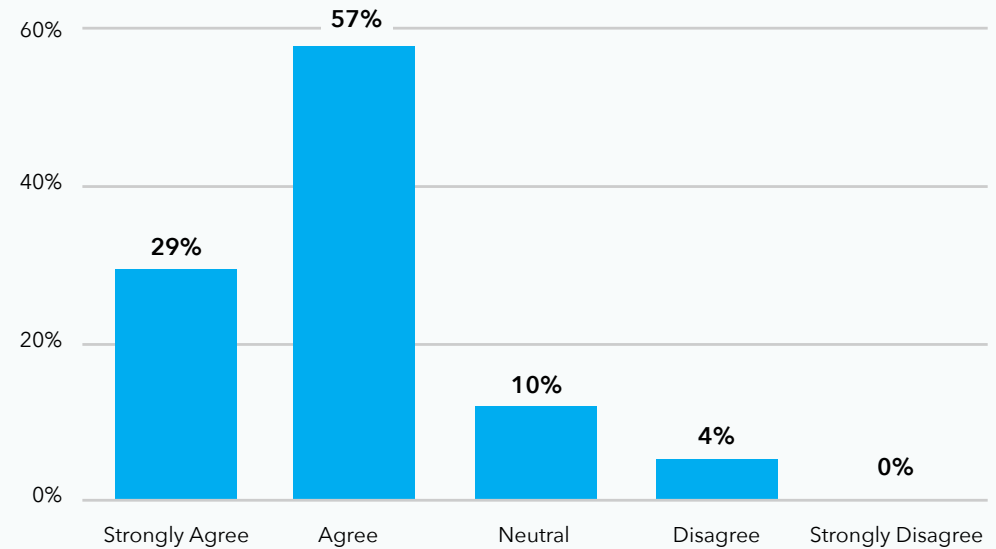
A large majority of organizations recognize the importance of marketing compliance across the entire organization, not just siloed to the compliance team.

86% of respondents agreed that compliance is embedded within their organization's culture and that they offer marketing compliance training to all departments.

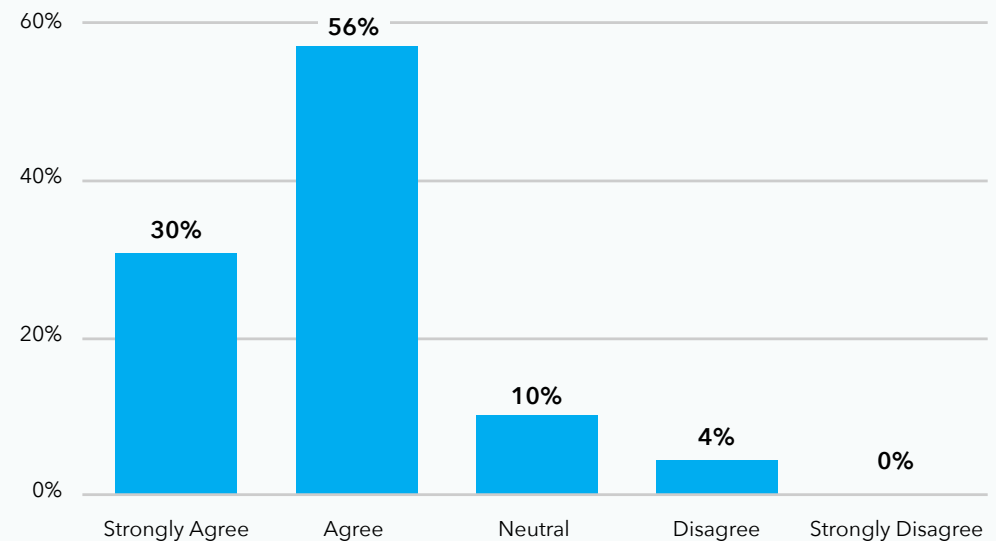


Marketing compliance thrives when embedded in a company's culture, with primary responsibility lying with compliance teams and involving marketing, sales, customer service, and other consumer-facing departments.

**"Compliance is embedded in the culture of our organization and is valued across all departments, including marketing and sales."**



**"Our organization offers comprehensive marketing compliance training to all relevant teams and stakeholders."**



# **Investment, Technology, and Efficiency**



## Compliance budgets vary, but employees are the top spending category.

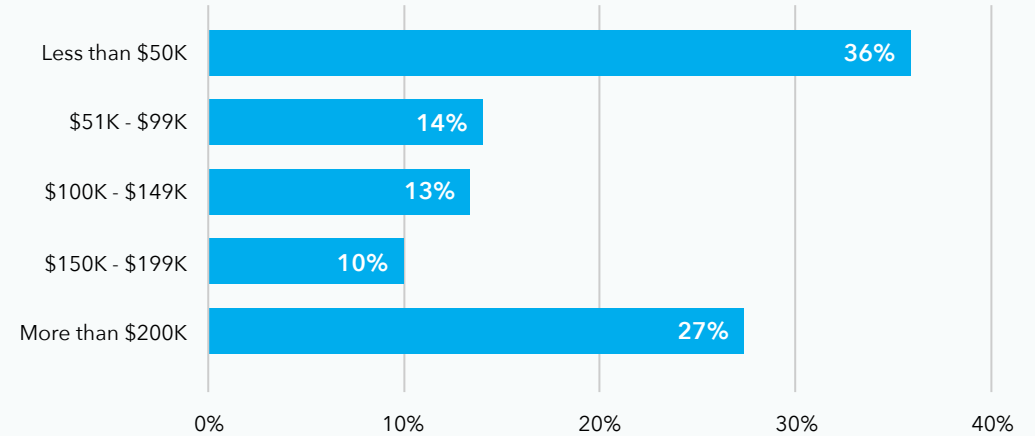
Overall compliance budgets vary across respondents, with most having either lower budgets of \$50k or less (36%) or much higher budgets of \$200k or more (27%).

The majority (81%) said that employee cost is one of their top areas of spend, followed by consulting and legal services (57%), compliance monitoring technology (51%), and training and development (44%).

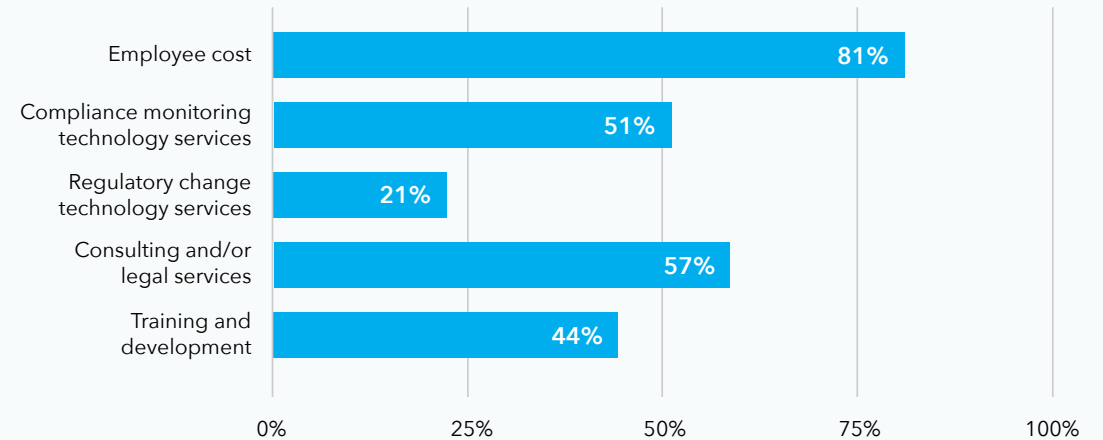
### TOP 3 AREAS OF COMPLIANCE SPEND

01. **Employee cost**
02. **Consulting and/or legal services**
03. **Compliance monitoring technology**

### What is your organization's allocated annual marketing compliance budget?



### What are your top areas of compliance spend today?



## Compliance budgets are mostly stagnant compared to previous years.

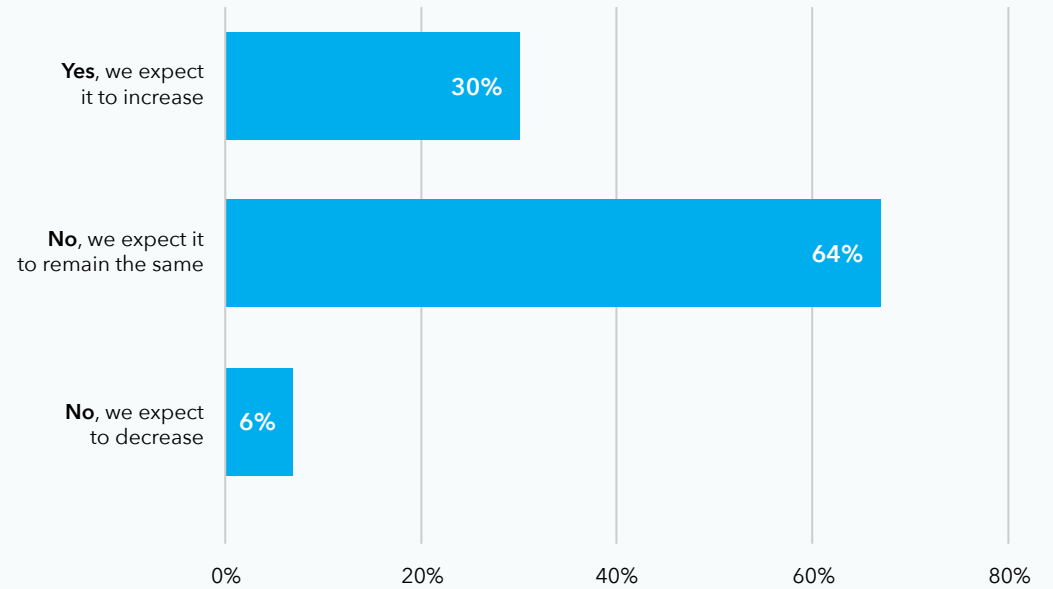
A majority of compliance teams (70%) don't expect an increase in compliance budget for 2024—only 30% responded and said that they expect growth, compared to 41% in 2023 and 65% in 2022.

Stagnant budgets can likely be attributed to the same macroeconomic factors impacting compliance team sizes—increased regulatory pressure, rising rates, and consumer stress.

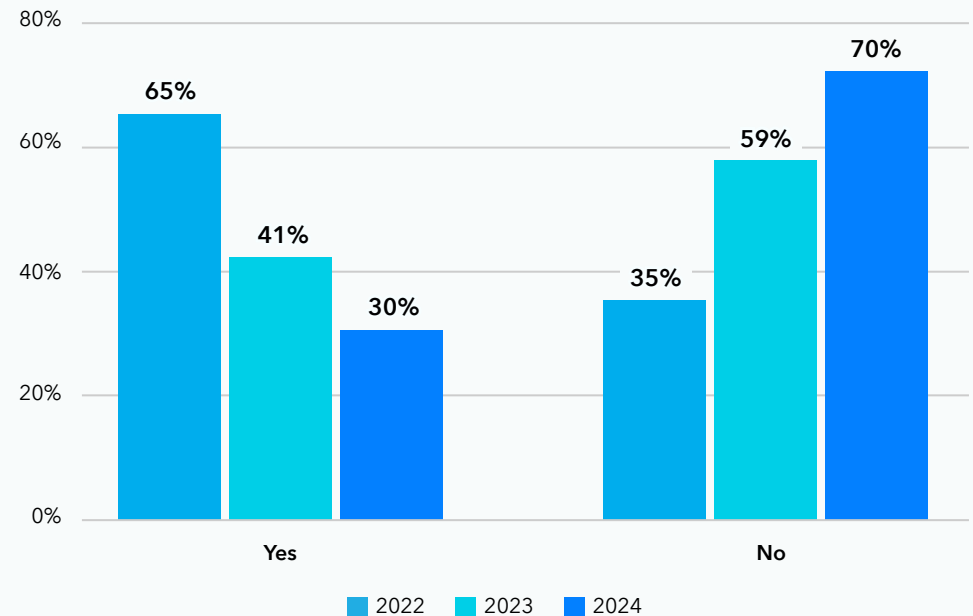
 **PERFORMLINE INSIGHT**

PerformLine's automated compliance technology offers a cost-effective solution for organizations with varying compliance budgets, particularly by reducing employee-related costs, which are a major expense. This strategic use of technology can lead to more efficient resource allocation, allowing for savings in other key areas like consulting, legal services, and training.

### Do you anticipate growth in your marketing compliance budget in 2024?



### Budget growth expectations year over year



## Compliance monitoring technology services are becoming increasingly important.

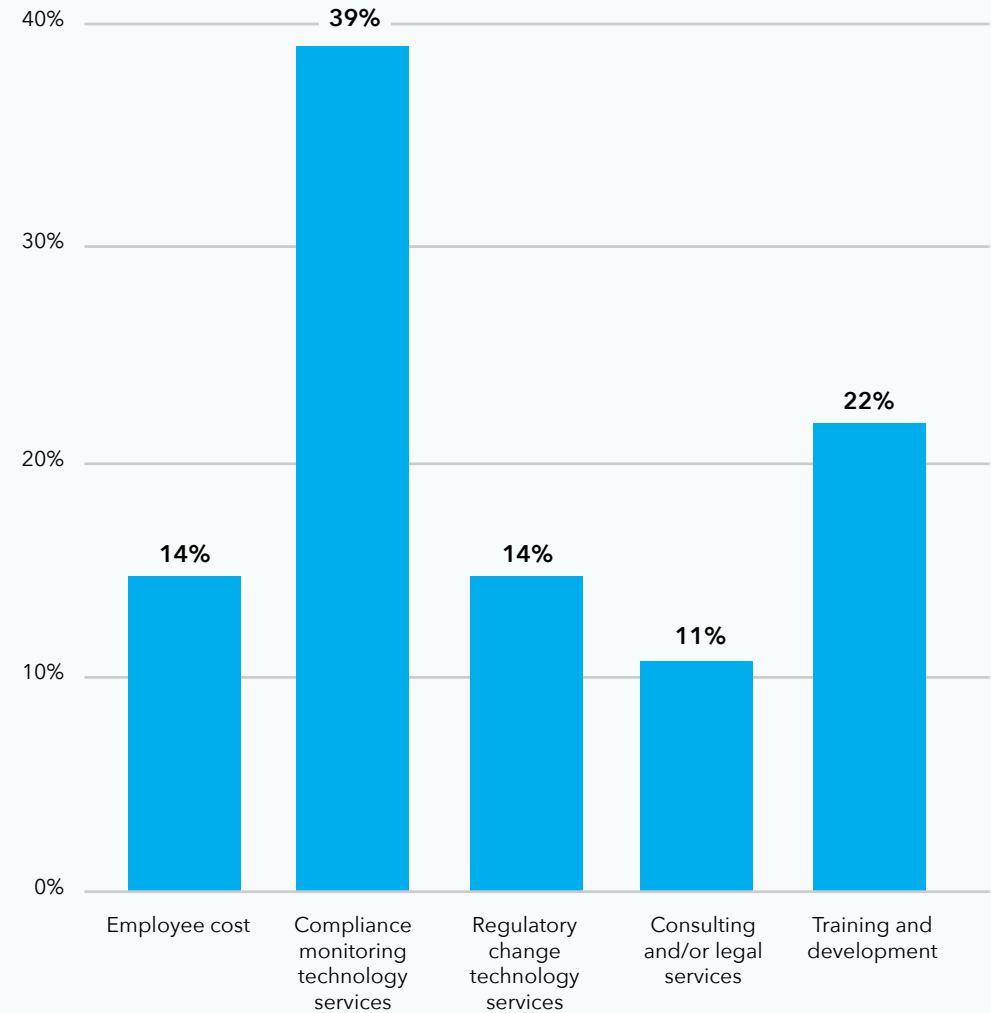
For those expecting increased budgets, compliance monitoring technology services are the top area of increased spend (39%), followed by training and development (22%). This shift in spending areas can indicate a trend towards more technologically driven and skill-enhanced compliance strategies.



### PERFORMLINE INSIGHT

Those that invest in compliance monitoring technology see significant time savings and ROI. PerformLine clients save 1,200+ hours each month with automation and technology—equivalent to the workload and salaries of 7 full-time employees.

Where do you expect to spend the increased budget?



## Automated compliance programs are often linked to increased confidence.

A significant majority (67%) of respondents describe their marketing compliance programs as "basic and manual, could be improved," suggesting that while compliance programs are in place, these programs may not be fully developed or optimized.

The majority (61%) of respondents also have "moderate confidence" in their marketing compliance programs.

There appears to be a correlation between the perceived maturity of the compliance program (automated and comprehensive vs. basic and manual) and the level of confidence in these programs.

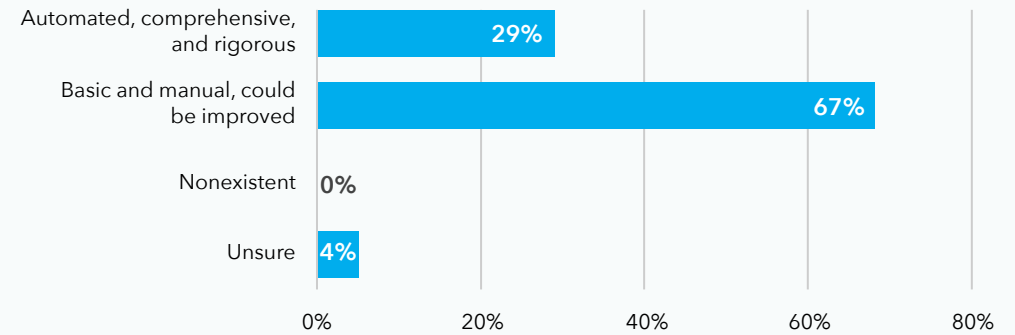
While confidence levels were evenly divided at 50/50 between moderate and high for respondents with automated and comprehensive compliance programs, the average rating stood at 8.4, indicating an overall high level of confidence.

In contrast, for those with basic and manual compliance programs, a majority of respondents (70%) expressed only moderate confidence in their programs, yielding an average rating of 7.3.

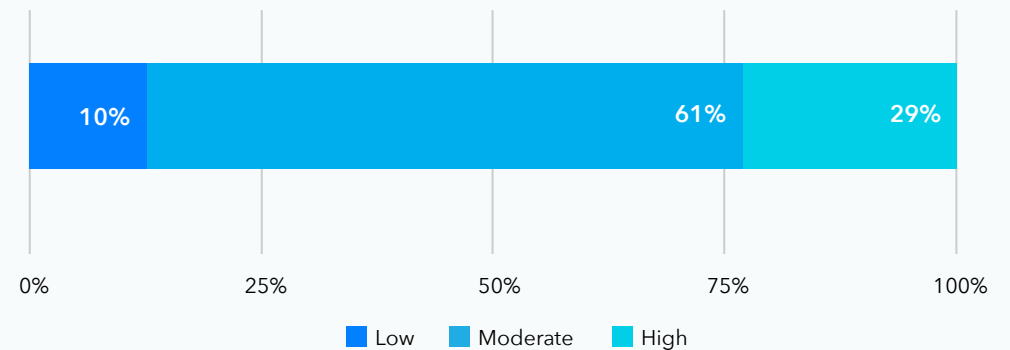


Automation and technology—like PerformLine—can effectively increase compliance program effectiveness and thus, increase confidence in compliance programs.

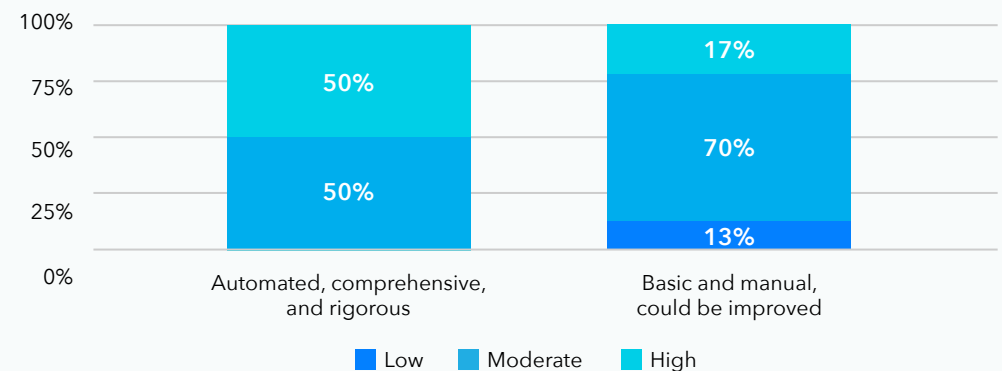
### Which of the below options best describes your organizations's current marketing compliance program?



### On a scale of 1 to 10, how would you rate your confidence in your marketing compliance program?



### Compliance program maturity vs. confidence



## Many organizations are already utilizing compliance monitoring technology.

A majority of respondents (74%) have already invested in some sort of compliance technology, although some tools are more basic than others.

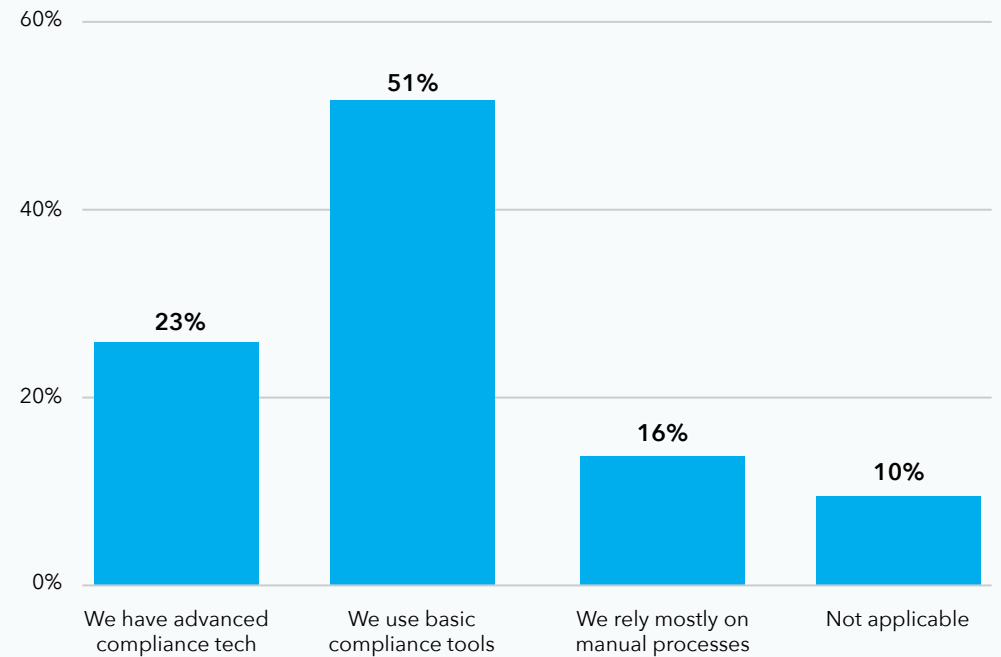
54% of respondents are satisfied with their current compliance monitoring software, though this satisfaction is accompanied by different future plans—some intend to enhance their existing tools, while others are looking for better-suited alternatives.

The fact that 17% are satisfied but still seeking other options indicates a dynamic market where needs are evolving, and current solutions may not fully meet all organizational requirements.

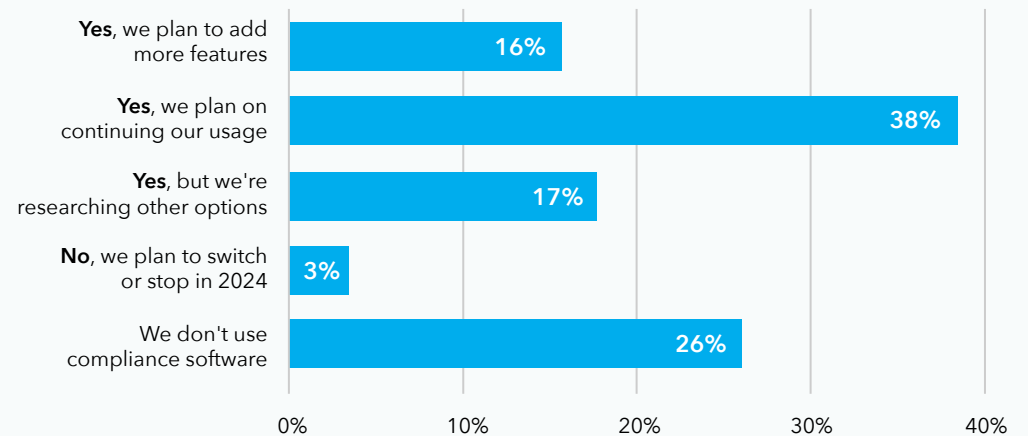
 **PERFORMLINE INSIGHT**

A marketing compliance software that can grow and scale alongside your business and adapt to the ever-changing regulatory and digital marketing landscape is critical.

### Which of the following best describes your organization's use of compliance monitoring technology and tools for marketing compliance?



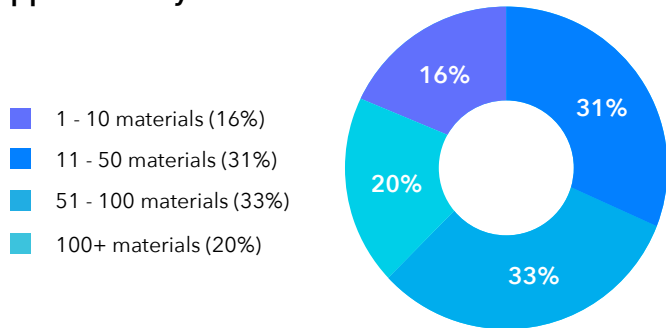
### Are you satisfied with the capabilities of your current marketing compliance monitoring software?



# Collaboration and Oversight

# Marketing and compliance teams are collaborating, but not efficiently.

On average, how many pieces of marketing material (emails, blogs, brochures, etc.) does your compliance team review and approve every month?

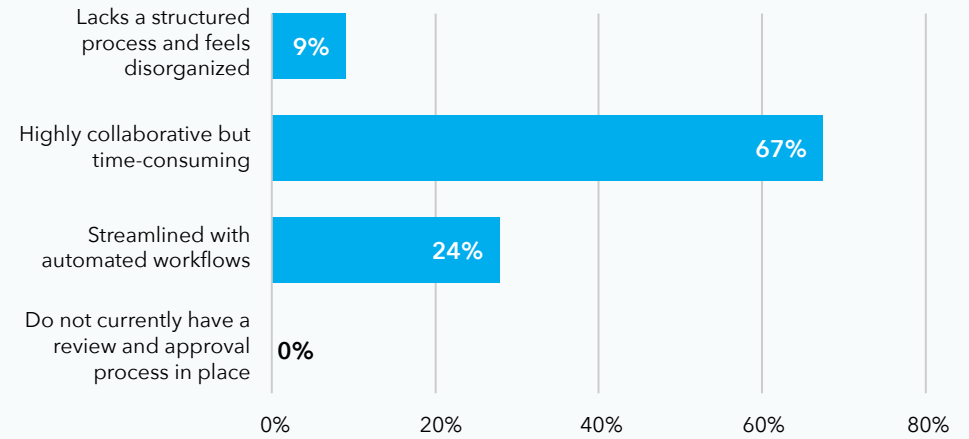


More than half (53%) of respondents said that they review 50 or more marketing materials per month, and the majority (67%) said that their review process, while collaborative, is time-consuming and typically requires multiple rounds of review. Similarly, a combined 42% agree that their current marketing review process creates slowdowns for both the marketing and compliance teams.

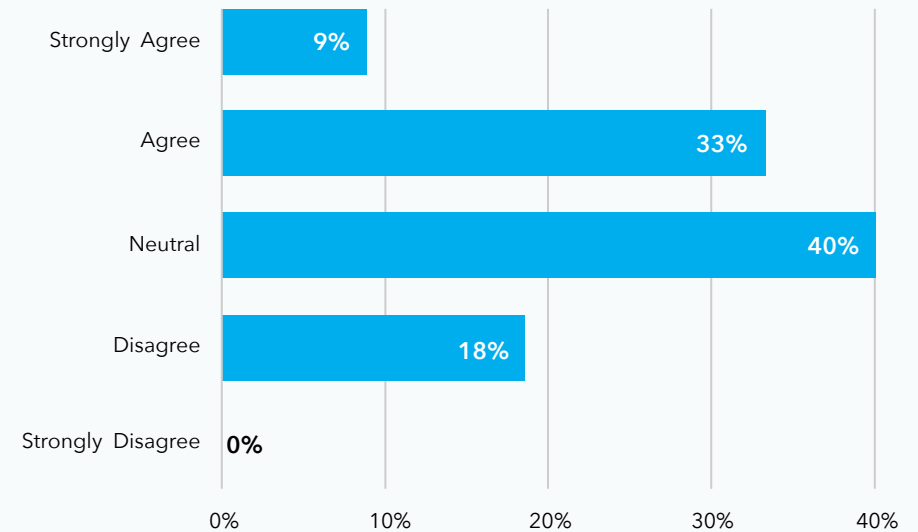
 **PERFORMLINE INSIGHT**

PerformLine's Document Review allows organizations to streamline and automate the compliance review and approval process of marketing materials from both internal and external entities, thus increasing efficiency, reducing risk, and eliminating bottlenecks.

Which of the below statements most accurately describes the review and approval process for marketing materials at your organization?



"The marketing review process creates slowdowns for both the marketing and compliance teams"



## Organizations struggle with manual processes and resource constraints—but technology can help.

The most significant marketing compliance challenges for organizations are manual and tedious review and monitoring processes and resource constraints, accounting for 50% of responses.

Other notable challenges include comprehensive oversight and adapting to evolving digital marketing trends.

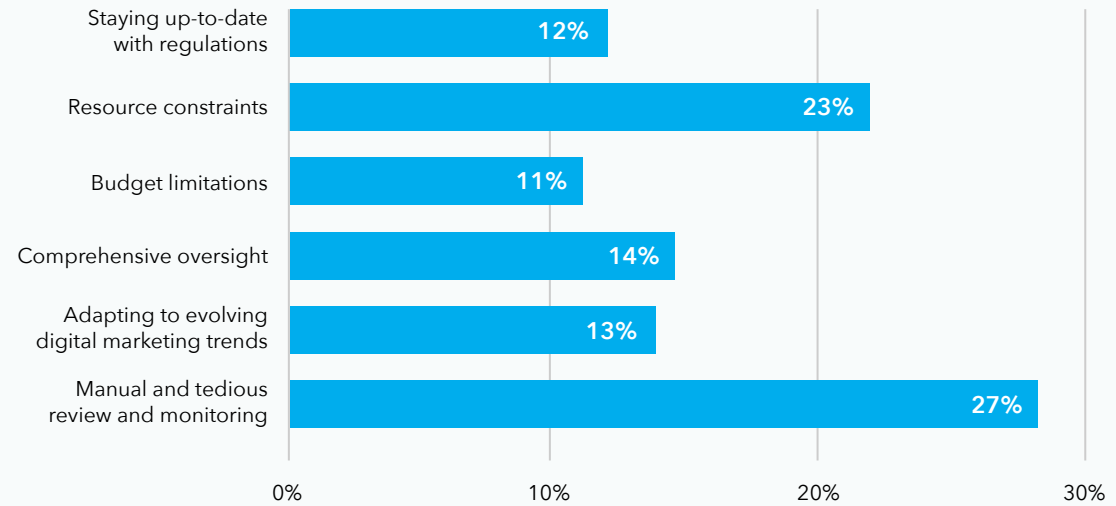
38% of respondents said that technology—specifically, automated compliance review and approval and compliance monitoring software—would be most beneficial in addressing key challenges.

One-fourth (25%) reported that additional staffing would also be helpful to address challenges.

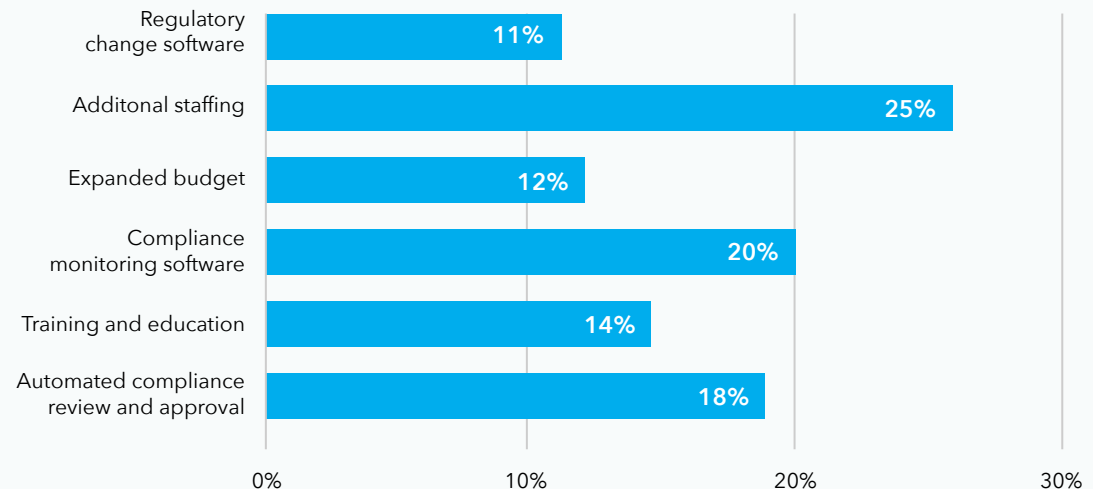


PerformLine’s omni-channel compliance software includes automated reviews and approvals and ongoing monitoring of content across marketing channels. This technology addresses the need for more efficient and less manual oversight, and can also supplement limited resources, thereby helping organizations to stay ahead of evolving digital marketing trends and ensure comprehensive oversight.

### What do you consider the most significant challenges regarding marketing compliance in your organization?



### Which resources do you believe would be particularly beneficial in addressing these challenges?





## Manual compliance monitoring is time-consuming and not scalable.

Almost half (49%) of respondents spend 6 hours or more per week manually searching and reviewing for marketing compliance, with one-fourth (25%) dedicating 11 hours or more.

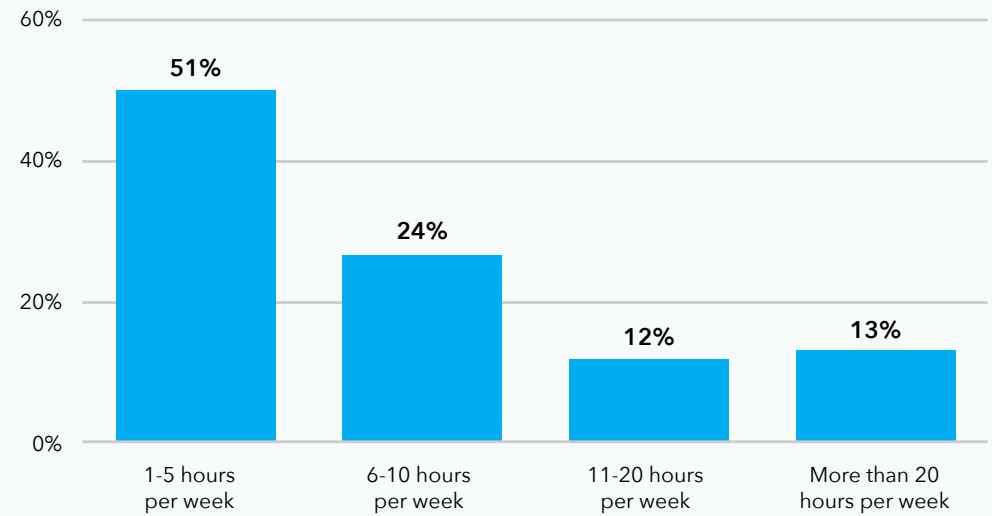
A majority of respondents (53%) monitor for marketing compliance on a frequent basis, at least weekly or daily.

But, 47% of respondents said that they only monitor for marketing compliance on a monthly, quarterly, or yearly basis.

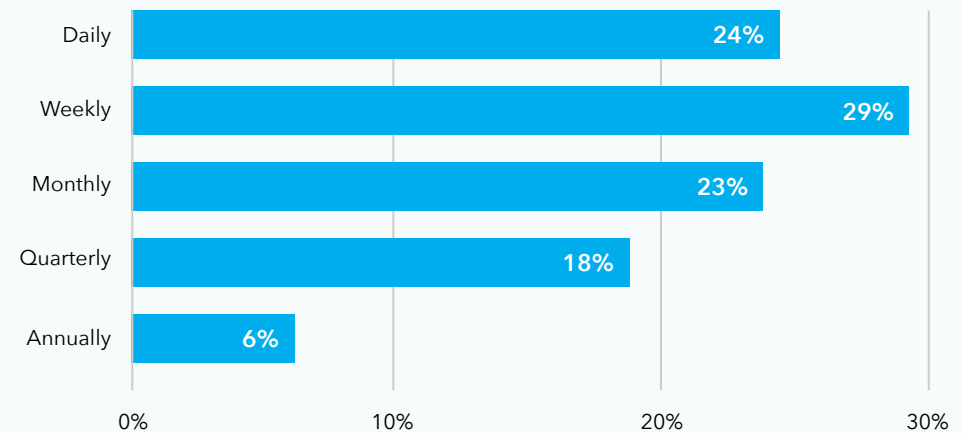
 **PERFORMLINE INSIGHT**

With a considerable portion of time dedicated to manual compliance monitoring, there's a clear opportunity to improve efficiency through automation. Investing in technology to automate compliance would scale the review and monitoring processes and ensure consistent oversight across all channels.

### On average, how many hours a week does your team spend manually searching and reviewing for marketing compliance?



### How frequently do you conduct compliance monitoring across your marketing channels?



## Organizations are using multiple marketing channels, but aren't monitoring all of them.

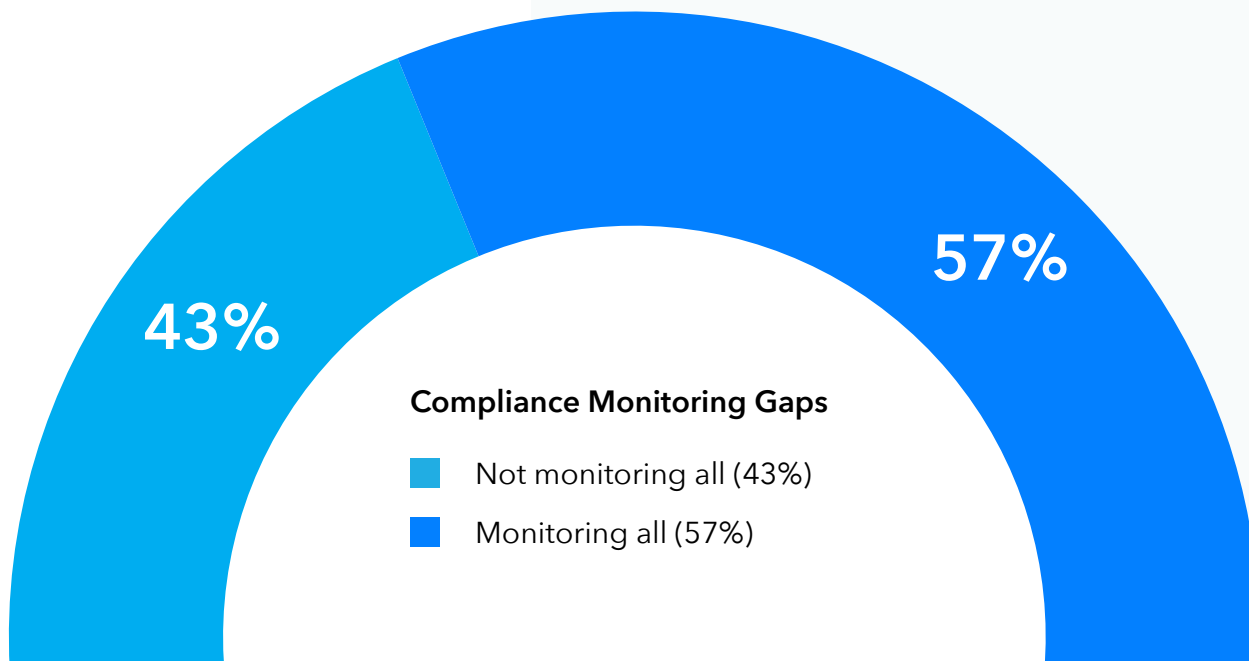
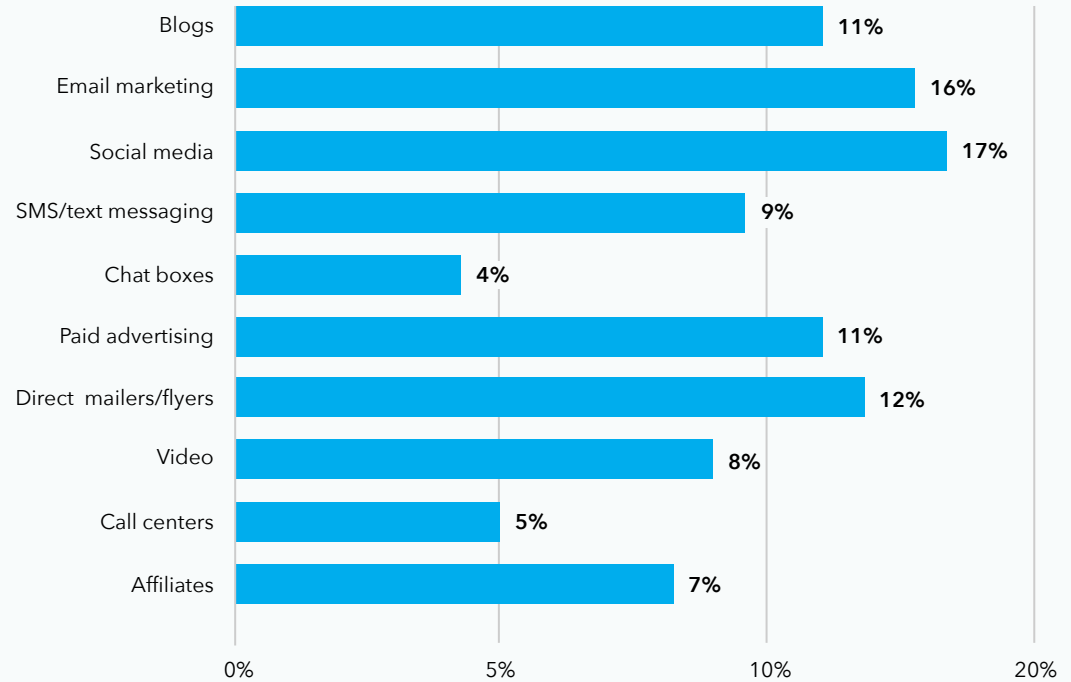
On average, organizations are using 6 different marketing channels to reach consumers, with social media (17%), email marketing (16%), and direct mailers (12%) among the most popular formats in 2024.

But, 43% of respondents lack compliance monitoring on at least one of their marketing channels.



Many organizations are using an omni-channel marketing strategy without an omni-channel approach to compliance. Gaps in compliance monitoring lead to increased risk of investigations and enforcement.

Which marketing channels are your organization currently using for communication with consumers?



# **Third Parties, Partnerships, and Monitoring**

## Organizations are working with more partners and third parties, which increases compliance risk.

53% of respondents said they work with 11 or more partners, affiliates, or other third parties who market on their organization's behalf, and 64% expect that number to remain the same or increase in 2024.

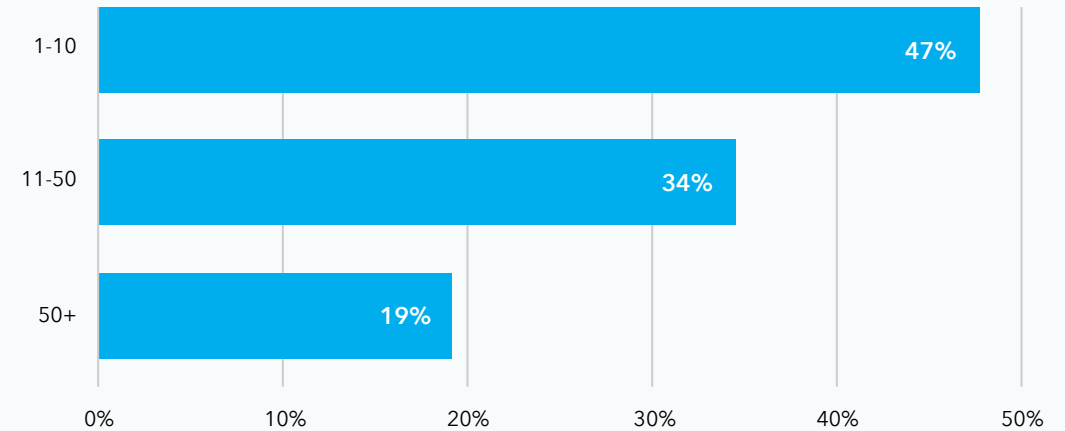
As organizations expand their partnerships, they extend their marketing reach and exponentially increase the risks and complexities associated with compliance.



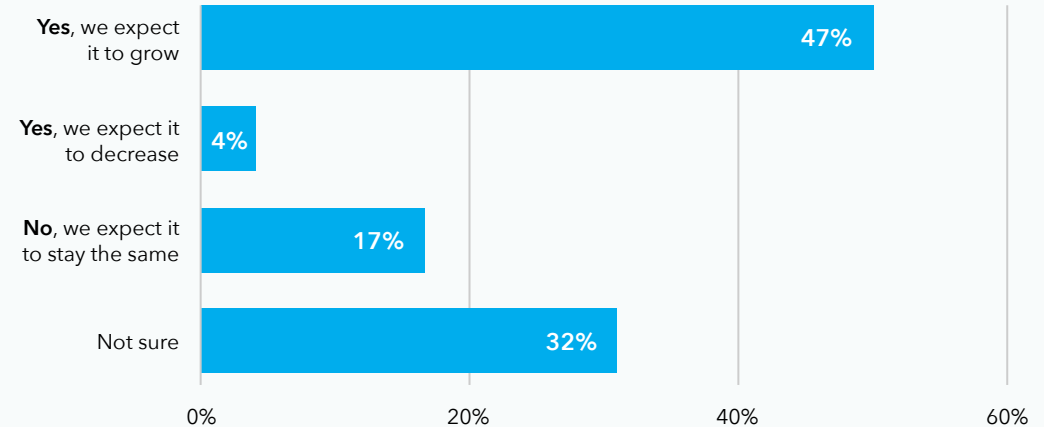
### PERFORMLINE INSIGHT

With an increase in the number of marketing partnerships, organizations face the challenge of scaling their compliance efforts. This challenge is not just quantitative but also qualitative, addressing various compliance issues that might arise from different marketing activities and channels used by partners.

### How many partners, affiliates, merchants, and/or third parties market on behalf of your organization?



### Do you foresee a change in the number of partnerships in 2024?



## Partners and third parties are held to a high standard for marketing compliance.

The majority of respondents (93%) actively monitor their partners and other third parties.

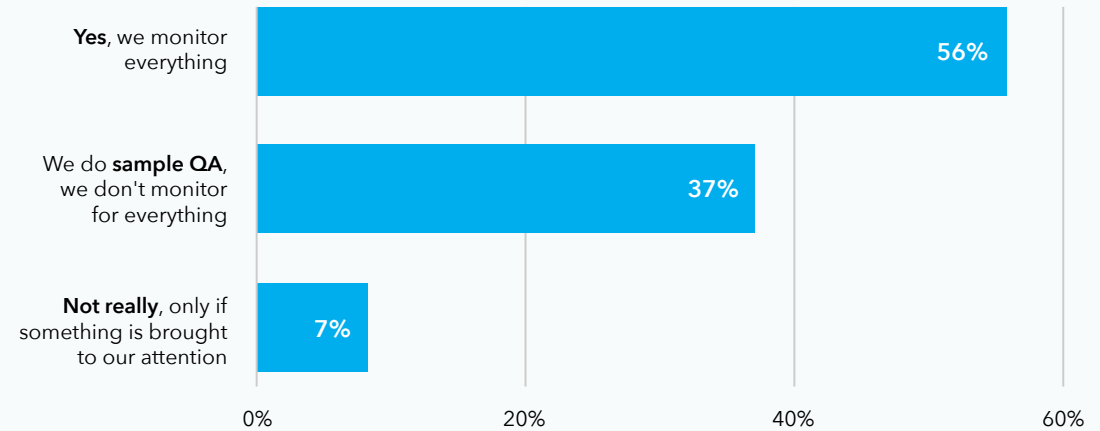
However, methods of monitoring vary, with some relying on full-scale monitoring (56%) and others on sample quality assurance (37%).

The majority (89%) also agree that they hold their partners and third parties to a high standard for compliance.

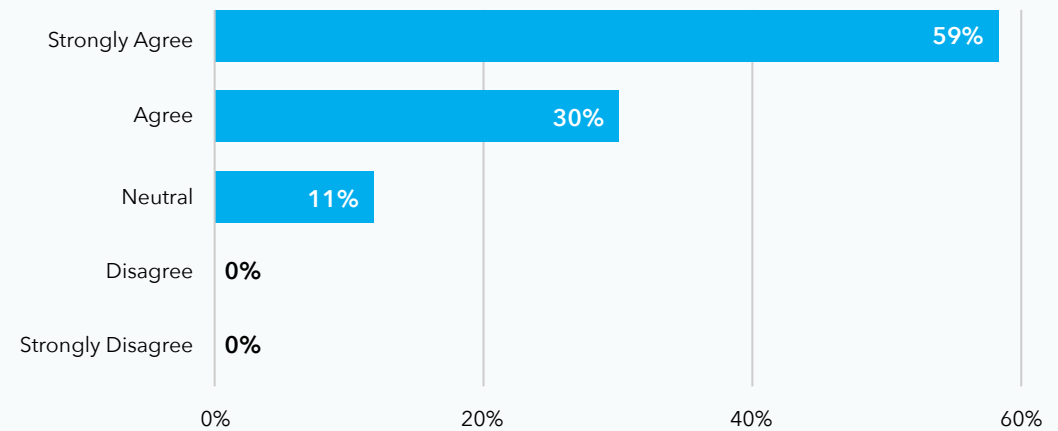


Compliance is not just a regulatory requirement but a key aspect of brand integrity and consumer trust. Any partners or third parties marketing on your behalf should be vigorously vetted and monitored for compliance.

### Do you monitor these partners, affiliates, merchants, and/or third parties?



### "We hold all of our partners and third parties to a high standard for compliance"



# **Regulatory Concerns and Emerging Technologies**

## UDAAP, fair lending, and third-party partnerships are top regulatory concerns.

UDAAP (26%) and fair lending (23%) are the top two regulatory concerns for consumer finance organizations in 2024.

Regulators, particularly the CFPB, have increased their focus on UDAAP and fair lending in recent years. Most notably, the Bureau expanded its UDAAP authority to include discrimination under the "unfairness" prong across all financial products and services.

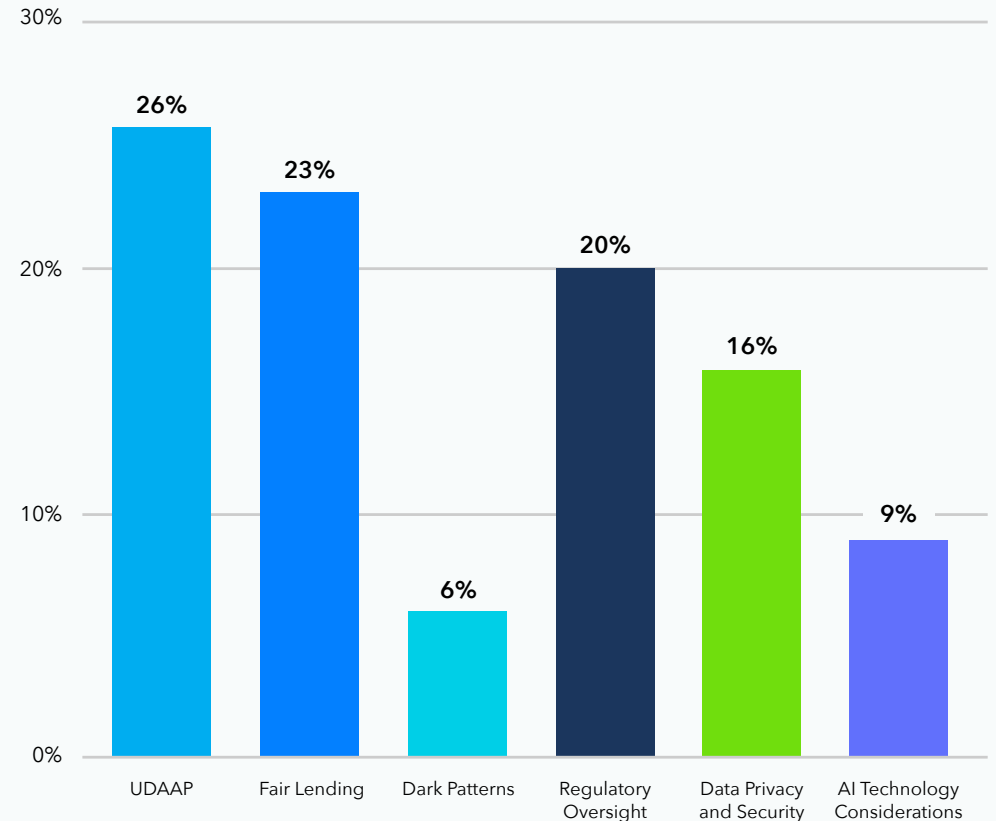
Growing regulatory oversight on bank-fintech partnerships and BaaS is also a top concern for many (20%) in 2024.

The regulatory environment in 2023 for bank-fintech partnerships has been marked by a push for greater oversight and more rigorous compliance requirements. Specifically, the federal banking agencies issued guidance emphasizing that banks must manage these partnerships with the same rigor as their internal operations, ensuring compliance with relevant laws and regulations.

 **PERFORMLINE INSIGHT**

At PerformLine, our ready-to-use, customizable rulebooks are built on extensive industry experience, covering current regulatory guidelines for your industry. We proactively update them to stay ahead of emerging trends and evolving regulations, ensuring agility and comprehensive coverage in an ever-changing regulatory landscape.

### Which regulatory "hot topics" concern your organization the most for 2024?



#### Regulatory Hot Topics 2024

- **UDAAP**  
Unfair, Deceptive, or Abusive Acts or Practices
- **Fair Lending**  
Fair Lending and Financial Inclusion
- **Dark Patterns**  
Dark Patterns in Digital Marketing and User Experience (UX)
- **Regulatory Oversight**  
Growing Regulatory Oversight on Bank-Fintech Partnerships and Banking-as-a-Service (BaaS)
- **Data Privacy and Security**  
Data Privacy and Security, including Consumer Rights and Compliance
- **AI Technology Considerations**  
Ethical and Legal Considerations in Artificial Intelligence (AI) Adoption

## Organizations are generally still unsure about using AI in the compliance function.

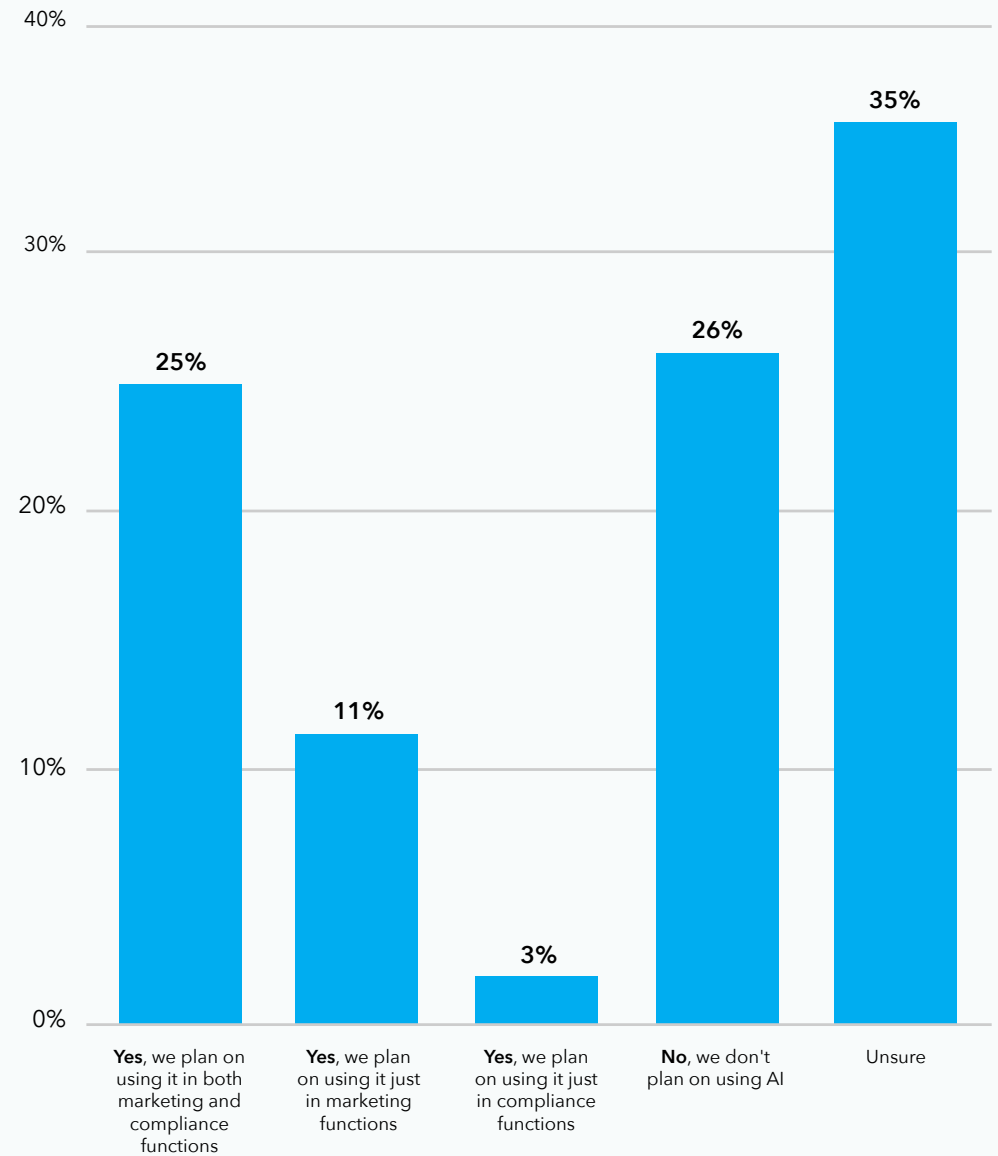
While a quarter of respondents (25%) plan on using AI in both marketing and compliance functions, the majority (61%) don't plan to use AI or are unsure. Only 3% reported that they plan to use AI solely in the compliance function.



### PERFORMLINE INSIGHT

Despite the current uncertainty and challenges, the evolving regulatory landscape might eventually lead to clearer guidelines and standards for AI use in compliance.

### Does your organization plan to use AI in its marketing or compliance functions in the coming year?





## No matter what kind of marketing compliance challenges you face, PerformLine has you covered.

Whether you're looking for comprehensive oversight across all your marketing channels, need extra bandwidth to review and fix compliance issues, or just don't know where to start with your compliance program, we have a solution for you that's customizable, automated, and scalable.

Get started by speaking to one of our experts.

[Solve Your Biggest Challenges](#)

“

### GET COMPLETE COMPLIANCE OVERSIGHT

Using PerformLine, we can use a consistent set of rulebooks across our mobile, web, sales, calls, chats, and emails so that we can have a consistent message across all of those platforms that is compliant with our regulatory and brand guidelines, while also monitoring our retailers appropriately.

Because of the holistic capabilities of the platform, we can widen the lens, so to speak, and use the data and insights to get the big picture of our compliance program itself while also seeing ways where we can improve the customer experience and then use those learnings as tools for training our employees.

– *Brent Haslam, VP Compliance, Acima Leasing*

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