



2009 Marketers' Survey

Liz Bigham

In our daily lives, thanks to GPS, Twitter, Google Latitude and countless other applications, there's not a moment when we lack a perfect view of where we are, where we're going and how to get there, not to mention the friends we might meet along the way. Yet in our lives as marketers, our view is quite a bit murkier. Where do we stand in relation to a global economic recovery? Just what "new normal" of consumer attitudes will we be returning to? And once we know where we're going, what strategies and tactics are going to be most effective to get there? Unfortunately, there's no GPS for that.

But when you ask marketers about the current climate and what's valuable now, as we recently did, you do get perspective on and a clear sense of needs and trends that are shared across geographies and industries.

In the spirit of mapping what marketers say is needed and what they think works best, following are highlights of our findings, which result from a survey conducted in the spring of 2009 with over 400 marketers in North America, Europe, Asia and Australia.¹

ENGAGEMENT

It's sadly predictable that in tough times, marketing budgets are common targets for cost-cutting. Yet a blogger and marketing true believer compares this to a bad dating strategy: "When you aren't getting dates, you don't go home and watch re-runs of Matlock; you get out of the house and meet people."² You keep marketing your brand whatever the climate, especially when the climate demands a whatever-it-takes attitude. You understand that communicating with the people who impact your business is an investment that will deliver value and return.

The marketers we surveyed overwhelmingly agreed that "In tough times, it's more important to engage key stakeholders; it's an investment, not an expense." 68% strongly agreed with this statement. In North America, this figure rose to 71%, the highest among the geographies surveyed. Among industry sectors, agreement was highest among marketers in automotive, healthcare and pharmaceuticals, entertainment and media, and financial and professional services.

Another important finding is that over half of marketers believe that the people important to their business success are not as engaged as they need to be. Globally, 57% of respondents agreed that "right now, I feel our brand stakeholders are less engaged than they need to be." North American respondents are among those most likely to agree with this statement (61%), second only to respondents from Asia (63%), followed by Australia (53%) and Europe (49%).

Clearly, marketers see a need to do a better job of engaging brand stakeholders—but how?



INNOVATION

It's not altogether unexpected that 82% of marketers strongly agree that "This climate requires marketers to be more creative and not just keep doing the same thing." After all, our business does rely on creativity and an openness to killing the occasional sacred cow.

Yet it's noteworthy that marketers see such strong connections between innovation and cost-efficiency, and between innovation and better results. While we may think of "innovation" as a soft or ill-defined goal, for marketers such a goal is clearly connected to saving money and better engaging audiences.

For example, among those surveyed, 91% agree that "Marketers can save money and better impact consumers by being more innovative about the media we use." This strong connection between media innovation, better impact and cost savings is consistent across geographies and industry sectors, but it's especially strong among marketers in telecommunications, automotive and consumer products and services.

Could a murky economy provide additional momentum to marketers that have been talking about the new realities for years but have faced continued resistance to media innovation? Based on such survey responses, it certainly appears so. It's an approach consistent with a *Forbes* article that advises business leaders to "Never Waste a Crisis":

*Ask yourself what you can do now that you couldn't do before. This is the crux of successfully taking advantage of a world turned upside down. How can you position yourself now, so that you will be better off than you were..?*³

SALES NOW, RELATIONSHIPS FOR THE LONG TERM

Marketers across geographies and industry sectors cite a variety of critical marketing goals right now.

Interestingly, across every geography and industry sector, "build customer relationships for the long term" is either the #1 or #2 priority for marketers. Overall, 71% of those surveyed strongly agree that long-term customer relationships are "the most important benefit of marketing for my organization right now."

Although building customer relationships for the long term is the #1 priority across every geography, priorities vary by industry sector in revealing ways:

- In the hyper-competitive **technology** sector, "Generating sales/leads in the short term" is the #1 goal, followed by building long-term customer relationships
- In **automotive**, a sector undergoing profound changes and external pressure, "Align employees/sales/customer service with the brand/business goals" is the #1 priority, followed by building long-term customer relationships
- In **telecommunications** and **financial and professional services**, sectors where customer service is a critical differentiator and which have themselves been subjected to new scrutiny, the priorities cited above are flipped, with building long-term customer relationships #1, followed by aligning customer-facing audiences with brand/business goals at #2
- In **healthcare, pharmaceutical** and **biotech** and **consumer products and services**, "Increase awareness of the brand/product" is, respectively, the #1 and #2 priority

But how do marketers achieve these benefits? It's noteworthy that they see experiential marketing as achieving each of their top goals. So, for example:

- 89% agree experiential marketing builds customer relationships for the long term
- 73% agree experiential marketing generates sales/leads in the short term
- Marketers also agree experiential increases awareness of the brand/product (89%), drives word of mouth (86%) and aligns internal audiences with brand/business goals (79%).

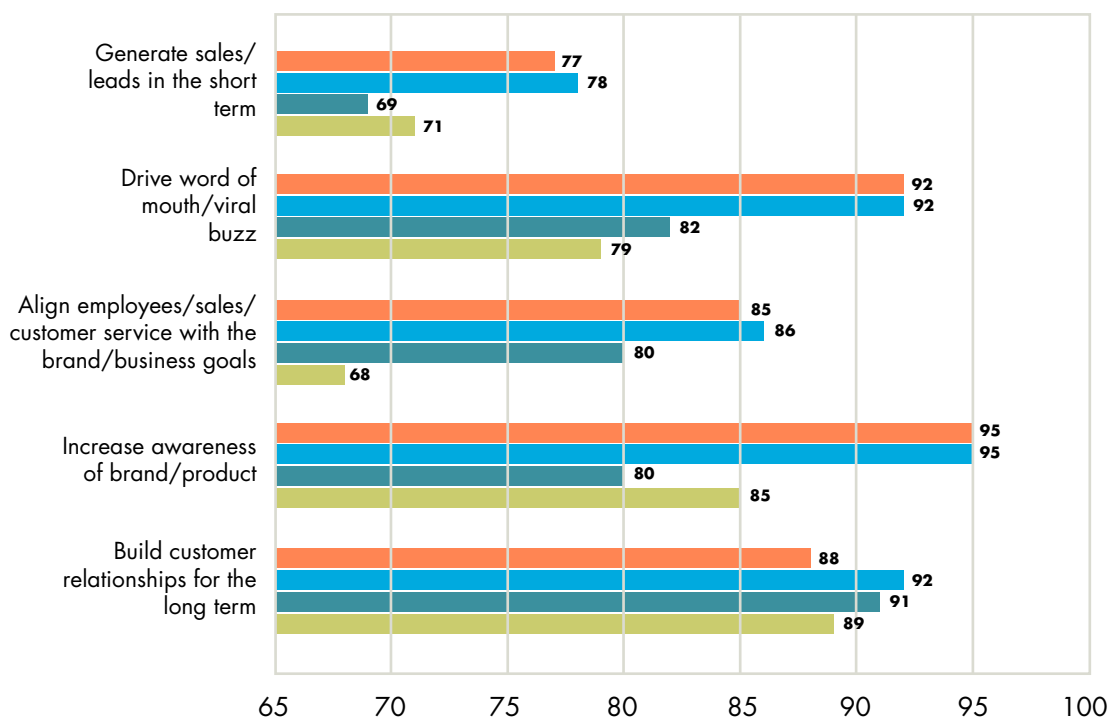
KEY INSIGHTS

- 68% say in tough times it's even more important to engage stakeholders
- 40% will allocate more to experiential as a percent of spend in the next year
- 89% agree experiential helps them build customer relationships for the long term

"When you aren't getting dates, you don't go home and watch re-runs of *Matlock*; you get out of the house and meet people." You keep marketing your brand whatever the climate, especially when the climate is tough.



■ Australia
■ Asia
■ Europe
■ North America



EXPERIENTIAL

With such confidence in experiential as a means to both generate sales in the short term and build customer relationships for the long term, you'd only expect this strategy to be important to marketers—but the degree of importance and the commitment of organizational priority as well as spend to experiential are remarkable nonetheless.

As a starting point, **61% of marketers say experiential is extremely or very important to the success of their organizations in the future.** Almost seven out of 10 say that it has become increasingly important over the past year, and 65% say that it will become more so over the year to come.

Budget allocation is a tangible means of plotting organizational priorities. So it's very noteworthy that experiential is maintaining spend, even growing in spend—despite the tough climate in many markets. For example:

- 42% agreed that their organizations would increase spending on experiential over the next year, almost double the 22% who said spending on experiential would decline
- 30% said their organizations dedicate over 10% of their total marketing budget to experiential; 12% said this allocation is over 25% of spend
- 40% said that in the year to come their organizations will allocate more to experiential as a percent of overall spend

PROVING VALUE

At a time when we all have to justify every dollar of spend, proving value is more important than ever. So it's a hopeful sign that a significant majority of those surveyed confirm that they are tracking the ROI of their experiential investments: 68% agree that their organizations measure experiential ROI "as we do other marketing investments."

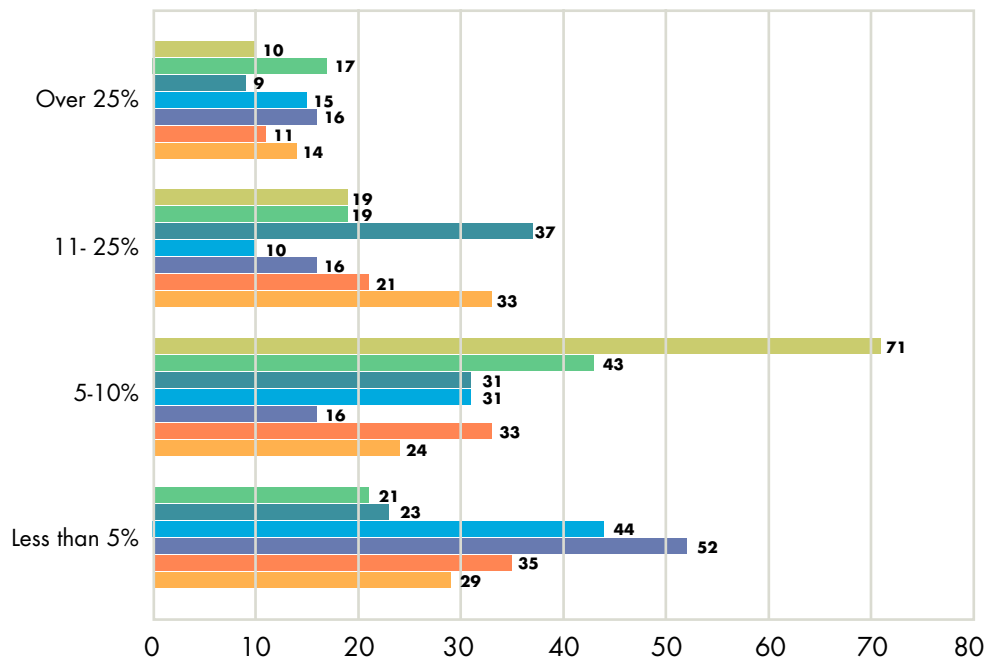
Yet paradoxically, marketers' ability to "measure/demonstrate experiential ROI" is the most frequently cited obstacle to successfully leveraging this strategy for their organizations.

9 out of 10 marketers agree they can save money and better impact customers by being more innovative with the media they use.

73% agree experiential generates sales/leads in the short term



- Telecommunications
- Technology
- Healthcare, Pharma & Biotech
- Financial & Professional Services
- Entertainment & Media
- Consumer Products & Services
- Automotive



In 2009, 76% agreed that measuring experiential ROI was a challenge—only slightly less than the 79% who said this in a similar 2008 Marketers’ Survey, where it was also identified as the #1 obstacle.

So even though almost seven in 10 say they are measuring experiential, an even greater number feel they can do a better job of demonstrating its value. A possibly related challenge they also cite: **69% of the marketers we surveyed agree that “leveraging experiential strategically, rather than tactically” is a key obstacle** for their organizations.

Ultimately, that’s an important test of value: at the end of the day, can you say, “By making this marketing investment, I impacted people who have a significant impact on my core objectives in a way that’s going to have lasting value for my brand and business”? That’s a key qualifier for leveraging experiential or anything else strategically, rather than tactically.

And, short of inventing that GPS for marketers, leveraging experiential strategically is the best way we have to map out a path to success, now and moving forward.

¹ The survey was completed by 406 marketers between 17 March and 7 April 2009. Findings are statistically significant at a 96% confidence level. The survey was conducted by Exhibit Surveys using Jack Morton’s proprietary nGauge online platform.

² Karjaluoto, Eric. "Stop acting like a sissy and market your company" [Blog entry.] <http://www.ideasonideas.com> [27 April 2009]

³ Joni, Saj-nicole A. "Never Waste A Crisis" [Web article.] <http://www.forbes.com>

⁴ For the purposes of this survey, “experiential marketing” is defined as experiences that enable people to interact with a brand, product or service face-to-face or one-on-one, resulting in authentic connections that drive sales and increase brand image and awareness. The people engaged by these experiences may include consumers, business customers or partners, employees, channel, influencers or other key stakeholders.

ABOUT JACK MORTON:

As a leading global experiential marketing agency, Jack Morton Worldwide creates brand experiences—and thereby helps clients build experience brands. We integrate live events, digital engagement and 3D environments to build brand relationships, increase sales and improve business results.

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