



DRIVING MARKETING SUCCESS

MARKETER'S PULSE

EXECUTIVE SUMMARY

Despite a continued stable business outlook, there are significant changes taking place within organizations to better meet today's marketing challenges. These include evolving organization structures, improving digital marketing acumen, bolstering digital marketing resources and employing the use of Procurement.

- A majority (59.3%) of respondent marketing organizations are currently in the process of changing their structure to meet today's changing marketing landscape, with almost 90% of total respondents looking to enhance digital marketing resources.
- A majority (57.4%) of respondents indicated that Procurement is involved with marketing to manage MarCom agency relationships.
- Overall expectations for business conditions were more optimistic (May versus March 2012), with almost 95% now reporting stable to improving business expectations.
- Status of MarCom budgets continues to be evenly split between increasing, decreasing and staying the same.
- Over 40% of respondents are planning to make a change to their agency roster by either increasing or decreasing their number of MarCom agency partners.
- There is an increase in the number of panelists reporting both 'stable/improved' business conditions and 'stable/increased' MarCom budgets. This aligns with an overall improved perception of consumer confidence levels.

ACA is pleased to provide you with the second report from the ACA Marketer's Pulse panel.

This report contains results of what Canadian marketers are thinking, planning and experiencing in their workplaces, and with suppliers, partners and consumers.

Thank you to the senior Canadian marketers who agreed to provide their perspectives and insights. The ACA will continue to monitor the pulse of the changing dynamics in the Canadian marketing environment, and to provide you with current results and trend lines as they develop.

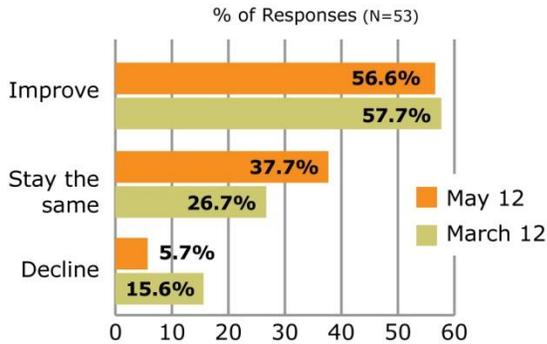
To learn more about this report and other ACA products and services, please contact Susan Charles, Vice President, Member Services at (416) 964-1538 or scharles@ACAweb.ca.



DETAILED RESULTS

1. Business (sales/revenue) expectations

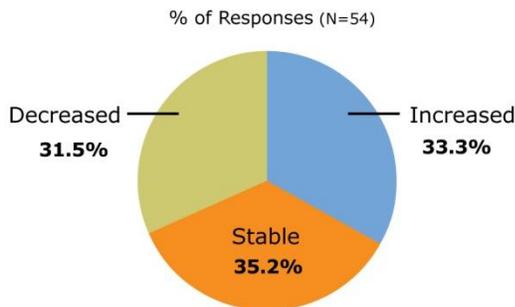
The majority (56.6%) of panelists continue to indicate their business expectations are improving. Additionally, there is an overall shift away from declining expectations to stability between the March 2012 and May 2012 survey periods.



Question: Over the next 6 months, I expect my business (sales/revenue) will: Improve, Stay about the same, Decline.

2. Changes in MarCom budgets

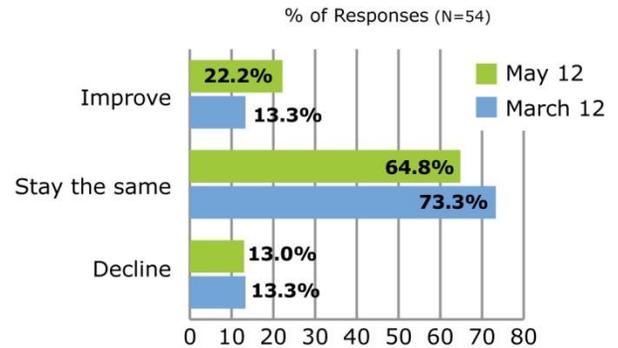
Consistent with the previous report, overall changes in MarCom budgets are split almost proportionately between Increased, Stable and Decreased.



Question: Has there been any change in your marketing communications budget levels?

3. Perspectives on consumer confidence

There has been a modest shift (from March to May 2012) in perception in consumer confidence from 'Stay the same' to 'Improve.' Perception for 'Decline' remains unchanged.



Question: Over the next 6 months I expect my consumer's confidence level will: Improve, Stay the same or Decline.

Is there a correlation between business expectations, MarCom budgets and perception of consumers' confidence?

Upon further analysis:

May versus March, 2012 - a higher number of respondents reported both 'stable/improving' business expectations and 'stable/increasing' MarCom budgets. Coincidentally, the overall respondent perception of consumer confidence also rose during this same period.

May 2012

- 66% of respondents reported both 'stable/improving' business expectations and 'stable/increasing' MarCom budgets.
- 22% of respondents reported their perception of their consumers' confidence to be improving.

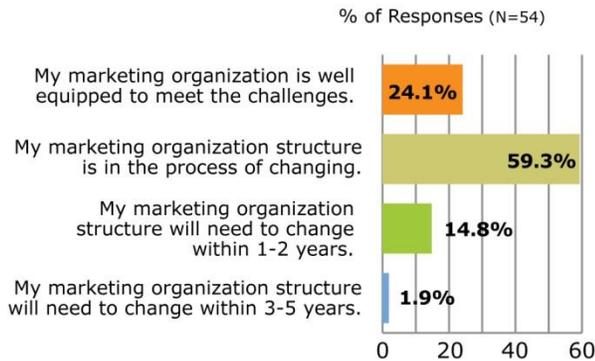
March 2012

- 57% of respondents reported both 'stable to improving' business expectations and 'stable to increasing' MarCom budgets.
- 13% of respondents reported their perception of their consumers' confidence to be improving.



4. Status of marketing organization's structure to meet today's changing landscape

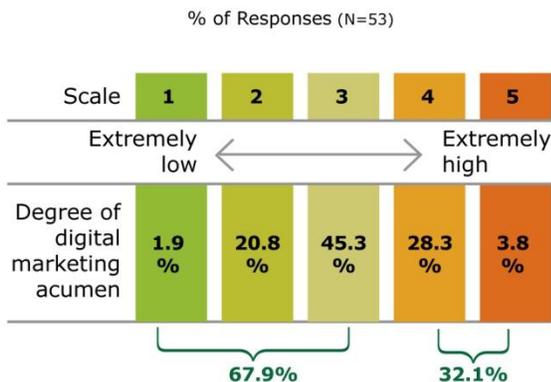
The majority (59.3%) of respondents have indicated they are in the process of changing their marketing organization structure to meet the challenges of today's rapidly changing marketing landscape.



Question: Which statement best describes the status of your marketing organization's structure to meet the challenges of today's rapidly changing marketing landscape.

5. Digital marketing acumen

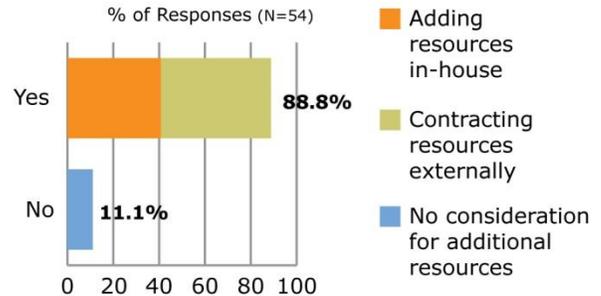
Only 1/3 of respondents rate their digital marketing acumen as favourable. Conversely, 2/3's of respondents rate their digital marketing acumen as average or below.



Question: How would you rate the digital marketing acumen within your marketing department?

6. Status of digital marketing resources

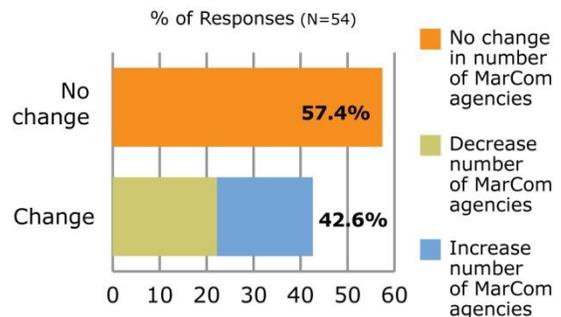
The vast majority of respondents (88.8%) indicated they will be adding digital marketing resources within the next 12 months. The propensity to add resources is almost evenly split between adding in-house versus contracting externally.



Question: Are you planning to increase your digital marketing competencies within the next 12 months?

7. Change in number of MarCom agencies

While the majority (57.4%) of respondents have no current plans to change their number of MarCom agencies, over 40% will make a change to their agency roster by either increasing or decreasing their number of MarCom agency partners.



Question: Which statement best describes your current situation regarding the number of MarCom agencies providing service to your organization?

Reasons for considering change in number of MarCom agencies

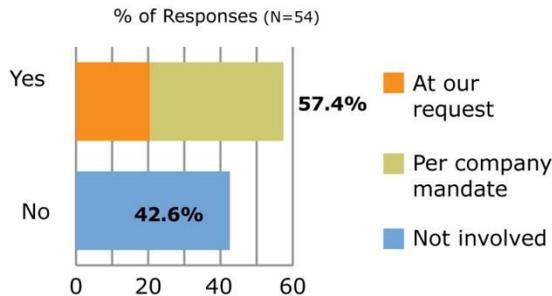
The primary reason for increasing the number of MarCom agencies was to add specialized agencies in the digital /social marketing disciplines.

The primary reason for reducing the number of MarCom agencies was to improve efficiencies in costs and management processes.

Note: There was one respondent who stated the reason for agency reduction was to integrate digital into the main fold, counter to the primary reasons for increasing number of agencies.

8. Procurement involvement with MarCom agencies

57.4% of respondents indicated Procurement is involved in the purchase and management of MarCom agency services, the majority of which are involved as per company mandate.



Question: Which of the following statements best describes your marketing department's involvement with Procurement for the purchase and management of MarCom agency services?

ABOUT ACA MARKETER'S PULSE



ACA seeks input from senior Canadian marketers to provide valuable insights into Canadian marketing dynamics. The ACA Marketers' Pulse panel, comprised of senior Canadian marketers, shares what they are thinking, planning and experiencing in their workplaces, and with suppliers, partners and consumers. The panel is asked questions about their current business conditions, perceptions and strategic priorities. The ACA Marketer's Pulse Report provides the results of this and future surveys.

- **Panel composition**
 - The panel consists of senior marketers in Canada, representing a cross section of industry sectors and marketing/MarCom spending levels
 - 83 senior Canadian marketers registered to date
- May 2012 survey respondents
 - 54 (80% English, 20% French)
- **Field dates**
 - May 1 – June 4, 2012
- **Methodology**
 - Survey questions developed by ACA with input from ACA members
 - Survey Monkey link e-mailed to panelists
 - All results are reported in aggregate to protect confidentiality
 - Report written by ACA

ABOUT ACA



The Association of Canadian Advertisers (ACA) is a national, not-for-profit association exclusively dedicated to serving the interests of companies that market and advertise their products and services in Canada. For more than 95 years, the ACA has been the premier Canadian marketing association, with an unparalleled track record in driving marketing success for our members. For more information visit www.ACAweb.ca

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