



DRIVING MARKETING SUCCESS

**MARKETING COMMUNICATIONS
EXPENDITURE SURVEY
2010**

SUMMARY REPORT

SEPTEMBER 2010

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- **ROI Focused.** At the ACA we are driven to assist our members in maximizing the value of their investments in all forms of marketing communications.
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For more information, visit www.ACAweb.ca.

ABOUT STRATEGIC MARKETING COUNSEL INC.

Strategic Marketing Counsel Inc. is a Canadian-owned, independent marketing and communications consulting agency. The firm provides research, planning, and performance metrics services that assist advertisers, agencies, media companies and other IMC platform providers to achieve their objectives.

For more information, visit www.strategicmarketingcounsel.com.

MARKETING COMMUNICATIONS EXPENDITURE SURVEY

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BACKGROUND / PURPOSE

In the fall of 2008, ACA (in association with Strategic Marketing Counsel and the Toronto Star) conducted a survey on how Canadian marketers allocated their marketing communications (MarCom) budgets across the increasingly varied MarCom channel options. At that time the recession weighed very much on the minds of marketers. They indicated that the economy was going to impact their business as follows;

RATING	IMPACT ON BUSINESS
Negative	57%
Neutral	22%
Positive	15%
Don't know	6%

Source: Fall 2008 survey

This study was repeated in the winter of 2010 and the results of the 2010 survey are provided in this report. Given that the impact of the economic situation continues, marketers are interested to know if there have been any further changes in why and how monies shift among these numerous MarCom channels.

This study's purpose is similar to its predecessor's: to provide insight into the current use of media and other Marcom channels, and to identify areas where media and other Marcom channels are changing within budgets and will change in the near future.

With these objectives the study:

- measures the expenditure in the media in the context of their use as marketing and communication channels
- tracks changes in MarCom channel preferences at the individual company/division level
- examines attitudes to traditional and new media and their impact, if any, on expenditure patterns
- takes a more detailed look at the use advertisers make of online and emerging media
- looks at the trends in advertising expenditure and the strategies that drive the changes

We trust you will find this summary report to be a useful reference guide and strategic resource when planning your MarCom programs and resultant budget allocations.

DATA COLLECTION

Methodology	Questionnaires were mailed to pre-screened respondents who agreed to participate.
Universe	Canadian client marketers at 564 major Canadian advertisers were invited to participate.
Response	88 respondents sent in the survey. 84 respondents provided complete budget information.
Fieldwork	Completed questionnaires were received from April 23, 2010 until June 30, 2010.

IMPORTANT NOTATIONS

Data analyses for this report were conducted by both the ACA and Strategic Marketing Counsel. The data that has been collected and analyzed does not represent a statistically significant sample base. This data cannot be projected to the total Canadian universe of marketers. The results must be interpreted with extreme caution and considered directional at best. See page 6 for fuller explanation of 'caveats.'

This report provides factual information for 2009 and 2010, with projections for 2011. Given that much has changed since the beginning of this year, the 2011 projections may have also changed significantly and should be viewed as the best estimate at time of data collection.

The following analysis is intended to provide a reference for marketers interested in assessing their decisions for MarCom budget allocation against a sample of industry marketers. If other analysis is required, please contact:

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SAMPLE PROFILE

Participating organizations represented a full range of products and services.

The organizations represented were in the following broad industry groups:

Packaged Goods	26%
Consumer Durables	15%
Business to Business	5%
Services	31%
Retail National	17%
Other	7%

For the purpose of this report, 'previous year' is identified as 2009, 'current year' as 2010 and 'next year' as 2011.

Each respondent was asked to provide MarCom budgets for their current fiscal year, previous year and projections for next year.

Just over half (52%) of participating companies start a new MarCom budget in January. Another 14% start in April, and with the balance of companies spread over the remaining 10 months. The budgets cover 12-month periods (97%), which is an increase from the previous survey which reported 83% of organizations with budgeting periods of 12 months.

MarCom Budgets

The total current year MarCom budgets for the respondents companies ranged from \$78,000 to well over \$150 million. The total annual MarCom channel expenditure covered by the study was approximately \$2 billion. The average MarCom expenditure for the sample was \$22.9 million and the ranges for the quintiles were as follows:

Quintile	Expenditure Range
Top Quintile	> \$34 million
Second Quintile	\$14 million - \$29 million
Third Quintile	\$4.5 million - \$13 million
Fourth Quintile	\$1.8 million - \$4 million
Bottom Quintile	< \$1.8 million

For comparison purposes, the breakdown of expenditure for the 2010 and 2008 studies are as follows:

Range	Spring 2010 (N= 88)	Fall 2008 (N=54)
< \$5 million	45%	17%
\$5 million - \$9.9 million	13%	15%
\$10 million - \$19.9 million	13%	20%
\$20 million – \$49.9 million	14%	22%
\$50 million & over	16%	24%

CAVEATS

The following should be taken into consideration when reviewing the data:

1. While respondent organizations reflect a full range of industries, Services and Packaged Goods categories are more highly represented in the data.
2. While the National Retail sector is well represented, the tabulated sample is not truly representative of the Retail sector, either in size or composition, especially small local retailers. None of the retailers who responded considered themselves “local” advertisers although almost all have geographically targeted campaigns and promotions.
3. This data relates to a small sample of advertisers. Although it does include some of the biggest advertisers in Canada, the data is not a prediction of total MarCom expenditures nor of overall trends related to MarCom budget allocation strategies. This information must be viewed with this understanding. The observations from this data are not projectable to the Canadian marketplace.
4. Just over half of the respondent companies have calendar years for their MarCom planning periods. The terms ‘last year,’ ‘this year’ and ‘next year’ do not correspond exactly to 2009, 2010 and 2011 but are close approximations to the calendar years.

SUMMARY OF FINDINGS

1/ Year Over Year Change in MarCom Budget

There is modest and continued growth in total MarCom budgets since the 2009 recessionary period among the 84 survey respondents who provided full budget information. The projected 2011 MarCom budgets are to remain stable among a significant number of companies (86% will have less than +/-10% change in budget). This also holds true for each business category.

TOTAL MARCOM EXPENDITURE CLAIMED BY 84 RESPONDENTS

<u>PREVIOUS YEAR (2009)</u>	<u>CURRENT YEAR (2010)</u>		<u>NEXT YEAR (2011)</u>	
Total	Total	% chg vs 2009	Total	% chg vs 2010
(\$000)	(\$000)		(\$000)	
1,777,294	1,847.867	+4%	1,901650	+3%

NUMBER OF RESPONDENTS BY % CHANGE IN MARCOM BUDGET

BASE = 84	2010 VS 2009 (ACTUAL)	2011 VS 2010 (PROJECTION)
>10% increase	19 (23%)	9 (11%)
no change (+/- 10% range)	51 (61%)	72 (86%)
> 10% decrease	14 (16%)	3 (3%)

NUMBER OF RESPONDENTS BY % CHANGE IN MARCOM BUDGET BY BUSINESS CATEGORY

Base = 84		>10% increase	no change (+/- 10% range)	> 10% decrease
Packaged Goods (26% of respondents)	2010 vs 2009 (ACTUAL)	17%	83%	0%
	2011 VS 2010 (PROJECTION)	17%	83%	0%
Consumer Durables (15% of respondents)	2010 vs 2009 (ACTUAL)	31%	61%	8%
	2011 vs 2010 (PROJECTION)	8%	92%	0%
Services (31% of respondents)	2010 vs 2009 (ACTUAL)	15%	75%	11%
	2011 vs 2010 (PROJECTION)	4%	88%	8%
National Retail (17% of respondents)	2010 vs 2009 (ACTUAL)	20%	80%	0%
	2011 VS 2010 (PROJECTION)	7%	86%	7%
Others (11% of respondents)	2010 vs 2009 (ACTUAL)	20%	60%	20%
	2011 vs 2010 (PROJECTION)	10%	90%	0%

2/ Total MarCom Budget Allocation By MarCom Channel

Total MarCom budget allocation across MarCom channels (18 were identified) has seen marginal shifts when viewed in the context of total expenditures for the 84 respondents.

Increasing reliance on the Internet accounts for the single major shift in activity. Over the three-year survey period, Internet will have gained 3.7 share points and increased ad revenue by 82%. It is also important to note that Mobile Marketing emerged within the budget mix in the current year, albeit at a small share (0.2% of total). Only newspapers and flyers/insets experienced a share decline of greater than 1 share point.

TV (36.7%) followed by newspapers/ flyers/inserts (16.1% combined) account for the largest share of dollars in 2010 and are also projected to do so in 2011.

TOTAL EXPENDITURE BY MARCOM CHANNEL

	<u>Previous Year (09)</u>		<u>Current Year (10)</u>		<u>Next Year (11)</u>	
	<u>Total</u>	<u>Share</u>	<u>Total</u>	<u>Share</u>	<u>Total</u>	<u>Share</u>
	(\$'000)	(%)	(\$'000)	(%)	(\$'000)	(%)
Total Expenditure	1,777,294	100.0%	1,847,867	100.0%	1,901,650	100.0%
TV	647,891	36.5%	678,674	36.7%	686,429	36.1%
Radio	99,232	5.6%	106,524	5.8%	105,310	5.5%
Magazines	74,598	4.2%	71,517	3.9%	71,939	3.8%
Newspapers	125,461	7.1%	108,433	5.9%	104,502	5.5%
Flyers & Inserts	198,723	11.2%	188,107	10.2%	184,327	9.7%
Online/Internet	94,355	5.3%	130,080	7.0%	171,708	9.0%
Out of Home	62,840	3.5%	65,088	3.5%	65,091	3.4%
Cinema	7,735	0.4%	7,468	0.4%	9,445	0.5%
Telemarketing	44	0.0%	64	0.0%	66	0.0%
Direct Mail	56,501	3.2%	54,663	3.0%	54,986	2.9%
Mobile Marketing	334	0.0%	3,030	0.2%	5,887	0.3%
Word of Mouth	7,112	0.4%	9,891	0.5%	12,095	0.6%
In-Store	75,223	4.2%	72,156	3.9%	74,597	3.9%
Product Placement	6,174	0.3%	7,859	0.4%	8,034	0.4%
Branded Entertainment	11,171	0.6%	14,892	0.8%	20,481	1.1%
Direct Response TV	0	0.0%	0	0.0%	3,200	0.2%
Sponsorship	61,979	3.5%	70,833	3.8%	69,524	3.7%
Other	247,921	13.9%	258,588	14.0%	254,029	13.4%

The verbatim responses for why respondents changed expenditure patterns are appended to this report on page 17.

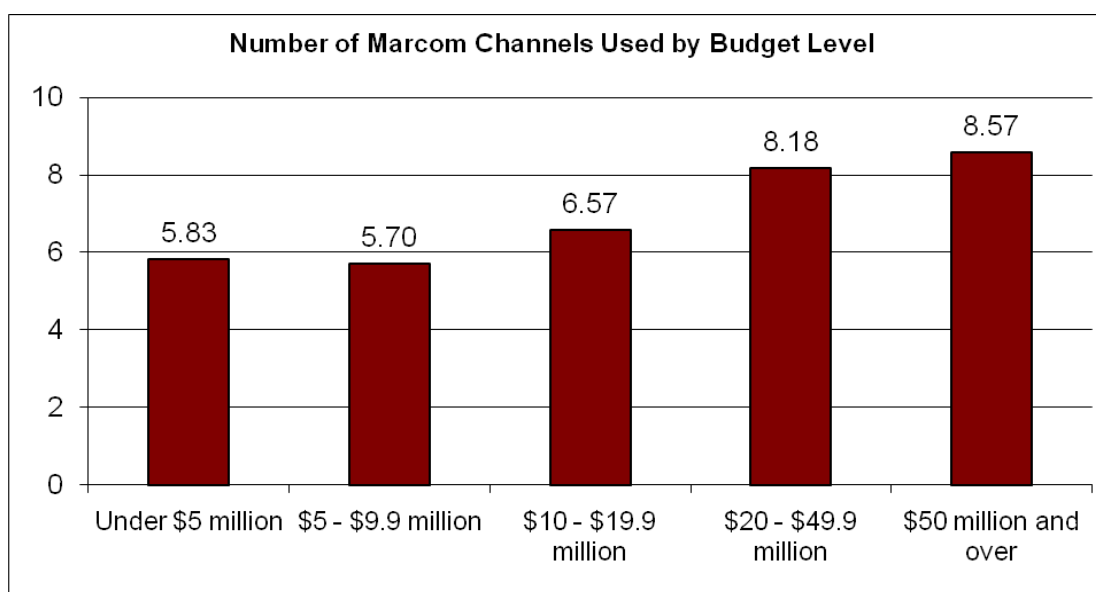
3/ Number of MarCom Channels Used By Respondent

Marketers used an average of 6.66 MarCom channels this year, virtually the same as last year, and are predicting a modest decline to 6.38 next year.

<u># Channels</u>	<u>Last Year</u>	<u>This Year</u>	<u>Next Year</u>
1	1%	1%	5%
2	5%	5%	5%
3	5%	4%	2%
4	10%	8%	13%
5	12%	18%	10%
6	14%	17%	14%
7	10%	7%	8%
8	21%	17%	19%
9	11%	8%	7%
10	8%	11%	12%
11	1%	1%	0%
12	0%	1%	1%
13	1%	0%	1%
14	1%	1%	0%
15	0%	1%	1%
Average	6.65	6.66	6.38

4/ Number of MarCom Channels Used Per Budget Level

Not surprisingly, those with the biggest budgets used more MarCom channels. Those spending \$50 million or more used an average of 8.57 channels, while those spending less than \$5 million use an average of 5.83 channels.



5/ Choice of MarCom Channels Used per Respondent

TV and Online/Internet have highest % of respondents choosing the respective MarCom channels in all of the 3 reported years. The balance of traditional media channels are also included within the MarCom budgets for greater than 50% of respondents with the exception of Flyers/Inserts. It is also worthy to note that Mobile Marketing and Word of Mouth are the 2 channels that have increasingly been included on the list of MarCom channels used.

MarCom Channel	# of respondents Base=84	% of respondents	# of respondents Base=84	% of respondents	# of respondents Base=84	% of respondents
	2009	2009	2010	2010	2011	2011
TV	67	80	62	74	67	80
Radio	51	61	52	62	51	61
Magazines	57	68	57	68	58	69
Newspapers	48	57	47	56	42	50
Flyers/ Inserts	32	38	30	36	28	33
Online/Internet	70	83	69	82	70	83
Out of Home	44	52	42	50	41	49
Cinema	11	13	10	12	9	11
Telemarketing	2	2	3	4	3	4
Direct Mail	28	33	30	36	29	35
Mobile Marketing	3	4	8	10	12	14
Word of Mouth	12	14	17	20	18	21
In-store Promotions	27	32	26	31	27	32
Product Placement	8	10	8	10	8	10
Branded Entertainment	13	15	14	17	15	18
DRTV	0	0	0	0	1	1
Sponsorship	36	43	37	44	35	42

6/ Number of Respondents Allocating > 30% of MarCom Budget By Channel

Note: "Dominant Channel" has been arbitrarily pegged at >30% share of respondents total MarCom budget (SO\$).

Half (50%) of respondents used TV as the dominant MarCom channel (>30%+ SO\$) over the 3 reported years. This is consistent with the previous survey results. The relative proportion of respondents that did not use a dominant channel has decreased since the previous survey from levels of 25%/26%/30% for the 3 reported years down to below 18%/21%/23% reported in the 2010 survey.

NUMBER OF RESPONDENTS ALLOCATING > 30%+ SHARE OF MARCOM BUDGET BY CHANNEL

BASE = 84	2009	2010	2011
TV	42 (50%)	42 (50%)	41 (49%)
Radio	4	3	3
Magazines	3	3	3
Newspapers	5	4	4
Flyers & Inserts	8	5	5
Online/Internet	3	4	4
Out of Home	1	1	1
Cinema	0	0	0
Telemarketing	0	0	0
Direct Mail	3	3	3
Mobile Marketing	1	0	0
Word of Mouth	0	1	0
In-Store	1	1	1
Product Placement	0	0	0
Branded Entertainment	0	0	0
Direct Response TV	0	0	1
Sponsorship	1	3	2
No dominant channel	15 (18%)	18 (21%)	19 (23%)

7/ Internet Activities

In answer to the question “Which of the following Internet activities is your company/organization engaged in?” Company Websites, followed by E-mail and Search Engine Marketing, topped the activity list in 2010. In comparison to 2008 the most notable shift in Internet activity is an increase in Social Media and a decline in Direct Sales/E-commerce.

	2008	2010
Company Websites	93%	86%
E-mail	80%	81%
Search Engine Marketing	80%	75%
Display Advertising	87%	74%
Social Media	33%	73%
Media Relations	65%	67%
Video	61%	63%
Jobs and Careers	63%	61%
Customer Service	61%	59%
Newsletters and blogs	57%	55%
Rich Media	59%	43%
B2B communications	52%	40%
Direct Sales/e-commerce	59%	35%
Investor Relations	35%	33%
Classified/Directories	24%	27%
Other items	17%	14%

8/ Increasing/Decreasing Importance of Internet Activities

Social media has been identified as the dominant Internet activity that will increase in importance, followed by Search Engine Marketing. Conversely, Classified/Directors are reported to be the main Internet activity of decreasing importance.

	Increasing	Decreasing
Display Advertising	42%	20%
Search Engine Marketing	72%	1%
Rich Media	42%	7%
Video	56%	5%
Classified/Directories	9%	25%
E-mail	57%	10%
Company Websites	63%	3%
Social Media	82%	0%
Customer Service	51%	5%
B2B communications	25%	11%
Direct Sales/e-commerce	34%	10%
Media Relations	49%	2%
Newsletters and blogs	53%	3%
Investor Relations	18%	11%
Jobs and Careers	39%	9%
Other items	8%	2%

9/ Confidence Ratings by MarCom Channels

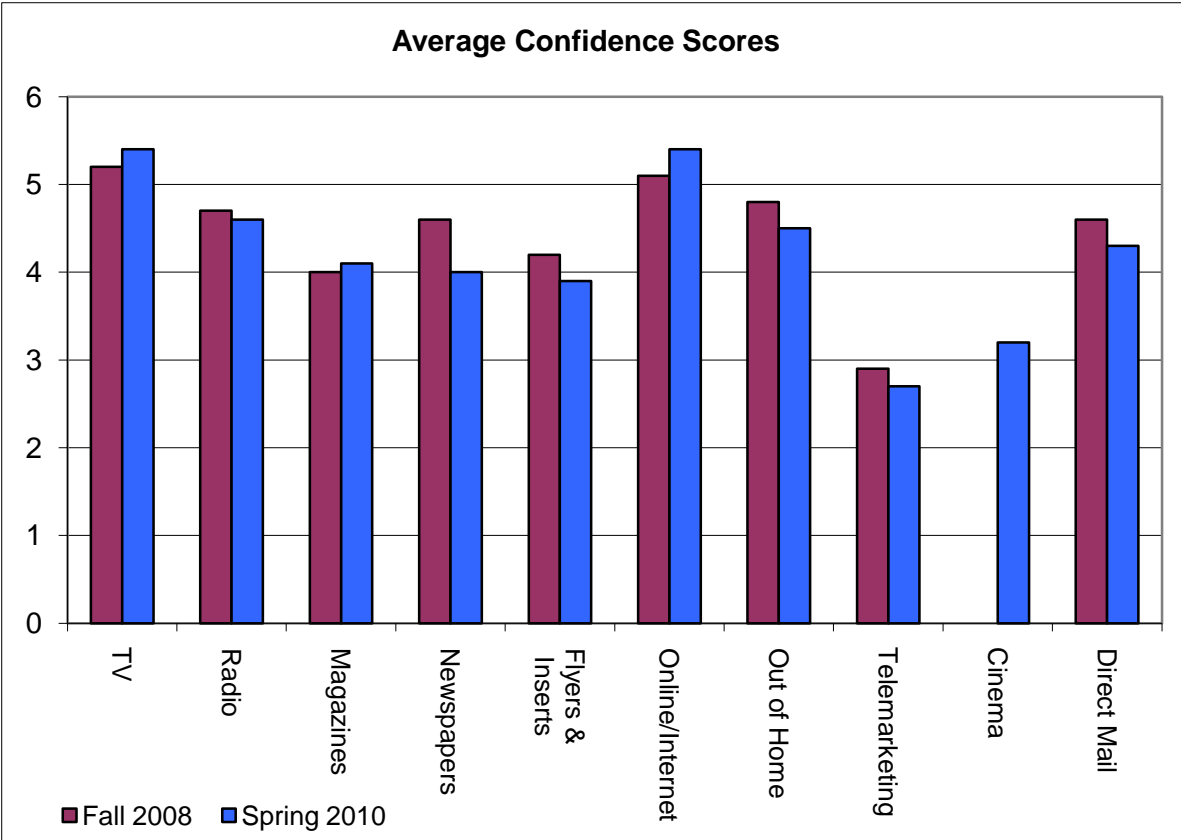
On a seven point scale, (1= is not at all confident, 7= very confident), respondents were asked how confident they are that each of the following media can deliver against advertisers' MarCom objectives.

Both TV and Online/Internet received top 2 box scores by over 50% of respondents. Conversely, Telemarketing received bottom 2 box scores by over 50% of respondents.

Spring 2010	<i>(Not at All)</i>						<i>(Very Confident)</i>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
TV	1%	4%	5%	14%	20%	30%	27%
Radio	0%	11%	15%	19%	22%	26%	8%
Magazines	5%	9%	20%	23%	32%	8%	3%
Newspapers	5%	12%	21%	20%	26%	16%	1%
Flyers & Inserts	9%	16%	11%	27%	20%	13%	5%
Online/Internet	0%	2%	3%	15%	26%	41%	12%
Out of Home	1%	5%	16%	27%	24%	26%	1%
Telemarketing	29%	25%	17%	14%	6%	8%	1%
Cinema	16%	21%	22%	18%	15%	10%	0%
Direct Mail	2%	8%	22%	24%	18%	22%	4%

The Advertiser Confidence Level is a potential indicator in the growth of the Internet's MarCom budget share, and also in TV's ability to maintain its dominant position.

	Fall 2008		Spring 2010	
	<u>Top 2 Box Scores</u>	<u>Av. Score</u>	<u>Top 2 Box Scores</u>	<u>Av. Score</u>
TV	38%	5.2	57%	5.4
Radio	30%	4.7	34%	4.6
Magazines	15%	4.0	11%	4.1
Newspapers	27%	4.6	17%	4.0
Flyers & Inserts	19%	4.2	17%	3.9
Online/Internet	42%	5.1	53%	5.4
Out of Home	29%	4.8	27%	4.5
Telemarketing	11%	2.9	9%	2.7
Cinema	N/A	N/A	10%	3.2
Direct Mail	33%	4.6	25%	4.3



10/ Shift in Marketing Strategies

The economic crisis, that started in Summer 2008 forced many companies to re-evaluate their marketing strategies. In this 2010 survey, marketers were asked a question about their shift in marketing strategies during this current period of economic recovery.

The respondents were almost equally divided in their marketing strategy shifts (toward brand-building, toward business building, no shift). Just under one-third of the organizations represented in the study had not changed the focus of their marketing strategies. One-third had shifted towards more brand-building strategies and just over a third had shifted more toward business-building promotions.

Packaged Goods marketers were least likely to shift the focus of their marketing strategies. Consumer Durables marketers were shifting more toward brand-building strategies. Services and National Retailers were more likely to shift towards business-building promotions.

	Total	Packaged Goods	Consumer Durables	Services	Retail National	Other
Shift toward more business-building promotions	36%	30%	23%	44%	47%	30%
Shift toward more brand-building strategies	33%	26%	46%	33%	27%	40%
No shift in focus	31%	43%	31%	22%	27%	30%

11/ Management of Social Media Campaigns

The management of Social Media Campaigns is predominantly with either the in-house team (30% of total respondents) or external specialized digital agencies (28% of total respondents). When viewed by business category, it is noted that Packaged Goods Marketers are most inclined to use an external specialized digital agency (57% of total respondents) whereas Services (44%) and 'Other' category (50%) manage with in-house team.

	Total	Packaged Goods	Consumer Durables	Services	Retail National	Other
Develop strategies and manage with in-house team	30%	9%	23%	44%	27%	50%
Utilize external support from specialized consultants	2%	4%	8%	0%	0%	0%
Utilize external support from specialized digital agency	28%	57%	23%	22%	20%	0%
Utilize external support from your lead advertising agency	14%	22%	15%	7%	13%	10%
Utilize external support from your PR agency	6%	0%	8%	4%	7%	20%
Other	3%	4%	8%	4%	0%	0%
Do not use social media	15%	4%	15%	15%	27%	20%

APPENDICES

i/ Verbatim Responses:

What are the main reasons for your change in MarCom expenditure patterns?

Moving beyond CRM/corporate websites to expand into brand site activity and social media as well as partnership opps

Primary shift is from print to online as more measurable and delivers higher ROI than print. Easy to execute and change quickly as our requirements change

Change in communication strategy to more closely match consumer media behavior

Awareness has been impacted therefore a return to television advertising

Increase competitive investment plan/posture. Augment shopper marketing efforts

Consumer trends, the internet's appeal

Growth of business

Fewer opportunities for B2B TV. Social media and online growth

More brands to support

Market conditions, streamlining, cost saving

More focus on brand enterprise advertising (TV), exploration into new social media outlets

Move to digital/ out of home/change to a more youth focused segment

Research providing directional info for changes

Adapting and evolving plan to target specific customer segments

Shift in media spending from print media and direct mail to more online social media and starting mobile marketing

Changing consumer media habits, cost of TV advertising relative to other channels

Consumer habits and government regulations

Additional communications required for new programs

Magazines drop of readership & duplication of audience reach. Other changes due to competitive noise. Attempting to be in media where others are not

Segmenting customer base and communicating targeted messages directly to customer

TV is tried tested and true. It works and people watch as much as before. Internet is growing in usage

Change in product focus, using more cost effective media. Also increase in social media as a new medium

Consumer media habits and company direction to focus more on consumer centric spending

TV audience not effectively reaching target. Digital offers are flexible, customized and metrics

Customer usage patterns. Opportunity to deepen conversation

The influence of traditional media is evolving. Retailers need to look to social media and Digital to reach an audience that doesn't use flyers as a reference

Consumer target group behavior changing. Ability to create engagement/connection

More money will be allocated to direct/relational marketing and less to mass marketing (TV, Radio, etc.)

Ability of certain media to reach our Target Audience

Budget cuts

Television remains the best way of reaching a mass of consumers

More local Event support

Change in media habits

Brand Strategy

My targeting has to be more focused, so web is a must

Economic Situation, retail campaign or not

Repositioning efforts of the company

Shift of media placements in directories to the web, because of changes in media efficiency
(Consumers: directories ↓, web ↑)

Move towards new media (Internet, content integration, mobile...)

Radio, because I have to add a new target to my Strategy... Social Media probably

We are reviewing our whole approach for 2011. No decision to date

Our on-line presence is non-existent. We want to start using this increasingly popular media

Our partners' recommendation

New projects to come, in order to target new customers

More competitive marketplace and need for promotion

Move away from more traditional media (newspaper) to increased online communication

Success with mediums and results: consumer trends

Different customers, targeting special segments with an enhanced message

US recession has affected parent company causing us to reduce budget expenditures

ii/ Questionnaire



Marketing Communications Expenditure Survey

Thank you for agreeing to take part in this survey of marketing communications expenditures.

Please note that any data supplied or opinions expressed will be presented in aggregate only and will not be attributable to any organization or individual.

All information received will be treated with complete confidentiality.

A valuable summary report of the findings will be made available to participants.

Category of Business

How would you best classify your business industry vertical?

- Packaged Goods (e.g. food and household products; health and beauty aids; beverages; clothing, etc.)
- Consumer Durables (e.g. household furnishings; appliances; electronic products; computers; automobiles; tires and accessories; etc.)
- Business-to-Business (e.g. industrial; machinery; office equipment; supplies; etc.)
- Services (e.g. insurance and financial; communications; hotel; travel; utilities; etc.)
- Retail (e.g. quick service restaurants, department stores, gas stations, specialty merchandise stores, fashion stores, etc.)
- Other (specify) _____.

Marketing Communications Budget Period

1. When does your marcom budget year start? (month)
2. Do you budget for twelve month periods or for shorter periods?
 twelve months six months three months other (write in)

Marketing Communications Expenditure

- 3a. What is the (approximate) total of your current annual marcom expenditure? \$.....million
- 3b. What percentage (approximately) of your annual marcom expenditure is directed at consumer, as opposed to B2B (business to business)?%
- 4a. By how much did your total marcom expenditure increase or decrease from your previous budget year?
 Increase Decrease Stay the same
 Amount or percentage of increase or decrease \$ or%

MARKETING COMMUNICATIONS EXPENDITURE SURVEY

- 4b. By how much do you expect your total marcom expenditure to increase or decrease in the next budget year?
 [] Increase [] Decrease [] Stay the same
 Amount or percentage of increase or decrease \$ or%
- 5a. In your previous budget year, approximately how much or what percentage of your total marcom budget was spent in the budget items listed in the table below?
- 5b. In your current budget year, approximately how much or what percentage of your total marcom budget is spent in the budget items listed in the table below?
- 5c. In your next budget year, by how much do you expect expenditure on each of these budget items to increase (+) or decrease (-) or will it stay the same (=)?

Budget Items (include cost of media only)***	Question 5a Previous Budget Year		Question 5b Current Budget Year		Question 5c Next Budget Year	
	Amount (\$)	Percent (%)	Amount (\$)	Percent (%)	Amount (\$)	Percent (%)
Media						
TV (excluding infomercials) ***						
Radio***						
Magazines***						
Newspapers***						
Flyers & Inserts (excluding newspapers and magazines) ***						
Online/Internet***						
Out of Home***						
Cinema						
Telemarketing						
Direct Mail						
Mobile Marketing***						
Word of Mouth (Viral)						
In-store (Point of Sale TV / Digital Media, excluding print) ***						
Product Placement						
Branded Entertainment (Program Content) ***						
Direct Response TV (Infomercials) ***						
Sponsorship (Rights Fees only)						
Other and non-media items (production, agency fees, etc.)						
		100%		100%		100%

MARKETING COMMUNICATIONS EXPENDITURE SURVEY

6a. Which of the following media do you expect to increase or decrease their share of your marcom expenditure in the next marcom budget year?

- TV Increase Decrease Stay the same
- Radio Increase Decrease Stay the same
- Magazines Increase Decrease Stay the same
- Newspapers Increase Decrease Stay the same
- Online/Internet Increase Decrease Stay the same
- Out of Home Increase Decrease Stay the same
- Cinema Increase Decrease Stay the same

6b. What are the main reasons for this change in your marcom expenditure pattern?

7a. Which of the following media, if any, do you use for co-op advertising? Check all those appropriate.

- TV Radio Magazines Newspapers Online/Internet Out of home
- Other At discretion of retailers No co-op advertising

7b. Do you expect your co-op advertising budget to increase or decrease in your next marcom budget period?

- Increase Decrease Stay the same Not applicable

Marketing Communications Expenditure on the Internet

8a. Which of the following Internet activities is your company/organization engaged in?

8b. Which, if any, of these Internet activities are increasing or decreasing in importance?

Internet Activity	Question 8a Currently Using	Question 8b Importance
Branding/Promotional Activities		
Display Advertising (Banners, Skyscrapers, Big Box, etc.)	[] Yes [] No	[] Increasing [] Decreasing
Search Engine Marketing	[] Yes [] No	[] Increasing [] Decreasing
Rich Media	[] Yes [] No	[] Increasing [] Decreasing
Video	[] Yes [] No	[] Increasing [] Decreasing
Classified/Directories	[] Yes [] No	[] Increasing [] Decreasing
E-mail	[] Yes [] No	[] Increasing [] Decreasing
Company Websites	[] Yes [] No	[] Increasing [] Decreasing
Social Media	[] Yes [] No	[] Increasing [] Decreasing
Other Activities		
Customer Service	[] Yes [] No	[] Increasing [] Decreasing
B2B communications	[] Yes [] No	[] Increasing [] Decreasing
Direct Sales/ecommerce	[] Yes [] No	[] Increasing [] Decreasing
Media Relations	[] Yes [] No	[] Increasing [] Decreasing
Newsletters and blogs	[] Yes [] No	[] Increasing [] Decreasing
Investor Relations	[] Yes [] No	[] Increasing [] Decreasing
Jobs and Careers	[] Yes [] No	[] Increasing [] Decreasing
Other items not included in above	[] Yes [] No	[] Increasing [] Decreasing

General Opinions

9. On a seven point scale, where one is not at all confident and seven is very confident, in general, how confident are you that each of the following media can deliver against advertisers' marcom objectives?

Media	Delivers against Marcom Objectives						
	Not at all Confident			Very Confident			
TV	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Radio	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Magazines	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Newspapers	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Flyers & Inserts	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Online/Internet	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Out of Home	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Telemarketing	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Cinema	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Direct Mail	[1]	[2]	[3]	[4]	[5]	[6]	[7]

10. During this current period of economic recovery, are you shifting your strategic marketing focus to business building promotions or brand building strategies (select one)?
[] Shift toward more business building promotions [] Shift toward more brand building strategies
[] No shift in focus
11. In developing your social media strategies, which service model do you employ (select one):
[] Develop strategies and manage with in-house team
[] Utilize external support from specialized consultants
[] Utilize external support from specialized digital agency, separate from your lead advertising or PR agency.
[] Utilize external support from your lead advertising agency
[] Utilize external support from your PR agency
[] Other (please describe)
[] Do not use social media
12. With regards to meeting your marketing objectives, do you have any comments or suggestions for any of the media in order to enhance their opportunity to play a larger role in your media mix? (Please comment on any or all media)

Thank you very much for completing this survey. In appreciation, we will be sending you a summary report of the main findings.

Please return the completed questionnaire to:

President, Strategic Marketing Counsel, Inc.
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Toronto, ON, M4P 3C8
(An addressed stamped envelope is provided)

Strategic Marketing Counsel is a Canadian, independent marketing consulting agency. For more information visit www.strategicmarketingcounsel.com.



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