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23 JAN 2018

More than 1 in 3 Irish marketers (37%) are going to increase their marketing spend in 2018, according to MediaCom Ireland's Marketing Sentiment Survey. Now in its second year, the survey provides insight to the size and shape of Irish marketing investment in the year ahead.

1 IN 3 MARKETERS PLAN TO INVEST MORE IN 2018

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More Irish marketing decision-makers are planning to increase budgets in 2018, versus 2017 (30%), but the advertising marketplace is still forecast to lag behind Ireland's overall economic growth in 2018. Despite the negative impacts of Brexit, it is forecast that Ireland will continue to be the fastest growing economy in the EU.

The more astute international marketers are capitalising on this by moving advertising spend into Ireland to offset struggling ROI in other countries. This survey is a poll of 249 marketing decision-makers, developed in partnership with The Irish Times and the Marketing Institute of Ireland, that gives Irish marketers the opportunity to call out the main challenges and priorities that they will face in 2018.

'Increasing Brand Awareness' tops the list as key area for investment (49% in 2018 versus 43% in 2017). And 'Using Social Media to Drive Sales' remained has the second highest priority for Irish marketers. However, this has seen a drop versus last year's numbers (33% in 2018 versus 39% in 2017), potentially indicating some loss in trust in these channels due to concerns regarding brand safety, fake news and the need for third party verification. Interestingly 'Expanding into New Markets' is now ranked as third most important area to invest, indicating some of the renewed confidence in the Irish marketing and business communities.

Areas that will benefit from increased marketing spend are E-commerce (48%), Advertising (30%) and PR (25%). Data Analytics has also grown in importance (17%), outstripping Price Promotions and, unfortunately, Market Research. The top five advertising channels that marketers plan to invest more in are all Digital, highlighting the importance of these channels in a modern communications mix.

The survey also highlighted the need for greater clarity and urgency around GDPR, as 30% of marketing decision-makers still do not fully understand the implications that the new regulations will have on their business. Marketers appear to have a better grasp of Brexit, but despite this, 30% still believe it will have a negative impact on 2018.

10 KEY TAKEAWAYS

- 1. SPENDING PLANS:**
Over 1 in 3 marketing decision-makers plan to invest more in marketing in 2018.
- 2. ANNUAL REVENUE SPENT ON MARKETING:**
8% is the average percentage of annual revenue spent on marketing, up from 7% in 2017. This is higher for larger companies, but still lags behind other international markets.
- 3. THE TOP THREE AREAS FOR FURTHER INVESTMENT:**
48% plan to invest more in ecommerce or their website, 30% in advertising and 25% in PR and communications.
- 4. THE TOP 5 CHANNELS FOR FURTHER INVESTMENT ARE DIGITAL:**
49% will invest more in social media, 28% in content marketing, 25% in search, 24% in digital video and 24% in online display / programmatic.
- 5. DRIVING AWARENESS REMAINS TOP PRIORITY:**
The top priorities are increasing brand awareness (49%), using social media to drive engagement / sales (33%) and expanding into new markets (32%).
- 6. THE BREXIT FALLOUT:**
1 in 5 marketing decision-makers say Brexit had a negative impact on plans in 2017. This rises to almost 30% who believe it will have a negative impact in 2018.
- 7. TRUSTED ENVIRONMENTS ARE TOP OF MIND:**
73% are concerned about the content their digital advertising appears alongside and 87% believe it is important to advertise with trusted media organisations.
- 8. UNDERSTANDING OF GDPR:**
30% of marketing decision-makers still don't understand the implications that GDPR will have on their business.
- 9. LIVE STREAMING AND AR:**
Are the two tech innovations that marketers are most likely to get behind in 2018. With 32% planning to use Live Streaming as part of their marketing in 2018.
- 10. THE INCREASINGLY COMPLEX ROLES OF THE CMO:**
Being a leader was cited as the most important role that the CMO must play to be successful in 2018, as it is marketing that will drive a company to growth and the job of CMO is to lead this.

The Marketing Sentiment Survey 2018 was a huge success and gave Irish marketers the opportunity to hear exclusive insights into the marketing landscape for 2018.

Damien O'Neill, Head of Marketing at Allianz and Mary McKenna, Managing Director at Tour America, Dave Burke from Universal Pictures Ireland and Meadhbh Quinn, previous Head of Marketing at Virgin Media kindly agreed to allow us ask their views on the role of the modern agencies and the challenges they face in the digital era.

The challenging role of a CMO and the changing role that modern agencies play are highlighted, moreover the importance of leadership. Damien O'Neill and Mary McKenna expand on these points and more:

“With digital and social media it can be unfair, but that’s where the consumers are talking and you have got to get into that space” – Mary McKenna, Dave Burke and Meadhbh Quinn, air their views on marketing in the digital age.

“Overall this year’s survey indicates an increase in positive marketing sentiment, with

marketers focusing investment on driving growth and developing more new routes to connect with Irish consumers. However, we do not yet see the same level of growth predicted for the media market in 2018 as we do for the wider Irish economy. Further analysis, demonstrates that Irish companies, on average, invest 8% of revenue on marketing activity compared to an average of 12% internationally. This highlights that Ireland is a media market with relatively low clutter and one that is ready for expansion.”

Ian McGrath, Managing Director of MediaCom Ireland

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