

# The Marketer's Day

Published 2009

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Empowerment Marketing **Insight**  
Online offline **Budgets** Technology  
**Marketing Applications** Engagement  
Marketers **Accountability**  
**Marketing Services Providers** Marketing Dividend  
**Systems Integrators**  
Brand Campaigns **Analysis**  
Websites **Agencies** Integration

# Alterian Sixth Annual Survey Review

## Executive Summary

It is clear to see from the results of Alterian's Sixth Survey that a significant paradox still exists for the CMO. Marketing analytics are used by less than half of all the respondents in this survey, and are reported as the most difficult part of any campaign, yet Marketers are aware of the need to analyze the results of their marketing activity in order to manage the offline and online channels, prove a return on investment and create an engaging customer experience.

The results of the 2007 survey demonstrated the need to develop a strong competency in database marketing and analytics; not only to make online and offline strategies more effective, but to develop a competitive advantage. We can see from the 2008 survey that this imperative still exists.

Respondents predict an increase in online and offline marketing budgets, even in the face of an economic crisis. Multichannel marketing will be a focus in 2009, but the challenge for Marketers is to measure the value and draw results across these various systems in order to provide a true picture of ROI back to the business.

The survey provides interesting insights into the importance of website in the overall marketing mix. One-fifth of respondents claimed that their website was only basic and not at the core of its marketing activity but with increased investment predicted in online marketing channels companies need to better understand the importance of the website in effectively underpinning its online presence. This demonstrates a need for companies to better understand their marketing investment.

Online marketing offers organizations almost limitless ways of engaging with their customers and prospects but, in the rush to make the most of these new technologies some businesses are getting the basics wrong. Marketers must not forget that their own website is the destination that many of their activities drive customers and prospects to, and they need to be extracting the maximum value of this cornerstone of any forward-thinking company's marketing activity.

With marketing budgets under increasing pressure and marketing becoming more complex to execute, this year's survey results clearly point towards the need for an integrated approach which can only be achieved through investment in the right technology.

# Alterian Sixth Annual Survey Review

## Introduction

From October 1st to December 4th 2008, Alterian conducted its sixth Annual Survey, the results of which were published on 22nd January 2009. The attitudes and opinions of over 1,500 Marketers, Agencies, Marketing Services Providers (MSPs) and Systems Integrators (SIs) have been solicited and considered. Alterian's Annual Survey is anticipated by many companies and provides a clear year on year comparative analysis of specific issues such as direct marketing expenditures and challenges faced by Marketers.

## Objective & Overview

The main objective of this survey is to conduct an analysis of 'the marketer's day', including tracking spend and the use of technology. In today's complex and constantly evolving marketplace, the emergence and proliferation of numerous channels in marketing creates further challenges for Marketers. The need to create and manage successful multi-channel campaigns has never been more apparent. So how do Marketers spend their day? Do they use marketing technology to help them? If so, what applications do they use to help them run campaigns from creation to execution? How central is their website to their overall marketing mix? The survey also explores the offline and online budgets of marketing professionals and provides a valuable unique year on year analysis of the trends.

## Special Note

### *Economic Climate*

The end of 2008 was a significantly dismal time in terms of the economic climate. It is likely that the respondents' answers were affected by the reverberations of a probable downturn. Adam Boyden writing for MarketingProfs says, "It is clear that Marketers need help to navigate these tricky economic waters while staying focused on profitable expansion rather than contraction". It is likely that if businesses can grow, even in these times, that they will emerge the other side of the economic crisis ahead of the competition. We will look at this theme more when we examine the predicted online and offline spend for 2009.

## Definitions

For the purposes of this survey, the following definitions have been used:

**Online Marketing:** Online marketing represents all digital and online forms of media and communication, e.g. email, RSS feeds, landing pages, pURLS, websites, search engine optimization, pay per click advertising, banner ads, viral marketing and eVouchers.

**Offline Marketing:** Offline marketing represents the more traditional forms of media, for example, direct mail, mail drops, magazine inserts and advertising, telemarketing, company printed collateral and exhibitions.

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**Marketer:** A marketer follows the marketing process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy the customer and organizational goals.

**Agency:** This category includes agencies which cover a range of serviced including: Web Design/Development, Search Engine Marketing, Internet Advertising/Marketing or e-Business/e-Commerce consulting, advertisement production and placement, and the planning of advertising and direct marketing campaigns. Agencies may also perform other marketing functions, including market research and consulting.

**Systems Integrators:** A systems integrator (SI) is an individual or business that builds technology solutions for clients by combining hardware and software products from multiple vendors. SIs also help with business implementation, business transformation, and change management of a new solution.

**Marketing Services Provider:** A marketing services provider (MSP) traditionally focuses on designing, building and managing marketing databases and also offers other marketing related services, such as list services and data sales, print services and lettershops, and call centers.

## Currency

For the purpose of this report, an exchange rate of £1GP to \$2USD has been used.

## Thank you

Alterian would like to take this opportunity to thank all the participants who took part in its 2008 Annual Survey.

# 1,545 Professionals Surveyed Globally



North America – 74%

Europe – 20%

Asia Pacific – 4%

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## Survey Methodology

### Source and Method of Data Collection

The survey was conducted from October 1st 2008 until December 4th 2008.

**Offline** Direct Marketing Association Conference and Exhibition, Las Vegas, USA, October 12-14 2008  
Ad:tech Exhibition, New York, USA, November 3-4 2008  
Interactive Marketing Show, Manchester, UK, December 2-4 2008

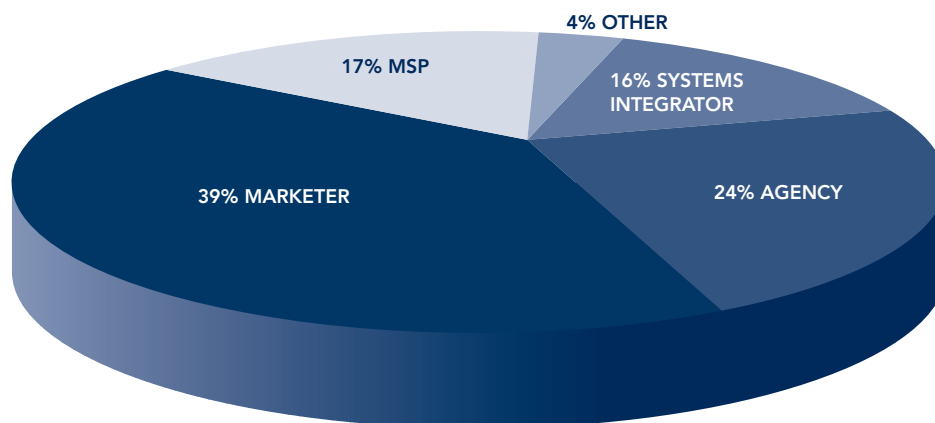
**Online** Via an electronic submission form on a dedicated landing page on the Alterian website

The quantity, quality and demographics of the survey provide a firm foundation for analysis.

### Industry Segments

Survey respondents totaled 1,545 professionals, an increase of 45% from last year (2007: 852). The representation of respondents in this report is strong for Marketers, MSPs and Agencies. While the sample of Systems Integrators is smaller, this is reflective of the maximum pool size from which the respondents were drawn. It is considered legitimate to draw conclusions from all industry segments represented in the survey. As the SI sample was even smaller in last year's survey (2007: 10), the only caution that should be taken is when comparing the SI results from 2008 with those of 2007.

### Survey Respondents (by Segment)



### Survey Respondents by Region

Geographically, North America represents 74% of the respondents, a fifth of the respondents were from Europe (20%), 2% of the respondents were from Asia Pacific and 4% Other. Although North America has a strong majority, the total volume of data collected outside of North America, in particular Europe, validates any conclusions and enables legitimate conclusions to be drawn.



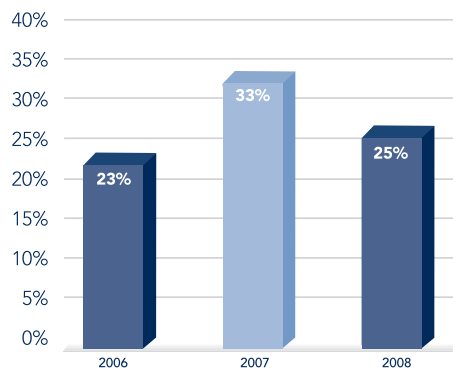
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## 1. On average how much do you, or your typical client, spend annually on **online** direct marketing?

The first area of the survey looks at how much the respondents currently allocate to online marketing. It is clearly evident from the Alterian 2006 and 2007 surveys that online spend has been increasing. This year's survey also reflects this fact, although the size of budgets that are growing is changing.

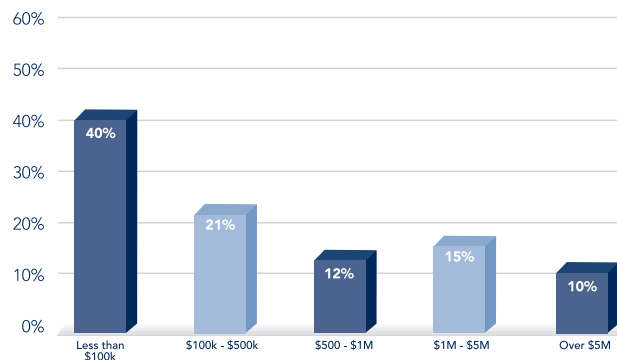
2008 saw an 8% drop in the number of respondents reporting online budgets of over \$1M.

### Over \$1M Online Direct Marketing Budget (2006-2008)



In addition, the number of respondents with small (<\$100k) online budgets is higher than last year at 40% (2007: 32%), which may simply be as a result of the redistribution of the larger budgets or a consequence of caution displayed in the market in the last 6 months of 2008.

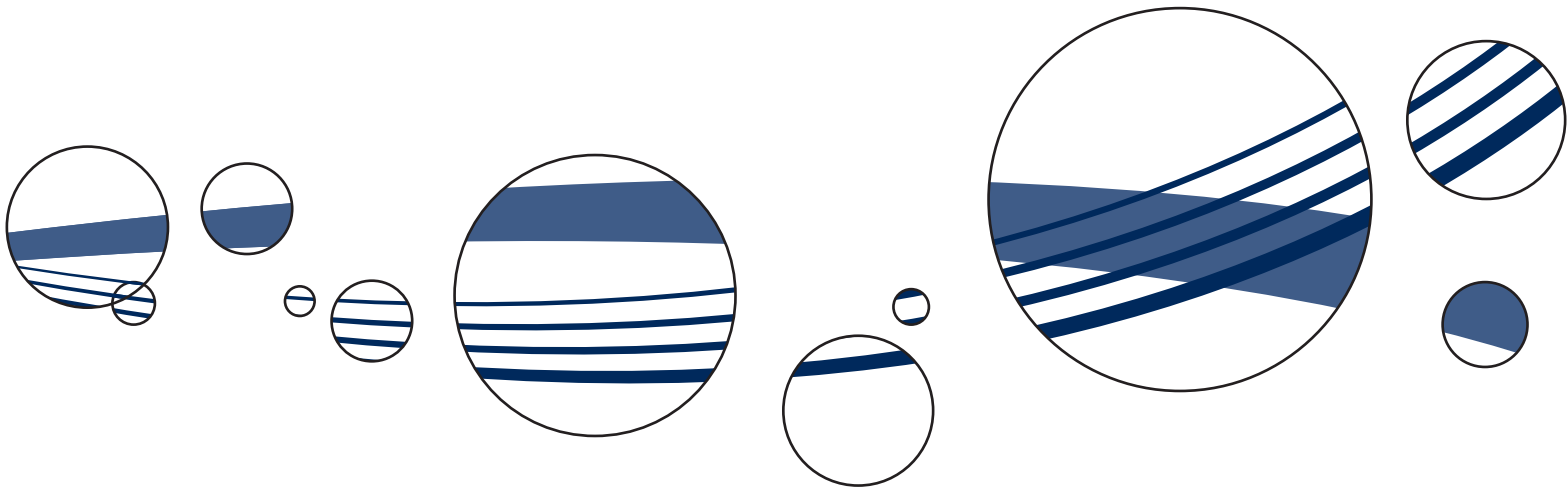
### Typical Online Direct Marketing Budget (All Respondents)



The vast majority of Marketers now use search, banner advertising and email as part of their media mix, however many are still testing these media, without committing to large budgets. Sir Martin Sorrell, chief executive of WPP, says, "Direct internet and interactive spending still lags consumer use of such media, with consumers spending reportedly 20% of their time online."

**“Direct internet and interactive spending still lags consumer use of such media, with consumers spending reportedly 20% of their time online.”**

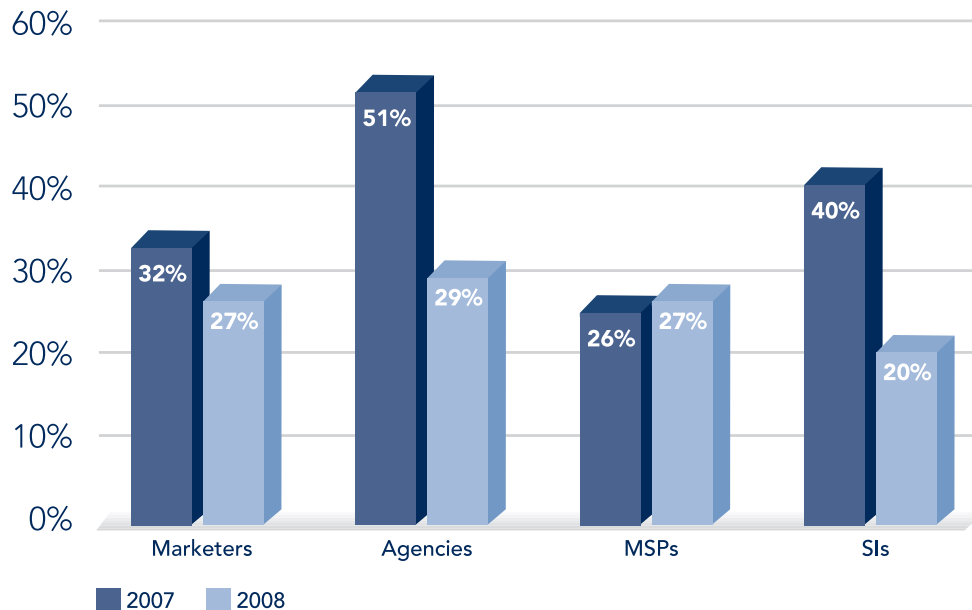
– Sir Martin Sorrell, chief executive, WPP



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By segment we can see that Marketers, Agencies and SIs have all reduced their large budgets, only MSPs have continued to increase their online budgets over \$1M.

## Over \$1M Online Direct Marketing Budget (by Segment)

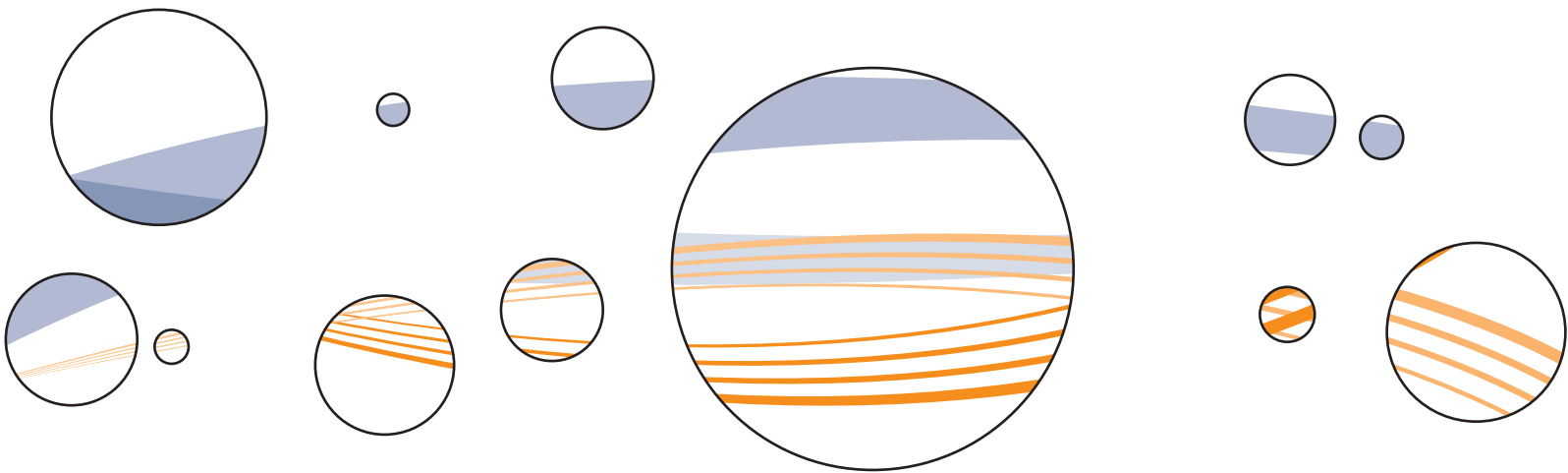


The confidence shown by the MSPs to invest further in online marketing at the high end of spend, rather than decrease their large budgets, is possibly related to understanding another trend which is currently gaining momentum. According to a recent report by Ofcom, the UK Communication Regulator, spend on internet marketing alone makes up 19% of the total spend on advertising in the UK. In addition, The Internet Advertising Bureau (IAB) and Pricewaterhouse Coopers (PwC) conducted a study into internet marketing spend, including SEO and PPC, and found that Internet Marketing in the UK alone was worth almost £3BN in 2007 and is growing at a rate of 38% per year. Furthermore, PwC, in their report 'Global Media Outlook Report', predicted spend for Internet Marketing in 2011 to have reached £5.4BN.

By accelerating the integration of new media, strengthening their digital marketing practices and investing in communities for market and consumer intelligence, the Marketing Services Providers stand a great chance of capturing much of this extra spend.

**"Over the last several years, pressure has mounted on marketers to accurately predict, measure and optimize tactical results. This trend has pushed the industry toward direct and online answers."**

– MarketingSherpa.com

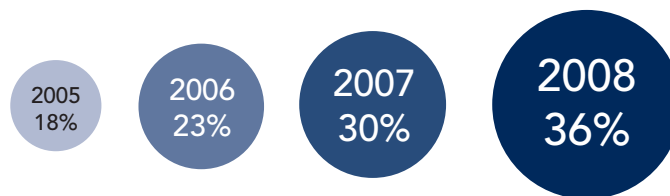


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## 2. On average, how much do you, or your typical client, spend annually on **offline** direct marketing?

The offline spend figures reported by respondents from 2005 through to 2008, demonstrate a clear shift from offline to online spend. Overall, offline direct marketing spend is reduced as online budgets are increased. For example, in 2005 only 18% of Marketers spent less than \$100k on offline direct marketing; the number of Marketers reporting small offline budgets in 2008 has doubled to 36%. Many recent headlines and research reports would highlight that Marketers are losing confidence in traditional offline marketing and advertising. Comment from MarketingSherpa.com seems to substantiate this, "Over the last several years, pressure has mounted on Marketers to accurately predict, measure and optimize tactical results. This trend has pushed the industry toward direct and online answers."

### Less than \$100k on Offline Direct Marketing 2005 – 2008 (Marketers)

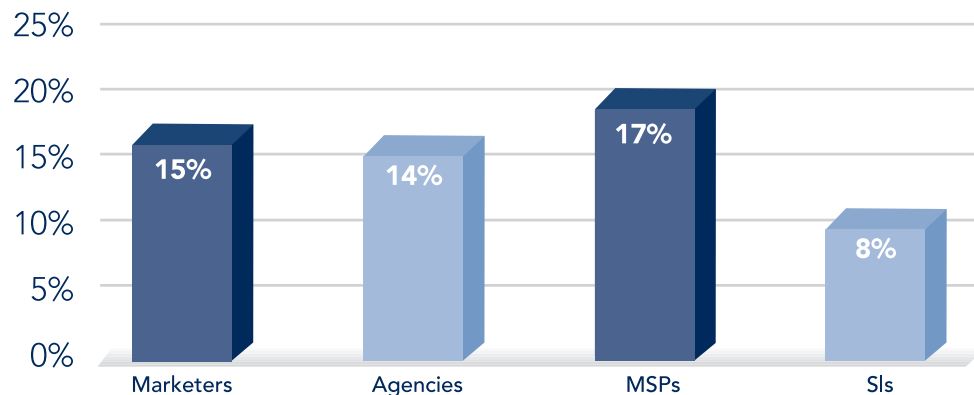


With over a third of respondents now spending less than \$100k on offline marketing, it is clear to see that marketing has changed its focus to match the new buying behavior of consumers, which has dramatically changed in the last few years. According to Advanced Media Productions, consumers are increasingly (2008: 65%) using search engines to research products online, which they later buy offline. This figure amounts to consumers spending over \$93 billion online and over \$137 billion offline on Internet-influenced purchases. Other things such as increased number of peer-to-peer recommendations on a growing number of social networks, and also faster broadband speeds for home browsing, all affect how and when people shop online. More traditional, offline forms of marketing such as newspaper advertisements, for example, are becoming less effective as people turn to online newspapers to get their news.

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Offline marketing is not dead, however. Almost a third of all respondents (27%) are spending over \$1M on offline direct marketing, and almost a fifth of all segments, (with the exception of SIs) are still spending over \$5M annually.

## Over \$5M Offline Budget (by Segment)



The changing trends in information production, distribution and consumption, coupled with the uncertain economic times in which we live, create an unprecedented challenge for companies to better reach and engage with customers. It is not so much the rejection of offline marketing in favor of online marketing that will ensure success for Marketers; rather the appropriate integration of online and offline marketing.

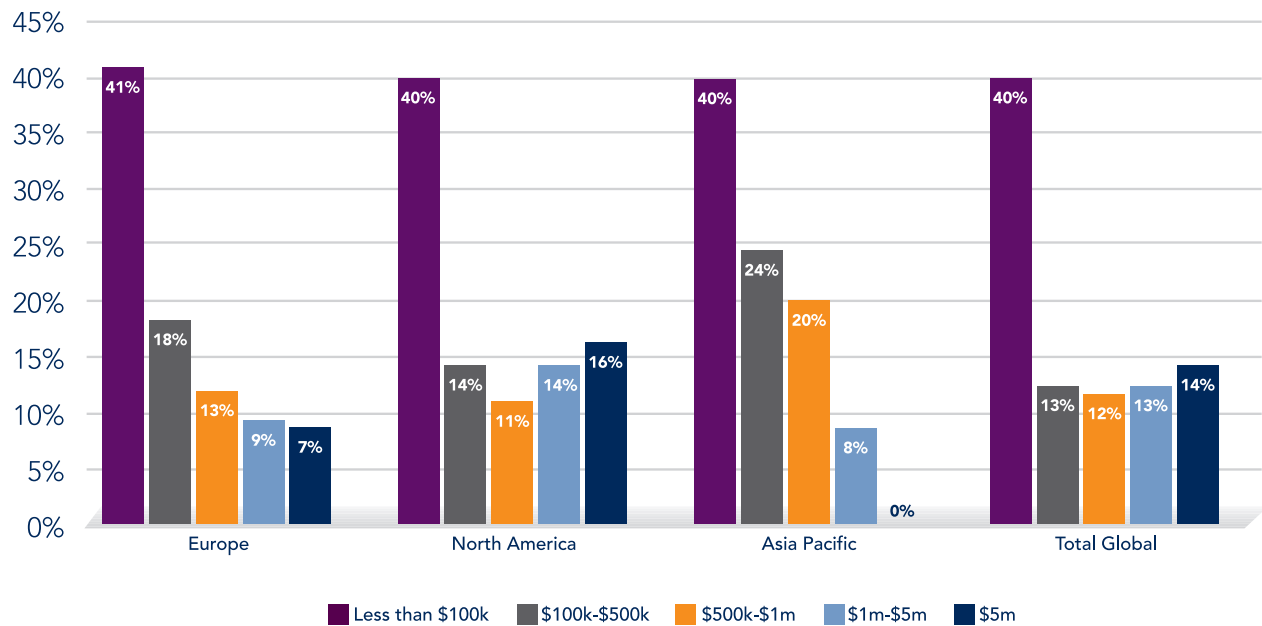
Consumers gather data about products from various sources to construct their picture of a product. Each impression builds on the other and consolidates their opinion of that product or company. If the message and branding are consistent across online and offline media, the consistency will reinforce whatever good (or bad) opinion the customer has of the product. An increased number of touch points is better than a reduced number as a result of terminating offline marketing.

However, relationship building over numerous online and offline channels requires the ability to use analysis, campaign management, measurement and reporting, and other processes requiring marketing technology, which will be covered later in the survey.

A regional analysis of offline spending shows a clear consistency in favoring the lower budgets in offline marketing with 40% of all respondents from Europe, North America and Asia Pacific reporting budgets of less than \$100k. North America still has the largest budgets with 16% of all North American respondents reporting budgets of over \$5M.

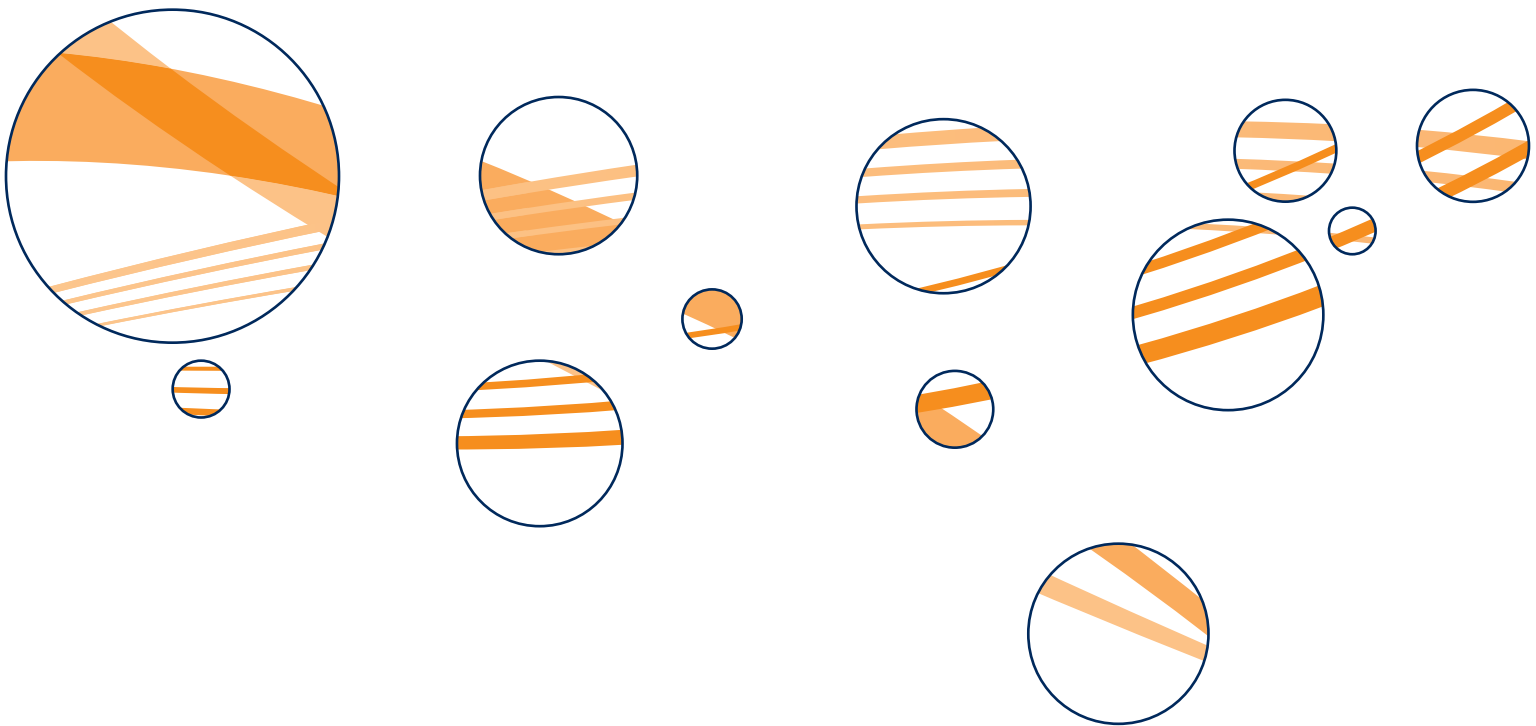
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## Offline Direct Marketing Spend (by Region)



**"...a recession will accelerate the decline of interruption-based mass advertising that simply shouts your message to customers. In its place we will see increased growth in measurable and relationship-based strategies such as a search marketing, email marketing, lead nurturing and online communities."**

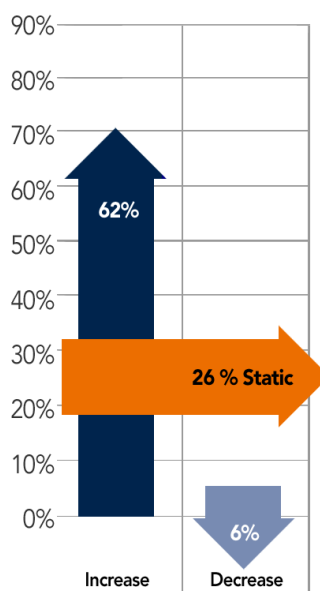
– MarketingProfs.com





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### 3. How do you expect your **online** direct marketing expenditure, or that of your typical client, to change over the next 12 months?



62% of respondents anticipate that their online spend over the next 12 months will increase, compared with 84% in 2007, and 85% in 2006. Although the year on year results of this question show a slight decrease in the expectations of online budgets increasing, this is still one of the largest increases in expenditure predicted since the Alterian Annual Survey began in 2003. Most respondents still expect an increase even though their overall actual online budgets have decreased in size during 2008.

With almost two thirds of respondents predicting an increase in online spend, even in obviously difficult times, it is clear that online marketing is no longer viewed as a by-product of TV or print campaigns, but an integral element of marketing. While there is predictable pressure to cut marketing budgets during a downturn, evidence suggests that it should be a case of making the marketing budget work harder, not reducing it.

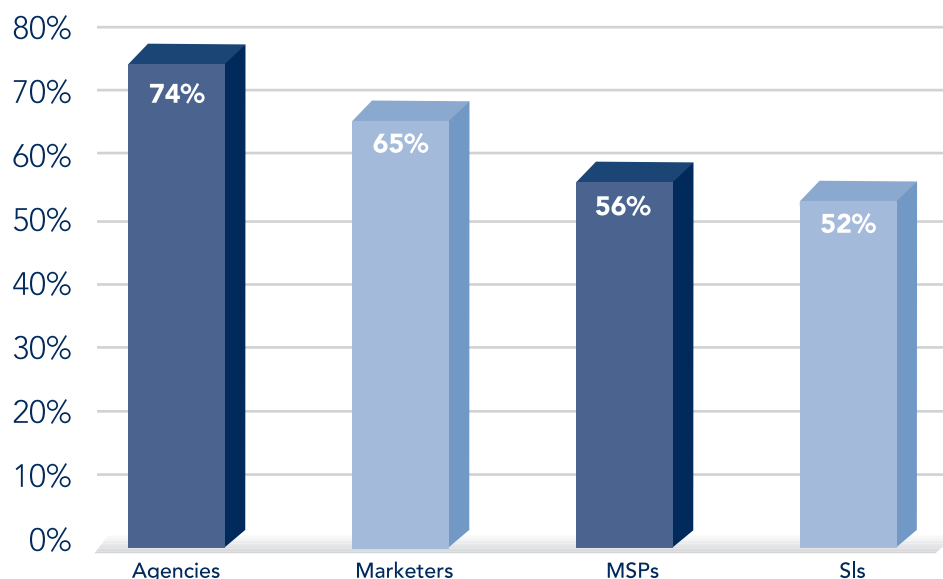
In previous downturns firms that have continued to market and sell themselves have generally prospered, so businesses should bear this in mind during 2009. Although it will be a pressurized year for Marketers with every dollar, pound and euro needing to be accounted for, it is an opportunity for a renewed focus for marketing departments, and a chance to legitimately cut programs that aren't working or delivering clear return on investment. The key is to implement targeted and cost-effective marketing, which is the language of online marketing.

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An interesting report featured on MarketingProfs.com concurs that when budgets are cut, the channels with the least ability to measure marketing ROI are cut as businesses move towards more measurable channels. Investment bank Cowen and Company looked at the last six recessions since 1950 and found that spending on direct marketing actually grew during six recessions. This recession is particularly different for online marketing. ***"In the 2001 recession, online marketing was still unproven and got caught in the downward collapse of the Internet in general. Today, the trend to shift advertising dollars to measurable online channels is proven...the recession may slow down the growth of online marketing, but it's still growing at a significant pace. What this means is that a recession will accelerate the decline of interruption-based mass advertising that simply shouts your message to customers. In its place we will see increased growth in measurable and relationship-based strategies such as a search marketing, email marketing, lead nurturing and online communities."***

By segment we can see that Agencies in particular understand this message with 74% of Agency respondents predicting an increase in online budgets.

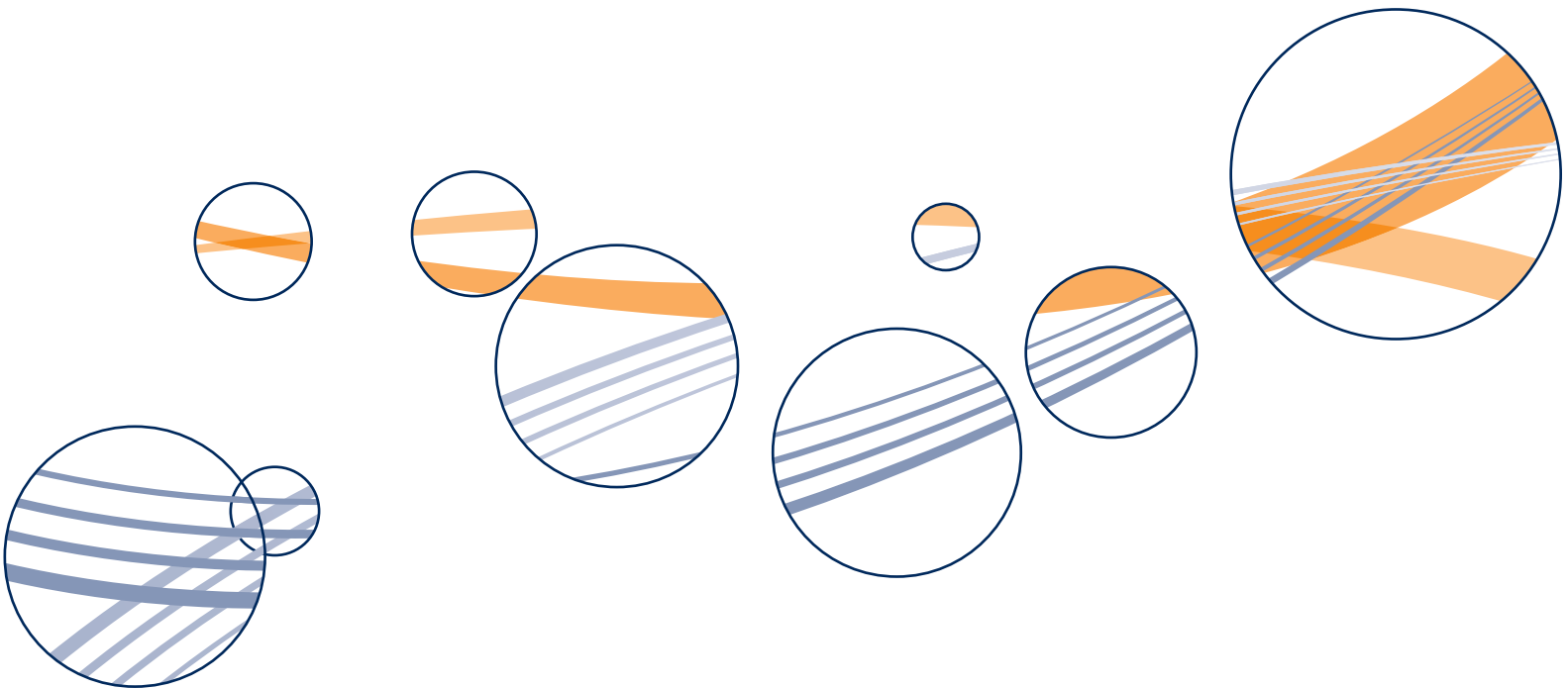
## Offline Direct Marketing Spend (by Segment)



The biggest change, according to recent research stated that there will be a leveling of the playing field for large and small brands. Large brands have bigger budgets to cut therefore leaving room for smaller niche brands to use new advertising tactics to develop the same mindshare with their target audience as the big brands.

Marketers are making comprehensive reductions in their budgets, the key ones of which are all in the area of offline direct marketing expenditure. 83% are reducing their spend on radio and TV advertisements, 57% the number of events at which they represented, 60% of printed advertising, and 52% of the amount of direct mail they send.

– MarketingSherpa Report, published in November 2008.

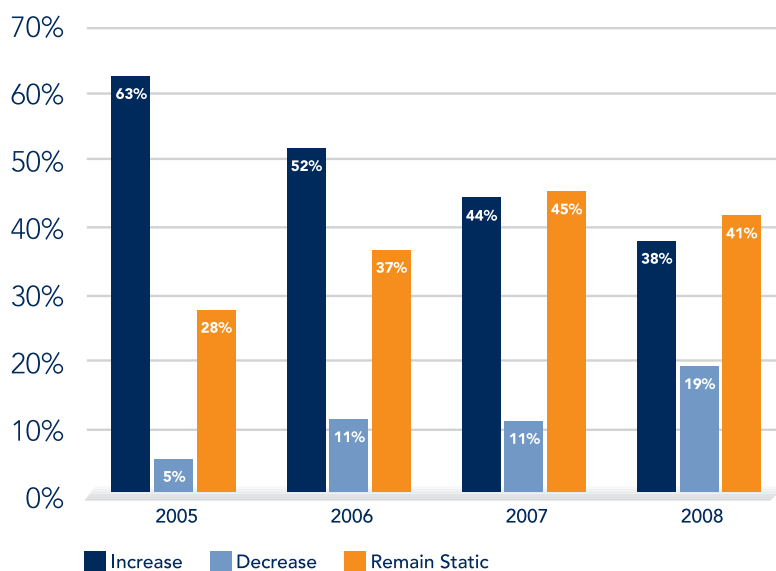


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## 4. How do you expect your **offline** direct marketing expenditure, or that of your typical client, to change over the next 12 months?

According to a report from MarketingSherpa, published in November 2008, Marketers are making comprehensive reductions in their budgets, the key ones of which are all in the area of offline direct marketing expenditure. 83% are reducing their spend on radio and TV advertisements, 57% the number of events at which they represented, 60% of printed advertising, and 52% of the amount of direct mail they send. Alterian's survey supports this evidence with almost 20% of respondents – the highest number in 5 years, and an increase of almost 10% – reporting that their overall offline budget will decrease.

### Offline Direct Marketing Expenditure (2005 – 2008)



As well as an increase in the number of people who think their offline budget will decrease, the number of respondents who believe their offline budget will increase has reduced by almost 30% since 2005.

It is unlikely that offline marketing will stop, so the integration of marketing will become even more important as the amount of offline spend decreases. Online marketing should not be invested in to the detriment of offline, but it must be recognized that customers are increasingly online and marketing must reach them where they are.

Interestingly, over 40% of the respondents are expecting neither an increase nor decrease in their offline budgets. Instead, they will have to work harder with a static budget. The operational efficiency of the marketing department must therefore be analyzed. As budgets come under much stricter scrutiny in 2009, each organization needs to realize what Alterian calls their 'Marketing Dividend', which can be used to

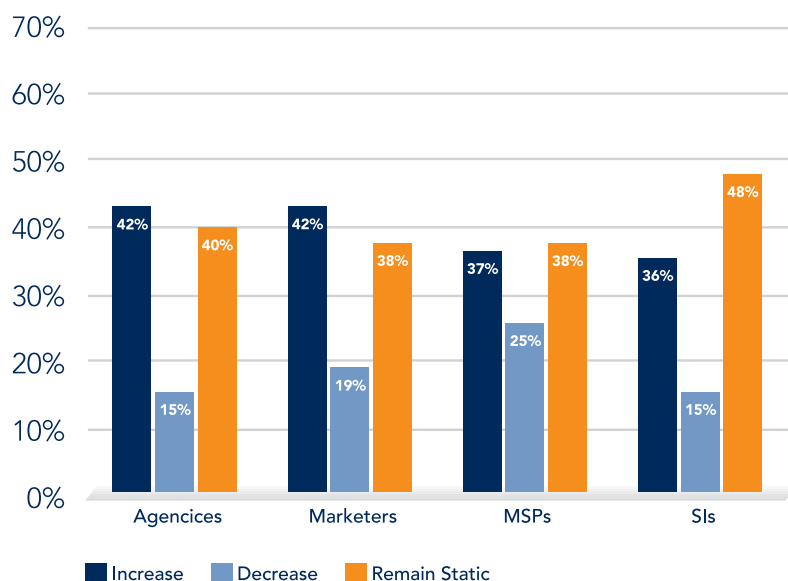
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increase marketing spend or to maintain marketing spend if budgets are reduced; in essence, do more with less. This dividend is realized through the more effective use of marketing communications spend and the more efficient running of marketing operations (a marketing budget being typically split between these two areas) achieved by using a more integrated approach to marketing enabled by technology. For example, demographic, or regional advertising based on segmentation of a customer database, is more economical in comparison with advertising in national press. Contact Optimization of customer data can ensure that specific business targets are met at the least overall opportunity cost.

Replacing expensive and multiple applications with more efficient, integrated marketing platforms, results in a lower Total Cost of Ownership for the marketing department. More efficiency may accommodate the predicted maintenance of 41% of offline budgets and also the planned increase in online marketing spending.

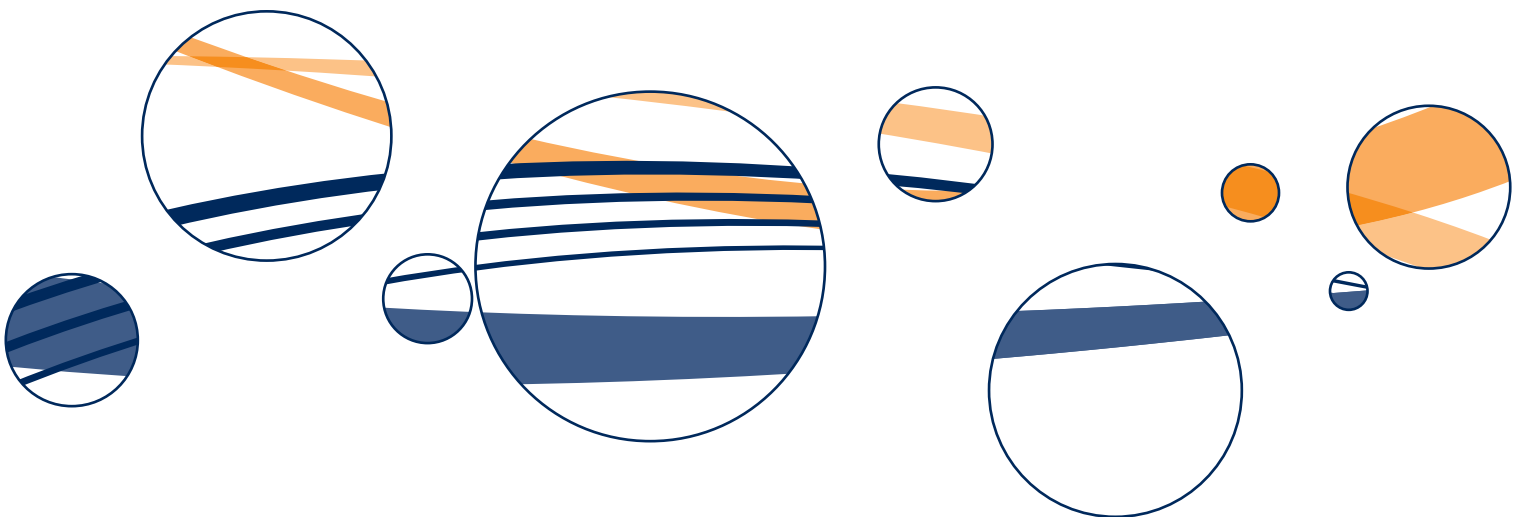
Respondents representing Agencies and Marketers predicted a 42% increase in offline budgets, showing more confidence than SIs who predicted only a 36% increase in offline budgets over the next 12 months. MSPs not only predicted a lower percentage of increase in offline budgets but they also represented the highest percentage of predicted decrease in offline budgets at 25%.

## Offline Direct Marketing Expenditure (by Segment)



**Today, marketers must work with many disparate applications to analyze, plan, execute, and measure their activities. This web of applications creates silos of information that decrease marketing efficiency and make it difficult for marketing leaders to get a complete view of all marketing activities — and even harder to measure results.**

Forecast: Global Enterprise Marketing Platforms: 2007 To 2013, Forrester Research, Inc., August 27, 2007



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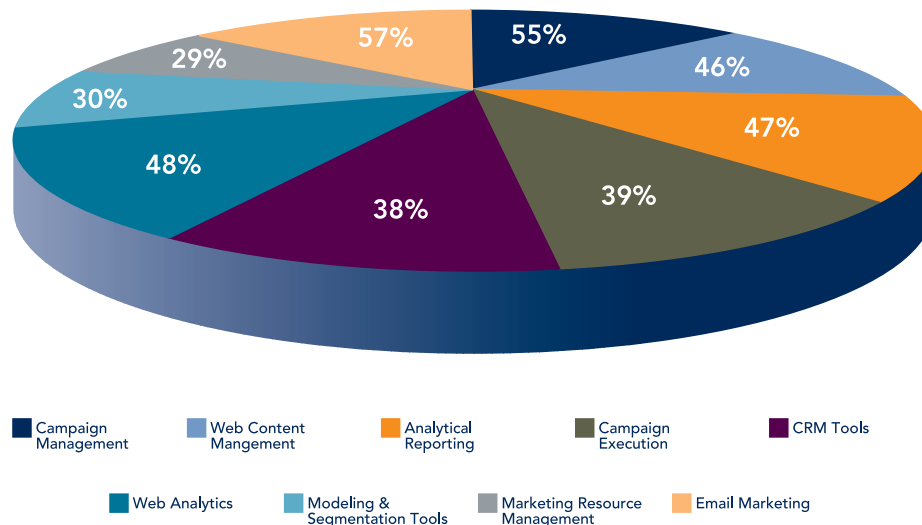
## 5. How many different marketing applications do you or your client work with to run a campaign from creation to execution?

The results of this question speak volumes about the current complexity that Marketers experience when trying to execute marketing campaigns. 26% of Marketers reported using 2 or less marketing applications to run a campaign from creation to execution – meaning that a huge 74% of respondents use 3 or more marketing applications to run a campaign. Over half (51%) of all survey respondents use between 3 and 6 marketing applications to run a campaign, while almost a quarter (23%), use 7 or more applications. An astonishing 13% of all respondents use a total of 9 applications per campaign.

### Number of Marketing Applications Used to Run a Campaign

**74%** of marketers use **3** or more  
marketing applications and **23%**  
use **7** or more

The type of applications varied greatly, with the top five as follows: Email Marketing tools lead the field with 57% of respondents using them, followed by Campaign Management (55%), Web Analytics (48%), Analytical Reporting (47%) and Web Content Management (46%).



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The variety of applications used show that the industry needs to take advantage of various resources to gather and analyze customer data and then execute and report on campaigns based on that analysis. The understanding of the importance of relevant and timely campaigns, achieved by targeted marketing is growing. Marketing processes and resource management need to be streamlined to allow for the increasing number of campaigns executed as a result of better insight into the customer data.

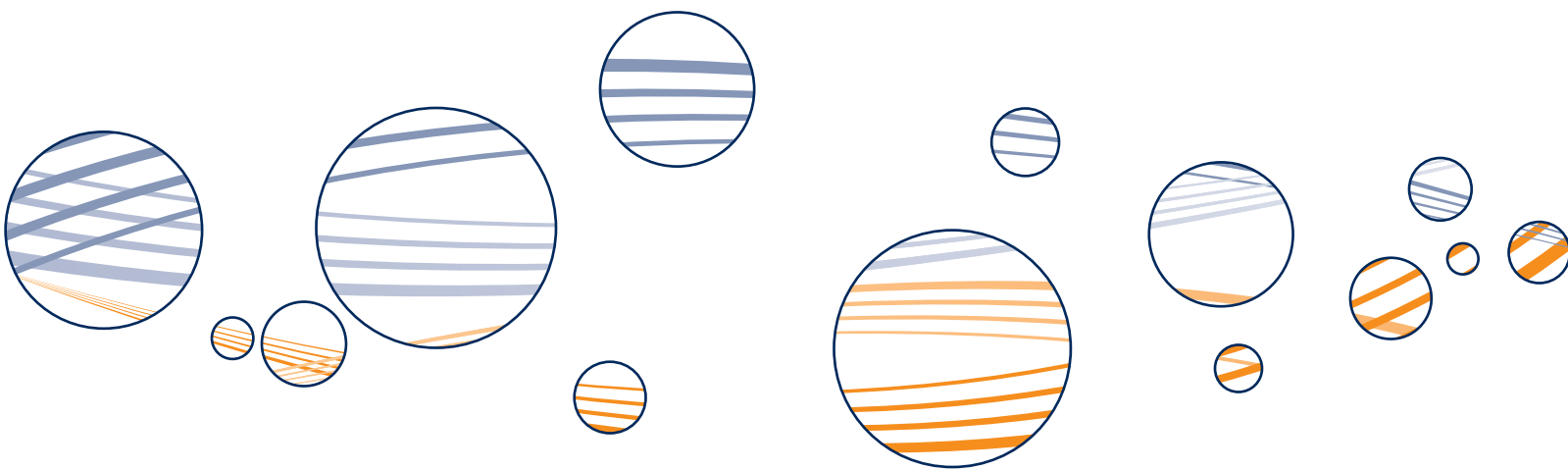
The number of applications used by the respondents is also a clear indication of the need to integrate them. Marketing needs to understand the buying process across both online and offline channels; connect with the sales process, and drive consistent contact strategies and relevant content – in other words the ‘engagement’ process with the customer. Alterian believes that the engagement process is based on multiple ‘engagement cycles’ that take place during the customer experience. The engagement cycle can only be supported by an integrated marketing platform based on analytics, content and execution.



# Engagement Measurement Will Transform The Marketing Landscape

As marketing leaders embark on the engagement journey, they will discover that old habits are hard to break. To get their money's worth from measuring engagement, they will have to rethink their existing organizational structures, processes, strategies, agency interactions, and vendor relationships.

Measuring Engagement, Forrester Research, Inc., June 10, 2008



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## The Engagement Cycle

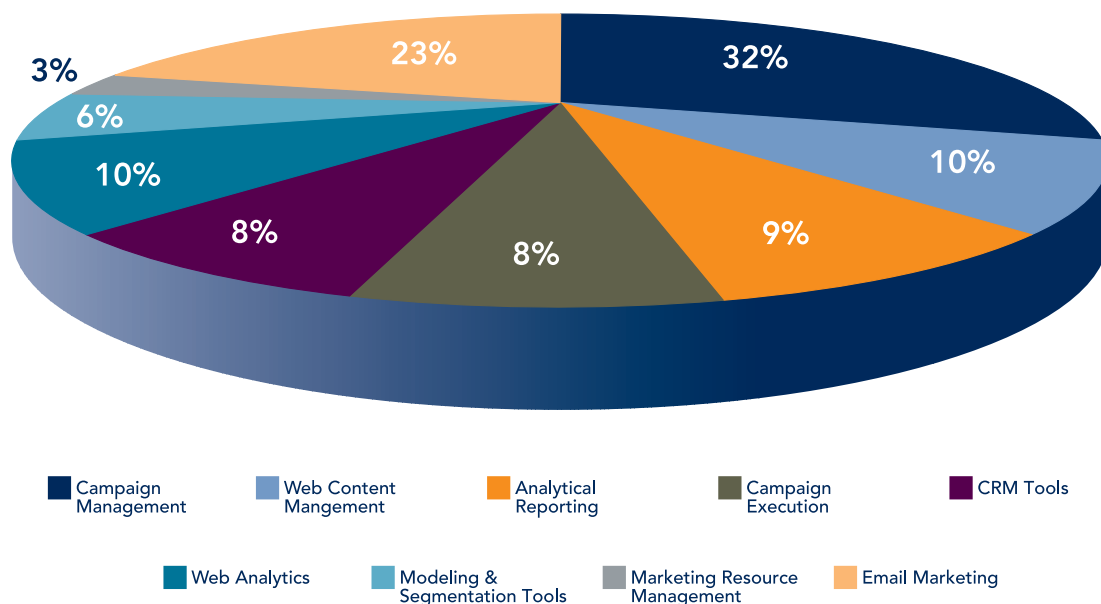
The engagement cycle is a continuous cycle of learning about when and how the customer is engaging with the organization and what and when to offer to them to satisfy their demands for purchase or service, or help them share in a social network or community.

We can see from the results that almost 25% of Marketers use 7 or more applications to run a campaign, and many use 9 or more. If these different functions and tools are found within a single integrated marketing platform with a single user interface, designed for the speed of marketing and the scale of the Internet, then marketing effectiveness and efficiency are increased and the customer experience improved – driving value for the company and the company.

Marketing technology and selection will determine the marketing department's online and offline brand effectiveness, its ability to build the operational competence of 'engagement' and ultimately decide the success of the CMO. Marketing technology selection can therefore no longer be seen as the territory of IT. Creating, funding and implementing the marketing technology roadmap may arguably be the CMO's most critical task over the next 3 to 5 years.

When asked to select one marketing application that they use the most when running a campaign, the respondents' responses were very interesting.

## Marketing Application Used Most When Running a Campaign



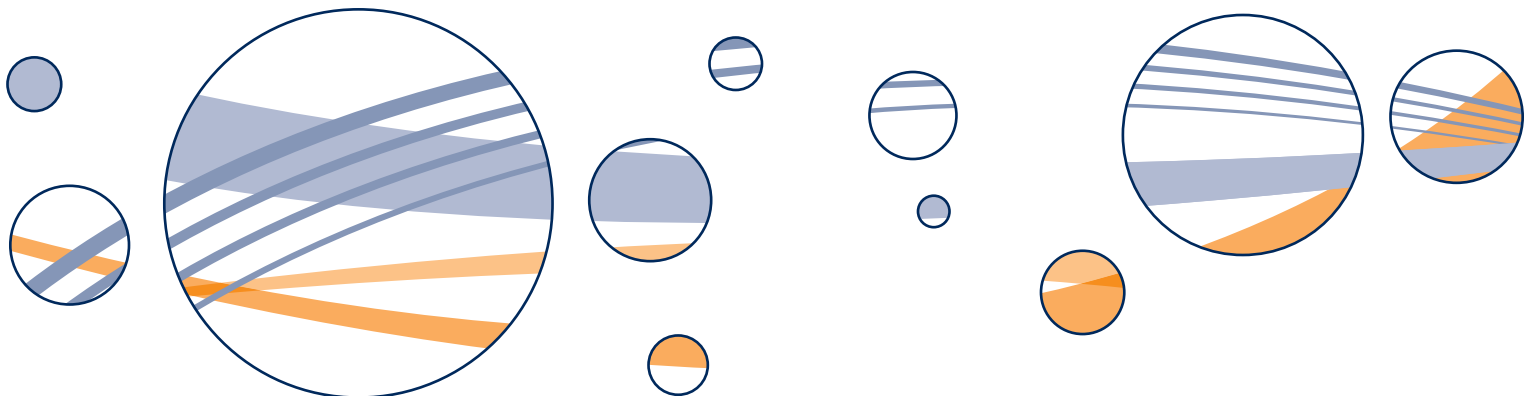
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The most widely used application is Campaign Management (32%) followed by Email Marketing (23%) and Web Content Management (10%). The use of these tools shows that respondents understand online marketing channels to be crucial to their success. Email and Websites are very important for lead generation and customer engagement. These results demonstrate that Marketers are being innovative with their marketing and only using the channels through which they can be accountable.

Interestingly, some tools scored high in the number of respondents who used them, but low in the number of respondents who consider these tools to be the most critical component of their campaign creation and execution. 38% of respondents reported using Customer Relationship Management (CRM) tools, for example, but only 8% believed them to be the most critical tool (Marketers scored CRM tools even less at 6%). Marketing is being challenged to become more accountable and to understand and respond to customers' needs in a digital age. Marketing is also under pressure to deliver more, faster, and for less money, to drive revenue, so needs to be more insightful, engaging and accountable than ever before. This can only happen if marketing can access and harness the potential of soaring customer data volumes in their CRM systems. Over the past decade, many organizations have implemented various CRM systems such as Siebel, Salesforce.com, Microsoft CRM or SAP, to enhance the sales prospecting process, make sales more accountable, and empower customer contact centers with relevant information and service processes. The marketing functionality of these CRM systems was never the core focus but the analytical competence to provide insight into this data and execution ability, is now essential for the marketing department.

**“...Many marketers need to increase their skills on the science side of marketing (data, analytics, metrics, dashboards, etc). With these skills marketers stand a better chance at improving their organization’s marketing performance and demonstrating the value of marketing – two things every CEO and CFO will be demanding in this current environment...”**

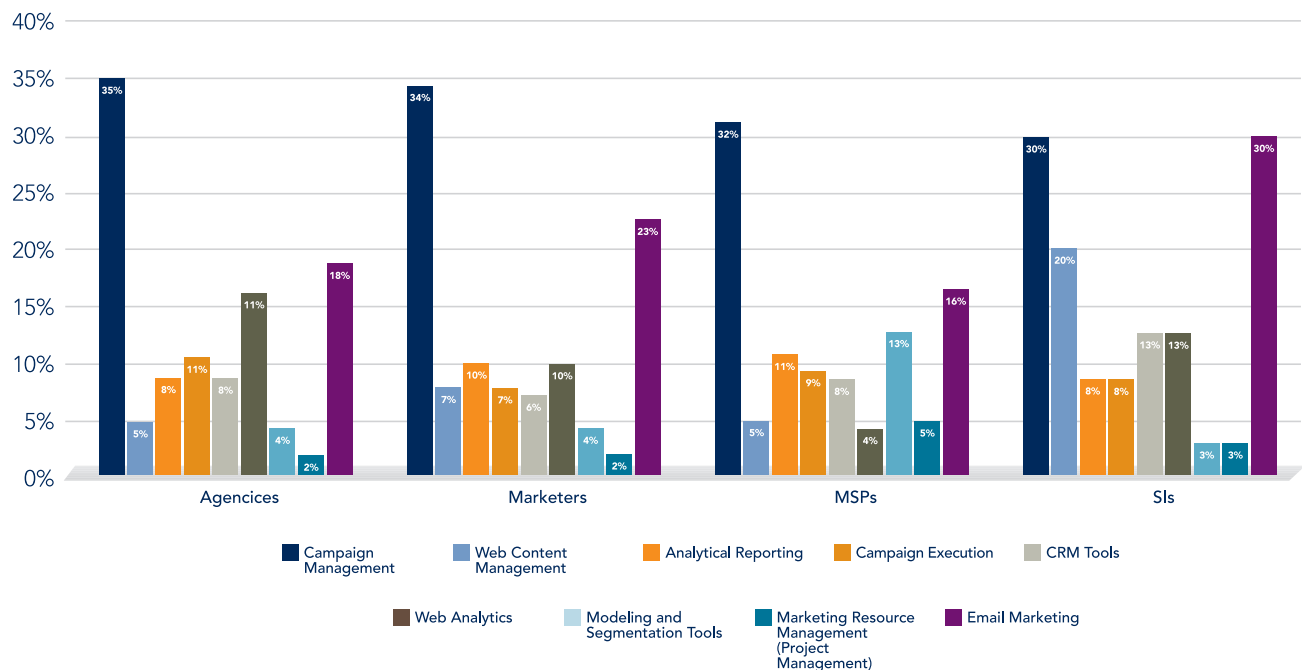
**– Laura Patterson, President and Founder, VisionEdge Marketing**



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Alarming, of the 47% of respondents that use analytics, less than one in ten (9%) rated it as their most vital tool. This would perhaps suggest that some of the tools used for analysis are hard to work with, slow or inflexible, which reduces their potential impact on the marketing campaign process. Marketers need tools which work with their train of thought and are easy to use. Laura Patterson, President and Founder, VisionEdge Marketing comments, ***"This research corroborates what we're seeing - many marketers need to increase their skills on the science side of marketing (data, analytics, metrics, dashboards, etc). With these skills marketers stand a better chance at improving their organization's marketing performance and demonstrating the value of marketing – two things every CEO and CFO will be demanding in this current environment. The timing couldn't be better for those organizations behind the curve in these areas to make a concerted effort to connect with people who can help them acquire these skills along with the corresponding tools, systems and processes."***

## Marketing Application Used Most (by Segment)

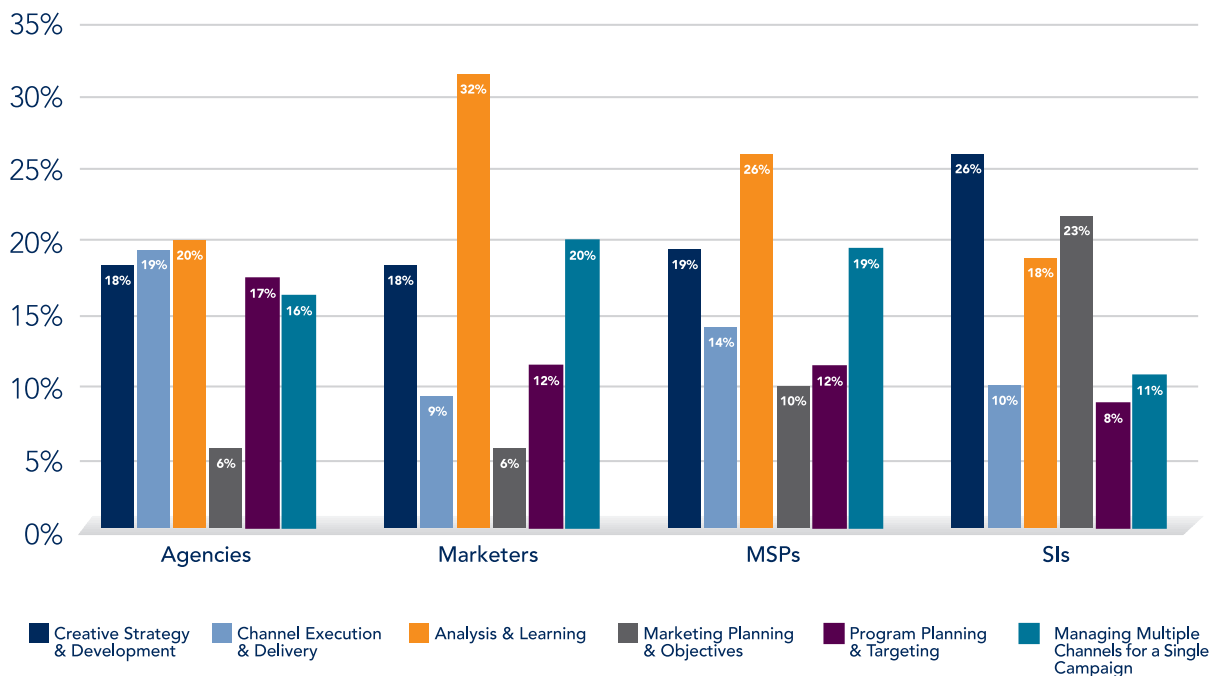


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## 6. What is the most difficult part of running a campaign?

A quarter of the respondents (25%) selected Analysis & Learning as the most difficult part of running a campaign. This would support the results from Question 5 which reported that 47% of respondents felt Analytics were important, but only 9% could implement them well enough to be the most used application. Creative Strategy & Development (21%) and Managing Multiple Channels (18%) followed Analytics as the second and third most difficult parts of running a campaign.

### Most Difficult Part of Running a Campaign (by Segment)



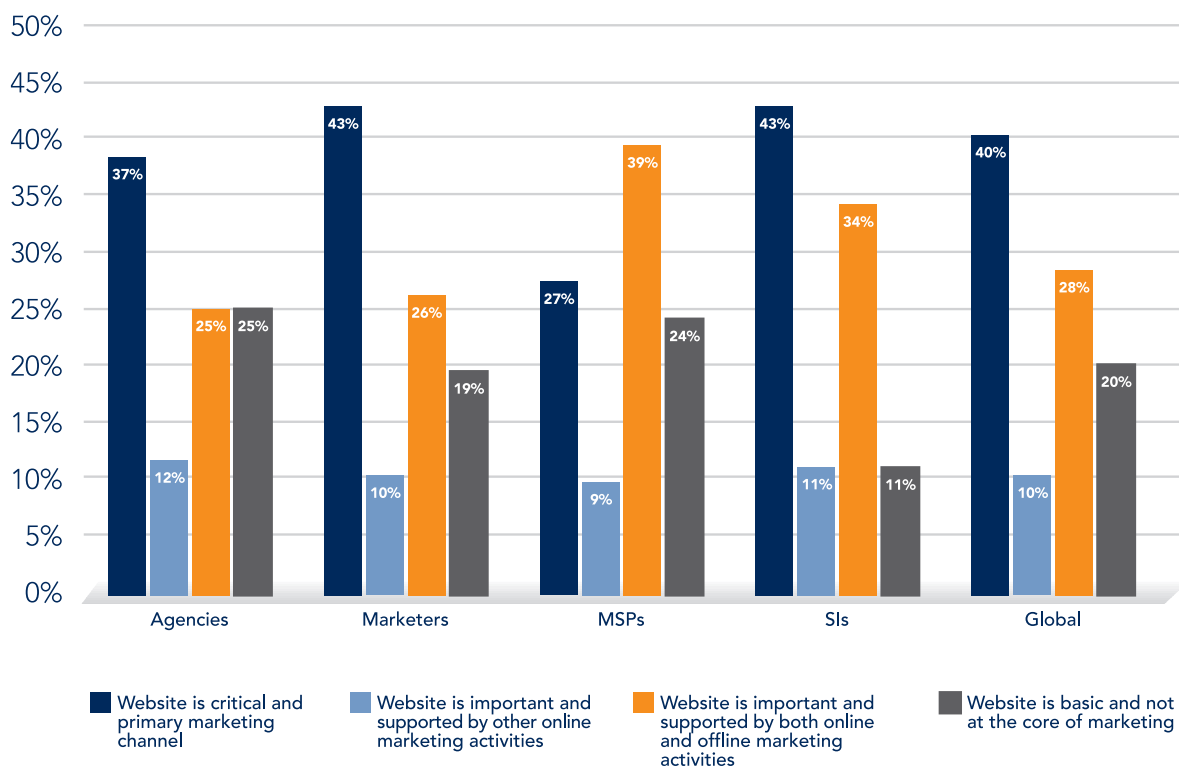
Marketers found Analysis & Learning particularly difficult at 32%, but all segments rated it as one of the most difficult; Agencies 20%, MSPs 26% and SIs 18%.

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## 7. How central is your or your client's Website in the overall marketing mix?

The Internet is a multimillion dollar industry, growing with such velocity and strength that it has become imperative for Marketers to have an internet presence. A Corporate Website is quickly becoming synonymous with a company's brand. The Internet is one of the biggest media channels enabling companies to be in touch with their customers and prospects, maintaining a consistent and competitive dialogue. A Website is one of the newest ingredients in the Marketing Mix. Traditional forms of communication lack some of the advantage that a Website has. For example, in depth product information can be exchanged for customer-specific details to fuel further communication activity via a Website much easier than it can via traditional communication channels.

### Importance of Website in Overall Marketing Mix (by Segment)



A large number of respondents (40%) reported their website to be critical to their businesses and their primary marketing channel. Almost half of Marketers and SIs (43%) both reported their Website to be critical.

Worryingly, 25% of Agencies, 19% of Marketers and 24% of MSPs reported that their Website was basic and not at the core of marketing. SIs fared slightly better with only 11% reporting the same.

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More respondents reported that their Website was supported by both online and offline marketing, than reported it was supported by just online marketing activities, which reflects the growing awareness for the need for integrated marketing. Only 11% of Agencies and SIs, 10 % of Marketers and 9% of MSPs selected this latter category.

Web 2.0 technologies offer new ways for Marketers to reach their audience for little to no cost. Customers have become inoculated to tired methods like email and even pay-per-click. Waiting for them to visit your Website is simply insufficient to drive growth. Instead, the new generation of marketing tools includes things like social communities, Website syndication tools, gadgets, and RSS feeds because they are online, on-demand and scale to any size of audience. The best part, particularly in a recession, is that most Web 2.0 technologies are easy to use and are, often, free.



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## Key Findings

1. 2008 saw a reduction in larger online budgets (over \$1M) for Agencies, SIs and Marketers.
2. The number of Marketers reporting their offline budget as less than \$100k since 2005 has doubled to 36%.
3. However, over a quarter (27%) of all segments still have offline budgets of over \$1M and almost a fifth have offline budgets of over \$5M.
4. 62% of all respondents predict that their online budgets will increase in 2009.
5. The number of people expecting their offline budgets to increase has fallen from 63% to just 38% in 2008, a decrease of 25%.
6. Marketers are still using multiple applications with around a quarter of respondents using more than 7 applications on campaigns. With more than half of those surveyed (51%) using between three and six applications it means that a vast majority of Marketers are attempting to analyze data from disparate systems, with little or no integration. 74% of respondents use 3 or more marketing applications to run a campaign from creation to execution; 13% use 9 applications or more.
7. Less than half (47%) of respondents use analytics, and a quarter of those surveyed cite analyzing results as the hardest part of any campaign.
8. The application most used when running a campaign was Campaign Management (32%) followed by Email Marketing (23%) and Web Content Management (10%).
9. 40% of respondents reported their website to be critical to their business and their primary marketing channel.
10. 20% of respondents said that their website was basic and not at the core of their marketing.

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## About Alterian

Alterian (LSE: ALN) empowers marketers with an integrated marketing software platform combining database, online and operational marketing applications on a shared data infrastructure. The Alterian Integrated Marketing Platform makes it practical and cost effective for marketers to use actionable insight to execute an integrated marketing strategy across online and offline channels.

It is the unique integration of analytics, content and execution through Alterian's industry leading tools, such as the Alterian Messenger email platform, and the award winning Alterian Content Management web solutions, which enables marketers to drive a seamless, multi-channel customer experience.

Alterian's analytically-led software is delivered to approximately 1,000 marketing departments, across 26 countries, and an international network of more than 100 business partners, including marketing services providers, agencies and systems integrators. Its partners, such as Accenture, Acxiom, Allant Group, Cap Gemini, Carlson Marketing, Experian, Epsilon, InfoUSA, LogicaCMG, Merkle, Ogilvy One and Euro RSCG Worldwide, deliver Alterian software alongside their own domain and services expertise to help market leaders such as Princess Cruises, General Motors, Zurich, Astra Zeneca, HSBC, Limited Too, AEGON, Avis, Worldwide Wrestling Entertainment, Dell, Amnesty International and Vodafone integrate marketing processes and drive competitive advantage. For more information about Alterian, products within the Alterian Integrated Marketing Platform or our Partner Network, please visit [www.alterian.com](http://www.alterian.com).

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