

Evolution Over Revolution: Canadian Marketers Tiptoe into the Digital Age

The digital revolution has overtaken the world in nearly every corner of technology and commerce. Yet for those traditional bastions of trend spotters, trend setters, and trend followers – the marketer – the approach and embrace of the new digital era is taken with a degree of caution. At first look, it appears that Canadian marketers are taking a more evolutionary approach in tackling the digital world, preferring to first build on their own knowledge and experience with the medium before fully embracing it. There is some merit to a cautious approach, but being too cautious or too slow to embrace the digital era comes with some risk.

This past October, Ipsos Reid launched the findings of a new study conducted in collaboration with the Canadian Marketing Association. The study specifically asked marketers about their thoughts, attitudes, and behaviours toward the expanding world of digital marketing, and how their business is managing or embracing it.

The study showed that some four in ten marketers (39 per cent) believe that “spending on TV will decrease over the next two years,” reinforcing the current trend in growth of digital forms of marketing and the shift away from mass marketing to more targeted marketing approaches. Currently, the digital component accounts for only

eight per cent of total marketing spend, yet two thirds (65 per cent) of the marketers surveyed strongly agree that their “senior management is very interested in digital marketing.” This appears to follow market trends and the overall consumer appetite for accessing media through new technology.

The survey results reveal that while marketers are broadening their priorities from traditional mass vehicles such as television to include more targeted Internet and digital marketing tactics, there exist both hurdles and opportunities for the marketing industry as a whole.

Media consumption is changing. New technologies such as personal video recorders, video games, the Internet, and others, are allowing people to consume media in different ways. All of this means that media consumption has become a much more active and less passive pursuit than in the past. Consumers spend almost as much on devices and applications designed to help them avoid advertising as advertisers spend on advertising itself. For the marketer, this means that an integrated approach is necessary.

Familiarity Builds Comfort

In terms of familiarity and usage, some forms of digital marketing appear to have matured and, in some respects, become part of the traditional marketing mix. This includes e-mail marketing, online advertising, search engine

marketing (paid), search engine optimization, and interactive consumer websites. Others continue to be considered emerging opportunities in that they still generate only low levels of usage within the marketing community. These emerging approaches include e-CRM, social network marketing, viral marketing, blogging/podcasting, in-store digital media, online video marketing, and mobile marketing.

With both familiarity and usage on the increase, why aren't marketers allocating more of their budget to digital? Despite positive trends, there is still a distinct lack of knowledge (31 per cent) with marketers either indicating that they are just starting to explore or consider the digital realm (twelve per cent) or that they are unsure of its effectiveness (twelve per cent). Sentiments such as concerns over video sharing sites and the effectiveness of online viral marketing continue to reflect a neutral wait-and-see approach.

In most areas of the digital landscape, the study reveals that it remains the case that advertising and marketing agencies are more familiar with and express stronger usage of digital than their counterparts on the client side of the equation. While the agencies are taking the lead to a certain degree, it is perhaps not enough. The question remains...are agencies doing enough to educate their clients? And if not, this could be an opportunity area for some organizations to step into?

Best Practices for Digital Marketing

Best practices in digital marketing as noted in the study mirror some of the best practices in traditional marketing. However, there are a few additions to the list. Of note is the need to get permission (seven per cent) and the requirement to be customized and relevant (twelve per cent). All of the best practices mentioned by Canadian marketers fall under the mantra of knowing who to target, knowing what to say, establishing metrics to measure success, and executing in an ethical fashion.

Digital marketing presents an increasingly complex arena and the perceptions of digital marketing are diverse. While Canadian marketers appear cautious on the outset, they are eager to learn and explore the opportunities presented in this new digital world. What they require is a confident and competent guide to help show them the way.

**The data contained in this article is based on the findings of a joint CMA and Ipsos Reid online study fielded from 08/14 to 09/08, 2008 among CMA Members/Marketing Magazine subscribers. This online survey of 228 marketers and Advertising agency staff is not based on a quota sample and hence the respondents' demographic profile may not be exactly reflective of the overall CMA membership.*

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Information

For more information about this topic and researching the digital marketing landscape, contact:

Steve Levy

President,
Market Research Eastern Canada
Ipsos Reid Corporation
416.572.4494
steve.levy@ipsos.com



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