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# SAMPLE: Marketing Budgets 2010: Effectiveness, Measurement and Allocation Report

In association with ExactTarget

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# SAMPLE: Marketing Budgets 2010: Effectiveness, Measurement and Allocation Report

ExactTarget®



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# 1. Executive Summary

The **Econsultancy / ExactTarget Marketing Budgets 2010 Report** is based on a survey of more than 1,000 company and agency marketers carried out in December 2009 and January 2010.

The report covers **effectiveness, measurement and allocation** of budgets, and looks at differences between “traditional” and digital marketing investment. It also compares different online and offline channels individually, in terms of where companies are investing and the ability to measure ROI.

The majority of the respondents are based in the US (45%) or UK (33%) but the survey is global.

## Other key findings

- Just under half (46%) of companies say they are planning to *increase* their *overall marketing budget*, and a further 42% say they are planning to *keep this budget the same* as it was in 2009. Only 13% say they are planning to *decrease* overall marketing budget.
- According to company respondents, the biggest barrier to digital marketing investment is *restricted budget for all types of marketing*, cited as a factor by 40% of company respondents. But according to agency respondents, *lack of understanding about digital* is the biggest impediment. Just under half of supply-side respondents cite this as the biggest problem.
- The majority of companies (61%) claim to have a good understanding of digital marketing return on investment, with 22% saying their grasp of this is “*very good*” and 39% saying it is “*good*”.

## 1.1. Further Econsultancy reading

### Other related Econsultancy reports and content

#### Customer Engagement Report 2010

<http://econsultancy.com/reports/customer-engagement-report>

#### Social Media and Online PR Report

<http://econsultancy.com/reports/social-media-and-online-pr-report>

#### Online Lead Generation Report (B2C)

<http://econsultancy.com/reports/online-lead-generation-report>

#### Conversion Report

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## 2. Introduction by ExactTarget

The Marketing Budgets 2010: Effectiveness, Measurement and Allocation Report was born out of a conversation where members of the Econsultancy and ExactTarget research teams discussed the velocity of change in marketing. To better understand this change, we elected to look at the budgeting process based on the belief that marketers vote with their wallets.

As we look to the year ahead, this report offers critical insight into the ways marketers are measuring the effectiveness of their programs. Moreover, it tells us *how* the measures used by marketers impact budget allocation.

### 2.1. About Econsultancy

Econsultancy is a [digital publishing and training group](#) that is used by more than 200,000 internet professionals every month.

The company publishes [practical and time-saving research](#) to help marketers make better decisions about the digital environment, build business cases, find the best suppliers, look smart in meetings and accelerate their careers.

Econsultancy has offices in New York and London, and hosts more than [100 events](#) every year in the US and UK. Many of the world's most famous brands use Econsultancy to [educate and train](#) their staff. Some of Econsultancy's members include: Google, Yahoo, Dell, BBC, BT, Shell, Vodafone, Virgin Atlantic, Barclays, Deloitte, T-Mobile and Estée Lauder.

[Join Econsultancy](#) today to learn what's happening in digital marketing – and what works.

Call us to find out more on +44 (0)20 7269 1450 (London) or +1 212 699 3626 (New York). You can also [contact us online](#).

### 2.2. About ExactTarget

ExactTarget is a leading global provider of on-demand email marketing and one-to-one marketing solutions. The company's software as a service technology provides organisations a single platform to connect with customers via email, SMS text messaging, voice messaging, social media and landing pages.

Supported by collaborative global services teams, ExactTarget's technology integrates with more sales and marketing information systems than any other in the industry, including Salesforce.com, Microsoft Dynamics CRM, Omniture and Webtrends, among many others.

ExactTarget's software powers permission-based multi-channel communications for thousands of organisations around the world including Expedia.com, Aurora Fashions, Papa John's, Sun Microsystems, Value Retail, World Society for Protection of Animals and Gulf Air.

For more information, visit [www.exacttarget.co.uk](http://www.exacttarget.co.uk)

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# 3. Methodology and Sample

## 3.1. Methodology

The **Econsultancy / ExactTarget Marketing Budgets 2010 Report** is based on a survey of more than 1,000 client-side marketers and agency respondents.

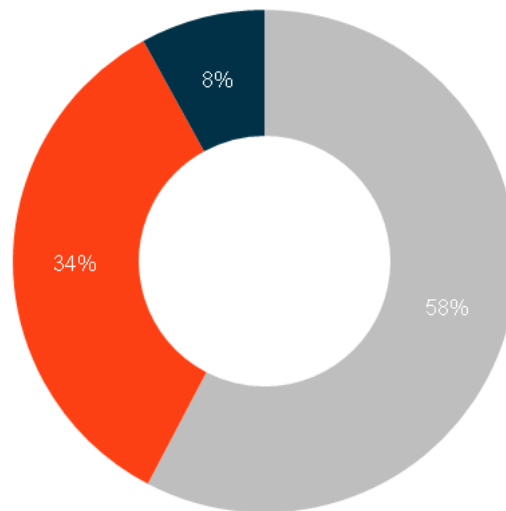
Information about the online survey was emailed to Econsultancy's user base and promoted online via Twitter and other channels during December 2009 and January 2010. The survey was also publicised to ExactTarget's database of marketers.

The incentive for taking part was access to a complimentary copy of this report just before its publication on the Econsultancy website.

Econsultancy and ExactTarget, the research sponsor, would like to thank those who took the time to complete the questionnaire. If you have any questions about the research and methodology, please email Econsultancy's Research Director, Linus Gregoriadis ([Linus@econsultancy.com](mailto:Linus@econsultancy.com)).

### 3.1.1. Respondents

Figure 1: Which of the following most accurately describes your job role?



■ Client-side professional / marketer ■ Agency or vendor employee (supply-side) ■ Other

Number of respondents: 1,123

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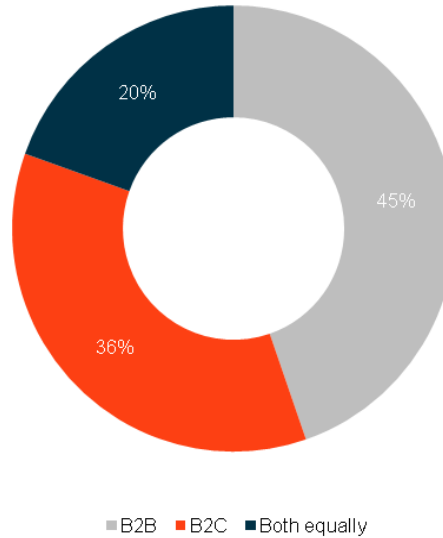
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### 3.1.2. B2B or B2C?

Figure 7 shows the split of responding companies, according to whether they are business-to-business or business-to-consumer focused.

Figure 2: Is your business focused more on B2B or B2C?



Number of respondents: 610

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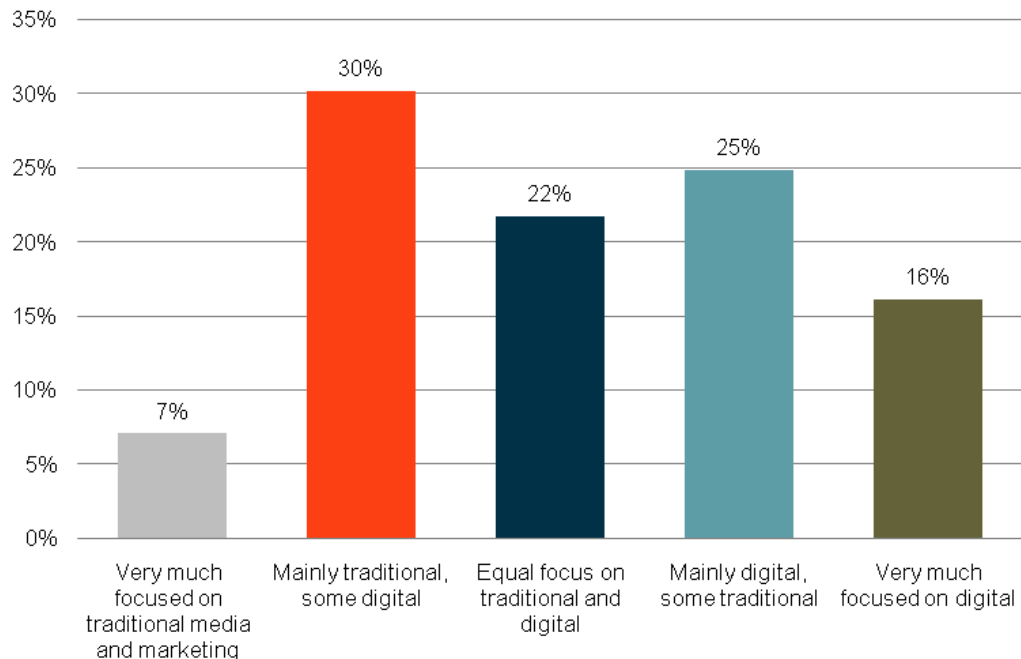
<http://econsultancy.com/reports/marketing-budgets-2010>



## 4.1.2 Reliance on traditional or digital marketing?

Companies

Figure 3: To what extent does your company's marketing and advertising rely on traditional (offline) media versus digital marketing?



Number of respondents: 614

## 4.2.8 What is preventing understanding of ROI?

In an open-ended question, respondents were asked to explain what was preventing them from understanding return on investment. Three main themes emerge:

- **Lack of knowledge about digital marketing among senior marketers**

A common gripe is that senior managers don't understand digital marketing and therefore fail to allocate sufficient resources for using online channels and measuring them effectively. There can be a lack of appreciation of the potential to collect and analyse data, combined with a failure to grasp the relevance and power of digital marketing.

### What is preventing you from understanding your ROI from digital marketing?

"We're just beginning to migrate and integrate our marketing online, but we have a huge skills and understanding gap in our company that we need to address. With the last year being tough financially, training and investment have been cut."

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