



ANA and 4A's Study Shows Marketers Face Internal and External Challenges Integrating Traditional and Digital Media

Advertisers cite lack of metrics and internal lack of understanding as biggest challenges; Agencies cite client's lack of awareness about customer's use of digital media as top challenge

New York, NY – April 23, 2009— Previous industry research indicated that marketers and agencies struggled to integrate marketing, particularly across the broad array of new and emerging media. To build on those findings, a new study was conducted to specifically address the integration of traditional and digital media. This research involved 294 marketers conducted by the ANA (Association of National Advertisers) and the 4A's (American Association of Advertising Agencies), in partnership with Bellwether Leadership Research & Development. It indicates that marketers and agencies are facing challenges both within their own organizations, and with their partners, during the integration process. The majority of client-side marketers (59 percent) are satisfied with their company's progress with the integration of digital media (Internet, mobile, widgets, social media) and traditional media (TV, radio, print). However, the greatest challenge for marketers is the lack of metrics to properly allocate the mix of traditional and digital media. On the agency side, the key finding and frustration is that clients do not understand how customers use digital media.

These findings are consistent with the [Marketing & Media Ecosystem 2010](#) survey conducted jointly by the ANA, IAB (Interactive Advertising Bureau), 4 A's and Booz Allen Hamilton in 2007. At that time, over ninety percent of respondents indicated they planned to increase marketing spend in digital. Yet many identified significant barriers including: insufficient metrics (62 percent), lack of organization support (51 percent) or lack of experience (59 percent) in the new media.

This more recent survey exposes additional challenges marketers are facing as digital media becomes more pervasive.

The Client Perspective

In addition to the lack of metrics, client-side marketers identified existing internal issues, which, listed in descending order from greatest to smallest challenge, are:

- Key people at company (including senior management) lack understanding of digital media
- Reluctance to move funds from "tried-and-true" practices of the past
- Internal organizational silos impede a focused enterprise-wide approach

The Agency Perspective

The top two agency challenges for integrating digital media into larger scale marketing programs were client-related and are:

- A lack of client awareness about the benefits of developing a more integrated approach
- A lack of client cooperation across their operating/divisional channels.

Meanwhile, agencies feel that their internal issues, including a lack of digital expertise, the company's operating structure and agency politics, are less of a challenge for integrating digital media.

The Suggested Solutions

Both advertisers and agencies had similar advice for integrating traditional and digital media:

- Become as educated as possible on new/digital media
- Set clear goals and understand business objectives up front
- Understand your consumer
- Be willing to test and learn

- Integrate digital and traditional media
- Commit to metrics and analytics

“To effectively utilize digital media, and promote its integration with traditional media, marketers and advertisers must overcome the two obstacles that continuously arise: education and measurement,” said Bob Liodice, President and CEO of the ANA. “Only once the industry takes steps to become savvy, will integrated marketers be able to fully embrace all that advertising today can offer a brand.”

“Marketers must use the full range of effective media choices to their best competitive advantage,” added Nancy Hill, President and CEO of the 4A’s. “Effective media strategy isn’t one-size-fits-all. The very best media strategies take into account the opportunities inherent in all channels, and agencies and clients alike need to work together to educate internal and external constituents to demonstrate the value of well-thought-out multi-channel approaches.”

This survey was conducted in the first quarter 2009, in partnership with Bellwether Leadership Research & Development. Google sponsored Bellwether’s involvement. Both ANA and 4A’s members were surveyed.

ABOUT THE ANA

The Association of National Advertisers leads the marketing community by providing its members with insights, collaboration, and advocacy. ANA’s membership includes 400 companies with 9,000 brands that collectively spend over \$250 billion in marketing communications and advertising. The ANA strives to communicate marketing best practices, lead industry initiatives, influence industry practices, manage industry affairs, and advance, promote, and protect all advertisers and marketers.

For more information, visit www.ana.net

ABOUT THE 4A’s

The American Association of Advertising Agencies is the national trade association of the advertising agency business. The 1,196 member agency offices it serves in the U.S. employ 65,000 people, offer a wide range of marketing communications services, and place 80 percent of all national advertising. The management-oriented association helps its members build their businesses, and acts as the industry’s spokesman with government, media, and the public sector. For more information, visit www.aaaa.org.

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