

INSIGHT  
SERIES

# Digital Marketing Manager Census 2016

**Marin**  
SOFTWARE





## Foreword from John McNulty, Head of Global Marketing, Marin Software

It's my pleasure to welcome you to our second annual digital marketing managers (DMMs) survey.

The UK is a hugely important market to Marin. Earlier this year, Ofcom research showed that UK consumers are spending twice as much time online compared to 10 years ago, fuelled by increasing use of tablets and smartphones.

As a result, the UK's digital marketing industry is particularly well developed, with almost half of the UK's £16bn advertising spend going online. It's also a market where we see a huge amount of innovation from digital marketing managers.

Yet, despite the overall growth in UK digital marketing spend over the past year, this year's census paints a picture of digital marketers feeling frustrated by a spending gap. The perception is that many companies are still not giving their digital teams the resources they require.

The proliferation of new digital channels and devices has also left the industry racing to catch up in terms of cross-department integration and the acquisition of technical skills, especially around mobile, to drive cross-channel campaigns.

At Marin, we're working hard to support DMMs with products that take the complexity out of their jobs and help them do more with less.

As always, our hope in releasing this research is that it will stimulate debate and reassure digital marketers that their peers share some of the pain they might be feeling!

We'd love to hear what you think of the results. If you'd like to learn more about how we're helping digital marketers break down organisational silos, please do get in touch.

John McNulty

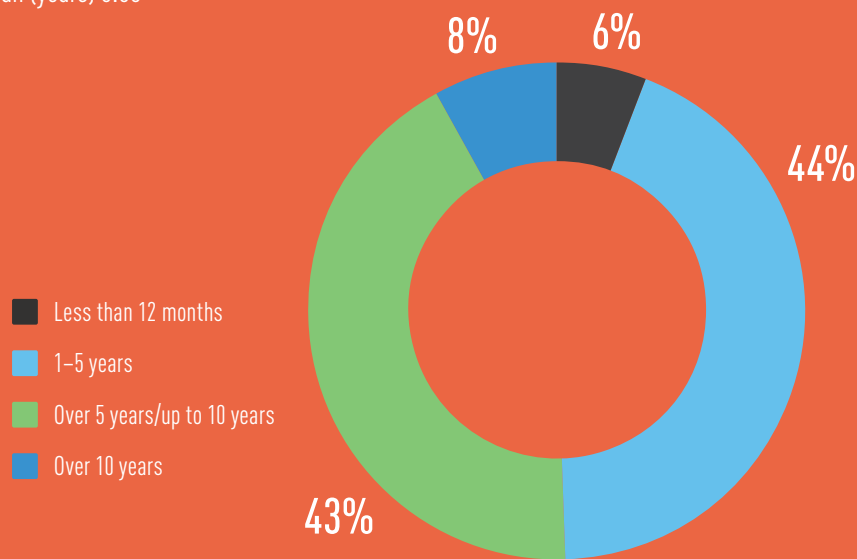
## About the census

Marin Software commissioned independent market research company Census-wide to survey 200 UK digital marketing managers in October 2015. The respondents all work in companies with an annual turnover of at least £20 million.

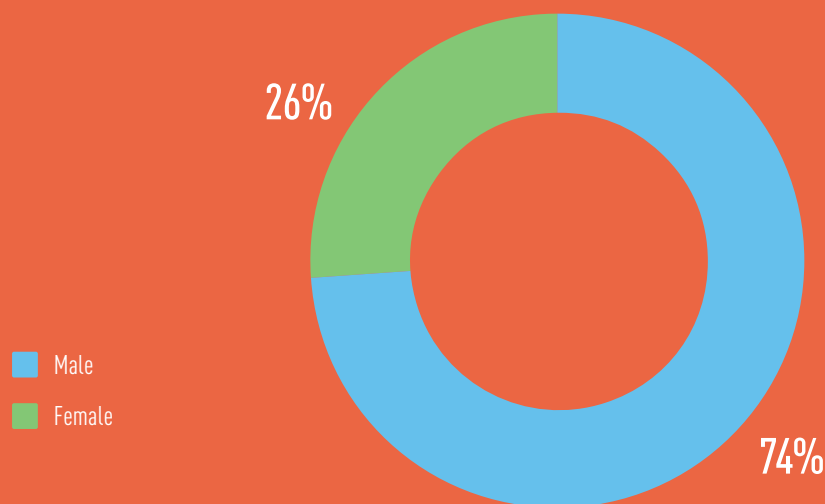
## About the respondents

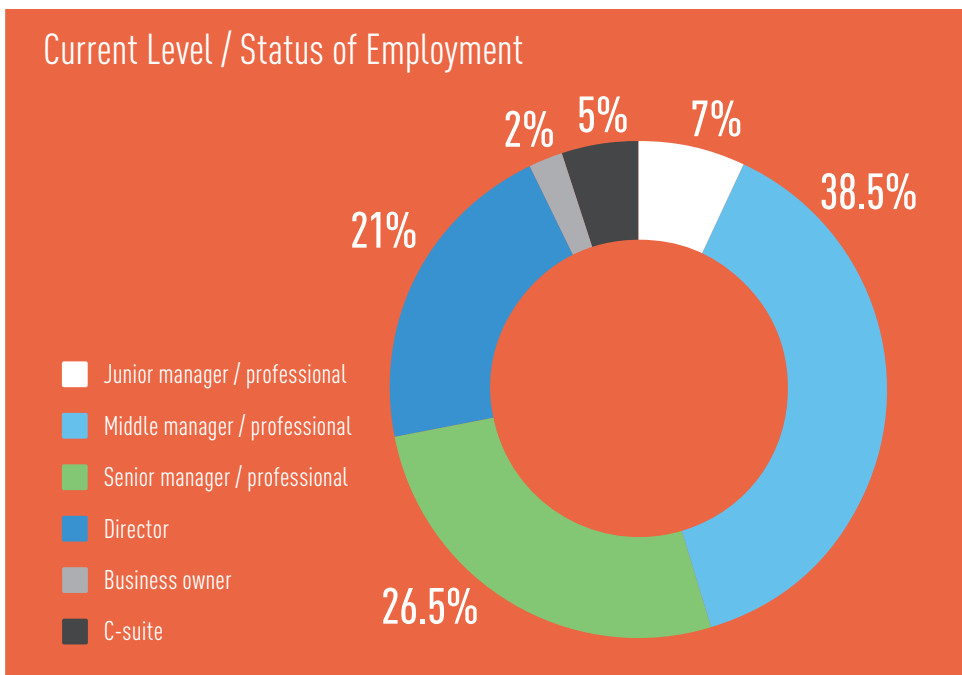
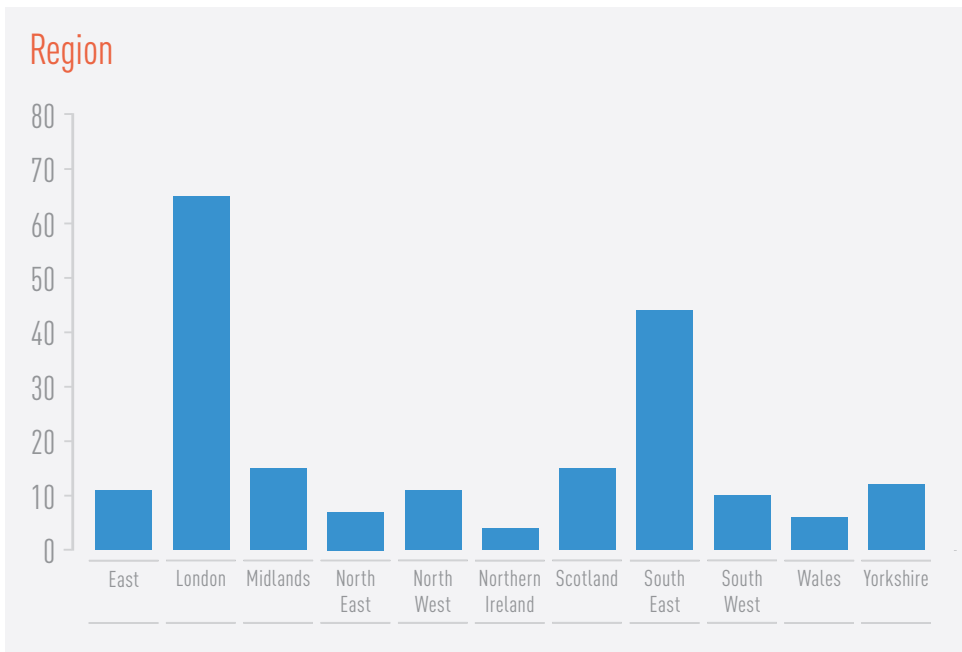
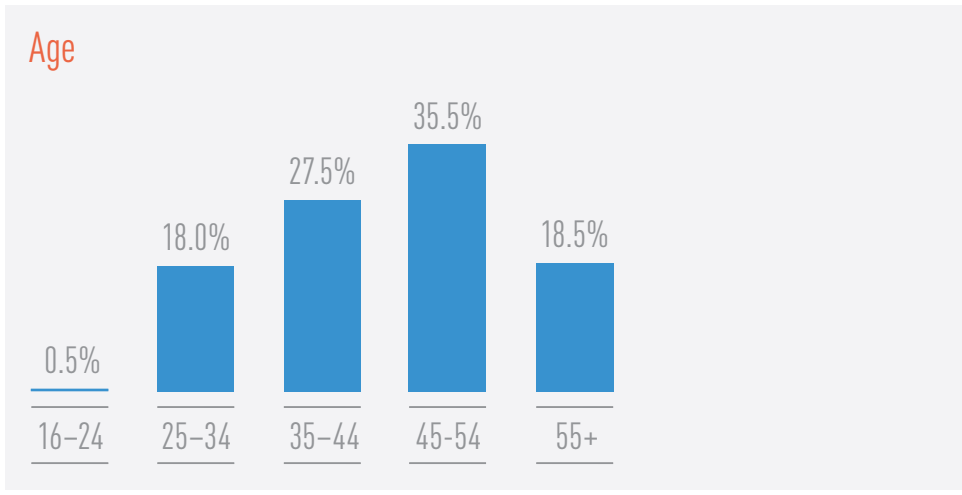
### Time Spent Working in the Digital Marketing Industry

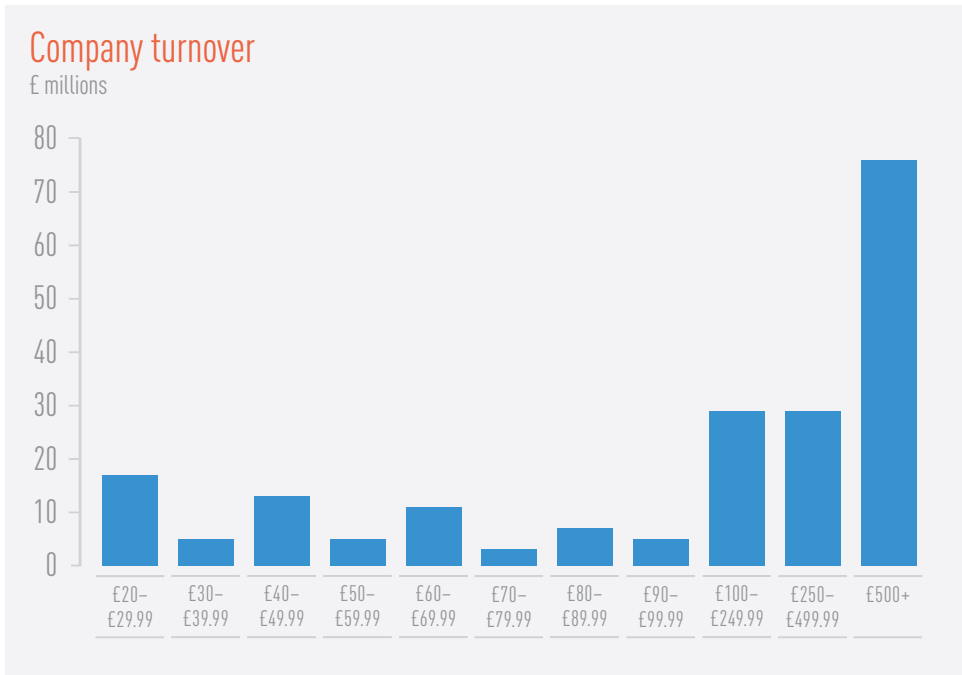
Mean (years) 5.83



### Gender







## Increased spend = increased complexity

According to the latest IAB digital spend figures, digital advertising in the UK was worth £3.975 billion in H1 2015, up 13.4% on a like for like basis from £3.507 billion in H1 2014. Our DMM respondents are in the front line in managing this, and the census reveals that nearly three quarters (73%) believe their job has become more complicated in the last 12 months, a slight increase on 2014.

Which of the following best describes how your job has evolved in the last 12 months?

My job has become more complicated

73%

2015

72%

2014

## Digital spending gap

Yet, the increase in spend has not gone far enough according to our respondents. **61% of said more money should be shifted from offline marketing** to digital marketing, up 27% from 2014. Just 35% think their organisation has the right balance between on and offline spend.

### Compared to digital/online marketing, do you think offline marketing receives a higher share of budget, relative to the returns delivered to the business?

Yes. We should shift a little more offline spend to digital to deliver better returns for the business.	41%
No. We have the balance about right.	35%
Yes. We should shift much more offline spend to digital to deliver better returns for the business.	20%
No. We should shift more budget from digital/online marketing to offline marketing to deliver better returns for the business.	4%

A wider look at how advertising spend compares to media consumption patterns in the UK seems to suggest they have a point. The latest figures show 49% of all UK adult media consumption is via digital channels, yet just 46% of the UK's £15.7bn total annual ad spend goes on digital.

### UK media consumption vs. advertising spend

	Average time spent per day – UK adults <sup>1</sup> (mins)	Share of total media time	Ad spend (£m) <sup>2</sup>	Share of total ad spend	Difference between ad spend and media time
Digital	279	49%	7,223	46%	- 3%
TV	192	34%	4,911	31%	- 3%
Radio	83	14%	575	4%	-10%
Print (national, regional and magazines)	19	3%	2,961	19%	+16%
Total	573		15,670		

Sources: eMarketer, UK Media Consumption Report, April 2015 and Advertising Association/Warc Expenditure Report, October 2015.

The gap is even more pronounced when it comes to mobile (smartphones and tablets). The average time spent per day on mobile is 146 minutes, or 25% of all media consumption. Yet mobile ad spend at £1,625m is only 10% of all ad spend. And, the amount of time UK adults spend daily with mobile devices is expected to surpass the amount of time spent online via desktop and laptop computers this year.

## Lack of senior marketer digital buy-in

The respondents suggested part of the reason for the digital spending gap was a lack of digital understanding from marketing leaders. 39% of respondents said their most senior marketer tended to “say it’s important but not understand it fully” when it came to digital. And 62% of respondents said their most senior marketer didn’t allocate sufficient resources to digital.

Thinking about the most senior marketer in your organisation (e.g. Chief Marketing Officer or Marketing Director), in your opinion, which of the following best describes their understanding of digital marketing?

Response	#	%
They say it’s important but don’t understand it fully or invest sufficient resources to digital	78	39.0%
They totally understand the importance of digital marketing and support our work with sufficient budget and resource	69	34.5%
They have some understanding of digital marketing but don’t invest sufficient resources in it	39	19.5%
They have very little understanding of digital marketing and don’t invest enough budget/resources to digital	7	3.5%
None of the above	7	3.5%

Companies who have a prominent senior marketer who fully understands digital could stand to benefit when it comes to attracting top talent. 85% of respondents said that if they were to move jobs, a recognisable senior “digital champion” would be a major draw for them.

Despite this, a slightly contradictory picture emerged when we asked our DMMs what skills they think CMOs need to be most effective. Digital skills appear relatively low down the list, including “Being data driven” (7th) and “technology orientated” (9th). This could, of course, reflect a sense that senior people need not necessarily understand the nuts and bolts of digital marketing, but should nonetheless resource specialist marketers further down the chain sufficiently.

Thinking about the most senior marketer in your organisation (e.g. Chief Marketing Officer or Marketing Director), which skills are the most important to them carrying out their job effectively?

Response	#	%
Customer-centric	97	48.5%
Creativity	76	38.0%
Financially literate	55	27.5%
Global viewpoint	51	25.5%
Clear storyteller	44	22.0%
Growth marketer	44	22.0%
Data driven	35	17.5%
Ace of all trades	27	13.5%
Technology orientated	22	11.0%
Detail driven	18	9.0%
Technical	16	8.0%
Design-focused	10	5.0%

## Mind the skills gap

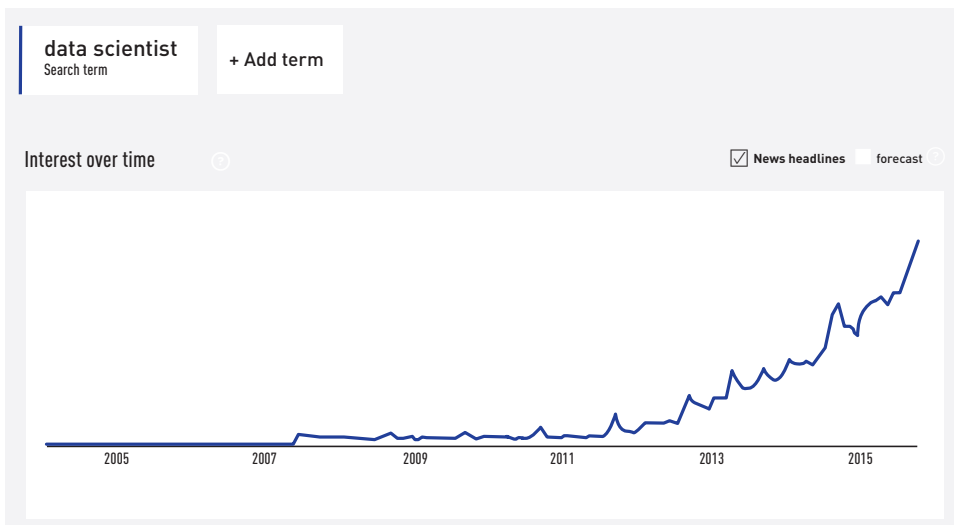
The continued lack of talent with the necessary technical skills to help companies compete in the digital marketing area remains a challenge. 66% said, "As a department we have struggled to access talent with the required tech skills over the last 12 months." The vast majority (59%) say they are planning on hiring in 2016, meaning the war for talent shows no sign of abating in 2016.

Based on your 2015 workload and results, do you think you will be looking to invest in hires in 2016?

Response	#	%
Yes, we plan on investing some budget on new hires in 2016	89	44.5%
No, there are no plans to invest in new roles in 2016	64	32.0%
Yes, we plan on investing significantly in new hires in 2016	28	14.0%
We have not decided whether we will be making more hires in 2016	19	9.5%



A cursory look at Google trends also shows that interest in specialist roles, such as data scientist, has never been higher.



## More joined-up working needed

Despite industry-wide calls for more joined-up working within marketing teams, much more still needs to be done.

**69% say online needs to be better integrated with offline marketing**, and almost two thirds (64%) say more needs to be done to integrate different digital marketing disciplines – such as paid search, social, SEO and display – with each other.

Digital/online marketing is not integrated with offline marketing at all	16%
Digital/online marketing is somewhat integrated with offline marketing but we need to do more	53%
Digital/online marketing is totally integrated with all other marketing areas	28%

Which of the following best describes the way different digital marketing disciplines (e.g. Paid Search, Social Media Advertising, SEO, Display etc.) are organised within your company?

Our digital/online marketing disciplines are not integrated with each other at all	11%
Our digital/online marketing disciplines are somewhat integrated with each other but we need to do more	53%
Our digital/online marketing disciplines are totally integrated with each other	30%



## Top five priorities in 2016

The priorities of DMMs have shifted over the last 12 months, pointing to an increasing desire to operate more effectively across channels in order to better reach the audiences which matter. The top priorities for 2016 are:

1. Campaigns based on deeper understanding of audiences (up one place from 2014)
2. Effective scaling of campaigns across social media channels (new entry in the top five)
3. Cross-channel digital marketing (up two places from last year)
4. Better integrating of online and offline marketing efforts (new entry in the top five)
5. Better integrating of digital marketing disciplines (down one place)

## Conclusion and forecast

This year's census reveals digital marketing managers feel much more could be achieved for their organisations if more money were switched from offline to online channels. Our own analysis shows there is undoubtedly a "digital spending gap," which is most pronounced when it comes to mobile.

That such a gap exists is perhaps not, in itself, surprising. People's media consumption patterns have been transformed in recent times and the pace of change has accelerated in recent years with the meteoric rise of mobile devices.

We expect the digital spending gap to close in the coming 12 months, particularly as many channels traditionally seen as "offline," such as TV, become increasingly digitised and are traded programmatically. Mobile ad spend is only going in one direction and we are expecting it to overtake desktop by end of 2015.

This year's census also reveals continuing frustrations about the lack of joined up thinking within marketing organisations. This is by no means a new problem – it was highlighted last year as well, though not to the same extent. Part of the solution to this has to be for more organisations to put audiences at the centre of their marketing strategies, rather than thinking in terms of separate channels and planning in silos.

Indeed, our respondents seem to recognise this: for the first time, the creation of campaigns based on deeper understanding of audiences is the number one priority for 2016 for most digital marketing managers. This is, of course, easier said than done. Whilst targeting your audience with a relevant message is at the heart of marketing, the online customer buying journey is increasingly complex. This means understanding and targeting audiences has become hugely challenging for

marketers looking to deliver a cohesive campaign experience to users across channels and devices.

At Marin, we're addressing this with our Audience Marketing Suite, which makes it possible for digital marketers to identify, create, and target their highest-value audiences across channels and devices for maximum conversions. We've also made it far simpler to synchronously create and target precise, powerful, and highly valuable audience segments based on buyer intent, and gain meaningful performance insights across your entire digital marketing program.

It will be fascinating to see, next year, how many digital marketing managers have been able to achieve their priorities. We wish every one of them the best of luck in doing so.

## About Marin Software

Marin Software Incorporated (NYSE: MRIN) provides a leading cross-channel performance advertising cloud for advertisers and agencies to measure, manage and optimise more than \$7.2 billion in annualised ad spend across the web and mobile devices. Offering an integrated SaaS platform for search, display and social advertising, Marin helps digital marketers improve financial performance, save time, and make better decisions. Advertisers use Marin to create, target, and convert precise audiences based on recent buying signals from users' search, social and display interactions. Headquartered in San Francisco with offices in 9 countries, Marin's technology automates advertising with the largest publishers around the globe. For more information about Marin's products, please visit <http://www.marinsoftware.com>.