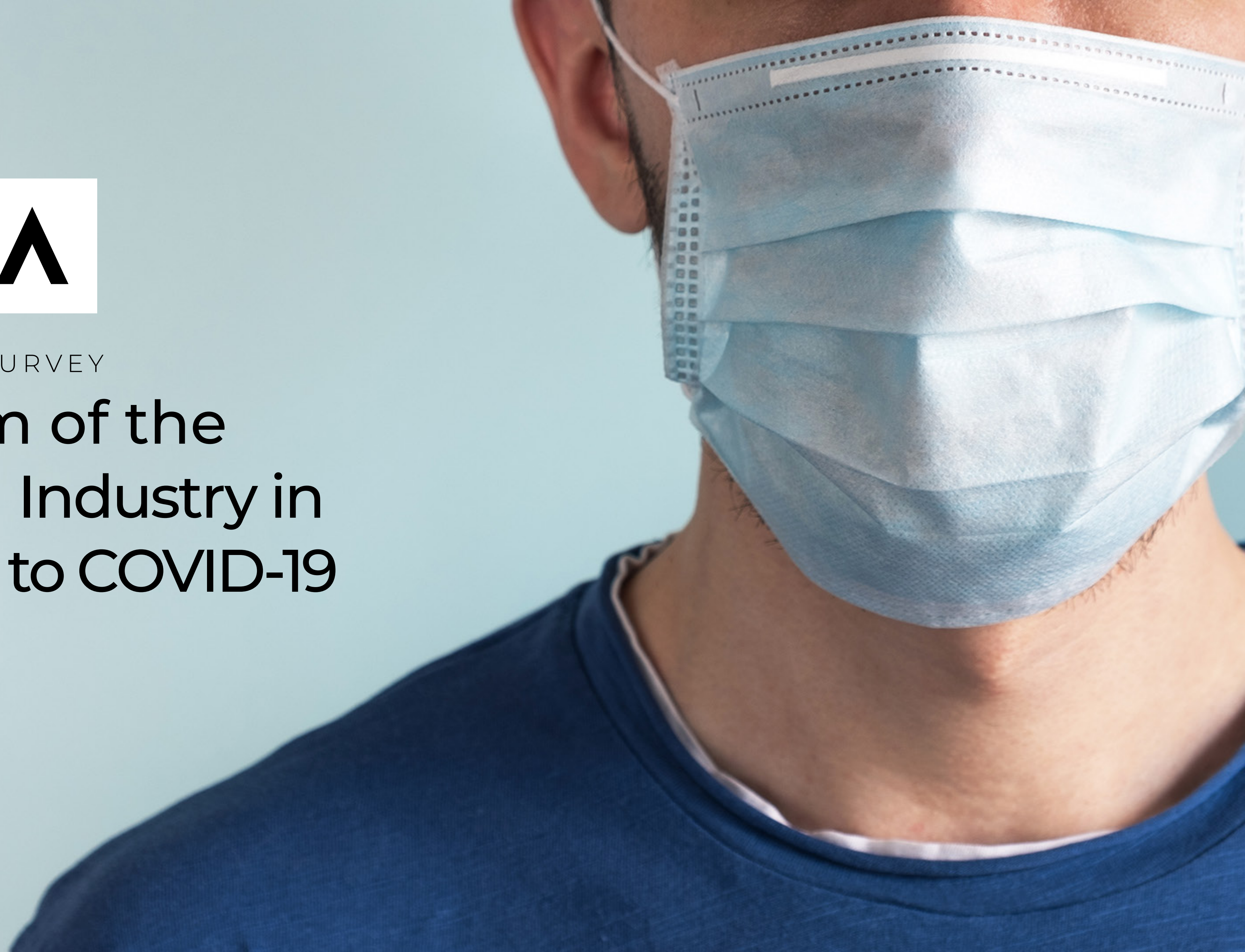




IAA & NIELSEN SURVEY

Transform of the MARCOM Industry in Response to COVID-19

July 2020



ABOUT THE SURVEY

- Purpose:
 - Understand the impact of COVID-19 on the Marcom industry
 - Gain insight into the projected 'new normal'
 - Gather ideas on how the IAA can help the industry going forward
- Specifications
 - # of Respondents: 286
 - Survey Period: 6/16/20 - 6/30/20

PROFILE OF SURVEY RESPONDENTS

Work at smaller organizations / groups

55% work at an organization with less than 100 people and 75% have less than 500 people

Business primarily located in Europe, followed by Asia

49% work at a business primarily located in Europe while 34% are located in Asia

Senior Business Leaders Roles

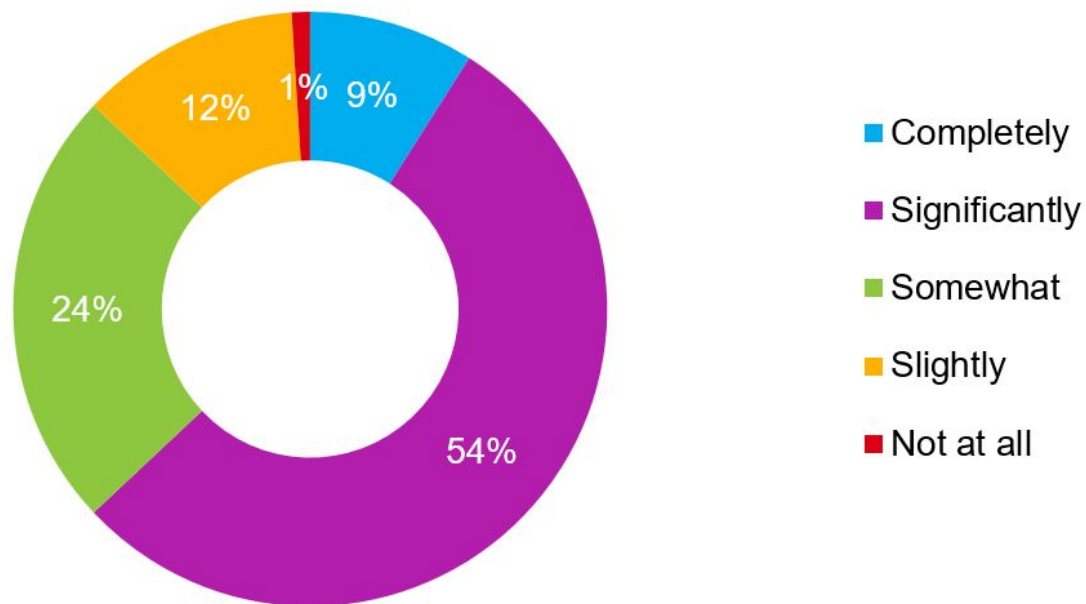
38% are in C-Suite roles, 20% are Directors, 14% Managers, 9% Directors on the Board

Agency or Advertisers/Marketers

33% are from Agencies and 24% are Advertisers/Marketers - coming from Tech/Telecom (16%), Automotive (13%) and a diverse spectrum of businesses

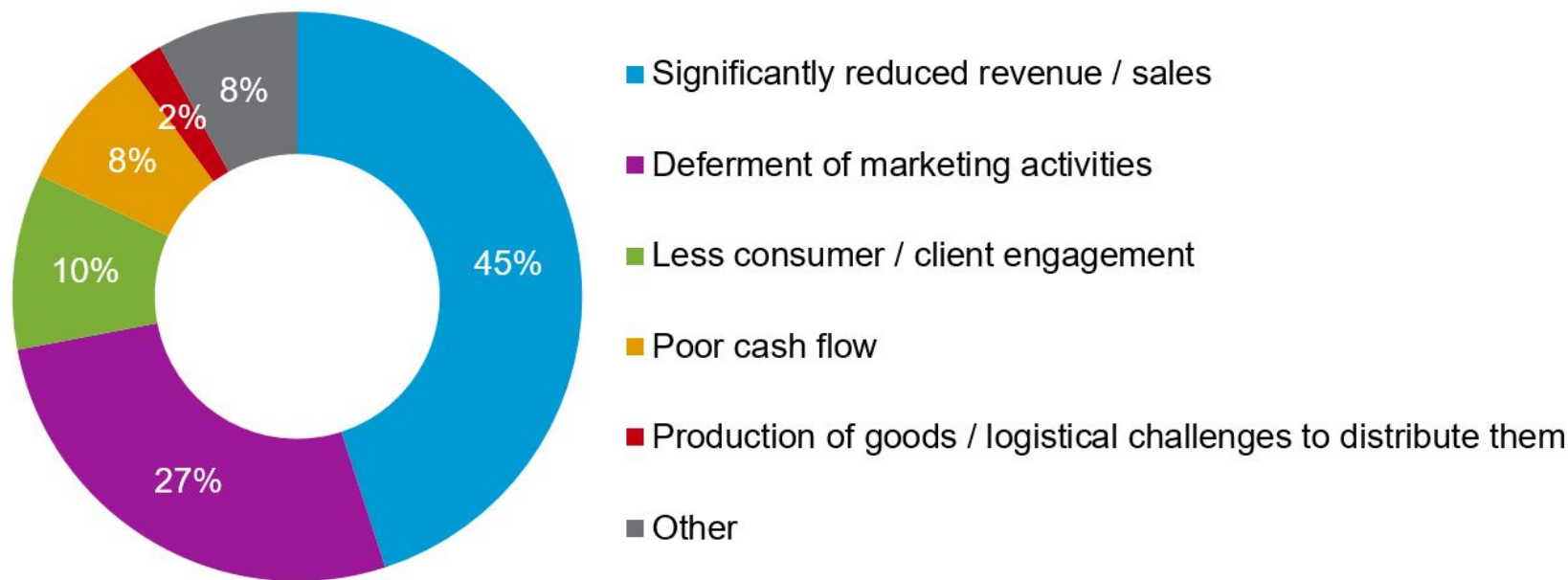
63% OF ORGANIZATIONS WERE HEAVILY IMPACTED BY COVID-19

To what extent has the COVID-19 pandemic impacted the way your organization operates?



REDUCED SALES IS THE BIGGEST ORGANIZATIONAL CHALLENGE

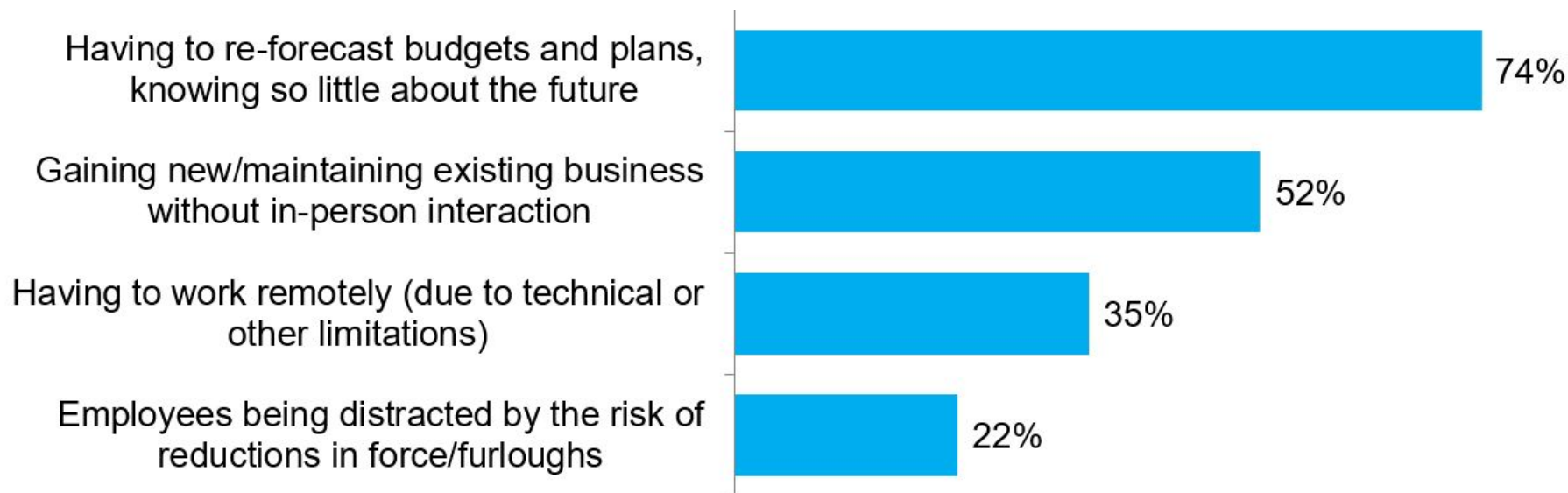
What is the biggest challenge that COVID-19 has presented to your bottom line?



Source: IAA Nielsen Survey

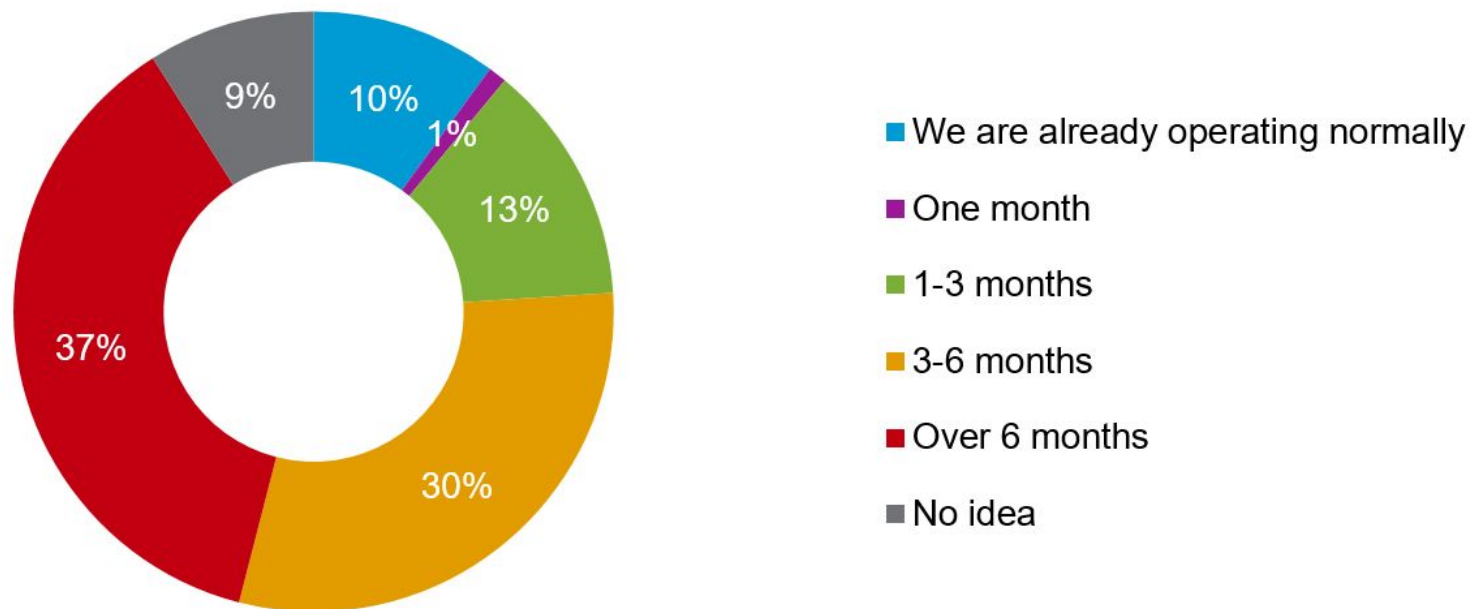
OPERATIONAL CHALLENGES INCLUDE RE-FORECASTING BUDGETS

Select all challenges that apply to your organization's ability to operate effectively right now?



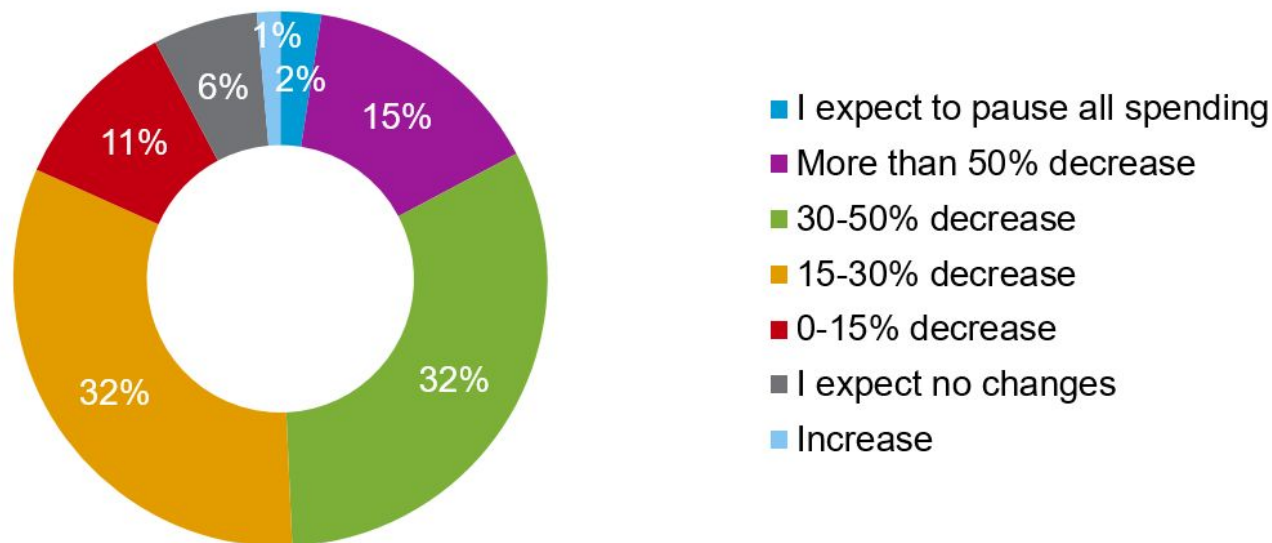
TWO-THIRDS THINK IT WILL TAKE 3+ MONTHS TO RETURN TO “NORMAL”

How long do you think it will take (from July 1, 2020) for your business to return to some sense of normalcy?



MAJORITY EXPECT MARKETING BUDGETS TO DECREASE BY 15-50% IN 2020

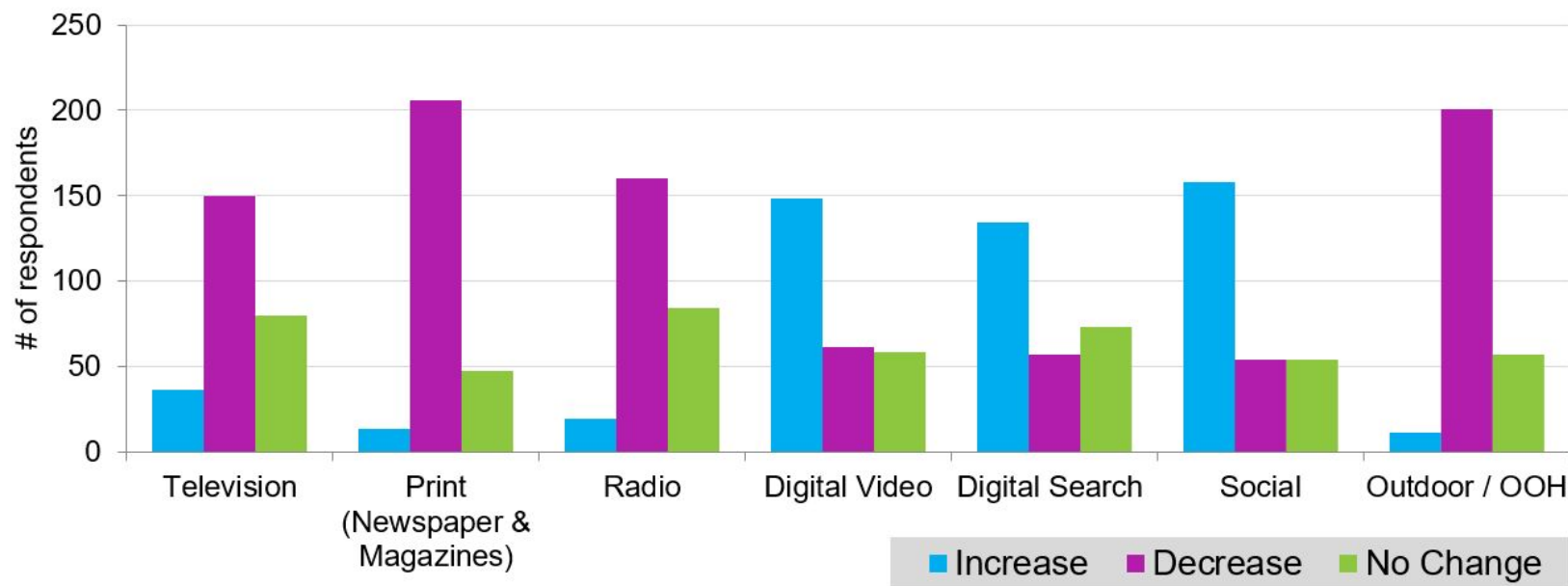
What changes do you expect in your and/or your Clients' marketing budget in the current year (2020)?



93% stated the pandemic has affecting marketing plans of their business/clients' business

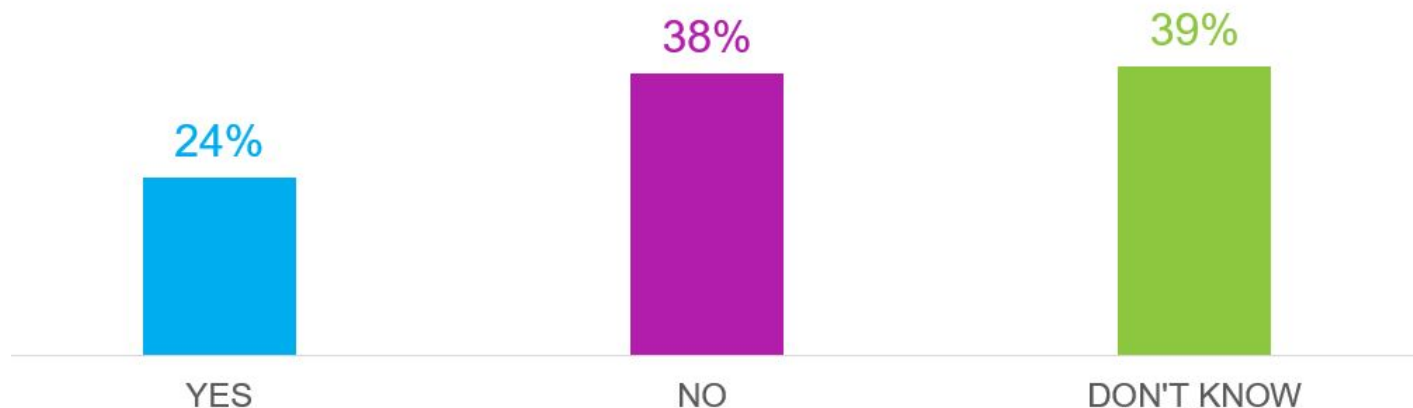
INTEND TO DECREASE TRADITIONAL MEDIA SPEND AND INCREASE DIGITAL SPEND

Indicate whether you or your Clients' organization plans to increase, decrease or make no change to this aspect of your media mix.



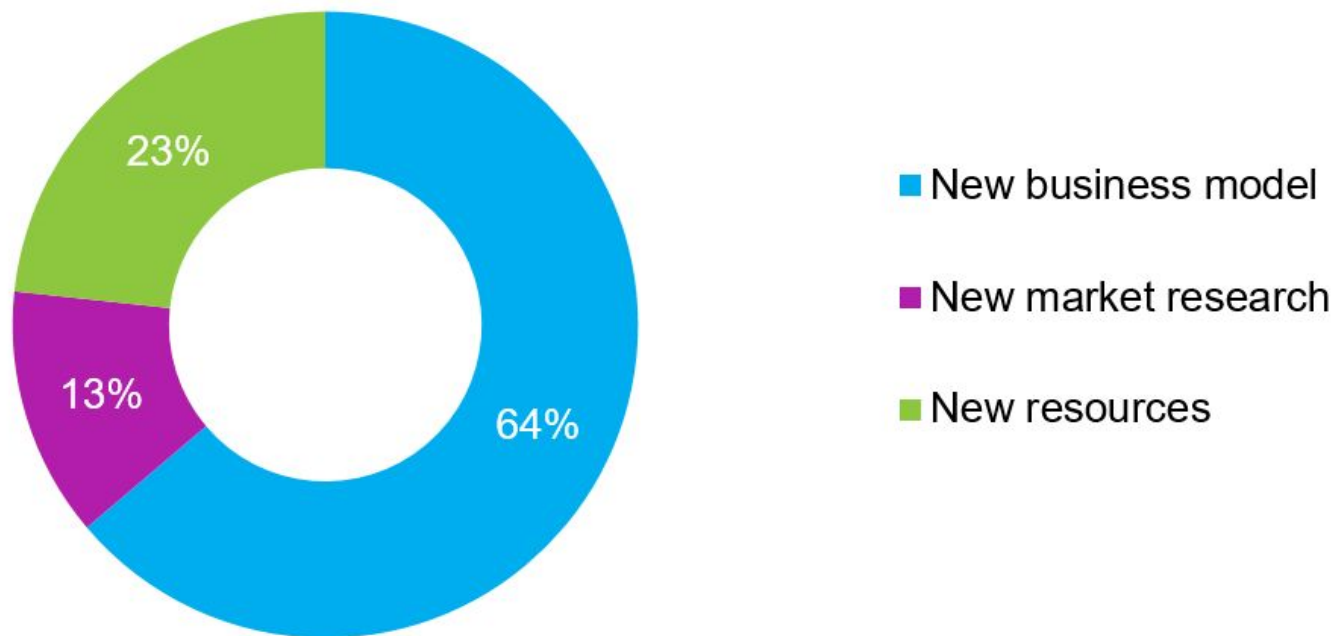
NEARLY 80% WILL NOT/DO NOT KNOW IF THEY WILL SPEND FUNDS FROM UNEXECUTED PROJECTS ON MARCOM ACTIVITIES

Are you/ your client planning to spend unexecuted projects' funds on other communication activities?



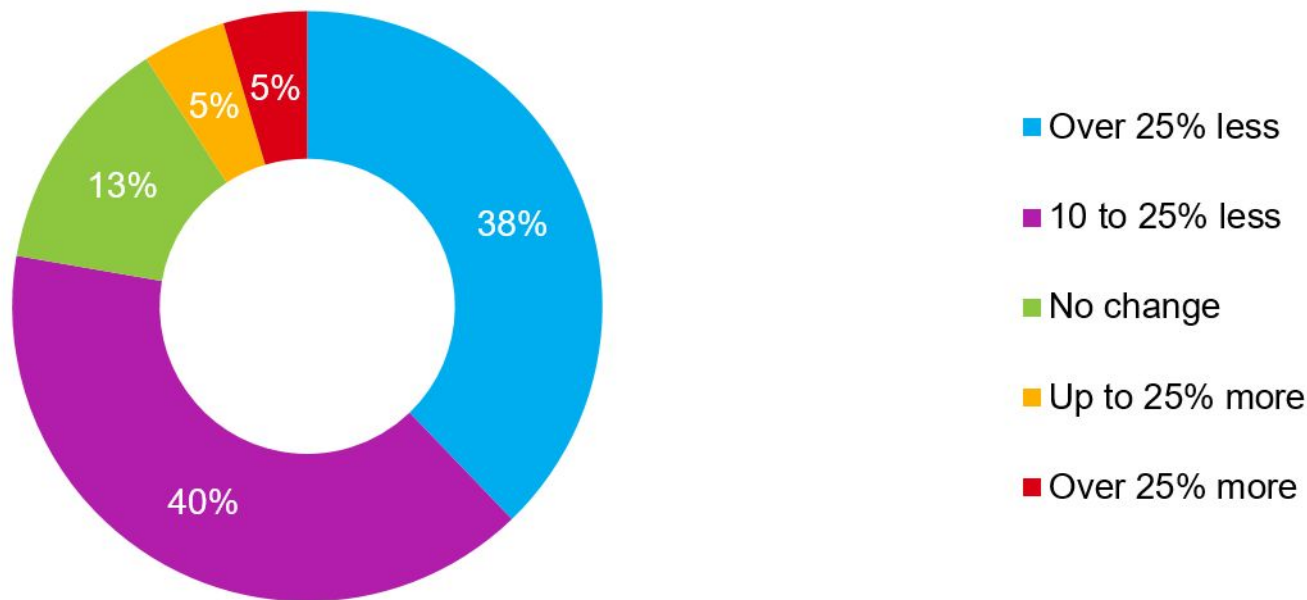
64% ARE LIKELY TO INVEST IN NEW BUSINESS MODEL TO TRANSFORM THEMSELVES

What other activities are you most likely to invest?



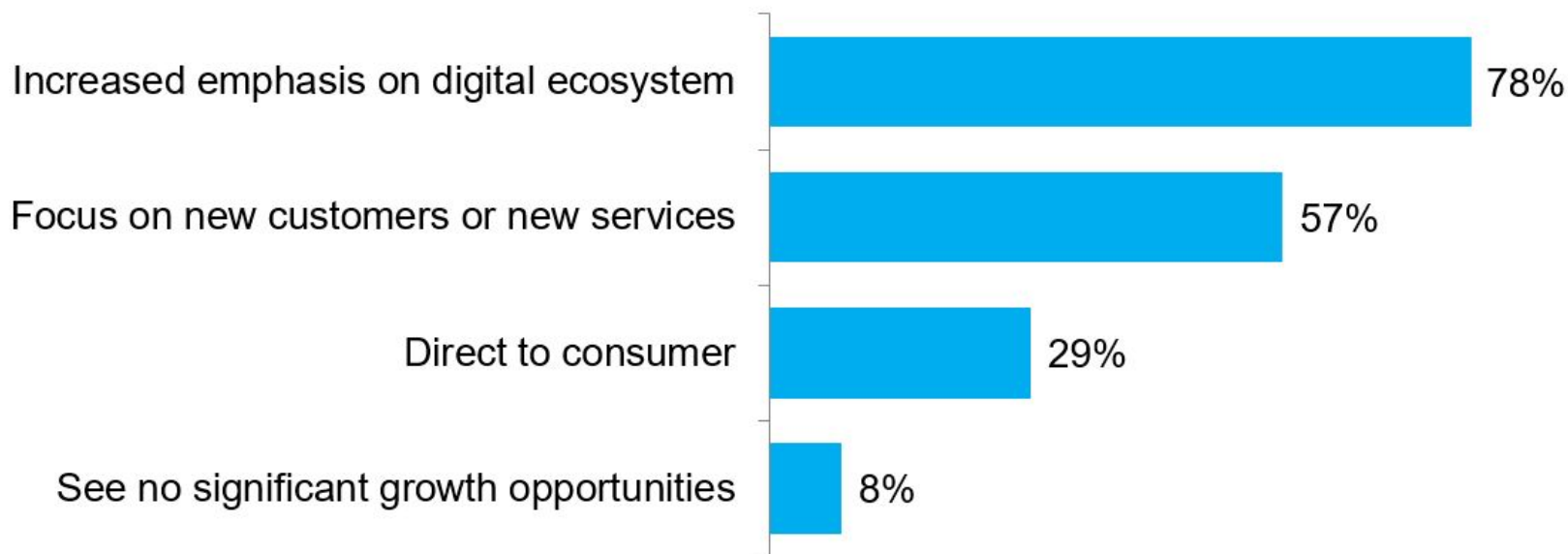
ALMOST 80% BELIEVE THEIR BUSINESS WILL SEE A 10% OR MORE REDUCTION IN REVENUE

Compared to your pre-crisis sales/revenue forecast, what is your revised forecast for 2020?



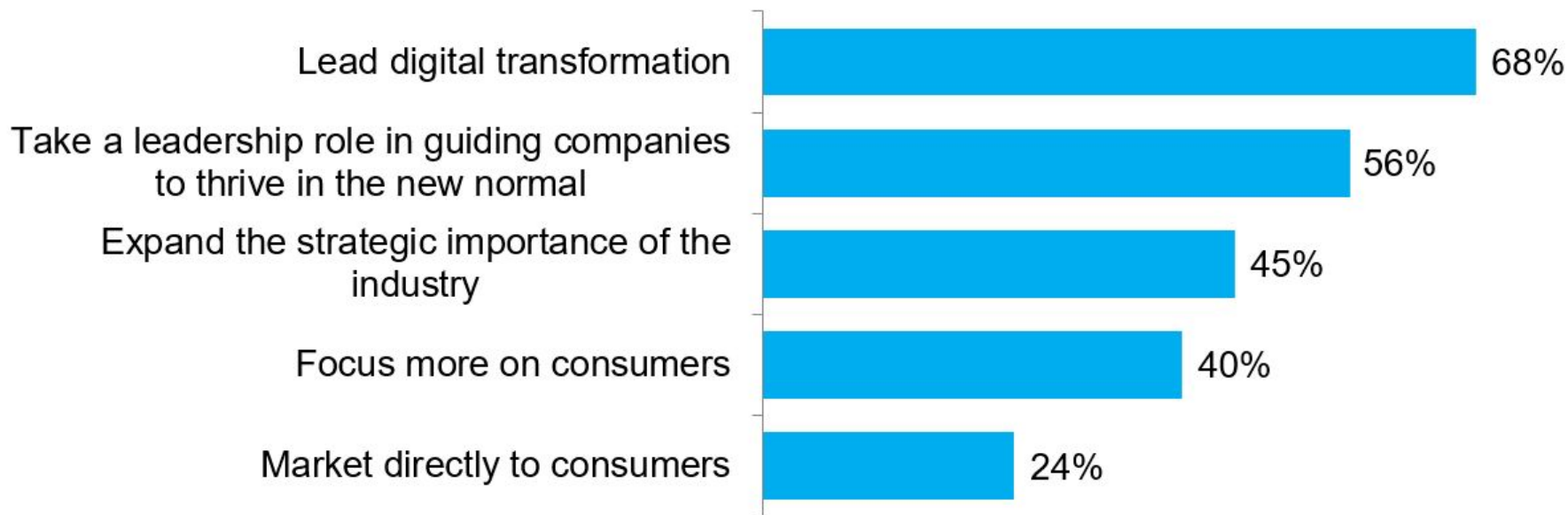
78% BELIEVE THERE IS A PRESSING NEED TO INCREASE EMPHASIS ON DIGITAL ECOSYSTEM

What do you see as the biggest new market opportunities for growth post-crisis?



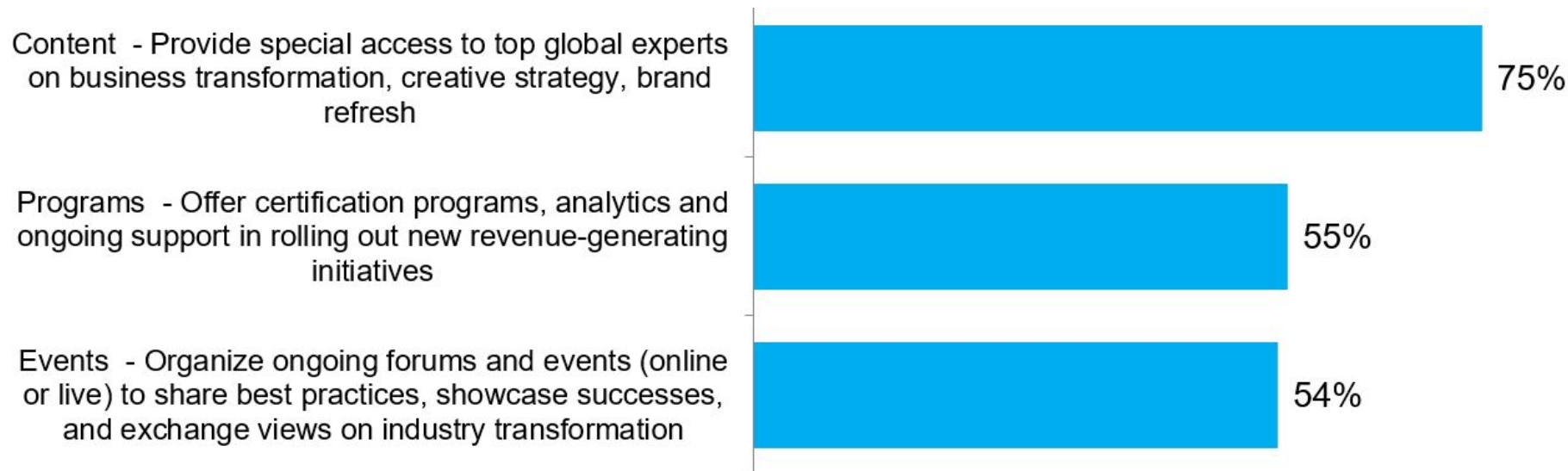
56% FEEL THE MARCOM INDUSTRY NEEDS TO GUIDE COMPANIES TO THRIVE POST COVID

In what ways can the MARCOM industry best turn the crisis into opportunity?



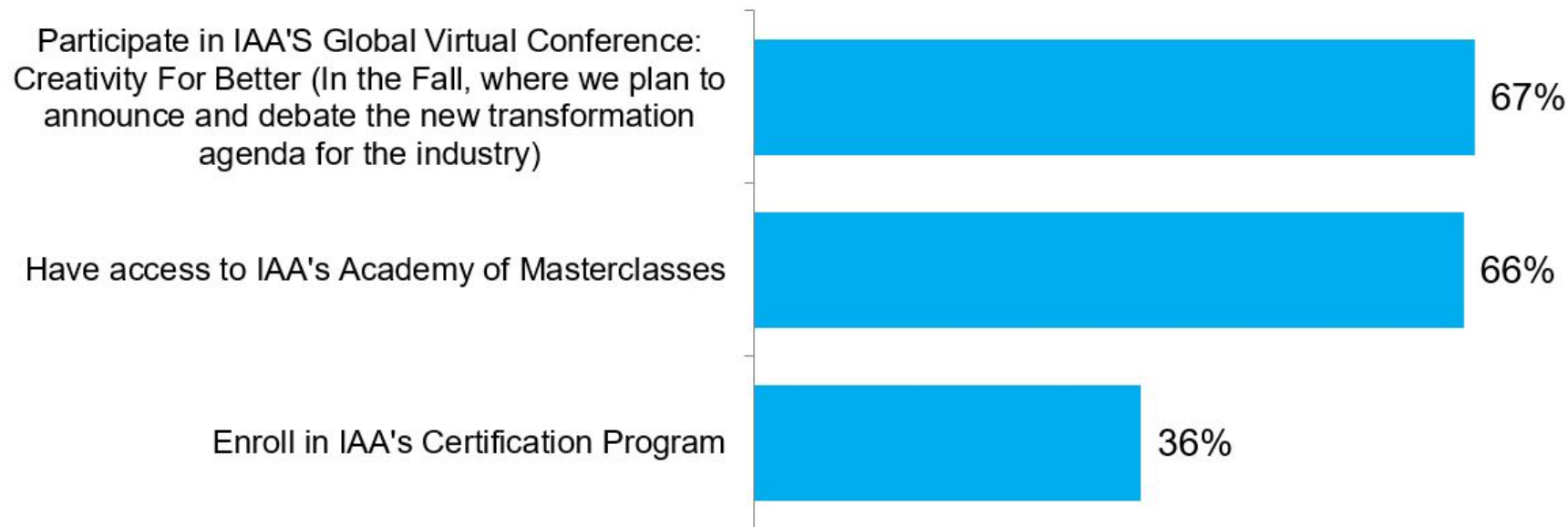
75% WOULD LIKE THE IAA TO PROVIDE ACCESS TO CONTENT INVOLVING TOP GLOBAL EXPERTS

Select all types of support you would like from the IAA to enable your firm to offer strategic guidance in your market.



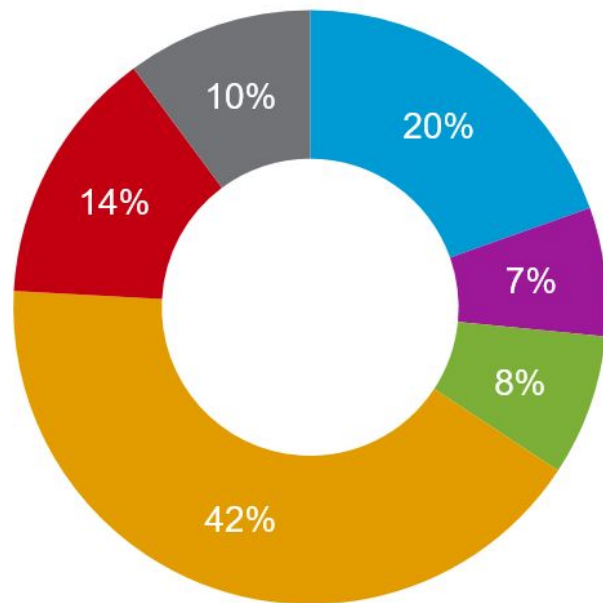
TWO-THIRDS WOULD WANT TO PARTICIPATE IN IAA'S GLOBAL VIRTUAL CONFERENCE

IAA is considering to roll out a premier, post COVID-19 thought leadership platform with the following elements. Check all that appeal to you.



42% WOULD ATTEND TRADE SHOWS IF THEY WERE FREE OF COST

If Trade Shows/Conferences were operating – in person or virtually – would you attend?



- Yes, I would attend in person OR virtually on payment
- Yes, I would attend in person on payment
- Yes, I would attend virtually on payment
- Yes, I would attend these if free of cost
- No, I do not intend to spend money/time on trade shows in the foreseeable future.
- Don't know

IAA MEMBERS ARE PLAYING THEIR PART

56%

of respondents state their business is involved with social projects aimed at curbing the spread of COVID-19 pandemic

WHAT ADDITIONAL LEADERSHIP STEPS CAN THE IAA TAKE IN THESE TURBULENT TIMES?

Summary of verbatims from survey

- Be inspirational thought leaders in the MARCOM industry through education, information exchange, events, industry trends, strategic guidance, data sharing and training
- Be that global compass and also provide tangible tactics for driving business forward
- Go deep into the local area and serve all markets with international resources
- Provide strategic guidance to companies at all levels

