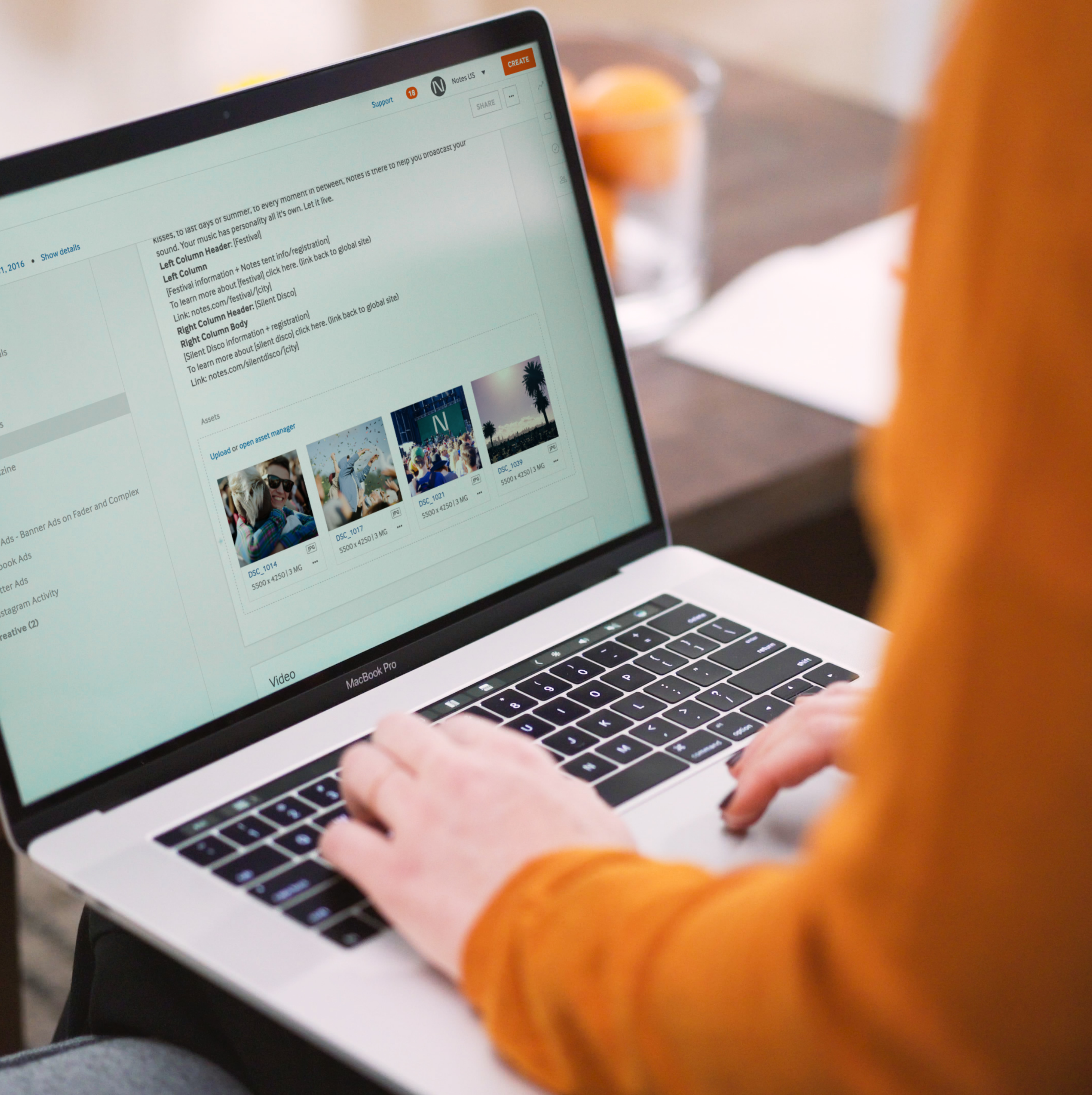


50 Most Important Marketing Charts for 2017



Inside this collection

Each year, we look back and analyze the most critical global trends that are changing the way marketers think and work. We also look ahead and connect these trends to how marketing will evolve in the coming year. This year, we're highlighting trends in advertising, mobile, AI, and more that will shape how marketing organizations strategize and operate in 2017. These include:

- The growing importance of video content for engagement on social
- The decline of loyalty as the gold standard for brand growth
- AI and chatbots' potential to redefine the customer experience
- The tensions between the demand for content and the resources available to marketers

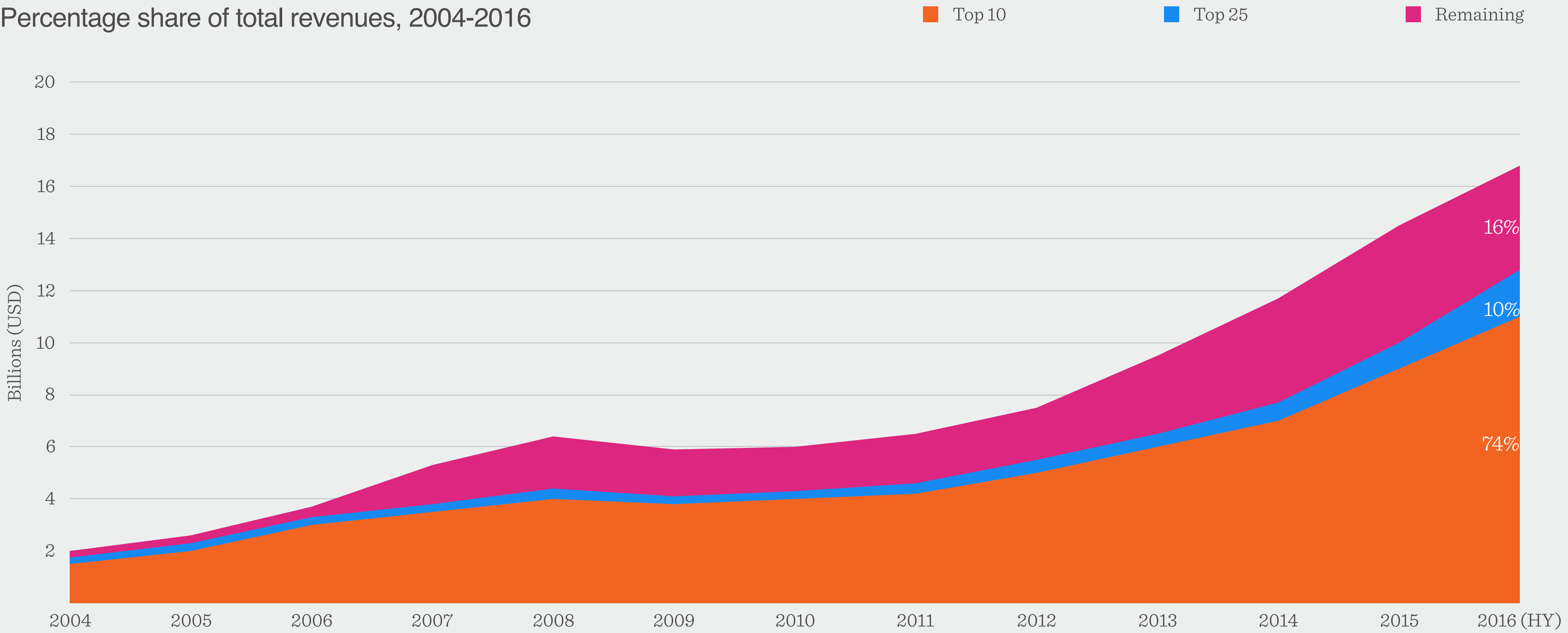
We've also included insights from our annual Cost of Creativity study, which examines how and where senior marketers at enterprise brands are investing in content. This year we surveyed 200+ marketing leaders to see how they're addressing the new challenges of multichannel content marketing and controlling content creation costs.

Advertising

Today's consumers are living in world of media overload. With so many choices, consumers' tolerance for traditional advertising is waning. Brands must find new, innovative ways to capture their customers' attention.

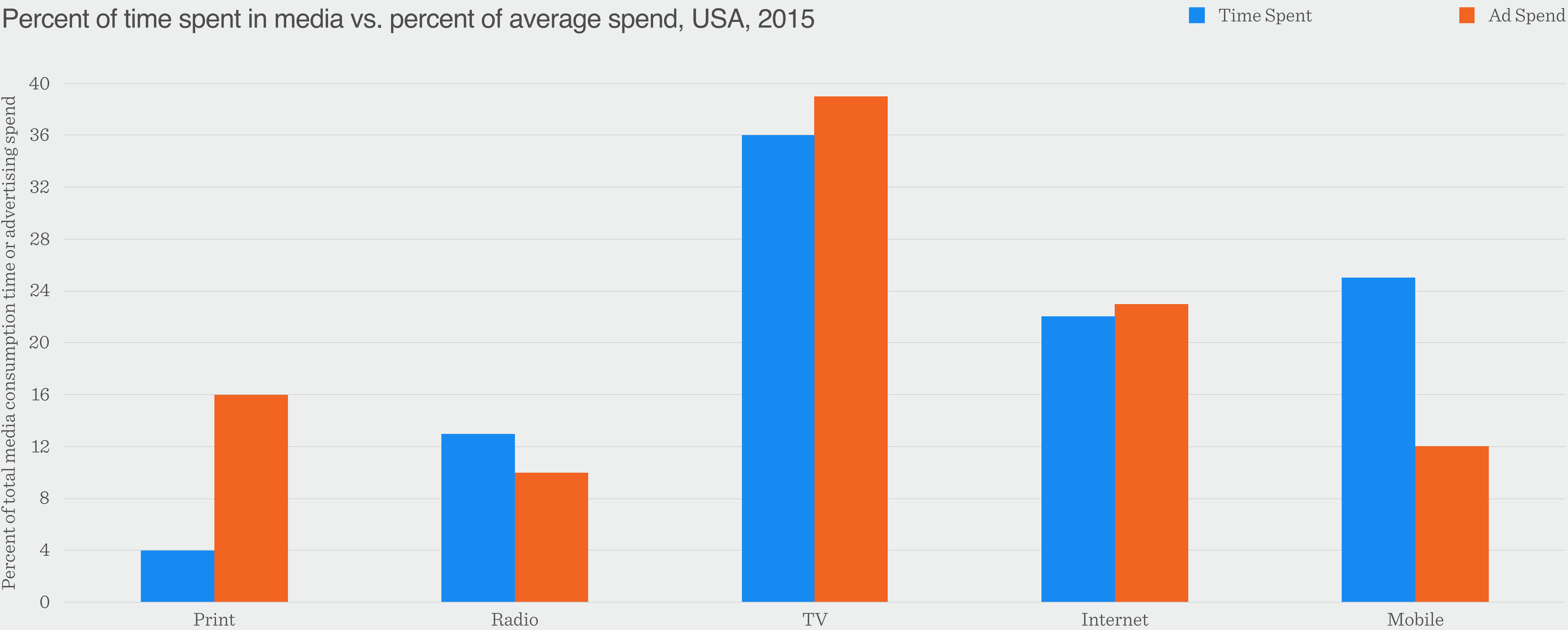
The biggest advertisers still control the lion's share of ad revenue

Percentage share of total revenues, 2004-2016



Source: IAB/PwC

Consumers spend less time with print ads than advertisers think



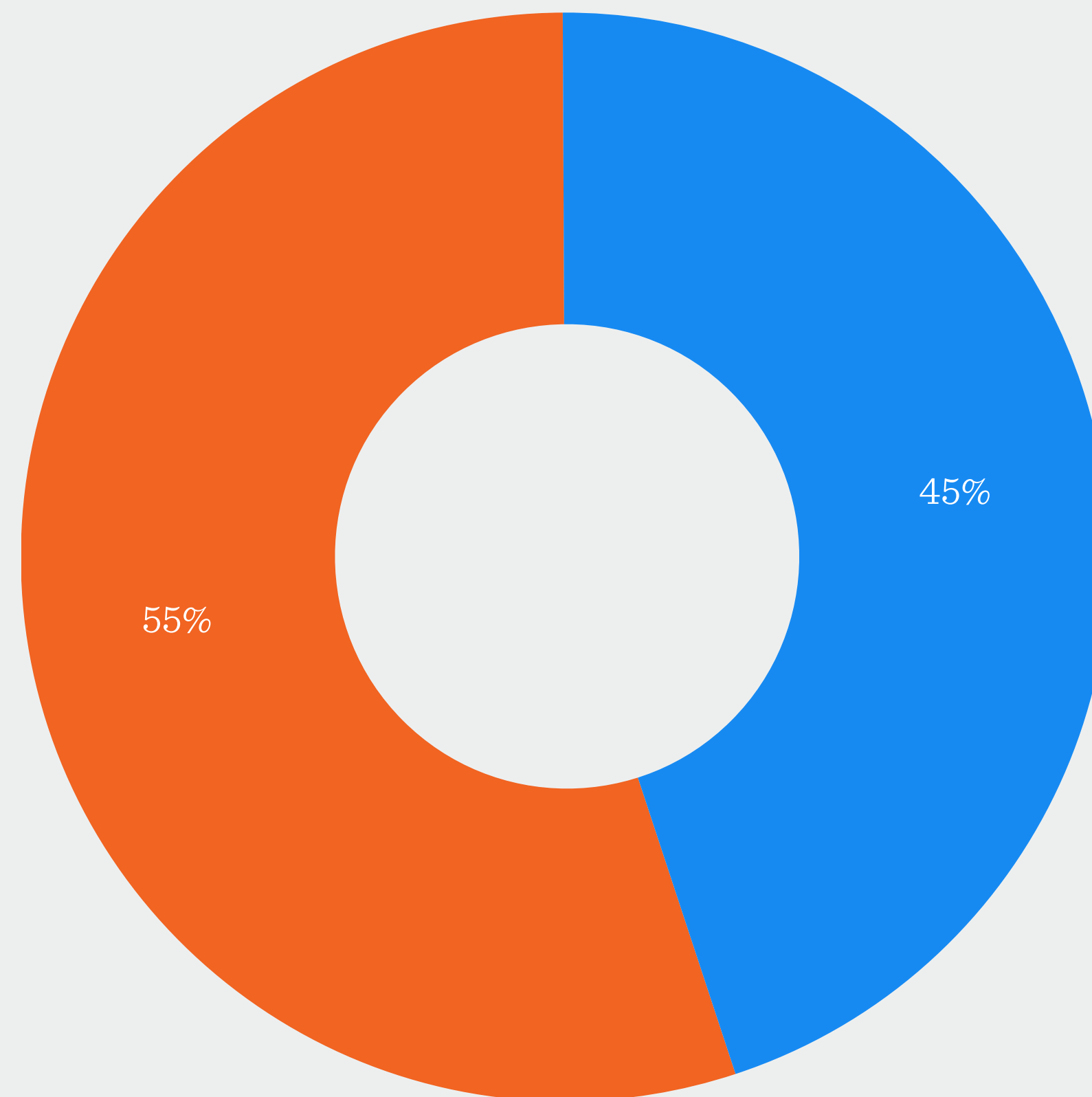
Source: Kleiner Perkins Caulfield Buyers

But the media that garner the most time spent, aren't necessarily the most engaging

Percent of users who pay attention to TV ads, 2017

45%

Pay attention to TV ads



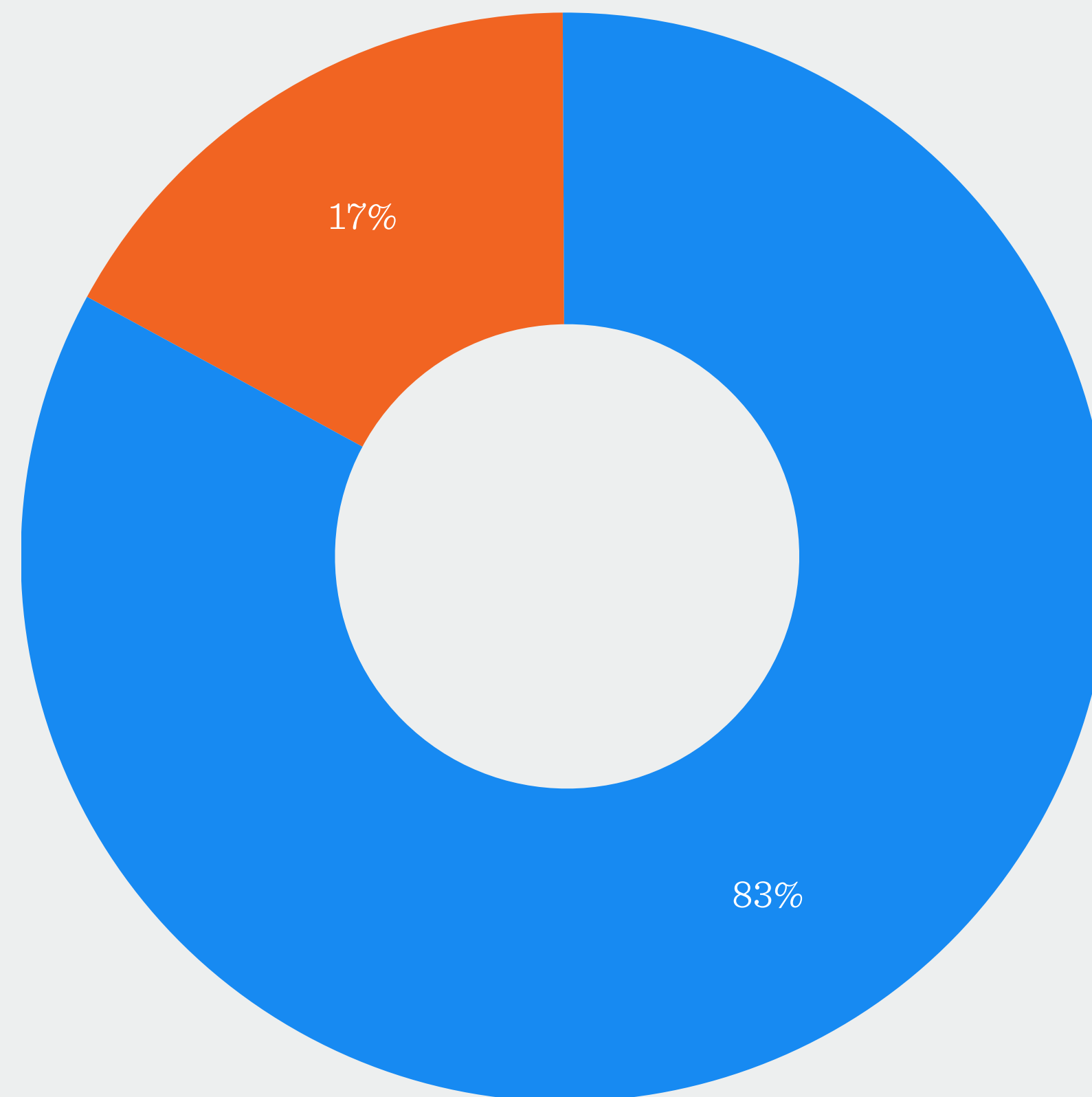
● Pay attention
● Did not pay attention

Online formats are leading the pack in capturing and holding consumers' attention

Percent of users who pay attention to Youtube mobile ads, 2017

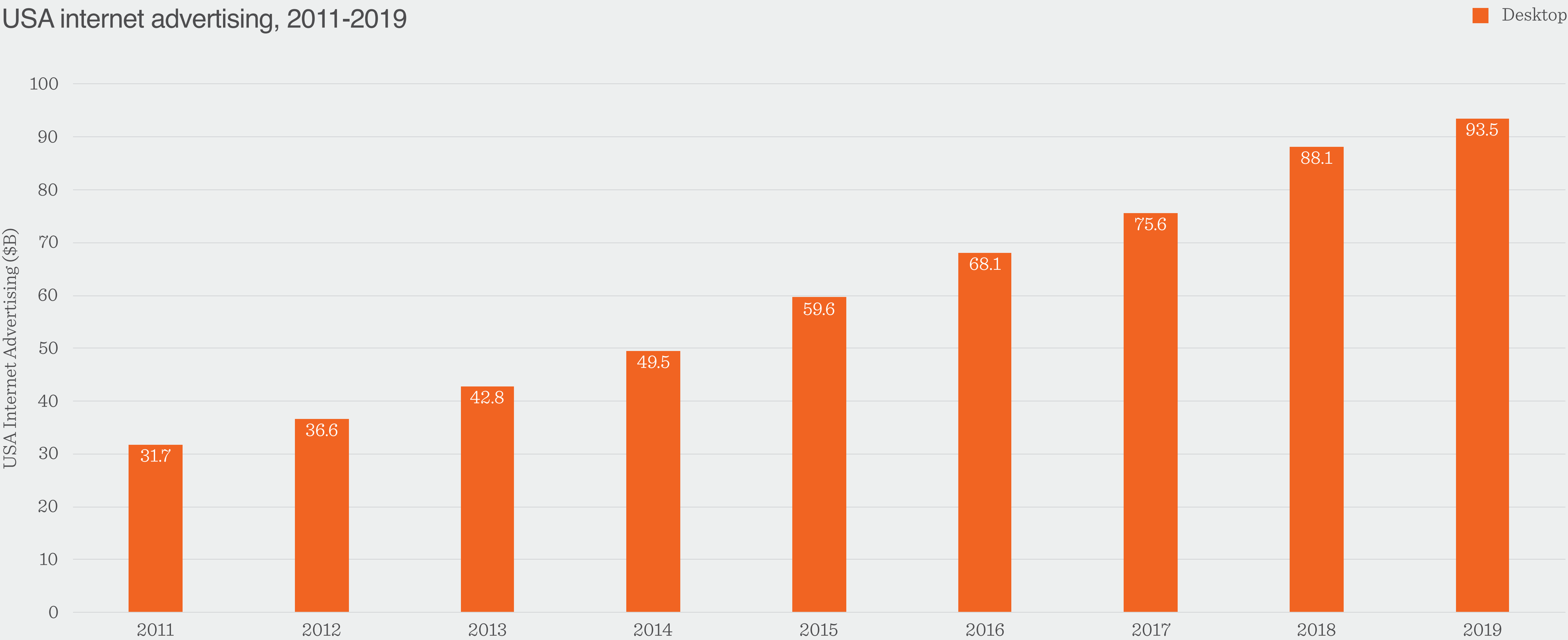
83%

Pay attention to Youtube
mobile ads



● Pay attention
● Did not pay attention

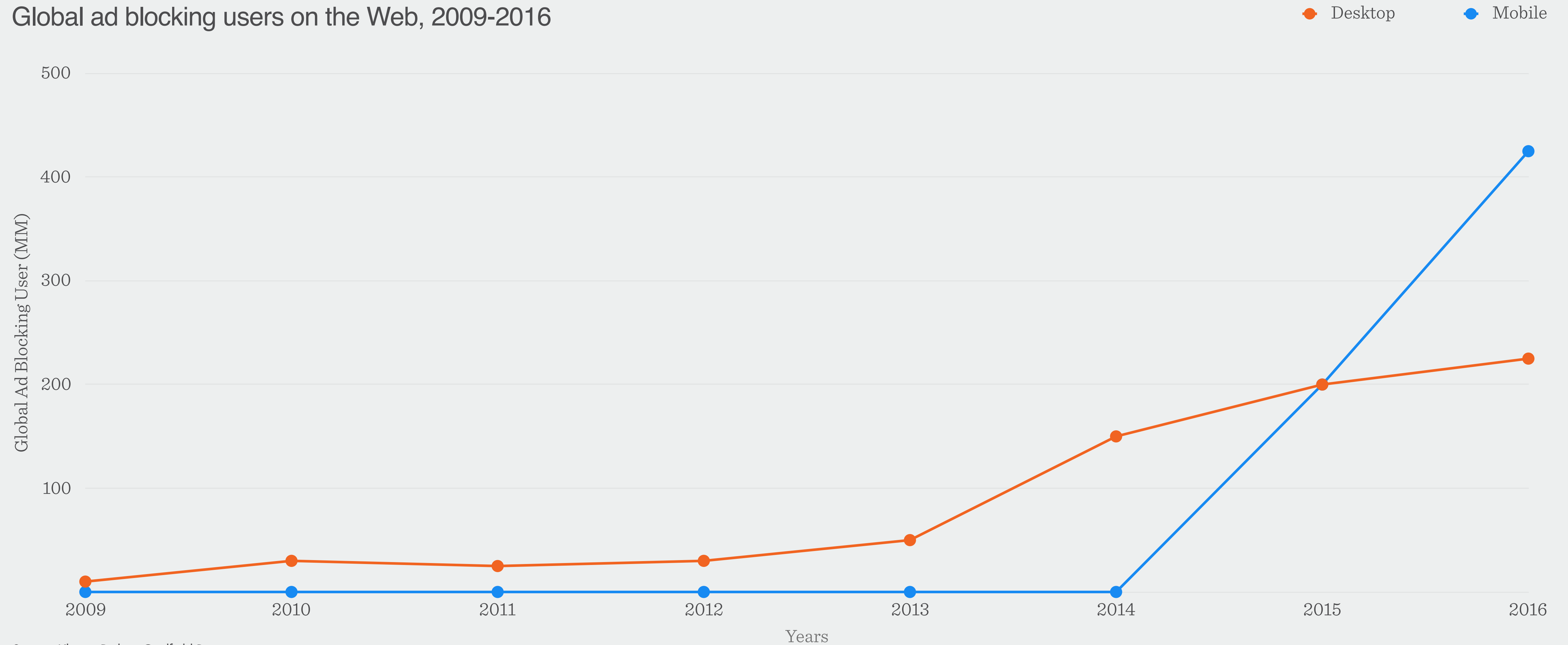
Online ad spend has tripled in the last six years



Source: Business Insider

But ad blocking is on the rise

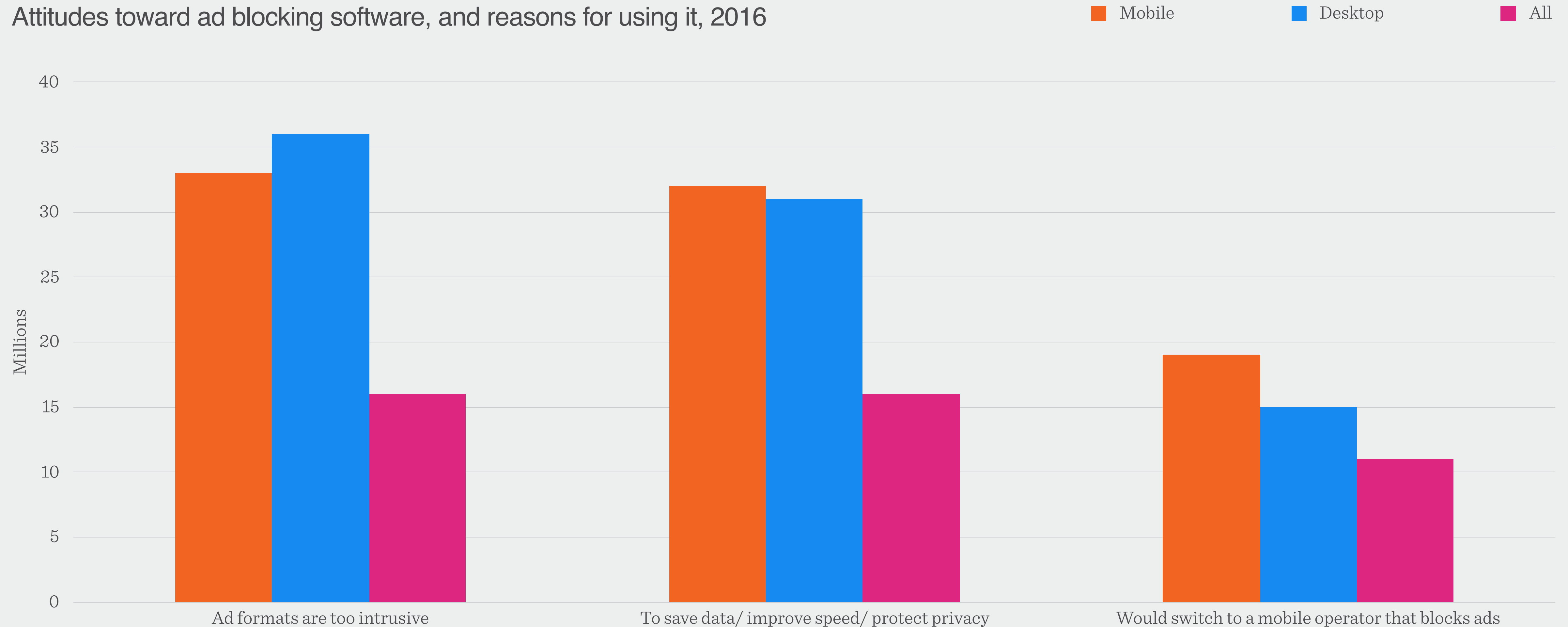
Global ad blocking users on the Web, 2009-2016



Source: Kleiner Perkins Caulfield Buyers

Ad blocking is linked to the ‘intrusive’ nature of ad content

Attitudes toward ad blocking software, and reasons for using it, 2016

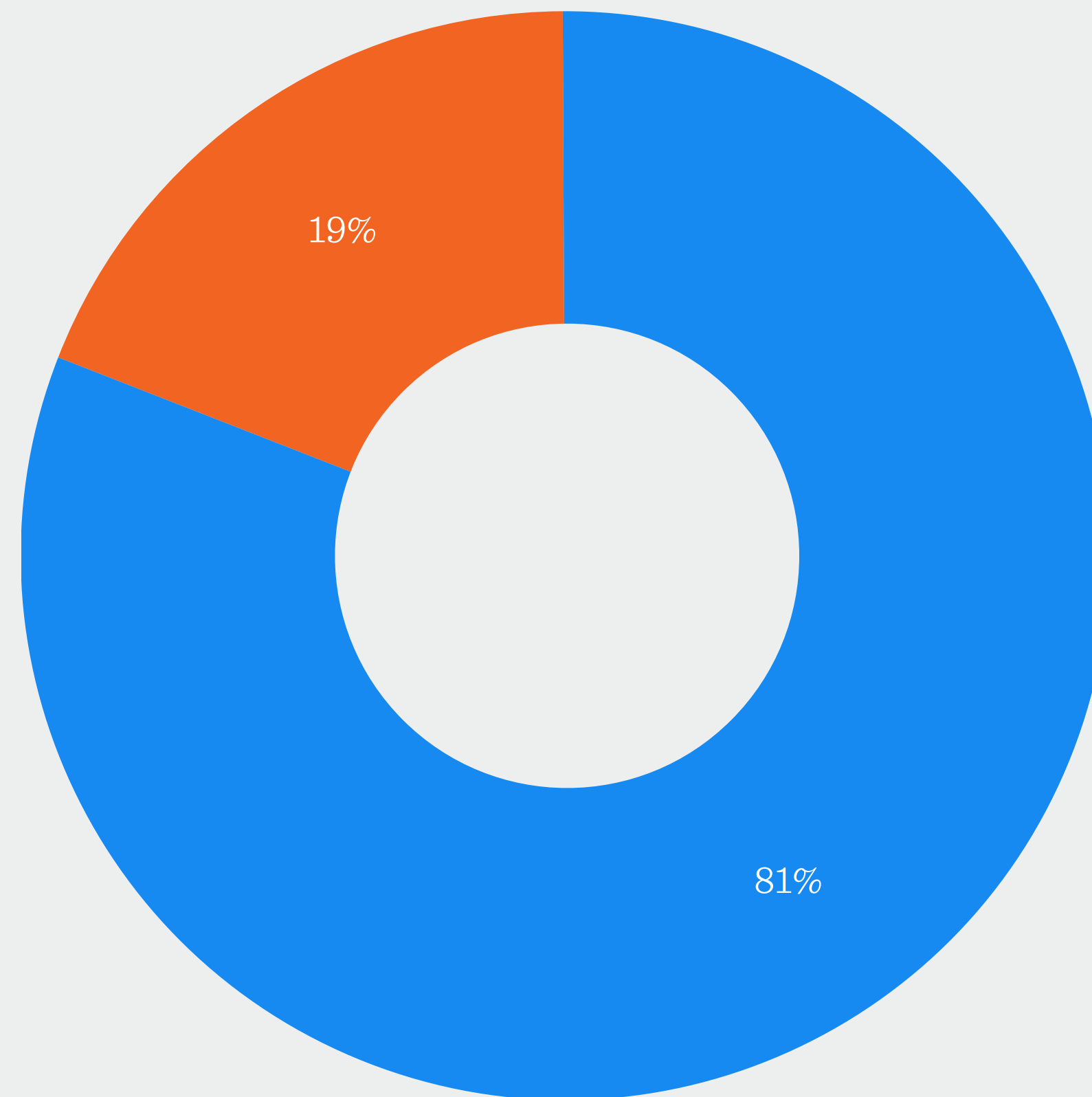


The majority of consumers who watch video ads mute them

Percent of users who mute video ads, 2015

81%

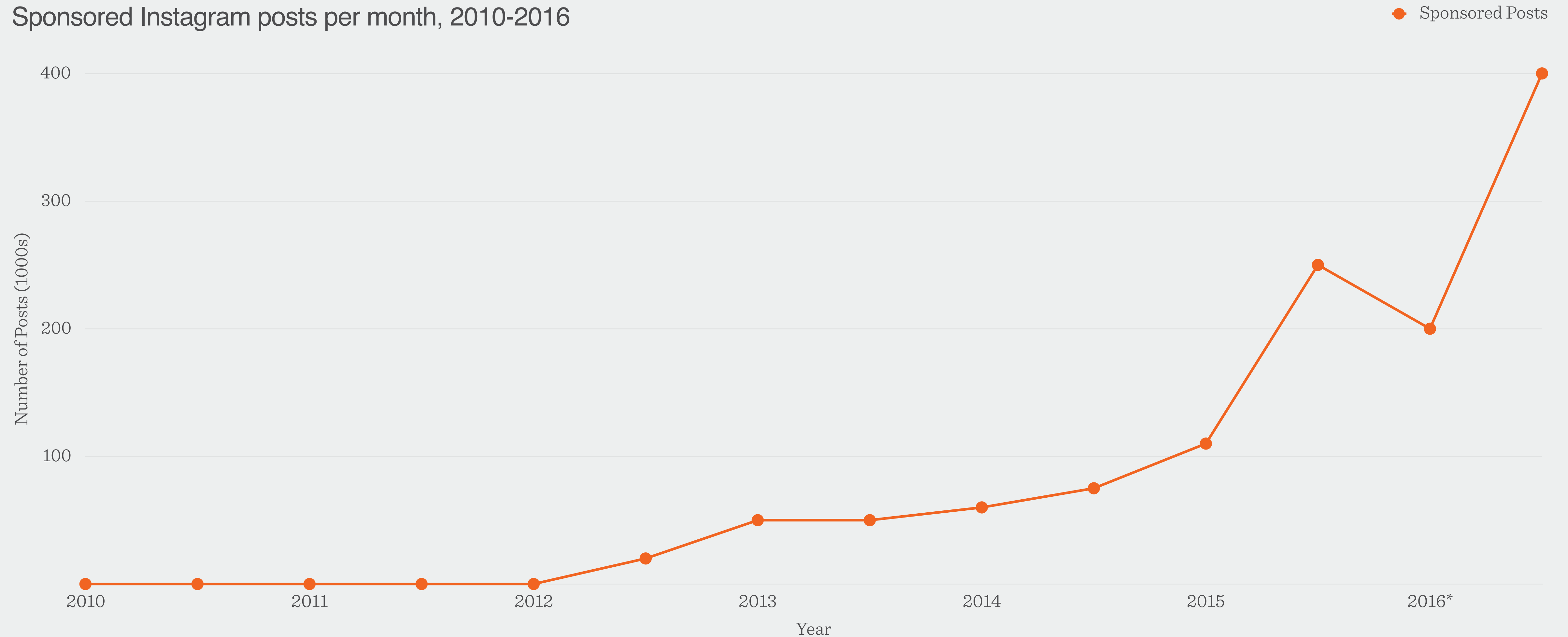
Mute video ads



● Mute
● Don't mute

Advertisers are finding other ways to reach their audience

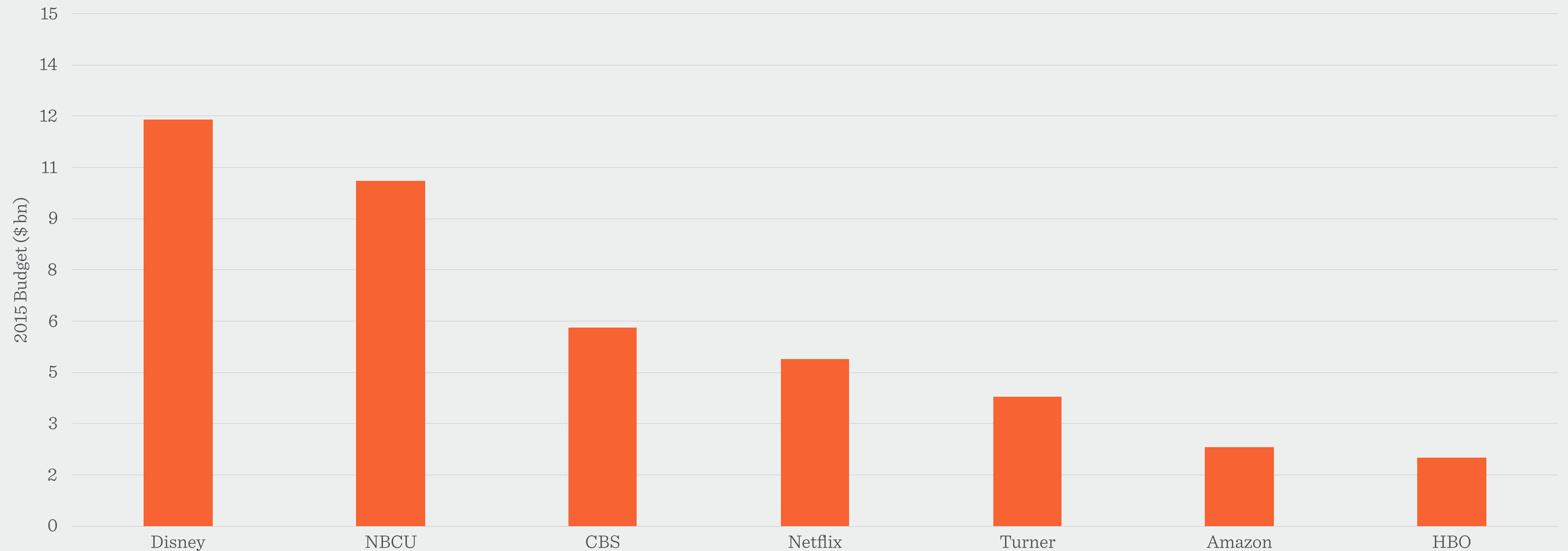
Sponsored Instagram posts per month, 2010-2016



Source: The Economist

And investing in elaborate, high-quality content plays

For Amazon, content is just another way to sell Prime — and its production budget rivals that of full-fledged media companies



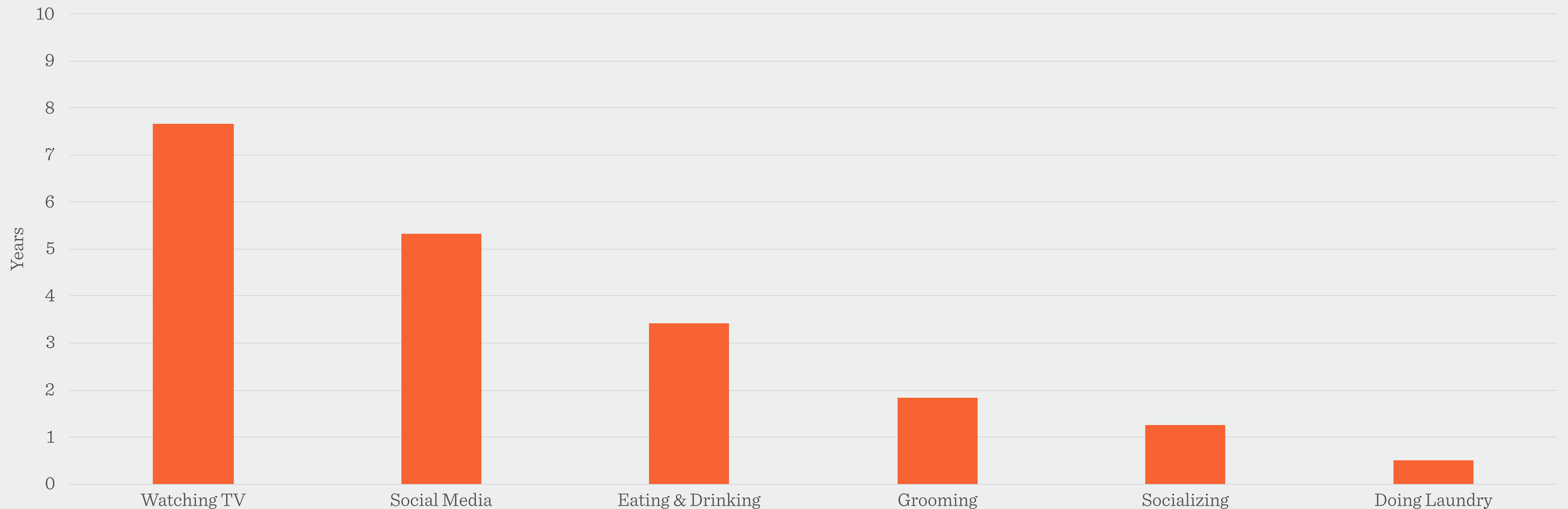
Source: Andreessen Horowitz

Social Media

Social media has long been a strategic pillar for global brands. But social is evolving – video content is becoming more and more prevalent, coinciding with a rise in production costs and an enterprise-wide struggle to bring social out of its silo.

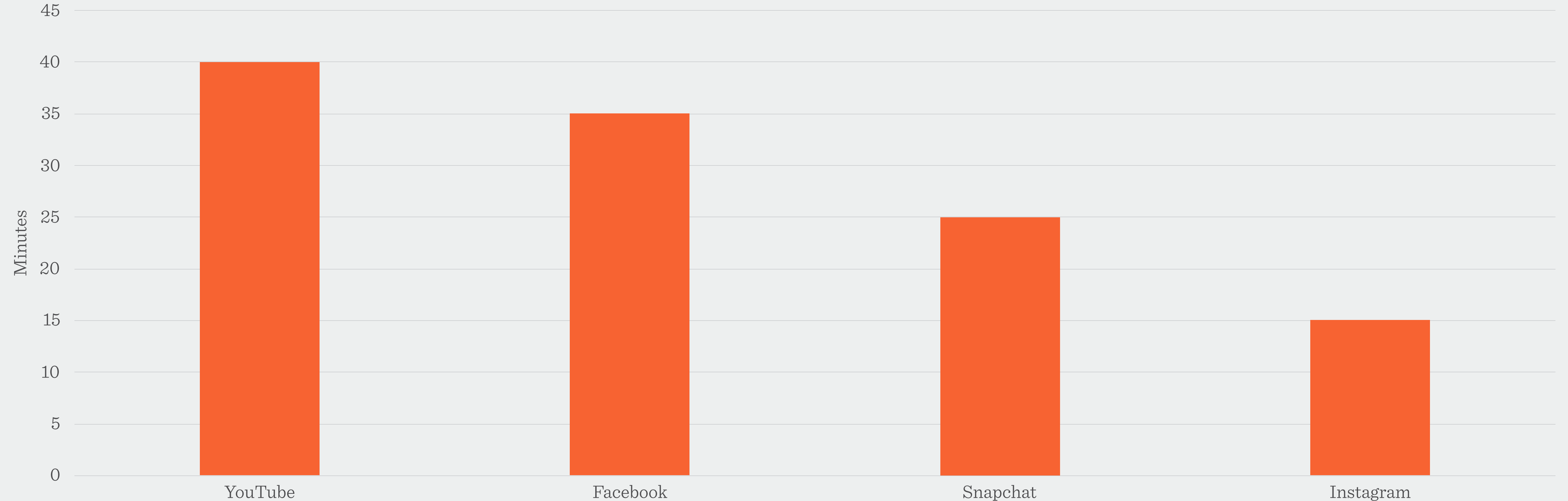
People spend more time on social media than almost anything else

Lifetime time spent on social compared to other common activities, 2016



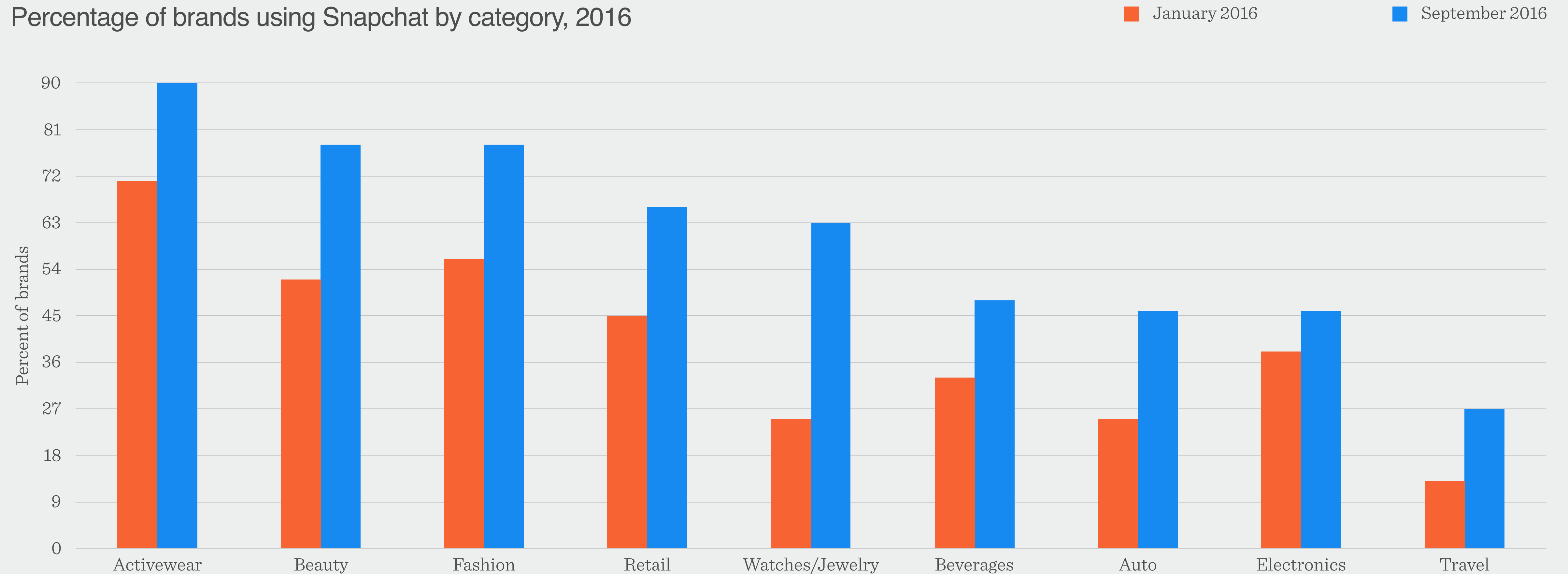
Video-driven platforms like Youtube command the most attention

Average daily time spent on social by platform, 2016



And more brands are taking on video-driven platforms like Snapchat

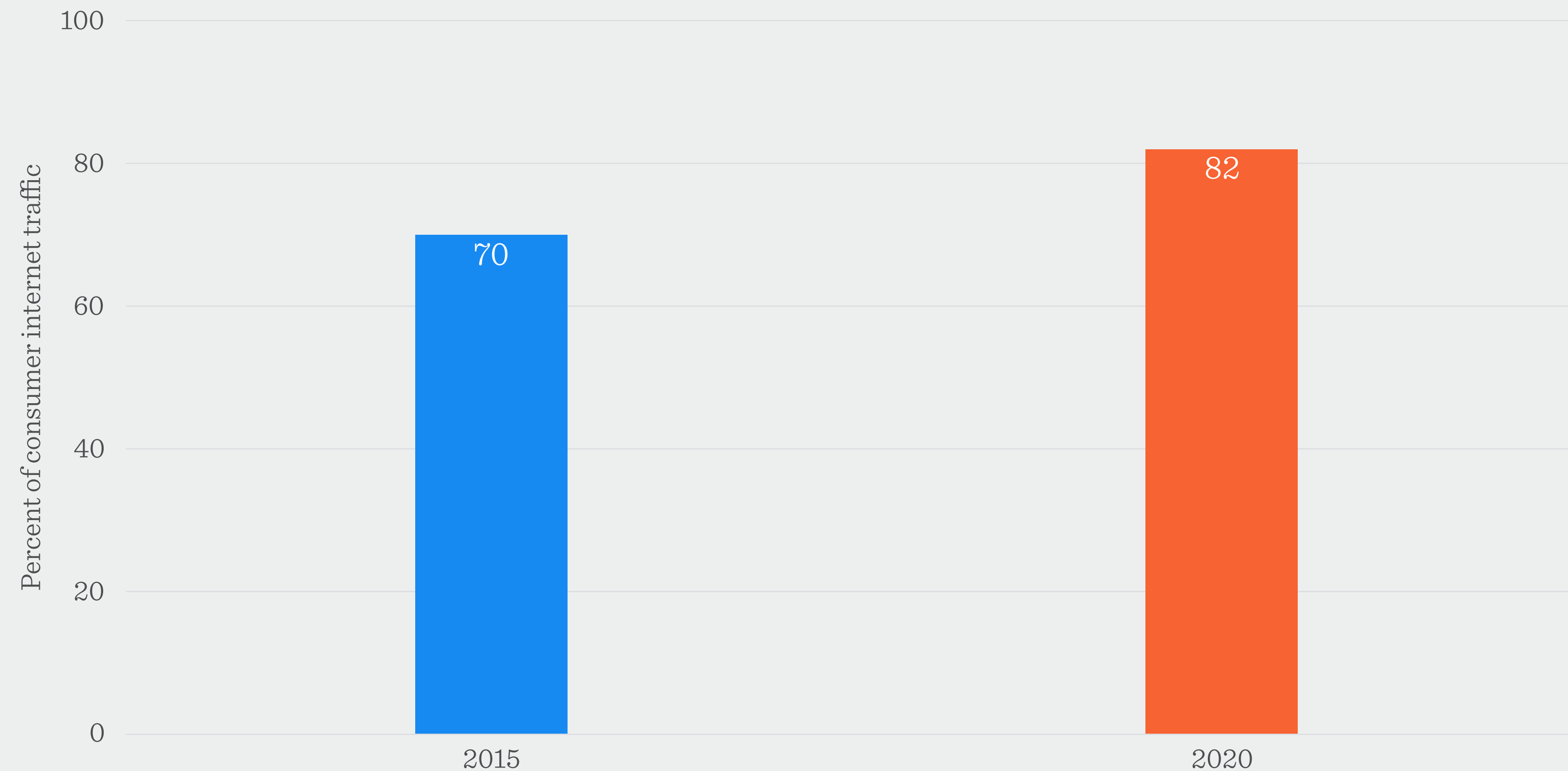
Percentage of brands using Snapchat by category, 2016



Source: Digiday

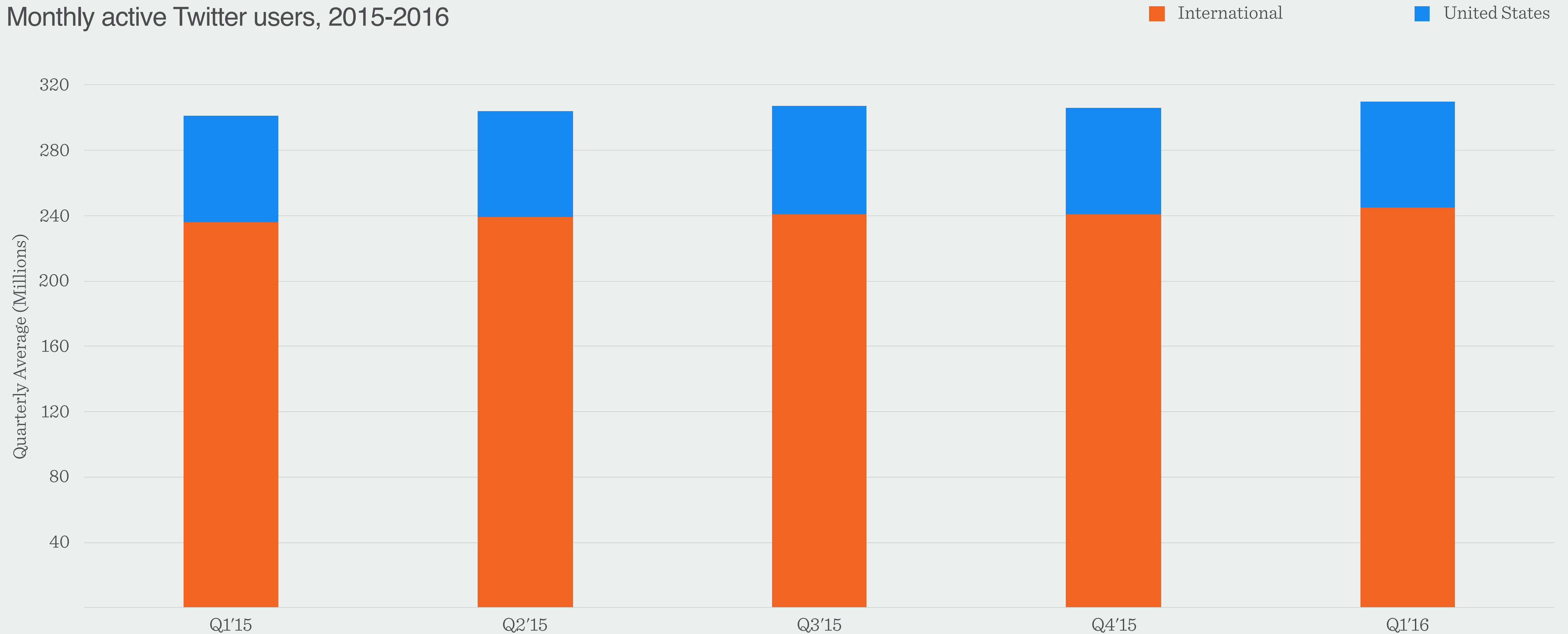
By 2020, video will account for 82% of all consumer Internet traffic

Video traffic as a percentage of global consumer internet traffic, 2015-2020



While active Twitter users continue to plateau...

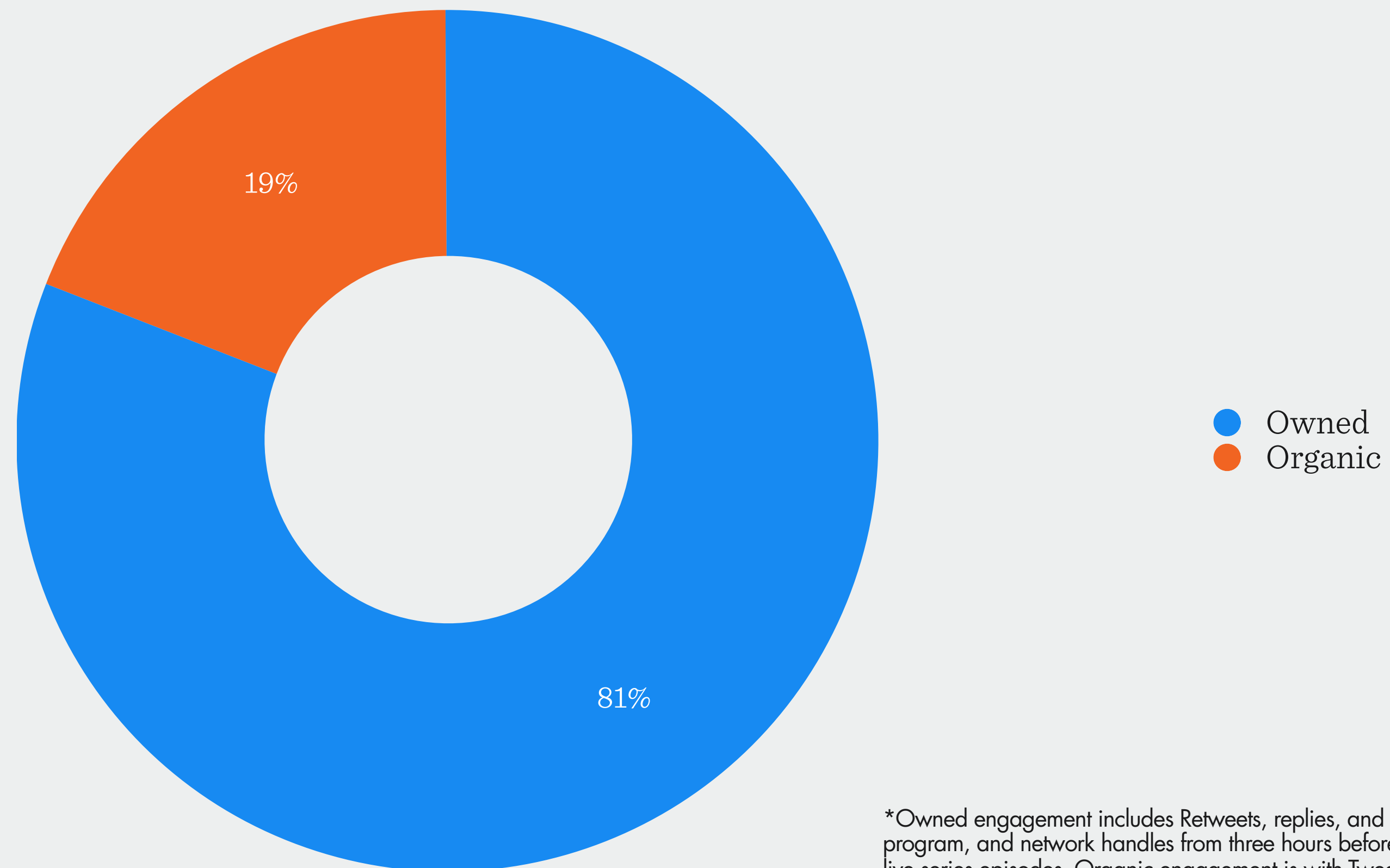
Monthly active Twitter users, 2015-2016



Twitter is still a critical channel during live TV events

Organic Tweets* drive the majority of engagement before, during, and after TV airtime, 2016

81%
of engagement is organic



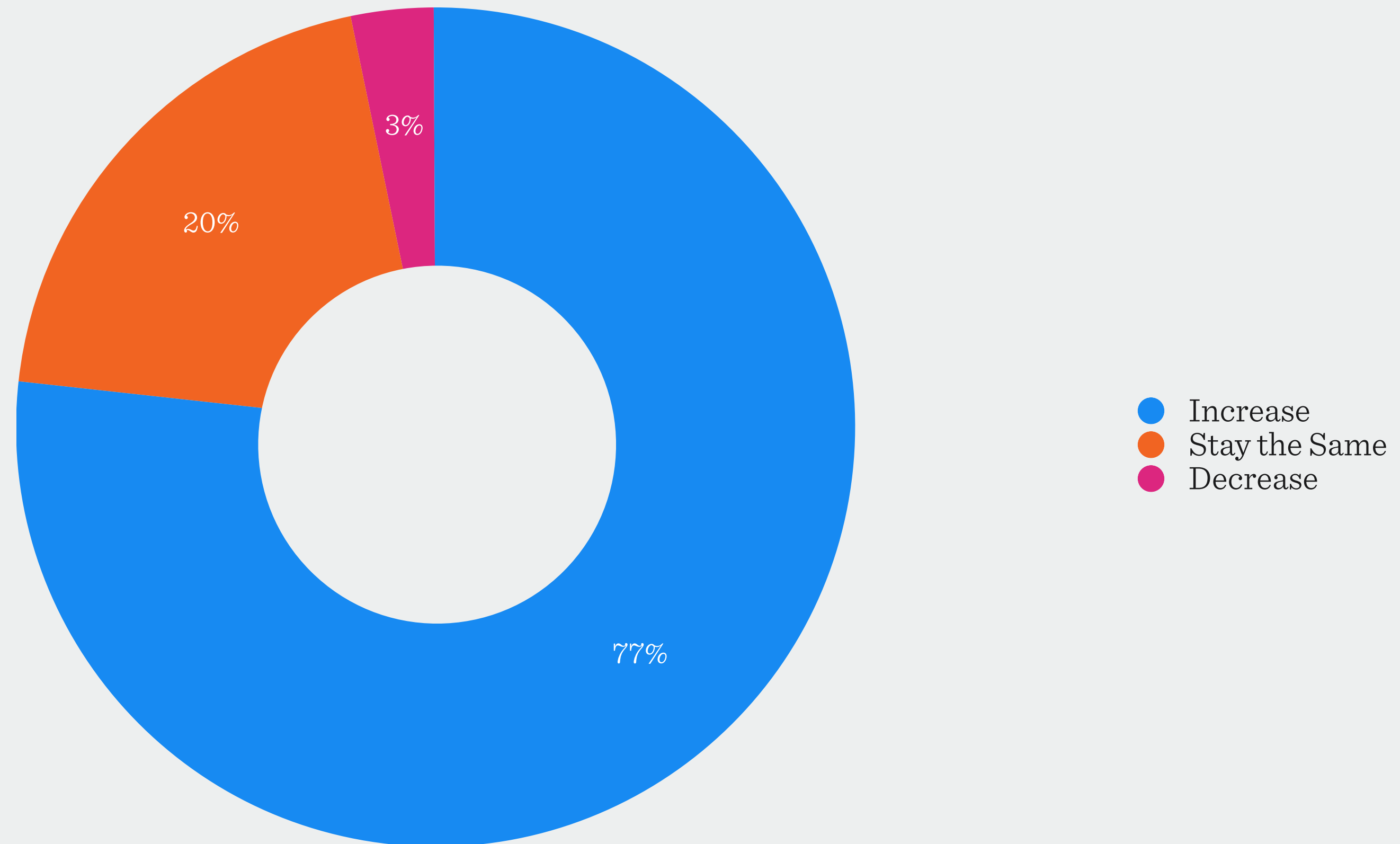
*Owned engagement includes Retweets, replies, and shares of Tweets from talent, program, and network handles from three hours before through three hours after new/live series episodes. Organic engagement is with Tweets posted by TV audiences during the same time period and includes the same interaction types.

With a greater focus on video, social content costs are expected to rise

What do you expect the future trend in content costs will be with respect to your overall marketing budget? (2017)

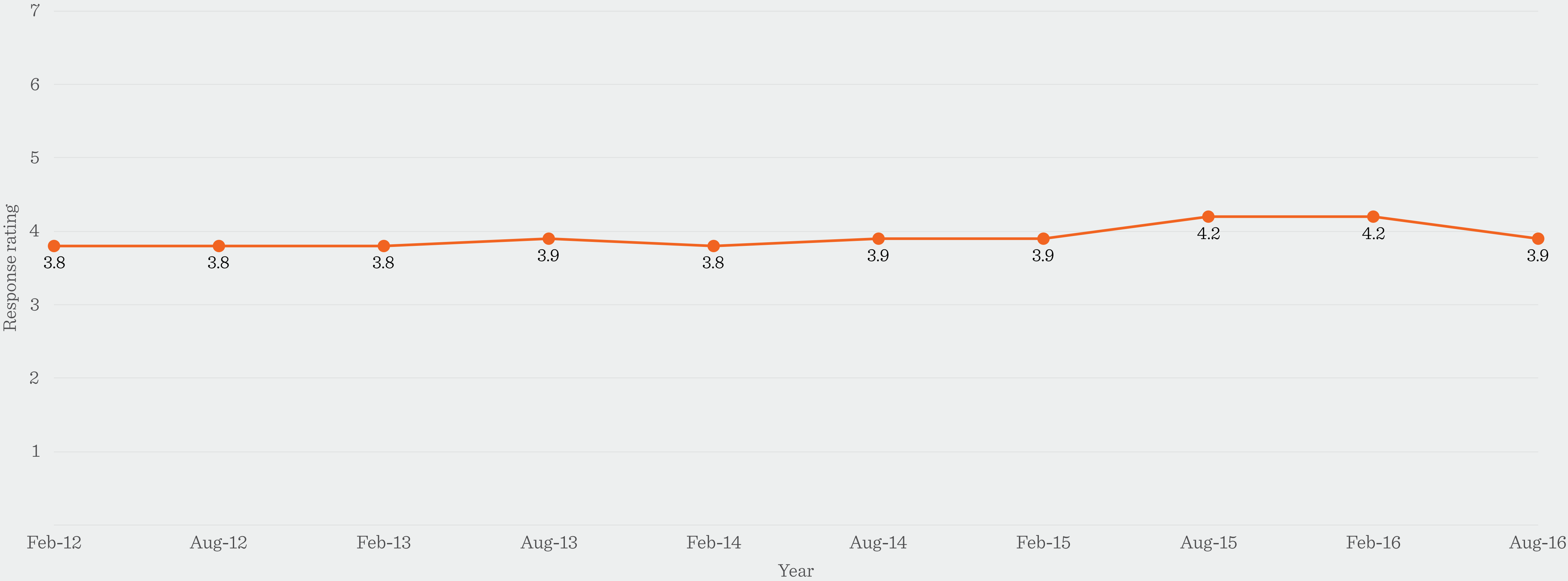
77%

Say the rise in content costs will continue to outpace budget growth



And marketers still struggle to bring social out of its silo

How effectively is social media linked to your marketing strategy? (2012-2016)



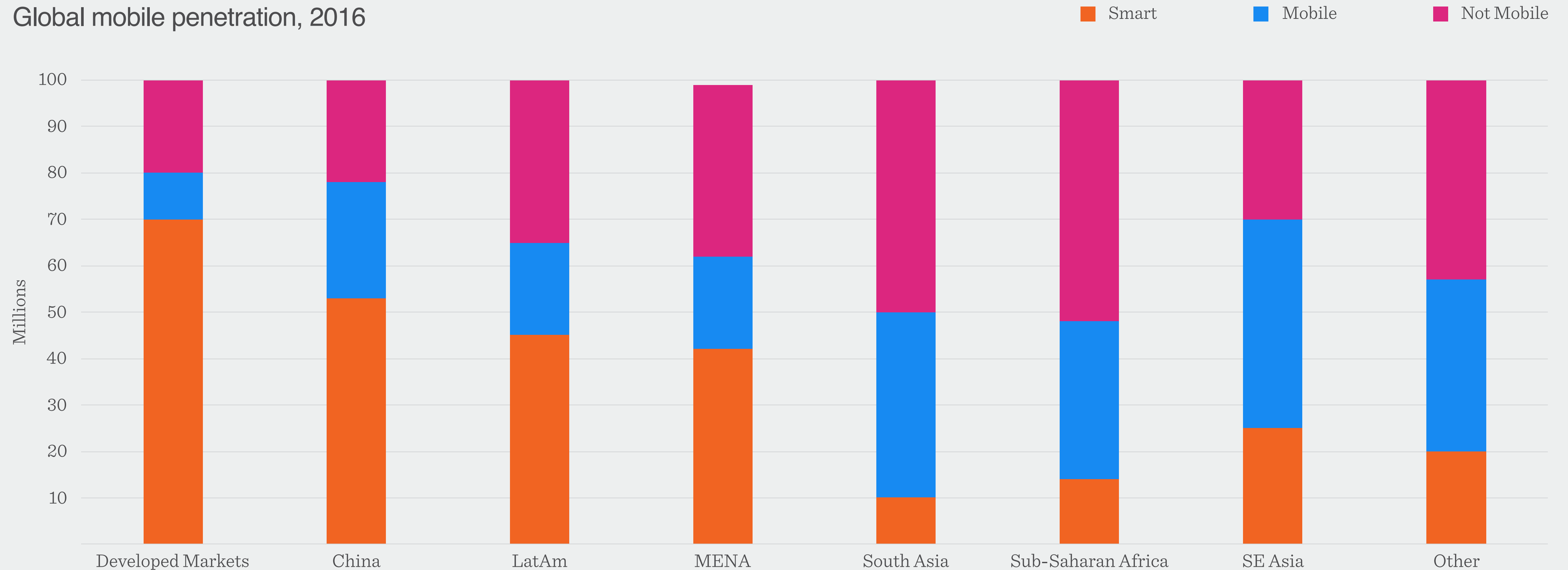
Source: The CMO Survey

Mobile

It's no secret that we're in a mobile-first world – consumers now devote a staggering amount of attention to these devices on a daily basis. Yet the impact on marketing operations is less clear. As brands funnel more budget into mobile-optimized content, they still struggle to measure the impact on their business.

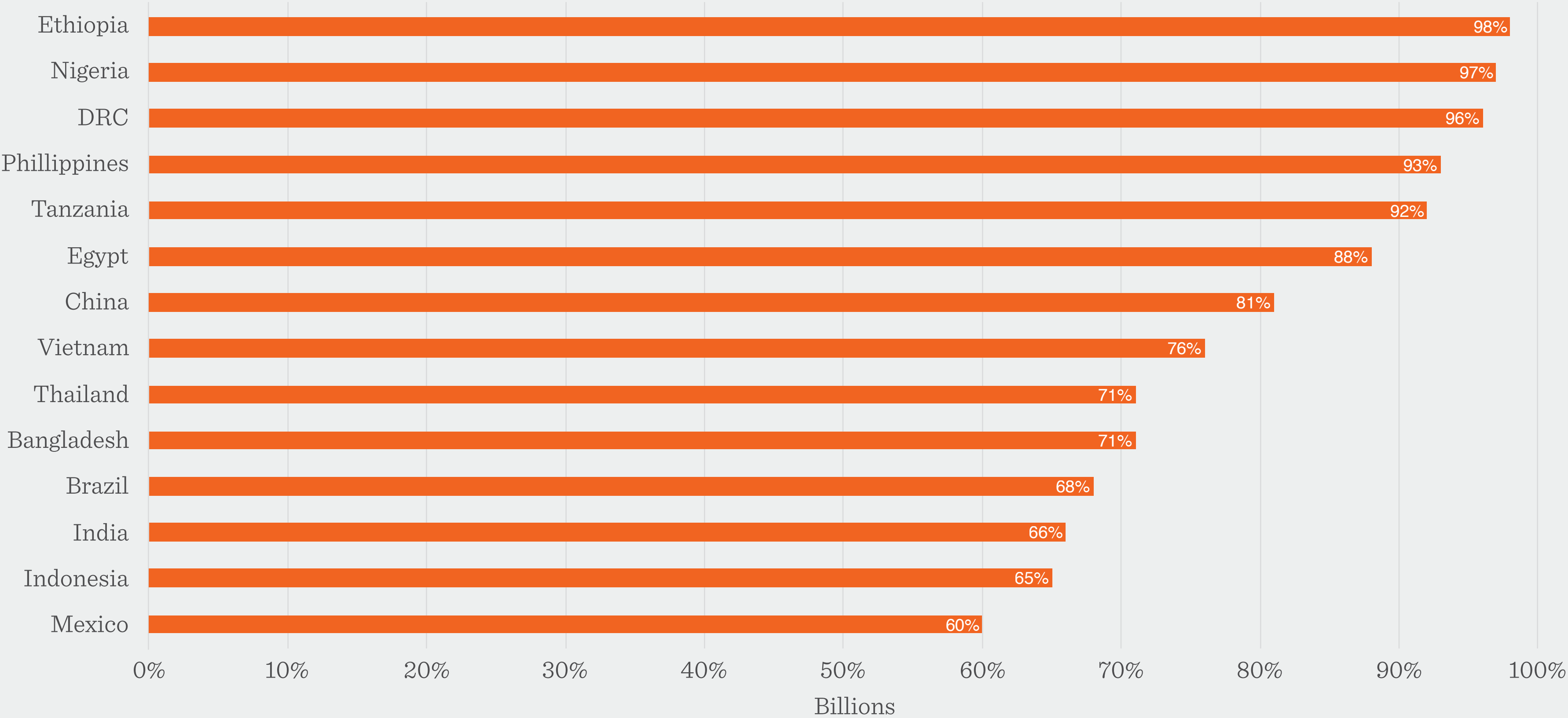
More people around the world — especially in emerging markets — are on mobile

Global mobile penetration, 2016



But emerging market consumers need data prices to be cut by more than 50% in order to be widely affordable

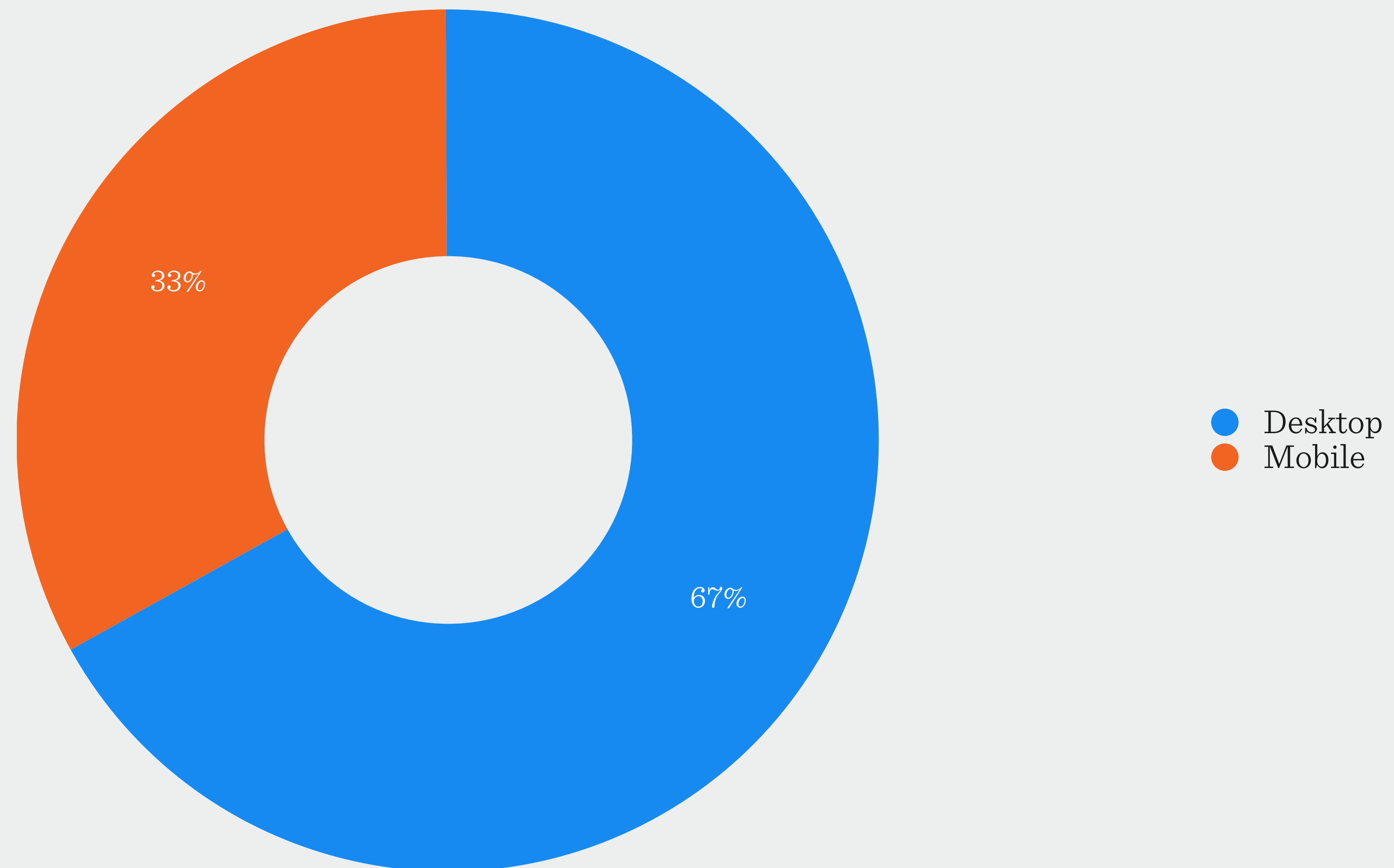
Price reduction needed for data to be affordable for 80% of population, 2016



Source: Strategy&

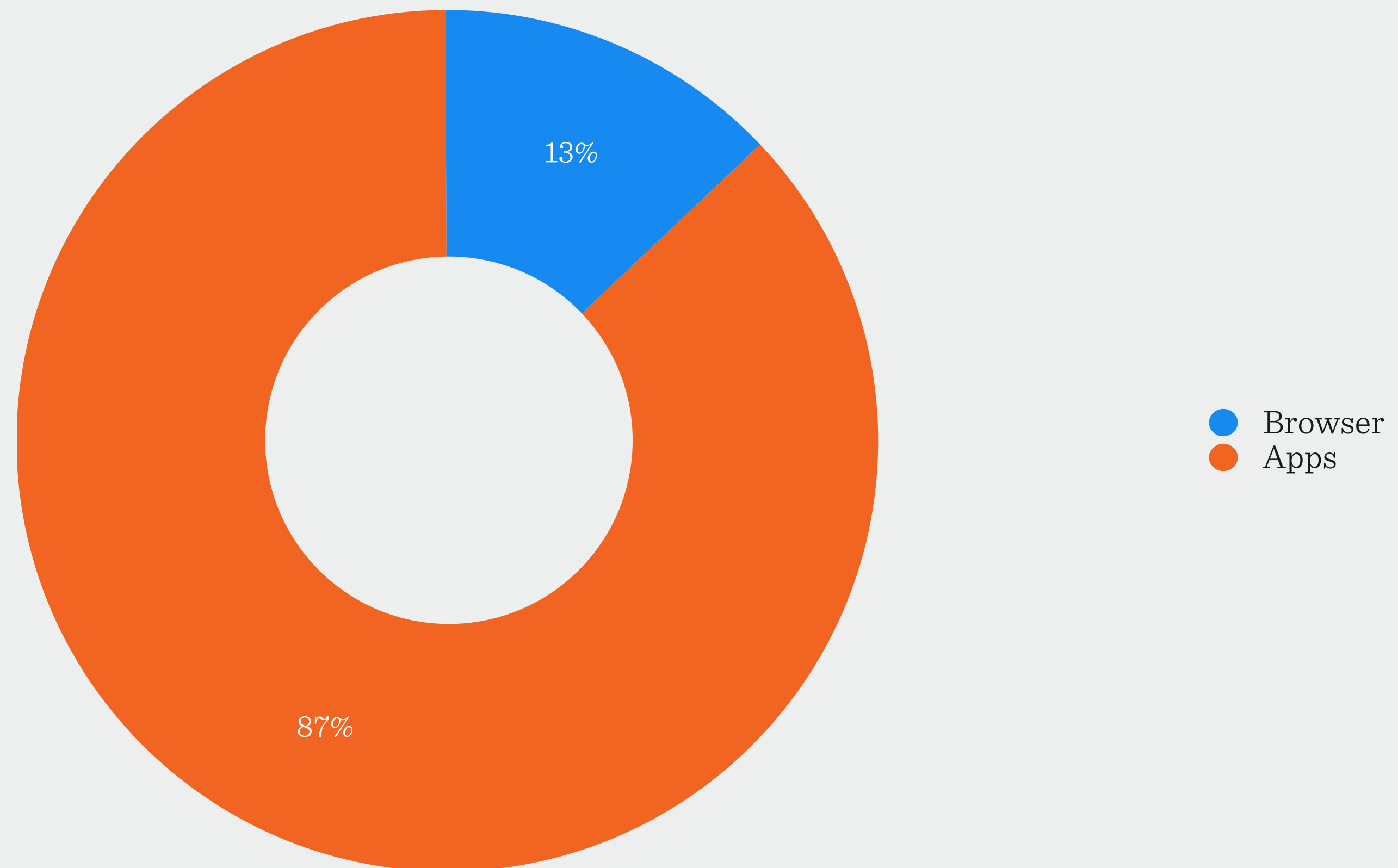
People are spending more and more time on mobile

The share of time spent online using a mobile device grew from 62% a year ago, 2016



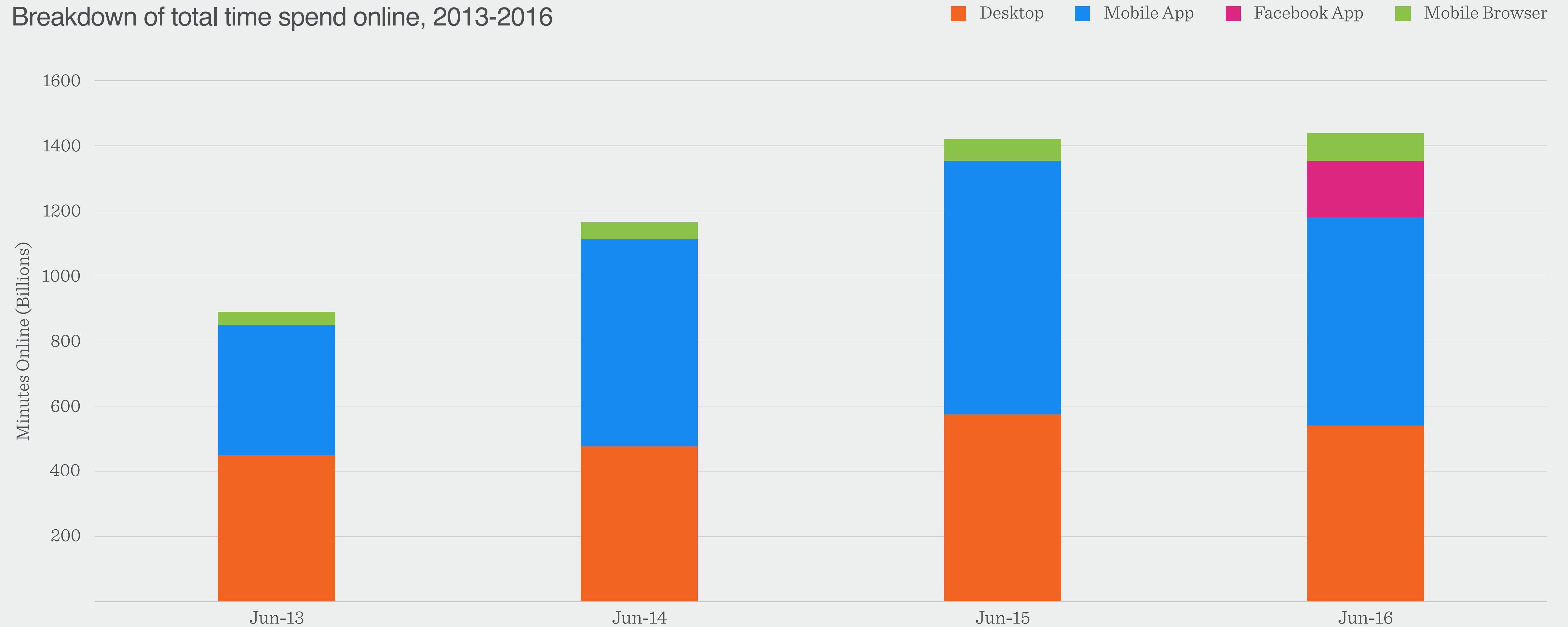
Apps dominate time spent on mobile

Percent of total mobile minutes on browser vs. apps, 2016



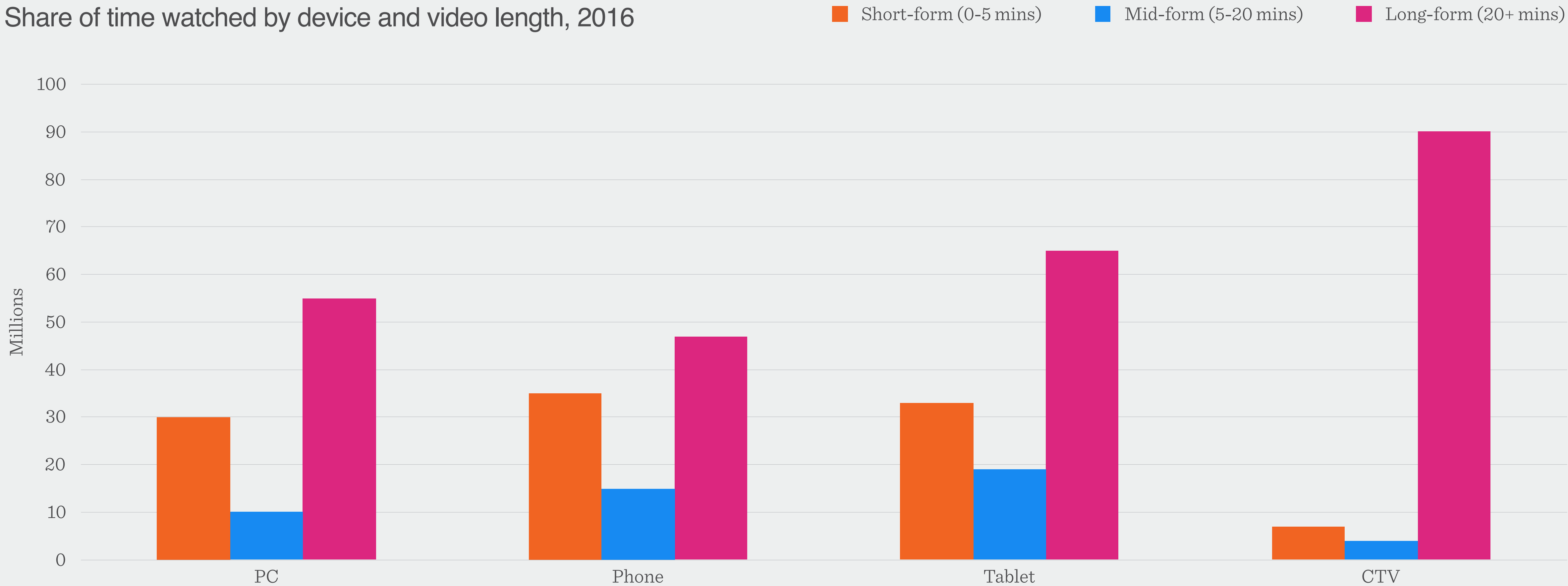
20% of mobile time is spent on Facebook

Breakdown of total time spend online, 2013-2016



Mobile gets the most engagement for both short- and mid-form content

Share of time watched by device and video length, 2016



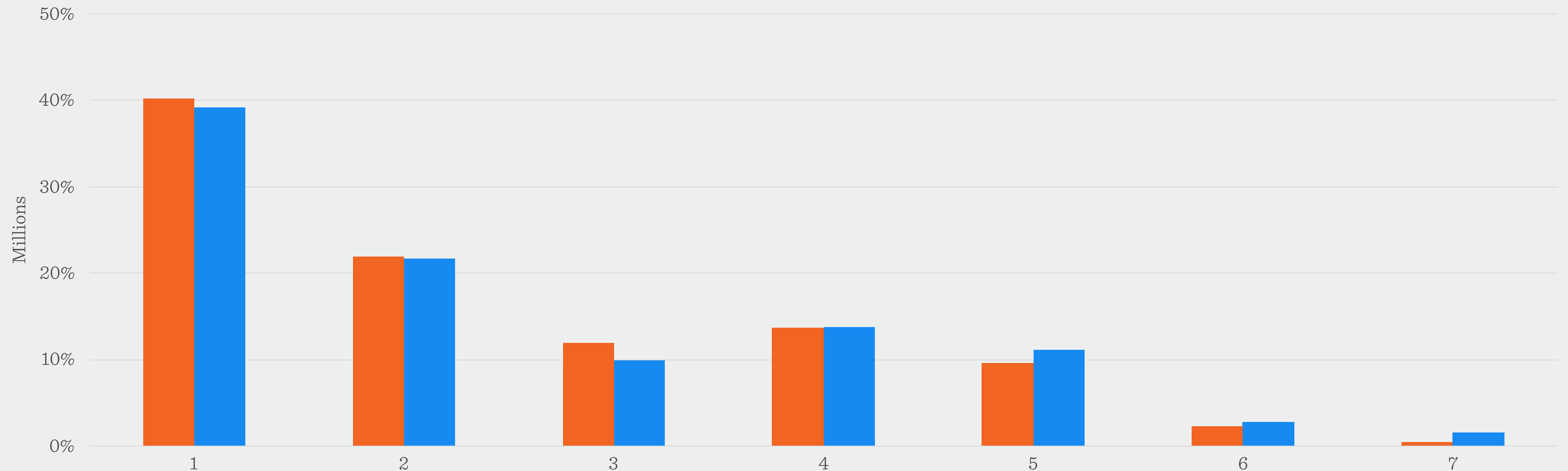
Source: Ooyala

Yet most marketers don't think that mobile contributes to their brand's success

To what degree does mobile marketing contribute to your company's performance
(1=Not at all, 7=Very highly), 2016

February 2016

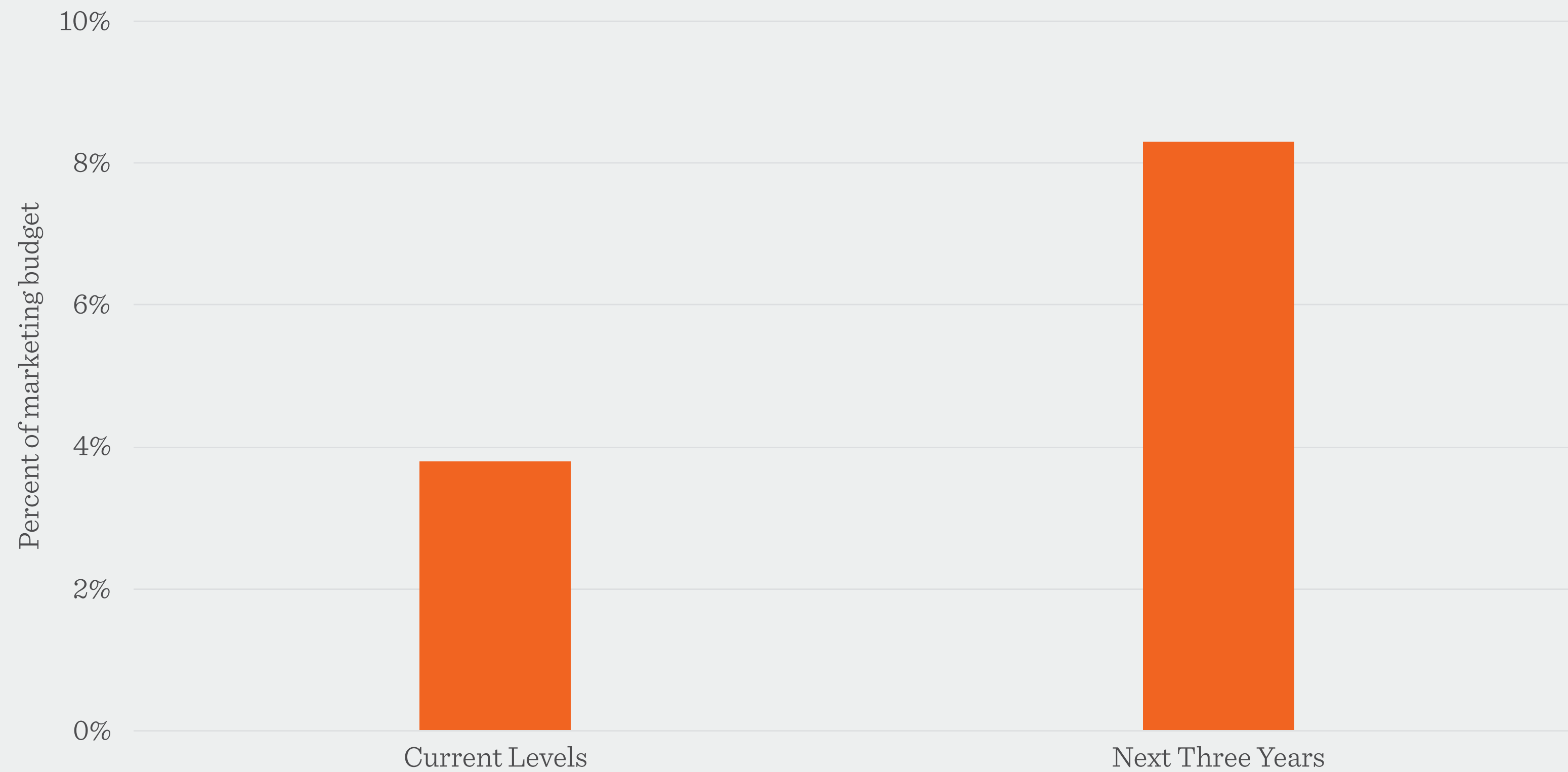
August 2016



Source: The CMO Survey

Still, marketers expect to spend more on mobile content in the future

Marketing budget spent on mobile, 2016



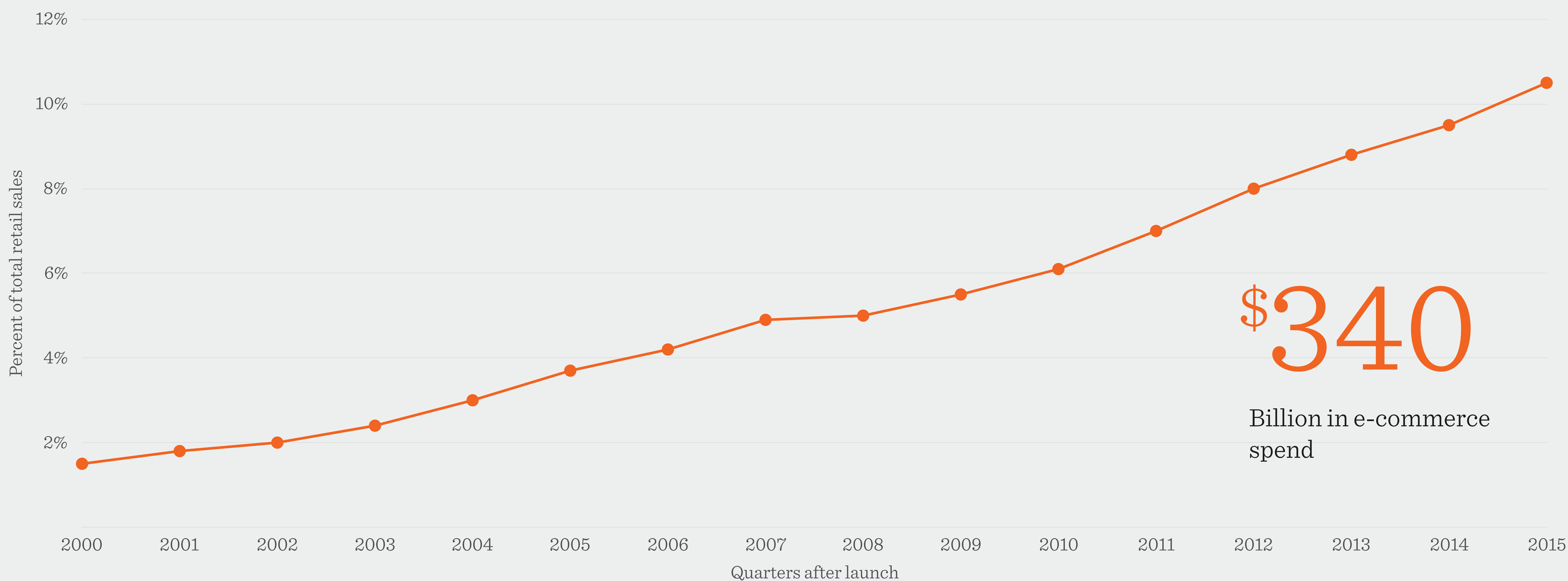
How we buy

In 2017, brands are marketing to a more empowered and informed consumer.

Technology has given consumers access to a wealth of information that has radically altered the customer journey.

E-commerce spend has more than doubled in the last 10 years

E-commerce as a percentage of total retail sales USA, 2000-2015



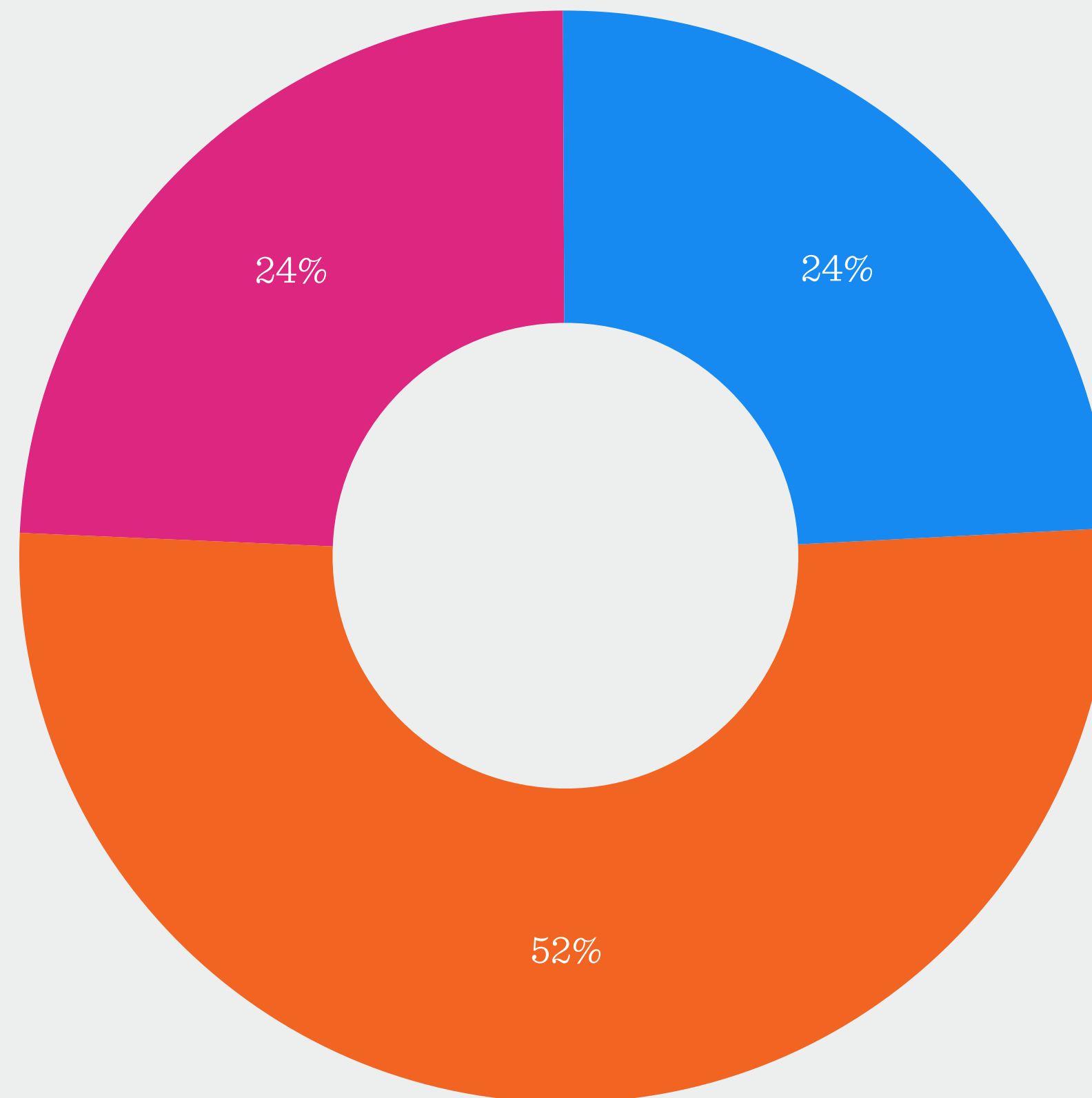
Source: Kleiner Perkins Caulfield Buyers

Correspondingly, fewer consumers are using cash

Percent of U.S. adults who say they make ____ of their purchases using cash in a typical week, 2015

24%

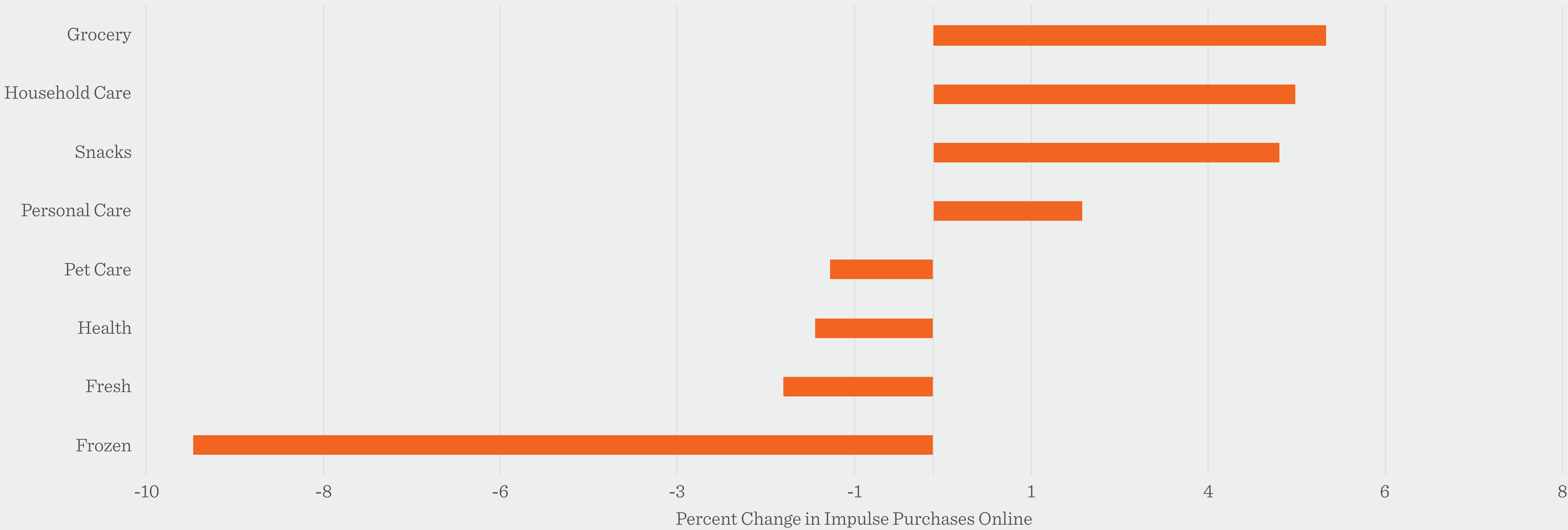
Don't make purchases
with cash



● All or almost all
● Same
● None

Online shopping increases impulse buying in some of the most commonly purchased categories

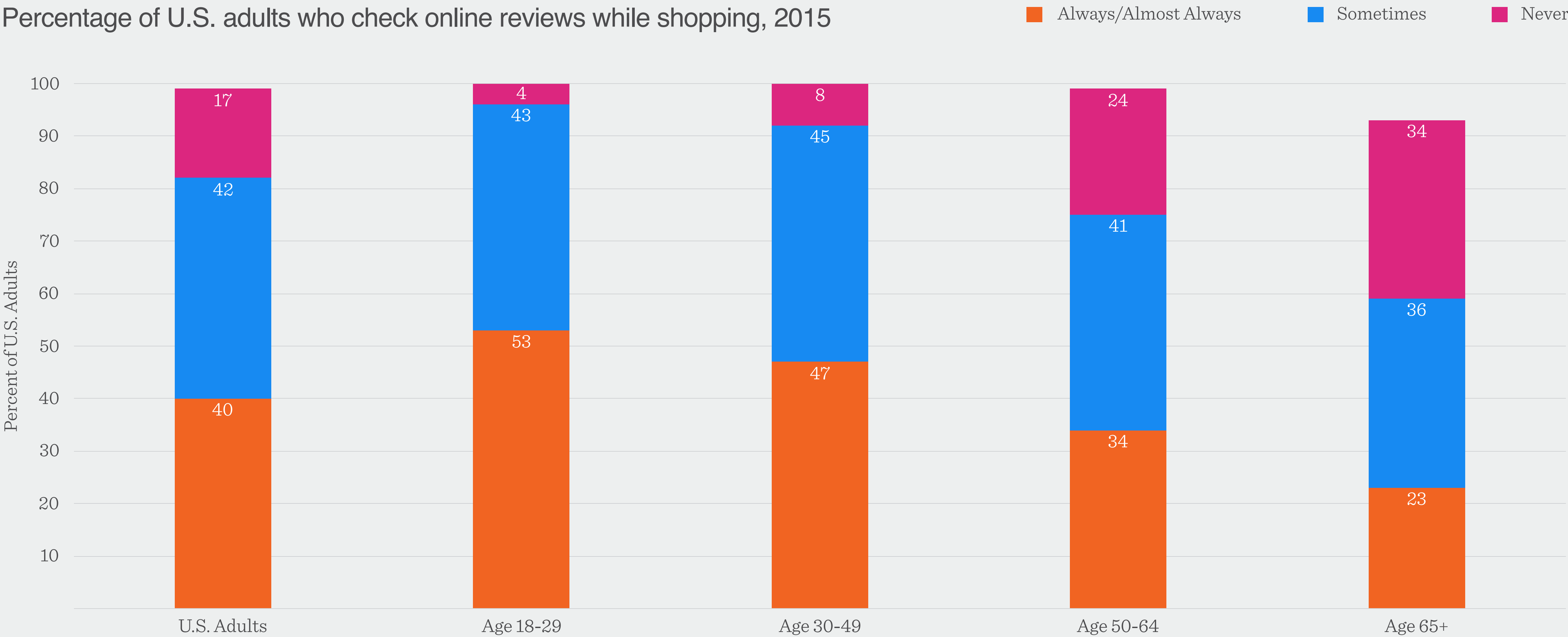
Percent change in impulse purchases online vs. in-store, 2016



Source: Nielsen

Online reviews contribute significantly to the purchase decision

Percentage of U.S. adults who check online reviews while shopping, 2015



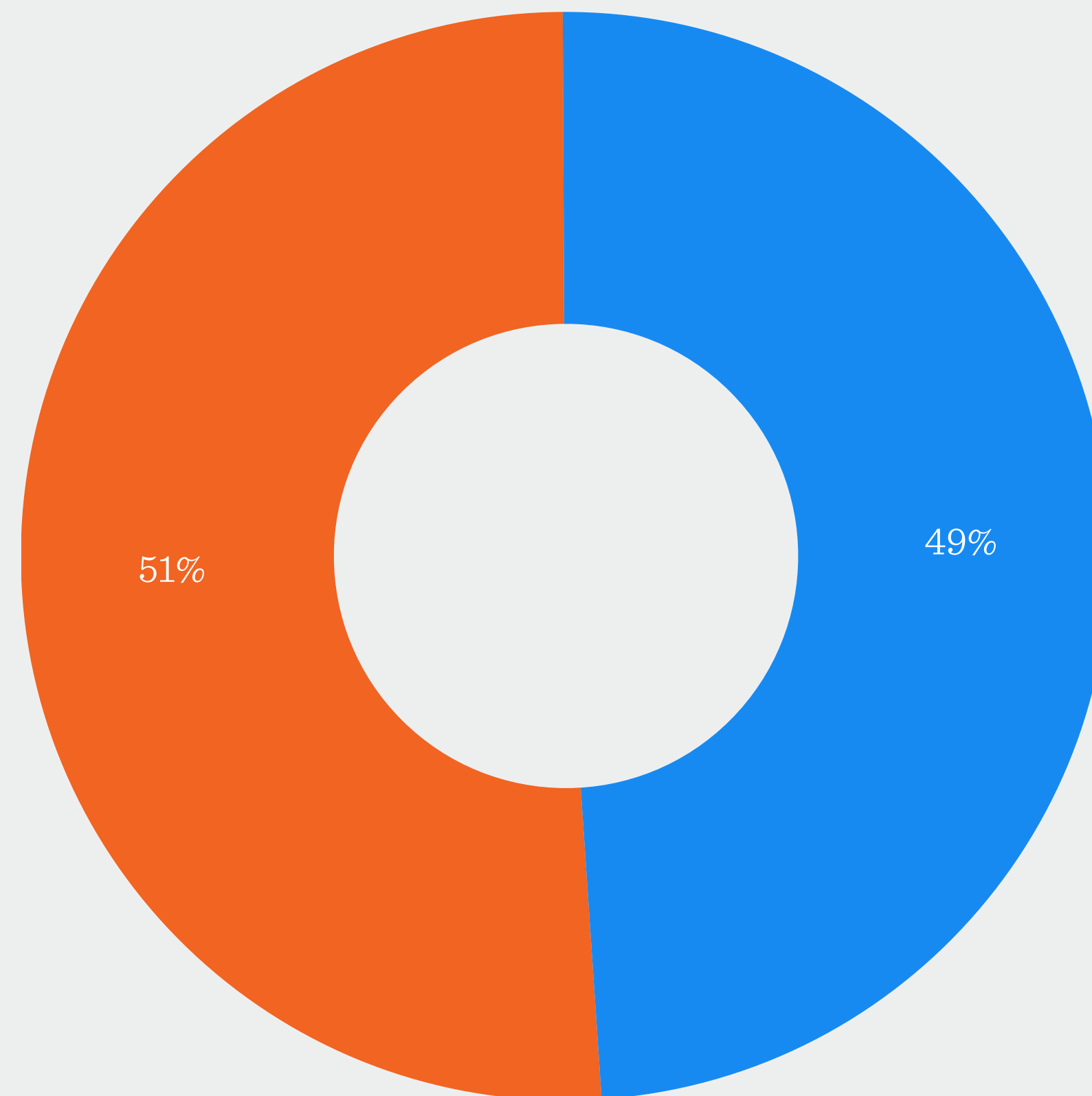
Source: Pew Research Center, Report 2016

New brands are often discovered in the online search process

Percent of smartphone users that have discovered new companies or products when conducting a search on their smartphone, 2016

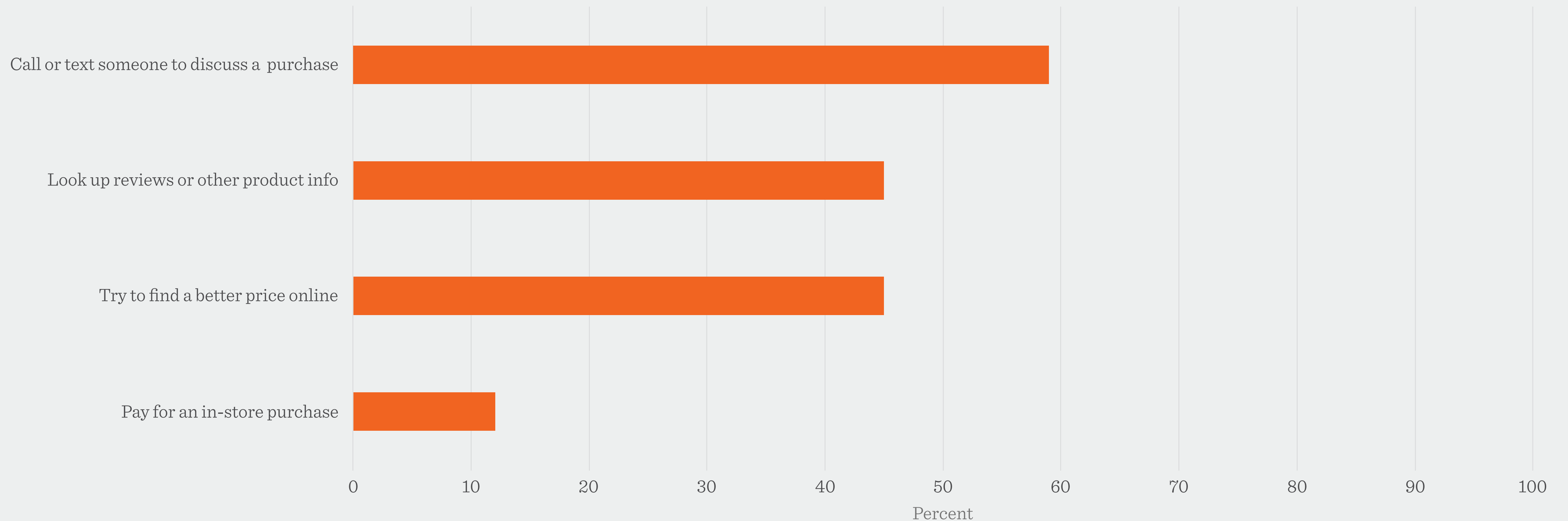
51%

Have discovered new
companies or products
through search



Even in-store shoppers use online resources to make purchasing decisions

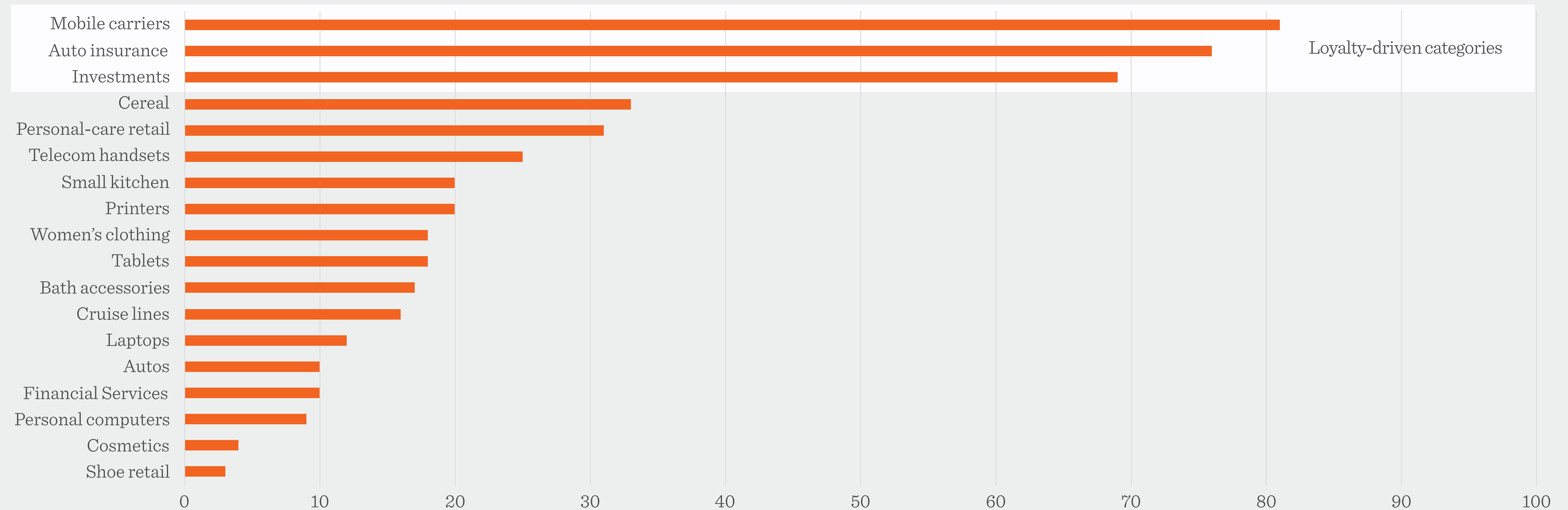
Percentage of U.S. adults have used a cell phone inside a physical store to..., 2015



Source: Pew Research Center, Report 2016

Consumers are more empowered to rely less on loyalty to make purchases

Share of purchases that are loyalty-driven vs. shopping driven, 2017

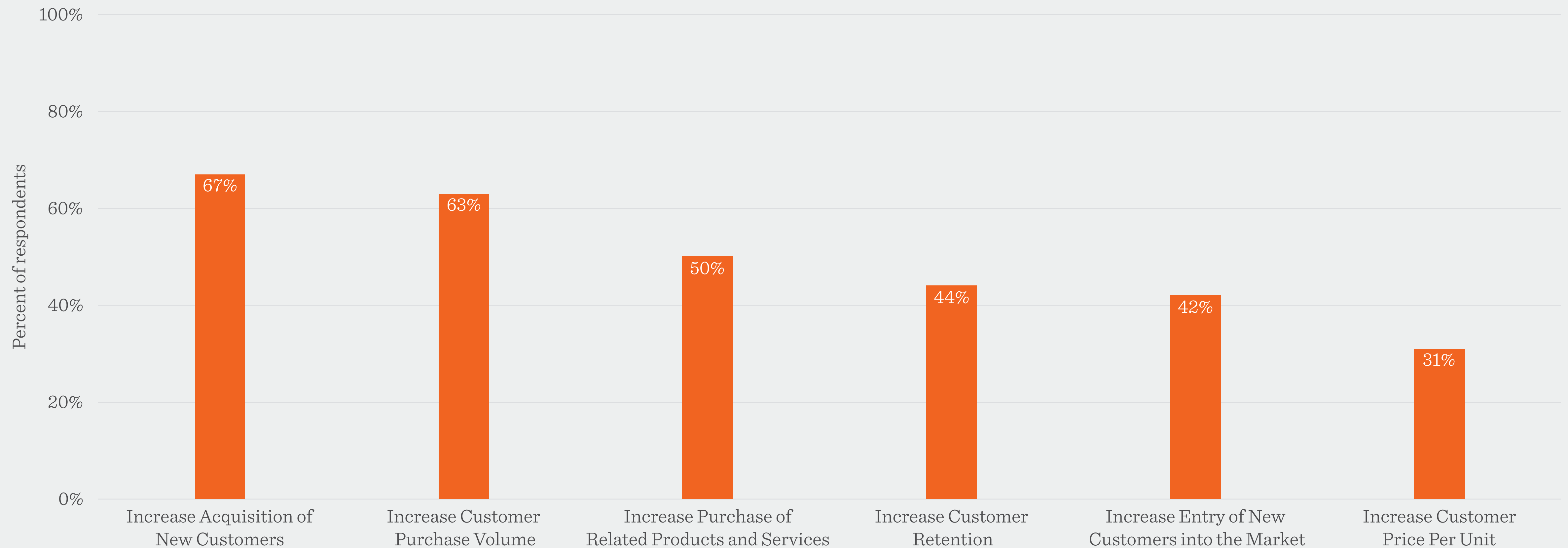


Source: McKinsey & Company

Share of purchases that are loyalty-driven

Accordingly, acquiring new customers is a high priority for CMOs

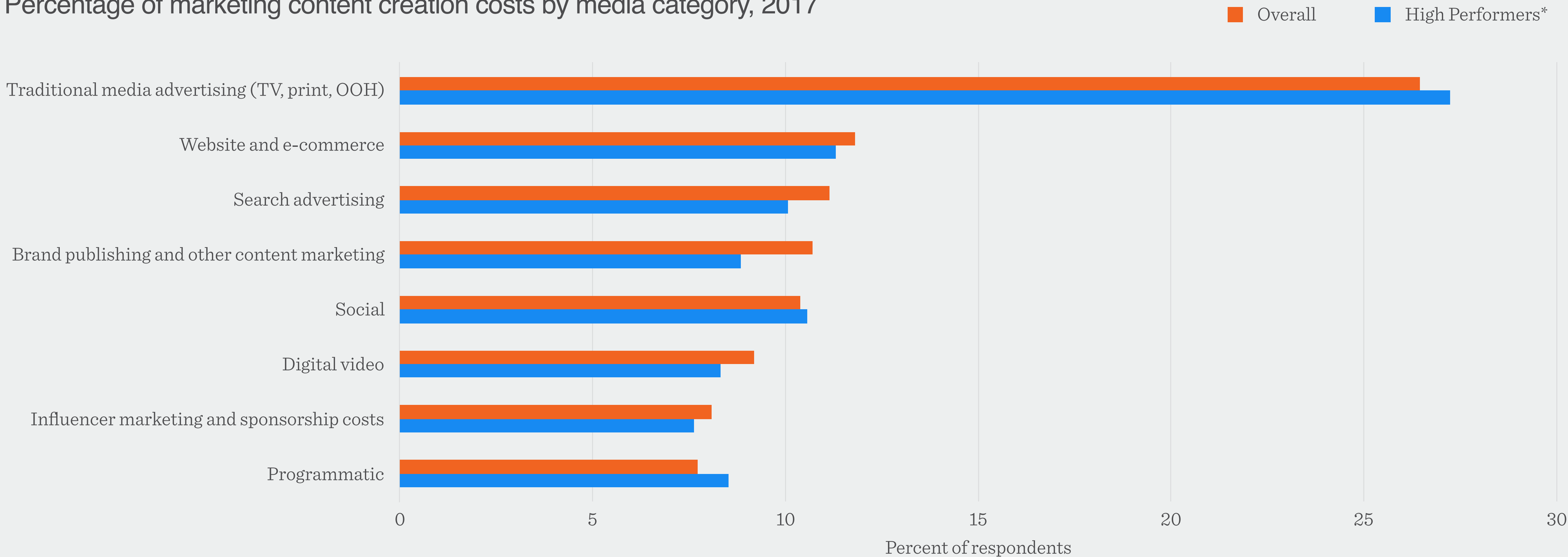
Forecasted customer outcomes in the next 12 months, 2016



Source: The CMO Survey

Channels with the broadest reach continue to be the biggest investment priority

Percentage of marketing content creation costs by media category, 2017



Source: Percolate

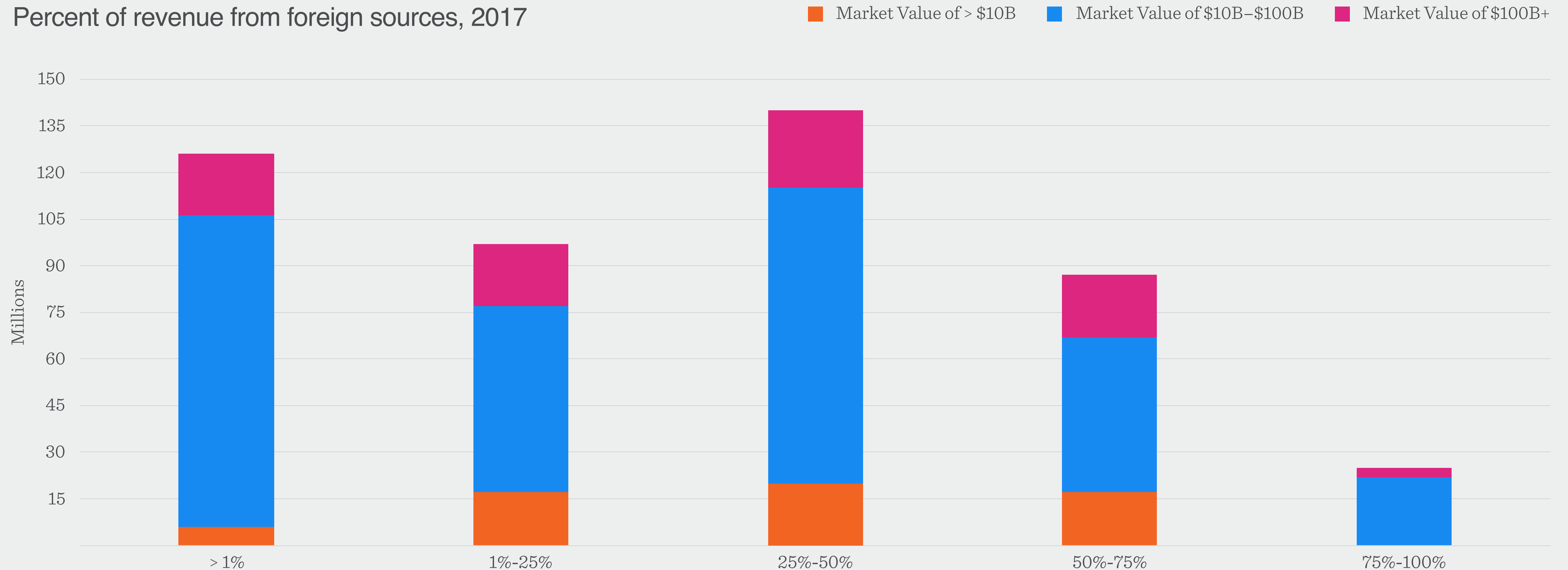
*Marketers who, relative to their peers, are more in control of rising costs and recognize the ROI from their creative.

Marketing Spend and Strategy

Marketing complexity is increasing exponentially – brands are coping with more markets and channels than ever before. But budgets are not necessarily growing to accommodate marketers' needs.

Most large companies rely on an international customer base for revenue

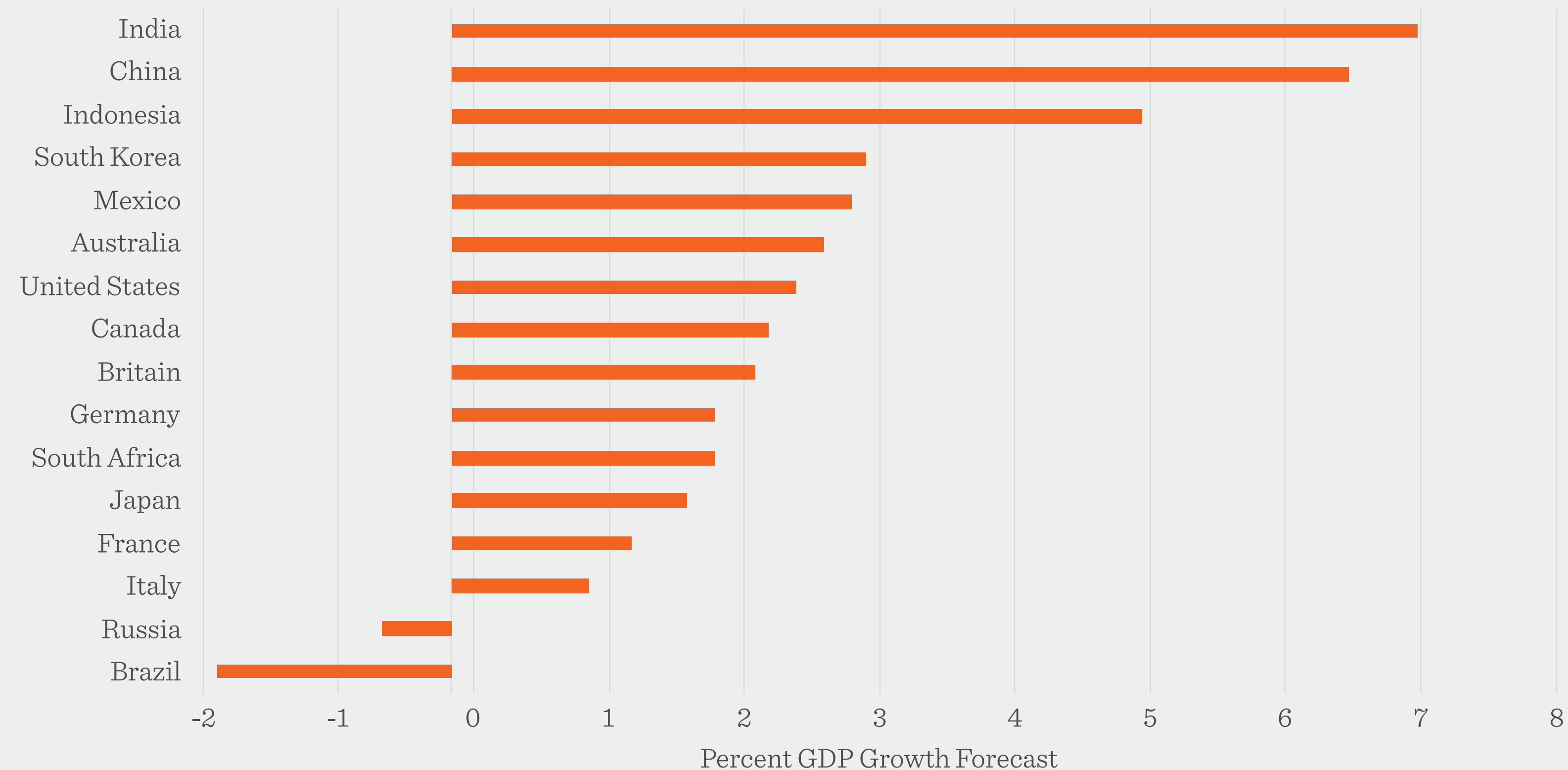
Percent of revenue from foreign sources, 2017



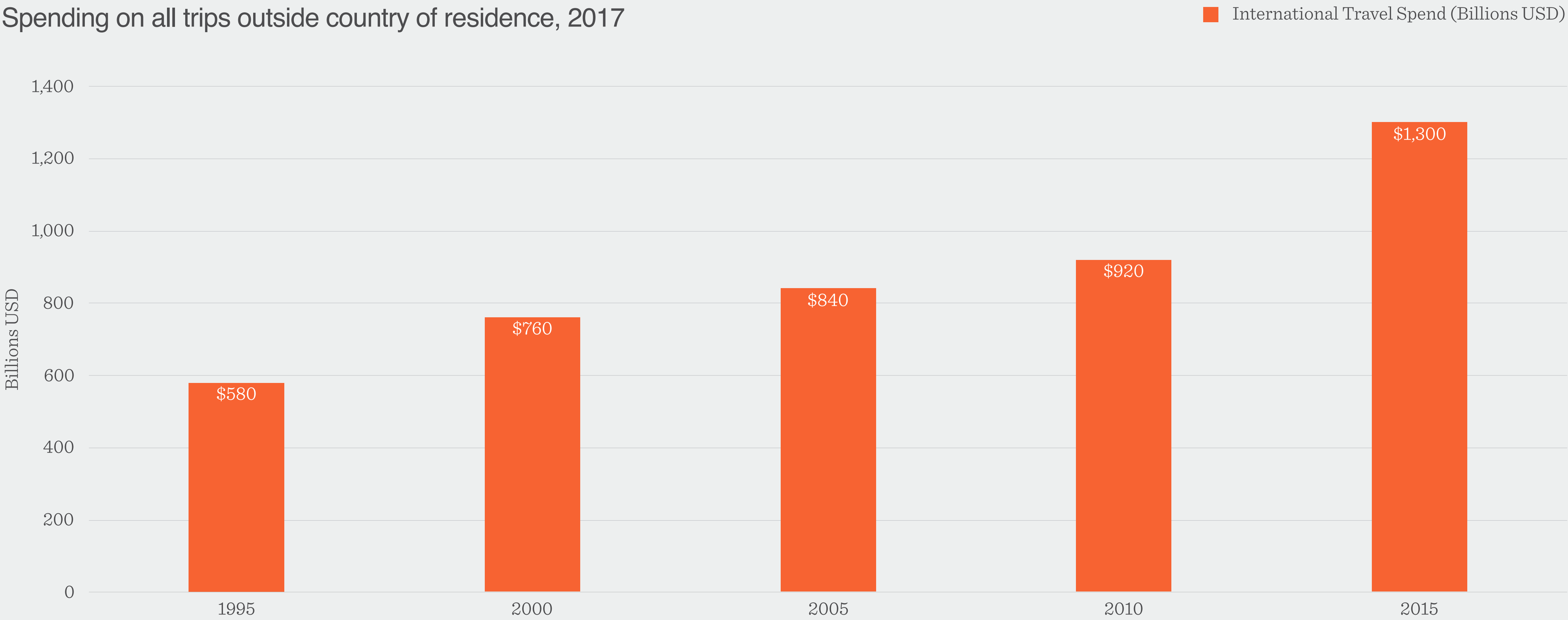
Source: Bloomberg

With emerging markets representing some of the highest growth economies...

Forecasted 2016 percent change in GDP



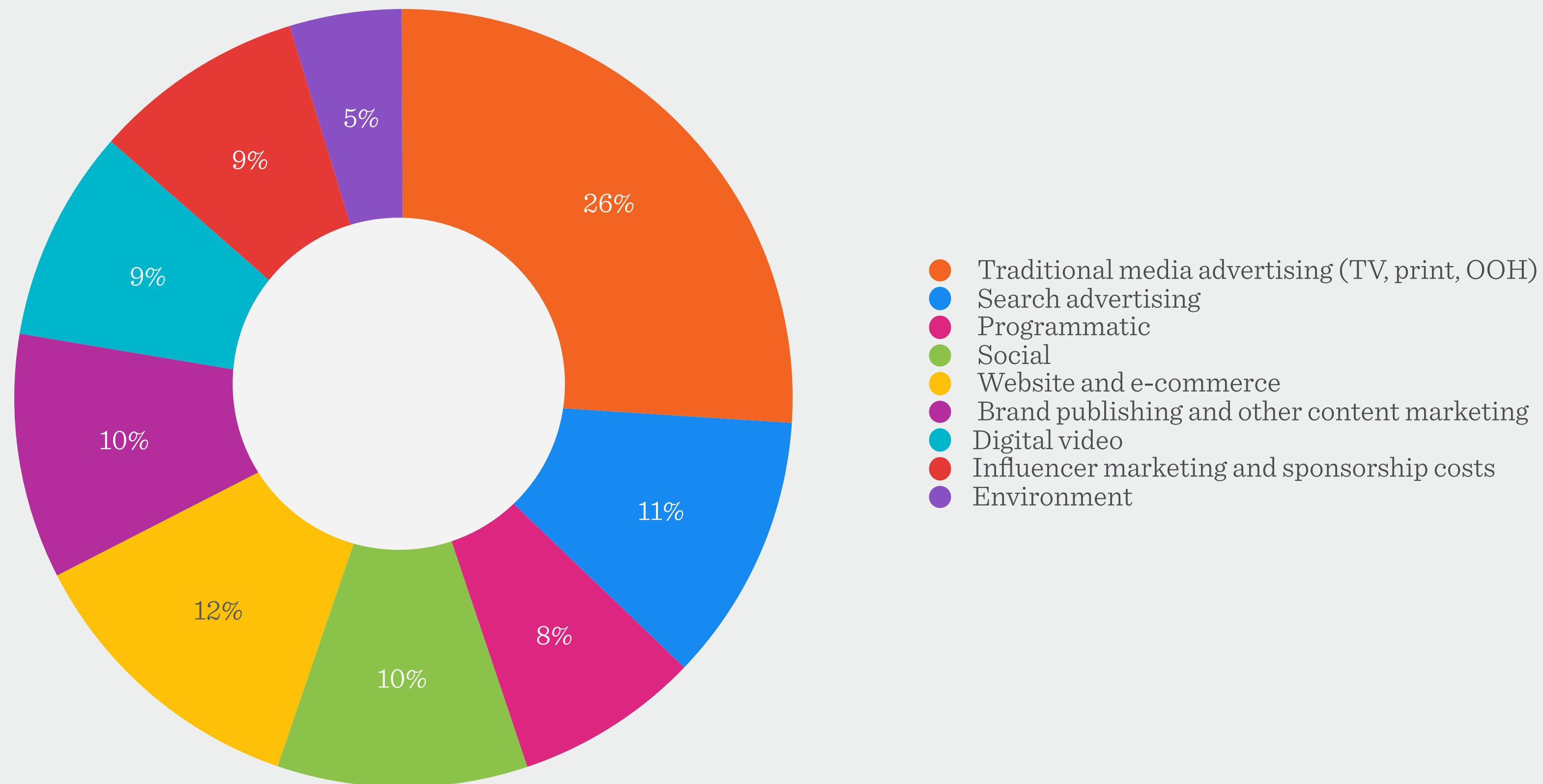
Consumers are more and more fluent in global culture



Source: PwC

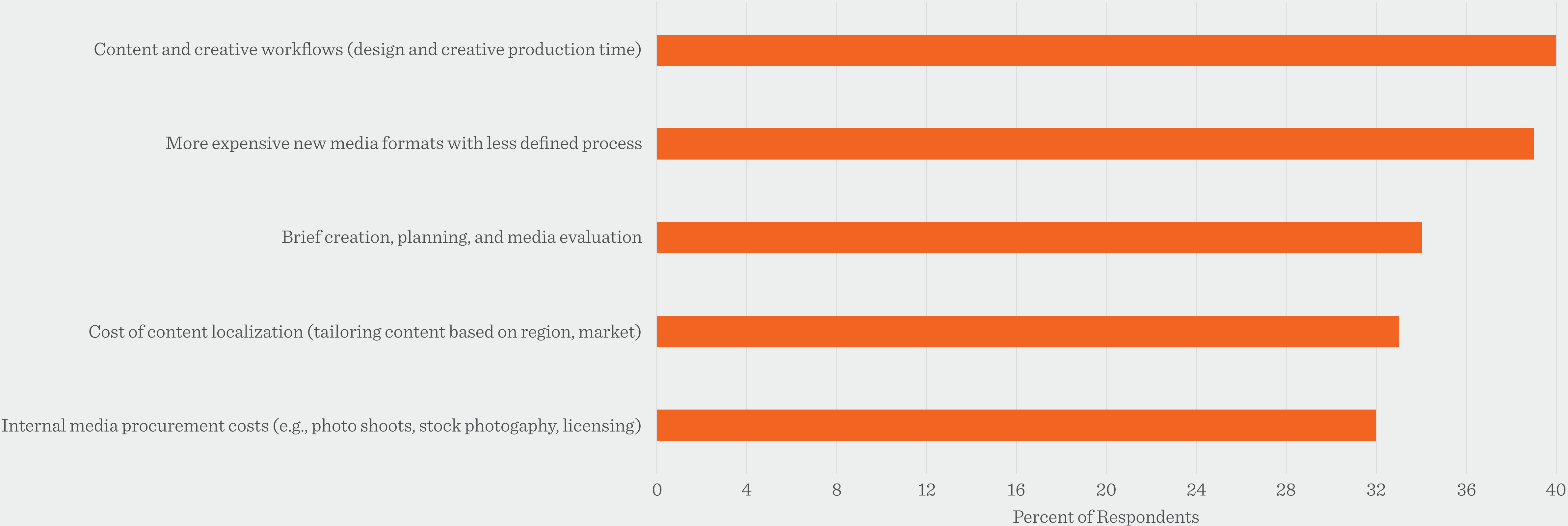
Marketing success lies in multichannel content investments

What percent of your marketing budget is allocated to the following categories? (2017)



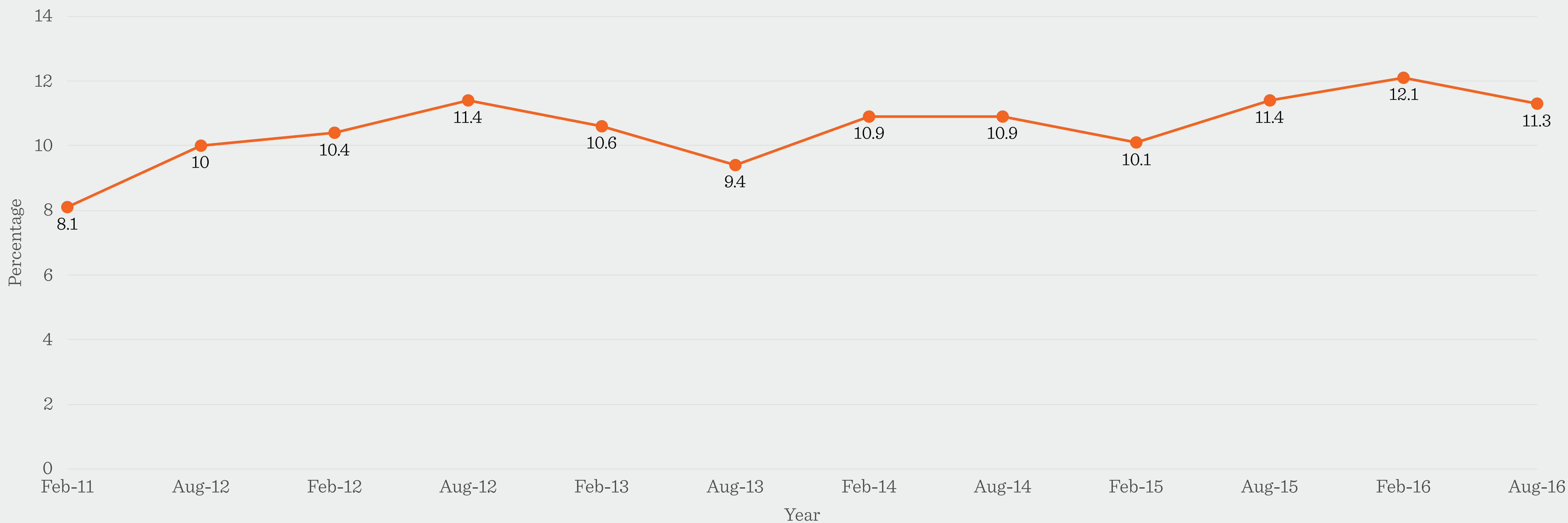
Creative workflows and increased channel and regional complexity are driving up marketing costs

What are the top drivers of content marketing costs? (2017)



Despite this increase in complexity, marketing budgets have remained flat

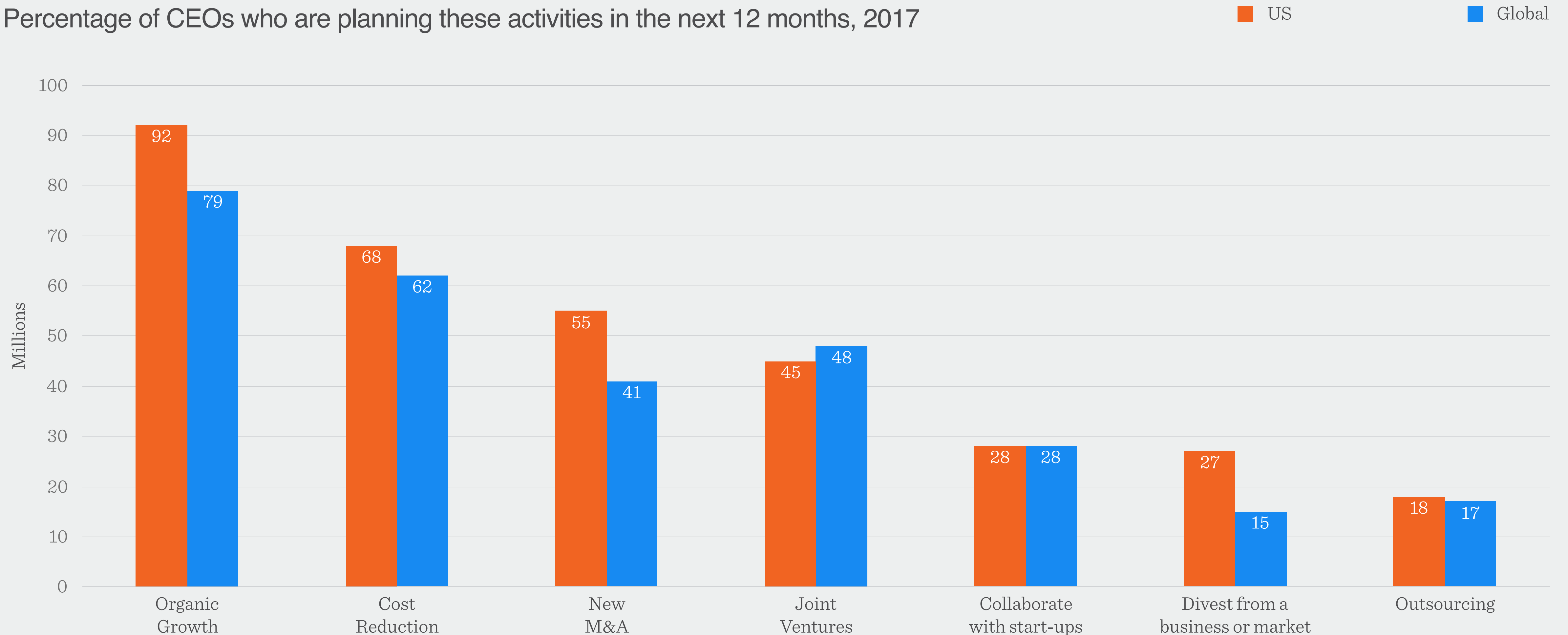
Marketing budget has a percent of firm budget, 2011-2016



Source: The CMO Survey

And cost reduction is a major priority for C-level executives

Percentage of CEOs who are planning these activities in the next 12 months, 2017

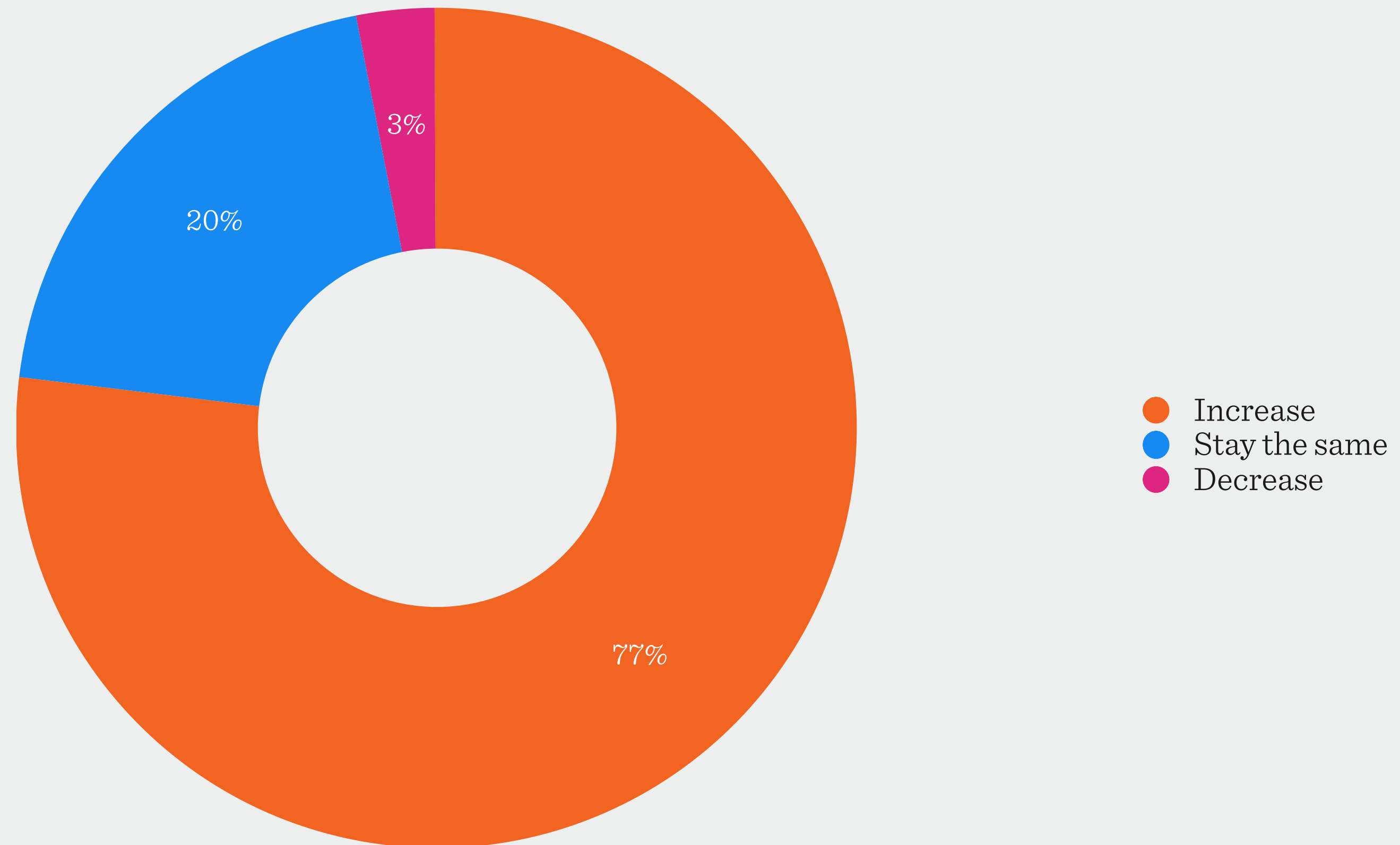


Most marketers expect the discrepancy between budgets and costs to grow

What do you expect the future trend in content costs will be with respect to your overall marketing budget?
(2017)

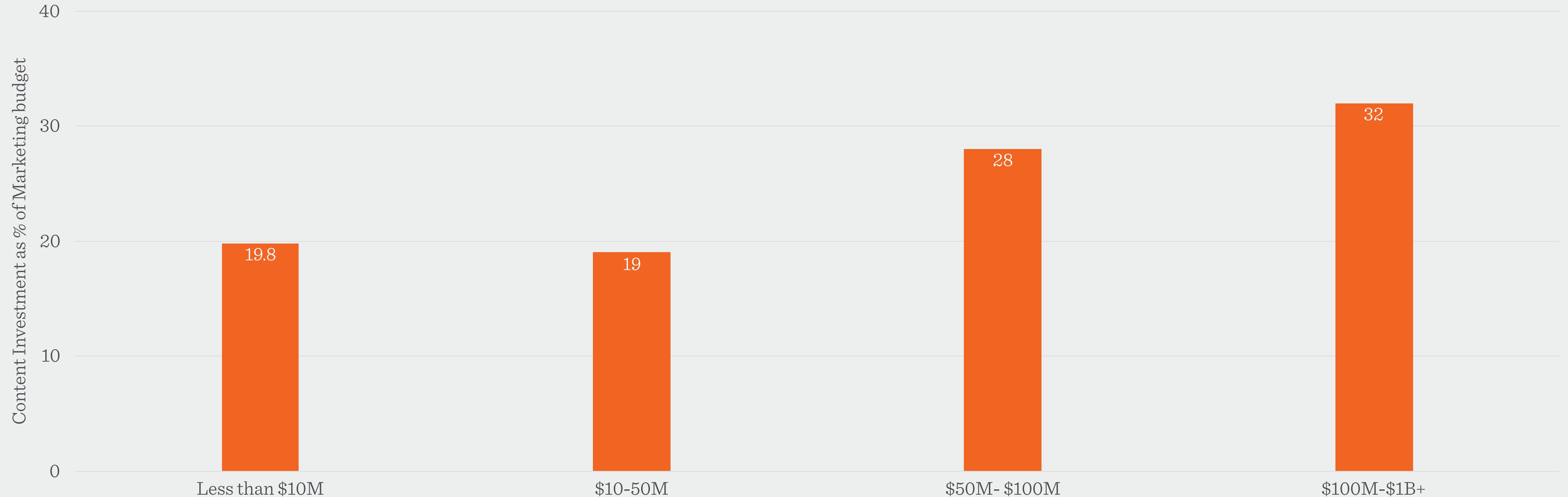
77%

say the rise in content costs will continue to outpace budget growth



Brands with larger marketing budgets invest a higher percentage in content

Content investment segmented by marketing budget, 2017

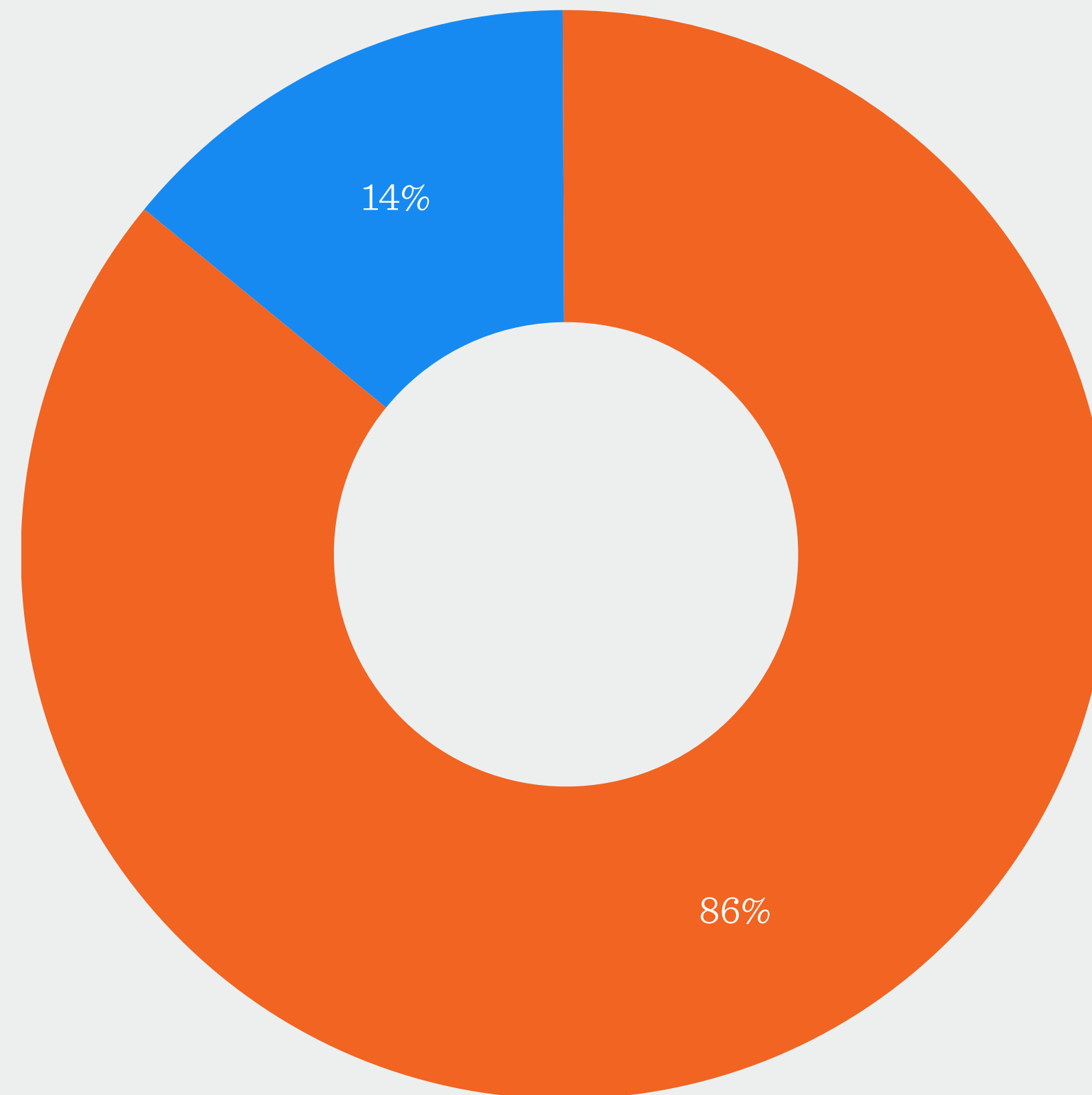


Most marketers expect the discrepancy between budgets and costs to grow

What do you expect the future trend in content costs will be with respect to your overall marketing budget?
(2017)

86%

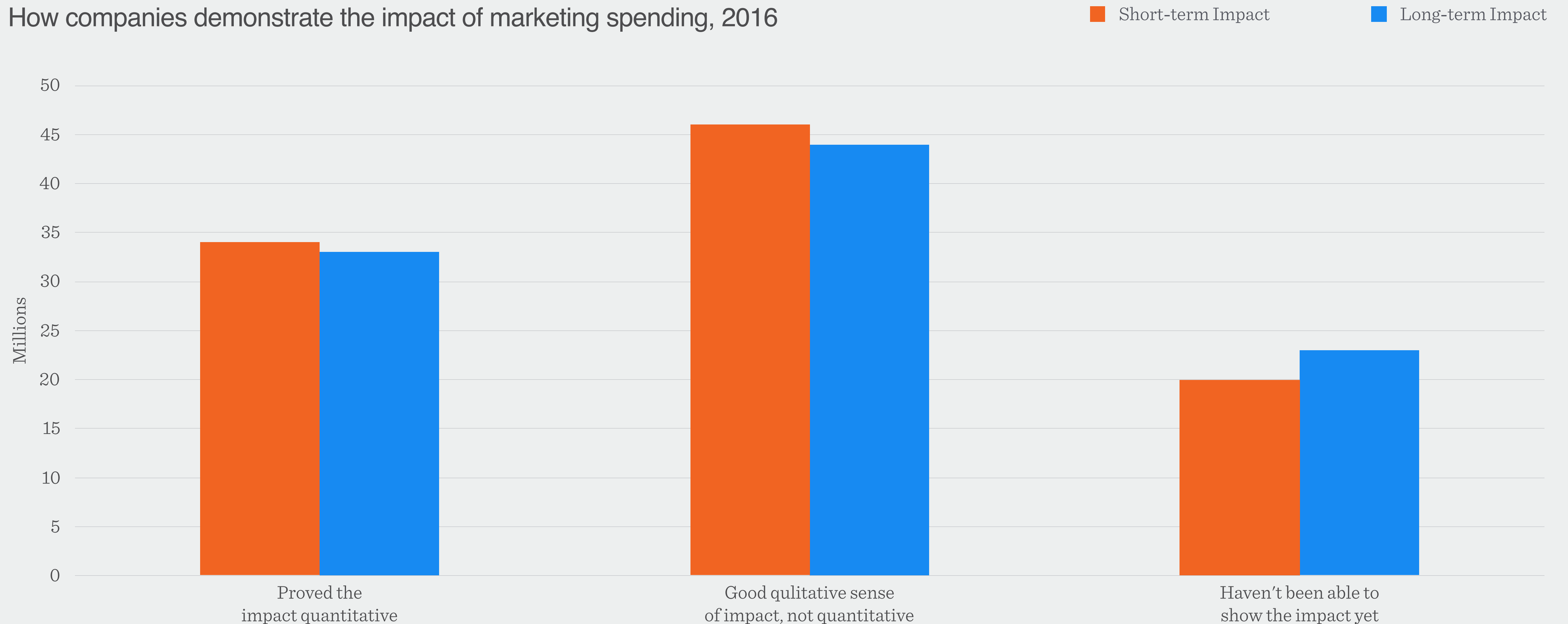
say content spend is
worth the value



● Yes ● No

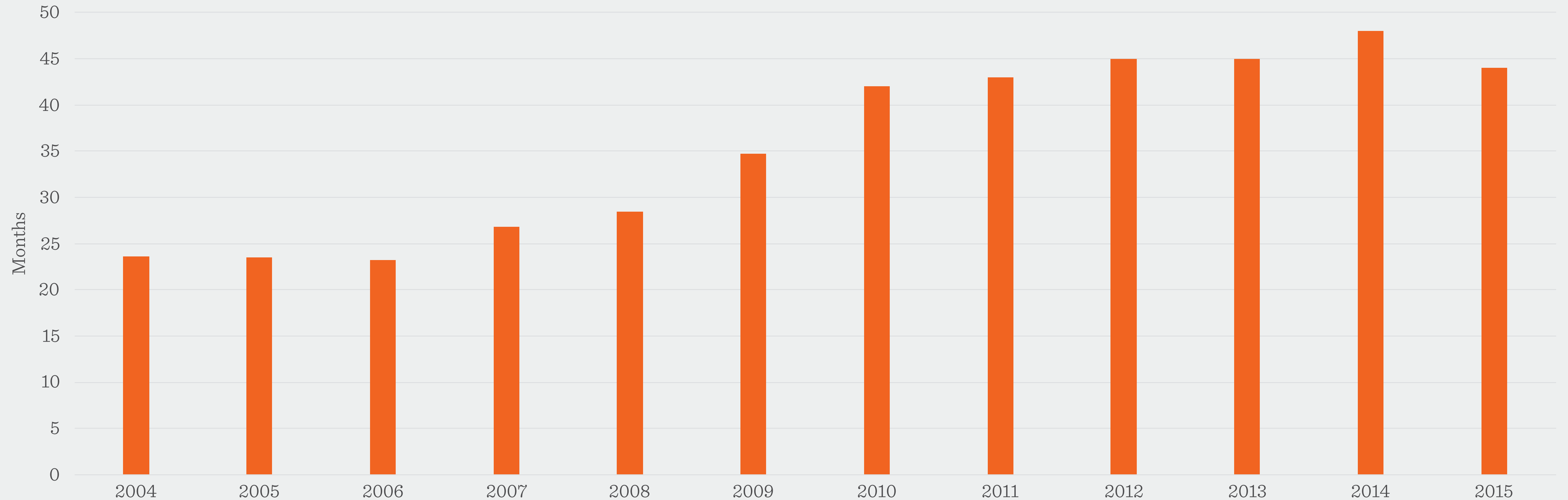
Yet most brands lack metrics to demonstrate this impact

How companies demonstrate the impact of marketing spending, 2016



This lack of demonstrable impact has correlated with a dip in CMO Tenure

Average CMO tenure by year, 2004-2015

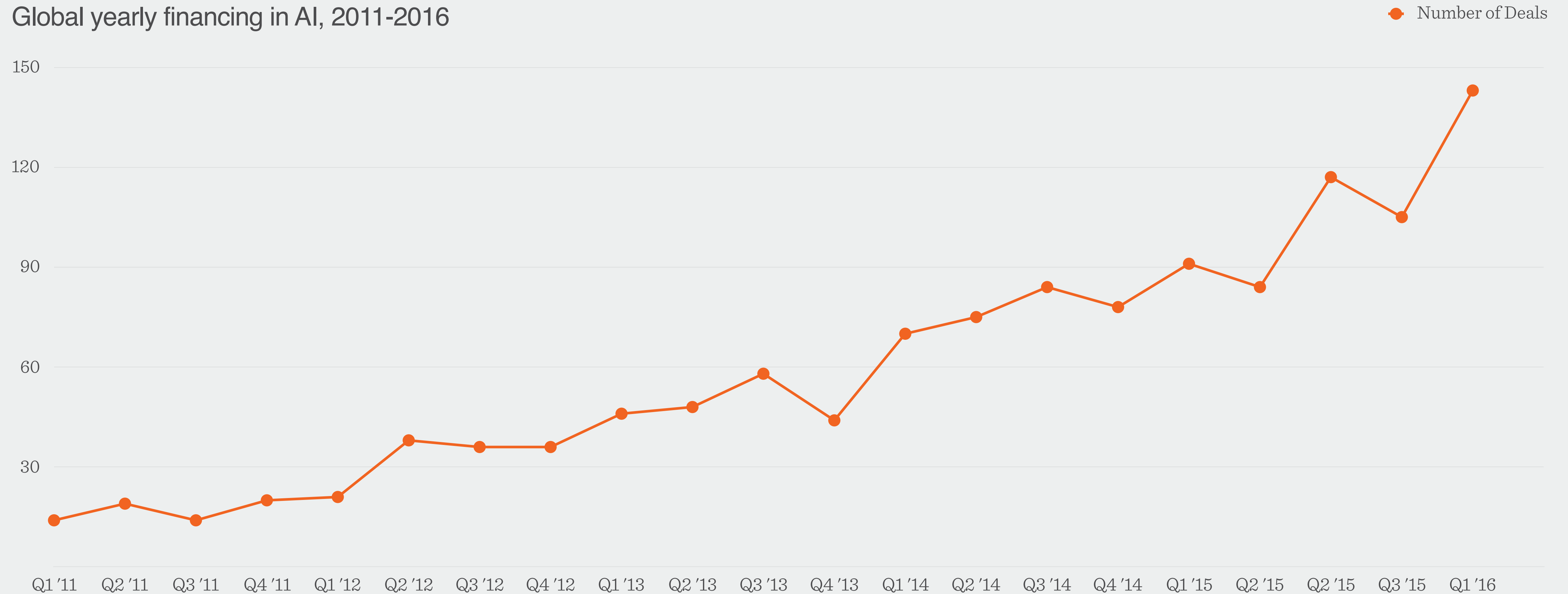


Artificial Intelligence

Artificial Intelligence is changing the way we live and work. To succeed, brands need to understand how these technologies are changing their customers' lives, and how they can leverage them to improve the way they do business.

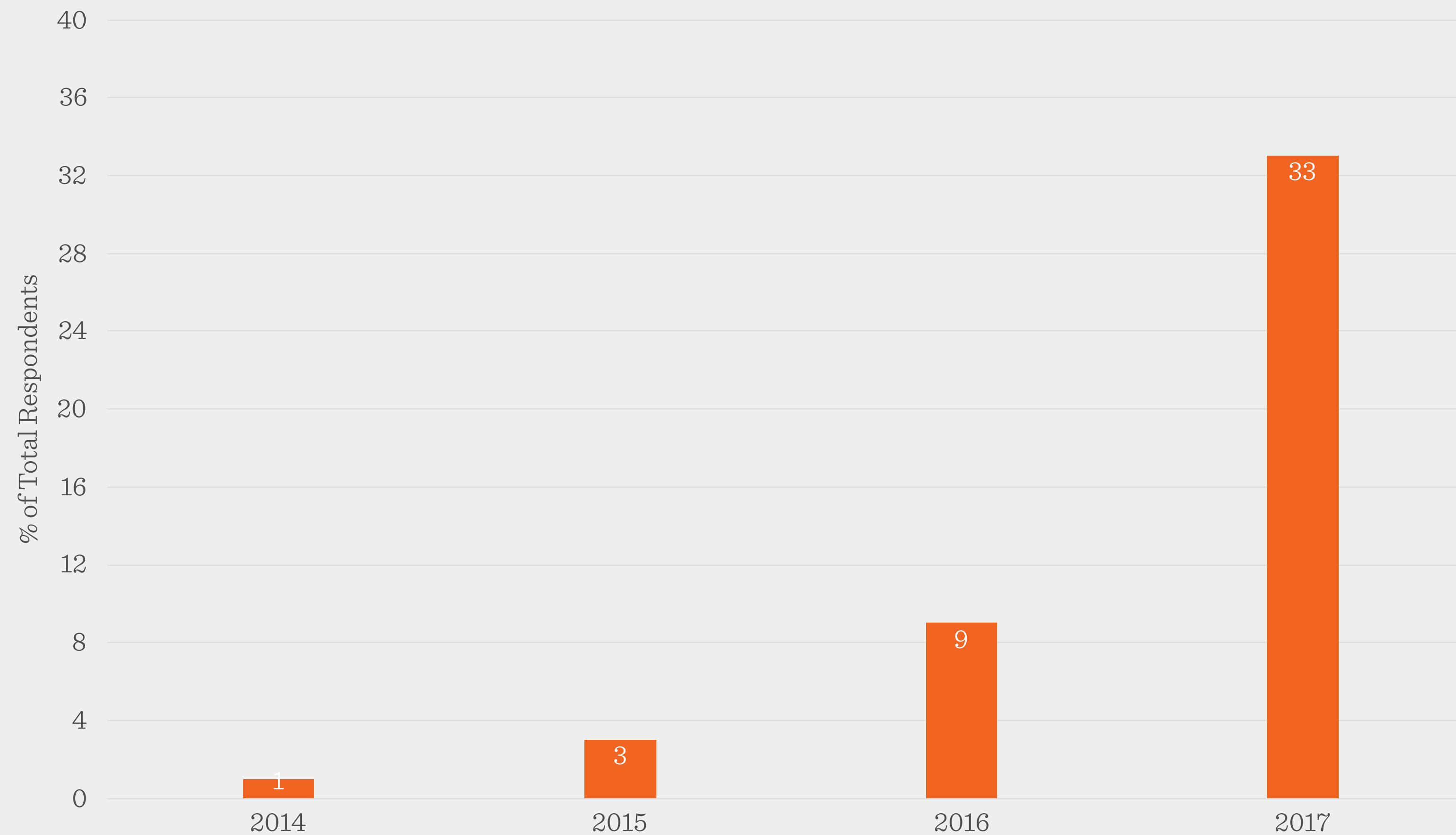
AI is a high-growth industry

Global yearly financing in AI, 2011-2016



It's changing how consumers interact with brands

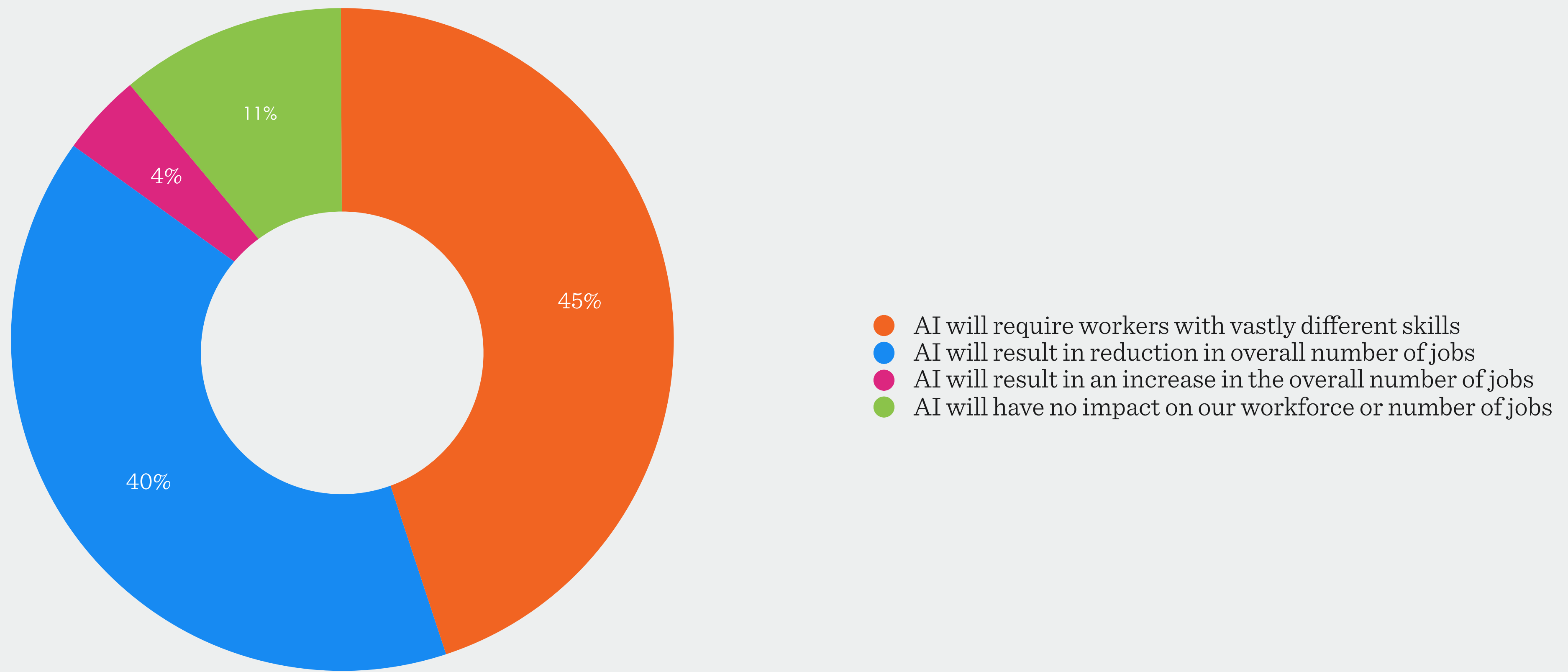
Millions of voice-first devices, 2014-2017



Source: TechCrunch

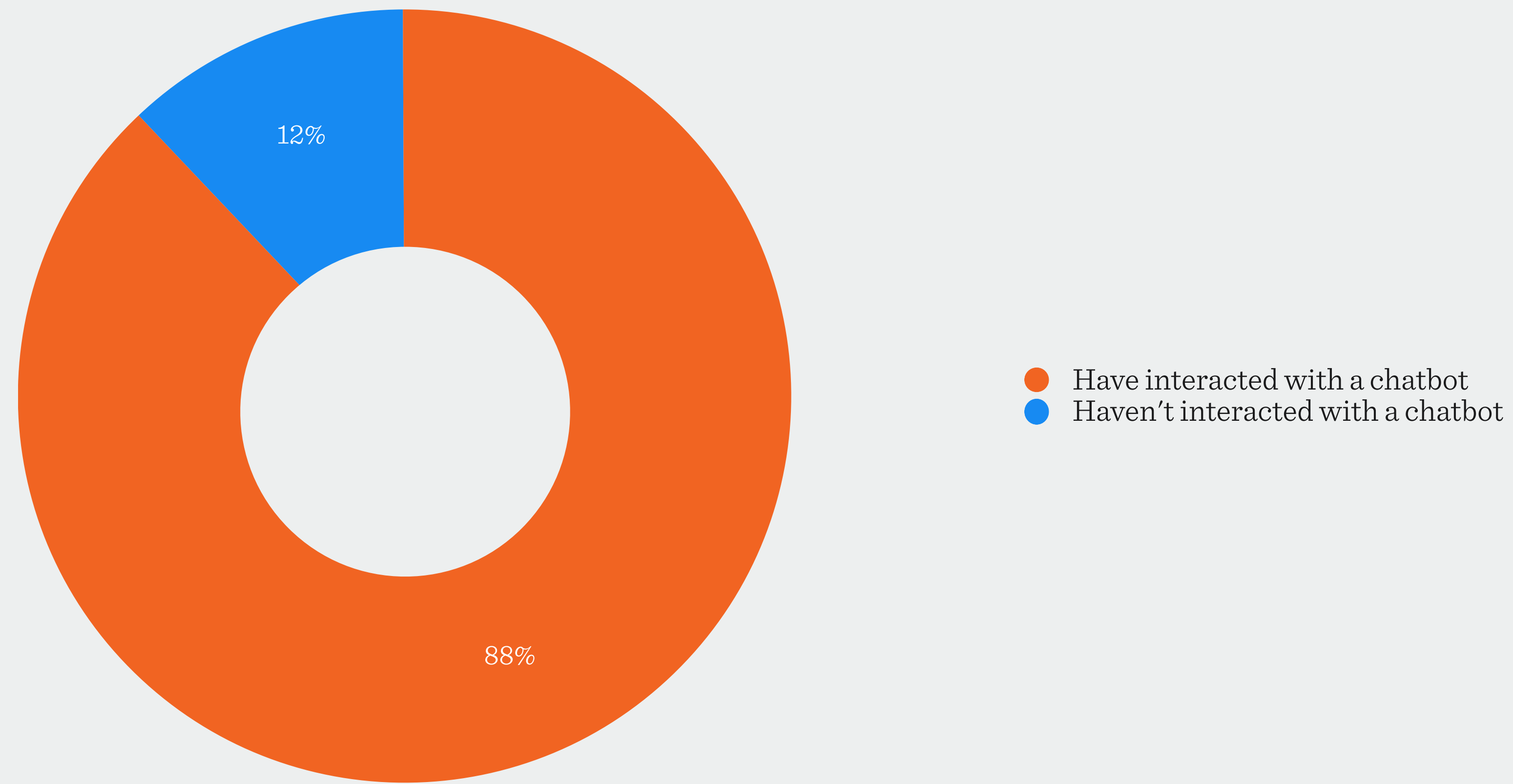
And it's changing how brands operate

How will AI impact your company's workforce? (Percent of CMOs), 2016



Chatbots are an emerging technology for customer experience

Percent of consumers receive content from or interact with a chatbot on a mobile messaging app, 2016

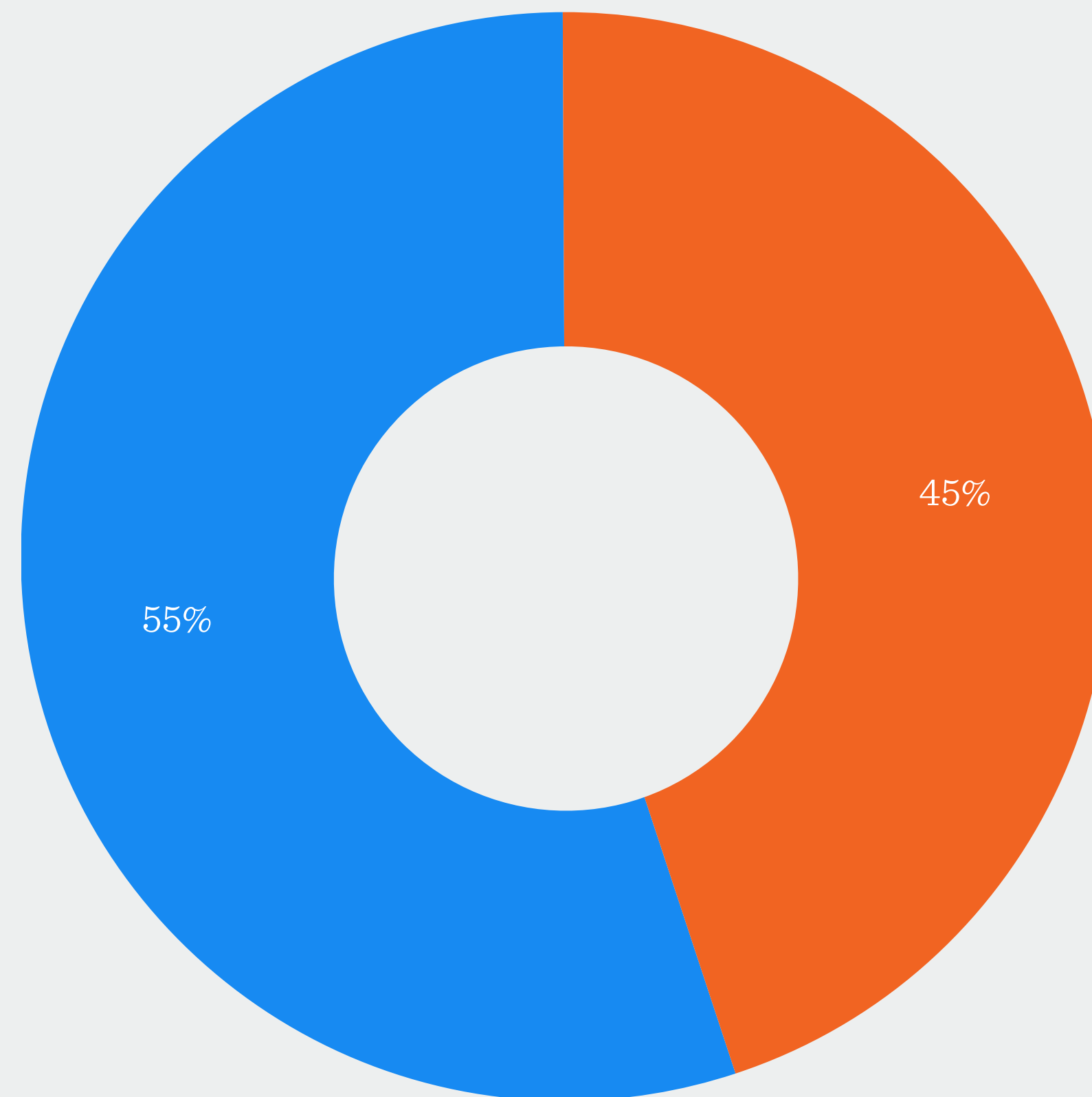


AI is an untapped opportunity for many marketing organizations

PwC estimates that 45% of all workforce activities could be automated—resulting in over \$2 trillion in savings globally, 2017

45%

of workforce activities
could be automated



- Could be automated
- Could not be automated

Percolate is The System of Record for Marketing.

Our technology helps the world's largest and fastest-growing brands at every step if the marketing process.

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or request a demo today at percolate.com/request-demo



Anisa Aull

Anisa Aull is on the Marketing team at Percolate.

