

# INNOVATIONS, TRENDS AND CHALLENGES FOR TODAY'S MARKETERS



## Ipsos Reid

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## INNOVATIONS, TRENDS AND CHALLENGES FOR TODAY'S MARKETERS

**Toronto, ON** – According to a new Ipsos Reid survey of Canadian marketers -conducted in partnership with the Canadian Marketing Association- a good majority (69%) of today's marketers believe that "innovation is alive and strong in Canada". Further, seven in ten (72%) agree that "innovation has become more of a priority for Canadian marketers within the last five years".

When asked to think about **trends** that exist today, marketers most strongly point to "consumer control of communication channels", followed by "information overload", and "continued fragmentation of media" (a full ranked listing of the eleven trends asked about is shown on pg. 4).

And when considering possible **challenges** that they or their organization may be facing, "continued pressure to demonstrate ROI on marketing initiatives" tops the list, followed closely by "higher expectations on service delivery but unwillingness to pay more", and "short-term focused" (a full ranked listing of these ten challenges asked about is shown on pg. 5).

When thinking about the organization for which they currently work, marketers offer the following as categories of their business for which they have seen innovative achievement in the past five years:

- 18% mention "technology" (including online services, online catalogues, online banking, VoIP, etc.);



- 18% mention “customer service” (including more options for customers, focus on CRM, loyalty programs);
- 15% mention “product launches”; and
- 10% mention “advertising” (including more effective advertising, more advertising mediums and tools).

Analysis of the study findings in complete reveal that:

- Canadian marketers face a multitude of customer and organizational trends;
- Canadian marketers are being challenged to demonstrate ROI on marketing initiatives, and to do so in the short term;
- With Canadian marketers facing these trends and challenges most (64%) have no formalized innovation process; and
- Against this background, innovation in Canada is seen as alive and strong – one has to question how deep this runs and to what extent it is based on optimism, hope, a commitment to innovation in the near term and pride in some great Canadian companies.

*These are the findings of an Ipsos Reid survey conducted in partnership with the Canadian Marketing Association and fielded from September 7th, to September 19th, 2005. For the survey, 226 mid to senior level marketers were interviewed via an on-line survey instrument.*



### ***Seven In Ten (69%) Say Innovation Is Alive And Strong In Canada...***

Sixty-nine percent of marketers believe that “innovation is alive and strong in Canada” while 31% argue that “innovation is dead in Canada”.

Of the 69% of marketers that believe “innovation is alive and strong in Canada”, half (51%) strongly feel this way –indicated by their answering 8, 9, or 10 on a 0 to 10 attitudinal scale where 1 means “slightly believe” and 10 means “strongly believe”. On average, these respondents offer a 7.4 score on this scale.

Of those who believe “innovation is dead in Canada” (31%), four in ten (42%) indicate that they strongly feel this way by answering 8, 9 or 10 on an attitudinal scale. These respondents offer a mean score of 6.8 on this scale.

### ***And Seven In Ten (72%) Believe That Innovation Has Become More Of A Priority For Canadian Marketers Over Past 5 Years...***

Seven in ten (72%) agree that “innovation has become more of a priority for Canadian marketers within the last five years” – 28% believe the opposite and say innovation has become less of a priority.

When those who believe that innovation has become more of a priority for marketers over the past five years (72%) are asked to what extent they believe this opinion, 66% indicate that they strongly feel this way (mean score of 7.9).

Of those who believe that innovation has become less of a priority (28%), half (54%) indicate they strongly feel this way (mean score of 7.0).



## ***What Trends Are Facing Marketers? “Consumer Control Of Communication Channels” And “Information Overload” Are Most Powerful...***

Marketers were asked to consider from a list of possible current marketing trends how strongly they agree or disagree that each are a trend that exists today. Respondents were asked to use a 10-point scale, where 10 means “I completely agree that this trend exists today” and 1 means “I completely disagree that this trend exists today”.

By looking at the mean scores for their answers a list of most common to least common trends is generated below:

Trend	Mean
Consumer control of communication channels	8.3
Information overload	8.2
Continued Fragmentation of Media	8.0
Aging population	7.5
Commodification of Products	7.3
Continued shift of power from manufacturers to retailers	6.9
Dissolution of traditional brand building strategies	6.9
Globalization/ Americanization/ Glocalization	6.8
Business Consolidation	6.7
Government Regulations	6.6
Segmentation Strategies	4.8

## ***And What Challenges Are They Facing?***

Marketers were also asked to consider from list of possible current marketing challenges how strongly they agree or disagree that each are a challenge that they or their organization face



today. Respondents were asked to use a 10-point scale, where 10 means “I completely agree that this is a challenge we face today” and 1 means “I completely disagree that this is a challenge we face today”.

By looking at the mean scores for their answers a list of most common to least common challenges is generated below:

Challenge	Mean
Continued pressure to demonstrate ROI on marketing initiatives	8.3
Higher expectations on service delivery but unwillingness to pay more	8.1
Short-term focused	7.9
How to reach customers cost-effectively in a new media environment	7.6
Keeping messaging simple and powerful	7.5
The decision of targeted messaging to existing customers or niche targets vs. mass messaging	7.4
Hesitation in risk taking	7.2
Difficulty in building a brand	6.8
Lack of talent	6.1
Managing global brands	6.0

***When Asked To Consider Innovation Achievements At Their Company – Technology (18%), Customer Service (18%) And Product Launches (15%) Are Top Mentions...***

When thinking about the organization for which they currently work, marketers offer the following as categories of their business for which they have seen innovative achievement in the past five years:



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- 18% mention “technology” (incl. online services, online catalogues, online banking, VoIP, etc.);
- 18% mention “customer service” (more options for customers, focus on CRM, loyalty programs);
- 15% mention “product launches”; and
- 10% mention “advertising” (more effective advertising, more advertising mediums and tools).

One in five (19%) say they “don’t know”, and 13% mention “nothing”.

-30-

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