

Research Report: *Are Marketing Executives Responding to the Rise of the Cultural Consumer?*

During the fall of 2005, LitLamp Communications Group and Meaningful Measurement, under the direction of Donna Surges Tatum, Ph.D., conducted a survey of the membership of the Marketing Executives Networking Group (MENG). The organization has nearly 1,500 members from around the world. Membership is strictly limited to professional marketers who meet the following standards:

Members are marketing, sales, or general management executives whose primary focus is marketing. Membership is initiated via colleague and peer referrals. The group is not currently listed publicly and membership is available only by referral. MENG is comprised of VPs, SVPs, CMOs, COOs and presidents. Prospective members must meet the following requirements:

1. Minimum base salary (excluding bonuses, options, etc.) of \$150,000
2. Hold title of at least vice president or equivalent
3. Expertise is expected to include at least one of the following fields:
 - Marketing
 - Advertising

- Sales management
- Public relations
- Corporate communications
- Investor relations
- Market research
- Direct marketing
- Business development
- Strategic marketing alliances
- Strategic planning
- Corporate marketing planning
- Product management
- General management (in a marketing-driven business)

The Survey and Its Reliability

The survey was e-mailed to all 1,500+ members. Respondents were assured that their responses would be kept confidential and reported only as aggregate data. Sixty-five people returned the survey—a modest response rate, but expected for executives of this caliber. Participants appear to be representative of the overall MENG membership's fields of expertise. The reliability rating for the survey is an excellent 92 percent.

We should keep this in mind as we consider the results of the survey: The sample size was small but representative, which may have something to do with the topic of the study.

One purpose of the survey is to gauge what might be described as the demand for marketing programs that tap into cultural consumers, both with content and connection. On the whole, there is a desire to reach the type of demographics the survey asked about,

namely youth and women, as well as those consumers who were described as affluent and well educated.

Demographics of respondents

Participants are experienced marketers. One-third have twenty years in the profession and over 50 percent have between sixteen and thirty years' experience. There is a wide variety of expertise represented; the respondents' principal marketing industry range from consumer packaged goods, technology, entertainment, market research, health care, media, and many others.

Results

What overall story does the research tell us? First, whether or not they consider the youth market important, this elite group of marketers recognizes that online is the best vehicle to reach them. In fact, online is considered very important for all three of these desirable demographic groups.

What is striking is the pattern of heightened interest in media tactics such as the use of online, public relations, and arts and entertainment marketing.

Affluent and well-educated consumers are prime targets

Affluent, well-educated customers are extremely important targets to these marketers. Preferred tactics for reaching this group rest heavily on the Web, public relations, and arts and entertainment. Other tactics, such as television and radio, took a steep drop-off from those top three. There is also agreement that

more consumers qualify as “well educated” the number widely believed to fall into that group.

Youth

There is significant divergence among this group on importance of the youth market to their campaigns. The bulk of respondents ranked it as either “very important” or “not at all important.” Even for those who saw the segment as unimportant, there was agreement that online marketing was the best way to reach this age group. Next in importance were public relations and arts and entertainment marketing. Sports marketing fared poorly as a tactic for reaching youth, as did direct mail, television, and radio. No matter what, if these marketers were going to spend any money reaching youth, they would spend it online.

Women

Respondents had a high need to reach women consumers. This is no surprise since women have constituted a core consumer segment for many years. Given the breadth of participation in the study from across industry sectors, we can see that the influence of women has moved beyond packaged goods and retail and into areas such as financial services, automotive, and technology purchases.

There is a broader arsenal of preferred tactics for reaching women age 35–55. Online, public relations and print are all considered very important. Radio and sports are ranked as not at all important. Television fares somewhat better. In fact, television and arts and entertainment were nearly equal in importance as tactics for reaching this critical segment, with arts trending higher. Sports marketing fell to the very bottom of the preferred

tactics, revealing that this group of elite marketers does not consider it a useful tool in their mix for reaching the female consumer. Underlying the choice of preferred tactics, as with the affluent/well-educated consumer, is the assumption that this segment reads and connects online to get information.

Anticipated Trends

These executives said they want to learn more about how to market both online and through arts and entertainment platforms. While many said they saw these tactics as important or very important for reaching the most important consumer groups, they were less sure about how to implement. Forty-one percent said they used some type of arts and entertainment tie, but used it very infrequently. So, while arts and entertainment are judged very important or extremely important as a tactic for use with the most prized consumer groups, surprisingly few marketers use the tactic with any frequency. This can be the result of several failures. First, there may be a lack of understanding or expertise as to how to implement these programs, especially in view of the years of experience represented in the response pool and the relative ease of implementing more traditional advertising buys. Another possibility is that there are few examples of high-profile programs in the marketplace to emulate. Marketing is a me-too business in some ways.

Education is an issue. These marketing elites want to learn more about how to market online and through arts and entertainment ties. We can anticipate there will be a need for marketing courses on these topics.

There may be other reasons for the infrequent use of arts and entertainment marketing that are worth considering. Our research team wondered if it is a simple case of risk aversion, a

topic much talked about in marketing and advertising. The question of why marketers are slow to seize competitive advantage when they spot trends is complex, but the two themes that rise to the top are a fear of failure that could result in termination, and a failure of imagination. While the survey didn't pose questions in that vein, the data do reveal a gap between demand for marketing programs in arts and entertainment and lack of execution of such programs in these executives' portfolios today.

Specific Questions

Here are responses to questions from the survey.

Question 1: In the current fiscal year, what tactic have you used most often?

TACTIC	PERCENTAGE OF TOTAL
Television	10%
Print	22%
Radio	4%
Direct	18%
Online	35%
Public relations	6%
Sports marketing	2%
Arts & entertainment marketing	0%
Other	2%

Over one-third of the MENG respondents stated that they used online tactics most often in the current fiscal year, followed

about 20 percent each who used print and direct. The remaining one-quarter of respondents divided the tactics used most often between television, public relations, radio, sports marketing, and other—i.e. promotion and event marketing. No one used arts and entertainment marketing as a primary tactic.

Question 2: In the current fiscal year, what other tactics have you used? Mark all that apply.

TACTICS	PERCENTAGE OF TOTAL
Television	27%
Print	47%
Radio	35%
Direct	47%
Online	63%
Public relations	67%
Sports marketing	18%
Arts & entertainment marketing	41%
Other	20%

MENG respondents use a blend of tactics in addition to the one they use most often. About two-thirds also utilize public relations and online; nearly half employ print advertising and direct; one-third use radio; one-quarter buy television advertising; and 20 percent each use sports marketing and other. "Other" includes trade shows; viral; word of mouth; blogs and influencers; promotion and event marketing; video games—console and online; billboards; and via partner. *Note:* Only one of the respondents uses arts and entertainment marketing as a primary tactic, although over 40 percent have it in their plans.

Question 3: In the next fiscal year, which tactic will you want to learn more about?

TACTICS	PERCENTAGE OF TOTAL
Television	2%
Print	6%
Radio	6%
Direct	2%
Online	43%
Public relations	10%
Sports marketing	2%
Arts & entertainment marketing	25%
Other	4%

This group of MENG respondents is most interested in learning more about online tactics (43%). Another one-quarter are most curious about arts and entertainment marketing, and 10 percent want to explore public relations. Print and radio draw about 6 percent interest each. The tactics of least interest, in terms of a desire to learn more about them, are television, direct and sports marketing, although traditionally, they are the most heavily funded in most marketing budgets.

Tactics of interest listed under “Other” include viral/word-of-mouth and podcasts. Of course, it makes sense that experienced marketers already have an understanding of the older tactics and have the most interest in learning about newer ones.

Question 4: People interested in things such as independent film, visual art, and live music are a growing segment.

RESPONSE	PERCENTAGE OF TOTAL
Very strongly agree	6%
Strongly agree	25%
Agree	49%
Disagree	18%
Strongly disagree	0%
Very strongly disagree	2%

An overwhelming 80 percent of the MENG respondents agree with the statement.

Question 5: The knowledge economy is creating a more intelligent consumer.

RESPONSE	PERCENTAGE OF TOTAL
Very strongly agree	8%
Strongly agree	31%
Agree	47%
Disagree	10%
Strongly disagree	2%
Very strongly disagree	2%

These experts also overwhelmingly agree (86%) that the consumer is becoming more intelligent.

Conclusions

Several conclusions can be drawn from the results of this survey of marketing executives.

Affluent, well-educated consumers are key to all industry segments, and respondents believe they will best be reached through nontraditional media.

Those marketers who see youth as an important target will need to crack online information behaviors of this segment, or fail. Since the technology shifts and this segment is prone to migrate from one online activity to another, continuing education is important for marketers in this category. It also suggests that specialties will niche around youth marketing as the number of technologies and new media proliferate and this segment adopts them.

There is a clear separation between old and new. The newer audience segments, youth and affluents, were believed to be influenced by newer-style marketing tactics. Women were gaining power across industry segments, but tactics for reaching them was a mix derived from traditional and nontraditional media. The broad general public is still being reached through mass channels of television, radio, and sports marketing.

Arts and entertainment will grow in importance as a tactic, but its adoption rate is likely to remain slow, since there are fewer clear pathways to using those ties. As demand increases, this may prove to be an area of great experimentation and creativity.