

The logo for amec, featuring the lowercase letters 'amec' in a bold, orange, sans-serif font. The text is centered within a dark grey rectangular background.

**amec**

**Global Business Insight Study 2019**

# Contents

<b>Study background</b>	<b>3</b>
<b>Executive summary</b>	<b>9</b>
<b>Industry trends</b>	<b>12</b>
<b>Growth and innovation</b>	<b>23</b>
<b>Business environment</b>	<b>32</b>
<b>Focus on PR</b>	<b>39</b>
<b>Client/stakeholder expectations</b>	<b>46</b>
<b>AMEC's role</b>	<b>53</b>
<b>Benchmarking</b>	<b>61</b>

# Study background

# This report

This report on the AMEC Global Business Insights Study 2019 reviews the findings of the annual industry survey for the world's biggest measurements and insights trade body – AMEC.

The online survey is designed for MD/CEO level participants and participation is open to all current AMEC members

- 127 AMEC members were invited to take part in the 2019 survey
- 67 completed surveys were received – a response rate of 53%
- Research was carried out between 29<sup>th</sup> April and 13<sup>th</sup> May 2019

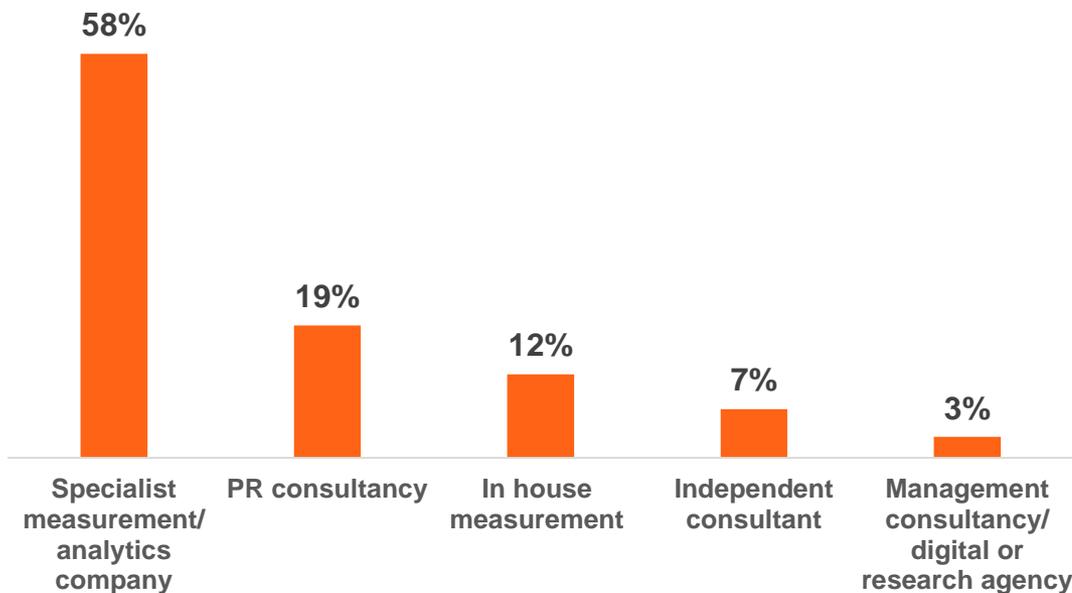
The survey data has been analysed to look at specific groups within the overall population of AMEC members – defined by location, size and type of business

- Throughout the analysis process we have looked at how the findings vary across these different categories, but this comparison is only discussed and/or illustrated in the report where it shows an informative contrast between different groups
- Comparison between sub-groups should be interpreted as an illustration of differences in emphasis and experience between different categories of member, but cannot be said to be statistically significant, owing to the small numbers involved

Points to note when reading the report

- Where combined percentage figures do not sum to 100%, this is likely to be a result of a) rounding to the nearest whole percentage, b) exclusion of “don't know” and/or blank answers from the display on the chart or c) the question allows multiple answers
- Base sizes can vary between questions as some questions were left blank by some participants (including the section on financial matters which is not asked of companies which cannot submit this type of information under Sarbanes-Oxley)

# AMEC members – business type



**Specialist measurement and analytics** firms (58%) make up the majority of members taking part in the 2019 survey. One in five participants (19%) are **PR consultancies**, and 12% are **in-house research/evaluation** departments. The remainder fall into the **independent consultant** (7%) or **management consultancy, marketing/digital agency or research agency** (3%) categories.

For analysis purposes, there are too few **consultancies** participating this year to analyse separately, but the report does look at differences between three types of member: **specialist measurement and analytics**; **PR consultancy**; and **in house**, where relevant

Q Please indicate which of these categories best describes your organisation

Base: All members

# Resources used



More than half the 2019 survey participants only use **internal resources** (58%) when carrying out communications measurement, evaluation and intelligence work for clients

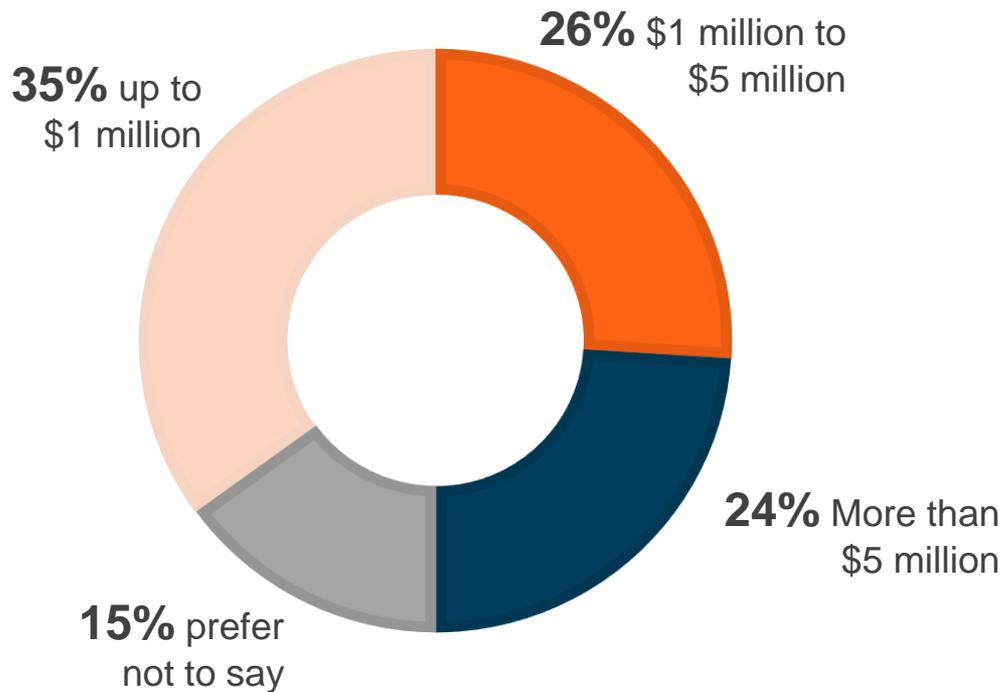
A total of 37% use **external resources** for this work – 24% using external suppliers to augment their own services, and 13% using only external resources

4% of members in the 2019 survey don't offer measurements and evaluation services directly

Q Which of these do you use to carry out the communications measurement, evaluation and intelligence work you undertake for your clients?

Base: All members

# Business size



Survey participants are asked to indicate the approximate size of their media measurement, research and intelligence business by selecting one of four size bands. Members in the PR consultancy and in house categories are excluded from the question, as this can be hard to quantify for these types of organisation

One in three members (35%) report revenues in the **up to \$1m** category, while 26% report revenues of **\$1m to \$5m** and 24% have revenues **exceeding \$5m**

In addition, 15% of those asked this question preferred not to disclose these financial details

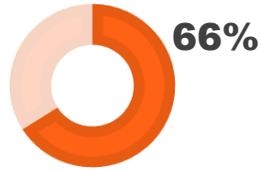
Q Thinking about your media measurement, research and intelligence business, which of these broad revenue categories does your organisation fall into at this point in time?

Base: All excluding PR and in house (46)

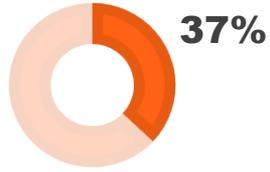
# Business carried out by region

## Proportion of members conducting 10% or more business in each region

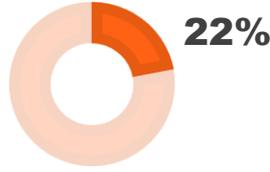
**Western Europe**



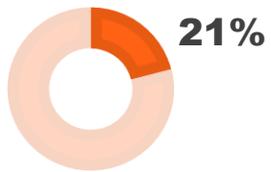
**North America**



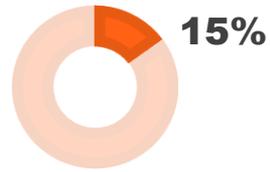
**Eastern Europe**



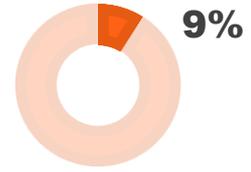
**Asia Pacific**



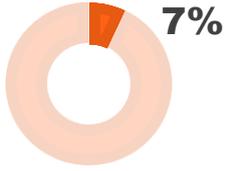
**Middle East/ Asia**



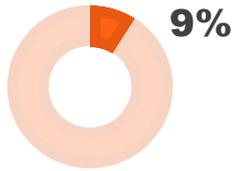
**Latin America**



**Australia/NZ**



**Africa**



This chart illustrates the proportion of AMEC members in the survey who carry out 10% or more of their business in each region

A third (66%) do at least 10% of their business in **Western Europe**, followed by 37% carrying out at least 10% of their work in **North America**, 22% in **Eastern Europe** and 21% in **Asia Pacific**

15% do at least 10% of their work in the **Middle East/Asia**, with smaller proportions in **Latin America** (9%), **Africa** (9%) and **Australia/NZ** (7%)

In order to look at variations across different regions throughout the 2019 analysis, we amend the criteria in the following ways to create larger group sizes:

- Members carrying out 10% or more of their business in Australia/NZ are combined into the Asia Pacific grouping
- The groupings used for Africa, Latin America and Middle East/Asia elsewhere in this report are based on all members carrying out any business in each of these regions (not restricted to at least 10%, as is the case for Western and Eastern Europe, North America and Asia Pacific)

Q Please complete this question by indicating the proportion of your business carried out in each of these regions  
Base: All members

# Executive summary

# Summary – key findings (1)

## **In the 2019 AMEC Global Business Insight Study, members report ongoing strong performance in the measurement and evaluation industry**

- Most AMEC members say the industry has grown in the past year, mirrored by growth in their own organisation's revenues (including three in 10 who report a **large** increase in revenues)
- A big majority of members expect the industry to continue growing steadily in the coming year
- However, fewer members forecast **significant** growth than last year, and growth in the number of new RFPs received has started to slow – perhaps a reflection of increasing uncertainty in the economy at large

## **Operating smoothly in this high-growth environment can be hampered by patchy market awareness and increasing competitor activity**

- A persistent barrier to business development is a perceived lack of client knowledge about the value of measurement and evaluation – often in the higher reaches of client organisations
- While price-competitiveness has long been a feature of the industry, members now talk of a growing threat from low cost competitors, especially those offering automated measurement solutions

## **In response, members are placing greater emphasis on adding value to their proposition, and on investment in innovation**

- The main strategy driving growth this year is emphasis on professional and consultative services, rather than on organic growth which topped the list in 2018
- Most members have increased investment in innovation this year, focusing on developing data science skills and AI/machine learning, as well as developing insight consultancy capabilities

# Summary – key findings (2)

## **Investment in innovation and the focus on added value aspects of service also reflect the growing complexity of client requirements**

- Most members agree that there is trend towards more sophisticated types of evaluation, particularly drawing in data from other marketing activity beyond PR/comms into a more integrated perspective
- The majority say that PR firms are increasingly being asked to demonstrate direct attribution of the impact/success of their work in achieving or supporting business goals
- In terms of client service, the greatest growth in demand is for a combined mix of measurement, analytics and insights, as well as for high-end professional consultancy
- Meanwhile, demand is declining for low value options such as data only solutions

## **Members are using AI more extensively than last year**

- Usage of keyword matching, topic/thematic identification, influencer identification and automated sentiment has become more widespread this year

## **AMEC continues to play an important role in supporting members**

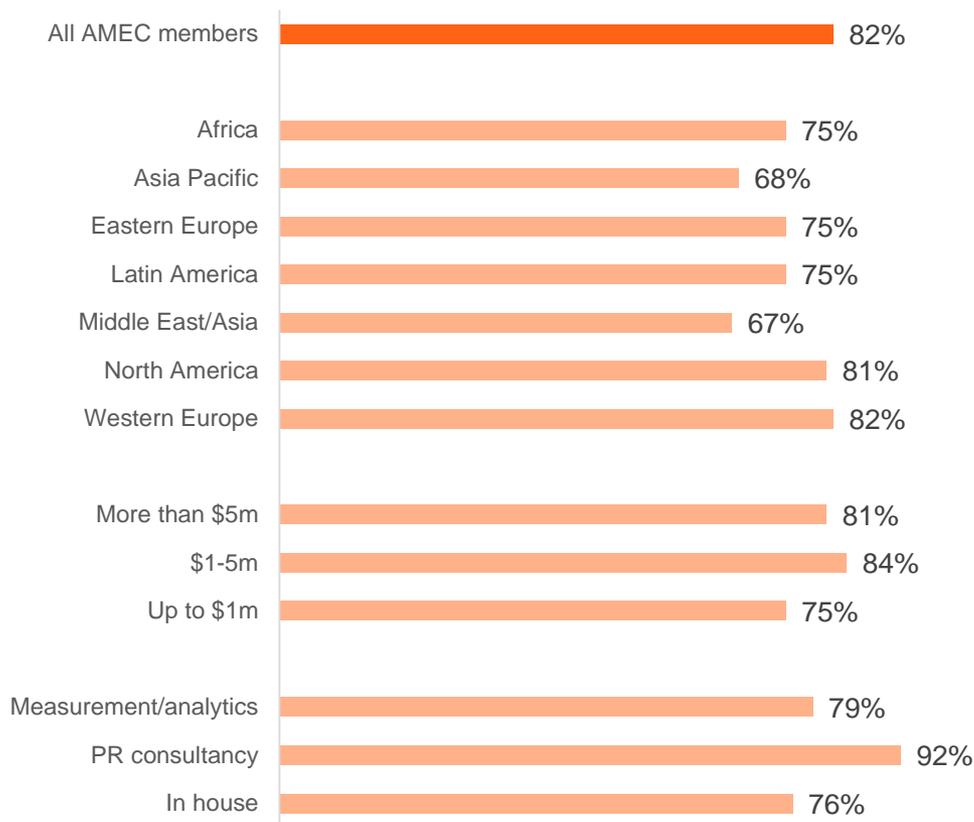
- Most members now make use of the Integrated Evaluation Framework to support their business strategy, and the majority have shown an interest in the Measurement Maturity Mapper
- They want AMEC to focus on two key priorities – educating the market on measurement and evaluation and maintaining the profile of the importance of measurement by ongoing initiatives such as the Barcelona Principles, IEF and M3

# Industry trends

# Industry consolidation

## I expect the current level of consolidation in the measurement and insight industry to continue

(% = agree slightly + strongly)



Most AMEC members (82%) continue to expect more **consolidation across the measurement and insight industry** in the future. Views on this issue remain stable over time – 84% agreed in 2018 and 80% in 2017

PR consultancy members are slightly more likely to endorse the likelihood of continuing consolidation than members in the other categories

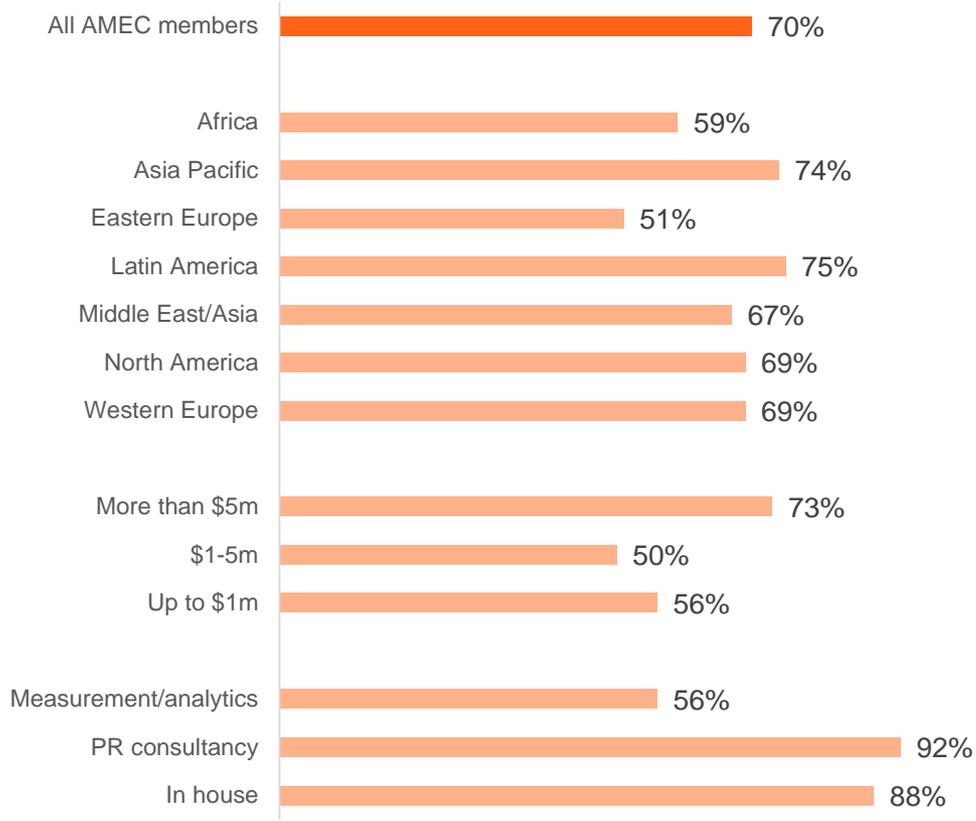
There is little variation across the regions, with levels of agreement varying from 67% of those working in the Middle East/Asia to 82% of members with at least 10% of their work in Western Europe.

Q Please indicate how much you agree or disagree with each of these statements

Base: All members

# Sophisticated evaluation

**Clients/stakeholders are asking for increasingly sophisticated types of evaluation to demonstrate the benefits of communications activity** (% = agree slightly + strongly)



Client expectations of **increasingly sophisticated types of evaluation to demonstrate the benefits of communications activity** remains a key trend for AMEC members – for the second year in succession, 70% agree that this is a feature of their marketplace.

Larger firms are more likely than medium- and small-size members to be experiencing demand for increased sophistication.

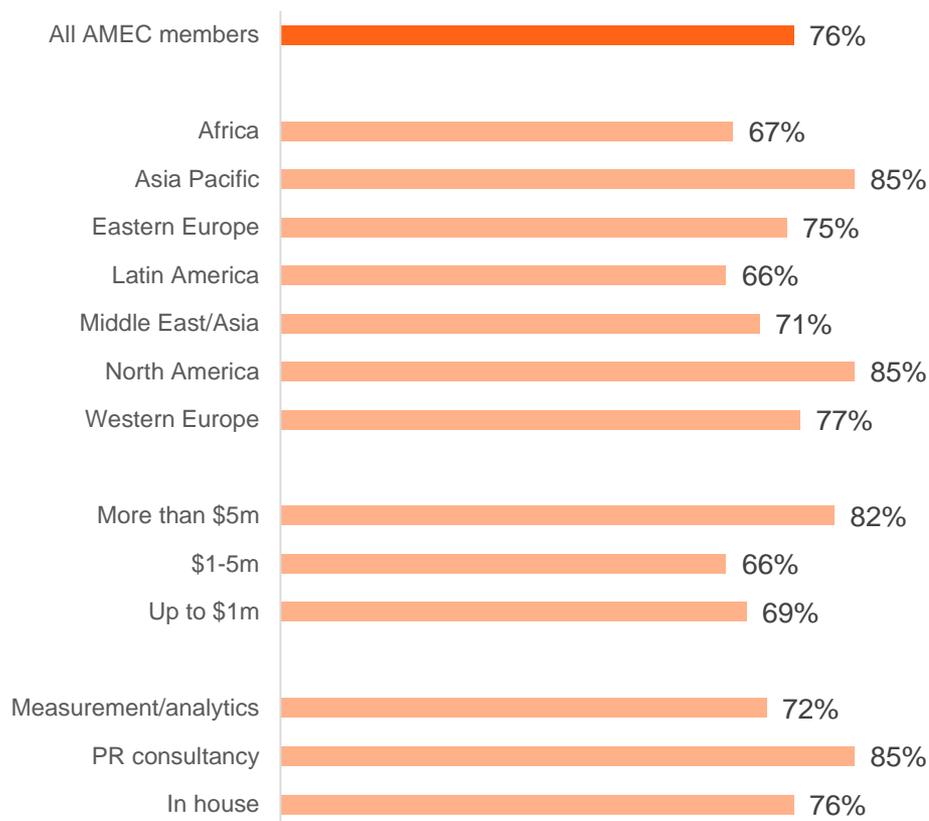
Members in PR and in house roles are considerably more likely to be seeing a notable trend towards increasingly sophisticated evaluation than those in measurement/ analytics specialists

The demand for increased sophistication is more widely-noted in Latin America and Asia Pacific, and least likely to be apparent for members working in Eastern Europe

Q Please indicate how much you agree or disagree with each of these statements  
 Base: All members

# Integrated measurement

**Clients/stakeholders are increasingly asking for measurement which includes other marketing activity as well as PR/Comms in order to provide an integrated perspective** (% = agree slightly + strongly)



As in 2018, three in four AMEC members (76%) say that **clients/stakeholders increasingly expect measurement to include other marketing activity as well as PR/Comms, in order to develop an integrated perspective**

The growing demand for measurement which includes other marketing activity is felt across all global regions, and particularly so for AMEC members operating in Asia Pacific and North America

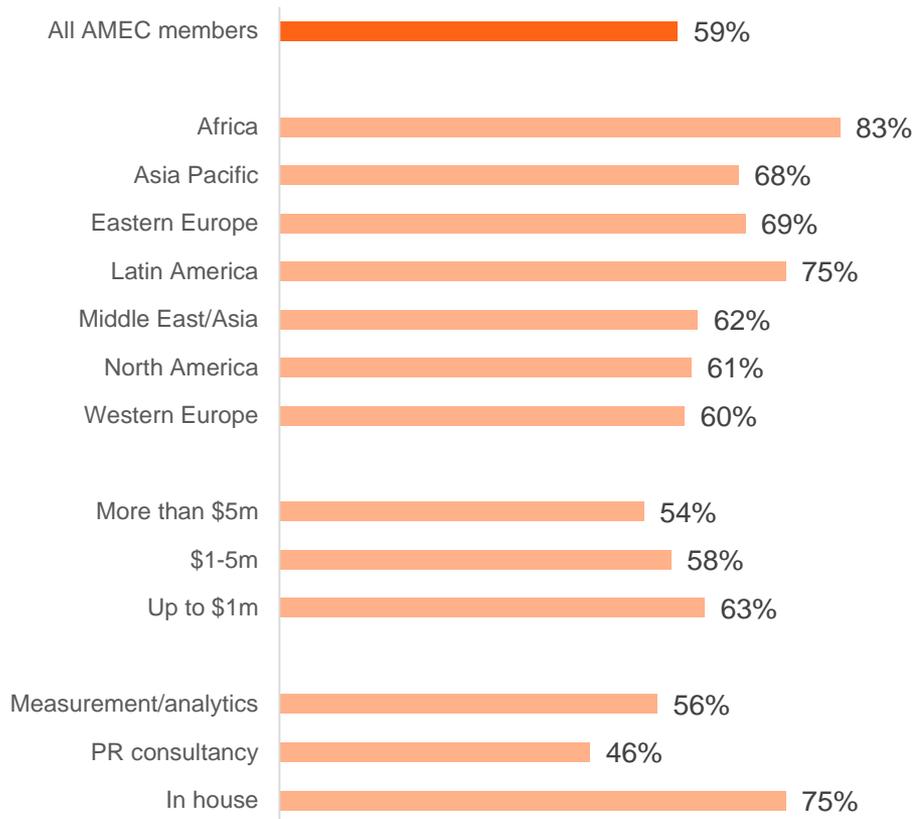
This increase in demand for integrated perspectives is also observed by members across the three size categories and the three organisation types, and is particularly apparent for larger firms and PR consultancy members

Q Please indicate how much you agree or disagree with each of these statements

Base: All members

# Demand for insights

**I am seeing a trend by clients/ stakeholders to put increasing emphasis on insights and less emphasis on measurement and evaluation** (% = agree slightly + strongly)



The proportion of AMEC members who agree there is a **trend for clients/ stakeholders to put increasing emphasis on insights, while placing less emphasis on measurement and evaluation** remains below the level reported a couple of years ago, although the view is still held by six in ten members (59%)

In 2018, 54% agreed, preceded by:

- 76% in 2017
- 72% in 2016
- 65% in 2015

The trend to put increasing emphasis on insights is most widely-acknowledged among members who carry out work in Africa and Latin America.

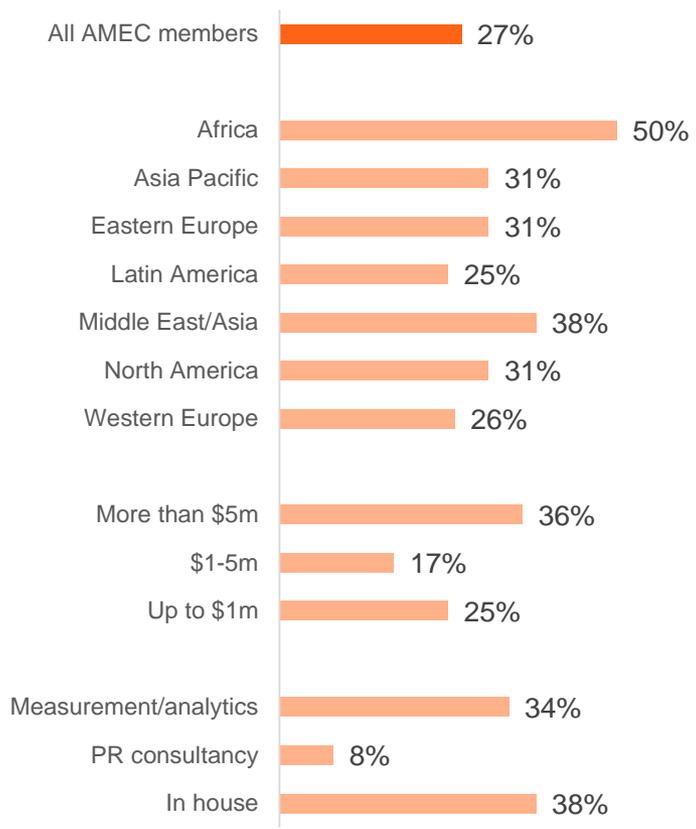
Members in smaller firms and those working for in house measurement departments are also more likely to be seeing this trend in 2019.

Q Please indicate how much you agree or disagree with each of these statements

Base: All members

# Demand for automated measurement

**My business is seeing an increasing demand for fully automated measurement, with less emphasis on insights** (% = agree slightly + strongly)



The trend towards **increasing demand for fully automated measurement, with less emphasis on insights** remains a minority view across the industry as a whole. In total, 27% agree that they see this development in 2019, similar to the 25% who agreed with the statement in 2018.

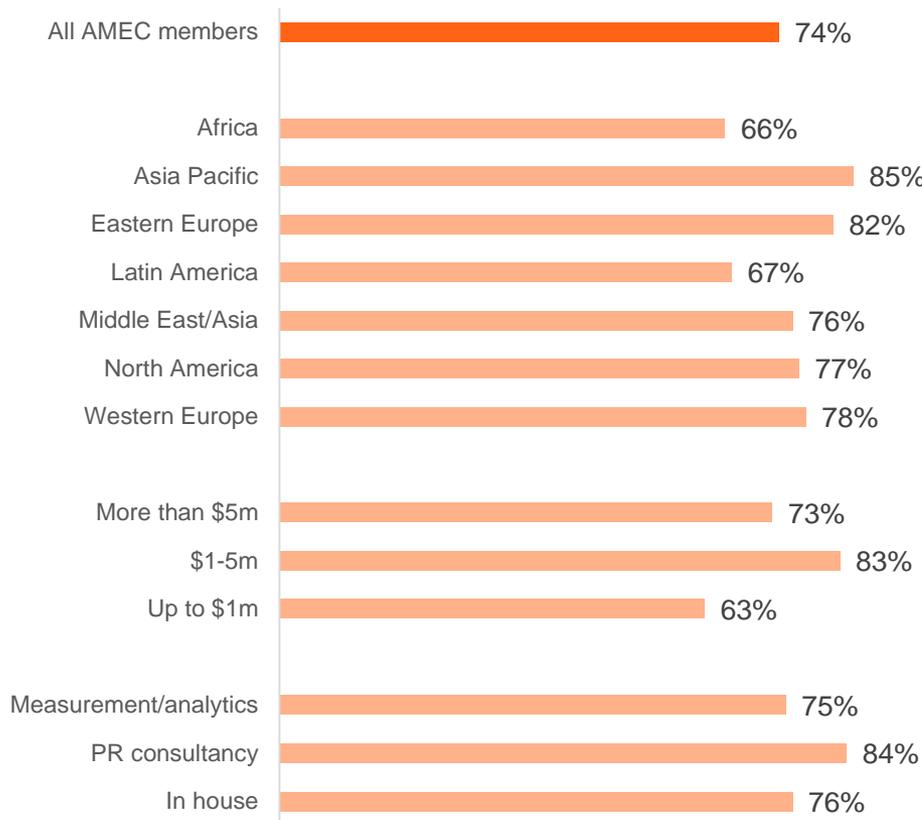
This year, members in measurement/analytics firms and in house roles are more likely to have observed increasing demand for fully automated measurement than their counterparts in PR firms.

The trend is also more apparent to members in larger firms than in the smaller size categories

Q Please indicate how much you agree or disagree with each of these statements  
Base: All members

# Investment in technology

**My business can compete effectively only by investing in new technology (e.g. artificial intelligence, software development etc)** (% = agree slightly + strongly)



Three in four AMEC members (74%) agree that that they **can only compete effectively by investing in new technology** such as artificial intelligence (AI) and software development. This is slightly higher than in 2018, when the figure stood at 68%

The chart also shows the proportion agreeing in each of the main regions, across three size bands and between three different types of member

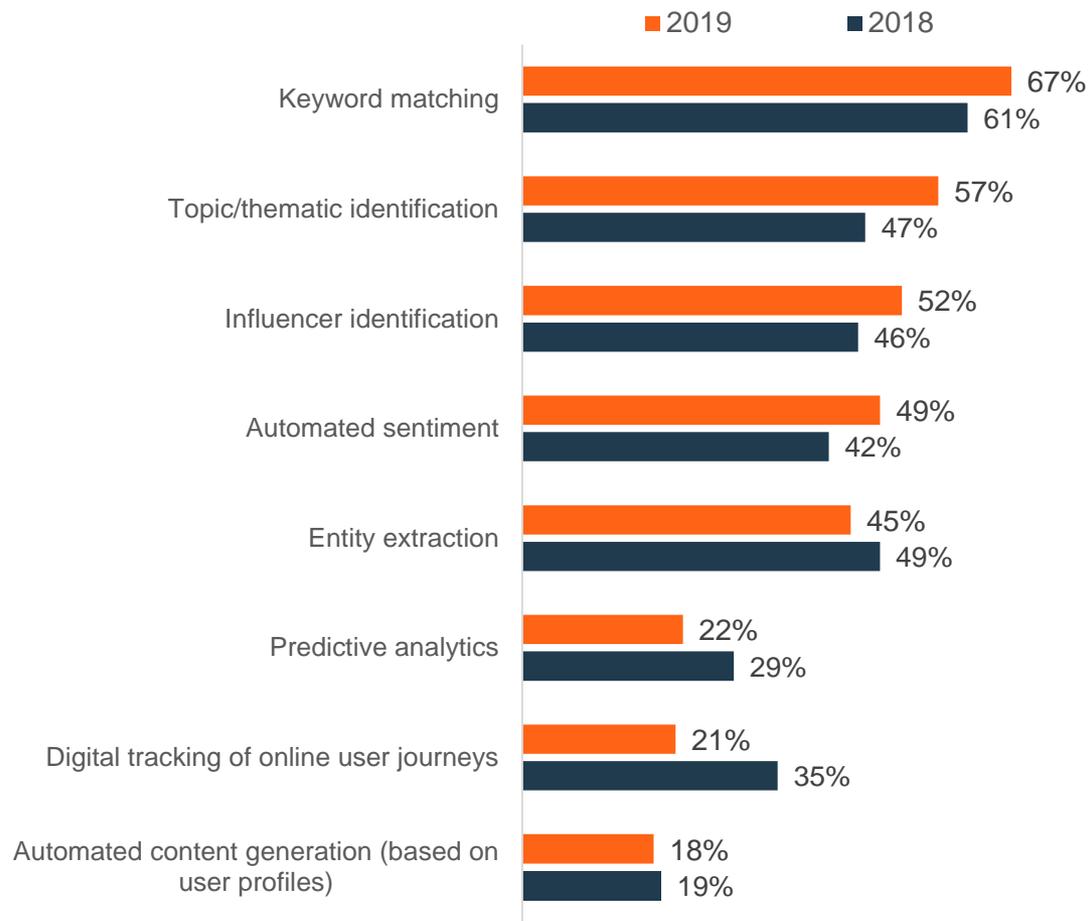
In a regional comparison, members carrying out at least 10% of their work in Asia Pacific are most likely to agree, while those carrying out work in Africa report the weakest level of agreement.

AMEC members in the medium size bracket are most likely to agree that investment in technology is essential if they are to complete effectively, while smaller firms show the lowest level of endorsement for this view.

Attitudes on this issue are broadly similar across the three organisation types.

Q Please indicate how much you agree or disagree with each of these statements  
Base: All members

# Using AI



For the second consecutive survey, AMEC members have indicated **which types of artificial intelligence (AI) they already use in their business**. Figures for 2019 are shown in the orange bar, compared with the blue bars which represent figures for 2018

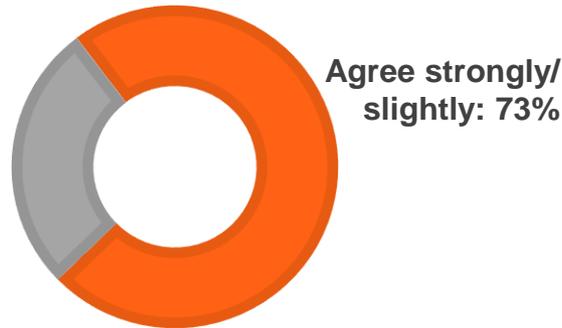
The extent to which members utilise AI in four areas have increased in the past year – **keyword matching, topic/thematic identification, influencer identification and automated sentiment**. These four uses are the most widespread across the industry as a whole

Meanwhile, the extent to which three uses of AI are applied have declined since 2018, most notably **digital tracking of online user journeys** and **predictive analytics**

Q For each of the following uses of AI, please indicate if you are already using this in your business  
Base: All members

# Trust in the media

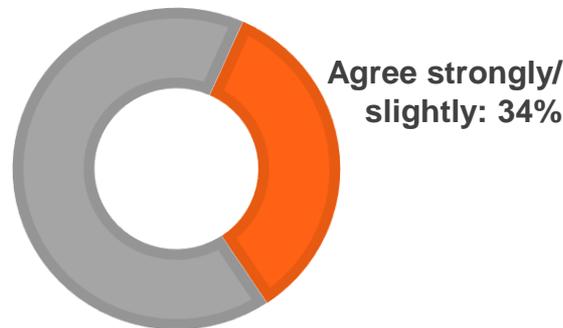
***People are less likely to trust information they read/see in the media now than a couple of years ago***



The majority of AMEC members (73%) continue to agree that people are now **less likely to trust information they read/see in the media** than was the case a couple of years ago. In 2018, the equivalent statistic stood at 69%

Members in PR firms are less likely to agree (54%) than those in measurement / analytics (77%) and in house (100%) roles

***Declining trust in the media poses a threat to the value of the measurement and evaluation services my organisation offers***



As in 2018, 34% of members agree that **declining trust in the media poses a threat to the value of the measurement and evaluation services my organisation offers**, although 44% disagree, so opinion is split

The proportion agreeing with the statement varies by type of organisation, ranging from 23% of PR firms to 36% of measurement/ analytics firms and 63% of in house members. There is also a wide regional variation, from a low of 16% agreeing amongst firms working in Africa to 58% of those working in Asia Pacific

Q To what extent do you agree or disagree with the following statements about trust in the media?  
Base: All members

# Social media influencers

***Social media influencers are no longer a focus/becoming less of a focus for my organisation***



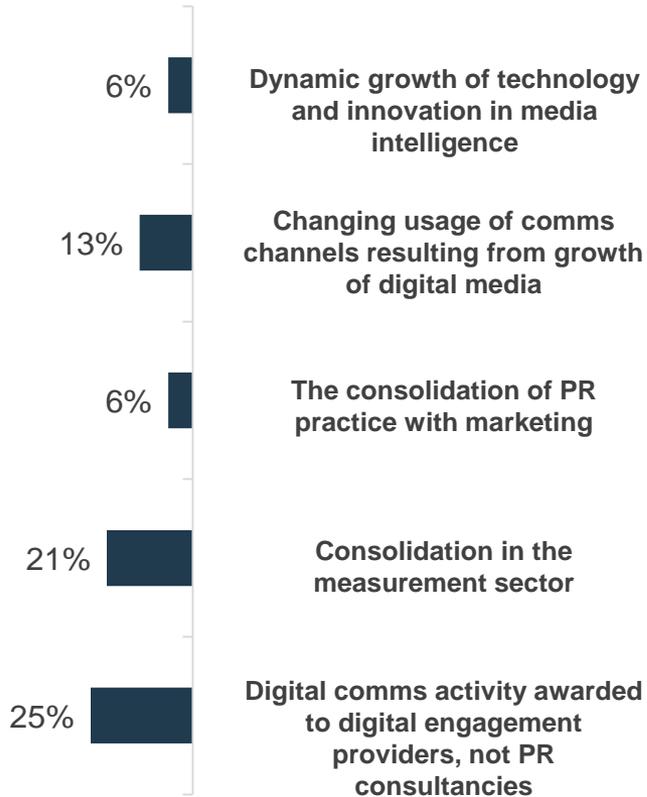
Although 22% of AMEC members taking part in last year's survey agreed that **social media influencers are becoming less of a focus for their organisation**, this proportion has not grown in 2019, with just 18% agreeing now

Indeed, the level of disagreement is up from 55% to 59% in 2019, indicating that social media influencers remain a key focus for many AMEC members

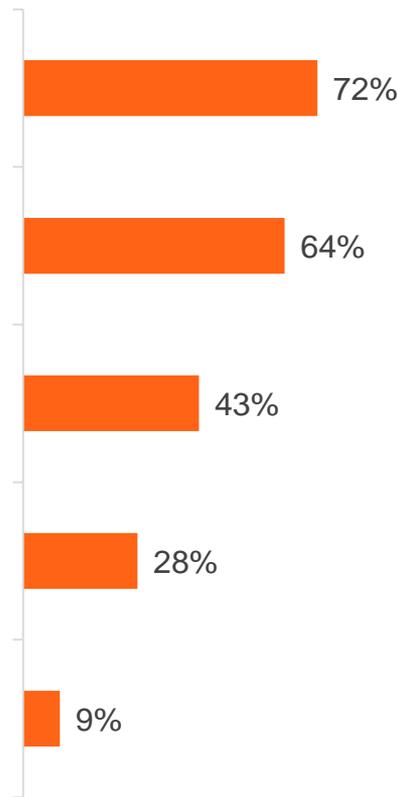
Q To what extent do you agree or disagree with the following statements about trust in the media?  
Base: All members

# Macro trends in communications

## Negative impact on business



## Positive impact on business



In this question, survey participants are asked to indicate if these macro-level trends in communications have had an impact on their business, either positive or negative.

Most members (72%) feel that **the dynamic growth of technology and innovation in media intelligence** has had a positive impact on their business, and 64% feel **the changing usage of communications channels resulting from the growth of digital media** has been a positive trend

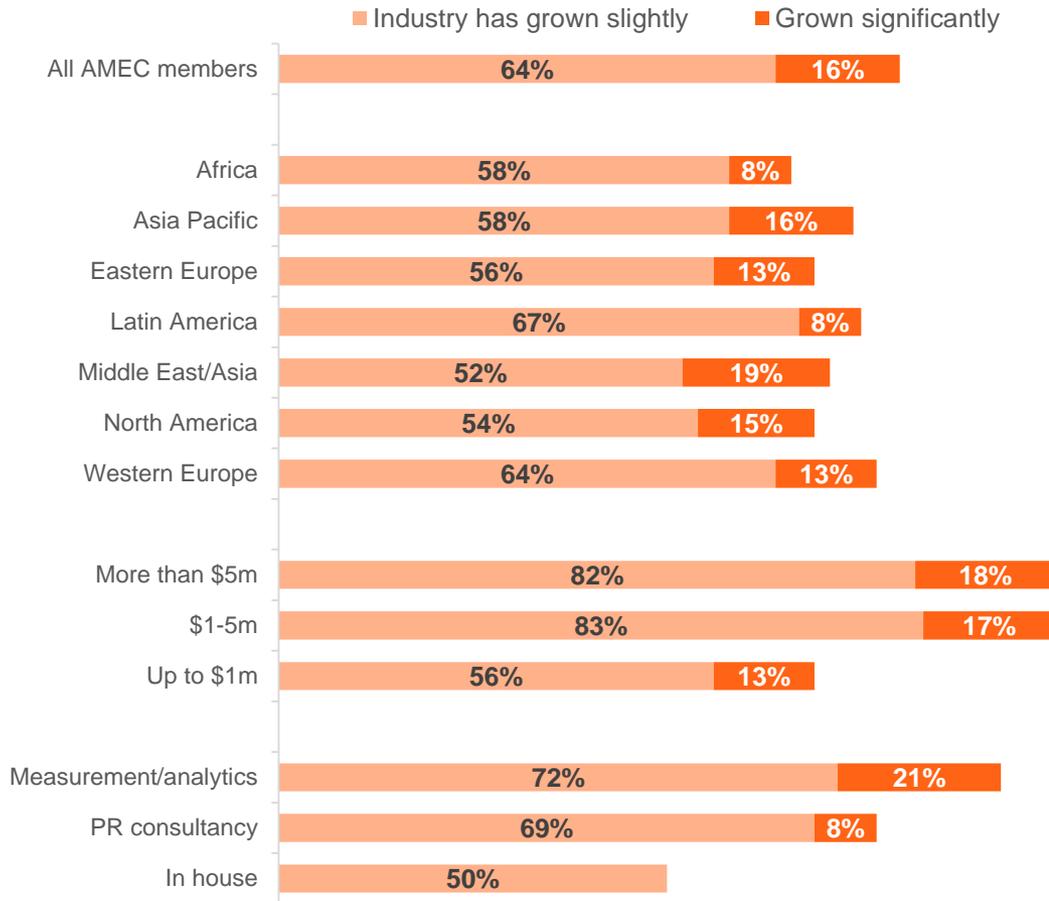
Many members (43%) also believe the **consolidation of PR practice with marketing** has had a positive impact.

Meanwhile, one in five (21%) members believe **consolidation in the measurement sector** has been had a negative impact on their business, only slightly outweighed by the proportion (28%) who feel this has been a positive trend

Only 9% of members agree that **digital comms activity being awarded to digital engagement providers, rather than PR consultancies** has been positive for their business, compared with 25% who believe the impact has been negative

# Growth and innovation

# Industry growth – 2018-19



Four in five (80%) members think **the media measurement, research and intelligence industry has expanded in the past year**. This is in line with 2018, when 81% felt the industry had grown, and remains ahead of 2017 (74%) and 2016 (71%)

However, the split between those who feel it has grown *significantly* (16% in 2019) and *slightly* (64%) has changed since 2018, when the split was 24%, 57%, respectively

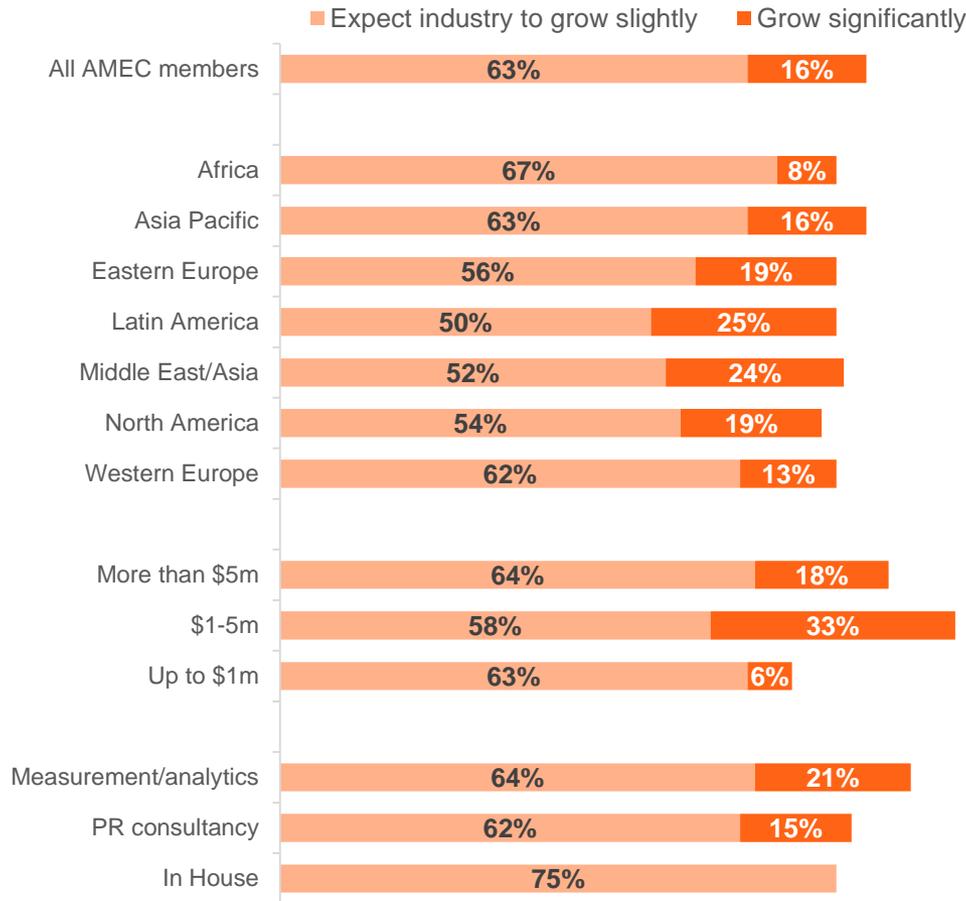
Members in the \$1-5m and more than \$5m revenue categories are more likely than smaller firms to feel the industry has grown

Measurement/analytics specialists are most likely to feel the industry has grown, followed by PR consultancies. Meanwhile, in house members report a lower level of certainty

Q Do you think the media measurement, research and intelligence industry has grown or contracted in the past year?

Base: All members

# Industry growth expectations



In the 2019 survey, 16% of members expect significant **growth in the next 12 months**, with 63% anticipating slight growth, totalling to 79%. This reflects a marginal decline on 2018, when the corresponding figure stood at 84%.

In both 2016 and 2017, 81% of members expected the industry to grow

Growth expectations are broadly similar across the global regions. In terms of business size, \$1-5m revenue members are most optimistic (91%) when compared with those in the up to \$1m revenue category (69%)

Measurement/analytics firms are the most positive about growth prospects of the three organisation types

Q How do you think the media measurement, research and intelligence industry will perform in the coming 12 months?

Base: All members

# Challenges to revenue growth

## Ranked first, second or third of three main challenges



Members were asked what they perceive to be the main challenges to the growth of measurement revenues in their own markets. These “open” answers have been analysed and sorted into categories. Each participant could give up to three answers

The main brake on the growth of measurement revenues is seen as **limitations on client budgets**, with more than four in ten (42%) members mentioning this in one of their three responses.

The second significant barrier to growth is felt to be a **lack of understanding of measurement and evaluation**, how it works and where the value lies. Almost four in ten (39%) gave this in one of their responses

**Competitor activity** in general, especially low pricing is a key barrier for 16% of members, as is the related threat from **competitors offering automated reporting solutions** which undermine the value proposition for measurement and evaluation as an insight-generating service

One in three mention other product-related factors, while 18% refer to market-specific barriers and 15% to other aspects of client structure and behaviour which works against adoption of effective measurement and evaluation programmes

# Business activities driving growth



In 2019, two in three members (67%) expect to drive revenue growth by focussing on **consultative/ professional services** – up considerably on 2018, where 45% said they would focus on this aspect of service

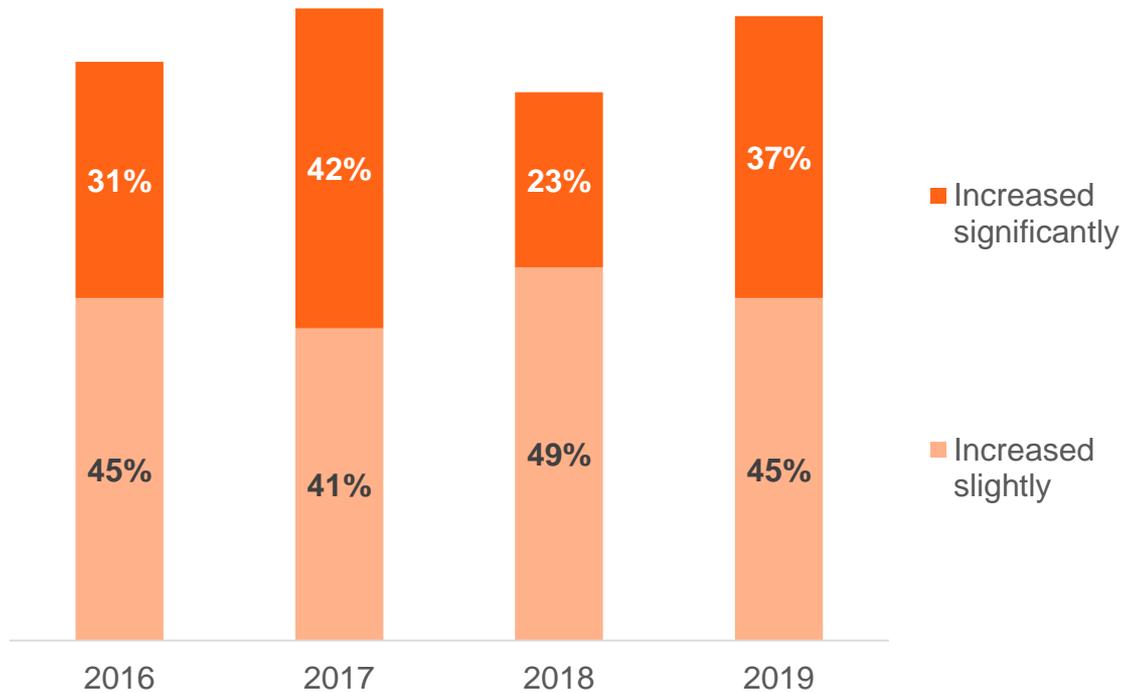
**Organic growth** remains a focus for more than half (54%) of members, while more than a third expect to drive revenue growth through **new/automated back office measurement technologies** (36%) and **client-facing software solutions** (34%)

**Developing global services through partnership with other companies** (28%) is less likely to be seen as a growth driver than last year (44%)

Q Which areas of business activity are you mainly focusing on to drive measurement and evaluation revenue growth in the next 12 months?

Base: All members

# Investment in innovation



More than eight in ten members surveyed (82%) **increased their investment in innovation** over the past year – 37% significantly and 45% slightly

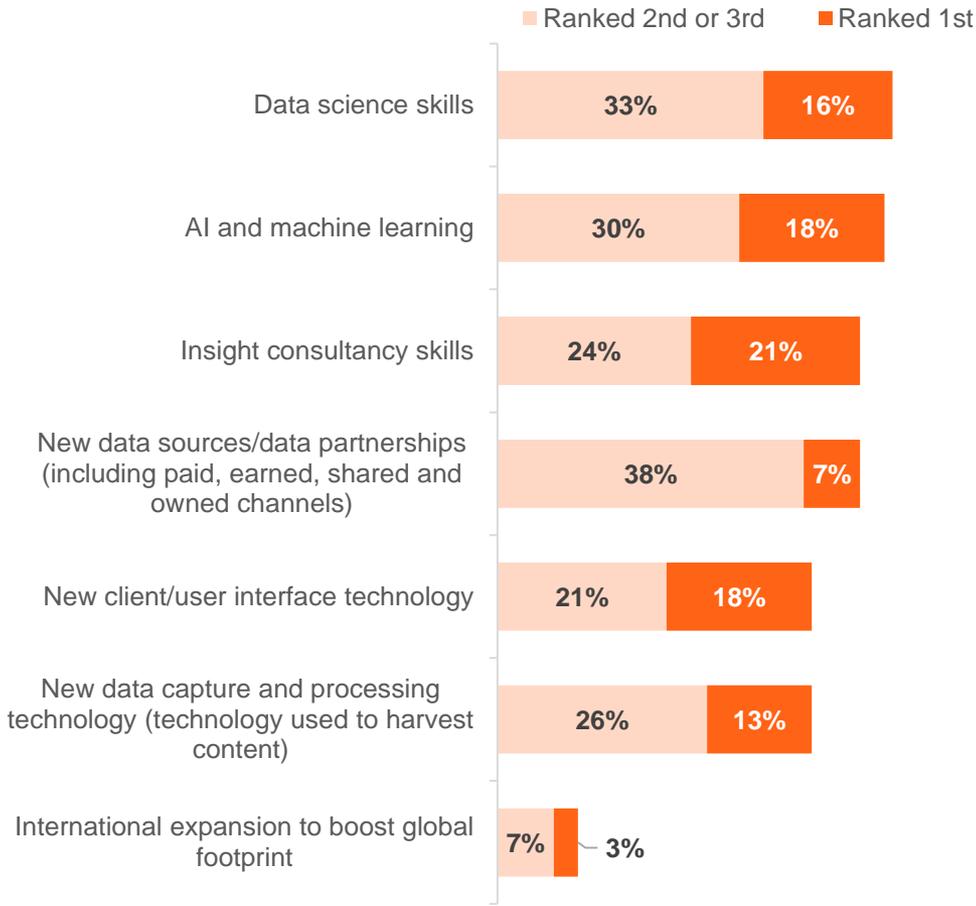
This reflects an increase on 2018 (72%) and is in line with 2017 (83%)

Significant increases in investment are most likely amongst PR consultancy members (54%), followed by measurement and analytics specialists (41%), but less likely for in house members (13%)

The largest members with revenues in excess of \$5m are most likely to be increasing investment significantly (55%), closely followed by members in the \$1-5m bracket (50%), and well ahead of smaller firms (25%)

Q Over the past year, how has your level of investment in measurement and evaluation innovation (products, services and systems) changed?  
Base: All members

# Priorities for investment in innovation



Top priorities for innovation investment in the coming year are: **insight consultancy skills** (21% ranked top priority), **AI/machine learning** (18%) and **new client user/interface technology** (18%)

Once top three priorities are combined, the main focus for investment is expected to be on **data science skills** (49% ranked 1-3) and **AI/machine learning** (48%). Developing **insight consultancy skills** (45%) and **new data sources/partnerships** (45%) are also top three priorities for more than two in five members

The top priority for investment in measurement/analytics firms during the coming year is **AI/machine learning** (23% rank this top priority). For PR firms, the key priority is **data science skills** (31%) – also the top priority for this category last year. For in house departments, the main focus is on developing **insight consultancy skills** (38%)

Smaller organisations with revenues up to \$1m prioritise **new client/user interface technology** (25% ranked first) and **insight consultancy skills** (25%). \$1-5m organisations are prioritising **AI/machine learning** (33%), while the largest firms with revenues exceeding \$5m are focussing on **data science skills** (27%)

Q How will you be investing in *measurement and evaluation* innovation of this kind during the next 12 months? Please rank your top three priorities for investment  
 Base: All members

# Growth potential by sector



In terms of business sector, AMEC members see the most potential for growth in the coming year in the **financial and professional services** sector (58%). **government communications** (45%) and **healthcare** (45%) sectors are also felt to have strong potential, along with the energy sector.

In the following chart, the top three potential growth sectors for each region are shown. **government communications** is seen as the sector with the greatest potential by members operating in Africa, Latin America, and Asia Pacific.

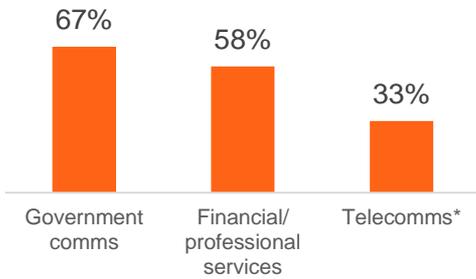
In Middle East/Asia, **government communications** also tops the list, sharing top spot with **financial and professional services**. Elsewhere, **financial and professional services** tops the list alongside **energy** for Western Europe, and shares top spot with **healthcare** in North America. Meanwhile, members in Eastern Europe see the greatest potential for growth in the **energy** sector.

Q Which industry sectors do you think have the biggest potential for growth in the use of measurement and evaluation during the next 12 months?

Base: All members

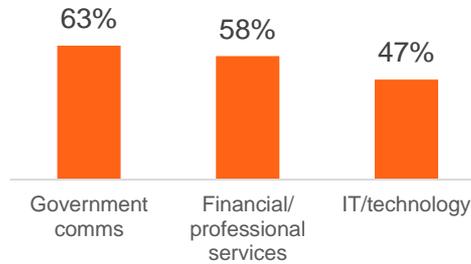
# Growth sectors by region

## Africa

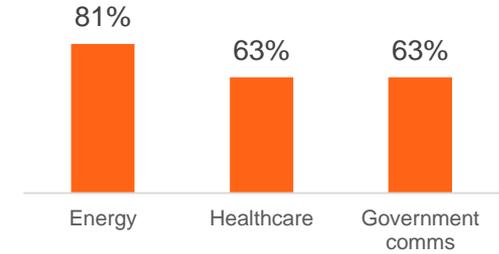


\* Energy and IT/technology sectors also selected by 33%

## Asia Pacific

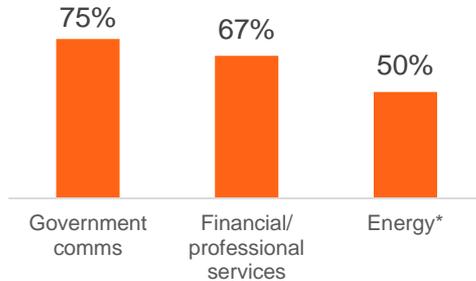


## Eastern Europe



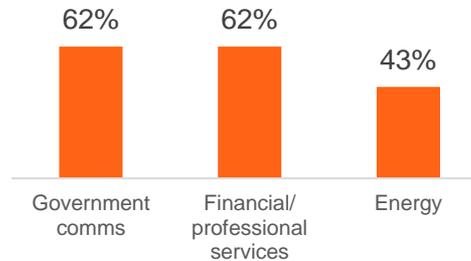
\* Financial/ professional services sector also selected by 63%

## Latin America

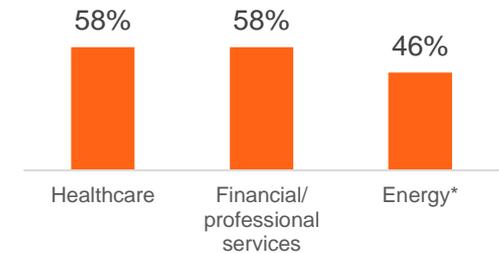


\* Telecomms and IT/technology sectors also selected by 50%

## Middle East/ Asia

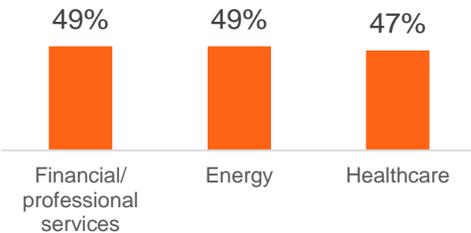


## North America



\* Government comms sectors also selected by 50%

## Western Europe

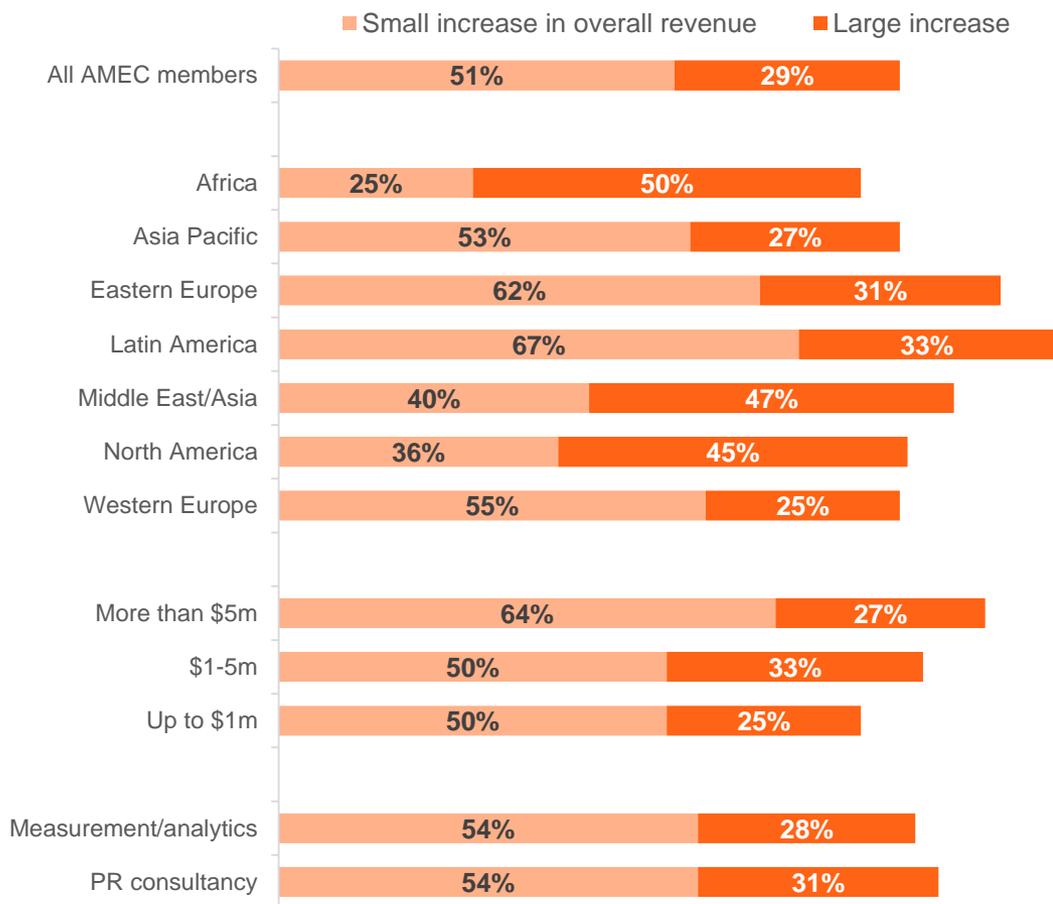


Q Which industry sectors do you think have the biggest potential for growth in the use of measurement and evaluation during the next 12 months?

Base: All members

# Business environment

# Overall revenue



Focussing in from the wider industry picture of growth and innovation trends, the next few charts cover performance and trends in actual day-to-day business experience for members

Four in five members say they are currently seeing an increase in **overall revenue** – 51% a small increase and 29% a large increase

In a regional comparison, all 100% of firms working in Latin America report an increase in overall revenue, and 93% members working in Eastern Europe report increases in revenue

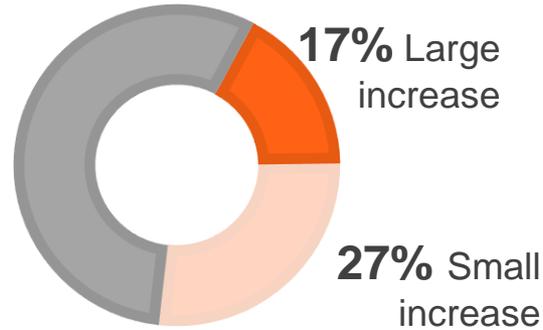
91% of members with revenues over \$5m report increased revenue, compared with 83% of \$1-5m firms and 75% in the up to \$1m category

Q Are you currently seeing an increase or decrease in **overall revenue**?

Base: All members except in house (59)

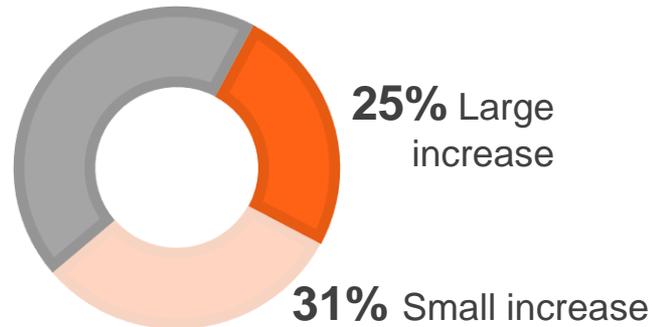
# Competition, prices and fees

## Competition for new business



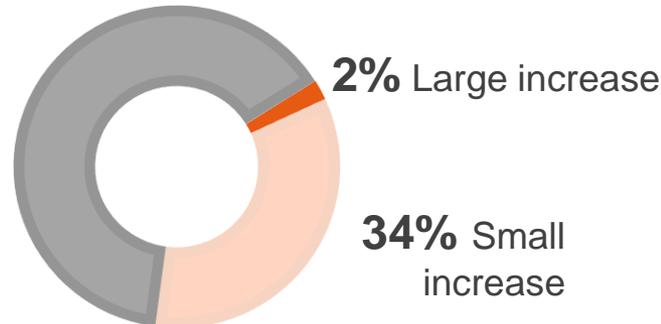
More than two in five members report an increase in **competition for new business** – 17% a large increase and 27% a small increase. Meanwhile, just 7% say competition is decreasing with 46% observing no change

## Pressure to reduce prices/costs



A total of 56% report increased **pressure to reduce prices and costs** at present, including 25% who report a large increase in pressure. Just 3% feel price pressures are reducing, with 37% saying they see no change

## Fees to clients



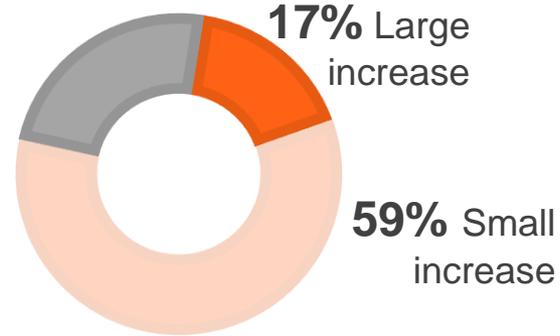
36% have recently increased **fees to clients** – 34% have managed a small increase while 2% have implemented a large increase. However, 10% of members surveyed report a small *decrease* in client fees

Q Are you currently seeing an increase or decrease in the following aspects of your measurement and insights business?

Base: All members except in house (59)

# New business

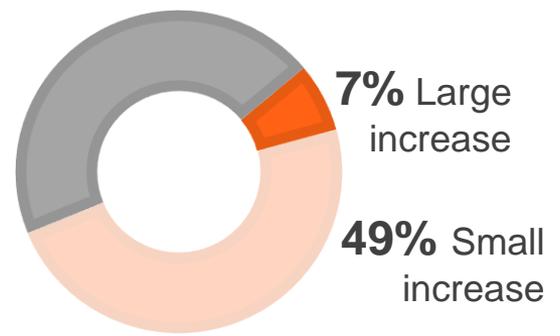
## Number of new clients



More than three-quarters of AMEC members report an increase in the number of **new clients** (76%), including 17% who report a large increase. Only 3% report a decrease in new client numbers

The picture for 2019 is consistent with 2018, when 77% reported an increase in the number of new clients

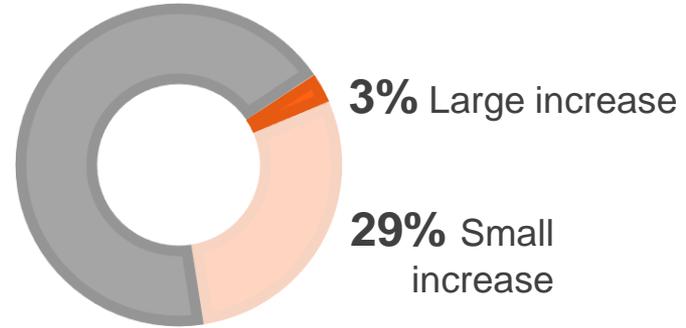
## Overall number of RFPs/tenders



In total, 56% report an increase in the **overall number of new tenders/RFPs**, including 7% reporting a large increase and 49% a small decrease. Meanwhile, 3% report a decline in the number of RFPs

The figure for 2019 (56%) is down slightly on 2018 (62%) and 2017 (65%)

## Number of international RFPs/tenders



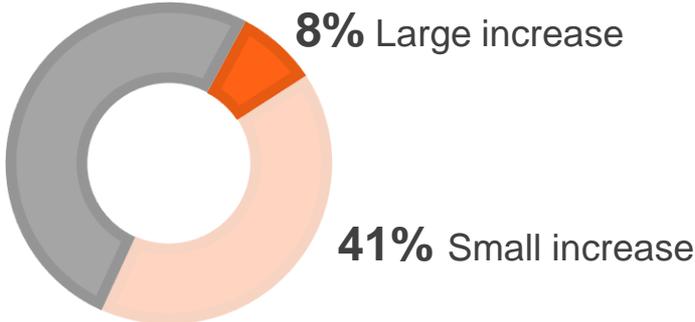
A third (32%) of members report an increase in the **number of international RFPs/ tenders** they are receiving, including 3% saying they are seeing a large increase. 7% say the number of this kind of RFP is decreasing

The average for 2019 (32%) is well below 2018 (41%) and 2017 (54%), suggesting that growth in the market for international services has slowed

Q Are you currently seeing an increase or decrease in the following aspects of your measurement and insights business?  
Base: All members except in house (59)

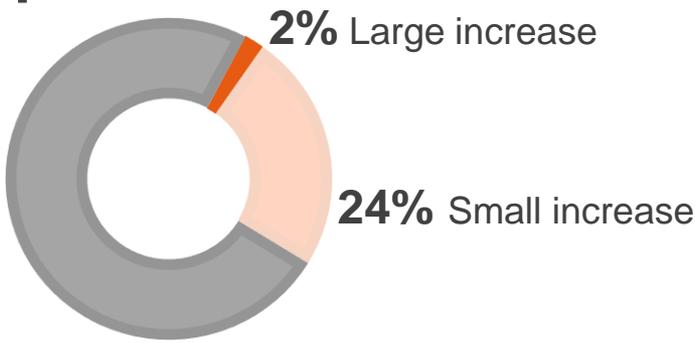
# Partnership working

## Working in partnership with other firms



Almost half of members (49%) are seeing an increase in the amount of **work in partnership with other firms**, including 8% who are observing a large increase. Only 2% say their amount of partnership working has decreased

## Industry partnerships with other AMEC members

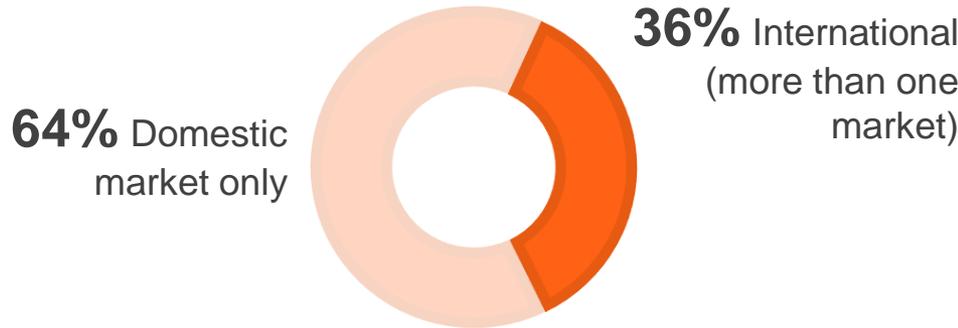


26% of members are witnessing an increase in **industry partnerships with other AMEC members** – 2% a large increase and 24% a small increase. However, 8% say the number of these kinds of partnerships are decreasing

Q Are you currently seeing an increase or decrease in the following aspects of your measurement and insights business?  
Base: All members except in house (59)

# International focus

## Domestic/international split

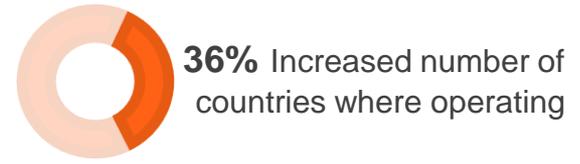
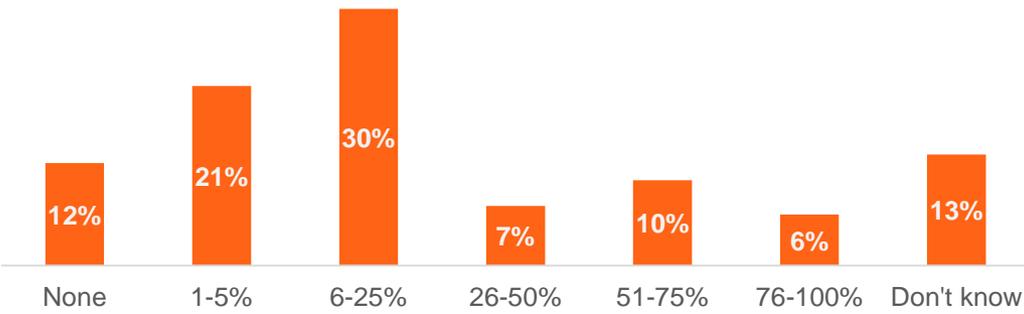


AMEC members are asked to say what proportion of their work is wholly **domestic** in their home market and how much is **international**. In 2019, 36% is international, up from 30% last year

Most members work on **international assignments** either 1-5% of the time (21%) or 6-25% of the time (30%). However, 16% of members surveyed work on international business more than half the time.

In the past couple of years, 36% of members have increased the number of markets in which they **operate**. Over the same time frame, 64% say the number of countries where they **have clients** has increased

## Proportion of work that is *international*



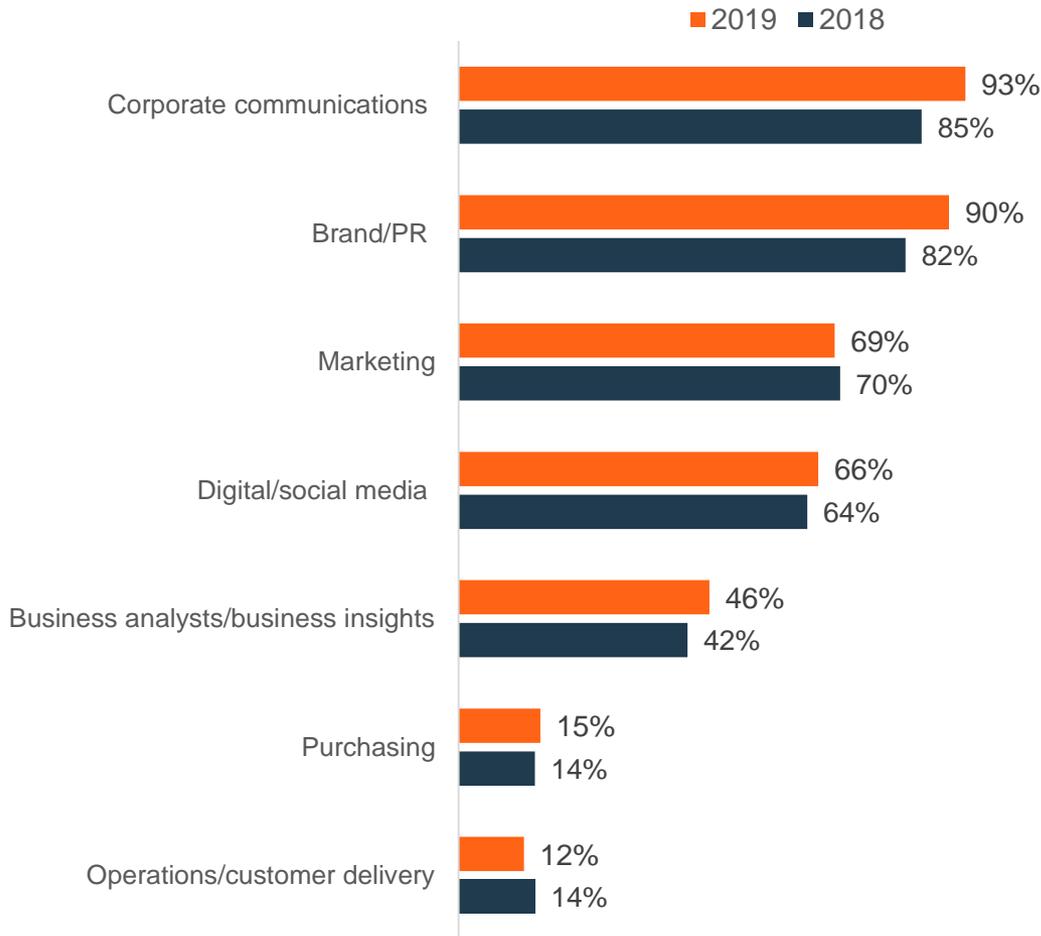
Q How has the number of countries where your organisation works changed in the past couple of years?

Q How much of your business is domestic only, and how much is international?

Q Approximately what proportion of your organisation's work is international measurement and evaluation business?

Base: All members

# Client profile



As in previous years, AMEC members report working for clientside parties across a range of corporate organizational functions.

More than nine in ten (93%) have clients in the **corporate communications** function, and 90% have the **branding/PR** team as direct clients. 69% carry out work for **marketing** clients and 66% work with **digital/social media** teams

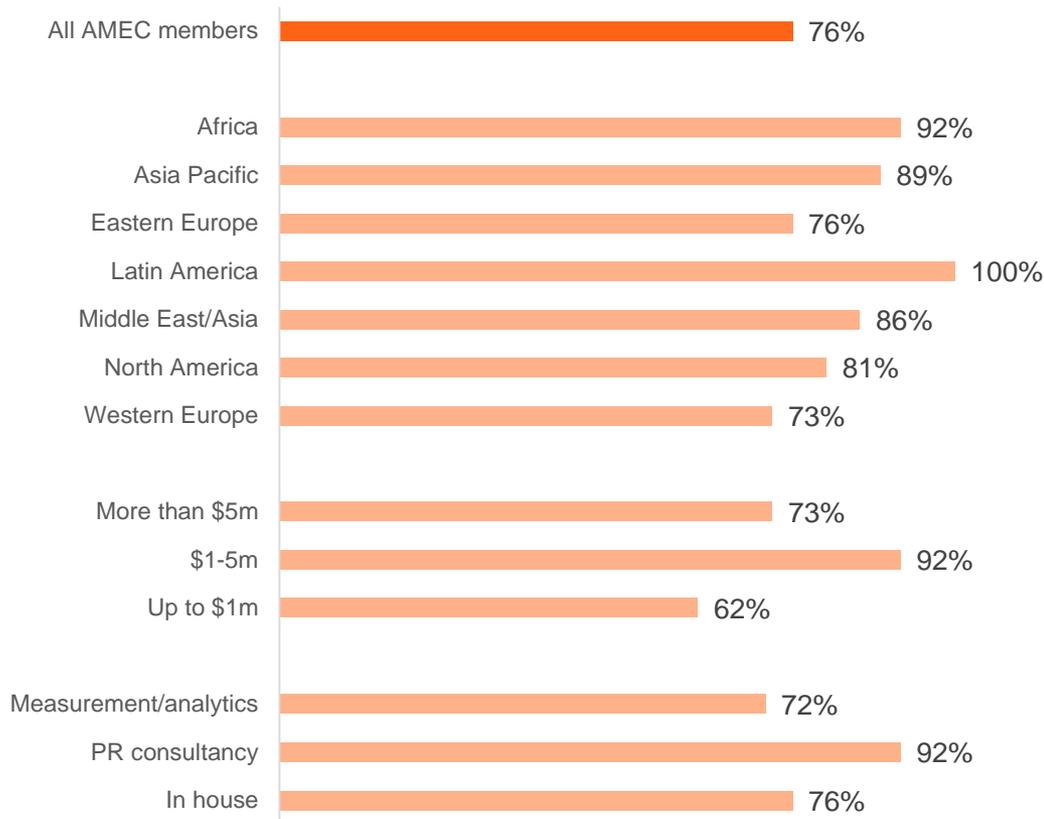
Beyond these four main functions, 46% of members also say they work with **business analysis/insights** teams, 15% work with **purchasing** and 12% with **operations** functions

Q In which of the following functions/departments do you currently have clients who directly commission your company's services?  
Base: All except in house (59)

# Focus on PR

# Recognition by PR industry

**More PR consultancies than ever before now recognise the importance of measurement and analytics** (% = agree slightly + strongly)



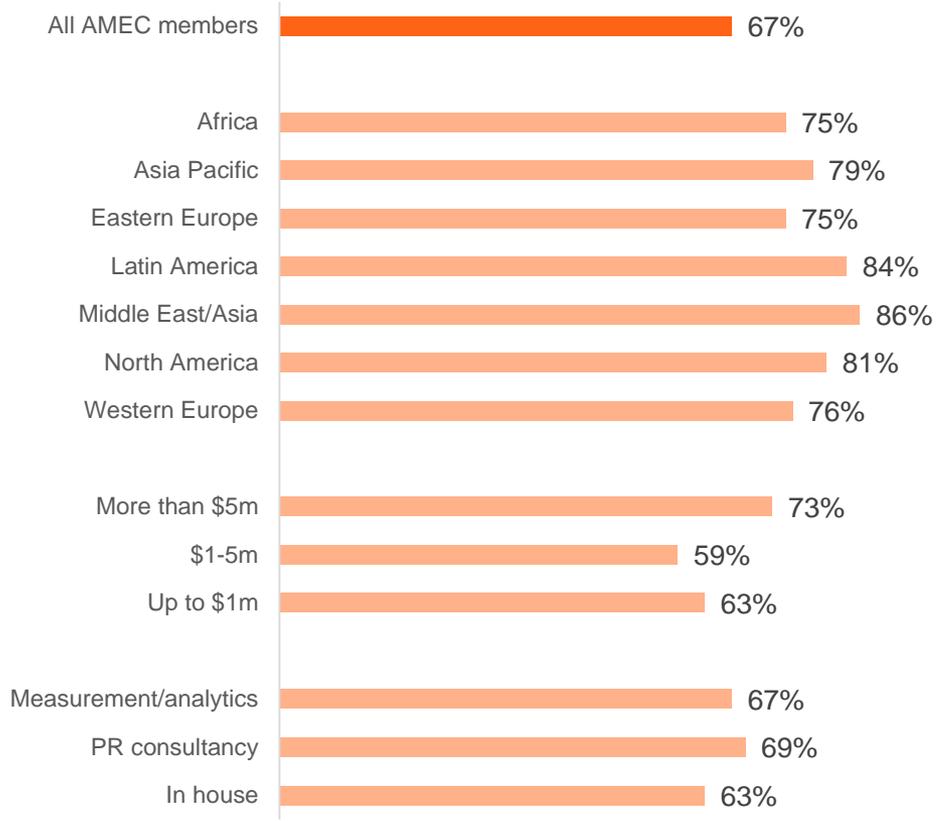
Three in four members (76%) agree that **more PR consultancies than ever before now recognise the importance of measurement and analytics**, up from 68% in 2018 and in line with the 78% who agreed in 2017

Members in PR consultancies themselves are more likely to agree than those working in measurement/analytics firms or in house departments

Regionally, the strongest level of agreement is reported by firms working in Latin America, while those with a focus on Western Europe are comparatively less likely to agree that more PR firms than ever before recognise the importance of measurement and analytics

# PR industry in local region

**I now feel that the PR industry in my country/region recognises more effective evaluation as a top priority** (% = agree slightly + strongly)

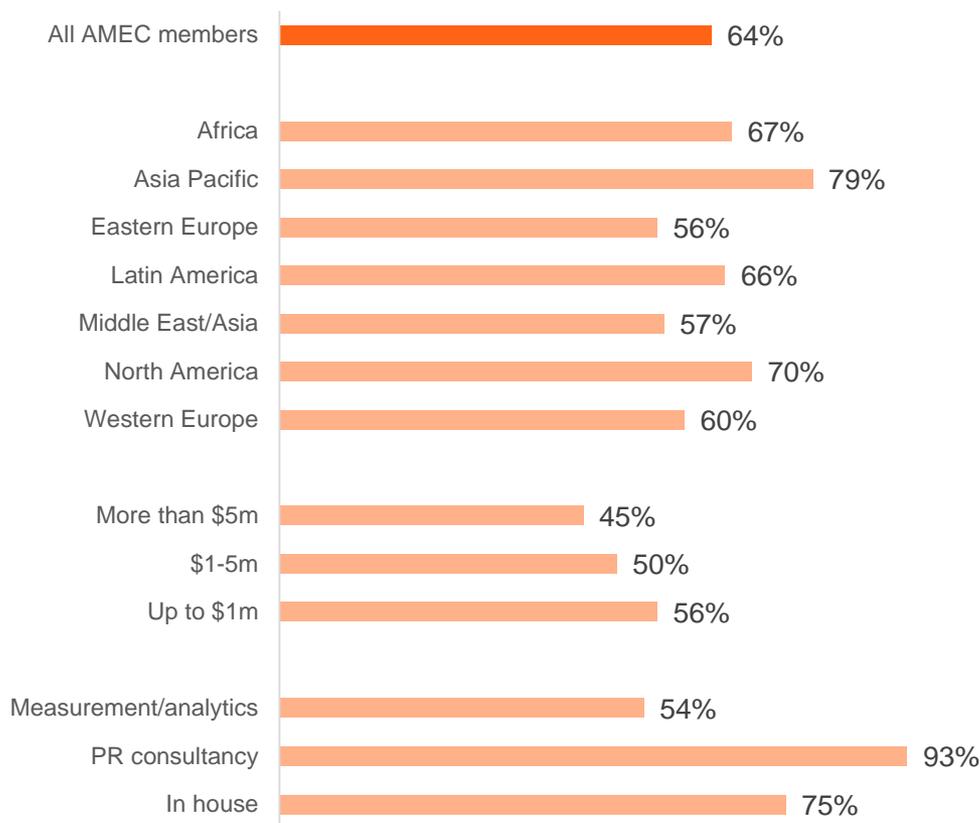


A total of 67% agree that **the PR industry in their region/country recognises and prioritises more effective evaluation**. This is marginally higher than in 2018 (61%)

Across the different global regions, there is little significant variation, ranging from a high of 86% of firms working in Middle East/Asia to a low of 75% for Africa and Eastern Europe. This suggests that the trend for PR to recognise more effective evaluation as a top priority is evident across the board, and not focussed in specific regions

# PR and measurement

**Increasingly, PR consultancies are building measurement services into their overall offer to end clients** (% = agree slightly + strongly)



In 2019 64% of members agree that **PR consultancies are increasingly building measurement services into their overall offer to end clients**. This is broadly in line with previous years – 68% in 2018, 72% in 2017 and 66% in 2016

Amongst PR consultancies in the survey, the level of agreement is very high – 93% believe this is the case, as do a majority of members in measurement/analytics firms and in house measurement departments

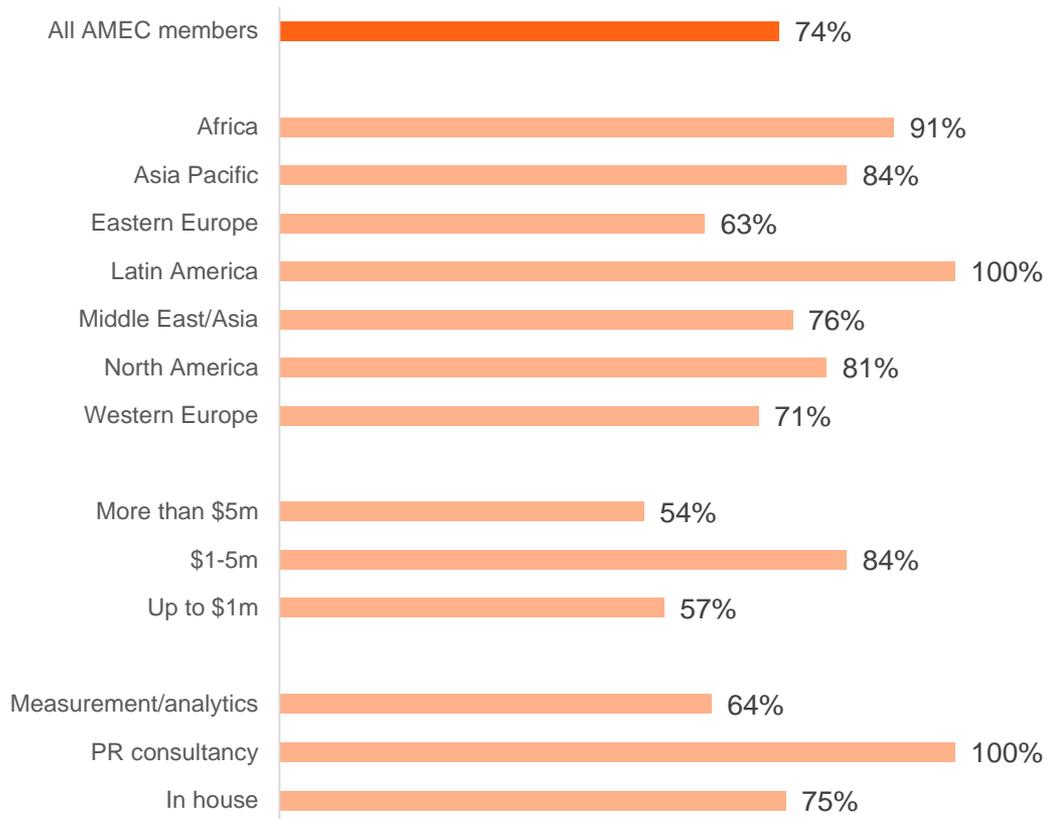
Across the regions, agreement that PR is increasingly building measurement into its overall end offer is greatest in Asia Pacific and North America

Q Please indicate how much you agree or disagree with each of these statements about PR consultancies in general

Base: All members

# Demonstrating success

**PR consultancies are increasingly being asked to demonstrate direct attribution of the impact/success of their work in achieving or supporting business goals** (% = agree slightly + strongly)



Three in four members (74%) agree that **PR consultancies are increasingly being asked to demonstrate direct attribution of the impact/success of their work in achieving or supporting business goals**. This statement is new to the survey in 2019

All the PR firms taking part in the survey recognise this trend for clients to seek direct attribution of the impact/success of their work, and the trend is widely acknowledged amongst measurement/ analytics firms and in house departments as well.

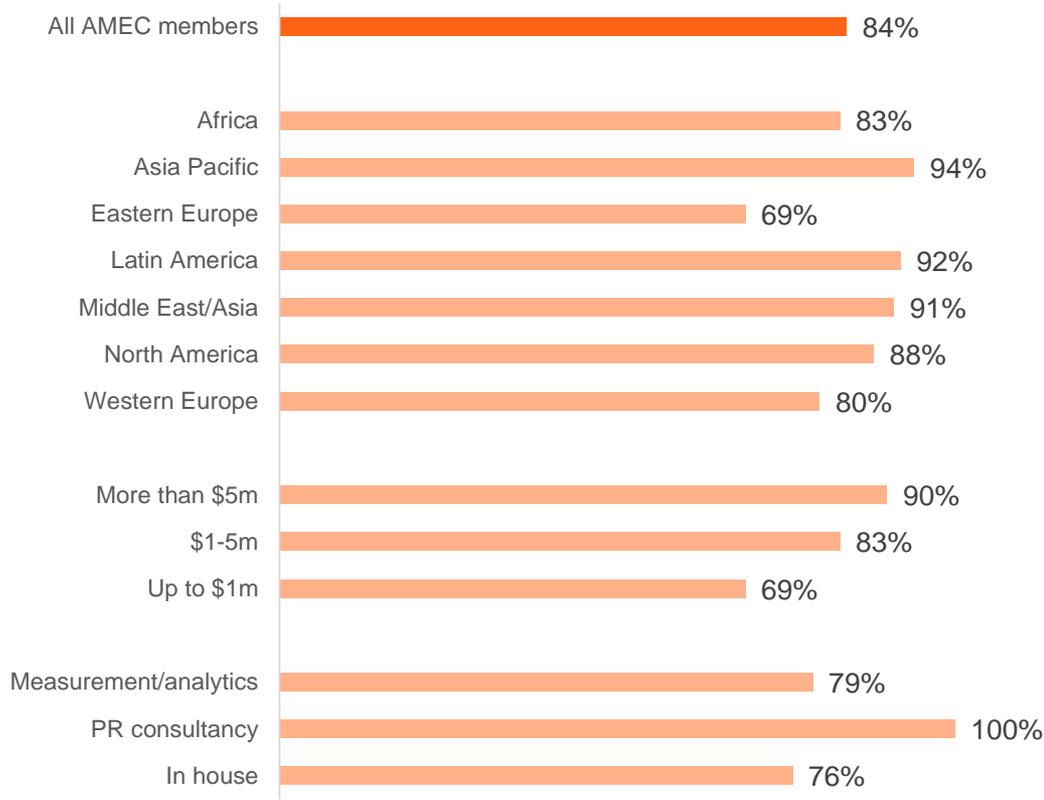
In a regional comparison, the trend is most likely to be endorsed by firms working in Latin America and Africa, but is less apparent to those working in Eastern Europe

Q Please indicate how much you agree or disagree with each of these statements about PR consultancies in general

Base: All members

# Importance of influencers

**Identification and evaluation of all types of influencers (including analysts, political figures, think tanks, celebrities and social media influencers etc.) is becoming critically important for PR consultancies** (% = agree slightly + strongly)



More than eight in ten members agree that **identification and evaluation of all types of influencers (including analysts, political figures, think tanks, celebrities and social media influencers etc.) is becoming critically important for PR consultancies.** This statement is new to the survey in 2019

All PR consultancies in the survey agree that identification of the full range of influencers is becoming critically important, and the view is reflected in high score for the other two organisation types

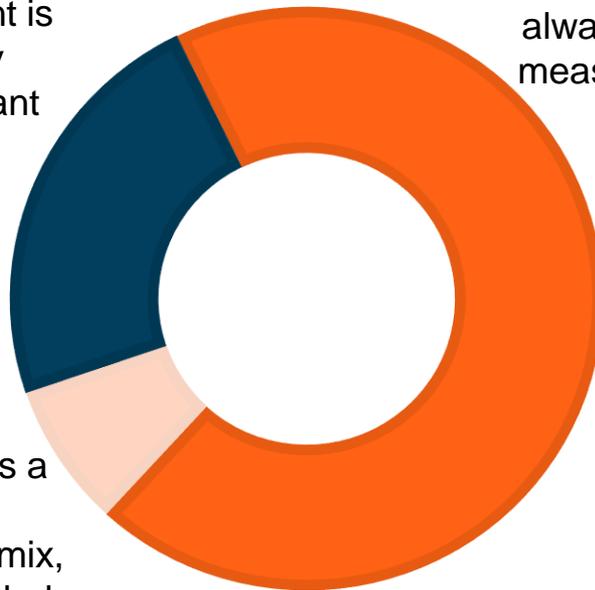
While members working in Asia Pacific are most likely to agree (94%), the two lowest levels of agreement are reported in Europe – 69% for Eastern Europe and 80% for western Europe

Q Please indicate how much you agree or disagree with each of these statements about PR consultancies in general  
Base: All members

# PR client view of measurement

**23%** say measurement is a moderately more important than other elements in the mix

**8%** say measurement is a very important element in the mix, but not demanded



**69%** say clients always/often demand measurement in pitch briefs

Asked about how clients regard the value and importance of measurement, the majority of PR consultancies taking part in the study say that **clients always/usually demand measurement as part of their pitch briefs** (69%). A further 8% say **measurement is regarded as a very important element in the mix**, but not strictly demanded by clients, while 23% say measurement is moderately more important than other elements in the mix

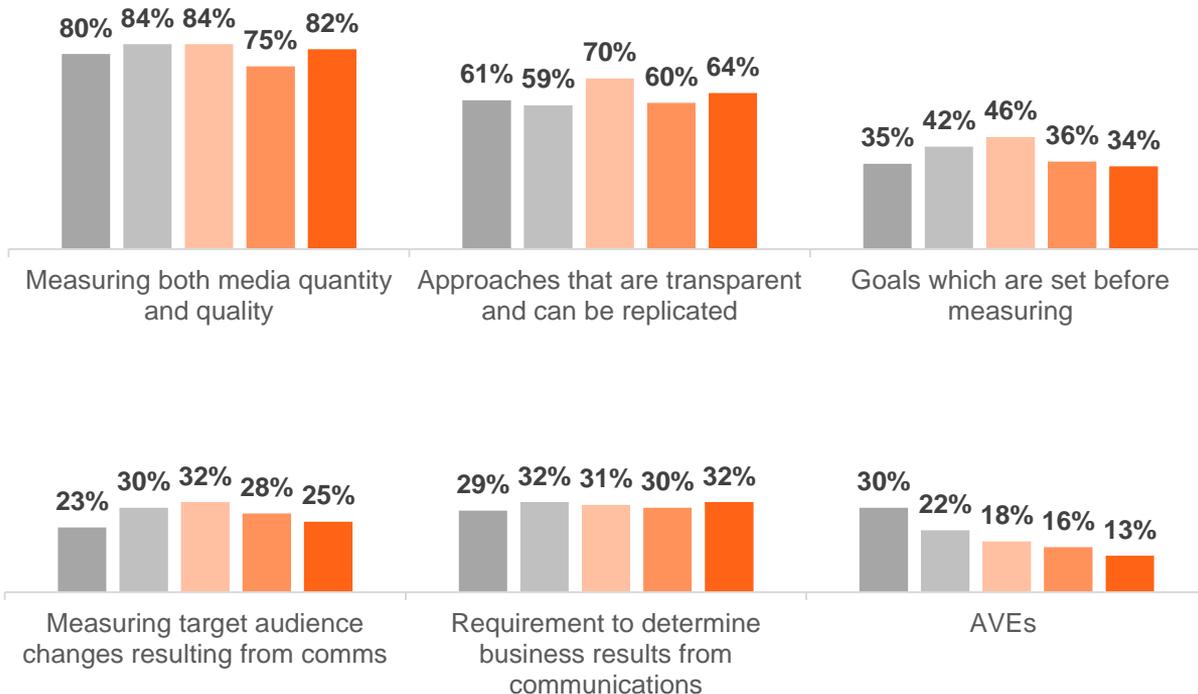
Q From your clients' point of view, how important is your measurement and analytics offer as part of your overall PR client service mix?  
Base: All PR consultancy members only (13)

# Client/stakeholder expectations

# Client work specifications

## Clients always/mostly specify...

■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019



Members are asked to indicate how frequently measurement work commissioned by clients/stakeholders includes six aspects of specification. The figures shown in the chart are the proportions who *always* or *mostly* specify each aspect.

Commissions are most likely to include **measurement of both media quality and quantity** (82%), and **approaches that are transparent and can be replicated** (64%)

One in three members (34%) say clients **set goals before measuring**, and 25% of members say clients always/mostly specify **measuring target audience changes resulting from comms**. A similar proportion (32%) say clients always/mostly expect to **determine business results from communications**

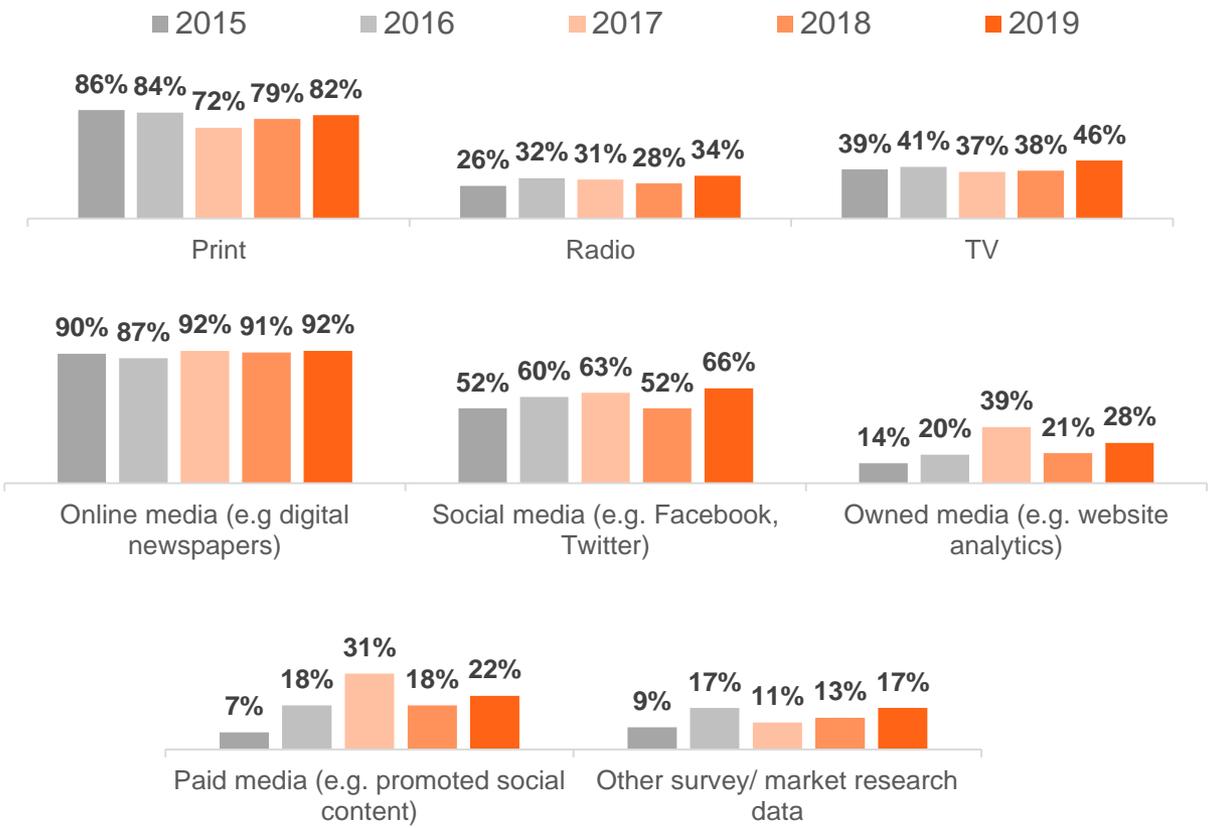
In 2019, just 13% of members say clients always/mostly ask for an **AVE score** to be included – the lowest level in five years

Q How often does measurement work commissioned by your clients/stakeholders specify the following?

Base: All members

# Media channels

## Clients always/mostly include...



Members are asked to say how frequently different types of media channel are included in client work specifications. Figures in the chart indicate the proportion saying each channel is *always/mostly* included

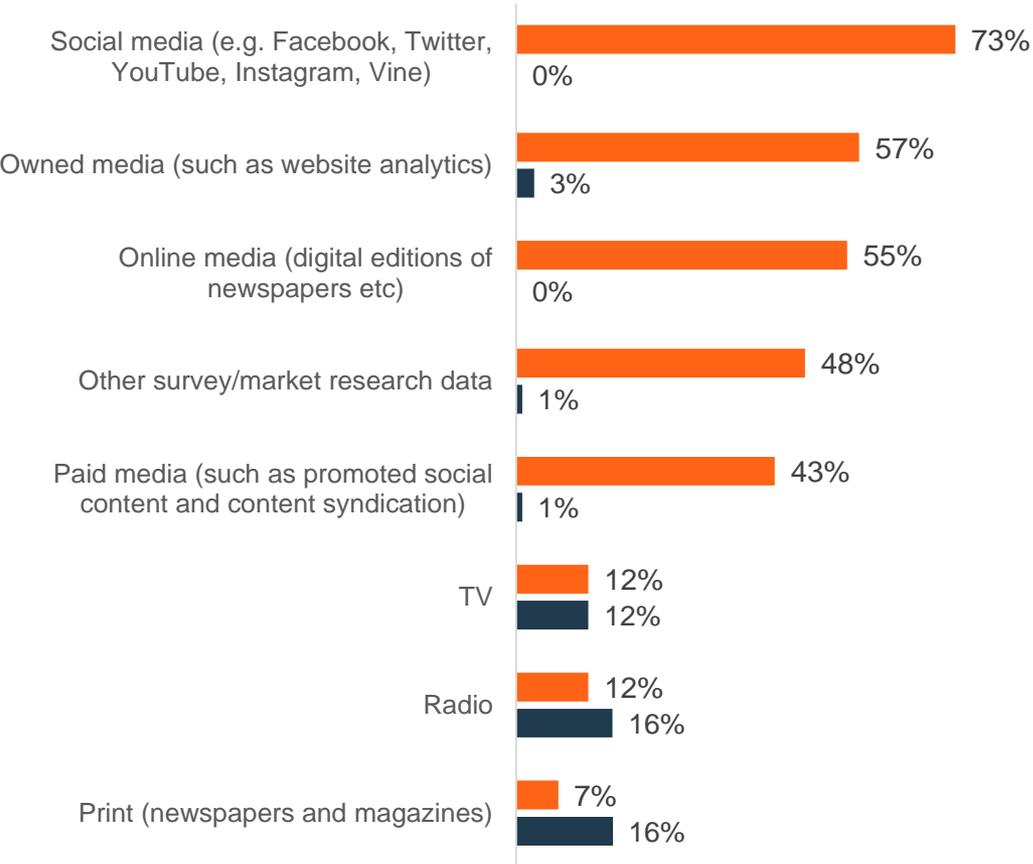
For the channels most commonly included, the figures for 2019 are broadly in line with previous years. Measurement and evaluation specs are most likely to include **online media** (92%) and **print media** (82%)

The proportion of client specifications including **social media** (66%) is at its highest in five years, and the same is true for **TV** (46%) and **radio** (34%)

In 2019, 28% say **owned media** is always/mostly included, 22% **paid media** and 17% **other survey data**

# Media channels – change in demand

■ Demand increasing ■ Demand decreasing



Members were asked to say if demand for measurement of each channel has increased or decreased in the previous 12 months.

Demand for measurement is increasing across all online channels, most notably for measurement of **social media**, where 73% of members report an increase in client demand. 57% report an increase in demand for measurement of **owned media**, 55% for **online media** and 43% for **paid media**

Demand for **other survey/market research data** is also increasing (48%)

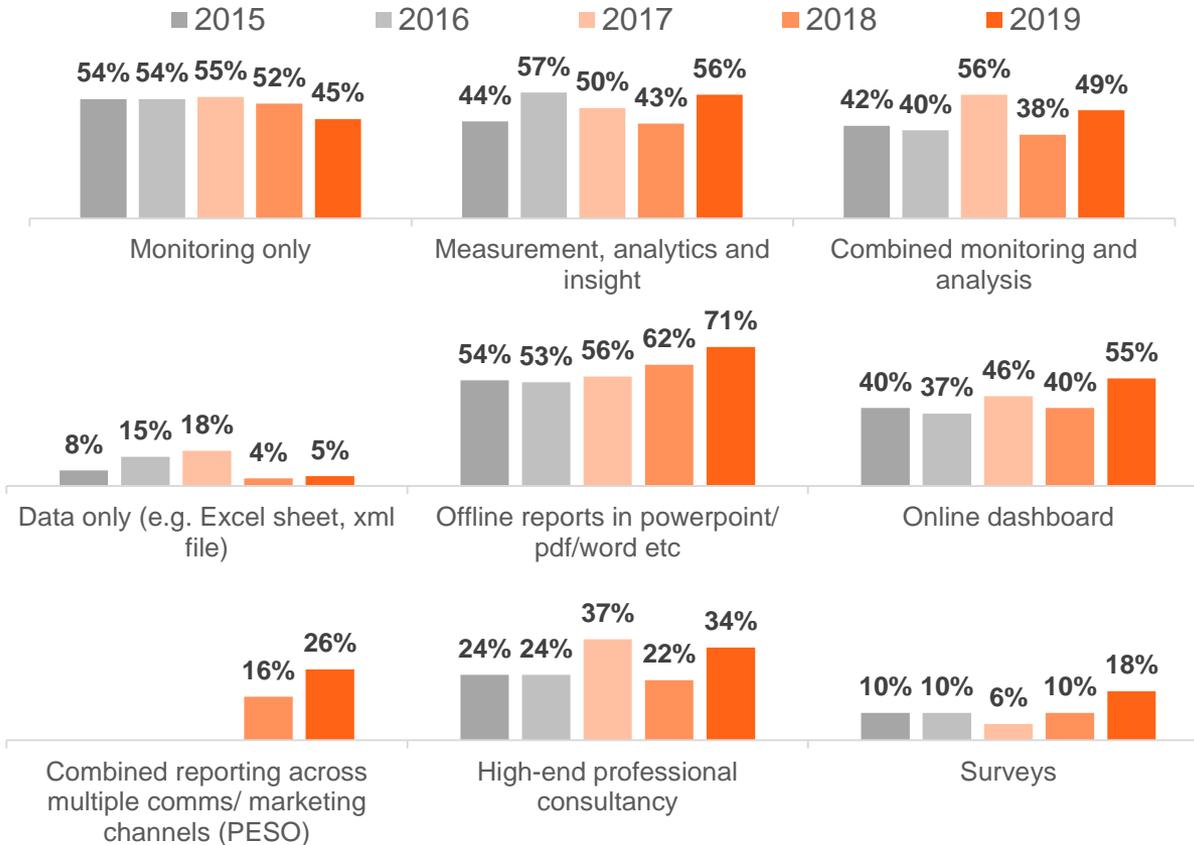
Meanwhile, the modest numbers reporting an increase in demand for **TV** measurement (12%) are equaled by the 12% who say demand for measurement of this channel is decreasing. For **radio**, 12% report an increase, but 16% a decrease, while for **print**, just 7% see demand increasing, compared with 16% who report a decrease

Q For each of the following media channels, please indicate how client/stakeholder demand for measurement has changed in the past 12 months.

Base: All members

# Service mix

## Clients always/mostly receive...



Members are asked to say how frequently different types of service are delivered to clients/stakeholders. Figures in the chart indicate the proportion saying each type of service is always/mostly included

More than half (56%) offer a mix of **measurement, analytics and insights** to most clients, with 49% saying they offer **combined monitoring and analysis**. Meanwhile, 45% offer **monitoring only** services and 24% say their service usually or always includes **high-end professional consultancy**

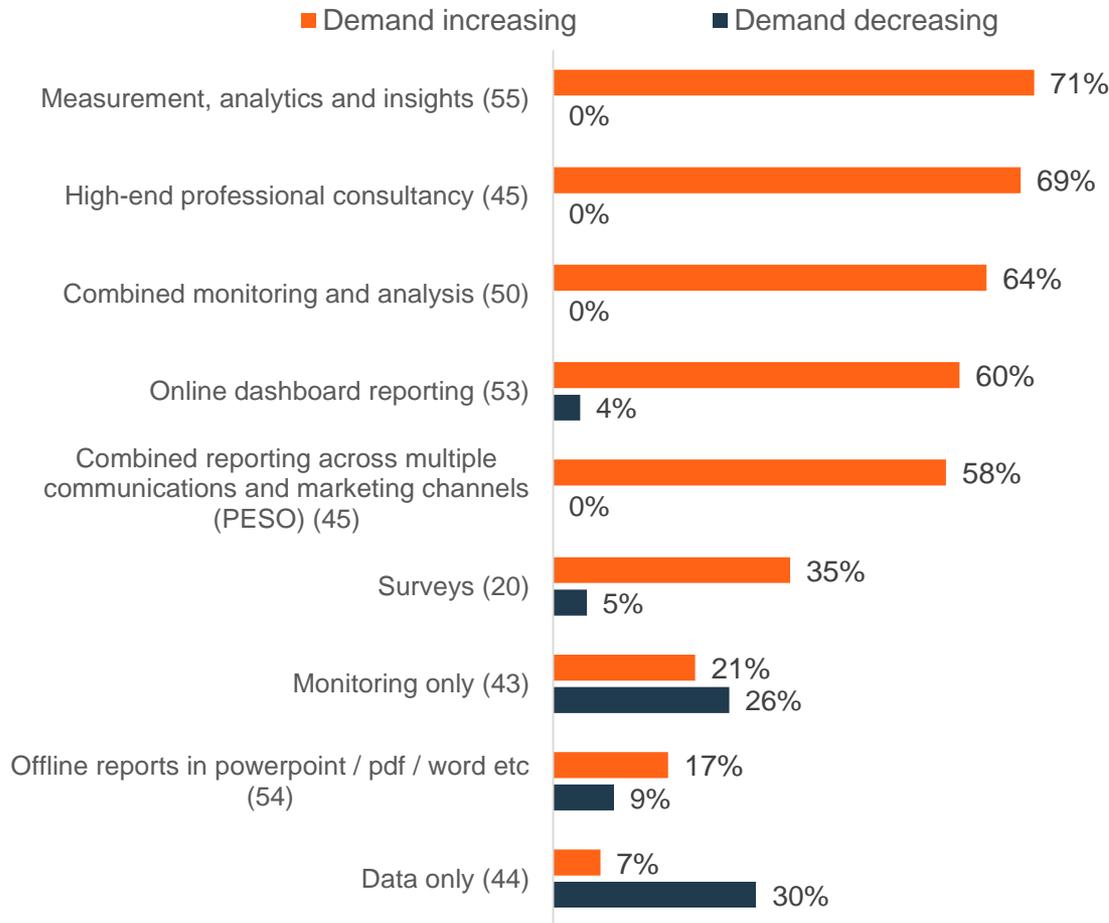
In terms of deliverables, **offline reports in formats such as powerpoint** are offered by 71% this year (the highest proportion in five years). 55% offer **online dashboards** – also at a five-year high – while just 5% regularly offer **data only**. One in four (26%) offer **combined PESO reporting**

18% of members say client service regularly includes **surveys**

Q Thinking about your service mix, how often do your clients/stakeholders receive the following as part of the service provided?

Base: All members using internal resources to deliver client services (55)

# Service mix – change in demand



Members were asked to say if demand for each service mix element has increased or decreased in the previous 12 months.

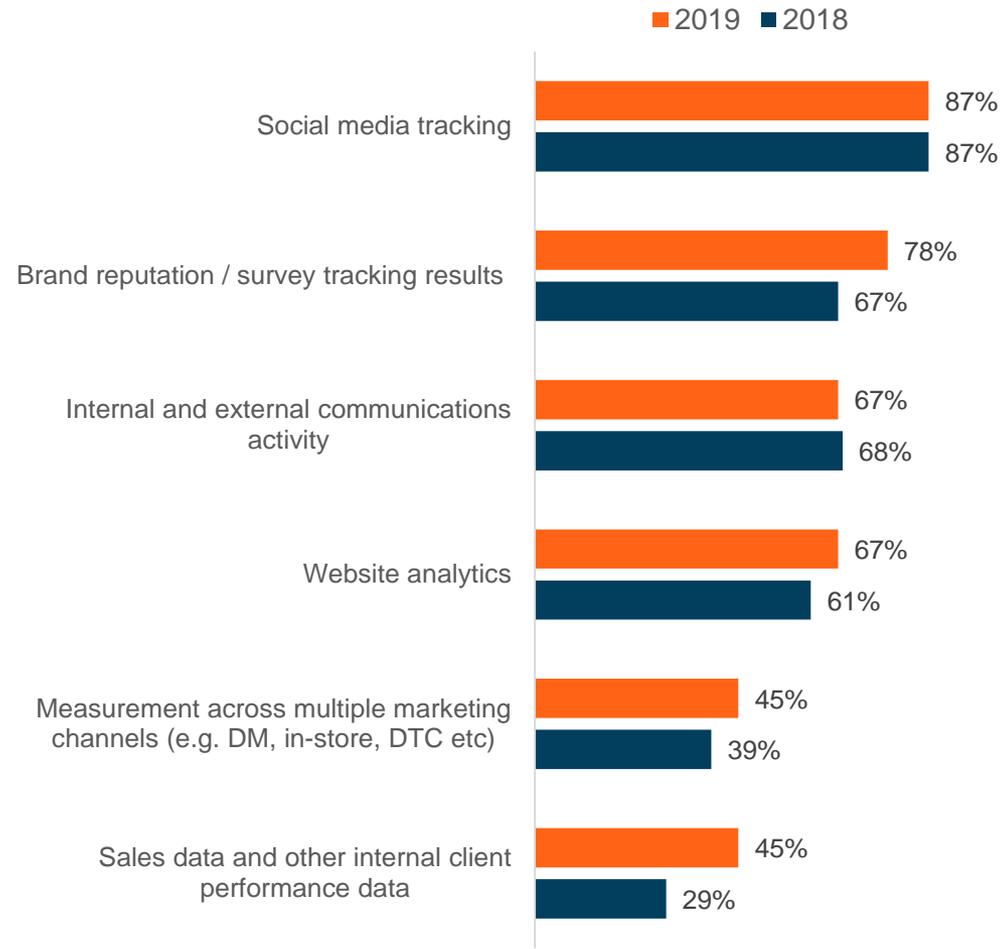
Demand is most likely to have increased for **measurement, analytics and insights** services (71%) and **high-end professional consultancy** (69%). 64% report an increase in demand for **combined monitoring and analysis** and demand for **PESO reporting** has increased for 58% of those already offering it

Meanwhile, the proportion of members saying demand for **monitoring only** services is declining (26%) outstrips the proportion who say this is increasing (21%)

Demand for **data only** deliverables is much more likely to be decreasing (30%) than increasing (7%)

Q How has client demand for each of the following changed in the past year?  
 Base: All members who use internal resources and offer each option (base in brackets)

# Integrated reporting



Members were asked about the types of content information they have seen included in integrated reporting (either received from providers or delivered to clients)

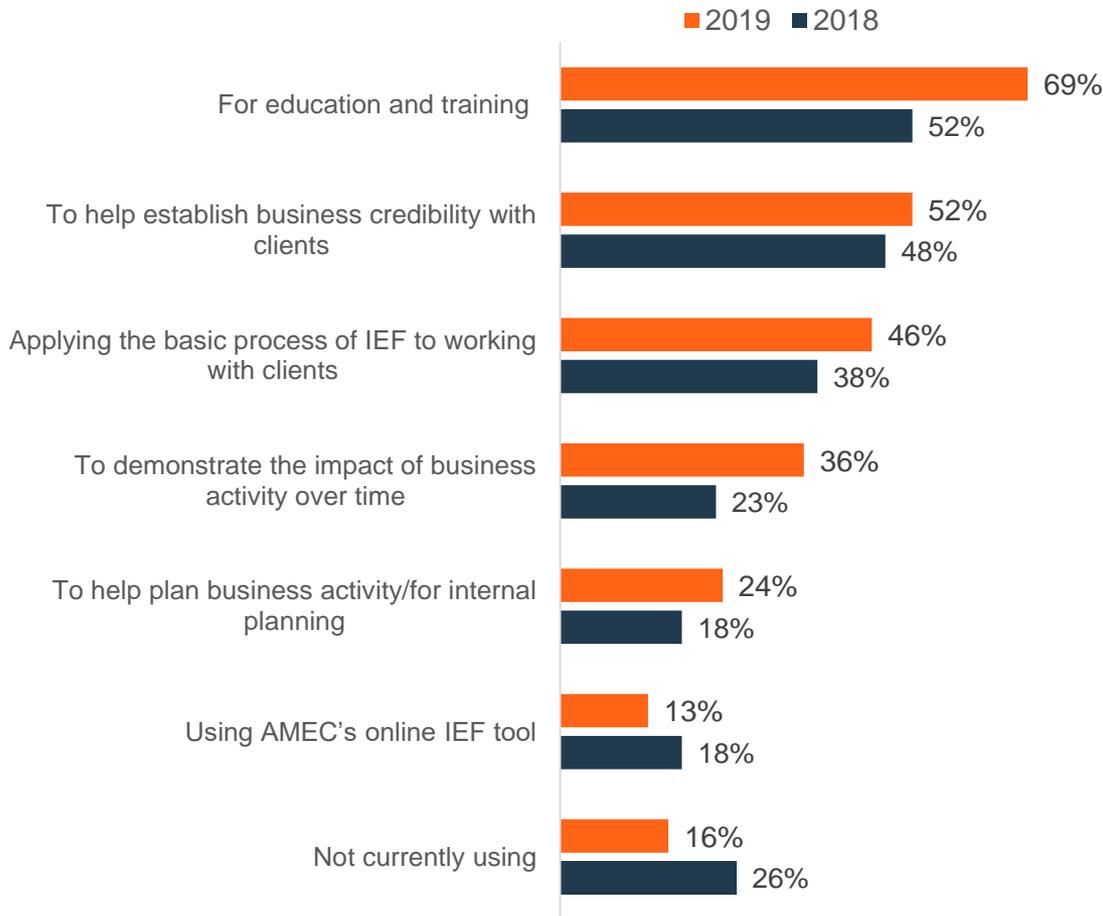
Most (87%) have seen **social media tracking** in this kind of reporting – as was the case in 2018. The second most widely-noted content is **brand reputation/survey tracking data** (78%), which is more widespread this year than in 2018

Members are more likely to have seen information derived from **website analytics** (67%) this year than last, and there are also increases in the proportions who have seen **measurement across multiple marketing channels** (45%) and **sales data and other internal client performance data** (45%)

Q Thinking about examples of integrated reporting that you may have received or delivered to clients/stakeholders, which of the following types of information have been included?  
Base: All

# AMEC's role

# Ways IEF is used



More than eight in ten (84%) members surveyed are now using AMEC's Integrated Evaluation Framework (IEF), up from 74% in 2018

Members are most likely to be using IEF for **education and training** (69%), for **establishing business credibility with clients** (52%) and **applying the basic IEF processes to client working** (46%)

More than one in three (36%) use IEF to help **demonstrate the impact of business activity over time** with 24% using it to **help plan business activity**

Across all these five categories, more members say they are using the IEF in 2019 than was the case last year

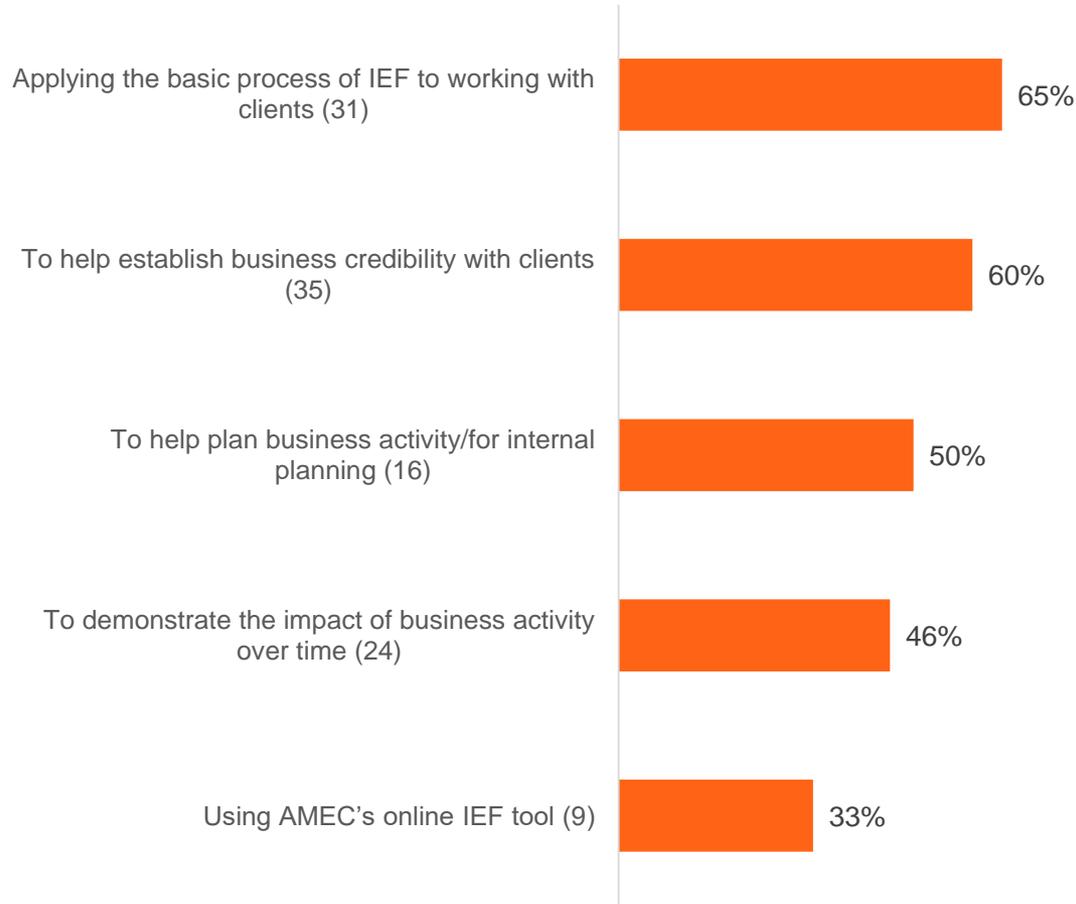
The one exception to this trend is the **online IEF tool**, where usage has fallen from 18% in 2018 to 13% this year

Q Does your organisation use the AMEC Integrated Evaluation Framework (IEF) in any of the following ways?

Base: All members

# Value of IEF

## Proportion saying they find IEF *very useful* for each purpose

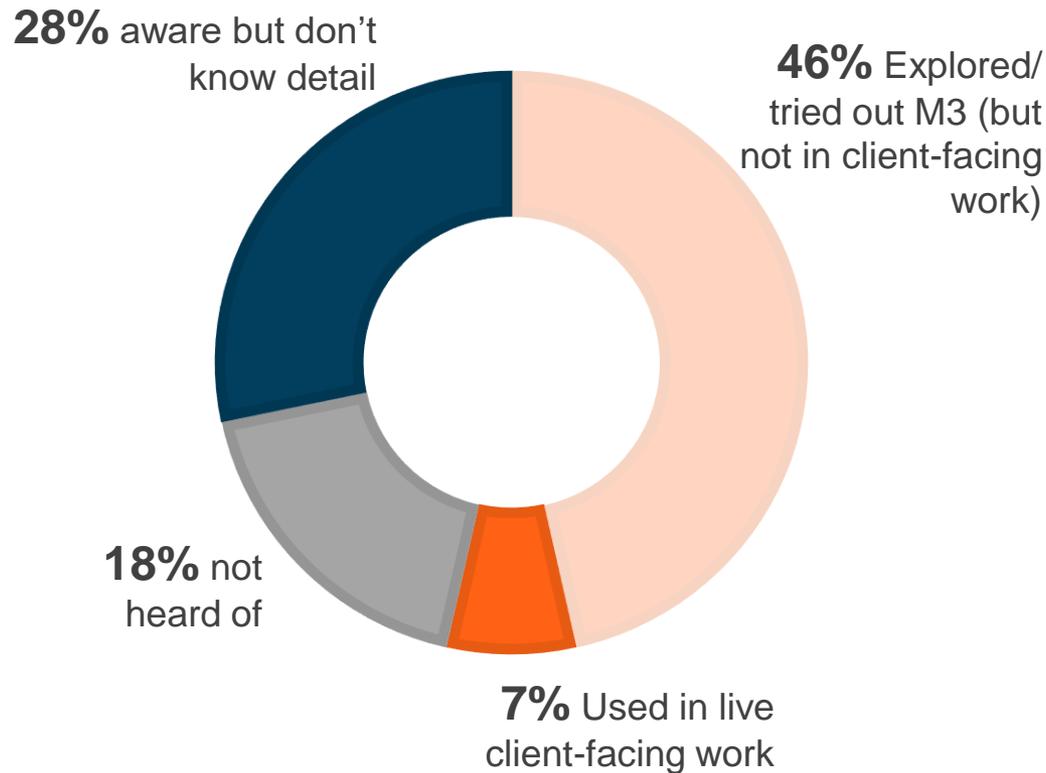


For each of the purposes listed, members who already use IEF for that purpose were asked to rate its usefulness. The vast majority gave either *very useful* or *fairly useful* ratings, so on this chart, the focus is just on the proportion who say the framework is *very useful*

Members are most likely to find the IEF very useful when it comes to **applying the basic process to working with clients** (65%), followed by using IEF to help **establish credibility with clients** and (60%) and using it **to help plan business activity** (50%)

Q How useful do you find the IEF for each of these?  
Base: All using IEF in each way (base figures in brackets for each item)

# Measurement Maturity Mapper



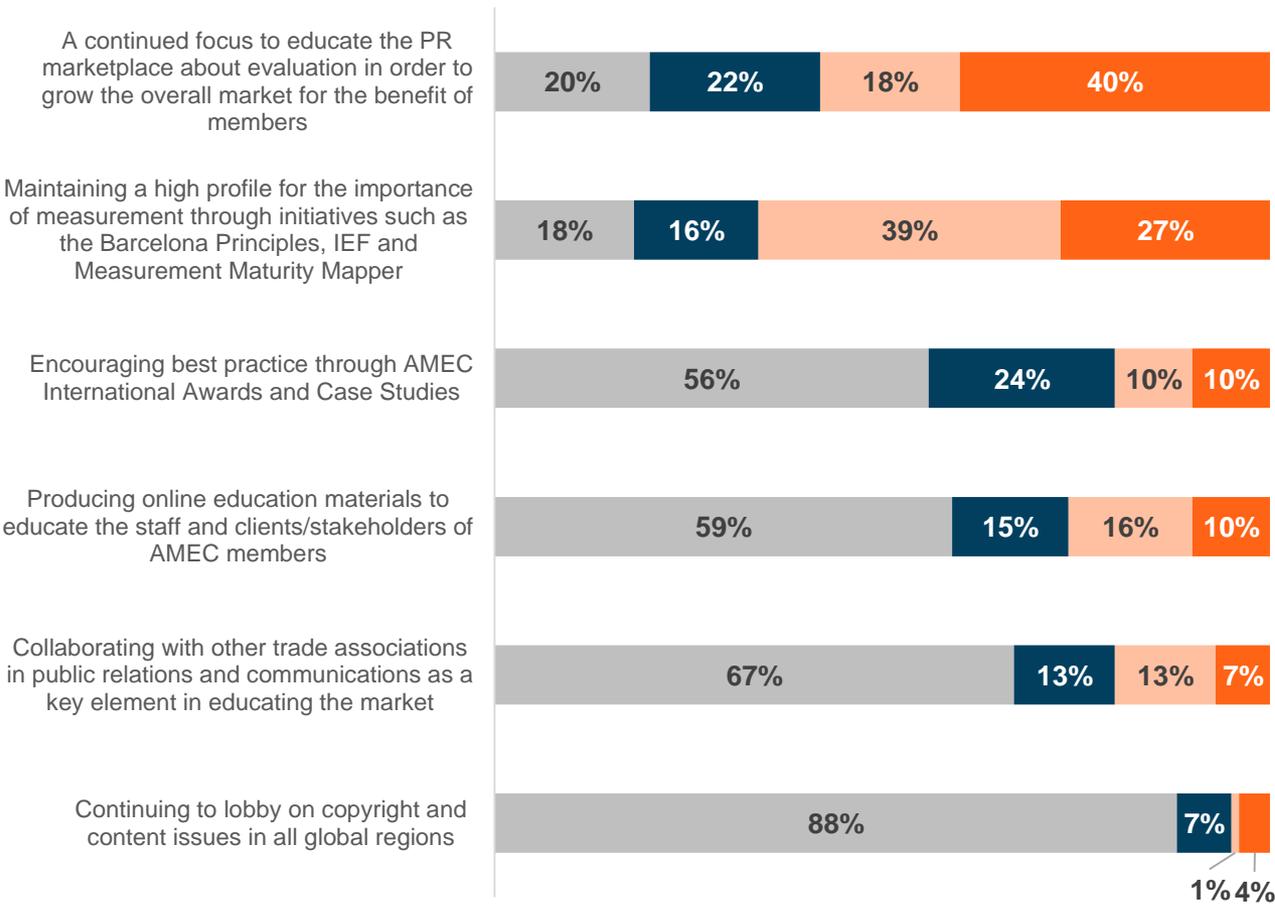
Only a small proportion (7%) of members have so far **used the new Measurement Maturity Mapper on live, client-facing work**, although a further 46% have **explored or tried out the tool**, for example by completing a dummy assessment or reviewing the questions. Meanwhile, 28% have **heard of it, but not yet explored it in detail** while 18% did not know of the new service at the time of the survey

Q In 2018, AMEC launched its Measurement Maturity Mapper (M3) – a survey-based diagnostic tool to help professionals better plan their measurement and evaluation activity. Which of the following best describes your organisation's awareness/use of M3?

Base: All

# AMEC's strategic priorities

■ Ranked 4th/5th/6th ■ 3rd ■ 2nd ■ Ranked top



Members were asked to rank AMEC's strategic priorities on a scale of top priority through to sixth most important. Four in ten say AMEC's top priority should be to **provide a continued focus to educate the PR marketplace about evaluation** (40%), while 27% say the top priority should be **maintaining a high profile for the importance of measurement through initiatives such as the BPs, IEF and Measurement Maturity Mapper**

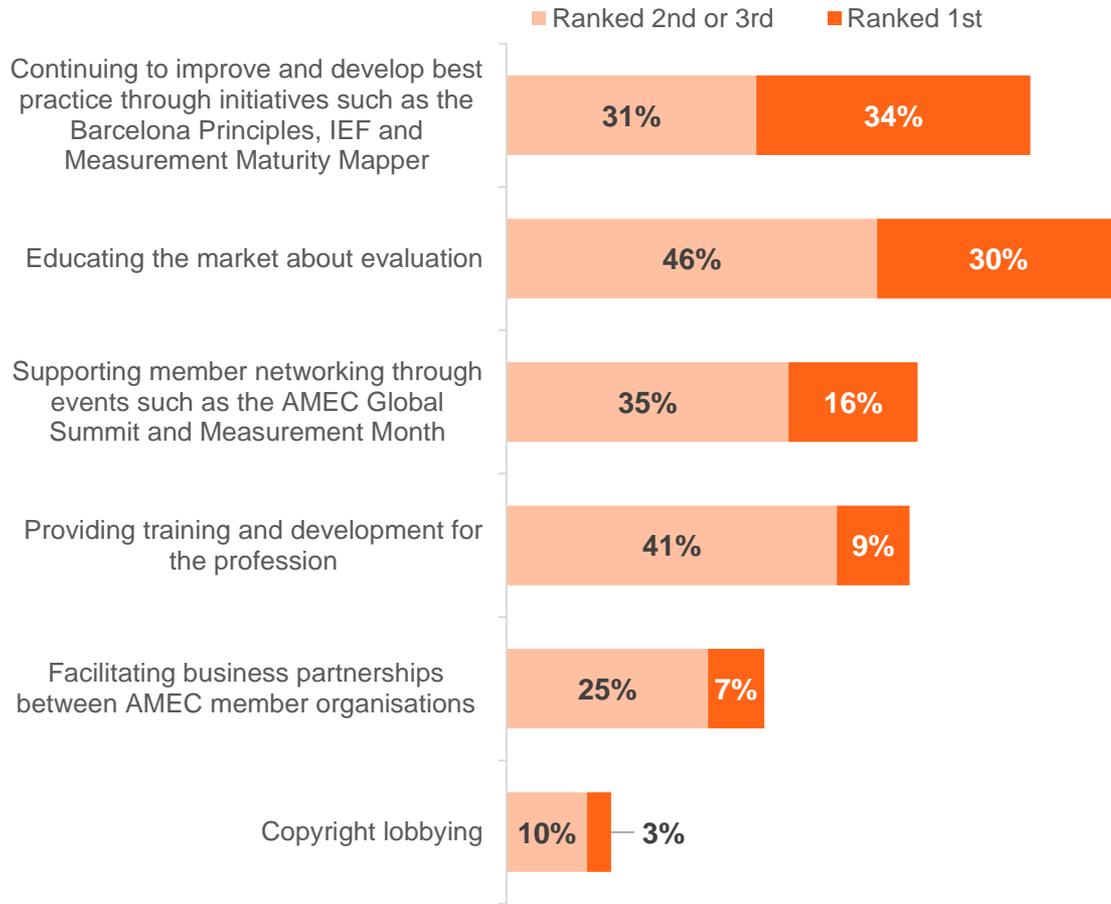
These top two priorities are selected in the top three rankings by at least four in five members

Beyond the top two, 44% give a top-three ranking to **encouraging best practice through awards and case studies**, while 41% rank **producing online education materials** in their top three

33% select **collaborating with other trade associations** in their top three priorities but just 12% do so for **lobbying on copyright and content issues**

Q Below is a list of strategic priorities for AMEC. From your own point of view, please rank the list from 1 to 6 where: 1 = highest priority and 6 = lowest priority  
Base: All members

# Helping members conduct business



Asked how AMEC can best help them conduct business, 34% of members say their top priority is **continuing to improve and develop best practice such as the BPs IEF and Measurement Maturity Mapper**. A further 31% place this second or third priority

**Educating the market about evaluation** is ranked by 30% as the most important way in which AMEC can help them conduct business, and an additional 46% place this aspect of AMEC's function in second or third spot

In total, 51% give a top-three ranking to **providing support for member networking through events such as the annual Summit and Measurement Month**, and 50% say **providing training and development for the profession** is a top three priority

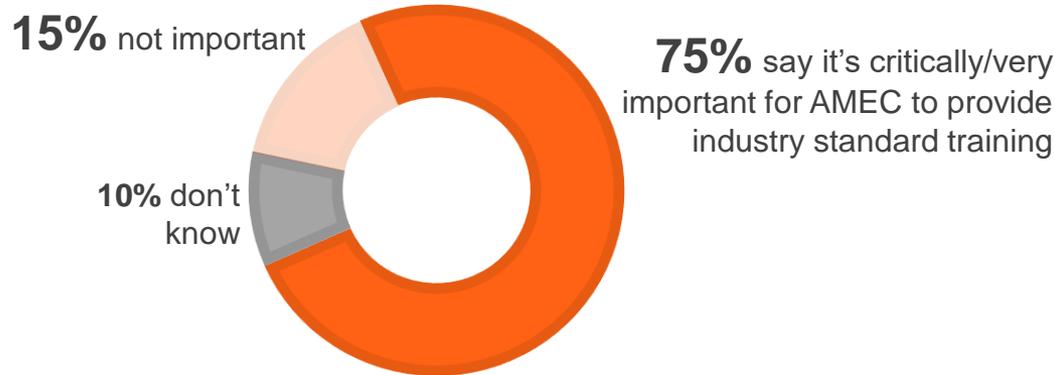
32% select **facilitating business partnerships between member organisations** in their top three, while 13% select **copyright lobbying**

Q From your point of view as an AMEC member, please select the top three areas where you most expect AMEC to help you conduct business?

Base: All members

# AMEC training

## Importance of industry standard training from AMEC

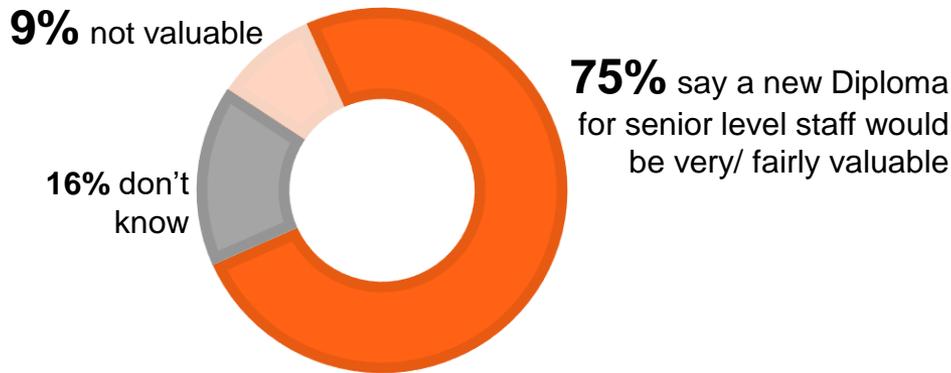


28% of members provide staff with access to **AMEC College courses and certification**, while most training is done in house (see chart below)

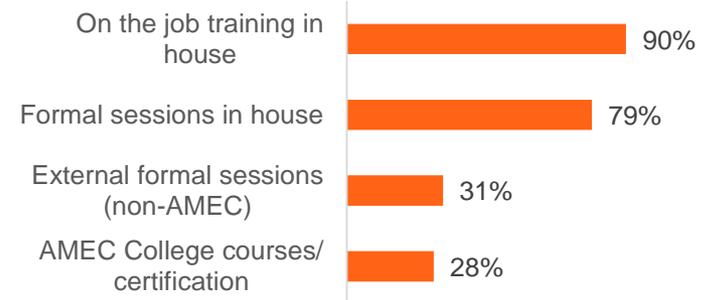
75% of members think it is *critically/very important* for **AMEC to provide industry standard training through AMEC College** (up from 68% in 2018 and 61% in 2017)

Three in four (75%) say a **new Diploma in Measurement for senior level staff** would be very/fairly valuable for the industry as a whole

## Value of new senior level Diploma from AMEC



## Training provided



Q Which of the following types of training do you provide for staff?

Base: All members

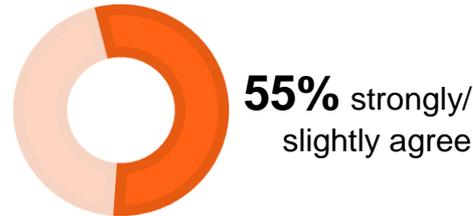
Q Overall, how important do you feel it is for AMEC to provide industry standard training through the AMEC College?

Q. How valuable do you think a new Diploma for senior staff would be for the industry as a whole?

Base: All members

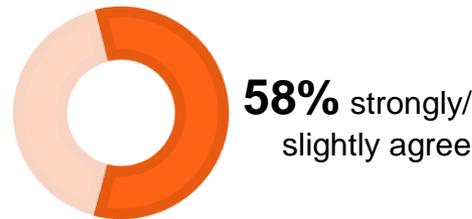
# Industry partnerships

***AMEC membership helps me identify potential industry partners which can help my organisation compete for global business***



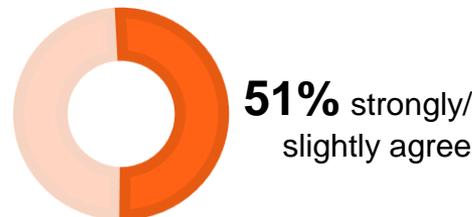
Overall, 55% of members believe their **AMEC membership can help them to identify potential partners to work with to better compete for global business**. The figure is in line with 2018 (51%) and 2017 (53%)

***This kind of industry partnership with other AMEC members is becoming increasingly important***



The majority of AMEC members (58%) agree that **industry partnerships with other AMEC members are becoming increasingly important**, up from 50% last year

***This kind of industry partnership is the most effective way for small and medium-sized AMEC members to compete with the largest AMEC firms***



Around half (51%) agree that **industry partnerships are the most effective way for smaller AMEC members to compete with the largest AMEC firms** (50% in 2018, 43% in 2017)

Q Please indicate below how much you agree or disagree with each of these statements  
Base: All members

# Benchmarking

# Benchmarking

This section includes questions on business metrics and performance which have been asked each year since the benchmarking began in 2008

Members can choose to opt out of the benchmarking questions to avoid conflict with Sarbanes-Oxley:

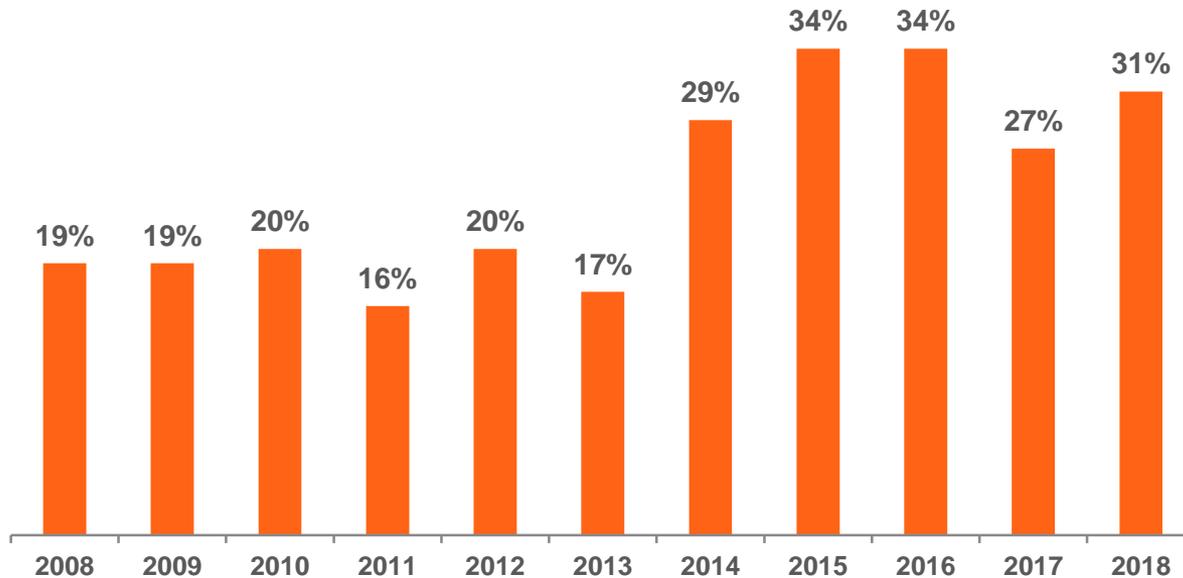
- In total, 32 of the 67 participating member companies answered benchmarking questions in 2019, including 29 who supplied financial figures

In 2019, the impact of industry consolidation and Sarbanes-Oxley has led to a dramatic decline in the total amount of revenue reported for the industry:

- Whereas in 2018, members taking part in the benchmarking reported total revenues from measurement and evaluation of €207m, the figures for 2019 is just below €42m
- As a result, this report no longer contains a chart showing the trend over time in overall income for the membership as a whole

# Ad hoc vs continuous

% of client business which is *ad hoc* rather than continuous



Members are asked to indicate the proportion of all measurement and insights business undertaken accounted for by **a) ad hoc and b) continuous work**. Reporting is based on the calendar year prior to the research, so for the current study, figures are for 2018

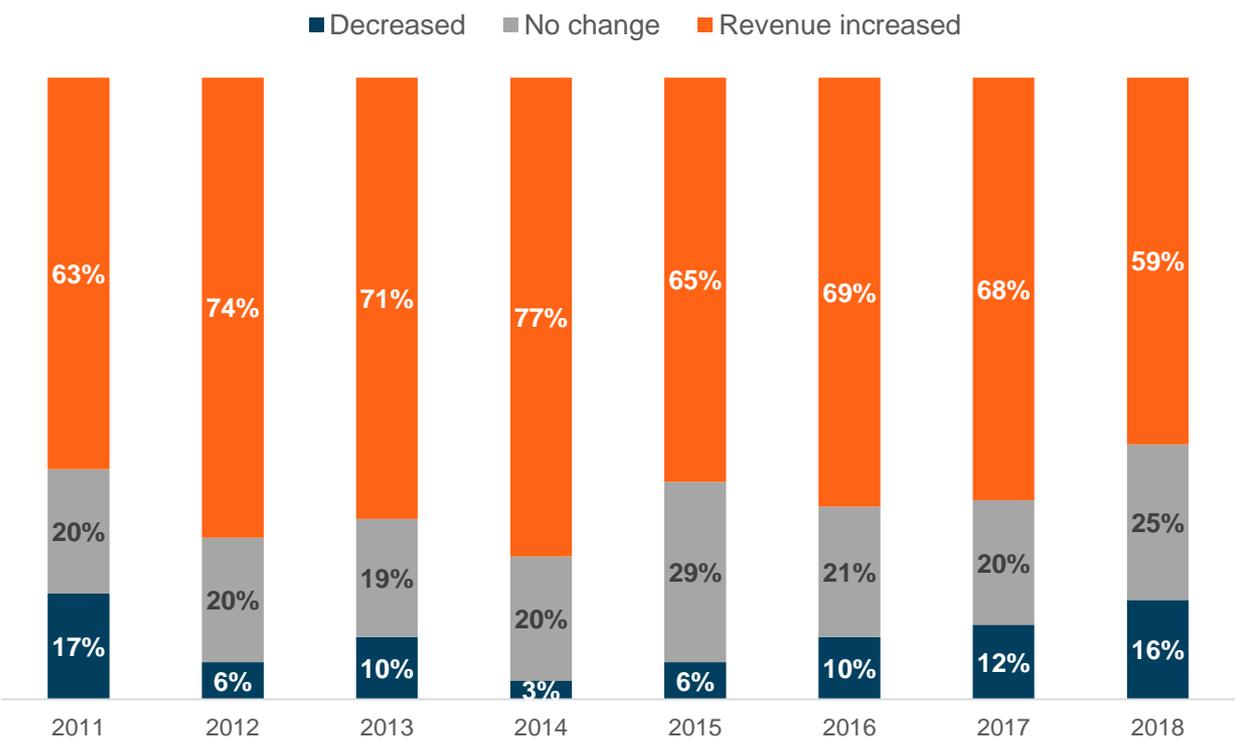
This chart shows the proportion of **ad hoc work** reported each year since 2008. From 2008 to 2013, the split was broadly similar, with around 80% accounted for by continuous work and the remainder by ad hoc work.

This started to change in 2014, and by 2015 the proportion of ad hoc work had risen to 34%. Following a dip for 2017, members taking part this year say that 31% of their work is ad hoc

Q Please indicate the percentage of all measurement and insights business undertaken in 2018 as ad hoc work

Base: All answering

# Revenue growth



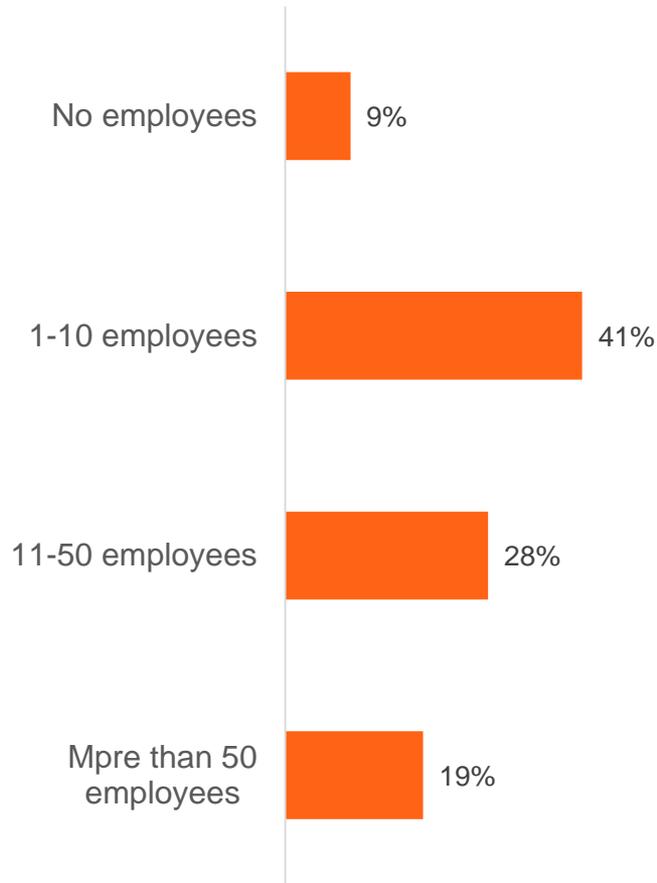
Most members (59%) completing the benchmarking questions say their **total revenue increased in 2018**, although the figure of 59% is the lowest proportion in a sequence going back to 2011

Meanwhile, 16% of members in the 2018 benchmarking say their **total revenue decreased** – the highest proportion since 2011

Q For the last financial year, did your company's total revenue increase, decrease or stay the same compared with the previous financial year?

Base: All answering

# Payroll numbers



Members completing the benchmarking section of the study are asked to indicate the total number of full-time equivalent payroll employees they had working on measurement business at the end of 2018, including all sites

The bulk of benchmarking participants this year are in the 1-10 employee (41%) and 11-50 employees (28%) categories

19% have more than 50 employees, while 9% are solus operators, with no employees

Q Please indicate the number of full-time equivalent payroll employees working on measurement business in your organisation, as at 31 December 2018  
Base: All answering (32)

## THANK YOU FOR TAKING PART

For more information, please contact:  
Johna Burke, FAMEC  
AMEC Global Managing Director

[johna@amecorg.com](mailto:johna@amecorg.com)  
[www.amecorg.com](http://www.amecorg.com)