

amec



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- **Philip Lynch**, Managing Director NEWTON Insight
- **Nicole Moreo**, Vice President, Ketchum Global Research & Analytics and Chair, AMEC US International Chapter
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- **Carlos Diaz**, General Manager, GlobalNews Group & Chair, AMEC LATAM International Chapter
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Study background

This report

This report on the AMEC Global Business Insights Study 2018 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

- 122 AMEC members were invited to take part in the 2018 survey
- 81 completed surveys were received – a response rate of 66%
- Research was carried out between 26th March and 21st May 2018

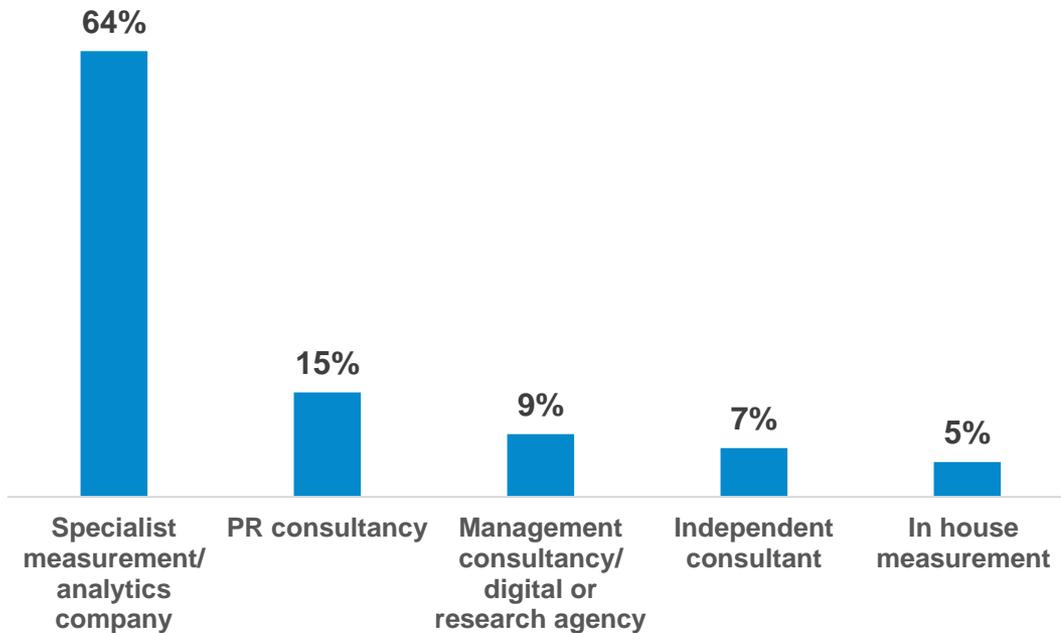
The survey data has been analysed to look at specific groups within the overall population of AMEC members – defined by location, size and type of business

- 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



The majority of AMEC members taking part in the survey are **specialist measurement and analytics** firms (64%)

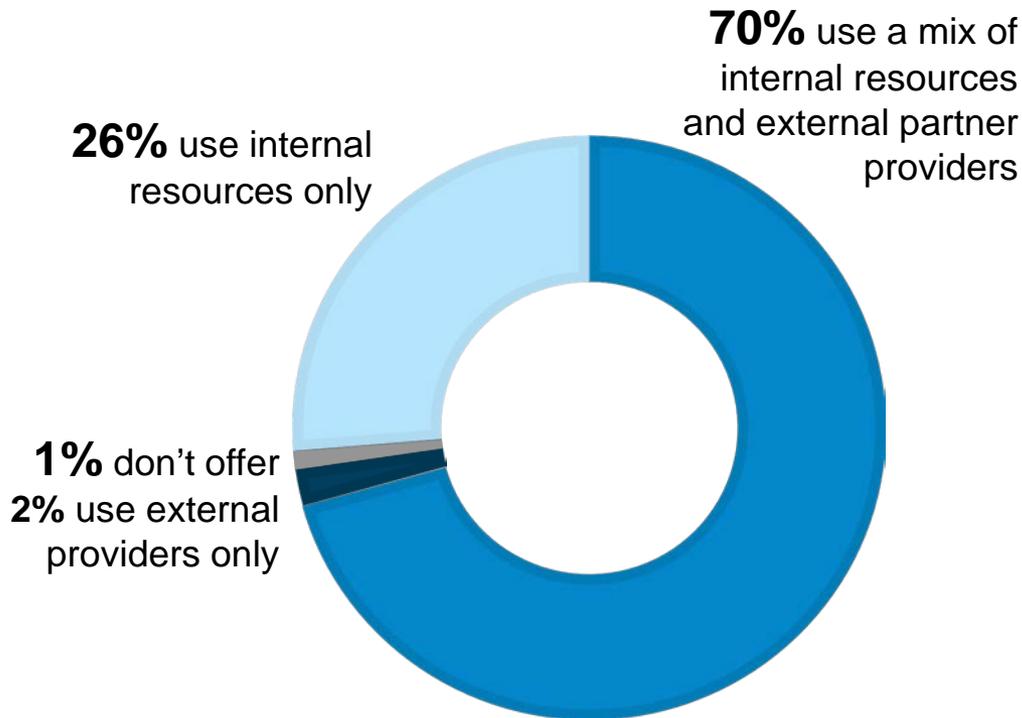
This year, 15% of the total are **PR consultancies**. A further 16% are classified as either a **management consultancy, marketing/digital agency or research agency** (9%), or as an **independent consultant** (7%)

The remaining 5% of survey participants are classified as **in house research or evaluation departments**, either working in a **government/not-for-profit organisation** (4%) or for a **commercial organisation** (1%)

For analysis purposes, there are too few **in house** participants this year to analyse separately, but the report does look at differences between three types of member: **specialist measurement and analytics**; **PR consultancy**; and **consultant** (independent and management consultants combined)

Q Please indicate which of these categories best describes your organisation
Base: All members

Resources used



Seven in ten (70%) survey participants say their communications measurement, evaluation and intelligence work is carried out using **a mix of internal resources and services provided by external providers**

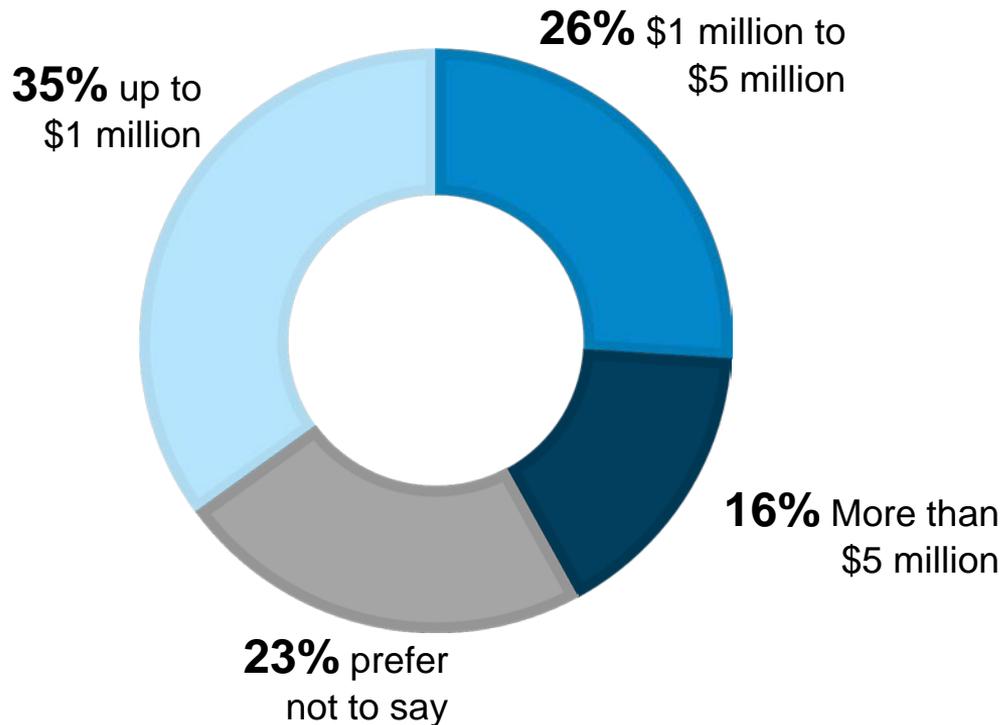
One in four (26%) members uses **internal resources** only. This practice is most common amongst members operating in Asia Pacific (43%)

Only 2% of survey participants rely solely on sub-contractors for their measurement, evaluation and intelligence work

Q Which of these best describes how you 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 four (24%) participating members are in the **up to \$500,000** category, with a further 11% in the **\$500,000 to \$1 million** band. These two are combined to give a more robust group size for analysis of “smaller” member firms

26% of members are classified in the **\$1 million to \$5 million** bracket, and 16% have revenue **in excess of \$5 million**

Almost a quarter (23%) of those asked this question preferred not to disclose any detail on revenue

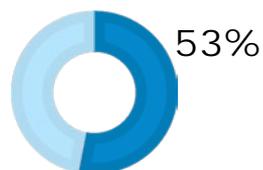
Q Thinking about your media measurement, research and intelligence business, which of these broad revenue categories does your organisation fall into at this point in time?

Base: All excluding PR and in house

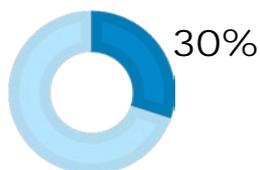
Business carried out by region

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

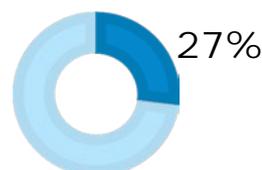
Western Europe



North America



Eastern Europe



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

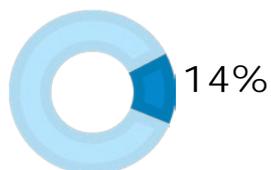
More than half (53%) do at least 10% of their business in Western Europe, followed by 30% in North America and 27% in Eastern Europe

The number of AMEC members carrying out at least 10% of their business in other global regions is smaller, ranging from 14% in Asia Pacific to 4% in Africa

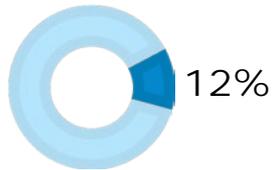
In order to look at variations across different regions throughout the 2018 analysis, we amend the criteria in the following ways to create larger group sizes:

- 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)

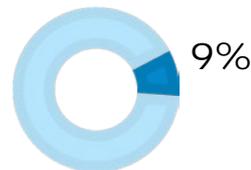
Asia Pacific



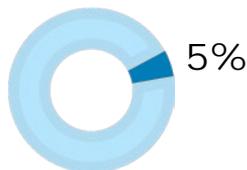
Middle East/ Asia



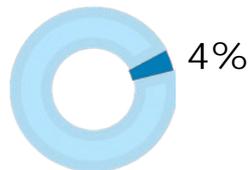
Latin America



Australia/NZ



Africa



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

Base: All members

How members use this report



The AMEC Global Business Insights Study report is most widely used to shed light on the **latest trends** in the industry (80%), and 62% of participants use the data in the report as a **benchmark for their own business operations**

More than two in five members (45%) use the report to see **the kinds of services competitors are currently offering**, which they may need to consider in the future. More than a third (36%) use the report to **learn about how competitors are handling key business issues** and/or to **help shape their own business planning**

Q How do you use the findings from this AMEC Global Business Insights Study?

Base: All

Executive summary

Summary – key findings (1)

The 2018 AMEC Global Business Insight Study reflects a dynamic trading environment in the measurement, research and evaluation industry

- More AMEC members believe the industry is expanding now than in previous years
- More than eight in ten expect industry growth to continue unabated in the 2018-19 period

A key challenge for AMEC members is the impact of technology

- A majority believe the only way they can compete effectively is by investing in new technology
- Most agree that artificial intelligence (AI) is something they need to take seriously, and many are already using AI extensively
- AI/machine learning is seen as one of the key priorities for investment in innovation during the next 12 months

Client expectations from the measurement and evaluation industry are evolving in a number of ways

- Most AMEC members say clients are increasingly asking for more integrated measurement, which includes other marketing activities as well as PR/comms data
- Members also believe that client expectations are becoming increasingly sophisticated, with a continuing trend away from simplistic metrics
- While the majority feel there is still a trend towards insights-led client services, one in four notes a parallel growing demand for fully automated measurement

Summary – key findings (2)

Most members report an increase in client demand for a global footprint service in recent years

- One of the key priorities driving business growth will be developing partnerships with other companies to provide a more extensive global service

The growth environment creates a number of critical business management challenges

- Around half the membership say there is increasing pressure to reduce pricing, and two in three report greater competition in the market than a year ago
- Members have continued to increase their invest in innovation, with almost three in four doing so over the past year
- Top investment priorities for the coming year include data science skills, new data sources and insights consultancy skills

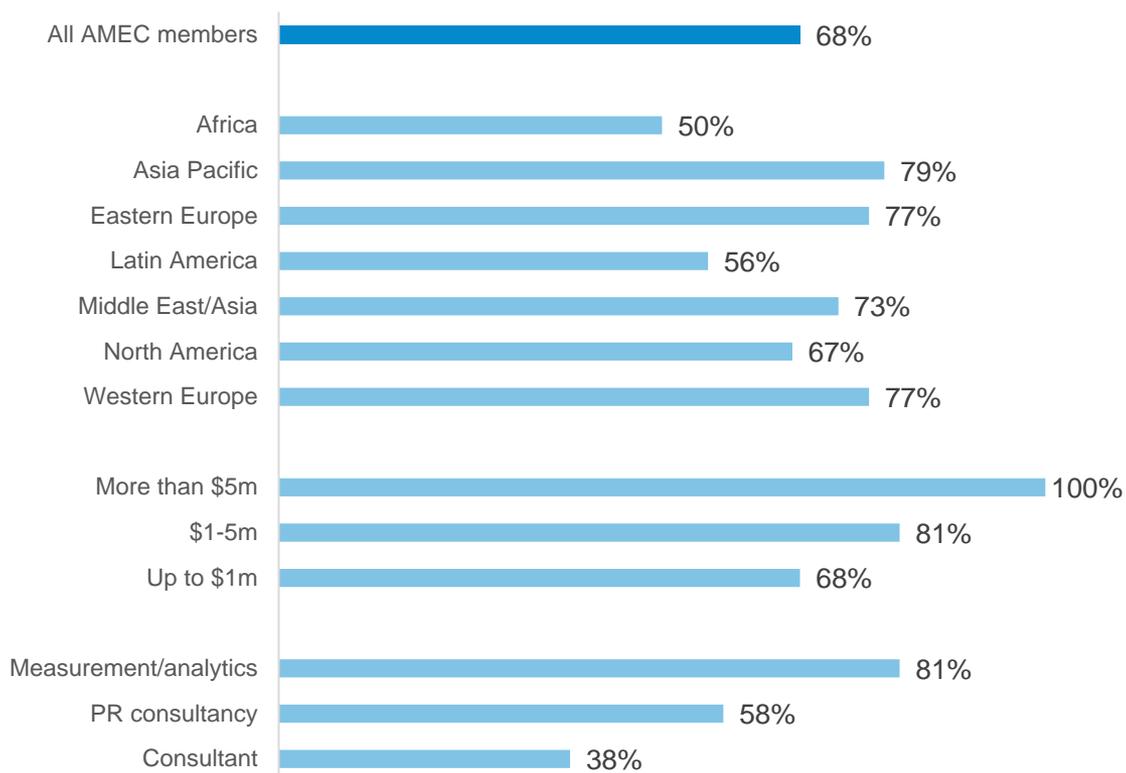
Most members are now using AMEC's Integrated Evaluation Framework (IEF) to help meet a number of key business functions

- IEF is felt to be particularly useful for education and learning, and to help establish business credibility with clients
- Members want AMEC to continue to prioritise educating the marketplace about the benefits of evaluation, and welcome the introduction of new training initiatives through AMEC College

Industry trends

Investment in technology

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



The majority of AMEC members (68%) agree that they **can only compete effectively by investing in new technology** such as artificial intelligence (AI) and software development. Just 15% of members surveyed disagree with the statement

Every one of the member companies in the \$5 million and above revenue bracket agree that investment in technology is critical, as do 81% of those with revenues of \$1-5 million

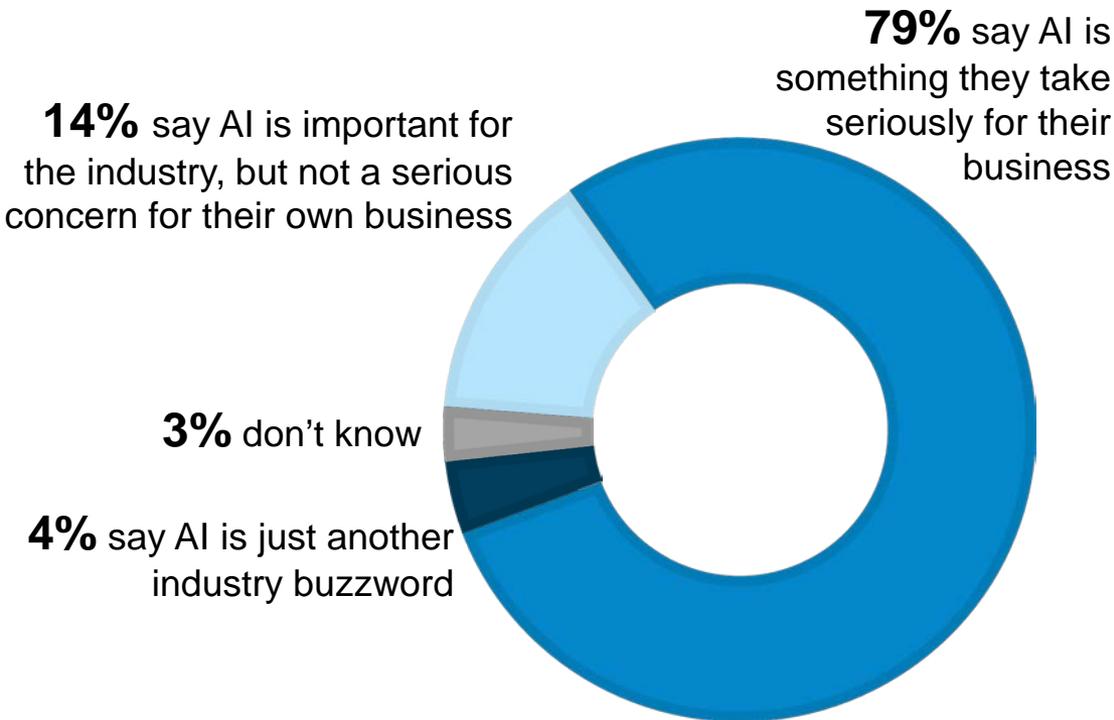
Investment in technology is considerably more of a concern for measurement/analytics specialists (81%), than members working in PR consultancy (58%) and consultant (38%) businesses

Regionally, investment in technology is most likely to be regarded as essential to effective competition by members operating in Asia Pacific (79%), Western Europe (77%) and Eastern Europe (77%)

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

Base: All members

Artificial Intelligence (AI)



Most AMEC members view AI as **something they need to take seriously for their business** (79%), or **important for the industry overall** (14%) where not critical to their own enterprise. Only a very small proportion think AI is **just another industry buzzword** (4%)

Larger AMEC members are most likely to take AI seriously (90% of businesses with revenues in excess of \$5 million and 88% of those with revenues in the \$1-5 million size band), although even amongst smaller firms with a revenue of less than \$1 million, 73% feel AI is a serious concern

Firms operating in Eastern Europe (91%) and North America (92%), are most likely to feel AI is a serious concern for their business

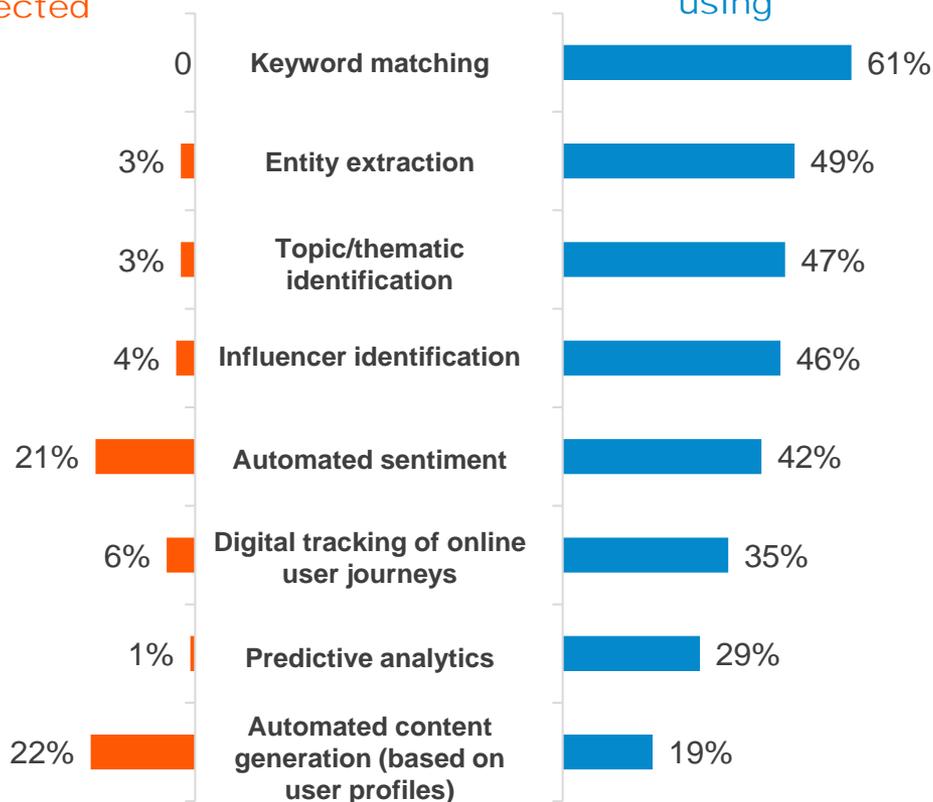
Q Thinking about one aspect of technological innovation in the industry, which of the following best describes what the term Artificial Intelligence (AI) means to you?

Base: All members

Using AI

Considered and rejected

Already using



Members who already take AI seriously in their own business, or who feel it is an important concern for the industry overall, were asked if they **already use a range of AI techniques and applications**. On this chart, the blue bar represents the proportion already using AI in each way, while the orange bar shows the proportion who have rejected using each specific AI approach

Members are most likely to already be using **keyword matching** (61%), **entity extraction** (49%), **topic/thematic identification** (47%) and **influencer identification** (46%)

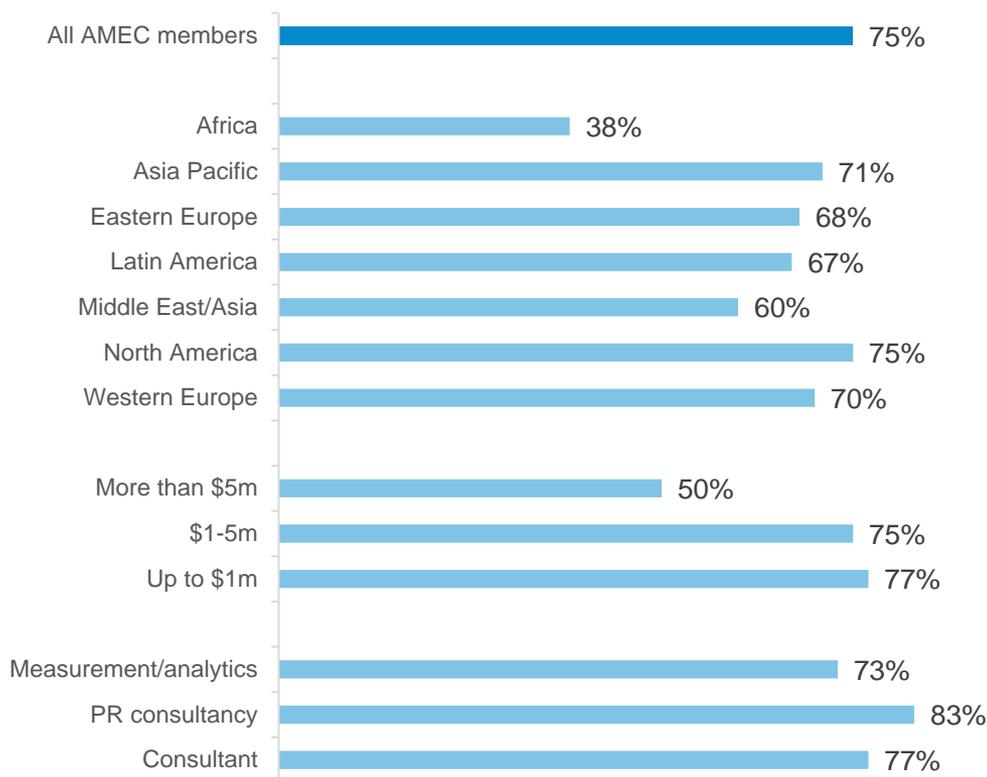
Two uses of AI stand out as options which are rejected by a sizeable number of members: **automated sentiment** (21%) and **automated content generation** (22%)

Q For each of the following uses of AI, please indicate if you are already using this in your business, considering using it, or rejected using it?

Base: All who take AI seriously for own business or for industry overall

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)



Three in four AMEC members (75%) say that **clients/stakeholders increasingly expect measurement to include other marketing activity as well as PR/Comms, in order to develop an integrated perspective**

This trend is particularly apparent to members working in PR consultancy roles (83%), when compared with those in measurement/analytics firms (73%)

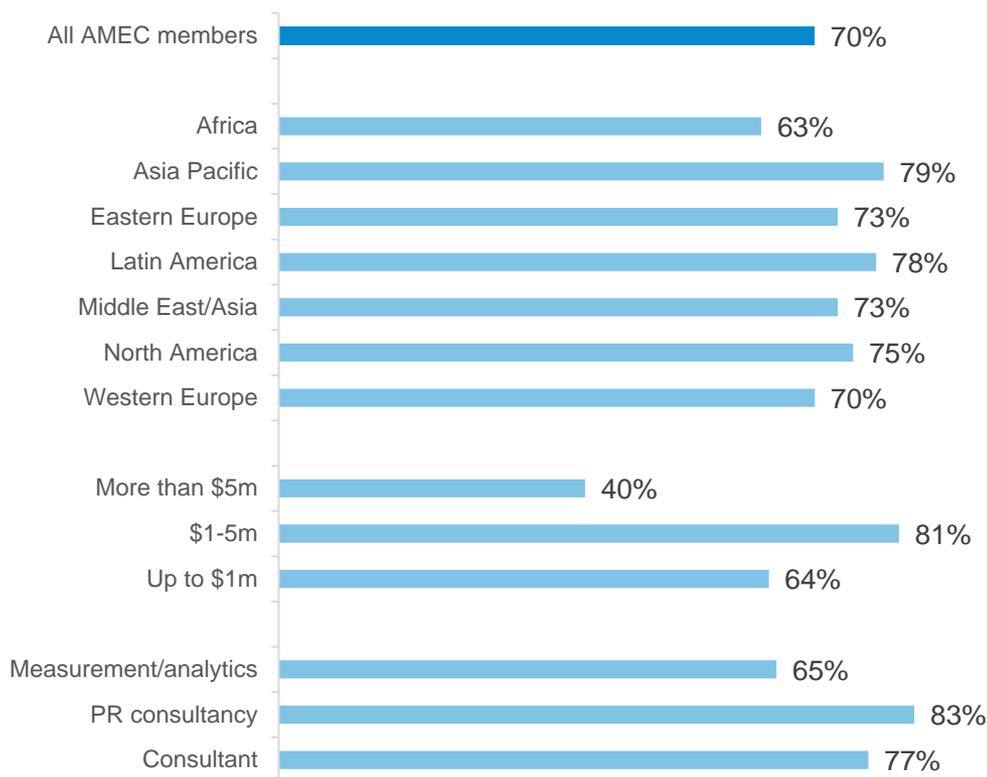
The increase in demand for integrated measurement is more pronounced amongst medium- and smaller-sized members, with 75% in the \$1 - \$5 million revenue band and 77% in the less than \$1 million band agreeing. This compares with 50% of the larger firms with revenues exceeding \$5 million

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*)



Demand for **increasingly sophisticated types of evaluation to demonstrate the benefits of communications activity** is also increasing, according to 70% of survey participants

The increase is most pronounced for members operating in Asia Pacific (79%) and Latin America (78%), while those operating in Africa (63%) are less likely to have noticed the trend

As with the increase in demand for integrated measurement, the trend for greater sophistication is most widely observed by members in the \$1 - \$5 million revenue band (81%), while the largest AMEC members are less likely to be seeing this change (40% of firms with more than \$5 million in revenues)

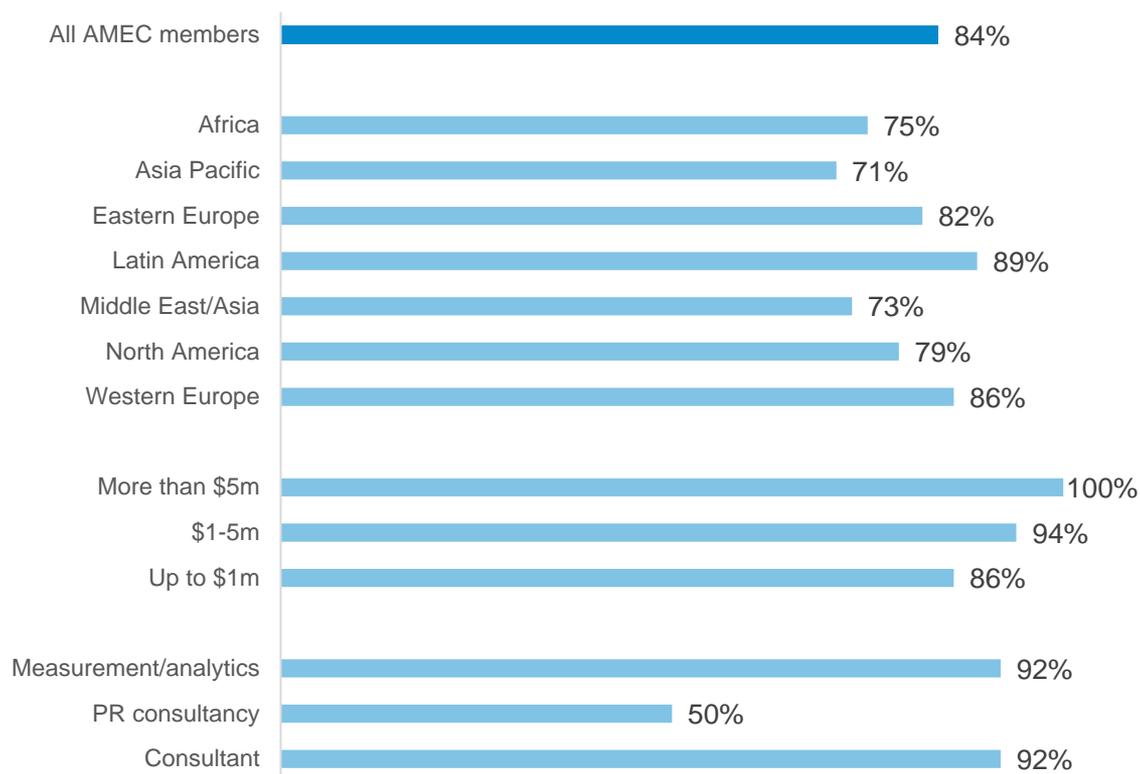
Of the three types of member, PR consultancies are most likely to have noticed increasing demand for sophistication (83%)

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

Base: All members

Industry consolidation

I expect the current level of consolidation in the measurement and insight industry to continue
(% = agree slightly + strongly)



Most AMEC members (84%) expect **consolidation across the measurement and insight industry to continue at its current level.** Member views on this issue are relatively similar to 2017, when 80% agreed with the statement

All members in the more than \$5 million revenue category expect ongoing consolidation, and the vast majority (92%) of members working in measurement/analytics firms and consultancy roles also expect this. However, PR consultancy members are less likely to express a strong view on consolidation (50%)

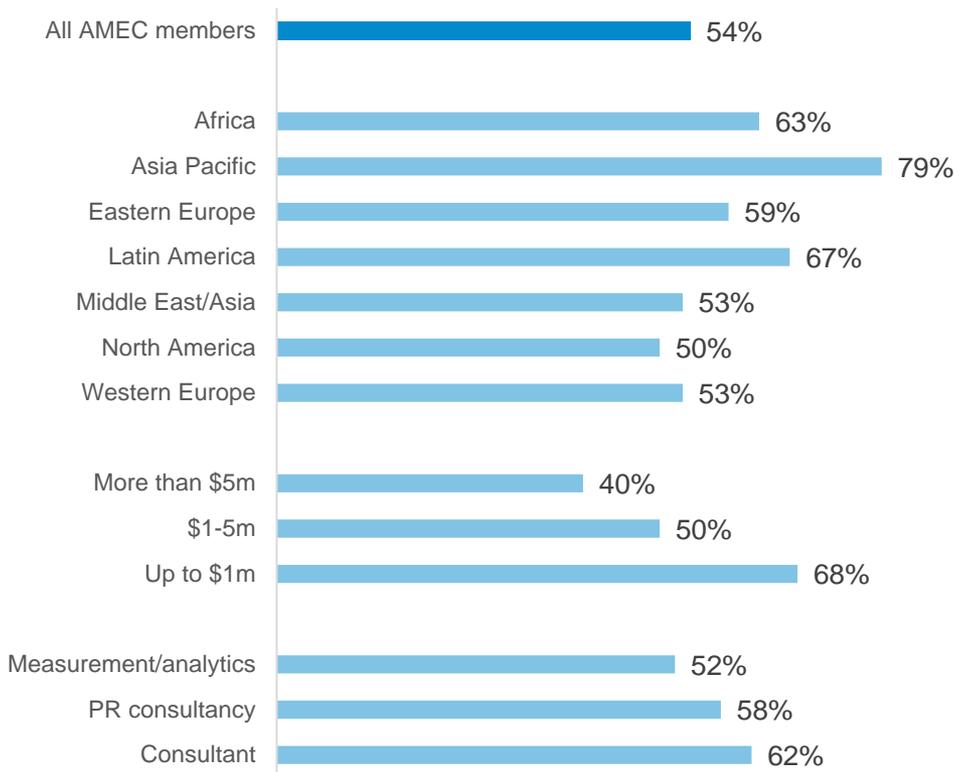
Members operating in Latin America (89%) and Western Europe (86%) are most likely to expect ongoing industry consolidation

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

Base: All members

Insights, not metrics

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



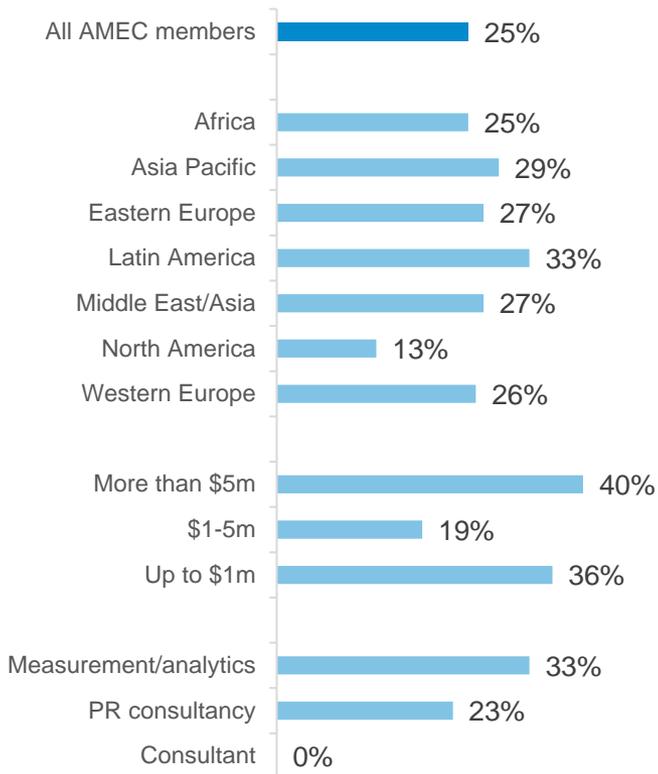
More than half (54%) of the members surveyed in 2018 are still experiencing a **trend for clients/ stakeholders to put increasing emphasis on insights, while placing less emphasis on measurement and evaluation**. However, the proportion who observe this trend is down on 2017 (76%), 2016 (72%) and 2015 (65%)

Regionally, the trend for greater emphasis on insights is most widely observed by members operating in Asia Pacific (79%), while members working in North America (50%) are least likely to agree

Larger firms (40% of members with revenues over \$5 million) are considerably less likely to be seeing this trend in 2018 in comparison with members working in lower revenue firms (68% of those with revenues below \$1 million)

Automation, not insights

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



In contrast with the 54% of members who are experiencing growth in demand for insights, 25% of members report **increasing demand for fully automated measurement, with less emphasis on insights**. This trend has been added to the survey in 2018, so there are no comparable data for previous years at this point in time

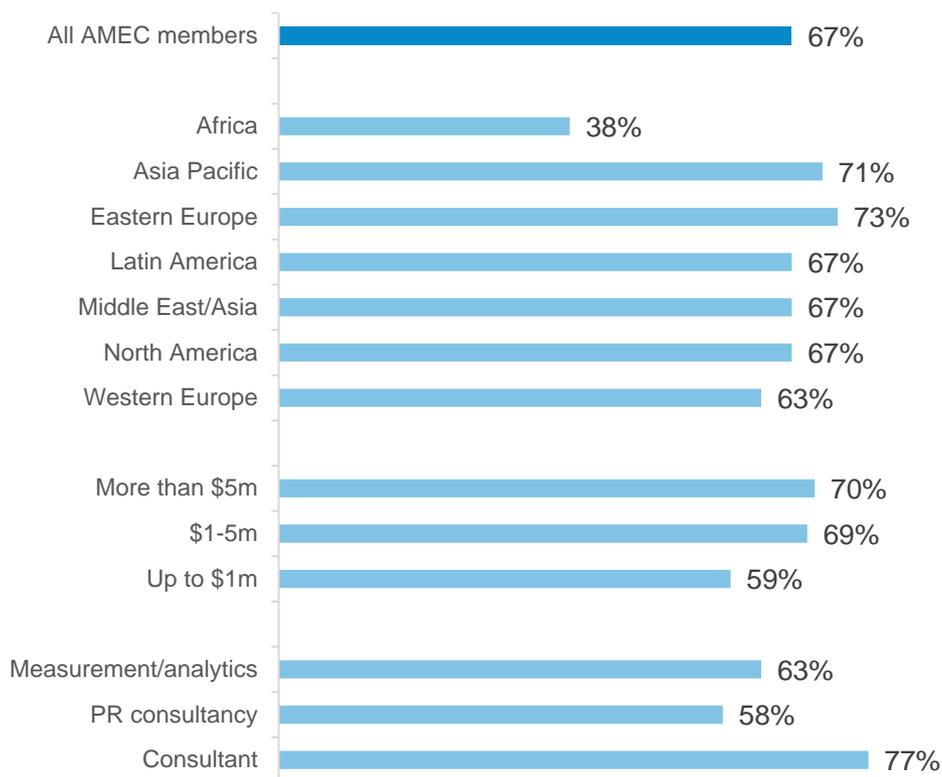
While none of the members working in a consultant role have observed this trend, 23% in PR consultancies and 33% in measurement/analytics firms are seeing a growing demand for fully automated measurement. Demand is also more pronounced among firms with revenues of more than \$5 million (40%) and below \$1 million (36%)

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

Base: All members

Globalised services

My business is seeing greater demand for measurement and insight services on a global scale than last year (% = agree slightly + strongly)



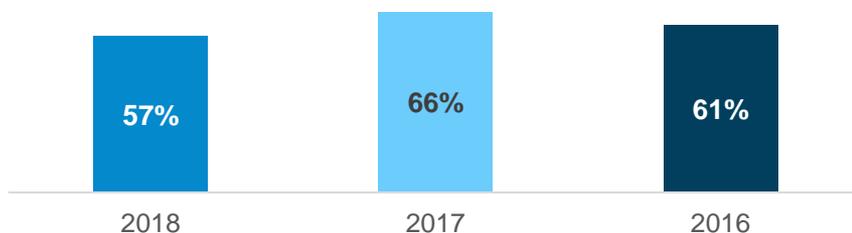
Two in three (67%) AMEC members surveyed report **greater demand for measurement and insight services on a global scale than last year**. The figure is similar to 2017, when 63% agreed with the statement

Increasing demand for global services is experienced fairly consistently across firms operating in most regional markets, with the exception of Africa (38%) which is considerably lower than average

Members working in consultancy are more likely (77%) to be seeing a growth in demand for global services than their counterparts in measurement/analytics (63%) and PR consultancies (58%)

Growth of international activity

Proportion increasing number of *client* locations



Reflecting the growth in demand for measurement and insight services on a global scale, in each of the past three years a majority of AMEC members have reported **an increase in the number of countries where they have clients/ stakeholders located**. In 2018, 57% report an increase in the number of countries, slowing slightly from 66% in 2017 and 61% in 2016

Proportion increasing number of *office* locations



The growth in the number of client locations has been mirrored by a **growth in the number of operational locations**. Almost a quarter (24%) have seen an increase in the number of countries where they have operations (i.e. office locations) in the 2018 survey, following on from 35% in 2017 and 30% in 2016

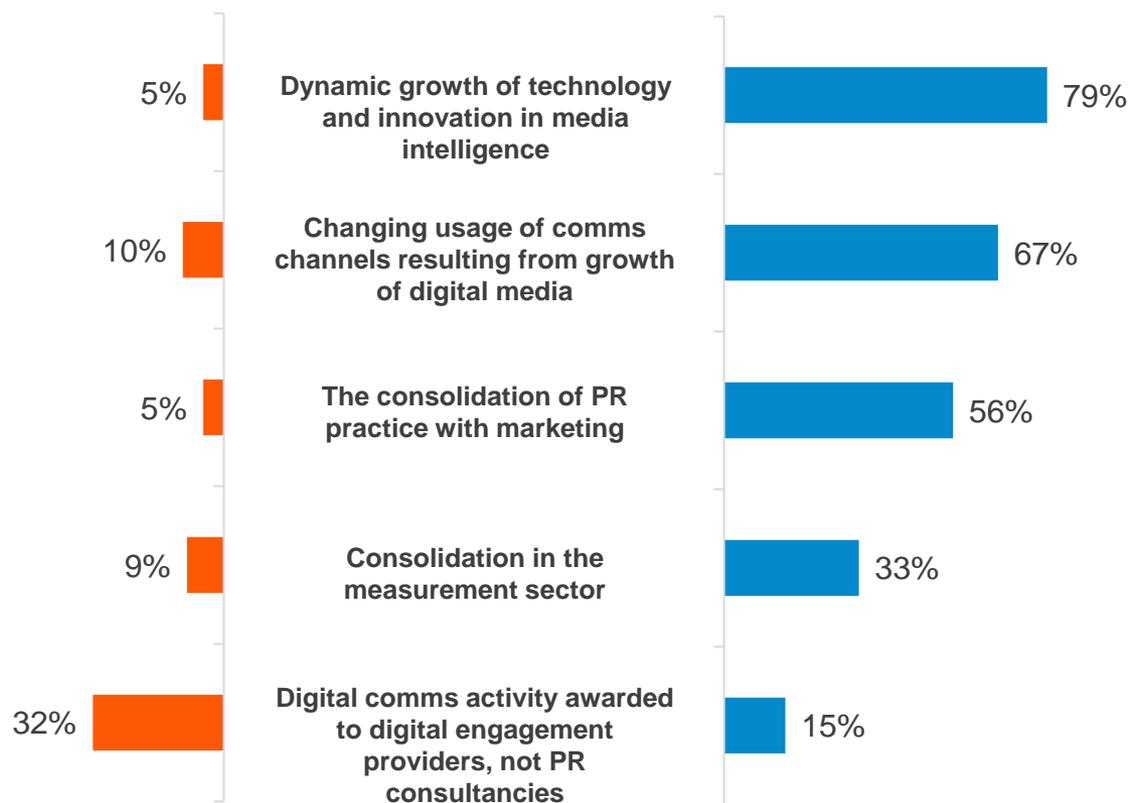
How has the number of countries where your organisation a) has operations and b) has clients/stakeholders changed in the past couple of years?

Base: All members

Macro trends in communications

Negative impact
on business

Positive impact
on business



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

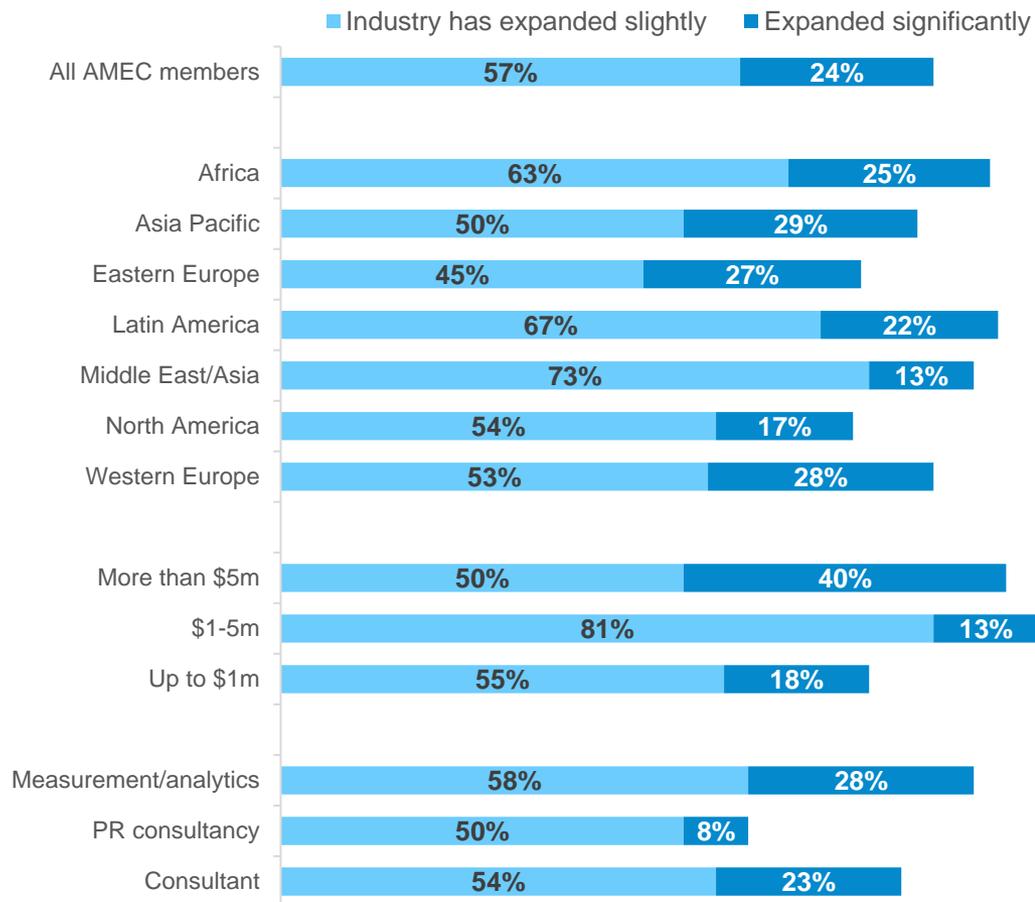
Almost four in five (79%) members feel that **the dynamic growth of technology and innovation in media intelligence** has had a positive impact on their business, while 67% have observed a positive impact from **the changing usage of communications channels resulting from the growth of digital media**

The **consolidation of PR practice with marketing** has had a positive impact for 56%, while **consolidation in the measurement sector** has been positive for 33%

The only area where there has been more negative impact than positive has been with **digital comms activity being awarded to digital engagement providers, rather than PR consultancies** – 32% feel this has had a negative impact on their business, compared with 15% who say it has been positive. Among PR consultancy members, the proportion reporting a negative impact from this trend is, not surprisingly, higher (67%)

Growth and innovation

Industry growth – past 12 months



More than eight in ten (81%) members think **the media measurement, research and intelligence industry has expanded in the past year** – 24% significantly, and 57% slightly, while just 4% feel the industry has declined slightly

The proportion observing an expansion in the industry is at a three year high – up from 74% in 2017 and 71% in 2016

In a regional comparison, members operating in Africa (88%) and Latin America (89%) are most likely to report an expansion, while the proportion reporting growth is slightly lower in North America (71%) and Eastern Europe (72%)

Almost all the larger firms represented in the survey have observed expansion in the industry – 90% of those with revenues exceeding \$5 million, and 94% with revenues between \$1 and \$5 million

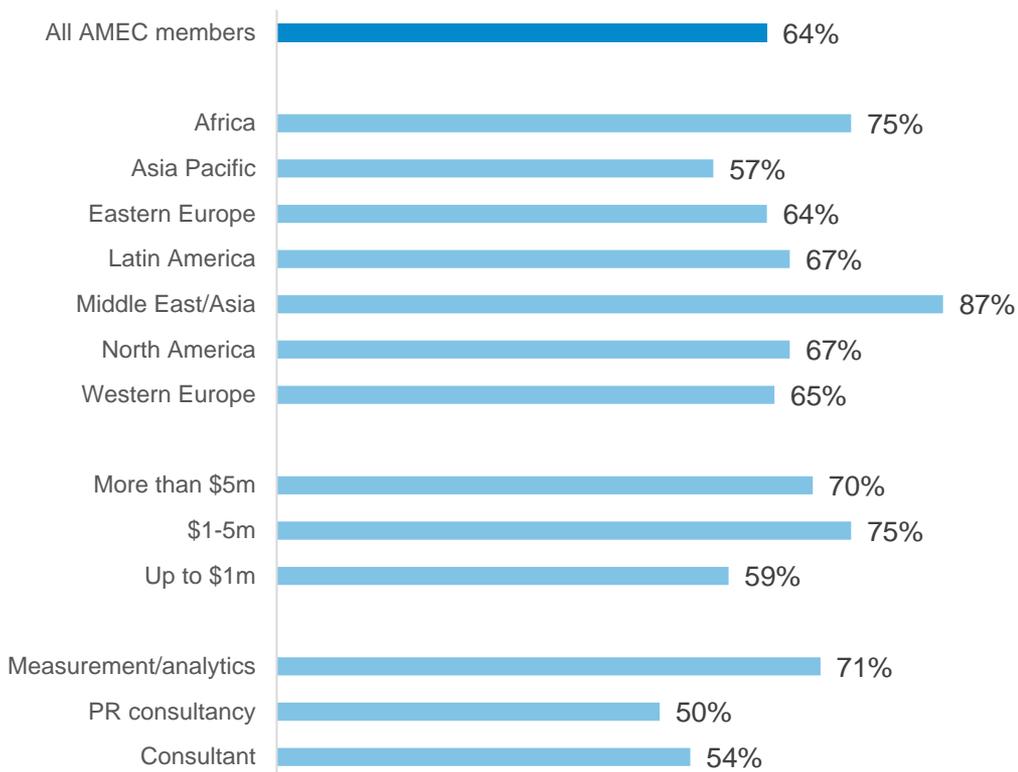
86% of measurement/analytics specialists report witnessing growth, compared with 77% of consultants and 58% of members in PR consultancies

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

Base: All members

Revenue growth

My business is seeing stronger revenue growth from measurement and insight than last year
 (% = agree slightly + strongly)



Almost two-thirds of survey participants (64%) report **stronger revenue growth from measurement and insight than in 2017**. The comparison figure for last year's survey is also 64%, so the growth picture has remained very steady. In 2016, the figure for this measure stood at 54%

Stronger revenue growth is most apparent this year for firms operating in the Middle East/Asia (87%) and Africa (75%). Meanwhile, growth is comparatively more modest in Asia Pacific (57%)

Measurement/analytics companies in the membership are more likely to report stronger revenue growth (71%) than PR consultancies (50%) and consultants (54%)

Top 3 challenges to revenue growth

Ranked first, second or third of three main challenges



Members were asked to explain in their own words what they perceive to be the three main challenges to the growth of measurement revenues in their own markets. These “open” answers have been analysed and sorted into categories – this chart shows a summary of all challenges ranked either first, second or third

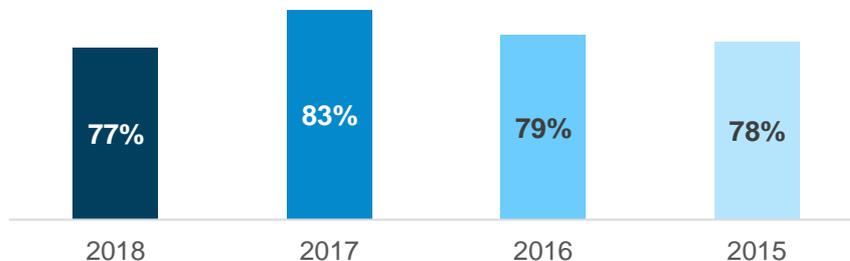
The most common response is that **clients can lack understanding of measurement and evaluation**, needing educating in how it works and where the value lies (35%). In related issues, 21% of answers indicated that **clients often have a perception that measurement and evaluation is relatively low-cost, easy to carry out, and has relatively little value**; 15% refer to the **challenge of demonstrating the theory and practical value of measurement and evaluation**; and 13% refer to the **persistence of demand for false/misleading metrics such as AVEs**

Client budget limits/reductions (26%) are another common challenge for members trying to grow their business, along with **competitor activity exerting downward pressure on prices** (22%). 18% refer to the challenges of **implementing new technological solutions and staying up-to-speed with competitors on issues such as the use of AI**, 15% report a **shortage of skilled practitioners** in the industry, and 13% mention the **challenges of accessing data**, for example from large corporates like Facebook, or in the face of new regulation such as GDPR

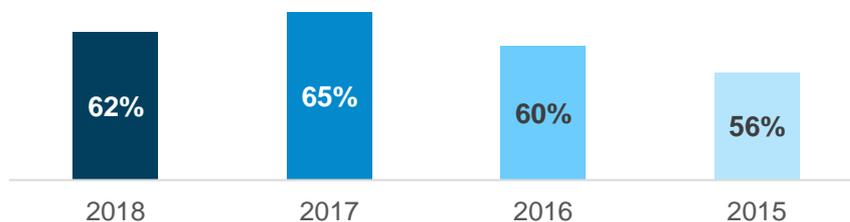
Q What are the main challenges to the growth of measurement revenues in your market?
 Base: All members

Growth trends

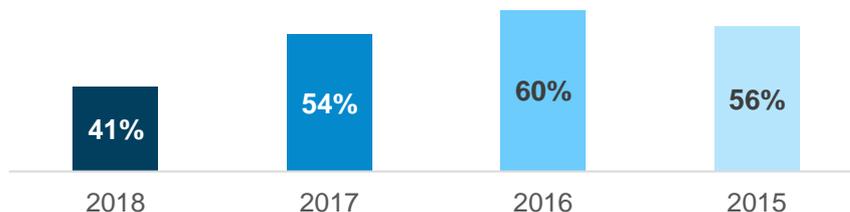
Number of new clients (% of members reporting an increase)



Number of RFPs (% of members reporting an increase)



Number of international RFPs (% of members reporting an increase)



With the exception of members working in in house roles, survey participants were asked to say if the numbers of new clients and new RFPs is increasing. In 2018, 77% report an increase in the number of **new clients**, 62% have seen an increase in the total number of **RFPs** and 41% report an increase in the number of **international RFPs**

On all three measures, the 2018 figures are slightly below those reported last year, but still represent healthy growth, for the fourth consecutive survey year

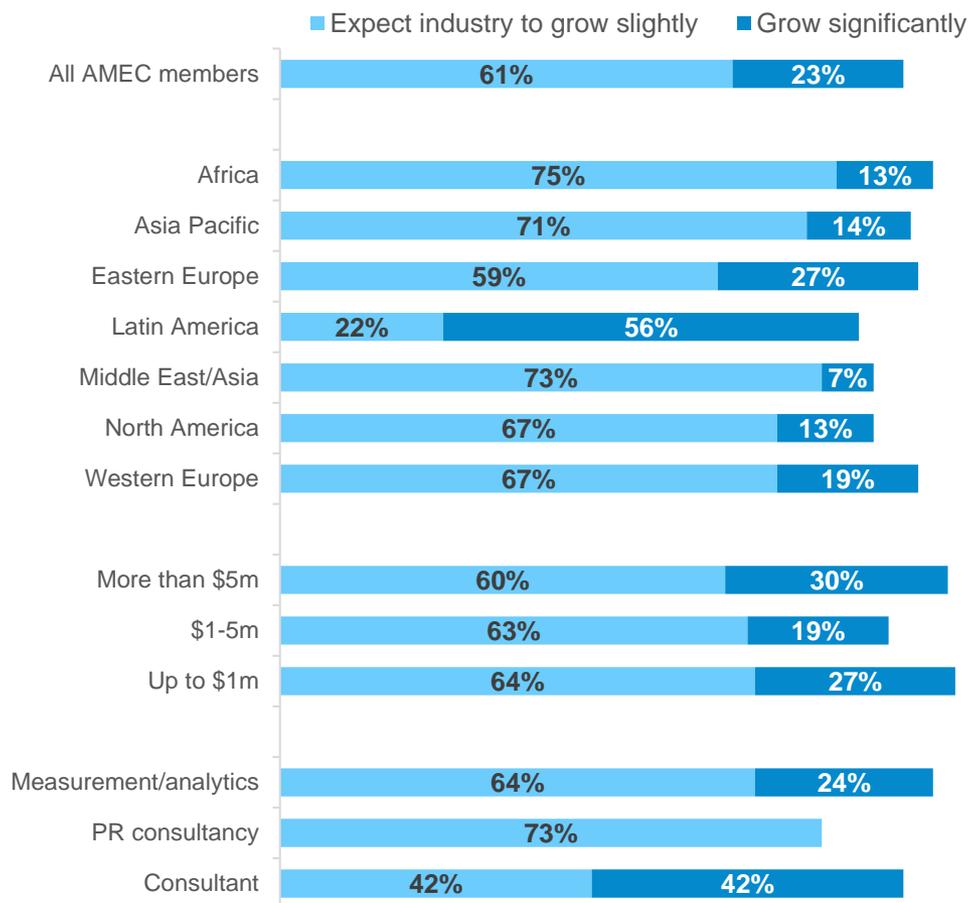
Measurement/analytics specialists are most likely to report an increase in the number of **new clients** (82%) compared with consultants (69%) and PR consultancies (67%). Regionally, members working in Asia Pacific (93%) are most likely to report an increase in client numbers

With regard to the number of **RFPs**, 78% of members operating in North America report an increase, as do 73% working in the Middle East/Asia. By contrast, figures are considerably lower in Latin America (22%) and Africa (38%)

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

Industry growth expectations



Most AMEC members **expect industry growth to continue** in the next 12 months – 23% expect significant growth and 61% forecast slight growth. Meanwhile, none of the members taking part in the 2018 survey anticipated a contraction in the size of the industry

In both 2016 and 2017, 81% of members expected the industry to grow, compared with a total of 84% this year

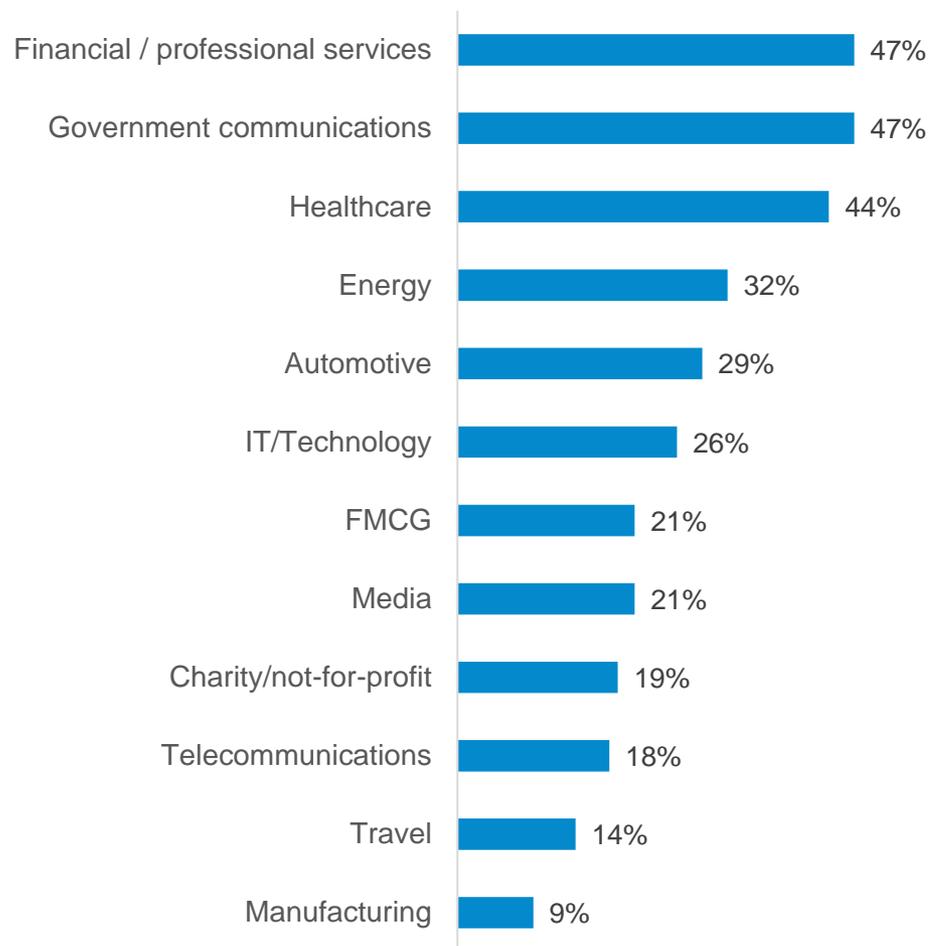
Regionally, the greatest proportion forecasting growth in the coming year is in Africa (88%) closely followed by Eastern Europe (86%) and Western Europe (86%)

Measurement/analytics firms are the most bullish by type of member – 88% expect growth in the coming year, compared with 84% in the consultant category and 73% of PR consultancies

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

Base: All members

Growth potential by sector



Globally, two business sectors are felt to have the **greatest growth potential** for the use of measurement and evaluation in the coming 12 months period – the **financial and professional services** and **government communications** sectors (47% select each one)

Last year's top-placed sector – **healthcare** – is third in 2018, selected by 44%. More than one in four AMEC members nominate the **energy** (32%), **automotive** (29%) and/or **IT/tech** (26%) sectors as holding among the biggest potential for growth

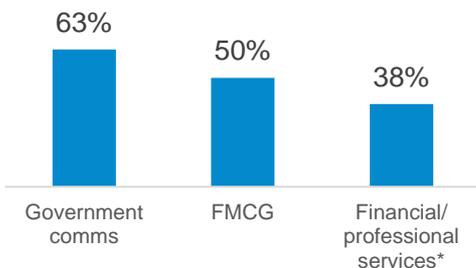
In the following chart, the top three potential growth sectors for each region are shown. **Government communications** is seen as the sector with the greatest potential by members operating in Africa, Latin America, Eastern Europe and Middle East/Asia. Elsewhere, **financial and professional services** tops lists for both Asia Pacific and Western Europe, while **healthcare** is seen to hold the greatest potential in North America

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

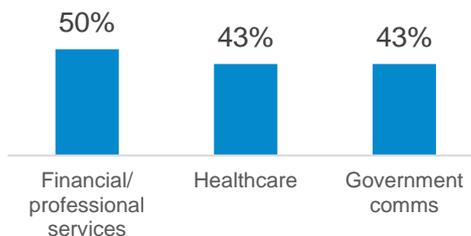
Growth sectors by region

Africa

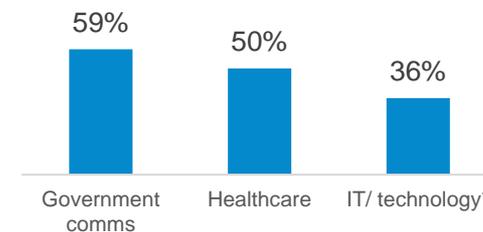


*Also 38% for Telecommunications, Media and Energy sectors

Asia Pacific

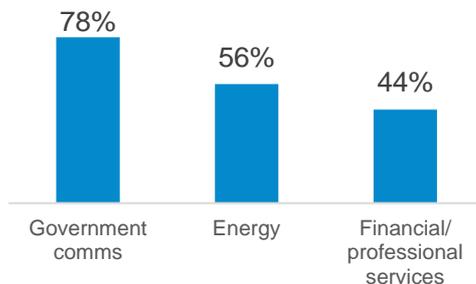


Eastern Europe

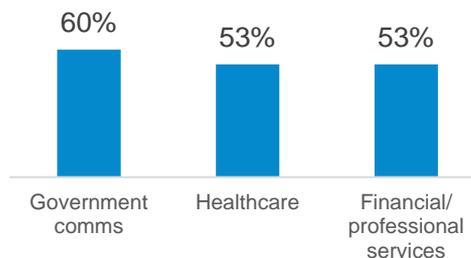


*Also 36% for Financial/ Professional services sector

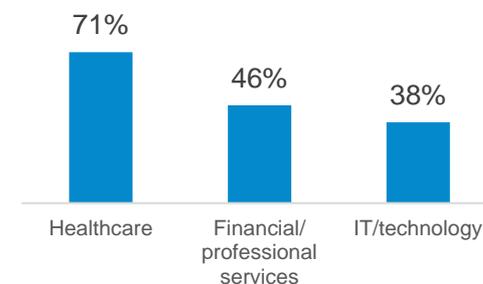
Latin America



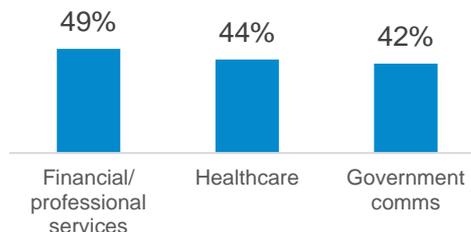
Middle East/ Asia



North America



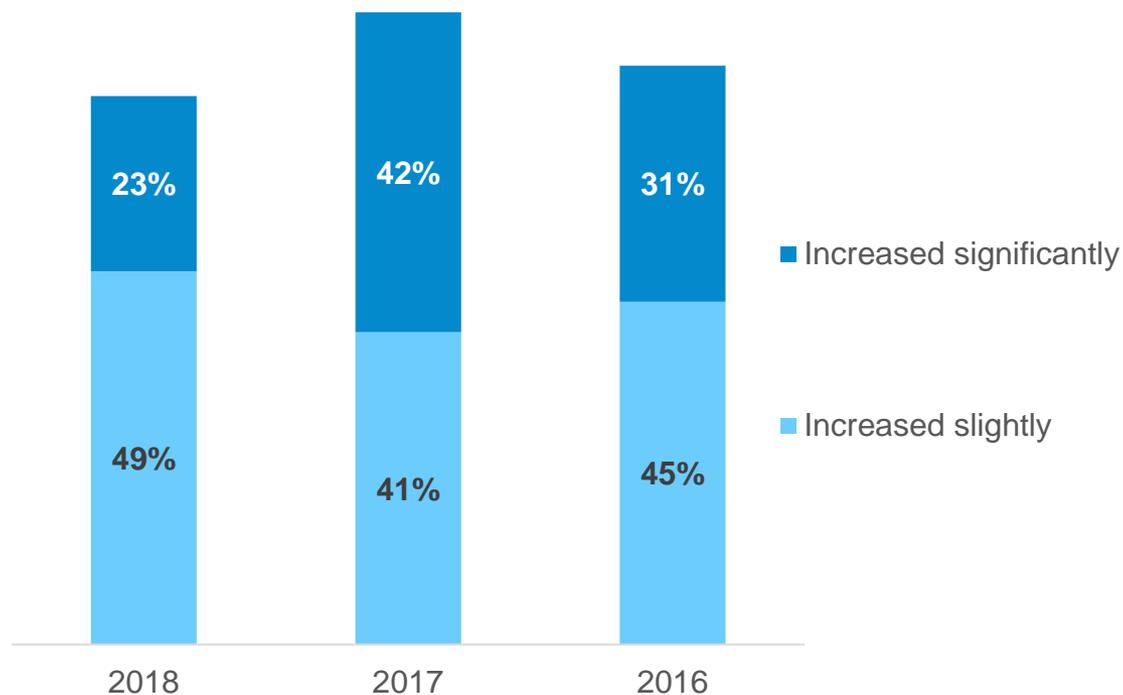
Western Europe



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

Investment in innovation



As discussed elsewhere, 68% of AMEC members see investment new technology as the only way to compete effectively going forward. In a more general sense, the majority of members have **increased their investment in innovation** for three consecutive years. In 2018, a total of 72% increased investment slightly (49%) or significantly (23%)

This is somewhat below the total for 2017 (83%), but close to 2016 (76%)

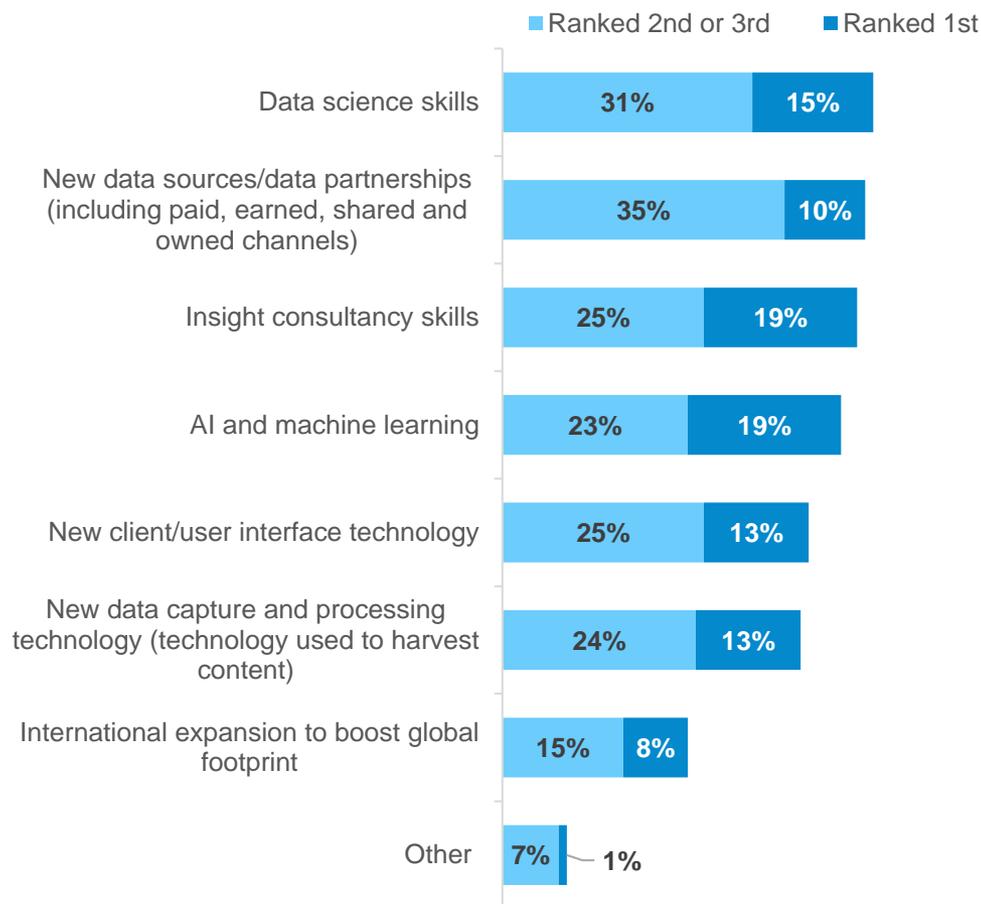
PR consultancies are most likely to have increase investment in the past year (91%), compared with 76% of measurement/ analytics firms and 46% of consultants

In a regional comparison, all the members operating in both Africa and/or Latin America have increased investment this year, while 82% of members operating in Eastern Europe have done so

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



When members' first responses to how they will be investing in innovation are analysed, the most frequent answers are investing in **insight consultancy skills** (19%) and **AI/machine learning** (19%). Once top three priorities are combined, the main focal points for investment are likely to be **developing data science skills** (46%) and **new data sources/ partnerships** (including paid, earned, shared and owned channels) (45%)

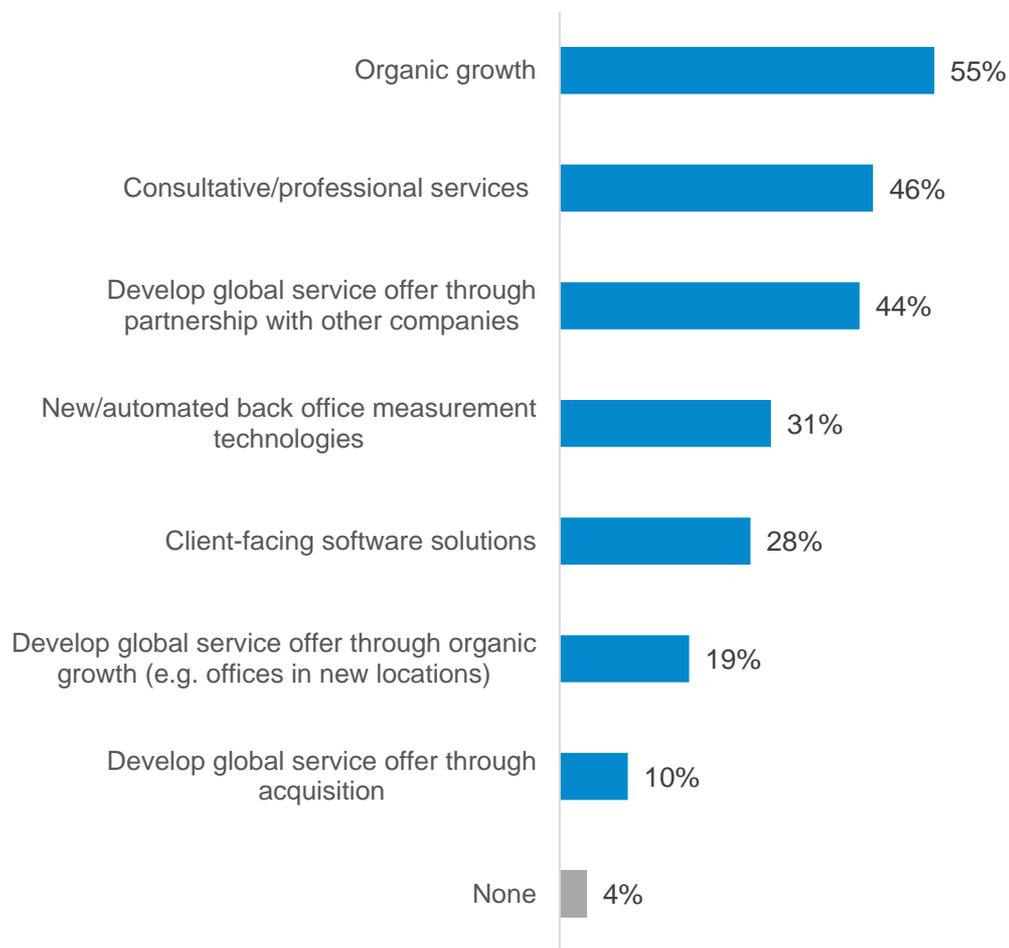
In 2017, the wording for this question was slightly different, so direct comparison is not available. However, priorities are reasonably consistent over time – last year, the list was topped by new data capture and processing technology (60%) and new data sources/partnerships (53%). Data science skills were placed fifth last year, but selected by the same proportion as this year (46%)

Top priorities for investment in measurement/analytics firms during the coming year are **AI/machine learning** (52%) and **new client/user interface technology** (52%). For consultants, the key priority by far is developing **data science skills** (58%). For PR consultancies, the main focus is on **new data sources/data partnerships** (75%) and **insight consultancy skills** (67%)

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

Business activities driving growth



The majority of members (55%) expect that a key driver of measurement and evaluation revenue growth will be **organic growth**, with increasing numbers of clients and tender opportunities as identified elsewhere in this report

More than four in ten (46%) say the provision of **consultative/professional services** will drive growth, and 44% will be pushing for growth by developing **global services in partnership with other companies**. Around three in ten expect **automated measurement tech** (31%) and/or **client-facing software solutions** (28%) to drive growth

For PR consultancies, anticipated growth is most likely to be driven by **consultative/professional services** (75%), which is also expected to be the key driver of growth for consultant firms (50%). Meanwhile, **organic growth** tops the list (62%) for measurement/analytics specialists

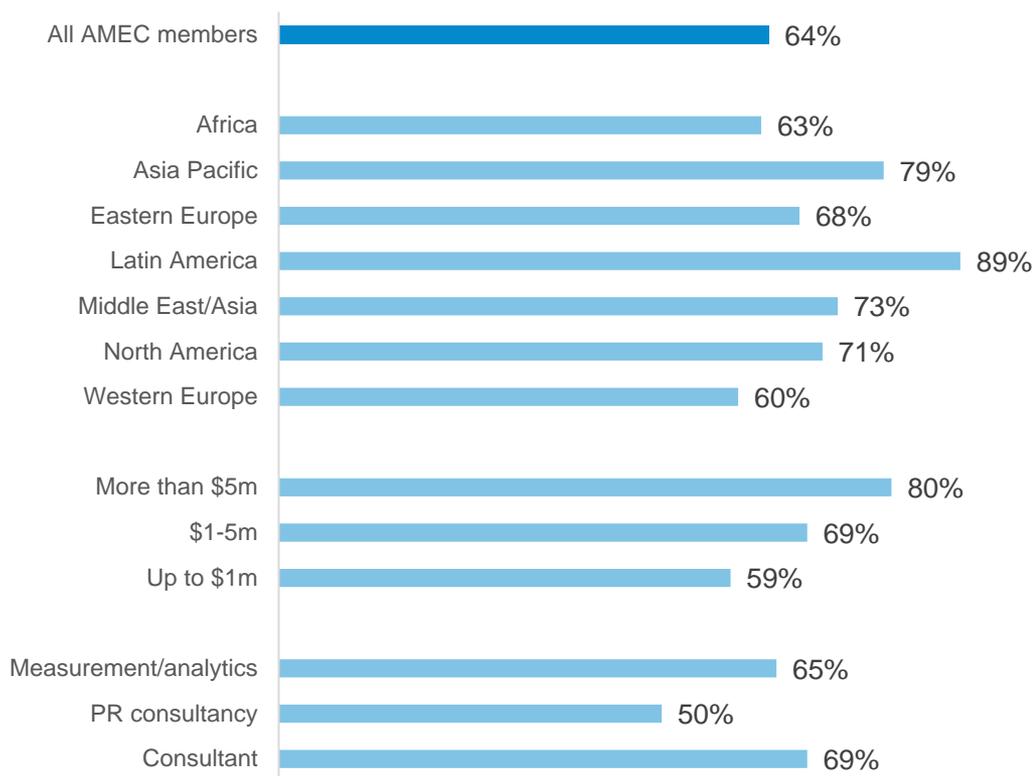
Q Which areas of business activity are you mainly focusing on to drive measurement and evaluation revenue growth in the next 12 months?

Base: All members

Sales/competition

New sales opportunities

Clients/stakeholders are more active resulting in more new sales opportunities for measurement and insight services than last year (% = agree slightly + strongly)



In 2018, 64% of members surveyed agree that **clients/stakeholders are more active than last year, resulting in more new sales opportunities**. The figures is higher this year than in either 2017 (56%) or 2016 (58%), but well below the high point of 75% in 2015

Members in consultant roles (69%) and measurement/ analytics firms (65%) are more likely to agree than members in PR consultancies (50%). An increase in the number of sales opportunities is also more apparent to those in the largest businesses (80% of those with revenues more than \$5 million) compared with 69% in the \$1 - \$5 million range, and 59% for firms with less than \$1 million in revenue

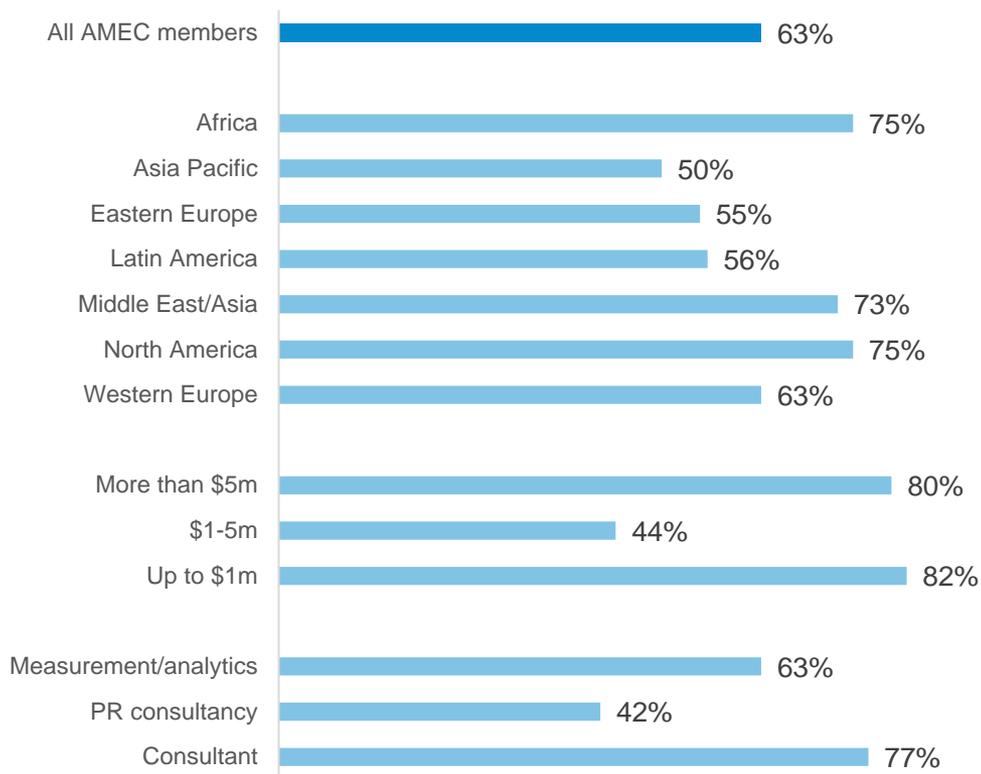
Geographically, the perception of increased client activity is most widespread in Latin America (89%) and Asia Pacific (79%)

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

Base: All members

Competition for business

There is more competition for business now than last year (% = agree slightly + strongly)



While most members have noticed an increase in sales opportunities against a wider background of industry growth, the majority (63%) also perceive **greater competition for business now than last year**. The percentage of members witnessing greater competition has been consistently around this level for four surveys in a row, standing at 64% in 2017, 66% in 2016 and 63% in 2015

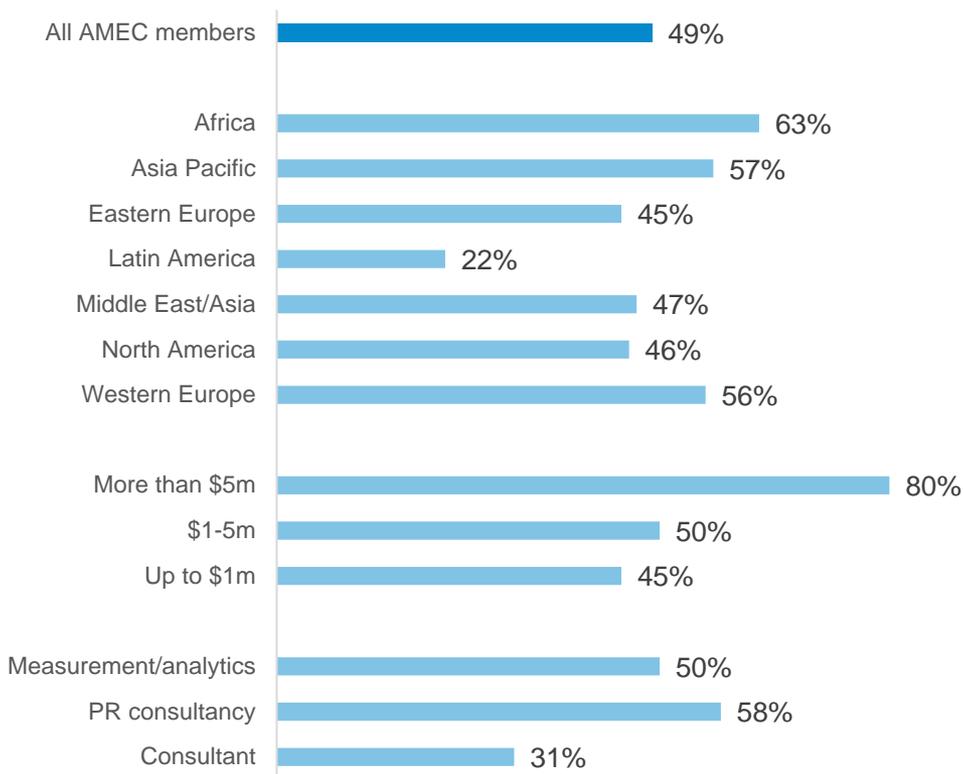
Members operating in Africa (75%), North America (75%) and Middle East/Asia (73%) are most likely to be noticing greater competition this year, and the trend is more pronounced amongst businesses with higher and lower revenues (80% of firms in the more than \$5 million revenue category, and 82% of those with revenues under \$1 million)

Competition for business is more likely to be increasing for consultant firms (77%) and measurement/ analytics specialists (63%) than for PR consultancies (42%)

Pressure on pricing

My business/function is coming under increasing pressure to reduce prices/costs

(% = agree slightly + strongly)



In the face of greater competition, 49% of members surveyed say their business is coming under **increasing pressure to reduce prices**. The figure is similar to 2016 (50%) and 2015 (51%), and slightly down on last year (54%)

The largest members report the most pressure on pricing, with 80% of those whose business has revenues in excess of \$5 million reporting increasing price pressure, compared to 50% in the \$1 - \$5 million category, and 45% of firms with revenues below \$1 million

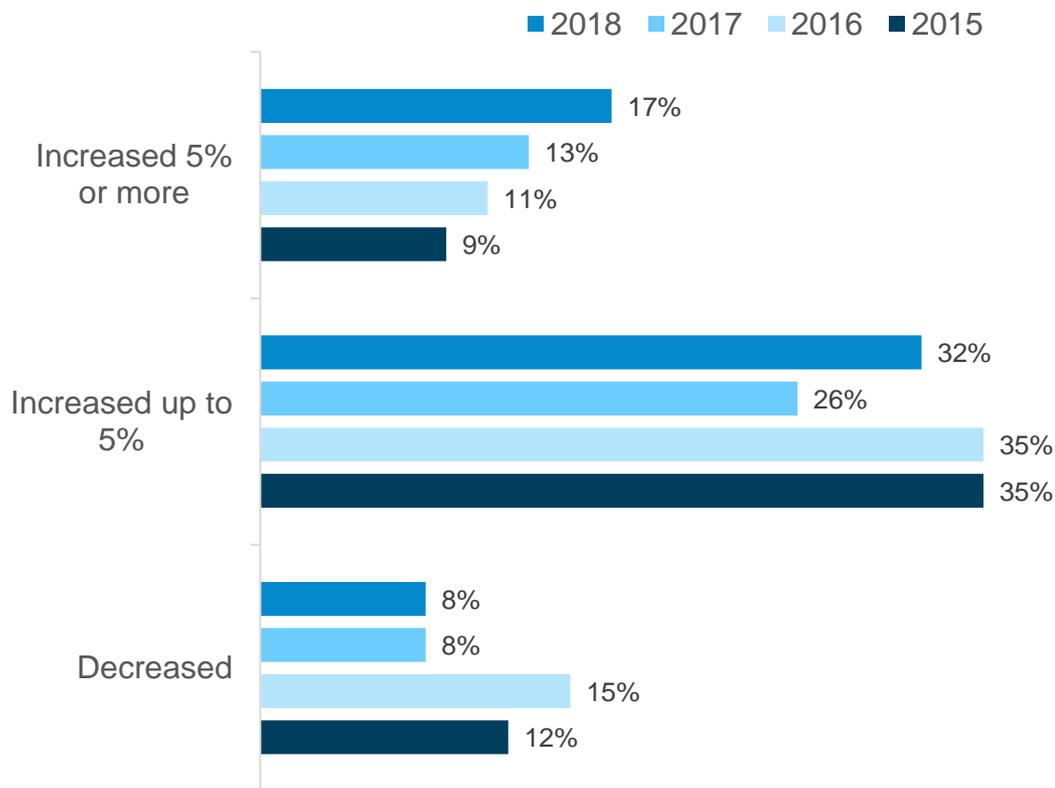
PR consultancies are most likely to feel under pressure to reduce prices (58%), compared with 50% of measurement/ analytics specialists and just 31% in the consultant category

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

Base: All members

Client fees

Fees – change in past year



Despite the concern about downward pressures on pricing illustrated elsewhere in this report, 17% of members have **increased prices by 5% or more in the past year**, while 32% have implemented an **increase of up to 5%**. Meanwhile, just 8% have had to **reduce prices**

The proportion of members able to increase prices by at least 5% is the highest in the last four years, as illustrated in the chart to the left

Members in measurement/analytics firms are most likely to have introduced a price rise above 5% (20%), compared with 17% of consultant members, and 9% in PR consultancies

27% of businesses with up to \$1 million revenue have introduced price rises of 5% and above this year, compared with 13% in the \$1 - \$5 million range. None of the survey participants with revenues of \$5 million and above have implemented a price rise of 5% or more

Q How have your fees for measurement and evaluation services changed in the past 12 months?

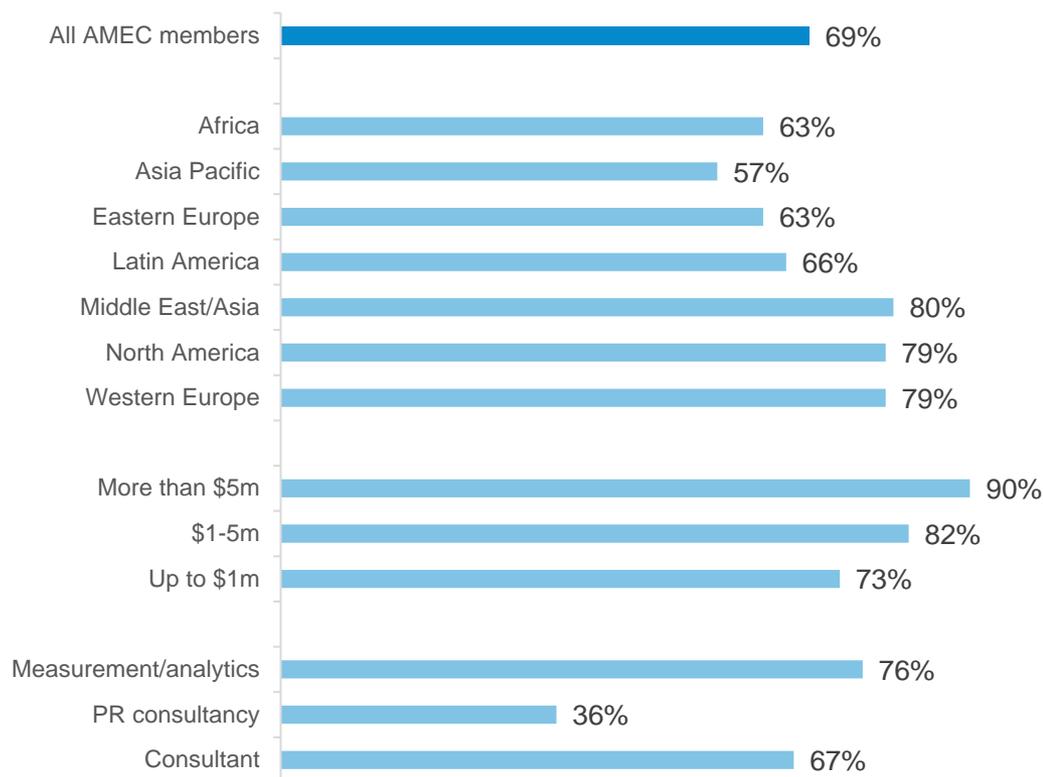
Base: All members

Global services

Demand for global footprint service

Perceived increase in demand for global/international services in past 2-3 years

(% = modest + significant increase)



Almost seven in ten (69%) AMEC members report a modest or significant increase in **demand for global/ international services** in the past 2-3 years

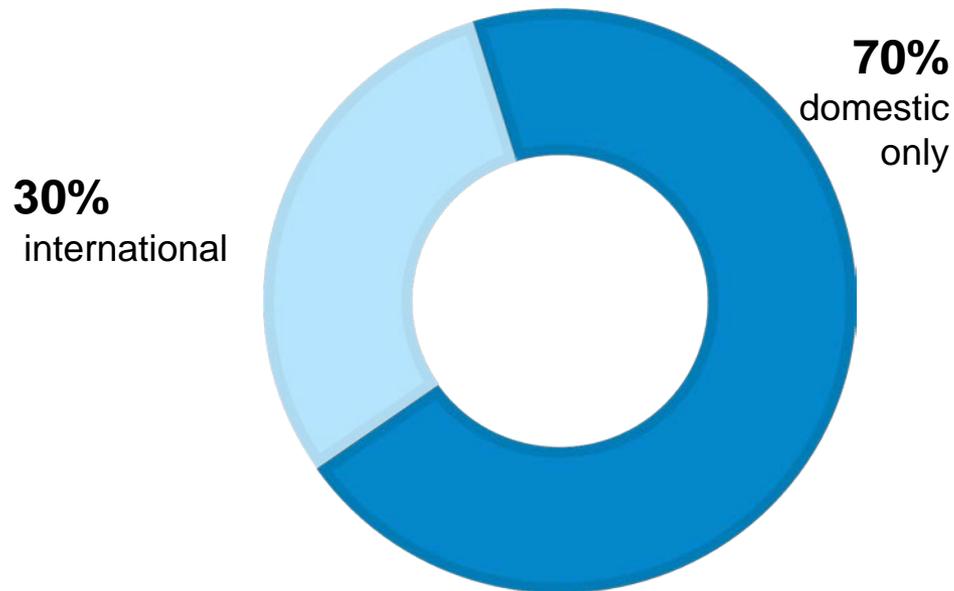
Members in measurement/ analytics firms (76%) are most likely to have seen an increase in demand, followed by consultant firms (67%). Meanwhile, just 36% of PR consultancy members report an increase in demand for global services

The growth in demand for global footprint services is strongest amongst businesses with the largest revenues (90% for those with revenues of \$5 million or more). Regionally, members are most likely to report greater demand for global services where they operate in the Middle East/Asia (80%), North America (79%) and Western Europe (79%)

Q Has your organisation seen an increase in demand for global/ international measurement and insight services in the past 2-3 years?

Base: All members

Domestic/international split

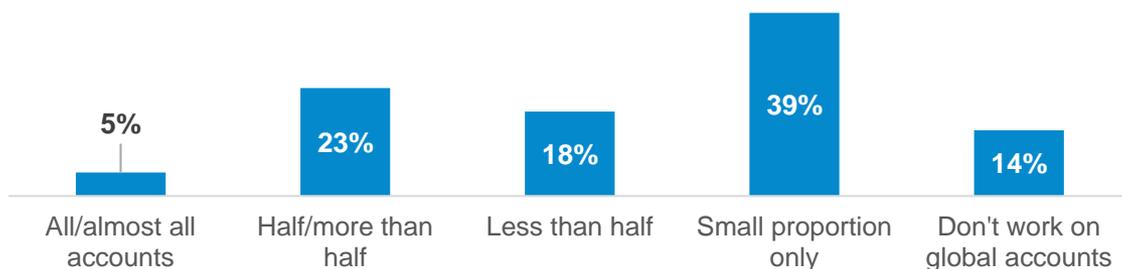


Despite the growing demand for AMEC member businesses to provide measurement and insight services at a global level, overall, 70% of the work carried out is **domestic only**, with just 30% classified as **international**

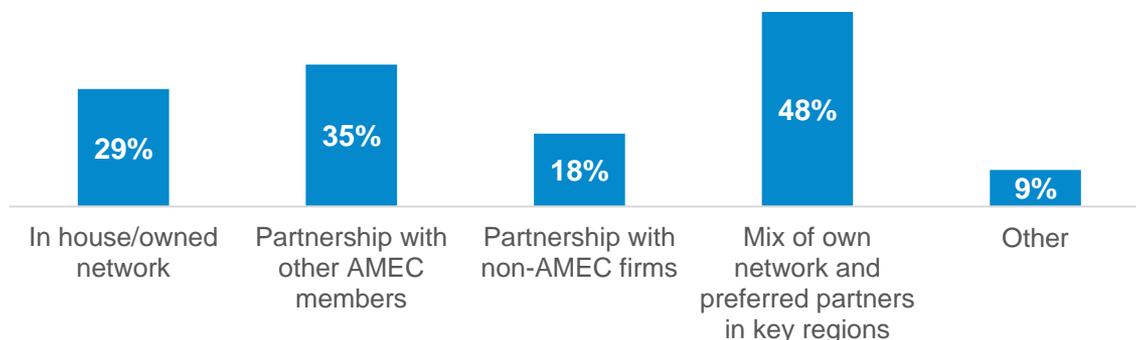
Q How much of your business is domestic only, and how much is international?
Base: All members

Delivering global services

Frequency working on international business



How global footprint services are delivered



Overall, 28% of members **work on international business** at least half of the time, while the majority do so less frequently (57%) or never do so (14%)

Consultant members are most likely to work on international business regularly (33%), compared with 27% of PR consultancies and 26% of measurement/analytics firms

32% of members in the up to \$1 million and \$1 - \$5 million revenue categories work on international business at least half the time, compared to just 20% in the \$5 million or more revenue category

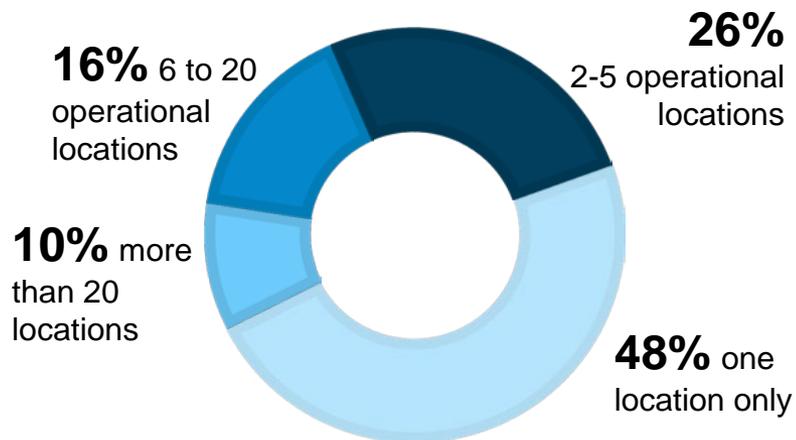
Asked how **global footprint services are delivered to clients/stakeholders**, 29% of members use an in house/owned network, while 48% use a mix of their own network and preferred partners in key regions. More than one in three (35%) works in partnership with other AMEC members, and 18% partner with non-AMEC firms

Q How frequently does your organisation work on international business? Base: *All members.*

Q How does your organisation deliver the global footprint services required by your clients/stakeholders? Base: *All working on global accounts*

Operational and client locations

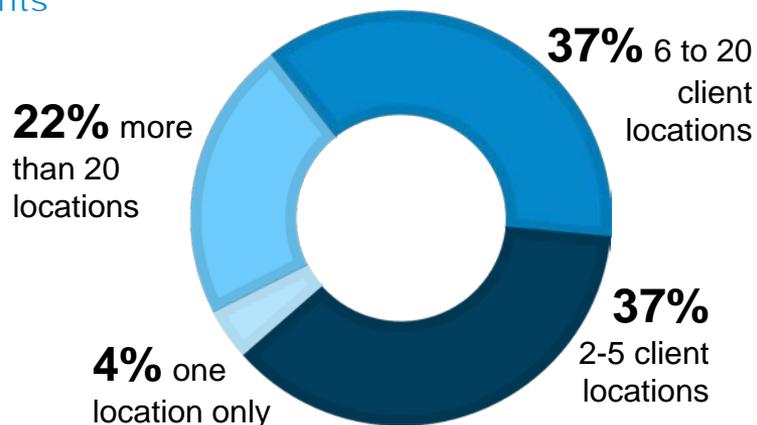
Operations



Operationally, 48% of survey participants have **offices located** only in one country. A quarter (26%) have offices in 2-5 countries, while 26% have offices in more than five countries, including 10% with locations in more than 20 countries

In terms of **where clients are located**, just 4% only serve clients in one country, down from 7% in 2017 and 13% in 2016. More than a third (37%) provide services to clients in 2 to 5 countries, while 37% have clients in 6 to 20 country locations. In addition, 22% work for clients across more than 20 countries

Clients



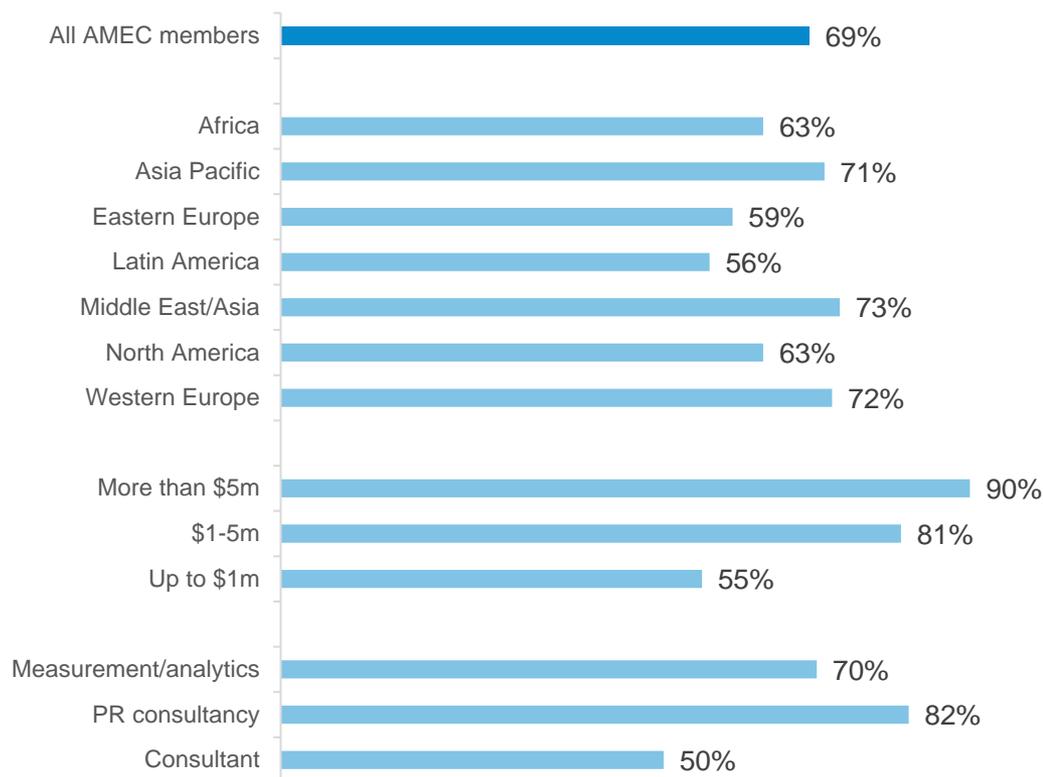
Q In how many countries does your organisation currently a) have operations (i.e. office location), b) have clients/stakeholders located?

Base: All members

Trust in the media

Trust in the media

People are less likely to trust information they read/see in the media now than a couple of years ago
 (% = agree slightly + strongly)



Most members (69%) 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

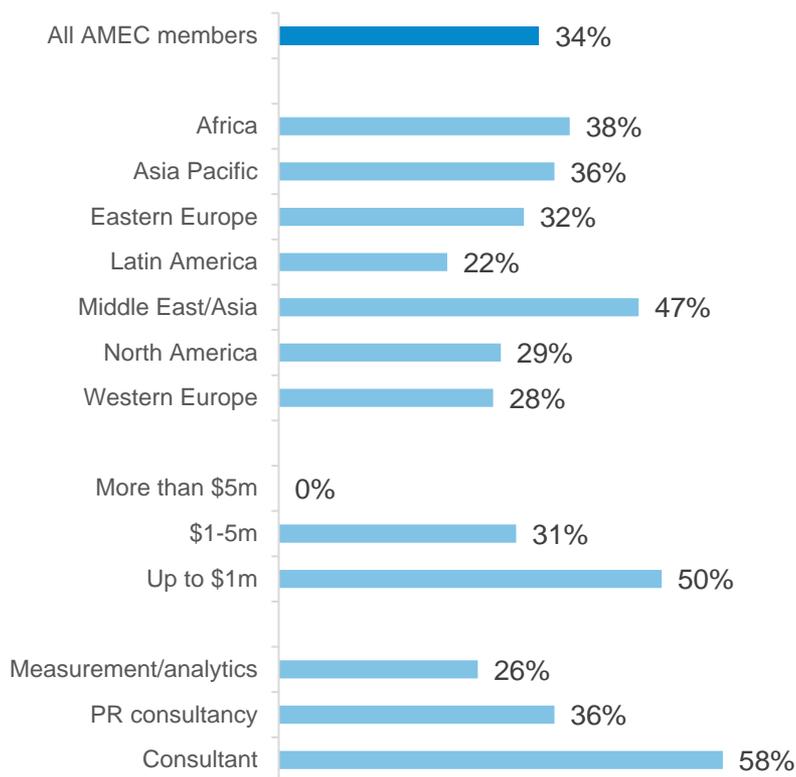
PR consultancies (82%) are rather more likely to agree than measurement/ analytics specialists (70%) or consultants (50%). The sentiment is also more widely held amongst members in larger firms (90% of those with revenues above \$5 million, and 81% in the \$1 - \$5 million size band), than in the smaller band with revenues of up to \$1 million (55%)

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

Base: All members

General impact of declining trust

Declining trust in the media poses a threat to the value of the measurement and evaluation services my organisation offers (% = agree slightly + strongly)



Members hold mixed views on the impact that declining trust in the media has on their own business prospects. One in three (34%) agree that **declining trust in the media poses a threat to the value of the measurement and evaluation services** they offer. However, 45% disagree with this statement

Concern over the business impact of declining trust in the media is most pronounced among members in the consultant category (58%), but is less likely to be seen as a threat by PR consultancies (36%) and measurement/ analytics specialists (26%).

Members working in smaller firms are most likely to be concerned about the impact of the decline in trust – 50% of those with revenues of less than \$1 million agree with the statement, compared with 31% of those with revenues of \$1 - \$5 million. None of the members whose firms have revenues in excess of \$5 million agree that declining trust poses a threat to their business

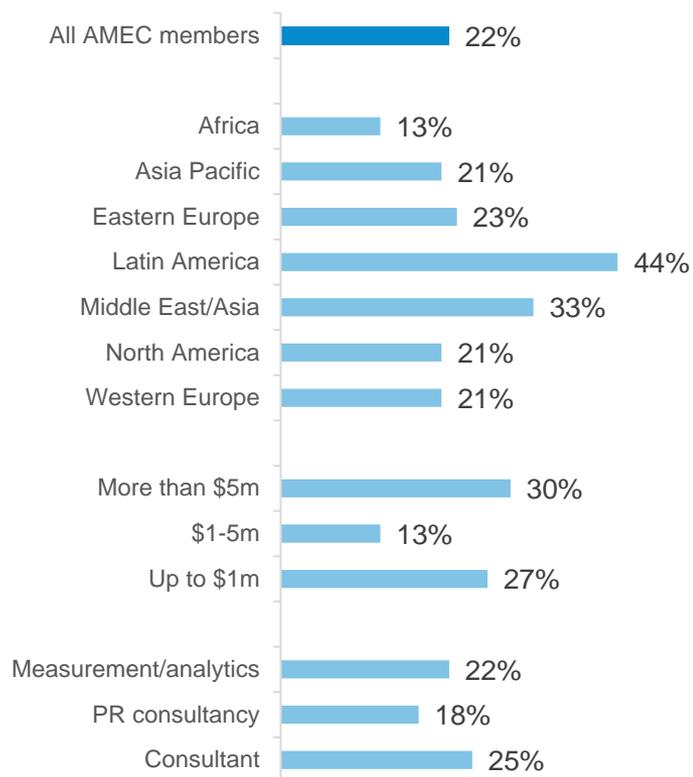
Q To what extent do you agree or disagree with the following statements about trust in the media?

Base: All members

Role of social media influencers

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

(% = agree slightly + strongly)



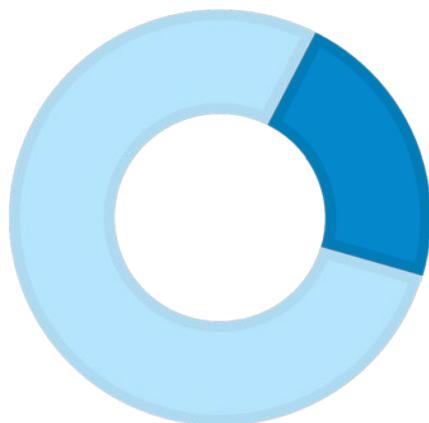
More than one in five AMEC members (22%) say that **social media influencers are becoming less of a focus** for their organisation, although 55% disagree

Members operating in Latin America (44%) and the Middle East/Asia (33%) are most likely to report this shift in focus away from social influencers

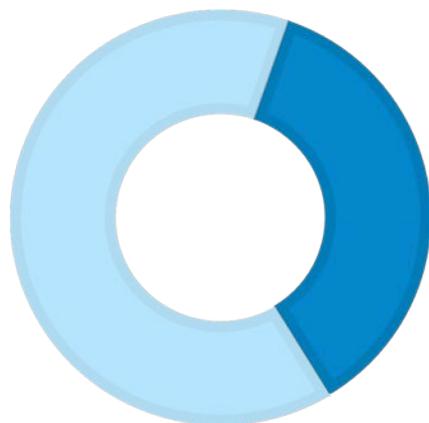
Q To what extent do you agree or disagree with the following statements about trust in the media?

Base: All members

Direct impact of decline in trust



22% have faced questions from clients about the value of media measurement and evaluation in the context of declining trust in the media



36% have taken specific action to address client concerns about the decline of trust in the media

When asked about the more direct impact that decline of trust in the media might be having on how they run their business, 22% of members in the survey say they **have faced questions from clients about the value of media measurement and evaluation** in this context. Members operating in Asia Pacific are most likely to have faced this kind of questioning from clients (36%), along with those operating in Eastern Europe (32%). Meanwhile, questions are least likely to have been raised by clients of members operating in Western Europe (19%).

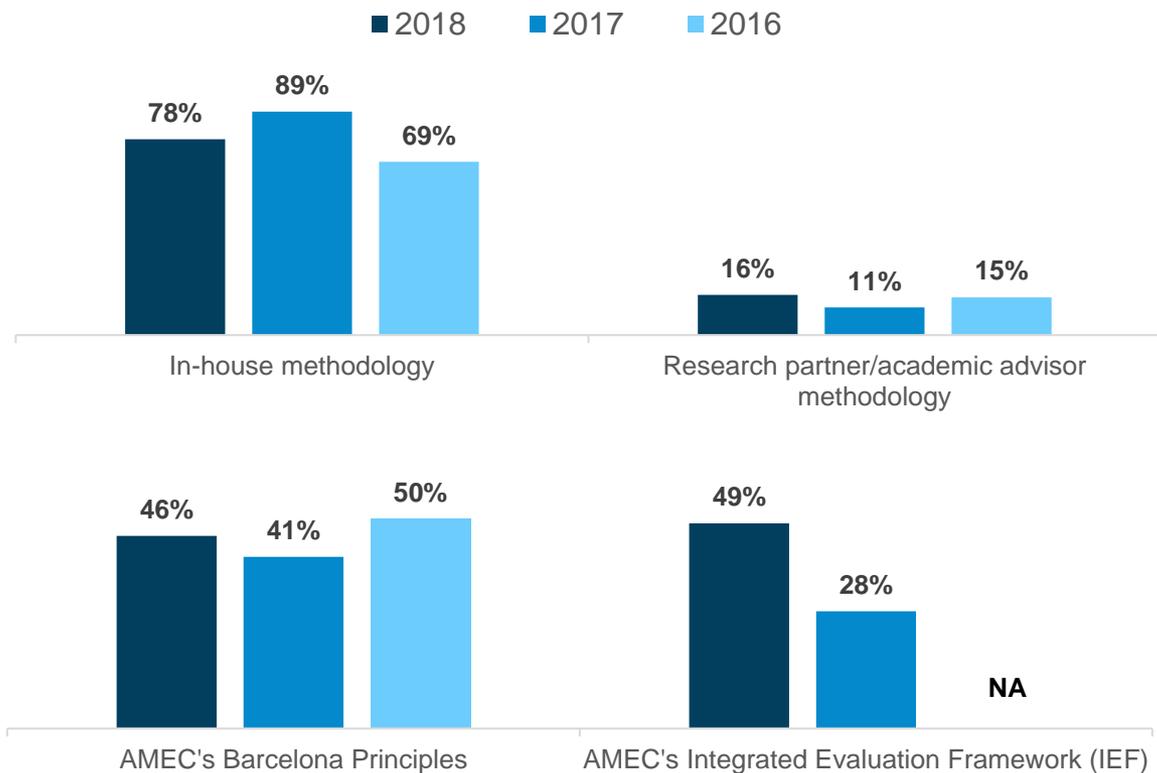
Overall, 36% of survey participants have taken **specific actions to address client concerns about the decline of trust** in the media. Members in Latin America (67%), Middle East/Asia (47%) and North America (42%) are most likely to have done so, while the lowest proportion implementing action to address client concerns stands at 21% in Asia Pacific.

Q Has declining trust in the media led any of your clients/stakeholders to raise questions about the value of media measurement and evaluation? Has your organisation taken specific action to address client/stakeholder concerns about decline of trust?

Base: All members

AMEC's IEF

Basis for measurement approach



Most members rely on more than one set of rules/guidelines to **explain their measurement approach to clients** when pitching for business. The majority (78%) have an in-house methodology, and 16% rely on input from **research/academic partners**. AMEC's industry standards are also very important, with 46% utilising the **Barcelona Principles** and 49% using the **Integrated Evaluation Framework (IEF)**

As the chart illustrates, IEF was part of this process for 28% in 2017, so usage has almost doubled in the past year, as members familiarise themselves with the guidelines and start to use the framework more extensively

IEF is most likely to be part of the basis for measurement approach for members operating in Latin America (67%) and North America (62%). However, only around a third of those operating in Asia Pacific (36%) include IEF in their approach

Q When presenting your measurement offer/approach to clients/stakeholders, which of the following is your approach primarily based on?

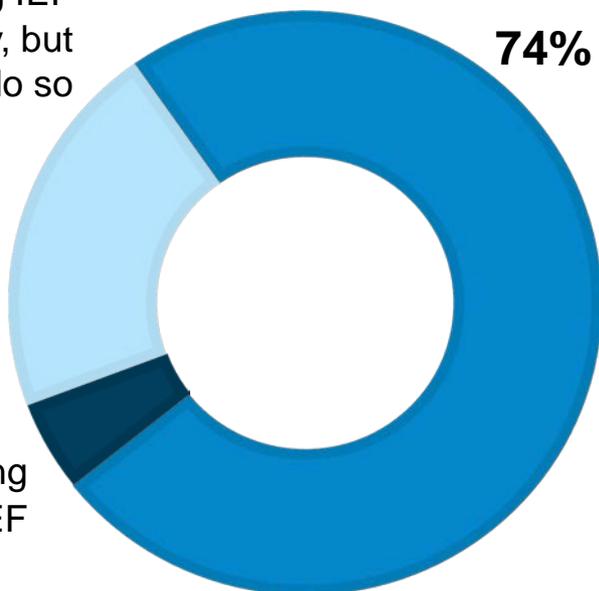
Base: All members

Using IEF

21% not using IEF currently, but planning to do so

74% use IEF in one or more ways

5% not planning to use IEF



Overall, 74% of AMEC members are **using the IEF for at least one** purpose. Of the remainder, 21% are **planning to use IEF** at some future point, while just 5% are **not planning to use the framework** at any point

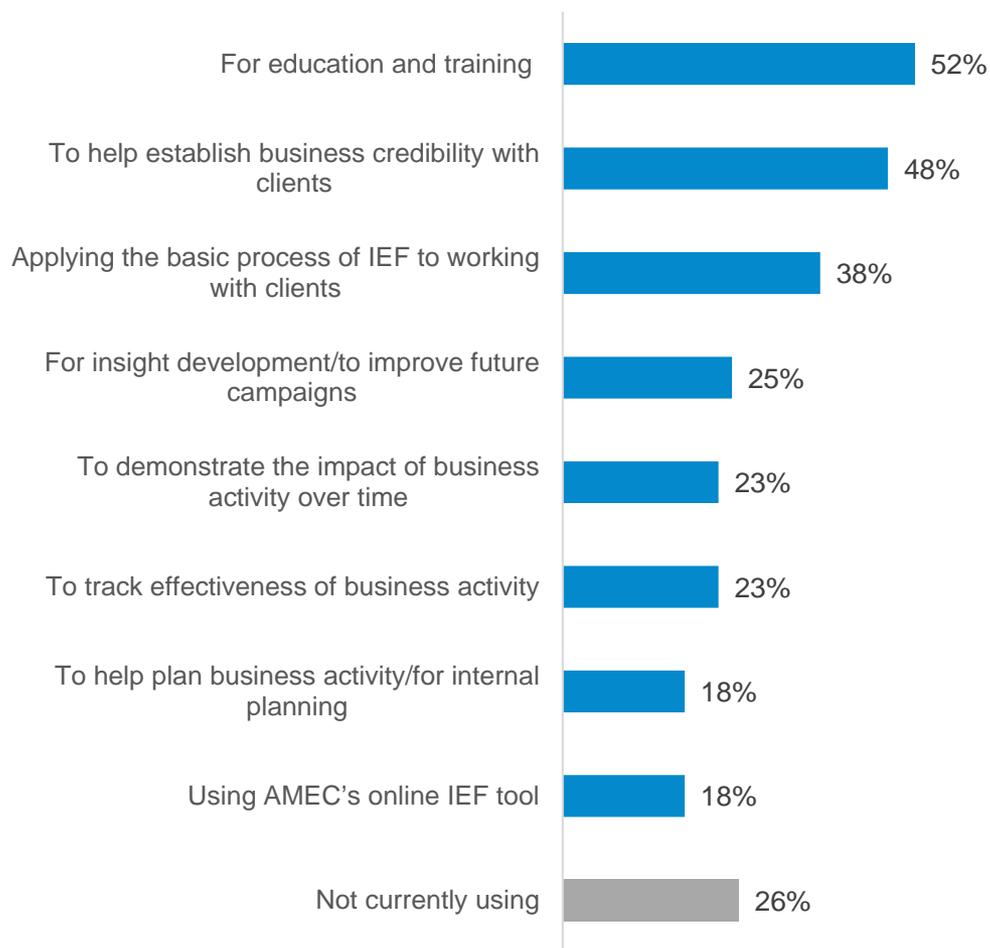
The proportion using IEF for at least one purpose is highest among PR consultancies (91%), compared with 75% of consultants and 72% of measurement/ analytics firms. Uptake of IEF has been strongest in the \$1 - \$5 million revenue category (87%), compared with 68% in smaller firms and 50% in the more than \$5 million revenue category

Regionally, members operating in North America (84%) and Western Europe (82%) report the most widespread use of the framework

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

Base: All members

Ways IEF is used



Members are now using IEF for a number of different business purposes. Most commonly, the framework is used for **education and training** (52%) and to help **establish business credibility with clients** (48%)

Almost two in five (38%) are now **applying the basic IEF process to working with clients**. IEF is also being used by around a quarter for **insight development** (25%), to **demonstrate the impact of business activity over time** (23%) and to **track effectiveness of business activity** (23%), while 18% use the framework to **help plan business activity**

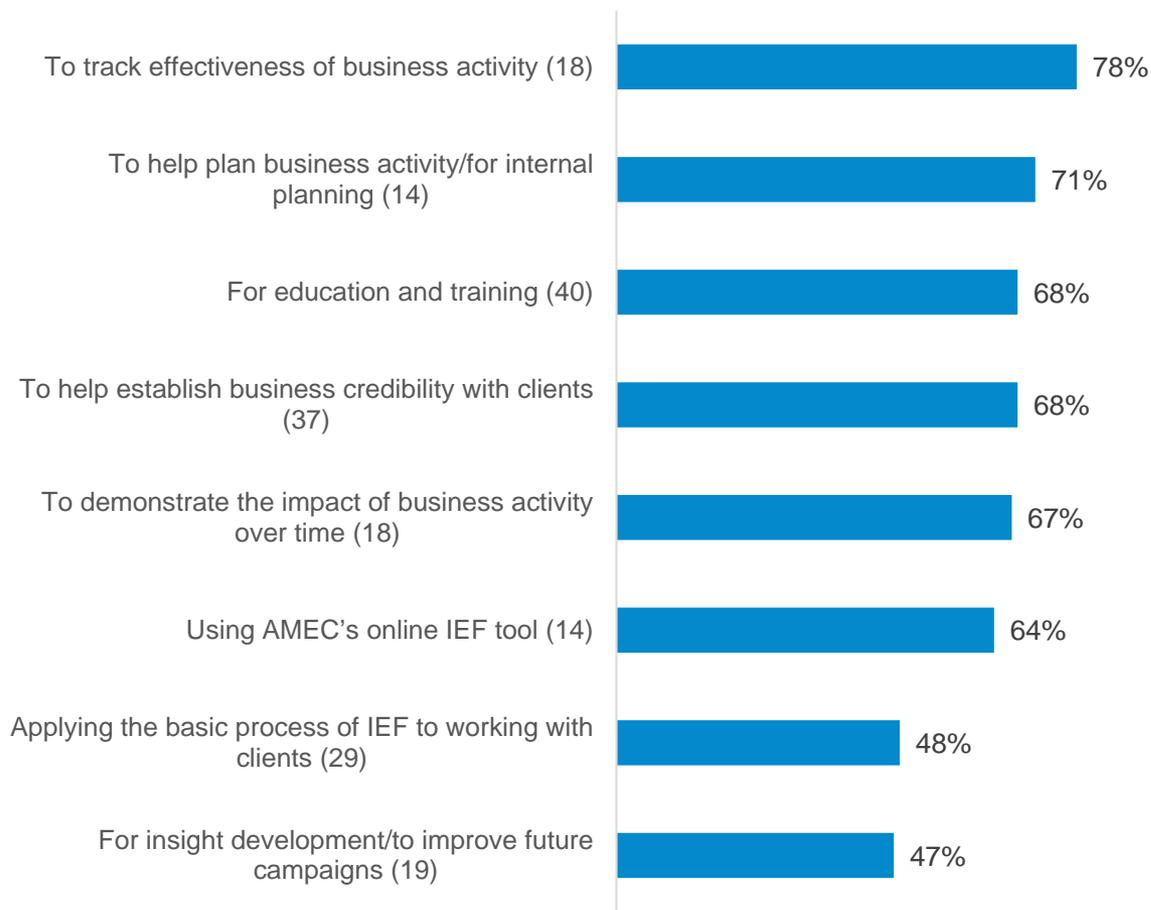
18% use **the online IEF tool** provided by AMEC

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



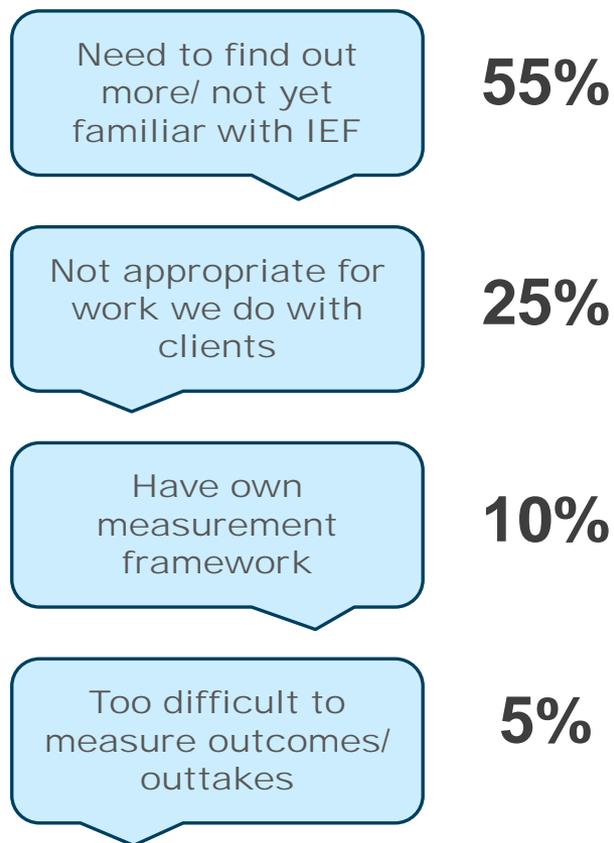
For each of the purposes listed, members who already use IEF for that purpose were asked to rate its usefulness. The vast majority gave either *very useful* or *fairly useful* ratings, so on this chart, the focus is just on the proportion who say the framework is *very useful* for each purpose

The highest proportion of *very useful* ratings is from those using IEF to **track effectiveness of business activity** (78%), followed by 71% of those who use IEF to **plan business activity**

68% of those who use IEF for the two most commonly selected purposes – for **education and training** and to **establish business credibility with clients** – give *very useful* ratings

The lowest proportions saying they find IEF *very useful* are among those using the framework to **apply the basic processes to client work** (48%), and for **insight development/ to plan future campaigns** (47%). However, for both of these purposes, all those users not giving a *very useful* score did say they find IEF *fairly useful*

IEF non-users



One in five survey participants have not yet used IEF, and these individuals were asked why this is so. Most commonly (55%) say this is because **they don't yet feel they know enough about IEF**. In addition, a quarter of these firms (25%) say **IEF is not appropriate to the work they do with clients**

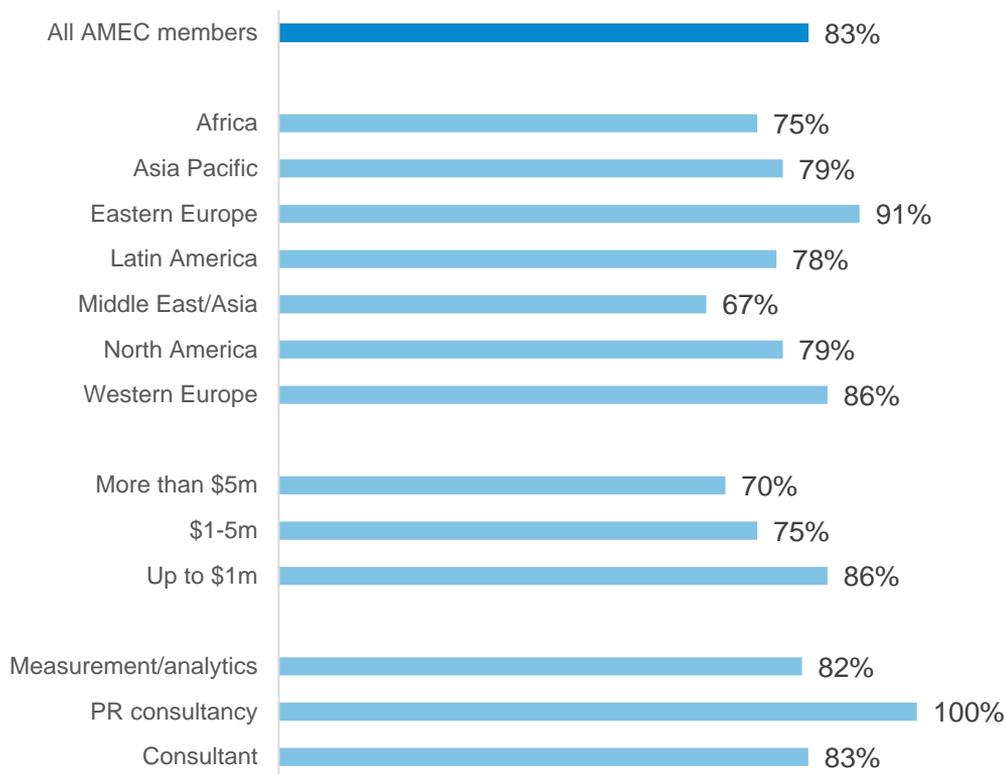
Q Why is your organisation not using the IEF?

Base: All not using IEF currently (20)

PR industry

PR industry change

Globally, PR is being challenged to rethink many of the basic norms on which it has always operated (% = agree slightly + strongly)



More than four in five members taking part in the survey (83%) agree that **the PR industry globally is being challenged to rethink many of the basic norms on which it has always operated**. The proportion agreeing is slightly below the figure for 2017 (88%)

All PR consultancies taking part in this survey agree that their industry is being challenged to rethink basic norms, as do 83% of consultants and 82% of measurement/ analytics specialists

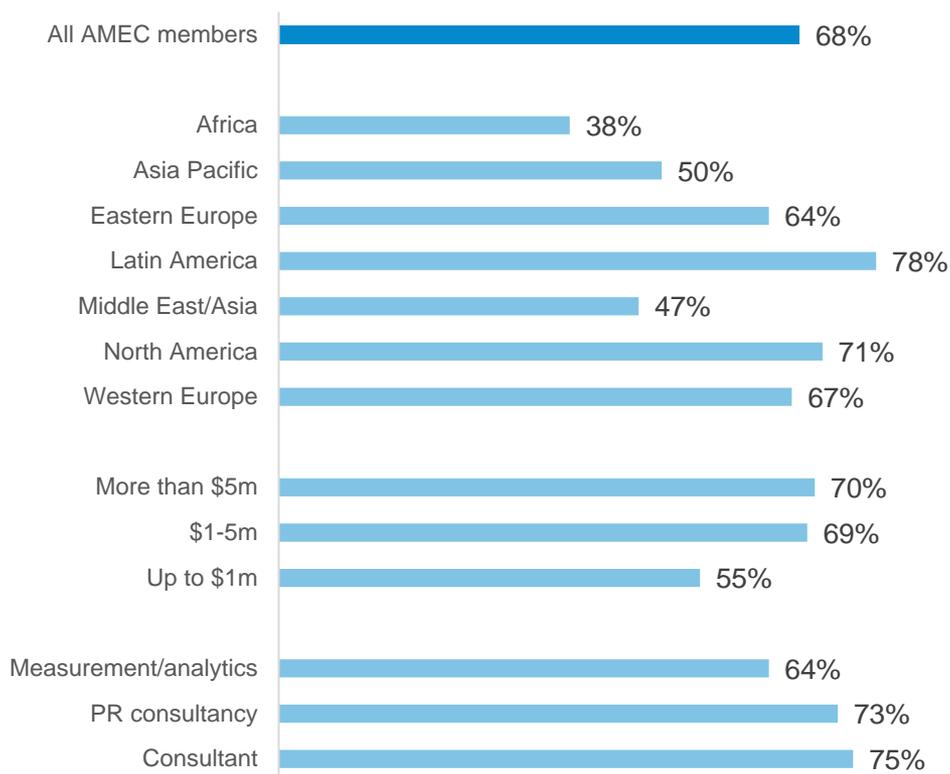
Members operating in Eastern Europe (91%) and Western Europe (86%) are most likely to agree that this is a trend in the PR industry, compared with a low of 67% for firms operating in Middle East/Asia

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

Base: All members

Recognition by PR industry

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

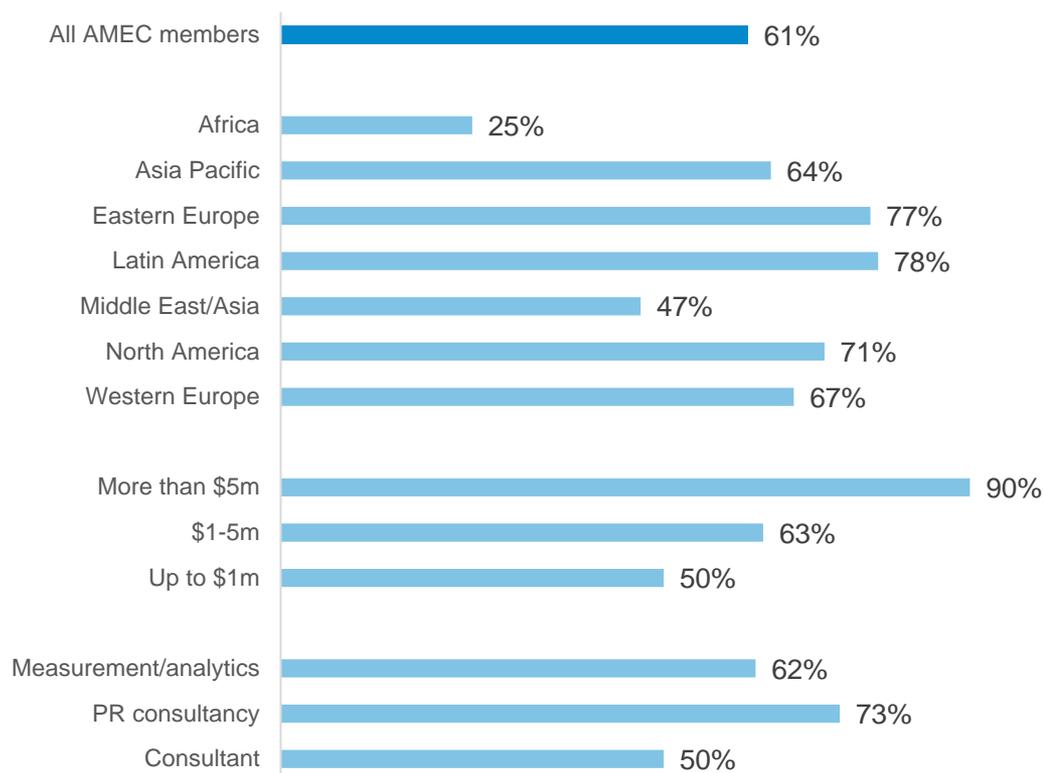


The majority of members (68%) agree that **more PR consultancies than ever before now recognise the importance of measurement and analytics**. The proportion endorsing this view is lower than in 2017 (78%) but in line with sentiments expressed in 2016 (66%)

Consultants (75%) and PR consultancies (73%) are slightly more likely to agree with the statement than those working in measurement/ analytics specialists (64%). In a regional comparison, members operating in Latin America are most likely to agree (78%), while members working in Africa (38%) and Middle East/Asia (47%) are least likely to report this trend

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)



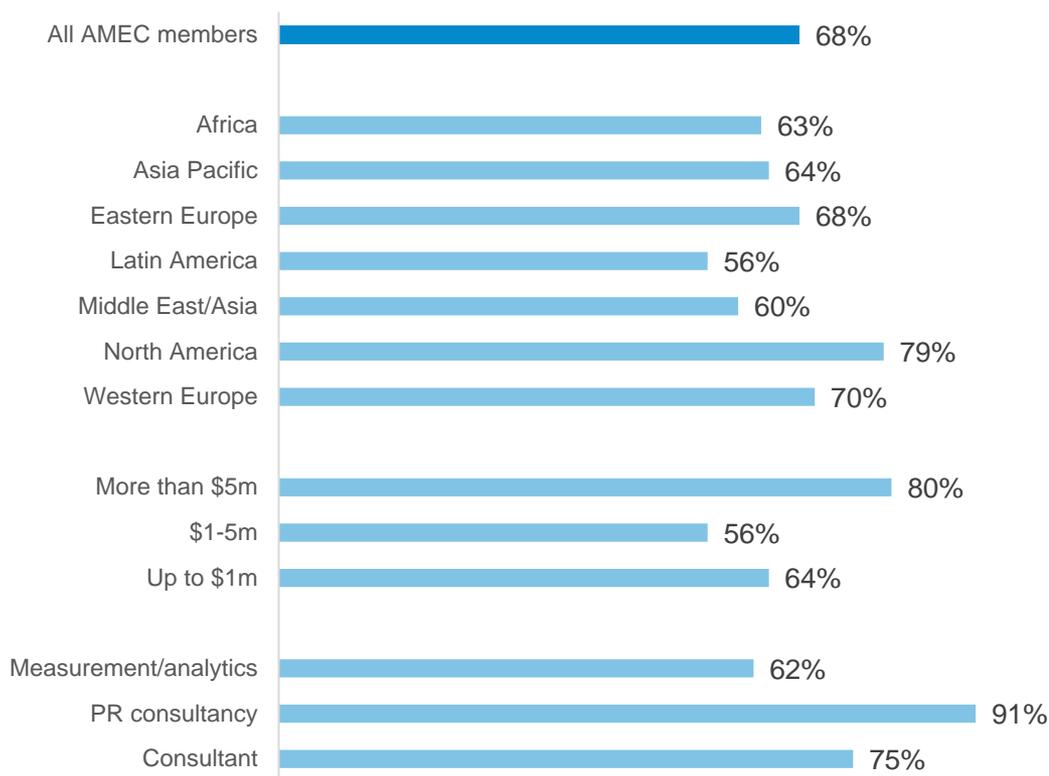
Overall, 61% of AMEC members feel that **the PR industry in their region/country recognises and prioritises more effective evaluation**. However, sentiment on this matter does vary by region. Those most likely to agree are operating in Latin America (78%), Eastern Europe (77%) and North America (71%), while the lowest proportions agreeing - 25% and 47% - are reported by members operating in Africa and Middle East/Asia, respectively

Members in PR consultancies (73%) are more likely to believe PR recognises more effective evaluation as a top priority than members working as measurement/analytics specialists (62%) or consultants (50%)

Members in firms with revenues exceeding \$5 million (90%) are more likely to agree than their counterparts in \$1 - \$5 million businesses (63%) or those with revenues below \$1 million (50%)

PR and measurement

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

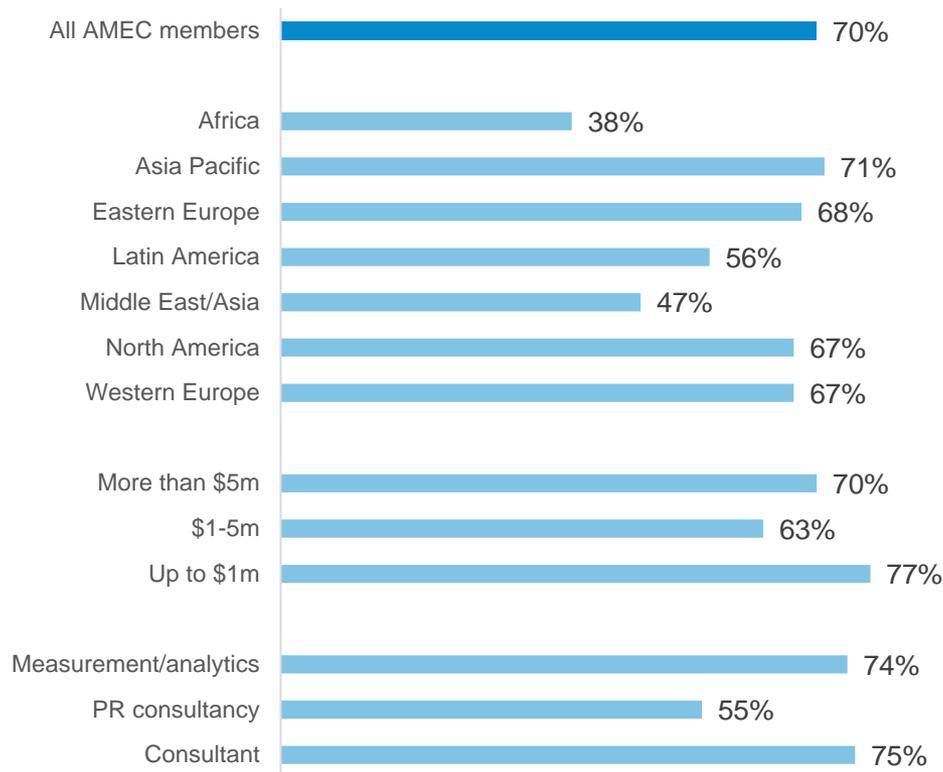


The majority (68%) of survey participants agree that **PR consultancies are increasingly building measurement services into their overall offer to end clients**. In both 2017 (72%) and 2016 (66%) the statement attracted similar levels of agreement

PR consultancies themselves are most likely to agree (91%), compared with 75% of consultants and 62% of measurement/analytics specialists. The trend is most likely to be identified by firms with revenues above \$5 million (80%), and by members operating in North America (79%)

PR industry change and technology

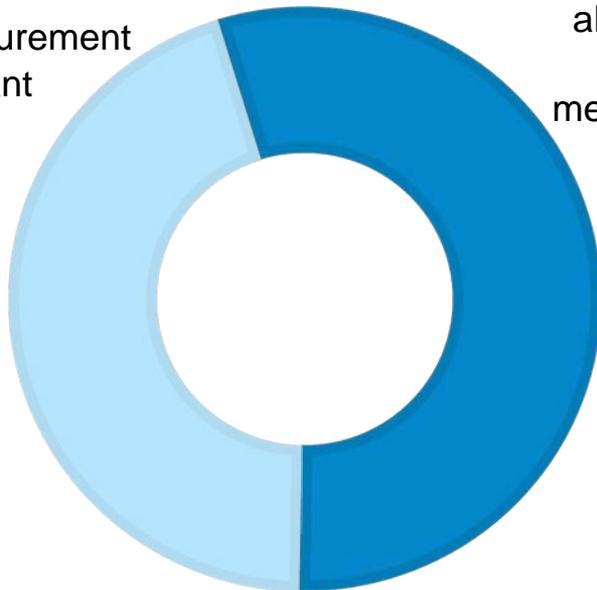
Changes to how PR operates are largely because of constant and rapid change in technology (including recognition of the importance of evaluation) (% = agree slightly + strongly)



Seven in ten members agree that **changes to the way PR operates are largely because of the constant and rapid change in technology**. However, members in PR consultancies are less likely to agree with this (55%) than measurement/ analytics firms (74%) or consultants (75%)

PR client view of measurement

45% say measurement is a very important element in the mix, but not demanded



55% say clients always/often demand measurement in pitch briefs

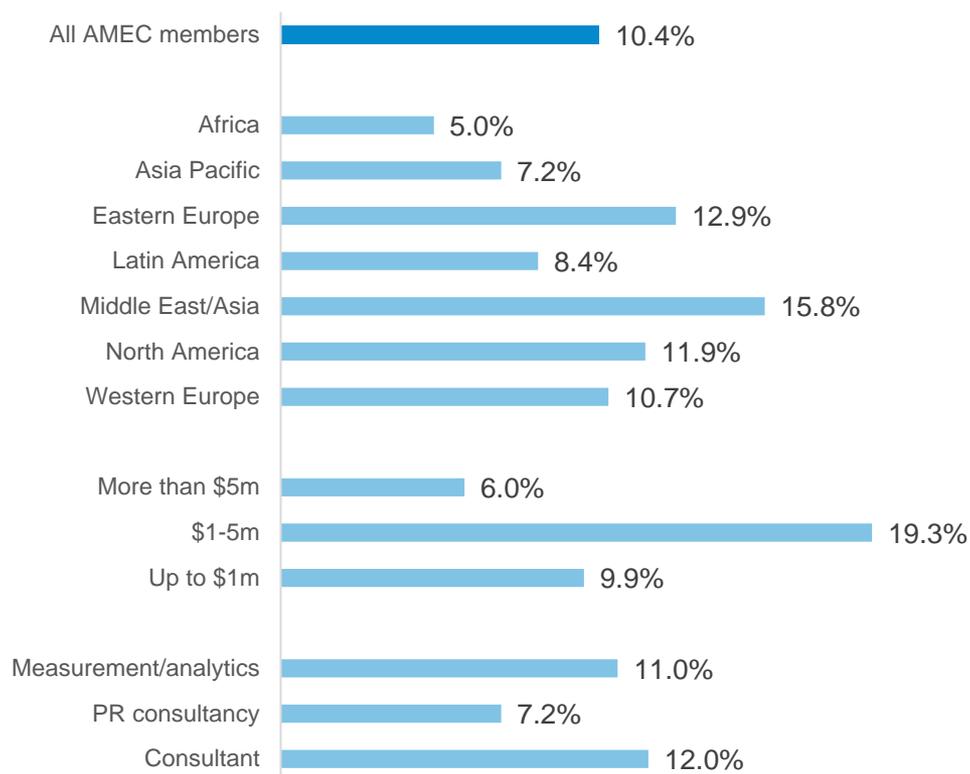
Asked about how clients regard the value and importance of measurement, more than half of the PR consultancies taking part in the study say that **clients always/usually demand measurement as part of their pitch briefs (55%)**. The remainder (45%) say that **measurement is regarded as a very important element in the mix**, but not strictly demanded by clients

Client/stakeholder expectations

Average spend on evaluation

Proportion of total client PR/Comms budget spent on media/social media evaluation

(% = average proportion of budget spent)



Members were asked to indicate **the percentage of total client comms/PR budget used for media/social media evaluation**. Many find it hard to provide an accurate answer for this question, reflected in the fact that, overall, 53% did not answer. PR consultancies find it easier to respond – 82% gave a figure, compared with 50% of consultants and 40% of measurement/analytics specialists

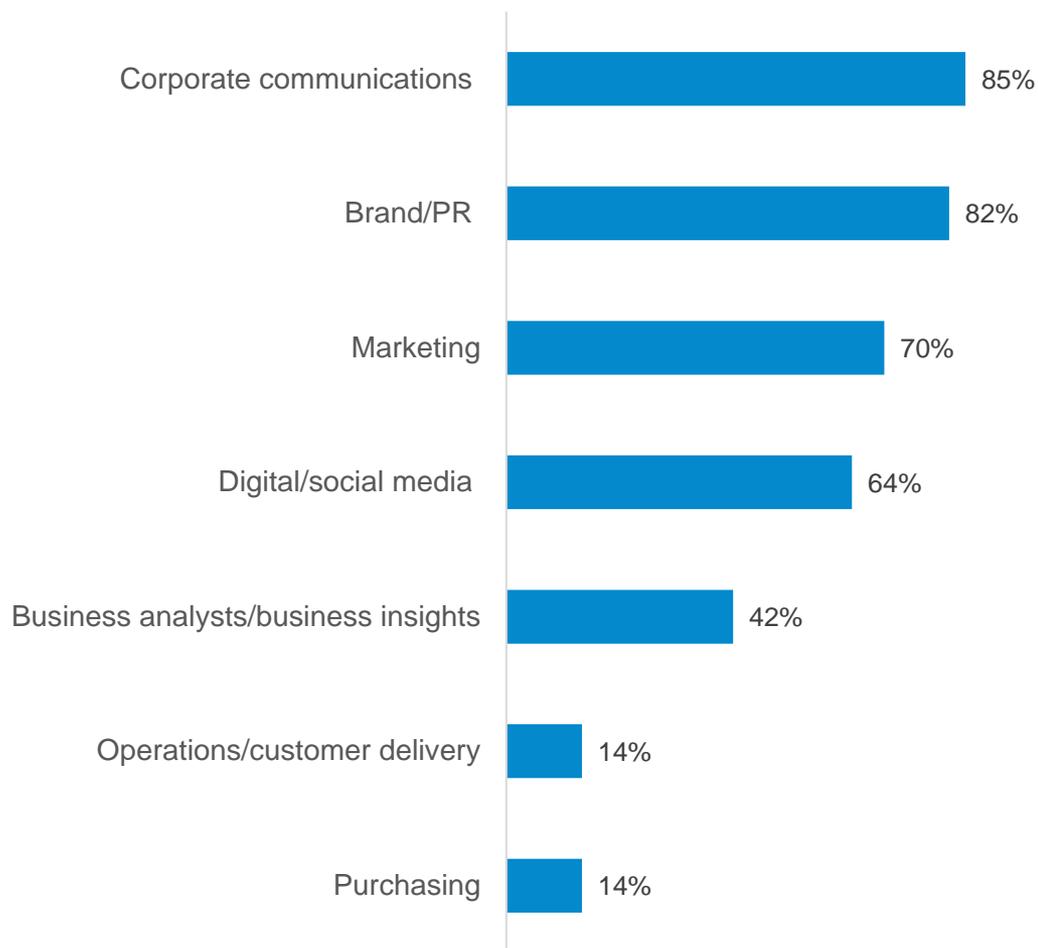
On the basis of those providing an answer, the overall average provision for media/social media evaluation is estimated at 10.4% of the PR budget. This varies from 7.2% for PR consultancies, through to 11% for measurement/analytics specialists and 12% for consultants

Regionally, figures range from a low of 5% for members operating in Africa, to 15.8% for members operating in the Middle East/Asia. Members with revenues in the \$1 - \$5 million range report a much higher percentage (19.3%) than those with revenues exceeding £5 million (6%) or under \$1 million (9.9%)

Q What proportion of the total communications or PR budget do you - or if you are a consultancy, your clients - spend on media/social media evaluation (e.g. 5%, 10%, etc)?

Base: All members

Client function roles



Survey participants (excluding those working for in house functions) indicate that their **direct commissioning clients** can sit in a wide variety of roles. The most common categories are clients in **corporate communications** roles (85%) and **brand/PR** roles (82%). Seven in ten (70%) have direct clients working in **marketing**, while 64% have clients in **digital/social media** roles

Fewer members have direct clients in **business analysis/insights** roles (42%), while only small numbers have clients in **operations/customer delivery** (14%) or **purchasing** (14%) roles

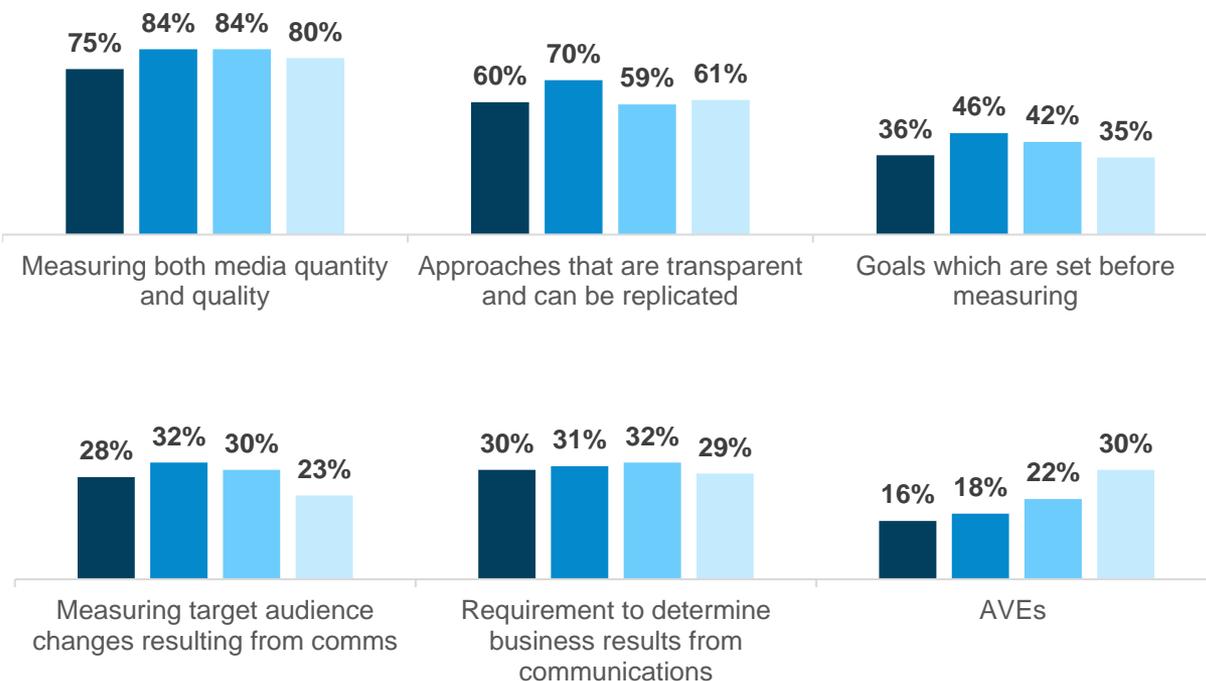
Q In which of the following functions/departments do you currently have clients who directly commission your company's services?

Base: All except in house

Client work specifications

Clients always/mostly specify...

■ 2018 ■ 2017 ■ 2016 ■ 2015



In 2018, there is a slight dip in the proportion of members who say clients always/mostly **specify measurement of both media quality and quantity** (75%, down from 84% in 2017), and also in the proportion saying **clients usually specify approaches that are transparent and can be replicated** (60%, down from 70% in 2017)

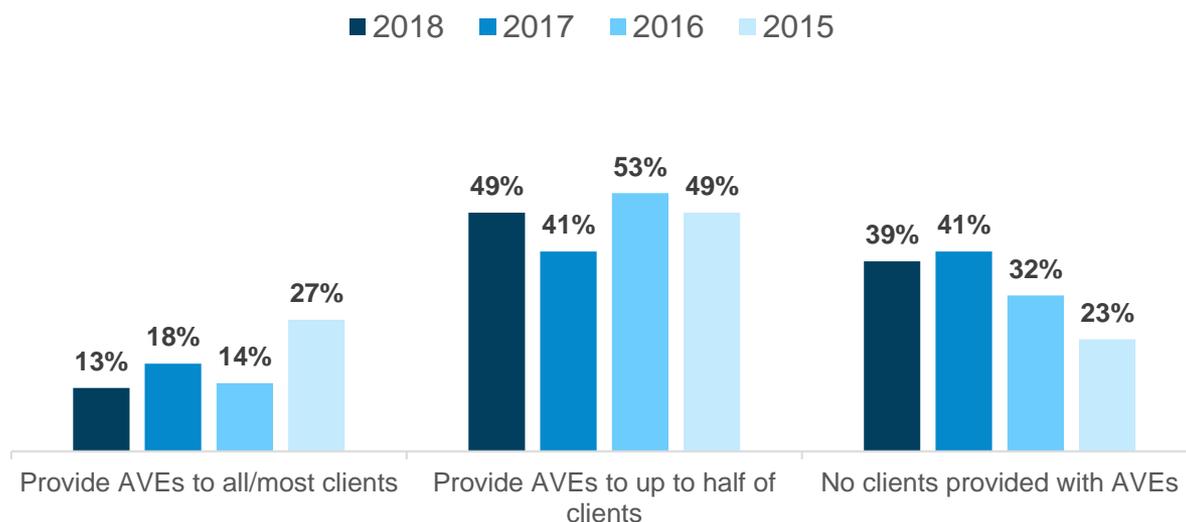
A similar drop – from 46% last year to 36% in 2018 – is reported in the number of clients who usually **specify set goals before measuring**. 28% of members say clients always/usually specify **measuring target audience changes resulting from comms activity** (down from 32% last year), while the 30% saying clients usually expect their work to **determine business results from communications** is similar to the 31% in the 2017 study

The downward drift in the proportion of clients who always/usually specify an **AVE score** continues, down at a new low of 16%

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

Base: All members

Provision of AVE scores



In 2018, 13% of AMEC members say they **provide an AVE score to all/most clients** – the lowest proportion in this category in the four years since this line of questioning was first used

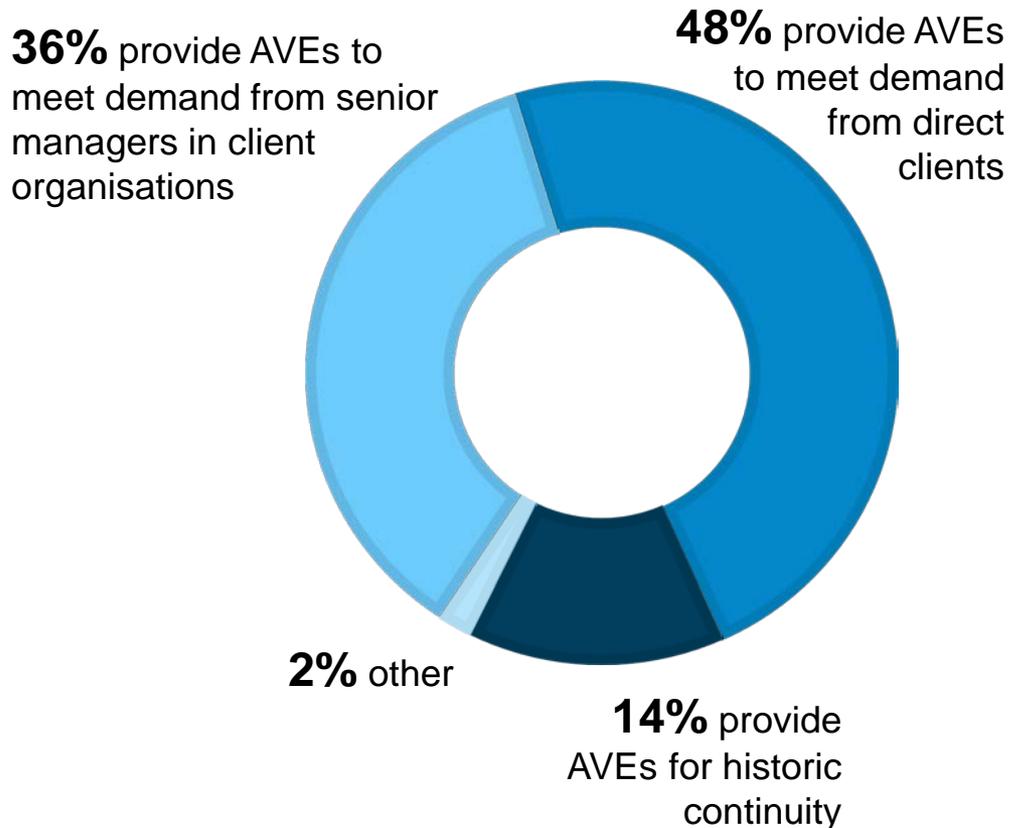
Meanwhile, 49% provide AVE scores to **half or less** of their clients, while 39% **don't provide AVE scores at all** (similar to the 41% reported in 2017, and above previous figures for 2016 and 2015)

None of the PR consultancy members in the survey provide AVE scores to all/most clients, compared with 9% of consultants and 16% of measurement/ analytics specialists

In a regional comparison, members operating in Africa (26%) and Latin America (22%) are most likely to provide AVE scores to all/most clients, while this does not happen at all in Asia Pacific (0%) and is very limited in North America (4%)

Q What proportion of your clients do you provide with an AVE score?
 Base: All except in house

Reasons for providing AVE scores



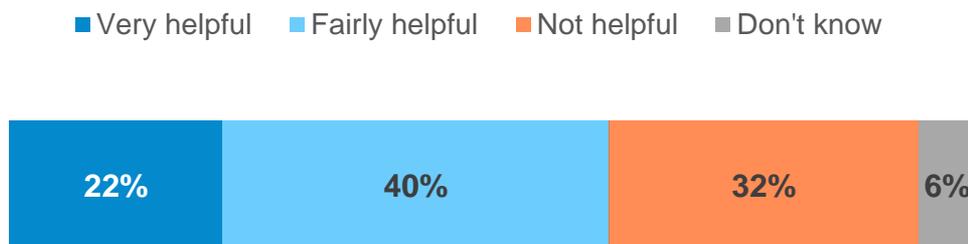
Based on the 44 survey participants who do at least occasionally provide AVE scores to clients, the primary reasons for doing so are to meet specific client demand – 48% are meeting **demand from direct client contacts**, 36% are meeting **demand from senior managers in client organisations**

In addition, 14% provide AVEs for historic continuity reasons

Q What is the main reason you provide clients with an AVE score?
 Base: All measurement/PR members who provide an AVE score to clients at least occasionally

The “Say no to AVE” campaign

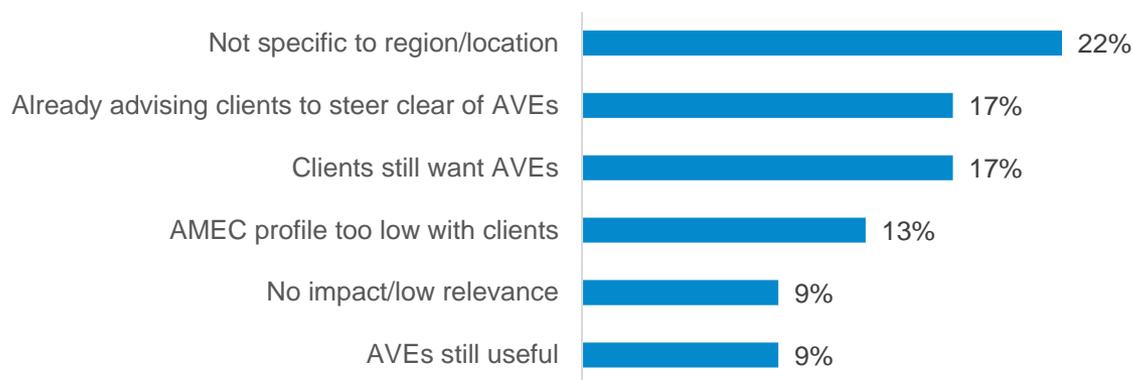
Helpfulness of the campaign



More than three in five members asked about AMEC’s **Say no to AVE campaign** felt it was very (22%) or fairly (40%) helpful in moving clients away from AVEs

Meanwhile, 32% say they did not find the campaign useful. When asked why, these members are most likely to criticise the campaign for **not being region/location-specific** (22%). Other factors underpinning the perceived lack of usefulness include **clients still wanting AVEs** (17%), and **AMEC lacking sufficient profile** with clients (13%). 17% say they are **already advising clients to steer clear of AVEs**, so there was little scope for the campaign to build on their existing stance

Reasons for “not helpful” ratings (based on 23 only)



Q How helpful have you found this campaign in moving your own clients away from AVEs?

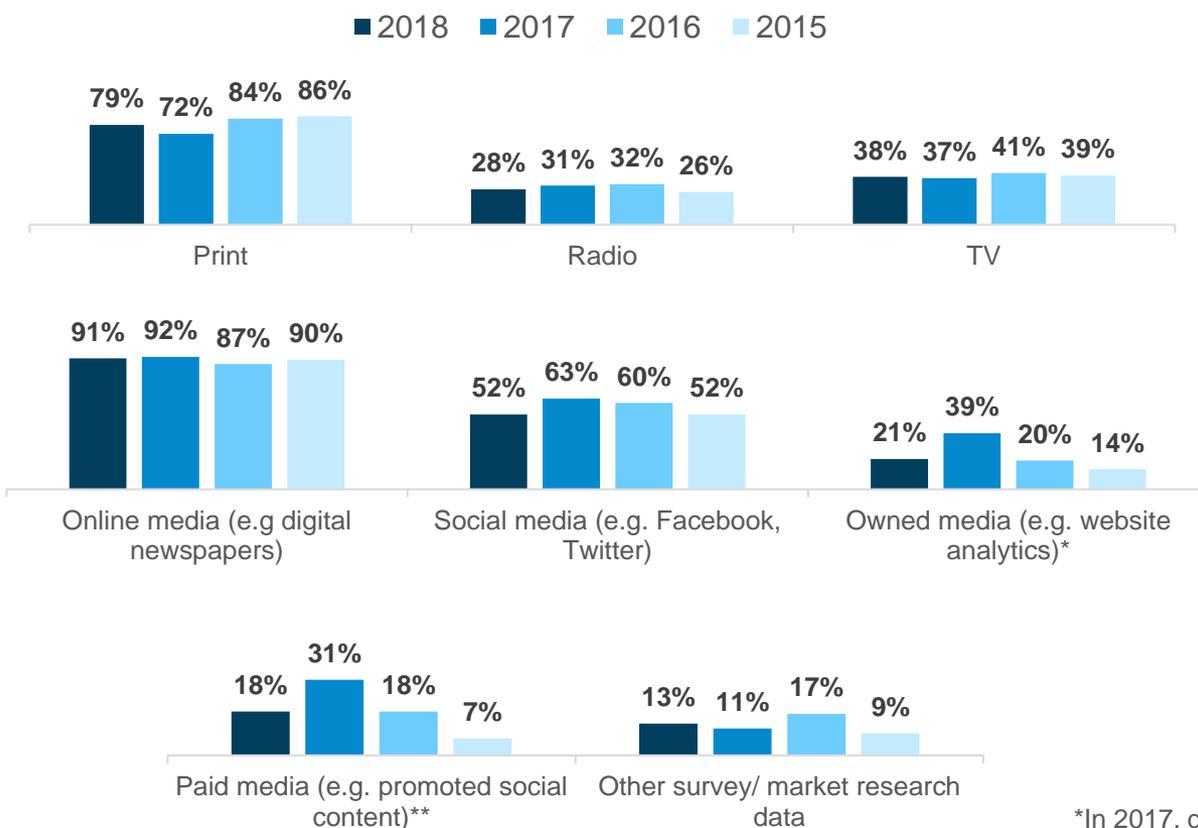
Base: All except in house.

Q30 Why do you feel the “Say No to AVEs” campaign has not been helpful?

Base: All saying “not helpful” (23)

Media channels

Clients always/mostly include...



As in 2017, members indicate that the type of channel most likely to be included in client work specifications is **online media** (91%). **Print** media is always/mostly included in the scope of client work for 79% of members – up from 72% last year. However, the 52% including **social media** in the scope of their work specifications is well below the 63% reported in 2017

The proportion of clients always/mostly including **owned media** in their job specifications is down to 21% this year from 39% in 2017, while the figure for **paid media** drops from 31% to 18% this year. These decreases may be influenced by the revised category definitions shown in the chart/ footnote

The extent to which **TV, radio** and **other surveys** are included in client work specifications have all remained reasonably steady in comparison with 2017

*In 2017, defined as e.g. community management, content creation; prior to 2017 defined as e.g. client's website
 **defined as Prior to 2017 defined as e.g. advertising

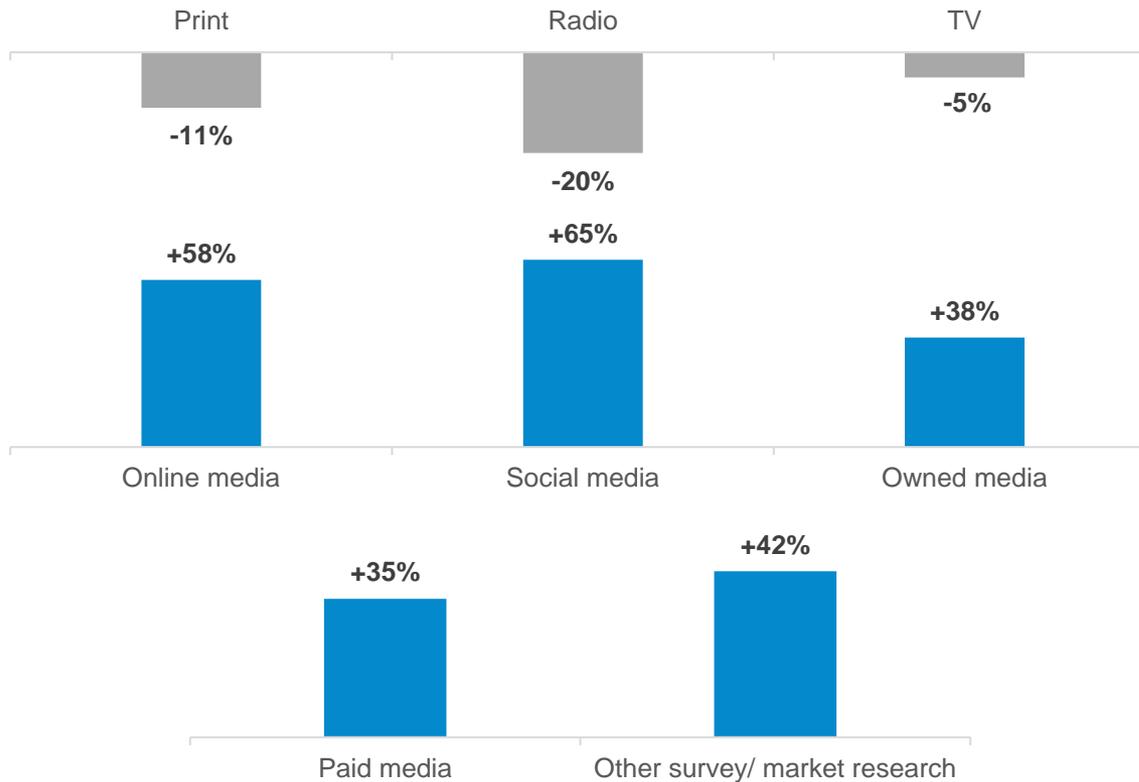
Q How frequently do your clients/ stakeholders include these in the scope of the work you carry out for them?

Base: All members

Change in demand – channel

How demand is changing

(% saying demand has increased in past year minus % saying demand has decreased)



Members were asked to say if demand for measurement of each channel has **increased** or **decreased** in the previous 12 months. For this chart, the proportion saying demand is decreasing is subtracted from the proportion saying demand is increasing, leaving a net indication of change

Demand for measurement of **social media**, **online media**, **owned media** and **paid media** is increasing considerably, as was the case in 2017. Demand for **other surveys/market research** is also increasing considerably this year. However, more members report a decrease than an increase in demand for **print**, **TV** and **radio** measurement

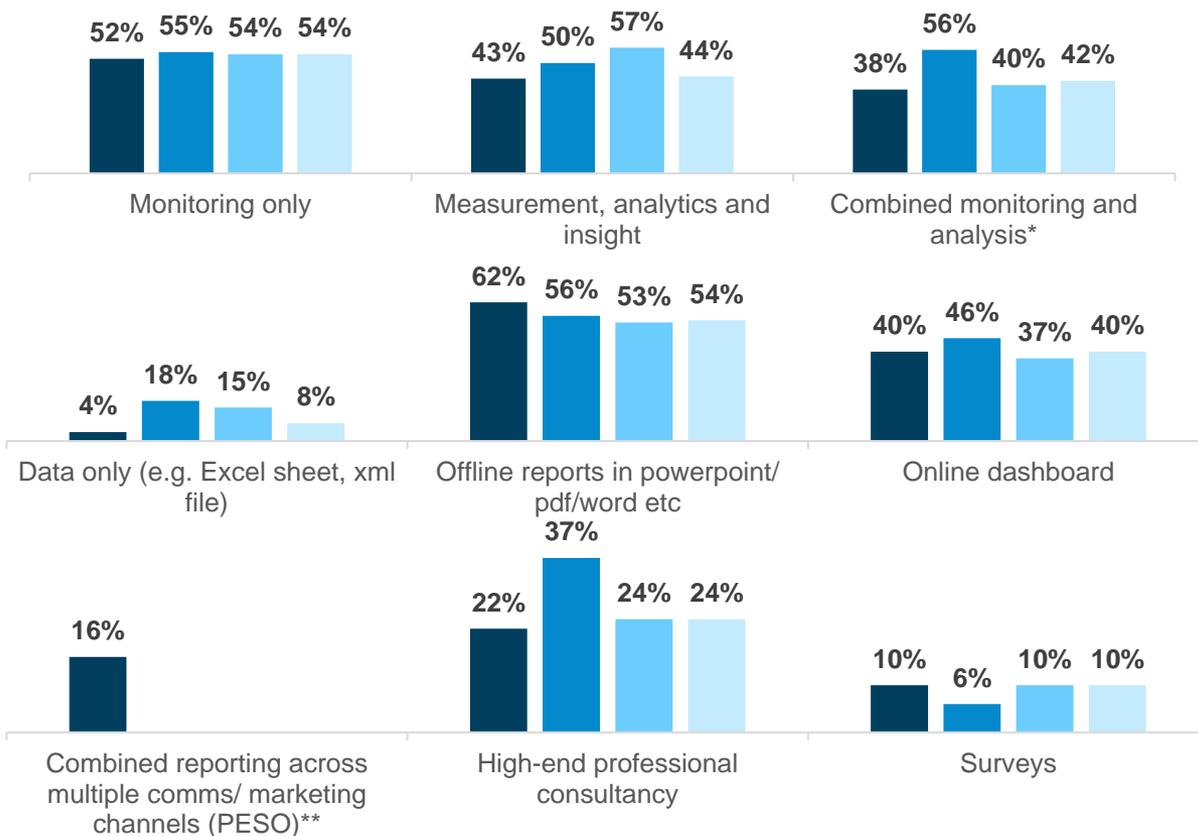
Q For each of the following media channels, please indicate how client/stakeholder demand for measurement has changed in the past 12 months.

Base: All members

Service mix

Clients always/mostly receive...

■ 2018 ■ 2017 ■ 2016 ■ 2015



Clients are more likely to receive **offline reports in formats such as powerpoint** (62%) as part of their service most/all of the time this year than last year (56%). Also, the proportion receiving **monitoring only** (52%) remains similar to 2017 (55%)

However, the number of members saying that clients usually receive a number of other elements in their mix has declined on 2017. There is a sharp drop from 56% to 38% in the proportion saying their service usually includes **combined monitoring and analysis**. Delivery of **data only** formats has slipped from 18% to 4%, while the proportion always/usually providing **measurement, analytics and insight** is down from 50% to 43%

Members also report fewer clients usually receiving **online dashboard formats** and **high-end consultancy** in their service mix

Meanwhile, **PESO reporting** – added as a category in 2018 – is a usual part of the service mix for 16% of clients

*Prior to 2018, defined “integrated monitoring and analysis”

**New in 2018

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

Base: All members

Change in demand – service mix

How demand is changing

(% increased minus % decreased)



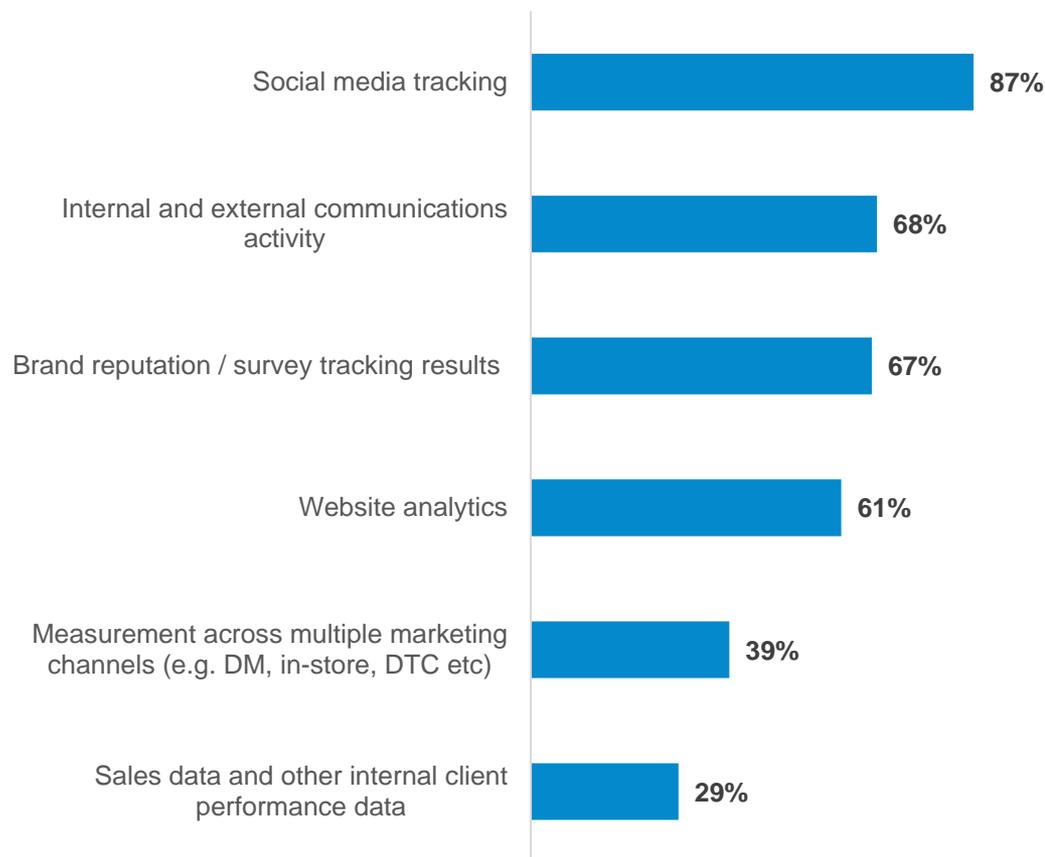
Demand for most types of output has – on balance – increased in the past year, the only exceptions being **monitoring only** and **data only**, where clients are more likely to have seen a decrease than an increase

The increase in demand is steepest for **measurement, analytics and insight**, and for **combined monitoring and analysis**. Demand is also considerably stronger for **high-end consultancy, online dashboards, PESO reporting and surveys**

Q How has client demand for each of the following changed in the past year?

Base: All members

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 members (87%) have seen **social media tracking** in this kind of reporting, followed by **internal/external comms activity** (68%) and **brand reputation/survey tracking data** (67%)

61% say they have seen **website analytics** included in integrated reports, while 39% have seen **measurements across multiple marketing channels**, and 29% have seen **internal client performance data, such as sales data**

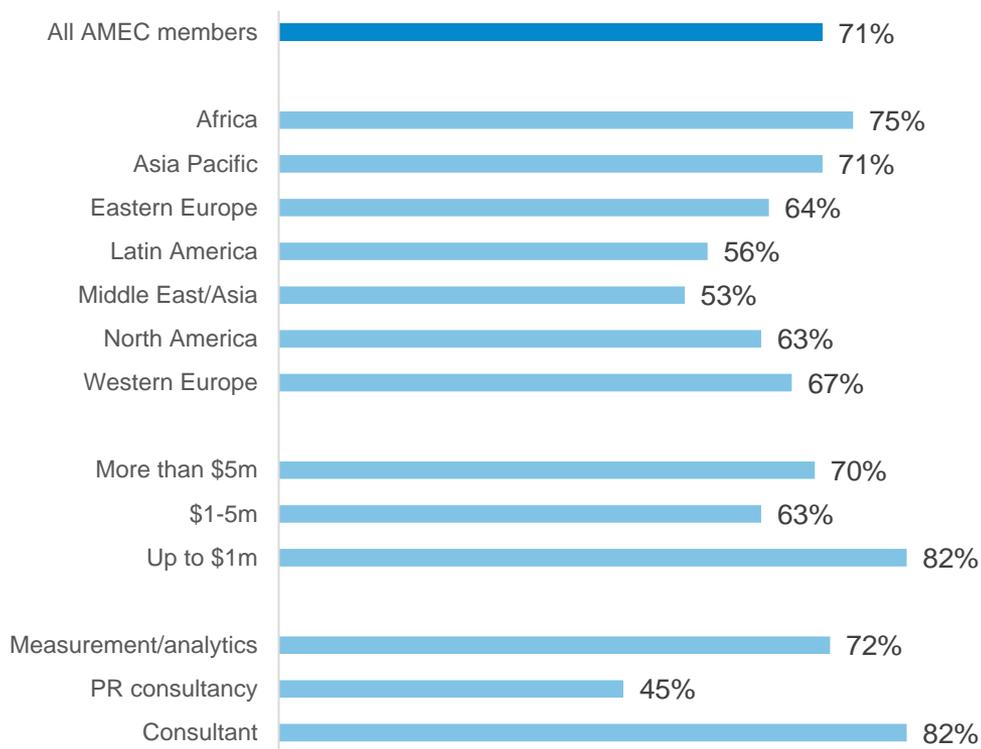
Q Thinking about examples of integrated reporting that you may have received or delivered to clients/stakeholders, which of the following types of information have been included?

Base: All

AMEC's role

AMEC's mission to educate

Starting with its leadership role in the development of the Barcelona Principles, AMEC has committed to a mission to educate the PR and communications marketplace about the benefits of evaluation. Do you agree that this should be AMEC's top priority? (% = agree strongly)



Almost all members taking part in the survey (96%) agree with this statement – **that AMEC's top priority should be to educate the PR/comms marketplace about the benefits of evaluation.** In order to look at any differences in the data, the chart only shows the proportion who *agree strongly* (unlike other charts in this report)

Members in consultant roles (82%) and measurement/ analytics specialists (72%) are more likely to *strongly agree* than their counterparts in PR consultancies (45%)

Geographically, agreement is strongest among those operating in Africa (75%) and Asia Pacific (71%)

AMEC's strategic priorities

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

A continued focus to educate the PR marketplace about evaluation in order to grow the overall market for the benefit of members



Maintaining a high profile for the importance of measurement through initiatives such as the IEF



Producing online education materials to educate the staff and clients/stakeholders of AMEC members



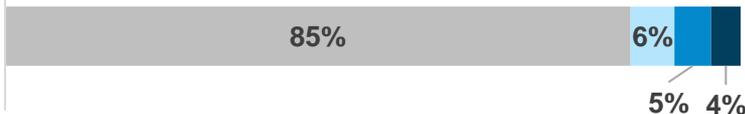
Encouraging best practice through AMEC International Awards and Case Studies



Collaborating with other trade associations in public relations and communications as a key element in educating the market



Continuing to lobby on copyright and content issues in all global regions



When members are asked to rank AMEC's strategic priorities, by far the most common choice for first place is **to provide a continued focus to educate the PR marketplace about evaluation**, ranked first by almost half (46%)

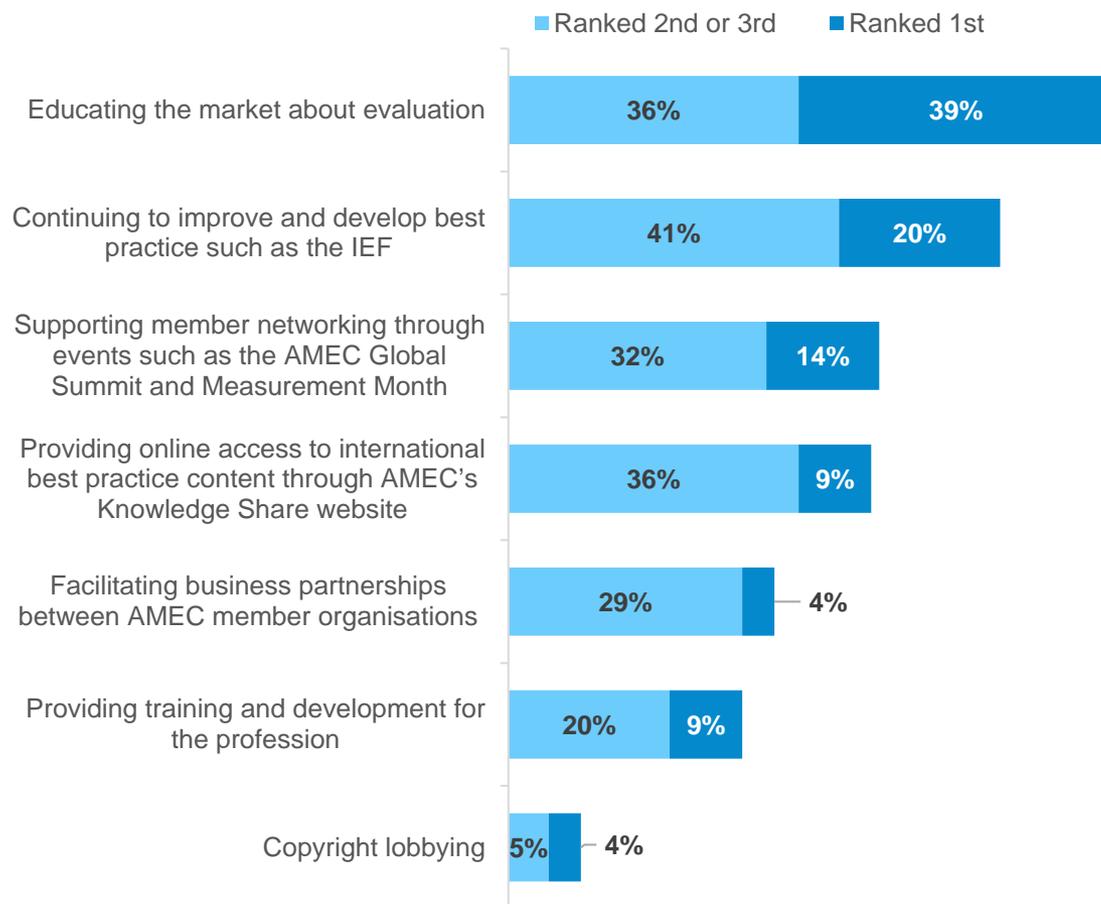
24% say **maintaining a high profile for the importance of measurement through initiatives such as the IEF** should be the top priority. 9% select **producing online education materials**, and 9% say **encouraging best practice through awards and case studies** is the most important function to prioritise

Collaborating with other trade associations (8%), and **lobbying on copyright and content issues** (4%) are least likely to be viewed as top priorities

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, **educating the market about evaluation** is again the most important role AMEC can play – 39% rank this as top priority, with a further 36% placing it second or third.

Continuing to improve and develop best practice such as IEF is a top priority for 20% and a top three priority for 61%, while 46% give a top three ranking to **providing support for member networking through events such as the annual Summit and Measurement Month**

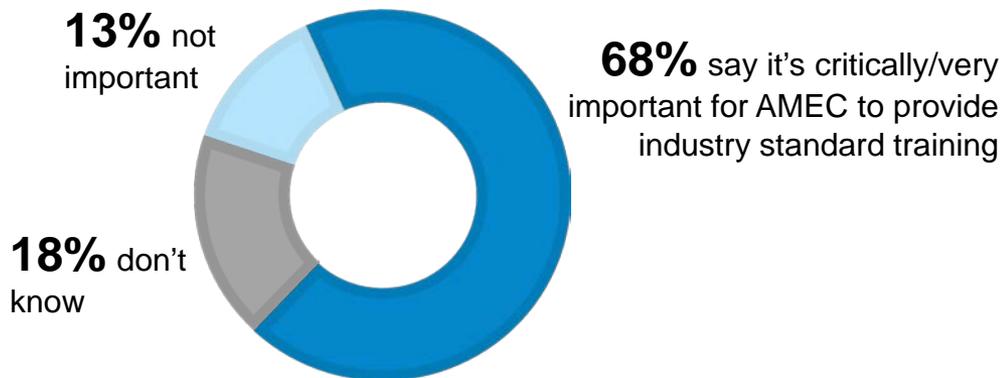
45% rank the **information available on AMEC's knowledge share website** as one of the top three priorities, while **facilitating business partnerships between member organisations** is selected by 33%

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

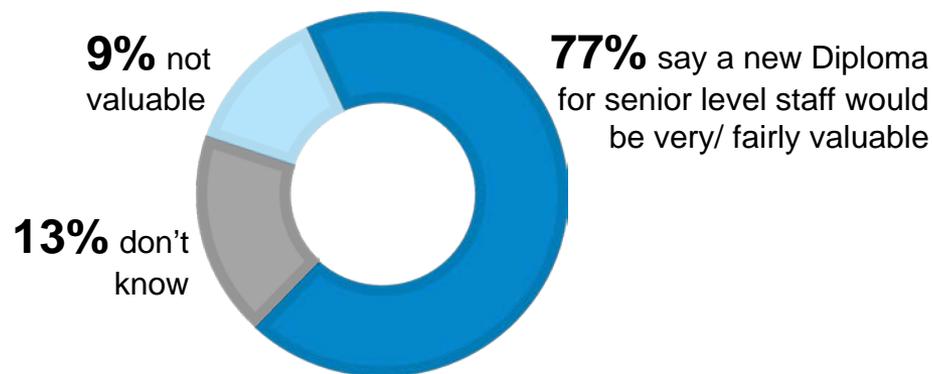
Importance of industry standard training from AMEC



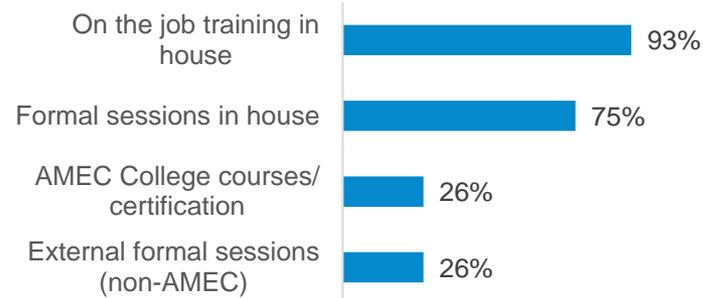
At present, 26% of members provide staff with access to **AMEC College courses and certification**, while most training is done in house – either **on-the-job** (93%) or through more **formal training sessions** (75%) (see chart below)

However, 68% of members think it is *critically/very important* for **AMEC to provide industry standard training through AMEC College** (up from 61% in 2017), and 77% 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



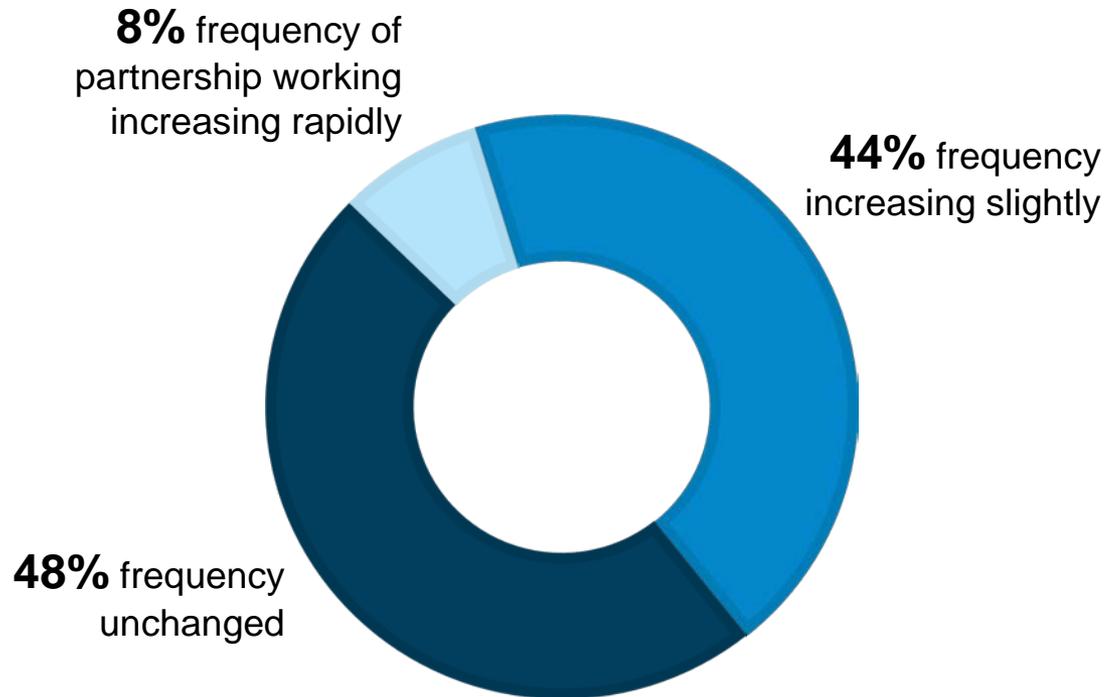
Q Which of the following types of training do you provide for staff? Base: All members

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 in Measurement for senior staff would be for the industry as a whole?

Base: All members

Frequency of working in partnerships

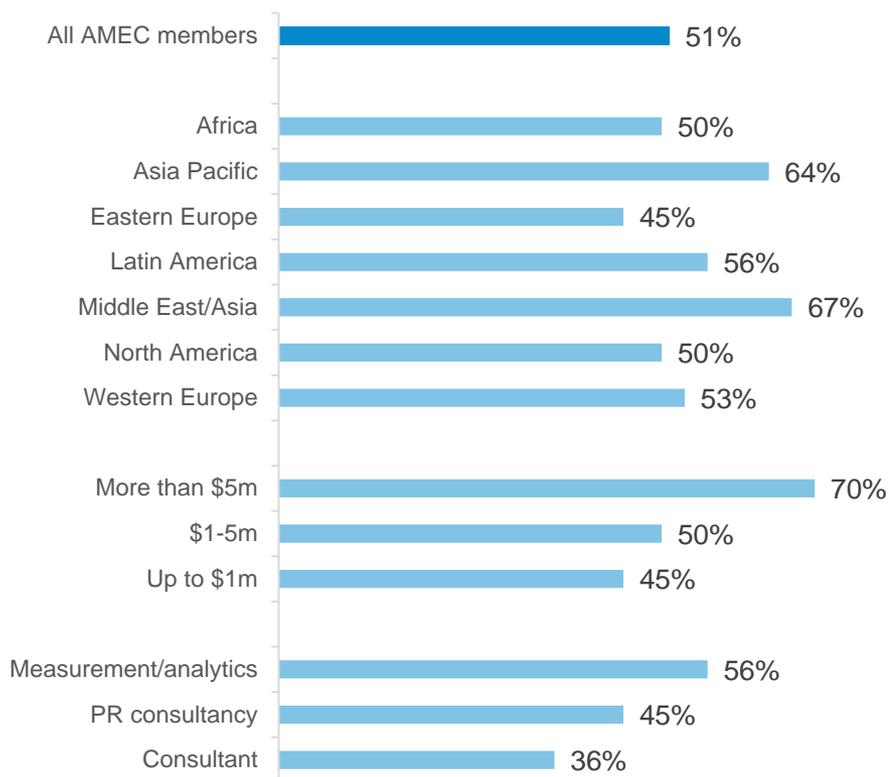


More than half the members in the survey who are currently **working in partnership with other firms** say the frequency with which they are doing so is increasing – 8% *increasing rapidly* and 44% *increasing slightly*.

Q Is the frequency with which you work in partnership with other firms increasing or decreasing?
Base: All working in partnership with other firms to deliver global footprint services

Identifying industry partnerships

AMEC membership helps me identify potential industry partners which can help my organisation compete for global business (% = agree slightly + strongly)



Overall, 51% 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 similar to 2017 (53%) and the same as 2016 (51%)

Measurement/analytics firms are most likely to agree that AMEC membership can help them identify partners (56%), compared with 45% of PR consultancies and 36% of consultants

Firms with revenues above \$5 million are more likely to see AMEC providing a route to successful partnerships (70%) than those in the \$1 - \$5 million (50%) and up to \$1 million (45%) revenue categories

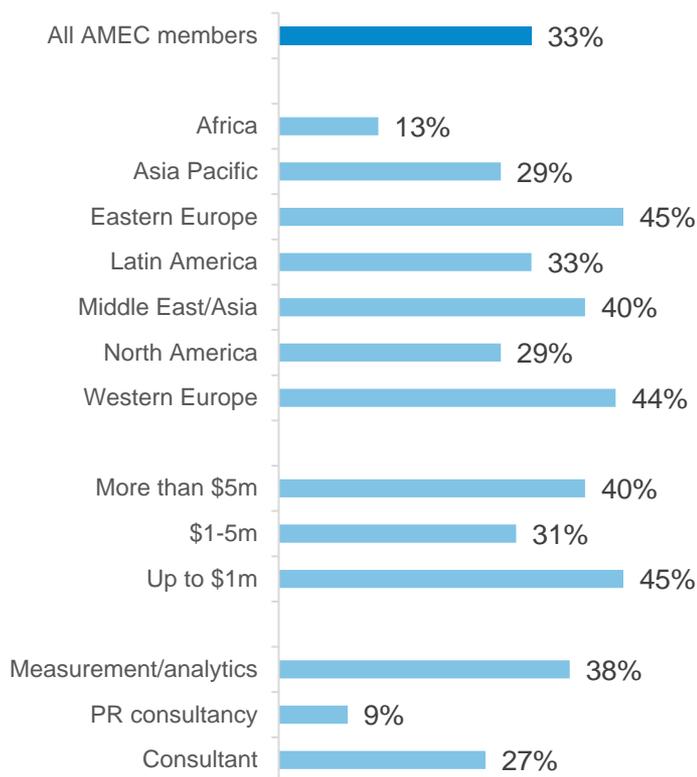
Regionally, members operating in the Middle East/Asia (67%) and Asia Pacific (64%) are most likely to endorse this view

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

Base: All members

Use of industry partnerships

My organisation's use of industry partnerships with other AMEC members has increased in the last year (% = agree slightly + strongly)



One in three AMEC members (33%) say **their organisation's use of industry partnerships with other AMEC members has increased in the last year**, although 21% do not feel this is the case. In comparison with 2017, the proportion agreeing is down from 41%

Measurement/ analytics specialists are most likely to say that partnerships with other AMEC members have increased (38%), compared with 27% of consultants and 9% of PR consultancies. Members with revenues of less than \$1 million report a slightly higher figure (45%) than in other size bands

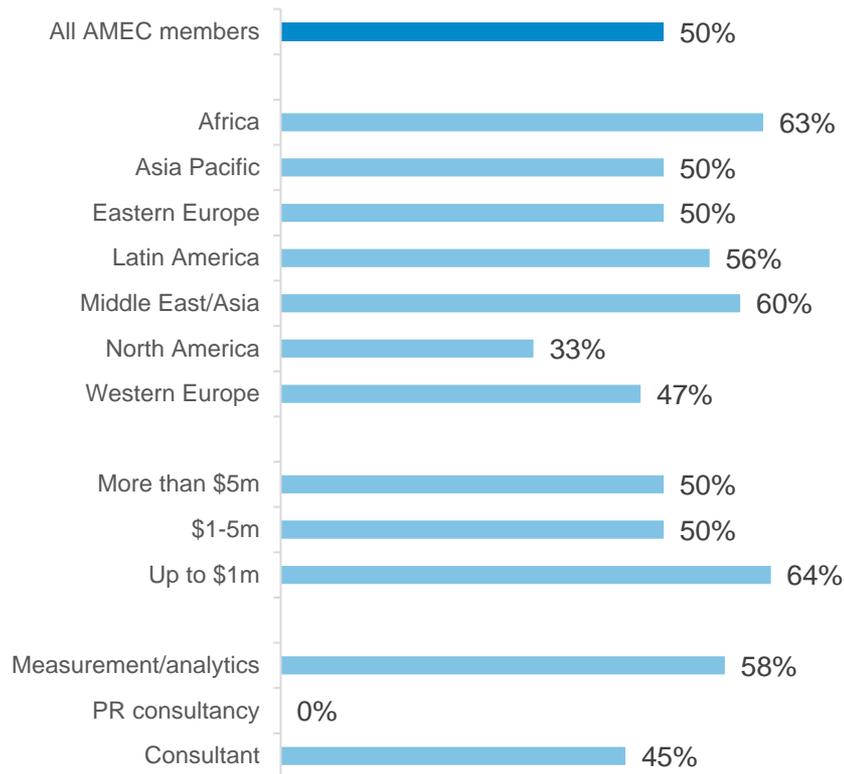
Members operating in Eastern Europe (45%) and Western Europe (44%) are most likely to report an increase in partnerships with other AMEC members

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

Base: All members

Importance of industry partnerships

This kind of industry partnership with other AMEC members is becoming increasingly important
(% = agree slightly + strongly)



Half of the survey participants agree that **industry partnerships with other AMEC members are becoming increasingly important**. Endorsement of this view is lower in 2018 (50%) than 2017 (57%)

PR consultancy members don't express a view on this aspect of the industry – all of the PR firms included neither agree nor disagree. Among measurement/ analytics firms, 58% think partnerships are becoming more important, compared with 45% of consultants

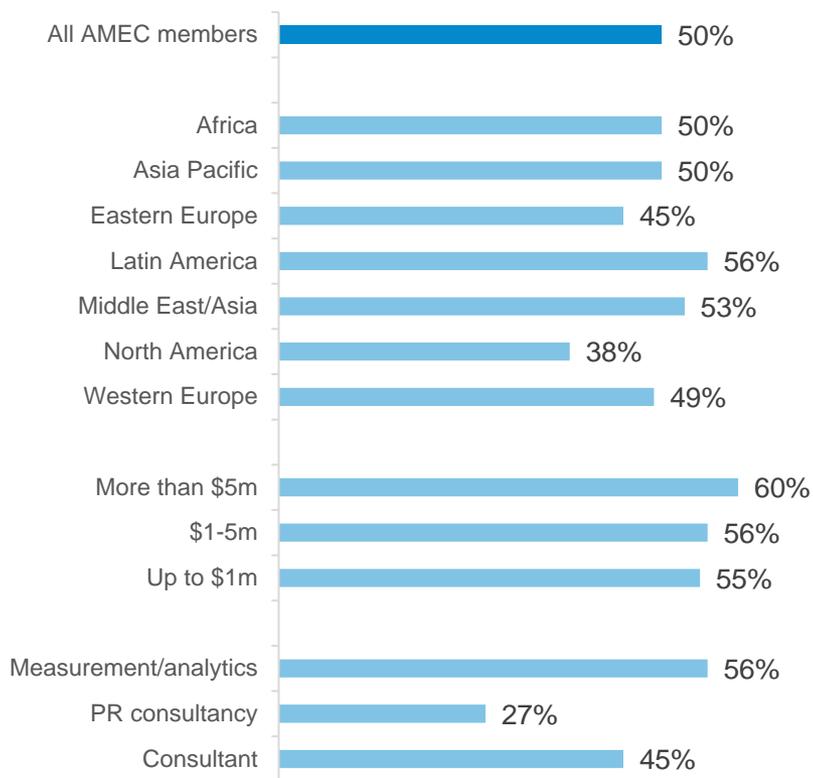
Q Please indicate how much you agree or disagree with each of these statements

Base: All members

Industry partnerships - competition

This kind of industry partnership is the most effective way for small and medium-sized AMEC members to compete with the largest AMEC firms (in order to grow their business)

(% = agree slightly + strongly)



One in every two (50%) members agrees that **industry partnerships are the most effective way for smaller AMEC firms to compete with the largest players in the industry**, up from 43% in 2017

There is no real difference between the attitudes reported by different sizes of business on this point, but the view is more commonly held amongst measurement/analytics firms (56%) and consultants (45%) than PR consultancies (27%)

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

Base: All members

Benchmarking

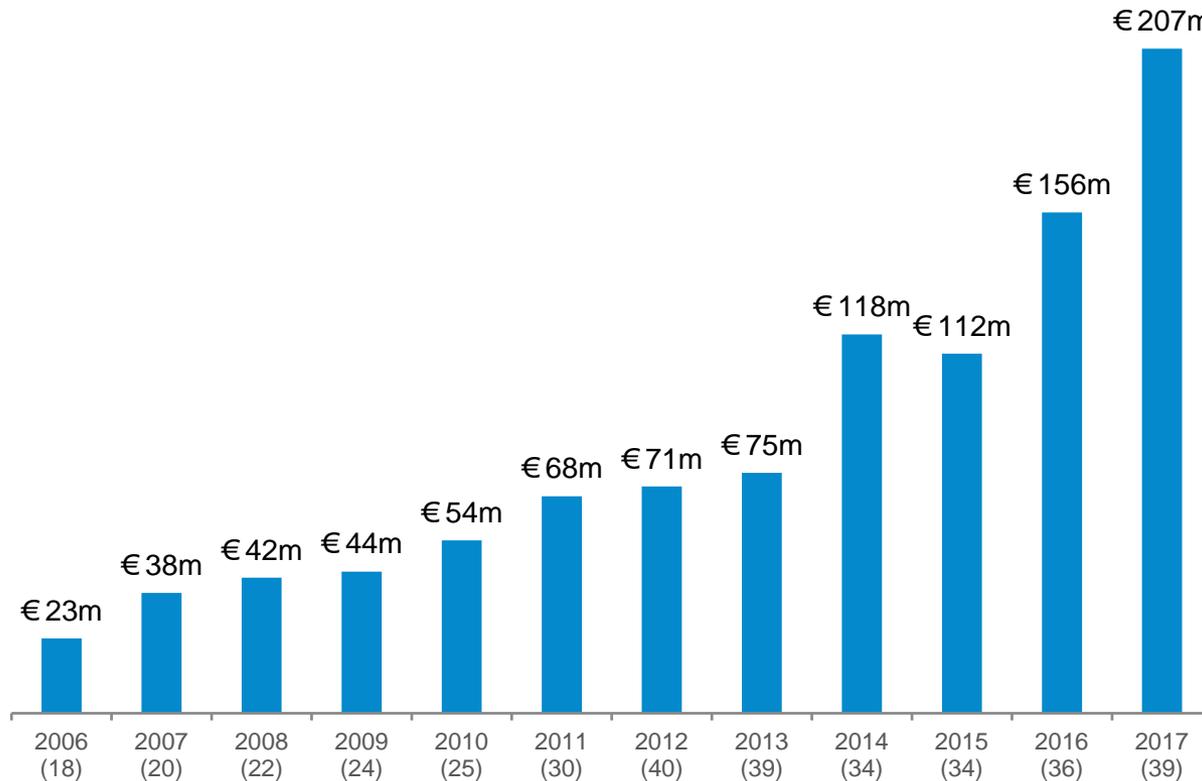
Benchmarking

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, 43 of the 81 participating member companies answered benchmarking questions in 2018, including 39 who supplied financial figures

Overall income



In the 2018 survey, the **total value of measurement and insights business undertaken** by AMEC members participating in the benchmarking section of the survey stands at €207 million – by far the highest figure yet recorded since the survey data was first assembled in 2006

Reporting is based on the calendar year prior to the research, so for the current study, figures are for 2017

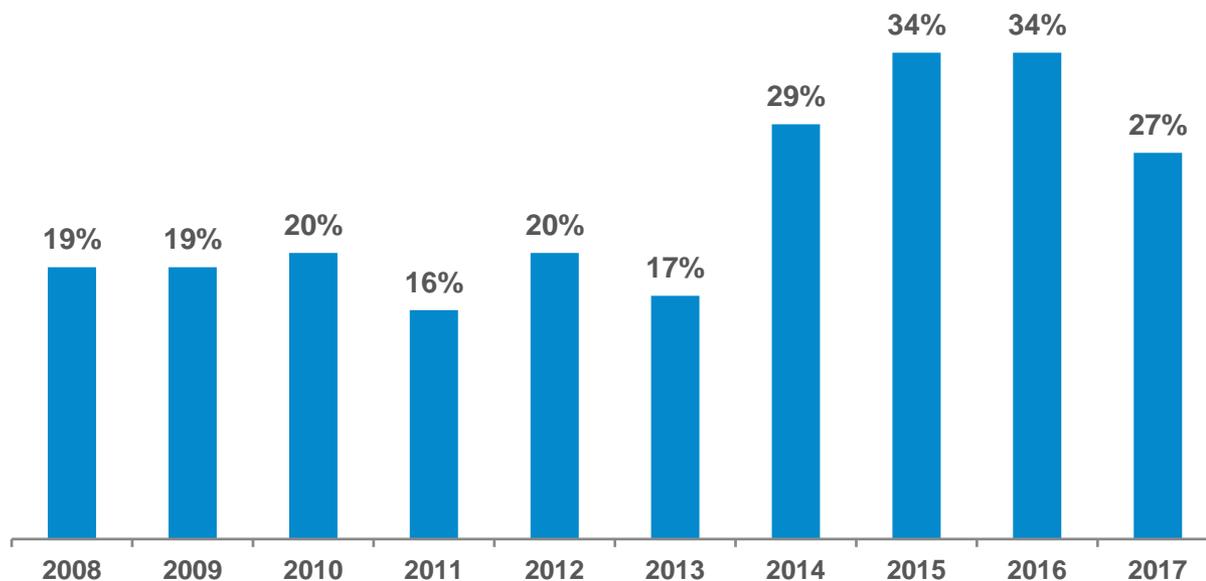
The figures we report here are determined by the make up of the set of members submitting figures each year, and do not represent any kind of estimate of the overall value of the industry as a whole. A total of 39 out of 81 members submitted business income figures for 2017.

Q Please write in below the total value of all measurement and insights business undertaken by your organisation, in the year ending 31 December 2017
 (Figures in brackets = number of members reporting)

Base: All answering

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 2017

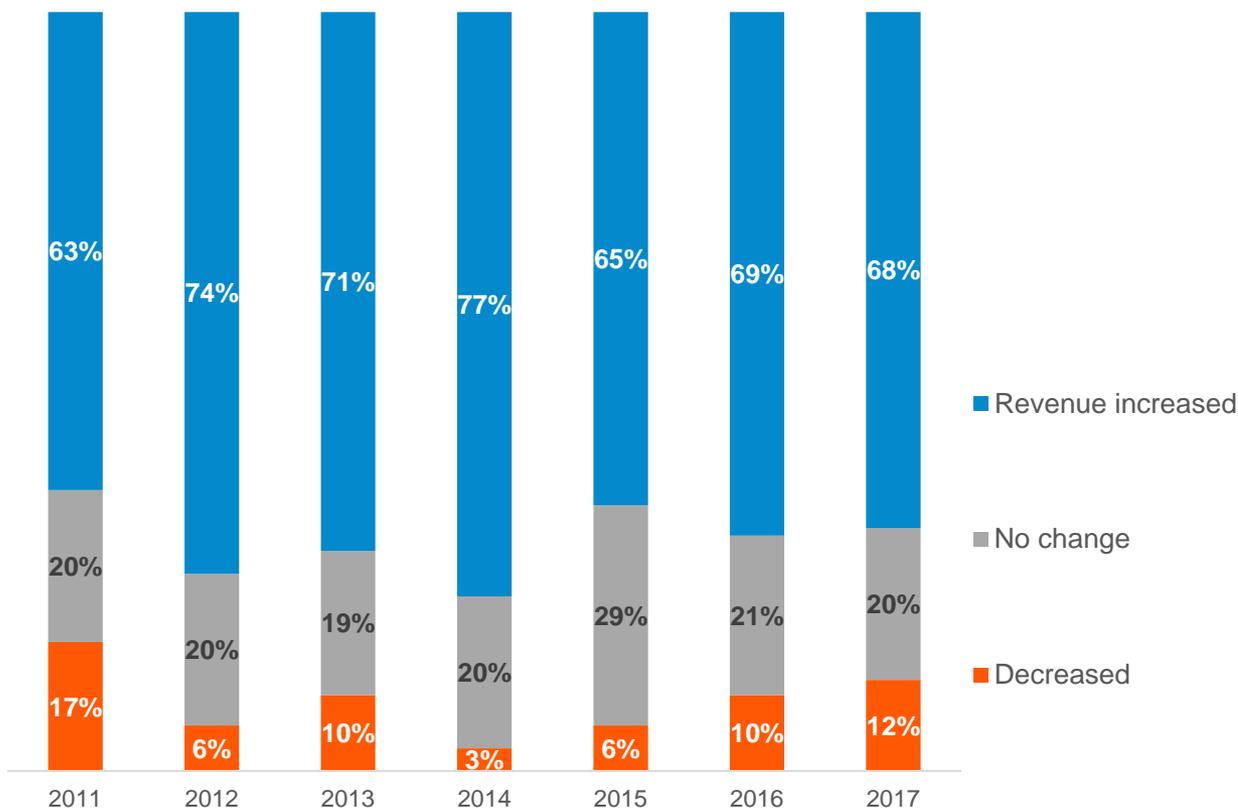
This chart shows the proportion of **ad hoc work** reported each year since 2008. From 2008 to 2013, the split was broadly similar, with around 80% accounted for by continuous work and the remainder by ad hoc work.

This started to change in 2014, and by 2015 the proportion of ad hoc work had risen to 34%. However, after remaining at 34% in 2016, the figure has declined to 27% for 2017

Q Please indicate the percentage of all measurement and insights business undertaken in 2017 as ad hoc work

Base: All answering

Revenue growth



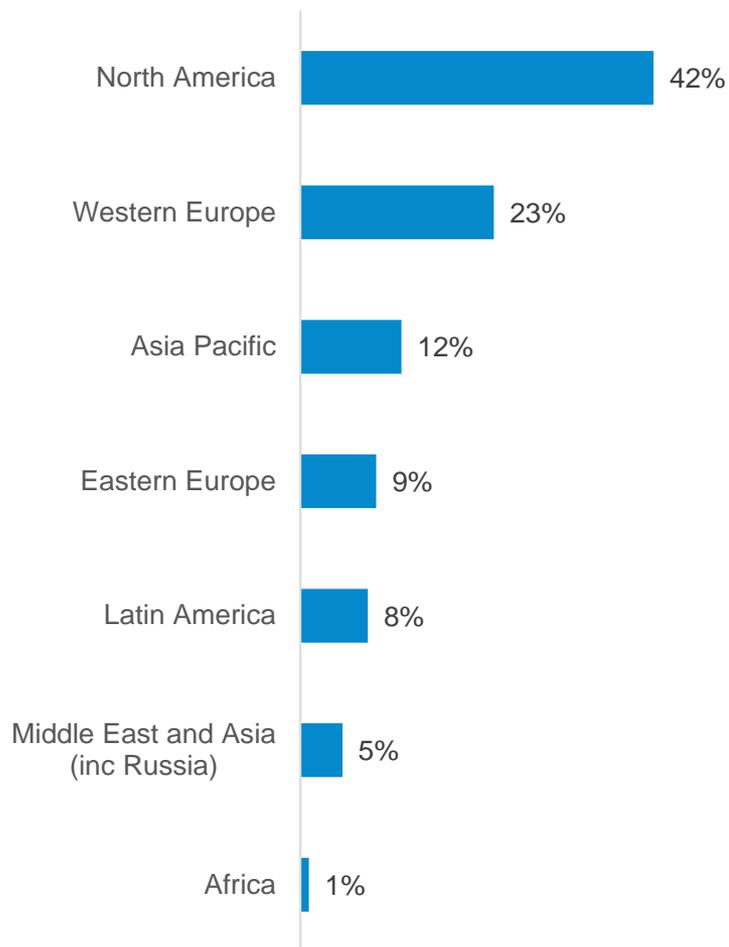
Most members (68%) completing the benchmarking questions say their **total revenue increased in 2017**, while 12% report a decrease in revenues during the 12 month period, and 20% report no change

The overall pattern of revenue growth for two-thirds or more of the industry has been repeated every year since 2011 when the question was first asked

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 2016, including all sites

In total, the 43 AMEC members answering the question, employed 2,816 full-time equivalent payroll employees at December 31st 2017

When each member providing data is allocated to a region on the basis of where they do the most amount of work*, 42% are based in North America, 23% in Western Europe and 12% in Asia Pacific

*Note: these are estimates inferred from answers to regional questions, not precise figures

Q Please indicate the number of full-time equivalent payroll employees working on measurement business in your organisation, as at 31 December 2017
 Base: All answering

THANK YOU FOR TAKING PART

For more information, please contact:
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