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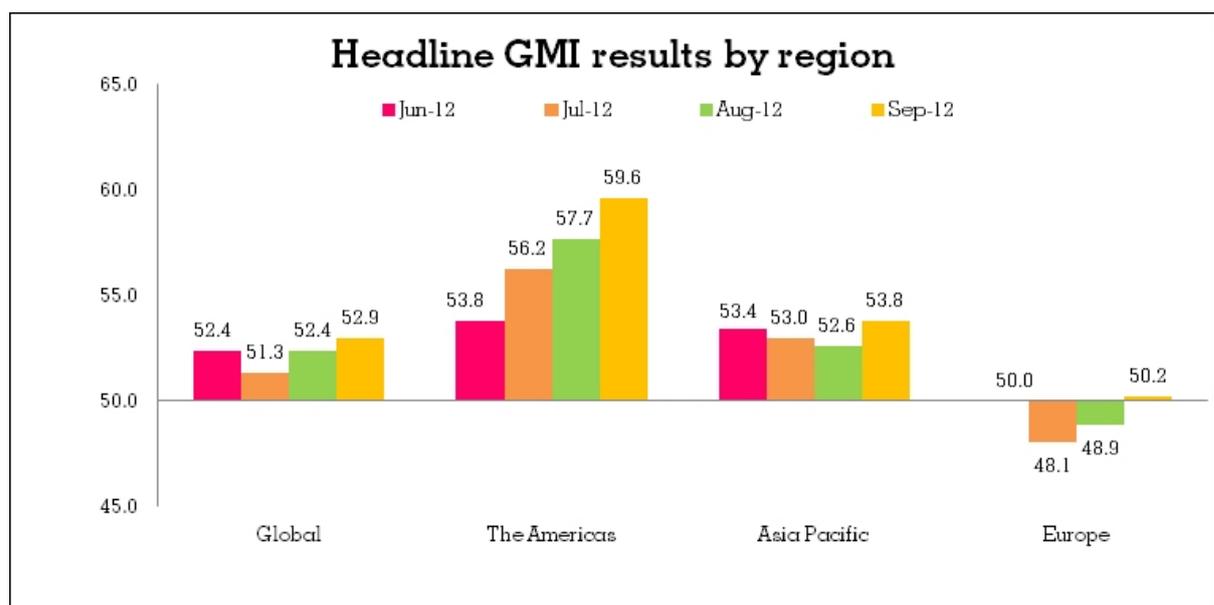
## Global Marketing Index registers increase

- Global marketing index rises for second month in a row
- Trading conditions improve significantly in the Americas
- Marketing budgets continue to fall in Europe

London, 24 September 2012

WarC's latest **Global Marketing Index (GMI)** has registered an increase in all regions for September 2012.

Headline GMI, a metric which combines monthly responses from a global panel of marketers regarding trends they have observed in marketing budgets, trading conditions and staffing levels, rose from 52.4 in August to 52.9.



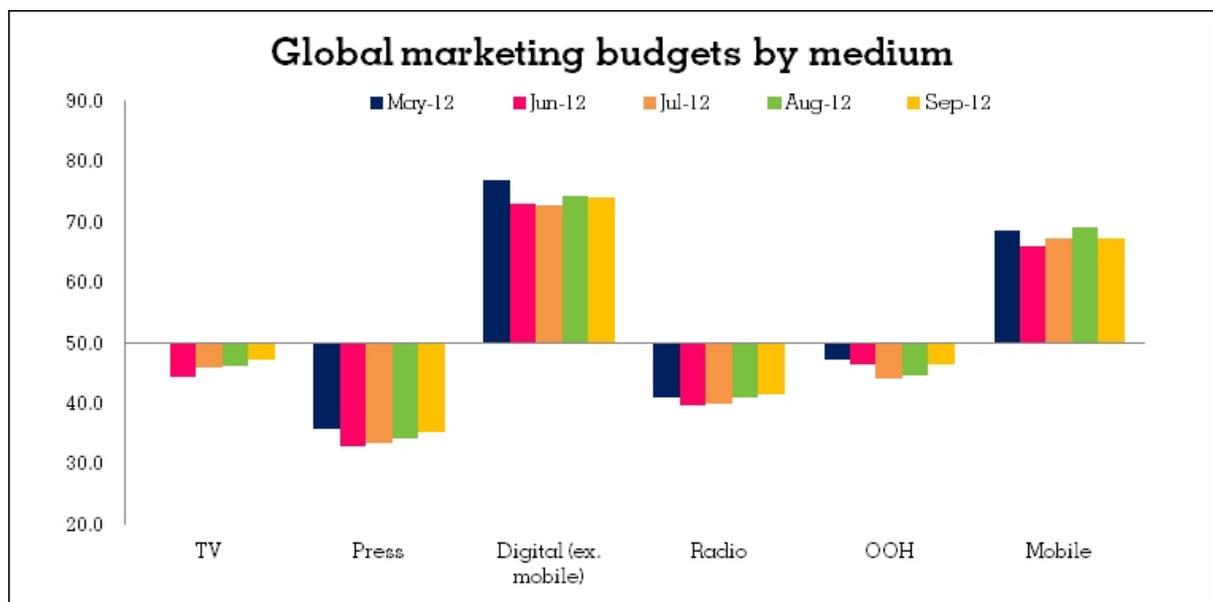
*Above 50.0 = generally improving; below 50.0 = generally declining  
Combines data for trading conditions, marketing budgets and staffing*

All regions registered gains: the Americas was up 1.9 points from August to reach 59.6 in September– its most positive headline GMI result since April. Asia Pacific registered a slightly smaller rise, recording a reading of 53.8 (+1.2 points), while Europe reached 50.2 (+1.3 points). This is the region's first net positive headline GMI reading since May.

The GMI, launched in October 2011, provides a unique monthly indicator of the state of the global marketing industry, by tracking current conditions among marketers. A GMI reading of 50 indicates no change, and a reading of over 60 indicates rapid growth.

There were mixed signals from the three individual components that contribute towards the headline GMI metric.

Global marketing budgets, the first of these components, were reduced again in September. The monthly index recorded a reading of 48.0, up 1.9 points from August but below the 50.0 level indicating no net change to budgets. Only the Americas signalled an expansion of marketing budgets this month, registering a value of 53.5, unchanged from August. Meanwhile, Asia-Pacific recorded 49.1 (up +3.1 points), while the European index rose to 44.8 (+3.9). According to the GMI figures, marketing budgets have been in net negative territory globally for four consecutive months.



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In terms of the proportion of marketing budgets allocated to individual media channels, trends for September remained broadly consistent with those of previous months: continued declines in traditional media budgets were counterbalanced by positive results for digital and mobile.

The global reading for TV improved slightly for September, rising from 46.2 the month before to 47.2. The last time TV returned a reading above 50.0 was April's 51.6. Press continued to struggle relative to the other media channels, recording a reading of 35.3 this month.

By contrast, online ad channels continued to show very high rates of growth. Digital ads excluding mobile recorded an index reading of 74.0 globally in September (-0.4 from August). Mobile returned 67.2, a slightly sharper (-2.0 points) monthly decline.

The other two components of headline GMI – trading conditions and staffing levels – recorded mixed results. Trading conditions improved across the board in September, with the global reading registering a small gain, rising from 54.4 in August to 54.7. But staffing levels declined slightly in September, falling globally from 56.6 to 56.1.



Warc is recruiting for the Global Marketing Index panel. Please refer colleagues and contacts to: <http://www.warc.com/gmi>

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**Editors' Notes:**

**About the Index**

The Global Marketing Index provides a unique monthly indicator of the state of the global marketing industry, by tracking current conditions among marketers. Our global panel (1,225 members) consists of experienced executives working for brand owners, media owners, creative and media agencies and other organisations serving the marketing industry. The panel has been carefully selected to reflect trends in the three main global regions: Americas, Asia Pacific and Europe.

**Methodology**

Data collection period: 3–14 September 2012. The Global Marketing Index results are calculated by taking the percentage of respondents that report that the activity has risen ("Increasing") and adding it to one-half of the percentage that report the activity has not changed ("Unchanged"). Using half of the "Unchanged" percentage effectively measures the bias toward a positive (above 50 points) or negative (below 50 points) index. As an example of calculating a diffusion index, if the response is 40% "Increasing," 40% "Unchanged," and 20% "Reducing," the Diffusion Index would be 60 points ( $40\% + [0.50 \times 40\%]$ ). A value of 50 indicates "no change" from the previous month.

The more distant the index is from the amount that would indicate "no change" (50 points), the greater the rate of change indicated. Therefore, an index value of 58 indicates a faster rate of increase than an index value of 53, and an index value of 40 indicates a faster rate of decrease than an index value of 45. A value of 100 indicates all respondents are reporting increased activity while 0 indicates that all respondents report decreased activity.

**About Warc**

Warc is the global provider of ideas and evidence to marketing people. It has produced trusted and independent data on advertising expenditure and media costs for more than 25 years, and has partnerships with leading advertising organisations in more than 80 countries. Warc's premium online service, [www.warc.com](http://www.warc.com), is the largest single source of intelligence for the marketing, advertising and media communities worldwide.



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