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for marketing people

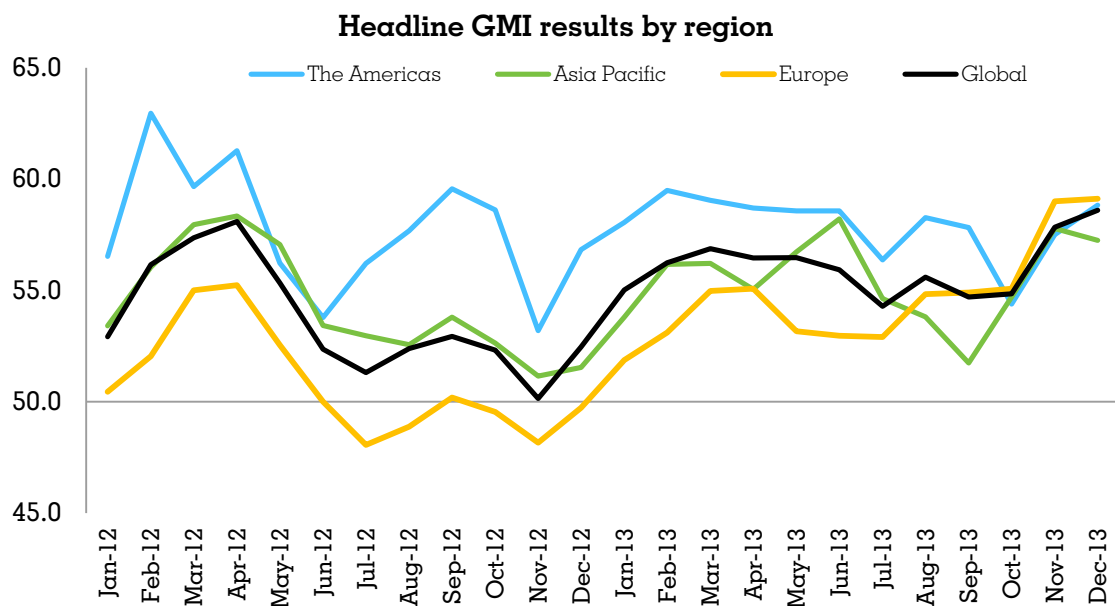
Global optimism among marketers remains high

- Headline GMI rises 0.8 points, reflecting stable conditions in all regions
- Index of global marketing budgets rises to highest ever value, suggesting widespread uplift in planned spend

London, 19 December 2013

In December, the business outlook for marketers around the world remained positive, according to Warc's latest **Global Marketing Index**.

The global headline GMI – which takes into account marketers' expectations for trading conditions, marketing budgets and staffing levels – increased by 0.8 points to 58.6 in December. For the second consecutive month, this represents the highest index reading since the survey began in October 2011.

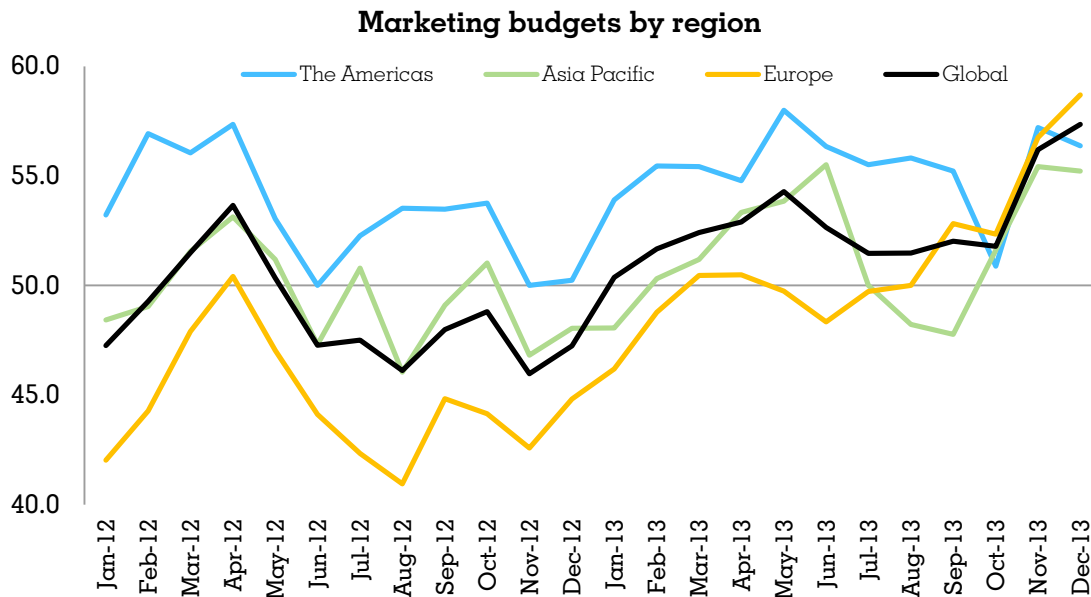


*Above 50.0 = generally improving; below 50.0 = generally declining
Combines data for trading conditions, marketing budgets and staffing.*

The headline figure was boosted by growing confidence in the Americas, where the headline index rose to 58.8 (up 1.3 points). Europe maintained its highest ever headline index this month, on 59.1 (up 0.1 points). The same index for Asia Pacific dipped very slightly in December (down 0.6 points) but continues to indicate positive conditions on 57.2.

The GMI is a unique indicator of the state of the global marketing industry. Every month it tracks conditions among marketers within their organisation and region. A reading of 50 indicates no change, and above 60 indicates rapid growth.

Within the headline GMI, the outlook for global trading conditions is encouraging and indicates rapid improvement on 62.7. Optimism is highest in Europe, which reported a 63.0 value in December. The sharpest monthly increase was for the Americas (up 4.2 points to 62.3), while Asia Pacific saw no change in perceived trading conditions on 61.7.



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The global index of marketing budgets recorded its highest ever value on 57.3 (+1.1 points). Results suggest more European marketers are increasing budgeted spend than at any other time in the last two years (58.7). Planned marketing budgets are also rising consistently in both the Americas (56.4) and Asia Pacific (55.2).

The third and final component of the headline GMI – the index of staffing levels – stood at 55.8 globally in December, a dip of 0.6 points. Employment levels are rising most rapidly in the Americas (57.8), followed by Europe (55.6) and Asia Pacific (54.8).

Suzy Young, Data and Journals Director at Warc, said: "The latest GMI data are broadly consistent with last month and indicate improving business conditions for global marketers. It will be interesting to see if the headline GMI remains stable in the first few months of 2014 as we enter the post-holiday season and the US debt ceiling returns to the fore."

Warc is recruiting for the Global Marketing Index panel. For more details, please visit: <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: 2–13 December 2013. 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, is the largest single source of intelligence for the marketing, advertising and media communities worldwide.

About World Economics

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