

# The Impact of COVID-19 on Marketing Budgets 2020 in Finland

08.04.2020

# Who we surveyed

- **N= 190**, focus on CMO's and other marketing decision makers.
- The survey was conducted between **April 3rd and 7th** 2020, by IAB, ASML and Avaus
- In some questions we have used as a reference The CMO 2020 Survey, conducted in 10/2019 by IAB Finland and Avaus (76 respondents)

---

## ROLE

Marketing Director / Manager	34 %
Sales Director / Manager	19 %
CEO	7 %
Head of Communications	4 %
CIO (Chief Information Officer)	2 %
CDO (Chief Digital Officer)	11 %
CCO (Chief Content Officer)	2 %
Other	30 %

---

## CUSTOMER TARGETGROUP

B2C	42 %
B2B	16 %
B2C and B2B - sekä kuluttajat että yritykset	41 %
DtoC	2 %

---

---

## E-COMMERCE

No	25 %
Yes	75 %

---

---

## IF YES

Average share of revenue 27 %

---

---

## COMPANY'S NET REVENUE 2019

Less than 2 M€	1 %
2-9 M€	13 %
10-49 M€	16 %
50-99 M€	4 %
100-499 M€	24 %
500-999 M€	7 %
+ 500 M€	35 %

---

# Breakdown of Respondents

---

## RESPONDENTS BY ADVERTISING CATEGORY

Media & Entertainment	21 %
Retail	19 %
Finance	16 %
Manufacturing	4 %
Public services	1 %
Telecommunication	8 %
Business Services	2 %
Construction / Real Estate	3 %
Travel & Tourism	5 %
Logistics	4 %
Health / Healthcare	4 %
Marketing / Advertising	1 %
Other	14 %

---

*Keep in mind that research findings does not represent all Finnish companies!*

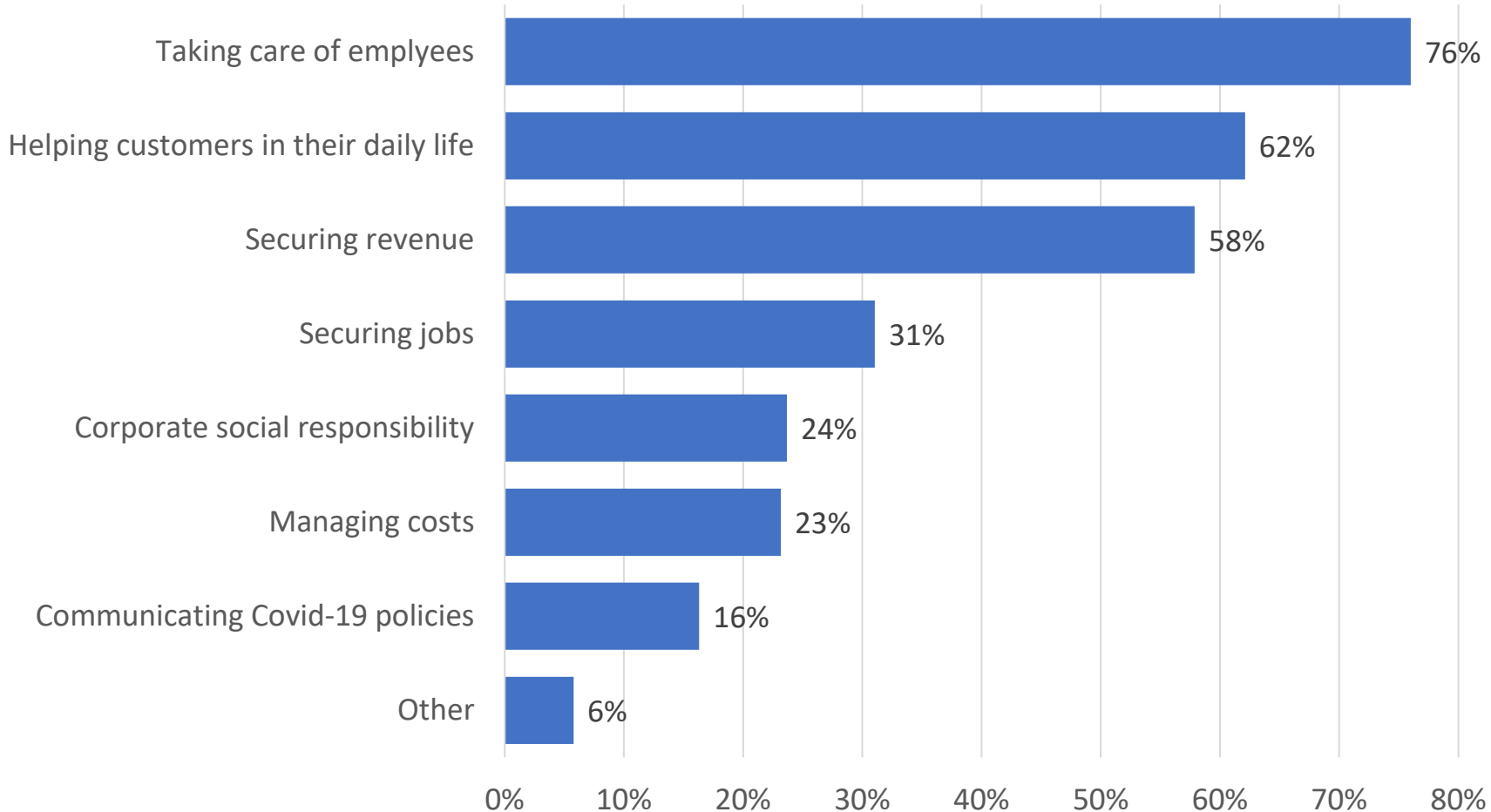
---

## OTHER CATEGORIES INCLUDE

Associations  
Education  
Energy  
Gaming  
Restaurants  
Politics, Organizations or Public services

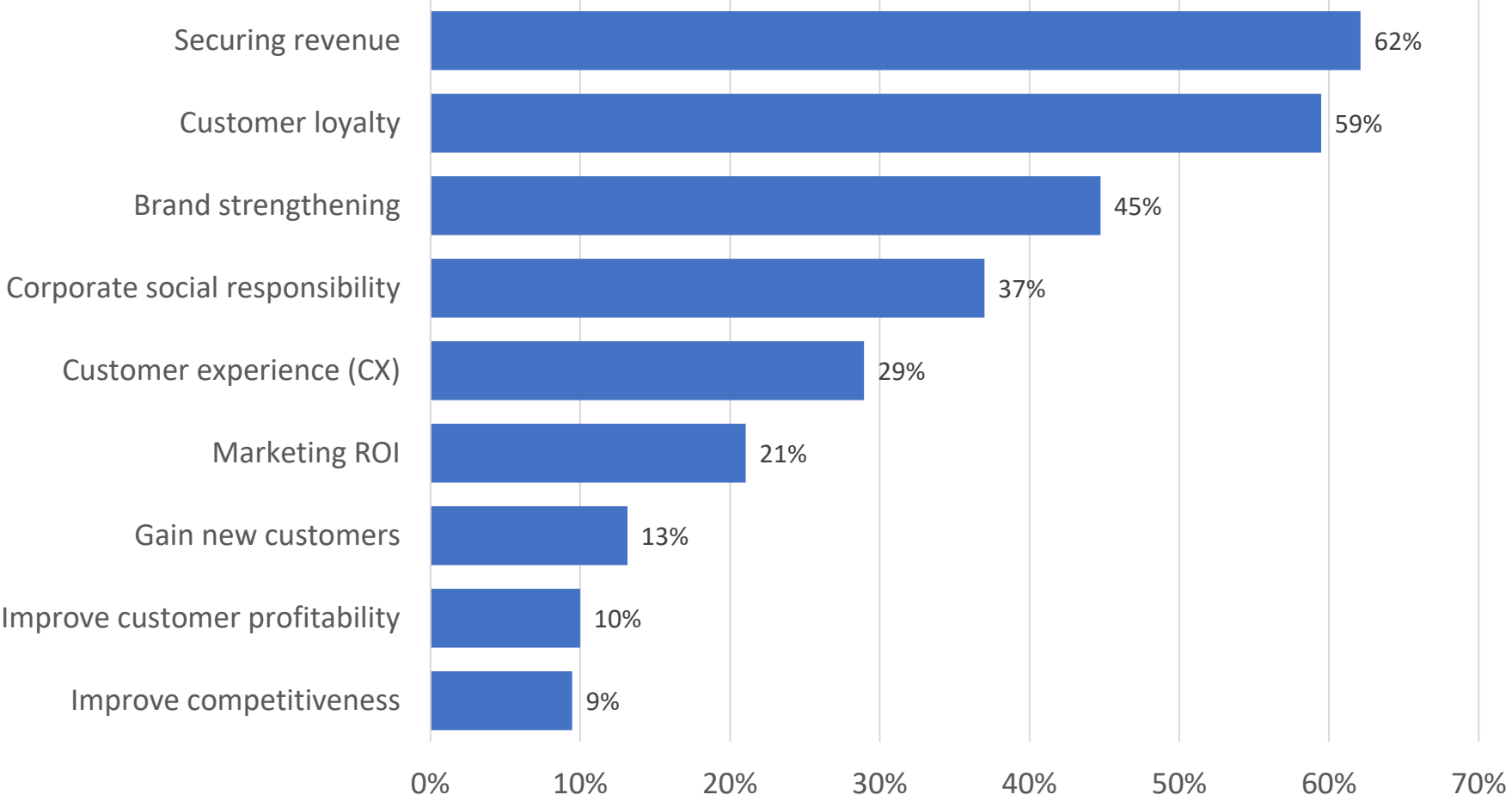
---

# Company's TOP3 priorities during COVID19-crisis



*No big surprises – employees, helping customers and revenue securing are TOP priorities at the moment.*

# TOP3 priorities for marketing during COVID19-crisis



*Marketing focuses on securing revenues and keeping current customers.*

*CSR, CX and brand strengthening also important.*

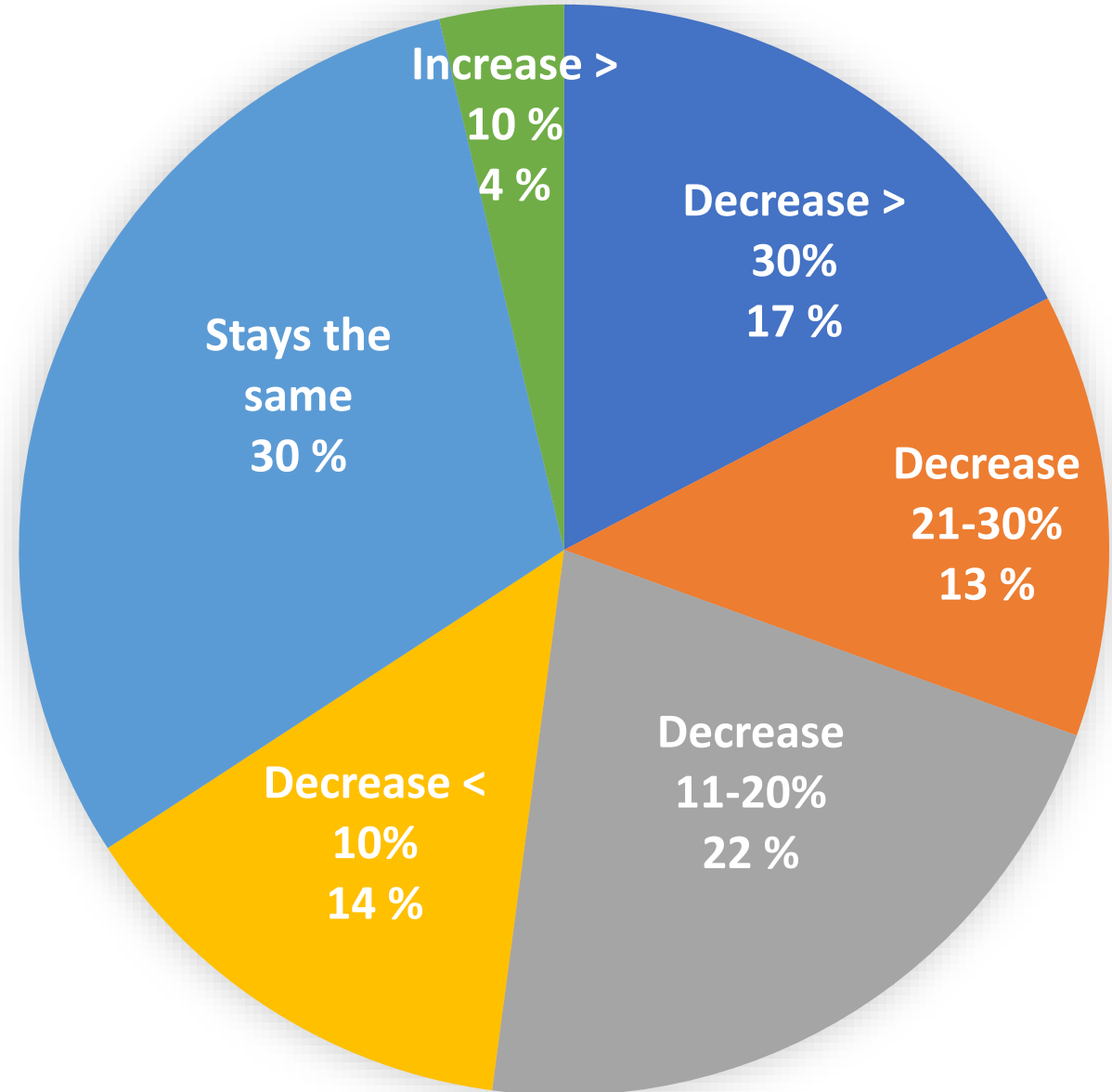
# Marketing Budgets

- against original 2020 plan

## The Media Advertising Expenditure in Finland 2019

1 259 M€ (+ 1,2 % vs PY)

Research results forecast **about** 10-15 % decline to 2020 Media Advertising Expenditure (?)



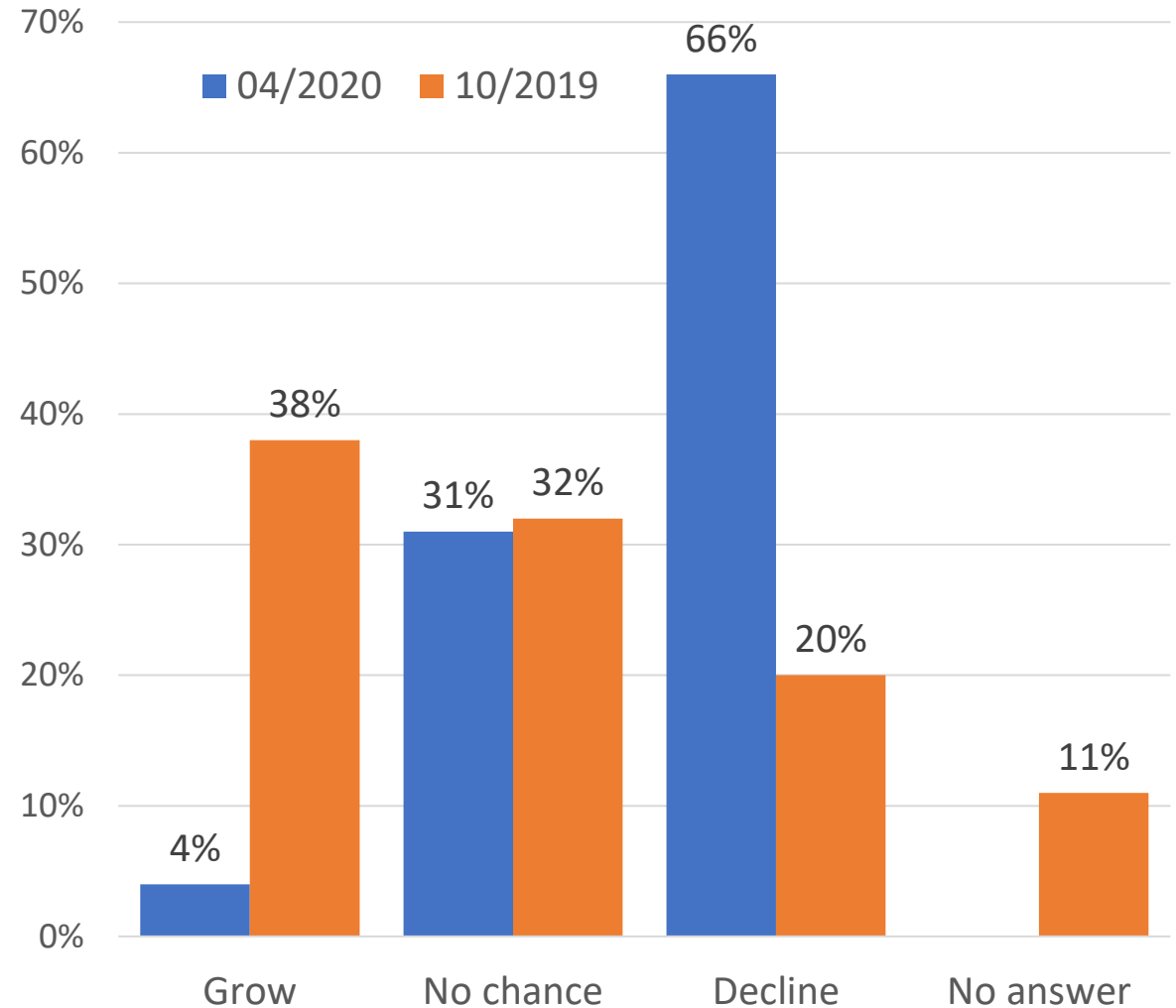
# Marketing Budgets

## - against original 2020 plan

### The Media Advertising Expenditure in Finland 2019

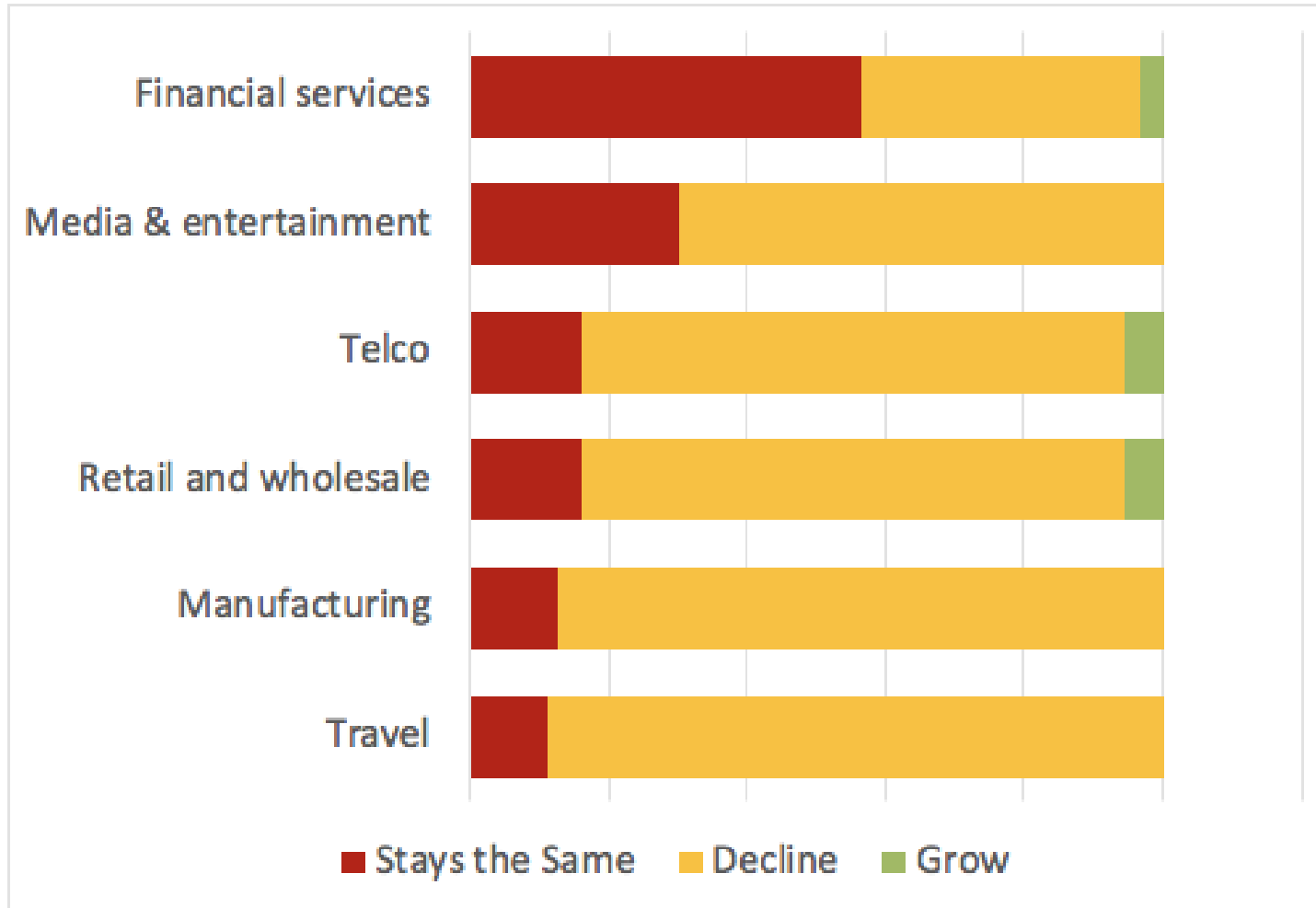
1 259 M€ (+ 1,2 % vs PY)

Research results forecast about 10-15 % decline to 2020 Media Advertising Expenditure (?)



# Marketing Budgets

- against original 2020 plan



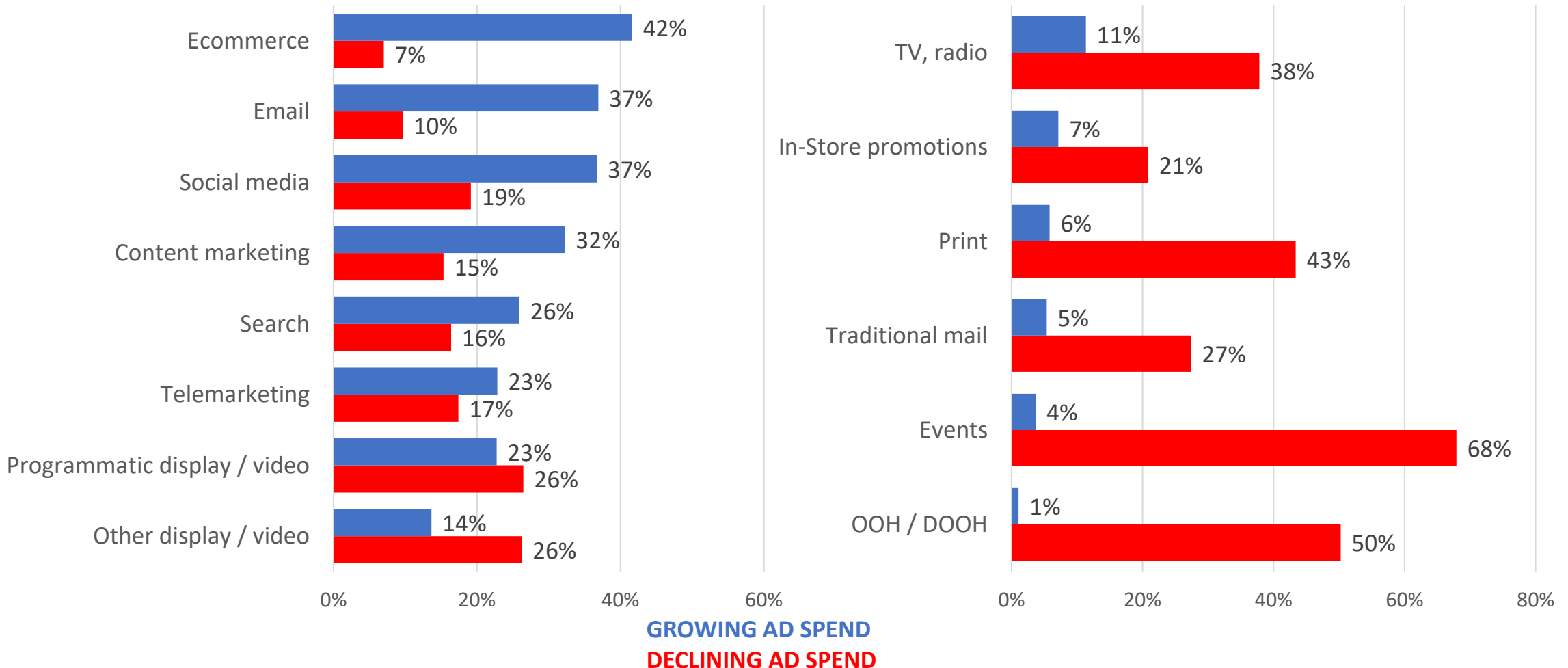
*Financial Services seems to survive with smallest budget cuts.*

*Tough times especially for Travel Manufacturing and Retail.*

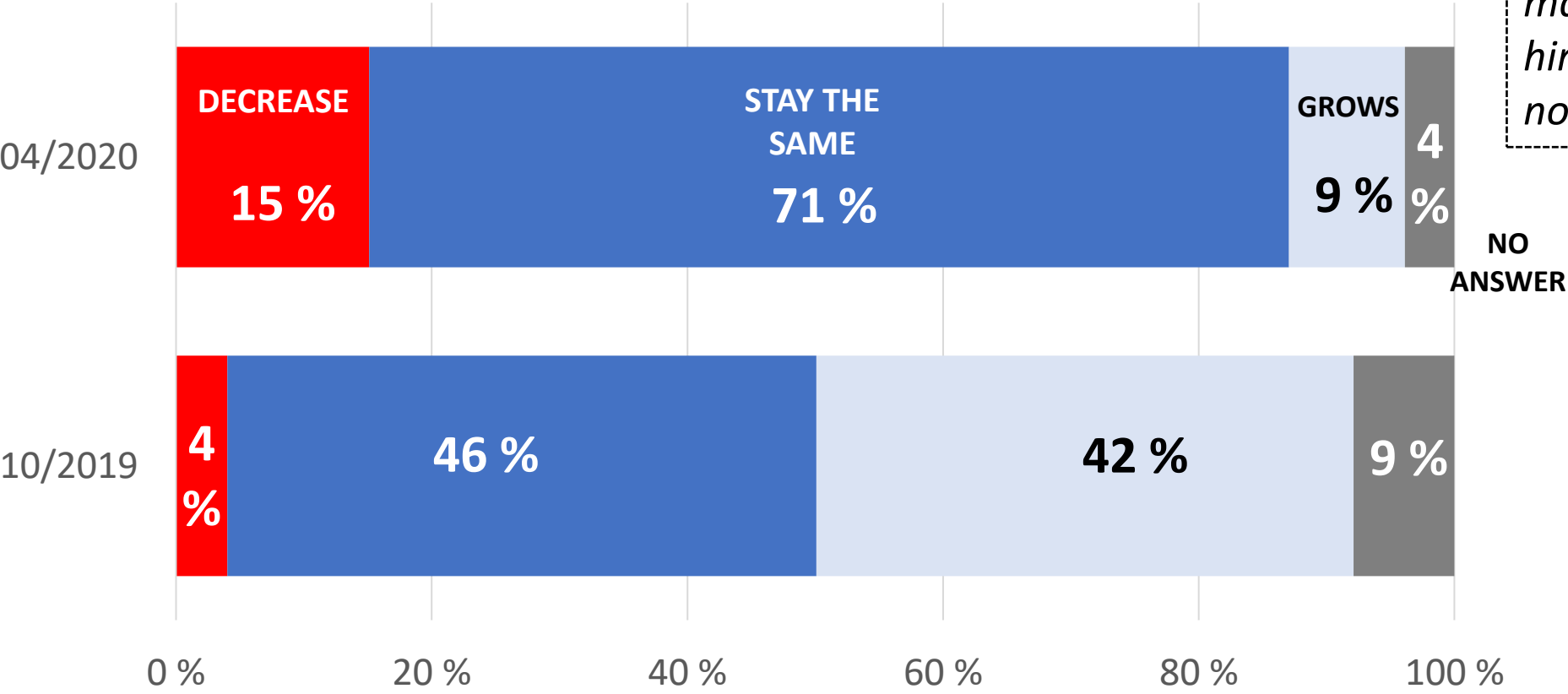


# Ad Spend Impact by Channel due to COVID19

*Own medias, social media, search and content marketing might be relative winners, but it's too early to forecast revenue growth even to these channels.*



# Marketing Headcount 2020



*Few companies are still planning to marketing headcount, hire-freezes are the norm*

# Executive summary

- The COVID-19 has hit the economy and marketers by full force by early April 2020 leading to downsizing and restructuring on budgets.
- The key takeaways from our COVID-19 CMO Survey:
  - Almost two third of all companies are slashing budgets. The average savings are 15-30%
  - Verticals are affected unevenly. Financial services have relatively small savings pressures, manufacturing and travel have major.
  - Retention and ensuring loyalty of existing customers have become the paramount objective for marketers, aggressive customer acquisition activities are put on hold.
  - Ecommerce ramp up and support is the main area of activity as other channels are unavailable.
  - Customer data leverage follows suite and tactical activities are executed in addressable own channels with email and telesales, supported by search, social and content.

**THANKS & BE SAFE**