



# Community Uninterrupted

## COVID-19 Impact on Digital Investment:

2020 Buy-side Barometer Survey Wave #1

March 15-30, 2020

# First in a series of bimonthly buy-side snapshots

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## What we wanted to learn from our Agency and Marketer members...

As the COVID-19 crisis continues, many members are increasingly looking to IAB Canada to provide a barometer on how digital media investments are being impacted, both those currently in play and plans for the next 3-6 months.

To help generate some broad 'estimated impact' indicators, we have completed this first 2-minute survey of community members at IAB Canada agencies and marketers, to get a quick pulse (or best guesses) on how COVID-19 is impacting their digital media activity.

# Agencies and Marketers Invited to Respond

**In-Market for first weeks of COVID-19 crisis - March 17-23, 2020**

Variety of categories represented by respondents including:

- Automotive
- CPG
- Financial services
- Media/Entertainment
- Retail Travel
- Real Estate
- B2B professional services
- Governmental
- Pharma/Healthcare
- NGO
- Fashion/Apparel

*Note: Findings should be interpreted broadly/directionally.*

# Blue Ribbon Buy-Side Panel

## Enhanced Credibility

- Promote reliable interpretation of survey findings by IAB Canada, that reflect in broad terms what is *actually* happening in our business;
- Identify and notify IAB Canada of any 'potentially misleading' impressions by some survey respondents to assist responsible reporting.

### The Panel<sup>1</sup>

Devon MacDonald - CEO, Mindshare Canada

Gah-Yee Won - Director, Global Media & Marketing Science, Scotiabank\*

Joanne Crump, V.P., Media Services Director, Active International\*\*

Karel Wegert - Executive Vice-President, Media Experts IPG

Sean Dixon - Managing Director, Marketing Science, Omnicom Media Group\*\*\*

Alexandra Panousis - CEO of Carat Canada

Stuart Garvie - CEO at GroupM Canada

Tracy Ball - Manager, Programmatic Marketing, The Home Depot Canada

\* IAB Board member and Co-chair, Marketer Council

\*\* Member, Agency Council

\*\*\* Co-chair, Agency Council

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1. 80% of panel members provided input

# Study Highlights

## Powerful Digital Leadership

*"It comes as no surprise that clients are proceeding with varying degrees of caution; rightfully so. This is new territory for everyone - the environment is changing rapidly. Consumers are anxious, they're behaving differently, their normal routines have been disrupted, and new information & government sanctions are coming into play daily".*

Joanne Crump - V.P., Media Services Director, Active International

# Q1: Have your digital media budgets been impacted by COVID-19?

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## 90% of Media Budgets Affected

### Sample Response:

Just over 90% said their digital media budgets have been affected;

- only 17% responded all spend was paused
- Over 80% still spending

### Panel Input:

Generally Concurs - spends reduced, majority have not fully paused spend

*Note: Findings should be interpreted broadly/directionally.*



## Q2: How often are reviewing strategy for major modifications?

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### High Frequency Check-ins with Advertisers

#### Sample Response:

Over 80% are reviewing their strategy with their team daily or more often

#### Panel Input:

Generally Concurs – daily or more often

*Note: Findings should be interpreted broadly/directionally.*

# Q3: Anticipating spend increases/decreases by channel/tactic?

## Sample Response:

Of the +80% buy-siders still spending (no pauses), cuts are expected to be made across all paid digital marketing tactics.

## Panel Input:

Generally concurs, cuts already happening across the board

*"Pivot and revise media mix to shift to where your audience is consuming content while being sensitive to your consumers true needs and the situation at large. The brands that will emerge as winners will be those who are seen as genuinely helpful, human, and true to their brand values."*

Joanne Crump - V.P., Media Services Director, Active

*Note: Findings should be interpreted broadly/directionally.*



# Q3: Anticipating spend increases/decreases by channel/tactic?

## Sample Response:

Of the +80% buy-siders still spending (no pauses), cuts are expected to be made across all paid digital marketing tactics.

### Less affected

#### Paid Search

60% expect reduction, of whom...

Two-thirds anticipate a decrease of 20%+

Rest (40%) anticipate no change or increase.

### More affected

#### Display, Online Video, Paid Social

70-80% expect reduction, of whom...

Majority anticipate a 20% or greater decrease

-half: 'site-direct display,

-two-thirds: programmatic display

-three-quarters: video, paid social

Rest (20-30%) anticipate no change or increase.

*Note: Findings should be interpreted broadly/directionally.*

# Q3: Anticipating spend increases/decreases by channel/tactic?

## Panel Input:

Generally concurs SEM less affected or unchanged.

## Panel Input:

Generally concurs, higher reductions for the other formats

### Less affected

#### Paid Search

60% expect reduction, of whom...

Two-thirds anticipate a decrease of 20%+

Rest (40%) anticipate no change or increase.

### More affected

#### Display, Online Video, Paid Social

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# Survey #2 Deploys this Week

Powerful Digital Leadership

*"Canadians expect brands to support our most vulnerable communities. As such, advertising will start to evolve in the coming days as brands balance building their brands with ensuring society is being served in a positive way".*

Devon MacDonald, CEO, Mindshare Canada

# Summary of Findings

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- It's a live situation – daily budget reviews if not more often
- 90% said their digital media budgets have been affected
- Over 80% responded that spend continues
- 60% expect reductions in search – 2/3 more than 20%
- 70-80% expect reduction in Display, Online Video, Paid Social

# Survey Enhancements

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## Panel Suggestions

- Distinguish between shifting of campaign dates vs pauses, total cancelation
- Impact on global platforms vs domestic publishers
- What is driving these actions?
  - ... reassessing creative/messaging, shifts of budget into non-digital media, cashflow concerns, budgets redirected to other areas of the business, assessing/reacting to consumer trends/media consumption, etc
- When do you anticipate brand/client returning to paid media (other than search)?
- ... next 4 weeks? 8 weeks? 12+ weeks?
- ... distinguish between brands with / without eCommerce capabilities

## *Other Suggestions ?*

**Email: [SRosenblum@iabcanada.com](mailto:SRosenblum@iabcanada.com)**

# Thank you for supporting IAB Canada

Powerful Digital Leadership