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for marketing people

## Global marketers remain upbeat in October

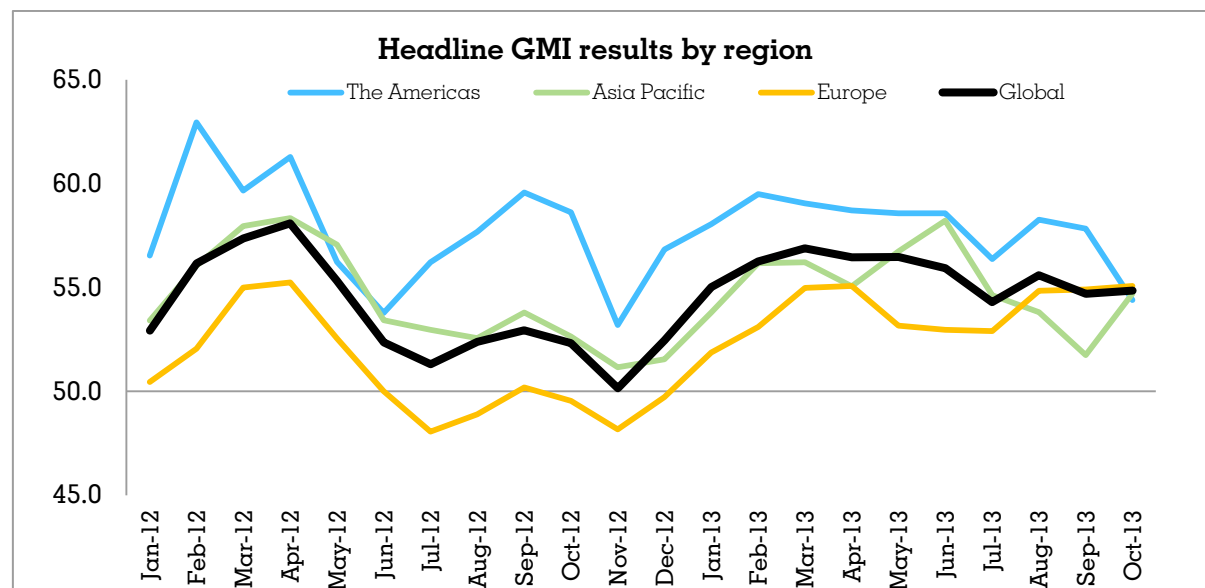
- **Headline GMI remains stable, up by just 0.1 points on last month**
- **Marketing budgets in Asia Pacific rise for the first time since June**
- **Trading conditions improve in Asia Pacific and Europe but weaken in the Americas**

London, 24 October 2013

Confidence among global marketers remains steady overall, despite recent economic uncertainty in the US, data from **Warc's Global Marketing Index** show.

The global headline GMI measure – which takes into account marketers' expectations for marketing budgets, trading conditions and staffing levels – recorded a value of 54.8 in October, almost level with September's value of 54.7.

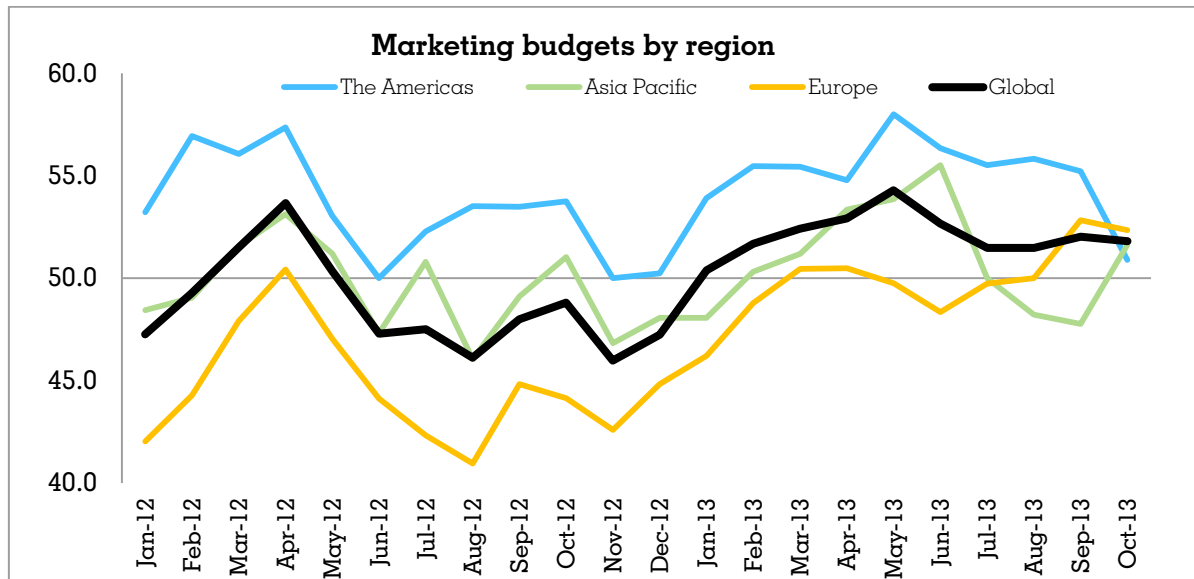
Improvement in the headline GMI for Asia Pacific (up 3.0 points to 54.7) and Europe (up 0.2 points to 55.1) helped offset a drop for the Americas on this same measure (down 3.4 points to 54.4). This sudden dip can be chiefly attributed to the 16-day US government shutdown and uncertainty surrounding the US debt ceiling.



*Above 50.0 = generally improving; below 50.0 = generally declining*

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 index of marketing budgets recorded a global reading of 51.8 in October, slightly down from last month's value of 52.0. Marketers in Europe were most positive, registering 52.3, slightly ahead of the global trend. Data for Asia Pacific suggests growing confidence as budgets returned to growth with a reading of 51.6 following a three month period of zero growth or decline. By contrast, marketers in the Americas recorded a 4.3 drop on this same index, although budgets continue to show nominal growth on 50.9.



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

The global index of trading conditions, the second component of the headline GMI, rose 2.2 points to 57.8 in October, its highest reading since June. The outlook for trading conditions is most optimistic in Europe on 59.4 (up 3.8 points). It also represents the region's highest index value since April 2012. Asia Pacific also shows significantly improving conditions with a value of 58.5 (up 6.2 points). American marketers recorded a dip of 6.0 points in October, although conditions remain favourable on 54.4.

The third and final component of the headline GMI – the index of staffing levels – registered a reading of 54.9 globally this month. The index continues to show increases in hiring, despite falling back for a second consecutive month.

Suzy Young, Data and Journals Director at Warc, said: "The latest data are encouraging for the global marketing industry – particularly for Europe and Asia Pacific. I would expect the dip for the Americas to correct itself in next month's results."

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: 7–18 October 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](http://www.warc.com), is the largest single source of intelligence for the marketing, advertising and media communities worldwide.

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