

SEVENTH ANNUAL MARKETING-GAP STUDY

A GAP THAT MUST BE CLOSED

Marketers have no idea how consumers generally feel about and respond to promotions, says new research.

According to the seventh annual Marketing-GAP study, created by research company fast.MAP, marketers consistently over-estimate how consumers respond to a wide range of promotional marketing techniques.

This year, the Marketing-GAP study is being supported by the IPM and Royal Mail's Mail Media Centre, and extra questions about the impact of promotions have been added.

Annie Swift, chief executive of the IPM, says: "It's shocking that some marketers can get it so wrong: too many of them are wasting money on things that aren't working."

Just over a quarter (27%) of consumers say they have used a coupon posted through their door or given to them on the street. But 54% of marketers thought they would use one. Similarly, 18% of consumers say they have used a coupon or deal website like Groupon or LivingSocial, but 53% of marketers think they have.

And 69% of consumers say they regularly use money-off coupons (only 5% were right) while 72% said they have never tried to use a coupon for a product they were not buying -

Have you used any of these kinds of promotions in the last 12 months?	2011 What consumers said	2011 What marketers expected %
Reward or loyalty schemes (supermarkets, newspapers, collectables such as McDonald's)	57	72
Coupons printed from the internet i.e. from an e-mail or website	45	63
Price discounts	44	68
Sampling where you are given or send for a sample	44	64
A coupon from a pack that you have bought	44	68
A printed coupon you received through the post addressed to you	43	63
A printed coupon from a magazine or newspaper	39	66
Free prize draws where you enter for a chance to win	36	46
Prize promotions where you enter a competition to win	30	40
A printed coupon dropped through your door or given you in the street or elsewhere	27	54
A coupon website such as Groupon or Living Social	18	53
A gift with purchase or where you send away for a free gift	16	43
Events that you attend and may be given free or discounted product as well	12	36

Do you redeem coupons or vouchers i.e. money-off vouchers that you might get through the post or via email or through newspapers etc?	2011 consumers	2011 Marketers who got it right %	2010 consumers	2010 Marketers who got it right %
Occasionally	69	5	65	3
Regularly	19	17	21	22
Never	12	19	14	22

only 7% of marketers got that right.

Furthermore, of the 24% of consumer who 'occasionally' misuse coupons, 61% only tried to do so because the store was out of stock of the relevant product.

But where marketers are really getting it wrong seems to

be in social media, where they overestimated the consumer response by 200%.

A White Paper detailing the full findings of the Marketing-GAP study is available from the IPM, while a second White Paper, exploring ways in which the gap can be closed and marketing spend targeted at

those areas which do deliver cost-effective behaviour change, is being developed by Colin Harper, the IPM's head of insight.

For details of both Publications and how to obtain them, contact Annie Swift on 020 7291 7730 email Annie@theipm.org.uk.

Source: fast.MAP/ IPM 2011 Marketing-GAP Tracker

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