we are the
**dma**

House of Lords
Communications
Committee: The
advertising industry
inquiry

**Information about the DMA Group**

The DMA Group is comprised of the Direct Marketing Association (UK) Ltd (DMA) and the Institute of Direct and Digital Marketing (IDM)

The DMA is Europe's largest marketing and communications trade association, with more than 1,050 corporate members, and sits in the top 5% of UK trade associations by income.

The DMA represents both advertisers, those who market their products or services using data – channels including email, mobile, social media, advertising mail and inserts; and specialist suppliers of one-to-one marketing services to those advertisers such as advertising agencies and technology companies.

Please visit our website www.dma.org.uk for more information about us.

For 30 years the IDM has existed to support, encourage and improve marketing performance from individuals on the first steps of the career ladder, right to the very top. The IDM is the trusted training partner for hundreds of leading brands from over 30 countries and have trained over 100,000 delegates. Now, as part of the DMA Group, the IDM is the largest marketing association in Europe.

Every IDM programme is designed and delivered by practising marketers, who know what it takes to succeed at the job, and are dedicated to helping marketing professionals.

Leading the 'do' revolution, it is the IDM's mission to provide best-in-class training, qualifications, events, resources and membership services to meet the real-world needs of today's digital, direct and data marketers.

As a not-for-profit organisation, the IDM continuously reinvests profits back into Higher Education via initiatives such as the IDM Summer School and Creative Data Academy to help equip and inspire the next generation of marketing stars.

Please visit our website https://www.theidm.com/about-the-idm for more information about us.

**Skills and Research**

**1. What specific skills are required to support the advertising industry in the production and distribution of advertising? Witnesses are invited to address the different skills required for the creative, technical, accounts, business and analytical aspects of the industry.**

**Creative skills**: design and copywriting skills.

**Technical skills:** the ability to use technology in new and innovative ways to communicate with customers and prospects. Harnessing the capability of technologies such as machine learning, artificial intelligence, automation to improve marketing's effectiveness and efficiency.

**Business and accounts:** individuals with strong soft skills – communications, teamwork skills and good 'business'

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**Analytical skills:** biggest growth area and one with the most risk – huge increase in abilities and capabilities linked to data – understanding how to effectively use analytical software, ability to find patterns in data and understand what that means to the business.

Be able to use these patterns to tell a story that can be communicated to business colleagues.

Industry will need more technical and mathematical skills to write the algorithms that drive machine learning.

## 2. Is the current system of education and training for advertising adequate? What are the respective roles of universities and industry in teaching skills? What gaps exist in such provision of training?

A great deal more could be done to improve upon the current system. There is a lack of industry experience and awareness in universities. This can mean that course tutors are not aware of the latest industry developments and that students are not aware of potential careers in the marketing sector.

Careers in the marketing encompass a range of different roles from data science, customer service, data analytics, copywriters or artists. This great range of job specifications is a source of the strength for the industry. Careers information in this area should be enhanced.

There is a fine line between education and training as they work closely together. Universities deliver courses in specific areas. For example, marketing, communications computer science, programming and artificial intelligence. University departments should work together more to achieve the full picture and deliver courses to meet the requirements of the digital economy.  For example, computer science departments understand the capabilities of AI and should work with business schools to understand its possible applications in the economy.

As an awarding body the IDM sets a syllabus for universities and colleges to follow that it believes will enhance student employability – how to use key digital tools to run marketing campaigns – social media, email, search engine marketing.

The syllabus is checked and accreditation is given where the university meets the content requirements. University lecturers are supported to deliver the syllabus where necessary with reference materials and made members of the Institute to give them access to events and content.

Students can choose to take a professional qualification alongside their studies by taking an additional exam – IDM Certificate in Digital Marketing.

Keeps university teaching up to date in a rapidly changing business environment.

Gives students practical knowledge and an identifiable professional badge that will enhance their employability

Flags graduate abilities and interests to potential employers.

Around 200 students at 25 universities take an IDM qualification whilst at university every year.

However, IDM resources are relatively limited but this model could be replicated on a much larger scale provided there is the right level of investment and resources.

**3. Where should research money be allocated, and why? Are the current levels of investment sufficient? If not, which measures should be adopted to ensure this investment and why?**

Large scale research into the future skills required across the marketing and advertising sector would provide evidence for what changes could be made to the curriculum or identify gaps in current learning.

**International**

**5. To what extent is the UK advertising industry integrated with the global economy? For example, to what extent does advertising rely on services and talent based outside the UK?**

UK advertising is heavily integrated into the global economy and contributes a sizeable amount to UK exports. Statistics (ONS) attributed an annual export figure of some £4.3 billion to advertising services, or 3.5% of all exported UK services. This more than twice the amount as either accounting and auditing or recruitment.

UK advertising is a diverse sector that attracts many different people from all over the world. This is especially true in respect of London. The latest Advertising Pays report 'world class talent, world class advertising' demonstrates this, it found that more than half of new workers in advertising in London came from overseas. 37% came from within the EU, 14.7% from the USA and 11.5% from Australia[1].

**7. How could immigration policy better support the industry?**

The UK needs to be able to retain access to talent from abroad and maintain its position as a hub of global talent. The diversity of the workforce is one of its great strengths.

UK Country Manager & VP Marketing Solutions at LinkedIn, Josh Graff, said it best in the latest Ad Pays report: "We're a wonderfully diverse and international workforce that enables brands and their agencies to create campaigns which resonate across international, cultural and socio-economic boundaries."

UK immigration policy should support maintaining this position. However, equally important is nurturing UK talent and this is the priority of the DMA Group.

**Digital**

**11. How is the UK advertising industry adapting to the shift to digital media advertising? How does this compare with other countries and other industries? What role can the Government play to support the industry in this regard?**

The UK is at the forefront of marketing and advertising innovation but traditional formats are utilised alongside digital advertising. Digital advertising is under threat from proposed new EU laws. The ePrivacy Regulation restricts data processing for electronic channels, such as, email or online cookies to consent. This is more restrictive than the General Data Protection

Regulation. Relying on consent only for online cookies will mean falling revenues ads and this may mean online content suffers. For example, content on many currently free news websites may end up becoming paid for content. The plurality of the media will suffer as a result. The UK Government should do all it can to achieve a more balanced ePrivacy Regulation.

## 12. What is the future of television, print, radio, out of home and other forms of non-digital advertising?

The future for non-digital marketing is bright. For example, DMA research into door drops in 2016 showed that since 2015, spend has risen by almost £20 million from £246.6 million to £266.3 million, a 7% increase, despite a reduction in unit volume of 3%, from 5.934 billion to 5.735 billion. There are fewer door drops delivered per household than five years ago. This trend suggests a successful transition to more sophisticated targeting techniques and improved campaign planning[2].

Marketers use a combination of digital and non-digital marketing as they want to maximise the number of touchpoints with consumers and customers. All play a valuable role in the overall marketing mix.

## 14. Is there any role for the Advertising Standards Authority or other regulators in respect of digital advertising?

Regulation of digital marketing and advertising from a one-to-one marketing perspective is covered by the Information Commissioner's Office (ICO) as they are regulator responsible for implementation the GDPR and now the Data Protection Bill. They cover how organisations use personal data in digital marketing and advertising.

**Other information**

**Case study: Creative Data Academy (CDA)**

CDA is a drive to increase the number of young people seeking a career in marketing and data.

The increasing use of data in marketing to inform customer insight means that within the next 5 years all marketers will need to understand how to use data responsibly and effectively.

As an industry we need to identify those young people who are adept and interested in working with data and technology to explain to businesses how they should talk to their customers, adapt their products and services and ultimately maintain their competitive advantage.

CDA offers 1 day and 3 day workshops where participants are given the opportunity to work with data, meet successful practitioners and make contacts for jobs and work experience.

In 2017 there were 371 applications for 60 places, in response we are expanding our offering this year to offer 250 places and working on an online taster programme.

This programme is delivered in partnership with members companies who work in the data space and have job and placement opportunities.

Our ambition is that with additional funding this programme would be available to schools and used to educate lecturers and teachers in this rapidly growing area of industry.

**References:**

1. Research by the Advertising Association (AA): 'World class talent, world class advertising' October 2017 – https://view.publitas.com/p222-15108/advertising-pays-6-world-class-talent-world-class-advertising/page/2-3
2. Research by the Direct Marketing Association (DMA): 'Annual door drop industry report 2017' June 2017 – https://dma.org.uk/research/annual-door-drop-industry-report-2017

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