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**STRICTLY EMBARGOED UNTIL 00:00 19 JUNE 2014**

## Strong trading conditions support global marketers

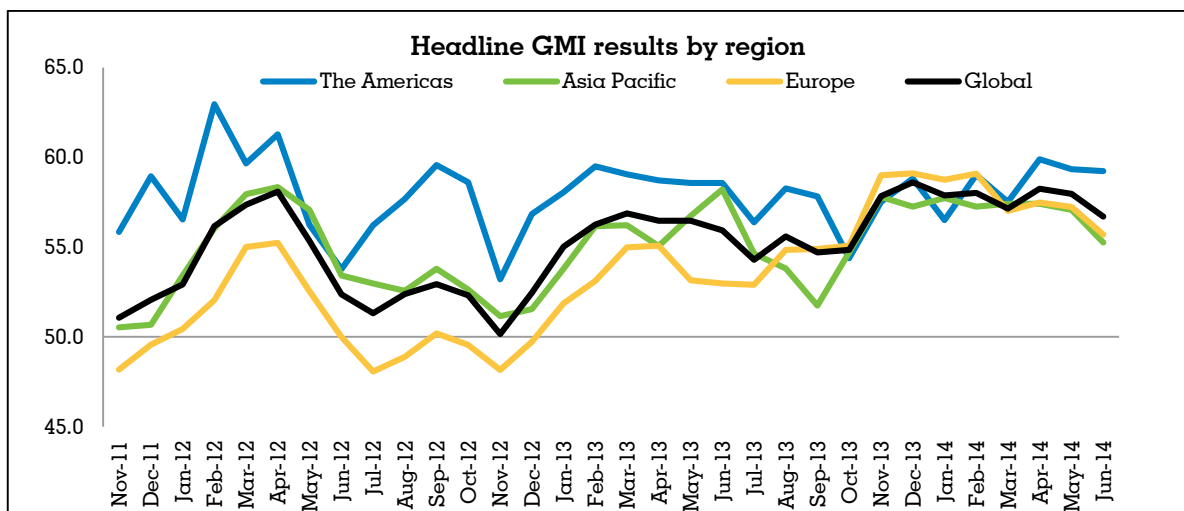
- Headline GMI recorded 56.7 in June, indicating a favourable outlook
- Marketer optimism is highest in the Americas for fourth consecutive month
- Marketing budgets continue to rise

London, 19 June 2014

Latest data signalled that confidence among global marketers stayed positive in June, reported Warc's **Global Marketing Index**.

Globally, the headline GMI measure – which takes into account marketers' expectations for trading conditions, marketing budgets and staffing levels – recorded an index value of 56.7 this month, where a reading of 50 indicates neutral sentiment. This represents a slight index decline of 1.3 points from May but a 0.8 point rise from this time last year.

Marketer optimism was the highest in the Americas for the fourth consecutive month, with the region's headline GMI registering a reading of 59.2, indicating rapid improvement. Confidence also remains high in Europe and Asia Pacific, where readings of 55.7 (-1.5 points from May) and 55.2 (-1.8 points) were recorded respectively.

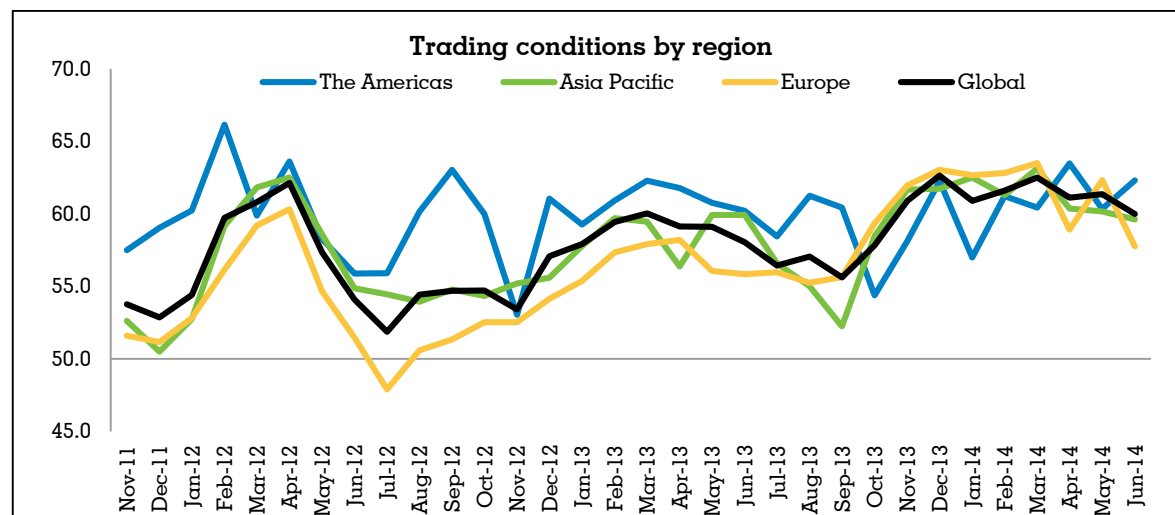


*Above 50.0 = generally improving; below 50.0 = generally declining*

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. It tracks marketing budgets, trading conditions and staffing levels. A reading of 50 indicates no change, and above 60 indicates rapid growth.



Within the headline GMI, the outlook for global trading conditions continues to indicate strong optimism on 60.0, a 1.4 point dip from May. Solid growth for the Americas, where the index for trading conditions improved 2.0 points to 62.3 this month, helped offset the dip in index value registered in Europe, which was down 4.5 points to 57.8. The index for trading conditions in Asia Pacific also showed rapid improvement on 59.6, and remained virtually flat (-0.6 points) compared with May.



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The second component index of the headline GMI, the index of marketing budgets, registered 54.1 globally in June, signalling further increases in planned spend. This represents a slight decrease on May's index value of 55.7. The outlook for marketing budgets is strongest in the Americas on 56.5, followed by Asia Pacific on 53.1 and Europe on 52.8.

The third and final component of the headline GMI – the index of staffing levels – fell by 0.8 points this month to 56.0, but continues to signal generally improving conditions overall. The Americas recorded an index value of 58.8 while Europe registered 56.5 by this measure. The rate of hiring is more modest in Asia Pacific (53.1) than in the other global regions this month, after an index value dip of 5.0 against May.

Suzy Young, Data and Journals Director at Warc, said: "Our June data continue to signal positive conditions for global marketers, especially in the Americas. The headline index for the region has been consistent in recent months, with readings fluctuating by just 0.7 points since April."

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: 3–13 June 2014. 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

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### About World Economics

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