

## Services Marketing Budgets and Benchmarks: 2007 Budget Allocations and Trends



### An ITSMA Study

*2007 is shaping up to be a good year for marketers at IT, telecom, and professional services firms. Marketing budgets are on the rise, the job market continues to heat up, and services marketers are devoting more of their budgets to strategy and market planning. As marketing receives more of the resources it needs to have a bigger impact on the business, it will be important for marketers to continue to focus on the programs, practices, and approaches will have a measurable impact on the organization's bottom line.*

## REPORT HIGHLIGHTS

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### OVERVIEW

*Services Marketing Budgets and Benchmarks: 2007 Budget Allocations and Trends* delivers a detailed look at the state of the services marketing profession as it exists in early 2007. It provides data on services marketing budgets, budget allocations, and marketing priorities from a range of companies across the technology and consulting industries.

#### Topics covered in the report include:

- Services marketing budget size and growth rates
- Services marketing budget allocations
  - Corporate vs. field marketing
  - Personnel vs. nonpersonnel
  - Demand generation vs. awareness marketing
  - Investment by category
- Marcom budget allocation
- Services revenue and profitability
- Services growth rates
- Services marketing staffing

- Solutions marketing
- Gross margin trends
- Top services marketing objectives

#### Key trends highlighted in the report include:

- Respondents predict robust services revenue growth in 2007
- Services gross margins are improving
- Marketing budgets are stable or growing
- Marketing staffs are increasing in size
- Marketers are shifting their budget spending to reflect their new priorities including:
  - Strategy and market planning
  - Services and solutions offering management
  - Sales/channel support
  - Customer satisfaction and loyalty management
- Marketing communications budgets are shifting into:
  - Interactive, online, and digital marketing
  - Direct/database marketing

## STUDY METHODOLOGY

In December 2006, ITSMA used a Web-based survey to gather data from its members about services marketing budgets, services growth and margins, and top marketing challenges. ITSMA received 45 responses from 42 unique companies and analyzed the collected data in three ways:

- The data set as a whole
- Company type—primarily services or product and services
- Company size—less than \$500 million or more than \$500 million in annual services revenue

### Participating companies:

- Akamai Technologies
- Alcatel - Lucent
- ANSYS Inc.
- AT&T
- BEA Systems
- BearingPoint
- Brocade Communications
- Capgemini
- CGI Group
- Cisco
- CPM
- CSC
- Dell
- Diebold
- Eaton | Powerware
- EDS
- Foliage
- Fujitsu Services
- Gelco Information Network
- HCL Technologies
- Hitachi Consulting
- Hyperion Solutions
- IBM
- Juniper Networks, Inc.
- Microsoft
- Nortel
- Northrop Grumman
- Oracle
- Orange Business Services
- PA Consulting
- Perot Systems
- Pitney Bowes
- Polycom
- Steria
- Symbol
- TeleTech
- Unisys Corp.
- VEGA Group PLC
- Vertex, Inc.
- Wood Mackenzie
- Xerox Corporation

## RESPONDENT DEMOGRAPHICS

### Industry

Professional services firms	43%
Software solutions vendors	19%
Network systems vendors	12%
Computer systems vendors	7%
Telecommunications services	5%
Other	14%

### Respondent Perspective

Worldwide	69%
EMEA	24%
North America	3%
CALA	3%

## MORE INFORMATION

To learn more about the report, contact Julie Schwartz, Senior Vice President of Thought Leadership at +1-781-862-8500, ext. 12, or jschwartz@itsma.com.

Figure 4.12 Size of the Internal Communications Budget, 2007

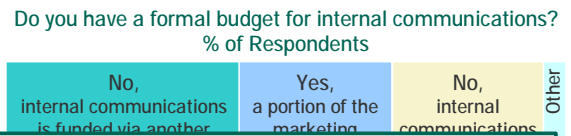


Figure 8.1 Marketing Priorities, 2007

As you look ahead to 2007, please rate the importance or priority of the following issues. Mean Rating

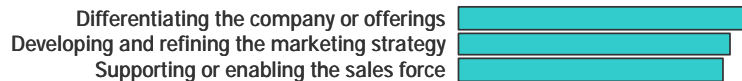


Figure 7.2 Change in Services Marketing Staff by Company Type and Size



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2007 BUDGET ALLOCATIONS AND TRENDS, DATA FROM ITSMA KEY METRICS SURVEY  
[B017]**

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