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FOR IMMEDIATE RELEASE

# U.S. Study Reveals Online Marketing is Failing with Consumers

Marketers Missing Powerful Opportunity to Engage with Consumers and Build Their Brands Online

SAN JOSE, Calif. — Oct. 24, 2012 — Digital marketing is not meeting the needs of consumers according to new research released today from Adobe Systems Incorporated (Nasdaq:ADBE). The U.S. study, Click Here: The State of Online Advertising exposes new insights into the beliefs of both consumers and professional marketers that traditional marketing is still more effective than online marketing. The research is based on interviews with a nationally representative sample of 1,000 consumers and 250 professional marketers.

The study revealed that two-thirds of consumers believe that television commercials are more effective than online advertising and that online banner ads do not work (54%). Further, respondents prefer to view advertising in their favorite print magazine (45%) or while watching their favorite TV show (23%) compared to the stark 3% who state they prefer to view ads via social media and 0% who like ads in an app.

Attitudes toward online advertising were overwhelmingly negative, with a large percentage of consumers saying they found online ads to be "annoying," "distracting" and "all over the place." While advertising created by pros is widely seen as the most effective form of advertising, 27% of marketers and 28% of consumers believe that user-generated content is the best form of online advertising.

"This study is a wakeup call for marketers. We know there's a tremendous opportunity – online, on mobile, in social – in terms of where consumers are spending their time and money. But as marketers we've yet to really break through," said Ann Lewnes, chief marketing officer, Adobe. "Serving customers relevant content, delivering experiences that are engaging instead of intrusive and, just as importantly, measuring what's working and what isn't so that we can improve our marketing are all critical. When marketers begin to master these things we'll turn the corner – consumers will start to notice and we'll start to capitalize."

# The Value of a "Like"

Not surprisingly, the majority of the study's respondents use social media. More than half of the respondents said they are communicating their personal tastes and interests when they "like" a brand or product and 43% explicitly state they are recommending that product to their friend and families. Yet, 53% wish there was a dislike button to express their unhappiness with a product.

Still, the "likes" get attention, with 29% of consumers commenting that "likes" encourage them to "check out" a product. Only 2% say it drives them to makes a purchase.

Companies investing in branded social media sites and activities are also facing an uphill battle, with just 2% of respondents believing information about a brand from a company's social media site is credible.

### While Strategic to Business, Marketing is Least Valued Profession

When asked to consider the value of marketing, more than 90% of consumers and marketing professionals agree that it is strategic to business and nine out of ten also recognize that marketing is paramount to driving sales. Yet, advertising/marketing

ranked below nearly every other profession, including banker (32%), lawyer (34%), and actor/actress (13%) by consumers. And when asked if marketing benefits society, only 13% of people agreed. Furthermore, the majority of respondents think that most marketing is "a bunch of B.S." (53%).

Lewnes continued, "Marketers are some of the most creative people in the world. Now that we have data insights to back up instinct, these outdated perceptions of marketing are going to change. When marketing is personalized for the consumer – and online experiences are rewarding – the impact on brands' bottom line is going to be huge."

# About Click Here: The State of Online Advertising Study

The data points referenced above come from a study commissioned by Adobe, produced by research firm Edelman Berland and conducted as an online survey among a nationally representative sample of 1,000 adults, 18 years or older, and 250 professional marketers in the United States. Interviewing took place from October 8 to 16, 2012. The margin of error is +/-3% for consumers and 6% for marketers.

For more information on the research results visit <u>Click Here: The State of Online Advertising Study</u> and <u>Click Here: The State of Online Advertising Infographic</u>. An animated infographic is available for viewing <u>here</u>.

Adobe also unveiled a new marketing campaign and outlined the Adobe Marketing Cloud (see separate media alert). Join the conversation via Twitter at #MetricsNotMyths.

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