



Marketers Get Fresh Ammo

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By Nicole Gull

Business is ready to spend more on marketing this year, despite the war. Separate studies conducted by DoubleClick and Patrick Marketing Group found that the companies surveyed expect to increase marketing budgets by 11% in 2003. Other findings: Businesses are turning to public relations over advertising (see chart below).

Though the studies came out before the Iraq conflict erupted, interviews with business owners and marketing experts indicate no change of heart. For example, **John Kalanik, president of Chicago-based InStep Software**, intends to hike his nearly \$1 million budget by 50%. Because he will travel less, he figures he'll need more marketing to keep his name out there. At a recent peer-group meeting, Kalanik reports, 11 of the 12 business owners present revealed similar intentions. Still, Wharton's Leonard M. Lodish urges prudence. "Spending more because your competitors are spending more is invariably a bad justification for marketing expenditures," he says. "What you say and how you say it is more important than how much you say it."

In the next 12 months, companies surveyed plan to spend money on:	
Public relations	71%
Direct mail	67%
E-marketing	63%
Trade shows	61%
Advertising	56%
Market research	56%

Source: Patrick Marketing Group survey of 250 executives.