

UK ICT Marketing Strategy

Survey Analysis for UK Trade & Invest

March 2008



Chinwag

- Chinwag was founded in 1996
- Chinwag is a community media company:
 - Chinwag.com - forums & resources
 - Chinwag Jobs - specialist recruitment website
 - Chinwag Live - live panels and networking events
 - Digital Marketing Strategy Consultancy
- uk-netmarketing
 - UK's oldest forum for new media marketers
- Consultancy clients:
 - World Wildlife Fund, MSN UK, BBC

Methodology

- Survey aims:
 - As short as possible!
 - Focus on key consultation issues
- Promotion
 - Chinwag's network of websites
 - Social media channels: Facebook, Twitter
 - Key bloggers: Media Guardian, Techcrunch UK
- Response:
 - 135 respondents in ~ 2 weeks

Survey scope

Five sections:

1. The UK's Digital Industry
2. Promoting the UK's Digital Industry
3. Allocation of Marketing Resource
4. UK ICT Marketing Activity
5. Next Steps / Engagement

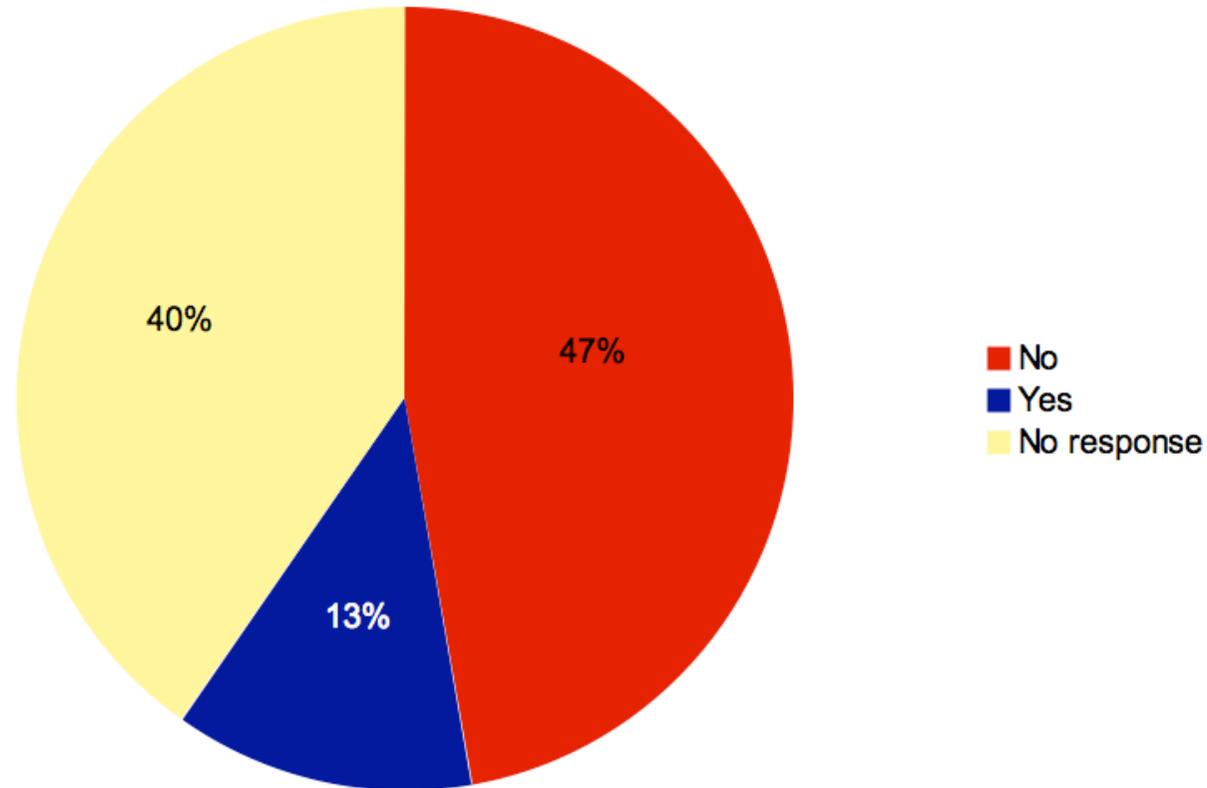
Survey Results

Existing ICT definitions

- Communications
- Industrial electronics
- Consumer electronics
- Enterprise software, systems and services
- Financial services
- Retail and Logistics
- Healthcare
- E-government

Does this breakdown cover the key areas of UK ICT?

Existing ICT definition fit



47% felt that it did not reflect the industry in which they operate

ICT definition feedback

Respondents were asked for suggestions:

- 18% of the respondents suggested the term ICT was too broad
- 11% of respondents said that there were 'many' areas not covered

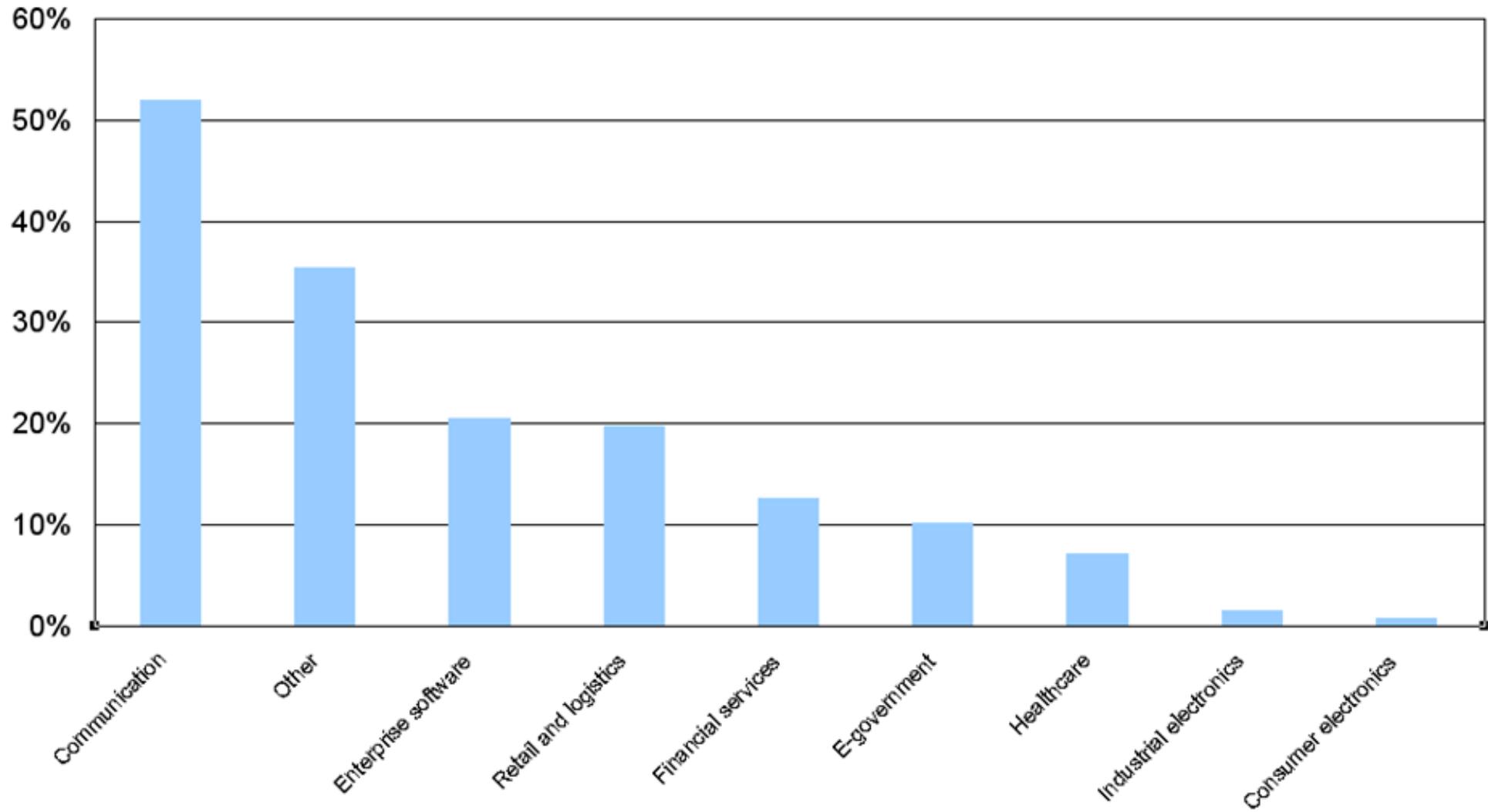
Key suggestions were sectors described as:

- | | |
|-----------------|-----|
| • Online | 18% |
| • Entertainment | 14% |
| • Media | 13% |

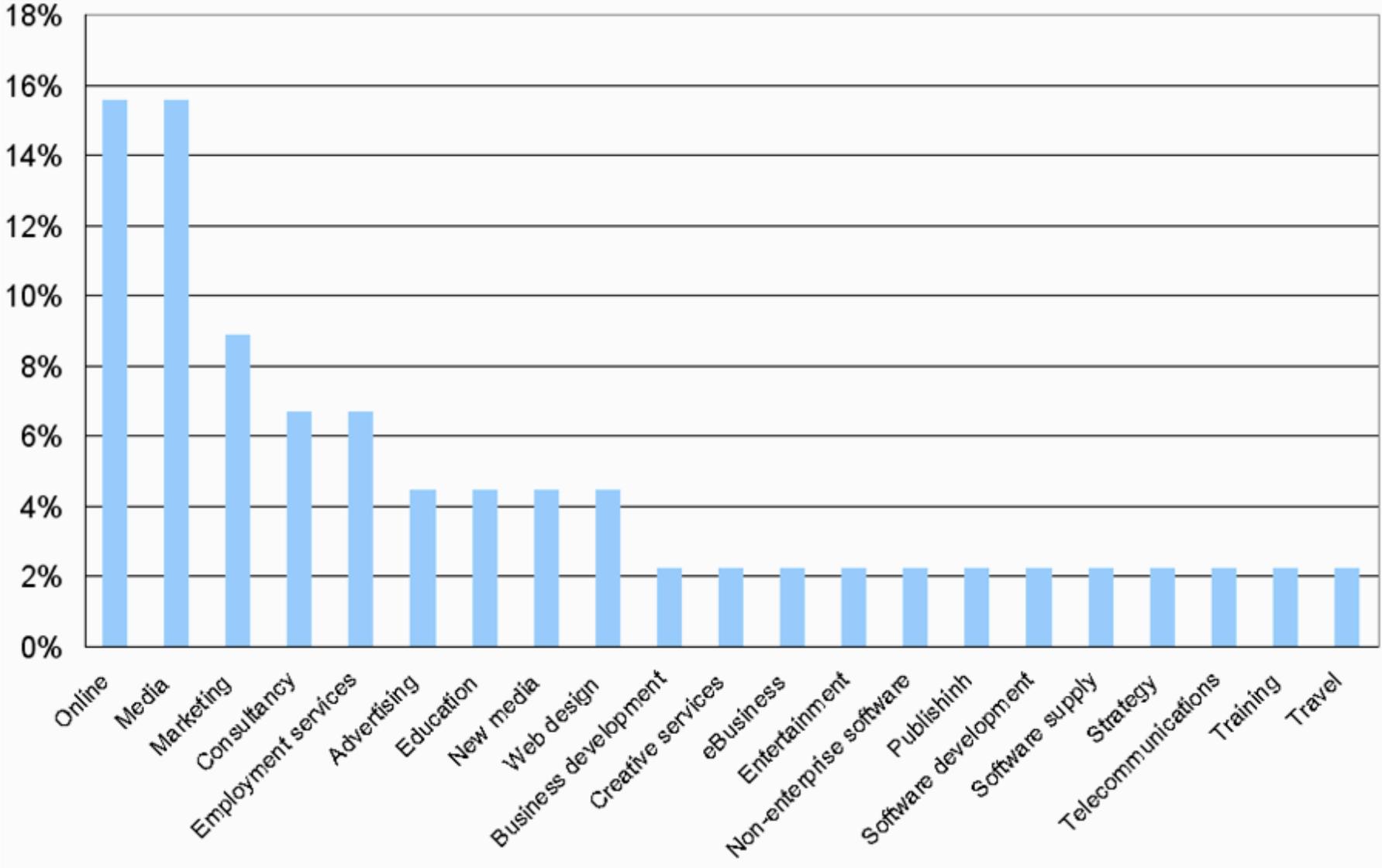
All other responses had less than 10% of the response, suggesting that these responses could be more individual definitions, rather than industry accepted breakdowns.

Respondents

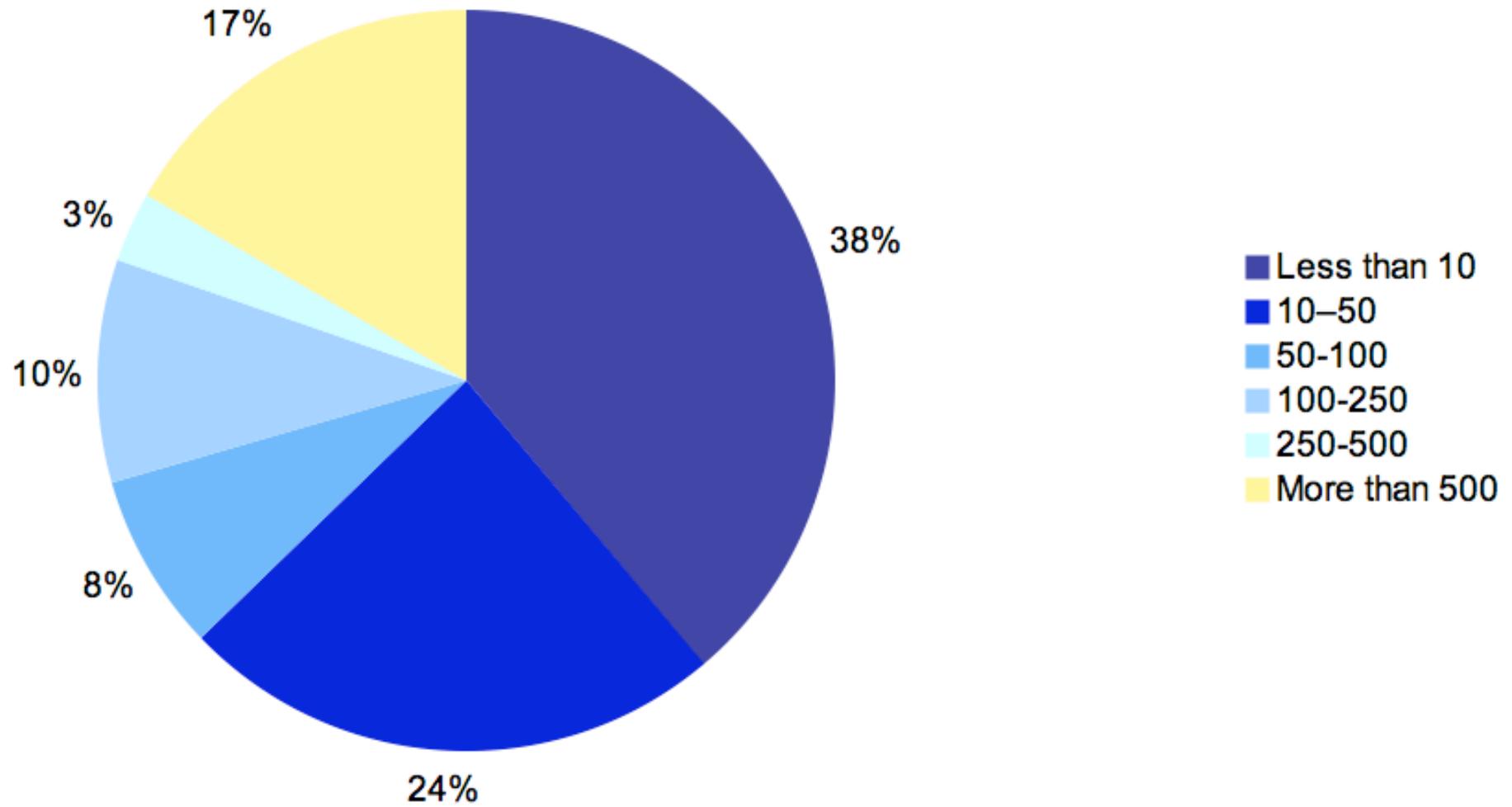
Company sector by ICT definitions



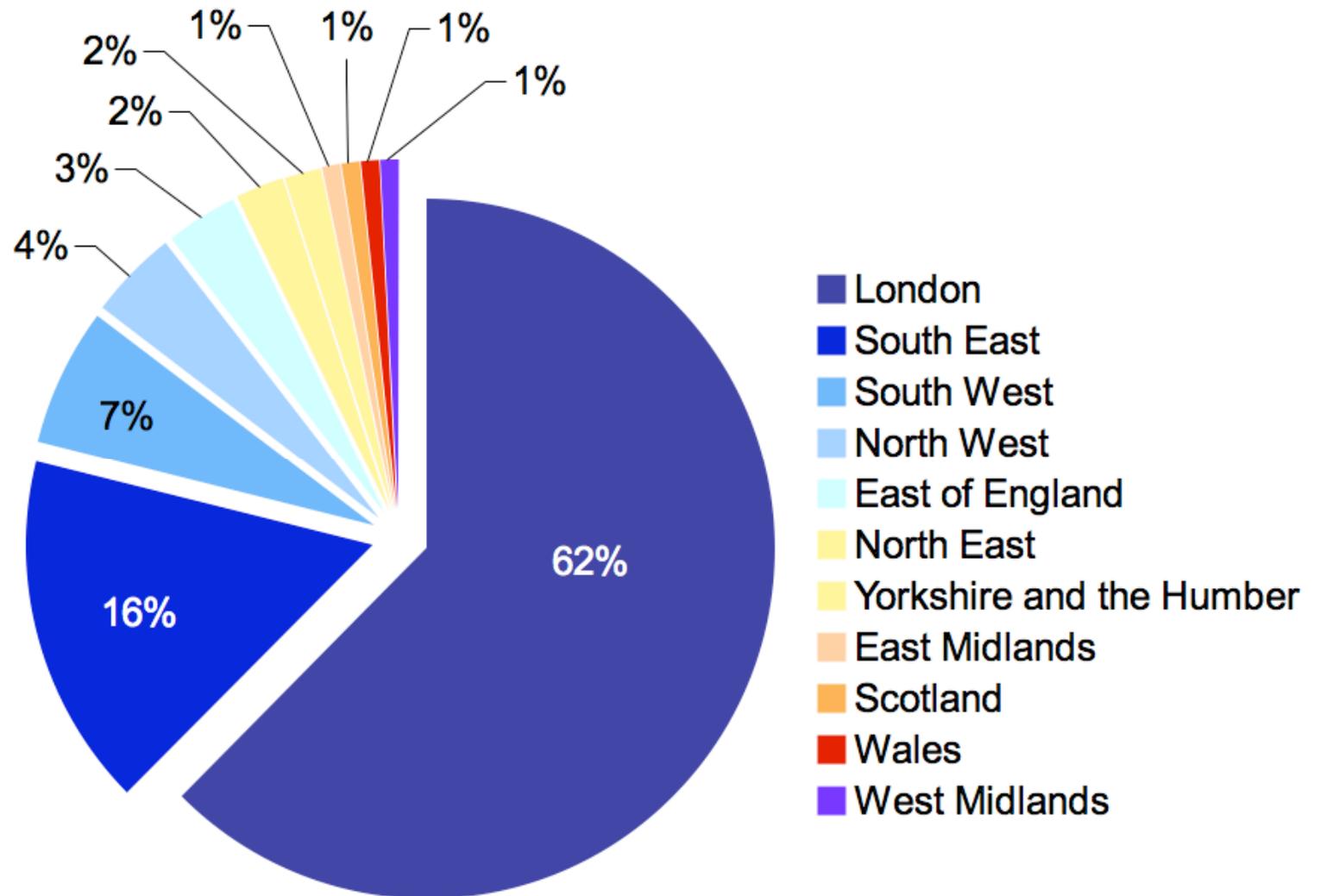
Respondents' own classification



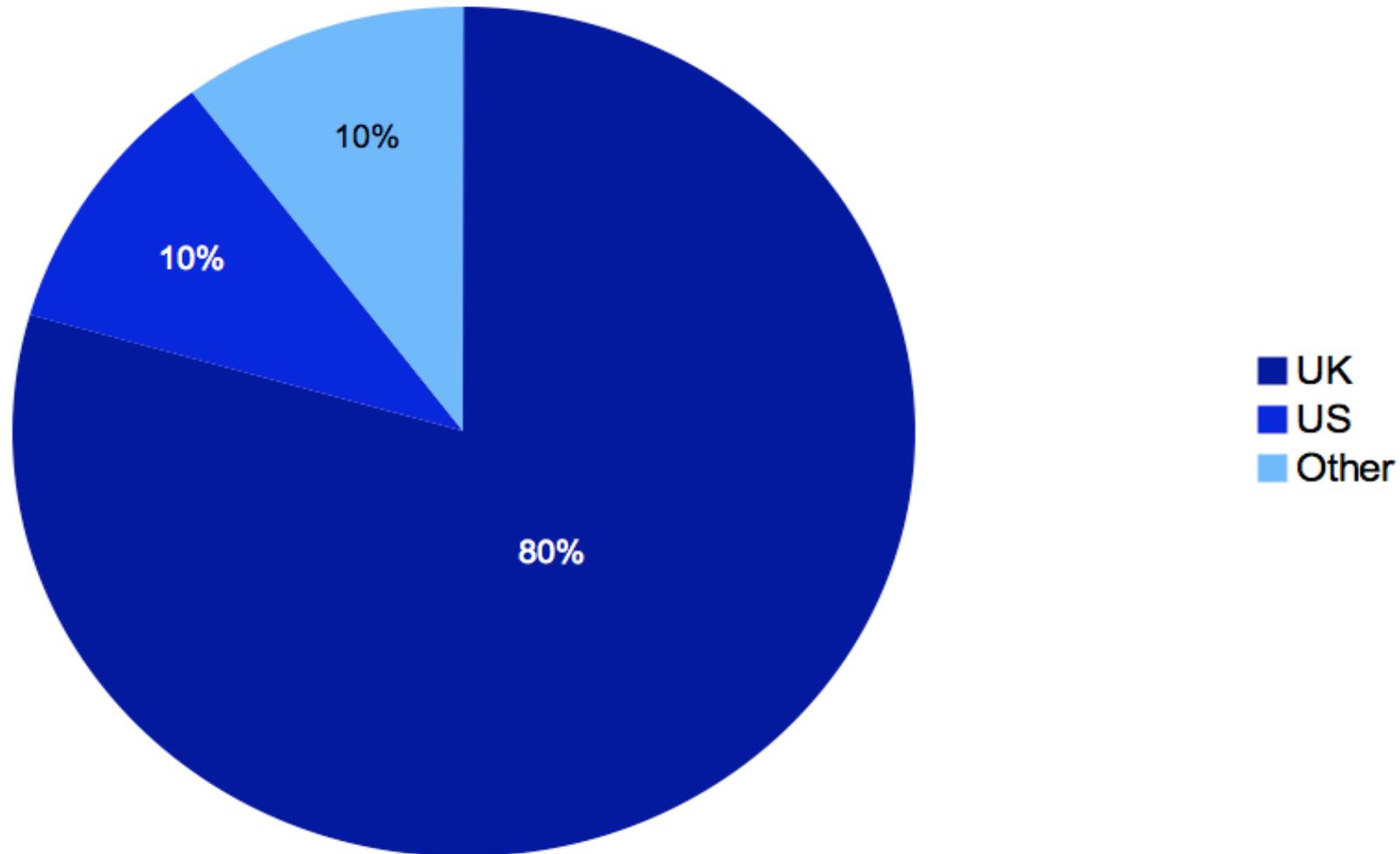
Company size



Company location



Company headquarters

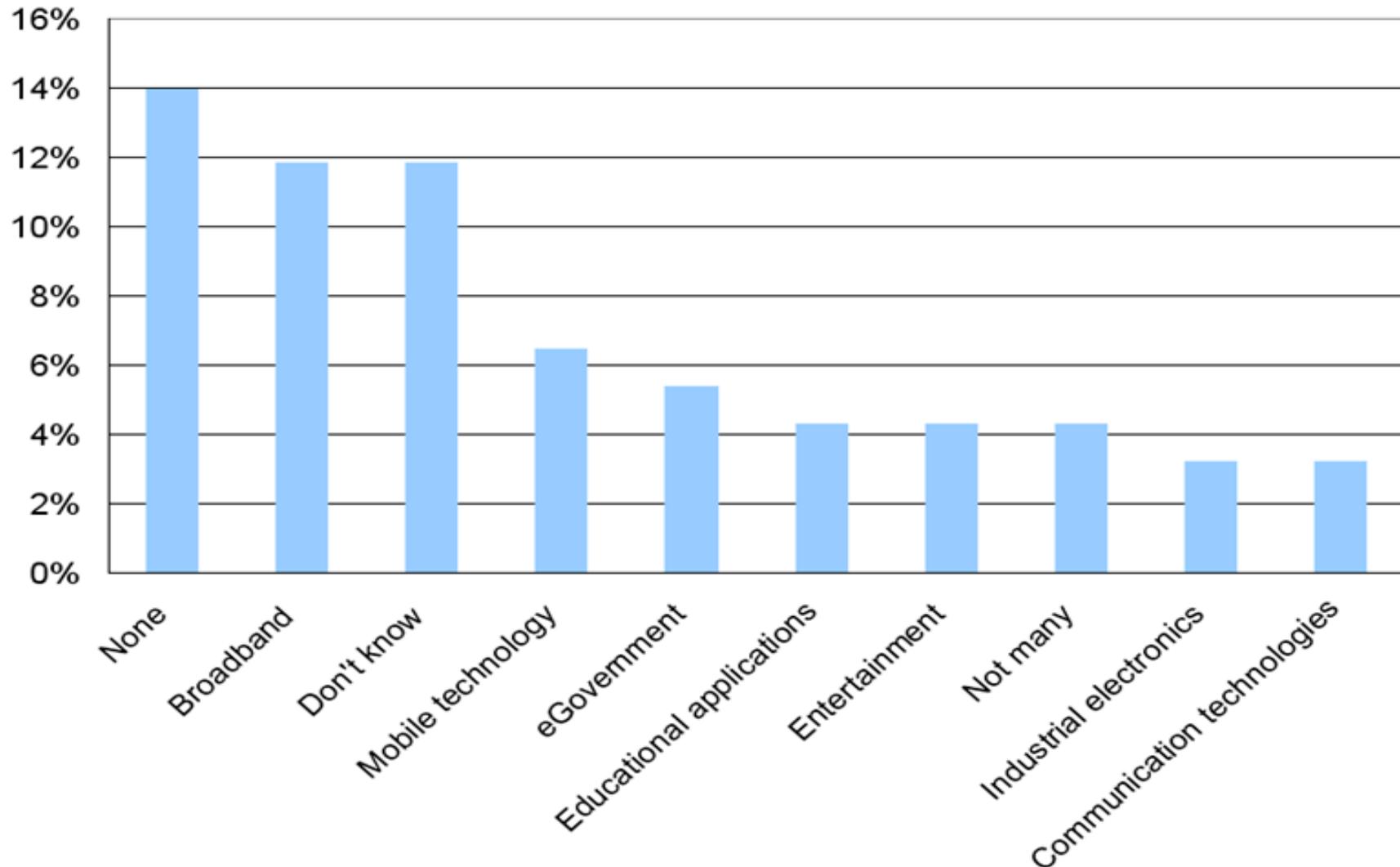


HQ location

UK	79%
US	10%
Scandinavia	2%
Australia	1%
Canada	1%
Denmark	1%
Estonia	1%
France	1%
Germany	1%
Gibraltar	1%
India	1%
Poland	1%
Russia	1%
Switzerland	1%

Technology and the UK

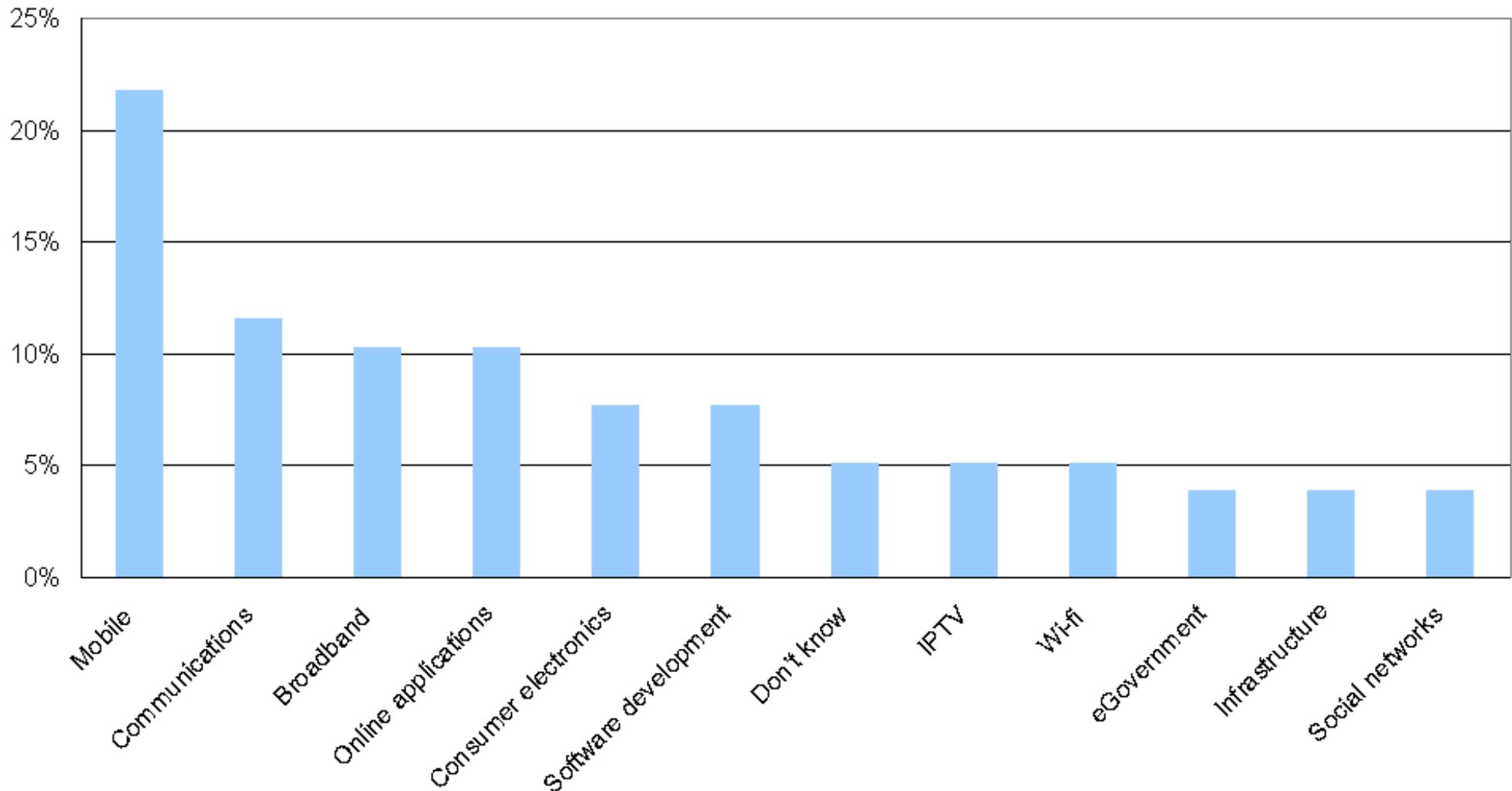
What technologies have benefited from Government support?



Key finding: lack of awareness of government support



What technologies need support to become internationally competitive?

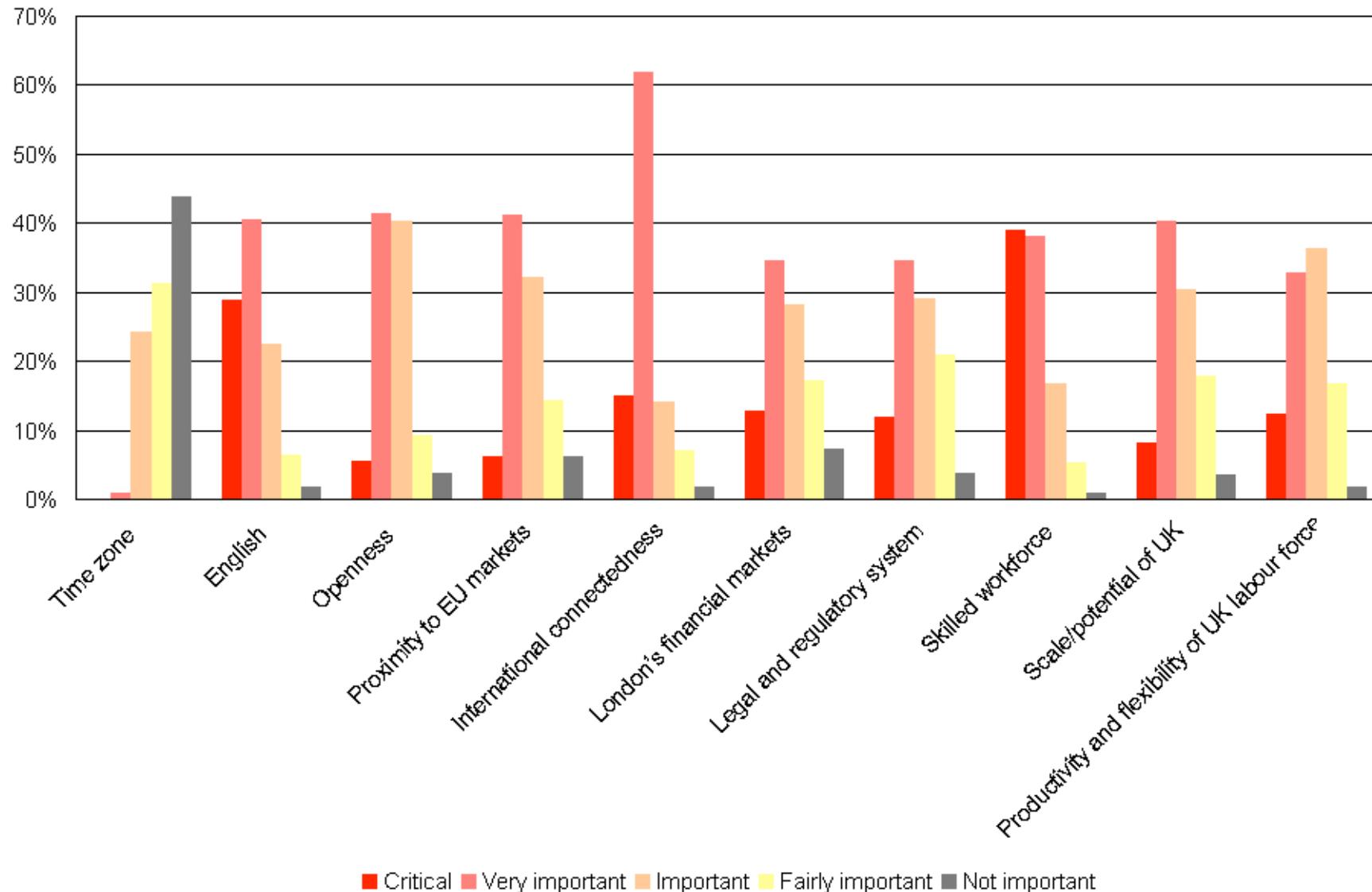


Technologies identified needing support

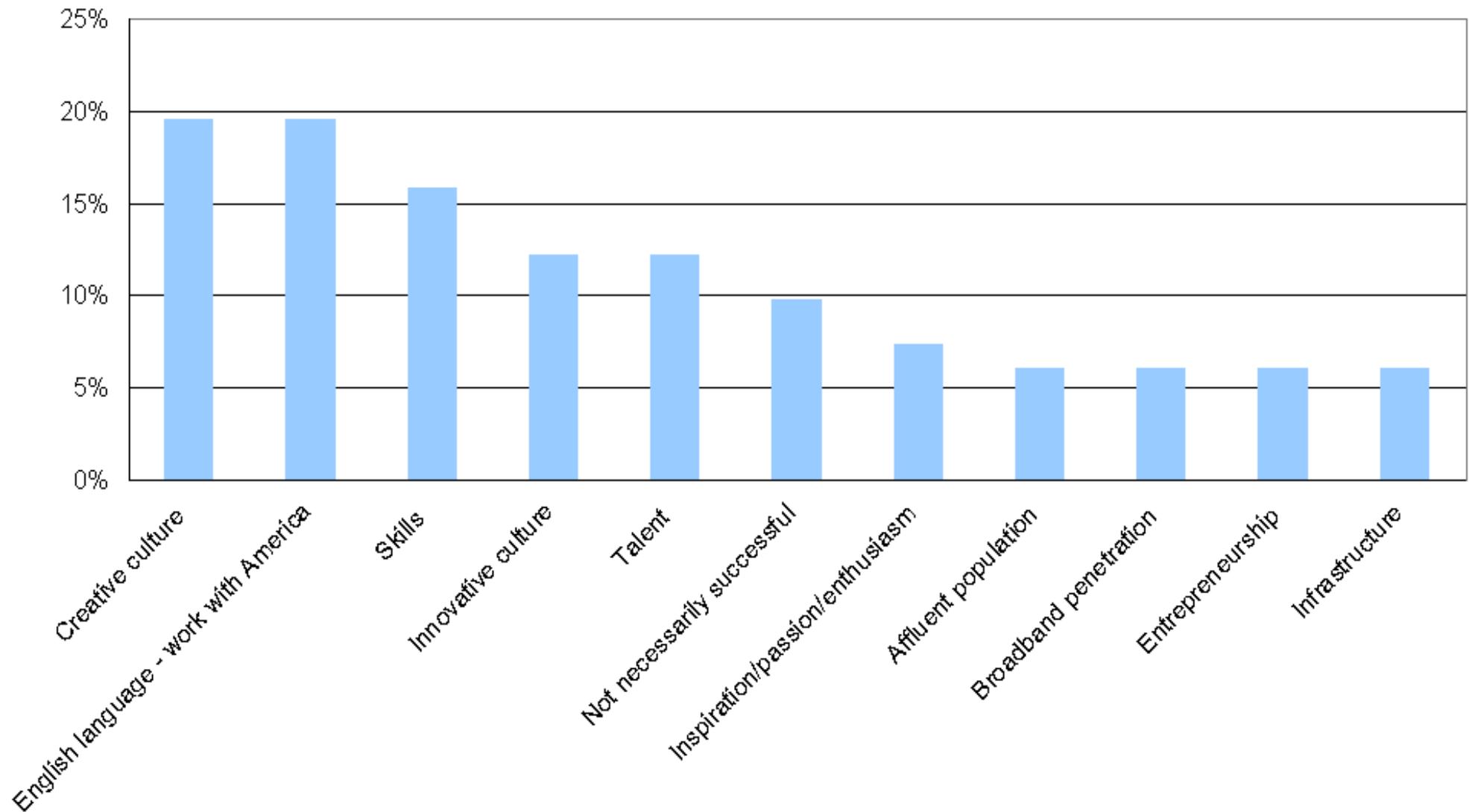
- Mobile
- Communications
- Broadband
- Online applications

Key Messages

Key message rated by importance



What are the key benefits of UK ICT?

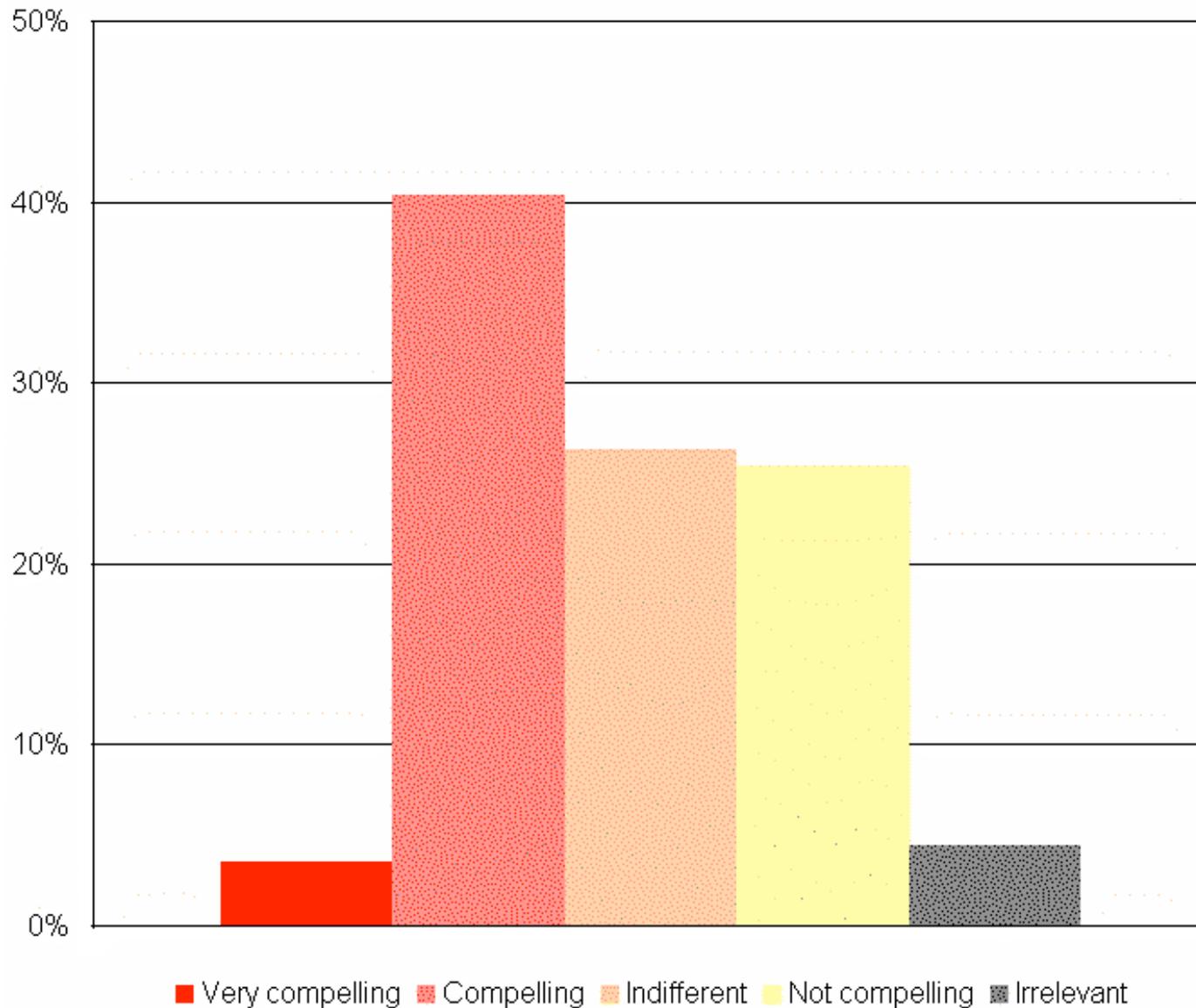


Key benefits of UK ICT

- Creative culture
- English language (work with the US)
- Skills
- Innovative culture

Key message: UK ICT leads the world in innovation and creativity

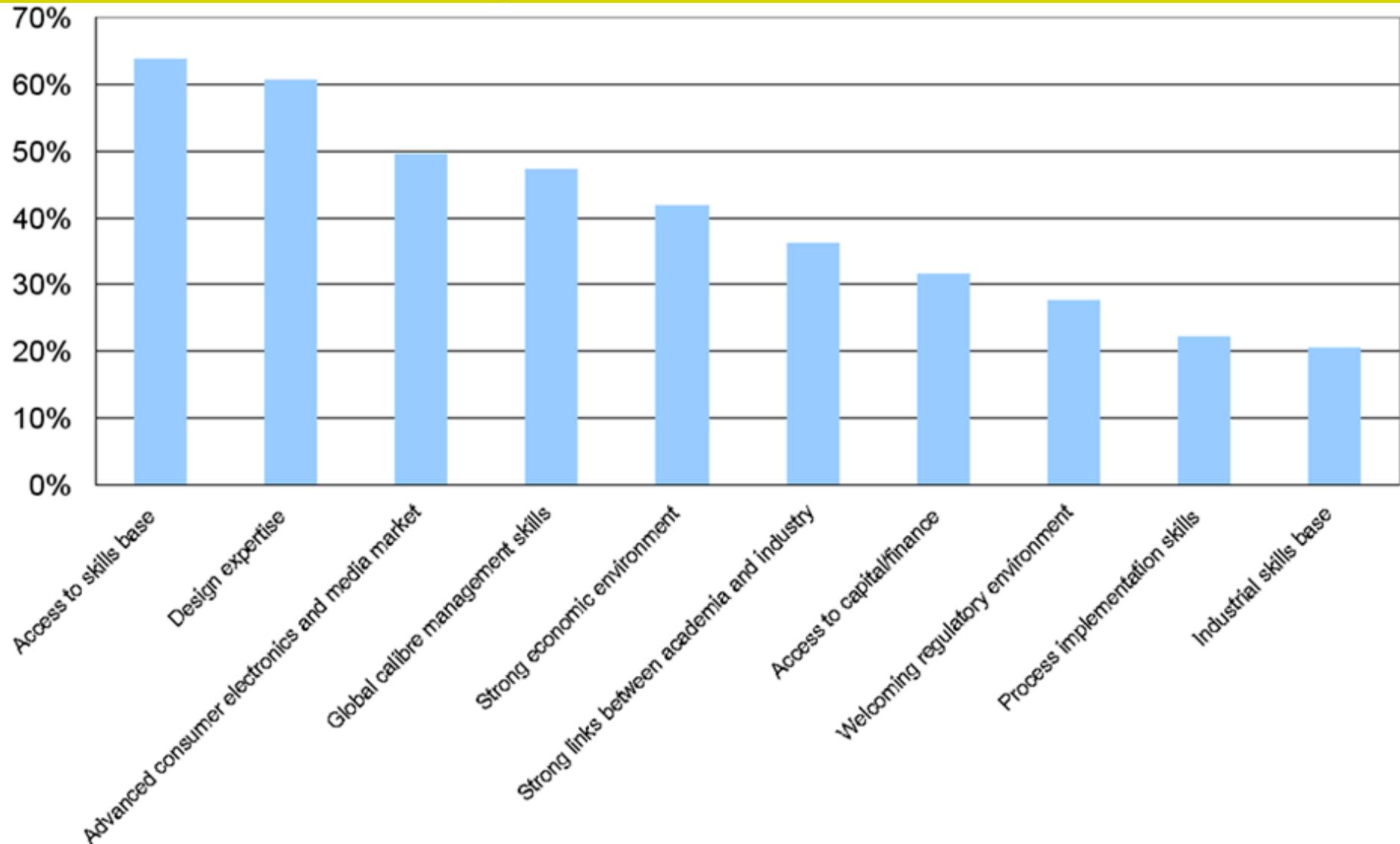
How compelling is the core UK ICT marketing message?



Feedback on UK ICT marketing message

Untrue	48%
Needs to be demonstrated	14%
Meaningless	8%
Bland	6%
Don't like the acronym ICT	6%
US does	6%
Can't generalise about all sub-sectors	2%
Innovation and creativity are not the same thing	2%
Lack of science grad	2%
Need hi-tech manufacturing to back it up	2%
Need to ensure future	2%
Not true when it comes to ICT	2%
UK ICT does not benefit the small companies which really need it	2%

What key messages should be conveyed about UK ICT?



Further suggestions

Hub for other nations	14%		
Cultural understanding	10%		
Innovative culture	10%		
Some options are more true than others	10%		
Sophisticated local market	10%		
Ability to deliver	5%		
All technology works together	5%		
Close to financial centres	5%		
Creative culture	5%		
Geek culture	5%		
Global	5%		
		Good base in critical skills	5%
		Good IP networks	5%
		Good transport links	5%
		High level of creativity	5%
		Lack of software patents in particular	5%
		Links between science and industry not that strong yet	5%
		Network of business and science parks	5%
		Not welcoming regulatory environment	5%
		Single national market	5%
		Strong links between science and industry	5%
		Within the EU	5%

Allocation of Resources

Allocation of resources question

The target audiences for the UK ICT Marketing Strategy are:

potential and actual overseas buyers of UK ICT products, processes or services;

potential and actual overseas investors in the UK ICT sector;

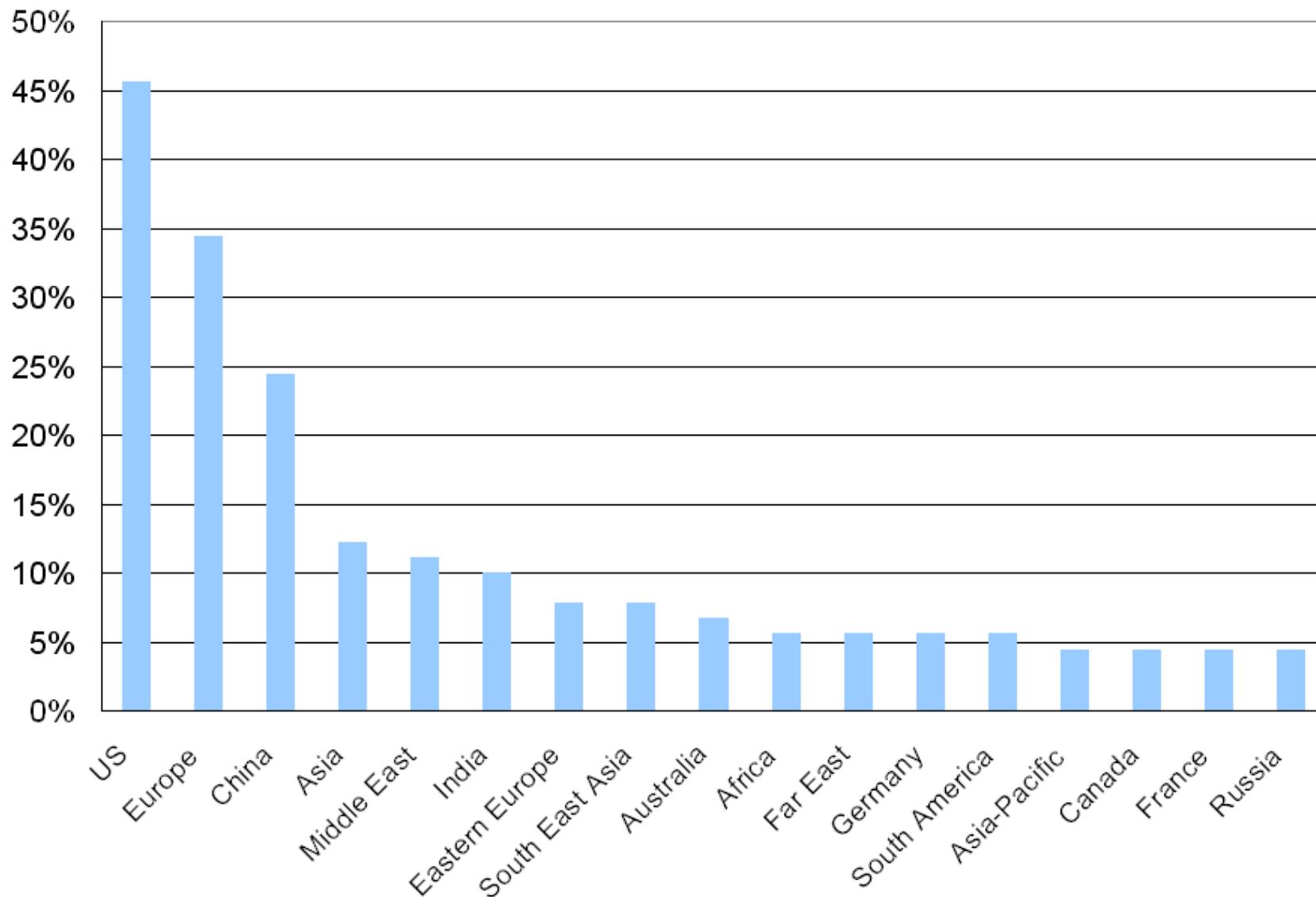
the influencers of both these groups, including intermediaries, such as financial and technical advisers, regulators and governments.

Are there any other targets that should be recognised?

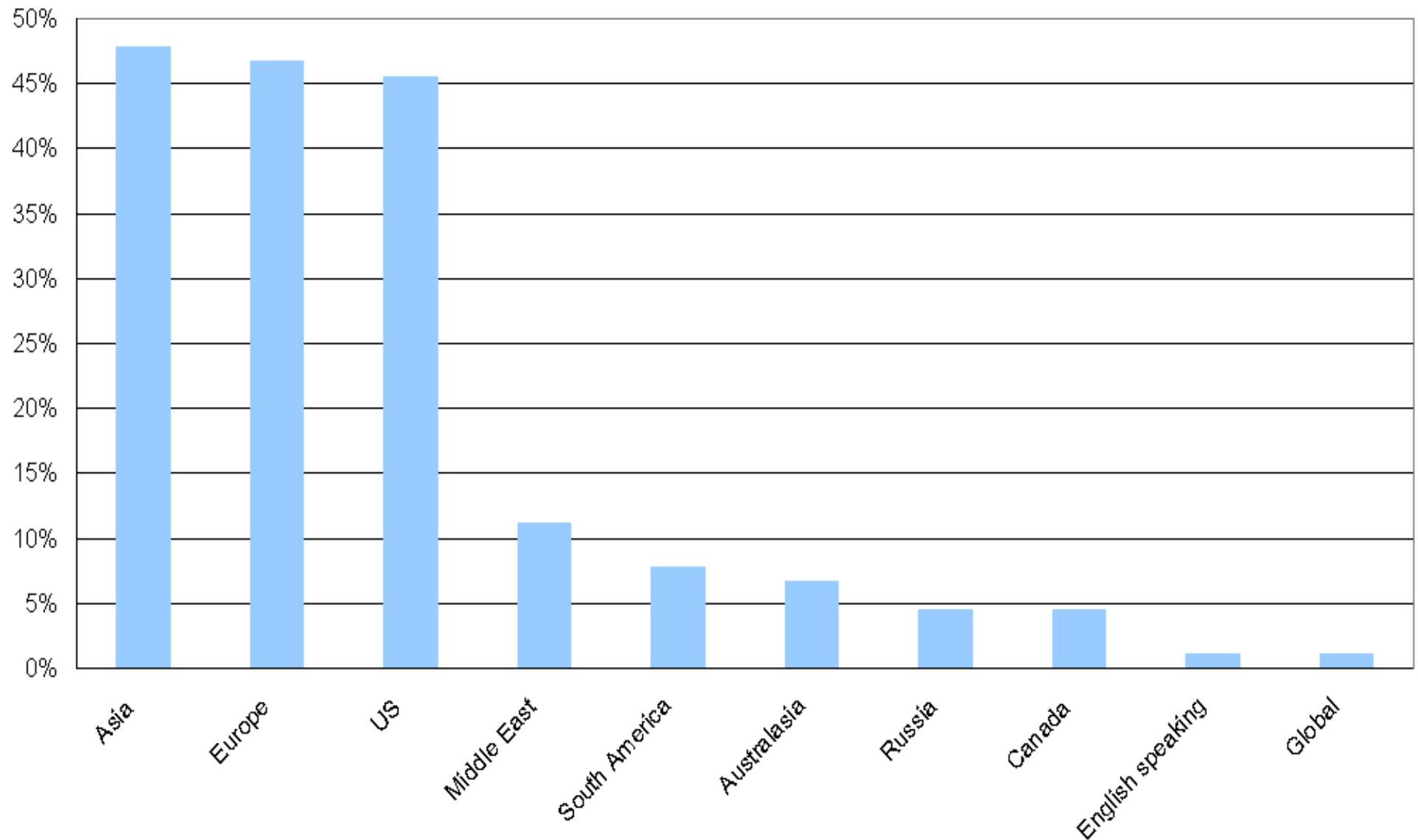
Feedback on resource allocation

Other targets?	% answered	% respondents
No	18%	6%
Financial/trade press	11%	3%
Potential employees	11%	3%
UK financial investors	8%	2%
Blogs	5%	2%
Promote within educational establishments	5%	2%
UK development companies	5%	2%
Don't know	3%	1%
Lobbyists	3%	1%
Non-resident groups	3%	1%
Overseas influencers	3%	1%
Potential and actual distributors	3%	1%
Potential and actual overseas buyers of UK ICT ENABLED products.	3%	1%
Potential and actual overseas partners of UK ICT sector.	3%	1%
Professional and trade associations	3%	1%
Talented individuals	3%	1%
Telecommunications networks	3%	1%
UK companies who currently export	3%	1%
UK companies with offset obligations to fill	3%	1%
UK skills developers	3%	1%
US	3%	1%

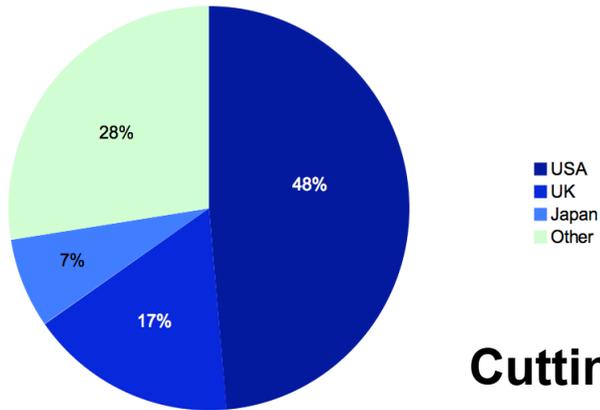
Key markets



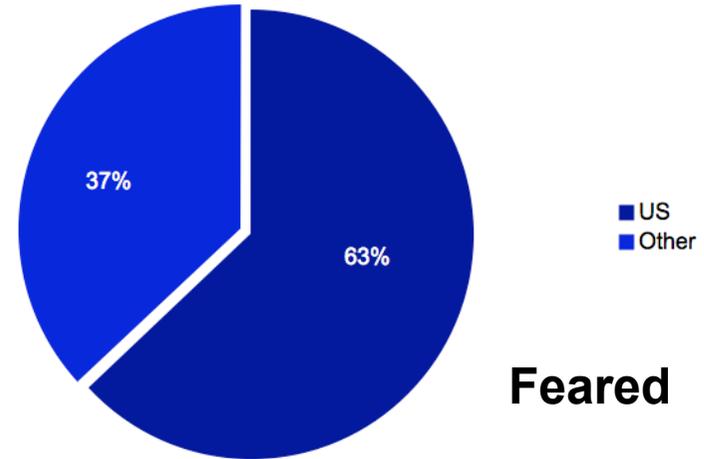
Key markets by region



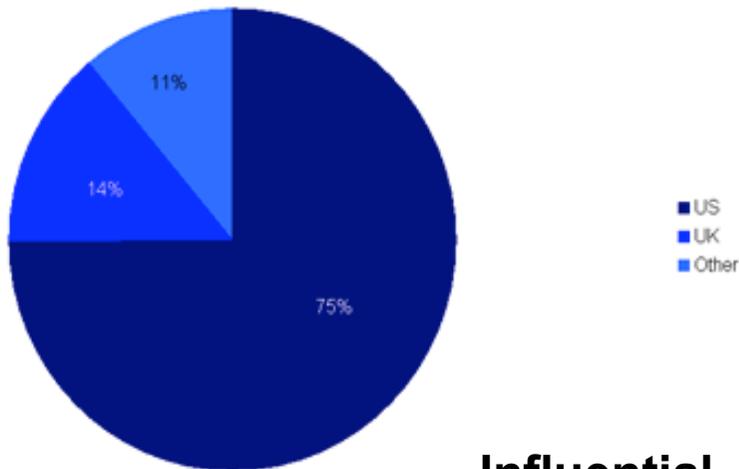
Which countries do you consider to have:
the most cutting edge companies, the most influential,
the most profitable and, the most feared?



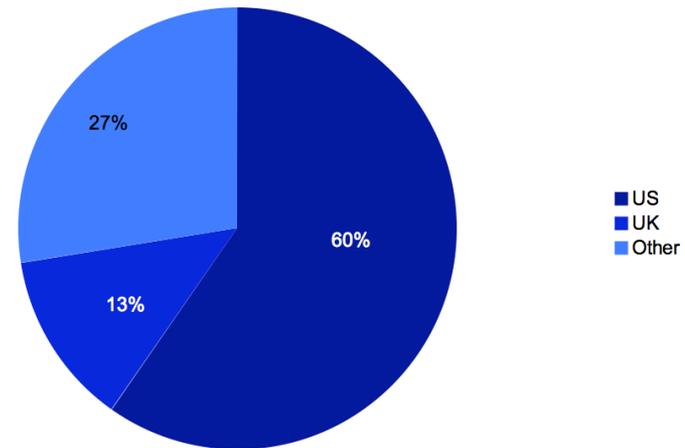
Cutting Edge



Feared

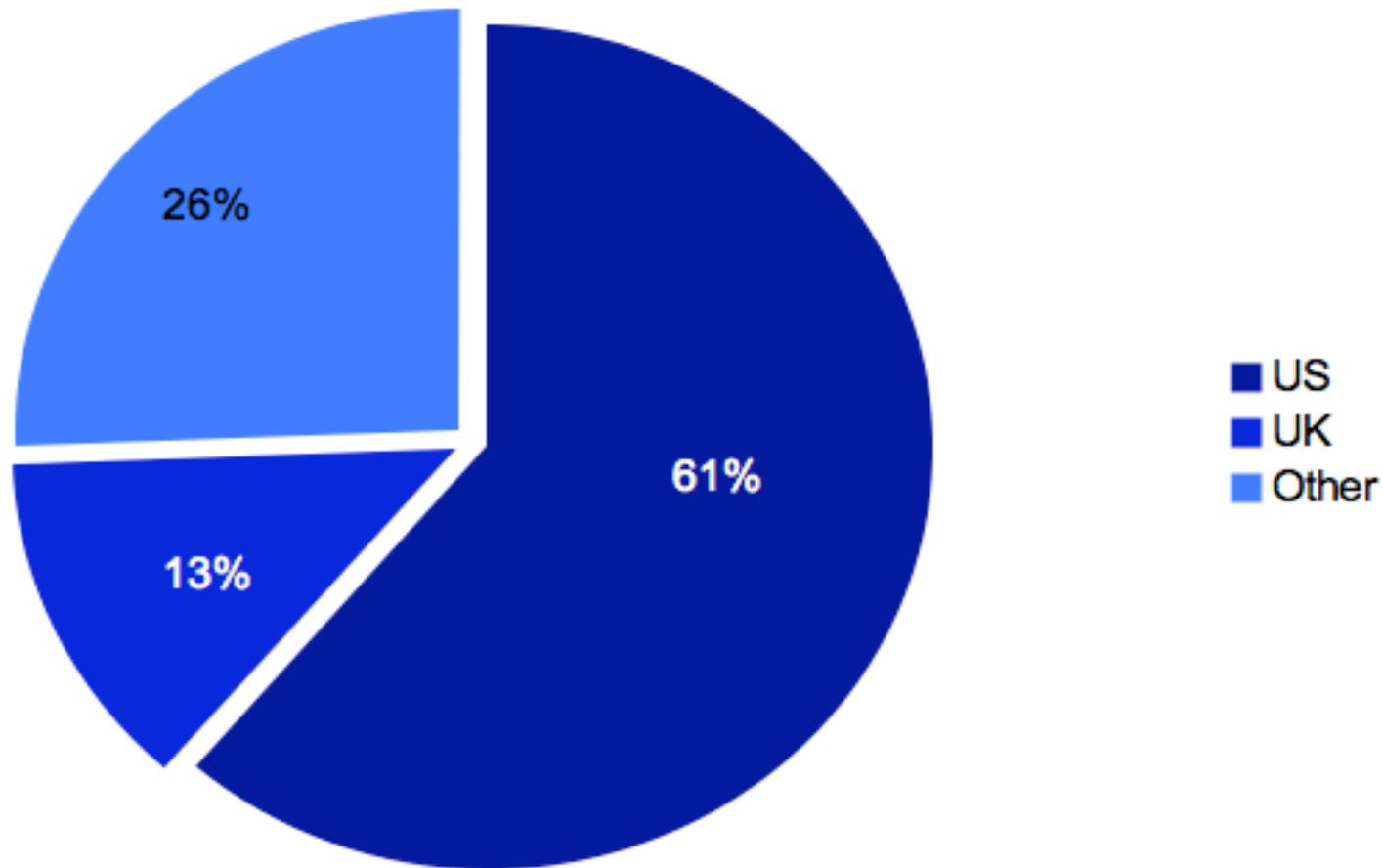


Influential



Profitable

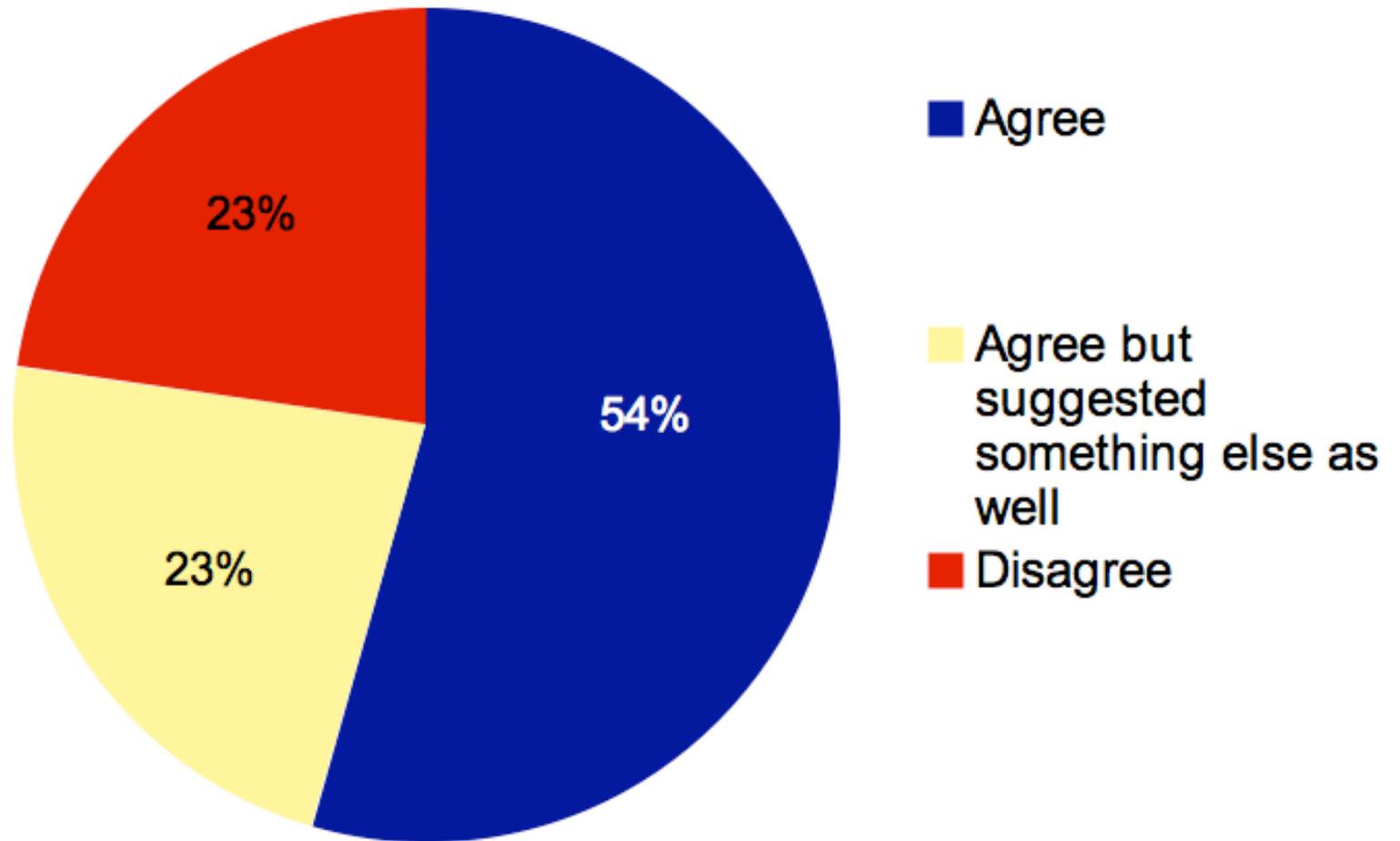
Overall importance of particular countries



Importance of countries

US	61%
UK	13%
Japan	4%
India	3%
China	2%
Don't know	2%
Germany	2%
Korea	2%
France	1%
Canada	1%
Sweden	1%
Singapore	1%
Australia	1%
Brazil	1%
Europe	1%
Scandinavia	1%
South East Asia	1%

The UK ICT Marketing Strategy plans to allocate resources according to a country's trade and investment opportunities. Do you agree?



Comments and suggestions

“Culturally similar countries with similar attitudes in terms of business development opportunities.”

“Countries that provide skilled workers to the UK via immigration (such as Eastern Europe).”

“Join the communities that exist, either virtual, or at major events. Map existing networks of international connections used in creative, marketing and consumer products – these are already used by web and mobile application developers to secure work and/or investment today.”

“Digital applications have a global focus – surely its more sensible to assess which sectors have the greatest potential?”

“Explore which countries are seen as early adopters – what influence does one region have globally – do people follow their lead?”

“I would prefer a strategy that picks not the biggest or richest but was a bit smarter, with an emphasis on the 'development potential'. Let's fish where the others aren't.”

Comments and suggestions

“Don’t look at the size of the market, rather the opportunity – look for countries without the required skill base.”

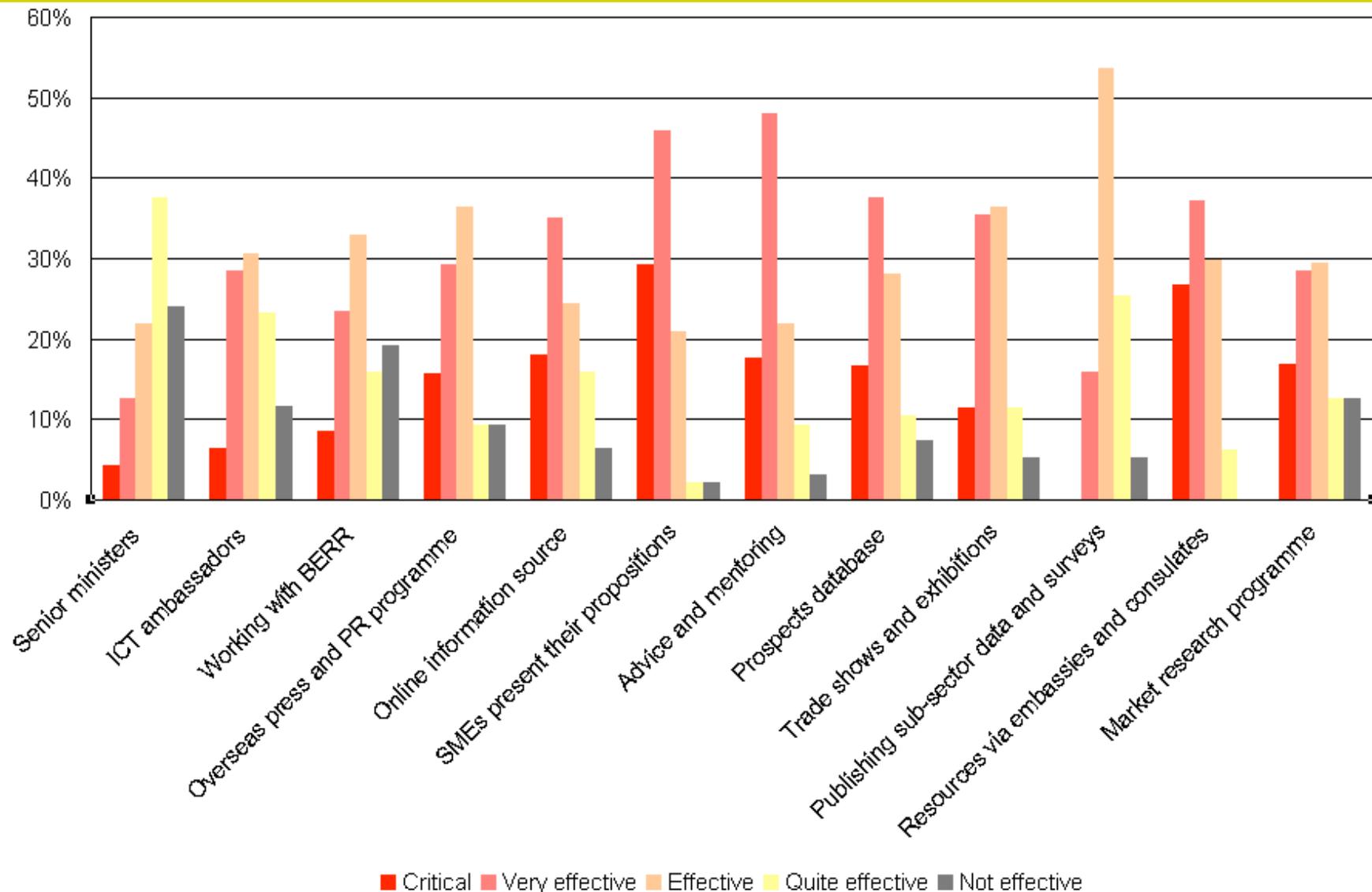
“USA and China are both huge markets but they have a sufficient internal skills base and companies already producing technology products. They don’t need new products and/services from the UK unless they are exceptional.”

“We would be better targeting places like New Zealand and South America, newly developed countries (possibly new members of EU), where they don't have enough skilled people or tech businesses but do have a need for them.”

“Less developed countries with strong trajectories (for example, missing landlines and going straight to mobiles) but less incumbents are better targets in many ways.”

Marketing Activity

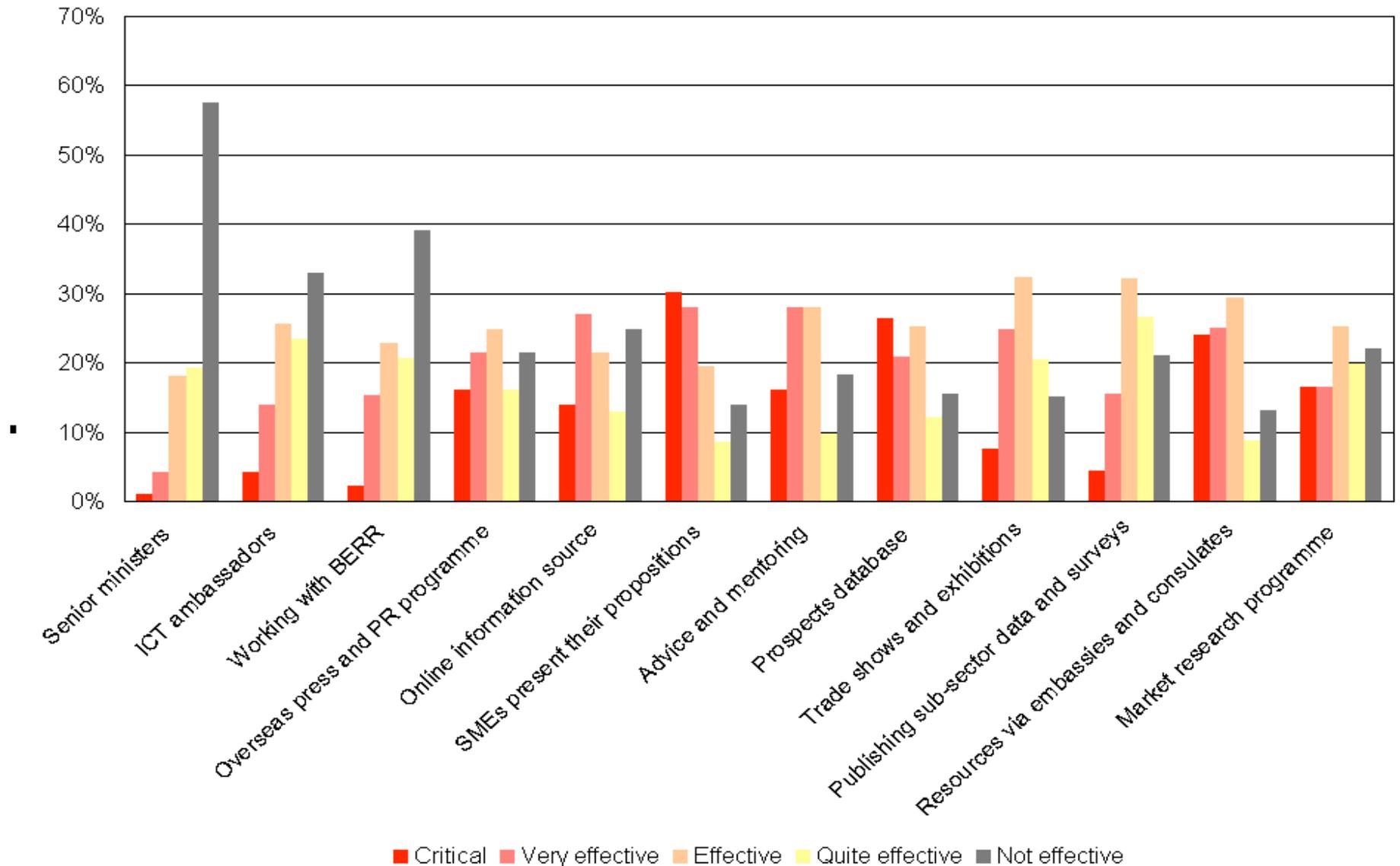
What marketing tactics would prove most effective for UK ICT?



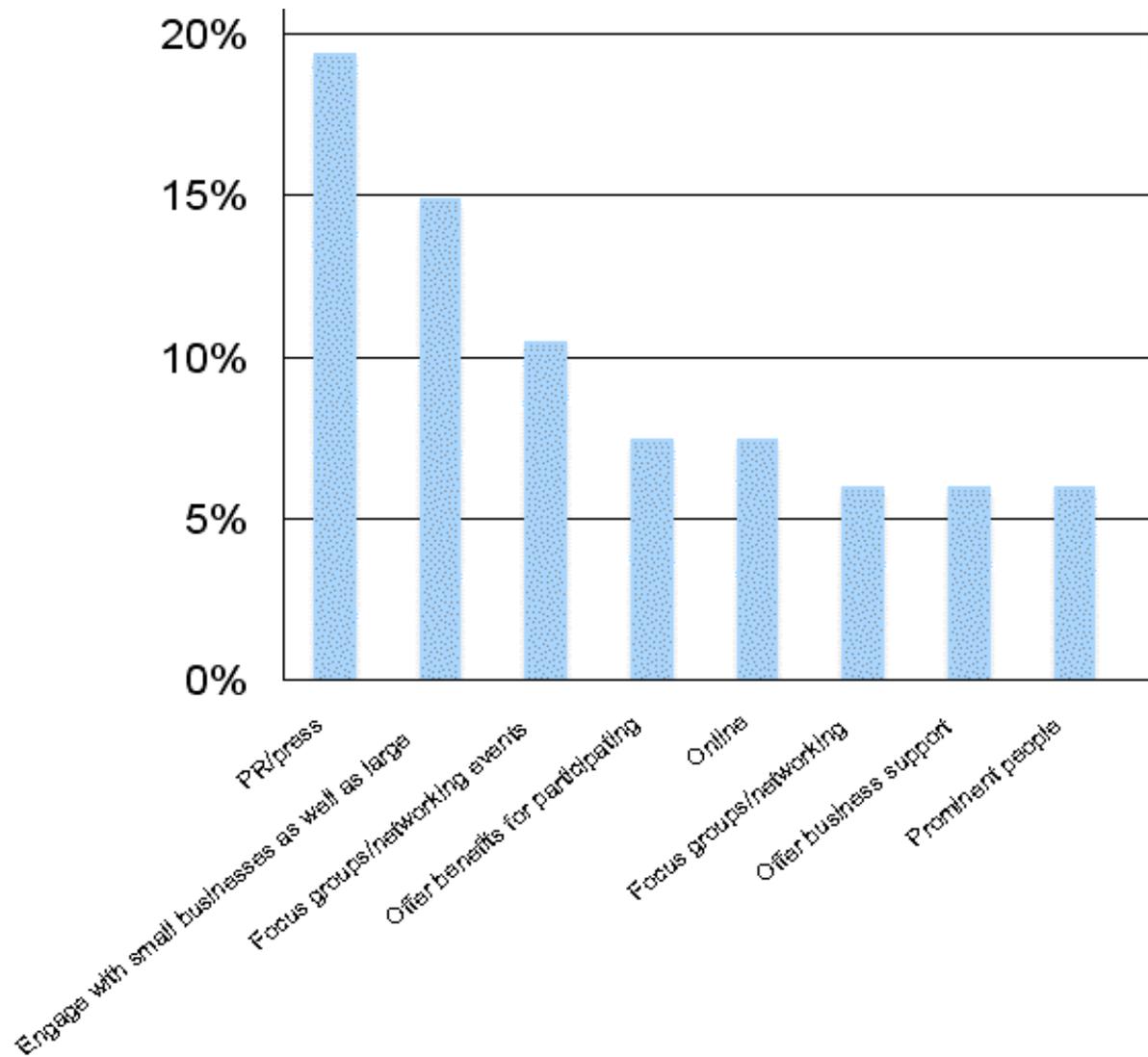
Suggestions for marketing tactics

Suggestion	% of all responses
Build relationships	33%
Market research	33%
Share success stories	17%
Financial assistance	8%
Showcase UK talent	8%

What would prove most effective in marketing your company?



What would be the best way to encourage response from the UK ICT industry?



Communication

“Prove to the sector that you can effectively promote them by targeting them with a PR and marketing campaign - actions speak louder than words - if the UK is a leader in creativity, prove that you understand that”

“Genuinely involve the industry in the process and ask what support they need - discuss questions that need to be asked rather than requiring answers. Develop a White Paper with Government as a basis for industry discussion.”

“Clever, nationally-targeted online communications - combination of blogs and wikis and online and email marketing”

“Consult with the industry (esp. foreign multinational companies with UK HQs) on their best practices, that work on a global basis”

Community

“Work with existing industry-wide groups (e.g. Ofcom) – have direct engagement”

“Invite UK companies of all sizes and types to participate in regular forum and remember to combine online with social networking”

“Engage with the entire community, not just the massive organisations. The majority of our industry is comprised of micro businesses or SME's most government projects only consider very large companies, while the small ones employ a far greater proportion of those working within the industry.”

“Create a meaningful community where ideas can be shared and developed”

Cost/Benefit

“Direct tangible benefits for participants – tempt with the potential – explain the long term benefits”

“Provide businesses with access to new business opportunities or information on opportunities”

“Show that your activities actually develop leads & potential to grow revenues/profits from involvement”

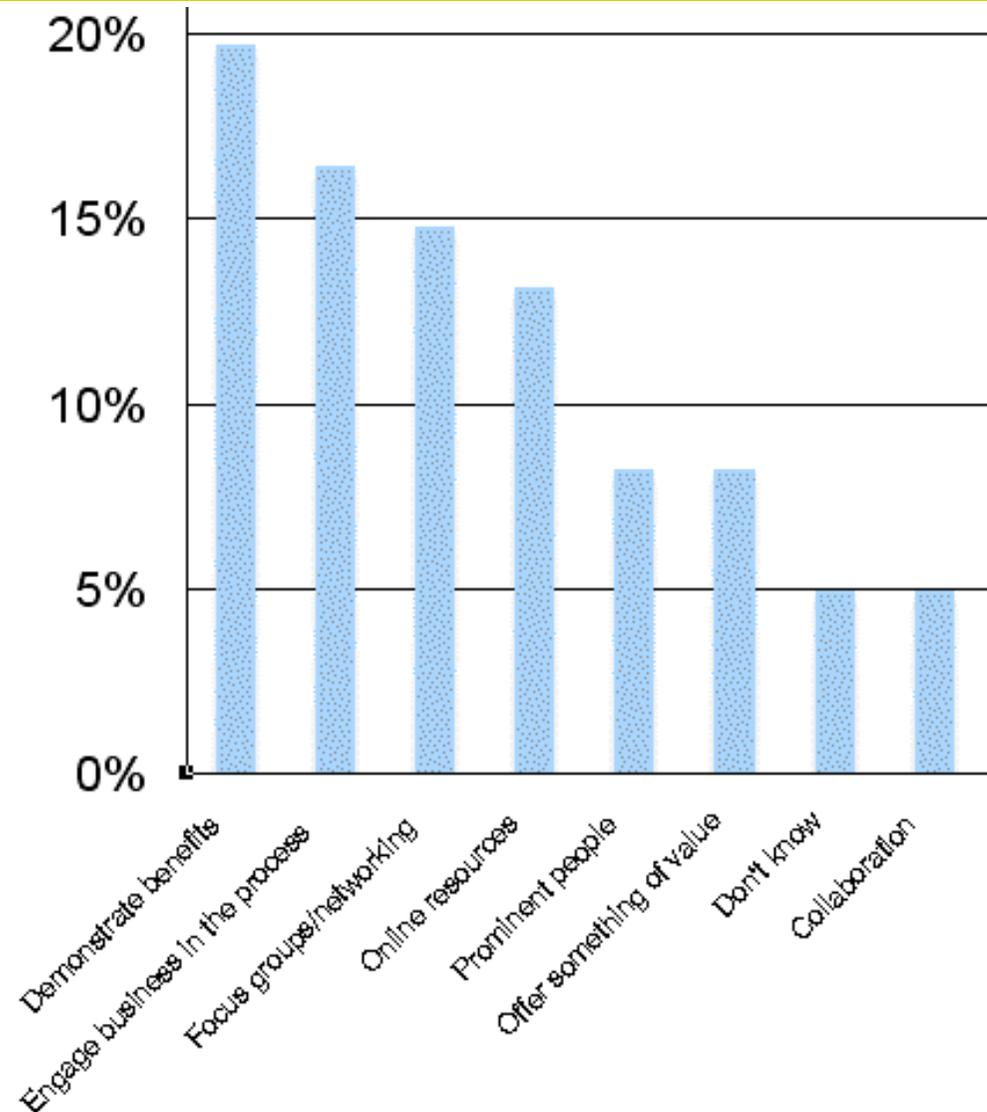
“Target CIOs and CTOs to help them understand the benefits of supporting the strategy”

“Provide real business opportunities/potential to industry”

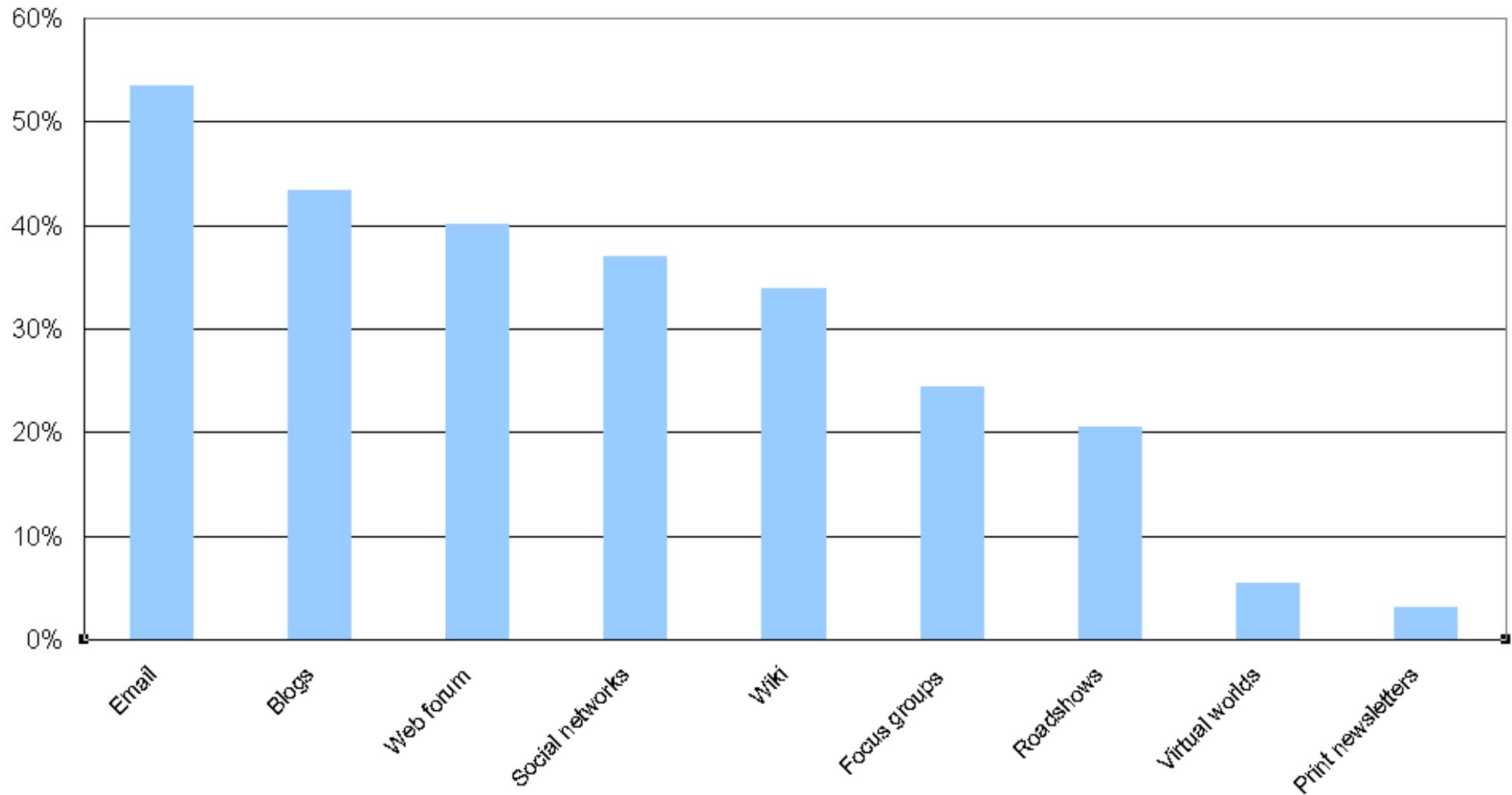
“Highlight how companies could benefit from a cohesive effort from UK ICT”

“Make it work for 5-10 companies and then showcase the success”

How best can we encourage the industry to support delivery of the ICT marketing strategy?



What tools should UKTI use to communicate with the industry?

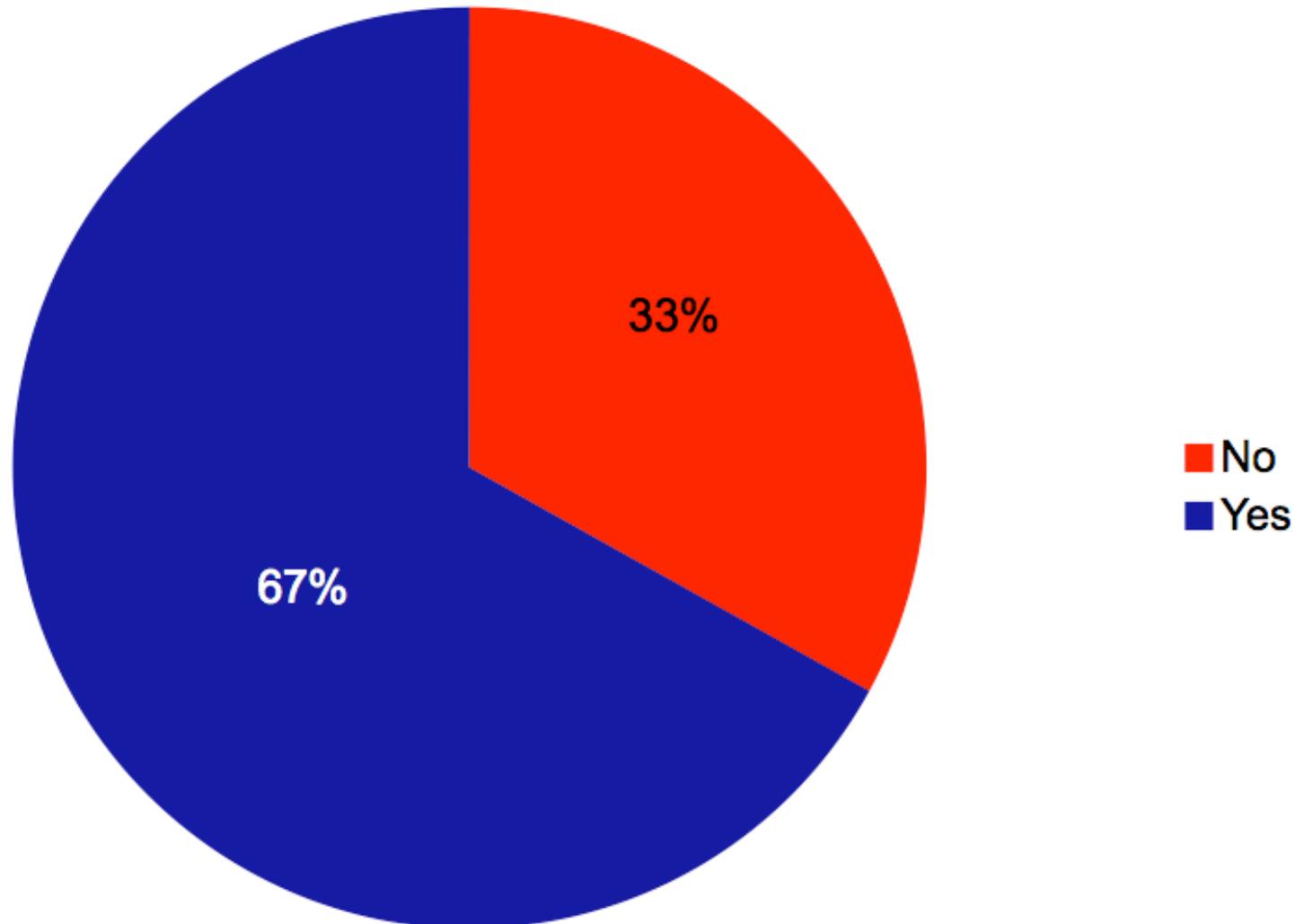


Additional means of communication

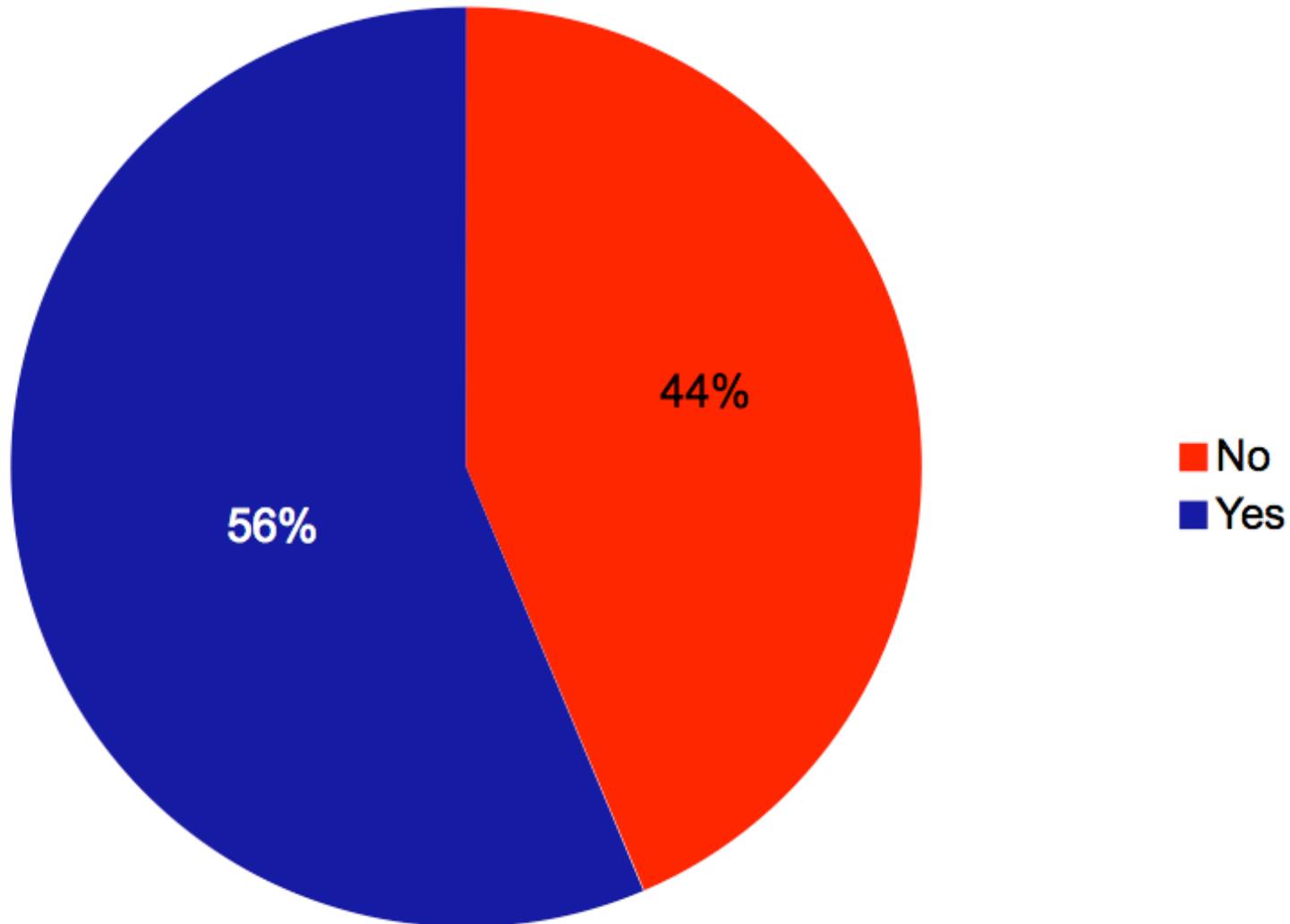
Key additional suggestions	% of respondents
• Networking events	46%
• Website	21%
• Trade publications	17%
• Combination	8%
• Need to sort out strategy before communicating it	8%

Working with UKTI

Respondents interested in supporting the delivery of the UK ICT strategy



Respondents interested in developing the evaluation process for the UK ICT strategy



Key findings

Key findings

The term ICT doesn't resonate effectively with the online, mobile and broadband content, digital and media markets.

The digital industry is about delivery mechanisms and end-user engagement and involves technology, communication and creative.

Digital sits across the information, technology and communications industries, but most members don't see themselves as operating solely within those industries.

Key findings

The digital industry wants to be engaged with, and informed of, Government proposals and plans.

The point and benefit of having a UK ICT marketing strategy needs to be demonstrated if the industry is to engage.

The majority of the industry feels left out of large scale strategy and wants more focus on the needs of SMEs.

Key findings

There is little support for traditional methods of promotion such as use of senior ministers, ICT ambassadors, or working with government departments – regulation and red tape are seen as stifling innovation and growth

A clear, cohesive strategy needs to be communicated using the tools the industry uses itself.

Key findings

There is an opportunity for UKTI to provide clear benefits – much of the digital industry is interested in international partnerships, expansion and investment.

UKTI and Government support of the ICT industry has little profile within the digital industry.

UKTI needs to establish its positioning – this requires a clear profile of who they are, what they can achieve, and why this is of benefit to the digital industry.

Contact

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