

2013 DERHAK IRELAND Hiring Trends Survey

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Co-Sponsored By:



Canadian Public
Relations Society



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- Association of Canadian Advertisers (ACA),
- Canadian Marketing Association (CMA),
- Canadian Public Relations Society (CPRS),
- Interactive Advertising Bureau of Canada (IAB), and
- Public Affairs Association of Canada (PAAC).

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We thank all of the participants in this year’s survey.

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Introduction

This project was undertaken to produce a Hiring Trends report covering the following subject areas: 1) marketing industry job growth (headcount), 2) attrition, 3) outsourcing use and 4) social media use for recruitment advertising. The entire survey was developed by the Georgian College Post Grad students assisted by the Humber College HR intern based upon discussions with senior HR contacts.

NOTE: None of the actual questions were not developed or proposed by DERHAK IRELAND.

This report draws upon over 550 completed surveys from the marketing industry: Advertising and Media Buying Agencies (Traditional and Digital Agencies), Client Advertisers/Marketers, Market Research, Media Publications and Broadcasters, plus Public Relations and Public Affairs.

Knowledge of the job market and ability to source and recruit the right talent is particularly important in this dynamic and continuously changing competitive environment. This report will be distributed, in addition to the 2013 DERHAK IRELAND National Salary Survey, as a hiring planning guide for Human Resources (HR) Managers and executives in Canada.

For more information or additional reports visit the DERHAK IRELAND website: www.Derhak.com

2013 Hiring Trends Summary

- ❖ **Headcount:** Generally, 92% of all participants across all sectors expect headcount for marketing positions to either remain unchanged (52%) or increase (40%) over the next 12 months.
 - This result is consistent across all sectors but is flipped around in the Digital sector, where a strikingly high 71% of their participants expect an increase in marketing positions.
- ❖ **Headcount Change:** Of those that expect an increase in marketing positions overall, a higher proportion (75%) predict over 5% increase in digital positions in the next 12 months compared to only 56% that predict the same or less than 5% increase in traditional positions.
- ❖ **Attrition:** Across all sectors, over 60% anticipate less than 5% attrition in their sector in the next 12 months. Here again, this flips for the Digital sector, where 65% anticipate more than 5% attrition.
- ❖ **Outsourcing:** Over 70% of participants use outsourced services with the top agencies being data collection, market research, recruiting & executive search firms and digital or data support for marketing/advertising agencies. There is no expected change in their use of outsourcing services across all sectors in the next 12 months.
- ❖ **Social Media Use:** LinkedIn is the preferred site for recruitment advertising for all salary ranges across all sectors. However, as salaries and level of responsibility increase, participants turn to Executive Search Firms.
- ❖ Facebook and Workopolis are used mostly for positions low salaries such as entry-level and mid-level management.

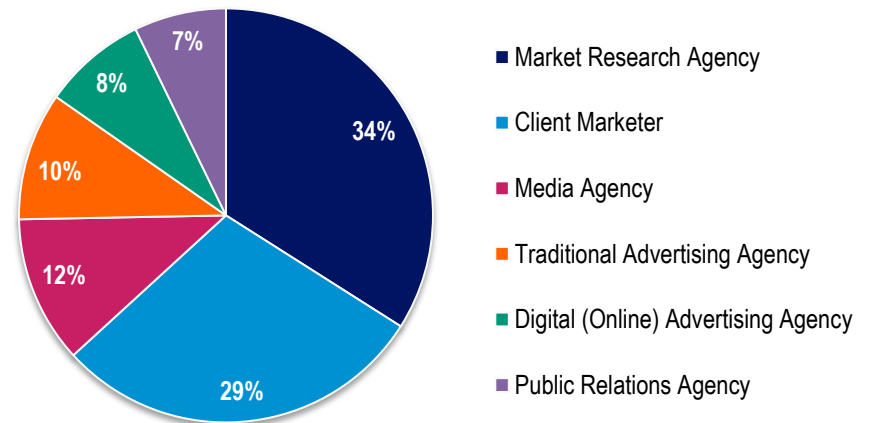
2013 Hiring Trends Results

Introduction: This survey section provides a general overview of trends in headcount, attrition, outsourcing and social media use in the marketing industry. As social media, digital media and communication technology seem to be prevalent topics recently, the Hiring Trends Survey aims to examine the role digital positions and agencies play in each of the trend subjects.

Participant Overview by Industry Sectors

About two-thirds of participants belong to the Market Research (34%) and Client Marketer (29%) sectors (See trend figures below). The remaining 37% of the participants were split among Traditional (10%) and Digital (8%) Advertising, Media (12%) and Public Relations (7%) Agencies.

Proportion of Participants by Sector



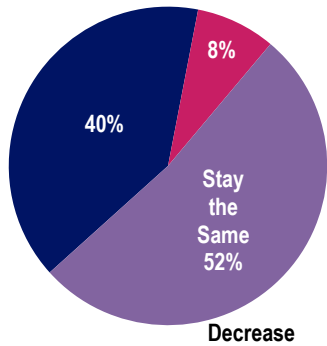
Headcount: Expected to Increase or Stay the Same

Overall, participants are not expecting headcount to decrease, which suggests the potential for stable job prospects in the industry. 52% of participants indicate that headcount for marketing positions will stay the same, while 40% expect headcount to increase in the next 12 months. This situation is flipped around in the Digital advertising sector where 71% of participants believe that headcount is likely to increase in their sector. This suggests job growth in digital marketing positions in the sector, possibly due to current emphasis on digital media and technology. On the other hand, Traditional Advertising sector remains evenly divided on whether headcount would increase (48%) or stay the same (48%) in their sector.

Percent Increase in Marketing Positions Headcount

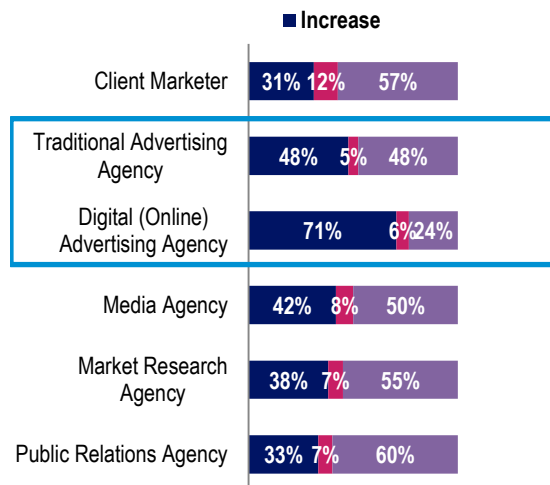
Of those that expect an increase in headcount for marketing positions, over half of participants (56%) indicated more than a 5% increase in traditional marketing positions in the next 12 months (e.g. Marketing Manager). This compares to 75% of participants who anticipate a similar increase in digital positions (See chart page 5). Here, it is clear that professionals expect more growth in digital positions than in traditional marketing positions. This is particularly evident in the digital advertising agency sector with a third (29%) anticipating under 5% increase for traditional positions but over 90% anticipating more than 5% increase in digital positions. On the other hand, public relations agency and client marketers sectors remain evenly divided on the level of increase in digital positions.

Headcount Change in Marketing Positions - Total Industry

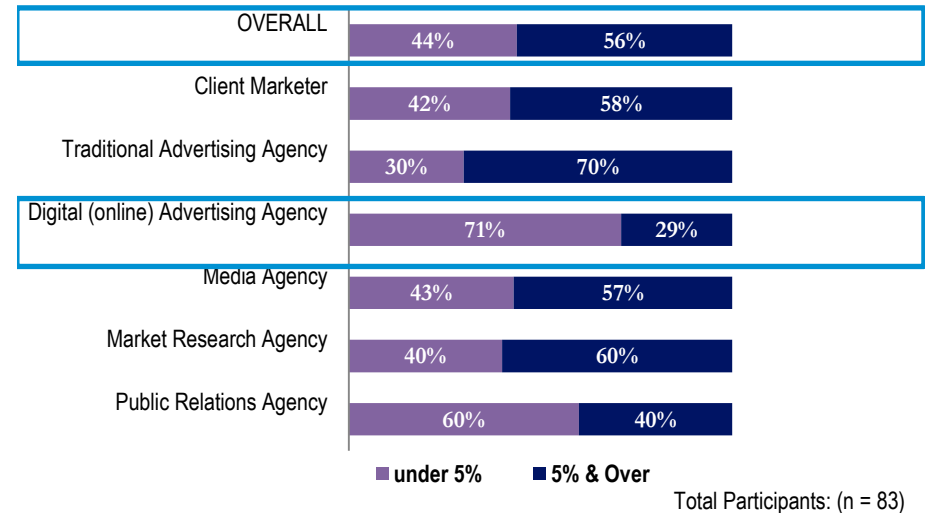


Total Participants : (n= 209)

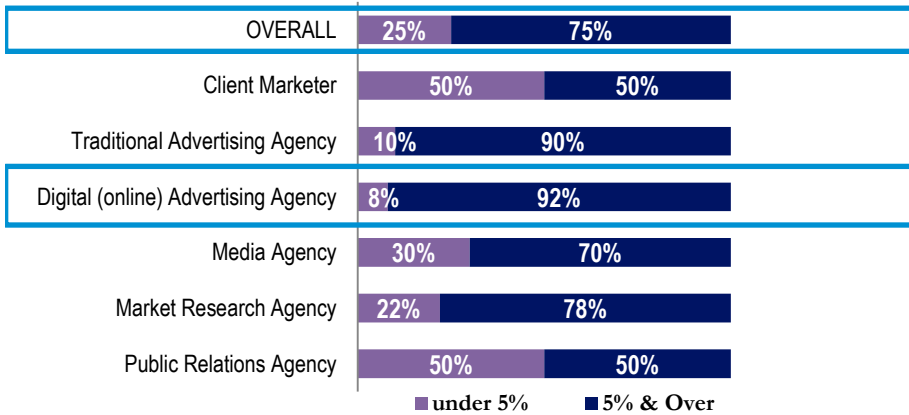
Headcount Change in Marketing Positions by Individual Sector



Increase in Traditional Marketing Positions by Individual Sector



Increase in Digital Marketing Positions by Individual Sector

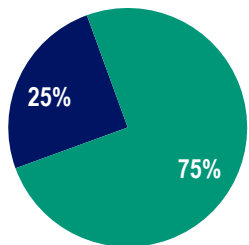


Total Participants: (n = 83)

Attrition: Majority Expect Under 5% Increase

Overall, 75% of participants anticipate attrition of under 5% in the next 12 months. Again, this is reversed for the Digital advertising sector where 65% expect attrition of more than 5%. This might be fueled by the over 5% growth in digital marketing positions.

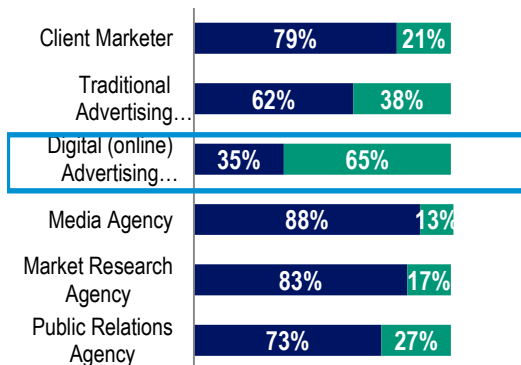
Attrition - Total Industry



Legend: ■ 5% & Over ■ Under 5%

Total Participants: (n = 207)

Attrition by Individual Sector

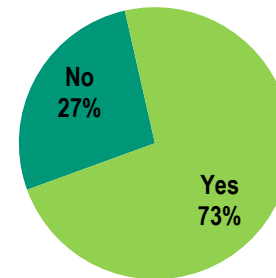


Total Participants: (n = 207)

Outsourcing: High Use of Outsourcing Agencies Across all Sectors

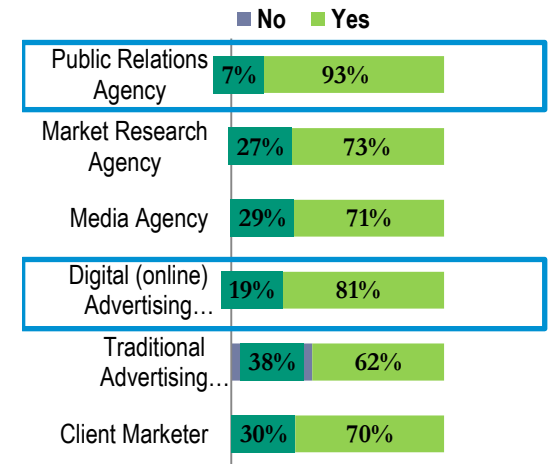
Overall, 73% of participants use outsourcing agencies or services. In particular, the Public Relations (93%) and Digital Media (81%) sectors seem to make the most use of outsourced services.

Use of Outsourcing - Total Industry



Total Participants: (n = 198)

Outsourcing Use by Individual Sector

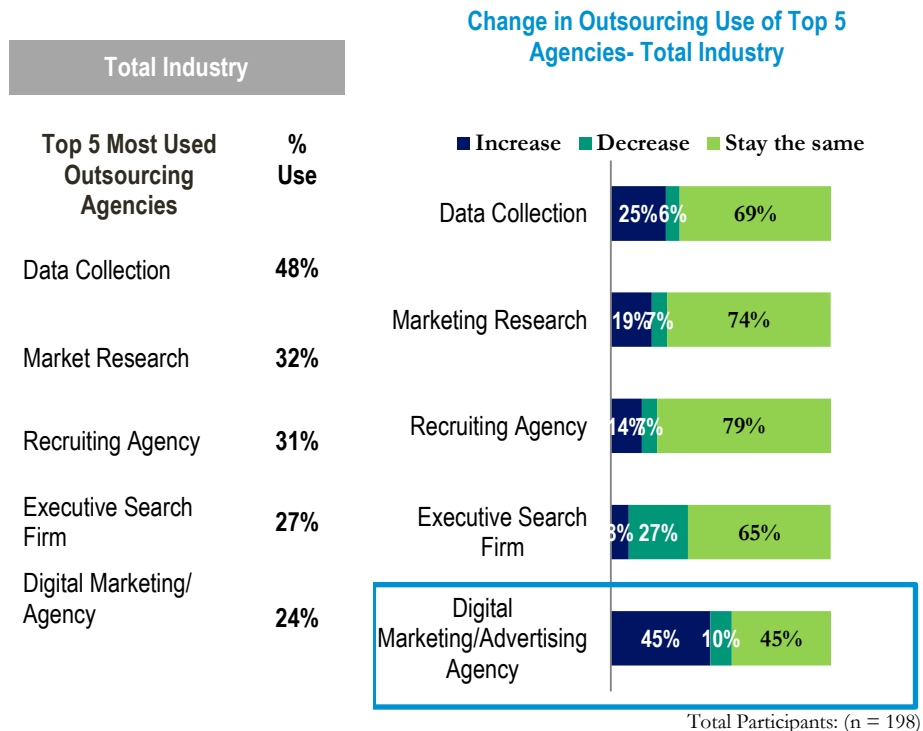


Total Participants: (n = 198)

Entire Industry - Top Outsourcing Agencies Used

The top 5 outsourcing services are: 1) data collection, 2) marketing research, 3) recruiting, 4) executive search and 5) digital marketing/advertising agencies.

Across all sectors, 65% of participants indicate that their use of outsourced services will remain the same in the next 12 months, with the exception of digital marketing/advertising, where participants were equally divided on whether their use will increase (45%) or stay the same (45%).



Top Outsourcing Agencies Used by Individual Sectors

Across all sectors, the use of outsourcing services is expected to remain about the same. Of the six sectors, three indicated digital marketing/advertising as a top outsourced service. These include: 1) client marketers, 2) traditional advertising and the 3) public relations sectors.

Even though only half of the total sectors use digital agencies, both client marketer (50%) and traditional advertising agency (100%) expect to increase in their use while public relations agency sector (60%) expect use to remain the same. Essentially, use of digital marketing services will remain the same or increase slightly.

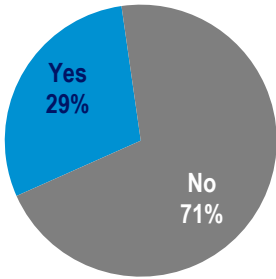
Client Marketing Sector		Traditional Advertising Agency Sector	
Most Used Outsourcing Agencies	% Use	Most Used Outsourcing Agencies	% Use
Branding Agency	46%	Marketing Research	39%
Media Buying or AOR	46%	Event or Field Marketing Agency	31%
Digital Marketing Agency	46%	Public Relations Agency	31%
Data Collection	36%	Digital Marketing Agency	31%
Executive Search Firm	36%	Data Collection	23%
Recruiting Agency	36%	Data Analysis	23%
Marketing Research	36%		

Paid Social Media Modestly Used for Recruitment Advertising

Across the six market sectors surveyed; 70% of participants do not use paid advertising or social media sites for recruitment.

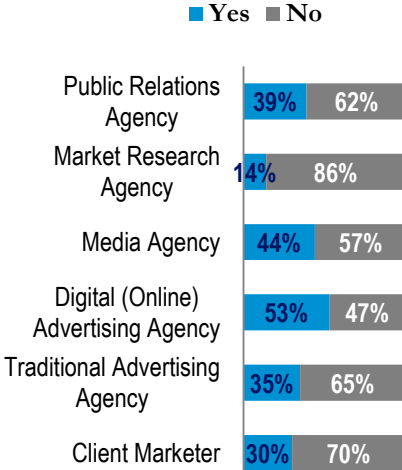
The highest use occurs in the Digital sector at 53%. This overall low use of social media is quite unexpected in light of growing interest, reach and daily use of social media. This suggests that although social media seems to have gained recognition in many industries as a regular advertising tool, it is not being widely used as a recruitment advertising tool, even in the marketing industry.

Use of Paid Social Media For Recruitment- Total Industry



Total Participants: (n = 187)

Use of Paid Social Media for Recruitment- by Individual Sector



Total Participants: (n = 187)

Digital Sector

Most Used Outsourcing Agencies	% Use
Recruiting	54%
Executive Search Firm	39%
Marketing Research	39%
Graphic or Packaging Design	31%
Promotion or Contest Agency	31%

Market Research Sector

Most Used Outsourcing Agencies	% Use
Data Collection	81%
Data Analysis	27%
Recruitment Agency	27%
Executive Search Firm	17%
Market Research	15%

Media Agency Sector

Most Used Outsourcing Agencies	% Use
Marketing Research	53%
Executive Search Firm	41%
Marketing Research	41%
Graphic or Packaging Design	35%

Public Relations Agency Sector

Most Used Outsourcing Agencies	% Use
Branding Agency	69%
Marketing Research	46%
Digital Marketing/Advertising Agency	46%
Graphic or Packaging Design	39%

Most Used Social Media Sites: LinkedIn & Facebook

The overall aggregated mean ranking was calculated and used to identify the most used sites. The results are as follows:

Most Used Social Media Sites- Rank (1 = Most Used and 7 = Least Used)

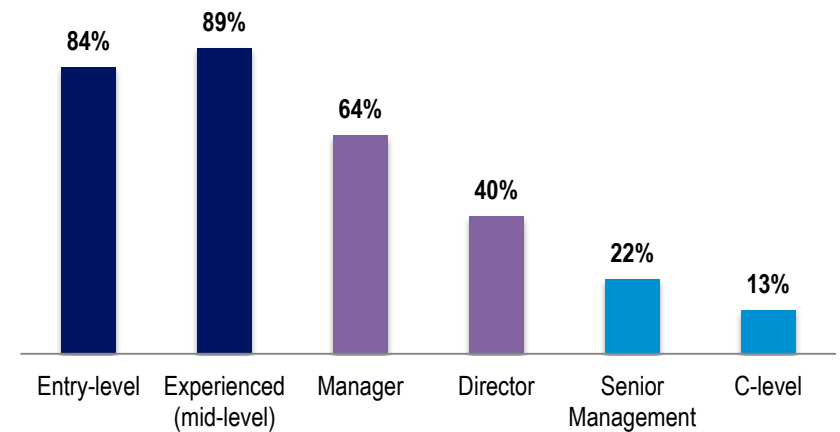
Social Media Sites	Under \$100,000	\$100,000 - \$200,000	Over \$200,000
LinkedIn	1	1	1
Facebook	3	5	6
Twitter	5	7	7

Traditional Recruitment Options	Under \$100,000	\$100,000 - \$200,000	Over \$200,000
Workopolis	2	3	3
Monster	4	6	4
Recruitment Agency	6	4	5
Executive Search Firm	7	2	2

According to the overall scores, LinkedIn ranked #1 in all salary categories which suggests that it is the most used social media site for business. Interestingly, Facebook and Workopolis ranked 2nd and 3rd overall after LinkedIn, but use of these sites (including Twitter) decreased as salary increased. This is shown by the increasing rank score as salary increased. On the other hand, the use of the traditional Executive Search firm, increased as salary ranges increased. This is evident in the decreasing rank level as salary increased. It can be concluded that social media sites like (Facebook and Twitter) are used mostly for positions with lower salary ranges. When filling positions with a higher salary and level of responsibility, most participants turn to executive search firms.

This is further confirmed with over 80% of all participants indicating the use of social media for entry-level and mid-level manager positions and a much smaller number of participants confirming use of social media sites for senior management (22%) and C-level positions(13%).

Social Media Use for Recruitment Advertising by Position Level



Total Participants: (n = 55)

Success of Social Media for Recruitment Advertising:

Results indicate a success mean score of 3. This means that the 29% of participants that use social media for recruitment advertising are undecided on its success and do not consider it a strong service.

This may suggest that social media is being used for recruitment advertising because it is available and because of its increasing popularity, rather than strong belief in the proven recruitment power of social media.

Conclusions

- ❖ From the Hiring Trends results, there is a higher emphasis on digital positions and the use of digital agencies. This aligns with the general public's high interest in social media, digital media and communication technology.
- ❖ Overall respondents expect digital marketing positions headcount to increase in the next 12 months compared to traditional marketing positions. This could be due to high expected attrition, especially in the Digital sector.
- ❖ The use of digital marketing and outsourcing agencies is generally expected to increase.
- ❖ Social Media, as a recruitment advertising tool, is not widely used in the marketing industry. For those that do use social media recruiting, Linked-In is the top choice for all salary ranges while Facebook and Workopolis are mostly used for positions with salaries below \$100,000 like entry and mid-level positions. As salary and level of responsibility increase, participants turn to traditional Executive Search Firms for their recruitment needs.
- ❖ It is noteworthy, that those that use social media recruiting are undecided on its merits - the use of social media advertising is probably due to its increasing visibility and as a matter of necessity rather than strong belief in its success as a recruitment advertising channel.

Notes about DERHAK IRELAND

Clients contact **DERHAK IRELAND** for one of three main reasons:

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Thank You,

This is our 9th National Salary Survey and our first Hiring Trends Survey. We would like to thank you for your participation and the Georgian College Research Analyst Program for their on-going support.

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*Thank you to the Georgian RAP Program Post-Grad Students
who did most of the work,*



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