

Bigmouthmedia predicts pivotal year for digital marketing sector

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Bigmouthmedia, Europe's largest independent digital marketing agency, has revealed that the next twelve months will have a pivotal role in shaping the digital marketing sector, with analysts citing factors ranging from challenging trading conditions to advanced technology combining to make 2009 a landmark year in the industry's development.

While the economic downturn will continue to have an impact on every sector, digital marketing businesses will focus on digital's cost benefits and demonstrable ROI (Return on Investment) in an effort to buck the trend. Trading conditions will seriously impact upon vulnerable agencies however, and a period of industry consolidation seems inevitable.

"Digital marketing has several key advantages when it comes to trading through a recession, but the downturn will wipe some of the smaller players off the map. Agencies reliant on one or two key clients will be particularly vulnerable, and I expect to see a rash of acquisitions and company failures radically reshape the industry over the course of 2009," said Steve Leach, CEO of bigmouthmedia (http://www.bigmouthmedia.com/about_bigmouthmedia/overview/).

"In the UK, Google's decision to end BPF (best practice funding) will also have a big impact. The loss of the commissions paid to agencies who recommend their clients spend with the search giant will badly hurt companies who have built their business model around this income stream.

"There are still plenty of opportunities out there, but this isn't a back bedroom sector anymore. Major clients increasingly require partners with international scale and, as the downwards pressure on costs continues, small scale agencies are going to struggle to cope."

However, set against a backdrop of steadily increasing corporate use of social media, video and online PR (http://www.bigmouthmedia.com/products_services/online-pr/), bigmouthmedia predicts that 2009 will also see increased investment in digital marketing as cost conscious companies seek to improve the quality of commercial content and access new channels, such as mobile marketing.

In search, 2009 is also expected to be a defining year. With the free PPC (Pay Per Click) management tools provided by the major engines expected to continue improving, commercial, third party technologies could be under threat.

"This will be a Beta Max year for the technology underpinning search marketing," said Leach.

"Until now, while search engines have provided technology to run the PPC marketplace, it has often made a lot of sense to go to a third party for a technical solution to enable automated PPC bidding and management. Will that continue to be the case in 2009? It'll be a hard year to sign long term search contracts on this issue as it increasingly looks like the search engines are giving better automated solutions away for free."

About bigmouthmedia

Founded in 1997, bigmouthmedia is Europe's largest independent digital marketing agency. With a team of over 200 staff located across 13 offices in 10 countries on 3 continents, the company maximises exposure for major brands online through a variety of fully integrated digital marketing channels: Search engine optimisation (<http://www.bigmouthmedia.com/>), PPC, Online Media Planning, Affiliate marketing, Social Networking, Brand Monitoring, Online PR and Web Analytics. Bigmouthmedia also provides up to date daily digital marketing news (http://www.bigmouthmedia.com/news_information/industry_news/) to ensure clients are fully informed and aware of all industry developments.

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