IPREX THE GLOBAL
COMMUNICATION
NETWORK

STATE OF GLOBAL COMMUNICATIONS AND MARKETING

2023

SHARED CHALLENGES AND COMMON OPTIMISM - AN IPREX REPORT

IPREX

JULIE EXNER

FAHLGREN MORTINE: SENIOR
VICE PRESIDENT
IPREX IMMEDIATE PAST PRESIDENT
LOCATION: OHIO, USA

EXECUTIVE SUMMARY

GLOBALLY SHARED CHALLENGES

Whether managing media relations in Mumbai, setting strategy in Singapore or creating content in Caracas, communicators across the globe have more in common than their diverse geographies might indicate.

That's one of the key takeways from our survey of nearly 500 communicators from around the world covering the resources they are using, their challenges, their outlook for the future, and their diversity, inclusion, equity and belonging progress.

In the midst of our ever more fractious and polarized society, that commonality feels reassuring. While there's plenty of color in the details to keep things interesting, regardless of where in the world we work, we share the same challenges – and increasingly the same opportunities.

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BUDGET BURDENS

At the top of the list of challenges: budget. At least we can all take comfort in the fact that we're not alone in working with budgets that need to punch above their weight class. Executive support/commitment, another shared challenge, is an obvious contributing factor. Too few people to do the work – a sibling to budget challenges – and language barriers also rose to the top globally.

Two challenges were identified that could ease the pain of budgetary and staffing woes:

- Communications assets not being shared across regions, and
- Lack of message and brand inconsistency from country to country.

From what we are seeing on the ground, tools like content and asset management systems are taking hold among global clients and show promise for efficient asset sharing and, thus, more consistent message delivery.

Regionally, a challenge that stood out was "stakeholder engagement" in APAC. It was cited as a challenge by APAC respondents more than twice as often as those in the Americas or EMEA. This likely plays into why most participants cited Asia as the most challenging region, aside from their own. The fact that legal systems, governance, business etiquette, culture and on-ground challenges vary widely between countries plays no small part in this. That wide variance is not surprising, given this region includes 60% of the world's population.

A BRIGHT OUTLOOK

Just as regions shared core challenges, they shared a sense of optimism about the subject at the heart of our survey: communicating across borders. Half of respondents think it will be easier in the coming years. Technology was often written in as a key enabler.

BEST PRACTICES IN EXPANSION

Contributing to cross-border communications becoming easier, companies are largely following the right steps. They are embracing communications best practices, like conducting market research, launching local awareness efforts and creating market-specific crisis plans. Overall, hiring agencies on the ground in expansion countries is more common than hiring staff.

When expanding into a new country, APAC leads the way in adopting communications best practices. With the diversity and size of its own region, communicators seem to have been conditioned well for entering new territory.

EMBRACING EXTERNAL SUPPORT

To support global markets outside of headquarters, companies choose to hire agencies vs. add their own staff. Hiring agencies for individual countries, country by country, was the most popular approach – 24% more popular than hiring a global agency. Between the two was working with a network of independent agencies, like IPREX.

IPR**Ξ**X

DEIB PROGRESS

Diversity, equity, inclusion and belonging (DEIB) efforts were another bright spot. Ninety percent of respondents' companies are undertaking diversity training. The Americas and APAC lead the way for having formal programs. Across the board, larger companies were more likely than their smaller counterparts to have formal programs, and they were also more likely to run them internally vs. outsource.
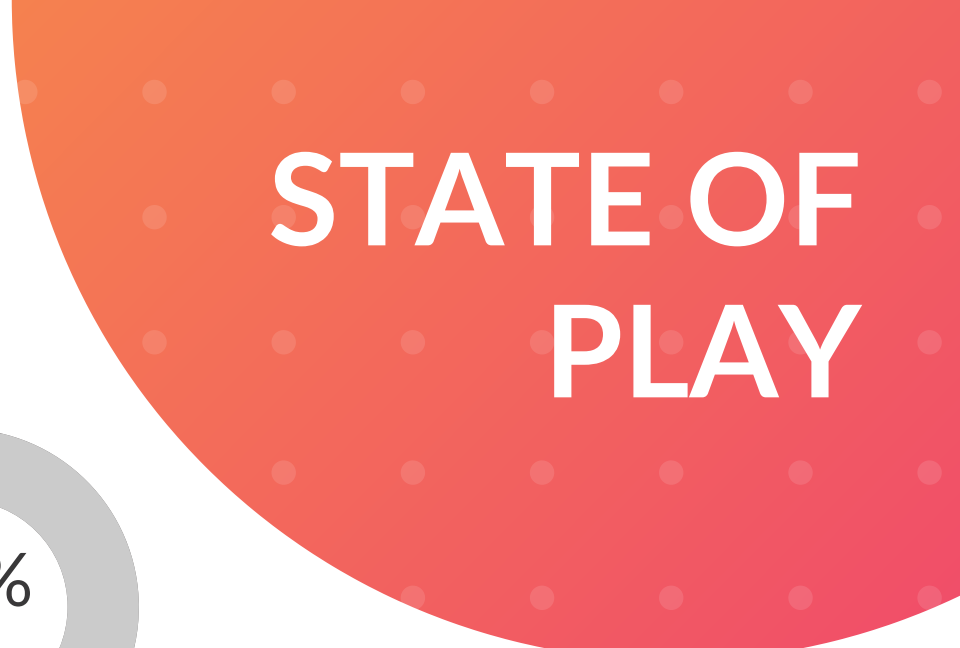
NEXT UP: WE'LL DIVE INTO THE DATA

At IPREX, global communications is at our core. It's our passion. It's what we share in common. The understanding of the cultural nuances it takes to do it well and how we can band together to help our clients drive us. So when our 62 agencies across the globe came together to take the temperature of global marketing and communications in this study, we were fascinated.
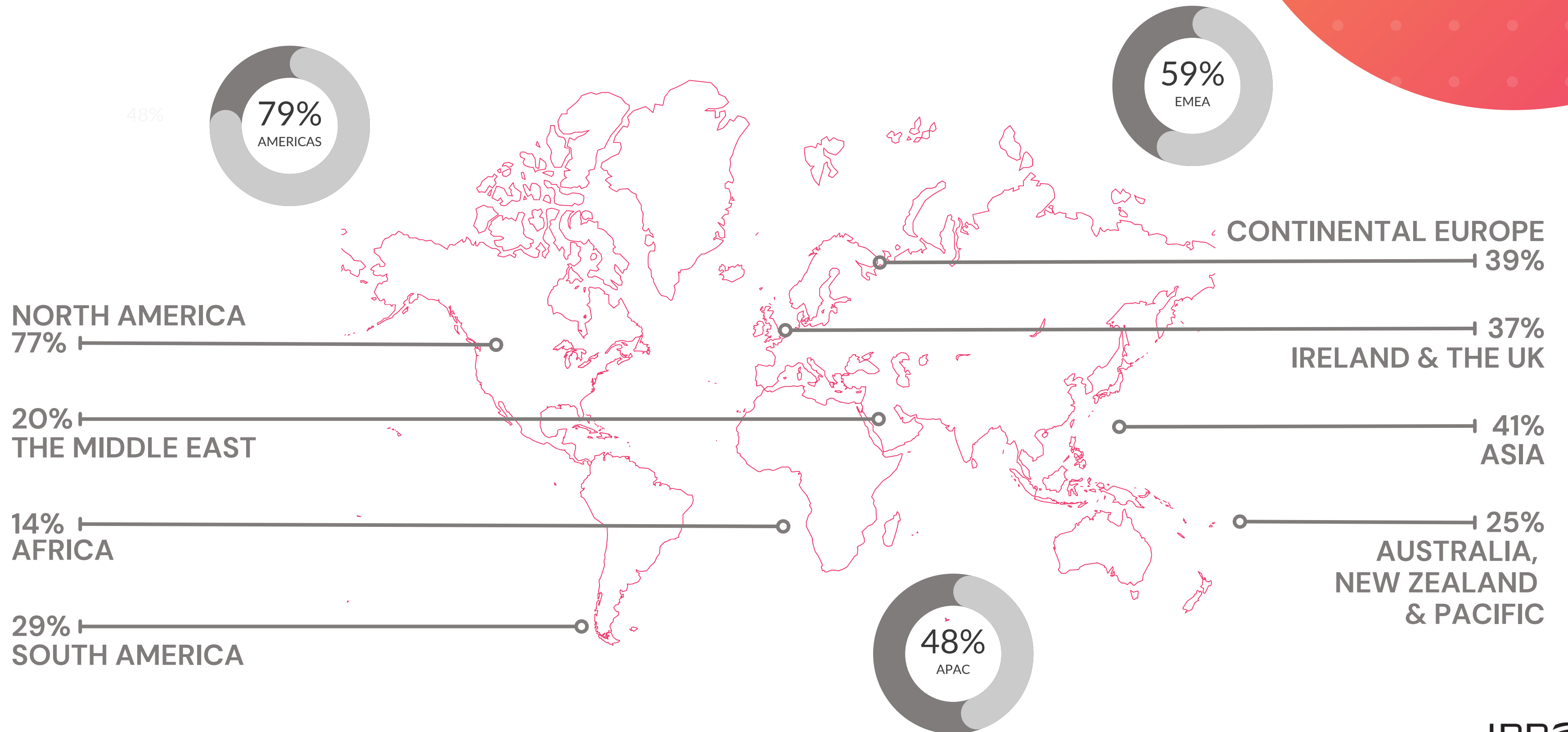
Please enjoy diving into the details as much as we did, and look for reports from our member agencies that explore the findings that speak to us in more detail. And please let us know what you think and what you want to know more about. Like my APAC and EMEA friends would say, we should connect on WhatsApp. But first you'll find me here at julie.exner@fahlgren.com.

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WHERE GLOBAL ORGANIZATIONS ARE CONDUCTING BUSINESS

STATE OF PLAY

79% AMERICAS

59% EMEA

48% APAC

48%

CONTINENTAL EUROPE
39%

NORTH AMERICA
77%

37%
IRELAND & THE UK

20%
THE MIDDLE EAST

41%
ASIA

14%
AFRICA

25%
AUSTRALIA,
NEW ZEALAND
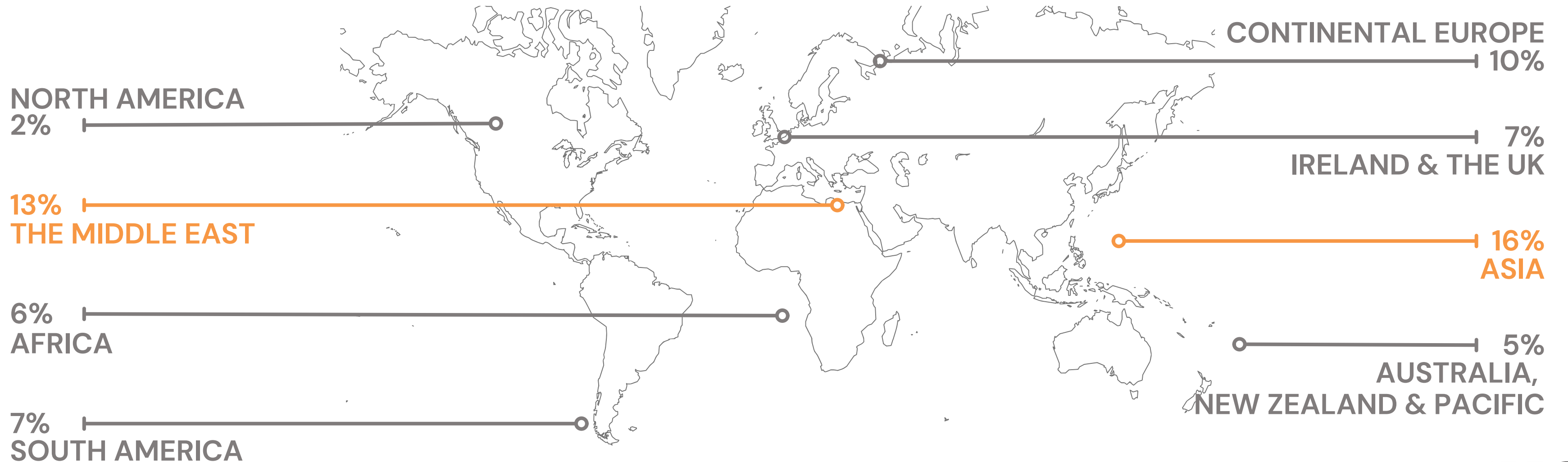& PACIFIC

29%
SOUTH AMERICA

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THE MOST CHALLENGING REGIONS

Over a third (35%) of communicators listed their respective regions as presenting the most challenges. However, when their own regions were removed, the regions that ranked the most challenging were Asia (16%) followed by the Middle East (13%).

ANU GUPTA
APRW: DIRECTOR
IPREX MEMBER
LOCATION: SINGAPORE

The business landscape of Asia is one of the most diverse yet challenging in the world. With countries like China, India, Japan and South Korea driving economic growth and technological advancement in the region, companies now have to navigate through a complex environment when doing business here.
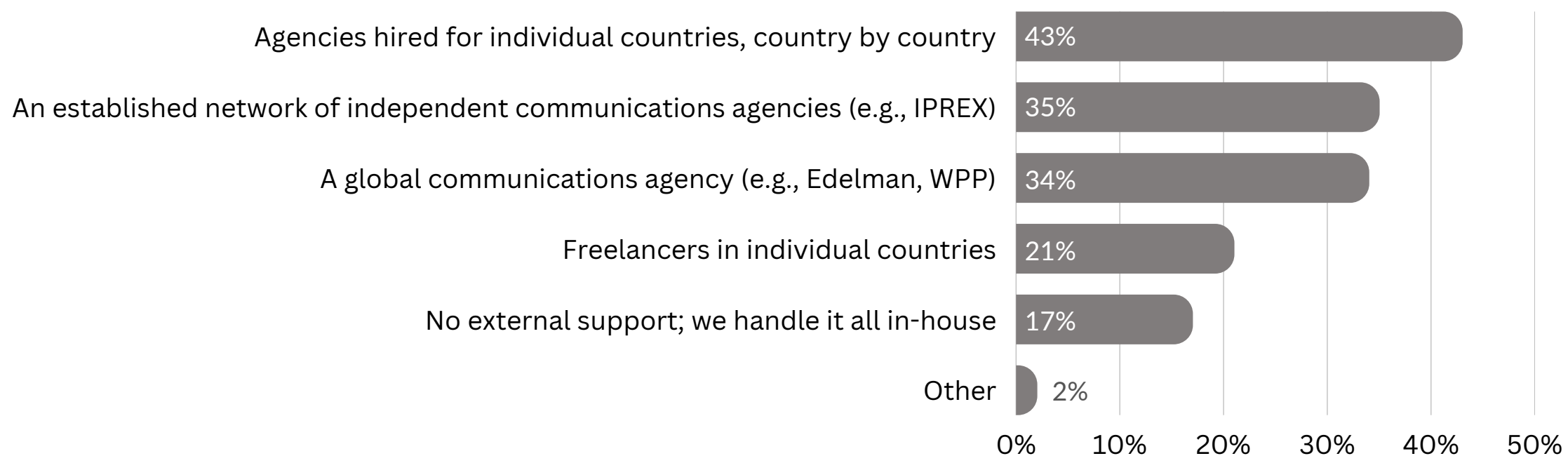
CONTINENTAL EUROPE
10%

NORTH AMERICA
2%

7%
IRELAND & THE UK

13%
THE MIDDLE EAST

16%
ASIA

6%
AFRICA

5%
AUSTRALIA,
NEW ZEALAND & PACIFIC

7%
SOUTH AMERICA

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TYPES OF EXTERNAL COMMUNICATIONS SUPPORT

Larger organizations (at 49%) are 25% more likely than smaller ones (at 33%) to use agencies for individual countries, country by country.

TYPES OF SUPPORT

By far, the majority of organizations rely on third-party providers, whether that be networks, global communications agencies, individual agencies, or freelancers, to assist them with their external communications.

Agencies hired for individual countries, country by country — 43%
An established network of independent communications agencies (e.g., IPREX) — 35%
A global communications agency (e.g., Edelman, WPP) — 34%
Freelancers in individual countries — 21%
No external support; we handle it all in-house — 17%
Other — 2%

LOCAL AGENCIES OR LOCAL EMPLOYEES?

It's more likely an organization will have local agency partners on the ground than local employees.

Local Agency: None, 5%; < Half, 20%; Half, 15%; Most, 28%; All, 31%
Local Employees: None, 8%; < Half, 22%; Half, 17%; Most, 28%; All, 23%
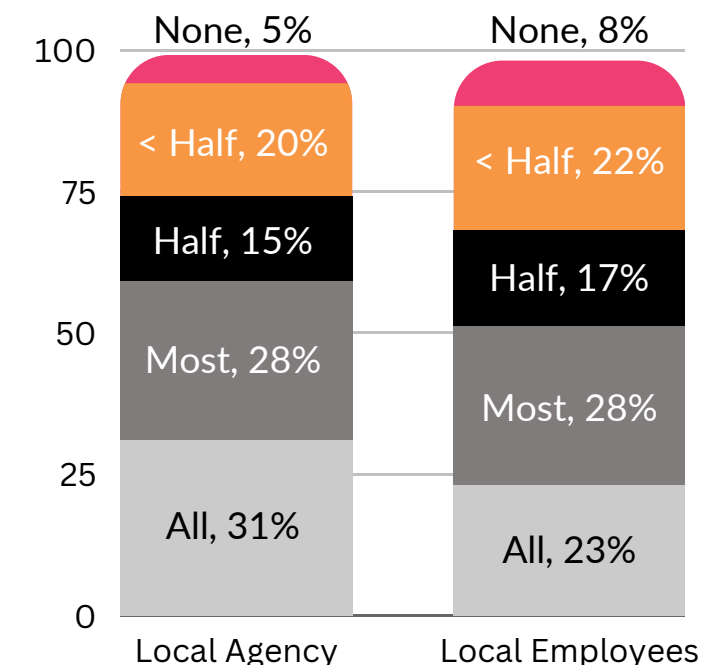
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TYPES OF EXTERNAL COMMUNICATIONS SUPPORT - BY REGION

APAC is the region where organizations are markedly more likely to rely on third-party providers.
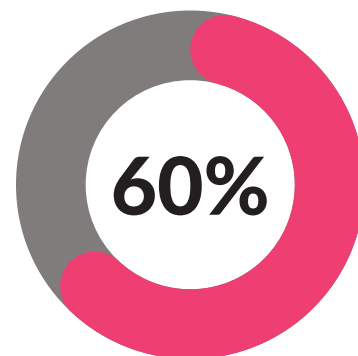
60% Almost two-thirds of APAC organizations use a network, like IPREX...
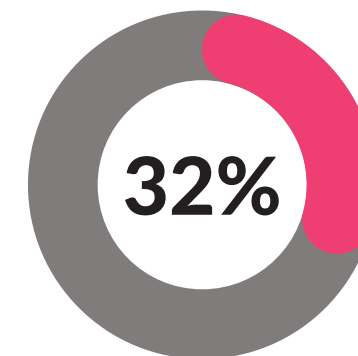
32% ...compared with one-third of those headquartered in EMEA and The Americas.

■ Americas ■ APAC ■ EMEA

Agencies hired for individual countries, country by country

An established network of independent communications agencies (e.g., IPREX)

A global communications agency (e.g., Edelman, WPP)

Freelancers in individual countries

No external support; we handle it all in-house

Other

0% 20% 40% 60%

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LOCALIZATION VS. GLOBALIZATION: LOCATION OF STRATEGY DEVELOPMENT

Legend: ▪ Primarily local ▪ Primarily headquarters

Category	Primarily local	Primarily headquarters
Thought leadership	33%	64%
Crisis communication management	35%	62%
Content marketing	40%	57%
Media buying	40%	56%
Public affairs/government	41%	55%
Philanthropy/charitable	43%	54%
Social media management	44%	53%
Media relations/outreach	45%	53%
Communication to employees	49%	48%
Lead generation	51%	46%

0%   25%   50%   75%   100%

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LOCALIZATION VS. GLOBALIZATION:
LOCATION OF STRATEGY DEVELOPMENT - BY REGION
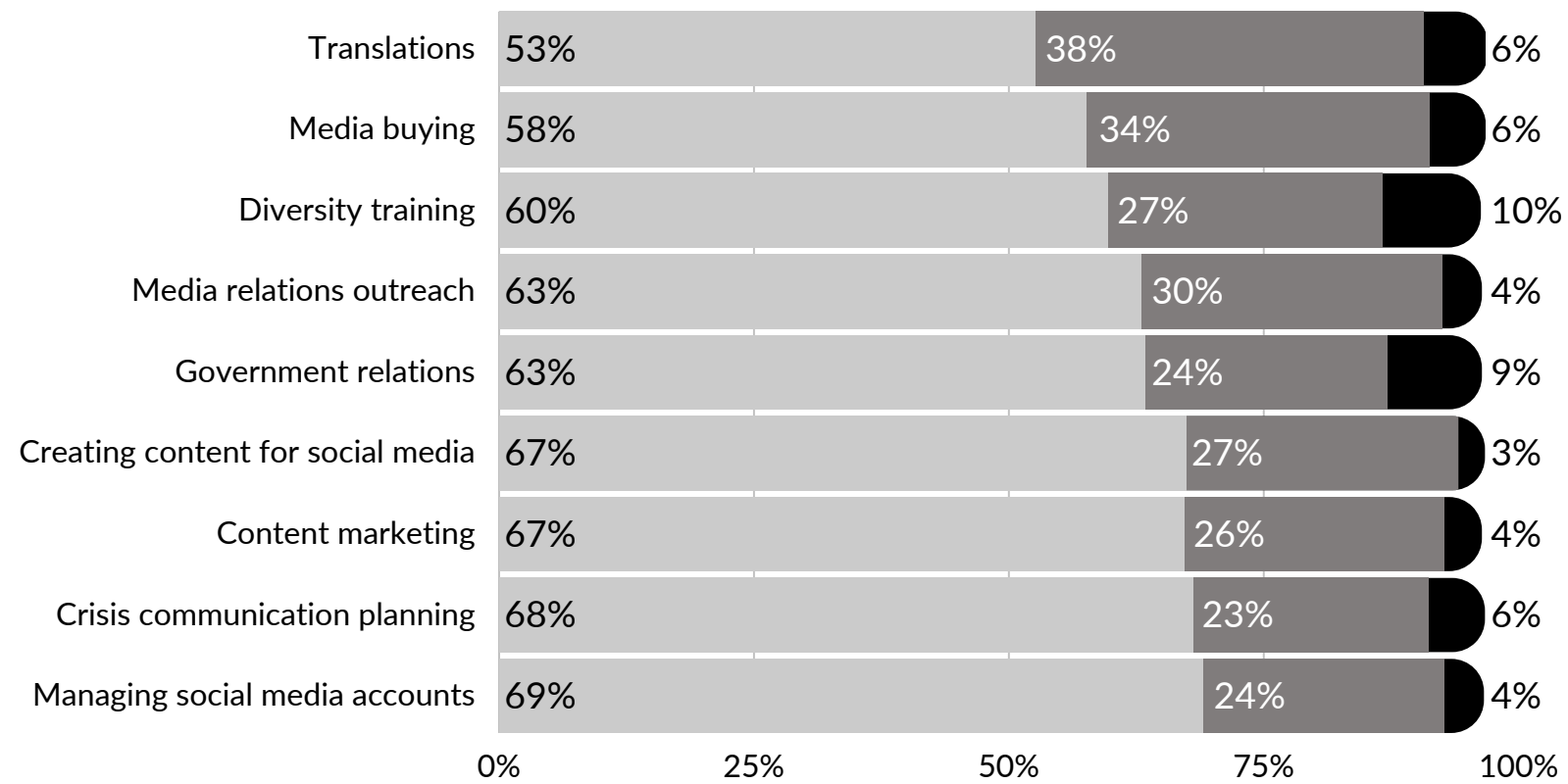
While there are exceptions, the identifiable trend is: organizations based in EMEA are more likely to develop their communications strategies in their local offices, as opposed to at headquarters.

58%

APAC (58%) is more likely to undertake lead generation strategy at headquarters when compared with EMEA (44%) and the Americas (46%), but more likely to undertake their public affairs/government relations work at the local level (56%) than the Americas (42%) and EMEA (38%).

64%

EMEA (64%) is more likely to undertake philanthropic/charitable campaigns at the local level compared to the Americas (40%) or APAC (47%).

46%

This local trend continues for EMEA when looking at thought leadership - with 46% of EMEA organizations developing this strategy at the local level, compared with 32% of American and 29% of APAC organizations.

Local level strategy building standouts

64% | EMEA - Philanthropy/charitable giving
56% | APAC - Public affairs/government relations
53% | EMEA - Social media management
51% | EMEA - Media buying
46% | EMEA - Thought leadership

HQ strategy building standouts

57% | Americas - Media relations/outreach
56% | APAC - Lead generation
56% | EMEA - Communication to employees

IPREX

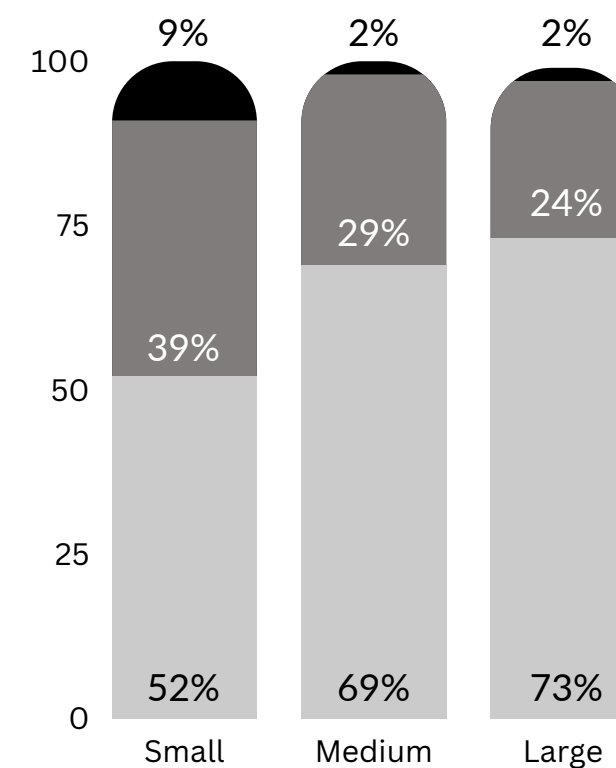# ACTIVITIES UNDERTAKEN INTERNALLY VS. EXTERNALLY

It is notable that the majority of communications activities are being handled in-house. "Translation services' (38%) is the most likely activity to be handled by a third party, while "Crisis communication planning" (23%) is the most likely activity to be undertaken in-house.

MEDIA RELATIONS OUTREACH BY ORGANIZATION SIZE

Activity	Internally	Contractors	Not done
Translations	53%	38%	6%
Media buying	58%	34%	6%
Diversity training	60%	27%	10%
Media relations outreach	63%	30%	4%
Government relations	63%	24%	9%
Creating content for social media	67%	27%	3%
Content marketing	67%	26%	4%
Crisis communication planning	68%	23%	6%
Managing social media accounts	69%	24%	4%

Media relations outreach by organization size:

	Small	Medium	Large
Not done	9%	2%	2%
Contractors	39%	29%	24%
Internally	52%	69%	73%

In every single case, the larger the organization, the more likely they are to undertake their global communications activities in-house.

Large companies (73%) are 40% more likely to undertake media relations/outreach work in-house than their smaller counterparts (52%).

Perhaps unsurprisingly, the larger the organization, the more likely they are to "do" the activity at all.

Legend:
- Internally
- Contractors
- Not done
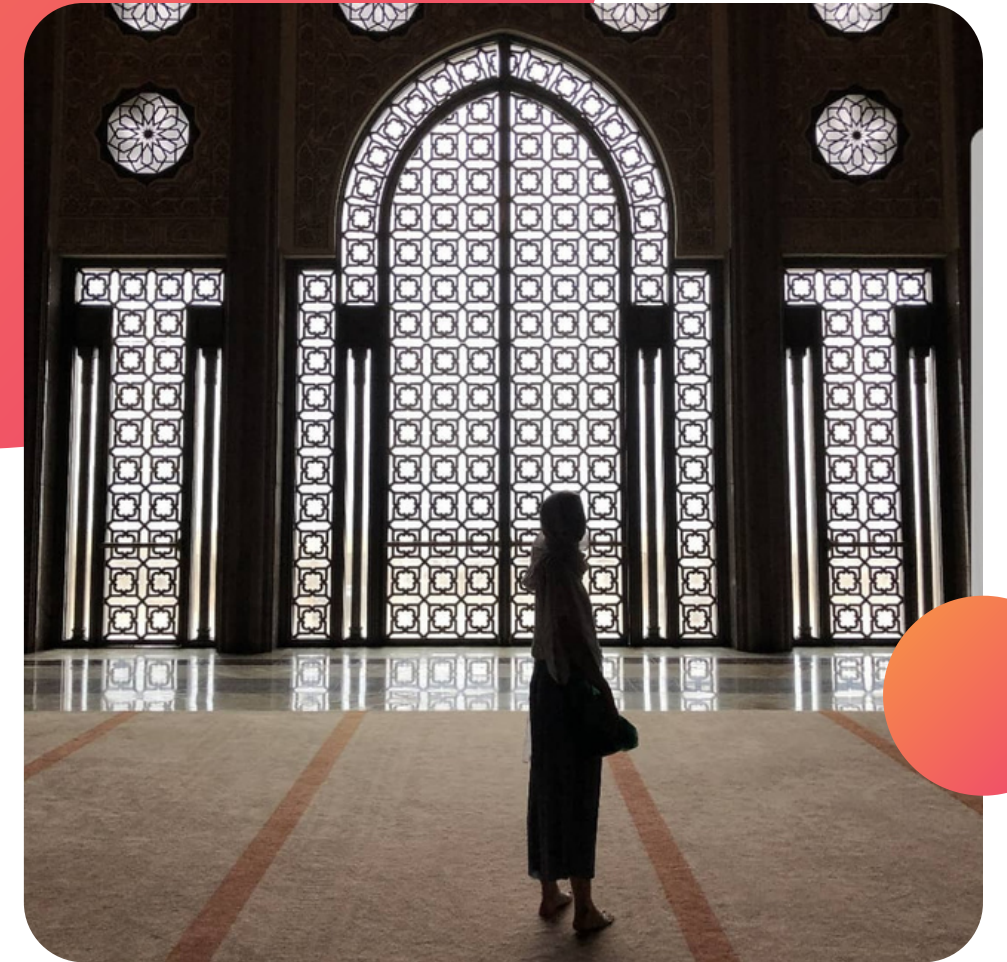
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EXPANSION BEST PRACTICE

DAVID MACHE

MT-MEDIEN: CEO
IPREX EMEA REGIONAL PRESIDENT
LOCATION: GERMANY

When companies grow internationally and enter new markets, the need for target group-oriented internal and external communication grows at the same time. Employees want to be informed competently and continuously, and the media and potential customers should be reached with a positive brand image from the very first initial communication. The local expertise in our global network helps companies avoid the pitfalls of intercultural communication. Each partner has close local networks in its market: they are connected with journalists and influencers, and they know the needs of customers and target groups.

Legend: ■ Always ■ Most of the time ■ About half ■ Sometimes ■ Never

|	Always	Most of the time	About half	Sometimes	Never
Undertake formal research in the local market	35%	36%	16%	10%	3%
Launch a communication program to familiarize the local population with your organization	29%	41%	12%	10%	8%
Create a market-specific crisis communication plan	28%	36%	13%	12%	10%
Hire third-party in-country experts (like an agency) to offer counsel on the local political environment	24%	30%	20%	17%	10%
Hire new communications staff in the new market	20%	32%	18%	22%	7%
Deploy existing communication staff to a new market	19%	37%	19%	17%	7%

0%   25%   50%   75%   100%

EXPANSION BEST PRACTICE - BY REGION

APAC is leading the way in its conscientious approach to global expansion. APAC ranked first in every single activity listed.
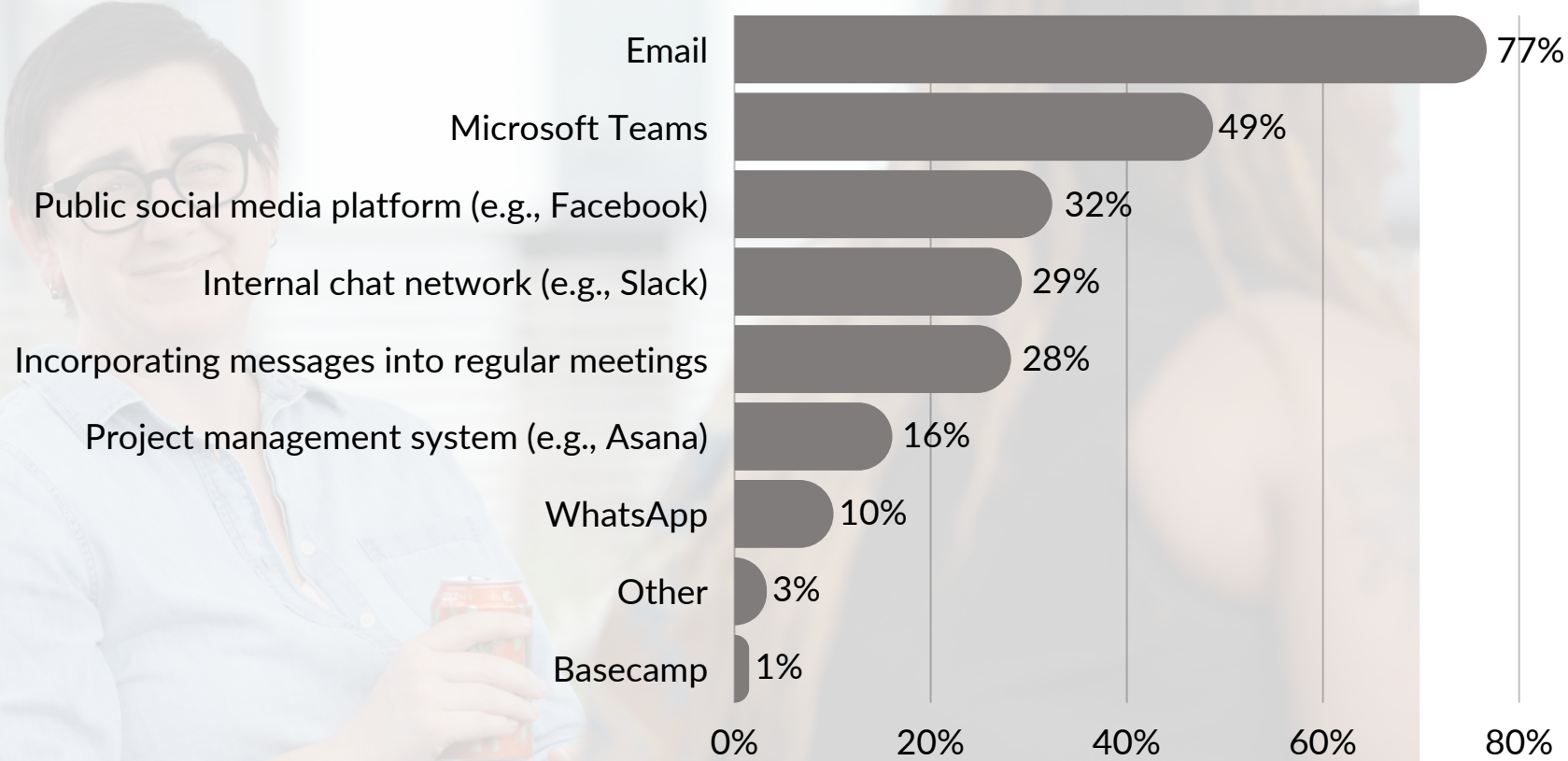
93%
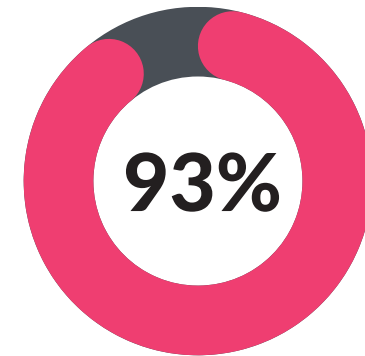
For example, in 93% of cases, organizations headquartered in APAC launched a communication program to familiarize the local population with their organizations when expanding into a new international market - this dropped to 67% for the Americas and 64% for EMEA.

53%
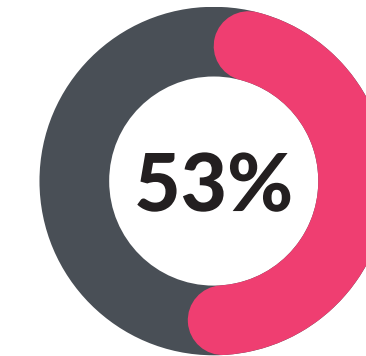
The only place APAC equalized (with the Americas), was when it came to hiring new communications staff in the new market, which they undertook only 53% of the time (46% for EMEA).

Legend: ■ Americas ■ APAC ■ EMEA

Chart categories (top to bottom):
- Undertake formal research in the local market
- Launch a communication program to familiarize the local population with your organization
- Create a market-specific crisis communication plan
- Hire third-party in-country experts (like an agency) to offer counsel on the local political environment
- Hire new communications staff in the new market
- Deploy existing communication staff to a new market

X-axis: 0% 25% 50% 75% 100%

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PLATFORMS FOR CASCADING MESSAGES

Email — 77%
Microsoft Teams — 49%
Public social media platform (e.g., Facebook) — 32%
Internal chat network (e.g., Slack) — 29%
Incorporating messages into regular meetings — 28%
Project management system (e.g., Asana) — 16%
WhatsApp — 10%
Other — 3%
Basecamp — 1%

0% 20% 40% 60% 80%

20% The larger the company, the more they rely on email for communication. In fact, larger organizations are 20% more likely than smaller organizations to use email.

2X However, smaller organizations are twice as likely as their larger counterparts to rely on a project management system.

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PLATFORMS FOR CASCADING MESSAGES - BY REGION

EMEA (at 67%) is less likely than the other regions to rely on email, especially when compared with the Americas (79%).

APAC (58%) is twice as likely as its American counterparts (31%) and almost three times as likely as those in EMEA (22%) to use social media for cascading messages throughout their organizations.

Those who've worked in APAC (29%) may be unsurprised to see the region is **4X** more likely than American (7%) organizations and **2X** more likely than EMEA (13%) organizations to use WhatsApp for internal cascading messages.

This flips when looking at project management systems - where APAC's (9%) utilization of these tools is half that of the other regions.

■ Americas   ■ APAC   ■ EMEA

Email
Microsoft Teams
Public social media platform (e.g., Facebook)
Internal chat network (e.g., Slack)
Incorporating messages into regular meetings
Project management system (e.g., Asana)
WhatsApp
Other
Basecamp

0%   20%   40%   60%   80%

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CHALLENGES & OUTLOOK

Budget — 21%
Too few people to do the work — 20%
Language barriers — 16%
Executive support/commitment — 11%
Stakeholder engagement — 11%
Political instability/conflicts — 10%
Lack of technology — 7%
Corruption — 3%
Other — 2%

0% · 5% · 10% · 15% · 20% · 25%

TOP CHALLENGES

The most significant challenges facing respondents from a global communications perspective were: "Budget" and "Too Few People To Do The Work" - at one in five communicators identifying each as a top challenge.
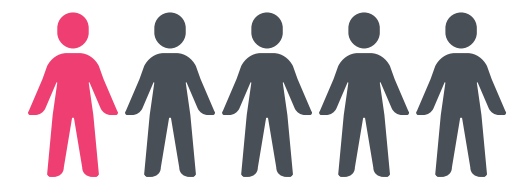
Communicators not yet at the C-suite level were more likely to report "Executive support/commitment" as their biggest challenge from a global communications perspective.

IPREX
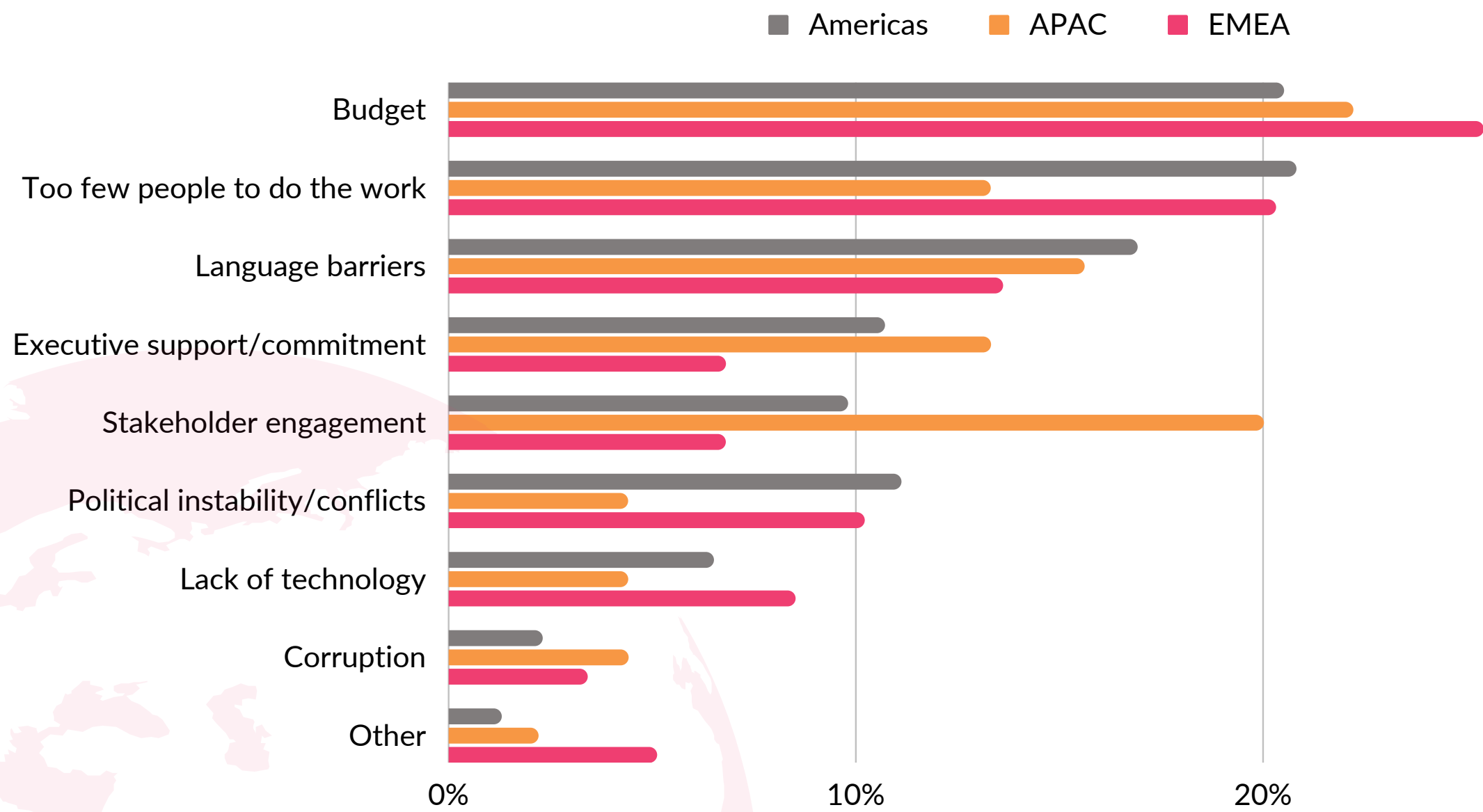
TOP CHALLENGES - BY REGION

APAC's challenges somewhat differed from the Americas and EMEA. While each region did list "Budget" as one of their top two issues, there was a marked difference in workforce challenges. While Americas (21%) and EMEA (20%) listed "Too Few People To Do The Work" in their top two issues, it was reported as an issue for only 13% of APAC organizations. Instead, it was "Stakeholder engagement" that APAC considered its second most significant challenge (20%), followed by "Language barriers" (16%).

MARKETING COMMUNICATIONS KEY GLOBAL ISSUES

100%

75%

50%

25%

0%

	1	2	3
An issue that's getting worse	11%	10%	10%
An issue that's neither improving nor getting worse	9%	9%	11%
An issue, but we're improving on it	42%	34%	27%
Not an issue for my organization	39%	47%	53%
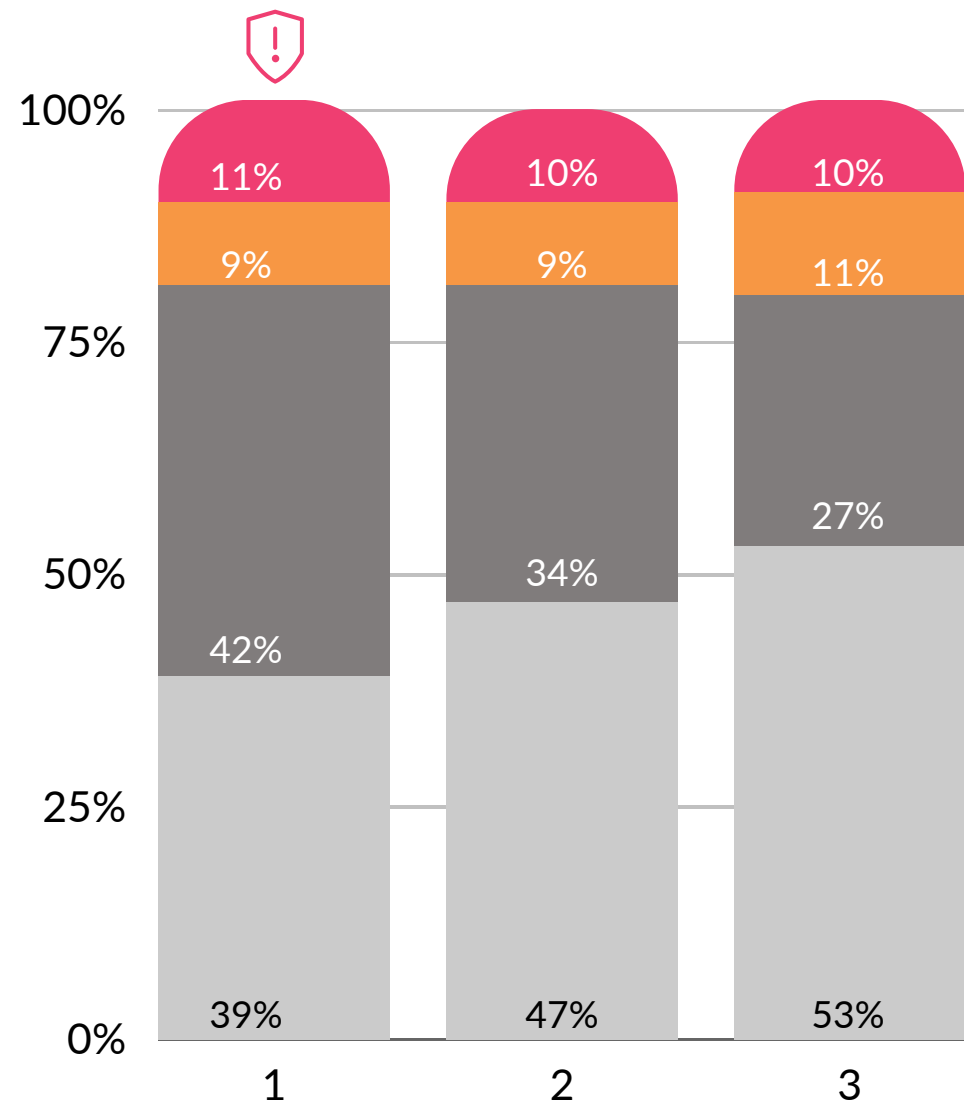
Legend:
- Not an issue for my organization
- An issue, but we're improving on it
- An issue that's neither improving nor getting worse
- An issue that's getting worse

⚠ TOP ISSUE

1: COMMUNICATION ASSETS ARE NOT BEING SHARED ACROSS COUNTRIES

61% of global organizations report communication assets, such as content or graphics on the same subject, are not being shared across countries, causing double work and missed opportunities. However, of those organizations that identified this as an issue, the majority said the issue is improving (53%).

2: MESSAGES AND BRAND INCONSISTENCIES ACROSS COUNTRIES

Half of all respondents (53%) said they are not "ensuring message and brand consistency from country to country." Promisingly, of those who identified it as an issue, 64% said they were improving on it.

3: LEADERSHIP DOES NOT RESPECT MARKETING AND COMMUNICATION AS A DISCIPLINE

All regions reported the same "big" issue: "My organization's leadership does not respect marketing and communication as a discipline" (46%). However, the majority of respondents (62%) that declared they had issues said they were improving on it.

Larger organizations were more likely to report they were improving on the issue. Overall, the smaller organizations, and medium to a lesser degree, were less optimistic about improving upon this issue.

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FORECAST FOR COMMUNICATING ACROSS BORDERS

■ Less difficult   ■ Remain about the same   ■ More difficult

Region	Less difficult	Remain about the same	More difficult
Global	50%	29%	21%
APAC	62%	22%	16%
Americas	50%	29%	21%
EMEA	41%	41%	19%

0%   25%   50%   75%   100%
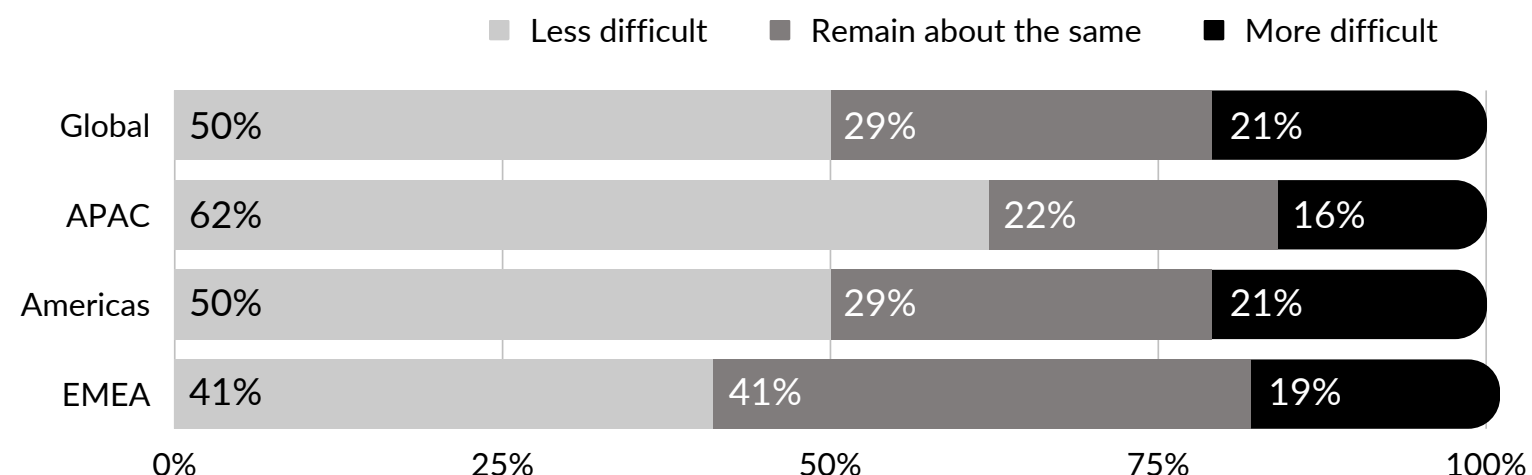
Technology, powered by machine learning and AI, can help ensure that global/regional messages can retain their sharpness at a local level, and consider local context/inputs.
- Anonymous Respondent

GLOBAL FUTURE OUTLOOK

Despite the multitude of issues the industry is facing, global communicators are an optimistic bunch, with half of the respondents saying in the coming years communicating across borders will become less difficult, and almost one third saying it will remain about the same. Of those who believe communicating across borders will become less difficult in the coming years, one-third attributed it to technological advancements.

BY REGION

APAC is an optimistic region, with two-thirds of respondents believing that in the coming years communicating across borders will become less difficult. Organizations headquartered in the Americas are also largely optimistic, with half saying the same thing. EMEA is a little more cautious, with 41% believing communicating across borders will become less difficult, and 41% believing it will remain about the same.

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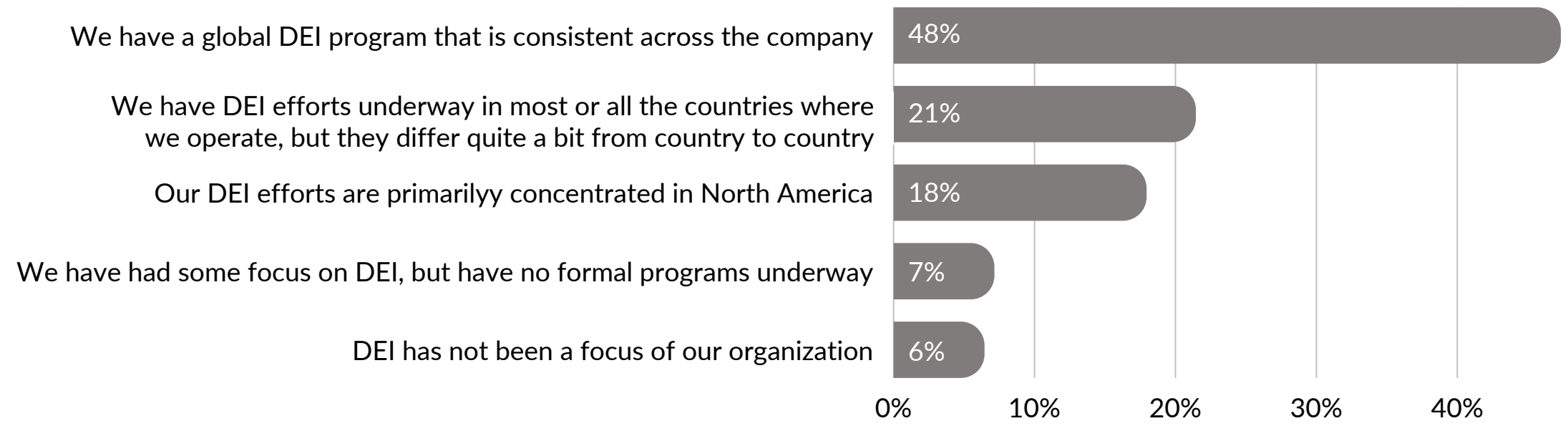# DIVERSITY, EQUITY, INCLUSION & BELONGING

GLOBAL ORGANIZATIONS ARE MAKING POSITIVE STRIDES IN THEIR DEIB EFFORTS

The larger the organization, the more likely it is to have a global DEIB program that is consistent across the company.

ORGANIZATIONS' APPROACHES TO DEIB

We have a global DEI program that is consistent across the company — 48%

We have DEI efforts underway in most or all the countries where we operate, but they differ quite a bit from country to country — 21%

Our DEI efforts are primarilyy concentrated in North America — 18%

We have had some focus on DEI, but have no formal programs underway — 7%

DEI has not been a focus of our organization — 6%

0% 10% 20% 30% 40%

DAVID C. RUDD

RUDD RESOURCES: EVP & SENIOR COUNSELOR

IPREX DE&I COMMITTEE CHAIR

LOCATION: CHICAGO, USA

Diversity, equity, inclusion and belonging are key drivers for creativity and high-functioning agencies. Every corner of the agency world is impacted and improved by these principles, and PR practitioners should intentionally make room for people with different, even counterintuitive, perspectives on their teams.
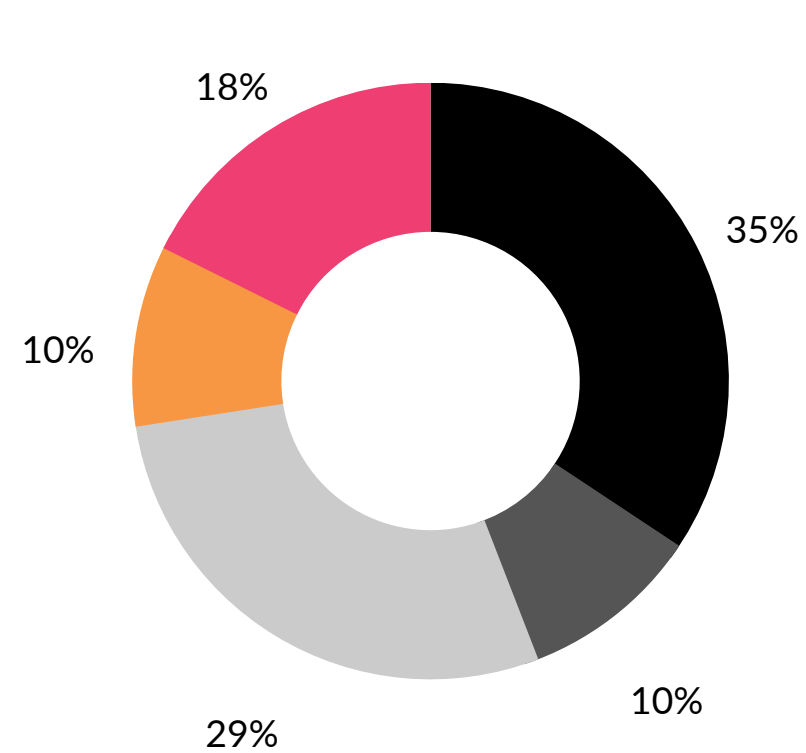
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ORGANIZATIONS' APPROACHES TO DEIB - BY REGION

AMERICAS ORGANIZATIONS' APPROACHES TO DEIB

5%
5%
20%
48%
22%
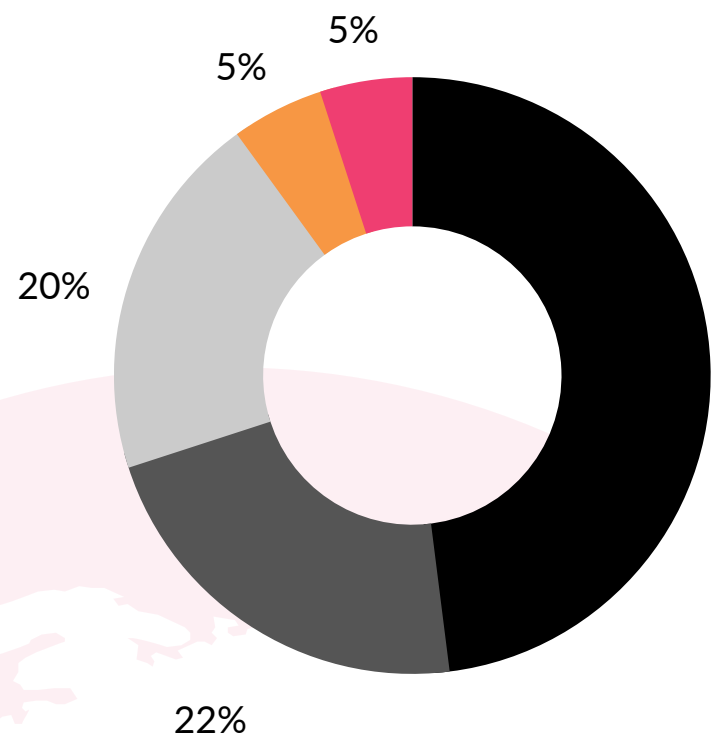
APAC ORGANIZATIONS' APPROACHES TO DEIB

0%
18%
16%
64%
2%
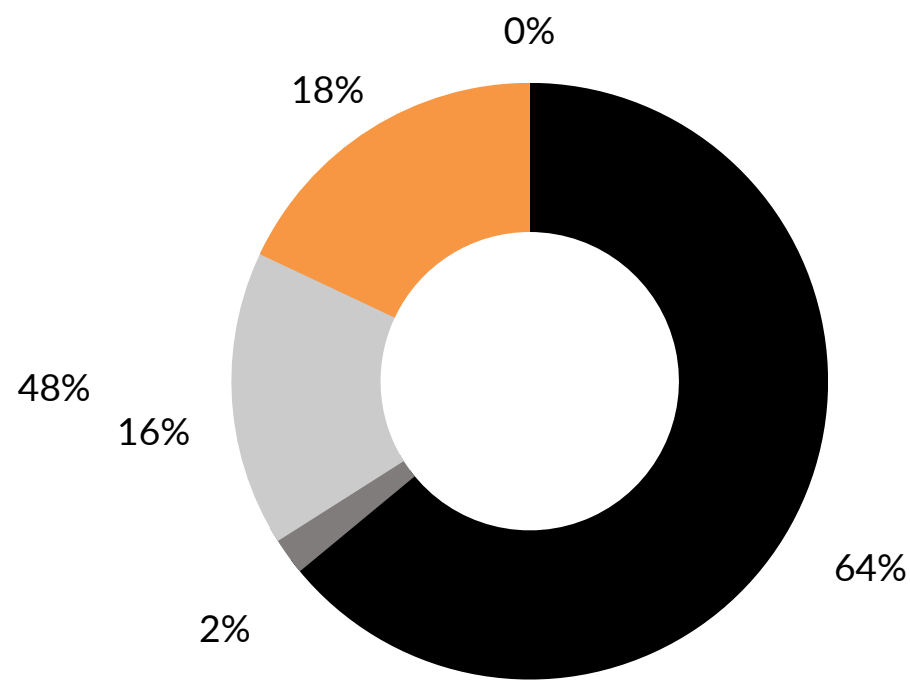
### EMEA ORGANIZATIONS' APPROACHES TO DEIB

18%
35%
10%
10%
29%

- ⬛ We have a global DEI program that is consistent across the company
- ⬛ Our DEI efforts are primarily concentrated in North America
- ⬜ We have DEI efforts underway in most or all the countries where we operate, but they differ quite a bit from country to country
- 🟧 We have had some focus on DEI, but have no formal programs underway
- 🟥 DEI has not been a focus of our organization

Although the US has dominated and propelled much of the global diversity movements over the past few years, it is actually the APAC region that leads the way in running global DEIB programs. In fact, over two-thirds of APAC organizations (64%) have a global DEIB program that is consistent across the company, compared with about half of American organizations (48%) and around a third of EMEA organizations (35%).
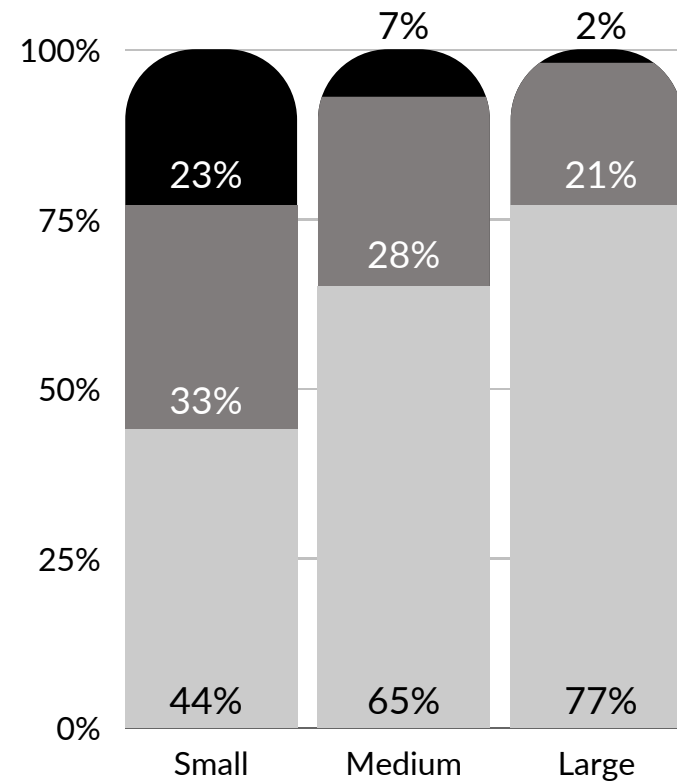
However, when global and North America-specific DEIB efforts are combined, 70% of American and 67% of APAC organizations have DEIB efforts underway, while only 44% EMEA companies do.

Almost one-fifth (18%) of EMEA organizations and 5% of American organizations cited "DEI has not been a focus of our organization," while not a single APAC organization reported this (that is, 100% of APAC organizations report they are making at least "some" DEIB efforts).

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DEIB TRAINING - ALL COMPANIES

10%

28%

62%
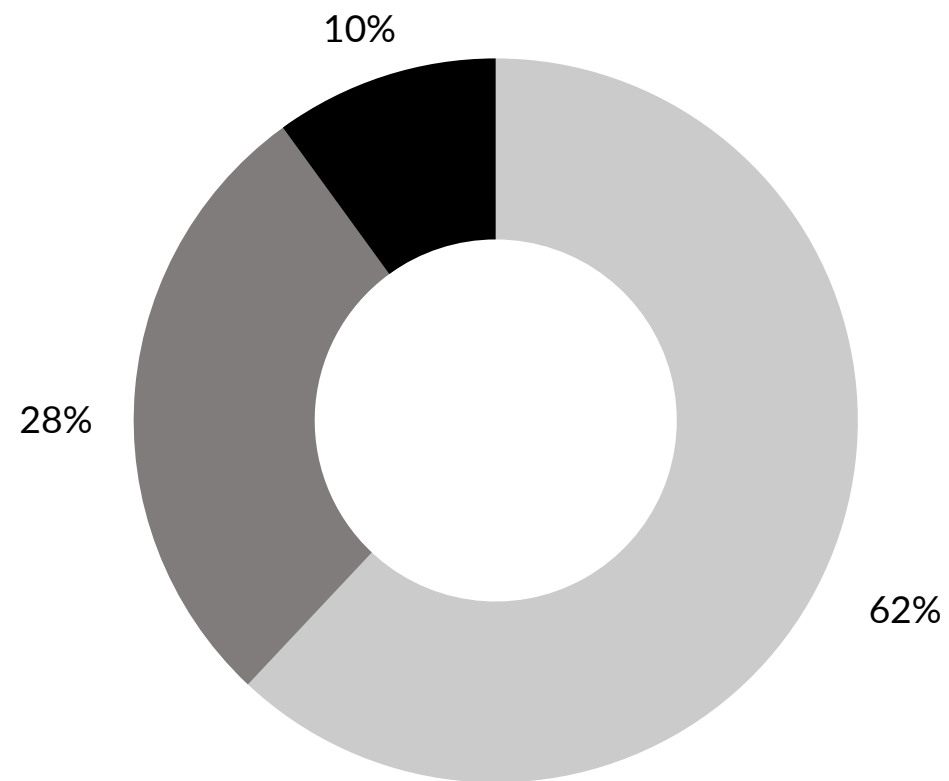
DEIB TRAINING BY COMPANY SIZE

	Small	Medium	Large
Not done	23%	7%	2%
Contractors	33%	28%	21%
Internally	44%	65%	77%

90% OF GLOBAL ORGANIZATIONS ARE UNDERTAKING DIVERSITY TRAINING

The smaller the company, the more likely it is to rely on third parties to manage its diversity training. Smaller organizations are also markedly less likely to undertake diversity training, with almost a quarter of respondents (23%) saying they did not do any diversity training when compared to their larger counterparts (2%).

■ Diversity training - Internally

■ Diversity training - Contractors
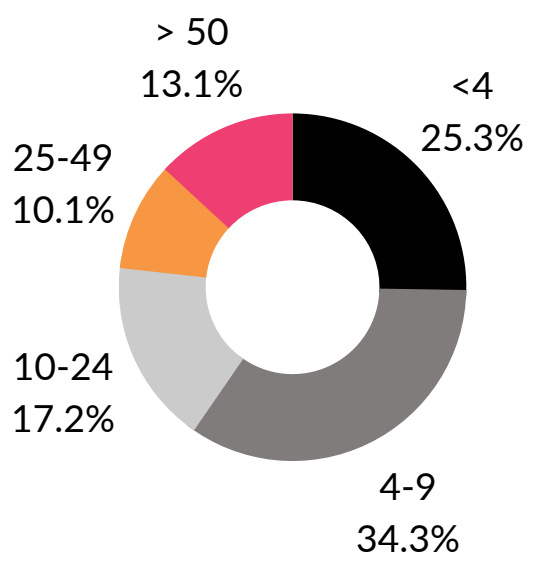
■ Diversity training - Not done

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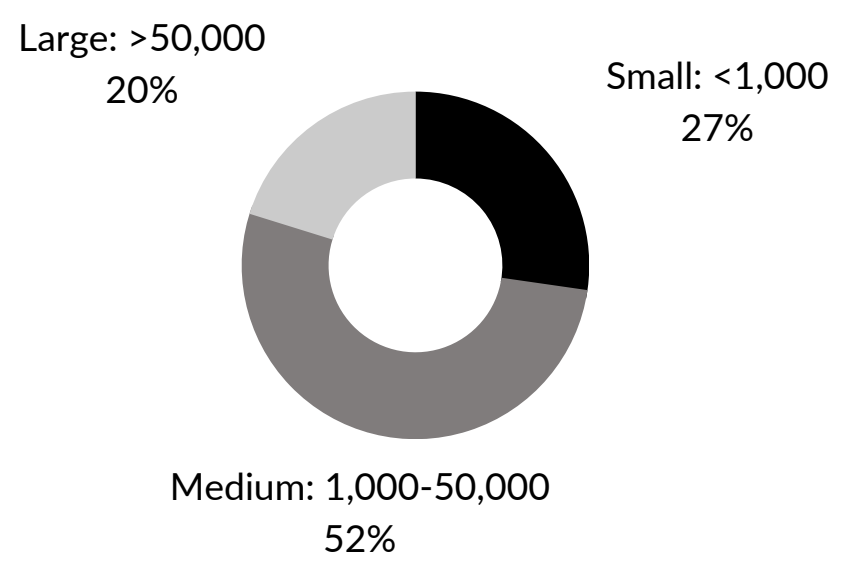# METHODOLOGY

RESPONSES

- 431 responses
- Responses from 28 countries
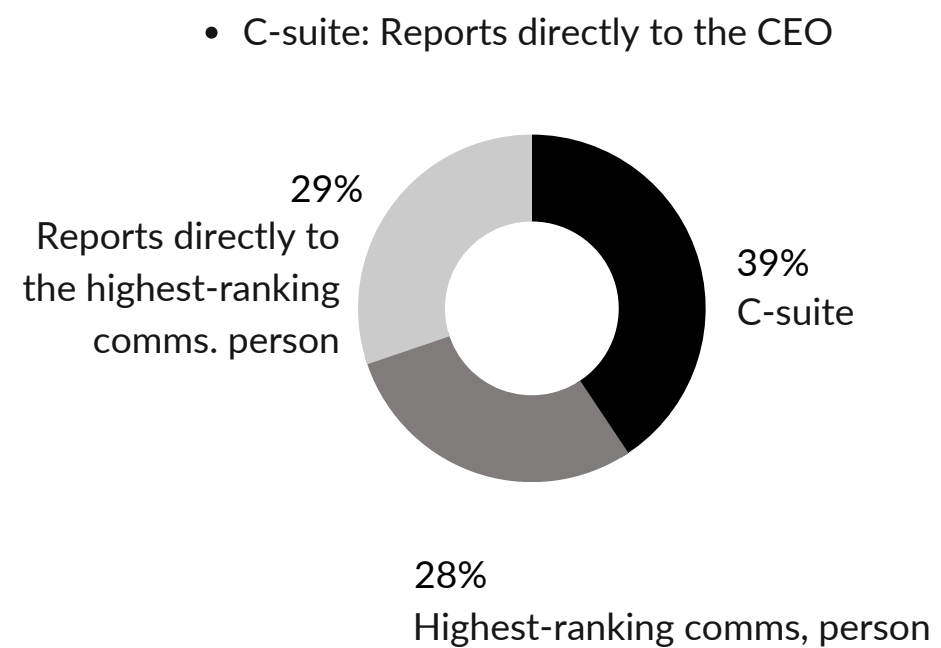- Responses collected from December 2022 through February 2023

NUMBER OF COUNTRIES WHERE ORGANIZATIONS OPERATE

> 50
13.1%

<4
25.3%

25-49
10.1%

10-24
17.2%

4-9
34.3%

ORGANIZATION SIZES - NUMBER OF EMPLOYEES

Large: >50,000
20%

Small: <1,000
27%

Medium: 1,000-50,000
52%

RESPONDENT LEVEL

- C-suite: Reports directly to the CEO

29%
Reports directly to the highest-ranking comms. person

39%
C-suite

28%
Highest-ranking comms, person
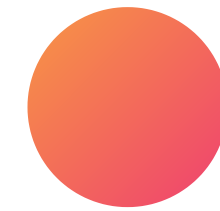
REGIONAL BREAKDOWN

- Americas: Americas
- EMEA: Europe, Middle East, and Africa
- APAC: Asia Pacific
- For a regional breakdown by country, visit iprex.com/top-global-pr-comunication-network/

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