



NEWS RELEASE

RRD Study Shows the Impact of COVID-19 on Marketer Perceptions of Artificial Intelligence/Machine Learning, Shifting Investment Priorities and Effectively Connecting with Consumers

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New research finds a 4x increase in personal concerns about AI/ML and greater struggles with data management, analytics, and creative for marketing professionals

CHICAGO--(BUSINESS WIRE)-- R.R. Donnelley & Sons Company (RRD) (NYSE: RRD), a leading global provider of marketing and business communications, today released The Pivot Report, which compares pre- and intra-COVID-19 priorities for marketers and their approaches to developing effective campaigns.

RRD surveyed 250 U.S. based marketers across a variety of industries in both late 2019 and mid-2020 to conduct a comparative analysis of perception changes driven by COVID-19. These survey results indicate that the global pandemic has significantly impacted marketer attitudes toward artificial intelligence (AI) and machine learning (ML), the importance of data management, and how companies emotionally connect with consumers.

“In 2020, COVID-19 changed everything, including marketing — and our latest round of market research indicates several major shifts in how people are thinking,” said Doug Ryan, President of RRD Marketing Solutions. “It’s no surprise that marketers are in a state of transition and have made a number of pivots as a result of the pandemic.”

Views on AI and ML have dramatically shifted

In the 2019 survey, only 14% of marketers were concerned that AI and/or ML would limit their personal growth. When asked the same question in Q2 2020, that figure increased to 59% of respondents being concerned. Amongst

age groups, the youngest participants shared the most concern, with 75% of marketers aged 25-40 now being “somewhat” or “very concerned” with the emphasis on AI or ML on their personal growth — compared to just 12% in 2019.

This significant increase can potentially be attributed to a fear that companies will look to automate more functions as businesses avoid personal interactions due to health and safety concerns and continue to cut costs in the current economic environment.

Additionally, 68% of respondents think that the growing dependency on AI and/or ML will negate the human qualities of creativity and intuition in the development of effective marketing programs. Only 24% disagree, which demonstrates a complete reversal from 2019 data, where only 27% thought AI and/or ML will negate human qualities and 72% disagreed. The youngest respondents in 2020, those aged 25-40, were 4x more likely to think AI and/or ML will negate human qualities, compared to 2019.

In 2020, a large majority of respondents felt the creative elements of marketing should be left to “human” skills over AI and/or ML. The opposite was felt for analytics and performance reporting.

And while data management was originally viewed as requiring the least amount of human skills (87% agreed that it’s better conducted using AI and/or ML in 2019), only 48% felt AI and/or ML would yield better outcomes in 2020.

In fact, four out of the seven marketing functions surveyed increased in the perceived requirement for human skills over AI and/or ML, including data management, performance reporting, analytics, and media planning.

Data management rises to the top in ensuring program success

Previously, the highest percentage of marketers felt campaign execution was an important marketing function when it comes to the success of a marketing program. However, today, 93% of marketers say data management is important to the success of marketing programs and campaigns, followed by analytics and research. This suggests marketers are turning to data management as they look to better understand the “new normal” for target audience behaviors and preferences.

Yet some marketers still struggle with data management, as 23% cite it as the largest pain point when developing campaigns. In 2019, campaign execution was the leading challenge for marketers. It’s likely that campaign execution has taken a back seat for marketers as COVID-19 shifted traditional priorities and marketers were forced to react quickly to changing world events. When faced with greater uncertainty, marketers are increasing their focus on data and analytics to drive their campaigns.

Marketers' top three investment priorities remain unchanged from 2019 to 2020, although data management now sits at the top, followed closely by analytics, research, creative, campaign execution, media planning and performance reporting.

Trust is still number one, with an increased focus on anticipation and empathy

Throughout the pandemic, admiration and trust still top the list as the most effective emotions for building strong connections with consumers. But in 2020, the survey results show a spike in the number of marketers viewing anticipation as effective — over 3x that of 2019.

Direction for messaging has changed as well, with 75% in agreement that it's now more focused on empathizing with customers instead of selling products or services.

Amidst a world of constant change, the silver lining comes in the form of newly found preparedness. Before COVID-19, only half of marketers felt their organizations were effective at “seizing the moment” and engaging customers at the right time. Now, 83% of marketers feel their companies are effective at this, suggesting an increased level of competence in reacting to consumer needs and market dynamics.

To read the full report, click here: [rrd.com/pivot](https://www.rrd.com/pivot)

Methodology

The surveys were conducted by Finn Partners in late 2019 and the second quarter of 2020. Approximately 250 U.S.-based mid- to senior-level marketing, customer/client service, or sales positions across various industry sectors participated in the survey

About RRD

RRD is a leading global provider of multichannel business communications services and marketing solutions. With more than 50,000 clients and 36,400 employees across 29 countries, RRD offers the industry's most comprehensive offering of solutions designed to help companies—from Main Street to Wall Street—optimize customer engagement and streamline business operations across the complete customer journey. RRD offers a comprehensive portfolio of capabilities, experience and scale that enables organizations around the world to create, manage, deliver, and optimize their marketing and business communications strategies. For more information, visit the Company's website at www.rrd.com.

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