



Dear Friends:

The marketing communications industry in Massachusetts is thriving and is a big contributor to the local economy. Thanks to The Ad Club's partnership with the Boston Redevelopment Authority, we now officially have the numbers to back this statement up.

The biotech, healthcare and education sectors that Boston is known for have traditionally held distinct advantages because they can quantify their contribution to our city and state. Approximately one year ago we set a goal to quantify the size and scope of the communications industry. We needed to know how much revenue our industry brings to Greater Boston and Massachusetts, as well as the number of people we employ.

Between the producers, directors, ad execs, designers, web developers, event planners, public affairs directors, editors, and publishers employed here, our industry is large and significant. In fact, it's \$16.3 billion dollars significant.

HIGHLIGHTS OF THE BENCHMARK STUDY INCLUDE:

CITY:

- The Marketing & Communications Sector has a direct effect of \$9.3 billion on the Greater Boston GRP, and indirectly contributes \$22.1 billion, or 10.8% of Greater Boston's GRP
- The Sector is directly responsible for just over 85,000 jobs in Metro Boston, equal to 5.1% of total jobs in the region

STATE:

- The Marketing & Communications Sector has a direct effect of \$16.3 billion on the MA GRP, and indirectly contributes \$38.7 billion, or 11.5% of MA's GRP
- The Sector is directly responsible for over 143,000 jobs in MA, equal to 4.4% of total jobs in the State

The Ad Club represents nearly 550 of the companies and 14,000 people in the marketing sector. Now that we have a better handle on our sector's economic impact in this region, we will be able to work more closely with city and state government to provide benefits, and eventually tax incentives.

We will complement and amplify efforts for keeping Boston as an attractive place to live, work and conduct business. That means working with the Mayor and City of Boston, the Governor and his Creative Economy team, organizations like the Boston World Partnership, MITX, the Boston Chamber of Commerce, the media and the CEOs of Boston's brands to recognize our industry for what we bring to the table.

Boston is a city that breeds talent, inspires creativity and innovation. Let's keep it here and keep it growing.

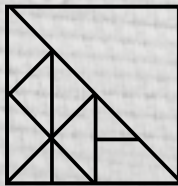
Sincerely,

Kathy Kiely
President
The Ad Club

Andrew Graff
CEO, Allen & Gerritsen
Board Chairman, The Ad Club



THE FINANCIAL IMPACT OF THE MARKETING & COMMUNICATIONS SECTOR ON GREATER BOSTON AND MASSACHUSETTS



Boston
Redevelopment
Authority



Alvaro Lima & Mark Melnik
Research Division
Boston Redevelopment Authority

OVERVIEW



- **What is the Advertising Sector?**
- **How many people work in the Sector?**
- **What do the jobs look like?**
- **What is the Sector's economic impact on the region?**



**MARKETING AND
COMMUNICATIONS SECTOR**

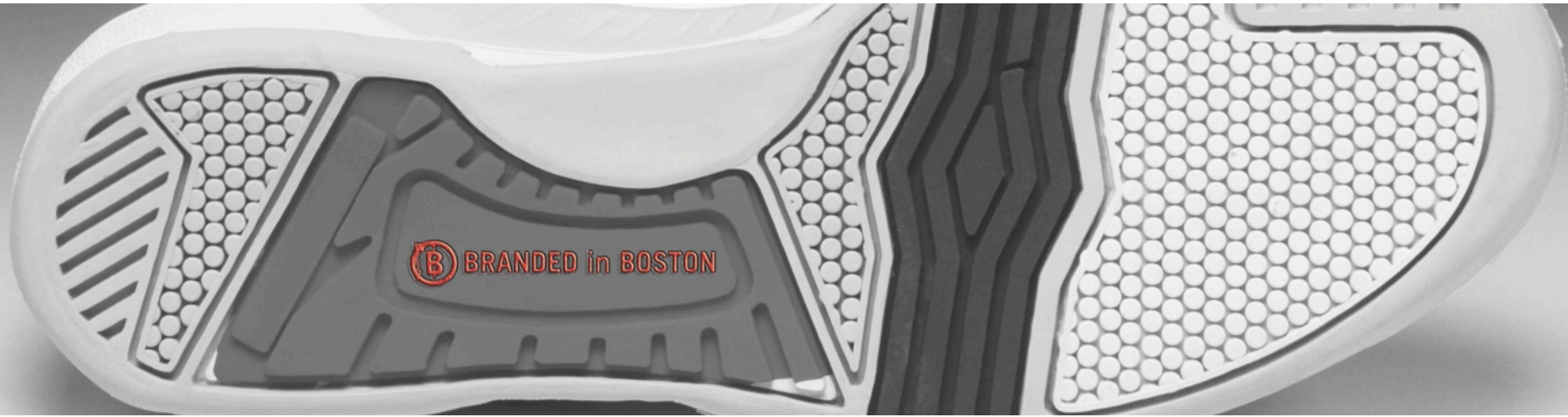
INDUSTRIES

OCCUPATIONS

20 INDUSTRIES

13 OCCUPATIONS

MARKETING AND COMMUNICATIONS SECTOR INDUSTRIES: INFORMATION



- **Publishing**
- **Motion Picture and Sound Recording**
- **Broadcasting**
- **Other Information Services, including Internet**

MARKETING AND COMMUNICATIONS SECTOR INDUSTRIES: PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES



100% BRANDED in BOSTON

Nutrition Amount Per Serving %DV*

Total Fat

- **Specialized Design Services**
- **Computer Systems Design and Related Services**
- **Management, Scientific, and Technical Consulting**
- **Advertising and Public Relations**

SELECTED OCCUPATIONS



Management

- *Advertising and Promotions*
- *Marketing*
- *Sales*
- *Public Relations*

Arts, Design, Entertainment, Sports, and Media

- *Art Directors*
- *Multi-Media Artists & Animators*
- *Commercial & Industrial Designers*
- *Graphic Designers*

Sales and Related

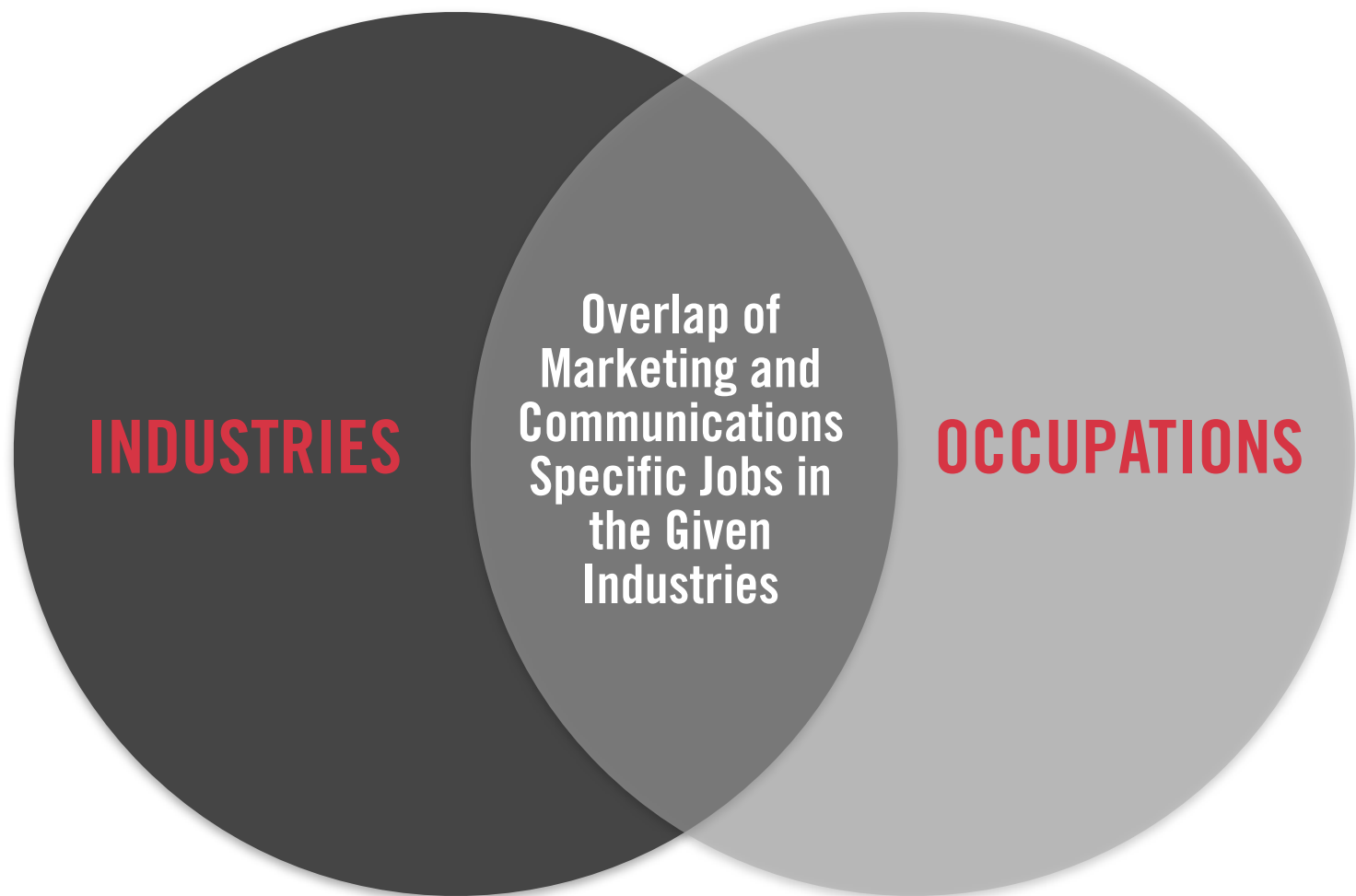
- *First Line Supervisors*
- *Demonstrators and Product Promoters*
- *Telemarketers*

THE LABOR MARKET ASSESSMENT TOOL (LMAT)



- **Combines various secondary data sources related to the labor market and workforce**
- **Produces the distribution of occupations by educational, skill, knowledge, and training requirements by industry**
- **Estimates wages**

MARKETING AND COMMUNICATIONS SECTOR IN THE REGIONAL ECONOMY



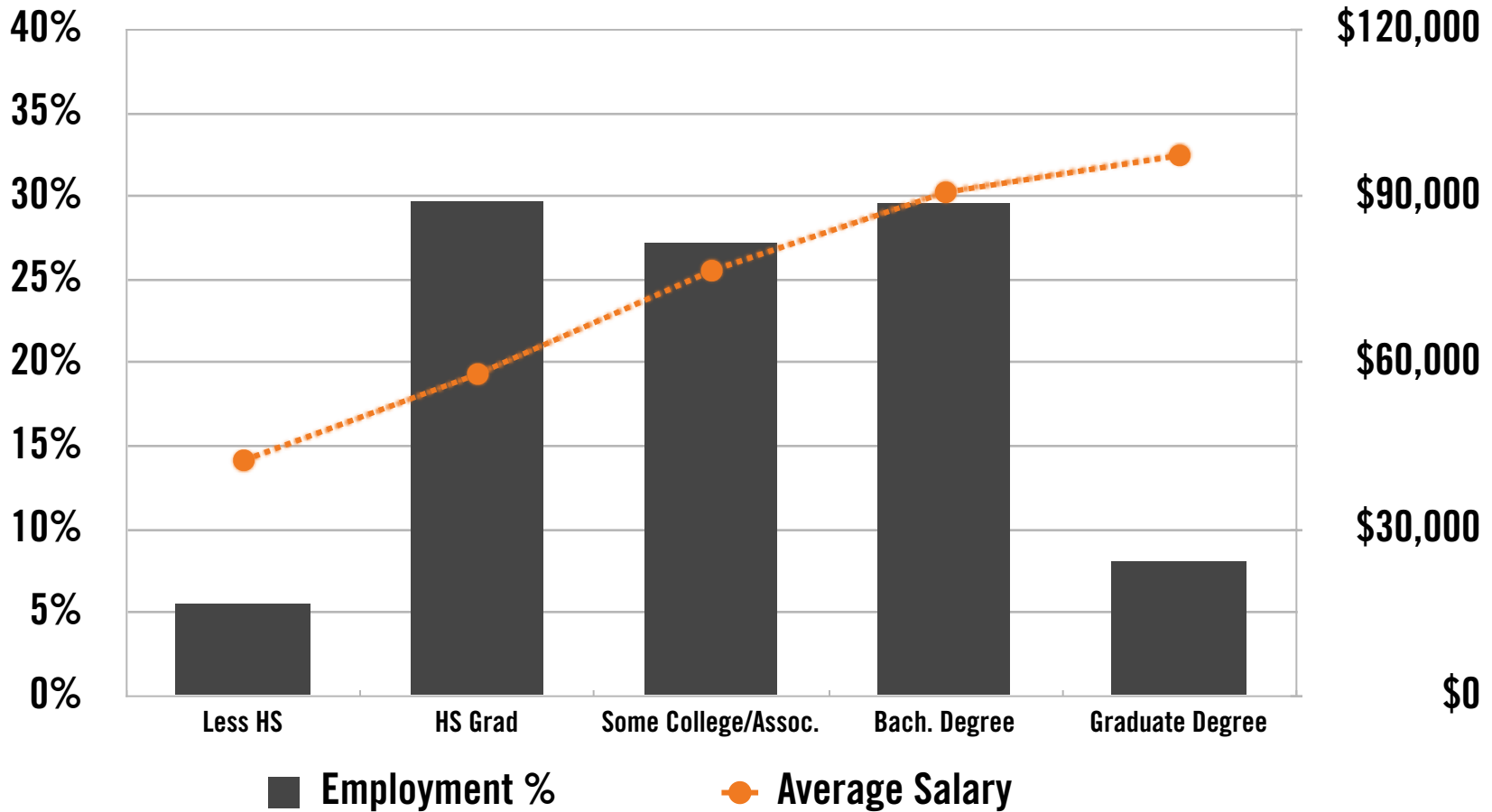
METRO BOSTON MARKETING & COMMUNICATIONS EMPLOYMENT

Sector	Employment	Average Salary
Industries	52,836	\$70,759
Occupations	32,281	\$76,157
Total	85,117	\$72,806

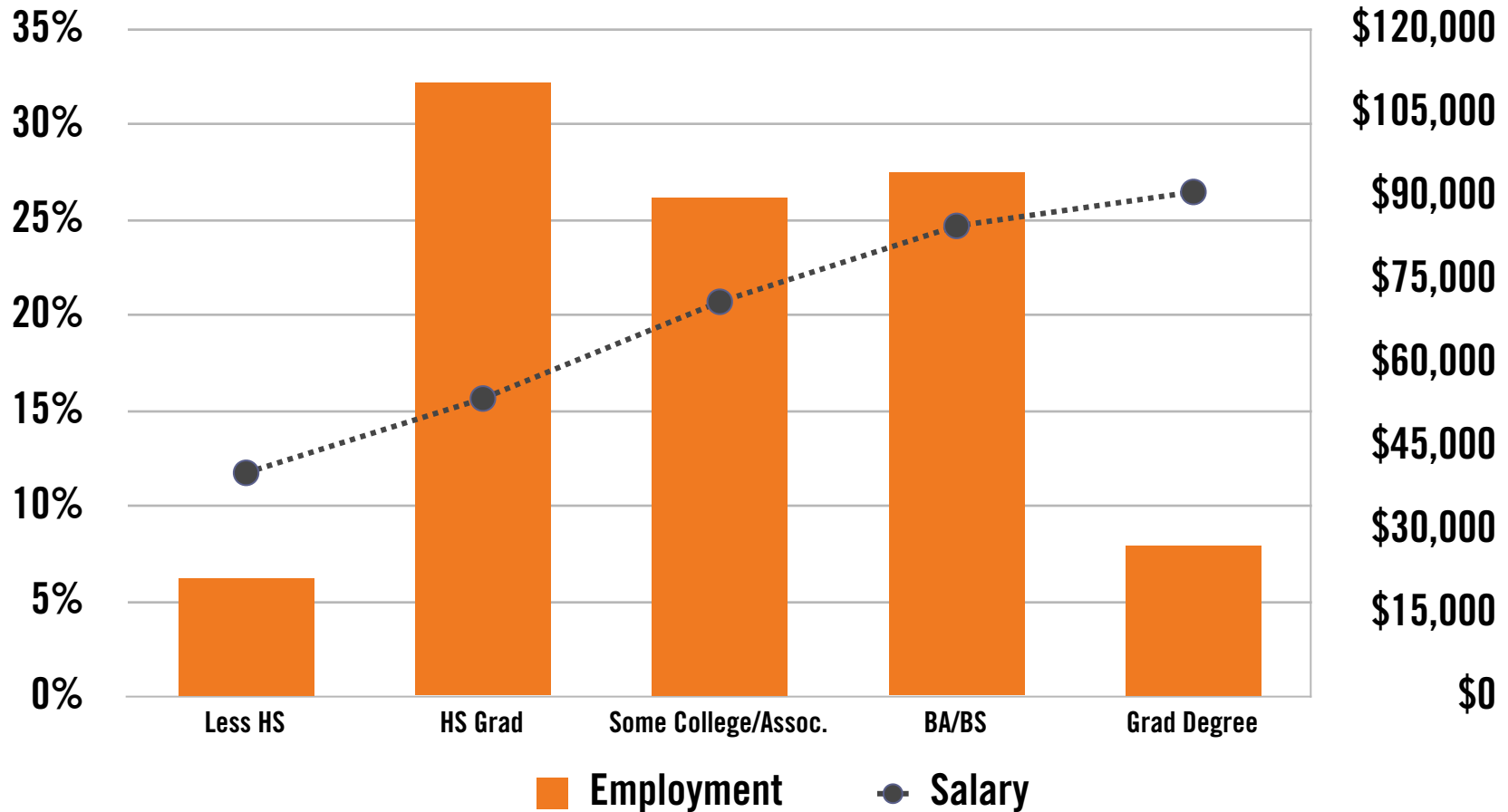
MASSACHUSETTS MARKETING & COMMUNICATIONS EMPLOYMENT

Sector	Employment	Average Salary
Industries	79,215	\$69,692
Occupations	64,454	\$69,595
Total	143,669	\$69,649

METRO BOSTON EDUCATIONAL ATTAINMENT



MASSACHUSETTS EDUCATIONAL ATTAINMENT



METRO BOSTON JOB ZONE



MASSACHUSETTS JOB ZONE



THE REMI POLICY INSIGHT MODEL

A model that forecasts changes in the economy

- Sensitive to a very wide range of policy & project alternatives & to interactions

Estimates contributions to the regional economy

- Gross Regional Product (GRP)
- Direct, indirect, and induced job creation
- Tax generation

Focuses on different geographies



REMI ANALYSIS

	Metro Boston	Massachusetts
Jobs	214,606	343,145
Direct	85,117	143,669
Indirect and Induced	129,489	199,475
Gross Regional Product (GRP) (in Billions)	\$22.1	\$38.7
Direct Effect Only	\$9.3	\$16.3
Total Personal Income (in Billions)	\$11.7	\$22.7
Personal Consumption Expenditures (in Billions)	\$6.5	\$12.4
State Income Taxes (in Millions)	\$502.6	\$970.0
Retail Sales Taxes (in Millions)	\$10.2	\$19.4

THE MARKETING AND COMMUNICATIONS SECTOR AMONGST SELECTED INDUSTRIES-METRO BOSTON

Industry	Total GRP (in Billions)	Marketing and Communications Sector-% Effect on GRP
Real Estate and Rental and Leasing	\$27.9	6.4%
Finance and Insurance	\$25.7	7.6%
Professional and Technical Services	\$23.3	20.0%
Manufacturing	\$23.2	2.5%
Healthcare and Social Assistance	\$15.0	4.4%
Government	\$13.7	5.6%
Wholesale Trade	\$12.8	8.8%
Information	\$12.7	44.9%

THE MARKETING AND COMMUNICATIONS SECTOR AMONGST SELECTED INDUSTRIES-METRO BOSTON

Industry	Total GRP (in Billions)	Marketing and Communications Sector- % Effect on GRP
Retail Trade	\$9.9	12.5%
Management of Companies and Enterprises	\$6.1	9.3%
Administrative and Waste Services	\$6.0	13.7%
Construction	\$5.7	11.8%
Accommodation and Food Services	\$4.0	5.0%
TOTAL (All Industries)	\$201.2	10.8%

THE MARKETING AND COMMUNICATIONS SECTOR AMONGST SELECTED INDUSTRIES-MASSACHUSETTS

Industry	Total GRP (in Billions)	Marketing and Communications Sector-% Effect on GRP
Manufacturing	\$43.1	2.3%
Real Estate and Rental and Leasing	\$42.5	7.6%
Finance and Insurance	\$37.8	8.0%
Professional and Technical Services	\$33.6	24.3%
Healthcare and Social Assistance	\$27.8	4.4%
Government	\$24.3	9.9%
Wholesale Trade	\$21.3	9.2%
Retail Trade	\$20.4	13.2%

THE MARKETING AND COMMUNICATIONS SECTOR AMONGST SELECTED INDUSTRIES-MASSACHUSETTS

Industry	GRP (in Billions)	Marketing and Communications Sector- % Effect on GRP
Information	\$19.5	46.9%
Construction	\$10.3	12.4%
Management of Companies and Enterprises	\$9.9	9.3%
Administrative and Waste Services	\$9.7	14.2%
Accommodation and Food Services	\$7.4	4.8%
Educational Services	\$6.5	2.0%
TOTAL (All Industries)	\$335.2	11.5%

COMPARING THE MARKETING AND COMMUNICATIONS SECTOR WITH SELECTED INDUSTRIES IN METRO BOSTON-GRP

Industry

Direct Effect on GRP (in Billions)

Finance and Insurance	\$23.8
Manufacturing	\$22.6
Health Care and Social Assistance	\$14.3
Wholesale Trade	\$11.7
Marketing and Communications Sector	\$9.3
Retail Trade	\$8.7
Management of Companies and Enterprises	\$5.5

Note: We removed marketing and communications sector related occupations from other industries when comparing economic impact to avoid double counting occupations. Real Estate and Rental and Leasing omitted from list because real estate sales are included in calculations of the industry's impact, which makes the industry a poor comparison to others on the list.

COMPARING THE MARKETING AND COMMUNICATIONS SECTOR WITH SELECTED INDUSTRIES IN MASSACHUSETTS-GRP

Industry

Direct Effect on GRP (in Billions)

Manufacturing	\$42.1
Finance and Insurance	\$34.7
Health Care and Social Assistance	\$26.6
Professional and Technical Services	\$25.4
Government	\$21.9
Wholesale Trade	\$19.3
Retail Trade	\$17.7
Marketing and Communications Sector	\$16.3
Information	\$10.3
Construction	\$9.0

Note: We removed marketing and communications sector related occupations from other industries when comparing economic impact to avoid double counting occupations. Real Estate and Rental and Leasing omitted from list because real estate sales are included in calculations of the industry's impact, which makes the industry a poor comparison to others on the list.

COMPARING THE MARKETING AND COMMUNICATIONS SECTOR WITH SELECTED INDUSTRIES IN METRO BOSTON-EMPLOYMENT

Industry

Direct Employment (in Thousands) in Metro Boston

Health Care and Social Assistance	239.7 (14.3%)
Government (Fed, State, and Local)	190.6 (11.4%)
Retail Trade	136.4 (8.1%)
Finance and Insurance	127.3 (7.6%)
Accommodation and Food Services	124.5 (7.4%)
Manufacturing	104.4 (6.2%)
Administrative, Support, and Remediation	100.3 (6.0%)
Education	90.5 (5.4%)
Marketing and Communications Sector	85.1 (5.1% of Total Direct Employment in Metro Boston)

Note: We removed marketing and communications sector related occupations from other industries when comparing economic impact to avoid double counting occupations

COMPARING THE MARKETING AND COMMUNICATIONS SECTOR WITH SELECTED INDUSTRIES IN MASSACHUSETTS-EMPLOYMENT

Industry

Direct Employment (in Thousands) in Massachusetts

Health Care and Social Assistance	467.8 (14.5%)
Government (Fed, State, and Local)	408.8 (12.6%)
Retail Trade	323.9 (10.0%)
Manufacturing	289.8 (9.0%)
Accommodation and Food Services	253.8 (7.8%)
Professional, Scientific, and Technical	194.6 (6.0%)
Finance and Insurance	176.2 (5.4%)
Administrative, Support, and Remediation	170.3 (5.3%)
Marketing and Communications Sector	143.7 (4.4% of Total Direct Employment in Massachusetts)

Note: We removed marketing and communications sector related occupations from other industries when comparing economic impact to avoid double counting occupations

INDUSTRY APPENDIX

511110 Newspaper Publishers

511120 Periodical Publishers

511130 Book Publishers

511140 Directory and Mailing List Publishers

512110 Motion Picture and Video Production

512120 Motion Picture and Video Distribution

512240 Sound Recording Studios

515111 Radio Networks

515112 Radio Stations

515120 Television Broadcasting

515210 Cable and Other Subscription Programming

519110 News Syndicates

519130 Internet Publishing and Broadcasting

519190 Stock Photo Agencies

541430 Graphic Design Services

541490 Other Specialized Design Services

541511 Custom Computer Programming Services

541613 Marketing Consulting Services

541810 Advertising Agencies

541820 Public Relations Agencies

541830 Media Buying Agencies

541840 Media Representatives

541850 Display Advertising

541860 Direct Mail Advertising

541870 Advertising Material Distribution Services

541890 Other Services Related to Advertising

541910 Marketing Research and Public Opinion Polling

541921 Photography Studios, Portrait

541922 Commercial Photography

OCCUPATION APPENDIX



11-2011 Advertising and Promotions Managers

11-2021 Marketing Managers

11-2022 Sales Managers

11-2031 Public Relations Managers

27-1011 Art Directors

27-1014 Multi-Media Artists and Animators

27-1021 Commercial and Industrial Designers

27-1024 Graphic Designers

41-1011 First-Line Supervisors/Managers of Retail Sales Workers

41-1012 First-Line Supervisors/Managers of Non-Retail Sales Workers

41-3011 Advertising Sales Agents

41-9011 Demonstrators and Product Promoters

41-9041 Telemarketers