

Achieving Agency Success Beyond 2020

How 1,000 Agency Clients Plan to Move Forward
with Marketing After COVID-19

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The Agency Edge

RESEARCH SERIES

All studies available for free!

2014: Client attitudes about agencies

2015: What gets agencies hired and fired

2016: Making the most of your agency workforce

2017: What clients really want from their account managers

2018: When, what and why clients outsource to agencies

2019: How clients here and abroad choose their agencies



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Study Methodology

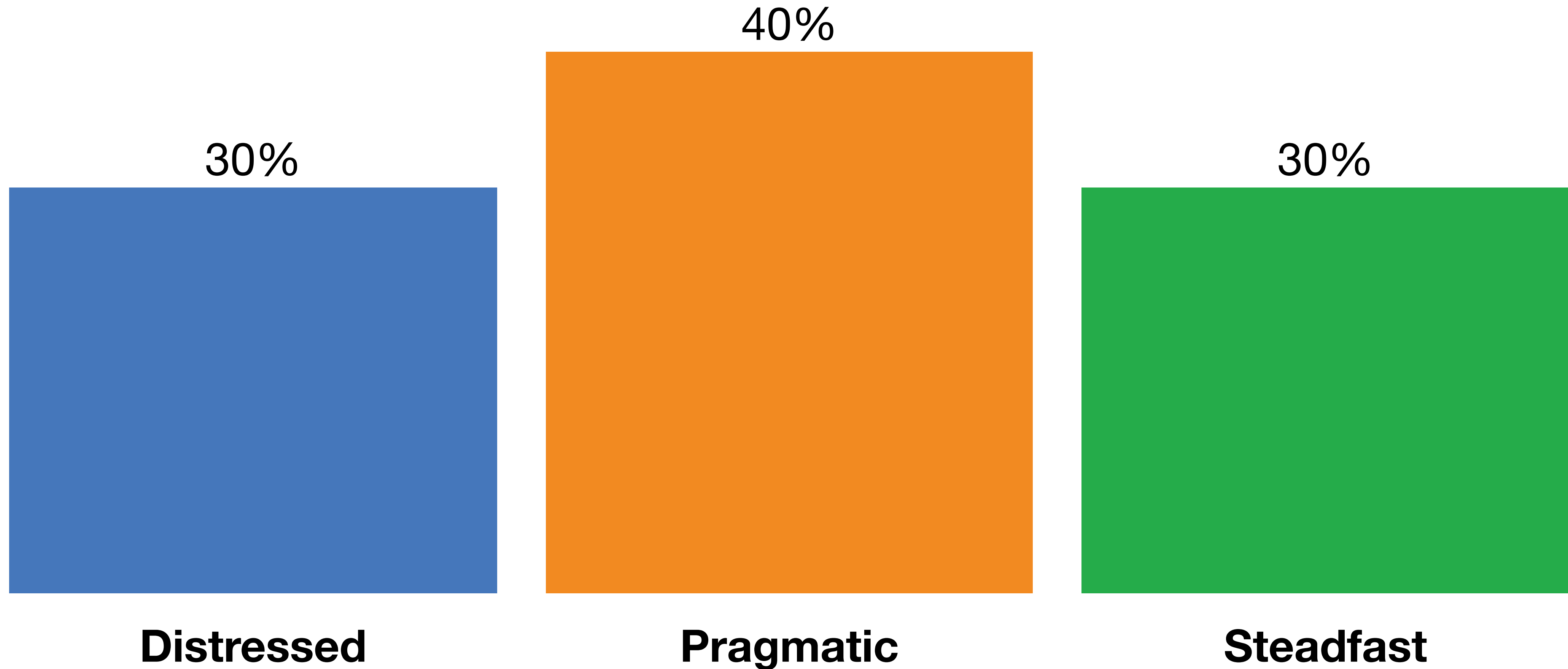
- Survey fielded June 26-July 14 2020
- 1,000 agency clients in the USA
- B2B & B2C organizations
- Service, retail, manufacturing, government & non-profit industries
- Revenue up to \$500M
- Marketing budgets up to \$20M

Attitudinal Segments

Attitudinal Segmentation

- Statistical analysis based on quantitative research
- Based only on attitudes
- No predetermined “buckets”
- Identifies groups within an audience which share sets of attitudes
- Segments we found weren't associated with marketing budget or revenue levels

Agency Client Attitudinal Segments



Distressed - Key Attitudes

- Recession will completely change my industry
- Could be devastating for my organization
- Our customers and prospects are shifting priorities
- Finding new customers is very difficult
- Expect our agencies will struggle

* More affected by Great Recession than others

Pragmatic - Key Attitudes

- Recessions are a bump in the road, we don't get worked up
- Recession doesn't affect our buyers as much as others
- Recession hasn't changed how we operate
- Our providers could easily be replaced
- Recession makes it easier to get expert support affordably

Steadfast - Key Attitudes

- I closely follow economic news
- We will remain loyal to trusted vendors
- My organization is well-prepared to survive and thrive
- Marketing is a top priority
- Expect our agencies will weather recession well
- Expect agencies to be flexible about payment terms

Segment Isn't About Revenue or Budget

- All segments seen at all revenue and budget levels
- All outsource the same levels of marketing work
- **Pragmatic** most likely to have full-time in-house team
- **Pragmatic** most likely to have multiple agencies
- **Steadfast** most likely to believe their agencies care about them and the success of their organizations

Great Recession Had an Impact

- **Distressed** most likely to have experienced personal and organization hardships during the Great Recession
- **Distressed** most likely to have experienced hardships during current recession

Plans for Recession

Few Changes - Yet

- Most haven't taken action yet
- Many say they'll likely stick with current agencies
- Likely changes provide opportunities and risks for current agencies

Distressed - Likely Changes

- Most likely to reduce outsourcing to agencies
- Most likely to reduce or stop marketing spending
 - Events & travel
 - Traditional, programmatic & digital media buying
 - All other listed marketing tactics

Pragmatic - Likely Changes

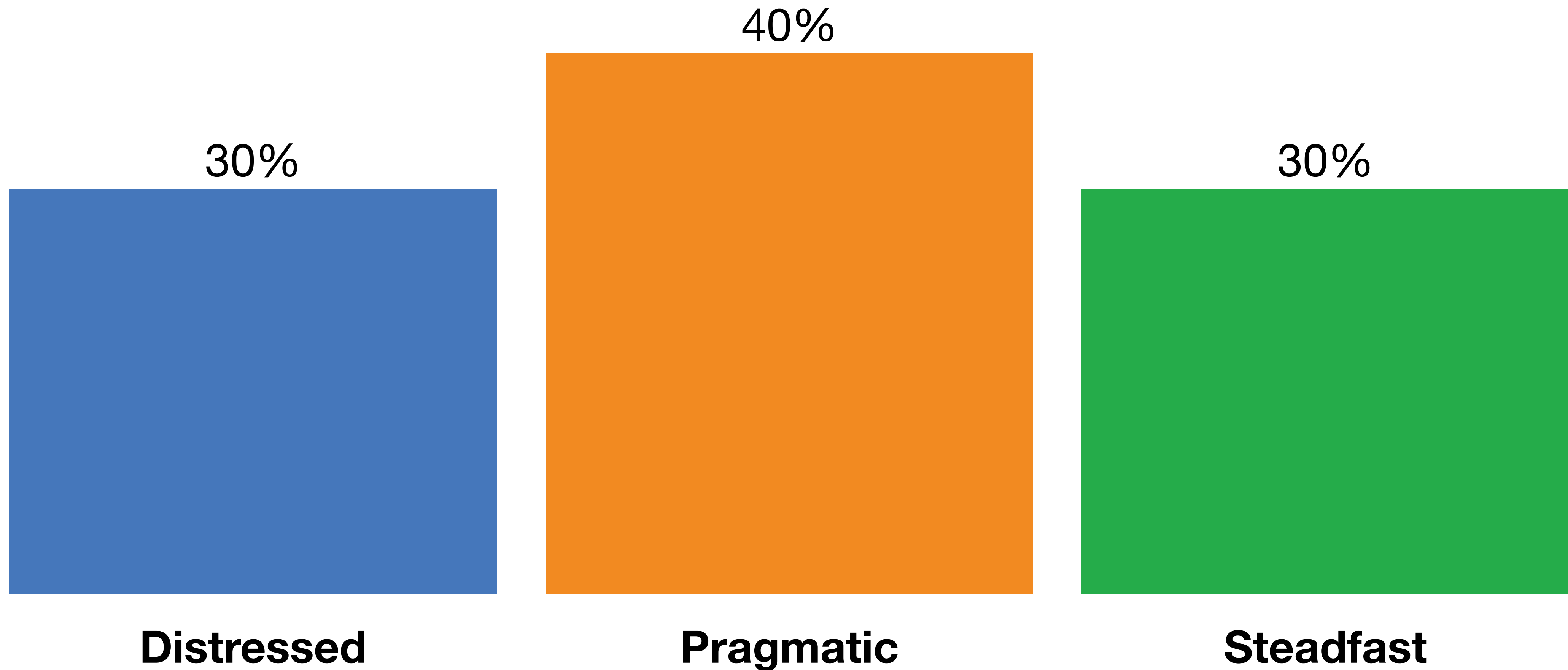
- Most likely to make changes across the board
- More likely to increase work for agencies & reduce in-house staff
- More likely to move work in-house
- More likely to change current agencies to those costing less (or freelancers)
- Most likely to increase spending across all tactics

Steadfast - Likely Changes

- Most likely to stick with current agencies
- Least likely to make any other changes
 - Laying off in-house marketing staff
 - Increasing work to agencies
 - Shifting work to freelancers
- Most likely to maintain current spending except for travel & events

Identifying Your Clients' Segments

Agency Client Attitudinal Segments



Spotting Distressed Clients

- VERY concerned about the recession
- They and their organizations are struggling
- Pulling back on spending

How You Can Help

- Find efficiencies in current spending
- Search for examples of organizations managing well
- Recommend strategic cuts

Spotting Pragmatic Clients

- Not very concerned about the recession
- Actively looking for (and expecting) ways to get more for less

How You Can Help

- Find efficiencies to demonstrate cost-effectiveness
- Offer strategic ideas for additional spending
- Work well with their other agencies

Spotting Steadfast Clients

- Well-informed about current events & recession
- Staying the course with current activities
- Close relationship

How You Can Help

- Continue to show them you care
- Find efficiencies in current spending
- Be strategic about spending tradeoffs



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