

#### The Agency Edge RESEARCH SERIES

### **Getting Hired In 2024**

New Insights to Help Agencies Get Found, Hired, and Retained









Drew McLellan
CEO
Agency Management Institute



Susan Baier Founder & CEO Audience Audit Inc.







#### **Details**

- Updated & re-fielded the survey we used in 2014 and 2019
- Fielded March 2024 400 respondents
- 400 respondents
  - All marketing decision-makers in agency clients
  - <\$500M revenue, <\$20M marketing budget</p>
  - 87% have participated in hiring a new agency
- +/- 4.2 point margin of error at 95% confidence level







#### This Year's Question:

### How Can Agencies Get Hired in 2024?







### Good News for Agencies!







+19

+14

+13

# Significant Changes since 2019: The Value of Agencies

Main value of agencies is developing strategy

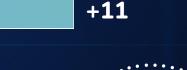
Agencies are the best resource for tactical marketing execution +16

Agencies are the best resource for the latest marketing trends

Main value of agencies is unbiased opinion about our marketing +14

Main value of agencies is new ideas

Agencies are the best resource for effective marketing strategies



**Percentage Pt Chg** 





### Significant Attitude Changes since 2019: Client Acumen



We know the best tactics for our needs

We need outside experts to assess marketing effectiveness

We understand today's marketing environment well

We need outside experts to determine our marketing needs







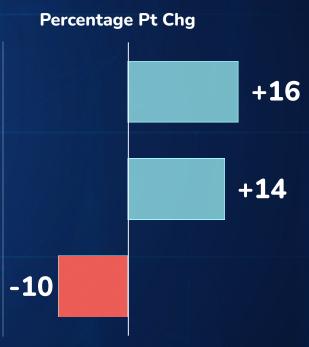


## Significant Attitude Changes since 2019: Agency Relationships



Agencies are a critical partner for success

Hiring an agency is a necessary evil









## Significant Attitude Changes since 2019: Agency Size/Niche

Agencies need to specialize in a particular aspect of marketing

Agencies need to offer a wide variety of services

Small agencies are more focused on client needs

Marketing today requires a lot of specific technical expertise

Best to work with individual experts in each marketing discipline









#### 2014 & 2019



**Looking for Love** 



Playing the Field



Single and Satisfied







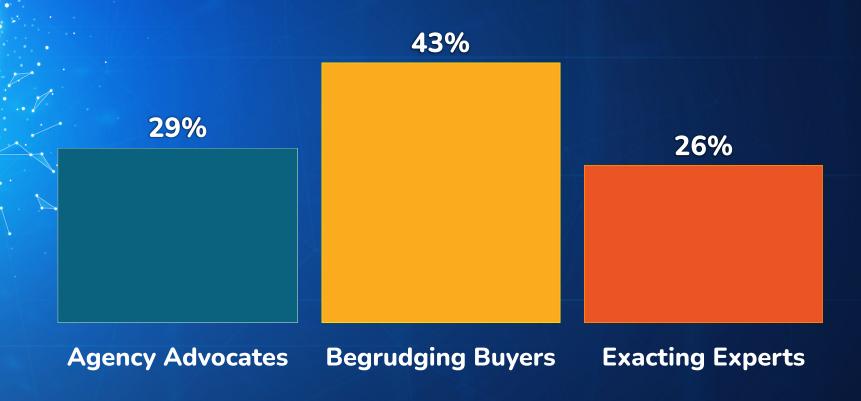
# New Segments in 2024



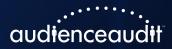




#### 2024 Attitudinal Segments









#### **Agency Advocates**

#### "Agencies are critical long-term partners for success."

- Agencies are the best resource for effective strategies and tactical execution.
- Agencies bring new ideas, unbiased opinions, and insight into the latest marketing trends.
- Agencies should be experts in a specific marketing discipline, but also offer a wide variety of services.







#### **Agency Advocates: Our Take**



"Full-service, integrated agencies will align well with these clients. They need an emotional support agency!"

"While many have smaller budgets, they'll work with you for years if you have their trust."









#### **Begrudging Buyers**

"Agencies are necessary, but marketing isn't a high priority for us."

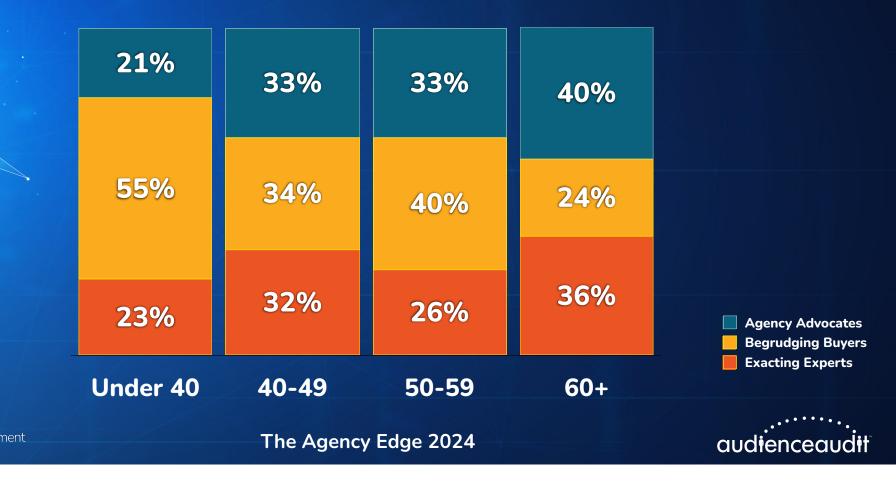
- Outside marketing help costs more than it should.
- We have the time to do our own marketing, but not the expertise.
- Marketing is too complex to do without the help of professionals.







#### **Under 40 = More Begrudging Buyers**





#### **Budget >\$500K = More Begrudging Buyers**







#### More Agencies = More Begrudging Buyers





#### **Begrudging Buyers: Our Take**



"Because they don't tend to invite agencies to the strategy table, you don't have to be a specialist. A generalist agency that delivers the goods requested will fit the bill for these clients."

"They bring bigger budgets, but swap out agencies often. Don't plan on a long-term relationship."







#### **Exacting Experts**

"We know marketing, but we want new ideas from experts."

- We understand the marketing environment and the best tactics for us.
- We have the expertise to do our own marketing, but not the time.
- Agencies should consistently bring us new ideas and recommendations without us having to ask.







#### **Exacting Experts: Our Take**



"These clients demand a depth of expertise that matches their abilities as marketers. They also expect you to be open to learning from them."

"For these clients, specialists are critical. Niche agencies willing to work hand-in-hand with them fit the ticket."









#### Segment Changes: Our Take



"Our work has become more sophisticated, and we need to provide a higher level of thinking and support, and be bolder about bringing big ideas."

"As trust in almost everything has collapsed, it's good to see that having a trusted agency partner matters more than ever."









# Other Differences in 2024

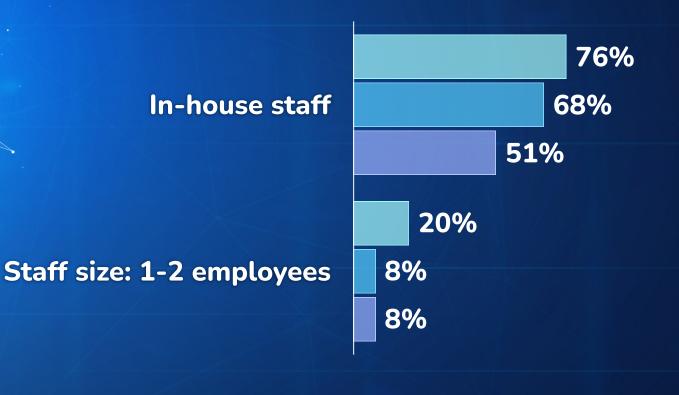






2024 2019 2014

### In-House Teams More Common, and Smaller than in 2014/2019

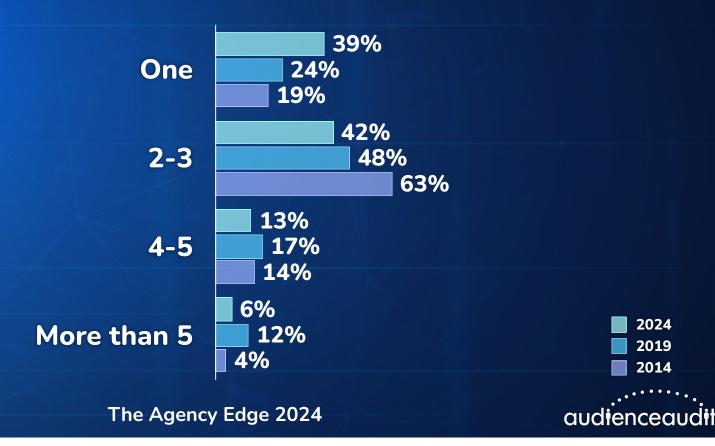




The Agency Edge 2024

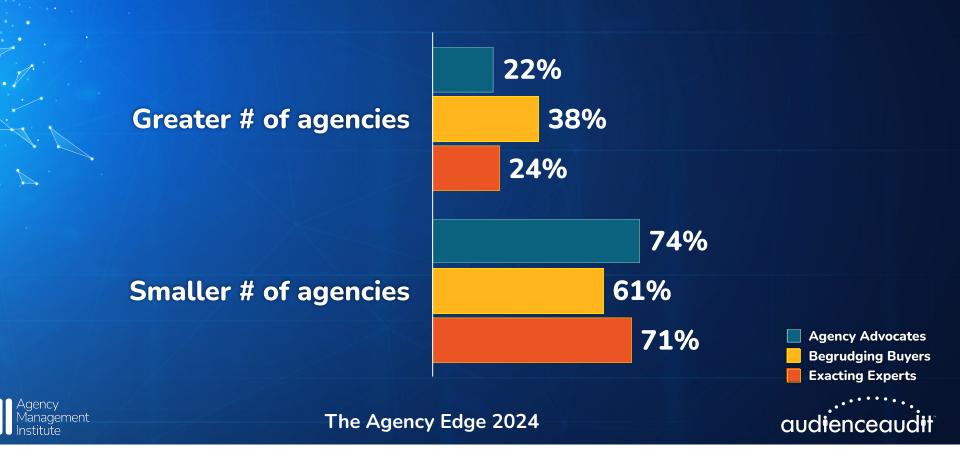


### More Clients Working with One Agency than in 2014/2019





## Most Clients Say Working with Fewer Agencies is Now Optimal for Them





#### Differences in 2024: Our Take



"Clients are looking for expertise, proof of impact, and new ideas. Agencies who can deliver are harder to find and of great value to clients."

"This shift over the last ten years has been significant. Clients want more from their agencies and their agency relationships — and fewer of them. They want expert advisors."









# **Building Trust**with Clients







#### Trust = Expertise, Results, Relationships

People on my account are knowledgeable and experienced 46% Shows proof that it can deliver the results we want 45% Shares helpful advice and resources with us before being hired 44% Really understands our industry 43% Recommended by someone I trust 40% Shows proof that it has solved our problems for other clients 40% Specializes in working with clients like us 39% Schedules a values alignment conversation 38% Leadership wants to engage with me and build a good relationship 35% Really understands our ideal prospects 35% Specializes in solving problems that we struggle with 32% Services cost less than those of other agencies 17%







#### **Building Trust: Our Take**



"Fantastic news for agencies! So much of our work has been commoditized, but by shifting more of our efforts to delivering strategic thinking, we can charge a premium for that deliverable."

"Clients research agencies long before they make themselves known, and helpful thought leadership content can win them over before any other agency gets the chance."









### Niche or Generalist? A Deeper Dive







#### 87% Want At Least Some Specialists





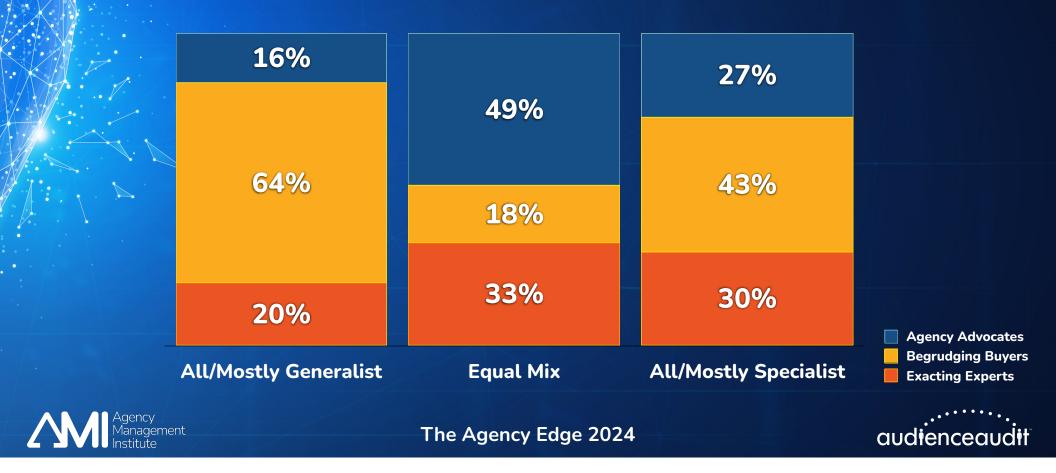




#### Most Prefer Specialist Agencies



#### Generalist Agencies = More Begrudging Buyers





#### **Niched Clients Hire Niched Agencies**

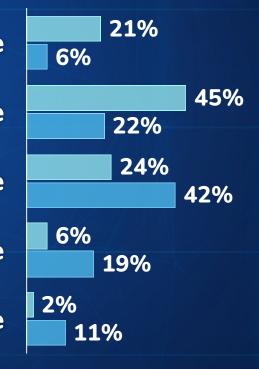
All agencies have niche

Most agencies have niche

Some agencies have niche

A few agencies have niche

No agencies have niche







Client with niche

Client without niche



#### Niche or Generalist? Our Take



"Most agencies have the nucleus of a niche in their DNA. They just haven't embraced it or shouted it to the world. That's like carrying the weight but not enjoying the perks."

"It's clear from this study and others that most clients prefer specialists to generalists. Defining your niche — and being outspoken about it — puts you in a strong competitive position."









### How Clients Find Agencies







### **How Found Most Recently Hired Agency**

Referral from colleague or peer	31%
Searched online	23%
Saw their work and sought them out	21%
A social media post from agency	18%
Direct outreach from agency	18%
Research conducted by agency	18%
Someone in organization regularly follows their content	16%
Video content from agency	16%
Referral from another agency	16%
Content from leader/owner	15%
Saw agency at trade show/conference	15%
Met agency leader/owner at conference/workshop	14%
Met agency leader/owner at social event	14%
Saw agency leader/owner speak at conference/trade show	14%







### **Clients Like Agency Outreach**



Prefer agencies reach out to us

**Prefer both** 

No preference

18%

25%

53%







### How Clients Identify Prospective Agencies









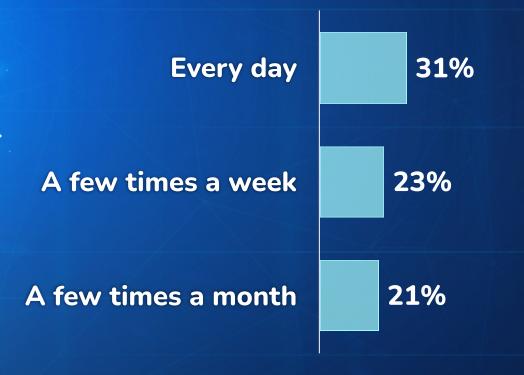
## The Impact of Agency Outreach







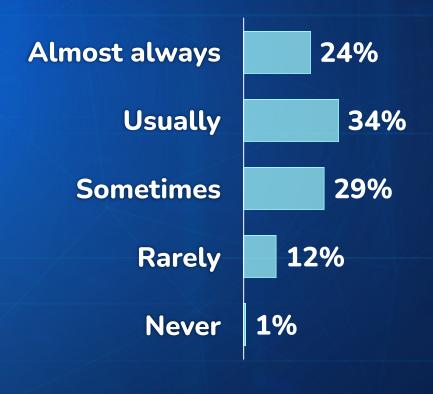
### Clients Receive Agency Outreach Often







### Most Have Heard of Agencies Reaching Out

















### Types of Outreach: Our Take



"No one needs another blind email or voicemail. Look for ways to create an actual connection. Be interesting until they indicate they are interested."

"Note the telling difference between the value of going to an event with an agency vs. going to an event by an agency. Meet clients where they are."

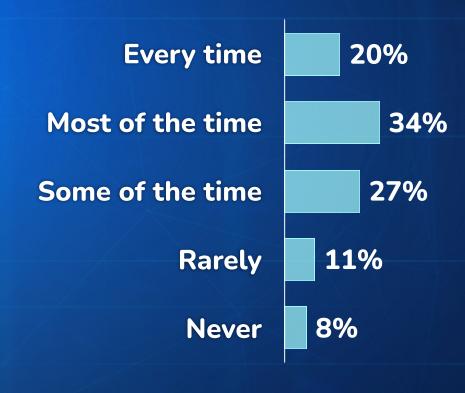








### Clients Review Agency Outreach Often



The Agency Edge 2024

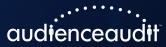


audienceaudit

### Reputation Influences Time Spent to Review









### Why Review Outreach?

"I've heard good things about the agency that made it worth checking out." (Agency Advocate)

"Their mission statement aligned with our values." (Begrudging Buyer)

"They were able to state their specialization without difficult or complexity." (Exacting Expert)







### **Agency Outreach: Our Take**



"Most who responded to outreach did so because the agency had a good reputation or they recognized the name. You have to warm up your list before you reach out, or you'll be ignored."

"Clients want agencies to provide helpful, relevant information, and have something unique to say. Demonstrate your expertise before they have to schedule a call."









## The Hiring Decision





#### **Poor Performance Often Spurs Hiring New Agency**

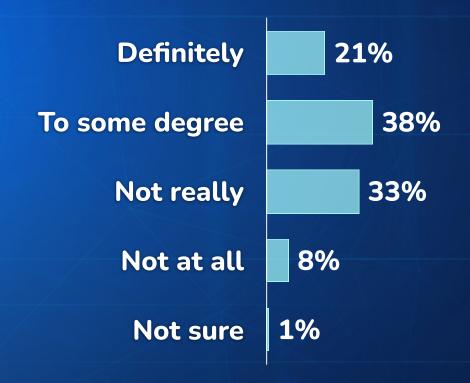
Major new opportunity 24% Marketing initiatives aren't generating the ROI we'd like 23% In-house team doesn't have the expertise to handle something 23% Disappointed with the performance of a current agency 23% Need more insight and expertise about our target market 22% 21% Disappointed with customer service of of a current agency Need services our current agencies don't provide 20% Want a specialist in our industry 19% Want a specialist in a marketing approach, platform, or tactic 18%







## 59% Say Their Approach to Hiring Has Changed in Last Few Years









### **How Approach has Changed**

"We have learned more about marketing and know better what to ask and look for." (Agency Advocate)

"We are looking for bigger agencies that can handle more volume." (Begrudging Buyer)

"We narrow the field to 3-4 agencies and then do a deep dive with each." (Exacting Expert)







**Niche** 

Well-Known Niche Reputation

## Agency Niche (and Niche Reputation) Impacts Hiring

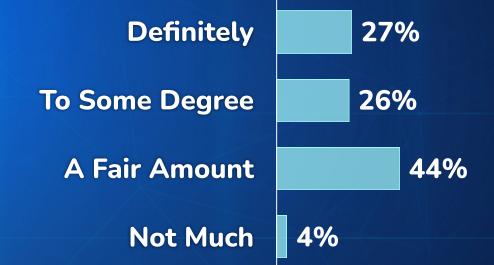




The Agency Edge 2024



## 71% Say Niche Gives Agency Advantage in Hiring - Regardless of Segment



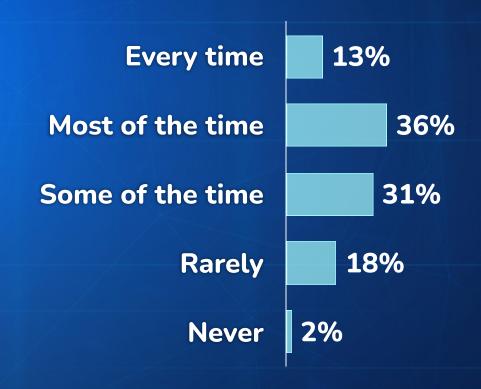








#### Clients Schedule Conversations Often









### Unique, Relevant, Helpful, Personalized Outreach Drives Conversations

Agency seemed to have something unique to say

36%

Info shared in outreach was relevant & helpful

35%

Had done their homework to learn about us

33%

I liked the tone of the outreach

29%

I'm always on the lookout for good agencies

29%

Info shared in outreach was surprising

28%

Info shared in outreach was personalized for me & my org









### What Makes You Recognize a Poor Fit?

"Showing a clear lack of understanding of our goals." (Agency Advocate)

"Their online presence doesn't support their claims." (Begrudging Buyer)

"If an agency hasn't done their homework into my company, it's a huge 'ick'." (Exacting Expert)







### **Hiring: Our Take**



"A client's tolerance for mediocre performance, inability to hit KPIs or prove ROI, and failure to deliver quality work is getting shorter and shorter."

"Client segments have some different priorities, but expertise, results, and customer service always top the list."









# Full presentation PDF 60-page Executive Summary Live webinar July 9:



- Full results
- Interactive data visualization access

AND more insights, advice, & resources from Drew & Susan throughout 2024!



