

2026

AGENCY EDGE REPORT

The Agency Edge
RESEARCH SERIES



PRESENTED BY



**The New
Standard**
Earning client
confidence
in the age of AI



Your clients are pulling for you. The question is whether you'll give them what they're asking for.

For thirteen years, The Agency Edge has had its finger on the pulse of the agency world. Created by Drew McLellan (Agency Management Institute) and Susan Baier (Audience Audit), this annual research series goes beyond surface-level trends to uncover the real drivers of agency-client relationships. What makes clients stay or leave? What sparks increased spending? And how do agencies truly inspire and get the most out of their teams?

The research always includes a unique attitudinal segmentation analysis that reveals client emotions and motivations, those 'aha' moments that change

everything. From confident to anxious, from engaged to dismissive, client mindsets reveal the "why" behind the decisions they make, the challenges they struggle with, and the goals they have for their agency relationships.

This year, we're pairing Agency Edge with findings from Agency Core 2026 — a parallel study of agency leaders — to show you where you and your clients see eye to eye, and where the gaps are costing you.

Are you ready to learn what your clients are actually thinking? Keep reading!

TL;DR

Clients believe in the value of agencies. They also expect more.

Ninety-one percent of clients say working with an agency increases their likelihood of achieving their goals. The share who call their agency a “critical partner” jumped from 60% to 75% in a single year. Long-term relationships? Up from 74% to 83%.

But they have conditions. Eighty-nine percent expect full accountability for AI use in marketing done on their behalf — even when an in-house marketing team is involved. Eighty-two percent say AI transparency increases trust. And 82% will pay more for specialized expertise.

And overall, they want you to stay focused on what they hired you to deliver — whether that’s brand elevation and protection, innovation that puts them leaps ahead of their competitors, or a consistently strong ROI on their marketing spend.

“I really wish agencies grasped that my core goal is authentic connection. the biggest challenge is not delivering data. it is maintaining a human.”

— Agency client

“Obtaining leads is more about quality than quantity. In the past we had agencies that delivered lots of leads but percentage wise, we weren’t able to achieve a good return.”

— Agency client

What they don’t want? To hear endlessly about AI without explaining how it’s contributing to achieving those goals. They don’t expect reduced fees because

you use AI — they expect better ideas, better quality, better strategy. Even those who expect to reduce their reliance on agencies in favor of AI tools know that they’re not up to the job of replacing your thinking.

Keep reading as we dive in deep! And we’ve got an online [Insights Hub](#) full of interactive charts so you can explore the data based on where your curiosity takes you.



Clients want agencies to step up, not step aside. They’re asking for the things that require human judgment, deep expertise, and a willingness to challenge assumptions.

— Susan



Your clients are voting with their wallets. Yes, they believe you make them more likely to hit their goals. And they’re also telling you, very clearly, that the bar just got higher.

This is not a ‘defend your existence’ moment. It’s a “grow up, level up, and own your role” moment.

— Drew

Recommendations for Agency Leaders



Know which client is sitting across the

table: Three distinct client mindsets — Strategic Stewards, Adaptive Accelerators, and Performance Pragmatists — each with different priorities. The agency that understands which client they're serving has a real advantage.



Lead with strategy: 74% of clients want strategic advisors. 82% want agencies that help them anticipate change. 62% say they would replace an agency that fails to challenge their thinking. They're hiring us for our smarts and advice — don't rely just on tactical execution to make the grade.



Own AI: By a wide margin, clients say AI strategy, enablement, and governance is the service that will be most important to the success of agencies in five years. Don't just tell them what you're using and why. Tell them how it contributes to the value they want from you, and take charge of setting the rules and making sure AI use is supporting that goal — even when used by their in-house team.



Invest in niche expertise: 57% say they prefer deep specialization in an agency, while only 33% say they prefer broad, one-stop-shop capabilities. 82% of clients will pay more for specialized expertise, and 67% say a niche gives agencies a real advantage in being hired. It's time to double down on your agency's unique point of difference, if you haven't already.

"I wish agencies were more understanding about how unpredictable our industry is & use that information to adapt successful strategies for us."
—Agency client

"It's not one size fits all in business. Each industry has different needs."
— Agency client

"I wish agencies understood that although businesses might be in the same industry, their marketing needs will vary."
— Agency client



Niched expertise is more important to clients than ever before, and agencies that haven't been talking about their special sauce are already at a disadvantage.

— Susan

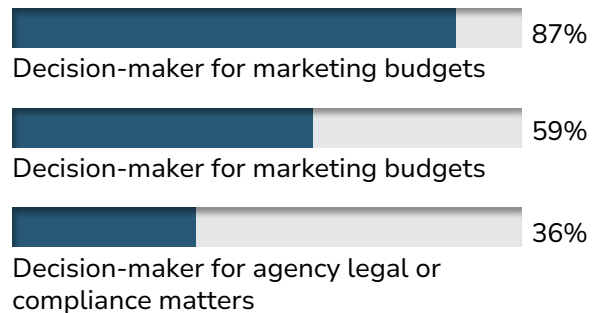
Respondents and Their Organizations

This isn't just a focus group.

We surveyed 400 agency client decision-makers responsible for marketing activities, budgets, and the legal and compliance factors affecting their agencies.

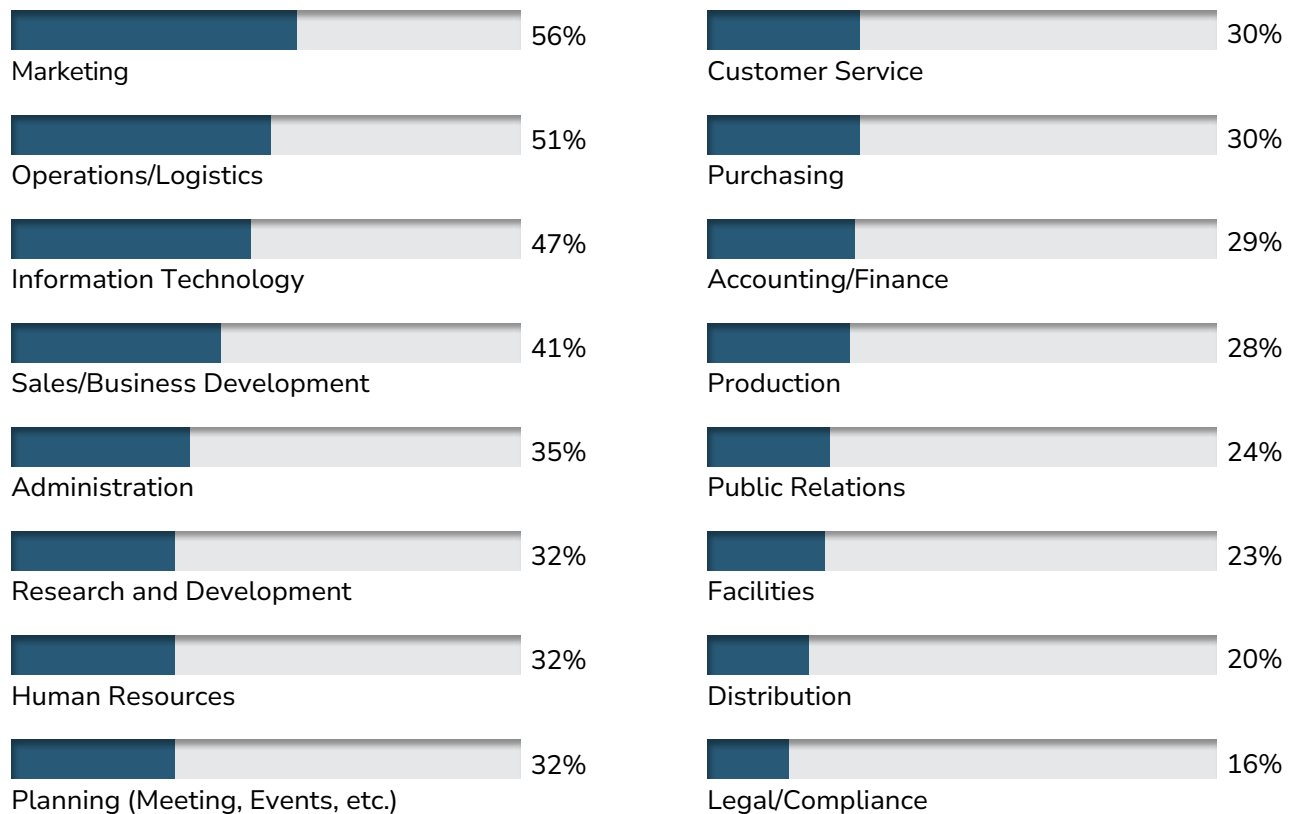
Most are decision-makers for marketing activities and budgets.

Respondent Roles re: Agencies



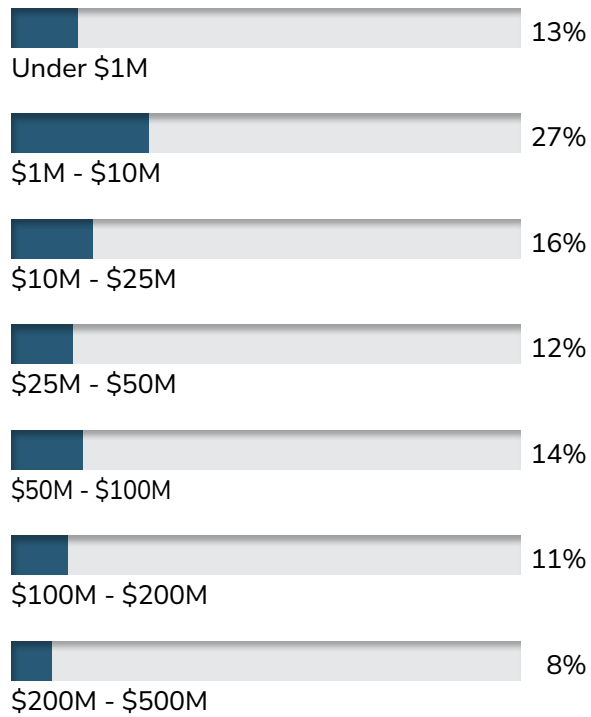
All respondents have marketing responsibilities, but most wear many other hats as well.

Areas of Responsibility

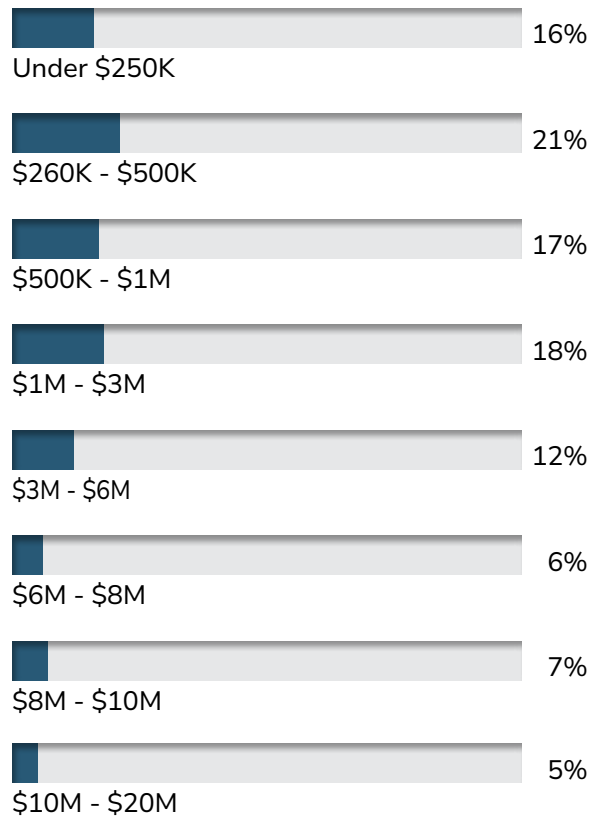


Organization Profiles

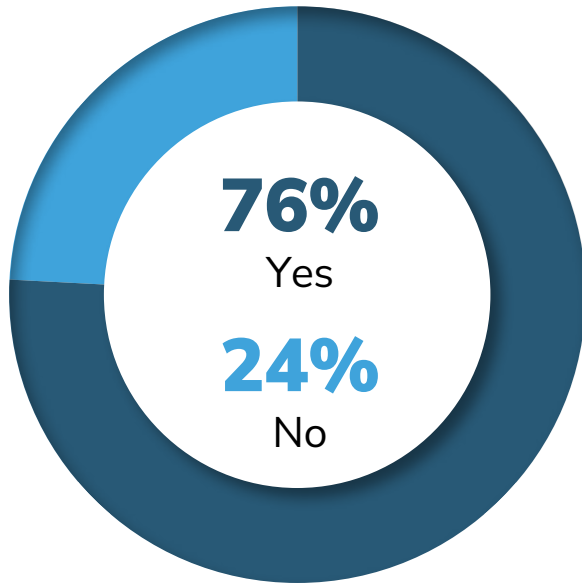
Gross Annual Revenue



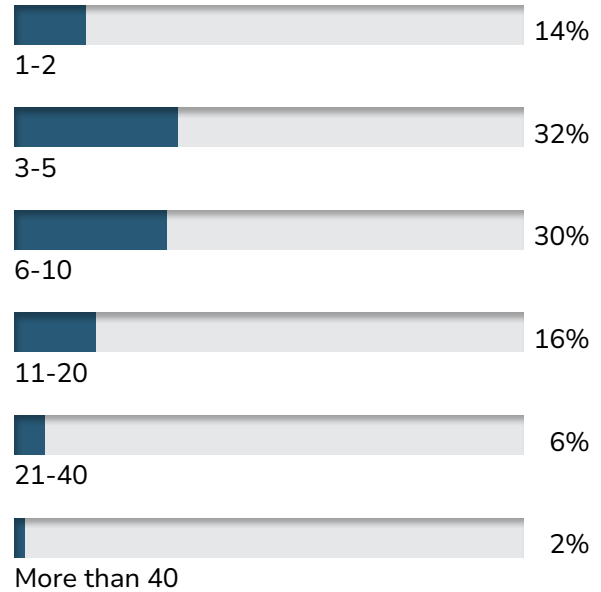
Gross Annual Marketing Budget



In-House Marketing Team



In-House Marketing Team Size

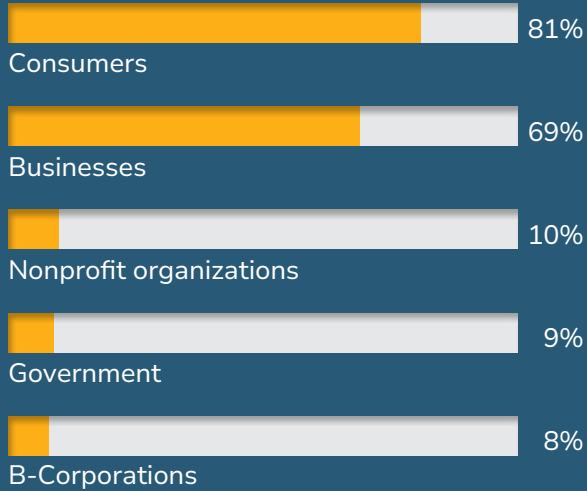


One of the reasons I love this work with Susan is that it's not based on a handful of loud voices on LinkedIn. These are 400 actual decision-makers — people who own budgets, navigate legal, and carry the weight of performance on their shoulders.

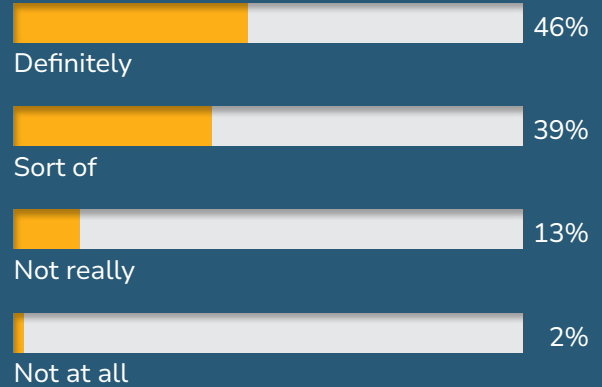
When they say, "We want you more involved strategically," or "We'll pay more for specialized expertise," that's not theory. That's demand. Treat this less like "interesting reading" and more like a cheat sheet for your next pitch deck.

— Drew

Organization Customers



Organization Has Niche



Despite the buzz around AI respondents and “digital twins”, we still rely on hearing from real agency clients for our studies. It takes more time but it means we can be confident we’re getting real reaction and perception in an environment full of new ideas, technology, and opportunities.

— Susan

Agency Relationships

Respondents' organizations typically work with multiple agencies, and in various ways.

56% of respondents' organizations work with 2-3 agencies; 29% work with one. Most clients also have an in-house marketing team, even if it's small.

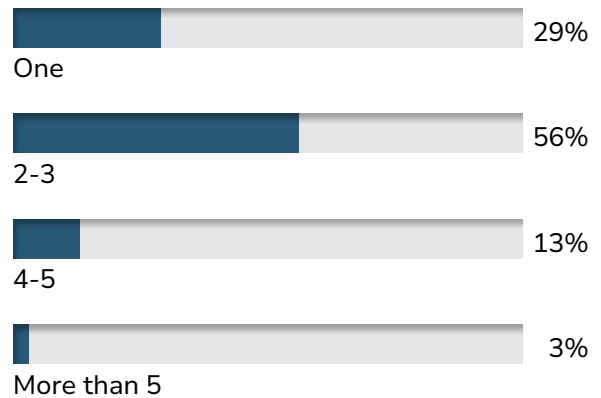
While nearly all organizations with at least two agencies have an in-house team, only 68% of those with one agency do.

A majority use agencies regularly for project execution and strategic guidance, and 42% say an agency is instrumental in their annual marketing planning.

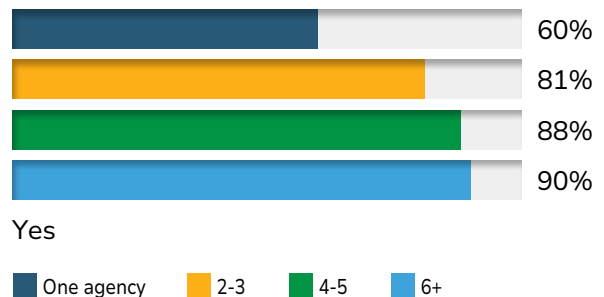
Which best describes your organization's relationship with its marketing agency or agencies?



How many advertising or marketing agencies does your organization currently work with?

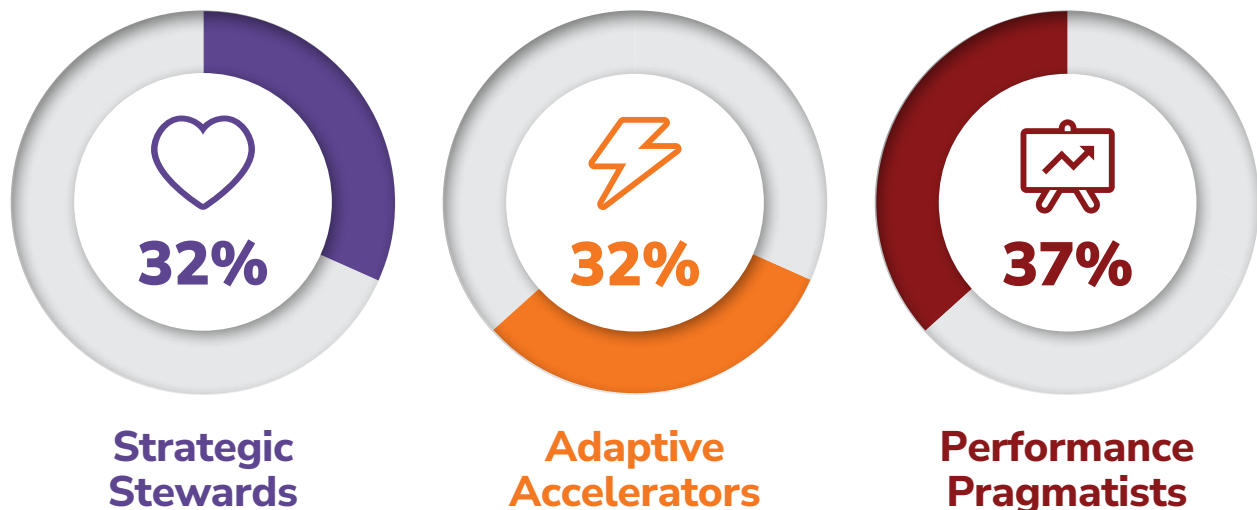


Does your organization have an in-house marketing team?



The Client Mindsets

Attitudinal segmentation reveals important differences in client expectations about agencies, accountability, and the future.



How were these segments created?

Survey respondents rated 40 statements on a scale from “Disagree completely (1)” to “Agree completely (6)”. Each statement was written specifically for this study.

Those ratings, and only those ratings, were analyzed in a statistical platform by a statistician to identify groups of respondents whose agreement ratings for a subset of these statements are connected. The respondents essentially created the segments themselves (without being aware they were doing so).

Each represents a group of respondents who share a set of attitudes — a distinctive mindset.

Each segment is strongly differentiated from a statistical standpoint from the others. Neither the number of segments nor their defining attitudes were predetermined. No “exemplar” or “seed” respondent was used to establish the profile for a segment and to identify other members.



Attitudinal segmentation surfaces what clients actually believe. When the math finds a group that holds the same set of opinions, you’re looking at a real audience, not a category.

— Susan



Mindsets beat demographics every time. Budget, industry, and company size matter — but how a client thinks about agencies and AI matters more. If you’re selling only to “manufacturers” or “healthcare” instead of “Strategic Stewards in manufacturing,” you’re leaving money and fit on the table.

— Drew

Strategic Stewards

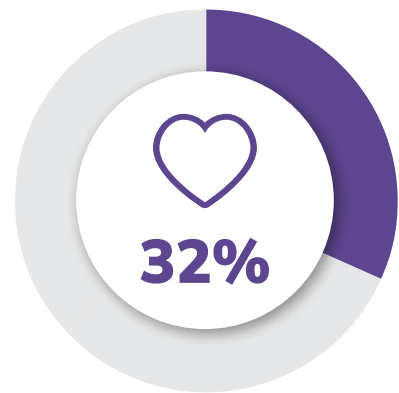
Strategic Stewards are the most agency-committed segment. They see agencies as strategic partners and hold them to the highest standards.

They rate highest on nearly every measure of agency value. 95% want agencies that help them anticipate change. 91% say AI transparency increases trust. 98% rate accountability for recommendations as essential.

They're the least likely to reduce agency reliance (only 11%), and the most likely to value long-term partnerships (91%).

Defining Attitudes

- We are more confident in agencies that define success metrics up front.
- We expect agencies to clearly explain when AI is being used and when it is not.
- We are willing to pay more for specialized expertise.
- Even when AI is used, we expect agencies to remain fully accountable for the recommendations they make.
- It is important to develop a long-term relationship with an agency.
- Our agencies should consistently bring new ideas and recommendations without us having to ask.
- My organization needs marketing that strongly differentiates us from competitors.
- The best agencies combine technology and human creativity to deliver better ideas.
- The most valuable agencies help us anticipate change, not just respond to it.
- We need objective evidence to believe marketing is working, not just professional judgment.
- Brand strategy is more important than ever for differentiation.
- Transparency about how AI is used increases our trust in an agency.
- We look to our agency to help prove authenticity in our communications.
- A marketing agency is a critical partner for business success.
- Even when agencies use AI, we expect them to remain accountable for the thinking behind the work.
- We trust agencies more when they explain assumptions and tradeoffs, not just recommendations.
- Agencies that succeed will act as strategic advisors, not just executors.



Strategic Stewards are the clients you tell stories about at happy hour: they see you as critical, they want long-term partnerships, they care about brand, and they expect you to help them anticipate change.

But let's be honest — they're also going to hold your feet to the fire on accountability, transparency, and differentiation. If you want to be the agency that helps shape the future of their business, these are your people.

— Drew



These clients are loyal, deeply engaged with their agencies, and trusting. But that loyalty isn't a free pass — it comes with the highest demands on accountability, transparency, and proactive thinking in the entire study. Earn the trust they're already giving you, or watch a different agency do it instead.

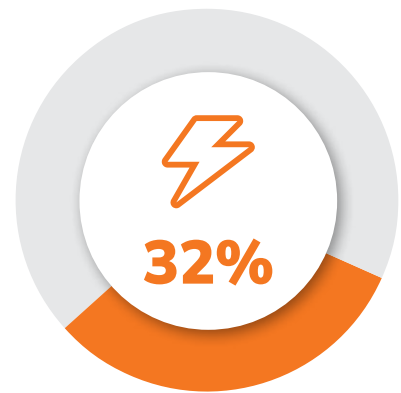
— Susan

Adaptive Accelerators

Adaptive Accelerators are the most AI-forward segment. They see technology as the primary lever for growth and expect their agencies to be out front on it.

Highest on “AI is changing what makes an agency most valuable” (78%). Most likely to want agencies to help evolve their brand for an AI-driven world (83%). 61% say AI strategy, enablement, and governance is the most important agency service five years from now.

But they’re also among the most likely to reduce agency reliance — 58%. They’ll invest in agencies that lead on AI, and look elsewhere when agencies fall behind.



Defining Attitudes

- AI will fundamentally change how prospects find and evaluate our company online.
- AI is changing what makes an agency most valuable to my organization.
- We need help rethinking visibility and discovery in an AI-driven search environment.
- AI is changing what “expertise” means in marketing partnerships.
- We expect our agency to help evolve our brand story for an AI-driven world.
- We expect to reduce our reliance on agencies in favor of AI-supported tools we can use ourselves.
- Beginner-friendly AI tools can help companies achieve professional-level marketing results on their own.
- Using AI tools effectively is now a core expectation for any agency.
- Agencies need to be AI experts.



Adaptive Accelerators are your AI-obsessed honor students! They’re excited, impatient, and absolutely paying attention to whether you’re ahead of them or behind them on AI.

The opportunity? They’re willing to invest when you can show them how AI creates speed and advantage. The risk? If you’re using AI behind the scenes but can’t articulate your approach, they will go find someone who can.

— Drew



These clients are watching your AI game closely. They want you to teach them how to use AI well, and expect you to use it to give them a competitive advantage. If you fall behind, they’ll look elsewhere — fast.

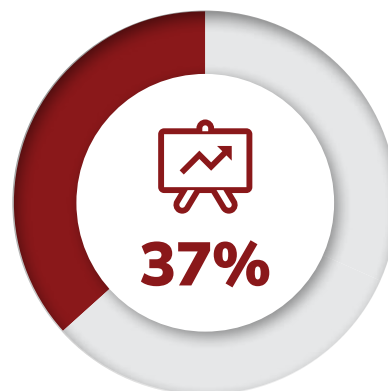
— Susan

Performance Pragmatists

Performance Pragmatists are the largest segment and the most results-oriented. They care less about how the work gets done and more about what it produces.

Highest on wanting agencies in higher-level decisions (77%) and wanting agencies to take a leadership role (78%). Most likely to replace an agency that fails to challenge their thinking (70%).

They're pragmatic about AI — not evangelists, not skeptics. They want success metrics defined up front (84%) and outcomes they can measure.



Defining Attitudes

- Strong performance results matter more to us than how agencies achieve them.
- We choose agencies more for how they think than for the services they offer.
- Our ideal prospects are less likely to trust that marketing content is authentic.
- We are willing to accept some risk if it helps us move more quickly than competitors.
- We value agencies that can execute quickly more than agencies that spend time exploring alternatives.
- We expect agencies to take a leadership role in guiding our marketing decisions.
- Our internal team understands our customers better than any outside agency ever could.
- We want agencies involved in higher-level decisions, not just producing deliverables.
- Even if AI-generated marketing is not as good, it may be worth it for the cost savings.
- We prefer agencies that focus on delivery over those that challenge our decisions.



Performance Pragmatists are the segment that has shifted most year over year. They're not less loyal — they're more specific about how what loyalty needs to be earned. The agencies losing them are the ones who confuse 'long client tenure' with 'still delivering measurable value.' These clients will tell you exactly when that math stops working in your favor. Listen for it.

— Susan



This is the "don't tell me, show me" segment. The win with them is simple: define success up front, report against it relentlessly, and tie every recommendation to the business impact they care about. They're not necessarily anti-AI — they're anti-hand-waving.

— Drew

Non-Defining Attitudes

Some attitudes don't define individual segments, but still reflect important shared beliefs across all clients. 62% strongly agree they'd replace any agency that fails to challenge their thinking.



Strongly Disagree
(1/2)



Mildly Disagree
(3)



Mildly Agree
(4)



Strongly Agree
(5-6)

We would replace an agency that fails to challenge our thinking.

5%

10%

23%

62%

If AI reduces the time required, we expect agency fees to decrease.

9%

13%

28%

51%

We worry that over-reliance on AI could reduce the originality of our marketing.

14%

12%

23%

51%

Our website's role is changing — it is no longer the center of our marketing universe.

17%

14%

29%

40%



When an attitude is held strongly across all three segments, it doesn't help us tell the segments apart — but it tells us something equally important. It's a baseline expectation. Failing it isn't a deal-breaker for one type of client; it's a deal-breaker for nearly all of them.

— Susan



The quiet sentence that should scare you (in a good way) - clients would replace any agency that fails to challenge their thinking should stop you in your tracks

If your account team's idea of "client service" is saying yes quickly and never pushing back, this is your wake-up call. You are being evaluated not just on what you produce, but on whether you have the courage to say, "I disagree," and then back it up.

— Drew

Recommendations to Integrate Client Mindsets into Agency Strategy



Segment your clients: Share the mindsets with your clients, and discuss which they feel best describes them and their organization. Revisit their ultimate goal in hiring you, and assess whether it's shifted. Focus on the ultimate value they're seeking from working with you, and tailor your approach with each client accordingly.



For Strategic Stewards: Position your agency as their trusted strategic partner. Lead with accountability and transparency. Create formalized strategy sessions and regular updates — they want to know the “why” behind every recommendation.



For Adaptive Accelerators: Lead with your AI capabilities and vision for how technology reshapes marketing. Share what you're learning. Help them build their AI strategic chops, not just their toolbox. They want a guide for the transition, and they're willing to pay for one who can keep up.



For Performance Pragmatists: Lead with measurable results and outcomes. Define success metrics up front. Challenge their thinking. Keep process talk to a minimum.



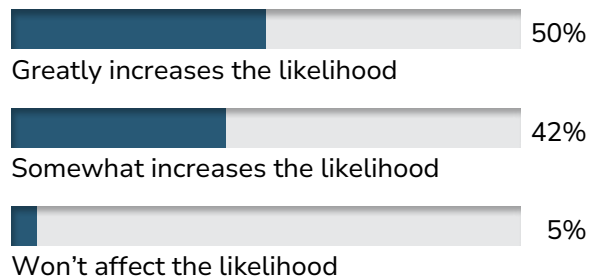
Internal action: Create profiles that identify which segment each client and prospect belongs to, and which segments your agency can best serve and attract. Focus on communicating the value you bring, how you're using technology to deliver that value, and how best to build a reputation for your agency based on that expertise.

The Big Picture — They Believe in You

92% say working with an agency increases their likelihood of achieving their goals.

And 60% say it greatly increases that likelihood.

How does working with an agency affect the likelihood that your organization will achieve its goals over the next two years?



From Agency Core

84% of agency leaders agree agencies will have to step up to prove their value — up from 73% in 2025. Clients are confirming that bet. The agencies that prove their value are being rewarded for it.

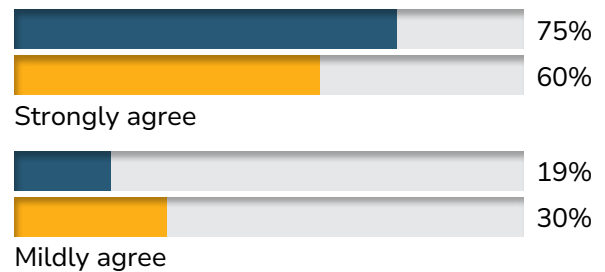


The 'critical partner' number moving 15 points in a single wave isn't sentiment — it's clients revising the role they want agencies to play in their business. The question for any individual agency is whether their clients made that revision because of them, or despite them.

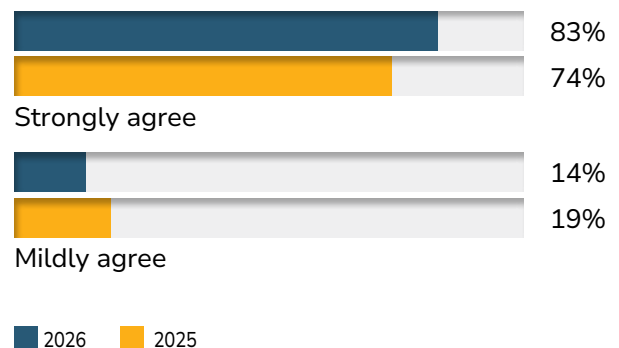
— Susan

The share of clients who call their agency a "critical partner" rose from 60% in 2025 to 75% in 2026. Long-term agency relationships rose from 74% to 83%.

A marketing agency is a critical partner for business success.



Is important to develop a long-term relationship with an agency.



When 75% of clients call their agency a critical partner and 83% value long-term relationships, that's not "vendor" language. But if your proposal structure, your meetings, and your reporting all scream "vendor," don't be surprised when you get treated like one — and replaced like one.

— Drew

Optimism — With Conditions

Clients are broadly optimistic about their organizations. 89% describe themselves as “pretty optimistic” or “very optimistic” about achieving their goals over the next two years.

Their confidence in agencies comes with conditions:



82%

need objective evidence that marketing is working



81%

want success metrics defined up front



89%

expect full accountability, even when AI is involved



82%

say AI transparency increases trust



The optimism from clients is great to see, and mirrors the optimism we see from agency leaders. But I worry that agencies underestimate how high the bar has been set by clients for delivering on it.

— Susan



I love that 89% of clients feel optimistic about hitting their goals. But optimism is not charity. They're optimistic if you can bring objective evidence, clear success metrics, and real accountability, especially around AI. Hope is not a strategy, and your clients know it.

— Drew

“I am optimistic because we have data from previous mistakes, and we’re going to make them work better for us this time.”

— Performance Pragmatist

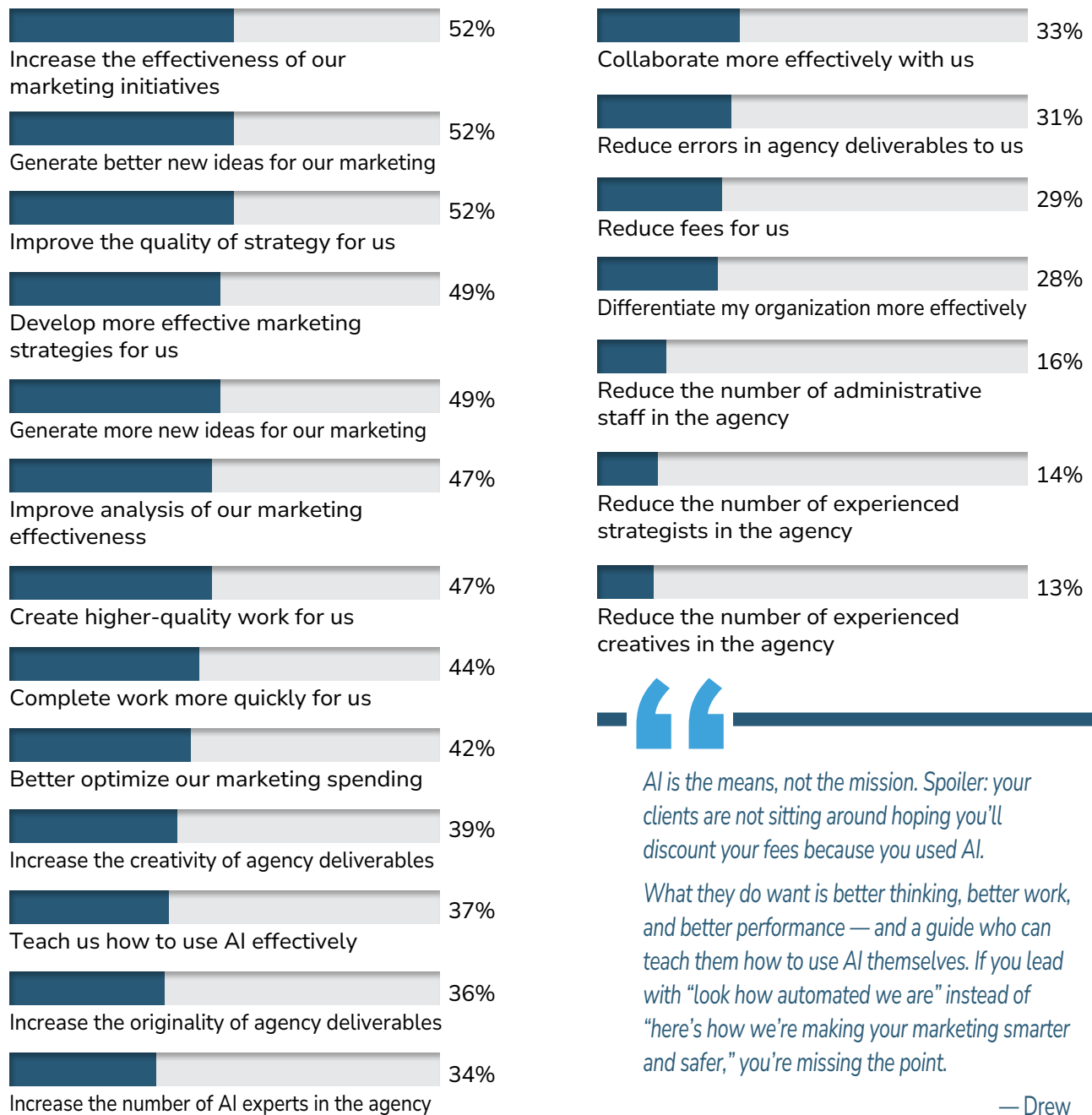
What Clients Actually Want

Spoiler: not cheaper.

When asked what they expect from agencies because of AI, the top expectations are all about better work. **Only 29% want reduced fees.** Clients aren't hoping AI lets you cut your team. They're hoping AI makes your team better.

37% want agencies to teach them how to use AI effectively — a real opportunity for agencies willing to serve as guides.

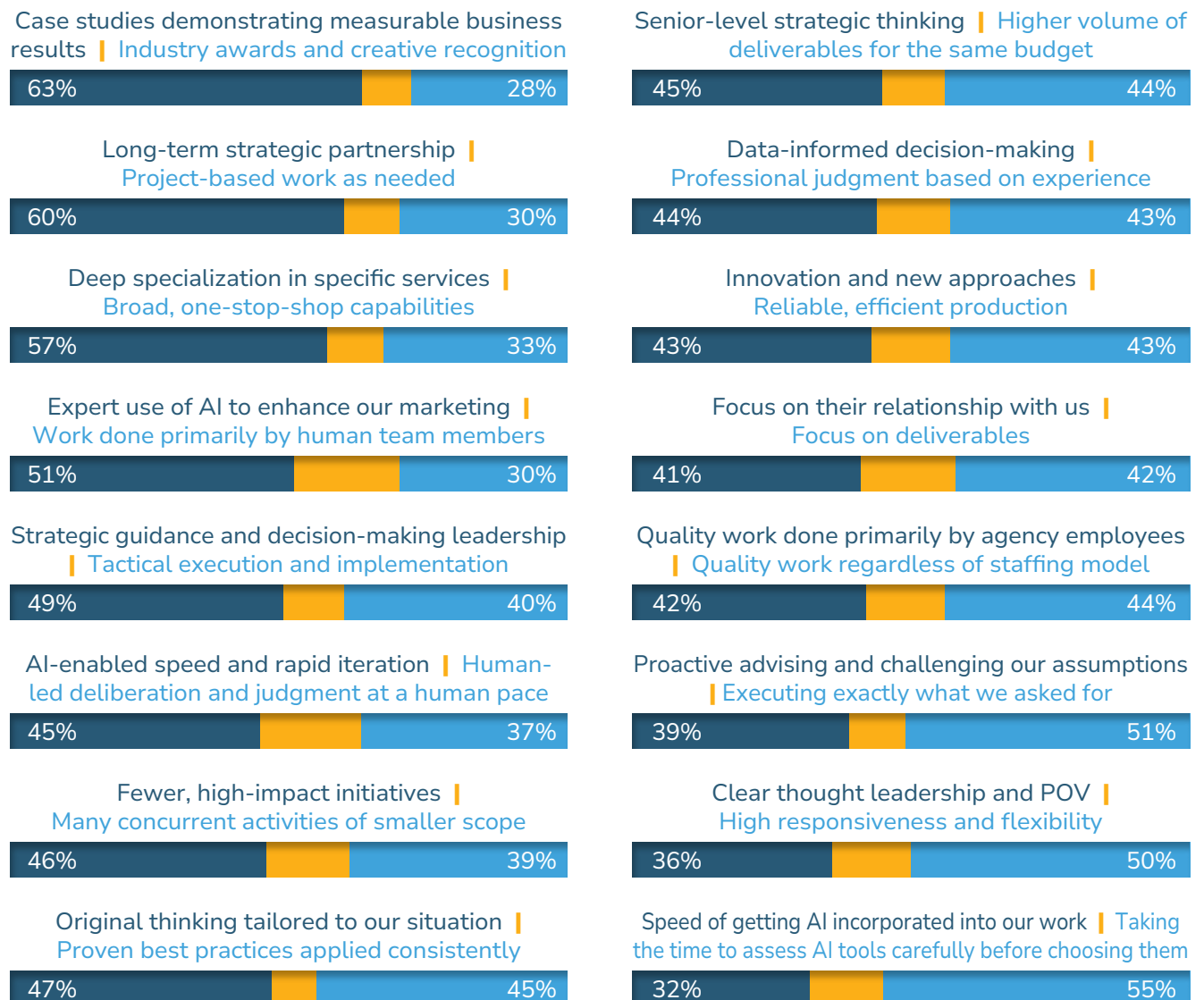
Do you expect your organization's agencies to do any of the following in the next year due to AI?



When Pressed, Clients Show Their Preferences

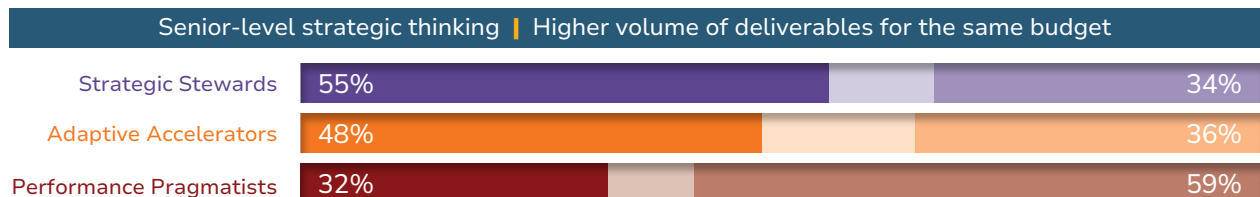
This year's study included a semantic differential question, which asks respondents to choose which of two things are more important to them. There's an option for both being equal, but most clients in our survey chose one or the other. Their preference reveals helpful insights for agencies trying to balance sometimes conflicting signals from clients.

Which of the following agency characteristics are more important to your organization?

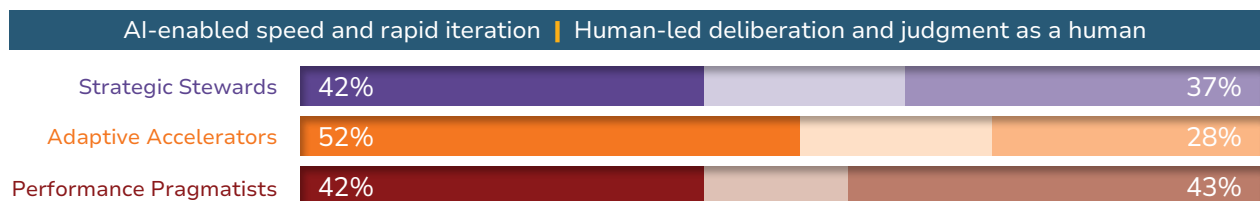


Left option more important
 Equally important
 Right option more important

Differences between segments can be significant. For example, **Strategic Stewards** are far more likely than **Performance Pragmatists** to prefer deep specialization in services to one-stop-shop capabilities, and senior-level strategic thinking over getting more deliverables for their money.



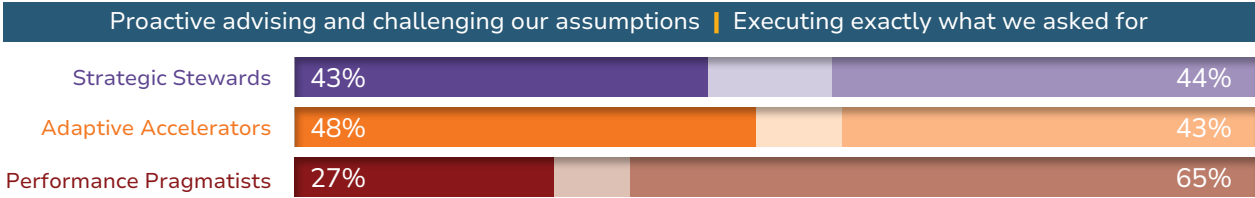
Adaptive Accelerators are most likely to choose expert use of AI and speed for their marketing over work done primarily by humans.



Forced-choice questions strip away the politeness. When clients can't say 'both are important,' they tell you which one they'd actually fight for — and the gap between segments on those answers is where pricing, positioning, and proposal language should be calibrated.

— Susan

Performance Pragmatists prioritize agencies that execute their directives far more than those providing offering advice and alternative points of view, and saying they value professional judgment based on experience over data-informed decision-making.



I love the contradiction here: clients say they want you to challenge their thinking, but when forced to choose, even Strategic Stewards tilt slightly toward “execute exactly what we asked.”

That’s the real-world dance of agency life. They want you to push them — and they also want to feel in control. Your job is to earn enough trust that when you say, “I know you asked for X, but our data says Y will perform better,” they’re willing to listen.

— Drew

They Want You to Think

Clients want agencies to step up strategically:



82%

strongly agree they are willing to pay more for specialized expertise



82%

want agencies that help them anticipate change



81%

want agencies to bring new ideas without being asked



74%

agree agencies should act as strategic advisors



69%

want agencies to take a leadership role in guiding marketing decisions



62%

would replace an agency that fails to challenge their thinking

Six in ten clients would fire an agency for not pushing back hard enough.



Clients' desire to have their agencies at the strategy table is unambiguous.

If you're still stuck in the "tactical execution" box, it's either because you've trained clients to see you that way or you're more comfortable there. Both are fixable, but only if you decide to fix them on purpose.

— Drew

From Agency Core:

78% of agency leaders expect growing demand for strategic thinking and guidance. Clients are confirming that expectation right now.

"I want (not wish) [agencies] to be more receptive to our needs and wants and not theirs."

— Agency client

The Brand Imperative



82%

say their organization needs marketing that strongly differentiates them from competitors



75%

look to their agency to help prove the authenticity of their communications



74%

say brand strategy is more important than ever for differentiation

75% want agencies to help evolve their brand story for an AI-driven world. When everyone has access to the same tools, the story needs more clarity and conviction.

From Agency Core

49% of agency leaders cite differentiation as a pressing challenge — up from 33% in 2025. Yet niche commitment has held flat at 46%. Clients are asking for differentiation. The agencies committed to their own differentiation are best positioned to deliver it.

“It would be easier if they fully understood our values from the very beginning.”

— Agency client



When AI makes it easier for everyone to crank out content, brand becomes the filter that decides who gets heard. If you’re a “brand shop,” now is your moment. If you’re not, you still need a strong brand point of view baked into everything you do.

— Drew



This is an important note for brand shops. Even clients who don’t want their brand to change know it needs to show up differently in the age of AI, and want their agency’s help in achieving that.

— Susan

The Client's View of AI

They're watching. And they have opinions.



86%

agree the best agencies combine technology and human creativity.

82% say transparency about AI increases their trust. 82% expect agencies to clearly explain when AI is being used and when it's not.

"There needs to be full transparency, on usage of AI and creating any sort of ad."

— Strategic Steward



We've been tracking attitudes about agency AI use for three years now. The 'figuring it out' uncertainty we saw in 2025 is gone. Clients have decided what they expect, and the bar is high.

— Susan



Your clients are fine with you using AI — many expect it — but they still expect you to apply judgment, guardrails, and quality control like the pros you are.

— Drew

Accountability Is the Foundation

The two highest-rated statements in Agency Edge 2026:



89%

Agencies must remain fully accountable for recommendations, even when AI is used.



87%

Agencies must remain accountable for the thinking behind the work.

Among **Strategic Stewards**, those numbers reach 98% and 99%.

Clients don't care whether you used AI. They care whether you own the result.

54% of clients say agencies are responsible for AI's contributions to their marketing performance — even if it's being used by their in-house marketing team.



Clients are holding agencies responsible for AI use in their marketing, whether you like it or not. You might as well embrace the role and help them develop the guardrails that will protect them — and you.

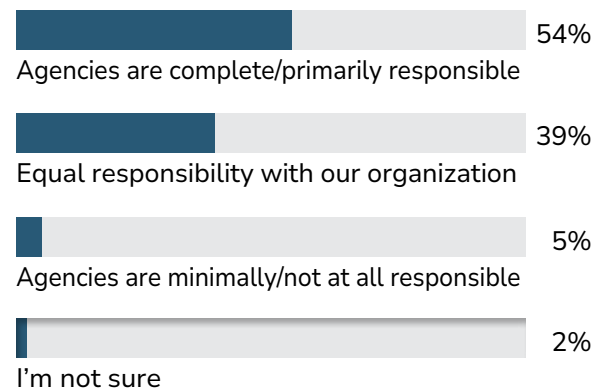
— Susan



This gets back to what we talked about from the 2025 study — clients want you to shepherd them through AI. And they're going to hold your feet to the fire for the results.

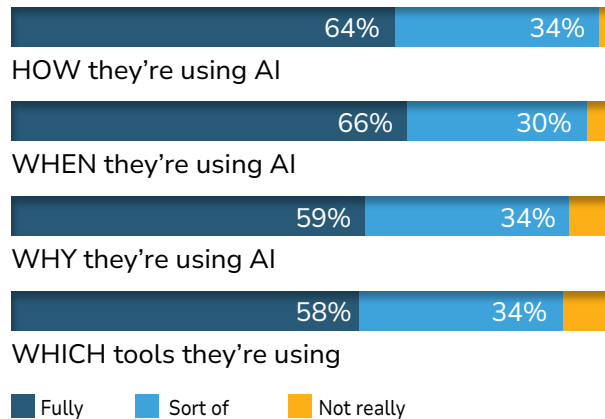
— Drew

To what extent does your organization hold its agencies responsible for AI's contributions to your marketing performance?



The AI Transparency Gap

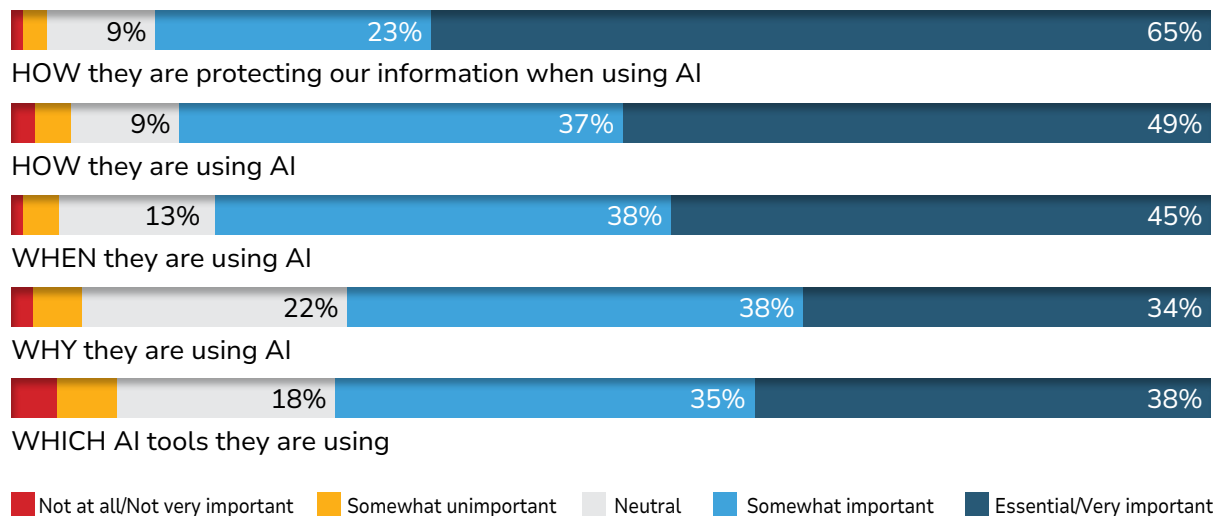
Are agencies having these conversations? Mostly yes, but not completely.



That “sort of” group — roughly a third of clients — represents a real transparency gap. Given that 82% say transparency increases trust, that’s a missed opportunity.

And this year, we added another item to the list — how agencies are protecting their information when using AI. In importance, it shot to the top of the list, with 65% saying it’s essential that agencies share this with them.

How important is it that your agencies regularly share the following with your organization?



From Agency Core

53% of agency leaders believe clients expect them to be AI leaders. The client data suggests they’re right — but the bar is transparency and accountability, not just capability.



The ‘sort of’ answers worry me more than the ‘not really’ ones. Clients who said ‘not really’ know they’re not getting transparency. Clients who said ‘sort of’ think they are — and they’re going to be the most disappointed when they realize the gap. That’s the relationship damage that doesn’t show up in your NPS until it’s already too late.

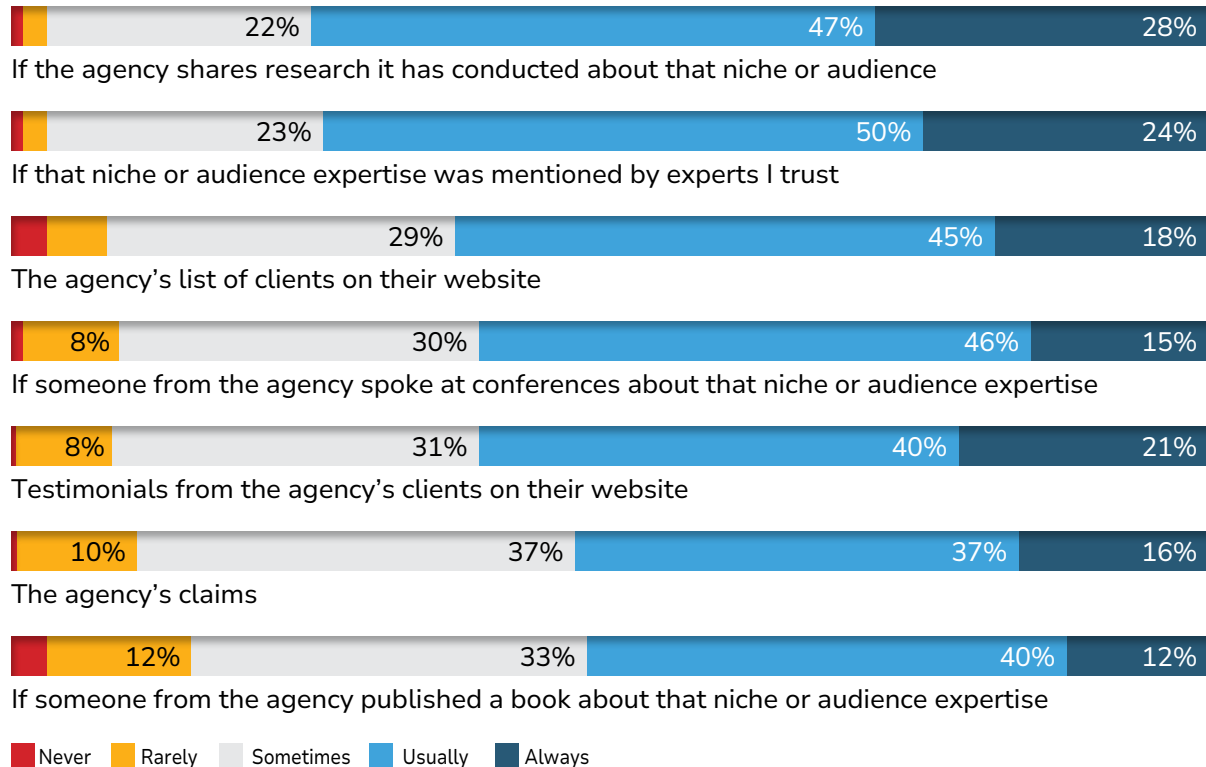
— Susan

Trust, Credibility, and Niche Expertise

How clients decide whether to believe you.

What you say about yourself carries less weight than what others say about you. If your primary strategy for demonstrating expertise is telling people you have it, you're using the least effective approach.

Would you believe a prospective agency has a particular niche or audience expertise based on the following?



Clients are relying on those they already trust to tell them if they can trust you. Make sure you're building those critical trusted partner relationships intentionally.

— Susan



Stop telling people you're an expert — prove it. If your "proof of expertise" is mostly a capabilities deck and a clever tagline, you're playing the wrong game. Case studies with real numbers, strong POV content, speaking, and referrals from trusted peers — that's the stuff that moves the needle.

— Drew

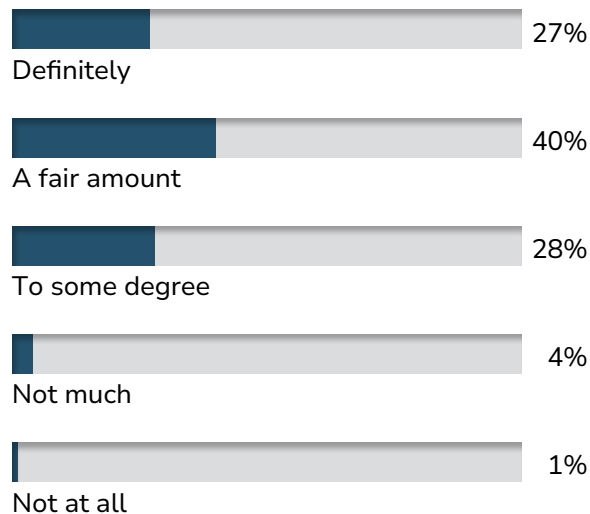
Niche Expertise Matters

67% of clients say having a niche gives an agency a definite or fair advantage in the hiring process. 95% say it gives at least some degree of advantage.

From Agency Core

Only 46% of agencies have committed to a niche — flat since 2022. Meanwhile, 70% of agencies reporting the best outcomes have strongly committed to a niche. Clients are asking for specialization. The agencies delivering it are winning.

When it comes to being hired by your organization, does having a niche or audience expertise give a marketing agency an advantage over one that does not?



I get it. Choosing a niche feels like saying no. But the fear of niching is costing you money. The agencies who say “no” strategically are getting a lot more “yes” from right-fit clients.

— Drew



Three waves of research over 5 years and the niche-commitment number among agencies hasn't moved. Meanwhile clients are telling us, in clearer language each year, that specialization wins. The math on this isn't subtle. Agency hesitation isn't analytical — it's emotional.

— Susan

What Trust Looks Like



82%

say AI transparency increases trust



82%

need objective evidence that marketing is working



81%

are more confident when success metrics are defined up front



81%

want agencies that explain assumptions and tradeoffs



75%

look to their agency to help prove authenticity

"I wish agencies had a more reassuring presence when it comes to our campaigns."

— Adaptive Accelerator

Strategic Stewards feel these most strongly — 93% on explaining assumptions, 95% on objective evidence.



Clients are telling you exactly what builds confidence: clear assumptions, defined success metrics, objective evidence, and transparency about AI

None of that is sexy. But that boring consistency is what lets you earn the right to be bold on their behalf.

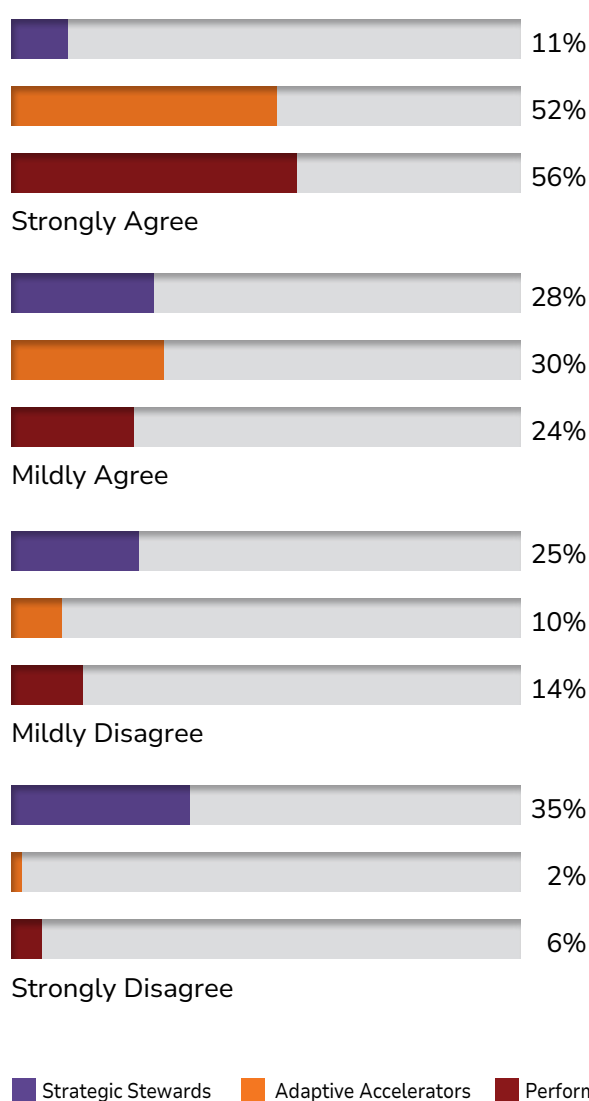
— Drew

The Clients You Could Lose

42% expect to reduce their reliance on agencies.

Before you panic, look at the segment breakdown of those strongly agreeing:

We expect to reduce our reliance on agencies in favor of AI-supported tools we can use ourselves.



→ The clients most committed to agencies are barely thinking about reducing their reliance on them. They've experienced the value of deep partnership and plan to keep investing in it. The clients considering alternatives haven't felt that level of strategic value — or believe AI tools can deliver some agency benefits for less.

What the “Reduce Reliance” Clients Are Really Saying

They’re not anti-agency. They’re frustrated by gaps:



A gap between the value they hired you for and your focus on delivering that value



A gap between the strategic advice they want and the execution they’re getting



A gap between the transparency they expect and the communication they receive



A gap between the accountability they need and the defensiveness they encounter

51% worry that over-reliance on AI could reduce the originality of their marketing. They have legitimate concerns about quality. But they’ve done the math and decided the current relationship isn’t delivering enough of what they hired you for in the first place.

“I wish for a seamless way to measure and optimize marketing ROI across all channels in real time, so we could make data-driven decisions faster and more effectively.”

— Agency client



The 42% who say they expect to reduce reliance on agencies are not all running gleefully into the arms of AI tools. Many of them are frustrated by gaps: between what they thought they were buying and what you’re delivering.

If they were done with agencies altogether, you’d have no shot. But they’re telling you the gaps: value, strategy, transparency, accountability. Close those, and AI becomes a tool inside the relationship, not a replacement for it.

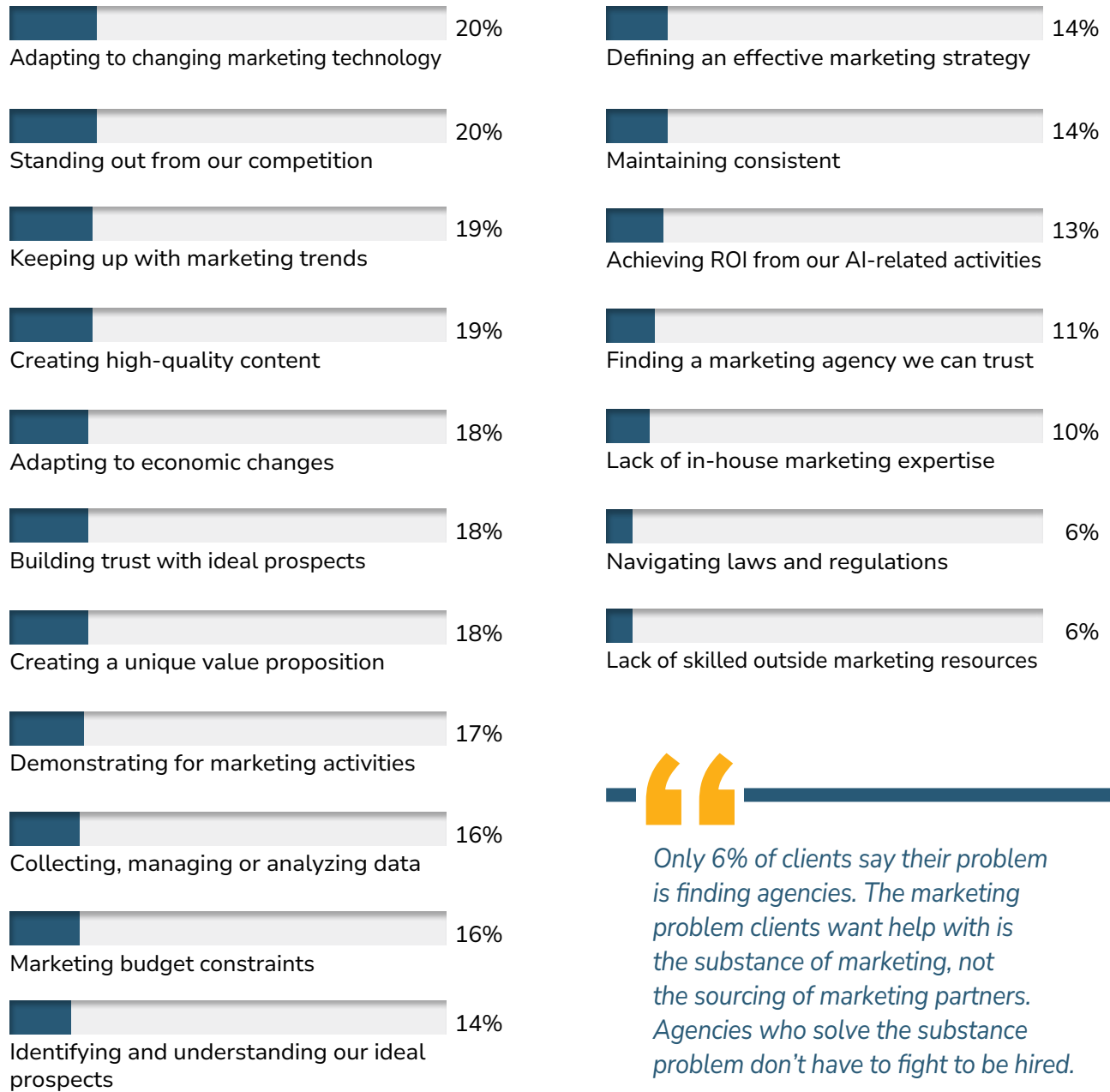
— Drew

Their Challenges Are Your Opportunities

What keeps your clients up at night.

When asked to choose their top three most severe marketing challenges, clients most often cited technology adaptation, differentiation, and keeping up with change. These are problems that require strategic guidance — the kind agencies are built to provide.

What are your organization's most severe marketing challenges? (Choose up to three)



Only 6% of clients say their problem is finding agencies. The marketing problem clients want help with is the substance of marketing, not the sourcing of marketing partners. Agencies who solve the substance problem don't have to fight to be hired.

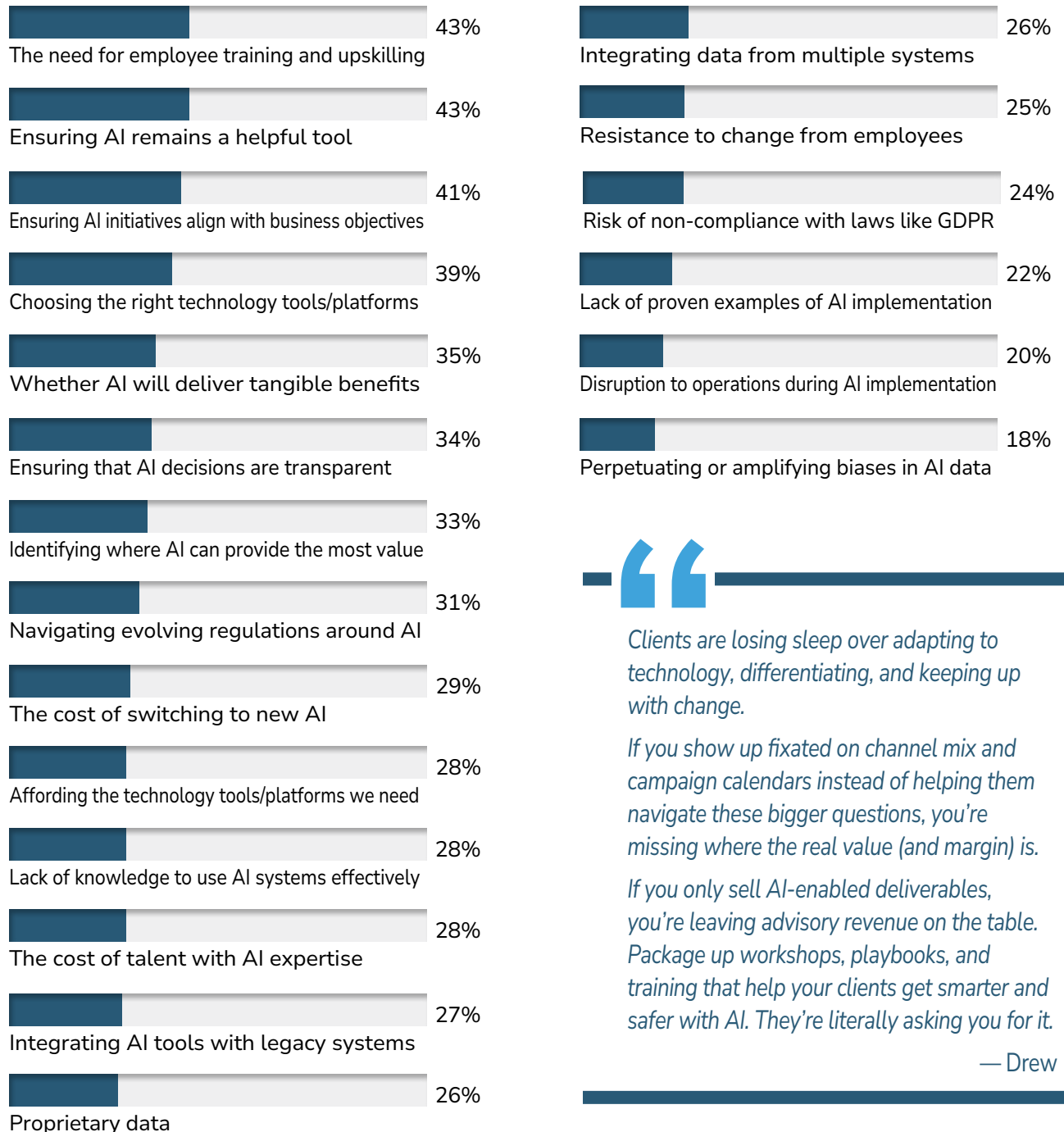
— Susan

AI Concerns — Where You Can Help

The key concerns about using AI in marketing? Lack of training. Ensuring it remains helpful. Keeping it aligned with business objectives.

This is where your expertise can provide more than just reassurance — it can provide sought-after value for your clients, and additional revenue opportunities for you.

Are any of these serious concerns or challenges for your organization with respect to using AI in marketing?



Clients are losing sleep over adapting to technology, differentiating, and keeping up with change.

If you show up fixated on channel mix and campaign calendars instead of helping them navigate these bigger questions, you're missing where the real value (and margin) is.

If you only sell AI-enabled deliverables, you're leaving advisory revenue on the table. Package up workshops, playbooks, and training that help your clients get smarter and safer with AI. They're literally asking you for it.

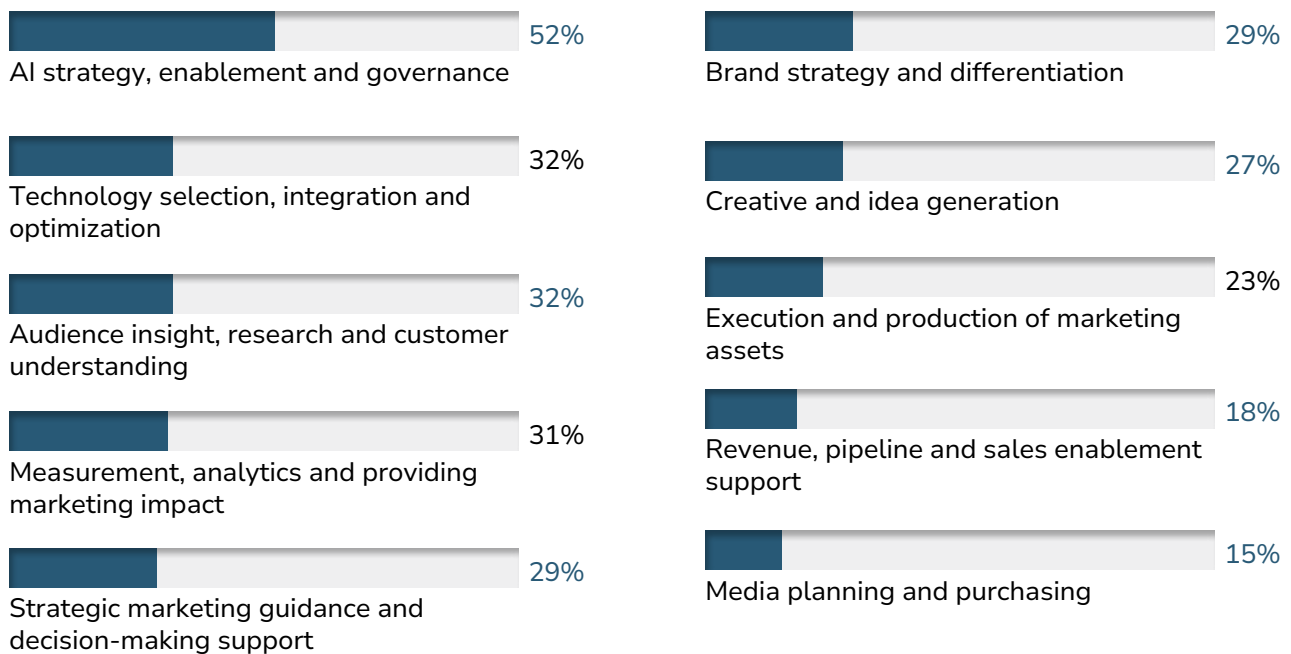
— Drew

Five Years From Now

What clients think agencies will need to succeed over the next five years.

By a significant margin, clients expect AI strategy, enablement, and governance to be key to agency success over the next five years. And the other services rounding out their top five? Technology selection and optimization. Audience insight. Strategic guidance. Brand strategy. The future clients envision isn't one where agencies become AI shops. It's one where agencies bring strategic thinking to a technology-rich environment.

Looking ahead five years, which of the following services do you believe will be MOST important to the success of agencies?



The combination of strategic thinking, technology governance, and specialized expertise is a key to the future for successful agencies.

— Susan



The future is not “AI shops” — it’s smart shops. That’s a pretty great future if you’re willing to live in that intersection. If you’re still trying to win as “the everything to everyone execution shop,” the next five years are going to be rough.

— Drew

What They Wish You Knew

In their own words.

They wish you understood their business more deeply:

"I wish agencies understood our specific market. Each state/region has its own market, and bringing in an agency with individuals not from our state brings lack of knowledge."

"That we are a small business and would really like to just focus on local customers, which are our base."

They wish you prioritized their interests:

"I feel like my agencies understand perfectly, however tend to do what suits them best."

They wish you brought more urgency:

"I believe they have a clear understanding, they just need to reach out more."

They wish you understood the pressure they're under:

"I wish they realized how much pressure there is to stay current while also staying authentic."

And some just wish you'd keep doing what you're doing:

"The fact that they listen to our needs and what our goals are is what makes the agency we work with leaps and bounds above the others."

The Common Thread

Read through those quotes and notice what clients aren't asking for. Nobody said "I wish agencies understood how to use ChatGPT better." Nobody said "I wish they'd reduce their headcount and pass the savings on."

What they're asking for is understanding. Specificity. Partnership. The sense that their agency gets their business — not marketing in general, but their particular pressures, their particular customers, and their particular constraints.

That's not something you deliver through a capabilities deck. It's something you earn through time, attention, and genuine curiosity about your clients' world.



Curiosity scales better than capability decks. The agencies that win are the ones who ask better questions, listen longer, and remember the details. You can't fake that with a new tagline. You earn it one conversation, one insight, one thoughtful follow-up at a time.

— Drew

What This Means for You

The agency these clients are looking for:



Leads strategically. 74% want strategic advisors. 82% want agencies that anticipate change. 81% want new ideas without having to ask.



Proves its value. 82% need objective evidence. 81% want success metrics defined up front.



Is transparent about AI. 82% say transparency increases trust. 89% expect full accountability.



Understands their specific business. Not marketing in general. Their market, their customers, their competitive pressures.



Challenges their thinking. 62% would replace an agency that doesn't push back.



Is worth paying for. 82% will pay more for specialized expertise. They're looking for the most valuable agency, not the cheapest one.

The Opportunity Is Real

The clients who've found this agency aren't going anywhere. They're deepening their commitment. They're raising their investment. They're building long-term partnerships.

The clients who haven't are telling you what it would take to change their minds. They've written the job description for the agency they want. It's sitting right here in this data.



91%

say agencies increase their likelihood of achieving goals.



83%

value long-term relationships.



75%

call their agency a critical partner.

From Agency Core

Most agency leaders can name the play. Successful agencies are the ones actually running it. The question is whether you will too.



This report lays out a pretty specific picture of the agency clients are looking for: strategic, accountable, transparent about AI, deeply understanding of their business, willing to challenge them, and confident enough in its expertise to charge appropriately.

Many of you are already 60–70% of the way there. The hard part? That last 30% — tightening your niche, elevating your strategic posture, and building real thought leadership — is where the separation happens.

— Drew

Methodology

Full Agency Edge results are available on the [Agency Edge Insights Hub](#), where you can explore every question, compare segments, and examine year-over-year trends.

[Agency Core](#), a nonprofit founded by Susan Baier of Audience Audit and Brian Gerstner of White Label IQ. Full results are available on the [Agency Core Insights Hub](#).

Human respondents were sourced through panel provider Full Circle Research. Survey development, data analysis and visualization were conducted by Audience Audit, Inc.

AI was used to support strategic activities during the process, but all AI content was reviewed and edited by humans.

Many thanks to our sponsors

