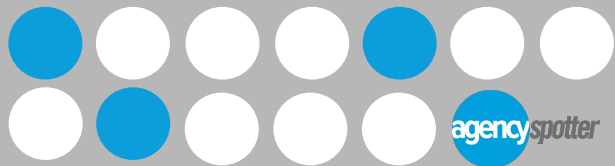




2019 Marketing Trends Report

Insights and trends from 320,000 professionals

Agency Spotter February 2019



Marketing Trends Report 2019

Welcome to the fifth year of Agency Spotter's Marketing Trends Report. The marketing services landscape continues to grow in size and complexity. And, we continue our mission to bring more transparency to the marketing services industry.

The call for alignment and transparency has continued from executives around the world, and we are calling back with new tools to help.

The Women's Movement and the larger call for diversity and equality is growing in steam and has real financial implications. We continue to answer these trends with solutions.

This report builds on trends in services and lends data driven context to the noise that sometime surrounds our industry. I hope it helps you navigate the future as you see the rise in popularity of some services along with the stability or decline of others.

All forty-one service areas on Agency Spotter have grown, but some continue to capture a much larger share of attention year over year. Throughout 2018, we helped over 320,000 marketers and subject matter experts at companies begin their agency searches.

Thank you for your trust and for being part of our community!



Brian Regienczuk
CEO and Co-Founder, Agency Spotter Inc.



Agency Spotter's mission

To bring transparency to the marketing and advertising services industry, saving professionals time and money in the search, selection and management of partners.

How we help

Agency Spotter is a trusted independent third-party, we verify client reviews and provide tools make it easy to navigate the increasingly complex marketing landscape.

Register for unlimited agency search and more at [agencyspotter.com](https://www.agencyspotter.com)

Table of Contents

Letter from the CEO	2
The Top 5: Services and Trends	5
1 Advertising Grows Lead Again	8
2 Direct Marketing Delivering Results	13
3 Digital Dominates Marketing	17
4 AR VR Hype Overshadows Demand	23
5 Women-owned Agencies and Diversity	27
The Big Picture - Marketing Services	30
2018 Services Rank	31
Winners and Losers	32
Top 25 Services Deep Dive	33
Searching Worldwide	57
Top Cities, Countries, and Regions Searching	58
Demographics	60
Demographic Data	61
About Agency Spotter	63
Brands using Agency Spotter	64
Agency Spotter Products	65



The Top 5: Services and Trends

Our annual report is based on data from more than 320,000 professionals who used Agency Spotter's public agency search platform during 2018. That represents a growth of 204% year/year.

The report covers a lot of ground, including a breakdown the top services and the 5 trends we see shaping the year ahead.

We share multi-year snapshots of how the top 25 services have changed and which cities are driving the lion's share of agency searches.

No matter where you are or what service areas you focus on, we hope our data helps you and your company grow.

Top 5 Marketing Services

29%

The top 5 services
accounted for 29.4%
of all searches in 2018



Advertising



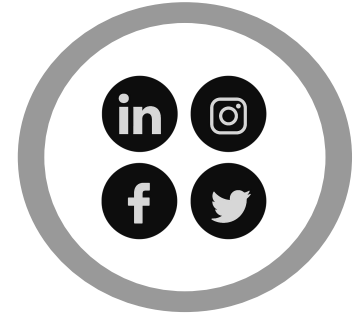
Direct Marketing



Digital Strategy



Web



Social Media

Marketing Budgets Up

CEOs and CMOs seem to agree about one thing for 2019-20: Marketing budgets are growing.¹

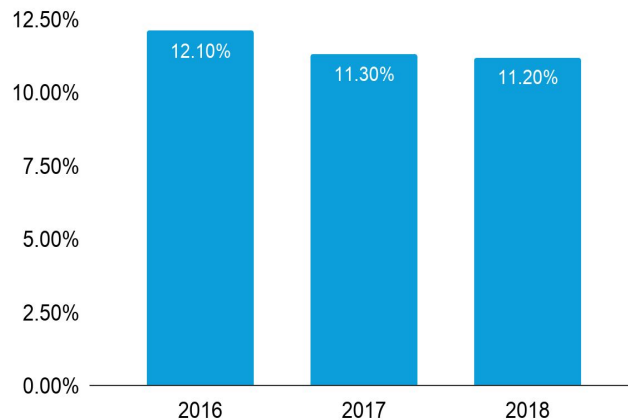
To keep growing budgets into the 2020s, CMOs and their agencies need to speak the language of the C-Suite with a focus on meaningful ROI, market share growth, and risk mitigation through a better command of marketing operations (marops).

¹Gartner 2018 CEO Survey

57%

57% of CEOs and 63% of CMOs expect to increase their 2019 marketing budgets¹

Will CMO budgets grow into 2020?



In 2018, marketing budgets were 11.2% of company revenue.¹



Never Underestimate Advertising

Advertising takes Agency Spotter's #1 most searched service for the fifth year in a row.

Advertising dominates the CMO's multichannel budget with over 21% of their marketing spend in advertising.¹

But, only 1 in 4 marketers are highly confident they can quantify ROI.²

¹ Gartner 2018 CEO Survey
² Nielsen CMO Report 2018





Advertising

#1

Search result ranking in
2017-2018

10.46%

Percent captured in service searches [^] 0.83
point increase year/year

230%

Growth in volume of searches year/year

2014

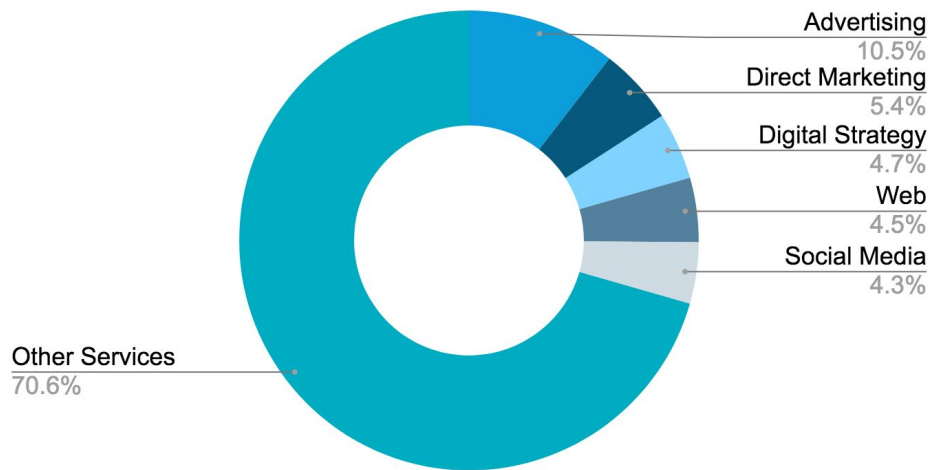
2015

2016

2017

2018

Advertising grows lead, stronger than ever



10.5%

Advertising tops charts as #1 for 2018, the fifth year in a row that it has been the most searched service

The death of Advertising has been greatly exaggerated, it took the number one spot for the fifth year in a row and accounted for 10.46% of 2018 searches on Agency Spotter.

Advertising shows no indication of slowing down with it's lead over all services growing by 0.83 points year over year. This was the largest percentage increase across all services.

The volume of searches for Advertising also grew by 230% year over year, significantly outpacing the platform's overall growth of 204%.



“The web attacks traditional ways of doing things and elites, and this is very uncomfortable for traditional businesses to deal with.”

– Sir Martin Sorrell

Digital is behind Advertising growth

When you look at CMO spend data, it's no wonder that the search for the best advertising agency takes the number one spot.

What may not be clear is that, the research suggests, the focus on digital advertising is the only reason Advertising is still at number one.

CMOs reported that Advertising dominates their multichannel budget with an advertising spend being, on average, over 21% of their marketing budgets.¹

CMO surveys from both Gartner and Nielsen show digital advertising's share growing while traditional advertising channels continue to decline.^{1,2}

The most telling numbers come from Nielsen where, in the context of overall marketing budget growth, only 30% of CMOs expected to increase traditional media budgets and 44% expected to decrease them. For context, 82% of CMOs expected to increase digital media spend.²

¹Gartner 2018 CEO Survey
²Nielsen CMO Report 2018

C-Suite and CMO at odds on ROI

Look for Advertising to take a serious shift in measuring ROI with CMOs forced to focus on revenue, profitability, and market share as we head towards the 2020s.

Despite CMOs understanding the metrics that can demonstrate marketing's value to the rest of the C-Suite, most are still not focused on what counts.

Gartner's latest data shows that CMOs are still using metrics that have little meaning outside the marketing organization, with most valuing "awareness" more than ROI and "market share."¹

1 in 4

Only 1 in 4 marketers confident they can quantify ROI.²

¹Gartner 2018 CEO Survey

²Nielsen CMO Report 2018

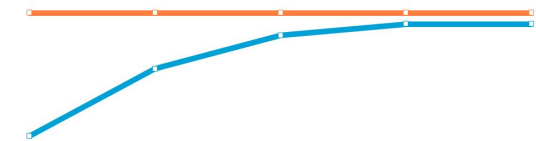


Direct Marketing's Digital Results



Could personalization and the focus on ROI be the force that pushed Direct Marketing to take the number two spot for the second year in a row?





2014 2015 2016 2017 2018

Direct Marketing

#2

Search result ranking in
2017-2018

5.42%

Percent captured in service searches [^] 0.13
point increase year/year

230%

Growth in volume of searches year/year

Direct Marketing loses ground to Digital Strategy

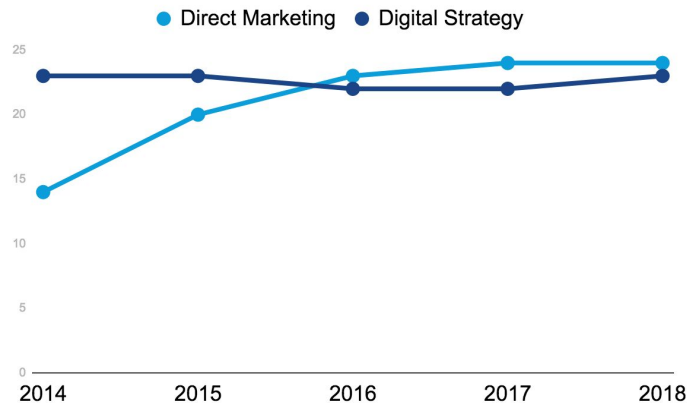
Direct Marketing grabbed the number 2 spot in 2017 and continued to hold it in 2018.

But, Direct Marketing's growth this year is a much slower 0.18 points year over year versus Digital Strategy's 0.26 point gain. As a result, the gap between them is shrinking and Digital Strategy may take the number two spot in 2019.

Both outpaced overall growth in searches with 214% growth for Direct Marketing and 222% growth for Digital Strategy.

5.42%

Direct Marketing holds onto the number 2 spot with 5.42% of searches, but Digital Strategy is catching up





“The brands that can connect with the client in a real way will win.”

– Gary Vaynerchuk

1-to-1 marketing trend explained

Direct Marketing is really the art of one to one marketing. Though it became famous for credit card offers and other snail mailers, it has become a digital targeting and personalization strategy.

Ever visit an insurance site and then start getting mailers or emails from insurance companies or reps? That’s an example of how Direct Marketing works, and it isn’t tied to any one channel or industry. It works across many, depending on who you are targeting and what you are selling.

In many ways, the drive for personalization and ROI in e-commerce and social media may have led to the rebirth of Direct Marketing, and it’s hold on the number 2 spot again for the second year in a row.

As data driven measurement and results get more sophisticated and more pervasive, watch Direct Marketing find new ways to streamline conversions.



Digital Dominates



Digital Strategy, Web, and Social Media took the third, fourth, and fifth spots respectively.

But, as we have seen, even the top two most searched services, advertising and direct marketing, seem to be dominating because of digital spend.



Digital's influence is growing

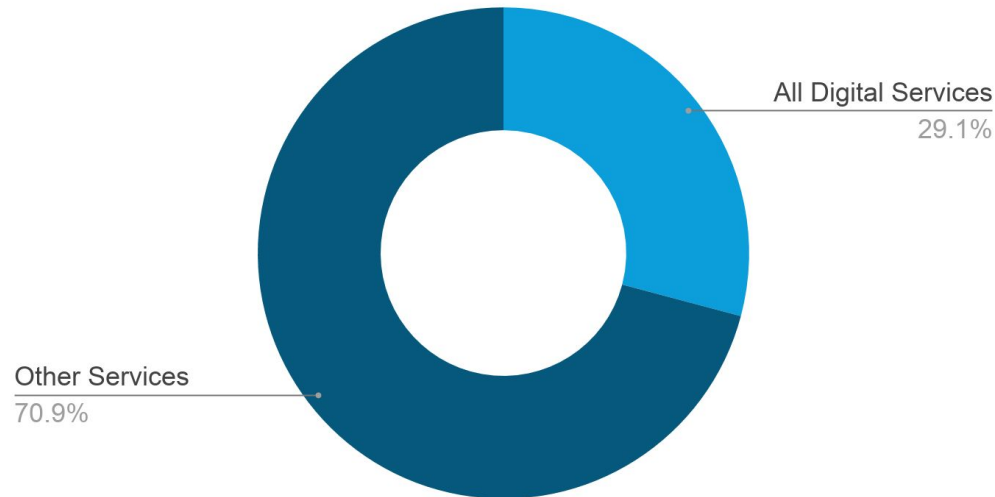
Out of 41 services, the top 3 pure digital services (Digital Strategy, Web, and Social Media) alone account for 13.5% of 2018 searches.

Digital's sphere of influence extends far beyond the 29.1% of all pure digital searches though.

Our estimates put digitally influenced services at close to two-thirds of all searches. Digital's influence is growing fast.

29.1%

29.1% of all 2018 searches include a digital marketing service



CMOs more confident in digital

CMOs say digital marketing is most effective and that confidence stems from the promise of measurement. As a result, digital budgets continue to grow.¹

But, there is a risk lurking as CMOs continue to talk about vanity metrics versus the ROI their C-Suite wants.

CMOs must start showing data their CFO can get behind.

Marketers feel confident in digital services like search, web, and email because the ROI seems easy to measure.¹

At the same time, marketers perceive the value of social media to be similar to search, both having 31% say they are extremely effective and another 36% say they are very effective.²

However, proving social media ROI to the C-Suite is on much shakier ground. In fact, CMOs were only a little more confident in digital media versus traditional media when it came down to proving ROI.²

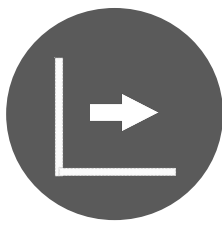


“We must not only demonstrate stewardship over every dollar spent, but we must also operate in lock-step with business objectives.”

–Carrie Palin, CMO, Box

¹Gartner 2018 CEO Survey

²Nielsen CMO Report 2018



Digital Strategy

2014 2015 2016 2017 2018

#3

Search result ranking in
2017-2018

4.72%

Percent captured in service searches ^ 0.26
point increase year/year

221%

Growth in volume of searches year/year



Web



2014

2015

2016

2017

2018

#4

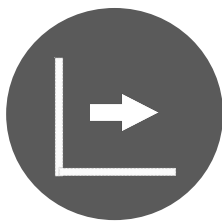
Search result ranking in
2017-2018

4.52%

Percent captured in service searches **v 0.02**
point increase year/year

203%

Growth in volume of searches year/year



Social Media

2014 2015 2016 2017 2018

#5

Search result ranking in
2017-2018

4.31%

Percent captured in service searches ^ 0.15
point increase year/year

215%

Growth in volume of searches year/year

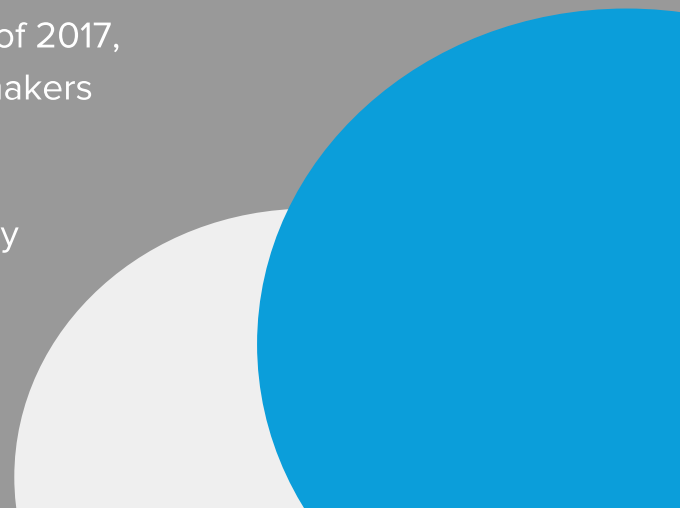


AR/VR Hype vs Demand

Augmented Reality (AR), Virtual Reality (VR), and Mixed Reality (MR) have all garnered a lot of attention in the last year.

We added AR VR as a service at the end of 2017, but the volume of searches by decision makers was still very small.

Is AR VR, for all the hype, still only for early adopters or very specific industries?





“Augmented reality is the ‘boy who cried wolf’ of the post-Internet world—it’s long been promised but has rarely been delivered in a satisfying way.”

— Om Malik of True Ventures and Gigaom

¹ Adi Robertson, 30 Dec 2018, “The Verge 2018 tech report card: AR and VR”

AR VR was everywhere in 2018

Press coverage and articles on AR VR exploded in 2018, from Forbes to The New York Times. It made a splash at shows like CES and SXSW. Google now has 364,000,000 results for it.

One of the few to call “hype” on AR VR was Adi Robertson on The Verge,¹ saying “VR still isn’t remotely mainstream.”

While most mainstream predictions of market size have AR VR at somewhere between \$34.3 and \$117 billion somewhere between 2022 to 2025, so far, the demand for AR VR services has not translated to marketers searching.

AR VR had the lowest search volume across all 41 of the services we track, and that means it is still early adopter territory for most.



AR VR



#41

Search result ranking in 2018 out
of 41 services

0.42%

Percent captured in service searches grew
by ^ 0.33 points versus 2017*



Growth in volume of searches year/year

*There is not enough data to show a trend
yet as this service was added at the very
end of 2017.

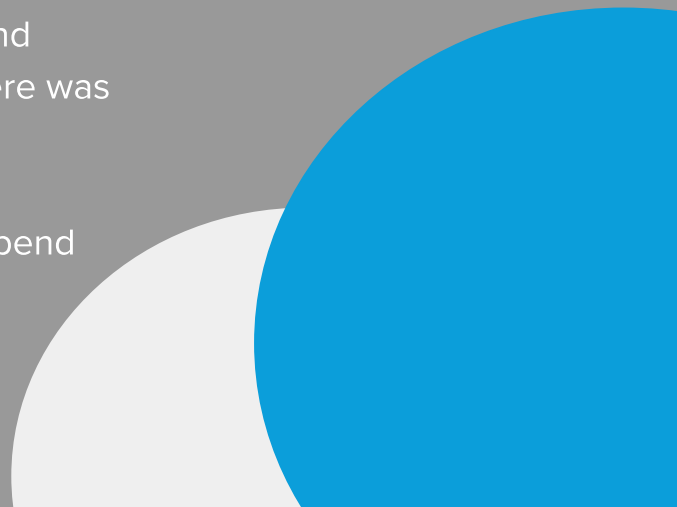


Women-Owned

The Women's Movement had very strong growth across 2018 from catching headlines to mainstream conferences.

Beyond hiring more women, equal pay, and promoting women to leadership roles, there was another big step in the right direction.

Companies like Intel set women-owned spend goals. Intel committed to \$200 million.



Hiring women-owned

Searches for women-owned agencies were up significantly in 2018 on Agency Spotter.

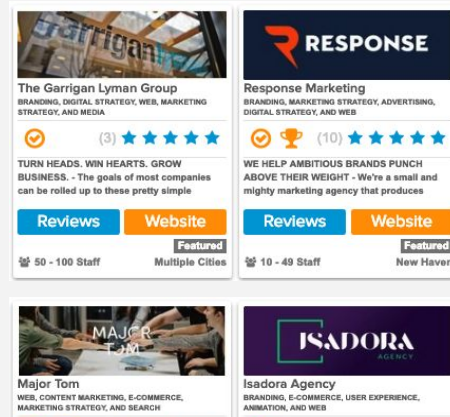
Women-owned businesses account for less than 1% of the suppliers contracted by large corporations.¹

Filter your agency search by women-owned or minority-owned and support diversity across your business.

74%

74% more searches for women-owned agencies year/year

Search women-owned agencies



¹ WEConnect International

Moving toward gender equality

From closing the pay gap to promotions, the Women's Movement is making strides.

However, only 44% of marketing leadership appointments were women in the first half of 2018.¹

Women make up a significant portion of marketing departments and agencies. Making sure they are treated fairly will continue to trend.

Notable 2018 Women CMO Hires

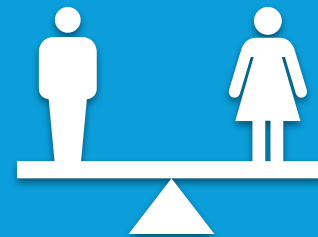
Marie Gulin-Merle, Global CMO Calvin Klein
(Former CMO L'Oréal USA)

Deborah Wahl, Global CMO Cadillac
(Former CMO McDonald's)

Cindy Davis, EVP/Chief Digital Officer L Brands
(Former EVP Customer Experience at Disney)

Barbara Messing, CMO Walmart
(Former CMO TripAdvisor)

Rebecca Messina, CMO Uber
(Former Global CMO at Beam-Suntory)



“Progress, yes, but the gender gap on top of the advertising pyramid is still very real...Nowhere is the contrast between men and women in advertising more clear than when it comes to starting their own agencies.”
—Avi Dan, CEO of Avidan Strategies

¹Russell Reynolds Associates



The Big Picture Marketing Services

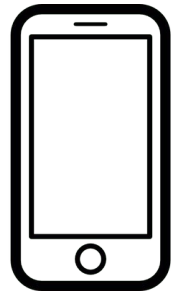
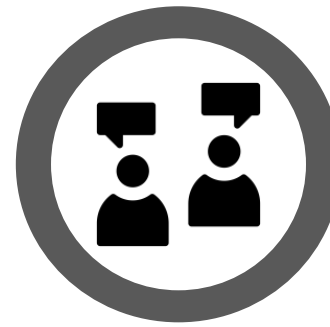
The Deep Dive into each service will give you a glimpse back in time to see how that service has performed over the last 5 years.

Since Advertising has maintained the #1 spot, we use that as the reference line to give you context.

All Services Ranked

1. Advertising
2. Direct Marketing
3. Digital Strategy
4. Web
5. Social Media
6. Marketing Strategy
7. Branding
8. Mobile
9. Search
10. Media
11. Innovation
12. E-Commerce
13. Content Marketing
14. Email
15. Public Relations
16. Design Strategy
17. Experiential Marketing
18. Inbound Marketing
19. User Experience
20. Healthcare Marketing
21. Shopper Marketing
22. Promotions
23. Graphic/Communication
24. Multicultural Marketing
25. Influencer Marketing
26. Word of Mouth (WOMM)
27. Events
28. CRM Automation

29. Gaming
30. Marketing Automation
31. Video Production
32. Data Analytic
33. Qualitative Insights
34. Quantitative Insights
35. Packaging
36. Animation
37. Industrial
38. Naming
39. Environmental
40. Affiliate Marketing
41. AR VR

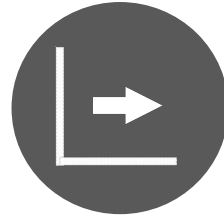


Winners and Losers



WINNING GROUND

- Advertising
- Direct Marketing
- E-Commerce
- Content Marketing
- Public Relations
- Search
- Email Marketing
- Events
- Promotional Marketing
- Shopper Marketing
- Experiential Marketing



CONTINUAL IN-DEMAND

- Inbound Marketing
- Digital Strategy
- Social Media
- Marketing Strategy
- Mobile
- Media
- E-Commerce
- Public Relations
- Search
- Email Marketing
- Promotional Marketing
- Data Analytics
- Healthcare Marketing



LOSING GROUND

- Branding
- User Experience
- Design Strategy
- Communication Design
- Gaming
- CRM Automation
- WOMM
- Multicultural Marketing
- Innovation
- Influencer Marketing



Advertising

#1

Search result ranking in
2017-2018

10.46%

Percent captured in service searches [^] 0.83
point increase year/year

230%

Growth in volume of searches year/year

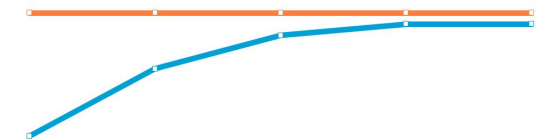
2014

2015

2016

2017

2018



2014 2015 2016 2017 2018

Direct Marketing

#2

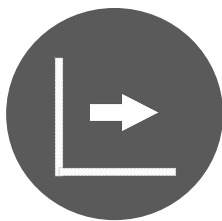
Search result ranking in
2017-2018

5.42%

Percent captured in service searches [^] 0.13
point increase year/year

230%

Growth in volume of searches year/year



Digital Strategy

2014 2015 2016 2017 2018

#3

Search result ranking in
2017-2018

4.72%

Percent captured in service searches ^ 0.26
point increase year/year

221%

Growth in volume of searches year/year



Web

2014 2015 2016 2017 2018

#4

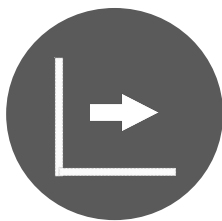
Search result ranking in
2017-2018

4.52%

Percent captured in service searches **v 0.02**
point increase year/year

203%

Growth in volume of searches year/year



Social Media

2014 2015 2016 2017 2018

#5

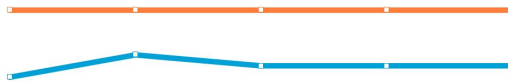
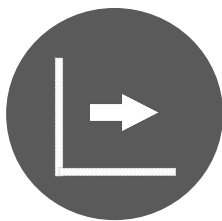
Search result ranking in
2017-2018

4.31%

Percent captured in service searches ^ 0.15
point increase year/year

215%

Growth in volume of searches year/year



Marketing Strategy

2014 2015 2016 2017 2018

#6

Search result ranking in
2017-2018

4.00%

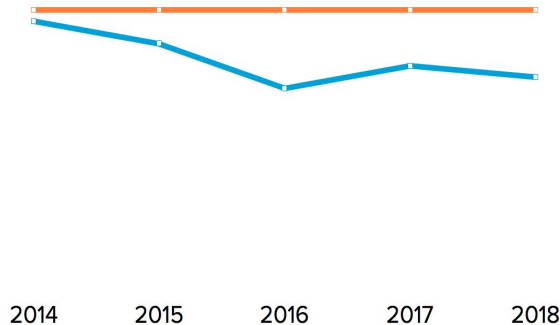
Percent captured in service searches ^ 0.18
point increase year/year

218%

Growth in volume of searches year/year



Branding



#7

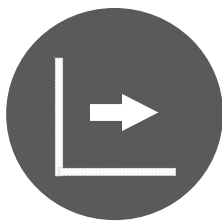
Search result ranking in
2017-2018

3.95%

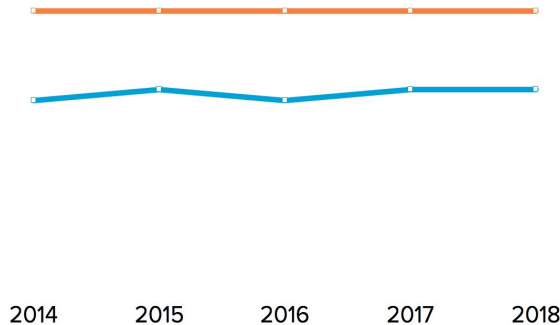
Percent captured in service searches [^] 0.13
point increase year/year

214%

Growth in volume of searches year/year



Mobile



#8

Search result ranking in
2017-2018

3.25%

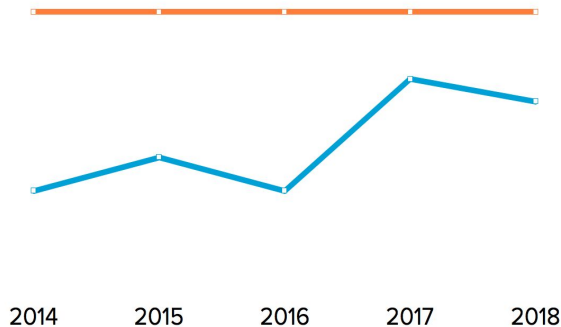
Percent captured in service searches ^ 0.01
point increase year/year

205%

Growth in volume of searches year/year



Search



#9

Search result ranking in
2017-2018

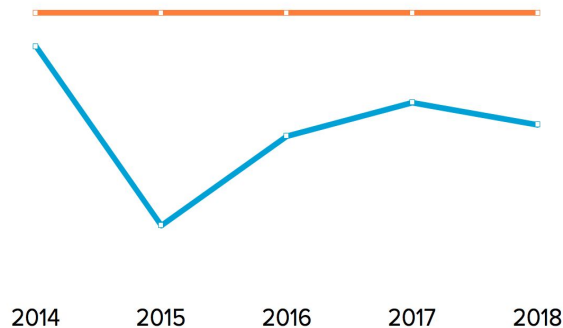
3.10%

Percent captured in service searches v 0.16
point increase year/year

189%

Growth in volume of searches year/year

Innovation



#11

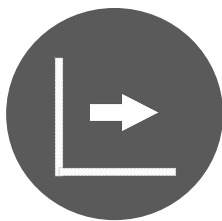
Search result ranking in
2017-2018

3.07%

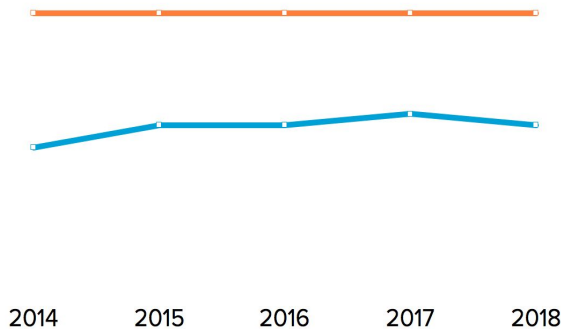
Percent captured in service searches ^ 0.19
point increase year/year

224%

Growth in volume of searches year/year



E-Commerce



#12

Search result ranking in
2017-2018

3.07%

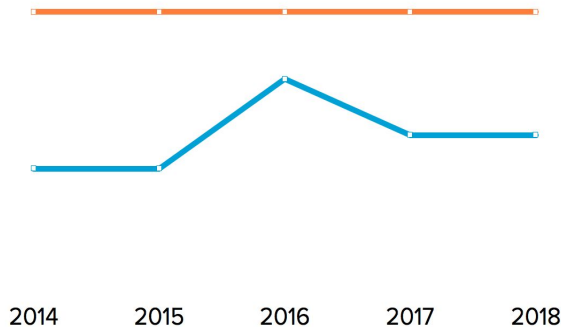
Percent captured in service searches ^ 0.20
point increase year/year

225%

Growth in volume of searches year/year



Content Mktg



#13

Search result ranking in
2017-2018

2.93%

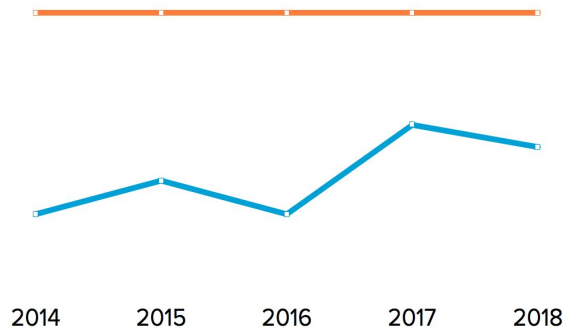
Percent captured in service searches ^{^ 0.16}
point increase year/year

222%

Growth in volume of searches year/year



Email



#14

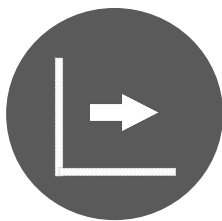
Search result ranking in
2017-2018

2.63%

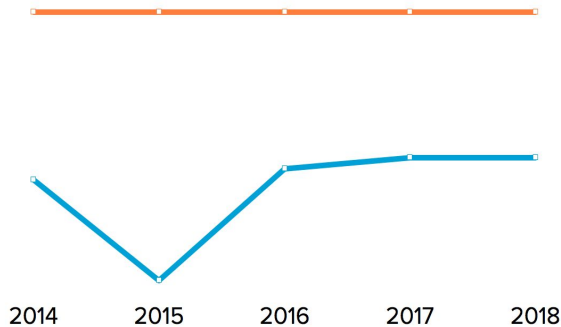
Percent captured in service searches v 0.19
point increase year/year

192%

Growth in volume of searches year/year



Public Relations



#15

Search result ranking in
2017-2018

2.56%

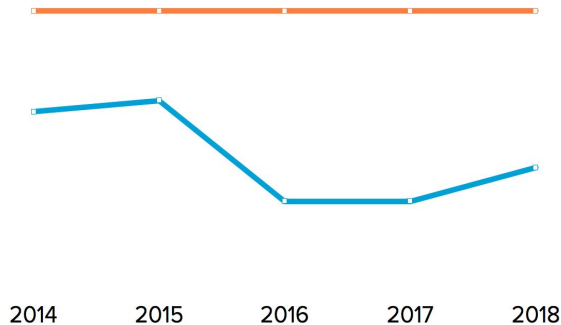
Percent captured in service searches v 0.01
point increase year/year

202%

Growth in volume of searches year/year



Design Strategy



#16

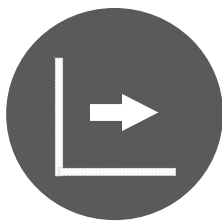
Search result ranking in
2017-2018

2.36%

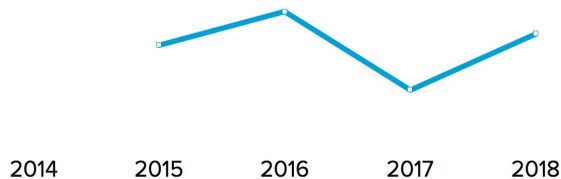
Percent captured in service searches [^] 0.13
point increase year/year

222%

Growth in volume of searches year/year



Experiential Mktg



#17

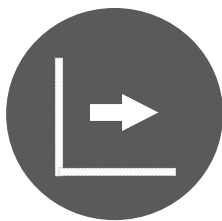
Search result ranking in
2017-2018

2.32%

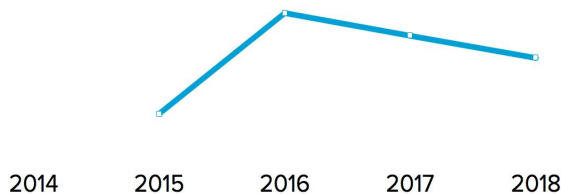
Percent captured in service searches ^ 0.31
point increase year/year

190%

Growth in volume of searches year/year



Inbound Marketing



#18

Search result ranking in
2017-2018

2.32%

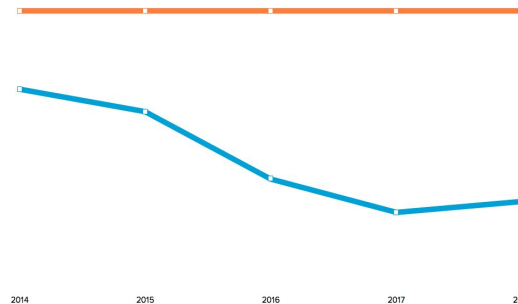
Percent captured in service searches v 0.18
point increase year/year

181%

Growth in volume of searches year/year



User Experience



#19

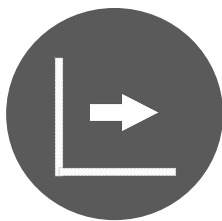
Search result ranking in
2017-2018

2.17%

Percent captured in service searches **v 0.02**
point increase year/year

201%

Growth in volume of searches year/year



Healthcare Mktg

2014 2015 2016 2017 2018

#20

Search result ranking in
2017-2018

2.17%

Percent captured in service searches **v 0.11**
point increase year/year

189%

Growth in volume of searches year/year



Shopper Marketing

#21

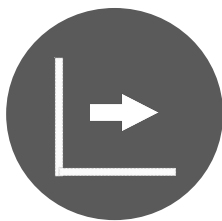
Search result ranking in
2017-2018

1.91%

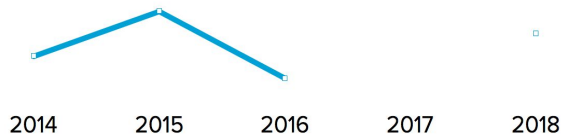
Percent captured in service searches ^ 0.19
point increase year/year

238%

Growth in volume of searches year/year



Promotions



#22

Search result ranking in
2017-2018

1.77%

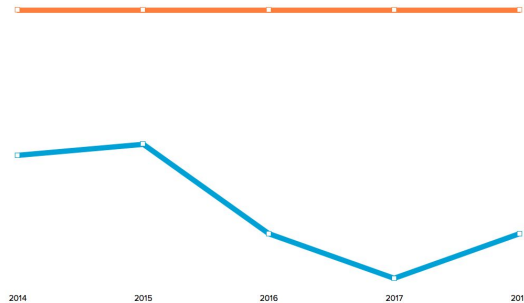
Percent captured in service searches ^{^ 0.15}
point increase year/year

231%

Growth in volume of searches year/year



Comm. Design



#23

Search result ranking in
2017-2018

1.75%

Percent captured in service searches v 0.10
point increase year/year

187%

Growth in volume of searches year/year



Multicultural Mktg

#24

Search result ranking in
2017-2018

1.70%

Percent captured in service searches v 0.48
point increase year/year

137%

Growth in volume of searches year/year



Influencer Mktg

2014 2015 2016 2017 2018

#25

Search result ranking in
2017-2018

1.69%

Percent captured in service searches v 0.73
point increase year/year

112%

Growth in volume of searches year/year

Searching Worldwide

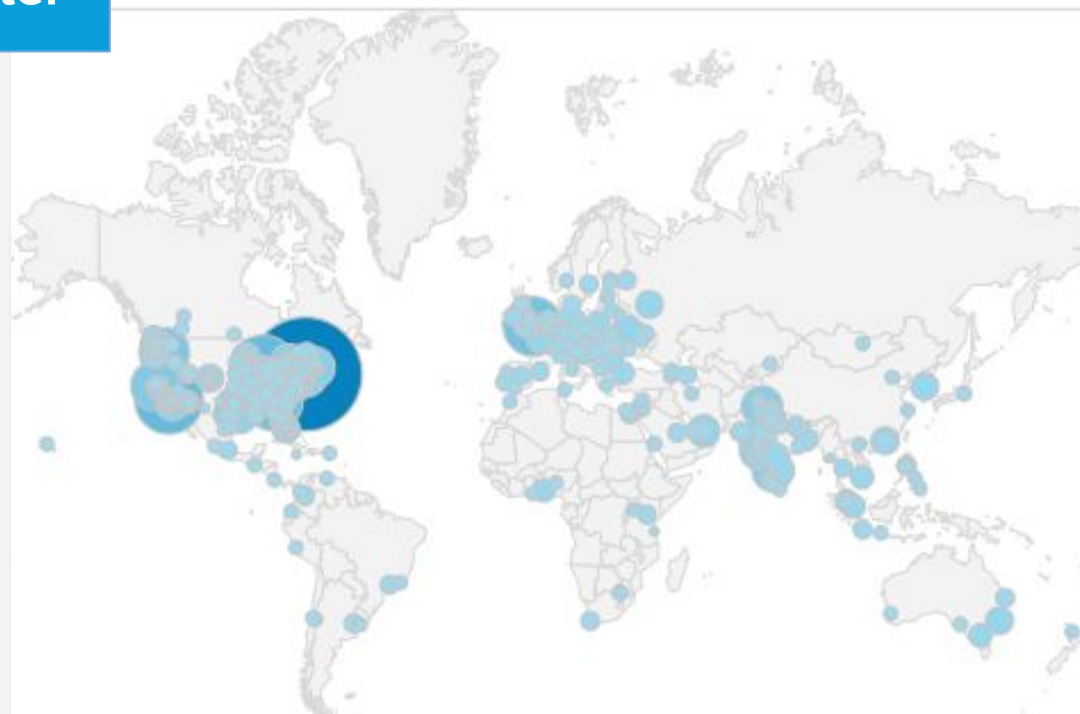
We saw substantial growth in volume from across the Americas, Europe, Asia, the Middle East, and Australia.

More than 320,000 professionals from more than 160 countries used Agency Spotter in 2018.

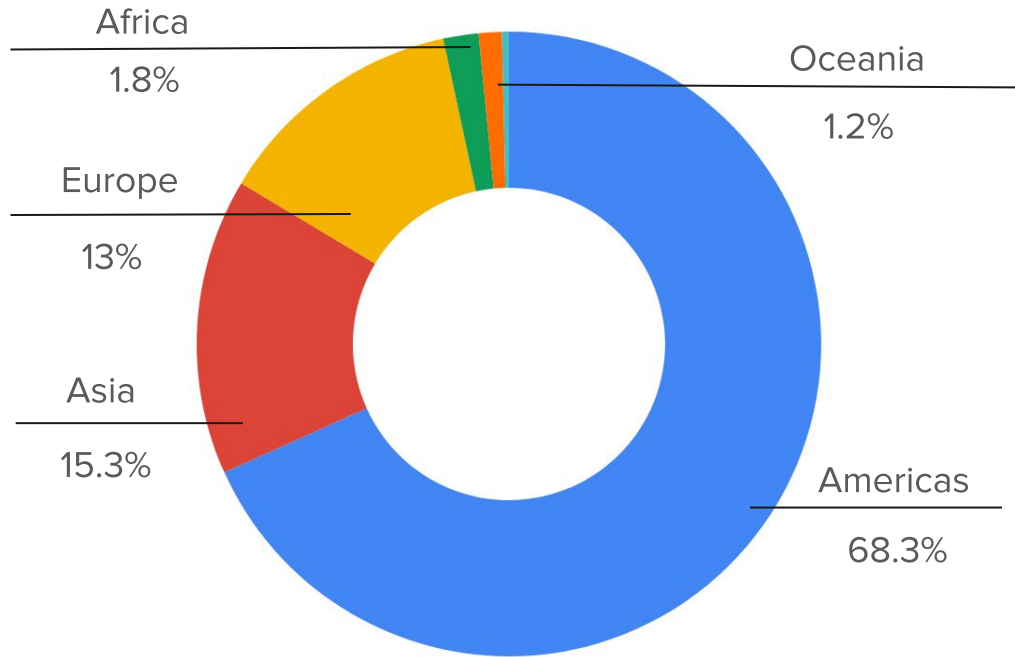


Top 30 Cities Using Agency Spotter

- | | |
|--------------------|--------------------|
| 1. New York | 16. Seattle |
| 2. Chicago | 17. Washington |
| 3. Los Angeles | 18. Dubai (AE) |
| 4. Atlanta | 19. San Diego |
| 5. London (UK) | 20. Kyiv (UA) |
| 6. Pittsburgh | 21. Portland |
| 7. San Francisco | 22. Sydney |
| 8. Boston | 23. New Delhi (IN) |
| 9. Ashburn | 24. Paris (FR) |
| 10. Toronto (CA) | 25. Minneapolis |
| 11. Dallas | 26. Nashville |
| 12. Mumbai (IN) | 27. Philadelphia |
| 13. Austin | 28. Miami |
| 14. Ahmedabad (IN) | 29. Charlotte |
| 15. Houston | 30. Denver |



Top Countries and Regions



1. United States
2. India
3. United Kingdom
4. Canada
5. Pakistan
6. Australia
7. Ukraine
8. Germany
9. France
10. Philippines
11. Russia
12. United Arab Emirates
13. Spain
14. Netherlands
15. Malaysia

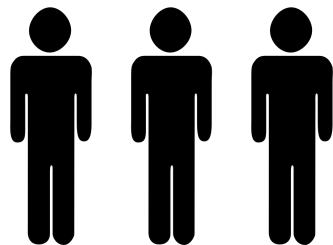
Demographics

Today's pool of decision makers is more diverse than ever, and they need an agency partner who is just as dynamic.



Gender

Our split by gender has remained relatively consistent each year.



53.6%

Male

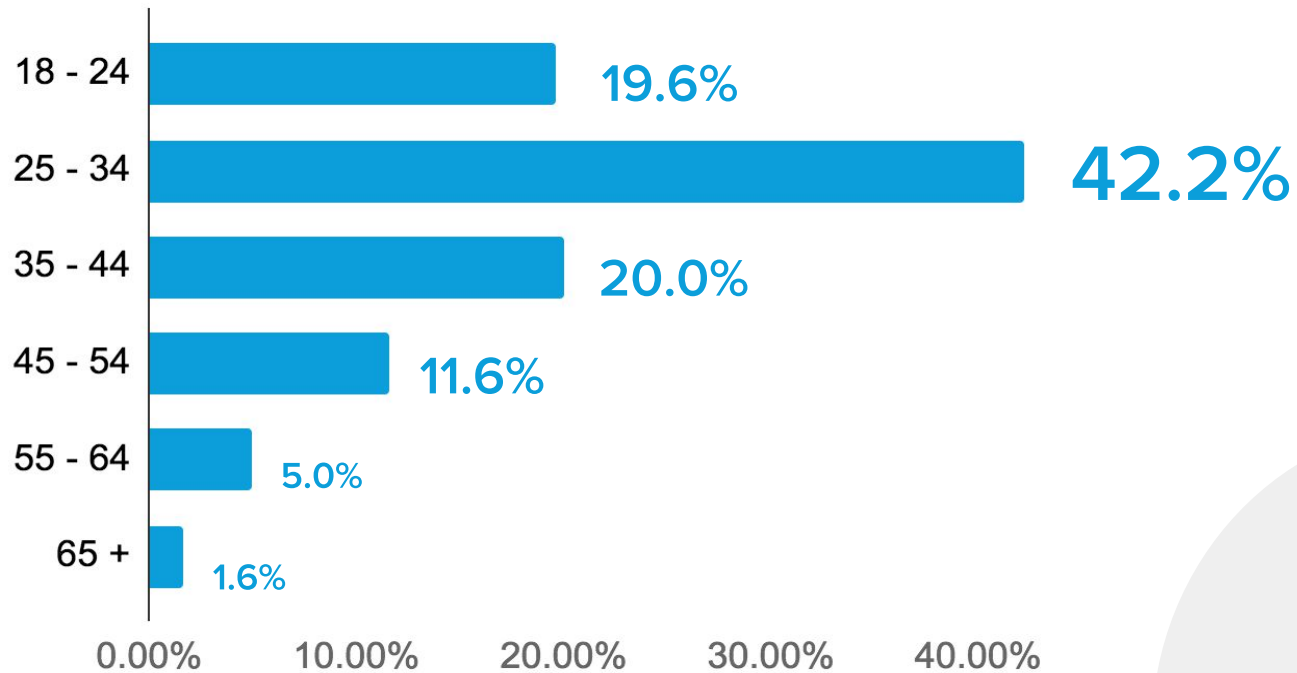


46.4%

Female



Age





About Agency Spotter

“We built Agency Spotter to save you time finding and managing your agency partners, so you can focus on doing great work.

I am excited that we are now helping both individuals on our public platform and whole corporations with our private agency management platform.”

*—Brian Regienczuk
CEO and CoFounder, Agency Spotter*

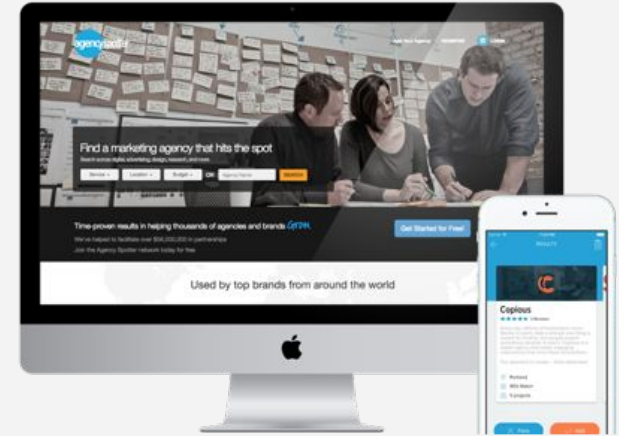
Brands of all sizes use Agency Spotter



Agency Spotter products

Public Agency Search at AgencySpotter.com

- Public Agency Search at AgencySpotter.com
- Search Across Almost 15,000 Agencies
- [Top Agency Reports](#) To Jumpstart Your Shortlist
- Brand-Agency [Relationship Pages](#)
- Expert Advice and Resources on [Marketing Matters](#)



Private Agency Management Platforms

- Better Search and Management Inside Your Company
- See Who's "Worked With" and Reviewed Partners
- Start Work With One Central Marketing Hub
- Improve Reporting and Mitigate Risk
- Learn more at AgencySpotter.com/about/enterprise



6 Easy Steps To An Agency Shortlist

1. Start your search with what's most important to you:

Services, location, size, or budget

3. View agency portfolios and be critical:

Read reviews, see their work, use links to stalk them online

5. Refine and validate your shortlist:

Compare reviews and use our “How you're connected” feature to get the inside scoop from your network!

2. Scroll through the results

Use filters like industry expertise or women-owned to get picky

4. Start compiling your shortlist

Save the agencies you like using the “List” button feature

6. Start a conversation

No more guesswork, your connection goes directly to their business development team.

Get more advice on [Marketing Matters at Co.AgencySpotter.com](https://www.coagencyspotter.com/marketing-matters)

Search Agencies and Explore Reports: AgencySpotter.com
Articles and Experts: Marketing Matters co.agencyspotter.com
Agency Management Info: agencyspotter.com/about/enterprise
Tweet With Us: [@agencyspotter](https://twitter.com/agencyspotter)

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