



The State of Marketing & Advertising Agency 2022



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Santi Bibiloni - CEO

Greetings Do-ers:

Welcome to the **COR Report: The State of Marketing & Advertising Agencies in 2022**, our first annual report performed on an extensive and comprehensive audience from around the world.

Much has changed for the agency industry since the pandemic and its consequences on the global economy. Across the world, businesses have struggled to adapt to tight budgets, reduced payrolls, employee resignations, and new client realities. This context pushes us forward to value our 2 most precious assets in an agency: Talent, as the main added value, and Time, as our main cost measure.

The agency way of doing things sometimes doesn't let us take data-driven decisions with precise information. Instead of becoming proactive when running the business, in most of the cases we take a reactive approach towards the agency and its clients.

This report is intended to give a clear overview of how the agencies are actually thriving with new demands and challenges, becoming indispensable to increase visibility and retain their talent in the next level.

Hope you find this report insightful!



Agency Universe

+500 Agency Executives around the globe responded to the survey.

A report by:

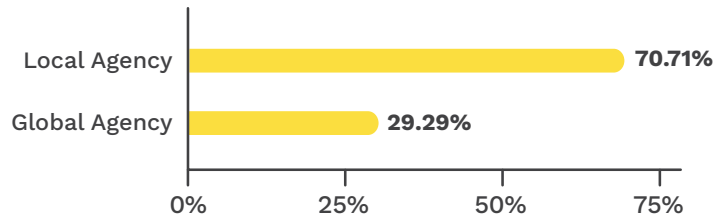


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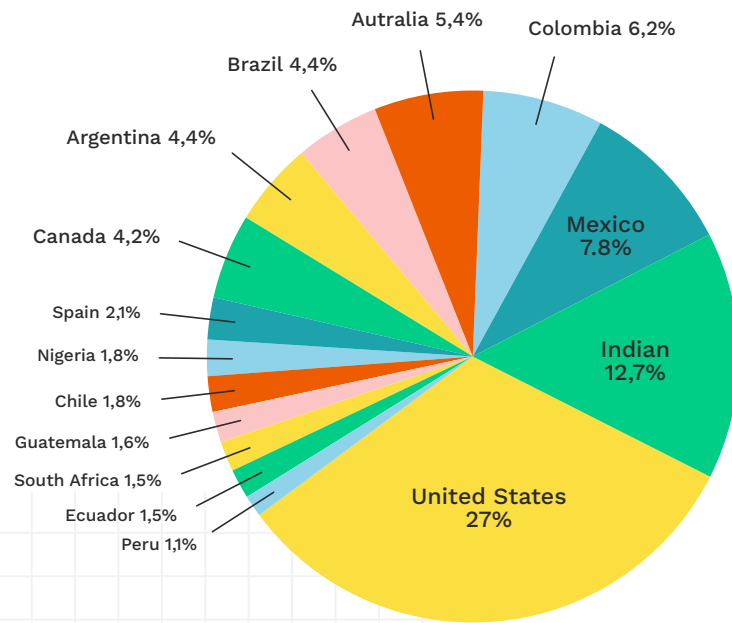




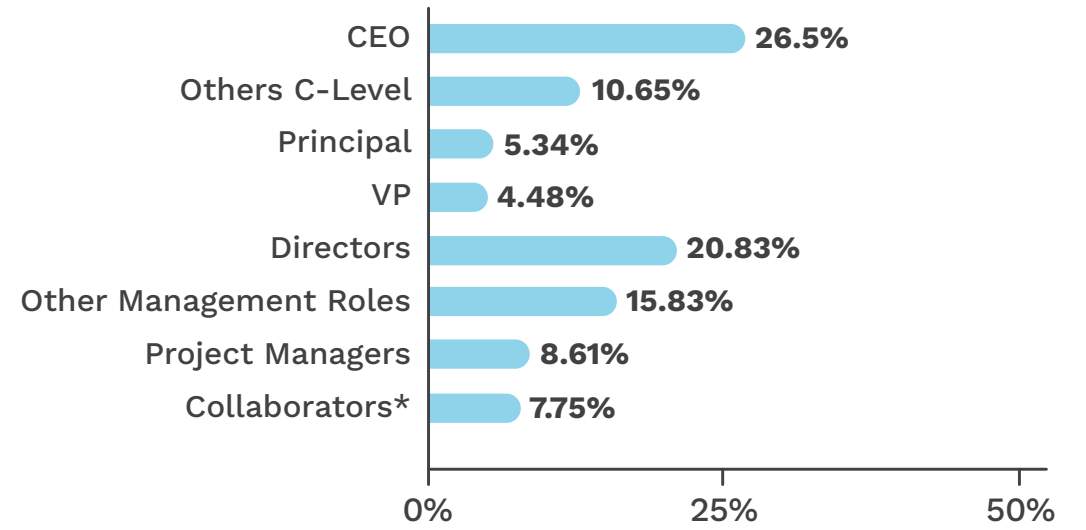
Do you work for a global or a local agency?



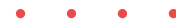
Which country are you from?



What is your role inside the agency?

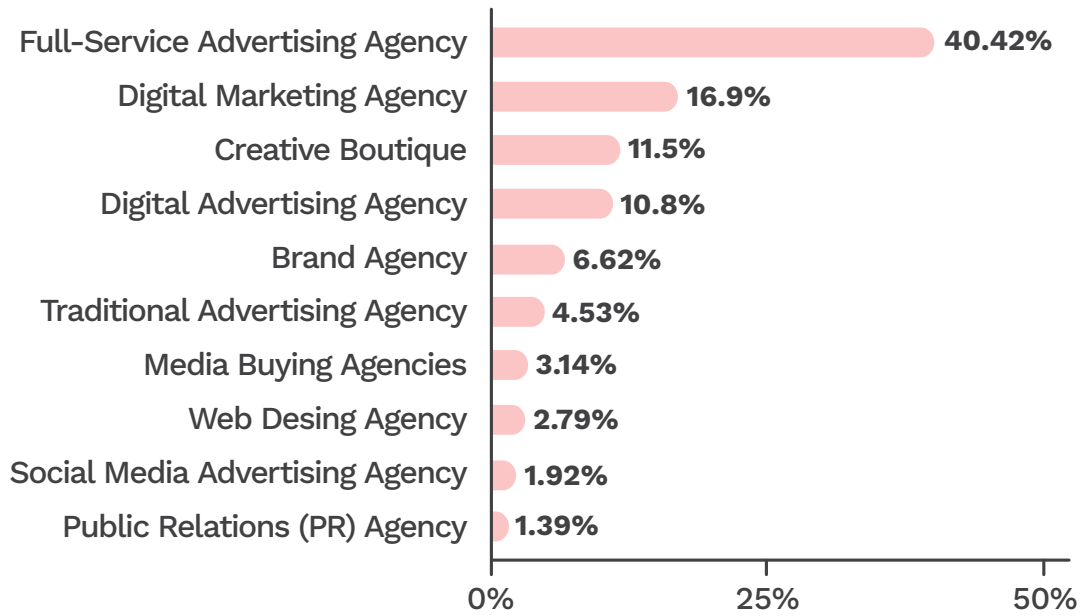


*creative, engineer, trafficker, producer, etc

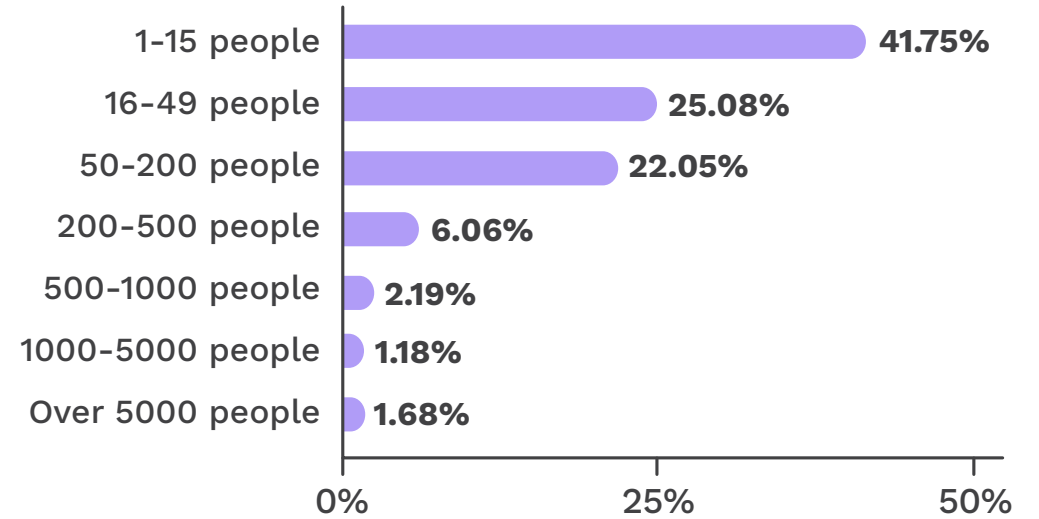




What type of agency do you work for?



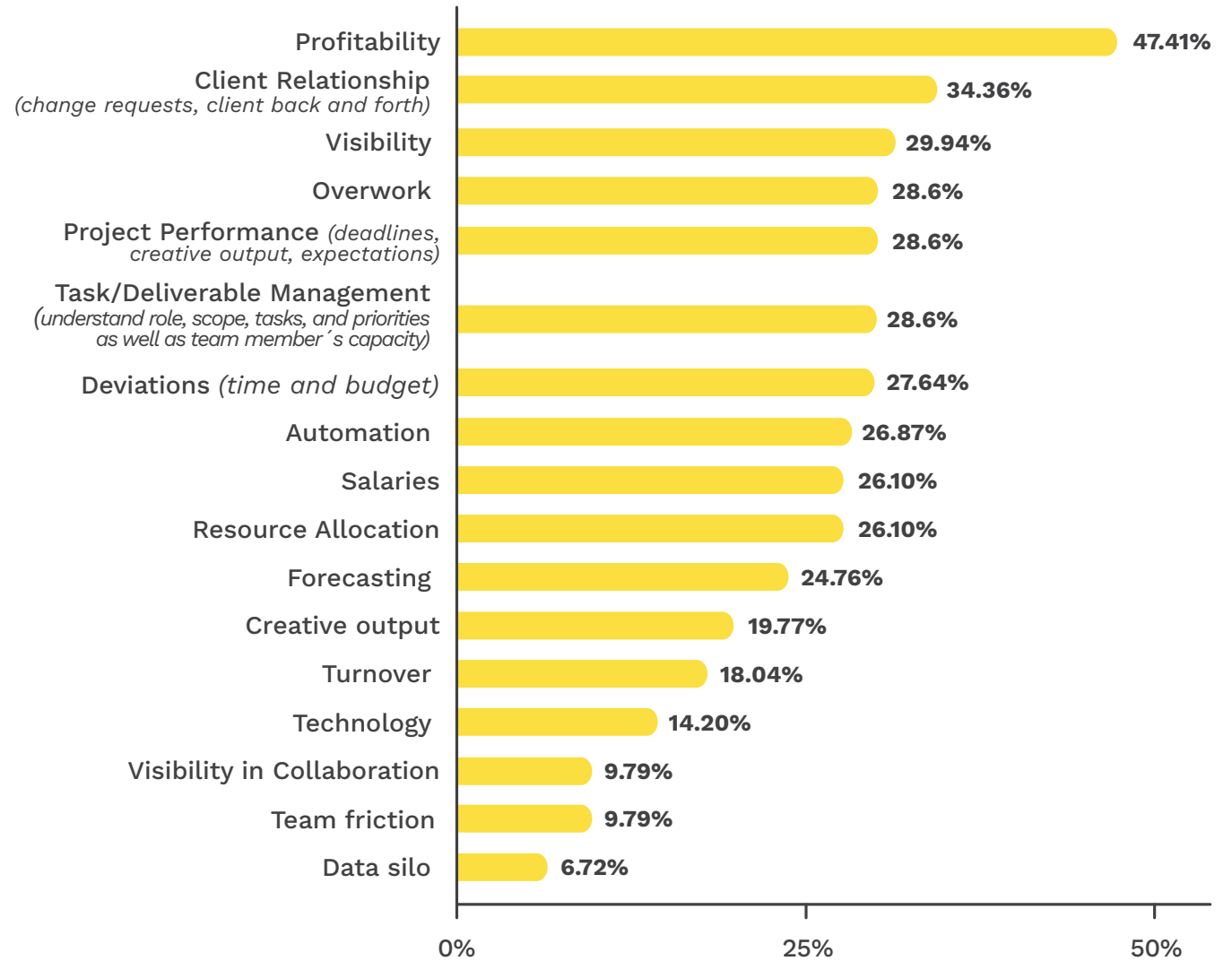
What is the size of your agency?





Industry Overview

What are your main challenges in an agency?



Every agency considers having a **big challenge** regarding **talent** and **finance** as their main struggle.



INDUSTRY OVERVIEW

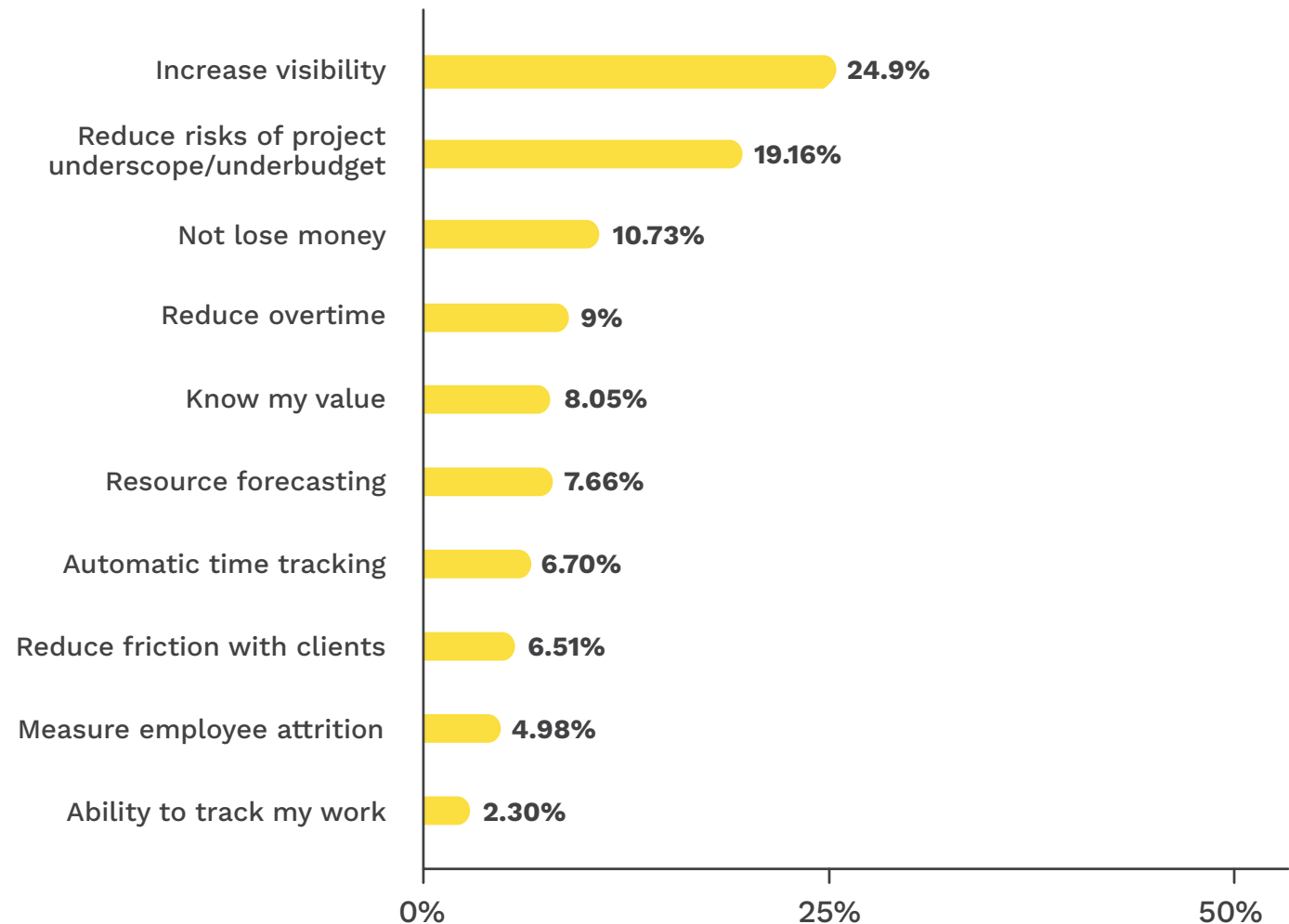
37% of them consider profit as their **main focus**.

In addition, **24.9%** would prefer to have **complete visibility** from end-to-end of all the operations in the agency.

The remaining **23%** wish to improve their **resource management**.



If you could have a Magic Wand for one thing what would you use it for?





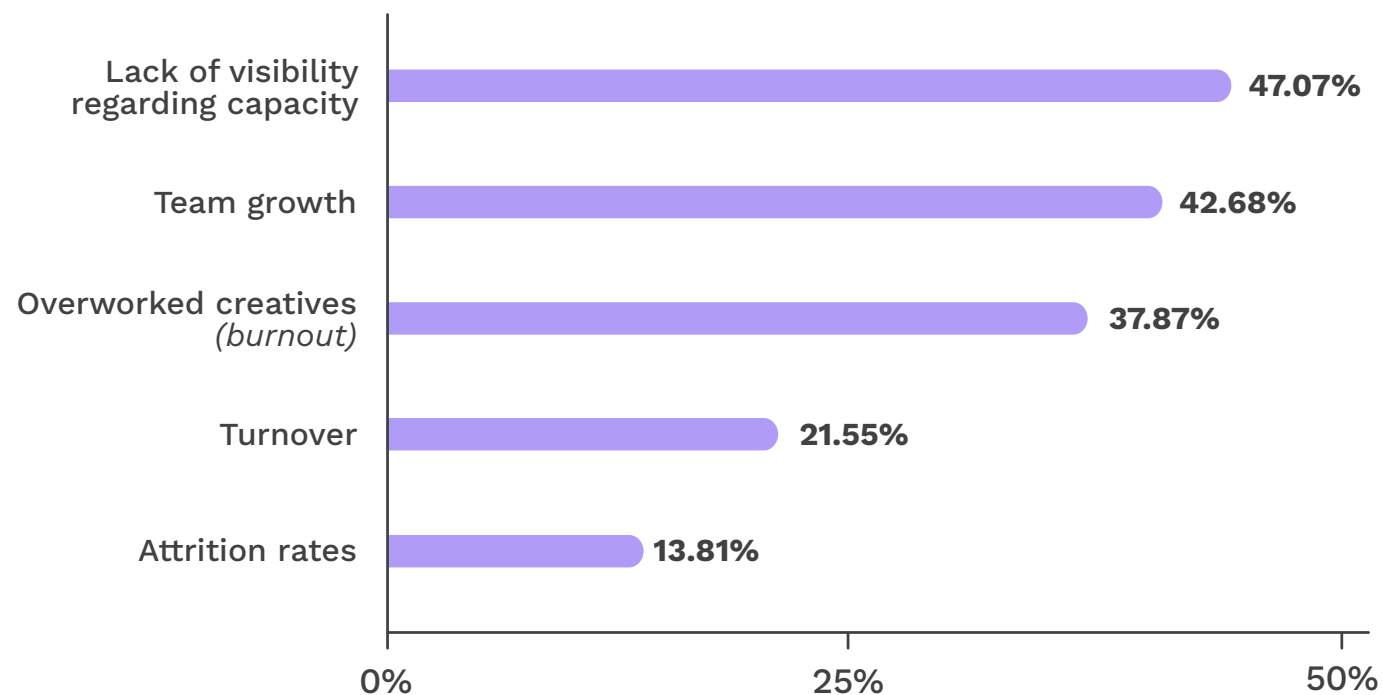
Project & Resource Management

Which challenges agencies are facing regarding project and resource efficiency?

Almost 50% mention lack of visibility as their main issue regarding talent.

As it is what causes overwork, that later transforms into turnover and attrition.

What are your biggest pain points regarding resource allocation and forecast?

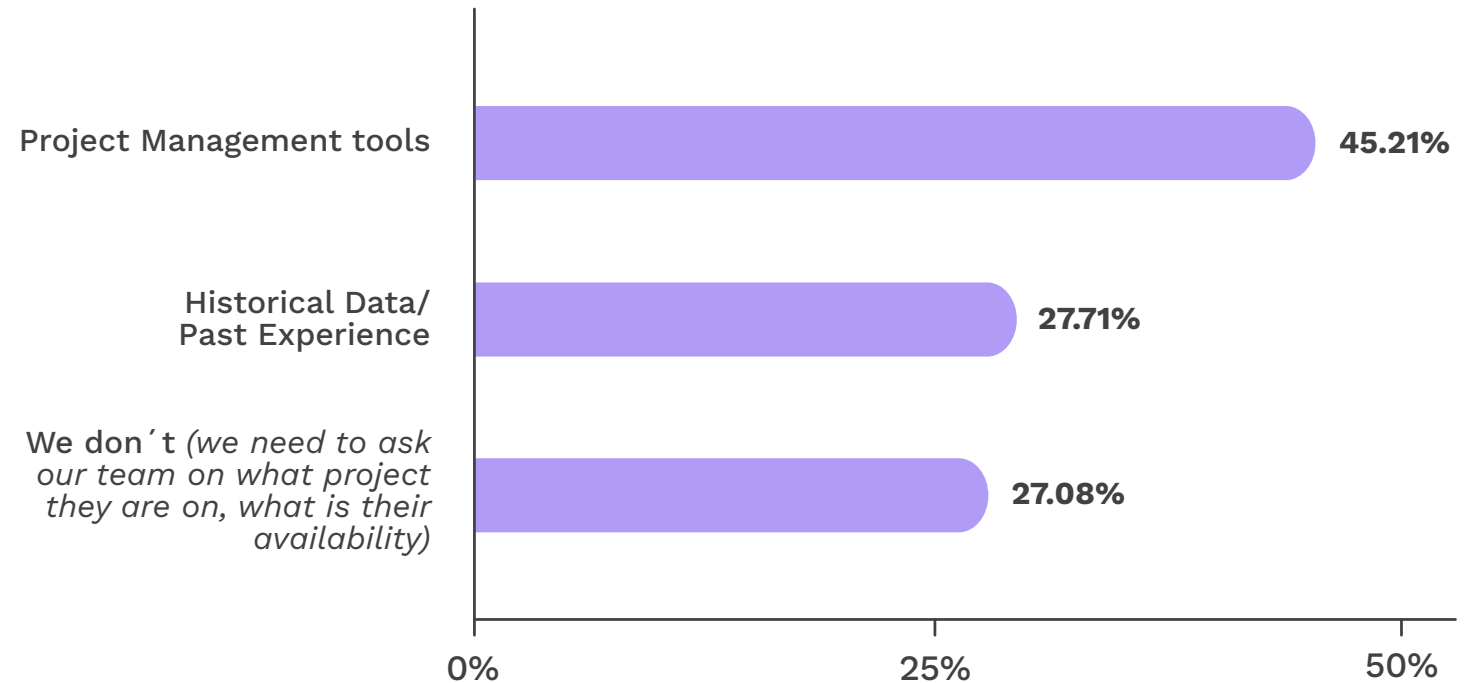


More than **50%** of the agencies **don't know with precision** their team's capacity.

Therefore **1 out of 2** agencies don't know their productive potential.



How do you know your team's capacity in real-time?



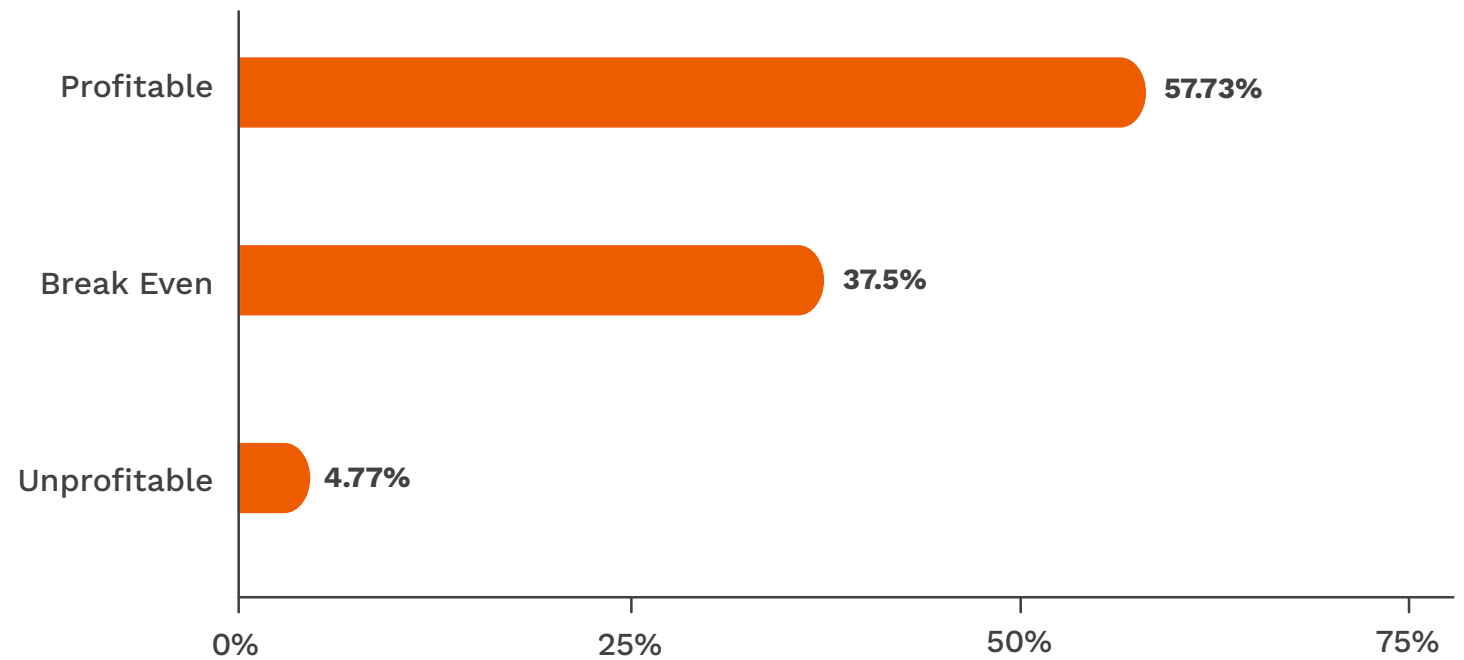


Profitability & Time Tracking

How time management
affects agencies' profitability?

42% of the agencies describe their projects as **non-profitable**.

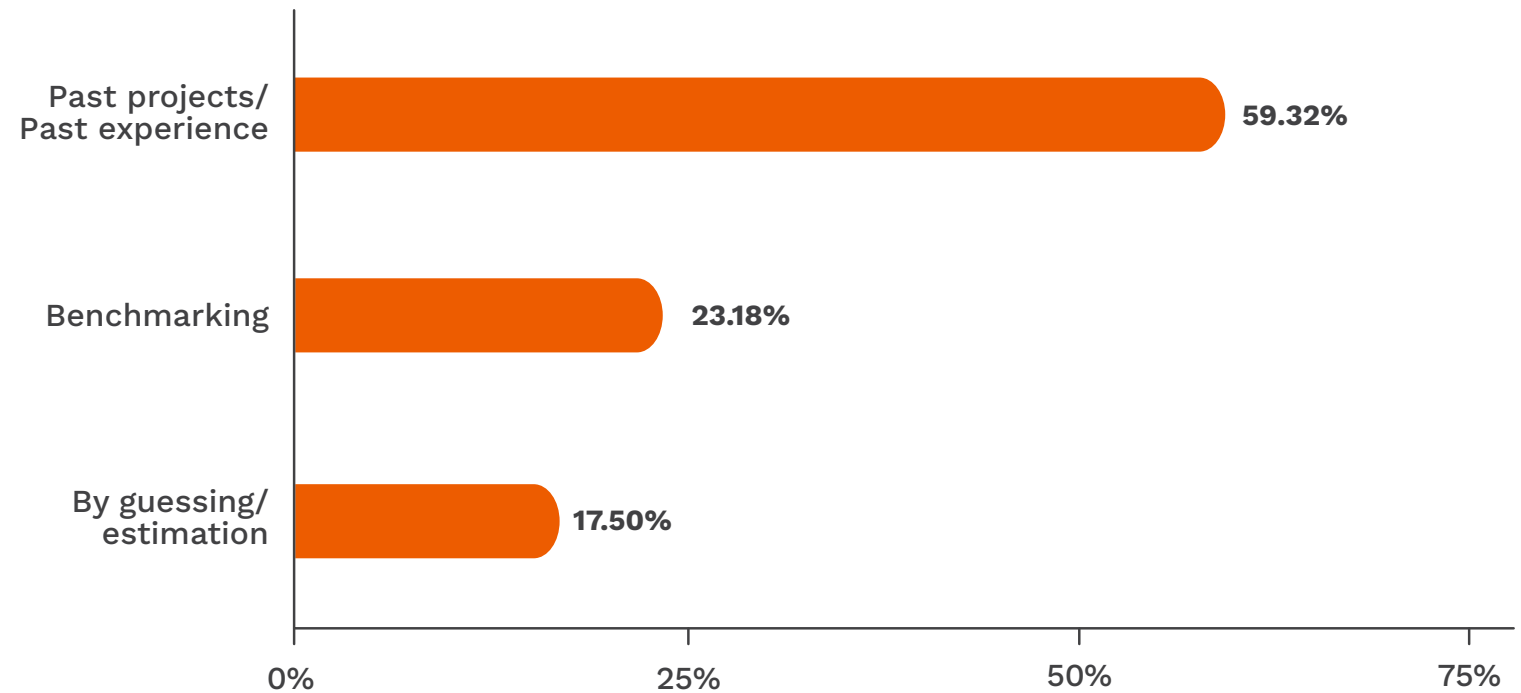
How would you describe the majority of your projects?



59% determine the projects fees from **past experience**.

None of the agencies calculate fees with **precise and current information** from their operations.

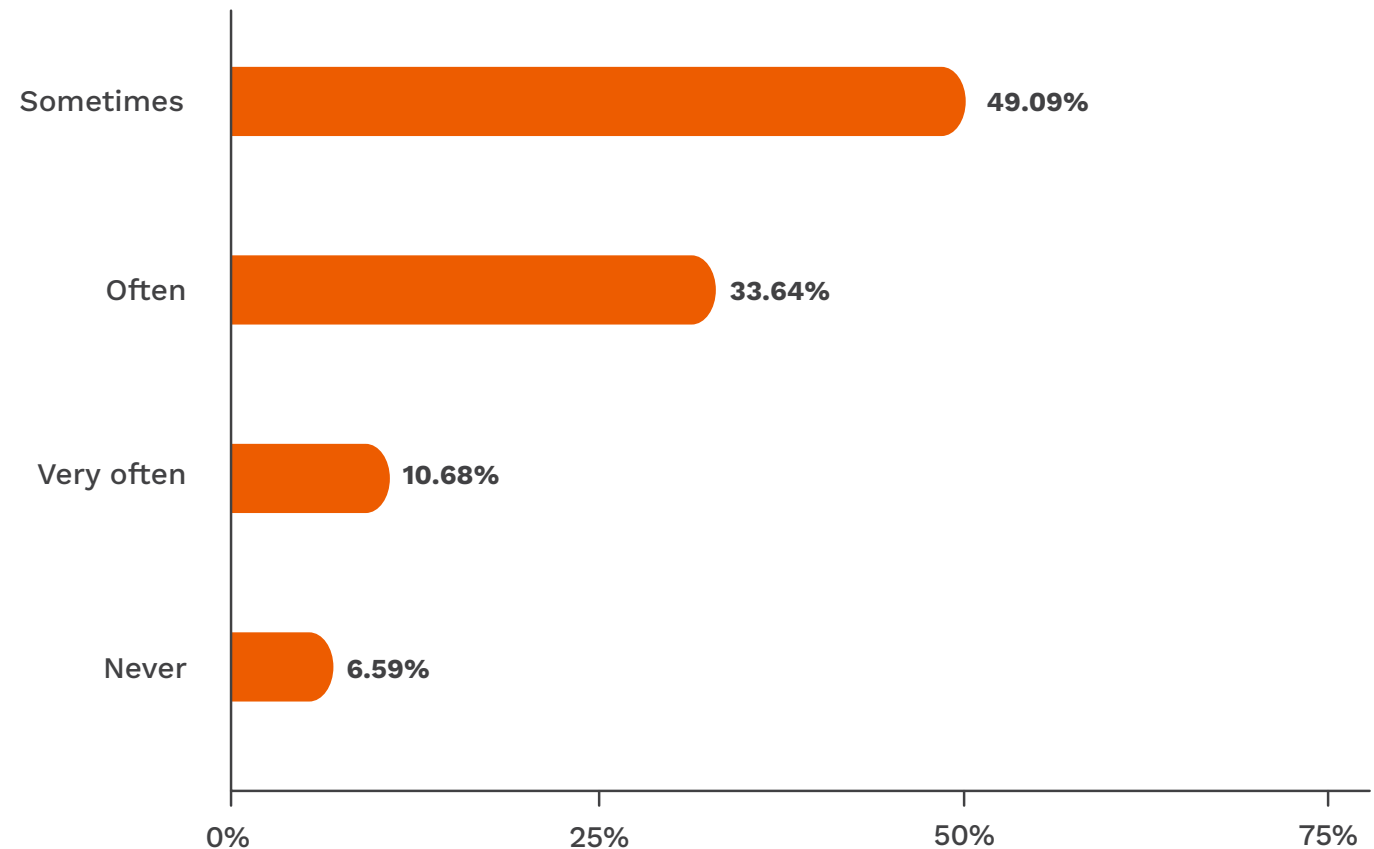
How do you calculate a project's fee accurately?



93% admit that their initial budget suffers **deviations** at some stage of their projects.

Only 7% never suffer any **budget changes**.

How often does your agency experience budget changes?

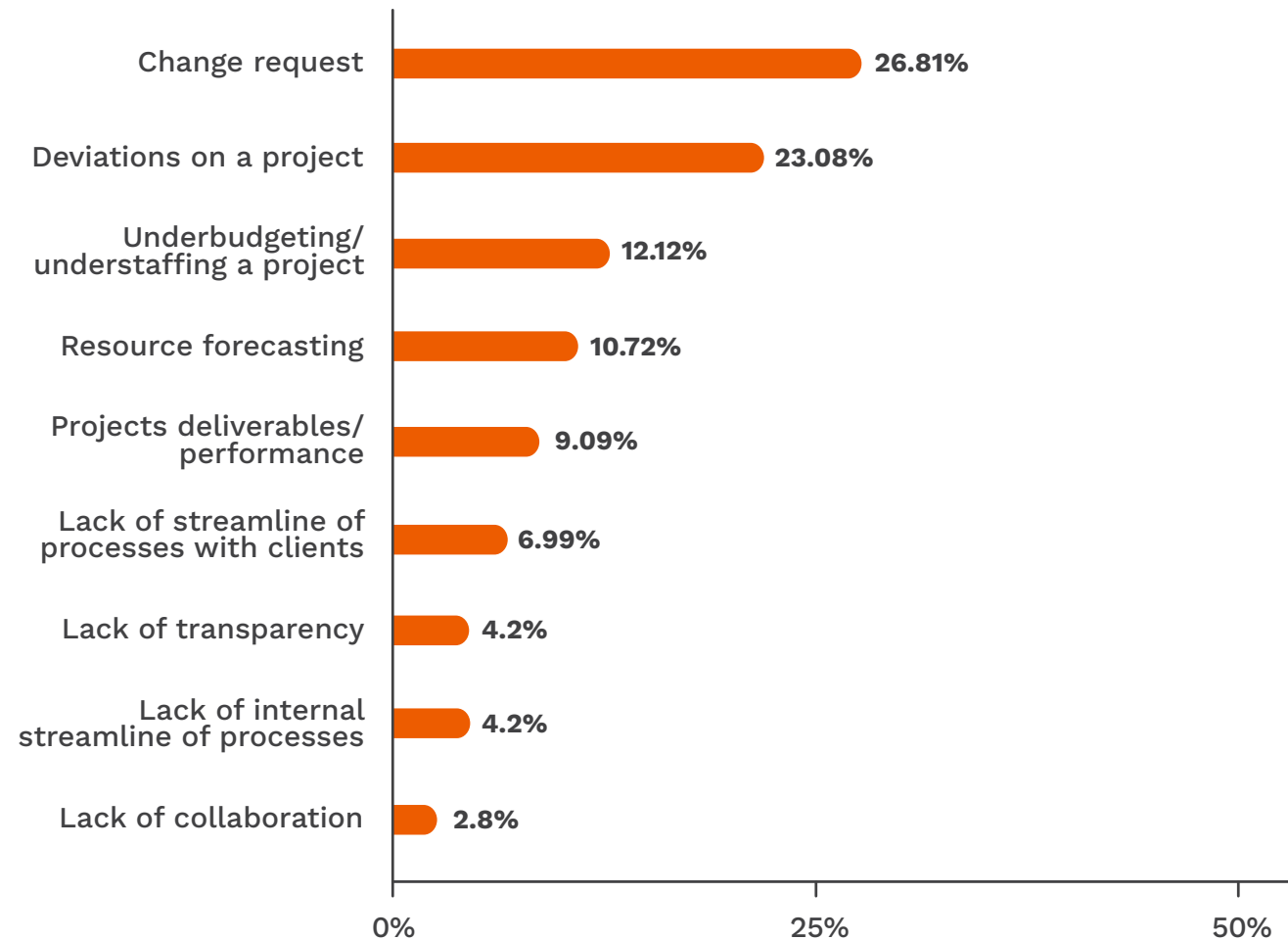


74% of the reasons for **budget changes** are under the agency's control and are related to **lack of a data-driven** approach in agency management.

50% are related to **changes and deviations** from the project.

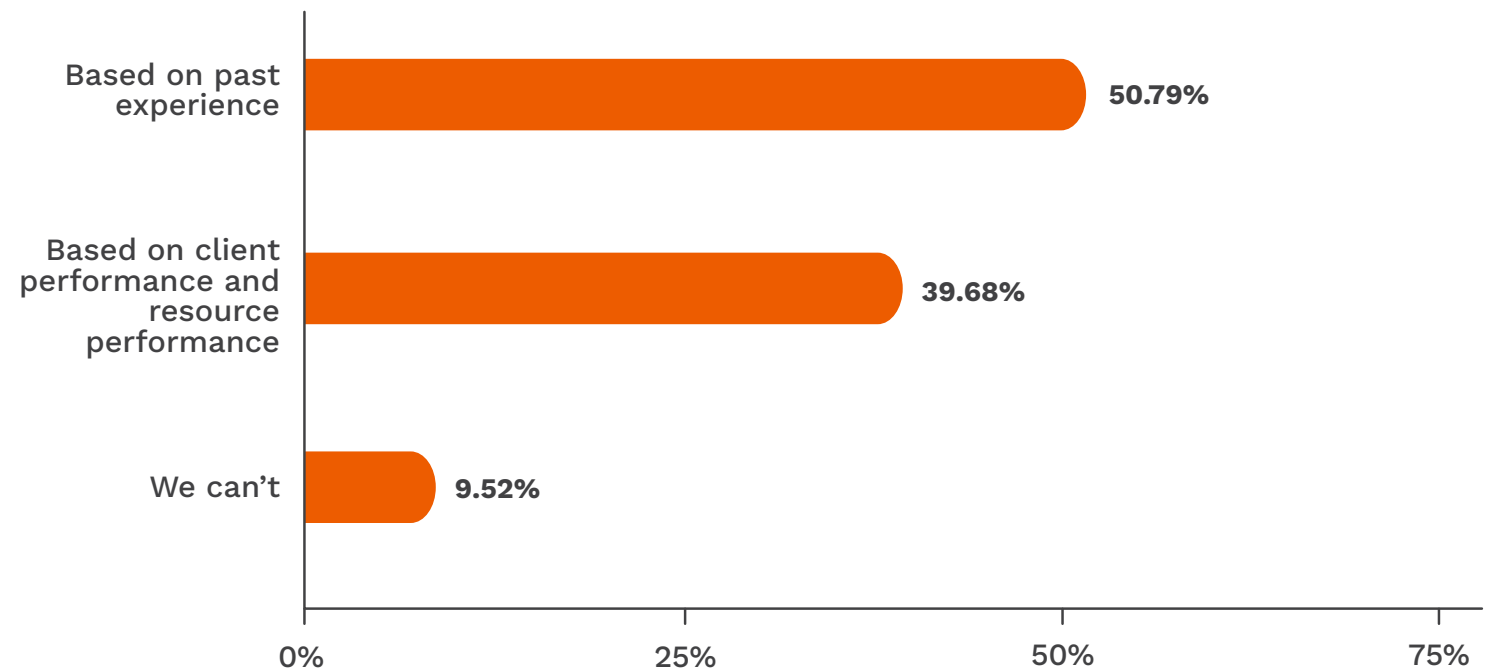


What are the main reasons you think cause budget changes?



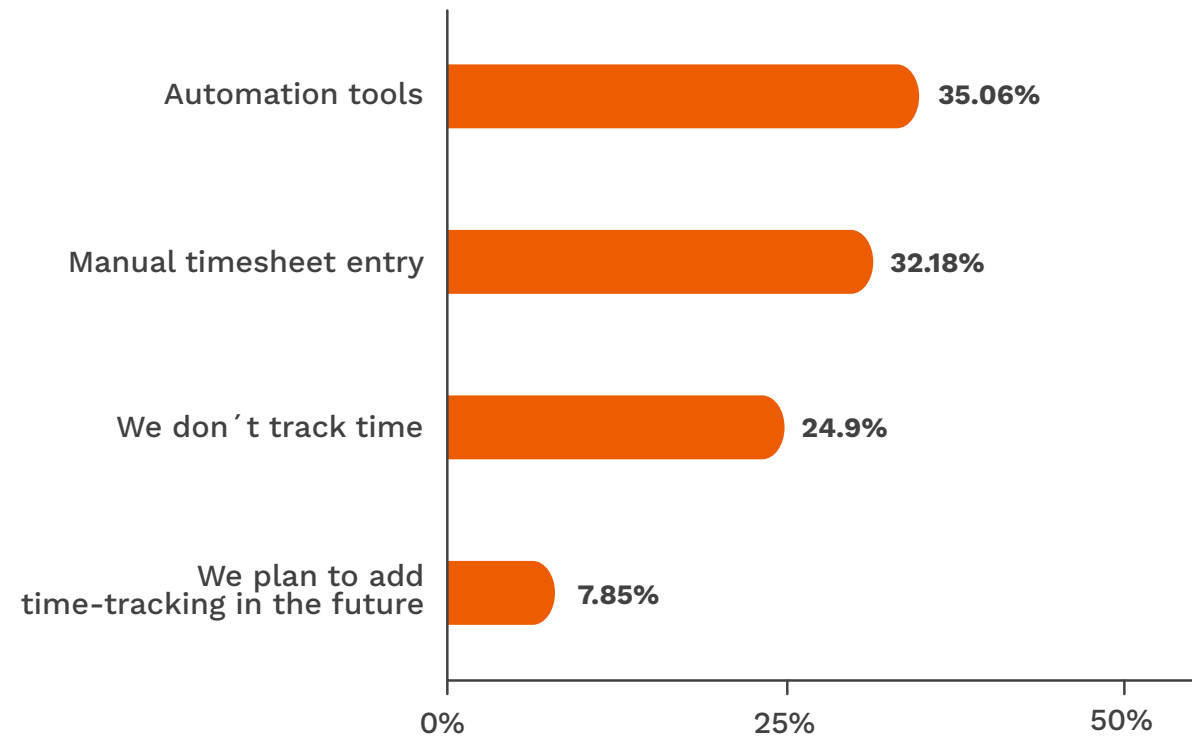
More than
50% calculate
their profit
from previous
projects.

How do you calculate project profitability?



32% of the agencies track their time manually, while 33% don't track it all.

How do you manage time-tracking at your agency?





Client Relationship

How agencies are willing to change
their relationship with the client?

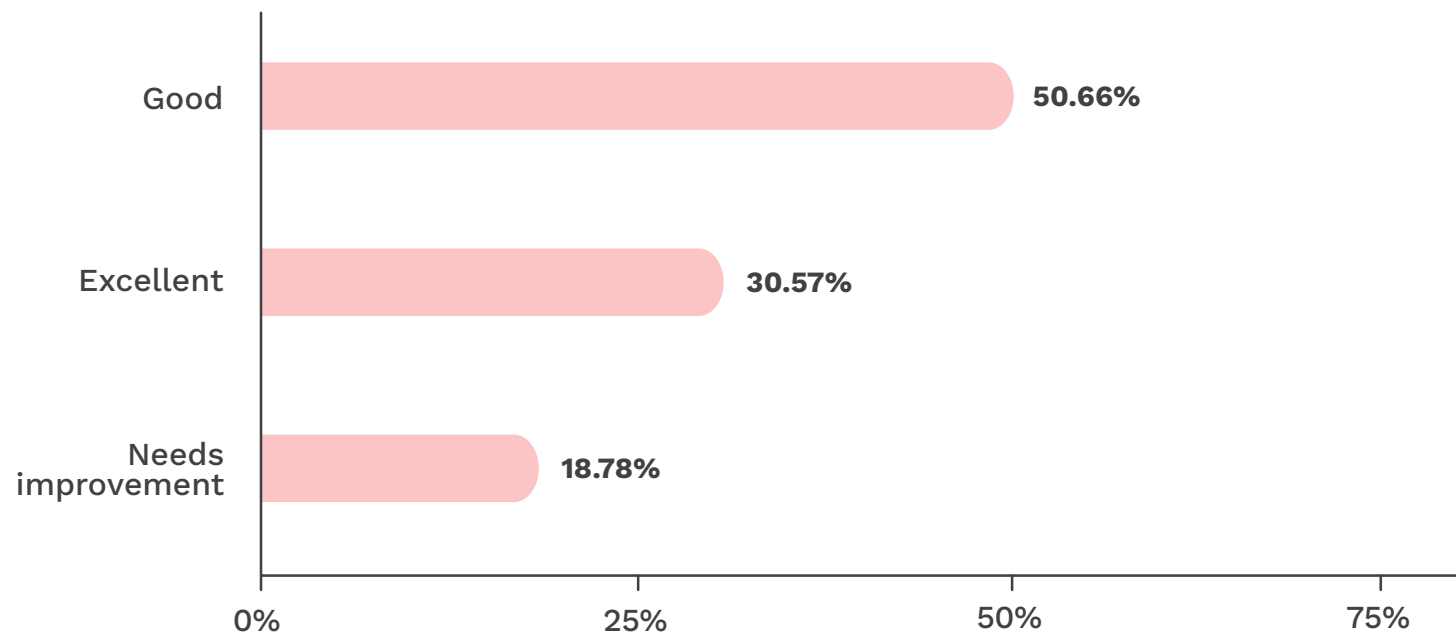
CLIENT RELATIONSHIP

81% deem their relationship **good or excellent** with clients with long-term contracts.

Only 19% believe this needs to be **improve.**



How would you describe your client relationships?

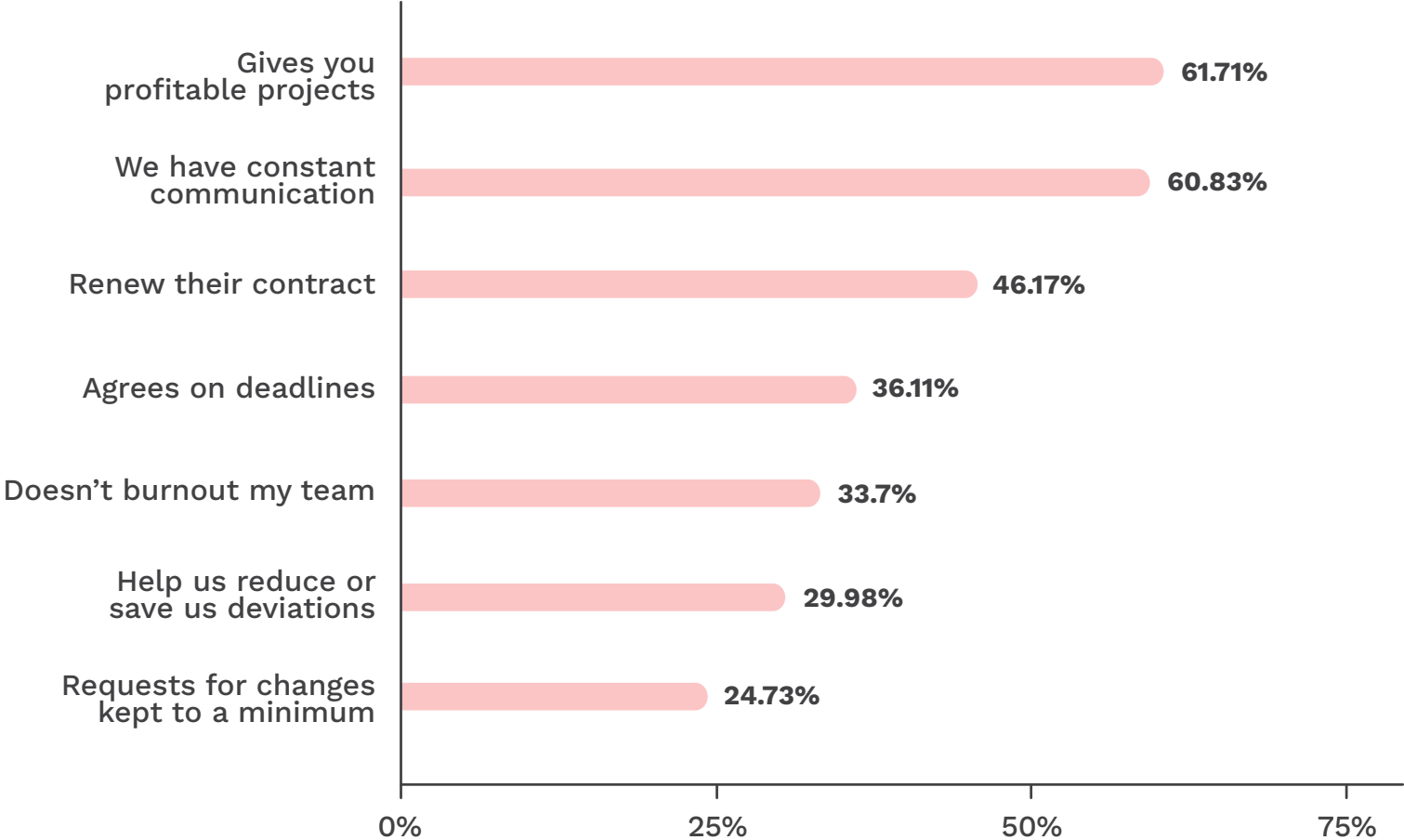


Excellent: We have great and fluent communication with all our clients, thanks to our transparent relationships and constant compliance with deadlines. Expectations are clearly set, and we have long-term contracts.

Good: Transparent relationships. There is full visibility of projects, fees, and deadlines, most of the time. There are usually long-term relationships because there is trust and absence of friction.

Needs improvement: Sometimes there is friction due to requests for changes, resource allocation, expectations, deadlines, budget.

How would you describe your best client?



61% agree on having **profitable projects** as the main reason.

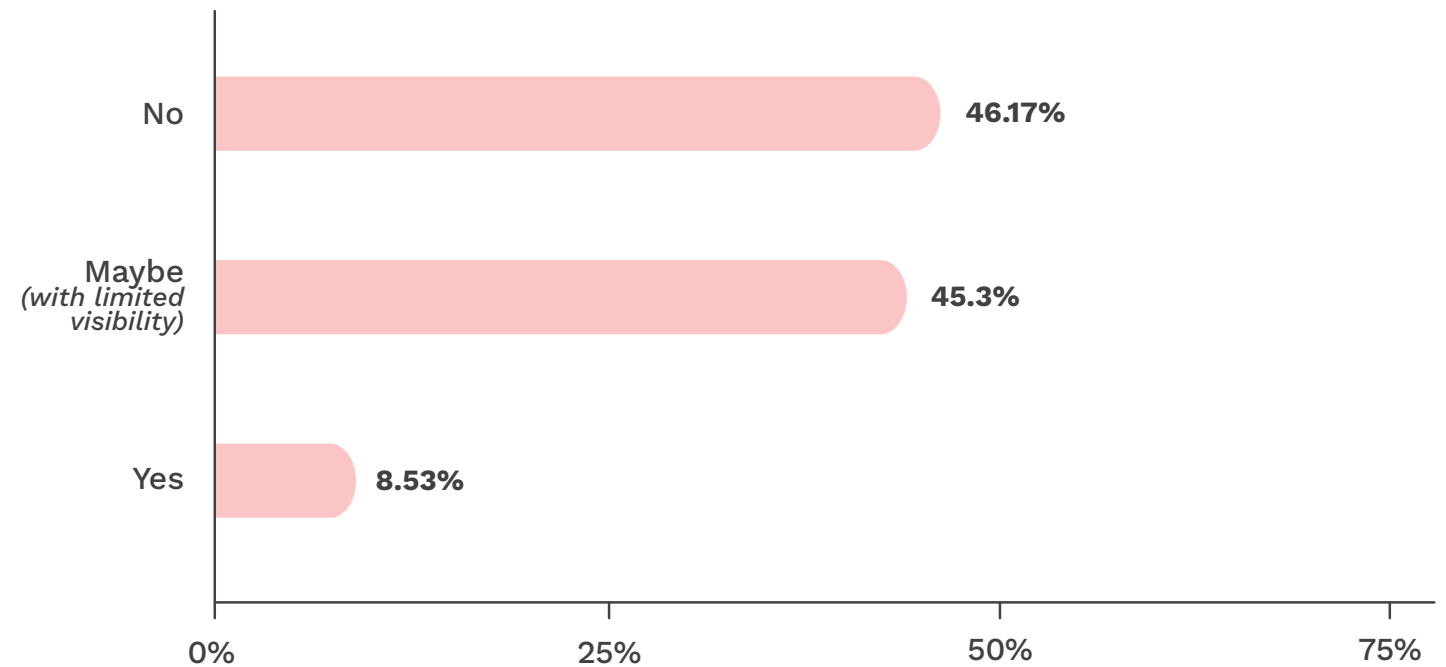
Only 33% put their team as the main focus by choosing a client that preserves their **agency talents**.



CLIENT RELATIONSHIP

In a split opinion, almost half of the agencies would agree on **granting access to their clients** by giving transparency of the internal processes that they choose to share.

Would you agree on granting your clients access to the project's progress, resources, tasks?





Agency Technology

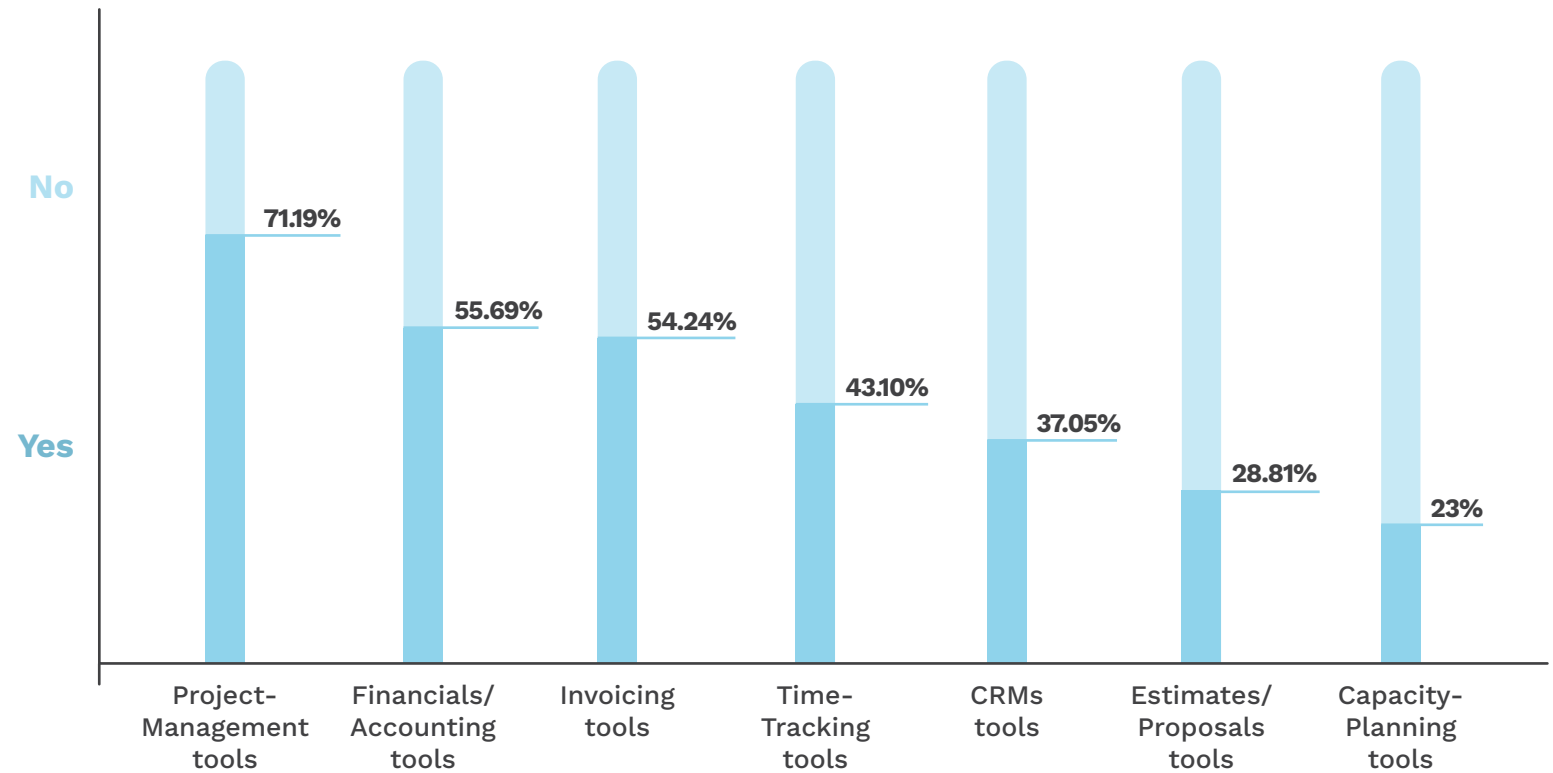
How agencies are using technology for
their operational management?

Most of the agencies choose to use **project-manageme nt, time-tracking and accounting tools.**

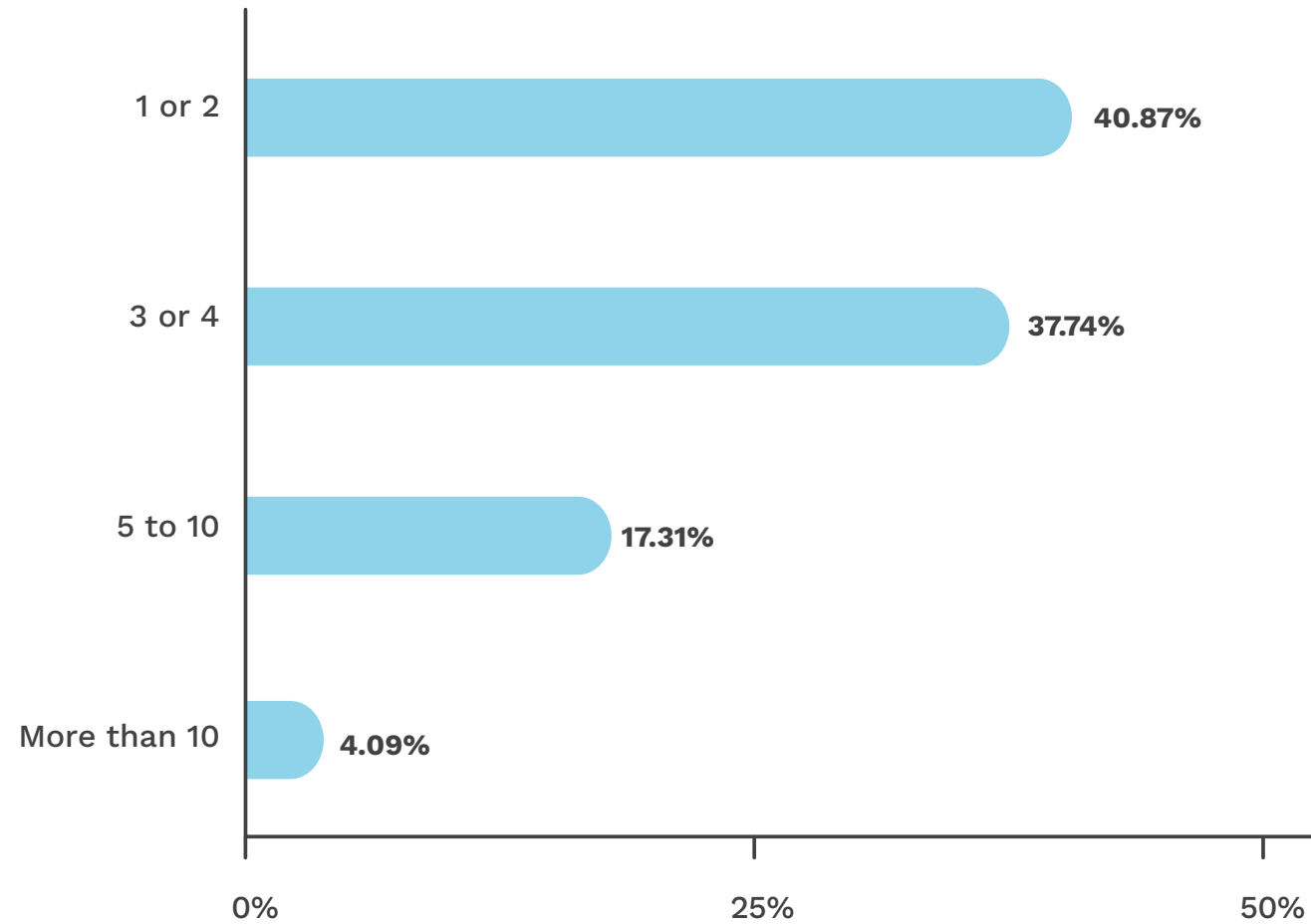
Only 23% use capacity-planning tools.



What does your Tech Stack look like?



How many tech tools are you using to manage your operation?



Almost 60% use 3 or more tools to manage their agency's operations.

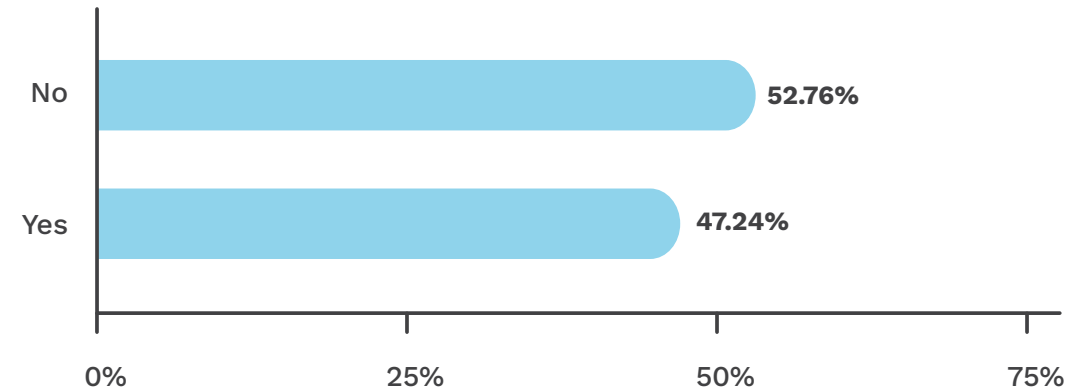


Almost half believe data silo is an issue.

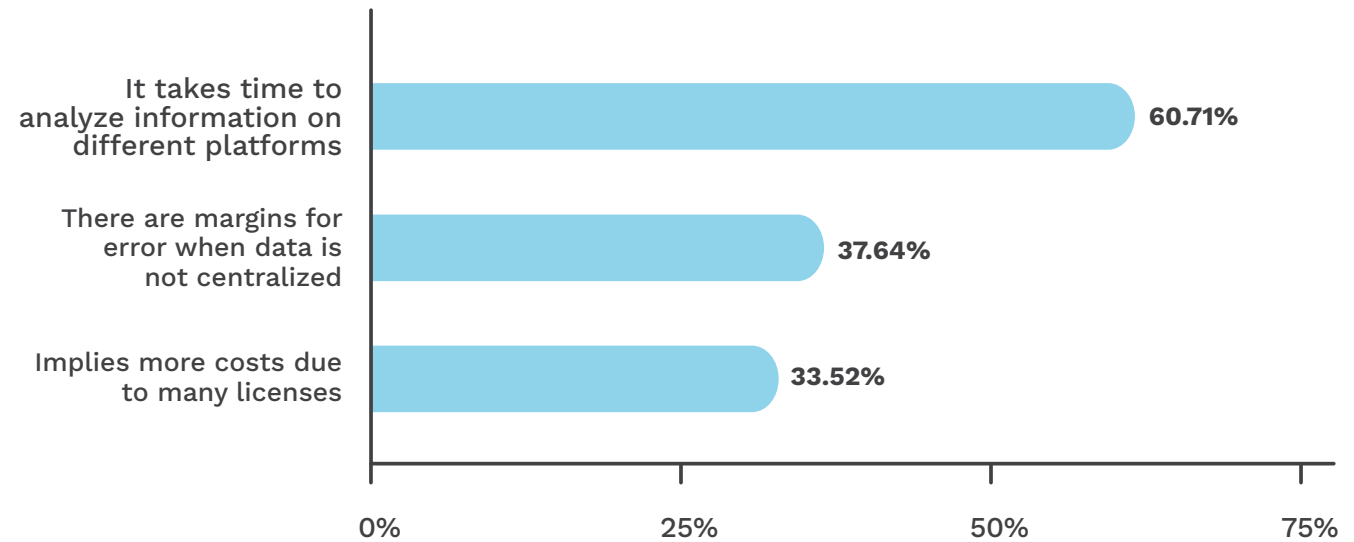
This is mainly due to the usage of multiple platforms to have a complete overview of information, spending more time and assuming a bigger role in data precision.



Do you think data silo is an issue at your agency?



Why?



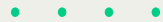
Major findings

- More than **50%** of agencies don't know with precision their team's capacity.
- **None** of the agencies calculate fees with precise and current information from their operations.
- **32%** of the agencies track their time manually, while **33%** don't track it all.
- Only **33%** put their team at the center by choosing a client that preserves their agency talents.
- Almost **60%** use **3 or more** tools to manage their agency's operation.

Conclusion

Today, most agencies admit their main challenges revolve around talent and finance. Blind spots in their operation are the main enemies that result in losing money and teams that suffer burnout in an agency that doesn't accurately know its productive capacity.

Understanding that their team's time is the most important resource and acting accordingly is the first step to ensure that the agency's operation will guarantee the financial result of the agency





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