

Agile agencies are the future of advertising

By [Nevo Hadas](#)

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We no longer live in a world where brands reward agencies for creativity alone. In recent years especially, we have started seeing the influence of technology on the advertising industry. While digital marketing is transforming the way we advertise and communicate, some marketing and advertising processes seem stuck in the 80's. Some agencies still use manual job bags and methods that match the industrial age rather than the digital ways of working.



Source: www.unsplash.com

As more tools, automation, and bots penetrate marketing departments, the agencies that don't transform toward the future will be left behind, wasting time on tasks slowing down strategic decision making.

Does more admin create better advertising?

You need a sound admin system to run large campaigns successfully, but that doesn't mean you need to run advertising processes dysfunctionally. Most marketers will tell you that their average cost of client service is between 25% to 30% of their agency spend. Furthermore, wastage, like cancelled or changed briefs and missed flighting deadlines, make up between 12% and 17% of the spend. That leaves roughly 55% of agency spend contributing to the successful execution of an idea that drives sales.



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Marketers are wising up to this quickly. Investments in process automation in leading marketing departments mean that they can outperform agencies. Brief management, proofing and online review tools are now the areas that marketer's control as agencies under-invest in their workflow systems and over-invest in their accounting systems.

End to end view

Advertising is not about making an advert anymore. There is a disconnect between agency, media, and strategy due to

reporting inefficiencies. Digital can speed up responses, but you would be surprised at how few marketing departments have adequate real-time reporting linked to their creative execution. Very few agencies link UTMs back to briefs or KPIs - so reporting shows CPA or CPM but the brand can gain no in-depth intelligence and no long-term learning.

Charge for value

As agencies start moving towards automation and reducing their back-office costs as a percentage of fees, several things will happen:

- Retainers will increase because the value created by advertising will be more easily apparent in better reporting and sales results
- Agency structures will change. Fewer client service staff and more strategy staff and creative staff.
- Agency margins will improve. Less wastage, higher efficiency, and more transparency will make it easier for agencies and clients to identify mistakes and fix them.

A digital transformation case study

"As Vodacom adopted an agile methodology, we immediately saw the pace of work pick up," says Abey Mokgwatsane, the managing executive of the brand at Vodacom. "We were worried that our agency partners would not be able to keep up with it. What we really needed was a more pragmatic solution that would work not only for us but also for our external partners."

"After working with each team and designing their individual processes, we implemented a bespoke workflow management

and collaboration tool that automated processes and communication between all of the Vodacom teams and ourselves along with a whole bunch of other agencies that have partnered together to take dual responsibility for how we become more effective how we communicate better."

Vodacom integrated this new system into their internal management system, meaning that once a brief is issued, it's automatically added to their accounting and work management processes.

The future of advertising

Agency executives considering change frequently talk of the challenge associated with overcoming business as usual. By aggressively embracing agile practices, executives can transform their agencies into fast-moving teams that continually drive growth for the company and its clients.



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What separates an agile agency from the masses is a culture of accountability, experimentation, and learning.

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