



BRASIL 2020/21

## Agencies in Brazil contribute 60% to Marketer's business growth

- **More than 700 professionals participated in the study conducted by SCOPEN**
- **Agency's contribution to business growth is the highest among all the countries analyzed by AGENCY SCOPE study**
- **Predisposition to change agencies decrease**

São Paulo, December 10, 2020

SCOPEN completed the 8th edition of AGENCY SCOPE in Brazil, **a biennial study on trends within the marketer-agency relationships, and the perception and image of agencies.** The study is also conducted in other 11 markets around the world which enables comparison with global benchmarks in some key aspects, and also with previous editions in each market.

A Brazilian marketer **works on average with 2.6 agencies**, an index that remains aligned with the 2018 edition (2.4), and the average duration of their relationship is longer than in previous years: 4.3 years in this edition, when it was 4.1 years in 2018.

When we talked with marketers about the distribution of their budget, we found that, for the first time, **Digital is the discipline that receives the largest part of investment** from the funds destined to the communication and marketing of their companies (45% vs 39% in 2018). This difference comes from the migration of investment in Live Marketing (19% Vs. 13%), as the percentage allocated to ATL remains in line in relation to 2018 (around 41%).

The marketer-agency relationship model in this edition identifies, for the first time, a **balance in marketers currently working with Integrated agencies** to meet all their communication needs (50%, with a 7.1 p.p. growth), **and those working with Specialized agencies.** And when it comes to analyze the intention for the future, the trend follows the desire of reality, that is, to continue working with the same type of agency.

On average, a **Brazilian marketer believes that his agency contributes a 60% to the growth of his business.** The figure shows an increase once again, since in 2018 they declared a 56%. This is **the highest percentage** among the eight countries where we analyzed this data (South Africa, Argentina, Brazil, Chile, Colombia, Mexico, Spain and the UK). The global average is 32%.

César Vacchiano, president & CEO at SCOPEN tells us that *"in no other country marketers perceive a higher contribution to growth from their agencies as in Brazil. The business model of media services integrated within the strategic and creative offering is certainly a winning option and a competitive advantage for agencies"*.

*Knowledge* (market, brand, customer), *Creativity / Innovative Ideas* and *Strategic Planning* are the main characteristics mentioned by marketers for an Integrated and/or Advertising agency to be considered 'ideal'. **Creativity stands out above all other agency attributes**: it is the second most mentioned in the case of an Integrated agency, but it takes the lead if we talk about the 'ideal' Advertising agency.

When identifying the determining criteria used to select an agency, the attributes most mentioned by marketers are *Strategic Planning* and *Creativity*, followed by *Digital Capacity*, *Innovation Capacity* and *Agency professionals*.

**Procurement's involvement in the negotiation processes is an upward trend and it also grows in Brazil.** Six out of ten marketing executives interviewed confirm the figures: 62% in 2020 vs 54% in 2018.

**Marketers in Brazil have less intention to change their current agencies.** Predisposition to change decreases 5 p.p in this edition, being 12.3% (17.3% in 2018). When we asked about the reasons for a possible change, the *worn out* relationship is no longer the most mentioned (in 2018 it was the main reason with 40% of the mentions among those who would change), and the *Value for money/Reasonable fee-cost* becomes the main reason, followed by the *Conclusion of the contract*. **The Brazilian marketer is now more satisfied with their agencies**, on average, a 78% (vs 71% identified in the previous edition).

Regarding the most admired agency professionals, there is a greater gender diversity with the entry of two women in the Top 10. **Eduardo Simon**, CEO of DPZ&T takes the lead, followed by **Keka Morelle** CCO of Wunderman Thompson and **Hugo Rodrigues**, Chairman and CEO at WMcCann.

On the Marketers' side, the most admired marketing professionals are **Daniela Cachich** (Pepsico), **Igor Puga** (Santander) and **Eduardo Tracanella** (Itaú).

Among the companies most respected for their marketing skills and expertise, **Natura** is the most mentioned company, followed by **Itaú** and **Magazine Luiza**. And regarding the best campaigns, Brazil now places **Burger King** in the first place (6<sup>th</sup> place in 2018), **Ambev** in the second place (while it was not in the TOP10 in the previous edition), and **Itaú** in the third one.

AGENCY SCOPE Brazil 2020/21 was conducted from May to September 2020 interviewing a total of 715 professionals: 366 marketing professionals, 22 procurement executives and 327 agency professionals.