



PRESS RELEASE

UK marketers prefer specialist agencies to solve their needs in different areas

London, July 20, 2021 -- The 4th edition of SCOPEN's **AGENCY SCOPE UK 2021/22** is now released. The ground-breaking research highlights key trends in the UK's communication, marketing, procurement and advertising industry, and provides in-depth positioning and competitive analysis to both creative and media agencies.

This UK edition was developed by SCOPEN in partnership with WARC and with participation of ISBA members.

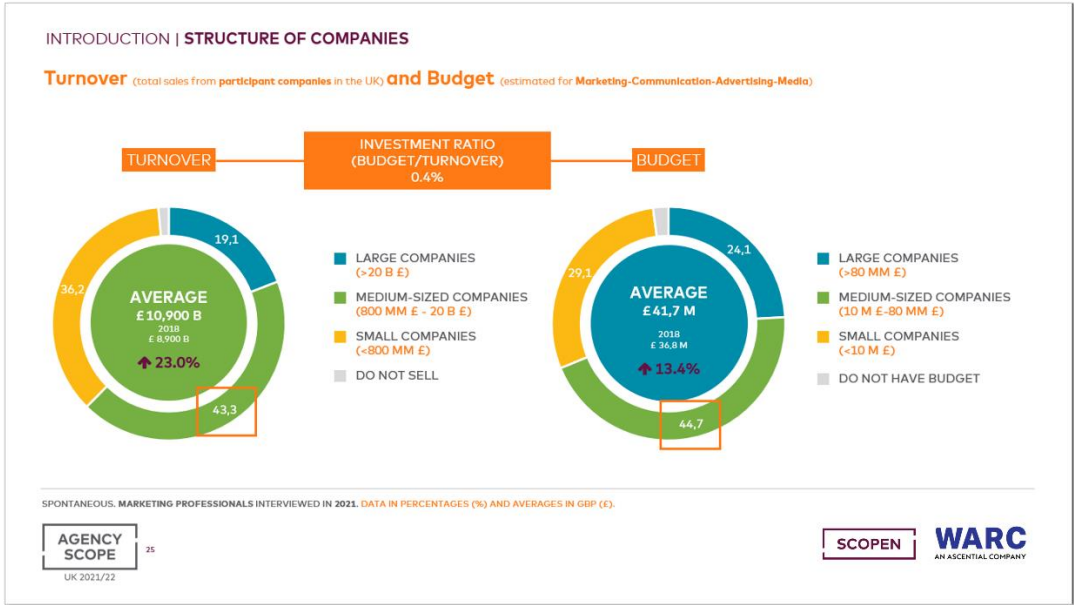
Over 300 client-agency relationships were analysed and 141 marketing professionals - highest-level decision-makers in marketing, communications, advertising, and procurement - from 118 the largest and most important companies in the UK were interviewed for the report. The criteria for participation was that the industry professionals interviewed in each company had to be involved in the decision-making process for selecting and approving their agencies' work on an on-going basis.

In addition to the UK, the biennial study is carried out in ten other markets around the world - Argentina, Brazil, Chile, China, Colombia, India, Mexico, Portugal, South Africa and Spain - allowing for the additional inclusion of global benchmarks in key areas. Each year, as a result of the research across the various markets, SCOPEN gathers more than 3,000 opinions globally from interviews with CMOs.

Key findings from Agency Scope UK 2021/22 are:

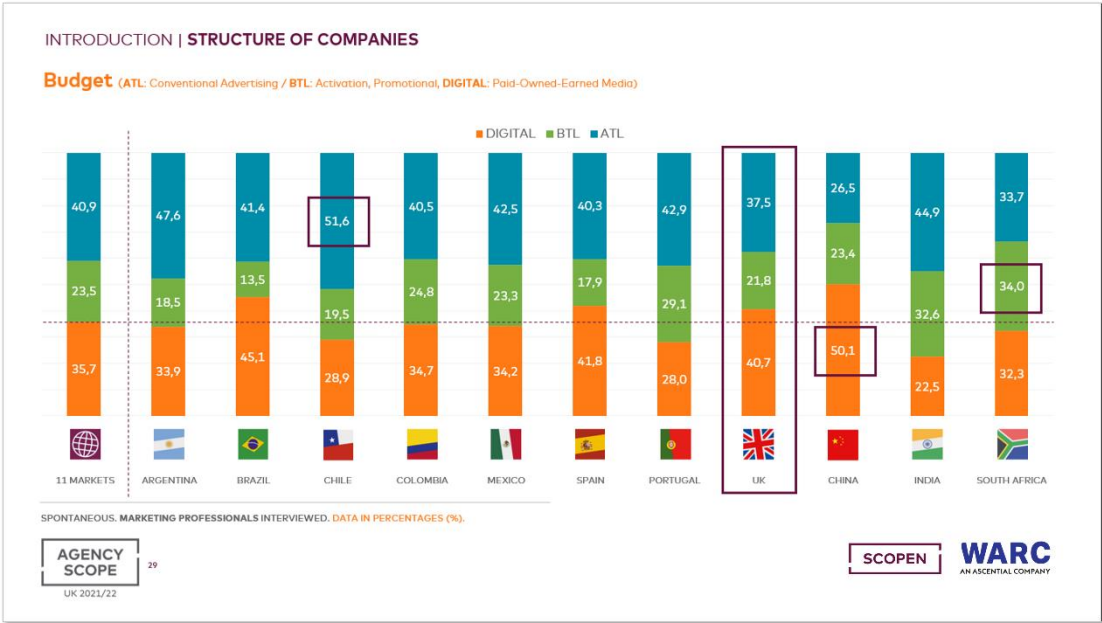
Higher turnover and marketing budgets than in 2019

The average company turnover declared by respondents is £10.9 billion (B), while the average company marketing budget declared is £41.7 million (M). In both indicators, companies have declared higher figures than in the previous edition. Marketing and communications budgets represent 0.4% of the total of companies' average turnover.



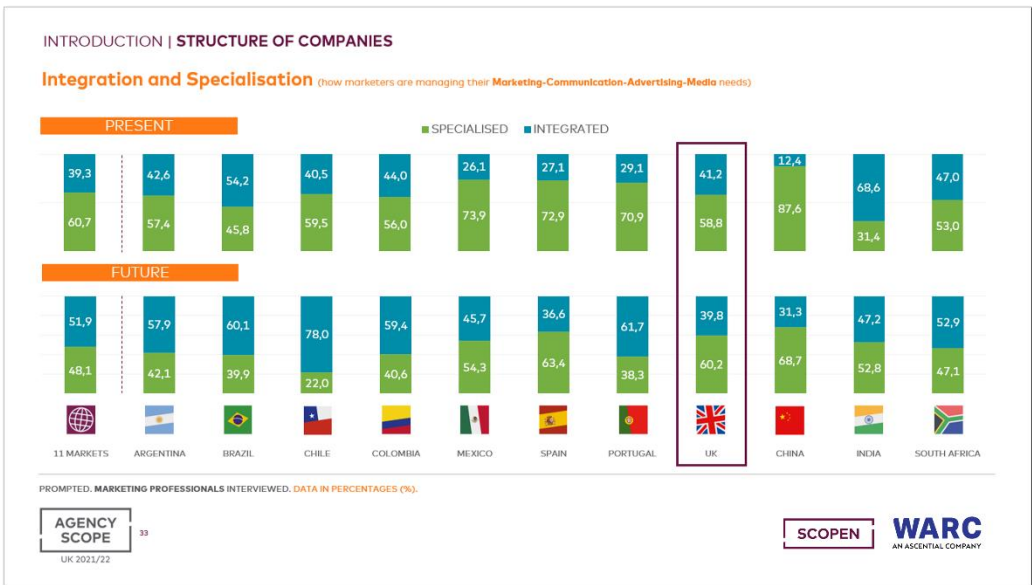
Digital investment has increased more than 18% since 2015

37.5% of marketing budgets is invested in **above-the-line** actions, 21.8% in **below-the-line** and 40.7% in **Digital** (the latter has increased 18.5 percentage points since 2015). Digital is, for the first time in this study, the discipline that has received the largest investment of the marketing & communications’ budget. Digital budgets in the UK are higher than most of the markets in which AGENCY SCOPE is conducted (40.7% vs. 35.7% average investment from the ten market-benchmark).



UK marketers prefer specialization vs. integration

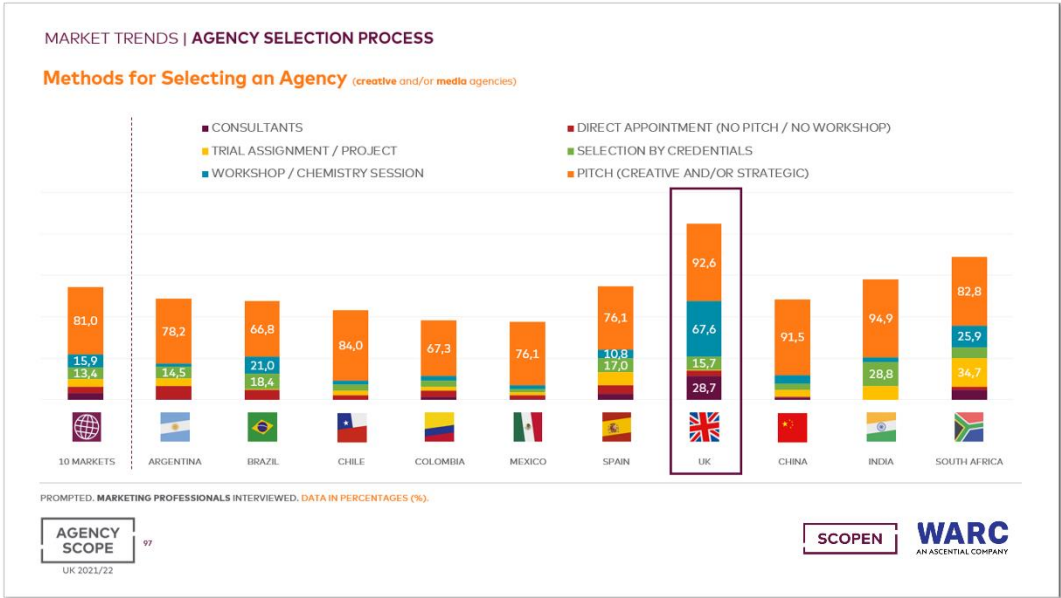
58.8% of marketers said that they work with different specialist agencies for particular disciplines. 60.2% of respondents declared that, in the future, they would prefer to work with specialist agencies, while the other 39.8% stated they would prefer to work with an integrated agency to solve all their marketing and communication needs under one roof. UK is above the global benchmark in the desire to work with specialist agencies in the future. Globally, we notice two different trends: those more for integrated agencies (Argentina, Brazil, Chile, Portugal and South Africa) and those more for specialist agencies (Colombia, Mexico, Spain, UK, China and India).



Pitch remains the most frequently used method to select an agency

To create a **Long List** of agencies, the most mentioned sources of information are *The quality of the agency's work/cases/credentials* followed by *My own experience/personal knowledge* and *Friends or colleagues recommendation*. When it comes to building a **Short-List of creative agencies**, the most mentioned aspects are *Creativity-Innovation*, *Agency's previous experience and expertise*, and *Agency reputation/image/prestige*.

Pitching is the most frequently used method to select an agency, used by 92.6% of marketing professionals in the UK. Also popular are *Workshops* (67.6%), whilst used less frequently are *Consultants* (28.7%), *By credentials* (15.7%), *Direct appointment* (6.5%) and *Trial assignment* (0.9%).

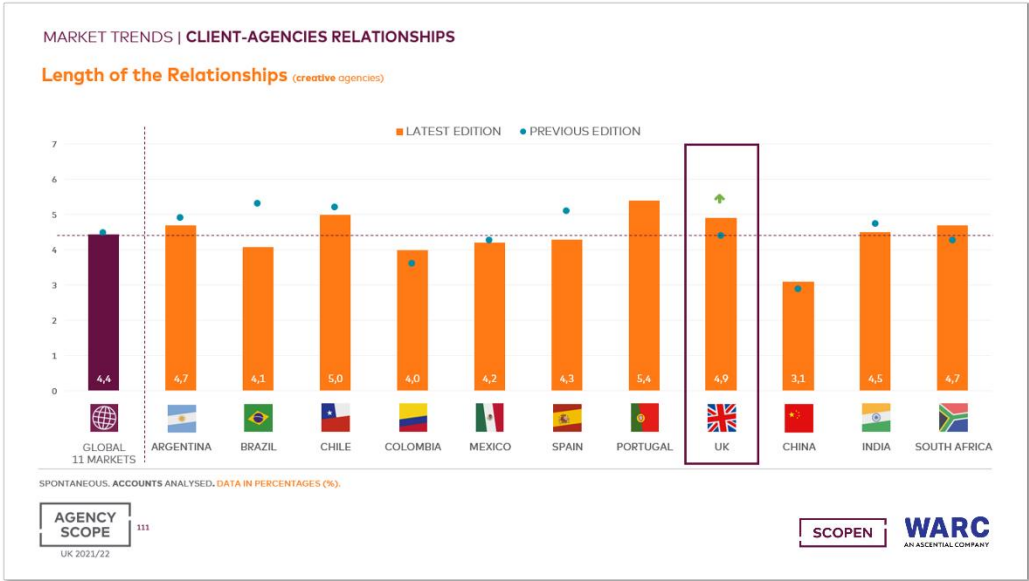


Involvement of Procurement increases

66.7% of marketing professionals in the UK stated that their procurement department is involved in the negotiation process. The involvement of Procurement has increased worldwide in the last few years with China showing the highest percentage (77.1%) among all countries where the study is conducted.

Longer relationships with agencies

The average duration of marketer/creative agency relationship in the UK is 4.9 years (above the global average of 4.4 years), an increase from the last edition (4.4 years in 2018). This is due to a combination of marketers opting for stability during the disruption of the pandemic and agencies responding to their clients’ needs on social responsibility and sustainability. A continuous relationship over time (on a yearly basis) is the most common marketer/creative agency relationship model declared by 68.6% of the respondents (61% in 2018).



Most marketers remunerate their current agencies with a Fee/Retainer (57.6%) and 65.5% of interviewees remunerate them based on Project-based contracts (65.4%), where the average duration is 5.7 months.

Metrics & Results are a key challenge for companies

When marketing professionals were asked about the challenges that their companies will face in the near future, the most mentioned response relates to *Proving ROI/Effectiveness/Results/Metrics* (29.1%), followed by a better understanding and engagement with the *Consumer -knowledge, journey, touchpoints-* (27.4%) and *Being able to better adapt to lower client budgets* (20.7%). These results are comparable to the other Agency Scope markets.

About the challenges that they think creative agencies need to face in the coming years, the two most mentioned are *Being more innovative and able to deliver bigger creative ideas* (29.0%) and *Understanding different communication platforms and channels* (20.2%).

Outstanding companies and campaigns

The top five companies most respected for their marketing skills and expertise named by UK industry professionals are John Lewis, NIKE, Apple, McDonald’s and Unilever.

Among the most admired campaigns, the UK places John Lewis again in first place, followed by Tesco and NIKE and, for the first time in years, Coca-Cola is not in the TOP10 list.

COVID-19 crisis has helped to accelerate processes

COVID-19 crisis has accelerated processes, and the most relevant change is marketers’ commitment to innovation and digital transformation.



UK 2021/22



When marketers were asked about how this crisis affected their communication both internally and with agencies, most mentioned *Less face to face meetings (more work from home and video calls)*, *Changes in brand messages (emotional content, social values)* and *Changes in media channels*.

César Vacchiano, President & CEO of SCOPEN highlights how “*Creativity and Strategic Planning are even more important than in the past, when defining the 'ideal' agency, when choosing agencies and even for changing agencies*”.

Johanna McDowell, UK MD & Partner for SCOPEN mentions how “*the pandemic has decreased the New Business activity and the decline in agency meetings with prospects because of COVID-19*”.

Paul Coxhil, MD, WARC, said: “*Based on rigorous research, the insights outlined in this report will enable agencies to adapt and strengthen their strategies in the marketplace, empowering them to better serve their clients in a dramatically changed industry landscape.*”

About AGENCY SCOPE UK 2021/22: Sample: 141 Marketing Professionals working in 118 different companies. 306 client-agency relationships analysed.

About SCOPEN:

SCOPEN is an independent company operating in the market since 1990. SCOPEN is present in 12 countries Argentina Brazil Chile China Colombia India Mexico Portugal Singapore South Africa Spain UK USA. Our research, rigorous analysis and the numerous correlations derived from our comprehensive database, SCOPEN can offer a unique strategic vision to drive businesses within the creative economy, inspiring people and projects.

About WARC:

WARC powers the marketing industry by providing rigorous and unbiased evidence, expertise and guidance to make marketers more effective.

Since 1985, we've brought confidence to marketing decisions through the most trusted research, case studies, best practice, data and inspiration.

Today we operate out of the UK, US, Singapore and China to service a community of over 75,000 marketers in over 1,200 companies in 100+ markets.

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