Marketing Technology

2019 Survey Report

Attitudes, Adoption, & Acumen

Among Marketers and Agencies

RSW/US

New Business Solutions for Marketing Agencies

CONTENTS

WHO WE ARE

This study was commissioned by RSW/US.

RSW/US is an outsourced lead generation/business development firm that exclusively services marketing service firms (of all sizes and types). RSW/US works with over 50 agencies across the U.S., operating as their outsourced sales and marketing team. RSW/US was founded in 2005.

In 2010, RSW started RSW/AgencySearch. To-date, RSW/AgencySearch has managed over 30 searches for marketers across a range of different categories, helping them find better agencies. The RSW/AgencySearch model is unique to the industry.

The exposure to the agency and the marketer world has armed RSW/US with perspective unmatched in the industry. This perspective is woven throughout this survey report.

To learn more about RSW/US, visit www.rswus.com.

To learn more about RSW/AgencySearch, visit www.rswagencysearch.com.

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New Business Solutions for Marketing Agencies
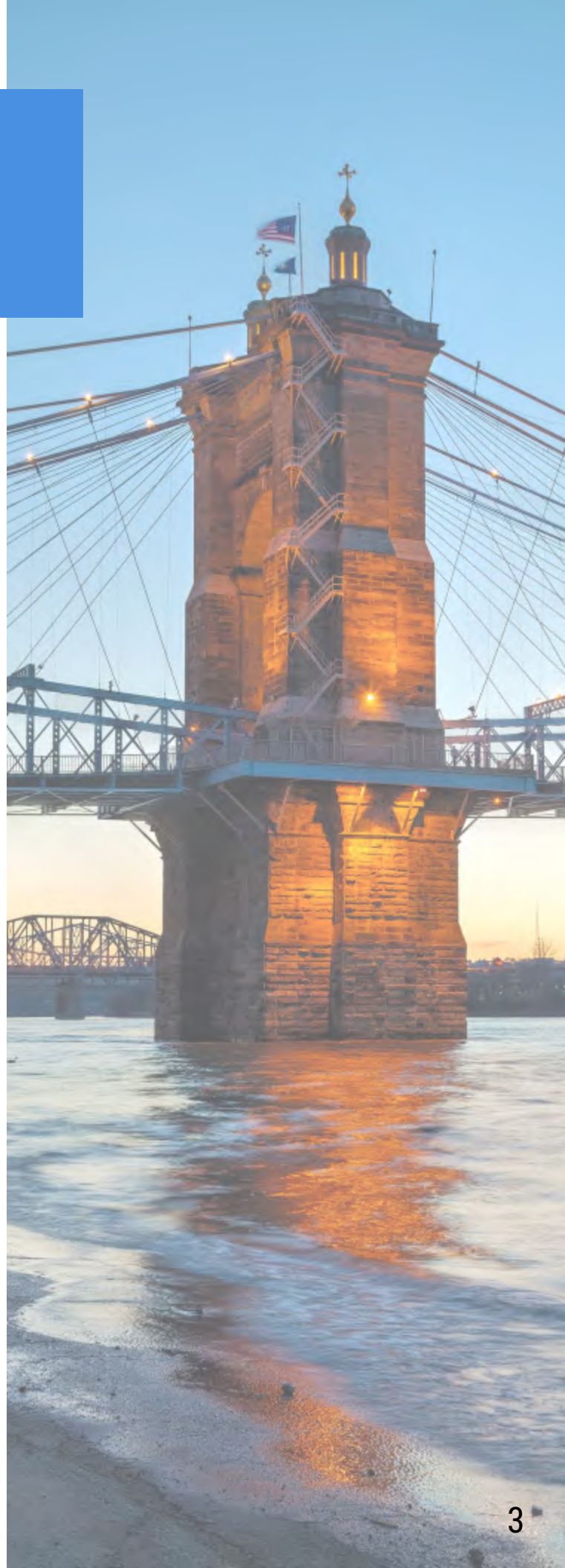
INTRODUCTION

This survey report is intended to inform marketers and agencies about a variety of issues related to the exploding Marketing Technology space.

This survey was conducted among RSW/US' database of 10,000 marketing services agencies and RSW/AgencySearch's database of 80,000 marketers for responses.

The survey was released in August 2019.

Issues related to usage of MarTech tools, perception of marketers' and agencies' savviness in this space, and expectations of future spending in MarTech are among the topics explored.

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New Business Solutions for Marketing Agencies
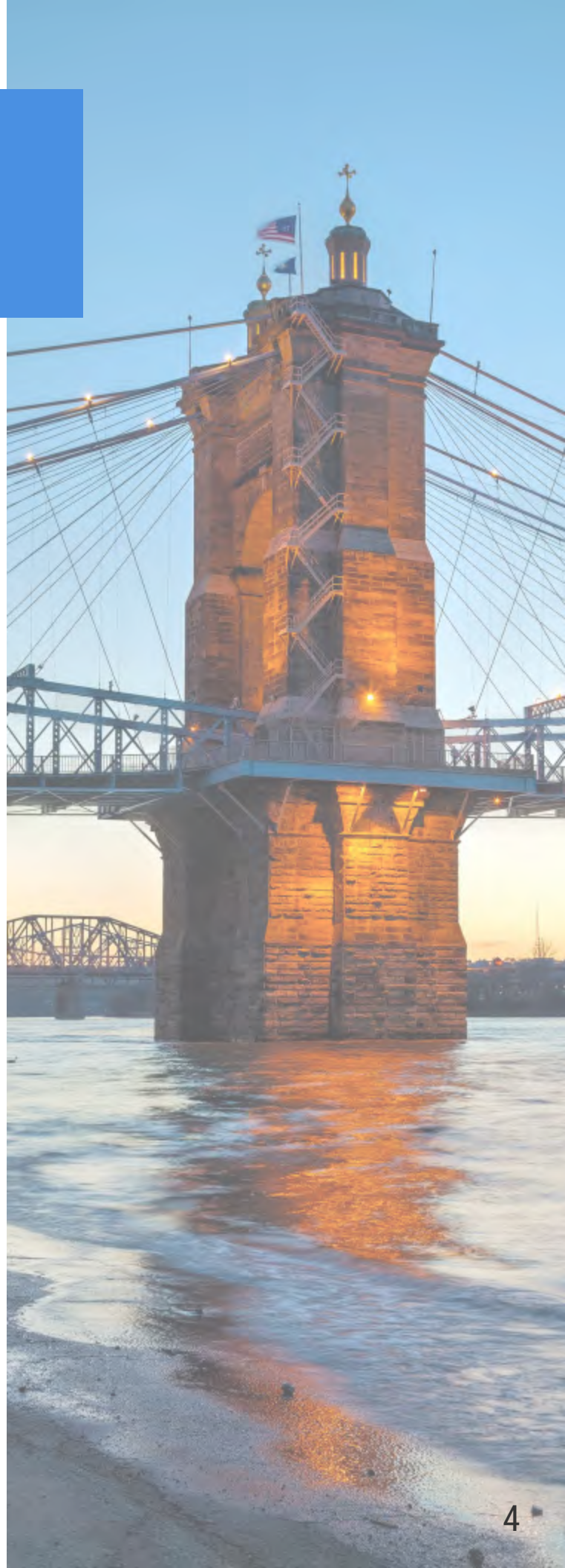
Staying Ahead or Falling Behind?

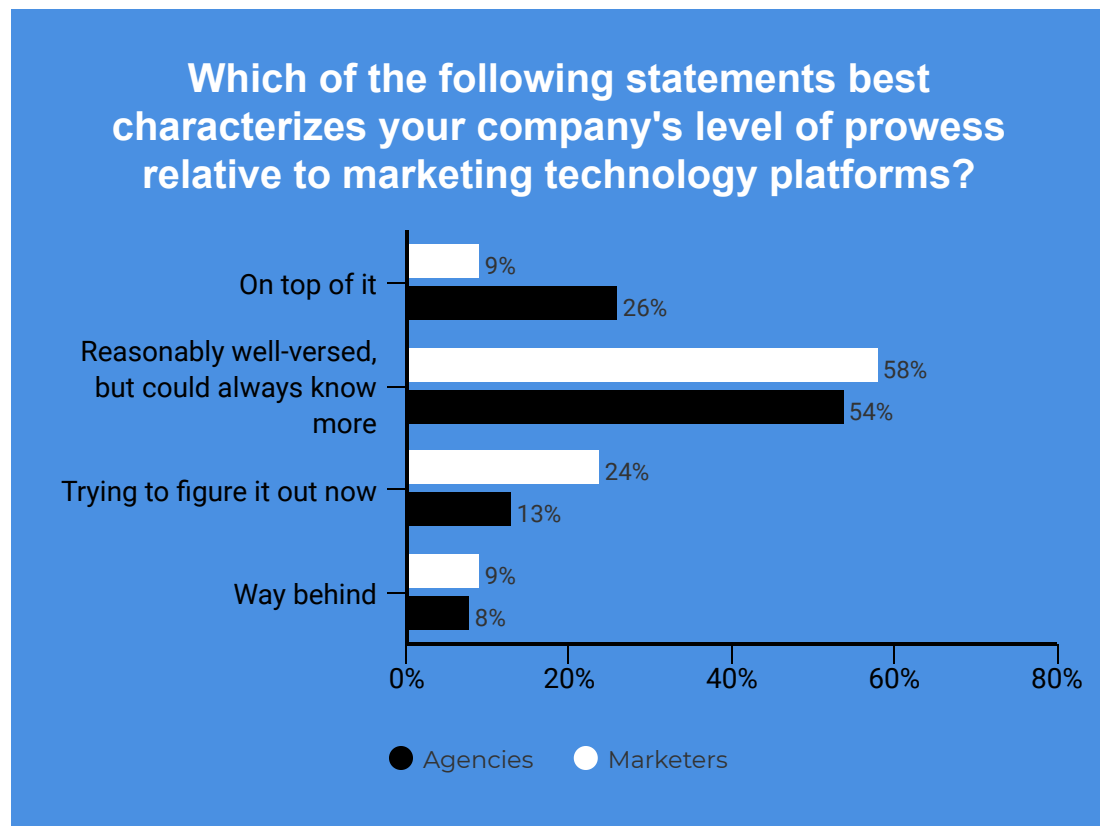Very few marketers feel that they are "on top of" what's new in the technology space. Only 9% feel this way. And a significant number of marketers (33%) feel they are either just starting to figure it out or are way behind the eight ball when it comes to marketing technology.

In contrast, 26% of agencies feel like they are on top of the latest in the technology space and 20% feel a bit behind the curve.

Implications

There's a theme we'll see throughout this report and that is we believe there's an opportunity for agencies to help their marketing clients better their selection of and adoption of new marketing technologies.

While 58% of marketers feel like they are "reasonably well-versed", these same marketers feel like they "could always know more".

Which of the following statements best characterizes your company's level of prowess relative to marketing technology platforms?

	Agencies	Marketers
On top of it	26%	9%
Reasonably well-versed, but could always know more	54%	58%
Trying to figure it out now	13%	24%
Way behind	8%	9%

Not that agencies are light years ahead of their marketing counterparts, but on the whole, they appear to be in better shape as it relates to knowledge of and adoption of marketing technology.

If your agency is one of the 20% feeling behind the curve or one of the 54% of agencies that said they were reasonably well versed BUT could always know more, you need to spend some time studying what is out there, keeping abreast of new offerings, and when appropriate, take them to your clients and show them how new technology can benefit their business.
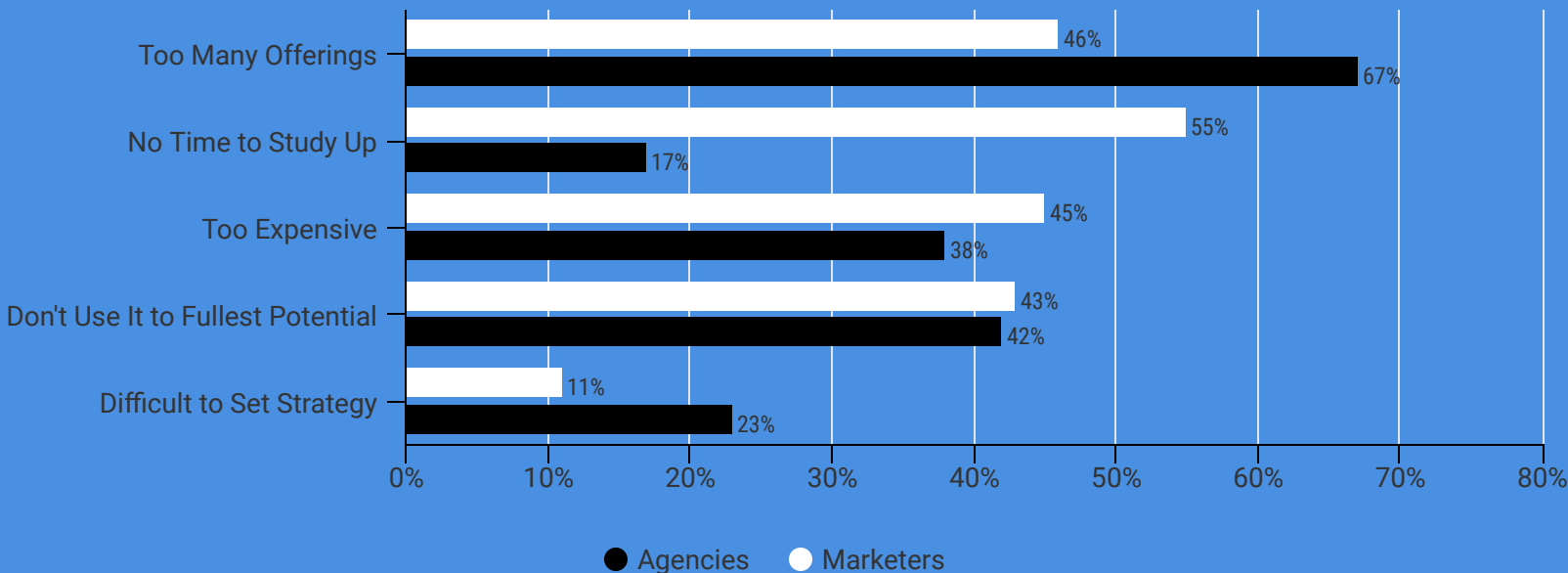
Too Much of a Good Thing?

THE MARTECH FLOODGATES ARE OPEN

While both marketers and agencies share in the concern that there are just way too many MarTech offerings in the market, the concerns on the marketer side go much deeper than their agency counterparts.

In addition to feeling like there are way too many product/service offerings, marketers also feel like they have no time to study options, feel like so many are cost prohibitive, and believe that because of their time constraints, they never or rarely get full use out of what they are buying.

What Do You Find to Be Most Challenging About The MarTech Space?

Challenge	Marketers	Agencies
Too Many Offerings	46%	67%
No Time to Study Up	55%	17%
Too Expensive	45%	38%
Don't Use It to Fullest Potential	43%	42%
Difficult to Set Strategy	11%	23%

● Agencies ○ Marketers

Implications

Again, potentially an opportunity for agencies to help their marketing clients. While 67% of agencies state that it's hard to figure what's best for their own agency and their clients, this shouldn't hand-tie an agency from finding the occasional new technology platform and exploring its viability.

Too often when marketers come to us on the RSW/AgencySearch side of our business looking for a new agency, it's because they feel like their agency isn't keeping them ahead of the curve, they aren't bringing them new ideas, and they are turning into more "do'er" agencies than acting like proactive partners. While the space is certainly complex, doing some occasional reading on topics related to marketing technology and sharing insights or new offerings can go a long way in bolstering the relationship.

Fighting The Brain Drain
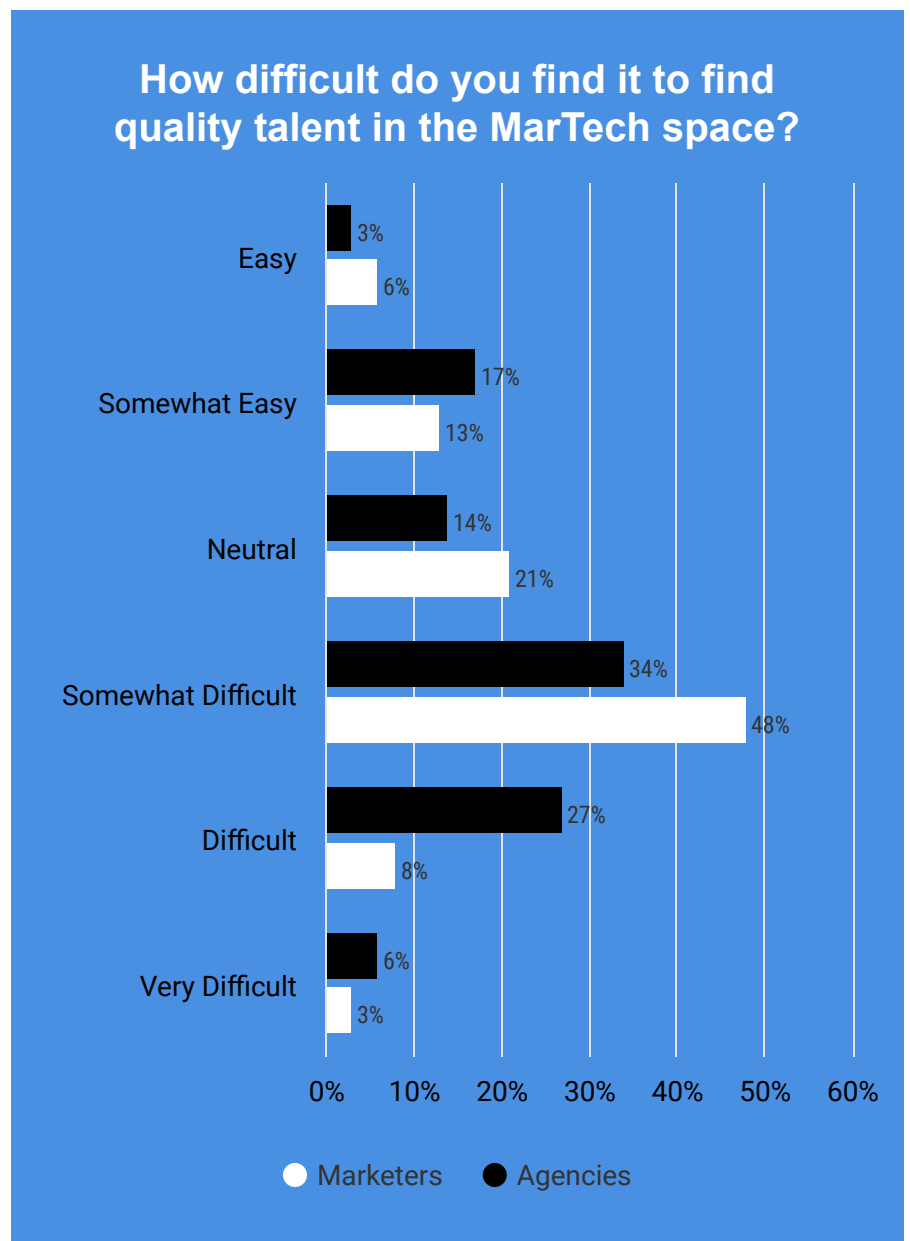
GOOD TALENT IS HARD TO FIND

As we are all well aware, finding good talent these days is no easy task. Both marketers and agencies indicate that finding quality talent in the technology/marketing technology space is tough business.

65% of agencies stated that it was either somewhat difficult, difficult, or very difficult finding solid talent. 59% of marketers felt the same way.

Implications

I know in our business we always try and stay a step ahead in recruiting – and find ourselves always looking for great sales people to support our agency clients' businesses - whether we need someone at that point in time or not. Just knowing what the talent pool looks like is important.

The other thing you as an agency or even your marketing counterparts should consider doing – is looking outside your market for talent. With remote work situations being a relatively simple thing to execute, manage, and monitor, bringing people on board from out of market and having them work remotely might just be the best solution to counter the talent void.

How difficult do you find it to find quality talent in the MarTech space?

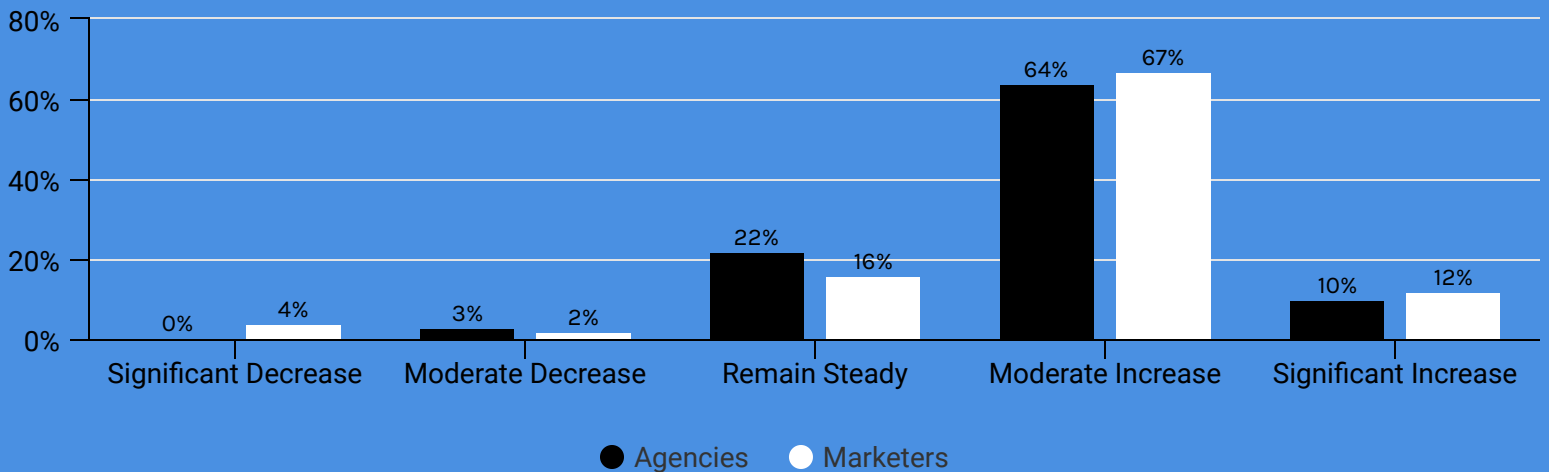| Category	Agencies	Marketers
Easy	3%	6%
Somewhat Easy	17%	13%
Neutral	14%	21%
Somewhat Difficult	34%	48%
Difficult	27%	8%
Very Difficult	6%	3%

○ Marketers ● Agencies

Continued Growth of MarTech

A TALE OF TWO GRAPHS

Both marketers and agencies believe that spending in the MarTech space will increase "somewhat" or "significantly" in 2020, with 79% of marketers feeling this way and 75% of agencies sharing this view of their own activity.

How Do You Expect Your Own MarTech Spending to Change in the Next Year?

Category	Agencies	Marketers
Significant Decrease	0%	4%
Moderate Decrease	3%	2%
Remain Steady	22%	16%
Moderate Increase	64%	67%
Significant Increase	10%	12%

● Agencies ○ Marketers

While marketers' and agencies' respective expectations of their **own** spending increases look the same, you'll see on the next page how they each feel about each other's expected spending in 2020. It differs rather significantly.

A TALE OF TWO GRAPHS, CONT'D

How Do You Expect Your Client/Agency's MarTech Spending to Change in the Next Year?

Bar chart. X-axis categories: Significant Decrease, Moderate Decrease, Remain Steady, Moderate Increase, Significant Increase. Y-axis 0% to 100%.

- Significant Decrease: Agencies' Perception 0%, Marketers' Perception 2%
- Moderate Decrease: Agencies' Perception 0%, Marketers' Perception 2%
- Remain Steady: Agencies' Perception 14%, Marketers' Perception 39%
- Moderate Increase: Agencies' Perception 74%, Marketers' Perception 45%
- Significant Increase: Agencies' Perception 12%, Marketers' Perception 13%

Legend: ● Agencies' Perception of Their Clients   ○ Marketers' Perception of Their Agencies

86% of agencies believe their clients will increase spending either moderately or significantly in 2020. They either know it or see it happening first-hand in their clients' worlds. Clients are either engaging the agency in activities related to MarTech or it's possible that with some of the move to bring work in-house, agencies are seeing the increases as a result of marketers pulling work away from them.

Problem is, marketers don't share the same level of enthusiasm for their agency partners' spending likelihood in 2020. Only 57% of marketers think their agency's spending will go up "somewhat" or "significantly" in 2020.

Implications

If you are really driving more and more spending/investment into the marketing technology space, make your clients aware of it. Even if there isn't direct benefit to them, they will see an agency that is serious about the future of marketing and marketing technology. Knowing that their agency is getting work done in a smarter and more forward leaning way can only help, not hurt the perception of your agency.

And when you're competing for business, make this part of your conversation about your agency. Don't make the assumption that the marketer will know how MarTech savvy your agency is, or think that nobody else is talking about technology. If you have it, talk it!
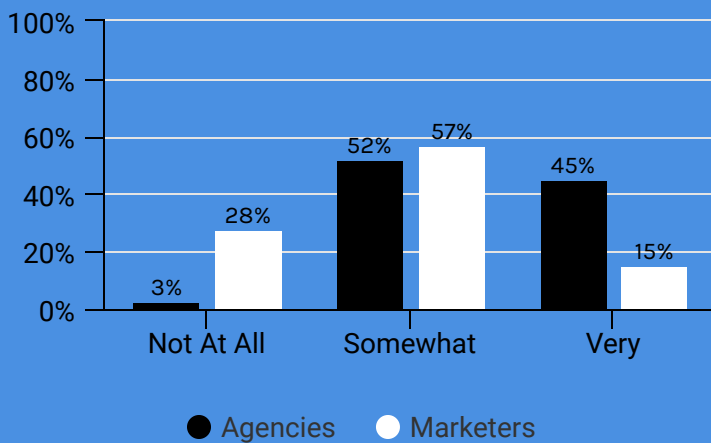
Savvy or Not?

MEASURING EXPERTISE

Agencies have a much higher perception of their own tech savviness than marketers do about their own company's acumen in this space.
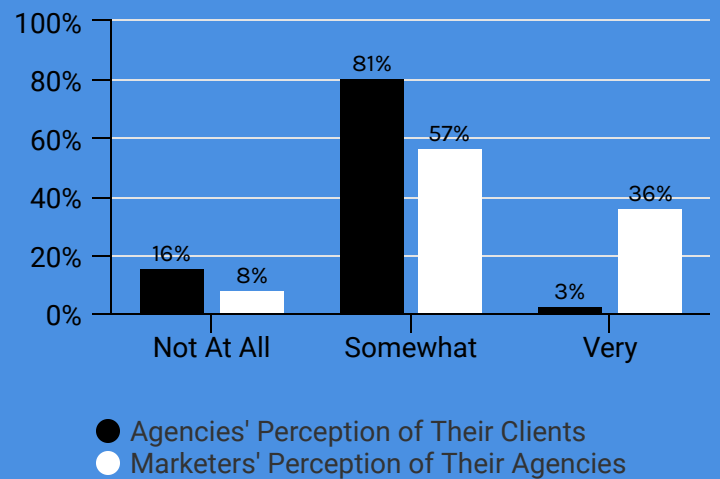
Only 15% of marketers feel that their companies are "very" tech savvy, while 45% of agencies responding believe their agency is "very" tech savvy.

The differences are equally as exaggerated when asked about their partners' savviness. Only 3% of agencies believe their marketing clients are "very" tech savvy, with 36% of marketers feeling their agencies are "very" tech savvy.

How MarTech Savvy Is Your Own Agency/Company, In General?

Not At All: Agencies 3%, Marketers 28%
Somewhat: Agencies 52%, Marketers 57%
Very: Agencies 45%, Marketers 15%

● Agencies   ○ Marketers

How MarTech Savvy Is Your Client/Agency, In General?

Not At All: 16%, 8%
Somewhat: 81%, 57%
Very: 3%, 36%

● Agencies' Perception of Their Clients
○ Marketers' Perception of Their Agencies

Implications

Don't get too excited or overly confident, agencies! Many of you feel that your clients' companies are "somewhat" savvy (82%), which can be a good thing or a challenging thing for your relationship.

Good because if they are somewhat savvy, you can have good, smart conversations about the use of marketing technology to advance their businesses.

Bad, because if they continuously push new technologies to you to review (and if you aren't proactively bringing things to them), at some point the relationship might just sour.

Owning The Process
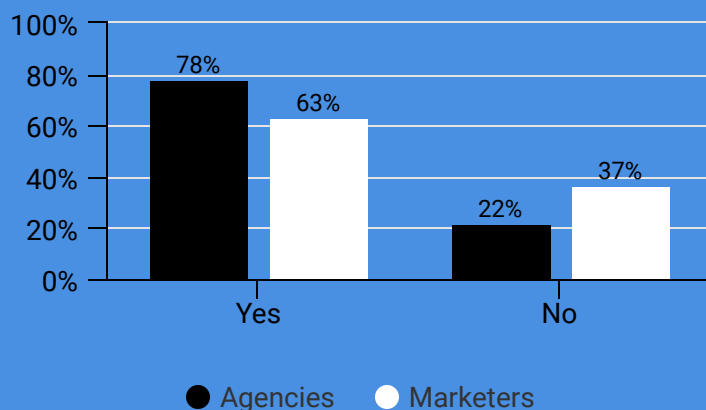
WHO'S LEADING THE CHARGE?

While marketers and agencies have specific people identified within their own organizations to help them stay abreast of the latest technology and the implementation of new platforms, few agencies have people dedicated to doing the same for their marketing clients.

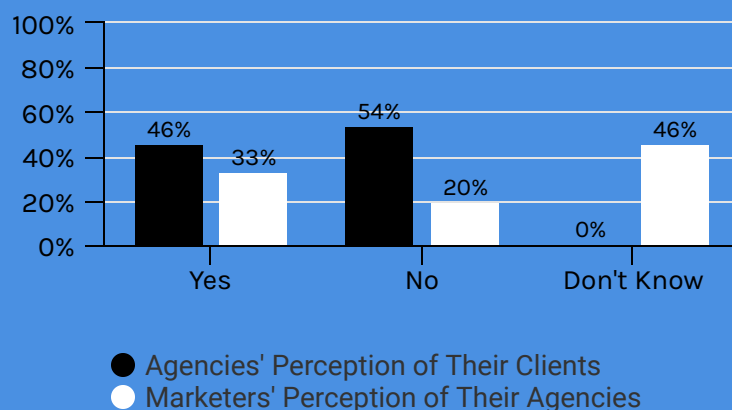78% of agencies have specific individuals who help with this effort – for their own agency.

63% of marketing clients have the same – for their own company.

Do Specific Individuals Own the Process of Finding and Implementing New MarTech Platforms at...

Your Own Agency/Company?

	Yes	No
Agencies	78%	22%
Marketers	63%	37%

● Agencies   ○ Marketers

Your Agency/Client?

	Yes	No	Don't Know
Agencies' Perception of Their Clients	46%	54%	0%
Marketers' Perception of Their Agencies	33%	20%	46%

● Agencies' Perception of Their Clients
○ Marketers' Perception of Their Agencies

Implications

Only 46% of agencies have people that are charged with finding new and better technology platforms for their clients. And 46% of marketers are "unsure" whether or not their agency partners have people helping with this effort.

An opportunity in my book. Any opportunity to (once again) make marketing clients aware of the efforts going on within the four wall of their agencies.

Agencies don't need to dedicate one or a few folks to only focus in on this kind of effort. This can be the job of everyone within an agency – particularly those managing the accounts. Organize a monthly or quarterly presentation of new technology – within the agency. Make this part of the account team's responsibility to seek out new things to better their clients' businesses. And let your clients know that this is part of your agency's DNA. It's just what you do for them.

Exploring The New Frontier
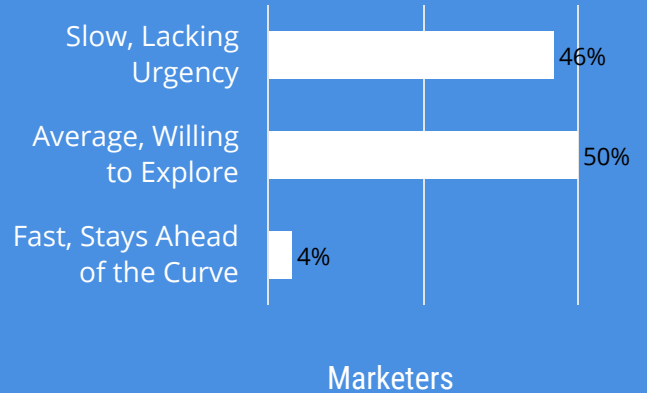
HESITANCY ABOUNDS

There's a general slowness among clients to adopt new technologies. Agencies see it and marketers agree with it. Might be because of the complexity of the offerings, could be the expense, or could be the perceived largeness of the undertaking when moving to a new platform. No easy task to determine which was best and certainly no easy task making the transition/adoption.

46% of marketers feel that their companies are "slow, lacking a sense of urgency". 44% of agencies feel that way about their clients.

Implications

Good news is 50% of marketers are "willing to explore new technologies" despite being "about average" in their adoption rates. So the door is open and your marketing clients are willing to listen.

How Would You Describe Your Own Company In Regard to Adopting New Platforms?

- Slow, Lacking Urgency: 46%
- Average, Willing to Explore: 50%
- Fast, Stays Ahead of the Curve: 4%

Marketers

How Would You Describe Your Clients In Regard to Adopting New Platforms?

- Slow, Lacking Urgency: 44%
- Average, Willing to Explore: 55%
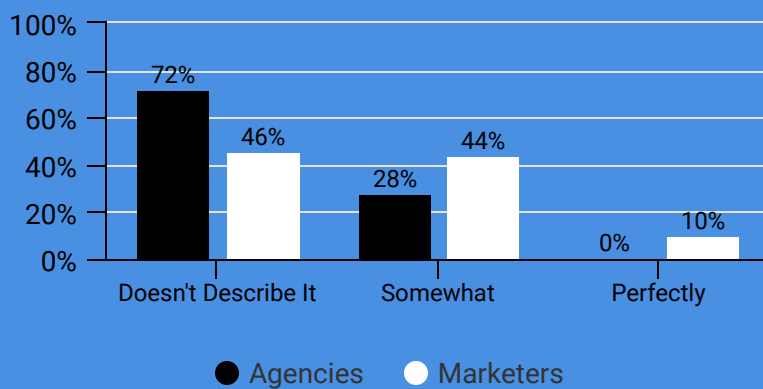- Fast, Stays Ahead of the Curve: 2%
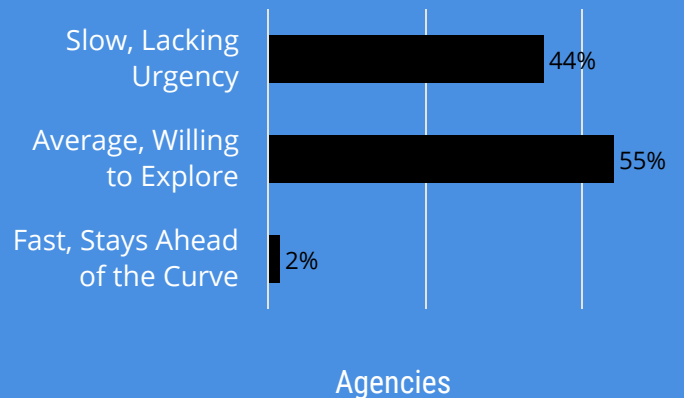
Agencies

Useful Tool or Shiny Toy?
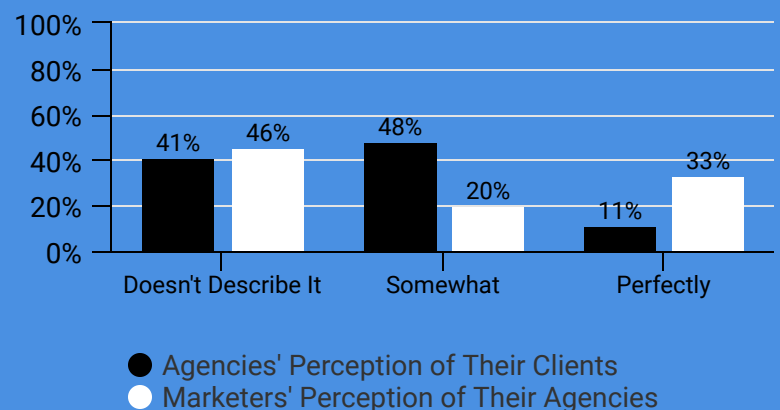
NEWER DOESN'T MEAN BETTER

There continues to remain the view among agencies that their marketing clients are much more prone (relative to their own agency) to "chase shiny objects" - adopting things that are new and cool, but not helpful or practical for their business.

To What Extent Does "Chasing Shiny Objects" Describe The Process of Exploring New MarTech Platforms at...

Your Own Agency/Company?

Category	Agencies	Marketers
Doesn't Describe It	72%	46%
Somewhat	28%	44%
Perfectly	0%	10%

● Agencies   ○ Marketers

Your Client/Agency?

Category	Agencies' Perception	Marketers' Perception
Doesn't Describe It	41%	46%
Somewhat	48%	20%
Perfectly	11%	33%

● Agencies' Perception of Their Clients
○ Marketers' Perception of Their Agencies

59% of agencies state that "shiny object syndrome" either describes their marketing clients "somewhat" or "perfectly".

But that said, marketers are not blind to this behavior, as 54% said that this description eithers describes them "somewhat" or "perfectly".

On the flipside, not nearly as many marketers or agencies feel that this describes the agency community. Which is good for agencies, as we've seen in past surveys these numbers at much higher levels for agencies.
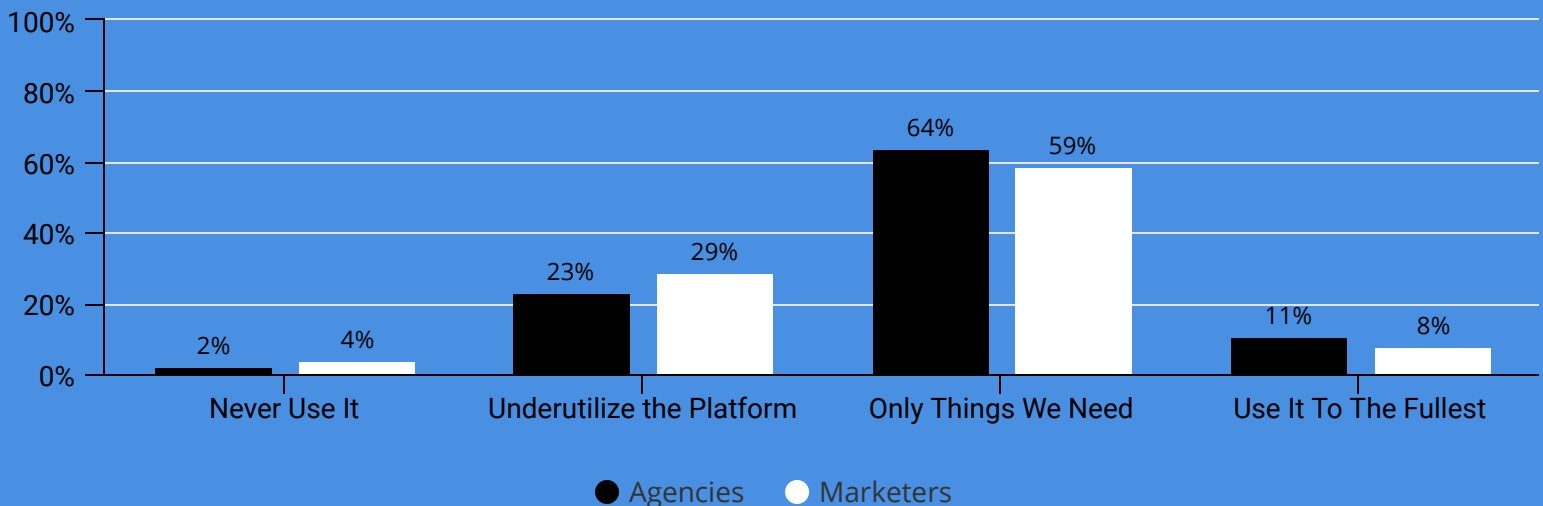
Implications

Agencies need to stick to the discipline of always asking themselves "why", relative to why a new technology will make their clients' lives better. Being more disciplined in your approach will keep you looking strategic and looking like you're there to help build your clients' business.

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MarTech Usage Trends

ALL, NOTHING, OR SOMETHING IN BETWEEN?

No surprise with the response to this question. Just like you and me when it comes to basic personal technology products and services, we only use what we need. And we don't know how much more potential we can get from a platform because we don't take the time to learn everything about it.

Which of the Following Best Describes Your General Usage of MarTech Platforms You've Purchased?

	Never Use It	Underutilize the Platform	Only Things We Need	Use It To The Fullest
Agencies	2%	23%	64%	11%
Marketers	4%	29%	59%	8%

● Agencies   ○ Marketers

Both marketers and agencies indicate that they either way underutilize a platform's features and benefits, or they only "use the things they need".

Implications

Once again, maybe an opportunity for an agency to get a sense as to what their client is doing/using and use their knowledge of the platform to add new value to the relationship by bettering the manner in which they are using technology.

As we will see later in this report, agencies and marketers are using many of the same tools, so adding value to what a marketer is already using can be just as useful to a relationship as bringing in something brand new.
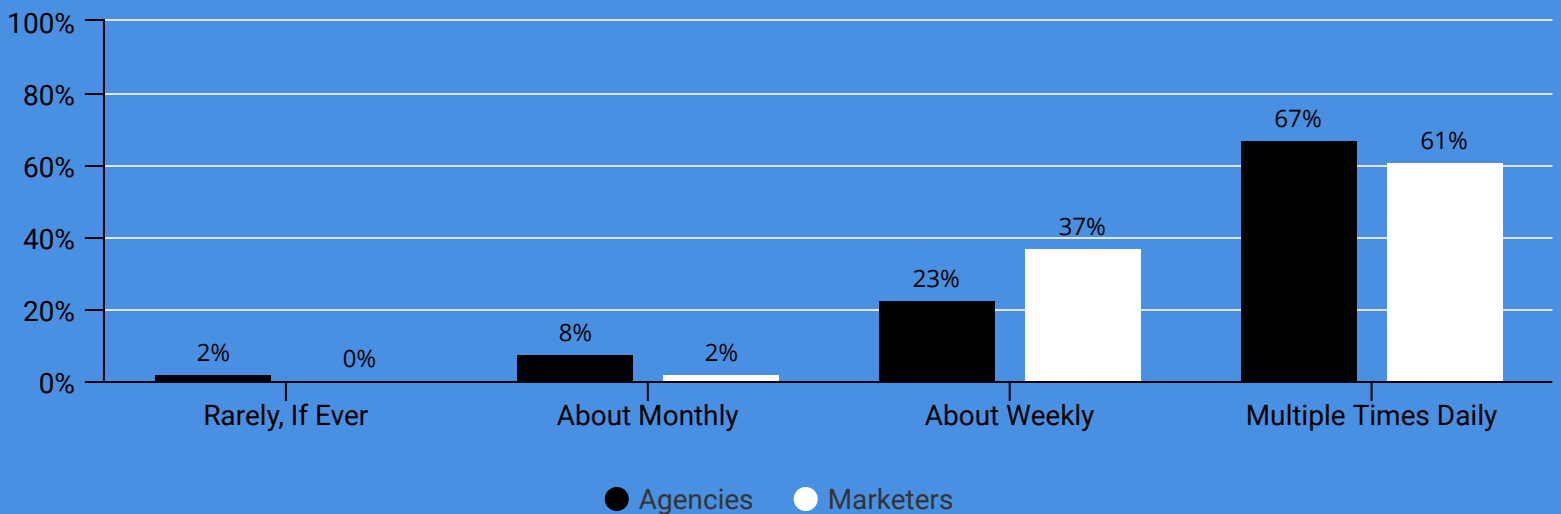
MarTech Sales

RINGING OFF THE HOOK

Not much to say about this one other than I feel sorry for all of you. Both marketers and agencies say they are inundated with calls and emails every day from MarTech sales people trying to win their hearts and pocket books.

61% of marketers and 67% of agencies stated that they get multiple calls or emails every day.

How Often Are You Called or Emailed by Salespeople Looking to Sell You MarTech Platforms?

Category	Agencies	Marketers
Rarely, If Ever	2%	0%
About Monthly	8%	2%
About Weekly	23%	37%
Multiple Times Daily	67%	61%

● Agencies   ○ Marketers

Implications

More of a reason why agencies should be the filter for their clients.
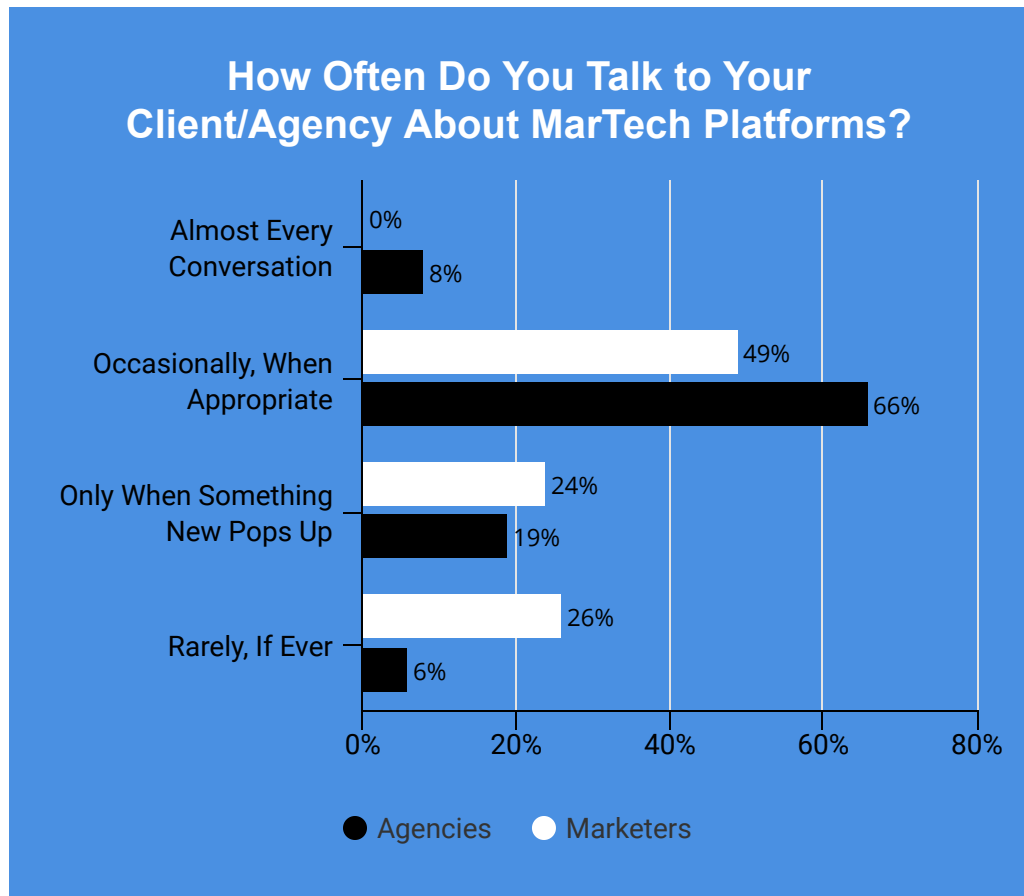
Starting The Conversation

LET'S TALK MARTECH

Good news is marketers and agencies are having conversations about technology. The less positive news is that far fewer agencies and marketers are talking when new stuff surfaces that makes good sense for their business.

73% of agencies and 76% of marketers state that they are "occasionally" or "every time we talk", having conversations about technology related to the business of marketing. This is great to hear that the conversations are happening.

Implications

Keep it part of the conversation. While you certainly don't want to overwhelm your clients with new stuff all the time, making it more a part of the conversation, and bringing more, new, good ideas to them can only benefit the relationship.

How Often Do You Talk to Your Client/Agency About MarTech Platforms?

Category	Agencies	Marketers
Almost Every Conversation	8%	0%
Occasionally, When Appropriate	66%	49%
Only When Something New Pops Up	19%	24%
Rarely, If Ever	6%	26%

● Agencies ○ Marketers
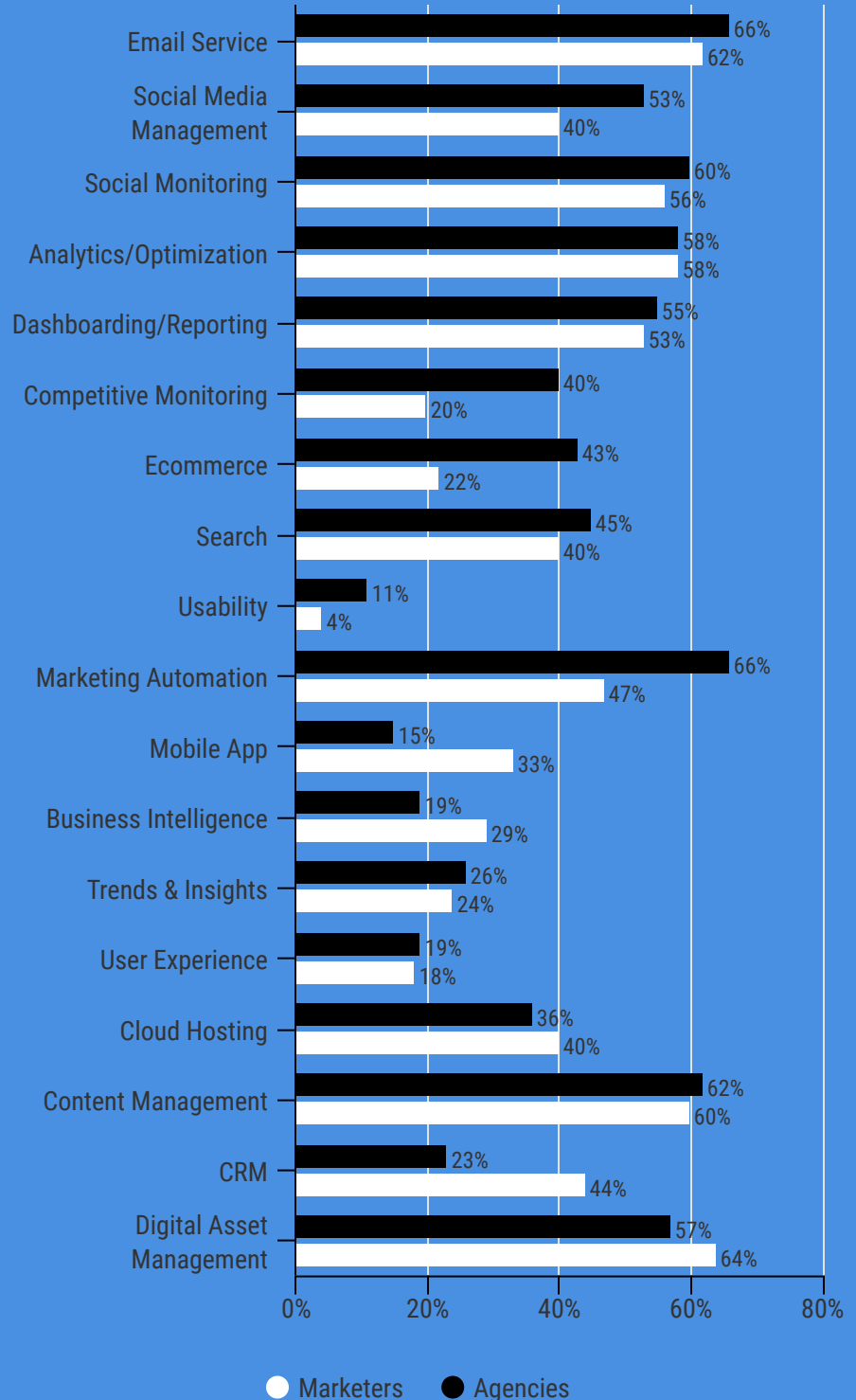
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Platforms in Play

The tools agencies say they are using for their clients are the same that clients say they are using for their business.

Implications

The fact that there is so much uniformity is a good thing. Clients will likely (or already do likely) have a solid tech foundation off of which an agency can help them build.

Bringing ideas to a client about how they can step up their use of marketing technology platforms should be a relatively easy conversation to have, given that so many marketers are using so many different tools.

Which Of The Following Platforms Are You Using to Enhance Your Company/Client?

Platform	Marketers	Agencies
Email Service	62%	66%
Social Media Management	40%	53%
Social Monitoring	56%	60%
Analytics/Optimization	58%	58%
Dashboarding/Reporting	53%	55%
Competitive Monitoring	20%	40%
Ecommerce	22%	43%
Search	40%	45%
Usability	4%	11%
Marketing Automation	47%	66%
Mobile App	33%	15%
Business Intelligence	29%	19%
Trends & Insights	24%	26%
User Experience	18%	19%
Cloud Hosting	40%	36%
Content Management	60%	62%
CRM	44%	23%
Digital Asset Management	64%	57%

○ Marketers ● Agencies

WHAT'S NEXT?

Thanks for joining us today.

Obviously this year will be no different than year's past. New marketing technology platforms will continue to appear at a faster and faster pace. We will continue to keep close tabs on the trends and their implications for both agencies and marketers. The market will continue to be ever-changing.

Keep an eye out for blog posts about some of these specific topics included in this report.

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