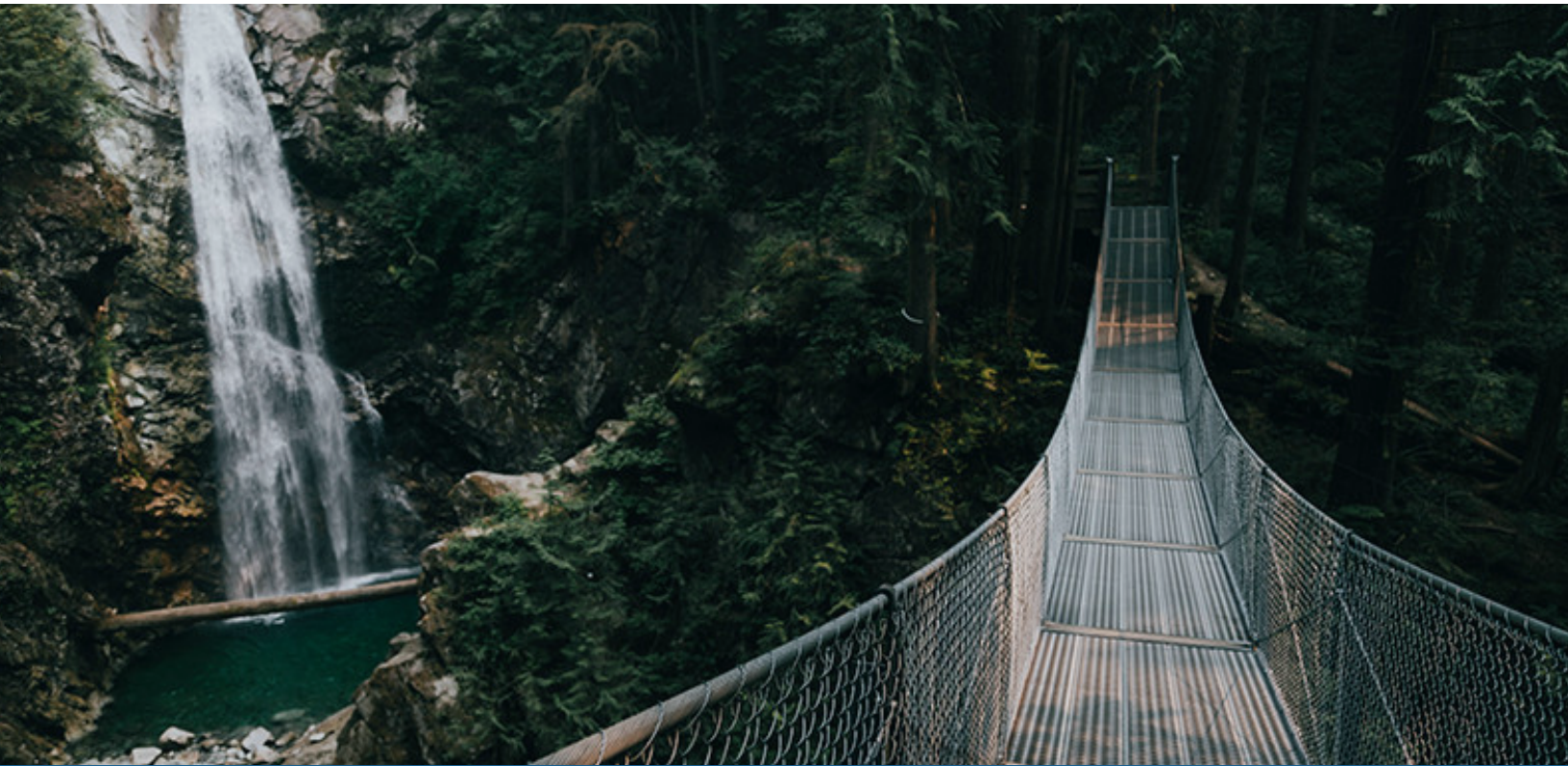


Agency/Marketer Response to COVID-19 Follow-Up Companion



RSW/US
New Business Solutions for Marketing Agencies

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Introduction

ABOUT US

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 was founded in 2005.



In 2010, RSW started RSW/AgencySearch. To-date, RSW/AgencySearch has managed over 40 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, and every survey report.

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

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

Introduction

ABOUT THE REPORT

Senior-level Marketers and Marketing Agency executives completed the "Agency/Marketer Response to COVID-19 Survey" from March 20-24th, 2020. As circumstances in the economy and our lives change so rapidly, we wanted to release this companion report, taking data from a follow-up survey completed by Senior-level Marketers and Marketing Agency executives from May 8-12th, to gain comparative, as well as new insights.

Our hope is the key findings and implications from this study are of value as both marketers and agencies attempt to navigate the unknown factors inherent to our current business landscape.

The agency sample came from our RSW/AgencySearch database of over 5,000 marketing service companies in the U.S. and Canada ranging in size from under \$5M in capitalized billings to over \$100M.

The disciplines of each Agency included full-service advertising, digital, PR, and marketing consultancies, to name a few examples.

The marketer sample came from our RSW/US database of 50,000 marketing decision-maker contacts. Company size, location, and category varied.

If you would like to reproduce any of our findings in any format whatsoever, please give either Mark Sneider or Lee McKnight a call (513-559-3101/3111) or email us at mark@rswus.com / lee@rswus.com.

I. Immediate Impact

Spending and Overall Business Impact

47% of Marketers have increased spending activity in areas of their business since the start of the COVID situation.

Top areas of increased marketer spending:

1. Social Media Marketing/Advertising: **57%**
2. Digital Advertising: **43%**
3. Email Marketing: **43%**
4. PPC: **29%**
5. Public Relations: **29%**

Implications

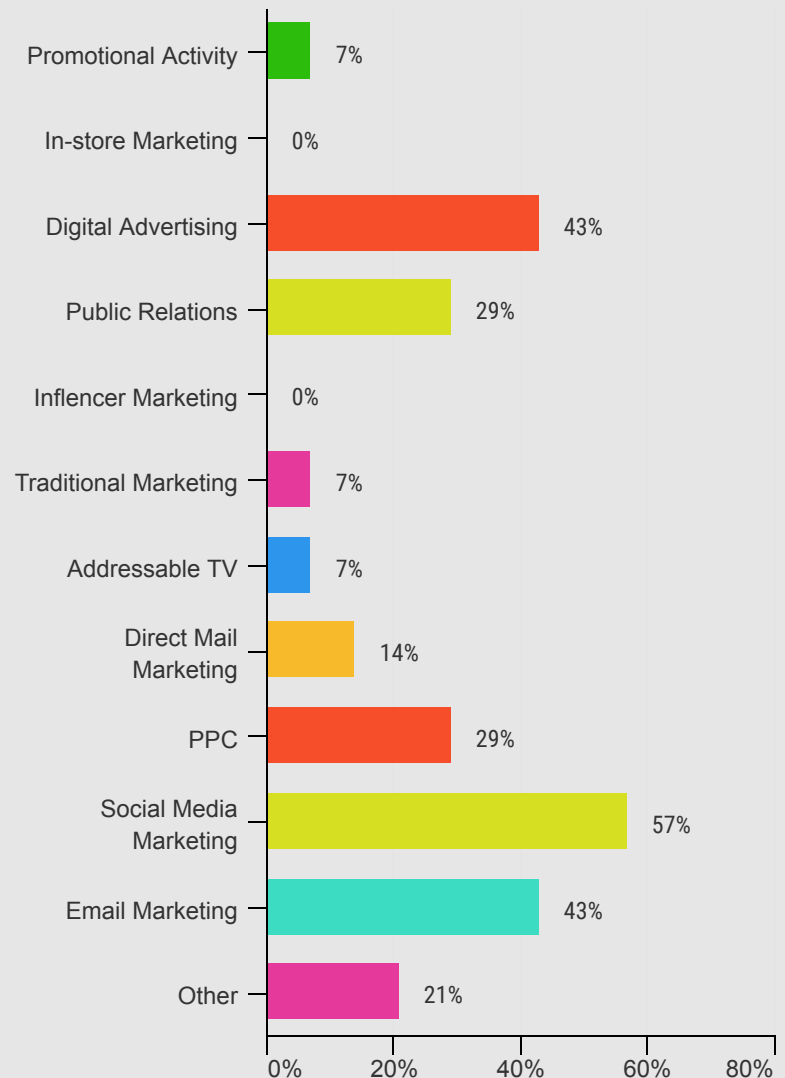
While obviously daunting overall, also promising to see a relatively high number, almost half of marketers surveyed, increasing spending. And given how many agencies have integrated their offerings or partnered with digital firms over the years, leaves a good portion of firms in the position to pursue new business in these areas.

Not surprising to see the digital/social trend, given the work-from-home circumstances so many of us are in, but two important pieces of advice: for those agencies taking a pause on new business, you shouldn't have, but as states start to reopen, it certainly is the time to find those marketers who are spending. Secondly, now is the time to accentuate the digital offerings you do have in your positioning/outreach or plan a partnering strategy with a firm that can help drive your new business engine.

Are there areas of your business where you have increased spending activity since the start of the COVID situation?



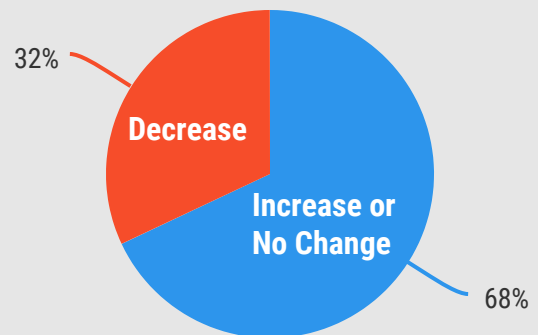
If yes, in what areas have you increased spending? (Check all that apply)



Spending and Overall Business Impact, cont'd

68% of Marketers expect 2nd half, 2020 marketing/advertising spending to remain unchanged or increase significantly as states begin to reopen.

How do you expect 2nd-half 2020 marketing/advertising spending to change as states reopen?



Implications

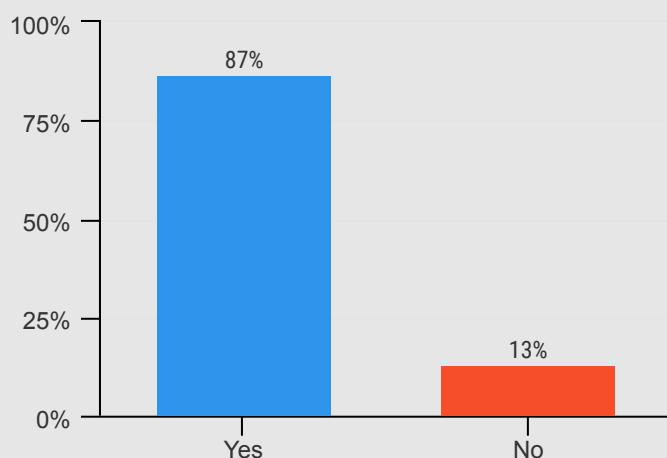
A welcome stat to be sure, however with uncertainty around states reopening, should be celebrated cautiously. Nevertheless, it's a positive, and should be met with an equal amount of effort behind your new business strategy. Now is the time to look at that strategy on a month-to-month basis. Yes, it involves more work on the front end, but messaging shouldn't stay the same week after week, it needs to reflect current realities. Six weeks ago, we were all using words like unparalleled and uncertain. Using those words now makes you look like every other firm, and will quickly get you overlooked by a prospect.

Changing Marketing Tactics (Marketers)

Have Your Company's Marketing Tactics Changed In Light Of The COVID-19 Situation?

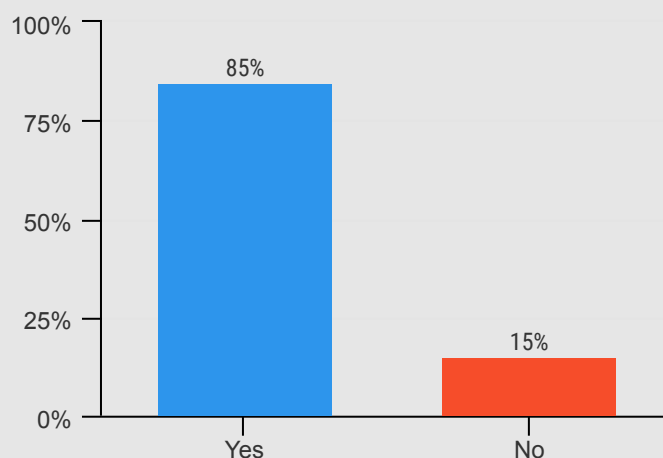
March 24th:

87% of Marketers say they've changed marketing tactics.



May 12th:

85% of Marketers say they've changed marketing tactics.



Highlights from marketer open-ended comments relative to what changes they've made:

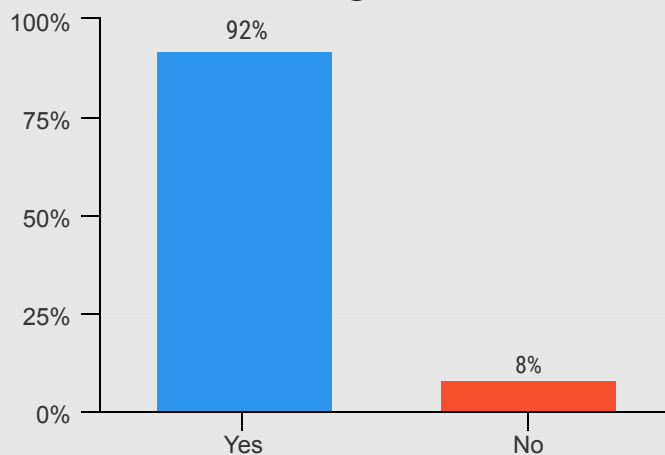
- *Pivot from specific service line campaigns to an overarching COVID response strategy. It's since migrated to opening back up and reassuring the public.*
- *More investment on digital marketing channels to boost e-commerce*
- *An increase in digital solutions...all solutions we were offering before, but now the options are more heavily weighted toward digital options of the same content and strategy*
- *We are using a much higher percentage of digital marketing efforts, increased SEM spend, and reducing production of printed materials, focusing on digital distribution.*
- *With covid our traditional marketing of webinars and events ceased and we focused on advocacy communications and supporting our online communities*
- *Shifted communications toward pandemic response: money is a core consumer need during this time, so maintaining and redesigning operations and then communicating changes have been a priority.*

Changing Marketing Tactics (Agencies)

Have Your Clients' Marketing Tactics Changed In Light Of The COVID-19 Situation?

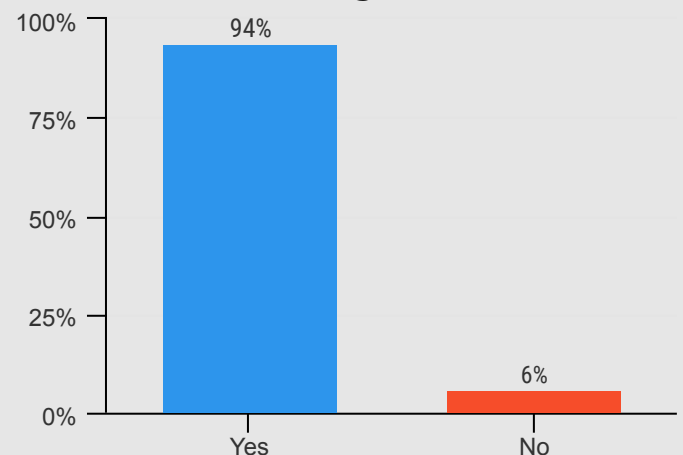
March 24th:

92% of Agencies say their clients have changed marketing tactics.



May 12th:

94% of Agencies say their clients have changed marketing tactics.



Highlights from agency open-ended comments relative to what changes they've made:

- *Messaging has changed from sales-oriented to support and supply chain reassurance.*
- *Messaging towards helping provide tools and resources more than in the past.*
- *Pivoting toward opportunities arising from the crisis*
- *Greater speed to market*
- *Some clients have pulled back, others have shifted to more strategic initiatives. All have used us to help them adapt tone & manner to address new sensitivities.*
- *Pivot to digital advertising/digital media*
- *Messaging has changed to focus on how they are working. For example, we have a brick and mortar client with a showroom. They are now offering virtual showroom experiences and private consulting for individuals to shop their products.*
- *Cautious. Short term projects. No long-term commitments.*

Changing Marketing Tactics

Implications

At first glance, the numbers stayed about the same since our first survey almost 8 weeks ago. Unsurprisingly, the vast majority of marketers had to change tactics, proceeding in the same way wasn't an option.

As we all know, those changes were essentially overnight, and absolutely jarring, but once agencies found their footing, we saw many examples of adapting and even thriving under these new changes. Those with strong digital chops, the ability to bring speed to market, and bringing appropriate and helpful messaging changes to clients saw dividends.

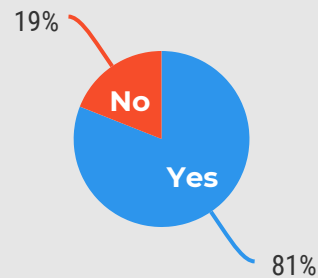
As mentioned previously, we're now moving into a new phase with gradual re-openings, and so we also move into a phase of potential new opportunities for agencies. Again, while future conditions are uncertain, keep that 68% of marketers with unchanged and/or increased spending intentions in mind.

Changing Marketing Tactics

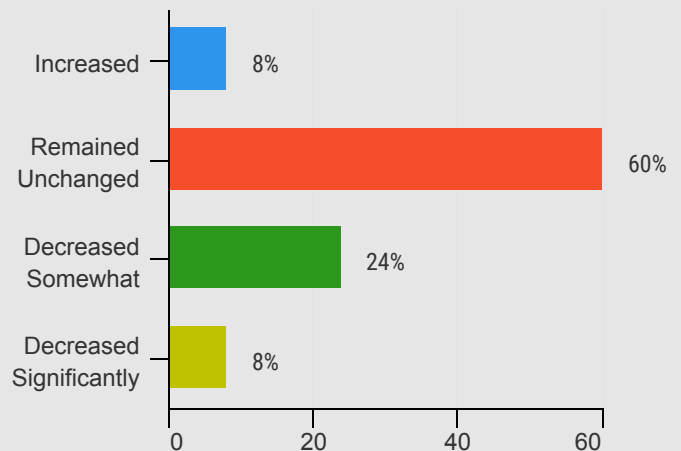
81% of marketers reported having an in-house agency and/or creative team.

Of those that do, 32% have decreased headcount significantly or somewhat and 60% said headcount remained unchanged.

Does your company have an in-house agency and/or creative team?



If yes, has their headcount...



Implications

What remains unchanged here: in-house isn't going away, and you'll have to work with them.

What also hasn't changed? There will always be a need and/or opportunity for your firm to fill in the inevitable gaps within those in-house agencies.

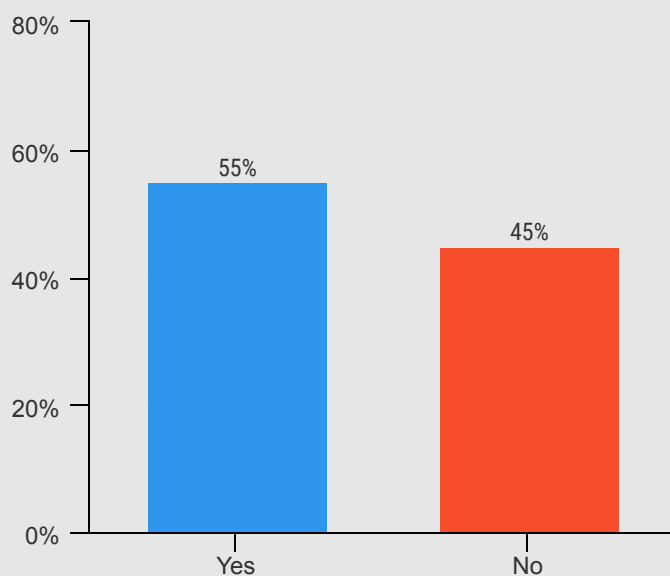
Lastly, while no one ever wants to see layoffs in our industry of any kind, those marketers who've decreased headcounts internally will now potentially have wider gaps to fill. If not now, then in the near future.

Impact On Agency New Business

Have you changed your agency's positioning/messaging when pursuing prospects?

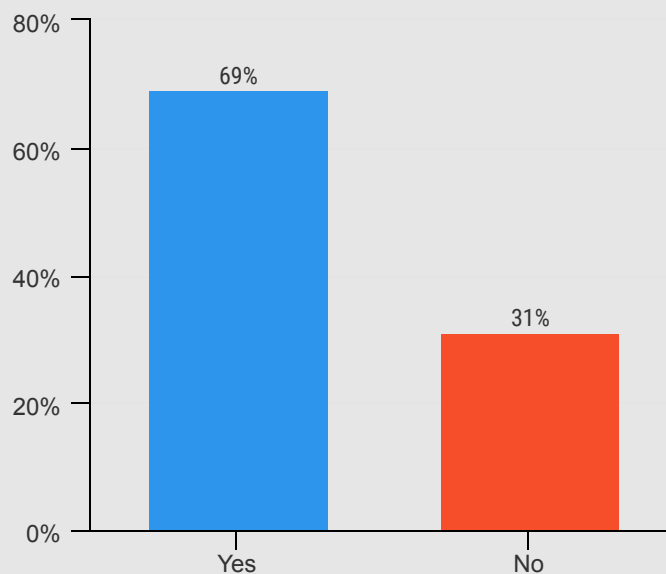
March 24th:

55% of Agencies say their positioning/messaging has changed at least somewhat.



May 12th:

69% of Agencies say their positioning/messaging has changed at least somewhat.



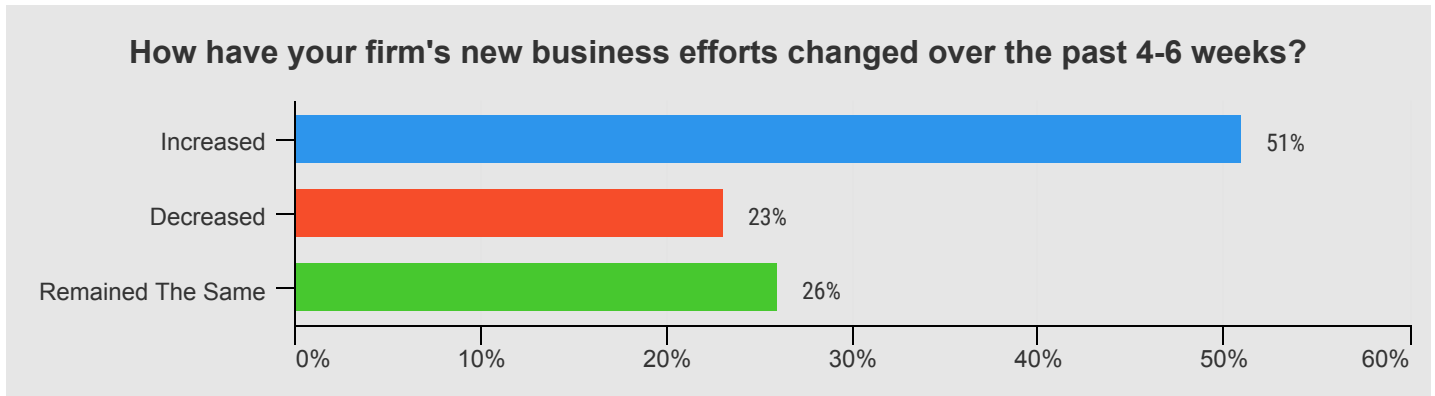
Implications

We mentioned in our previous report, agencies will have to make changes and remain as flexible as they can. It's not surprising to see a percentage increase here but is surprising that it's not at 100%. Messaging should have changed over the past 7 and 8 weeks as agencies reached out to prospects. We discuss this in our [3 Takeaways series](#): what was appropriate and effective messaging in week 1 and 2 of the lockdown, isn't at week 6, for example. By week 4, every agency was using words like unparalleled and uncertain, and so started to look like all the other agencies. Not only that, but continuing to use that language becomes insincere in the prospect's eyes and ultimately, is lazy writing/messaging.

Every agency should be evaluating their new business messaging on a weekly basis for the next several months. As states start to reopen and the country moves into a new phase, so should your messaging. You've acknowledged how tough it's been, and now it's time to start looking forward as you reach out to your prospects.

Impact On Agency New Business, cont'd

Over the past 4-6 weeks **51%** of firms somewhat or significantly increased new business activity.



Implications

To those 51%: your efforts will be rewarded if you remember new business is not a short-term proposition. And there are undoubtedly many of you in the 51% that are feeling some frustration in the process right about now-not seeing the new business come in. Remember, it's only been 7 or weeks-stay the course.

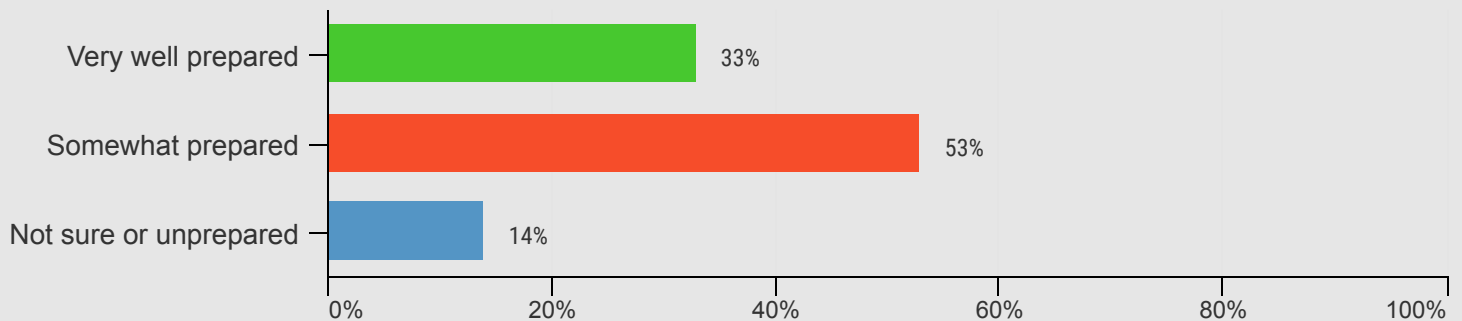
That doesn't mean you shouldn't review your process and make improvements if need be. We have a lot of resources at [rswus.com](https://www.rswus.com) that can help, and there are of course many excellent resources our colleagues provide. We have an ongoing list of them here: [COVID-19 Agency Resources](#).

II. Looking Ahead

The Immediate Future

67% of firms say they are somewhat prepared/unprepared to find and win new business as states begin to re-open.

As states begin to re-open, how prepared is your agency to find and win new business?



Implications

This stat is similar to one from our previous reports, where roughly 63% of agencies weren't satisfied with their new business program overall. Ideally, this stat will serve as a wakeup call for agencies. Unlike a good deal of your work for clients, where your control of deadlines and direction is driven by client changes and needs, your new business strategy is controlled entirely by you.

There's no need to get into dire warnings, because you know what needs to be done, it's just a matter of starting. If you already have a process in place, now is the time to review your messaging, cases studies and site. If you need help, we recently released "[A Guide To Help Agencies Drive New Business Through Better Case Studies](#)", which you can download at no cost. And we'll be releasing a similar guide on sites very soon.

If you have no plan, the time really is now. There are a lot of resources out there to guide you. We previously mentioned our COVID resources page [here](#) and our main resources page, [here](#), contain a wealth of information on how we work with agencies to drive new business, or to drive it internally.

Conclusion

Ideally you and your team have managed to weather these very surreal past two months.

As we've talked to firms, we've heard such a wide array of situations, with some worried they won't make it, to others actually doing better as they've gone through this.

While we as a country aren't stable yet, we are seeing this next phase happen and society begin to reopen.

The jarring shock has passed, and the uncertainty does make it harder to plan, but in regards to new business, don't take a wait and see attitude.

If you need to hire and can - do it.

If there's a new tool necessary to your strategy, invest in it if you're able.

Undoubtedly, some of your prospects aren't ready to commit right now, but they will be, which is why they need to be aware of your firm.

And many of your prospects are ready and will need your help, guidance and talent to re-enter or continue to navigate the economic situation.

As we said in our first COVID report, what's important now is action.

Show leadership, to your clients, prospects and employees.

Be realistic but strike a positive tone, there's still not enough of that out there.

And finally, in the following pages are addendums containing all the open-ended responses from our survey.



Addendum i: Marketer Responses

Please briefly describe how your marketing tactics/strategies have changed.

**Note: All responses are copied and pasted verbatim. None of the responses have been proofed for grammar or spelling.*

| | Responses |
|----|---|
| 1 | <i>pivot from specific service line campaigns to an overarching COVID response strategy. It's since migrated to opening back up and reassuring the public.</i> |
| 2 | <i>More investment on digital marketing channels to boost e-commerce</i> |
| 3 | <i>An increase in digital solutions...all solutions we were offering before, but now the options are more heavily weighted toward digital options of the same content and strategy</i> |
| 4 | <i>Webinars instead of face-to-face training, message pivot from product to industry and very focused messaging to current customers</i> |
| 5 | <i>Refocused monies to either save money or focus on essentials</i> |
| 6 | <i>Reduced discretionary spend and while focusing brand message on core values in line with new economics</i> |
| 7 | <i>while closed decreased advertising</i> |
| 8 | <i>Cut advertising expenditures to zero except emails.</i> |
| 9 | <i>focused to on line</i> |
| 10 | <i>We had to pull back all marketing as our industry shut down - For example: Facebook, Print & Google</i> |
| 11 | <i>We have focused on digital solutions like remoted deposit, online account opening, use of debit and credit cards.</i> |
| 12 | <i>We have gone to more virtual communications, more email engagement and more social media and social media videos</i> |
| 13 | <i>We are using a much higher percentage of digital marketing efforts, increased SEM spend, and reducing production of printed materials, focusing on digital distribution.</i> |
| 14 | <i>we are a trade group representing medical groups and systems. with covid our traditional marketing of webinars and events ceased and we focused on advocacy communications and supporting our online communities which were very active with information sharing.</i> |
| 15 | <i>Less money to spend - message changed to reflect curbside pick up</i> |
| 16 | <i>Focus on making patients feel safe to continue coming in for care because a lot of conditions simply can't wait</i> |
| 17 | <i>Highlighting the cleanability of our substrates</i> |
| 18 | <i>More webinars</i> |
| 19 | <i>focused more on certain product lines, increased email, PPC, content, and social marketing</i> |
| 20 | <i>We're promoting more electronic services and government advice and programs.</i> |
| 21 | <i>Shifted communications toward pandemic response: money is a core consumer need during this time, so maintaining and redesigning operations and then communicating changes have been a priority. PPP loans and mortgage payment deferral requests have also been a focus. Outreach marketing has shifted to thanking essential workers.</i> |
| 22 | <i>All our marketing efforts have been focused on educating patients about changes in provision of care and how to stay well.</i> |

Addendum ii: Agency Responses

Aside from any spending changes, briefly describe how your client's marketing approach has changed.

**Note: All responses are copied and pasted verbatim. None of the responses have been proofed for grammar or spelling.*

| | Response |
|----|---|
| 1 | <i>Messaging leads with empathy</i> |
| 2 | <i>Cancellation of in-person events and sales development. Very confused re-allocation to digital sales, generally better use of webinars but spotty attendance</i> |
| 3 | <i>Some clients are more interested in monitoring daily events and impact on their business via social listening tools.</i> |
| 4 | <i>A vast majority of our clients are in the Healthcare Insurance space. It is important to them to drive their target audience to seminars to learn about their plan options. Because this is not able to happen in our COVID world, we have designed virtual meetings so sales agents can speak to their potential members.</i> |
| 5 | <i>Messaging has changed to focus on how they are working. For example, we have a brick and mortar client with a showroom. They are now offering virtual showroom experiences and private consulting for individuals to shop their products.</i> |
| 6 | <i>Cautious. Short term projects. No long term commitments.</i> |
| 7 | <i>Pivot to digital advertising from trade show/ experiential</i> |
| 8 | <i>More helpful, less sales. Coming up with packages more relevant to the situation.</i> |
| 9 | <i>In the digital/experiential space, most work is on hold indefinitely. Retail and event work is being pushed to 2021.</i> |
| 10 | <i>1) Uncertainty about when and how market demand for them will change, either for the worse or back to better. 2) Concern about the perception of their ad messaging, e.g. appearing being tone deaf, etc.</i> |
| 11 | <i>Significant change in messaging strategy going from promoting and selling to either going dark to "we are in this together" messaging.</i> |
| 12 | <i>Realigning messaging to the realities of the marketplace.</i> |
| 13 | <i>Message has changed to address pandemic</i> |
| 14 | <i>Some clients have pulled back, others have shifted to more strategic initiatives. All have used us to help them adapt tone & manner to address new sensitivities.</i> |
| 15 | <i>Communications mostly adapted to COVID-19 issues; virtual communication</i> |
| 16 | <i>Some have pulled back completely while others have ramped up efforts.</i> |
| 17 | <i>Move to primarily digital and email.</i> |
| 18 | <i>Greater speed to market</i> |
| 19 | <i>They are simply on hold, doing as little as they can</i> |
| 20 | <i>pivoting toward opportunities arising from the crisis</i> |
| 21 | <i>Cancelling events that involve face-to-face interaction and any kind sale or in-store activity on the retail side.</i> |
| 22 | <i>Primarily reduction in media budget. Secondly a shift toward more digital media.</i> |
| 23 | <i>Keeping their customers and prospects up to date during the crisis on their websites and social media</i> |
| 24 | <i>Messaging towards helping provide tools and resources more than in the past.</i> |
| 25 | <i>More awareness of changing market conditions especially the pivot to online events and conferences</i> |
| 26 | <i>Messaging has changed from sales-oriented to support and supply chain reassurance.</i> |

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www.rswus.com

(513) 559-3101 | mark@rswus.com