

2020 DIGITAL MARKETING OPERATIONS BENCHMARKING INSIGHTS

Digital Resources, Processes and Technology

Digital's share of total marketing spend was already skyrocketing, but the pandemic had a major impact on both its trajectory and workload. Digital teams have met the challenges head-on, and there's more growth ahead. In a recent ANA survey, half of the respondents tagged their in-house agencies as their "most important" producers of new creative assets. And in an Adweek survey of senior-level marketers, 61% say they expect to increase usage of their in-house agencies in the next couple of years. The implications are clear: work for digital teams will only gain momentum. To meet that demand, teams need to be prepared with the right resources and flexible capabilities. We conducted a recent survey on the state of digital marketing among in-house agencies. Here are highlights of our findings.

Digital Teams Keep Rising to The Challenges

Sizing Things Up

Resources

70% report **higher work volumes** due to shifts in marketing priorities

60% of teams **remain the same size or larger** in 2020

Almost Half of teams **lack enough staff** for work demands (consultants and contingent talent included)

45% plan to **maintain or increase contingent staff/consulting spend** in 2021

What's Keeping Digital Leaders of In-House Agencies Up at Night?

In our survey, leaders identified these as their top three challenges right now.

Career pathing for self and staff

Adequate funding for staff

Gaining approval for technology spend

Processes

50% of teams lack a dedicated **project manager/producer** for digital/interactive work

Agile is primarily **happening in pockets** at the team level

Value

Top 4 ways internal clients say their in-house agencies drive value

cost efficiencies/savings
quality
brand knowledge
speed/fast turnarounds

Takeaway: Underscoring their importance, digital teams reported no staff cuts in 2020, but project volume is climbing. Strengthening processes is critical to support their value proposition.

Ramping Up

Social Media and Content Marketing

>50% listed **social media** and **content marketing** as the two primary channels where they have refocused efforts

Social media and content marketing tactics are really taking off. Again.

Social media is growing faster now than at the start of 2020. Roughly 51% of the world's population uses it, with over 1 million people added every day. That's **12 new users every second** — and the typical user is on almost 9 different platforms.

Source: We Are Social and Hootsuite

Trending Now

OVERALL DIGITAL MARKETING SPEND

↑13% digital spend forecasted for 2nd half of 2020 versus 2019

↑25% social media **↑20%** paid search

The Interactive Advertising Bureau

PAID SEARCH

↑38% search ad clicks spiked year-over-year in Q2

↓21% while cost per click fell

Merkle Digital Marketing Report Q2 2020

SOCIAL ADS

Facebook
↑4% spend **↑25%** impressions **↓17%** CMP

Instagram
↑39% spend **↑46%** impressions **↓10%** CMP

Merkle Digital Marketing Report Q2 2020

Finding Digital Rock Stars

As workloads and customer expectations climb, teams are redeploying resources and looking for **qualified digital talent** to fill their needs

Many noted a lack of qualified talent in these areas:

Digital Consultant - Technology (DAM, CRM, Workflow)
Digital Marketing/Project Manager
Front-End Developer

Marketing Automation Manager
Paid/SEO Specialist
SEO Analyst
User Experience Designer

Takeaway: Good enough is not enough. Our experience shows that great digital resources are at a premium. And digital strategies must be constantly revised to drive engagement and conversions. It's more important than ever to work with a partner who specializes in this area and finds you the very best resources, or will staff and manage an embedded digital team on your behalf.

Remote Work WORKS!

83% currently **work remotely**, with some teams partially returning to the office

90% say that remote working has led to **equal or greater productivity**

92% note **quality** has remained **on par** or **improved**

Takeaway: Time away from the office has been time well spent for in-house teams. Both quality and productivity have remained steady or improved. These striking outcomes raise in-house teams' level of confidence in remote workers, which opens the door to a much broader, national pool of quality digital talent.

Technology: Slow on the Uptake

The Hurdles
Digital teams report **funding** and **staying in step with advances** as their greatest technology hurdles

Adoption Lags for Emerging Tools
including:
Digital Asset Management
Marketing/Email Automation
Content Management Systems

2-Year Plan Targets Mature Technologies
such as:
Data Management Platform
Conversational Tools
Creative Management Platform
Dynamic Creative Optimization
Personalization Tools

Takeaway: Forrester Research has pulled back on its initial growth estimate for U.S. marketing technology investments, predicting a 26% decline in 2020. When expenditures pick up again, companies that continue to invest now — in the right technologies — will be a step ahead.

In-house agency and embedded digital teams continue to be of vital and growing importance to a company's success because of their cost efficiency, speed and brand knowledge. Engaging the right people with the right skills, and equipping them with the right technology, will be imperative in the months and years ahead.