# Market Guide for Global Digital Marketing Agencies

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Initiatives: Marketing Organization and Talent

> CMOs rely on global digital marketing agencies for strategic and executional support. Amid pressure to prove the value of agency investments, CMOs are taking a hard look at spending on their rosters and making changes. Use this research to assess which agencies are best suited to achieve your goals.

## Overview

### Key Findings

- Driven by budget pressure, significant business model changes, hiring challenges and a desire for new capabilities and innovative thinking, CMOs continue to reevaluate their agency rosters.

- CMOs spend, on average, 23.3% of their budgets across major resources on agency fees, making these partnerships some of the most consequential in achieving marketing success.

- CMOs tend to shortchange the agency selection process, and, through lack of ongoing performance evaluation, may stick with existing agencies long after the relationship has soured.

- The global digital marketing agency landscape is constantly in flux, and many agencies try to be "all things to all people," making it hard for marketers to find the right agency for their needs.

## Recommendations

- Evaluate business goals and the internal resources available to gain alignment from key brand, advertising, product and marketing stakeholders, as well as IT, sales and CX counterparts, on digital agency needs.

- Develop a transparent and conversational new agency search and ongoing performance evaluation process that allows agencies to understand your business goals and articulate how they can uniquely help you achieve those goals.

- Dedicate the time and resources to fully vet potential agency partners. A 12-week timeline is typically required to find the right agency, and milestones should include face-to-face (or virtual) briefing and chemistry sessions. Don't rely solely on agencies' written proposals and polished pitch presentations alone.

- Ask direct questions about agencies' current and planned use of generative AI (GenAI) tools, which have the potential to augment productivity and expand creativity, but also introduce risk.

# Market Definition

Gartner defines global digital agencies as service providers dedicated to developing and executing marketing strategies for global brands. These agencies bundle their strategic marketing services with an array of complementary offerings to support their clients' needs. An agency's particular combination of offerings and competitive strengths typically correlates to its roots as a traditional advertising, direct marketing or digital agency, or as a business consultancy or systems integrator.

# Market Description

The global digital marketing agencies market is vast, with tens of thousands of agencies globally, spanning from large, full-service firms profiled in this guide to myriad specialist and boutique agencies, both global and local. These firms typically sell to the CMO, but are increasingly finding business within the office of the CIO, chief sales officer, chief digital officer and other leaders.

Agencies in this market typically provide digital expertise and services, including:

- Marketing strategy

- Creative and content

- Digital marketing execution, including website, social media, email, mobile, app, paid search and digital advertising channels

- Marketing data, analytics, measurement and insights

- Marketing technology strategy and implementation, including GenAI strategy, testing and implementation

- Digital commerce and personalization

Providers in this market may also offer additional capabilities, including:

- Business consulting and transformation services

- Industry vertical expertise

- Marketing organizational design

- Product and service innovation

- Branding and traditional/offline advertising

- Media planning and buying

- Programmatic media

- Market research

- Public relations, events and promotions

In addition, CMOs should look for agencies that align with their organization's values and culture, including on issues related to diversity, equity and inclusion (DEI), societal issues and sustainability.

Marketing budgets are under pressure in many organizations. This pressure has driven the desire for more insourcing, while at the same time, the new talent environment has hindered organizations' execution of those aspirations due to hiring challenges. Therefore, your global digital marketing agency must be responsive and flexible to your needs to insource certain marketing activities, such as social marketing and creative production, and be supportive in helping you meet those objectives (see The State of Marketing Budget and Strategy in 2023 — Insights From the CMO Spend and Strategy Survey).

# Market Direction

The market for global digital marketing agencies remains steady, despite flat or declining marketing budgets. In 2023, CMOs reported spending 23.3% of their budgets on agency fees, down slightly from 2022. This doesn't include paid media, which accounts for another 25.6% of marketing budgets, and is often managed by agencies (see Figure 1).

Figure 1: Investments in Marketing's Major Resource Areas

**Investments in Marketing's Major Resource Areas**
Mean percentage shown
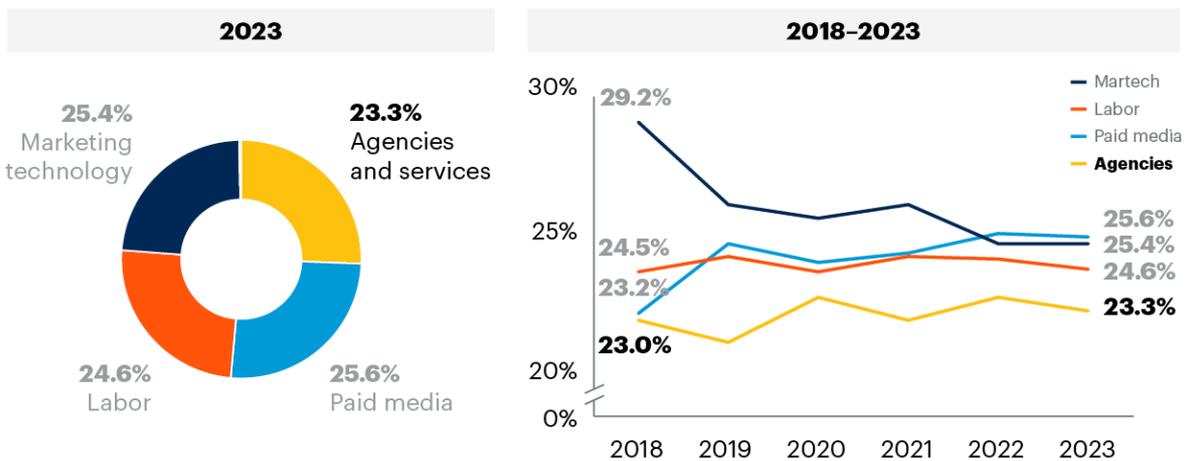


n = 409 CMOs; 405 (2022); 380 (2021); 420 (2020); 401 (2019); 605 (2018)

Q. How is your 2023 total marketing expense budget being allocated to, or spent on, each of the following major resource categories?
Source: 2023 Gartner CMO Spend and Strategy Survey
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Gartner.

Marketing technology (martech) leaders from our 2023 Gartner Marketing Technology Survey reported that the utilization of their organization's overall martech stack's capability was just 33% on average, marking a second consecutive year of decline. [1] In this context, as 75% of CMOs say they face pressure to cut martech investments, they often find agencies, especially those with strong technology practices, are nimble partners in helping them gain more value from existing tools or in consolidating the martech stack. [2] As the pace of technology advancement exploded in 2023, marketers often found counsel in their agency partners, who were testing and scaling tools like GenAI more rapidly than was occurring in-house.

Finally, while many marketers are back on track with their insourcing aspirations, which were slowed by the tight labor market of recent years, they continue to value the cross-industry, outside-in perspective that agencies bring to marketing strategies and creative. CMOs also tell us that good agencies often act as catalysts for cross-functional collaboration — a significant benefit, as marketers spend 17% more time collaborating on cross-functional initiatives than nonmarketers do. [3]

Thus, we see the market for global digital marketing agencies remaining steady through 2024.

## Market Analysis

### Agency Reviews Slow, but the Pressure Is on to Demonstrate Value

In 2021-2022, fundamental shifts in business models, such as moving to direct-to-consumer sales, spurred a reexamination of existing roster agency capabilities. This examination exposed gaps in incumbent agency capabilities and a subsequent surge in agency reviews. By mid-2023, this flurry of agency shuffling subsided as CMOs settled into new relationships with global digital marketing agencies.

CMOs' focus then turned to two areas of agency investment. First, we saw increased demand for brand strategy agencies to reenvision corporate identity and brand architecture (especially in the context of mergers and acquisitions activity), and second, strategic website design. While the agencies profiled in this Market Guide are often capable of brand strategy work, CMOs needing deep brand strategy work should first look to specialists with deep expertise (see Market Guide for Brand Strategy Agencies). Similarly, the global digital marketing agencies profiled here are fully capable of doing strategic website projects, but CMOs would be well served to review specialist agencies in that realm (see Market Guide for Strategic Website Agencies).

Despite finding themselves with a newly vetted and reenergized agency roster, CMOs still face pressure to cut costs and demonstrate the value of their agency investments. With procurement and finance teams increasingly involved in agency selection and management, we have seen a significant increase in agency scope-of-work-related inquiries. Many marketers and their procurement teams have implemented, or are considering, deliverable-based and project-based financial relationships with agencies with whom they previously had a primarily retainer-based relationship. While there are many benefits to more transparent agency costs, poorly implemented transitions to these models risk some of the strategic value of dedicated agency teams and should be approached cautiously.

## GenAI's Impact on the Agency-Client Relationship

A factor in the pressure to keep agency costs low in 2023 coincided with the rise of GenAI to the Peak of Inflated Expectations in Gartner's Hype Cycle for Digital Advertising, 2023. Unfortunately, this Hype Cycle positioning leaves GenAI on the precipice of the Trough of Disillusionment, where the work gets hard, resources and budgets are examined, and unexpected risks arise (see  Hype Cycle for Digital Advertising, 2023).
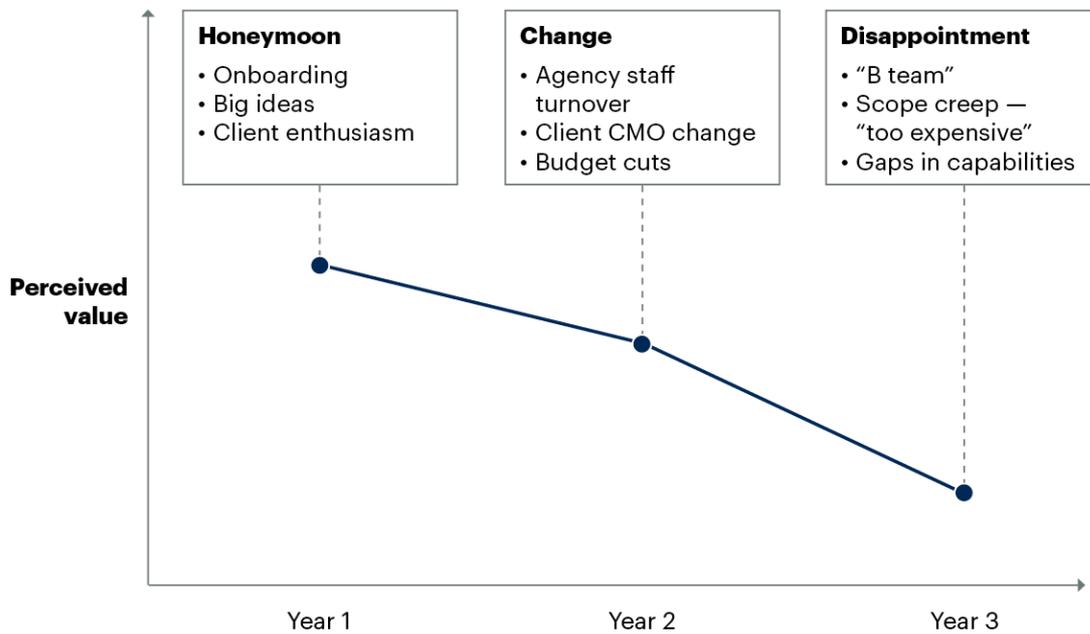
CMOs may be hearing from their C-suite peers that GenAI should immediately exert downward price pressure on agencies' creative fees. The reality is that GenAI is still at an early stage, and a methodical, test-and-learn approach with significant human participation is prudent — and may actually increase fees in the short term. CMOs largely tell us via inquiry that GenAI won't immediately affect agency spending; it raises expectations for the volume and quality of conceptual and executional agency work. GenAI holds the potential to deliver these benefits, but its use in the hands of external agencies introduces additional risk. To minimize risk and maximize benefits, CMOs must rapidly assess how their existing or potential agency partners are implementing GenAI tools and governing their use (see Quick Answer: What Should CMOs Ask Agencies About GenAI?).

## Agency Selection

If you're reading this Market Guide, chances are you're one of those CMOs who's still on the hunt for a new agency partner or to replace an incumbent. If so, then you must first examine what's not working in your existing relationship. You may relate to what we call the "three year itch" of a typical agency relationship (see Figure 2).

**Figure 2: The "Three Year Itch" of an Agency Relationship**

**The "Three Year Itch" of an Agency Relationship**
Illustrative



| Honeymoon | Change | Disappointment |
|---|---|---|
| • Onboarding<br>• Big ideas<br>• Client enthusiasm | • Agency staff turnover<br>• Client CMO change<br>• Budget cuts | • "B team"<br>• Scope creep — "too expensive"<br>• Gaps in capabilities |

Perceived value

Year 1 — Year 2 — Year 3

Source: Gartner
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Gartner

New agency relationships often start with a great deal of enthusiasm and energy — a honeymoon phase. After an exhausting selection process, you sign a dazzling new partner, hold an invigorating onboarding session, and kick off a new campaign. Then change sets in. As the months pass, your favorite agency account director leaves for another opportunity, your marketing team goes through a reorganization and budgets are cut. Before long, you feel like the agency is giving you its "B Team," which is running over budget, and you're starting to see gaps in capabilities that you missed on Day One. This disappointment leads to the search for yet another new agency.

This scenario is a common anecdotal refrain on Gartner inquiries, and our 2023 Gartner Marketing Talent Survey further quantified marketing employees' frustrations with agencies. Nearly three-quarters (72%) of marketers at the individual contributor or manager level said it takes a lot of effort to get work done through agencies, and 51% said agencies don't provide as much value as they should. [4]

Often, this decline in the relationship was inevitable, the result of a flawed selection process or a lack of proper management or engagement. To avoid this scenario (or at least minimize its probability), Gartner recommends following four key principles in agency selection (see Figure 3).

Figure 3: A Collaborative, Conversational Approach to Design Agency Search

**A Collaborative, Conversational Approach to Agency Search**

| **1** Gain Internal Alignment | **2** Pitch the Agencies Before They Pitch You | **3** Focus on the Problem, Not the Solution | **4** Get to Know the Agency |
|---|---|---|---|
| Before you start your search, meet with your CIO, sales and other stakeholders to be sure everyone is in agreement regarding agency outsourcing needs. | Get agencies excited about working with you — don't assume your business is desirable just because it's available. | When writing your request for proposal (RFP), keep the emphasis on your marketing problem — not on how to fix it. That's what the agency will do. | Choosing an agency is like a courtship. Set time aside for collaboration work sessions and briefings, not just one-way communications, so you can understand how the agency works. |

Source: Gartner
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Gartner.

Through a considered and conversational approach to agency selection, you can find the right agency partner, one worthy of the considerable portion of your marketing budget you'll spend with them. A more calculated agency search also ensures you reap the full benefits a good agency can deliver for your brand and your cross-functional initiatives, and will help you stay ahead of the competition in emerging opportunities presented by new technologies. For further details on this approach, see 4 Steps to Find the Right Agency.

## Representative Vendors

*The vendors listed in this Market Guide do not imply an exhaustive list. This section is intended to provide more understanding of the market and its offerings.*

### Vendor Selection

The agencies listed are representative of larger, global digital marketing agencies. They primarily serve enterprise organizations at a global or regional level. Use this list as a starting point as you explore selecting and evaluating global digital marketing agencies.

| Agency | Holding company |
|---|---|
| Accenture Song | Accenture |
| AKQA | WPP |
| Bounteous | Independent |
| Deloitte Digital | Deloitte |
| Dentsu Creative | dentsu |
| DEPT | Independent |
| Digitas | Publicis Groupe |
| Globant Create | Globant |
| Havas CX | Havas |
| Huge | Interpublic Group |
| iCrossing | Hearst |
| Kin + Carta | Independent |
| Merkle | dentsu |
| MRM | Interpublic Group |
| Ogilvy | WPP |
| Phaedon | Independent |
| R/GA | Interpublic Group |

| | |
|---|---|
| RAPP | Omnicom Group |
| VML | WPP |
| | |

Source: Gartner (February 2024)

## Vendor Profiles

### Accenture Song

Accenture Song provides scale and a breadth of solutions focused on driving growth, transforming the customer experience and enhancing customer relevance.

Song's capabilities span product design, customer growth, brand vision and purpose, creative, media, sales effectiveness, go-to-market strategy, and scaling omnichannel service, as covered by the following practices: Design & Digital Products, Marketing, Commerce, and Service. Leveraging Accenture's global investments in GenAI skill sets and partnerships, Accenture Song has embedded those capabilities into its services and has developed a suite of demos and assets. Its clients include B2C and B2B customer-facing practitioners in large global enterprises across industries such as healthcare, entertainment, retail and banking. Song has a global footprint, with 200 locations in 49 countries.

### AKQA

AKQA is a part of WPP and is known for its thought leadership and innovative use of emerging technologies.

Its client work focuses on designing and implementing transformative experiences, from vision and purpose to prototype, pilots and launch. In addition, AKQA offers its clients innovation as a service; the agency embeds user experience design and innovation strategy experts within a client's organization to create new business model concepts and prototypes. AKQA uses AI to augment human creative processes and improve customer experiences and has a diverse portfolio of AI-empowered campaigns. AKQA has 37 offices around the globe, with a strong presence in the U.S., the U.K., Europe and Asia/Pacific, including China. The latest studio opened in Los Angeles in 2023. AKQA clients tend to be global, forward-looking B2C brands across industries such as travel, technology and retail.

## Bounteous

Bounteous is a large, independent agency focused on helping clients create transformative customer experiences through innovation and technology.

Its approach to developing differentiated customer experience leverages a process it calls Digital Flow, part of its co-innovation methodology, which combines strategy and design with analytics and personalization. Bounteous works with client organizations to address talent, training, technology, and data barriers to achieve maximum returns on digital marketing. The agency has demonstrated capability in creative, particularly in emerging social media channels. Bounteous works with global clients across B2B and B2C; however, its resources are primarily based in North America and Asia/Pacific, with offices in the U.S., Europe, Canada, Mexico and India.

## Deloitte Digital

Deloitte Digital delivers strategic business consulting, technology expertise and established creative capabilities to help solve clients' digital transformation needs.

The agency draws on Deloitte's broader capabilities in supporting the culture, process and technology changes required to deepen customer experiences. Its investments in creative agencies and talent help deliver those experiences to global audiences through advertising, design, and marketing services capabilities, alongside product, commerce, service and experience innovation. Deloitte Digital uses GenAI to accelerate and augment client work and has developed proprietary platforms to help navigate security, ethics and risk. With 56 studios and more than 45,000 staff around the globe, the agency works with large global enterprises — B2C and B2B — in all industry sectors.

## Dentsu Creative

Dentsu Creative is the creative arm of dentsu, combining creative capabilities from prior dentsu agencies Isobar, 360i and mcgarrybowen.

The combined agency is known for blending a strong advertising heritage with technical and system integration capabilities. Isobar, for example, often competed with Accenture Song and Deloitte Digital for large-platform implementation and was an early pioneer in emerging technologies, like voice, gesture, augmented reality, virtual reality and AI. The agency is known for its commerce capabilities, helping its clients build direct-to-consumer (D2C) business models. It also has extensive work with gaming and virtual experiences. It has a global footprint with 9,000 team members in 72 offices across 46 markets. It has an especially robust presence in the Asia/Pacific region, and China specifically. Dentsu Creative's clients are global B2C and B2B brands within the automotive, consumer goods and luxury retail industries. It partners with dentsu agency Merkle to deliver data and analytics, and iProspect to deliver performance media to its clients.

## DEPT

DEPT is an independent agency backed by Carlyle and is known for its legacy of data-driven digital solutions. DEPT positions its creative approach at the intersection of marketing and technology.

Working with CMOs and CIOs, the agency helps its clients build out their digital business, including commerce solutions, digital products, services and campaigns. DEPT serves global clients in all major regions, but the majority of its over 30 locations are in North America and Western Europe. DEPT has grown from 2,500 to 4,000 people in the last year, primarily through the addition of five new agencies focused on creative, digital products, brand and experience design, and digital experience, including new offices in Asia/Pacific (Australia and India). DEPT has a suite of proprietary AI solutions and platforms to serve its clients, which include B2C and B2B brands within the technology, retail and commerce and financial services industries.

## Digitas

Digitas is part of Publicis Groupe and is known as a digitally-led full-service agency. It delivers end-to-end integrated solutions for its clients, connecting creative, strategy and innovation with data, media and technology.

The agency is aligned to Publicis Digital Experiences and its primary solutions hubs are organized by creative experiences, integrated media, addressable relationships, social marketing and total commerce. Digitas has a strong global presence, with over 5,500 full-time employees across 65 offices worldwide. More than half of its employees are based outside of North America and Western Europe. Digitas' clients tend to be B2C and B2B brands in the retail, financial services and consumer goods sectors.

## Globant Create

With the acquisition of global digital marketing agency Vertic in 2023, Globant, an IT service provider with revenue of $2 billion, launched Globant Create: a creative, marketing, advertising and digital media studio, largely built on Vertic's capabilities as a global digital marketing agency.

The agency's proprietary methodology, known as Share of Life, claims to deepen relationships between companies and their customers by weaving brands into their daily lives. Globant Create is known for its consultancy-level strategy focused on digital experiences and AI. The agency's blend of creativity and technology is now scaled through parent Globant and its capabilities. The agency's annual Global Corporate Website Index evaluates and ranks 300 corporate websites across 21 sectors through an assessment of user experience, relevancy and use of technology. Globant Create is headquartered in New York, with offices in 30 countries. Clients include B2B and B2C brands across industries.

## Havas CX

Havas CX is the Customer Experience Network within Havas. Havas CX provides marketers with a range of tools and research to help them plan, execute and optimize their marketing and CX strategies.

This approach is supported by proprietary capabilities such as its media experience toolset, insights from its annual Meaningful Brands study of over 1,800 global brands, and its X Index report on CX efficacy. Havas CX has an AI-powered online data and journey mapping capability, called Arcadia. Havas CX has a demonstrated commitment to social responsibility and sustainability through its Havas Impact+ program and has achieved B Corps Certification for five of its offices. The agency works with B2B and B2C brands in financial services, consumer goods, pharma and other industries. Havas CX has more than 1,800 employees in 26 offices supporting 19 countries.

## Huge

Huge is a part of Interpublic Group and offers productized services tied to client needs and business outcomes.

These services fall into three broad categories: growth, experience and technology enablement. Huge combines experience design principles with data, technology and creative capabilities to address its clients' business needs by developing meaningful brand experiences and new business models and products. Huge uses the Living Intelligence Value Engine, an AI platform for processing data, and an AI model called the Creative Capital Index to quantify creative growth potential. Huge has a global presence throughout Europe, Latin America and Asia/Pacific, but most of its work is executed in North America. Huge's clients are B2C and B2B large enterprise brands within the technology, consumer goods and financial services industries.

## iCrossing

iCrossing is a part of Hearst and is known for its heritage in digital performance marketing, with over 25 years of experience in those capabilities.

The agency continues to expand digital transformation programs with enterprise clients by building connected marketing and technology solutions that incorporate services like data-driven personalization, physical+digital (phydigtal) journey mapping, marketing-enabled sales amplification and GenAI digital workers. iCrossing's access to Hearst Data Studio allows it to use consumer insight from first-party data on millions of users who subscribe to Hearst digital properties. iCrossing also leverages its relationship with Hearst to focus on digital product, content and digital advertising to drive and optimize digital experiences and commerce. Its legacy in performance marketing and its mature approach to revenue optimization provides talent, tools and processes for media and commerce optimization. iCrossing has 19 offices worldwide with four key hubs and a nearshore and offshore model. Its clients range across B2B and B2C brands within the industrial, healthcare, retail, consumer packaged goods (CPG) and financial industries.

## Kin + Carta

Kin + Carta is an independent data, technology and digital transformation consultancy. Kin + Carta has achieved B Corp Certification.

The agency works with marketing and technology clients to leverage data to understand and optimize digital product and service design as well as the way customers experience those products and services at each touchpoint. Kin + Carta focuses on creating AI-driven applications to leverage data at scale. It also works to help clients address martech barriers to transformation and works with them to improve the employee experience to support digital transformation efforts. Kin + Carta has a demonstrated expertise in digital commerce strategy and execution. The agency works with B2B and B2C clients across industries, including agriculture, financial services and healthcare, and has 18 locations in North America, South America and Europe.

## Merkle

Merkle is part of dentsu and draws on its heritage in data-driven marketing to help clients deliver personalized CX, data transformation and digital commerce.

It leverages proprietary and first-party data, now enabled by its GenCX GenAI tool, to drive personalization at scale. The agency has a proven track record in helping clients shift to D2C models. Its Merkle B2B division provides global scale to B2B clients and is bolstered by the recent acquisition of Shift7, an agency focused on manufacturing. Merkle has depth of vertical industry capability, particularly in financial services, retail and healthcare. It works with large global enterprise and midmarket organizations, and often serves as part of an overarching dentsu solution, working closely with other agencies in that network. Merkle has over 50 offices around the globe, with a deeper presence in the Asia/Pacific region than many other agencies. It partners with Dentsu Creative to deliver creative services to its clients.

## MRM

MRM is part of Interpublic Group, and continues to evolve its relationship marketing offering, tied to driving business results.

The agency provides capabilities in consulting, CRM, commerce, martech and data science. The agency has significant experience with B2B clients in addition to B2C work across industries. Its MRM for Health division works with clients across the healthcare spectrum. MRM continues its commitment to internal DEI and sustainability while also helping clients advance in those areas. The agency has made ongoing investments in its commerce practice and has built distinct capabilities for D2C initiatives, online marketplaces (like Amazon), e-tailers and social commerce. MRM has a strong global scale, with offices in 30 countries across all regions.

## Ogilvy

Ogilvy is a part of WPP and is known for its creative heritage and the strength of its global network, which provides a full range of capabilities, including advertising, public relations and influencer marketing, under a single agency brand.

Founded in 1948, Ogilvy applies its legacy of "big idea" creative to current challenges to help clients center their brands and identify areas for innovation. The agency approaches technology as a foundation for providing differentiating and transformative creative strategies. It takes a holistic approach to digital commerce that encompasses the entire omnichannel customer experience, from prepurchase through postpurchase. Ogilvy has a comprehensive, worldwide footprint, with 131 offices in 93 countries. It has an especially strong presence in China and Latin America. Ogilvy's clients include B2B and B2C global enterprises within the consumer goods, technology and retail industries, while Ogilvy Health serves across the healthcare spectrum, particularly in pharma.

## Phaedon

Phaedon (formerly part of ICF Next) is an independent agency that combines consulting, technology and marketing services with a purpose-driven customer and employee experience focus.

The agency's strategy and insights capability combines creative with data to deliver brand strategy, CX and design, focusing on connecting organizations with their audiences. Its technology capability focuses on loyalty, CRM, experience and communications platforms. The agency also provides public relations agency capabilities in addition to its marketing capabilities. Phaedon works with clients on organizational change, training and governance. It works across a variety of industries, including consumer goods, travel and hospitality, financial services, healthcare, and retail. Phaedon is consolidating its office footprint to Minneapolis (headquarters) and Chicago, with the rest of the workforce operating remotely.

## R/GA

R/GA is a part of Interpublic Group and is known as a pioneer in digital innovation. Founded in 1977, the agency leverages its heritage in design, consultancy and technology to help brands deliver product innovation and strategic marketing programs that merge technology and creativity.

R/GA's core offerings focus on brand design, consulting, communication, technology, relationship design and product. The agency specializes in digital brand experiences, offering creative innovation as a service, sometimes in support of progressive client's in-house digital capabilities. Its Applied Intelligence Platform delivers AI-driven solutions at scale. R/GA has global offices covering North America, Latin America, Western Europe, and Asia/Pacific. Its clients tend to be B2C brands within the apparel, retail, sports and entertainment, hospitality, financial services, and technology industries.

## RAPP

RAPP is part of the Omnicom Group and serves as the cornerstone agency in the holding company's Omnicom Precision Marketing Group.

RAPP delivers data-driven marketing, technology and consulting capabilities through a process-driven approach to clients' business, which spans B2C and B2B marketers across industries. RAPP leverages proprietary tools, such as its adZU dynamic creative optimization capability, combined with consulting capabilities, such as its Credera division, to help clients orchestrate complex multichannel marketing, commerce and CX programs. RAPP has also demonstrated the ability to help clients transform their internal marketing structures and processes. It demonstrated its focus on DEI in the recent launch of Series R, a health equity accelerator program that helps address women's health issues. With offices in 18 global cities, RAPP works with large-enterprise clients in automotive, healthcare, retail and other industries.

## VML

In late 2023, WPP combined two of its flagship agencies, VMLY&R and Wunderman Thompson, to create VML, which operates with over 30,000 employees in 64 countries.

The merged agencies further consolidate WPP's agency holdings in an effort to provide the full spectrum of brand, creative, commerce and customer experience offerings. Prior to the merger, Wunderman Thompson focused on developing deeper digital commerce services and a depth of experience in B2B, while VMLY&R made significant strides in creative and CX. The combined agency serves enterprise clients across verticals, with a particular focus on automotive, healthcare and CPG.

# Market Recommendations

- Evaluate your existing agency roster and identify gaps in capabilities and chemistry. Make this evaluation in light of how shifts in your business model and goals may require new capabilities and ways of working. Bear in mind internal capabilities and aspirations to grow those capabilities.

- If a new agency is needed, gain internal perspective and alignment from your key brand, advertising, digital marketing and marketing operations leaders, as well as product, IT, sales and CX counterparts. Global digital marketing agencies increasingly work closely with these counterparts, not just the CMO's organization. By developing an internal agreement on what the organization needs, you're best able to calibrate the search team to find the right agency partner.

- Develop a transparent and conversational agency selection process. Follow four key principles to completing an effective agency search: gain internal alignment, pitch the agencies before they pitch you, focus on the problem (not the solution) and learn how the agency itself works.

- Develop a detailed and pragmatic timeline to find the right agency. Include opportunities for face-to-face (or virtual) briefing and chemistry sessions. Don't rely solely on agencies' written proposals and polished pitch presentations — understand how the agency thinks, how it responds to uncertainty and how your respective teams gel.

- If the new agency will be one of a roster of agencies, evaluate its demonstrated ability to work well with others. A new roster agency, particularly one in a lead role, should demonstrate a collaborative mindset, rather than a territorial one. Ask for specific examples of how the agency has led other agencies, or how it has successfully followed the direction of a lead agency.

- Ask the agency about its approach to, and experience with, emerging technologies, such as GenAI. C-suite peers are pressuring the organization to assess the effect of GenAI on the business. GenAI holds considerable potential, but also considerable risk. Assess how the agency currently uses and governs GenAI.

- Ask for, and speak with, client references for the agency. This isn't a check-the-box activity; asking open-ended questions ensures the relationship is going well and shows where there is opportunity for improvement. Yes, agencies will provide references they are confident will speak highly of their work, but by asking what could be improved, you're likely to receive more nuanced, critical feedback to inform your ultimate decision.

## Evidence

[1] **2023 Gartner Marketing Technology Survey.** This survey aimed to investigate the state of technology acquisition, adoption, and use, including best practices for managing the technology stack, specific technologies in use, and the degree of their adoption. It was conducted online from the end of May through June 2023. In total, 405 respondents were surveyed in their native languages across North America (n = 200), Western Europe (n = 173) and the Nordic region (n = 32). Qualifying organizations reported enterprisewide annual revenue for fiscal year 2022 of at least $100 million, with 80% of the respondents coming from organizations with $1 billion or more in annual revenue. The respondents came from a variety of industries: financial services (n = 39), insurance (n = 39), manufacturing (n = 41), consumer products (n = 38), retail (n = 39), travel and hospitality (n = 34), healthcare (n = 38), pharmaceuticals (n = 31), media (n = 34), tech products (n = 34), and IT & business services (n = 38). All the respondents were required to be senior decision-makers, where the majority of their daily responsibilities mostly aligned with either business- or IT-focused marketing. Sixty-two percent of respondents were aligned to the marketing function, 18% to brand management, 11% to product marketing and management, 9% to customer services, and 2% to IT or other business units.

[2] **2023 Gartner CMO Spend and Strategy Survey.** The purpose of this survey was to look at top-line marketing budgets and identify how evolving customer journeys, C-suite pressures and cost challenges impact marketing's strategies and spending priorities. The research was conducted online from March through April 2023 among 410 respondents in North America (n = 205) and Western/Northern Europe (n = 205). Respondents were required to be involved in decisions pertaining to setting or influencing marketing strategy and planning, as well as have involvement in aligning marketing budget/resources and/or lead cross-functional programs and strategies with marketing. Eighty percent of the respondents came from organizations with $1 billion or more in annual revenue. The respondents came from a variety of industries: financial services (n = 44), tech products (n = 39), manufacturing (n = 55), consumer products (n = 43), media (n = 41), retail (n = 45), healthcare (n = 34), pharma (n = 38), IT and business services (n = 34), and travel and hospitality (n = 37).

Disclaimer: The results of these studies do not represent global findings or the market as a whole, but reflect the sentiment of the respondents and companies surveyed.

[3] **2023 Gartner Marketing Cross-Functional Collaboration Survey.** This survey was administered in July and August 2023 and includes data from 329 marketing leaders and 78 leaders from other functions. These results represent leaders from the U.S. (n = 172), Canada (n = 41) and Europe (n = 194) who are involved in cross-functional initiatives at their organization. Respondents were required to be involved in executing at least one cross-functional initiative related to digital revenue growth, customer experience, customer data governance, business strategy planning, alignment of commercial functions or ways of working. Fifty-nine percent of the respondents came from organizations with over $2 billion or equivalent annual revenue. Respondents came from a wide variety of industries, including healthcare (n = 85), financial services (n = 70), manufacturing and natural resources (n = 49), travel and hospitality (n = 37), IT and business services (n = 36), technology products (n = 36), retail (n = 35), consumer products (n = 33), and media (n = 30). Respondents answered questions about their experiences with cross-functional collaboration, including approaches and barriers to collaboration, as well as their perceptions of talent-related issues and organizational change.

[4] **2023 Gartner Marketing Talent Survey.** This survey asked about marketing employees' experiences with collaboration, agencies and technology, career development, and organizational changes. It was administered in August and September 2023 and included data from 627 marketing employees, including 457 individual contributors and 170 managers. These results represented marketers from the U.S. (n = 291), Europe (n = 256) and Canada (n = 80). Respondents were required to be full-time employees working in the marketing function at an organization with at least $100 million or equivalent in annual revenue. Forty-five percent of the respondents came from organizations with over $2 billion or equivalent in annual revenue. Respondents came from a wide variety of industries, including travel and hospitality (n = 82), retail (n = 77), IT and business services (n = 62), technology products (n = 59), manufacturing and natural resources (n = 57), media (n = 51), healthcare (n = 45), financial services (n = 44), and consumer products (n = 44).

## Note 1: Gartner's Initial Market Coverage

This Market Guide provides Gartner's initial coverage of the market and focuses on the market definition, rationale for the market and market dynamics. The agencies covered in this research are representative of the larger market, and do not represent a comprehensive list.

## Document Revision History

Market Guide for Global Digital Marketing Agencies - 6 June 2022

## Recommended by the Authors

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4 Steps to Find the Right Agency

Tool: RFI Template for Marketing Agencies

Develop Balanced Scorecards to Evaluate and Optimize Agency Relationships

Tool: Marketing Agency Scorecard Templates

The CMO's Guide to Maximizing Agency Relationships