

ICOM global survey: Mid-size advertising, Marcomm agencies optimistic

ROLLINSVILLE, US: Business is looking a lot better for mid-size advertising and integrated marketing communications agencies the world over, according to a survey of the members of the ICOM global network of independent agencies (www.icomagencies.com).



ICOM polled its members located in more than 50 countries and territories about several economy and business-related topics. These included their outlook for 2011, whether clients' budgets are expected to grow and, if so, in what areas, and what they have learned from the last few years of tough economies in many countries. (Respondents in eight countries, mainly Latin America, said their countries were never officially in a recession.)

Responses came from [agencies](#) in 28 countries from all regions of the world, Asia/Pacific, EMEA, Latin America and North America.



Linda Gonzalez, president, ViVA Partnership/ICOM, a Miami-based agency specializing in Hispanic and multicultural marketing communications, reflects the comments of many agencies in the ICOM network when she says, "We are far more integrated than ever before. We focus on core strengths that we didn't focus on previously (in our case, on market research and digital marketing), and we encourage collaboration with other agencies."

Only one agency responding to the survey, Veinte Segundos/ICOM, Madrid, reported its outlook to be worse about business in general compared to a year ago. Agencies in 24 other countries reported "better" and three said "the same."

Outlook reflects rising optimism among clients

As might be expected, their outlook reflects rising optimism among their clients. Agencies in 20 countries said their clients have higher budgets for 2011 than in 2010, while only three said "lower", and four said "the same." Agencies in 15 countries expect client budgets to be 10% or higher, while four expect budget growth between 1% and 10%.

Not surprisingly, all but one agency said they expected strong growth in all aspects of digital, including microsites, mobile, e-mail direct marketing, search and social media. Many cited a growth rate expected to be well into double digits; agencies in 16 countries cited public relations as an area of strong growth; 15, radio/TV; 13, below-the-line (promotion, collateral); 13, events/trade shows; and 13, direct marketing. Other areas mentioned in descending order were; traditional print; in-store; out-of-home.

When agencies were asked: "Related to the economic climate, what is the most important thing you have learned from the past few years for your business," several common themes emerged. Agencies said they learned the importance of the following:

- Providing real ROI and value and making very targeted recommendations;
- Working harder to get results for clients even though many are spending less;
- Implementing strict cost control while increasing service and offering diversified, integrated services;
- Greatly expanding digital capabilities;

- Reacting fast and being extremely flexible.

As a result, some agencies have already made changes in the way they do business, and others are just starting. Agencies are offering more diversified yet integrated services, greatly increasing their digital capabilities including adding staff,

cross-training staff to wear multiple hats, focusing on measurable results, stepping up accountability, reacting more quickly and choosing clients and projects more carefully.

A 'tough time'

"It's been a tough time for many ICOM members," said ICOM executive director Gary Burandt. "Most have had to down-size and move into digital marketing sooner than they anticipated. Neither was easy. However, most now say they wished they had done it earlier as they now feel better positioned for the future. The recession was the catalyst to do what they've been putting off.

"Interestingly, the number of independent agencies around the world inquiring about ICOM membership has never been greater. I think these agencies understand they can get the resources and beneficial connections of a multinational network without losing their independence."

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