

HOW TO BUILD THE AGENCY OF THE FUTURE



**STRATEGIES, STAFFING AND
RESOURCES TO HELP YOU THRIVE**

Our industry's driving trend: true digital integration

In the past, we had four primary advertising media outlets: TV, radio, print and outdoor. In PR, we had a handful of tactics including press releases, press conferences, branded events, feature stories and political advocacy. But the digital era has generated practically 400 new forms of content. From a series of emails, microsites, web videos, pay-per-click ads, and SEO to dozens of social sites, podcasts, eBooks, blogs and virtual reality.

New digital work cannot be a separate channel—it must be seamlessly integrated into your traditional media to make the entire campaign more interactive, effective and valuable. We call this true integration—and it is becoming vital for success in any agency environment. Which means you must have experts managing your content and supervising all channels.

Also, our sole focus cannot be on brands or media. The agency of the future will also be built around clients, consumers and influencers—and their unique needs. Plus, clients will hold you more accountable to produce results in terms of sales or response rates. This means you'll need to use data and technology to measure your work to tangible results.

**The equation for success has changed dramatically.
So, if your agency cannot adapt, you risk failure.**

How client budgets are rapidly shifting

ESSENTIAL FACTS TO CONSIDER:

—Digital marketing is on track for an 11% annual growth rate between 2016 and 2021— with the biggest growth occurring in online video

—Investment in paid search, display advertising, social media advertising, online video ads and email marketing is predicted to account for 46% of all marketing budgets by 2021.

—Even "broad luxury" products (E.g., cars, cosmetics and perfumes), which typically focus on print, are now spending higher amounts on digital advertising.

Indeed, clients are moving away from an “agency of record” where one firm manages all creative and media. To effectively serve clients, more agencies are partnering with specialists in digital services, data analysis, and integrated shops focused on CRM and media. So, for your agency, strategic partnerships may need to become part of the formula to help you compete.



Is your agency prepared for true integration?

This “digital disruption” will only continue. In fact, marketing technologies and automation are proving effective for generating the best results (e.g., email marketing, organic search, social media marketing and content marketing). Does your team have the talent to generate rich and relevant content? Can you manage seamless integration with traditional media?

If not...you're not alone. Most PR and advocacy firms are simply not skilled at developing content. Yet, the agencies that won't adapt will undoubtedly fail. (Actually, we believe the agency of the future may not even be called “a PR agency” or an “Advertising agency”.)

Agencies that now have true integrated services:

R/GA – Now in its 5th business model, R/GA is *the* successful integrated services firm. It creates products, digital services, social, mobile campaigns, TV commercials and even motion graphics.

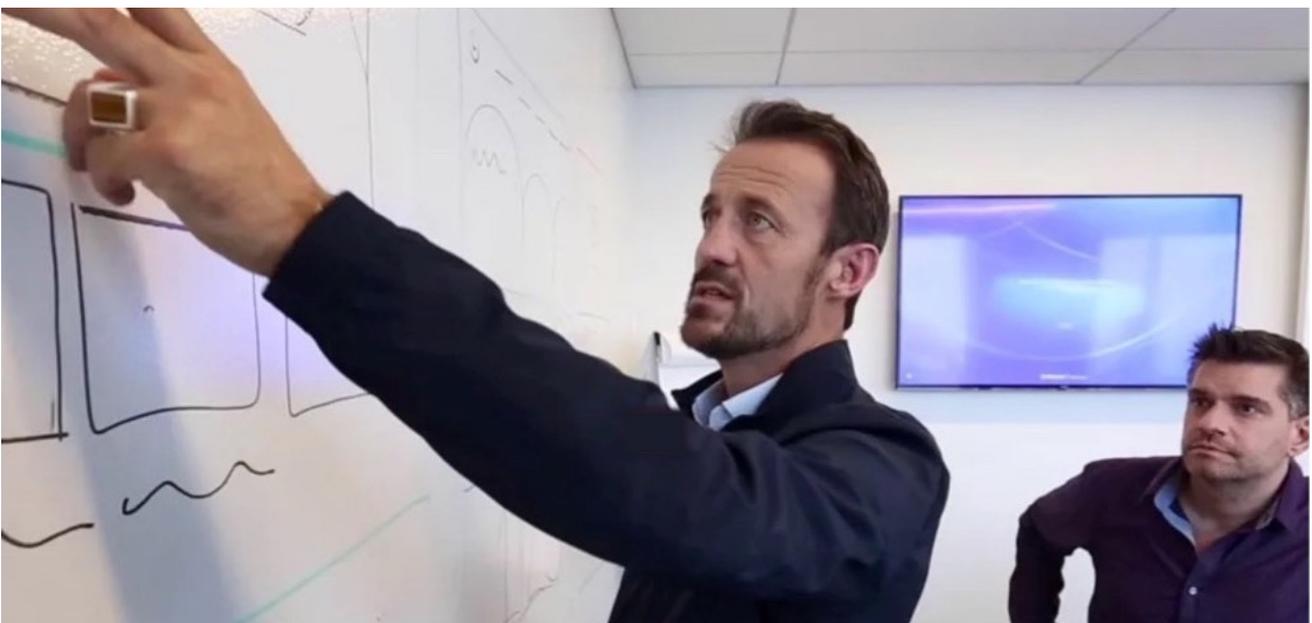
Weber Shandwick (*PRWeek's* Agency of the Year) – this firm has developed much more dimension to its business model. They've emerged as leaders in content marketing and social.

Edelman – this firm cultivated content and social. It has an entertainment arm. Plus, it formed United Entertainment Group to focus on entertainment, sports and experiential, including video production.

Golin PR – this agency focused its efforts on “g4” —grouping teams around four skill-based categories putting content, creativity, data, and analytics at the center of the firm's offerings.

The Prosper Group suggested process

- Identify key resources and services to help you grow
- Develop digital services that are desirable & profitable
- Assess what role technology will play and implement it
- Attract and retain vital talent to help the agency thrive
- Empower your leaders and staff with effective direction
- Achieve true integration in all digital & traditional media
- Help you build the agency of the future—and thrive
- Generate greater value for the agency down the road



Essentials for building the agency of the future

Most likely, your agency has a solid brand proposition. Yet, in addition to your traditional services, you must evolve your capabilities to be more forward thinking. So we recommend these vital areas for development.

1) Your agency must demonstrate relevance and expertise. You must embrace new trends and technology. Leaders must have digital acumen. Plus, it helps to have a niche to stand out from competitors, such as expertise in mobile advertising, pay per click ads or web data research.

2) You must cultivate top industry talent to lead your agency. Talent is the lifeblood of your firm. So, you must recruit, hire and retain talent working on technology's cutting edge. There are many services you should be offering that are growing and profitable. Without modern, robust skills, your firm will be dead in the water.

3) You must nurture an environment for talent to grow. Young people today are not loyal to employers. Millennials are highly mobile and fickle. And they won't stay if the culture is not nurturing and rewarding. So, you must build a positive, open and collaborative environment to retain them.

4) You must adopt new processes to realize true integration. Before the web, marketing was one-way communication. We'd deliver messages to audiences via media. Now engagement is king, and people want a *dialogue* with brands. So, you must build platforms that engage audiences and optimize them with existing media.

Capitalize on our industry's blurred boundaries

The old boundaries between agency disciplines have eroded. PR, digital marketing, SEO, content, analytics and SEO all used to be performed in silos. Now, all must be truly integrated to produce engaged customers and better results. This presents your agency with a tremendous opportunity for growth. Yet, you need to evolve your processes and mindset in order to build the agency of the future.

How to augment your capabilities:

—Build flexible relationships with strategic partners to optimize the effectiveness of each campaign

—Focus on delivering value, not low prices. Then you can engage senior talent and foster big ideas

—Embrace new trends and technology to connect your clients to their audiences in bold, new ways

—Adapt your new business process to include a range of digital services and strategic partners

—Manage this cultural change with an open dialogue. Some may resist—others may fight for control

Cultivating your dream team for tomorrow

The agency of the future has many vital, new roles. Determining which roles to fill depends upon your vision for the firm. The overarching question is: "Should I build, buy, partner or outsource?" Well, it all depends upon your goals. Then, filling the appropriate roles will help you build truly integrated services that are efficient and effective.

NEW ROLES IN MODERN AGENCIES:

Integration Managers: people who ensure messaging is consistent across all channels

Digital Project Managers: experts in productivity, time management, apps and technology

Content Strategists: web gurus who complement traditional copywriter / art director teams

UX / UI Designers: web experts who ensure a positive user experience and interface

Data Researchers: pros who can help your agency plan a website & campaign accordingly

Web Data Analysts: IT experts who monitor and track performance of trends & websites

How agency teams are working in the digital era

You must remember agency teams work together much differently today. So, you must adapt your firm's processes, too. For example, collaboration is king, so we must change your workflow to foster teamwork.

Also, strategic partnerships may be significant part of the mix for success. This new blend of talent will help your agency build synergy among all forms of media: paid, earned, shared and owned.



Strategies to maximize your campaigns



- Tap a wide pool of talent to offer clients broader services (E.g., writing, design, content, video, analytics and mobile)
- Integrate content marketing into each brand strategy for greater awareness and reach
- Engage with your clients' audiences across ALL channels with a consistent brand message
- Stop speaking to stakeholders and start engaging with stakeholders
- Monitor all systems proactively to troubleshoot potential issues

Ready to transform your agency for tomorrow?



LET'S CONNECT

Prosper Group can guide your resources, maximize your agency's value and help you achieve true integration. Our team will lead your agency into the future. After all, we've helped many firms evolve and prosper, and we'd love to help you, too. Call a partner now for a complimentary consultation.

DOUG BAXTER, Digital Leader
Doug@ProsperGroup.net |
310.430.6938

ALEX HALBUR, Managing Partner
Alex@ProsperGroup.net |
310.936.3774

DAVID BOSSES, CFO M&A Leader
David@ProsperGroup.net |
917.543.8839

ProsperGroup.net

About Prosper Group



Our team has the experience to grow your agency and maximize its value. Each partner here has owned, managed and bought / sold a successful agency. So, we understand the challenges you're facing. Together, we can solve your most pressing problems. Propel agency performance. Knock down the barriers to growth. And help your agency become a more valuable asset. Then, you'll have more viable options later on to capitalize on your life's work.

After all, your firm is a means to an end. Improving and selling it for a premium price is the key to securing your future. Yet, unlike many M&A firms, we won't rush you into a sale. We'll carefully consider your financial goals and personal needs. Then, we'll map out the best path for *you*. We hope that we can become your partners for prosperity.

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