

Agency Scope Insights: Digital budget in Spain increases by 7% exceeding ATL



By [Johanna McDowell](#)

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Scopen has concluded the 22nd edition of Agency Scope in Spain, now celebrating 42 years of existence in the country. The fieldwork for this edition was carried out between March and October 2020. More than 1,300 interviews were conducted with an increased sample of marketing professionals.



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Of those marketing professionals interviewed, 43% work for foreign multinationals, 33% for national companies, and 24% for Spanish multinationals. Most of them are companies in the services sector (44%), followed by Fast Moving Consumer Goods (32%) and Durable Consumption Goods (17%).

On this occasion, in addition to the usual quantitative research, a qualitative element was included, with the aim of improving strategic conclusions that help subscribing agencies to make decisions for their companies and strengthen relationships with their clients.

Covid-19 taken into consideration

It is important to highlight the context of the sector in which the field work has been undertaken, which is marked by an economic situation affected by Covid-19. This has resulted in a general review of budgets, a new "short term" and an acceleration of ecommerce. The consumer is more important than ever and about whom we have more available data. Plus there is a desire to accelerate the transformation of brands and businesses.

In Spain, marketers spend an average of 3.5% of their turnover on the communication/marketing/advertising budget. Forty percent (40%) of the budget is allocated to ATL and 18% to BTL. Spain is the third of the 12 countries analysed by Agency Scope with the largest budget dedicated to digital, a figure that has grown, once again, more than seven percentage points in the last two years (2018 = 35% and 2020 = 42%), already surpassing the investment of the other disciplines.

The highest percentages are found in Brazil (52%) and China (50%) and other studies indicate similar percentages in the United Kingdom and the United States.



Agency Scope Insights: Agencies in Brazil contribute 60% to marketer's business growth

Johanna McDowell 31 Dec 2020



In this edition, we have analysed in greater depth how advertisers work with digital, and the largest spend goes to paid media (27%), followed by media and influencers (26%), SEO/SEM (20%), programmatic (14%), e-commerce/marketplaces (4%) and digital CRM (4%).

Each marketing manager works, in Spain, with an average of six agencies who solve their communication, advertising and marketing needs, with advertising agencies and digital platforms collaborating the most with marketers (followed by digital agencies, media agencies, BTL agencies and consultants).

In Spain there is no desire to integrate all communication services into the same agency as was found in previous editions, and in several other countries where the study is carried out. Currently, 72% of the Spanish advertisers interviewed say they work with agencies specialised in the different disciplines (Advertising, BTL and Digital) and 27% work with integrated agencies.

Choosing an agency

When it comes to selecting a new creative or media agency to work with, marketing managers mostly use pitches (76% of the cases). Only 11% decide through workshops (working meetings with the teams of the possible agencies). In 48% of the cases, procurement is involved in the selection process. At an international level, the United Kingdom leads the selection of creative agencies through pitches with 95% of the processes decided by this system (with a 70% involvement of procurement).

Among the main criteria to select a creative agency to work with, we find Creativity, the Agency Team, Strategic Planning and Digital Capacity; and for media agencies, Transparency, Negotiation and Purchase, Strategic Planning, the Agency Team and Digital Capacity.

The most mentioned attributes by marketing managers when defining a creative agency as 'ideal', broadly grouped are: Data and Strategy, Creativity and Innovation, and Service. In the case of media agencies, Service would appear in the first position, and Data/Strategy and Creativity/Innovation would complete the first three positions.

Currently, the average duration of the relationship with creative agencies is 4.3 years (5.1 in 2018) and 4.8 years in the case of media agencies (5.3 in 2018). Portugal is the leading market in terms of duration of relationships with 5.4 and 6.9 years respectively.

Marketers consider that creative agencies contribute to their business growth by 24% (23%, media agencies). In both cases, independent agencies obtain higher scores than those belonging to international groups.

Ninety-two percent (92%) of marketers in Spain declare they are satisfied with the service they receive from their agencies. In the few cases where the possibility of change arises, the Temporary reasons (such as termination of the contract) are the first mentioned for both creative agencies and media agencies, followed by Economic Aspects/Optimization (in creative ones), and the Service (in media agencies).

Challenges to face in the near future

The main anticipated challenges that marketers mention for their own companies are better consumer knowledge, their differentiation from competitors and a greater digital investment. At the same time, the challenges that stand out for their creative agencies are reinforcing creativity and innovation, greater digital investment and differentiation from competitors and for media agencies they mention above all improving consumer knowledge, followed by differentiation from competitors and greater digital investment.

When marketers were asked for the way they believed that Covid-19 would change their relationship with their agencies, 32% think that nothing will change and 26% speak of a less frequent face-to-face relationship (more teleworking and video calls).

Festivals and Awards

In this edition, in which the Covid-19 situation has prevented the celebration of some of the most important festivals and, therefore, the marketing that contributed to the awareness of them, there have been less mentions of all of them. However, 71% of those interviewed, value festivals and awards in the sector. Premios Eficacia (40.7%), Cannes Lions Festival (23.0%) and the El Sol Festival (16.7%) are the most valued by marketing managers in Spain.

Most admired professionals

Regarding marketers that are most admired by their colleagues, Cristina Burzako (Movistar), Gonzalo Saiz (Bankinter) and Eva Pavo (Correos) are the most mentioned. Mónica Moro (McCann), Pancho Cassis (David) and Rafa Antón (China) are the highest valued creative agency professionals; and Rafael Urbano (Ymedia Wink), Óscar Dorda (Arena Media), Celia Caño (Equmedia) and Cristina Rey (Carat) are, the most recognised among media agency professionals.

Leading brands

Bankinter, Estrella Damm and Netflix are the brands that stand out the most for the campaigns they have carried out over the past two years.

The campaigns most remembered in this edition are: El dinero como lo ves tú from Bankinter, Alma from Estrella Damm, Tenemos que vernos más from Ruavieja, Ahora más que nunca from Mahou, Aprendemos juntos de BBVA and Ahora toca calle from Netflix. Coca-Cola is once again the most admired company for its marketing, followed by IKEA and Nike.

Agencies that stand out

Awareness of agencies begins with spontaneous knowledge that is the result of the history and trajectory of the agencies in the market and the experience that those interviewed have had with them in the past. Currently, marketers in Spain mention an average of 7.3 different creative agencies (in the last edition there were 7.1) and 5.4 media agencies (4.6 in 2018). Among creative agencies, McCann is, again, the most spontaneously remembered agency followed by Sra. Rushmore and Ogilvy. In the case of media agencies, at the first three positions in the ranking we find Havas Media, Carat and OMD.

If we take into account the mentions for creativity (original and effective), Sra. Rushmore once again leads the ranking,

followed by McCann and El Ruso de Rocky.

Exemplary agencies are those that are close to the 'ideal' agency and are influenced by the satisfaction of the interviewees with the agencies they currently work with or have worked with in the past. Among the creatives we find again, as we did in the previous edition: McCann, Sra. Rushmore and Ogilvy. Among the media agencies: Ymedia Wink, Havas Media and Carat.

Attraction is defined by the inclination to include the agency in a short list of three. Sra. Rushmore, McCann and LOLA Mullenlowe occupy the first positions among creative agencies and Havas Media, Carat and OMD do it, among media agencies.

To analyse the image of each agency in the market, each of the professionals interviewed is asked to assess the agencies they know (even if only by name) according to a series of attributes related to the services provided. Each attribute has a weighting (depending on the importance that advertisers give it), thanks to which the Market Perception ranking is drawn up. McCann, Ogilvy and Sra. Rushmore lead this ranking as creative agencies, and Havas Media, Carat and Zenith do so on the media side.

Regarding the Overall Client Satisfaction Rating, the highest scores among the creative ones are obtained by Circus Media Monks, & Rosas and Darwin SocialNoise and among the media agencies, IKI Media, Infinity and t2ó.

When agency professionals are responding, those that stand out, among the creative agencies McCann, DDB and Pixel & Pixel and among the media agencies, Spark Foundry, Ymedia Wink and Zenith.

César Vacchiano, president and CEO of Scopen, says: "Covid-19 has accelerated many necessary changes in the relationships between marketers and their agencies. Response and execution times have increased, agencies have had the opportunity to be more proactive than ever and been able to propose new ideas to their clients, without prior briefings, and in new areas. They have had a unique opportunity to highlight their talent and capabilities, showing that they are the partner that can contribute the most to the transformation of brands and businesses, and in a very important way, promote the growth of companies. Marketers have noticed this and that is the reason why we find better results".

ABOUT JOHANNA MCDOWELL

MD of the Independent Agency Search and Selection Company (IAS), and partner in Scopen Africa, with a background that includes being on both the agency and the client side of the fence, Johanna McDowell is well-placed to offer commentary on marketing and advertising in the South African and international contexts. She built her career in marketing and advertising since 1974, holding directorship in both SA and British advertising agencies. She was MD of Grey Phillips Advertising in 1988.

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