



# Q2 2017 Agency Insight Survey

Uncertainty Sweeps Madison Avenue  
As Budgets Decrease

## Strata Advertising Agency Survey: Uncertainty Sweeps Madison Avenue As Budgets Decrease

*-- 2017 Outlook Turns Negative for Growth After  
Optimistic 1st Quarter --*

CHICAGO (August 29, 2017) – A second quarter survey conducted by Strata, the leader in advertising software, found the number of advertising agencies anticipating slower growth in the second half of 2017 compared to the first half increased by 158% from the previous quarter. 41% said winning new business is their main concern, while 23% reported client spending as their biggest concern. 66% of agencies expect their budgets to stay the same or decrease, while 28% expect an increase. Only 25% anticipated the need to expand staff, a 35% decrease compared to the previous quarter.

“The advertising economy quarterly results, at first glance, are pretty bleak. However, when put in perspective, 2016 was a banner year with the US Elections and the Olympics. Even without general economic uncertainty it would be difficult to sustain that type of growth,” said Judd Rubin, Senior Vice President at Strata.

When it comes to projected platform use, social media has seen a shakeup. Facebook remains perched on top with 97% of agencies intending to use it, but Instagram’s projected usage has risen to 64%. YouTube has fallen to 3rd at 60%, and Twitter remains in 4th with 38%.

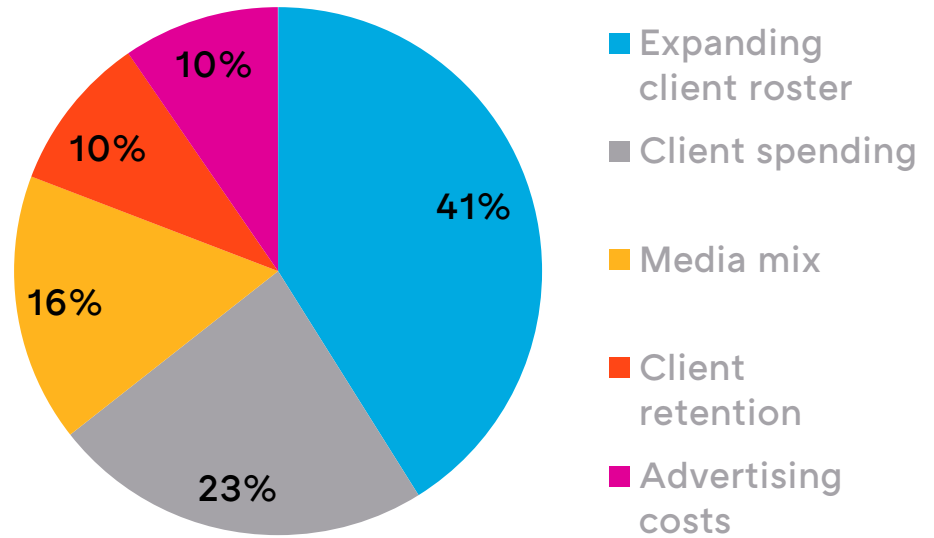


In spite of these shifts, ad spend on social media has not moved significantly. While 22% of agencies allocate 11-25% of their budgets on social, 74% plan to spend less than 10%.

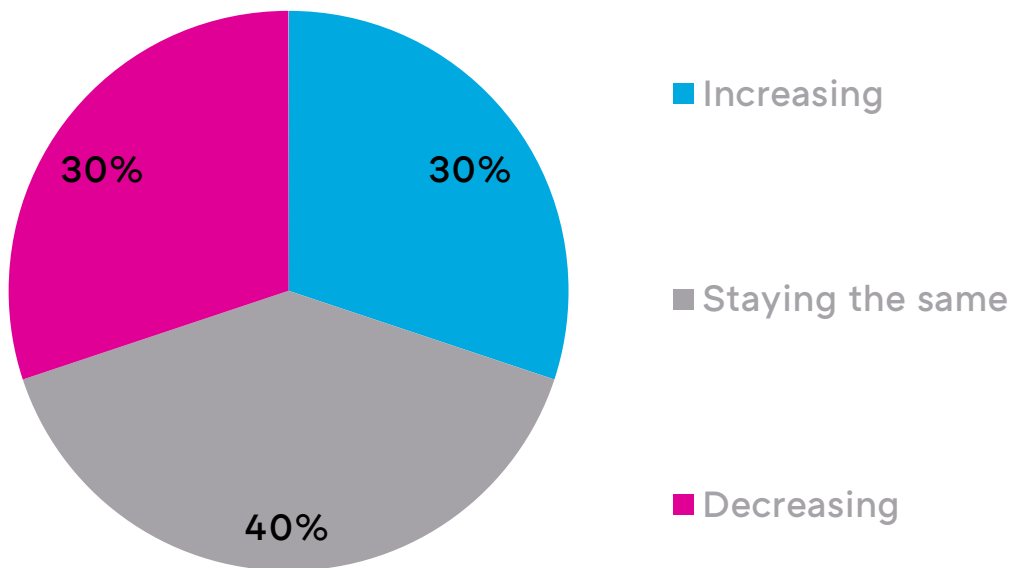
Focus on traditional media remains strong, with 66% reporting their client's interest in network TV & cable remained the same when compared to last year. The same could be said for radio at 63%, and local TV and cable at 62%. In other forms of media, 76% indicated that their clients were showing a greater interest in digital video, while 78% reported a grown desire of their clients to advertise more on mobile. Nearly half (46%) of agencies also reported that their clients were curious to explore new live streaming technologies such as Facebook Live to spread their campaigns.



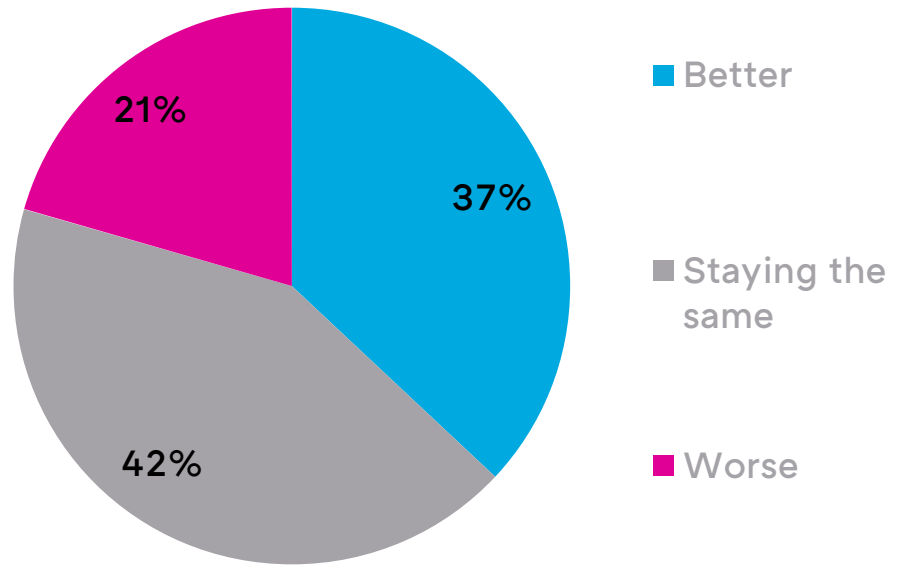
What is your biggest challenge in 2017?



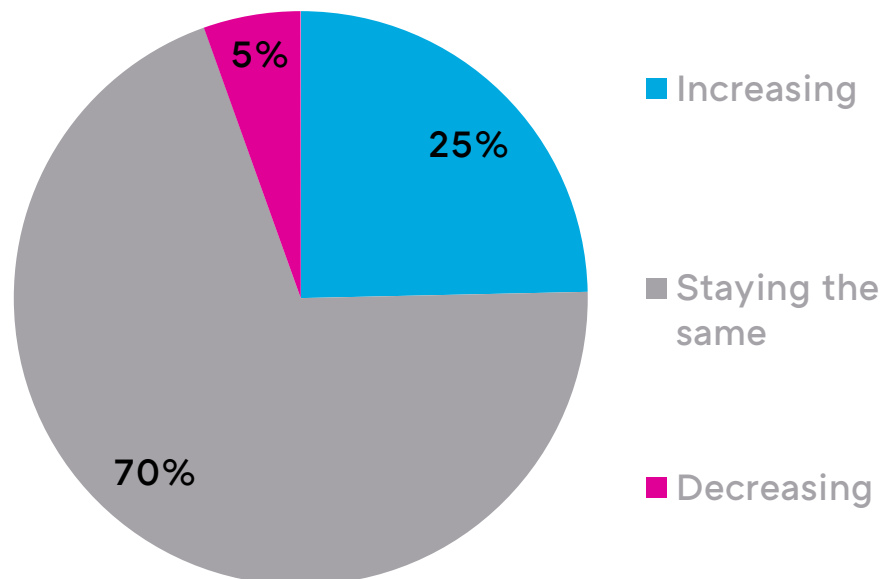
Did you see your business increasing or decreasing in the second quarter of 2017 compared to the same time last year?



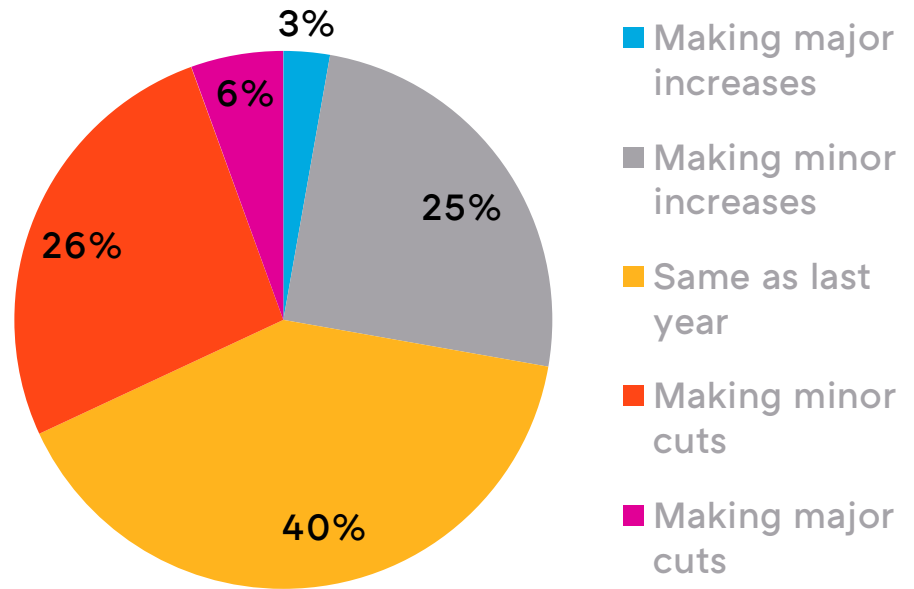
What do you project your growth to be in the second half of 2017?



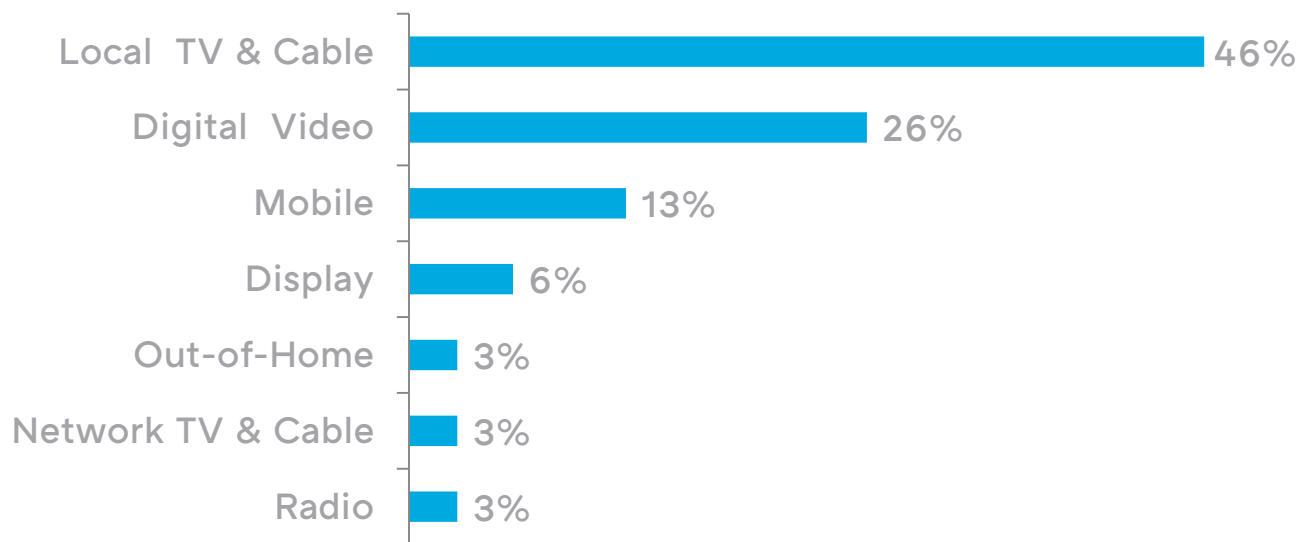
What are your staffing plans in the third quarter of 2017?



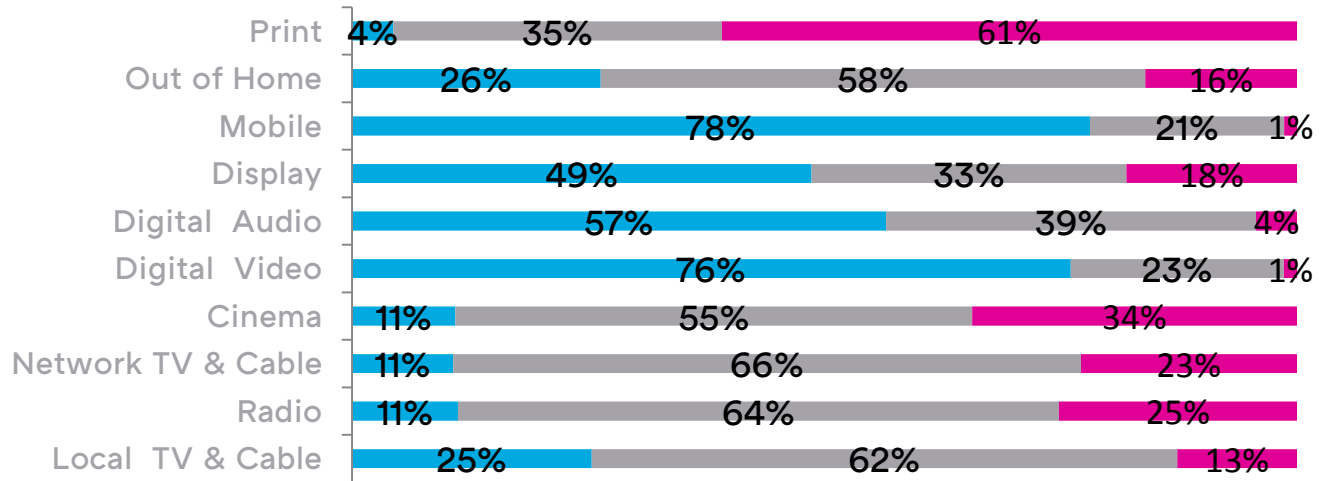
On average, how do you see your customers approaching their Marketing/Advertising planning in 2017?



Right now, my customers are most interested in advertising on/in... (one answer only)

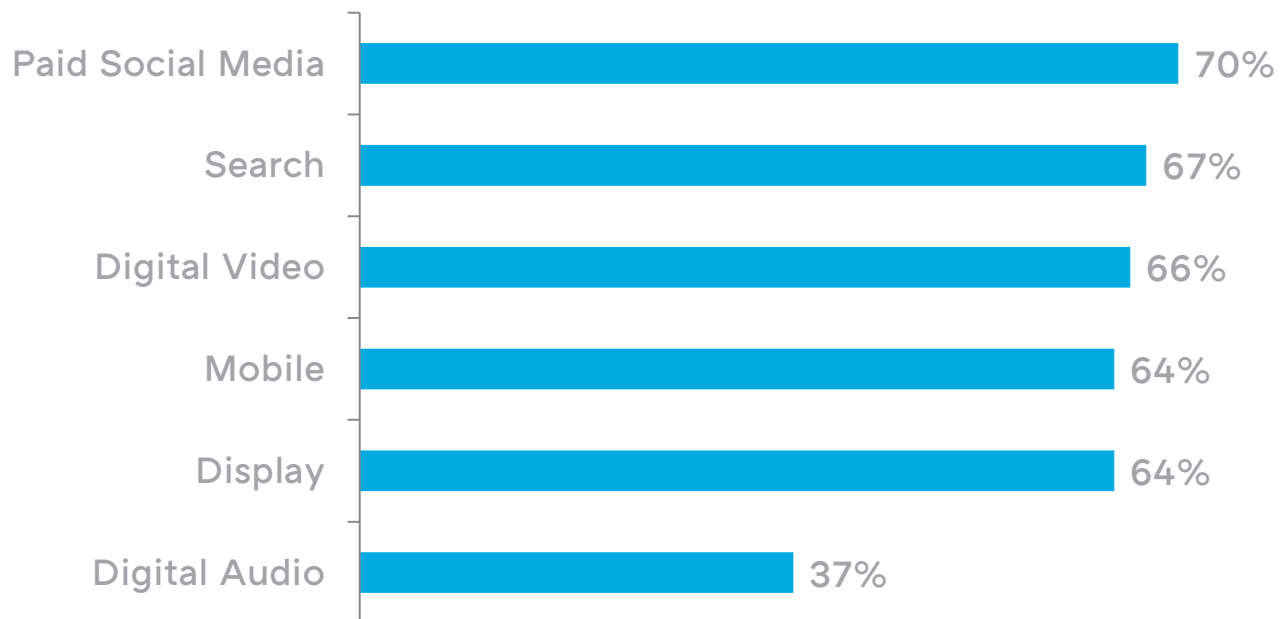


Please rate your clients' interest in advertising on the following media types when compared to the same time last year:

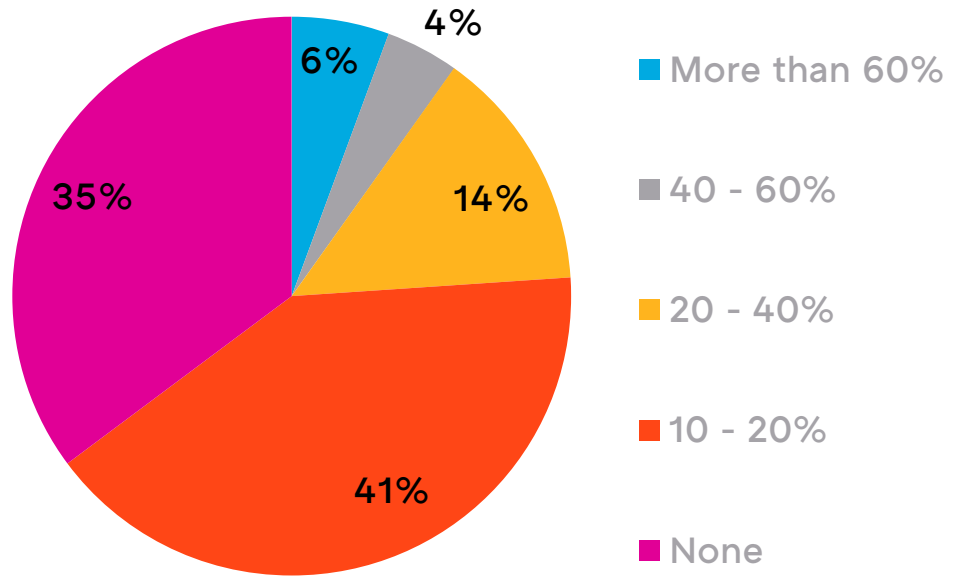


■ More than last year ■ Same as last year ■ Less than last year

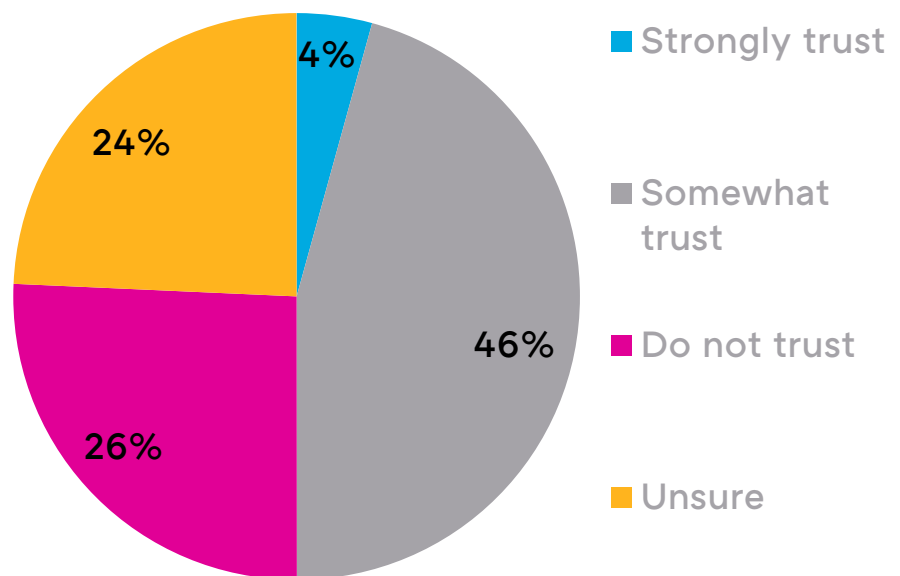
Where do you focus your Digital spend?  
(choose all that apply)



What percentage of your spend is Programmatic buying?

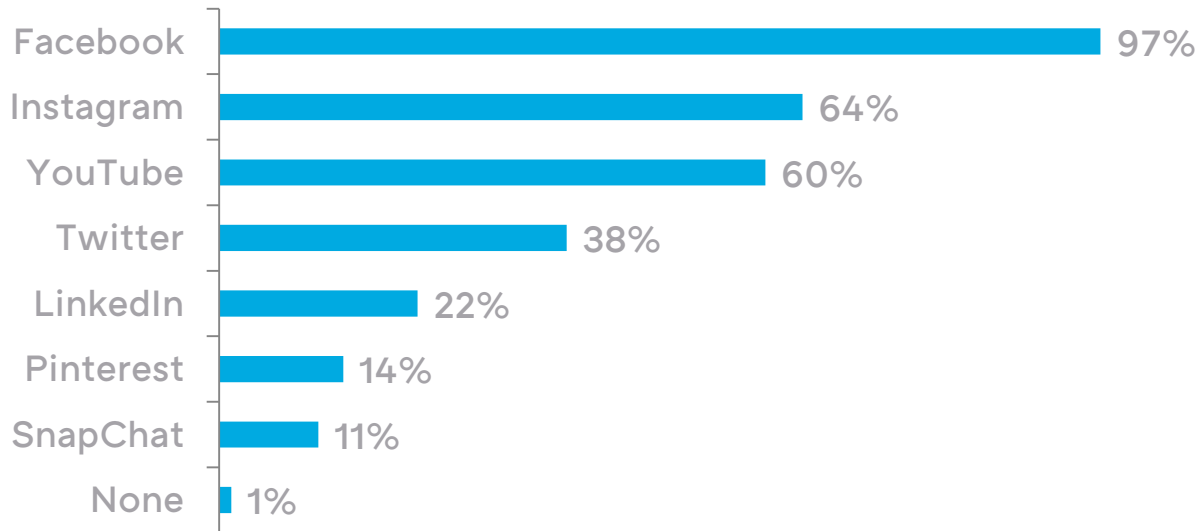


How much do you trust Programmatic buying to accurately reflect your ad orders?

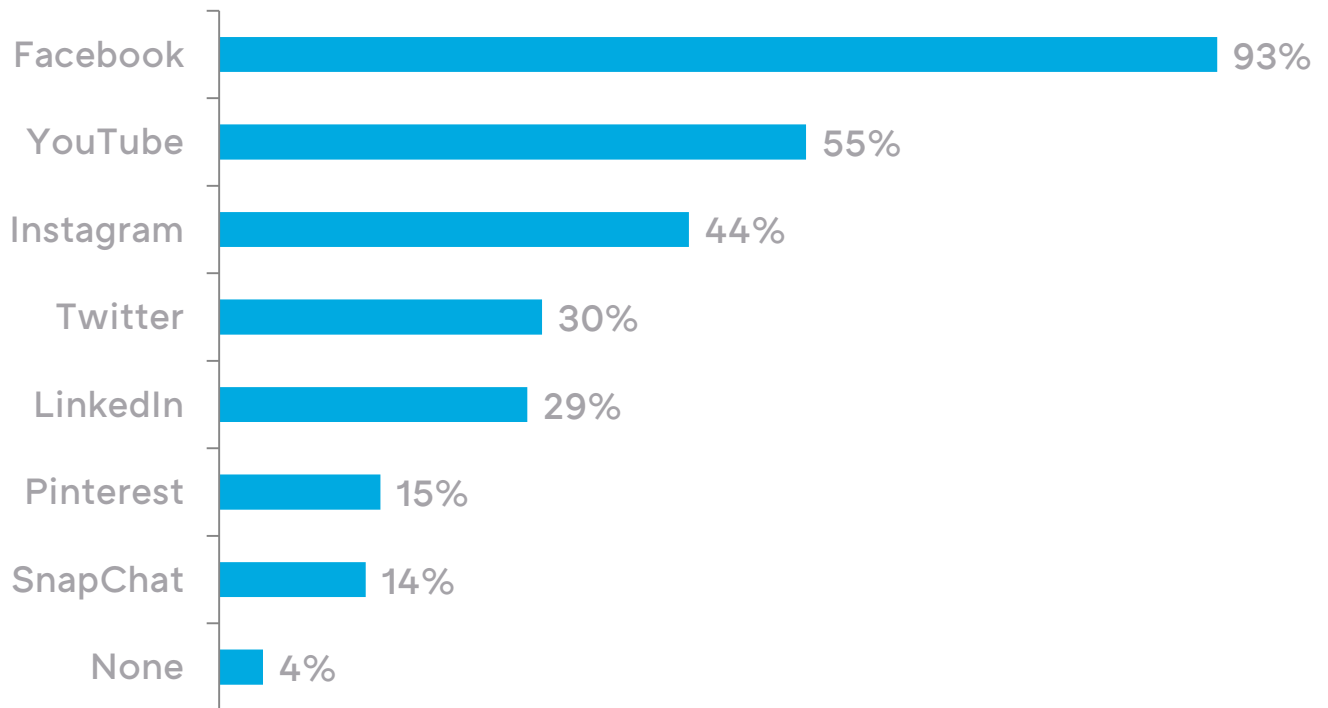




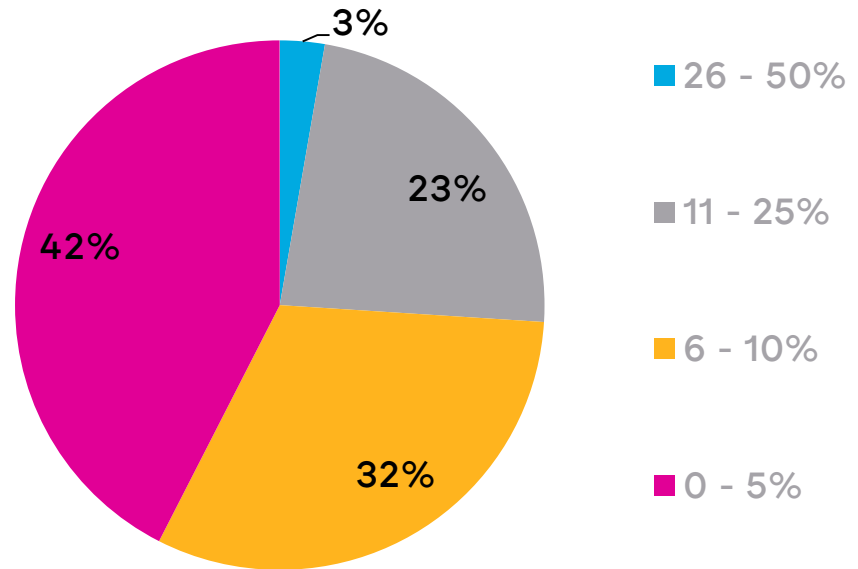
Which Social Media are you most likely to use in your client campaigns? (choose all that apply)



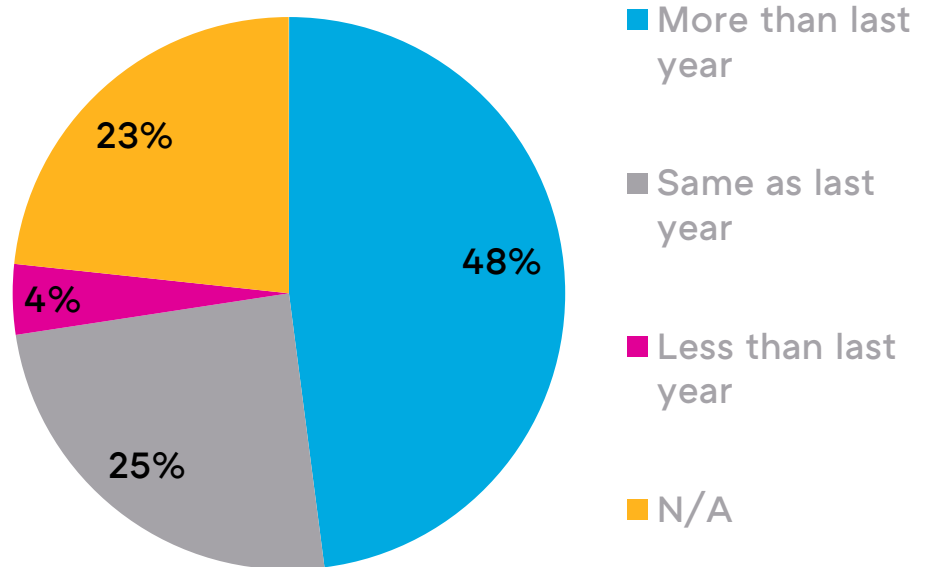
On which social platform are your clients SPENDING money? (choose all that apply)



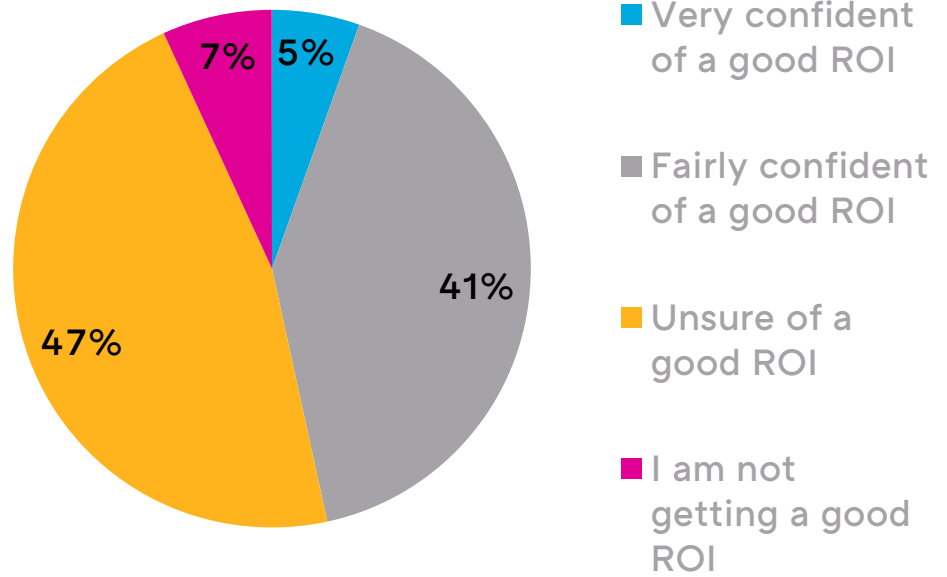
What percent of overall budgets go to paid Social Media?



Generally speaking, my client's interest in Live Streaming tools (ie. Facebook, Twitter etc.) for a current or upcoming campaign is...?



Which best describes your ROI on recent online video ad purchases?



Are digital video ads as effective as traditional TV?

