2020 In-House Creative Industry Report
Celebrating the 10th annual edition
Putting Passion To Work™

Cella is an award-winning leader in staffing, consulting and managed solutions for creative, marketing, digital and proposal development teams. We help people build meaningful careers and partner with companies to help them win. Our secret sauce? The Cella Trifecta: we have the right people, we understand our clients and we deliver results. Success requires a partner who offers all three. Together, we put passion to work.

Cella is the only creative staffing firm to win the Best of Staffing® Client and Talent Awards for over 10 years running and is a Certified Women’s Business Enterprise.

cellainc.com
Teams are doing more... with less.

Driving More Value
Higher-value services fuel higher-tiered projects for external audiences.

- **Video**
  - 79% are doing live action
  - 75% shoot for social media

- **Social Media**
  - 95% now support

- **Advertising**
  - 10% of teams create local, regional, national ads on avg.

- **Custom photography**
  - ~50% of teams commission 3 or more times a year

Balancing Resource Constraints
Staffing and resourcing are still big issues.

- 56% of teams name resourcing top challenge
- 87% plan to maintain or increase freelance contract spend
- 50% required to use HR or VMS systems - adding time/effort

Cross-disciplinary roles.
- 24% of teams have hybrid PM/AM positions (up 7%)
- 75% still rely on hybrid video producer/camera operator/editor function

Keeping talent trained remains a challenge.
- 75% of teams have less than $1000 per individual for training

Maximize the resources you have.

Expanding Skillsets
Coaching and development are necessities.

- 70% still lack enough (or any) time for team coaching and development
- 65% say client behaviors are #1 creative challenge, developing soft skills are a priority
- 38% of in-house groups note that keeping teams motivated is a challenge

Focus on doing more with the people you have by broadening their skillsets.

Working More Efficiently
Technology is the bridge to working smarter and articulating greater value...if used correctly.

- 10% increase in DAM systems, however “DAM light” users may be missing out on the greatest efficiencies
- >33% of teams use key metrics to evaluate resource skills, confirm cost avoidance or provide transparency

- 79% of mega-teams provide competitive estimates yet 25% do not track time impacting accuracy of estimates

Technology is only as effective as your implementation. Get it right. And use available metrics to demonstrate your team’s compelling value.
Our goal is to benchmark the operations of creative teams and in-house agencies to gain insights into industry standards and best practices that will support you in driving your business decisions and validating the direction of your department to upper management. We encourage you to share the findings among your colleagues and industry peers.

We ask that you cite this source as:

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Production: Ryan McKeever, Ryan McKeever Design

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About the Report

Cella is excited to bring you the 2020 In-House Creative Industry Report, our 10th year in publication. This widely read report benchmarks the in-house creative community and provides insights that leaders can use to guide the path of their departments/agencies. Benchmarking will help identify gaps in an organization and generate potential solutions, but personal, innovative thinking and institutional knowledge should not be eliminated from the process.

This year, we also celebrate our newly aligned organization that brings our staffing, consulting and managed solutions companies under one brand, Cella. Together, we put passion to work through a combination of the right people, our deep expertise in the industry and our ability to deliver results for your organization.

The In-House Creative Industry Report was first published in 2011 and has evolved each year to stay current with trends in the industry that impact creative teams.

We hope the data and insights included in this report continue to provide a source of validation and direction, contributing to a more effective and efficient operating model. The report is published annually, and we welcome your insights and ideas to help us continually improve.

Survey Respondents

Nearly 400 leaders from creative teams and in-house agencies responded to our survey conducted in January 2020. These leaders represent Fortune 500 companies, as well as middle-market and not-for-profit organizations spanning multiple industries including, but not limited to, banking/financial services, consumer products, education, health care, manufacturing, technology and software. More information about the demographics of our survey respondents is available in the Appendix.

Perspectives From The Field

Included in this report are five Perspectives From The Field articles, written by in-house creative leaders, on shared challenges and goals across the industry.* This year our stories cover building an in-house creative team, keeping your team motivated, discovering hidden talent on the team, partnering with external agencies and the importance of developing your team’s soft skills.

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* The opinions expressed in these articles are those of the writers and do not necessarily reflect the views of Cella, Inc.
Finding greater efficiency
Efficiency can be gained through smart implementation of creative tools such as project management systems and digital asset management (DAM) systems along with disciplined capture of metrics and reporting.

Technology best practices
80% of teams use project management systems
10% rise in the use of DAM systems
46% of teams are still using email to share files

Metrics help tell the story
Over two-thirds of teams capture and report on metrics—though when you break it down by team size it becomes clear that the larger a team is, the more likely it is that metrics are collected and reported, as 89% of large and mega-sized teams do so.

Increasing your team's value
Teams and individuals are becoming increasingly flexible in their roles, often embracing hybrid roles such as account/project manager or “preditors” on the video teams.

Teams are rising to the video challenge
79% of teams support motion graphics
69% live action
75% social media video

And growing their expertise
On average, over 60% of teams support local, regional and national advertising.
Teams are taking on more external-facing, tier 1 work. Finally, 95% of teams support social media and are growing content creation.

Underlying speed and growth are challenges
- One-third of senior leaders have more than seven direct reports, impacting their ability to develop and coach their teams.
- The number one issue for 56% of teams—staffing/resourcing—is up this year and the ability to find qualified talent becomes more difficult.
- Managing client behaviors continues to be the top creative challenge for 65% of teams, suggesting a need for improving soft skills.

What steps are you taking to keep your team operating as efficiently as possible and increase your creative value to the organization, while managing the challenges?

Now, let’s take a closer look at how your peers and colleagues are rising to these challenges and the ever-expanding role of the in-house agency.

Executive Summary
We’re excited to celebrate 10 years of the In-House Creative Industry Report! It’s interesting to see what has changed in our industry along with some of the things that remain constant.

Last year we did a five-year look back noting how tactics such as video were redefining creative roles and how creative roles were embracing an agile approach to manage priorities, increase speed to market and improve productivity. Some of last year’s trends have leveled off or even shifted direction, while core attributes remain remarkably similar, including the reporting structure and agency value proposition.

Along with all of the trends impacting the type of work we do and the technology we use, this year we’re taking a closer look at how the people on these teams are evolving to keep pace. Technology has amplified the need for speed to market. How can businesses continually seek greater efficiency, grow in value to their customers and still allow time for creatives to be, well, creative?

We believe that increased efficiency in the use of technology and systems, along with new ways of managing resources, will ensure that teams continue to provide outstanding creative value for their organizations.
Starting Small, Growing Tall at Fresenius Medical Care

Peter Murphy - Senior Director, Marketing Planning & Operations, Fresenius Medical Care

In 2016, our dialysis division at Fresenius Medical Care undertook an extensive effort to strategically rebrand our organization. Our external agency led this exercise which included a significant cultural shift along with a new expression of our visual identity, including a new messaging platform, website and marketing collateral system.

Once our strategic direction had been set and initial deliverables were developed, there was a need to further operationalize the manifestation of the brand across the organization. Building upon the foundation our brand agency developed, the underlying marketing collateral needed to be updated, and adaptations and new templates developed. Further, we needed to establish a new library of materials to draw upon — a challenging proposition for large brand agencies.

We faced the question of how to tackle this effort — one that didn’t require full agency support but rather a smaller-scale, nimble approach. Would an in-house agency be feasible? We intended to continue engaging with our agency while we simply began transitioning tier 2 and 3 work to an in-house team. There was, and typically exists, a need for both — the strategic brand vision and the day-to-day executions.

Through a series of discovery exercises with Cella, we decided the best approach was to start small — with a studio manager, designer, production artist, part-time copywriter and editor/proofer.

Getting Started

Establishing our in-house agency didn’t require the big boom of a corporate directive, parting ways with our external agency or a significant recruitment initiative. It did, however, require a more flexible approach with a larger-agency-style organization provides. We recruited team members who are self-starters and comfortable wearing multiple hats — for example: a studio manager who could jump in and help with production; designers that didn’t mind trafficking their work to clients; hybrid account/project managers who could provide stellar customer service and navigate our online project management system. When necessary, we used freelance help to supplement skills that were needed only on an occasional basis — presentations, illustration and coding, for example.

Working in our favor, the somewhat siloed structure of our company enabled the in-house team to naturally focus support on our dialysis division, a subset of the overall organization. This helped our team grow in capability, brand familiarity and bandwidth at a comfortable pace — all with a core level of support on retainer. As schedules allowed, we accepted assignments from other divisions. This additional work was charged back, fueling the growth and diversity of our service offering in a way that didn’t impact the core budget. The work also helped spread awareness and appreciation of the value coming from our in-house team organically and at a measured pace.

As awareness grew, so did the volume of incoming work. By incrementally taking on work with new clients and adapting to individual expectations along the way, we built a customized service offering tailored to the needs of the greater company, rather than a one-size-fits-all agency model. Things were tried, tested and adapted quickly. Within a few weeks our first operations playbook was already out of date, and that’s a good thing. Within the first two years our team added a new account manager and senior creative roles, adopted Workfront as a project management tool, and began supporting a company-wide brand consolidation.

Challenges as Opportunities

This growth didn’t come without challenges, however. As work came in from new clients, prioritization became a greater challenge. Negotiating due dates with one client, relative to their own work, seems reasonable. But managing priorities across business lines required higher-level vision. As a result, we implemented weekly project reviews with our biggest client partners and developed an escalation process for higher-level decision making.

We also saw an increase in the tier of creative work being requested from our team. As a result, project durations increased — a simple consequence of tackling heftier creative projects. For clients accustomed to transacting quickly, it became apparent that we needed to better align expectations and provide guidance on process, tiers and SLAs. We also faced challenges in meeting growing expectations for design aesthetic, accuracy and brand compliance. Our solution was two-fold: instituting weekly project reviews along with quarterly brand reviews for primary clients, and establishing Quality Control reviews for design, accuracy and branding.

Another result of taking on higher-tier work was the need for more specialized talent — especially in the areas of video, digital and presentations. Taking advantage of our flexible staffing model let us bring in ad-hoc support as needed either for specialty or volume requirements. In many cases, one-off projects became regular service offerings from our team. This best practice helped guide future recruiting efforts to support the growing service offering.
Peter Murphy is the Senior Director, Marketing Planning & Operations at Fresenius Medical Care. As a collaborative thought leader with over 20 years of industry experience, Pete has been the catalyst for building the in-house creative agency at Fresenius Medical Care, leading to greater brand empowerment and operational efficiencies.
Eighty-seven percent of responding creative leaders indicated their team reports into marketing, communications, advertising, brand or some combination of those divisions. When the creative team is positioned within one of these divisions, the organization is more likely to be considered strategic and value-adding. In contrast, when a creative team reports through a shared-services division, the department is often viewed as a commodity, which makes it more difficult to succeed in becoming a strategic partner. It is possible to overcome the disadvantage of not being aligned with the marketing (or a like) department; it just requires the creative team to create a brand and reputation for itself outside of its “home.”

Leaders of in-house groups regularly face ongoing competing priorities leaving them without adequate time to develop their leadership teams. It is important that leaders prioritize professional development for themselves and their direct reports to ensure the ongoing growth and success of their in-house agency.
Q: Into which division does your creative services department report?

- 87% Marketing and Communications Groups
- 11% communications
- 14% hybrid
- 5% other
- 6% operations/shared services
- 1% IT
- 2% HR
- 4% other

1. Hybrid of two or more: advertising, brand, marketing, communications and sales
2. Includes: advertising, brand, public affairs and HR
3. Includes: product development, R&D and other stand-alone departments

Q: Which best describes your creative group’s staffing mix? (select all that apply)

- full-time company employees: 95%
- contingent labor: 34%
- partial outsourced model: 24%
- part-time company-employed staff: 9%
- outsourced: 9%
- managed in-house agency: 6%
- partial managed services: 4%
- full-time staff managing outside agencies (no internal creative): 3%
- other: 5%

Q: How is your team organized?

- 66% by functional area (account services, design, copywriting, etc.)
- 17% by line of business (dedicated teams)
- 5% other

Q: How long has your team been in existence?

- 13% <3 years
- 35% 4-5 years
- 20% 6-10 years
- 17% 11-15 years
- 12% 16+ years
- 3% I don’t know

Teams showing the greatest diversity of offerings have generally been in existence for more than 15 years.
**Q: Are internal clients required to use your group?**

- **30%** yes
- **36%** no, but most come through us anyway
- **22%** for some projects/certain types of work
- **9%** No, and it causes us challenges
- **3%** No, but they must go through us to use an agency

**Q: What markets does your team support?**

- **45%** B2B
- **34%** B2E
- **34%** B2C
- **19%** B2B2C
- **43%** all of the above

**Q: Which of the following best describes your group’s ability to work remotely?**

- **92%** work remotely
- **30%** regularly with predetermined schedule
- **57%** ad hoc basis with pre-approval
- **8%** remote not allowed
- **5%** designated roles that are fully remote

**Q: How do you refer to your team?**

- **37%** creative services
- **26%** creative team/creative studio
- **14%** in-house agency
- **16%** other
- **7%** branded name

Other: brand and creative, creative marketing, marketing/marcom services and integrated marketing

With just over 70% of teams reporting to marketing or hybrid marketing organizations, an opportunity exists for creative teams to take on a more strategic role and align more closely with marketing. And, new technologies like AI are also driving more robust partnerships between creative and marketing teams as in-house agencies get involved further upstream.
**Q: How many direct reports does the senior-most creative leader have?**

- 7-9: 16%
- 2-3: 19%
- 4-6: 41%
- 2-10: 17%
- 1: 7%
- >10: 1%

**n=322**

**Q: Which one of the following describes how much time you have to provide your team with coaching and development?**

- Not enough time: 65%
- Adequate time: 30%
- No time at all: 5%

**n=120**

**Q: On a scale ranging from order taker to strategic partner, objectively where does your creative services group fall?**

- Organizational strategic partner — key stakeholder in marketing initiatives, liaison with external agencies, primarily tier 1: 13%
- Strategic partner — regularly included in planning and tier 1 work, includes some tier 2 & 3: 24%
- Developing strategic partner — healthy mix of all three tiers with a growing base of tier 1: 33%
- Evolving production studio — some tier 1 and high-end tier 2: 25%
- Production studio — vast majority is tier 2 & 3: 5%

**n=327**

**Q: What are the greatest challenges with remote/co-located teams? (select top three)**

- Creating a collaborative environment: 62%
- Creating strong team culture: 53%
- Managing productivity: 39%
- Avoiding a siloed approach to business: 38%
- Managing time zone differences: 23%
- Onboarding and training: 16%

Others included challenges with technology, server access and connectivity

Remote teams are most effectively managed by fostering collaboration through easy-to-use technology, such as video conferencing. To avoid silos and incompatibility, teams should standardize on a singular communication platform such as Slack or instant messaging, rather than allowing individuals to choose their own platform.
Five Ingredients Essential to Serving Up Inspiration

Ed Roberts - Brand and Creative Director, Georgia Power

Being a creative — no, getting paid to be a corporate creative, is incredibly exhilarating and simultaneously draining. You are tasked with generating ideas that can inspire change. A change in perception. A change in behavior. Even a change that impacts your bottom line.

How does an in-house designer, writer, brand strategist, producer, web developer or even a project manager maintain a high level of creative productivity every single day? It can be daunting to stare at a blank page and create something out of nothing. If you’re lucky, you have the basic tools and a strategic framework (outlined in a creative brief) to help build your ideas. Then there are those seemingly endless meetings and other distractions that can prevent you from delivering truly breakthrough solutions.

I was curious to learn what inspires my in-house agency team, especially when their creative juices aren’t flowing as rapidly as they could be. Where do these professionals find the kind of inspiration that will spark their motivation, rev up ingenuity and push them through roadblocks to new creative heights?

To find out, I invited several of them to lunch and asked, “With all the demands on your time, what inspires you?” Their answers can be categorized into five key areas: problems, people, processes, perspectives and possibilities.

Problems

At lunch someone asked, “Where does the thinking time fit into the producing time?” Constant churn and burn can paralyze in-house creatives’ abilities to simply think. At their core, corporate creatives are problem solvers. Presenting them with the resources needed to help them figure out complicated creative or organizational challenges can be a great source of inspiration and collaboration.

Advocate for building more time into your team’s schedule for exploration. It will not only garner better results for your client and agency, but also advance the level of each creative’s skills.

People

Your teammates are inspired by other creative people. They’re intrigued by someone who produced a revolutionary solution by tackling a tough challenge. They admire a person who takes a different, artful approach to things. Expose your team to these highly innovative individuals—artists, designers, community builders, chefs, writers, comedians, baristas, CEOs and musicians, just to name a few.

Send one or more team members to a well-respected conference offering a good mix of inspiring keynote speakers and practical hands-on workshops. When they return, ask them to share their newly acquired insights and skills with others in a series of deep-dive lunch n’ learns or 15-minute lightning talks. Above all, make this approach fun and informative.

If you don’t have the budget to send staff to a conference, carve out time for them to watch a documentary together, visit a local art museum, attend improvisational theater or take the brainstorming session to a community garden or park. These low-to-no-cost locations are great places to
collaborate on a team-building exercise or toss some concepts around. Invite other leaders from different brands in your community to speak to your team. Ask them to share unique aspects of their professional journey and the key drivers to their success. Don’t forget to include time for Q&A. This helps your team expand their network and inspires new and different ways of thinking.

**Processes**

One of our writers shared this favorite quote from poet Dorothy Parker, who declared, “Writing is the art of applying the ass to the seat.” Touché, Dorothy! This kind of brutal honesty reminds us all that at some point we need to buckle down and get the job done. Chances are, one of your teammates can’t begin their work until you complete yours.

When you join an in-house creative agency, you enter a culture where art and commerce are merged. There will be rare opportunities to create art for art’s sake. When it comes to completing an assignment, the in-house creatives I lunched with unanimously agreed on one point: the creative and conceptual process is different for everyone. For this reason, it’s vitally important that in-house creative agencies establish a solid and predictable operational process for receiving, delivering and closing client projects.

If you recognize gaps in your processes, create a Process Evaluation Task Force comprised of staff who contribute to every aspect of a project’s life cycle. Task them with creating a Project Journey Map and discuss how to fill any gaps they found. Encourage every participant to express themselves freely, while respecting how others receive and process information.

Once the project journey is mapped and potential fixes are identified, invite key clients to review and provide candid input. Suggestions might range from putting another strategy question in the creative brief, to changing the client review process, to asking everyone to be available for collaboration between 10 a.m. and 2 p.m. Whatever the results, the goal is to detect gaps and improve processes.

**Perspectives**

Research consistently shows that companies who encourage more diverse teams consistently outperform their competition. Diversity, equity and inclusion principles are far reaching and include more than race or gender. Diversity of thought also plays heavily in a company’s ability to be more innovative and inspiring, within and outside their industry.

It’s important to value the unique perspectives of each member contributing to your team. Get to know their individual idiosyncrasies. For example, one highly competitive member of our team hates staring at a blank page. She says, “I’d rather put something on that page so it’s not blank.” She then reworks the content until she arrives at a solution that “beats” her original. She essentially engages in a competition with herself and considers her final solution a win.

To inspire your team, embrace their unique perspectives. Encourage rigorous discussions that make people feel safe to express themselves and even disagree with you. The discourse, if respectful, can transform your culture.

**Possibilities**

As I listened, shared and laughed with the team, I appreciated their candor and collective brilliance. I learned that they need me to create a space large enough for them to explore and challenge themselves to be greater.

The team decided to meet regularly. They’re planning an event that will educate clients on all the capabilities offered by our agency and how best to leverage them. I’ve even noticed a few group emails tossed around suggesting tools for capturing their collective ideas.

This team inspires me, and I will support all the possibilities that they are advancing to make a positive impact on our agency’s problems, people, processes and perspectives. And just think, it all came out of a casual lunch and one simple question.

Georgia Power Brand and Creative Director Ed Roberts is a designer, writer, speaker and award-winning brand and creative strategist. He has worked on both the client and agency sides of the marketing and advertising business for more than 25 years. Currently Ed heads a team of 30+ incredibly talented professionals who are collectively responsible for leading Georgia Power’s brand strategy, creative executions across multiple channels and sports marketing partnerships that support the company’s customer-centric business objectives.
Regardless of an in-house agency’s financial model, proving the group’s value is a constant expectation. Tangible results stem from managing your group’s budget and demonstrating cost savings against external agencies — in addition to providing on-time, high-quality creative.

Instituting a chargeback funding model is a natural evolution for larger internal creative organizations and an important step in eliminating a number of challenges common to “free” creative services that lead to unnecessary costs for the company.

Typically, this shift is due to several factors, including department size, project volume/workload, resourcing and competition with outside agencies. This evolution requires many organizational changes that include standardization of processes and procedures, internal marketing activities, realignment of resources and improved project management. Moving to a chargeback model signals the team will operate more like a creative agency in both business operations and creative direction.

Being a cost center (non-chargeback department) can be a great thing — the creative leader can focus on the value of the creative that his or her team is creating and won’t be burdened by financial pressures. However, the most significant challenges for non-chargeback departments still remains affecting client behaviors to support efficient and effective use of the in-house agency.
**Q:** Which of the following best describes your ownership of the department’s overall budget?

- 47% have greater control
- 37% influence but do not manage team’s budget
- 13% create and manage team’s budget
- 22% manage team’s budget and significant influence on creation
- 12% manage team’s budget and limited influence on creation
- 8% not privy to any of it
- 4% manage team’s budget but no influence on creation
- 1% not privy to budget outside of headcount
- 2% not privy to team’s budget outside of headcount/other buckets of spending
- 1% other

**Q:** Does your creative team work with an aligned procurement partner who specializes in optimizing your company’s creative/marketing spend?

- 62% no
- 29% yes
- 9% I’m not sure
- 9% not privy to any of it

**Q:** Have you ever been asked to provide a cost comparison between your in-house team and comparable external agencies?

- 50% yes
- 50% no

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*With the exception of small teams, many teams are asked to provide cost estimates to compare with external agencies, amplifying the need to have time tracking and metrics to support those estimates.*
**DEPARTMENT FUNDING: CHARGEBACK**

**Q:** What is your funding model for creative services projects (not including any pass-through costs)?

**Q:** What is your funding model by team size?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Small</th>
<th>Mid-size</th>
<th>Large</th>
<th>Mega-size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chargeback</td>
<td>9%</td>
<td>5%</td>
<td>8%</td>
<td>16%</td>
</tr>
<tr>
<td>Chargeback for specific services/clients</td>
<td>13%</td>
<td>14%</td>
<td>0%</td>
<td>24%</td>
</tr>
<tr>
<td>Usage-based allocation</td>
<td>6%</td>
<td>11%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>General allocation</td>
<td>20%</td>
<td>28%</td>
<td>16%</td>
<td>29%</td>
</tr>
<tr>
<td>Cost center</td>
<td>50%</td>
<td>41%</td>
<td>68%</td>
<td>24%</td>
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</table>

**Q:** What is the most common method used to charge clients?

**Q:** Which most accurately describes your chargeback model?

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Small</th>
<th>Mid-size</th>
<th>Large</th>
<th>Mega-size</th>
</tr>
</thead>
<tbody>
<tr>
<td>69% recover through an hourly model</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

**NOTE:** the sample size for this specific demographic is small and should be taken into account when evaluating responses by percentages.
**Q:** What is your blended hourly rate for creative services?

<table>
<thead>
<tr>
<th>ANSWER OPTIONS</th>
<th>&lt;$50</th>
<th>$51–$65</th>
<th>$66–$80</th>
<th>$81–$100</th>
<th>$101–$120</th>
<th>$121–$140</th>
<th>$141–$160</th>
<th>&gt;$160</th>
<th>n=</th>
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<tr>
<td>Blended Hourly Rate</td>
<td>9%</td>
<td>23%</td>
<td>14%</td>
<td>44%</td>
<td>5%</td>
<td>0%</td>
<td>5%</td>
<td>0%</td>
<td>43</td>
</tr>
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**Q:** What is your hourly rate for the following services?

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<th>ANSWER OPTIONS</th>
<th>We don’t charge for this</th>
<th>&lt;$50</th>
<th>$51–$65</th>
<th>$66–$80</th>
<th>$81–$100</th>
<th>$101–$120</th>
<th>$121–$140</th>
<th>$141–$160</th>
<th>&gt;$160</th>
<th>n=</th>
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<tbody>
<tr>
<td>Account management</td>
<td>47%</td>
<td>6%</td>
<td>11%</td>
<td>11%</td>
<td>15%</td>
<td>6%</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
<td>53</td>
</tr>
<tr>
<td>Project management</td>
<td>39%</td>
<td>7%</td>
<td>9%</td>
<td>11%</td>
<td>23%</td>
<td>5%</td>
<td>4%</td>
<td>2%</td>
<td>0%</td>
<td>56</td>
</tr>
<tr>
<td>Production design</td>
<td>18%</td>
<td>10%</td>
<td>27%</td>
<td>17%</td>
<td>22%</td>
<td>5%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>60</td>
</tr>
<tr>
<td>Graphic design</td>
<td>11%</td>
<td>10%</td>
<td>25%</td>
<td>16%</td>
<td>27%</td>
<td>10%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>63</td>
</tr>
<tr>
<td>Web/Multimedia design</td>
<td>17%</td>
<td>5%</td>
<td>22%</td>
<td>16%</td>
<td>26%</td>
<td>12%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>58</td>
</tr>
<tr>
<td>Creative direction</td>
<td>25%</td>
<td>8%</td>
<td>15%</td>
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<td>20%</td>
<td>10%</td>
<td>5%</td>
<td>2%</td>
<td>0%</td>
<td>60</td>
</tr>
<tr>
<td>Copywriting</td>
<td>27%</td>
<td>6%</td>
<td>17%</td>
<td>13%</td>
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<td>4%</td>
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<td>0%</td>
<td>52</td>
</tr>
<tr>
<td>Copyediting</td>
<td>25%</td>
<td>8%</td>
<td>16%</td>
<td>22%</td>
<td>18%</td>
<td>10%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>51</td>
</tr>
<tr>
<td>Proofreading</td>
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<td>12%</td>
<td>16%</td>
<td>18%</td>
<td>20%</td>
<td>6%</td>
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<td>0%</td>
<td>0%</td>
<td>50</td>
</tr>
<tr>
<td>Print procurement services</td>
<td>33%</td>
<td>10%</td>
<td>18%</td>
<td>16%</td>
<td>18%</td>
<td>4%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>51</td>
</tr>
<tr>
<td>Video production</td>
<td>15%</td>
<td>2%</td>
<td>21%</td>
<td>15%</td>
<td>29%</td>
<td>13%</td>
<td>4%</td>
<td>0%</td>
<td>2%</td>
<td>48</td>
</tr>
</tbody>
</table>

NOTE: Additional respondents chose “we do not provide this service;” those responses were eliminated to focus the results on rates.
**Q:** Which role is responsible for planning and negotiating the client allocation amount?

- 42% head of the in-house agency
- 15% account director or manager
- 27% marketing director
- 12% other
- 4% operations lead

**Q:** Is your allocation for hours or dollars?

- 62% hours
- 38% dollars

**Q:** How often do you track and report usage?

- 31% monthly
- 26% weekly
- 26% quarterly
- 17% annually

**Q:** How do you manage clients who want more services than the allocation allows?

- 32% renegotiate usage amongst clients
- 16% bring on contract labor and pass costs through to client
- 12% bring on contract labor and charge the in-house agency blended rate
- 12% in-house agency is expected to absorb the cost
- 4% other
- 17% annually

---

Each of the four charts on this page is specific to usage-based allocation teams. The sample size is small (23–26) and therefore the data should be considered informational, not directional.
Q: What are the BENEFITS of a usage-based allocation model? (select top three)

- allows for resource flexibility 67%
- provides metrics needed to make operations and resource decisions 63%
- encourages efficient use of time and resources by department 46%

n=24

Q: What are the DRAWBACKS of a usage-based allocation model? (select top three)

- too much time spent by administration for reporting usage 50%
- stifles the quality of creative 38%
- too much time spent on planning allocation amounts 33%
- positions the team as a vendor instead of colleague 33%

n=24

Q: What are the key BENEFITS your department experiences in a chargeback model?

2019

- encourages efficient use of time/resources by clients 48%
- promotes accountability/transparency of financial management 39%
- provides metrics needed to make sound operations/staffing decisions 39%
- clear value as compared to external services 39%

n=135

Q: What are the key DRAWBACKS that your department experiences in a chargeback model?

2019

- too much time/money spent on administration 44%
- positions team as a vendor instead of a partner/colleague 43%
- clients find cheap/free alternatives to avoid charges 37%

n=132

Q: What are the key BENEFITS your department experiences in a non-chargeback model?

2019

- minimal reporting requirements 63%
- plentiful business due to lack of direct costs 58%
- no financial pressures 57%

n=245

Q: What are the key DRAWBACKS that your department experiences in a non-chargeback model?

2019

- clients behaviors — misuse/abuse “free” service 71%
- projects with questionable impact/value 60%
- clients believe “free” is inferior/lower perceived value 46%

n=248

Many creative leaders do not have knowledge of, or a point of view on, the funding model of their department. By understanding and perhaps influencing the model, you have the opportunity to affect your team’s productivity, impact on the business and resource utilization.
Q: If you had more money in your non-personnel/direct operating budget, which three things would you like to prioritize? (select top three)

- Industry events and conferences: 76%
- Team outings for creative enrichment purposes (museums, studio tours): 38%
- Soft skills training/coaching (leadership, project management, negotiation): 35%
- Team outings for morale/bonding (lunches, dinners): 30%
- Hardware and related upgrades: 24%
- Software training led by live instructor: 22%
- Consulting services: 22%

n=297

Q: What is your annual training budget per individual?

- $751–$1,000: 25%
- > $1,000: 20%
- $501–$750: 22%
- $201–$500: 20%
- < $200: 13%
- $751–$1,000: 10%

n=293

Q: Does your team have an established training budget each year?

- Yes: 43%
- No, funding for training is limited and approved individually: 25%
- No, but most requests are approved: 16%
- No, but most requests are approved: 14%
- Yes, but I am not privy to the amount: 2%

n=299

Q: For 2020, what changes do you expect in your training budget?

- Increased training budget: 10%
- Decreased training budget: 16%
- Budget remains flat: 74%

n=293

IHA leaders need to be creative and expand the definition of professional development to include real-time coaching, Lunch and Learns, low/no cost field trips and other resources to keep teams current and motivated.
Creative leaders must be careful in demonstrating a desire to grow their team. Too often this can be viewed as "empire building," so leaders must be prepared to substantiate headcount requests based on business need. In addition, leaders need to be prepared to promote the adoption of new processes and tools to support the growth in order to grow in a mature, scalable manner.

Ensuring you’re appropriately staffed is a constant balancing act creative leaders face on a day-to-day basis. Flexible staffing models and principal partnership agencies continue to provide creative teams and in-house agency support during peak periods without increasing staff size. Including a budget that allows for flexibility is critical — in fact, your budget may be better spent in not hiring a full-time employee (FTE) and instead using the same funds to pay several temporary workers during peak periods.
DEPARTMENT RESOURCING

Q: How large is your creative team/in-house agency? (combined FTEs and contingent workers)

2019

SMALL TEAMS
50%
1 | 1%
2–5 | 21%
6–10 | 27%

MID-SIZE TEAMS
29%
11–20 | 20%
21–30 | 9%

LARGE TEAMS
8%
31–50 | 8%

MEGA TEAMS
13%
51–75 | 4%
76–100 | 3%
101+ | 6%

2020

SMALL TEAMS
44%
1 | 1%
2–5 | 18%
6–10 | 24%

MID-SIZE TEAMS
34%
11–20 | 24%
21–30 | 10%

LARGE TEAMS
9%
31–50 | 9%

MEGA TEAMS
13%
51–75 | 4%
76–100 | 3%
101+ | 6%

Q: What percentage of your full-time team members are employees of your company? Do not include freelance/“surge” support.

2019

1% 0% 5% 2% 5% 2% 7% 13% 12% 13% 23% 24% 47% 46%
n=371

2020

1% 0% 5% 2% 5% 2% 7% 13% 12% 13% 23% 24% 47% 46%
n=285
**Q: How did your total team size change between 2018 and 2019?**

- 21% decreased
- 41% increased
- 38% remained flat

**Q: What are your full-time hiring plans for 2020?**

- 33% increase current FTE headcount
- 62% maintain current FTE headcount
- 5% decrease current FTE headcount

**Q: What is your perception of the available talent in the marketplace right now?**

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>There’s an abundance of highly qualified talent</th>
<th>There’s enough qualified talent to choose from</th>
<th>There’s limited qualified talent</th>
<th>Having trouble identifying qualified talent</th>
<th>Have not hired for this role in the past year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graphic design</td>
<td>11%</td>
<td>44%</td>
<td>24%</td>
<td>7%</td>
<td>14%</td>
</tr>
<tr>
<td>Digital design</td>
<td>6%</td>
<td>36%</td>
<td>27%</td>
<td>10%</td>
<td>22%</td>
</tr>
<tr>
<td>Mobile design</td>
<td>2%</td>
<td>22%</td>
<td>28%</td>
<td>8%</td>
<td>40%</td>
</tr>
<tr>
<td>Technology development</td>
<td>3%</td>
<td>26%</td>
<td>22%</td>
<td>12%</td>
<td>36%</td>
</tr>
<tr>
<td>Account management</td>
<td>4%</td>
<td>29%</td>
<td>20%</td>
<td>6%</td>
<td>41%</td>
</tr>
<tr>
<td>Copywriting</td>
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<td>25%</td>
<td>26%</td>
<td>14%</td>
<td>29%</td>
</tr>
<tr>
<td>Editing/proofreading</td>
<td>5%</td>
<td>31%</td>
<td>18%</td>
<td>7%</td>
<td>39%</td>
</tr>
<tr>
<td>Project management</td>
<td>4%</td>
<td>33%</td>
<td>19%</td>
<td>8%</td>
<td>37%</td>
</tr>
<tr>
<td>Traffic coordination</td>
<td>3%</td>
<td>24%</td>
<td>22%</td>
<td>6%</td>
<td>44%</td>
</tr>
</tbody>
</table>

Prior to COVID-19, the talent market was very tight with creative leaders recognizing that the amount of qualified talent was fairly limited. That said, we expect many changes in the talent market as the economy recovers.
Q: What was your total 2019 attrition rate?

- 63% ≤5%
- 6% >25%
- 16% 6-10%
- 10% 11-15%
- 3% 16-20%
- 2% 21-25%

Q: How many hours per week does your staff work on average?

- 78% 41-45 hours
- 50% ≤40 hours
- 28% 46-50 hours
- 2% 51-55 hours
- 2% 56-60 hours

Q: Is there a DEDICATED operational role?

(dedicated to focusing on the department’s processes, systems and technology, vendor management, financial management and reporting)

- 54% yes
- 46% no

In-house agencies are focusing on getting their operational houses in order. This drives throughput — and even creativity — making a dedicated operations role a necessity, not a luxury.
Q: Are you able to use flexible staffing options such as freelancers and temporary/contract workers during periods of peak demand?

- 55% yes
- 35% sometimes
- 10% no

Q: What are your contingent staff, freelancer/temp spending plans for 2020?

- 90% of creative leaders are able to use freelancers

Q: Are you able to directly contact staffing firms for your creative staffing needs?

- 45% yes
- 32% no, I must go through my HR department
- 5% no

Q: What are your company’s term limits for contractors?

- 51% there are no term limits
- 26% 12 months or less
- 8% 13-18 months
- 7% 19-24 months
- 3% >24 months

- 5% other

- 5% no

n=287
n=173
n=203
n=178

The use of contract workers to supplement staffing needs continues to be a trend and restrictions on term limits are loosening. As with permanent staffing, teams need to ensure these resources are versed in agency best practices and proficient in the organization’s business to ensure teams deliver on the value proposition of an in-house agency.
Finding Hidden Talent Within Your Team

Michael Boasso - Production Services Team Lead, The Cella Studio at Merck Creative Studios

Does your in-house team have a hidden gem? Many do. They may show up as one member’s undisclosed technical expertise in a specific area of knowledge. Or someone else who previously performed a role that no one else on your team has tackled. Maybe it’s a person adept at using the obscure software that’s required for a new project, or an individual with the skills to step up and help manage a complex, long-term task.

Discovering these hidden talents is like finding buried treasure. But even better, what about discovering that someone has expertise that could add an entirely new revenue stream and value proposition for the agency? What’s the best way to uncover and capitalize on this type of opportunity? When and how do you determine the right path going forward?

From Hidden Gem to a Real Offering

My role at Merck Creative Studios (MCS) is leading and managing the team supporting the R&D department. Initially, my background in science was seen as an asset for this position, but not a requirement. Yet, with an M.S. degree in medical illustration, I felt I could leverage my education and experience for a science-driven company like Merck, where potential clients would appreciate and benefit from the value and extent of expertise that our MCS team could bring to their scientific visualizations. Being passionate about the work and convinced that the service could mean an additional offering for our in-house agency, I believed that building out this capability was a win-win.

Three Steps to a Successful Launch

In creating the in-house Medical Illustration/Medical Animation group, we chose a growth path that was very organic in nature. First, we had to identify and confirm the need for the new service, as well as our ability to deliver it—at the same level of quality provided by external resources, AND at a lower cost. This was a simple task. Merck is a science-driven company with thousands of researchers and dozens of drugs. We knew that there’s always a need to show patients a new mechanism in action, or to explain how a particular medication works in the system. We also knew that, without the markups charged by outside agencies, our services would be a more cost-effective option for the clients.

Second, we needed to identify the team. My background proved to be an advantage, in that I was well connected with medical illustrators and could also provide this service myself. Early on, I was able to establish a core team that would be both cost effective and easy to work with.

Third, we started small and built slowly by selectively educating potential clients about our new capabilities. This approach ensured that we delivered initial assignments successfully and confirmed that our internal clients could trust us to provide this highly specialized service.

Education, Definitely Not to Be Neglected

Once we reached this milestone, we also needed to educate the broader in-house team about our new medical illustration and animation offering. We particularly wanted account services to have a full understanding of our capability so they could upsell and cross-sell this new service, thereby enabling us to expand our reach in the organization. This practice is critical to the success of delivering a niche service. Other team members might be concerned that they will also be required to develop some expertise in the new service offering. While this would be beneficial, the niche team’s ability to demonstrate mastery of the subject is more than enough to ensure the offering’s success and can help the greater team feel more confident in recommending the new service to their clients.

Strike Gold Inside

What valuable hidden talents reside in your in-house agency? Actively seek them out by talking with your team about their passions, prior experience and even hobbies. You might be surprised by the knowledge and expertise within your group, and the impact their skills can have on your team’s offerings when you cultivate and strengthen those individual assets. When you find this type of hidden talent it is not only a benefit to you and your group, but to your clients and company. Your agency will be energized and will work with a newfound purpose. It is a win-win for everyone.

Michael Boasso, Production Services Team Lead, The Cella Studio at Merck Creative Studios, holds a master’s of science degree, enabling him to understand the complexity of the pharmaceutical industry and leverage his talent in medical illustration and animation to contribute to high-science projects. Michael has over 18 years of experience in the pharmaceutical industry leading teams of various sizes. Motivation is a key aspect of his leadership style, as he believes happy teams are productive teams.
The number of projects creative teams and in-house agencies produce annually is loosely linked to their size. While it’s interesting to discuss volume in terms of number of projects, it’s not an apples-to-apples comparison across organizations. Service offerings continue to evolve and expand, providing growth for creative teams and in-house agencies. However, the new complexities require specific expertise and skill sets. Volume in its truest form should be discussed in terms of the number of “billable” or “utilized” hours per year. In addition, the various complexities in the work itself are not captured under project count and are better evaluated with hours in assessing the level of effort put into the project.

Staying current with, let alone ahead of, the growing complexities of our ever-evolving service-offering opportunities is no easy feat. Determining which service offerings to expand into is a process, and you shouldn’t set your team’s goal to “be everything to everyone.” Be selective in your core competencies and stick to them, regularly reevaluate them and adjust as needed. Don’t be afraid to identify work to be outsourced to third parties. There is still value in your team art directing and project managing projects; creative execution of all media types doesn’t have to be within your core competencies.
### Q: How many projects did your team work on in 2019?

<table>
<thead>
<tr>
<th></th>
<th>SMALL TEAMS &lt; 10</th>
<th>MID-SIZE TEAMS 11–30</th>
<th>LARGE TEAMS 31–50</th>
<th>MEGA TEAMS &gt; 50</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 500</td>
<td>21%</td>
<td>9%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>500–999</td>
<td>38%</td>
<td>18%</td>
<td>9%</td>
<td>12%</td>
</tr>
<tr>
<td>1000–1999</td>
<td>24%</td>
<td>25%</td>
<td>18%</td>
<td>25%</td>
</tr>
<tr>
<td>2000–2999</td>
<td>8%</td>
<td>17%</td>
<td>23%</td>
<td>15%</td>
</tr>
<tr>
<td>3000–3999</td>
<td>5%</td>
<td>14%</td>
<td>22%</td>
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<td>12%</td>
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<tr>
<td>6000–6999</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>7000–7999</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>8000+</td>
<td>1%</td>
<td>3%</td>
<td>5%</td>
<td>12%</td>
</tr>
</tbody>
</table>

*Small teams: n=116, Mid-size: n=90, Large: n=22, Mega: n=33*

### Q: For 2019, based on the total number of PROJECTS your team worked on, what percentage were tier 1, 2, and 3 work?

<table>
<thead>
<tr>
<th>ANSWER OPTIONS</th>
<th>10%</th>
<th>20%</th>
<th>30%</th>
<th>40%</th>
<th>50%</th>
<th>60%</th>
<th>70%</th>
<th>80%</th>
<th>90%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>tier 1: creative concepting</td>
<td>26%</td>
<td>27%</td>
<td>20%</td>
<td>9%</td>
<td>5%</td>
<td>6%</td>
<td>4%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>tier 2: design adaptation</td>
<td>6%</td>
<td>19%</td>
<td>32%</td>
<td>17%</td>
<td>15%</td>
<td>6%</td>
<td>3%</td>
<td>1%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>tier 3: pure production</td>
<td>11%</td>
<td>18%</td>
<td>18%</td>
<td>14%</td>
<td>19%</td>
<td>10%</td>
<td>7%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

*Additional data available for tier 2 and tier 3*

### Q: What percentage of your team’s HOURS were spent on tier 1, 2, and 3 work?

<table>
<thead>
<tr>
<th>ANSWER OPTIONS</th>
<th>10%</th>
<th>20%</th>
<th>30%</th>
<th>40%</th>
<th>50%</th>
<th>60%</th>
<th>70%</th>
<th>80%</th>
<th>90%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>tier 1: creative concepting</td>
<td>12%</td>
<td>26%</td>
<td>25%</td>
<td>10%</td>
<td>11%</td>
<td>8%</td>
<td>4%</td>
<td>4%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>tier 2: design adaptation</td>
<td>6%</td>
<td>19%</td>
<td>33%</td>
<td>21%</td>
<td>11%</td>
<td>7%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>tier 3: pure production</td>
<td>18%</td>
<td>20%</td>
<td>20%</td>
<td>15%</td>
<td>13%</td>
<td>7%</td>
<td>6%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

*Additional data available for tier 2 and tier 3*

---

In-house teams are raising the bar by bringing in agency-level talent capable of concepting and providing creative strategy. Equally important is ensuring client service expectations are met. Sometimes supported by a hybrid role or not supported at all, time tracking can shed light on where client service tasks are being managed and their impact on your creative resources.
Q: For which audience does your team create the MAJORITY of their work?

- 61% external audience
- 23% equally for internal and external audiences
- 16% internal audience

n=263

Q: Does your team provide a DEDICATED client service role?

- 39% no
- 24% hybrid account managers/project managers
- 15% yes, dedicated project managers
- 13% yes, dedicated account managers
- 9% yes, both dedicated account and project managers

n=262

Along with other roles, the client service role is increasingly a hybrid role. For teams without this essential role, time tracking can provide some insight as to where client service tasks are being managed and their impact on your creative resources.

Q: What type of advertising does your group support? (select all that apply)

- 67% national advertising
- 63% regional advertising
- 60% local advertising
- 35% global advertising
- 12% we don’t support advertising

n=260

Q: How often does your company commission custom photography?

- 50% 3 or more times a year
- 17% rarely
- 6% every few years
- 7% 1 time per year
- 13% 2 times per year
- 5% never
- 2% do not know

n=338

As In-house agencies mature and demonstrate their ability, they have and are continuing to position themselves as strategic partners capable of handling higher-tier projects previously assigned to external agencies.
**SERVICE OFFERINGS**

**Q:** Which of the following TRADITIONAL services does your team provide? (select all that apply)

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>graphic design</td>
<td>97%</td>
</tr>
<tr>
<td>infographics</td>
<td>86%</td>
</tr>
<tr>
<td>production design</td>
<td>83%</td>
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<tr>
<td>video production</td>
<td>73%</td>
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<tr>
<td>photography</td>
<td>72%</td>
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<tr>
<td>brand management</td>
<td>69%</td>
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<tr>
<td>presentation development</td>
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<tr>
<td>copywriting</td>
<td>67%</td>
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<tr>
<td>account/project management</td>
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<tr>
<td>print procurement</td>
<td>62%</td>
</tr>
<tr>
<td>copyediting</td>
<td>60%</td>
</tr>
<tr>
<td>proofreading</td>
<td>59%</td>
</tr>
<tr>
<td>marketing/communication strategy</td>
<td>56%</td>
</tr>
<tr>
<td>audio production</td>
<td>37%</td>
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<tr>
<td>fulfillment services</td>
<td>26%</td>
</tr>
<tr>
<td>proposal production</td>
<td>25%</td>
</tr>
<tr>
<td>proposal development</td>
<td>22%</td>
</tr>
<tr>
<td>broadcast TV</td>
<td>13%</td>
</tr>
<tr>
<td>other</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Q:** Which of the following DIGITAL-specific services does your team provide? (select all that apply)

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>digital design</td>
<td>88%</td>
</tr>
<tr>
<td>ad banners</td>
<td>79%</td>
</tr>
<tr>
<td>web design</td>
<td>66%</td>
</tr>
<tr>
<td>HTML edits</td>
<td>65%</td>
</tr>
<tr>
<td>online video</td>
<td>63%</td>
</tr>
<tr>
<td>web copywriting</td>
<td>55%</td>
</tr>
<tr>
<td>mobile design</td>
<td>53%</td>
</tr>
<tr>
<td>web content management</td>
<td>50%</td>
</tr>
<tr>
<td>user experience</td>
<td>43%</td>
</tr>
<tr>
<td>SEO</td>
<td>23%</td>
</tr>
<tr>
<td>eLearning design/services</td>
<td>18%</td>
</tr>
<tr>
<td>app development</td>
<td>12%</td>
</tr>
<tr>
<td>virtual reality</td>
<td>10%</td>
</tr>
<tr>
<td>360° video</td>
<td>10%</td>
</tr>
<tr>
<td>augmented reality</td>
<td>8%</td>
</tr>
<tr>
<td>other</td>
<td>3%</td>
</tr>
</tbody>
</table>

Teams need to balance being everything to everyone. Defining your niche, evolving as needed and leveraging specialization of internal resources or key partnerships will ensure long-term success.
Q: Where does social media CONTENT reside within your company’s organization?

2% external agency
2% lines of business
15% shared across several departments
16% in-house creative team
23% communications
32% marketing

Q: What social media services does the creative team support? (select all that apply)

- graphic content: 89%
- photography: 68%
- video: 65%
- verbal content (blog, tweets, etc.): 39%
- publishing: 27%
- response: 17%
- listening: 15%
- other: 5%
- our team does not support social media: 1%

Social media strategy most often lives outside of the in-house agency — where virtually all of the execution is done. Closer alignment between marketing strategy and the in-house team should be a creative leader’s key goal to increase effectiveness.

Q: What is the percentage of team hours spent on digital projects vs. print projects?

- 29% more digital than print
- 32% more print than digital
- 39% somewhat equal print and digital

n=316
Q: Which of the following service offerings do you see greatly INCREASING in the future for your group?

<table>
<thead>
<tr>
<th>Service Offering</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Video production</td>
<td>62%</td>
</tr>
<tr>
<td>Account/project management</td>
<td>16%</td>
</tr>
<tr>
<td>Marketing/communication strategy</td>
<td>36%</td>
</tr>
<tr>
<td>Presentation development</td>
<td>15%</td>
</tr>
<tr>
<td>Social media support</td>
<td>35%</td>
</tr>
<tr>
<td>Augmented reality</td>
<td>12%</td>
</tr>
<tr>
<td>Online video</td>
<td>34%</td>
</tr>
<tr>
<td>Audio production</td>
<td>11%</td>
</tr>
<tr>
<td>Web design</td>
<td>30%</td>
</tr>
<tr>
<td>SEO</td>
<td>10%</td>
</tr>
<tr>
<td>Brand management</td>
<td>28%</td>
</tr>
<tr>
<td>Virtual reality</td>
<td>8%</td>
</tr>
<tr>
<td>Graphic design</td>
<td>28%</td>
</tr>
<tr>
<td>360° video</td>
<td>8%</td>
</tr>
<tr>
<td>Interactive/multimedia design</td>
<td>27%</td>
</tr>
<tr>
<td>Proofreading</td>
<td>7%</td>
</tr>
<tr>
<td>Copywriting</td>
<td>26%</td>
</tr>
<tr>
<td>Proposal development</td>
<td>7%</td>
</tr>
<tr>
<td>User experience design</td>
<td>24%</td>
</tr>
<tr>
<td>ELearning/instructional design services</td>
<td>6%</td>
</tr>
<tr>
<td>Web content management</td>
<td>22%</td>
</tr>
<tr>
<td>Proposal production</td>
<td>6%</td>
</tr>
<tr>
<td>Infographics</td>
<td>20%</td>
</tr>
<tr>
<td>Copyediting</td>
<td>5%</td>
</tr>
<tr>
<td>Photography</td>
<td>20%</td>
</tr>
<tr>
<td>Print procurement</td>
<td>4%</td>
</tr>
<tr>
<td>Web/digital copywriting</td>
<td>18%</td>
</tr>
<tr>
<td>App development</td>
<td>3%</td>
</tr>
<tr>
<td>Production design</td>
<td>17%</td>
</tr>
<tr>
<td>Fulfillment services</td>
<td>2%</td>
</tr>
<tr>
<td>Mobile design</td>
<td>17%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
</tbody>
</table>

Technology advances drive new creative strategies and deliverables. Teams need to be able to advise clients on the appropriate use of technology to best support the strategy and avoid the "shiny new object" syndrome.
**Q:** Do you provide video production services?

```
    27% no
    73% yes
```

**Q:** For which audience does your team create the MAJORITY of their video work?

```
20% internal audience
29% more or less equal between internal and external audiences
51% external audience
```

**Q:** How many dedicated team members support video services?

```
4% 11-15
6% 16+
8% 6-10
10% 4-5
13% three
22% two
37% one
```

**Q:** If you have only one resource, what is that role?

```
3% editor
6% video art director
11% producer
15% combined producer/editor (preeditor)
17% designer
40% hybrid of producer, editor or camera operator
8% other
```
**SERVICE OFFERINGS: VIDEO**

**Q:** Which of the following are video FTE roles? (select all that apply)

- **53%** hybrid of producer, editor or camera operator
- **41%** video graphic designer
- **35%** producer
- **32%** combined producer/editor (preditor)
- **26%** editor
- **22%** director
- **21%** video art director
- **18%** camera operator
- **12%** other

n=176

**Q:** How do you most often distribute video for review? (select all that apply)

- **62%** online storage and file share
- **38%** video distribution systems
- **34%** shared drive/server
- **24%** digital asset management tool
- **24%** YouTube
- **19%** web-based approval software
- **13%** email
- **12%** FTP site
- **6%** other

n=188

1 Other consists of primarily workflow management tools - such as WorkFront and InMotionNow

**Q:** Which of the following video FTE roles do you use to edit? (select all that apply)

- **87%** Mac
- **26%** PC
- **3%** other

n=187

**Q:** Which of the following video production-specific services does your department provide? (select all that apply)

- **95%** video editing
- **79%** motion design/animation
- **75%** social media content
- **69%** live-action video recording
- **32%** podcasts
- **19%** 360° video
- **1%** other

n=187

Other indications of the growing diversity of in-house teams are video capabilities such as motion design and live action. As with other trending service offerings, teams need to have the ability to understand the creative strategy and how best to use these applications to benefit the brand.
Stranger Things: An Inside Out Success Story

Pam Orlando Zanni - Director of Solutions, Cella

Anyone leading an in-house agency is keenly aware that it can be like a journey into the Upside Down. You never know what is around the next corner, there always seems to be an unknown force at play and just about the time you think you have it figured out — something new is coming at you. This past year, rather than being in the Upside Down, my team and I found ourselves in the Inside Out and we had to adapt to meet new business needs.

A Great Gig, but Repetitive and Tactical

A little background...I have a talented team of remote designers and writers with project management and studio leadership onsite with our client, an international hotel chain. We aren’t the agency of record (AOR), we are the in-house team that picks up the loose ends and ties things together when the outside agency is overloaded or when our clients are running short on turn time. Our value proposition is that we can expedite our process. Most often we take on work developed by the external agency and extend it across channels. It’s a great gig, really — challenging, interesting and fast paced. We have fun and the work is interesting, but it is unpredictable.

As we all know, there are times our in-house teams get pigeonholed into production or execution. They’re simply perceived as tactical rather than strategic. When clients hold onto that mindset, the projects can get repetitive. So I’m...
always looking for ways to showcase our talents, such as taking on small video projects to demonstrate our animation or editing skills, in order to raise the level of our assignments.

The Pitch, The Win, The Perfect Storm
Not long ago, an unexpected opportunity showed up for our team. We pitched an internal communications campaign against an outside agency — and won! The work we developed for projects like this, and others, provided our client with enough confidence to seek our help when their AOR couldn’t meet their needs.

Recently, we experienced a bit of a perfect storm. Our company’s external agency had delivered a great national media campaign but at a much higher cost than our client had budgeted. Our in-house agency had been exceeding expectations in both quality and cost, which positioned us as the logical solution to the client’s budget problem. This meant that the remaining work for the new campaign had to be cost-effective, and the in-house team was poised to deliver.

Passing the Test
Yes! These are the rare moments in-house agency teams dream of! Instead of lower-tier work coming from the external agency for us to mass produce, we were going to take over the campaign — from the initial creative development through placement.

We knew this was a test and we’d have to deliver. We also knew that we hadn’t been appropriately briefed on the brand platform developed by the AOR. Fortunately, the client understood that we couldn’t be fully effective until we had been briefed on the strategy and positioning. They decided that it was worth their investment to fly our in-house agency team to meet with the AOR at their home office.

We spent a full day together and were presented with the background and discovery details for the brand platform, including all of the testing and results. It was an invaluable session! The AOR leads graciously presented their work, and the day concluded with a deep dive into brand guidelines for the platform. Information was provided in the spirit of partnership and transparency. Never before in my 25+ year career had I experienced this degree of openness between an outside agency and any of my teams. We were truly in the realm of the Inside Out.

The in-house team, which is incredibly talented, was ready to step up to this challenge. And the results of the work? We nailed it — solidifying our reputation as a true strategic agency.

Since that day last fall, we’ve taken on social, emails and video projects — often delivering against seemingly impossible deadlines. Our team is growing to include developers, video producers, animators and editors. We continue to look at each project as an opportunity to demonstrate the outstanding talent on our team, and we’ve continued to be rewarded with amazing work. From where I sit, our year Inside Out is just the beginning of a long and successful journey.
Partnering with agencies is often in the best interest of the business or organization and your internal team. So, as a leader you must work to take away the fear of bringing in outside expertise and embrace the possibilities. It is difficult to do everything on your own. Beyond simply sharing the workload, there are other key reasons to further agency relationships, including keeping up with a dynamic business environment, “integrated” creative excellence, career development for your team and efficient delivery.
Q: Does your creative team/in-house agency partner with external agencies?

- 75% yes
- 25% no

n=260

Q: What is the nature of your in-house team’s working relationship with external agencies? (select all that apply)

- 52% new ideas, special projects and skill sets
- 52% overflow, extra capacity
- 49% provide niche expertise or on enterprise wide/large assignments
- 25% tier 1 strategy, we handle execution
- 22% clearly defined/complimentary scope
- 11% compete head-to-head

n=189

It is now common for teams to partner with external agencies. What is exciting is that the relationships have progressed to a collaborative nature. This approach is best of both worlds — in-house industry knowledge coupled with an external agency’s specialty or niche expertise.

Q: What services does your agency partner provide? (select all that apply)

- 58% campaign strategy and design
- 57% creative strategy
- 53% design execution
- 53% video
- 49% copywriting
- 38% media buying
- 34% photography
- 33% web design/development
- 26% broadcast TV

n=189

NOTE: Social media, brand management, direct marketing, interactive/app development, proposal production, proposal development and other were all under 25% each.
Q: Does your group partner with offshore/offsite creative and production services providers?

![Pie chart showing 25% yes and 75% no.]

Q: How satisfied are you with the quality of work from your offshore/offsite partner?

![Pie chart showing 6% somewhat dissatisfied, 21% neutral, 33% somewhat satisfied, 40% very satisfied.]

Q: What are the BENEFITS of working with your offshore/offsite partner? (select all that apply)

- **63%** additional dedicated resources
- **44%** more hours of business support (“follow the sun” approach)
- **44%** reduced costs
- **33%** specialized skill sets
- **17%** brand knowledge continuity
- **5%** other

Q: What are the DRAWBACKS of working with your offshore/offsite partner? (select all that apply)

- **54%** miscommunication
- **51%** lack of brand knowledge
- **33%** poor attention to detail
- **19%** missed deadlines
- **14%** other

1 Other includes: skillset, rights usage and taking creative license

Offshoring of digital services has dropped slightly, driven by the need for speed along with the higher level of concepting required for new technologies such as AI.
Firms are taking two approaches to global operations. Some teams are choosing to use a global approach in low-cost markets to take advantage of cost savings and offer a more “24/5” approach, while others are serving global creative needs by positioning their teams in global offices close to their customer base.

For in-house groups with multiple locations, tactically evaluating the benefits and drawbacks of each location’s operations is critical. Most commonly you will find trends demonstrating a need for brand continuity and increased cost savings, which lead to shifting more capabilities and roles to a lower-cost labor market, either domestically or internationally.

Following are challenges to prepare for with global operations:

**Technology:** Remote teams often experience slowness in the shared network, which is something that may not be able to be improved.

**Process:** There is a critical need for effective and efficient project handoffs across locations. Communication of project details and creative direction is a constant challenge.

**The clock:** Depending on the global locations, short or nonexistent time zone overlaps create hurdles in connecting and clarifying, which in turn can negatively impact turnaround time.
Q: At how many locations do your team members reside?

- 61% one central domestic location
- 14% two domestic locations
- 13% three or more domestic locations
- 12% multiple locations both domestic and international

n=250

Q: What are the primary reasons for international creative teams? (select all that apply)

- 63% support local business partners
- 40% provide more hours of business support ("follow the sun" approach)
- 33% low-cost labor market(s)
- 30% ensure brand continuity
- 27% localization/transportation requirements
- 17% other

n=30

Q: How do you share files between locations? (select all that apply)

- 55% shared intranet/servers
- 48% external services such as Dropbox/Google Docs
- 46% email
- 43% SharePoint site
- 41% DAMs
- 26% virtual project management tool
- 19% other

n=97

Q: What challenges arise when sharing files between locations? (select all that apply)

- 77% file size
- 29% security
- 27% firewalls
- 23% transfer reliability
- 20% other
- 13% file formats

n=90

New collaborative digital asset management platforms have modern file transfer protocols that enable secure transfer of massive amounts of large files at speeds 100x faster than a traditional FTP. A remote collaboration best practice is to bring the people to files through a permissions-based central location, a fundamental principle in versioning tools.
Processes

Standard operating procedures, workflows and systems are usually an afterthought and come into play when a creative team and in-house agency group’s volume of work is significantly increasing, and so is its size. But if implemented early, these tools provide transparency, clarity of roles and responsibilities, automated support and efficiencies, resulting in increased productivity — and a stronger foundation to support growth.
**Q:** Does your team use creative briefs?

- **14%** no
- **56%** yes, for tier 1 projects (nonstandard, non iterative, highly conceptual projects)
- **30%** yes, for all projects

*n=336*

**Q:** What are the most important criteria considered to prioritize your group’s assignments?

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic importance</td>
<td>4.03</td>
</tr>
<tr>
<td>Deadline</td>
<td>3.82</td>
</tr>
<tr>
<td>Project visibility</td>
<td>3.50</td>
</tr>
<tr>
<td>Client status/hierarchy</td>
<td>3.35</td>
</tr>
<tr>
<td>Project budget</td>
<td>1.82</td>
</tr>
</tbody>
</table>

*n=245*

Average score on a 0–5 scale, in which 0 is not important and 5 is extremely important.

**Q:** Who meets with the client to scope a new project? (select all that apply)

- **60%** creative director
- **55%** project manager
- **47%** lead designer
- **39%** account manager
- **11%** editor
- **14%** other

*n=247*

**Q:** Who meets with the client to review iterations? (select all that apply)

- **67%** lead designer
- **50%** project manager
- **43%** creative director
- **28%** account manager
- **14%** editor
- **12%** other

*n=246*

Project managers are increasingly involved in client meetings, which means added responsibility for this role and potentially new (soft) skills that need to be developed.
**Q:** Are your workflow processes documented?

- 47% yes, everything is documented
- 37% some of our major ones
- 16% few, if any, are documented

**Q:** Does your team have established/published service level agreements for creative deliverables?

- 47% no
- 32% yes, for some deliverables
- 21% yes, for all deliverables

**Q:** Do you have a fast-track process in place to accommodate quick-turn projects?

- 43% no
- 48% yes
- 9% yes, with dedicated team/resources

**Q:** How often do you survey your clients?

- 43% never
- 30% annually
- 8% semi-annually
- 9% quarterly
- 5% after most projects
- 5% after every project

Teams who do not survey their clients may be missing opportunities to strengthen their relationships and overcome the top creative challenge of managing client behaviors.
Q: Does your team capture and report on metrics?

- 69% yes
- 31% no

n=248

Q: What type of financial metrics does your team capture? (select all that apply)

- 42% cost avoidance/cost savings versus external cost
- 41% external agency spend
- 40% estimate versus actual hours/costs
- 14% print cost avoidance
- 12% other

n=141

In-house teams should carefully consider how the right metrics can promote their value. Operational metrics can support your business case for additional or different resources to deliver even higher-quality creative.

Q: What type of product/service metrics does your team capture? (select all that apply)

- 62% product mix by job category (number of projects)
- 59% product mix by job type (number of projects)
- 55% project volume by job category (hours)
- 51% resource usage by LOB (hours)
- 50% project volume by job type (hours)
- 49% resource usage by hours
- 48% resource usage by client department (hours)
- 40% project hours for each LOB: project category, job type, project tier
- 39% client satisfaction
- 25% print request volume
- 8% other

n=170

Q: What type of process metrics does your team capture? (select all that apply)

- 78% job status
- 52% on-time delivery
- 48% staff utilization
- 43% volume of rush requests
- 39% average rounds of revisions
- 37% milestone schedule
- 26% rounds of creative
- 24% client review duration
- 19% speed to market
- 12% error rate
- 6% other

n=180
### Processes: Metrics

#### Q: How are these metrics used? (select all that apply)

- **Managing team capacity**: 72%
- **Future planning**: 70%
- **General staffing/resources**: 64%
- **Promoting the value of the team**: 61%
- **Identifying inefficiencies**: 59%
- **Evolving process**: 56%
- **Tracking trends/seasonability**: 47%
- **Demonstrating cost avoidance/savings versus external agencies**: 35%
- **Increasing transparency (cost) for business partners**: 31%
- **Evaluating resource skills against work type**: 25%
- **Benchmarking against industry standards**: 18%
- **Other**: 2%

**n=165**

#### Q: How do you report on or present these metrics? (select all that apply)

- **Within the creative/in-house leadership team**: 60%
- **Within the in-house team and marketing leadership**: 54%
- **Metrics are used ad hoc for departmental presentations**: 45%
- **Reports are distributed to senior leadership**: 43%
- **Dashboards are available to all for self-service review**: 20%
- **Business reviews are conducted in person with designated teams**: 11%
- **Other**: 4%

**n=167**

#### Q: On average, how often are your reports distributed?

- **Daily**: 1%
- **Weekly**: 9%
- **Monthly**: 33%
- **Quarterly**: 17%
- **Yearly**: 12%
- **Other**: 33%

**n=167**

---

1 Other includes reports not distributed or on demand.
Q: Do you use Agile methodologies?

Q: What Agile methodologies do you use? (select all that apply)

- Scrum: 58%
- Hybrid: 44%
- Kanban: 37%
- Scrumban: 5%

Q: What percentage of work is done using Agile methodologies?

- 71-90%: 13%
- >91%: 2%
- 51-70%: 10%
- 31-50%: 26%
- 11-30%: 26%
- <10%: 23%

Despite predicted rapid adoption, in-house teams are looking to their peers for shared learning, generally taking a more conservative and deliberate approach to adopting Agile practices, as is the marketing industry in general. Fewer marketers labeled themselves agile, and roughly half of teams are planning to begin implementing these practices, versus the projected 60% in 2019.  

*Source: AgileSherpas.com, 2nd Annual State of Agile Marketing Report, 2019*
## Processes: Agile

### Q: What are your reasons for adopting Agile methodologies? (select all that apply)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhance ability to manage changing priorities</td>
<td>63%</td>
</tr>
<tr>
<td>Accelerate product delivery</td>
<td>53%</td>
</tr>
<tr>
<td>Increase productivity</td>
<td>50%</td>
</tr>
<tr>
<td>Improve project visibility</td>
<td>35%</td>
</tr>
<tr>
<td>Mandated by management</td>
<td>27%</td>
</tr>
<tr>
<td>Improve business alignment</td>
<td>26%</td>
</tr>
<tr>
<td>Reduce project risk</td>
<td>18%</td>
</tr>
<tr>
<td>Improve morale</td>
<td>18%</td>
</tr>
<tr>
<td>Reduce project costs</td>
<td>15%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
</tr>
</tbody>
</table>

n=62

### Q: What are the challenges using Agile methodologies? (select all that apply)

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of experience in methodology</td>
<td>69%</td>
</tr>
<tr>
<td>Inconsistent Agile practices</td>
<td>44%</td>
</tr>
<tr>
<td>Insufficient training</td>
<td>38%</td>
</tr>
<tr>
<td>General resistance to change</td>
<td>36%</td>
</tr>
<tr>
<td>Company philosophy/values at odds with core principles</td>
<td>23%</td>
</tr>
<tr>
<td>Lack of supporting tools</td>
<td>16%</td>
</tr>
<tr>
<td>Lack of in-house agency management support</td>
<td>13%</td>
</tr>
<tr>
<td>Lack of management support outside of in-house agency</td>
<td>13%</td>
</tr>
<tr>
<td>Regulatory compliance and governance</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>7%</td>
</tr>
</tbody>
</table>

n=61

The reasons teams adopt Agile practices indicates a better understanding of the benefits of Agile.

**Priorities, yes:**
Teams are using Agile to pivot, putting resources on the right project at the right time.

**Product delivery, yes:**
"93% of CMOs who employ Agile practices say their speed to market for ideas, campaigns and products has improved." (Forbes/CMG Partners)

**Productivity, mixed:**
Agile may not require much paperwork, but it absolutely requires discipline.

Monitoring utilization and adhering to the routine of stand-up meetings are areas where teams need to practice better discipline.
One of the biggest challenges we often face in our role of providing internal creative services is how to navigate our daily projects while intentionally positioning our teams as strategic partners to our clients.

As an established in-house agency, our department has developed pretty good rapport with both long-term and newer clients. Over the past few years we have proactively undergone organizational changes in a continuous drive to improve client services. While we anticipate that further adjustments will be needed as we maneuver our way through the evolving economics of the retail industry, the changes we’ve already made have put us in a sort of sweet spot for providing effective service to our clients.

Yet even with the “right” organization, manpower and rapport, we recognize that if we don’t continually evaluate how to be even better partners to our clients, or pursue an even deeper understanding of the scope of their needs, communication and service delivery will suffer and client engagement will break down.

So how do we know if we are properly engaged? With the advent of global digitization, it seems we should all be experts in engagement. And yet, from time to time, we still find ourselves wrestling with understanding and relating to our clients.

As we strive for excellence, we may be delivering impressive-looking creative and meeting tight deadlines. But if we haven’t opened the door to hear constructive criticism from our clients in a while, we simply — and sometimes wrongly — assume that everything is going great. We may also find ourselves struggling to meet ever-changing expectations or feeling blindsided by our client’s point of view, making it easy for us to default to the mentality that they just don’t know what they want, even when they see it.

What we must learn is that we can speak the same language as our clients and become more strategic partners by utilizing soft skills such as self-awareness and emotional intelligence to create an atmosphere for more effective communication and engagement, both with our clients and among ourselves.

So How Exactly Do We Create This Atmosphere?

Positive Attitude: By maintaining a positive attitude, we show that we trust our clients, are on the same team and desire to grow together as partners. It’s easy and tempting to believe that clients don’t really know what they want — but if we change our assumptions and open our minds to their perspectives and needs (and stop playing the blame game), this shift could be a game changer. Taking the time to reflect on our own attitude toward our projects and clients, and showing even more in-depth enthusiasm and knowledge of our client’s products or services, supply us with the confidence and tools needed to influence them without being
Chee Wei Potter is the Assistant Vice President Art/Creative for Hobby Lobby, the Arts and Crafts retail chain. With over 20 years of experience with Hobby Lobby, Chee Wei mentors and develops the team throughout the process of developing an extensive catalogue of exclusive designs for Hobby Lobby products, packaging, branding and creative content.

overbearing or seeming to be shoving our creativity down their throats.

Curiosity: We must ask more substantive questions about their industry and disciplines. We can go to Google and do market research on our own, but why not also schedule an hour to talk to our clients about their own vision for taking their products or services to the next level? We can eliminate so much unnecessary back-and-forth and build more solid trust by securing as much of our client’s buy-in as possible right from the start. We should also be curious about visual and design history. Seeing where something has come from can help immensely in determining where it should go next. With this research in hand, we can ask pertinent questions that could help elevate their product or service, without increasing costs or turnaround time.

Listen: Actively and attentively listen, always expanding the limits of our filters. We tend to block out what we don’t expect or don’t want to hear. This applies especially to longtime clients with whom we’ve established familiar and comfortable ways of providing services. Watch out for the mindset that says, “Why fix it if it ain’t broken?”. It’s possible to become complacent and think everything is going well, while missing powerful hints and insights that could actually improve how we work and what we create.

By implementing these soft skills, we have seen a positive ROI from our client relationships, as well as our team members. Team engagement becomes stronger as employees are encouraged to solve problems for clients in a more positive light. Quality of output increases as the staff is encouraged to continually seek a greater appreciation of industry and client needs and practices. Process efficiency improves and evolves as teams learn to listen for contextual clues and avoid habitual ruts. Most importantly, these positive, proactive approaches to self-reflection, -awareness and -understanding will engage our clients and prove to them that we are intentional, strategic partners who are not only confident and able to solve any problem, but also willing to do what it takes to always be improving.

“Complacency is the forerunner of mediocrity. You can never work too hard on attitudes, effort and technique.”
– Don Meyer, basketball coach
Across the last decade, there has been a revolution in supporting technology aimed at improving the efficiency and effectiveness of creative operations. As these systems continue to develop to meet our needs, they continue to add functionality. But in doing so, the complexity and the lines of distinction between these systems are blurring, making it more difficult to design the appropriate tech ecosystem for our teams.

Today, we have project management systems (PMS), content management systems (CMS), document management systems (DMS) and digital asset management (DAM) systems. To make it more confusing, much of the functionality of these systems overlap. Each of these systems manages creative assets and workflows but has a different purpose or focus. They all have unique functionality that can be used in conjunction with other systems to develop a comprehensive end-to-end solution. When looking for a new system, it can sometimes be difficult to know where to start if the primary focus or functionality is not clear.

While technology complexity is increasing, creatives still desire simple, yet aesthetically pleasing, tools with which to work. In this ever-changing environment, creatives teams must learn to adapt and embrace this technological change or be left behind. It is no longer possible to concentrate only on creative output; we must also concentrate on the delivery of this output and how it impacts the success of the organization.
Q: Is technology available for your team to work remotely as needed? (select all that apply)

- 78% yes, employees use VPN on company assets
- 20% yes, employees use VPN on their own computers
- 13% yes, taking files home and using their own computers
- 9% yes, through loaner laptops (requiring work to be uploaded ahead of time)
- 5% no
- 2% other

n=246

Q: Does your team use soft proofing software to collaborate with clients and collect/track feedback?

- 36% yes, it is part of our project management software
- 30% sort of, we use Adobe Acrobat’s built-in functionality
- 28% no
- 6% yes, we have stand-alone software/system

n=244

Q: Which of these communication channels are used in your company? (select all that apply)

- 98% email
- 44% Skype
- 41% text
- 36% Microsoft Teams
- 23% Microsoft Yammer
- 21% Zoom
- 17% Slack
- 11% other
- 9% Google Hangouts Chat
- 6% Cisco Jabber
- 3% BlueJeans
- 2% Jive

Other includes: WebEx, Workfront and Workplace

n=246
**Q:** Does your team use a digital asset management system?

- 35% yes, enterprise-wide system
- 27% yes, for our team/division
- 38% no

62% are using DAM systems

**Q:** Do you have a dedicated resource managing your DAM system?

- 47% yes, but it is a hybrid role with other functional responsibilities
- 21% yes, we have a DAM librarian
- 26% no
- 6% other
- 68% have at least a part-time dedicated resource

**Q:** Which, if any, of these systems does your team use? (select all that apply)

- 26% Microsoft SharePoint
- 25% Dropbox
- 22% Adobe Experience Manager Assets
- 19% Box
- 18% Google Drive
- 13% Workfront DAM
- 10% Widen Collective

Tools such as Dropbox and Google Drive, although providing teams with massive distribution and collaborative benefit, are not true DAM systems, but rather glorified hard drives in the cloud.

Systems that depend on folder structure hierarchies to organize content are missing the benefits of a true DAM system that leverages robust tagging, search, sharing and versioning capabilities.

And, like the tools which enable automated metadata enrichment, management of an organization’s taxonomy requires less manual effort, freeing up resources to focus on other/related activities.
Q: Does your team use project management software?

81% yes
12% no
7% no, paper tickets/other manual methods

n=245

Q: Do you have a dedicated resource managing your project management system?

56% yes, a hybrid role with other functional responsibilities
22% yes, we have a tool administrator
20% no
2% other

78% have an assigned administrator

n=198

Q: Which, if any, of these systems does your team use? (select all that apply)

40% Workfront
12% Microsoft SharePoint
12% Other*
10% Jira
8% Trello
8% Workamajig
7% Wrike
6% Asana
5% Basecamp
5% Smartsheet

n=197

* Other systems varied widely with no clear trend/provider.

Q: Does your team track time?

64% of teams track time
54% yes, we use project management software to track time
36% no, we do not track time

10% yes, we use a manual method to track time

n=204

One quarter of megasize teams do not track time, yet 80% need to provide competitive estimates. Time tracking is a best practice and essential for teams required to provide competitive estimates to ensure costs accurately reflect the time required to do the work.
Values and Challenges of In-House Teams

Many creative groups stand on the value proposition of being lower cost (whether that is free or a chargeback rate that is lower than agencies), and while that will open doors, it won't keep them open. It's extremely important that creative leaders identify and preach the team's value outside of cost. Institutional knowledge along with shared company values and goals are other highly recognized aspects of an in-house group, with the greatest advantage being brand knowledge.

Almost regardless of industry, company size and team size, the challenges of creative leaders are very consistent. Year over year, affecting client behaviors remains the greatest principal challenge. Resourcing, innovation and skill sets are also top challenges. Ensure your group’s value proposition by proactively creating a strategic plan with these challenges in mind.
VALUES AND CHALLENGES OF IN-HOUSE TEAMS

Q: Which of the following are the greatest challenges within your group? (select all that apply)

- 56% resourcing
- 43% innovation
- 35% keeping up with market trends
- 31% technology
- 29% skill sets
- 12% other

n=241

Other: (1) time/capacity constraints, (2) not always having the right/needed resources - including administrative help, account/pm support or creative directors

Q: Which of the following topics provide the greatest challenge for you as a creative leader? (select top three)

- 65% client behaviors (revisions, insufficient time)
- 39% career pathing for self and staff
- 36% gaining respect from internal clients
- 33% adequate funding for staff
- 23% value recognition/executive support and buy-in
- 22% splinter groups (small creative teams in other areas of the company)
- 22% technology/Mac support

n=240

Q: How do you motivate your team and keep thinking fresh for the brand? (select top three)

- 66% collaborative culture encourages cross-pollination across the team
- 41% opportunities for training on new techniques/media
- 38% keeping the team motivated is a challenge
- 33% internal lunch and learn activities
- 13% sometimes rotate creative teams
- 8% other
- 7% external speakers
- 4% regularly rotate creative teams

n=232

Q: Which of the following do your internal clients recognize as part of your value proposition? (select all that apply)

- 93% brand knowledge
- 82% historical knowledge of products/deliverables
- 81% shared values/goals for company
- 75% high-end creative quality
- 72% cost savings
- 61% speed/cycle time
- 58% compliance/legal requirements knowledge

n=245

Perhaps not surprisingly, of teams that consider themselves a strategic partner, 57% report client behaviors as the top challenge compared with 73% for non-strategic teams, which suggests building stronger alignment with your clients should be an important strategy within your team.
Career pathing for in-house leaders and their teams remains one of the greatest challenges. Leaders are also slightly less satisfied in their current roles and more optimistic about the job market for roles similar to the one they’re in today.

Although creative teams and in-house agencies are on the rise — both in size and number — there still isn’t an abundance of them, let alone open senior roles. While the majority responded that their next career move could most likely be another in-house team, others expressed interest in freelance or consulting roles.
CREATIVE TEAM LEADER

Q: How long have you worked for your current employer?

- 34% 10+ years
- 26% 3-5 years
- 21% 6-10 years
- 12% 1-2 years
- 7% <1 year

n=242

Q: What departments outside of the creative team/in-house agency have you worked within at your current company? (select all that apply)

- 62% only the creative services group/in-house agency
- 31% marketing
- 17% communications
- 11% other
- 7% IT
- 4% sales

n=240

Q: In what discipline is the majority of your background and experience?

- 47% creative director-design media
- 21% creative operations
- 12% marketing
- 9% account services
- 5% other
- 6% creative director-copywriting

n=242
Q: How satisfied are you in your current role?

- 53% mostly satisfied
- 18% extremely satisfied
- 10% passively looking
- 13% neutral
- 6% actively looking

Q: How confident are you in the job market and opportunities available for someone in your role?

- 57% mostly confident
- 23% not confident
- 15% highly confident
- 5% do not know

Q: Your next career move would most likely be?

- 54% other in-house creative teams
- 16% none of the above
- 11% other
- 6% external agencies
- 13% within marketing (but not within creative team)

Leaders are relatively satisfied in their role and confident in the job market, however, maintaining a current resume/LinkedIn profile can help ensure a long-term career growth strategy.
Appendix
Survey Participant Demographics

Survey responses were filtered to represent only responses by in-house creative leaders. To identify leadership-level responses, we filtered titles per the chart below. Responses were further narrowed to eliminate duplicate responses and ensure one unique response per company and/or each in-house agency residing within an organization.

**Q: Which of the following best describes your title?**

<table>
<thead>
<tr>
<th>Title</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creative Director</td>
<td>23%</td>
</tr>
<tr>
<td>Director/Business Unit Head</td>
<td>21%</td>
</tr>
<tr>
<td>Creative/Marketing Services Manager</td>
<td>21%</td>
</tr>
<tr>
<td>Operations Manager/Director</td>
<td>10%</td>
</tr>
<tr>
<td>Design/Production Manager</td>
<td>7%</td>
</tr>
<tr>
<td>Vice President</td>
<td>7%</td>
</tr>
<tr>
<td>Art Director</td>
<td>6%</td>
</tr>
<tr>
<td>Other Management Role</td>
<td>5%</td>
</tr>
</tbody>
</table>

n = 383

**Q: Please identify your company’s/organization’s annual revenue.**

<table>
<thead>
<tr>
<th>Revenue Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education, Government, Not-for-profit</td>
<td>17%</td>
</tr>
<tr>
<td>&lt; $250M</td>
<td>11%</td>
</tr>
<tr>
<td>$250M–$1B</td>
<td>17%</td>
</tr>
<tr>
<td>$1B–$5B</td>
<td>19%</td>
</tr>
<tr>
<td>$5B–$10B</td>
<td>7%</td>
</tr>
<tr>
<td>$10B–$30B</td>
<td>12%</td>
</tr>
<tr>
<td>&gt; $30B</td>
<td>17%</td>
</tr>
</tbody>
</table>

n = 373

Industries comprising less than 1% include Architecture, Automotive, Educational Services, Energy, Legal, Oil and Gas, Sports and Fitness, Telecommunications, Utilities.
RESOURCES

Department Organization
10 Steps To Assign The Right Talent To The Right Job
https://bit.ly/2wWIA1L
Account Managers: Look For The Ducks
https://bit.ly/2wX3PRd
The 5 Un-Teachable Attributes Of A Project Manager (PM)
https://bit.ly/2VPkWNd
Think Locally, Act Globally

Department Funding
Don’t Let Your Funding Model Run Your Creative Team
https://bit.ly/3a6E6mO
The Appeal Of A Hybrid Funding Model
The Challenges to Cost Savings Metrics
https://bit.ly/2wCkTMb

Department Resourcing
Adapting The Corporate Performance Review For Creatives
https://bit.ly/3a4E6mO
Build A Cultural Safe House For Your Team
https://bit.ly/3a5CSbl
Developing The Right Resourcing Strategy To Support Your Organizational Model
How To Build A Solid Freelancer Pool For Your In-House Agency
“It’s Impossible To Fire Anyone Here”
Onboarding Tips For In-House Agencies
Overcoming Corporate Hiring Hurdles
https://bit.ly/2wy8C1q
What To Know About Attracting And Retaining Creative Talent In 2020
https://bit.ly/2XVf47x

Service Offerings
Content Management And Automation
The Power Of The Value Add: How To Change Perception Of Your In-House Agency
Speaking in Code
https://bit.ly/2XzRkFY
Why It’s Better To Bring Social Media Expertise In-House

Video
5 Video Shifts For 2019
Remote Video Production Strategies

Metrics
Metrics and Reporting: Using Data Analytics To Measure Risk/Reward
https://bit.ly/3eDAWuj
Productivity And Efficiency – What Are The Distinctions And Benefits?

Agile
In-House Agencies Weigh In On Plotting An Agile Course
https://bit.ly/34Ut57h

Partnerships
Cracking The Offshoring Nut
External Agencies Are Not Your Enemy
Principal Partnership Agencies (PPAs)

Processes
4 Process Pitfalls And Ways To Avoid Them
Garbage Into The House, Garbage Out Of The House: 5 Critical Account Services Best Practices
Operations: The Secret Ingredient In The Creative Sauce
The Simple Truths About Project Complexity
https://bit.ly/2xMItHF

Remote Work
Remote Video Production Strategies
Remote Work Best Practices: Creatively Coping With The Coronavirus
Virtual Interviewing Tips
Virtual Onboarding: Bringing New Talent In Remotely
https://bit.ly/2JZ2mg0

Technology
Data By Design: Optimizing Your Creative Tech Ecosystem
Future Proof With These Emerging Technologies
PM Solution Adoption: Build It And They May Not Come
https://bit.ly/2wV2All
Simplifying In-House Agency Communications

Values and Challenges of In-House Teams
Brand Shepherds Ensure Brand Success
Powerful Mission And Vision Statements: The Why, What And How
The In-House Opportunity:
Elevate, Enhance And Expand
What’s Next For In-House Agencies?

Leading Creative Teams
Commit. Do. Assess. Measure. Repeat. – Continuous Improvement
https://bit.ly/2VnXKtD
In-House Leader Newbie Dos And Don’ts
Steps To Successful Change Management
Professional Development and Peer Collaboration for In-House Creative Leaders.

PEER ROUNDTABLE

**CreativeExecs® by Cella**  
Cella brings together creative, marketing and digital executives for moderated peer discussions on topics tailored to the unique challenges facing leaders of in-house departments. Gain shared knowledge, a fresh perspective and actionable advice that you can immediately put into action.

PROFESSIONAL DEVELOPMENT

**In-House Agency Leadership Summit by Cella**  
The must-attend event for in-house agency (IHA) leaders. Accelerated changes—in technology, process, partnerships and possibilities—are demanding strategic and powerful transformation within in-house agencies. IHA leaders are constantly facing new issues to address, along with the quickening need for world-class perspectives on topics that are sometimes unfamiliar. Join your IHA peers as our experts share tangible ideas and compelling data that will help you future-proof the way you run your agency.

**Creative Manager Boot Camp by Cella**  
Take advantage of professional development training for in-house creative managers and team leads who are transitioning to a more operational and leadership-centric role. Learn the foundational skills necessary to be effective leaders of creative services teams and in-house agencies.

NETWORKING EVENTS

**CreativeConnects® by Cella**  
Since 2006, CreativeConnects events have provided creative, marketing and digital professionals opportunities to gather in person and virtually to share ideas and expand their networks.

Learn more about Cella's events at cellainc.com/events
We can’t wait to talk to you.

Contact info@cellainc.com to learn more about our services for creative, marketing, digital and proposal development teams.

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