State of
IN-HOUSING

Defining how marketing teams evolve

2019

A note from Bannerflow

Going into 2018, in-house marketing was a trend gaining momentum — flash forward 12 months and it has exploded into the mainstream.

We at Bannerflow felt compelled to know how the trend was developing and how our customers' priorities in Europe were changing in response, or indeed, driving it. Our belief, along with Digiday, was that the state of in-housing by Europe's leading brands was ready for study.

Undeniably, the impact of in-housing can be felt throughout marketing. It's a shift that is affecting a broad spectrum of players.

What's more, brands are rapidly changing how they perform their marketing. Frustrations with old ways of working are driving brands to take action, fast.

Yet, decision-makers are still trying to figure out in-house: what it means for their teams, processes and technology.

The rise of in-house marketing in Europe is only just beginning to be analysed and it presents both opportunity and challenge. Gauging the temperature of in-housing will only grow in importance.

Now is the time to share that knowledge.

Nicholas Högberg

Nicholas Högberg
CEO at Bannerflow

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Introduction

As brands increasingly seek transparency in their advertising spend and more control over creative, many are beginning to take capabilities in-house, spawning new ways of working with agency partners and experts. Many organizations see it as an opportunity with 91 percent having moved at least part of their digital marketing in-house. What's clear is that it's not an all-or-nothing approach to in-housing for many of the brands we surveyed — and there are numerous reasons why, as we uncover in this report.

The research indicates a strong desire to take control of costs, increase transparency and agility, but the practicalities and challenges of in-housing tell a different story. From existing skills and talent in marketing teams to gaining internal buy-in, brands vary in their confidence and concerns in bringing marketing inside their walls. What's more, a surprising number of marketers also believe that in-housing is a passing trend, particularly among those who consider themselves to be early adopters.

To gain a true picture of how this rapidly growing trend will develop, Digiday and Bannerflow surveyed 200 senior marketers and experts at brands, in-housing agencies and consultancies based in Europe to discover the biggest triggers, benefits and barriers to in-housing.

Here is a deeper look into the findings.

Main learnings

87%
are concerned with the transparency level of media agencies.

91%
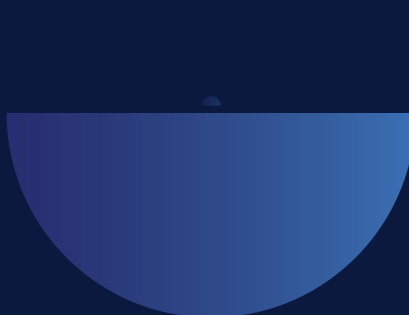have moved at least part of their digital marketing in-house.

58%
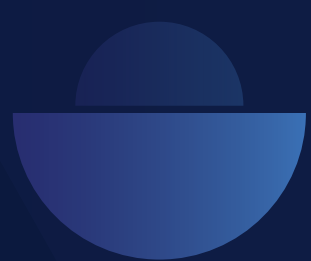of brands are confident they can run an in-house marketing team alone.

56%
say the lack of existing talent and skills necessary to build a competent in-house team is the biggest barrier to in-housing.
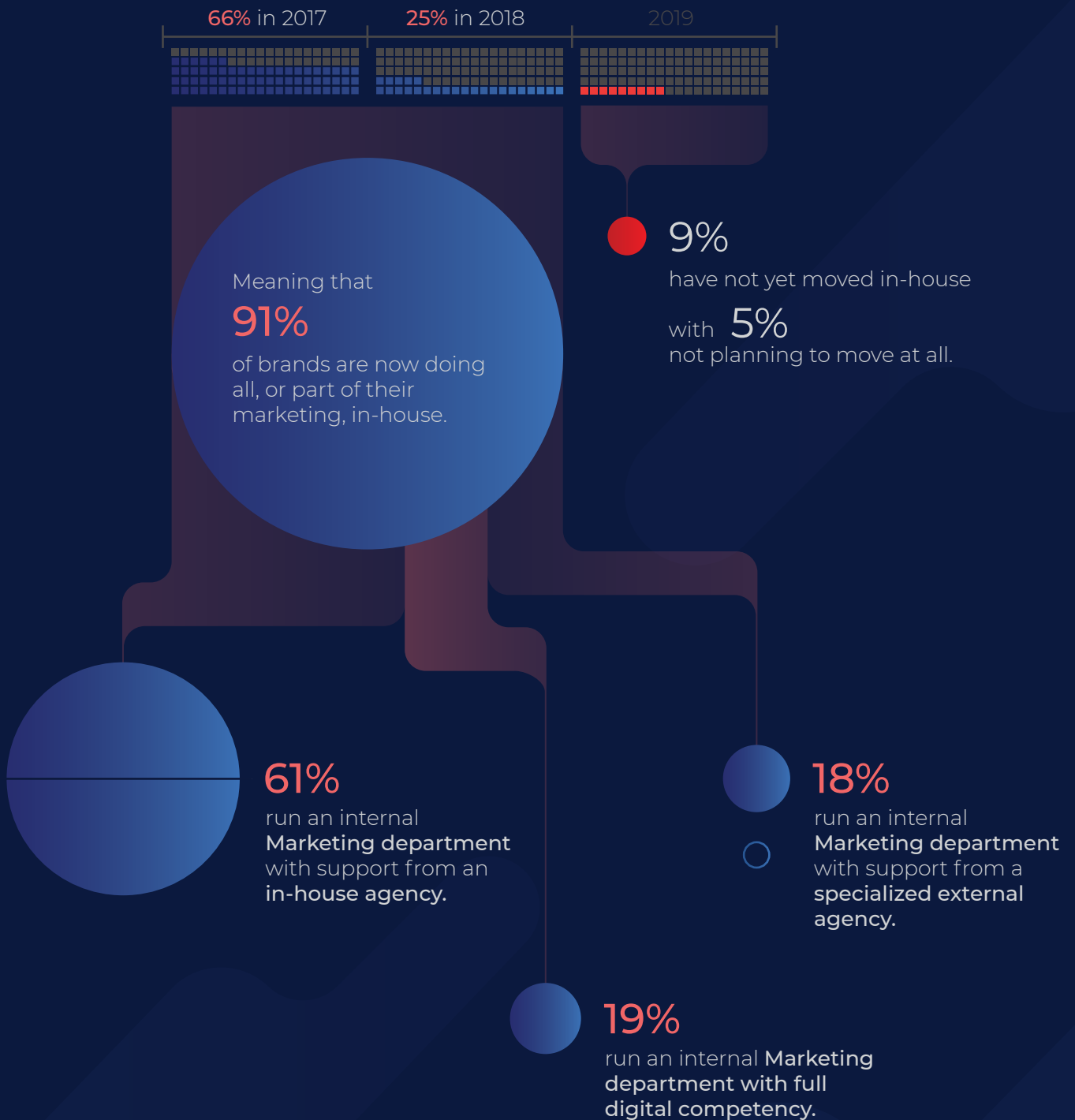
96%
agree that the availability of advertising tech and tools has allowed more marketers to take their operations in-house.

63%
think that in-housing is a passing trend.

Brands that have moved part of their digital marketing in-house during the past two years:

66% in 2017   **25%** in 2018   2019

Meaning that
91%
of brands are now doing all, or part of their marketing, in-house.

9%
have not yet moved in-house

with **5%** not planning to move at all.

61%
run an internal **Marketing department with support from an in-house agency.**

18%
run an internal **Marketing department with support from a specialized external agency.**

19%
run an internal **Marketing department with full digital competency.**

The state of in-housing

In-housing digital advertising hit headlines towards the end of 2018, as debates around digital skills in marketing teams and the future of agency relationships rumbled on. Many brands are already well on their way — in fact two-thirds of brands have moved at least part of their digital marketing in-house, and have been doing this for over a year. While, another 25 percent have started in-housing within the past 12 months. Even the four percent of respondents that haven't yet in-housed plan to do so in the next 12 months, which means just five percent have no plans to implement at all.

"There's an aggressive move toward in-housing, it feels like a movement," says Rebecca Sykes, global CEO at people-powered content creation company MOFILM. "Not that long ago brands outsourced all of their most valuable responsibilities, their budget, brand guardianship, data — it all sat in someone else's business. I think this sudden realization that they can bring that back in-house and own that, and not be subject to a lack of transparency and control, has been a bit of an awakening."

Confidence levels are high

It's no surprise given how far brands are on their in-housing journey, that over half (57 percent) see themselves as 'innovators' — first to take advantage of taking control of their marketing efforts — and 93 percent are either very or fairly confident in taking that step.

Gaming brand, Rovio Entertainment — makers of Angry Birds — counts itself as a very early adopter, according to its chief marketing officer, Ville Heijari. Rovio started building an in-house digital marketing team in 2010, "at a time when many of the key channels and formats of today — especially in mobile advertising — were still emerging."

It was a process for the brand, but one that paid off. Heijari says: "It took a number of years to align our core business with the rapidly changing mobile gaming market, and the in-house team has evolved hand-in-hand with the business over the years." The brand now has a hyper-engaged (in-house)

team covering marketing strategy, creative production and media planning/ buying in close proximity with the business units inside the company.

However, Sykes believes in a partnership-based approach. She says: "I think confidence that [brands] can positively benefit from in-housing is definitely one thing. But, I think the gains they're going to have if they should include more applications to creativity, more ways to develop, all of these things — to achieve that in isolation just seems a little bit short sighted. I think it requires partnership."

A varied in-housing set-up

The dictionary definition of in-housing is "any work that's done within an organization or business by its employees rather than by other people". However, it's not so clear cut in the marketing industry. While it may seem that agencies are being squeezed out, some brands are creating hybrid models, where capabilities are taken in-house both with and without support from agency partners.

Where do marketers place themselves and their brand on the in-housing spectrum?

Innovators
57%

Early adopters
27%

Late adopters
13%

Skeptical
3%
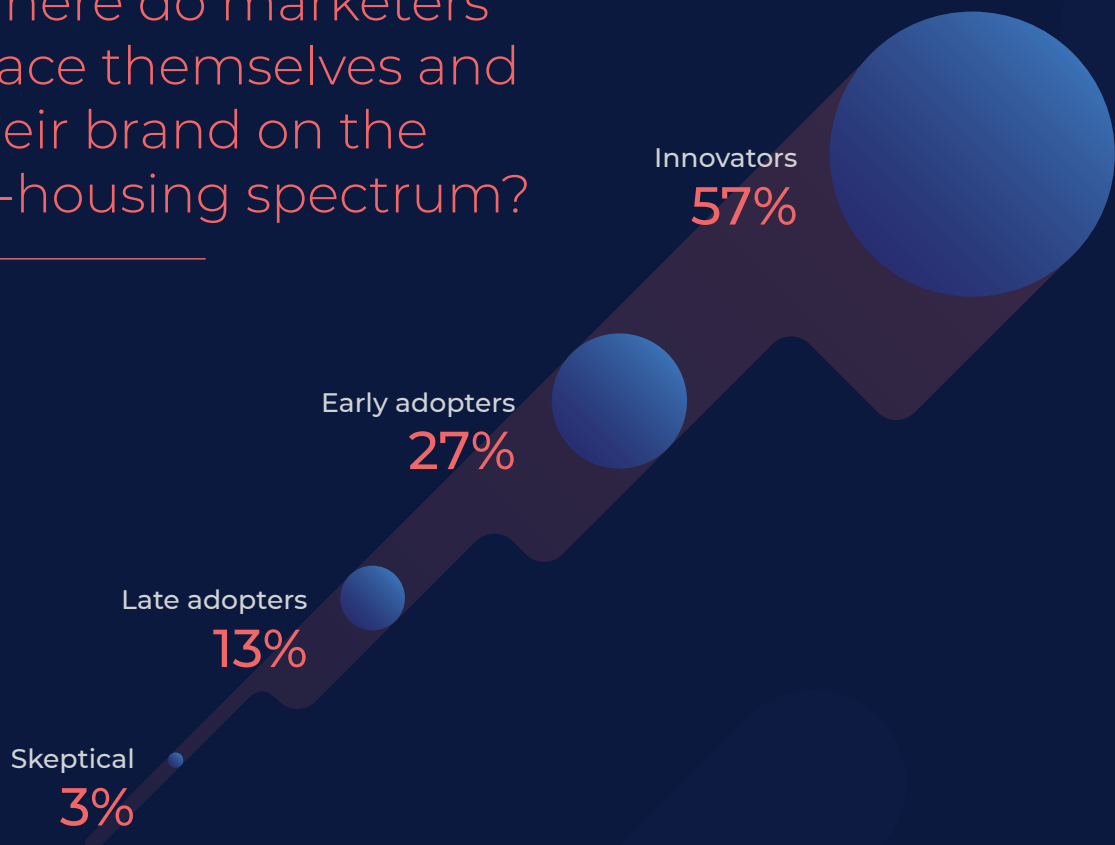
"Categories [such as beauty and FMCG] that have been at the forefront of content creation and volume are leading the way because the old model is outdated for the volume, efficiency and effectiveness they now require."

Rebecca Sykes
Global CEO
Mofilm

Our research shows that 61 percent of all brands use a separate in-house agency — set apart from the marketing team but working in cohesion with them. Nineteen percent of brands have a marketing team with full digital competency and 18 percent have their marketing team assisted by specialized external agencies.

"There is no template," says Michael Olaye, CEO at in-house digital creative agency Dare and CTO at marcomms network Inside Ideas Group. "It's not like we sell bodies on a chair or bums in a seat." At Dare their in-house agency teams are bespokely built for a need where "sometimes they evolve quite quickly and sometimes they don't need to evolve at all", according to Olaye.

Anders Nygren, CEO and founder at marketing consultancy Peregrine, also sees the need for an external point of view and bespoke support. He says: "Given the fact that it's going to be challenging for brands to hire the right people, it's going to be continuously hard for them to, over time, be super creative, super agile and ahead of the curve with just an in-house team."

Nygren believes brands will need "external input continuously". He says: "Agencies and marketing consultants could change more towards supporting the brand, within the processes and technology infrastructure, I think that those companies could continue to be really successful."

Rick Oakley
Head of Digital Marketing
Lucozade Ribena Suntory

LUCOZADE RIBENA SUNTORY

Lucozade Ribena Suntory's TED team — an in-house creative agency that delivers technology, entertainment and design for the brand, started to deliver campaigns back in April 2016. Rick Oakley, head of digital marketing at LRS, tells us of the initial challenge of gaining internal buy-in in 2015 to conversations about how the TED Team can be extended to the wider business.

How would you describe your in-house set-up?

We're a collaboration of in-house and agency, which feels like the best of both worlds. 2018 was a huge year for LRS and the TED team, as it was the first time we delivered a major campaign entirely in-house, partnering with ITV and Love Island to promote Lucozade Zero.

We did everything from developing the creative idea to delivering the TV ad and all other media touch points, but Mediacom were instrumental in identifying and establishing the opportunity with ITV.

Our external agencies bring exceptional talent and a broader, strategic external view to campaign while the TED team, who have the home advantage, provide the insight and capability to execute them.

What do you perceive to be the biggest barriers to in-housing?

With so few major brands having adopted this model back in 2015, the initial challenge was getting internal buy-in. But with quality work being produced in-house — that any agency would be proud of, I believe businesses are becoming increasingly aware of its value.

Secondly, if the goal is to produce best-in-class marketing, then finding the right talent is of course a challenge, and so it should be. You cannot produce quality, cost-effective work without the right talent, but this isn't limited to creative teams. We're lucky enough to work in a place that values creativity and is committed to developing people, not just in the TED team but the entire business.

What were your biggest reasons for in-housing?

Agility, was the biggest factor behind our decision to 'in-house'. The speed and flexibility with which we work with has allowed us to deliver some amazing additional customer opportunities at short-notice.

Another significant driver to 'in-house' was the strategic importance of building a strong internal digital capability. Having this team in-house means we're far less reliant on agencies and consultants to understand and adopt marketing or ad tech. This makes us even more agile and able to respond to changes in technology faster, with greater confidence and at a lower cost. Our digital capability means we're also much better at tracking the ROI.

We're currently working with our global group CIO to explore how the positive impact of the TED Team can be extended to the wider business including greater collaboration with IT. We're also exploring a cross-functional digital transformation programme building on the momentum that the TED team has created.

Thinking about your current in-house set-up, do you think it will evolve as more brands in-house digital marketing?

I think agencies will realize that the current, full-service model is in decline and will become ever-more adept at delivering collaborative solutions to clients. This could be a really effective sweet spot, combining the best of both worlds.

———————————

Benefits and barriers

The current state of in-housing shows a positive but varied picture of what marketers are doing, and where they are on the spectrum, however, a deeper dive into why reveals a broader narrative.

There's a strong desire for increased transparency, in fact, 87 percent of respondents say they are concerned with the transparency level within media agencies. For those using a separate in-house agency, this concern rises to 97 percent. Respondents also have a keen eye on the potential cost-savings — a vital element in a marketing environment where budgets are tight. Our research shows there are a few challenges on the route to achieving both.

Benefits

When asked to rank the biggest reasons for brands to in-house, cost-saving topped the list, followed by greater agility, and increased transparency.
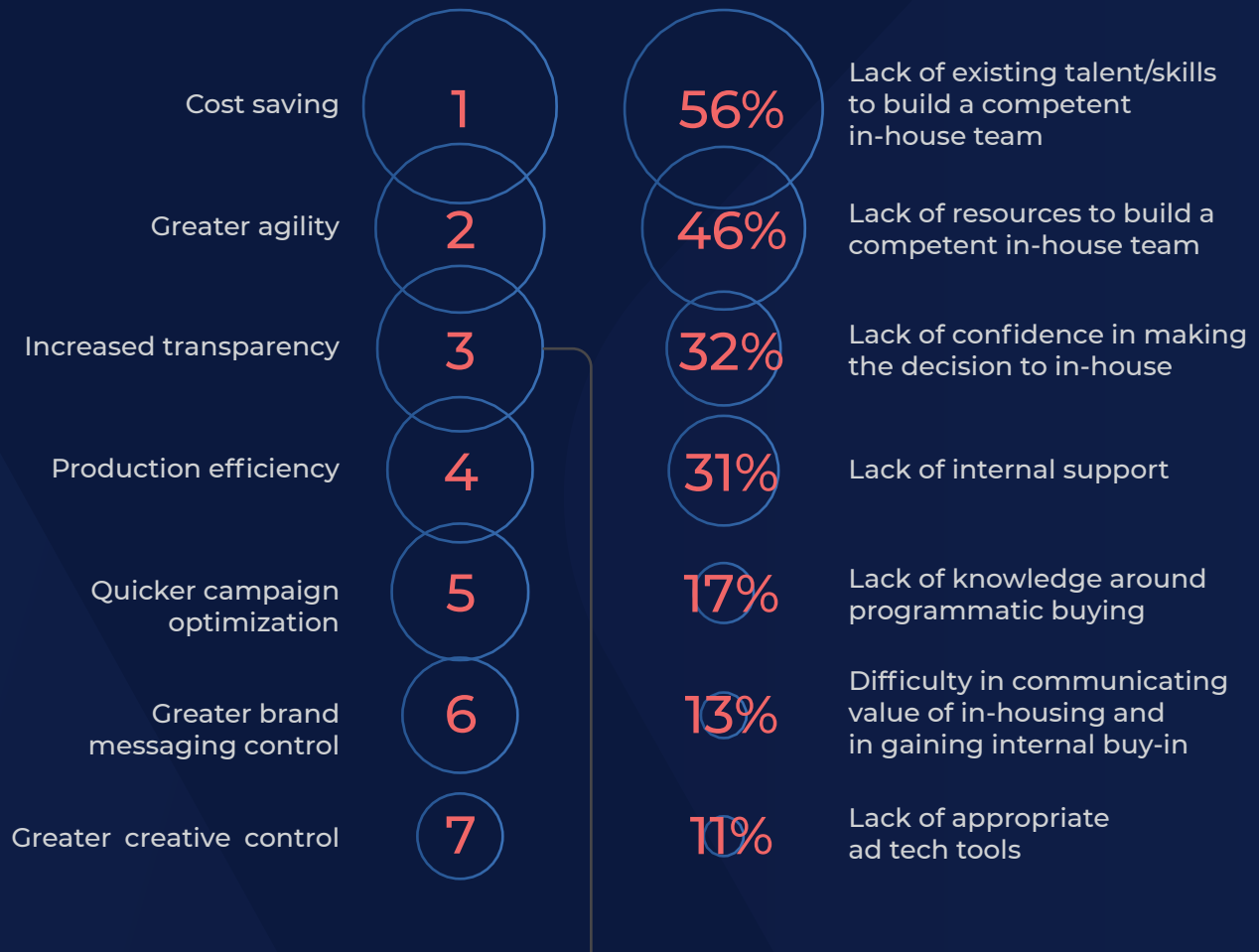
In addition to its in-house team having more experience with the brand and products, Rovio also lists agility as a major driver of the move to in-house. Heijari says its "in-house production teams work with great speed and high creative impact with data-driven design powered by business intelligence and analytics".

That business data and intelligence is something that Nygren at Peregrine believes is developing in line with the in-housing trend. He says: "We've seen cases where companies and advertisers have combined inside analysis on their existing customer data and combined that with marketing data. You build an audience of high value customer segments and you can use those insights to increase the efficiency in reaching those audiences."

He adds: "That whole capability of combining marketing customer data, building segments, and then activating those segments in your communication is something that really draws growth."

Brands' top reasons for moving digital advertising in-house:

Cost saving — 1

Greater agility — 2

Increased transparency — 3

Production efficiency — 4

Quicker campaign optimization — 5

Greater brand messaging control — 6

Greater creative control — 7

Brands' biggest perceived barriers to in-housing:

56% — Lack of existing talent/skills to build a competent in-house team

46% — Lack of resources to build a competent in-house team

32% — Lack of confidence in making the decision to in-house

31% — Lack of internal support

17% — Lack of knowledge around programmatic buying

13% — Difficulty in communicating value of in-housing and in gaining internal buy-in

11% — Lack of appropriate ad tech tools

9 in 10

marketers are concerned with the transparency level of media agencies. Ranking it as their third reason for moving digital advertising in-house.

Despite the obvious positives to in-housing, there are several hurdles to overcome before brands will be able to fully reap the benefits.

Barriers

A lack of existing talent and skills to build a competent in-house team is the biggest barrier to in-housing for 56 percent of respondents, as explained by the second most-cited reason — 46 percent point to a lack of resources to build a competent in-house team.

Olaye at Dare agrees that talent should be an area of focus for in-house teams, but to also hire that talent with the whole company in mind. He says: "The number one thing is that you have to get, not only just the talent, but the right personality as well. Every brand, every office, every building requires somebody that will fit in and somebody that can be accepted on both sides."

Confidence in making the decision to in-house and a lack of support internally on the decision to in-house make up the third and fourth biggest barriers for a third of respondents: this is despite the fact that only 13 percent listed communicating the purpose of in-housing and gaining buy-in internally as a barrier.

Getting that internal buy-in may be bolstered by brands having a comprehensive execution strategy. Nygren believes it's important to think beyond just hiring the right people, towards executing in terms of onboarding technology and the right competencies, plus changing the way people work, going from "a very sequential, siloed way of working" to more cross-functional and agile". He says: "I think one of the biggest barriers is that you need an actual roadmap to do it."

"There are still some agencies and people within agencies that are reluctant to accept the fact that the current methods are not sufficient enough for the client."

Michael Olaye
CEO
Dare

| **Ville Heijari**
Chief Marketing Officer
Rovio Entertainment

ROVIO

Rovio Entertainment are early adopters, building an in-house digital marketing team in 2010. The brand now has a hyper-engaged in-house team covering marketing strategy, creative production and media planning and buying — all of which happens in tandem with other the business units inside the company. Rovio's chief marketing officer, Ville Heijari, gives us the inside view.

What were your biggest reasons for in-housing?

From a strategy perspective, the in-house team has more experience with our brand and products and can balance tried and true approaches with new experiments — with minimal effort.

Second, creative: in-house production teams work with great speed and high creative impact with data-driven design powered by our business intelligence and analytics.

Third, media planning and buying: cost-savings, efficiency on trading and creative production, as we have our own distribution platform with cross-promotion across our portfolio. Total ownership of marketing data enables us to govern the all stages of the conversion funnel.

What do you perceive to be the biggest barriers to in-housing?

Relevant skills and talent may become the biggest barrier to start an outcome-focused change program from agency dependency to in-house agency for strategy, creative production and media planning and/or buying.

Do you think there is a greater focus on return on investment/ results over creativity in marketing?

Yes, because developments in data collection, processing
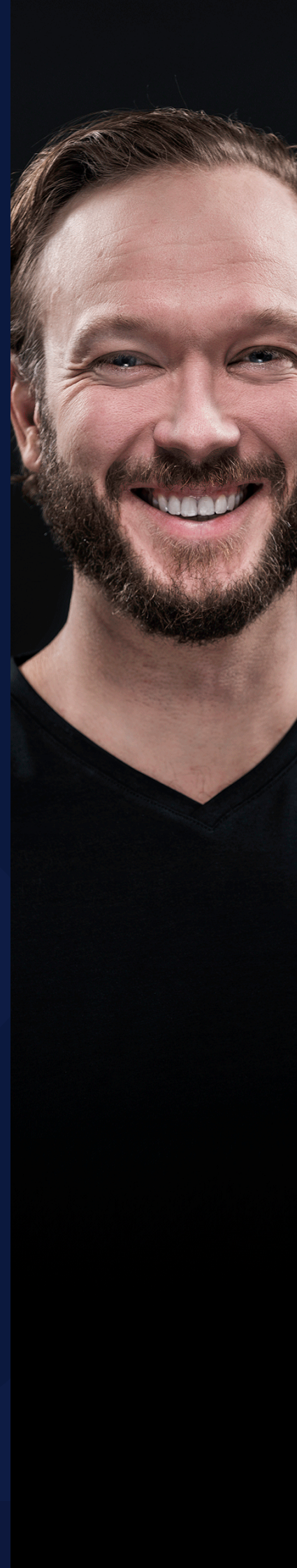
and attribution has enabled marketers to build measurement frameworks for all types of media, whether analog or digital. Creativity matters, but understanding the objectives for different marketing channels and harnessing the creative accordingly matters even more.

What, if anything, do you think hinders creativity within marketing teams?

Limited understanding of today's consumer behaviour. For example, in many digital channels the window of attention and potential engagement is remarkably short and many creative briefings fail to address this.

Thinking about your current in-house set-up — do you think it will evolve as more brands in-house digital marketing and how?

Yes. It will get leaner and even more integrated with various channels and technology partners.

Do you use any advertising technology or tools in your in-housing approach?

We use workflow automation tools, campaign automation and various tools that enable us to increase the speed of delivering more versions, variation and experiments with digital campaigns.

What effect has advertising technology had on brands' ability to in-house?

I tend to agree that with the focus on data and accurate attribution of advertising investments, the development of technology and tools has really enabled an increase in efficiency in-house. However, it's surprising that "63 percent of respondents think that in-housing is a passing trend" when thinking of developments in the ad-tech space.

If anything, more advanced technology and automation tools will enable even more efficient in-house operations. Of course, as mentioned earlier this will mean close integration with more technology partners.

A place for creativity

Creativity is a crucial part of any marketing campaign, but as the profession becomes increasingly results driven and aligned with overarching business goals, there is a need to have a greater focus on ROI.

Our research reveals this battle, as brands are critical of their fixation on results over creativity. In fact, 88 percent of brands think marketers place a greater emphasis on return on investment and results over creativity, in addition to ranking 'cost-saving' as the biggest benefit to in-housing. Unsurprisingly, 96 percent of the agency and in-house consultancy respondents also say this.

Many brands also stated the reasons for this frank answer, providing insight such as:

"It's what managers are looking at"

ROI vs. Creativity

88%
of brands believe ROI is more important than creativity.

96%
of agencies and in-house consultancies believe ROI is more important than creativity.

"The recent shift from a separate marketing department to a combined sales and marketing department has put more focus on the ROI"

"Marketers tend to become short term when facing pressure"

One brand respondent stated: "I think smart marketers know it's both a Mad Men and a Math Men world." Another pointed to the short-sightedness of management and said: "I think management teams expect fast ROI and sometimes miss the long-term value of building a strong brand with a high creative execution."

Lucozade Ribena Suntory's in-house creative agency — set up by the brand in 2016, are invested in both ROI and creativity. Head of digital marketing, Rick Oakley says: "We want our work to be effective at driving sales or shifting brand metrics, just as much as we want to deliver great creative work. Agencies are equally capable of this but I believe we're often a little more invested in the sales figures."

He adds: "I feel that getting the right balance between sales-driven campaigns that deliver short-term ROI and brand-building activities, which can deliver greater long-term results, is challenging. While brand awareness metrics are still extremely helpful in showing how well people are engaging with our brands, establishing your ROI and what drives certain purchase behaviors has to be seen as a priority if you want to learn from each campaign and re-invest smartly."

Creativity blockers

In addition, respondents listed a lack of time (51 percent), high costs (44 percent) and lack of skills and talent (41 percent) as the top three impediments to creativity within marketing teams. Over a third (38 percent) cite a lack of vision/strategy. 30 percent cite a pressure to deliver results and 22 percent cite a lack of technology.

High costs and skills are also linked when brands are looking to match the right competencies to business needs. Sykes at MOFILM points to video talent in particular, she says: "When [brands] start to break down video they realize the number of skill sets required, and they realize they can't afford it because they don't need it all the time."

This is an area that Lucozade Ribena Suntory have developed to ensure they work with external experts when required. Oakley says: "One area we've had to develop is our ability to identify and manage freelancers to support our in-house team, either in terms of additional capacity or to buy in specialisms we don't have the volume of work to warrant bringing in- house."

Tech boost

The fact that 'a lack of technology' gains the least attention as an impediment to creativity is bolstered by 96 percent of respondents saying that the availability of advertising technology and tools has allowed more marketers to take marketing operations in-house.

"Technology is driving the move towards in-house," says Oakley. He adds: "As technology isn't going to be reversed, I can't see why businesses will move back to using agencies for services they can now deliver themselves."

The top impediments to creativity within marketing teams:

51% Lack of time

44% High costs

41% Lack of skills and talent

38% Lack of vision/strategy

30% Pressure to deliver results

22% Lack of technology

Sykes notes a change in the technology space, seeing it evolve from a "Wild West" where brands built "stacks where there haven't been stacks before" to a consolidated technology landscape. She says: "I can already see how lots of systems are starting to weave together to allow you to build on a relationship and not require you to migrate huge businesses off one tool in order to invent it with something different."

A view by sector

Some sectors are more advanced in their in-housing journey, and have notable concerns and opinions. Here are a few insights from our research:

Retail and **FMCG** score the highest for having in-housed at least part of their digital marketing for over a year.

FMCG have the highest number of brands who have a marketing team with full digital capability.

FMCG, **energy & utilities**, the **financial sector,** and **technology sectors** all score the lack of skills and talent as the biggest barriers for brands to go in-house.

100 percent of the brands in the **FMCG** and **automotive** sector are concerned with the transparency of media agencies.

FMCG brands are the most confident in being able to run in-house alone.

FMCG has the most brands that say technology is an enabler of in-housing.

Mark Evans
Marketing Director
Direct Line Group

Direct Line Group

Direct Line Group use a mixture of in-house and outsourced solutions, enacting a hybrid approach where the brand has in-housed certain parts of their marketing but retains some level of internal capability. Marketing director, Mark Evans, gives us his view on creativity, the positives of a hybrid approach and the challenges of in-housing.

Do you think there is a greater focus on return on investment/ results over creativity in marketing?

In a data-driven world the bottom line will always be the return of investment, but this goes hand-in-glove with creativity — it's an 'and', not an 'or'. To connect with consumers and influence their behavior to drive a commercial return requires creativity.

Our utopian aim is to measure the impact that every £1 of spend has on driving ROI both in the short-term and long-term. But we have to remind ourselves that the single biggest impact we have had on ROI in recent years was with the creative leap towards the Winston Wolf campaign. For all of the commercial levers that you can pull it is still often the case that good (or bad) creative can trump these efforts.

This provides the backdrop for good agency relationships, in that it is evident that we don't have a tunnel view of the world and agencies will have the opportunity to bring their best ideas to market.

What do you think hinders creativity within marketing teams?

I believe that neurodiversity is now getting more air time as a conversation but still remains a largely unexplored aspect of the diversity conversation. As a result many marketing teams are missing out on the 'superpowers' that neurodiversity brings.

Indeed if the primary benefit of diversity is different thinking,

then we should look no further than people whose brains are inherently wired differently for the ultimate source of creativity. Rather than expecting individuals to be both right-brained and left-brained I believe the best marketing teams should in composite be 'whole-brained' — neurodiversity is critical to that.

Many creative breakthroughs have come from people with Dyslexia, Dyspraxia, Dyscalculia, and Autism. In the end, once AI has automated many of the tasks that require repeatable precision, creativity and sustainable differentiation will only come from thinking that exists at the edges.

What are your biggest reasons for in-housing all or some of your marketing capabilities?

We decided to in-house or part in-house some of our capabilities mainly for speed and efficiency reasons. For example, in the case of paid social the turnaround time and unit cost is often prohibitive, but our internal team can move ultra-fast at virtually zero cost as opportunities arise.

But at other times it would be too expensive for us to either invest in building the required capabilities or to maintain the cost of an operational team across the scale of our activity. In the end it's a pragmatic commercial decision to deliver to the optimum cost, quality and time. Crucially this approach reinforces our credibility internally as a commercially aware marketing function.

What do you perceive to be the biggest barriers to in-housing?

The downside of pursuing in-housing is that in the extreme you risk groupthink. We only need to look at Pepsi's Kylie Jenner "howler" to understand how badly wrong it can go.

The other critical challenge is a 'snapshotting' of capability. By this I mean that you take an influx of great talent with a wealth of accumulated knowledge and wisdom, but the unintended consequence is that the shutters might come down and you lose sight of continually refreshing capability in a very fast-developing world outside. This helps to explain why we go for the best-of-both-worlds hybrid approach to ensure that we still get sufficient external perspective and critical challenge.

The future of in-housing

To look ahead at where in-housing might be heading, we naturally expect further evolution of the trend, particularly in how it will affect established players who already apply a hybrid model to their marketing; those brands that use a specialized in-house team supplied by an agency.

The distinction between what is and what isn't an in-house agency looks set to become both more defined and more complex. Many brands are creating their own in-house agencies — separate from external agencies — designed to assist marketing teams with specialized skills and talent.
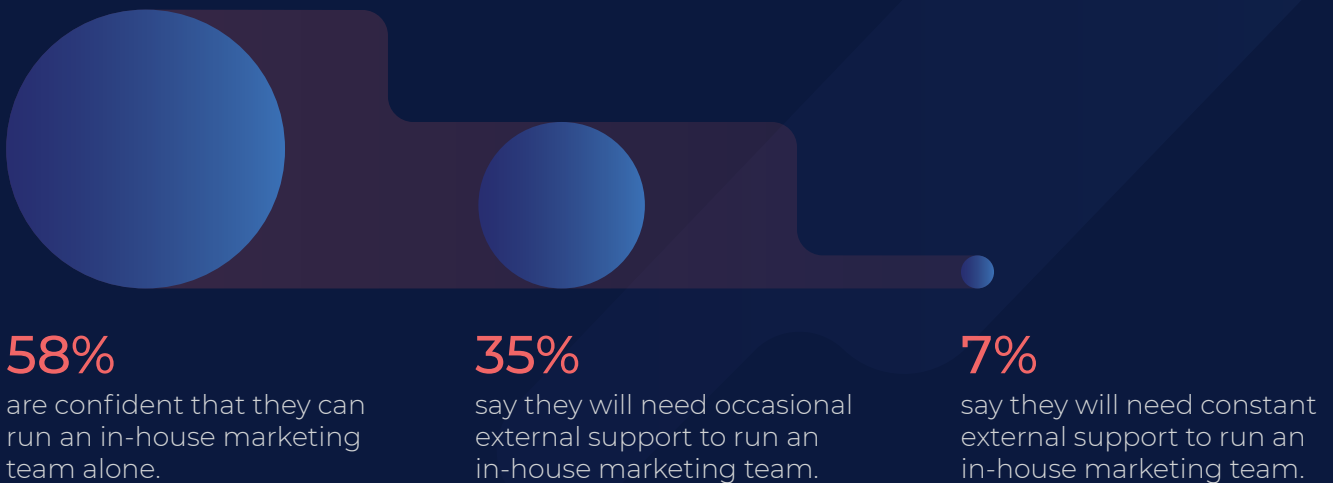
Our research shows that 58 percent of brands say they are confident that they can run an in-house marketing team alone, but just over a third (35 percent) say they will need occasional external support to run an in-house marketing team.

Respondents who say they are confident in going it alone, are also ahead of the game, as 74 percent have in-housed some of their marketing for over a year — compared to 66 percent of all brands. And 99 percent of these 'go-it-alone' marketers agree that tech has allowed more people to in-house, compared to 96 percent of all brands.

Despite this confidence and the benefits to in-housing, the research also reveals some apprehension to the permanence of in-house marketing. Many believe in-housing is not here to stay, with 63 percent of respondents say in-housing is a passing trend, compared to 37 percent who think it's the future. However, brands that use in-house agencies may see it as a passing trend in the context of their own in-housing reality, as they consider building fully functional teams.

Those that believe it's the future, naturally are more concerned about certain barriers to in-housing than those that see it as a passing trend. Forty-nine percent of 'future' respondents saying the pressure to deliver results is an impediment to creativity, compared to 18 percent of 'passing trend' respondents, demonstrating the expectations of in-housing to prove successful to those who see it as the 'future'. 49 percent of 'future' respondents cite a lack of talent, compared to 36 percent of passing trend.

Brands' autonomy level when managing in-house marketing teams:

58%
are confident that they can run an in-house marketing team alone.

35%
say they will need occasional external support to run an in-house marketing team.

7%
say they will need constant external support to run an in-house marketing team.

New partnerships

As consumer behavior changes and new platforms are invented, new ways of creating attention-grabbing marketing communications are also fabricated. This can often lead to scepticism towards the overall trend. In-housing is no different in this respect, particularly as brands discover new ways of working.

Olaye at Dare believes the industry will see a combination, where brands know when to use inside teams, when to use a blended model of an inside team and an external team or when to engage a start-up or an agency. He says: "Everybody's learning, in-housing has come a long way, [it's] actually pioneering a new way of working for our clients to see massive benefits, not just in terms of cost, but in terms of ideation, new ways of collaborating and new ways of finding new partnerships."

"It's hard when you're in the middle of the storm to spot the mega trends, but I have a very hard time seeing that [in-housing] should be a passing trend."

Anders Nygren
CEO and Founder
Peregrine

As brands, agencies, consultancies and technology providers navigate this new creatively-led but results-driven ecosystem, these early concerns could stabilize.

Building skill sets

The influence of technology on in-housing will also develop over the next 12 months. It is already a key enabler of in-house functions but it's not that simple. Building an infrastructure and team around the technology is also a vital factor, particularly when marketers need to see a return on investment.

Mark Evans, marketing director at Direct Line Group, says: "I am surprised that only two-thirds of respondents have moved at least part of their digital marketing in-house since it implies that a third have their head in the sand. Equally I am not at all surprised that the key barrier is the lack of talent and resource to do so. In many ways it is easier said than done."

Moreover, with TV and out-of-home advertising expected to open up programmatically, the range of in-house options is only set to expand. For brands, it is likely to prove that having access to the tech is one thing and having the competency to operate it is another thing entirely.

Return on creativity

As marketing becomes increasingly data-driven, it's important not to lose sight of creativity and its role in getting the attention of consumers in tandem with data helping marketers reach the right ones. It's about finding a way of combining data and creativity with the right technology, consumer knowledge and work flows.

Evans believes that even in a data-driven environment, creativity has an equal role in marketing communications, which is evident in the brand's hybrid approach to in-housing. Evans says: "It ensures that we are able to bring the outside in with regards to the latest trends and technology, but still have some level of control, whilst continuing to develop ourselves by working with some of the best minds at leading agencies."

It's evident from the study that issues around trust and transparency sparked a trend towards in-housing for brands, and many have taken that step with confidence. It's what comes next that will affect the success of that transition, particularly when you consider the requirement for the right talent and skills, the ability to build teams around technology, while plugging in agencies and experts when needed. There is room for movement and improvement in in-housing, and there will be both in 2019.

A final note

Undoubtedly, in-house offers the greater transparency, efficiency and accountability that brands crave. Yet, as we have discovered there are challenges to making in-housing truly successful. The biggest challenges that marketing teams will need to overcome include:

Finding a way to balance return on investment and creativity — being able to find the right path between the two will be key.

Attracting the right skills and talent to enable effective in-house working — ensuring longevity and a high performing, agile team.

Identifying truly useful technologies in a complex and overcrowded market — knowing which tools enable a team to do more will be essential.

We look forward to investigating how brands and agencies alike will continue to adapt and drive in-house marketing forward. In-housing is a trend that will likely continue to fascinate observers during 2019 and beyond.
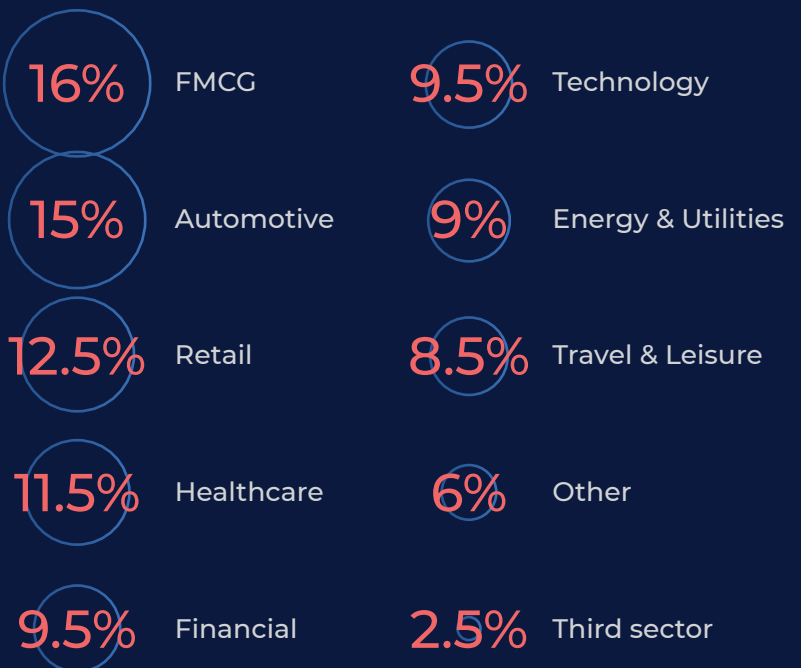
The respondents

Digiday and Bannerflow surveyed 200 senior marketers and experts at brands, in-housing agencies and consultancies based in Europe.

Survey responses were collected between the 7th and 28th of November, 2018 and qualitative interviews were conducted in December, 2018. The following charts show the seniority of our respondents and the split across sectors.

Seniority

22% C-Suite and above

47% Manager

22% Director

8% Executive

1% Other

Sector

16% FMCG

15% Automotive

12.5% Retail

11.5% Healthcare

9.5% Financial

9.5% Technology

9% Energy & Utilities

8.5% Travel & Leisure

6% Other

2.5% Third sector

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