



RESEARCH INSIGHTS

in Recruitment:
Advertising Sector



RESEARCH INSIGHTS IN RECRUITMENT: ADVERTISING SECTOR

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INDUSTRY OVERVIEW

Advertising agencies produce, place and provide advice about advertising materials across various media, including TV, print, radio and the internet. They also advertise at the point of sale, on billboards and using direct mail promotional campaigns. The industry excludes public relations agencies, media sales representatives and market researchers.

(Ibis World, 2020)

Biggest UK companies in the sector:

- WPP Plc
- Publicis Groupe SA
- Omnicom Group Inc
- Interpublic Group of Companies Inc
- Dentsu Aegis Network Ltd
- Havas SA

(Ibis World, 2020)

In the Advertising Agencies industry, revenue is expected to fall at a compound annual rate of 0.7% over the five years through 2020-21, mainly due to the significant influence of the COVID-19 (coronavirus) pandemic. Over most of the period 2015-2020, rising advertising budgets aided demand for industry services. Growth eased somewhat from 2016-17 onwards as economic concerns associated with the EU referendum forced businesses to become cautious when considering marketing budgets. High inflationary pressures also constrained household incomes, although consumer spending remained resilient to the industry's benefit.

Key Sector Statistics:

Market size:	25bn
Number of businesses:	16,560
Industry employment:	109,200
Average industry growth 2015-2020:	4.2%

(Ibis World, 2020)

Advertising expenditure in the UK

Advertising expenditure in the United Kingdom is expected to grow to 24 billion British pounds in 2021. Ad spends have been increasing over the last decade, up from 15.5 billion in 2010.

Advertising expenditure, by media

How does the media break down ad spending in the UK? Well, it is predicted that over one third will have come through paid search in 2019. The next highest spending areas for advertising include television and pure-play digital display. Two areas that have seen net advertising spend fall since the early 2000s are news brands and magazine brands.

(Statista, 2020)

Advertising expenditure in the United Kingdom from 2010 to 2021*:

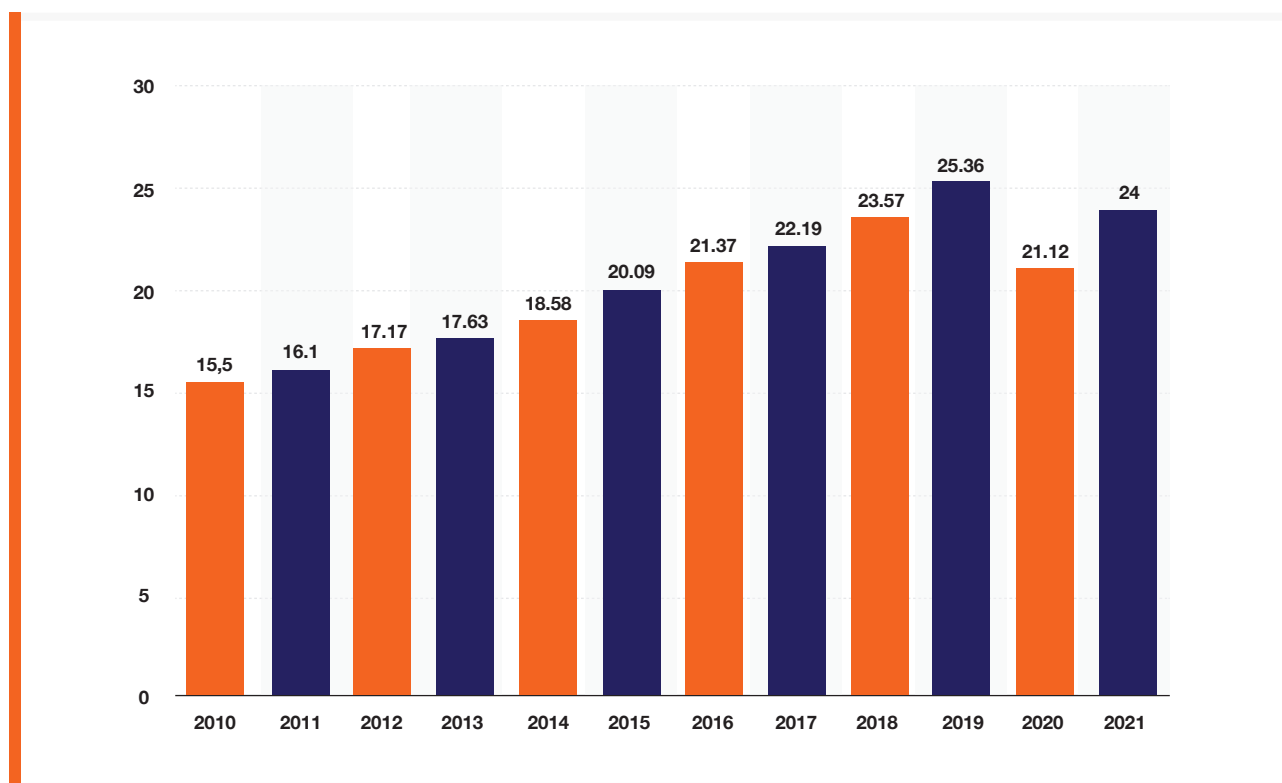


Image Source

Digital advertising

Digital advertising, also referred to as online, internet or web advertising, allows advertisers to bring promotional content to consumers using online technologies. It includes, among others, advertisements placed on social media platforms and search engine websites, banner ads on desktop, as well as mobile websites and promotional messages delivered via email. By the end of 2020, UK digital advertising spend is projected to be worth approximately 15.6 billion British pounds.

UK advertising expenditure

In 2019, paid search was considered the highest spending area for advertising at 7.1 billion British pounds, exceeding that of television, news brands, and pure-play digital classified combined. While digital advertising has been booming over the last decade, advertising through magazines saw a significant decline. Hence, magazine advertising expenditure fell to 718 million British pounds as of 2018 and was estimated to decrease by 2020.

Digital advertising revenue

Google has been experiencing continuous growth in its digital advertising revenue in the UK since 2011, which was estimated to reach 5.1 million British pounds by the end of 2019. The digital advertising revenue of Facebook observed an increasing trend as well. In 2017, Facebook revenue from advertising totalled approximately 1.9 billion British pounds and increased to 2.6 billion British pounds in 2019.

(Statista, 2020)

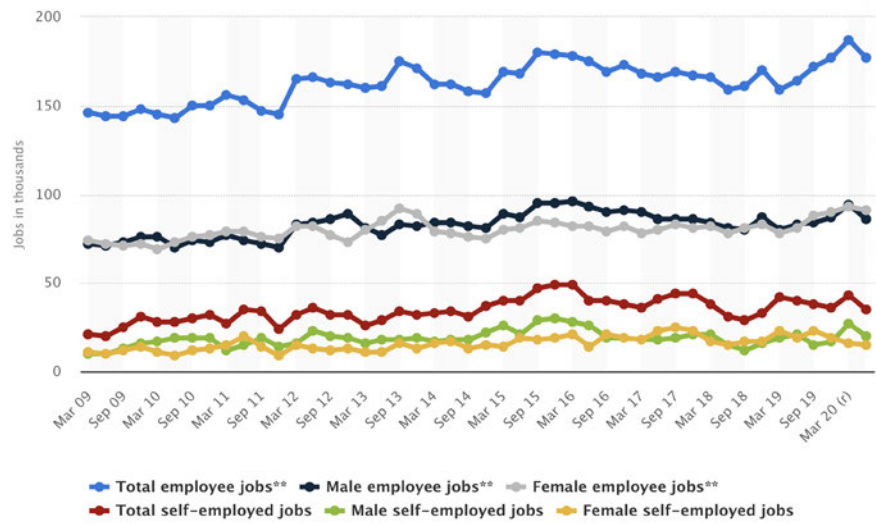


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RECRUITMENT

Employment data

In the fourth quarter of 2019 (**Sept-Dec. 2019**), there were 174 thousand employee jobs in advertising.



Dec 19

● Total employee jobs**	174
● Male employee jobs**	86
● Female employee jobs**	88

Jobs in Thousands

Images source

The statistic above shows a timeline of the number of Advertising and Market Research industry jobs (in thousands) in the United Kingdom (UK) quarterly from the first quarter of 2009 to the fourth quarter of 2019.

(Statista, 2020)

Recruitment process within the Advertisement/Marketing industry

Recruiting within the **Advertisement/Marketing industry** is one of the places where the term creative will appear in the job title and not just as part of the “nice-to-have” list at the end.

Companies will be searching for people who can develop a campaign and deliver on a client's brief and strategy when it comes to hiring for advertising positions. Working in advertising is highly collaborative and involves working with other creative types such as photographers, videographers, and designers to breathe life into captivating campaigns.

(Social Talent)

Advertising roles

Recruiters need to have a relationship with their hiring managers that is based on open communication and trust.

(Social Talent)

Candidate background

In-house roles can benefit hugely from candidates who have previous experience working in an agency. They will have had exposure to lots of clients and briefs that will play to their advantage. Recruiters should ask the hiring managers whether they would consider hiring someone from an agency background for their team.

For creative agencies, the scene is slightly different. It's a faster-paced job that is highly commercial and very sales orientated. When recruiters speak to candidates for this role, they will want to know information like how many briefs they are expected to deliver, how many clients they will be working with, whether they be specialising in one advertising format, or is there scope for more.

(Social Talent)

Budget

Recruiters should ask the hiring managers what sort of budget this new hire will be working with.

(Social Talent)

Leadership

Marketing is an exciting industry to be involved with; by meeting candidates applying for advertising **(and wider marketing)** roles, leaders can meet nimble thinkers and professionals who can deliver incredible creative projects with strict deadlines.

(Social Talent)

Marketing Recruitment Challenges

Keeping up with new technologies

From the audio web to augmented and virtual realities, technology is providing exciting ways for communication between brands and consumers. It also requires marketers to be equipped with a variety of new skills, leaving recruiters with added considerations when hiring. Marketers need to be tech-savvy storytellers, and recruiters may do well to look beyond traditional marketing career paths to find the best recruits.

The era of misinformation

With the next generation, centennials, [Centennials, or Generation Z, are kids born in 1997 or after], valuing honesty and authenticity highly - can they be convinced that an industry based on persuasion is one worth entering? In an age in which the term fake news is ubiquitous, and even the most important issues reduced to a matter of spin, marketing faces a real challenge in attracting the next generation of talent.

A divided world

We live in polarised times, and brands are starting to jump off the fence. With Gillette's ad on toxic masculinity, Nike's campaign with NFL protester Colin Kaepernick and HSBC's recent 'We are not an island', marketing departments are starting to embrace the risks and wear their values on their sleeves.

Brexit

With constant discussions, debates and votes in parliament, there seems to be little else making the news at the moment. Whatever the outcome, there's no doubt that Britain's leaving of the EU will make waves in how marketing departments recruit staff. There's talk of an 'advertising recession', as the industry takes stock of the exit's potential permutations.

With so many questions up in the air across all aspects of Brexit, marketing departments have to make contingency plans for a number of scenarios, including reduced access to an international talent pool and potential disruption to current staff.

(Guardian Recruiters, 2019)



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SALARIES

According to CW Jobs UK, the Average Salary in the UK Advertising sector is £47,500 based on a sample of 566 advertising jobs in the UK.

Advertising Jobs Average Salary in the UK per region:

Location	Average	Range
East London	£52,500	£45,000-£60,000
South East London	£47,500	£42,500-£75,000
Nottingham	£47,500	£42,500-£53,750
City of London	£42,500	£29,000-£62,500
Birmingham	£42,500	£25,500-£62,500
Bristol	£37,500	£32,500-£37,500
Leeds, West Yorkshire	£37,500	£24,449-£57,500
Manchester	£25,000	£25,000-£42,500

Image source (CW Jobs UK)



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INDUSTRY CHALLENGES

Using the full potential of current software

Before agencies can dip into the newest technologies, full advantage should be taken of the ones they are already using. Currently, a lot of time is spent on resource management rather than the execution of ideas and projects. But to outperform competitors and focus on creative work, agencies need to operate under complete operational efficiency.

Luckily, there are many different tools to choose from, giving every agency the chance to find the best fits for their workflow. The biggest barrier? According to agencies, the high cost associated with the software. Ironically, agencies are also reported to use too many tools at once.

In fact, according to the Winterberry Group's report, "marketers are using more than 12 different tools, with some using more than 31 to manage campaigns and data". This is usually without internal tools, such as time tracker, workplace communication tools and project management software.

(Scoro)

New technology

Brands have always been curious about what consumers are thinking. Luckily, with all the new technology, it's no longer a complete mystery. Thanks to AI and ML, agencies and brands now directly access consumer habits, desires, activities, and purchasing preferences.

However, agencies are confronted with a challenge of dual nature. Firstly, agencies need to make sure they are taking advantage of these new technologies. More than ever, it's crucial to invest time and money into these innovations. Otherwise, there's a danger to fall behind and lose momentum.

Secondly, creative departments lag in adopting the mindset that data can contribute to creativity. But agencies need to find a way to connect technology to their creative process.

(Scoro)

For now, turning data into insight will continue to be the number one challenge for agencies, especially for the more traditional agencies that have mainly focused on creativity. Both fragmentation of data and lack of analytical skills are said to have a negative impact.

(Scoro)

Reduced advertising spend

Industry operators have indicated a decrease in business prospects during the pandemic crisis. Several sectors have reported reduced advertising spend as firms restructure their operations, greatly reducing budgets and spending.

(Ibis World, 2020)

Reduced revenue from the Automotive & Electronic Goods markets

Demand from fast-moving consumer goods industries has exhibited a steep decline, with many firms reducing their advertising budgets. Revenue from the automotive and electronic goods markets has also been adversely affected.

(Ibis World, 2020)

Abrupt change from mainstream to digital media

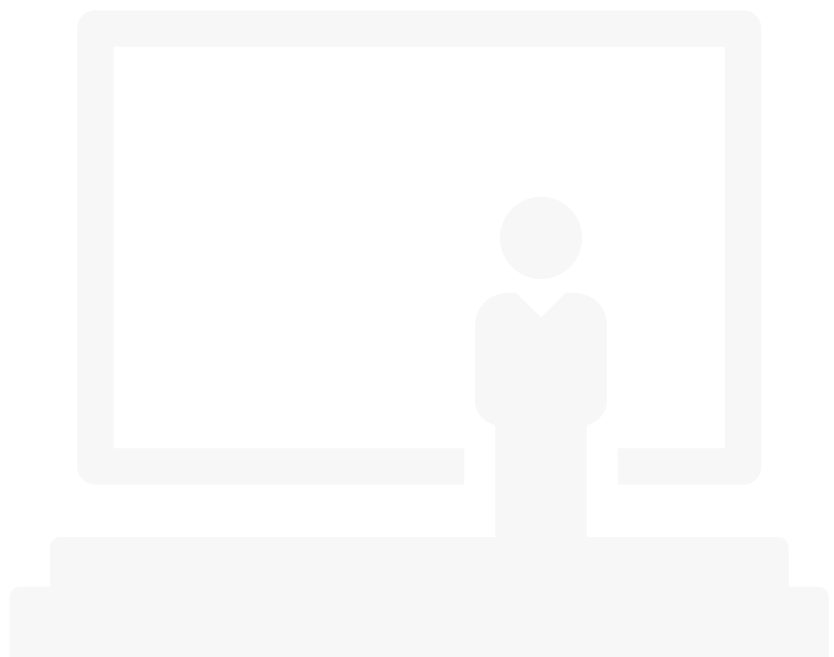
The pandemic and dramatic lockdown effects on all aspects of advertising have helped accelerate the change from advertising in mainstream media to digital, which means the industry has had to react ever more quickly to a changing landscape in the middle of an economic catastrophe.

(BBC, 2020)

Privacy

Consumers want more privacy, and agencies have to find a way to operate under strict regulations. In 2018, the GDPR (General Data Protection Regulation) set new data protection regulation standards. Even without these regulations, respecting privacy is no longer an altruistic approach. It's something that consumers expect, thus should be a priority for brands and agencies as well.

(Scoro)



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