



Who is a Digital Marketing Service Provider?

By Peter O'Neill, Research Director Research In Action.

I'm having fun with my latest Vendor Selection Matrix™ where we asked marketing practitioners about the service providers, they work with on their digital marketing automation projects. The first challenge when designing the survey was: What do we call this beast?

Marketing Agency ... Marketing Consultant ... Marketing Systems Integrator (SI) ... Media Agency ... Full Service Agency ... Digital Agency ... Digital Experience Agency

Then I remembered a project I did way back in 2011 (at Forrester) for a company I'd known for 15 years already, initially as a boring old HP Value-Ad-Reseller. They'd noted they were doing more and more marketing software projects; decided to review their overall strategy/positioning with my help; and subsequently relaunched successfully as a "global digital agency focused on business transformation".

And I used that work (with permission) to publish a research report called "The Emergence of the **Digital Marketing Service Provider (DMSP)**". My Forrester colleagues didn't like the term but I had lots of calls and engagement afterwards with both marketing agencies, who wanted to add more IT skills to their offering, and traditional SIs wanting to expand their creative offerings.

WHAT IS A DIGITAL MARKETING SERVICE PROVIDER?

- Digital Marketing Service Providers (DMSP) are organizations that provide consulting and project implementation services to marketing organizations around their digital marketing programs. These services could include one or more of the following:
 - Customer experience strategy services
 - Experience design services
 - Content services
 - Customer data management services
 - Privacy and compliance services
 - Analytics services
 - Artificial Intelligence services
 - Marketing services
 - Commerce services.
 - Authenticated experience services
 - Emerging touchpoint services
 - Digital experience technology services
 - Program management services
 - Campaign and creative services
 - Demand Generation
 - Account-Based Marketing
 - Marketing Technology services.
- DMSPs also describe themselves as marketing agencies, digital agencies or digital experience or even digital transformation service providers. Some marketing organizations work with several DMSPs while others concentrate on just one provider.

So, that is the moniker I used in my survey. I showed this definition to 1,500 marketing practitioners around the world and asked them to name and rate those DMSPs they have



experience with. We got a high volume of data back because 33% of them stated they work with over four or more DMSPs.

The second phase of the project is to contact the “vendors” named and organize a briefing. This is proving very difficult – these companies have little/no experience of working with industry analysts like me. Most have basically no understanding of what I do, even after an initial call where we discussed the project. This is perhaps no surprise because they do not really market themselves (just look at their websites! Full of multi-media ego trips instead of any engagement marketing). This is confirmed by a report published by my other business partner, B2B Marketing, where a survey of marketing agencies returned this answer to the question “Where does your new business commonly come from?”:

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|----|--|-------|
| 1. | Direct referral | - 96% |
| 2. | Referral from an external individual (not client)- | 88% |
| 3. | Request for Proposal process | - 63% |
| 4. | Pitch | - 77% |
| 5. | Paid/unpaid media exposure | - 43% |
| 6. | Advertising | - 27% |
| 7. | Specialist referral agency | - 17% |

But I will continue anyway, because the data I have collected is so compelling and I have never had so many ratings from a survey. Here is the list of the DMSPs named (alphabetically as usual at this stage).

10PEARLS, CAPTECH, CARTA, CI&T, CRITICAL MASS, DIALEXA, EPAM, HUGE, ICF NEXT, LEADMD, MERKLE, MPHASIS, MULLENLOW PROFERO, PERCUTO, PROXIMITY, PUBLICIS SAPIENT, R/GA, PEDOWITZ GROUP, THOUGHTWORKS, VALTECH.

Watch out for the final report to come out soon. As I like to say, our research discovers a “vendor landscape” – those vendors who are the most highly regarded by users for, in this case, services around digital marketing projects. Due to geographical, segmentation and functional differences, it is not always a list of direct competitors. In fact, as I said above, here most respondents work with several DMSPs to cover their needs.

If you would like to discuss this topic already, feel free to contact me.

Always keeping you informed!

Peter O’Neill