

State of IN+HOUSING

Defining how marketing teams evolve

2022

 Bannerflow

DIGIDAY

A note from Bannerflow



This year's in-house report is our biggest and most comprehensive yet, with double the number of respondents of previous years. Suffice to say, this is the most authoritative reading of European in-house marketing available, and one which we hope will provide your organisation with the insight you need.

Insights that include how technology is enabling quality marketing initiatives — a fact demonstrated in how digital transformation is changing how many marketing teams operate for the better. While collaboration and innovation remain key benefits of

brands that have in-housed operations successfully.

External factors have once again helped to shape the state of in-house marketing in 2022. And it is clear that what was once called the “new normal” is now very much “normal”. Indeed, in-house teams have swiftly adapted to change, remained agile and, in many cases, thrived.

Today, in-housing plays an important role in not only ensuring success, but continued resilience during what have been testing times. However, as the dust settles on what has been another extraordinary year and we look forward to what 2022 has to offer. Now is the time to take stock and define how in-housing continues to evolve.

David Lundgren

David Lundgren
CEO at Bannerflow

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Introduction

In-housing is in a state of evolution. The first year of the pandemic drove marketing teams to become more agile, efficient and gain greater control of brand messaging. Now, teams are operating in a new, digital-first normal, advancing campaign outcomes through internal collaboration and innovation.

As in-house teams have adapted to remote and hybrid work models, they are measuring changes in ROI, tracking the impact of technology on creativity and in their working relationships with external agencies. In the past year, teams have also strived to improve

how they collaborate in an effort to build better trust, communication and workflows.

To uncover how marketers are approaching in-housing in 2022, Digiday and Bannerflow surveyed 400 senior marketers across Europe, working in numerous industries. This state of the industry report highlights what they told us and — including interviews with brand executives from Arla Foods and ComeOn Group, as well as leading agencies working with brands on in-housing efforts — illustrates how marketing teams are advancing in-housing strategies and achieving in-housing success.

What's in this report

- A snapshot of in-housing in 2022
- Shifts in content demand, skill sets and digital initiatives
- Why in-housing is an essential brand strategy
- In-housing challenges and benefits
- Prioritizing collaboration and innovation
- Q&A: ComeOn Group unpacks in-housing strategies
- Q&A: How Arla Foods approaches in-housing

In-housing snapshot: What in-house marketing teams look like in 2022

One of the driving forces behind brands choosing to in-house is that they are seeking faster, more effective and cost-saving solutions to reach their customers. Since the pandemic began, the advertising industry's shift to digital has made it even more critical for marketers to think about in-housing's purpose in creating more impactful, relevant marketing initiatives, and the kinds of in-housing models that will be most effective in achieving business objectives.

"The pandemic's acceleration of digital adoption and transformation has pushed brands to reevaluate data, content, media and technology all come together," said Warren Marenco Chase, global chief embedded solutions officer at Media.Monks, a marketing and advertising services company. "As the industry foundationally shifts, we are seeing brands reevaluate what these changes mean for their agency ecosystem and, more

specifically, what core capabilities they want to keep or bring in-house — and where it makes more sense to lean on external agency partners."

In 2022, our survey found that 97% of respondents have moved at least part of their digital marketing in-house — and nearly half began within the past 12 months. The survey showed that in-house teams still come in varying sizes and models. For example, on the one hand more than half of our survey respondents have in-house marketing setups that are fully independent, without using external support such as agencies (53%). On the other hand, 34% of respondents have opted for a traditional in-housing setup — i.e., an in-house team helped by external agencies — while the remaining respondents (13%) are operating in a hybrid model, which is an in-house agency set apart from the marketing team, occasionally supported by external agencies.

The increase from 2021 in teams that reported full digital competency is likely because of a change in the sample set, which increased by 200 respondents across Europe this year. However, the progress teams are making is increasingly evident in our respondents' answers.



“As the industry foundationally shifts, we are seeing brands reevaluate what these changes mean for their agency ecosystem and, more specifically, what core capabilities they want to keep or bring in-house — and where it makes more sense to lean on external agency partners.”



Warren Marenco Chase
global chief embedded solutions officer, Media.Monks

Cross-industry snapshot: How key industries are in-housing

This chart spotlights the industries of the marketing executives we surveyed. The report will feature cross-industry snapshots throughout, offering data and insights on how specific industries are approaching in-housing tactics.

Percentage order:

1. Full digital competency: Marketing team with full digital ability with no regular external support needed
2. Traditional set-up: Marketing team assisted by specialized external agencies
3. Hybrid model: Separate in-house agency, set apart from the marketing team, occasional contracted work with other agencies

Mobile and online gaming



Entertainment and media



Telecommunications



Financial services



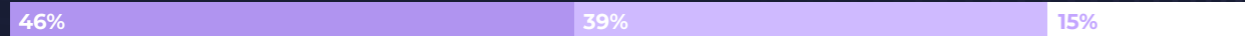
Consumer tech



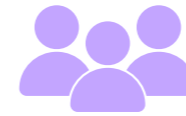
iGaming (online betting)



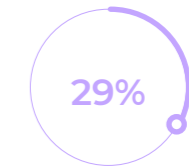
CPG/FMCG (consumer packaged goods, fast-moving consumer goods)



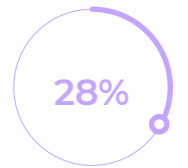
Travel



Our survey findings show an upward trend in in-house team headcount. More than half of our respondents reported they increased headcount by one to two people (29%) or three to five people (28%).



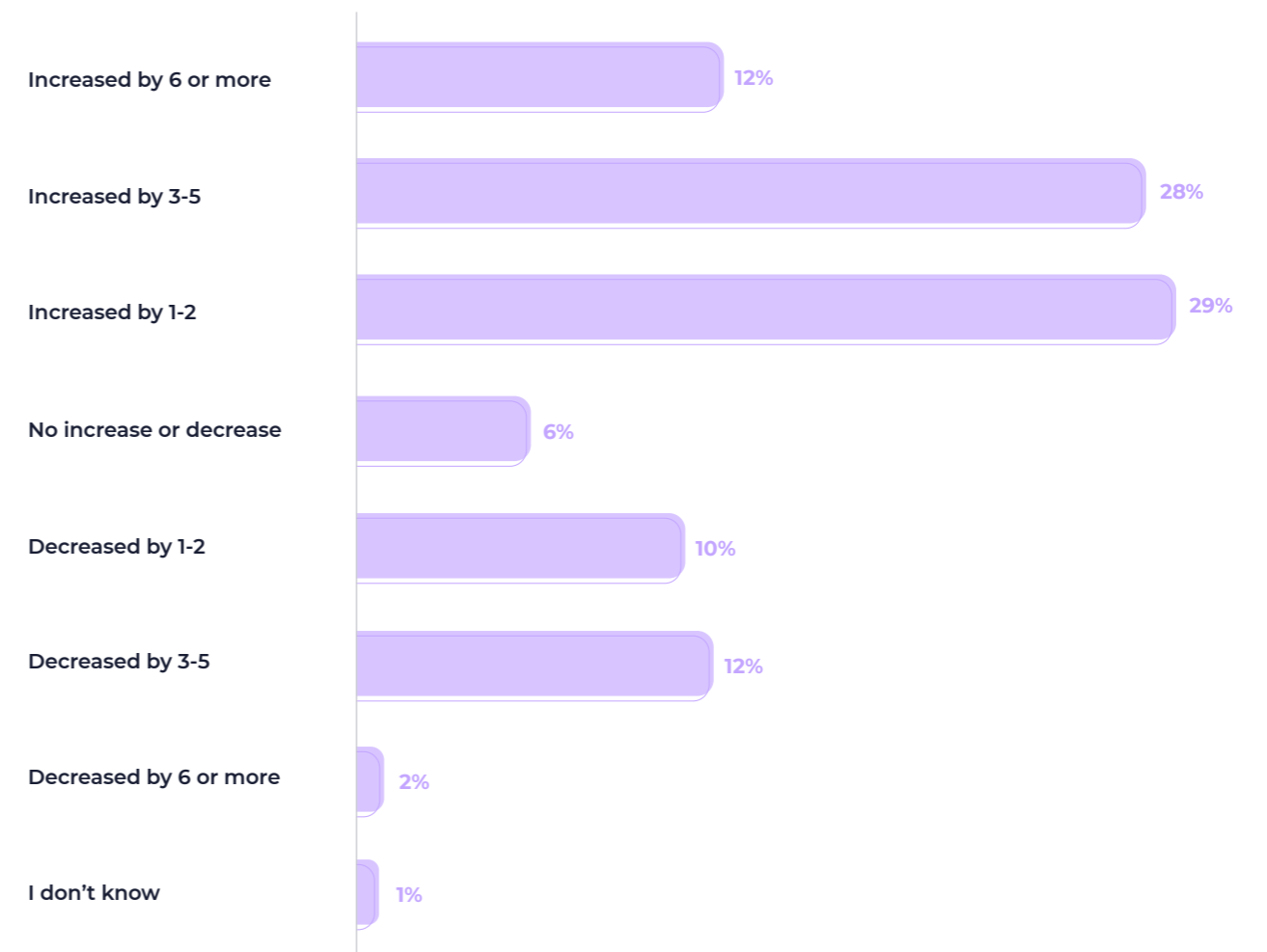
1-2 people



3-5 people

In-house team sizes have changed over the past year

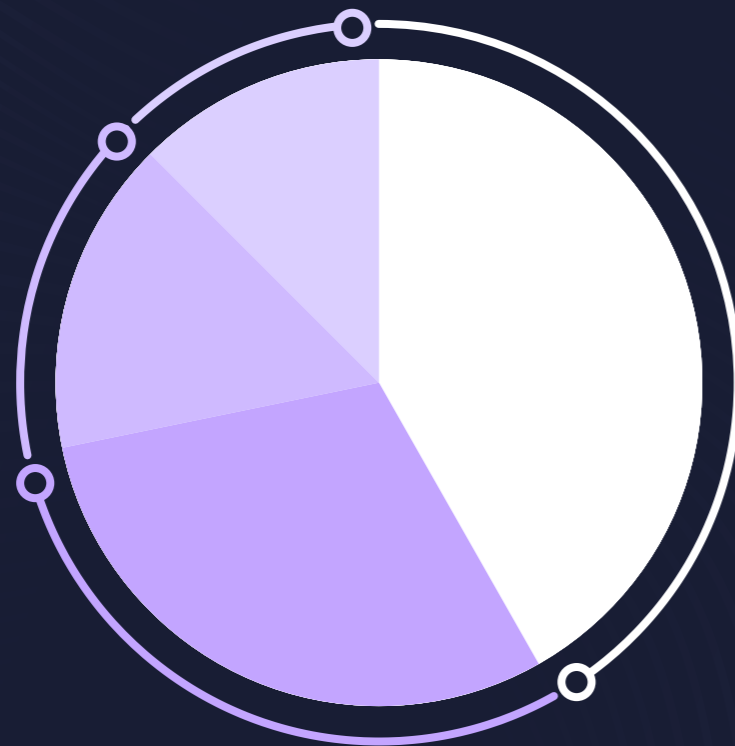
What, if anything, is the net increase or decrease in headcount for the in-house team over the past 12 months?



The totals fall in a lower double-digit range, when it comes to staff size. A majority of our respondents have a range of six to 10 people (43%) or 11–20 people (28%) on their in-house team. While these numbers are the same or similar to the size of in-house teams in 2021 (43% in the six to 10 range, 22% in the 11 to 20 range), there was a significant increase in teams with more than 20 people, jumping from 2% last year to 12% this year.

In-house team sizes

How big is your in-house team?



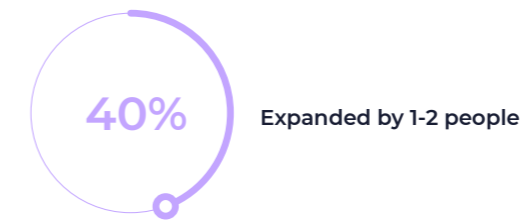
43%
6-10
people

28%
11-20
people

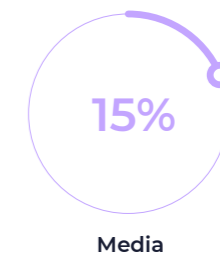
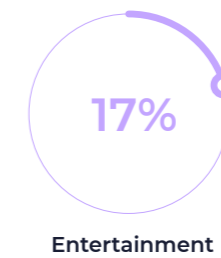
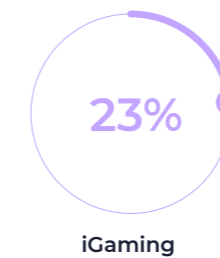
17%
1-5
people

12%
More than
20 people

Cross-industry snapshot: Consumer tech team size expands



Consumer tech led the way for increasing team sizes in our survey, with 40% saying they expanded by one to two people.



While a majority of respondents reported team growth, some contracted. Teams in the iGaming, entertainment, media, and consumer packaged goods (CPG) sectors reported decreases by three to five people (23%, 17% and 15%, respectively).

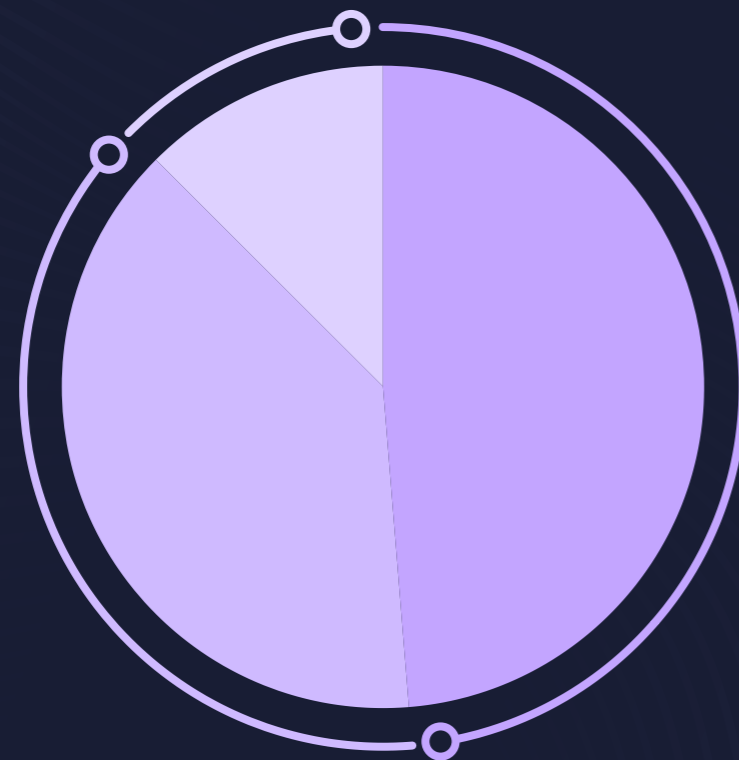


While most industries reported six to 10 as their in-house team size, more than one-third (38%) in the entertainment and media space said their teams were larger than 11 to 20 people.

When it comes to the changing states of remote and in-office work, nearly half (49%) of our respondents reported that their in-house team is still remote full time, while more than one-third (37%) are working in-office full time. Just 14% are working with a hybrid model. For fully 86% of our respondents, the workplace has now become one or the other; hybrid models in Europe are not common for our respondents at the end of 2021.

How in-house teams are working

How would you describe the way your in-house marketing team currently works?



49%

We are working remotely full time

37%

We are working in a physical office full time

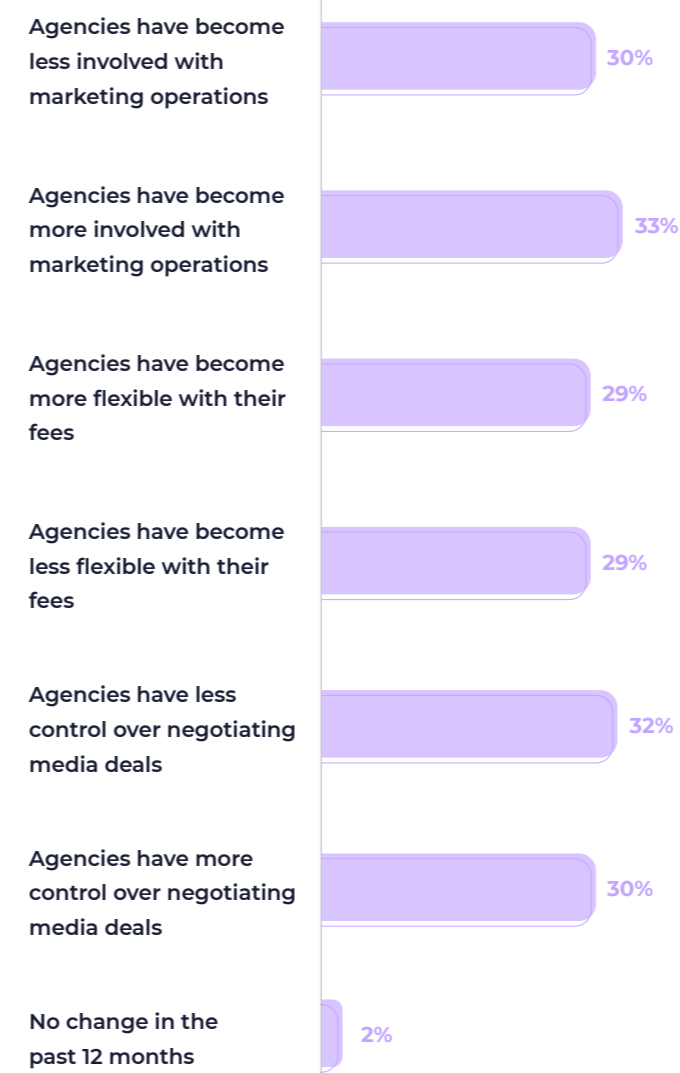
14%

We are working in a hybrid remote-physical environment

As in-house teams shifted in competency, size and approach over the course of 2021, so too did the role of external agencies. When it comes to negotiating media deals, fees and marketing operations, respondents are nearly split in how agency functions have changed over the past year.

The role of external agencies

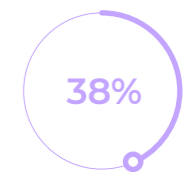
In what ways, if any, have functions of agencies working with your in-house team changed over the past 12 months? Select all that apply.



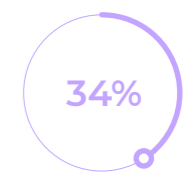
Cross-industry snapshot: Sectors and agencies in 2021

Those in the financial and consumer tech space — a majority of which are operating at full digital competency — reported better results for negotiating power. Consumer tech (35%) and financial (34%) reported agencies have less control over negotiating media deals.

Respondents in mobile and online gaming (38%), entertainment and media (34%), and travel (40%) reported that agencies have become more involved with marketing operations.



Online gaming



Entertainment & media



Travel

Eda Acar

head of digital marketing
ComeOn Group

Team size	9
Team model	Traditional set-up: Marketing team assisted by specialized external agencies
Started in-housing in	2020
Functions that are in-housed	Paid search, paid social, programmatic, ad operations, design

Based in Malta, iGaming company ComeOn Group was founded in 2008 and launched its first online brand in 2010. The company now operates more than 20 brands on its proprietary platform for casino and sports betting. The company's in-house digital marketing team operates in a hybrid remote-physical environment. When Acar joined ComeOn Group in early 2020, she was tasked to grow the international team and ramp up their in-house marketing efforts, which include ad operations, paid social and programmatic.

comeon
group

How has ComeOn Group become more digital over the last 12 months?

Automation and measurement. We have managed to automate everything, so we no longer have to waste time manually creating marketing reports. In digital marketing, we prioritize the lifetime value of a customer. Now, we have the technology and capability to measure that. Instead of standard CPA calculations, we can determine which customers will be more valuable to us and then know how much to bid on them in our marketing strategies.

How is good collaboration enabled within your in-house team?

Good collaboration comes from good culture. In a remote world, this takes extra effort. Our ambition is to get our work done in the best way possible. In order to achieve that, you need to create a team that understands each other, helps each other and is able to spend time together. I started creating online games for the team to partake in on Fridays. This contributes to creating a team environment. When we hire someone new to join the team, the more experienced members on our team can easily take the lead in showing the new hire the way we work.

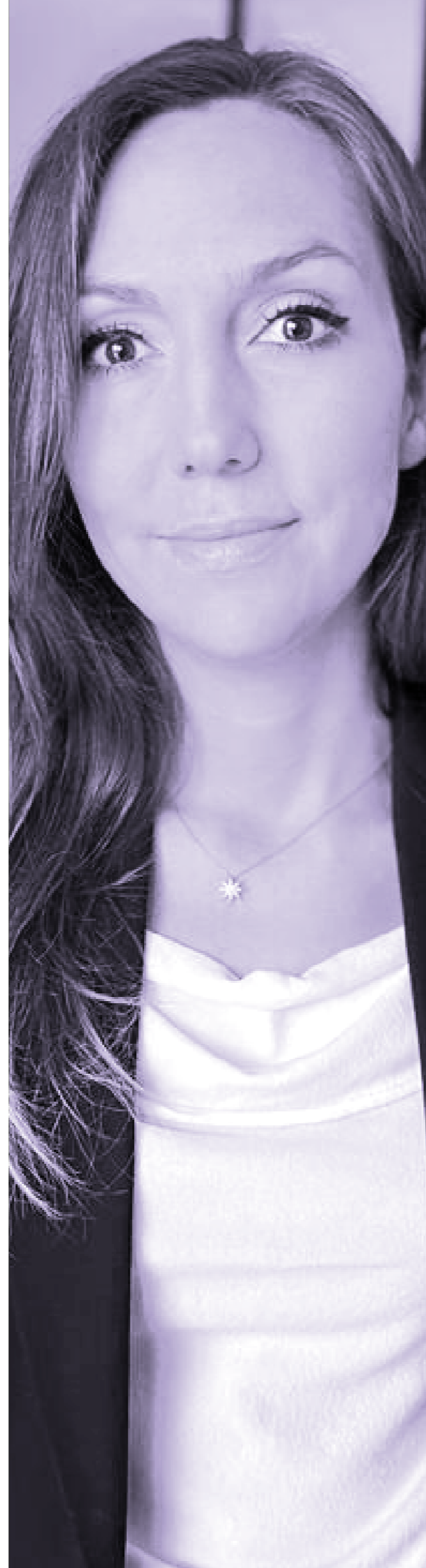
We also share information. I look after paid search, paid social, direct media buying, ad operations and external creative and programmatic media buying with my team. There are separate departments, but the information is open to everyone. If one team member has interest in a different area of expertise, they can join another meeting to get that information. I believe this benefits their careers and the work itself.

Which skill sets has your team brought in house over the past 12 months, and why?

Our skill sets mainly focus on our departments, which include paid search, paid social, programmatic and ad operations. Ad operations is a unique skill set that allows all of our marketing to be trackable. After that, we are able to feed data into our dashboards. It allows us to spot any problems very quickly in our day-to-day executions. For paid social, we try to hire someone who understands what kind of social creative we should include in our advertising so that our customers engage more.

What are your top priorities to improve or advance your in-housing strategy in 2022 and beyond?

In the next three months, I'm hoping to improve revenue-driven optimization and customer lifetime value optimization. I also want to do a deeper analysis into how our customers engage and respond to different types of creative. Creating more functional or interactive creative doesn't necessarily mean it will perform the best. There's a balance between interesting, eye-catching and beautiful creative and keeping that creative interesting and understandable to customers.



Challenges and opportunities for in-house teams in 2022

As in-house teams continue transitioning to a more digital world with more marketing channels than ever before, a key challenge that is top of mind — particularly for those in Europe — is being able to centralize and consolidate certain in-housing capabilities.

“If you combine this need with the amount of markets, languages and touchpoints you need to cater to as a brand, this requires a shift in how you organize yourself,” said Jan Jelle de Boer, global category lead of content at Media Monks. “We see European and global brands finding a new structure that consolidates data, media and content origination and adaptation in-house in order to work faster, more efficiently and cater to the need for content to be personalized and relevant to the consumer, moment and channel.”

Rob Foster, senior consultant at marketing and communications management consultancy



“There’s a complacency potential that can set in, and you want to avoid it from the outset. We’ve heard from clients who said they’ve tasked in-house agencies to pitch ideas against external agencies, just to keep creativity fresh and allow them to see what external agencies can do.”

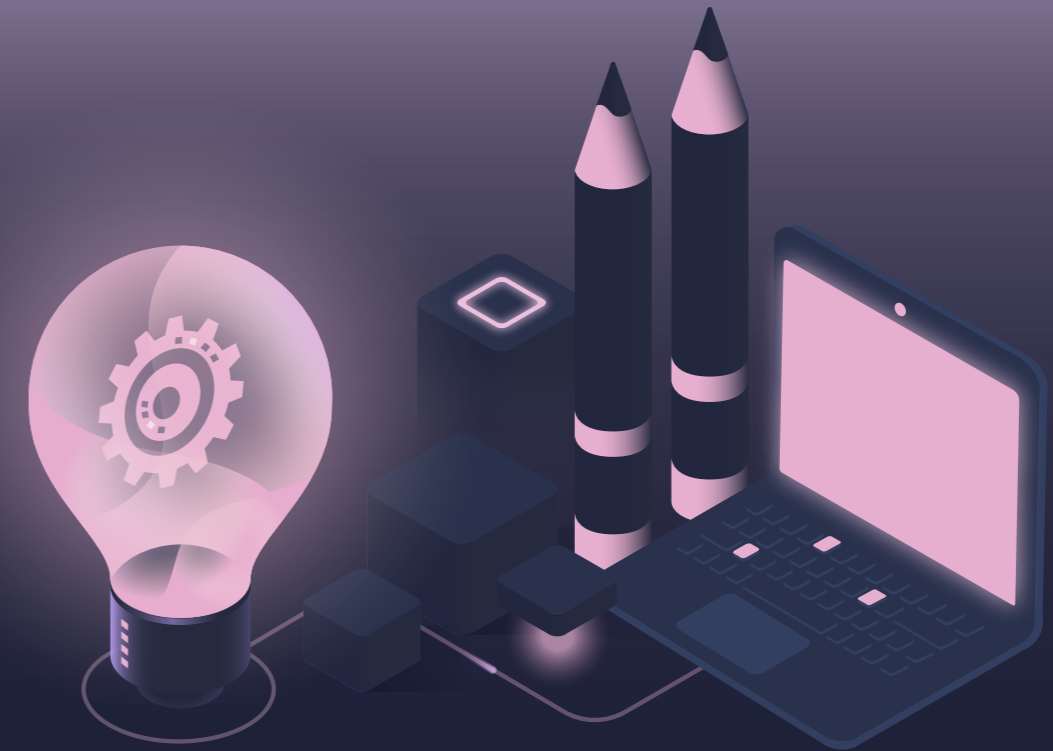


Rob Foster
senior consultant, The
Observatory International

The Observatory International, said one of the biggest challenges for in-house teams across the past year has been deciding which skill sets brands need to bring in house as well as building the appropriate structure for effective in-house workflow.

The reality of hiring new people is that it often amounts to a slow buildup rather than a sprint. In-house teams must first review what operating model best meets their business goals, then identify any gaps they have internally and, finally, decide what skills they can successfully bring in-house instead of using external agency partners.

Developing efficient workflows and work processes is equally as important for in-house teams to perfect.



“These processes need to be in place, the same way they would be for external agency partners,” said Foster. “An in-house agency is still an agency. It’s about making sure you have the right ways of working in place, so internal stakeholders don’t abuse the privilege of having talent who are now closer to the business.”

Foster added that, heading into 2022, in-house teams must implement processes to avoid burnout and boredom among talent, especially among members who have worked across multiple brands in the agency world, and who now might be working on campaigns for a single brand.

“In-house teams need to think about how to continue breeding a culture of innovation and learning within their organization,” said Foster. “There’s a complacency potential that can set in, and you want to avoid it from the outset. We’ve heard from clients who said they’ve tasked in-house agencies to pitch ideas against external agencies, just to keep creativity fresh and allow them to see what external agencies can do.”

As an example of vital opportunities in play, one expert at a leading global video game company — speaking on the condition of anonymity —

said a key benefit of in-housing for their team is being able to respond with agility to last-minute marketing requests and provide a quick turnaround on those requests.

Concurrently, a challenge for in-house teams can be keeping up with the volume of work, especially if a team is small. When the video game company’s in-house team experiences periods of high demand, it can be difficult to manage multiple projects and find enough people to execute those projects.

However, in-housing also comes with the benefit of teams having a better understanding and knowledge of their brands’ core values and audiences — efficient knowledge sharing happens when working closely with brand-side marketers. For example, if the in-house team has a design-related question, they can easily access a particular brand’s design team for an answer.

“After working on projects for all franchises, our designers can easily begin working on a project without a lengthy onboarding process,” said the expert from the video game company. “The knowledge sharing, internally, is very easy and efficient.”

Digital transformation: In-house teams continue to shift their tactics

Before the pandemic, the advertising industry was at a tipping point, with companies taking the leap to a digital mindset while others still prioritized traditional marketing. Nearly two years later, in-house teams are navigating in a digital-first normal.

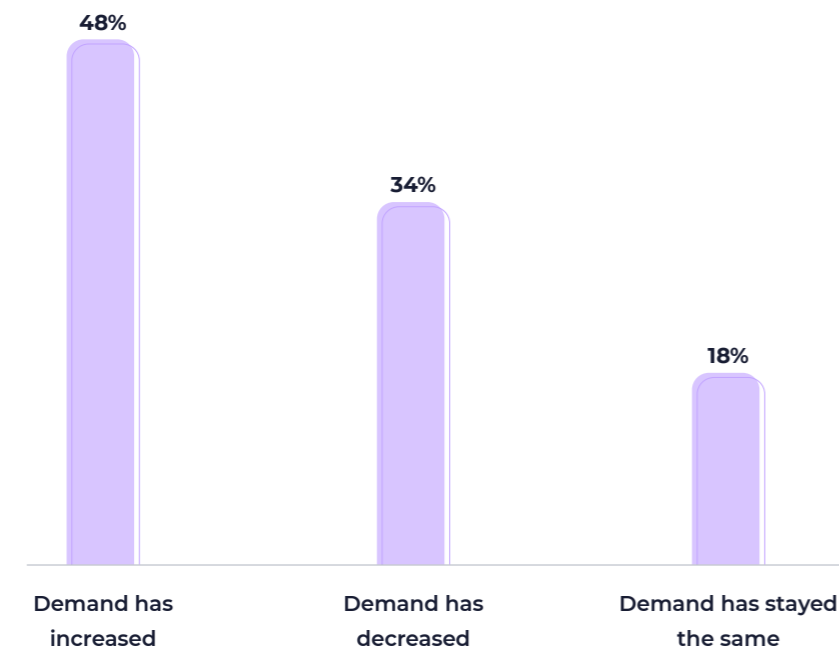
“COVID-19 accelerated digital trends. We are seeing CMOs spending more time making sure everything is connected by threading digital strategy through creative and production, and using martech to accelerate speed to market and drive scale,” said Chase at Media.Monks. “I don’t think that the industry has fully cracked the code, but the brands that are succeeding are the ones connecting those dots and realizing the importance of [digital transformation].”

Operating in a new normal — one that prioritizes digital initiatives such as increasing the use of data and analytics and social media — is resulting in changes when it comes to content demand and approaches to digital strategies among respondents.

Nearly half (48%) of our respondents said that demand for content has increased over the past year.

Content demand is increasing

How has demand for content changed over the past 12 months?



Consumer behaviors, ever-changing throughout the ongoing pandemic, have also pushed in-house teams to make changes to their marketing efforts — from increasing production speed and volume, to expanding skill sets.

“The demand for fast paced communication just keeps increasing,” said Kristian Lundman, head of creative at multinational telecommunications company Telia Sweden. “However, the demand is shifting more from quantity into quality, which I am very pleased to be witnessing.”

For media company Bonnier News, the pandemic has made it even more important to react swiftly when getting messages out to consumers.

“Fortunately, we have always worked at a high pace and had the agility to be able to turn things out quickly,” said Fredrik Hagdahl, head of concept and design at Bonnier News Brand Studio. “However, I feel the pandemic has changed the ways we communicate with our readers. And it is clear that the pandemic has also changed people’s living habits and their altered buying patterns.”

How consumer behaviors impact in-housing strategies

How, if at all, has your brand been impacted by changing consumer behaviors over the past 12 months? Select all that apply.



“The demand for fast paced communication just keeps increasing. However, the demand is shifting more from quantity into quality, which I am very pleased to be witnessing.”



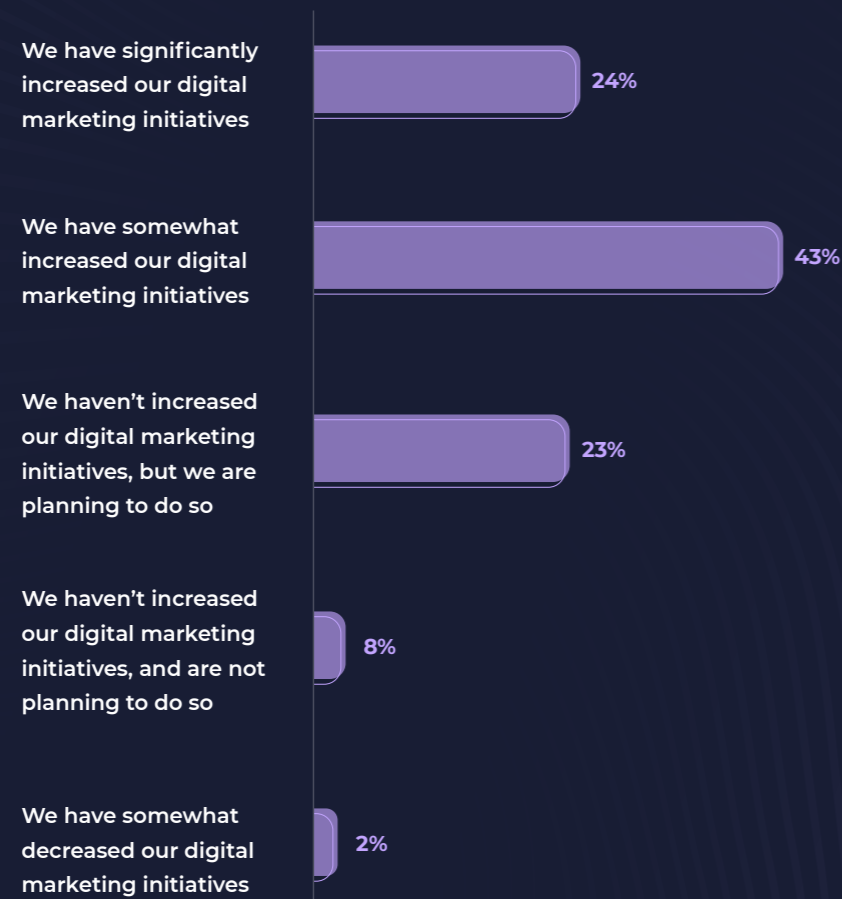
Kristian Lundman
head of creative, Telia Sweden



As demand for content increases, our survey showed that most in-house teams have, or are planning to, increase their digital marketing initiatives, from investing in ad tech to developing their e-commerce capabilities.

Advancing digital strategies

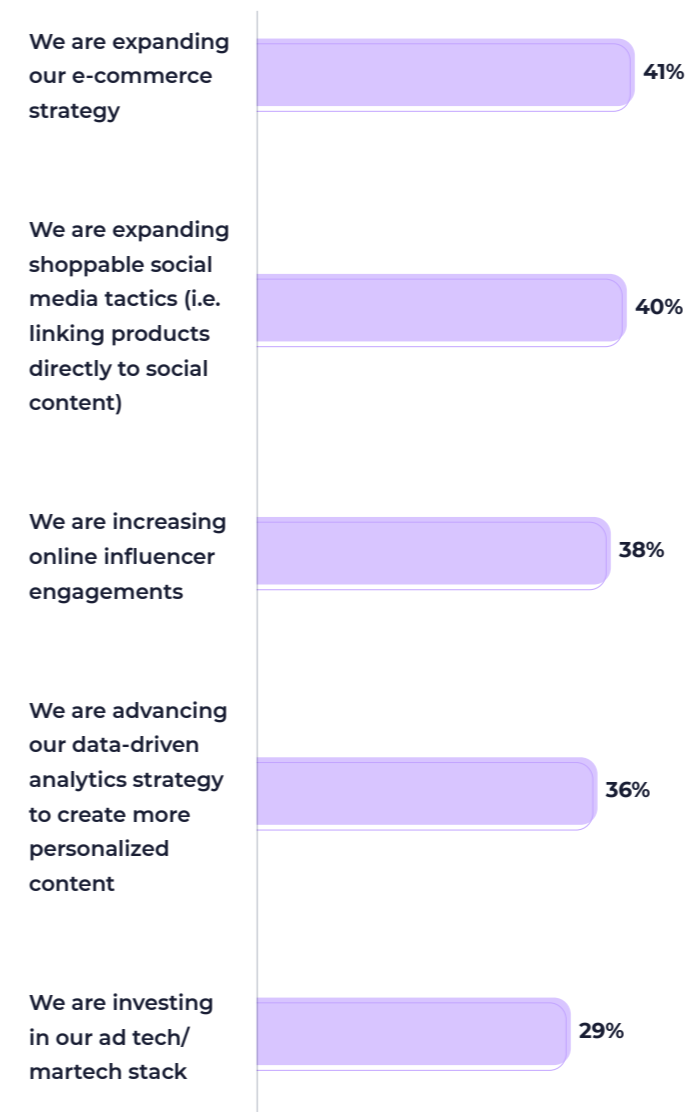
How significantly has your in-house team changed your approach to digital marketing initiatives (i.e. ad tech investment, data and analytics, e-commerce, social media) over the last 12 months?



Our respondents are increasing digital initiatives in a number of ways that include improving expanding e-commerce and shoppable social media strategies, as well as increasing online influencer engagements.

New approaches to digital initiatives

In which ways are you increasing your digital initiatives? Select all that apply.



Cross-industry snapshot: Shifting content demands and approaches

Respondents working in entertainment and media, and iGaming, were the industries that reported more of a decrease than increase in content demand, which could contribute to why these respondents have decreased their team sizes in the past year. The decrease in content demand in these industries likely occurred in part due to the temporary ease of COVID-19 restrictions in the middle of 2021.

Notably, the top initiative for respondents working in financial services was increasing online influencer engagements (30%), a strategy one might not immediately associate with that industry. However, these results are aligned with a recent [Analytica study](#) that found the financial sector had the largest net increase in influencer marketing in 2021 at 56% — likely because of the financial strain the pandemic has placed on consumers.

Retail and e-commerce had the highest investments in ad tech and martech (48%), and data-driven analytics to create personalized content (48%).

Caroline Harrison

head of digital marketing
HSBC UK

Team size	28 digital marketing team total; 13 in-house media team
Team model	Hybrid set-up: Marketing team assisted by specialized external agencies
Started in-housing in	2021
Functions that are in-housed	Paid search, social, display and affiliate marketing

The in-house team at financial services company HSBC UK includes a head of media and channel managers for search, social, display and affiliates. The in-house team, which operates remotely right now, also includes a fully in-housed paid search team of five full-time employees. HSBC UK's other marketing channels are managed externally through a digital media agency, but the company has a long-term plan to completely in-house most channels.



Over the past 12 months, what new steps have you taken to become more digital?

We've been investing time and resources to develop our data and analytics setup, developing comprehensive and insightful dashboards to track media performance in real time. We also took the first step into the influencer world, collaborating with a few creators on TikTok. We also stream data captured across our digital properties directly into the iHub cloud service solution, and we then leverage a customer data platform (CDP) to activate that data in the media campaigns we deploy.

How is good collaboration enabled within your in-house team?

The in-house team is part of a matrix organization, working closely with teams responsible for vertical propositions. It is essential for them to constantly engage in a dialogue. Establishing a strong thought leadership focus within the in-house team is key, as well as fostering a data-driven culture where decisions are made based on numbers over opinions.

What steps are you taking to keep your in-house team motivated?

We give the team plenty of room to test their ideas and make sure their successes are shared with the broader organization. We also ensure there is clear career growth and we invest extensively in training. Everyone gets at least one day a month to support their development and we frequently use external courses to keep them at the top of their game.

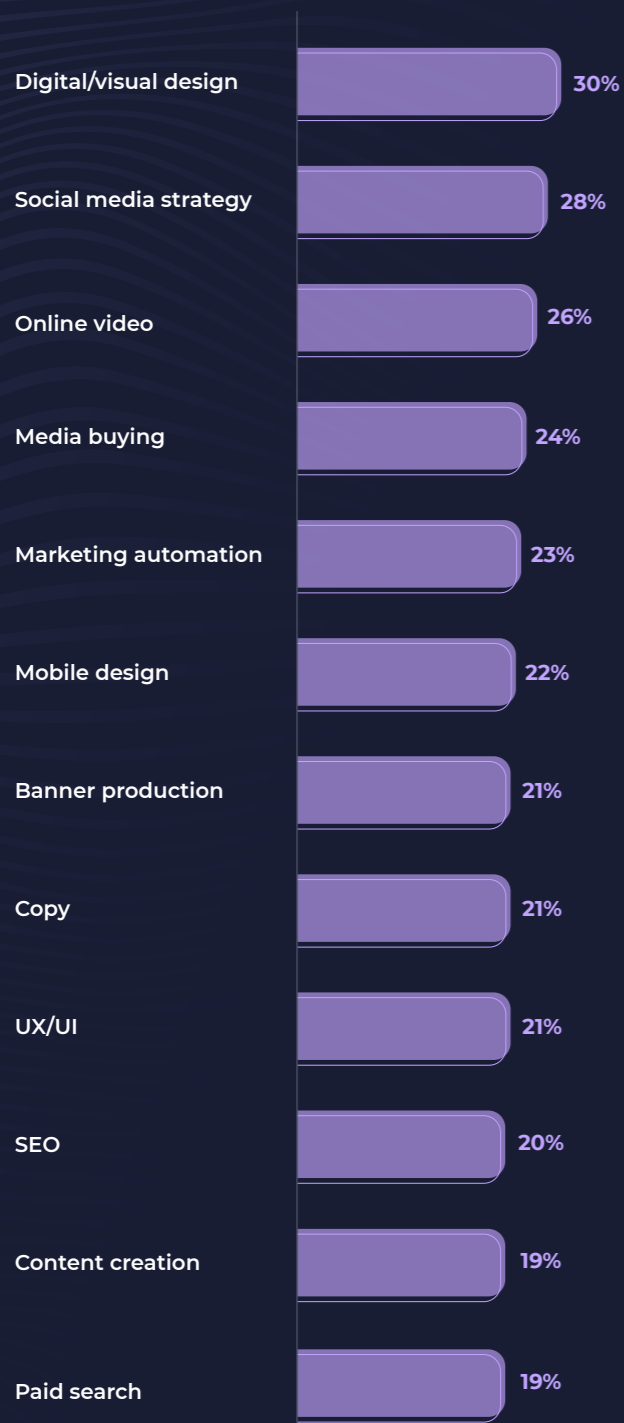
What are the main benefits and challenges you're encountering with in-housing right now?

Both performance and cost savings have significantly improved, and we have grown the search channel. Taking further steps in the in-housing journey is challenging due to the radical shift it will require in terms of organization and processes. For this reason, we will invest time in planning this carefully and then roll out in-house additions in a phased approach to minimize risk and ensure we continue to support business goals.

Our respondents have been bringing a variety of skill sets in-house. In particular, respondents are finding value bringing in talent that specializes in digital/visual design (30%), social media strategy (28%) and online video (26%).

Increasing in-house skill sets

Which digital marketing skill sets, if any, have you brought in-house? Select all that apply.



“ At the moment, we are focused on growing media competencies and the production of content. We’re looking for photographers and people that are able to quickly produce good, quality material. We are also continuing to build our insights team and our media buying team. ”

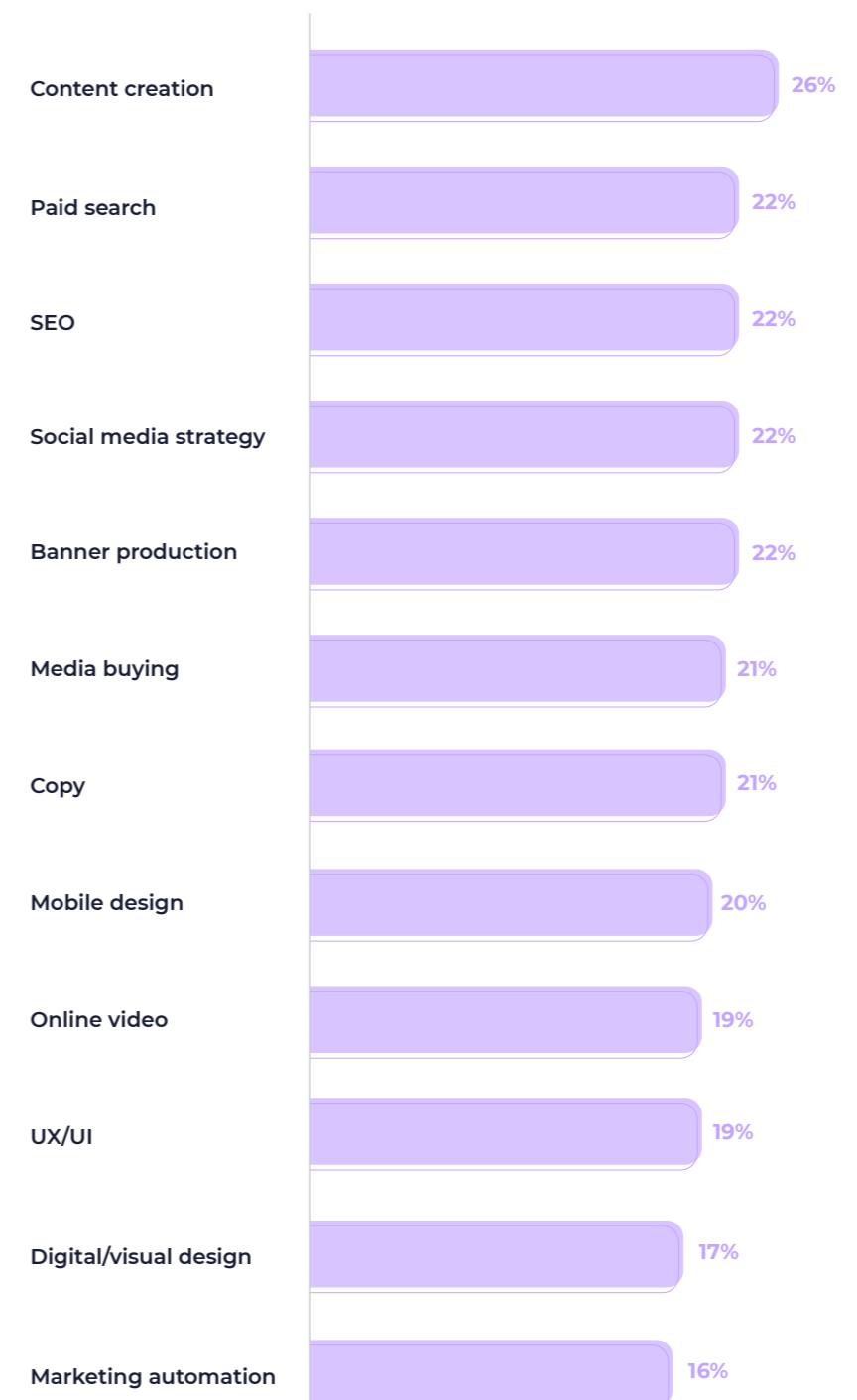
Pino Roscigno
commercial director, Stadium



In the future, our respondents plan to continue bringing the aforementioned skill sets in-house — particularly, they plan to prioritize content creation, paid search, social media strategy and SEO.

Skill sets teams want to improve upon

Which digital marketing skill sets, if any, do you plan to bring in-house? Select all that apply.





In-housing priorities: What's leading to successful collaboration and innovation

In-housing is a prime opportunity for innovation and experimentation, as teams tend to be closer to marketing data, insights and strategy than an external agency would be. Chase at Media.Monks stressed the significance of openness and connection within an in-house agency or team to drive innovation.

“Fresh thinking is always a good thing. It’s important to feel comfortable giving pushback when you’re in-house, because ultimately this will result in better ideas,” said Chase. “As an in-house model, an agency and a client are operating as one team. Building that trust, over time, is foundational to that partnership.”

To maximize the effectiveness of in-housing moving forward, our respondents are prioritizing factors such as production efficiency, innovation, control over brand messaging, cost savings and taking ownership of data.

In his role at The Observatory International, Foster said that having more ownership of technology tools and, in turn, more ownership of their data, should be a key priority for in-house teams moving forward.

“We’re seeing clients doing direct contracts with major platforms and cutting out the agency middle man, or developing their own technology,” said Foster. “The more beholden a brand is to an agency partner, and their technology in particular, the less agility they have.”

Being able to bring technology for campaigns in-house is particularly important in an increasingly regulated advertising ecosystem, where relying on privacy-compliant customer data and understanding how to use it to create more relevant messaging is more important than ever. Foster noted a shift toward in-house teams investing in their own data and analytics tools, relying less on external agency insights divisions.

“Having data, analytics and technology experts sit in house is a smart move,” said Foster, “because if you understand your consumer and

business better, it gives you a better platform to think about what your marketing and communications to consumers should look like.”

The person at the leading global video game company said that their in-house team — which supports the company’s paid media efforts — has invested more in martech products that can allow the company to have a single, centralized space for campaign activation and for gathering data across channels. Additionally, the company is putting more emphasis into data clean room technology, which allows brands to match their user-level data with aggregated data from social platforms in a privacy-compliant way, to analyze inconsistencies and determine whether they’re overserving ads to the same audiences.

The video game company has also brought animation and video editing skill sets in house in the past 12 months. Talent in these areas has been needed to fulfill the company’s paid media needs, which involve creating GIFs and cinemagraphs for social placements and email marketing pushes.

Top Tip

Bringing technology tools such as data and analytics or automation in-house will allow teams to better understand their customers, as well as the types of creative and messaging that drive performance. Amid ongoing data deprecation and consumer privacy regulations, having ownership of these tools will be critical for brands in the future as they seek to reach the right audiences with relevant content.



“Our ambition is to get our work done in the best way possible. In order to achieve that, you need to create a team that understands each other, helps each other and is able to spend time together.”

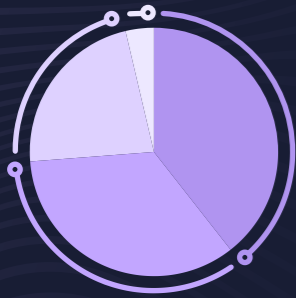
**comeon
group**

Eda Acar
head of digital marketing,
ComeOn Group

In-housing benefits

How important are the following benefits for effective in-house marketing?

Efficiency of production



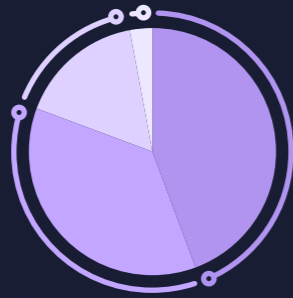
36%
Very important

37%
Somewhat important

20%
Not too important

7%
Not important at all

Time and attention given to the brand



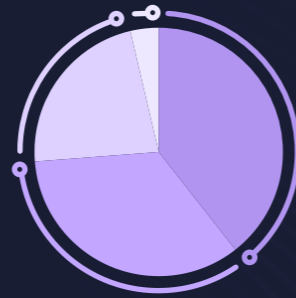
41%
Very important

37%
Somewhat important

16%
Not too important

6%
Not important at all

Greater control over brand messaging



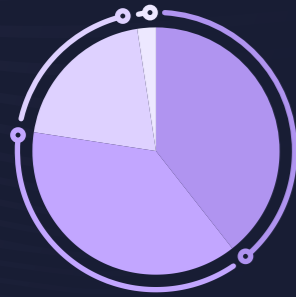
37%
Very important

37%
Somewhat important

20%
Not too important

6%
Not important at all

Increased innovation



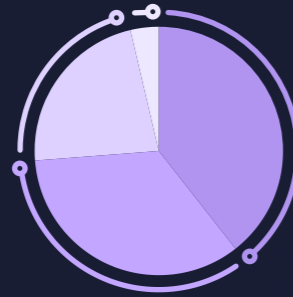
36%
Very important

41%
Somewhat important

18%
Not too important

5%
Not important at all

Data ownership



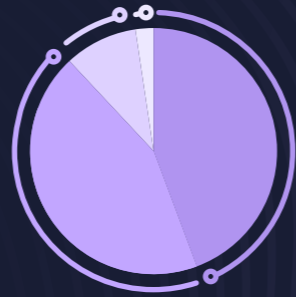
35%
Very important

39%
Somewhat important

20%
Not too important

6%
Not important at all

Cost savings



36.5%
Very important

36.5%
Somewhat important

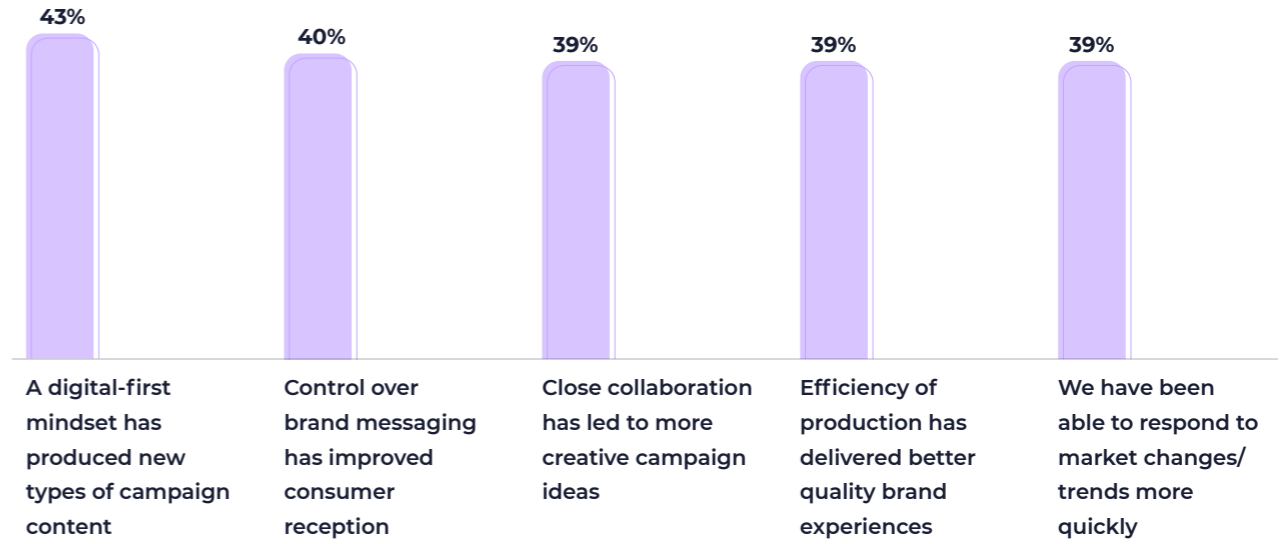
22%
Not too important

5%
Not important at all

Respondents also cited multiple reasons for why in-housing is leading teams to become more innovative. For example, digital approaches to campaigns are leading to fresh content initiatives, and teams also have gained more control over brand messaging.

In-housing is leading to innovation

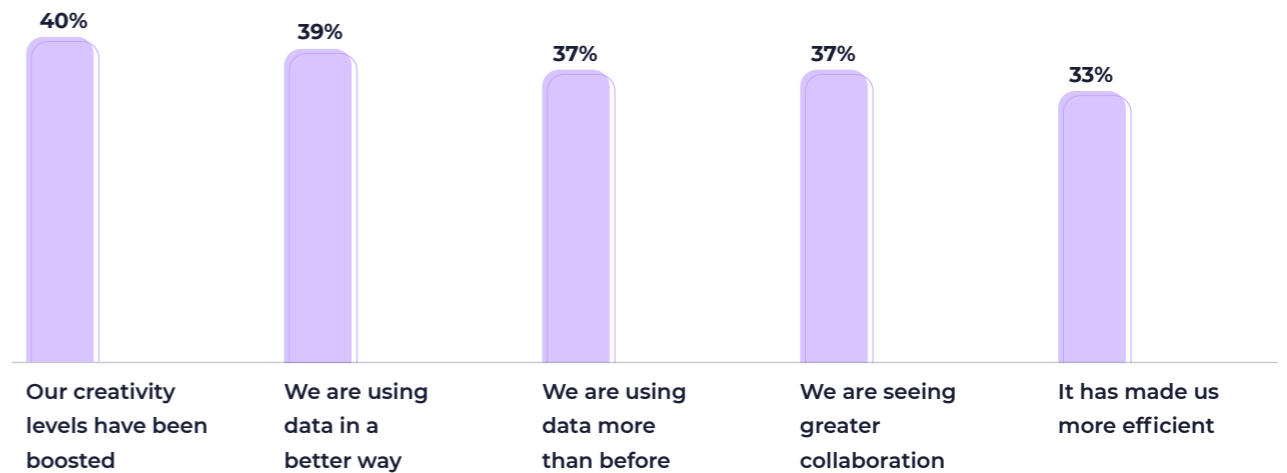
How, if at all, has in-housing helped your brand become more innovative in the past 12 months? Select all that apply.

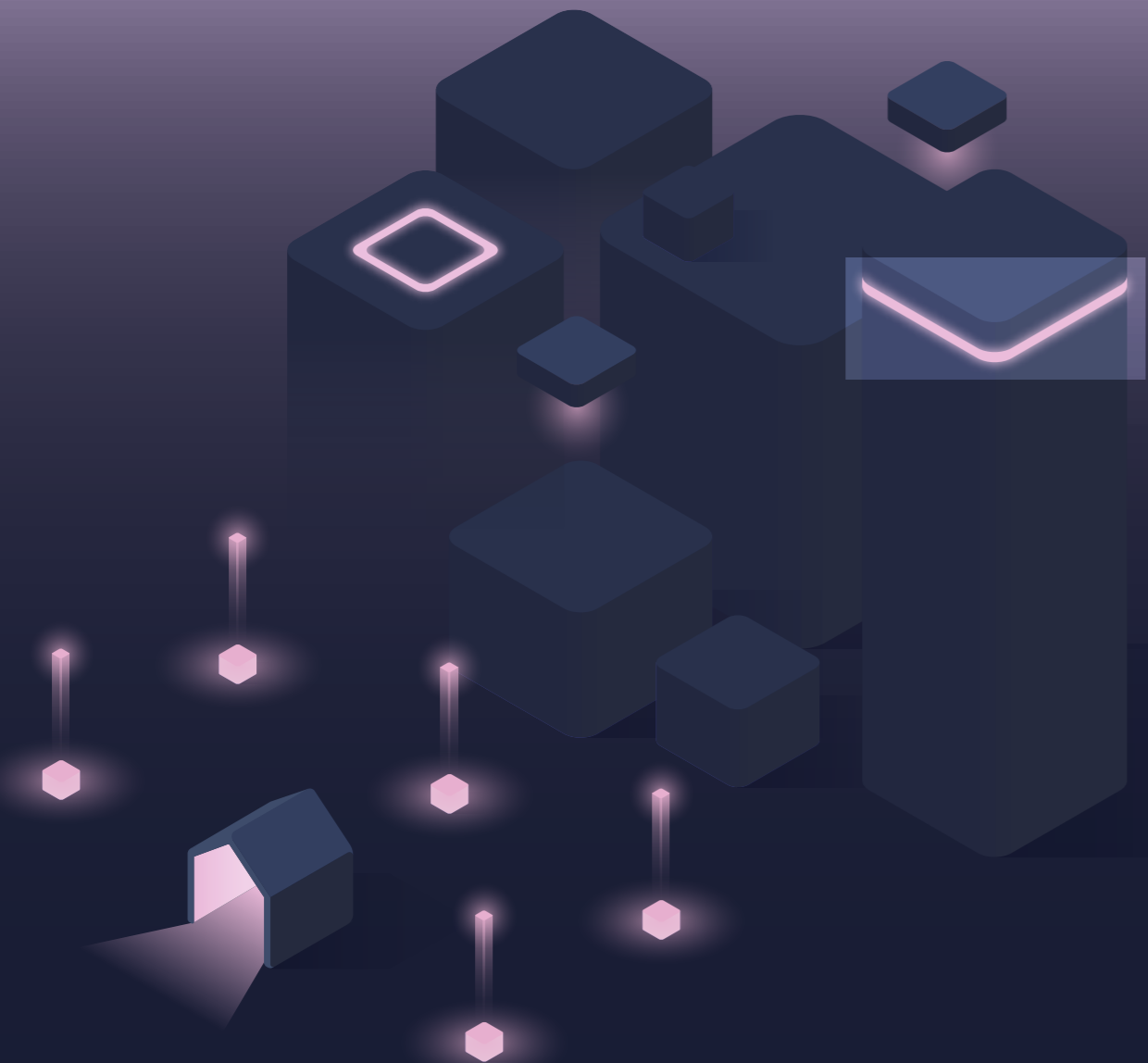


Technology is also driving innovation among in-house teams. Respondents said that tech has been key in boosting creativity levels, while also allowing teams to use data more often and in more effective ways. Additionally, tech tools are improving overall collaboration and efficiency among teams.

Tech is boosting in-house team performance

What describes the impact of using technology within your in-house team? Select all that apply.





Improving collaboration is also a key priority for in-house teams in 2022. Foster at The Observatory International said that successful collaboration for in-house teams, both internally and with external agencies, begins at the top.

“If there’s a culture of collaboration within C-suite, top-level management, it filters down and people buy into it,” he said. “There needs to be an open dialogue with all parties to understand the roadmap the organization is following with in-housing projects.”

Open platforms for creativity and innovation also foster better collaboration. For example, giving talent of any experience level the chance to pitch ideas should be welcomed. “You’re only going to get the best out of people if they feel valued,” said Foster.

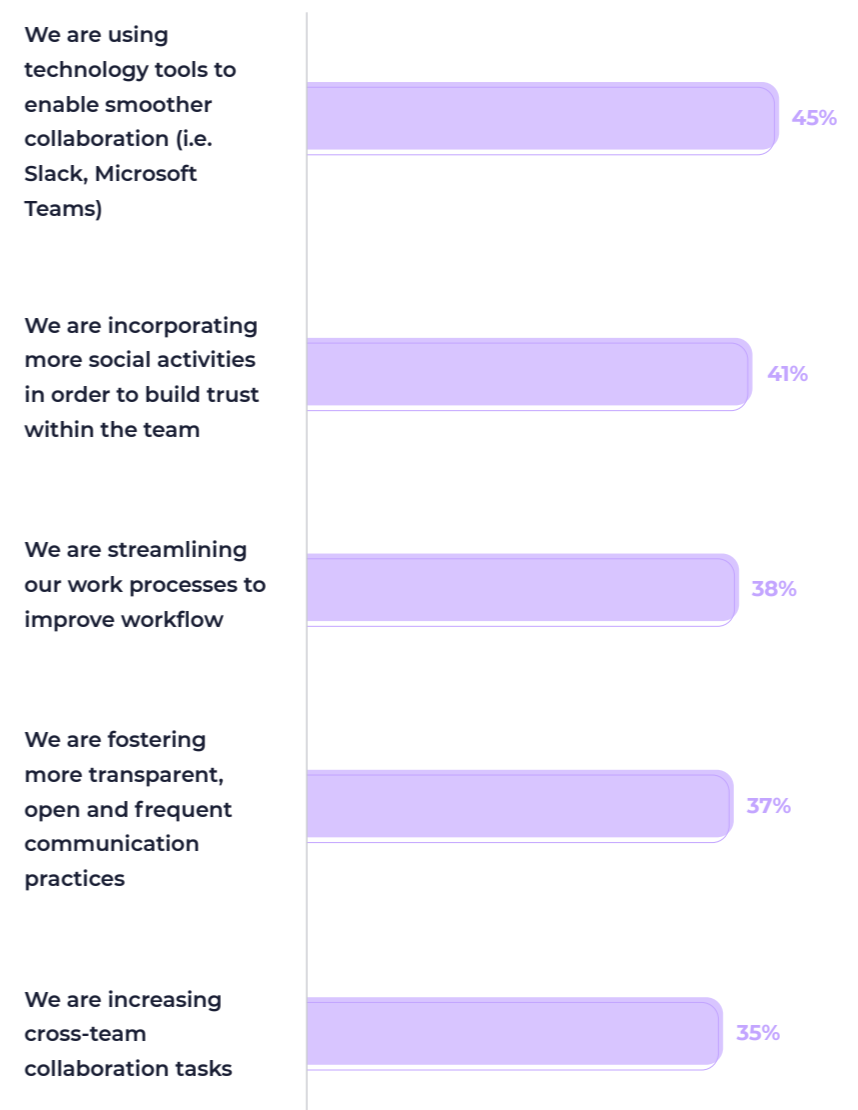
Top Tip

Create an outlet for open dialogue among team members and a space to pitch ideas. This will keep the team motivated, creativity fresh and foster a culture of innovation. Offering a platform for idea-sharing will also lead to improved collaboration in the long-term.

To improve how in-house teams collaborate, our respondents cited reliance on technology tools — business communication platform Slack, for example — and integrating more social activities to build trust among team members.

Driving collaboration

In what ways, if any, is your in-house team achieving effective collaboration? Select all that apply.



Thomas Heilskov

senior director, global head of digital marketing and The Barn, in-house creative and media agency

Arla Foods

Team size	90
Team model	Hybrid team, with in-house agency working with a few external agencies
Started in-housing in	2019
Functions that are in-housed	Media buying, creative production and data and analytics

Arla Foods' in-house agency The Barn launched in 2019, and has since grown to have offices in Denmark, Sweden, the U.K., Germany and the Middle East. The Barn, which operates in a hybrid remote-physical office environment, produces global and local creative productions for digital channels, as well as digital media buying. Arla Foods also works closely with a few external agencies on creative strategy, while The Barn's role is to bring those creative concepts to life.



How has The Barn become more digital over the past 12 months?

The Barn has been designed with an operating model and processes for creating campaigns and building brands in a digital world. Our approach to in-housing has been focusing on tasks where you need media and creativity to come together. We do all programmatic buying through The Barn and we are close to all the creative as well. There's a dynamic of capturing learnings from media, which informs our creative, and vice versa. We focus mainly on content that is all through biddable media. We were built as a digital agency but, as more and more media becomes programmatic and biddable, we are moving into creating outdoor and addressable media as well.

How has innovation within your in-housing team changed or improved over the past 12 months?

A core strength of The Barn is we have a continuous learning and feedback loop built into our model. We're working with so many more variants of content today, which enables buyers to test different creative out, make adjustments and give feedback. A lot of value comes from those learnings, making us smarter in terms of thinking about platforms and placements. For example, we have been learning more about what it takes to create content that will resonate on platforms such as TikTok and Snap.

How is good collaboration enabled within your in-house team?

Arla Foods is a cooperative, so collaboration is one of our core values. We focus a lot on bringing different skill sets and mindsets together. We are bringing in media people who haven't been close to creative before, and creative people coming in who haven't been close to the media side. In The Barn, we have media buyers and creative talent sitting desk to desk.

We're also focusing on improving collaboration with brands and external partners by focusing

on strengthening account management and project management. The Barn has clients who are used to working with external agencies. If clients don't feel they are getting the service and support they need from an in-house partner, you are not setting your in-house model up for long-term success and the model won't be sustainable.

What steps are you taking to keep your in-house team motivated?

Burnout is a main concern, especially during the pandemic. There's a parallel between creating in-house agencies and creating a startup. You're creating something new, with new energy and new culture. If people are sitting remotely, you're in a vulnerable place if you're a young organization with a young team. It's important to bring people together and to not lose focus on the type of team you're building.

We've been able to attract a lot of talent that has been motivated by challenging the existing agency model. What we're trying to do with The Barn is disrupt that model and disrupt that way of working. I think what motivates in-house talent is curiosity on how they can work differently. How can we create campaigns in a way that's smarter and more agile than what we used to do?

What are your top priorities to improve or advance your in-housing strategy in 2022 and beyond?

We're focusing on bringing media, creative and data closely together to ensure we create a repeatable model for how we develop campaigns. The energy will go into formalizing how we work and professionalizing workflows, and then being able to repeat that model.

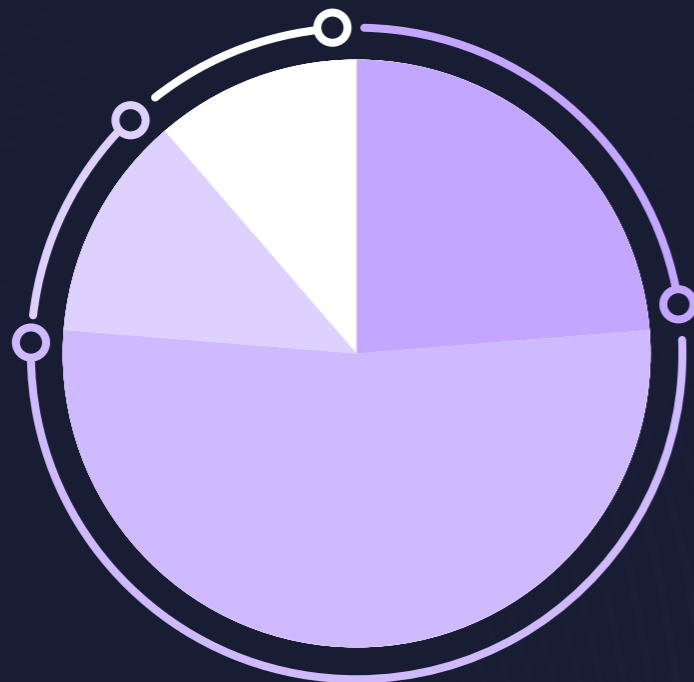
Another priority is creating more transparency in our work for brands, so we become the agency of choice for our brands. We want to demonstrate how the model that we're building is delivering strong results, and we want to share those results across the business. We want internal and brand teams to be able to compare the value they get from The Barn versus external agencies.

The future of in-housing: Why it's an essential strategy for brands

As brands seek to achieve greater return on investment, in-housing is proving to help drive business growth. More than three-quarters of our respondents reported that their digital marketing ROI has moderately or significantly increased since they began in-housing.

In-housing's impact on ROI

How, if at all, has your digital marketing return on investment (ROI) changed since in-housing?



24%
ROI has significantly increased

52%
ROI has moderately increased

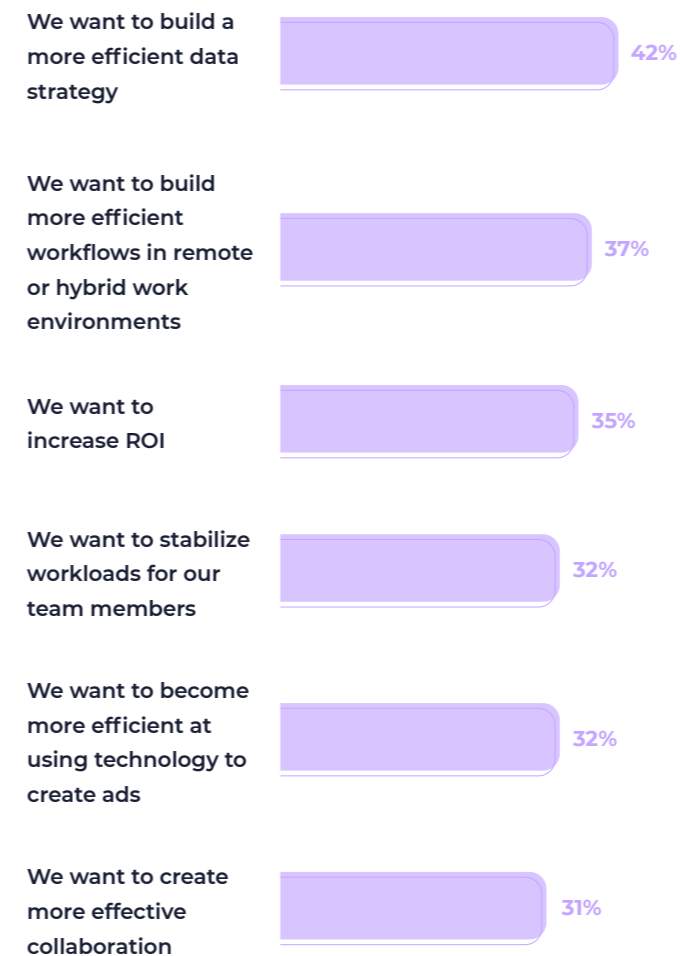
14%
ROI has stayed the same

10%
ROI has moderately decreased

Moving forward, our respondents have varying priorities as they seek to evolve their in-housing strategy. Building an efficient data strategy, more efficient workflows and increasing ROI are top priorities among all respondents.

In-housing priorities

What, if any, are your top priorities as you advance your in-housing strategy for 2022? Select up to three.



According to Foster at The Observatory International, it is imperative that marketing teams view in-housing as a way to fill a void or enhance a business' marketing structure built on clear objectives and goals.

While building an efficient data strategy was a consistent answer across industries, respondents in the retail and e-commerce (49%), financial services (41%) and iGaming (54%) report building more efficient workflows as the highest priority.



For travel and telecommunications respondents, creating effective collaboration is a top priority at 48%.



To achieve marketing success with in-housing moving forward, brands and marketers will need to have a fully realized vision and understanding of the purpose that in-housing will serve within their organization. Chase at Media.Monks said understanding the type of in-housing model that will serve the business is critical.

“In-housing is one way for brands to operate faster and cheaper, but they have to pick the model that best serves what the brand needs within the context of today, and where they aspire to be tomorrow,” said Chase.

Foster at The Observatory International echoed this sentiment. “In-housing will continue to happen. Digital elements are driving its growth, as organizations bring technology closer to the business to improve marketing outputs,” said Foster. “But in-housing itself isn’t the objective. The objective is business success via the correct operating model for your marketing function.”

At Arla Foods, Heilskov said that The Barn

will continue to focus on “right-housing” — meaning that, in the long term, the in-house agency will still work with external agencies to create campaigns.


“You need to have strong partners that can support you and challenge you,” said Heilskov. “But I do believe that an in-house agency has a unique position to create an operational model needed to build campaigns in an omnichannel world, across multiple touchpoints and formats. We want to constantly make sure we achieve balance in the tasks that are better managed in-house and the tasks that are better managed with external partners.”

Thriving in a new normal will require in-house teams to innovate by building on digital marketing, collaboration, and overall workflow processes that are already in motion. It’s evident that in-housing in 2022, if done with a structure and a purpose, will lead brands to create exciting, creative work that tells their story and produces measurable results.

Top Tip

Draws of in-housing including cutting costs or speeding up operations, but the move to in-house will only pay off for brands that have a concrete plan that highlights why in-housing will benefit the business. Brands will achieve meaningful growth through in-housing by having a clear business objective and knowing how in-housing will help achieve that objective.



We want to constantly make sure we achieve balance in the tasks that are better managed in-house and the tasks that are better managed with external partners. 



Thomas Heilskov
senior director, global head of digital marketing, The Barn, Arla Foods

Methodology

To gather quantitative and qualitative insight for this report, we interviewed marketing executives across numerous industries, and interviewed in-housing experts at brands, digital marketing companies and consultancies.

Eda Acar
head of digital marketing,
ComeOn Group

Kristian Lundman
head of creative
Telia Sweden

Fredrik Hagdahl
head of concept and design
Bonnier News Brand Studio

Thomas Heilskov
senior director, global head of
digital marketing and The Barn
Arla Foods

Caroline Harrison
head of digital marketing
HSBC UK

Pino Roscigno
commercial director
Stadium

Warren Marengo Chase
global chief embedded
solutions officer
Media.Monks

Jan Jelle de Boer
global category lead of content
Media.Monks

Rob Foster
senior consultant
The Observatory International

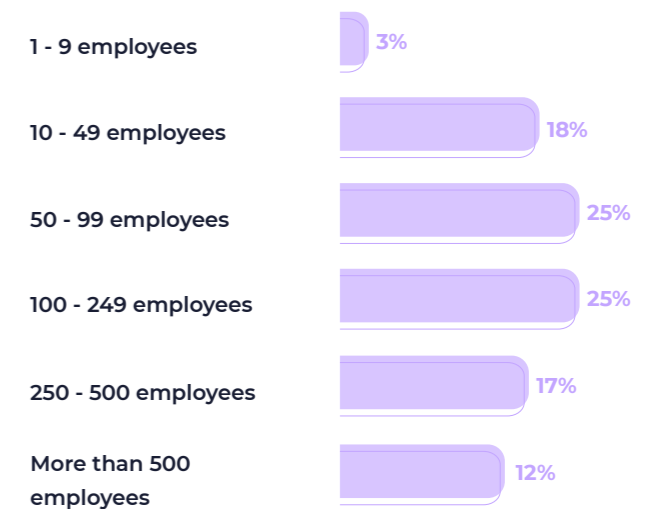
Industries that are in-housing

In what industry sector does your company operate in?



Company size

What is the size of the company you currently work for?





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