



January 27, 2012

The Forrester Wave™: US Digital Agencies — Mobile Marketing Strategy And Execution, Q1 2012

by Melissa Parrish
for Interactive Marketing Professionals



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The Nine Agencies That Matter Most And How They Stack Up

by **Melissa Parrish**

with David Truog and Elizabeth Komar

EXECUTIVE SUMMARY

In Forrester's 37-criteria evaluation of US digital agencies with mobile marketing services, we identified the nine significant agencies in this category — AKQA, iCrossing, Ogilvy, Possible Worldwide, Razorfish, Rosetta, SapientNitro, TribalDDB, and VML — and researched, analyzed, and scored them. This report details our findings about how each agency measures up and plots where they stand in relation to each other, to help interactive marketers select the right partner for their mobile marketing efforts.

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In December 2011, Forrester evaluated solutions from nine digital agencies with mobile marketing services: AKQA, iCrossing, Ogilvy, Possible Worldwide, Razorfish, Rosetta, SapientNitro, TribalDDB, and VML.

Related Research Documents

["How To Grow Your Mobile Campaign Expertise"](#)
November 18, 2011

INTERACTIVE MARKETERS NEED AGENCIES TO DELIVER ON THE MOBILE IMPERATIVE

Much has been written about the rapid pace of consumer adoption of the mobile Internet. In fact, Forrester forecasts that the number of mobile Internet users will grow at an average of 9% year over year for the next five years.¹ In response to this growth, nearly half of the interactive marketers we surveyed told us they planned to increase their mobile marketing budgets in 2011.² To make the most of these budgets, interactive marketers are turning to digital agencies to create comprehensive and strategic mobile marketing programs that move their brands beyond experimentation and engage their mobile consumers effectively.

Agencies Understand The Need For An Integrated And Innovative Mobile Approach

Since mobile is still emerging, we expected to see differentiation among agencies in terms of each agency's vision for the future of the channel and approach to staffing to meet client needs. But the agencies we evaluated turned out to have remarkably similar approaches to mobile. Better yet, these aligned attitudes demonstrate an incisive understanding of the marketing potential of mobile and its increasing importance in the digital mix. The agencies:

- **Distribute mobile expertise across disciplines.** The agencies each have mobile experts who lead the development of skills across the staff. Then employees across departments or disciplines are expected to develop mobile expertise and program elements within their practice areas. For example, digital creative staff develops mobile display creative — not a siloed mobile creative team.
- **Integrate mobile into larger strategic initiatives.** The vast majority of the mobile programs developed by all of the agencies we studied are part of a larger, integrated digital effort. Even in the case where an agency is contracted only for the mobile piece of the strategy, it almost always must collaborate with other agencies to ensure a consistent and integrated approach to engaging the digital consumer.
- **Foresee mobile becoming the primary digital touchpoint.** All of the agencies predict that mobile will eventually eclipse PC-based interactivity for consumers and between consumers and brands. Most of them also expect that mobile will become the true connection between online and offline worlds, leading to “mobile” strategies and technology bleeding into the user experiences of other appliances and devices like cars and cable boxes.

US AGENCIES' MOBILE MARKETING STRATEGY AND EXECUTION EVALUATION OVERVIEW

To assess the state of the mobile marketing strategic services market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top US digital agencies that provide mobile marketing strategy and execution services.

Our Criteria Emphasize Strategy, Execution, Leadership, And Financial Strength

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of 37 evaluation criteria. We classified these criteria into three high-level groupings:

- **Current offering.** These criteria evaluate the agencies' ability to develop a mobile marketing strategy based on audience insight, execute that strategy, and measure its success.
- **Strategy.** We evaluated the agencies' management teams based on individual members' tenure with their companies and expertise in mobile. These criteria also reflect how well each agency has positioned itself to realize its vision for the future of mobile marketing.
- **Market presence.** This branch of our criteria evaluates financial health, mobile revenue growth, and client satisfaction and retention.

Our Screening Filters Narrowed The Field To Nine Significant Agencies

Forrester included nine vendors in the assessment: AKQA, iCrossing, Ogilvy, Possible Worldwide, Razorfish, Rosetta, SapientNitro, TribalDDB, and VML. Each of these vendors has (see Figure 1):

- **A comprehensive mobile services offering.** To qualify for this evaluation, agencies had to provide core mobile marketing services including comprehensive strategy development, app and mobile website design and development, messaging program planning and development, and mobile advertising design, development, and measurement.
- **Experience developing mobile programs.** All evaluated agencies have at least five years of mobile experience. A few of the agencies have eight or more years of experience.
- **A strong and growing revenue stream from mobile marketing.** We included in this research only agencies that met or exceeded a solid threshold for revenue from their mobile services. (We're not permitted by law to disclose the threshold.)
- **Recognition of their mobile work from peers and marketers.** As part of our initial screening process, we asked agencies to name their three most frequent competitors for new work. We also asked 11 mature mobile marketers to share with us the lists of agencies they considered during their agency selection processes. To be eligible for this Forrester Wave, agencies had to appear at least three times across both lists.

Figure 1 Evaluated Vendors: Vendor Information And Selection Criteria

Agency	Date Evaluated
AKQA	Q4 2011
iCrossing	Q4 2011
Ogilvy	Q4 2011
Possible Worldwide	Q4 2011
Razorfish	Q4 2011
Rosetta	Q4 2011
SapientNitro	Q4 2011
TribalDDB	Q4 2011
VML	Q4 2011

Agency inclusion criteria

Agency offers comprehensive mobile marketing services including mobile strategy development, app and website design and development, mobile advertising design and development, and messaging program development.

Agency has provided mobile services for at least five years as of September 2011.

Agency meets or exceeds a set revenue and growth threshold. Laws governing financial disclosures prohibit us from sharing specific numbers for these criteria.

Agency received three mentions as either a top three competitor across 35 agencies screened, or an evaluated agency as part of 11 marketers' mobile agency search process.

Source: Forrester Research, Inc.

SMART INTEGRATION OF SERVICES AND SKILLS GIVES MARKETERS MANY STRONG CHOICES

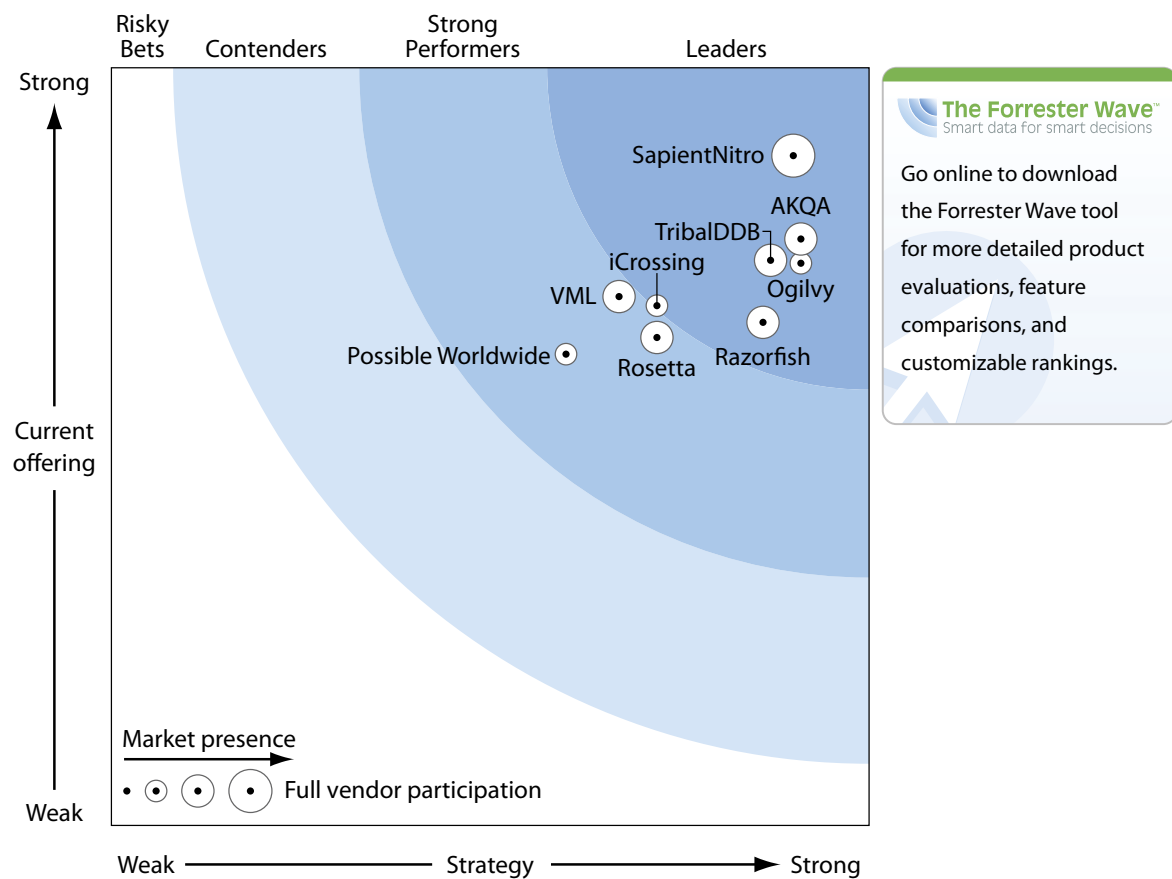
The evaluation uncovered a market in which (see Figure 2):

- **SapientNitro, AKQA, Ogilvy, TribalDDB, and Razorfish lead the pack.** Client references figured very heavily into our evaluation, and each of the Leaders can boast strong client approval. Lauded for both their strategic thinking and execution skills, these Leaders produce high-caliber work with client satisfaction to match.
- **iCrossing, VML, Rosetta, and Possible Worldwide offer competitive options.** As Strong Performers, each of these agencies is able to deliver quality mobile marketing experiences for its clients. They are primarily distinguished from the Leaders due to slightly lower scores for

the mobile expertise of their management teams, strength of their road maps, and strategy development methodology. These agencies tended to score particularly well against analytics or technology criteria, which we believe suggests that their mobile practices are maturing through the technology side of the house and will soon become more of a strategic imperative.

This evaluation of mobile marketing agencies is intended to serve as a starting point in your selection process. We encourage you to examine our detailed evaluations and adapt the criteria weightings to fit your particular needs through the Forrester Wave Excel-based vendor comparison tool.

Figure 2 Forrester Wave™: US Digital Agencies — Mobile Marketing Strategy And Execution, Q1 '12



The Forrester Wave™
 Smart data for smart decisions

Go online to download the Forrester Wave tool for more detailed product evaluations, feature comparisons, and customizable rankings.

Source: Forrester Research, Inc.

Figure 2 Forrester Wave™: US Digital Agencies — Mobile Marketing Strategy And Execution, Q1 '12
(Cont.)

	Forrester's Weighting	AKQA	iCrossing	Ogilvy	Possible Worldwide	Razorfish	Rosetta	SapientNitro	TribalDDB	VML
CURRENT OFFERING	50%	3.87	3.43	3.71	3.11	3.32	3.22	4.42	3.73	3.49
Strategy	35%	4.10	3.25	3.70	3.00	3.70	3.50	4.35	3.90	3.40
Development and execution	30%	4.25	3.70	3.75	3.35	4.05	3.40	4.60	3.75	3.40
Measurement and analytics	15%	3.75	3.90	4.25	3.00	3.40	4.50	3.75	4.25	4.50
Account management	5%	3.00	3.00	4.00	3.00	3.00	3.00	4.00	3.00	3.00
Value	15%	3.00	3.00	3.00	3.00	1.00	1.00	5.00	3.00	3.00
STRATEGY	50%	4.55	3.60	4.55	3.00	4.30	3.60	4.50	4.35	3.35
Strength of management team	35%	4.00	3.00	4.00	3.00	5.00	3.00	5.00	4.00	4.00
Company vision	40%	5.00	4.00	5.00	3.00	4.00	4.00	5.00	5.00	3.00
Product/services road map	20%	5.00	4.00	5.00	3.00	4.00	4.00	3.00	4.00	3.00
Focus and reach	5%	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
MARKET PRESENCE	0%	4.00	2.75	3.00	2.13	4.00	3.50	4.25	3.25	3.75
Clients	50%	3.50	4.00	3.50	2.25	3.50	4.00	4.00	3.50	3.50
Financials	50%	4.50	1.50	2.50	2.00	4.50	3.00	4.50	3.00	4.00

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

VENDOR PROFILES

Leaders

- **SapientNitro.** This large and established digital agency received the highest client scores across all criteria among all of the agencies in this evaluation. The agency challenges its clients to think creatively about mobile's role in strategic development and has the execution chops to implement. SapientNitro also brings a very long-tenured and experienced mobile management team that is well positioned to bring to life its clear and forward-looking vision for mobile.
- **AKQA.** Well known for innovation — and with numerous awards to prove it — AKQA is an excellent choice for any progressive brand looking to make a big splash in mobile. Clients we spoke with are especially impressed with the methodology the agency employs to develop these innovative strategies. One area where AKQA could improve is in showing off some of its not-so-sexy mobile marketing skills and tactics, as the agency has proven its ability to build solid work for less adventurous clients too, not just for the bleeding-edge few. By highlighting this, AKQA would better show how well-rounded an agency it really is.

- **Ogilvy.** With perhaps the best name recognition of all the agencies in this Forrester Wave, Ogilvy receives very high scores for its vision of the future of mobile, which fits neatly and appropriately into its parent company's operating principle to simply build the biggest and best brands. To deliver on this vision, Ogilvy has the most defined and detailed road map of the field, against which they're progressing steadily. However, while its focus on its long-term, big-picture approach to mobile is exceptional, the agency would benefit from paying just as much attention to more immediate needs — especially in the areas of execution technology and methodology.
- **TribalDDB.** This agency boasts the longest-standing and most expansive relationships with its clients, where it serves as the comprehensive mobile partner across multiple brands and divisions. Clients give the agency unusually high marks for its proprietary back-end technology and its ability to integrate mobile with other strategic initiatives. However, there is room for improvement in the way the agency approaches post-launch optimization. Its efforts are satisfactory today, but TribalDDB has an opportunity to raise them to the exemplary level of the rest of its execution skills.
- **Razorfish.** Sound strategic development skills and solid execution make Razorfish a good choice for any brand that wants to think comprehensively about mobile marketing. The agency would have scored higher in the Leaders section if it weren't for one criterion: value. The clients we spoke with feel that Razorfish costs more than other agencies with comparable services. However, the agency has a very good client retention rate. So if cost is a concern, it's not keeping the vast majority of its clients from maintaining the relationship.

Strong Performers

- **iCrossing.** Just on the cusp of the ranks of the Leaders, iCrossing does an excellent job of incorporating audience insight into strategic development. The agency uses its background in search to develop personas that are more detailed than those provided by most other agencies, informed by iCrossing's history of understanding consumer language and behaviors. While clients do feel that iCrossing has a solid strategic methodology, some report that it's perhaps too rigid. The agency would do well to ensure that its approach to strategy and execution is strong enough to produce great results, but nimble enough to adapt to the unique needs of each client.
- **VML.** This agency has a pragmatic get-it-done attitude that is evident in its positioning and in client references. VML gets the highest scores of any agency for collaboration, making it a great choice for any brand that has a full agency roster and needs to add a mobile partner to the mix. But while working well with others is an excellent attribute, VML is undervaluing its strategic expertise by not challenging its clients to think as innovatively as possible. Delivering what clients ask for will always earn an agency a good reputation. Responsibly pushing the envelope will make it a thought leader.

- **Rosetta.** With proprietary research tools and a history of conducting scientifically rigorous consumer research, Rosetta scores the highest marks for its incorporation of audience insights into mobile strategy. Clients also report very high satisfaction with the agency's approach to and tools for measurement and analytics. However, like Razorfish, Rosetta's clients feel the agency is not pricing its services competitively. Rosetta's management team also has bit less mobile experience than the managers of its competitors.
- **Possible Worldwide.** Several smaller agencies recently came together to form Possible Worldwide, and each brought mobile expertise to the relationship. However, as a result of how recently it coalesced, the agency's current offerings are less mature than the other agencies' in this Forrester Wave. Possible Worldwide also has a lower retention rate than the other agencies we studied because it still does a large amount of project-based work. But with satisfactory offerings in both strategy and execution, we believe that Possible Worldwide will develop comprehensive relationships with more clients in the future.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 2 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of two data sources to assess the strengths and weaknesses of each solution:

- **Agency surveys.** Forrester surveyed agencies on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed agency surveys, we conducted agency calls where necessary to gather details of agency qualifications.
- **Client reference calls.** To validate product and agency qualifications, Forrester also conducted reference calls with three of each agency's current clients.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) client success; and 3) Forrester client demand. We eliminate vendors that have limited client references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

- ¹ Source: Forrester Research Mobile Advertising Display And Search Forecast, 2011 To 2016 (US).
- ² Source: December 2010 US Interactive Marketing Online Executive Panel Survey.

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