# State of the
# Agency Report
# 2023

Prepared by:

**cloud**campaign

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We're excited to share our second annual State of the Agency Report outlining the performance of social media management agencies using Cloud Campaign this past year.

This past year has seen ballooning inflation, underemployment, and continued logistical issues due to COVID-19. Despite these economic hurdles, the best practices outlined in this report and the agency's stories behind them are a roadmap to building a resilient business - whatever that looks like for you.

While the strategies examined in this report incorporate Cloud Campaign, they are not exclusive to our platform.

However, these trends emerged directly from users effectively using key Cloud Campaign features to their fullest.

We analyzed the performance of over a thousand agencies using Cloud Campaign and identified four success strategies that stood out among the top agencies.

On average, agencies deploying these strategies effectively experienced 85% less attrition and a net growth of 20% more clients at the end of the year versus the start of the average digital agency.

This report will walk you through four discrete strategies to help make your agency more resilient using these established best practices.

As an agency owner, you can use one, some, or all of these strategies based on your unique situation to make your business more resilient.

We hope these best practices and success stories will inspire you to thrive in the upcoming year!

# Four Strategies for Resilient SMM Businesses

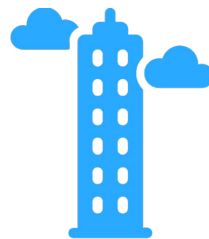Our data has shown us four business strategies agencies use not just to grow but thrive.

While each of these strategies stands on its own, the most successful agencies combine these four strategies to build a resilient business that can withstand pandemics, inflation, and who knows what else this year will throw at us.

In this year's report, we will explore each of these strategies using customer stories that show how they did it so you can roll them into your agency if it makes sense for your business.

**Click or tap to navigate to each section.**

**Diversification**
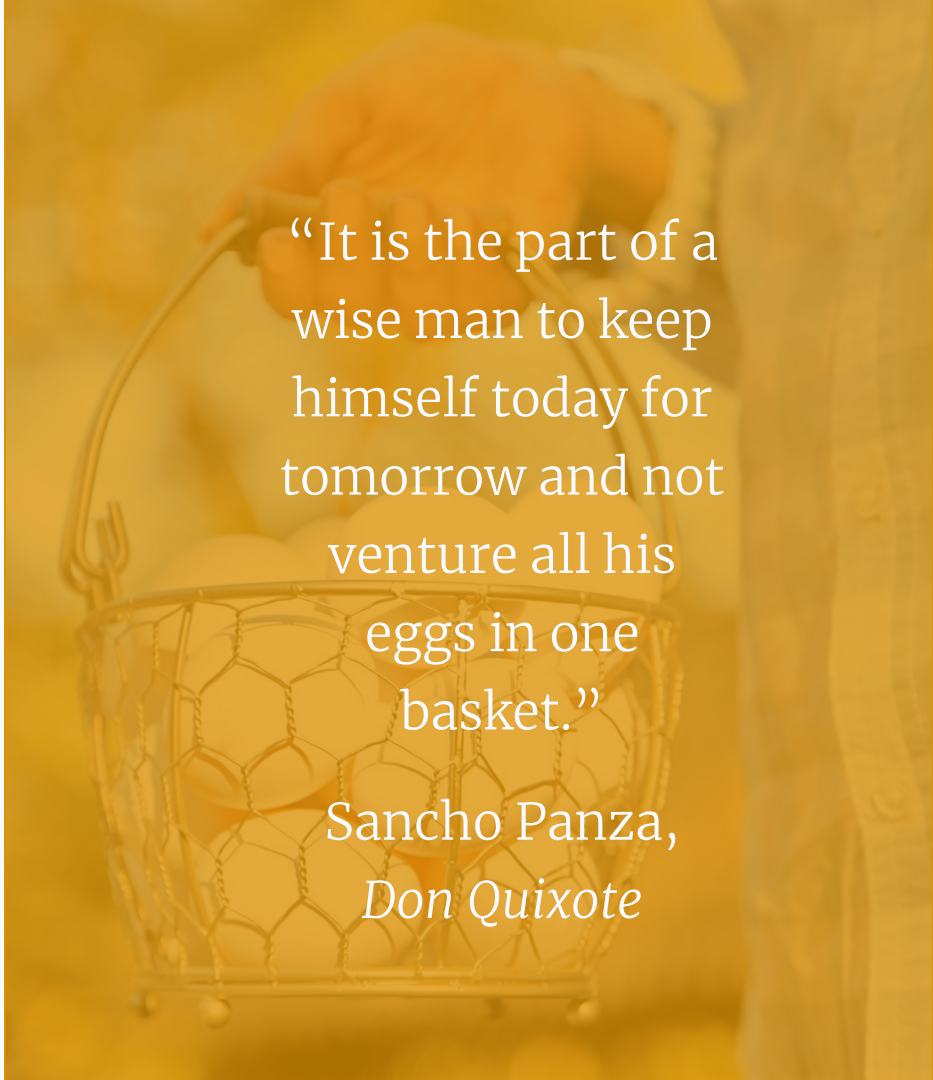
**Verticalization**

**Client Enablement**

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# Diversified Services

This nugget of wisdom from the 1600s applies to many aspects of life, especially business. Agencies that can diversify their service portfolio have been able to retain their clients despite a tumultuous economic year. Those that are not have experienced higher attrition or shut down entirely.

Agencies that could pivot by offering their services ala carte and up-selling when appropriate were more successful in retaining customers throughout the year.

In these instances, Cloud Campaign was usually positioned as a low-cost, high-value service that could keep clients engaged until other service needs arise, such as web design or product photography.

"It is the part of a wise man to keep himself today for tomorrow and not venture all his eggs in one basket."

Sancho Panza,
*Don Quixote*

**Success Story**

**GHOST**

THE SECRET MARKETING AGENCY

Take one good look at Ghost Marketing founder Britton Briley and you can tell his flavor of marketing is unique.

You can usually find him sporting his signature Ghost tee, backward ballcap, inked-up sleeves, and grinning ear-to-ear while he gushes about marketing, Star Wars, or hockey.

The main reason Britton is always smiling? Over the years he learned that not all clients fit into pre-defined product packages, and most of his clients wanted to pick and choose what services they paid for.

Instead of the traditional approach, Britton lays out the full range of services his agency offers on a menu.

This allows clients to self-select services based on their needs and budget, with Britton and his team adding their professional recommendations, usually resulting in an upsell.

But it wasn't always smiles and Star Wars paraphernalia in the Ghost offices. Britton and his team were struggling to manage their growing social media management services on Hootsuite, which couldn't scale with sheer number of clients and workspaces they had.

After months of intense research, Britton rolled Cloud Campaign into Ghost's portfolio – alleviating multiple bottlenecks for his team.

Switching between client profiles was lightning fast, automating posts was easy, and according to Britton, the built-in approval process "was a total game-changer for us because now we can get the client's voice in near real-time without using logins or manually creating proofs."

Britton and his team also got something they didn't quite anticipate – dedicated support from real people.

"The team has just been amazing – quick to respond to our questions, getting our team up to speed on the platform, and really helping us squeeze every dollar from Cloud Campaign has been huge, on top of listening to our feedback on the software itself."

With Cloud Campaign in their arsenal, Ghost easily manages over 150 clients per account manager for their social media services alone.

Ands with its full menu of 45 services, Ghost is well-positioned to adapt to an ever changing market with its diverse portfolio that allows their clients to build customizable packages to reach their goals.
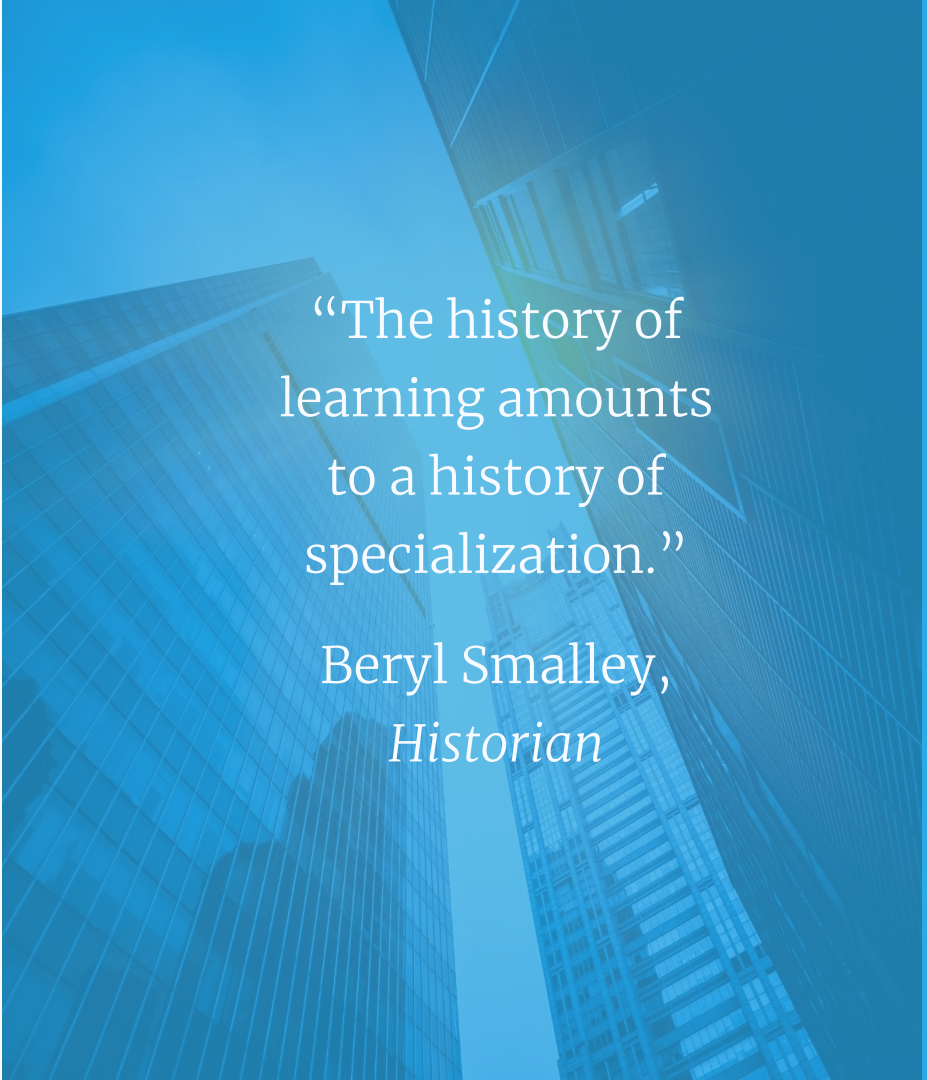
And because all their clients use Ghost for more than once service, they become a valuable extension of their team that grows with them while creating resiliency for the agency.

# Verticalization

Verticalization is a shift to serving businesses within specific markets or industries. For example – an agency that specializes in real estate is verticalized, and its content and strategies apply to other real estate agents in their market.

This makes it easy to scale their efforts and handle more client load per account manager while charging a premium for their specialized services and industry expertise.

Noticeable areas of specialization this year are real estate, healthcare, and hospitality due to their market size, resiliency, and franchises that provide cascading social media management opportunities.

"The history of learning amounts to a history of specialization."

Beryl Smalley, *Historian*

How this specialized
agency transformed
the world of social
media for dentists!

Success Story
MySocialPractice

Would you be surprised to hear that 60% of folks
strongly dislike visiting the dentist?

With such a visceral bias, it's no wonder the dental
market was underserved when Facebook Advertising
launched in 2007.

My Social Practice saw this as an opportunity, starting
as a digital agency serving dental practices with tailored
advertising, social media, web development, and
reputation management that connects patients to
trusted dentists in their area.

By focusing on reach, reputation, and relationships, My
Social Practice saw an opportunity to show up where
people were gathering online, achieving immediate
results as one of the first agencies serving Facebook Ads
for dentists.

My Social Practice worked closely with the businesses to learn their inner workings and build their services around the customer's journey.

This approach allowed My Social Practice to develop market-tested strategies they could apply to other dental offices and adjacent practices such as endodontics, periodontics, pediatrics, and orthodontics.

Like so many businesses during the initial stages of the pandemic, however, My Social Practice was hit hard due to the widespread closure of dental offices in that first year.

Despite this incredible challenge, their specialization paid off. By offering complimentary services, My Social Practice was able to downsize its services instead of cutting them completely, preserving its retention while helping these small businesses survive through a difficult time.

Additionally, as the situation stabilized in 2021 and 2022, small dental businesses began selling their practices to large corporations called Dental Service Organizations (DSOs).

This trend presented a lucrative opportunity for the agency to sell substantially larger contracts over a much broader dental network. Cloud Campaign enabled their team to manage around 150 clients per account manager using bulk content creation, scheduling, and customization features.

Now, My Social Practice is a leader in the dental advertising market, serving over 1,200 clients, and poised to snowball over the coming years by scaling its services with DSOs.
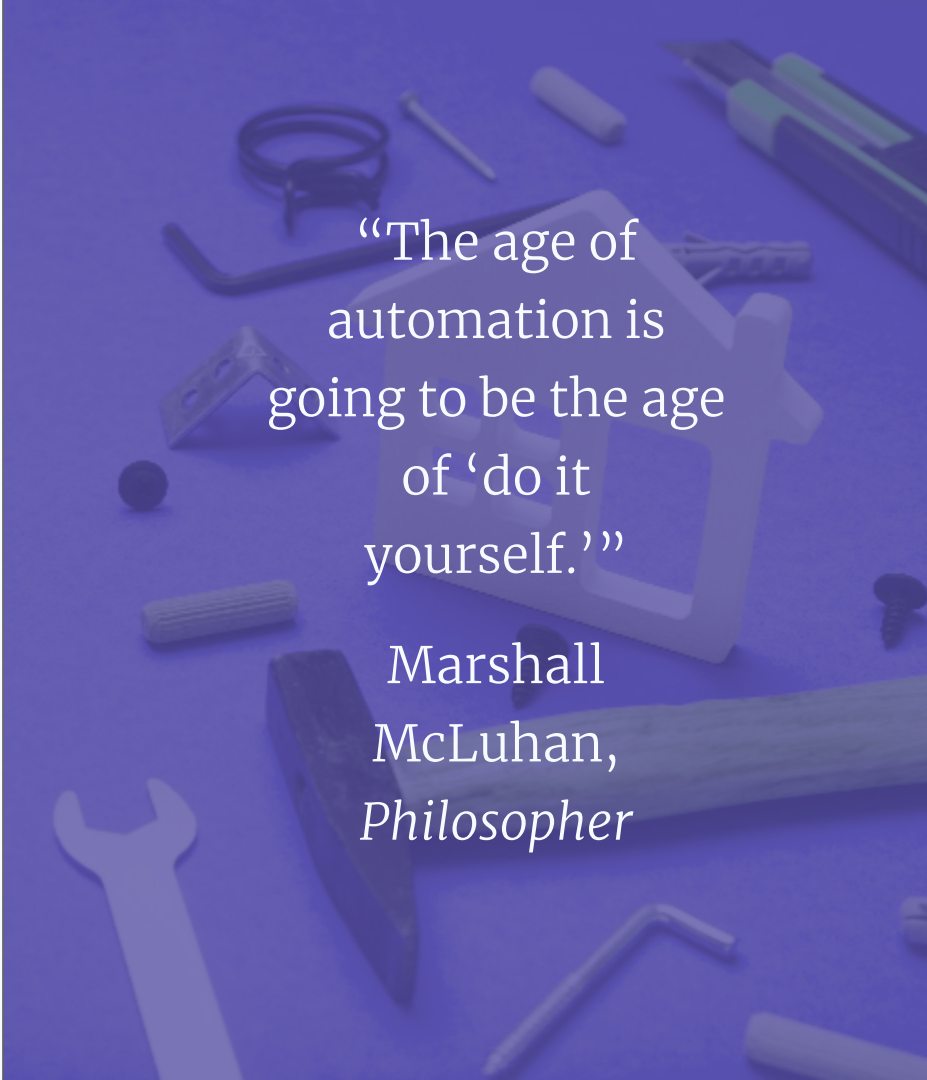
# Client Enablement

Agencies squeezing every ounce of revenue from their tools sell access to their white-labeled software, along with onboarding and resources to their clients.

This approach allows for passive, scalable revenue – but it's not completely hands-off.

Agencies focusing on Client Enablement offer strong onboarding workflows along with pre-generated content, resources, best practices, and coaching (sometimes as an upsell) to add value to their subscription service and increase retention.

For agencies that put in the initial effort, the reward is a scalable revenue stream with the potential to upsell, and synergizes well with an ambassador or reseller program, which we'll discuss later.

"The age of automation is going to be the age of 'do it yourself.'"

Marshall McLuhan, *Philosopher*

# Success Story:

content
FRESH ™

Deb Salisbury is passionate about telling clients' business stories using social media.

As a savvy marketer, she takes pride in offering content services and resources to her local clients along the Southern Gulf Coast.

But, as the pandemic-induced recession shook many businesses to their foundations, Deb found herself suddenly priced out of her owl-themed social platform and seeking alternatives.

After researching Cloud Campaign and seeing how it fit into her business, Deb discovered new financially viable opportunities to grow her agency despite a local market devoid of major brands.

Using Cloud Campaign, Deb began providing self-serve platform access, training, resources, and check-ins to in-house marketers who use the platform to manage a single brand.

The content creation features, automatic scheduling, and approvals process allowed Deb to double her client load without adding more headcount or sacrificing the quality of her work.

In the spirit of diversification, Deb still provides complete social media management services, including photos, videos, and design.

But client enablement represents a rapidly growing part of her portfolio, generating passive income and making her business more resilient as she deliver higher-value services.

"For me it's about connecting with audiences in the right way. Cloud Campaign has allowed us to share stories at scale while remaining authentic."

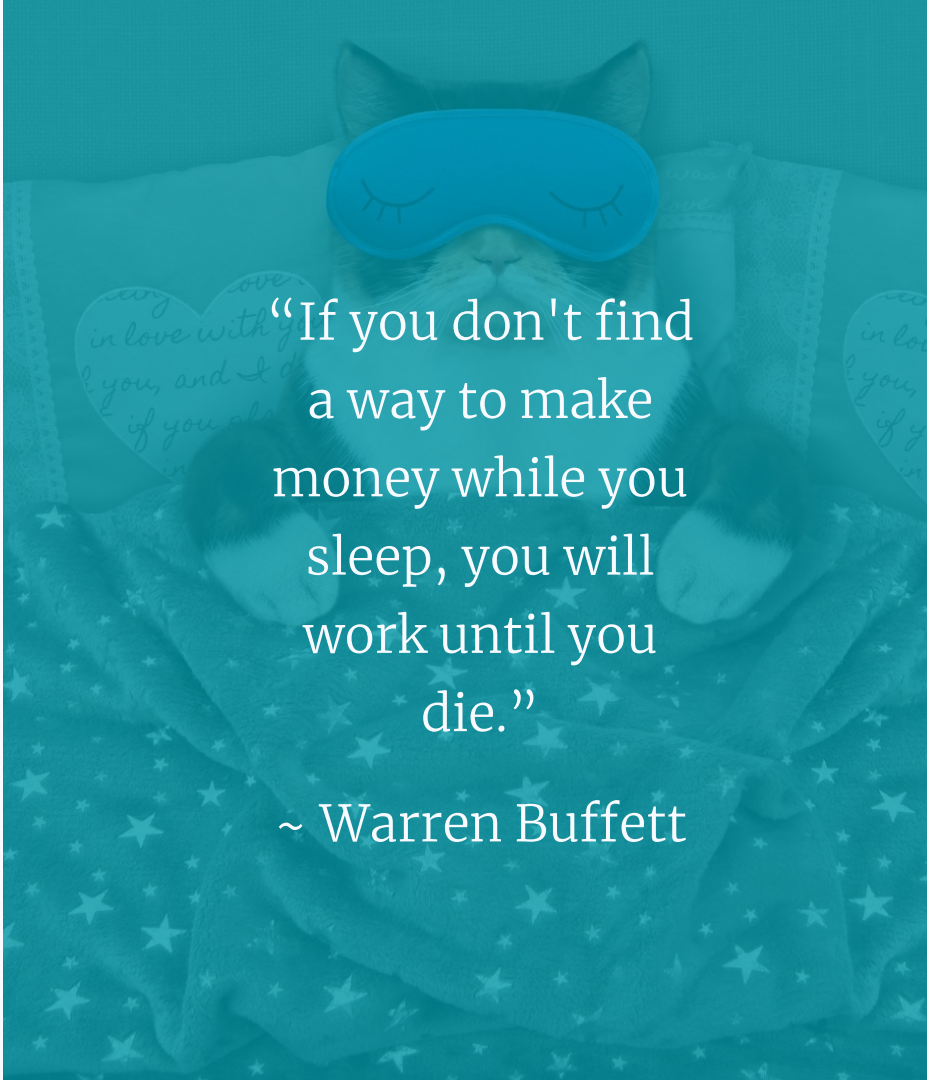Deb Salisbury,
*Content Fresh Founder*

# DIY SaaS

This inspiring and slightly ominous quote from one of the savviest investors of our time is especially true given the current market and economical state we're in.

The most resilient agencies find every opportunity to drive revenue from their tools, and Cloud Campaign is no exception.

Agencies taking this approach create multiple, scalable profit centers by allowing others to sell access to its platform on its behalf, also known as Do It Yourself Software as a Service (DIY Saas).

Like the **Client Enablement** model, this approach is typically paired with automated onboarding and check-ins to get new subscribers using the platform successfully, as well as incentives for the resellers to acquire new customers for the parent agency.

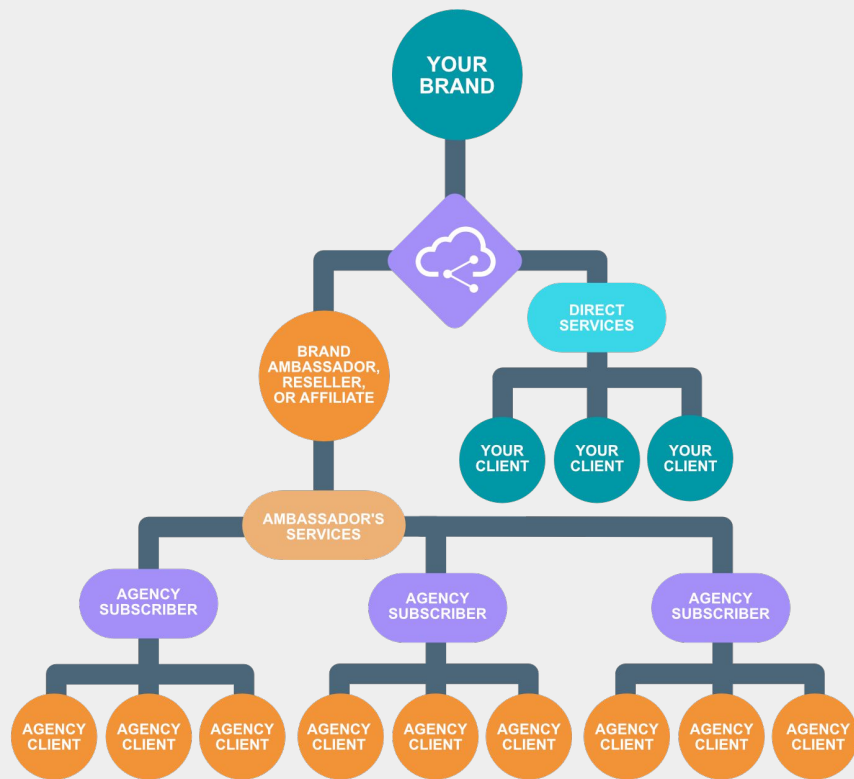"If you don't find a way to make money while you sleep, you will work until you die."

~ Warren Buffett

The model to the right illustrates just how scalable this approach can be.

Agencies managing clients directly have a limit on their ability to acquire and manage clients effectively.

With the DIY SaaS model, other organizations sell access to YOUR branded platform, resources, and other value-adds without the associated acquisition costs or resource management.

Agencies with multiple brand ambassadors or resellers are able to generate new channels of passive revenue that completely offsets the cost of the platform, as you'll learn in our next case study with the team at Web Dynamics.

# Success Story

To call the team behind Web Dynamics 'hungry' is an understatement.

In fact, Web Dynamics' founder, Kekoa, landed his first client by booking a cleaning with a dentist after his initial pitches went nowhere.

While he enjoyed the hustle, Kekoa realized this approach wasn't sustainable if he wanted to scale. In Kekoa's words, "you're usually only one hire away from scalability", so he brought on a new partner with solid systems and processes to help grow his business.

The duo worked together putting in the work going door-to-door to build relationships and find clients, which worked well for them up until the COVID-19 pandemic shuttered most businesses in their area.

The team realized they needed to pivot and went back to the drawing board to review their business plan.

By this time, paid advertising and lead generation was their primary service, and the company had developed a strong sales cycle with their approach to paid advertising.

Around the same time, Web Dynamics' current solution, Later, wasn't scaling with their growing client base of over a thousand customers across four countries. The company was also being hounded by its customers for a white-labeled solution they could resell.

Kekoa searched for a viable alternative before landing on Cloud Campaign, which allowed them to create a low-barrier SMM service he could white-label at a price that scaled sensibly with his business.

Plus, Cloud Campaign's built-in referral program allowed Web Dynamics to open up a whole new revenue stream its market was clamoring for.

After integrating Cloud Campaign's ambassador program, Web Dynamics immediately secured a core group of ambassadors who resold the platform on its behalf – quickly offsetting the cost of the platform for the business!

Fast forward six months later, and Web Dynamics has almost 50 ambassadors responsible for bringing over 150 clients organically alone.

Now, this close-knit pack of marketing wolves works tirelessly to hunt down optimal digital marketing strategies for their clients as they prepare to expand their reseller portfolio to generate even more passive income in 2023.

# Cloud Certification

While agencies may be experiencing budget cuts limiting their access to paid educational resources or consultants, savvy business owners are finding solutions that help them stay up to date on industry trends and best practices for free.

Software providers like Cloud Campaign often have teams of experts on-hand to help you get the most from the tools you're using, and in some cases can provide consultative services even beyond platform usage.

Our team of customer success managers interacts with thousands of digital agencies annually and can share a birds eye view of what's working and what's not, and help tailor a unique strategy for your agency.

Thank you for reading our second annual State of the Agency Report, from all of us on the Cloud Campaign team! We'd also like to thank the agencies highlighted in this report for sharing their stories to help others succeed.

If you're using Cloud Campaign as part of your agency, we hope this report provides you with new ideas and opportunities to grow your business and make it more resilient to unexpected changes in a time when the only thing you *can* depend on is unpredictability.

If you're not on Cloud Campaign, we invite you to try us for two weeks free to see how the agencies in this report and thousands of others scale their social media marketing services. **Click here** to get started with your free trial!

If you have any questions about the success stories in this report and want to find out how you can achieve similar results, email us at **sales@cloudcampaign.com** and our team of agency experts will help you build a plan to get there.

# THANK YOU!