

# Advertising jobs have increased, but the outlook for agencies is still a bit bleak

Article



After a steep drop-off in January, the number of jobs in advertising, public relations, and related services increased by 3,500 in February, per [AdAge](#). However, even with that increase,

the total number of jobs in these industries was still down by 49,100 compared with the year prior. While February estimates for ad agency jobs aren't available yet, January saw 4,800 jobs cut, which brought agencies to their lowest point since 2014, with just 186,000 jobs.

**It's not a shock that ad agencies are suffering the most of any in the industry—jobs have been on the decline for some time.** Forrester estimated back in June 2020 that ad agency jobs could be cut by as many as 52,000 within two years. The global advertising industry experienced unprecedented lows in new business opportunities at the onset of the pandemic, with about two-thirds (67%) of US agency execs surveyed in August 2020 saying it had become harder to obtain new business compared with 2019, per RSW/US data. Companies like Coca-Cola and WPP have continued to take advertising in-house or consolidated their creative arms, which has taken a toll on agencies. This kind of insourcing, according to Jeremy Goldman, eMarketer principal analyst at Insider Intelligence, suggests that “even if agency employment recovers, it may not get to pre-pandemic levels.”

## Difficulty Level in Obtaining New Business According to US Agency Executives, Aug 2020

% of respondents



Note: compared to the past year

Source: RSW/US, "2020 Agency New Business Report," Sep 16, 2020

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**Recovery in the distant future will be uneven as agencies add and shed jobs rapidly to meet their needs.** There will be additional months ahead where the job figures in the industry will be optimistic, and other months that will be more sluggish. “That said, these are hopeful signs given that ad agency staffing tends to be conservative,” Goldman said. “Agencies are likely to

work their existing teams as much as possible before adding staff right before their teams reach the breaking point. Agencies hire with the belief that those new hires will be needed, at the very least, for the months ahead.”