

Challenges Faced by Media Agencies and Reasons for Outsourcing



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ABSTRACT

This study analyzes the challenges faced by media agencies and their impact on outsourcing. This study was carried out in Islamabad and Rawalpindi based media agencies including multi-national and local level agencies. In this study sample of 100 respondents from different agencies based in Islamabad and Rawalpindi cities has been selected on random bases for the results and analysis. The finding of this study reveals the major problems faced by media agencies which are in shape of their level of expertise and quality of services are not up-to the mark, lacking the latest technology and facilities as compared to outsourced companies, and last is cost of marketing production services which is very high. So that is why companies are moving towards outsourcing instead of using in-house services from media agencies. Reliability analysis and multiple-regression test was applied to find out the results. Findings showed that in all the variables are reliable for further proceedings or test, then findings of multiple-regression analysis showed that there is statistical positive significant relationship between independent variables (“Expertise and quality”, “Technology”, and “Cost of marketing activities” and dependent variable (Outsourcing) at significant value $p < .05$.

Based on the results of each variable, few recommendations are also proposed to fill up the gaps in media agencies services. The expertise, strategies, and quality can be improved by adopting international best marketing practices and also by leaving the old thoughts can improve the in-house capabilities of the media agencies. Hiring of proper and experienced staff can also make the difference in the outcomes of the agencies. By using latest technology and facilities can also develop the good relationship between the clients and media agencies. By reducing the cost of production of marketing services media agencies can get the best outcomes in terms of good clients and high earnings.

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