

RESEARCH REPORT • 2026 EDITION

Agency or *in-house*?

The honest answer for Saudi companies between 50 and 250 employees.

18,723 Saudi companies sit in this size band. Most will answer this question by accident. This report exists so you can answer it on purpose.

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What this report is, and what it isn't

This report is written for the people who sign the budget: founders, CEOs, and executives of Saudi companies with 50 to 250 employees, where sales already works and marketing is the question mark. If that's you, read it in order. If your company is smaller or larger, section 23 was written for you.

The argument runs on three rings of evidence. First, international studies: ANA, WFA, Gartner, Forrester, and the documented record of companies like P&G, Unilever, and Pepsi. Second, GCC data: regional ad spend, named Gulf cases, and what the market actually pays. Third, Saudi numbers: salaries in riyals, agency retainers in riyals, and the regulations that change the math in 2026.

Two things this report is not. It is not an attack on agencies; section 14 argues their case with real evidence, and section 25 shows you how to be a client agencies do their best work for. And it is not a disguised sales letter; where the data is thin, we say so, and every number carries its source in section 27.

One disclosure, so you can weigh the bias yourself: BMD builds marketing departments for a living. We benefit when companies build. We wrote the agency's case anyway, because the goal is a working system, whoever runs it.

Three rings of evidence. International. Gulf. Saudi.

The *verdict*, up front

Why does your company spend on marketing? What, exactly, do you expect back? And who inside your walls owns that answer, by name?

That third question decides everything, and it is the finding of this entire report: agency versus in-house is the wrong question. Both can work. Both fail in documented, expensive ways. What separates the companies that win from the companies that recycle agencies every 18 months is not where the work sits. It is whether anyone inside owns the strategy and the numbers.

Four findings, in brief:

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- 01 **Neither path is cheaper by default.** In-house looks cheaper until you load the salary. Agencies look cheaper until you count what never compounds. In a UK study of large advertisers, only 60% of companies that moved marketing in-house achieved the savings they expected.
 - 02 **The world settled on hybrid.** 82% of large US advertisers now run in-house marketing teams. 92% of those still use agencies. The question is not either-or. It is what to own and what to rent.
 - 03 **Ownership decides outcomes.** McKinsey found companies where the CEO places marketing at the core of growth strategy are twice as likely to grow above 5% a year. When clients fire agencies, the top reason is "lack of strategic approach": strategy the client never owned.
 - 04 **Saudi changed the rules in 2026.** Marketing and sales professions are now 60% Saudized, with a SAR 5,500 minimum for a hire to count. Building got more regulated. Renting got more expensive. The math on both paths is new.
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THE VERDICT

Ownership can't be outsourced. Execution can.

→ Before you decide anything, measure where you stand. Section 26 shows you how, in 5 minutes.

Define it before you debate it

Most agency-versus-in-house debates collapse because the two sides are comparing things they never defined. So, definitions first.

A marketing department, for a non-marketer: the system that brings you new customers and makes existing ones pay more, in ways you can count. For a practitioner: a function with four properties. A clear structure. Named ownership of outcomes. A measurement system. A direct line to revenue.

Notice what that definition does not mention: headcount. A department is not people sitting in your office. Two employees plus two agencies can be a real department. Six marketers without measurement and ownership are not a department; they are, as we put it at BMD, a cost center wearing the name.

An agency: a company you rent execution capacity from, priced as a monthly retainer, a project fee, or a percentage of your ad spend. You pay for output. The learning, the systems, and the account team belong to the agency.

In-house: capability on your payroll. You pay for capacity whether you use it or not. The learning compounds inside your walls, if anyone is measuring.

Hybrid: an owned core, rented edges. Strategy, data, and always-on work inside; specialisms and surges outside. Hold that one; it returns in section 19.

A department is a system, not a headcount.

The market got serious. The question followed it.

Five numbers explain why this decision reached your desk this year and not five years ago.

18,723

Medium enterprises in Saudi Arabia (50 to 249 employees), per the latest published Monsha'at size breakdown. Every one of them faces this exact build-or-rent question.

\$4.68 billion

Saudi digital ad spend forecast for 2026, up 16.8% in one year, heading toward \$8 billion by 2029. Attention in this market is bought in bulk, and around 83% of ad money here is already digital.

72.9%

Share of the Saudi population Snapchat's advertising reaches. Among Saudis aged 13 to 34, roughly 90%, at about 70 minutes a day. Whoever runs your marketing needs to understand a channel mix that exists almost nowhere else on earth.

60%

The Saudization quota for marketing and sales professions, effective April 19, 2026, for establishments with 3 or more workers in those roles, counting only Saudis paid SAR 5,500 or more. Hiring marketers is now a regulated activity.

0.21%

Saudi ad spend as a share of GDP, versus 1.66% in the UK. Read that as headroom: competition for attention here will intensify, not relax.

Add one labor market signal: LinkedIn ranked "media buyer" the second fastest-growing job in Saudi Arabia in 2025. Companies are not just asking whether to bring marketing inside. They are already hiring.

SOURCES — Monsha'at SME Monitor (Q4 2023 split) · ResearchAndMarkets Saudi Digital Ad Spend Databook 2026 · DataReportal Digital 2026 KSA · Snap Inc. at Saudi Media Forum 2025 · HRSD decisions, Jan 2026 · AGBI/Statista · LinkedIn Jobs on the Rise 2025

Nobody decides the default. That's the problem.

Here is the sequence, compressed. The company reaches 60 employees on the back of a sales team that was built deliberately: pipeline, targets, CRM, commissions. Marketing arrives differently. A junior is hired to "do our social media." An agency is signed because someone senior saw their work somewhere. Posts go out for National Day and Founding Day. A Ramadan campaign happens because it's Ramadan. A website redesign happens because the old one was embarrassing.

Then the quarterly meeting asks the only question that matters: what did all of this bring in?

Silence. The junior shows follower counts. The agency sends a PDF with reach and impressions. The CFO quietly files marketing under "expenses we tolerate." The budget shrinks, the agency is swapped for a cheaper one, and the same script runs again next year with new actors.

Ask yourself: who decided this sequence? Nobody did. Sales was built. Marketing was assembled, piece by piece, by default. And defaults don't get reviewed; they get repeated.

The two sides even misdiagnose the ending. When clients fire agencies, agencies assume the budget ran out. The clients themselves rank budget eighth on the list of reasons. Their first reason: lack of strategic approach. Both sides watched a system with no owner produce no results, and each blamed the other's line item.

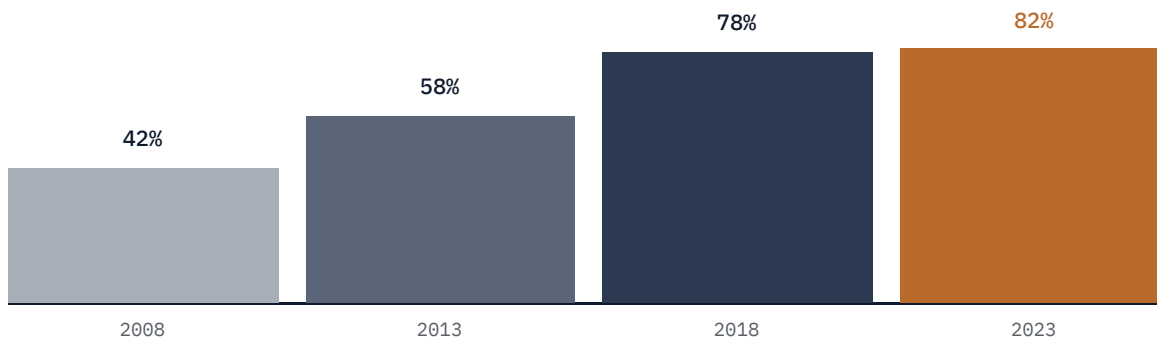
THE VERDICT

Marketing didn't fail. It was never built.

The biggest advertisers on earth moved marketing inside

Over the last 15 years, the world's largest marketing spenders conducted the experiment at full scale. The direction is not ambiguous.

LARGE US ADVERTISERS WITH AN IN-HOUSE AGENCY (ANA MEMBERS)



The multinationals followed the same curve: 50% ran in-house creative teams in 2020, 66% by 2023, with another 21% considering it. And the receipts are specific.

P&G cut its agency roster roughly in half from about 6,000 agencies, reported around \$750 million saved in agency and production fees, and then targeted \$400 million more. Unilever built a network of 18 in-house U-Studios across 15 countries and reported production roughly 30% cheaper than external agencies, and faster. Bayer took programmatic media buying inside and counted \$10 to 11 million saved within the first six weeks. JPMorgan Chase moved the lion's share of a \$5 billion ad budget to its internal agency; its CMO's public verdict was "we will not go back."

Why they did it, in their own ranking: cost efficiency (83%), speed and agility (76%), better integration (59%), deeper brand knowledge (59%).

One caution before you copy anyone. These are billion-dollar advertisers with the volume to keep specialists busy year-round. Your company is not P&G. Which is exactly why the next section matters more than this one.

SOURCES — ANA, The Continued Rise of the In-House Agency, 2023 • WFA 2023 • CNBC/Marketing Week 2018 • Oliver/Unilever Annual Report 2019 • Digiday 2019

The same experiment produced famous wrecks

In 2016, PepsiCo built Creators League, an in-house studio with a seductive pitch: 5,000 pieces of content a year, produced in six hours or six days instead of six months, at \$20,000 instead of \$2 million. Within a year it produced the Kendall Jenner ad, pulled within roughly 24 hours amid global backlash and a public apology. Pepsi's UK brand tracking fell 9.5 points to last place among the 26 largest soft drink brands. An agency founder's autopsy stands as the permanent warning: when everyone in the room lives and breathes your brand, nobody is left to say no.

The quieter failures matter more than the famous one. A UK study of large advertisers found only 60% of companies that moved work in-house achieved the cost savings they expected. 67% expected lower staff turnover; 33% got it. Among US brands that took programmatic buying inside, 16% gave up and returned to outside partners. J.Crew, Splenda, and Prudential all moved substantial work back to agencies after trying it internally: too expensive, too complicated, too political.

Even Pepsi's story didn't end at either pole. In 2025, PepsiCo announced "co-sourcing" with an agency: embedded joint teams, shared revenue KPIs, content output tripled, turnaround down from a month to 2 or 3 days. The most experienced marketer on earth landed in the middle, on purpose.

And a new force is now pushing the pendulum: 22% of CMOs say generative AI has already reduced their reliance on agencies, and 60% of US marketing leaders report spending less on agencies in 2025 because of AI.

THE VERDICT

The pendulum doesn't pick winners. Systems do.

SOURCES — Marketing Week 2017 • ISBA State of In-Housing 2023 • IAB/Accenture 2020 • Digiday 2021 • Marketing Dive 2025 • Gartner CMO Spend Survey 2025 • Typeface/eMarketer 2026

The Gulf is running the same experiment, quietly

Start with honesty about the data: no regional survey measures in-housing rates in the GCC. We looked, in both languages. What exists is a fast-growing market and named cases pointing in both directions.

The market first. MENA digital ad spend hit \$6.95 billion in 2024, up 19.8%, then \$8.19 billion in 2025. Saudi Arabia grew 23.5% in 2024, among the fastest of any sizable market in the world. Regional agencies are consolidating around this money: the Middle East agency market is worth about \$8.2 billion, and Saudi Arabia alone is 37% of it.

Now the cases. Emirates runs a marketing department of roughly 250 people and produces the majority of its campaigns in-house; its brand SVP still went on record asking for outside creative "grown-ups in the room." That is what hybrid looks like from a position of strength. In January 2025, Emaar's founder publicly dissolved his marketing team with one sentence of explanation: they could not measure how spending affected sales. A \$70,000 video, he noted, had done what budgets had not. Read that story precisely: it is not evidence against teams. It is evidence against unmeasured teams.

The traffic runs the other way too. e& handed its global creative account to Publicis. Majid Al Futtaim appointed Memac Ogilvy as its malls' creative agency of record after a formal pitch. The region's giants rent as deliberately as they own.

One structural fact colors everything here: family businesses generate around 60% of the GCC's non-oil GDP and employ 80% of its workforce. In this region, the marketing decision usually sits with an owner. And owners fund what they can see working.

SOURCES — IAB MENA 2025/2026 · Mordor Intelligence 2026 · Campaign Middle East 2023 · Entrepreneur Middle East, Jan 2025 · Campaign ME 2022, 2024 · PwC/Strategy& family business research

The retainer is the visible half

Here is what the Saudi market actually charges, from published 2026 price guides. Ranges are wide because scope is elastic; treat these as the negotiating field, not a quote.

MONTHLY AGENCY COSTS IN SAUDI ARABIA – SERVICE

SAR / MONTH, EXCL. AD SPEND

Social media management, 1 platform	1,500 – 3,000
Social media management, full (strategy, content, ads, video)	7,000 – 20,000
Growing-SME full retainer	8,000 – 20,000
Established-business retainer	20,000 – 45,000
Performance marketing management	15–25% of ad spend, or 3,000 – 15,000
SEO	4,000 – 15,000
Brand identity (project)	20,000 – 65,000+
Freelance campaign management	1,000 – 5,000

Now the half that never appears on the invoice. Your management time: someone inside must brief, review, and approve, several hours every week, and if that someone is you, price your hours. Onboarding: the first two or three months of any retainer are the agency learning your business, at full rate. Account churn: UK census data puts agency staff turnover around 31% a year, so the team that knows you will be partially new people every year. And termination: the day the contract ends, the systems, learnings, and momentum walk out with it. Renting builds no equity.

One structural warning about fees. A percentage-of-ad-spend fee pays the agency more when you spend more, not when you sell more. The landmark ANA transparency investigation found undisclosed rebates pervasive in media buying, with markups of 30% to 90% on some resold media. In 2026, 90% of advertisers surveyed said they are uncertain whose interest their agency's recommendations serve. Most agencies are honest. The fee structure isn't.

THE VERDICT

You rent the output. The learning stays theirs.

SOURCES – Digital Gravity KSA 2026 · 247 Agency 2026 · Saudi agency price guides (Pixel Bee, Taquad, Hbbah, Naghshat, Datatime4IT) · IPA Agency Census 2023 · ANA/K2 2016 · ANA Principal Media 2026

An employee costs 1.3 times the salary

The in-house side has its own invisible half. Start with what the Saudi market pays, from open 2025–2026 salary data.

MARKETING ROLES IN SAUDI ARABIA – MONTHLY BASE SALARY		SAR / MONTH
Marketing director	21,000 – 37,000	(avg ~29,600)
Marketing manager	14,000 – 37,000	(avg ~15,000)
Digital marketing specialist	6,000 – 12,000	
Social media specialist	7,000 – 15,000	
Media buyer / performance specialist	8,000 – 13,000	
SEO specialist	9,000 – 18,000	
Graphic designer	6,000 – 14,000	
Content creator (junior)	4,500 – 6,500	

Now load it, because base salary is not cost. GOSI adds 11.75% to 12.75% for Saudi employees (2% for expats, who instead carry a SAR 800 monthly levy plus iqama costs). Medical insurance runs SAR 2,000 to 7,500 per person per year on typical corporate plans. End-of-service accrues at half a month's wage per year for the first five years. Add recruitment, equipment, training, and a tool stack that runs SAR 50,000 to 70,000 a year for a serious mid-size setup. The standard finance rule, from MIT's classic analysis: true cost lands at 1.25 to 1.4 times base salary. Use 1.3 and you will rarely be wrong.

Then the risks money doesn't show. Hiring takes 4 to 8 weeks in the Saudi market before notice periods. A wrong hire costs 50% to 200% of annual salary to replace, and Saudi Arabia has the highest talent turnover in the GCC, with 79% of professionals reporting they are actively looking.

Two offsets in your favor that almost nobody prices in. HRDF pays 30% to 50% of a Saudi hire's wage for up to 24 months (capped at SAR 3,000 a month). Tamheer places graduates with you for 3 to 6 months at zero salary cost. The Saudi state subsidizes building. Nobody subsidizes your retainer.

And the new constraint: from April 2026, marketing and sales roles carry a 60% Saudization quota, counting only Saudis paid SAR 5,500 or more.

THE VERDICT

Everyone remembers the salary. Nobody prices the 0.3.

Take the same budget. Spend it three ways.

Three budget tiers, each spent as pure agency, pure in-house, and hybrid. Mid-range 2026 numbers from sections 10 and 11, salaries loaded at 1.3×, ad spend excluded. Ranges, not quotes.

SAR 25,000 / MONTH

300K A YEAR

PURE AGENCY	PURE IN-HOUSE	HYBRID
Established-tier retainer, full scope. Broad skills, zero equity: strategy and learnings live at the agency.	One mid-level generalist (~15,600 loaded) + tools + light freelance. One person carrying five jobs.	One strong generalist owner (~15,600 loaded) + specialist agency (~8,000) + tools. Owned head, rented hands.

SAR 60,000 / MONTH

720K A YEAR

PURE AGENCY	PURE IN-HOUSE	HYBRID
Top-tier retainer plus project bursts. You're now a mid-size client at a large shop; check who actually works your account.	Manager + 2 specialists (~47,000 loaded) + tools + freelance. A real 3-person core, thin on specialisms.	Manager + performance specialist (~36,000 loaded) + performance agency (~15,000) + production freelancers + tools. Most capability per riyal on this row.

SAR 120,000 / MONTH

1.44M A YEAR

PURE AGENCY	PURE IN-HOUSE	HYBRID
Three or four agencies (brand, performance, content, PR) and an unpriced coordination job that lands on your desk.	A 5 to 6 person department (~94,000 loaded) + tools + freelance. Owns everything, still rents rare specialisms badly.	A 4-person core (~70,000 loaded) + media agency + production bursts + tools. What section 7's giants converged on, scaled down.

Read the pattern, not the cells. Below roughly SAR 25,000 a month, you cannot buy ownership from anyone; you can only grow it, one strong generalist at a time. From SAR 60,000 up, hybrid dominates on capability per riyal. And a pure-agency setup at SAR 120,000 a month means paying for a department every year that you never get to keep.

THE VERDICT

Same money. Very different assets after 3 years.

Six factors, no prices on them

If cost were the whole question, section 12 would have ended this report. Six factors carry no price tag and decide more than the prices do.

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- 01 **Compounding.** In-house learning stays and stacks: every campaign teaches your system something. Agency learning is spread across 30 clients, and leaves when the contract does. Deep brand knowledge is the reason 59% of multinationals cite for building inside.
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- 02 **Iteration speed.** The daily loop of test, learn, adjust belongs to whoever sits inside the data. When PepsiCo embedded teams with shared KPIs, turnaround fell from a month to 2 or 3 days.
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- 03 **Data ownership.** Whoever holds the ad accounts, the CRM, and the analytics holds the company's memory. This is why measurement was the first function large advertisers pulled inside, before creative, before media.
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- 04 **Consistency.** An in-house team never sends your brand off-tone; it lives there. The same closeness breeds the Pepsi risk: nobody in the room far enough away to say no.
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- 05 **Accountability.** An employee has one boss and one brand; an agency splits attention across a roster, and its account team changes underneath you (agency staff turnover: ~31% a year; in-house teams: ~9%). But note the reverse edge: agencies get reviewed and fired; underperforming employees often just get tolerated.
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- 06 **Optionality.** An agency contract unwinds in 30 days. A department takes 6 to 12 months to build and far longer to unwind. When your strategy is still unstable, reversibility is worth real money. Once direction is set, ownership is worth more.
-

Three factors favor owning. Two favor renting. One depends on how sure you are of your direction. Which is why the next two sections exist.

Five situations where *renting* beats building. With receipts.

This section is not politeness. Each of these is a real pattern with evidence behind it.

- 01 **The 5-hour specialist.** You need senior media buying, technical SEO, or motion design 5 hours a month. No hire survives that math; a specialist shared across 20 clients does. This is the leverage case, and it never expires.
- 02 **The burst.** Ramadan campaign, product launch, new city opening. Renting a surge beats hiring for a peak that lasts 6 weeks. Even Emirates, with 250 marketers, buys outside capacity for its biggest campaigns.
- 03 **The cold start.** An agency starts Monday. A Saudi hire takes 4 to 8 weeks to find, plus notice period, plus ramp-up. When revenue is bleeding now, speed to start is worth a premium.
- 04 **Senior thinking you can't yet afford.** A strong agency strategist, or a fractional marketing leader at \$3,000 to \$15,000 a month, gives you 20 companies' worth of pattern recognition for a fraction of a director's package.
- 05 **Outside eyes.** Agencies cross-pollinate: what worked in fintech shows up in your F&B campaign. A team that only ever sees your brand drifts insular and risk-averse. Remember whose in-house studio made the most famous bad ad of the decade.

The condition on all five: someone inside still owns the brief, the data, and the verdict. Rent the hands. Never the head.

Five situations where *building* beats renting. With receipts.

- 01 **The always-on volume.** Daily content, community management, CRM journeys, weekly performance tweaks. Past roughly 60 hours a month of the same skill, retainer math collapses against a salary. Content was the first thing large advertisers moved inside: 75% of in-house teams were producing it by 2018.
- 02 **The depth problem.** Complex B2B, regulated sectors, technical products. Every agency churn cycle resets the learning curve at your expense; the onboarding tax repeats forever. Your own specialist pays it once.
- 03 **The data-sensitivity problem.** Pipeline, pricing, customer records. Measurement and analytics were the first functions clients pulled back from agencies, and "keep your data close" is the reason the ex-head of the US agency association gave.
- 04 **The volume-cost crossover.** P&G, Unilever, and Bayer did not in-house for love; they did it because at their volume, renting was measurably dearer. The same crossover exists at your scale, just at different numbers; section 12 shows where.
- 05 **The iteration loop.** E-commerce and performance-led businesses live on same-day changes. Airbnb runs creative and strategy inside for exactly this reason; its marketing chief calls the claim that in-house teams go stale "a fallacy," citing lower overhead and faster pivots.

The condition here is harsher. In-house only wins if you build a minimum viable department: an owner, a measurement system, and a process. One drowning junior with six jobs is not a department. Section 17 shows what happens then.

Four ways the agency path goes wrong

- 01 **The team behind the pitch isn't the team on your account.** Agency search consultants document senior executives pitching and juniors executing; one US consultancy watched the same SVP pitch team win three different clients and never appear again. The fix is contractual: names in the scope of work.
- 02 **Account churn erases your memory.** At ~31% annual agency turnover, the people who know your business are partially strangers every year, and you pay the re-onboarding in results. The region's best agencies celebrate getting churn down to 12%. That's the good news.
- 03 **Incentives drift.** Percentage-of-spend fees reward spending. The ANA's landmark investigation found undisclosed rebates pervasive; its 2026 follow-up found 90% of advertisers uncertain whose interest their agency's advice serves. Honest people, crooked geometry.
- 04 **The template.** Your "strategy" is last quarter's deck with your logo. When clients fire agencies, the top documented reason is lack of strategic approach, and 55% now prefer specialists over generalists for exactly this reason.

ILLUSTRATIVE COMPOSITE • PATTERNS FROM REAL GCC COMPANIES, DETAILS CHANGED

A Riyadh trading company, 120 employees, signs a SAR 18,000 monthly retainer. Three years pass. Four account managers rotate through. The content calendar repeats each quarter with new colors. The CEO, asked which customers the agency brought, checks with sales and comes back with a shrug. The agency, asked, sends impressions. Nobody lied. Nobody measured. The retainer bought 36 months of motion and zero meters of distance.

THE VERDICT

The agency didn't fail the company. The vacancy did.

Four ways the in-house path goes wrong

- 01 **The one-person department.** Strategist, designer, media buyer, analyst, photographer: one salary. The documented result is burnout, an echo chamber of one, and a single point of failure who takes the entire function with them when they resign.
- 02 **The wrong first hire.** A junior-only marketing function produces what one veteran investor calls a "soft mess": activity without revenue accountability. Replacing a wrong hire costs 50% to 200% of the annual salary, plus another 4 to 8 Saudi hiring weeks, plus the quarters lost.
- 03 **The slow fade.** Skills decay outside a community of practice: in one benchmark of 7,000 marketers, analytics proficiency fell to 29%. Inside small teams, 63% of in-house groups struggle to keep talent energized and more than 80% face career-ceiling problems within two years. The market's best people know this, and 79% of Saudi professionals are already listening to offers.
- 04 **The Emaar ending.** A team that cannot show its revenue contribution is a cost center wearing the department's name, one hard quarter from dissolution. In January 2025 one of the region's most famous founders dissolved his marketing team with exactly that reasoning, in public.

ILLUSTRATIVE COMPOSITE • PATTERNS FROM REAL GCC COMPANIES, DETAILS CHANGED

A Jeddah F&B chain, 200 employees, hires five marketers in 18 months. Content flows daily. No CRM, no attribution, no agreed definition of a qualified lead. Growth stalls anyway; the CFO, seeing salaries with no traceable return, cuts the team to two. The marketers were capable. The company had marketers. It never had a department.

THE VERDICT

They hired marketers. They never built the department.

SOURCES — Forbes 2025 • SaaStr • Gallup 2019 • CIM/Target Internet • IHAF/Forrester 2020 • Michael Page 2026 • Entrepreneur ME 2025

Orphan marketing

Look back at the last four sections. The agency failures and the in-house failures share one anatomy. In every case, marketing had no internal owner: nobody inside holding the strategy, the numbers, and the accountability. There's a name for that, and once you see it you cannot unsee it: orphan marketing.

It wears three costumes. An agency reporting to a CEO who has 11 other departments and 40 minutes a month for this one. A junior coordinating an agency they are not senior enough to evaluate. Marketers scattered under a sales director who measures them by gut feel.

The evidence converges from every direction, including from the agency side itself. A fractional CMO who spent 20 years watching it: "When marketing doesn't have a senior internal leader, the agency quietly fills the vacuum. And they're not equipped to lead strategy." An ex-agency founder on why projects die: the number one reason is that no one on the client side owns the work. And from McKinsey: companies that place marketing ownership at the core of the growth agenda are twice as likely to grow above 5% a year; a single, unified owner of the growth agenda correlates with up to 2.3 times the growth of companies that split it.

Here is the analogy that survives contact with reality. Marketing capacity is a car. You can rent it, lease it, or buy it, and any of those can be the right call. The driver's seat is different. You can't rent a driver's seat. A rented driver takes you where the traffic flows, not where you decided to go.

THE RELABEL

It was never agency versus in-house. It's owned versus orphaned.

Own the core. Rent the edges.

Hybrid is not the compromise between two pure paths. It is the documented end-state of the companies that ran the experiment longest: 92% of large advertisers with in-house teams still use agencies, and in-house teams handle about 61% of the workload. The question was never whether to use agencies. It is which functions to own.

OWN FIRST, IN THIS ORDER

- 1 **The numbers.** Analytics, attribution, CRM, ad accounts in your name. Data was the first thing the world's advertisers pulled inside, and it is the one function that makes every other decision checkable.
- 2 **Strategy and the brief.** The driver's seat from section 18. One named owner, senior enough to grade the work, whoever produces it.
- 3 **Always-on content and social.** Past 60 hours a month, the volume math favors payroll, and daily brand voice belongs near the product.
- 4 **Community and CRM journeys.** The closest work to revenue and to customer knowledge.

RENT, POSSIBLY FOREVER

- 1 **Media buying leverage.** Even among the giants' in-house teams, only about half touch media planning and buying. Scale advantages are real.
- 2 **Big production.** Films, major shoots, launch events: bursts, not baseline.
- 3 **Brand campaigns.** Outside eyes at the moments that define you; Chase kept its brand agency even after moving \$5 billion of work inside.
- 4 **Deep specialisms.** Technical SEO, PR, research: the 5-hour-a-month skills.

AI is moving this line as you read. Two-thirds of in-house teams are already experimenting with it, production costs are falling, and 22% of CMOs say it has reduced their agency reliance. Note what AI cheapens: execution. Note what it doesn't: judgment. The driver's seat appreciates.

THE VERDICT

The core compounds. The edges flex.

Four questions replace the debate

Answer these in order, for your company as it exists today, not as planned.

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- 01 Is there enough repeating work?** Count the monthly hours of each marketing skill you actually need. Above roughly 60 hours a month of one skill: owning wins. Below 20: renting wins. In between: freelance or shared resources.
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- 02 Does the work need depth or breadth?** Depth means your product, your data, your customer nuance: own it. Breadth means cross-market pattern recognition and rare specialisms: rent it.
-
- 03 Can you hire and keep it?** Check the real market: the salary bands in section 11, 4 to 8 hiring weeks, the 60% Saudization quota with its SAR 5,500 floor, and a talent market where 79% are open to leaving. If you cannot win that fight for a role, rent it and revisit yearly.
-
- 04 Who inside owns strategy and the numbers?** If a name answers this, any of the three paths can work; pick with questions 1 to 3. If no name answers it, stop. You are about to fund orphan marketing. Fix ownership first: promote it, hire it, or contract a fractional leader. Sign nothing else before that.
-

Most 50-250 employee companies land in the same zone: one owned core (owner, numbers, always-on content) plus rented specialisms. The exceptions are real but they are exceptions.

→ Question 4 is measurable. Section 26 gives you the 5-minute instrument.

Find yourself in these two sections

Six situations cover most of the 18,723. Each gets a verdict and a first 90 days. Adjust for your sector; don't adjust the ownership rule.

SCENARIO 01

B2B INDUSTRIAL · 60 EMPLOYEES

60 employees, B2B industrial. Zero marketing. Sales knows everyone in the sector personally.

Don't build a department yet. Build visibility.

FIRST 90 DAYS

Baseline your numbers (where did the last 10 customers come from?). Assign ownership: one senior person, or a fractional marketing lead, owns marketing outcomes alongside sales. Rent execution: a specialist for the website and sector content. Budget: small, measured, reviewed quarterly. Your trigger to revisit: when sales stops personally knowing every buyer in the market.

SCENARIO 02

CONSUMER RETAIL · 120 EMPLOYEES

120 employees, consumer retail. An agency for 3 years at SAR 15,000 to 20,000 a month. Nobody can trace a single sale to it.

Keep the agency. Hire the owner.

FIRST 90 DAYS

Don't fire anyone; you'd be swapping actors in the same script. Hire or appoint a marketing owner, manager level or above. Take the assessment (section 26) to locate the gaps. Install attribution before judging anyone. Then re-brief the agency with revenue-tied goals and agreed kill criteria. Within 2 quarters the data will tell you whether the agency was the problem. It usually wasn't.

SCENARIO 03

FUNDED, DOUBLING · 90 EMPLOYEES

90 employees, funded and doubling. Marketing is founder-led chaos: launches, events, ads, all improvised.

Build the core now. Rent the surges.

FIRST 90 DAYS

Hire a senior generalist owner first, 5 to 8 years of experience, hands-on. Add one performance specialist. Put the numbers in one dashboard before adding channels. Keep agencies and freelancers for launch bursts and production. You're about to double again; build the system while it's still cheap to change.

SCENARIO 04

FLAT RESULTS • 200 EMPLOYEES

200 employees. One junior marketer inside, one agency outside. Results flat for 2 years.

Your junior can't grade the agency. Fix that.

FIRST 90 DAYS

The junior isn't failing; the structure is. Nobody junior can evaluate, brief, and hold accountable a senior agency team. Hire a marketing manager above both. Give the junior a growth path under a real owner (your retention risk is highest exactly here: small-team marketers with no ceiling to grow into leave first). Give the agency a 90-day measurable brief. Keep whoever earns their number.

SCENARIO 05

CONSUMER BRAND • 250 EMPLOYEES

250 employees, consumer brand. SAR 120,000+ a month across three agencies.

You're paying department money. Build the department.

FIRST 90 DAYS

At this spend, the pure-rental math from section 12 has already turned against you. Hire the director. Move the always-on work (content, social, CRM) inside over 2 quarters, using the sequence in section 24. Keep media buying and big production external; even the giants do. Expect the transition to take 6 to 12 months and to be worth it for a decade.

SCENARIO 06

FAMILY TRADING BUSINESS • 70 EMPLOYEES

70 employees, family trading business. "We tried marketing twice. It doesn't work in our sector."

Marketing didn't fail. Measurement never existed.

FIRST 90 DAYS

Both earlier attempts were orphans: no owner, no numbers, no definition of success. Run the truth test before spending: can anyone name last year's marketing spend, all-in? Then one HRDF-supported Saudi hire (the state pays up to half the wage for 24 months) plus a Tamheer trainee, a SAR 3,000 to 5,000 monthly ad budget, and one quarter of honest measurement. Fifty thousand riyals of evidence beats five years of "it doesn't work here."

None of the six verdicts said "sign a bigger retainer" or "hire five people." Every one said: put an owner and a number in the room first.

Under 50 or over 250?

Your version of the answer

UNDER 50 EMPLOYEES

You don't need a marketing department. You need clarity and rented hands. One senior person, possibly you, owns the two questions that matter: who exactly is our customer, and what did each riyal bring back? Execution comes from freelancers and small specialist agencies at SAR 1,000 to 8,000 a month, hired per outcome, not per year. If leadership thinking is the gap, the fractional market rents it by the month. The one mistake to refuse: hiring a junior "to figure out marketing" alone. You'd be buying the section 17 story at a discount.

OVER 250 EMPLOYEES

The build-or-rent question expired for you; at your scale the evidence says build, and 82% of large advertisers already did. Your real questions are the second-generation ones. Which functions to right-house: run the section 19 split function by function, annually. How to keep an in-house team sharp: rotate talent, buy outside eyes deliberately, benchmark against agencies you still use. And how to avoid the big-company failure modes: internal empire-building, slow creative, and vendor sprawl that quietly rebuilds the old agency roster under new names. Your risk isn't orphan marketing. It's a department that stops being graded.

The ownership rule never changes with size. Only the shape of what you own does.

Don't start with hires. Start with the truth.

Companies that fail at building almost always fail the same way: they hire first and define later. The working sequence is the reverse, and it has five stages. At BMD we call it the BUILD framework; use it with us or without us.

B **Baseline.** Establish the truth about where marketing stands: what you spend all-in, what you can attribute, what's tracked and what's theater. This is the step the Emaar story skipped straight to the ending of.

U **Unify.** Tie marketing to revenue targets leadership agrees on, in writing. One sentence on why customers choose you. Sales and marketing agree on what a qualified lead means.

I **Implement.** Now, and only now, the first hire: a senior generalist owner, 5 to 8 years in, hands-on enough to execute and senior enough to own a number. Not a VP of slides. Never a junior alone. Write roles down; budget in advance, not expense by expense.

L **Leverage.** Choose the 2 or 3 channels your customers actually come from, staff those, and rent the rest per section 19. Measurement wired in from day one, not retrofitted.

D **Drive.** A monthly rhythm where numbers are reviewed and something gets killed when it underperforms. If you haven't killed an activity in 12 months, you're not evaluating; you're funding habits.

Use the subsidies while they exist: HRDF covers 30% to 50% of a Saudi hire's wage for 24 months; Tamheer adds trained graduate capacity at zero salary cost. And set the timeline honestly: a functioning department takes 6 to 12 months. Anyone promising one in 60 days is selling you a slide.

THE VERDICT

Hire after the truth, never before it.

Five rules that fix most agency relationships

The agency path works. It just refuses to work unattended. Five rules, each one aimed at a documented failure mode from section 16.

-
- 01 **Name the owner.** One internal person, senior enough to grade the work, owns the relationship. Not the CEO between meetings; the number one documented reason agency projects fail is that nobody on the client side owns them.
-
- 02 **Write a real brief.** Revenue-tied goals, target customer, and what success looks like in numbers. "Grow our presence" is not a brief; it's a blank check with a hashtag.
-
- 03 **Own your accounts and demand attribution.** Ad accounts, analytics, and CRM stay in your name, non-negotiable, or the divorce costs you your own history. Reports show revenue impact, not impressions.
-
- 04 **Contract the people, not the logo.** Meet the team who will actually run your account and put their names in the scope of work. The pitch team that vanishes after signing is the industry's oldest trick, documented by the people who run agency searches.
-
- 05 **Agree the kill criteria up front.** Quarterly review, agreed metrics, and a written definition of "this isn't working." Prefer flat fees or capped percentages, and ask in writing where rebates and media discounts go. The honest agencies answer fast.
-

A good agency will love this list; it filters out the clients who waste their best people. The other kind will explain why it's all unnecessary. That explanation is your answer.

You've read everyone else's numbers. One set is missing.

Twenty-five sections of other companies' data can't answer the only question that matters in your next budget meeting: is *your* company ready to build, and where exactly is it weak?

That is measurable, and it takes 5 minutes. The Scale Readiness Assessment scores your company across the five components of a working marketing department: baseline visibility, strategy alignment, structure and ownership, channel investment, and evaluation rhythm. You get a score out of 100, the band it puts you in (from Undefined, where marketing happens by accident, to Compounding, where it runs as a measured revenue system), and the constraint to fix first.

Whichever path this report pointed you toward, the score is the same starting point. If you build, it tells you what to build first. If you rent, it becomes the brief you hand the agency. If you do nothing, it at least prices what "nothing" is costing you per quarter.



TAKE THE ASSESSMENT

buildingyourmarketingdepartment.com

5 MINUTES • FREE • ONLINE • INSTANT SCORE OUT OF 100

Bring the score to your next budget meeting instead of opinions. The meeting gets shorter.

THE VERDICT

You can't manage what you can't answer.

Where every number came from

Three rings of evidence: international studies, GCC data, Saudi market numbers, researched and verified in July 2026. Where a claim could not be verified at its primary source, it was either dropped or labeled. The two composite stories (sections 16 and 17) are illustrative patterns from real GCC companies with details changed, and are labeled as such. Known limits, stated plainly: most in-housing studies sample large advertisers, not 50-250 employee firms; Saudi salary figures come from open recruiter data (the gated Hays, Cooper Fitch, and Michael Page guides are worth requesting directly); Saudi agency prices come from agency-published guides, which are marketing documents themselves; and Saudi ad market size varies by scope and source, so this report cites each figure with its origin.

INTERNATIONAL STUDIES

ANA, The Continued Rise of the In-House Agency (2018, 2023) · ANA/K2 Media Transparency Report (2016) · ANA Principal Media studies (2024, 2026) · ANA/4As agency tenure study (2025) · WFA Global Trends in Creative In-Housing (2020, 2023) · WFA AI and in-house agencies (2025) · Gartner CMO Spend Surveys (2022-2026) · The CMO Survey, Duke/Deloitte/AMA (2024-2026) · Forrester/IHAF in-house agency research (2020-2021) · ISBA State of In-Housing (2023) · IPA Agency Census (2023) · IAB/Accenture programmatic in-housing (2020) · Setup Marketing Relationship Surveys (2022-2024) · SoDA Reports (2014-2015) · McKinsey/ANA CEO-CMO growth study (2023) · Spencer Stuart CMO tenure studies (2024-2025) · Gallup turnover cost research (2019) · MIT (Hadzima), employee cost analysis · Bannerflow/Digiday State of In-Housing (2020) · Farinella agency satisfaction survey (2025)

NAMED CASES, TRADE PRESS

CNBC and Marketing Week (P&G, 2018) · Adweek and Unilever Annual Report (U-Studio) · Digiday (Bayer 2019, Chase, Clorox 2018, Airbnb 2023, in-housing reversals 2021) · Marketing Week (Pepsi Creators League, 2017) · Marketing Dive (PepsiCo co-sourcing, 2025; WFA and ANA coverage) · eMarketer/Typeface (AI and agency spend, 2026)

GCC AND MENA

IAB MENA digital ad spend (2024, 2025) · Mordor Intelligence, Middle East and KSA agency market reports (2025-2026) · Campaign Middle East (Emirates 2023; e& 2022; Majid Al Futtaim 2024; KSA outlook 2026) · Entrepreneur Middle East (Emaar, Jan 2025) · WARC via AGBI (2025) · Communicate Online (2026) · PwC/Strategy& GCC family business research · Hays GCC Salary Guide 2026 · LinkedIn Jobs on the Rise 2025 · DataReportal Digital 2026 Saudi Arabia · Snap Inc. at Saudi Media Forum (2025)

SAUDI MARKET

Monsha'at SME Monitor (Q4 2023 size breakdown; 2024-2025 editions) · HRSD Saudization decisions (Jan 2026, effective Apr 2026) · Mercans GOSI guide (2026) · HRDF employment support and Tamheer program terms · GulfTalent salary data (2026) · Recfront KSA Salary Guide (2025) · ERI SalaryExpert (2026) · Michael Page Saudi Arabia via Arabian Business (2026) · TASC KSA hiring benchmarks (2025-2026) · Saudi agency price guides: Digital Gravity KSA, 247 Agency, Pixel Bee, Taquad, Almaqsd, Hbbah, Naghshat, Datatime4IT (2025-2026) · Saudi Labor Law, end-of-service provisions

BMD builds marketing *departments*.

Most companies don't have a marketing problem. They have a marketing department that was never built. They hired marketers, bought tools, ran campaigns, and called it a department. But a real department has structure, ownership, measurement, and a direct line to revenue. Without those, marketing isn't a department. It's a cost center wearing the name.

BMD is a boutique consultancy that installs structured, measurable marketing departments inside mid-market companies across the GCC. We don't run your campaigns, and we don't hand you a strategy deck and leave. We build the operating system: the structure, the measurement, and the ownership that turn marketing into a function leadership can rely on.

The method is the BUILD framework, five stages: Baseline Analysis, Unify Vision & Strategy, Implement Structure, Leverage Channels, Drive Evaluation. It's published and practiced: a book, an online program, a community of Gulf founders and marketers applying it, and proprietary diagnostics (the Marketing Truth Dashboard, the Scale Readiness Scorecard, and the GROWTH Code) that replace assumptions with measurement. Engagements run in two phases plus ongoing advisory, delivered in Arabic and English, founder-led.

THE FOUNDER

Redha Alayesh. A marketer with a software engineer's discipline and a scientist's mindset. Across 20+ organizations in the GCC, he built the BUILD framework to solve the problem he kept finding: capable marketers trapped inside companies that never built them a department.

THE DISCLOSURE

Said plainly: BMD benefits when companies build. Sections 14 and 25 argue the agency's case anyway, because the goal is marketing that works, whoever runs it. Judge the argument by its receipts.

Let's build it *properly*.

This report opened with the question every board asks: agency or in-house? Twenty-nine sections later you know why that question kept producing bad answers. It was aimed at the wrong thing.

So flip it, and keep the flip:

THE FLIP

*Stop asking who should do your marketing. Decide who owns it.
Then rent whatever you like.*



START WITH THE 5-MINUTE ASSESSMENT

buildingyourmarketingdepartment.com

Or start with a baseline conversation about your marketing department.

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