

## **The Definitive Guide to Deciding Whether to Specialize or Generalize Your New Marketing Agency**

You've decided that the best way to earn money marketing is to open your own marketing agency. That's a good first step, but it's not enough to ensure that you'll be a success. To do that, you need to find a way to make your agency stand out from all the other marketing agencies available. You're all competing for the same business.

Ranking for any keywords related to marketing is going to be difficult because the competition is so fierce. No start-up agency is going to be able to compete with the big, established agencies when it comes to generalized services. You might be confident that you can tackle any marketing problem that a client presents to you, but you can't compete on everything. It's not possible, and it's not practical either. Even if you have a huge budget to spend on advertising, your agency is going to fade into the background.

That might be hard to accept, but the sooner you do, the sooner you will be able to start thinking about the one strategy that can help you differentiate yourself from all of the other marketing agencies out there. The secret to success in the world of marketing is specialization. Forget about being a jack of all trades. It's time to be a master of one.

### **Types of Specialization**

The first thing to consider is what it means to specialize in marketing. We'll talk later about how to choose a specialty, but let's start with an overview of how you might choose to specialize. There are three basic ways you can go about it: specialization by service, specialization by industry, and specialization by geographical location.

#### *Specialization by Service*

Your first option is to pick a particular marketing service and make that your specialty. For example, you might feel that you have a real knack for writing great website copy, or for crafting perfect Facebook ads. Whatever your area of specialization is, it's something that is applicable across a wide range of industries. The good thing about this type of specialization is that it allows you to simultaneously play to your strengths while still drawing from a very large pool of potential clients.

Of course there may be some industries that you would prefer not to touch, and that's fine too. Things such as legal and medical marketing almost qualify as subspecialties, and you may prefer to stay away from them and stick with things that are in your comfort zone.

#### *Specialization by Industry*

Your second option is to offer a wide array of marketing services, but provide them to only one industry. As mentioned above, legal and medical marketing would both be areas where specializing in a particular industry might make a lot of sense.

This type of specialization often works for people who have a broad employment background in a particular industry. For example, if you spent 20 years working in finance, your prior experience makes

you a natural to specialize in finance marketing. You could then educate yourself about how to provide the best marketing services to finance companies, learning about things like advertising, SEO, web copy, and so on.

### *Specialization by Geographical Area*

The third and final type of specialization is specialization by geographical area. Because of the ease of doing business over the internet, many marketers do work for clients all around the world. However, if you have strong ties to your community and know a lot of business owners, there might be some real benefit to specializing based on your geographical area.

Of course, some marketers might choose to combine more than one type of specialization. Of the three options listed here, specialization by geographical area tends to be the easiest option to combine with others. If you live near a city that has a lot of lawyers and you want to specialize in legal marketing, narrowing down your specialty by geographical area might be a very good choice. Specializing by both industry and service is a little trickier, because it can seriously limit your client pool. There might be circumstances where such a choice makes sense, but it is important to note that a very narrow specialty translates to a smaller pool of potential clients. It's important to take that into consideration when you are making a decision about how to specialize.

### **The Pros and Cons of Specialization**

Now let's look at some of the benefits and risks of specializing. When you're just starting out, it can be hard to think about turning away business. A lot of marketers feel that they must accept every job that comes their way, whether it's suited to their particular strengths and capabilities or not. While that mindset is certainly an understandable one, it's also not a particularly good one in the long term.

Only you can make the decision about whether specialization is right for you – and what kind of specialization is right for you.

### *Pros of Specialization*

We'll begin with the pros of specialization.

1. When you specialize, you start every project you undertake from a position of strength. People who are generalists must approach a new topic or service with little or no experience. They have to research, familiarize themselves with what the project requires, and then hope that they have done enough to please their client. Specialists don't have that problem. You may have to do research, particularly if you are specializing by service and not by industry. That's understandable, but at least you will have the benefit of your overall expertise to help you.
2. Specialists tend to be able to turn projects around more quickly than generalists, and that means they can handle a large client base. This is another area where your expertise can help you. If you're specializing in Facebook ads, it probably won't take you as long to conceptualize and launch a campaign as it would a generalist. You'll have shortcuts and base knowledge that will make your job easy to do.
3. You can reap the benefits of word of mouth. People who work in the same industry tend to know one another. They belong to the same trade organizations, and they attend the same functions. That means that if you do a good job for one person in the industry, they are highly

likely to recommend you to their colleagues. Another way to look at it is that you get free advertising. You can even dial up this particular benefit by attending industry functions yourself, and advertising in industry publications.

4. Specialists have far more authority than generalists do. When you specialize in a particular industry or service, people will naturally look to you as the authority in your area of expertise. Being viewed as an authority can open up new opportunities for you in terms of speaking engagements, guest blogging opportunities and more. You can even do things like write a book about your area of expertise, conduct a webinar, or teach at a local community college.
5. You can laser target your marketing to your area of specialty. Often, long-tail keywords that specialists use are considerably less expensive than short, general keywords. They're easier to rank for, too, because the competition is not as strong. That means you can probably make your marketing budget stretch farther as a specialist than you would be able to as a generalist.
6. Specialists, as a rule, can charge higher rates than generalists can. When you are viewed as an expert in a particular area, people will take that into consideration when deciding whether to hire you. That means that you can charge a higher rate for your service than a generalist could, and people will be willing to pay it.

As you can see, there are some very real and concrete benefits to choosing a specialty for your marketing agency.

#### *Cons of Specialization*

When pondering whether to specialize it is important to consider the fact that there are some arguments against doing it.

1. You have a smaller base of potential clients than you would if you chose to be a generalist. There's no getting around this particular argument. If you specialize in writing marketing email, you're probably not going to get a lot of calls from people who are looking for a marketer to run their social media campaigns.
2. You may have to turn away some business if it falls outside of your area of expertise. Let's face it. It's not particularly cost-effective to start from ground zero on a project. If you're trying to compete with generalists you'll have to build extra time into your proposal to allow for your learning curve, and that means that you may have to learn how to say no.
3. Your prices may not be competitive. If you live in an area where there are a lot of big, generalist marketing agencies, you're going to have to face the fact that your prices, as a small specialist, are going to be higher than the big agencies' prices. That can be a hard pill to swallow, because it might mean that you end up losing out when a company's top priority is the bottom line. You may also have to worry about losing existing clients when a big agency offers them a package deal for their marketing services – something you won't be able to do as a specialist.
4. You may have to deal with dry spells and slow seasons. Generalists can reasonably count on having a steady flow of work year-round. If you specialize in a single industry, there may be times of year when things are extremely slow, and you have to prepare for that. You also need to think about what will happen if a particular industry ends up in trouble, and how that will affect your business.

While there are some cons to consider, they are all things for which you can prepare. If you know that your industry of choice has a slow season, you can find ways to define your specialty that will allow you

some leeway in terms of marketing to prospective clients. For example, a finance specialist might be able to expand into real estate or something else related and cover the slow periods that way.

### **How to Choose a Specialty**

The prospect of choosing a specialty can seem, for some marketers, like a daunting one. Some lucky people may know immediately what they want to do based on their prior work experience or level of expertise. If you're not sure where to start, here are some questions and guidelines that may help you to decide.

- Make a list of your strengths. Make sure to include everything, including:
  - Topics about which you are very knowledgeable
  - Industries in which you have worked
  - Marketing strategies you have used that have been particularly successful
  - Marketing services that you feel you do extremely well

The benefit of listing your strengths this way is that you can pinpoint potential areas of specialty easily.

- Review your list and decide if you want to specialize by industry or by service. If you have a very strong work background in a particular industry, the choice may be an easy one. If you feel you have equal strength in a number of areas, then choose the one that you enjoy the most. There's no point in picking a specialty that you dislike if you have more than one option.
- Do some research about your specialty before you make a decision about it. For example, you may want to do some basic keyword research to get a feeling for how much competition you will have, and what it will cost to advertise using the keywords for your specialization. It's a good idea to use local keywords too if you want to work with companies in a particular geographical area.
- Learn about the generalists in your area and find out what they are charging. Remember, you can charge more as a specialist, but you still need to have an idea of what you're up against. Most big marketing agencies will have websites where you can check out the prices for their services and get an idea of what you can charge.
- Get a feel for how much business you can get in your potential specialty. If you want to specialize in marketing for acupuncturists and you only have three acupuncturists in your area, that's a sign that your specialty is too narrow. You might consider expanding your specialty to something a bit broader, such as marketing for alternative healthcare providers.

The goal is to pick a specialty that plays to your strengths, provides you with a substantial (but not overwhelmingly large) client base, and allows you to be competitive in terms of both advertising and pricing. You don't have to compete with the big agencies, but you do need to keep what they charge in mind and be realistic about how much more you can ask for your specialized services.

### **Conclusion**

Is specialization right for you? It can be hard for anyone starting a business to take steps that limit the amount of work they can get, but the fact is that marketing is an extremely competitive field no matter how you look at it. No start-up agency is going to be able to compete with big, generalist agencies in

terms of price, and attracting clients necessitates finding a way to make your company stand out in a crowd. Specialization provides a relatively easy and cost-effective way to do that.

As long as you choose your specialization carefully and price your services properly, specializing can help you gain authority and build a strong reputation. It's something every new marketing agency should consider.