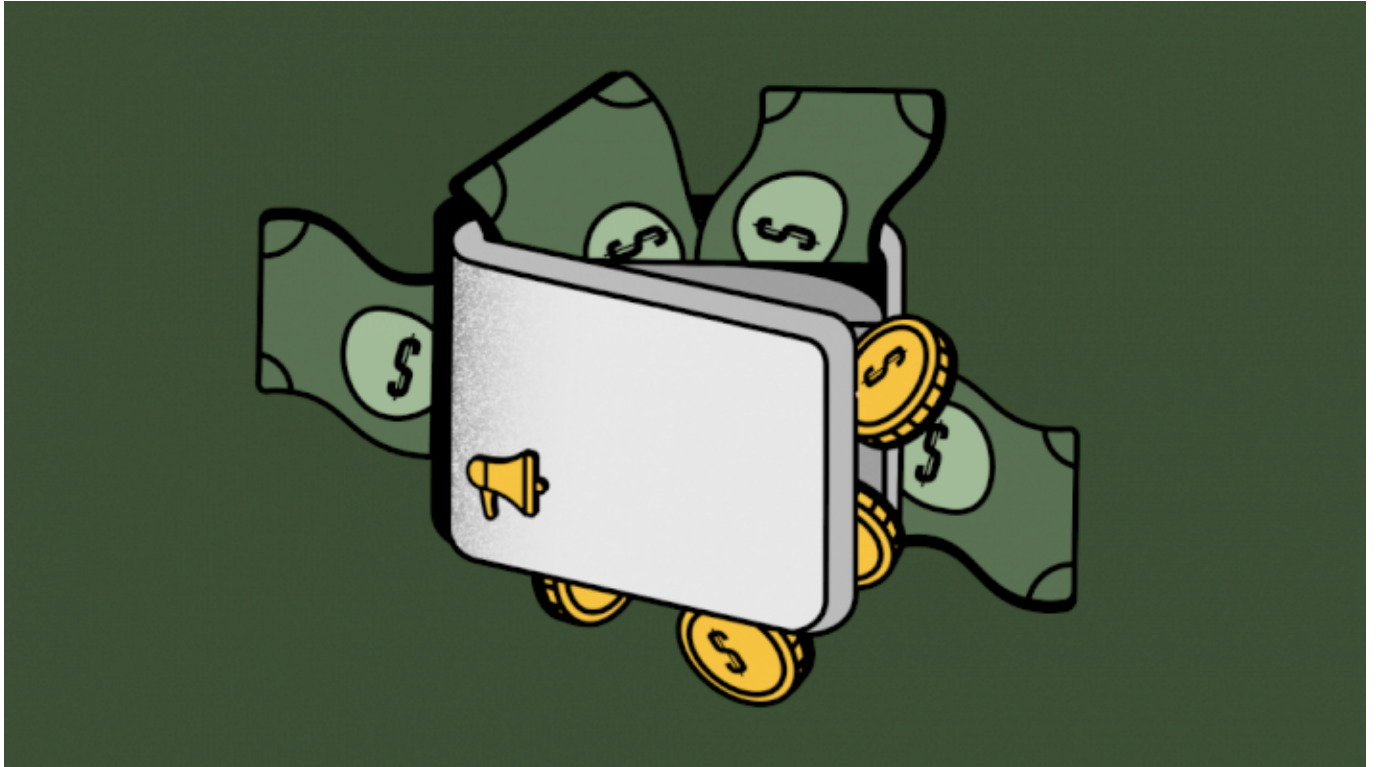


Meta, Snapchat, Twitter layoffs spell trouble for agency relationships

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Kat Duncan, executive director at Honeycomb Media, doesn't have much luck with Meta reps.

She's found it near impossible to get hold of anyone there when there have been issues with advertising on Facebook and Instagram. It's a common recurrence given the Facebook Ads Manager tool is notoriously buggy and regularly on the skids.

"Calling customer service is basically impossible all the way up the ladder, even with ad accounts that are assigned a Business Account Representative," Duncan said.

And this was the state of affairs even before the layoffs began.

Now those cuts are well and truly underway, marketers are concerned that those lines of communication will get worse before they get better. It's hard for them to see how they clear up in the wake of 10,000 job cuts. Harder still since those cuts will be the second wave of mass redundancies from the tech behemoth, which laid off 11,000 employees last November.

"It has been even more impossible to receive any type of ad help from Meta, yes," said

Duncan. “I do not believe there has been any type of delegated or reasonable training in the handoffs. It is becoming a major nuisance to reach out to Meta for ad management if anything goes wrong.”

Simply put, the speed and scale of these layoffs only compounds the problem of marketers like Duncan feeling neglected by the social media company.

“Facebook ads manager is buggy and constantly breaks,” said the head of social media at a digital ad agency, who traded anonymity for candor. “The Meta teams are (more often than not) unhelpful and barely knowledgeable of the product. I’m hoping that a byproduct of the layoffs is a recognition that they need to serve their customers (i.e. those running ads).”

The exec may have to wait a while for that realization to kick in. Customer support doesn’t seem to be anywhere near the top of Meta’s priority list for 2023 — the so-called “Year of Efficiency” according to CEO Mark Zuckerberg.

“We have found a slight disconnect from the team we were previously in contact with to the team provided now,” said Tayler McManus, digital strategist at Way To Blue. “Meta has taken a broader approach to offer portals to raise issues, rather than having direct team members you can liaise with to answer questions and provide support. The portals can be reliable at times, but at other times are tricky to get through when queries are time sensitive or involved.”

Concerns across the board

But these problems aren’t just isolated at Meta.

No, layoffs are happening across the platforms, from Google to TikTok. And marketers are feeling the reverberations of all those cuts.

Some feel exposed given how reliant they are on their platform reps to support campaigns. Others are frustrated because the cuts make it even harder to access what they felt was already quite inaccessible expertise from inside these companies.

Most of those same marketers agree, though, that they’re not necessarily going to cut spending on the back of the layoffs. Redundancies don’t diminish their ability to buy ads. After all, so much of their activity is done via self-serve platforms. Really, this is about how the service layer blanketing these tech behemoths has been somewhat depleted.

Take Snapchat, for example.

In a bid to refocus Snapchat’s business and grow its ad revenue, following reports of flat revenue growth in 2022, CEO Evan Spiegel cut 20% of its workforce (about 1,300 employees) right across the business last August. The impact has been clear in the months since.

“When there’s mass layoffs, there will be two or three weeks where we as publishers get very frustrated because we don’t get a response,” said Phil Ranta, COO of We Are Verified.

But the likelihood is those that remained are inundated with work which had previously been spread across a wider team. Ranta expanded on the point: “We give them a little grace because as digital experts, we get it. The people who stayed are all star players. I can’t say that about all the other platforms that did layoffs, but I think everyone who stayed has felt the pressure to go out and perform.”

Even a lot of people that Benoit Vatore, founder and CEO of Mammoth Media used to work with at Snapchat just aren’t there anymore. And while turnover hasn’t impacted what he tells advertisers, in fact while he believes new blood in the company might actually work in its favor, it has determined how much his team pushes Snapchat. With cuts across the company, this has naturally impacted product innovation for a platform which was already seemingly on the back foot compared to its peers.

“Nothing works well, and it has nothing to excite those advertisers,” he said. “I don’t get any communication from anyone around new things in the pipeline. Whereas I receive emails from TikTok once a week, if not more, about new opportunities to present to advertisers.”

Responding to this, a Snap spokesperson told Digiday: “We care deeply about our agency partners and work hard to keep them up to speed on the many ways to drive business results on Snapchat.”

Something was always going to give such is the scale of the course corrections Snapchat, Meta, Google et al are making these days. Layoffs were the prime candidate. Not least because the platforms expanded rapidly to meet the boom in demand caused by the pandemic.

But the surge in demand also pulled forward the future of these companies. They started to burn through their end market faster than ever before. Growth stalled as a result, and inventors wanted to know what’s next. The answers to these questions are as hard as they are expensive for platform bosses. And marketers are caught in the fallout.

Lack of continuity

“While the support of the major ad platforms to agencies already is varied, there has been a noticeable gap after the January layoffs,” said Will Jennings, head of paid media at performance agency, ROAST.

The marketer and his team have had situations with “certain companies” whereby their contacts have disappeared in the middle of a negotiation for a media deal. Emails to those contacts have failed to find the internal replacement, said Jennings, and on the rare occasion they have got through to someone there, it’s been a far more senior member of the team. “Indicating both a lack of organization following the redundancies, but also a gap in seniority created by them,” said Jennings.

So far those frustrations haven’t stretched to Google. That one relationship is as “strong as ever”, said Jennings. It’s the other platforms that have struggled to maintain relationships with the agencies amidst all the turmoil they’re going through.

As Jennings explained: “[We had] two contacts and one simply stopped replying to emails one day, with no word of a replacement and nobody to follow up with. From a rep perspective, the ad networks have always struggled to retain consistent reps on agency accounts along with technical support.”

Twitter has been especially frustrating in this regard. In part, it was so good at supporting marketers prior to its takeover by billionaire Elon Musk and the subsequent staff cuts he has made. Since becoming ‘Chief Twit’, Musk has since reduced Twitter’s 7,500 strong team in October to around less than 2,000 by last month.

“Twitter has proved incredibly challenging in getting information, given how abruptly layoffs were announced within the company, leaving little to no time for handovers, subsequently leaving advertisers in the dark,” said Way to Blue’s McManus.

Moreover, countless advertisers have told Digiday since Musk’s takeover that for them, the platform is now almost like emailing into a black hole and traditional channels that were previously available to agencies and advertisers are gone.

One marketer, who wanted to remain anonymous, highlighted that one current client has had to forgo advertising on Twitter after the agency ran into invoicing issues with the platform and they’ve had no one to turn to to resolve the matter.

It’s not all bad news

Not every platform’s relationship with marketers is suffering in the wake of layoffs.

Look at TikTok, for instance. Its owner ByteDance plans to cut at least 10,000 roles this year. And yet marketers still seem happy with the platform. They’ve arguably made peace with the fact that the sort of service and communication they get from the short-form video app is in a perpetual state of flux given how quickly it’s growing.

Put it another way, TikTok’s sort of been given a free pass because advertisers see the platform’s upcoming layoffs and the subsequent challenges and frustrations that will likely come with that, as a symptom of growing pains.

“It is scrappier and moving faster, but it’s not the case where the vision isn’t coming to fruition so TikTok needs to lay people off because they can’t support various directions anymore,” said Avi Ben-Zvi, vp of paid social at Tinuiti. “It’s more that TikTok is growing at such a fast rate, there’s going to be casualties along the way.”

TikTok did not have any further comment to add.

For now, the layoffs — and the subsequent impact on service they’ve had — aren’t causing marketers to reconsider where they spend their dollars. But the longer the issues continue, the more likely it is that marketers will act on those frustrations.

“We will definitely be prioritizing platforms which provide the best service to our clients,” said

ROAST's Jennings. "Meta cannot rest on its laurels of market domination and, if not careful, will begin to leak ad spend to other platforms."

The same goes for other marketers.

"We'd jump at the chance to spend with competitors who are hungrier and more service oriented," said the anonymous head of social media at a digital ad agency. "That's how buggy the product is and how misguided and atrocious support can be."

Tags: Twitter, Snapchat, Meta