# What Agencies (and Clients) Can Learn From a Fractional Approach

By now, you've probably heard about the fractional CMO—a marketing leader contracted to work a limited number of hours a week instead of as a full-time executive.

The fractional CMO is a solution to a problem, and it can be a good one. Companies get CMO-level expertise at a reduced rate, and CMOs get better work-life balance. It begs the question: Could clients and agencies do the same thing? What if there was a "fractional agency" model?

A fractional agency approach would provide a small, dedicated team of experts who can scale their support based on the client's evolving needs. It's not a retainer or a traditional project-based model; there's an assumption that you'll always be working on something for the client, just not at the same scale month to month. You end up with a flexible work solution that benefits both parties.

## Addressing the naysayers

A fractional agency approach is admittedly less of a distinct third offering than a more traditional approach, but I think of it more as the best of both worlds. A successful fractional agency that sells will contribute a lot more to stability than a retainer-based approach with no buyers.

If we could, of course we would all go back to the retainers

of yesteryear. They offered the most stability for the agency, which in turn gave clients the kind of creative, strategic partnerships only time can build. And for some clients, a retainer model is still going to get them the best value for their spend.

But many clients can’t work like that. Just look at the numbers: Marketing budgets are a shadow of their former selves, having decreased almost 19% since 2022. And even if a client can afford a retainer model, sometimes their stakeholders refuse on principle to engage in retainer relationships because they’ve been burned in the past by disreputable partners. Those clients often opt for project-based models, which could lead to onboarding many agencies in the same length of time as the traditional retainer.

## What we’re doing isn’t working

Project-based models allow clients to engage with agencies on only their most pressing needs, but their drawback is that they lack the strategic depth that an agency can bring over time. Even retainer models have their downsides—if there isn’t consistent work, the ability to appropriately plan, and opportunity for an agency to provide value, the entire relationship could be at risk. And both retainer and project-based models can become mired in scope creep, which requires tedious contract adjustments on both sides.

A fractional agency approach addresses all these downsides: By combining the flexibility of the project-based model along with the stability and long-term relationships of the retainer model, clients get agencies that will provide adaptable, ongoing support and a consistent focus on the client’s overall business health and strategy.

There are a few situations where a fractional agency approach works best.

## You work in a volatile industry

Some industries and companies are almost guaranteed to work in boom-and-bust cycles. If you're a startup or your sector often faces fast-changing conditions, having a flexible partner who can provide expert guidance, strategic insights, and quick pivots is invaluable.

## You have a complicated business

Especially in B2B, some industries have highly complex regulatory conditions or customer journeys. These kinds of clients might want a project-based partner, but the onboarding process and lack of consistent strategic communication between agency and client can wipe out any savings they might have had by not engaging on a retainer basis.

Complicated industries, like health care or finance, need long-term strategic partners that understand their business and the players within. A fractional agency gives them that support without locking them in.

## You need consistent support that can scale

People often look to agencies for big ideas. But sometimes, hiring a fractional agency to do your team's day-to-day can free up your marketers to engage in more of that big-picture thinking.

For example, websites require constant maintenance and UX/UI improvements, especially in competitive industries like consumer electronics and finance. A fractional agency can continuously update and optimize your site, ensuring it remains a powerful tool for attracting and retaining customers. Its people handle everything from content updates to technical tweaks, and they know your platform and workflow inside and out, saving you time and money in the long run.

Content creation is another area where fractional agencies work really well. You can engage experts who know your brand

to create engaging, relevant content without stretching your internal resources too thin. If you need to scale up content before an event or push out a lot of content to take advantage of a market opportunity, you have the built-in support to do so without burning out your in-house teams or hiring additional full-time employees.

## A better way to do business

Clients today need to show ROI, often with smaller budgets and faster market changes. Agencies, on the other hand, struggle to achieve stability and profitability from traditional project-based work and scope creep.

Adopting a fractional model gives clients and agencies a solution that works better for everyone: Continuous involvement allows for better alignment with your overall business strategy instead of isolated campaigns; you can adjust the level of support as your needs change, avoiding the pitfalls of being locked into long-term commitments; the pay-as-you-go model ensures you're only investing in the support you need when you need it, maximizing the return on your marketing spend.

At the end of the day, good partnerships are still those that are mutually beneficial and built on reciprocated respect. A fractional agency approach honors the qualities that make long-term agency–client relationships successful–consistency and understanding–and reimagines it for the current business environment.

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