Strategy unfolding within marketing agencies: Navigating the digital realm

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ABSTRACT,

This research explores the strategic processes within digital marketing agencies. The study addresses the gap in understanding the balance between deliberate and emergent strategies. Through a detailed examination of the steps and mechanisms involved in strategy formulation and implementation, this research aims to determine the extent to which strategies are pre-planned versus improvised. Key findings reveal that digital marketing agencies often employ a hybrid approach, blending deliberate strategic elements with emergent ones. This combination allows the agencies to remain flexible and responsive to technological advancements and shifting consumer behaviors, thereby minimizing an phenomenon known as strategic drift. The study identifies specific strategic practices that contribute to this adaptability, including the use of feedback and monitoring frameworks. In conclusion, the research underscores the necessity for digital marketing agencies to integrate both deliberate and emergent strategies to sustain a competitive advantage and navigate the complexities of the digital realm effectively. This balanced approach not only enhances strategic alignment with the market but also fosters a culture of continuous learning and adaptability.

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Keywords

Emergent, Deliberate, Strategy unfolding, Strategic drift, marketing agencies, adaptive strategy

1. INTRODUCTION

In today's fast-paced and ever-changing corporate world, companies face constant challenges. Great strategic management and decision-making is more important than ever. Technological advancements, changing consumer preferences and global market shifts make businesses increasingly vulnerable to a phenomenon known as strategic drift. Strategic drift occurs when an organization's strategy gradually becomes less relevant and misaligned with the external environment, leading to a decline in performance and competitiveness (Sammut-Bonnici, 2014). Companies want to employ a strategy that best fits with their objectives and if possible, constitutes a competitive advantage. A failure or misfit in strategy type can result in strategic drift, which can lead to a loss of competitive advantage or even bankruptcy. In the context of modern businesses, the use of different strategic approaches within their strategic policies can be advantageous. In a continuously changing competitive environment, companies solely relying on the use of planned and deliberate strategy seems unrealistic, because it is too rigid, actor focused and not flexible (Chia & Holt, 2006). Modern businesses may skew towards more emergent strategy types rather than completely deliberate strategies to reduce such issues. Subsequently relying less on formal planning processes and developments (Fletcher & Harris, 2002).

A more emergent strategy can be advantageous, especially when considering the use of flexible strategies as a result of developing strategic direction in response to unforeseen opportunities and challenges. This way strategy can be corrected and steered in the right direction in case of strategic drift. In the current business ecosystem, where consumer preferences and markets change rapidly, this can result in a competitive advantage. Strategy-as-practice for example emphasizes the role of everyday practices and interactions contributing to strategic direction (Whittington, 1996). This aligns with the concept of adaptive strategy, where practitioners actively interact with their environments, fostering a culture of continuous strategic evolution. The emergent nature of SAP allows companies to remain adaptive, transforming disruptions and developments in strategic opportunities (Mintzberg, 1989). As pointed out by Swigart (2002): strategies designed to reduce or eliminate uncertainty are likely to be ineffective at best and may very possibly be a risk to organizational survival.

Companies that are substantially subject to rapid change are digital marketing agencies. Digital advertising has become increasingly more important. Developments in technology and consumer behavior resulted in a shift from traditional advertising to digital advertising, of which the majority is conducted on the internet. Of the total media ad spend in 2022, 62% was spent on advertising on the internet. With a projected growth rate of 8.4% in the following year (Digital Ad Spend Worldwide 2027 | Statista, 2024). In contrast to traditional media, digital media plays a prominent role amongst young people. Social media makes up 33% of media ad spend and is projected to reach over $220 billion by the end of 2024 (Statista, n.d.). As the use digital marketing channels increases, while the use of traditional marketing channels decreases, it is in marketers' best interest to realign their objectives.

Digital marketing agencies mainly operate on social media platforms and have to constantly adapt to new developments and innovations. This has a significant impact on their strategic policy. The realized strategy ultimate is made up of deliberate elements and emergent elements, as a result of contextual factors. The realized strategy is not dichotomous and in reality companies often use a blend of the two (Mintzberg, 1989).

1.1 Problem statement and justification

Considering the dynamic nature of digital media, this research paper will focus on the unfolding of strategy within digital marketing agencies to navigate turbulent environments. This study will focus on the following research questions:

"Through which steps does strategy unfold within digital marketing agencies to navigate the digital realm?"

"How deliberate or emergent is the strategy employed by digital marketing agencies?"

This paper contributes to research on the topic of strategic practices, specifically in the digital marketing industry, by providing a better understanding of how businesses can operate in modern ecosystems. This research can help explain trough which steps strategy is enabled within digital marketing agencies to better understand the organizations and its strategic choices. The research offers detailed understanding of strategic practices in an industry characterized by rapid technological advancements and shifting consumer behaviors.

Finally, the main goal of this study is to investigate how modern businesses stay flexible and adaptive. The aim of this paper is to find out if the realized strategy is deliberate or emergent, and if not one of the two where on the continuum it lies. In this analysis it is important to describe what makes a strategy deliberate or/and emergent and, if so at all, how they come together in the realized strategy.

2. THEORETICAL BACKGROUND

2.1 Strategy as deliberate

Deliberate strategy focuses on setting priorities, allocating resources and ensuring that stakeholders are working towards a shared objective. Deliberate strategy can interchangeably be used with Planned strategy in the context of strategy. Deliberate or planned strategies are those in which prior intentions are actually realized (Leitner, 2014). Deliberate strategy formation has its roots in traditional strategic management and is classified as highly structured. Classical strategic management advocates for rational strategic planning with a top-down perspective. Deliberate strategy is especially effective for firms that are powerful enough to impose their plans on their environment (Galbraith, 1967). If a firm is not capable of that, they need an environment stable enough to make assumptions that accurately predict the future. This will enable the organization to set clear long-term goals that can be realized completely (Figure 3).

2.2 Strategy as emergent

Mintzberg pointed out in 1985 that the strategy that is applied in reality is often not completely deliberate, but also comprised of non-deliberate elements. The realized strategy can therefore be seen from a new perspective that also takes into account these non-deliberate components of the strategy. In contrast to the strategy as purely deliberate perspective, there is another way to look at how strategy comes about: the emergent perspective. To explain the phenomenon of emergent strategy clearly, five components of strategy need to be clarified. The five components being; intended strategy, unrealized strategy, deliberate strategy, emergent strategy and realized strategy. Intended strategy refers to the strategic direction an organization plans to follow (Grünig & Kühn, 2008). As explained in chapter 2.1 this is done through formulating clear goals and utilizing frameworks. Unrealized strategy are parts of the intended strategy that are not implemented as initially planned. This can be the result of constraints, changes in the environment or strategic revaluations. Deliberate strategy is what remains of the planned strategy after the unrealized elements of the strategy are not implemented. Emergent strategy is strategy resulting from patterns and consistencies forming in the absence of intentions (Mintzberg & A. Waters, 1985). Emergent strategy in combination with deliberate strategy results in realized strategy. Which is the actual strategy the organization applies, as shown in figure 1. This strategy may or may not align with the initial intended strategy.
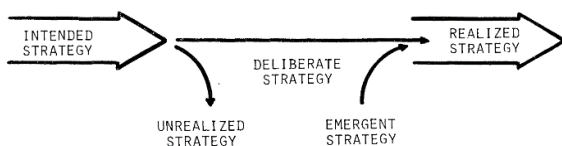

Figure 1. Components of strategy (Mintzberg & A. Waters, 1985)

2.3 Strategic continuum (types)

For a strategy to be classified as completely deliberate it must satisfy three key conditions; (1) that the existence of precise and detailed intentions are known before any actions are taken, (2) these intentions must be accepted across the organization to ensure unified action and (3) ultimately the environment must be stable enough to prevent external disruption from altering the strategic course. These requirements make completely deliberate strategies rare in practice. On the other end of the spectrum is the perfectly emergent strategy. This is characterized by a consistent pattern of actions that develop without a predetermined plan, often as a direct response to environmental demands and disruption. The absence of intentional planning makes purely emergent strategies as uncommon as purely deliberate strategies (Mintzberg & A. Waters, 1985).

As mentioned before, in reality most organizations apply strategies that lie somewhere along the continuum between deliberate and emergent. Real world strategies are comprised of both deliberate elements and emergent (non-deliberate) elements. This continuum allows for a diverse range of strategic types that reflect varying degrees of intentionality, control and adaptability. The following strategy types will be explained in the following section; entrepreneurial, ideological, umbrella, process, unconnected, consensus and imposed. Beginning with those closest to the deliberate pole and ending with those most emergent.

2.3.1 Entrepreneurial

Planned strategy has been explained in previous paragraphs, so entrepreneurial is the first to be discussed here. In the entrepreneurial strategy, conditions of precise articulated intentions are relaxed. One individual is able to impose his or her vision and direction on the organization. The force for pattern and consistency is individual vision. The entrepreneurial strategy bridges the gap between deliberate and emergent strategies. Intentions exist, derived from the vision of a single individual, and while these intentions might not be as explicitly articulated as in planned strategies, they guide the organization's direction. The lack of detailed articulation and formal acceptance among other organizational members means these intentions are often less identifiable and specific. Despite this, as long as the organization's actions align with the leader's vision, the strategy maintains an element of deliberateness. (Figure 4)

2.3.2 Ideological

Vision within an organization can manifest collectively and become a shared ideology, leading to what are termed as ideological strategies. When the members of an organization collectively embrace a vision so strongly that it becomes similar to an ideology, this influences their behavior patterns, enabling the identification of clear, realized strategies. Moreover, the role of the environment in relation to an ideological strategy is minimal in terms of forcing change. Ideological strategies often aim to either transform the environment according to their visions or shield the organization from environmental influences. Therefore, in many respects, ideological strategies can be considered highly deliberate, perhaps even more so than other strategy types, except for planned strategies. (Figure 5)

2.3.3 Umbrella

Umbrella strategies emerge when leaders must relax tight control—whether bureaucratic, personal, or ideological—over organizational actors, and sometimes even over the environment. This approach involves setting broad guidelines or boundaries where varied organizational actions can occur, rather than dictating specific activities. This strategy type is particularly suited to complex, unpredictable environments where flexibility is crucial and a range of organizational actors must respond adaptively. The implementation of an umbrella strategy requires vigilant monitoring by the leadership to ensure actions remain within the set boundaries. When deviations occur, leaders have several options: enforcement, observation and adaptation. This strategy necessitates a balance between directing and responding, enabling the organization to remain dynamic and responsive to both internal initiatives and external environmental changes. The effectiveness of an umbrella strategy lies in its flexibility and the leadership's ability to maintain a light touch, thereby maximizing both proactive and reactive strategic opportunities. (Figure 6)

2.3.4 Process

The process strategy, similar to the umbrella strategy, operates in environments where other actors in the organization need significant discretion due to complexity and unpredictability. However, unlike the umbrella strategy that sets general boundaries or targets, the process strategy involves leadership influencing outcomes indirectly by controlling the strategy-making process rather than its content. Leaders focus on designing and managing the systems through which strategies are developed, rather than dictating the specific strategic content. This allows other organizational actors the flexibility to evolve their own strategic patterns within a structured framework. Leadership may control crucial organizational

elements such as staffing—deciding who can make strategic decisions—and the organizational structure itself, which influences how strategies are formulated and implemented. Overall, the process strategy represents a deliberate approach in designing the strategy-making framework, while allowing the content of the strategy to emerge from within this framework, thereby combining deliberate structuring with emergent strategic development. (Figure 7)

2.3.5 Unconnected
The unconnected strategy involves parts of an organization, like subunits or even individual members, operating with a high degree of autonomy. This type of strategy is most evident when there's a loose coupling within the organization, allowing these parts to develop their own patterns of actions relatively independently. Unconnected strategies represent a unique form of organizational behavior where autonomy and personal direction outweigh centralized control, allowing for a blend of emergent and deliberate strategic elements depending on the perspective. (Figure 8)

2.3.6 Consensus
The consensus strategy is characterized by a lack of centralized control or explicit prior intention, emerging instead from the natural convergence of actions and ideas among various actors within an organization. This strategy evolves as different members adjust to each other and to their environment, gradually forming a unified approach that is often unexpected and not predetermined. The consensus strategy illustrates how organizations can evolve strategic directions that are more reflective of collective actions and emergent understandings among their members rather than from top-down directives or formal planning processes. This type of strategy is akin to what might be called "organizational intuition," where the collective actions naturally align to navigate the organization's path forward. (Figure 9)

2.3.7 Imposed
The concept of imposed strategies highlights how external forces can dictate an organization's strategic direction, often independent of the internal intentions or decisions of its members. This occurs when influential external parties or environmental conditions strongly limit or determine organizational choices. While these strategies are imposed and not originated internally, they often become internalized by the organization, making them appear deliberate from within. The strategic direction, while originally external, is adopted and pursued as if it were a deliberate choice. Imposed strategies underscore the significant role of external forces in shaping organizational strategies, often meshing imposed elements with internally set strategic boundaries to form a coherent but complex strategic landscape. (Figure 10)

2.4 Strategy-as-practice
Throughout history companies have faced challenges, of which most can be attributed to change. At the core of a great company lies the ability to adapt. In the past successful companies avoided change. Management focused on increased efficiency, thus increasing productivity indirectly leading to more profits (William P. Frankenhoff, 1971). With technological advancements and globalization, companies encountered change more frequently requiring change within the organization. This led to an increased demand for strategic management, a discipline with its origins dating back to the 1960s (Luis Ángel Guerras-Martína, 2014). This was a new managerial concept aiding companies in times of rapid change.

This field saw an addition however in 1996, when Richard Whittington published Strategy-As-Practice (Whittington,

1996). This is a field within strategic management that is both interconnected but fundamentally different from traditional strategic management. While strategic management encompasses formulation, implementation and evaluation to achieve long term objectives, SAP narrows the focus down to the day-to-day activities, practices and processes from which strategies are formulated and implemented by individuals within the organization. With SAP the emphasis lies more on the 'doing' aspect of strategy (Golsorkhi et al., 2010a). Strategic management in contrast to SAP also looks at it from a top-down perspective. Where strategy is directed by senior executives and implemented throughout the organization (Djordjevic, 2014). SAP can be classified as "construed as an organized consistency of purposive actions" (Chia & Holt, 2006, p. 636). Implying that actions are targeted towards solving immediate problems and understanding daily challenges rather than solely executing actions targeted towards pre-defined and planned goals (Chia & Holt, 2006). SAP adopts a bottom-up approach, where a wide range of actors are involved in strategy making. Another stark difference is that SAP focuses on the practices and Strategic management focuses on the outcomes. SAP sheds light on understanding the social and practical processes, including knowledge, social practices and material aspects that influence how strategies are executed and conceived. Strategy-as-practice research provides important insights into practices, praxis and practitioners (Vaara, Whittington; 2012).

2.5 Strategic drift
Strategic drift is the failure of an organization to adjust its strategy, resulting in a decline in competitive advantage. This can be the result of failing to acknowledge or adjust to external changes. Strategic drift also results in increased operating costs, decline in innovation and adaptability (Sammut-Bonnici, 2014).

Identifying strategic drift from within the company by employees can be difficult. There are a set of circumstances that can indicate strategic drift. A homogenous mindset within a company, especially at managerial level, impedes the adaptability of strategy towards new ideas and external changes in technology, the economy, society and regulations. Resisting change also called the preservation of the status quo, also discourages innovation within a company. This is a result of managers leaning towards a defensive strategy that reduces the risk of loss instead of increasing the chance of gain. Lack of focus on the external environment is also a big factor in strategic drift. Lack of focus on the external paired with a homogeneous mindset and preservation of the status quo are early signals of strategic drift. Decline in performance is a symptom that occurs when the strategy has become ineffective, and the damage has already been done. The next step is drastic strategy adjustment (Sammut-Bonnici, 2014).

Preventing strategic drift is in the organizations best interest. This does require the strategy to be somewhat adaptive and thus leaning towards a more emergent type of strategy. Feedback and monitoring performance both financially and market wise would also aid in better organizational performance.

2.6 Deliberate vs Emergent (distinctions)

In the paper "Strategy as Practical Coping: A Heideggerian Perspective" (Chia, Holt; 2006), a clear distinction is made between building and dwelling regarding strategy unfolding. The building perspective, which is directly related to the planning school within strategic management, sees strategy as purposeful actions towards outcomes that are priorly orchestrated. Whereas the dwelling perspective, which builds upon the emergent perspective (Mintzberg & A. Waters, 1985), sees that strategy does not require goal-orientation nor purposeful intentions. Rather actions that align with past actions and experiences. The dwelling perspective explains that the actions within strategy can be consistent and organizationally effective without or even despite the existence of purposeful strategic planning (deliberate strategy).

To understand how non-deliberate strategy emerges we need to define the concepts availableness and occurrentness. Availableness as explained by Heidegger is the possibility to use something unobtrusively. Meaning a doorknob for example that is used to open a door. This object is useful and available but not consciously observed by the user and thought about. The doorknob can be seen as a tool readily available to us in the context of its environment. In this case enabling someone to leave the room. It it's not seen as an isolated object but an extension of our own body at the moment of opening the door. This phenomenon is also called equipmentality. The doorknob in this context can be regarded as ready-to-hand. Occurrentness in contrast to availableness means that due to a malfunction or disturbance the object becomes obtrusive and consciously observed. Within organizational contexts this can mean organizational disturbances that makes the actors within it conscious about their decisions and actions observing it from a detached observable perspective. This detached view is related to the building perspective.

Both dwelling and building are associated with the distinction between outer and central strategic contexts. It is found that the actors in the edge of corporate reach are more characterized by dwelling and emergent school of thought. Where actors in the center act upon strategies characterized by building and deliberate strategies (Regnér, 2003). At the outskirts of organizations, the actors have to apply adaptive approaches to local conditions, while the strategists in the center of the organizations act upon decisions made upon analysis framed to fit their view of organizational destination. The actors in the outer layer are subject to environmental changes and have to be adaptive. Therefore, these actors are basically utilizing coping mechanisms which are not deliberate in nature but emergent.

Emergent means in the case of strategy unintentional. If that is the case, how can we speak of strategy at all? There needs to be some kind of consistency to speak of strategy, which we can explain with the concept of habitus. Habitus is a way of doing something, a particular configuration of habits and tendencies employed when existing. This enables actors to dwell in, or cope with, dynamic situations. The actions that are a result of the habitus cannot be called be purposeful but rather purposive. Purposeful meaning actions guided towards pre-defined goals directed towards desired outcomes. Where purposive actions are targeted towards overcoming immediate obstacles and challenges.

All these concepts explain how actors (un)obtrusively respond to circumstances that enable them to function in their day-to-day activities because of either a building or dwelling perspective. With these concepts it can be explained how strategies develop from disturbances or emerge unobtrusively from habitus. Availableness explains that objects in the context of their environment are an extension of us rather than isolated objects (ocurrentness). The clear distinction between dwelling and building is also explained as deliberate (planned) and non-deliberate (emergent). The non-deliberate actions which can be classified as coping can somehow be considered consistent when explaining the concept of habitus. This concludes that strategy from a dwelling perspective can be seen as purposive while the building perspective sees the actions as purposeful. Both these modes of strategy coexist within companies, both in the outer layer of the organization (peripheral) and the strategic center.

Table 1 shows an overview of key concepts and their categorizing school of thought. Each concept leans towards or belongs to one side on the spectrum (deliberate or emergent).

Table 1 Key concepts

Deliberate (key driver, deliberate interventions)	Emergent (key drivers, breakdowns and surprises)
Building: purposeful actions towards outcomes that are priorly orchestrated	Dwelling: Actions that align with past actions and experiences without or even despite the existence of purposeful strategic planning
Occurrentness (present-at-hand): relating to objects where things are perceived purely in terms of their objective presence, detached from any practical use or context	Availableness (readiness-to-hand): understanding things in the context of their use or function within a particular environment
Deliberate: intentional	Non-deliberate: unintentional
Purposeful: actions guided towards pre-defined goals directed towards desired outcomes	Purposive: actions targeted towards overcoming immediate obstacles and challenges
Obtrusive: something that is noticeable or prominent	Unobtrusive: something that is not conspicuous or attracting attention
Organizational center: the center is management	peripheral organization: small, random events, activities are part of organizing and thus strategy

3. METHODOLOGY

3.1 Research design

The research design utilized in this research was qualitative. Qualitative research enables the understanding of phenomena within the context of their dynamic environments. Qualitative research is especially useful if human elements are involved affecting the study area. Qualitative research, in contrast to quantitative research, allows for a more in-depth analysis of the research subjects (Yin, 2010). Because we are interested in the behavior of actors within the organizations, observations were used to collect primary data. The primary data was collected through interviews, offering unfiltered insights without any intermediary interpretation or processing (Saunders et al., 2009). From these observations the primary data was analyzed from which, frequent, dominant, or significant themes were derived, followed by the development of a model to be finalized with a conclusion. Which renders the research approach used to be inductive. Inductive research enables the emergence of concepts and theory from the data, which was primary in this case (Yin 2010). Because the focus of this research was aimed at observing the behavior of actors within organizations and the enabling of strategy, this approach seemed best applicable. Trought these observations an analysis was made followed by a conclusion. The sampling approach, data collection and analysis are discussed in section 3.2.

3.2 Interviews

3.2.1 Sampling approach

The population this research is interested in are digital marketing agencies operating in the Netherlands. Non-probability sampling was utilized in this research. The companies in the sample were selected in a non-random way. Meaning that the probability of each company being selected from the total population is not known. Consequently, meaning that it is impossible to make statistical conclusions about the population. Generalizations about the population from the sample can still be made but not on statistical grounds (Saunders et al., 2009). For this interview, a sample of 5 respondents each from different marketing agencies was taken from the population. The function of each respondent within his/her organization is shown in table 2.

Table 2 respondents

Respondent	Company	Function
1	A	Owner/Founder
2	B	Co-founder, Human resource & Business development
3	C	Head of development
4	D	Project manager & SEA specialist
5	E	Co-Owner/Founder & Head of finance

3.2.2 Data collection

The aim of the interviews was to find out through which steps strategy unfolds within marketing agencies and if the strategies are emergent or deliberate. The interviews investigated how certain activities within the company contribute to the unfolding of strategy in the day-to-day activities and how it relates to emergent and deliberate perspectives. As mentioned previously, interviews allow for concepts and phenomena to be explored more in-depth (Yin, 2010). Besides that, it also leaves room for the respondent to elaborate on certain answers making it more comprehensive for later analysis. The interview conducted was semi-structured. Semi-structured interviews blend structured questions with the possibility for exploration. The use of this type of interview was especially useful in this case, where behavior and unanticipated insights are gathered for a deeper understanding (Saunders et al., 2009). The questions asked where for the majority open ended leaving the responded free in choosing a fitting answer. The interviews were held digitally via Teams and Google Meet, they were also recorded with permission of the respondents to allow for transcription.

3.2.3 Data analysis

In the following step the data was analyzed from the transcriptions. The method of analysis used was the Gioia methodology. This is a methodology to develop a theory that is developed through the data collected. Which in this case are the interviews conducted on respondents functional within marketing agencies. The interviews were conducted in Dutch, this decision was made to prevent the respondents to be limited by their vocabulary. The quotes that seemed valuable were translated to English subsequently to be processed for data analysis.

Grounded theory is ideal for qualitative research without preconceived notions or hypotheses. Grounded theory only works with inductive research (Glaser, 1992). Grounded theory is valuable in research of explorative nature. This is the case in this research paper therefore grounded theory was utilized. Grounded theory is fundamental to the Gioia method and offers a more structured and systematic approach to data analysis. The methodology comprises of the development of data structures that show the relationship between the data and the emergent themes. This is enabled trough a coding process which involves multiple levels of coding. These are; first-order concepts, second-order themes and finally aggregate dimensions. The final stage of the Gioia process is theoretical saturation. This is where no new significant themes can emerge from the data anymore. The Gioia process is often finalized with a visual data structure. This is a visual representation of the relationships between themes and codes.

4. RESULTS

This chapter will describe the results of the interviews that were conducted. A total of five respondents, each belonging to five distinct digital marketing agencies, participated in the interviews. The results will be discussed in relation to strategy unfolding with the corresponding themes that emerged from the data. The analysis of the interviews conducted resulted in six aggregate dimensions. The quotes with the corresponding concepts and themes can be found in appendix B. With these findings an explanation can be developed about the development of strategy within digital marketing agencies.

The answers given by the respondents were grouped into first order concepts first. These concepts were simple descriptions of what the sentences gave insights about. The useful quotes from the interview resulted in a total of 44 first order concepts (Appendix B, Table 5). Because Gioia was used, this was not the end result and therefore second order themes were developed from these 44 first order concepts. There were a few themes that became apparent rather quickly. These themes were: the freedom for experimentation, strategic monitoring meetings, ROCK goal method, Strategic focus and strategic change due to market shifts. For these themes some quotes could clearly be assigned to them. For the theme "Room for experimentation", Company A, B, C, D and E had a matching quote which gave a clear indication of the level of the freedom for experimentation within the company. This resulted in the following quotes: *"If a junior has a super cool idea. I actually wouldn't really know why a medior or senior would say we're not going to do this"* (respondent 1, Company A*)*. And *"You're just left free in that, though. Yes, it's also just important if you have your own ideas to just discuss that with the client"* (respondent 4, company D). The theme "Strategic monitoring meeting" was comprised of quotes that described how frequent the companies had meetings with employees to monitor progress with regards to strategic objectives. Example quotes for this are: *"Yes, we have, for example, every Friday, our mandatory office day, there strategy is discussed a little bit"* (Respondent 4, Company D) and *"we regularly have some sort of MT meeting three times a month"* (Respondent 2, Company B). The word "ROCK" was present in multiple interviews. A ROCK is a priority or goal that a company develops for a certain timeframe, typically quarterly. The following quotes were found containing the concept ROCK: *"Yes, and there they all have different programs that we follow, we have different ROCKS, we call them, just different programs that we grow towards together within 10 years"* (Respondent 4, Company D) and *"So every quarter we have ROCKs that we focus on. And so those are really projects that are attached to our own procedures, Internal things that employees also participate in."* (Respondent 1, Company A). A reoccurring theme in multiple interviews was the emphasis on strategic focus. Companies trying to find where they should spend their time and resources on. This is particularly important for digital marketing agencies where new innovations may seem promising but can be waste of time in reality. The theme strategic focus was applicable on the following quotes: *"But, of course, the online world is one of many developments. And it goes pretty fast. There is always a new candy of the month. There are always distractions. Usually, you don't let that throw you off completely, either. But sometimes you have to deal with it*." (Respondent 2, Company B) and *"Look, you can't be doing all things at once. It's not convenient. So, I often try to put some focus on that."* (Respondent 1, Company A). Lastly, the quotes relating to shifts in the market were remarkable. The following quote in particular: *"Yes, so we were mainly building WordPress. We expanded on Magento, Light speed. At one point I said, we want to focus only on WordPress. And now you do notice that for web shops, the competition from Shopify is starting to get really high. And they do ask, how do we have to take some steps to be able to offer that as well. So, you do see an adaptation."* (Respondent 2, Company B). Besides these themes there were 19 second order themes that could be derived from the first order concepts, resulting in 24 themes in total. See table 3 for an overview of the themes.

Table 3 Second Order Themes

2nd Order Themes
Room for experimentation
Self-governance
Autonomy based on experience
Absolute autonomy
Company feedback system
Strategic monitoring meeting
Strategic change due to feedback
Person monitoring objectives
Core values aligned with vision
Alignment with owners' vision
Objective description and instruction
Ultimate strategic goal
Annual goal assessment
Goal description
ROCK goal method
Strategic deviation
Strategic readjustment
Strategic focus
Strategic change due to market shifts
Responsible people for strategy development
Disturbances leading to strategy development
Continuous strategic development
Goal communication

Subsequently there were dimensions developed from these second order themes. The aggregate dimension "Autonomy" was comprised of the following themes: "Room for experimentation", "Self-governance", "Autonomy based on experience" and "Absolute autonomy". There were quotes relating to autonomy present in all interviews, giving insight in the level of autonomy employees have in their day-to-day activities. The themes: "Company feedback system", "Strategic monitoring meeting", "Strategic change due to feedback" and "Person monitoring objectives" constructed the dimension of "Monitoring and Feedback". The dimension "Mission and vision" was comprised of the two themes "Core values aligned with vision" and "Alignment with owners' vision". The following dimension "Strategic goals" contained the themes; "Objective description", "Ultimate strategic goal", "Annual goal assessment", "Goal description" and "ROCK goal method". The dimension "Strategy alignment" was comprised of the following themes; "Strategic readjustment"", "Strategic focus" and "Strategic change due to market shifts". Lastly, the dimension "strategy development" which contained the themes; "Responsible people for strategy development", "Disturbances leading to strategy development", "Time assigned to strategy development", "Continuous strategic development" and "Goal communication". The 24 second order themes discussed in the previous paragraph result in six total dimensions which include all the valuable quotes from the interviews conducted. Table 4 shows an overview of the six dimensions.

Table 4 Aggregate Dimensions

Aggregate Dimensions
Autonomy
Monitoring and Feedback
Mission and Vision
Strategic Goals
Strategic Alignment
Strategy Development

By using the Gioia methodology, we were able to read through the data to identify recurring phrases and terms. Code them subsequently to develop second order themes based on the first order concepts. This allowed for the identification of broader themes, moving the data beyond the participants use of language towards a more theoretical/conceptual understanding. Finally, the themes were divided into subdivisions also called aggregate dimensions. The completed data structure diagram can be viewed in Appendix B. In the following section the results will be discussed more in depth. The data will be analyzed and interpreted in relation to the theory presented in the previous sections. Here the results will also be analyzed in relation to the research question and the possible implications.

By conducting interviews and applying the Gioia methodology, this research paper set out to answer the following research questions:

"Through which steps does strategy unfold within digital marketing agencies to navigate the digital realm?"

"How deliberate or emergent is the strategy employed by digital marketing agencies?"

4.1 Strategy unfolding trough steps

The Gioia method resulted in six aggregate dimensions. These were; Autonomy, Monitoring and Feedback, Mission and Vision, Strategic Goals, Strategic Alignment and Strategy Development. Subsequently, a model was developed that visualizes the process through which of strategy unfolds within marketing agencies. Beside developing concepts, themes and dimensions, the Gioia methodology also enables for the possibility for development of diagrams or models. These models are visualizations that illustrate the relationships between dimensions, in this case the elements that make up for the steps that make up strategy.
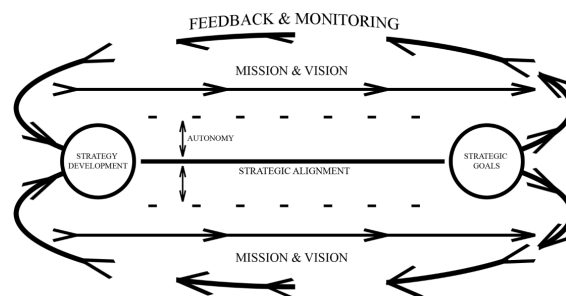
Figure 2. Strategy unfolding visualization

The model is developed with six elements that have a relationship with each other. The first element being the development of the strategy, represented by the first circle on the left. Multiple agencies pointed out that at the beginning of the year they have a meeting where the strategy for the upcoming year is discussed and where goals are developed. The strategic goals are represented with the circle on the right. In between the two circles is a straight line that represents the dimension of strategic alignment. Strategic alignment is what connects the strategic development, to the goals actually being achieved. The strategic alignment represents the extent to which the marketing agencies enforce strategic focus. the more strategic alignment, the more focus. There is a dotted line at each side of this "strategic alignment" line, which represents the room for strategic deviation. The more space in between the straight line and the dotted lines the more room there is for strategic deviation. This bring us to the next dimension "Autonomy", which is represented by the two vertical arrows. The more autonomy, the more room for strategic deviation, thus the longer the arrows. Beyond the two dotted lines, there are two horizontal lines with arrows embedded. These two lines represent the dimension of Mission and Vision, they keep the strategy within the confines of the vision of the company. The respondents indicated that the marketing agencies only employ strategy that aligns with the vision and the mission of the company. Any activities that do not contribute towards the company's vision and mission are terminated. Lastly, are the cyclical arrows, those represent the feedback and monitoring dimension. When strategic goals are reached, there are evaluations and monitoring sessions which give valuable insights. The insights and feedback lead to new strategic developments. We can see that strategy is cyclical and not linear. Strategy does not have an end but is continuous. Respondent 3 said the following about strategy: *"It's not like*

that with strategy, it changes all the time. It is alive.". For a clearer visualization of the model, see Appendix A figure 11.

This model created with the Gioia method answers the research question: *""Through which steps does strategy unfold within digital marketing agencies to navigate the digital realm?"*

4.2 Strategy from an Emergent and deliberate perspective

The following section discusses the strategy employed in relation to the theory presented in chapter Theoretical Background. Mintzberg mentioned that deliberate and emergent strategies may be conceived as two ends of a continuum along which real-world strategies lie. On this spectrum there are multiple strategy types as discussed in 2.3. Strategy types that align with the strategy from the marketing agencies will be discussed.

Beginning with a purely deliberate strategy, it must satisfy three key conditions. These are: (1) the existence of precise and detailed intentions is known before any actions are taken, (2) these intentions must be accepted across the organization to ensure unified action and (3) ultimately the environment must be stable enough to prevent external disruption from altering the strategic course (Mintzberg & A. Waters, 1985). The first two are mostly satisfied, but the third is not. Marketing agencies, although trying to dictate what the environment does, do not operate in stable environments. As stated by respondent 2: *"But, of course, the online world is one of many developments. And it goes pretty fast"* or *"It's not like that with strategy, it changes all the time"* (respondent 3). This makes a complete deliberate strategy impossible, therefore other strategy types need to be considered.

The entrepreneurial strategy is one where the articulation of precise intentions are relaxed. Within this type of strategy intentions do exist, but they are derived from the vision of a single individual (most commonly the vision of the owner). The lack of detailed articulation and formal procedures among employees means that intentions are not explicit. Despite this the actions of the individuals are somewhat consistent and align with the leader's vision. There are elements of entrepreneurial strategy present within the marketing agencies that were being investigated in this research paper. Vision played a role in the direction of the agencies. The following quotes confirm that: *"And that does sink in with some mission and vision"* (Respondent 3) and *"No, so I'm guarding whether it ultimately fits with the vision of Company A and with me.... Yes, it's indirectly also just my vision of course what fits with that"* (Respondent 1). However, intentions were precisely articulated and formal procedures were imposed in all of the agencies to enforce clear strategic direction. One respondent said the following about articulated intentions: *"I can't tell you exactly, but it's pretty clearly described, you know. And also how to achieve it."*. Despite vision playing an important role, it is not the sole driver of strategy within marketing agencies. Thus, the strategy cannot be classified as entrepreneurial.

The same goes for ideological strategy, the difference is that in ideological strategy members of an organization collectively adapt the same vision as the owner, making it similar to an ideology. Another stark difference is that with an ideological strategy the organization shields itself from environmental influences or tries to impose their vision on the environment.

Both are not the case for marketing agencies which have to be highly responsive to environmental demands.

The umbrella strategy type does have many similarities with that of the agencies investigated. This strategy type is suited for unpredictable environments where strategy necessitates a balance between directing and responding. This strategy type stresses the importance of flexibility and leaders set broad guidelines, but vigilant monitoring is required to retain strategic alignment. From the interviews conducted the dimension of monitoring became apparent. With one agency even developing a tool which enables the monitoring of strategic effectiveness. The umbrella strategy involves setting broad guidelines or boundaries where varied organizational actions can occur, rather than dictating specific activities. From the interviews we can conclude that the employees have a degree of autonomy and are able to decide what they want to do. Respondent 1 said: *"So yes in the end they have quite a bit of freedom to bring things to fruition. But yes I do ultimately want to step in when crucial things come to a head.".* This strategy type has many commonalities with that of the digital marketing agencies.

Multiple respondents indicated that their marketing agency utilized ROCKS. *"Yes, and there they all have different programs that we follow, we have different ROCKS, we call them, just different programs that we grow towards together within 10 years"* (Respondent 4) and *"So every quarter we have ROCKs that we focus on. And so those are really projects that are attached to our own procedures, Internal things that employees also participate in"* (Respondent 1). These are frameworks for strategy development and objective setting. The content of these ROCKS can vary from year to year. Meaning that although the process of strategy development is standardized, the content of the strategy can vary. This matches with the process strategy type. Overall, the process strategy represents a deliberate approach in designing the strategy-making framework, while allowing the content of the strategy to emerge from within this framework, thereby combining deliberate structuring with emergent strategic development.

The respondents 1 and 5 answered with no to the question: *"Are there employees operating with complete autonomy?".* Meaning that the unconnected strategy is not part of the strategy employed by marketing agencies. This strategy type allows employees to move independently from the organization. This can be in teams or individual. Here personal autonomy and direction outweighs centralized control, which is not the case for these organizations. One of the respondents also mentioned that marketing agencies are simply not big enough for autonomous teams. They need all the employees they have for their daily operations.

The consensus strategy type did have some similarities with some agencies. The consensus strategy is emergent in nature. The natural convergence of action and consistencies without explicit prior intention. This was the case for Company A, which without being intentional, catered their employee demographic towards middle aged mothers who wanted to make themselves useful. This came about because of the owner ,who is also a middle-aged mother, can get a long and understand this demographic well. This became subsequently a part of the companies DNA. The respondent which also was owner stated that their job offers were deliberately designed to cater to middle aged women now. The consensus strategy illustrates how organizations can evolve strategic directions that are more reflective of collective actions.

Lastly, the imposed strategy which highlights that external forces change organizational strategic direction. This is done without or even despite prior intentions to do so. Multiple agencies saw that they needed to expand their service offers because of liquidity problems. They saw that competitors offered cheaper solutions, thus they were forces to change their strategy accordingly. While these strategies are imposed and not originated internally, they often become internalized by the organization, making them appear deliberate from within. Therefore, the conclusion can be made that although their strategy may be deliberate now, it was imposed initially.

To conclude, the strategies employed by marketing agencies have the most similarities with both the umbrella strategy and process strategy. With elements of the entrepreneurial and imposed strategy. On the continuum of emergent and deliberate, they lie somewhere in the middle with both deliberate elements and emergent.

With that the following research question is answered: *"How deliberate or emergent is the strategy employed by digital marketing agencies?"*

5. DISCUSSION

5.1 Theoretical implications

This research extends classical strategic management theories by integrating the continuum of deliberate and emergent strategies proposed by Mintzberg. It illustrates how modern businesses, particularly in dynamic sectors like digital marketing, employ a blend of both approaches rather than adhering strictly to one. By highlighting the importance of flexibility and responsiveness in strategy formation, the research provides a practical framework for adaptive strategy. This framework can be applied to understand how organizations can navigate rapidly changing environments and integrate real-time feedback into their strategic processes. This research emphasizes the non-dichotomous nature of realized strategies, showing that most organizations operate along a continuum of deliberate and emergent strategies. This integration challenges traditional views that separate strategic planning (deliberate) and adaptive responses (emergent) into distinct categories. The findings suggest that organizations benefit from a blended approach to strategy that combines deliberate planning with the capacity for emergent adaptation. This blended approach fosters an environment of continuous learning and improvement, as organizations regularly reassess and adjust their strategies based on real-time data and feedback. By addressing trough which steps digital marketing agencies go about their strategy, this research adds to the theoretical understanding of how organizations can prevent misalignment with their external environment. This involves continuous adaptation and realignment to minimize the possibilities of strategic drift.

5.2 Managerial implications

Understanding the balance between deliberate and emergent strategies allows managers to adopt a more flexible approach to strategy formulation. Digital marketing agencies operate in a rapidly changing environment where consumer behavior and technological advancements constantly evolve. Recognizing the need for a combination of deliberate planning and emergent responsiveness can help managers create strategies that are robust yet adaptable, ensuring that the organization remains competitive and responsive to market changes. This research highlights the importance of strategic alignment and the role of feedback mechanisms in strategy development. Managers can implement regular strategic monitoring meetings and feedback systems to ensure that strategies are continuously aligned with organizational goals and market demands.

6. LIMITATIONS AND FUTURE RECOMMENDATIONS

Like all research, the research conducted is not without limitations. The first being the small sample size. Bigger sample sizes have more statistical power to base the data on. The representative nature of the assumptions being made are also improved with sample sizes consisting of more digital marketing agencies. Besides that, larger sample sizes also average out anomalies to reduce the impact of outliers. The second limitation is researcher bias. The assumptions made from the data are prone to bias, which has an impact on the results. This research was also limited to Dutch digital marketing agencies only. It can be the case that the characteristics of strategy are depending on geographical location or cultural differences, which would lead to a different conclusion. Another limitation is the low diversity of respondents. A vast majority of the respondents were owners of the agency, which could give a skewed perspective on the agencies and their strategy. Another limitation was respondent bias. As mentioned before, the respondents are prone to having a skewed perspective on things. This leads to answers which are not objective but subjective and therefore prone to inaccuracies. Because interviews are the method of data collection, you rely completely on the observations of the respondents. Which in this case are subjective, meaning that the results of the research are also subjective, which are suboptimal in contrast to objective results.

Recommendations for future research are to utilize a larger sample size. This can be achieved by extending the period in which the research is conducted, wherein more agencies can be contacted to participate in the research. One of the ways to also increase sample size is increasing the scope of the research, so instead of only Dutch agencies, expand the research to other countries. To mitigate research bias, the research could be peer reviewed in the future. Different perspectives could lead to different results. The low diversity could be minimized by interviewing a more diverse range of employees that each have different functionalities within the organization. An employee that works on daily operations may make different observations then someone that is develops strategies. Lastly, the bias of the respondents. This can be minimized by instead of relying on the observations of the respondents, rely on the observations of the researcher himself. The researcher could, instead of conducting interviews, be that the researcher is present at the marketing agencies to observe what happens on a daily basis for certain period of time. This will eliminate possible biases by employees or business owners.

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9. APPENDIX A

Figure 3. Planned/Deliberate strategy.

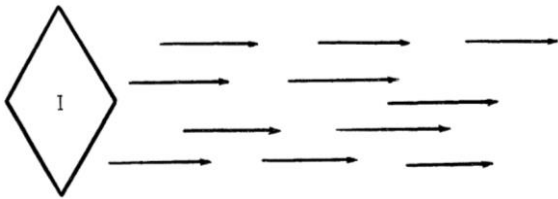**Figure 4. Entrepreneurial strategy.**

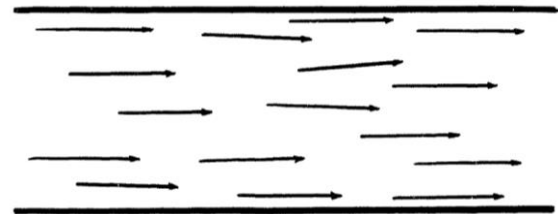

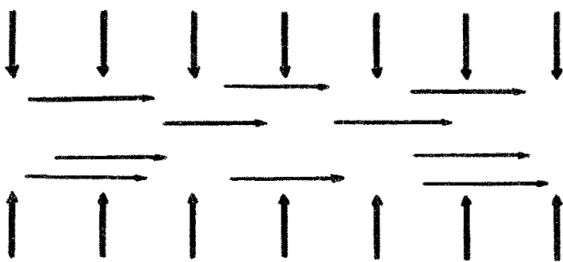**Figure 5. Ideological strategy.**

Figure 6. Umbrella strategy.

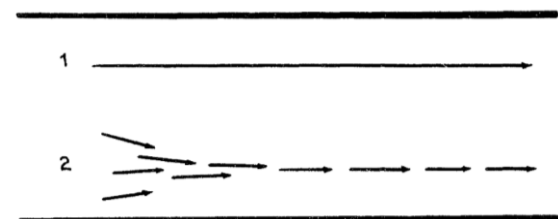**Figure 7. Process strategy.**

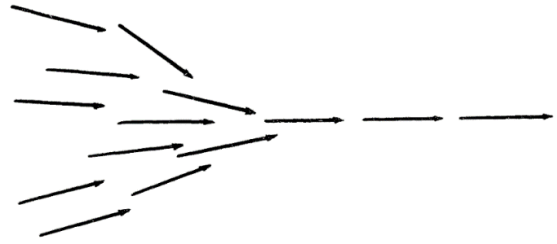**Figure 8. Unconnected strategy.**

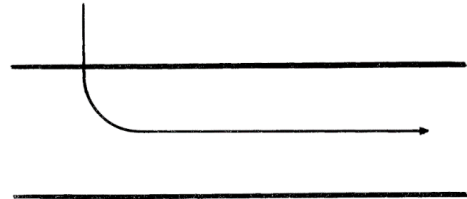**Figure 9. Consensus strategy.**
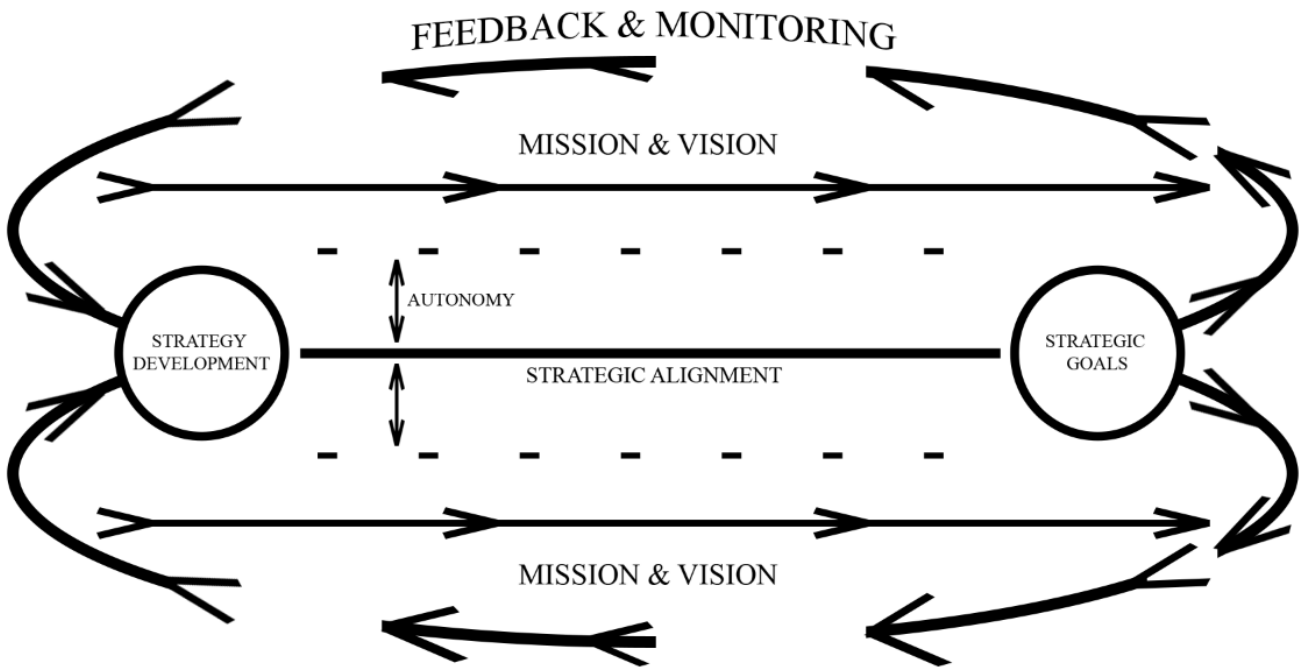

Figure 10. Imposed strategy.

Figure 11. Complete strategy unfolding visualization.

10. APPENDIX B

Table 5 first order concepts

1st Order Concepts
Possibility for experimentation company E
Possibility for experimentation company B
Time for experimentation company C
Possibility for experimentation company D
Possibility for experimentation company A
Autonomy in daily activities
Autonomy in decision making
Company A autonomy level dependent on experience
Employees that have extensive autonomy
Complete autonomy company D
Complete autonomy company E
Complete autonomy company B
A Tool developed to assess progress
Survey conducted to assess progress
Periodic meeting discussing strategy Company D
Periodic meeting discussing strategy Company E
Periodic meeting discussing strategy Company C
Periodic meeting discussing strategy Company B
Sources of strategic change
Feedback tool indicating strategic swift
Designated employee responsible for strategic monitoring
Vision development aligning with corevalues
Company trajectory aligning with owners vision
Objective description and instuction Company C
Objective description and instuction Company B
Objective description and instuction Company D
Presenting the ultimate goal to the employees
Quarterly projects to acquire anual goals
Goal elaborateness depending on client type
ROCK goals attributing towards long term objectives
ROCK quaterly goals
Strategic direction with room for deviation
Organic strategic change
Strategic readjustment trough honing
Strategic readjustment trough broadening
Strategic emphasis trough narrowing focus
Focus consideration, mitigating distractions
Strategic choices
Strategic change trough competitor pressures
Responsible people for strategy development

Obstruction of daily operations initiating strategic developments
Annual meeting discussing strategic developments
Weekly time for strategy
Living strategy
Strategy development trough assigned employees