

What clients want and need

By <u>Ann Nurock</u> 25 Jan 2016

Agencies need to start delivering on what clients want and need, in order to survive the current crisis that they are experiencing.



"The individuals that have the greatest ability to survive are those that can adapt to the changing conditions of their environment," reflected Charles Darwin.

This quote has never been more relevant to the advertising industry than now. There is no doubt that the advertising industry is going through flux and, some might even say, a crisis. Agency creative workloads are growing, but client fees are in decline.

Some clients have supplanted agencies in providing leadership for brand strategies, media choices and production. Multinational agencies stretch their resources and downsize to generate holding company profit margins. Traditional agencies struggle to prove that they have digital and social capabilities.

Agency difficulties are great, but the ad industry is neither the first nor last industry to face a crisis. Over the last three years, I have conducted Radar surveys consistently for close to 40 agencies and literally hundreds of clients. These agencies span every discipline: the so-called 'traditional', digital, media, PR, strategic consultancies, multinational and independent. And the themes are consistent.

They never change and only vary according to the degree the specific agencies are delivering. Some are doing an outstanding job, others are good, some are satisfactory and then there are those who are not.

What is interesting is that these trends are not unique to South Africa. They are universal. They are also not rocket science or new. The ones I touch on are not in any order of importance and are but a few of many:

- Understanding of clients' business: One of the greatest bugbears clients have, is the lack of understanding of their specific business and commerce in general. This is particularly relevant to middle management, and sadly, as I have witnessed, even some senior managers. They are seen to be too transactional and for the most, good at taking and delivering briefs. But the minute they are asked a question regarding the business, they are devoid of a point of view. This then results in bland discussions and very little thought leadership in terms of adding value to clients' business.
- Agility and the need for speed: We are living in a world that is changing rapidly and irrevocably. Marketers have to
 adapt to this ever-volatile, changing landscape, as do agencies. However, many agencies have systems that hamper
 this need and this is causing extreme frustration amongst clients. Marketers want agencies that are agile, proactive,
 innovative and can adapt to these changes. For many, speed to market is a competitive point of difference.
- **Diversity and transformation:** The ongoing and imperative need from clients is for agencies to transform in the South African sense of the word. Too many white agency people are making advertising for a country where the majority of consumers are black. After 21 years of democracy this is unacceptable.
- Integration and co-creation: The word "integration" is being bandied about constantly and is often misunderstood in terms of clients' needs. This is not only about integrating all channels of the communication mix into the solution. What clients are bemoaning is the lack of integration between the different specialist agencies working on their business. The lack of collaboration and co-creation between these agencies in order to deliver solutions for their business is creating confusion. Consequently, clients feel they have to project manage their agencies. While every agency wants a bigger slice of the pie, clients don't want turf wars, but rather a holistic solution that has been co-created by all their agencies. Herein lies the opportunity for agencies to take the lead.
- **Digital culture:** Brad Jakeman, a PepsiCo executive, berated agencies at a recent conference and called digital marketing the "most ridiculous term I've ever heard." He added: "There is no such thing as digital marketing. There is marketing most of which happens to be digital."

Jakeman urged marketers to create digital cultures, not digital departments. "We 'ghettoize' digital as though it's the life raft tethered to the big ocean liner. And we have to move on from that."

While the SA market remains more reliant on traditional media than developed markets, we need to accelerate our culture of digital marketing. Many South African clients are urging their agencies to look beyond traditional communications. While this is not a generalisation of the industry, it is not happening enough.

To quote George Bernard Shaw: "The only man I know who behaves sensibly is my tailor. He takes my measurements anew each time he sees me. The rest go on with their old measurements and expect me to fit them."

ABOUT ANN NUROCK

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