

Agency Of The Future

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Welcome to March 5, 2017. Check out the headline on the front page of our industry trade journal, Adweek World: “Agencies gave out bigger bonuses than Goldman Sachs in 2016.”

Maybe you think that sounds too good to be true. I think this represents an entirely realistic view of where our industry could be in 2017. That’s because the future holds the new agency model, the new client model and the new world model.

Let’s start with the new agency model. The agency of the future must have three things: a new ideas culture; a new value culture; and a new talent culture.

This agency model is built around the value of ideas. You might say our industry already talks a lot about ideas. But at the same time, we have allowed the emphasis and value of our fundamental business model to shift from ideas to execution. In the future, suppliers will be valued less and less, and squeezed more and more. It is idea generators who will be most valued because they create the greatest value—and across every industry sector, not just our own.

So the new model has to move us away from execution and back to ideas. This can be done first by demonstrating and standing up for the value of ideas and, secondly, by outsourcing execution.

Now, by outsourcing execution I do not mean relinquishing responsibility. It is important that we steward the process—but less important that we execute everything and are able to provide a full range of execution services in-house. The pressure on agencies, often self-inflicted, to be able to claim, “We do absolutely everything,” is entirely counter-productive to fostering a culture that focuses on and celebrates the value of ideas.

There are some interesting developments in this area. At StrawberryFrog, ensuring a true ideas culture has always been our aim. We haven’t embraced this change for change’s sake, but to ensure new creativity and originality. Case in point: We recently stewarded a nationwide campaign for Microsoft, “IdeaWins: The Ultimate Challenge,” that resulted in millions of Americans engaged in finding the best small business idea in America (IdeaWins.com).

Here’s another, very different approach to delivering great, effective advertising that focuses on the value of ideas. OpenAd is an online network of registered creatives that calls itself “the world’s biggest creative department.” OpenAd offers you the opportunity to “buy advertising ideas for your company from over 7,000 creatives worldwide.” The interesting thing about OpenAd, as opposed to sites like Spotrunner and LiveWorld, which enable you to customize, plan and place TV/video advertising, is that it focuses purely on ideas. Whatever one might think about this—and I, for one, have some personal reservations about an off-the-shelf mentality—they are at least saying that ideas are what matter.

On the other hand, there’s a company that’s building a rapidly growing and successful business around guaranteeing quality of execution. Meet the Department of Doing, which works with clients all over the world. The Department of Doing, essentially, does. It states its mission as: “Whatever needs doing, we bring ideas to life.” Interestingly, it works with a number of agencies, including Lowe, Burnett, Saatchi, McCann, Ogilvy and Grey.

Isn’t it time we pulled the two things apart and determined what we’re really good at and what we want to be rewarded for? Which brings me to my next point.

Great ideas create value. And ideas that create value command a premium price. Or they should. So the second component of the new agency model is a new value culture grounded in a new business model that sees agencies partnering with clients to generate tangible business value and being compensated accordingly. How can we do this? By demonstrating that the ideas we deliver are not superficial communication add-ons, but genuinely integrated into the way the client does business.

But the new business model requires a rethink of ideas as products—to the extent we generate ideas that can be turned into actual products, and revenue streams that derive from the sale of those products.

Virgin America chose Anomaly for its plans to design the interiors of Virgin's new Airbus A320s. And together with design consultancy Aruliden, Crispin Porter + Bogusky developed a high-end line of upscale driving shoes branded Eos targeted to women.

In our industry, we talk a lot about innovation. Well, innovation is important because it's a way to make money. And innovation only works when an agency can make a living out of it. The new agency model demands that we develop a new value culture, live by it and prove that it works where it most needs to—the bottom line.

Finally, I believe that the new agency model demands a new talent culture with idea generators valued at all levels across all disciplines. These generators will work together in a way that will make the structure of the agency of the future look very different than the traditional hierarchies and disciplines operating today. We've already seen how the necessary fusion of strategic, planning and media skills have given rise to communications planners, experience planners and channel planners. We're already seeing multifaceted individual creatives and designers breaking out of the art director/copywriter team mold.

Ideas, value, talent: the three components of the new agency model. When you put those three things together, what you have is a more engaged, involved, meaningful culture overall—which leads to more involved, more meaningful client relationships and more involved, more meaningful output. Which is, I believe, exactly what the clients of the future will be looking for.

Also, in the future I see a new business culture, what our agency refers to as “Cultural Connection,” centered around the concept of culture itself.

Just as agencies will restructure themselves based on new talent valuation, so will client teams. In fact, they already are. The new MVPs will be the CMOs. The marketing all-stars are intellectual, strategic, creative people who embrace the new interactive consumer culture and the ideas that embed their products within it. This is because the ideas aren't coming just from agencies and clients, they're coming from consumers. I also predict for the future the rise of user-generated products.

This is the true interactive consumer culture that needs to be embraced. What it delivers is more involved, more meaningful relationships with audiences/consumers—and therefore more involved, more meaningful businesses.

This is all a microcosm of what our world needs now. At a much broader level, great ideas are aimed at connecting people who make decisions with the people who are affected by those decisions. Universal connectivity can equate to greater understanding, social change, betterment of life. Ideas can generate social value. “Cultural Connection” is a concept that goes way beyond the day-to-day work we do in our industry—all the way to how all of us can and should try to change the world for the better. And who wouldn't want to be a part of that?