

# campaign

Middle East

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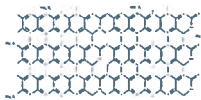
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## Renewed Saudi focus for Saatchi & Saatchi

Advertising network Saatchi & Saatchi is sharpening its focus on Saudi Arabia and placing its Riyadh and Jeddah offices under one management. **Page 4**



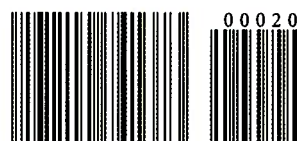
## OMD wins Goody brief following media pitch

OMD Arabia has won the media buying and planning business for Saudi packaged food giant Goody following a four-way pitch. **Page 5**



## Why 2011 could be the year of social gaming

Immersive gaming is coming, with rewards going to those clients and agencies with first-mover advantage. **Page 23**



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## Absolut and the art of advertising



**“Absolut Articulation is an opportunity to follow in the footsteps of Andy Warhol and to find interesting ideas from artists, designers and advertising creatives.”**

**Alexandra Bohl, project manager global marketing at The Absolut Company, on challenging the region’s creatives. **Page 5****

## HIGHLIGHTS IN THIS ISSUE

### Ok, who forgot about the CSR strategy?

With charitable and environmental issues high on people’s agendas, should agencies be more proactive when it comes to caring about our societies? **Page 8**



“The industry needs more leadership. People who have the guts to change things that should be changed, to say the truth when it should be said.”

**Bechara Mouzannar, Leo Burnett’s new chief creative officer, on the need for an industry revolution. **Page 11****

### Are digital agencies becoming obsolete?

As media channels become ever-more integrated, it is becoming increasingly difficult to define what a ‘digital’ agency is and whether they’re still relevant. **Page 20**





As media channels become ever-more integrated, it is increasingly difficult to define what a 'digital' agency is and whether they are still relevant. *Campaign* asks if we are entering a new stage of agency evolution

**D**igital agencies used to be 10 a penny. Not any more. Their numbers are falling in markets across the world.

If this strikes you as surprising, then you clearly haven't been following the trajectory of the digital definer. In the lexicon of agency marketing, digital has gone from being a label that distinguished "proper, grown-up agencies" from the flash but agenda-setting upstarts, to a term desperately claimed by anyone with a lone staffer in a corner toying with pop-ups, to a basic part of most agencies' DNA.

As such, it has lost much of its meaning along the way. In a communications world where even the most traditionally analogue media (posters, for example) are fundamentally digital, the word has become superfluous.

With digital so much a part of the industry establishment, then, has it become actually *démodé*

to describe an agency as 'digital'? Does it either protest rather too much a skill-set that should arguably be a given for any communications agency now, or suggest a rather one-dimensional offering? It's certainly true that many agencies from the digital generation have massaged their positioning to suggest that they are now rounded communications agencies, albeit with digital at their core. And one of the best in the UK – Dare – kicked off 2011 with the ultimate in digital repositioning, merging with its sister creative agency MCBD to create a new hybrid: a symbiosis of the old (ish) and the new (ish).

Of course, there are plenty of specialists whose business is still firmly focused on digital technical expertise: web builds, app creation, digital production. Digital tech is what they do, often all they do. Thank goodness. Because, for all their keenness to sell digital services, most creative advertising agencies

have little interest in taking on digital production.

But if you're in the business of offering communications advice, of solving business problems through consumer insight and creative execution, then isn't it time to ditch the digital tag?

Are pure-play digital agencies, ironically, facing extinction in a digital world?

Perhaps. But that's not to say it's 'game over' for those agencies with a digital birthright. Many still have a convincing digital edge over their old analogue counterparts as the new media latecomers still have plenty to prove before they can convince clients that digital disciplines are as embedded as any other.

On the other hand, many of the old pure-play digital agencies still have plenty to prove before they can convince clients they can do all the traditional advertising stuff – from thinking to creative execution – as well as the old-timers.



## WHAT ADLAND'S PALAEOLOGISTS THINK



**Ajaz Ahmed**  
 Founder and chairman,  
 AKQA

The Computer Electronics Show used to be the annual pilgrimage for geeks. Today, you're just as likely to find ad group heads walking its halls in search of the next media revolution. We say: "Welcome." It's only an enthusiasm and passion for digital that can create the best work and move the industry forward.

"AKQA is the University of Digital" is how the chief marketing officer of one of our clients described the agency to me a few years ago. And recently, Apple hired three people from AKQA because of a sense of shared values. I'm not sure there could be a better compliment from our client or from Apple.

There was a meeting at Goldman Sachs last year and one of the analysts asked me how I felt about traditional agencies poaching our team. I replied that the day they stop approaching our talent is the day that I need to worry. Ad agencies with a traditional heritage talk a good game, and so they should. When it comes down to it, though, they know in their hearts and minds that they struggle to deliver and change the mindset. Most new-business enquiries we get are from disgruntled clients of traditional agencies. This is the main reason why agencies with a digital heritage remain acquisition targets of holding companies. It's also why they are growing in double digits while traditional agencies make do with minuscule growth.

It no longer matters what heritage an agency has as long as they remain relevant and continue to add value to the client's brand.



**Stephen Woodford**  
 Chief executive, DDB London

The pure digital agency risks being a dinosaur. So does the pure ad agency, pure direct agency, and so on. Just look at the way the market is moving. Ad agencies have been buying or merging in digital skills rapidly, if they haven't had them for years. Digital agencies are broadening skills or merging with other disciplines.

Look at creative awards for digital. The top Cyber Lions at Cannes last year went to ad agencies (Wieden & Kennedy and DDB). Or innovation. The best is rooted in deep consumer insight, again where advertising/digital hybrids are in a great place. For me the future for digital is inextricably intertwined with all the other disciplines – just like how the ideas are consumed in the media.

Ideas that people want to play with, participate in and pass on is the ideal outcome. "Social creativity" is what we call this at DDB. These ideas are best derived through the fusion of all the skills in one organisation. TV advertising can be so much better when the digital is created in the same team, with the same agenda. Likewise, digital programmes are infinitely more successful when conventional media are used as a catalyst. Teams like this will be the winners, rather than businesses in a single discipline, working in isolation. We've put "creative technology" at the heart of our creative department, itself a mix of advertising, integrated and digital specialists. We think this mix of specialists, working together in a collaborative and open culture with the right business model (one P&L and management team), is the best model for future success.



**Mark Cridge**  
 Global managing director,  
 Isobar

Any agency of any shape, size or sensibility that fails to adapt to the requirements of the modern marketing age will by definition become a dinosaur. The fact is that as all media has become digital, and increasingly social, the main requirement of any agency has been to expand their knowledge and insight across the full extent of what is possible. It's less about knowing the specifics of one platform over another, rather better to understand which platform, channel or technique is relevant at that point in time and crucially knowing how best to utilise it to extend a relevant and engaging experience between brands and their consumers across all media.

This is something in my limited experience I've found digital agencies are particularly open-minded to. That said, this is more a defining characteristic of what it means to be a modern agency, rather than digital having any particular exclusivity to this skill. This is certainly borne out by the rapidity with which the dinosaurs of the traditional world continue to Hoover up digital talent.

The effect this has on digital agencies is two-fold. First, agencies such as ours become increasingly broad-minded and create work across the full gamut of media. Second, other digital agencies become increasingly specialised around a particular aspect of one technology or channel. Neither approach is particularly old-fashioned, and in both cases you'll find agencies very much at the cutting-edge of what is possible – hardly criteria that qualify them as potential dinosaurs.



**Lex Bradshaw-Zanger**  
 Regional director, digital  
 strategy & innovation,  
 Leo Burnett MENA

Digital is no longer a microsite or a banner ad, digital is everywhere and in everything – look at interactive TV, digital billboards and magazine subscriptions on the iPad. Agencies are evolving too and the term 'digital agency' has lost its meaning.

Many of the original pure play web agencies are finding that their strength is in production as 'traditional' agencies are evolving their own positioning to truly deliver on-brand experiences independent of channel and medium and with a focus on human behaviour. Media neutral is back.

The agency ecosystem is changing and success will come to those who can both think of big ideas but also understand the consumer and how they might interact with them – the power is shifting back to those that have the strategic insight and consumer knowledge to be able to deliver on this, and to a great extent this is not the 'old' digital agencies but those whose focus is on strategy and experience.

The winners tomorrow will likely not be those that are focused on production and execution – but they will need to understand it. It will be T-shaped agencies (like their T-shaped employees) who have the breadth of knowledge to understand the implementation and how we interact with our phones, our tablets and our friends and also the depth of skill to connect the product to the consumer.

There will be dinosaurs, but we can learn from Darwin and survive.



**Tom Roychoudhury**  
 Chief innovations officer, MCN

As integration sweeps across our industry and digital becomes just another channel, traditional digital (this used to be an oxymoron) agencies are now facing the heat. Increasingly, clients are demanding digital solutions from their mainstream agencies, and these agencies, who used to be quite comfortable seeing some of their share of the pie go to 'specialist' digital agencies, are now beginning to adopt the digital discipline like any other and adapt quickly. They are bringing back revenue, bringing in talent, and recontextualising themselves as 360° – of which a large quadrant is turning out to be digitally-driven consumer communications and engagement.

The trend really took shape last year, with the break-up of agency.com and its absorption into TBWA. Then five times 'best digital agency' winner in the UK, Agency Republic, started to reel under pressure, losing key accounts to integrated agencies like VCCP. At McCann Worldgroup, Luca Lindner (with both LatAm and MENA responsibilities – including MCN – under his belt) has declared digital to be the 'oxygen' for all mainstream McCann agencies. Where does that leave the digital agency? In trouble.

We need to recognise quickly that our industry has always been platformed on technology. In the 50s and 60s it was TV. Today it is online and mobile. But to be focused on these media and create silos is a dangerous dependency. Within the digital offering there may be specialisations, but to expect to survive at this ball with only one song on the dance card may be more zero than one.



**Yousef Tuqan Tuqan**  
 CEO, Flip Media

Being a digital agency in the Middle East is not easy. We work in a fast-changing and highly competitive environment where every agency across the spectrum thinks that hiring two programmers and opening a "new media" division qualifies them as a digital agency.

However, simply adding an "I" or an "E" to a logo does not a digital agency make. Traditional agencies have been trying to crack the digital agency model in the region since 1999, and very few have been able to make it work.

Advertisers are growing increasingly savvy, and are demanding far more than simple banner executions and Flash microsites from their communication partners.

Real digital delivery requires significant resources – from programmers and designers to information architects and digital strategists – and constant innovation in order to experiment, learn and offer relevant solutions to advertisers. We recognise that this innovation is essential to our continued growth and leadership, which is why we constantly invest in new trends and technologies before our clients do, so that we do not have to learn at their expense.

Increasingly, we find ourselves again working with our partners at traditional agencies in order to help them deliver these innovations to their clients, because they recognise that no one is better placed to understand digital trends than people who eat, live and breathe them.

To paraphrase Mark Twain, the report of our death is an exaggeration. If anything, I think digital agencies have never been more relevant.