

Transforming Agencies

Nourah AlFayez

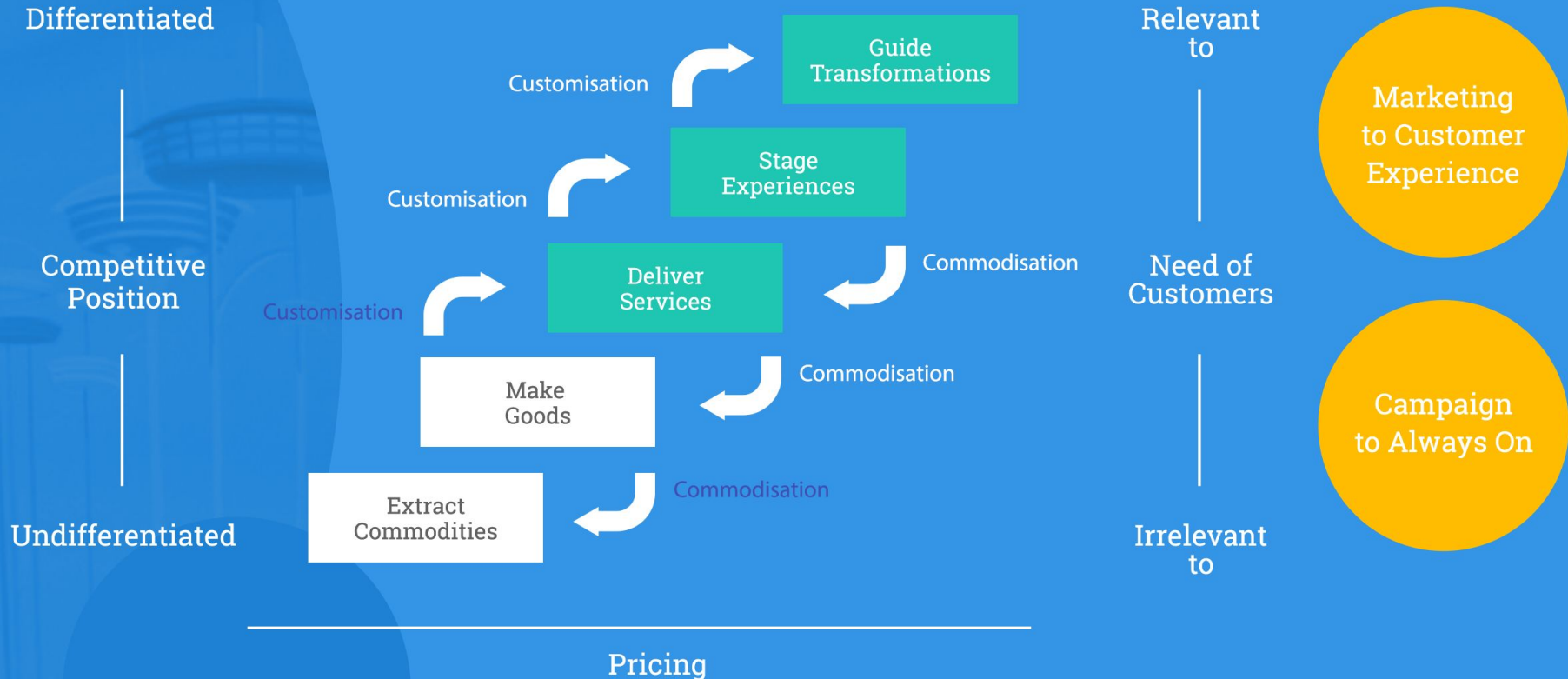
Agency Lead - DoubleClick



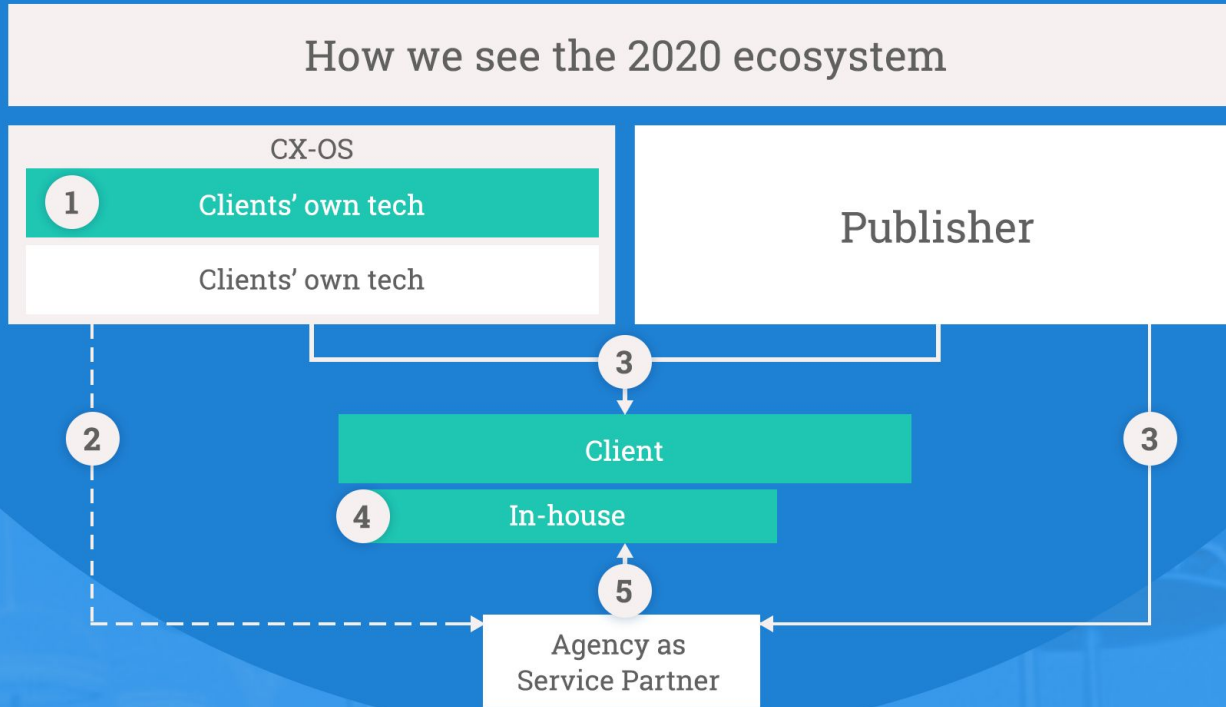
Customer experience
is the next competition
battleground. It's where
businesses are won
or lost

Tom Knighton, Forum Corp

More and more of what an agency delivers is becoming commoditised

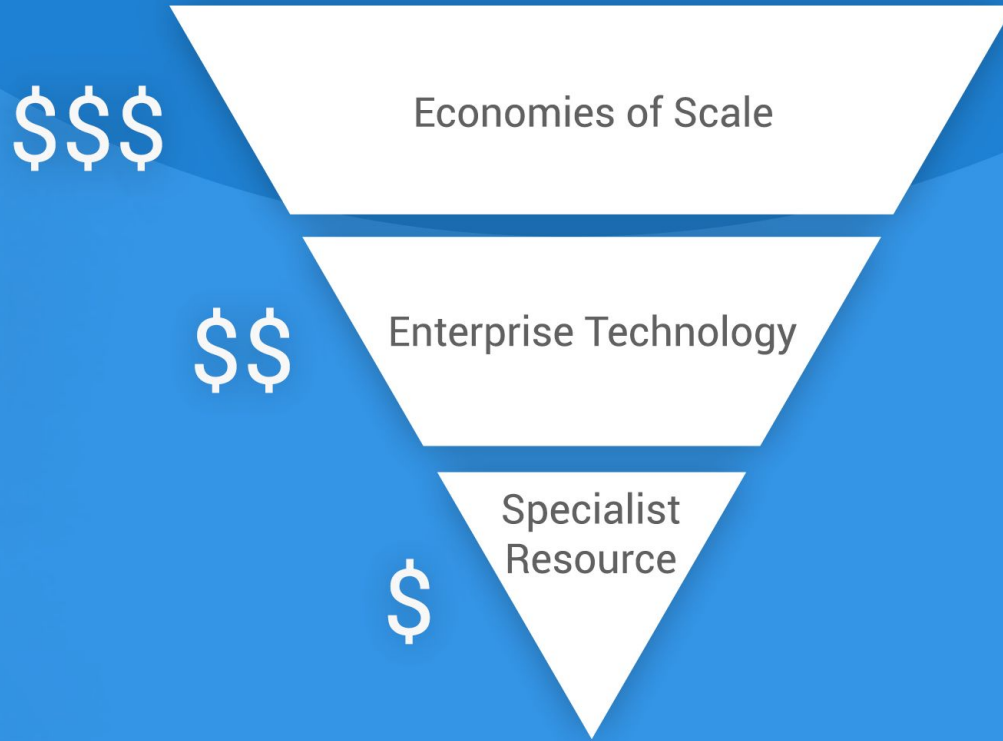


Technology is driving this commoditization resulting in a new model

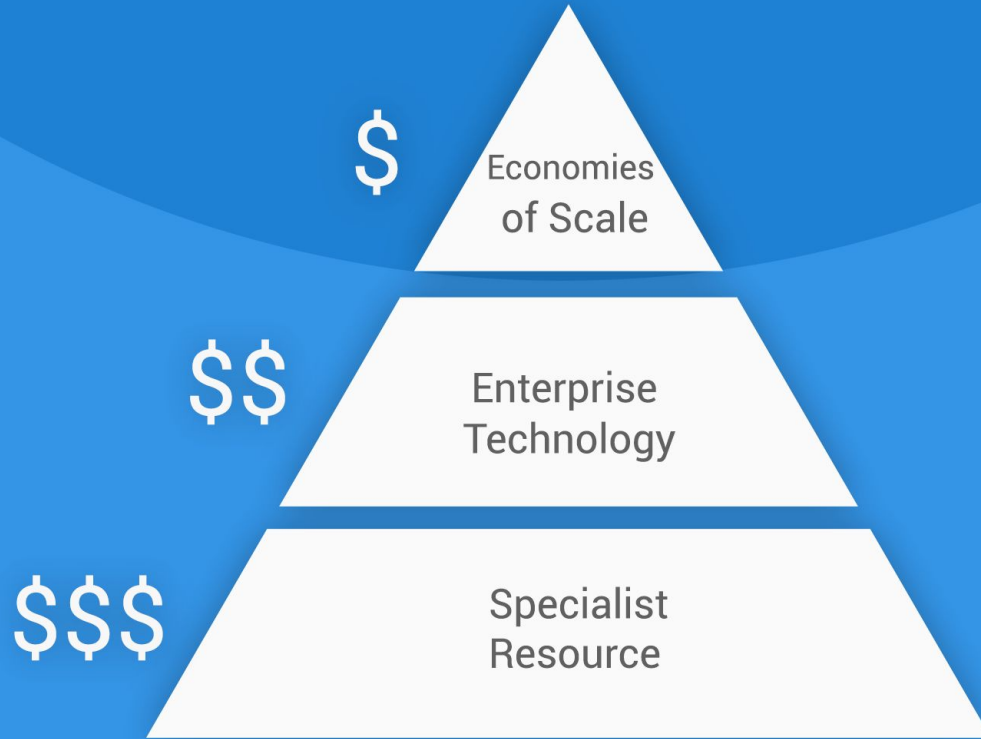


*CX-OS: Customer experience operating system **Data analytics, content, creative, measurement, ecommerce.

The Traditional way of making Money has focused predominantly on Economies of Scale



The agency of the future should flip their traditional model on it's head

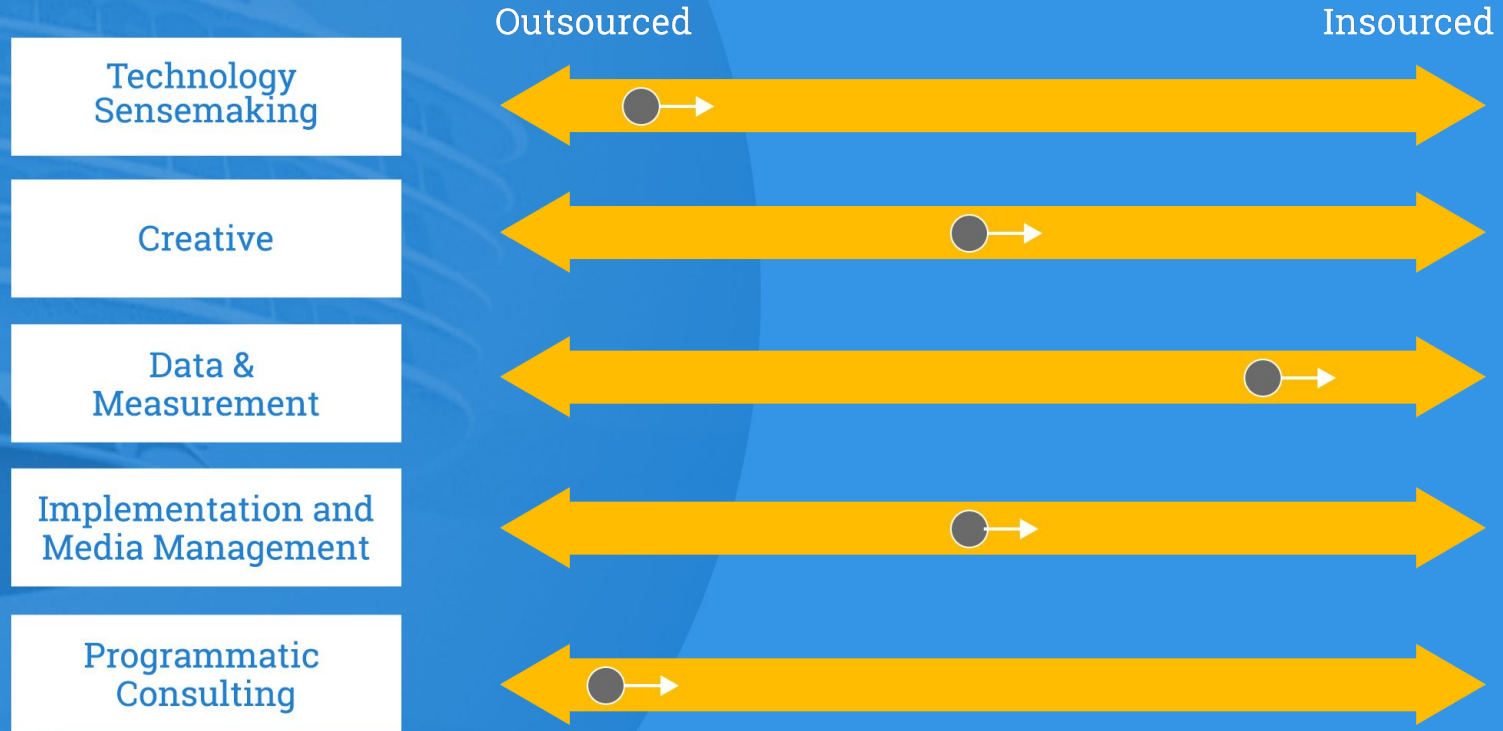




Specialist Resource

...right balance of in/out source for marketers

Services a Marketer Needs



...new skillsets for agencies...



Campaign
Orchestration



Technology
Enablement



Data
Analysis



Programmatic
Specialist

Provide day to day support for clients on understanding customers



In my role I work closely with clients to understand their business needs and provide solutions to achieve them using various methods, including but not limited to, Data Management Platforms

Audience Intelligence Analyst

Jane

Description

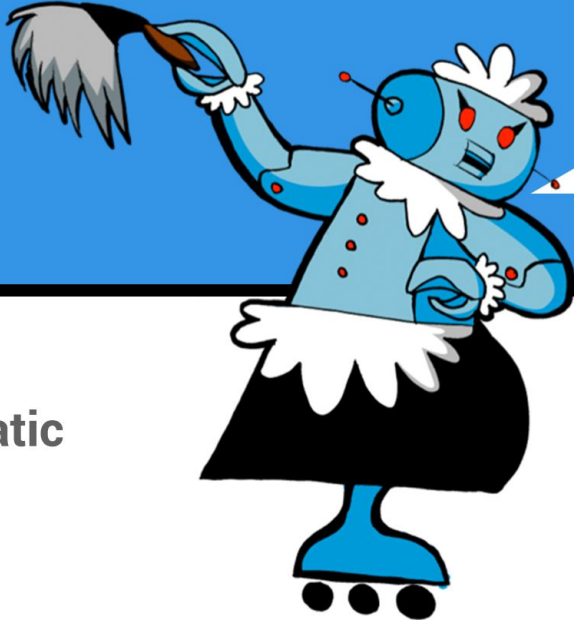
- Assist in packaging and presenting insights to stakeholders
- Work cross-functionally throughout the organisation
- Creating and analysing audiences

Using technology platforms to efficiently place adverts online through real-time-bidding process

I design and implement paid advertising, analysing performance data and identifying ways to optimise performance

Programmatic Buyer

Rosie



Description

- Engages hundreds of ad exchanges and publishers
- Providing regular reports, analysis, insights
- Understand the clients' objectives

Conceptualize and develop design solutions

The role entails working across Strategy, UX and UI design disciplines, to create high performance digital experiences. Including customer journey mapping, sitemaps, high fidelity UI designs, wireframes, interactive prototypes & usability testing.



UX Lead

Jane

Description

- Strong IA and visual design work experience
- Software development lifecycles
- Personalised data driven experiences

Set the tone and the vision to create engaging work that has measurable impact on the client business



I lead all copywriters and designers for multiple accounts responsible for growing and nurturing client relationships, developing creative talent and participating in business development efforts.

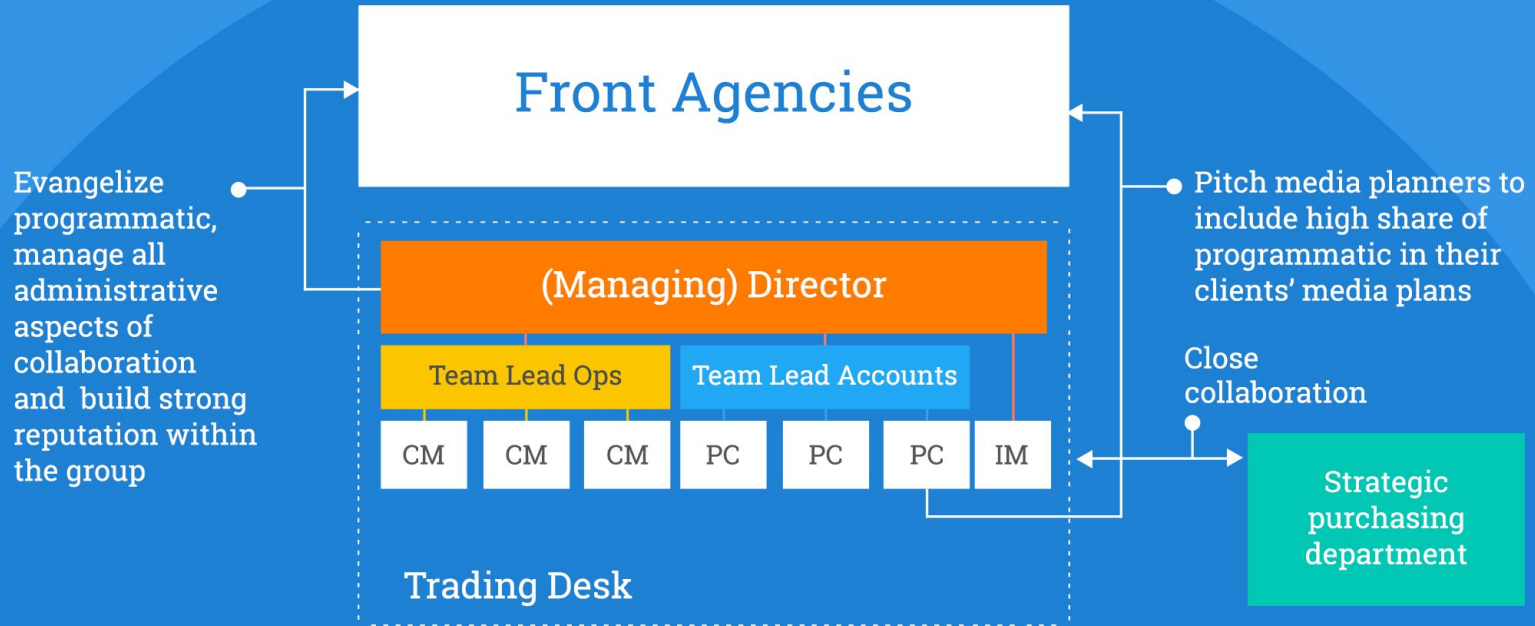
Head of Creative

George

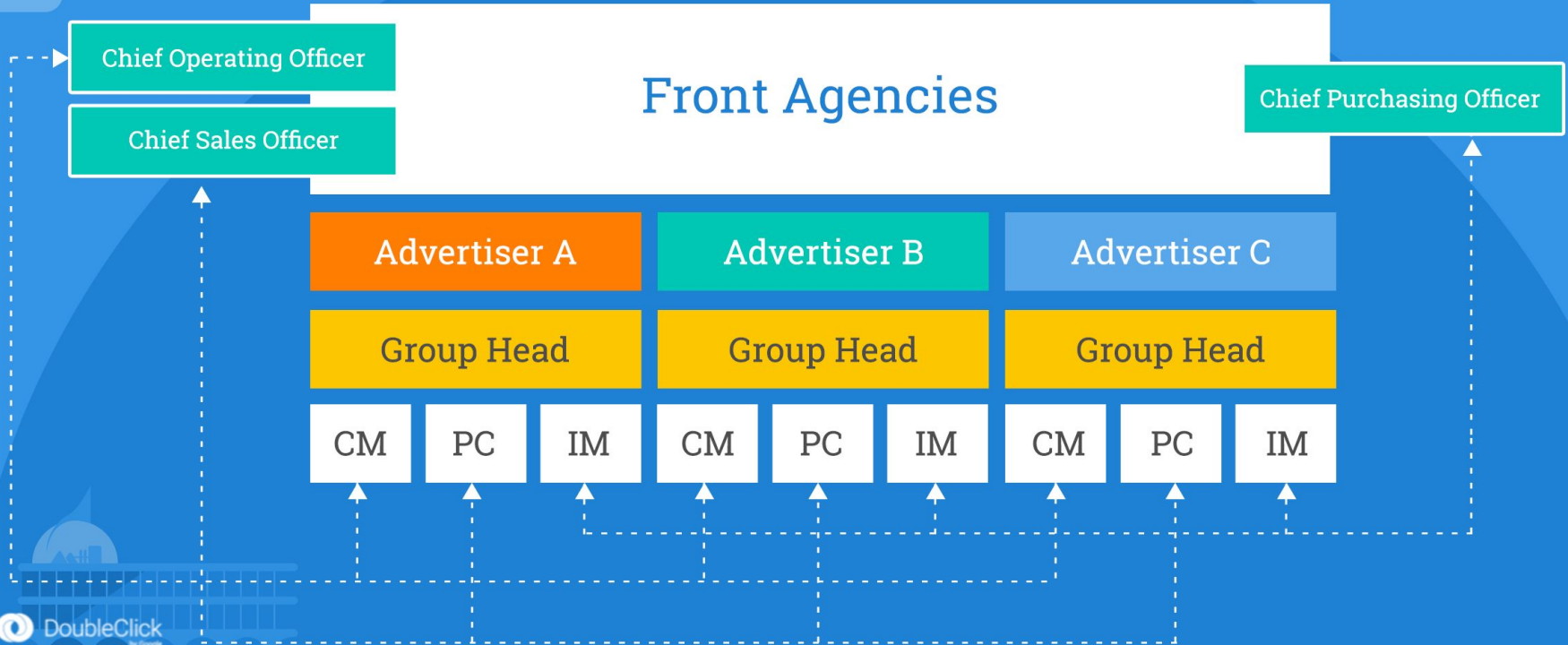
Description

- Develop data-driven direct response materials
- Translate marketing objectives into actionable creative strategies
- Ideate, develop and design experiential creative

Currently most agencies have a centralized structure in place

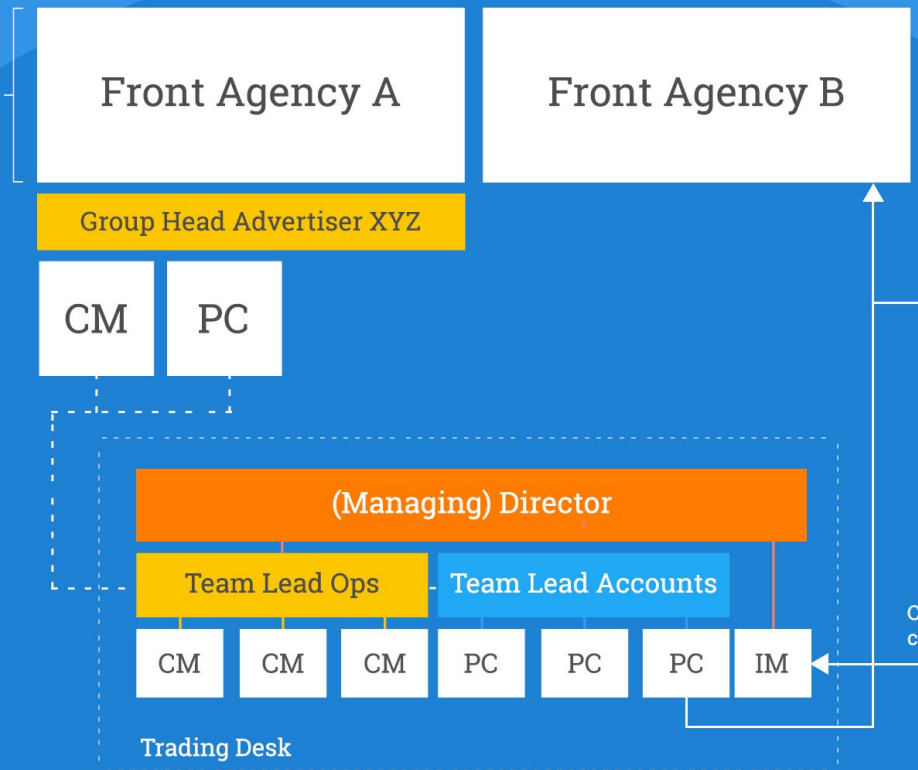


A decentralized model requires matrix organization to benefit from scale



Combine the best of both worlds; a hybrid model

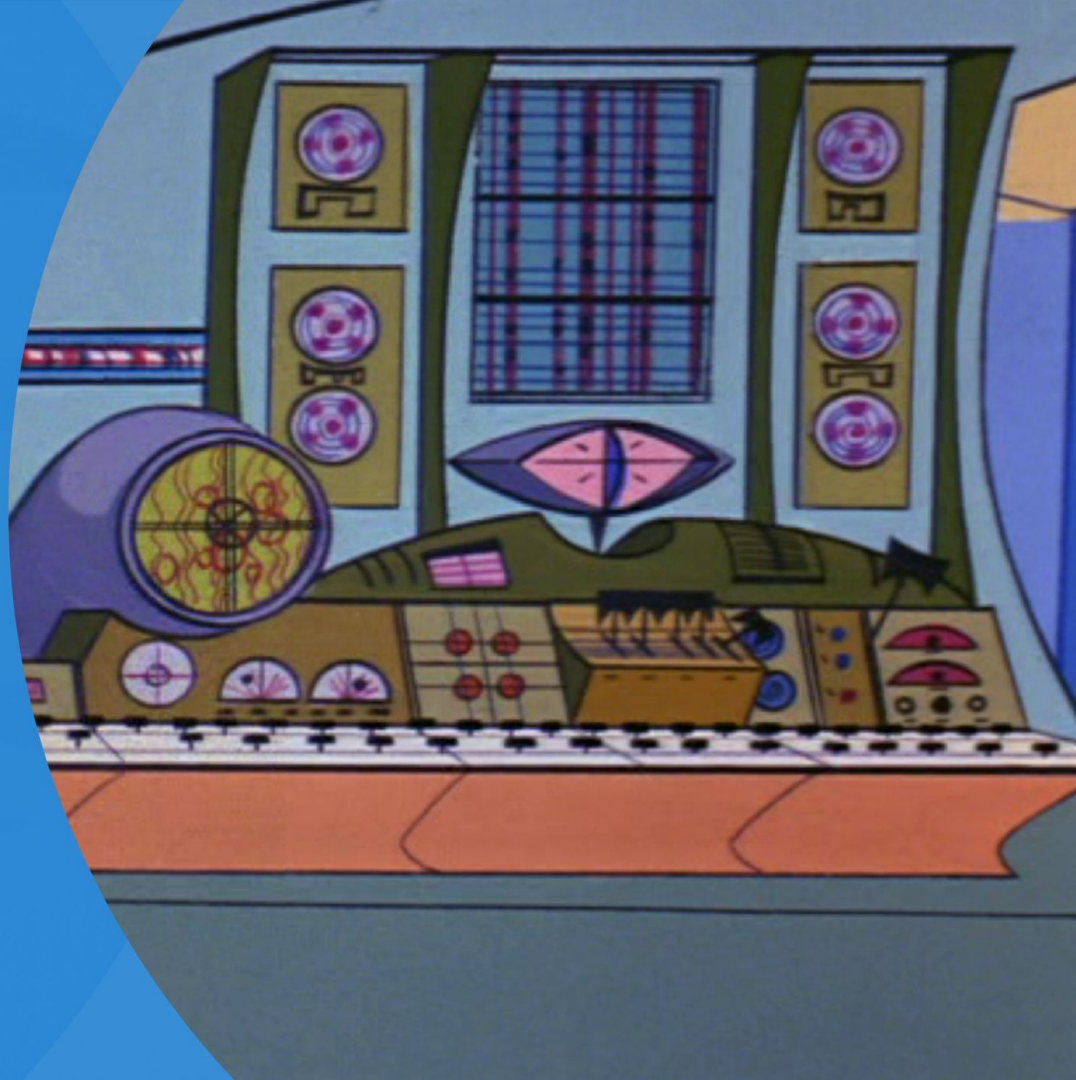
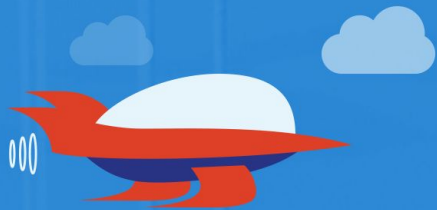
Savvy client signed off on programmatic first strategy; planning team includes distinct programmatic roles with a dotted reporting line into the centralized trading desk



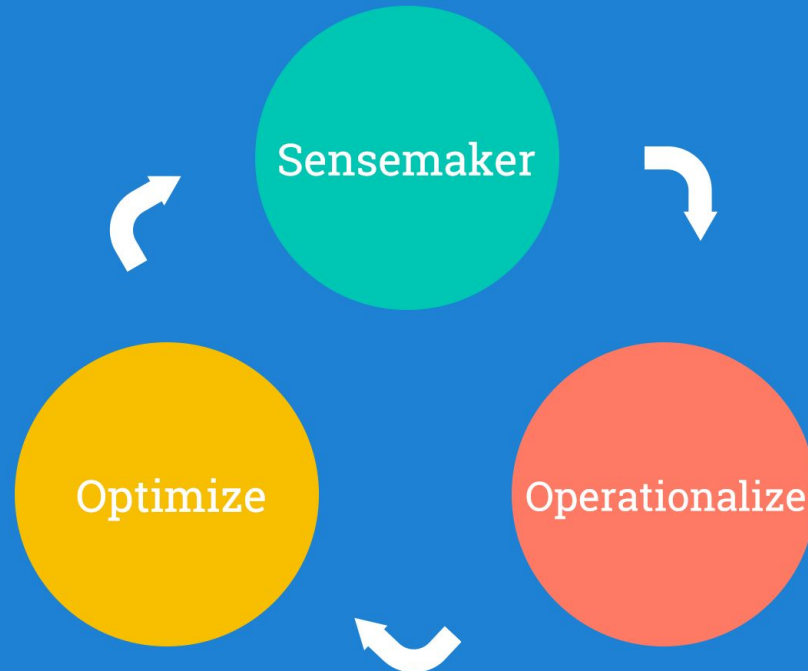
Clients begin to develop understanding of programmatic, but are doing little to medium of it yet, it is still a line item on the media plan

- Pitch media planners to include high share of programmatic in their clients' media plans

Enterprise Technology



Agencies need to establish their role within the virtuous technology cycle



Source: IPA Future of Agencies: Systems and Empathy, 2017

The mid-term opportunity is optimisation and operationalising

Advertising & Promotion

Content & Experience

Social & Relationships

Commerce & Sales

Data

Management



The long term opportunity is sense making

Potential

Integration

Application



Growing role of artificial intelligence

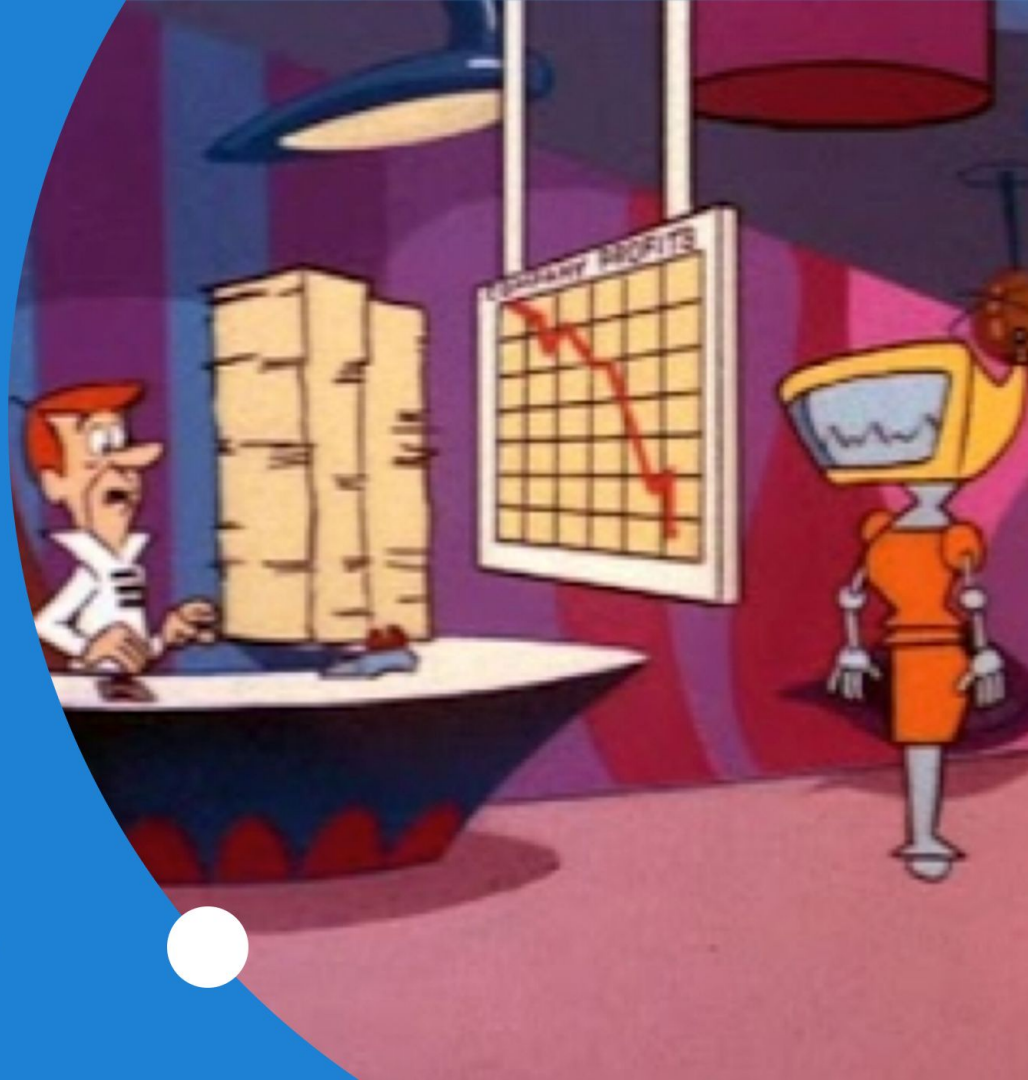


"A client can say 'I want 10,000 new sales in January' and the system predicts what media is needed to generate that press a button and it happens."

Technology Agency CEO



Economies of Scale



Traditionally agencies benefited from their economies of scale



Rates

Tech Rates based on global volumes
Media Incentives

People

Large pool of resources to tap into

Network

Network of agencies and partners that can be leveraged

Scalability

Centralized teams operating the tech and executing



In the future Size economies
will work against
agencies



Difficulty adapting to
new Landscape

Mismatch between
resource **competencies**
and requirements of
marketers

Centralized Structures
reinforce silos, prevent
collaboration and limit
the dissemination of
knowledge across
agencies

Still, there are ways of making economies of scale work for agencies again

Verticalization

Pooling knowledge and expertise in specific industries

Cross Functional Projects

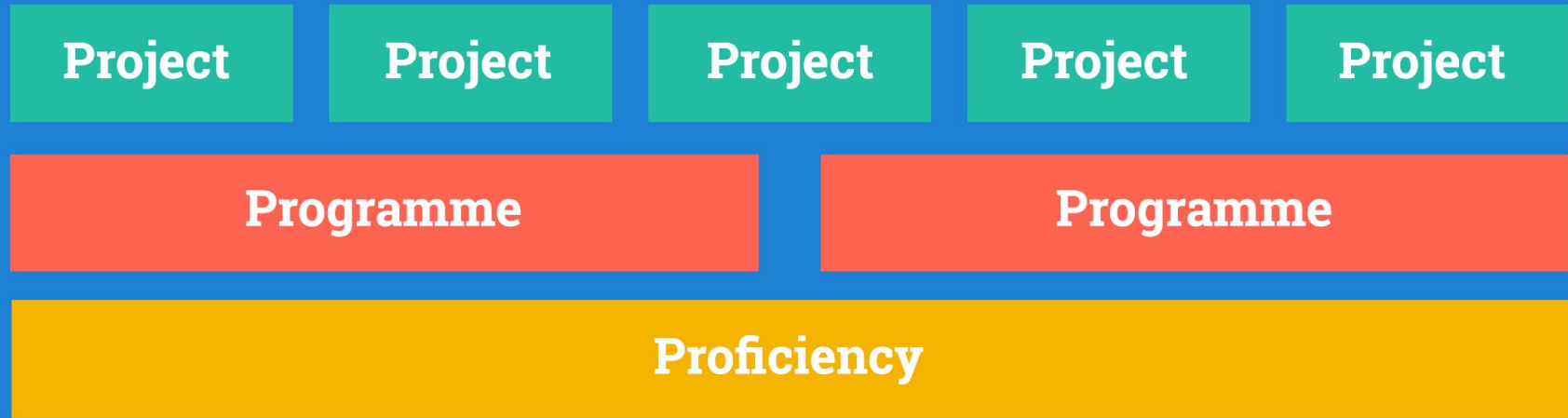
Shifting to a project based model

Leveraging the network

Building new agencies / consolidation or acting as network orchestrators



Agencies are well equipped to shift to a different client engagement approach



— 1 month — 3 month — 6 month — 1 year — 1.5 year — 2 year —>

Source: IPA Future of Agencies: Systems and Empathy, 2017

Thank you

