Space Race

An inside view of the future of communications planning

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Foreword

This is the story of two groups in the world of marketing services, the engineers and the artists. It’s the story of how they lose their power and respect, but then earn it back by combining forces and inventing something new, precious and powerful – a thing called communications planning – a thing so powerful that it shakes the foundations of the creators and transforms them into something new as well. It’s a story whose ending is unknown, because it’s still being written and will take decades to unfold.

However, if you have a stake in this story, and you’re the impatient sort not inclined to wait, then you would do well to read Jim Taylor’s terrific book that follows. Jim has taken on the gargantuan task of not just explaining what communications planning is, but also of predicting where it’s headed, and what that will mean for the marketing services industry globally.

Further, he’s the only one I know who has the guts (and the insights) necessary to make savvy predictions about how this story will eventually turn out, not just next year, but 20 years from now. Not only does he offer dates and numbers, he gives both at the same time – a fine quality in any prediction.

Jim addresses, and answers, these sorts of questions:

- Who will ultimately win when it comes to ownership of communications planning?
• Could media buying be unbundled from media strategy, the same way media services unbundled from the creative agency?
• Will creative development ever be unbundled from production and execution?
• Could we return, full circle, to a new kind of full-service agency in the future, and what sort of agency would this be?

Here’s a bit of background to acquaint you with the territory that Jim knows so well.

In marketing, as in many other endeavours, there is an engineering dimension and an artistic dimension. These are the sorts of companies who have their roots in the engineering dimension:

• media agencies;
• research firms;
• management and marketing consultants;
• direct marketing experts;
• sales promotion shops;
• interactive and online specialists;
• search marketing firms;
• and, importantly, most clients (especially their powerful and expanding procurement departments).

The engineering dimension is the domain of quantitative research, ROI (return on investment) measurement, key performance indicators, budget setting and allocation, single-source tracking, econometric analysis, market modelling, media optimisation, database marketing, ‘analytics’ and so on. The engineering dimension employs this mechanical muscle to eke out usually small (though not insignificant) gains in communications performance. Typically, it takes large companies to compete effectively in the engineering domain because the tools are complex and costly, and only large firms can afford them.

By contrast, the artistic dimension has a very different orientation and approach to marketing problems. These are the sorts of companies who have their roots in the artistic dimension:
• ad agencies;
• production houses;
• directors’ studios;
• communications planning agencies;
• branding experts;
• design and identity shops;
• public relations firms;
• store design and merchandising experts.

On the whole, companies in the artistic dimension have fewer tools and systems – at least, the really expensive kind. For some ad agencies, a cleverly labelled quadrant chart counts as a profound proprietary tool. Generally, it’s not expensive to compete in this space. Although salaries for superstars in established firms are high, the cost and barriers for new entrants are low. Anyone can start an ad agency, and some days, it seems that just about everybody does.

However, even though they don’t have the same tools as the engineers, the artists have one tremendous advantage over the engineers: the artistic dimension possesses the only known ability to produce giant, dramatic leaps in marketing performance (as opposed to the incremental gains delivered by the engineers). The secret to this power is simple. The artistic dimension is the domain of ideas.

While there are significant differences in how marketing engineers and artists look at the world, there are some deep continuities as well. For one thing, neither group is doing such a bang-up job these days. The power of marketing is eroding, and the traditional forms of marketing services on both sides of the divide are proving inadequate to the task of stemming the decline.

What makes matters worse is that both groups suffer from a lack of respect. Many media agency leaders would admit, perhaps off the record, that lack of respect from their creative brethren was a significant catalyst for driving the unbundling of media services from their ad agency parents in the first place.