

Practising what you preach

Tim Williams, Ignition Consulting Group, argues that agencies need to think harder about how they position themselves, to be effective marketers of their services

AGENCIES, LIKE EVERYTHING else, are brands. Yet, of the thousands of firms that call themselves 'advertising agencies', painfully few have a unique reputation of any kind. Agencies need to do for themselves what they do for their clients: build a strong, distinctive brand. But they are usually so eager to be a 'full-service integrated agency' that they try to stand for everything.

Open the pages of a typical agency brochure and you see language like this: 'Jones & Smith is a full-service integrated marketing communications firm serving a wide range of clients in a variety of industries. From advertising to public relations, sales promotion to internet marketing, we're dedicated to generating results for our clients through smart strategic thinking and creative marketing solutions.'

What agency does not promise strategic thinking, creative solutions and results? Language like this does absolutely nothing to set one agency apart from another, not to mention the use of shop-worn terms like 'full-service' and 'integrated'. Is it any wonder that most clients have no idea what distinguishes one agency from another? Standing for everything is just another way of standing for nothing.

The middle of the road is a dangerous place

There is a stretch of highway in the Utah desert that is an absolutely straight line for 40 miles. If you drive this long, lonely road at night, you experience what the locals call 'white line fever'. The white dividing lines take on a mesmerising quality, and you begin to drift to the middle of the road just to stay awake. As brands, advertising agencies have this tendency - to move to the middle.

Branding your agency means moving from the middle and taking a side. It means realising that you cannot 'boil the ocean'. If you do not claim a position, you will be positioned simply by your geographic location - which is no position at all.

It is like a client who wants everything in an ad to be of equal size - the photo, the headline, the copy and the logo. Smart agencies remind their clients that all emphasis is no emphasis. But the same is true for agencies. By trying to appeal to everyone, they appeal to no one.

When it comes to defining a brand, agencies must not only decide what they are, but what they are not. It troubles many agency professionals to realise that the goal of defining a strong agency brand is not to try to appeal to a larger number of clients, but fewer. In other words, if you transform your agency from a commodity into a brand, not everybody will be a prospective client. Some clients will be attracted to you and some will not. That is all right, because the ones who are attracted are strongly attracted. And that is what gives an agency its competitive advantage.

Doing what you do best

Another way of looking at the issue of branding for agencies is to ask: 'What reason can we give prospective clients

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outside our market to do business with us?' Most agency-client relationships are the result of proximity - you simply happen to be close by. But what about the larger accounts (with more money) that are hundreds of miles away? If you want those kinds of clients, you will not get them by being just another 'full-service agency'. For a start, consider a few questions.

1. What kind of clients have you been most successful in attracting in the past?
2. In what areas do you have superior knowledge or expertise?
3. What do you do particularly well, perhaps better than most other agencies?
4. What do you most enjoy doing? What do you hate doing?
5. What business are you really in?
6. What is the one thing your agency is most known for?
7. What kind of focus would you choose if you were starting your agency for the first time?

Planting a stake in the ground

Why have traditional department stores in the US died, while niche players like Home Depot, PetsMart and Office Max have thrived? It is a story of the generalist vs the specialist. The same thinking can be applied to professional service firms. In fact, there are a number of ways agencies can differentiate themselves in a 'commoditised' agency world.

1. Focusing on a discipline One of the most obvious (but also most effective) ways to focus a marketing communications organisation is to be expert in a discipline. Direct marketing has long been a speciality, as have sales promotion, recruitment advertising, public relations and design. In the last decade, interactive agencies have appeared on the scene, along with the more recent phenomenon of brand consultancies.

Other interesting examples are the agencies that do 'creative only', 'media only', 'ideas only', 'strategy only' or 'production only'. BrightHouse in Atlanta, ►



Tim Williams leads Ignition Consulting Group, a consultancy that works with marketing communications firms to help them improve the way they lead, manage, and market their companies.

US has built a successful business following an 'ideas only' business model. Doing one thing - and doing it well - is still a remarkably successful business strategy for marketing communications firms.

2. Focusing on a category The agencies that have built a skill-set in a particular industry are often much more successful in new business than typical agencies that try to be all things to all people. Agency experts can be found in business-to-business, healthcare, pharmaceuticals, retail, entertainment, fashion, travel, real estate, financial services, technology, issues advertising and even 'urban marketing'.

A small agency in the western US has built an international reputation in 'natural products'. Makers of herbal supplements, homoeopathic remedies, organic foods and other natural products from all over the world seek out this talented, focused agency. In Philadelphia, US, a fast-growing agency known as Red Tettemer calls itself 'the communications company for communications companies', with a roster of blue-chip 'communications brands' like Fox, the Weather Channel, TNT, Showtime, Comcast, CNN, History Channel and VH1. In recent years, this agency doubled its staff and added marquee clients.

3. Focusing on an audience Yet another way agencies can focus is to develop core competencies around a particular audience. There are agencies that specialise in marketing to women, seniors, youth, Latinos, African-Americans, Asians and outdoor enthusiasts. A successful agency in Portland, Oregon, US, built its business based on an expertise in a very specialised but influential audience: engineers. Even large agencies are following suit; McCann-Erickson has a unit that specialises in marketing to 18-24 year olds.

Focusing on an audience is a particularly powerful form of positioning,

because it allows you to develop a thorough understanding of the attitudes, values, habits, wants, needs, motivations and behaviours of a particular class of people. This in-depth knowledge is infinitely attractive to companies that market to these consumer segments.

Sometimes the best - and most unusual - agency positionings come from combining some of the above elements in unconventional ways. An agency in San Diego, US, is positioned around 'active lifestyles'. It represents products and services ranging from golf to resort hotels to sports nutrition bars. An agency nestled in the lakes and mountains of the north-eastern US developed a focus on outdoor recreation and summarised its focus in a single word: 'play'. In the 'breadbasket of America', a mid-western US agency transformed its historical experience in agricultural products into an expertise it called the 'ruralopolitan' market. Having an exhaustive understanding of the residents of rural areas gives this agency an almost unfair advantage when it comes to marketing products and services targeted to this demographically important but sometimes undervalued audience.

You may argue that these kinds of specialists are not the largest agencies. Maybe not. They are, however, some of the most profitable.

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Is 'creativity' a positioning?

Despite the fact that only a handful of agencies have earned recognition as creative leaders, virtually every agency claims creative leadership. The fact that virtually every agency talks about creativity is one of the main reasons agencies tend to look and sound alike to prospective clients, and why the promise of 'killer creative' has lost its meaning. To add to the irony, the agencies that really are creative leaders rarely claim to be. Nordstrom, the department store with far and away the best service, never brags about service.

So is creativity a point of difference? Yes, but a dangerous one. Only a few agencies can rightfully claim it, and most of those who can, do not.

Bringing the agency brand to life

Once defined, your positioning must be brought to life in all your business practices - your product, people, process, promotion and place of business. In aligning these practices with your positioning, consider questions like the following.

To deliver on our positioning, how do we need to change or focus our line-up of services and capabilities?

How should we change the way we select, train and develop our people?

How can we make the most of our point of difference in new business?

Remember that your goal is not to show how you are just like other leading agencies. It is to show how you are different. What is true in positioning is true in new business and agency promotion: effectiveness requires sacrifice

you cannot be good at everything and you cannot go after everybody

pursue the clients who want you for what you can do, not what you can not do seek relationships only with clients who want what you can deliver

do not fake through your weaknesses; capitalise on your strengths. ■

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