

# duck!

*Advertising is in for some painful contractions, says Jeñ Loeb. But after the pain will come the birth of creative revolution...*

It's late, late, late on a slightly soggy Manhattan night. In the corner of my apartment, the glowing eye that never blinks but always flickers glares at me, continuously recycling the previously recounted, as talking head after talking head probes and parses the latest dizzy-making gyration of the global markets. Thesis: when you combine the collapse of institutions, worldwide financial panic and a sharp kick in the chicken tenders to capitalism's favourite hind-tit-sucker - the advertising industry, of course - it all seems eerily familiar. Synthesis: you can still love history even if you hate living through it. In any event, here we are, incontrovertibly back to the future, where for reasons known best to oracles, entrails-readers and fiscal theorists, Deja Vu and his irritating cousins Been There and Done That have decided that now would be a splendid time to remind us that a mere six years after swallowing the last heaped helping of dotcom/9-11 recessionary stew, we are again forced to contend with circumstances that were easily predicted but entirely out of our control. It all makes you long for a little old-fashioned market-propping irrational exuberance. Or, at the least, for a modicum of stability in what has become, without doubt, the meanest decade in the history of marketing arts and crafts in the US. In fact, between the panic now taking a star turn on CNN, widening web 2.0 media fragmentation and the lingering sense that this e-ticket ride will take its own sweet time to reach rock bottom, we have to wonder what fate with throw at us next. On second thought, maybe we don't want to know. Of course, it would be severely misleading to call this a mirror image of events past. For one thing, March 2001 brought an economic tsunami that

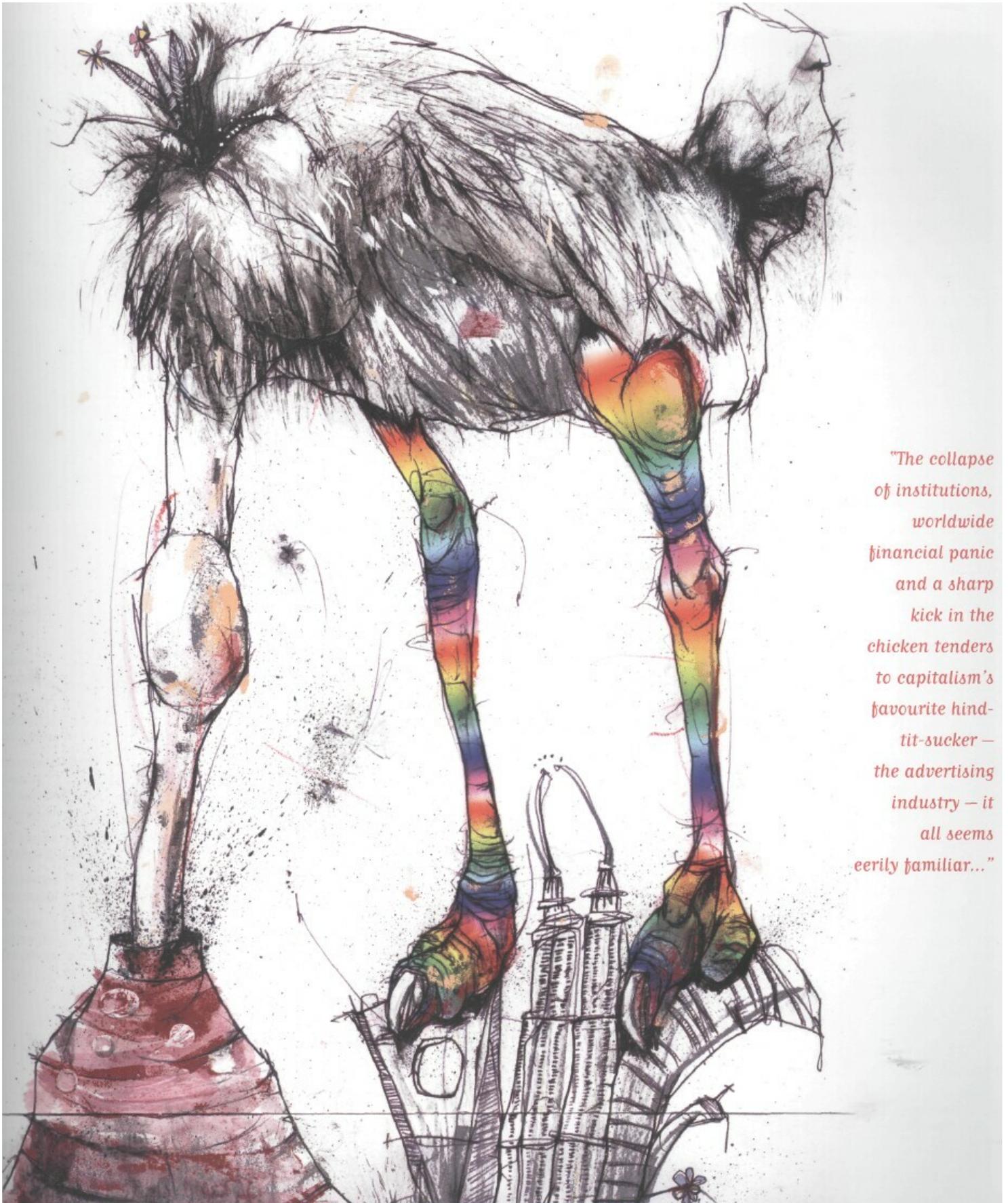
swept upwards of 30 per cent of advertising jobs into the briny deep, where they swiftly and irrevocably disappeared. This time we seem destined to experience death by a thousand pink slip paper cuts - particularly as the large publicly traded agencies reluctantly but inexorably trim their ranks. Similarly, if memory serves well, the dotcom bust resulted in the great arrow of advertising growth trending deeply into net negative territory as long as flaming debris continued to rain out of the sky. By contrast, if Publicis unit ZenithOptimedia is right, we'll see an advance of between 1.5 and 1.6 per cent through 2009. And, no, I won't propose renaming the firm ZenithOptimisticmedia for projecting any positive movement whatsoever.

What I will suggest is that limited certainty comes in twos. The first is that, yes, some agencies and more than a few jobs will inevitably become casualties of what many believe will be a long and fairly deep recessionary dip in marketing services. The heartbreaking poster child? In its first major win for a long time, Ogilvy New York picked up the \$145m Wachovia Bank business only to see that bank melt before a drop of ink could dry on the contract. But there's a second, far more upbeat perspective: we all know that it's in the nature of market cycles to be circular and that recovery from what's going around will come around at some devoutly-to-be-wished point in time.

Reflecting on a conversation with Madhu Malhan, vice president/director of creative branding at Publicis USA, it crosses my mind that maybe, just maybe, it's not too soon to think about considering what might lie on the other side of the dark glass. If you've never heard of Madhu, she's the proud possessor of one of the most

unique careers in the business. A former 15-year executive director of the Advertising Club of New York - sponsors of the International ANDY Awards - she spent the following years as 'Minister of Culture' for Ogilvy in New York before assuming her new post with this brand image-making brief: "To make sure Publicis is part of the creative conversation, wherever it occurs." Her informed view is that these are entirely novel circumstances for the vast majority of those working in advertising. "We've lived through recessions before, but nothing with the economic gravity of current conditions," she says. She also believes that it's entirely natural for people to "start battening down the hatches and hope this doesn't last too long".

But, if Madhu's calculus is correct, that won't be the best survival strategy for either the industry as a whole or the people who labour therein. In fact she, like yours truly, believes that the current contractions will, even if they fail to give birth to anything entirely new, almost certainly accelerate developments WYat were already having a transformative impact. "It goes without saying that we'll all have to be increasingly 360-degree-literate," she declares. "And that's just as essential for agencies who will need to find ways to demonstrate their bottom line value to clients as it will be for agency employees who need to do the same for their employers." What's the likely impact for the post-carnage creative? While Madhu does acknowledge that many bigger brands and larger agencies will wind up "playing it safe", she also presents the intriguing prospect that the crisis will provoke a new crop of imaginative thinkers to mine fresh creative territory. "People will leave the larger



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agencies, voluntarily or not, resulting in a fresh batch of entrepreneurs, determined to do things differently and better," she argues. "And that could prompt an exciting new creative revolution." All of which leads me to make the next mental leap and start speculating about whether the

industry that emerges from the current fiscal firestorm will be exactly the same as the one that went in. After-ail, history illustrates that major US economic upheavals - Midwestern farmers contemplating open revolt during the Great Depression of 1929, for example - have always

had a powerfully radicalising influence on society. And if this truly is "economic freefall", we know exactly what can happen. Very interesting things float free. 

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