

Longer client-agency relationships produce great work

By  Danette Breitenbach

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On his recent visit to South Africa, president & CEO at Scopen, Cesar Vacchiano shared insights from the latest Agency Scope in South Africa.



Source: © 123rf [123rf](#) The 2023 Agency Scope found that clients want to sit in the same room with their agencies

The research shows that SA is a little behind in certain areas.

“CMOs are not always up to date on what is happening in their industries. This makes them uncomfortable in making decisions and investing into new products. Because CMOs are behind, their agencies tend to lag as well,” says Cesar Vacchiano.

A key area where this can be seen is retail media, in particular with modern retailers and marketplaces, such as Amazon.

“Instead, this is being driven more by retailers themselves, who are implementing big changes. Checkers is an example of a brand that has evolved and moved into that space, reinforcing it as a brand enormously in a very short period of time,” explains Vacchiano.

However, Vacchiano says, SA is one of the countries where we see great creative talent and SA agencies are winning internationally, such as at Cannes, and this includes both big legacy agencies and young independent agencies.



#AgencyScopeSA Part 1: CMOs want integrated agencies and other key findings

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SA a hub

So much so that the country is becoming a hub for solving certain needs for clients based in other countries. These include not only sub-Saharan African countries but in the UK and other English-speaking markets. This is because local agencies combine two competitive advantages: talent and experience as well as sometimes including competitive cost and pricing.

Same room equals bigger ideas

That said, clients want more and more for their agencies to be in the same city as they operate as they realise just how important it is to work with their agencies live rather than remotely. The bottom line is that being in the same room produces bigger ideas.

Less inhouse, more outsourced

The good news for agencies is that marketers are trying to solve less needs in-house.

Inhouse, across all disciplines, is decreasing, mainly because clients have realised just how difficult it is to identify, attract and retain creative talent.

“Creative talent is not happy working with the same brand and the same challenges every day. They prefer to work with different sectors and categories and challenges within these. They need to be inspired, to attend festivals and awards and participate as jurors, and that does not happen if they are working in a client company,” says Vacchiano.

The people with more technical profiles, such as programming, software, etc. clients have realised they need to invest heavily in training of people with more technical profiles to keep these profiles updated but they are not good at training their employees.

Big corporations and companies also want to reduce their headcount, so the more they can outsource the better.



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Longer relationships

Client-agency relationships are longer.

“It was caused by Covid, but also because clients and agencies understand that longer relationships produce a better understanding and more confidence in each other. They know that working on an ongoing basis with their agencies allows for sharing thoughts, strategies, data, and learnings and how this produces good work,” explains Vacchiano.

There are fewer project-based relationships and when we do find these, they are mainly independent agencies and smaller client companies.

How CMOs want to work with agencies

Brands on average work with 15 different partners in SA, choosing one agency to be the lead agency. This is generally an agency that is a strong partner in creativity - the one that produces the big ideas.

CMOs also want to work with agencies that can solve all their needs. "Integrated agencies are difficult to find as they need the best talent in a variety of disciplines, but it is a challenge to identify, attract and retain that talent," says Vacchiano.

He adds that 50% of clients want to work with a specialist.

At the same time, CMOs want agencies to share clients, with different teams working on one brand.

"Agencies have different types and levels of expertise as well as an understanding of a category and discipline, such as B2B, social, etc. Clients know this and want to tap into this, regardless of the agency," says Vacchiano.

Awards for inspiration

During Covid agencies could not attend festivals and awards, now they attending these again.

"Attending these inspires creatives and they learn what is happening internationally and in other sectors, and that is inspiring for them," says Vacchiano.

He adds that clients use awards as a reference when choosing agencies.

AI and its benefits

"Agencies will benefit from AI to work faster and save time as well as save in cost. They are starting to understand that used in a good way, in that AI can produce certain benefits in our world of marketing and communications," says Vacchiano.

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from VMts.

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