

MEDIA BLOG

ADVERTISING'S PAST IS HISTORY IS THE FUTURE A MYSTERY?

Nowadays, you can see the past, present and future of advertising and social media in just a few clicks on Youtube. For some reason, Sesame Street recently felt it was time to pay homage to the past and to Mad Men. I am still trying to flash back to my youth and remember the last time a stuffed puppet used the word "Sycophant". Maybe the kids nowadays will be able to twitter each other and figure out the meaning of this. The real series, Mad Men, continues on beyond three seasons with such a cult following that Mattel this week launched Mad Men Ken and Barbie figures. But what most impressed me about the past was the 'top to top" relationship agencies have with their clients. It's interesting to note this is still alive and well in India, and surprisingly, still alive for the best agencies in China. One of those – Meikao, who performed very well in our China Research – believes that the "toilet bowl" is the symbol of their approach. And yet despite the obvious connotations, they maintain strong relations with the CEO's of some of China's most successful companies – literally flushed with success.

For the present, the best show on advertising comes from Down Under. It's called "The Gruen Transfer" (don't ask why – the website can tell you) and it's made heroes and anti-heroes of its stars. According to local media, advertising in Australia has now become sexy again, thanks to "The Gruen Effect". This type of format could do wonders for the industry in other markets where advertising needs a boost – I can easily see this concept working in China, Taiwan, Thailand, Philippines and Malaysia. Of course, India is ahead of the curve already with "Storyboard" and another four different clones of the same thing. It's almost as if a senior advertising figure went to India and didn't get interviewed for television, then surely questions would be asked.

So what's next? Where's the future?

Well surely, social media will lead the way. For the most entertaining video you'll watch this week, go no further than <u>"The Social Media Guru"</u>, a pointed satire from an Irish journalist on digital agencies (Warning – this one is not as child friendly as Sesame Street!). Most of the marketers we work with now are dabbling in this area – but it's the ones with a coherent long term strategy that are going to get the benefit. According to the latest issue of AdAge, while total spending on digital



in 2010 represents 16.2% of US marketing spending, social media only makes up 0.5% of that (by the way , paid search leads the way at 7.8% - that makes Google the 'frenemy we paid \$850m to" as Sir Martin called them). While that may seem a small percentage, it's going to become a crucial one – one where reputations are won and lost, where brands are created and embraced by consumers not by companies. Already in China, we're seeing the emergence of Social Media specialists such as Resonance, Evermotion, 1024 and others – working with clients to optimize consumer connections. It's going to challenge marketers and agencies together to find the right path – the best ones will, and the creativity that will potentially be unleashed will make Don Draper quake in his boots.

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