

Scopen Agency Scope: "Not just an opinion, it's actually ground in reality"

 By [Leigh Andrews](#)

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Johanna McDowell of the IAS is also the South African partner of Scopen. Over what she described as 'the best sandwich ever' at Bizcommunity's offices in the MadWorld Orange Block in Woodstock, McDowell shared a wealth of insights into the local marketing-agency relationship, as well as SA-specific insights and what attendees can expect from the upcoming Scopen masterclasses.



Scopen global EO César Vacchiano with South African partner Johanna McDowell.

McDowell explained they will be running three Scopen masterclasses for marketers who participated in the second-ever SA Scopen Agency Scope study – starting in Johannesburg this afternoon, then in Durban on 22 February and in Cape Town on 1 March. The reason? They have roughly 200 slides of critical information for marketers, based on responses from the 217 CMOs and professionals from the country's largest companies, having undergone face-to-face interviews with Scopen researchers between June and September 2017. The client-agency relationships, in particular, were explored across creativity, execution, strategy and even account services.



Getting to grips with the Scopen Agency Scope 2017

Leigh Andrews 22 Nov 2017



Seeing the information presented in this way will help them remember what they said and how they participated, which will make it valuable for them, says McDowell. Even better? It's free to attend if you participated in Scopen Agency Scope, and marketers who didn't participate can still do so for a fee. Each marketer will also walk away with a summarised copy of the marketing trends, being printed at the time of our talk. Win-win!

On her role as South African partner at Scopen, McDowell said:

“Every year I go to the AdForum Summit, and when I first went eight or nine years ago, I met the people from Scopen and wondered what they did. I thought it would be similar to what we do, and they *do* do some of what we do, but the main thing they do is their study into the marketing communications industry. I thought it was interesting when I started seeing some of their data when I was in Latin America, in Brazil about four years ago.”

“I thought it would be so wonderful to have in South Africa, as we just don’t have anything like it. So I asked global EO César Vacchiano, ‘Have you ever thought of coming to South Africa?’ He said: ‘We’d love to do it there, Johanna, but we need people on the ground.’ So, I said, ‘Well, here I am,’ and that was that. We formed a partnership, and the relationship is that Scopen Africa is owned 74% by Scopen Global and 26% by black-owned marketing services group, Mazole Holdings, which is also the holding company for the IAS. So that’s the relationship. I’m the director here, and obviously a shareholder, but Scopen Global is the majority.”

McDowell also took the time to comment on specific trend outtakes from the survey, which have implications for marketers and advertisers alike:

Preferences for integration v specialisation

When we first did the SA study in 2016, our sample size was 70 of the top 100 advertisers. Our sample this time is 200, so we’ve got everybody who spends any money, really. And what was interesting, with the 70 in 2016, is that they showed a preference for integration. We asked them how they were working currently, and they said they have a separate digital agency and a separate creative agency, and they wanted to integrate them.

That’s still the case, even with the big sample. One of the reasons for that is because particularly with the smaller-sized clients, they don’t want to split their adspend across three or four different agencies. It’s too much, it’s too time-consuming, and they don’t think they get economies of scale... But the paradox is that although they want everything in one place, there’s also still a need for specialisation, in digital particularly, when it comes to the more ‘business transformational’ work.

So, what I call the ‘light digital’ – social media, banners on websites, all that stuff – can be done by the integrated agency. But when it comes to solving serious business issues or changing the way a business might work, that’s going to need a very deep digital expertise, and that’s what’s found in the specialist agencies.

Satisfaction levels with agencies

79% of those marketers who were interviewed said they were quite happy with their current agency. The 21% who aren’t happy will obviously look around. But when we asked a different question: “Are you likely to change your agency,” more than 26% said they would be. What that tells us is that even though clients are happy, they still might change because they’re looking for something more, something different.

Clients say they’re happy with their agencies, and yet, we’re probing, so there are more than a hundred questions asked in the space of an hour to an hour-and-a-half, it’s not an online survey. Senior researchers are talking to these marketers and it ends up being quite a therapy session. The marketers can offload and talk about what’s really bothering them, so a lot of stuff comes out. It’s very different having someone experienced in front of you, asking questions and getting you to talk.

So, they may well be satisfied with their agency, and we don't actually know whether that 26% who say they are likely to change their agency comes from the 79% who say they're happy with their current agency. So although marketers say they're happy with their agency, and by and large they seem to be so, which is in line with results from the rest of the world, they still will look, because they're always looking for a solution, or the Holy Grail, or something new. And that's their job, they need to do that.

Concerns with the consumer and their changing environment

The agencies and the marketers were both asked the same question, and they were quite aligned in that an understanding of the consumer is the most important thing. The marketers also want the agencies to be able to work within their budgets because their budgets have declined and nobody sees anything really increasing dramatically in the next year, so that's a major concern. So it's really about understanding the consumer and what's driving them, working within their budgets, and then a greater understanding of the marketers' business by agencies, and to understand what the priorities are for marketers.

Contribution by agencies to business growth of marketers

There's been a decline in this. In 2016, the percentage was something in the order of about 25% contribution to their business growth. But in 2017, it was down to just 17%, which was lower than the global average. I suspect that's due to the economy.

“ In a tough economic environment where every rand counts, an agency with satisfied clients is in a much more sustainable position and is able to grow their own business along with the business of their clients. ”

But I also think some of the smaller marketers don't really have the tools to know what contribution their agency is making, or they're working with agencies that don't have the tools to help them do so.

Creative agencies and media agencies to watch and follow

Rather than listing the specific ones that came out tops, as you'll see who they are in the printed document, this is what made them stand out:

They're a mixture of independent agencies, network agencies, and media agencies. What made them stand out is the changes between 2016 and 2017 and the ones that have done so much better or seem to have come from nowhere. One of the agencies, for example, was in position 17 in terms of awareness last time around and now has gone up to the fourth position. That's how we selected the ones that marketers should notice as standouts.

Creating a long list – how are marketers doing this?

There are about five different ways they do so, but the main way is that they're approached. They also look at recommendations from marketing friends or colleagues. I found it interesting that there's a decline in the number of marketers who say that they would select an agency through friends in the agency business. That's good. They also could have heard about a particular agency and read things in the media, and they say they don't use consultants like us.

Let's end with a few tips on what to look for when selecting an agency to work with. What would you recommend?

When marketers put together their long list, the thing that matters to them the most are the case studies that the agency produces. The thing that matters to them the least is awards, which tend to be promoted the most. That's not to say awards are not important, they do have a role to play.



Do award shows really matter?

Jessica Tennant 6 Dec 2017



But in a case study, what's important and what's changed is that when I first started the IAS work 10 years ago, agencies would put together a case study and they'd talk about the awards they'd won first. Now, they've trained themselves, so their case studies reflect what changed for the brand. Did it produce sales? That's all that marketers are interested in: How are you going to increase my bottom line? What's my revenue generator?

Marketers are also not interested in the number of likes on Facebook. What did those 3,000 likes lead to, in terms of sales and revenue? When marketers are selecting agencies, that's what they look for.



A view of independent agencies in South Africa

César Vacchiano 4 Apr 2017



So let's say marketers are looking through the credentials, that's what they've got to find – case studies that resonate with them, and the agency doesn't necessarily have to have worked in their category before.

In fact, quite refreshingly, the last couple of pitches we've done, one of the clients – in the automotive sector – said, "We'd rather not have agencies that have lots of automotive experience." Because they want to do things differently. And unfortunately, people who have done things in a certain way at different agencies might think, "That worked, so it's how we'll do it again and again."

Clients don't want that formulaic approach. So experience is important, but it doesn't have to be in that area. I say that to marketers as well as to agencies. It might take the agencies a bit longer to understand the business but they'll come at it in a different way, and that's what you want, or else why would you change your agency?

What's been interesting for me in the last two years is to see, and a couple of agencies have commented on this now, how well Scopen has taken off in SA. And it's certainly helped that we're very aggressive with our marketing, but it's proper content. At last, it's not just about an opinion, it's actually ground in reality. The Scopen results, for the agencies that have seen them, have both verified things for them and surprised them, helping them to change and to improve. In the end, that's all we want.

“ We want them to be able to look at it like a blueprint for what they should be doing to get to that stage. It shows them where all their competitors are – there's never been anything like this here. It's groundbreaking and that's why it's been so successful, so quickly. ”

We also encourage the agencies to use those results in their PR. Obviously not by talking about other agencies, but in their own marketing and credentials, as agencies all over the rest of the world are doing.



Scopen: Industry trends in Mexico vs South Africa

César Vacchiano 20 Jul 2017



The results definitely mean something to the marketers, and they're proud of their results – as are we. So hopefully in 2019,

it won't be a hard sell to get those Scopen Agency Scope interviews.

Here's hoping, as this level of knowledge is crucial in running your business and improving the marketer-agency relationship.

The 2018 Marketers Masterclass 3 cities tour:

- Johannesburg, 7 February at the IoD – Institute of Directors, Graystonridge Office Park, 144 Katherine Street, Sandton from 2pm – 4:30pm
- Durban, Umhlanga Rocks, 22 February 2018 at the Square Boutique Hotel and Spa from 9am – 11:30am
- Cape Town, 1 March 2018 at the Winchester Mansions Hotel from 9am – 11:30am.

Attendance is free for respondents who participated in the study fieldwork, and R2,500 ex-VAT per person for other marketers. All attendees will receive a complimentary printed copy of the 2017/18 Agency Scope Marketers' Report, containing the 15 trends. To enrol for any of the classes contact Hlamazi Mabunda on hlabunda@scopen.co.za or call 010 594 0281.

ABOUT LEIGH ANDREWS

Leigh Andrews AKA the #MilkshakeQueen, is former Editor-in-Chief: Marketing & Media at Bizcommunity.com, with a passion for issues of diversity, inclusion and equality, and of course, gourmet food and drinks! She can be reached on Twitter at @Leigh_Andrews.

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