

The changing face of digital agencies - adapt or die

By Tom Fels

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Over the past two decades, the digital world has undergone a rapid evolution - from marketing mix newcomer, to a mandatory (yet not fully understood) element of brand communications

From being just one part of the media mix, to become the underlying disruptor that is changing business structures, strategies and methodologies at a fundamental level. If digital agencies don't adapt to this change, they will die.

Let's unpack that.

Once upon a time, digital was just another channel. It was a website. An email newsletter. A banner ad. Brands knew that they needed to include these elements in their marketing mix, if they wanted to engage with their future consumers, but the reality is that they were an add-on, a way to ensure that the brand had a 'presence' in the digital world, if not an actual purpose.

Traditional advertising agencies were initially a little slow on the uptake, reluctant to play in a space in which they lacked the necessary expertise. But as small specialist digital shops took the gap, so the larger agencies realised the necessity of developing the necessary skills; or buying them in bulk.



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Today, you would be hard pressed to find an advertising agency that doesn't offer 'digital expertise'; or have a 'digital arm'.

As the digital world has evolved, so too has the digital menu in agencies – offering so-called full-spectrum digital coverage encompassing the mobile environment, social media platforms, web development and, increasingly, user experience (UX) and data expertise.

It sounds impressive. But the reality is that most agencies outsource or silo the hardcore nuts and bolts of digital development, providing their clients with a top-level offering of 'digital communications'. And the digital realm has progressed far beyond the point of being a mere communication channel.

Today, entire businesses are built on the back of the digital world. Think Airbnb, Uber, Alibaba and Amazon. Existing businesses are re-engineering their modus operandi in order to compete, or simply survive, both locally and internationally. And many more businesses are embracing the digital world as an entirely new and untapped marketplace, adding to their existing bricks-and-mortar infrastructure, among them the likes of Starbucks and even (increasingly) vehicle manufacturers.

'Digital' is no longer a medium, it is a method.

The result is that businesses are requiring more from their 'digital' partners than ever before. Digital agencies can no longer hide behind a website and a social strategy; they need to provide clients with data intelligence, SEO, media, UX, in-built utility, technical builds and deep digital strategy that has the potential to not only build client brands, but their businesses as a whole.

Most agencies lack this technical depth, creating a gap for digital consultants; the likes of Deloitte Digital and Dimension Data, which offer 'digital transformation services', and are fast becoming the go-to digital consulting partners of modern businesses.

But in my humble opinion, there is one key business driver that agencies have in abundance, and which consultants don't; and which is a base line requirement of operating in the intensely crowded digital environment – **creativity**.

Digital agencies have a unique and rare opportunity to become the digital partners of choice, by combining specialist technical expertise, creativity and media competency in a way that enables brands – and businesses – to own the entire online journey.

The mental leap is ours to own, and our time is now.

ABOUT TOM FELS

Tomlaunched Nurun into South Africa in 2016 and is most interested in leveraging technology to drive business results. Intent on creating real value for his clients through innovation, Tom holds relationships with a number of local and international blue chip clients. Prior to this, Tom was instrumental in the growth of Publicis Machine as group managing director...

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