

# COMMUNICATION STRATEGY

A best practice guide to developing  
communication campaigns



Joint industry guidelines for marketing professionals in working effectively with agencies



# WHAT CONSTITUTES AN EFFECTIVE COMMUNICATION STRATEGY?

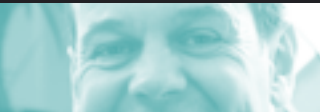
IN THIS INCREASINGLY CHANGING LANDSCAPE WHERE THE BOUNDARIES BETWEEN CONSUMER, BRANDS AND CONTENT ARE SHIFTING, THIS QUESTION BECOMES AN IMPERATIVE ONE.

**57% OF AGENCIES AND  
64% OF CLIENTS AGREE**

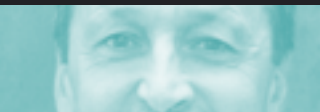
**THAT IT IS BECOMING MORE DIFFICULT TO  
COMMUNICATE WITH CONSUMERS THAN EVER BEFORE.**

This guide was put together to determine what factors contribute to the formation of a good communication strategy, and to clarify which areas require more understanding to aid this development. What modes of working are best suited to achieve this?

Both the client and agency communities were questioned to get their views on this, taken from the respective memberships of the IPA, ISBA, MCCA and PRCA, with the majority wanting some guidance on this important issue.



RICHARD HOUGHTON  
PRCA - Chairman  
Carrot Communications -  
Managing Director



GRAHAM KEMP  
MCCA - Chairman  
The Marketing Store - CEO



DAVID PATTISON  
IPA - President  
PHD Media - Chief Executive

- What is the most important component of a communication strategy?
- How much should be spent on communication?
- Who is your target audience when mass coverage isn't always the answer?
- Is the idea behind your strategy an advertising idea or a communications idea?
- What should be your channel selection when exposure doesn't necessarily equal engagement?
- Is your communication strategy truly integrated?
- How are the channels you choose going to work together?

This booklet hopes to answer some of these questions, and in doing so asks who is best placed to lead this process. Is it agencies or clients? Is it both? Should the strategy be content-driven or context-driven?

In essence, a clear, well-defined communication strategy, will ensure the brand message is put across. We hope that this guide provides some sort of framework to achieve this.



GUY MURPHY

JWT - Worldwide Planning Director

# THE HOTTEST QUESTIONS ON CLIENTS' LIPS AT THE MOMENT ARE: 'HOW DO I BEST DEPLOY MY ENTIRE COMMUNICATION BUDGET?' AND: 'WHAT ROLES SHOULD MY AGENCIES PLAY IN MAKING AND EXECUTING THAT DECISION?'

This is the sixth best practice guide in the series and, we would argue, the most challenging yet. The hottest questions on clients' lips at the moment are: 'How do I best deploy my entire communication budget?' and: 'What roles should my agencies play in making and executing that decision?'. This booklet seeks to shed some light on those very questions.

Obviously the subject of communication strategy is a big one. A booklet of this size can only look across the subject areas rather than deal with any in depth. It attempts to explain why communication strategy is so important, what the components are of a great strategy, and how to organise agencies to make it all happen.

In developing the guide we have done some research into how the marketing and communications industries feel about the subject of communication strategy. Many of the findings suggest that people are not confident enough about their skills and abilities. We found that 82% strongly agreed that both clients and agencies need to learn more about how

to do it properly. We hope that by pointing out some fundamental truths people can attempt to approach their communication tasks with greater enthusiasm and appropriate bravery.

The guide is intended to be as 'neutral' as possible when it comes to the roles and responsibilities of different channels and channel specialists. That said, we don't expect everyone to agree with everything. It would be disappointing if they did. As agencies of all disciplines are now setting their hearts on being at the 'top table', there can be as many different views of how communication works as there are agencies involved. So, if nothing else, please expect this guide to prompt debate. Our hope is that from debate will grow greater clarity and confidence.

It is worth remembering that best practice in communication strategy is something that will evolve quickly. The pace of change in technology and media will dictate that new kinds of answers will emerge for how to engage consumers. So read this guide quickly and implement fast!

# AN INTRODUCTION TO COMMUNICATION STRATEGY

## THE HOLY GRAIL

A holistic communication strategy is something of a Holy Grail in marketing. It promises greater effectiveness of communication at a time when budgets have never been tighter. It also promises more objectivity in media choice when the media landscape has never been more complicated.

But devising great, or even good, communication strategy is not easy. Over 80% of both clients and agencies agree that more learning is required to allow people to get better at it.

There are new skills to understand, new processes to consider, but also some new mindsets to adopt. Here are some quotes from our research amongst clients and agencies that characterise some of the difficulties.

*'Too many vested interests among clients, creative agencies and media agencies.'*

*'The temptation to always see new media as sexier than old media.'*

*'Client companies organised by discipline, each with individual budgets, that makes media neutrality virtually impossible.'*

*'There is no single currency that can adequately measure the relative impact of investments made across different media.'*

*'People who talk the talk of wanting something different, when in reality they're asking for the same thing with a different wrapper.'*

In order to understand how to overcome some of these difficulties let's look back to see how communication strategy has emerged to be such a dominant part of the marketing agenda.

## THE REVOLUTION

Historically, the way brands spoke to their consumers was through individually planned 'units' of conversation; some PR, some direct mail, some point of sale, some advertising.

These 'units' may have had individual strategies, but rarely did these strategies 'touch' each other. A PR strategy was written separately from a direct mail strategy, usually by people in different client company departments or in separate external agencies. Different channels were used to do different jobs and, as long as all the jobs got done, then that was fine.

Advertising became the dominant form of brand communication as it was clear that it worked hard. Therefore, choosing the advertising channel became something of a default choice. The sheer power of broadcast media, especially television, to reach mass audiences reinforced this habit.

Therefore a good advertising strategy was the centre-piece of the thinking. Its purpose was to enable the creative content of the advertising (and not the placement of the advertising in media).

# DEVisING GREAT, OR EVEN GOOD, COMMUNICATION STRATEGY IS NOT EASY, OVER 80% OF BOTH CLIENTS AND AGENCIES AGREE THAT MORE LEARNING IS REQUIRED

Over time several new factors have emerged to challenge this way of working:

- Media has fragmented making it harder to find mass audiences in traditional advertising channels.
- Consumers are under increasing time pressure in their lives, meaning that their attention and their patience is in short supply.
- The internet has allowed an unprecedented supply of information to consumers about brands that would previously have been the subject of offline advertising.
- The digitisation of media has armed consumers with tools (e.g. personal video recorders (PVRs) anti-banner and anti-spam software) to edit out commercials.
- New channels (e.g. live brand experience) have emerged and existing channels (e.g. PR, sales promotion) have developed quickly providing many more realistic communication options.

Thus the majority of clients and agencies agree that it has become more difficult to communicate with consumers than ever before. And to make matters worse communication budgets have never been under greater pressure.

As a result, the old TV advertising-led model of communication has come under much scrutiny. The key question is not: 'How to best deploy the advertising budget?' but: 'How to most effectively use **all** the money spent on communication?'

## THE NEW CHALLENGES

Against this backdrop of change comes the notion of 'communication strategy'. Broadly

speaking, it demands a holistic approach to planning how a brand engages its audience.

Where the creative content of messages was the priority we must now consider the **creative content and the media together**.

Where individual channel activity was planned separately we must now plan it **together**.

Where 'communication' meant just above- and below-the-line activity, we must now conceive it as the **entirety of touchpoints** between a brand and the consumer.

Where brands had conversations in the bits between the programmes, now they should **also develop their dialogue in the bits between the advertising**.

## THE NEW VOCABULARY OF COMMUNICATION STRATEGY

With these new challenges to communication comes a new vocabulary. Indeed a whole new lexicon is appearing alongside a lot of the more familiar phrases. Unfortunately not everyone means the same thing when they use the same phrase. It is worth clarifying terms both within this guide and in all strategic conversations about communication.

Below is an attempt to provide simple definitions of some of the most frequently occurring words and phrases. The definitions provided are, to some extent, subjective and may also date as the world of communication inevitably moves on.

**'Communication strategy'** – A holistic planning approach to engaging a brand's audience to ensure greater effectiveness.

**'Media neutral'** – A criterion for judging whether an idea has innate potential in multiple channels. Also a criterion for judging whether channel choices are objectively chosen.

**'Integration'** – The principle of different media working together to create more effective activity.

**'Multi-media'** – The use of more than one route to the consumer (not necessarily integrated, or media neutral).

**'Through the line'** – A set of activities that include media from traditional above-the-line channels e.g. advertising, and below-the-line channels e.g. promotion. (So, through the line is multi-media but not necessarily integrated, or media neutral).

**'Media'** – This used to be easy to define. It used to represent the traditional buyable space for commercial messages, typically advertising space. It is often still used in this narrow sense, but is also used in similar ways to 'channels'.

**'Channels'** – The possible routes through to consumers that communications might take, not restricted to buyable media.

**'Touchpoints'** – The places in which a brand comes into contact with ('touches') people e.g. in a shop, mentions in a chat room, seen used by someone else, appearance on TV.

**'Advertorial'** – the ancestor to modern 'branded content', typically seen in magazines, where an advertiser pays for inclusion in a promotional feature showcasing their brand. Often includes a sales promotion i.e. a special price offer to readers or a competition.

**'Branded content'** – Engaging material (e.g. a book, film, or TV channel) made by a brand that appears in the culture (e.g. a bookstore, online, on TV) in non paid-for media.

**'Advertiser-funded programme' (AFP)** – A subset of branded content limited to TV programmes, harking back to the original 'soaps'.

**'Live Brand Experience'** – a contemporary term used to describe a promotional event, an exhibition, field-force sampling, product demonstration or even a dedicated retail outlet. All these activities have the goal of putting the customer in direct contact with the brand in the most favourable context possible and one which extols the brand's values.

# COMPONENTS OF A COMMUNICATION STRATEGY

## 1 AN OBJECTIVE

The most important component of a communication strategy is not the strategy at all, it is the objective. Of course every kind of strategy needs an objective, but communication strategy needs one more than most.

There are many more channels involved nowadays. And there are many more people involved in channel decisions. The permutations of media, content and touchpoints are almost infinite. The process of planning all this multi-channel, multi-content, often multi-market communication, can get very complicated.

So the requirement for a fixed point, a compulsory objective, in all this debate is paramount. Having an objective, and the right kind of objective, is key to keeping things as simple as possible.

The objective must be rooted in the commercial requirements of the business. What is it that communications need to do to allow the business to achieve its goals? There should be a simple logic that links the communications objective with the commercial goals.

For example, 'to build the prestige appeal of the brand' is a good communications objective if the business needs help justifying high prices, and thereby improving revenue.

Beware the objective that is too far down the decision-making tree. It is unlikely that an objective such as 'to make the communication

funny' is a good fixed point for the planning process.

Crucially, communication is not the sole solution for all the commercial goals of a business. It is surprising how often communication is posed as the answer to any business problem. There are things that communication can do and things that it can't.

Communication is obviously good at creating awareness, imparting information and creating imagery. But it can't replace the effect of good product innovation or an effective distribution strategy. Communication must sit alongside all the business tools aimed at delivering commercial success.

## 2 A BUDGET

How much should be spent on communication?

There needs to be a consistency between the communication budget and the objective for communications. They must be inextricably linked. It is surprising how frequently hugely ambitious objectives are attempted with absurdly small budgets.

It is important to have a view on the degree of difficulty facing the brand's communication. The more difficult the task the greater the budget.

Are consumers more or less pre-disposed to hear the message? In the context of people's

busy lives, how interesting is our message? Are we trying to change behaviour or just attitudes? Are we reinforcing existing attitudes or trying to change people's minds?

There are some familiar techniques used to help set budgets such as: advertising-to-sales ratios per market sector; matching (or exceeding as PIMS data would advocate) 'share of voice' to 'share of market'; the cost of delivering agreed levels of coverage and frequency against defined target audiences.

The issue for these ways of setting budgets is that they come from an era of advertising dominance. They assume that advertising is the major component of communication success. At best they should be used as stimulus in the budget-setting debate and not as definitive guides to what should be spent.

In many organisations the communication budget is often relatively fixed. Business pressures elsewhere only leave so much for marketing. This is not necessarily a bad thing.

A pre-fixed budget does concentrate the mind and immediately give a problem a size and shape. It also means that the appropriate level of ambition needs to be applied to what communication can achieve. Expectations internally must be managed accordingly.

Once a communication budget is established it is important not to subdivide it prematurely into individual channel budgets. The budget needs to be apportioned according to the strategy. The specific budgets for each discipline (e.g. advertising, digital, DM, PR, SP, live brand experience, etc.) depend upon their presence and role in the overall plan.

### 3 TARGETING

It's very important to be clear with whom the brand needs a dialogue and both qualitative and quantitative research is key to understanding the target audience. For example, valuable customers, existing or potential, must be identified and the richer and more vivid the description the easier it is to construct an effective communication strategy for them.

The following are some of the less obvious ways of defining target audiences. By no means should all of these be used – they are simply examples designed to provoke thought and a thorough examination of the company or brand's true audience.

#### INTERMEDIARIES

Wholesalers  
Retailers  
Agents  
Representatives  
Brokers  
Franchisees  
Professional advisors  
Opinion formers

#### USER TYPES

Light, medium, heavy  
Infrequent, occasional, frequent  
Non-user, promiscuous, loyal

#### LIFESTYLE

For example:

- People who are keen on value for money
- People who enjoy gaming
- People who tend to buy branded goods
- People who tend to prefer own brand or private label
- People who support brands associated with charities or good causes



## 4 A GUIDING IDEA

### GEODEMOGRAPHICS

For example:

- People who live in up-market residential neighbourhoods
- People who live in areas with large numbers of people of non-British origin
- People who live in areas with relatively high crime rates

### DATABASE SEGMENT

Non-responders

Responders

Buyers

Recent buyers

Buyers on promotion

For much more detail on targeting see: *The Client Brief*, available to download on the partner organisations' websites.

A communication strategy must have an idea at its heart. The only safeguard in ensuring that consumers will pay attention in their time-starved world is to provide them with an idea they can't resist. A budget can be played out in efficient and sensible ways, but if there isn't a great engaging idea for people to get involved in then it is unlikely to be effective.

Critically, the idea helps inform media/channel selection. Many, many channels might have the potential to touch the target audience in an efficient way, but only some of those will be right for the idea. Indeed, media or channel context can often be the making of an idea.

Therefore it is important to distinguish between an advertising idea and a communications idea. Take care that you have an idea that can be used across a variety of channels, and not just in broadcast advertising.

# IN REAL LIFE

WITH PETER BUCHANAN

*Whilst this guide provides a great deal of new and useful information, I think that this subject is 'unfinished business'. At COI we have piloted a number of new approaches, and undertaking the communications planning first, which allows you to have a better appreciation of the creative talent you will need, has been particularly successful.*

*I strongly support the idea of concentrating on the overall objective rather than just the communication strategy. Focusing your attention on a 'connection idea' rather than just a creative idea can be another useful discipline.*

*The available tools are improving, but I think that evaluating the contribution of each programme element to the overall result is still very challenging.*

*Many agency practitioners still follow a career path in a very specific discipline and I think that more industry training in the skills required to manage an integrated approach, and a good understanding of at least three of the core disciplines, would be of great benefit and open up new career opportunities in the agency sector.*



PETER BUCHANAN

COI – Deputy Chief Executive

# THE TRADITIONAL NOTIONS OF COVERAGE AND FREQUENCY ARE NOT GUARANTORS OF CONSUMER INTEREST

## 5 CHANNEL CHOICES

As the media landscape continues to evolve radically there are many basic assumptions that need to be challenged in deciding upon the channels to use.

### **Don't assume you (only) need paid-for media**

Remember the existence, and growing importance, of promotional and PR routes as well as emerging opportunities in live brand experience, advertiser-funded programming and user-generated content. Money saved on media spend can be invested in improving the production of content or events. The traditional ratio of 'production budget to media budget' becomes increasingly irrelevant.

### **Don't assume that mass coverage is necessary**

Historically the preferred model was a 'broad and shallow' approach to communication. Reach lots of people with brief messaging. The new media landscape now allows for some very powerful communication that is 'narrow and deep'. Create heavy engagement amongst a smaller group(s) of people. Arguably, this latter model is closer to how consumers need to interact with brands. The balance between these two models needs to be properly interrogated.

### **Don't assume communication is one-way**

Increasingly consumers are getting involved in the creation of entertainment themselves, especially online where it's being facilitated by web 2.0. And digital technology is allowing a return path back to brands from their communication. What do you want your audience to **do** (not just think or feel) when they engage with the communication? And how will the return path of customer data be handled and integrated into the brand's database to create the future platform for even more tightly targeted messaging? Designing interactivity into communication is now a compulsory aspect of communication strategy.

### **Because there is lots of available media doesn't mean you have to use it**

It is true that there is an explosion in the number of different media available for brands and it is true that consumers are using more media in their lives than before. But it does not necessarily follow that brands must therefore use lots more media. Selectivity of medium becomes even more important. Surrounding a consumer with communication, ambushing them at every turn, can be counter-productive. You only need the channels that will help deliver the objective. Sometimes dominating a single channel can be very effective, and even choosing a specific positioning within one.

### Exposure does not equal engagement

Don't confuse exposure measures for engagement measures. Just because a piece of direct mail will be sent to 90% of the audience doesn't mean that it will be read by, or have an effect on, 90% of the audience. Just because two million people might watch a football match on TV doesn't mean that two million people will heed the advertising at half time. The traditional notions of coverage and frequency are not guarantors of consumer interest.

What we really need is a Consumer Engagement Index (rather than awareness or exposure indexes) so we can look at communication decisions from the point of view of consumer reception rather than brand transmission.

### Efficient does not equal effective

A 60-second television advertisement is not automatically worse value than a 30-second ad because it costs more than twice as much to run it. A high cost-per-click-through rate online isn't necessarily wrong. It all depends upon the objective for the activity. A higher cost may prove to be ultimately more effective because it may produce greater engagement. Think value, not cost.

### Beware the black boxes

Beware 'black box' methodologies for choosing channels. They can be a very useful tool to create debate, but knowing how to engage human beings can never be reduced to an exact science. Leave room for imagination and creativity in the decision making. The skill is in combining both the 'magic' and the 'logic'. (See [www.magicandlogic.co.uk](http://www.magicandlogic.co.uk))

# IN REAL LIFE

WITH DAVID MAGLIANO

*Twenty years ago you could reach 95% of the UK's households with three ads on peak time. Today the media is very cluttered and fragmented, so it is a challenge to put together a plan for your brands. Once you've got a winning idea, it's about carefully selecting the media and then making that media work as hard as possible for you, rather than trying to get the idea across as many mediums as possible.*



DAVID MAGLIANO

London 2012 – former Director of Marketing

## 6 INTEGRATION

It is vital that the channels you choose work together. Each channel should have a specific role to play in achieving the overall objective and each one should work harder **because** of the presence of the others. This is often called ‘the multiplier effect’. In short, the whole should be greater than the sum of the parts.

A simple example would be the improved effect of direct mail when it is accompanied by some above-the-line advertising. Whilst TV is currently under pressure all the evidence suggests that it still has a very powerful leveraging effect when used with other media, as the RAB, NMA and IAB research has shown in relation to radio, press and the internet.

Channels can be integrated in many different ways.

The most familiar form of integration is to create some executional consistency between all the bits of communication. This ‘matching luggage’ approach simply incorporates the very same imagery and/or copy in all the channels. The use of a celebrity to appear in the PR and the advertising is a simple example.

However, integration does not necessarily need executional consistency. Channels can be consistently about the same creative idea, without necessarily sharing the same imagery.

Categories with longer purchasing decisions (e.g. cars) need the communication to be integrated **across time**. What communication is needed for consumers as they proceed through the process of making up their minds? Integration can be the **correct order** in which communication flows from a brand.

## 7 MEASUREMENT

This is one of the most underdeveloped areas of communication strategy. **ABOUT 80% OF CLIENTS AND AGENCIES AGREE THAT IT IS VERY DIFFICULT TO MEASURE THE TOTAL EFFECT OF COMMUNICATIONS AND 98% BELIEVE MORE LEARNING IS NEEDED IN THIS AREA!**

Measuring the effectiveness of even individual channels of communication can get complicated. So, measuring the effectiveness of integrated, multi-channel communication activities is hard. Let’s examine the reasons for this.

First, creating a common currency of exposure, shared across all channels, is in its infancy. It’s just not easy to amalgamate the presence of PR, and sponsorship, and shop windows and a print campaign. (The recent launch of IPA TouchPoints is worth noting here as a major step forward – see [www.ipatouchpoints.co.uk](http://www.ipatouchpoints.co.uk))

Second, there is no standard definition of what constitutes effectiveness in all the channels. As

alluded to earlier, many channels define effectiveness in terms of the exposure e.g. the length of time that the brand's logo is on-screen, the number of column inches the brand receives. Other channels talk of efficiency, not effectiveness. Cost per response is a familiar measure in direct mail.

Third, the consumer research industry has developed most of its learning in the advertising channel. Only more recently are there efforts to track the effect of PR or sponsorship.

To some extent econometrics can provide the answer (see *Econometrics Explained* [www.ipa.co.uk/forwarding/Econometrics\\_pdf\\_forward.cfm](http://www.ipa.co.uk/forwarding/Econometrics_pdf_forward.cfm)). But it is important to distinguish between identifying the total effect of communication and the specific effect of the individual channels.

Modelling can certainly help identify the former, but it can sometimes struggle with the latter. There is a condition, called 'multi-colinearity', which makes it impossible to tease apart the effect of individual channels when they run together consistently across time.

Some have expressed the view that measuring effectiveness in this new complex communications world will always be far too difficult. Indeed some go further and suggest that the money is better spent getting the strategy right at the beginning rather than measuring its effect at the end. This has strong support amongst clients and agencies with over a third of them agreeing with that view.

Others draw a comparison with the development of advertising evaluation over the decades and feel encouraged that what once seemed impossible (the measurable link between advertising and sales) became a reality.

Perhaps if there were a greater commitment to a few simple methodologies (e.g. area tests, pre/post analysis, built-in direct response) then progress would be more achievable. (See *Evaluation: a best practice guide to evaluating the effects of your campaigns* – available to download on the partner organisations' websites.)

The truth is that just as communication itself is struggling to keep up with consumers, effectiveness is struggling to keep up with communication. We are entering a period where it will be more difficult to know the return on investment of individual channels. In such a scenario there will be an inevitable shift of emphasis onto more interim measures. And in that regard we will be thoroughly well served.

The digitisation of media means that the behavioural activity of consumers around communication can be the subject of simple quantitative analysis. The world of the red button and the click-through will allow for the most precise knowledge of consumer interaction.

That said, it will be important to not be overly-wooned by this new measureable world. Hits, clicks, and page-views are just interim measures and therefore are no substitute for understanding the commercial return of communication spend.

## ORGANISING EVERYONE

In the new world of brand communication there are many more people involved. There are now more channels being executed, involving more agencies from those channels. And there is a greater reliance on the effectiveness of media, dictating a heightened role for media thinkers too.

So who should clients use to provide the best advice about communication strategy? Should marketing need several advisors to augment their own view? Do procurement want to pay for duplicating roles?

These questions tend to prompt some fraught and emotional debate.

Broadly there are four models for how to organise everyone. The first recognises the expertise of the client.

### 1 THE CLIENT-LED MODEL

This model is about **the primacy of the client's knowledge**.

Instead of asking any agency to devise a communication strategy, the client does that strategic thinking themselves. The agencies are then asked to execute in the channels that are needed.

Proponents of this model would highlight the fundamental understanding of the business, and sense of accountability, that only the client themselves would possess. Some 48% of clients believe that they are best placed to lead the development of communication strategy.

The other three models recognise the expertise of agencies in this area. Indeed 31% of clients believe that agencies are best placed to lead the development of communication strategy.

# IN REAL LIFE

WITH GAIL SINDEN



GAIL SINDEN  
Opodo Limited – Head of Communications

*Opodo's communication strategy is split into two divisions, consumer and corporate. As a Pan-European company, our strength lies in understanding our markets and tailoring our campaigns to meet local needs. We operate in nine countries in Europe and employ an agency in each of our key markets to lead their own consumer communications, while our corporate communication is guided by a lead agency based in the UK. We look to all communication channels to push our key messages and promote our brand. The strategic focus of the campaign rests with me, the client, and the type of campaign dictates which agency will lead, sometimes this is PR, other times it is marketing-led.*

## 2 THE LEAD AGENCY MODEL

This model recognises the value of expertise on the agency side but charges one particular agency with the responsibility of creating the communication strategy. The other agencies then execute in their channels according to the strategy. The reason for choosing one agency is to provide a focus and singularity of leadership. It may be that the agency positions itself as a non-executional strategic consultancy, with the client relying on other sorts of agencies to produce communications materials and distribute them via the media.

The difficult question is: 'Who leads?'

Perhaps the first decision to make is whether the lead should be taken by those with expertise in the placement of messages (the context) or those with expertise in execution (the content). There is no right answer here, only answers which suit a particular situation for a brand.

Some would rightly argue that this distinction is becoming increasingly irrelevant as we move to more holistic strategic development. Of course a client would want any lead agency to be fluent in both content and context. However, there are benefits to adopting a lead agency that has a bias in its strengths to one or the other.

The primary argument for a lead agency with a 'context bias' is the recognition that engaging consumers is about being 'right time, right place'. Clients need an agency that can focus their attention on the 'where' and 'when', without being clouded in their judgement about the executional 'how'. In an increasingly complex media world brands need this **'context-led communication planning'**.

In terms of which players within the 'context world' should lead, the momentum lies with the traditional media companies, but there is a new healthy sector of smaller communication planning companies that are emerging. Direct marketing agencies might argue that they have always been strong thinkers regarding how to find and reach people. And indeed the creative agencies are augmenting their context thinking too.

The case for a 'content-biased' lead agency is founded on the power of execution. Ultimately consumers will only engage with great execution (even if it is 'right time, right place'). Clients need a lead agency that will know what kind of communication strategy is execution-friendly. They need **'content-led communication planning'**.

The momentum here currently lies with the advertising creative agencies, but they clearly will not have a monopoly for long. All kinds of agencies are showing strong abilities in this area. Digital agencies, in particular, are seen as showing the keenest development.

Our research shows that currently, **IF ASKED TO CHOOSE WHICH AGENCY SHOULD LEAD, 28% OF CLIENTS WOULD CHOOSE AN ADVERTISING AGENCY AND 23% A MEDIA AGENCY.** But clients and agencies alike sense that media companies are progressing faster in their approach to communication strategy than the creative agencies and so one can expect the balance to shift.

### 3 THE ALL AGENCY MODEL (WITH CLIENT AS ‘RINGMASTER’)

This model is about **collective expertise**. It brings together key people from all the different agencies – media, DM, PR, advertising etc. – to form what is sometimes described as a ‘virtual agency’. They may not work for the same company but they are all required to work for the benefit of the same brand. What’s good for the brand is good for everyone. Key to the success of this model is the client ‘ringmaster’ who must manage these agencies and ensure genuine teamwork.

The advantage of this model over the lead agency model is that it invites broader perspectives into the development of strategy. Different skills are brought to bear and no one medium becomes dominant.

### 4 THE ONE-STOP-SHOP MODEL

This model is a combination of 2 and 3 above. Leadership is provided by one agency group (e.g. WPP, Publicis), but the individual agencies involved within that group collaborate to devise communication strategy. Sometimes the agency group will form a dedicated cross-functional team populated by specialists from a number of its agencies: ‘Team Brand A’.

The advantage of this model is that it is a ‘best of both worlds’ approach combined with the potential cost advantage of a one-stop shop.

Between models 2,3 and 4, the current preference in the marketplace is for the all agency model. Almost 50% of clients and agencies prefer that approach. The lead agency model comes a close second with 38%, but the one-stop model receives only 6% support.

Time will tell which of these models will survive and prosper and which will become niche. It is unlikely that there will be one right answer for all clients. Different organisations, different brand problems, different personalities will lead to a continued choice of how to organise all the players.

*Says David Magliano: “In my career, I’ve experimented with all four ways of working with agencies to varying degrees of success. My view is that it is about assembling the best class of talent you have available to be in the room at the same time, each area of expertise having respect for one another, and all members of the client and agency team being completely open and honest about what they are able to produce, and ultimately execute.”*



## SUMMARY: TOP TEN TIPS



1

Consider your brand's communication in its entirety, don't just concentrate on paid-for advertising.

2

Invest time in getting the objective for communication right, and make sure all the agencies are clear what it is.

3

Ensure that your budget matches your ambition. And vice versa.

4

Demand that your communication strategy has an idea at its heart (and not just an advertising idea).

5

Question your assumptions about the media world. That landscape is changing in some fast and fundamental ways.

6

Make sure each channel that you use has a clear role to play and fits with the other media that are used. You are aiming for the whole to be greater than the sum of the parts.

7

Don't give up on effectiveness! Embrace econometrics, construct some tests and controls.

8

Decide whether you want the leadership of communication strategy to sit with client or agency.

9

Decide whether you want all-agency collaboration or a single point of leadership.

10

If you want creative to lead then decide which agency that should be. (It doesn't have to be the advertising agency.)

# ACKNOWLEDGEMENTS

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These guidelines should be a helpful tool for any company wishing to incorporate the principles of communication strategy into in-house training modules, and have been developed by the four signatories: the IPA, ISBA, MCCA and PRCA. All parties have given it their agreement and support, and urge its full adoption by both clients and agencies.

This guide is available as a downloadable PDF from the websites of the signatories:

[www.ipa.co.uk](http://www.ipa.co.uk)

[www.isba.org.uk](http://www.isba.org.uk)

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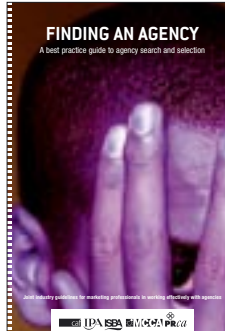
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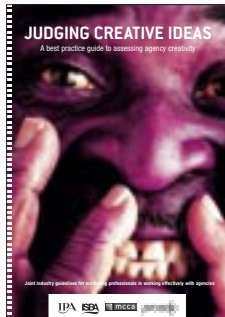
Published March 2004



Published August 2005



Published February 2006



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This completes the current series of joint industry guides, all designed to help you get more from your communications agencies.

Please contact the IPA, ISBA, MCCA or PRCA if you want to get more details.

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