

Talking Business

with PETER SWITZER



January 2006

Karen Matthews	2
James Wall	8
Sylvia Wilson	13
David Buck	18
Paul Cave	23
Napoleon Perdis	28
Peter Bissell	33
Brennon Dowrick	37
Rob Dassie	43
Darren Woolley	48
Dymphna Boholt	53
Sally O'Keeffe	59



Darren Woolley

is the founder of P3, a company that provides independent expert advice to corporations on current advertising processes and costs. The company's client base includes 40 of Australia's top 100 advertisers.

www.P3.com.au

PS On *Talking Business* we're now with Darren Woolley who is the founder of advertising adviser P3. Offering independent expert advice to corporate advertisers on current advertising processes and costs, in just a five-year period P3 has developed into a company with a client base that includes more than 40 of Australia's top 100 advertisers.

Thanks for joining us on *Talking Business*, Darren.

DW Thanks very much, Peter.

PS Let's get your background before we work out exactly what you do. I'm sure there are a lot of advertising agencies who don't like what you do. What's your background?

DW I actually started out as a medical scientist working at the Royal Children's Hospital in Melbourne.

PS Another researcher who escaped it! We had a winemaker earlier in this program who escaped that, but go on.

DW [laughter] Then I went on to work in advertising. I got a job as a copywriter at an agency called Mattingly and was quite successful over the next 15 years, becoming a creative director at an agency called J. Walter Thompson in Melbourne.

PS Were there any famous ads that we were affected by from you and your creativity?

DW There's probably quite a few that you're annoyed by, and some that you might have been inspired by, but hopefully they all achieved their objective.

PS So that's your background. When did you decided to kick off P3, and why P3?

DW First of all, the reason for starting it was that I was also chairman of the Melbourne Advertising and Design Club and so I was surrounded by creative people constantly telling me that clients didn't understand the power of creativity. On the other side, in my role as creative director at J. Walter Thompson, I was talking to clients — not only our existing

**Darren
Woolley**

clients but potential new clients — who were saying they couldn't find agencies that would understand their real needs from an advertising perspective.

PS All those ad agencies were getting it wrong?

DW From many of the clients' points of view, yes. The clients felt that creativity was being used purely as a tool of the agency and not a tool of their business. There was this disconnection that I saw as a gap in the marketplace and an opportunity to start my own business, called P3.

PS Are you saying that some ad agencies create a fantastic ad which people say "oh, isn't that a fantastic ad. Who did it?" rather than the ad actually resulting in more sales for the client? Is that what you're saying?

DW Peter, I think that's the feeling the clients have because they often feel disconnected from the process. Often the creative process is a black box the client's kept out of. They put their brief for their requirement in at one end and an ad comes out at the other end, and along the way money is spent, decisions are made, but they don't actually feel empowered in a way that they feel that it's being created specifically for them.

PS May I ask you a question related to this — do you think sometimes the ad agency and the marketing director get too close and, in a sense, the marketing director gets sucked-in by the agency because of their closeness, and then, all of a sudden the CEO of the corporation says, "this is not what we really wanted." Does that happen, as well?

DW That definitely does happen in some cases. The other is the extreme where the marketing person treats the agency purely as a supplier and dictates their requirements without taking on the expert knowledge that the agency can bring to it. But in your comment, in what you're proposing, I think the big issue is that the CEO or the MD only get involved in marketing when there's a problem. I think it's so important with brands that the CEO and MD takes on board the importance and

Darren Woolley

the management of their brand as they do with operations or finance or any other aspect of their business.

PS Because it's a very big calling card that they're leaving with the market, and to have to complain about it after the whole event seems ridiculous, doesn't it. Poor management.

DW And so many times, accounts will change because the CEO has lost faith in the marketing department and the agency, and that's after the damage has potentially been done to their brand.

PS We're taking to Darren Woolley from P3, an advisor for people taking out advertising. What do agencies think about you?

DW We have a mixed response, you know.

PS Come on, give us the negative ones first.

DW Okay. The negative one is we're commoditising the industry, we're destroying creativity, and largely it comes from people that haven't worked with us. Largely, I'd say our relationship with agencies where we've been involved with the client, looking at the relationship, they would say that it was quite a positive open discussion because we have no axe to grind, we have no agenda apart from achieving the best possible relationship between the agency and the client, and reaping the rewards of saving some efficiency from that.

PS But there are some pretty colourful, forceful characters in the advertising industry. What do those sort of people think about you because, in a sense, you're like an independent judge of what they're doing on behalf of your client and their client?

DW No one likes having someone look over their shoulder, and I think that's one of the areas that we're really cognoscente of — that it's not our role to blast our way into a relationship and start telling people how to do it. Our first approach is to sit down and really listen to both parties.

**Darren
Woolley**

But you're absolutely right, there are some very colourful characters in advertising and the great thing about that is that if they have a problem with me, they know they can come and tell me.

PS And I'm sure they do!

DW They do on occasion but, usually, through the discussion we will come to a resolution. I mean, one of our principles is that we're not here to destroy relationships — we're here to achieve better results.

PS Clearly, when you were working out your business plan you could see that there was, I presume, in some relationships, excessive over-charging which really needed to be looked at by an expert who understood the charging game. Was that one part of the business plan?

DW Where we started from was exactly in that point of, you know, there's excessive waste here, let's tighten the waste. Where we quickly came to was that the waste is actually being driven by the marketing department often, and it's being driven by poor planning, lack of understanding of the advertising process, poor decision-making processes. What the agency as a supplier invariably does, it modifies its behaviour to make up for the short-comings of their clients. So, often a client will ask us to come in and look at their advertising spend to reduce the cost but what we'll identify is that the process is flawed. By putting in a more efficient and transparent process, we'll achieve savings and get a better result.

PS Okay, that's the quantitative safe side, but you also have a qualitative role where you might say "from what we can see, the kind of advertising you're going for really doesn't suit your brand. It really should be of a different kind."

DW We don't tell people what the quality should be. We have very lengthy discussions to get the client and the agency to determine what the level should be. Not every campaign needs to be the Rolls Royce or the Jag. Direct response, for instance, can often be executed in a much more cost-

Darren Woolley

effective way whereas a brand campaign may need greater investment in time and quality and money. They're the discussions that we have, because what will often happen in the relationship between the marketer and the agency is that they'll just go along in the relationship without having those conversations and making those decisions.

PS Do you come in once the you-know-what has hit the fan or are you being brought in before that sort of outcome?

DW Invariably our first contact with the client is when the you-know-what hits the fan. It's always when something goes wrong that people will start looking for experts or independent advice. What we do is we solve the problem, build the relationship. So moving forward, the client starts to see us as an independent advisor who is there to give advice at the start of the process or on an on-going basis. Because, I have to say, while we can fix the problem, it's not the most efficient way of operating. The most efficient way is getting it right in the first place.

PS I presume clients who have used you after putting out a bushfire, then come to you when the next campaign comes and get you to monitor what's actually happening between them and the advertising agency?

DW Absolutely right, Peter.

PS I would have thought so.

DW They come to us to solve the crisis that they're facing but then they'll ask us to do things such as look at their remuneration arrangement with the agency going forward, to make sure that it's pushing the right buttons in the relationship.

PS Great. Is there a website if people want to look into this sort of stuff that you do?

DW Absolutely — www.p3.com.au

PS Darren, thanks for joining us on *Talking Business*.

DW My pleasure. Thanks very much.