

# Don't shoot the messenger

**SPEAKER DARREN WOOLLEY**

MANAGING DIRECTOR, TRINITYP3

## ALEX FENTON

Fenton Stephens

A noticeable hush settled across the room when Darren Woolley from Trinity P3 addressed the podium after being introduced as 'the crusader of advertising budgets.' This was a room full of advertising practitioners after all, and Darren's crusade over the last eleven years, has been on behalf of the other side – the marketers. He has championed their corner, making sure marketers extract maximum value from their agencies.

Darren was quickly on the offensive by informing us that marketers did not place any value on creativity when measured in financial terms.

In dealing with agencies, marketers allocate between 5-7% of agency revenue for creating the big idea. The rest of the spend is on account management and production. Factor media spend into the mix and the component for conceptualisation plummets to a mere 1%. Clients want the big idea but they're only willing to part with a miserly 1 cent in every dollar spent to get it.

Don't blame consultants like me, Darren insisted, agencies are complicit in the under-valuing of their creativity by selling it at cost rather than its value.

Under pressure to reduce costs, agencies comply and with a reduced budget they still deliver the same level of output. Who can blame clients if they accept this windfall?



Trinity P3 manages competitive pitches for marketers and have benchmarked agency costs. Despite this, and despite marketers' desire to appoint the right agency as opposed the cheapest one, agencies are all too willing to discount heavily in order to win

business. They simply give away precious ideas and intellectual property hoping to make it up later in production.

Taking leads from other creative industries such as publishing, motion pictures, music and fashion Darren left the Caxton crowd with some encouraging thoughts.

We need to value our creative product for what it is worth to the market as opposed to the number of hours it takes to produce. Dan Brown did not sell 'The DaVinci Code' on a cost per page basis. Consider too that the more distinctive the creator, the greater the premium they can charge- Tom Hanks will command more fees than a lesser known actor. Meanwhile, intellectual property is valued and

protected in other creative fields, yet in advertising we give it away without defining its scope. Why not limit IP to the specifics of the task given, and then put a value on any work beyond this? If you have a brilliant idea outside of the scope of work commissioned, sell the client the idea, but retain the IP. The last suggestion was that someone in the agency had to take on the role of negotiating fees based on the value of the creative. Dan Brown did not personally negotiate contracts for 'The DaVinci Code', he had an agent who worked ruthlessly to maximise and protect the value of his creativity.

In conclusion, it is up to agencies to value their creative product more if they ever expect marketers to reciprocate. ■