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Long Read - Rise of the bespoke agency model

By Ruby Derrick | 28 February 2024

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Bespoke agencies, a stalwart for the industry for more than fifteen years, are on the rise and no longer only confined to the walls of holding companies. There's a different, more recent trend emerging.

Darren Woolley, founder and CEO of TrinityP3, says these models are now being created across agencies and outside of networks - with BMEOF and TBWA for instance.

First pioneered by Martin Sorell at WPP for large global clients, Australia has seen the same for companies such as IAG, Vodafone and Ford.

These only work with large clients with significant budgets, large scopes of work and very clear and distinctive requirements, says Woolley.

The latest few high profile bespoke agency models for Coles and now Telstra continue the movement, albeit a slightly different structure.

"Even the on-going Tourism Australia tender is rumoured to have included M&C Saatchi partnering with Howatson + Co. This was seen as a way of bringing creative creds into the offering with the departure of Cam Blackley from M&C - who was instrumental in the development of the current campaign," says Woolley.

Some bespoke agencies have only lasted a few years. In the US, bespoke agency for McDonald's We Are Unlimited lasted 18 months before it was dumped in September 2019.

Research and advisory company Forrester doesn't have any data on Australia's bespoke agencies. Globally, however, there are several hundred of such entities, as the Big Six holding companies often use the bespoke team model for their top 50 global clients, says Jay Pattisall, VP analyst at Forrester.

These emerging models can easily flex-up and flex-down global scale and capabilities based upon the marketing remit, says Pattisall.

"It provides global marketers with consistency of brand execution across the global markets."

He says companies rotate staff and agencies that comprise the team to keep the work and thinking fresh.

[Telstra's +61 brings together independent creative studio Bear Meets Eagle On Fire, Omnicom's TBWA and Telstra's existing media agency OMD.](#)

The disadvantage of this model, says Pattisall, is there are significant financial investments for agencies and brands.

"The economics of bespoke client teams require a retainer structure and master services agreements. These longer-term remuneration commitments have been waning with the popularity of project-based remuneration as of late," he says.

Camey O'Keefe, director of Gambol Creative and regular panellist on ABC's Gruen, believes it's to do with relationships and reputation when it comes down to clients creating these cross-network bespoke models.

O'Keefe worked as the integrated business lead of WPP's bespoke Ford agency, GTB, from 2015 to 2019.

"Clients want to be able to cherry pick their preferred partner - the ones they recognise as being best in class in their particular discipline. Rather than be beholden to the available options within a specific network," she says.

"This selection can often be based on past experiences working with particular talent, where trusted relationships have been formed. If the client has enough budget they can incentivise these disparate BIC agencies to all play well together."

Some of these agencies collapse, while others are huge successes. O'Keefe hazards a guess



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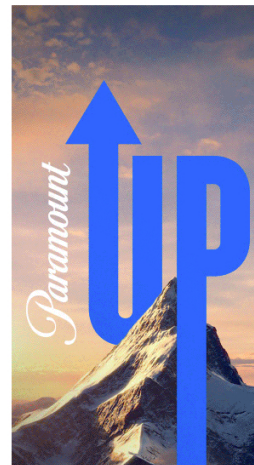
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that it comes down to leadership that sets them apart.

"Agencies are a people business, and if the people at the top are not 100% invested in the integration it's likely to fall over. The right systems and structure support the ambition sure – but ultimately it comes down to leadership," she says.

Bespoke agencies that are built purely for efficiency tend to also fall over pretty quickly, Paul Bradbury, president and CEO of TBWA/Australia and New Zealand told *AdNews*.

"They find it impossible to attract and retain talent over time. Bespoke agencies that focus on creativity and culture first will endure," he says.

TBWA/Australia powers three bespoke agencies; TBWA/Media Arts Lab for Apple (based in Sydney), Nissan United for Nissan based in Melbourne and now +61 for Telstra, based in Sydney and Melbourne.

Each was launched to drive creativity, integration of creative & media thinking and to reduce duplication that exists in current agency village models, says Bradbury.

He says these agencies could be on the rise, likely due to the fact that they create efficiencies.

He believes that Apple is the most creative and valuable brand on the planet. Apple has partnered with a bespoke agency, TBWA/Media Arts Lab, since 1998.

"If I were a CMO I would be very curious about that partnership," says Bradbury.

"Ambitious clients want strategically smart, disruptive creativity. They want seamless creative and media integration, and they want world class strategic and creative talent whilst agency roster duplication and politics. I think we will see more and more creatively led bespoke agencies in Australia."

Brent Smart, chief marketing officer at Telstra, says +61 isn't a bespoke agency set up to service one client, but rather a bespoke agency model, bringing three agencies together in an equal partnership to work in an integrated way on the Telstra business.

The unique skillset and perspective of each agency is reflected and respected, says Smart.

"We want Bear Meets Eagle on Fire to stay an independent creative shop with their unique way of working, while giving them the support of a larger agency in TBWA to provide the strategy, capabilities and resources that a big, complex business like ours needs," he says.

"We are not treating media as an afterthought, it is upstream and integrated, with OMD an equal partner. +61 has a culture and creative ambition that will attract the best talent and maximise creative ambition, something that bespoke agencies have struggled to do."

On why this model is a success and others in the field mightn't work out, Smart says +61 has been set up with culture and talent as the core focus, rather than structure and process.

"We can feel the energy already. We believe we gain more from bringing together the different perspectives and strengths of three equal partners, who are working together in a unique way that doesn't compromise their core strengths," he says.

"Their best talent buy into the ambition and partnership we are building and want to be a part of it."

No matter the structure and formation, all bespoke agencies share the same objective - to drive creativity, industry insiders say.

Mel Hopkins, chief marketing and audience officer at Seven West Media and former Optus CMO, says the aim of Optus' bespoke Yes Agency was not to replace best-in-class agencies like Special Group, Re or Emotive.

"The aim in the first instance was to manage high-volume work and our heavy retail collateral for over 300 stores. Yes Agency was a game changer in speed-to-market and being embedded into our overall business," says Hopkins.

"As the relationship grew, so did the work, with Yes Agency developing creative for product, video content, radio and then adapts of our master brand work, and so on. I think that internal agencies are here to stay and there is a strong appetite for them. My view is that they do not replace key agency partners – they fuel them."

For Hopkins, the reason why some of these models collapse is often for the same reason that agency relationships do: there is not a clear vision or view on what the partnership is expected to deliver on.

The best bespoke agency models are joint ventures, where people have the flexibility of growing and shrinking as work requires, and an agency managing the operations, she says.

"This is what we did with Re (part of M&C Saatchi). Yes Agency was built collaboratively with Re and having agency expertise as part of the backbone was critical. Corporations don't run like agencies and trying to run an agency (internal or external) like a large corporation is a recipe for disaster."

Hopkin's challenges the term 'traditional agency'. Does a traditional agency even exist anymore?, she questions.

"The most successful agencies are the ones that can partner with clients in new and innovative ways. Having an account team of 30 on a large blue-chip client just doesn't make sense any more. The focus should be on creative and the output, and less about servicing clients," says Hopkins.

Michael Rebelo, CEO of Publicis Groupe ANZ, says that connected models should be bespoke to fit the client and the market.

"At Publicis we have the benefit of having a five-year experience curve of understanding what makes these bespoke models tick. One of our biggest learnings, aside from the need to have strong operational and cultural foundations, is that it needs to be highly adaptive," he says.

"A graphic equaliser of talent, capability, and technology underpinned by unified data, that is unencumbered by the traditional structure and engagement of a village model of agencies."

Crucial to the success of these models is a single P&L, believes Rebelo. It removes the financial tension, a need for extensive management by clients and it doesn't rely on good will to overcome financial motivations, he says.

"If financial tension exists, it sometimes comes at the cost of the benefits true connection can offer clients. The type of tension these models thrive on is intellectual tension. Where capabilities, craft and creativity collide to create exponential outcomes. The alchemy is there to create something truly transformative."

Imogen Hewitt, chief media officer at Publicis Groupe ANZ, says when at their best, connected models break down silos, remove duplication of resource, create efficiency through a singular process and seamlessly draw on a breadth and depth of resource aligned to evolving business challenges.




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"This is what Publicis Groupe's 'connected platform' model allows. It is what we have spent the last five years testing and improving. It requires a level of cultural revolution for the agencies/groups involved, but once harnessed, the model drives faster and more differentiated outcomes with complete accountability," says Hewitt.

The Neighbourhood isn't a standalone agency of integrated generalists; it embodies the interconnected essence of Publicis Groupe's connected platform, says Toby Aldred, chief client officer of The Neighbourhood.

"Though their areas of expertise across Spark Foundry media, Saatchi & Saatchi creative, and Herd MSL influence might vary, what these specialists all have in common is an understanding that collaboration and connection across agencies is a strength, not a barrier to the creative product," says Aldred.

"The Neighbourhood's culture fosters active participation, where everyone is encouraged to provide feedback, challenge ideas, and collectively craft the best possible solution for Arnott's."

Given the more fragmented and time pressured climate everyone is currently working in, O'Keefe can totally see the appeal for brands to go bespoke.

"Having all partners in the one place, working to the same goals in close collaboration is a huge advantage for any client, particularly when they are trying to extract greater value from their external partnerships," says O'Keefe.

This integrated agency environment isn't for everyone, but to many industry insiders, it's been one of the most rewarding gigs they've been a part of and they feel there's nothing else quite like it in Australia.

O'Keefe says working in the bespoke agency environment was one of the most rewarding experiences she's had in her career.

"So much so, I'd genuinely struggle to go back into any non-integrated agency environment - where the unnecessary silos and competition can get in the way of doing great work for the brand," she says.

That said, she recognises that this may not be everyone's experience of bespoke. Or that separate agencies can come together beautifully to work on a brand.

O'Keefe says that the most common complaint she has encountered when recruiting for bespoke is the 'lack of variety' that comes with working in a one-client agency.

"A low might be the potential monotony of being immersed fully on the one brand, day-in-day-out. But can that happen on any large brand with a retained team where individuals are working on a single dedicated piece of client business?" she says.

O'Keefe argues that in a bespoke model this 'monotony' is offset by the fact creatives are exposed to diverse disciplines.

"So I've never fully understood that particular complaint as an argument against the fully integrated model. Clearly I'm all in on the bespoke bandwagon," she says.

In her experience, having media + creative + digital working as one team was both more efficient and more effective. It was also more fun, she notes, as they got to go deeper across each brief.

The benefits were tangible, says O'Keefe.

"You could trouble shoot in real time, which meant problem solving was swifter and more painless. We developed more holistic solutions. Key disciplines were always represented in the room, enabling you to reach consensus quickly with greater consideration of the variables," she says.

For O'Keefe, stronger relationships meant better work. She believes that knowing each other as individual craft specialists allowed the team to be more comfortable to thrash it out - then collectively push boundaries and work together to make bolder moves.

"It also delivered more value back to the client on a practical level, as the bespoke approach requires less time, effort and fees than can come with managing multiple agency contracts," says O'Keefe.

Most bespoke agencies are faster, cheaper and allow greater control from the brand owners, says Bradbury from TBWA.

Telstra announced the [shake up to its brand and marketing agency roster](#) in October last year, with the creation of '+61,' a partnership formed to lead its brand after moving away from a traditional agency roster for specialist agencies.

The agency started work in December 2023. +61 for Telstra is a very different model, says Bradbury.

"It is creatively led first and foremost. In fact, it's less about creating a model, and more about creating a creative culture," he says.

"We don't believe there is anything like it in Australia. Australia's hottest indie led by Micah Walker combining forces with the integrated creative capabilities and strategic firepower of TBWA and OMD."

The agency has attracted talent in all disciplines from both Sydney and Melbourne, with more set to join shortly, notes Bradbury.

"We are in production on a few things already, and we are working on some really exciting briefs," he says.

"Given the confidentiality protocols and scale of these brands, there's not a lot I can share on the ins and outs, but they do provide the opportunity to work with some of the biggest and most creatively ambitious brands in Australia, and globally."

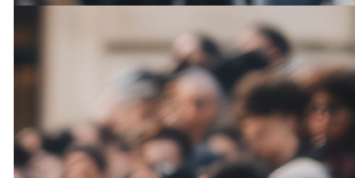
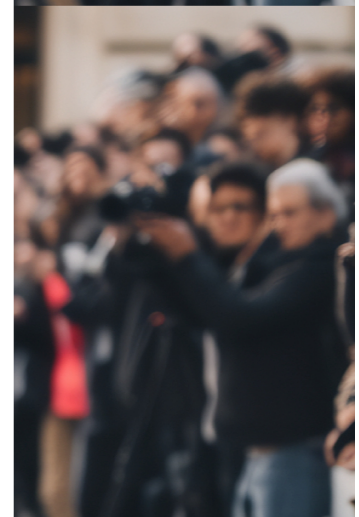
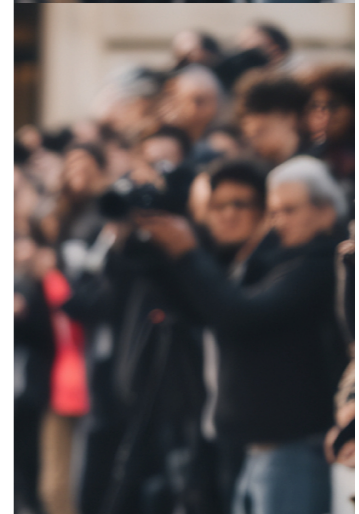
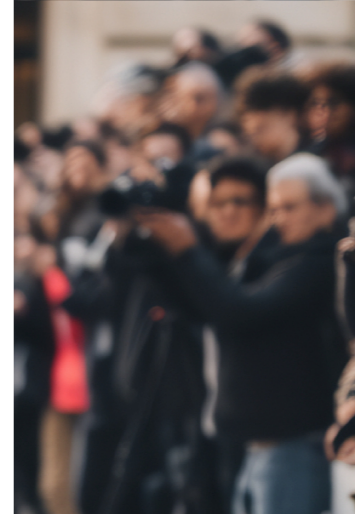

O'Keefe has learnt a lot from her time in this agency model. At the top of her list is leadership.

"Leadership is everything. Leaders who are on the same page, committed to driving true integration is what brings the bespoke model to life (Not lip service or a neat org chart on a PPT slide)," she says.

"Cultivate a strong bespoke agency culture. You need to do the work to bring together the merging agencies and build one shared culture that guides how you operate on the daily."

Shared P&L a must, believes O'Keefe. If people are squabbling internally over percentages and margins it undermines the ability to progress as one team and realise the brand ambition.

"Communication drives collaboration. Hardly a revelation as this is true of any agency BUT in a bespoke model you have different disciplines coming together, bringing different practices / priorities and ways of working into the building," she says.



It requires consistent and considered communication to harness the power of integration – and it takes effort, as there can be greater empathy and explanation required to get everyone on the same page at times, says O’Keefe.

And ultimately, being under one roof matters most.

“Being based in the one space together does a lot of the above work for you,” she says.

If the purpose of an agency partnership is to deliver value back to a brand, then the bespoke model will always be an awesome option for clients, says O’Keefe.

“It can offer a much more seamless experience, where partners can all attack the same priorities, in a structure that offers greater capacity for the different disciplines to play well together and do their best work.”

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