

The survival of independence

By  [Charlie Stewart](#)

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Many of the conversations I've had in recent months - be they with media, clients, staff or other agencies - have touched on the relevance of the independent digital agency and, in particular, its ability to continue working with brands who are increasingly looking to appoint a single global marketing agency.

It's hardly surprising there should be so much interest: 2014 was a year of enormous consolidation - if you need a reminder of how many times WPP and Publicis took out their chequebooks, read Ventureburn's piece on the big networks' more meaningful South African digital acquisitions.

From the disingenuous 'can inde's survive?' to the intriguing 'when's the end of global hegemony', the questions have been stimulating. And, as the CEO of an independent agency, I've found them particularly pertinent.

For all the benefits that come with being part of a big agency network - the opportunity to mine an existing client base, economies of scale and well refined processes and tools - the negatives are significant.

From what I gather, the Martin Sorrells and Maurice Levys of this world are rather like medieval landlords. Instead of sending their lieges around to collect cash, they expect spreadsheets to be submitted. Aside from being a creativity killer, it manifests the all apparent reality: when money becomes the absolute focus, service delivery falls.



Image via [123RF](#)

Fortunately, independent agencies don't need to live quarter-to-quarter (or in a post Sorrell world fortnightly spreadsheet by fortnightly spreadsheet). We have the privilege of being our own stakeholders and, often, our own shareholders.

This allows us to take calculated risks, choose to work with clients we want (and not with those we don't), and to partner with suppliers we know will deliver.

It means we can place objectivity before expediency.

Aside from being forced to brush up your Excel skills, one of the greatest handicaps of networkdom is that decision-making is stifled. Head office applies central procurement initiatives and hiring guidelines that are based on global market conditions, impairing an agency's ability to be nimble and respond to local requirements.

Imagine a case where the Stormers couldn't sign a new up and coming talent because someone in England had overspent their recruitment budget. What's the outcome? Overworked staff, dropped balls. Falling morale.

Arguably worse, imagine taking a client brief that necessitates you to engage with an outsourced service provider. Unfortunately, you can't pick the best supplier because somewhere in your network there's a local business that has, as one of its services, a second rate, overpriced competing offering that you're forced to use. Who's the loser? At a primary level it's your client. At a secondary level it's your reputation.

That said, we live in an increasingly small world. A world full of brands. Brands that deliver revenues and create compelling reasons for the brightest and best talent to work for a global agency.

And with brands trying to consolidate service providers at a local and international level - often seeking a single network to deliver a gamut of services it's clear there's been a squeeze on the independents. A squeeze that's perhaps encouraged many to surrender their independence in order to retain a degree of relevance to brand clients.

So should we inde's give up all prospect of working for brands and try to find relevance in the mid market?

Not at all.

Years ago when I was involved in an altogether different sector I met with a venture capitalist to discuss them taking a stake in my business. Shortly before my turgid presentation sent him to sleep (and yes, that was probably the worst meeting of my life), he imparted some words of wisdom that have remained with me ever since: 'don't try to own 1% of a huge market - shoot for a meaningful share of a niche market'.

And that's exactly what independent agencies must do to remain relevant. While I accept that it's hard for a small business that has more than half an eye on month-end cashflow to turn work away, the unfortunate reality is that too many independents become jacks of all trade and masters of none.

At Rogervilco we're in the fortunate position of having been able to focus on two clear specialisms - search engine optimisation and enterprise web development. Through hard work we've earned sufficient industry praise, accolades and awards to position us as the absolute leader in the first space and a strong player in the second. And with that, the brands have come knocking on our doors. Brands who are pragmatic enough to select an agency that's more than likely to deliver and who are brave enough to motivate why international selection mandates should be replaced by best-of-breed local service delivery.

So to my mind, there's a clear opportunity for the inde. But to survive and, indeed, exploit it, the entrepreneurs who run these businesses must find the time and space to create and commercialise a meaningful point of difference.

As to hegemony, well, the Greeks had their day, so to did the Romans, the Holy German Empire and the Brits. I suspect so too will Messrs Levy and Sorrell.

ABOUT CHARLIE STEWART

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