

BUSINESS

Things are stirring in adland

By Paul McIntyre
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THE PITCH

FOR those who care and didn't already know, George Patterson and The Campaign Palace have lost their once unrivalled respect among marketers. Or so says a confidential agency image study among 200 top marketers which fell off the back of a truck recently.

The company behind the two-yearly survey, amr interactive, refused to discuss its findings, claiming it was for paying clients only. But the change in perceptions between ad agencies over the past two years is remarkable.

As rapid as the decline in sentiment for Patts and The Palace has been, another shop has rocketed up the charts. The name is Saatchi & Saatchi. Saatchi has come from nowhere to outrank the other top shops, Clemenger and Singleton Ogilvy & Mather, for the No.1 agency position.

In the latest study, Saatchi took out 23 of the 26 categories in which marketers were asked to rank ad agencies. That's double the best performance of any agency in the past 10 years.

But so dramatic has the fall been for The Campaign Palace and George Patterson in the past two years that *The Pitch* asked Hamish McLennan, chairman of the now merged George Patterson Y&R, for his view on why. The Campaign Palace also reports to him.

He argues that much of the damage was done at Patts before WPP took over the company last year, as previous management tried to ready the shop for a float or trade sale. "Patts had a lot of bad media coverage and speculation and I suspect they didn't have the appetite to invest as they should have," he says.

As for The Campaign Palace, well, McLennan says it has been struggling for years but, of course, it's now very different. "I'm absolutely convinced it will be a great year for The Palace," he says. "They've completely turned the corner under new management."

In the meantime, Saatchi has stolen a march on The Palace and every other shop in town and the general sense is that it's because of its international reputation for creativity. Reading through the amr interactive study, the signs point to a renewal of corporate interest in "creativity", which can mean all sorts of things.

But big ideas executed in a highly engaging manner is a good start and that, it seems, is where big companies are turning their attention.

"Advertisers seem to be valuing creativity, strategic insights and the ability to take that creativity and make it relevant," says one industry executive who has read the report. "They're not getting that from everyone so anyone who's got creativity is getting a halo affect. The

Palace has let that slip. M&C Saatchi may have been in a position to take up that space but they've probably been absorbing some substantial account wins over the last couple of years and they haven't quite taken it up."

So now Saatchi & Saatchi is the pin-up for advertisers, off the back of its relentless creative agenda.

<http://www.smh.com.au/news/business/things-are-stirring-in-adland/2006/02/15/1139890805676.html?page=2>