

The Advertising Agency of the Future

University of Minnesota

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Professor Al Tims

John Risdall

The advertising business is always in a state of flux. I used to think our agency had to reinvent itself every five years. Then three, two and one. Now maybe every ten months.

To figure out where the ad industry is going, we need to take a short trip into the past to see where we have been and to hear some of John's career to get a perspective and context.

Chapter One: The 50's and 60's - "Advertising"

Chapter Two: The 70's – The Creative Revolution

Chapter Three: The 80's – The Rollups and Integration

Chapter Four: The 90's – The Start of the Internet Generation

Chapter Five: The 00's – The Agency of Now

Chapter Six: The Agency of the Future

When I left the University of Minnesota in 1968, I had just completed four years at Harold C Walker Advertising as a copy contact, a job title that was a dinosaur; extinct. In New York in 1945 when Doyle Dane Bernbach was founded, they used a team of a writer and an art director for all their creative projects. The other writer and I at Walker Advertising would hand over our copy to one of the two art directors and they would turn it into an ad or brochure or whatever. The world did not change to the team approach until the early 60's when DDB took over the ad agency awards competitions by storm, won two Presidencies for JFK and LBJ, named the Beetle and made millions just like Fallon did 25 years later in the 80's. In 1964 when I started, Walker Advertising was a fringe top ten agency in the Twin Cities. It had the Minnesota Blue Cross/Blue Shield account and used the Channel 4 News and Dave Moore and the Bedtime News extensively where the Skins beat the Shirts regularly.

Two of my classmates were Pat Fallon and Chuck Porter. In 1982 Pat Fallon started Fallon McElligott Rice, and soon became one of the top thirty agencies in the country. Within a few years Chuck Porter teamed up to form Crispin Porter Bogusky, headquartered in Miami; when Volkswagen and Burger King gave the agency their accounts,

CP + B was one of the top twenty-five agencies in America.

By 1999 Risdall Marketing Group was one of the top 100 agencies in America ranked by Advertising Age Magazine and eventually rose to number seventy-two.

How, what, why did three U of M graduates who all toiled in Murphy Hall during the same years all have eponymous agencies in the top 100 in the United States? In 2009 all three agencies are prospering.

Chapter One: The 50's and 60's – "Advertising 1"

Strange place indeed.

The agency of the 50's was weird. No Xerox, no computers, no fax machines, no cell phones, really no phone systems, no women in power nor in any prominent positions; watch Mad Men on TV. The show gets awards for authenticity and from my viewpoint they get it right;

"What did she have to do to get that position?" A comment on Mad Men when one of the women was promoted to a job as a copywriter.

Everybody smoked and everybody drank. Lunch for a lot of people was a great place to drink. There were agencies in town where the account staff would hit a bar around 10:30, have four or five drinks and then make their big decision of the day: have lunch or get down to some serious drinking. Smoking was everywhere. Offices had smoke rolling out of rooms. Those white acoustic ceiling tiles were smoke stained yellow. When I went to conference meetings at Pillsbury, I would take antihistamines ahead of time or not be able to last an hour.

There were fourteen people working on every million dollars worth of capitalized business in the 60's. Today, most agencies have one person for every three million dollars worth of business. Inflation and computers accounted for most of that forty-two times increase in efficiency.

I was living through the introduction of the three fastest growing advertising mediums of all time: broadcast TV, cable TV and the Internet and all three had a direct major impact on the agency business.

In 1968 I had a wife and a son, Ted, and was building a house on a vacant lot in New Brighton.

I needed a job. Walker Advertising was being merged in to Darcy McManus Masius, one of the top 10 national agencies and they had a job for me as account executive Trainee with 6 months in media and six months in market research.

Lucky me, a job as an account executive was offered working at Autographics later

named McCracken Brooks and for several years in the 80's was named the Advertising Age Promotion Agency of the Year. My job was to assist the agency's president on the agency's biggest account -- Pillsbury Refrigerated Foods --- refrigerated dough. This was a dream account --- packaged goods with lots of new product introductions and the chance to work with two great agencies that did the consumer advertising -- Leo Burnett and BBDO/New York. The account supervisor from Burnett was Bob Barrochi --- a Harvard MBA summa cum laude who just missed being President of Leo Burnett about ten years later and went on to form a big Chicago agency. I ended up with Bob as somewhere between a friend and a nodding acquaintance as we both hated those snotty bastards from BBDO/NYC. I also worked on Sara Lee, General Foods and Jeno's among others. After two years I was generating 45 % of the agencies business as one of 18 account people --- all men, all older than me and all making more money than I did. I asked for a raise, they politely told me to get lost. The next week I was a copywriter at Blanchard and Associates working on Benson Optical and Augsburg Press and twenty plus other accounts. Everyday I faced the big white bull with my Remington typewriter and several bottles of whiteout. I started every month with an assignment for 25 different 30second radio commercials for Benson Optical. Then for the next day I would smell the ink from the mimeograph machine as 77 copies of each were printed for radio stations in 34 markets.

And three months later Autographics lost the Pillsbury account.

1968 Top Thirty-some Minnesota Ad Agencies

This is John's best recollection as there was no list of the top 10 in flyover land in 1968 and suddenly here we are 41 years later

1. Campbell Mithun
2. Knox Reeves
3. Bozell Jacobs Kenyon and Eckhardt
4. Martin Williams
5. Colle McVoy
6. Kerker (now Preston Kelly)
7. Jack Carmichael
8. Harold Walker Advertising
9. William Baxter Advertising
10. M R Bolin
11. Coleman & Goff
12. D 'Arcy McManus & Masius
13. Kamstra
14. Clarke Livingston

15. NV Advertising which a few years later became Cohen Okerlund Smith and Cohen and Smith both died and Mean Gene Okerlund left Vern Gagne to go with the WWF. Gene has his own best selling action figure. Gene was chosen to be the announcer for the local wrestling circuit because one night Marty Oneal died and when Vern Gagne visited his agency – only Gene had announcer experience.

16. Labelle & Shallbetter

17. Chuck Ruhr

18. Mike Fadell

19. Fischbein

20. Duffy Bringold Knutsen & Oberprillers

21. Barickman and Selders

22. Peterson Morris

23. Stevenson and Associates

24. Red Barron

25. Earl Savage

26. Fahden As In Cat

27. Paragon

28. Three Arts

29. Markgraf and Wells

30. Gardner Advertising

31. Grey

32. John Borden and Associates

33. John Forney and Associates --- one of their clients was the Great Northern Railroad --- which seemed like some kind of bedrock iconic client and a potential good place to work. Fifteen years later John Forney, Jr. was one of the first ten employees at Fallon as the Director of Client Services

34. BBDO

35. Ned Teiche Co.

36. Stu Gang and Associates

In 1968 there were fewer than 200 agencies in Minnesota, today there are over 800. Every year over fifteen percent of agencies die. And then that amount and a few more replace them. The water table stays about the same year after year but over time the quantity grows. The ad business is the quick and the dead. At any point in time twenty-five percent of agencies will be toast in the next eighteen months; some just don't know it yet.

In 1971 I rejoined Harold Walker as a partner and brought the Smith System and Smith Foundry accounts. While Harold Walker was at McManus he worked for his younger brother Jim Walker who ran the 3M account. Along came the

General Motors/UAW strike and the cigarette TV advertising ban that had repercussions in every major ad agency with either a cigarette or car account and McManus had both. Harold had a contract, was given a pay cut, was ticked off, quit, sued and won. And restarted his agency. He recruited me and it took him a year to drive me nuts.

In 1972 I started what today is Risdall Marketing Group. I had now worked at four other Minneapolis ad agencies and at the age of 27 thought I could do better. Since then we have either outgrown or outlived over 6,900 ad agencies in Minnesota; some great and some horrible. Some so bad they miss this year's phone book the Yellow pages and are gone before next year's book shows up. Some of the local trade journals have a top 25 list of businesses and for those who can join that list, the odds of survival are much better --- usually we only lose one or two from this list as opposed to 15 to 20 per cent in the total population.

Chapter Two: The 70's and the Creative Revolution

JFK/LBJ and DDB

Everyone in my generation knows where they were when they found out JFK was killed. I was walking down Church Street when several dozen loud talking people came out of Murphy Hall and I asked what was going on. The tie to adverting was that JFK was the first Democratic candidate to have a Madison Avenue ad agency help him in his campaign. And then LBJ was also elected with DDB help when a

writer named Tony Schwartz wrote the infamous Daisy/Atomic Bomb commercial and ended Barry Goldwater's campaign. DDB was the hottest agency in the world, had reignited creativity in advertising, renamed the Beetle, dominated all the ad award competitions, made millions and spawned dozens of ad agencies just like Fallon would do 25 years later in the 1980's. One of those agencies was Norm Tanen and Associates and Norm became a friend as he also attended George Johnson seminars on ad agency management. Norm told me every project he was handed was an award winner including the Jamaica Tourism account among dozens of others. Norm and I traded visits to each other's agencies to mutually help each other out.

George Johnson wrote a newsletter on ad agency management where he gave us starving agency owners' advice. It was really the only source on one guy's opinion on what to do. The 4A's had a similar program, so we joined and found out they were there for the multi-million dollar agencies – not the little guys.

Chapter 3: The 80's – The Rollups and Integration

In 1986, the first big holding company was formed. DDB, Needham and BBDO formed Omnicom. This was a group that was so huge it dwarfed anything and everything in the marketing communication business.

But within a short period of time there were five more holding companies and a whole new way of doing business was created. The new five were the Interpublic Group of Companies, also an American Public company, the WPP Group out of London, the Publicis Group out of Paris, Aegis Group also of London and Dentsu out of Japan.

So what? Within seven years these six had bought and merged over 6000 major entities into their individual groups.

What does this mean and who benefits from the rollups? Today the top six bill fifty-six percent of all advertising in the United States. When you add in the next four to round out the top ten:

7. Havas out of France
8. Hakuhodo from Japan
9. MOC from Montreal
10. Asatsu DK from Japan

The top ten account for over sixty percent of all US Advertising. The top ten add up to over 10,000 strategic entities worldwide and services range from advertising to branding to interactive and every kind of consulting.

These behemoths can have any account they want; they can deal on price, range of services and quality of service.

They will promise world class people working on your account; any type of service can lead their account team, normal advertising, pr, interactive, anything. The holding companies can promise everything. They know all the services that can help your company and will promise world-class excellence on all of them.

How can you lose?

They let the midsized and small agencies have the little and midsized accounts.

So for an agency to compete, they need access to world-class services across the marketing spectrum.

The Minnesota/Holding Company Connection

1. WPP Group

Schematic- a small Internet agency that has served Target for two years.

2. Omnicom Group

BBDO – Hormel and Spam’s agency for over fifty years

Martin Williams

3. IPG

Campbell Mithun

Carmichael Lynch

4. Publicis Group

Fallon --- David Lubars started at Fallon in 2002 as the new Creative Director for Pat Fallon. He was and is the greatest living advertising creative. In his second year at Fallon they gained over \$500,000,000 in new billings, gained no new accounts and became the biggest ad agency in town. Every account he touched, he improved some of the best campaigns in the world by tweaking them --- it was like some kind of creative magic. Campaigns like Holiday Inn Express and CitiBank Identity Theft. The sad part is the BBDO New York figured it out also and stole David from us in 2004 by making him the Creative Director and also the Chairman of the Board --- unheard of before ---- and paid him all the money in the world. The first year there it looked like he was doing nothing but the second year he gained 10 new accounts totaling \$2,000,000,000 -- billions- the most in one year in the history of American advertising. I had an opportunity to meet Dave and I asked him what he did when he hit a brick wall and he said, "I go home and talk to kids to get recharged."

5. MDC

Colle McVoy

Chapter Four: The Start of the Internet Generation

In 1974 we put a toe in the water of the interactive world. We were doing kiosks, interactive catalogs and other interactive projects. Mid-'93 we were given a beta copy of Mosaic. Mosaic asked us to design a graphic image to test their ability to transmit an image. We did it. Three days later we started designing websites. One of those was our own. Two months later we looked through the web and found two other ad agency sites; Fallon and Chiat Day. Three months later Mosaic changed its name to Netscape.

By 1997 we were proclaimed one of the top 10 web providers in the world. AT&T wanted to sell a lot pipe to transmit web sites but quickly realized almost nobody had one. So they started an alliance with web designers to build websites and the stated with three of us and in two years they had over 2,000.

#1 on Google

Since Google launched its search engine, Risdall has held the #1 listing when you Google the words “Advertising Agency.” We have defended this position against all comers including 52,000,000 other agencies for over ten years, except for five days in 2008. Monday morning, January 7, 2008 10:09 am. Olgilvy.com has stolen our spot. I look at our spot and Olgilvy has stolen our cheese. We had seen it coming. Three agencies; Olgilvy, Bayard and Tribble had all been bumping up against our listing for six months. So in October we used our Google tool bars to look under their hoods and we found Olgilvy for instance had 23,000 links compared to our 5,000 links. So to keep the fox out of the chicken coop; we built 30,000 links. We looked at five other categories and built our site out in a sort of prevent defense. We were done in November, sighed relief and sat back. Being #1 on Google was and is a very big part of our new business effort to attract prospects

and new accounts. That Monday morning after I stared at my screen for an hour, I went to talk to Jennifer Risdall, the President of Risdall Online Marketing Group, with a plan. She agreed with me and we launched the plan. We would not go toe to toe and we would not use things that would be easily measured by Google tool bars. For instance, one of the six very different things we did was to vastly improve the quality of our top 200 links. There would be no way that a casual observer let alone somebody who had just spent more than a million dollars improving their site could look below our hood to see the radar adjustments to our website. By 4:40 pm on Friday we were back to #1. Hooray!! And in the years since we have increased our vigilance and retained #1.

#1, 2 and 3 on Google!

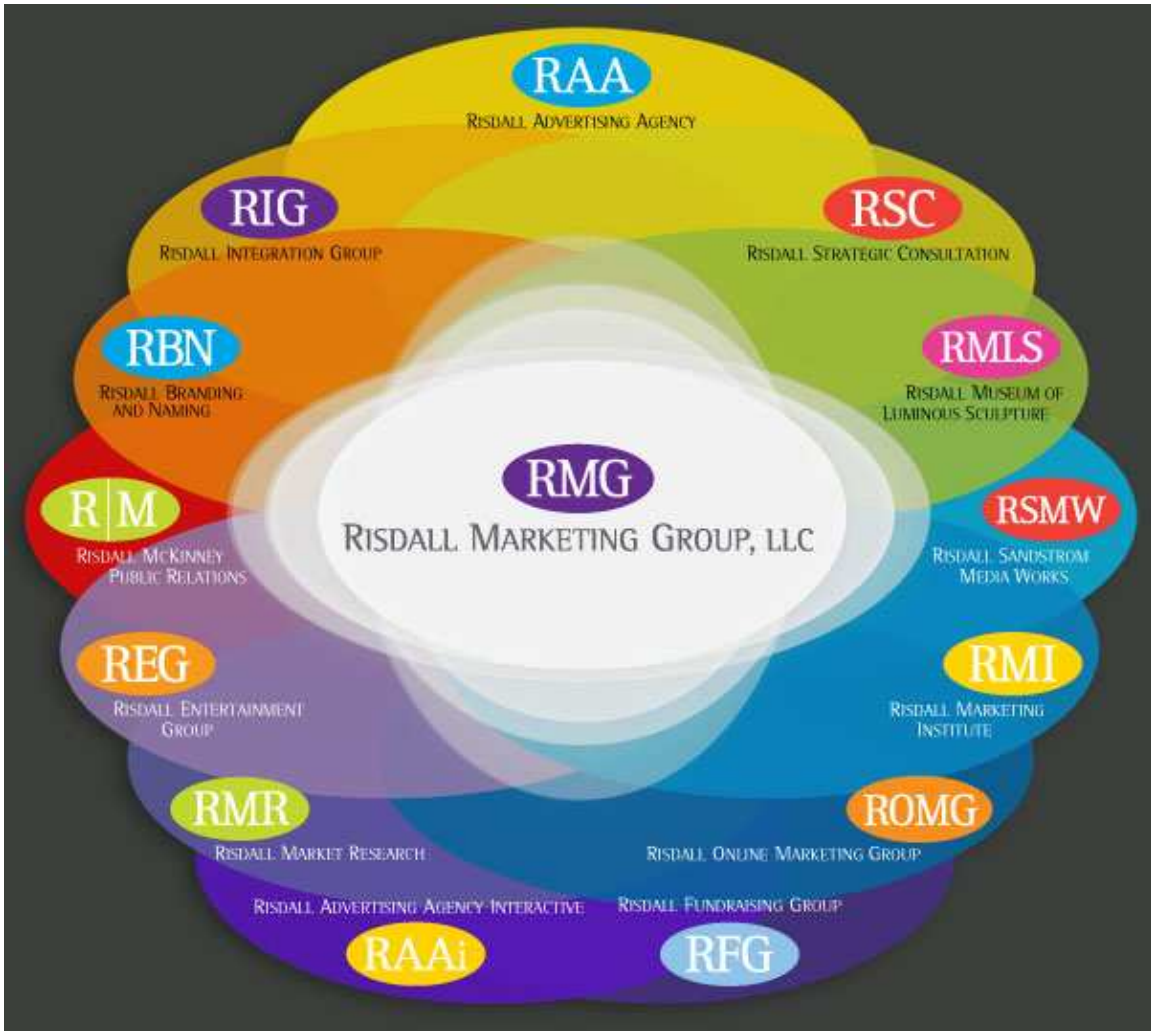
When you Google the words “Minnesota Advertising Agency” Risdall is #1, 2 and 3 and 12 more spots in the top 100 listings. Most of the top 25 agencies in Minnesota have no listings.

Chapter 5: The 00’s -- The Agency of Now

The 21 largest agencies in America are all owned by one of the five large holding companies. They have all assembled a juggernaut of client services that combined would cover all the marketing services any client could need. When competing for new clients --- their story is very compelling.



To combat their story we have built a like set of services that will be at a better price point and with a much friendlier service model. An important part of our marketing plan is describing these service offerings in 35 different websites like this one;



As Minnesota's leading new media agency, Risdall Marketing Group helps clients connect the dots in an ever-expanding universe of websites, blogs, social networks and more. We harness social and traditional media, strategic thinking and award-winning creativity to help our clients stay relevant, make meaningful connections and build profitable relationships. Big ideas work everywhere!

★ ★ ★ Risdall Advertising Interactive ★ ★ ★
Ranks First in the World

RAAi received 29 WebAwards from the Web Marketing Association

The most ever by a single agency in a WebAward competition [Learn More](#)

When it comes right down to it, Minnesota companies are looking for just three things: Survival, Growth and Profit. And, as legendary marketing guru Peter Drucker said long ago, there are only two ways to get there: Innovation and Marketing. Which is where we come in. If you're looking for a dedicated marketing partner to help you find inventive new ways to reach your audience – and your marketing goals, consider Risdall Advertising. As a premier marketing resource for you, Risdall Advertising is among an elite group of the upper 1% of all advertising agencies, web developers, public relations agencies and integrated marketing agencies in the United States and Minnesota. For most business-to-business markets, we are the biggest, most experienced ad agency, and bring the widest toolbox of marketing strategies, solutions, and tactics to solve and maximize marketing opportunities. Our unique structure positions us as the ultimate ally in helping you innovate and market. Risdall Advertising is a Minnesota, national and international ad agency. We work with 27 of the top 100 public companies in Minnesota. Yet three of our top six accounts are in Los Angeles, Chicago and Dallas. We also have clients in 15 countries and market

internationally. We belong to the Intermarket Agency Network, one of the world's strongest and most complete agency networks.

Consider 36 Years of Success by the Numbers: Risdall Advertising is the #1 Web Developer in Minnesota and #46 in the US (as ranked by Adweek Magazine.) • Risdall Advertising is the #1 B-to-B Agency in Minnesota and #4 in the US (as ranked by BtoB Magazine.) • Risdall Advertising is the 7th largest Minnesota Advertising Agency (as ranked by Minnesota Business Journal Magazine.) • Risdall Advertising is the 82nd Largest US Advertising Agency (as ranked by Advertising Age; May 5, 2008 issue) • Risdall McKinney Public Relations is Minnesota's 5th Largest Public Relations Agency and the 110th Largest PR Agency in the US (as ranked by 2008 Twin Cities Business Information Guide) • Risdall Search Marketing is the Largest SEO (Search Engine Optimization) Agency in Minnesota • Risdall Advertising is Minnesota's Largest Independent Advertising Agency and the 23rd Largest Independent Advertising Agency in America (as ranked by Advertising Age; May 5, 2008 issue)



**Put Minnesota's Home Grown Branding
Heroes to Work for You**

[Risdall Marketing Group](#). We're [Minnesota's
Number One Interactive Agency](#). We're [branding
wizards](#). [SEO shamans](#) and [SEM magicians](#).



**The Number One Interactive Agency in
Minnesota. 'Nuff said. (Ranked by Ad Week)**

So You Need An Internet Marketing System?
You're talking to the right guys if you want to
[succeed online](#). Risdall's [award-winning web sites](#)

Rainmakers who unleash a veritable deluge of results for our clients.

We're the [largest independent advertising agency in Minnesota](#) (the seventh largest overall) and seventh oldest (out of 700) Minnesota advertising and branding agency. Not to mention the [largest Minnesota B-to-B agency](#) and the seventh largest Minnesota PR agency. We're [award-winning strategic thinkers](#) with \$163MM in billings for 2007. We're loved by [clients](#). A lot (see deluge of results). We're locally accessible. Nationally known, ranked and respected and waiting to put our prodigious talents to work for you. We're Minnesota's own home-grown home-run hitters. We're [Risdall Marketing Group](#).



A Constant Craving to Serve You Better

It's been thirty-six-some-odd years since Risdall

feature a rare combination of creative vision, bullseye branding, buckets of "bugs" for the search engine spiders to find, and an almost uncanny knack for being able to get your visitors to where they want to go in a hurry – without making the journey feel like a New York cab ride at rush hour. How can we help you [create a site](#) to see [with web site development](#) and [search engine optimization](#)? The answer is just a click away at [Risdall.net](#).



Tapping into some of the biggest brains in academia.

The Risdall Marketing Institute is a shared learning resource amongst Twin Cities academic and consulting resources. The goal of the RMI is to have a two-way relationship with the local academic community, and to provide access to the most current resources and techniques applied to

Advertising Agency was brought forth on the streets of New Brighton, Minnesota. And while a lot has changed since 1972, one thing has always remained constant; our desire – and ability – to serve the needs of our customers with a full range of full service capabilities including, [Integrated marketing services](#), [advertising services](#), [corporate collateral and identity](#), [public relations](#), [web site development](#), [Internet marketing](#), [Internet search engine optimization](#), [branding](#) and much more.

But here's the really cool part – when our clients succeed, we succeed. Which inspires us to try even harder for our clients. And so it goes...

Agency Letter

Dear Friends,

The year 2010 marks our 38th anniversary. In an industry where longevity is often measured in months, we are well into our fourth decade of providing clients with incredible results in

the field of marketing and business development. To date, we have established relationships with over 80 professors (out of over 185 professors of advertising, marketing and public relations at the 22 Minnesota colleges and universities that have such a professor), been in contact with thousands of students and collaborated on dozens of projects with various professors and clients. Flagship programs for the Risdall Marketing Institute include, Intern for a Day program, the Student Agency and guest lecturing.



Helping to Brand You as a Winner

You say you want to be the Best Dang Bar-None Brand out there? Well you've come to the right place, pardner. At Risdall, we eat, sleep, think and breathe branding for our clients (which happen to include 27 of the top 100 public companies here in Minnesota.) Using our exclusive, patent-pending

building their businesses. We are now Minnesota's 7th oldest advertising agency out of over 700. The 2009 Business Information Guide ranks us the 8th largest Minnesota advertising agency, the #1 web developer and the 5th largest PR firm. Our annual capitalized billings have exceeded \$100 million for the last eight years. We have created an insanely large body of great work for our clients, helping them create, build and benefit from their brands.

Our current structure and platform offers clients the widest variety of integrated services in a more streamlined way. Two important things remain intact; Our ability to generate brilliant marketing ideas and our ability to deliver those ideas to our clients' customers and prospects in the most relevant and economical way. After a three-year search, we have hired Cindy Lord to be President of [Risdall Strategic Consultation](#) and head of account planning for RAA. She had prior stints at Martin Williams, JWT, Ogilvy and Euro RSCG.

[Arrowhead Brand Audit](#) and [Brand Development Process](#), we go through a carefully orchestrated sequence of Discovery, Definition, Development, Design and finally Deployment processes to turn Brand X into Brand A#1. To learn how we can make your brand the hottest thing going, give Ted Risdall a call at: 651-631-1098.



Tried-and-true and new strategies combined in ways other PR shops may never have even thought of.

You have a brand to grow and a reputation to protect. You have to increase visibility and awareness, to generate buzz and fanfare. Whether you're targeting Alpha Moms or NASCAR Dads, our illuminating and integrated combination of leading-edge and tried-and-true PR strategies allows us to create programs that reach the right people, with the right message, and prompt the

Other recent accomplishments:

- Our leadership in the e-commerce area remains unchallenged. Other agencies are now trying to copy our vision and strategic partnerships. President Ted Risdall, Director of Interactive Planning Frank Grubbs, and CTO Joel Koenigs lead this effort. Adweek magazine IQ ranks us the #1 web developer in the state. In the [2008 Web Marketing Association Awards](#), we won 29 awards and came in first in the world.
- Rose McKinney has been a world-class leader of our [public relations team](#), aided by lieutenants Joel Swanson and Eva Keiser, delivering Results That Matter™ to over 100 clients. We are ranked the 5th largest PR firm in Minnesota.
- The addition of Tom Wilson as President of Risdall Marketing Group really strengthens our entire account services team. His background includes stints at

desired action. We spend our days painstakingly crafting messages that resonate with the advocates that advance your brand. And we do it all for the love of delivering results that actually matter. As Minnesota's 5th Largest Public Relations Agency and the 110th Largest PR Agency in the US, Risdall McKinney Public Relations serves consumer, business-to-business and non-profit clients locally, nationally and internationally.

To learn how we can help you achieve the results that matter most to you, give Rose McKinney a call at: 651-286-6767.



We work locally, nationally and in Hollywood to promote our clients in movies and TV — we have thousands of client product placements. We have worked with many TV shows and movies like The Million Dollar Idea and Mental Engineering.

Fallon, Martin Williams, Campbell
Mithun, Gage and Russell & Herder.

- VP/Account Supervisors Kevin Deshler, Glenna Dibrell and Tim Dillon increased our leadership in the business-to-business and industrial categories.
- Our role in the service/consumer and medical sectors also grew, thanks to VP/Account Supervisor Terri Lee, assisted by Account Supervisor Tia Wilkins. We now work with 10 of the top 50 Minnesota medical product manufacturers, plus several others nationally – more than 40 clients total.
- We have long served a substantial number of sporting goods clients. Agency Vice Chairman John Risdall is recognized as a leader coast-to-coast and is assisted by Account Supervisor Dianna Schmidt in this area.
- As Minnesota's most wired agency, we've provided leadership to the high-tech category. Ted Risdall, Tim Dillon, Jennifer

Have your people get a hold of our people. We'll do lunch. We work locally, and coast-to-coast from Hollywood to New York to promote our clients in movies, TV, comic books and video games. In other words, anything that will lead to the crème de la crème called social acceptance. REG has thousands of client product placements and we have worked with numerous TV shows and movies like The Million Dollar Idea and Mental Engineering. Our Arts & Entertainment Division led by Julie Dianna Schmidt now has more than 40 clients like Theatre de la Jeune Leune, Million Dollar Idea TV Show and the 35 restaurants of Twin Cities Originals. If you need exposure, expose yourself to the power of Risdall Entertainment Group.



Risdall Marketing Group — The Big Easy

OK, New Orleans already has the name, but

Risdall (CEO of [Risdall Online Marketing Group](#)) and Josh Dahmes (President of [Risdall Online Marketing Group](#)) head our activities. Our fastest growing group is the Risdall Integration Group led by President Jared Roy, adding social media and Web 3.0 to turbo-charge everyone's marketing.

- Our Arts & Entertainment Division led by Dianna Schmidt now has more than 40 clients that include [The Ivey Awards](#), Million Dollar Idea TV Show and the 35 restaurants of [Twin Cities Originals](#).
- Our fundraising and development group led by Jerry Seppala continues to deliver amazing results.
- Kevin Deshler is also the President of Risdall Marketing Institute, interfacing with Minnesota academia.
- The financial services sector is well served by VP/Account Supervisors Jennifer Risdall and Laura Skadsberg who lead the sector with more than 30 accounts, capped by recent national awards for Honeywell

working with Risdall Advertising will make taking care of your advertising and marketing needs easier (and more profitable) than you ever thought possible. For one thing, our integrated, one-stop-shop capabilities mean you never have to fill out a half dozen purchase orders for the services of a half dozen different agencies. With Risdall Advertising, you get exactly what you need – when you need it, with just one click to any one of the following starting points:

[Risdall Advertising](#)

Top notch, full service advertising that's locally accessible and nationally recognized and respected.

[Risdall Interactive](#)

The Number One Interactive Agency in Minnesota. 'Nuff said.

[Risdall McKinney Public Relations](#)

Tried-and-true and new strategies combined in ways other PR shops may never have even thought of.

Federal Credit Union, which was rebranded as Endura Financial.

- [Risdall Sandstrom Media Works](#) - Jim Sandstrom is doing wizardly things both online and in traditional media for our clients. He is the Dean of Twin City Media Directors.

Nationally, we rank as the 82nd largest agency out of more than 27,000 and the 4th largest business-to-business agency, according to the May 5, 2008 Advertising Age. Ad Week Magazine ranks us the 48th largest interactive agency in the nation – the only Minnesota firm in the top 50. According to Twin Cities Business Monthly we are the state's largest web developer. In short, we are in an elite group of the top 1% of agencies in the world.

While we are a \$120 million business-to-business agency, we are also a \$65+ million consumer agency. But most importantly, we are proud of the work we do and the positive impact it has on our clients' sales and profits. They enjoy the unfair business advantage of focused, creative

[Risdall Fundraising](#)

We've already raised millions for our clients. How much do you need?

[Risdall Marketing Institute](#)

Tapping into some of the biggest brains in academia.

[Risdall Search Engine Optimization](#)

Making sure you're seen in all the right places.

[Risdall Online Advertising](#)

Profit from what we know about making the Internet pay.

[Risdall Branding and Naming](#)

Helping you define, name and profit from your strongest asset.

[Risdall Strategic Consultation](#)

Finding you the best route to a more profitable future.

advertising. We would like to show you some profitable ideas we think might help your company in 2009 and beyond.

Sincerely,

John Risdall

Chairman/CEO

Ted Risdall

President

Kevin O'Callaghan

President-Creative



I'd Like to Thank the Academy

Don't misunderstand us. We like [awards](#) as much as the next guy. But the recognition that really matters most to us are the accolades and, more importantly, the trust awarded us from [clients who have seen real success increasing their sales](#) due to our creative efforts.

So while we'll gladly take the acknowledgement of our peers, it's the thanks of our customers that makes us the most proud.

The Right Tools to Get the Job Done for Our Clients

You know that guy with the basement full of every tool you can think of and about 250 you've never even heard of? That's us. Over the years, we've turned innovative thinking into [proven SEO](#), [brand development](#) and [web development processes](#), [web content](#), [e-commerce](#), [analytics](#),

[web marketing and other tools](#) and [big ideas](#) that have helped hundreds of companies turbo-charge their business.

[So give us a holler](#) - we'd love the chance to do the same for you. Now hand me that 3/4" socket, will ya...

1998 Honeywell Reevaluates its Web Vendors

Risdall Marketing Group made the cut. We do some small projects. Honeywell calls us up and gives us a \$10,000,000 web project out of the blue called Atrium (Atrium will monitor and adjust any building heating and cooling system and lighting for maximum cost savings). The biggest web project we ever had. After two days on the project, Tina Karelson, one of our creative directors tells Honeywell they need a second \$10,000,000 web page that will handle small buildings. They instantly agree. These two web pages become the cornerstone of Honeywell Sensing and Control Division; in 2009 a \$20 BILLION+ division of Honeywell and one of its most profitable. Our account supervisor on this account, Terri Lee, is one of our best and out networks everyone. One day she came to me with a question and I told her to call and ask Honeywell corporate marketing department for their graphic standards and guidelines. When we later asked

Honeywell why we got this project when they already had ad agencies like Campbell Mithun, Martin Williams and Colle McVoy; they said they knew that but the other agencies never talked to them and had never asked for the corporate guidelines. A serious lesson in doing it by the book. This division has one of the world's best marketing strategies. We helped a tiny bit by giving them brilliant print materials. They will give you the system for free if you give them the money the system will save your company, school, office building; whatever. An offer almost nobody can refuse.

Chapter Six: The agency of the Future

This is an article I wrote for Minnesota Business Magazine October 2009 giving my thoughts as to where the marketing industry was headed in Fall 2009.

From Advertising to Conversation Marketing

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Think of an ad that caught your eye this year. It's a difficult task. In the midst of the sea of ads for car insurance, cell phone companies and beer, none really stand out. It takes an outrageous ad for a new product, such as the Hulu spot featuring Alec Baldwin, to really get people talking.

Marketers need to be aware of the shift in advertising taking place. Gone are the days of interrupting consumers' lives – they don't have time for that anymore. Ads still have their place, but conversation marketing has replaced interruption marketing – and conversation marketing is a whole lot more than advertising.

To see how we arrived here, a little history is in order first. In the 1950s, '60s and '70s, traditional advertising in print and on the air ruled. A creative revolution came in 1982, creating an emphasis on TV advertising that lasted quite a while. In the mid-1990s, with the advent of the Internet revolution, advertising made the jump online.

Brands have adopted online advertising quickly thanks to a more level playing field. From Fortune 500 organizations to small companies, brands are seeing the value of advertising on the Internet and engaging in conversations with customers.

After all, consumers are having conversations with each other and now want to have conversations with brands. Social media has brought conversation marketing to the forefront by providing opportunities for consumers to connect with their favorite brands. For instance, Starbucks is the most popular brand on Facebook, followed by Coca-Cola. The Coca-Cola Facebook fan page created by its fans even is more popular than the brand's official page.

Instead of shouting "Buy my product!", conversation marketing means that your brand is present and top of mind when a potential customer wants help, has an issue or requests the answer to a question.

To be top of mind for customers, companies need to integrate conversation marketing with all other aspects of their marketing mix. From TV, radio, newspaper and magazine ads to public relations and more, brands need to be present at the right time in the right place to connect with consumers so if someone raises his or her hand online, the company is ready.

Even within the Internet marketing space, companies should think beyond their Web sites. A Web site is a small percentage of a brand's Web presence. To be effective, brands should have an Internet presence through social media, search engine optimization, banner ads, streaming video and audio, image sharing sites, news coverage and more. To reach a total presence on the Internet, every strategy and tactic needs to be integrated together, cross-promoting each other.

What's on the horizon? Mobile. After all, people love their smart phones. In fact, a recent report by Juniper Research predicts that advertising spending on mobile Internet will approach \$500 million globally in 2009, and reach \$2 billion per year by 2014.

Since cell phones are more personal than home computers and used by a specific individual, brands can tailor advertising appropriately – and be there when consumers want to talk.

I have asked a few of my brilliant peers on their opinions and prognostications of the advertising agency of the future. Here is a group of the best:

Here are my thoughts on the "agency of the future"

The agency of the future will not be an advertising agency. It will be an integrated, holistic communications agency.

It will not only integrate seamlessly across all disciplines (advertising, pr, promotion, design, media, events, etc.) but it will be able to provide new metrics that show a client the return on their communications investment. Research skills will be almost as important as creative prowess.

The agency of the future will be a guide and leader to its clients. It will enlighten clients and coach them through the complex communications landscape, it will not rely on traditional measurements of success but instead will be a pioneer in new metrics.

Howard Liszt ---- former President Campbell Mithun and one of the smartest businessmen to ever work in Minnesota ad agencies

BBH

Set up a quarter of a century ago, Bartle Bogle Hegarty remains a cutting-edge agency, “Advertising is in the midst of tremendous change, impacted by technology and the explosion of media choice,” says Group COO Gwyn Jones. “You’ve got to embrace the new. We do.” Its own-brands include female security device LLC Dusk for Marks & Spencer and the Pick Me range for Tesco. The key to BBH’s success is a flexible business model, attracting international clients.

bartleboglehegarty.com

Tim Williams

Risk-aversion is a natural human trait, and it's one that gets amplified in times of trouble. Given we're all suffering through an exceptionally difficult economy, this is one of those times many of us feel like pulling in our horns and toughing the tough patch out.

That's the worst possible course of action we could take.

As every informed agency executive knows, we're at the nexus of the Great Recession and the Great Transformation of Marketing. In circumstances like these, a strategy of "just try harder" won't take you very far.

Economists are always talking about types of risks you can afford and the kinds you can't afford to take. For those of us in the agency business, the latter bucket of risks is mostly about failing to adapt to the dramatic changes affecting the agency business model.

Here are 15 things agencies can't afford to risk.

1. A skill set built mostly around interruption instead of engagement. Agencies are used to delivering exposure for their

client's brand messages, measured by things such as reach, frequency and cost per impression. With the consumer firmly in control of his or her media-viewing choices and habits, no amount of exposure matters if nobody's paying attention. What agencies sell -- or should sell, anyway -- is engagement. The metrics of engagement are completely different from the traditional media measurements of the past, including attentiveness, receptivity and buzz potential. Exposure is about efficiency. Engagement is about effectiveness.

2. A digital department in place of a digital competency. The digital department of the 2000s is like the TV department of the 1950s. The digital revolution has been around long enough that it's time for specialized departments to go away. Virtually every position that exists in digital departments has a natural home in the already existing functions of the agency. All it takes is a mandate from management that digital will be a competency of the agency, not a department.

3. Core competencies focused on "one to many" instead of "one to one." Lots of agency professionals have an irrational fear of data and databases, even though the future of marketing clearly revolves around understanding how to leverage that information. Thanks mostly to the Internet, mass audiences can now be

identified and targeted in ways that make much better use of marketers' money. Agencies need to move from mass messaging to mass customization. Agencies know broadcasting, but must now learn narrowcasting.

4. Creating brand-to-consumer communications at the expense of consumer-to-consumer communications. The agencies that grew up in an era of controlled communications now have to learn how to serve their clients in a world of open conversations. This requires a very different skill-set and service offering. It also means moving beyond consumers as audience to consumers as media.

5. Lack of analytics and tools to measure effectiveness. Agencies -- and many advertisers -- still have the wrong-headed view that effectiveness is too difficult to measure. Too many red-herring arguments get in the way of agencies getting more serious about analytics: Of course there is no silver bullet for perfectly calculating ROI. Of course agencies can't be held fully responsible for sales. But this shouldn't stop agencies from helping clients identify and test the key drivers of brand success. Marketers with leaner budgets want and need to reduce uncertainty, and that's exactly the help analytics can provide.

6. Production systems that are linear instead of organic. Most agencies still have a straight-line approach to production, based on a legacy system of trafficking work out the door and then moving on to the next job. But in the digital world, most jobs never die. A website is never done. Online campaigns can be constantly monitored and optimized. Agencies must adjust both their workflow and compensation systems to accommodate production work in real time.

7. Developing media plans instead of channel plans. The view of progressive media professionals is that everything is a channel, and what's really needed in place of the conventional media plan is a holistic channel plan that potentially includes all three major forms of communications channels: bought (paid media), earned (non-paid channels such as viral videos) and owned (channels owned by the brand itself, such as online properties, employees, stores, etc).

8. Placing media instead of creating media. Quick, name a headline created by Crispin Porter & Bogusky? Chances are you can't, but this firm is considered a creative leader because they take such an inventive approach to where the message appears, not just what it says. The real opportunity for

agencies isn't in buying existing media channels, but rather creating channels that never existed before.

9. Creating brand transactions instead of brand relationships.

We've all heard agency executives say to clients, "Our job is to get the consumer to buy the product once. It's your job to take it from there." Agencies have historically been focused on helping to make the sale. But in a marketplace where the actual experience with the brand forms strong customer opinions that get circulated worldwide at the touch of a button, agencies have a big opportunity to help clients create and maintain positive brand relationships from consideration to purchase to ownership.

10. Focusing on "the big idea" instead of "big multichannel ideas." The days of a writer or art director holed up in a room to come up with the "big idea" for a broadcast campaign are over. No doubt brands still need powerful creative ideas to win in the marketplace, but what's needed in place of one big, strategic TV-centric idea is a lot of smaller tactical ideas that can live in a number of channels. It's surprising how many agency creative teams still lack this perspective.

11. Traditional production staff instead of "producers." No longer does production just mean press checks and TV shoots. As

agencies execute in channels ranging from sidewalks to iPhone apps, the production professional must become a real "producer" with the flexible skills and resources found in branded-entertainment companies.

12. Expecting account executives to be both strategic leaders and project managers. While there certainly are examples of the "whole-brained" account executive that is talented both strategically and logistically, these two skills sets rarely come in the same package. By expecting account execs to do both these jobs, agencies are producing persistent client dissatisfaction with the agency's strategic contributions and level of proactive thinking. This is not only because many account people lack the strategic skills, but because they simply don't have the time. Add to that the complexity of managing digital assignments, and it absolutely mandates splitting the traditional account service job into two: strategic planning and project management. (Note that in digital agencies, project management is a well-defined discipline that is taken so seriously that project managers are often schooled and certified by organizations such as the Project Management Institute.)

13. Continuing to allocate client budgets to media instead of creative. Consider this:

Q: How much does it cost to reach a million people on a major television network?

A: Around \$60,000.

Q: How much does it cost to reach a million people on YouTube?

A: \$0.

In a world where many of the most powerful media have a cost of \$0, ideas are the real currency of marketing, not money.

14. A business strategy that attempts to support high-value offerings (strategy and ideation) as well as increasingly low-value offerings (basic production and execution). Agencies can no longer support the increasingly unrealistic cost structure that comes with attempting to house every possible service under one roof.

There's a reason most "commodity" products (like steel) are made in countries with lower cost structures. There was a time when most agencies' services were seen as high value in the sense that clients couldn't do these things for themselves and they had few other options. But all that has changed, which is why

Ogilvy (which produces high-value work) formed the new Redworks (which produces lower-value work). The economics of producing both high-value and low-value products in the same company simply don't compute.

15. Selling hours worked instead of value created. It's time for agencies to come to grips with what they're really selling. Clients don't buy your costs (your hours, overhead or FTEs), they buy the value you create for their brands. Yet agency accounting and compensation models are built around time and efficiency rather than outcomes and effectiveness. Especially given the increasing cost pressures from clients, it's time for agencies to start counting the right things and craft compensation approaches that align the economic incentives of the agency with those of the client.

As Peter Drucker once said, "You can't manage change; you can only be ahead of it." Agencies, no matter how smart or resourceful, won't be able to manage their way out of these disruptive changes in the marketplace. They can, however, devote their considerable creativity to staying one step ahead.

ABOUT THE AUTHOR

Tim Williams is founder of Ignition, a consultancy that works with marketing communications firms to help them create and capture more value. I know and have met Tim. He is one a few advisors to agency owners. He pushes the envelope. But I cannot use about 50% of what he says. ---JR

The ad agency of tomorrow (and it just might happen that fast)

A lot of smart social networking and marketing people have been telling companies that, thanks to Facebook, Youtube, blogs and Twitter, marketing is no longer a one-way street and they no longer own their brands.

Marketing was NEVER a one-way street. Back in the '60's, Bill Bernbach, one of the smartest men ever to apply his talents to advertising, stated that "Great advertising will only make a bad product fail faster." Why? Because more people will buy that product, be dissatisfied with it, and tell their friends and family that it's not worth the money. The bad product will not get repeat sales AND word-of-mouth (the best form of advertising) will steer potential buyers away.

Facebook, YouTube and Twitter and all the other social media have only ACCELERATED this process.

I would argue that it's more important than ever for companies to "own" their brands. They can and must monitor the social media and respond to whatever negatives may be posted, blogged or Tweeted, but companies and their ad agencies still have to strongly communicate the benefits of their products to their target audiences.

When I worked at Paragon Advertising in the late '70s, one of our largest clients was Northern States Power Company. Since NSP was a monopoly, with no competition, Bob Jones, Paragon's president was once asked why NSP bothered to advertise at all. I've never forgotten Bob's reply.

He said: "Nature hates a vacuum. If you aren't telling people who you are, someone else will do it for you." That's never been truer than today. And companies (and their ad agencies) are going crazy trying to figure out what media are most effective today and what media will still be effective in the coming years.

While I think it's more important than ever for companies to rely on the marketing expertise of their ad agencies, the recession and other factors have pushed a lot of companies to view their agencies

as vendors only, splitting up web design, television and print over several different agencies when they should be doing just the opposite. Many times companies think this will save them money, but it actually makes the job of each agency harder, as they all have to communicate with each other to make sure the messages and graphics stay consistent. (And egos being what they are, some agencies may have no desire to co-operate with other shops. So there goes consistency!)

So the fact that word of mouth still remains the most effective form of persuasion has not changed.

But the technology for spreading word of mouth has.

The biggest impact of this new technology is on agency media departments. Alex Bogusky, the visionary creative director of Crispin Porter+Bogusky, is quoted in the current issue of "Media" magazine as saying he has no idea of where media is headed. Obviously more marketing dollars are going online, but the question of how to monetize a lot of the social networks remains.

The other challenge is how to use new media most effectively. In the current issue of Advertising Age, Chris Perry of Weber Shandwick states that Twitter is: "...a proven platform that carries incredible power to reshape how we learn, interact and share with communities online. For marketers and media-makers, it's hard to think of a recent innovation that's altered our landscape more than the simple 140 character platform."

He goes on to say, however, that: "Most companies fail to realize Twitter's full potential as a market engagement platform. While 73% of Fortune 100 companies registered a total of 540 Twitter accounts, effectiveness based on level of activity, interaction and engagement were off the mark."

A comment on his article, posted by jelefant | Indianapolis, pinpoints what many marketers have yet to understand: "Twitter isn't built for Brands, it's built for people.... People want to listen to and communicate with other people. Brands should empower their people, through a company social media policy, to use these new channels."

The agency of tomorrow needs more art directors who are extremely tech-savvy. A number of younger art directors currently looking for jobs in this difficult economy have told me that recruiters are telling them not only to be good web designers, but also to be able to program their designs in HTML. It's also going to be increasingly important to be proficient in Flash.

Everything points to more and more communication and marketing going through mobile phones.

From a creative standpoint, this may be a blessing for art directors and copywriters. Ever since I've been in the business, we have pleaded with clients to keep their messages simple. Now they are going to have to.

To me, one of the biggest changes in ad agencies (and one that has the biggest implications for the future) is the rise of the account planner. Planning has evolved from gathering research to setting strategy. Where does this leave agency account executives? Are they now primarily project managers or simply glad-handers and bag carriers? Both Bob Barrie and Lyle Wedemeyer have told me that they felt the quality of account execs has seriously declined at Fallon and Martin/Williams. As proof, when Bob Barrie started his own shop, the United

Airlines account went with him. They loved the creative, but, according to Bob, had issues with account service. Bob said Fallon lost BMW for the same reason.

My belief, at least from a creative standpoint, is that agencies and their creative departments will survive and prosper as long as everyone embraces the future with curiosity, enthusiasm and confidence. The computer, the Internet (thanks, Al Gore!), social networks and the mobile phone have created enormous change, but they've also created enormous opportunity.

We just have to seize it!

Hope this helps, John.

Len Mitch Len is a legendary creative director about to start his 6th decade in the ad business from Paragon to Martin William's Creative Director of the Edison Group to the last 10 years as EVP/ Group Creative Director at RMG.

The advertising agency of the future

Currently, advertising agencies are facing competition in a multitude of forms. There are marketing consulting groups, branding companies, marketing research and digital marketing firms—and they all claim to provide the same mix of strategic planning and brand development offered by ad agencies. Then there are the media firms and production groups, some of which are now getting into the business of message and concept development.

Most advertising agencies today believe that they're only supposed to affect the areas that revolve around brand awareness and preference. They believe that customer conversion and acquisition are left to the discretion of the marketing manager whose domain is to focus primarily on pricing, distribution and production.

The agency of the future will need to provide a way that effectively brings brand building to the center of all areas of marketing. It's a "Customer-Centric" 360-degree approach that focuses on evaluating and improving the customer experience at all points of contact with the brand. And today the consumer is driving the brand, as much if not more, than the marketer. The key is to have your brand and message discovered in the places where the consumer is not only learning about, but also talking about a company's brand and products.

Traditional advertising continues to shrink at the expense of consumer-influenced content and brand influenced editorial. The agency of the future will need to both innovate and evolve into the new era where the content can be as much consumer generated as it can be company

generated. New forms for the delivery of content, data and channels will provide new business opportunities and used to evolve a companies brand and key messages in order to create a positive and authentic brand experience for the consumer. This also means that the brand and advertising message needs to embrace the ability for the consumer to interact with it and using two-way communications such as social media and customer response management (CRM), to have meaningful conversations about the brand.

Digital technology, once the new frontier for marketers has now become the mainstream advertising form and continues to grow 20% annually at the expense of traditional media. The agency of the future will not only need to concentrate on design but even more so on their efforts to create messages and content that consumers over the next decade will access in a variety of ways. Digital devices, from hand held PDAs, mini laptops to “smart” mobile devices will become mainstream. The advertising message will need to integrate into a variety of sizes and forms while being able to maintain consistency and relevancy to the brand. For instance, technology already exists that allows marketers to recognize your device at the point of sale and issue an e-coupon to your device with barcode to use for specified products within the store.

The media plan will be replaced by the brand connection plan and need to embrace the growing multitude of media channels in order to build a brand franchise. Media planners will become "brand connection planners" delivering market and audience specific interactive advertising with the ability to monitor and manage the data from consumer interactions in real-

time. Product placement and product blogs will become as important if not more important than the creative approach.

The agency of the future will need to possess the key characteristics of analyst, strategist, and technologist and possess the capability of providing multi-layered market messages, designs and brand connection plans in order to survive. A primary role will be to help clients understand how consumers "consume" information and their preferred forms of media used to learn about the brand.

The agency of the future will need to recognize that they will operate in an environment where advertising becomes increasingly easy to ignore and consumers expect more and more from their relationships with brands and the experiences that they provide. Word-of-mouth becomes the gold standard for measurement of how successful the advertising campaign was in making the emotional connection to the consumer regardless of product, service or market. The goal will be to converse with the existing audience and develop content to attract more people to become part of that audience.

The successful agency and marketer of the future will come to understand and embrace that the fact that their brand is owned by the consumers who love them and remain loyal to the brand.

Kevin Deshler

President --- Risdall Marketing Institute

John I have been giving some thought to your question about the future of the agency....

Have a few thoughts to share:

1. I think the "network" agency model (for lack of a better term) is going to take off. This would essentially be the manifestation of the "virtual" agency that Jay Chiat envisioned years ago.

What I am talking about is the emergence of networks of freelancers that can be marshaled at a moment's notice to work on a marketing challenge. These networks may be constructed by the freelancers themselves or perhaps "holding company" alum groups? I think the current health care legislation and today's economic downturn will be facilitating conditions. There are many agency people who are just in this for the benefits, and I think if healthcare becomes more accessible and is no longer as tightly tied to an employer that agency folks are going to be more likely to go on their own (think all agency people have the "unfettered" gene).

2. Believe that the AOR model is going to continue to erode. A couple of things might happen:

1) clients may begin to put very definitive time restraints on their AOR relationships (e.g. Annual retainer with formal review every 12 month), or clients will increasingly "projectize" their work, with no AOR assignments, and put every project up for bid. I think Target is a leader in this area - these days they do creative shoot-outs for almost everything.

3. I think major companies will begin to take their strategic competencies in-house. As products and services become commoditized, a company's strategic approach is increasingly becoming a point of difference. To better protect strategy, companies are going to be moving them from the hands of consultants and bringing them in house.

4. Media placement will again be king, and form and function will meld. Because pricing on things like TV ads and newspaper is becoming increasingly commoditized, the future of media is in developing custom placements that meld context and content. For example the construction of the Absolute ice bar.

Hmmmm....ok I those are the highlights. John please let me know if this meets your needs of if you would like me to spend some time/thought on any other area in particular. It is quite fun to speculate about the future when you are not beholden to your prognostications!

Again, very proud of you for doing this. Very courageous. Please let me know how else I can help.

Cindy Lord

President --- Risdall Strategic Consultation -- one of the most brilliant planners in the Twin Cities

**An Advertising Agency Media Person's Take on the Advertising
Agency Media Department of the Future**

The advertising agency concept was historically founded on the premise of an individual, or group of individuals, “representing” a newspaper to a given client, writing an ad for that client which appeared in the newspaper, passing along an invoice from the newspaper, to the client, for “X” amount, and paying the newspaper 15% less than the “X”. The agency commission system was rooted in that simple concept. And, the “copy/contact” advertising person was born...an individual would deal with the client and the media AND create that client’s advertising.

This writer has worked within the media planning and buying side of the advertising agency business for 40+ years. Beginning his career at the tail end of the “Mad Men” era in the 1960s, his first agency media department assignment mirrored the “copy/contact” system...he both planned AND purchased media, did so for ALL media types, and was the “front man” for media-related matters to the client.

Over the years, the media planning and buying functions within most ad agencies became separated and highly specialized. So too did planning and buying BY media type. Agency media departments had TV planners and TV buyers, newspaper estimators and newspaper negotiators, out-of-home plan creators and out-of-home plan executors, etc.

As clients demand more and more from their ad agency partners, this writer sees a return to the media generalist role...the planner/buyer system will again be in vogue. A media person will need to know the nuances of and differences between ALL media types and have enough REAL marketplace experience to be able to negotiate and buy the plan as he or she develops and presents it. A client will want to sit down with ONE person to create a media plan, one which is based on realistic market costs and which has been fashioned by the person who will actually execute the plan.

Media execution will have gone full circle from the late 1960s-early 1970s. Specialized media buying services will fade as the media generalist role grows again in importance within an advertising agency structure. With media out-of-pocket costs continuing to rise (once we're out of the current recessionary period), clients will expect that the individuals responsible for spending their media dollars will provide them with an unbiased, accurate picture of how best to deploy media assets among ALL media choices available.

Jim Sandstrom, November 2009 President, Risdall Sandstrom Media Works
The dean of Twin City media directors spanning Martin Williams, Fallon and Nordic Trac and Risdall Sandstrom Media Works

CONCLUSIONS

The agency of the future is out there. It contains parts of what's going on right now. But the 50's, 60's. and 70's are dead and gone. The large holding companies do over 60% of all advertising in the United States and as a competitor to all of us force our product offering, pricing, quality level and everything if we want to compete for other large accounts.

It will always be about big ideas and how we translate those into the media du jour. At the same time there are important traits that agencies need to exhibit if they are going to coexist with the holding companies offerings, which certainly seem to be so huge as to be impregnable. We are not just in a competition for clients but also for talent and resources.

1. Culture

The most important thing about any agency is that it has a culture.

Risdall Marketing Group has credo about its culture:

1. Have Fun
2. Make money
3. Make money for our clients. As Kevin Deshler, President of Risdall

Marketing Institute, and a Twin Cities agency veteran said - every agency I worked for had “fun” as part of their credo - “but it was usually #10 and we never got to it.”

In the brilliant business book “Built to Last,” the authors, two Professors from Stanford School of Business Collins and Porras, looked for “visionary companies” and the traits that would sustain their business.

When I first read the book over 15 years ago, the chapter that really stood out was Chapter 6 - “Cult like Cultures.” It was all about a culture of the willing. Either you recognized the culture and understood and appreciated it - or you should not be at that agency.

Pat Fallon and Fred Senn wrote the best book on agency culture in their brilliant book “Juicing the Orange” The last chapter of the book tells the secrets of their culture. When Fallon started their agency in 1982, their credo was:

“- The single-minded devotion to, and the belief in, the power of creativity.

- The belief in family as a business model
- Seeing risk taking as a friend
- Success as a business imperative
- The importance of remaining humble
- The necessity of having fun”

The culture is what empowers everyone who works there to do their best work.

2. Structure Agnostic The agency of the future can be any shape - discipline - size - pr firm - promotion firm - ad agency. Clients are aspirational and want the best solutions for their company. In 2006 the world’s third biggest holding company – Interpublic Group of Companies took one of it’s biggest ad agencies - Foote Cone and Belding - a historical legendary great half billion dollar agency - and added it to one of the biggest promotional agencies to create Draft FCB. Two years later they acquired the worlds biggest commercial company as a client: Wal-Mart!!!!

3. Brand ~ Growth ~ Sustainable

My friend, Jim Ericson the CEO of Masters Forum, has a new book “See New Now.” The hockey great, Brett Hill, was leading a youth hockey camp. They all wanted to know the secrets of success. He said, “Develop a signature move.” All great agencies stand for something. DDB owned creative in the 60’s and 70’s. Fallon owned it in the 80’s and 90’s. Risdall Marketing Group owns web site design in the 90’s and 00’s. Each agency needs a sustainable signature move in the marketplace. Every agency needs traction in the marketplace..

4. Media Agnostic

The media world has exploded. Hundreds of billions of commercial websites, Thousands of cable TV channels. Thousands of broadcast TV channels. Thousands of online marketing tools. Dozens of types of media to explore --- radio, print, direct mail, trade shows, outdoor – the list goes on forever.

In their book *Hoopla*, Crispin, Porter and Bogusky tell the story of how they totally avoided broadcast TV by using the Internet, cable and a dozen other media that much better fit the demographics of their prospects in launching the Mini-Cooper. It was so successful, a few years later Volkswagen gave them their whole \$800,000,000 account. And shortly after they were awarded the Burger King account.

As Michael Hart, the President of Mono and a former copywriter at Fallon told Jeremy Mullman of Advertising Age Magazine this fall “Clients are gravitating towards agencies that attack the model in different ways, and you can see that playing out in the way things have shifted.”

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