

The Network Agency Model:
Big and Broken
And clients are paying for it.

An argument presented by
Triple Threat Communications
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Warren Buffet and Bill Gates, in two separate interviews, were asked for the one word that best described their secret to success. Without hesitating, both said, "Focus."

The network agencies may argue that they have focus, but it's misdirected—it's on themselves and not on their clients. It's on their own holding companies, shareholders, and the layers of management overhead they have created to operate these titans.

I'm sure they started out with a desire to serve their clients, but that was a long time ago. Take, for example, the flat-out failed merger between Publicis and Omnicom. Apparently, the bigger the egos, the harder the deal. Then there was the recent announcement of reorganization at IPG where the rationale was corporate efficiencies. Both these examples feature oversized agencies with complex cultures and complicated structures. But what's bewildering is the fact that neither of these industry stories ever mentioned how these attempted mergers or consolidations would benefit their clients. I'm guessing it is because they deemed that irrelevant.

Another example of the wrong focus among big network agencies is the practice of moving their best people into higher ranks of management, which means they focus more on the agency (managing business finances and pitching/winning new accounts) and less on their clients. It's counterintuitive—an industry structured to take the best and brightest "products" and make them less accessible to their customers and their brands.

For argument's sake, let's agree that once upon a time the network agencies did a fine job of creating and processing the massive amount of

communication pieces that brands needed to produce for ever-increasing sales forces. But the market today is changing and so are the needs of our clients. The days of mega-blockbuster PCP brands are numbered. Increasing regulation and generic use demands that we change the way we market. Sales forces are becoming smaller and more specialized—and carrying a new set of tools.

We need to ask ourselves, “Has our ad industry adjusted to meet these changing needs?” I would argue that it has not. Instead of transforming into the leaner, more nimble partners that pharma needs right now, the big agencies have doubled down on size. They have grown into lumbering giants—now too massive to change their course effectively and without repercussion.

We need to return to a focus on achievement as measured by the success of the brands we serve, on the relationships that we build, on helping clients discover new ways to help more patients who need life-saving medicines. It’s time agencies refocused on their most important customers: their clients and their clients’ brands. Not the holding company, shareholders, or layers of management overhead; but on clients and brands.

Triple Threat believes our clients want a partner who is vested in them. One who strives and toils in the trenches with them every day, who feels their pain and joy, and operates in a way that is transparent and genuine. They deserve a partner who has their best interest at heart. Hell, isn’t that what we all want?

Move to a new agency model. Call Tim Frank at 201-942-2072, or visit triplethreatcommunications.com.