

BRAND EQUITY

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Having spread their tentacles into business planning, marketing strategy and even creative content, media agencies are no longer the poor cousins of their creative brethren but are now the marketer's blue-eyed boys.

BE plunges into the media ocean and swims along side the big fish

Harish Narayanswamy

A FEW weeks ago media agencies were finally recognised by the apex body of Indian advertising, Advertising Agencies Association of India (3A's of I) and granted full memberships. A full fifteen years or so since they came into existence. This might have been cause for media agencies to celebrate for after all publicly they have welcomed the change. However, in private most of them will tell you that they don't give a damn about such recognition. The only recognition they care about is that of their clients. Remarking on this largesse, one amused media head said, "As always creative agencies seem to be behind the curve, clients recognised us as equals almost five years ago."

And it is in this observation that the changing story of Indian media agencies lies. Today, more so than ever before, marketers are leaning on their media agencies to help plan and execute marketing strategy. As the market grows bigger and more complex and media becomes more and more fragmented, marketing spends are rapidly expanding. So much so that marketing expenditure is among the four largest items of expenditure on corporate balance sheets. Punitha Arumugam, Group CEO, Madison, puts it succinctly when she says, "Of Rs 100 the client spends on advertising, about 3% is spent on producing the creative, while the balance 95% is spent on the recommendations that the media agency makes."

In such a scenario it's only natural that marketing directors are spending a lot more time with their media counterparts rather than their creative counterparts. Shashi Sinha, CEO, Lodestar Universal, who up until 2005 worked with a creative agency, says that chances are he gets to meet the business head maybe four to five times more often than the leadership at the creative agencies. This is a fact borne out by many of the marketing heads who say that media agencies today are integral not just to the communication mix but to the overall business plan. Media agencies have been quick to grasp the opportunity and retool themselves accordingly.

Cross Hats on Pg2 →



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THE GRANDMASTERS

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