

But, where are the Effie results?

With the AFA Effectiveness Awards coming under the wing of the international Effie Awards from next year, **Oliver Milman** investigates the state of Australian effectiveness measurement with some disturbing findings.

The AFA's decision to merge its Effectiveness Awards into the international framework of the Effie Awards has been welcomed by agencies and clients as a crucial step forward in highlighting the eventual outcomes of advertising – making sure advertising works.

The awards, held in 36 countries across the globe, are also set to shine a searching light on the impact of ads created in Australia. But just how well are agencies here proving the effectiveness of their work and will they suffer in comparison to the rest of the world?

Winning an effectiveness award is hard to beat when it comes to grabbing the attention of a potential client. Causing an uplift in sales due to the advertising around a product, after all, is what the industry is all about. But proving it is tough.

"Clients will look at winning an Effie more favourably than creative awards – I certainly would," explains Joe Talcott, group marketing director at News Limited. "When you say you want to spend a certain amount of money on marketing, there will always be someone across the boardroom table who'll say 'what's the return going to be?' We market to sell product."

Although this message is a near-universal one from clients, it appears that proving the effectiveness of ads is down the list of priorities for both creative and media agencies.

Improvements in consumer and sales metrics have been made in recent years, but the increasing complexity of modern marketing campaigns makes the process a costly and laborious one.

"Effectiveness is tracked through sales and brand health, it's not rocket science," says James Graham, MD of McCann Erickson Melbourne. "If I was a client, I'd want hard and soft research measures. But it's easier to measure the effectiveness of digital and DM than traditional ads. Agencies probably aren't doing enough – but it's not cheap and when budgets are cut, it's usually research that goes."

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The AFA says sales growth, market penetration and ROI will be the bottom line for new Effie Awards.

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JAMES GRAHAM, MD,
MCCANN ERICKSON
MELBOURNE

truth about whether their ads have any impact."

Colin Wilson-Brown, chair of the Advertising Federation of Australia awards committee, adds: "There's not enough focus on effectiveness from agencies, but also clients too. Clients are too busy moving on to the next project, so learnings get lost. This isn't helped by the high turnover rate of marketing directors."

On the agency side, the industry is unclear on exactly who should be proving the impact of ads – the creative agencies or their media counterparts. Tony Davis, director of media optimisation firm Quantum, feels that there have been failings on both sides, and not just in Australia.

"The whole world is struggling to come up with empirical measurements on sales," he says. "Ad agencies are stuck on creative measurements such as brand strength, which holds them back in effectiveness. Things like brand attrib-

utes are comfort blanket metrics, they are rarely converted into sales, which is what CEOs care about. Neither media nor creative agencies have a rigorous grasp of ROI.

"We've seen a trend of clients taking responsibility in-house, partly because they have the skills, but maybe agencies are also dropping the ball on this. Agencies have failed and it is up to businesses like us to fill the gaps.

"Clients will drive the change on this as the agency model isn't built to respond to financial management, that's why you're seeing agencies like Droga5 challenging traditional agencies."

Darren Woolley, of marketing consultants P3, feels that agency/client relationships are crucial in proving effectiveness. "We are seeing a lot of effectiveness awards for new brands building off a base, but the big brands are just defending their position and not taking any lessons from the research," he says. "Clients are hesitant to share sales data with agencies due to confidentiality concerns – I've seen agencies unable to answer questions about sales trends in pitches."

This potential excuse for research-poor agencies is rubbished by Davis: "That's just a cop-out ... agencies should be badgering clients for the information, but they just aren't doing that."

"You've got to look at the goals for the campaign – whether it's to lift sales, raise awareness or correct a misassumption in the market," says Matt Melhuish, chair of the AFA's effectiveness committee and BMF co-founder. "Some industries are more responsive to advertising and promotions than others. You have to prepare the ground first."

So, with the Effie Awards landing in Australia from 2009, will agencies be given the kick-start they need to start looking at effectiveness? Wilson-Brown is hopeful agencies will respond well.

"There has been an improvement in the last 10 years, we have moved into an era of accountability," he says. "I'm hoping that there will be a greater number of entries and that agencies will focus more on effectiveness." ■

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