

ACCOUNT PLANNING. The evolution of the discipline in Australia

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Abstract

In the UK and the US, account planning has come to be recognised as a major force in contemporary marketing communications. In the US, it has been boldly described as “the biggest thing to hit America since Doyle Dane Bernbach’s Volkswagen campaign”. Jay Chiat of Chiat/Day is quoted as describing account planning as the “best new business tool ever invented”.

In Australia, account planning has established itself in many agencies as an integral component in the development of effective communication. But is it truly a “new” business tool, or is it in fact a strategy that has been staring us in the face since the advent of time?: communication, not just from the marketer’s stand- point, but rather from the consumer’s point of view.

This paper explores the role of account planning in the Australian advertising industry, the origins of the discipline and where we are today. Through the eyes, ears and mouths of a number of this country’s leading account planners by way of a series of in-depth interviews, the paper investigates how account planning has developed to this point in Australia.

It appears that the scale and nature of the Australian advertising industry mitigates against full acceptance of the UK model. Indeed, the UK model has met resistance from several areas, including agency staff and clients. Like overseas, it was found that agencies that had fully embraced the account planning concept stood apart from other agencies in terms of advertising effectiveness. The future of account planning in Australia may depend upon a consolidation of the account planning discipline by practitioners and acceptance, by clients, of its embedded value.

Research issues are identified for further investigation.

Introduction

“Research is ancient history, it’s archaeological. It’s what’s already been done. Planning, on the other hand, is about discovering and inspiring something new.”

Jay Chiat, Chiat/Day

Since its inception in the 1960's, much has been written on account planning in the UK during the mid 60's and the key roles of Stephen King at JWT and Stanley Pollitt at BMP.

Associations such as the Account Planning Group (APG) in Britain and the United States have done much to promote the discipline (Cooper 1997). Authoritative and respected texts have been written on planning in the UK and the USA. (Fortini-Campbell 1992; Cooper 1997; Steel 1998). But, with the exception of a few articles appearing in recent times in selected Australian industry publications, little attempt has been made to investigate and report on the scope of the profession today in this country.

First, we define briefly what account planning is and the role of the account planner. Account planning, according to Fortini-Campbell (1992, p.171), "serves to channel the consumer's viewpoint to the agency's creative staff during the entire process of making an ad campaign". Thus, the role of account planner could be described as an advocate of the consumer. The planner has become an integral part of the agency team alongside the account services person and creative staff.

It is this close integration with the agency team that differentiates account planning from traditional agency research. Unlike the traditional researcher, the account planner is more involved in deciding the strategic direction for a campaign as well as the consequent creative output.

In the UK and the US, account planning has come to be recognised as a major force in contemporary advertising. It has been boldly described as "the biggest thing to hit American advertising since Doyle Dane Berbach's Volkswagen campaign."

Agencies world wide now have established account planning departments to arm themselves with what Jay Chiat of Chiat/Day is quoted as describing in Jon Steel's book *Truth, Lies and Advertising* as the best new business tool ever invented (Steel, 1998).

In Australia too, account planning has established itself in some agencies as an integral strategy in the development of effective communication. But is it truly a "new" business tool, or is it in fact a strategy that has been staring us in the face since the advent of time?

In 1980, Bill Berbach stated that "at the heart of an effective creative philosophy is the belief that nothing is so powerful as an insight into human nature, what compulsions drive a person, what insights dominate their actions, even though their language so often camouflages what really motivates them. For if you know these things about a person, you can touch them at the core of their feelings" (Steel 1998, p xiii).

Account planners play devil's advocate. They are the advocates of the consumer...employed by the agency but working for the consumer, sleeping with the "enemy" in the development and implementation of insightful, relevant, affective and yes, very definitely creative campaigns. Today, account planning is not a new business tool. It's a marketing communications essential.

The Study

First and foremost, this is an exploratory study designed to provide preliminary findings to guide further research efforts. The twin purpose of this study is to uncover issues related to the nature and pace of development of the account planning discipline in Australia. The study involves a review of the academic and trade literature. Additionally, a small sample of experts was interviewed in an “experience” survey approach.

To gather the primary data, depth interviews were conducted with six senior account planners at leading advertising agencies in Sydney, Australia. While Sydney is not the only major centre of leading advertising agencies in Australia, it is the largest centre. A case study approach suggested that selecting those agencies known to have formally embraced account planning would elicit credible insights into the problems and opportunities facing the growth of the discipline. Thus, those agencies, listed in the Australian Adnews Handbook 2002, with an account planning director or equivalent in Sydney were contacted by letter to participate in the study. Of the eight agencies contacted, six agreed to participate.

Thus, semi-structured face-to-face interviews were conducted with advertising agency staff who had a senior planning role either as a Planning Director or Chief Executive Officer of the agency. A brief guide opened up the discussion as follows:

What is your view of the role of account planners in an Australian industry context?

How does this role compare with overseas and within your agency?

How is the discipline of account planning developing – if at all?

On a practical level, how is the creation of the ‘creative brief’ prepared and used?

Interview length ranged from 45 to 60 minutes. All interviews were taped and translated verbatim.

The Australian industry

When considering the planning role in Australia today, we must consider it in the context of the size of the Australian industry. Total marketing communications expenditure in Australia in 2002 was \$25 billion, \$8 billion of which was invested in “above the line” media, the remaining \$17 billion being spent below the line (*The Australian* 2002).

There are currently listed over 1000 advertising agencies and communications consultancies in Australia, 30% of which are located in New South Wales (Ad News Handbook 2002). This is an industry where the 80/20 rule very much applies. Where the big are very big and the small...well, they are just small. Amongst the top 100 national agencies, income ranges from \$112,944 million to \$714,000 (Ad News Agency Report 2002).

The emergence of planning in Australia

The accepted belief is that account planning, as it has come to be known, originated in the United Kingdom. However, there is also an Australian challenge to this belief.

Notwithstanding, it is generally agreed that the founders of account planning were Stanley Pollitt and Stephen King. Pollitt introduced the concept of planning whilst working for small British advertising firm Pritchard Wood & Partners. In his own words, “the agency researcher was to act as the Account Man’s conscience” (Fortini-Campbell 1992, p 160). Similarly, King set about establishing an account planning function at JWT. As King (1989) writes, the main difference between the two agency approaches was that JWT put less emphasis on the qualitative researcher sitting along side the account man.

Across the Atlantic in the USA, the heartland of global advertising and mammoth budgets, planning was beginning to be recognised as a way for advertising to truly connect with consumers. Up until this time, effective advertising campaigns were those that relied on the blunt instruments of big budgets, USP’s (Unique Selling Propositions) and sheer repetition (Steel 1998). In 1981, more than a decade after it was first introduced in the UK, Chiat/Day imported account planning into the US because Chairman Jay Chiat felt British agencies were producing advertising that was more innovative and more focused, in no small part due to the use of account planning (Rayner 1984).

Whilst it is acknowledged that planning did evolve in the UK, it is apparent that the specialist planning role in the ad agency got off the ground independently in Australia in the mid-60’s, at about the same time as its early adoption by some agencies in the UK. The reasons were similar in some ways, but in some other ways they were very different. In the UK, the move was a seamless progression within the agency, from marketing research to the planning function. Whilst, in Australia it was “barnstormed” by a newcomer from outside, amongst agencies who had never used research.

David Brent, an ex-military British intelligence officer in the 1950’s, had commenced work in Australia in the advertising industry and had begun to integrate his skills into the gathering, analysis and application of intelligence to improve the standard of advertising effectiveness. It is purported that at the time, the key difference between the UK and Australia was that, whilst in the UK the discipline was embraced by advertising agencies and developed accordingly, in Australia there was a failure to recognise the potential of planning as a major contributor to the effectiveness of consumer communication (Brent 2002). This view is supported by one interviewee as follows:

*There was a lot of argument: ,does it work, what is it, what is planning?
Believe me there are still people asking what is planning - they haven't a
clue. I have asked them. It is shrouded in mystery. (S5)*

It wasn’t until the 1980’s, however that planning resurfaced in Australia. Once again it was an entrepreneurial agency person who kick-started the planning approach. This time it was Reg Bryson, the current Chief Executive Officer of The Campaign Palace. This development in Australia coincided with Jay Chiat’s implementation of account

planning in the US for the first time. In both cases and in both countries, the advent of planning at this juncture was due directly to the UK influence.

Like Chiat, Bryson was impressed with the work of the British planners that he was involved with during his formative years in the UK, in terms of the development of outstanding creative advertising. He immediately recognised its potential power as a communication effectiveness discipline back in Australia. After a number of ‘pre-emptive’ starts, The Campaign Palace quickly established itself as a benchmark for Australian advertising and a devotee of the planning discipline. Bryson notes that "we are seen as creative and are the most highly awarded agency for effectiveness: our cornerstone is effectiveness" (Smith, 2001, p.26). As one planner interviewed put it, "today, Reg Bryson is the doyen of planners in this country."

Living in the 70's!

To understand why account planning developed at this time, one has to recognise the consumer environment during the 60's and particularly the 70's. All over the free world, the buzz- word was "consumerism", a word that was taking on a new and powerful meaning.

International events such as the Second World War had resulted in significant changes to the way people lived and worked. Post war, no longer was the workplace the sole domain of the male in the role of "bread-winner". Women had discovered a new and meaningful role for themselves in the work force and, with the arrival of the 70's (the decade that fashion forgot!), were starting to believe that the bra was no longer an essential piece of feminine garb (Morrison, Haley, Sheehan and Taylor, 2002).

More people working, both male and female, greater disposable income for the good things in life, but less available leisure time saw a revolution in consumer products, particularly in the lifestyle and time-saving arenas. With this, the realisation that long held views and perceptions, stereotypes of men, women, families and the increasingly vocal youth market needed urgent revision. Research was the solution.

In the UK, Pollitt felt agencies were continuing to produce advertising without fully understanding the impact these changes were having on the buying public. As he saw it, researchers needed to establish more contact with this dynamically changing consumer.

During the 60's and 70's, the industry witnessed a plethora of research companies investigating and producing reports on almost every facet of consumer behaviour to the point of information overload: statistics, facts and figures, certainly. But real consumer insights? Enter the account planner, the constant conduit between research and the consumer.

The planning role in context

The research question is how did account planning develop in Australia? The difficulty associated with this issue is exemplified in the following quote by Steel and Carr (1995):

Introducing planning to an existing agency is like transplanting a new organ into a human body. If you haven't done your homework to ensure the correct match, the organ will be rejected, and the body will probably be in worse shape than it was before the operation. (p.8)

The most noticeable difference in planning in Australia compared to the UK, according to one Planning Director, are the economies of scale. The agency in question's London office employs a minimum of 25 and 30 planners...the same number of planners quoted by the planner as employed in Sydney and Melbourne. In the whole of London, there are purported to be over 650 planners.

Consider the implications of this situation. The first is the disproportionate number of planners in Australia, in terms of the size of our industry. There are approximately 30 planners represented in over 1000 agencies (Ad News 2002). As a result of this, the discipline has a low recognition rate amongst both agencies and clients.

The second implication is that of "specialisation" or, more correctly, non-specialisation. One Planning Director referred to this as the "Vegemite factor". With so few planners available in Australian agencies, those that are here are spread too thinly over a range of clients. In London agencies with 20 or more planners, there are specialist planners, by industry type. It is apparent that our industry cannot afford specialist planners, so planners become generalists, spread across a range of different clients and products.

In the UK and the US, the size of the planner population means that there is both a desire and a need for an organisation or representative body for planners. That organisation is the Account Planning Group, APG. So, does the APG or such a group exist in Australia? The answer currently is no, though there have been a number of attempts over the years to either establish an Australian chapter of the APG, or create a uniquely Australian body. The critical mass of the Australian planning population is nominated as the major reason for this. Simply, there are too few planners.

In terms of professional training for Australian planners, again there is no formal training scheme in existence, though there have been some discussions with the AFA. Again, the problem identified is the size of the profession in Australia and therefore the scope for future employment.

So, where do our planners come from?

Different agency networks have different philosophies. BMP in the UK, acknowledged as the strongest planning agency in the world, recruits from universities and trains their planners.

Major agencies have planning departments comprising senior and junior planners. Additionally, they utilise outside resources to, as one planner put it, make up the numbers. Students are used for telephone interviews, as well as freelancers and researchers brought in for specialised projects.

Our investigations found that planning is most revered in agencies that either have their roots in the UK, display a devotion to the UK planning model, or literally employ ex-patriot British planners. One planner joked that, to be accepted as a planner, you need to have a 'Pommie' accent!

Planners are recruited from specialist industries such as retail, automotive, FMCG, from the research sector or from the client side. One planner commented :

We can't have a planner who just understands consumers. The planner must understand business so that they can understand the client's business, and advertising so that they can understand how advertising works. (S1)

Agency planners have become frustrated with being the 'Vegemite on toast'. As a result, significant numbers are leaving agencies to establish research and planning companies. In Australia, one key difference to that of the situation in the UK is that there is a very strong group of researchers, in effect, freelance planners, who operate in conjunction with agency planners. As one planner put it, because of the nature of the Australian industry and the trust clients give to researchers over their agency, the biggest competition is not other agency planners but rather the independent researcher/planner.

Planning, and advertising effectiveness

Planning can and should take no small credit for helping to sustain the high quality of British advertising over the 1970's to 1990's by building an effectiveness culture in British agencies which is not at odds with – and which in fact is dependent on – innovation and creativity in advertising (Rainey 1997).

Stanley Pollitt (1979) was the first person to describe those areas crucial for successful implementation of account planning. These areas are summarised as:

- (1) Getting the advertising right rather than pleasing the client
- (2) Top management commitment to the process is essential through adequate resourcing and hiring of strong creative people
- (3) The acceptance by all that the ground rules for judging advertising has changed. This latter point refers to the notion that effectiveness is the centre point of good advertising and planning is the medium to achieve it. According to O'Donoghue (1994), the adoption of the effectiveness banner is a major factor for growth of the planning discipline.

It is no coincidence that BMP, with Stanley Pollitt, and JWT, with Stephen King, have dominated the IPA Effectiveness Awards in the UK. Similarly, Jay Chiat has been a strong advocate of the planning concept and has also been successful in the US.

In Australia, both the advertising Creativity and the advertising Effectiveness awards have been dominated by one agency, The Campaign Palace. The 'Palace', with Reg Bryson as a senior planner and the CEO, is arguably Australia's strongest advocate and exemplar of the planning concept. As one planner described the value of planning, in terms of both creative excellence and advertising effectiveness:

It is from just one grain of sand that comes a pearl. If we (the planners) can deliver that one grain of sand, sharply focused, all the strategic work correct, then the creative people have a much better chance of getting it right. (S3)

Where is planning going in Australia?

There are several internal and external factors influencing the development of account planning in Australia. Internal factors include top management commitment and philosophy, having talented open minded creative teams and acceptance by account service people. External factors include client perceptions of planning credibility and market forces.

In 1979, Stanley Pollitt emphasised the need for top management within agencies to commit themselves to the planning concept and furthermore stated that the philosophy had to change within the agency to accommodate getting the planning right rather than pleasing the client. In researching the reasons for the slow adoption of planning in the US, Barry, Peterson and Todd (1987) found that agencies, in general, were content to produce advertising that pleases rather than be effective. It was evident in interviews with planning directors in Australia that a strong philosophy of 'effective' planning existed within this cohort of planning directors. However, two further issues were uncovered that could indicate the reluctance for some agencies to adopt a strong planning culture:

well, right from the start we were about helping the buyers buy...so it was a separate philosophy...we don't consider ourselves to be a service organisation at all. We consider ourselves as producers of ideas...it is not to just give clients what they want (S4).

This decision to take a strong philosophical position has its problems. First, a decision to stand out creatively means that people will notice your work and if it is not good they will notice that, while convergent category advertising will neither stand out nor be blamed for failing.

if you demand to stand out, you had better be right (S4).

One second dilemma exists for the agency that has built a large reputation on using planning in the campaign strategy development process. Once you have said to clients, over a period of time, that it is essential to use planners (and for clients to pay for that planning) and ipso facto a lack of planning produces poor work, you are locked into a position as this exchange shows:

you can't start just compromising and doing crap work for clients because you then won't have a position. Our position, our product is just as crucial to us in terms of maintaining it as it is for the client. It would be very easy to keep a very big client by giving them exactly what they wanted and excusing it away (S4).

A further internal factor is the strength of the creative team at the agency. Both Pollitt (1979) and Steel (1998) argue that planning will only work in those agencies with very strong, talented and confident creative people able to accept other points of view and input. This aspect was acknowledged by the interviewees.

planners themselves, particularly those that were new to the game, started to learn that they needed to get on with creative departments properly (S3).

our creatives have always been really clever people (S4).

they don't see us as the enemy ...They see us as allies (S1).

It appears that acceptance of the planning role within agencies is dependent upon the views of the creative team. Acceptance of the planners role would be more likely in those agencies where talented creatives were doing the strategy by default and would be happy to get back to their true role.

success often depends on the creative department. If they feel that ... there is a real value to planning we will thrive if creatives say we are not getting anything out of this. We will wither and die...if it had been the other way around, the planners trying to force their stuff on creatives, it wouldn't (S2).

It wasn't the account people that had been doing the strategy at all, it was the creatives. The account people would write a shopping list type of brief that would list all the things the client asked for then the creatives would say oh no here we go again ...they probably stopped complaining about it because they learned that it didn't get them anywhere. So, with a degree of resignation, it was accepted as inadequate input and it ended up working through the strategic questions themselves to get their ultimate creative solution (S2)

A second internal factor is the resistance by account service staff to adoption of the planning role. For instance, Barry, Peterson and Todd (1987) found that that resistance in the US stemmed from the perception that planning was a threat to existing agency staff. Similar issues are evident in Australian agencies. If account service staff perceive the strategy and creative brief preparation to be the key components of their job, there will likely to be dissatisfaction at relinquishing this role. The solution according to one planning director, appears to turn the clock back.

Account people have often been the most resistant in agencies to planners coming in because it is a turf battle. You are taking away the most interesting part of my job (S2).

At the end of the day that is the fun part of the business (S6).

I think that what we are going to have to do is do what we have done in the past is to try and not train an elite cadre of planners, but try to improve the planning skills of the account guys (S1).

External factors include acceptance by clients that the planning role is valuable. To be successful the planner's role and contribution need to be understood by all stakeholders - clients and other agency staff (Michell, 1988). It was evident that the reputation of the planning function was downgraded in the early stages of its development in Australia. Many planning directors lamented the early efforts of agencies to fake the inclusion of planners to their teams. At the same time, hype overestimated the value of planners without indicating the true cost of planning. Planning appears to have suffered a credibility drop.

In the late 80's, in the early phase of planning, there was so much promise. ...It was like an over expectation. Planners were not merchandised properly to the clients. Clients did not know what to expect...they were enormously suspicious about these people because they were not adding any value (S3).

and that ruined planning in Australia for a quite a long time, because it was just a charade (S4).

...just a figurehead planner who was brought into meetings... I think a lot of damage was done to the planning and the reputation of planning, as a discipline, by people who were in the role but were not equipped who had not been trained (S2).

So when there was an economic down turn in the market and agencies sought ways to reduce overheads, the account planners were first on the list to go. In addition, it appears to have been difficult for agencies to recover lost ground as the business cycle improved. As these interviewees put it:

but the people who really lost their jobs were the planners, because it had been this over promise clients hadn't seen the delivery because you don't affect client revenue directly. It is the easiest place to go (S3)

I don't think agencies are accorded the respect that maybe once they were. Not too true in all instances (S2).

In contrast, another view suggests that agencies practising account planning haven't abdicated their specialist knowledge and are seen as valuable to clients. But nowadays, the client view of planners has appeared to shift and become more accepting of the role. In talking about his local network of planners, one interviewee said:

They [clients] have enormous regard for them. They think they are fabulous and put enormous pressure on them by trying to get to them direct the whole time and wishing they would come to every meeting... even meetings where quite honestly they add no value (S3)

However, one issue evident in the interviews was the lack of access to key decision makers. One interviewee stated:

Very few agencies get near the ear of the CEO of a company. They are bloody lucky if they get near the head of marketing in a very big company on a regular basis. And most of the time, we are talking to people at the back of the train. Certainly we are no where near the front of the train... (S3)

Market factors are another important aspect that is shaping how account planning is developing in Australia. In a study by Barry, Peterson and Todd (1987), it was reported that there was a lower degree of account planning in US agencies compared to their UK counterparts. Environmental conditions were cited as the major reason why account planning had not been more widely adopted at this point in time. Barry et al. suggest that the competitive environment is more intense in the US and hence clients need to be pleased (Rayner 1984). Time pressures thus cause clients to seek advertising solutions quickly rather than effectively. A similar market situation appears to exist in Australia as the following comments indicate:

Those planners come here and they have to work on more accounts. They have less status...they have less time to work with things move quicker here ...more tv stations...more commercials getting made... more decisions made more quickly, a lot more emphasis on the speed rather than accuracy ... there is a timetable to keep, to whereas in the UK, there is more of a sense of you can have the time it takes to get it right (S2).

...but in Australia business is completely different to the UK. It has always been an advertising frustration. People often sit back and say why cant we do campaigns...branded campaigns like they do in the UK or in the US where we just grow them and develop them. It just doesn't work that we are much too volatile a market-place and change happens in this business far faster in the UK or US. For example, whitegoods. We have probably got double the brands... the number of brands that they have in the UK(S4).

But I do believe that Australian clients are more conservative than they are in the UK (S1).

I think that globalisation has had a negative effect on Australian advertising What that means is for us... you get clients who just want advertising that looks like the category standard and want advertising same kinds of ads as colleagues in the New York office of the multinational (S1).

Furthermore, the Australian advertising industry has undergone a radical restructure in the past decade. Major changes have occurred in the way media planning strategy is handled. For instance, there is large growth in below the line or downstream activities as well as small freelance agencies. Furthermore, the business landscape has become more conservative and predictable according to one interviewee.

This has resulted in more convergent advertising and less creativity.

Business is running a bit on remote control these ... it is becoming so same (S4).

In Australia, one difference is that you have got a very strong set of researchers freelance planners in competition with agency planners because of the nature of the Australian industry and the trust clients give to researchers over the agency. I would normally say is my biggest competitors is not the other agency planners, so my competitive set is different from London as well (S1).

Conclusion

This exploratory study has investigated the origins and current status of planning in Australia. In the process, we have uncovered a range of issues related to the nature and pace of development of the account planning discipline in Australia. These preliminary findings will be used to guide further research efforts into the account planning discipline in Australia.

It is clear that the research task to investigate how account planning has developed in Australia addresses a large and complex set of issues. Four issues are briefly highlighted. First, it appears that the scale and nature of the Australian advertising industry mitigates against full acceptance of the UK model. Indeed, the UK model has met resistance from several areas, including agency staff and clients. Like overseas, it was found that agencies that had fully embraced the account planning concept stood apart from other agencies in terms of advertising effectiveness. Finally, the future of account planning in Australia may depend upon a consolidation of the account planning discipline by practitioners, and acceptance by clients, of its embedded value.

Second, many of the issues appear to be unique to Australia. Many research issues have been identified for further investigation.

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