

Jimmy Murphy: 'What we do is an incredible lever for growth in our clients' companies'
Picture: Fergal Phillips



Setting value, getting paid

The new head of the trade group for Irish advertising professionals says the industry needs to foster the next generation, and understand the true value of its work



Colette Sexton

It is a time of change in advertising and the new president of the Institute of Advertising Practitioners in Ireland (IAP), Jimmy Murphy, is determined to help

the industry here deal with that change.

Murphy said it was difficult for companies to find the time to think strategically about the change coming to the sector. He has been in advertising for two decades, but said he had never seen anything like the change happening now. He attributes it mostly to digital advancements.

Increasingly, clients are coming to creative and media agencies not just for advertising, planning and buying media space, but for consultancy, design thinking, and for solutions to business problems.

This was reflected in the purchase of creative agency Rothco by Accenture, Murphy said. Accenture has realised that the customer journey is much broader now and creativity can have a big impact on that. Murphy said it was likely that more Irish creative agencies would be sold.

"It's a much broader and deeper brief now than just making ads or buying media space," he said.

Diversity, talent, and cold hard cash
Murphy, a director of Publicis, plans to focus on three main

areas during his period as president of the representative body for Irish advertising agencies.

The first is talent and education. This includes offering training to IAPI members as well as helping agencies to attract students from non-traditional advertising backgrounds and educating more people about the potential offered by a career in advertising.

The second area is diversity. There is a still a problem with diversity in advertising across gender and class, he said, and more diverse companies are more profitable and creative.

"Women are really well represented in the industry, but they are not represented at a senior level. This is improving, but it is nowhere near where it should be. We should have double the number of women that we have at senior level."

His third pillar is commerciality. Margins are still too lean in advertising at the moment, and Murphy believes that needs to be addressed. Agencies should not be slaves to hourly rates, but should base their prices on the value they add.

"It's a lifestyle industry in a way. It's a really nice industry to work in. It is really interesting and stimulating, but we should be valuing what we do more and getting paid more for it," he said.

"We create value for our clients' brands and their businesses. We drive profitability and shareholder value in their businesses. Our creativity is a key part of that. If we could charge for the impact that we have rather than the hours we put in, everyone would be happy."

Stepping up

Murphy might have plans now for his term as president, but he was initially reluctant to take on the role, which

was offered to him by Aidan Greene, the deputy chief executive at Core and his predecessor at the IAPI.

"Aidan rang me one day and said: 'Jimmy, this is the call where we ask you to step up.' I said: 'It feels like a big commitment. It feels like a lot of time. How much time is it?'"

Greene told Murphy to calculate the amount of time he thought the presidency would take, and double it.

"I've been working on it for a few weeks now and I think he was actually underestimating. It is about four times the amount of time. It's very onerous. It's a huge honour and I'm delighted to do it, but it is one of those things you are called to do. It is not born of ambition, but it is born of the need to do something for the industry."

That being said, Murphy is already planning for his replacement. As part of his role, he wants to do more outreach to the industry and to get more people involved in IAPI. Getting more people involved also allows the IAPI to groom them as future board members and presidents, he said.

The organisation has several committees within its board, but it has recently started bringing people who are not on the board into committees. For example, the committee for the ADFX award ceremony this year is made up of the heads of client services from eight different agencies.

"This spreads the load in terms of the work quite a bit further, but it also gets a lot more people involved in IAPI," he said.

"It is one of those things where you pay your subscription every year, you go to a few events and you don't think about it that much, but once you get involved you realise how much IAPI does and how much it contributes to the industry. The more people are exposed to that, the better."

Murphy said he believed in the power of collective action, and that was why he is such a supporter of the IAPI.

"We are a group of businesses and each of those individual businesses have their own responsibilities to deliver good work and profit for their shareholders.

"Ultimately, that is where the responsibility lies. However, I do believe in the power of collective action. I believe that we have a very potent industry."

"What we do for a living is an incredible lever for growth in our clients' companies. There is a value in that. If we work collaboratively as an industry to push and to promote that ability to improve clients' businesses and profitability, we can be rewarded better as an industry and a force for change in business."



Conor Brophy The NFL dominated US TV last year, with Donald Trump and the Oscars trailing in its wake. But its viewing figures are on the slide

The annual top 50 Nielsen ratings for 2017 show that the US's television viewing habits last year fell into three categories: sport, Donald Trump and awards ceremonies. Nothing else even got a look-in.

Even using sport as a category is slightly misleading. In reality, it was American football that dominated live TV viewing in the US. Of the top 50 broadcasts last year, National Football League (NFL) games accounted for 37. That includes seven of the top ten. Donald Trump's inauguration, his first congressional address and the 89th Academy Awards were the only non-NFL entries at the upper end of the chart.

Sitcoms and dramas used to feature prominently in the annual list. The final episode of M*A*S*H in February 1983, for instance, still ranks among the 50 most watched broadcasts in US television history. In the era of streaming services and time-shifted viewing, however, few shows now generate sufficient excitement to push them into the must-see live TV category.

The scripted programme which attracted the biggest audience in the US last year was the season 11 premiere of The Big Bang Theory. At 17.7 million viewers, that was good for 58th place. It has been three years since an episode of any scripted series broke into the top 50.

It used to be the case that piggy-backing on a live sporting event could secure a commanding audience share, but now even that is by no means a guarantee of ratings success. The episode of 24: Legacy which aired immediately after the Super Bowl last January brought in 17.6 million viewers. That was the lowest total for the post-Super Bowl slot in 14 years.

The Nielsen figures show that 93 per cent of the audience for sports broadcasts either watch live or, at least, on the same day. The corresponding figure for scripted entertainment is 70 per cent.

That's the justification for the NFL's monster TV rights deal, the most valuable ever signed by any sporting organisation. The nine-season deal, dating from 2014, was worth \$39.6 billion - \$4.4 billion a year to the NFL. By way of comparison, the most recent English Premier League deal, agreed in 2016, will see BT and Sky pay £1.8 billion (\$2.4 billion) a year for the British rights to air Premier League matches.

However, despite its peerless revenue-generating prowess, the NFL (like the Premier League) saw TV audience figures fall by 9 per cent in 2017. This may be due, in part, to a number of what the league hopes were one-off issues. The fall-out from protests involving prominent players kneeling during the playing of the US national anthem before games, to highlight racial injustice, was one of these.

Concerns over the organisation's attitude to player welfare, specifically its reluctance to acknowledge or take steps to mitigate the impact of repeated concussions, was another. Top players also got injured in their drives during the regular season (the knockout or play-offs phase, involving the top 12 teams, is currently on-going). This contributed to lacklustre play and a notable absence of star names during prime-time games, which may have affected audience figures.

The NFL also has to consider that it may not be immune to the same trends that have hit the live TV numbers for scripted content. Research indicates younger viewers, digital natives, are less likely to have formed the habit of watching games live than previous generations. They're also more likely at any given moment to switch to competing content available on their mobile devices, ironically including streaming services offering the shows that used to feature alongside football games on the Nielsen top 50 list.

But the second screen which can take away viewers can also deliver them. Last month, the NFL announced a five-year \$2.5 billion deal with US telecoms network Verizon to stream games to its mobile subscribers. That's a substantial improvement on the \$1.5 billion deal it had with the same carrier over the previous five seasons. The league also pocketed \$50 million from Amazon last year for non-exclusive rights to air Thursday night games (already available live to terrestrial TV viewers). Twitter had paid just \$10 million for the same package of games a year earlier.

The question of sustainability has to arise, though. Even the most bullish NFL executives must, by this stage, be wondering how the league can continue to repackage the same games and demand ever-higher fees at the time of renewal, especially if there's any question about the loyalty of the all-important live TV audience.

During a televised game in 1988, the Houston Oilers coach Jerry Glanville uttered what has since become one of the most quoted lines in US sports punditry. NFL, he said while berating a novice referee, stands for "Not For Long". Thirty years later, the cliché may soon be applied to the peak valuation of sport's richest property if viewing figures continue to slide.

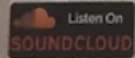
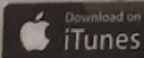
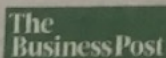
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