

Mike Bosman talks up SA ad industry at AMASA



By [Richard Clarke](#)

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At the latest AMASA meeting held at Inanda Club, Mike Bosman, CEO of TBWA Group, talked about life in the ad industry and compared the US to SA: the annual South African ad spend in dollar terms is between \$2.5 and \$3 billion compared to the United States of \$155 billion.

Bosman listed the current top 10 in ad spend and the big mover is China - up to third place from 10th last year and not even listed in the top 10 the previous year.

FCB, where Bosman worked in the US, is bigger than the top 20 UK agencies put together. Some of their accounts are Compaq, Amazon and Coors beer with Bosman playing a role in gaining Samsung and Boeing worldwide.

The ad picture he painted of the US was massive, not only in financial terms, but also office space with people at FCB unaware as to the whereabouts of the creative department.

With the huge budgets, research plays a big role as mistakes can be costly in both hours as well as monetary terms. Some of the anecdotes made for humorous listening, none more than the fact that copywriters specialise in small sectors and can end up doing that all their lives.

Unlike South Africa, there is no chance to diversify and "copywriters write about subsets of subsets of subsets" never getting into different products or industries.

As far as the SA industry goes, Bosman talked of challenges and opportunities but also stressed some concerns, like the commoditisation of the industry.

Price is becoming an overriding factor when pitching and gaining accounts. According to Bosman only the lowest cost producer wins and then client doesn't get best service.

The analogy of Coke and Pepsi using every tactic imaginable, including comparative, industrial espionage and stealing distribution networks, in their wars - with the exception of lowering prices - made an audible impact on the listeners.

Another factor that Bosman added was the lack of a flow of quality people into the industry. "We need to up the intellectual ante and divert people from rocket science into advertising," he said.

Some future trends that Bosman highlighted before closing, included ongoing fragmentation and the challenge of proper

integrated channel management. He added that to avoid seamless mediocrity, agencies would have to pick four or five channels to specialise in and then build coalitions even with competitors.

On the subject of transformation, Bosman highlighted the need to not only control people but also expectations which can exceed opportunities.

During question time, Bosman was asked about the highlight of his career and without hesitation said it was coming back to South Africa.

ABOUT RICHARD CLARKE

Richard Clarke founded Just Ideas, an ideas factory and implementation unit. He specialises in spotting opportunities, building ideas and watching them fly. Richard is also a freelance writer.

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