

EXCLUSIVE: Hewlett combines assets to launch new agency player, Machine



8 Feb 2012

Adrian Hewlett, CEO and founder of the <u>Habari Group</u>, has combined his group's significant through-the-line, below-the-line, research, digital and social businesses to launch a major new independent advertising agency called Machine.

Machine (<u>www.machineagency.co.za</u>; <u>@machineagency</u>) launches as a significant player in the market, with a staff of 80 and revenue of R45 million.



Machine swallows former Habari Group agencies <u>Habari Direct</u>, a BTL promotions business (as a division within Machine it gets rebranded 'Creature'); Habari Answered, a market research business; <u>Big Wednesday</u>, a through-the-line agency and <u>Domino</u>, the digital and social media agency. The agencies all become divisions of Machine.

The Habari Group has always been best known for its online sales arm <u>Habari Media</u>, a company Hewlett is himself closely associated with, being the first of the companies Hewlett launched that would eventually make up the Habari Group in the relatively early stages of online advertising in South Africa some eight years ago.

Hewlett's reorganisation of Habari Group, which currently comprises of six different businesses, will split it into Machine on the agency side, and media solutions business Habari Media (which will include mass-market media business XL), on the other.



Adrian Hew lett

Considerable confusion

Hewlett (@adrianhewlett) says there was considerable confusion in the market as to the communications solutions his group could provide, through the various specialist entities, due to the strong brand recognition and positioning of Habari Media.

The new name for his agency, and Hewlett's own move away from the day-to-day management role at Habari Media into the CEO position of Machine, means that confusion will disappear. Hewlett also says it made sense to bring together the specialist agencies as divisions within a more integrated agency, as each had been showing considerable organic growth, requiring more

management time, even as they struggled getting onto pitch lists, due to the brand confusion with Habari Media.

"We used to be 'the Facebook guys,' says Hewlett, and Machine is set to change all that.

Broadly integrated BTL agency

Machine is being pitched as a broadly integrated BTL agency with a key digital competency. Its current client list includes Motorola and different aspects of accounts such as Appletizer, Nedbank and Tiger Brands.

According to Hewlett, the market is seeing budget moving away from ATL to BTL and digital, hence the BTL/digital positioning of the agency, but these have also been the areas in which the companies that make up the new agency traditionally drew their core competencies. "We are not trying to be anything we are not," says Hewlett, "and we will continue to do what we are best at."

Machine's senior client services team will sit atop the various specialist units (such as research, digital, BTL etc) and work

across channels, with specialist project teams below them.



Jake Bester

Grew up digital

The new agency grew up digital, so to speak, according to Jake Bester (@BI9PUN), group creative director at Machine and, unlike other agencies, won't have to scramble to build digital competencies into their offering. Instead, it will be beefing up its creative offering.

Habari Media, under the leadership of its recently appointed MD <u>Wayne Bischoff</u> (<u>@thebish27</u>), continues with its South African and African sales activities on brands such as Facebook, LinkedIn, BDFM and BBC Worldwide.

Machine and Habari Media will continue to share office space, due to the competitive advantage inherent in positioning Machine's strategic and creative thinkers close to Facebook's SA sales operation.

Other senior team members

Other senior members of the Machine team includes Teri Fynn as client service director, Marc Horne as business director, Andy Gilder (<u>@Andy_Gilder</u>) as group digital strategist and Anoka Makhan (<u>@Anoka_Makhan</u>) as new business director. Machine is also finalising the appointments of a lead strategy director and a senior channel insights director that will be announced soon.

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