



SOCIAL MEDIA AND DIGITAL AGENCIES WILL VANISH WITHIN TEN YEARS

SAY NEXT GENERATION OF MARKETERS

- Pan-European survey of 2,000 marketing students reveals current generation don't believe they are 'digital natives'
- Over 80% think stand alone social media and digital marketing agencies will disappear within ten years as the channel becomes a discipline for all marketers
- 70% believe marketing landscape will be 'dominated' by Content Marketing and 'PR Thinking'
- Facebook overwhelming choice as 'most important' social media tool
- Generation is critical of marcoms industry for enjoying 'unfair subsidy' via unpaid internships and 'not doing enough' on sustainability
- 86% want to work for agencies that are as much about the creation of social good as about creating profit for brands
- Red Bull Stratos most admired campaign of the year
- Maurice Lévy, Chairman and CEO of Publicis Groupe [EURONEXT Paris: FR0000130577] said the results were 'fascinating' and 'even our new talent should not be complacent' about digital media.

The current crop of graduates embarking on a career in advertising and marketing do not believe they are 'digital natives'. Instead, they believe it is the generation ten years younger than them who will be the true masters of digital media.

They also believe stand-alone social media agencies will no longer exist in 10 years time, having vanished from an advertising landscape, which will become dominated by Content Marketing and 'PR Thinking'.

These are some of the findings from a new report published today by the MediaSchool Group. Titled the 'Next Generation of Marcoms', the report contains a survey of more than 2,000 students aged between 20 and 25 years old studying Advertising, Marketing Communications, Design, PR and Events.

Students in the UK, France, Spain and Belgium were questioned on five different themes covering: 'Digital and the Next Generation', 'The Future of Marcoms', 'Career' 'Ethics' and 'Inspiration'.

Digital

The results reveal a generation convinced that social media is something applicable across all marketing functions. Close to 90% said social media was channel that all marketing practitioners should use and that it was not a 'stand-alone' discipline. However 70% either agreed or strongly agreed that 20-25 year olds today are not digital natives – and that the generation ten years younger than them represents the 'true digital natives'.

- 85% either agreed or strongly agreed that by 2023 social media and digital agencies would not be stand alone specialists and that by then they will be integrated with other marcoms agencies of be full service themselves
- 77% believe Facebook is the most important social media tool a brand can use to communicate to this generation
- Only 40% agreed with a recent statement by Sir Martin Sorrell that Twitter was not an advertising medium

‘Future of Marcoms’

The study reveals a generation that understands the evolving nature of the marketing industry and predicts an emerging dominance of Content and word of mouth.

- 90% agreed or strongly agreed that in ten years the agency they work for would be full service where practitioners would be comfortable creating strategies in advertising, direct, social, digital and PR
- 81% either agreed or strongly agreed that Content Marketing where brands become publishers and creators of their own content would be essential part of their job in ten years
- 70% agreed or strongly disagreed that ‘PR thinking’ where the creation of word-of-mouth and trust for brands is most important – would dominate the way agencies respond to briefs in ten years times
- In a reaffirmation of one traditional channel some 68% disagreed or strongly disagreed that TV advertising would be ‘irrelevant’ in ten years time
- 70% said that in ten years advertising’s job would be mostly to ‘entertain’ and not to ‘sell’

‘Career’

The study suggests a generation of optimists when it comes to their career prospects particularly on questions of gender and equal opportunities.

- 64% thought that in ten years time the agency they worked for would pay them the same salary as a member of the opposite sex
- 73% thought they would have the same opportunities as a member of the opposite sex to rise to a position of senior management within an agency in ten years time
- 64% thought that on average agencies were more meritocratic places to work than in-house

‘Ethics’

Sustainability, social good over profit and unpaid internships were all subjects covered in the Ethics section of the study.

- 78% believed the marcoms industry enjoys an unfair subsidy provided by this generation – more than any generation before
- 26% of students had worked unpaid for more than three months
- 5% had worked unpaid for six months
- 45% worked unpaid for two months
- On sustainability: 70% thought that marcoms agencies were not doing enough to create a sustainable world
- 86% said they agency they want to work for would have to be as much about the creation of social good as about creating profit for brands

‘Inspiration’

International marcoms group Publicis, Global PR agency Ogilvy and Red Bull were the three brands most cited when the students were asked to talk about inspiration.

- 54% said Publicis Groupe was the Most Admired International Marcoms Group (Omnicom 11%, WPP 10%, IPG 2%)
- The most admired advertising agency was also Publicis 28%, then TBWA (15%) and Havas (12%)
- The most admired PR agency was Ogilvy PR (31%) followed by Edelman (15%) and H+K (13%)

- 44% said Red Bull Stratos was the most admired creative or branding campaign of 2012 followed by Nike: My time is now 20% and the Olympics opening ceremony (19%)
- Apple was the clear favourite as the in-house team this generation would most like to work for receiving 44% of the votes.

Quotes:

Anne Pflimlin, director of the MediaSchool Group, which commissioned the research said: "Every year acres of newsprint not to mention blogposts, tweets and hot air at conferences is given over to marketing industry commentators who claim they know what young people think of social media, advertising and branding. What happens less often is that someone actually asks young people themselves what they think. Such was the thinking behind this pan-European piece of research and the basis of its value.

This next generation of marketing leaders clearly have a strong point of view on the future they will shape and create. It's clear to them that questions of silos and channels don't exist. They are agnostic about channel or medium.

Instead trust, word of mouth and content seem to matter so much more. It behoves an industry that is so often transfixed by questions of youth and channel relevance to listen carefully."

Maurice Lévy, chairman and CEO of Publicis Groupe said:

"The survey throws up some fascinating insights from young graduates about to enter the industry and underlines just how digital is fast becoming an integral part of everything we do. That they believe it is the generation ten years below them who represent true 'digital natives' is also indicative of how even our new talent should not be complacent when it comes to new, emerging and existing ways to connect with the consumer. One of our main goals at Publicis is to retain and attract talent. We are proud to see Publicis is among the most admired place to work. There's a sweet spot at the intersect of digital intelligence and emotion, and that's where you'll find Publicis Groupe: the human digital agency."

Matt Neale, president of Golin Harris said: "These predictions are not surprising. In fact ten years may be too generous. Today we're seeing digital specialists folded into PR and advertising agencies at a rapid pace. The agency of the future will operate across all media channels, in real time.

"I'd advise independent social agencies to find a partner quickly as clients want agency depth."

Scott Wilson, UK CEO and EMEA managing director Cohn and Wolfe, said:

"These are fascinating insights from the next generation of marketing practitioners and underline the relentless pace of change within the digital economy.

For Europe's leading marketing students to concede that the generation behind them will be the true 'digital natives' should send shock-waves through the industry and eradicate any lingering sense of complacency among modern marketers.

At the same time, it is hugely encouraging to hear that emerging marketing talent across the Continent recognises the growing importance of earned media and public relations within the wider mix.

Public relations, like other disciplines, is moving inexorably to a more integrated model combining the best of paid, owned and earned, but our understanding of how to earn the right to engage with our stakeholders, is a massive asset that today's PR practitioners must not squander."

Blair Metcalfe, PRCA Young Communicator of the Year, Account Director Ogilvy Public Relations / London: "This report demonstrates the important views of the coming generation of marketing leaders. It is clear that the evolution of our industry continues to be driven by new technologies and integration across the marketing mix. The graduates of this year recognise that they will enter a changing world of marketing and communications, and it will be their understanding of integrated disciplines that will drive the agencies of the future.

The industry would be wise to take note of the issues this ground-breaking research demonstrates, and the progressive optimism of its respondents. Today's students recognise that the world of work they enter soon will not be the same in ten years' time, and are ready to embrace the changes to come.

I am exceptionally proud that my agency, Ogilvy Public Relations, is the most admired PR agency. As a fully integrated agency within the Ogilvy Group we are already achieving the cross-practice integration that today's students recognise as a necessity in the future. It is fantastic to see that our multi-award winning work and innovative organisation is attractive to future marketeers, and we look forward to welcoming some of them through our doors very soon."

Clare Hill, managing director of the Content Marketing Association (CMA) said: "Content marketing is one of the fastest growing media channels and the future looks bright for this discipline with 70% of respondents identifying that the landscape will be dominated by content marketing. Asking the youth market what they think is indicative of the way the relationship between consumer and brands is moving. It is now a far more conversational approach, interactive with a two way dialogue.

To support these findings another recent study has identified that the over 25 year olds 'search it first' and the under 25 year olds 'social it first' (*Deloitte*) so we can only expect that the proportion of respondents who agree that twitter is an advertising medium will only increase from the current 60%. Content marketing is changing the marketing eco system because content is channel neutral, is multi platform and it needs to be 'Always on'."

Francis Ingham, director general, Public Relations Consultants Association (PRCA) said: "The Next Generation of Marcomms' report deserves careful study from anyone interested in the future of our industry. Its scope is the broadest I have ever seen, and its conclusions are fundamental. As an industry, we should embrace the fact that PR thinking looks set to be so dominant in the years ahead. The time when digital stood alone is, indeed, drawing to a close –something we should very much welcome. We should also welcome the finding that so many people believe agencies are meritocratic bodies, where ability is the key determinant of success.

What should concern us though is the continuing exploitation of young people via unpaid internships. It is utterly intolerable that anyone should work unpaid for two, three, or –appallingly– six months. The PRCA position on this is very clear, and I hope our paid intern campaign is beginning to have an impact.

I would urge any thinking person in PR and marketing to make careful study of this report –it points very clearly to the future.

The study was conceptualized by students at the ECS London, part of the MediaSchool Group. The students were then assisted by the research arm of Edinburgh based consultancy CBP-Core Business Psychology in the design and setting of the questionnaire to ensure statistical propriety."

The survey was carried out between March and April 2013

About Publicis Groupe

Publicis Groupe [Euronext Paris FR0000130577, CAC 40] is one of the world's leading communications groups. We offer the full range of services and skills: digital (DigitasLBi, Razorfish, Rosetta, VivaKi), creative services (BBH, Leo Burnett, Publicis Worldwide, Saatchi & Saatchi), public affairs, corporate communications and events (MSLGROUP), media strategy, planning and buying (Starcom MediaVest Group and ZenithOptimedia) and healthcare communications, with Publicis Healthcare Communications Group (PHCG). Present in 108 countries, the Groupe employs 58,000 professionals.

www.publicisgroupe.com | Twitter: @PublicisGroupe | Facebook: www.facebook.com/publicisgroupe

Viva la Difference !

About Mediaschool Group

The MediaSchool Group (MSG) is one of Europe's foremost business schools specializing in the marketing communications. For more than thirty years it has taught advertising, marketing, design, PR, journalism and more recently digital communications in faculties in France, Belgium, the UK and Spain. Graduates from the MSG work in management positions in marketing agencies and in-house positions around the world.

www.mediaschool.eu

Contacts

Publicis Groupe

Peggy Nahmany

Martine Hue

Stéphanie Attelian

Corporate Communications

Investor Relations

Investor Relations

+ 33 (0)1 44 43 72 83

+ 33 (0)1 44 43 65 00

+ 33 (0)1 44 43 74 44