Hearing what the “next big thing” is directly from the mouths of those working on it is one of the most exciting things anyone can experience. We’re privileged to have this opportunity very often. With the diversity of our relationships in both the marcoms and technology worlds, opinions views and ideas are always interesting and as the two sectors continue to converge, are not always that different from one another.

So what will 2014 hold and what are the next big things as we turn the corner into what is looking to be an exciting and buoyant 2014?

In late 2013 we brought together leaders from multiple points along the continuum of creative to technology that blends to form today’s marketing industry and the investment community around it for our annual conference. Special thanks again to Adobe, Somo, Droga5 and Unruly Media together with our panellists who delivered a knock-out performance to the theme of “Maths Men vs. Mad Men”.

Continued on page two
Our aim was to provide our guests with a clear sense of direction of travel within the industry, some sound-bites that stick in the mind, a hefty dose of socio-economics to set the context and some of the plain old-fashioned unabashed indulgences that the marketing services world can serve up like no other.

Creating engagement and conversation through branded content

As an industry we’re obsessed with creating engagement and conversation. Disruption and interruption are unspeakable evils of a bygone time - broadcast blasts of advertising are no longer the norm and sought out by consumers as part of their daily media diet.

In today’s social world of endless content and media opportunities, it was perhaps a surprise for some of us in the room that a quarter of all shared content on YouTube is branded content. The fact that this form of content is being consumed in vast quantities was less of an eyebrow-raiser, but a quarter of all content being actively shared – that strongest form of engagement and recommendation – certainly got our attention.

Is the depth of engagement being driven by mobility? Mobile is split into paid search, static banner etc. and video with the latter forming a key future focus – and specifically making mobile video interactive to incite engagement.

And interactivity at all times is paramount – being able to converse, share and even upload own user-generated content at anytime, from anywhere, on any device is key.

Brands are being seen to sponsor various user/consumer competitions (e.g. best video) driving interaction through UGC and making the experience fun but at all times branded.

Creatives should approach IP development with caution

An increasingly common battleground amongst the Mad Men of the 21st century has been the ability to prove to clients that they are not ‘just’ agency men of the last century, but are entrepreneurs and operators too. Many big name agencies such as CP+B, Mother and BBH have created ‘labs’ and have built IP and even tangible products to market; but all have been rather like ‘Skunk Works’, popularised by Lockheed’s ADP (advanced development programme).

The sad truth, however is that many agencies have proved unable to chart a successful course for these products and have burnt through otherwise very healthy agency cash flows; alarmingly and often uncontrollably in the process.

Commercial success has of course been achieved by some but in many cases to the detriment of the agency itself – the product has outgrown the agency that spawned them which can cause adverse financial consequences and huge distraction for management.

If you feel the temptation- resist it. Although Droga5 has achieved commercial success with initiatives like Thunderclap, they have done so single mindedly and with real clarity of purpose.

This is not about creating a new business for its own sake but to be in it for how it can benefit the evolution of the main agency business. Never let it take over the mothership.

CIOs vs CMOs: who holds the budget?

The collision of ‘maths’ and creativity has and will continue to create unparalleled opportunity, but we all know that potential reward from this comes with risk. For marketing professionals – creative and technologists alike – who work within budgets held by CIOs, the future looks bright as more than one of our speakers was of the view that within 10 years more marketing decisions could be taken by the CIO than the CMO.

If this comes to pass then the behemoths of global marketing, both brands and their various suppliers, will have to change dramatically over the next decade. And it will be ever more important that we all understand each other and speak the same language.

Real-time flexibility around the ‘creative brand idea’ is needed

One of the most treasured bastions of the creative services world is the timelessness and price inelasticity of the brilliant central creative brand idea - a notion being impacted by technology.

Building on the perception of improved analytics and the emphasis on the science, one new and exciting element of brand design is how technology is empowering real-time marketing.

Such an approach enables the marketer to gain new insights listening to what their brand advocates care about and leverage those trends in a coherent, engaging and rapid manner.

New management approaches are needed to consign the slow traditional planning cycles to the past, and replace them with a process that embraces today’s world of rapid engagement.

Campaigns are no longer designed around the ‘big idea’, but brands are concerned with exposing an authentic narrative, in a way that is more timely, more social, and immediately relevant. After all, our culture is willing to embrace on-going and rapid change and is actively welcoming experimentation and innovation.

Mobile

Engagement is all about activation rather than advertising, and the SoLoMo (social, location, and mobile) is a trend for activation larger than any single app or company. The future of mobile location will see the integration of location-enabled features and insights into every product/service you engage with, providing great efficiencies and incredibly valuable insights.

The notion of SoLoMo captures its transformative nature, however perhaps the correct marketing definition of SoLoMo design, should focus not on ‘location’ but ‘loyalty’?!

Looking outside the UK and US, Japan has been a hot bed for mobile innovation and increasingly Japanese companies are conducting overseas
M&A as they rush to make themselves stronger in the face of intensifying global competition. Particularly this is emphasised by Softbank’s acquisition of Nextel.

Indeed, Softbank have just announced further M&A activity designed to achieve growth by tapping the global smartphone market, through the purchase of Finnish mobile-game developer Supercell Oy and American wireless device distributor Brightstar. Watch out as innovation not only comes to Europe from the US, but also from the East!

Globalisation

The world is now simply about being able to manage and embrace change; no one is immune - think Blackberry. And change needs to occur on a global scale.

Whilst technology can assist this, marketing design needs to continue to reflect the fact it is about life and how brands engage and enhance life, rather than enhancing impressions. Creativity within the marketing design needs to remain core.

And the truly global nature of this industry focused many of our minds at our conference as we all look to explore how these themes play out across the key markets of the world.

Where is innovation coming from and is the US the core incubator for talent? There was broad consensus that graduates in the US (assuming the lure of tech superstardom doesn’t get them before they decide to head to college) who are wired to ask themselves “How big can I make it?” are at an inherent advantage compared to the majority fear of “How wrong can it go?”

Specifically looking at the UK, the compounding issues of EU labour legislation in particular count against the region in the land grab battle of Mad Men vs Maths Men. That said, basic economic forces that see Stanford graduates writing code in the US at more than triple the cost of an equally skilled graduate in the UK or Romania restores some balance to the equation.

As we reflected on the evening it seemed that perhaps our Mad Men vs Maths Men theme was slightly off the mark. In reality we aren’t heading into a mutually exclusive world and the notion of ‘versus’ isn’t correct. Quite the opposite as both sides are embracing change together.

The gurus about whom the books will be written and TV series made in this new world of marketing could be best compared to the wave of cool, beautiful young natural science presenters so beloved of the BBC and Discovery. Scientists and presenters all in one seamless, glowing and inspiring self.

Perhaps the more interesting question is where this new breed will emerge from (in terms of discipline and location!) and how they will be enticed into the world of marketing solutions in the first instance.

Does our education fuel the necessary disruptive growth? I think I have an adaptive idea for this year’s (un)conference!

If you would like to discuss this article, please contact Jim Houghton and Chris Beaumont, jhoughton@resultsig.com or cbeaumont@resultsig.com

The Indian tiger still burns bright

Winston Churchill is supposed to have famously remarked that “(Mahatma) Gandhi is a riddle wrapped in a mystery inside an enigma”, and perhaps India has taken it to heart.

No one can doubt the immense potential and opportunities that India presents to its own and international marketers. It has enormous natural wealth, a technically and highly professionally qualified workforce (many Indians head global companies), is an Anglophone country, is the world’s largest stable democracy with 50% of its population under 25, has over 600mm mobile subscribers, and has recently overtaken Japan to become the world’s third-largest economy in purchasing power terms due to a surge in GDP growth between 2000-2010 when it averaged 9-10% per annum, making every multinational corporation (MNC) worth its salt set up shop here.

Even the behemoth Google is looking to India for innovation. As part of its Google Impact Challenge, the Company recently asked non-profit organisations in India “How can technology positively impact India and the world?” Thousands of suggestions were received and the Google Impact Challenge winners have just been announced - one winner is an online knowledge forum and database of agricultural skills that can help farmer’s lower costs and increase productivity. By winning, they will expand to reach a million farmers in 10,000 villages across India. India is proving it can hold its own with innovation creating ideas such as this, which are bound for global scale.

And yet many would argue that India is in danger of losing its sheen, with economic policy paralysis, social welfare schemes replacing investment, growth plummeting to half of the previous decade and a fractious political environment, all of which is being watched with both concern and bemusement by the world.

Is India in danger of shooting itself in the foot? Is the India story winding to a premature end? Has one brick in the BRICS wall began to crack?

We at Results would warn against writing India off, for the simple reason that we believe that the wheels that began to turn in the last decade of the 1990s have taken on a momentum that, though it may be slowed due to the bumpy terrain as described above, cannot be stopped.

1.2bn people, many of whom have now tasted the fruits of economic liberalisation and have attained lifestyles that would be loath to give up, and also the many whose aspirations to live a better life have been fuelled by the media explosion (over 500 TV channels), availability of most international brands and higher incomes, would preclude any doomsday scenario.

In fact, we confidently predict that this is the lull before the next surge which will consolidate India’s position as one of the leading consumer markets of the world.

If you would like to discuss this article please contact Sunil Gupta, sgupta@resultsig.com
This year, Results and our Partners GroupArgent formalised our relationship and entered into a Joint Venture creating, ResultsArgent.

Through this, we are excited about the even more seamless advice and service we will be able to bring our clients on both sides of the Atlantic.

Not forgetting the depth of knowledge we will now have at our disposal; knowledge that we will be sharing in future issues of our Bulletin in a special ‘from across the pond’ feature.

IPOs have risen in popularity for investors— but have they all been so successful?

Twitter - On November 7th, 2013, all eyes were on Twitter, the social media company that swept onto the scene after Facebook and showed the power of 140 characters. At its IPO, Twitter debuted on the NYSE at a 60.0 TTM revenue multiple. As a comparison, Google IPO’d at 8.5x and Facebook achieved 28.0x.

While events such as this are positive indicators of a general recovery in the US capital markets, there is speculation that a tech bubble has formed, hence the volatility experienced by many recently IPO’d companies.

However, in reviewing the trajectories of companies which IPO’d nearly 10 or more years ago – such as Amazon, eBay, Yahoo, and Google – an eventual profit realisation of such companies is hopeful where the monetisation opportunity is varied, expansive, and sustainable, validating the higher valuations we are seeing today.

Rocketfuel, the developer of an artificial intelligence platform which automates digital advertising decisions, had a highly successful IPO in September- the Company’s shares popped 80% in their first day of trading, ending a lackluster period for tech stocks in the market.

But not all IPO’s have been as successful… Marin Software which IPO’d in March – the first adtech IPO of 2013 – and except for a rally following the RocketFuel IPO has traded badly since. Marin provides a cloud based solution that allows advertisers to manage digital advertising across all different search, display, social and mobile channels. It is a compelling solution to brands and advertising agencies not interested in RTB.

Tremor Video – an innovative digital video technology with a platform allowing publishers to manage and monetise every video impression – went public with an IPO in June 2013. It priced below target and similar to Marin, its stock had traded negatively since the IPO, albeit if now recovering.

Strong M&A growth for disruptive and innovative technologies

Like IPOs, M&A activity is currently rife in the US. The depth and pace of technological advancement is disrupting all norms forcing rapid adaptation for sector incumbents seeking to stay relevant. Mobile and video solutions are offering new frontiers in transforming the way advertising is consumed and
the key growth opportunity is the leverage of accurate data profiling across all marketing channels. Indeed, Twitter’s mobile advertising revenue success was a major focus for investors, as companies such as Google and Facebook are currently struggling with how to directly target consumers in the mobile space.

In the US, the trend towards technology-enablement has also brought software and consulting players into the marketing services sphere. Accenture acquired the Acquity Group for $316 million and Fjord (deal value not disclosed), both digital marketing firms, in May of this year. In the same month, software giant, Adobe also bolstered its digital marketing segment with its acquisition of Ideacodes.

**Acqui-hires: a popular way to acquire key talent at very early stages**

Many of the acquisitions named have demonstrated strategics’ desire to move into a new subsector or acquire a product technology, however, there is an increasing unquantifiable trend that is also driving these acquisitions: the acqui-hire.

Tumblr, for example, has been touted as not just a way for Yahoo to move into the popular blogging space, but also to have innovative talent such as David Karp on the team. After all, why not buy the goose that lays the golden eggs? The volume of talent based deals is high and growing, particularly among the leaders in the sector, as they use their considerable cash reserves to maintain market share.

**And private equity?**

Private equity is also backing the innovative ad-tech space. In early 2013, Appnexus – provider of the leading platform for buying real time online advertising – received a $75 million investment by Technology Crossover Ventures, Tribeca Venture partners and Venrock. At the time Appnexus managed approximately $700 million in advertising spend, and almost trebled their revenue that quarter.

The PE community has also proven bullish in the video sector and Comcast Ventures recently invested $20mn in Israel based SundaySky, which offers custom video services to create short videos for enterprises to better engage customers.

The US ad-tech industry is incredibly buoyant and we at Results are incredibly excited about ResultsArgent and the wealth of opportunity it creates for us to be at the centre of this activity.

If you would like to discuss this article please contact Hemavli Bali, hbali@resultsig.com

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**Key facts**

- **Population (2012):** 313.9m, Growth of 0.7% (Source: World Bank)
- **GDP (Trillion USD):** 15.68 (2012), Growth of 2.2%
- **GDP Per Capita (USD, 2013):** £49.9k
- **Unemployment Rate:** 7.2-7.3% (2013) Source: [Federal Reserve forecast]
- **Exchange Rate (as of 10/02/14):** 1.00GBP = 1.63968 (Source: xe.com)
- **Inflation Rate:** 1.20%

**Advertising market**

- **#1 Ad market**
- **US ad spend 2013 ($110bn)** (Source: ZenithOptimedia)
- **% digital ad spend:** 21.8%, growth of 19%
- **% mobile ad spend:** 3.7%
- **% global ad spend:** 40% (including Canada) (Source: Emarketer)
- **US Smartphone penetration:** 80% (Source: Frank N Magid Associates)
- **US Tablet penetration:** 64% (Source: Frank N Magid Associates)

**Top 10 ad markets**

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In December 2013, we were delighted to have successfully completed the sale of Staffcare Limited, a SaaS-based provider of HR employee benefits software. A deal we are proud of, not least because it is one of less than 20 pure play SaaS transactions to have been completed in the UK throughout the whole of 2013.

It seems like a low number – surely, especially compared to the c.250 deals completed in the US. We all know that most software companies trying to alter their business models from the legacy ‘on premise’ towards SaaS driven models, so should this number not be higher? Has all of the consolidation in the global SaaS market really been so US focused?

The US has certainly been the focus area of the larger software vendors. Oracle, IBM and Salesforce are all vying with one another to buy the fastest growing SaaS companies in the US to avoid being left behind. Oracle and Adobe specifically have been building their cloud marketing offerings and have aggressively been buying SaaS capabilities to add to their software suites, vying to compete with the rapid global take-up of Salesforce. And they are spending to do so - in the past 2 years Oracle has spent over $7bn on acquisitions, all within the US, the latest being Responsys, which it acquired for $1.5bn.

Having acquired the largest US SaaS players, there are early signs of these behemoths starting to look to Europe - having established and built cloud-based product suites they are now seeking to extend their reach across the pond and doing so by acquisition. Perhaps the largest and most noteworthy of these deals is Adobe’s $600m acquisition of Neolane at a staggering 10x revenue. Smaller deals were made by Concur Technologies who acquired workforce management software provider ConTgo and RichRelevance acquired product recommendation provider Avail Intelligence.

But there is a notable absence of Oracle, IBM and Salesforce in the European M&A market. In the past 2 years, Oracle has not made an acquisition outside of the US.

But why is this? What the European market does not have an abundance is a number of large-scale providers. So if the US vendors want to fill any product gap in their suites, they will typically look to their home market where vendors offer greater scale. To provide some perspective on this, Neolane was one of the largest European deals last year with a $60m revenue business. Responsys generated c.$200m. Also, other than just pure scale, you’ll find that the largest vendors already have existing commercial relationships with the targets they eventually acquire. They like to see proof that they can sell the product of a European company internationally, with their existing clients pre-acquisition. These relationships, as European players increase in scale, will become key.

Along with the toe-dipping strategies, what has been exciting in recent years is the increasing influx of US venture capital money coming our way. Battery Ventures had an exceptional exit of its investment in Neolane and in 2013, both Accel-KKR and Francisco Partners, two of the leading technology investors in the US, have made a number of investments in Europe, the former being particularly active in the UK offering an exciting new category of experienced investor to entrepreneurs. Indeed, in every technology sales process we have run, there has been a wealth of interest from many of the pre-eminent US based funds.

These US funds however, have to compete against the wealth of UK mid-market funds who have turned their interest to the SaaS sector, unsurprisingly attracted to the strong cash flow generation and high recurring revenue of the business model - 40% of the SaaS-based companies acquired in the UK last year were acquired by UK funds. To name a few Pure360, took investment from SEP, 4Projects was acquired by TA-backed Coaxis and HG Capital invested in Intellifio.

So whilst the European SaaS M&A market has a lower volume of deals than the US, the level of financial investment from private equity is exciting. We all know that PE investors will be seeking aggressive levels of growth as fast as possible to secure their returns. With investment comes growth, with growth will come scale and with scale comes the interest of the large global software vendors…the path to an even more exciting M&A market for UK SaaS companies.

If you would like to discuss this article please contact Julie Langley, jlangley@resultsig.com

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Selected European PE deals

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<td>Kennet Partners</td>
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<td>e-conomic</td>
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<td>Kashflow</td>
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<td>October 13</td>
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Selected European trade deals

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SaaS-based employee benefits software provider Staffcare has been acquired by SimplyBiz.

Featured in the Sunday Times Tech Track 2012, Staffcare is an award-winning and market leading provider of SaaS-based employee benefits solutions and is experiencing high growth in a compliance-driven market.

Situation

Staffcare was founded by Phil Hollingdale in 2004 and has since developed a suite of award-winning HR software centred on two key products:

- A benefits portal facilitating the administration and management of flexible benefits schemes and total reward communication for employers and employees
- An auto-enrolment portal which enables employers to manage their pensions auto-enrolment process ensuring compliance with recently implemented regulatory obligations

In 2012, Staffcare was recognised as one of the UK’s fastest growing technology companies in the Sunday Times Tech Track 100, and has won numerous industry awards for its innovative, market-leading software.

Opportunity

With a high industry profile, a reputation for excellence and widely appreciated as a ‘technology company to watch’, Staffcare’s shareholders had received significant interest from strategic buyers and the private equity community alike. In parallel, the market is evolving rapidly driven by the biggest pension reform in a generation, auto-enrolment, which is creating a new and very large market opportunity for Staffcare. The combination of these factors led the shareholders to believe that timing was right to find a partner to help capitalise on the market opportunity, and provide liquidity for the venture capital and angel investors who had supported the company since its early days. The shareholders appointed Results International to advise on the various options and manage a competitive process to find the right partner.

Outcome

Results worked with the board to identify potential partners, both private equity and strategic, and explore the potential fit and opportunity. What was interesting is that Staffcare’s proposition touches on a number of different areas, including core HCM (human capital management) software, business process outsourcing, financial technology as well as financial services, and finding the right partner for Staffcare’s management as well as exiting shareholders was key. What became clear as the process unfolded was that the founder and senior management team at Staffcare were committed to the future upside of the company and not yet ready to exit in full. The transaction with SimplyBiz provides an excellent solution for all involved.

SimplyBiz is a UK-based provider of compliance and other services to over 5,000 financial advisers. The combination gives SimplyBiz’s client base access to the very best auto-enrolment solution, and ensures continued investment in Staffcare’s flexible benefits products and other innovative technologies, and positions the combined group for exciting future growth opportunities.

SimplyBiz has acquired c.80% of the shares with management retaining the balance, providing an attractive exit for the Venture Capital and angel investors and enabling management to continue to drive the business forward and participate in future growth.

Phil Hollingdale, Founder and CEO, comments:

“We chose Results because we wanted an advisor who understood high-growth SaaS businesses and the associated valuation dynamics, knew the buyer universe and would work hard to achieve the best possible outcome for all involved. Results has been very hands on from day one, from involvement in business planning early on right through to deal execution, and has provided very good strategic as well as tactical advice.

They really get software businesses and I would recommend them to any tech entrepreneur.”

If you would like to discuss this article please contact Julie Langley, jlangley@resultsig.com or Mark Williams, mwilliams@resultsig.com

www.resultsig.com
China presents many opportunities for the healthcare industry; large population, old aging society, huge amount of investment, unmet needs…, but real challenges are the rising medical expense conflicted with the slowing economic development, coupled with increasing instances of doctor-patient contradiction which are creating new societal problems.

China’s economic structure is facing reconstruction; the emerging healthcare industry is becoming a major element in expanding domestic demand. As President Xi Jinping said “We must do our best to ensure that all our people enjoy their rights to education, employment, medical and old-age care, and house living, so as to build a harmonious society…”. The purpose of the new government policy is clear, that it will aim to widely cut down the drug price so as to meet the healthcare needs by the majority of Chinese people. Promoting wider access means it is no surprise that “reimbursement control” and “cost contained” policy will be reinforced going forward by both central and local governments.

By providing the cheap generic products, the local pharmaceutical enterprises will grow much faster than the multinational ones in China. Cooperating with the right local partners will minimise risk and help global companies to achieve their financial goals. In the coming years, the second - and third-tier cities of China offer more potential than the likes of Shanghai and Beijing. These emerging markets have great opportunities, and are more accessible than ever before! Utilising innovative multiple channel communication tools and digital promotional platforms can help the pharmaceutical companies enter and expand this market quickly.

All of which demands a rather bigger client reaction than adding a line labelled ‘digital’ or ‘mobile’ to the media plan. A reaction proportionate to this change is no less than the re-invention of the company culture around trust.

Meanwhile, though some regulators accept that the commercial value of data pays for a largely free internet, the mechanics of it all bother too many people. People see internet service providers pretty much as public utilities, for the most part using them with no explicit data trade in mind.

There is a general concern, (inflated by Edward Snowden’s revelations about the NSA and GCHQ) around ‘data debris’ – what information about myself I’ve left lying around and what use can be made of it.

Whatever the gap between perception and reality, it will be filled with uncertainty and even fear – an atmosphere irresistible to regulators, unless we get there first. My excitement about 2014 is qualified only by these concerns.

2014 – The time to find your perfect partner

In order to satisfy client demand, agencies should focus on creating a well thought-out partnering strategy as an answer to delivering the increasing complex set of services and digitally driven demands. This will enable them to be agile and shape their business to compliment that of the client and will ensure that they can deliver a seamless service. So what are the key ingredients to a great partner strategy? Here are some lessons we pass on to clients but sometimes forget to apply to our own business.

When working with a partner it is important to understand what your company brand stands for. Think of the image that you wish to portray within that partner and stick to it.

This isn’t a reference to the skills that your teams possess or services that you can provide, products that you sell or solutions that you build. This is more about how you present those skills and services, how you pitch the products you sell and how you reference the solutions that you have built. What is it that you want the partner to say when asked about your business?

Some of the most successful partners that I have worked with do an excellent job of expressing their brand. Quite often this is exemplified through the way they interact. In most cases this is the same message that you try to portray to a client to emphasise why they should choose your business to deliver a service. This obviously applies to the other side of the relationship too so you should work to provide an opportunity for your partners to build advocacy within your teams and present ‘on-brand’ for both of you, in a cohesive way.

So in 2014, if you are going to be able to offer a complete service to your clients then it is important that you not only choose your partnerships well but also that you work on getting those relationships working in a way that is conducive to growth for both parties.
sizes and shapes in the hands of more people than ever before.

For 2014 also, my personal hope is that governments will support the rights and freedoms of citizens in every country, in a world where more people have more information and potential power than ever.

Richard Thompson
Editorial Director MEED
A Middle Eastern view

As a growing number of global players move into the region through acquisition and expansion, international standards of transparency and monitoring are replacing traditional relationship-based deal making, which has made it difficult to monitor what is actually being spent on marketing and how effective it is.

Although it will take time, the upshot of this trend is that advertisers in the region are becoming better informed and can have much more confidence in how their investment is working.

A second factor driving the increasing levels of transparency and also changing spending patterns is the rapid shift towards digital advertising, which the region has been slow to embrace.

The Middle East market is still dominated by print and television advertising but social and technological changes are driving a rapid migration towards digital formats and more targeted campaigns.

Twitter and Facebook has been amplified in the region by their dramatic role in the political uprisings that swept across the Middle East & North Africa in 2011.

Emphasising the growth in transparency is how traditional media is increasingly becoming independently audited with both the UAE and Saudi Arabia introducing new tracking regimes.

Ultimately, the dominant trend for the Middle East media sector is the continuing pressure on marketing budgets that was exacerbated by the 2008 financial crisis, which saw the market shrink dramatically both in terms of volumes and yields.

However, after four years of downward pressure, there are some positive signs that regional advertising spend is growing again as high oil prices and huge government-backed capital investment programmes boost consumer and business confidence.

But with the shift to digital, advertisers expect to spend less and get more in return.

And in common with advertising trends globally, the region is seeing a movement from pervasive brand advertising to campaigns targeted at narrow demographics and even individual consumers.

Annurag Batra
Honorary Chairman, DigitalMarket.asia and Businessworld
A view from India:
Digital is the Market

I remember almost 8 years back we hosted the Global CEO of Carat a leading media agency that has now been acquired by Dentsu. David Verklin said something then which is still true and probably future at that time but is a way of life now: In the future every planner will be digital.

Today in India everything is digital, every medium is digital, every business is digital. Digital is no longer a buzzword, digital is normal and if it’s not digital it isn’t worth it. Digital will continue to penetrate brand and marketing plans even further-everything will be evaluated from a digital narrative, digital prism and digital sensibilities.

And in India, this trend is happening quickly. TV, internet, radio, newspaper, retail, entertainment, telecom, mobile are collapsing into one digitally driven multiple play.

Looking specifically, however, what is absolutely clear is that entrepreneurship, collaboration and technology will continue to change advertising, marketing, media, entertainment and retail businesses. This is a trend that will also follow through to e-Commerce as the large bricks and mortar players in India seek to keep up with the consumer and will build or acquire online business.

With all of its digitalisation, the one thing that hasn’t occurred is the emergence of a leading consolidator of digital assets and even – whoever is up to the job, there is definitely opportunity for a digital mogul to arise!

Alex Dunson
The Bakery
What tech start-ups should be saying in 2014

There is frenzied excitement about innovation and tech start ups and this is bound to build in the years ahead. But I have a plea to make for 2014…fill the marketing hole.

When I came over to this world I believed the PR hype that tech start ups are awesome. And I was right. And I was wrong. I’m humbled everyday by their tech expertise, and wonder at the engineering brain applying itself with precision to complex technical problems.

But I’m astounded everyday by two things: how little markets are understood and how seldom marketing is used. This has to change.

I have a great time in my role helping to get technologies to market and every week I see a bunch of technologies that I would love to get involved with and can’t. And the reason I can’t is because there’s no answer to 5 simple questions:
- Who is your audience?
- What need are you solving?
- Where they would use it?
- When they would use it
- Why should they care?

Make your New Year Resolution about answering those questions and you’ll have a market.

Hemavli Ball
Executive Director,
Results International
2014: When the healthcare industry starts leading digital innovation in communication?

2014 may well see the US healthcare industry switch from being behind the curve on adopting digital innovation in communication and IT infrastructure to this becoming a major force in driving its advancement.

Sweeping healthcare reform combined with the emergence of ‘patients as consumers’ is creating pressures and opportunities across the fragmented healthcare supply chain that is intensifying the requirement for specialist digital technology solutions.

Providers of healthcare are looking to the health IT ecosystem to provide the improved delivery and coordination of care that is required. Leveraging the requirement for electronic health records, e-health solutions have emerged such as physician-patient portals. These are able to centralise information collected at disparate points across the care continuum, provide information exchange in real-time, allow for e-visits and allow patients to remain connected electronically to their health profile, for better management of their healthcare both by providers and empowering patients themselves.

Innovation in mobile tools also provide for coordinated and customised patient messaging, scheduling solutions and adherence solutions.

Patients can use wellness apps access relevant recommendations on their smartphone. Connecting patients via social media tools also has a role to play in improving outcomes, as information is disseminated and shared via online forums.

With the premise that technological innovation is likely to be more readily acquired than built in-house, we should expect to see substantial M&A activity to achieve the IT infrastructure that the industry requires.

The scalability of a number of the solutions should also continue to attract VC and PE investment as they look to capitalize on the fast growth that accompanies the initial roll out of innovation in a relatively starved industry.

If you would like to discuss this piece, please contact Angela Lurssen, alurssen@resultsig.com
2013 was another generous year for deals in the marcoms, adtech, digital media and related technology sectors. We tracked a total of 830 deals in 2013, up from 652 in 2012, which is more than double the total number of deals recorded in 2011 (409), with technology accelerating the M&A activity. The total disclosed deal value reached an all time record high of USD 47.7bn, up from $34.8bn in 2012.

A number of geographic regions witnessed a significant increase in the number of deals completed, principally the more mature marcoms markets of the West that reacted to increased optimism and new service demands (notably, USA with 386 deals, up from 261 in 2012; Canada with 30 deals, up from 17; Western Europe with 110 deals, up from 85). APAC with 117 deals, up from 107 showed a relatively modest increase continuing to be a region of high interest after the dramatic rise in activity over the last two years. South America with 14 deals was up dramatically, but from a low base of 5. This is likely to continue near-term as the sporting world’s focus moves to Brazil for football and the summer Olympics.

Indeed, the number of cross-border deals, at 273, was up from 245 in 2012; the most significant transactions being the Publicis Omnicom Group merger and, from China, Blue Focus’s acquisition of social media agency We Are Social representing a really dynamic and strategic western acquisitive move, following its initial minority investment in Huntsworth. China, though, remains one of the few markets where the merged POG will remain smaller than WPP. It is also perhaps witnessing a tipping point. In China there were over 20 deals in 2013, but in contrast to past years this was a mixture of both global networks and local players such as BlueFocus, INLY and Spearhead.

The most active acquirer in the marcoms sector continues to be WPP, which completed 54 deals in 2013, up from 39 in 2012. Wanting to differentiate itself from the other networks, Sir Martin Sorrell has stated an ambition to do more deals in the emerging economies and technology space as the sector continues to evolve. Yahoo continues to be the most active acquirer from the adtech and digital media sector, making 20 acquisitions in 2013, a sharp increase after a relatively quiet 2012 and now focused on the acquisition of skills and talent on a quest to compete with the other internet giants.
Our recent transactions

ResultsArgent served as an exclusive financial advisor to Hunt
Results International acted as adviser for We Are Social
Results International acted for Staffcare
Results International acted for Vocanic
Results International acted for PR People
Results International acted for Profero

Career development is good for business

In fact, it’s good for everyone. December saw a number of promotions at Results; great news for both individuals and our firm.

As a smaller business, it is crucial to our ambitious growth plans to offer people a chance to develop their career. Any such strategy, and ours is no exception, relies heavily on the capability and longevity of its team so we take careers very seriously, priding ourselves on offering people as much opportunity as they are able or keen to take. We’re definitely not about ‘doing your time’ but all about delivering great work consistently thus delighting our clients.

Even if a promotion is not in the offing – and it isn’t always possible – it’s important to help people continue to develop and grow; taking on new tasks, stretching themselves and learning new skills. At Results this may be anything from spearheading our charity effort (last year Rainbow Trust, this year World Child Cancer) through being put through your paces presenting to even improving your skiing on our annual team-build. Individual goals and ambitions are paramount.

A study by Manpower across 28,000 employees found that organisations which provided career opportunities are six times more likely to engage their employees (meaning they stay longer, are more committed and enjoy their work more) than those who don’t. Throw in excellent managers, great communication from your senior leadership team, strong reward and recognition and you have a potent mix for engagement, growth, improved profit and therefore of course overall…good business.

Congratulations to Julie, Mark, Julia, Brigitte and Sherif who were all promoted in December, as well as the rest of all our team members, who look forward to continued success through 2014 and beyond.

If you would like to discuss this piece, please contact our HR director Jane Newell Brown, jnewellbrown@resultsig.com