

Sunny-side up



THE FLOOD WATERS HAVE RECEDED AND THE MAROONS HAVE SCORED THEIR SEVENTH STRAIGHT STATE OF ORIGIN VICTORY. BUT DO PROBLEMS OF OLD HAUNT THE SUNSHINE STATE'S AD MARKET? **ALEXANDRA ROACH** REPORTS.

QUEENSLAND HAS long been seen as a place its more 'cosmopolitan' southern neighbours like to visit for holidays; a sun-bathed tropical paradise dotted with coal mines and neo-conservative politicians in wide-brimmed hats.

But the sunshine state is far from the sum of its stereotypes, with an ad industry - which has long staved off competition from the big guys down south - known for its resilience in tough times.

The flood waters that raged through Queensland 18 months ago have cleared and mining continues to boom, but the dark cloud of the GFC hovers still, with cautious consumers keeping retail and property markets soft.

The traditional bread-and-butter categories of the Queensland ad market - government, tourism, retail and property - were hit hard by the GFC and are yet to regain equilibrium.

"Some sectors are certainly feeling a fair amount of pain," Publicis Mojo Brisbane managing partner Rob Kent says. "Property, retail and tourism have been the worst affected and it's likely to be more of the same for the next 12 months."

Media Circus director Jonathan Cole agrees: "The market remains very tough. If anything it may become tighter. Opportunities for agencies will revolve more around stealing share from their competitors rather than new money or significant growth in any existing or new sector."

At least two well-known Brisbane shops have bitten the dust recently: Banjo closed its doors in August, followed by Mint in September.

But it's not all bad news - indie creative agencies Pusher and Brandstorm have sprung up to replace them. The latter is headed up by former Mint senior executives.

On the media side, both Ikon and Media Circus have set up shop, with former Mitchell & Partners Brisbane managing director and industry doyenne Teena Jameson launching Media Circus in partnership with Aegis Media.

"The market up here has been tight, very tight," Junior managing director Russ Vine says. "It's tough and competitive. But then, in the five years I've worked here, that's how it's always been and it's all part of what makes working for an agency in Queensland so exciting."

“*The flood waters have cleared but the dark cloud of the GFC hovers still, with cautious consumers keeping retail and property markets soft.*”

The Queensland market continues to bounce back from hard times and natural disasters like an inflatable bop bag, demonstrating the continuing resilience it is famed for.

"It has always been a characteristic of the Brisbane market that there are agencies that are basically one-man bands with one or two key accounts, and they just seem to survive," Cole says.

In March, when Queensland's Liberal National Party (LNP) won the state election by a landslide, Brisbane Lord Mayor Campbell Newman stormed into the Premier's office spouting promises to cut government spending on advertising, which Mitchell & Partners managing director Kenny Stewart says usually totals about \$60 million annually.

For a market mostly dependent on a mix of retail, property, tourism and government ad spend, Newman's promise, mixed with the lingering GFC, seemed like the herald of impending doom for many northern agencies.

But while the ad spend cutbacks may be stinging, some in the industry doubt the government ad dollar coffers will remain poorly stacked for long.

"I think the dust will settle," Vine says. "The new government will remain cautious around any ad spend that could be seen as wasteful or indulgent, but departments will return to a more intelligent and valid use of modern-day marketing tactics to stimulate the behavioural change needed to achieve their stated objectives."

“*I’m personally finding the whole ‘trouble in paradise’ storyline a bit overblown now. We’re actually closer to being back on a more even keel than we were six months ago and, as usual, we’ll be on our toes fiercely scrapping for business.*”

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Russ Vine
Managing director
Junior

After all, while the Queensland market may be largely dependent on government ad spend, the government is also dependent on advertising to get its message out.

“Newman has to meet an election commitment to cut unnecessary advertising,” Cole says. “But [the LNP] will want to push its own agenda. With Labor in opposition and barely left with a cricket team, the LNP will have an unfettered opportunity to do that.”

Suncorp executive general manager of group marketing Mark Reinke says two years of “transition” await the sunshine state and its inhabitants as the newly elected government institutes “very hard cuts” in an attempt to lower the deficit.

“It will be a difficult transition,” Reinke says. “I think it will finish in a positive place but it’s not an easy time. It’s causing most brands to accelerate their transitions to the future. I think Queensland is like a teenager. It’s not what it was, it’s not what it will be.”

Government cuts and financial crises aside, the same old problems of talent retention, agency consolidation and competition from south of the border linger.

Like its fellow mining boom state of Western Australia, Queensland has long watched its best and brightest talent migrate south to Sydney and Melbourne or leave the country entirely to seek career advancement.

“In the agency sector, while it’s definitely fair to say that there is talent around, it would also be fair to say that a perennial challenge for the ad industry has been in not only developing and retaining talent in this market, it’s also about attracting it too,” Stewart says.

But the GFC has had one very interesting positive side-effect. “Queenslanders are coming home,” Kent says.

Bank of Queensland head of brand and marketing Greg Abbey agrees: “People are coming back from Sydney, Melbourne and overseas for work and

lifestyle opportunities. The Queensland market is really relationship-driven, which makes it easier to work more collaboratively. It seems to be a tight-knit group of people who aren’t afraid to share ideas and initiatives.”

Overseas talent, once somewhat elusive to Queensland, is also flowing in.

“There’s active migration away from troubled mature markets such as the UK,” Reinke says. “Typically we haven’t been able to attract overseas talent to Australia and Queensland, but our economy is stronger than the UK’s and USA’s. So we’re able to attract a steady stream of bright people who want a challenge and a great lifestyle.”

The senior talent in Queensland has also seen some seismic shifts. The ‘B’ in BCM, Bill Bristow, retired last year, and SapientNitro’s joint executive creative directors Nancy Hartley and James Burchill defected to Clemenger BBDO Brisbane after five years in their roles.

BCM partner Kevin Moreland is positive about the future. “The market is certainly more buoyant and stable than it was six months ago,” he says. “There’s a bit of pitching going on and clients have realised it’s time to loosen the purse strings a bit.”

Not to mention Queensland itself is changing.

“There is a big difference between old Queensland and new Queensland,” Abbey says. “Old Queensland was a big, frumpy, slow-paced country town with

a bit of a backwater reputation. New Queensland is entrepreneurial and individualistic, a challenger state in its own right, so the psyche is about backing the underdog and supporting the little guys.

“Things have been tough in recent times, but that big chip on Queensland’s shoulder has slowly disappeared and people realise they can now create their own identity here.”

Indeed, Queenslanders as a whole seem to thrive in tough conditions.

“There’s a strong culture of creativity and innovation in Queensland, a high level of optimism and a can-do attitude,” Stewart says. “Queenslanders are amazingly resilient people.”

Abbey concurs: “There is a real willingness to push the boundaries and explore new creative territories. The industry in Queensland tends to be very nimble and agile, with a real desire to prove its worth.”

That famously optimistic Queensland spirit certainly bubbles in the heart of its ad professionals.

“I’m personally finding the whole ‘trouble in paradise’ storyline a bit overblown now,” Vine says.

“We’re actually closer to being back on a more even keel than we were six months ago and, as usual, we’ll be on our toes fiercely scrapping for business. All that competition will be driving agencies towards creative and innovative solutions for clients that Queensland has become quite famous for.” ●



Brisbane Marketing ‘The City’ campaign by Laundry Group