



***versus***



***Communication Consultancies &  
the Battle for Attracting Clients***

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**TO BEGIN WITH...**

The Practice of Public Relations is

**ALWAYS**

**LOCAL**

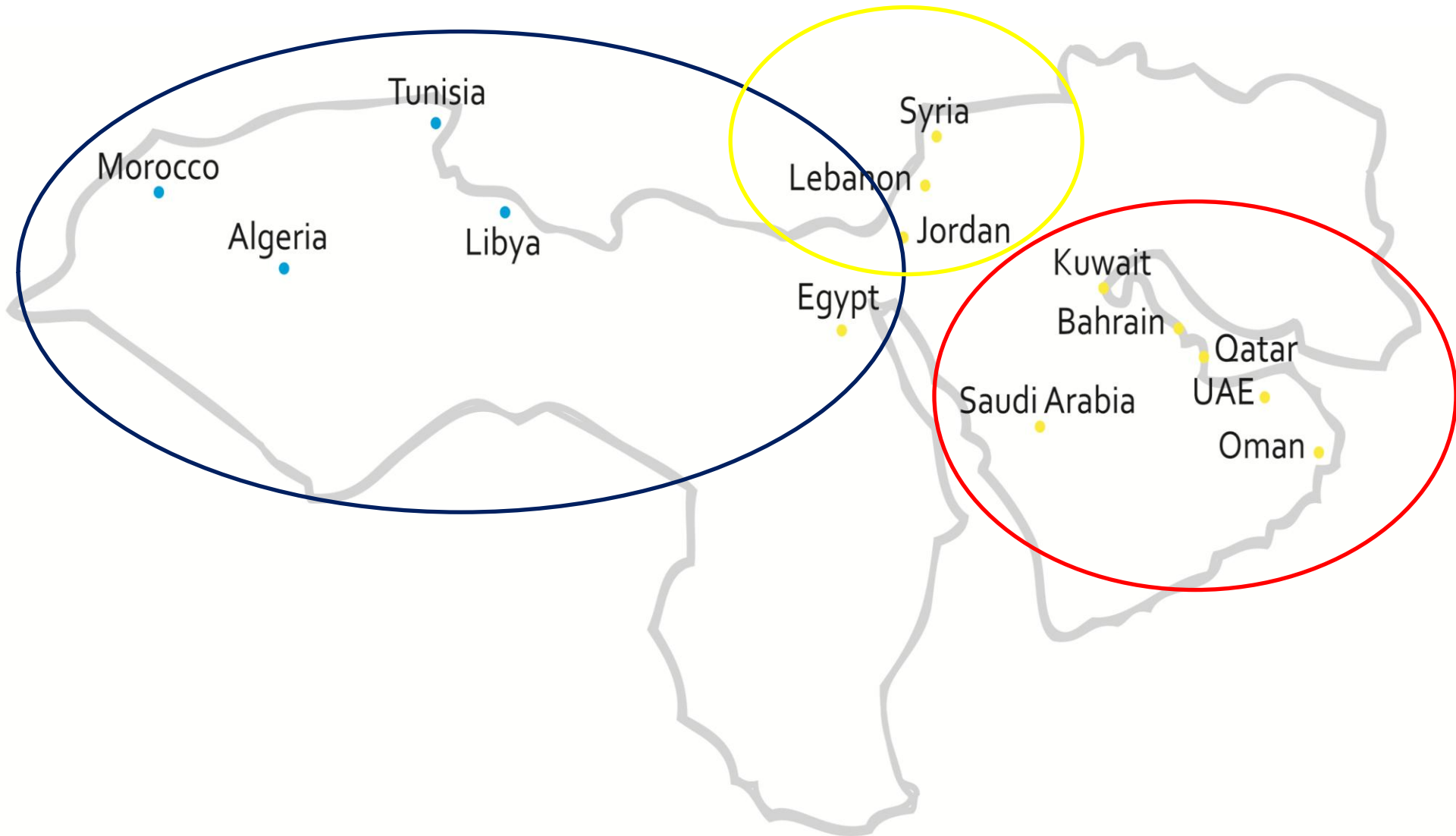


YOU CAN'T COMMUNICATE  
**ANYWHERE**  
UNLESS YOU UNDERSTAND...





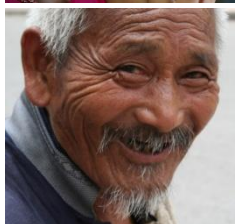
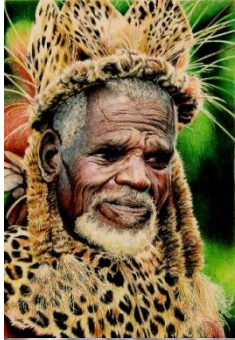
# The Middle East & North Africa





# Diversity

- Every region is strikingly different
- Every country within each region is unique
- Common Ground:
  - Language
  - Religion
  - Family values
  - Music
  - Development aspirations
  - Enormous youth population
- Differences:
  - Dialects
  - Religious interpretations
  - Political systems
  - Economies
  - Social cultures



# Is there a battle for business between Global and Local Agencies?



# There was a time...

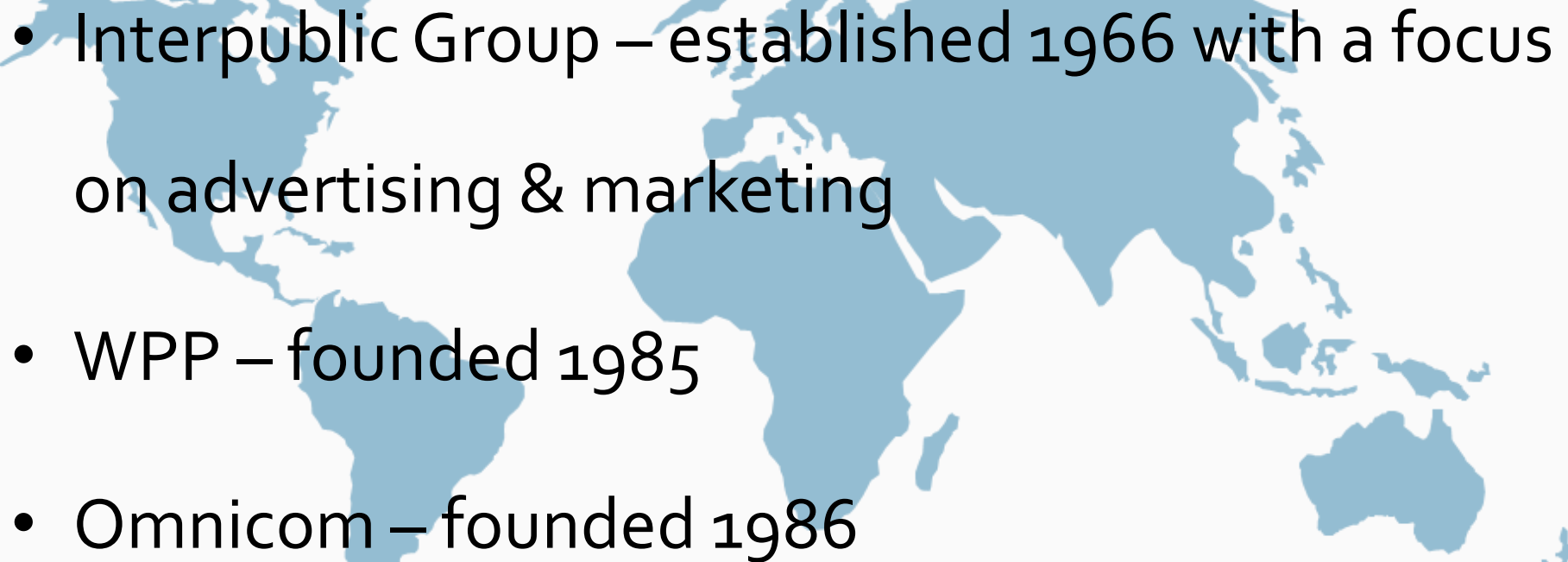
- When global agencies were hired locally *because* they were global.
  - The assumption was that they worked at a higher level with more sophistication.
- But unless a global agency can bring world-class skills **AND** an understanding of the local environment, language, etc., they can't deliver.
- More and more, local and multi-national clients look for agencies that can deliver results **LOCALLY.**

**In any case...**



# **“Global” Communications Consultancies are a relatively new phenomenon**

**The “Globalization” of PR & communications  
didn’t really start in earnest until the 1980s.**

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- Interpublic Group – established 1966 with a focus on advertising & marketing
  - WPP – founded 1985
  - Omnicom – founded 1986



## Advantages

- Ability to handle global contracts
- Links & synergies with advertising & marketing companies within the Holding company
- Financial support from Holding Company
- Strength in global capitals
- Access to expertise from other regions
- More practice areas

## Disadvantages

- Lack of understanding of alien (non-Western) environments
- Command-and-Control structures from HQ
- Tendency to impose Western approach w/o understanding
- Inability to understand HR requirements of a foreign region
- Over-emphasis on revenues & bottom-line over brand equity building
- Importing “experts” from the West who have no local knowledge



## Advantages

- Deep understanding of local environments
- Understanding of local media landscapes
- Understanding of dialects & cultural nuances
- Understanding of local corporate & media practices
- Ability to deliver services at competitive pricing
- Commitment to building local capabilities on-the-ground

## Disadvantages

- Inability to lead global accounts
- Lack of trained local communications professionals
- Limited number of practice area specialists
- Experience is relatively limited due to shorter track record



# Conclusions



- To compete in local markets global agencies have to:
  - truly invest in local talent
  - shift focus from bottom line to brand building based on quality service with a local understanding
  - Align their pricing structures to local norms
  - Deliver consistently high quality services with local understanding
- To compete with global agencies for local/regional business, local agencies have to:
  - Truly invest in recruiting & building local talent
  - Raise the standards of and diversify their practice
  - Deliver consistently high quality services with local understanding

# What's Next

- Local boutique PR agencies will become a phenomenon
- Global PR agencies will continue to enter MENA through UAE
- Smart global consultancies will create local alliances or expand across the various critical markets
- Both global and local PR consultancies with no real commitment to the region will exit as fast as they enter



**THANK YOU**