

MARKETING

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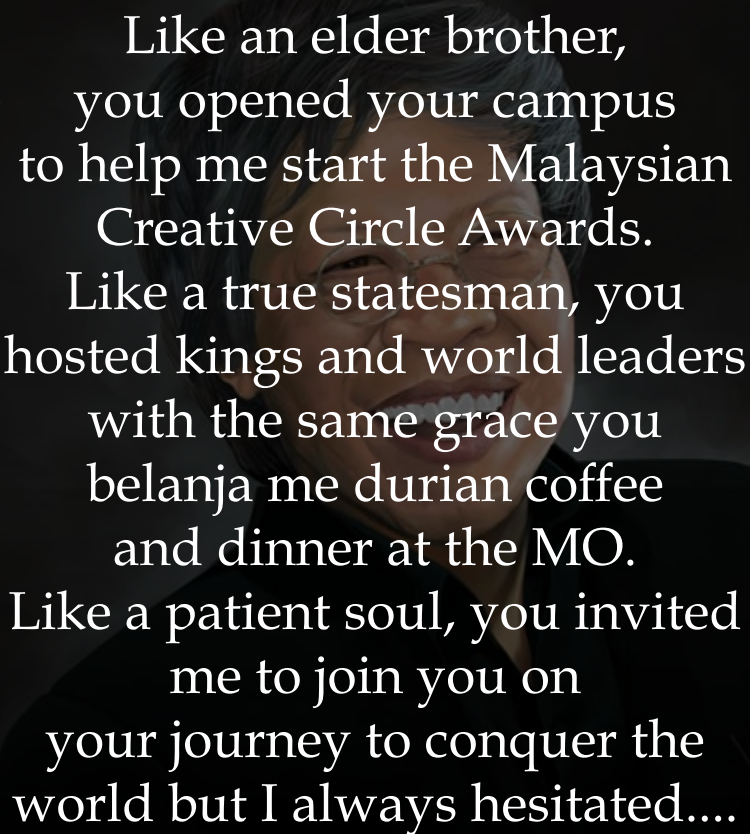
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EDITOR'S NOTE

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Like an elder brother, you opened your campus to help me start the Malaysian Creative Circle Awards. Like a true statesman, you hosted kings and world leaders with the same grace you belanja me durian coffee and dinner at the MO. Like a patient soul, you invited me to join you on your journey to conquer the world but I always hesitated....

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your journey to conquer the world but I always hesitated.

Like an eternal optimist, you urged me to run for President of
MERCY Malaysia when I told you I was already its ExCo member.

Like a knowing friend, you replied
"Everyone got poorer. So I am doing great!" when I
lamented "Last year wasn't great as I got poorer".

Like a bigger man, you never said No to me
even when I said No to you.

Like a man immune to hate, you didn't care when
I announced you were underrated by the overrated.

Like a cheerful buddy, our cheeky banter was always a joy
and I will miss you dearly Big Brother....



**“Like a
raging river,
you nourished
an endless
desert.”**



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Disruptive power moves: Azwan Baharuddin (left), Country Managing Director for Accenture Malaysia seals the deal with Prashant Kumar, Founder and Senior Partner at Entropia.

Arrival of the Consulgency

by THE HAMMER

Accenture acquires Malaysian full-service agency Entropia in dramatic market-changing move.

Less than 48 hours ago, the penny finally dropped for everyone connected to the marketing communications industry in Malaysia.

Unlike other agency acquisitions of Accenture, which were relatively small for their markets vs. the big holding groups, here in Malaysia Entropia is already big.

This **acquisition** marks the way forward for many agencies

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in all facets of marketing communications from creative, brand, media, digital, customer experience, e-commerce, data and more...


Hyperactive hybrid agency Entropia will complement Accenture Interactive's capabilities in customer experience, design and creative communications bringing technology and creativity together across business experiences.

We sit down with Entropia's Prashant Kumar and Accenture's Azwan Baharuddin for this story.... minus the \$\$\$\$ talk....

How do you feel?

PRASHANT:

Relieved – after having completed a complex mission

A man with dark hair, wearing a white long-sleeved shirt and dark trousers, stands with his arms crossed. He is looking directly at the camera with a neutral expression. A watch is visible on his left wrist.

“There is joy but there is also a bit of sadness. Letting go of something you cared for so much. I guess the company grew up and had to grow out some day.”

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that involved delivering on a bold vision while balancing multiple interests, in a rather short period of 4-5 years.

There is also pride in the journey we made, not just in terms of what we achieved together, but also how we did it - with unmistakable integrity and a high degree of fairness. It was a passage of gut, grit and gall.

There is joy but there is also a bit of sadness. Letting go of something you cared for so much. I guess the company grew up and had to grow out some day.

Did the plan work out the way it had been imagined?

PRASHANT: Well, it's a mixed story, as all authentic stories tend to be. Macro forces didn't work as we expected, since the economy, politics and the ad spend trend all were against us.

I also realized that I am a lousy fundraiser – the idea of asking people to part with their funds doesn't come naturally to me. So by and large, bulk of the monies eventually came from friends and family (which is rarely good for stress levels). I couldn't help feeling persistently that I personally owed money

“I realized I am a lousy fundraiser – the idea of asking people to part with their funds doesn't come naturally to me. So by and large, the bulk came from friends and family..”

to everyone, which wasn't the case as we were a private limited company, but guess I was just not used to the idea.

What worked wonders is our team and culture, the passion and commitment of our leaders and our people; the faith of our clients, who tend to be the most progressive in the business.

What about the competition?

PRASHANT: We have always loved and respected good competition. It inspires us to get better. It's heartening how many competitor CEOs wanted us to succeed (though not against them, naturally) and it showed often in little gestures. So, the general feeling is that of gratitude and a certain sporting kinship.

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What about clients?

PRASHANT: Malaysian clients are some of the most progressive and open-minded clients you can imagine. With rare exceptions, they also tend to be very nice people. For me the human experience around our clients has always been delightful.

The faith that our clients put in our people and our vision is a truly precious asset that we have. In our internal surveys we always score as too client-centric. And though we do try to balance that, I believe for any business, customer value ought to be the true North.

We will keep our commitments to all clients with this new move.

Why**Accenture?**

PRASHANT: Accenture shared our vision of what the future of marketing services was, and

they seem to have a unique commitment to that vision among all the consultancies. We know that to bring that vision alive at scale requires deep capabilities in tech, data, operations and upstream business thinking.

Accenture is a behemoth with 537,000 employees and \$42 billion in revenues.

Accenture Interactive is already the world's largest digital agency today with brands such as Droga5 and Fjord as part of their portfolio. When we looked at all the companies that had



COVER STORY

“We felt it was just the right time to belong to a much bigger platform that can provide us exponentially bigger depth and breadth. And Accenture was the perfect match.”

approached us in last two years, we felt that there couldn't have been a better player to give wings to our future.

Why now?

PRASHANT: We have been quite open about our five year plan, when we started. We are going to complete five years soon. So, the timing was absolutely on plan.

Also, I have always believed that change should come from a position of strength, not when you feel the heat, but when you see the light. We are in great health as a company.

In the second half of 2020, we won 32 new pieces of businesses

including the likes of TNB, Telekom Malaysia and Grab. Our awards tally continues to be impeccable.

Demand for our IR 4.0 capabilities and demand transformation services continue to grow rapidly in light of the changes the pandemic has brought.

We felt it was just the right time to belong to a much bigger platform that can provide us exponentially bigger depth and breadth. And Accenture was the perfect match.

How enriching has the deal been?

PRASHANT: Studies have proved that happiness per extra dollar doesn't necessarily rise after a certain level. Having said that money is always good. It's better to have some than not have. But enrichment and fulfillment must go together.

My special fulfillment comes from the fact that so many in our founding team are going to benefit extraordinarily from this deal. 13 out of 19 shareholders are employees of the company. 10 of our shareholders were Malaysians. Making money is one thing, helping so many more make it, feels like heaven.

COVER STORY

“Everyone of our leaders in the last five years has pivoted at least once, in some cases thrice, expanding into new skills sets..”

What’s next for you and your team?

PRASHANT: Well, we see the next decade as belonging to what we call ‘consulgenancies’ - offerings at the cusp of what consultancies do and what the agencies do – bringing the best of both worlds together. And we are really excited about being at the frontlines of that future, with the tremendous depth and diversity of capabilities that Accenture has.

As businesses organize more and more around customers, they realize that customers are human – and that logic is not enough to understand and appeal to them. You need insight, imagination and ingenuity to come together with cutting edge engineering, data, process and technology to create the future of business experiences – relevant, meaningful and profitable.

Our team’s ambition is to discover and shape this Business of Experience working as one team along with the rest of Accenture.

Consulgenancy is a term I coined in 2016 while introducing Entropia. Now with this acquisition, a true blue consulgenancy sits right at the centre of the advertising industry in this region.

What is the one insight from the whole journey you would want to share with the people?

PRASHANT: I see life as a series of S curves. You learn new things; you grow rapidly and then you start stagnating. But then if you are curious about new things and excited about learning you manage to pivot to begin a new S curve, albeit from a higher plane. An average 22-year-old starting out today will in the course of 40 or so years of professional life, experience at least 3 of these S curves.

Everyone of our leaders in the last five years has pivoted at least once, in some cases thrice, expanding into new skills sets, and becoming highly competitive in those.

COVER STORY

For instance, someone from a media planning background learning hands on to lead creative services and two years later becoming an extended reality expert.

I believe that this fundamental curiosity is crucial to tame an increasingly uncertain future. People tend to narrowtype themselves too early too soon. That's lazy, that's boring and that's the sureshot path to a perennial mid-life crisis. You have no idea what you could become. If only you try with an open mind.

You built IPG Mediabrands in Malaysia into a giant in your last stint and now built Entropia from zero. How were the two journeys different?

PRASHANT: Well, back then I was in my 30s and we were discovering ourselves as much as making the journey. It was curiosity, excitement and validation.

This time I was in my 40s. It was more deliberate, more mature, more complete. It was the same, with the leadership team, many of whom came from IPG Mediabrands. In certain ways, the culture, attitude, the

“...People tend to narrowtype themselves too early too soon. That's lazy, that's boring and that's the sureshot path to a perennial mid-life crisis.”

momentum was quite similar. I still miss many in the team we left behind.

Any regrets?

PRASHANT: Like in any real journey, there will always be, right? There was a particularly tough phase when for reasons beyond in our control, we had to let go of some people in a unit. I feel responsible at some level. Such decisions do not come easy to us – it was the first time - and they tend to bear heavily on us for long periods.

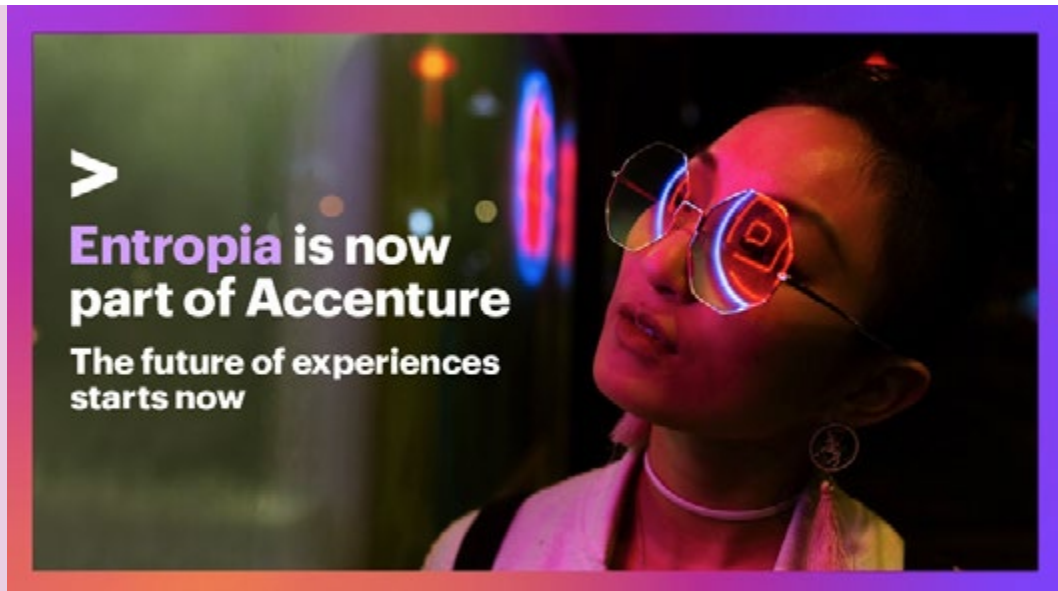
Also, the first two years were extremely difficult for the team, and we had few degrees of freedom. We lost a couple of good people, and we have missed them often. Again, I consider it my inability to find a better way for them to stay.

It was my failure.

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“Multidisciplinary consultancies, have over the past five years, embarked on strategic acquisitions of key assets, within the media domain. The overriding narrative, has been for consulting companies like KPMG, McKinsey, Deloitte KPMG and Accenture, to acquire key media assets, as businesses pivot towards digital, data-driven competencies and IOT agendas. Accenture invested over USD1 Billion into Accenture Interactive. Accenture Ventures, earlier this year also acquired TOUCHCAST, a leading virtual experience consultancy. Accenture Interactive’s acquisition of Malaysia’s premier full-service agency is perfectly timed, considering current realities and primarily where the business is agitating towards.”

*Industry Veteran Dato’
Rishya Joseph*



What are your forward acquisition plans after Entropia?

AZWAN: While Entropia is the first acquisition in South East Asia, I’m sure it won’t be the last, as we are always looking for potential partners within the region that will strengthen our unique position as an experience agency.

We found that the **digital commerce market in APAC** is set to increase two-fold to reach more than USD 1.1 trillion by 2022, and will account for almost two-thirds of the global digital commerce market. During the same period, at least 40% of marketing spend will be expected on digital channels.

Also, the rise in population, digital penetration and economic development in SEA sees ad spending forecasted to increase over the next 3-5 years. That’s why we see a need to capitalise

COVER STORY

on this appetite by expanding our capabilities and capacity to meet demand.

Our acquisition strategy is one that supports our growth model, which is focused primarily on organic growth, targeting acquisitions in very specific, high-growth areas of business.

A big motivation is to accelerate Accenture's access to unique capabilities, and for us to build organically on top of them. This announcement is a great example of this "strategic tuck-in" approach.

I assume you are looking at Malaysia as your regional hub...

AZWAN: In today's culture of collaborative working, Entropia will have the opportunity to work with our clients locally and in the region, providing their creative expertise and combining it with our technology insights.

Many of our clients are across many borders and Malaysia is strategically located in this region. Their addition will better serve our customers across Indonesia, Malaysia, Singapore and Thailand through enhanced scale and services in customer experience, design and creative communications supported by

“In today's culture of collaborative working, Entropia will have the opportunity to work with our clients locally and in the region, providing their creative expertise and combining it with our technology insights.”

immersive media and digital marketing activations which we believe will pave the way forward for customers.

Can you explain how the work cultures of Entropia and Accenture will fit?

AZWAN: After meeting Prashant, and his leadership team, I found that both Accenture and Entropia share common cultures and are especially passionate about driving innovative solutions to value-add clients' business and create an inclusive culture.

ENTROPIA

Part of **Accenture** Interactive

While there are differences in the way both Accenture and Entropia operate parts of their business, there exists very important similarities in what both organisations value as a team – the ability to embrace change to drive innovative solutions for their clients and communities.

As we evaluated the acquisition, we realise that this is something that we needed to do to disrupt the creative space. We are also proud to bring to the fold Malaysian talents, which is a testament to Entropia's award-winning reputation.

From the very start, the deal for this acquisition of Entropia was structured with the people at the centre of it. Not just shareholders but for employees as well.

This provides a solid base, as we move forward with more than 240 of Entropia's talents working closely together with us here at Accenture. This is an exciting time for both companies as we look to effectively marry creative and technology best-in-class expertise to disrupt the creative landscape, providing a new approach of engaging customers for our clients.



WORLDWIDE

IMPROVING THE EFFECTIVENESS & EFFICIENCY
OF MARKETERS AND THEIR AGENCIES

2021 YTD Malaysia Top 10 wins

Creative Agency	Month	Account	Area
Grey Group	Mar	Bangledash Navy	Malaysia
Grey Group	Mar	Malaysian Heath Board Project	Malaysia
FCB	Apr	Genting Skyworlds Theme Park	Malaysia
FCB	Apr	Prudential BSN	Malaysia
Ogilvy	Jan	Dairy Farm	Malaysia
FCB	Mar	SunLife Project	Malaysia
Grey Group	Mar	Asian Football Championship Project	Malaysia
VMLY&R	Mar	Carsome Project	Malaysia
Ogilvy	Jan	Nippon Paint	Malaysia
FCB	Feb	Hawaya Project	Malaysia
Media Agency	Month	Account	Area
PHD	Mar	Subway	SG, MY
PHD	Apr	Ikano	Malaysia
PHD	Apr	IKEA	Malaysia, Viet- nam, Thailand, Singapore, Philippines,
Initiative	Mar	Tesco	Malaysia
Carat	Mar	S P Setia Berhad	Malaysia
Mindshare	Jan	Tune Talk	Malaysia
Mindshare	Jan	Bank CIMB Niaga	Malaysia
Mindshare	Jan	Unilever (Foods & refreshment) - Horlicks	Malaysia
Wavemaker	Mar	Proton	Malaysia
Mindshare	Feb	Alibaba (Tmall)	Malaysia



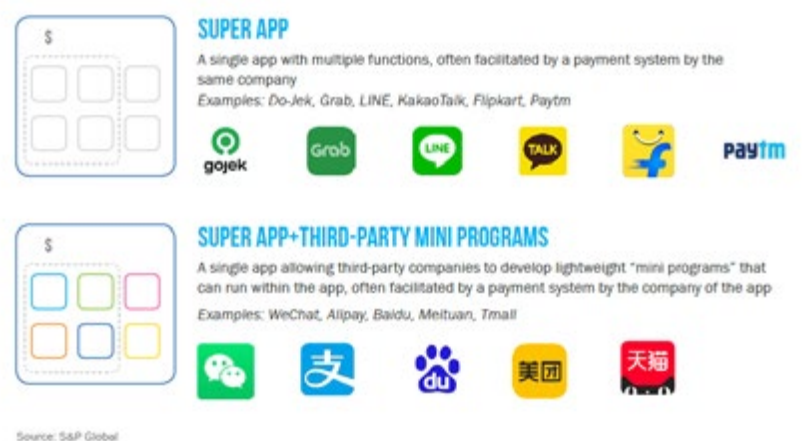
Asia's Super-Apps to Benefit from Disruption to Facebook & Google's Duopoly

By Wong Jing Ying, Consultant, R3

One month into the release of iOS14.5, **a report by Flurry** (a Verizon owned measurement firm) showed that only 13% of users globally have opted in to allow apps to track them via IDFA. The same opt-in rates for the US are an abysmal 5%. For advertisers, while the opt-in rates are as expected, it is still met with a sense of dread. Concepts that advertisers have gotten comfortable with (e.g., ad targeting, ad measurement, conversion tracking) are now impacted, and advertisers are having to scramble for alternatives.

Coupled with the impending depreciation of 3rd party cookies and a growing movement of politicians wrangling antitrust lawsuits against duopoly

Facebook and Google, the current landscape has inadvertently given rise to a whitespace for advertisers who are looking for more value from their partners. In Asia, the solution is being found in super-apps.



Super-apps and their ability to enable deeper partnerships

Having amassed huge user bases, super-apps like Grab, Gojek, Kakao, and PayTM are now in the unique position to offer advertisers access to richer audience data, formats,

SUPER-APP'S

and attribution. Many of these super-apps are willing to invest in longer-term strategic partnerships and offer the ability to facilitate partnerships within its network, proving their commitment to advertisers – a stark contrast to the transactional nature of ad buying on Facebook and Google.

It is predicted that Grab's ad revenue might come up to \$245m, or 10% of its total revenue. This is achieved via its capabilities in direct-to-consumer communication and enabled by its rich bank of signal-based transactional data collected across its plethora of offerings. The act of targeting consumers based on their transaction data, which remains unshaken by restrictions on IDFA, gives them a deterministic way to reach consumers and bridge online-to-offline journeys.

Furthermore, Grab's willingness to facilitate partnerships by integrating brands in every part of the business journey (from ad formats to payment options and collection/delivery) is rooted in the commitment to delivering business outcomes for brands.

... It is predicted that Grab's ad revenue might come up to \$245m, or 10% of its total revenue...

The same can be observed with PayTM, India's biggest mobile payments platform, and their advertising solutions. With payment information from a strong 600m user base paired with consumer transaction data, PayTM can offer advertisers partnerships that transcend advertising formats.

In a recent campaign, Visa worked with PayTM to push users to register for Visa Safe Click – a programme that allowed for more seamless payments and higher transaction limits. The enhanced partnership included the development of brand stores, customer incentives, and platform-wide integrations with the Visa Safe Click messaging being shared to pre-qualified audiences based on prior transaction details. The coming together of robust

SUPER-APP'S

1st party data and customized offerings offered up value to the brand that only a super-app could do.

Where does this leave us?

Make no mistake, ad spends, and Facebook and Google's dominance in the region will continue to grow in tandem with the growing digital dollar. However, we will also see significant increases in spending or even investments with the super-apps as advertisers look for new and different ways to connect with their consumers.

Behaviours like that of 'search' will become more specific and move into the super-apps. With the apps increasingly assimilating into everyday life, consumers will look less to Google to find information and go straight into the apps for answers. This will shorten the direct-to-consumer path and force advertisers to reconsider how to reach their consumers more quickly with the help of these super-apps.

Looking North

One lacking element on super-apps like Grab, Gojek and PayTM is social. Whether this is

something to be integrated one day or a function to be captured by other verticals of super-apps, one should look to China's tremendous ecosystem of super-apps as a reference.

In the past few years, China has exploded with super-apps that allow for third-party mini programme integration. These lightweight 'mini programmes' are found within the app and launched through the main app's interface. WeChat itself holds over 2.4 million mini-programmes that consist of news, mobile payments, e-commerce shops, food delivery, and social. This implies a reducing needs for developers/businesses to need to own an app but instead tap on the super-app to acquire users and drive usage.

As we move into the next few months, the industry will be deep in the troughs of simultaneously figuring out the effects of iOS14.5 restrictions while arming themselves for the impending cookie depreciation. For advertisers, it is a good time to consider how the super-app ecosystem in their markets could fit into their overall strategies and enhance the way they connect with consumers.



Usual Suspects Line Up To Screw Us

If you need evidence of how ugly and horrifying the tracking activities of the online ad industry have become, how's this: According to the [New Economics Foundation](#), "the global adtech industry holds 72 million data points on the average child by the time they reach the age of 13." Try wrapping your head around that.

Given a clear choice, consumers overwhelmingly do not wish to be tracked. The early results of Apple's recent changes in its mobile operating system ([you can find the early results of the initiative here](#)) clearly demonstrated that

Two weeks ago a bill was introduced into the NY State Legislature (SB 6701) that would

... Of course, the vampires and their stooges are all lined up against this legislation. The disgraceful ANA, 4A's, IAB, AAF -- the same organizations that have opposed every regulatory attempt to protect consumers from the online surveillance creeps...

finally put some desperately needed curbs on the dangerous and insatiable data vampires.

According to published reports the bill would outlaw a lot of the sneaky, destructive crap that online data scavengers use to trap consumers into accepting surveillance...

- It would make it mandatory for online companies to obtain consent from a person before processing data for ad targeting purposes, or sell or share the data. In other words, it would make data collection and data selling opt-in (like the above-mentioned Apple initiative) instead of opt-out.

- It would require companies to honor privacy controls which could be activated by users through plug-ins or browser level settings. This is huge as it would allow us to toggle one "do not track" switch on our browser (Chrome, Safari, Firefox, etc) and require all websites to honor it. Right now the GPC (**General Privacy Control**) allows us to send such a signal, but does not require companies to honor it.

- It would outlaw pre-checked boxes and other sneaky default horseshit they use to obtain uninformed consent.

- It would allow us to sue them for violations.

- It would also allow us to access, correct and have them delete data that they might hold about us.

Of course, the vampires and their stooges are all lined up against this legislation. The disgraceful ANA, 4A's, IAB, AAF -- the same organizations that have opposed every regulatory attempt to protect consumers from the online surveillance creeps - have sent a letter to

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the NY State Senate opposing the legislation. The reason they oppose it? The same old horseshit they've been peddling for years:

"Recent surveys suggest that the average consumer benefits from a \$1,403 per-year subsidy from ad-supported Internet services (including funding independent journalism, email, video, and a host of other services too numerous to mention), and consumers prefer this ad-supported model."

This is 100% undiluted, artisanally curated bullshit. Yes, it is true that advertising largely supports the free web. But it is total bullshit to suggest that tracking does. The issue here is not the practice of advertising, it is the practice of tracking.

The ongoing effort to conflate tracking with advertising is a shameful and deceitful fraud on the part of the advertising trade bodies and their overfed overlords in the holding companies and media platforms.

Advertising does not rely on tracking. TV, radio, newsprint, magazines have been successful for decades without tracking. There is no need for online advertising to spy on

... This is 100% undiluted, artisanally curated bullshit. Yes, it is true that advertising largely supports the free web...

the populace to be a viable advertising medium.

Once again... is advertising essential to a free web? Yes. Is tracking? No.

Conflating advertising and tracking is a conscious and willful lie on the part of the industry's trade organizations. The damage that tracking and surveillance marketing have done to individuals and democratic institutions are **well documented** and unacceptable. The NY State legislature should pass the New York Privacy Act (SB 6701) without delay.

Bob Hoffman is author of "Advertising For Skeptics", "BadMen: How Advertising Went



From A Minor Annoyance To A Major Menace" and several other books about advertising.

In 2020, Covid shut down air travel entirely for Chinese residents. While it was a disaster for airlines, it was an opportunity for Mercedes. As luxury Chinese travellers still wanted to see the world in style, they traded business-class for G-Class Mercedes' ultimate luxury 4x4. The concept was brought this to life by promoting travel within China, showing some of China's most iconic and highest landmarks as though seen from the window of a car mimicking typical travel photos from planes. This showed how the off-road abilities and luxury feeling of the G-Class can still elevate travellers, even in 2020.

Client Mercedes-Benz G-Class
Agency Ogilvy Shanghai/Beijing
Production Ars Thanea

G-Class at 4,265 ft.

