



## **Task 1: Sector positioning**

### **Objectives**

For interdisciplinary subjects, the GWA is primarily a source of impulses, especially within the framework of the umbrella associations, i.e., the Central Association of the German Advertising Sector (Zentralverband der deutschen Werbewirtschaft – ZAW), Berlin, and the European Association of Communications Agencies (EACA), Brussels. If necessary, however, the GWA also acts as the representative of the interests of the sector, publicly and non-publicly. Against the background of the increasing political challenges, this need is growing continuously.

### **In detail: Representing the sector politically in Berlin and Brussels**

The GWA represents the sector directly and indirectly. In Berlin and Brussels, this work is carried out via the ZAW umbrella association (Website: [www.zaw.de](http://www.zaw.de)) and the EACA (Website: [www.eaca.be](http://www.eaca.be)).

The most important aim of bringing influence to bear is to maintain advertising freedom – supplemented by voluntary advertising controls wherever purposeful and necessary – as well as to prevent additional advertising regulations or even advertising bans and to have existing ones repealed. Simultaneously, we must continue building the new Europe for our sector, too. Optimisation demands active involvement. The GWA achieves this via honorary and full-time work in both organisations.

In addition to subjects relating directly to advertising, the GWA is also increasingly active in economic, tax, social, employment market and educational matters. In these fields, communication agencies – most of which are small to medium-sized companies – have a need for a more intensive representation of their interests, e.g., ostensible self-employment, copyright-contract law, training-place levy.

### **Communication Sector Forum ('forum kom')**

Founded in 1999, the Communication Sector Forum has become established as a round table of 13 communication associations. One of the focal points of the round table's joint activities is formed by support for qualified trainees and updating existing professional-activity descriptions. Another focal point is cooperating with universities; a third is web-networking the associations.

The aim of amending the professional-activity description of the advertising specialist (German = Werbekaufmann) is to include all areas of activity covered by the communication sector, which



represents a considerable expansion of the existing spectrum covered by the qualification. For further details, please see 'Human Resources Development' below.

### **Information supplied by the GWA**

The GWA holds two or three press conferences a year. At the GWA Spring Press Conference in Frankfurt on 11 March 2004, a report was given on the results of the 2004 Spring Monitor, which also included a population poll on an advertising subject of topical interest.

GWA Monitors, in which the member agencies of the Federal Association of Communication Agencies (GWA) offer their assessments of the future development of the sector, are carried out, analysed by a market-research institute and published annually in the spring and autumn. GWA agencies represent over 80 percent of total billings of the top 200 agencies. Thus, GWA is a factor of considerable relevance in the sector.

GWA Monitors are available on the Internet at [www.gwa.de](http://www.gwa.de) > Brancheninformation >> GWA-Monitore (sector information >> GWA Monitors). They are sorted by years and by subjects.

Initiated by the GWA in 1998, the EACA Monitor continues under the auspices of the EACA. The results of the 2003 Euromonitor can also be found on the Internet, at [www.eaca.be](http://www.eaca.be). > Facts & Figures.

### **gwa.de**

The GWA saw the potential of the Internet at an early stage. The Association has been online since 1997 – with the Search Agent since 1999. The range of services and information was expanded and publicized step-by-step. Today, the site registers over 35,000 hits a month (last year, 20,000), and the GWA has been able to strengthen and demonstrate its opinion leadership in the communication sector, including in comparison to other European agency associations. In 2003, the Internet presentation was re-launched after a careful revision revolving around three main aspects for improvement: - Modernisation of the presentation. - Greater user comfort through improved site usability. - Information differentiation and improved target-group contact through greater clarity of distinction in the range of services offered. The GWA Shop was able to expand the range of literature offered by entering into a working relationship with a publishing company.



## **Task 2: Efficient marketing communication**

### **Objectives**

The field of efficiency, effectiveness or the contribution to performance played by communication is occupied by the GWA in two areas: through the Effie competition, which was founded in 1981 (including the Euro Effie until 2001) and through research projects.

### **In detail:**

#### **National Effie of the GWA**

The sector's most coveted prize is awarded for efficient, effective and creative marketing communication that has demonstrably played the main role in achieving the marketing targets. The 23rd Effie competition, Effie 2004, was announced at the beginning of March 2004. The deadline for receipt of entries is 17 May 2004. Following last year's inclusion of marketing communication, only minimum changes have been made to the prize this year. Information about the competition and the accompanying events can be found on the Internet at [www.gwa.de](http://www.gwa.de) > Effie 2004. The prize-giving ceremony will be held in Berlin on 24 September 2004.

#### **Effie Worldwide**

The GWA played a pioneering role in Europe when it launched the first German Effie competition in 1981. Today, the competition is also held throughout Europe, i.e., in Belgium, Finland, France, Greece, Iceland, Israel, The Netherlands, Austria, Poland, Russia, Switzerland, Slovakia, Slovenia, the Czech Republic, Turkey and Hungary. Outside Europe, Effie competitions take place in Chile, Peru, India, Mexico, New Zealand and in the parent country, the USA. The Euro Effie was launched in 1996. The owner of the worldwide Effie rights is the American Marketing Association (AMA), New York, which gives individual national organisers around the world the right to hold Effie competitions.

#### **Euro Effie**

Initiated and held by the GWA in 1996 and 2001, the rights to the Euro Effie have been transferred to the European EACA agency association in Brussels. The prerequisite for participation in this competition is the publication of campaigns that have run in at least two European countries. The Euro Effie is awarded in gold, silver and bronze and a Grand Prix is given for the best pan-European campaign. For further details please visit [www.eaca.be](http://www.eaca.be) > Euro Effies. This year's Euro Effies will be presented at a ceremony in Brussels on 30 September 2004. 73 campaigns were submitted last year.



They came from 28 international networks and independent agencies from 14 European countries. 33 entries were short-listed. They document the work of 14 agencies from Belgium, Germany, France, Great Britain, The Netherlands and Romania.

**Project: 'Contributions to success made by advertising'**

To date, GWA has conducted eight empirical investigations into advertising effectiveness in cooperation with the GfK and Nielsen market-research institutes. These eight projects covered the following subjects:

1. Media advertising versus sales promotion
2. How to measure advertising success
3. The impact of advertising in Germany
4. The impact of advertising in the marketing mix
5. TV advertising: the influence of design features
6. Key drivers of powerful brands
7. The financial value of brands
8. The chances of brands in a discounting environment

'The chances of brands in a discounting environment', which was prepared in collaboration with GfK, was presented in a roadshow at five venues. A total of 600 people heard about the study together with a digression about threat potential and trends. In addition to details about six recipes for success of successful brands, the presentation also examined the risks and factors influencing dealers' brand and the dangers of a discontinuous brand leadership.

**Task 3: Agency Positioning**

**Objectives**

The GWA supports the agencies in their business relationships whereby the focus is on specimen contracts and recommendations for clients, contractors (the media) and suppliers. Moreover, the contractual relations to employees both permanent and freelance are characterised by regulations specific to the sector. Member support is supplemented by case-related advice.



### **In detail: Agency ranking**

Due to the provisions of the US Sarbanes Oxley Stock Exchange Law, national agency subsidiaries of network no longer need to report their billings if so instructed by a holding company that is listed on the stock exchange. Thus, the classic top 200 list has ceased to exist. For the first time, the w&v and Horizont trade magazines produced a Top 50 ranking of owner-run agencies with their billings for 2003. This ranking has not been validated by the GWA.

### **Specimen contracts**

First published at the end of 2001, the volume of 'Verträge über Kommunikationsleistungen' ('Contracts for communication services') was reprinted in response to great demand in May 2003. With his description of various different types of contract, the author, Rolf Bristot, covers the entire spectrum of communication services and, with draft variations and recommendations, provides assistance in preparing contracts. Text modules for individual agreements round off the book.

### **The exclusivity clause in agency contracts**

A brochure entitled 'Die Exklusivitätsklausel in Agenturverträgen' (The Exclusivity Clause in Agency Contracts) published in 2002 is aimed at clients and agencies. With formulations designed to generate openness, this helps both sides to reconsider the subject of excluding competitors and enables them to reach mutually satisfactory solutions. Given that complete exclusivity clauses can have an extremely far-reaching impact, the author, Manfred Schüller, a Member of the GWA Board of Management, recommends it be subject to annual revision.

### **Media task, the responsibility of the Organisation of Media Agencies in the GWA (Organisation der Media-Agenturen im GWA – OMG).**

#### **Further information**

More information about OMG can be found on the internet at [www.omg-online.de](http://www.omg-online.de)

Founded in Berlin in 1999, OMG currently has 18 members, which means that it represents approximately 80 percent of the German media-agency market. The work of the Organisation is oriented towards the requirements on a trade association, i.e., representing the sector with regard to business partners, advertisers and the media, as well as the provision of services for the member companies.



## **Advertising-agency remuneration**

A brochure entitled 'Vergütung in Werbeagenturen' ('Advertising-agency remuneration') was published as a contribution to the discussion about optimum payment for agency services. Written on the basis of practical experience, it aims to shed light on the use of flexible remuneration systems.

## **Task 4: GWA membership as a sign of quality**

### **Objectives**

The GWA brings together the main elements of the range of services provided by agencies. Membership of the GWA is an aspect of differentiation and the aim is to draw attention, especially that of advertisers, to this.

### **In detail: Membership development and new-member selection**

The Federal Association of Communication Agencies (Gesamtverband Kommunikationsagenturen – GWA) – the name of the GWA since 1 January 2002 – was founded as the Federal Association of Advertising (Gesamtverband Werbeagenturen GWA) in Frankfurt am Main on 5 November 1986. Through the simultaneous merger with the Association of German Advertising Agencies (Wirtschaftsverband Deutscher Werbeagenturen – WDW), the new association was able to boast 100 founding members.

The member policy of the GWA is oriented towards quantitative and qualitative objectives. In March 2004, the GWA had 127 member agencies whereby the major network agencies form the financial backbone of the association. All of the first 20 of the Top 200 list are members of the GWA. Altogether, the member agencies of the GWA account for 82 percent of the total billings of the Top 200 agencies (ranking for 2002).

### **New business support from the GWA Yearbook and the GWA Search Agent**

With its portraits of member agencies, the GWA Yearbook is the most important source of information about relevant agencies in Germany. It is commonly used as an aid for deciding which agencies should be invited to make presentations. Its widely acknowledged value is one of the reasons that private screening companies have so far not been able to achieve a significant position in Germany.



In the GWA Yearbook for 2004, 109 GWA agencies – not including subsidiary agencies – present their spectrum of services on 368 pages.

After an editorial section and the current portraits of GWA member agencies, there is an additional section with overviews, an index and tables:

- Agency overview by main zones
- GWA member agencies (alphabetical list of companies)
- Index of names
- Company and product list
- Brief portrait of the GWA
- Our promise of quality
- Effie prizewinners, 1981 – 2003
- Euro-Effie: German finalists and prize winners, 1996 – 2003
- Partner associations (Europe and overseas)
- Literature: GWA publications for advertisers

### **Further information**

Please use our GWA Search Agent

The 'heart' of the GWA website is still the GWA Search Agent, the agency search engine with examples of over 2,600 campaigns and detailed information about more than 400 GWA agencies. The prerequisite for inclusion is direct or indirect membership of the GWA.

This unique, constantly growing database enables marketing decision makers to obtain a quick overview of the work of German agencies on the basis of current information. On average, the Search Agent is used around 8,000 times a month for research. With more than 100 items of detailed information about each agency, the agency search engine of the GWA has almost 40,000 individual entries. An English version makes it easier for foreign users to find the information they need. Four main points distinguish the GWA Search Agent from other agency search services on the Internet:



1. Relevance  
All network agencies and the leading owner-run agencies are members of the GWA and only GWA members and their subsidiaries can make presentations in the Search Agent.
2. Topicality  
The members are responsible for keeping their presentations à jour.
3. Neutrality  
The GWA does not pursue any economic interests of its own and its neutrality in relation to member agencies is constitutive.
4. Accuracy  
Through differentiated search aspects: from a rough overview of the agency sector to a long list of perfect matches for individual cases.

### **GWA platforms**

The GWA has appointed spokespersons for five communication disciplines or fields: Alexander Demuth (PR), Jens Konerding (Direct Marketing), Philipp Riediger (Point of Sale Marketing P.O.S.), Bernd Schmittgall (Pharmaceuticals and Health) and Rainer Wiedmann (Digital Media). Two platforms are institutionalised: Pharmaceuticals and P.O.S.

The Pharmaceuticals Platform was founded in August 2003. The subjects of the specialist exchange of information include copyright law and the impact on pharmaceuticals communication, the transfer of publication rights and pre / post tests on prescription drugs (DTC, OTC). Another aim is to optimise the services offered by GWA for pharmaceuticals and health agencies. Moreover, the package provides backing in terms of creativity, advice, support and profit.

The first measure of the 'GWA P.O.S. Platform' was a study on the status of and scenarios in the P.O.S. marketing field conducted in conjunction with around 100 advertisers. According to the study, P.O.S marketing has gained in significance for companies over the last three years. The emphasis is on promotions, competitions and sales materials, all P.O.S. communication measures that are aimed directly at the consumer. The study can be obtained by sending an e-mail request to [pos@gwa.de](mailto:pos@gwa.de).



## **Copyright and rights of use**

A brochure entitled 'Nutzungsrechte richtig handhaben' ('Using Rights of Use Correctly') was published in the GWA 'Agenturmanager' ('Agency Manager') Edition at the beginning of 2004. Enriched by a host of practical tips, the brochure is designed to help the reader make clear and comprehensible regulations and agreements with market partners in order to avoid disputes.

## **Objectives**

To organise the transfer of experience and knowledge between member agencies through polls and round-table discussions, which provide direct benefits for the members.

## **Selected services**

All services provided by the GWA were reviewed via a poll of members at the end of 2003. At present, the focus of the services offered is on the field of employee pension schemes and health-insurance fund contributions – blanket agreement with a company health-insurance fund.

## **Management aids**

The GWA management aids – e.g., agency, salary and social comparisons, poll on agency calculations and Monitor surveys – are important control tools for the commercial management of a communication agency whereby the annual GWA agency comparison is of particular significance for the commercial orientation of an agency. These tools are only available to members and, in the case of agency polls, to the participating members only. Although, following the Sarbanes Oxley Act (New York Stock Exchange Law), the international agencies have not provided any data for 2003, the association will nevertheless conduct important commercial benchmark surveys.

## **Confidential agency and salary polls**

The annual GWA agency comparison shows the participating agencies (all of which are anonymous) how they compare to other agencies in terms of important agencies indices. Conclusions for greater efficiency can be drawn from deviations in an agency's own results in relation to other agencies of the same category. The GWA also compiles a separate comparison of salaries and the hourly rates used for making calculations. These management aids provide information for use in discussions with personnel and clients.



### **GWA rating standard**

In cooperation with 'Prof. Dr. Schneck Rating', a rating tool has been developed with which agencies can evaluate their performance by rating and benchmark aspects and supplement existing controlling activities. At the same time, it is suitable for building up financial trust for discussions with banks against the background of Basel II. Properly used, the rating tool can become a central element of corporate management.

### **Exchanges of knowledge and expertise**

GWA members can profit from exchanges of experience with colleagues on committees and in specialist groups, as well as at regional CEO and COO meetings, i.e., 'International Agencies', 'Owner-run Agencies', 'Finances / Controlling', subject platforms, working groups in the field of new media, new production technologies, seminars and human-resources management conferences. All meetings of this kind constitute a valuable benefit of association membership.

### **Legal advice**

The GWA Legal Service provides inexpensive and rapid clarification of legal questions that arise in everyday agency business. The experience of the GWA lawyers makes fast decisions possible with regard not only to advertising measures but also contractual problems with clients, the media, photographers, film-production companies or other copyright owners. The GWA works together with a firm of lawyers in Frankfurt, Kolonko & Dammeier, Frankfurt. The lawyer, Dr. Eberhard Kolonko, is corporate counsel of the GWA.

### **Information service of the GWA office**

All members are entitled to use the extensive range of GWA services, which include not only a regular supply of practice-oriented information ('GWA-Ticker') but also an informal route via the GWA office. Use can also be made of the international contacts of the GWA, which thrive thanks to the active membership of the GWA in the European EACA agency association and close contacts with the American AAAA association.

### **Cost benefits for members through blanket agreements**

Special cost benefits for members are available through the use of blanket agreements with third parties. The 'bestsellers' of the GWA include:

- Employee pension scheme



- GWA 'AdZyklus' (Advertising Encyclopaedia): digital print archive
- Travel costs (hotel and hire-car offers)
- Telecommunications
- Expertises for member agencies

### **Objectives**

The GWA ensures optimum support for the efforts of the GWA agencies in respect of personnel qualification.

### **Human Resources Development**

The basic and advanced training endeavours of the GWA are bundled together in the 'Human Resources Development' model and supervised by a control group of four coordinators chaired by GWA Board Member Günter Käfer.

#### **In detail:**

##### **1. 'More training places now' campaign**

The GWA has reacted to the lack of training openings for young people, which also prevails in the communication sector, with discussions from CEO to CEO and with 'Training Ambassadors'. The campaign provides GWA members with a platform where they can discuss the subject of dual training and exchange information. The aims are, on the one hand, to stop agencies from discontinuing training places and, on the other hand, to encourage agencies to introduce training places. According to the results of the GWA Monitor, the association succeeded in this in 2003 / 2004.

##### **2. Reorganisation of the advertising-specialist apprenticeship**

With its initiative to create an apprenticeship model for the entire communication sector, 'forum kom' has plotted the course for the reorganisation since a meeting of social partners at the beginning of 2004. The aims of this thorough reform are to be found in a so-called 'benchmark paper'. The benchmarks set out how the in-company training should be modernised after having been left unchanged for over 10 years. At the same time, they also represent the course to be taken for a fundamental reorientation.



### **3. Junior agencies**

The GWA Junior Agency Programme – which was launched in January 2002 – entered the fifth round under the patronage of the GWA with the start of the summer semester, 2004. This associative project with four participants – students of a business-studies faculty (marketing, communication), a university or polytechnic and an artistic faculty (design), as well as an advertising agency and an advertiser (client) – has developed into a successful model with practice-oriented know-how transfer. Since the test phase in the summer semester of 2002, 360 students, 24 universities and polytechnics and 21 agencies have taken part in the project.

### **4. GWA seminars**

For over 15 years, GWA seminars have contributed to the communication of knowledge relevant to the agency sector in its entirety from the junior to senior management levels.

### **5. GWA Communication & Management Academy**

The GWA Academy, a project that emphasises quality and top speakers, is launched in January 2005 with 32 teaching units. It is being held in cooperation with Pforzheim Polytechnic (supervision: Prof. Brigitte Gaiser) and will take place on the campus of FH Pforzheim Polytechnic (Fachhochschule). The GWA Academy is aimed at agency staff with some managerial experience who want to prepare for the responsibilities of management.

### **6. 'Refill' events (entrepreneurial support)**

Designed to promote successful agency management, GWA 'Refill' events are a platform for an exchange of experience and recharging the batteries of specialist knowledge. Agency owners, general managers and CEOs have the chance to discuss current managerial topics and future-oriented questions of strategic importance and to learn from the experiences of others.

### **7. HRM Conference**

The first Human Resources Management Conference for personnel managers of GWA member agencies was held in Berlin on 19 March 2004. The primary aim of the meeting was to give people a chance to get to know each other and exchange information.

An organisation team was formed from among the participants and it prepared the agenda for the next meeting in the autumn. In the long term, the aim is to hold one meeting a year.



## **Objectives**

Agencies need the best young people and the GWA supports the agencies.

### **In detail:**

The GWA information materials have been revised and improved. New editions of two brochures for pupils and students: 'Einstieg in Kommunikation und Werbung' (Starting in communication and advertising) have been published, which means the GWA offers two decision-making aids for young people about to embark on a career.

Both brochures can also be downloaded from the Internet. The GWA presentation entitled 'Nehmen wir mal an, Sie steigen in die Marketing-Kommunikation ein' ('Let's assume that you are about to begin a career in marketing communication') can be used in connection with lectures, etc.

Basic information about the individual jobs and everyday agency life is given in the BIWAK brochure entitled 'Besser informiert über Werbung, Ausbildung und Kontakte' ('Better informed about advertising, training and contacts' – 3rd edition), an anthology by 30 guest authors and as relevant as ever.