

The Kenyan government's very own advertising agency

By Vox Africa Team 17 Aug 2015

Mid-last year, the media fraternity in Kenya was stunned by the edict issued by the Cabinet Secretary in charge of the Ministry of Information, Communication and Technology. Under this directive, government ministries and agencies would be directed to channel all their advertising media investments through a centralised body - the Government Advertising Agency. The directive came into effect on 1 July 2015.

The approaching date has created much discussion and debate in the Kenyan advertising fraternity as to the implications and impact that this decision will have on the local industry.

Although the size of the government's advertising spend (estimated to be approximately US\$28m per annum) is only a small percentage of the industry total (\$858m), the rationale for creating a government agency seems - on the face of it anyway - to make sense. Firstly, it would automatically remove the administrative complexity of intricate tender processes that government agencies need to comply with when appointing an agency. Second, the combined media spend would certainly mean substantial negotiation leverage, not to mention the potential for preferential pricing for government business. Finally, it could also potentially create a high level of specialist expertise in the type of consumer engagement required for government body communication.



Image via 123RF

The questions abound, however, about the degree to which this agency would be structured and whether it would operate like a fully-fledged ad agency. The guidelines prescribe that the agency would handle education and awareness campaigns, notices and tender advertisements in traditional media channels. It would also handle on-the-ground activations, experiential marketing, as well as the growing requirement for digital, mobile and social media communication.

Plans are that the entity will be housed within the Ministry of Information, Communication and Technology, but specific structures or operating model are yet to be determined. From a provisional work scope perspective it would seem that capabilities would need to mirror that of most full-service agency offerings.

Whilst government ad-spend has been declining over the past three years, this policy would clearly create substantial revenue gaps for existing, incumbent agencies currently representing government business. It is unclear, however whether government departments would be mandated to end existing relationships and be forced to use the government's agency.

There is also a certain haziness about the ability of such an entity to handle the capacity that could come from the government of Kenya. Despite the July implementation date, the Government Agency remains (to use industry speak) "conceptual" at present. One assumes that the business, when activated, would need to start small and then scale up as government departments migrated to their new comms partner. Given the critical nature of the work required of them, they would most certainly need to have first-rate industry professionals creating the necessary advertising.

And what of the dynamics that naturally govern any client/agency relationship? Should the myriad of factors that dictate successful relationships fail to materialise, will the clients be able to take their business elsewhere? If not, will the government be best served by an agency that has no real consequences for non-performance?

Pundits are also speculating as to whether the entity (assuming it would be run and managed by professionals recruited from existing communication businesses) could compete for non-government projects as well. Given the potential media clout, the agency would be an attractive option to any client willing to ride on any favourable buying power.

The questions are indeed intriguing and are the subject of much debate for those responsible for the implementation of the government's plan. The Kenyan advertising community will, of course, watch with great interest and indeed have much to say as the idea transitions from concept to execution. It will certainly be a fascinating spectacle and one that could provide yet another success-story for Kenya to export beyond its borders.

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