

(STILL NOT) THENETWORKONE CANNES REVIEW 2021

So, Cannes Lions came back. Almost.

After months of uncertainty, the creative / advertising industry's biggest get-together did not return to the South of France this year.

The centrepiece of the festival, the awards, were given online.

The celebrity talks, the exchange of ideas, the powerbroking parties and spontaneous meet-ups – largely did not happen. But over the last few months – a lot has happened. So, the (still not) Cannes Review is here again. We hope you find it interesting.

Cannes Lions: the awards.

In 2020, with Europe around three months into the pandemic – the awards were cancelled. In 2021, the Cannes Lions decided to award entries from the past two years. But advertising is still advertising, here today and gone tomorrow, and even the very best work of 2019/2020 (Nike's Colin Kaepernick ad, and the stunning Lacoste film of the couple breaking up as the building around them broke up, equally spectacularly...) seemed impressive, but so last year.



'Crocodile Inside', Lacoste

But if you're in the business, the Lions still matter. So, what won this year?

Cannes has hundreds of winners among dozens of categories. So as ever, we're going to look at the top prizes: the Grand Prix's, in each of the 29 categories. Every category had at least one Grand Prix, some had more – 44 were awarded in all.

It's not our aim to go through them one by one. We like to look for patterns and trends.

The first is rather sad: the majority of Grand Prix – 25 out of 44 – came from just two countries, the USA (14) and the UK (11).

France and Spain achieved three each, Sweden, Brazil and Pakistan (well done Telenor Pakistan!) got two each, and no-one else scored higher than one.



'Digital Birth Certificate', Telenor Pakistan

Asia and Africa were conspicuously absent. Not a single top prize was won by Japan, Korea, mainland China, Southeast Asia, India, Australia or New Zealand, or the entire continent of Africa. Since we all know that the growth engines of the world are Asia and Africa (and these continents are home to two thirds of the world's people!) this is a sad reflection on our global society. Everyone is talking about diversity and inclusion, but the reality is, the countries of our world are turning inwards on themselves.

Not for the first time, our industry reflects society: it's great that over half the US, UK and EU have been vaccinated, but the figures in other countries aren't so great: 20% in India, 11% in Indonesia, 7% in Pakistan, 3% in Egypt, 1% in Nigeria.

So now we know who won at Cannes, let's look at what won? For an industry that was once defined by hedonism and self-indulgence, the picture remains clear.

73% of the winning messages (32/44) were primarily focussed around CSR or generally, doing good for the world. Refreshing self-awareness, or guilty hypocrisy? You decide.

As Paul Holmes memorably put it, in the PProvoke and ICCO-sponsored ['Cannes Condensed'](#) conference in Brighton – "Ever since the Dove campaign, Cannes has been all about PR."

What's more revealing though, is how the winning 'causes' stacked up this year. So, here's our ranking:

- **Grand Prix**, with 11 points: The Environment - with special guest, Climate Change
- **Gold**, with 7 points: Women
- **Silver**, with 5 points: Disability

- **Bronze**, with 4 points: Global Poverty
- **Honourable mention**, with 3 points: LGBT
- **Last but not least** (?), with 1 point: BLM.

If you haven't fully got the point yet, maybe go back to the top of this section and start again?

Cannes - the conference

About the talks, presentations and celebrity interviews we usually enjoy at Cannes – the less said the better. Advertising Age and many other media barely reported the “five days of pre-recorded shows and deep-dive after deep-dive of the various winners,” while moaning about “production and tech glitches [which] were rife all throughout Cannes week – the festival didn't bother to edit out when mishaps did occur.”

Live or recorded? Damned if you do, damned if you don't – every conference this year has faced the same dilemma and one has to feel sympathy for the Cannes Lions team. But we all hope to return to a live event in the South of France next year.

The Official Cannes Review

Meanwhile, for the first time, Cannes Lions decided to publish its own Cannes Review. I think they've noticed ours (after 14 years) and decided not to miss out any longer! Anyway, it's worth a read. Here's the [link](#).



Mostly, it's a review of the work, with comments from clients and agencies.

The 'client' (brand owner) comments may not surprise you, but they are well made. Here's a selection:

- “Don't overthink things. Aim for simple and pragmatic.”
- “The idea comes first. But the more platform specific you can be, the better.”
- “Purpose and profit are inextricably linked and must be part of the core brand strategy.”
- “Commerce is everywhere. Identify 'surprise' and 'delight' moments while staying focussed on conversion.”
- “The pandemic has honed our propensity for experimentation. Nurture this on your teams.”

- “If you’ve not got skin in the game, you need to start” (referring to gaming).
- “The idea of data versus creativity is outdated. Use data to innovate and to underpin strategy.”
- “Absorb lessons from the pandemic.”

The agency comments are also revealing. A lot of self-righteous preaching about how socially concerned they are, and how clients need to be braver. Very little about outcomes or results. Here’s a selection of these:

- “Brands need to be more generous – with their wallets and with their platforms”
- “By approaching online retail as a branded experience, brands can bring convenience while also sending a message about who they are and what they stand for.”
- “It’s not about brands attaching themselves to a cause, but rather, taking a good look at themselves, their negative or positive impact, and committing to transformation.”
- “You can be innovative without being invasive.”
- “Interrupting is no longer the best choice for brands.”

Cannes Lions used to be called the Cannes Advertising Festival, to distinguish it from the Film Festival. How times have changed.

In the entire official report, the word advertising is only mentioned twice and the word advertisement once, all with negative connotations: “There was far less patience for advertisements.” “We can’t hide anymore and say ‘I’m not producing these things any more, I’m just advertising.’” “Advertising ... decays to the point it is no longer economically viable.”

In this context, my favourite agency quote has to be this particular insight:

“Positioning your brand in locations where you know potential customers will be, rather than following them around, is a much less creepy way to work.”

Er...positioning your brand in locations where you know your customers will be?

Wasn’t that once called advertising?

(not) Cannes – the other conferences

The reality is – Cannes’ problems did not start with the pandemic. The days when the likes of Bill Clinton, Mark Zuckerberg, Biz Stone and Kanye West graced the stages of the Palais des Festivals, seem long gone.

Yuval Noah Harari’s talk on storytelling promised to be interesting, but did he really need to listen to the Amazon marketing exec who interviewed him, explaining what a great story really is? Answer: the launch of Amazon Prime and the Amazon climate pledge, of course.

I'm with Scott Knox, chair of the Canadian advertising agencies association, who said this week "I'm bored with pledges." But his was a live interview (kudos to the [Alliance of Independent Agencies](#), a UK body), not a pre-recorded interview approved by a Corporate PR department.

Ironically, the heavy hitters had moved a few hours (in a Ferrari) north of Cannes, to Paris, for Publicis' annual "we don't need Cannes" show – [Vivatech](#), which now takes place the week before the Cannes Lions.

Their headline speakers were Tim Cook, Mark Zuckerberg, Eric Schmidt and Alibaba CMO Chris Tung. Oh, and also the President of France, Emmanuel Macron. All live, unscripted and engaged.



Emmanuel Macron at Vivatech 2021, Paris

The genuinely hybrid conference, which wasn't possible at the seaside, somehow became possible, a week earlier in Paris. 'Know how, and know-who', as my old boss Paulo Salles first said to me on the steps of the Majestic.

So what did we learn at (not)Cannes in Paris?

Tim Cook did not start well. That doesn't mean he started badly: his remarks on GDPR were well rehearsed and politically correct. "We see privacy as a fundamental human right." "GDPR set standards, Apple is a big supporter." Thanks, we're glad you told us that.

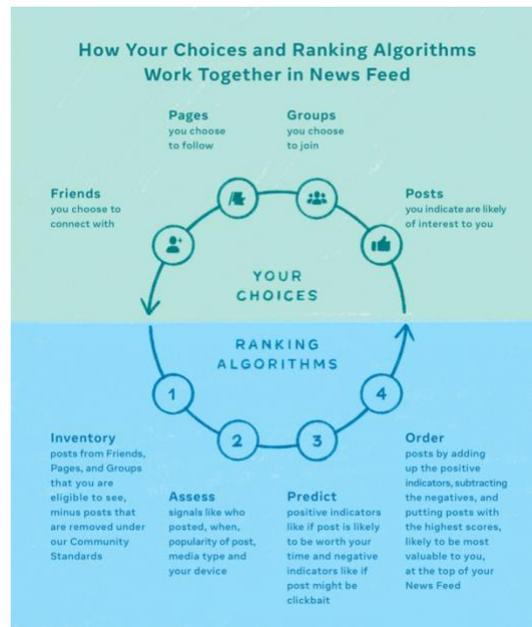
But he really warmed up, when he got talking about product design: how the Apple watch was 'designed from a wellness point of view,' before Apple realised that the ECG and other function helped people discover health problems, not positives. Self-surveillance, you might call it. Privacy is the story, but surveillance is the opportunity. Or am I reading too much into this?

Mark Zuckerberg called it better.

Rather than get himself embroiled in those awkward suit-and-tie encounters he had with the US Congress, Mark has appointed the former Deputy Prime Minister of the UK - the warm, smiling, sincere, authentic Mr Nice Guy, Nick Clegg - to handle the politically barbed accusations of the media, with consummate political charm.

Nick has written a thoughtful essay on [“You and the algorithm – it takes two to Tango”](#), explaining why Facebook’s advertising algorithm makes news more interesting for everyone, by leaving out the uncomfortable bits.

He explained how Facebook is selflessly advocating ‘data portability’, so consumers can take the personal data they have shared with Facebook (but not Facebook’s data) and share it with other people!



Algorithm diagram from Nick Clegg’s essay in Medium

His brow furrowed momentarily with concern, as he worried about the “Balkanisation” of the internet, with China, Russia, Turkey and Vietnam setting up their own versions, without the loving stewardship of a global multinational to ensure they act in the public interest. It’s so important for the US, UK, EU and India to keep the faith. Don’t you agree?

So Vivatech got the interview they needed, while Zuckerberg got the interview he wanted – the college kid in the grey T-shirt, talking about the technical advances that he and the boys are really interested in. With Maurice Levy, himself, not some journalist from the USA. Mark and Nick live in parallel universes, and Mark’s is a lot more interesting.



Mark Zuckerberg interviewed by Maurice Levy at Vivatech 2021

What Mr Zuckerberg told us

Facebook has studied China carefully, and is focussed on the three main development areas of the Chinese internet (Live Streaming and QR codes are no longer news in China). They are:

- **O2O commerce:** Mark's first ten minutes were all about Facebook shops. Partnering with the likes of Spotify, they enable businesses of any size to open shops on Facebook and Instagram (Messenger and WhatsApp coming soon) and "drive sales through our advertising product." OMG! Cannes doesn't talk about advertising, but Facebook does. As on China's WeChat, social media and e-commerce become fully integrated, providing "a better consumer experience." With China currently looking inwards, the global opportunities are there for Facebook.
- **AR and VR:** finally, we are all able to admit that being tethered to a black box by heavy cables and a headset does not really deliver the imaginative freedom that we all hoped for. But Facebook is now pretty close to wireless headsets which work fast enough for the audio-visual environment to sync wirelessly with body movements. This is the game-changer, from exploration to sport to remote meetings to healthcare – the key to the Metaverses. (Universes are soooo last year.) The revenue model will be built on apps, not hardware – hardware is a loss leader and can even be given away for free. And apps can be freemium.. As Mark reminded us. "Our mission is to serve everyone in the world."



- **Creators:** Yes, Facebook is on the money here too. Or at least, on its trail. In Mark's words, "a creator is a business with a personality". As advertising agencies decline, individual creators are on the rise. Have you browsed YouTube recently? Ask your kids. As platforms become table stakes, content creators grow in power and wealth – 500,000 followers means you are already bigger than many TV channels, let alone style magazines. You're not reliant on a platform: you have your own newsletter, your own podcast. Forget worthy Nick Clegg and his personal data portability, the real portability is in fanbases – "I can take my fanbase to a new platform and talk to them there, about different things." Facebook has four platforms and can help you create fan groups to port between metaverses. Dear Mark Read, are you still with us?

China – the elephant in the room

Well, as most of us are probably aware, the mega-entrepreneurs in the Chinese digital universe – the founders of WeChat, Ali Baba, Didi Xuxing, Tiktok and the expanding agency groups like Blue Focus, Leo Group, HNA and the like - have been a little quiet recently.

Chris Tung, CMO of Alibaba did participate in Vivatech; but he diplomatically restricted himself to talking about well-established phenomena like live-streaming, online story-telling and O2O retail, where he assured us the West would catch up sooner or later. He pointed out how Alibaba is helping small businesses to thrive through social commerce – ah yes, we’d heard that from Mark Zuckerberg.

A more upfront approach came in a different conference, the Economist’s recent Global Trade Week. Kai-Fu Lee, author of tech Titans of China and a speaker always worth listening to, was a lot more forthcoming with his opinions. He identified key trends as:

- **RPA (Robotic Process Automation):** yes, robots will steal your jobs. Even in the Creative Industries. The Chinese arms of Coca-Cola, Listerine and Colgate are all using AI to develop their video content. For sure, Amazon is powerful, but its website still looks like those confused and crowded websites which used to be the style of e-commerce in China – whereas China is already moving on, with AI-driven and precisely targeted video commerce, which is a lot more fun. Gamers are already celebrities in Japan and the US, but in China they are salespeople too.
- **BMI (Business Model Innovation):** Social commerce is one example of that, but there are many in other fields: notably healthcare, where AI is inventing new drugs nine times as fast as traditional methods – think protein folding. Fully automated laboratories reduce the risk of infections entering humans... was he thinking of any particular example? US trade policy, says Lee, has pushed China into developing its own AI. Western brands live too easy a life, protecting high margins without many challengers. China will develop its own, quietly at first because it has such a huge domestic market – but it’s only a matter of time before Chinese technology truly goes global.

Huawei is vilified for alleged small-scale spying, but as their Chairman Ken Hu (also at Vivatech) laconically revealed, they are already looking beyond the “fragmented and disconnected” universe of today’s app stores, to a unified operating system for technology and AI. That’s Business Model Innovation.

Battle lines are drawn

Eric Schmidt, Google’s former CEO, was also at Vivatech. He is now busy writing a book with Henry Kissinger, no less, called ‘The Age of AI and our Human Future’ (available on Amazon from 19th October – pre-order now). Eric was very clear: “We want western values to dominate AI: privacy and respect for the individual.” The US, the EU, Japan and India, he said, need to line up behind this.

Western values are driving the great achievements of our time, he says: “Private Companies made the vaccines and the Governments guaranteed the market.”

Can someone please explain, how this is different from how China has been operating for the last ten years? or how the counter-current of increased regulation in the EU, is different from the counter-current of increased regulation in China?

But maybe we are flying a little close to the sun, now. Let’s go back to our own little universe of marketing, advertising and communications.

How small we seem.

Sir Martin Sorrell has discovered that the buy-now, pay-later earnout model that he used to build WPP was flawed, after all. So, Media Monks, Mighty Hive and the rest buy in, rather than earning out. But he's still building a company based on who's hot today, but may not be hot tomorrow.

Mark Read, a nice man, revealed (in a speech to Patrick Collister's Caples awards) that when he inherited WPP, it had 100,000 employees and 3,000 operating units – an average of 30 people per unit. You have to agree, that was not very efficient.



Mark Read, CEO of WPP, speaking at The Caples Awards 2021

Really, he should be talking to Kai-fu Lee, but instead he's still propping up the bottom line the traditional big-agency way. As he said, Q1 was great! - revenue up 3% and headcount down 40%. The staff all have mental health problems, but the clients are happy. (Disclaimer: those are my notes, I need to check if he actually said all that.)

Accenture are buying up the rough diamonds now, because they can. Michael Farmer said that the average salary for someone with 7 years' experience is \$150,000 at Accenture and \$75,000 at Ogilvy. Game over, or a bubble ready to pop? You decide.

The future of (not) advertising

The "big agency" model is going the way of Kodak. The CMO of Sanofi said it and I'm sure many others have said it too. If data is the new oil, First Party Data is the real stuff, that makes cars run and planes fly, and takes rockets to the moon and to Mars. Let's assume you are a CMO, or a CEO. *Would you give your first party data to your advertising agency??*

The ANA (US Clients' association) gets the credit or the blame for bursting the bubble, breaking the trust between clients and agencies, by revealing that agencies aren't always transparent about what they pay for the media space and time they sell to their clients. That's a crime?? Really?? Show me the place on Walmart's shelves where they tell me what they paid for the can of Coke I've just paid a dollar for. This is not the point.

The point is that for a variety of reasons, of which speed of response may be even bigger than first party data, clients are in-housing their communications capabilities, faster than you can shake a stick at them.

Everyone knows that agencies are having serious problems attracting staff to a job that offers long hours, low pay and these days, very little fun. Mark Read told us. 'I'm not worried about economic recovery, I'm worried about retaining good people.'

And it's not only advertising. A recently published [survey](#), by PR and Communications recruitment firm The Works Search, found that "Agencies are having a hiring crisis: because only 11% of Corporate Comms professionals are interested in working in agencies, compared to 69% wanting in-house roles (the other 19% want to leave the industry or freelance)."

The survey finds that "In-house is incredibly attractive and agencies have stiff competition—they are not competing with other agencies for talent, they are competing against big corporates who are offering better pay increases, bigger bonuses and higher-value company benefits."

So, are we all doom and gloom? Well – no.

If you are an independent firm, the opportunities are real.

According to Scott Knox, new business reviews are "skyrocketing," as Procurement departments rush to reclaim their places at the management tables. Clients want speed, agility and freshness. They will even go to Canada to find it.

The independents don't win the top prizes at Cannes. Only 3 out of 44 Grand Prix in 2021 went to independent agencies – two to Wieden + Kennedy for Nike, and one in a minor category (Entertainment for Music) to Gut's Sao Paulo office (which appears to have closed – at least, it is no longer listed on their website).

But look around in the weeds (the minor Lions and the shortlists) and there is plenty of interesting talent emerging. If you don't have time – ask us! – we've already been busy doing just that.

Even the names are more interesting. Who would you rather call in for a creds presentation – an agency called VML/Y&R or named after some long-ago founders, or a new agency called 'Broken Heart Love Affair'?

Broken Heart Love Affair didn't win as many Lions as WPP, but then again, they are only ten people.



From left: Broken Heart Love Affair's chief business officer Beverley Hammond, co-chief creative officers Carlos Moreno, Denise Rossetto and Todd Mackie, and chief strategy officer Jason Chane

They are the leading edge of a phenomenon, which is not only challenging traditional agencies. It is well on the way to replacing them.

Welcome to the Creator economy

On May 8th, the Economist published a watershed article, headlined [“Serfing the web – the new rules of the Creator Economy.”](#)

Yes, the big bucks in advertising are still made by the platforms. Facebook’s advertising business generates \$92 billion a year, mostly from placing ads alongside freely provided user content. But as The Economist observes, “the serfs tilling the internet are increasingly finding that their output can command a price”.

[Joe Rogan’s podcasts](#) attract the likes of Elon Musk, Jack Dorsey and Bernie Sanders, and earned him US\$ 30 million last year. Now he’s ported his entire audience to Spotify, to monetise them even further.



Joe Rogan interviewing Elon Musk for podcast, ‘The Joe Rogan Experience’

The three most popular videos on the [YouTube Vlad and Niki channel](#), where a US couple film the antics of their two young children, garnered 170 million views: twice the TV audience of the Superbowl. For sure, they are monetising this. They and people like them have helped YouTube to ad revenue of \$20 billion in 2020 – and it’s growing almost three times faster than the ad revenue of Google-parent Alphabet. Disney and Apple are platform-owners in their own right, but both spent around \$200 million advertising on YouTube. EMarketer reckons that US video ad spending will overtake TV advertising’s figure of \$66 billion next year, and be 33% ahead by 2024.

So, who drives revenue for the TV companies? Traditional agencies.

Who drives revenue for the video platforms? Creators like Vlad and Niki Vashketov (and Sergey, their dad).

Right now, this is a free-for-all fight. But it will not stay that way.

A new generation of agencies

A completely new generation of agencies is starting, although you probably won't see them at Cannes.

Influencer agencies like [MG Empower](#). Celebrity agencies like [Be-Hookd](#). Freelancer platforms like [Creativepool](#) and [Topcoder](#). And specialist collectives like Collab Crib, bringing together BLM-inspired creators and influencers – (they don't have anything so uncool as a website, but you can find them on [Instagram](#) or the pages of the [New York Times](#)).

You and Mr Jones, together with their 2015 acquisition Oliver, were in the vanguard of the new In-House + Freelance + Tech model. But Oliver was founded in 2004, the same year as Steve Stoute's Brands + Artists + FGans agency, Translation, still riding high at Cannes.

But as one well-known M&A consultant was recently heard to say, no PE firm wants to buy any agency more than 10 years old, because they are too set in their ways. It's one thing buying a tech-stack of small companies, or a black book of freelancers, but it's another thing to develop a genuinely radical business model.

For Cannes 2025, expect to see more companies like [Freelancing Teams](#). They don't just rep for freelancers, they create pre-formed teams of freelancers and market their services collectively.

Or [Vicoland](#). They bring independent creators together into Vicos (virtual companies), with the structural rigour of established companies, and enable them to win assignments from large corporate clients while maintaining the agility and flexibility of an on-demand resource.



Vicoland, Frankfurt, Germany

Or content houses: These are so-called Content Houses, bringing together creators, creating fanbases and presenting to marketing clients, all at the same time. There are literally dozens of them in Atlanta.. check out [NeoReach](#) for more.

Remember Kai-Fu Lee's point – “Business Model Innovation” is what will drive our market next.

In China, in the US, and everywhere else in the world.

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