

Q&A

R/GA's Sarah Lent and Nicole Armstrong talk brands and ads at Cannes Lions

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Panelists discussing issues on the Disruption by Design panel at the Cannes Lions 2017's 64th International Festival of Creativity in Cannes, France

By STAFF REPORTS

CANNES, France Dan Hodges, founder/CEO of [Consumers in Motion](#), caught up with two executives from interactive agency R/GA at the recently held Cannes Lions' 64th International Festival of Creativity. He mined their thoughts on the future of advertising and creativity, both hot-button topics at the world's premier event for ad agency folks.

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In this exchange, Mr. Hodges also discussed the evolving agency model, brand loyalty, luxury brands and the effect of technology on consumer behavior with Sarah Lent, executive director for growth in the Europe Middle East and Africa markets, and Nicole Armstrong, strategy director. Ms. Lent and Ms. Armstrong are based in [R/GA's](#) London office.

There is a lot of talk about the future of advertising, the future of creativity, and the question of the agency model at Cannes Lions.

Sarah Lent: Our luxury clients are LVMH and Givenchy, so craft across all mediums of communications and creativity is vitally important.

Advertising, as we know it, is fundamentally changing and quickly. Therefore, we need to evolve our business model, offering new ways of working in order to ensure that we not only stay ahead of the disruption sweeping across our industry, but help to define it.

Can you explain what this means to LVMH and Givenchy?

Ms. Lent: We are in a new era of luxury which goes beyond the product into personalized services and seamless experiences.

For example, I'm in Cannes and I'm a Givenchy customer. As I land into [France's] Nice, LVMH has the capability to leverage implicit and explicit data to offer services that are aligned to my tastes and needs, i.e. making a reservation for me at my favorite restaurant. We see this to be the new area of luxury.

Can you expand on how you think of brand loyalty?

Nicole Armstrong: Brand loyalty, particularly in luxury, is about sustaining a human connection over time through personal one-to-one conversations. This is grounded in the consumer's needs and delivered when and where clients expect.

Loyalty is no longer just for the top 5 percent of clients. It is for the top 40 to 50 percent.

We need to service these clients because our clients can't afford to lose them to the increasing competition, which is more diverse than ever, stretching to unknown emerging brands with a cool backstory, to luxury experiences like one-off excursions and breathtaking dining.

Therefore, the heat is on and luxury brands are pressured to do more than deliver traditional high-end services. After all, Amazon's probably already doing it and doing it better.

How do brands innovate in an age of rapidly evolving technologies that are changing consumer behavior?

Ms. Lent: I think that most brands start with who they currently are, to ensure what they evolve into retains authenticity of their business and brand.

Once you put a long-term vision in place, you then create service models that deliver against that and grow over time.

We innovate with our clients in a number of ways.

One area of innovation is about helping our clients become data-driven businesses so they can deliver those high-touch one-to-one conversations at scale. It is about building on the traditional client book method and building by leveraging today's intelligent systems to capture data across the brand's ecosystem to build complete client profiles.

This enables our clients and their employees to service more clients in an intimate and personal manner, no matter where they engage with the brand, increasing lifetime customer value.

Another area of innovation is how we are working with design students that work at the Fashion Institute in London, answering questions such as "How do use VR experiences to optimize the design of a new line?"

We have a dedicated VR [virtual reality] studio in our office that helps us innovate in this area from within.

I think there is something really, really exciting about what VR can do for the fashion industry.

Innovative brands are also massively capitalizing upon the disruption of fashion shows.

What was once a B2B and media event is now B2C through shoppable runway models.

The question is, how can brands take this a step further and innovate with disruptive technologies such as VR, AI and 360 content to further engage their wider community and bring them closer into their product?