

# Of values, principles and Madison World...



Sam Balsara, the driving force behind Madison World, shares his experiences in setting up Madison, his values and the importance of sticking to your principles, with POORNIMA SUBRAMANIAN.

MR BALSARA, WAS BORN IN 1951 IN BALSAR, A SMALL ONE-HORSE TOWN IN GUJARAT. A FIRM BELIEVER IN THE IDEA THAT SUCCESS CAN COME ONLY AFTER FAILURES, HE PICKED UP THE PIECES AFTER FAILING TO CLEAR HIS HINDI PAPER IN THE P.U.C. EXAMINATION AND WENT ON TO COMPLETE HIS MBA FROM JAMNALAL BAJAJ MANAGEMENT INSTITUTE IN 1972.

MADISON WORLD WAS BORN WHEN SAM BALSARA SET UP SHOP IN 1988 BY BUYING A SMALL, FULL SERVICE ADVERTISING AGENCY. A DAVID AMONGST GOLIATHS, MADISON HAS COME A LONG WAY FROM ITS HUMBLE ORIGINS AS A HOMEGROWN COMMUNICATIONS AGENCY WITH THREE CLIENTS, TWENTY TEAM MEMBERS AND ONE OFFICE. TODAY, THIS 21-YEAR-OLD DIVERSIFIED COMMUNICATION GROUP HAS A GROSS BILLING OF \$0.5BN, 20 UNITS ACROSS TEN SPECIALISED FUNCTIONS, AND EMPLOYS OVER 700 COMMUNICATION PROFESSIONALS ACROSS INDIA, SRI LANKA AND THAILAND.

**The urge to start out on your own hits us all. What were your reasons for it? And how did you go about it?**

After completing my MMS from Jamnalal Bajaj in 1972, I was offered a position at Sarabhai's (a large Indian FMCG company), where I worked with Pran Chaudhary, my Marketing Professor and my mentor.

From there I moved to a marketing

assignment in Cadbury. After eight years in marketing, I realised that success in marketing is closely related to success in advertising and therefore moved over to advertising.

**"Consistency in principles and values is a virtue but consistency in sticking to a business model can prove to be foolish."**

I was the founder member of Contract, JWT's second agency in India. After spending four years in Contract, I moved to Mudra. And finally after sixteen years in marketing and advertising, I took the plunge and decided to pave out a path of my own. That's how Madison was founded on 21st March, 1988.

I chose advertising because it is a young people's business. It keeps you on your toes. It makes you think on your feet. It makes you think differently and innovatively all the time.

**Madison has been fondly referred to as the David who withstood Goliath (read WPP, Publicis and Omincom). How did you manage to acquire clients given the competition from such giant agencies?**

In 1993, our then largest client Godrej, a massive Indian industrial house with a large presence in FMCG, did a joint venture with

Procter & Gamble and we got into a relationship with Procter & Gamble's global agency – then DMB&B. This alliance lasted for about five years and we parted ways in 1998.

Since 1998 we have survived, thrived and prospered following the unbundling or specialisation route. Procter & Gamble recognised that as an agency we had significant strength in media-alone business and awarded us their Media AOR. When we parted ways with DMB&B they took away the creative business but retained the media business with us.

Using this as a springboard and the fact that the world had begun to recognize the importance of media-alone specialists, we went on to build up our infrastructure, capabilities and expertise and become the country's leading media agency. In 2005 we were voted by Economic Times' Brand Equity as the "Most Admired Media Agency" and were voted No. 1 on each and every parameter from negotiation skills to planning to research. We were also voted the "Most Admired Planning Agency in 2006". In 2007, we were voted as the "Most Admired Media Agency".

**Two strategies that helped you achieve this growth would be ...**

I think the one major factor that made a difference and contributed clearly to Madison's success is an insistence on consistently adhering to a clearly defined old-fashioned value system that had as its foundation, honesty, integrity and transparency. Two mantras that I would like to highlight are:

- Being transparent with client and media suppliers;
- Placing our clients interest ahead of our own interest.

**What led to the diversification of Madison beyond advertising?**

I firmly believe that specialisation is the road ahead. Moreover, the scope of advertising itself broadened to include a whole lot of more areas. So diversification was necessary to capitalise on emerging opportunities, cater to changing media needs and stay on top of the media industry that was clearly fragmenting. Also this helps us to cater to the large clients who want the best in class, specialised service.

**"A principle is not a principle unless it hurts."**

**Your vision for the future: where do you see Madison 10 years from today?**

I see Madison as a diversified yet specialised communications solutions company addressing any communication need of large enlightened advertisers. Like in any industry, the challenges remain, but Madison continues to function by its motto – "If it's safe, it's risky".

**How do you manage your work-life balance?**

I don't believe in a work-life balance. If you enjoy what you do, then you don't have to work a single day.

**What are you currently reading? Which are your favorite books?**

I generally read books on marketing and advertising and the corporate world. I don't like to 'waste time' on fiction.

**"Specialisation builds a body of knowledge and allows transfer of learning."**

**What advice would you give people who want to start out on their own: things they must do and pitfalls they should avoid?**

Start on your own only after you are absolutely sure of your core competencies required to sustain and grow a business. I started out on my own only after 16 years of rich and varied experience.

Evaluate all expenditure by one yardstick – does it help grow your competencies or enable you to offer a better product or service in the market?

Sometimes, I do feel that young people set unrealistic targets for achievement and personal growth, which leads to high levels of frustration and burnouts and ultimately leads to them leaving the industry. ✓