



Is the Grass Greener on the Other Side of the Fence?

Demystifying the reasons behind the Campbell's switch to Publicis from BBDO and how to prevent the excessive wave of agency reviews.

By: Bruno Gralpois

Author/Speaker, Thought-provocateur, Client/Agency Guru, Entrepreneur, Innovator

The grass is always expected to be greener on the other side of the fence. Advertisers often ask themselves: but how much greener is it? Before starting a review of your agency(ies), you must believe that it is so much greener that it will justify the considerable time, resources, and effort required to execute on that review. If the incumbent agency is unsuccessful at saving the account (statistically speaking 2/3 of the time), then we are talking about a few months of transition, training, and risk mitigation, and sometimes even duplicative costs as the new agency ramps up. It takes faith, courage, and more importantly, conviction. So, what does it take for a brand to come to that conclusion?

Noteworthy reviews

At Agency Mania Solutions, we track the vast number of agency reviews being initiated or recently concluded. This data allows us, and our clients, to keep a pulse on the industry and the health of the vast ecosystem of agencies. Inevitably, we see trends emerge: winning and losing agencies is one of

them. We also witness how advertisers struggle to deal with the aftermath of an agency review.

The news broke on the morning of March 13, 2018, from Camden, NJ. The company that harvests over four billion pounds of tomatoes and carrots every year, Campbell Soup Company, announced the appointment of Publicis Groupe after an intense three-month review as the agency partner for its US Retail, Canadian, and Asia Pacific creative, digital, technology, and consumer promotion business. Publicis will also assume media planning and buying for Campbell's globally. What makes this announcement noteworthy is that it also marked the end of the relationship between the brand and incumbent BBDO, dating back to 1954. The Campbell/BBDO relationship was one of the longest client-agency relationships in the industry.

It's not the only brand breaking away after years of partnership. In the last two years alone, Southwest Airlines ended its 30-year relationship with its media agency. Manulife (John Hancock) ended its 32-year relationship with its creative agency. Retail

giant Target ended its 46-year relationship with its media agency. So did McDonald's after a 35-year relationship with its creative agency.

I am too busy working on my own grass to notice of yours is greener

What drives advertisers to walk away from these long-standing relationships and start over with a new agency partner? What could be motivating them to do so? In the case of Campbell's, it was the brand's desire to "modernize its marketing model and integrate communications across disciplines." The move also reflected its desire for a more data-driven approach, putting the customer at the core and leveraging analytics and audience insights that power better creative solutions to reach and engage those consumers. The ability to seamlessly but also more cost-efficiently house under one roof all the marketing capabilities it needs with Publicis as an integrated holding company solution was a key driver. Here are common, yet often hidden reasons for advertisers to conduct a review:

#1 Too much pressure: They are going through some business transformation of sort: whether the category is under pressure, or the company has decided to make some radical changes to its business, it's likely to reevaluate all of its major investments including its agency partnerships which are often a large part of the marketing budget. It's the opportunity to reset financial expectations with a new partner and start from scratch.

#2 Too little time and resources: Driving incremental change with an agency partner appears too slow or too costly or shows signs of resistance. A bandage approach won't work. Rather than making marginal gains, the advertiser is looking for radical change, the same way it sometimes also makes radical internal organizational or leadership changes.

#3 Not customer centric enough: The use of data and analytics are vital to allow customer-centricity and effective decision making. If the incumbent agency has not challenged its operating model, the status quo, or offered innovative, less siloed solutions to enable its client to fully embrace a more data-centric approach to marketing, it's opening the door involuntarily, but inevitably, for someone else to do so.

#4 Too much complacency: whether it is real or perceived, long-term relationships are at risk to become too comfortable



top down. Both parties have built significant equity in their relationship, which is often a blessing and a great asset, especially during challenging times. However, excessive equity can occasionally turn into a curse as healthy conflicts are suddenly less frequent, people hesitate pushing back too hard and bad behavior and decisions are allowed to happen. The relationship is doomed to fail.

There are many other potential reasons for a review to be initiated and a change of relationship to occur, ranging from sustained agency quality or performance issues, M&A activity, severe continued talent gaps, or senior leadership changes and a sudden loss of chemistry or trust that was essential to the relationship and is now gone.

Lesson learned: the grass is always greener where you water it

The key to sustained relationship is mutual accountability. When advertisers and agencies commit to fairly and openly evaluate their respective performance and commitments, they can immediately act and course-correct if needed. With the right mindset and a commitment to see it through, they are likely to strengthen the relationship over time. In other words, the grass is not greener on the other side of the fence, it's simply greener where you water it.



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Bruno Gralpois is the co-founder of Agency Mania Solutions, a premier service and technology firm specialized in helping companies realize the transformational value of managed partnerships. Bruno is the author of best-seller "Agency Mania" and the former chair of the Association of National Advertisers (ANA) Client/Agency Committee and a faculty member of the ANA School of Marketing.

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