

AGENCY --- MANIA

Harnessing the madness of
client/agency relationships
for high-impact results

BRUNO
GRALPOIS



BEAUFORT
BOOKS

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SECOND EDITION

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Dedicated to the many talented agency and client maniacs around the world who are committed to building strong business partnerships and driving excellence in all they do.

CONTENTS

<i>Foreword</i>	vii
<i>Acknowledgments</i>	xi
<i>Preface</i>	xiv
<i>Introduction</i>	xix
1 THE MULTIPLIER EFFECT	1
Why we need agencies	
2 GOLDEN EGGS	24
Understanding the mysterious world of Madison Avenue	
3 “THE BUCK STOPS HERE”	62
Mastering the discipline of agency management	
4 WHERE IS YOUR MOUNTAIN AND ARE YOU CLIMBING IT?	103
Building a sound agency strategy	
5 ASSORTATIVE MATING AND THE SWEATY T-SHIRT THEORY	148
Conducting a successful agency search	
6 PACTA SUNT SERVANDA	210
Setting up a rock-solid agency contract	
7 JUST SIX NUMBERS	250
Determining the right client/agency compensation	

8	THE BLIND MEN AND THE ELEPHANT	339
	Successfully scoping work and briefing agencies	
9	THE LOMBARDI RULES	370
	Driving mutual accountability with effective performance evaluations	
10	GOTTMAN'S PAPER TOWER TEST	400
	Partnering towards mutual success	
11	THE ERA OF "PARTNERSHIP CAPITAL"	437
	A Glimpse at the Future	
	<i>Resources and Suggested Readings</i>	460
	<i>Notes</i>	461
	<i>About the Author</i>	475

FOREWORD

“AGENCY MANIA”

What a fresh title—and what a fresh perspective! This book presents wonderful insights that will undoubtedly guide the marketing industry to pursue the next generation of client–agency relationships. We should all be grateful that Mr. Gralpois has brought the full extent of his experience to bear on this remarkably engaging and important subject.

Working with and managing agencies is, for marketers, one of the great pleasures and challenges of their jobs. It’s a subject I love to discuss and debate because I think agencies are terrific and provide enormous value. They provide the strategic pathways and creative inspiration that enable marketers to continuously pursue effective brand development.

Unfortunately, over the past decade, agency management has become increasingly difficult and, in some ways, destructive. “Managing the agency” often consumes such an extraordinary amount of time and energy that marketers begin wondering

why they hired these firms in the first place. Before marketers can begin addressing the challenges of creating great work for their brands, they must wrestle with issues like:

- What is fair agency compensation?
- How will the agency be evaluated?
- What agency talent will support the brand?
- What will the ongoing role of procurement be?
- Who will coordinate the efforts of multiple agencies to ensure that strategies and messages are fully integrated and supportive of the overall brand positioning?

Managing agencies should not be so difficult! Agency personnel should function as a seamless part of the brand or corporate management team, bringing their objectivity, strategy, creativity, media savvy, and experience grounded in the case histories of all their past relationships. Most importantly, client/agency relationships should be uncomplicated so that agencies can freely provide the valued skills that many marketers don't possess—skills that are crucial to building brands and building businesses.

Frustratingly, over the past decade, the business system for managing agencies in a way that affords marketers the full array of needed resources has become maddeningly complex. Just think about the array of agencies that populate some brand teams: General, Digital, Multicultural, Media, Sponsorship and Event Marketing, Social Media, CRM Agencies, Public Relations, and more.

While each of these agencies makes an important

contribution, it's ridiculously exhausting to organize this vast pool of talent and get everyone on the same page. And what does that "page" look like? Again, not an easy subject. At the Association of National Advertisers (ANA), we've developed a "blueprint" that outlines ten "marketing musts" for long-term marketing effectiveness. We call this document "The Marketers' Constitution." Here are the first seven of its ten articles, which provide a sound framework to guide effective client-agency relationships:

1. Marketing must become increasingly targeted, focused, and personal.
2. Marketing must build real, tangible, and enduring brand value.
3. Marketing must become more effective—more creative, insightful, and accountable.
4. Marketing must become more integrated and proficient in managing expanding media platforms.
5. The marketing supply chain must become more efficient and productive.
6. The marketing ecosystem—including agencies, media, and suppliers—must become increasingly capable.
7. Marketing professionals must become better, highly skilled, diverse leaders.

Can agencies and marketers fully embrace these principles and get to the finish line? Well, *Agency Mania* is the "kick in the pants" needed to make it happen! *Agency Mania* is a brilliant, insightful digest of how marketers and agencies can successfully

navigate today's immense challenges and opportunities. It insightfully analyzes the current state of marketing and suggests ways the business system should transform to adapt to the dynamic marketing ecosystem of tomorrow.

Mr. Galpois has a unique vantage point. With experience on both the agency and client sides, his personal history provides him the latitude to explore the entire landscape and devise new, sensible business practices that cut through the issues that handicap client/agency partnerships.

Our increasingly complex, technologically enabled world has many wonderful advantages and possibilities. However, it provides us with no footprints to the future. Mr. Galpois suggests what the new footprints should look like. In doing so, he greatly helps us learn how to lead our respective organizations more confidently and more capably in the future.

I applaud this book—and recommend it to the entire marketing community. It will help you understand what's working and what's not within your organization. It will help you move to a better plane with your operations, strategy, creativity, and partnership. I am delighted Mr. Galpois has given me this opportunity to share my perspectives and to express my wholehearted encouragement for his superb work!

—**BOB LIODICE**, PRESIDENT AND CEO,
ASSOCIATION OF NATIONAL ADVERTISERS (ANA)

ACKNOWLEDGMENTS

The source of my knowledge and inspiration over the course of a career spent on both the client and agency side includes a vast number of anecdotal stories, professional experiences, and vivid conversations with colleagues, partners, and friends—a group of brilliant professionals and subject-matter experts who shared many success stories as well as failures—that ought to be told and are now included in this book. All of them are highly successful business executives and lifetime learners who share a common passion for harnessing the madness of client/agency relationships and, in the process, driving results. I would also like to acknowledge my friends and talented business partners, Teri Wiegman and Shaun Wolfe, and the entire Agency Mania Solutions team that apply these best practices every day to enable advertisers to realize the transformational value of their agency partnerships. Our team collaborates daily with the world's largest brands and remarkable leaders in a variety of roles ranging from agency relations, agency management, marketing

operations and marketing procurement.

I would like to express much gratitude to Bob Liodice, President and CEO of the ANA, and his A-team—Bill Duggan, Tracy Owens, April Rueppel, Lisa Guhanick, Sandie Colon, Irene Pantazis, Shepard Kramer, Nick Primola, Morgan Strawn, Michael Palmer, Bill Zengel, Jeni Neiswonger, Brian Davidson, Marni Gordon, Sara Stein and many others—for their unwavering commitment to marketing excellence and successful partnerships. Other industry influencers include committee and conference chairs like Jim Wallace, Mary Ann Brennan, Brett Colbert, Kate Short, Francisco Escobar and others. I want to acknowledge the great work done by the 4As (American Association of Advertising Agencies) to broaden our understanding of the client/agency relationship under the leadership of President and CEO Marla Kaplowitz, as well as Stacie Calabrese, Manager of Research Services. I want to thank my friend Neal Grossman, Chief Operating Officer at Americas eg+ worldwide and the designory for his valuable perspective and insight on the often-controversial topic of compensation, as well as Tim J. Williams, Founding Partner of Ignition Consulting Group, for his continued efforts to broaden our understanding of what constitutes agency value. I also want to thank many important contributors: my friend Patricia Berns for her insights on the agency world, Allison Acton of Acton Creative, Laura Temple, Editor on Call Founder & Chief Editor, John Raffetto and Kara Lundberg from Raffetto Herman Strategic Communications, my book agent Bill Gladstone of Waterside Productions, Megan Trank and Karen Hughes of Beaufort Books, and Eric M. Kampmann of Midpoint Trade Books for their efforts, and the team of the former Seattle-based ad agency Wexley School for Girls—Ian Cohen, Christine Wise, Amy

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PREFACE

When I wrote *Agency Mania* in 2010, the world of advertising was going through major disruption with the unstoppable advance of the empowered consumer, technology, and digital. For context, that was the year Apple Computer unveiled the iPad tablet computer and *TIME Magazine* announced Facebook founder Mark Zuckerberg as its 2010 Person of the Year. Much has changed in the past few years. In our industry, change is often the only constant. Nearly a decade later, the world of advertising and the marketing communication discipline are far more complex and demanding than they have ever been. I think we can all agree on that.

Brand advertisers, along with their agency partners, are under remarkable pressure to deliver business growth and marketing performance in cost-effective ways, so they compete successfully. As a result, all aspects of the client/agency relationship have drastically evolved, if not transformed in some instances, requiring us to revisit industry best practices

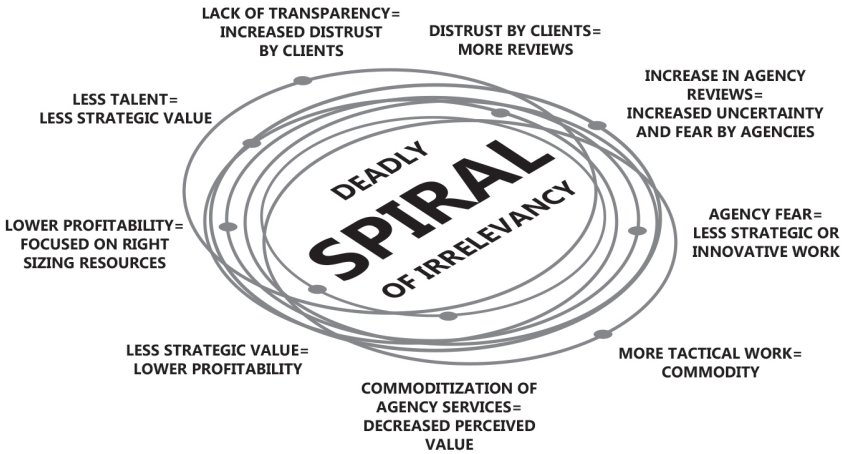
and take into consideration new and upcoming trends in the advertising industry. Hence the absolute necessity to write the second edition of *Agency Mania*.

We are building from a sturdy foundation. The first edition of *Agency Mania* was warmly received by both brand advertisers and agencies alike. It became the single, most comprehensive reference book on how to practice effective client/agency relationships. It has been used around the world as either required training or reference material for anyone looking to get more from their partnerships. Luckily, it also led to the creation of Agency Mania Solutions in June 2013, a Seattle-based software company that provides streamlined and automated SaaS solutions to some of the largest brand advertisers in the world.

This second edition includes many helpful revisions based on feedback from various colleagues and thought-leaders who shared their valuable anecdotes and stories over the years. The advertising world experienced a range of seismic transformations, including disruptive media fragmentation, hyper-specialization of marketing talent, AdTech/Martech and digital innovation, the unstoppable rise of procurement in client/agency affairs, growing fiscal accountability and budget pressures, greater client expectations, and a flurry of alternative creative and digital solutions, ranging from in-house departments to publishers getting into marketing content, and the entry of big consultancies. These changes are not without severe consequences. Advertisers and agencies alike are watching the aftermath of these profound yet rapid changes as one might watch a life-threatening virus spread swiftly, wondering if the industry's condition is indeed curable and how to best prepare themselves for what is next. Under pressure to morph and adapt, the agency industry has been dangerously teetering on the edge of irrelevancy in recent years,

a situation that has drastic implications for advertisers as well.

These important forces at play and their domino effect are creating a set of new challenges that both advertisers and agencies must confront. When you combine the increased distrust by clients that the lack of transparency has created in various spend categories clients rely on agencies for, including inaccurate time-reporting and confusion about the existence of media rebates along with new production concerns raised by the DOJ, you have a recipe to undermine trust, raise valid questions, and breed many competitive reviews. The increase in agency reviews in the past decade has an obvious impact on all agencies and their ability to serve advertisers: it creates uncertainty and fear that their accounts may also be put into review. The agencies then tend to take a more conservative approach to the work they do and avoid pushing too hard on clients, choosing the path of least resistance and less friction. The work becomes more tactical, and advertisers increasingly see agency deliverables as a commodity. As the perceived value goes down, so does the likelihood for clients to engage agencies in more strategic assignments. Clients push back on pricing and agency profitability goes down, preventing the agency from keeping or attracting the right talent. As talent quality suffers, so does the agency's ability to deliver strategic value. The "spiral of irrelevancy," as I refer to this phenomenon, is indeed circular, worsening as time goes on. Thankfully, these challenges have created new opportunities for innovative agency players to disrupt this dangerous, vicious spiral and find a healthy way to differentiate themselves and grow.



As in our personal lives, building a healthy environment is a wise investment, not an expense. The advertising industry must remain healthy to serve the interests of advertisers and agencies alike, and not let itself get caught in this spiral. Many of the underlying drivers can be found in the way advertisers' needs have evolved and perhaps how they involuntarily contributed to this current state. We need to eradicate the commoditization of advertising services and go back to a more relevant, stronger industry . . . one in which agencies thrive and one that advertisers need and appreciate. The second edition of *Agency Mania* explores the many facets of the evolving client/agency relationship and suggests a more rewarding, productive way to engage, partner, and realize tangible value. This book introduces a wide range of easy-to-follow principles and methods that have been tested and validated. They ensure both parties are building a partnership that is grounded in mutual accountability, understanding, respect, and business performance. Then, and only

PREFACE

then, can we ensure that together, both advertisers and agencies can harness the madness of the client-agency relationship for high-impact business performance.

INTRODUCTION

In a world saturated with attention-grabbing advertisements targeted at fragmented in-control audiences, and delivered on a multiplying number of vehicles, brand advertisers are investing billions of dollars to address the ultimate challenge: how to successfully engage audiences, drive demand, build brand affinity, grow market share, and, in the end, boost profitability in their industry. Chief Executive Officers (CEOs) are answering the call by turning to their busy marketing departments to break through the media clutter and accomplish wonders with their brand. They count on their Chief Marketing Officers (CMOs) and their talented organization to come up with ideas that engage, educate, or entertain consumers and create differentiated value. Marketing leaders, in turn, rely on the vast expertise of talented advertising and communication agencies and their wide range of effective creative, media, digital, analytical, and specialized competencies to connect brands and consumers like never before. An estimated one trillion dollars is funneled

through these agencies, which in turn stimulates a substantial portion of our global economy. Companies of all sizes, in all industries, are eagerly partnering with skilled professionals who understand their business and have mastered the art of creating and delivering magical moments for their brands.

The agencies that serve them deliver a wide range of communication solutions, from branding, creative, media, programmatic, digital, PR, sponsorship, retail, events, data, and many others. Why is it so important? The advertising profession requires marketers to build a diverse set of muscles to be effective at what they do. One of these critical muscles is the ability to work productively and collaboratively with an agency and deliver high-impact work. A well-managed relationship between an advertiser and its agency has been shown to multiply brand equity and the company's bottom-line profits, exponentially driving value from their partnership. Conversely, a poorly managed relationship is incredibly wasteful and seriously undermines a company's ability to compete effectively.

WHY IS THE BOOK DEDICATED TO THE SUBJECT OF CLIENT/ AGENCY RELATIONSHIPS?

Everyone gets one of these pivotal moments in their life, the type of epiphany that makes you do something out of the ordinary: finding a new vocation, changing career path, or dedicating years to research a topic of interest. I had mine on multiple occasions throughout my career. I became an avid student of the agency and client business. I learned from my experience on the client and agency sides and from my peers what makes two companies click and ultimately accomplish wonders together—and what makes them fail miserably at times. Advertisers often

wonder: How do we best collaborate with agencies and get better work from them? What constitutes a strong relationship? How do we get greater value and return on investment from these partnerships? Agencies wonder as well: How do we get what we need from clients to deliver the best possible value to them? How can we best ensure their commercial success?

Over the years, I realized the frequent and rising gap in a company's knowledge and skills, despite the best intentions in the world, prevented even the world's leading advertisers from turning their agencies into the powerful competitive assets they were always meant to be. CMOs are looking for smarter ways to set up their organization for long-term success. Marketing professionals are looking for easy-to-follow steps on how to work more productively with agencies. Agency Management/Relations and their sister Marketing Procurement and Marketing Operations teams are looking for ways to enable client and agency teams to come together to deliver splendid work at reasonable value. Agencies are looking for ways to build stronger, long-lasting relationships with their clients. Starting in the 90s, the advertising world was profoundly changing, as well as the marketing discipline and its ever-important client/agency dynamic. Today, change is still the flavor "du jour" as they say back home. The advertising industry is still going through a profound paradigm shift fueled by the spectacular explosion of new competencies and fragmentation of media channels. We used to think that marketing wasn't rocket science. Well, that might have changed with the proliferation of data scientists and statisticians in every facet of marketing. If marketing can be mastered, then so can the art and science of building strong partnerships between advertisers and agencies.

AN INDUSTRY IN CONSTANT TRANSFORMATION

English biologist Charles Robert Darwin was attributed to say that, “It’s not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change.” Based on that observation alone, I think you will agree that Darwin would have deserved to be a guest speaker at the next big advertising conference. The advertising industry is only forgiving to those who can quickly adapt to it. This is something that some learn the hard way. The radical changes in consumer preferences with the rise of new digital technologies, social media, influencer marketing, mobile, and user-generated content—to name a few—enable converged brand experiences and conversations that redefine the essence of the connection among agencies, media, and clients. Gone are the old ways of doing business and relationships built over martinis, as famously immortalized in the *Mad Men* series. How do you like your martini? Whatever your style or preference is, let’s face it. It’s likely to be shaken, not stirred. Even today, technology ranging from connected devices, self-driving vehicles, artificial intelligence, and virtual assistants, voice-activated interfaces, Virtual Reality and Augmented Reality headsets, and more, is drastically transforming business, media, consumer habits and therefore the way companies market to consumers. It’s hard to keep up. During a past Advertising Week conference, former WPP CEO Martin Sorrell insisted that the definition of advertising is outdated, as the work done by agencies goes far beyond traditional vehicles. I think we all know that to be very true.

However, as the advertising industry searches for its new identity, Madison Avenue is now facing other, more significant challenges: it’s increasingly squeezed between advertisers starting their own in-house agency departments and crowdsourcing

vendors, while ad-tech giants like Google and Facebook go direct to clients, and large production studios and data players like Acxiom and Epsilon expand their offerings. Massive consultancies like Accenture, PwC, and Deloitte are venturing into advertising, and publications like the *Wall Street Journal*, Time Inc. (a part of Meredith Corp. since early 2018), and the *New York Times*, have built robust content and production capabilities that directly compete with agencies. What will the agency of tomorrow look like? What will the advertiser of tomorrow ask for?

Digital drastically changed the marketing discipline from customer consumption to strategy to execution, data, and analytics. Every aspect has been digitalized and the battle for marketing dollars is still under way as advertisers are shifting budgets from traditional to digital media. Companies like WPP's mPlatform and Omnicom's Annalect are on the offensive, trying to partner, but also compete, with the advertising, media, and data platforms of Google, Facebook, and Amazon. Adtech/martech is adding remarkable capabilities to the arsenal of brand advertisers, but also injecting much greater complexity, confusion, and various integration issues. When the first Marketing Technology Landscape chart from Chiefmartec.com was produced in 2011, there were only 150 companies in categories ranging from workflow management, content, social media, to analytics. It grew to 350 the following year. In 2014 the chart revealed 1,000 companies. In 2017 the chart had a total of 5,381 logos, up nearly 40 percent from the previous year. Imagine what it might look like by 2030. The relationship between brands and consumers is being redefined, and so is the relationship between advertisers and their supplier chain, including technology vendors and agency partners.

Content creation and distribution are coming together to

enable rich customer scenarios and draw in audiences. Brad Jakeman, the now former president of PepsiCo's global beverage group, claimed that it used to take four months and a budget of \$2 million to create four pieces of content vs. the norm today being 400 to 4,000 pieces of content a year on a \$20,000 budget. Advertisers are known to generate 20 times less content than brand fans are creating. Companies like Lego are encouraging user-generated content. For example, its Lego Ideas page invited people to propose their own ideas for new Lego sets, to recreate a Lego figurine and take pictures against diverse backgrounds all around the world. Mattel hired Tongal to crowdsource content from its community of 125,000 creators, including video specials, YouTube series, and television spots, in a two-year deal to promote Mattel's toy brands in partnership with its creative agency BBDO. At one point, Tongal's Hot Wheels video series resulted in 4 million plus YouTube views. Doritos launched a program called "Legion of the Bold," which involves asking the public for creative ideas throughout the year on everything from Vine videos to banner ads. Doritos "Crash the Super Bowl" consumer-generated ad contest, which started 10 years ago, ensures that the ad that wins the most fan votes will air during the Super Bowl. The maker of the winning ad also gets \$1 million. Doritos receives over 4,500 submissions from 28 countries and it seems to pay off. Ad-scoring firm Ace Metrix ranked Doritos No. 1 on its list of the most effective Super-Bowl advertised brands from 2010-2015, ahead of Pepsi, Budweiser, and other brands that typically use big-name ad agencies.

Innovation is a big focus and will remain a competitive differentiator in advertising. Publicis launched an "innovation space" in London where it will connect startups with brands, joining similar programs launched by Iris and R/GA to fuel innovation and get

ideas that expand their charter beyond advertising as we know it. Digital creative and ad buying agencies like WPP Mindshare and Possible are increasingly combining forces to deliver better solutions, reinforcing the importance of better, higher-performance content in advertiser efforts. We have also seen a record number of mergers and acquisitions in the marketing and communication sector in recent years, from the large holding companies strengthening their base to consultancies aggressively buying their way into the advertising sector.

Madison Avenue is reinventing itself as quickly as it can to adjust to client needs—both existing and future. In the process, marketing has become more measurable, and therefore far more accountable, than it has ever been. Marketers are getting increasingly more sophisticated, more demanding, and are expecting to do more with less. Will they still need agencies in the same capacity? Will they collaborate in entirely new ways to get better work? What type of agency will they rely on to compete and rapidly grow their business?

The last few years have been marked by many agency shifts, in some cases ending long term relationships (30+ year relationships that ended suddenly: Land O' Lakes and Mithun, Special K and Leo Burnett, Target and Haworth, McDonald's and Leo Burnett, Olive Garden and Grey, Accenture and MEC, Southwest and Camelot, American Airlines and TM, and Energizer and TBWA, to name a few). Advertisers are consolidating their agency roster, adding new partners, and constantly recalibrating their agency talent pool. There is also continued consolidation in the agency world, especially among digital, ad-tech, and analytics firms: holding companies and consultancies went on an acquisition spree in recent years, snatching talent around the world. Publicis's purchase of Digitas, Razorfish, and Sapient Corp. remains top

of mind, showing that the convergence of digital marketing and technology requires agencies to broaden their offering to successfully compete with the big ad players.

THE SUSTAINED IMPACT OF SUCCESSFUL PARTNERSHIPS

As working with agencies becomes more complex, the quality of the partnership is also more critical than ever to a company's success, requiring client/agency relationships to reinvent themselves. Understanding what they need or expect from each other, and how they can work together isn't an insurmountable challenge. But even the most sophisticated companies are ill-prepared to make the best use of these valuable partnerships. This universal problem is about to get worse before it gets better. Until now, there wasn't any blueprint. No roadmap. No guideposts for clients or agencies to follow. How should companies harness that madness and get results? Today, small, medium, and large companies all face a similar challenge. They want to get the most from their agencies. They want business performance. Trust issues continue to be top of mind for clients, uncertain on how to address ad fraud and lack of transparency in programmatic advertising. The rate of change is unprecedented in our history. Contemporary trends have brought a new level of intricacy for brand advertisers attempting to adapt and take advantage of these new growth opportunities. More than ever, advertisers need to partner with agencies that can help them make sense of this cacophony, invest their limited resources into more impactful, measurable content, solve brand connection issues, break down barriers, better integrate their activities, and come up with new ways to strengthen conversations with consumers.

How can you tell whether your company's marketing budget is working as hard as you are? This is a question every budget

owner and every business executive, whether in marketing, finance, operations, or procurement, must answer. Today, extremely sizable portions of company operating budgets are poured into agencies of every size. Budgets end up in the hands of agency executives given the task of turning them into gold. And they often do, even though there may be no other relationship structure in the corporate world today that historically has received so little oversight or been so poorly managed. Yet it flies in the face of decades of undeniable proof that successful brand advertisers have successful agency partnerships. Savvy companies, versed in the art of nurturing productive partnerships, know how to take full advantage of their agency resources to fulfill their vision. By efficiently leveraging such assets, they are able to drive greater return on investment (ROI) out of their campaigns. The less skilled will unavoidably be unsuccessful unless they engage in a set of universal principles and best practices that can apply to companies of virtually any size.

Over the years, I've seen many client/agency relationships fail. The successful ones have both the client and the agency engaged and invested in making the relationship work. This is what *Agency Mania* is all about. It's about viewing the partnership between advertisers and agencies as vital to their marketing success and nurturing and managing them as such. And I mean relentlessly, rigorously, and enthusiastically. The word "mania" comes from the Greek mania, "to rage, to be furious." In Greek Mythology, a "mania" was the personification of insanity.

THE GUIDE TO ENDING THE INSANITY ONCE AND FOR ALL

It's insane to see so many otherwise sophisticated advertisers painfully fail over and over to fully leverage their agencies to further advance their marketing efforts and grow their business. It's

heartbreaking to see the many opportunities lost on increasing the brand advertisers' bottom lines. It's distressing to see agencies failing to do for themselves what they preach to clients: Create differentiated value for their offering and get fairly compensated for their contribution, while under the pressure of disintermediation, zero based budgeting, and the growing involvement of procurement. It's upsetting to see sophisticated advertisers and their brilliant agencies go through trials and errors, unable to work effectively together and, as a result, lose themselves in today's "Wild Wild Waste." It's also disheartening to witness the swiftly declining levels of satisfaction and trust between advertisers and agencies. It's perplexing that while an agency is often a company's single largest marketing expense, and one of the most powerful and competitive weapons at a company's disposal, there are no formal rulebooks and few guidelines being followed on how to effectively make the best out of this unique type of partnership.

Agency Mania is such a guide. It's an invitation for advertisers and agencies to explore new ways to draw even greater value from their partnerships in today's new world order. It guides companies on how to achieve the multiplier effect of successful advertiser/agency relationships in both business performance and their mutual obsessive pursuit of marketing effectiveness. It advocates for a renewed interest on both sides to unleash this untapped force multiplier. In this business environment where consumers are more empowered than ever before, and harder to engage and motivate, advertisers are now demanding more from their agency partners. They are pushing the envelope and aggressively driving their agenda of effectiveness and efficiency through new forms of compensation, solid contract arrangements, and greater expectations. They want

more rigor in the way creative and digital communications are produced and media channels are leveraged. Conversely, agencies are challenging the status quo to build new competencies and business models. They are embracing new opportunities and pushing advertisers to be innovative and to think outside the box to deliver compelling stories and consumer experiences.

Many books have been published over the years about the agency business or how agencies work. Although they offer different and valuable opinions on the subject, they don't provide a client's unique perspective. These books are often written by life-long consultants, or high-profile and iconic agency executives, but are written from an agency's viewpoint. *Agency Mania* gives companies the opportunity to be agency-savvy, to know how to get the best from an agency without necessarily having worked inside an agency. It also provides the agency profession a perspective rarely voiced about key client challenges and expectations. Marketing and procurement professionals—at all levels of seniority—are looking for ways to answer everyday questions about these important business partnerships.

INTRODUCTION



There is limited training available to agencies and advertisers on this topic. There is no curriculum about the client/agency relationship at business schools. There are limited reference materials available on how to build and sustain relationships so vital to their companies' success. Yet everyone in marketing and procurement seems to unanimously agree that by failing to harness these partnerships, a company's marketing investment is at risk. After years on both the client and agency side, I experienced firsthand the tremendous challenges and opportunities associated with both well- or poorly-managed relationships and their profound impact on the bottom line performance. Later in my career, I've been privileged to create and lead Agency Management teams for some of the largest brands in the world. The world's largest brand advertisers would not be the successful companies they are today without strong agency partners. Yet, you don't need to be a Google, Microsoft, or a Pfizer to reap the benefits of these industry best practices. It

sure helps to use technology to automate most client/agency-related processes. However, any advertiser, regardless of budget size, can apply these best practices. If you don't know where to start or what steps to follow, you are not alone. This book will provide answers to your most pressing questions and debunk common myths about successful client/agency partnerships. It will spur you to act and make a lasting impact. *Agency Mania* advocates for stronger, more effective partnerships that generate remarkable results. These valuable business partnerships must be based on mutual understanding, trust, collaboration, respect, and accountability. Consider yourself now one step closer to harnessing the mania.

HOW SHOULD YOU LEVERAGE THIS BOOK?

The book is organized in simple, intuitive, successive chapters that guide the reader through the process of building long-standing relationships. In the first part of the book, I describe the unique value agencies bring to their clients. I also provide some insight into the often multifaceted, rapidly changing, and confusing world of Madison Avenue. I then introduce what it takes to establish agency management as a marketing discipline and much-needed skill set. In subsequent chapters, I walk you through common-sense steps on how to choose the right agency model, how to conduct a successful search, how to set up a solid contract, how to choose the right compensation method, and how to manage expectations by scoping and briefing effectively. I also explain how to measure performance and hold both parties accountable. Along the way, I share the insight and experiences of my peers, friends, and industry experts who are some of the most brilliant minds and world-renowned leaders in the field. Their vast professional expertise and their opinions on the advertiser or

the agency side provide a unique perspective that strengthens our understanding of the client/agency relationship. I also provide actionable ideas that can be applied immediately. The last chapter will describe where the industry is heading and what that means for advertisers and agencies. Knowledge alone, however, isn't the answer. It's ultimately what we do with it that matters. As you implement what you learn through these chapters, face new challenges, or celebrate successes, I encourage you to share your experience and voice your opinion at www.agencymania.com. This is a journey, and you are not traveling alone.

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The industry is at a crossroad. Advertisers are experiencing a new array of challenges. The intricate nature of the consumer/advertiser/agency/media confederation is being re-examined as we see the power shifting. Similarly, the agency world is in rapid transformation, with new competencies and operating models emerging every day to adapt to new demands and energize the industry. The ecosystem is more diverse and intricate than ever before. The approach of past decades to working with agencies is now completely obsolete. Brand advertisers must find new, more effective ways to manage and partner with a multitude of agencies and priorities. In a world in which the old ways no longer seem to produce results, agencies and their clients must move toward a new level of strengthened partnership through mutual accountability and greater risk-taking. Fasten your seatbelt and prepare yourself for a wild ride. *Agency Mania* will show you the path to the advertiser/agency relationships of the 21st century, and how to get unprecedented value from these strategic partnerships. These best practices are not meant to be applied rigidly and blindly.

If the title of the book implies that a healthy level of obsession is necessary to turn agencies into powerful marketing assets, it's to underscore how little attention this critical relationship with advertisers has received over the years. It calls out some of the most common mistakes both make routinely. It sets the record straight on many topics that can damage previously productive relationships and handicap their chances for success. If you are excited about the opportunity to turn your existing relationships into productive partnerships, this book is for you. *Agency Mania* will help you draw the line between complacent relationships and energized partnerships, between weak and effective marketing, between success as a team or crushing failure.

*aut vincere aut mori**

*Either to conquer or to die, in Latin

