

## CMOs: What Should You Ask Yourself and Your Organization?

Brand advertisers must constantly assess and reflect on the important role they play in managing their agency partnerships effectively and responsibly.

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#### Self-reflection is an important part of personal development.

We can't grow and mature until we ask ourselves tough questions, reflect on what we've done, learn from it, and apply ourselves to improve. This is equally as true in professional settings and in our industry. If you work on the client side, regularly assessing your role in the client/agency relationship is the key to becoming a better, more effective client, and a better partner to your agency(ies). There are several important questions every brand advertiser should ask themselves:

### Question #1: Are we providing clear enough guidance to our agency partners?

Advertisers have the important responsibility to guide agency partners at the beginning of the year, during the scope process, and throughout the year, as they brief agencies on specific assignments. Data shows that failing to provide clear guidance can result in poor work quality and performance, and significant waste as agency resources are not effectively leveraged. This is a question CMOs should know the answer to. If they don't get a pulse on how effective they are at guiding their agencies, they might be seriously undermining their efforts and budgets.

### Question #2: Are we providing them the right resources to do their best work?

Advertisers also have the responsibility of reviewing and ultimately approving resource plans submitted by their agencies. Agencies estimate the type and amount of resources required to deliver against their client goals or the costs associated with their deliverables. No matter the compensation agreement (retainer or output-based), the client will end up having to approve those. If they are providing resources in excess of what's needed, they are leaving money on the table. If they are providing too few





resources, they may simply be setting themselves up for failure. Finding the right balance of resources, deemed reasonable, is an art form that clients must master.

### Question #3: Are we consistently providing them with constructive feedback?

Advertisers play an important role in managing expectations and steering the agency in the right direction. Whether the agency is meeting or exceeding expectations, or falling short of them, providing timely feedback to the agencies allows them to focus on what is most important and improve their delivery. In any relationship there are missteps, mistakes, or missed expectations. Those must be communicated for immediate course-correction. There is feedback and then there is "constructive" feedback. The latter takes far more consideration and effort, but it also pays greater dividends in the long run.

# Question #4: Are we streamlining and automating common partnership processes to make it easier for agencies and client teams to collaborate?

Advertisers ask agencies to adopt and conform to their requirements and various processes. They must submit data on a regular basis: weekly, monthly, or quarterly (based on the nature of the data), financial, staffing-related, campaign-specific, and other important operational metrics or reports. This data is critical to make timely and informed decisions, so clients have an important role in making this process as clear, transparent, and streamlined as possible for their agency partners. When they do, collaboration improves, and these activities run more smoothly and efficiently.

### Question #5: Are we measuring our performance and steering our relationships based on meaningful KPIs?

Advertisers always wear many hats and move at light speed to



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execute and meet aggressive goals. For agencies to best support them, they need absolute clarity on what clients value most. Agencies must know how performance is measured and how they contribute to it, so they have the ability to act decisively on the client's behalf. Are you using the right KPIs to do so? Without the right KPIs in place, or without a way to tie the agency's performance to those and potentially reward them for it, advertisers

will fall short of getting complete alignment and momentum.

#### Question #6: Are we developing our relationships with agencies so they become productive and lasting business partnerships?

Supplier relationship are not partnerships. But they can be. It requires a true commitment to embracing partnership principles that govern the relationship and the work itself. Is there clarity around what these principles are? Are we adhering to these principles when operating with agencies? Are we measuring how we perform against them? Are they part of our governance model and our approach to other important agency management functions like compensation, performance evaluation, and collaboration? Productive and lasting partnerships are only possible when there is a committed effort to enable both parties to be their very best.

Over the years, I've been privileged to work with the top brands in the world. There is one thing that I notice consistently in the way they manage their business: they ask themselves tough questions. They challenge their agencies but also take the time to challenge themselves in the process. It allows them to take a leadership role in the industry and build remarkable winning partnerships that keep on delivering. We identified six questions above that every advertiser should ask himself or herself. And if you haven't asked yourself these questions lately, perhaps the time is now. Hopefully, your answers will be equally strong.



**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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