



How Can Advertisers Give Their Agencies More Effective, Actionable FEEDBACK?

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The value of annual or semi-annual performance reviews is now universally understood. They are opportunities for the client and agency teams to provide useful feedback to improve the work relationship and the overall partnership. Few, if any, would risk bypassing a proven business practice known to consistently strengthen the collaboration between marketers and agencies and improve the effectiveness of the work produced throughout the year. Giving and receiving feedback is a fundamental commitment to continuous improvement and mutual accountability, when applied to increasing value from employees or business partners. Yet, there are some ageless principles that even the most sophisticated organizations fail to apply consistently when implementing a performance evaluation program. Let's take a closer look at common mistakes made when designing such programs and best practices on how to provide effective, actionable FEEDBACK.



F Focus on what really matters (the right categories/questions)

In client/agency relationships, not everything matters. Too many questions contribute to survey fatigue and negatively impact participation. And naturally, low participation endangers the value of the entire process. Selecting the most pertinent questions allows both sides to zero down on essential expectations. When evaluating a creative agency, having sound, targeted questions dedicated to innovative thinking, ideation, and creativity is essential to narrow the feedback to their core offering. A common best practice is to have a consistent set of questions across disciplines and a subset of questions specific to each functional area (PR, events, media, creative, CRM, social, etc.). This allows clients to compare agencies on a common set of attributes without compromising the ability to focus on the most relevant category-specific questions.

Recap of best practices:

1. Limit questions to a manageable number to avoid survey fatigue.
2. Use a consistent set of questions that spans categories of services for comparative analysis.
3. Develop relevant, category-specific questions to tease out meaningful feedback.

“Giving and receiving feedback is simply a fundamental commitment to continuous improvement and mutual accountability, whether it is applied to managing employees or business partners.”

E Encourage honesty and transparency (partnership principles and culture of accountability)

For agencies, the performance feedback process can prove to be intense. Providing too direct, open feedback to clients can backfire leading to unwanted relationship tension or vengeful actions. After all, exposing low ratings or direct complaints to senior management could lead to difficult internal conversations. This is true for agencies as well. Yet, without honest and transparent feedback, results can be vague, findings inconclusive, and no clear path to improvement found. Many brands now create and publish partnership principles that align with company culture and encourage transparency and accountability as core values. Mutual accountability means that both parties accept feedback as useful only when it’s calling out precise areas of improvement. It doesn’t imply or encourage unnecessary finger pointing, but it does allow for a safe environment when feedback is valued.

Recap of best practices:

1. Create and socialize partnership principles so expectations are clearly spelled out.
2. Promote a safe environment that encourages productive but honest feedback.
3. Hold everyone accountable by fostering a culture of mutual accountability.

E Exercise diligence (proper context and timing)

The concept of partnership is anchored by an acute sense of responsibility. Partnerships flourish when people on either side feel committed and engaged. Working carefully and consistently to provide feedback is one of those shared responsibilities. Performance evaluations take place only once

or twice a year, so the feedback is often based on projects or events that took place in prior weeks or months. Any feedback must include proper context to be useful. Timing may be a factor. The team may have experienced some issues earlier. And by the time the survey hits, some of the issues may have been successfully addressed. Providing diligent, constructive input is key. Client and agency teams should be documenting their feedback by taking notes or conducting postmortem meetings throughout the year, so it can be readily available and easy to leverage when the performance evaluation process takes place.

Recap of best practices:

1. Provide relevant context and details whenever possible to improve the analysis.
2. Document feedback throughout the year so it can be easily retrieved to answer questions.
3. If an issue has already been resolved, note it in your feedback.

D Drive actionable insight and action plans
(effective insight analysis and action planning)

Feedback is often a combination of scoring and verbatim comments that augment scores or answers to specific questions in the survey. When dealing with large numbers of comments, sentiment analysis can facilitate the organization and process. Similar tools such as wordclouds, sentiment analysis, and similar tools can help surface non-structured data and relevant input otherwise too difficult to synthesize. A combined review of the scores and commentaries can then inform the analysis which aims at identifying key findings – such as areas of strengths and weaknesses/issues. The insight is then used to develop action plans to course-correct, improve, or strengthen the work and partnership.

Recap of best practices:

1. Combine scores and commentaries for richer analysis.
2. Organize commentaries to provide additional insight and go beyond scoring only.
3. Use insight data to come up with action plans for clients/agencies.

B Balance participation and process
(mid-year touch point with adequate representation)

As with any data set, having an ample amount of participation is essential to conclusive findings that are not just illustrative or anecdotal. Having ample participation requires an effective communication plan that might involve senior level executive endorsement, outreach communications, and reminders. People

are more likely to participate if they see value in teams owning the results and committing to see agreed action plans through. Having a mid-year touch point in addition to the annual year-end survey is important to avoid surprises and give teams plenty of time to course-correct.

Recap of best practices:

1. Ensure participation is sizeable enough to make results reliable and usable.
2. Build a robust communication plan to encourage participation and promote its value.
3. Conduct a mid-year survey to give ample time for teams to implement improvements.

A Accept that effective feedback must be reciprocal
(commitment to 360-degree process to receiving feedback)

Most performance reviews conducted on behalf of Fortune 500 brands are bi-directional (client>agency, agency>client), allowing both parties (clients and agencies) to provide feedback about their experiences. In some instances, clients may ask agencies to conduct a self-assessment (agency>agency) so they can compare their assessment of the agency with the agency's self-assessment, identifying potential gaps: If a client is scoring low, but the agency is scoring itself high, it will inevitably lead to a fruitful conversation about the differences in scores. It's not unusual for an agency to rank themselves high on a particular attribute (e.g., collaborating with other roster agencies), while the client is rating them very low. Expectations are misaligned, and this warrants some course-correction. Receiving feedback is often harder than providing feedback. It's where the real work happens.

Recap of best practices:

1. Implement a reciprocal feedback loop for a more holistic view into the relationship.
2. Consider doing self-assessments if there are potential perception gaps.
3. Hold everyone accountable by fostering a culture of mutual accountability.

C Consider how you (client) impact their (agency) ability to perform
(understand interdependencies)

As in any team environment, members rely on each other to

achieve individual goals. However, the interdependencies are not always well understood or obvious. Expectations must be reasonable and taken into consideration. A common example is a client stating that they expect their agency partner to be more innovative yet failing to realize that budget limitations are preventing the agency to seek innovative ideas outside of current engagements. Clients also often ask agencies to offer more breakthrough work yet fail to acknowledge that their risk-averse culture and/or strict brand guidelines seriously limit the agency's ability to do so. There are countless examples like these that show how critical it is for both parties to understand how their behavior, ways of working, or decision-making has downstream implications on the agency's aptitude to perform and meet expectations. Once these dependencies are vetted, both teams can collaborate more effectively.

Recap of best practices:

1. Set realistic expectations and take into consideration team interdependencies.
2. Be willing to understand the cascading effect of team behaviors or decisions on agencies.
3. Explore ways to better align expectations to minimize further expectation gaps.

K **Knock it out of the park by investing time and resources to set up an effective program**
(adequate investment, resources, and expertise)

Finally, designing and implementing a robust performance assessment program requires financial and/or human resources. Some brands have dedicated resources within Agency Relations or Marketing Procurement teams to run this end-to-end process, from survey administration and management to analysis, readout sessions with agencies, and action planning. Others simply choose to outsource that process to area experts so they can focus their time and energy on driving strong discussions between clients and agencies which leads to action plans. In some instances,

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brands choose to rely on independent third-party service providers to facilitate the review of the results and make recommendations based on industry best practices. In either case, headcounts and/or budgets must be adequately secured. Getting feedback on the program itself and its effectiveness is also wise, so improvements can be made regularly.

Recap of best practices:

1. Determine if in-housing or outsourcing is the best way to achieve the organizational goals.
2. Secure adequate budget or headcount for the oversight and management of the program.
3. Drive continuous program improvements based on participants' input.

Even though agency performance assessments are now standard practice among organizations, there are vast nuances in how they are implemented or how they perform. Successful programs seem to share common characteristics and ageless principles: Participation is strong with a laser-focus on essential relationship attributes; Transparency and honesty are key ingredients combined with an acute understanding of interdependencies and the commitment to a diligent, well-supported, 360-degree process; And finally, an actionable feedback process is an integral part of the culture and rhythm of the business. Give and receive feedback like a pro and see your partnerships flourish.



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Bruno Galpois 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.

Our clients' continued accomplishments result from cutting-edge practices in the area of agency management. See how stronger relationships contribute to better marketing.

