



Responsible Measures in Uncertain Times

What actions should brand advertisers consider taking in these challenging times to make responsible use of their budget and agency resources?

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Uncertainty seems to be the only certainty these days. Yet, brands and agencies must learn to operate in these challenging times by adapting to new realities, overcoming disruption and fear. The economic implications are hard to ignore. As the serenity prayer reminds us: we must accept the things we cannot change, we must have the courage to change the things we can, and we must have the wisdom to know the difference. Wise and serene advertisers know the difference indeed. So, what specific actions can we take – individual and collective accountable measures – that will make a difference in the long run and allow us to make responsible use of company budgets and resources? Here are four areas of focus for consideration:

Managing work... responsibly

Advertisers should ask themselves the following questions:

- Do we have a standardized approach to defining priorities and work outputs?
- Is that process streamlined and automated to avoid excessive manual activities?
- Are scopes of work accurately matched to our financial obligations to agencies?

If the answer to any of these questions is NO, then we can conclude that the work is NOT managed responsibly: we are not providing responsible guidance to agencies; we are wasting precious time and resources by handling these interactions manually; we are unable to establish a strong enough correlation between the resources we need and their costs.

Advertisers have a unique opportunity in difficult times to revisit their existing SOW and negotiation process and make it significantly more effective, predictable, and reliable. Common

resources available to advertisers: Scope of work process and management tool. Automated workflow and reporting.

Managing expenses... effectively

Advertisers should ask themselves the following questions:

- Do we have access to sensible reconciliation information, so we know we are making the most effective use of our budget and agency resources?
- Are we compensating agencies fairly but also competitively?
- Are we making timely adjustments with agency partners to reflect new priorities?

If the answer to any of these questions is NO, then we can conclude that expenses are NOT managed effectively: we are unable to make timely, well-informed decisions about how to make optimal use of remaining resources; we may be overpaying for work; we are unable to course-correct quickly and reassign resources to the most pressing priorities.

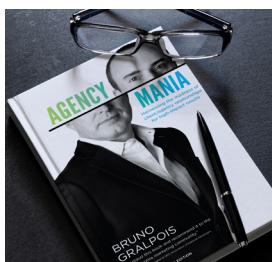
Advertisers have a unique opportunity in budget-constraining times to ensure every dollar spent is done so efficiently by applying more rigor in reconciliations and benchmarking, as well as work and resource reallocations. **Common resources available to advertisers:** Reconciliation reporting. Internal and external cost benchmarking. Scope change or swapping capability.

Managing expectations... carefully

Advertisers should ask themselves the following questions:

- Are we providing our agency partners with clear expectations about what we need from them and how we need them to deliver?
- Are we holding them accountable to perform and taking corrective measures when they don't?
- Are we holding ourselves accountable to similar standards as clients, providing them with what they need to deliver their best work?

If the answer to any of these questions is NO, then we can conclude that expectations are NOT managed carefully enough: we are not guiding agencies or clarifying our needs and expectations well enough; we are allowing for suboptimal performance, hoping that the situation will improve itself over time; we are far better at finger-pointing than at self-reflection, allowing for unwanted behaviors to tarnish the relationship and undermine the work.



If you would like to learn how to drive greater value from your client/agency relationships, consider reading best-seller and industry reference Agency Mania:

<https://agencymania.com/book/>

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Advertisers have a unique opportunity in troubled times to establish a solid process to drive mutual accountability, immediate course correction, and ongoing, sustained performance. **Common resources available to advertisers:** Systematic annual or twice-a-year performance evaluation system. Insight analysis and action planning. Streamlined 360 survey process.

Managing partnerships... thoughtfully

Advertisers should ask themselves the following questions:

- Are we engaging our agencies in a way that drives productive teamwork and collaboration?
- Are we treating our agencies as valuable business partners, leveraging their unique capabilities and expertise systematically or opportunistically?
- Are we challenging them enough to push them and ourselves, to drive innovative thinking, and to acknowledging them when we successfully do?

If the answer to any of these questions is NO, then we can conclude that agency partnerships are NOT managed thoughtfully enough: we are not conducting regular performance reviews and feedback sessions to ensure teams are working well together; we are treating agencies as commodity vendors instead of value-add partners; we are allowing the relationship to become too comfortable and not pushing hard enough to innovate.

Advertisers have a unique opportunity in stressful times to turn these relationships into true partnerships that are based on mutual respect, collaboration, and innovation. **Common resources available to advertisers:** Collaboration guidelines, code of conduct and Service-Level Agreements (SLA). Partnership KPIs.

In uncertain times, brands must resist the temptation to engage in unproductive behaviors like extending payment terms or cutting agency fees to the bone, as those would likely damage the agency's ability to perform and deliver quality work. They must avoid worrying about factors like budget availability that are perhaps beyond their immediate control. As advertisers, we must change the things we can. We can and should manage the work more responsibly, manage expenses more effectively, manage expectations more carefully, and manage partnerships more thoughtfully. In uncertain times, more is never enough.



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.

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

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