



STANDARDIZED MARKETER NEW BUSINESS QUESTIONNAIRE

A Position Paper From the American Association of Advertising Agencies

Twelfth in a Series of Position Papers Addressing Key Industry Issues

I. Objective

The best long-term marketer-agency relationships involve an open dialogue on goals, priorities, processes, and economics. Marketers and agencies will both benefit from more robust mutual sharing of information early in the agency search process. The “Standardized Marketer New Business Questionnaire” is designed as a recommended guideline for agencies to follow when evaluating participation in an agency search; the “Standardized Marketer New Business Questionnaire” should help reduce the risk of unpleasant surprises in the agency search process and minimize costly mismatches in marketer-agency relationships.

II. Background

For decades it has been customary practice for marketers who are contemplating an agency search to circulate questionnaires and request capabilities, credentials, financial, and other background information from advertising agencies. This customary practice has tended to be a one-way flow of information with agencies submitting information to marketers while, all too often, very little operational and relationship information has flowed from the marketer to prospective agencies.

Because customary practice has tended to be a one-way flow of information—rather than a mutual exchange of relevant objectives, plans and expectations—the traditional search process is not optimal for either marketers or agencies.

In order to facilitate a more open, two-way dialogue between marketers conducting an agency search and agencies considering the merits and resource requirements of a potential new assignment, the AAAA has developed a “Standardized Marketer New Business Questionnaire.” This is intended to work in tandem with the 2005 update to the “Standardized Agency New Business Questionnaire,” which the AAAA initially developed in 2000 (available at www.AAAAgencySearch.com).

The combined use of both the “Standardized Marketer New Business Questionnaire” and the “Standardized Agency New Business Questionnaire” will help to evolve an industry Best Practice that balances the informational needs of all parties in the agency search and selection process.

III. Standardized Marketer New Business Questionnaire

The “Standardized Marketer New Business Questionnaire” has been designed to help marketers communicate their marketing expectations, brand and corporate values, resource requirements,

operating practices, and economic parameters in a comprehensive and efficient manner. The “Standardized Marketer New Business Questionnaire” design also allows agencies to assess the scope of required services, quantify the scale of the business operations, frame critical success factors, and explore the compatibility of the prospective relationship.

The questionnaire is divided into two sections—objective and subjective. The objective section contains factual information about the marketer and the assignment. The subjective section of the questionnaire delves into the marketer’s plans, processes, service/performance expectations, along with past issues and future opportunities.

IV. Using the Questionnaire

AAAA marketing service agencies should employ the questionnaire at the outset of a new business review. The marketer and agency should engage in a discussion of mutual objectives, plans, resource needs, economic expectations and operating practices prior to investing significant resources in the review process.

Adopted by AAAA Board of Directors, November 8, 2005.

Standardized Marketer New Business Questionnaire

I. Objective Information

1. Describe existing/previous marketing service provider arrangements
 - Roster agencies and marketing service providers
 - Tenure
 - Changes over the past two years (additions and terminations).
2. What are the primary, specific objectives that you will want your new agency to help you accomplish?
3. What are your special or unique, regional or global, business issues or needs? Stewardship expectations? Verification processes?
4. What has your prior scope of work included and what changes to the scope of work do you envision for the new agency?
5. What are your planned total (gross) marketing expenditures for the coming year? How do your planned activities and total marketing expenditures compare with what you have spent and how you have spent in the past?
6. Describe the compensation methods that you have previously used and your philosophy on agency compensation.
 - How have compensation methods and level of agency expenditure changed over the past two years?
 - Do you expect compensation methods or levels to materially change in the next year?
 - What annual range of agency compensation do you contemplate as part of the assignment?
 - Who will we work with to resolve staffing, fee, billing and contract matters?

Standardized Marketer New Business Questionnaire

II. Subjective Information

1. What is the reason for the review?
2. What is your search and selection process and what is the timetable for the review?
 - How many agencies are being invited?
 - Is the incumbent invited?
 - What selection criteria will you use?
 - Who will be making the decision?
 - When do you plan to select?
 - When do you expect the new agency's work to launch?
3. Will there be free and open access to your marketing and management personnel during the review?
4. What should an agency understand about the way you work to be truly effective?
5. What is your process for approving communications strategy recommendations and creative executions?
6. Going forward are there any changes contemplated to the way your organization works with marketing services providers?
7. What program measurement and research assessment procedures do you currently use? How wedded are you to these procedures?
8. How do you define and measure success?
 - For your business?
 - For your marketing programs?
 - For you?
9. Do you endorse non-disclosure agreements that protect both parties?