AGENCY MANAGEMENT SERVICES

April 2019

Relationship Management Best Practices Guidance

How to Win After You've Won

Contents

Background

What is Relationship Management, and Why is it Important?

What is it?

According to one dictionary definition, relationship management is *"the supervision and maintenance of relationships between a company and its external partners, especially its clients."*

Relationship management is how to keep winning after you've won.

It's a platform for discussing the value your agency adds to the client's business. Not just at a single point in time, but rather on an ongoing basis, with focus on continuous improvement. It is a process by which all key aspects of the client/agency relationship are identified, openly discussed and periodically reviewed, with the intent to clarify expectations, surface any issues, define success, and optimize the working relationship. Doing so will help optimize the agency's work and the client's business results, thereby extending the tenure of that relationship.

Why is it important?

Considering the amount of time, energy and expense marketers incur conducting a review and agencies incur developing a successful new business effort, ensuring the longevity of that client-agency relationship is critical. A relationship management program can help get that new relationship off to the right start, and help keep it on track moving forward.

Further, in an ideal world, every new business win would be a net revenue gain for an agency. In reality, many wins simply replace revenue lost when another piece of business leaves the agency.

This constant revenue replenishment, while absolutely necessary to insure the ongoing life of an agency, is exhausting and potentially demoralizing, not just to the new business leader or team at an agency, but to the entire agency organization. Lack of stability among existing accounts also makes organic growth targets difficult to predict and achieve.

One must also consider the pure financial aspects of constant account replenishment. Not just the time and out-of-pocket costs associated with pitching a new piece of business, but the terms of that win as well. Are the projected (or contracted) terms on the win more or less favorable than those on an existing piece of business? Helping to grow a client's business and continually adding value to the relationship can get lost in an environment of "doing more for less."

To help ensure an agency's health, a combination of new business, retention of existing businesses and organic growth is critical.

Clients should have an interest in investing in a relationship management program as well. While a review generally puts a great deal of strain on the agency, it costs the marketer as well in terms of expense, interruption, and the opportunity cost of distraction from the day-to-day operation of the business. Client involvement is critical to a successful working relationship and to any relationship management program.

Diego Scotti, CMO of Verizon, recently was quoted in The Drum about the importance of having client involvement in the relationship: *"We have to be careful that as advertisers, we don't become lazy in our relationships with agencies. It takes work and it takes time. Those relationships need to be nurtured—not like 'let's have dinner every once in a while'—I mean working on the work and collaborating. It's not an easy task. You have to be focused on that and you have to be consistent."*

Some Thoughts on Relationship Management

4A's Agency Search Consultants, *2018 One Piece of Advice*:

> *"With all of this [changes to the marketing landscape] in mind, an agency's best new business strategy might be re-committing to your current clients. Make sure you maintain a seat at their table by focusing on what you do best and investing in the relationship."*
>
> —Dave Beals, JLB+Partners

> *"Before a review decision is made, I would suggest a careful 360 performance review of both agency [incumbent] and client teams to see if the key elements of the relationship—culture, lines of communication, values, insights/creativity, briefing/feedback mechanisms and personnel 'fit'—are optimized against brand goals."*
>
> —Dan Pearlman, Bob Wolf Partners/TPG

Additional Perspectives

> *"Regular 360-degree assessment is critical for identifying latent issues with the potential to become relationship-ending problems."*
>
> —The Bedford Group

> *"Creativity is the result of a great relationship. No great work ever came from a bad relationship."*
>
> —Stone Soup Consultants

Pressure on the CMO

As the marketing landscape continues to rapidly evolve and increase in complexity, the challenges facing marketers have grown exponentially. Marketers are also under increasing pressure from CEOs to prove out ROI and deliver immediate business results. The needed change in CMO-agency dialogue, from marketing and communications challenges to business-focused challenges, is one many agencies are struggling to embrace. Add to this the relatively short CMO tenure (43 months as of 2018, according to Winmo); the complexities of a multi-agency roster (with less time to build a relationship with each agency); the need for always-on communications; and smaller, frequently less experienced client marketing teams (whose education often becomes an agency responsibility), and the situation is ripe for relationships to be strained, tested and upended on a far more frequent basis.

For these reasons and others, 4A's has partnered with **Mercer Island Group** (MIG), **External View Consulting**, **Agency Mania Solutions**, **PinSeeker Consulting**, **Relationship Audits & Management**, **Jennifer Hohman** (FCB), **Jason Cammorata and Robyn Freye** (MDC), **Dave Lubeck** (Unbound), **Stephen Larkin** (R/GA), **Doug White** (&Barr), **Cathy Cohan**, and other industry leaders to create this Relationship Management Best Practices Guidance.

Relationship Management Considerations

Communication is key

At its heart, relationship management is about communication. Understanding the goals and aspirations of both the client organization and individual clients. Knowing how to bring up and discuss any issues that may arise (and you can be sure that issues will arise), in a respectful, beneficial manner. Understanding how and when different individuals prefer to communicate—via phone, email, text, video conference, in-person? During office hours? After hours? (What are office hours?) How to define what is urgent and what is not, and the appropriate response and timing for both? It may seem obvious to say, but *communication is key*.

As you think about relationship management in the context of pitches, new wins, and existing client relationships, questions regarding participants, frequency, methodology, administration, and reporting all need to be considered:

- Who is involved—day-to-day teams, senior management, executive leadership?
- What's the frequency of engagement—annual, biannual, quarterly, monthly, immediate? Does it differ by seniority level?
- One-way, two-way or full 360—does the evaluation type vary by frequency and priority of business?
- Should evaluations be quantitative, qualitative, or both?
- Is an evaluation self-administered and/or facilitated externally?
- What are the action/success plans moving forward?
- What other types of feedback are appropriate—meeting feedback, project feedback, in-the-moment feedback, feedback on strategic direction, planning, creativity?

Relationship management actually begins during the pitch process itself, and should continue from there. Longstanding client relationships undoubtedly have a relationship management component, whether it consists of frequent, informal discussions or an ongoing formalized process.

Let's begin with the pitch

Start with the end in mind. RFI/RFPs are opportune moments, with a clean sheet of paper, to articulate the type of relationship you envision to drive the best work and the best experiences for both the client and the agency.

How does relationship management work with people with whom you don't yet have a relationship? Remember, it's about communication. Although you can't establish a formal relationship management process with a prospect, you may see opportunities to communicate with the prospects during the pitch. Understandably, the opportunity to communicate directly with the client during the review process will

depend on whether the client has engaged a search consultant, whether client procurement is involved, and the overall terms of engagement and length of the pitch process.

Communication at this point, whether directly with a prospect or through a specified intermediary, may include agency updates, meeting summaries or contact reports, timelines, directions to the agency's office, even nearby hotel contact information if client travel is involved. Of course, it is imperative that you interpret any response to this type of communication and adjust plans accordingly.

Understanding the type of client this marketer will be, and the type of work the individual clients and the client organization are likely to embrace, are keys to a successful pitch and the beginning of a strong working relationship. Is this a client for whom the relationship will be transactional? Is the work expected to be solid and safe? Or is this a client who will stand with the agency, shoulder-to-shoulder, in a truly collaborative manner, with work that reflects shared aspirations? Or, is this a client who wants and expects the agency to drag them forward and demonstrate bleeding-edge innovation in the work?

Each type of relationship will have its own definition of success and appropriate KPIs. Understanding what success looks like from the outset helps lead to a successful working relationship.

Several of the questions in the *4A's Agency Prospect Assessment Guide* can help you initiate and guide these conversations:

- **What led you to invite us to participate in this review?** If you did not uncover this answer in your initial screening, understanding what the prospect believes your agency can bring to their business (or just likes about your agency) is important.
- **Why do you wish to change agencies?** What do you value most from your current relationship and what has been the biggest challenge?
- **What are your goals and your metrics of success?**
- **What existing benchmarks, research and target/audience data do you have?** (And can you share this information?)

The New Client

Transitioning and Onboarding:

"Transitioning" and "onboarding" are terms often used interchangeably. We suggest there is a difference between the two, and that they should be thought of as two separate, equally important activities.

Transitioning refers to all the tactical elements that ensure continuity of work for the new client.

Best practice is to begin the relationship with two agency teams, a Transition Team and a Core Team (the team that will actually work on the business). The transition team handles the mechanics of working practices and operational alignment between the organizations, while the core team focuses on the work and keeping the business moving forward without interruption.

It is key to have client involvement between the inbound and outbound agencies during the transition period. If you're the inbound agency, understand how difficult it is for the outbound agency. It's not easy to lose an assignment. Be gracious, helpful and professional. And if you're the outbound agency, take the high road. It's a small industry and people talk. Exit with integrity.

Some items within the transition team's purview would include:

- contract finalization
- billing and payment operational specifics and processes
- data and other security standards and implementation
- data audit and transfer, as applicable
- media letters, as needed
- creative asset audit and identification
- understanding the status of all plans and of current and future commitments
- understanding of all commercial talent-related contracts and commitments

With a myriad of such tactical details to work through, having a transition team dedicated to this aspect of the new account helps set the agency up for success. *(Transition checklist samples are in Appendix A.)*

Onboarding on the other hand, refers to gaining a deep understanding of the client's business, expectations, and measures of success. An understanding of individual clients' communication and working styles and preferences, along with clear definitions of the roles and responsibilities of each individual engaged in the working relationship.

Onboarding can take 30 days, 60 days or more. The timing is really up to the client, taking into account necessary work streams, and the agency should be able to accommodate the client's timeframe.

Steps for successful onboarding include:

- one- or multi-day kick-off workshop to understand broad visions, goals and work streams
- brand deep-dive and full inductions with client marketing and agency core teams
- "Walk in Your Shoes"—agency core team gains a hands-on understanding of the business by working at the client's location with various departments
- one-to-one meetings between key agency and client contacts
- agreement on communications protocols between client and agency personnel
- agreement on ways of working, including allowance for existing procedures
- analysis of past campaigns to understand best practices
- analysis of competitive landscape and further research into customer journey and experience
- debrief on the pitch presentation and agreement on strategic and executional details, other feedback, and next steps
- agreement on scope and detailed project deliverables, and timing for key milestones
- alignment on KPIs against which the agency and client will be measured

(Onboarding checklist samples are in Appendix B.)

There is nothing like a great first impression. Both transitioning and onboarding are critical to establishing a firm foundation for a successful relationship. The proper time and attention to each is necessary to start building the trust that is the single most important aspect of a client-agency relationship.

Contract Language

As you put together the agency-client contract, you may consider including language relating to relationship management, such as a requirement for annual evaluations, quarterly check-ins, or formal post-project feedback. Or your contract could indicate that a particular team will be charged with developing such a process. In many cases, client procurement is responsible for relationship management, and you may hear it referred to as "supplier relationship management."

A Critical Point: 100-Day Check-In

Now that the onboarding and transitioning work is done, and the day-to-day working relationship has begun, a 100-day check-in is strongly recommended.

The relationship is new, expectations are high, and all involved have a vested interest in making this new relationship successful. This is a crucial time to uncover any underlying issues or concerns on either side, and address them before they become relationship-damaging problems. Simply asking a client to participate in such a check-in indicates that you truly value the relationship.

One construct for the 100-day check-in could be the Start, Stop, Continue model, with both the agency and client providing perspective on various aspects of the relationship. Any differing perspectives or gaps become key areas for discussion.

Or, consider three key questions (which ideally would be sent to the client in advance):

1. What's working well, and why?
2. What could be better, and why?
3. What should the agency stop doing or change, and why?

Again, both the client and the agency should provide independent commentary and any differing perspectives discussed.

Moving Forward

Depending upon the nature of the relationship and its importance to the agency and client, the relationship management process can take various forms and employ a number of different tactics, from day-to-day feedback to specific meeting or project reviews to structured, annual 360 evaluations. The tactics and timing will vary, depending upon factors including whether it is a project-by-project or AOR relationship, a transactional versus a strategic relationship, and the scale, complexity and economic dynamics for both the agency and the client.

While a formal 360 evaluation tends to be an annual event, given the dynamic nature of the business, more frequent discussions are recommended. These should be focused on the overall health of the relationship and actions taken to address any issues identified in prior sessions. Whether those are monthly leadership calls, quarterly feedback sessions or mid-year check-ins, key stakeholders must stay engaged and truly 'work' the relationship.

If everything is moving along well, these periodic calls and meetings can help keep things on track. If the relationship begins to go off track, for whatever reason, it is important to take a breather. An offsite meeting can help participants focus on the relationship without the daily distractions of the office environment and will signal to the client the importance placed on fixing whatever issues arise.

If an agency is one of a number of roster agencies, or works with the client's in-house agency, this can add a layer of complexity to the relationship management process, as the marketing clients are going to want to know their agencies can work well together. For a multi-agency relationship to work, each agency must understand the client's expectations of itself and each agency partner. Frequent, ongoing communication is key.

> *"Today's wisest firms are those that are tops at consciously investing in relationships—steadily, over time and with purpose and passion. But even stellar, pioneering outfits don't try to measure it, and that is a mistake."*
>
> —Tom Peters, Liberation Management

Relationship Management Implementation Approach

It's All About the Business

Client-agency relationships are among the most complex relationships in business. The success of the relationship, and therefore the success of the client's and agency's business, revolves around people—not simply TV executions, media placements or social media posts.

Client-agency relationships assume a prominent role in determining how successful an agency is overall. After all, agencies are dependent on retaining current business as well as winning new business. These successful business partnerships are built upon trust, confidence, understanding, and mutual success. These relationships require a proactive effort to sustain and are critical to an agency's future growth. And client turnover—often the result of a poor relationship—can negatively affect the agency's reputation.

While your own approach will vary depending upon the nature, complexity and scale of the client relationship, the following illustrates a successful approach provided by Mercer Island Group (MIG). In the words of MIG's Steve Boehler:

"It's all about the business. The only reason we have a client and agency relationship is the business. Our philosophy is straightforward: the client-agency relationship is a 'people business that serves a company's business.' Like any business investment, the ROI on these important relationships needs to be managed, and there are ample opportunities to enhance or detract from a company's agency relationship return on investment."

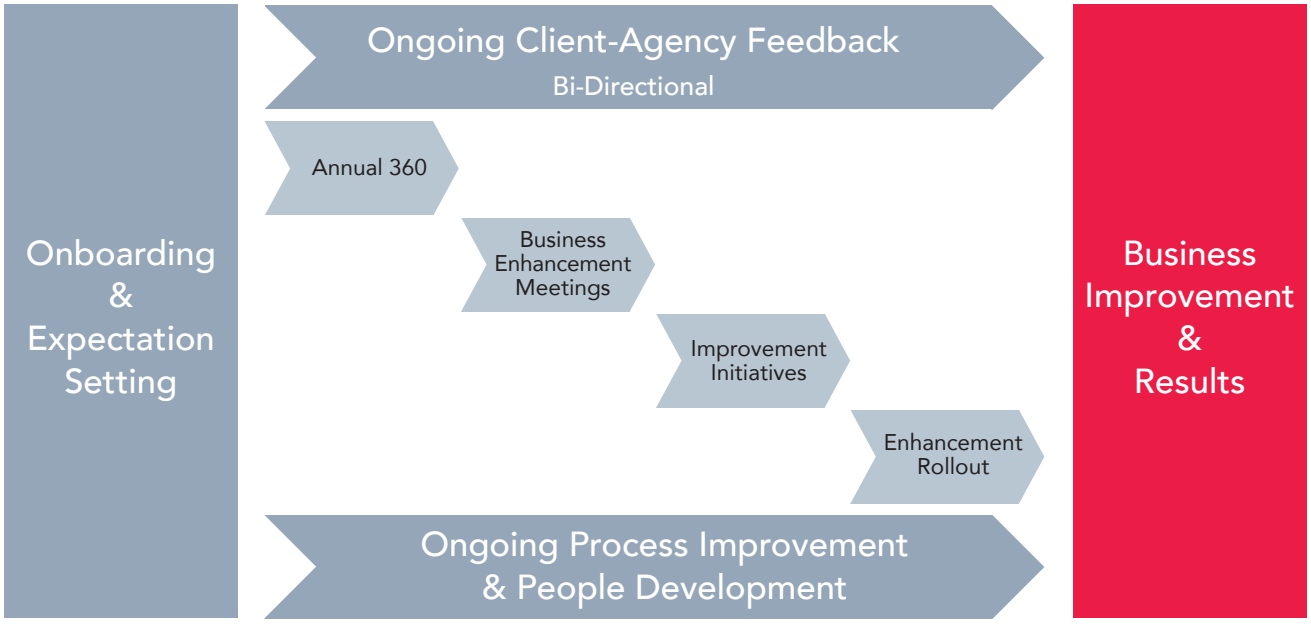
Given the wide range of behaviors, processes and activities that can impact the effectiveness of a client-agency relationship, MIG believes the management of these relationships requires best-practice efforts that focus on the relationship.

It is best to view the client-agency relationship as an ongoing, iterative management cycle:

- Clear expectations established up front and adjusted on an ongoing basis
- Ongoing, bi-directional client-agency feedback
- Ongoing process improvement and people development
- All in service of the business

Effective management of the relationship, with an eye towards enhanced business results, requires a series of activities starting with sound onboarding and clear expectations. These key foundations include ongoing daily efforts like effective feedback, day-to-day process improvement and people development, to annual events like the annual 360 and business enhancement meetings.

Mercer Island Group's Agency Relationship Cycle



SOURCE: MERCER ISLAND GROUP

Process Elements and Key Personnel

The Annual 360: This is the formal bi-directional review by each partner of their partner's performance. The ideal participants include core day-to-day client team members who regularly interact with the agency, and core agency team members who interact with the client.

The Mercer Island Group identified best practices for the annual 360 include:

- participant anonymity and third-party management, to encourage optimal transparency
- quantitative and qualitative feedback

Qualitative and quantitative input can help you summarize a rich range of information at a glance. The combination of quantitative and qualitative feedback also invariably highlights the emergence of key themes that tell an important story about the state of the relationship. A further advantage of an annual 360 review is the ability to compare partners' performance over time. *(See Appendix C for examples.)*

Business Enhancement Meetings: These sessions follow the annual 360 and use the results of the 360 as a starting point. Key players involved again include core day-to-day client team members who regularly interact with the agency and core agency team members who regularly interact with the client.

These are forward-focused sessions aimed at taking the indicated actions from the 360 and developing a specific action plan to correct shortcomings and address opportunities.

Improvement Initiatives: A sound working relationship, with ongoing feedback and communication, often turns up special opportunities to take a finely tuned relationship to an even higher level of excellence and ROI.

These initiatives should be approached like any strategic initiative with a clear goal, identified leadership, participants and approach. They should be selectively initiated, with an aim towards real business enhancements, and should be led by client

and agency team leads with involvement from all relevant personnel. The outcome of a successful Improvement Initiative is the rollout of the new process or solution, creating the opportunity for enhanced client-agency productivity and ROI.

Some practical guidance includes:

- **Leadership:** Typically co-led by a client and agency team member
- **Participants:** Cross-functional teams which are close enough to the issue to impact an appropriate solution
- **Reporting:** Typically report outcome to the client and agency leads

MIG's Improvement Initiatives Process provides a step-by-step approach for capitalizing on these opportunities that arise during the feedback cycle.

Given that the client-agency relationship is a people business that serves a company's business, MIG recommends adoption of a formal approach to ongoing communication and feedback between the client and agency:

Mercer Island Group's Feedback Cadence & Tools

	Daily	Monthly	Quarterly	Annual
Type	Day-to-day feedback	Monthly leadership calls	Regular meeting, post-project or special topic feedback	Formal comprehensive feedback
Tool	Interpersonal feedback training	Standard, monthly discussions	Regular meeting, project review or special topic surveys	Annual 360 review process
Details	• Simple • Easy to apply • Effective	• Routine • Open • Relationship & results focus	Turn-key surveys: • Pre-programmed & ready to distribute • Built in reporting & analysis	• Rich & detailed feedback • Enhancement meetings

SOURCE: MERCER ISLAND GROUP

Relationship Management Dimensions

A client-agency relationship is complex, with many different aspects depending upon the engagement. One construct to consider that could help simplify the relationship management program is to segment initiatives and activities into three categories: strategic, operational, and commercial.

While the specifics in each category will vary, some examples include:

1. **Strategic**—focusing on the craft and attitudes of those involved
   - defined/agreed-upon upfront goals and KPIs
   - strategic alignment
   - quality of the work and thinking behind it
   - proactive, responsive personnel
   - level of demonstrated innovation
2. **Operational**—focusing on effective and efficient processes and procedures

- scheduling
- approvals
- estimates
- SOWs
- budgets
- contact reports

3. **Commercial**—focusing on areas of compensation and financial reporting
   - contract
   - compensation tracking
   - SOW tracking
   - run rate and other forms of analysis and reporting
   - responsibility for funding the relationship management program
   - tracking of any financial incentives tied to ratings

360 Evaluation Guidelines

Given the complexity of client-agency relationships, and the number of types of agency relationships a client may have, it is important to realize that there is not one 360 process or format that fits all relationships. That being said, there are three guidelines recommended for any 360 evaluation:

1. **A custom approach:** Every evaluation should be tailored to the individual client and agency. The scope and complexity of the evaluation should align with the complexity and value of the relationship.
2. **A kickoff meeting:** It is critical to train everyone who is part of the evaluation on how to think about the overall process, understand how numerical rankings correlate with actual performance, and how best to provide constructive feedback. Participants need to provide feedback that can be acted upon and compared year-over-year.
3. **An action plan:** Any evaluation should lend insights that can be put into immediate action, drive accountability, and ensure that client and agency team members can act on improvement opportunities. Remember, relationship management is about continuous improvement, not a point-in-time report.

Russel Wohlwerth of External View Consulting suggests eight relationship management principles, along with recommended evaluation criteria:

1. **Ideally there will be a strong level of trust between both parties:**

   With trust, there will be a sense of partnership, of common goals and ambitions. Without trust, each party will be looking for someone to blame, if the evaluations points to issues needing to be addressed. And without trust, that is highly likely.

2. **Evaluations should not be viewed as a report card:**

   Evaluations are part of a continuous improvement process and as such, should not be considered 'one and done' in any way. Report cards are just a one-way metric: "here's your performance." A thorough evaluation will plumb the depths of what's working well—and what's not—and ultimately make the relationship stronger.

3. **Evaluations should include quantitative and qualitative elements:**

   The quantitative aspect will help in tracking progress and/or identifying areas needing improvement on a continuing basis, while the qualitative portion allows each party the opportunity to call out specific highlights or concerns, providing context to the discussion.

4. **Evaluations should be mutual:**

   One-way evaluations provide little opportunity for feedback and discussion and generally don't allow for quantitative tracking over time. A key benefit of mutual evaluations is the ability to quickly see where to focus, based on any perceptual gaps that exist.

5. **The evaluation framework should not be overly complex:**

   For a relationship management program to succeed, all aspects need to be relatively simple and easy to execute. This certainly includes the evaluation.

6. **Evaluations should include some aspect of business performance:**

In addition to gaining an understanding as to how well the two organizations are working together, it is critical to know if the relationship is driving specific, agreed-upon business KPIs.

7. **Evaluations should be conducted on a regular basis:**

   Whether the 360 evaluation is annual or every two years, will depend upon the complexity and scale of the relationship. And, of course, the client's predisposition as to frequency.

8. **An optimization program is required to achieve meaningful change:**

   Again, the evaluation should not be thought of as a point-in-time report card, but rather a measure of continuous improvement. That being said, issues won't solve themselves. There needs to be a plan in place by which to address any issues within a specified timeframe, in order for improvement to occur.

Recommended Evaluation Criteria

It is important to have alignment on the evaluation criteria from both the agency and client in advance. And to reiterate, best practice is for each partner to evaluate the other; the client evaluates the agency and the agency evaluates the client.

Criteria to be considered in the client's evaluation of the agency:

Overall relationship

- What are the overall attitudes and behaviors in this relationship?
- Is there goodwill and trust?
- Is there passion and commitment?

1. Strategy and Planning

- Does the agency fully understand the client's business dynamics?
- Does the agency analyze consumer trends and use those insights to build better solutions?
- Does the agency analyze campaign performance and apply that learning to new campaigns?

2. Outputs

- Are the agency's creative concepts on brief?
- How good are the agency's creative concepts?
- Does the agency have an integrated mindset when it comes to media strategy and planning?
- Are the agency's plans and recommendations data-driven?
- Does the agency understand and make use of existing analytics and customer segmentation?
- Do production values meet expectations?
- Are production costs reasonable?

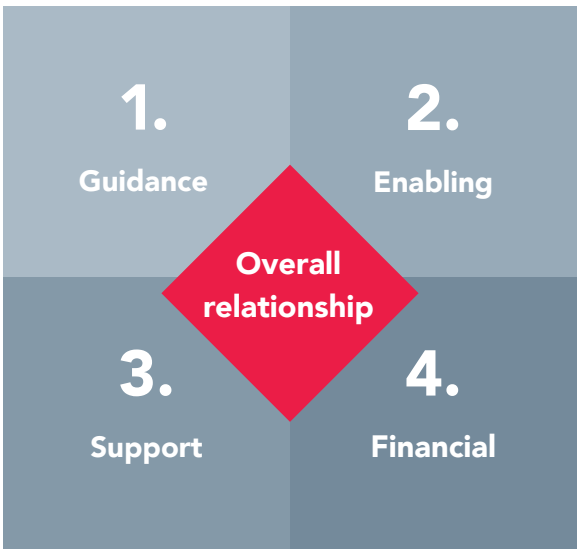
3. Account Management

- Does the agency provide effective leadership?
- Does the account run smoothly and efficiently?
- Do we have the right people on the business?
- Is the account staffed with the right number of people at the correct levels?

4. Financial

- Does the agency exercise strong stewardship over all financial aspects of the account?
- Are budget forecasts and estimates accurate?
- Does the agency comply with key client auditing and compliance requirements?

Criteria to be considered in the agency's evaluation of the client:



Overall Relationship

- What are the overall attitudes and behaviors in this relationship?
- Does the client function as a true partner?
- Is the advice of the agency sought and respected?

1. Guidance

- How well does the client provide direction, briefing and approvals?
- Are briefs and strategies clear, concise and well supported?
- When responding to agency proposals, is feedback clear and actionable?

2. Enabling

- Do the clients possess the necessary skills, experience and seniority to effectively manage the agency?
- Does the client team act with consistency or are they of many minds?
- Has the client clearly articulated what it expects from the agency relationship?
- Are client goals reasonable and attainable?

3. Support

- Does the client provide the support the agency requires to flourish?
- Does the client provide practical timeframes, budgets, and goals for projects?
- Does the client acknowledge when the agency has gone the extra mile?

4. Financial

- Are invoices paid on time?
- Are the terms of business fair?
- Are budgets generally adequate for the task?

When developing a scoring metric, a five-point scale is ideal, as it provides distinct differences between each score. A nine-point scale generally provides too many shades of gray. Additionally, individuals have become accustomed to five-point ratings, thanks to brands such as Amazon and Yelp. *(Additional sample evaluation templates are in Appendix C).*

Client Retention—A Cultural Imperative for Relationship Management

It is time for agencies to start creating a culture that recognizes and rewards client retention, if they are not doing so already.

Often, client retention is expected, and agency management is surprised when the unfortunate call comes. Every agency will lose clients, but having a retention orientation means that the agency understands why its long-term client relationships exist, and celebrates and learns from those relationships.

A retention orientation means increasing the likelihood that a two-year-old client relationship will make it to five years, and that a 12-year relationship will make it to 25 years.

Where to start? There are ideas, approaches, and even programs built around adding years to the life expectancy of a client relationship. The most successful retention programs, according to Peter Alemian of PinSeeker Consulting, include the following elements, leveraging a strong Relationship Management Program:

- **An understanding of the drivers of client retention:** What attracted a client to an agency in the first place may not be why they stay. You can't create an agency-wide culture around client retention until you understand its drivers.
- **An assessment of client satisfaction:** Satisfied clients tend to stick with an agency, and dissatisfied clients don't. Relationship management provides the framework for assessing client satisfaction, driving improvement where needed and extending client relationship tenures. At a minimum, assessing client satisfaction says to a client, "Your business is important to us, and we care what you think."
- **An activation plan:** Measuring client satisfaction alone does not address the issues that may be impacting client retention. There must be an action plan in place:
  - What (mis)perceptions exist among certain clients, and how should they be addressed?
  - Which practices are serving you well among your most satisfied clients, and how can you replicate those efforts among less satisfied clients?
  - Which opportunities can you identify and pursue to expand the relationship as a byproduct of client satisfaction measurement?
- **An ongoing commitment:** Confirm that your efforts are having an impact through a relationship management process. Remember, relationship management is not a point-in-time report card, but a process of continuous improvement.
- **A reward and recognition construct:** For the most part, agencies recognize and reward new business efforts very well. Wins are broadly announced and recognition is given to the hard work by the team that brought in the business. But what about recognizing retention? Holding onto a piece of business for five years, let alone 15, is no easy feat. Consider celebrating, calling out and rewarding the efforts of those team members and those clients who have remained loyal to the agency.

An agency-wide culture that celebrates retention in addition to new business will help signify that retention is an important part of an agency's growth. It will help ensure that your clients are engaged and committed to the agency brand.

Conclusion

The importance of a relationship management program cannot be overstated. Whether it is a formal process using the services of a third-party professional or an informal process handled internally, having a process in place is critical. Ongoing communications is critical.

> *"Just putting a relationship marketing program in place adds to client retention."*
>
> —Hayes Roth
> Relationship Audits & Management

It's common sense. A relationship management program signals that you value the relationship and actively want to ensure its longevity.

Five Key Points to Keep in Mind

1. Relationship management is not just a point-in-time report card.
2. Relationship management is an ongoing process driving continuous improvement in the relationship.
3. Both the client and the agency must be willing participants in a relationship management program for it to succeed.
4. Participants must be trained in how to provide meaningful, actionable feedback.
5. Evaluations must be mutual in order to be truly actionable in terms of creating a better working relationship—and better work.

Appendices Links

Click name to download file

A: Transition Checklists and Article

- Full-Service Account Transition Checklist
- ICA Agency Transition Best Practices 2014
- Media Services Transition Checklist
- Agency Mania Solutions – "How To Handle The Heat of Agency Transitions"

B: Sample Onboarding Templates

- On Boarding Strategic Template
- HubSpot – "The New Client Kickoff Playbook"
- Account Onboarding Checklist

C: Sample Evaluation Templates: Agency and Client

- Agency Evaluation Sample A
- Agency Evaluation Sample B
- Agency Evaluation Sample C
- Client Evaluation Sample A
- Client Evaluation Sample B
- Client Evaluation Sample C

D: Related Resources

- R3 Worldwide – Winning at Agency Relationships
- RAM – What clients want from their agencies. What wins new business.
- Mercer Island Group – Best Practices in Client/Agency Relationships
- Agency Mania Solutions – Creative Feedback 2017
- Agency Mania Solutions – Creative Feedback Poster 2017

Relationship Management Best Practices Guidance

A publication of the 4A's (American Association of Advertising Agencies).

Contributors represent thought-leaders from member agencies and associated organizations.

For more information, contact Matt Kasindorf - mkasindorf@4as.org

4A's
5 Bryant Park
New York, NY 10018
+1 212.682.2500
www.4as.org

4A'S BULLETIN NO. 8002