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## AVERAGE TENURE OF CLIENT AGENCY RELATIONSHIPS

**There are no current reliable quantitative studies on this subject.** However, some consultants have weighed in with their opinions on the subject.

Drexler Fajen & Partners conducted an analysis of six years of 4A's data on agency review activity, covering more than 3,200 reviews. If it were correct that client-agency relationships last an average of three years, then half of the agencies selected in the first three years examined should have been replaced by the end of the sixth year. In actuality, only six percent of those agencies were replaced, making it mathematically impossible for the average relationship tenure to be only three to four years. (5/2013)

The relationships are getting shorter. According to Atlanta search consultancy, The Bedford Group, "in 1984, the average client-agency relationship tenure was 7.2 years. By 1997, that number fell 25% to 5.3 years. Today the average client-agency tenure is thought to be less than three years." <http://bedfordgroupconsulting.com/about-the-bedford-group/strategic-thought-leadership/white-papers/agency-relationship-sustainability/> (2/11/2013)

The reason a 30-year relationship ends is because the client's business is not working. Fifteen years ago, 80% of reviews involved a consultant. Today, it's only 40%. Fifteen years ago, the average length of a client/agency relationship was eight years. Current client/agency relationships last only three years. Now, there are substantial costs every three years, because a consultant wasn't used in the beginning to help the client find the right relationship. Source: Catherine Bension, CEO, SelectResources International and Avi Dan, Founder and President, Avidan Strategies. ANA West Coast Marketing Financial Management & Procurement Committee March 28, 2012

"The average client-agency relationship, I think, is about four or five years" -- Brian Martin, a New York-based search consultant.

Source: "Why the Client-Agency Bond Just Isn't What It Used to Be." Advertising Age. February 14, 2011.

"Today, the average client/agency relationship has dropped to between three and four years. Worse still, half of these relationships won't even last two years" --Steve Fajen of DrexlerFajen Partners.

Source: "Accountability and Agency Reviews." MediaBizBloggers. April 8, 2011.

Note: The number Fajen uses here is slightly different from the number he uses only two months earlier (directly below).

"Agency-client relationships that last an 'unacceptable' average of only three years are one symptom of...inadequacies [resulting from bad practices during agency searches]" -- Mike Drexler, a former CEO of Optimedia, and Steve Fajen, a former president at Deutsch and Simmons Research.

Source: "Drexler, Fajen Start Media Agency Consultancy, Attacking Current Consultants' Reviews." Advertising Age, February 9, 2011.

Relationship Longevity by Size (Advertiser Revenue)				
Years	Advertiser Size			Percentage of Agencies
Relationship Longevity	Small	Medium	Large	
0-3 years	50	40	36	
3-5 years	25	14	15	
5 or more years	25	46	49	

Source: ANA 2006 Inside Advertiser and Agency Relationships Survey

According to the 2001 4A's study, *Longevity of Accounts in the Advertising Agency Business*, agencies retain accounts for an average of five years and four months. Among larger agencies, that average tenure rises to seven years and seven months. (This was the last time the 4A's did a quantifiable study on this issue.)