

Client Agency Relationships The Art of the Deal

By Bruce McTague

Part 1: The Art of the Deal

Client/Agency/Service Supplier relationships are a balancing act. The best relationships represent a combination of two experts constantly challenging each other, finding times when each is, respectfully, right and wrong and throw in a good dose of actually liking each other. But typically before you get to the relationship part you have to consummate a deal.

It is because of this I call this “the art of the deal” (see Client Agency Relationships Part 2: the Art of the Relationships for a relationship point of view) because philosophically how you strike ‘the deal’ dictates what becomes a client/agency relationship. In other words, often the success of that relationship is dictated by how well the initial deal was struck.

As for who is responsible for making a good deal? Well, while I have seen Client/Agency relationships sour because of either party, I would suggest that agencies more often than not are most culpable for failures and bear the brunt of the responsibility in establishing the deal. Having sat down in dozens of meetings between an agency and a prospective client I have seen the good and the bad unfold not only as the deal is being consummated but also after the meeting as the deal unfolds. I have seen how agency people rush towards the finish line saying anything that needs to be said to get there. And I have seen the expressions on the faces of the people back at the agency when they have seen what promises have been made to *make* the deal. And, bottom line, I have seen that I don’t want to go through that disappointment when facing my own people.

It is very simple if you stick to your guns. I suggest there are six critical steps to sealing a good deal (and having a hope of a successful relationship). Let’s call this what it takes to stand up and feel good about shaking hands on the deal as the contract is ready to get signed.

1. Alignment of Expectations:

Nothing is worse than if either side of the partnership (or dealmakers) is expecting something the other partner is not prepared to do, or even worse, cannot do.

2. Communicate:

Alignment means both parties need to communicate. This means clearly articulating expectations and capabilities to meet expectations. Am I meeting your needs? Am I meeting your expectations? Both sides asking questions. Both sides talking to each other. Sometimes it is a dialogue. Sometimes it is simply asking the correct questions. But each of those options includes speaking versus silence.

3. Honesty:

Good communication requires honesty. Honesty with yourself first and foremost, i.e., can I honestly say we are doing a good job? And, of course, “I need to be honest now or it could continue to build up into big trouble.” Honest discussion on the good and the bad. It’s easy to talk about the good stuff, more difficult on the hard things. ‘Fess up honestly in all cases and you earn trust.

4. Respect:

Honesty is typically best when there is mutual respect. Respect speaks for itself. We all feel good when respected.

5. Compensation:

If you have the 1st four right (alignment, communicate, honesty, respect) then the money discussion becomes easier, not easy, but certainly easier. It's a value equation. Agencies need to feel like they are being fairly compensated for actions. Clients need to believe they are receiving valuable activity/action. And there needs to be an alignment on this value equation or it becomes a battle of nickels & dimes and instead of talking business you are constantly talking about money (and that is bad).

6. Chemistry:

Finally, it always helps if you like each other. It doesn't have to be 'best friends' but if each party respects *and* likes each other than there is at least a fighting chance to make it through the tough times as well as truly enjoying/celebrating the good times. "Double the joys and halve the griefs" as it has been said.

Conclusion:

That is what makes a great deal between a Client and an Agency/Service Supplier. I know, it sounds simple, but it is harder than it looks. The sight of the finish line makes people do and say funny things (and it can certainly create amnesia with regard to knowing the "right thing to do"). Agencies want to make the deal.

So. In the end?

Take a deep breath when you are getting ready to cross the finish line and ask yourself do you really want to win. Ask yourself honestly are you clear on all six criteria. And ask yourself the hard question even if it is at the last minute - did you really want to run this particular race and was it really the right race for you?

Make sure you know what you are going to win. Make sure the Client knows what they will win. And then make the deal.

Client Agency Relationships Part 2: The Art of the Relationship

Once a deal has been struck (see Client Agency Relationships: the Art of the Deal) a client and an agency enter a relationship. This relationship can be as partners or a vendor relationship or even consultant relationship. Regardless of what that relationship ends up being there are several things that need to take place for it to be healthy.

First and foremost, the baseline or cost of entry in a relationship: **an agency needs to deliver work on time, on target, and on budget, with zero tolerance for errors.**

This is a fundamental truth. I attended a presentation in the 90's given by the JWT worldwide Creative Director who said it best, "I have seen most client agency relationships fall apart because of day to day agency mistakes, not failure on the big thinking. The client starts thinking if the agency cannot manage the details how I can trust them to manage the big stuff. And it all starts falling apart."

Secondly, an agency should be passionately committed to immerse themselves in the clients' businesses—to come to the table each day as a fully engaged *business partner*, rather than as a vendor. It shows a commitment to true business results.

Beyond those two basic, but important thoughts, let's say the following outlines some of the basics a client should expect from an agency. The agency should:

- Be a proactive business partner, operating as an extension of the clients' marketing department and functioning as a part of the overall business team.
- Maintain an account management team to service the needs, the thinking and tactical needs, of the clients business.
- Provide ongoing strategic thinking, to better understand, communicate with, and motivate the clients' target audience to take action (drive results).
- Leverage the budget through innovative planning, efficient buying, merchandising, added value, event marketing and sponsorships.
- Create and produce highly effective, traffic building, multi-level campaigns that will successfully enhance and unify the client's brand image.

On the other side of the relationship, there are certain things an agency would like from the client. The following outlines 6 (which may not be all-inclusive but probably hit the key things):

1. Communicate.

An agency is only as good as the information it gets. Tell us the good, the bad and the truth. No matter how much experience we have, guessing is guessing, and we will not always be correct when we guess.

2. Be a partner.

You are the Client. And ultimately your word is the final word (because it is your money). But agencies do impossible things for Clients who treat them like true partners. We'll debate, we'll argue, we'll be grumpy with each other every once in awhile, but we all have the same goal in mind – business success. And you hired us to do something you didn't believe you could do. So treat us like a partner.

3. Be fair.

Maybe this should have been “be open minded” but suffice it to say we are not evil and we don’t purposely have bad intentions. When we do something we usually have a good reason on why we did it (and it would be nice for you to stop and listen to it). And we make mistakes on occasion. Not on purpose but because they sometimes happen. Just be fair.

4. Be tough.

If it is not right in your eyes, then it is not right until we have convinced you it is (or you have convinced us otherwise). Sure. You hired us to be the experts in what we do, but you are an expert in what you do. Don’t compromise. Don’t settle for “good” because good is the largest enemy of “great.” Be a tough grader. This is business. And we are all about doing whatever is best to drive the best results.

5. Have fun.

Laugh a little. Okay. Laugh a lot. It is marketing for Pete’s sake.

Conclusion: Some Semblance of Partnership.

While insuring expectations are communicated and aligned and delivering upon the details are critical, ultimately the most successful relationships have some semblance of a partnership. And partnership is truly a multi-faceted concept. Some collaboration helps (but agencies always need to remember they get hired because the client cannot do something themselves). A goal should be to attain a seamless extension of the marketing department at minimum, the client company at its best – joined by common business objectives and fueled by shared values.

It is quite possible this quote from Booker Washington summarizes a healthy client agency relationship the best:

“... be as separate as the fingers, yet one as the hand in all things essential to mutual progress.”

About Bruce McTague:

In a career spanning over 20 years, I’ve been involved with a wide range of industries including packaged goods, restaurant, pharmaceutical, retail, business-to-business and tourism. I won’t bore you with all the details, but the bottom line is I have touched so many businesses across so many categories the headline for my career should probably be “Collector of experiences and knowledge.”

If you would like some additional work experience details and see what a number of people have said about me, visit my [LinkedIn Profile](#) my blog, [Enlightened Conflict](#) or contact me directly by [email](mailto:bruce@brucemctague.com) at bruce@brucemctague.com.