

ANA 4's

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# Agency Search Simplification

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SEPTEMBER 2022



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# INTRODUCTION AND METHODOLOGY

The search process by which a client identifies an advertising agency partner has become complex and painful for both clients and agencies, with many wondering how it can be improved. Articles in the trade press have highlighted concerns over the process, as have discussions with ANA and 4A's members. In late 2021, the ANA and the 4A's developed a joint working group to understand the challenges with agency search and consider how it could be enhanced. Both clients and agencies have indicated a great desire to simplify and streamline this process. With both clients and agencies feeling the ongoing effects of the pandemic — employee retention and recruiting issues, remote work, and an unsettled economy — the time seemed right to dig into the search process to understand the specific areas of concern, as well as opportunities to make things better.

Based on feedback from the working group, in February 2022, the ANA and 4A's surveyed their respective members to understand the various pain points in the agency search process, as well as their value (or lack thereof) to the overall process. Nineteen statements about the search process were identified for evaluation. For each statement shown, respondents were asked whether they agreed or disagreed with the statement presented, the level of pain to provide or do without (1 = Not Painful at All/Easy, 10 = Very Painful/Difficult), the value provided to the process (1 = Adds Little to No Value to the Review Process, 10 = Adds Great Value to the Review Process), and whether they had any comments.

One hundred agencies participated in the survey. Respondents were business development leaders, agency principals, and C-suite executives. On the client side, there were 41 respondents from client teams, across procurement, agency management, and marketing.

## Respondent Breakdown

### Clients

- 63 percent Procurement/Sourcing
- 17 percent Agency Management
- 20 percent Brand or other client marketing group

### Agencies

- 50 percent Up to 100 employees
- 50 percent 101 to more than 500 employees
- 71 percent independent agencies
- 29 percent part of a holding company

This report contains the results of that survey, as well as key findings, conclusions, and next steps. Of the 19 statements, survey results indicated that a vast majority of clients and agencies are already in agreement. There were only a handful of statements about which clients and agencies indicated there was room for improvement. Ultimately, the ANA and the 4A's will continue to work together to develop resources and tools to assist clients and agencies in making the search process simpler.

## INTRODUCTION AND METHODOLOGY

- **Statement 1:** It would be beneficial if the marketer could utilize a concise, standardized set of information requests during the RFI stage to help select the agencies with which to continue.
- **Statement 2:** Clients should share with each agency the list of agencies participating in the review, unless an agency has specifically requested its participation be kept confidential.
- **Statement 3:** Clients should disclose the anticipated budget for the work assignment or assignments included in the agency review.
- **Statement 4:** Clear criteria for success should be established and communicated to the agency.
- **Statement 5:** The client should develop a timeline for the search process that aligns with the amount of preparation and work requested from the agencies, with their input.
- **Statement 6:** Once established, the client should follow the review process guidelines, timelines, and structure.
- **Statement 7:** The identity and participation level of the key client decision-makers should be made clear.
- **Statement 8:** The agency should have direct access to the ultimate client decision-makers without consultant or other "gatekeepers."
- **Statement 9:** The client should establish communication procedures to maintain an open line of communication with the agency throughout the review process, with an agreed-upon response time.
- **Statement 10:** If an agency search consultant is involved, the marketer should hold them to clearly articulated roles and responsibilities.
- **Statement 11:** If a 'chemistry meeting' is part of the process, there should be clearly defined expectations and deliverables, if any.
- **Statement 12:** Client marketing and procurement teams should be aligned on all aspects of the review process and criteria for agency success prior to initiating the agency search process.
- **Statement 13:** An individual agency's questions and associated client answers should not be shared with other participating agencies.
- **Statement 14:** Timely, actionable, post-review feedback should be provided to the agency after each step of the review process.
- **Statement 15:** The agency should retain ownership of any IP/work product produced during the review process.
- **Statement 16:** Barring any agreements to the contrary, the agency should be able to publicize the fact that it won the marketer's business.
- **Statement 17:** The marketer should be able to meet the agency leadership who will oversee work on the business.
- **Statement 18:** The marketer should be able to meet the agency team who will work day-to-day on the business.
- **Statement 19:** Once established, the agency should follow the review process guidelines and structure.

# KEY FINDINGS

## Clients and Agencies Are Mostly in Alignment

Clients and agencies align on the vast majority of the statements presented in this survey. Many of these statements are focused on being a good business partner and on the need for a defined process and open communication throughout the agency search process. The results indicate that there is not a large gap between clients and agencies and that most want to work toward a better relationship. Each key area of agreement in the agency search process is outlined below.

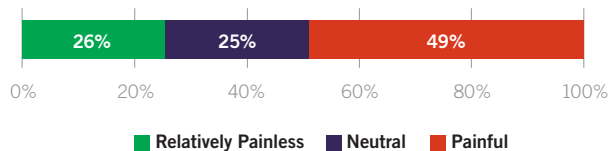
### Statements in which there is great client and agency alignment:

- **Statement 1: It would be beneficial if the marketer could utilize a concise, standardized set of information requests during the RFI stage to help select the agencies with which to continue.**
  - There was a high level of agreement between agencies and clients on this statement (97 percent agencies, 86 percent clients). Overall, this is a relatively painless/neutral (60 percent clients) step in the process to provide what is very valuable to clients (73 percent) and agencies (60 percent).

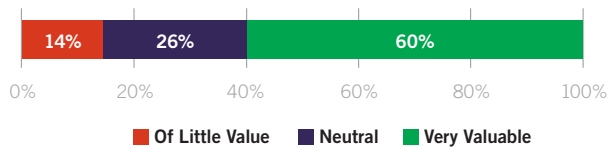
#### Agency Perspective

97 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



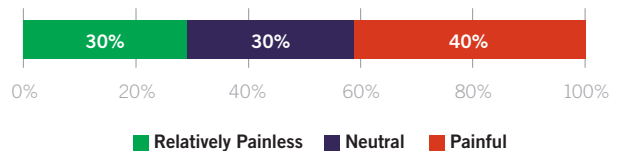
#### Value to the Process



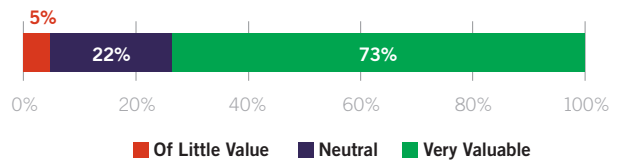
#### Client Perspective

86 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

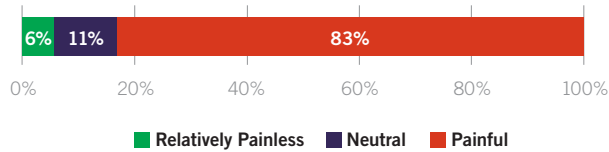
## Clients and Agencies Are Mostly in Alignment

- **Statement 4: Clear criteria for success should be established and communicated to the agency.**
  - 100 percent of clients and agencies agreed with this statement. This is a relatively painless/neutral (58 percent) request for clients to fulfill, painful for agencies (83 percent) if it doesn't happen, and very valuable to the process (98 percent agencies, 87 percent clients).

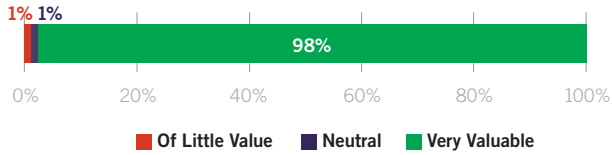
### Agency Perspective

100 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



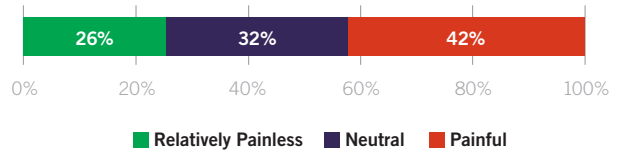
#### Value to the Process



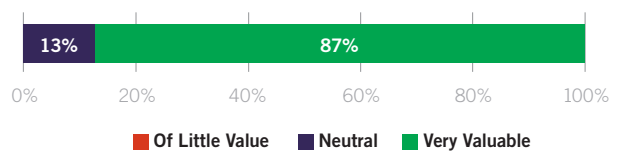
### Client Perspective

100 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

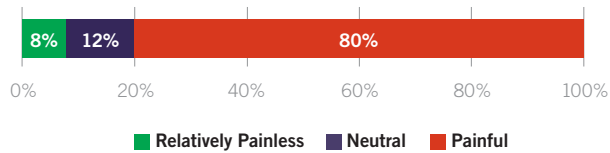
## Clients and Agencies Are Mostly in Alignment

- **Statement 5: The client should develop a timeline for the search process that aligns with the amount of preparation and work requested from the agencies with their input.**
  - Agencies (100 percent) and clients (86 percent) generally agree with this statement. This is also a relatively painless/neutral (72 percent) item for clients to provide, which is painful for agencies (80 percent) if not provided, and very valuable (85 percent agencies, 79 percent clients) to the process.

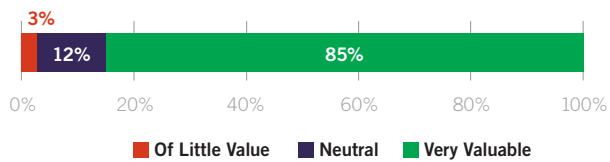
### Agency Perspective

100 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



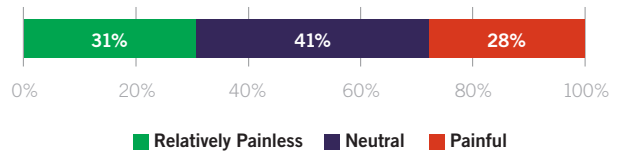
#### Value to the Process



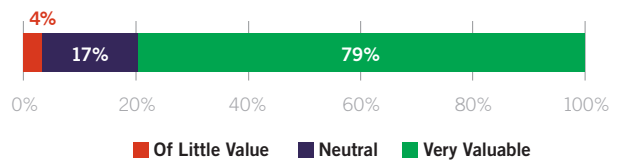
### Client Perspective

86 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

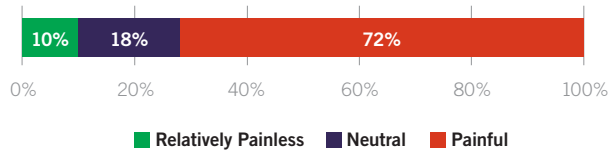
## Clients and Agencies Are Mostly in Alignment

- **Statement 6: Once established, the client should follow the review process guidelines, timelines, and structure.**
  - Clients (100 percent) and agencies (99 percent) agree overwhelmingly with this statement, and both (79 percent each) find this brings a lot of value to the process. Almost two-thirds of clients (65 percent) cited this is relatively painless/neutral to provide, and about three-quarters of agencies (72 percent) indicated this is painful if it doesn't happen.

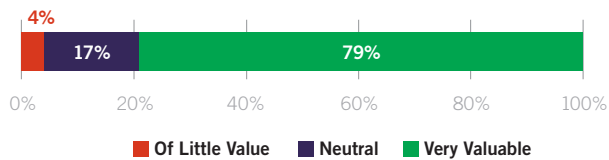
### Agency Perspective

99 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



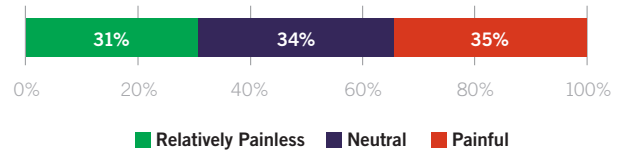
#### Value to the Process



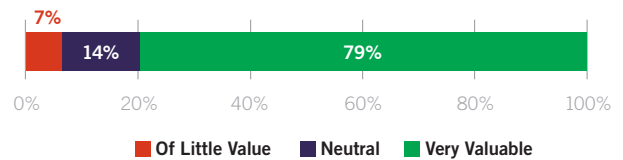
### Client Perspective

100 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process





# KEY FINDINGS

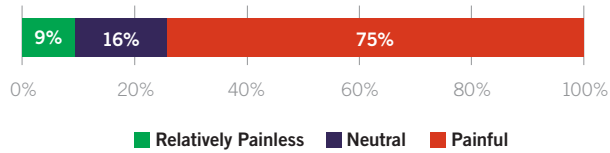
## Clients and Agencies Are Mostly in Alignment

- **Statement 7: The identity and participation level of the key client decision-makers should be made clear.**
  - 100 percent of agencies agree with this statement along with 81 percent of clients. This is a painless/neutral (89 percent) item for clients to provide, painful for agencies if it does not happen (75 percent), and very valuable to the process (90 percent agencies, 74 percent clients).

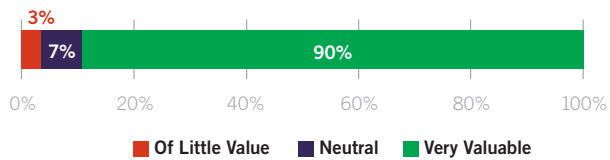
### Agency Perspective

100 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



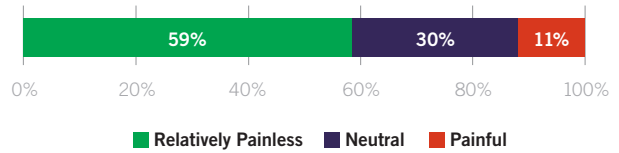
#### Value to the Process



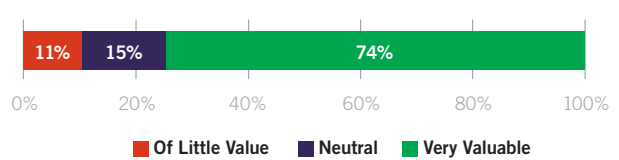
### Client Perspective

81 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

## Clients and Agencies Are Mostly in Alignment

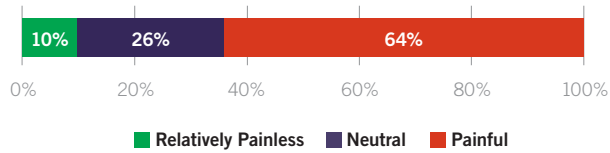
- **Statement 9: The client should establish communication procedures to maintain an open line of communication with the agency throughout the review process, with an agreed-upon response time.**

- Clients (96 percent) and agencies (94 percent) agreed with this statement. This is relatively painless/neutral (56 percent) for clients to provide and somewhat painful for agencies (64 percent) if it doesn't happen. Just over three-quarters of both agencies (76 percent) and clients (78 percent) agree this is very valuable to the process.

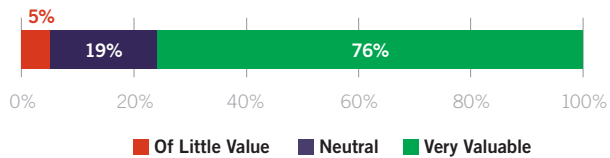
### Agency Perspective

94 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



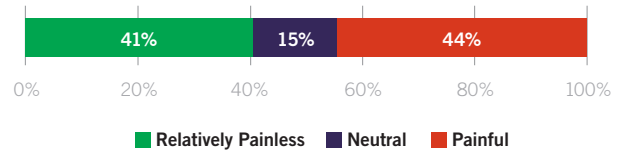
#### Value to the Process



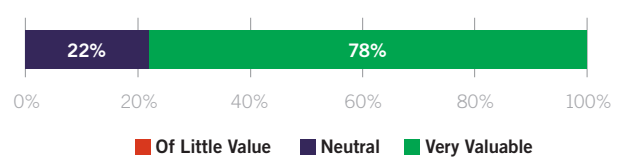
### Client Perspective

96 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

## Clients and Agencies Are Mostly in Alignment

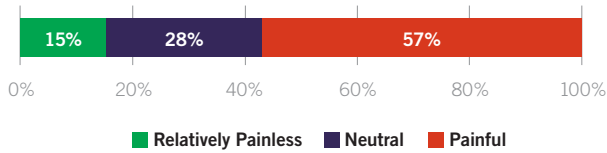
- **Statement 10: If an agency search consultant is involved, they should be held to clearly articulated roles and responsibilities by the marketer.**

- 100 percent of clients and 98 percent of agencies agree with this statement. Clients cited this as relatively painless/neutral to provide (89 percent), while just over half of agencies (57 percent) found this painful if it does not happen. Clients (63 percent) and agencies (69 percent) believe this to be valuable to the process.

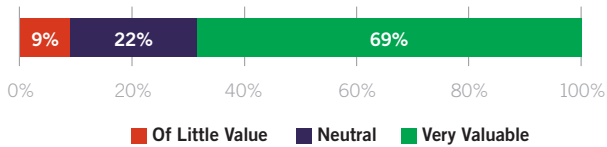
### Agency Perspective

98 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



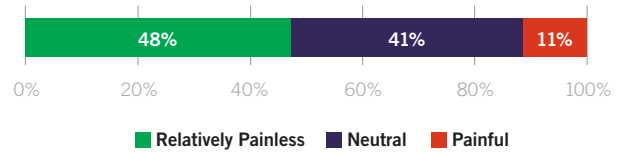
#### Value to the Process



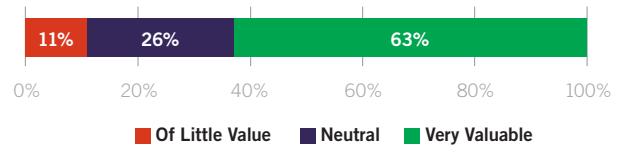
### Client Perspective

100 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

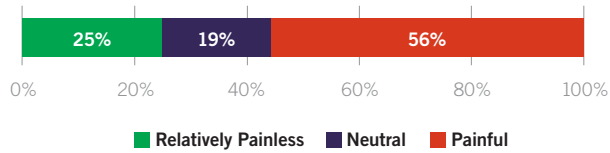
## Clients and Agencies Are Mostly in Alignment

- **Statement 11: If a “chemistry meeting” is part of the process, there should be clearly defined expectations and deliverables, if any.**
  - Agencies (90 percent) and clients (78 percent) agree on this statement, with 60 percent of clients stating this is relatively painless/neutral to provide and 56 percent of agencies indicating it is painful if not provided. However, more clients believed that this would be very valuable to the process (74 percent) than agencies (65 percent).

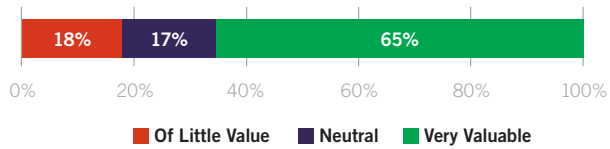
### Agency Perspective

90 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



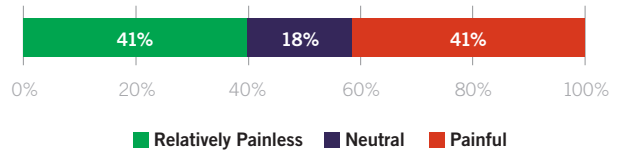
#### Value to the Process



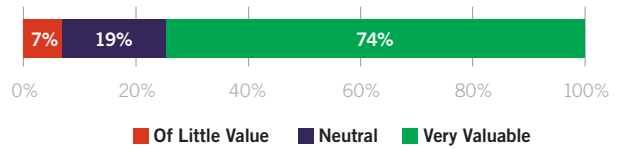
### Client Perspective

78 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

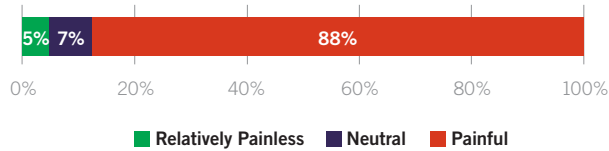
## Clients and Agencies Are Mostly in Alignment

- **Statement 12: Client marketing and procurement teams should be aligned on all aspects of the review process and criteria for agency success prior to initiating the agency search process.**
  - Almost all agencies (99 percent) and clients (96 percent) agree with this statement. A great majority of agencies (88 percent) cite this as painful if it doesn't happen, but almost half of clients (46 percent) rate this as painful to provide. Both (92 percent each) agree that this is very valuable to the process.

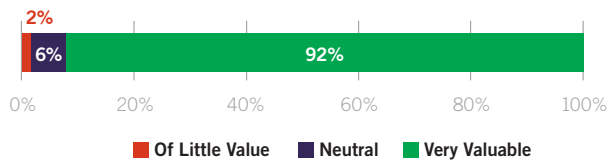
### Agency Perspective

99 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



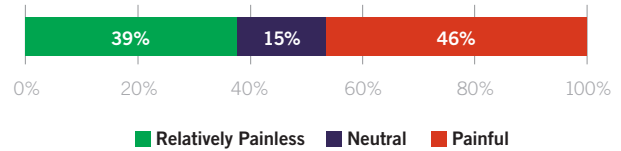
#### Value to the Process



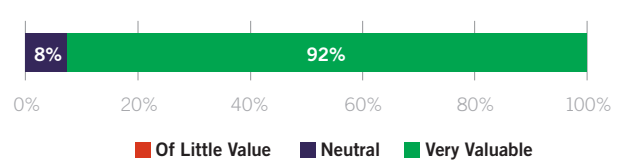
### Client Perspective

96 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

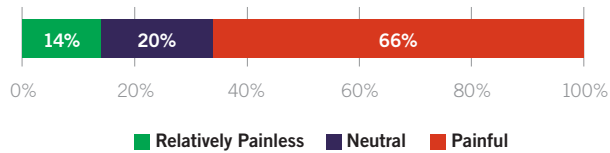
## Clients and Agencies Are Mostly in Alignment

- **Statement 14: Timely, actionable, post-review feedback should be provided to the agency after each step of the review process.**
  - Almost all agencies (99 percent) and most clients (88 percent) agree with this statement. Two-thirds of agencies (66 percent) find this painful if it doesn't happen, and just over half of clients (54 percent) find it painful to provide. As might be expected, agencies find this more valuable to the process (87 percent) than clients do (69 percent).

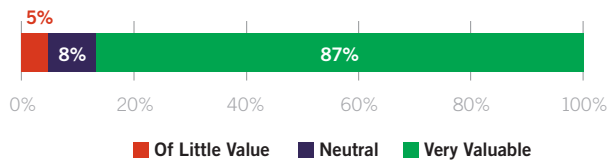
### Agency Perspective

99 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



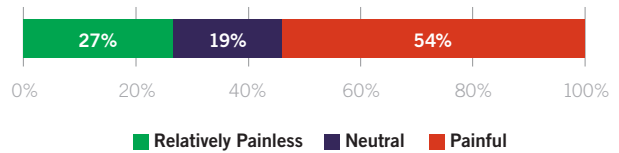
#### Value to the Process



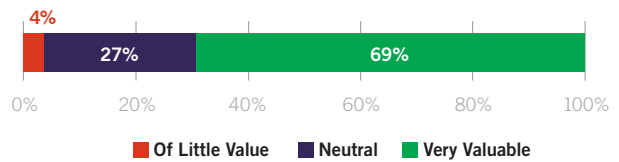
### Client Perspective

88 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

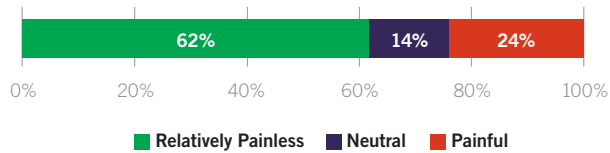
## Clients and Agencies Are Mostly in Alignment

- **Statement 17: The marketer should be able to meet the agency leadership who will oversee work on the business.**
  - Both clients and agencies are in 100 percent agreement with this statement. Over half of clients (52 percent) find this painful if it does not happen and a majority of agencies (62 percent) find it relatively painless to provide. Clients (88 percent) and agencies (89 percent) also find it valuable to the process.

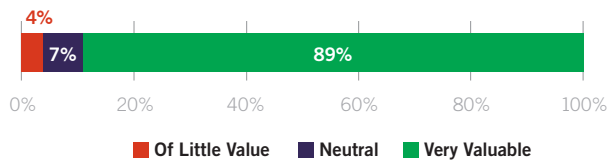
### Agency Perspective

100 percent of agency respondents agree with this statement.

#### Level of Pain to Provide



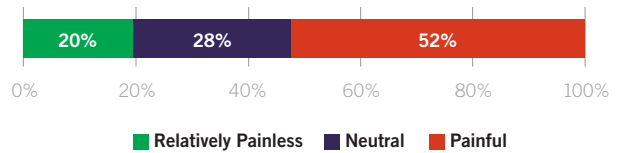
#### Value to the Process



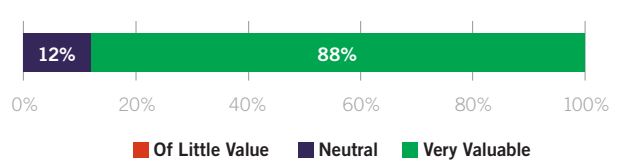
### Client Perspective

100 percent of clients agree with this statement.

#### Level of Pain if This Does Not Happen



#### Value to the Process



# KEY FINDINGS

## Clients and Agencies Are Mostly in Alignment

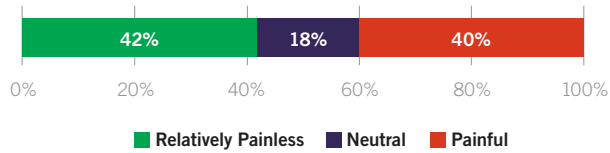
- **Statement 18: The marketer should be able to meet the agency team who will work day-to-day on the business.**

- Clients agree completely (100 percent) with this statement, while about three-quarters (76 percent) of agencies agree. Almost two-thirds (64 percent) of clients find this painful if it does not happen, while 40 percent of agencies find it painful to provide. Overwhelmingly, clients find it valuable to the process (96 percent), and 65 percent of agencies do as well.

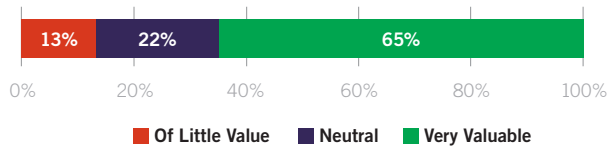
### Agency Perspective

76 percent of agency respondents agree with this statement.

#### Level of Pain to Provide



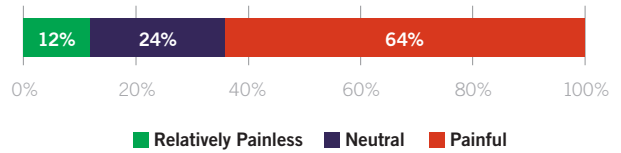
#### Value to the Process



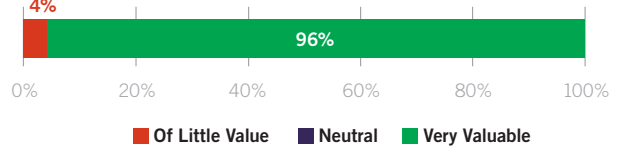
### Client Perspective

100 percent of clients agree with this statement.

#### Level of Pain if This Does Not Happen



#### Value to the Process





# KEY FINDINGS

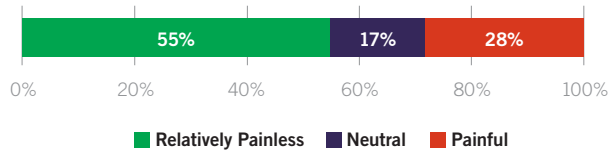
## Clients and Agencies Are Mostly in Alignment

- **Statement 19: Once established, the agency should follow the review process guidelines and structure.**
  - Agencies (95 percent) and clients (100 percent) both agree with this statement. Just over half of clients (56 percent) indicated that it is painful if this does not happen and just over half of agencies (55 percent) feel it is relatively painless to provide. The vast majority of clients (92 percent) find it valuable to the process, while about two-thirds (66 percent) of agencies do.

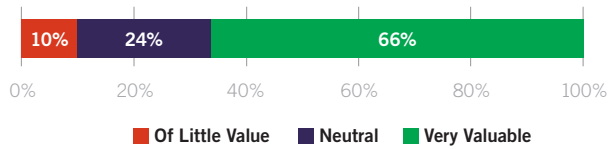
### Agency Perspective

95 percent of agency respondents agree with this statement.

#### Level of Pain to Provide



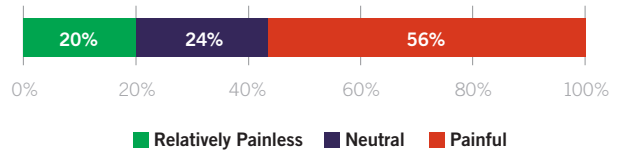
#### Value to the Process



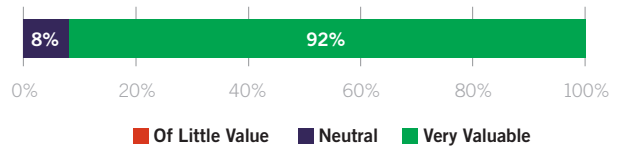
### Client Perspective

100 percent of clients agree with this statement.

#### Level of Pain if This Does Not Happen



#### Value to the Process



## KEY FINDINGS

### Being a Good Business Partner

Most of the statements that were evaluated by clients and agencies focused on good business practices. Keeping open lines of communication, being transparent, responding in a timely manner, and treating each other respectfully can go a long way to ensuring a successful long-term relationship that starts with the agency search. Most issues that arise in the search process can be mitigated by both the agency and client being good business partners and treating each other with mutual respect. Establish a clear process in advance and proactively share that process and guidelines with participating agencies.

### Clarity, Communication, and Transparency in the Search Process

One area in which the survey results indicated great alignment between clients and agencies is the need for clarity, communication, and transparency in the pitch process. This starts with the RFI that is sent to agencies and persists throughout the entire review/pitch process to final agency selection. Both agencies and clients overwhelmingly want structure and clarity, and a developed, established process that is followed throughout the review. Some best practices to consider:

- Utilize a standard set of information requests that does not ask for unnecessary or irrelevant information. This ensures each agency is asked to provide the same information and that each agency is provided the same set of criteria and guidelines for the search process.
- Clients should establish a clear agency search process that is shared with the agencies participating and incorporates their feedback into the process and timeline. This may include establishing a clear timeline and communications procedure in advance. Both clients and agencies are strong supporters of sticking to the established guidelines, timelines, and structure set forth. A clear, established process ensures the clients and agencies are aware of what is expected of each side. If success criteria or any other part of the process changes, that needs to be relayed to the agencies as well.
- Clarity and transparency also extend to the use of search consultants and their role in the process. If a client chooses to contract with an agency search consultant, the roles and responsibilities of the search consultant should be outlined to the agencies participating in the process.
- Internal alignment is incredibly important for any business project, and that is especially true for an agency search process. Clients may have multiple teams or individuals who have some responsibility for the agency search process (such as marketing and procurement); it is important that all internal client teams align on the process and criteria for success. Additionally, agency teams should be aligned on the business opportunity and what they can realistically promise.

## KEY FINDINGS

### Clarity, Communication, and Transparency in the Search Process

- Clients need to identify, at the start of the search process, who their key decision-makers are and who will make the final decision. From a client perspective, this ensures the decision-making process is clear and everyone internally knows who has the final say. For agencies, knowing who the client decision-makers are helps them decide whether to participate in the review, and if they elect to move forward, ensure their pitch is tailored to the right audience.
- Throughout the search process, agencies need timely and actionable feedback, including post-review feedback. Most agencies want to grow and enhance their capabilities. Timely, constructive feedback as to why they were not selected can help the agency understand how to improve. It's a best practice to conduct regular relationship reviews with your agency once they're contracted; the search process is a great way to start getting used to providing that feedback.
- Some agency search processes include a "chemistry meeting" or similar culture-fit check. As with the entire agency search process, if a client is to require a "chemistry" or similar type of meeting, all expectations from the client should be relayed in advance and the agency given time to prepare. Additionally, reimbursement procedures for any out-of-pocket costs associated with a chemistry meeting should be identified up front.
- Communication is a two-way street. As much as the agency wants to meet and have discussions with client key-decision makers, so too does the client desire the same with agency leadership and the agency team who will work on the business. While agencies may not always have the exact day-to-day team in place who would work on the prospective client's business, clients need to ensure they're getting the quality of talent promised. Asking the agency to describe its hiring processes and potentially meeting with the agency's HR lead can help give clients confidence in the types of personnel the agency will hire and assign to the business.

# KEY FINDINGS

## Room for Improvement

While clients and agencies are aligned on most aspects of the agency search process, there are a few statements which indicate there is room for improvement. This section goes into detail on those statements, explores the client and agency perspective, and identifies what can be done to close the gap between client and agency.

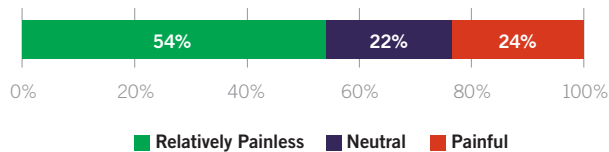
- **Statement 2: Clients should share with each agency the list of agencies participating in the review, unless an agency has specifically requested its participation be kept confidential.**

- **Survey Analysis:** A great majority of agency respondents agreed with this statement (84 percent); however, only 15 percent of clients agreed. Clients see little value (70 percent) in providing this information, but 50 percent of agencies regard this as very valuable to the process. If this doesn't happen, 54 percent of agencies felt it would be relatively painless whereas 59 percent of clients felt it is relatively painless to provide.
- **Agency perspective:** Agencies have a great understanding of who their competitors are and the quality of work they strive to produce for their clients. When agencies are aware of who they're competing against for a particular pitch, it can be helpful in determining the scope and overall intent of the client. Understanding the competitive set can also help an agency decide whether to participate in a given review/pitch.
- **Client perspective:** Some clients prefer to keep their potential business partners in the search process confidential throughout the process. Sometimes this is a corporate policy or may be related to other regulations that clients must follow. Barring those regulations and policies, clients are willing to share the list of agencies participating.
- **Recommendations:** When possible, clients should disclose the list of agencies competing in the pitch. If business policies or regulations preclude disclosing the list of agencies, that should be made clear to all participating agencies at the start of the process.

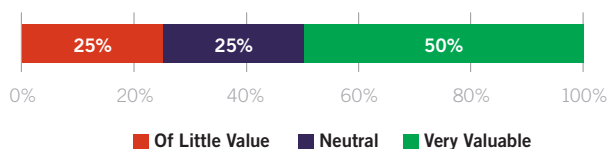
### Agency Perspective

84 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



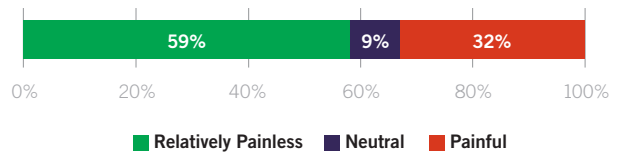
#### Value to the Process



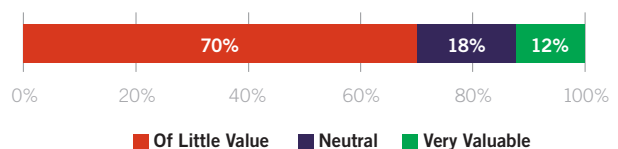
### Client Perspective

15 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

## Room for Improvement

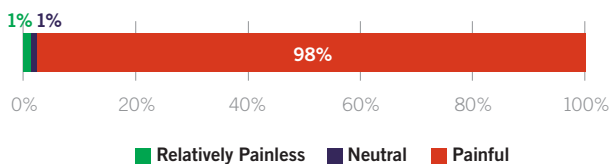
- **Statement 3: Clients should disclose the anticipated budget for the work assignment or assignments included in the agency review.**

- **Survey Analysis:** Agencies overwhelmingly agreed (100 percent) with this statement, and rated it painful (98 percent) if a budget is not provided and very valuable (98 percent) to the process. A large majority of clients also agreed (70 percent) with the statement and acknowledged (61 percent) that it is very valuable to the process. However, clients were almost evenly distributed over how painful it would be to provide (37 percent rating it painful).
- **Agency perspective:** Agencies need to know the budget or budget range the pitch encompasses to help them make an informed decision as to whether to participate in the review/pitch. While the budget will likely not be the only factor influencing an agency's decision, it can be one of the more important ones. Additionally, understanding the budget or a budget range helps an agency determine the resources to put against the pitch and sets up what work can realistically be accomplished given the budget range.
- **Client perspective:** Clients often do not disclose the budget for a pitch due to corporate policies. Sometimes a budget is not included because the client is looking to understand what budget would be required for what they want. And sometimes clients guard the budget to ensure an agency does not pitch to the budget, which is a bad practice.
- **Recommendations:** Clients should disclose at least a budget range for an agency pitch. If the client is looking to understand what budget may be required, they should share that insight up front in the process. In this case, agencies should consider providing several options which could help the client arrive at an appropriate budget.

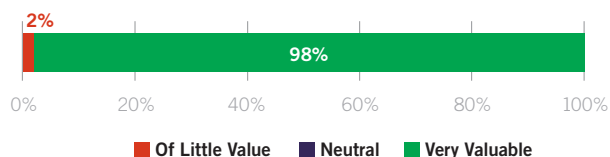
### Agency Perspective

100 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



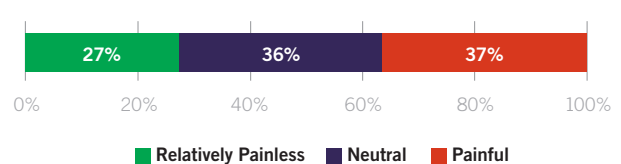
#### Value to the Process



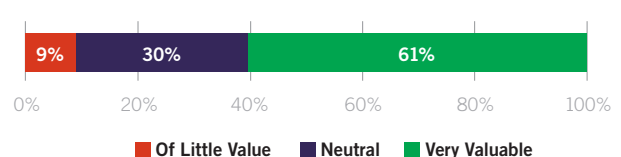
### Client Perspective

70 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

## Room for Improvement

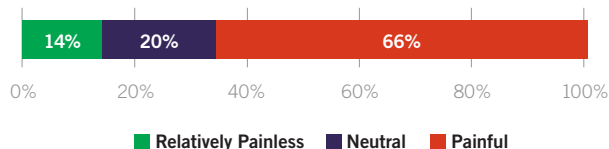
- **Statement 8: The agency should have direct access to the ultimate client decision-makers without consultants or “gatekeepers.”**

- **Survey Analysis:** Only 11 percent of clients agree that agencies should have this access, with slightly more than half (52 percent) believing that access to be of little value. However, 88 percent of agencies agreed with this statement and found it to be painful if this level of access does not happen (66 percent), and they find that access is very valuable (85 percent) to the process. The level of pain for clients to provide this access was rated at painful (44 percent).
- **Agency perspective:** When securing new business, it is important for agency representatives to establish a good relationship with the team and individuals they will be working with on a day-to-day basis. This is particularly true when it comes to the ultimate client decision-makers, as they will likely have direct impact on the client/agency relationship.
- **Client perspective:** There is an established process for communication during the pitch, and agencies need to respect that process. Communications outside the process or directly with client decision-makers can lead to impropriety and an uneven playing field for other participants. Additionally, the ultimate client decision-maker is often the senior-most marketer and may not have the time in the process to provide extensive direct access to multiple agencies.
- **Recommendations:** Clients should establish a communication process and identify the key decision-makers as they see fit, with the intent to provide as transparent and direct communication process as possible, while also maintaining an even playing field for all agencies. Clients may want to establish a process for each agency to meet the client key decision-makers.

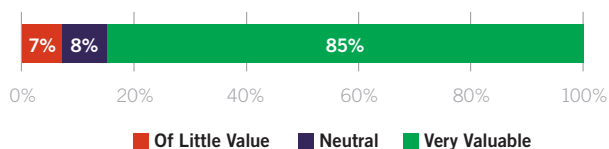
### Agency Perspective

88 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



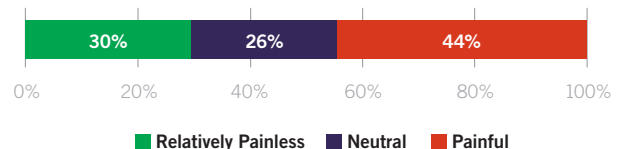
#### Value to the Process



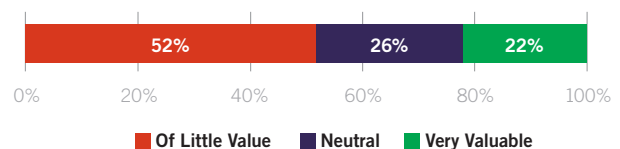
### Client Perspective

11 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

## Room for Improvement

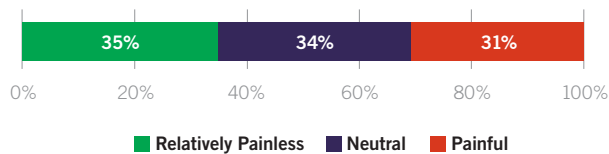
- **Statement 13: An individual agency's questions and associated client answers should not be shared with other participating agencies.**

- **Survey Analysis:** More than two-thirds of agencies agreed with this statement, whereas only 38 percent of clients agreed. Clients felt that not sharing an agency's questions and answers is relatively painless (58 percent) but is very valuable to the process (62 percent). Interestingly, slightly more than a third of agencies found this relatively painless if it doesn't happen and only 48 percent felt it very valuable to the process.
- **Agency perspective:** Many agencies believe that agency questions may reveal a unique insight that an agency has and that sharing the question and associated client answer could result in exposing an agency's strategy or intellectual property. Others believe client answers should be shared, as doing so may provide additional insights to all agency participants.
- **Client perspective:** For many clients, an even playing field must be maintained at all times during the process. These clients adopt an "all or nothing" approach to sharing agency questions and answers. Some clients do recognize that the questions an agency asks can help them assess an agency's understanding of their business and strategic capabilities, and that some agencies will not ask insightful questions if the answers will be shared.
- **Recommendations:** Clients should establish up front in the search process their policy on the sharing of questions and answers with all participants. Questions and answers should only be shared anonymously. Clients may also want to establish a process for agencies to ask strategic questions privately. Agencies should verify with the client how question and answer will be handled and if they can submit strategic questions privately.

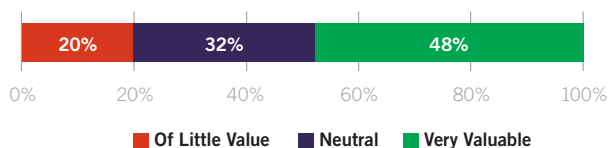
### Agency Perspective

68 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



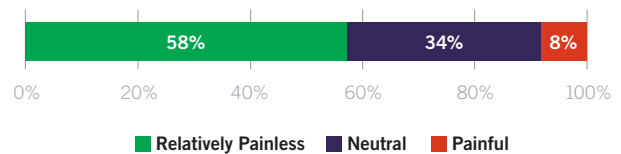
#### Value to the Process



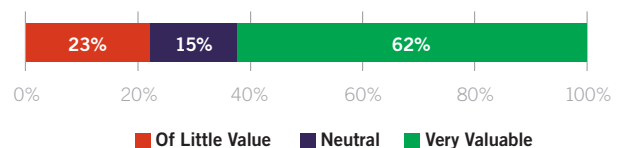
### Client Perspective

38 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

## Room for Improvement

- **Statement 15: The agency should retain ownership of any IP/work product produced during the review process.**
  - **Survey Analysis:** All agency respondents agreed with this statement, found it painful (81 percent) if not provided, and believe it to be very valuable to the process (84 percent). However, only half of client respondents agreed with this statement, with 50 percent believing this brings neutral value to the process and 46 percent neutral pain to provide.
  - **Agency perspective:** It costs money for agencies to participate in a pitch — it is the cost of doing business. Some pitches require spec work, which is an added agency expense. However, any work an agency creates for a pitch is the agency’s intellectual property. This work requires fair payment if a client expects to use it or otherwise obtain ownership.
  - **Client perspective:** Although some clients do not request or require spec work, others feel they need spec work to help them select an agency. Some clients believe that their unique brief significantly led to the development of an agency’s work, so they believe that work should belong to the client. Additionally, some clients find spec work too similar from one agency to the next and it’s therefore difficult to give any single agency credit for the work.
  - **Recommendations:** Clients should establish upfront if spec work will be required as part of the pitch process. Clients should consult with their legal department first and determine if they will pay a fee to obtain ownership of the work presented by the agency. This fee amount should be determined on a case-by-case basis established with input from the agencies involved and disclosed prior to the pitch. The ANA and the 4A’s have **published prior guidance** indicating that an agency should retain ownership of any work product presented during the agency review process, unless the client is willing to pay the agency fairly for that work. However, some clients still feel that it is appropriate to ask for ownership of spec work without paying a fee; agencies should then withdraw if they do not agree with this approach. If spec work is required, consider paying a stipend to cover some of the agency’s out-of-pocket costs, however, this should not imply ownership of the work. There are a growing number of stakeholders who believe spec work should not be part of the pitch process, but rather a client should look for an agency’s evidence of expertise and replicable processes to help build confidence that the agency can create strong work on an ongoing basis.



# KEY FINDINGS

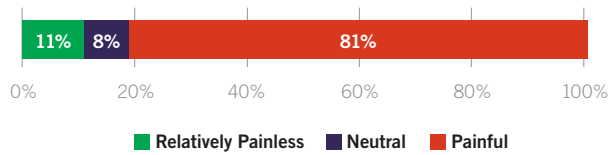
## Room for Improvement

- **Statement 15:** The agency should retain ownership of any IP/work product produced during the review process.

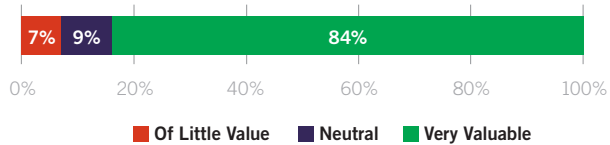
### Agency Perspective

100 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



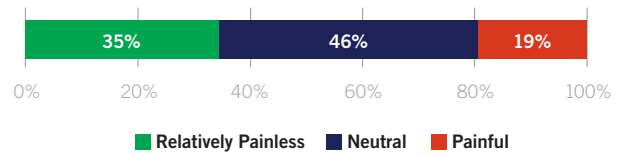
#### Value to the Process



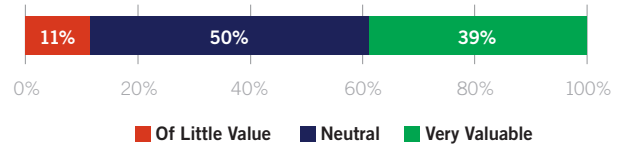
### Client Perspective

50 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# KEY FINDINGS

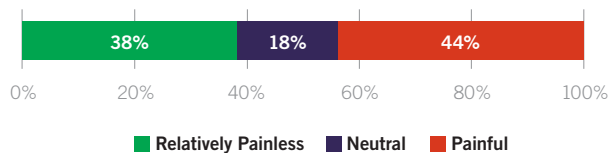
## Room for Improvement

- Statement 16: Barring any agreement to the contrary, the agency should be able to publicize the fact that it won the marketer's business.**
  - Survey Analysis:** Almost all agencies (97 percent) agreed with this statement and find it very valuable to the process (66 percent). Clients do not believe this to be of great value to the process (42 percent) and neutral to provide (46 percent), with 65 percent of client respondents agreeing with the statement.
  - Agency perspective:** Agencies need to market themselves, and highlighting the clients they work with and key client wins are key pieces of that marketing. This can also serve as a great morale driver and recruitment/retention tool for talent. Having the right client mix can be a key differentiator for an agency.
  - Client perspective:** Some clients have corporate policies or regulations in place that do not permit this. Clients should establish their policy regarding this disclosure up front and explain why the win cannot be publicized. Additionally, agencies should not take publicizing the win into their own hands and act alone.
  - Recommendations:** Clients should establish and make clear the rules of engagement for the pitch process, which includes what is permitted regarding publicizing the win. If it is permitted, agencies and clients should work together with their PR teams to ensure a joint release of information.

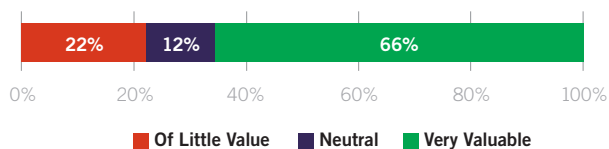
### Agency Perspective

97 percent of agency respondents agree with this statement.

#### Level of Pain if This Does Not Happen



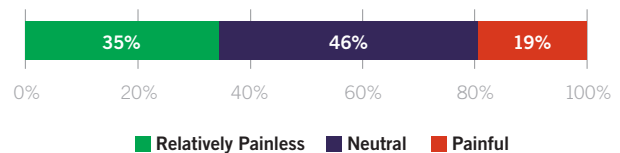
#### Value to the Process



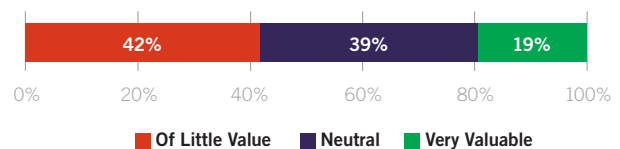
### Client Perspective

65 percent of clients agree with this statement.

#### Level of Pain to Provide



#### Value to the Process



# CONCLUSIONS AND NEXT STEPS

## Conclusions

The agency search process has become complex and painful for clients and agencies alike. Both sides indicated a great desire to simplify and streamline this process. Most issues that arise in the search process can be mitigated by the agency and client being good business partners and establishing a clear process in advance. An established process ensures that clients and agencies are aware of what is expected of each. Proactively sharing the process and guidelines with participating agencies, demonstrating mutual respect, and providing open lines of communications will go a long way to ensure the search process is fair, equitable, efficient, and productive.

It is apparent from the study that client and agencies are aligned on many aspects of the agency search process. Those areas in which further alignment seems to be necessary fundamentally reflect the need for clients and agencies to understand each other's business practices, approach to the agency search process, and business goals.

Through the survey, we were able to identify five key areas of the agency search process where there is room for improvement:

1. Sharing the agencies participating in the review
2. Sharing a budget or budget range
3. Agency access to key decision-makers
4. Sharing of Q&A
5. Use and ownership of spec work

The ANA and 4A's will continue to work together to develop resources and tools to help make the search process simpler and close the gap between client and agency.

## Next Steps

The ANA and 4A's will conduct a series of discussions with agency and client leads to understand perspectives on the five areas with room for improvement. These will be presented as part of the ANA and the 4A's Client/Agency Relationship Forum that will launch in 2023. This joint forum will be comprised of ANA and 4A's members, convened to identify, discuss, and solve issues that are specific to client/agency relationships. Through these discussions and forum, we will develop a best practices RFX template, which may include sample process guidelines, timelines, and structure; communications procedures; and chemistry meeting guidelines.

## CURRENT RESOURCES

- [The Business Case for Relationship Management](#)
- [Best Practice Guidelines for Agency Search Consultants](#)
- [Enhancing Trust Between Marketers and Agencies](#)

# ACKNOWLEDGMENTS

Thank you to the following member volunteers for contributing their time to their respective working groups and this report.

## **ANA Working Group members**

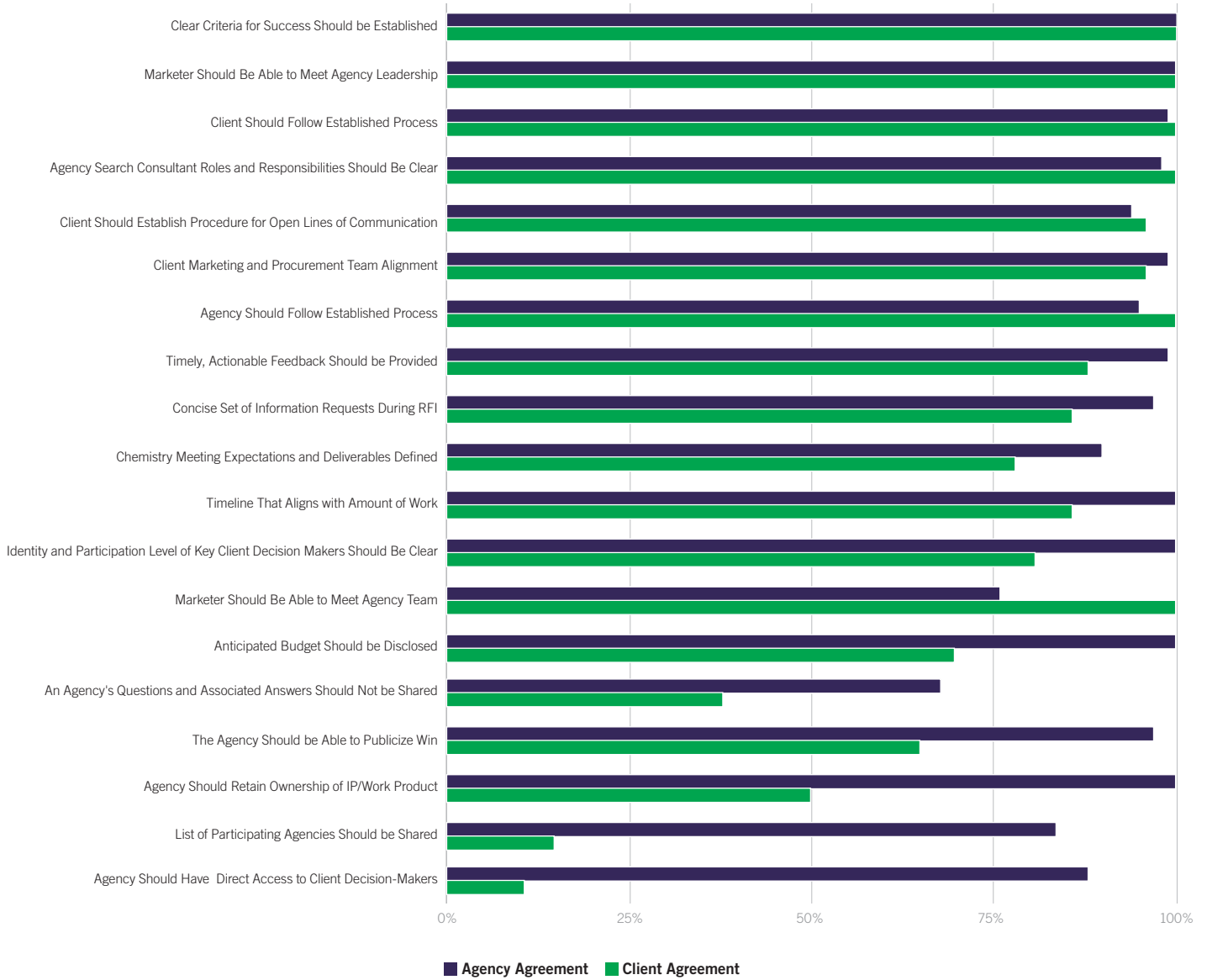
- Nicole Apple, Former Head of Global Strategic Agency Management at **Kimberly-Clark Corporation**
- Debra Hedgecock, Vice President, Global Agency Operations at **Mastercard**
- Lori Knutson, Senior Vice President, Agency Management at **Bank of America**
- Michael Sanders, Managing Director, Brand + Agency, Media and Partner Management at **BMO**
- Sherry Ulsh, Director, Indirect Sourcing at **The Hershey Company**
- Gregory Wright, Vice President at the **ANA**

## **4A's Working Group Members**

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- Jen Hohman, industry growth consultant
- Tim Leake, Senior Vice President, Chief Marketing and Innovation Officer at **RPA**
- Dave Lubeck, Founder of and Managing Director at **Unbound Agency**
- Jeff Maggs, Managing Partner at **Brunner**
- Bill Mattis, Executive Director, Business Development at **McKinney**
- Elizabeth McCune, Chief Growth Officer, Global at **GroupM**
- Jamie McGarry, Chief Growth Officer at **Havas Chicago**
- Michelle Tang, Chief Growth Officer at **McCann North America**
- Matthew Kasindorf, Senior Vice President Business Intelligence and Insight Group at the **4A's**

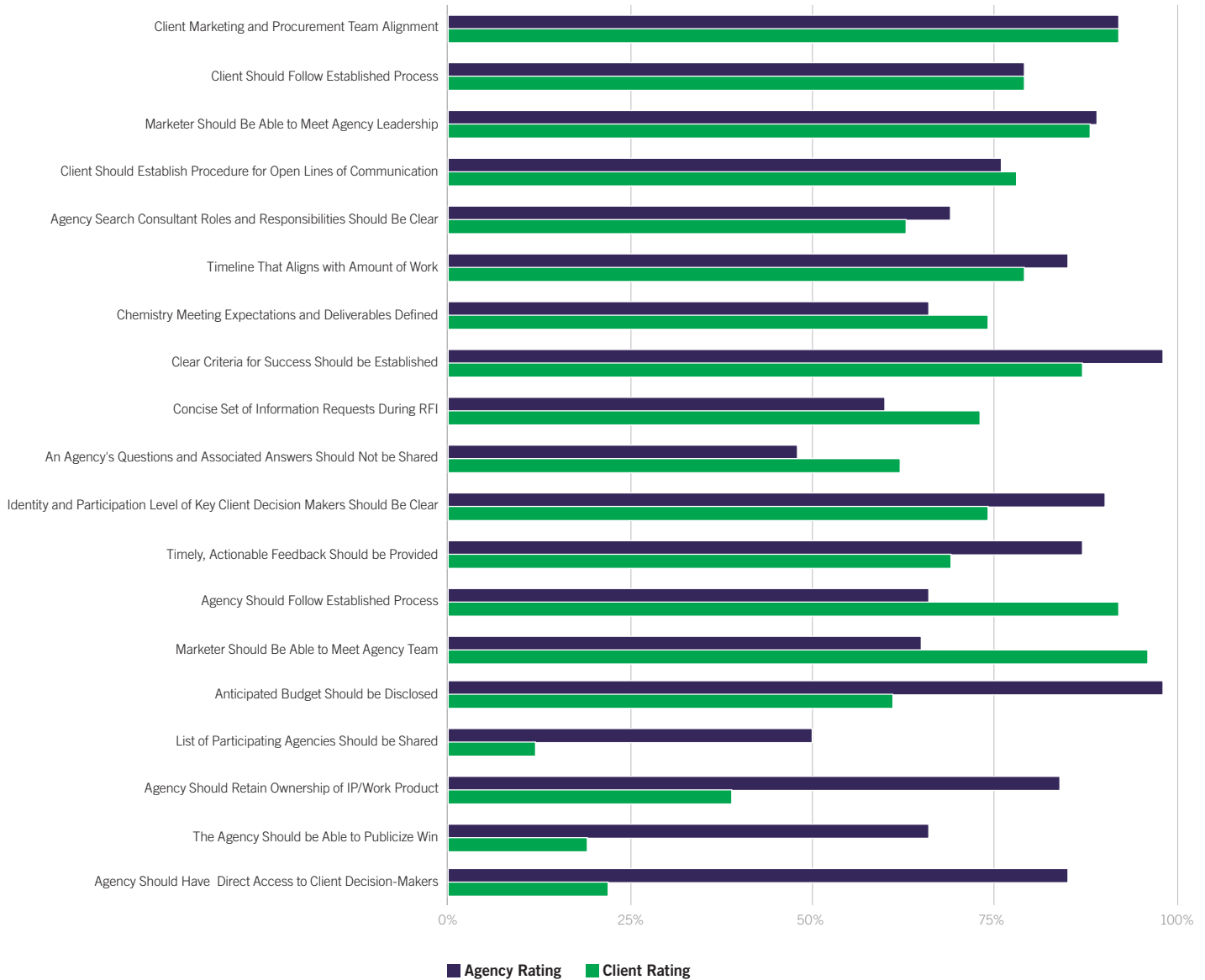
# APPENDIX: SUMMARY FINDINGS

## Agency Search Simplification Initiative Summary of Client and Agency Levels of Agreement



# APPENDIX: SUMMARY FINDINGS

## Agency Search Simplification Initiative Summary of Client and Agency Rating of Very Valuable to the Process



**ANA A's**

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# **Agency Search Simplification**

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