

Agency Trends



Not long ago a group of agency owners asked about trends we've noticed. Are you facing these issues at your place?

The Green Eyeshade Crowd - Purchasing agents are increasingly in the mix when it comes to selecting agencies, negotiating with them, and even saying yea or nay on campaigns and strategies. They present higher hurdles both when you're pitching business and afterwards, too. Does anyone speak their language at your place? It's essential to have your CFO or accounting manager meet and know their client counterparts. They should nurture these relationships the same way account service people do - so personal connections can help avoid and recover from any hiccups.

And more and more clients want to look under the hood at agency financials. That means you need a firm handle on internal costs and accounting. Be ready to share - audits are becoming more frequent.

Quantify the Magic - No news here: measurable results are now table stakes. You've got to prove programs will or have worked on nearly everything. Here are some suggestions. Marinate your clients in data (don't let the purchasing guys get too far out of the loop, either). Present competitive activity reports no less than every 3 to 6 months. Never stop selling in research. The days of Smoke & Mirrors Advertising, Inc. are over.

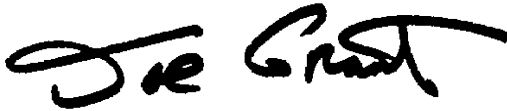
Nose Rings are Normal - Ah, youth. According to a recent TIME article the "twixters," folks 18-25+ years old, try on jobs and partners making sure that when they do settle down they do it the right way - their way. That means a lot of churn. Combat it by eagerly approaching and engaging your bright young talent to keep them stimulated, motivated, and connected to your business objectives. Employees will stay, especially tomorrow's stars, when you listen to and understand and appreciate what they're concerned about. They're not you! Never will be, and you'll be disappointed if you expect them to be "like me when I was your age."

"Please, Sir, I want some more" - Remember the line from *Oliver!*? Agency clients say something similar when we interview them in our client surveys. What they want is more proactivity - unsolicited ideas, added value, "plus" thinking. Get beyond worrying who pays for these extras - it's an investment in keeping the business! Think of it as the money you'd spend on getting a new account. "They didn't bring us enough good ideas" is the reason we hear most often for why a client dumps its agency.

Shifting Gears - Look, we're all on the same train - it's just that some of us will be getting off sooner than others. What I'm talking about is the senior guard retiring or cutting back. These days it seems like people are trying to get out earlier so don't do it without some forethought and remember, it's not just about the money. The sticky bits are choosing and prepping successors, managing egos, dealing with becoming a lame duck, organizational shifts, territory skirmishes, and deciding how, when and why you're leaving. It may sound simple but it can quickly become a miserable passage if you don't get the pieces in place years in advance.

Other trends? The obvious stuff - the caterwauling galaxy of new media, on-line and non-traditional advertising, project vs. AOR accounts, salary creep, little or no staff training, hiring (everyone everywhere complains about the lack of talent), DVR spot-skipping technology, the disappearance of commission based fees, et al. Yikes! Why are we even IN this business?!

Perhaps we'll tackle some of these issues later on. In the meantime, remember there's an archive of articles about running your ad agency on our website www.joegrantconsulting.com.

A handwritten signature in black ink that reads "Joe Grant". The signature is written in a cursive, slightly stylized font.