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Clients Must Provide Transparency, Too

Marketers Need to Do a Better Job Informing Agencies of Brand Goals and Metrics

By [Randy Cohen](#). Published on August 09, 2016.

The escalating controversy over transparency provides all types of agencies with an unprecedented opportunity. With marketers poking, prodding, searching and questioning everything about the current state of advertising, there's a chance for agencies to initiate profound change -- provided they can truly determine what matters most to marketers.

And that requires clients/marketers to be transparent, too.



The opportunity starts with redefining an agency's internal view of success. For decades it's been about new business. Winning lots of it. Getting in the hunt, making the headlines, being perceived as hot, and mastering the art of the pitch and presentation. That worked for years, as long as the agency did its job and won awards.

Today, marketers' desktops are wallpapered with KPI charts. Many of the tools they're using are real-time monitors, reaching far beyond traditional long-term brand measures like awareness, recall and likability. And these insights are blending into the advertising they conduct -- and the choices of agencies they choose to work with -- and stay with.

Clients that once looked at a creative agency's reel and a media agency's fee structure are now evaluating an agency's real industry and advertising specialty experience. For example, they want to know that the agency team working on their account understands how a CPG snack brand can move people from awareness through preference, and how to measure it.

So, what about transparency? This is exactly why marketers need to do a better job of informing their agencies -- truthfully and specifically -- about big-picture brand goals and campaign KPIs. From what we've seen, too many clients are still stuck in old habits, "Why would I give my agency sales data?" Today, there is no longer any reason to hold back.

This transparency is missing from most agency-client relationships and from the overall industry transparency debate. Agencies cannot possibly make a top-to-bottom measurable difference for a brand without the facts. They have to understand what client success really looks like at every level. Only then can agencies create partnerships designed to move those KPI levers.

When I ask agencies why they win and lose business, I typically hear about cost, chemistry and relationship changes. But I think it's really about intelligence and leadership -- the ability of the account team to bring a sophisticated understanding of the business to bear every day. We polled 300-plus marketers, including 90% of the top 200 U.S. advertising brands, and they overwhelmingly cited the ability to create relevant strategy and deliver business results as the top criterion in their intensifying evaluation of agencies. Add to that their desire to access the talent to complete the task and the analytics to measure it.

That's why we may see a change in the balance of agency success in the near term. The holding companies have predominantly focused on integrating all the agencies they've acquired, whereas smaller agencies have been able to focus on understanding clients' business and performance needs at greater depth. The nimbler shops are answering clients' unvoiced motivations and inspiring more agency reviews -- in fact, more than 58% of marketers we polled intend to review their agency in the next 12 months.

In the long term, agencies must achieve more productive collaborations with their clients. Given all of the conflict and suspicion these days, they're talking at each other, instead of trusting each other with the facts. We've seen this disconnect in our ongoing work with clients over the past decade, as agencies and marketers differ significantly in how they perceive media brands and the industry's most pressing advertising issues. Far from a Venus and Mars phenomenon, the divergence really owes itself to lack of transparency -- on both sides.



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