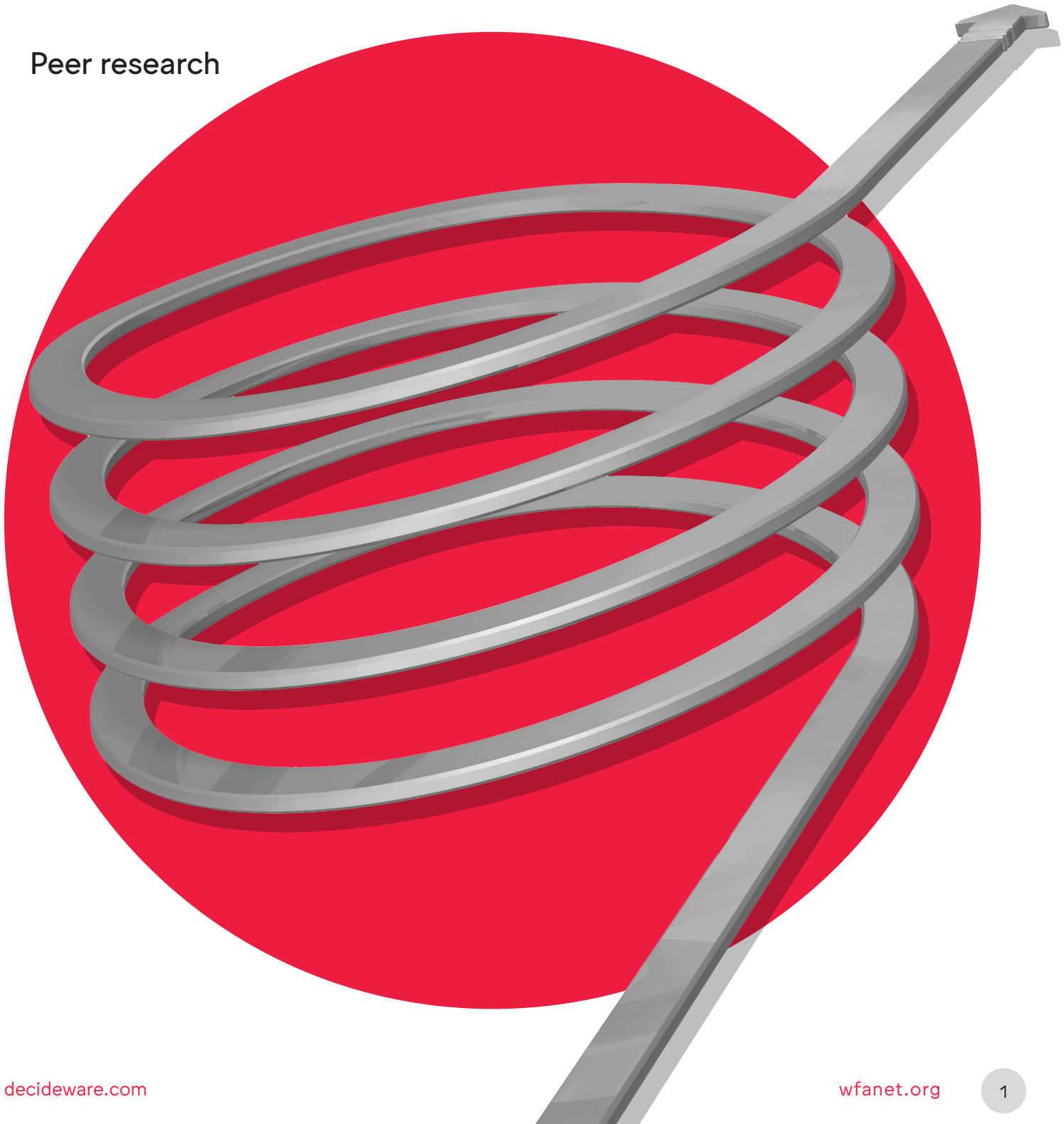




# Client-agency performance evaluations: the agency view

Peer research



# Introduction

As the saying goes, if you do not measure it, you cannot improve it. Hence one of the most valuable tools an advertiser has to elevate their relationship and performance with agencies or marketing partners is a formal evaluation program. The fundamental reason for running client-agency performance management programs is to create and reinforce focused and sustained process improvement, skills development, and behavioural changes at both the agency and client.

But a poorly executed evaluation process can be more detrimental than good and have an impact on the overall client-agency relationship. To maximise the benefits of a

formal evaluation process, it should be robust and well thought through. Having the right question set, participation, and commitment to action planning and follow-through are essential to get a true return on time and efforts invested by both agencies and marketers.

The evaluation should help anyone taking part in the initiative understand why something is happening, highlight behaviours that should change, accompanied with a set of honest and clear recommendations on how to improve. The evaluation should help agencies deliver better outcomes, as well as support clients becoming ‘better clients’, that agencies are motivated to work for.

Decideware has been a strategic partner to WFA since 2014. Over the years we have collaborated on numerous studies and workshops around efficiency matters. For instance, in 2017 we partnered on a survey to understand the client’s perspective on client-agency performance evaluations. Findings from that study and related webinar showed that:



- 72% of clients rated their respective client-agency performance evaluations as very effective in maintaining strong relationships
- 94% considered the involvement of agencies to provide feedback on clients as ‘best practice’
- And while 43% thought their agencies would qualify the client approach to evaluations as rather positive and useful, 37% felt that agencies would take a more neutral position, accepting the established process the way it was without being fully convinced by its value or necessity

Since then, we have conducted workshops globally from Asia, to Europe, to the US to help WFA members get the most out of that process. The focus of our partnership has gone beyond just evaluations as we helped clients on several aspects of the agency relationship – from establishing rosters, rate cards, scopes of work, reconciliation to production cost management.

However, while a lot has been written about agency evaluations from the client’s perspective, there has been little coverage of the agency’s side and their views. Both the WFA and Decideware have been researching the perspective of the agencies and giving them a shared voice.

In 2019, Decideware started to interview agency executives to understand what was important to them in the evaluation process. Some of the key highlights were the importance of senior marketing leadership

engagement, the need for formal and informal feedback to proactively deal with issues, and the importance of the debrief and action planning process. Meanwhile, the WFA conducted a survey on global effective agency management, to update some of the figures from our 2017 joint survey on client-agency performance evaluations.

Earlier in 2020, WFA and Decideware formally reached out to 60 agency executives who generously shared their experience in relation to client-agency performance evaluation programs.

Our intent was to continue to evolve performance evaluations and highlight factors that differentiate a good program from a bad one. We hope you find value in this most recent report and can apply the learnings to your own client-agency relationships.

# About this document

This document contains the results of an online survey conducted by the WFA in partnership with Decideware during the first quarter of 2020.

There were 60 survey respondents representing 36 different agencies. Over half of the respondents had a global remit and the majority held account management roles in the agencies. About two-thirds of the respondents were from network agencies within a holding company. While most of the agencies were full service, there was a host of other agency types participating in the survey (e.g. media, creative, production, digital, etc.).

This report also includes some references and comparison with the [2019 WFA survey on global effective agency management](#) and a research article written by Richard Benyon in November 2019 ‘[It’s a Two-Way Street – Agency experts give their perspective on the client-agency relationship evaluation process](#)’.

Please bear in mind that this document is not a definitive guide. Rather, it provides general, high-level information to assist WFA members who would like to evolve their client-agency performance evaluation methodologies. This does not intend to replace discussions with agencies.

Recommendations included in this document are merely meant as suggestions or proposals. They are not binding in any way whatsoever and WFA members are free to depart from them. The actions outlined in this report will be discussed and further developed at WFA member events [www.wfanet.org/events](http://www.wfanet.org/events).



## Executive summary

The key areas of focus centred around the quality of feedback, timing of evaluations, how agencies are evaluated, and the process itself.

Agencies value objective, constructive feedback along with positive acknowledgements. Most performance evaluation processes are centralised (Fig. 4), and the majority of clients provide formal agency feedback at least annually (Fig. 3). KPIs that agencies value the most are soft metrics on the agency’s general performance (Page 8). And agencies want to be rewarded with non-traditional incentives such as longevity of the relationship, promotion, or gain share (Page 17).

Where can improvements be made? Client’s claims of face-to-face debriefs is not reflected in many agencies’ experience (Fig. 7). Follow-through with formal action plans are not systematically put in place and if they are, they are not consistently tracked (Fig. 11/12). In regard to 360-degree feedback where the agency is evaluating the

client, agencies said they do not feel comfortable sharing the truth (Fig. 2); and are not routinely provided a platform to provide feedback to clients.

While more than half of responding agencies measure their own efficacy, they do not always share this with clients to help bridge perception gaps (Fig. 9). KPIs focused on costs are not valued by agencies (Page 9). While some level of remuneration is linked to performance, agencies need flexibility and adaption in this area (Fig. 13/14).

In summary, agencies want the performance evaluation process to be deliberate and genuine starting from agreed upon goals through to action plans and tracking progress against the plans. They want to be able to have a relationship with their clients where they are evaluated fairly and objectively and want to be able to provide honest feedback.

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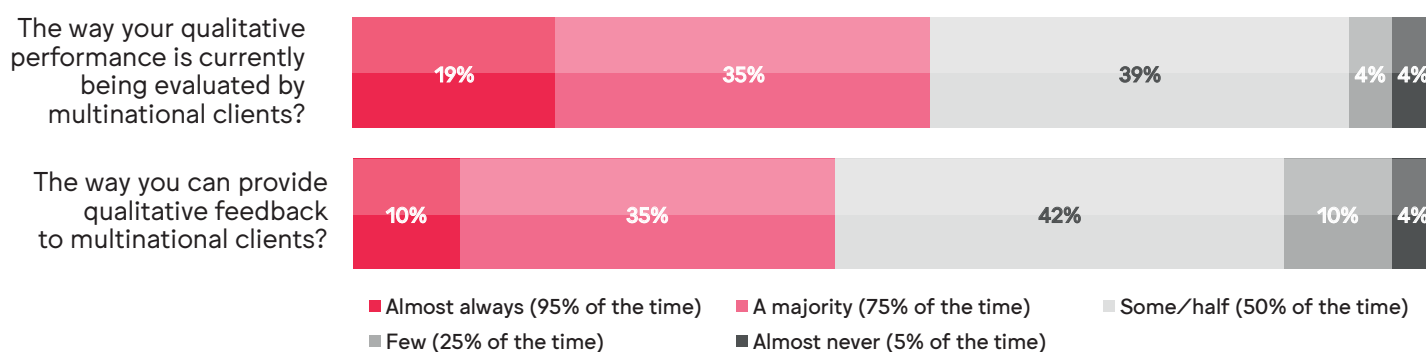
### Agencies feel agency-client performance reviews have plenty of scope for improvement! (Fig. 1)

When asked if agency respondents were generally happy with the way their performance is evaluated by clients just over half said they were happy or happy a majority of the time, while the other half said they were sometimes, seldom or almost never happy. In terms of how the agency gives feedback to the clients, they are less happy with the way they can provide feedback.

Constructive feedback from agencies to explain the above statistics fell broadly into three buckets:

1. **Metrics** – generally agencies said that performance metrics are more often evaluated on opinion or mood rather than measurable deliverables and clients are benchmarking agencies too generally against each other.
2. **Priority** – conducting formal evaluations is a commitment from both agencies and clients. If the evaluation is not given the right level of importance it can be demotivating, and response rates may be lower due to lack of interest.
3. **Competence/professionalism** – there is disparity about how confident agencies feel about formal evaluations. They see some organisations more elaborate and accurate than others and view some clients as having limited competence in their ability to objectively evaluate agencies.

Fig 1. Are you generally happy with....?

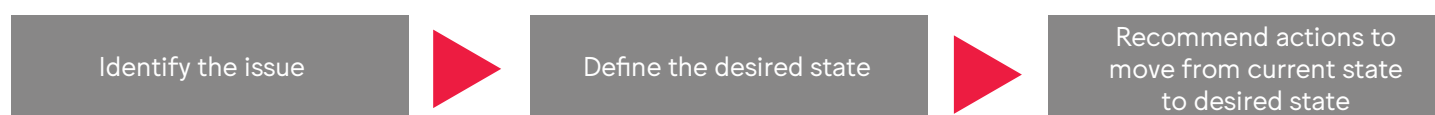


### Barriers remain to providing an environment where agencies are comfortable to share the truth (Fig. 2).

While most people agree 360-degree feedback is important, the biggest challenge for agencies is providing 'honest' feedback on clients. Ranked second was agencies feeling like the evaluation is irrelevant because the client is 'king'. Agencies feel direct feedback may harm their relationships or jeopardize business. Clients must recognise this hesitation on behalf of the agencies and create a trustworthy environment where open and honest input can be provided without fear of reprisal.

### How to address these barriers?

1. Clients must to be clear on the purpose of the evaluation and structure the survey in a way that allows for constructive feedback.
2. Respondents should write clear, concise, action-oriented comments that suggest a solution.



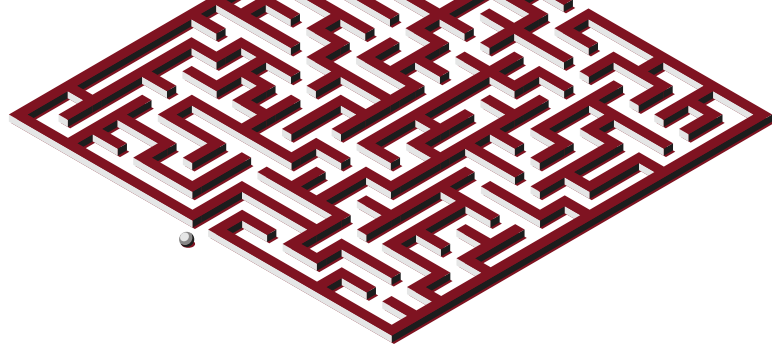
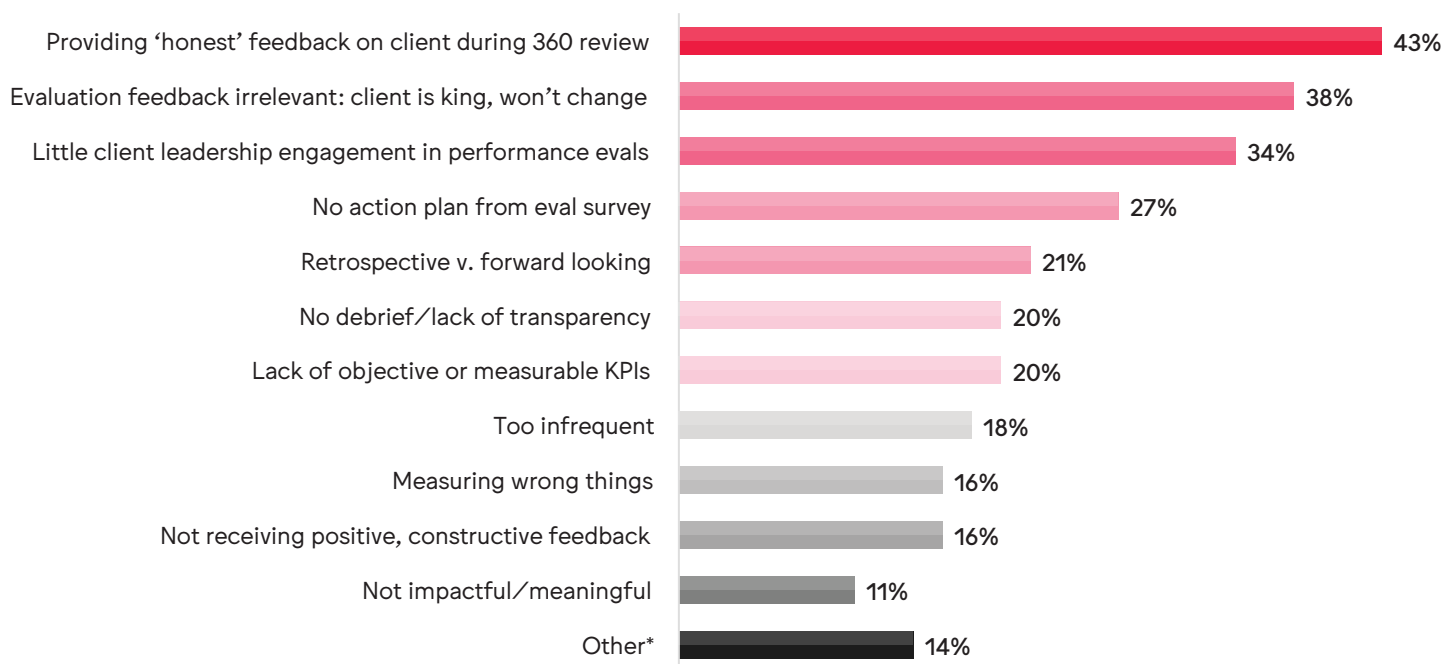


Fig 2. “What are the biggest challenges you see in relation to agency performance evaluations?”



Other challenges faced by agencies and mentioned in this research included:

- “The desire to make fundamental changes is limited as investments in long term relationship continue to decrease.”
- “Many clients do not want to set objectives and KPIs for fear of exposure should the work not hit the targets set at the outset.”
- “Agencies have not invested nearly enough in tools, skills or platforms to measure the impact of their work.”
- “Not allowing ‘reverse’ feedback on client performance/compliance.”
- “Nuances are lost when performance is merely captured by a score.”
- “To have the right evaluation! Sometimes, you are not evaluated by the right people or not on the right scope.”
- “A big challenge for us is client rotation a few months before the evaluation due date, with the evaluation filled by newcomers only partially able to assess the Agency”

“There are tried and tested models – the best models are simply those that do the basics brilliantly.

Linked to shared goals, agency contribution, not overly complicated, and supported by the highest levels of both business...”



Paul Williams  
Commercial & Procurement VP  
@Havas Group



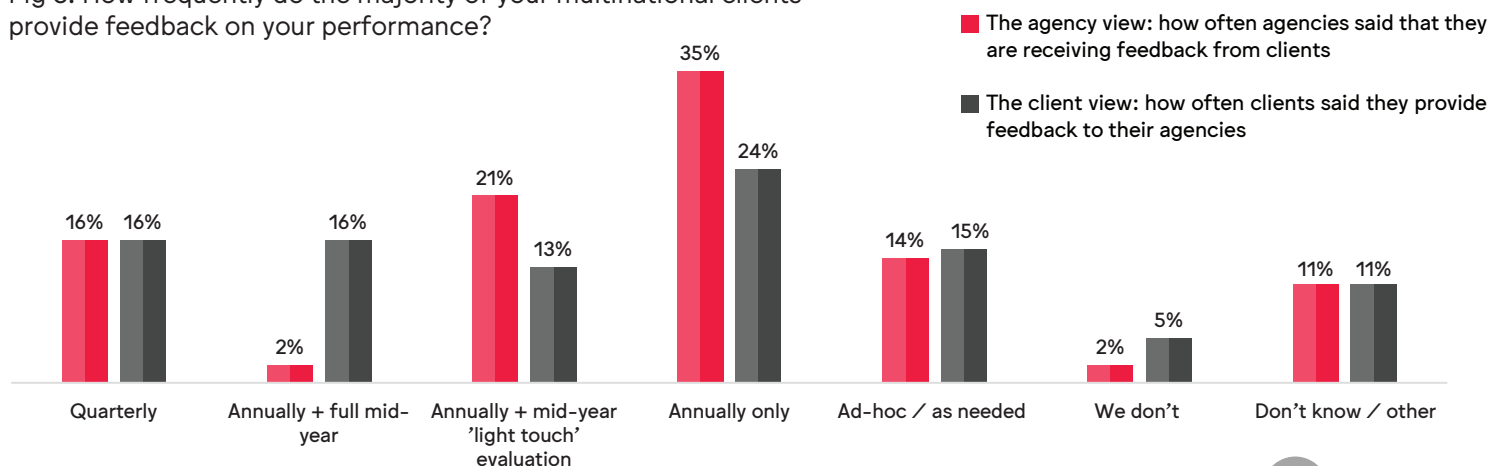
## Part 2: Client on Agency evaluation process

### Most multinational clients provide feedback to their agencies at least once a year (Fig. 3).

WFA conducted a client side survey in 2019 on global effective agency management. Those responses were compared against the agency responses to the same question.

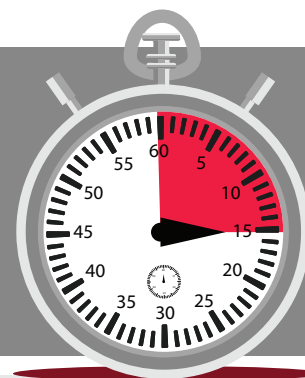
While the results were similar, there were some disparities in perceptions between the client and the agency. Based on interviews of agency executives, the recommendation is to conduct evaluations at least twice annually, and ideally on a rolling real-time basis. Optimal frequency does vary by organisation.

Fig 3. How frequently do the majority of your multinational clients provide feedback on your performance?



### How often can you perform evaluations?

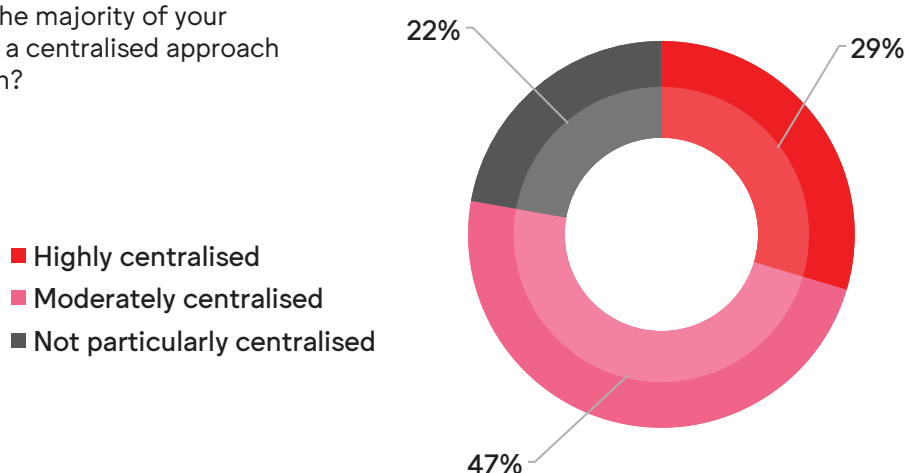
- Twice-yearly full review e.g. at the end of a given fiscal year and at mid-year
- Full annual review with a lighter mid-year pulse check allowing issues to be escalated early and avoiding potential for survey fatigue
- Quarterly reviews – typically used when KPIs are being measured and tracked
- Reviews by project or campaign



### 4 in 5 performance evaluation processes are centralised to a certain degree, varying amongst clients or regions (Fig. 4).

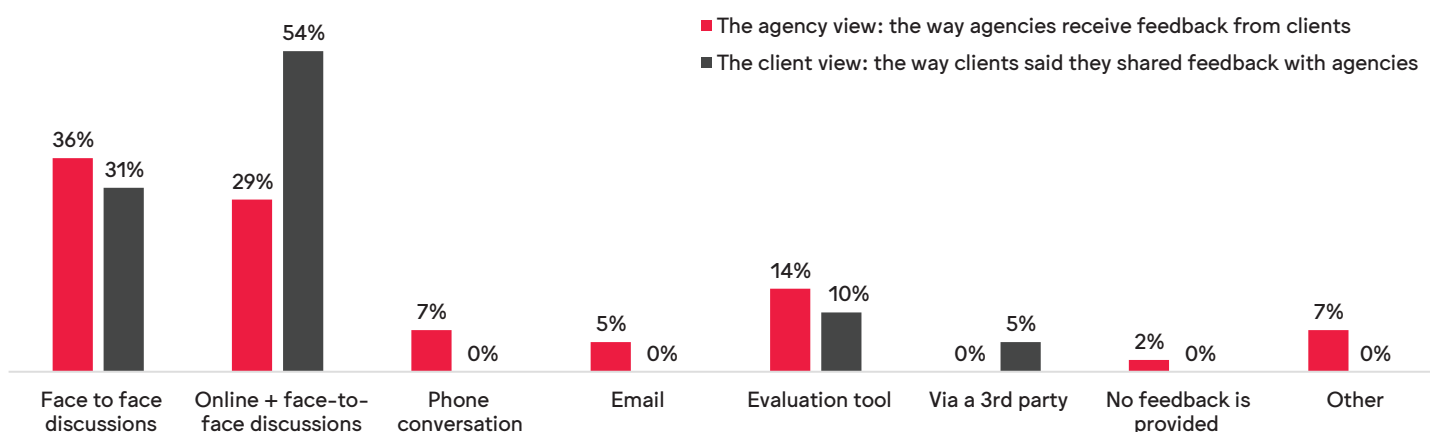
This result was not a surprise to us, as most clients have global marketing or marketing procurement functions in place, we understand that a similar standard model is more likely to be used across regions. Besides, a quality agency evaluation program should not be underestimated – there is significant consideration that should go into defining the purpose, designing the questionnaires, incorporating performance objectives, reporting, action planning and follow-up that goes into a quality program. Where practically possible, evaluations should always be conducted centrally since a basic goal of an agency evaluation program is to uncover views at all levels and touch points in the relationship.

Fig 4. To what extent do the majority of your multinational clients have a centralised approach to performance evaluation?



**Clients' claims of face-to-face feedback not reflected in many agencies' experience (Fig. 5).** While most clients reported they have online and face to face debrief discussions with their agencies, the agency feedback does not reflect that same level of communication following the evaluation process.

Fig 5. After an evaluation has been completed, how do the majority of your multinational clients typically provide the results to you?



Agency executives view being involved in the face-to-face debriefs as one of the most important parts of their role and a key element for the direction of the business. **How to facilitate face-to-face debrief discussions?**

1. Meetings should be prioritised and attended by the key client and agency relationship owners, including day-to-day managers of the relationship, respondents to the evaluation, and senior level personnel.
2. Set a date in advance e.g. at least 6 weeks before to allow enough time to prepare the meeting and ensure that everyone can attend.
3. Consider a neutral venue that is not the client office.
4. Establish an agenda covering both client and agency needs e.g. review of the overall evaluation scores, identification of key themes or patterns, gap analysis, focus on top issues, next steps & action plan.
5. Share responsibility across the agency and client in the action plan.
6. Provide a summary and follow-through including key milestones on the monitoring of the action plan.



## KPIs that agencies value the most



### HARD METRICS

impact on the client sales performance

### ROBUST METRICS

impact on brand performance

### SOFT METRICS

The agency's general performance

Mentioned over 10 times

**Sales growth** e.g. impact of the agency on the business or brand revenue, sales % growth, sales effectiveness, how the media plan helped meet business goals etc.

**Brand tracking measures** e.g. campaign performance results by region or market, post campaign tests based on agreed criteria, equity growth, awareness, loyalty, adoption, resonance or brand lift, differentiating the brand from competition creatively

**Client satisfaction** e.g. client feedback tailored to agreed areas of focus, client enjoyment

**Compliance** e.g. accuracy, flawless content, right first time (RFT), quality of design/services

**Collaboration** e.g. affinity, agency team engagement, internal and external communication, agency team going the extra mile, attitude, ability to collaborate with other agencies (other client's preferred partners), financial reconciliations, daily management of the account

**Efficiency/Effectiveness** e.g. delivery in time and meeting channel-specific deadlines, overall response time, punctuality showing reliability, identification of areas for improvement

**Strategic thinking** e.g. overall agency planning, power of the Big Idea, thought leadership, ability to build and improve on the brief, breakthrough solutions accelerating business growth, guidance beyond traditional thinking, new approaches to old way of thinking

Mentioned over 4 times

**Agility** e.g. flexibility, ability to change plans/budgets quickly, preparedness, speed of change

**Budget management** e.g. completion of projects within/under budget in line with client goals

**Agency capabilities** e.g. understanding of the brand challenges and audience, general client knowledge, development of relevant strategies, right agency team in place

**Creative opinion** e.g. production of qualitative/creative ideas in line with key message and targets, smart and surprising answers to the brief, awards

**Innovation** e.g. how has the agency helped with innovative projects, capability to reinvent

**Operations** e.g. effective communication with various levels of stakeholders and regions, nimble teams to work cohesively across regions, disseminating information efficiently

Mentioned once

**Accessibility** e.g. availability, agency can be reached at all times

**Agency satisfaction** e.g. agency staff enjoyment to work on the account

**Customer satisfaction**

**Delivery** e.g. ensuring what is committed to in pitch is carried through



## KPIs that agencies value the least



“Yearly sales objectives: we do not hate this criteria, but it must not represent 100% of the quantitative objectives assigned to the agency”

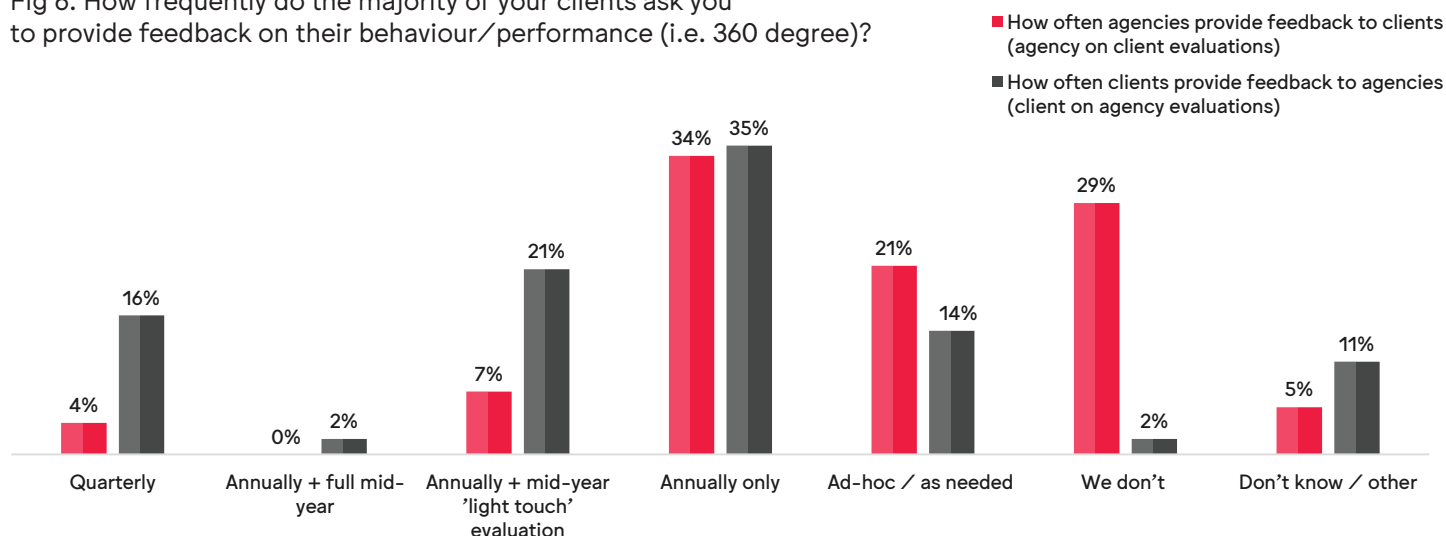
Mentioned over 30 times	<b>Cost-only related KPIs</b> e.g. “agency strives to save client’s dollars”, without being looked at in conjunction to quality of output; hard savings YoY; agency cost or price competitiveness not related to the quality asked for; liquidated damages; rebate recoupment; media inflation, as it’s a market dynamic; production costs “as this is often driven by client rosters & cost control”; savings with no pre-existing baseline for comparison
Mentioned over 15 times	<p><b>KPIs with no clear attribution to the agency</b> e.g. “pure ROI, client share price, profit position” or any metrics that agencies cannot affect (as explained by a respondent, “product sales involves distribution methodologies, not only advertising performance”); NPS “because so many factors contribute to this other than the practise of media planning and buying”; multi-stakeholder opinions; things you can contribute to but can’t control; vanity metrics for social (likes and follows); working vs non-working</p> <p><b>On-time delivery</b> where the agency is 100% responsible for on time delivery, “absolving the client from any responsibility – It takes two to tango!”; timelines without a clear SOW, not adapted to project complexity or excluding client approval deadlines; speed at all cost</p>
Mentioned over 5 times	<p><b>KPIs that are not impactable by the agency</b> e.g. KPIs related to creative or website experience where the agency cannot influence, multi agency partners collaboration – when its not driven by client</p> <p><b>Partial KPIs</b> e.g. “digital adoption – myopic; should be about omni-presence”; “format specific KPIs (e.g. 70% digital) – business objective and audience should drive the channel and format selection”; “impressions only because it doesn’t tell the whole story”; “volume as it improves the factory aspect without quality”; also “when one person’s opinion drives the review, when a team is involved” or “when clients evaluate an agency despite not having working history (or short history)”</p> <p><b>Too subjective KPIs</b> e.g. “agency demonstrates enthusiasm – very subjective and not necessarily leads to higher effectiveness”; “consulting services – we believe that our clients are advised by us on a daily basis, but assessing the quality of this is very subjective”; or “subjective opinion of creative output quality”</p>
Mentioned twice	<p><b>Budget management</b> if budget is set at the start of the process with unconfirmed SOW or if budget estimate is increased due to excessive client change in direction</p> <p><b>Creativity</b> “as we often struggle with protecting the original creative idea” or when the evaluation of the agency creativity is too subjective</p> <p><b>Innovation or trend scouting</b> if your brand or organisation is not ready to try new things</p> <p><b>One-way KPIs</b> that would involve a mechanism unfairly penalising the agency or KPIs where the agency can support but need client support and buy-in from client leadership for the overall model to work</p> <p><b>Agency staff composition</b> because “staff management is of agency’s responsibility and should not be a criteria itself”; “junior client staff requesting to work with senior agency staff”</p>
Mentioned once	<p><b>Freebies</b> or the amount of free services or “value add” the agency provides for free</p> <p><b>Short-term KPIs</b> to measure overall efficiency</p>

## Part 3: Agency on Client evaluation process

### Agencies need to be provided with a platform for more regular feedback on clients' performance (Fig 6).

4 in 10 agencies provide client feedback at least once a year vs 7 in 10 clients providing agency feedback at least once a year. This came as a surprise to us, since clients in our previous joint survey in 2017 clearly recognised receiving the agency feedback as 'best practice'. Performance is a two way street, and can only be improved if both sides of the equation are being evaluated at a similar frequency.

Fig 6. How frequently do the majority of your clients ask you to provide feedback on their behaviour/performance (i.e. 360 degree)?

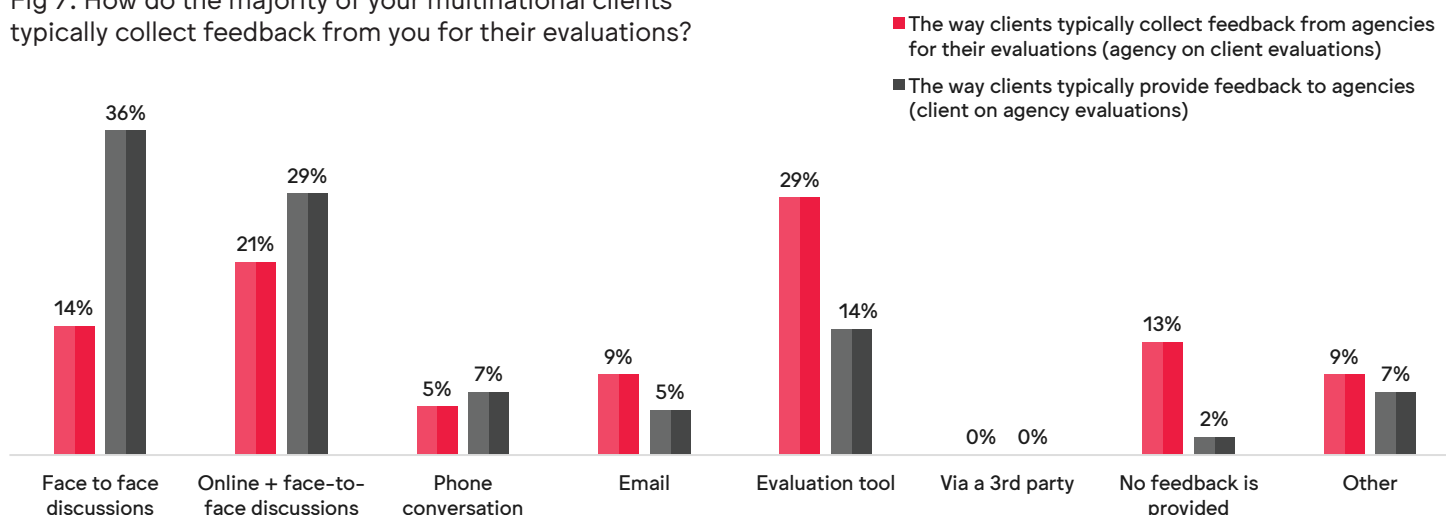


### Clients must enable open exchange where agencies feel comfortable to provide honest, constructive, observations (Fig. 7).

Findings showed that 3 in 10 agencies provide face-to-face feedback to clients vs 6 in 10 clients providing face-to-face feedback to agencies. But agencies also have a role to play in ensuring that issues don't fester. The formal evaluation process, often established by the client, provides an avenue to elevate issues and recognise success while the informal path is an important step in communication. Issues should be identified and escalated early regardless of whether they fall on the agency or client side. Clients and agencies should continuously monitor the health of the relationship and not wait until the formal evaluation process to raise concerns.



Fig 7. How do the majority of your multinational clients typically collect feedback from you for their evaluations?

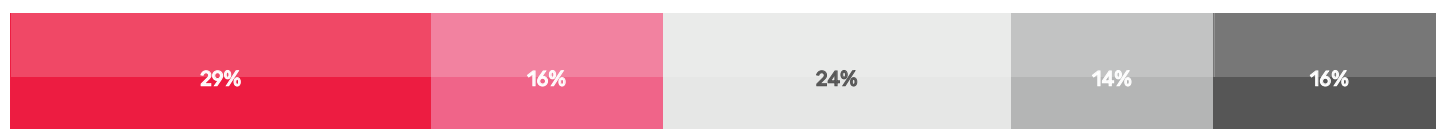


**More than half of our responding agencies measure their own efficacy using various metrics (Fig. 8).**

Fig 8. What KPIs (Key Performance Indicators) do you use to measure your own effectiveness?



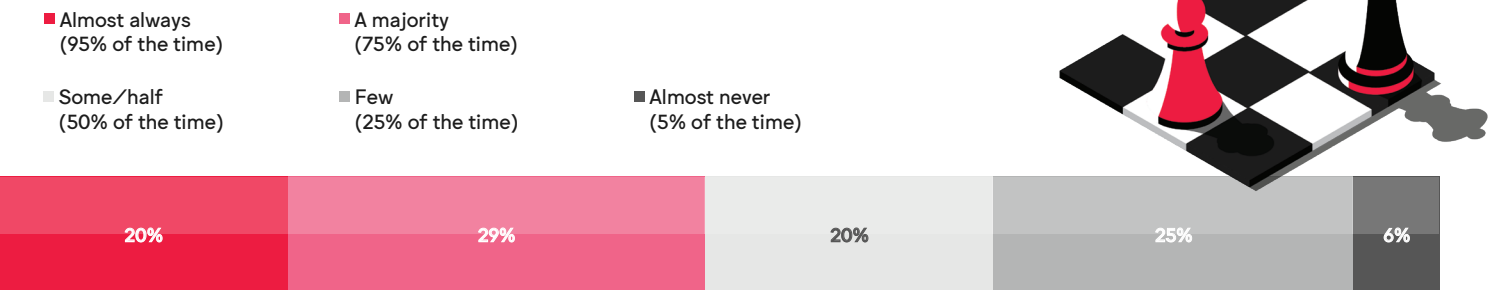
An agency selfassessment is an important component of an evaluation. When it is incorporated into a comprehensive 360-degree evaluation it can help identify and bridge gaps in perception. The respondents in our survey commented that sometimes they feel the feedback may have been more of a reflection of the mood of the day and may have lacked objectivity. Having a more comprehensive perspective of the relationship and identifying gaps in perceptions is an important aspect to building better relationships between clients and agencies.



Part 5: Actions & next steps

**Formal action plans are not systematically put in place as a result of the agency-client performance evaluation (Fig. 10).** Half of the agency respondents indicated clients established formal action plans as a result of the evaluation at least the majority of the time. The other respondents said that less than half the time their clients are putting in place action plans. This is an alarming contrast to the survey we conducted 3 years ago, where 97% of clients reported that they incorporated formal action planning into the evaluation process. The goals of evaluations are to identify issues, recognise success and improve both agency and client ways of working. If no action plans are put into motion, this will highly impact the return on time and efforts invested into the entire evaluation process. Both the client and the agency should push for a concrete action plan to be in place and work together to formalise it.

Fig 10. How often is a formal action plan put in place as a result of the evaluation?



**Where action plans exist, most involve a mix of client & agency actions (Fig. 11)** – but won’t be consistently tracked (Fig. 12). It is positive to see that when action plans are put in place the majority of the time there is a mix of client and agency actions. As with any relationship, there should be a shared responsibility on implementing changes that will improve the relationship. When meaningful action plans are built collaboratively together, they can be tracked and implemented. Performance evaluations provide a vehicle for clients and agencies to work on and improve their relationship, if action plans are not monitored, it can undermine the value and integrity of an agency evaluation program.

Fig 11. If a plan is put in place – are the actions:

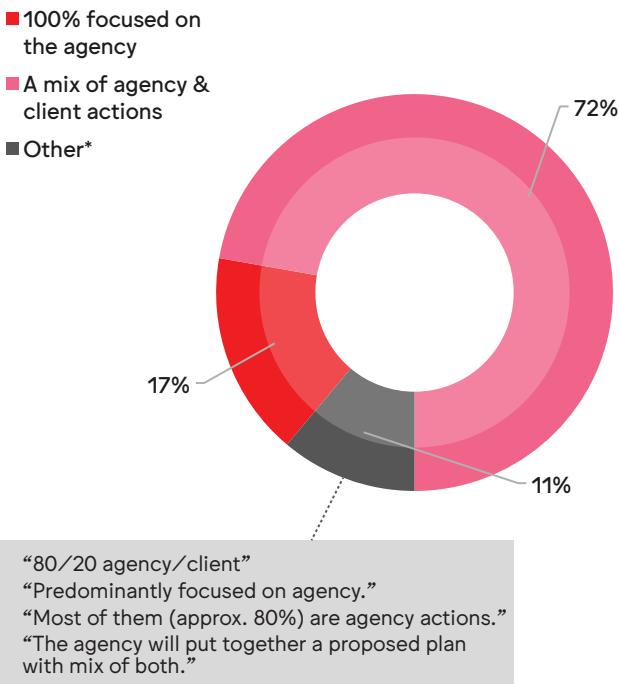
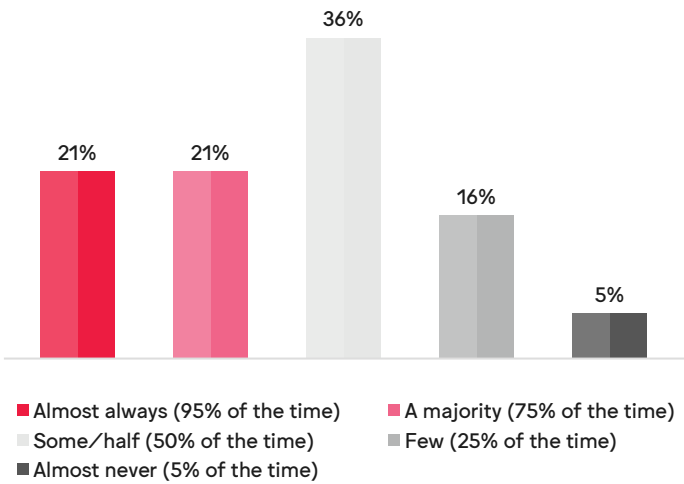


Fig 12. If a formal action plan is in place – is it tracked?





## How can you build an action plan?

First, think SMART:

### S – Specific

Identify the specific issue; agency and/or client actions; and person responsible for the action.

### M – Measurable

Know how you will measure improvement.

### A – Achievable

Plans need to be actionable; does senior leadership need to step in to ensure change is pulled through?

### R – Results Focused

Make sure actions are being tracked and there is a focus on the bigger picture.

### T – Timebound

Establish a timeframe for each of the actions.

The action plan must define an overall goal to solve a specific issue. The overall goal is then broken down into action steps that can be assigned a degree of priority, responsible persons to lead the action, resources needed, ways to measure progress or success, as well as start and end dates. There is no one ‘best practice’ to design an action plan, but hopefully the below example can inspire you to create one of your own.

Issue description						
Goal or overall desired outcome						
Sponsor of the action plan						
Milestones	Action 1	Action 2	Action 3	Action 4	Action 5	
Priority level						
Names of responsible person for this action (from client & agency sides)						
Start date						
Completion date						
Resources needed						
Progress indicated at the time of the last evaluation						
Indicator of success						
Expected outcomes						

“Positive evaluation is just as effective as the negative, or maybe even more!  
Do not focus on negative only and take positive for granted”



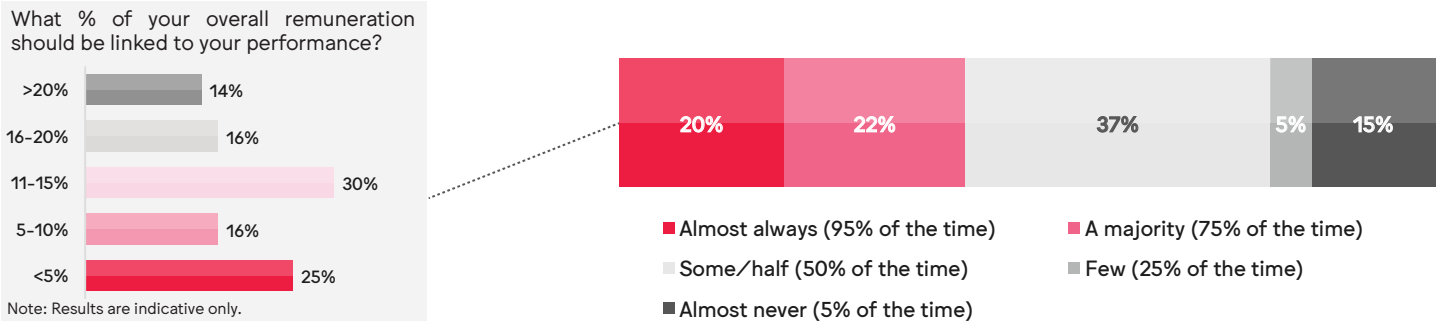
Marina Vershinina  
Client Service Director

@Instinct, agency of BBDO network

Part 6: Link with remuneration

**Performance-based models, whilst a trend often used by clients according to the WFA global agency remuneration report published in 2019, are not always seen as appropriate by agencies (Fig. 13).** When asked what percent of the overall remuneration should be linked to performance two-thirds said it should be 15% or less with a quarter of the respondents saying it should be less than 5%.

Fig 13. How often should your remuneration be linked to the results of the evaluation?



**Need for flexibility and adaptation (Fig. 14).** The financial structure of agency types vary and so does their risk tolerance when it comes to incentive compensation. Remuneration or compensation tied to performance adds a layer of complexity so agencies and clients should work closely together to develop a plan that supports the goals of both organisations.

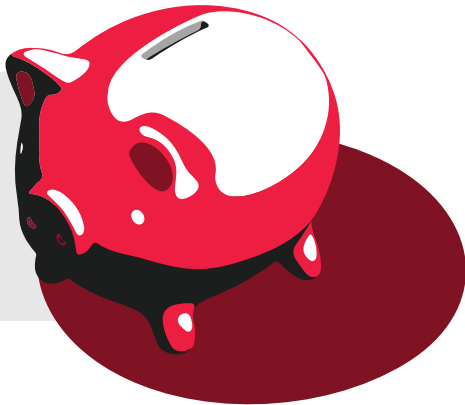
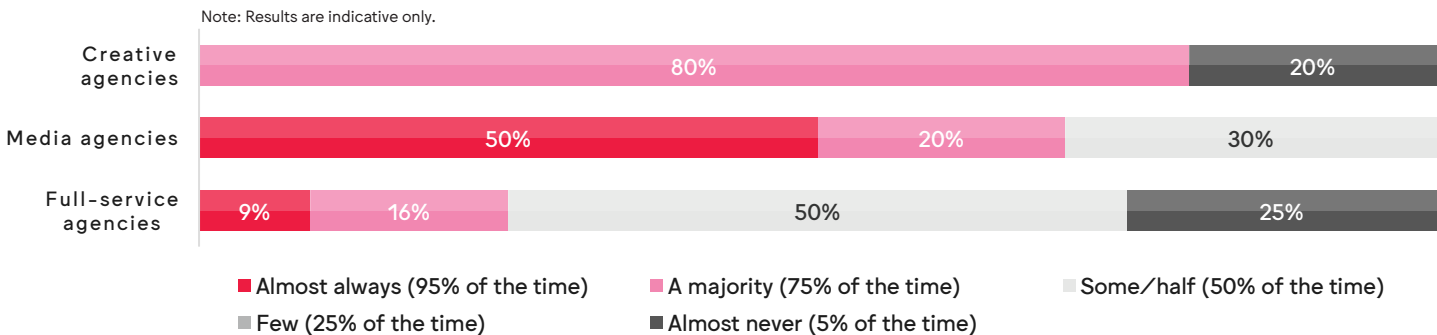
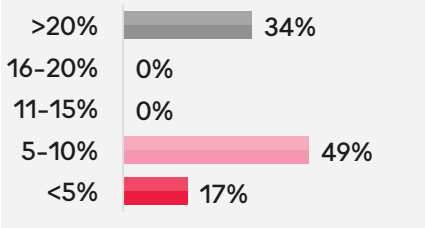


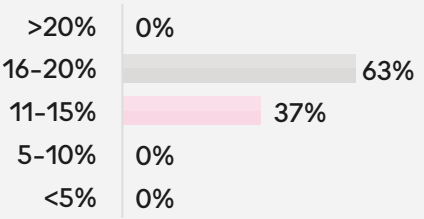
Fig 14. How often should your remuneration be linked to the results of the evaluation? per agency type



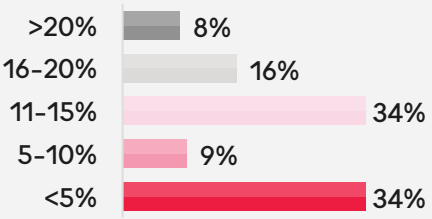
Creative agencies: what % of your overall remuneration should be linked to your performance?



Media agencies: what % of your overall remuneration should be linked to your performance?



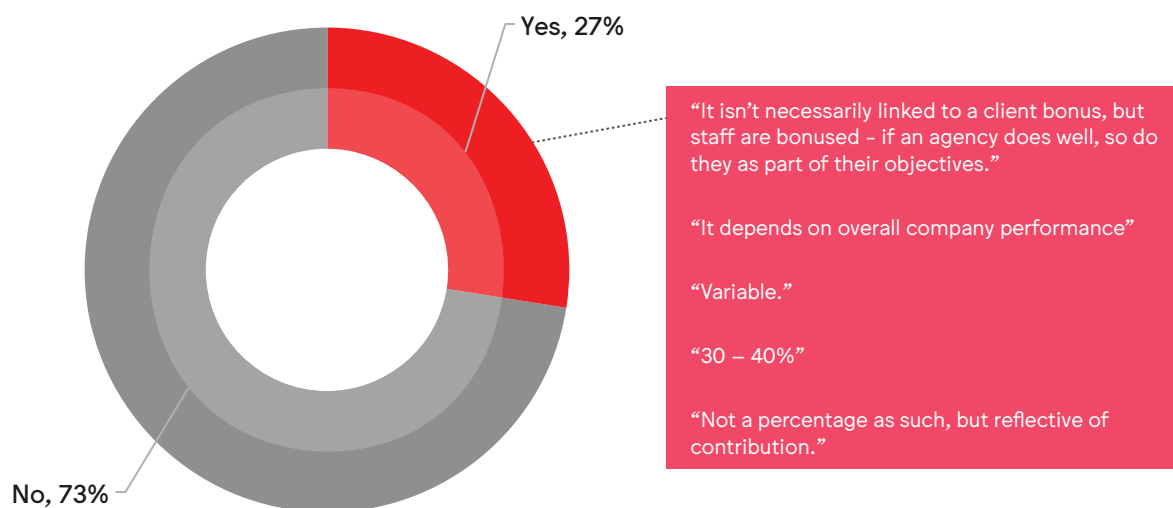
Full service agencies: what % of your overall remuneration should be linked to your performance?



**Only a few agencies share their performance bonus with the agency staff working on the business (Fig. 15).**

This came as a surprise to us, as performance based compensation was originally intended to do just that – award agencies for strong performance. In an industry that is so relationship based, it is interesting that agency staff say the bonus paid by the client to the agency is not shared with the staff members that support the client account. The flip side is that agency staff is not being financially penalised when performance goals are not met either and it is the agency that is assuming that risk.

Fig 15. Does your agency share the bonus with your agency staff working on the business?



## Conclusion:

Now that we have perspectives from both the client and agency side about evaluation programs, we can say that, in spirit, they agree on the value of well-constructed and managed evaluation programs. When done right they provide clarity on issues, opportunities for improvement, and recognise areas of strong performance.

Commitment to the program starts at the senior levels of marketing and the agency. A good evaluation program engages participants with a clear purpose and an opportunity for all parties to provide feedback constructively so where necessary, action plans can be established in order to improve the relationship. Communication is the backbone to the client /agency relationship – a formal evaluation program is a vehicle to allow for the right level of communication at the right levels of the organisations.

"Both client and agency should be evaluating the quality of the partnership i.e. what it takes to get to performance, not just the performance.

A higher focus on partnership will always deliver a better performance."

**Richard Bleasdale**  
Managing director  
@The Secret Little Agency



## Part 7: Thinking out of the box

Agencies would like clients to explore new KPIs such as:

Proactivity & speed	<p>“Client brand knowledge &amp; ability to anticipate needs”</p> <p>“Promptness in actioning any new work or feedback; speed of delivery and response to feedback”</p> <p>“Demonstrated urgency, expedited timelines, continuous rework, etc”</p>
Efficiency	<p>“Agency investments for the client”</p> <p>“Operational improvements, waste reduction; cross-collaboration to stop reinventing the wheel”</p> <p>“Campaign elasticity/impact or post-evaluation of campaign”</p>
Contribution to business strategy	<p>“Trend scouting – keeping the client’s goals aligned with what’s happening in the world”</p> <p>“Ability to add value and enrich the brief”</p> <p>“The agency impact on the client corporate culture”</p> <p>“The level of strategic contribution and consultancy provided on top of pure commodity services expected from the client”</p> <p>“How is the agency influencing the overall customer experience? Is the work done with a clear purpose? Will it help change reputation?”</p>
Collaboration	<p>“Daily team engagement; driving collaboration ; skin in the game”</p> <p>“Relationships that agencies build with clients on a professional and personal level”</p> <p>“How important it is the client feels we are a partner not a vendor; the immense commitment and craving for a strong partnership”</p> <p>“History of delivery and partnership. Agencies can score highly in performance evaluations, only for a pitch to be called soon afterwards, because of the contract time or internal process/policy. The link between how well an agency does in a review and what decisions are made about the relationship as a whole by those responsible for deciding to run a pitch is often missing or ignored”</p> <p>“When we provide services above and beyond everyday agency roles, such as creating client presentations”</p> <p>“Efforts and commercial gestures”</p>
Capabilities	<p>“Agency innovative thinking”</p> <p>“Client upskilling in terms of media know-how, but also structural input e.g. overcoming siloes”</p>
New business	<p>“Number of new outlets we break into”</p> <p>“Contribution to brand and business growth”</p> <p>“Sales effectiveness”</p>





## New ideas to incentivise your agency partners

Longevity of the relationship	<ul style="list-style-type: none"> <li>“Longer term guaranteed contracts”</li> <li>“Contract extension / fewer reviews if performance is achieved”</li> <li>“Client post-campaign confirmation leading to on-going visibility and future work”</li> <li>“Repeat business”</li> <li>“More briefs without a pitch”</li> <li>“Incremental work / no pitch for good performance”</li> <li>“Investments in trainings &amp; development”</li> </ul>
Promotion & reward	<ul style="list-style-type: none"> <li>“Wider introduction and promotion within the client business”</li> <li>“Client using our name to promote our work towards the rest of the organization”</li> <li>“Client’s rewarding its ”best” vendors”</li> <li>“Agency of the year within the client’s various agency partners”</li> <li>“Spread the good word and offer quotes for agencies’ marketing purposes”</li> </ul>
Incremental remuneration	<ul style="list-style-type: none"> <li>“Increase in business/hourly rate”</li> <li>“Regular pay rise and bonus”</li> <li>“Investment in new opportunities (e.g. reinvestment of buying performance into out of scope projects)”</li> <li>“Pushing the creative budget or envelope even when a client may prefer stick to conservative marketing/communications recipes”</li> </ul>
Gain share	<ul style="list-style-type: none"> <li>“KPIs that match clients’ personal bonus incentives”</li> <li>“Equity in business”</li> <li>“Bonus according to business development”</li> <li>“Gain share models. Clients love to monetise under performance but they are less keen on monetizing over delivery”</li> <li>“Direct media attributed sales revenue shares”</li> <li>“True value based remuneration (share of sales, agency contribution fee linking)”</li> </ul>
Personal recognition	<ul style="list-style-type: none"> <li>“Recognition of the performance of people at a personal and human level”</li> <li>“Honest ad hoc feedback directly to the team (good AND bad)”</li> </ul>





### 10 recommendations for successful client-agency performance evaluations

1. **Be committed.** Ensure there is active engagement from senior leadership, on both client and agency sides. If participants are not embracing the spirit of the program that aims to the betterment of the client/agency relationship; or use evaluations for punitive purposes, the formal evaluation process is likely to fail.
2. **Establish a simple but consistent process that all participants understand.** Train your teams if they are not familiar with the process. Have a clear and coherent overall objective that will be communicated to everyone taking part, from both sides. Identify the most efficient way to collect the data you need. Centralise formal agency evaluations, as well as be flexible with questions as they may need to be customised.
3. **Consider KPIs that are motivating for agencies and adapted to your business goals.** It is not because you can measure it that you need it. Metrics must be impactable and ideally controllable by those who are being evaluated, in line with what the agency or client has been asked to do, and mutually agreed upon early in any relationship.
4. **Conduct agency evaluations at least twice-yearly.** An annual evaluation is not enough to provide an accurate reflection across the year. A mid-year checkpoint is recommended to create a feedback loop to escalate issues early. Informal feedback along the way is also key, possibly after each key campaign or project. There should be no surprises unearthed during the formal review process.
5. **Ensure all participants can tell the truth, on both sides.** The intention of a formal evaluation process is to raise the visibility of issues in a 'safe' environment to help clients and agencies break down barriers. Establish an environment of co-accountability where both sides are open to feedback. Note – some clients opt to run anonymous evaluations in order to get more truthful feedback from participants.
6. **Organise face-to-face debrief sessions and include senior leadership in the discussion from both sides.** Use the evaluation process as an additional opportunity to build stronger relationships where agencies can deliver better outcomes and you can be a better client.
7. **Bridge perception gaps.** Lead a comprehensive 360 assessment where not only do clients and agencies evaluate each other they also reflect on their own performance. Self-reflection can identify gaps and help bridge the divide between perception and reality.
8. **Build meaningful action.** Collaborate on the creation of action plans and make sure they are tracked and implemented. Do the analytic work to understand the root cause of the problems raised in the formal evaluation, and whether it is the agency or yourself who should evolve. Learn from the feedback and incorporate it into the day to day operations. Ensure your evaluation reports are easy to read and follow-up on. Track progress with dashboards.
9. **Celebrate success.** As importantly, take the positive feedback and recognise where things are working well – do not take it for granted. Figure out how to reapply that success to other areas of the business. Spread the good word across your business if an agency performed well. Offer testimonials to your agencies.
10. **Proceed to the evaluation of the evaluation.** Improve and update the overall process at least every 3 years. Compare year-on-year trends. If the process brings no tangible benefit, do not be afraid of changing it.



## About Decideware

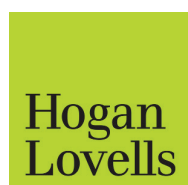
Decideware is the leading provider of agency management software used by global advertisers. Marketing and Procurement teams of large advertisers rely on Decideware software to get the most out of agency partnerships. Advertisers benefit from the business intelligence to optimise agency management and inform marketing strategies as well as process efficiencies and working capital generation. Built for advertisers and supported with deep expertise, Decideware provides the scale, power and flexibility needed to engage stakeholders in agency optimization programs.

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The World Federation of Advertisers (WFA) is the voice of marketers worldwide, representing 90% of global marketing communications spend - roughly US\$900 billion per annum - through a unique, global network of the world's biggest markets and biggest marketers. WFA champions responsible and effective marketing communications worldwide.

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Note: All benchmarks, survey results, agendas and minutes are reviewed by Hogan Lovells International LLP, our competition lawyers

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## Related insights

### Additional Information

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- Click [here](#) for our WFA survey on effective agency management (2019)
- Click [here](#) for our WFA survey on global agency relations management: roles & responsibilities (2019)
- Click [here](#) for Decideware research paper "It's a Two-Way Street – Agency experts give their perspective on the client-agency relationship evaluation process" (2019)
- Click [here](#) for our WFA survey on global agency remuneration (2018)
- Click [here](#) for a joint WFA survey with Decideware on agency evaluation (2017)
- Click [here](#) for a joint WFA webinar with Decideware on agency evaluation (2017)

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