

# The agency that future-proofs takes the lead

By [Johanna McDowell](#) & [Brehndan Botha](#)

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*Johanna McDowell of the Independent Agency Search and Selection (IAS) and certified ActionCoach business coach Brehndan Botha review the pitfalls of agencies that have fallen into the "we'll take our lead from the client" trap...*



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The intention is always good, especially during this time of uncertainty. Agencies genuinely want to help their clients and meet any and all demands the job requires. The issues come in when the agency throws every resource they have into getting the job out of the door – Ultimately a very unprofitable exercise.

Agencies taking their lead from their clients endure 'vicarious trauma'. This is the trauma experienced by the client, which is taken on by the service provider. In the name of partnership, we see agencies embedding themselves in their client's environment, physically, mentally or emotionally.

Stress in the client's environment seeps into the agency where it impacts its creative engine, production and timelines in its desire to meet the demands of the client. The ultimate impact is on ability to deliver and therefore cost.



## Agency anxiety - managing uncertainty, protocols and business strategy

Johanna McDowell & Brehndan Botha 31 Jul 2020



An agency needs to manage its business for itself, for its own welfare and not solely for meeting a client's needs.

Of course they're dependent on client spend, but an agency is a business on its own and has to be well run and these business skills have really been tested over the past few months.

The easy part was getting the technology in place to enable staff to work remotely. That being done, it's time to go back to the office and continue to work on agency culture and protocols for business strategy in an altered environment.

Agencies are not large corporates. They are small to medium sized businesses so their own culture and way of doing things is vital, as is revenue generation.

## **Opportunities for innovation**

A new way of working may give rise to innovation, where agencies start creating ways to generate their own revenue without being so dependent on clients. We might see more outcome-based pricing happening. And a different name may provoke some innovative thinking. Value based remuneration rather than outcomes based, which is client-centred. Value based is a shared lens. The value that the agency brings into the execution, strategy and conversation generates the value that the client receives.

Outcomes-based is always about the agency meeting the client's goals, at whatever cost. The challenge for the agency is, "How much are you in control of? How much of your way of working can you consistently apply from one client to the next?"

Agencies need to beware of schizophrenic operation, where, in order to meet each client's needs, they end up with multiple cultures, ways of working and pricing models.

This leads to highly anxious agency leaders. It's untenable.

## **Covid uncovered existing issues**

The pandemic has created the opportunities, rather than just issues. The issues were always there, Covid just uncovered them. Covid has been the greatest accelerator of digital use, where the volume of online users is four times what it was before the pandemic.

The bottom line then is that agencies which have taken the time to consider how to move forward under these circumstances, and that are progressive enough to be developing new ways to do business that will be of benefit to themselves and to their clients, will reap the rewards.

The questions agency leaders must ask is, "How do I get through this? How do I future-focus my agency?"

Foundational changes impact how a business runs. If you don't get that right, it's the end of the business. Agencies seeking opportunities for the future are the ones that will set the rules by which the rest of the industry will need to play.

Watch the full conversation below:

## ABOUT THE AUTHOR

**About Brehndan Botha** Brehndan is one of only 50 certified ActionCOACH business coaches in South Africa. He is the former Marketing Procurement lead for Diageo South Africa (formerly Brandhouse) and is a former Client Service Director at Y&R South Africa. He has a deep marketing background spanning PR, Fundraising, Sponsorship and Advertising. Brehndan has worked on brands like Caltex, Woolworths, Safmarine, McDonalds, Metrorail, Michelin/BFGoodrich and Telkom. He is a business builder and passionate incubation advocate, bringing together marketing insights from client and agency side and combining those with globally proven strategies to build businesses. ActionCOACH is the world's Number One business coaching firm. **About the IAS** The IAS (Independent Agency Search and Selection Company) in association with the AAR Group (UK) was founded by Johanna McDowell in South Africa in 2006. IAS specializes in client/agency relationship management and helping clients find agencies. International associate company AAR Group was founded more than 40 years ago in the UK and has associates and branches throughout the world. The Independent Agency Search & Selection Company is committed to the international and local pitch guidelines as defined by both the IPA (Institute of Practitioners in Advertising UK) and the ACA (The Association of Communications Agencies SA)

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