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4A's/ANA

2020 Best Practice Guidelines
for Agency Search Consultants

ANA

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Having the right business partner helps make a marketer and agency relationship function efficiently and effectively for both parties. Better communication, better work and better business results can be expected when the partnership is a good fit, and there is an alignment of expectations and measures of success.

For a marketer, finding the right agency partner can be a critical part of driving optimal business results. For an agency, the right client partner can provide the opportunity to create highly creative and effective work. Yet finding the right partner is not always an easy task.

Agency search consultants can provide a valuable service to marketers and agencies by running a well-structured agency review. This guide provides the industry with ten Best Practice Guidelines for agency search consultants, with the goal of creating an environment where all parties are clear about the role of search consultants in the agency search process. These best practices have been endorsed by the 4A's and the ANA in an effort to align the interests of marketers and agencies around agency searches and make the process clear and beneficial for all parties.

1. Clearly Defined Marketer Expectations Surrounding the Agency Search Process

At the beginning of the agency search process, the marketer should provide the agency search consultant with a clearly defined scope, outlining the marketer's expectations, the roles and responsibilities of the search consultant, and criteria for success. The intent is for the search consultant to share this information with those agencies being asked to participate in the agency search process.

- The search consultant is paid solely by the marketer;
- An agency or holding company pays an upfront fee or listing fee to be included in the search consultant's database or in the search process itself;
- The agency pays a fee to the search consultant upon being awarded the business;
- Non-monetary compensation provided to the consultant;
- Or any combination thereof.

2. Clarity of Agency Search Consultant Compensation Practices

Agency search consultants should make their compensation practices clear to both marketers and agencies involved in an agency search and overtly identify how and by whom the search consultant is compensated. Compensation methods could include:

The specific terms of the compensation practices should be made clear to all parties at the outset of an agency search.

Additionally, if an agency search consultant charges an agency a listing fee or other such fee for the agency to be part of a database, the search consultant should clearly define the value the agency should expect to receive in return for such fee.

3. Agency Search Consultant Background

Agency search consultants should provide a marketer with an employment history; if any of the search consultants' work experience was with an agency, the search consultants should specify their titles and responsibilities with the agency or agencies, including whether they or an immediate family member have been directly employed by an agency under consideration within the past five (5) years.

4. Fair Consideration of Agencies Without Regard to the Financial Interests of a Search Consultant

Fair consideration means that relevant agencies for a particular marketer's search are considered in the process whether or not the search consultant has an existing or prior commercial relationship with an agency.

Examples of a commercial relationship that a search consultant could have with an agency include:

- If a search consultant charges any type of listing fee for an agency to be included in a database;
- If a search consultant has any type of paid new business consulting service that assists agencies in positioning, prospecting, pitch preparation, presentation consulting or any other aspect of agency new business operations or activities;
- If a search consultant provides other types of paid services to agencies, such as M&A guidance, digital innovation consulting and/or executive recruiting.

It would certainly not be as objective a process for the marketer if only agencies with a commercial relationship with the search consultant were considered for a search; the best agencies could be left out as a result. And it would be biased against an agency that does not have a commercial relationship with the consultant, which objectively may be the best potential partner for the marketer. It's a foundational responsibility of an agency search consultant to have a strong understanding of the broad agency universe as well as the capabilities of specific agencies, whether or not the search consultant has an existing or prior commercial relationship with an agency.

It should be up to the marketer to establish whether the consultant they are considering can bring the proper objectivity to the party. And it should be up to each agency to decide whether to participate based on how objective an opportunity they think they will have with the consultant. Agency search consultants should make clear in writing to marketers and agencies involved in an agency search the scope of any other paid activities in which they engage with any of the agencies that are being considered. They should also advise the marketers (including procurement) and agencies involved in an agency search whether they engage in any agency evaluation or auditing services on behalf of marketers, unrelated to the agency search process, and/or whether they engage in any activities that may compete with services offered by agencies. The objective is to avoid any perceived conflicts and provide a level playing field for all parties.

5. Material Requested Should be Relevant to the Specific Search

All detailed information, data, and materials requested from the agency should be relevant to the specific search being conducted by a search consultant on behalf of an identified marketer. A search consultant should not request such information for the purpose of building its own database, unless that intent is clearly communicated to, and agreed upon by, an agency. Financial information relating to the management and operation of the agency that is not relevant should not be requested or disclosed. If there is any ambiguity as to what is considered relevant, the agency search consultant, the marketer, and the agency should openly discuss.

Agency search consultants who wish to learn more about an agency's capabilities are encouraged to do so from the perspective of building their overall industry knowledge.

6. Confidentiality of Material and Data Submitted

All parties in the agency search process – marketer, agency, and search consultant – should be asked to sign off on the confidentiality of information provided by any of the parties. Ideally, this would be through a three-way mutual non-disclosure agreement (NDA). Proprietary information should not be released to any other party or used for any purpose other than the project for which it was collected, without the written permission of the information's source.

7. Searches for 'Undisclosed Advertisers'

Agency search consultants should not request any proprietary or sensitive information or materials from agencies until the marketer has been identified. The information requested at the undisclosed stage should be confined to an agency's capabilities, work samples, history, organizational structure, case histories, etc.

Information beyond that which can be found on [4A's Agency Search](#) or the agency's own site should only be requested after the search consultant confirms in writing to the agency that the review is not being conducted on behalf of a company, service, or product conflicting with a list of clients provided by the agency. This list should remain as confidential as any other document provided by any of the parties during the review process.

Additionally, the agency search consultant should, to the best of its ability, ensure that any agency which is asked for information, clearly fits the initial search criteria established by the marketer.

8. Nonexistent or Unassigned Searches

An agency search consultant should not solicit information from agencies for prospective assignments (i.e., assignments that have not been contracted for by a marketer) or use a fabricated search as a means of collecting database information on agencies. This would include soliciting information from agencies whose capabilities clearly do not meet the criteria for an assignment.

9. Agency Search Consultant Public Comments Regarding Agencies and Searches

It is often in the best interest of the agency search to keep the process confidential. Therefore, an agency search consultant should not communicate with representatives from the media, whether or not they are handling the search, unless agreed to by the marketer. In addition, the marketer should have a plan for communicating details of the search with the press that ensures the incumbents and candidate agencies are aware of the agency search before that news is announced.

It is best practice for the agency search consultant handling an agency search to avoid communicating with the press regarding an agency's involvement in the search process without that agency's permission, as well as that of the marketer.

It is inappropriate for an agency search consultant to publicly comment on the strengths and weaknesses of any agency, particularly those participating in a review currently being conducted by that search consultant. Such comments, either complimentary or derogatory, can be detrimental to the interests of the marketer, agency, and search consultant since

they cast doubt on the objectivity of the consultant as an impartial facilitator in the search process.

10. Provide Feedback

The agency search consultant should attempt to include a requirement in its contract with the marketer stipulating that the marketer will provide timely feedback to every agency that participates in the review process. If not a contractual item, agency search consultants should strongly recommend to the marketer that such timely feedback be given to agencies. Prompt notification to the winning agency and feedback to the agencies that do not secure the business is sound business practice. For the agencies that do not win, feedback is critical as they look to improve their pitching capability and is appropriate, given the time and effort expended during the review process.

Again, agency search consultants can provide a valuable service to marketers and agencies by running a well-structured agency review. The 4A's and the ANA both respect the very important role that search consultants provide. These best practices are intended to align the interests of marketers and agencies around agency searches and make the process clear and beneficial for all parties.

For further information or clarification, please reach out to Matt Kasindorf, SVP, Business Intelligence & Insight at the 4A's (mkasindorf@4as.org, 212-850-0763) or Bill Duggan, Group EVP at the ANA (bduggan@ana.net, 212-455-8010)

The 4A's and the ANA have a rich history of collaboration on other related initiatives, that are all still relevant:

- ❑ Agency Reviews for Project Work; available on both the [4A's](#) and the [ANA](#) websites
- ❑ Agency Selection Briefing Guidance; available on both the [4A's](#) and the [ANA](#) websites
- ❑ Guidelines for Agency Search; available on both the [4A's](#) and the [ANA](#) websites