

2024

# The Agency Growth Book

Turbocharge your agency's success story!



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# **The Agency Growth Book 2024**

## **Publisher:**

Agency Growth Events

**by**

Precision Communities Ltd.  
C/O Dirench & Co 151 West Green Road  
Seven Sisters, N15 5EA London  
UK

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## About

# AGENCY GROWTH EVENTS

Thank you for downloading “The Agency Growth Book” 2024 edition.

This book brings together the profound wisdom and expertise of exceptional minds in the agency world, for whom we are profoundly grateful for their invaluable contributions. I would like to extend my most profound appreciation to Jonathan Leafe, our esteemed Guest Editor, whose invaluable contributions and leadership have played a pivotal role in bringing this book to life.

The co-authors of this book are Adam Graham, Andy West, Ben Potter, Brittany Atkins, Chris Bantock, Chris Simmance, Christian Banach, Clair Heaviside, Felix Velarde, Freia Muehlenbein, Guy Littlejohn, Jane Entwistle, Jonathan Leafe, Karl Heasman, Katie Street, Laura West, Marcel Petitpas, Nikki Gatenby, Rob Da Costa, Rob Sayles, Robin Bonn, Rory Spence, Sam Browne, Simon Collard, Stephen Kenwright, Steve Holm and Trenton Moss.

With a multitude of experiences and unique perspectives, each contributor brings invaluable expertise from the realm of agency operations. Their collective wisdom will empower you to turbocharge your Agency's Growth, which is our mission at Agency Growth Events.

We would like to extend our heartfelt appreciation to our sponsors – AgencyAnalytics, Digital Agency Network, Copper, Growth Channel, and Parallax – for their invaluable support of this book and the agency community as a whole. Their support has been instrumental in bringing this book to life and contributing to the growth and success of agencies worldwide. Their collective passion for fostering agency growth and driving industry development is exemplary.

We have compiled this book with the purpose of assisting Agency owners in accelerating the growth of their businesses. At Agency Growth Events, our mission is to connect Agency Founders with like-minded individuals, expert Agency Coaches, and innovative Service and Technology Providers.

In the following 150 pages, you'll find invaluable insight on:

- Team & Leadership – Emphasising Soft Skills
- Innovation & New Technologies
- Delivery / Operations / People
- Client Services, Farming, and New Sales and Marketing
- Good Governance

and others.

As you uncover the wealth of knowledge within the pages of this book, we encourage you to apply these insights to your agency and engage actively in ongoing conversations with us and the broader community. We believe that shared knowledge is the key to collective growth.

I highly encourage contacting the authors and sponsors via the provided links. Engaging in a personal conversation will give you the opportunity to delve deeper into their topic and enhance your understanding.

If you've found value in this book, we urge you to share it with your networks, colleagues, and fellow agency owners. The more we can disseminate this wealth of insight, the stronger the collective growth of the agency community. Share it on social networks, discuss it in your forums, or simply pass it to someone who you believe will benefit from it.

If you're an Agency Owner, make sure you join us at one of our events, and if you're a technology or service provider to Agencies, [get in touch](#), and we'll start a conversation on how we can create value together.

Thank you once again for downloading “The Agency Growth Book 2024”. I sincerely hope that it equips you with the necessary tools to accelerate your Agency's Growth.

Please [follow us](#) for more!



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# THE AGENCY GROWTH BOOK EXEC SUMMARY

## Navigating the Digital Terrain: Key Priorities for Agencies in 2024

In the fast-evolving world of digital, creative, and marketing agencies, staying on top of your game requires a keen focus on five key areas. As we enter 2024, these crucial pillars are emerging to guide agencies through choppy waters.

We're incredibly fortunate to have 30 of the best agency minds contributing articles on these subjects. The agency sector has a much higher percentage of female founders than other professional industries, and we're much better for it. We've also secured contributions from some of the best females in the business.

I hope you enjoy.



**Editor-in-chief:**  
Jonathan Leafe  
*Managing Director*  
*Leafe Consultancy*

Reach Jonathan here:



## Team & Leadership – Emphasising Soft Skills

In today's digital age, soft skills are more critical than ever within agency teams. Effective communication, critical thinking, and seamless collaboration have become the foundation for success. As agencies work with diverse talent pools and multi-functional teams, cultivating these skills is needed to create a positive and innovative work environment. Team leaders need technical expertise and emotional intelligence to empower their teams in navigating challenges with resilience and creativity.

The relentless march of technology is, once again, reshaping the digital and marketing sectors, with 2023 being marked by the widespread adoption of Artificial Intelligence (AI). Agencies increasingly use AI to boost efficiency, personalise user experiences, and streamline operations. Whether it's optimising ad campaigns with machine learning algorithms or providing instant customer support through chatbots. Staying at the forefront of these technological advancements is no longer a choice but a necessity for agencies striving to deliver cutting-edge solutions.

### **Back To The Office (Or Not) — Navigating Hybrid And Remote Work: A New Leadership Frontier | Laura West**

In the evolving landscape of work post-COVID, agencies navigate the pros and cons of hybrid, remote, and in-office models. The jury is still out on the optimal approach, with each structure presenting challenges.

Hybrid working is currently the most popular, but its success hinges on effective leadership. Teams, empowered by democratised working preferences, seek flexibility and balance.

Leadership, no longer a one-way street, requires skills like emotional intelligence, effective communication, adaptability, creative problem-solving, and a commitment to inclusivity. To thrive in the new age of work, leaders must proactively upskill through networking, training, retreats, and fostering a culture of continuous learning.

Ultimately, success lies in aligning the chosen model with the agency's unique needs.

### **Management Is Learned, Leadership Is Earned: Key Elements To Build True Agency Leadership Skills | Chris Simmance**

In the article Chris Simmance emphasises the importance of adaptability and leadership in the agency industry. While management skills can be learned through training



and experience, true leadership requires resilience, adaptability, and anticipation of change. Leaders who possess these qualities can make informed decisions, inspire their teams, and excel in client relationships.

There are practical tips for managing change, such as staying informed and fostering a culture of flexibility. Additionally, it outlines five key pillars of effective leadership: adaptability, resilience, strategic foresight, vision, and emotional intelligence. The article highlights that, in the dynamic digital landscape, these leadership qualities and practical strategies are essential for agency success.

### **Mental Health and Wellbeing In The Creative Industry | Andy Wright**

Founders' mental-health fluctuates between highs and lows, becoming a rollercoaster of emotions. A 2018 study by Never Not Creative, a non-profit founded by industry veteran Andy Wright, revealed over 50% of the creative, media, and marketing workforce experienced anxiety and depression.

While mental health awareness has improved, challenges persist. Leaders must prioritise empathetic, educated leadership, flexible working conditions, clear objectives, and appropriate resources.

Wright advocates for reshaping work dynamics, citing the SMART Work Design Model, emphasising stimulating tasks, mastery, agency, relational support, and tolerable demands. By embedding well-being within work, positive changes can be fostered.

### **Emotional Intelligence: The Key To Success In Your Agency | Trenton Moss**

In today's competitive agency landscape, emotional intelligence (EQ) emerges as the key for success. Harvard-Stanford research reveals that 85% of job success hinges on well-honed people skills. As EQ eclipses IQ in significance, its impact on agency triumph is backed up by data—from Glassdoor Best Places to Work to heightened profit in engaged companies.

To maximise your EQ, three strategies are needed. Firstly, scrutinise your impact by getting feedback on negative behaviours and acknowledging them with a "See It, Say It, Stop It" approach. Secondly, channel empathy akin to the Babemba tribe, assuming the best intentions of clients and team members, fostering understanding, and suppressing rudeness. Lastly, master the art of win-win outcomes, ensuring mutual satisfaction in every interaction.

Elevate your EQ, fortify relationships, and watch your agency flourish with happy clients and an on-board team, as emotional intelligence becomes your pathway to enduring success.

### **Delivery / Operations / People**

Efficient delivery, streamlined operations, and a people-centric approach form the backbone of any successful agency. Agile methodologies, automation, and data-driven decision-making are crucial to meeting client expectations and staying ahead of the competition. Simultaneously, prioritising employee well-being and professional development is essential for retaining top talent in an industry where skills are in high demand and A-Players commanding high salaries. Integrating these elements successfully ensures timely project delivery and cultivates a culture of continuous improvement and growth.

### **The 9 Essentials For Best-In-Class Client Service In 2024 | Rob Da Costa**

Delivering exceptional client service is paramount for digital agencies to thrive in the competitive landscape of 2024. The nine essentials for best-in-class client service include discerning prospecting to find clients aligned with your niche and values, precise project scoping to set clear expectations, outcome-focused communication to demonstrate results, standardised internal processes for consistency, cross-functional teamwork, proactive relationship-building, prevention of overservicing, client service training, and proactive account development planning for growth. These pillars ensure tailored, proactive, and strategic service, fostering long-term client relationships, loyalty, referrals, and agency resilience in the ever-evolving digital environment.





## Simple Steps To Avoid Scope Creep And Deliver Projects More Profitably | Freia Muehlenbein

To improve project profitability and prevent scope creep, agencies should engage their teams in scoping, ensure comprehensive pricing, and formalise project scopes with clients. Creating a pricing sheet, agreeing on a Scope of Work (SOW), and setting clear guidelines for handling changes are essential steps. Continuous optimisation is crucial for long-term success. Additionally, exploring process enhancements, such as automating systems and analysing data for better client and project profitability, is recommended. Collaborating with client teams can provide valuable insights to refine operations further. While scope creep can't be entirely eliminated, effective management can significantly enhance project outcomes.

### Resource Planning | Marcel Petitpas

Resource planning is crucial for digital agencies, allowing them to forecast workloads and make effective staffing decisions. This article discusses two resource planning methods: Top Down Resource Planning and Bottom Up Resource Planning. These strategies help optimise utilisation, average cost per hour, and average billable rate, which are vital for agency profitability. Resource planning ensures team members aren't overworked and supports effective budgeting and estimation. The chapter outlines the four key steps for resource planning: analysing demand, evaluating capacity, identifying gaps, and implementing and monitoring. Techniques like resource levelling, resource smoothing, and time boxing can further enhance resource planning. Effective resource planning is essential for an agency's success, leading to higher profitability and better efficiency.

### Internal Collaboration: Keeping The Team Together And Facing In The Right Direction | Nikki Gatenby

Effective internal collaboration within an agency hinges on three essential elements: purpose, profit, and people. Purpose, a clear and inspiring reason for existence, is crucial for attracting and retaining top talent.

Agencies should be more than profit-driven entities; they must make a positive impact on the world. Profit, while not the sole objective, is essential for sustainability and should be approached with pride. It reflects a culmination of actions taken, both past and future.

Resource planning, focusing on leading indicators, such as revenue forecasts and client portfolio balance, is key to



maintaining profitability. Engaging your team, setting clear goals, and fostering a purpose-driven culture can have a profound impact on the agency's success. Clarity on purpose, coupled with a profit-focused approach, allows agencies to thrive while putting people at the forefront.

### Choosing The Right Accountant: An Agency Approach | Rory Spence

Choosing the right accountant is a crucial decision impacting financial health. Rory Spence from The Wow Company suggests key considerations.

Qualifications matter, with ACCA or ACA certification ensuring rigorous standards. Industry-specific experience is vital, ensuring alignment with unique business needs.

Remote working options have expanded, enhancing collaboration with accountants globally.

Define the scope beyond basic tasks, focusing on added value.

Outsourced finance offers cost efficiency, expertise access, and scalability. It reduces compliance risk and provides timely reporting.

Strategic insights and analysis add value, while a holistic approach covers personal and professional finance.

Address common challenges like delayed responses and missed tax opportunities.

Seek bespoke reporting and KPI focus for tailored financial support.





## 5 Steps To Better Forecasting And Capacity Planning | Tom O'Neill | Parallax

“5 Steps to Better Forecasting and Capacity Planning” addresses the tumultuous cycle digital service companies face, juggling workload and staffing.

It highlights the tension and the reliance on reactive decisions due to lacking data-driven forecasting. Emphasising the necessity of accurate data visible throughout the organisation, it proposes steps to tackle this rollercoaster.

These steps include gaining insight into the sales pipeline, maintaining precision in data updates, implementing professional services automation, comparing forecasts to benchmarks, and leveraging data for informed decision-making.

Aiming for a shared perspective driven by accurate forecasts, the piece advocates breaking away from siloed thinking to drive strategic business decisions based on real-time data.

## AI: Will It Take Our Jobs? A Lesson From History | Rob Sayles

The article discusses the impact of Artificial Intelligence (AI) on digital agencies, addressing concerns about job security. It draws parallels from historical technological advancements, highlighting the transformation of tasks rather than the elimination of roles. AI's role in agencies is described as both a disruptor and creator, automating routine tasks and creating opportunities for new specialities.

The article emphasises that AI enhances roles and fosters a shift from mundane tasks to strategic contributions, ultimately improving agency success. Practical strategies for AI integration, the evolution of agency roles, and steps for agency owners are also presented, highlighting AI's potential for boosting efficiency, creativity, and profitability.

## Client Services, Farming, And New Sales and Marketing

Establishing and maintaining robust client relationships is a perennial priority for agencies. However, the changing digital landscape necessitates a more nuanced approach, incorporating client farming — strategically cultivating existing client relationships — alongside pursuing new sales and marketing initiatives. Building long-term partnerships through tailored services and

anticipating clients' evolving needs is key to sustained success. Simultaneously, agencies must deploy innovative sales and marketing strategies, leveraging data analytics, personalised content, and targeted campaigns to stay competitive in a crowded marketplace.

## Building A Sustainable And Successful Agency | Jonathan Leafe

Strategic planning is essential for business success, involving short, medium, and long-term considerations.

Analogous to a pilot's focus on the runway's end during take-off, foresight ensures a smoother journey. Key steps include organising financial data, identifying revenue sources, categorising clients, and evaluating services. Use this data to establish focus areas, such as targeting profitable services and reducing churn.

Develop a rolling financial plan with indicators like labour costs and net profit targets, adapting as new data emerges.

Aim for a balanced income breakdown, progressing towards sustained growth and predictability.

Anticipate setbacks, recognising that a well-planned model enhances resilience. Planning for one, two, and five years ahead is pivotal for long-term agency success.

## Eight Sales Mistakes That Eat Away Your Profit | Ben Potter

Many agencies make common sales mistakes that can erode their profits. Often, the focus on profitability only emerges after work has begun, but it's determined by the sales process. To avoid these pitfalls, consider these eight key points.

First, discuss money early on to identify serious clients. Don't use proposals to reveal pricing prematurely. Align your price with the desired outcomes, not just hours. Ensure accurate scoping by understanding problems and involving experts.

Avoid sharing detailed rate cards or fee breakdowns, as it can lead to overemphasis on time. Offer simplified options in proposals, not overwhelming choices.

When negotiating, prioritise scope adjustments over price reductions.

Lastly, remember to factor in commissions and referral fees in your pricing. Specialisation and value are keys to charging higher prices and increasing agency profitability.



## How To Find And Attract Clients With Next-Gen Lead Generation In 2024 | Christian Banach

In the evolving landscape of client acquisition in 2024, agencies need help attracting clients through traditional means.

The shift towards proactive outbound lead generation is crucial. Using lead magnets, such as exclusive reports or free consultations, becomes pivotal in capturing attention and initiating meaningful conversations.

These magnets must be finely tuned—relevant, helpful, provocative, credible, and leaving the audience wanting more.

This piece includes a step-by-step guide to creating effective lead magnets, which involves identifying pivotal problems, understanding the target audience, evaluating internal resources, developing content aligned with solutions, and testing and optimising before a full-scale rollout. Embracing this approach sets the stage for long-term success and growth in client relationships.

## Improve Your Bottom Line By Reclaiming Your Power | Robin Bonn

In the drive to enhance your financial performance, blindly adhering to client demands may hinder your agency's success.

An example involves a prestigious client's Request For Proposal (RFP) imposing a 120-day payment term, challenging the agency's financial stability. Instead of meekly accepting, agencies must reassess their vendor mentality, challenge unfair practices, and establish healthy boundaries.

By embracing a partnership mindset, clearly defining the meaning of partnership, and overcoming the fear of asserting boundaries, agencies can regain control, foster respectful client relationships, and ultimately improve overall well-being, work quality, and profitability.

## Making More From Your Existing Clients | Karl Heasman

In "Mastering Client Retention & Growth in Your Agency," Karl Heasman, an accomplished agency mentor and business coach, delves into strategic approaches for not only retaining existing clients but also cultivating relationships that drive sustainable growth.

He emphasises the cost-effectiveness of retaining clients over acquiring new ones, citing studies by Bain & Company and the Harvard Business Review. He provides 20 practical tips, including client segmentation, profitability analysis,

and proactive idea generation. He underscores the significance of celebrating successes, surprise and delight and aligning team members with clients. The article offers a comprehensive guide to achieving enduring success in the dynamic agency landscape.

## Fractional Commercial Directors Or In-House – What Does Your Agency Need? | Guy Littlejohn

The search for new clients poses a daunting challenge for agencies.

Agencies often grapple with five growth options: self-initiation, hiring full-time personnel, engaging intermediaries, traditional business development (BD) consultants, or opting for a Fractional Commercial Director.

Solo founders may find self-initiation suitable initially, while those with experienced co-founders might leverage their skills. Hiring a BD professional may lead to challenges in the absence of a comprehensive commercial strategy.

Lead gen agencies prove effective with a well-established commercial team. Traditional BD consultants focus on initial stages but lack recent practical experience.

The Fractional Commercial Director emerges as an attractive choice, offering a co-founder-like experience, covering key commercial objectives, and facilitating future talent acquisition. In a resource-constrained scenario, the Fractional Commercial Director stands out for strategic planning, asset creation, and effective pipeline generation. Comparatively, a full-time business development leader is recommended if affordable, with an ideal scenario being a combination of both—a Fractional CD for strategic groundwork followed by a full-time hire for execution.



## Should Your Agency's Sales Function Be Founder-Led Or Team-Led? | Adam Graham

The debate of founder-led versus team-led sales in agencies unveils the crucial balance between founder involvement and team autonomy in client acquisition.

Founders often tap personal networks for initial business growth, leading to short-term success but long-term limitations. Over-reliance on the founder hampers scalability and sustainability.

Shifting to a sustainable sales strategy, including a clear founder-led vision, collaborative culture, and balanced investment in internal growth, becomes pivotal. Nurturing a self-motivated team aligned with the agency's vision is key.

Recognising the founder's role as a leader, not just a doer, and delegating tasks ensures future-oriented growth. Adopting these strategies, even late in the agency's journey, promises a more successful outcome.

## Agency Impact: The Framework Cornerstone Of Recurring Revenue Growth In 2024 | Agencyanalytics

Jacob Varghese's "Agency Impact: The Framework Cornerstone of Recurring Revenue Growth in 2024" delves into marketing agencies' pivoting towards recurring revenue.

Stressing the significance of client retention amid economic fluctuations, it advocates showcasing value, adopting subscription models if possible, and utilising a dual approach for robust client relationships and acquiring new clients. Insights from industry leaders underline the shift from mere acquisition to client-centric strategies.

The article emphasises personalised, transparent communication, measurable outcomes, and innovative reporting as pivotal in retaining and upselling clients.

It predicts a 2024 landscape where agencies amalgamate services, prioritising impactful client relations and steering the industry towards sustainable growth through lasting client commitments.

## Why All Agencies Should Feast At The Table Of Operational Principles | Andy West

In the evolving landscape of agency management, operational principles emerge as the key to success in 2024.

As agencies strive to scale amidst uncertainty, the challenge lies in managing the complex dynamics of a

people-centric industry. Serial entrepreneur Rachel Bell emphasises the transition from focusing on founders to instilling operational rigour during the scaling phase. Introducing discipline early, incorporating robust accounting solutions, leveraging CRM tools for systematic business development, and embracing time-tracking software are crucial steps.

The looming impact of AI in 2024 underscores the need for agencies to plan strategically, considering potential hidden costs and addressing ethical implications. The journey to operational excellence requires visionary leadership, a commitment to the process, and a willingness to invest in tools that simplify operations, positioning agencies to thrive in the AI-driven future.

## How To Use Agency Directories To Generate More Leads? | Digital Agency Network (DAN)

Agency directories, like Digital Agency Network (DAN), offer a strategic approach for lead generation, enhancing business visibility and credibility. With diverse services such as profile pages, multiple category listings, monthly content publication, industry insights, featured ads, and social media sharing, agencies can maximize growth. DAN's Request for Proposal (RFP) system further facilitates tailored collaborations, positioning agencies for meaningful opportunities and minimising effort while maximising profits.

## Good Governance

Amid digital transformation, the significance of good governance cannot be overstated. Upholding ethical practices, complying with regulations, and maintaining transparency in operations are fundamental to building trust with clients and stakeholders. Good governance provides the framework for responsible decision-making, risk management, and sustainability, ensuring that agencies navigate the complexities of the digital landscape with integrity and accountability.





In conclusion, the five pillars of focus for digital, creative, and marketing agencies in 2023 represent a comprehensive approach to success. From nurturing soft skills within teams to embracing AI, streamlining operations, fostering client relationships, and upholding good governance, agencies must navigate these elements synergistically to prosper in the ever-changing digital landscape. As technology continues to shape the industry, agencies that prioritise these pillars will survive and lead the way in delivering innovative and impactful solutions.

### **Board Meetings – How To Run Them And Make The Most Of Them | Simon Collard**

This piece explores the nuances of conducting impactful board meetings, underscoring their influence on agency success.

It accentuates the necessity for forward-oriented discussions, offering practical advice such as pre-reading financials, crafting clear agendas, and adept time management. Tackling the “Loudest Voice In The Room” dilemma, it emphasizes the value of diverse perspectives.

The article advocates forecasting across various timeframes, from the upcoming month to long-term strategies. It concludes by emphasising the pivotal role of a skilled chairperson and proposes strategies for identifying the right mentor or chair to elevate the board’s effectiveness.

### **Becoming A B Corp Agency | Jane Entwistle**

Jane Entwistle, Co-Director of Entyce Creative and Endorphin, shares their B Corp journey, becoming certified in August 2023.

Advocating purposeful creativity, the agency commits to making a positive impact on clients, communities, and the planet. Jane reflects on the agency’s pre-certification



ethos and the transformation sparked by the B Corp movement, fostering self-assessment and continuous improvement.

Exploring B Corp’s global mission for an inclusive economy, the article outlines the rigorous certification process, benefits for agencies, and practical tips for applicants. Jane emphasizes the long-term significance of ethical practices and the positive reception of B Corp certification in the business landscape.

### **Building A New Business Legacy | Brittany Atkins**

Building a thriving business legacy requires overcoming the fear of cold outreach, a common challenge for agency leaders.

The key is empowering your team to represent the agency effectively, recognising that your product is your people. Sales is a sport, requiring a winning mentality and proactive engagement. Instead of a generic approach, focus on finding unique value for a specific niche audience, creating a community around your business.

This community not only brings warm, self-qualified leads but also fosters long-term growth. Define your niche by researching industry pain points and addressing specific challenges.

Don’t be quick to abandon successful ideas; iterate and go further to maximise returns. Remember, prospects are people, too; be bold and have fun with your initiatives in the science lab of sales. Embrace your role as a representative of the business, conquer your fears, and empower your team to build a legacy of clients.

### **How Agency Owners Can Win On LinkedIn | Sam Browne**

LinkedIn, often dismissed for tedious updates and showing-off, harbours untapped potential as a thriving content platform.

Beyond mundane announcements, it has evolved into a potent marketing channel for agencies. Optimising your profile is crucial; use a concise banner, an attention-grabbing headline, and a compelling About section.

Content serves as the engine for success, encompassing persuasive, inspirational, educational, and entertaining elements.

Persuasive content, constituting 10–15%, demonstrates expertise through case studies and testimonials. Inspirational content humanises your brand, while educational content builds trust by sharing insights.



Entertaining content ensures engagement. LinkedIn's nascent content platform offers avid adopters a chance to rapidly build a personal brand and attract high-quality clients.

#### **It's All About You | Chris Bantock**

In "It's All About You" by Chris Bantock, the author, a former marketing agency owner, reflects on the challenges of leadership in the marketing industry.

He emphasises the transformative journey from marketer to business leader, delving into personal experiences and the weight of responsibility. The article underscores the loneliness often associated with agency leadership and stresses the importance of resilience, confidence, and perseverance.

He provides insights into building these essential traits, advocating for self-reliance and a positive mindset.

The piece concludes with a call to invest in oneself and build strong relationships, reinforcing that success in agency leadership ultimately rests on the individual.

#### **Finding The Right Client Relationship Tool For Your Agency | Copper CRM**

Copper CRM offers a solution for relationship-based businesses, emphasising the importance of nurturing clients from initial interest to lifelong loyalty.

In an industry where trust and partnerships are vital, agencies need responsive and adaptable tools. Conventional CRM systems fall short for relationship-driven agencies, focusing on transactional models.

Many agencies resort to patching together multiple platforms, leading to inefficiency and lost time. Copper aims to be an end-to-end client relationship platform, supporting dynamic engagement.

The article provides six steps for choosing the right client relationship system, emphasising goal alignment, budget considerations, tech integrations, social proof, trial evaluation, and implementation efficiency.

### **Keynote Speakers' Articles**

#### **Why temporary spending cuts don't work | Stephen Kenwright**

Temporary spending cuts in agencies often fail due to a rush to resume spending once restrictions lift, causing confusion and panic among staff.

The article argues for adopting a frugal culture over policy-driven controls, emphasizing that culture, not laws, governs behaviour effectively.

It recommends framing cost-saving measures positively, such as linking reduced travel expenses to employee benefits, and fostering a sense of financial responsibility across all levels.

The piece stresses the importance of aligning company culture with financial decisions, empowering managers to enforce reasonable spending limits without excessive bureaucracy, promoting trust, and ultimately improving both fiscal responsibility and employee satisfaction.

#### **Why Do They Call Them Soft Skills When They Are Really Hard? | Clair Heaviside**

Clair Heaviside draws parallels between her journey in ultrarunning and building a successful business, emphasising the demanding nature of "soft skills." Reflecting on her agency experience, she underscores that being nice is not enough, requiring the use of empathy, transparency, and compassion for growth. She likens these skills to the challenges of ultrarunning, highlighting the importance of resilience, support systems, problem-solving, and mindfulness in both endeavours. Ultimately, she encourages a commitment to hard work, urging individuals to continuously push their limits while enjoying the view along the way.

#### **M&A Secrets: An Insider's View On How To Maximise Your Exit Value | Felix Velarde**

Felix Velarde, a seasoned agency founder and CEO, shares insider secrets on maximizing agency exit value.

Drawing from his experience of founding, selling, and scaling multiple agencies, Velarde offers valuable insights into the M&A process.

He emphasizes the importance of addressing key discount factors, such as having a solid business plan, profitability, scale, growth path, client security, succession, and fame. Velarde introduces the 2Y3X program, designed to accelerate agency growth, and discusses the significance of risk mitigation for both sellers and buyers. Ultimately, he highlights the interconnectedness of addressing risks, building confidence, and achieving successful agency exits.





## CHAPTER 1

# Team & Leadership – Emphasising Soft Skills





# Back To The Office (or Not) – Navigating Hybrid And Remote Work: A New Leadership Frontier



**Laura West**

With over 20 years of experience in agency leadership in the marketing industry Laura is focused on helping agency founders grow and scale their businesses. With a coveted network and black book of agency specialists and founders, Laura has her finger on the pulse. As founder and advisor at Agencywise, her mission is to connect the right agency people for collaborative success.

Reach Laura West here >



The set-up of “the agency” has changed dramatically in the last few years; since Covid fundamentally changed the way we work, live and connect with one another. Remember when you could call someone, on the phone, without a calendar invite?

Overnight, the traditional 9–5 turned into a fully remote model, and, for the most part, it worked. But, as the world started to rebalance, “the agency” began to look at what working structure functioned best.

The answer?

Well, the jury is still out.

Every new structure that is being used offers pros and cons, and every agency has to weigh these up based on their teams, output, clients, size and culture.



*Going back to a 100% in-office model could make agencies lose top talent, especially those who cherish flexibility. It could also make life difficult for parents, people with disabilities, or anyone who thrived in a remote setup, meaning a real risk of missing out on a diverse pool of talent.*

## The pros and cons game

**Hybrid with Flexibility:** This model lets employees choose where they work. Some prefer the office buzz, while others thrive working at home. It feels like the most logical way to offer flexibility, but managing teams with different work preferences can be a challenge. It's not easy to keep everyone aligned and engaged and it certainly throws up issues when collaboration is needed. There's also the cost of maintaining an office when not everyone uses it. The divide is something that is also often felt between the office-goers and the stay-at-homers, sometimes causing a disjoint in teams.

**Hybrid with Set Days:** In this setup, agencies set specific office days for all of their team members. It might seem like a balanced approach, but it's not always smooth sailing for everyone. Making employees stick to a set schedule can be tough, especially for those with family, health or childcare commitments. Many believe that having a set schedule penalises parents or those with disabilities on specific days. It also raises questions about office space—do we really need an office if it sits empty for half of the week? The resolution to this then becomes having different team members in at different points of the week, often making dynamics tricky when only some team members never get to work on-site together.

**Fully Remote:** Some agencies have embraced the idea of going fully remote. This approach shouts “work from anywhere,” offering flexibility and freedom to staff. But, like all the others, it has a whole host of issues for some agencies. Fully remote work can lead to feelings of disconnection and communication hiccups, which can affect the team's spirit. The lack of face-to-face

interactions can slow down creativity and make problem-solving less spontaneous. There were many reports after the lockdown period of people feeling isolated and neglected and onboarding new and junior staff can be a really difficult thing to manage.

**Back to the Office:** Surprisingly, a good chunk of leaders around the world are betting on a full return to the office by 2026. However, it might not be in tune with what the workforce really wants. Going back to a 100% in-office model could make agencies lose top talent, especially those who cherish flexibility. It could also make life difficult for parents, people with disabilities, or anyone who thrived in a remote setup, meaning a real risk of missing out on a diverse pool of talent.

## What are agencies doing?

“Hybrid working” is currently the most popular structure, in fact, of agency jobs listed on LinkedIn in 2023 the vast majority are listed as “Hybrid”, with “Remote” coming in second. “On-site” is far less frequently advertised, but more so in more junior roles.

Most agencies are adopting the “hybrid” structure as it acts as “the compromise” to all the varied options that presented themselves over this period of post-COVID adjustment.

But does it work for everyone?

The answer lies not in the location of your teams, but in the leadership of them.

## The Evolution of Leadership

In the transformed landscape of hybrid and remote work, agency leaders are witnessing a shift in the composition of their teams. The types of individuals populating teams have not fundamentally changed in their desires and aspirations, but what has evolved is the platform and voice they now possess to express and, at times, demand their preferences. Teams are more vocal and empowered than ever before.

The democratisation of working preferences has led to teams that actively seek flexibility, autonomy, and a balance between professional and personal life. This shift is not just a matter of adapting to the times but reflects a deeper desire for a more happy and fulfilling work experience.



It is not news (or recent) that leadership is no longer a one-way street, dictating terms from the top down, this mindset should have been left behind long ago, but now there is a need for a collaborative relationship between leaders and teams.

As leaders embark on this journey they must recognise the need to acquire and refine specific skills to effectively adapt and keep cohesion and effectiveness within their team.

Some skills they may not currently possess.

Let's delve into the core skills that are no longer optional but imperative for leaders to navigate the "new age" of working.

## Emotional Intelligence and Connection

In the absence of physical proximity, emotional intelligence becomes the linchpin of effective leadership. Leaders must tune in to the emotional well-being of their team members, understanding the unique challenges posed by remote or hybrid setups; including issues like stress, burnout, or disconnection.

The issues facing various types of individuals must be considered. These range from age and background, roles and people who have diverse or individual challenges. Nurturing a sense of connection, empathy, and support is crucial for maintaining a positive team dynamic.

Individuals may vary in their natural predisposition toward emotional intelligence, but it can be developed and refined.

There are strategies to enhance and cultivate it:

**Reflection** – Reflect on your emotions and recognise how they impact your thoughts and behaviours. Journaling, mindfulness practices, or seeking feedback from peers can help build self-awareness.

**Active listening** – Practice fully concentrating, understanding, responding, and remembering what is being said to you.

**Seeking feedback** – Constructive feedback from team members, mentors, or coaches can provide valuable insights into areas that need improvement.

*"Leaders need to be effective in various communication channels; emails, video chats, instant messages, and the phone."*

## Clear and Effective Communication

Communication is the lifeblood of any team, and in a world where face-to-face interactions are limited, mastering virtual communication is non-negotiable. Leaders need to be effective in various communication channels; emails, video chats, instant messages, and the phone.

There are many ways to improve communication and not everyone is naturally good at adapting to varied communication methods, but there are some clear techniques that can help leaders to become more effective communicators:

**Clarity and conciseness** – Give messages clearly, without additional unnecessary detail and with an understanding of how diverse audiences receive and interpret the information.

**Expression of Expectations** – Ensure all team members have a clear understanding of all their responsibilities. Give tasks, goals and roles meaning and structure to avoid any confusion.

**Storytelling** – Practice sharing anecdotes and illustrative points to convey messages. People respond to human elements and compelling narratives; use them whenever you can.

## Adaptability and Flexibility

Leadership in the hybrid era demands adaptability and flexibility. Leaders should be open to changes in schedules, work environments, and tools. Those resistant to change and reasonable adaptations risk dampening morale and dividing teams.

Embracing flexibility can be adopted within their teams without succumbing to every whim by adopting a strategic and inclusive approach.



Some key principles to ensure adaptability and flexibility while maintaining a balance are:

**Clear guidelines** – Define boundaries and expectations regarding hours, deadlines, and deliverables. This will ensure that flexibility can be requested within these parameters without blurred lines.

**Feedback and communication** – Ensure regular feedback loops to assess the effectiveness of flexibility and ensure all refinements are dynamic and flexible themselves. Make sure everything goes both ways.

**Individual and team approach** – Make clear to all team members that each person will be treated as an individual *within* the team structure. Neither need supersedes the other, and unique circumstances will be considered within the team structure.

## Creative Problem-Solving

Hybrid and remote work environments introduce unique challenges that require creative solutions, and leaders must develop strong problem-solving skills. Whether enhancing collaboration, boosting team morale, or overcoming obstacles specific to each work model, creative thinking is paramount.

Developing these skills can be tricky, and leaders with a set methodologies for this need to evolve their skills. And use new strategies:

**Cultivate a culture of innovation** – Encourage teams to experiment and innovate. They will feel more empowered to address problems and issues and offer creative solutions themselves.

**Mentoring and coaching** – Offer and embrace mentoring to help foster a culture of real-world challenge discussion and well as opening up everyone to varied resolution strategies and ideas.

## Inclusivity and Diversity Promotion

In a dispersed work setting, leaders must be aware that all voices must be heard. Actively seeking input from all team members, regardless of their location, situation, role and level provides everyone with an equal opportunity to contribute. Prioritising inclusivity fosters a sense of belonging and fairness, which in turn builds stronger and more cohesion within the team



Promoting inclusivity can seem like a daunting task and one that leaders often feel they could “get wrong”. So employing practical strategies that can build trust and demonstrate commitment to Inclusivity and Diversity could be:

**Inclusive communication channels** – use varied platforms to communicate to accommodate different communication styles as well as allow team members to feel more empowered to interact.

**Demonstrate commitment to D&I** – Offer training and resources as well as adopt zero-tolerance policies for discrimination. This will empower teams to learn and teach and feel a sense of belonging.

## Empathy as a Bridge

Empathy serves as a bridge between leaders and their teams in a virtual world. Leaders need to genuinely care about their employees’ personal and professional challenges.

Empathy, like emotional intelligence, can be developed through communication, feedback and simply “putting oneself in their shoes”.

However, the greatest skill a leader can possess is the recognition of the need to upskill themselves to meet the demands of the changing requirements of great leadership.

## The Path to Upskilling

The transformation of leadership skills in the hybrid and remote landscape needs a proactive approach to upskilling.



Agency leaders can take several steps to boost their competencies and those of their team leaders:

**Network with Peers:** Interact with industry professionals. This offers diverse perspectives and solutions. Sharing experiences can provide valuable insights into managing remote and hybrid teams effectively. Agencywise events and meet-ups are a great way to do this.

**Agency Advisors:** Consider working with an agency advisor. Advisors provide invaluable support for navigating the intricacies of hybrid and remote work models. In my role as an advisor, the most successful leaders I work with are those willing to accept different perspectives and allow themselves to be held accountable.

**Training Programs:** Invest in leadership training programs. These can cover remote leadership, conflict resolution, effective communication, and emotional intelligence learning and they help boost confidence as well as skills.

**Leadership Retreats:** Organise or attend leadership retreats or off-site meetings that include team-building activities and workshops to improve leadership skills. Retreats also offer leaders a chance to recharge and refocus.

**Industry Conferences and Seminars:** Attend industry-specific conferences and seminars. This helps leaders stay updated on the latest trends in managing hybrid and remote teams. These events offer networking opportunities and insights into different agencies' approaches to the changing work environment.

**Learning Culture:** Cultivate a culture of continuous learning within the team. Encourage team members to upskill themselves and develop their competencies to navigate the challenges of hybrid and remote work.

Above all, the most important thing leaders can do is **understand their personal limitations** – No one can be everything and leaders who acknowledge their own limitations are the most likely to be able to grow and develop.

### **So, what is best for my agency?**

The choice between hybrid, remote and in-office work models can be a pivotal decision for your agency. But what model is down to one thing alone; **what is best for your agency, clients and team.**

Regardless of the model you implement, one thing is a non-negotiable; your leadership must evolve to meet the demands of your work landscape and teams for it to be a success.



*“Hybrid working” is currently the most popular structure, in fact, of agency jobs listed on LinkedIn in 2023 the vast majority are listed as “Hybrid”, with “Remote” coming in second. “On-site” is far less frequently advertised, but more so in more junior roles.*

**Laura West**





# Management Is Learned, Leadership Is Earned: Key Elements To Build True Agency Leadership Skills



**Chris Simmance**

With 10 years of leadership experience, Chris knows how to get things done. He's worked with clients across all levels and been exposed to multiple layers in order for him to help you reach your goals as quickly or slowly as is right for YOU!

Reach Chris Simmance here >



Adaptability is not just an asset—it's a necessity. The industry is characterised by rapid technological advancements, economic shifts, and evolving consumer preferences. As agency leaders, we find ourselves at the intersection of these changes, tasked with steering our teams through this dynamic landscape. While the tools and techniques of management can be learned through structured training and hands-on experience, leadership is a more nuanced skill. It's built on a foundation of resilience and adaptability. True leaders don't just react to change; they anticipate it, embrace it, and guide their teams with a steady hand.

*"It's not about grand gestures or radical shifts in approach. Instead, it's about the daily commitment to understanding the industry, anticipating challenges, and being open to new ways of thinking. It's about listening—to your team, to the market, and to your clients."*





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The benefits of honing these leadership skills are manifold. For one, they enable agency leaders to make informed decisions swiftly, ensuring that the agency remains agile and competitive. Moreover, a leader with a clear vision and the ability to adapt can inspire confidence in their team, fostering a positive work environment and boosting overall productivity. These skills also play a pivotal role in client relationships. In an industry where client needs and market trends can shift overnight, a resilient and adaptable leader can ensure consistent delivery, client satisfaction, and long-term loyalty.

The good news is that these leadership skills, while nuanced, can be developed with dedication and consistency. It's not about grand gestures or radical shifts in approach. Instead, it's about the daily commitment to understanding the industry, anticipating challenges, and being open to new ways of thinking. It's about listening—to your team, to the market, and to your clients. And most importantly, it's about recognising that leadership is a journey, not a destination. With consistency as the cornerstone, every challenge faced becomes an opportunity for growth and learning.

*"Emotional intelligence is about understanding and managing both our emotions and those of our team. It's about fostering empathy, active listening, and open communication, ensuring that every team member feels valued and understood."*

## Embracing the Constant of Change The digital landscape is in perpetual motion.

Whether it's the introduction of AI tools, the nuances of Google Analytics 4, or the ever-changing media consumption patterns, agency leaders must be prepared to adapt. It's not about resisting change but about harnessing it as an opportunity for growth and innovation. Rather than being daunted by these shifts, the key lies in embracing them, adapting with agility, and leveraging them as catalysts for growth and innovation.

### Tips to Manage Change:

- **Stay Informed:** Regularly update your knowledge. Subscribe to industry newsletters, attend webinars, and participate in workshops. The more you know, the better equipped you'll be to adapt.
- **Foster a Culture of Flexibility:** Encourage your team to be open-minded and receptive to new tools, platforms, and strategies. A flexible mindset can turn challenges into opportunities.
- **Engage in Continuous Learning:** Invest in training programs for your team. As new tools and platforms emerge, ensure your team has the skills to harness them effectively.
- **Collaborate and Communicate:** Foster open communication within your team. Sharing insights, challenges, and solutions can lead to more effective strategies for managing change.
- **Set Clear Objectives:** While the landscape may change, your agency's core objectives should remain consistent. Regularly revisit and realign your strategies to ensure they align with your goals.

### Practical Examples:

- **Adapting to AI Tools:** When AI chatbots first emerged, many agencies resisted integrating them, fearing they'd impersonalise customer interactions. However, forward-thinking agencies recognised their potential for streamlining customer service. By staying informed and being open to change, they integrated chatbots, which handled routine queries, allowing human agents to focus on more complex issues.
- **Responding to Media Consumption Patterns:** With the rise of TikTok and the decline of traditional TV viewership, agencies had to rethink their advertising



strategies. Those who fostered a culture of flexibility quickly pivoted, shifting ad budgets to platforms where their target audiences were most active. By staying informed and being adaptable, they could reach their audiences more effectively and achieve better ROI.

Agency life's perpetual motion is not a challenge to be feared but an opportunity to be seized. By staying informed, fostering flexibility, and embracing continuous learning, agency leaders can ride the waves of change and steer their organisations towards success.

## **OMG's Five Pillars of Effective Leadership in the Digital Age**

In the fast-paced world of digital marketing, the landscape is constantly shifting. New technologies emerge, consumer behaviours evolve, and market dynamics change. To navigate this ever-changing terrain, agency leaders must embody certain core qualities that enable them to steer their teams with confidence and clarity. These qualities, or pillars, are the bedrock upon which successful leadership is built.

### **Adaptability**

In an industry that never stands still, the ability to pivot and embrace new methodologies is crucial. It's about fostering a culture that isn't afraid to challenge the status quo and values innovation. This means being open to new ideas, tools, and strategies. It's about recognising when old methods are no longer effective and having the courage to explore uncharted territories. A genuinely adaptable leader not only responds to change but anticipates it, ensuring the agency remains agile and ahead of the curve.

### **Resilience**

Challenges are inevitable. From client demands to market downturns, obstacles are a part of the journey. However, it's our response to these challenges that defines our leadership. Cultivate a resilient team culture, viewing setbacks as opportunities for growth and learning. This involves fostering a mindset that sees failures not as dead-ends but as stepping stones to success. By demonstrating resilience, leaders inspire their teams to persevere, innovate, and overcome adversity.

## **Strategic Foresight**

In the digital realm, staying informed is non-negotiable. Leaders must keep their fingers on the pulse, anticipating future shifts and positioning their agency for success. This requires a balance of analytical thinking and intuition. It's about proactive adaptation rather than reactive scrambling. By staying informed about industry trends, technological advancements, and market dynamics, leaders can make informed decisions that align with the agency's long-term objectives.

### **Vision**

In times of uncertainty, a clear vision acts as the North Star, guiding the team towards the ultimate goal. This vision provides direction, purpose, and motivation. As leaders, it's our responsibility to articulate this vision and ensure everyone is aligned. This means regularly communicating the agency's mission, values, and objectives, ensuring that every team member understands their role in achieving the collective goal.

### **Emotional Intelligence**

The digital industry can be high-pressure, with tight deadlines, demanding clients, and rapid changes. In such an environment, leaders with high emotional intelligence are invaluable. They can foster a positive, supportive work environment, recognising when team members are stressed or overwhelmed and providing the necessary support. Emotional intelligence is about understanding



*"Cultivate a resilient team culture, viewing setbacks as opportunities for growth and learning. This involves fostering a mindset that sees failures not as dead-ends but as stepping stones to success. By demonstrating resilience, leaders inspire their teams to persevere, innovate, and overcome adversity."*

and managing both our emotions and those of our team. It's about fostering empathy, active listening, and open communication, ensuring that every team member feels valued and understood.

While the tools and techniques of digital marketing may evolve, these five pillars of leadership remain timeless. By embodying adaptability, resilience, strategic foresight, vision, and emotional intelligence, agency leaders can navigate the complexities of the digital realm with confidence, guiding their teams to success.

## Practical Strategies for Navigating the Seas of Change

As the tides of technology, consumer behaviour, and market dynamics ebb and flow, agencies must be equipped with the right strategies to sail smoothly. The difference between merely staying afloat and charting a course to success often lies in the practical strategy employed. Here's a deeper dive into these strategies and how they can be effectively implemented:

### 1. Fostering Innovation:

**Embrace New Technologies:** Stay updated with the latest tools and platforms. Experiment with new software, AI solutions, and automation tools to streamline processes and offer innovative solutions to clients.

**Encourage Creative Thinking:** Create an environment where team members feel free to share out-of-the-box

ideas. Regular brainstorming sessions can lead to groundbreaking campaigns and strategies.

### 2. Promoting Effective Communication:

**Open Channels:** Ensure that there are clear lines of communication at all levels. Whether it's between team members, departments, or with clients, open dialogue prevents misunderstandings and fosters collaboration.

**Feedback Loops:** Regularly solicit feedback from both team members and clients. Constructive feedback can offer insights into areas of improvement and potential opportunities.

### 3. Investing in Teams:

**Continuous Learning:** Offer training programs, workshops, and courses to keep your team updated with the latest industry trends and skills.

**Well-being Initiatives:** Recognize that a motivated and happy team is more productive. Implement wellness programs, flexible working hours, and team-building activities to boost morale.

### 4. Cultivating Strong Client Relationships:

**Regular Check-ins:** Don't wait for quarterly reviews. Regular check-ins with clients can help address concerns, gather feedback, and ensure that campaigns are on track.

**Transparency:** Be open about processes, results, and challenges. Clients appreciate honesty, and it builds trust in the long run.

**Personalised Solutions:** Understand that each client is unique. Tailor your strategies to fit their specific needs, goals, and target audience.

### 5. Embracing a Proactive Approach:

**Anticipate Trends:** Instead of reacting to market changes, anticipate them. By staying informed and analysing market data, agencies can predict upcoming trends and position themselves advantageously.

**Scenario Planning:** Prepare for various scenarios. Whether it's a sudden change in algorithms, a shift in consumer behaviour, or economic fluctuations, having contingency plans in place ensures that the agency can adapt swiftly.



## Final Thoughts

Change isn't just inevitable—it's an invitation. With the right strategies, agencies don't merely survive the shifts; they seize them as catalysts for growth. At The OMG Center, we've seen firsthand how blending innovation with effective communication, investing in your team's potential, nurturing client relationships, and taking a proactive stance can transform challenges into opportunities. Remember, in this dynamic landscape, it's not about weathering the storm but learning to dance in the rain. And with the right guidance, your agency can dance and lead the performance.



*Emotional intelligence is about understanding and managing both our emotions and those of our team. It's about fostering empathy, active listening, and open communication, ensuring that every team member feels valued and understood.*

**Chris Simmance**



# Mental Health And Wellbeing In The Creative Industry



**Andy Wright**

Andy has worked in the creative, media and marketing industry for over 20 years. He's been client-side, agency side, started an agency, won awards, burnt out, worked in the UK and Australia and now runs 2 businesses. 1, a project management software business called Streamtime, on a mission to create happier, healthier creative businesses.

Reach Andy Wright here >



## What are we talking about?

Have you ever woken up and felt, "I just can't do it today." Have you ever dreaded going into work knowing that you're on a deadline and you haven't cracked the idea yet? Have you ever felt a huge sense of relief having just walked out of a presentation where a client has finally signed off on a third round of amends? Have you ever received an email to say you and the team have been shortlisted for an award on a project that pushed you to breaking point and you felt elation, relief, validation all at the same time?

There's a strong likelihood that you answered yes to all the above, or at least some of them. And you'd be perfectly normal.





Our mental health as people who work in the creative industry can rise up, fall down, pull us from side to side. It can be a rollercoaster of emotions. We can be burnt out one week, and smashing goals left, right and centre the next. And to feel this way is perfectly normal.

Until it isn't.

While some may thrive, many more will despair.

We all have a mind, and in this industry, we all use it to work. At one stage in my career I ended up in hospital one night after having a panic attack, which at the same time presented as scarily similar symptoms as a stroke. Thankfully it wasn't. But it was a sign that I'd dropped into a zone of mental illness and out of the normal ups and downs of what's called the mental health continuum. This [mini presentation](#) is a great guide to find out more about it.

MENTAL HEALTH CONTINUUM MODEL			
HEALTHY	REACTING	INJURED	ILL
Normal fluctuations in mood Takes things in stride Good sense of humour Consistent performance Physically & socially active Confident in self & others Drinking in moderation	Nervousness, irritability Sadness, overwhelmed Displaced sarcasm Procrastination Forgetfulness Trouble sleeping Low energy Muscle tension, headaches Missing an occasional class or deadline Decreased social activity Drinking regularly or in binges to manage stress	Anxiety, anger Pervasive sadness, tearfulness, hopelessness, worthlessness Negative attitude Difficulty concentrating Trouble making decisions Decreased performance, regularly missing classes/deadlines, or over work Restless, disturbed sleep Avoidance, social withdrawal Increase used of alcohol-hard to control	Excessive anxiety Panic attacks Easily enraged, aggressive Depressed mood, numb Cannot concentrate Inability to make decisions Cannot fall asleep/stay asleep Constant fatigue, illness Absent from social events/classes Suicidal thoughts/intent Unusual sensory experiences (hearing or seeing things) Alcohol or other addiction
Nurture support systems.	Recognize limits, take breaks, identify problems early, seek support.	Tune into own signs of distress. Talk to someone, ask for help. Make self-care a priority. Don't withdraw.	Seek professional care. Follow recommendations.

Source: Canadian Armed Forces

As I shared above, it's perfectly normal to feel the ups and downs of the day to day. However, when things become prolonged or extreme it can be a sign of something more serious.

Being aware of our own mental wellbeing and that of those around us can help us better manage the effects of good and poor mental health at work.

## What is the state of mental health in the creative industry?

In 2018, a non-profit organisation (I founded) called [Never Not Creative](#) collaborated with other industry professionals, mental health experts and organisations to conduct the largest study ever of mental health in the creative, media and marketing industry. The study, called Mentally-Healthy, had just under 2,000 participants

across Australia and New Zealand and found that more than half of our industry showed signs of anxiety and depression.

The study has been repeated and evolved in 2020 and 2022 with a new wave of research to be conducted in 2024. You can read more about the full study from [2022 here](#). Here are some of the key highlights.

- 46% of our industry display mild to severe signs of anxiety and depression
- If you're under 29, you're 1.5x more likely to show signs of depression than respondents over 40.
- People in creative agencies are almost twice as likely to show moderate to severe symptoms of depression vs media agencies.
- The 3 largest sources of stress are: the pressure of our own expectations; pressure from others; and multiple responsibilities.
- The stigma associated with talking about mental health has improved significantly between the waves of research (although while we welcome it from others, we might be less forthcoming talking about our own mental health challenges).
- We're as likely to consult a boss, colleague or peer about our mental health as we are a GP — are you ready for that conversation?
- We observed a 33% increase in respondents believing that companies are making mental health a medium-high priority vs results in 2020.
- However, there's still a significant gap between the perception of making it a priority and the reality of how effective businesses are in their strategies to deal with it.

*"Being aware of our own mental wellbeing and that of those around us can help us better manage the effects of good and poor mental health at work."*





## What are we doing about it?

Well, it's HR's job, isn't it? People and Culture? They've got people in their job titles!

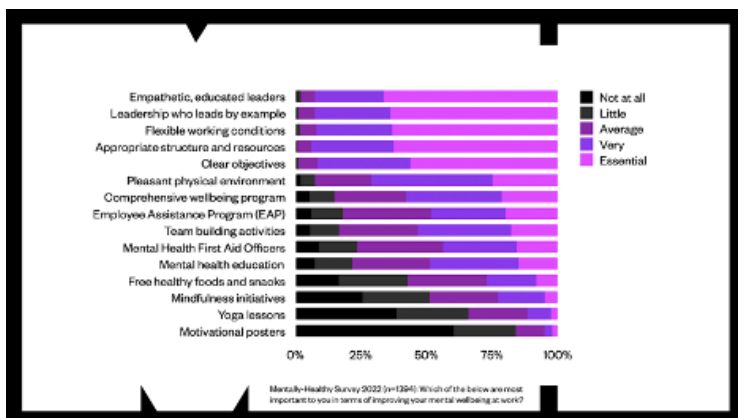
Unfortunately, it's too often the case that the buck gets passed to the HR department. While there are some extremely talented, empathetic and caring people in these roles, the function itself is still hamstrung by the remit that their job is to manage the human resources of a company. When you think of something as a resource, it can often be hard to think of it as a human, and, ultimately, the job of managing resources is also to manage the risk that those resources present to the success of the company.

The solution is NOT a simple checklist. If your mental health strategy starts and ends with yoga on a Thursday, some healthy food and snacks at work, meditation and mindfulness training and a mental health first aid training session once a year, then it's safe to say you're not about to make a dent in the problem. The above checklist is the equivalent of handing a tissue to someone with pneumonia.

In fact, when we asked the industry what they really wanted to see to improve their mental well-being at work, they responded emphatically with:

1. More empathetic and educated (mental health literate) leaders
2. Leadership who leads by example
3. Flexible working conditions
4. Appropriate structure and resources
5. Clear objectives.

Not an apple or downward dog in sight.



Ok, so it's a leadership problem. Yes, and partly.

While anecdotally and in practice, we've seen leadership intentions improve significantly, and we haven't seen the same perceived success from those lower down the ranks. 64% of leaders believe that leaders are often / always likely to notice if someone is suffering/struggling in their teams. However, that same sentiment is only matched by 25% of mid-junior level employees agreeing with the same statement.

## What's the answer?

Scroll down to the bottom of this page and sign up for our simple mental health strategy guide — Jokes! I know you wish there was one.

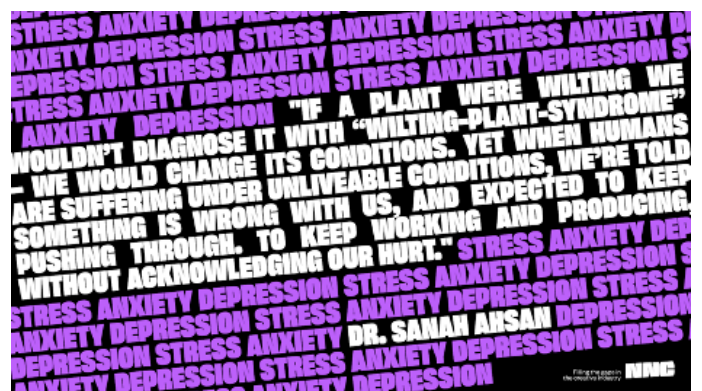
There is no one-size-fits-all silver bullet. However, you may be surprised that the set of answers backed by academic research contains neither the words mental or health.

Too often, the go-to answers focus on programs and initiatives that have nothing to do with the source of the problem. We spend over 2,000 hours a year working. Many of the current solutions ADD on top of that commitment with yoga and training without making allowances for work that needs to get done. But think about that. 2,000 hours. Where do you think the answer might lie?

Yes. In the work.

We can't continue to work in the same ways and expect a different result. My favourite quote on this concept comes from Dr. Sanah Ahsan, who says:

*"If a plant were wilting, we wouldn't diagnose it with 'wilting-plant syndrome' — we would change its conditions. Yet when humans are suffering under unliveable conditions, we're told something is wrong with us, and expected to keep pushing through, to keep working and producing, without acknowledging our hurt."*



*"Once you start to understand these dynamics, you can start to make changes in designing your own work and the work of others."*

## What does it mean to change the way we work?

It means that we need to progress the realisation that everyone who does the work is human. We need to create the right conditions for them to thrive. This means designing roles, workplaces and support structures that can see each of us perform at our best.

There are many studies in this area. They all centre on the theme that if we design better work that puts people first, those people will perform better, stay longer, progress faster and — guess what — actually make more money for the companies that they work for.

Designing better roles also means recognising that we need to also give more relevant and appropriate guidance and training for people who become managers. I never received management training as I moved through the ranks in agency land. I went from being great at the work to a completely different role — which hand on heart — I was not good at in leading and managing people. While I have a much better understanding of that now, I'm certain that it didn't help the people around and below me back then.

An excellent model has been developed by The Future of Work Institute (part of the Centre for Transformative Work Design from Curtin University in Western Australia). The model is called the SMART Work Design Model and focuses on five key criteria that can help us understand how to develop and track better roles for our people. The five criteria are:

- **STIMULATING** – How much skill, task variety and problem-solving demands you're exposed to in your role.
- **MASTERY** – How much clarity you have over the objectives of your role, how well you understand what needs to be done and how much feedback you receive on whether you're successful in your role.

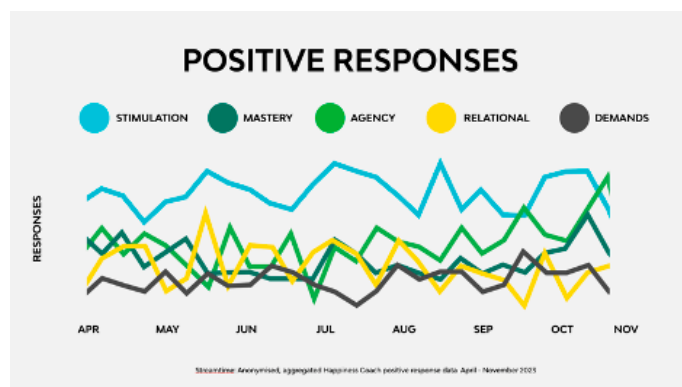
- **AGENCY** – How much control you have over when work is scheduled, how it is completed and how much say you have in decisions that directly affect you.
- **RELATIONAL SUPPORT** – How much social connection you have to the people you work with, and how much meaning and purpose you gain from being connected to the end users and beneficiaries of your work.
- **TOLERABLE DEMANDS** – How much time and emotional pressure you experience in your work, and what conflicts that cause with time and responsibilities outside of work?

You can quickly understand how your own role stacks up by taking a short version of the [assessment here](#).

Once you start to understand these dynamics, you can start to make changes in designing your own work and the work of others.

We already have an understanding of the dynamics in the creative industry. In the 2022 Mentally-Healthy research, we found that creatives ranked tolerable demands, relational support and mastery as being most important for their wellbeing at work. However, the reality of experiencing satisfying conditions when it came to mastery and tolerable demands was sadly lacking.

Within Streamtime, we've begun to track happiness levels embedded alongside tracking time and we see similar trends. When the responses are positive, they're most commonly associated with stimulating work. When negative, more often than not they're associated with (in) tolerable demands.



By embedding well-being within the work, our aim is to provide the key data points that can nudge towards better decision-making when planning and designing work.



## What now?

Hopefully, this article will have given you food for thought on how to start or change the way you're assessing and addressing mental wellbeing at work. If you're an employer, you have a duty of care to carry out risk assessments relating to health and safety at work and these include psychological safety. [The British Standards Institute](#) has recognised and prioritised psychological standards at work. In Australia, new [psychosocial hazard laws](#) are now in place and will become more and more high profile over the next 12 months.

And, if you like, I'm always up for a conversation on a topic that has become a major passion and source of self-learning and development. Just reach out on [Linkedin](#). Thanks for reading, and look out for yourself and those around you.



*“ If you're an employer, you have a duty of care to carry out risk assessments relating to health and safety at work and these include psychological safety.*

**Andy Wright**



# Emotional Intelligence: The Key To Success In Your Agency



**Trenton Moss**

Trenton is Founder & Head Coach at Team Sterka. He spends his days running a programme that boosts client revenue by up to 35%. He even wrote a bestselling book called 'Human Powered', all about the skills he teaches. Previously, he ran his own agency for 15 years until his business was acquired and he exited.

Reach Trenton Moss here >



## Introduction

With strong EQ (emotional intelligence), you'll be a better leader to your team. You'll be a better leader to new prospects. And you'll be a better leader to existing clients.

85% of job success comes from well-developed people skills (according to a joint Harvard-Stanford research study). You need to collaboratively problem-solve, resolve conflict and inspire clients and colleagues. And the higher you score in EQ, the better you'll be able to do all this.

EQ has become the new IQ in terms of importance. And the greater your skills in EQ, the more likely your agency is to succeed. And there's plenty of data to back this up.

Companies listed in the Glassdoor Best Places to Work have outperformed the rest of the stock market for many years. And companies with high employee engagement have been shown to achieve higher profit and productivity than those without.

EQ is the ability to understand your emotions and the emotions of other people. I'll now outline three ways that you can start to supercharge yourself with EQ. Do these three things and good things will follow - for you personally and for your business.





## 1. Know your impact

### You have the best of intentions

You generally have the best of intentions in everything you do. You don't set out to annoy people. You don't set out to frustrate them. And you certainly don't set out to upset them.

But here's the thing: Your behaviour and communications will have a negative impact on team members and/or clients some of the time. We all have different communication styles and different triggers. And your style may not fit with someone else's.

### Negative behaviour

Negative behaviour is any kind of behaviour that reduces another person's well-being or growth as a person. It runs on a scale from mild to severe. We all exhibit negative behaviour from time to time. And we rarely realise we're doing it nor intend to do it.

So, how do you find out when and how you exhibit negative behaviour?

Just ask.

It's that simple.

Pose the question to people that you trust:

*"What do I do that has a negative impact on you? And what do I do that has a negative impact on other people?"*

And when they respond, listen to what they say. Truly listen and be sure to:

*"Negative behaviour is any kind of behaviour that reduces another person's well-being or growth as a person. It runs on a scale from mild to severe. We all exhibit negative behaviour from time to time. And we rarely realise we're doing it nor intend to do it."*

1. Avoid getting defensive or attempting to justify your behaviour. They'll likely shut down if you do.
2. Reflect on what they say. This will encourage them to go into more detail.
3. Say "Go on" or "Tell me more", or ask open-ended questions. This encourages them to keep talking.

### See It, Say It, Stop It

Once you discover what you do to negatively impact others, you can See It, Say It, Stop It.

'See it' is when you notice the negative behaviour occurring.

'Say it' is the tricky part. This is when you pause the conversation to tell someone what's happened, ideally, apologise and then explain you're working on improving some of your behaviours.

The first time you do this, it might feel a bit strange. The people you're with will likely appreciate it though as you'll be restoring psychological safety.

For example, if you find yourself interrupting people a lot, you might say: 'Hold on, I just interrupted you there and changed the topic. I'm sorry about that; I do it quite a lot and I'm trying to stop. Do you mind if we go back to what you were saying?'

'Stop it' is as easy as 'See it'. Just don't behave that way again in the current conversation. Once you've done 'Say it' and made a public commitment to stopping your behaviour, it's remarkably easy to stop.

### Your positive impact

As well as having a negative impact on your team and clients, you also have a positive impact on them! You should find out about this too. Simply ask people:

*"What do you value in me? What do I bring to our relationship?"*

As before, listen carefully to the answers and explore what they have to say.

Do all this and you'll boost your self-awareness. You'll be in a place where you're starting to know your impact.





## 2. Start empathising

### The Babemba tribe

The Babemba tribe in Southern Africa has a truly unique way of dealing with bad behaviour.

If someone in the tribe commits a crime or a misdemeanour, everyone else forms a circle around that person. They don't punish them, beat them or shout at them.

Instead, they take turns telling the person all the great things they've done over the years, going into lots of detail. This goes on for a really long time as everyone in the tribe has to speak.

At the end, they have a big celebration and the person who behaved badly is then symbolically welcomed back into the tribe. Even though this person has committed some kind of misdemeanour, everyone still assumes they have the best of intentions and they all focus on the positive impact of their contribution to the tribe.

### Assume the best of intentions

Your clients and everyone in your team have the best of intentions the vast majority of the time. In fact, almost everyone you meet in your life has the best of intentions almost all the time. The wise folk in the Babemba tribe have realised this and show compassion unconditionally.

You might find yourself getting annoyed at clients or team members who: (a) don't seem interested in what you do; (b) don't get where you're coming from; and/or (c) block what you're trying to achieve.

But have you actually taken the time to understand...

- Why they're saying those things and making these decisions?
- How hard they find their job?
- What their objectives are?
- What they've got going on outside of work?

It's very easy to sit around and talk about other people's lack of understanding or empathy for you. But I urge you to be the change that you want to see in the world. Stop getting annoyed at clients and team members. Instead, try to work out where they're coming from.

Above all, always assume the best of intentions. Just like the Babemba Tribe.

### Find out what's going on

If you're not sure what their intentions are, what's driving them or what's causing their unhappiness, just ask. A simple question like, "You seem really annoyed/frustrated/upset — what's going on?" will often do the trick. They may even appreciate the opportunity to offload.

Remember, their negative behaviour is not being directed at you personally, even though it may feel that way. It's being directed at a suggestion you've made, something you've done or the situation you're in.

A Harvard Business Review study found that rudeness at work leads to 48% of people decreasing their work effort, 66% saying that their performance declined and 78% of people reducing their commitment to the organisation. If you shift your judgement to the other person's intentions then it's amazing how empowered you'll feel, how much less the situation will affect you and how much better your relationships will become.

## 3. Define a win-win outcome

### Know the outcome

You should always know the outcome you want – before meetings, presentations or in fact, before any communication.

The target outcome you're aiming for must always be win-win. What do you want people to do, think or feel as a result of interacting with you? And equally important, what do they want to do, think or feel as a result of the interaction?

*"It's very easy to sit around and talk about other people's lack of understanding or empathy for you. But I urge you to be the change that you want to see in the world. Stop getting annoyed at clients and team members. Instead, try to work out where they're coming from."*



### Avoid win-lose

You can push through your way and make sure you get a good outcome for yourself. But you're unlikely to get the support or long-term buy-in from the other person. You've won the battle but you've for sure lost the war.

On the contrary, if you buckle and let the other person get a good outcome at your expense, well, that's also win-lose. Only this time you lose. And that's not OK.

Instead, take an equal stand for both. Truly 50-50. It's unacceptable for you to leave the conversation without getting the outcome you need. And it's equally unacceptable for them to not get the outcome they need.

### Watch your relationships thrive

If you always set out to help others succeed, they're far more likely to help you succeed and support you in what you're trying to do. Take a stand for a win-win in all your interactions with both clients and team members.

#### In summary

You can build fantastic relationships with clients and team members with enhanced emotional intelligence and people skills. These skills account for 85% of job success after all.

Happy, loyal clients will do more work with you. And a happy, loyal team will help your agency to succeed.



*You generally have the best of intentions in everything you do. You don't set out to annoy people. You don't set out to frustrate them. And you certainly don't set out to upset them.*

**Trenton Moss**





## CHAPTER 2

# Delivery Operations People



# The 9 Essentials For Best-In-Class Client Service In 2024



**Robert Da Costa**

I work with agencies of all shapes and sizes – from a 1-person business to 25+ staff. PR, Content, Design, Web Development, SEO or Digital: whatever business you're in, I'm here to help.

Reach Robert Da Costa here >



In today's oversaturated, high-churn agency world, delivering phenomenal client service is no longer optional – it's essential for agencies wanting to retain accounts, maximise lifetime value and drive sustainable growth in 2024 and beyond.

With rising expectations and more choices than ever, clients are quick to switch providers when disappointment strikes. To build enduring relationships in this landscape, agencies must consistently meet service expectations and provide strategic value – not just execute tasks.

After all, no one wants a revolving door of 'clients in and clients out', so one way to ensure this doesn't happen is to ensure you have great client service in place that is consistently delivered by everyone in your team.

The key is implementing processes and capabilities laser-focused on client outcomes. Here are the nine non-negotiables that your agency needs to provide to win clients for life:

## 1. Discerning Prospecting

Finding your ideal target client is crucial to a successful long-term working relationship. This means clients who are not only in your core niche but also value what you do and are willing to pay a fair fee for your work.

Avoid tyre-kickers only seeking the lowest bid or looking for ideas and budgets!

When pitching, dig into the client's goals, challenges, and criteria for a successful engagement. Map out all the stakeholders you need to convince. This upfront investment prevents disappointment later. Only take on clients you can truly help.

## 2. Precise Project Scoping

Precisely scoping client projects upfront is crucial for setting clear expectations and preventing misalignments down the road. Before kicking off any engagement,



detail all deliverables, responsibilities, timelines and communication processes as specifically as possible. Leave no grey areas in the scope of work.

Clearly outline what your agency will provide, what the client is responsible for, all major milestones, and the cadence of communication. Specify what sign-off and feedback cycles will entail. Identify any dependencies that could impact delivery timelines. Define what success looks like and how it will be measured.

Secure formal written sign-off from the client to ensure all stakeholders fully understand and agree on expectations before starting. Do not proceed until you have an agreement to prevent misunderstandings later on.

Schedule quarterly reviews to revisit and potentially modify scopes as projects progress. Priorities often shift and needs evolve as the engagement unfolds and the client's business changes. Maintain flexibility to adjust the scope and redefine responsibilities when appropriate. Let project plans organically evolve alongside the client's business needs rather than rigidly sticking to outdated documents. Be ready to refine and revise.

If certain deliverables or timelines need to change, discuss them with the client to get buy-in. Do not unilaterally alter agreed-upon scopes without approval or you risk losing trust. Use the quarterly reviews to catch any required changes early before they escalate into problems down the road.

The goal is to maintain a laser focus on the client's most business-critical needs at any moment in time, not just delivering exactly what was outlined months earlier. Approaching scopes as living documents will better serve both clients and agencies in the long run.

With precise upfront scoping, regular reviews, and collaborative revisions, your engagements will stay strategically aligned over the long term – delivering maximum value to clients as partners invested in their success.

### 3. Outcome-Focused Communication

Seamless communication is integral to client service delivery. Establish consistent meeting formats (such as monthly recaps, quarterly business reviews, informal weekly chats etc.) and optimal cadences suiting each client engagement. Make discussions focused on business outcomes and strategic goals, not just tactical project updates. Share actionable insights, not just work summaries.

Resist simply reporting on tasks completed each period. Clients care most about the tangible outcomes achieved and overall progress made towards their goals. Show how the work translates into key results.

Adopt a long-term partnership mindset versus short-term transactional thinking. Be fully transparent and proactive in communications. Make it extremely easy for clients to communicate with your team through their preferred channel.

Outcome-focused communication cements lasting client relationships.

### 4. Standardised Internal Processes

To deliver a consistent, excellent client experience no matter which team members are working on the account, agencies must have standardised systems and processes firmly in place. Document every step of the client journey, from initial onboarding to eventual offboarding. Leave nothing to one-off, ad hoc efforts that lead to inconsistency.

Create playbooks that outline ideal workflows for each client service process, from account management to creative review and approval to reporting. Build template documents that allow for customisation while maintaining structure. Invest time upfront to design streamlined systems.

Train all employees, especially new hires, on these standardised processes through each stage of the client lifecycle. Review them regularly in team meetings. Update procedures frequently to prevent inefficiencies from creeping in over time. Continuously look for ways to optimise.

Learn from client losses by reviewing where process gaps may have existed. Analyse churn root causes to identify areas of improvement.

*"Resist simply reporting on tasks completed each period. Clients care most about the tangible outcomes achieved and overall progress made towards their goals. Show how the work translates into key results."*





Enable scalable growth through process excellence – your systems should work just as well at 50 clients as at 5!

Further, leverage technology like CRMs & time-recording to track data and workflows for each account in a centralised database accessible by all teams. This builds institutional knowledge so no information gets siloed in the minds of individuals. Built-in automation also increases efficiency.

With robust, evolving systems fully adopted across the agency, every client will receive the same high-calibre experience regardless of which team members are assigned to the account.

## 5. Cross-Functional Teamwork

Standard processes include how you work internally, so ensure each team is adhering to your client service methodology and use tech to help your team collaborate such as project management tools (ASANA, Monday etc), time-recording (Toggl, Harvest etc.) and so on.

Unify dispersed teams through centralised systems and structured workflows. Eliminate internal silos that undermine external delivery. Make it easy for clients to access all experts on their account.

## 6. Proactive Relationship Building

Great service requires both strategy and empathy. Learn each client's needs, motivations and pain points at a human level. Evolve from vendor to trusted partner through genuine relationships.

Proactively assess account health. Fix issues early, before frustration escalates. Measure satisfaction regularly. Analyse churn rigorously. Make all decisions through the lens of caring about clients' businesses. Surprise and delight them.

*"As your team member develops, it isn't a given that they will naturally be great account managers, so invest in them and make it part of their professional development to attend client service training as well as coaching and mentoring."*

## 7. Preventing Overservicing

If you jump whenever clients ask and constantly "go the extra mile," you set unrealistic service expectations that can't scale long-term. This overservicing is unsustainable for your agency. Time track carefully and when overservicing approaches 10% of estimated hours, implement strategies to rein it back before it becomes normalised.

Say no to out-of-scope requests or agree on additional fees. Be transparent about capacity constraints so clients understand you have multiple accounts. Set boundaries politely but firmly when required work exceeds agreed-upon scopes. Manage expectations upfront to prevent disappointment down the line. Educate clients on your standardised processes and typical cadences. Stick closely to the signed scope of work agreements.

Overservicing stems from good intentions but leads to client confusion and team burnout. Right-size client engagements through disciplined tracking, transparency and saying no when needed.

## 8. Client Service Training

We give teams technical training (e.g. using the latest design software), so why don't we invest the same efforts into account management and client service?

As your team member develops, it isn't a given that they will naturally be great account managers, so invest in them and make it part of their professional development to attend client service training as well as coaching and mentoring.

Share client success stories and practices internally. Celebrate wins. Build a culture focused on great delivery. Grow your agency's client service DNA. Make it part of your talent development. Reward great service.

## 9. Proactive Account Development Planning

It's important to not just focus on client retention but also growth. So, plan how to expand relationships beyond initial projects. Conduct quarterly account reviews focused on this expansion.

Look at strengths, weaknesses, and opportunities. Uncover new revenue opportunities. Set targets to increase budget share. Make growth intentional through account planning. Don't plateau at the initial engagement. Aim to become indispensable.



## Bringing It All Together

In today's hypercompetitive, high-churn environment, service excellence is non-negotiable for successful agencies. Deliver 'wow-worthy' experiences through discerning prospecting, precise scoping, outcome-driven communication, optimised processes, collaborative teams, proactive relationship-building, overservicing prevention, training and account planning.

By investing in these nine essentials, your agency can provide unparalleled, tailored service in 2024. You'll become valued partners in clients' success, not replaceable vendors. This shift builds loyalty, boosts lifetime value and generates referrals.

Great service requires strategy plus empathy. Take a

consultative approach laser-focused on achieving your client's goals. Be proactive. Anticipate needs. Work seamlessly as extensions of their teams.

With these pillars firmly in place, your agency will deliver an exceptional service that delights clients in 2024 and beyond. You'll become their go-to partner for years to come. Client retention and referrals will fuel your future growth. Purposefully investing in service excellence now creates resilience and prosperity for the long haul!

The time is now to implement the processes, mindsets and capabilities required for standout service. Don't wait for disappointed clients to leave. Be ready to wow them in 2024. Your agency's future depends on it. Make client service a competitive advantage in the years ahead.

*“ The goal is to maintain a laser focus on the client's most business-critical needs at any moment in time, not just delivering exactly what was outlined months earlier.*

**Robert Da Costa**



# Simple Steps To Avoid Scope Creep And Deliver Projects More Profitably



**Freia Muehlenbein**

I enable agency owners and senior leaders to overcome challenges and move into their next stage of growth. I guide agencies on how to move their strategy out of the boardroom and into the agency, and see their plans through to the implementation of positive, embedded changes and ways of operating.

Reach Freia Muehlenbein here >



As a term, 'scope creep' is massively overused and hated by most agency teams. It is also very real. And it's causing issues for agencies and the profitability of their clients' projects. Low project profitability can be caused by a lack of defined processes, the wrong people in the wrong roles, ineffective systems, inaccurate pricing, and more.

This article focuses specifically on how agencies approach their scoping and pricing, and some of the common issues in this phase that can lead to lower profits and scope creep further down the line. If you are experiencing low project profitability and scope creep, there are simple changes you can make to your pre-project activities.

## **Are you experiencing these issues in your agency?**

Many agencies put themselves in a tight spot before any work has even started. Common reasons for unprofitable project work are:



- **Scoping isn't a team effort:** Your sales team scopes and prices new work without input from the teams doing the work, which can lead to inaccurate quotes and incorrect campaign scopes. This opens you up to overservicing and difficult client relationships from day one.
- **You're not pricing in all work:** Many agencies don't price in crucial activities required to deliver great work, such as onboarding, client management, project management, or reporting. Failure to do so can impact your margins significantly and leave teams without dedicated time or budget for these essential tasks.
- **Your rates are too low:** Reviewing and increasing rates should be at least an annual activity. Your rates must reflect the cost of running your business, and lead to the margins you need to reinvest in the business and grow.
- **You're not formalising the project scope with your clients:** Not having mutually agreed ways of working and formalising what is and isn't included in the scope leaves you in a vulnerable position when clients ask for additional work or ask to change the scope.

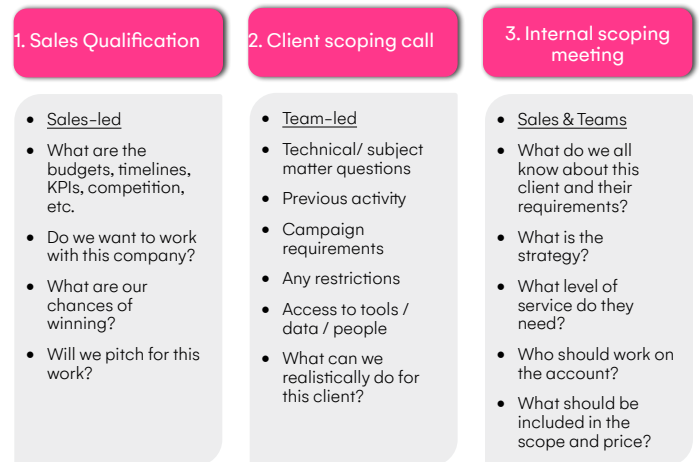
Here are some changes you can make to your processes:

### Involve your teams in project scoping

Creating accurate scopes and profitable quotes requires a deep understanding of how work is delivered in your agency. The people who know this best are the people who deliver the work on a day-to-day basis, and we need to include them in shaping proposals. Your client teams are ultimately responsible for delivering work in a way that makes money for the agency, but they can only do this if the scope for new work takes into account all elements of running campaigns. If it doesn't, teams will be left frustrated, stressed, and unable to hit the margins you expect.

So why don't all agencies involve their teams in scoping? The most common reasons are 'lack of time', 'lack of team availability', or the feeling that sales teams work best if they're allowed to 'just get on with it'. Although it does require the sales teams to arrange some meetings and get the right people in the same room, the time commitment is minimal. However, the impact on profitability and the likelihood of closing a new deal is maximised. A tried

and tested way is to follow a simple three-step process that starts with a qualification conversation led by the salesperson, is followed by a scoping call led by the subject matter experts, and a final internal scoping discussion where sales and subject matter experts agree on the scope and price as a team.



**Action:** Discuss with your sales team and specialist teams how you can work together to produce more accurate scopes. Allow the teams to be involved in the scoping and pricing activities, and facilitate client scoping calls with your teams.

### Price in all work and ensure your rates are optimised

Accurate pricing all starts with an accurate scope. To create an accurate scope, we need to fully understand the client's requirements, expectations, and what we will deliver for them. Involving the wider teams in this activity is the first step, as outlined above.

An effective way to price a new scope is to work with a simple pricing sheet. This sheet should include the following as a minimum:

- The activity (e.g. onboarding)
- Deliverables (e.g. client kick-off meeting)
- Time needed to do the task (hrs)
- The role completing the task (AD / AM / Expert)
- Their unique hourly rate (as opposed to a blended rate)
- The price to do the task (based on hours and unique hourly rate)



The sheet should outline prompts to help you price everything in. A helpful first step is to work with your teams to map out your key processes and repeatable activities for clients and understand the tasks and timings involved in delivering these. You can then transfer this onto your pricing sheet to assign times and costs for each new piece of work. The table below provides a top-level overview of onboarding and client management pricing. Many agencies experience a moment of shock when they take a deep dive into how much project delivery actually costs them.

In the example below, we can also clearly see that the average/blended rate is higher in ‘client management’ than ‘onboarding’ because more senior people on higher rates are doing the work. By using tiered pricing rather than a standard blended rate, you can improve your margins and reflect the different costs of the specialists in your team.

By the way: You would never send this level of pricing detail to a potential client. This is for internal use only.

Activity	Deliverables	Time (hrs)	Role	Hourly rate	Price
Onboarding	Team brief	2	AD	140	280
		5	AM	100	500
		2	Expert	80	160
		2	Expert	80	160
	Kick-off prep	3	AD	140	420
		2	AM	100	200
		4	Expert	80	320
		2	Expert	80	160
	Kick-off call	3	AD	140	420
		2	AM	100	200
		3	Expert	80	240
		2	Expert	80	160
	Internal planning	4	Expert	80	320
		2	Expert	80	160
	Brand immersion meeting	4	AD	140	560
		5	AM	100	500
	Internal systems set up	3	AM	100	300
	And more ...	5	AM	100	500
	<b>TOTAL</b>	<b>55</b>		<b>Average rate £100</b>	<b>£5,560</b>
Client management	Monthly call	2	AM	100	200
		2	AD	140	280
	Monthly reporting	3	AM	100	300
		2	AD	140	280
	Monthly project management	4	Expert	80	320
		8	PM	100	800
		3	AM	100	300
		2	AM	100	200
	And more...	2	AD	140	280
		2	Expert	80	160
	<b>TOTAL</b>	<b>30</b>		<b>Average rate £108</b>	<b>£3,120</b>

**Action:** Create your own version of a pricing sheet and map out all the activities/roles/costs for your repeatable processes. Remember to include onboarding, account management, meetings, calls, project management, reporting, contingencies, travel costs, etc.

*“A helpful first step is to work with your teams to map out your key processes and repeatable activities for clients and understand the tasks and timings involved in delivering these.*

*Many agencies experience a moment of shock when they take a deep dive into how much project delivery actually costs them.”*

## Agree and formalise the scope with your client

Once you have accurately and collaboratively scoped and priced your work, and the client has given you the go-ahead, you will want to agree and formalise a Scope of Work (SOW) to establish a mutual understanding and clear definition of project objectives, deliverables, timelines, and resources. The main benefit of a SOW is its ability to manage scope creep. It acts as a barrier, preventing uncontrolled changes of tasks or schedules, which can save resources and time that might have been wasted on unanticipated additions. It also facilitates transparent communication with clients, as they have a clear understanding of what to expect, minimising the likelihood of disagreements and ensuring client satisfaction. Your SOW should include:

Agreed ways of working: How will additional work requests be handled and charged for? How many rounds of amends and changes do you provide as standard? What happens if the client changes timelines and deadlines?

Agreed scope for each project: Agreed budgets, deliverables, milestones, exclusions, and deadlines for the project or retainer.

**Action:** Create your own SOW template and start introducing this to your clients. Do you have certain clients who are known for regularly changing the project scope? Talk to them and agree more effective ways of working and firmer boundaries.





## Final thoughts

We can't avoid scope creep altogether, but we can manage it better. The steps outlined here are your starting point for greater profitability and scope control, but don't stop there. Investigate what other areas of your project delivery operations could be optimised, such as the systems you are using to speed up and automate processes, the quality of the data you're collecting (e.g. profit per client and project, profit per department), who owns and reports on profitability, or how clearly your client roles and responsibilities are defined. Tip: Talk to your client teams about this! They will have valuable input, but we don't always ask them for their opinion.



“ *Creating accurate scopes and profitable quotes requires a deep understanding of how work is delivered in your agency.* ”

**Freia Muehlenbein**



# Resource Planning



**Marcel Petitpas**

Marcel Petitpas is the CEO & Co-Founder of Parakeeto, a company dedicated to helping agencies measure and improve their profitability by streamlining their operations and reporting systems. He's also the head strategic coach at SaaS Academy by Dan Martell, the #1 coaching program for B2B SaaS businesses in the world.

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## Introduction

If you run a digital agency, you and your team probably find yourselves trying to forecast for the future, answering questions like:

- “What if we get this client?”
- “When will we need to hire our next designer?”
- “How many more clients can we bring on with our current team?”

While answering these questions in practice may seem simple, you’ve probably come to understand that it isn’t very easy. The resource “plan” is a moving target that’s changing all the time. Just when you think you have it figured out, a project timeline shifts, a client cancels their retainer, an employee hands in their two-week’s notice, and you find yourself back in the weeds trying to figure out what it all means.

In this chapter, we’re going to break down how top firms approach resource planning using two distinct methods. These frameworks will allow your firm to see far into the future and run scenarios quickly, while also having the ability to get detailed insights into exactly who’s doing what on each client engagement.

## What is Resource Planning?

Resource planning is all about looking into the future to reconcile your planned work against your team’s capacity. There are multiple ways in which you can make this happen. But, this chapter will focus on the two most effective strategies: Top Down Resource Planning and Bottom Up Resource Planning.

We’ll get into those at a deeper level shortly. First, let’s continue to set the groundwork.



## Why is Resource Planning Important?

The obvious reason why resource planning is critical for your team's success is to ensure nobody is being overworked. If you've committed to delivering a service, someone is going to have to make that happen.

But there are deeper reasons still, to practice resource planning. Your agency's profitability relies on effective budgeting and estimation, otherwise, you may be setting yourself up for failure from the get-go.

Resource planning ultimately aims to optimise **Utilisation**, which is how much of your team's time is spent on revenue-earning activities. It's the leading activity that affects Utilisation (which is a lagging metric).

Effective resource planning will also impact other levers for profitability, in particular your team's Average Cost Per Hour (ACPH) and Average Billable Rate (ABR).

Let's review a quick 101 course on agency profitability so that we're able to tie in how your resource planning impacts it.

## High Level Overview of Agency Profitability

Your agency's profitability will mostly come down to the health of your agency's [Delivery Margin](#), which measures how much of every dollar is left over from client work after the promises have been delivered on, and before spending money on overhead.

$\text{Delivery Margin} = (\text{AGI} - \text{Delivery Costs}) / \text{Delivery Costs}$

Read more about Delivery Margin here. AGI is simply your revenue minus any pass-through expenses that your agency isn't responsible for earning, like a print budget or ad spend. Delivery Costs are typically the cost of your team, and their tools like software and other subscriptions. By aiming for a 50%+ Delivery Margin agency-wide, you'll set yourself up for success.

*"The obvious reason why resource planning is critical for your team's success is to ensure nobody is being overworked. If you've committed to delivering a service, someone is going to have to make that happen."*

Delivery Margin can be influenced by three simple levers:

- [ACPH](#) (the average cost per hour of your team members)
- [ABR](#) (the amount of revenue your team is earning per hour spent on delivery work)
- Utilisation (the percentage of time that your team is spending on delivery work)

A typical firm's profitability metrics will shift as Utilisation and ABR increases and ACPH decreases.

For example:

A team of 10 has a utilisation rate of 50% annually and earns \$100/hr on average for the time they spend on Delivery Work; some napkin math shows a revenue potential of:

$\text{Revenue Potential} = 10 * 2080 * 0.50 * 100 = \$1,080,000$

And a meager 5% increase in Utilisation would make a surprisingly substantial difference in that potential revenue:

$\text{Revenue Potential} = 10 * 2080 * 0.55 * 100 = \$1,144,000$

Assuming their Operating Profit was 10% (\$108,000 in the first scenario) it would have increased by \$64,000 to \$172,000 (a 59% increase!)

Similarly, seemingly small changes in ABR and ACPH in combination with a productive utilisation rate will have outsized positive returns.

## How Resource Planning Impacts Profitability

First and foremost, forecasting your planned work vs your team's capacity can help you make sure you're on track to hit utilisation targets ahead of time. This can help us make better staffing decisions like:

- Adding or removing team members at the right time
- Identifying where it might make sense to bring in freelancers to cover temporary increases in work
- Understanding where to focus sales efforts in order to balance workloads across the team

However, it can also help us improve other metrics like ABR & ACPH

- Bringing in the right kind of resources so we can staff work with the appropriate skill level, thereby keeping ACPH down (so we're not over-utilizing senior staff that is more expensive for things they shouldn't be doing)



- Getting good forward visibility into project plans which can help decrease over-servicing and exceeding budgets, thereby helping to protect your average billable rates.

## How to do Resource Planning & Forecasting

As briefly touched on above, the resource planning methods that we'll go over in this chapter are top down and bottom up methods. Both of them are useful, and it's likely you'll end up doing both of them at scale.

No matter which one you choose, you'll need to follow four steps to resource plan effectively:

- Analyse the demand
- Evaluate your existing capacity
- Identify the gap
- Implement and monitor

### Top Down Resource Planning

The top down approach is the higher level, broad approach that looks at resources on a weekly, monthly or quarterly basis. It will help you quickly run scenarios around hiring decisions or changes to your planned work.

- This is a great way for an executive team to get long-term visibility and make directionally accurate staffing decisions.
- The advantage of this strategy is that it is significantly lower-friction, easy to maintain, and easy to run scenarios in.
- The downside is that it's not quite as precise as its bottom-up cousin, so it doesn't answer questions about exactly who will be doing what on a given day.

*"Another way you can analyze your demand is to break up your delivery team into broad buckets of delivery that we call Role Categories. It's where similar skill sets and deliverables are bucketed together for simplicity. Maybe a front-end developer and a back-end developer would both be included in the role category "Development"."*

Here is how you'd go about installing a top down approach at your agency:

### Step 1: Analyze the Demand

Start by outlining all of the work in your pipeline. You can prioritise any confirmed work, and then later on add in more speculative deals. You can do this the basic way, by converting your revenue on a project to planned hours via your estimated average billable rate.

#### Simple Method

For example, on a project that you are bringing in \$5000 in revenue, simply divide by your average billable rate to output the amount of hours it is going to take your team to complete that work. Let's say it's \$150/hr:

$$\$5000 / \$150 = 33 \text{ planned hours}$$

This method is great, because it's simple and fast. But of course it's very broad.

#### Precise Method

Another way you can analyze your demand is to break up your delivery team into broad buckets of delivery that we call Role Categories. It's where similar skill sets and deliverables are bucketed together for simplicity. Maybe a front-end developer and a back-end developer would both be included in the role category "Development". For example:

Role Category	Hours to Complete	Target ABR
Strategy	9	\$ 250
Development	20	\$ 150
QA	4	\$ 100
	<b>Total: 33</b>	

With this in mind, you've now got an idea how many hours it's going to take to complete the work you have in your pipeline.

### Step 2: Evaluate Existing Capacity

Next, evaluate how much capacity your team has.

#### Simple Method

The goal is for you to calculate how much work your team can handle (in other words, your Delivery Capacity).

$$\text{Delivery Capacity} = \text{Total Capacity} \times \text{Model Utilisation}$$



Your team's total capacity will be their working hours per year. This will be 2080 hours for 40 hours per week employees. If you have 5 team members at 2080 hours a year, your team has an annual delivery capacity of 10,400. Multiply that by the model utilisation (recommended to be 50% annually, more like 60–70% per project) and we've got our Delivery Capacity:

$$10,400 * 0.50 = 5200 \text{ Hours}$$

So, with 33 hours per project, and 5200 hours available, your team can likely handle around 157 projects per year. You can also factor in PTO by calculating the time off per year in hours, and subtracting that from your 5200 above, to get a little more precise.

### Precise Method

Now, a more complex method can be taken using our Role Categories to be able to identify bottlenecks by department or other subset, not just agency-wide. You can do the same calculation above, just do it for your Role Categories:

Role Category	Team Size	Annual Capacity (minus PTO hours)	Target Utilisation	Deliv Capacity Available	Deliv Capacity Weekly (/52)
Strategy	2	3,744	70%	2,620	50
Development	3	5,616	70%	3,931	75
QA	1	1,976	70%	1,383	26

### Step 3: Identify the Gap

Now that we have our demand and capacity, let's compare them to see where there might be a gap.

### Simple Method

With 5200 hours available per week, and 33 hours per project, we know that the agency can handle around 157 projects per year, which works out to about 3 projects per week.



### Precise Method

At a deeper level, we know based on the math above that each role category has the following available hours per week, and how much per project time we have available per role category each week:

Role Category	Hours to Complete a Project	Deliv Capacity Weekly (/52)
Strategy	9	50
Development	20	75
QA	4	26
	<b>Total: 33</b>	

And we'll see that the strategy team in theory could handle 5 projects weekly. QA could take on around 6 projects a week, whereas development is where the bottleneck is with only 3 projects per week able to be taken on.

*Note: we're using the same team in both examples, but clearly the more precise method has got us to more detailed answers and more obvious insights.*

### Step 4: Implement and Monitor

And finally, we get to the ongoing part of this process. Think of capacity planning as a process as opposed to an event. There should be a regular cadence installed by which the capacity model and planned work models are updated and reviewed by the team to spot issues and run scenarios about the future.

### Bottom Up Resource Planning

Bottom-Up is the more detailed and precise method for forecasting. It's best suited for looking at shorter time horizons like days and weeks.

- It's great for helping project and delivery managers understand exactly who will be working on what in the next few days or weeks.
- The advantage to bottom-up is that it is very precise, and can help delivery managers and teams understand exactly what they're doing each day.
- The disadvantage to bottom-up resource planning is that it is significantly higher friction, and much more difficult to maintain.
  - It's also a very slow and painful way to try and run scenarios and model broad time horizons because of all this operational drag.





- We recommend firms start with Top-Down forecasting and use it to get directionally accurate visibility into the future, then employ bottom-up resource planning when they have a project or delivery manager in place that can own that process to plan for work that is “mature” (has been sold and scoped).

### Step 1: Analyze the Demand

Start by evaluating the work you have in the pipeline, and the individual tasks that will need to be completed to deliver the work to the client. At a high level, it can look like this:

Task	Team Member Responsible	Due Date	Hrs to Complete
Task 1	Sean	1/1/2024	3.0
Task 2	Jeremy	1/1/2024	1.5
Task 3	Katie	1/3/2024	2.0
Task 4	Ashley	1/4/2024	0.5

### Step 2: Evaluate Existing Capacity

Next, you’ll want to calculate how much of each team member’s time you have available to fill up with client work. A simple capacity calculation like we above can be done:

Name	Annual Capacity (hrs)	Annual PTO (hrs)	Target Utilisation	Yearly Deliv Capacity	Weekly Deliv Capacity (/52)
Sean	2080	200	70%	1,316	25
Jeremy	2080	300	70%	1,246	24
Katie	2080	300	70%	1,246	24
Ashley	1040	0	70%	728	14

### Step 3: Identify the Gap

Then, we can compare the weekly delivery capacity for each team member based on the work we have in the timeline, and compare it to the capacity each team member has weekly (or monthly if you’d like).

If a given project typically takes 20 hours of Sean’s time, you know that Sean (with a weekly delivery capacity of 25) isn’t going to be able to handle more than that. And so on, and so forth.

### Step 4: Implement and Monitor

Similar to the top-down method, it’s essential to establish a regular rhythm for ongoing assessment of your estimates and time-tracking adherence. This ensures that data becomes a dependable resource for informed decision-making.

## Strategies for Improving Resource Plans & Utilisation

There are a few common techniques that you and your team can practice to optimise your resource planning process:

- **Resource Leveling**
  - This is modifying project schedules to balance resource demand more evenly, typically achieved by changing task start dates, altering task durations, or rearranging project activities. The aim is to prevent resource bottlenecks and ensure more consistent utilisation by redistributing workload across time.
- **Resource Smoothing**
  - This method seeks to maintain a steady resource utilisation rate by modifying resource availability or capacity. This includes the adjustment of resource availability, often by implementing capacity limits within specific timeframes, with the goal of sustaining a more uniform resource demand. This minimizes fluctuations and prevents extreme peaks and troughs in resource allocation.

*“There should be a regular cadence installed by which the capacity model and planned work models are updated and reviewed by the team to spot issues and run scenarios about the future.”*



- **Time Boxing**

- Another handy technique is timeboxing. It's like scheduling specific blocks of time for different tasks, which helps you stay on track and really concentrate on what you're doing. This way, you can better prioritise your work, get more done efficiently, plan your resources effectively, and boost your productivity.

### **Conclusion**

You would be surprised at just how much money your agency is leaving on the table by underinvesting in a proper resource planning system.

Choose a technique that fits with your team's capabilities and product maturity, run with it and continue to monitor it as time goes on. That way, you can rest knowing that your company is running like a well oiled machine.



**“** *It's great for helping project and delivery managers understand exactly who will be working on what in the next few days or weeks.*

**Marcel Petitpas**



# Internal Collaboration: Keeping The Team Together And Facing In The Right Direction



**Nikki Gatenby**

Nikki Gatenby, agency specialist non-exec director, cognitive behavioural coach, author on the subject of engagement and purpose. I help agency leaders become unstoppable, creating profit to fuel purpose, working with founders to create their strategy and coaching leadership teams to successfully deliver on it in a way that pays dividends for all.

Reach Nikki Gatenby here >    

If you want to keep your people on the same page, it helps to put them on a par with profit and purpose. In fact, you can transform your business performance by doing exactly that. (This isn't a purpose yawn, I promise).

**Purpose. Profit. People.** The 3 Ps, we are in marketing, after all. Let's take a closer look:

## **Purpose**

Talented people have choices. And as agency leaders, we are in a position to share compelling reasons for them to choose to work with us.

Long gone are the days when agencies were in business to make money alone. It's a bit old hat, we've moved on from Friedman economics that the only purpose of business is to create as much money as possible for the shareholders... and it's not exactly motivating for current and future employees when deciding where they would like to develop their career.

Without a sense of purpose, we may be simply *hoping* to attract the right staff. And in this case, hope is not a strategy.

Instead, by embracing a clear purpose – that being the difference we are aiming to make in the world – we make it actionable instead of just a figment of our imagination.

This clarity of purpose will be magnetic to the right people and the thread of steel that keeps them together, facing in the right direction. Ideally with profits not coming from creating or exacerbating the world's problems, but by solving them.

So, what is your agency's purpose (beyond making money/ making the founder(s) rich\*)?

Why should talented people believe in you?

What difference are you making to the world and should anyone care?

Harsh? maybe. True? absolutely.



(\*a common misconception that can be hard to hear, particularly when you've put your heart and soul into your agency and likely your house on the line too. So let's change that.)

Once you are clear what you stand for, it creates laser focus for decision making, particularly knowing your stance on: 1 prospects and clients, 2 products and services, 3 pricing and negotiation:

1. You know what your **prospects** and your **Ideal Client Profile** looks like, preventing you from pitching for everything and anything that comes across your desk and knacker your team in the process.
2. You know what you're the **best in the world at delivering** and are super clear with clients on what your **products** and services are, knowing you can create value and impact, without trying to be all things to all clients and terrifying/confusing both your team and your clients in the process.
3. You know what you are prepared to **negotiate** on with clients and procurement, to **price** your impact well and create value for both you and your client, without undermining your agency sustainability and ultimately putting the client project at risk if you've not priced it well at the start.

Knowing why you exist takes the uncertainty out of the system. Giving you space to think, create and deliver to the value you know you are worth.

## Profit

*Make profit with pride to fuel your purpose.* Profit is not a dirty word, whilst it's not the only reason to exist either – it matters and being good at creating it is nothing to be ashamed of.

*"As agencies are largely populated with people to create value, it's the actions of those people that really matter. Keeping them all together and facing in the right direction is critical for a positive profit culture, and creating profit-positive actions."*

No profit, no progress. We know this.

Profit means you are sustainable, ideally with six months' salary cover in the bank and no client worth more than your profit margin, creating secure cash flow to keep you thriving. Creating a Profit Culture will help you do exactly that.

A Profit Culture?

Yes, with profit being a lagging indicator, it is an outcome of all the other actions you take in business. Profits happen when you do everything else right.

And as agencies are largely populated with people to create value, it's the actions of those people that really matter. Keeping them all together and facing in the right direction is critical for a positive profit culture, and creating profit-positive actions.

So what does that look like?

Whilst profit is a *lagging indicator of past actions*, we need to look at the *leading indicators, all the future actions* you are going to take in order to create that profit along the way:

- Have a **revenue forecast** – give people visibility so they can take decisions with the numbers to back them up
- Have a clear picture of your **pipeline** – for the team to get excited about potential clients and help planning resources around both pitching and pitch wins
- Know how many months **overhead cover** you have in the bank to be able to make decisions around investments or cost savings
- Work to **balance your client portfolio** so no one client is dominating your time, attention and P&L – therein danger lies for you, them and your other clients
- Calculate **client profitability** and look out for any **profit vampires** – those clients who take way more than they give – and do something about them
- Have a clear **commercial dashboard** that is visible and accessible by the team

In short, help the people on the ground know what they need to do to keep the business afloat.

Strategic aims, operationalised as visible goals are the front runners to all of this – expressed as a clear set of numbers that are easy to remember and that people are galvanised by.





I saw this impact of this kind of thinking when working for Nissan early on in my career. At the time it wasn't a very successful car brand, commercially on a knife edge and to rescue the business the leadership team instigated the *Nissan 180 Turnaround Plan*:

- 1 million car sales
- 8% profit
- 0 : zero debt

With the idea that these numbers were everyone's goals; team, suppliers, partners, agencies – in order to turn the Nissan organisation around within five years.

And the business turned around in three years, not five, with Nissan becoming highly efficient, effective and innovation-focused. Despite all the fanfare from Tesla with their limited edition of 500 Roadster sports cars in 2008, it was Nissan who brought the first mass-market electric car to the UK, with the pioneering all-electric vehicle LEAF, which hit the roads in December 2010. First sold in Japan, Europe and America (two years prior to Tesla Model S).

If this kind of thinking is good enough for one of the most successful car companies on the planet – we agencies can use a little of that ingenuity.

In a slightly less elegant, whilst still effective way, one of the first set of numbers I developed with an agency was the 100, 90, 80, 70, 60, 50 plan:

- £100 RPP (revenue per person)
- 90%+ Team engagement
- 80% Client retention
- 70% Utilisation
- 60 Precious seats (we didn't want to grow to big as a team and found other ways to create profit)
- 50% Gross profit

Everyone knew the numbers, they knew what they stood for, and most importantly, they knew what they could do to affect them.

## People

If your people know why your company exists, why it's compelling for them to engage with it, what value the agency adds to the world and how you're going to be self-sustaining to continue to do so, you're about 150% ahead of so many businesses that aren't clear on these things from the start.

Without purpose, people can feel simply like a cog in a machine, working hard for no apparent greater outcome than a salary. And unfortunately burn out in the agency world is rife. And for such an innovative, creative industry, this is simply wrong. It's 2024!

At the turn of the century there was no Facebook or Meta, no Twitter or X, no YouTube. Tiktok was a mere whisper in someone's imagination. The iPhone was seven years away, the iPad 10 years. It's bonkers but true.

And these changes in technology have underpinned a fundamental disruption to the status quo; fake news, the sharing economy, the gig economy, the growing fear/joy of AI and the post-covid world of people demanding to work flexibly...the list goes on.

Yet despite this radical shake-up we've all been living through, too many businesses haven't moved with the times. They're still wedded to old-school ways of squeezing as many hours as possible out of their employees, who they see as 'assets to be sweated' (urgh). It's no wonder so many employees feel so disengaged. The daft thing is there's a whole bunch of evidence to suggest that engagement of your people pays.

You'll see from the above numbers; our goal was to have scores of 90%+ engagement across the agency team. A deliberate and active target that guided many a decision about what to do in any given situation.

In a world where the average engagement at work rate is lounging around under 25% (blimey), having an engaged team can be game-changing in terms of performance.

Not only that, high engagement is magnetic and because people talk/share/post etc about their lives and their work, recruitment becomes a lot easier too.

High engagement literally pays dividends: *In the context of [Gallups](#) latest engagement study, the top 25% of companies enjoy 200% more annual profit than the lowest 25% (Rayton Dodge and D'Analeze).*





Businesses that ignore this evidence are increasingly being left behind.

Businesses that engage with it keep their team together and facing in the right direction.

#### **In summary:**

When you're driven by purpose, everything clicks. This keeps the team together, provides you with staying power and helps you make hard decisions rather than avoiding them.

People who share your purpose will gravitate towards you and become a tribe of advocates, creating opportunities that will drive you forward, facing in the right direction.

And it's so motivating for people to make profit with pride, to fuel your shared purpose.

This isn't profit with a side of purpose; it's profit balanced with purpose and people in equal measure.

#### **In short:**

- Be clear on your purpose.
- Create a profit culture to fuel it.
- Put your people on a par with purpose and profit – and watch your agency thrive.

#### **The last word:**

All of the above is based on first-hand experience in multiple agency settings. Creating clarity on purpose, to earn double-digit margins, to reinvest in the agency – in some cases to develop even more profitable SaaS products – whilst also being great places to work many years over.

You can find out more here [www.superengaged.co.uk](http://www.superengaged.co.uk). Enjoy!



*When you're driven by purpose, everything clicks. This keeps the team together, provides you with staying power and helps you make hard decisions rather than avoiding them.*

**Nikki Gatenby**



# Choosing The Right Accountant: An Agency Approach



**Rory Spence**

Day-to-day, you can find me helping ambitious business owners who want to build beautiful businesses. I love helping business owners make more profit, streamline their financial processes, and be able to take more time to work on the business, rather than in it.

Reach Rory Spence here >



In the world of finance and accounting, selecting the perfect accountant is a pivotal decision that can have a profound impact on your financial health and success. When it comes to making your choice, there are a multitude of practical considerations to take into account. Here, Rory Spence from The Wow Company highlights essential factors you should consider when selecting an accountancy firm.

## **Qualifications and certification**

First and foremost, it's crucial to ensure that the accountancy firm you choose is properly qualified and certified. Look for firms whose key contacts are ACCA (Association of Chartered Certified Accountants) or ACA (Associate Chartered Accountant) qualified. This certification ensures that you're working with professionals who adhere to rigorous standards.

*"Strategic insights and analysis are where the real value of an accountant shines. While most accountants can handle tax and payroll, only a few can provide in-depth analysis and strategic insights for your business. Look for accountants who can proactively identify red flags, and opportunities for improved profitability, and maintain a close eye on your cash flow."*



## Experience and expertise

Experience matters, and not just any experience but the right kind. Just as different businesses operate differently, your accountant should have a deep understanding of your industry and the specific challenges you face. Whether you run a bakery, a gym, or an agency, ensure that your accountant has relevant expertise that aligns with your unique needs. Their knowledge of the way things work will help you spot specific opportunities and overcome certain challenges, as they'll have seen similar businesses go through the same things.

## Location vs. remote working

Traditionally, the proximity of your accountant's office was a consideration. However, the rise of remote working and cloud-based technology has revolutionised the industry. Now, you can collaborate effectively with an accountant, regardless of their location. You no longer need to limit your options to local accountants, as many processes are paperless and online.

Ask which systems are in place and which software they use, and set the expectations early on about the amount of contact and communication you'll need. At the end of the day, remote services can have huge time-saving benefits, as long as you're able to pick up the phone and speak to someone when you need to.



## Defining your scope

Accounting services can vary widely, but most firms can handle basic tasks like corporation tax, personal tax, and payroll. When selecting an accountant, don't base your decision on their ability to complete these fundamental tasks. Focus on their capacity to add value in other areas of your financial management. What can they bring to the table that others won't? Do they give you a great client experience, or report in such detail that you feel totally at ease with them being in control?

## Bookkeeping and outsourced finance

Consider who currently manages your day-to-day bookkeeping. Small agencies under a million pounds in turnover often handle it themselves, but as your income exceeds this threshold, having an experienced bookkeeper becomes essential. Some firms, like Wow, offer outsourced finance services that go beyond basic bookkeeping. These services provide meaningful insights that empower agency owners to make informed decisions.

## What are the benefits of outsourced finance?

Outsourced finance, also known as outsourced accounting, offers numerous advantages to businesses of all sizes. Some of the key benefits of outsourcing your financial operations include:

- **Cost efficiency.** It often proves more cost-effective than maintaining an in-house finance team. You can eliminate the costs associated with hiring, training, salaries, benefits, office space, and the need for expensive financial software and tools.
- **Access to expertise.** Outsourced finance providers typically have a team of experienced professionals who specialise in finance and accounting. You gain access to a broad range of skills and expertise without the need to hire multiple in-house staff members.
- **Being able to focus on core competencies.** By outsourcing, your in-house team can concentrate on your core business activities, such as product development, customer service, and growth strategies, rather than being bogged down by financial administrative work.
- **Outsourced finance can be easily scaled up or down** to meet your business's changing needs. You can adjust the level of service as your business grows or experiences fluctuations in financial activity.



- **Reduced compliance risk.** Finance professionals are well-versed in the latest financial regulations and compliance requirements. Outsourced finance providers help ensure that your financial operations adhere to legal standards, reducing the risk of non-compliance and associated penalties.
- **Timely and accurate financial reporting.** Outsourced finance firms will specialise in producing accurate and timely financial reports, which are essential for informed decision-making and stakeholder communication.
- **Access to advanced technology.** Outsourced finance providers typically use cutting-edge accounting and financial software, saving you the expense of investing in and maintaining these technologies.
- **Risk mitigation.** An experienced outsourced finance provider can help identify and mitigate financial risks and provide recommendations to improve your business's financial health.
- **Peace of mind.** Knowing that your financial operations are in the hands of experts can provide peace of mind. You can focus on your business's growth and success, knowing that your finances are well taken care of.

Outsourced finance is a strategic choice for businesses looking to streamline their financial operations, reduce costs, and access high-quality financial expertise. Whether you're a small startup or a large corporation, outsourcing can help you optimise your financial processes and make more informed decisions.

### Strategic insights and analysis

Strategic insights and analysis are where the real value of an accountant shines. While most accountants can handle tax and payroll, only a few can provide in-depth analysis and strategic insights for your business. Look for accountants who can proactively identify red flags, and opportunities for improved profitability, and maintain a close eye on your cash flow.

Those with more experience might have more in-depth insights based on their years of operation, and those with fresh talent might have new ways of looking at things with forward-thinking perspectives. Ideally, you'd have the best of both worlds.

### Personal finance and holistic approach

For many agency owners, financial expertise is not a primary focus or a key skill. They excel at delivering quality work and managing client relationships. A reliable accountant can provide comprehensive financial support, helping you to make better decisions, plan for your family's future, and capitalise on tax-saving opportunities.

From advising on inheritance tax to looking at trust funds and school fees, the right accountant should have your best interests at heart and proactively look for ways to help you inside and outside of your business. With many agency owners, your personal and professional financial situations are so closely linked that it's a no-brainer that any financial advice you're seeking should cover both of these aspects. This kind of holistic approach is so important and can reduce stress on you as a business owner, knowing that you've got a solid plan for you and your family whatever the economic climate.

### The Three Common Challenges

When agencies are looking to switch accountants, it's generally because they've come up against one of three common challenges:

- The first is delayed responses, with some accountants being slow to reply to emails or return phone calls.
- The second challenge is the delay in receiving management accounts and reports, which can hinder your ability to make informed decisions.
- The third challenge is missing out on tax-saving opportunities.

Ensure your accountant is proactive in identifying and capitalising on tax efficiencies. Ask yourself whether you genuinely feel supported in these areas, because while they are common challenges, they needn't be when you're with the right accountant.

*"From advising on inheritance tax to looking at trust funds and school fees, the right accountant should have your best interests at heart and proactively look for ways to help you inside and outside of your business."*



## Bespoke reporting and Key Performance Indicators (KPIs)

Your accountant should provide you with bespoke reports tailored to your agency's unique needs. Focus on key performance indicators (KPIs) that truly matter for your business. Gross profit margin is a crucial KPI that can directly impact your agency's profitability. Additionally, consider leading indicators, which are day-to-day activities that drive leads, opportunities, and income, such as networking events or speaking engagements.

When selecting an accountant, consider the full spectrum of your financial needs and choose an accountant who can provide holistic, value-driven services. Your accountant should empower you to make better financial decisions, optimise your tax savings, and support your personal financial planning. By thinking about these practical factors, you'll be well on your way to selecting the right accountant for your agency.

For more information on the benefits of being with the right accountant, [book a call with The Wow Company](#).



*Your accountant should have a deep understanding of your industry and the specific challenges you face. Whether you run a bakery, a gym, or an agency, ensure that your accountant has relevant expertise that aligns with your unique needs.*

**Rory Spence**





# 5 Steps To Better Forecasting And Capacity Planning



**Tom O'Neill – Parallax**

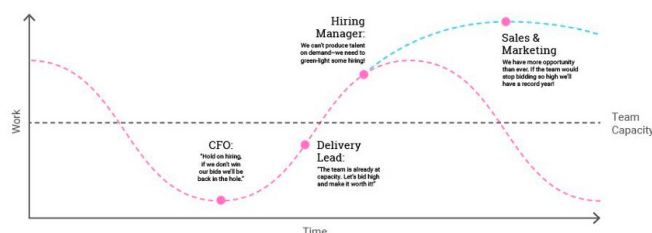
Parallax is a forecasted capacity and resource planning solution built for professional and digital service organizations. Centered around the most critical operational pillars — capacity planning, resource management, project financials, and operations intelligence — Parallax helps maximize resource efficiency, ensure utilisation goals are met, and track and improve project margin.

Reach Parallax here >    

Stop us if you've heard this one: Digital services companies like agencies and software development firms are constantly on the roller coaster of too much work or not enough — or too many people or too few to actually do that work! The common question becomes, “Should we just buy pizza and beg everyone to stay late for the next couple of weeks or pull the trigger and hire more help?!”

It's a tough balancing act to bring in enough new business to hit targets, have just the right amount of talent on staff to deliver great results, and keep teams happy and engaged. Additionally, selling and delivering digital services can be difficult when people are the product, causing tension and messiness. It leads to reactive decision-making driven by emotion and instinct.

We get it, and it's a tension we see in services companies every day.



But it doesn't have to be like this! And we believe data is the one ingredient necessary to reduce this volatility. The right data — visible across the organisation — can remove emotion and bring more confidence in decision-making and forecasting.

Without accurate data, companies will continue to struggle to get a clear picture of what's happening across the business, what's coming down the pipeline, and what they need to do to balance the needs of the business with the needs of their people. Data informs better forecasting, which drives performance and stronger operations.

Here's how to use data and accurate forecasting to exit the roller coaster:

## 1. Get visibility into the sales pipeline

Accurate forecasting all starts with visibility into the sales pipeline. Without visibility, there's no way to know what's being sold, whether those opportunities are enough to hit financial and operational targets (revenue, margin, utilisation), and if you have the right people available to do the work. Sales pipeline data is necessary for all types of business planning, including sales forecasting, revenue forecasting, and resource management for digital services companies.

Unfortunately, most companies keep sales pipeline data locked in the CRM, and it's not easily shared or visible to operations and delivery teams. If teams don't have visibility into key data points from the pipeline, they won't have the necessary context for effective resource planning. They'll struggle to predict whether they have enough or just the right number of people, in the right roles, to successfully deliver projects.

Plus, new opportunities rarely match resource availability. A lack of visibility often leads to a chaotic and reactive scramble of trying to get the work done with whoever is available at the time — regardless of whether those people are the best fit for the job. Shared sales pipeline data is the first step to creating forecasts that improve business performance.

*"A lack of visibility often leads to a chaotic and reactive scramble of trying to get the work done with whoever is available at the time — regardless of whether those people are the best fit for the job."*

## 2. Don't let precision get in the way of accuracy (or at least consistency)

If sales pipeline visibility is fundamental to business forecasting, keeping the pipeline's data up-to-date is critical for accurate forecasts. This is understandably challenging for most companies, as data management often falls behind other sales priorities, such as generating new business, serving existing clients well, and making sure the business development team is healthy.

The good news is that salespeople don't need to put together detailed project or resource plans right away, but they can provide directionally correct data early on and add higher fidelity along the way.

More insight is always more valuable than nothing at all. Enforcing data governance can feel like too strict of a requirement and a waste of time, but in reality, regularly updating CRM data will create accurate forecasts that will improve your business performance, making it easier to win good work, serve clients well, and promote positive communication and collaboration between teams.

We recommend adopting these [sales operations best practices](#) to keep CRM data current. Without accurate and up-to-date data, forecasts are, at best, inaccurate and useless; at worst, they could lead to the wrong decisions.

## 3. Implement professional services automation that enables smarter forecasting

Are you piecing together disparate data sources into spreadsheets and trying (but struggling) to use them for sales forecasting, resource planning, and revenue forecasting?

One of the main reasons we built Parallax is because we know the pain of outgrowing homegrown tools and processes. If your spreadsheets or custom-built tools have become too clunky, cumbersome, and easily prone to breaking, it's likely because you've reached a growth point where you can't just wing it and count on your team's gut instinct and brilliance. You need visibility into real-time data and up-to-date forecasts. But big, clunky tools and ERPs involve too much change and adoption.



Parallax brings your tools and data into one place, so you can create a shared perspective on performance, drive better operations, and leverage data for strategic decision-making. [Our integrations-first philosophy](#) means less disruption for sales and delivery teams. They can keep using best-in-class CRM or project management tools. Parallax augments these great platforms with reporting and insights built specifically to help services companies drive smarter operations, unlock better forecasting, and improve business performance.

#### 4. Forecast against targets and compare to benchmarks

Once your data is in one place and you've adopted the habits needed to keep everything accurate and reliable, you can unlock the power of real-time forecasts. These forecasts help leaders make smart, impactful decisions in support of their business and people.

Use the software you chose for real-time forecasting and resource planning to see how you're performing on a variety of financial and operational metrics. Compare your performance against [industry benchmarks](#) and adopt the best practices necessary to optimise performance.

Not sure where to start? Check out the two [KPIs that matter for digital services companies](#) – utilisation and margin.

#### 5. Make informed decisions that optimise operations and drive business performance

Now that your teams have access to accurate, real-time forecasts, it's time to use that information to make decisions driven by data rather than emotion. Accurate and reliable forecasts allow for more proactive decision-making, giving your team time to staff projects in a way that allows for growth opportunities for employees and healthy resource management.

You might want to build forecasts that help you:

- Inform resource planning, making it easier to decide when it makes sense to hire (and who to hire) to ensure project success.
- Identify dips in the sales pipeline so you can act accordingly to generate new opportunities.
- Adjust in-progress project plans based on how you're performing on key metrics.

When you have confidence in your forecasts, your team can make more confident decisions and investments in the future — avoiding the chaotic scramble of the “too much work, not enough work” roller coaster.



## Scale the magic that makes you great

You've reached a point where accurate data and forecasting are vital to future growth when you can no longer rely on gut instinct to make decisions. It's a bittersweet problem, but adopting best practices related to resource planning, forecasting, and data governance gives everyone more time to focus on their craft and scale the magic that makes your company great.

At this growth point, your teams must break free from siloed thinking and create a shared perspective. When your team leads can quickly access accurate forecasting, they can make strategic decisions supporting the business and its people.

To learn more about how Parallax brings together data from across the business for better planning and forecasting, [get in touch](#) for an assessment of where you're at and chat about how we can help you get to where you want to be.



*Accurate and reliable forecasts allow for more proactive decision-making, giving your team time to staff projects in a way that allows for growth opportunities for employees and healthy resource management.*

**Parallax**



# AI: Will It Take Our Jobs?

## A Lesson From History



**Rob Sayles**

Feeling trapped in the day-to-day of your agency? With my structured approach, I'll get you back to focusing on growth and leadership. I've taken agencies from startup to exit, built out operational divisions within corporates, established working units in various countries, and created Global Centres of Excellence — all focused on success.

Reach Rob Sayles here >



### 1. Introduction

Artificial Intelligence (AI) has transformed the landscape for digital agencies, bringing opportunity and apprehension in seemingly equal measure.

The question is, does AI threaten job security, or is it a tool to enhance profitability?

### 2. What does history tell us?

The history of tech advancements gives us insights into today's AI landscape.

During the Industrial Revolution, machines like the spinning jenny transformed manual tasks. The telegraph and telephone revolutionised communication, and now, agencies benefit from instant global communication tools that erase geographical limits.

The typewriter made content creation efficient; fast forward, and modern agencies use sophisticated content management systems to craft and share stories.

And with the advent of the computer, manual tasks turned digital. Today's agency tools for design, analytics, and campaign management are direct descendants of this shift.

While technology has continuously changed the way we work, the essence of our roles remains.

### 3. AI in Digital Agencies

In an evolving landscape, technology (especially AI) plays a double role: disruptor and creator. As AI automates specific tasks like data sorting or basic design iterations, traditional roles within agencies might diminish. Yet, this same shift opens doors for new specialities.





For example, we might see fewer manual data analysts, but there will be a surge in strategy experts, consultants, or personalised content creators.

The digital agency world is not facing an end but a transformation, where old tasks give way to new, more advanced opportunities that reshape the industry's future.

So, is AI really a job killer?

AI's introduction isn't about job elimination but role elevation. With AI handling routine tasks (such as data analytics or basic content creation), it opens the door for professionals to pivot towards more strategic roles.

Instead of getting bogged down with manual tasks, agency members can harness AI to focus on big-picture strategies, creative conceptualisation, and innovative solutions.

Essentially, AI doesn't take away jobs but rather refines and augments them, encouraging a shift from mundane tasks to value-driven, strategic contributions that can profoundly impact an agency's success.

#### 4. Embracing AI: A Route to Optimised Operations

Digital agencies can tap into AI to handle the heavy lifting of data crunching, letting their teams focus more on creative strategy.

Instead of getting bogged down in numbers, staff can use AI insights to fine-tune campaigns and better connect with audiences. This means campaigns become smarter, adapting in real-time based on data.

In simple terms, AI does the data legwork, while humans bring creativity and strategic vision, making campaigns both efficient and impactful.

Here are some AI tools commonly used - recognise any?

- **Google Analytics with AI:** Offers predictive metrics and insights, helping marketers make data-driven decisions.
- **HubSpot:** Uses AI to assist in marketing automation, content recommendations, lead scoring, and chatbots for customer interactions.
- **Grammarly:** Utilises AI to enhance content writing, providing grammar checks, style recommendations, and tone analysis.
- **Adobe Sensei:** Powers intelligent features across Adobe's products, enabling advanced photo editing, targeted marketing, and more.

*"Instead of getting bogged down in numbers, staff can use AI insights to fine-tune campaigns and better connect with audiences. This means campaigns become smarter, adapting in real-time based on data."*

- **Chatbots:** Platforms like Drift and MobileMonkey facilitate real-time customer interactions, lead generation, and query handling.
- **Crimson Hexagon:** An AI-driven consumer insights platform for analysing audiences, tracking brand perception, and observing the competition.
- **Hootsuite Insights:** Uses AI to monitor brand mentions and sentiments across social media platforms, providing actionable insights.
- **SEMrush:** Incorporates AI to enhance keyword research, site audit, and competitive analysis, optimising SEO and PPC campaigns.
- **Lumen5:** An AI-driven tool that assists agencies in converting text content into engaging video content, optimised for social sharing.

#### 5. Profitability Through AI Integration

Digital agencies constantly seek avenues to improve their bottom line, and AI integration offers a promising route. Here's how AI can be a game-changer for their profitability:

1. **Efficiency & Automation:** By automating routine tasks like data analysis, keyword research, or audience targeting, agencies can significantly reduce man-hours. This translates to faster project completion and the ability to take on more clients without increasing overheads.
2. **Precision Targeting:** AI's deep learning capabilities can predict consumer behaviour with higher accuracy. By utilising these predictions, agencies can tailor campaigns that resonate more effectively, ensuring higher ROI for clients and justifying premium pricing.



**3. Enhanced Creativity:** AI tools like content optimisers or design assistants can provide real-time feedback, allowing creative teams to produce top-tier content. This not only improves client satisfaction but can also position the agency as a market leader.

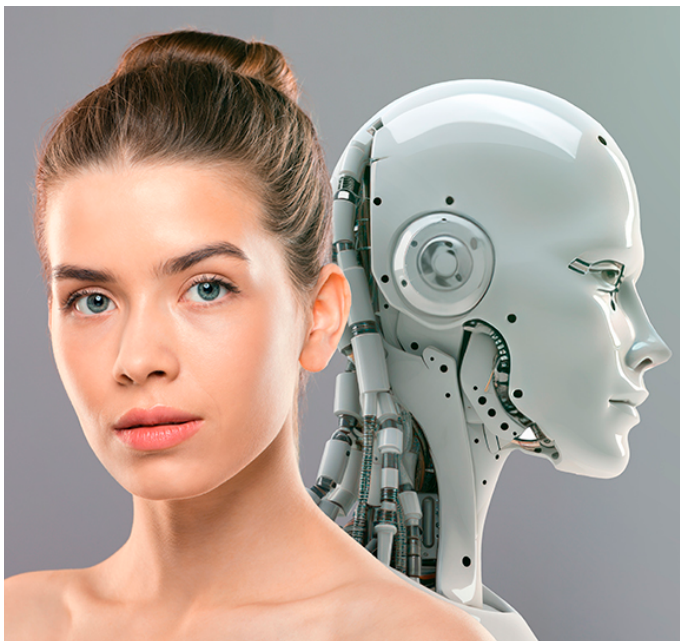
**4. Proactive Problem-Solving:** AI can spot trends and anomalies in campaigns before they become issues. By proactively addressing these, agencies can avoid costly mistakes and maintain a reputation for excellence.

**5. Scalable Solutions:** With AI-driven platforms, agencies can offer scalable solutions to clients. For instance, chatbots can handle an influx of customer queries without additional manpower.

## 6. The Evolution of Agency Roles with AI

The integration of AI within digital agencies has fundamentally transformed the landscape, prompting an evolution of roles that are more strategic and nuanced.

With data analysis, AI now automates the heavy lifting of data processing, transforming traditional data analysts into strategy architects. These professionals now use the insights generated by AI to craft more effective campaigns. They no longer simply crunch numbers; they make impactful decisions that drive campaign success.



When it comes to social media, AI tools take care of post-scheduling, sentiment analysis, and even automatic responses. This leaves social media managers to focus on developing deeper audience engagement strategies. They can now prioritise creating content that genuinely connects with the audience and fosters brand loyalty.

Designers in digital agencies now collaborate with AI to create more compelling visuals. AI-driven tools can suggest design elements, layouts, and colour schemes, or even generate initial drafts. Designers then add the necessary human touch, refining machine-generated concepts to ensure they resonate with audiences.

Customer service has also seen a shift. As chatbots manage basic queries, human representatives have taken on the role of AI trainers. They ensure that bots respond with empathy and precision, creating a seamless customer service experience.

Similarly, SEO specialists have evolved into content strategists. AI handles keyword optimisation and site structure, allowing SEO experts to focus on understanding audience intent and crafting content narratives that align with user needs.

AI hasn't eliminated roles within digital agencies. Instead, it has elevated and augmented them (making each position more strategic, innovative, and indispensable).

## 7. Practical Steps for Digital Agency Owners

Digital agencies eyeing the potential of AI must be strategic in their approach to reap its full benefits. Here are some practical steps that agencies can consider:

- **Integration:** It all begins with the right choice. Instead of jumping on the latest AI trend, agencies need to assess which tools align best with their specific needs. Just as you'd pick a particular software for graphic design or content management, AI tool selection should be equally intentional. Research, demo, and choose AI solutions that resonate with your agency's objectives and client requirements.
- **Training:** Merely having AI tools isn't enough. The human element—your team—needs to be adept at using them. This means investing in regular training sessions, workshops, or even hiring external consultants to guide your staff. By equipping your team with the skills and knowledge to navigate AI tools effectively, you ensure a smoother transition and more optimised use of these innovations.



- **Pricing Strategy:** With enhanced efficiency and an expanded service roster courtesy of AI, it's time to revisit your pricing strategy. AI's integration can justify a reassessment of service rates. If you're delivering results faster, or offering more sophisticated data-driven insights, consider adjusting your pricing to reflect this added value. It's about balancing the cost savings from AI with the enhanced value you're providing to clients.

Incorporating AI isn't just about staying updated with technology; it's about refining operational strategies, nurturing talent, and ensuring your agency remains competitive and profitable.

## 8. Conclusion

In the evolving landscape of digital agencies, AI stands not as a replacement but as a crucial enhancer of operations, creativity, and strategic insight.

The misconception that AI will eliminate jobs is far from the truth.

AI's true potential lies in its ability to automate mundane tasks, freeing up human resources to focus on what they do best: think creatively, strategise effectively, and forge meaningful client relationships.

For agency owners, the message is clear: don't fear AI; instead, harness its immense potential.

AI provides a unique opportunity to elevate your operations, refine your strategies, and ultimately boost your profitability. The integration of AI into your operations doesn't just streamline processes; it opens up new avenues for innovation, enhanced efficiency, and more effective campaigns.

By embracing AI, agency owners can transform their businesses into agile, data-driven, and innovative entities that are better equipped to thrive in the digital age.

It's time to look at AI as a collaborator, a tool that works alongside your human talent, augmenting their capabilities and propelling your agency to greater success.

*“The digital agency world is not facing an end but a transformation, where old tasks give way to new, more advanced opportunities that reshape the industry's future.”*

**Rob Sayles**





## CHAPTER 3

# Client Services, Farming, And New Sales And Marketing



# Building A Sustainable And Successful Agency



## Jonathan Leafe

After 30 years running my own successful Creative Marketing Agency I sold up and became a performance coach. Over the last four years, I've helped numerous Digital Agencies, Marketing Agencies and Creative Agencies fulfil their potential.

Reach Jonathan Leafe here >



## Planning One, two and five years ahead.

The further you look ahead, the faster you'll get there, the straighter the line and the more predictable the journey will be. Honest!

It makes sense. When I learned to fly, on take-off, my instructor told me to look at the end of the runway; that way you'll avoid zig-zagging by over-correcting – great advice which I've had at the core of my agency-building journey and now my coaching career.

## What you need to do first:

1. Organise your data – what has happened before – historical, financials?

2. Churn rate – how much revenue have you lost from existing clients on a year-to-year basis
3. New business secured – how much business do you win on a yearly basis?

## Secondly – work out where your core revenue comes from (see below for detailed explanations)

1. One-off projects
2. Projects that lead to something else in the income pyramid
3. Regular (semi-predictable) work and retainers
4. Long-term value income





### Thirdly – organise your clients into a league table using categories as follows:

1. Net revenue (after cost-of-sales) or fee income
2. Profitability
3. NPS or how much do they like us
4. Growth potential
5. Are they with us for the long haul
6. How hard are they to work with
7. Fun to work with
8. They'll make us Famous

### Fourthly – service matrix your clients.

I.e. if you have eight services which clients could use, what services are they using, and if not all, why are they not using every one?

### Finally, look at your services – are they still relevant?

Grade them.

1. Popular, profitable, innovative.
2. Stagnating – but profitable
3. Unprofitable and not used much.
4. Innovative and new, potentially exciting services – not gaining much traction yet.

Armed with this information, you can start to understand your current profile. It may take a while to build up a complete picture; this is transformational. It's like having a psychiatrist help you understand who you are.

*"Projects demand senior management input to stand any chance of success, and this is often where agencies get bottlenecked. Resources are thin on the ground – projects suck in even more staff time, resources and management."*

Once this is understood – ask yourself – do you like what you see?

### Armed with this, plan out your five focus areas for the 12 months. For example:

1. Concentrate on profitable services
2. Target non-profitable clients – turn-around or remove
3. Target non-profitable services – turn-around or remove
4. Reduce churn through client services and weeding out those clients that are short-term
5. Recruit new clients on a strict –will they suit our growth profile for the next one to five years.

### The rolling financial plan.

### Report your net revenue. By amount and percentage of the overall:

1. One-off projects AND Projects that lead to something else in the income pyramid
2. Regular (semi-predictable) work and retainers
3. Long term value

### Establish your Key financial performance indicators

1. Cost of the manpower to do the work – (40–50%)
2. Cost of general overhead – (10–20%)
3. Directors' take – salary equivalent (include standard dividends) (10–20%)
4. Net profit target (10–40%)

You can then roll this out into a spreadsheet which will adapt as new revenue is reported month by month, quarter by quarter and yearly.

### Expanding it into a two to five-year plan.

1. Next year what percentages are you targeting?
2. Growth = this year's revenue less average churn plus new business. Note: If your churn is 20% and your new business is 30% you'll grow 10% – If that's not what you want – reduce your churn and grow your sales. I.e. churn is 10%, and new sales are 40%, you'll grow 30%

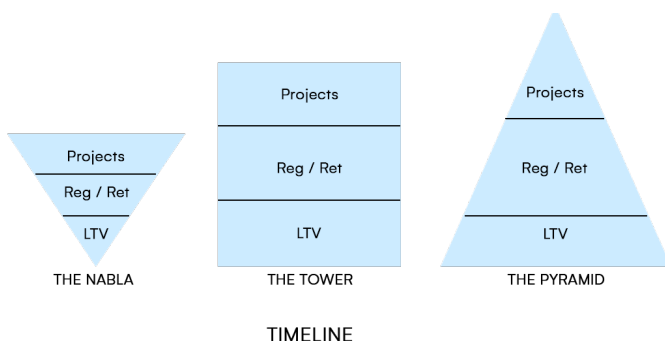


N.B. This does not factor in things such as inflation. So you must have a mechanism to increase your prices as your costs will surely rise. It's recognised that (after inflation) growth of 20% is considered to be high – maintain this and growth is exponential.

### Real-world example:

Most agencies, in their first few years, will be in the upturned triangle or 'Nabla' phase. Most of their income is generated from new projects and new clients, but this must change quickly to build a sustainable agency. After a few years, their income breakdown may look like this:

- Projects – 65%
- Regular or retained – 25%



- LTV – 10%

This is not sustainable – it's too risky. What if your projects all dry up or all come at once? There's no structure and no easy way of growing the business.

### Moving from The Nabla to The Tower is easier than it may seem.

You make the move by selecting the right clients (the ones that come to you for a project must have something else afterwards). In the case of a Digital Agency, it may initially be a website, followed by a technical, service-level agreement with plans to maintain and work on the project through development or content and some critical asset maintenance LTV (Life-Time-Value) income.

After another few years, the business income breakdown might be:

- Projects – 35%
- Regular or retained – 40%
- LTV – 25%

This is much more sustainable, and the 'predictable' income of the business is now nearer the 65% mark. If you were to follow this trajectory, you'll arrive at The Pyramid.

Here your income streams may look like this:

- Projects – 20%
- Regular or retained – 50%
- LTV – 30%

Predictable income is now close to 80%. This is much more sustainable and puts you in a really strong position. If you make 20% net profit, you break-even without any new business.

Assuming new project work stays the same throughout, you've managed to grow the business by 3.25 times! If you grow the new project work by double over the period, the business will be 6.5 times larger. This is classic layering, and nearly all agencies are capable of doing this. You just have to change how you think.

### What is a project?

Projects are customisable and often bespoke.

Most agencies start with a new client on a project basis. This is fine, but not sustainable forever. Projects, by nature, have a start and end. They are characterised by phases.

### The downside of a project.

Being bespoke or customisable means they very rarely have a defined outcome. Even if they do, they are subject to feature bloat and mission creep – both of which harm or damage your profitability. I would even go as far as to say that most projects are not profitable.

Projects demand senior management input to stand any chance of success, and this is often where agencies get bottlenecked. Resources are thin on the ground – projects suck in even more staff time, resources and management.

Most agencies are not set up to manage a project like an IT company would, for example. They manage it with an open-ended brief that changes as the project progresses.

It's critical that the vast majority of your projects lead into other, more sustainable revenue. That's where the value and scalability lie.



### What is a regular or retainer client?

A client that uses you regularly or is on a fixed monthly retainer. These types of clients need to be run with little intervention by senior management. When designing how you handle this business, you must establish systems and processes to manage them. Ideally, one size fits all is the place to start and make slight adjustments per client if needed. But remember, the more adjustments you make, the less profitable they will become.

### What is lifetime value income?

Once you have established a client through a project to retained work, you have to have a third income stream which looks after itself. In the case of a software or web development agency, this is hosting, emergency technical support (as required) and asset management. This should be managed by an automatic process that requires no intervention from senior managers or staff. It should be a recurring income that just happens. This income will be the most profitable in the agency.

### In conclusion.

In reality, life and business do not develop in a straight line. There will be setbacks. But the better equipped you are to have your business model planned, the better you'll be able to cope with both business and personal stress.

I've run this model with all my agencies, and most have benefitted from the advice. They're calmer, have more time to think and plan, and enjoy the agency ride.

But critically, and it's not covered here – get the best team – Only A players are allowed! – PLEASE READ Nikki Gatenby's article in this book on this subject – it's spot-on.

I wish you all the very best of luck.

*“Most agencies start with a new client on a project basis. This is fine, but not sustainable forever. Projects, by nature, have a start and end. They are characterised by phases.”*

**Jonathan Leafe**



# Eight Sales Mistakes That Eat Away Your Profit



**Ben Potter**

When it comes to business development, I've witnessed the good, the bad and the ugly. In fact, I've been responsible for my fair share of the latter, making a whole load of cringeworthy mistakes in my agency days. But that's how you learn, right?

Reach Ben Potter here >



Be honest, when do you really start thinking about the profitability of a new client? I'm guessing it's when you start the work, comparing the number of quoted hours with those recorded in that god-forsaken timesheet, you pray they marry up. Or, if you're lucky, the latter might come in lower than the former.

Working with agencies, I've noticed how profit only tends to come into sharp focus as the work gets underway. But profitability is really determined by what happens — or doesn't happen — earlier in the engagement, namely the sales process.

Now, I don't pretend to be the world's foremost expert on pricing. But I do bear witness to how agencies typically sell their services. And, unfortunately, they are too often on the back foot. Poor positioning, inadequate sales skills and desperation all play their part. Thus, the ability to price fairly — and profitably — is undermined.

So, with this in mind, let's explore some common sales mistakes made by agencies that can negatively impact margin. And tips on how to avoid them.



## 1. Failing to talk about money early in the process

There's a good chance you find conversations about money slightly awkward. So much so you might avoid the topic altogether, especially in a personal setting.

But in business — and in sales specifically — your reluctance to tackle the money conversation head-on means you're more likely to waste time on prospects who aren't the right fit. Separating the tyre kickers from the serious buyers requires the courage to discuss money early (and often thereafter).

Granted, often, a prospect won't divulge their budget. Before progressing to the next stage in your process, you must seek to understand why. Are they simply unsure how much they need to invest? Or are they playing a game of cat and mouse, refusing to reveal their budget for fear your price will conveniently match it?

This is where you might state a preliminary price range ('our clients typically invest between X and Y') or a minimum spend threshold ('a typical size project for us starts at X') to encourage the prospect to open up. Be mindful, however, the first price you state becomes the 'anchor'; any future price you put forward will be compared to it.

If you still can't get a figure out of them, seriously question whether you should progress any further. If you've developed the courage to be direct in discussing money, you'll also be brave enough to walk away.

## 2. Using proposals to reveal pricing

If you neglect to talk about money upfront, you're more likely to use a proposal to communicate your price. Big mistake.

This tends to happen when you commit to writing a proposal too soon. Meaning you've not conversed enough with the prospect during the process.

To prevent this 'premature proposal syndrome', follow this simple rule:

*A proposal should be a confirmation of what you have verbally agreed with the prospect.*

How would applying this principle change your approach to the sales process? Top marks if you're already thinking you'd slow things down; speak with the prospect more frequently; seek to involve more stakeholders; and discuss pricing options well before putting pen to paper.

Ultimately, the sales process should be collaborative. The solution, including pricing, should not be a 'big reveal'.

## 3. Not aligning price with desired outcomes

Most agencies price based on inputs i.e. the hours required to undertake the work. For brevity, I'm not going to discuss why this model is broken, especially with the arrival of AI (over to you [Tim Williams](#)).

Instead, I want to focus on a specific flaw in the model, namely that the buyer's attention is directed towards the time required to deliver the work, rather than its potential impact.

Your price should always be positioned in context. The wrong context is a list of features, deliverables, hours and rates. The right context is a set of benefits, or better still, strategic outcomes.

Therefore, always explore and prioritise the problem(s) to be solved and the prospect's desired outcomes before committing to a price. For example, you might ask...

*"In addressing (DESCRIPTION OF PROBLEM), what would a successful outcome look like?"*

And then...

*"What are your expectations in terms of investment to achieve those outcomes? Can you share with me how you arrived at that figure?"*

The second question emphasises the relationship between investment and outcomes. It's remarkable how naïve people are to this – I can't tell you how many conversations I had in my agency days where a prospect aspired to 10X their business before revealing a shoestring budget to do it.

As an aside, notice the word 'investment', as opposed to 'budget' or, worse, 'cost'. The latter is a particular bugbear of mine when reviewing agency proposals. If something costs me time, money or effort, I don't feel particularly enthused. It's got negative vibes. Maybe it's just me, but 'investment' feels more positive; it tells me I'm going to get something in return.

*"Top marks if you're already thinking you'd slow things down; speak with the prospect more frequently; seek to involve more stakeholders; and discuss pricing options well before putting pen to paper."*





#### 4. Inaccurate scoping

If you take a brief at face value or rush through the sales process, then it's doubtful you've built a deep enough understanding of the underlying problems to be solved, desired outcomes or the views of all stakeholders.

In turn, this increases the likelihood of not scoping (and therefore pricing) the proposal properly. You might win the work, but then a whole load of things come out in the wash during the onboarding process. All of which bring unwelcome, downward pressure on margin.

Again, this reinforces the importance of slowing the sales process down, running effective discovery meetings and involving your subject matter experts once the opportunity has been qualified.

But even then, things can change later. Agreeing a contingency budget upfront and building in milestones to review spend at regular intervals, can help counter the unknowns.

#### 5. Sharing rate cards or granular fee breakdowns

Many years ago, I was asked by a prospect to share a detailed breakdown of a paid search quote. I duly obliged and won the business. I soon wished I hadn't.

The spreadsheet I shared detailing tasks, hours and fees became the basis of the relationship. Instead of focusing on the impressive results we were delivering, the weekly call was an interrogation of how every minute had been spent on the account. It was utterly demoralising for the team.

Agencies have inadvertently trained clients to buy services based on time. And because prospects want to compare apples to apples, you're asked to share (what should be) commercially sensitive information.

So, irrespective of how you price (day rate, value-based, fixed fee, etc), avoid sharing the intricate detail in your proposals. Speaking from personal experience, it will come back to haunt you.

*"If you apply the aforementioned principle - where a proposal acts as confirmation of what has been agreed verbally - there should be no need to provide numerous options."*

#### 6. Providing a shopping list of options and prices

When numerous options and add-ons are included in a proposal, it's a sure-fire sign you haven't worked collaboratively with the prospect to come up with (and agree) the right approach.

It's also cognitive overload for the prospect. Their brain cannot handle so much choice. So they choose to do nothing at all.

If you apply the aforementioned principle - where a proposal acts as confirmation of what has been agreed verbally - there should be no need to provide numerous options.

This is not to eliminate the idea of options altogether. In fact, proposals offering three options can work incredibly well in increasing revenue and profit, something Blair Enns talks more about in 'win without pitching'.

#### 7. Dropping your price without realigning scope

2023 can best be described as sluggish; there's been a lot of dithering, opportunities put on hold and greater price-sensitivity.

So, even if you've collaborated with the prospect throughout the sales process and agreed, in principle, the price, you may still experience push back during the latter stages (especially if you have to contend with procurement).

When asked to discount, the temptation will be to say 'yes' - the fear of losing the business is just too great to push back, right? But if you agree to deliver the same scope at a lower fee, it makes over-servicing almost guaranteed. And, in turn, puts a decent margin at greater risk.

As such, negotiation should always start with the scope. Explain, based on everything you have learnt during the sales process, how you believe the proposed price is the right level of investment. Refer back to the strategic outcomes you've agreed. Explain how a reduction in price will mean a reduction in scope. And a reduction in scope may put those outcomes at risk.

If that doesn't work, explore alternatives to a price reduction, such as negotiating on payment terms.

To protect profit, reducing price should be the last resort, not your default.



## 8. Forgetting to take account of commission or referrals fees

And finally, a simple — but often overlooked — mistake.

If you have a salesperson who is paid commission (there are arguments for and against this, by the way), you must ‘bake’ this into your pricing.

Likewise, with any fees you pay to referrers, such as other agency partners. Let’s assume you pay 10% of the deal value. If you fail to account for this in your pricing, that’s a 10% hit before you’ve even kicked a ball.

### Your golden ticket to higher prices (and margins)

It’s unlikely you’ll have much leverage in the sales process when offering a multitude of different services to clients of all shapes and sizes.

Where pricing is concerned, this ‘broad-brush’ attempt at positioning makes it nigh on impossible to charge a premium or experiment with different pricing methods.

On the other hand, when your specialist expertise is truly valued, the opposite can be true. You are more likely to be able to lead (or at least influence) the process, thus avoiding the missteps I describe above.

Specialisation is the key to this.

Solve a specific problem for a discrete audience.

Have a point of view.

And please, [ditch the clichés](#).

By doing so, you lay the foundation to justifiably (and confidently) charge higher prices.

And run a more profitable agency, as a result.

“ *Your price should always be positioned in context. The wrong context is a list of features, deliverables, hours and rates. The right context is a set of benefits, or better still, strategic outcomes.* ”

**Ben Potter**



# How To Find and Attract Clients With Next-Gen Lead Generation In 2024



**Christian Banach**

Principal at Christian Banach LLC. Helping agencies and marketers land 6 and 7-figure opportunities predictably.

Reach Christian Banach here >



## Introduction

In an increasingly crowded and competitive market, many agencies still rely on word-of-mouth, their work, and awards to attract new business. However, depending solely on these factors is no longer enough, especially in 2024. Market dynamics have changed: fewer AORs, shrinking budgets, and longer sales cycles.

To find clients in 2024, agencies must actively seek out potential clients rather than wait for them to come. Outbound lead generation proactively engages prospects and generates a predictable pipeline of opportunities with target companies.

Through channels like email, LinkedIn, and phone calls, agencies can capture prospects' attention and start business relationships. But here's the hitch—prospects receive a deluge of emails and messages daily, making it hard to cut through the noise.



A study from LinkedIn, [“Rethink the B2B Buyer’s Journey”](#), shows that buyers want to hear from vendors who understand their business and can add value right from the start. Therefore, you must demonstrate expertise and offer something the prospect will find helpful.

Too many sellers get this wrong, making their messages all about themselves. Let’s be honest: No one wants to take 15 minutes out of their busy day for a sales call and PowerPoint credentials presentation.

To cut through, you need to offer prospects something they will perceive valuable and inspire them to connect. That’s where the concept of a lead magnet can make all the difference.

## What is a Lead Magnet?

While the term “lead magnet” often evokes thoughts of e-books or cheat sheets in the context of inbound marketing and landing pages, it plays an equally crucial role in outbound sales. A lead magnet can be an exclusive report, a private panel invitation, or even a free consultation offered exclusively through your outbound sales efforts. The idea is simple: give to get.

By offering something of value upfront, you initiate a trust-based relationship. You are no longer just a salesperson but an expert providing a solution. This small act sets you apart from the noise and positions you as an authority. Lead magnets pave the way for a more meaningful conversation, elevating the interaction from “Why should I talk to you?” to “When can we talk?”

## Types of Lead Magnets

Various lead magnets can be effective, depending on your agency’s expertise and the prospect’s needs. Each has its pros and cons and requires different levels of investment in time and resources to produce with varying degrees of impact. Here are three popular options:

*“A lead magnet can be an exclusive report, a private panel invitation, or even a free consultation offered exclusively through your outbound sales efforts. The idea is simple: give to get.”*

## 1. Audit

**What it is:** A detailed analysis of a business area to pinpoint strengths and flaws.

**Why it’s effective:** It showcases your expertise by highlighting areas needing improvement, giving prospects a reason to choose you.

**Who should use it:** Firms with analytical expertise, especially in digital marketing, consulting, and accounting.

**Considerations:** Ensure your audit stands out with uniqueness. If generic, it may not be seen as valuable.

**Impact:** Low. While audits can spot problems, audits have been overused in most industries, and prospects are generally not motivated by them as a top-of-funnel lead magnet.

## 2. Consultation/Strategy Session

**What it is:** A one-on-one meeting offering personalised advice to address a prospect’s challenges.

**Why it’s effective:** It previews your expertise, enticing the prospect to learn more.

**Who should use it:** Agencies whose value proposition isn’t straightforward and/or the work is complex.

**Considerations:** It should be genuinely insightful, not just a sales pitch in disguise.

**Impact:** Medium. When done well, it can make a lasting impression and pave the way for a longer partnership.

## 3. Original Research

**What it is:** Unique and proprietary insights from studies, surveys, or data analysis, typically shared as white papers, reports, or interactive tools.

**Why it’s effective:** It positions your company as a thought leader, offering exclusive, actionable data that can’t be found elsewhere.

**Who should use it:** Agencies that undertake strategic initiatives for clients where the work is intricate and demands fresh, data-driven insights.

**Considerations:** The research should be well-conducted and align with both your goals and the interests of prospects. It’s essential to keep data updated and tie findings back to problems your firm can solve.



**Impact:** High. Well-executed original research can be a game-changer, cutting through the noise, solidifying trust and expediting the decision-making process for potential clients.

## Qualities of an Effective Lead Magnet for Outbound Sales

A good lead magnet for outbound sales is a finely tuned combination of relevance, helpfulness, provocativeness, credibility, and allure. It's not just about getting attention; it's about keeping it and converting it into a meaningful interaction.

### Relevant

An impactful lead magnet isn't one-size-fits-all; it needs to be laser-focused. It should address something that is both urgent and important to your prospect. The more you can tie it to the prospect's immediate needs or pain points, the more likely they are to engage.

### Helpful

The best lead magnets provide immediate value. Whether saving time, solving a problem, or offering unique insights, the objective is to help the prospect tangibly. Other forms of value could be connecting them with valuable resources, providing exposure in their industry, or giving them exclusive access to something useful.

### Provocative

An effective lead magnet isn't afraid to challenge the status quo. It could offer a contrarian viewpoint or a

unique solution to a common problem. Ask yourself: What's something you believe that most don't? What do you wish people knew that goes against commonly accepted wisdom? Providing a fresh, possibly polarizing, perspective can make your lead magnet stand out.

### Credible

Your lead magnet must be trustworthy. Back it up with solid research (secondary is good too), professional execution, and credible sources, like case studies or data. This not only establishes your authority but also builds or reaffirms trust with your prospect.

### Makes Audience Want More

Lastly, a great lead magnet leaves the audience wanting more. It should be compelling enough not just to solve an immediate need but also to pique the prospect's interest in what else you can offer. The ultimate goal is to lead the prospect to take the next steps with you.

## Creating a Lead Magnet: A Step-by-Step Guide

How do you go about creating a lead magnet that not only attracts attention but also sets the stage for a fruitful business relationship? The following section is a five-step guide to developing a powerful lead magnet that turns cold prospects into warm leads.

### 1. Pick Pivotal Problems

The first step is identifying "pivotal problems," urgent and important issues your target companies are willing to invest in to solve.

These are the core of your go-to-market strategy and must be established before deciding which lead magnet is best to achieve your objectives.

To pick your pivotal problem, perform a detailed inventory of past client engagements to identify common challenges you've solved. Rank these problems based on the impact on the client's business and the difference in how your solution solves it compared to the competition. Patterns will emerge, and it will be clearer where to focus.

*"To pick your pivotal problem, perform a detailed inventory of past client engagements to identify common challenges you've solved."*





*"Now ask yourself, of the pivotal problems you solve, which audiences you have a right-to-win are likely experiencing those problems, where the pivotal problem and audience merge is where you want to focus on for your lead magnet."*

## 2. Select Your Target Audience

Once you've got your pivotal problems, next is understanding who you're speaking to. Focus on sectors where you've succeeded before; these are your "right-to-win" audiences. Create an Ideal Company Profile (ICP) based on past wins and losses, highlighting shared characteristics.

If you're looking to break into new markets, look to those adjacent or 'look-a-like' to those where you've had past success.

Now ask yourself, of the pivotal problems you solve, which audiences you have a right-to-win are likely experiencing those problems, where the pivotal problem and audience merge is where you want to focus on for your lead magnet.

## 3. Evaluate Your Internal Resources

With the problem selected and the audience identified, you must next assess the resources and assets you have available or have the ability to create, given your budget and timing.

There are lead magnets, such as a whitepaper, that are easier to develop but might not be perceived as valuable to the prospect. In comparison, there are lead magnets like original research that take time and budget but are perceived as highly valuable to the prospect.

1. **Audit your existing content.** Do you have insightful or proprietary thought leadership that can be repurposed? Where do you have a unique or provocative point of view?

2. **Evaluate your internal resources.** Do you have subject matter experts who can be involved in content creation or participate in consultations or workshops? Do you have PR capabilities that can get prospects exposure? Do you have virtual or live events to leverage?

3. **Understand your time constraints.** Do you need the outbound campaign to launch within days? Weeks? Or months? Some lead magnets will take longer to create than others. Ideally, you're planning 3-6+ months in advance, so time isn't a constraint.

4. **Determine your budget.** Are you trying to create something scrappy to test the market? Or have you proven fit and ready to invest more to scale? Each lead magnet comes with its own direct and indirect costs.

## 4. Develop the Content

Now that you've pinpointed pivotal problems, selected your audience, and evaluated your resources, it's time to develop your lead magnet.

Your content should be directly aligned with solving the pivotal problem you've identified for your target audience. Whether it's a whitepaper, an eBook, or a workshop, ensure that it reflects the quality and insights that your agency is known for.

Also, consider the format that will be most engaging for your audience. Remember, this lead magnet serves as a sample of the work prospects can expect when they engage with your services.

## 5. Test and Optimize

The final step is to test your lead magnet on a small scale before a full-scale rollout. Launch your campaign targeting a subset of your identified audience.

Track key performance metrics such as engagement rates, meetings booked, and opportunities created.

Use this feedback to make necessary tweaks or changes. This iterative approach ensures that by the time you're ready for a broader launch, your lead magnet is optimised for maximum impact and conversions.



## Conclusion

The landscape of client acquisition has changed significantly, and what worked before may no longer suffice. As we move into 2024, agencies must adopt a proactive, outbound approach to lead generation. A compelling lead magnet can help cut through the noise and initiate meaningful conversations with potential clients. It's not just about capturing attention; it's about starting a relationship built on trust and value. By understanding your target audience's needs and providing solutions through lead magnets, you set the stage for long-term success and growth.



*“ By offering something of value upfront, you initiate a trust-based relationship. You are no longer just a salesperson but an expert providing a solution.*

**Christian Banach**



# Improve Your Bottom Line By Reclaiming Your Power



**Robin Bonn**

I'm the CEO of Co:definery. We advise and coach some of the world's best known agencies – from network shops like DDB, UM, McCann and MullenLowe, to leading independents, like AnalogFolk, Amplify and MSQ.

Reach Robin Bonn here >



***Far from nurturing client relationships, overly obedient agency behaviours only serve to embolden client-side bullies and hamper your commercial performance.***

Recently, one of my agency clients received a Request For Information (RFI) from a global blue-chip company. High profile brand, exciting brief and definitely something they have plenty of relevant experience of doing before.

Their new-business muscle memory sprang into life and they immediately began talking up their suitability, their likelihood of winning and how much of a connection they'd felt with the client on their initial Q&A call.

So far, so good.

Then the client's full Request For Proposal (RFP) arrived. It contained all the usual stuff about submission format, key criteria and timelines. But it also included additional criteria that weren't so welcome.



In particular, there was a stipulation that all competing agencies agree to being paid on 120 days terms. To be clear, that means they get paid nearly four months after the work is invoiced – assuming the client pays on time, of course.

Now, you might shrug your shoulders and accept that this is typical; a classic ‘cost of doing business’. After all, even though you’re not a bank, you’re solid and stable enough to bankroll a project for that kind of period.

But in most agencies, 120 days really does suck – especially if your suppliers and partners are more fragile than you, with payrolls to make and kids to feed.

So, back to this particular payment clause – what did the agency in question do? And what would you have done?

### To rock the boat or not

In this case, the agency did what most agencies instinctively do. They had a little pity party. They grumbled about the unfairness of it all; how it was all a bit of a piss-take and how detached from reality these awful clients are, in their ivory towers with gold-plated turrets. Don’t they know we have wages to pay etc etc? And so it goes on. To be fair, we’ve all done it.

To bring the conversation back to a more constructive space, I asked the agency team – the founders, plus a couple of other board members – what they planned to do about the clause.

Silence.

*“Have you ever ended a pitch by fawning ‘thank you SO much for the opportunity’ (to give you ideas for free)? Yup, me too. What about regularly fielding BAU calls at 8pm or immediately yielding when gently commanded to ‘sharpen your pencil’ on rates?”*

In short, the answer was ‘nothing’.

I say ‘nothing’. In fact, we had quite a rich debate about their options – ranging from exiting the pitch, *threatening* to exit the pitch, insisting on 30 day terms, suggesting a compromise of 60 days and – finally – just *asking nicely* for some leeway.

My recommendation was to frame this as a diagnostic opportunity – to discover if their agency was seen as meaningfully different and whether the client felt any sense of jeopardy at the prospect of them qualifying out of the RFP process.

If a concession was requested – not arrogantly demanded but certainly not timidly sought – and then agreed, then the agency would have strong evidence that they were highly regarded.

In contrast, if their request was declined, then they’d know that, at best, the client was inflexible and likely to throw their weight around in future. And they’d know that whichever agency was the front runner – there’s always one – it almost certainly wasn’t them.

In either case, all-powerful learnings – and definitely worth knowing ahead of ploughing a tonne of blood, sweat and tears into the RFP.

So, did they listen to me? Nope.

Despite understanding the logic of asking, the bottom line was that they didn’t feel like they had permission to push back.

This reluctance is endemic. It’s the classic ‘vendor mentality’ – a mindset that’s habitually encouraged by clients and obediently adopted by agencies.

But why do agency leaders feel so helpless? Is this commercial straitjacket really imposed on them by omnipotent clients?

### Perpetuating the imbalance

As an industry, we need to better understand our power dynamic with clients – and how much we contribute to the obvious imbalance.





Have you ever ended a pitch by fawning ‘thank you SO much for the opportunity’ (to give you ideas for free)? Yup, me too. What about regularly fielding BAU calls at 8pm or immediately yielding when gently commanded to ‘sharpen your pencil’ on rates?

Behaviours like these give your power away, unwittingly deepening the imbalance. Endless sucking it up isn’t good client service – it’s you broadcasting your willingness to be that subservient vendor.

Make no mistake – clients are trained to cultivate agencies’ sense of powerlessness. Having sensed your commercial naivety, it’s in their interest to nurture your fear that if you say no to them – even just once – then your relationship is scuppered.

I mean, seriously? Healthy boundaries, people! But sadly, we don’t question it.

Our industry has developed a form of Stockholm Syndrome. Rather than looking after themselves, agencies sympathise with their captors’ priorities.

This servility enables an even darker side. Unacceptable client practices like bullying or abusive language get tolerated. Even mild misbehaviour gets downplayed as just ‘one of those things’. This is not okay.



At a time when many agency leaders are wrestling with talent and [evolving workplace values](#), something’s got to give. Younger people won’t tolerate this crap like we did, back in the day.

So what can you do?

## Get serious about partnership

A powerful first step is found in language. As with many overused words, agencies’ vague aspiration to ‘partnership’ reveals a tell-tale lack of conviction.

If you want to be seen as a valued partner — and heaven knows why you wouldn’t — then you need to get beyond woolly rhetoric. How many times have you said or heard ‘we’re partners to our clients’? But what does that even mean?

The reality is that all parties understand ‘partnership’ differently.

Unsurprisingly, procurement people immediately think of the commercials. Your day-to-day clients also understandably act in their own self-interest, seeing ‘partnership’ as you going ‘above and beyond’ – also known as ‘over-servicing’.

Worst of all, when agencies pause to consider what ‘partnership’ actually means to them, it’s usually just being treated with basic courtesy. That’s a recipe for codependence, not respectful, peer-to-peer client relationships.

So once you’re serious about partnerships, how can you create them?

## Beyond the fear

Real change means learning to ignore that nagging internal voice insisting that if you ever say ‘no’, then your agency will be fired in a heartbeat.

In fairness, that voice is compelling. Homo sapiens’ search for certainty shows up everywhere – from the profound to the mundane. Ever decided against some exotic new delicacy because you’re sure you won’t like it? I certainly have. And how many of us avoid failure by staying within our comfort zone?





This default to the devil-we-know is massively self-limiting. That's why it comes up so often in Co:definery's [coaching work](#). But this fear is really just resistance to change – in this case, exacerbated by a conditioned 'fawn response' (that's a real thing, btw).

So, it's hardly surprising that redressing the power imbalance feels scary and out of reach. But if you're serious about change and willing to step towards the unfamiliar, then you're ready to deal with the problem at source.

### Expertise is power

Ultimately, if you behave like a commodity, then you won't be treated like a partner. And it's far easier for clients to abuse their power if you hand them yours too. That's why it's so dangerous to believe that they hold all the cards just because they pay the bills.

For a start, that's just not accurate. You pay airline pilots and surgeons, but would you boss them around? No, me neither.

Trusted advisors lead the client conversation and they don't take any shit. Once your proposition, behaviour and language are [congruently designed](#) to signal scarce expertise to the clients who genuinely need it, you'll earn authority and influence. And if anyone does try to take advantage, your team will feel empowered to push back.

This stuff shows up everywhere. For example, when your agency is selling to clients, are you punting your wares or [exploring a fit](#)? The former exposes your agenda, the latter prioritises theirs.

Every day there are moments of truth that set expectations and demonstrate you're a professional. Expertise, empathy and client-centredness are your proof points. Partnerships are your reward.

This is where your competitive advantage thrives. Happier people, better work and healthier profits.



*Every day there are moments of truth that set expectations and demonstrate you're a professional. Expertise, empathy and client-centredness are your proof points. Partnerships are your reward.*

**Robin Bonn**



# Making More From Your Existing Clients



**Karl Heasman**

Karl is a qualified executive and business coach who specialises in mentoring ambitious digital, marketing and communications agencies to achieve their goals. His focus includes assisting them in navigating a period of rapid growth, revitalising businesses that have plateaued for years, and preparing for a more successful exit.

Reach Karl Heasman here >



In this article, I'll explore practical strategies to not only keep your existing clients but also nurture relationships that lead to sustainable growth.

In the fast-paced world of agency dynamics, it's crucial to recognise a fundamental business truth: acquiring a new client can cost far more than retaining an existing one.

Several studies and research reports substantiate this, shedding light on the cost-effectiveness of customer retention over acquisition:

- **Customer Acquisition Costs:** According to research by Bain & Company, it costs six to seven times more to acquire a new customer than it does to retain an existing one.

- **Profitability of Repeat Customers:** The Harvard Business Review has reported that increasing customer retention rates by 5% can elevate profits by a staggering 25% to 95%.

In the pursuit of agency success, it's vital to strike a balance between the excitement of acquiring new clients and the enduring value of retaining existing ones.

I've no doubt that many of you will already be doing some of the activities I'm going to recommend, but hopefully, there will be a few gems here you've not considered that you can implement in order to enhance your client retention and unlock the full potential for sustained agency success.

Here are my top 20 practical tips:



## 1. Identifying Your Perfect Clients: The 5F Framework

Begin by evaluating and scoring your clients in an objective way. I use the 5F framework: Fame, Fun, Funding, Future potential and Feasibility.

- **Fame** — will they give you a great case study or the chance to win an award?
- **Fun** — are they going to be fun to work with? Will they help you retain or attract new talent?
- **Funding** — do they have the budget that will give you the margin you need?
- **Future potential** — could they be a good long-term client? Are they part of a group, or have other sister brands? Could the project lead to other bigger things?
- **Feasibility** — are your skills and services well matched to the client's needs, or are you winging it?

Clients that score 4 or 5 F's are, by your definition, your 'perfect clients'. This process will also help you assess the suitability of any new prospect who approaches you.

## 2. Client Segmentation: Gold, Silver, Bronze

Categorise clients into groups (Gold, Silver, Bronze or A,B,C) based on the 5F evaluation. Then consider treating them differently. Should Gold clients get more senior-level attention, for example? Consider parting ways with Bronze clients if they are holding you back or perhaps increase their fees. Focus your efforts on nurturing relationships with gold-tier clients.

## 3. Define Your Perfect Client

Identify commonalities among your perfect clients, such as industry, size, offering, geography, and the specific needs that you help with. This will help you target new

prospects and assist in ensuring your agency proposition attracts these types of clients.

## 4. Analyse First Services Bought

Identify the first service bought by each client. Learn from their initial preferences, as you are likely to find they bought a service that was easier or cheaper to buy. Consider packaging this service specifically for targeting new clients. There's so much to learn from analysing your existing client behaviours and profiles.

## 5. More Services Sold Equals Greater Retention

Create a Cross-Selling matrix to identify which services clients are buying and, more importantly, which ones they aren't. Develop strategies to educate them about the services they are not buying. Often, it's simply because they are unaware of the other services. Target individual staff members who 'own' the relationship to educate these clients and introduce a new service.

The more services a client buys, the more 'sticky' they become and the more difficult it is to remove you. Conversely, clients who only buy one or two services are vulnerable to leave. Give your Gold clients with only one service real attention.

## 6. Client Risk Assessment

Implement a system to assess client satisfaction and potential flight risks, like a traffic light system. Regularly review client relationships with account teams to address issues proactively and ensure clients marked 'red' are given immediate attention, especially if they are Gold clients.

This, along with all the other points above, can be recorded on a cross-selling matrix.



### Cross-Selling Matrix

Client (& risk level)	Date won	How won	Entry service	Tier	Account Owner	Service 1	Service 2	Service 3	Service 4	Service 5	Nurture	Sticky	Fame	Fortune	Fun/Fulfillment	Feasibility	Future potential	5Fs Total
xxxx		Client Referral	Service 1	A		✓		✓	✓		Yes	3		✓	✓	✓	✓	4
xxxxx		Strategic Partner	Service 1	A		✓			✓	✓	Yes	3	✓	✓	✓		✓	4
xxxx		Outbound Marketing	Service 2	A			✓	✓	✓		Yes	3	✓	✓			✓	3
xxxx		Networking, Speaking, Events	Service 3	B				✓			Yes	1				✓		1
				B		✓		✓		✓	Yes	3		✓			✓	2
				B		✓		✓	✓		Yes	3		✓	✓	✓	✓	4
				B		✓	✓	✓	✓		Yes	3	✓	✓	✓	✓	✓	4
				C		✓	✓	✓	✓		Yes	4		✓			✓	2
				C				✓		✓	?	2	✓		✓		✓	3
				C		✓	✓	✓			No	3	✓		✓		✓	2
				C						✓	Yes	1	✓	✓			✓	3
				C		✓					Yes	1		✓		✓	✓	3
				C					✓		Yes	1			✓		✓	2
				C		✓			✓		Yes	2					✓	2



## 7. Profitability Analysis

Understand the profitability by client, by service offering, by project, and by individual staff member. Identify underperforming clients, services and staff and assess why this is the case and if changes are needed.

## 8. Ask For Feedback

Regularly ask for feedback using NPS or similar metrics to improve services and meet client expectations. Avoid the pitfall of only delivering what was asked for. Be mindful that according to recent client research, one of the main reasons for clients leaving an agency is because they only ever delivered what was asked for and nothing more. Try and under-promise and over-deliver!

## 9. Post Campaign Evaluation

After key campaigns, create easily shareable Post Campaign Evaluation presentations highlighting successes and performance stats. It's a perfect tool for clients to promote themselves internally, and indirectly, you'll be promoting the agency.

## 10. Strategic Client Meetings

Book strategy sessions with Gold clients — quarterly, six monthly or annually. They encourage more senior clients to attend and give the agency an opportunity to hear client's plans and challenges and allow the agency to demonstrate new skills and services.

Also, consider hosting review sessions after key projects like 'Stop, Keep, Change' reviews. They give you an opportunity to get in front of the client with your team and suggest or ask for 'what's next' and what can be improved next time.

*"Track your referrals and make sure you express gratitude. Keep them up to date with what is happening at the agency and what your perfect client looks like. There's nothing worse than being introduced to a potential client that you don't want to win!"*

## 11. Client Development Plans

Create Client Development Plans for Gold clients or for those clients that could be top tier — they help identify areas of opportunity within current client brands/divisions plus other brands within the organisation. Also, look at their network, like sister/group companies or overseas offices that might benefit from your services. Ask for intros where appropriate.

## 12. Proactive Idea Generation

Host internal brainstorms to generate ideas during quiet periods. Proactively take these ideas to clients to create new briefs and opportunities.

## 13. Testimonials, Reviews, and Referrals

Ask satisfied clients for testimonials and reviews and use them to promote the agency but not until you have successfully delivered a project. Make sure your clients know you have the capacity for more work and ask them if they know anyone who could also benefit from the work you've done for them.

Track your referrals (on the cross-selling matrix) and make sure you express gratitude. Keep them up to date with what is happening at the agency and what your perfect client looks like. There's nothing worse than being introduced to a potential client that you don't want to win!

Consider hosting a referrer dinner as a thank you. It often leads to more referrals.

## 14. Surprise and Delight

Go beyond expectations by surprising and delighting clients. Invite them to industry or your own events, share competitor insights that they can easily share internally, send them birthday and Christmas cards, and generally foster a trusted advisor and friendly relationship.

## 15. Team Alignment

Match your team with your clients where possible to minimise the risk of them leaving or one of your team taking a client with them if they leave.

## 16. Celebrate Successes

Celebrate successes together, like the launch of a website or the completion of a major project, fostering a sense of unity. Make your clients feel like an integral part of your team.



## 17. Client Retention as a Goal

Monitor client life cycles and milestones and set retention goals. Be aware of anniversaries, retainer renewals, and project deadlines which might trigger a review and be proactive to secure ongoing work beyond any natural deadlines.

## 18. Become a Customer of Your Client

Show your commitment by becoming a customer of your client where possible, providing real customer insights and feedback to support their business. It also helps client retention.

## 19. Induction Days

Try and have an induction day at your client's offices early in the relationship and invite clients back to your agency (if you have an office). It will help you gain a deeper understanding and appreciation of each other's working practices and build a stronger partnership. It also gives you an opportunity to walk the corridors within the client's offices and potentially meet other budget holders.

## 20. Junior Clients Matter

Pay attention to junior clients as they surprisingly hold significant decision-making power as they are often the day-to-day agency contact. Their frequent job changes and more rapid promotions make them influential in the selection of agencies.

In the dynamic landscape of agency-client relationships, the balance between acquiring new clients and nurturing existing ones is key to sustained success. By implementing these strategies, your agency can hopefully not only retain but also grow with its existing clients, fostering long-term, mutually beneficial partnerships. Remember, the real art lies not just in winning new business but in cherishing and expanding the relationships you've already cultivated. Here's to the journey of mastering client retention and unlocking the full potential of your agency's success.



*Create Client Development Plans for Gold clients or for those clients that could be top tier – they help identify areas of opportunity within current client brands/divisions plus other brands within the organisation.*

**Karl Heasman**





# Fractional Commercial Directors Or In-House – What Does Your Agency Need?



**Guy Littlejohn**

Having worked with agency and technology business for my whole career, I saw that founders had 3 ways in which they could grow their business – hire full time, use an intermediary or hire a traditional consultant.

Reach Guy Littlejohn here >



New clients. The most talked about topic for all B2B service or product based businesses. Cracking that nut is the number 1 challenge that keeps founders up at night and with each agency's target audience being in the hundreds, if not thousands, of brands it's no wonder that they feel they can touch the rainbow and its pots of gold.

Most focus on retention to start with, and rightfully so. I'm not going to discuss that here (that's a whole other world), but it is easier to retain clients vs getting new ones.

Business owners have five options when it comes to commercial growth for the agency:

1. Do it themselves
2. Hire someone(s) full time PAYE to do it
3. Hire an intermediary / lead gen agency
4. Hire a traditional BD consultant
5. Hire a Fractional Commercial Director



NB; agency owners need to see 5 key outcomes delivered by their commercial function.

1. The Commercial plan
2. Brilliant revenue operations including sales and marketing assets
3. Multi avenue pipeline (lead) generation
4. Multi avenue pipeline nurture strategy
5. The Skillset to close (or cancel out), fast

The five outcomes are needed from one or all of the five options, so let's break them down and assess which objective(s) they cover, 1,2,3,4 or 5.

1. Solo founders (most agencies) are not usually experienced commercial people, but this approach can be wise in the early stages for referral-based growth. Businesses with 2 or 3 co-founders usually have an experienced commercial person therefore the do it yourself option can be the best for the first few years until you can effectively teach someone to replicate outcomes 2-4 to your standard, and be available to help close.

**Solo founder** Objectives covered – 5

**Experienced commercial founder** Objectives covered – 1,2,3,4,5 (in reality, I'm yet to meet more than three who have all the creds, and the time, to do it properly)

2. Hiring someone; most agencies start with a BDM/BDE. But, this is where the challenge begins., As they are a solo founder and not a commercial person, they don't have a playbook for effective, well rounded commercial growth, and even if they did they'd still need a creative and content writing BDM to help pull businesses towards them. There is the option of working with graduates, as people are still coming out of uni looking for jobs in either sales or marketing, but they'd need two hires, including a marketing person.

*"As the end goal is revenue, I think these guys/ girls are great at the first few stages, but they're a short-term theory project only (and then you have to go ask, and pay, someone / some business to actually action what they say)."*

The most successful (sales or marketing) people I know are commercial, they know and can do both, but finding them is hard (we know better than most).

**BDM/BDE** Objectives covered – 3,4,5 (you'd hope, but again in reality...)

**ME/MM** Objectives covered – 2

3. Lead Gen; I've worked with most lead gen agencies in the UK and have worked for one too. They should absolutely be a string to your bow when you have the right commercial team and revenue operations (sales and marketing assets) in place. I know from experience that the most successful agency and lead gen partnerships have been formed when the agency is light years ahead of its competitors in terms of the offering, positioning, vertical focus, assets, videos, testimonials, content, etc. and they have a good sales process/person picking up the leads. Lead gen agencies also tend to only work one sales/marketing performance channel.

**Lead gen** Objectives covered – 3

4. Traditional BD consultants are great in theory; my big challenge with them is they haven't actually closed anything for years and years. I wouldn't hire the builder who only taught other builders, I'd hire the one who built the house. As the end goal is revenue, I think these guys/ girls are great at the first few stages, but they're a short-term theory project only (and then you have to go ask, and pay, someone / some business to actually action what they say).

**Traditional BD consultant** Objectives covered – 1,2

5. Fractional Commercial Director. I am going to be as objective as possible here – It's the best solution. The closest thing to a co-founder with commercial experience you can get. The word fractional may put you off as it depicts a thought of doing 'part' of something...but what if that someone never needed to be whole in the first place?

**Fractional Commercial Director** Objectives covered – 1,2,3,4,5

Add to this that the fractional commercial director is probably the best person to (help) hire for any further commercial roles in the future, and he/she has a 6th objective (hire the best talent) aligned to them.

^^^^ This is all situational ^^^^^





I'm thinking about the phase in your business journey when natural referrals have served their purpose and now a BD process needs activating. When you have £40k p/a to spend and you can't do it all yourself.

You may have hired before, you may have engaged a lead gen agency before and you may have even hired a BD consultant to help with positioning and strategy, but the question we must ask ourselves now (after our 1-5 objective exercise above) is; Fractional Commercial Director or PAYE full time?

When we consider there are 4 traditional pillars to commercial development; Sales, Partnerships, Marketing and Client Development, we must then consider the functions that sit within each pillar.

In an IDEAL world, you have a team focused on Sales, one on Marketing, one on partnerships and another on customer success. Each with a purpose-built silo of experience, creativity, attitude, smarts and togetherness that are all focused on the commercial goal, Revenue.

But we don't have £500k to chuck at a commercial team in 2024, so we have to get realistic. We have to ask ourselves which options help me tick the most boxes and which options can work in harmony together towards the commercial plan that will drive us to our business's goal.

In a realistic world, we need to look at the below graphic and have a plan A, plan B and plan C for the yellow pipeline generation channels. They are all channels that should be generating pipeline for your agency and they should all be tied together in some way.

The question therefore, is which of the big two ticks the most boxes for Plan A, B and C?

Before the plan(s) we need a commercial strategy, a statement of what we are going to do and how we are going to do it.

Only one really ticks this box – Fractional commercial director.

The easy bit is knowing the target audience, the challenge is how do we get in front of them.

Before that, what sales & marketing assets do we have and what do we need? Do we have the basic operations in place to track and take advantage of all these touchpoints?

Again, only one really ticks this box – Fractional commercial director.

So which one is best when we need to think about which channels (yellow) we tick off to add to our pipeline?

The advantage you have since you're reading this, is that you can now get someone to activate those channels for you. Not many people see them all as lead gen opportunities, but a fractional commercial director is who you want at the end of the video link or face-to-face at an event with your prospects.

Nurturing the pipeline can be done by anyone, but a fractional commercial director can set the plan.

So what are the differences between senior part-time (fractional commercial director) and middle-layer full-time (PAYE), and how can you make it work for your business?

Whilst I think it is changing, lots of agencies are only focused on the immediate future when it comes to BD. So lead generation has suited them best. Email, Phone, LI – loads of data used, lots of clever messaging (even some dog pictures), multiple little nibbles of prospect excitement come through, and the founder/director picks up the nibble and attempts to find the diamonds in the rough. Closes happen. But what about the rest of the 99% of the data / ideal customer resource? It's left in the ether; the machine rolls forward.

Both our options can work on top of a lead gen agency and actively clear up behind it (make sure they share the data with you).



Hiring someone full-time often works but usually when that person is experienced in the agency sales world. Since most agencies can't risk the outlay on a £70k + salary, they go for a junior/middle layer, give them a couple channels to run, which usually doesn't work out as they're under-utilised, under-trained (the founder is rarely a sales pro), and they lack the wider digital ecosystem knowledge.

That junior doesn't know how to write a commercial plan, doesn't know how to set up revenue operations, doesn't know what sales and marketing assets to have that do a lot of the work for them, doesn't know all the angles to generate pipeline, and doesn't know how to effectively nurture pipeline to then make the close.

A Fractional Commercial Director does.

If you can afford a full-time business development leader, who's experienced and can do the do...100% go for that.

The best of both worlds? Get a Fractional CD in to set the plan, build out the assets needed, start working your pipeline generation channels – validate them – nurture and close some business, then hire a PAYE in when the machine is built.

“ *In an IDEAL world, you have a team focused on Sales, one on Marketing, one on partnerships and another on customer success.* ”

**Guy Littlejohn**



# Should Your Agency's Sales Function Be Founder-led Or Team-led?



**Adam Graham**

With over 14 years of experience in new business development, I am the Founder and Managing Director of Gray Matters, a consultancy that helps B2B businesses of all sizes grow and thrive. I am also the Founder of BD Matters, an exclusive community and marketplace of the world's best business development talent.

Reach Adam Graham here >



When it comes to growing an agency, as the founder, it can be challenging to determine how hands-on or hands-off you should be in acquiring new clients. Should you take charge, or is it someone else's responsibility? Before delving into what agencies should be doing, it's crucial to differentiate what sales is and what it isn't.

Many founders start businesses because they want to do more of the work they love. They leave established agencies to make it on their own. However, having never run a business before, the first instinct is often to reach out to their immediate network, including friends, family, past colleagues, old clients, and LinkedIn connections, to pitch their business. This approach helps validate the proposition in the market and refine the offering. Sales start to come in, and referrals grow. In the short term, this method appears effective and fruitful.

The reality is that this approach, while seemingly a good starting point, can be a double-edged sword. It's a gift because it generates some revenue, but it can also be a curse because it gives a false sense of security in perceived sustainable sales.

The cracks in this strategy usually become visible around three to five years into the business journey. This is when new business starts to slow down, and referrals become less frequent. Panic sets in. What should you do now? You've tapped your network to its limit, and going back to the same people isn't an option. The pressure intensifies, especially when you've hired staff during the 'sales boom' phase, and now you're responsible for others' livelihoods and financial well-being. The need for more sales becomes a pressing demand, creating stress and a sense of desperation as it becomes a necessity.





The key distinction between this approach and what truly works is the need for a sustainable sales strategy. Ideally, it's better to hit the ground running from day one, but life never goes to plan. If you find yourself reading this and kicking yourself because you're well into your fourth year with your agency and recognise the scenario I've described, don't fret. It's never too late to develop and integrate more sustainable habits into your business, redirecting your path toward a more promising future.

The challenge with an unsustainable sales scenario is its heavy reliance on a single person, often you—the founder—who holds the entire vision, charges for services, and sells the concept, leaving the rest of the team in the dark. But what happens when you've exhausted your personal network and need to scale? How do you get your team on board to sell effectively? The critical issue here is that vital components such as the business vision and strategy exist solely in your mind; they're not documented, and no processes have been created to make the system duplicatable. This marks a significant turning point where your agency needs to shift its approach.

This focus needs to fall into three critical avenues:

- Developing a founder-led strategy
- Fostering a collaborative culture and creating a self-motivated workforce
- Making time for and investing in your agency with the same priority as a client

### Developing a founder-led strategy

You will always naturally be your biggest and best advocate because you're so passionate about your concept. But it's easy to forget that not everyone else will communicate the same way you will about your business. What you've created is your life; it's in your blood, it's everything to you, it's your entire income. It's not a job; it's your heart and soul that's been poured bringing it to life.

Passion is one of the biggest foundations of a successful salesperson, and when it comes to passion for your own business, it's impossible to replicate for the same reasons. And when you're combining that passion with who you're pitching to, these are likely people who know, like, and trust you. They're not fully analysing what you do as an agency as much as they might if they didn't know you because they trust you. Unfortunately, this creates a false sense of security comes in. Commercially, it's a death sentence to your pipeline.

The other side of this accidental complacency is that it's a shock when it comes to investing in real infrastructure. If you've got by for four years surviving but not thriving on not much budget, and all of a sudden you have a substantial outlay to get things where they need to be, it's going to be a big shock to the system. As a business, you got comfortable, and now you need to invest in what it takes to build a sustainable and successful sales ecosystem using the right systems and processes.

To counterbalance the false sense of security that can arise from years of selling to existing connections, it's crucial to shift your focus towards a sustainable sales strategy, which includes a clear founder-led vision. This vision should involve working hard to define your agency's positioning in the market and being ruthless in your focus. By having greater clarity on your audience, the best service, and the value you bring, you can more effectively communicate your vision to your team and inspire them to work towards your goals.

### Fostering a collaborative culture and self-motivated workforce

Sales is a culture, not just a job, and it involves various facets that make up a business. Your digital channels, online presence, offline efforts, the reputation of your team, and the relationships your business creates all intermingle. To succeed, it's essential to communicate your vision effectively to your staff, inspiring them to work towards your goals. Your team needs to know where you're going and how to get there, or motivation will be lacking, and the business will drift.



Your vision for your company shouldn't solely revolve around financial gain; it should aim to inspire your team, clients, and prospects to be part of something bigger than themselves. When you define your purpose, and the impact you want to make on the world, you start to attract the people who want to be part of that journey. This is how you harness passion from your team to drive your business, and when everyone sees it as their responsibility to grow the company, it thrives.

### **Making time for and investing in your agency with the same priority as a client**

It's easy to fall into the trap of feeling subservient to clients and working above and beyond their needs. However, you are also a client of your agency. To counterbalance this, get into the habit of dedicating 10–20% of your agency's operational time to your own business. Create processes for yourself and your team to ensure your agency's growth and sustainability, just as you do for your clients. This

approach ensures a consistent pipeline and prevents your business from relying solely on your efforts.

Finally, it's important to decide whether you want to be the one delivering the work or steering the ship. As the founder, you should focus on leading, setting the vision, inspiring your team, and onboarding clients. Delegating and allowing others to take ownership are necessary steps for your company to grow. Understanding your strengths and weaknesses and building a team to support those areas is key to successful agency management.

Regardless of how you organise your team, you need someone focusing on the present and someone thinking about the future in line with your vision. Both roles need to exist for your sales to thrive. Choose which one you want to be and delegate the other. The earlier you shift your focus toward a sustainable sales strategy, the better, and it's never too late to develop these habits and redirect your agency towards a more successful future.

*“When you define your purpose, and the impact you want to make on the world, you start to attract the people who want to be part of that journey.”*

**Adam Graham**



# Agency Impact: The Framework Cornerstone Of Recurring Revenue Growth In 2024



**Jacob Varghese – AgencyAnalytics**

As the Chief Sales and Marketing Officer at AgencyAnalytics, Jacob is an entrepreneurial and hands-on senior marketing and sales executive with over 15 years of related experience with startups and scale-ups.

Reach AgencyAnalytics here >



As you can imagine, working closely with more than 6,500 marketing agencies positions AgencyAnalytics at a unique vantage point for observing current trends and accurately predicting future transitions.

Today, we see that marketing agencies are adapting to macroeconomic pressures and the rapidly changing marketing landscape by reinventing themselves and their services.

Within this transformative environment, we've pinpointed a noteworthy trend—an escalating reliance on recurring revenue as the linchpin of agency growth. In other words, marketing agencies are increasingly focused on customer retention.

Recurring revenue generated by your agency is the **result of the ongoing impact your agency has on client success**. Similarly, any expansion of this impact has the potential to increase your agency's total revenue.

The question becomes: how can your agency expand your impact on client success and therefore grow your agency in 2024?

*Retention is everything. We need to demonstrate our value to our clients by delivering ROI. We believe in delivering transparent value to our clients. This has helped us build a reputation for putting our clients at the center of everything we do.*

Andy Hill, Founder, [Distribute Digital](#)



## The Shifting Paradigm of Agency Growth

While chasing growth, the emphasis often tilts heavily toward acquiring new clients. But the tide is turning.



The [AgencyAnalytics Marketing Agency Benchmarks Survey](#) revealed that 30% of marketing agencies have a client retention period of less than two years. That quick off-ramp has put many agencies into a churn-and-burn mentality that takes the focus away from long-term growth.

The first half of 2023 saw the global economy flexing its muscles of resilience, but the growth projections for 2024 aren't as rosy. With interest rates, inflation, and a recovery that's moving slower than anticipated, the upcoming year might not be the booming growth era many hoped for.

While we all wish for a soft landing, banking solely on customer acquisition could be a game of high stakes and even higher risks.

When customer acquisition slows down in uncertain economic times, the spotlight turns to nurturing and retaining existing clients. This shift has profound implications for how agencies operate and prioritise their efforts.

*Client retention is key to the success of our business. We provide our clients with insightful, accurate, and detailed reports that showcase the value we bring to their business. This level of transparency and clear communication helps build trust and strengthen our relationships with clients, which in turn leads to higher levels of client retention.*

Adam Binder, Founder + CEO, [Creative Click Media](#)

## From Client Acquisition to Client Retention

I recently tuned into a [SaaStr talk with Eran Zinman](#), co-CEO of Monday.com. During the discussion, Eran revealed a fascinating statistic: more than 85% of Monday.com's revenue, totalling over \$700 million, is derived from their existing customer base.

While agencies may not operate in exactly the same manner as software companies, the analogy remains remarkably apt. Just as Monday.com's revenue has significantly grown through their existing customers, agencies have the potential to increase their revenue by expanding their positive impact on their clients' businesses.

*Our growth and success are based on building long-term client relationships and making them successful. With a strong focus on multi-channel SEM, we have helped our clients grow, and we boast an average retention rate of 7-plus years! We aren't just an agency, we truly work to integrate and become part of our clients' internal teams.*

Rony Mirzaians, Managing Partner, [Softline Solutions](#)

Within the agencies we work with, we have noticed that the more mature the agency, the more important service specialisation becomes. Client-centricity is a critical lever of service specialisation. This lever demands that agencies remain agile, flexible, and deeply in tune with their client's goals and challenges.





*Delivering knowledge and value in the discovery phase shows customers a snapshot of what it is like to work with us and helps them see the potential that exists. This really sets the tone for the whole project and makes the customer comfortable to invest properly into a solid eCommerce website and marketing strategy.*

Nick Butler, Managing Director, [Ireland Website Design](#)

It's not just about delivering results; it's about being a strategic partner in the client's journey.

For example, [The Modern Firm](#), under the leadership of its founder Brendan Chard, has crafted a unique approach to client relations that could serve as a blueprint for agencies. Chard's philosophy is simple: "We listen to our clients and grow with them." This ethos is evident in every facet of The Modern Firm's operations, ensuring clients always come first.

Brendan elaborates, "It really is a true partnership, not just, 'You've picked this package, and this is the routine we follow forever and ever.' We are constantly in touch, improving our processes and adapting to changes a client may have. It's a very fluid and in-depth relationship."

The strategy has paid off. Brendan has grown the agency from a handful of clients 20 years ago to a roster of more than 1500—most of whom have stayed with the agency for a decade or more.



## Evolution to Subscription Models for Agency Services

In 2011, the technology sector underwent a significant paradigm shift, transitioning from on-premise hardware and perpetual software to a recurring revenue model. This fundamental transformation in the business model ushered in an era of rapid expansion and hyper-growth for the tech industry.

Similarly, the transactional nature of project-based work at a marketing agency is evolving towards more sustainable, subscription-based models. This shift isn't just about a different billing structure; it's a fundamental change in the agency-client relationship dynamic.

From an operational perspective, the model allows agencies to allocate resources more efficiently, given the predictable revenue stream. For clients, it ensures they have a dedicated partner continuously aligned with their goals, adapting in real-time to market changes and their evolving business needs.

Consider the case of [LeaseMyMarketing](#). CEO Adam Allen pinpointed a significant market gap: many small businesses lacked access to—and understanding of—their marketing data. Allen also observed that agencies with recurring revenue models had a higher valuation than those with project-based models.

*The project-based website method creates unnecessary cash flow constraints on the client's business. It also creates a scenario where updating their website becomes more challenging and more costly, resulting in poorly kept websites over time.*

Adam Allen, Founder of [LeaseMyMarketing](#)

Inspired by the long-term benefits of subscription-based systems, Allen transitioned the business from handling one-off projects to a recurring revenue model.

Whether it was a struggling eCommerce client or a business with an inefficient booking system, Allen's team transformed challenges into client-centric approaches, which—when combined with tangible results—cemented LeaseMyMarketing's reputation as a trusted partner.

As Allen succinctly puts it, "Figure out what people are willing to pay for and then get them results. You have to show people WHY they should invest with you."



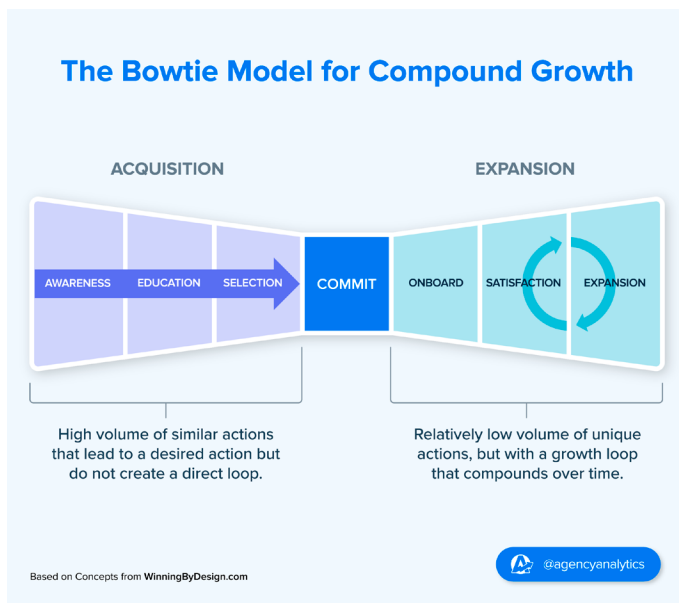


## Client Retention Framework for Agencies

The market dynamics of subscription-based models and retention-based recurring revenue have expanded the scope of agency-client engagement. Client experience has become a vital differentiator.

To adapt to this expanded scope, it's necessary to embrace fresh perspectives and innovative thinking. A Revenue Architecture model, especially the bowtie approach (credit to the [Winning By Design](#) team), offers a framework solution for marketing agency growth.

Instead of a conventional funnel that emphasises client acquisition, the bowtie model (visualize two mirror-image funnels lying side-by-side) prioritises both acquisition and post-acquisition expansion.



Within this framework, by focusing equally on the journey before and after securing a client, agencies tap into opportunities for upselling, cross-selling, and deepening client relationships. It's not just about bringing clients on board but maximizing the revenue potential from each relationship by bringing new and exciting opportunities to the table and consistently building trust and transparency.

The expansion phase of the revenue architecture Bowtie model, while typically involving fewer immediate actions, establishes a growth loop that compounds over time. This systematic approach starts by establishing the ways your agency can impact the client's business and then builds layers upon that to drive continued success for clients and agencies alike.

*By pricing based on the value you can deliver, you'll not only be more competitive in the market, but you'll also be able to show your clients the true impact of your PPC services on their business. This builds stronger relationships and leads to more long-term, high-value clients.*

*Justin Hoffman, Founder and CEO of [Web Solutions Firm](#)*

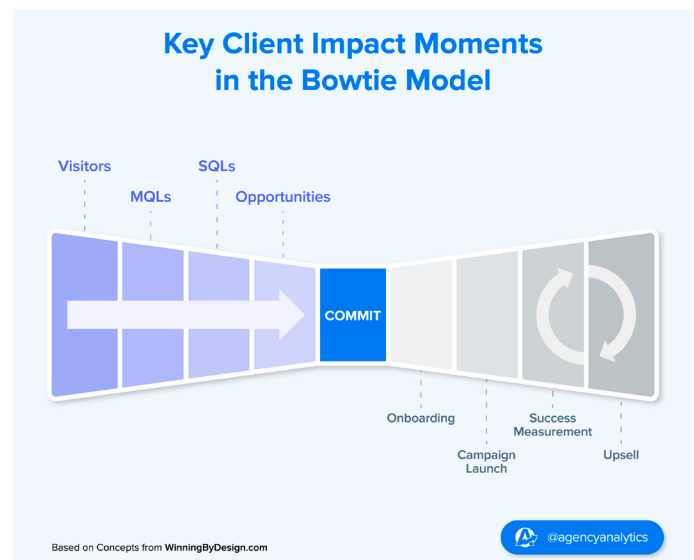
To implement this framework effectively, your agency team must align on specific outcomes to be measured at each phase. Typically, marketing agencies are well-versed in measuring outcomes within the acquisition phase of the funnel. These metrics closely resemble the conversion rates and related measurements commonly associated with a customer acquisition funnel, such as:

- Visitors
- MQLs
- SQLs
- Opportunities

The other side of the bowtie is usually not driven with the same rigor. And therein lies the opportunity for your team to drive measurable outcomes on expansion revenue.

For example:

- Time to complete onboarding
- Time to first impact (could be hitting first set of client targets)
- Time to second impact (could be hitting increasing targets consistently)
- Uplift event 1 (could be an upsell event)



Tracking these metrics across multiple accounts allows your team to set benchmarks to gauge and optimize performance. Each team member then has a specific, measurable standard that they can be held accountable to.

## The Nuances of Personalized Retention Tactics

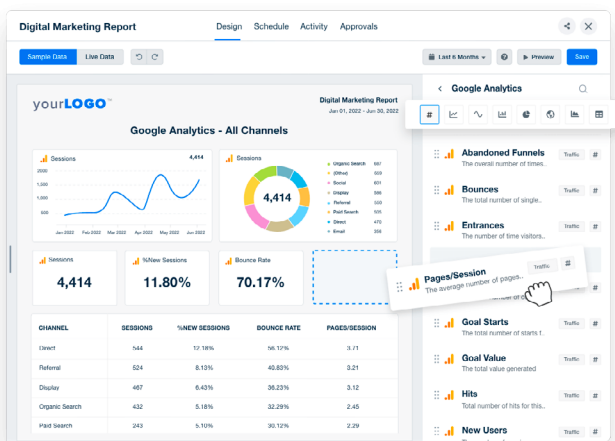
With the surge in data analytics tools and platforms, agencies are equipped to deliver hyper-personalized strategies. But this is about more than tailoring content and making client reports look pretty. It's about aligning marketing efforts with the client's needs, feedback, and preferences.

Remember, the value your agency brings is the promise of impact on the client's growth, but the impact is not realized until that value is delivered—and demonstrated.

*It's our job to tell a simple story through reporting to our clients. The report is the client's proof that what we are doing is benefiting their business in a positive way. Our team relies heavily on the data we collect to make decisions that produce real results for our clients.*

Brian Ferritto, Partner, [42connect](#)

This level of customization keeps clients engaged as they witness higher ROI.



For example, [RevenueZen](#), under the guidance of Rocky Pedden, sought to distinguish itself in the crowded digital marketing arena by crafting a business model centered around shared success.

RevenueZen developed processes grounded in clarity and data. For Pedden, it was simple: consistency in applying the right strategies would invariably lead to improved marketing metrics, culminating in tangible revenue growth.

But Pedden recognized that mere metrics weren't enough. Business owners needed to perceive the real-world impact on their bottom line. In an innovative move, RevenueZen integrated their campaign reporting with the clients' CRM systems—like HubSpot or Salesforce—seamlessly bridging sales and marketing efforts. This heavy investment in upfront revenue operations integration allows them to demonstrate the concrete outcomes of their strategies, quantifying leads and resultant revenue.

*Marketing metrics, KPIs, and watching impressions go up are great, but ultimately, what business owners care about is, 'How is that impacting my bottom line?'*

Rocky Pedden, President of [RevenueZen](#)

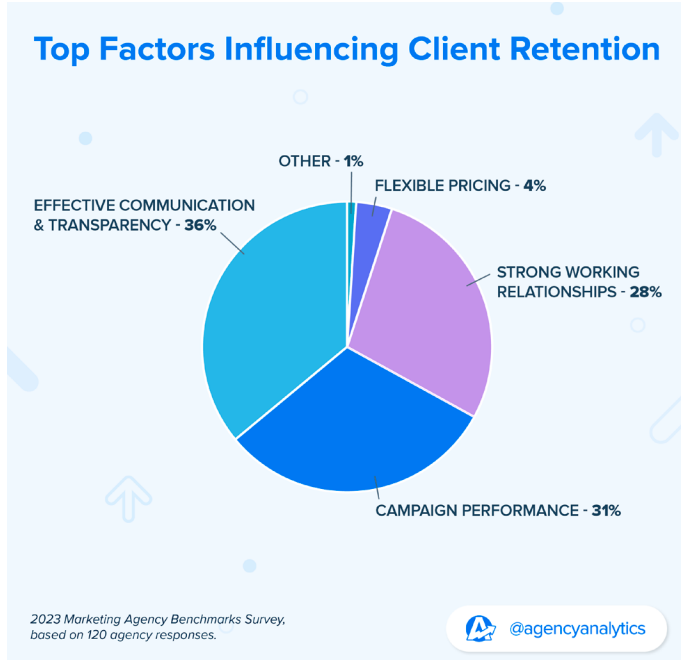
By presenting data and insights that precisely cater to what the client wants and needs to see, an agency underscores its dedication to making an ongoing impact on the client's business.

## Strategies for Effective Client Retention & Upsell

When it comes to retaining and upselling clients, the responses from the Benchmarks Survey highlight a few critical components that agencies believe are pivotal:

- 1. Effective Communication and Transparency:** This factor was mentioned repeatedly, emphasizing the importance of open dialogue and clear communication.
- 2. Strong Working Relationships:** This underscores the importance of forging and maintaining a meaningful connection with clients. It's not just about delivering results but also understanding the client's needs and working collaboratively towards shared goals.
- 3. Campaign Performance:** Delivering tangible results is, of course, a cornerstone of client retention. Clients need to see a return on their investment, and when campaigns perform well, it reinforces the value the agency brings to the table.





The data underscores the multifaceted approach agencies are taking toward client retention. It's a blend of relationship-building, performance delivery, transparency, and adaptability to market dynamics.

*AgencyAnalytics is a major part of how we promote and differentiate ourselves. It helps us provide our clients with the knowledge they need to make smart, data-driven decisions in a simplified report.*

*Gabriela Paiva, Marketing Manager, [Digilatics](#)*

Strong client reporting builds trust and creates great client relationships. In fact, the data shows that the agencies surveyed consider effective communication and transparency to be more important than campaign performance in retaining clients (36% vs. 31%).

Recognizing that the intricacies of digital services like SEO and digital ads can be overwhelming for small business owners, [Squeeze Marketing](#) spotted a golden opportunity. By offering clear, comprehensible monthly reports, they reassured their clients about the value they were receiving for their investment. Rather than deluging clients with complex metrics, Squeeze Marketing's genius lies in crafting a narrative around the data, simplifying multiple campaigns, and making sense of multifaceted numbers.

But the real game-changer was their innovative approach to including 'earned media value' in their reports. This metric, which Co-Owner and Partner Michael Gasser notes is rarely reported by others, quantifies a client's organic impressions and clicks on social media, essentially highlighting the potential costs saved had they pursued those impressions through paid ads.

By integrating this unique metric, Squeeze Marketing showcased tangible monetary value, reinforcing their commitment to their clients' interests. This strategic approach to reporting not only differentiated them from competitors but also solidified their clients' trust.

*When we raise our service prices and the clients are happy to pay that price, that means we've communicated effectively the value we bring to the table. And that's one of the most difficult things to do in any creative agency.*

*Michael Gasser, Co-Owner & Partner, [Squeeze Marketing](#)*

## Proactive Problem-Solving and Value-Added Services

Using their reporting systems, Squeeze Marketing also mastered the art of passive upselling. For instance, when tasked with optimizing a client's Google Ads campaigns, Gasser also connects the data integrations from every available platform the client uses, including Facebook, Instagram, and keyword rankings. This comprehensive reporting showcases Squeeze Marketing's meticulous attention to detail and allows clients to evaluate the performance of other agencies they might be working with.

A classic example is when a client, working with a separate agency for SEO, received a report from Squeeze that included an SEO section. Upon seeing potentially unsatisfactory numbers, the client naturally wondered if Squeeze might be equipped to handle their SEO needs too.

Such moments, Gasser shared with a hint of pride, are not rare occurrences. By presenting a holistic picture, Squeeze subtly positions itself as the one-stop solution for a client's digital marketing needs.



## Looking Ahead to 2024

2024 is poised to be a year of consolidation and innovation. Agencies will likely see a shift towards more integrated services, blurring the lines between traditional silos. With data at the helm, there will be a stronger focus on analytics-driven strategies, ensuring more targeted and effective campaigns.

The debate of acquisition vs. retention isn't about choosing one over the other. In the era of the recurring revenue model, it's about understanding that both are two sides of the same Bowtie.

When agencies go beyond service delivery and truly resonate with a client's goals and challenges, they position themselves as partners in progress. This deeper impact solidifies trust and opens doors to further revenue opportunities.

Agencies that seize the opportunity to prioritize the impact they have on client success with renewed vigor create the catalyst for long-term client commitment to the agency.

*“Clients need to see a return on their investment, and when campaigns perform well, it reinforces the value the agency brings to the table.”*

**AgencyAnalytics**



# Why All Agencies Should Feast At The Table Of Operational Principles

2024 will see a new age of disciplined agency management.



**Andy West**

Now an Advisor and NED, always a PR guy, new business type, marketing aficionado, international traveller. Manager of agencies, driver of pitches, builder of careers. Twice a dot com entrepreneur. Passionate about proving business value through communications.

Reach Andy West here >



They say an army marches on its stomach. If that's the case, then I'd argue that an agency marches on robust operational principles. That's my contention and one that I'd like to examine and hopefully demonstrate in this short article as I unpack some of the developments being seen in the way agencies are being run today.

Scaling an agency in these uncertain times can seem like an impossible task. The basic principle of selling time (we'll come back to that shortly) to meet staff and overhead costs with some left over for profit is a simple business model. Agencies don't have to worry about supply chains, distribution channels, energy costs and the other myriad of pressures faced by most other industries. Our primary concern is to ensure that we sell enough of our services to cover a relatively limited number of fixed and variable costs and to achieve an acceptable margin.





If the business model is that straight forward, then why is scaling so difficult? I put this down to one core factor: People. We are a people business. In the main, agency types are talented, creative, ambitious individuals. People with purpose, with ideals, with opinions. This is what makes a career in the creative industries so attractive to many.

Working in a people business however is fraught with complexity. Human beings are by nature, emotional creatures. Left to our own devices, we are both rational and irrational. We are passionate. We can be fickle. We tend to focus on the work we love and leave those tasks that don't float our boat till last (if they are done at all). And these are all reasons why ambitious agencies need robust operating principles.

In a recent talk, serial agency entrepreneur Rachel Bell, spoke of the three stages in agency success. Paraphrasing her hypothesis — the early stage of start-up is all about the Founders and the reason why they decided to start the agency. While scaling up, the focus needs to shift to adding in operational rigour. And when at scale, agencies need to rediscover what made them great in the first place.

In my own experience, it's never too early to introduce operational disciplines or innovation. In those early months of start-up when passion and excitement can seem the ingredients of success, process is often overlooked. Running an agency and making money from it requires that financial metrics are set and tracked from the outset. Having a clear plan with end of year targets introduces a focus that will become a learned behaviour as the agency scales.

Introducing discipline like this does not mean losing agility. Rather it introduces guardrails that ensure an agency survives, thrives, and can boot strap growth without outside investment. To do this, the first recommendation is to use the services of a good Bookkeeper and to invest in a suitable small business accountancy package such as Xero or QuickBooks. The temptation when starting out is to rely on Excel for all things operational. This is a mistake. Embedding fit for purpose accounting solutions into the agency from the outset creates those learned behaviours and provides peace of mind by ensuring Founders can track financial health in real time.

And as growth is on most Founder's agenda from the outset, introducing rigour into the business development and marketing approach is equally important. Growth can appear easy at the outset as most start-up agencies can take advantage of past relationships, Founder networks, and start-up hype created by trade media interest. It's sustaining that interest that is the challenge. And that's where CRM tools come in.

A lot of agencies start out and then continue to operate by capturing sales lists on Excel and by adopting an ad hoc approach to outbound business development and marketing. This is not a recipe for success. CRM packages such as HubSpot, Copper, Zoho, Pipedrive, and others offer a low cost to entry into the world of sales process, data management and outbound marketing automation. Mastering the skills of CRM at an early stage ensures that ambitious agencies can master the skills of systematic business development, a behaviour that will continue to pay back as the firm scales over the years.

This returns us to the question of timesheets. There is a lot of debate at present around the need for PR agencies to change the hourly rate business model and move to value based pricing. The challenge for fast growth firms is how best to balance out the desire for new work with the need to manage the stress on the team that this creates. Understanding from an internal perspective how many hours the agency has sold and how many hours remain unsold is, according to serial entrepreneur Rachel Bell, an essential business metric from the outset.

*"Running an agency and making money from it requires that financial metrics are set and tracked from the outset. Having a clear plan with end-of-year targets introduces a focus that will become a learned behaviour as the agency scales."*



This is not to say that the fee quoted to the client needs to be calculated on the numbers of hours, rather it is based on the value it creates. But without having an internal method of tracking those sold and unsold hours, there is a real danger of missing the pressure points that lead to burn out, poor staff retention, and that feared poor review on Glassdoor.

Simple time tracking software is now available that can make this internal management process very simple and transparent. Products such as Harvest, Toggl, Clockify, amongst many, are designed for creative agencies to track time, scope work, and produce management reports. By starting small and simple, agencies can lean into the data these systems provide and manage pinch points and use data driven insights to plan for recruitment and to track profitability of campaigns.

Implementing a time sheet system can be a route to employing more comprehensive project management tools. Few PR agencies seem to adopt these tools but the potential for business improvement is significant when rolled out and used correctly. For those with a focus on tracking and managing project delivery, team collaboration, client communication and resource management, tools such as Monday.com, Productive, Kantata, Trello and Wrike are among many platforms that are designed to support scaling agencies manage all aspects of service delivery and client management.

One aspect that cannot be ignored in all of this is the impact AI will have on the overall PR industry. Operationally, AI is having a profound impact on the way agencies are being managed and the way PR is being delivered. In the most recent edition of FuturePProof, Stephen Waddington presents a comprehensive description of how AI is being used in marketing, media, and public relations. The book has been crowdsourced and is a stark illustration of the impact AI is having, and will have, on our industry in 2024.

AI systems are already designed to handle a multitude of tasks. Large language models such as Chat-GPT, Claude and LLaMA 2 are supporting content creation. Various productivity tools are available such as Bing Image Creator, Dall-E and Otter.ai, while tools such as BuzzSumo, Prophet and Prowly are streamlining analytics, media monitoring, media list creation and pitch creation. This is merely scratching the surface of the plethora of tools available for agency leaders to consider when planning their AI tech stack for the year ahead

Operationally therefore, agency Founders must plan for the AI revolution as it takes hold in 2024. To quote directly from FuturePProof, Waddington suggest that “there are around 5,800 tools that have the potential to be applied to public relations practice ranging from stakeholder management to web analytics, and from content management to project management.” This is an extraordinary moment in the history of public relations and represents a tipping point to equal the introduction of the internet back in 1993.



What is universally recognised is that for all the benefits that AI will deliver, there are risks and implications that every agency must be aware of. Issues such as data privacy, security, regulatory compliance, copyright, and algorithmic bias are all areas that agency leaders must understand before adopting AI driven work streams. It is the responsibility of the agency to investigate and guide its workforce in the responsible use of AI across client situations.

For agencies planning their investment in an AI tech stack in 2024, it is worth noting that there are hidden costs involved that could spring surprises. Some commentators have warned that the current low or free subscription costs will have to rise for AI providers to recoup the investment that's been made. Operationally, this is an important consideration for all sizes of agencies and so it is worth following some of the leading commentators in this space. As already highlighted, the most recent crowd-sourced FuturePProof publication edited by Stephen Waddington is an excellent reference source as are the various guides being published by the CIPR, PRCA and ICCO.

This operational rigour does not happen overnight. Start-up and scale-up agencies have choices to make every day about what task needs completing. Clients are demanding and they pay the bills. The team is critical as they share the Founder's passion and are the engine room of growth. They are of course, critical to keeping the clients happy! The choice that agencies can make in these early days is to pay sufficient attention to the way in which the agency runs and to make sometimes brave decisions on where to invest in tools and professional help. A typical barrier is the reluctance of the Founders to delegate, to step away, or to commit funds to a tool or process that ultimately will make life simpler.

With all the developments in marketing technology we can use today and with the future being AI driven, there is a wonderful opportunity for the management of agencies to enter a new age. This will see more and more tasks undertaken by AI powered platforms and will free up forward thinking Founders to concentrate on what they are best at, which is coming up with creative campaigns that deliver value to their clients. Those that feast on the table of operational disciplines and process, will march forward, and experience the success they so richly deserve.

*“ A typical barrier is the reluctance of the Founders to delegate, to step away, or to commit funds to a tool or process that ultimately will make life simpler.*

**Andy West**



# How To Use Agency Directories To Generate More Leads?



## Digital Agency Network

Dan's mission is to support the digital marketing industry and enhance the intelligence, expertise, reach and effectiveness of digital agencies, companies, and individual marketers through online platforms, consultancy, events and training.

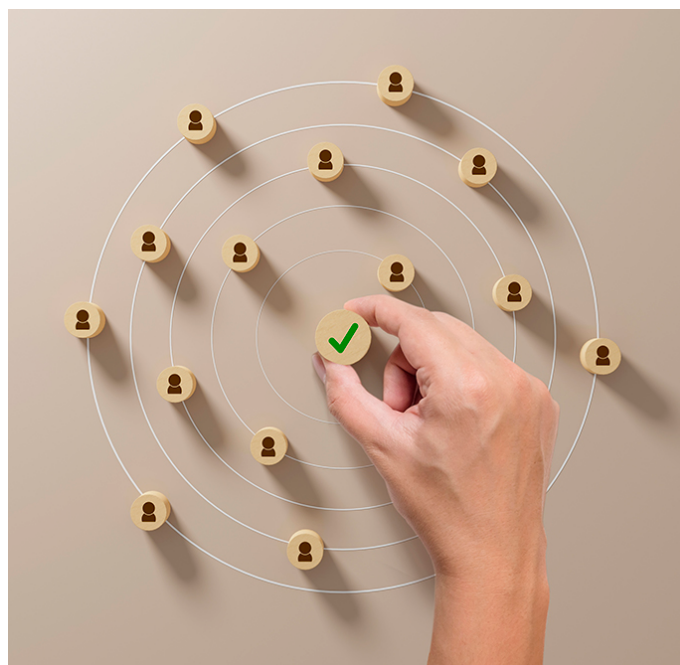
Reach DAN here >



Agency directories carve out a space where agencies can showcase their best work without waiting to be found via their web pages, and a no-fuss system that makes finding the right agency for businesses a super simple job.

The correlation is obvious: More leads mean more revenue for your business. If you want your business to continue to expand and grow both in size and capacity, you need to reach more people who could express interest in your product or service and be your potential buyers. Therefore, it's no surprise that 67% of companies use lead generation as the sole metric to determine content success, according to [HubSpot's data](#).

But lead generation is a process. It takes time, careful planning, and rigorous execution. To generate more leads, you need to increase visibility, build trust and a good track record, and, of course, generate interest among potential customers in what you're doing.

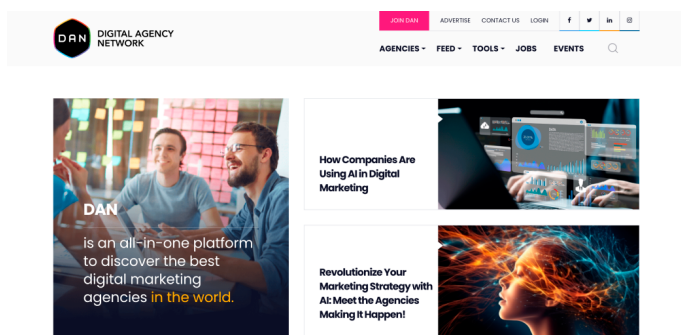




This is exactly what getting listed in the agency directories does for you. Here's how you benefit from being in these directories and using their services.

## What Are Agency Directories?

Agency directories, or listing platforms, are websites that serve as curated agency catalogues and allow prospective clients to look for marketing agencies with specific search queries. A person looking to hire an agency can filter their search by location, services the agencies provide, and the industries they operate in.



Here at [Digital Agency Network \(DAN\)](#), we have various directories under which we list over 3300 agencies from 126 cities and seven regions, and these directories are not only location-based. This is what increases the visibility of the member agencies. At DAN, we categorise the agencies by the services they provide and the industries they operate in. [This filtering system](#) offers the best possible results for prospects and helps agencies find their niche and reach the clients they need.



**Explore the agencies**

Select a region, city and service type to discover the best digital marketing agencies!

Region  City  Service  **FIND**

Like us, most other directory websites offer different subscription plans for various price points and different packages containing additional services. Some of them also let you get listed as a free member.

Agency directories often have vigorous research and selection processes in place to make sure only the best enters the system. The directories take the submissions and review the agency's track record, works, previous achievements, and case studies. Stellar performance is one thing, but transparency is a must. So, most directory pages also investigate the agencies' web pages and registries and try to ensure that all the information they provide is correct.

## What Types of Services Do Agency Directories Offer?

Here are some of the ways in which the agencies can benefit from being listed on these platforms.

### An Agency Profile Page

When listed on these platforms, you'll almost always get a chance to have your profile, where you can talk about your agency, what you've done so far, what your strengths are, and so on. So every visitor would know what your agency does, even if they haven't seen your website yet. This is one of the best ways to increase your visibility and get noticed. Dedicated profile pages are the service that creates the most significant value for the member agencies of such directories.

### Multiple Category Listings

We talked about this before, but it never hurts to stress the importance of numerous listing categories because they are the easiest way to expand your reach. On most agency directories and listing pages, there are multiple categories for agencies. The most prevalent ones are industry directories, location listings, and service filters. This system ensures that your agency can be found on different searches and doesn't get lost in the heaps of information.





## Monthly Case Studies, Press Releases, and Industry News

Most agency directories allow agencies to publish monthly content, be it a press release, a case study, or news that contains recent achievements, awards, etc. At DAN, we have over 295,000 monthly visits, and we'd love to emphasise that almost the entire portion is organic.

That is, when you frequently publish content in agency directories, the odds of your agency receiving traffic and leads increase tremendously. Here are some tips about how to publish your achievements on these websites.

You should tell people about your agency's skills, and case studies are the best way to let people know about your agency. Address how you approached the challenges presented by your clients, showing that you are capable of producing great work with factual data.

Everything that adds value to your brand image is considered good content and will bring in leads if you distribute it through the right channels. Moreover, these directory webpages usually have stellar in-house SEO teams that will make sure that your posts tick all the right boxes and magnify the chance of ranking higher on search engines.

## Insightful Industry Reads

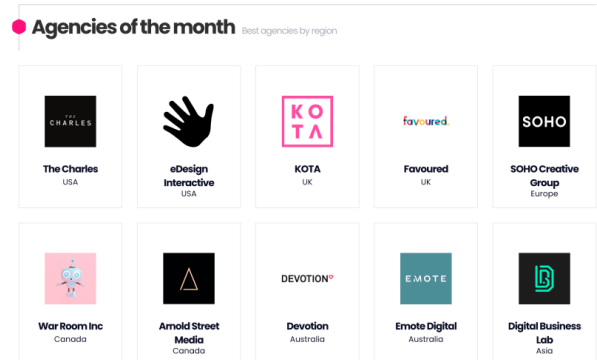
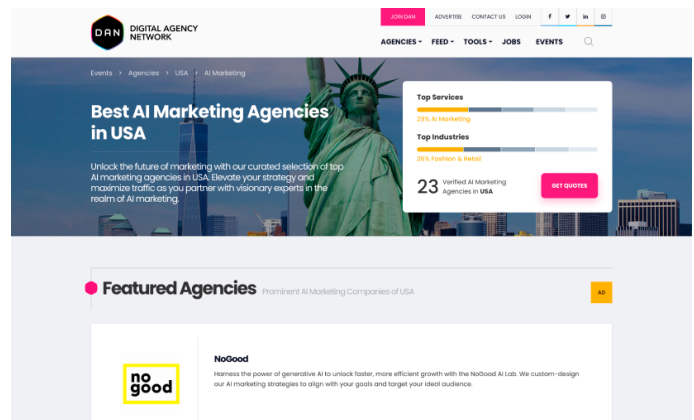
Agency directories and listing platforms gather heaps of knowledge about digital marketing through years of experience. They have streams of information coming from everywhere and collect their own data to understand the industry better. This lets them regularly create and publish great content, such as [eBooks and white papers](#).

At DAN, we craft marketing guides for trending sectors, including [Fashion & Retail](#), [Travel & Tourism](#), and [Healthcare](#). Make sure to participate in this type of content because it is usually permanent and puts you in the game with other great players in your industry.



## Featured Agency Ads

Google ads are becoming increasingly problematic as most people started to use ad-blockers and the new devices have built-in tracking disabling systems that decrease the chance for businesses being seen through traditional advertising. Unlike these ads, the “featured” sections on these directories help your agency stay on top of the directory you're in and immensely increase your visibility. Being the featured agency lets the prospects know you're on top of the game.



You can also buy additional plans to be on top of your preferred directories. Do your research and find out where most of your customers come from. Are they locals? Do they come to you because your agency is close to their firm? Or do they choose you according to the services you provide? Advertising is a great shortcut when done wisely. Otherwise, it's just another budget drain.



## Social Media Sharing

Most of these directories have their own [social media accounts](#), where they share news, blog posts, know-how pieces, case studies, industry-specific insights, and more. This may vary depending on your subscription plan; however, it is a nice-to-have option to be featured on social media channels, as this increases the chances of being found via your content. Your agency may have its social channels, but utilising one more channel with a larger and related online community to spread the word about your business and services is always a good call. Using the digital channels of these directories will help echo your objectives, as these social media platforms might have a larger audience, especially if you're new to the market.

## Job Ads

If you are struggling to find the best talent through traditional methods, try publishing your ads in agency directories. These websites are not only the go-to pages of prospective clients but also hotspots for marketing professionals looking for new opportunities. This makes these places perfect for finding suitable candidates for your agency.

The screenshot shows a job search interface. At the top, it says "Looking for a job?". Below this, there's a text input field with the placeholder "Browse the results to see up to date digital agency jobs in 2023!". To the right of the input field are two dropdown menus labeled "Region" and "City". To the right of these is a pink button labeled "FIND YOUR JOB". Below the search bar, there's a section titled "All Jobs" with the subtitle "All Jobs from Digital Agencies". There are four job listings displayed in a grid:

- Account Strategist** by MAJIR TJM. Major Tom is looking for an Account Strategist to join their team in Toronto. Location: Canada / Toronto. View Job.
- Global Human Resources & Culture Manager** by Crowd. Crowd is looking for a Global Human Resources & Culture Manager to join their team. Location: UK / Birmingham. View Job.
- Junior Web Support Technician** by D. Dantag is looking for a Junior Web Support Technician to join their team.
- Content Writer** by Top Notch Designs. Top Notch Designs is looking for a Content Writer to join their team in New York.

## Request for Proposal System

To unlock unprecedented growth for your agency, finding the right clients can be the key. This is where agency directories help you with Request for Proposal (RFP) systems.

The screenshot shows the "Get a Project Quote" form on the DAN Digital Agency Network website. The form is titled "Get a Project Quote" and has a subtitle: "Digital agency network member agencies have been evaluated and verified on various criteria. Please fill the form below to receive a quote for your project. Feel free to add as much details as needed." Below the subtitle is a section for "Project Details\*" with a placeholder text: "Example of a good description: Hello, we are a company active in the healthcare industry and our mission is to offer sustainable solutions for the pharmaceutical warehouses. Our goal is to offer our B2B clients a digital solution to manage all their deliveries in a sustainable way by the end of this year. So, we are looking for a design agency that specialises in user experience and web design for the new digital platform we will establish." Below the project details section are two sections: "Project Timing\*" and "Project Budget\*". The "Project Timing\*" section has two radio button options: "Less than 1 month" and "1 to 3 months". The "Project Budget\*" section has two radio button options: "\$1,000 - \$5,000" and "\$5,000 - \$10,000". To the right of the form is a pink button labeled "GET QUOTES".

At DAN, we offer a game-changing RFP: "Get Quotes". Imagine a straightforward process where brands share their needs, budgets, and project specifics through agency directories. Our team of experts reviews each request with great attention and precision. Then we match the project with the most suitable agencies, serving as the bridge between forward-thinking agencies and discerning brands.

What sets us apart is our curated approach. We handpick 2-5 agencies that perfectly match the project and provide each selected agency with in-depth project insights. The goal of this system is not only to generate leads. We aim with our Get Quote system to forge meaningful collaborations that perfectly align with your agency's expertise and objectives. We will position your agency at the forefront of tailored opportunities. Recognise that every lead is a potential strategic partnership waiting to unfold.

## Final Words

Becoming a member of or collaborating with renowned digital marketing agency directories like DAN can help your agency maximise profit while minimising effort. More importantly, these places can generate qualified leads (not random strangers browsing the web) that can potentially turn into actual customers.

Digital agency directories are marketplaces for everything about digital marketing: News, agency life, tools, and software; cutting-edge technological developments, search engine updates and other SEO-related issues; industry research and statistics; Q&As done with your fellow agencies, in-depth articles, and so on.



What makes these platforms an excellent place to participate is that they offer so much more than a profile page. Most of the services they provide (content marketing, SEO, UGC, and email marketing) would be very costly if agencies were to handle them in-house without knowing whether it would amount to anything in traffic and lead generation.

Therefore, being listed on these platforms has so many perks an agency can use to boost growth, increase brand awareness, and thrive in a niche market.



*The directories take the submissions and review the agency's track record, works, previous achievements, and case studies. Stellar performance is one thing, but transparency is a must.*

**Digital Agency Network**





## CHAPTER 4

# Good Governance



# Board Meetings – How To Run Them And Make The Most Of Them



**Simon Collard**

Simon is a highly-experienced Chief Financial Officer with over 30 years of experience working across marketing services including Consultancy, Design, SEO, Social, Branding and Development Agencies.

Reach Simon Collard here >



Board meetings. We have all sat through them and, if we're being honest, some have been a little painful. They are demotivating even. Having been in many Board Meetings it's clear that how they are run, well or badly, can have a profound influence on the Agency.

Having the Agency Board around a table (in real life or virtual) is a great opportunity to talk about the challenges and opportunities facing them. They can solve problems and unlock potential. In short, good Board Meetings improve profitability.

But what makes a good Board Meeting? There is no perfect agenda or format but here are some ideas.





Make the most of pre-reads for last month's actions and finances. If the first point on the agenda is a discussion about last month's results, you're already looking back rather than forward. Send the results around beforehand for everyone to read and ask questions. Too many Board Meetings are dominated by what happened last month. Ensure the reports are comprehensive and highlight potential problems (in cashflow or debtors for example). Just don't dive straight into them.

There should be a clear agenda. Don't be over ambitious otherwise or you'll never get through everything. Start with the most important item as the first issue. Having seen meetings derailed by heated discussions about the number of teaspoons in the kitchen, be ruthless and only focus on important issues.

They need to be managed. The chairperson needs to ensure that discussions do not overrun and that all agenda items are covered. Agency people can talk. This doesn't need to be tested. The chair needs to manage the time and if more is needed either bump an item off or move it to another time.

What actions have arisen from the discussion? Who is going to do what and by when? Not having clarity about actions will lead to frustration as the same point crops up again and again. Check last month's action points before you get into this month's discussion. Minutes don't have to be extensive, but having something written down is a good discipline. It can save a lot of confusion.

The Loudest Voice In The Room. If you are the owner or founder, then the Loudest Voice problem is real. People's opinions may be tempered, edited, or watered down. Working hard to make sure the board Meeting isn't just everyone agreeing with you will take some real emotional intelligence to make sure everyone feels confident that their voice is being heard. Don't leap into answering, ask more questions, and make sure everyone is contributing. It will take effort, but it will be worth it.

Most importantly, Board Meetings should be about looking forward. Next month, next quarter or next year. Each time frame will have a different focus.

*"Minutes don't have to be extensive, but having something written down is a good discipline. It can save a lot of confusion."*

**Last month** – has everyone read and understood last month's results? Are there any questions and is there anything useful to take from the figures?

**Next month** – what is the forecast revenue and what are the critical projects/decisions that could impact? Do we have the right resource plan? What delivery challenges are there?

**Next Quarter** – what do we need to convert from the pipeline to hit our targets three months from now? What is the state of our pipeline?

**This Year** – What is the revenue gap between our confirmed revenue forecast and our target for the year? Are our marketing plans enough to close this gap?

Not everything is, directly, about money. Having peered into the future we always need to look at the important drivers of our business.

**People** – who is doing well and who is struggling? Who needs support? Are there some hard decisions to be made about underperformers and if so, how do we explain and minimise any fallout?

**Marketing** – are we generating enough new conversations? Are each of our channels working well? Are we generating enough interesting, useful, and engaging content? Do we have enough budget to put behind our marketing plans?

**Pipeline** – how easy/hard is it to get our proposition across to potential clients? What is the state of play of the funnel? What do we need to do to move the prospects along (or out)



**Projects** – do we have delivery problems on any of our projects? The longer, more complicated the project the greater should be the scrutiny as these are the riskiest. Is there a common point of failure or inefficiency? Has the scope of work changed?

**Clients** – how happy are our clients with us (and vice versa)? Are there any profit vampires and, if so, what can we do about that? What upsell opportunities exist?

**Pricing** – pricing always needs to be under review. Whether it is the hourly or daily ratecard or the pricing of an individual project, how and what we charge is vital. Always think in terms of the additional revenue and costs that winning a project will bring in.

**Strategy** – thinking longer term sometimes is hard. In a well-run Board Meeting there should be an opportunity to think what the future could look like. What do we need to do better in order to grow 20 – 25% every year? If that's what we want to do. What changes in technology or in the market are happening that we need to respond to? If not in a Board Meeting, when do we raise our sight to the horizon? Do we need a planning day offsite?

Last but not least there needs to be someone chairing the meeting. It can't just be a chat around a table with your senior team. If there is a natural chairperson, great. If not then think about finding a Mentor or Non-Executive Director (NED) to chair for you. Someone who knows the Agency sector well and will offer an independent and challenging perspective.

Finding the right mentor or chairperson can be a huge boost beyond just improving the quality of your Board Meetings, important as that might be.

As a fractional agency CFO I now have the pleasure and privilege of working with multiple Agencies and Consultancies who work in different sectors and have different commercial models. It's lifted me out of a silo mentality that I might have had before.

If we're honest, we all rely on what we know and what we have done. Having someone we respect can lift us out of that silo. That we've always done it that way isn't good enough. What worked last year may not work this year. We need someone to challenge us to do better.

If you know someone from your immediate circle who fits the bill great but if not how would you go about finding one?

The good news is there is no shortage of platforms and events where experienced and qualified professionals can be found. If I wanted to find one from scratch, here's what I would do.

1. Think about the biggest challenges your agency faces and where you have the least experience. It could be business development, or it might be experience of a trade sale. This might be a good gap to fill.
2. Ask for referrals from your network. Have they worked with someone who's impressed them? Referrals are always a good thing.
3. Have conversations online and in real life. Most consultants (and I speak from experience) love talking to Agency people. Even if there's little expectation of a paying gig at the end of it. We love to increase our network and find out what's going on with as many Agencies as possible. If they don't then they are not the right person.
4. Try them out. Ask them to chair the next meeting. Brief them well (of course) and don't expect them to turn up with the perfect agenda. Do expect curiosity and questions. Do expect a point of view. Maybe try more than one (just be clear with them that's what you're doing).
5. Was the meeting more productive? Did it help with any specific problems but also raise other issues that hadn't surfaced before? Did you learn something new? If so, there's a relationship that could be built there.

*"Finding the right mentor or chairperson can be a huge boost beyond just improving the quality of your Board Meetings, important as that might be."*



In truth it is always down to the relationship; do you like this person, and can they help you achieve your ambitions?

When you find the right person, spend some time agreeing on the vision and ambition for the Agency. Translating that vision into actionable and measurable steps and holding the management team to them is key.

In summary, clarity, accountability and focussing on the future are the keys to a good Board Meeting. Good meeting practice keeps everyone from taking too many tangents. Introducing new experiences and thinking into the mix can be a vital catalyst. If your Board Meetings aren't firing up your energy and imagination, shake them up a little bit. A little refocus, a little meeting hygiene and a little outside push can work wonders for your Agency.



*“ When you define your purpose, and the impact you want to make on the world, you start to attract the people who want to be part of that journey.*

**Simon Collard**



# Becoming A B Corp Agency



**Jane Entwistle**

Experienced Director with a demonstrated history of working in the digital marketing industry. Skilled in Digital Strategy, Web Design, Branding, User Experience, SEO and PPC. Strong professional graduated from Lancaster University with a First Class Honours Degree.

Reach Jane Entwistle here >



At Entyce, we stand for purposeful creativity – and I believe that purpose absolutely shouldn't just be a tagline. We are a proud certified B Corporation (B Corp for short), which means we are committed to making a meaningful difference to the businesses, brands and lives of the people we work alongside, as well as delivering fantastic, creative work for our clients.

Before becoming B Corp, I knew that our agency had something special. We work with some truly brilliant businesses, delivering projects that both excite and inspire us. We have an amazing, close-knit team, having learnt long ago the importance of a great workplace culture and the impact that this has both on your employees and your business as a whole. We are also mindful of operating as sustainably as possible and supporting our local community with the work that we do, as well as taking part in charity events throughout the year.



I knew that what we were doing was having a positive impact on our team, clients and the wider community, however, I didn't have the words to describe it. It was more of a feeling along with lots of other bits that I hadn't really formalised.

So when the B Corp movement started gaining momentum, and we started looking at it as something that we could possibly do as a business, the more I believed in the cause and that it was the right move for us. At the time, there were only a few B Corps in the Chester area, none of which were agencies, so we saw it as an opportunity to do something different.

Becoming B Corp also allowed us to look inwards and really assess everything about us as an agency. What we were doing, how we were doing it, our team, our values, our clients, etc. We certainly don't profess to be perfect and while the process highlighted the things that we were doing well, it also provided us with an opportunity to improve in areas that we weren't even really conscious of prior to starting our application.

After all, B Corp certification certainly isn't the end goal for Entyce. It's not like an award that you get and then you're done. It signals the start of something bigger and we are very proud to have committed ourselves to the movement and the process of continuous improvement as an agency.

## What is the B Corp movement?

Certified B Corporations are considered leaders in the global movement for an inclusive, equitable and regenerative economy. The not-for-profit network began in the US in 2006 with the mission to inspire and enable people to use business as a force for good and ultimately influence change in the global economy to benefit all people, communities and the planet.

Companies wishing to gain B Corp certification are verified against high standards of social and environmental performance, transparency and accountability. There are (at time of writing) over 7,300 B Corps worldwide, with over 2,100 of these businesses in the UK.

## What to consider when applying to B Corp

So, if you've decided that B Corp is right for you, you'll need to apply for your certification. It is certainly a rigorous process, but justly so. Overall, I'd say the application took Entyce just under a year to complete but this duration can of course vary from business to business and the process will look different for each applicant.

To achieve and maintain B Corp certification, all businesses must:

- Operate for profit in a competitive market for at least 12 months prior to application
- Complete a B Impact Assessment and achieve a verified total score of over 80 points
- Embed a commitment within your organisation to consider the impact of decisions on all stakeholders
- Sign the B Corp Agreement and the Declaration of Interdependence
- Publicly list your impact score on the B Lab Directory
- Publish an annual impact report
- Recertify every three years

However, you are certainly not alone when going through the application. Each business is assigned their own assessment analyst who is in touch at each stage of the process, and the B Corp website is packed with tools and tips to help you along.

*"After all, B Corp certification certainly isn't the end goal for Entyce. It's not like an award that you get and then you're done. It signals the start of something bigger and we are very proud to have committed ourselves to the movement and the process of continuous improvement as an agency."*





*"When you become B Corp certified, you are invited into a community. You can join a 'B Local' and the online 'B Hive' and receive instant access to other like-minded organisations, which can be incredibly valuable from a business perspective."*

Speaking from experience, I would say that the process is comprehensive but incredibly worthwhile. Instead of considering it tedious, we saw it as an opportunity to review our processes and policies and ensure that they were still relevant and aligned with our company values and mission statement. It was refreshing to take a step back and view Entyce as a whole against the high standards of B Corp verification.

So, for any agency owners reading this and thinking about starting your application, here are my top recommendations:

- Work through the B Impact Assessment framework ahead of time and divide the application into workable sections
- Appoint one person in your organisation to be a 'B Corp Champion' and take the lead on the assessment and engage the rest of your team
- Find your 'quick wins' and highlight the parts of the application you can do easily
- Make sure you adopt the B Corp legal requirement to earn 7.5–10 points on the assessment
- Engage your team. We completed a workshop at Entyce to work through our mission statement and company values as a team
- Use the online resource hub for best practices on implementing the improvements to your business
- Speak to other B Corps to find out more about their experiences
- Set yourself goals for improvements ahead of your annual impact report and recertification

## What are the benefits to agencies?

So, aside from the obvious environmental and societal benefits that come from being a part of the movement, research conducted by B Lab\* has proven that B Corps routinely out-perform other businesses across several business metrics. B Corp SMEs have, on average:

- Faster growth in both annual turnover and employee headcount,
- Greater levels of employee retention, engagement and diversity
- More robust governance processes
- Greater focus on civic and community engagement
- Higher levels of innovation
- Greater likelihood of success at securing external finance
- Higher expectations about future growth

For us as an agency, the decision to start the process was an easy one. As well as the clear benefits listed above, I find the networking opportunities and the 'instant connection' that comes from speaking with other B Corps to be hugely beneficial. When you become B Corp certified, you are invited into a community. You can join a 'B Local' and the online 'B Hive' and receive instant access to other like-minded organisations, which can be incredibly valuable from a business perspective.



Becoming B Corp was also something that our team felt very strongly about. In the current climate, everyone wants to work for a business that cares about more than just profits. And it's a similar case for our clients. As soon as we mention our B Corp certification, we're met with intrigue and excitement. People want to know more. Businesses want to know that their suppliers are operating sustainably and treating their employees well. And as the conversation around ethics grows, the validation that we

get from being B Corp certified brings weight to everything that we're trying to achieve as an agency.

I believe that our policies and the way we operate will become just as important to our clients as the quality of our work and therefore becoming B Corp is a vital part of 'future proofing' our agency for the years to come.

\* Data from a B Lab UK November 2021 survey – <https://bcorporation.uk/b-corp-certification/why-certify-as-a-b-corp/>

“ *So, if you've decided that B Corp is right for you, you'll need to apply for your certification. It is certainly a rigorous process, but justly so.* ”

**Jane Entwistle**



# Building A New Business Legacy



**Brittany Atkins**

A trained actor, amateur athlete and B2B business development leader; empowering agencies to build robust pipelines and have fun along the way. Renowned for her distinctive approach to new business, Brittany has garnered influencer status in targeted verticals, a blueprint she believes any agency leader can adopt.

Reach Brittany Atkins here >



Expanding your world of opportunity is key for business growth yet when speaking to agency leaders, one of the most widespread fears I've encountered is the challenge of engaging in cold outreach. When asked "how are you introducing yourself to the brands you'd love to work with?" Perspiration and panic are often met with a version of, "I don't. I feel too awkward" and sometimes followed by an "I leave that for someone else to do." And guess what? Fear rolls downhill too.

Admittedly, coming from a privileged position of having had to overcome this fear early in my career (day one in my first job out of university as a recruiter), I can't help but find this reaction amusing. It seems paradoxical to me that those who can so brilliantly sell the brands they represent are gripped by anxiety at the thought of doing it for themselves.



Fear of failure combined with daunting thoughts of where even to begin marries prospecting with procrastination.

For the Simon Sinek fans amongst us, my “why” is to empower others. I believe empowering your team to represent the agency is the most effective way to create a bountiful new business engine. Your product is your people. Put them at the forefront of all your new business activities and equip them with all they need to succeed.

Part of that will be leading by example and diving into the deep end, owning your learnings (not failings) and sharing those publically. New business requires bravery; dare to dream that the wish list clients will want to speak with you, get out of your comfort zone and make the first move.

### **Lesson 1: Sales is a sport. Build your team, nurture a winning mentality and get out there. You miss every shot you don't take!**

Where I see people most commonly go wrong in their sales approach is trying too hard to sell. We've all walked straight out of a shop when a retail assistant has asked a little too eagerly if they can help.

Having your boilerplate memorised, ready to deliver your elevator pitch as soon as someone's asked your name, or perhaps when you've asked theirs, or even worse as the response to an unknown new LinkedIn connection, won't help you sell a thing. In fact, if someone's receptive to that approach, I'd be sceptical. What serious and educated buyer will purchase from the first 'global agency inspiring action through storytelling' they speak to? (Sorry if I have just mocked the very description you're using for your outreach, but I'll come on to that soon.)

So how should you be introducing yourself to attract your prospective dream clients? This is where you need to dig deep, find the unique value you can offer to a niche audience, become an expert in this world and not only will they want to listen... they'll come to you.

If it's for everyone, it's for no one. How special does it make me feel if what you have to offer is also right and available for the person sitting opposite me on the tube, or behind me in a queue, or the next address in an email chain offering \*enter scam of your choice here\* at prices too good to be true? If it's that universal, I'm sure I can buy it from anyone at any time I feel like it.

Whereas what you have to offer is for a specific audience, with a specific set of beliefs and a specific challenge to solve, and the answer to that equation is... me! I'd be a fool not to learn more especially if I'm a serious and educated buyer; exactly who you're hoping to attract.

Defining the niche you can bring unique value to and creating a community to serve it is what I'd claim to be my signature sauce.

As well as a sport, sales is a science and an art. There's more than one way to be successful, but I believe this to be a winning recipe for agencies, especially those that are keen to win a small number of great fit clients offering repeat business.

When done right, a community around your business is a game-changer. A lead today is nice. A year of leads brings secure and steady growth. The community also offers your leads time to get to know you and your business. They're warm, they're self-qualified, and the opportunities they bring often end up being non-competitive, or at least you're their first choice pre-pitch. They sound marvellous, right? I haven't even mentioned the halo effect of referrals yet.

So, what's the winning recipe to define your niche? I'd typically start with researching the pain points of the industries that feel like a natural fit. Client experience, team expertise, white space in the market – the more points you score in one industry, the better. Then drill into the challenges of that industry and ask yourself, 'where could we make a difference'?

I appreciate that in going niche, I'm asking you to put pretty much all of your eggs into one basket here and a dash of bravery is on the ingredient list. But the harder and more honestly you work on the above, the more confident you can be in your strategy.

*"Your product is your people. Put them at the forefront of all your new business activities and equip them with all they need to succeed."*





And you can test it! Reach out to dream prospects and see if they're open to a chat. If not... back to the drawing board you go!

Back in my agency days, I stumbled upon an area where I believed we could genuinely make a difference. Simply from overhearing the mutterings of some attendees at a networking event. Despite not having worked within fintech, the F In Fintech was born, an initiative that landed me on the prestigious Women in Fintech Powerlist (2019). The community was created to champion gender diversity within the industry. We helped connect leaders within this space, challenged events with non-diverse panels and raised the profile of women within the industry to increase representation. This same community created hundreds of leads, resulting in a million pounds worth of opportunities in the pipeline and secured both fame and fortune clients. All off the back of one simple idea.

The business was proud of this initiative too. It was soon rolled out to become a global campaign, and other teams started to request for something similar for their own sector divisions. New business activities had gone from being seen as a chore to a privilege.

## Lesson 2: Niche = Community = Pipeline

When it comes to community-building, my advice is not to be too quick to drop a good idea and look for the next. The internal question I was often faced with was, 'What's the next 'F in Fintech'?' Hindsight is a great thing! While I focused on that same question, I failed to go further with an idea already proving very successful. If I were back in that same position today, I'd be looking for ways to iterate. Not only to maximise returns or benefit from the security of a tried and tested idea but to keep expanding on our expertise and enhancing our credibility.

And as an individual taking on the responsibility of growing our client base – I've done my homework, can speak knowledgeably on the subject and have been recognised as an expert on this topic by the industry. Constantly reinventing myself makes me a jack of all trades. I start to become for everyone, which, as we learned earlier, is to be for no one.

## Lesson 3: Don't fix what ain't broke. Iterate and go further.

Iteration will require creativity, and to make the launch of your initiative a success, you'll need to create something your prospects want to be a part of. You're asking for your prospects' time in a world where we are time-poor.

It sounds obvious yet seems to be so commonly forgotten. Your prospects are people too. It's simple. If you wouldn't be interested... they won't. And if you would, they just might.

Though I may have earlier described sales as an art, the creation of campaigns and initiatives should be kept far from an art gallery. This is no place to be quiet and careful. The science lab offers the perfect environment to experiment, test and create a few accidental mishaps along the way. Unless you have a brand the size of Coca-Cola to protect, I'd argue that being bold in your ideas is best and have fun with them!

Failed attempts are rarely remembered, as long as they're not offensive, but successful ones can drive leads for years to come.





#### Lesson 4: Prospects are people too.

To wrap up my lessons for fostering agency growth. If you have a mouth to speak and/or hands to type with, then you represent the business you work for. In representing the business, you're a salesperson for it. Good, bad or wasted.

So my advice to you is to step up and own that position.

Conquer your fear, empower your team to have something too good for prospects not to listen to and let communities grow a legacy of clients to come.



*So how should you be introducing yourself to attract your prospective dream clients? This is where you need to dig deep, find the unique value you can offer to a niche audience, become an expert in this world and not only will they want to listen... they'll come to you.*

**Brittany Atkins**



# How Agency Owners Can Win On LinkedIn



**Sam Browne**

I'm the founder of Link Mastery, a LinkedIn personal brand consultancy, and Findaband, a live music agency. I'm currently working on Tradewise, an AI SaaS for stockmarket trading.

Reach Sam Browne here >



## Introduction

What do you think of, when you think of LinkedIn?

Boring announcements about things you don't care about?

Excruciating humblebrags where the writer casts themselves as the good guy?

I get it. LinkedIn has a not-entirely-undeserved reputation for being a bit crap. But there's more to LinkedIn than meets the eye.

While those "I am pleased to announce..." posts are still around, LinkedIn has also grown into a thriving content

platform.

For agencies who are willing to invest the time, LinkedIn can quickly become a highly effective marketing channel.

Connect with industry leaders. Build a steady stream of qualified clients. Get invited to speak at industry events and on podcasts. You might even get asked to contribute to a book.

Here's how to get started, grow and win on LinkedIn in 2024.



## Your Profile

You're already on LinkedIn. You probably created an account 10+ years ago. But it's likely your profile could use a bit of a tidy-up.

Start with your banner. Think of it like the banner on your website. It should sum up who you work with, and what you do for them. Keep it simple. The message is what matters most.

"I help [TARGET MARKET] to {OUTCOME}" is a good starting point.

You may like to add some logos for social proof, and a subtitle if you want to provide a bit more context. Less is more. You'll share more detail further down the page.

The specs for your LinkedIn banner are 1584 x 396px.

Your headline shows up every time you post or comment on LinkedIn. The first 5-6 words matter most, as much of your headline is only visible on your profile. Use these words to grab attention.

State the outcome you achieve for your clients. Focus on them, not you and your incredible brain. "Increase Revenue by 20-30% in 90 days" is much more interesting to them than "I am a highly experienced generalist operating at the nexus of..."



Use the Featured Section to drive prospects to book a discovery call, download a lead magnet or sign up to your newsletter. Keep artwork simple here, as it is very small when viewed on mobile. With this in mind, I design Featured Section content with a heavy focus on text, and sparing use of imagery.

Treat your About section like a landing page. Highlight your prospect's obstacles to success, and how you provide the solution. Provide client testimonials. Outline your offer. Share a clear CTA.

Do not be tempted to walk the reader through the trials and tribulations of your glittering career here. You are not trying to get a job. You are trying to drive new business to your agency.

## Your Content

Your profile is the ultimate destination for your prospect before they take action and engage with you. But how do you get them there in the first place?

Your content is the engine that drives your success on LinkedIn. Broadly speaking, content can be divided into PIEE – Persuasive, Inspirational, Educational and Entertaining.

### Persuasive Content

Persuasive content is where you make money.

Persuasive content can be simple stating that you have space for X clients next month, and what they can expect, but it can be more indirect too.

Sharing a client case study before-and-after is a powerful way to showcase your expertise, while at the same time providing a compelling story. If you could achieve those results for the case study client, they reason, you can achieve the same results for them.

A client testimonial, or a collection of several testimonials, can also work well.

Generally speaking, I recommend making persuasive content around 10-15% of your content mix. With all other content, you are making a deposit as you build trust with your audience. With persuasive content, you are making a withdrawal.

I recommend making 10-15% of your content persuasive.



## Inspirational Content

Inspirational content can be about your business or you, personally. Counterintuitively, sharing personal content on LinkedIn is good for your business.

When we make a major purchase such as a car, computer or flight, we buy the brand. We have become convinced over time that the brand is a good fit for us and our values, and we have made up our mind to buy regardless of who is selling.

But when we buy agency services, in many cases, we buy the person. We buy from people we know, like and trust. Let your audience know you, and not just your business.

Inspirational content includes things like:

- Hitting a personal goal
- Completing a fitness challenge
- Hitting a business milestone
- Sharing your journey to success
- Photos or videos showcasing your lifestyle
- Sharing a family moment
- Sharing your hobbies

## Educational Content

Educational content is extremely effective at drawing in clients. Beginners on LinkedIn are often afraid of giving too much away by sharing their hardwon tips and tricks. This is understandable, but not something you need to worry about.

You have spent years, maybe decades, becoming extremely good at what you do. You've made all the mistakes, and uncovered all the tiny tweaks and tricks. Walking a prospect through exactly what you do will not instantly download all of your knowledge and experience into their brain.

*"On LinkedIn, few creators offer nothing but entertainment, such as you'd find on Youtube. Culturally, that is not what LinkedIn is about. With that said, here are some ideas for entertaining content you could incorporate as part of your content mix."*

What it actually does, ironically, is compel them to contact you, and ask you to do it for them. People don't want information. The internet is overflowing with it. They want execution. They want results. By repeatedly showing them just how well you know what you're doing, you will build trust. Eventually, your prospect will trust you enough to reach out and ask you to do your thing for them and their business.

I have built my own brand on educational content. I post 5 detailed guides on how to succeed on LinkedIn, and then 1 post simply inviting people to book my consulting time for the next month. Because I have built so much trust through showcasing my expertise, there is no risk to my prospects, and my calendar quickly fills up with high ticket clients.

Educational content includes:

- Tips for beginners
- Step by step how-tos
- FAQs
- Ask Me Anything
- Infographics
- Case studies

## Entertaining Content

Social media is entertainment. Even on sensible, buttoned-down LinkedIn, that is the case.

The truth is that all your content should aspire to be entertaining. Even a step-by-step walkthrough on a particular method or technique can be fun, or it can be boring. It's up to you to ensure that your reader has a good time when they engage with your content.

On LinkedIn, few creators offer nothing but entertainment, such as you'd find on Youtube. Culturally, that is not what LinkedIn is about. With that said, here are some ideas for entertaining content you could incorporate as part of your content mix.

- Industry-specific memes
- Videos
- Amusing Personal Stories
- Celebrity stories
- Behind the Scenes
- Relatable humor
- Podcast Highlights



## In Conclusion

LinkedIn as a content platform is in its infancy.

Influencers are being made in months, not years. There is a huge opportunity here for early adopting agencies. Build a personal brand around the agency founder, or a dedicated content creator within the team, and attract a steady stream of high-quality, global clients.

Eventually, you will become the obvious choice in your prospect's mind.



*“ The truth is that all your content should aspire to be entertaining. Even a step-by-step walkthrough on a particular method or technique can be fun, or it can be boring. ”*

**Sam Browne**





# It's All About You



**Chris Bantock**

Whilst running my agency I made mistakes, and I learnt a great deal about running and selling an agency. I felt this experience positioned me to be able to provide value and give something back to the local agency world, by way of advice and guidance to agency owners as a mentor and coach.

Reach Chris Bantock here >



It's not an easy life being a marketing agency owner, I know I have been there.

You more than likely followed your passion, and your training and then found yourself running a business and managing people. In fact, like it or not, you have become a leader – a leader of a business, a leader of people and a leader of yourself.

I fell into the agency world by accident rather than design. I started out as a digital marketing consultant when Google was the new kid on the block. I then formed an agency by combining my business with two others (a brand and design business and a web development business) to create a full-service agency.

I found myself as the nominated MD of the business. This was uncharted territory for me. Despite having two co-directors I had numerous moments when I questioned

myself and my capability to fulfil the role. Being responsible for other people in terms of jobs, salaries and livelihood added another layer of pressure.

I had no formal training in people management, and this was a learning curve! Making decisions about the business took me to a new level of questioning. Am I doing the right thing? Is this the best route forward? What is the impact?

When we are thrust into these situations, the default go-to is normally to question ourselves and our capabilities. I know I did.

No matter how much advice you get at the end of the day it's all down to you.

The decisions, how you execute, and how you perform. This is the scary part!



## Society of judges

We live in a world where we are judged all the time. I suspect this is amplified by social media however, this can be damaging. Whatever we do we are going to be judged, if we do nothing we are judged. So I would ask you to follow what you think is right, do what you believe in – because it is about you and no one else.

## Loneliness

Agency Leaders I speak too often find themselves on a solitary journey, navigating uncharted waters. The weight of responsibility, coupled with the isolation and loneliness that comes with leadership, can be overwhelming.

You've likely experienced moments of isolation and solitude. The burden of decision-making, the stress of steering your business toward success, and the constant pressure to deliver results can often feel like an insurmountable mountain. The weight of the company's fate rests on your shoulders, making it easy to feel alone in your journey.

It sounds harsh however, it is all about you. It is not so much your capabilities but more how you handle and respond to the twists and turns in the journey.

In times of self-doubt, when challenges seem insurmountable, there are ways in which you can manage the impact of these situations. You are not the first and won't be the last. I would say nearly all agency owners have grappled with the same emotions and obstacles.



Understanding and mastering key attributes can help you navigate the unique challenges of agency ownership and leadership.

## Step up

The only person that you are truly accountable to is YOU.

No one else is responsible for it. This means you have to be self-reliant, which is being confident in your own abilities and being able to do things for yourself.

This does not mean you have to do everything; however, you are responsible for the outcome. There are a lot of different elements in play here which we will try and make sense of.

Confidence, self-belief, resilience, perseverance, attitude, mindset and direction.

As a leader, there are three key traits that you really need to develop. These coexist and do not happen in isolation. These are:

- Confidence / self-belief
- Resilience
- Perseverance

Let's take a brief look at these individually.

## Confidence and self-belief

This is all about understanding your self-worth and truly believing in yourself.

You are you and no one else is you! No one else has been on your journey, had your experiences, learnt what you have learnt. You are unique. This means that only you can look at the world with your eyes.

Confidence is not about knowing all the answers; it's about believing in your ability to find them. Brene Brown, a renowned researcher on vulnerability and courage, said, "Vulnerability is not winning or losing; it's having the courage to show up and be seen when we have no control over the outcome." Embrace vulnerability, acknowledge your limitations, and tap into the courage to make tough decisions.

This means that it is not all down to you. It's how you operate that is important.

Your self-belief comes from truly knowing yourself. Know what you are good at, where your skills lie and what your genius is.



On the flip side, it is vital you know your limitations – a good person always knows their limitations. It's okay not to be good at everything; in fact, it's completely normal. In business, it's vital that people are able to understand the things they're not quite so brilliant at so that they can work around them.

Utilise your strengths and understand your limitations, and you will truly be on the road to success!

Finding your confidence and keeping it is never easy. Stay positive in thought and action, and be kind to yourself.

*"If you think you can or if you think you can't, either way you're right"*

Henry Ford

## Resilience

This is a word that is used a lot at the moment.

Definition:

'the capacity to withstand or to recover quickly from difficulties'.

Resilience is the ability to bounce back from setbacks, and it's a crucial trait for any leader. Kim Scott, author of "Radical Candor," suggests that "Resilience comes not from optimism but from being prepared for pessimism."

It does not mean that we have to build an impenetrable shield around us so that any situation will not impact us. On the contrary, events will happen in business as they do in personal life and resilience is how to handle these adverse situations.

*"Resilience involves the ability to work through emotional pain and suffering. It is how you react to situations. You have a choice – you can let them get you down, take you into a dark place or you can assess them for what they are and find a way to move on."*

As business owners, we have our fair share of adversity and situations that impact us negatively.

Resilience involves the ability to work through emotional pain and suffering. It is how you react to situations. You have a choice – you can let them get you down, take you into a dark place or you can assess them for what they are and find a way to move on.

To me, this is often about mindset and adopting a positive mindset.

Adopt the view that things happen, they happen for a reason – you just may not know what that reason is at that moment, however, it will come clear down the road.

Christopher Reed (Superman fame) had a horse riding accident that left him a paraplegic, in a wheelchair and on a respirator for the rest of his life. He said later that this was the best thing that ever happened to him because of his focus on research and charity fundraising to do good in the world. This would not have happened had it not been for the accident.

Embrace challenges as learning opportunities and develop a growth mindset. Learn from every situation. Every day is a learning day.

We have said how isolating and lonely it is to be a leader. This is one reason you need to surround yourself with good people. However, make sure that these people encourage and sustain your resilience.

Leadership is not about always knowing the right answer or avoiding challenges; it's about showing up with the courage to face uncertainty and being prepared to bounce back from setbacks.

The foundation of resilience is sleep, nutrition and lifestyle. Without healthy habits, it is far more challenging to keep going during challenging times, look at challenges in an optimistic way and create and nurture healthy relationships. Sleep, nutrition and exercise is your fuel. It's not an infinite resource. It needs topping up.

*"Do not judge me by my success, judge me by how many times I fell down and got back up again."*

Nelson Mandela.



## Perseverance

Persistence is the unwavering determination to pursue your goals despite adversity.

Definition:

“The fact of continuing in an opinion or course of action in spite of difficulty or opposition.”

This is connected to resilience but it is very different.

The path to success is rarely straightforward, and persistence is what differentiates leaders who achieve their vision from those who give up. Embrace setbacks as stepping stones and never lose sight of your long-term objectives.

In order to have Persistence, you need a plan, a direction of movement. This needs to be very clear and you need to be committed to it. Understanding where you are going gives you confidence, conviction and clarity. Truly understand your North star.

This is not about being bloody-minded! It is about making the right decisions on the journey for the right reasons. So, making decisions based on the answer to the question – does this help you achieve where you want to go?

Perseverance is supported by having the right attitude. Attitude is shaped by values. Really know and understand your values then you have the guiding principles to know what is right and what is wrong.

*“Success is not final, failure is not fatal: It is the courage to continue that counts.”*

*Winston Churchill*

## Action for Impact

As outlined, Confidence, Resilience and Perseverance are all essential ingredients to becoming a successful leader. These take time to build and to maintain.

The foundations of skills are all underpinned by Direction, Attitude and Mindset.

- Being clear on your goals, where you want to get to – your Direction of travel.
- Understanding your values will define your attitude. This defines you – who you are – the way you behave – and the decisions you make.
- Creating a positive mindset and outlook on life.

## Not on your own



While this article is “all about you” no one can do this on their own. It’s also all about relationships. Strong relationships; finding people that you can trust.

We have mentioned surrounding yourself with good people and knowing your limitations.

Find those people that will support you on your journey, fill your gaps, provide guidance and advice, a sounding board for ideas and those that will generally be on your side.

Build a strong network. Your network is your net worth. Great relationships are reciprocal and of value to both parties. High-performing leaders invest in their relationships that support their success and the success of others.

Above all, be human, authentic, supportive and caring.



## Summary

Leadership is not about always knowing the right answer or avoiding challenges; it's about showing up with the courage and belief to face uncertainty and being prepared to bounce back from setbacks, and be true to your desired destination.

As a marketing agency owner or founder, you are not alone in the challenges you face. Confidence, resilience, and perseverance are your allies on this journey.

Surround yourself with good people, know your limitations, make decisions that align with your values, and always remember your purpose, vision, and mission.

In the end, your success as a leader truly comes down to you. Embrace these key attributes, and you'll be better equipped to confidently navigate the complex world of leading your agencies.

You as a leader of your business, of people and of yourself, make sure you invest in yourself because ..... it is all about you.



“ *In business, it's vital that people are able to understand the things they're not quite so brilliant at so that they can work around them.* ”

**Chris Bantock**





# Finding The Right Client Relationship Tool For Your Agency



**Steve Holm**

Steve Holm is the CEO of Copper CRM, a comprehensive customer relationship platform for service-centric businesses. He is passionate about a product-first approach to business growth and has a background in Product and Design leadership at Podium, Dropbox, and Zendesk Sell.

Reach Copper here >



*"Copper helps relationship-based businesses successfully nurture customers from initial interest to lifelong loyalty. We're actively building a comprehensive customer relationship platform to help agencies support clients through every stage of their journey."*

An agency is only as strong as its relationships are. In an industry where the currency is innovation and creativity, agencies aren't just selling a service; they're building partnerships rooted in trust. And fostering that trust requires being responsive, timely, and reliable.

So it goes without saying that the tools that serve agencies should be as fluid and adaptable as the industry itself, right? Well, it should.

The thing is, software companies have been slow to evolve their offerings for service-based businesses like agencies. And it's clear that the big-name transactional [customer relationship management systems](#) (CRMs) simply don't cut it for the relationship-driven business model of digital agencies. So what's the solution, and how can you find a client relationship tool that *actually* works for your agency?

## What we've learned from agencies

We've spoken with a lot of agencies, and one thing is clear: the tools on the market today are falling short. Software companies initially designed CRM and other client relationship tools with a one-size-fits-all mentality. They built CRM software to fit their own need for a platform that tracked transactional sales across a predictable, linear sales cycle and focused only on the initial sale. What comes after that first transaction has always played second fiddle.

This technology is great for SaaS companies with linear sales pipelines but not so great for the intricate web of agency-client interactions. Now, [over 35 years](#) after CRM first came on the market, things still haven't changed that much.

This misalignment is glaring. Agencies, which by nature thrive on deep, long-term client relationships, find themselves wedged into rigid systems like Salesforce or Pipedrive, which aren't built for their non-linear, relationship-heavy client journey.

The client journey for an agency typically spans from a potential customer's initial interest all the way to nurturing your relationships with a loyal, long-term customer — and looks anything but linear:



What's an agency to do? Many of the agency leaders we've spoken with have resorted to patching together niche platforms in an effort to wrangle together the full client relationship journey. Each individual tool solves for one slice of the larger journey but fails to deliver a cohesive, streamlined system. It's like being given the pieces of several different jigsaw puzzles and being told to build one crystal-clear image out of them.

But the biggest drawback of this approach is the massive amounts of time lost switching back and forth between multiple platforms and trying to align data points across them all. Efficiency and productivity take a hit when your client relationship tool doesn't integrate with the systems where your relationships are happening — like email, SMS, Slack and social. And when you're a service-based business, efficiency is critical.

"As a professional services business, our product is ourselves. The main way for us to increase efficiency is through improving our processes. And leveraging technology platforms is a big part of that," Silicon Foundry CEO Neal Hansch shares.

Agencies are on the hunt for an end-to-end client relationship platform that can help them transition from a static system of record to a dynamic client engagement tool — a system of engagement.

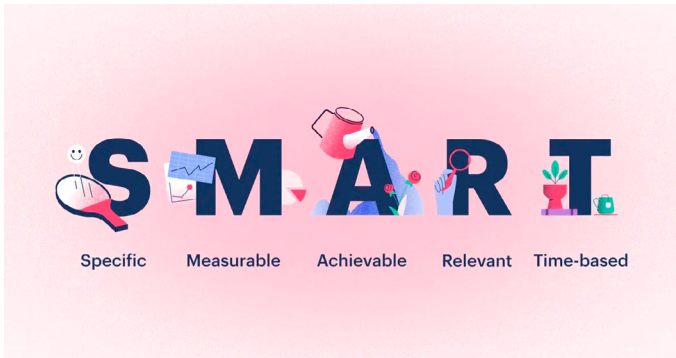
## Six steps for choosing the right client relationship system

There are many SaaS tools currently on the market that claim to offer a client relationship platform for agencies, but do they actually accommodate the non-transactional nature of agency relationships? In the end, it falls to you to decide which tool is the best for your team. It's extremely important to put in the time upfront to do your research and thoroughly evaluate a new tool before signing on the dotted line.

A new client relationship system will be the anchor of all of your business development and client outreach, which means it's a critical investment in your agency's future. The right tool will help improve not just how you interact with your clients, but also how your team collaborates, delivers on projects, and drives more success for your agency. Follow these six steps to guide you in the evaluation process.



## 1. Align with your goals



Begin by setting SMART business goals that are specific, measurable, assignable, realistic and time-related. Then map your larger business objectives to your desired outcomes for new technology usage. This will help you define what success looks like for your agency. We often see our agency customers set goals like:

- Increasing the number of times you engage with new clients in the first three months
- Upselling services to a certain percentage of current clients
- Improving internal processes by minimising manual data entry

Your client relationship tool should directly support these goals, enabling you to measure and act with precision.

## 2. Define your budget

The cost of CRM platforms and other client relationship tools can vary widely, but don't let price tags intimidate you. Small to mid-size agencies can find feature-rich platforms without breaking the bank. Consider things like:

- **The features you need.** What are must-haves vs. nice-to-haves? Start with the must-haves and map them to the right plan in the tool. Basic-level plans tend to offer about 80% of the functionality most agencies need, so when in doubt, that may be a good place to start.
- **The number of users.** Having visibility into client relationships across all departments is key, which means adding all team members that interact with customers — from Account Executives to Project Managers, and even Accounts Payable. Pay attention to the fee structure, as some tools charge a per-user price, while others charge a flat fee for a base number of seats.

- **Extra fees.** Will all the functionality be available out of the box, or will you need to invest more to build out specialised customisations or integrations? Get clear on what's included — and what isn't — in the quoted price.

Remember, the most expensive tool isn't necessarily the best fit for your agency.

## 3. Check its tech integrations

Your new platform should play nice with the tools you already use. Think about the apps you use daily and make an integration wishlist — tools like Google Workspace, Slack, Mailchimp, DocuSign, Dropbox and RingCentral. The more tools integrate natively with your new platform, the easier it will be to get your team on board and using the system daily. If your team can't sync their go-to apps with the platform, it's an immediate non-starter.

## 4. Gather social proof

Chances are you see certain software names everywhere you look — thanks to big marketing budgets. But brand recognition shouldn't dictate your choice. Instead, look for word-of-mouth recommendations. Lean on your network; ask colleagues and mentors what platform they use. Post a question to your LinkedIn community or ask at your networking group. Real-world feedback is invaluable.

User reviews are also a great way to get an unbiased evaluation of a tool. Platforms like G2 Crowd offer honest reviews that can help guide your decision, especially if you're looking for feedback on a specific feature or point of concern about a tool.

## 5. Take it for a spin

Always test drive before you buy. Most platforms offer a free trial so you can get a feel for how it looks and feels and whether the features work for you. The best client relationship tools mold to your agency's needs without requiring a degree in software engineering. You should be able to get into the product and navigate your way around on your own, without any help from a support rep.

When you're bringing a team of creatives onto a new platform, usability is critical. An easy-to-use system will empower your entire team, not just the tech-savvy few. If set up during your trial feels like deciphering hieroglyphics, that's a big red flag.



## 6. Explore the implementation journey

A client relationship tool should be up and running quickly — ideally, in a matter of days. Certain aspects of onboarding may take a little more time, like setting up automations or completing a complex data import, but the system should already be up and running smoothly in other areas. If your sales rep expects deployment time to take more than a few weeks, this could signal a poor fit.

Think of it this way: Quick implementation means quick value, which is crucial for team buy-in. A prolonged setup can lead to frustrated team members and lower adoption rates.

### Take ownership of your agency's success

Regardless of where you're at in your agency's journey, adding a client relationship tool that helps enhance and streamline your existing processes can help prepare you for growth.

If you're in the market for a new tool, Copper might just be the client relationship platform your agency needs. We've designed our system specifically for relationship-centric businesses, and we're actively building out new features in close consultation with our agency customers to solve the specific pain points of your industry.

With an easy-to-use interface, flexible setup and built-in tools like bulk email and task automation, Copper is committed to helping agencies turn their client database into a dynamic system of engagement. "We needed a system that was nearly ready out of the box, unlike HubSpot, which required us to build from the ground up. We like how Copper's design is intentional; it's about learning from the data we gather," shares Copper customer Kelly Jennings, Studio Director for Exit Design.

Give Copper a try to see if it's the right fit for your agency. Sign up for a [free 14-day trial](#) — no credit card needed.

*“The right client relationship tool will help improve not just how you interact with your clients, but also how your team collaborates, delivers on projects, and drives more success for your agency.”*

**Copper CRM**





## CHAPTER 5

# Keynote Speakers' Articles





# Why Temporary Spending Cuts Don't Work



**Stephen Kenwright**

I'm a keynote speaker, giving more than 100 talks in 10 countries, and awards judge for the Search Awards, PRCA Dare Awards, BIMA Awards and others. I'm also one of Insider's 42 Under 42.

Reach Stephen Kenwright here >



*"If I had to live with this solution for a long time, would I be willing to?"*

*Peter Drucker*

Temporary spending curbs don't work because most senior people in agencies can't wait to start spending money again.

Agency life can be hard: a first-class train journey, a long lunch and a nice hotel could sometimes be considered perks that make the job bearable.

When it's communicated to staff that cost-cutting measures are temporary, it doesn't create reassurance that controls are in place: it creates panic that controls are necessary at this moment and that the agency is struggling.



Then, when the agency's costs are brought under control, it creates confusion about what is allowed. This is especially true when staff note that senior people seem to have started spending money again and it hasn't been communicated to the wider business that the situation has improved.

Then, when the agency's now-healthy status is eventually communicated to all, it creates the feeling of "open season" and everyone asks for everything they've been waiting to ask for all at once.

So, management must consider whatever situation the agency finds itself in as the "new normal."

Sometimes, particularly since COVID-19, it isn't clear what the new normal is going to be. But even if the world largely returns to how it was pre-pandemic, isn't a culture that defaults to not spending the company's money a desirable thing?

Temporary travel bans can be replaced with a permanent culture of travel resistance, where not spending money becomes the default and travelling to clients or new business meetings requires a business case or, ideally, a charge to the client (assuming that clients even want in-person meetings).

This has to be lived by those senior people who love spending money: they have to find new perks of the job instead.

*"Consider offering a hiring bonus for critical roles only (it'll still be cheaper than a headhunter). Let management decide which roles are critical, depending on the agency's strategy...or get used to all billable vacancies being critical and all admin hires getting paused first."*

Decide now what your agency's attitude to money will be and start to make changes. A review of the travel policy in good times, publicised internally, will not create the same panic as wholesale cost-cutting measures. If you can communicate to your team what you expect the savings to be and how that money can improve their lives, so much the better.

Try this on: "we know that you're in demand and other companies would love for you to join them. We're committed to paying you fairly, so we're always looking for opportunities to reduce waste in our processes because that means we can fund salary increases now and in the future."

You were going to have to give those increases anyway. Now, they're budgeted for!

Want something more concrete? "We're spending £X on travel and we think that's 50% higher than it should be, so for every month that we spend less than £Y on travel, the agency will contribute £Z to a fund for new home working equipment/training/social events/something else you want and that we want to give you if we have the cash."

Take some time to categorise the vacancies you're advertising as critical and non-critical (remembering to stress that everyone is equally important once they're on payroll): "We're pausing all non-critical hires until X time as a precautionary measure" is less scary than a complete hiring freeze. It's also less damaging to your recovery and return to growth since lead times for recruitment are always increasing and you really don't want a standing start. Consider offering a hiring bonus for critical roles only (it'll still be cheaper than a headhunter). Let management decide which roles are critical, depending on the agency's strategy...or get used to all billable vacancies being critical and all admin hires getting paused first. Maybe that bod in finance could stop similar issues happening in future.

Frugality is a necessary part of every agency's culture because the agency model doesn't yield high enough margins for it to be any other way...and the agency's spending habits are an issue of culture, not policy.

Peter Drucker says that "a country with many laws is a country with incompetent lawyers."



Constant policy reviews are a waste of senior bandwidth. The burden of enforcing that policy typically falls on a few people in Operations, Finance or HR, whose full-time job becomes disappointing people and saying no to things.

Other senior people tend to send staff to “the enforcer” even when they already know the request is going to be declined because they can’t bear to deliver the bad news themselves, which wastes even more senior time.

A frugal culture empowers even insecure managers to say “that’s not how we do things around here” when they’re presented with an unreasonable request for some budget. When staff believe that the person they’re asking for funding actually has the authority to grant a reasonable request, they’re usually inclined to be more reasonable in the first place.

Businesses get more bureaucratic as they grow because they need to prevent a single individual from sinking the whole ship. Agency staffers are presented with very few opportunities to actually cause that much damage and, whether in wasted time or increased administrative burden, bureaucracy costs the agency money.

Think about processes that create excessive administrative burden and ask how the culture could replace the administrators.

Returning to our chosen example of travel (and how to do it badly), the agency will set a limit on expenses; the maximum amount that can be spent on a night in a hotel,

for instance.

However, in order to keep costs down as much as possible, it will book hotel stays centrally. This might involve hiring an administrative assistant of some kind (who, if paid the real living wage, will cost the business more than £2,000 each month) or increasing the workload of the Finance team, which usually results in a hire. The new hire, of course, gets buried in the “staff costs” where it’s not noticeable, instead of in the travel costs, which are being scrutinised. It’s a false economy.

The administrative assistant will be instructed to book hotels up to that budget, ideally less; they will also book transport, such as trains, with the cheapest possible price front of mind. There will either be back and forth between the assistant and the staffer who will confirm which ludicrous times of the morning and night are actually doable for them to catch the train; or there’ll be no back and forth and they’ll just be pissed off that they’re either rushing to meetings because the train that got booked for them departs well after 9am, or they’ll be sat around for hours before meetings because it’s at 6am.

If the culture of the business was instead to trust employees to choose their own hotels and trains, with people (up to and including the CEO) expected to travel standard class at a time to suit them and to stay in a hotel that they’d be happy to pay for if they weren’t able to expense it, the business would likely save money and have happier staff.



If the culture of the business was to do things remotely where possible and to push back when they're expected to be on site at short notice, the business would definitely save money. When it's the travel policy that dictates that someone has to push back to the client, they either feel like they're the one taking the fall, or they bend the rules. When culture dictates it (and "this is the way we do things around here"), they feel like they're the one with the authority. Documents don't hold staff accountable... colleagues do.

The intention of the policies should be communicated to all levels and then managers must be trusted to make decisions about spending. Whether they can personally live with the consequences of a decision for a long time is probably a good test.



*“ Agency staffers are presented with very few opportunities to actually cause that much damage and, whether in wasted time or increased administrative burden, bureaucracy costs the agency money.*

**Stephen Kenwright**





# Why Do They Call Them Soft Skills When They Are Really Hard?



**Clair Heavside**

I am the co-founder and creative director of Serotonin, a multi-award winning digital agency, based in Manchester's Northern Quarter. In 2023 I was named Business Woman of the Year, and I am a proud Trustee of Haven, a charity for children and young people impacted by domestic abuse.

Reach Clair Heavside here >



In 2017, at the age of 31, American Courtney Dauwalter quit her teaching job to pursue ultrarunning full-time.

"I just wanted to know what would happen if I went all in," she said. "I didn't want to get 50 years down the line and be sitting here wondering what could have been, or what I could have done if I had really invested in myself".

During the same year, she won the first Moab 240.

Moab 240 is a 240 mile (386 km) race in Utah that sees runners climbing and descending cumulative heights equal to the world's tallest mountain.

Dauwalter won, in 57 hours and 55 minutes, beating the man who came in second place by over ten hours, and 32km.

She beat him by Ten Hours.

Just because she wanted to see what would happen.

In 2018 I quit my agency job.

No, I did not become an international, world record-breaking athlete. But I did end up starting a business that, four years later, has won multiple awards, turns a pretty healthy profit, and employs twenty people across offices in Manchester and London.

I could say, I wanted to see what would happen.

But more than that, I wanted to see what would happen if I went outside of my comfort zone.

And, after being on the receiving end of some pretty toxic leadership, I wanted to see if I could grow a business that thrived on something different.

Because I am, what LinkedIn would refer to as, a leader who embraces 'soft skills'.

I'm caring, compassionate, the one you can come to for honest feedback delivered in a positive and thoughtful way. I lean into empathy, transparency, and believe in bringing the best out of people around me. I'm nice.





Although, here is the kicker.

Nice is not enough. And it took me a while to learn that.

I could not ‘nice’ my way to the business I wanted to build.

Instead, I needed to use the soft skills that came naturally to me to drive growth and embrace change, to confront the toughest side of managing people, to push through challenges, all while maintaining my values, and not compromising who I was as a person.

It turns out all of that is very hard.

About as hard as running an ultramarathon.

**So I decided to do that too.**

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An ultramarathon is any footrace that goes beyond the traditional marathon distance of 26.2 miles (42.195km).

I ran my first ultra in May 2024, a couple of weeks after my 41st birthday. It was 56 km along a trail that ended up in the village where I live, in the Peak District.

I ran it on my own, and experienced way more highs than lows. I loved it. It began what those closest to me are starting to call “an addiction” with longer runs, bigger climbs, and an almost relentless need to keep pushing myself.

I wanted to see what would happen.

Now I want to see what will happen next.

Since that run, I have completed a 75 km race in the Lake District, and I am currently training for my first 100 km.

*“Navigating business uncertainties demands agility and the courage to confront challenges. But having a broader perspective helps you see obstacles as stepping stones, not roadblocks.”*

But those distances should not impress you. Much like you probably rolled your eyes when I told you my agency was “award-winning”, you shouldn’t care about my times or position in any race either.

Because what is actually impressive, is the work that goes on behind the scenes for an ultrarunner. And what is actually interesting, is everything I learnt in every training session and long run along the way.

**Spoiler alert: I have found a lot of the same skills are required for running an agency too.**

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First of all, let it be said that when it comes to ultramarathons, girls are better than boys.

Or at least, they have a much better chance of being better than in practically any other sport.

Over extreme distances, men’s general strength and power advantages over women can be diminished. Stamina and mental endurance can play a larger part, allowing the top-performing women to compete on a more equal footing.

So, the kind of qualities where women excel are the ones that will get you further (literally).

**We’re talking skills like support, motivation, consistency, problem solving, mindfulness, and visualisation.**

**You know, all the ‘soft stuff’.**

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Resilience is consistency compounded

Here is a list of things that have troubled me during training for an ultramarathon:

Exhaustion, self-doubt, anxiety, muscle soreness, fear of being lost, fear of being run over, fear of being attacked, an angry pheasant, an angry farmer, cows. Cold, wind, torrential rain, ice, snow, sun, basically any weather other than a perfectly crisp Spring day. Dehydration, lack of nutrition, broken headphones, bogs, rocks, mud, electric fences, and blisters.

Toenails.



However, I realised the more I was putting myself in uncomfortable positions, the more resilient I was becoming. And although it was difficult, every experience was creating a new baseline, and giving me the confidence to tackle the next challenge.

Kerching! Here I am halfway up a mountain with the sun on my back, getting better at my business! This is great!

But in both business and in ultrarunning it has to be about more than doing something difficult just for the sake of it. You have to keep on doing the difficult things in order to build habits for success. Consistency, compounded through training for an ultra, or by simply showing up for your team and clients every day, creates the small accumulative steps it takes to create change, and growth.

**You don't have to be the strongest or the fastest, you just have to consistently raise the baseline to be the most resilient.**

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#### Build a support system that cheers itself on.

Nobody knows the value of a strong support system better than an ultrarunner.

The friends who wave you through the finish line, the volunteers who pass you flapjacks at aid stations, the marshals who point you in the right direction down the trail, saving you unthinkable wasted miles.

But support appears in less obvious ways too, and there is something special about ultrarunning, and the people that do it, that makes it one of the most supportive sporting communities you could be a part of.

I think it's something to do with how tough it is. And how ridiculous it is that every single participant has actually set out to run further than a marathon for, quite frankly, no good reason.

It's this sense of hardship and adventure that sees competitors passing each other jelly babies, sharing water with a stranger who needs it, shouting words of encouragement on the steepest climbs.

It is support driven by true empathy, and a shared understanding of the importance of the goal. When you say "we are all in this together" that has to go deeper than only the fact you have found yourselves in the midst of the same struggle.

The magic happens because you all want the same thing too.

**A group of people focused on the same goal is powerful. But making that goal mean something to every individual builds a team that supports each other to get there.**

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#### Solving problems on your feet

I like to think I am pretty good at problem solving.

But when you run long distances, anything and everything can be a problem. Finding a good tree to wee behind, that niggling pain in your ankle, a head torch with no batteries, the wrong kind of gloves.

Ultrarunning is essentially problem-solving on the move.

But that's ok, because life doesn't always follow a set plan either. You need to stay ready to adapt all the time. The steep climbs will soon turn into exhilarating downhill. The clouds will eventually clear and reward you with breathtaking views.

Whatever you're going through in the next five miles, the next hour, the next week, it inevitably won't last, good or bad.

**Navigating business uncertainties demands agility and the courage to confront challenges. But having a broader perspective helps you see obstacles as stepping stones, not roadblocks.**

---

#### Manifest it into existence.

If you just believe you can run 100 km, then you can run 100 km.

HAHAHAHA. That is obviously not true. Of course, you need to train your body hard to keep up with your mind.



But that doesn't take anything away from the power of mindfulness and visualisation techniques. In fact, they have become as integral in helping me stay focused on my goals as my Saturday long run.

Running forces you to be present. You have to be tuned into your body and your environment. You can't check your emails or scroll through social media. It's just you, in your own head, listening to your body (or sometimes a podcast, that is also about running).

Being fully present means I can take in the surroundings, feel more connected to myself, and perform at my best.

Positive affirmations and visualisation techniques have helped me push through and keep going when I have hit a wall. I visualise the finish line, the feeling of accomplishment, I remind myself of the people who believe in me, and how proud they will be of me for making it.

That gives me all the motivation I need to keep going.

**Mindfulness helps you to remember why you're doing it in the first place. Without giving yourself the time to pause and reflect, you're going to struggle when the going gets tough.**

People get into ultrarunning, and running businesses for that matter, for many different reasons.

Rarely is it because they are looking for an easy ride.

Both can be a journey of personal growth and self-discovery. Both demand physical endurance and mental toughness, high levels of resilience, adaptability, self-discipline, teamwork, visualisation, mindfulness, and positive self-talk.

And even if 'soft skills' come naturally to you, nothing about any of those things is easy.

You don't need to run 100km. You don't need to run for the bus if you don't want to.

But working on your 'soft skills' is a commitment to hard work. To constantly pushing yourself to go one step further than you think you can.

So be painfully honest, drive creativity with passion, listen and learn with relentless energy, motivate and inspire the people around you to achieve their goals, be fearless in giving feedback, and throw everything you've got at your vision. Work hard at the soft stuff.

**Just don't forget to look back every now and again, and make sure you enjoy the view.**



*So be painfully honest, drive creativity with passion, listen and learn with relentless energy, motivate and inspire the people around you to achieve their goals, be fearless in giving feedback, and throw everything you've got at your vision. Work hard at the soft stuff.*

**Clair Heavyside**



# M&A Secrets: An Insider's View On How To Maximise Your Exit Value



**Felix Velarde**

I chair 2Y3X, a commercial growth accelerator programme for agencies. 2Y3X has a stellar track record of doubling or tripling revenue using a people-centered framework. 2Y3X has operations in the UK and USA.

Reach Felix Velarde here >



Let me just manage your expectations about this article.

I want to share some secrets that no normal agency acquirer will tell you. I'm doing this because I was an agency founder and CEO. I sold a bunch of agencies. I scaled a ton of agencies. Then I started buying agencies, and now I scale the ones we buy. And I wish I had known what I now know when I was building my first agency. So if you want to sell yours, you might find my story interesting.

## **The journey**

In 1994 I had blue hair and no job, so I started an agency. Hyperinteractive was one of the world's first digital agencies. I sold it three years later. My second agency, HEAD, became the digital arm of Lowe Worldwide. Over twenty-one years, I co-founded six agencies and was CEO of four of them. I eventually became CEO of a small agency group. I ran that for three years until retiring,

heading off on a tour of festivals, and ending up at my first Burning man. Just another agency founder.

When I eventually floated back to earth I realised that if I wanted to have a portfolio career, I would have to do something different. Like agencies, consultants need clear competitive differentiation. And ideally, a distinct competitive advantage.

My differentiation (long-gone blue hair aside) was that I'd founded, led and sold more agencies than pretty much anyone else. Now, some of that was because I had screwed up. I made some catastrophic errors of judgement and had to find a buyer to rescue one agency. Some I'd been able to exit because our people had done extraordinary work. We were almost always a Drum Elite Agency, and HEAD was the world's most awarded digital agency at one point. Or we'd achieved stellar growth.



Having done so many deals I was an old hand. And each of the sales, no matter what drove them, were successful. My M&A lawyer, the brilliant chair of Lewis Silkin, Jo Evans, has worked with me for over twenty years. Jo helped me fashion some remarkable exits.

I realised I had too many brilliant competitors if I were to become a consultant. So I became an agency chair, helping agencies prepare for sale. That was eight years ago. And while I've mostly moved on to buying agencies, the secrets of which I will talk about in a sec, my profile address remains [linkedin.com/in/agencychair](https://www.linkedin.com/in/agencychair).

### How do you prepare an agency for sale?

Over the years I had countless conversations with pretty much every agency broker in the book. I came to understand that there are rules to selling your own agency. Everyone in the business will tell you what they are: sort out your discount factors, build a track record of profitable growth for three years; create fame.

I was already good at the fame bit — I have a bit of a passion for differentiation. And reputation, an essential part of fame, is incredibly important; integrity opens all the doors. So, I would find a niche, build an agency in it and make the agency famous somehow. Then my network would find us buyers who really wanted to fill the gap the agency addressed, and we'd set them competing for it to drive up the price. I thought I was the bee's knees when it came to doing deals. But it wasn't until I crossed to the buyer's side that I really understood how critical having both a plan and a track record is.

In the meantime, I was gaining an admirable reputation as an agency chair. They were using a growth framework

I had developed. They'd win agency of the year awards, and then two years in, they'd sell for a significant premium. The growth framework took shape really quickly, a reliable process for scaling an agency fast. The framework became the 2Y3X programme.

### Programmatic scaling

2Y3X (two years, triple the revenue) is built around a very simple set of ideas. These include well-established science, the rules of selling an agency, and an insight that had become clear in my new career as a chair. My insight? As chair, you are not in charge. It's not your business. You don't manage people. So you cannot tell anyone what to do. And yet, you are hired to help them scale and exit.

So 2Y3X works on the basis of establishing a growth team, helping them create a plan of action, and holding them to account to make sure they follow the plan. Classic chairing.

The starting point for the plan of action was to address a potential buyer's discount factors. It turns out there is a more or less universal list of these. Every broker you go to will do a quick evaluation of where you stand against each item in the list, to establish how much a buyer will be likely to pay.

Here is the basic list:

- Business plan
- Profitability
- Scale
- Growth path
- Client security
- Succession
- Fame

I'll come back to this list in a while. But first, let me explain why this list is so important. Every item on it, except the last one, is really about risk. The reason it's called a discount factor is not because that's what it starts out as. It's called a discount factor, so brokers can manage your expectations and hopefully sell you some consultancy services. It starts as a measurement of risk.

*"Every broker you go to will do a quick evaluation of where you stand against each item in the list, to establish how much a buyer will be likely to pay."*





Not having a business plan is risky because it indicates you're flying by the seat of your pants and don't know what's going to be happening in two years' time. Lack of scale is risky because if an important team member leaves that could lead to a cascade of staff or clients. Lack of client security, which may include client concentration, is risky. Lack of succession is especially risky, because as nobody founded their agency to have a new boss, owners frequently bail post-deal.

Why does the buyer want to reduce risk? That would seem self-evident. They are going to pay you a lot of money to acquire your agency. Quite naturally, they don't want to buy something that could be worth less than they paid for it. Or worse, they could lose their investment. But it turns out that's not the whole story.

## Going to the dark side

2Y3X grew, establishing an incredible track record of successfully doubling or tripling revenue. After a while, I wrote a book about how 2Y3X works. *Scale at Speed — How to Triple the Size of Your Business and Build a Superstar Team* was published worldwide by Hachette. It's now in its second edition.

Many of the agencies in the programme had gone on to sell. We'd gained even more experience helping them do so. We became adept at introducing them to the best brokers, lawyers and tax advisors and holding their hands as they went through the sale process.

And then, I got an email from Austin, Texas. Peter Lang wanted to have a call. Now, Peter is an agency M&A genius. Using his agency as a starting point, he had built up his own knowledge of the mechanics, risks and financing of acquisitions. He actually wrote the playbook in the US; his Digital Agency Business M&A course is (I think) the best in its field. Peter wanted to join forces and combine programmatic M&A with programmatic scaling. We brought in an extraordinarily talented CEO. Tom Shipley had built up The Foundry, an Amazon aggregator, as well as a couple of billion-dollar consumer brands. And eighteen months ago, we set to work.

I went to the dark side. We became a buyer of agencies.

## Why does risking investment matter so much?

Here's the thing. It's not so much about how much capital you risk on acquiring an agency, though that is of course, hugely important. It's important for your reputation. It's important that you are seen by investors as a safe bet. Of course, you can't fail. But... let me show you a table:

	EBIT	Multiple	Value
You	400k	4	1.6m
Them	10m	20	200m

Say your agency is doing £400k EBITDA. In the UK that might translate — for the very best agencies — to a multiple of 4x. (In the US it's at best half that, partly because there are a huge number of small agencies for sale at any given time).

Your acquirer might have £10 million in EBITDA. And because the risks are diversified and maybe they're listed on the stock market, they might command a multiple of 20x. So your value at 4x £400k is £1.6 million. The second they acquire you, your EBITDA gets aggregated with theirs, and your EBITDA's multiple goes from 4x to 20x. Your hard-fought sale value of £1.6 million has become £8 million *the moment you signed on the dotted line*.

	EBIT	Multiple	Value
You	400k	4	1.6m
Them	10m	20	200m
You	400k	20	8m

That's why they don't want any risks that could reduce your value post-deal. Yes, we definitely do not want to have any failures because they are very hard work, and they make it more difficult to attract investors. But we don't want to suddenly find we lost £3 million in value because the founder left without a succession team in place. Or your biggest client decided they preferred an independent agency and went out to pitch.



So, if you want to sell, you need to understand quite how deep the motivation is to mitigate risk. If you can successfully address every item on the discount factors list, you can make the sale of the century, and everyone will be delighted—you as the seller, and yes, the buyer too.

The 2Y3X programme was designed around addressing the discount factors. And by addressing risks, you'll quickly build confidence and morale. By empowering your team, you will also build a fantastic culture of high-performing superstars.

As buyers at Scale at Speed Group, we want great performers. And in the US if we acquire an agency that isn't already doing it, then we apply 2Y3X to it post-deal. The results for everyone, the teams, the buyers, the investors — and the agency founders — are stellar.



*“ Reputation, an essential part of fame, is incredibly important; integrity opens all the doors.*

**Felix Velarde**



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