

# VIEW FROM THE CHEAP SEATS

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## **Chapter 11 in The Book Of Advertising**

*Is a client's business failure our fault?*

I read recently where a former client of mine filed for bankruptcy. Among the reasons cited was the failure of its recent "repositioning and advertising" efforts.

This client I worked on was a household name, having been in business for 50 years. The client had just come to my agency looking for "fresh thinking," in spite of the fact that this client's business model was truly dated, and in danger of facing extinction. While the work I did for this now-bankrupt client won an award, it was a mere drop in the bucket of this company's marketing efforts.

Still, I was surprised about the bankruptcy, and a little sad.

Companies go out of business all the time, but this one was a new experience for me. During the dot-com boom of the late 90's, I was working on low-tech old-school clients, so my portfolio is not littered with campaigns for bad business ideas like justgolftees.com.

Still, if ad agencies aim to be "marketing partners" and not merely vendors, do we share the blame in our clients' business failures?

You can't attribute a cataclysmic clusterfuck like Enron to its advertising, but there are scores of other clients who advertise and are dependent on that advertising to increase sales, awareness, and keep their businesses flush with cash.

Increasingly, agency compensation is being tied to a client's sales goals. So exactly what is the agency's responsibility and/or fault if the figures don't come out well? What's beyond our control? Agencies are naturally wary of performance-based compensation, because there's just no exact method of determining an ad campaign's influence on sales.

Whether a campaign works or not, the fact remains ad agencies love to take the credit and hate to take the blame. Agencies love to produce case studies based on a client's increased sales and awareness. Agencies rarely talk about the clients that spiraled downward--or out of business altogether.

Successful or not, the fortunes of a client always affect the agency. Certainly, agency principals and account directors hear about it when their clients' businesses aren't doing well. But what about the "rank-and-file" employees of agencies?

If working on one particular client represents most of my average workload (essentially meaning one client pays my salary), do I have a responsibility to not only do great ads, but also care about how their business is doing overall, and help influence their marketing strategy?

I have the fantasy that if I had still been working at the agency, knowing what I do about advertising and marketing, I could have been a voice of reason that might have steered this now-bankrupt client back on the right path. (I have other fantasies about me and Catherine Zeta-Jones, but that's another story.)

When a large client faces bankruptcy, it is often public knowledge--lately I've been reading about major retailers and airlines that are fighting for survival. These companies need more than great ads to fix their problems. I don't think ad agencies should be blind to this.

By incorporating business-building ideas into our brand-building ideas, we may well boost the image of the ad business. There has to be a way to build this into an agency's ad making process. If we allow our clients to spiral into bankruptcy, we'll find ourselves losing clients, and becoming creatively bankrupt as well.