Partner or supplier: An examination of client/ agency relationships in an IMC context

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ABSTRACT

There is growing evidence from practitioners that the advertising industry is in a state of crisis. As campaigns become more integrated and multi-disciplinary, the relationship between advertising agencies and clients is being tested to its limits and is presently considered to be at an all-time low. Agencies feel less valued and are being excluded from C-suite discussion. Clients feel that agencies do not appreciate the changing landscape and how the customer experience is now key. Both sides recognise the need for more trust and collaboration. This study applies the agency theory and the social power theory to understand the pressures that the relationship is under. It looks for evidence that IMC is creating a movement away from a business alliance relationship by comparing qualitative data collected from both agencies and clients, using NVivo to identify themes. The findings identify four themes which illustrate this shift towards a supplier relationship: the client ownership of the customer journey, the lack of a strategic role of agencies, the challenges of agency collaboration and difficulties of agency specialisation.

Introduction

There is growing evidence that as communication campaigns become more integrated and multi-dimensional, the relationship between advertising agencies and clients is being tested to its limits. The system is currently not working and the relationship has been described by some as being at an all-time low, with misunderstanding and frustration evident on both sides leading to a lack of trust and collaboration (Thomas 2015).

There is a great deal of discussion and debate in the practitioners' literature about the present breakdown in client/agency relationships and how things are changing in terms of defining new roles and responsibilities. However, the widening rift between clients and agencies and its impact on clients adopting integrated marketing communication (IMC), has not been recognised by academics. This rift is of concern because IMC demands an integrative approach not only within the client organisation but also across agencies for the benefit of the client and the present poor relations are hampering the implementation of IMC campaigns.

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This paper addresses this gap in knowledge and contributes to our understanding of the issues that the industry is presently facing. It firstly examines the strong messages of discontent coming from both clients and agencies in the advertising industry. These are then considered alongside the IMC literature to understand the importance of collaboration between the client and its agencies. The agency theory and social power theory are applied to explore the type of relationship that is necessary to achieve full integration and to consider the shifts in power and influence that integration is creating. The results of an exploratory qualitative data analysis of the views captured from clients and agencies is presented alongside the theories to examine whether there is evidence to support the proposal that the client/agency relationship is moving towards a more traditional agency model and away from the business alliance relationship which IMC needs for implementation to be successful.

Background

It is now generally accepted by most academics and practitioners that IMC is the most effective philosophy to adopt in this complex multi-platform digital environment (Child 2012; Luxton, Reid, and Mavondo 2015). Kliatchko and Schulz (2015) summarise the four key components of IMC as being: the use of multiple channels linked with media neutrality, consumer centricity based on extensive data-driven customer insight, co-ordination and consistency across the customer experience and the involvement across all business departments at a strategic level.

All these components illustrate the need for a client and all its agencies to work together in collaboration to achieve this consistency across all the brand touch points and multiple channels i.e., both intra and interorganisational coordination (Olenski 2012). The influence of IMC is recognised by Dan (2014) in the industry press, who posits that 'Integrated Marketing Communications has turned into the area of greatest importance for Chief Marketing Officers (CMOs), who desperately seek a holistic approach to engage consumers'. He confirms that IMC is making the job of the CMO more complex in terms of control, accountability and measurement, often dealing with many agencies and channels.

One of the first industry reports to highlight the impact that IMC has on the role of agencies was The Forrester Report 'The Future of Agency Relationships' (Corcaran 2010) which suggested that agencies would become more important for client organisations in the future due to the growing complexities of the environment and that they would be relied upon to provide *ideas* that create emotional links, *interaction* to connect with customers, and *intelligence* in terms of predicting outcomes by using analytics comprehensively. However, industry reports that have been published since 2010 suggest that the opposite has happened, with client/agency relationships deteriorating. Child (2012) found that clients felt let down by their agencies due to lack of collaboration while agencies stated that clients wanted competitive pitches on the one hand and cooperation on the other, making integration across agencies very difficult. Both sides agreed that there was a need for more trust and respect for the relationship to work. A US survey undertaken by Forbes in 2014 confirmed that relationships were breaking down with clients increasingly bringing strategic decisions in house and perceiving agencies less as partners and more as suppliers (Dan 2014). In the same year, a report entitled 'The Naked Truth', also identified an increasing lack of trust in

the industry and proposed that communication between the agency and client needed to be more transparent and direct (Leake 2014).

The most recent UK industry report entitled 'From Mad Men to Sad Men' confirmed this breakdown in communication between clients and agencies (Thomas 2015). It found that agencies felt less valued and excluded from important strategic discussions and were being given short-term tactical work instead with tight deadlines. The agencies stated that clients needed to identify their responsibilities and create the right environment for collaboration across agencies to develop and to pay them fairly. The clients accused agencies of being tactical and not appreciating the bigger picture of customer engagement across numerous touch points. The study identifies three key areas for integration to work: definition of the collaborative working model, establishment of clear accountability and performance measurement, and creation of fair reward models and payment structures (Thomas 2015). Caplin (2016) stated that client–agency evaluations provided evidence of the decrease in trust on both sides and suggested that the solution was more communication between clients and agencies to address these issues, with a structured evaluation process that led to dialogue.

Theoretical underpinning

Some of the challenges that IMC creates for client/agency relationships were identified in the academic literature more than 20 years ago. Beard (1996) proposed that IMC would increase the complexity of the role the client needed to perform to achieve coordination and cooperation across agencies. However, an empirical study he conducted a year later found a positive correlation between adopting IMC and a strong client/agency relationship (Beard 1997) which he concluded was a result of the media neutral planning element of IMC which placed all agencies on an equal footing to work together towards common goals.

Other researchers, at a similar time, examined the type of relationship that was necessary between an advertiser and their agency to maximise integration and there was general agreement that the traditional agency theory was not appropriate (Gould, Grein, and Lerman 1999). This agency theory is based on the client being in control and specifying the services required from the agency and thereby treating them as a supplier of services. It is based on the premise that both the client and the agency are more interested in their own individual goals than each other's and therefore the client needs to control and monitor the agency to minimise agency opportunism and ensure that they are working on the client's behalf (Bergen, Dutta, and Walker Jr 1992; Davies and Prince 2011).

This balance of power between the two parties is an important one. The social power theory suggests that the partner who has most power over the other partner will also have more influence (French and Raven 1959 cited by Waller, Shao, and Bao 2010). However, there are a number of different types of power. Clients have power over agencies in terms of reward i.e., payment for services and also coercive power in terms of administering some type of punishment e.g., sacking the agency, and therefore some influence is expected. However, the agency has the expert power through the knowledge or skills that the client does not have leading to information asymmetry and this may result in a reduction in the client's influence (Wang et al. 2013), making the relationship more equal and beneficial for both sides, which is one way to reconcile differing self-interests (Davies and Prince 2011). It has also been argued that control should not be necessary with a professional business, such

as an advertising agency, because agent opportunism is constrained due to the pride professionals take in their work and concern over their own reputations in the industry (Sharma 1997).

These more equal and harmonious relationships sit at the other end of the spectrum of client/agency relationships from the traditional agency theory approach in terms of power and control and can be referred to as business alliances. This relationship is built on trust and commitment through the exchange of information which can lead to a higher degree of integration and collaboration and a positive impact on performance (Gould, Grein, and Lerman 1999). Heo and Sutherland (2015) found that when this information, particularly strategic information such as marketing challenges and marketing objectives, was shared, this had a motivating effect on the relationship the agency had with the client. Duhan and Sandvik (2009) stated that successful client/agency relationships were built on a combination of trust, commitment and cooperation, which they refer to as the shared-influence model. Cooperation is made up of three elements, shared problem solving, information exchange and flexibility. Beverland, Farrelly, and Woodhatch (2007) also supported the idea of a business alliance where agencies needed to be proactive which meant taking initiative, looking for new opportunities and thinking independently rather than following instructions. They found that clients valued this proactivity from their agencies and appreciated their initiative as it was an indication of their commitment to the client and their success.

This discussion has highlighted the challenges that the relationship between the client and its agency is presently facing. However, the situation is complicated further because IMC also requires co-ordination and collaboration within the client organisation and across the numerous agencies that can be involved in the same project (Laurie and Mortimer 2011). A study by Caplin (2016), for Aprais Worldwide, identified that clients in the major markets had an average of 24 agencies working for them, with a quarter of them having more than 50 agencies. It is obviously challenging for a client to co-ordinate all their agencies and this is where the importance of a strong leadership from either the client or a lead agency has been recognised (Kitchen, Spickett-Jones, and Grimes 2007). Ewing, De Bussy, and Caruana (2000) found that clients consider one of the main barriers to IMC implementation being agency politics, with turf wars taking place between agencies resulting in them not always operating in the best interests of their clients. However, there is evidence that agencies identify the need for teamwork and the building of trust and accountability, but that remuneration systems that fairly identify the work that has been undertaken are necessary to facilitate this (Eagle and Kitchen 2000).

These theoretical frameworks help to propose an explanation of what is presently happening in the advertising industry. There is a recognition that trust and collaboration has been lost due to a reduction of information exchange and communication between the two parties. One of the main reasons for this change is the clients' increasing access to behavioural data which has resulted in clients having more power and being in a position to make decisions in house without the involvement of agencies. The number of agencies that clients are working with also makes the creation of a close trusting relationship difficult. Agencies are calling for more performance measures and fair reward structures which also suggests a lack of trust and transparency. If one places the traditional agency relationship at one end of a spectrum and the business alliance model at the other, it would seem that the client/agency relationship is being pulled away from the business alliance model towards the traditional agency relationship, which is based on the need for monitoring and control due

to the different self-interests at play. This is of concern as such a relationship has been seen as unsuitable for the implementation of IMC.

The purpose of this paper is to explore this proposition by looking at the views of the industry for evidence of this movement along the spectrum of agency relationships by identifying examples of power, control, trust, commitment and communication. More specifically, the paper is designed to answer the question: Has IMC implementation resulted in the client/agency relationship moving away from a business alliance relationship?

Methodology

The data analysed for this study were produced as part of a larger research project which was designed to explore the views of the advertising industry on the general challenges that they face in implementing IMC campaigns. Six questions were asked in the larger project on the issues of collaboration, remuneration systems, staff mobility, paid, owned and earned (POE) media, and the influence of the marketing function (Table 1).

Because of the expert knowledge required to participate in the study, a purposive sampling approach was adopted, with suitable people being identified and directly contacted (Wakefield and Watson 2014). The researchers identified people within their professional network who were recognised experts in IMC in the marketing communications industry and had the necessary experience (i.e., over 10 years), seniority (i.e., senior management) and knowledge to contribute fully to the debate. A quota sampling technique was also adopted to ensure a good mix of voices from both the client and the agency side of the industry. Twenty-nine invitations were sent out to those identified on the list. Of the 29 invitations, 26 agreed to take part and 17 respondents completed the study; 10 agencies and 7 clients. The Linked In data of the respondents demonstrate the following strong profile for the sample: seven CEO/'Head of'/MD, eight Global Directors and two Partners (see details in Table 2). Although this is a reasonable number for a qualitative study, it is a limitation in terms of generalisation of findings.

This study is based on the analysis of the raw qualitative data that were created which consisted of 102 statements across the six questions. Although the list of topics covered is obviously influenced by the questions being asked, an inductive interpretivist approach was adopted, using an iterative thematic analysis on the data-set as a whole. This was operationalised in two ways. Firstly, terminology used to discuss client/agency relationships in the literature e.g., power, control, trust and knowledge were utilised as search terms to identify relevant content. This was achieved with the use of NVivo software, which also enabled the appropriate identification and coding of nodes, word frequency and word search tools to be used to drill down into the data. Secondly, themes were sought where clients and agencies

Table 1. List of questions used in the study.

1. What role should clients take to enable collaboration and integration across their various communication agencies?
2. How does the present agency remuneration system need to change to facilitate integration of communication?
3. What demands does the combination of paid, owned and earned media have on the present agency structure?
4. How can the long-term orientation of integration ever work when there is a high mobility of staff across agencies and client organisations?
5. How can true integration of communication be achieved when the marketing function has a diminishing influence at C level in the client organisation?
6. What do you see as the main challenges for client/agency relationships and structure in the future, as integration of communication becomes more essential?

Table 2. Profile of respondents.

Position	Client/agency	Industry
Global Marketing Director	Client	Hospitality & tourism
Global Brand Director	Client	Food
Senior Global Communications Manager	Client	Alcohol
Head of Marketing	Client	Not for profit
Executive Director	Client	Professional services
Marketing Director	Client	Soft drinks
Marketing Director	Client	FMCG
CEO	Agency	Digital agency
New Business Director and Owner	Agency	Creative agency
Chief Executive	Agency	Communication/PR agency
Founding Partner	Agency	Creative and planning services
Group CEO	Agency	Marketing agency
Managing Partner	Agency	Marketing agency
Managing Director	Agency	Media agency
European Vice President	Agency	Media agency
Managing Director	Agency	DM Creative agency
Head of Client Services	Agency	Advertising agency

had contrasting viewpoints, or differing strengths of views as this was considered a possible indication of a breakdown in relationships. These themes were then examined more closely to identify the disparity and quotations were chosen as illustrations of the opinions being voiced.

Four main themes were identified. The topic of client ownership was considered to be important by both clients and agencies and quotations were chosen to illustrate the different viewpoints. However, the other three themes identified, which were all explicitly linked to the client/agency relationship, were mainly the concerns of the agencies, which is perhaps not surprising as they demonstrate how power is shifting away from them. Indeed, the theme relating to the responsibility of allocating tasks was a 'hot topic' in the agency transcripts but, interestingly, not even mentioned by clients, which illustrates a significant difference in levels of concern. Consequently, the quotations provided to illustrate these three themes are from the agency perspective.

The coding was undertaken by both authors independently and then comparisons made to identify any areas of disagreement. These were minimal and resolved through discussion.

Findings

An examination of the data led to the identification of four main themes on how and why the relationship is changing and these themes have been labelled as: (1) client ownership of the consumer journey, (2) lack of a strategic role of agencies, (3) client responsibility for task allocation and (4) agency specialisation. Each of these themes will now be discussed.

Client ownership of the customer journey

The participants recognised that there has been a shift in power, with clients now having the responsibility and the tools to identify, monitor and develop all the touch points that exist between the brand and the customer, including the three stages of pre-purchase, purchase and post-purchase. The issues to be faced are therefore no longer seen to be about

advertising or even about marketing, but encompass the whole organisation. There is a stronger acknowledgement of this from the clients than from the agencies.

> True Integration of communications to customers' needs to be business wide as usually marketing only owns a small number of the customer touch points with the business. (Managing Director, DM Creative agency)

> Communication is no longer the preserve of the marketing function. (Head of Marketing and Corporate Comms, Not for Profit, client)

> Because of today's transparency, brand and communication responsibility is throughout the organisation. (Global Brand Director, Food sector, client)

This acknowledgement is evidence that these companies are adopting an IMC approach to their communications and are aware of all the various touch points through which an organisation communicates. Because of this involvement of many departments, it is implied that the client has more control over the customer relationship and is sharing data and information across the organisation. This puts the clients in a stronger position to make decisions, and results in the agency being less central to that decision-making process. Linked to this is the idea that clients are bringing more work in-house.

> In the past, agencies represented the whole view of customers; now clients should do it themselves, supported by single view database and powerful analytics & crm strategy. (Executive Director, Professional services, client)

> I see clients taking marketing/creative in-house more & more often, so a big agency challenge is to ensure that they can still compete. (Senior Global Communications Manager Alcohol sector, client)

Agencies are aware that this availability of data from different parts of the client organisation has shifted the power relationship between them, with clients not only making creative decisions but also media buying decisions without them. This is obviously of some concern.

> For clients, my recommendation is to limit in-house solutions because they limit the ability to innovate and to achieve the highest level of creativity. (Group CEO, Marketing agency)

> And as automated media buying takes hold, clients are looking for ways to pull that function in-house which will only challenge the integrated model again. (Managing Director, Media agency)

It is interesting in the above quotation to note that the agency participant is referring back to the key competence of agencies i.e., creativity, to win back the business from the client.

Lack of a strategic role of agencies

There is a general acceptance from both the agencies and clients that the role of agencies has to change. It is recognised that agencies need to become more strategic and ensure that they are having an influence across the organisation and are included in the top table discussion. This is of more concern, not surprisingly, to the agencies than the clients.

> So influence across the business and not just in marketing is vital to integrated thinking if agencies want to go below the surface of a business and affect/improve the actual fabric of it. (Managing Director, DM Creative agency)

> By offering strong strategic support and great understanding of the clients' businesses, we can support the marketing people and regain the trust as partners at a higher level. There is

no room anymore for agency people – not account or creatives – to just talk. They have to be strategic – both from a business perspective and a consumer behaviour perspective. (Group CEO Marketing, agency)

This agency participant acknowledges the fact that trust has been lost and needs to be regained by ensuring that the agency understands the client's business fully and contribute at a strategic level. This would suggest a more consultancy role for the agency.

Responsibility for allocating tasks

The topic that displayed the most disparity between clients and agencies was the role that clients should take in assisting agencies to work together. The agencies feel strongly that clients need to take more responsibility in providing clarity and support in getting their agencies to collaborate in an integrated manner. It is important to note that there is no acknowledgement of this responsibility in the clients' comments.

Clients need to take responsibility for defining roles and responsibilities for all agencies involved. And it also helps if they agree rules of engagement between the agencies and their teams. (Managing Director, DM Creative agency)

Clients need to take full responsibility for integration and build open and transparent communication / collaboration processes between agencies. (New Business Director and Owner, Creative agency)

Ultimate authority/lead and creator of rules of engagement – and division of responsibilities depending upon the model they adopt e.g., client as lead or agency as lead. (CEO, Digital agency)

Agency specialisation

The way that clients organise their agencies and expect them to operate together for the client's benefit is clearly not working. The challenge is that as soon as various tasks are allocated to agencies then the idea of media neutrality and collaboration can be lost. But it seems that, in reality, clients may be expecting too much and need to play a much more active leadership role in providing support and clear guidelines. An undercurrent of discontent linked to difficulties in agencies collaborating is the division of jobs and specialisation. Many agencies are competing for work and putting themselves forward for as much of the campaign as possible, i.e., following their own self-interest, even if that area is not necessarily where their strengths lie. This approach is understandable from a financial perspective in the short term but is annoying for both clients and specialised agencies, and is causing issues in terms of trust and collaboration.

Many agencies are now delivering a 'big idea' and then demonstrating how this could be executed in multiple channels. This however can be costly as then the client tends to have specific ideas executed by specialist agencies. (Founding Partner, Creative and planning services, agency)

Agencies who try and do it all and manage to do it well are few and far between, so a multi-agency team would be what I would favour as long as the ways of working were instigated to support it. (Managing Partner, agency)

A simple rule of thumb of remembering no one agency is best at everything, and nothing in life is free (like when media agencies offer 'free' PR or social media support,) will help clients reach the right decision. (Chief Executive, Communication/PR agency)

This discussion goes to the heart of the collaboration debate. Agencies are being encouraged to cooperate but can see work, and therefore payment, being allocated to other agencies, even if it is based on their creative input. Such action is encouraging agencies to keep hold of work, and present themselves as capable of doing parts of the campaign that are not their specialism.

Discussion

The purpose of this paper is to establish whether the relationship between clients and agencies is moving away from a business alliance model because of the challenges of IMC implementation. The four main themes identified from the qualitative data analysis provide evidence that this is happening.

The findings firstly indicate that clients understand the philosophy of IMC. They are adopting a more integrated communications approach in order to create consistency across the various touch points that make up the customer experience (Kliatchko and Schulz 2015). This is leading to a fundamental change in how marketing communications is undertaken within the client organisation, with many departments sharing behavioural data and making decisions in-house without agency input. This has resulted in the balance of power changing between the client and the agency, with the client now not only having the power to reward and to punish but also the expert power that had previously belonged to the agency. This shift of expert power from the agencies to the clients may be one of the main reasons why agencies are being forced to step back into a more traditional agency relationship where the client is in control and the agency is seen as a supplier rather than a partner (Wang et al. 2013) and is obviously of concern when a strong alliance has been identified as necessary for integration to be achieved (Gould, Grein, and Lerman 1999).

The findings suggest that agencies are aware of their vulnerability caused by this power shift and recognise that they must resist being pushed into a traditional tactical role. One way they see to address this is to provide knowledge that the client may still value, which is a more strategic viewpoint on communications. This approach is similar to the recommendations of the 2010 Forrester Report, in terms of providing *intelligence*. A debate at the Direct Marketing Association (DMA 2017) entitled 'Is the traditional agency model dead?' also identified that what clients really wanted from an agency was insight and creativity. There is a need for experienced advertisers to step back and provide long-term strategic brand solutions and clients need to recognise the important contribution that agencies can make in providing that wider viewpoint. However, the shared-influence model suggests that for this strategic contribution to take place there needs to be a frank exchange of information between both parties and although this sharing of information is beneficial to all (Heo and Sutherland 2015) it can only happen if there is a high level of trust and commitment which are presently lacking (Duhan and Sandvik 2009). The present system seems to be destroying trust between the agencies themselves as well as between the client and the agencies.

One of the strongest messages coming from the findings is that agencies are struggling to work together and clients do not seem to recognise it as a problem. At the moment agencies feel vulnerable and are fighting between themselves for work. There is a call for clients to be much more proactive in addressing this issue if they want to achieve collaboration across their agencies. However, the allocation of jobs and responsibilities sits uncomfortably with the whole idea of media neutrality which is the backbone of IMC philosophy

(Kliatchko 2008). It also places even more power into the hands of the client. It is difficult to see how agencies can have the opportunity to be proactive and show initiative if they are only allocated part of an overall task (Beverland, Farrelly, and Woodhatch 2007). Clients should take more control here to reassure agencies of their value and recognise their importance. There is a thin line to be treaded between providing clear areas of responsibility to enable agencies to feel more secure and close monitoring which may stifle initiative and risk-taking.

So, there seems to be a tug of war going on within the advertising industry, with a number of influences pulling in different directions. At the moment, clients seem to have all the power and are pulling the client/agency relationship into the direction of a traditional agency format, where more control and monitoring is necessary to keep all the agencies in line. Agencies are losing this fight because they are unsure what their role is and they are unable to build a business alliance with their client because of a lack of trust and commitment on both sides.

The findings of this study have managerial implications for both clients and agencies. For clients the implications are that they should review and invest in their relationship with their agencies and view them as an important resource of insight and creativity that can assist them in long-term strategic planning. These benefits, however, will only be reaped if honesty and trust are part of the relationship and clients must recognise that the task of fair and transparent job allocation and remuneration of agencies needs addressing urgently to gain that trust. One outcome from this review may be the reduction of the number of agencies being employed to enable the associations that do exist to be closer and stronger. For agencies the implications are that they need to clearly identify what they have to offer the client. As more work moves in-house agencies have to evolve to become providers of strategic insight, planning and creativity and support clients in implementing IMC (Mortimer and Laurie 2017). The immediacy of real-time activities can lead to a short-term and short-sighted approach to communications. From an IMC perspective it is important to maintain a strategic viewpoint over this activity and this is something that agencies are in the ideal position to drive.

Limitations and future research

This study has a number of limitations that should be considered. Firstly, we have used the term 'agencies' in a generic manner, covering different specialisms such as media, PR, full service and creative, as well as including both independent and group-owned organisations. Although the inclusion of different agency types can be seen as a strength of the study, it is possible that there are distinctions between them which could be explored with a larger sample. For example, digital agencies are facing the fragmentation of media budgets as clients utilise more channels and bring some media buying decisions in house. Secondly, this study explored the views of 17 senior advertising executives with extensive experience. This is a good number compared with other qualitative studies in this area, but obviously limits the level of generalisation that can be proposed. Lastly, the data analysed for this research were collected for a larger project which was looking at issues facing the industry as a whole and not to compare the views of agencies and clients. However, as we became familiar with the texts it became clear that a more qualitative thematic analysis of the raw data would bring out some of the concerns being expressed by both sides of the industry

which were not being captured elsewhere. Further qualitative research is needed into these concerns of power and trust to understand them more fully because the need for integration running alongside the fragmentation of roles and responsibilities is presently pulling the industry apart. A closer examination of the different models of client/agency collaboration and their appropriateness in different circumstances may help in this regard.

Conclusion

There have been numerous reports for the advertising industry describing the breakdown in the relationship between clients and agencies over the last few years. The purpose of this study was to explore this breakdown and examine whether the client/agency relationship is moving towards a more traditional agency model and away from the business alliance relationship because of IMC implementation. This is important because a business alliance approach has been recognised as the most appropriate to achieve the levels of coordination and cooperation necessary for true IMC to be achieved across all the customer touch points.

The findings provide evidence of this movement towards a more traditional agency relationship. By applying the agency theory and the social power theory the study has identified four main issues; the clients' increasing direct ownership of communications with the customer resulting in more work going in-house, the necessity for agencies to identify a new more strategic role and the need for clients to recognise the importance of defining roles and responsibilities for agencies and address the issues of agency specialisation. Changes in the industry have resulted in shifts in power towards the clients and led to the client/agency relationship being pulled away from the business alliance model, based on trust and information exchange, towards the traditional agency relationship where agencies are instructed what to produce with fewer opportunities to build relationships and show initiative.

The findings suggest that agencies recognise this shift in power and the need to put themselves forward as strategic partners, a role that is increasingly important to ensure long-term brand integration. Clients need to identify the value of this integrated strategic insight and step back from the short-term approach that the analysis of behavioural data can lead to. This dynamic industry has faced many challenges in the past and is experienced at re-inventing itself. There is a need to do so again to minimise the barriers and enable companies to benefit fully from the implementation of IMC.

Disclosure statement

Notes on contributors

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