How to Hire the Right Marketing Agency

The 2021 Marketing Agency Buyer's Guide For You

This Guide is for You If...

1

You're the decision maker and **it's on you to find the next (right) agency partner** for your company or brand.

2

You're on the procurement or selection committee, and are **identifying and evaluating potential agencies.**

3

It's time for a logical, insightful process to choosing a new marketing agency – you know, one that goes beyond boring capabilities decks and case studies.

4

You want an approach that is easy to follow and modify – one with tools that actually work, and processes helpful to finding the best agency for you.

5

You've already learned how easy it is to pick the wrong partner (maybe even more than once). This will help you not do that again, because it's never fun.

Getting the Most Out of This Guide

Congratulations. You are reading the most useful, step-by-step, start-to-finish way to find, meet, qualify, select, negotiate and start working with the marketing agency you should be working with.

Now, we know you may not be at the start of your agency selection process at the moment. No worries. To help you stay on top of every step in this guide in order, we still recommend downloading the Agency Hiring Checklist now to make sure you're on the right path.

DOWNLOAD YOUR AGENCY HIRING CHECKLIST

You're probably wondering what's in it. Well, it's a handy cheat sheet and companion resource to this guide. There are many like it, but this one is all yours.

It will help you:

+ Make sure you don't miss something important (because that would suck)
+ Know where you are in the process (and what to expect next)
+ Have a simple, shareable point of reference (that people might actually read)
+ Plan your work and work your plan (so let's get to work)

If you're as excited about introducing this guide to others as we are, sharing the online summary of it here might be the best way to get them fired up about it too.

What You'll Get & What You'll Give

We know that opening something this detailed can make you start thinking, "Seriously? Another book to read? Hard pass."
And, let's be real, we all just want to "get to the best part."

What you can expect out of this guide includes the following (and more!)

You'll Get

- Step-by-step instructions, insights and recommendations
- Access to MS Word Doc, PDF and Excel spreadsheet tools
- Peace of mind that you're doing the right things to hire the right agency

You'll Give

- Your time and effort
- Your willingness to follow recommendations and review downloads
- Insights to help us improve this resource (based simply on where you click)

About Us

Wait, a *marketing agency* is really providing this guide? Huh?

You bet! Although we totally embrace the value of credible, third-party data for unbiased decision making, we've found no one else (i.e. a marketing agency) is more qualified to offer the kind of advice that helps guide a practical and actionable approach for such an important, sizable investment. And, yes, it is an investment.

But why? Marketing agencies, as a whole, dedicate a ton of time and effort toward responding to proposal requests. For many of us, it's an all-consuming cycle that has resulted in a lot of battle-tested learning that typically goes unshared outside of our office walls. We want this guide to be the high tide that raises all ships – matching the right people, capabilities and investment between you and the agencies trying to land your business.

You're probably thinking there has to be an obvious advantage to a marketing agency that publishes an agency buyer's guide, right? We'd certainly hope so. But you should also trust that your BS detector is appropriately tuned up as you read, download and, hopefully, apply the tools and insights that follow.

If you have any feedback, questions or just need some clarification regarding the Buyer's Guide, please contact the lead author, Jason Cormier, at buyersguide@room214.com or via LinkedIn.

Thanks to the following additional contributors: James Clark, Brent Walker, Phil Kellum, Jen Casson, Cannon Casey, Jill Mailander, Lauren Sobotor, Kai Casey, Ben Castelli, Elizabeth Bernard and Daniel Paul.

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Assessment:
Aligning on Readiness & Purpose

How ready are you to hire an agency?

If you've made it this far, the answer is probably "very." At least we hope so. Ideally, you are able to articulate the shift you hope to make from where you are today vs. where you want to be with the right agency partner.

In this section, we'll give you a template to help schedule your agency selection process from start to finish. Additionally, we'll give you a self-assessment process to help you create alignment, and prep for the information your agency candidates will want:

+ **Goals, Resources & Timing**
+ **Measurement & Key Performance Indicators**
+ **Creating a Vision for Success**
+ **Setting and Announcing Expectations**

Scheduling and Managing the Process

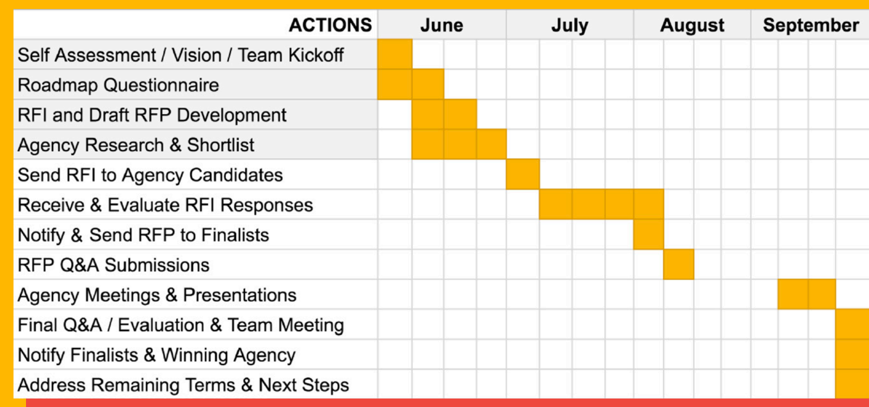
Generally speaking, we recommend planning for a 60-to-90-day agency selection process timeline.

Why? Aside from the insight we've amassed over decades of collective bidding experience, our own agency data from the last several years indicates an average closing period of right around 55 days (that's taking a sales qualified lead all the way to a contracted client). So, 60-to-90 days is right in the sweet spot.

Of course, this varies depending on the scope of work and procurement processes. But the ultimate objective, other than hiring the right agency, is keeping everyone's engagement levels high (both on your side and the agencies' sides too) for a fully-committed, strategically-sound period of time. Anything longer gets tougher as you go.

Keep in mind, you can drop the scheduler template into your own project management software or use it on its own – whichever is easiest for you.

As you can see, this timeline starts with the prep time before you send a Request for Information (RFI) to your identified agency candidates (more on that in the Roadmap section in a few pages...just hold your horses).



We know you'll find areas where you can add or cut time but really try to avoid sacrificing the amount of time you're allowing for agency candidates to respond.

Speed is important, but quality and diligence trumps speed almost every time. Trust us on that one.

DOWNLOAD YOUR SCHEDULER TEMPLATE

Getting Started

Even if you have a solid handle on where you stand right now, a self-assessment exercise validates what you think you know for others, and provides foundational insights (and future answers) for agency candidates wanting to respond intelligently.

Why? The self-assessment template includes a few example responses and quick tips to think about. It's OK if you don't have all the answers, but keep in mind this is not a "throwaway" exercise. What you include should be useful to what you'll end up delivering to agencies down the road. So, take some time to really think about it.

DOWNLOAD YOUR SELF-ASSESSMENT TEMPLATE

After the Self-Assessment – Create Your Vision

If you've already completed the self assessment, way to go! Now it's time to start documenting and communicating your vision on how to successfully work with an agency. If that sounds silly, chances are you're too focused on the tasks, or jobs, you want your agency to do.

Beyond the logistics of agency selection, or even the work an agency delivers, are a whole host of make-or-break variables that can separate average from good, good from great, and great from "Holy ****, what am I reading?!? This is amazing!" These could include:

+ **Relationship and collaboration**
+ **Communication and workflow**
+ **Accountability and insights**

Getting the most out of your agency partner means not settling for order takers. Ever. What you really want are strategic minds and creative hearts that contribute as inspired difference makers. Setting the stage for this falls on you, and it all starts with creating your vision for it.

Don't worry, vision work may sound challenging, or even completely foreign (depending on your experience). That's why we like to keep it simple by following the Zingerman's methodology. As a quick point of reference, your output from this exercise could easily be one page or less (no, really)...and we've provided an example for you to follow.

Key Ingredients to Your Vision for a Great Agency Partner

Let's start with what it isn't.

A vision is not a strategic plan or roadmap of how to achieve success. It's not a mission statement that guides direction. It is instead, the state of your future destination - or as Zingerman's Co-Owner & Founding Partner Ari Weinzweig more elegantly describes,

> **"It's a vivid description of what 'success' looks and feels like for us – what we are able to achieve, and the effect it has on our staff."**

The thing worth emphasizing there is what it "feels" like. That's because effective visions reflect human emotions that inspire highly positive energy levels. It's fine to put how much money you want to make in a vision, for example, but it won't be as inspiring as naming the emotional outcomes that may accompany that goal.

And just like Ari, we treat visioning as something that can apply to important, short-term projects as much as it can to big-picture, 5-years-in-the-future outlooks. Below are the Zingerman's guidelines for an effective vision, which need to be:

+ **Inspiring.** To all who will be involved in implementing it.
+ **Strategically sound.** That is, we actually have a decent shot at making it happen.
+ **Documented.** To make your vision work, you have to write it down.
+ **Communicated.** If you really want it to be effective, you need to tell people about it too.

That final bullet point (Communicated) is the last step in this section: setting and announcing expectations. In our experience, "telling people" about your vision shouldn't be relegated to just sending an email out to everyone.

A vision is not a strategic plan or roadmap of how to achieve success.

Actually get everyone involved in a room together so you can read the vision out loud and take it all in.

Give your team time and space to provide feedback on what's missing and what needs to be added. Then take time to revise it, make it easily accessible and consider revisiting it if things start blowing up (in a good way or a bad way).

Earlier, we talked about the value of your vision as it relates to getting the most out of whichever agency you work with. Beyond that, it also offers a valuable internal benefit by providing a constant answer to the question of "Why are we doing this?"

As challenges (and changes) pop up in any process involving people, time and money (and they always do) — intentions often get derailed, even pushing entire efforts into what we've come to know as "the zone of blame and doubt".

In other words, that's where great ideas go to die. It's where delays run rampant — and where productive conversations are sidelined by inaccuracies and invalidated assumptions. **Fortunately, there's a way to get through it all and guide your team out of it. It's by returning to, and focusing on, your vision.**

Have we sold it hard enough?
Is it time to put pen to paper or press some keys to make this thing a reality?
We sure hope so.

Try to spend no more than 20 minutes on your first draft. Picture yourself in the future, think about what you're most proud of at that point in time, then work your way back from there. Consider the following page as an example of something tangible you might refer back to, use and modify as desired.

EXAMPLE

A Celebration of Success – Our Vision of a Great Agency Partner

A warm breeze carries the sound of music from the restaurant, sending a wave of excitement through our collective team.

We're joining our agency partners for happy hour with tacos and margaritas to celebrate a successful Q3 campaign. We're met with a cheery greeting from the group. Smiles, handshakes and hugs all around, given our company cultures. We reflect on the successes and shortcomings of the past year and discuss where we want to be in the future.

Just as importantly, we connect on a personal level. They truly are curious about how we are doing as individuals, and we care about each other on a deeper level than solely as colleagues. We've been looking forward to this happy hour, as we've created a valuable relationship between our brand and our agency.

We definitely had obstacles to overcome, but we worked around them and learned from them. We reached our goals of increasing our conversion rates by 15%, and our ads generated better earning performance than ever. When unexpected challenges came up, our agency was available for ad hoc meetings to talk through next steps and how to go about solving problems.

They were able to deliver tangible fixes and plans of action. Our communication over Slack and email was orderly and clear, so we didn't make unnecessary, extra work for ourselves. And, when we didn't meet the intended results at first, our agency was there to talk through why we fell short and see where and what we could improve for future campaigns (which we did).

Our agency went above and beyond to meet the goals we set out in the beginning of our contract. They gained a solid grasp of who we are as a company and brand and did a great job of moving us forward. Also, our agency was not afraid to push us in new and different directions based on their past experience, and we're better off for it. It's easy to imagine we could have a positive working relationship for years to come.

Roadmap:
Finding and Inviting the Right Agency Candidates

Attract, plan, and follow through

As a quick future reference, when it comes to the actual selection of your agency partner (we'll cover this in depth in the next section), we recommend a two-part process involving the three to seven agencies you're inviting to participate in Part 1 – and no more than two to three final candidates making it to Part 2.

Regardless of that advice, this section is really good for helping you attract, plan and follow through on getting the right agencies to focus and respond to your requirements.

Let's start by first identifying your preferences and related points of consideration. From there, we'll look at invitation methods (RFI and RFP) and related templates you can fill out. Elements we'll cover in the following pages include things like:

+ **Full Service vs. Specialty Agency**
+ **Vertical Marketing vs. Generalist**
+ **Boutique vs. Holding Company Entity**
+ **The Painless Approach to RFPs & RFIs**
+ **Customizing from Templates**

Getting Started

Just as being aligned on your purpose was part of the self-assessment, agreeing on your preferences is key to creating the roadmap that brings the right agencies front and center. Because what good is it to only identify agencies that aren't even close to the right fit? (The obvious answer to that is none.)

Part of finding your ideal agency not only includes identifying just what you do want but also knowing what you don't want. It might even be the most important part. That way you are not only weeding out candidates at the beginning of your process, but also keeping collective emotions in check as you get to know and see qualified candidates battling for your business.

START YOUR AGENCY ROADMAP QUESTIONNAIRE

As a next step, open the Agency Roadmap Questionnaire, which comes with a companion doc that brings up key understandings and important points to keep in mind for each question. There's only three questions, so don't sweat it.

You've got a couple ways you can go from here, both of which start with sharing the questions with your internal stakeholders or agency selection team.

We strongly recommend scheduling time to really talk with the people who are part of the selection process and who will actually work with your agency most regularly. Again, don't limit your internal communication to email or chat. Book a room, sit down and talk it out!

Consider coffee or beer as a meeting enhancer at this point, depending on your culture. :-)

A couple options are as follows:

01 **Prep the entire team,** instructing them to show up with answers and supporting explanations to the roadmap questions.

02 **Keep it more casual** and have the team see the questions and answer them for the first time in the room. It's your call.

We recommend the following agenda:

+ Quick recap of purpose and vision behind selecting an agency: 5 minutes
+ Open discussion with questions and answers: 15-30 minutes
+ Outline any and all next steps and assignments (check out Post-Roadmap Questionnaire Discussion below for some help): 5 minutes

Whoever is leading the meeting should guide discussion around what the team is collectively for (purpose) and against (concerns). This is an opportunity to record what you need to focus on that will ultimately guide the qualifications of your agency candidates in the steps to follow (either in your meeting notes or the questionnaire itself).

Pro Tip: Depending on the scope of work and the structure and culture of your company, the number of internal participants may vary at different times.

We recommend bringing in more internal stakeholders early on with the Self-Assessment and Agency Roadmap Questionnaires. This is a great way to help others feel more involved in shaping requirements, which pays off in other ways once you've hired your agency.

From there, narrow the number of internal participants in the final part of your selection process. Over the last decade, we've seen an average of three to five participants in final selection meetings.

Post-Roadmap Questionnaire & Discussion

If you've followed all the steps so far, nice work! This means you've completed all of the following:

- **Self Assessment**
- **Vision for a Great Agency Partner**
- **Roadmap Questionnaire**
- **At least one team meeting to discuss / answer / adjust / formulate the above**

breathe in

At this point, you might be feeling a bit overwhelmed. You might be thinking this is all starting to be a bit too difficult to follow or keep up with. Maybe you need a more big-picture view of where you are and where this is all going so you can customize it based on your specific purposes or circumstances.

That's all right and totally normal. Just take a deep breath and review your Agency Hiring Checklist again (or download it, if you haven't already). Breathe in…and…breathe out.

Before moving on to the next section of the guide (Selection), we'll walk you through how you'll use everything you've done so far to create your Request for Information (RFI) and your Request for Proposal (RFP) that you will send to agency candidates.

From there, we'll go over tips for identifying candidates, an example of a timeline with recommended steps and example communications. These items, in addition to the creation of your RFI and RFP draft, are the foundation of your project plan.

breathe out

Next up, it's time to execute. You'll have the first asset you need to solicit agency responses, as well as the follow-up to send to candidates who qualify as finalists in your selection process.

Are you ready? Let's do this!

The Painless Approach to RFIs and RFPs

First, we need to acknowledge that "RFI" and "RFP" are often mistakenly interchanged – or at least treated like the same thing, just with different names. Fun fact...they're totally different!

What is an RFI?

An RFI should be delivered prior to sending an RFP – and serves three main purposes:

+ **Requesting the interest** of agencies who might wish to work with you and want to know more about your requirements
+ **Gathering an introductory round of information** to validate assumptions and determine next steps
+ **Narrowing down** the number of candidates who receive your RFP

It's easy to believe the lengthy RFP template you may already have, or any of the big RFP templates you may find out there on the web, has everything you should be asking of an agency wanting to work with you. The reality is, you will be better served by focusing your efforts on getting more specific answers and insights to what you really care about.

Furthermore, few agencies are in a good position to deliver their best when the RFP resembles a common "cattle call." As an example, imagine you already know and have practically decided on the agency you want to work with, but have to abide by a corporate policy requiring two or more agencies participate in your RFP process. Let's be honest, it's a bummer for everyone... and a generic RFP can result in pretty generic (albeit, time-consuming) responses.

Even if your decision is already made, it's hard not to feel obligated to go ahead and review what's been submitted. And that's not a smart use of your (or anyone's) time. Even with a limited number of agencies participating, just remembering which agency said what can present its own set of challenges.

Luckily for you, that's where our Agency Selection Score Sheet will come in handy. (No need to thank us just yet.)

For agencies that have been burned again and again in RFP cycles, and will frequently avoid them as a result, using an RFI can be a subtle hook to grab their attention. **Mature agencies are shopping you as much as you are shopping them, and it's not uncommon for over 75% of their new business to come from existing relationships.**

That means they either have the luxury of not having to respond to RFPs (a pretty good problem to have, really), or they just choose to respond to a handful of them per year. That said, a good RFI can grab their attention. It's a solid way to demonstrate empathy for the RFP process and appreciation for the time to take a first look.

If you want agencies you've worked with before, or those you already know, to be in the mix, **the RFI can serve as a heads-up to determine their interest.** Chances are you'll already have most of the information you need, so just communicate with them accordingly.

Beyond gathering basic qualifying information for your first round of candidates, the RFI is also your chance to:

+ **Establish your requirements** at a very high level
+ Take note of the **speed and thoroughness** (or conciseness) of the initial responses
+ **Identify common questions** or highlight any solid comments that may prompt revisions to the RFP you'll be sending out soon

Customizing from Templates

Alright, you've made it this far. Now is the time to do the heaviest of heavy lifting. It's time to finish all the necessary prep work for scheduling and soliciting all the agency responses. The final pieces in this section include:

+ **Creating Your Agency Shortlist**
+ **Creating Your RFI**
+ **Creating Your RFP**
+ **Outreach and Transparency**

If you don't already have one, at this point you should create your "shortlist."

This list is made up of the agencies that you'll be sending your RFI to. As previously referenced, anywhere from three to seven should make this initial cut.

DOWNLOAD YOUR SHORTLIST TEMPLATE

There are two interchangeable best practices when it comes to creating your shortlist – each of which should be compared to how you responded to your Self Assessment, Vision and Roadmap Questionnaire:

01 Identifying Agency Candidates Through Word of Mouth

Talk to your friends and colleagues to get referrals for agencies they've successfully worked with. Don't be afraid to ask the same question twice, or in a different way, to get to the root of why they would recommend that agency.

For example, the answer "Because they do great work," just isn't good enough. What's really so great about it? How was the outcome or process better than other agency experiences? As mentioned before, use your Self Assessment, Vision and Roadmap Questionnaire to figure out the most important questions you might want to ask.

Write down the one or two specific quotes from each referral that stood out the most in your Agency Shortlist Template, then head to each agency's website and follow through with the recommendations you find relevant in item 2 below.

02 Identifying Agency Candidates Through Online Search

At this point, start at the highest level.
Do a Google search for the type of agency you're seeking. This could be by industry ("food marketing agency"), location ("boulder marketing agency") and/or general area of expertise ("social media marketing agency"). Or any combination of the three ("boulder social media agency").

Go Deep: With the amount of advertising on Google results pages these days, you should definitely go a few pages deep into your search to start building your list. Don't just click the first couple links that pop up. After all, part of finding the right match includes finding the agencies that appear to treat themselves as their own best client.

> Don't buy into the whole "a contractor has the worst house on the block or the cobbler's kids are the last to get shoes" arguments. Your marketing agency should be drinking its own Kool-Aid, if for no other reason than to demonstrate a basic level of strategic thinking for themselves.

Check Home & About Pages: For the purposes of speed and efficiency, you'll want to spend the most time on the Home pages and About pages of your agency candidate web pages. Is there a good balance between show and tell on these pages (think what's visual vs. what's written)? What about the balance between plain language and industry jargon? Is the content smart, or does it feel more like it's really just trying to be smart?

Catalogue & Check with Friends/Colleagues:
Start a list of the agencies that stand out the most (you can use the shortlist template provided, and narrow down from there as desired).

Make sure to include any perceived strengths and weaknesses as they relate to your requirements. Keep in mind you may need to fill in a few contact forms to get the best name and email address for RFI follow-up purposes. Sending off your hard work to the wrong person isn't a promising start to a potential relationship.

Reach back out to your trusted friends/colleagues to see if they know anything about the agencies you've shortlisted so far. If they don't have much for you, find a statement online that best describes them or leaves the greatest impression on you.

Creating Your RFI

As a next step, open up our RFI Template. You'll find recommended sample questions and tips to help you customize it and get the most out of it. There's also an email template message at the bottom to use as your invitation for agencies to participate.

To be perfectly open and honest, this template might not be better than what you can find or produce from scratch yourself. Whew, glad we got that out of the way.

We inventoried our favorite RFIs received over the last several years (all the way from Fortune 500 companies to scrappy start-ups), then cherry-picked and fine-tuned the best elements to deliver what we believe really represents the ideal template (or at least a solid jumping-off point) for getting the most important information.

Although the specific questions that relate to what kind of agency you're looking for will certainly vary, **the template as a whole should be a good example of how general you may want to keep things in this first step of the process.**

Finally, even though we've already recommended the RFI as your prior step to sending a RFP, we can appreciate a few reasons you may wish to skip this and go straight to the RFP instead (if you've worked with the potential agency before, for example).

DOWNLOAD YOUR RFI TEMPLATE

Creating Your RFP

Once your RFI is complete, we recommend creating your draft RFP with our RFP Template. We call it a draft simply because it's not set in stone. You'll be making changes based on your initial RFI responses coupled with any questions that come up along the way.

You'll use the RFP as the second part of your solicitation process. Only send it to the handful of agencies that make the final cut (again, narrow it down to two or three).

We recommend going with fewer agencies at this point due to the expected time investment for everyone involved. Often, this will include (and we highly recommend) travel to accommodate for an in-person meeting. Also, sticking to your initial timeline is key... you don't want to drag it out for yourselves or for your prospective agencies.

The RFP response is the opportunity agencies have to go above and beyond addressing relevant capabilities, experience and perspectives you're considering for your selection process. Aside from the content itself, pay extra attention to how it's delivered... we'll get into that in the following section of this guide (Selection).

Before we get to recommendations about the scheduling and planning in its entirety, we'll wrap up all this RFP talk by spending a little time addressing the most contentious (and potentially time-wasting) part of the RFP process.

DOWNLOAD YOUR RFP TEMPLATE

Big Free Ideas vs. Big Creative Approaches

A traditional, yet commonly disliked (by agencies, that is), RFP request includes asking agency candidates to demonstrate they are the right fit by coming up with a "big idea" for a marketing campaign. Sometimes it's even multiple ideas that may require "spec work" (creative work done for free in hopes of getting paid later). Imagine a giant, very audible sigh at this point.

A lot of brands have absolutely no issue with asking agencies to do this kind of work to earn the business. The two most common reasons they give include:

+ **This is the best way to see how agencies think and test their creative specific to what I need.**
+ **This is part of the cost of sales (investing time to earn my business)**

So What's the Problem?

The main objection to this is how deeply it is attached to the notion of "the best idea (and/ or creative) wins my business." That might seem logical at first glance, but is actually **loaded with real limitations** that can result in not choosing the best agency for you. And that's what this is really all about!

Going back to the courtship analogy... would whoever gets on one knee with the biggest diamond ring be the one you automatically say yes to? We really hope not.

Why? Because there is so much more to know and see beyond the ring. This is also true with your agency candidates. What they rush out to win your business may be great, but it may not be great for you.

Just consider what we've commonly heard from agency candidates participating in a RFP that's asking them to pitch a big campaign idea.

(note: it's very difficult for no spec work to be included when it comes to presenting these ideas)

01

The "give us your campaign ideas" approach often forces us to pay less attention to the most important parts of our own creative process: client collaboration, research and testing. In other words, the output may look incredible but may also have absolutely no chance of ever being executed.

02

This is where recycled ideas thrive – and ill-fitting agencies can get lucky with barely-informed, subjective exercises where the best eye candy wins. Some design concepts practically have a "Photoshop client's logo here" area. The client is easily excitable to see something new even if the idea isn't really that ownable, or their competitor's logo could fit just the same.

03

There's so much more value to be gained from time spent understanding "how we'll actually work together" vs. "how we came up with a creative campaign idea that got everyone stoked but doesn't really follow a strategically-vetted approach that authentically aligns with the brand."

Potential Solutions / Alternatives

The most obvious solution is simply not asking for campaign ideas in your RFP. This doesn't mean you'll be compromising your due diligence to ensure an agency's strategic and/or creative work makes the grade – not at all. It just means you'll examine the alternatives to assigning a creative/campaign project as the focal point of your RFP.

But what exactly are those alternatives? As a quick example, consider asking an agency to showcase their creative approach (or any approach, for that matter) by providing a combination of open-ended questions and directives like the following:

- How would you describe your creative approach?
- Provide examples of your approach in action
- How might your approach be applied to our requirements, given what you know today?
- How do you believe your approach is different from others?
- When has your approach failed, and what did you do about it?

Perhaps the not so obvious part about these kinds of questions, instead of big ideas, is the agency's opportunity to creatively respond. For example, how are their answers delivered? Is it with pure copy, examples of past creative to support their answers, etc.?

Again, if you're looking for thought leaders and partners, even the way an agency responds to questions like these should demonstrate their creativity and offer telling indications of what it would be like to work with them.

This all assumes at the end of the day, the two biggest things you're trying to get out of your RFP are:

1. An understanding of how your potential agency partner will approach working with you, including providing deliverables that meet your requirements
2. A better sense of what working with your agency might actually be and feel like

If you're not sold on the approach focus and still think you need to ask for big ideas, here are a few recommendations to help you get the best results:

Ask for one idea. Sure, you know the agency might still choose to spend a little time introducing a second one or showing some "not-quite-there-but-still-pretty-solid" elements that didn't make it into their final idea.

Provide clear guardrails and relevant specifics that can eliminate guesswork, while also providing you with apples-to-apples comparison points. These parameters might relate to a project brief with specific budgets and timelines, assets to be used such as graphics or research insights, marketing channels (email, Facebook, YouTube, etc.), guidelines on deliverables and so on. Just don't leave it up for interpretation – that won't set anyone up for success.

Outreach & Transparency

When it comes to sending out introductory emails (or calls) for agencies to participate in your RFI or RFP, there are a few things to keep in mind.

01 **Straight away, let your agency candidates know how many others are participating and why you've chosen them.** They will appreciate knowing how many are invited to the party, as well as the main insight or point of strength they may want to focus on a little more as part of their response.

02 **Schedule a time when all clarifying questions are due from those participating.** Then consider sharing the collective (or specially selected) questions and answers in a document or via a conference call with everyone.

You do this to provide a fair and level playing field where all agencies benefit from answers to the questions you deem relevant enough to share. As your agency candidates are equipped with more information that is the same for all, you're also put in a better position to differentiate from their responses.

Finally, consider how much you can actually learn from the kinds of questions your agency candidates are asking (and who's doing the asking). Consider including notes about this for each candidate in your Agency Selection Scoresheet (more on that in the next section).

03 It's up to you, but sometimes it's a good thing to let final RFP agency candidates know who they're up against. Some might think it's inappropriate, as if it's a matter of privacy or confidentiality or something. We'd say it's better for everyone to know who they're competing with... at least in the end when it comes down to the finalists.

Why? Because now each agency has an opportunity to help you clearly see how different they are from one another. When they know who the other agencies are, they're more likely to really show you how different they are and why that matters most. That is a huge part of what you're trying to get to, and this is a perfect way to do it.

From the agency's perspective, it's possible they won't be into this approach, as if they've been pitted against others. The honest truth is they have, but nobody is getting hurt in this situation. In fact, a mature agency will appreciate knowing how they've been perceived as true contenders. If nothing else, it's also an opportunity to see how they measure up and where they can improve.

Up Next: Selection

We'll help your decision making through recommendations specific to your evaluation and selection process.
If your RFI and draft RFP templates are complete, you're in a really good spot.
If you have yet to send either one out yet, make that happen before you move on to the next step.
That way you aren't getting too far ahead of yourself.

Now is the time to execute the rest of your plan!

Selection:
Evaluating & Choosing Your Marketing Agency

Congratulations! You are officially in selection mode! Are you excited or what?!?

Whether you used the email invitation example at the bottom of the RFI template or picked up the phone and called every agency candidate personally to let them know you wanted them to take part...this piece assumes you have received at least a couple responses to your RFI or RFP (or both).

Just so you know, this next step will require some serious dedication and effort. No corner-cutting or half-stepping is allowed now! You'll be following through with an effective evaluation of your agency candidates, using up to four areas of focus:

+ **Qualifications:** This covers everything from comparing their capabilities to your requirements and how their internal structures match your preferences
+ **RFI & RFP Response:** When looking at responses, note each one's timeliness, communication and attention to detail
+ **Presentation & People:** Take a look at each agency's likeability, trust, balance and differentiation
+ **Proposal & Terms:** Measure each candidate's answers when it comes to scope of work, costs, timing, agreement language and clarity on next steps (we'll go even more in-depth in the next section)

Now, you may be asking yourself, **"How can I adequately judge an agency's likeability or trust in a written response?"** That's a fair question. We'd recommend scheduling a conference call to have the agency walk you through its response. An in-person presentation is even better though. Body language and presentation styles can really help you get an even better sense of likeability and trust that much quicker. So, if you have the time to make this work with your timeline, you really should.

Because here's the thing... a lot of people on both sides fail to fully appreciate that people prefer to buy from people who they know, like and trust. It's true for everything – from sandwiches to marketing agencies. Most of the effort exerted in an RFP process more often is spent on providing and judging evidence of capabilities. Of course that information is important but not at the sacrifice of actually getting to know the people involved. It should go without saying that liking the people you'll be working alongside is a great thing to pursue.

If there's a good reason an agency will win your business without an in-person meeting or a live, remote presentation (if you already know them quite well, for instance) – then your focus will lean more towards evaluating items 1, 2 and 4.

Our final, and most unique, tool referenced in this guide, is the Agency Selection Score Sheet. We recommend using this to help you evaluate and compare each agency candidate based on the four focus areas we covered.

DOWNLOAD THE AGENCY SELECTION SCORE SHEET

Why the Agency Selection Score Sheet?

We developed this to help provide a truly quantitative approach for:

- Qualifying agency candidates
- Emphasizing what really matters most
- Easily comparing responses, presentations and proposals
- Making the best agency hiring decision you can

Like any tool, it can be a valuable asset given the right timing, circumstances and use. It comes pre-loaded with default questions and settings, but we encourage you to really make it your own. Please edit and make the changes you need so it's the right fit for your specific requirements and preferences (as described below in step 3).

How to Use the Agency Selection Score Sheet in 5 Easy Steps

01 Open the Score Sheet

02 Copy the first tab labeled "Score Sheet" and rename the new tab with each prospective agency's name. You should have one tab for each candidate you score – or, if you want, you can have multiple spreadsheets so different people on your team can submit their own scores simultaneously. There's no right or wrong way – just whichever way works best for you.

03 Customize the questions (column A) and "Weight multiples" (column E) as needed. You may look at the default questions and find them to be super relevant, but you should definitely remove/add rows or edit the copy in column A so you have the scoring model that works best for you. It's ultimately your process, after all!

For example, consider how the questions actually match up to the requirements you outlined in your RFP. You can even get more specific than what is currently in the Score Sheet.

Regarding how you might choose to edit column E (the "Weight Multiple"), just think of it as a way to measure the importance of each question.

For example, let's look at the first question in row 4. It asks, "Do agency capabilities match your requirements, compared to other agencies or solution providers you are considering?"

Now, imagine you think that question is twice as important (100% more) than the other questions in the Qualification section. So, what should you do to make the Score Sheet reflect your opinion on this?

Easy. Move over to column E for that question/row and change the default number of 1 to 2. If you think it's 50% more important than the others, you would instead change 1 to 1.5. What if it's only half as important compared to the rest? Change 1 to 0.5. Make sense? Sweet.

If it sounds too complicated or you're having really unpleasant flashbacks of college classes you ended up skipping – no worries. We get it. (For the record, many of us skipped a bunch of those classes, too.) The best thing to do is just open the Score Sheet and start playing around with the numbers in column E. We promise you won't break it... and if you feel like you did, just access a fresh one to start over.

If you're wondering what else is happening in the Score Sheet when you start adjusting numbers in column E, here are some quick answers: the "Weighted Score" (column C) and "Benchmark" (column F) will both auto-update in the same row where you make any Weight Multiple (column E) adjustment.

As a result, the "Score Key" and final "Agency Score" (what you'll care about the most) will also automatically update. Neat, eh?

04 Score each candidate by referring to the questions in column A, then entering a score between 0 and 4 in the "Input Your Score" column (C). The higher the score, the higher your sentiment/opinion.

By considering a quality score range between 0 and 4, we've set the default/target benchmarks to be based on an input score of 3, which ultimately defines the "Strong Candidate" designation in the Score Key.

Please feel free to adjust all formulas as desired, but we believe relative comparisons without changing the Benchmark formula itself will be adequate.

We suggest using the Comments column (G) to make note of anything that may have stood out to you along the way. This is really helpful when you're going through evaluations amongst your team in the final step.

05 Review all the overall scores and meet with your team to discuss results and reach alignment. This is best done when everyone's in the room together if at all possible. The Agency Score Key has some labels you can use to keep everything straight. You don't have to use them if you don't want to (we won't judge). Just remember, the highest score is the most favorable.

That doesn't mean you have to go with the agency that has the highest score. If it's not the right fit for whatever reason, it's not the right fit. It also doesn't mean you can't reach back out to an agency to get some more clarification if you need to. As referenced earlier in this guide, the story behind the numbers is what we're really after.

If the Score Sheet helps you structure or facilitate discussions that bring you closer to making an informed decision, then it's done its job and should prove itself as a highly useful tool.

The rest of this section touches on the most important factors you'll want to pay attention to as part of completing your Agency Selection Score Sheet and/or simply making the best decision on hiring the right agency.

Post-Decision Communications

If your schedule regarding when you'll get back to your agency candidates is still on track, well done! Just make sure you schedule that final internal meeting to fully review the Score Sheet together as a team.

And here's why: in many cases, your intuition may be guiding you in a certain direction... but you may have also noticed high scores (and corresponding notes) that are favorable for agencies you won't be selecting. Before going ahead and notifying your winner, first see if there is anything else you need them to explain further or discuss, based on what you may have liked (and noted) about their competitors. After all, you want to be 1000% sure you've made the right choice.

The best way to let each agency know your final decision is with a phone call (never via email). To keep any future options open with the agencies you are not selecting, we recommend the following:

When Notifying the Winner:

Let them know you're excited to move forward with them and that you'll be contacting the other candidates about your intentions.

If there are any outstanding details regarding (legal) scope and contracting that still need work, consider letting the winner know that even though you don't anticipate any problems, alternate candidates are being asked to be on "standby" to ensure you can successfully complete any remaining diligence and negotiations.

When Notifying Other Candidates:

If it was truly a difficult decision, be sincere and let them know that – and offer a couple of insights about what you noted as their strengths, as well as where they could have been stronger to pull out the win.

Also, inform them that although you aren't anticipating any problems, you would like to be able to re-engage if the opportunity to choose them arises if your final diligence or contract negotiation with the agency you selected uncovers any deal-breakers... or even if you might want to work with them in the future.

Send a follow-up email to thank them again for their participation, and invite them to re-engage at a later time.

Agreement:
Negotiating & Understanding Terms

If you already have a formal Statement of Work (SOW) in hand or even just an outline that includes elements to be referenced in a forthcoming proposal – now is the time to make sure you have a full understanding both of what you'll get and what you'll give.

Statement of Work & Proposal Elements

Generally speaking, it's nice when the agency provides an "Executive Summary" or even just a basic overview page/section that summarizes your goals, objectives, scope highlights, timelines and investment. From there, you should be able to quickly see if anything is missing – and fix it.

Even if you already have an Independent Contractor Agreement template you use or just a Terms and Conditions doc that all of your vendors are expected to abide by – it can be helpful to get an initial SOW/Proposal from your prospective agency in their preferred format first. This can help you better prepare for any possible benefits and challenges that are often part of the process when dealing with legal departments.

Key Elements of a SOW

Scope: Consider this a description of the work you are paying for. The more detail and specifics, the better. Depending on requirements, you may want to see how the work is outlined within a particular process that may include references to roles, tools, timelines, features, and functions. Listing each and every benefit is also fine, as long as you keep it in the context of work achieved.

Now, this isn't applicable to every proposal, but we also like to see some basic ideas for what might be considered out of scope – which can be very helpful to avoid incorrect assumptions. Look for plain language, and never hesitate to ask questions regarding any industry/marketing jargon.

Deliverables: This should list key items you will receive as a result of the Statement of Work being executed. Usually, there are also some deliverables you are responsible for that will be needed in order for the agency to do their job, even if it's something as basic as an approval to move forward.

If you don't see anything about requirements from you, consider asking the agency to include this as part of their SOW/Proposal. This can help better shape the time and resources you have to plan for and provide to prevent unnecessary delays.

Finally, determine if it's to your advantage to include dates alongside deliverables. There can always be a separate Timeline section, but there's nothing wrong with a little redundancy when it comes to everyone understanding expectations.

Timeline: This can cover a whole range of variables, covering everything from specific dates and date ranges to associated milestones (which may include one or more deliverables).

Investment / Fees / Costs: Here is where you outline the total investment, including details about any variance in costs that may fluctuate over time. Ideally, an associated Invoice Schedule will include a table that line items it all down to the description of service, associated invoicing date, payment amount and due date.

Although a separate Terms & Conditions section will frequently reference payment terms, we also like to see them seated somewhere near the Invoice Schedule – for example, stating payment terms of "net 30" in the event receiving payment 30 days from date of invoice is required.

Key Terms & Conditions

Of course, terms and conditions in any given agreement can vary, based on the nature of work and the services provided. For the sake of brevity, we'll touch on several legal elements we see negotiated most often here.

Important disclaimer: We aren't attorneys, which means we really, REALLY recommend you consult with an attorney for any and all legal advice.

Now that we've got that out of the way, here's what we like to consider in agreements we review:

Fees and Payment: Be completely aware of when payments are due and what any associated penalties are regarding late payment. Also consider what might constitute an amendment or "change order" that would incur additional fees. The main thing you'll want to guarantee is that no change order takes place without your prior approval.

Term and Termination: Be aware of any language that binds you to working with an agency over a certain period of time, particularly language that "auto-renews" your initial term in the event a notice of termination isn't received by a certain time.

There are definitely legit reasons for "retainers" that may include multi-month or year commitments, as well as auto-renewal terms put in place to prevent a disruption to necessary services – but you don't want to get caught by surprise.

Terminating an agreement is typically subject to "just cause," meaning you have the right to exit the contract early if there is a breach or failed promise the law would recognize. If you just want the option to get out of it early for any other reason? Start simply by asking the agency for an out "without cause."

If an agency agrees to this, they may push for a 60 or even 90-day notice (or more). That may be OK, but they should be able to explain their reasoning behind this. If the relationship isn't working out after everyone has done their best to salvage it, no one should be stuck in an agreement that requires effective levels of collaboration to be successful.

Restriction on Use / Grant of Rights: A good example of this is the use of graphics, audio and video – which may have limitations regarding how, where and for how long you're able to use what's produced for you. Without getting into the nitty gritty of licensing and creative standards, the point (again) here is not to get caught by surprise.

So, to recap... cover your collective backsides and guard against unwelcome surprises. And have your attorney review everything to be safe.

Compensation & Costs

The more you understand about an agency's structure with respect to fees (compensation) vs. associated costs (tools, third-party, out of pocket, specified mark-ups and so on), the more easily you'll be able to speak openly and honestly about how you are investing.

Here are some common variables you should consider asking about during negotiations:

+ **Hourly rates** – What fees are based on hourly rates, and do they vary based on role?
+ **Flat fees** – What do these pertain to, how are they calculated, do employees track time against them?
+ **Percentage of ad spend / media budget** – What fees are percentage-based, and do they include associated (i.e. additional) costs for use of tools and/or ad platforms?
+ **What are third-party costs?** Are they pass-through costs, or is there a markup? (If so, how much and what for?)
+ **What are the potential options for contracting directly with software/tool providers vs. via the agency** – and how does either scenario work to your advantage?
+ **Are there any rush, crisis-related and/or after-hours fees that might apply?** Are there examples to refer to?
+ **How do change orders or contract amendments work** in terms of pricing and approvals?
+ **What are examples of discounts** that might apply based on volume or economies of scale?

This may all seem like common sense, but you might be surprised at how many people will gloss over a detailed discussion about dollars. Approaching it with these things in mind will help:

Position yourself as an experienced buyer: This sets the stage for effectively negotiating budgets and other terms.

Test an agency's accountability to stated pricing: You should be able to identify consistencies between what's been stated verbally, as well as in writing. Try to get a good impression regarding how firm or loose pricing really is.

Negotiating Tips & Advice

It's to your advantage in the beginning to establish a "relational" approach to business with your potential agency partner, as opposed to a transactional one...especially when it comes to money. Again, this plays to the importance of likeability and trust, which are good things to have in your corner.

Frankly, when it comes to conversations about money, people can get real weird real quick. We've all experienced this to some degree or other with a friend or family member in our personal lives (unless you've somehow been blessed to avoid said awkwardness?), so it should be no wonder this has a tendency to bubble up in our business lives from time to time as well.

Heading it off at the pass requires a balance of empathy and confidence. There's certainly no shortage of content on good negotiation, but here are a few things we like to emphasize.

Expect to give something in order to get something: There's nothing wrong with asking for a price break, and there may be circumstances when an agency offers it for the asking. However, you should expect that if your agency is as smart as you want them to be, any reduction to agreed-upon pricing will also include a corresponding reduction to the amount of work delivered.

A common alternative is a price drop if the agreement term is increased (i.e. signing a two-year agreement instead of a one-year agreement). The point is, just like a good agency partner, you should be willing to give something up in return for a mutual benefit.

Use your words (and your voice): As much as possible, say what you want concisely in a straightforward, matter-of-fact tone. Then immediately pause, and wait until after you've heard from whom you're speaking. If it turns into awkward silence (and it might), don't feel compelled to interrupt the moment. Just let it play itself out.

Email is fine for supporting facts and quick questions, but you should try to handle negotiations via phone or in person. If you're working through a delicate situation, there's often more opportunity for misinterpretation when communication is limited to writing.

What you want vs. when to walk: When it comes time to negotiate, remember you are always in a better position if you go in knowing ahead of time what you are willing to accept before you walk away. Of course, that's not the first thing to bring up in a negotiation!

If an agency has given you stated fees based on 19% of your media spend, and you are willing to accept 17%, you might consider going in and asking for 15% straight away – even if you're pretty sure the answer will be no. Counter with 16%, and it could be your second no.

But guess who doesn't want to say no again? (Spoiler alert: it's the agency.) Any time you can frame a request with the idea of "meeting you halfway," it's harder to say no. In this instance, 17% would be that halfway point based on the stated fee, and consistent with what you were willing to accept from the start.

If some of this feels a bit gimmicky, that's because it is. However, that doesn't mean it isn't legit – as most businesses expect an opportunity to negotiate. So yes, it's a bit of a game to play (and it can be fun at times), but it's definitely not one played in the hopes of gouging, or taking advantage of, the people you want to work with.

Everyone wants to feel like they are getting a deal, but it shouldn't be to the detriment of the other party. In fact, it should be just the opposite – you should want your agency partner to be financially healthy, which can directly impact their service levels, ability to keep key team members, make new investments to keep their clients competitive... the list goes on.

If price is what you pay, but value is what you get – consider how good you feel about the value delivered at one price point vs. another. Also, remember just because two agencies have the same or similar pricing doesn't mean they are offering the same (or even similar) value. You have to be crystal clear on this so you don't walk away from, or choose, an agency for all the wrong reasons.

And that's it for this edition of our Marketing Agency Buyer's Guide. It's a wrap. Done and dusted. Totally cashed.

We truly hope this gives you the extra tools and guidance you need to make the right decisions for yourself, your company, your brand and your future. If there's something missing, we'd love to hear from you what should/could be added to future updates to make it even more helpful (email Jason at buyersguide@room214.com).

We'd also love to hear your success stories of how you utilized what's herein to land the agency you've been looking for.

Thanks for reading, and good luck in your agency selection!

Tools & Resources

Agency Hiring Checklist: Use this as your 12-step guide to tracking and following all activity included in the guide. ⬇download

Agency Selection Scheduler/Planner Template: Use this as a basic Gantt chart and planning document to help you organize and share your timing with others. ⬇download

Self-Assessment Worksheet: Use this to get everyone on the same page when it comes to goals, priorities, roles and functions. ⬇download

Agency Roadmap Questionnaire: Use this to weigh the important options and preferences for agency qualification. Along with your Self Assessment, this will come in handy when you're putting together your RFI and RFP docs. ⬇download

RFI Template: Use this to solicit the interest of agencies, collect introductory rounds of information to validate assumptions and narrow the number of candidates receiving a RFP. ⬇download

RFP Template: Use this to define more detailed requirements and parameters by which your "shortlist" of agency candidates may respond. ⬇download

Agency Shortlist Template: Use this to prioritize the list of identified agencies that you'll plan on sending a RFI and/or RFP. ⬇download

Agency Selection Score Sheet: Use this to organize, evaluate, score and compare responses from agencies at any stage of your selection process. ⬇download

About Room 214

We help you think offense. Always.

Born digital in 2004, Room 214 is a Boulder, Colorado-based marketing agency specializing in everything from social media and consumer content marketing to eCommerce and lead generation for B2B companies worldwide. We've been named to Outside Magazine, Ad Age and Inc.'s Best Places to Work lists. We are a Premier Google Partner and HubSpot Gold Partner – and we (literally) wrote the Amazon best selling book on Transformative Digital Marketing.

Here are a few ways to further connect with us:

- Interested in the basics? Hit our contact page or download our capabilities deck
- Thinking "these might be the kind of people I'd like to work with"? Just schedule a call with Daniel Paul (that rhymes, so you won't forget)
- Got feedback for the lead author or are interested in potential workshops that might include him as a guest? Email buyersguide@room214.com
- Just want to stay smarter? Subscribe to our monthly digital trends report