Keeping Business Relationships on Track:

An Interview with Simon Rhind-Tutt of Relationship Audits & Management

Simon Rhind-Tutt

Simon started his career in advertising with Benton and Bowles, working with blue-chip clients like Sony and General Foods before moving to Young and Rubicam — where he won an advertising effectiveness award for Fine Fare Supermarkets.

He subsequently joined Grey Advertising, where he became the first marketing director in a major advertising agency, and was part of the team that doubled the agency's size in three years.

Simon's career then took him into the design industry where he became marketing director of Michael Peters — which was then Europe's leading independent agency.

Two years later he set up his own packaging design company — Wickens Tutt Southgate — which rapidly became a top ten agency with a profile to match.

Simon sold his part of the business to set up Relationship Audits & Management at the end of the nineties.

In the current environment, the art of managing, developing and measuring the sometimes delicate state of business relationships is now a much-prized skill. Small wonder, since it's estimated that it's up to 20 times easier to get work from existing clients than to win new business.

Simon Rhind-Tutt, co-founder of Relationship Audits & Management (RA&M), has been at the forefront of assessing the state of these client/agency relationships since the firm launched just over a decade ago.

It advises not just clients who wish to benchmark and assess the quality of their agency relationships but also agencies which, with the help of an independent and well-informed third party, look to do the same. The format is either an independent assessment of the client/agency relationship or a system of training and licensing the methodology to the consultancy's clients to practice themselves.

We asked him about some of the key issues at play in this critical area of business.

Q: Last year, RA&M conducted over 7,000 assessments across the world, which gives you a privileged position to understand the dynamics of most business relationships. Why is measuring the state of a relationship so important?
R-T: New business can be very hard to come by in a highly competitive market, while losing a big client can have a massive impact on a company's fortunes. One agency's clients are, after all, another's targets. So determining the state of a relationship is all about asking the right questions. It's easy to focus on just the hard deliverables, which are important in any business-to-business relationship, but you can't afford to lose sight of the impact made by softer issues.

A study by Bain & Company found that between 65% and 80% of service buyers said that they were satisfied or very satisfied in the last customer satisfaction survey they completed for the service provider before they fired them. So our approach tries to guard against this, when auditing client/service provider relationships, by using a range of methods to delve more deeply into what is really going on.

Q: What frustrates clients most about their agencies?
R-T: Clients want their agencies to understand their business. This issue comes up in 90% of all RA&M interviews. This is hardly surprising, since an agency can't add value without having a clear picture of the business and the client's position in it.

Q: What are the fastest-growing areas of concern among clients?
R-T: In two words, brevity and accessibility. They're busier, there are fewer of them with greater responsibilities, and they increasingly possess shorter attention spans.

The other side to that is, because the pace of change is quickening, speed to market is becoming a competitive point of difference for clients. So they want to reach their suppliers or partners at the precise moment they need to — and not be fobbed off with voicemail or out of office messages.

The best agencies or suppliers are those who strive to understand how the client's time is spent and maximise what time they do have by delivering the right work at the right time based on a deep understanding of the client's business.

Q: Is the way agencies present to clients changing?
R-T: Definitely. Clients are facing PowerPoint overload. We are detecting a real desire for a return to good, old-fashioned storytelling — something that can inject greater emotion into the sell than a bland list of mechanical facts.

Q: What advice would you give agencies wanting to keep their client relationships as strong as possible?
R-T: We have found that quality of service is a contributory factor to 70% of client defections. So setting the standards and monitoring their effectiveness can make or break client relationships.

Too many agencies or suppliers don't attempt to set standards which define quality of service or communicate them to new and existing client relationship managers — let alone measure them. In most cases, it's just 'left to happen'. But standards can't be just imposed by senior management. They have to resonate with every staff member.

The other piece of advice is never to mistake client satisfaction for client commitment. Client satisfaction is never enough to stop clients walking out the door. Those who manage client relationships should push themselves to aim for and measure something more ambitious such as client commitment.

Agencies that identify the type of relationship a client wants from the start, focusing on doing it really, really well and who then avoid complacency by constantly monitoring and measuring the state of its health, will prosper.

I think we all could learn from the famous George Bernard Shaw quote when he said, "The only man I know who behaves sensibly is my tailor. He takes my measurements anew each time he sees me.