

## **7 Reasons Marketing Agencies Are to Blame When Clients Leave**

Client retention is hard. Despite your best efforts, some client-agency relationships won't go as planned, and partnerships will dissolve. There are many factors that come into play—both from a client and agency perspective.

Understanding these reasons can help your agency avoid and overcome obstacles, and can contribute to more long-term, stable relationships. The following are seven reasons why your agency may be to blame when clients leave.

### **1. Financial Instability**

Desperation is a very dangerous thing in business. Agencies in difficult financial positions may be forced to cut corners on staffing, take on bad accounts that distract from the good ones, and make decisions that are not in the long-term best interest of clients.

Because of this, successful client relationships start with solid bookkeeping and financials. Ensure that you have a strong cash flow, profits, and/or funding to lay a good foundation for client accounts to flourish.

### **2. Focusing on Outputs, Not Outcomes**

Agencies that focus primarily on deliverables and lack systems to show how those outputs affect meaningful business metrics will have a hard time proving their worth to clients. Instead, adapt strategies based on performance, obsess over data, and commit to exceeding ROI expectations.

### **3. Overpromising, Underdelivering**

Most relationships that go bad are doomed from the start. In many cases, it is because the agency overpromises what it can achieve for a client. Expectations get set too high, and when the agency does not deliver, the client is forced to move on.

### **4. Siloed Services**

Siloed activities within your agency create disconnected customer experiences. Strategies cannot be built in isolation if marketers want to maximize ROI. There has to be an integrated approach to a cohesive marketing strategy.

### **5. Stagnant Business Model**

Senior marketers believe traditional ad agencies are doing a good job of evolving and extending their service capabilities in the digital age." If an agency is stuck in legacy

systems and taking an obsolete approach to targeting audiences, then clients often need a change of direction to create the compelling customer experiences they desire.

## **6. Being Stretched Too Thin**

Financial difficulties, mismanagement, and challenges scaling to meet market demand can all contribute to agencies being stretched too thin. In all cases, it is the client that suffers. If overexerted over extended periods of time, morale, culture, productivity and performance are all negatively impacted, which can cause clients to leave.

## **7. Talent Turnover**

The greatest value you can give clients is to stock their account teams with top-notch, digital-savvy professionals. That said, if you struggle to retain your best talent, then clients have no reason to stay.