



# Supplier Relationship Review – Case Study

## WHY?

We were brought in to help answer the question ‘Is being with one recruitment media agency better than having your work spread across two?’ Our client’s business was split between a traditional recruitment advertising agency and a specialist recruitment digital agency. Our client was about to re-tender their business and wanted some help understanding the answer to this question, coupled with help in measuring one agency pitch vs another.

## WHAT?

MEDIA INTELLECT was asked to review the incumbent agencies, help write and manage a tender document process, and help devise a score card to evaluate the agency pitches, and identify and invite all relevant agencies to pitch.

## HOW?

We carried out a needs analysis of our client to learn what was important to them in their relationship with a supplier; how they viewed their business currently and how they saw their business/industry in the future. We posted the tender in the relevant media journals and on websites, and approached a number of agencies we thought might fit the brief, inviting them to complete the tender document.

We then began the selection process by evaluating the written submissions measured against an agreed score card drawn up between MEDIA INTELLECT and the client. In the next round MEDIA INTELLECT visited a short list of the agencies, meeting the individual who would be working on the account, again measured against a pre-determined score card. This group of agencies were also invited to present to a small panel made up of senior people representing the client. Though cost is always important, in this event it was left off the criteria as the client was more interested in the potential working relationship, with the view that with the right people/agency in place they could directly add to their bottom line. Only when the agencies were chosen did we discuss cost models and negotiate to arrive at a workable, fair formula for all parties.

## RESULT

With MEDIA INTELLECT’s input our client was able to conclude that they had the best process in place to achieve their business goals for the coming years. The creation and subsequent auditing of SLA’s agreed by both parties being policed by MEDIA INTELLECT meant that all parties felt they had an independent adjudicator when issues arose.

The client was taken on a media journey and in doing so began to realise their role in this partnership and the need for ‘best practise’ to be adhered to by both sides. MEDIA INTELLECT established a new financial model where the agencies were rewarded for achieving efficiency targets agreed up front by both parties.

The research proved that in this instance it was best to have two agencies. One for traditional space and the other digital. The new structure delivered an overall saving year-on-year of 18% of the clients media spend.