Understanding business relationships in the personal care category

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aprais

Relationships matter

Over the years, we have compiled extraordinary evidence that stronger relationships build stronger business because they:

- produce higher quality, more effective work
- are more cost-efficient
- · build valuable shared knowledge
- motivate staff to go the extra mile for each other
- bridge the gap between corporate cultures
- expand the scope of work
- instil more trust.

It's clear, then, that team relationships are important, both internally and with external stakeholders.

But how are these business relationships affected by their marketing category? And how can teams in the personal care category improve? "Through regular communication and friendly management of the relationship, the [client] team creates a fantastic work environment for our people."

Personal care agency lead

Categories matter

Client-agency team relationships are significantly influenced by the marketing category in which they operate.

Each marketing category possesses unique characteristics, challenges and dynamics that directly impact how clients and agencies interact and collaborate.

Personal care

This category encompasses products that are intimately tied to an individual's wellbeing and self-image, which intensifies the impact of the dynamics between clients and agencies.

Positive effects arise from the emotional resonance of personal care products. Clients, often manufacturers, are deeply invested in their brands and products, cherishing their contribution to consumers' lives. Consequently, they seek agencies that demonstrate a profound understanding of their mission and values. A strong alignment fosters a shared purpose, making collaboration more effective and enjoyable.

Additionally, the personal care sector thrives on innovation and evolving consumer preferences, which provides opportunities for creative and adaptive agencies to showcase their expertise, reinforcing the client's trust.

The category can also present significant challenges, however.

Consumer needs and preferences differ by market and region based on varying definitions of beauty.

Given the emotionally charged nature of these products, disagreements may escalate due to differing viewpoints on how to handle or portray sensitive topics or concerns about potential controversies.

This can strain relationships, impacting the overall synergy between the client and agency.

Moreover, the competitive nature of the industry places immense pressure on agencies to deliver exceptional results, often within strict timelines and budgets.

Marketer clients are also under extreme pressure to deliver results. Expectations are high and can lead to frustration and discontent.

About this report

This report is based on our experience advising some of the world's leading marketers and agencies in the personal care category. It is part of a series focusing on business relationships in 11 of the product and service categories we have evaluated.

The analysis is extracted from a database of more than 26,000 evaluations Aprais have conducted globally over the past two decades.

Our quantitative evaluations use a 100-point scale that enables us to create accurate benchmarks for comparison, trends and insights.

We also analyse the qualitative comments entered with each evaluation to provide context to the scores.

This report will examine team characteristics that set the best teams apart from the rest. It will cover both marketers and agencies in the personal care category.

Personal care versus all categories

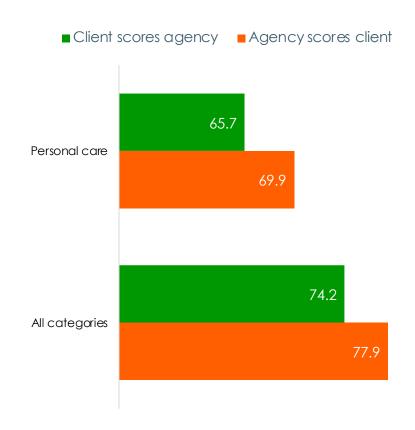
Across all categories and most regions of the world, our data shows that agencies score their marketer clients higher than clients score their agencies when assessing their relationships. This is the case in personal care.

The global average across all categories for marketers scoring their agencies is 74.2, whereas agencies score their clients 77.9.

Generally, we find that businesses in less-regulated categories like non-alcoholic drinks and confectionery tend to have more positive views of their relationships than those in more technical and regulated categories such as healthcare and finance.

As the graph indicates, personal care is a tough-scoring category (like healthcare and finance). This may reflect the complex social issues the industry must navigate.

Keep in mind that a perfect relationship should result in the same score for both parties. Few relationships are perfect, however, and in the case of client-agency, many are not equal.



Team characteristics – functional disciplines

At Aprais we use two main concepts to identify, compare and improve team characteristics:

- Functional disciplines: On-the-job skills, using one's knowledge effectively and readily in execution or performance.
- Behaviours: The way in which teams conduct themselves or behave.

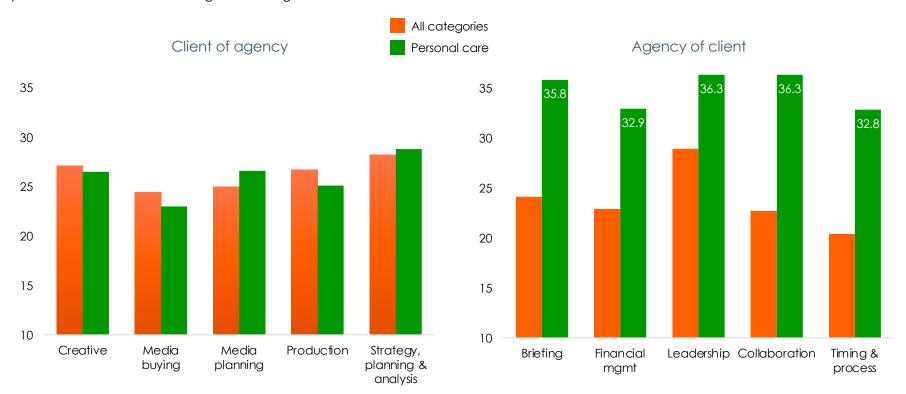
The charts below show the gap in scores between the top 10% and the bottom 10% for a selection of disciplines, and compare the gap in personal care with the all-categories average.

What does this tell us?

The height of the bars indicates the extent of opportunity for poorperforming teams to close the gap on their best-performing rivals.

The most extraordinary observation is that in the personal care category, there is a greater opportunity for marketers to close the gap to rivals than for agencies.

Across all the disciplines shown in the chart, clients have considerable room to improve.



Source: All-categories 26,000 Aprais evaluations.

Team characteristics – behaviours



Through rigorous analysis of our extensive database, we have defined seven behaviours that have the greatest influence on team performance¹.

This chart compares the behaviours of each team in the personal care category.

Typically, agencies score their clients higher, but take note of where there are greater or lesser differences between the two.

Trust is often the highest-scoring behaviour, underscoring its importance to all relationships.

In the personal care category, marketers give agencies particularly low assessments for functional skills (64.4), resilience (64.3) and challenge (60.1). Agencies find their marketer clients wanting in terms of challenge, too (64.5).

Accountability – Sets and takes responsibility for actions.

Challenge – Uses initiative to challenge the status quo and does not allow conflict to go unaddressed.

Communication – Regular dialogue to ensure facts are shared in a timely fashion.

Functional – Competence to do the day-to-day work.

Goals – Clear objectives are in place, information is shared, the team is stretched and success measured.

Resilience – Can withstand and bounce back from a crisis.

Trust – The team is trusted to deliver and behaves with integrity.

¹ Reports: <u>Seven behaviours that set the best teams apart from the rest.</u>

In summary

The marketing category in which a client operates significantly affects the client-agency team relationship. Understanding the unique characteristics, challenges and dynamics of each category is crucial for building strong and successful partnerships.

Personal care is a tough-scoring category, possibly due to the sensitivity surrounding many aspects of this category.

Although agencies have similar scores to the all-categories averages, creative and strategy, planning & analysis are areas where agencies can improve against their peers.

The skills of personal care marketers are scored lower than other categories, providing opportunities to improve. The largest gaps are in leadership and collaboration.

Both parties expect more in terms of challenging behaviour from each other. Additionally, agencies need to pay more attention to improving functional skills and resilience.

The personal care category profoundly influences client-agency team relationships due to its emotional connection with consumers and the competitive landscape.

By recognising and embracing the unique dynamics inherent in this sector, both clients and agencies can navigate challenges and leverage opportunities to build lasting, successful partnerships.

"Very strong knowledge and understanding of the business, brand and target consumer. The team continues to contribute very well to the creation of our communication strategy."

Personal care marketer

Building stronger teams

How agencies can do better

- 1. Become a subject-matter expert in the category. In a world of generalisation, specific industry knowledge is valued.
- 2. Know the criteria that won you the business. Measure and monitor them to ensure you keep up with the client's expectations.
- 3. Make sure the team is aware of the criteria for good performance and is challenged to deliver on them.
- 4. Be enthusiastic about the client's business. People who are interested and engaged in a brand or category are likely to deliver better work.
- 5. Acknowledge and respect client members at all levels. Problems at a junior level can become senior headaches.
- 6. Be courageous and transparent. If you disagree, say so. All good relationships are built on trust.
- 7. Tackle issues before they become problems. Regular and frequent client-agency evaluations provide an objective platform for open dialogue.
- 8. Never be complacent. Think of all the other agencies who would love your client.
- 9. Have a 'can do' attitude. But if you say 'yes' be sure to deliver. If you deliver on your promises, the client is more likely to accept those times when you have to say you 'cannot'.
- 10. Good work is the best insurance. Effective solutions seal partnerships and provide great momentum and stickiness in a relationship.

How marketers can do better

- 1. Set mutually agreed, realistic and quantifiable objectives.
- 2. Instigate a regular 360° review of progress against these objectives.
- 3. Push for directness, trust and chemistry between the agency and client teams.
- 4. Make sure there are equally talented people on both sides who are motivated by shared incentives and principles.
- 5. Demand ongoing, transparent feedback in both directions.
- Always respond to work with the positive first. Get cycles of positivity going, then turn the conversation to more critical feedback.
- 7. Empathise with their pressures. Care about the issues and celebrate their achievements. Forgive them their foibles and try to see things from their point of view.
- 8. Give agencies the opportunity to get under the skin of your business. Allow them to immerse themselves in every aspect of your operation. Enable them to understand your culture and openly share information and intelligence with them.
- 9. Create an atmosphere of excellence. Demand excellence. Inspire excellence. Recognise excellence and reward it.
- 10. Encourage your agencies to work together. Relationships that are better orchestrated can deliver substantially better performance.

Other reports

This report is one of a series focusing on how team relationships are affected by marketing category.

The first report introduces the topic.

The other reports each focus on an individual category and cover the behaviours and disciplines that set the best teams apart from the rest in that category.

- 1. Automotive
- 2. Banking & insurance
- 3. Confectionery
- 4. Food
- 5. Healthcare
- 6. Drinks (non-alcoholic)
- 7. Personal care
- 8. Petcare
- 9. Retail
- 10. Telecoms
- 11. Wine, beer & spirits

Download the report for your category <u>here</u>.























About Aprais

We are the global pioneers in building stronger business relationships.

Since we established the category 20+ years ago we have advised the world's leading marketers and agencies on more than 26,000 evaluations, with multiple clients in over 70 countries, in 13 languages.

This has enabled us to build a large bank of data that allows companies to accurately compare their business relationships with those of their peers.

Contact us

Request a free consultation for your organisation: aprais@aprais.com

Learn more: www.aprais.com

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