



ISSN Print: 2394-7500  
ISSN Online: 2394-5869  
Impact Factor: 8.4  
IJAR 2023; 9(6): 258-261  
[www.allresearchjournal.com](http://www.allresearchjournal.com)  
Received: 19-03-2023  
Accepted: 25-04-2023

**Dr. Asok Biswas**  
Professor and HOD,  
Department of Journalism and  
Multimedia, CGC Jhanjeri  
Mohali, Punjab, India

## Client turnover depends on client feedback, which is the capital of a stable advertising agency

**Dr. Asok Biswas**

### Abstract

The situation of changing the agency arises even when a thorough selection process has been used, and the various guidelines for liaison and coordination with the agency have been followed in the right spirit. A change of agency may be required when a higher standard of creativity is sought. A change is also indicated when account handling is inefficient and the required follow up and feedback is lacking. Sometimes, it may be possible for the agency to remedy such a situation by changing the account team.

**Keywords:** Client feedback, friedman ANOVA, perception of ad-agency, client turnover, grouping of ad-agencies

### Introduction

In any of the above situation or a combination of these, the client must ascertain facts and discuss matters candidly without intimidating the agency. If the situation can be remedied, it would be desirable for both parties. If there is genuine need for a change, the agency must appreciate the clients' point of view and agree to the parting of ways as professionals. From this study, the following are the tabulated client turnover factors identified and the response given by the clients and agencies analysed.

### The following are the other possible reason for client's turnover

- When the client is looking for an agency, which has more knowledge regarding the clients business and markets.
- When the agency has become rather complacent owing to long association or other reasons. Unless the steady level of enthusiasm in account handling is maintained, good advertising cannot be produced.
- If an agency keeps on chasing new accounts, there is genuine cause for concern for the client. Such an agency will not have adequate commitment to the existing clients.
- If an agency cannot retain good personnel, and teamwork is lacking in it, a change may be considered. However, certain turnover in staffing is inevitable and perhaps necessary.

### Clients Turnover

#### (A Comparison between Ad-Agencies and Clients Response)

Table 1: presents the results of Friedman ANOVA and Kendall's W along with calculated rank for each of the item. The table shows that the coefficient of concordance values of 0.7740 and 0.9231 respectively for both ad-agencies and clients in respect of their ranking score are very high. The Friedman ANOVA chi-square values, 232.20 and 553.86 respectively for both ad-agencies and clients are also very much higher than the table value of 26.62 at 1 per cent level of significance for degrees of freedom 12.

The above results of Friedman ANOVA reveal that there is no systematic difference in the ranking pattern of both ad-agencies and clients and the high Kendall's 'W' for both ad-agencies and clients divulge the fact that there is a significant relatedness in the ranking of the 'Client turnover' measurement items among ad-agencies as well as clients.

**Corresponding Author:**  
**Dr. Asok Biswas**  
Professor and HOD,  
Department of Journalism and  
Multimedia, CGC Jhanjeri  
Mohali, Punjab, India

**Table 1:** Results of Friedman ANOVA and Kendall’s Coefficient of Concordance for Ranking Scores of Ad-Agencies and Clients over ‘Clients Turnover’

Sl. No	Clients Turnover Items	Ad-Agencies (0=25)			Clients (n = 50)		
		Average Rank	Sum of Ranks	Rank Obtained	Average Rank	Sum of Ranks	Rank Obtained
1	Account not profitable	2.7	68.5	3	1.9	95.0	2
2	Poor account servicing	3.4	84.0	3	3.0	148.5	3
3	Lack of coordination	6.1	153.0	6	4.6	229.0	5
4	Creativity	3.0	75.0	3	2.2	112.0	2
5	International tie-up	7.7	192.0	8	6.3	314.5	6
6	Lack of confidence	3.2	79.0	3	7.6	377.5	8
7	Scientific media planning	9.9	248.0	10	11.1	552.5	11
8	Problem in media buying	11.4	286.0	11	12.3	616.0	12
9	Past experience	6.7	168.5	7	3.7	186.0	4
10	People in the agency	7.0	174.5	7	8.6	429.0	9
11	Reputation of agency	7.2	179.5	7	7.8	391.0	8
12	Interest in new media	10.0	251.0	10	10.6	532.0	11
13	Number of branch office owned by agency	12.6	316.0	13	11.3	567.0	11
Kendall’s W (Coefficient of Concordance)		0.7740			0.9231		
Friedman ANOVA Chi-Square Value		232.20**(12)			553.86**(12)		

Source: Primary Data "Significant at 1 per cent level"

Figures in brackets shows the degrees of freedom  
 Table value of Chi-square for d.f. 12 at 5% level = 21.03  
 and at 1% level = 26.22  
 Comparison of ranking perception of ad-agencies and clients regarding ‘client’s turnover’

The ranking perception of ad-agencies and clients in respect of ‘clients turnover’ is compared through the rank sum scores of the data collected using non-parametric independent sample test ‘Mann-Whitney U test’ and the results of the above analysis are presented in the table 6:5.

**Table 2:** Results of Mann-Whitney ‘U’ Test between Rank Sum Scores of Ad-agencies and Clients for ‘Clients Turnover’ Measurement Items

Sl. No	Clients Turnover Items	Rank Sums		‘LI’ Test Value	‘Z’ Value
		Ad- Agencies (n = 25)	Clients (n = 50)		
1	Account not profitable	1704.0	1146.0	429.0*	-2.26
2	Poor account servicing	1838.5	1011.5	563.5	-0.70
3	Lack of coordination	1793.5	1056.5	518.5	-1.21
4	Creativity	1830.0	1020.0	555.0	-0.82
5	International tie-up	1833.5	1016.5	558.5	-0.75
6	Lack of confidence	2306.0	544.0	219.0**	-4.65
7	Scientific media planning	2046.0	804.0	479.0	-1.66
8	Problem in media buying	1976.5	873.5	548.5	-0.88
9	Past experience	1530.5	1319.5	255.5**	-4.29
10	People in the agency	2108.0	742.0	417.0*	-2.36
11	Reputation of agency	2042.0	808.0	483.0	-1.63
12	Interest in new media	2080.0	770.0	445.0*	-2.05
13	Number of branch office owned by agency	1547.5	1302.5	272.5**	-4.05

Source: Primary Data

\*Significant at 5 per cent level; \*\*Significant at 1 per cent level. Table value of Z at 5% level = 1.96 and at 1% level = 2.57

**Null hypothesis**

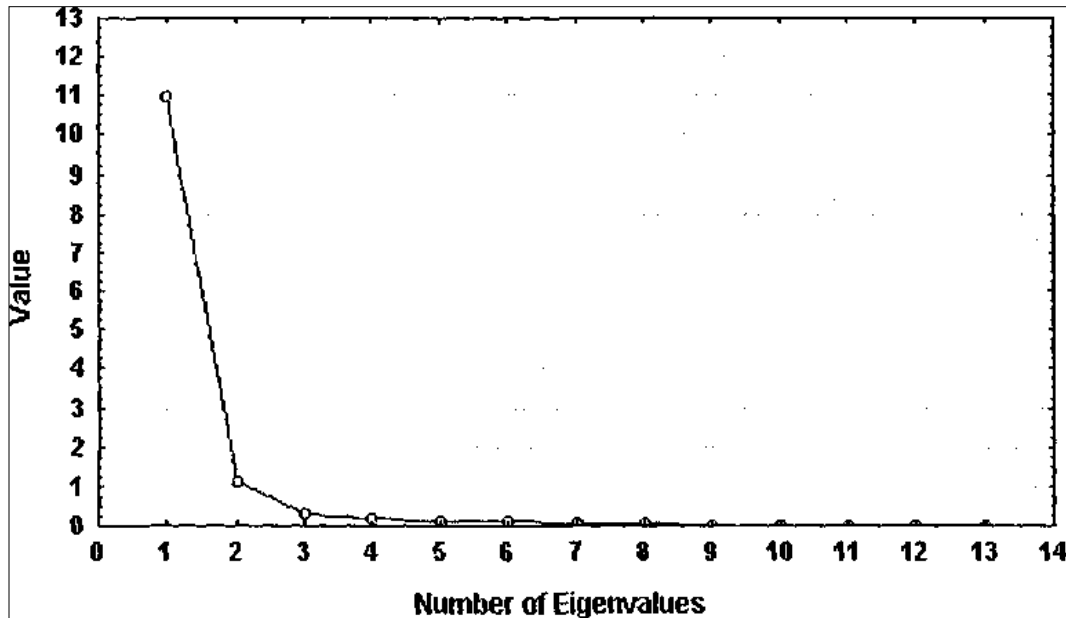
**H<sub>0</sub>:** There is no significant difference between ad-agencies and clients in respect of their rank sum scores of the ‘client’s turnover’.

From the table 6:5, it can be observed that among 13 items, for only 6, namely, ‘Account not profitable’ (‘U’ value = 429.0; |Z| value = 2.26 - Significant at 5 per cent level), ‘Lack of confidence’ (‘U’ value =219.0; |Z| value = 4.65 - Significant at 1 per cent level), ‘Past experience’ (‘U’ value = 255.5; |Z| value = 4.29 - Significant at 1 per cent level), ‘People in the agency’(‘U’ value = 417.0; |Z| value = 2.36 - Significant at 5 per cent level), ‘Interest in new media’ (‘U’ value = 445.0; |Z| value = 2.05 - Significant at 5 per cent level) and ‘Number of branch office owned by agency’ (‘U’ value = 272.5; |Z| value = 4.05 - Significant at 1 per cent level), significant difference between rank sum scores of ad-agencies and clients exist. The remaining 7 items show the insignificance difference in the respective rank sum scores between ad-agencies and clients.

Since majority of the items has shown insignificant results, overall it can be concluded that significant difference between Ad- agencies and Clients in respect of their rank sum scores in relation with the ‘Client turnover’ does not exist and hence the null hypothesis is rejected.

**Comparison of latent structure of ranking perception on ‘client’s turnover’ between ad-agencies and clients**

The identification of underlying aspects (dimensions) of ‘clients turnover’ for ad-agencies and clients is done through factor analysis ranking scores and results are presented in Table 6:6. The analysis shows that ranking scores of ad-agencies are composed of two aspects and that of clients are composed of a single aspect in relation with ‘client turnover’ measurement items. The scree plot is given only for ad-agency as there is more than one extractable factors and plot for clients is not given as all the items are falling under single aspect.



Graph 1: Scree Plot for Clients Turnover (Plot of Eigenvalues - Ad-Agency Perception)

Table 3: Factor loadings of ‘Clients turnover’ Measurement Items with Extracted Factors for Ad-Agencies and Clients

Sl. No	Clients Turnover Items	Number of Factors Extracted		
		Ad-agencies		Clients
		Factor 1	Factor 2	Factor
1	Account not profitable	0.91	0.35	0.91
2	Poor account servicing	0.89	0.42	0.95
3	Lack of coordination	0.72	0.66	0.96
4	Creativity	0.88	0.41	0.92
5	International tie-up	0.72	0.66	0.98
6	Lack of confidence	0.87	0.31	0.97
7	Scientific media planning	0.35	0.92	0.95
8	Problem in media buying	0.39	0.89	0.93
9	Past experience	0.84	0.43	0.89
10	People in the agency	0.82	0.49	0.98
11	Reputation of agency	0.63	0.76	0.90
12	Interest in new media	0.63	0.65	0.88
13	Number of branch office owned by agency	0.32	0.90	0.97
Eigenvalue		6.7337	5.3149	11.4846
Proportion of Total Variance		0.5180 (51.80%)	0.4088 (40.88%)	0.8834 (88.34%)

Source: Primary Data

Note: High factor loadings of an item with extracted factors are boldfaced and Item having almost equal loading in all the factors is not boldfaced (here item 11 is not considered)

Table 3: presents the factor loadings of each of the ‘client’s turnover’ measurement items with two newly extracted factors for ad- agencies and one for clients. Observation of the table clearly reveals that ranking perception of ad-agencies comprises two aspects (as there is two newly extracted factors with eigenvalue above 1) and that of clients comprises just one aspect regarding ‘clients turnover’. In respect of ad-agencies ranking perception score, items 1 to 6, 9 and 10 are highly loaded with values 0.91, 0.89, 0.72, 0.88, 0.72, 0.87, 0.84 and 0.82 respectively on Factor 1, and items 7, 8, 11 and 13 are highly loaded with values 0.92, 0.89, 0.79 and 0.90 respectively on Factor 2. The proportion of total variance accounted for by factor 1 and factor 2 in measurement items are 51.80 per cent and 40.88 per cent respectively and both factors together explaining 92.68 per cent of the total variance. Factor 1 and Factor 2 of ad-agencies are respectively named as ‘management approach’ and ‘reputation’.

Regarding clients, it is very clear that all measurement items have high loadings with selected factor and proportion of total variance explained for by the factor alone 88.34 per cent in the ‘client turnover’ measurement items.

Hence from the above results, it can be interpreted that ad-agencies’ ranking perception on ‘client turnover’ is falling mainly under two aspects, such as (1) management approach and (2) reputation and perception of clients is falling under only one aspect ‘client turnover’. As a final word, one can say that there exists difference between aspects of ad-agencies and clients over ‘client turnover’.

**Classification (grouping)of ad-agencies by their perception of ‘client’s turnover’**

The mean values of distinct group of ad-agencies classified using cluster analysis based on their ranking perception of “Client turnover” are presented in Table 4.

**Table 4:** Cluster Mean scores of Various Measurement Factors considered by Ad-agencies regarding 'Client Turnover'

Measurement Items	Cluster Means	
	Cluster 1 (N=18) Creativity & Account Service	Cluster 2 (N=7) None
Account not profitable	2.50	7.43
Poor account servicing	2.72	8.71
Lack of coordination	4.78	9.29
Creativity	2.56	8.29
International tie-up	5.50	11.00
Lack of confidence	2.78	7.14
Scientific media planning	9.06	11.00
Problem in media buying	10.17	12.14
Past experience	4.94	10.29
People in the agency	4.17	11.86
Reputation of agency	5.61	10.29
Interest in new media	8.22	11.86
Number of branch office owned by agency	11.72	13.00

(N=25)

**Source:** Primary Data**Note:** Scores are in rank. Average rank values below 4 and remarkable difference with other cluster group are boldfaced

Table 4: brings out the restrained attitude of the cluster 2 group of ad-agencies towards factors connected with 'Clients turnover because cluster mean values for all those factors are above 7, a very low preferred rank value. This shows the clear dissimilarity between cluster 1 and cluster 2 group of ad-agencies regarding 'clients turnover', cluster 1 groups show their preferences towards the factors 'account not profitable' (mean = 2.50), 'creativity' (mean = 2.56), 'poor account servicing' (mean = 2.72) and 'lack of confidence' (mean = 2.78).

So, the above results clearly envisage the existence of dissimilarity among ad-agencies dividing into two groups, one identified as 'creativity and account service observant' and another as 'none'. These groupings are used in cross tabulation with other grouping of ad- agencies to find out association between them.

### Conclusion

Sometimes, it may be necessary for an agency to resign from the client. This could be because, if the agencies are honest in assessment, it is not doing a good job for the client. It may be obligatory for an agency to resign an account if it is not making a satisfactory profit out of a client. A situation, although not very common, may arise when the client affected due to important person in the agency to leave organization. In that time it would be prudent for the agency to resign from such an account is good.

### References

1. Geard Tellis J. Advertising and Sales Promotion Strategy, Addition- Wesley Inc, New York.
2. Jaishri Jethwaney N. Advertising Phonix Publishing House Pvt Ltd., New Delhi-11001.
3. Manendra Mohan. Advertising Management Concepts and Cases, Tata McGraw Hill Publishing Company Ltd., New Delhi. Martin. P. Davis: The Effective use of Advertising Media, Hutchinson Business, London; c1993.
4. Thomas CO'Gvinn Chris T Allen, Richard Semenik J. Advertising, South-Western College Publishing, San Francisco 2<sup>nd</sup> Edition; c2000.
5. Wells Burnett Moriarty. Advertising Principle and Practice, Prentice Hall International Inc., London.

6. Kazmi SHH, Satish Batra K. Advertising and Sales Promotion, Excel Books, New Delhi - 110028, First Edition; c2001.