Choosing the Wrong Ad Agency can have Dire Consequences

The services you engage can make or break your paid campaigns. James and Teach Traffic's Ilana Wechsler share tips to inform your ad agency selection.



Ilana Wechsler

James: James Schramko here. Welcome back to my podcast. This is episode 1030. That's 1030. Today, we are talking about choosing the wrong agency and how that can have dire consequences for your business. Of course, when it comes to traffic agencies and traffic techniques in general, my go-to resource is Ilana Wechsler. Hello, Ilana, good to see you.

Ilana: Hey, James, how are you going?

James: Good. You're over there at teachtraffic.com. And you've been helping people behind the scenes sort out their traffic. And I know you've been doing the AdWords, Facebook, YouTube. You've run an agency; you still have a bit of agency stuff going on. But you've also been helping people learn how to do it themselves.

In that regard, I bet you've seen some horror stories of when people come to you, they arrive on the doorstep, they're like, Ilana, knock, knock, knock. Would like to come in to Teach Traffic. Can you show me the way? What do you discover when you lift up the curtain on what the agencies have been doing with that client?

Ilana: Oh my God, James, like, how long have you got? I've seen everything under the sun. Seriously. Okay. So, interesting backstory. I actually used to teach Google Ads at Sydney University for a long time, not part of like a degree, but they had this sort of external arms, I was teaching business owners.

I used to run these full day workshops, teaching them called Google Ads, about 30 people in the room each time, and no joke, there would be at least one person in that room, each workshop that I ran, that had fallen for some of the traps that I'm going to talk about in this episode.

The classic mistake that business owners fall into, and look, full disclosure, like I would probably too, fall into this trap if I didn't know any better. So if you're listening to this and thinking, Oh, my God, how did I miss this? Don't worry. It's really, really common, and I probably would have done the same.

James: That's where we say, it's not your fault.

llana: It's totally not your fault.

James: Because people are not sophisticated ad buyers when they start out. And when they're looking for an agency, typically, it's because they want someone to do it for them, because their specialty is something else. And they rightly think, I should be able to go out, find a good reliable service provider. They've promised me all these amazing things. And I would like the result they're talking about, so I'm going to go ahead.

We've all done it. We've all been there. So it's good that you've put that on the table. This is a very typical thing, and I have seen it so many times. But you're seeing exactly what they've done. And you know what I love about you is you're a former data analyst. You're like a beautiful mind, you look at all the formulas, just, you know, moving across the atmosphere while you're talking to someone, I bet.

Do you own this valuable asset?

Ilana: Yeah, so one of the classic mistakes that people make is that they don't own their own ad account, right? So they think, exactly like you said, James, I'm really busy, I'm just going to hire an agency so I don't have to think about this paid traffic thing, and someone can just take care of it for them.

So an agency enters the picture, and they say, Hey, James, great, I can help you. Let me set up your account for you. And so that you don't have to worry about it. And we can organize everything for you, which sounds great in theory and great on paper. But the reality is that they don't actually own their own ad account.

What this agency has done is they have created a new ad account under their own agency banner. And so therefore, if and when, at one point in the future, you decide to part ways with this agency, with which odds are will probably happen at some point, you will not get that ad account, you won't get all that data that comes with it.

Now, your listeners might be thinking, so what? I don't really care. What's the point of having all that data? Let me tell you, that data is a goldmine of information, that inside your ad account, it tells you what search terms people typed in that led them to actually pick up the phone and call you, which campaigns are working.

So really, like, an ad account that's working is an asset to your business that you want to own. And yes, you can hire an agency to help with your own account. But the difference is that you own your own ad account, and you give that agency access to your account. And when and if you decide to part ways with that agency, you just remove their access to your account, rather than starting from scratch.

Owning your analytics

And the extreme example, I saw, as I was started to tell you in my experience with teaching at Sydney University, is that some people didn't even own their own Google Analytics account. I mean, that's got even nothing to do with ads, that's their own data for their entire website traffic, organic, direct, email, you know, everything.

So and then when asked the agency, actually, you know, they're like, Sorry, we can't do that. It's under our own email address. And Google actually have caught on to this. And I think now they will give someone access to the Analytics account, but not your Google Ad account.

James: So on that Analytics one, how does that conversation start? Is that the agency saying, Don't worry, we'll set it all up for you. You don't have to do anything. Is that sort of what it looks like?

Ilana: That is pretty much what it looks like. Yep. So you know, client goes to agency and says, We want to start doing XYZ, they say, Sounds great, have you got an account? They say no. Not a problem at all, we'll set it all up for you. And so they set it up for them using their agency email address and login, and put it under all their manager accounts. And really, they've got them over a barrel. That's kind of one of their ways.

James: So the customer is more or less renting the service, and they get nothing. They hand it back. It's like they're paying as they go, but they're not building any asset in the background. Because we often talk about traffic is like, where you're paying for data so that you can learn, right? But if that's all taken away from you, it was all for nothing.

Ilana: That's right. So you'd have to start completely from scratch all over again.

James: Do you think some clients say, Ah, look, well, look, I could but I'm busy right now. Can you just set it up for me? Do you think some people have just been lazy on it?

Ilana: Absolutely. But I think in most cases, when the penny kind of drops for them, they don't actually realize the consequences of it. So it's different if the agency says, Listen, heads up, just so you know, this is the consequence of us setting up for you. Are you okay with that? Then I don't actually have a problem with it. So long as there's like, a buy in, you know, like as in...

James: Full disclosure. This is what it's about.

Ilana: Full disclosure. This is the consequences of it. Happy to do it for you, but this is how it's going to impact you later on down the track. But they don't say that, and so it feels very deceptive.

James: It's very deceptive. So it's predatory, isn't it? Do you still do that thing where you help people set up their analytics? Because I remember that being like ground zero. You don't even bother doing paid traffic if you can't track it. And I remember you used to help people like, did some kind of challenge or something like, let me show you the analytics to set up.

Ilana: Yep. And actually help people set up their GA4.

James: Where is that one? Where is that?

Ilana: It's all inside Teach Traffic.

James: Perfect. Okay, so step number one. If you're going to get someone to run your paid traffic, you make sure you control your own analytics, and it's under your ad account. Is that what I'm hearing correctly?

Ilana: You own your analytics, you own even your own Google Ad account. And you give that agency access to your account. So you're in control as to who you allow in and who you want to remove.

The matter of the ad bill

James: And who's paying for the ad bill, is it usually the client?

Ilana: Look, I mean, usually it is the client. But I have also seen instances where the client does, but that's when that sort of falls into that gray area of that's their ad account, the agency's ad account, because they're not telling them how much they're spending on ads, they just pay this lump sum.

So yes, you want to pay your ad spend to Google directly or Facebook directly, whatever platform you're playing on. And then you just have the agency management layer on top, which is like a separate bill, it's a separate entity.

James: And we're more or less talking about the standard traffic agency deal where you're going to pay maybe a setup fee, then you're going to probably pay a monthly retainer. And it could be based on a spend bracket, or it could be based on the type of client size you are, it could be just based on anything really.

But what we're not talking about here, is when you're on a pay-per-lead or performance-based deal, right? And that's the typical way that people used to do it is just a retainer, it's usually like a percentage of ad spend, or by bracket, something like that. What do ad agencies charge per month, these days?

Ilana: Oh, it varies massively.

James: Depending on how good they are, or how good a marketer they are? [laughs]

Ilana: I would say both. [laughs] But that kind of leads me to another point. I don't want to talk about of, you know, for most businesses, you know, be it small business or people sort of, you know, in their growth stage, like, they're probably going to spend five, maybe 10, maybe even 12K, 15K a month on ads.

Hiring a decent agency that is actually knows what they're doing, they're going to charge, you know, a decent amount of money because they're kind of rarer than hen's teeth, and they can, right? So it's actually not that viable for a lot of businesses to hire a decent agency, because once they factor in here, they're spending basically the same amount on the agency as they are on ad spend.

James: Or more. Some people, they'll pay three grand on the agency. And then the agency in an effort to keep the client might limit their ad spend to \$1,000 a month, so that they're not blowing all their budget too quickly. And they try and eke it out over a series of months. And you could be \$15,000 deep, and may have only spent \$3,000 on actual ads. And in some cases, you don't even get the data from that at the end of it all.

Beware of purely vanity metrics

Ilana: I know. I know. It's crazy. Another thing I've also seen, which is a bit of a trap as well, is that in terms of the reporting of the performance, some agencies will report on really like, vanity metrics, which is very deceptive.

So they'll say, Oh, you know, we've had this many impressions, which means you've had this much exposure. And because Google ads platform is a pay per click, you had free exposure, when they've really just done some horrific display campaign that generates hundreds of thousands of impressions.

James: You could say that a serial killer gets free exposure, but it's not necessarily helping their bank account, right? Unless they write a book about it, and they get let off because they were wrongly convicted. But vanity metrics, gosh, you see this a lot with enterprise too, don't you?

Some ad agencies have told me that they love their enterprise client, because their client, all they care about is how many views they had of their video ad or whatever. And I'm thinking, surely that's not the goal. They're like, No, no, they just want to go to head office, to corporate, and say, Hey, we had 50 million views of that video, you know, all the exposure, all the marketing. Like, yeah, but does it translate? Does it actually convert into actual sales? Oh, well, we don't know. But they don't care, either. That's crazy.

Ilana: Yeah. And then the agencies will say, Well, you know, there's a gray area, we can't actually really track that, you know, and so, there's a lot of sort of deception around, actually...

James: Taking credit for the sale?

Ilana: Taking credit, and really the results and exposure that they actually are getting, versus, as you say, James, like, the metrics that actually matter, you know?

James: I had this happen. I had an ad agency at one point, and I spoke to a client. I literally spoke to them on the phone, and then they went and purchased. And then the agency was claiming that attribution from their ad. And I asked that person, How did you find out about me? They said it was a word-of-mouth referral. And then I spoke to them on the phone.

Somehow along the way, they may have seen that ad. But the agency was very happy to claim an ROI based on that. But they didn't know that I'd spoken to them. And they didn't know that I'd tracked the source. So I guess the more clarity you can have on the tracking source, the better, right? Because then you can say what is and what isn't happening?

Be able to ask better questions

Ilana: Exactly. And I think for business owners, like, even if you understand the basics of paid traffic, to enable you to ask better questions of your agency, that's really worthwhile so that you can kind of push back on some of these rogue agencies and say, But hang on a minute, like, you know, impressions is not really the metric that's going to really move the needle for our business. What about this metric? And how's this performing?

So, really, the ability to ask better questions, even if you do decide to remain with your agency, I think is a really powerful position to be in, because then you'll be in a better position to discern whether this agency is actually really helping you or not, or you're just paying them, and they're actually not doing all that much.

I can't tell you how many times I've heard people say to me, I've hired this agency, and I have no idea of what they're actually doing. And maybe some of your listeners might be nodding their head as they're listening to this.



So by understanding the basics, and the metrics, and what the numbers actually mean, will help you infinitely in the reports, hopefully, that an agency is giving you to discern the meaning of it. And then as I said, push back and ask better questions, and actually kind of push them a little bit of what's actually the results that we're getting and the drivers for your business.

Understanding where you're at

James: Let me put this another way. As part of someone coming inside Teach Traffic, is there a process where you're having a look at what they've set up and what they've done? Is there some kind of diagnosis or audit or reveal of like, Hey, show me what you got?

Ilana: Yup. There is. So I actually offer that to all members inside Teach Traffic, regardless of whatever level you are at. So yeah, I will do a free audit of people's ad accounts, so that they can understand what their campaigns are actually doing, what's working, so that hopefully, they can do more of it.

Equally important, what's not working, so they can stop that wasted ad spend, and really, you know, ideas for what they can do going forward and what specific training they need to watch that will help them achieve that. And, you know, I guess I've got an unfair advantage, because I do still actually have my agency. I mean, I have a very small agency, intentionally so. So I still have my hands on the tools. And I do still know what campaigns work and what they don't.

And, you know, for example, one type of campaign we've actually rolled out for all our clients in our agency, I'm telling all Teach Traffic members, you actually have to do this, because this is working in my agency right now. And we've rolled it out for all our clients, be it ecom, lead gen. So they're going away, and they're implementing what's currently working right now.

James: You're exactly like me. I've got all these clients doing all these different things, and I can see something working over here, then I can cross pollinate best practice to all members. And also if it works for me, if I have a success with a particular technique, you better bet I'm going to be sharing it with my clients.

And some of the very smart, clever cookies, especially Brenton, I want to shout out to Brenton Ford. He does this every time. Each week, he says, James, what have you seen lately that's working really well, like what are you working on at the moment? And I'd tell him, and he's off to do it. This guy, he's doing so well, just riding the coattails.

Does anyone ever have everything in order?

The second part of my question to you, Ilana, is how often have you been through that process with your client, where they've had an agency, and then you say, Well, I'll tell you what, absolutely, everything's perfect. It's all in order. You don't really need me because you're getting looked after so well, where you've been with that agency.

Ilana: Kind of rarely.

James: Doesn't happen too often?

Ilana: It doesn't happen too often. And you know what, I'm just really noticing more and more is that people are acknowledging that actually paid traffic is not only a critical part to their business growth, but by understanding it, it actually gives them other ideas for things that they can implement in their business. Because the reality is, no one understands your business better than you do.

And this has sort of really become apparent to me, but someone that I'm helping at the mentorship level of Teach Traffic where I sort of work with them really, really closely, one on one, to help them grow their campaigns, and she literally said to me the other day, Ilana, how does everyone - I don't understand how not everyone does this, because in really understanding the power of paid traffic, she's like, I've got all these ideas now of things that I can implement.

For example, she's got a business where - she's in the education business, okay? And she could see in the search term reports that people were searching for a type of workshop related to her niche (or niche for American listeners), still feels weird to say.

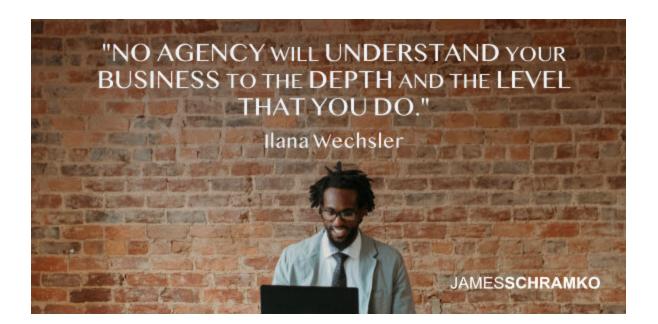
James: The riches are in the niches.

Ilana: The riches are in the niches.

James: Although I will say lately, with the way the algorithms work, some people are banging on the broad drum. They're making viral videos for really broad terms. And they're saying, Don't niche, go broad, like really broad. Get the volume, get the viral, and it's very interesting. This debate is as age as old as, should it be long or short sales page, etc.

Ilana: Yeah, yeah. There you go. Anyway. So she noticed all these terms, like for a workshop, she's like, I have a workshop, like, why don't I promote - people are searching for it, I've got that already. I'm just going to swipe that in front of them at that instant. And Io and behold, you know, it went on a tangent, and she's on another tangent like that, you know? So that gives you insights and understanding that you can apply to other areas.

You can also apply that knowledge to your SEO game, right? Go, Hang on a minute, like people are searching for this and they're converting. That's actually what I want to rank for in Google. Go away, SEO team. And let's optimize for this keyword, which is lower traffic than what we were trying for, but higher converting, and so therefore, easier to rank for, because it's lower traffic. Everyone goes after high traffic keywords.



So my point is, the insights that you will gain, complemented with your own business knowledge, it's just like one plus one equals three, you know? And no agency will understand your business to the depth and the level that you do. So that's why I really do think it's important.

The various approaches you can take

James: So what are the various options that someone has? Because clearly, some people aren't doing that. They haven't seen the light yet. They're like, I don't want to go and learn all the ins and outs or join a community and go through information. They just want hands off. And then there's other people who are, I guess they come to it from, you know that saying, you can either do it with time, or you can do it with money?

Some people might have lots of money and not much time, and they just want help. They will also, I imagine, there'll probably be some agencies who would be interested in learning how to have better product. I mean, this is something people don't talk about much. There must be agencies who are well-intentioned, who really do care, who want the client to go well, but aren't getting the good information from the appropriate sources. Do you actually coach agencies as well?

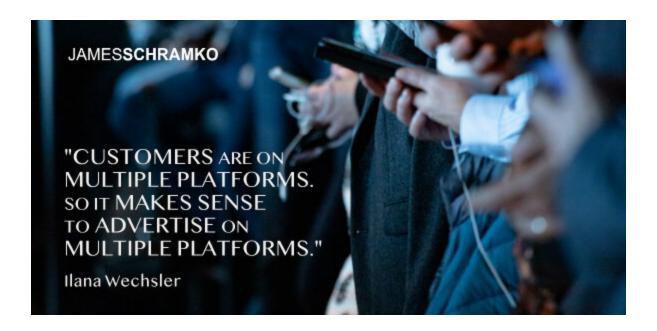
Ilana: I do actually. Yeah, I coach agencies, one on one, and helping them actually be really strategic in their strategy, and client choice, and niches that they go after. I've been doing agency work for a decade, which is, like, dog years. [laughs]

James: I know. I've known you that whole time. [laughs]

Ilana: It's absolutely true, James. We go way, way back, and even before I started my agency, so we have a long history. So you know, just how long...

James: I know. But you know, that's why I'm such an avid fan. I'm a huge fan of your stuff, because you're so good. And you have the most integrity. And you've got real skills. We actually, you know, privately, we kind of laugh about some of the things we see online, because we just think, what are these people doing? They chop and change, they are on to the latest trends, they change their mind all the time.

You and I have something in common, we've stuck to our core and just gone deeper on it. So you help people make better product, if they're already agencies. If they've been using an agency, then you will actually help them have a look at what's been going on, see what you would recommend to change, and then they can work with you to roll out the new direction. And you're multiple platforms still, from what I can gather.



Ilana: Yep, absolutely. Because that's, you know, customers are on multiple platforms. So it makes sense to advertise on multiple platforms. So yeah, I have, I guess, the base level of membership, which is obviously access to all my training courses, and then Q&A sessions with the group.

But then people who, as you say, probably a bit more time poor, who want to kind of speed up their progress, work with me a bit closely at what's called the Intensive level, where we have weekly calls, a small group, but I go through their campaigns with them and help them closely.

James: They probably get to see a few other people's campaigns in a very small private group, you know, where privacy is respected. They're going to learn much faster with that hybrid vigor.

Ilana: And they're going to get ideas of what other people are doing, going, Oh, hang on a minute, I should apply that to my own account of my campaigns, plus also the knowledge that I have from my agency clients. And then as I said, I help people, one on one, who want to work directly with me to help them really grow their agency, or even their ad account if they want. And they get one-on-one calls as well.

The best place to start

James: Nice. What's the best starting point? You know, if we take this sort of concept of, you know what, you choose the wrong agency, it could have dire consequences. If you're with an agency, and you're not sure if they're good or not, join Teach Traffic and let Ilana tell you if you've got a good agency or not.

And could someone still have an agency but be a member and be getting sort of second opinions or guidance in terms of what they should be asking their agency? Are they mutually exclusive? Or are they compatible?

Ilana: I've had all of that actually, I've had a number of people come who still have their agency. And as I said, I'm just helping them kind of really discern what this agency is implementing for them. As I said, ask better questions. So they're knowledgeable for the information that's been presented to them. And then they decide, Yep, okay, this agency is doing good work for me. I don't have time to manage it, or I don't have someone in house who's going to take it over.

James: It's good insurance, isn't it, for a small fee, probably maybe less than 10% of what they'd be paying an agency. They can have like a little board of directors, a little mini - someone in the back corner saying, Yeah, that's good, or, not sure about that, or have you asked them about this? Or I'd like to see that. Love that.

Ilana: Yeah, exactly.

James: You know, I've found the same thing. Some of my clients have other coaches for various things, and I don't mind. Power to them. I'm just like that other person walking through their business with them, spotting what I spot, sharing what I find, being that source of information. I think it's a good situation.

Ilana: It's just like getting a second opinion from a doctor, right? You go to one doctor, and they tell you one thing, it's like, Okay, well, I just want to verify that, you know? And get another opinion.

James: And gosh, these days, medically, I would strongly endorse that, because it's like, I found out some statistic that the average GP only spends a couple of hours on dietary advice in their whole doctorate degree or something, it was pretty frightening when you think about it.

The benefits of engaging experts

Okay so, and this is really, I think, what's good about not just having a self-paced course, is that if you go through a self-paced course, you will learn some things, and then it's up to you to apply it, you need to find that discipline and motivation to implement.

And then you still truly don't know if that, you know, the course is showing an example of selling a dog collar, but you happen to teach someone about SEO, is that relevant for me? You know, should I use the same channel? So I feel like having that dynamic element of a real live person being able to interact with you and give you context would be significantly beneficial.

Ilana: Yeah, absolutely. And look, I have had other instances where people just want me to build their account for them. They just want me to build their campaigns for them as a one-off thing, and then we hand the account to them, and I've done that variation as well. Because I've got my agency still, so I've got my agency team, all primed and ready to go. We do this stuff all day every day, we pump campaigns out in a matter of hours of what would take someone probably weeks.

James: That's awesome. And I gather from our recent discussions, I think you published a video about this. You're all over the AI stuff too, the data stuff, and like, you're just firing up all these things in the background to assist and help the clients leverage the newest technology coming through?

Ilana: Yeah, I mean, what I see right now, as you saw probably, James, that recent YouTube video I published as well is obviously stuff inside Teach Traffic as well, like I'm really seeing and like, paying a close eye on how one can use AI in conjunction with Ad Management. So not to replace Ad Management, but how it can be used to really save a whole bunch of time and analysis that one would have to make to work with AI, just to free up more time and make easier decisions.

And so yeah, I'm really having a lot of fun with it. And actually, someone I was speaking to one-on-one the other day, I was helping, I showed her as well, and she's just like, mind-blown, Oh my God, I totally see how this is a game-changer.

James: There's the two important parts there. One is how to get all the processes streamlined and done quickly. But the most important part is doing the right processes.

Like, all this power is amazing and wonderful. But if you don't know how to use it or what to ask for, or how to score the outputs, you're lost. And that's where being a data analyst must be a huge advantage for you. You must have got very excited as soon as you uploaded a spreadsheet, and it starts doing its thing.

Ilana: Yeah, I mean, you showed it to me, James. And I was just like, Oh, my God, this is a game-changer.

James: I knew it. As soon as I saw this, I'm like, I have to tell Ilana about this, because she's going to flip out. Because I showed another data analyst, and I could see his brain cooking while we were talking as he was doing it. And like, he does all these pivot tables and all this other stuff. He's got a small agency, and he's like, Gosh, this is going to do all the things that I'm doing manually really quickly.

Well, thank you so much for sharing again, always amazing. Where do we find out about Teach Traffic?

Ilana: Yeah. The best place to go is teachtraffic.com. And, yeah, all the information is there. If you have a question, you can also very easily just send me an email. My email address is ilana@greenarrowdigital.com. That's still my agency.

James: Nice. Legend. Or if you get an email from me, as a result of being in this podcast, and you want an intro to Ilana, just hit reply, and I'll send it through. Great to have you. I'll catch up with you next time. We're going to put the show notes at 1030. We'll put a link to your YouTube video about how you've been using AI, and we'll also see if we can find that analytics training that you have that we can send people to. Thank you so much.

Ilana: No worries. Thanks, James.

JAMES**SCHRAMKO**

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