



the intelligent new business survey 2009

self-empowerment

a best practice examination of the preferences of
senior marketing decision-makers to new business
approaches

The Intelligent New Business Survey 2009: 'Self-Empowerment'

Introduction

At Rainmaker, we have always taken the approach that new business should be informed by the views and preferences of key decision-makers at your target companies – so we regularly undertake primary research within this audience. This year, with the global economy struggling to get back on its feet, it's more important than ever to keep on top of what's happening amongst the budget holders and brand owners of the companies you would all like on your client list.

We've entitled this year's survey 'Self-Empowerment', with a view to providing information that will enable you to fine tune your new business activity, maximise any investment you're making in growing your agency and take a more informed view of the marketplace.

Methodology

In March this year we asked agencies across the UK to nominate three questions they wanted to pose to marketing decision-makers. The research team whittled these down to 25 questions grouped into five key areas. A target group drawn from the top 250 most targeted brands on the INBG database was selected and key decision-makers within these brands were approached by the research team with a view to taking part in the survey.

Agencies putting the questions included: -

- Appius
- Aqueduct
- Chameleon PR
- Dalziel & Pow
- Dave
- EHS Brann
- EWA
- Five by Five Digital
- Focus PR
- Halpern Cowan
- Hicklin Slade & Partners
- Imano
- Interbrand
- KNOTs
- Net Media Planet
- Quadrangle
- Siegel & Gale
- The Youth Conspiracy
- Uffindell West
- WARL

We spoke to 97 senior decision-makers at organisations including: -

- Abbey
- Adidas
- Arcadia
- Arm Holdings
- BMW
- British Airways
- Cancer Research
- Carillion
- Electronic Arts
- First Direct
- Kuoni
- Mastercard
- Microsoft
- Motorola
- Nestle
- Orange
- Sainsbury's
- Segro
- Selfridges
- Sony Europe
- Vodafone
- Walkers

We have grouped their responses into the following series of topics: -

- Budgets & Spend – the big question!
- Agency Approaches – the coal face
- Agency Selection – the pitch process
- Agency Evaluation – delivering value for money
- Social Media – here to stay?

On Budgets and Spend...

As anticipated, this was the area that most of the people putting forward questions wanted to know about. With the recession now a reality, it's unsurprising that we want to know exactly how it's likely to affect marketing spend moving forwards. The questions we asked focused on whether budgets have decreased or not, and by how much, and whether the current economic situation was affecting how brands are allocating their budget.

Of the decision-makers we spoke with, 55% report that budgets have decreased since the beginning of the year; of these, 20% say they have only decreased slightly, and another 20% report a substantial decrease. Very few were prepared to indicate exactly how much their budget had been affected – the most extreme picture was from the brand reporting a 60% cut in budgets simply by cutting all their corporate hospitality and events work.

"Our budgets have decreased but not by much. We just have to be very vigilant to make sure we're getting quantifiable ROI from the agencies we use."

Head of CRM, Financial Services

The recession seems to be affecting B2B and consumer-facing brands equally, as there was a 50/50 split between corporate and consumer brands reporting a decrease in spend.

"We take the view that it's better to spend more in times of crisis, so that we stand out from the crowd."

Online Marketing Mgr, Motor Organisation

The remainder of the people we questioned reported that budgets have either remained the same (33%) or in a number of cases actually increased, with 12% reporting larger budgets than before. Only 2 people refused to answer questions about budget.

11 respondents report a change in emphasis of how their budget is being used, with 64% citing that more money is being spent on digital or social media activity than before. One is investing more in PR, one in DM and two in retention generally.

"Budgets have decreased quite sharply, but we're actually spending more than before on digital, as it's more cost effective."

Marketing Director, Retail

Few people were prepared to offer an opinion on when things would improve – and those who did were very optimistic, with Christmas being offered as the earliest we are likely to see an upturn

"Budgets are down by 25% but I reckon that next year all will back to what it was before the crisis"

European Comms Mgr, Travel & Leisure

"Big projects are off the radar until the end of the year" *Marketing Manager, Apparel*

Conclusions...

We're conscious that this is an area that many of you will be keen to find out about – and unfortunately, also conscious that it's an area that is notoriously tricky to be really exact about. That said, the responses we've got are from a good cross-section of brands and sectors, and with only two individuals refusing to share details, we have to assume that broadly speaking, this picture is representative. It certainly seems as though the general picture is one of caution, where spend has to be very carefully assessed for value, and any activity that is seen as superfluous or a 'luxury' is being put on a backburner.

"Online is the only area where spend has stayed the same as last year." *Brand Communications Mgr EMEA, Technology*

Trends-wise, it looks as though digital is the least affected of the marketing disciplines – partly because it's seen as a very measurable way to spend

money, and partly because many decision-makers are still evolving their use of digital communications.

Demonstrating quantifiable ROI is clearly the key to securing new projects, although with more and more agencies claiming that their methods are *the* best for getting returns, decision-makers are struggling to distinguish and more than one respondent has complained about the market place being confused with so many agencies fighting for their business. So if your message is also very ROI focused, make sure that it's backed up irrefutably with how your approach works in practice.

On Agency Approaches...

Within this catch-all of agency approaches, we looked at how agencies market themselves and in particular we covered PR (is it a valuable investment for agencies?), what decision-makers think of agency websites, as well as the topic of proactive new business outreach.

Press

Last year's survey had revealed PR to be a far more valuable investment than in previous years, and so we were curious to find out whether this trend would continue. Our question was straightforward – how important is PR when considering which agencies to work with.

A significant majority – 70% - said that PR was irrelevant to them in terms of making choices about which agencies to use, and only 11% reported that PR was a very important factor.

"I don't think press is important when I'm selecting an agency to work with. I do read the various titles, but I don't pay an awful lot of attention to the agencies."
Marketing Manager, Automotive

"PR is completely irrelevant to me as I just don't have the time to read the trade mags." *Marketing & Communications Manager, Charity*

The remainder said that while not the most important thing, PR is something they're aware of, and therefore influenced by on some level.

"The marketing press isn't the be all and end all but it can be influential."
Online Marketing Manager, Automotive

This seems very much to contradict what we found out from last year, when PR was a major influencer for many decision-makers. Many of the people we spoke with said that they simply don't have the time to read the publication – and are bombarded with so many messages (blogs, feeds, newsletters etc) that the press blends into the general picture much more than it used to.

That said, there will always be some decision-makers who rely on the press and actively want to work with the kind of agency that works on building its brand and reputation. And there are others who don't feel as strongly as this, but are nonetheless influenced by what they read in the trade publications.

"PR is pretty irrelevant. Generally, I tend to find that the bigger the agency name, the bigger the ego..." *Head of Digital, Retail*

If you decide that you want to reach out to these people, then PR should clearly feature in your marketing plans. But in order to ensure that your PR doesn't come across as an ego trip, our advice is to try to make sure that it's not just shouting about new wins and big names – include thought leadership and interesting viewpoints as ways to reinforce your agency positioning.

And since there are many decision-makers who aren't remotely interested in the press, PR alone won't be enough to sustain your new business pipeline. Your investment in PR will work much harder for you if you integrate it into a broader marketing comms strategy, for instance, using the press coverage you receive in direct marketing and vice versa using viewpoints or research pieces as hooks to generate PR coverage.

Website

The topic of agency websites revealed a different picture, with 75% of respondents saying that it's very important when making choices about which agency to use. Of this 75%, just under half had a predominantly digital remit, half are responsible for on- and off-line marketing, and just one person is a research decision-maker.

"I always look at websites... If you're a digital agency and your own website is rubbish, it doesn't bode well. I look at their usability and design, as I'd really want any agency I work with to excel at these things." *Online Marketing Mgr, Automotive*

The remaining 25% felt that the agency's website is irrelevant to whether they will work with an agency or not – and unsurprisingly, all of these focused on offline communications.

"The website is my first point of call after a cold call; it's really important for differentiating between the cowboys and the agencies that have a genuine reputation." *Customer Insight & Analysis Manager, Retail*

Of those who say the website is important, all of them are emphatic in their response, as you can see from the quotes.

"The agency's website is definitely an important factor when I'm narrowing down which agencies I want to pitch." *Head of Marketing, Telecoms*

Our advice here is simple... You would no doubt advise your clients to ensure that their marketing messages are consistent, and this is exactly what you need to do for yourselves.

"The website has to back up what they're saying on the phone. Often a sharp sales pitch is let down by a sloppy website or vice versa." *Online Marketing Manager, Travel Company*

Your agency's website is now a key aspect of your positioning and often the first thing a prospect will go to when they're thinking about a specific project. A significant enough majority of those we spoke with rely on agency websites, that it's too much

of a risk for you to neglect it. Make sure that the messages you're putting out in all other communications are backed up on your site. Host your PR, thought pieces and case studies on it. And make sure that someone in the agency is specifically tasked with ensuring it's kept up-to-date at all times.

"The website means everything – simple as that." *Head of Digital, Retail*

Proactive Agency Approaches...

In every other survey we've done since we began in 2002, this is the topic that gets decision-makers hot under the collar – and this year was no different. The questions agencies most wanted to know where whether they feel that agencies over-sell, and the common things that agencies get wrong when approaching prospects.

"Cold calls annoy me but I understand that they're necessary in some instances." *Marketing & Communications Manager, Charity*

"I don't like cold calls – I'd much prefer a well tailored written approach in the first instance." *Head of CRM & Planning, Financial Services*

Overall, the general impression is that the economic situation has increased the quantity of approaches decision-makers are receiving from agencies, in many cases at the expense of quality.

71% of the respondents felt that agencies do oversell to them, and that it has a negative effect on that agency's chances of working with them. A further 10% agreed that agencies oversell, but were more forgiving of why they do it – 'a necessary evil'.

"I absolutely hate a blatant sales pitch. I'm only interested in cold calls from agencies who can demonstrate that they understand my business well." *Head of Marketing, High Street Retailer*

The remaining 19% felt that agencies don't oversell in general, but occasionally they are approached by some that do – again, those that do, harm their chances of success.

When asked specifically about pet hates, we received a variety of responses. The most common response was when they are approached by people who haven't done their homework, or demonstrate a lack of understanding of the business – 30% of respondents mentioned this.

"Everyone from PR to design and sports marketing agencies approach me and every single one pisses me off because they all make the assumption that I'm looking for agency support. They're all really unoriginal and all they do is talk about themselves. What I'm really looking for is someone who can show they understand my business." *Head of Marketing, Sports Retailer*

This was followed by: -

- Cold calls (23% mentioned this specifically)
- A lack of originality (20%)
- Cold, untailored emails or letters (20%)
- Rude or pushy sales people (17%)
- Getting personal details wrong (10%)

"The main thing that annoys me about agency approaches is the lack of differentiation in their offer. Everyone claims they can deliver massive ROI but don't really make it clear how. I'm pretty sceptical about the difference they could really make in practice." *Head of CRM, Retail*

"Agencies need to be more creative in their approach. I've been called by several social media specialists in the last few months – but why don't they get in touch via Facebook or Twitter?" *Consumer PR Manager, Price Comparison Company*

"Most people that approach me are polite, but often they're quite clueless about the organisation and the decision-making pathways." *Marketing Comms Manager, Technology*

Other pet hates that were mentioned less frequently include sending huge email files that crash the system; being hounded by the same agency every couple of months; and agencies who call at the wrong time (e.g. lunch time or right at the end of the day).

"I want agencies to be straight with me about their strengths and areas of expertise. I hate it when they claim they can do a whole range of things but actually sub-contract a big chunk of the work." *Head of Brand Marketing, Apparel*

Based on all this, the recommendations for agencies are pretty clear. Just 'getting your name out there' with no real planning or thought is a big mistake. Too many agencies are employing this tactic as a knee-jerk response to the economic unrest, and it's doing more harm than good.

"Lots of agencies get it wrong, but I'm impressed by the ones who follow up conversations efficiently and send nicely tailored emails. So many of them are really generic." *Marketing Director, Apparel*

"I don't mind cold calls but only if they're good!" *Customer Insight Manager, Supermarket*

'Business development' shouldn't be just about getting a meeting or about pushing what you do onto the brands you're interested in.

But this doesn't mean you shouldn't be proactive. Your first cold call should really be all about qualification, rather than aggressively selling – after all, at this stage, it's impossible to know whether this company is really the kind you want to work with. If you do your homework at the outset, and then treat the call itself as a fact-finding mission, you stand a much better chance of getting a good reception from the person you speak with.

Our advice here is the same as it's always been:

- Be clear about your proposition
- Only target the most relevant companies
- Do your homework
- Don't assume anything
- Ask questions!
- Be prepared to take a long term view of relationship building

On Agency Selection...

The next stage in our survey addresses the selection process, starting with the role of procurement and the involvement of intermediaries. You were also keen to get more of a feel for whether the market is demonstrating a preference for specialist agencies or more integrated offers, as well as posing a number of questions about the pitch process itself.

Procurement

Simply from the kinds of questions you were asking about procurement we can see that their role has evolved in the last 12 months. In 2008, the line of questioning was much more about whether there was any way to get around having to involve procurement in the new business process. There's clearly still a degree of scepticism about their involvement, as one question that came up a few times was whether procurement was really the way to select the best strategic and creative responses from agencies. However in general, most agencies accepted their involvement, and were simply keen to know how best to communicate with procurement teams.

In response to the first question, 47% agreed that procurement processes did ensure the best strategic & creative responses were selected – this is from a mix of marketing and procurement decision-makers. (Obviously 100% of procurement respondents felt their involvement was valuable!).

"We tend to use procurement for the bigger projects and handle the smaller briefs on our own. Procurement's involvement is very helpful for the big ones though and helps to keep things from getting out of hand." *Marketing & Communications Manager, Technology*

Just 18% were negative about procurement's involvement and the rest felt that the question

"I don't really like to use procurement. We've got different priorities when it comes to selecting agencies and I think I'm best placed to understand my own needs." *Research Manager, Financial Services*

itself was irrelevant, as they felt procurement's role was to ensure good financial/cost-effective decisions were made, with marketing being responsible for the strategic and creative side of things.

Half of those who agreed felt that the reason procurement's involvement was so welcome was that it enabled them to focus on the creative side of

"I think procurement's involvement is a good thing – they focus on the cost-effectiveness of an agency's offer and helps me to put their creativity into context" *PR Manager, Online Consumer Brand*

things more, without having to worry about whether the figures added up. Only 2 felt that procurement themselves had a significant input in the creative/strategic side of things (and one of these used a US based procurement department).

"I think procurement processes get the best out of the agencies but the key is to make sure that we're not too rigid in how we approach things. It's important to remain flexible." *Marketing Procurement Manager, Financial Services*

All but two of the marketing decision-makers seemed to accept procurement's involvement, whether they fully agreed with it or not. Only one said that he would discount procurement's perspective if he was very passionate about using a particular agency.

In terms of engaging both marketing and procurement decision-makers, the overwhelming consensus from both marketing and procurement decision-makers is that a two-pronged approach works best. Based on their feedback, it seems that ensuring procurement is made aware of the ROI and facts & figures side of things, is the best bet.

"Procurement is there to help get the best financial rate from an agency, rather than getting the best strategic or creative response." *Consumer PR Manager, Telecoms*

The other piece of advice from one procurement decision-maker is that you should avoid a 'divide and conquer' style approach – be open about the fact that you're approaching both parties, so that no-one feels that you're going above their head.

"I think agencies are better off coming to me before they approach the marketing team... Sometimes I think the marketing guys are quite short-term in how they look at agency approaches whereas I look much more at whether an offer might be relevant in the medium to long-term." *Marketing Procurement Manager, Financial Services*

Intermediaries

The next line of questioning centred on the involvement of intermediaries, and the advantages and disadvantages of using them. Although 60% of the decision-makers we spoke with use or have used intermediaries in the past, many were vague about which ones, and the only two intermediaries that were named more than once were the AAR and the PRCA.

The main disadvantage cited was the distance that the intermediary places between the agency and client. Those who don't use them at all said that they felt it was their job to know the best agencies in their field.

"I don't use intermediaries as they can act as a bit of a barrier and get in the way of relationship building" *Research Manager, Financial Services*

Of those that used to use them but no longer do, the key reasons were:

- The decision-maker used the intermediaries until he/she felt they had developed sufficient understanding of the marketplace to manage the process by themselves
- The decision-maker felt that the intermediary added too much distance to the process and made it more difficult for them to really get under the skin of the agencies

"I don't use intermediaries – to be honest, if I don't know the main players in my sector, then I'm not doing my job properly." *Group PR Manager, Telecoms*

Advantages mentioned include objectivity that they bring to the table, specific industry knowledge and the time they save the decision-makers from trawling through large numbers of agency messages.

"We do sometimes use intermediaries – they can bring a layer of objectivity that we can't do ourselves. It definitely does add distance to the relationship but as long as you make sure that you get on top of this in the pitch process, it can be a good thing." *Marketing Procurement Manager, Financial Services*

Our research suggests that the main areas that use the intermediaries are the big media/advertising accounts and PR. The question is less about finding a definitive answer to whether intermediaries are used or not, and more a case of qualifying through your own prospecting, and not assuming that every opportunity that's out there will be available via the intermediary you registered with this year.

Ultimately, the decision about which agency to use rests with the brand owner, not the intermediary, so while it's clearly important to ensure that the intermediary you

use is fully up to speed on your particular offer, it's always worth building a dialogue with the decision-maker directly – we also know of several instances of when the brand owner has said that they wanted a particular agency to be on the intermediary's short list, allowing the agency in question to effectively sidestep the intermediary stage.

"We recently used the PRCA for a PR pitch list as they know the industry so much better than we do" *Marketing Manager, Transport*

Integrated vs. Specialists...

The next line of questions centred on the age-old debate about whether brands prefer to work with generalists or specialists. And, agencies hoping for a definitive response to this are unfortunately going to be disappointed as the responses we got to this question were split exactly 50:50.

Those in favour of specialists have a scepticism about whether it's possible for agencies to offer genuinely integrated services. Particularly in the field of digital, it seems that decision-makers are looking for agencies who can really excel in a specific field, perhaps filling in gaps in their own knowledge.

"I prefer to work with specialists, especially in digital marketing, as I think integrated agencies rarely have skills that outweigh the ones we already have in-house." *Head of E-Commerce & Marketing, Financial Services*

necessary for the integrated agency to be able to demonstrate that they could handle digital briefs as well as a digital specialist, but that they feel that this is increasingly possible.

Since Rainmaker was founded 13 years ago, the debate about integrated vs specialist has gone in cycles and we see no reason for that to suddenly change.

"Agencies seem to see digital and offline brand advertising as being separate but I don't think that's really right anymore." *VP UK Marketing, Financial Services*

What does seem obvious, however, is that there's no point trying to be all things to all people – and actually no need to either, as there's an even split between those preferring specialists and those looking for integration. Several decision-makers flagged that they dislike it when agencies claim to offer everything, when in reality they sub-contract several elements of a contract.

"My preference is for specialist agencies as long as they're able to work well with other specialists, so that the end result is an integrated solution across all channels." *E-Commerce Marketing Manager, High Street Retailer*

Of these decision-makers, several mentioned, however, that it would be important for these specialist agencies to demonstrate their ability to work well with other agencies.

The respondents who prefer integrated shops seems in the main to prefer the ease of having one point of account management. Again, many of them mention that it would be

"I prefer to work with integrated agencies as I think it's easier to have a relationship with one agency than several. They don't need to be digital specialists, but they need to have a good understanding of digital marketing." *Marketing Manager, FMCG*

"I think it's very difficult to define "integrated" – I don't think a truly integrated agency really exists. Either way, I'd never be prepared to give all my work to one agency." *Head of Brand Marketing, Retail*

Our advice is to be clear about your proposition and points of difference, and to stick to what you do best – and with a thorough, proactive new business process you should be able to identify the brands and individuals who are the best match for what you do.

Pitches

The key questions on the topic of pitches were to do with what clients look for during the pitch process. The responses we got were varied and, starting with the most frequently cited, were:

- Sector experience (13%)
- Cost (12%)
- Quality of work (12%)
- Innovation/creativity (12%)
- Chemistry with the team (9%)
- Financial stability (7%)
- Reputation (7%)
- Individual skills of the proposed team (6%)
- Comprehensive account management processes (5%)
- Location (4%)
- Passion & energy (4%)
- Clear USP (3%)
- Good timekeeping (2%)
- Ability to make the transition from the previous agency a seamless one (2%)
- Openness regarding costs (2%)

Agencies hoping to get a magical insight into the mysteries of pitch evaluation are, as you can see, going to be disappointed. In the same way that it's almost impossible to quantify the concept of 'chemistry', what individuals will look for in a pitch, is always going to differ from person to person.

"We need to make sure we're with a financially stable agency. If our business is worth more than a third of their turnover to them, then it's too much of a risk." *Head of Brand, Financial Services*

The findings from this question are broadly in line with the responses we had to a similar question in last year's survey – albeit with a slightly increased concern about cost.

The key – as with the other areas of agency selection – has to be about getting to know the prospect prior to the pitch, so that if they've been stung previously by the handover from one agency to another, you're able to respond clearly to this concern.

"I've got a list as long as my arm of criteria, but the most important is experience in our field and how they fit with the brand and my team – if the chemistry isn't right, it won't work." *Research Manager, Financial Services*

"The biggest deciding factor for us is relevant experience in our sector." *Brand Manager, Charity*

If you don't have good processes in place to ensure you're preparing pitches with a real understanding of what the decision-maker is looking for, now's the time to think about putting them in place.

"Chemistry is important but it really only properly comes with a long-term relationship." *Marketing Manager, Transport*

On Agency Evaluation...

You wanted to know the criteria that decision-makers use to evaluate agencies beyond the pitch stage and whether they had any strategies in place to squeeze better value from their agencies.

"Evaluation of my agencies varies depending on what they do. In general, I tend to use a mix of gut feeling and metrics wherever possible." *Head of Brand Marketing, Apparel*

The most frequently cited response to the first question was the achievement of tangible ROI,

mentioned by 63% of our respondents. What this actually means in practice varies depending on the remit, although the general consensus is that decision-makers have to work hard to justify any budget they get, so need to be able to demonstrate that their activity is positively impacting the bottom line, either directly or indirectly. With this in mind, it is, of course, important to have an honest discussion at the outset of any new relationship as to what their expectations are.

Other responses, in order of the most frequently mentioned include: -

- Quality of their output - 38%
- Ongoing commitment to the brand – 25%
- Being easy to work with – 25%

“Broadly speaking, I look at the quality of their output, although aside from this, the enthusiasm they put into their work goes a long way.” *Head of Brand Marketing, Retail*

Other points mentioned include: -

- Commitment to developing a partnership that goes beyond just a client/agency relationship
- Depends on the kind of marketing, but all agencies are subject to an internal review every 6 months
- Time management

Perhaps surprisingly, hardly anyone had any particular strategies for squeezing more ROI out of their agencies (or wouldn't admit to their tactics!), other than referring to a regular review of their activity against the criteria mentioned above. Just one mentioned that they use an initial trial period to establish a benchmark level of ROI, and if the agency drops below it, they will put the business out to repitch.

On Social Media...

A significant number of agencies asked about social media. Some were specialists in the field, with a vested interest in understanding what the brand owners think about their services – but many were agencies with a more general remit, keen to know whether social media is seen as a passing phase, or something they should consider over the long term.

The questions we asked were simply if and how social media has affected respondents' marketing strategies; and any feedback they have on how these activities are performing.

A significant majority of 88% reported that social media has indeed affected their marketing strategy. Of these, 29% said that at this stage all they do is monitor anything that's being said about their brand on the various sites, and 7% said that they're starting to do more with social media but feel that there's scope to improve what they're doing.

“Social media is really useful. It gives us a really valuable opportunity to talk to our customers and gives them a valuable avenue to talk back to us. I don't think it has a direct influence on sales but I think it's helped us to retain customers and increased their loyalty to the brand.” *Marketing Manager, Gaming*

“Social media's a massive area of focus for us at the moment.” *Brand Manager, Gaming*

Just one was direct enough to say that he's doing it because he feels it is expected of him by his seniors. The others we spoke with said that social media was an important part of their marketing programme and an area that they are investing in quite a bit at the moment.

“We do a lot with social media because it's something people want to be seen to be doing – but I don't fully buy into the strategy behind it and I'd be interested to see how it's directly affecting sales...” *Head of CRM, Retail*

One respondent said that social media had not affected their marketing to date, but they were considering it for the short-term. Only one said that he had no intention of investing in social media as he didn't think it was right for their brand.

In terms of ROI, the only one who reported a tangible ROI said that they were tracking interaction rates and log ins and was pleased with the levels. The majority (57%) said that they were happy with how their activity had been performing in terms of general brand building, rather than tangible ROI; the others were not convinced, or said that it was too early to say that their activity was delivering returns for them.

"I think social media gives us a really good benchmark for measuring global awareness and opinion." *Online Marketing Manager, Motor Organisation*

Certainly at this stage, indicators are that social media is more than a passing phase. A wide variety of brands responded to questions in this area and I think we all agree that while the specific platforms and tools we use to reach out to customers will change (anyone remember Friends Reunited?), Social Media itself will remain and is becoming an increasingly important way of influencing consumers.

"We dip into social media but I'm not convinced how effective it is yet." *Marketing Comms Manager, Technology*

It's clear that brands are keen to do more in this area but most are only watching developments at this stage – with many using it to monitor brand awareness / perception. With almost 90% of respondents saying social media is likely to affect their marketing strategy there is a huge opportunity here to help brands make the step to using social media to generate tangible returns.

Conclusions

This year's survey throws up some challenges to the agency community. Overall spend is still in decline but it appears we are reaching the bottom of the slump. Brands are responding in two ways: -

- They are placing more emphasis on value (not necessarily cost) but are not all clear on how this can be measured.
- They are reorganising what they are spending to areas that demonstrate clearer value

The opportunity for agencies is to prepare themselves for the upturn by taking a proactive stance to sales and marketing.

Based on our best advice and on what we have heard from the respondents to this survey we have picked the following points to remember: -

- Develop a strong articulation of your value proposition – show how your approach adds value to a client's marketing
- Be clear about who you are targeting and why
- Look at new business as an integrated activity – support it with wider marketing activity
- When reaching out to prospects, treat every exchange as an opportunity to learn – for them and for you
- Getting to pitch and then winning is about matching a prospect's challenges to your solutions
- In today's climate keeping clients as about being honest about your capabilities and reminding the client of the value you provide.

If you'd be interested in finding out more about how Rainmaker or its sister companies Pearlfinders and Blossom could help you in doing just this, we'd be delighted to discuss things further.

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