



2006

A report from Rainmaker Consulting, with a balance of opinion on issues and trends in the new business development industry

(Rainmaker Consulting is the UK's leading new business consultancy and part of a group that provides new business services to over 400 clients in Europe and the US. Sources for the following include a range of marketing agencies, major brand spenders and trade associations).

NEW BUSINESS SUPPORT - AN EXPLOSION OF NEW ENTRANTS

The marketing agency sector – just like any other - has a continual need for more clients. It has encouraged, even nurtured, its own marketing and new business support industry, which has developed more rapidly in the UK than it has alongside other professional services sectors in order to feed this demand. Today, the new business support industry for marketing agencies is sizeable and as a reflection of *its* nature, is not afraid to sell its services energetically. As a result, there are few agencies in the UK still unaware of its existence or of the rapidly growing number of start-ups now knocking on their doors.

It is now thirty years (fifty in the US) since companies first started offering new business support services to marketing agencies. The earliest models were consultancy-based; a handful of well-connected individuals brokering relationships between clients and agencies. This evolved into the search and selection sector and others continuing to provide classic business development consultancy: M&A, pitch consultancy, capital raising and management exit strategies etc.

Around fifteen years ago in the UK, a new model was added, which offered telephone-based, lead generation appointment making. Just three or four companies offered an alternative for those agencies that couldn't find an internal solution to pro-actively shape their own portfolio by making direct contact with the organisations they wanted to work with. Then ten years ago, Rainmaker arrived - the first integrated new business consultancy, offering marketing consultancy, integrated with proactive lead generation programs.

The last five years, however, has seen an explosion of new entrants of all types: search and selection, telephone-based, email marketing, integrated and most recently - and perhaps most excitingly - insight-led prospecting. All of which have thoroughly fragmented the landscape and in places, especially with the telephone-based models, driven a degree of saturation. Some agency new business departments are getting ten calls a day from both established suppliers and hungry new kids on the block. Today, the picture (though fragmented and in part saturated) is not complicated to understand.

The following outlines a balance of opinion: -

Search & Selection Intermediaries

In the USA, search consultants (not to be confused with pitch consultants below) are a dominant force with up to 90% of pitches in certain disciplines using them and with the sector led by companies like Select, Agency Assessments & Pile. In the UK, we have for example The AAR (founded and headquartered in the UK), Haystack and Agency Insights - and despite all the changes to the new business support sector, many organisations continue to buy search and selection, impressed by the convenience it proposes.

Some agencies continue to do well by it, but most view it as an intervention that disconnects them in certain cases from direct contact with the decision-makers. To an extent, this makes search and selection an offer they can't refuse if they want to be in the running. How many times have we heard new business directors describe participation as 'a necessary evil' or that they are forced into a 'game of roulette'? Although welcomed by many clients, especially in the US, where search consultancy is a dominant force accounting for decisions on the majority of major ad pitches, in the UK there have been signs of a backlash, with some high-profile defections – e.g. JWT. We note the AAR stepping up its efforts to increase market share in the USA and diversifying into other new business-related fields away from the core search and selection function.

On balance, search and selection should be viewed as part of the mix, but an investment that should only be countenanced if you are prepared to properly support their activity with the materials they request and to court/remind them frequently about your capabilities. We have heard many reports where agencies feel they are buried and forgotten about while favourites continue to appear on pitch lists. Of course this may just be a lot of griping. Further, if you are a small to medium sized agency with limited reputation awareness, this may not be the avenue for you.

Telephone-Marketing Lead Generators

It never ceases to amaze us; the irrational fear people have of speaking to strangers on the phone and then their credulity when it comes to trusting others to do it for them. We heard someone say the other day that there's a new business development agency that offers to perform cold calls live in front of you to demonstrate their ability. Others (two that we know of) present themselves as "silver-tongued rottweilers" - as if this is a good thing! This attitude is at the heart of the sector and it continues to both limit and confuse the market in terms of what is achievable - and indeed feasible. Some people who use the phone for a living are naturally optimistic. They have a high degree of self-belief and this may colour their objectivity when it comes to well thought-through client solutions.

The first trend indicates a polarisation between the pure-play "silver-tongued rottweilers" – and the integrators that use the telephone as just another tool in the mix. The second trend indicates desire to establish value-add by bolstering telephone-based offers with consulting propositions.

Email Marketing

Despite unequivocal evidence from decision-makers concerning the dangers of email marketing for high-value service providers like marketing agencies, there has been an increase in the number of suppliers pushing email. For the companies providing these services, the advantages are that it's a cheap, no-brainer way to reach out to a large number of potential customers. On the other hand, for the vast majority of decision-makers, it's untargeted spam - and the definition threshold of 'permission-based' is generally set way too low. On balance, you might get lucky, but it provokes a largely negative reaction and is far too blunt an instrument for marketing services. For example, one marketing decision-maker gave us this very typical response: *"I hate receiving email. I get more than enough internal ones let alone external. It's just like getting more spam and if I note the name of the agency it certainly puts me right off them."*

Pitch and Business Development Consultancy

Each discipline tends to have business development consultancies that specialise in it. In the UK PR sector, for example, there's Madsen Gornall Ashe or Pembridge Consultants, offering M&A and MBO advice, strategic marketing consultancy and founder exit strategies amongst other things for PR agencies. There is also an increasing number of ex-agency new business directors setting up to provide pitch consultancy, and these compete to an extent with the added-value services at the search and selection intermediaries who also - for obvious reasons - regard themselves as pitch consultants.

Integrated

New business suppliers have been providing a degree of integration to their services in the UK for the last ten years, combining marketing consultancy, prospecting services, management consultancy for new business departments, branding and designing communications. During that time, we've seen the very best integrators not only advising on but also creating brand positioning for marketing agencies, providing strategic new business programmes that are far more likely to connect agencies with their markets in a comprehensive and meaningful way. The advantage of this approach is that it is more scientific and that it removes to a large degree the elements of risk associated with telephone lead generation alone. The drawback is that it requires long-term and sustained commitment to come to fruition, which is not as easy as it sounds given the 49% churn of new business people within marketing communications agencies last year.

Insight-Led

In just the last three years, the tools for the insight-led approach spearheaded by Rainmaker Consulting have become available on a cost-effective basis via the new business intelligence tool Pearlfinders. This enables marketing agencies to understand - for the first time - the intentions of a large number of marketing decision-makers, as reports on their companies and brands are featured in the press. The insight-led method requires ever-improving relevancy and tailoring of the specific demand of individual buying points to the service supply of each agency. It is like proactive search and selection, where if the initial planning process has been robust enough, the pitch process is continually ongoing until you win the business. Increasingly, marketing agencies are realising that clients are not buying them as a 'type' or 'discipline' (offering 'integrated' is just an easy cop-out) but as a specific marketing fix to the precise business challenges they face, no matter how strategic or how tactical they may be. The advantage of this is that resources can be intelligently matched to where they're most needed, so that cost-effectiveness is markedly improved and agency brand awareness building becomes more scientific. The downside is that agencies will need to react to specific cases with tailored communications - and so some commitment is required. Having said that, if an agency can't commit to new business then it may have other problems to address first.

SHOW ME THE MONEY - TRENDS TO WATCH IN THE U.K. MARKET

We examined the detailed data held at Pearlfinders on marketing services opportunities, of varying values and across all industry sectors, in order to extrapolate trends and help to identify where marketing services businesses might strategically focus.

Blurring the boundaries - when advertising becomes reality...

We've all been witness to the fusion of TV with reality (Big Brother, Pop Idol, Survivor) and Pearlfinders has started to see a trend that gravitates towards the blurring of real life with advertising. We first picked up on this when we investigated the potential of blogs and social networking sites, like MySpace, as marketing tools (Pearlfinders FT 20.12.05). Blogging and thought-sharing as a medium has been emerging rapidly - this year we've already begun to see it beginning to be accepted as a tool for internal comms and consumer PR and also for corporate communications. It seems like there's a missed opportunity for most marketers here, and we'd say it's down to progressive media and creative agencies to take the lead on educating brand owners on the workings and benefits of blogging. Once their eyes are open, there will be opportunities to engage them on the choice of blogs and messaging strategies, so those of you who react to this early on could find a lot of low hanging fruit.

Some decision-makers believe community-driven buzz marketing can be a strong method to raise brand profiles and in turn drive sales/generate revenue as opposed to traditional advertising. Car manufacturer Jaguar has given a New York socialite, who is notorious for hanging out at all the right places, an XK to use for free. The aim is to position the marque as an aspirational brand, associated with New York's in-crowd.

We'd advise those of you with innovative ideas on how to target key influencers in different social groups to send out a thoughts-led piece to brands that are focusing on aspirational marketing. Do you have an opinion on community-driven buzz marketing you want to share with decision-makers? You might want to think

about how it's possible to measure word-of-mouth. We suggest you consider using Jaguar as an example of how reality product placement can be a key driver in reaching out to early adopters, and include insights into how your offer can take this one step further.

Luxury brands - are they overdoing it?

It has been reported that even though the number of high net-worth individuals globally has increased, there is also a growing difficulty in capturing a slice of their income. Luxury goods consumers are coming out on top as the demographic most likely to spend in non-traditional ways. As a result, premium brands have to think more laterally about how to reach them and are rethinking their offerings. Changing consumer habits and demands are indicating a growing desire for individual experiences - contradictory to the current trend of luxury brands being globally available. Emerging markets have been a key target for luxury brands in recent years, as companies are keen to tap in on the new market potential. This runs the risk of devaluing brand equity as products become too readily available, unless unique experiences can be delivered to consumers.

It is worth considering how luxury brands can continue with their growth plans whilst still catering for their wealthy customer base. Could this be through product innovation? Or could it be through targeted campaigns demonstrating the reach of a brand and its offerings? The consolidation of luxury brands and the feeling many are 'spreading themselves too thinly' is also leading some consumers to turn away, as the image portrayed is more of off-the-peg rather than haute-couture luxury. What can be done to reverse this image? How can they ensure consumers have a premium experience across all touch points? Those of you with insights and ideas should step up your prospecting to the major and minor luxury players across all segments.

Will the smoking ban be a drag on the leisure sector?

With a ban on smoking in pubs set to arrive in England and Wales next year, a number of pub operators and retail leisure chains are investing in outdoor facilities to accommodate smokers. In Scotland, where the ban is already in force, pubs have reported that the decline in visits from regular lunchtime drinkers has been offset by a rise in the number of women and families coming to pubs to eat. Enterprise Inns said pubs with outdoor seating areas are expected to gain market share, while those with lower quality facilities would be expected to report declines. Across the industry, according to the Scottish Licensed Trade Association, there doesn't seem to be an overall trend so far - some members have reported trade up as much as 30 per cent, others have been down by the same figure.

In England and Wales, companies already upgrading facilities across their estates include Enterprise Inns (Pearlfinders FT 17.05.06), Pubs 'N' Bars (Pearlfinders FT 12.05.06), Wolverhampton & Dudley Breweries and Shepherd Neame (Pearlfinders FT 22.03.06) - but research suggests some smaller operators are yet to begin preparations. As we picked up on last month, there's some confusion in the industry about what constitutes an outside area where people can smoke, but this is expected to be resolved soon (Pearlfinders FT 17.05.06). We've discovered through speaking to a number of the key players that many operators are leaving arrangements down to regional managers or individual tenants. With that in mind, we'd advise interior/exterior designers that haven't done so already to get contacting operators and individual pub owners in your locality for any opportunities that might arise from facilities upgrades.

Banks 'borrowing' from retail?

UK banks are attempting to carve their presence on the High Street through large branch opening programmes. Following a focus on digital operations over the past few years, the banking sector is now branching out from online and telephone banking and seeing the potential to treat their branches as retail outlets to sell more financial products.

Pearlfinders has been covering the trend of banks focusing on the High Street for some time. We identified last year how UK banks were urged to take lead from retailers on branch design (Pearlfinders FT 04.07.05). As we reported then, several years ago High Street banks questioned spending large budgets on running branch networks that would become obsolete when consumers switched to Internet banking. However, there has been a significant turnaround in strategic thinking, with financial services companies realising that most customer relationships are won and lost on the High Street. NatWest has embarked on a £150m refurbishment scheme (Pearlfinders E7 16.12.05), while Barclays has committed to revamping its branch network and focusing on creating a better customer experience (Pearlfinders FT 08.12.05). HSBC and HBOS have lured executives from retail backgrounds to adopt a more retail-focused strategy (Pearlfinders FT 05.04.05, 02.03.06).

With UK banks currently developing strategies to sell their products and create a retail atmosphere to attract customers, we'd suggest agencies with either financial services or retail experience consider how your offer could help. We suggest market research agencies take note of this trend and consider how you might help

banks target their markets through careful location planning. Many banks have been left with taking space in retail parks and office blocks as opposed to the higher profile locations they had hoped for. Those agencies with creativity for maximising the space available to optimise selling should also consider approaching – especially retail design.

Furthermore, how can the new branches offer more than just transactions? Banks are focusing on developing the customer experience through carefully selected music, seating and lighting. Agencies with ideas on developing customer interaction with the brand at different touch points might step up your prospecting, along with specialists in POS and in-store communications. Those with retail design expertise should think how they could create an enjoyable 'shopping' experience through the store layout. In summary, the overhaul of banks on the High Street may throw up a wealth of opportunities and we would advise those with a relevant offer begin prospecting the UK's larger and smaller retail banking networks.

Utilities customers - voting with their feet...

According to Ofgem, consumers have responded to rising energy bills by "voting with their feet" to save money. Research has revealed that 900,000 customers switched gas or electricity suppliers in March after sharp bill rises - around 200,000 more than the same time last year. The figures are the highest in four years, demonstrating that competition is "alive and kicking" - particularly given consumers not only have the option to change supplier, but also to choose from a selection of tariffs.

Pearlfinders would suggest agencies consider how your offer could help the utilities sector reduce churn. How can the major players develop and maintain customer loyalty? How can they bolster their CRM activities to reduce customer turnover and increase levels of satisfaction? How important a role does customer service play, versus price? What influences consumer decisions? We'd suggest this is a good one not only for direct marketing, market research and database specialists with a strong track record in gas and electricity, but for those of you with experience of customer retention and development in other sectors. You don't necessarily need utilities expertise - what about demonstrating your transferable skills from another industry where churn is a problem - telecoms or banking for example? As consumers become more price and marketing savvy, developing the right messaging is more crucial than ever - and so is getting the price right to match the market you're targeting. If your agency has expertise in pricing strategy, we'd recommend now is a good time to connect with the utilities companies on your hitlist.

Debt consolidation - the answer to all money problems?

Debt charities have raised concerns about debt consolidation firms that encourage consumers to put their existing debts into a home loan. BBC programme Real Story recently highlighted several firms that have allowed customers to transfer credit and store-card debt into new loans secured against their homes. Many charities say the debt consolidation firms are behaving irresponsibly, especially with the use of celebrities, such as Carol Vordermann, to endorse their schemes. In addition to this, a lack of transparency and failure to communicate the risk involved in taking out a consolidated loan whilst potentially jeopardising your home are areas of extreme concern.

Pearlfinders has been tracking the fast-maturing debt consolidation sector, and we've featured analysis on Debtmatters (Pearlfinders FT 20.06.05), TDX (Pearlfinders FT 12.09.05) and Debt Free Director (Pearlfinders FT 18.02.05). We've also been predicting high growth in the sector following a spate of IPOs (Pearlfinders FT 17.01.06). The category is quickly becoming oversaturated and the negative publicity surrounding the sector at present could see a number of firms ramp up their customer comms efforts in order to address the charities' concerns and reassure current and potential customers. In addition to this, a rising number of individual cases highlighted in the British media could see a need for firms to rethink their media relations and crisis communications strategies in order to protect their brands. If you specialise in any of the disciplines highlighted, we recommend you consider sending out a thought-leadership piece to the major players in the debt consolidation sector with thoughts on how they can reassure customers and minimise the damage from any negative publicity.

Sector	March 20 to June 20 (2006)	Dec 20 - March 20 (2005/06)
CPG	28	12
Finance	45	23
Healthcare	42	25
Leisure	89	77
Technology/Industry	26	12
Retail	44	48
Telecoms	35	17
Motor	16	26
Media	71	54
Property	8	3
Apparel	20	20
Charity	17	7
Internet	73	38
Homeware	22	13
Prof Services	14	10
Utility	8	5
Public	5	9
Transport	18	5
IMMEDIATE ACTION	106	83
INCOMING	9	5

Fig. 1 — number of opportunities uncovered by sector, requiring 'immediate action' and incoming opportunities direct from decision-makers.

NEW BUSINESS PERSONNEL – TRAINING FOR SUCCESS

With HR churn in new business departments at 49%* - how can I find *and retain* good business development people for my agency?

*Churn of new business executives, managers, or equivalent title in last 12 months from a sample of 8000 UK creative and marketing agencies

It's no secret - churn of new business personnel is and has been a thorn in the side of many an agency: the agency sets expectations that the new business manager struggles to deliver on, while the new business manager struggles to get the support they need, when they need it, in order to do their jobs (*see Fig. 1*). Maybe you employ someone to forge new business relationships, only to discover at their six-month appraisal that they really want to work in account management and no longer enjoy the 'sales side of things'. Or maybe you simply don't know how to channel their efforts to get the results you so badly need. For whatever reason, agency new business has become a much-maligned role – from both sides of the fence, yet remains the critical lifeblood of any ambitious agency.

Reason For Leaving	%
Lack of training	23
Lack of support/resources	33
New business department felt isolated from the rest of the agency	10
Poor performance	20
Struggled with the complexity of the agency – too one-dimensional	10
Went into account mgmt/didn't enjoy sales	3

Fig. 1 – Feedback from new business staff and their managers on reasons for leaving employment

Is the only option to sit back and hope to hit lucky at the next recruitment attempt? Or the attempt after that?? Traditionally, in the absence of other options, the answer to this question has been 'yes'. Just a few months ago, the owner of a typical, medium-sized integrated marketing agency told me he estimates having spent around half a million pounds in the past 3 years on business development staff – none of whom are still with him today.

While many recruitment consultants do well irrespective of the final outcome, and often achieve great success with the more straightforward roles of account management, new business is not as simple, and something that recruiters and HR departments struggle to respond to. Sales ability is one thing, but marketing an agency isn't as simple as that: you need people who offer not only great commercial awareness and sales skills but also research ability, fantastic organisational skills and commitment to long-term relationship building (after all, how often do you come away from the first conversation with a marketing director with a new client?). And while recruitment consultants' fees might be prohibitively high, with little guarantee of success at the end of it, in the absence of an alternative, agencies continue to plough good money after bad, in the hope that eventually they'll see a return on their investment.

An Alternative

Newly there is an alternative solution – Blossom - that not only addresses the issue of finding the right calibre of employee, but also lays strong foundations for your business development programme.

Prior to launching Blossom, as HR Director of best practice new business leader Rainmaker, I was constantly frustrated by the poor quality of candidates that recruitment agencies would put forward to me and to my counterparts at marketing agencies. Our decision to handle everything in-house and, instead of looking for a 'finished article', learning to talent spot great raw materials and train them ourselves was a significant turning point. Furthermore, through Rainmaker's immersion in the new business world, we observed that the most successful new business managers were those who combined their individual skills with a supportive team, a strong, differentiated agency message and an integrated marketing programme - the whole being only as strong as its weakest link.

Based on these insights, we have created a model that is unique – and tailor-made for each agency to provide it with a means of identifying, recruiting and training new business personnel – as well as providing the personnel with the equipment to deliver on the expectations of the agency.

Understanding The Brief

Before you can even begin to look for the right person, it's essential to identify what your requirement actually is. Sounds simple – but many agencies make the mistake of assuming that more experience means better chance of success. And while a board-level business development director is right for some, many agencies find that this simply doubles up on the skills they already have within the agency, when what they really need is someone with freshness and enthusiasm to build relationships from scratch with decision-makers. This then leaves the directors to focus on closing the opportunities down. Maybe you need someone to spend 90% of their time prospecting – or perhaps responsibility for the production of marketing materials and PR is more suited to your business. With over 10 years' experience of providing new business consultancy to hundreds of marketing services agencies – from global leaders to the two-man bands, all with different challenges and different requirements - Blossom is ideally placed to assist in providing clarity at this first, but all-important point.

Talent Spotting

Finding the right person for the new business role requires a tailored approach and the ability to spot great raw materials in someone who may or may not have directly relevant experience. For example, we know that sales skills are a big part of the role – but we're looking for people who can engage senior level decision-makers through intelligence, tenacity and empathy – not through “banging down doors” or a gift of the gab.

After running an advert that is specifically tailored to your business, we offer an in depth screening process, involving phone interview, up to two further interviews face-to-face, written tests (a great conversation should often be followed up with a beautifully tailored letter or email) and a group exercise with other candidates for the same role. Having interviewed over a thousand applicants for positions at Rainmaker over the years – and often through making the odd mistake in the early days - we have developed a keen sense of what works for new business. And we know that it's only through a thorough examination of everything from how they conduct themselves on the phone, through to how they handle uncomfortable situations in groups that we can be confident that they'll be able to cope with the challenges that will inevitably come their way.

A Centre-of-Excellence

So you've found the perfect person... In the new business world of yesterday, this would be the point that you would take your new recruit in-house, talk them through your creds and hope they were up to the challenge. However at Blossom, we don't believe in leaving so much to chance. Before they are left to fend for themselves, each candidate we recruit undergoes 3 months on-the-job training with us, learning about everything from how to deal with objections over the phone, to closing meetings; and from writing a brilliant new business letter to assisting with pitch research – right through to the ever-tricky task of getting account teams to provide thorough briefings on their past projects. Our training combines the theoretical with the practical – the thinking with the doing. They will make their first prospecting calls on your behalf with our full-time trainer listening in, giving them hints, feedback and, where appropriate, constructive criticism. Fundamentally, this training is a critical factor in their success – but all too many agencies either lack the time to devote to it - or have limited experience of actually having done new business at the coalface to really know how to train them effectively.

Conversely, new business is our *sole* focus. We would never pretend to know your agency as well as you do – but, having constructed highly successful new business programmes for agencies such as WWAV Rapp Collins, Landor, and Design UK, we absolutely know how decision-makers respond to agency approaches – what they like and don't like, what triggers them to look beyond their current suppliers – and how to establish a relationship that's based on a genuine appreciation of how each agency might respond to the issues they're facing (*see Fig. 2*).

Method of Engagement	%
Tailored & relevant direct mail	40
Effective message/good reputation	18
Direct marketing - incl. proactive phone prospecting	31
PR	8
Advertising	0.5
Good website	7

Fig. 2 - What do decision-makers look for from an agency when they're considering reviewing?

Planning

Underpinning every successful new business programme is a sound understanding of what differentiates the agency in question. If you consider that an average marketing manager receives around 10 pieces of agency collateral every day, being “creative” and being “nice people to work with” is simply not compelling enough.

Running concurrently with the training, we provide a series of Rainmaker planning sessions to ensure that your new business manager has the right message to work with. This would include a review of the core business case for your agency, an audit of your competitors' messages and the identification of the best positioning and articulation of your competitive advantage in the form of a sales logic – essential for your new business manager to have cut-through in those vital first few seconds of attention from a marketing director.

We would also look to define a targeting model – the most fertile audience for your message - and offer best-practice guidelines on the production of marketing materials. And at the end of the 3-month programme, your new recruit would be provided with a database of all the companies on their target list along with contact details; a subscription to Pearlfinders, which supplies a steady stream of new business leads and decision-maker intelligence, along with daily checked contact data; and a comprehensive set of best practice guidelines across all relevant aspects of new business to enable them to be effective in their job. And because we offer ongoing coaching and 'surgery' beyond the three-month period, they have a resource that they can turn to for additional support, guidance and advice, as they require it.

The Outcome

For agencies that have struggled for years to find a satisfactory solution for their new business resource, Blossom is a breath of fresh air. The CEO of a top 5 global branding agency recently told us that the decision to appoint Blossom "took milliseconds". After years of struggling with underperforming new business agencies, they were nervous of taking on someone in-house, aware they didn't have the resources to offer training or monitor performance. With its turnkey solution, Blossom gave them the confidence to take new business in-house, where for so many agencies it deserves to be, and invest in a long-term solution.

Their reasoning is logical – instead of investing thousands in recruitment, they are putting their money into creating a support system that their new business department can rely on going forwards. They're investing in someone's future career – but importantly, a career that's perfectly tailored to the needs of their business. And they're focusing on growing their business with a fresh approach, that sidesteps received wisdom, and ensures that the foundations are in place to deliver a well rounded and profitable new business programme for years to come.

THREE SIMPLE QUESTIONS AND SOME STRAIGHTFORWARD CONCLUSIONS

We ask decision-makers at a group of 100 leading brands the same questions each year. We enjoy asking them because it means our advice to clients is objective - and when we're planning with a client, if someone says "well you would say that wouldn't you", it's helpful to be able to point out "we don't say that, your decision-makers say that!"

The point is - effective new business planning is not about forcing your model onto someone else, it's about doing what the decision-makers actually want you to do. And so each year we ask them: -

1. "What causes you to search for or be receptive to a new agency?"
2. "When being approached by an agency what manner of engagement works best?"
3. "At pitch, what are the specific reasons for choosing one agency over another?"

This is our précis and commentary on what they tell us.

The larger budget decision-makers especially are fairly besieged with poorly thought-through approaches by robotic cold-callers. These approaches tend to either bore them or irritate them depending on the caller's manner - either half-asleep, or what the caller mistakenly thinks is being passionate, which is in fact being way too pushy.

In general, the design and thinking that goes into printed collateral has improved considerably for the sector as a whole, but tenets remain: less is more and keep it simple, clear, intelligent and relevant. They always view expensive, coffee-table collateral as suggesting poor cost controls. They don't want to end up chucking money at the problem.

The days have long gone where a new business prospector could bang through a list setting up appointments with big brand decision-makers. We remember creating 9 new business appointments in one day 13 years ago and with major brand owners – they were all 'speculative' as that was the brief then, and didn't amount to much – but those days are gone. The environment has utterly changed.

Yes, it's still possible for a new business prospector, in-house or external, to set up lots of meetings, especially if they're flaky, blow out eventually, or where you end up getting 20 minutes with the intern in the

Starbucks next door. But the decision-makers confirm for us what we know from experience, that unless you have something to say that's several levels more tailored and relevant than the efforts of most of the people waiting to get put through on the phone, you are very likely to fail. Unfortunately the sheer number of hungry new entrants to the new business support sector is adding more heat rather than light, as many of them are breakaways from established, telephone and email marketing-based new business consultancies/agencies.

We also continue to learn that you need regular 'silence breakers' as excuses to get in touch again with decision-makers. The dialogue should be progressive, intelligent and feed some value too if possible, rather than a "Hello, how's it going? Are you ready yet to let us be your agency or shall I call back next month?" We exaggerate for effect, but that's not actually far off the basic technique sometimes employed. Effective silence breakers need continual thought and application. There are hundreds of possibilities, including a relevant viewpoint piece that you can follow-up, a reflection on recent legislation perhaps or a germane insight from a piece of recent research. It could be an observation about the company being reported in the news.

But when it comes to the news as a source of intelligence for you to lever as a silence (or ice) breaker, be cautious. Much of what is reported in the trades is inaccurate, misleading, way out of date or extremely common knowledge. Editors need to fill column-inches and they're not always as fussy as they could be about how they do it. Decision-makers want to be approached and engaged by agencies that have "smart, well thought through, sector-savvy understanding of their particular organisation and their own role". So, reading other peoples' guesswork about brands isn't very helpful and you need to either use a product you can really trust like Pearlfinders, which independently interviews the decision-makers for brands reported about in the press - or you need to confirm the picture from your own sources before potentially putting your foot in it.

The people you want to work with *do* have time for you if they know you're not a waste of time. There's so much noise now that an agency principal with the courage to pick up the phone and speak directly to his or her prospects stands out head and shoulders above the crowd. Decision-makers appreciate a director expressing an interest in their business, as, especially with the larger agencies, it's generally juniors that approach them. We would always urge you (especially if yours is a small- to medium-sized agency) to take advantage of this fact, get over your own fear of the phone, and just get on and do it. Keep trying though - it may take several attempts over a few days to get through to someone, but if you can't reach them, it's not because they don't like you, they're just busy like you and no doubt a bit fatigued by the new business telephone jockeys endlessly lining up to speak to them too.

When we asked the decision-makers - "at pitch, what are the specific reasons for choosing one agency over another?" they responded with the following criteria and are ranked by number of times mentioned, as follows. We suggest you use this as a checklist and though few agencies can deliver 100% of these all the time, it is a sound way of prioritizing where to pay special attention to detail. Chemistry is the critical common denominator once face-to-face and pitching. Agencies should ensure that the team fielded to pitch has good relationship building and interpersonal skills or no matter how logical the service match, the pitch will fail. So with good chemistry at number 1 in our chart, the rest are: -

- | | |
|---|---|
| 1. Good chemistry with us | 13. Ability to implement |
| 2. Has strong creative | 14. Can stick to deadlines |
| 3. An understanding of us | 15. Will 'collaborate' with us |
| 4. Being on brief | 16. A high quality of work |
| 5. Having sound strategy | 17. Relevance to us |
| 6. Being innovative | 18. Can ad-lib creative thinking |
| 7. Has a business case for return on investment | 19. Made good prep for the pitch |
| 8. Challenging the brief | 20. Has clear thinking |
| 9. Having evaluation processes | 21. Is forward thinking |
| 10. Possesses rich insights from research | 22. Offers us 'big client' status |
| 11. Strong commitment | 23. Will be proactive |
| 12. An empathy with my brand | 24. Will collaborate with my other agencies |

Apart from waiting for a relationship between an incumbent and a client to breakdown, agencies can provide their own trigger for change and it's best to do this via direct marketing. If this is done on a continuous basis, it will enable you to be in the right place at the right time for when things do break down (eventually they all do).

Direct marketing is also the most positively regarded manner of approach by prospective clients, but it must be relevant and specifically tailored to the individual target each time. The messaging should be simple and clear. For other aspects of the mix, your website should be consistent with the channels you use and not relied on in itself as a means of proactively engaging with clients. The decision-makers only rarely indicate that agency advertising or PR influences the likeliness of winning their business. Rather, above-the-line activity promoting agencies is thought to serve internal, corporate and investor-relations purposes in the main. Having said that, good reputation is important to decision-makers, so if PR can nurture this then fine, but beware that it's all too easy to destroy it too.

If there's any danger that you're using 'salesy' or 'pushy' telephone prospectors – decision-makers hate this. Or if you're mailing people using inaccurate contact information – likewise there's nothing worse for your reputation as a communications expert to get somebody's name wrong or send it to the wrong address. You should always have your staff clean your contact data to 100% accuracy or make sure you only use data that is. It's not worth the risk of doing otherwise.

Finally, a senior decision-maker told us this about agencies that approach her – “If they can't promote themselves, how could I expect them to promote me? And if they promote themselves poorly – then that's even worse.”

We think that sums it up!