



What clients want from their agencies **What wins new business**

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Relationship Audits & Management

4A's New Business Committee
Thursday, February 22, 2018

What we will cover

- What we've learned from thousands of interviews and surveys...
 - **What clients (say they) want from their agencies**
 - and how agencies should think about this
 - **Observations on winning (and losing) pitches**
 - and some questions to ask your agency colleagues



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 - **What clients (say they) want from their agencies**
 - and how agencies should think about this
 - **Observations on winning (and losing) pitches**
 - and some questions to ask your agency colleagues
 - ***And please note: Much of what we will cover is just plain common sense***



Specialists in the measurement of agency – client relationships and....

.... identifying the opportunities to maximise greater value from them

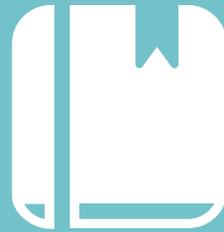
Work globally for agencies, clients and associations

- Client relationship auditing / listening programs
- Supplier relationship reviews
- Win / loss / pitch reviews
- Internal stakeholder relationships
- Relationship diligence / client referencing
- Training and consultancy



Relationship Audits & Management

Last year



Over 30,000 assessments

Experience with clients



Experience with agencies

GREY

McCANN
WORLDGROUP

Y&R

JWT

SAATCHI & SAATCHI



HILL HOLLIDAY

Ogilvy & Mather



HAVAS
LYNX



DDB

WPP

ORGANIC



Landor



Starcom MediaVest
GROUP



DRAGON ROUGE



Interbrand

FITCH

R/GA

Hearts & Science

RUFUSLEONARD

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social media management



What clients (say they) want from their agencies



What clients (say they) want

- Relationships still matter
 - Becoming a “trusted adviser” continues to be the gold standard despite the rise of technology and new ways of working
 - Experience and maturity of agency teams (the right people) consistently rated as key, as is frequency/immediacy of contact
- What else are senior clients looking for
 - Extension of the client team
 - Lead Agency capability
 - Thought leadership
 - Creative multiplier
 - Speed to market
 - Innovation
- It's about outcomes and value adds, not inputs



Relationships still matter

- In spite of the growth of the internet, smart phones, social media, big data, AI and new ways of working, *real* relationships still matter
 - *“The agency team is viewed as deeply engaged and immersed in our business, but there is an emerging desire for more frequent, in person conversations and phone calls and less reliance on email or text by agency staff,”* QSR, VP Consumer Engagement
- It's critical to demonstrate business, brand and industry knowledge
 - *“Agency X have built a strategic relationship with us - meaning we trust and value their advice and bring them into our thinking at an early stage,”* Global Drinks Co, Procurement Director
- Experience and maturity still count..
 - *“I really appreciate the fact they have high quality/calibre and senior, mature people on my business,”* QSR CMO
- The trusted advisor is still the gold standard
 - *“While the agency continues to be seen as expensive this is currently not an issue because the creative is performing strongly, the agency is well regarded as a trusted adviser and we have 28 months of same store sales increases,”* Retail CMO



Extension of the client team

- Clients value the agency working as a real part of an extended client team especially given the pressure on client headcount and streamlined functions
- It's critical to embrace this role where it's wanted and demonstrate deep knowledge of the client business and the way they work, and do it with enthusiasm and empathy
 - *"I want an agency that works with us collaboratively and adds value based on knowledge of our needs and desired outcomes. Demonstrating they understand our business, the brand and the way we do things is crucial,"*
QSR CMO

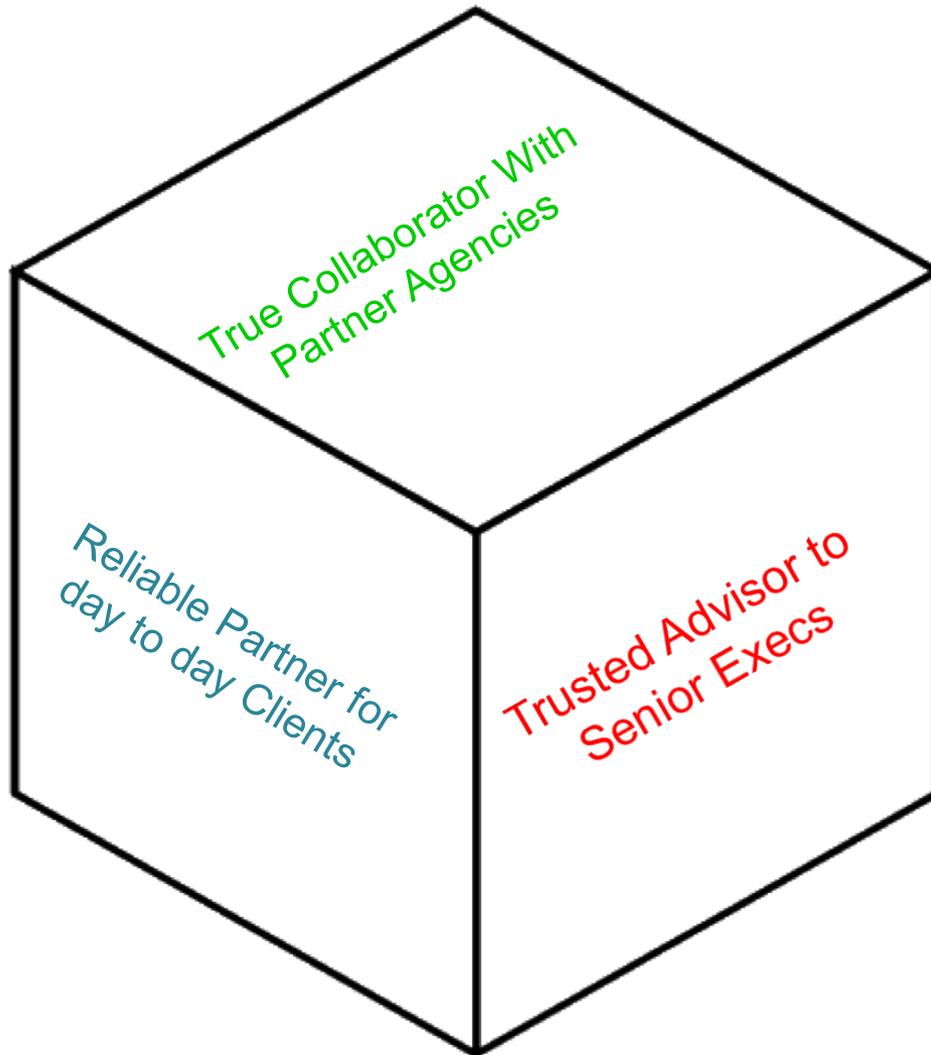


Lead agency

- Many clients now want an agency partner who can help manage the ever growing list of capabilities required for effective marketing programs
- Consider the role and skills required to be a Lead agency
 - Remember it may be somewhat different for each client organization
 - Usually requires both strategic, creative and process leadership
 - Do you have and are you actively developing account leaders who can do this?
- Needs a vision of how we can help transform the client's business
- Requires a mind-set of collaboration with other agencies within the holding company and beyond
- And it calls into question – *What is an agency?*
 - *“Being a Lead Agency requires a different set of processes and skills beyond simply generating campaigns,”* Int'l Telco Agency Relationship Manager



Lead agencies need to build trust in 3D

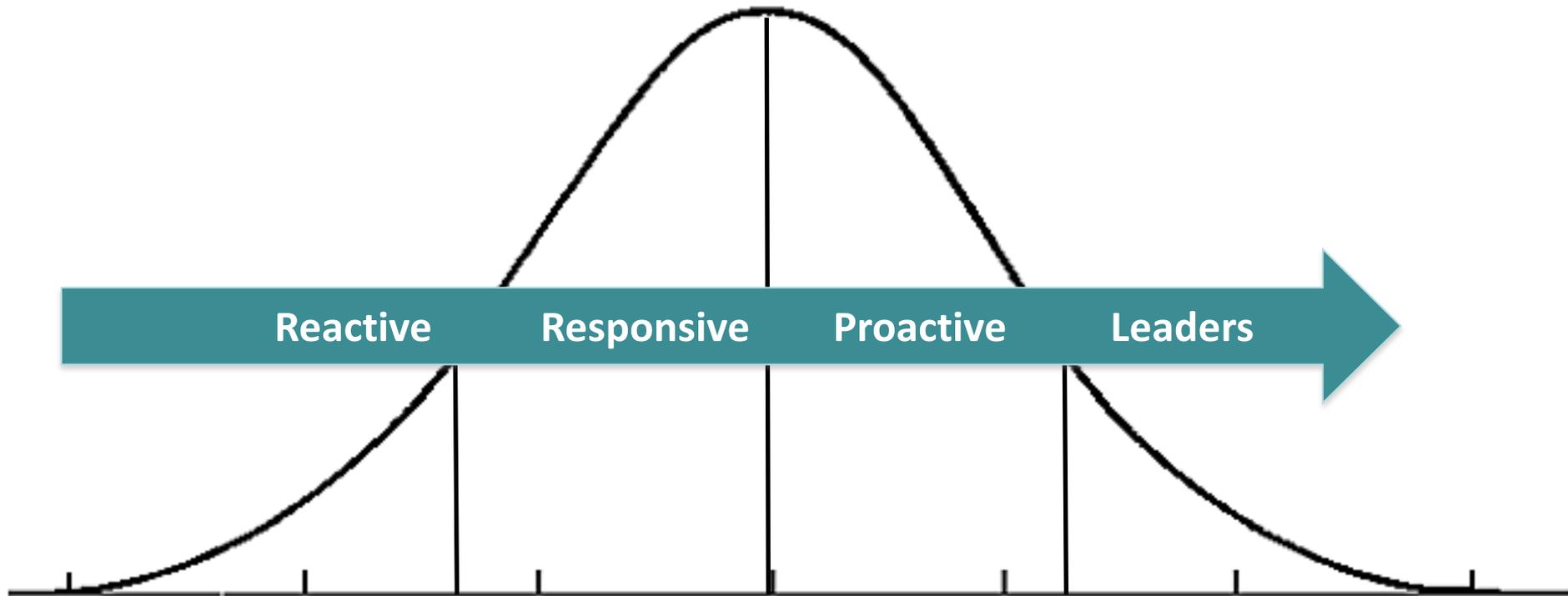


- *“Successful lead agencies excel at building trust with*
 - *Senior executives*
 - *Day to day clients*
 - *AND their partner agencies”*
 - Bank, Director Marketing Operations
- Lack of trust on any of these three dimensions undermines an agency’s ability to truly be a Lead Agency



How clients describe their agencies

Where is your agency on the curve?



Thought leadership

- Actionable insights supported by analytics and the human story
- Leverage learning across clients
 - *“I’d like to hear more about what our agency does for other clients and what specifically can be beneficially cross-pollinated,”* International Drinks Co Marketing Director
 - *“I’d like to know more about what’s going on in the market for their other clients and what the agency can bring to our business as a result,”* Automotive CMO
- Ethnic insights are pivotal to some clients e.g. McDonald’s
- Do we have a learning agenda driven by insatiable curiosity
 - *“Bring new ideas to better understand our customers and how to connect with them,”* Bank CMO



Creative multiplier

- Fragmentation of media and proliferation of messages have made breakthrough work harder to achieve
- Clients want big ideas that work across channels and multiply the measurable impact of program spend e.g. P&G's Old Spice and Always "Like a girl" campaigns
- Clients want agencies to adopt a more entrepreneurial approach
 - *"I want the agency to think smarter about how to make more noise for the brand when media budgets are under pressure and television delivers less and less,"* FMCG Marketing Director
 - *"Be sharp and sure about brand differentiation and communicate that in a bold way,"* Consumer Products CMO



Speed to market

- Getting it right the first time
- Identify the CTQs (critical to quality) for each major client and put in place (or simplify) process to ensure higher quality control and consistency
- Tight project management through development programs that develop and enhance project management skills
 - *“The agency’s project management is great; they do what they say they will and proactively alert me if there is likely to be any slippage. It’s one less thing for me to worry about.”*, Pharmaceutical Marketing Director
- In social, where prototyping and innovation are key, it’s critical to move fast, deliver programs that can be tested, refined and move forward quickly



Innovation

- Look for leaders who are open and willing to challenge the status quo
- Champion intelligent risk-taking such as “70/20/10 thinking”
 - *“70% of effort put towards proven in-market activities*
 - *20% of effort goes to ramping up whatever worked of last year’s innovation*
 - *10% of effort goes to developing innovative, unproven approaches”*
- Some marketers are willing to invest in an innovation fund despite challenging economic times
 - *“We want account leads who are not satisfied with just doing the tried and trusted”... Telco CMO*



How can your agency make a difference?

- Does your incentive system reward the agency's impact on the client business as well as agency revenue and margin growth?
 - Pay-for-performance is an important trend
- Do your strategic and HR plans emphasize developing trusted advisers and thought leaders?
 - Perception among many clients that agencies generally lag on this
- Do you insist on a formal and consistent approach to monitor agency performance and client relationships?
 - In your key client relationships are you moving forward, going backwards or standing still?
 - How do you know?



So...

- How much of this do you know?
- How much of this do your colleagues know?
- How much of this are your account directors doing ?
- How many of your clients would say your agency does some or all of these things?

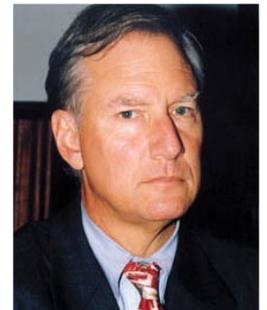


One expert's perspective

“Today’s wisest firms are those that are tops at consciously investing in relationships - steadily, over time with purpose and passion.

But even the stellar, pioneering outfits don’t try to measure it and that is a mistake.”

Tom Peters
‘Liberation Management’



Why pitches are won and lost



Evaluating pitch wins & losses

How we approach Win/Loss evaluations

- RAM conducts pre-approved 30 minute telephone (or, in special cases, 1 hour face-to-face) interviews for priority pitches.
- Written reports provided for each post-pitch analysis, submitted to agency's business development team for review/ distribution.
- Upon completion of a set number of initial reviews (ideally at least 10 different clients), we provide conclusions, insights and specific recommendations to include:
 - Key insights on agency's proposal strengths, opportunities for improvement, process issues, differences between geographies, competitive comparison, etc.
 - Specific, actionable recommendations for improvements based on this learning.



Typical pitch win/loss reports

New Business Optimization Program



New Business Optimization Sample Win/Loss Reports

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New Business Optimization Program



Sample Win/Loss Assessments

Example 1: Won Prospect Report

[Agency ABC 'Won' Prospect Report](#)

Prospect: Pharma Co Brand
Interviewee: Ideation Director
Interview date: March 9, 2009
Requested by: Agency ABC NY
Industry: Pharmaceutical
Assignment type: Brand Architecture, global positioning & packaging
Income estimate: \$260,000

[Why Agency ABC Won](#)

1. Context

- Previous Brand packaging overhaul was done three years ago in London by LFH. That packaging did not out perform competitive brand and most of the larger markets (Australia, France, UK & USA) did not implement. Global brand team recently decided the brand needs to talk to broader consumer segments with new packaging to help develop an emotional bond and combat Nicorette
- The project will be driven from the USA, but it's a global project
- Pharma Co did capabilities reviews with six agencies and then four were asked to submit a written proposal to answer the RFP
- In the end the final decision was between PI Global in London and Agency ABC NY as lead agency for the Agency ABC network
- Agency ABC won in a "very, very, close decision"

2. Assessment of Agency ABC's performance during the RFP process

- **Pre-disposition to Agency ABC was largely positive**
 - The global team had no direct prior experience with Agency ABC, but Pharma Co Australia favoured Agency ABC
 - The recent pitch for Pharma Co another brand concluded with a very narrow decision against Agency ABC (PI Global in London won). However, Agency ABC NY performed very strongly and as a result Max K of the other brand team recommended Agency ABC to the Brand team
- **Agency ABC performed strongly during the RFI phase**
 - Agency ABC's team was impressive, especially Richard B at Agency ABC NY who gained the confidence of the Client Ideation Director

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Typical pitch win/loss reports

New Business Optimization Program



- **Agency ABC won because of -**
 - Clear understanding of the brief
 - Agency ABC's extensive global experience. Note: by comparison PI was seen as too UK centric
 - The capability of the London and Australia offices to participate in the creative development with Agency ABC NY coordinating
 - Confluence of stakeholders – Pharma Co Australia preferred Agency ABC
 - Strong recommendation from the Diageo client reference
 - Agency ABC showed flexibility in agreeing to reduce the proposed fee, although the final accepted fee was still \$50k more than that of PI Global
 - Richard B

3. Conclusions – Agency ABC key strengths/weaknesses

- Agency ABC's global network is viewed by Pharma Co as a big advantage
- The right capabilities casting, team chemistry and 'fit' with the clients really made a difference in the decision for Agency ABC
 - "Richard B called me at the right time to assure me I would get the international creative teams I wanted"

4. Recommendations

- Ideation Director was very assertive about the importance of Agency ABC doing a great job with this project.
 - Richard B should continue to be very visible on this project
 - He wants Agency ABC's help to sell the new design to the general managers
- He said Agency ABC is not currently on Pharma Co's official roster of 4 Branding firms (PI Global is), but Agency ABC might be added to the list if this project is seen as very successful

B. Experience to date working with Agency ABC

- **What are your expectations of an agency like Agency ABC for your organization?**
 - They will deliver a world class design that will really beat competitive brand
 - Develop a holistic branding solution
 - I'm really counting on them to help sell the general managers on the new design
- **What is Critical to Quality?**
 - Be the brand that stands out on the shelf with a strong mnemonic
 - Support a positioning of most efficacious
 - Address needs of different types of quitters
 - Make the brand friendlier
 - Complete the design phase in time for the General Manager meeting on June 15

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- **How is the initial on boarding process working out?**
 - I'm very pleased so far. The ABC team has been very responsive
- **How would you rate their overall performance to date on a 7 scale?**
 - 5.5
- **Do you expect Agency ABC to behave like a Partner, Preferred Supplier or Vendor?**
 - Partner
 - When I'm briefing them or giving them feedback I expect them to 'get it' the first time. We don't have time to explain things again and again
 - I expect they will have a strong point of view
- **If a colleague or friend were drawing up a shortlist would you recommend Agency ABC and how strongly would you recommend Agency ABC on a 7 scale?**
 - Too early to say
- **If you could give Agency ABC one piece of advice about working with your company what would that be?**
 - Keep pushing the envelope with Pharma Co
 - Show your true talent as to how you can really make a difference
 - Deliver very strong branding
 - You're inside the Pharma Co tent. Now make the most of it!

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Sample WPR/LPR Summary Report

	Winner	Summary	Home Team's Performance
Acme	Agency A	Not as convincing	Good pitch but did not demonstrate as good brand understanding and did not satisfy metrics needs.
Roth Global	Agency B	Chemistry	Demonstrated commitment, case studies were relevant. Reduced scope and pricing did not meet their needs
Asche Shipping	None	Hunger	Positive interaction by phone but RFP was not customized sufficiently
Spectre Investmts	Agency A	Not as convincing	Poor RFI response. Case studies were not relevant. Did not instill confidence to meet aggressive timelines
Universal Exports	Agency C	Chemistry	Performed well at RFI stage and in pitch. Team lead well-liked but chemistry was not as strong with rest of team.
Engulf & Devour	?	Not as convincing	Performed well at each stage. Addressed the brief correctly. Not clear who would be leading the project.
Unrelated Ind.	Agency D	Missed what was most important	Did not show good understanding of client's challenges. Strategy story. Off-base Not convincing about name change capability. Not as hungry
RMCI	Home Team	Got It All Right	Demonstrated great understanding of the brand and client needs, strong creative. "They got it from day 1"
Digital.com	Home Team	Solution	Strong research proposal. No one had used the product
Ultron Inc.	Home Team	Got It All Right	Did well in RFP. Asked great questions. Relevant case studies. Good rapport. Well-thought out solution that was well-presented. High caliber team.



Sample WPR/LPRs – Detailed Performance Report

	Winner	RFP Response / Proposal	Understand Business/ Brief	Case Studies/ Experience	Briefing/ Q&A Interaction	Strategic Thinking/ Research	Creative	Process/ Timeline	Pricing	Pitch Quality	Team Quality	Chemistry	Passion/ Hunger	Understand/ Meet Win Criteria
Acme	Agency A	Yellow	Green		Green		Red	Red	Green				Green	Red
Roth Global	Agency A	Green							Green		Red		Red	Red
Asche Ship.	Agency B	Green	Yellow	Yellow				Yellow	Green	Yellow	Yellow		Green	Red
Spectre.	Agency C	Red	Yellow	Green					Green	Green	Green	Red	Yellow	Yellow
Univ. Exp.	?			Red	Yellow	Yellow			Green		Red		Red	Yellow
Engulf	Agency D	Red	Yellow			Yellow	Yellow		Green	Green		Yellow	Yellow	Yellow
Unrelated	Agency E	Yellow	Green	Green		Green				Yellow	Red	Red	Red	
Birdfly	?			Green			Green	Green	Green	Green	Green	Yellow	Red	Yellow
Argo	Agency B		Red	Yellow		Yellow		Green		Green	Green	Yellow	Yellow	Red
Rogue Ind.	Agency F	Green	Yellow	Green					Red			Yellow	Green	Red
Montpython	None	Red			Green				Green				Red	Red
Pills.com	Agency B	Red		Red		Red	Yellow	Red	Yellow	Yellow	Yellow	Red	Yellow	Red
Telco	Agency F	Green	Green			Yellow		Yellow	Green	Yellow		Yellow	Green	Green
Packco	?	Green	Green	Yellow	Green	Yellow	Yellow		Green	Green	Yellow	Green		Yellow
Mangle Ind.	Agency G		Red	Red	Yellow			Red		Yellow	Yellow	Yellow	Red	Red
RMCI	Home Team	Green	Green		Yellow		Green		Green			Green	Green	Green
Digital	Home Team					Green							Yellow	
Ultron	Home Team	Yellow	Green			Green			Green	Green	Yellow	Green	Green	Green

Home Team performed well
 Home Team performed well but competition did better
 Home Team did not perform well
 No Feedback or Not Relevant

“Home Team” report

- When you get it right, you (nearly always) win. When you don't, you lose...
 - RFP Response addresses the brief explicitly
 - Case studies are relevant
 - Personal interactions between written response and presentation
 - Quality of presentation is strong (storytelling and preparation)
 - The proposed solution (or approach to the problem) is clear and credible
 - Demonstrated understanding of the brief
 - Quality of the team is consistent and impressive
 - Chemistry with the client is tangible
 - Senior level commitment is clear and roles understood
 - Passion and hunger are palpable



“Home Team” report

- Clients select agencies they *want* to work with, not just who shows them the best solution
 - The *How* is as important as the *What*
 - “Home Team” missed too often on the RFP and were not generally viewed as strong on strategy
 - Passion & hunger are as important as the solution
 - There seems to be a consistent complacency problem here for “Home Team”
 - Chemistry can be correctly cast; client organizations have definitive personas and team quality and client chemistry a too prevalent issue for “Home Team”
 - If you don’t have the right team to win, don’t waste your (or your prospect’s) time



“Home Team” report

- You must deeply understand what the client says they *want*, not what you think they *should* want
 - There are invariably one or two issues that are most important to each client
 - You must determine these and pitch to them
 - The “Home Team” all too consistently fell short of understanding and meeting their prospect’s key winning criteria
 - Case studies need to be 100% relevant to these perceived issues
 - “Home Team” demonstrated decidedly mixed results on relevant case studies– this should rarely, if ever, be a “miss” if the brief is properly understood (and you have the goods)



Why Agencies Win



The client perspective

The RFP

- Focus on understanding and answering the brief
 - Read it, read it and read it again
 - It usually means what it says!
 - Ensure you have clarity regarding the issues to be solved
- Tailor all aspects of the response to the brief and its specific issues
- Most capability documents don't stand out... except the awful ones!
- Substantive claims about your firm *only*... no puffery
 - Think like a trial attorney - - "*I will prove....*"
- Use the Q&A with quality questions to help differentiate yourself during RFI phase
- Feature only current and relevant experience in the category
- Avoid "patented processes" – pretentious and generally not credible



The client perspective

The Pitch

- Clients are looking for content and clarity – just 3 or 4 things to remember
- Gauge the client culture and act / dress appropriately
- Present the right team
 - Clients look for people / team they *feel* will be good to work with (and don't "bait & switch" that team after the pitch!)
- Presentation role of the senior partner should be reflective of their expected role on the business
 - Clients do not believe seniors will be the day to day leaders on their business but do expect them to be accessible and aware
- The winning firm is usually outstanding on the day
 - Remember – *good is the enemy of great!*
- Energy and passion are paramount



The client perspective

The Pitch

- It's about *them*, not you!
 - Focus on the client's issues and your approach to addressing them
- Answer questions directly and concisely without piling on
 - When too many people answer it's distracting and confusing
- Leave behind is of minimal importance
 - A memory stick copy usually sufficient
- If you do not win, but made a good impression, find out why and stay in touch!
 - Relationship building is the pathway to another opportunity or a positive referral; why squander what you started with the RFP?
 - Conduct a formal loss interview w/key client(s) so you know exactly where/how you missed the mark
 - Have a disciplined process for sharing relevant information of interest, invitations to appropriate seminars, occasional lunches or dinners



Why Agencies Lose



Why agencies lose

- Reasons for specific losses vary significantly, but themes do emerge:
 - Fees are typically *not* the decisive factor in the decision
 - Not establishing rapport *before* and *during* the proposal process is a non-starter
 - Failure to understand the critical decision criteria
 - Not having the right and consistent team throughout the process
 - Failure to identify or understand the key decision-maker
 - The person you have been communicating with during the process may not be “the decider”
 - Inability to understand and address decision maker’s “hot buttons”
 - Inability to demonstrate real understanding of the “pain” the client is feeling
 - Was this the right opportunity for your firm in the first place?
 - The “off day” – it happens; just be sure you know why



Some Questions for You

- **What is your agency's reputation in the market place – do you really know?**
- **What do your clients say about you to others?**
- **What do you think your agency does best... and why?**
- **What to you think you do best in pitch situations?**
- **What is your agency's Achilles heel?**
- **Is there a well-defined (and respected) process for new business pitching**
- **Are rehearsals mandatory?**
- **Is there always a clear leader of the pitch?**
- **Are your people engaged and enthused? Show up when asked?**
- **Is there a professional post-pitch follow-up process, win or lose?**



Last thoughts....

It's mostly just plain common sense. But it's the *consistency* of execution that makes the difference.



Last thoughts....

It's mostly just plain common sense. But it's the *consistency* of execution that makes the difference.

As the great golfer Gary Player once observed...

"The harder I practice, the luckier I get."



Thank you!

Questions for us?



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