



American Marketing Association - Q&A

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1. Could you describe a little bit about what Pearlfinders does?

We are an independent business information company, which helps marketing agencies win new business. Unlike any other service of its kind, we specialize in providing forward-looking opportunities via speaking to a very large number of real decision-makers – thus adding significant value above traditional intelligence sources. This output seamlessly integrates with a comprehensive contact and archive database - resulting in real revenues for over 400 clients in 32 countries.

2. You work on behalf of marketing, pr and ad firms to find new business. What factors go into this process? What are the challenges? Do marketing, pr and ad firms sometimes “leave money on the table” by overlooking opportunities? If so, what are these opportunities?

We work for anybody that supplies marketing services support including those you mention and of course research, design, NPD, fulfillment, direct, SEO promotional, experiential, brand strategy etc. To help them all to find new business, our primary tool is the business and trade media. We investigate breaking corporate news directly with the principal brand decision-makers to evaluate whether or not a new business opportunity exists. We then brief our clients accordingly. There's more to it, but that's the nutshell. One challenge is to methodically identify every single opportunity in for example the Wall Street Journal, for each given day and from cover to cover – missing absolutely nothing. Our clients have to trust us to do this because one of our primary benefits to them is the timesaving that not having to read all of the essential business and trade press each day provides. Another challenge is to ensure that the decision-maker contact data we supply that supports our intelligence is 100% accurate. You just can't get this from any other source as they all use cleaning cycles. So no matter how short the cycle inevitably their data contains inaccuracies. Our clients can't risk their reputations in getting someone's name wrong, so we meticulously check all details the same day. So, for press-reactive new business activity Pearlfinders is the best source of contact data you can use.

Agencies overlook opportunities in that: 1. They fail to put a discipline in place that systematically monitors the media and responds appropriately to potential opportunities, and/or 2. They use intelligence providers or outsource activity that promises a deluge but in reality delivers a trickle. A common error that results in overlooked opportunities, is for agencies to categorize themselves and the work they deliver. Too often for example, an advertising agency looks for advertising work. What they should be on the look out for, are business challenges that require marketing solutions. The most obvious way they 'leave money on the table' is by not having the balls to pick up the phone and speak to the person with the money – or by sticking their heads in the sand and trusting someone inappropriate to do it for them.

3. What are some misconceptions that marketing firms have about winning new business? Conversely, what are misconceptions that companies have about working with agencies? What is the reason for this disconnect?

A survey we carried out earlier this year among 150 US corporations shows that in the main, clients don't feel size matters, but agencies on the other hand worry they do. Agencies would do well not to sell so vigorously on size, and smaller agencies shouldn't be so intimidated. Additionally, the majority of clients (83%) don't feel geographical location is an issue – though many agencies think it is. Also 85% of clients don't feel agencies prepare enough around new business approaches, and it's true that many agencies don't invest much in this area or prefer to fire from the hip - often missing. Three quarters of clients think they are buying solutions to their business problems, but most agencies still think the client is looking for a discipline; advertising, PR, design or whatever other silo fits *their* model – which is both vain and dumb. Lastly, clients want agencies to be far more proactive and imaginative, but most agencies prefer to wait in the bunker or only reach for the low hanging fruit when it's practically touching the ground. It's clear that agencies should proactively reach out to the brands they want to work with if they want to control their own destiny and shape their portfolios accordingly.

4. I noticed in John's notes that the top reasons for selecting and retaining a marketing firm, insights, chemistry, and creative work, are somewhat intangible. How can companies evaluate these qualities to ensure a good fit, before hiring an agency? (Note: If it is more appropriate to your experience, you can approach this question from the opposite angle: How can agencies project or demonstrate these qualities to clients and ensure good fit?)

It is true that no matter what reassurances bosses of corporations provide their VP Finance, our survey shows it's intangible factors that continue to lead the reasons clients select and retain marketing suppliers. So despite the focus by companies in the last decade on KPIs and measurable ROI (increasingly involving procurement departments), that you just can't take 'people' - and all the idiosyncrasies that come with them - out of the equation. And intangibles of course are by definition difficult to quantify. So what can companies do? They can identify key people within agencies and tie them in contractually. They can also do better crosschecks on case studies resulting from creative work and on proof points regarding the efficacy of customer insights etc. But in the end, it comes down to the individuals in the room. Does the company's team have the business acumen and savvy to read the supplicant accurately and thus judge effectively who and what to trust?

Are there any other issues that might be relevant to marketers that we have not covered?

Clearly a significant trend in motion is an increase in demand by clients for better customer insights. Not since the 1960s and the pioneering work of Landor in San Francisco with the Floating Supermarket Test Lab, has there been such a focus in this area. Agencies must continue to develop keener methodologies for supplying better insights and marketers should frankly continue to demand them. Proximity to the mind of the consumer *and* an ability to influence their behavior is critical for business success.