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Agencies and Prospects May See Things Differently

Last week, our ResearchBrief quoted a study that suggested a disconnect between tech-sellers and tech-buyers in terms of information desired and the seller's presentation material and technique. Now, a newly released Business Intelligence Study from Pearlfinders finds sharp contrasts between what marketing agencies say and what marketing decision-makers are saying. Agree or not, the Study deserves some study.

A summary of the conclusions about prospecting noted in the report reveals these dichotomies:

- In the main, clients don't feel that size matters... but in the main agencies do.
- 83% of clients don't feel geographical location is an issue... most agencies think it is
- 85% of clients don't feel agencies prepare enough... many agencies don't invest much in this area
- 75% of clients are buying solutions to their business problems... most agencies think the client is looking for advertising, or PR, or design
- Clients want agencies to be far more proactive... most agencies like to sit in the bunker.

A major trend, and one which will undoubtedly impact on all marketing communications agencies, says the report, is the increase in demand from clients for better customer insights.... "proximity to the mind of the customer is critical."

The Intelligent New Business Survey seeks to understand how marketing communications agencies should best engage with prospective clients for the purpose of winning new business. Major categories of the study include: (1) what

prompts them to search for a new agency, (2) the most effective ways for agencies to engage with them, and (3) the reasons they choose one agency over another.

In summarizing the responses that would cause an organization to look for a new agency, the study finds that:

- 48% of respondents said a drop in creative quality would definitely precipitate a review
- 51% of respondents might look for a new agency
- 87% said a breakdown in chemistry would, or might, prompt a review
- 93% of decision-makers said that if they noticed a lack of strategic thinking that this would cause a review

Compulsory or annual reviews seem to provide no statistical advantage one way or the other for this as a search trigger:

- 47% said it might prompt a search for a new agency, but
- 48% said it would have no effect on arrangements. It simply depends on the organization.

Nor do changes changes in ownership or the structure of an agency

- 41% thought it would prompt a review, yet
- 40% thought that it would not.
- 13% of respondents said they would never be prompted (the highest score in this category) to look for new agency support if there were a change to the incumbent's ownership or structure.

But 73% of decision-makers say that in order to stay abreast of 'new thinking or emerging marketing channel / disciplines' that they would, or might be, prompted to look for new agency support. 15% would always be prompted to look for new agency support if there were new disciplines emerging, whatever the circumstances.

When asked about the most effective way for agencies to engage with the prospect:

- 92% said that they might respond if the agency had produced some research or insights into their category
- 85% said they would respond positively if the agency wanted to inform them about a recent case study in their category
- 75% said they might or would definitely 'follow up' where an agency wanted to pitch a solution relating to one of their current business challenges
- 23% said they would be unlikely to respond to leveraging awards for marketing purposes, and 55% said they would never respond to this type of approach.

When queried about how prepared agencies were before they made approaches and how important this was to the respondents, the study found that:

- 61% thought the majority of agencies that approach them have not done any prior research on their company
- 85% thought the preparation was 'only very rudimentary'. In fact, the majority strongly agreed with the statement that 'agencies rarely possess enough knowledge of my company to make their unsolicited approaches worthwhile'
- 75% said they wouldn't respond to an approach if there were a lack of understanding about their particular business challenges.
- 67% would not, or would be unlikely, to follow up on an agency approach if the agency got their contact details wrong (name, job title, address etc.), while 16% didn't think this mattered
- 17% felt they wouldn't respond if the approach were from an agency outside of their state

In responding to why choose one agency over another, 58% of the respondents rated quality of customer insights as significant in the decision and all the respondents considered it the most important factor within the next two highest rankings. 75% thought level of client service in terms of speed and responding to ongoing needs, as 'fairly significant'.

Cost control was rated very highly. Less important in the choice were the agency's size,

geographic location, and its client list. A clear case for ROI, a flair for innovation and creative thinking scored highly.

The polling group rated choice criteria by order:

- Quality customer insights
- Chemistry
- Creative work
- Service level / response to needs ongoing
- Cost control
- Innovative / strategic thinking
- Case for ROI
- Client list
- Strict adherence to brief
- Seniority of account team
- Location
- Size

Bill Colbourne, CEO of Pearlfinders, said "Overall, the lesson learned from this survey is that clients want agencies to do their homework before pitching for their business." And the summary of the client's needs came from a respondent saying, "I'm looking for creativity, flexibility and value for my marketing dollars."

You can find [additional information on this study](#), and Pearlfinders here.

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