

# Ten Ways...

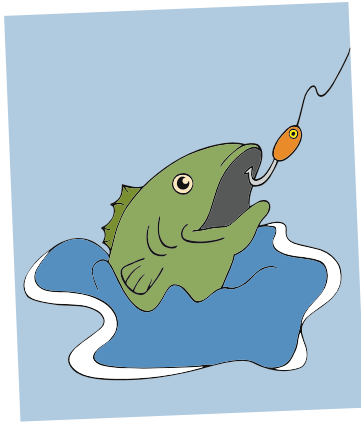
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for Agencies to Get  
More Billings from  
Current Accounts

from Second Wind  
Refreshing Insights on the Advertising Business

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# Ten Ways for Agencies to Get More Billings from Current Accounts

There's no doubt that new accounts are exciting to acquire. The thrill of landing a new account boosts the confidence of everyone involved, and the "new" work and fresh ideas generate a buzz throughout the agency. But the process of landing new accounts is also very expensive. The hours expended, the number of people involved, and occasionally, the speculative creative work to make a pitch, all add up to a considerable investment.

On average, smaller and midsize ad agencies report that they make 18 new business pitches per year. And while they win an average of 8 new pitches, they also fail to win 10 out of 18 pitches.<sup>1</sup> Although new business is extremely important to the health and growth of your agency, it has the potential to be a money pit; you can tie up a lot of energy and cash without any guarantee of a positive outcome.

Industry wisdom says that current clients are more profitable to your agency than new clients. Among agencies responding to the Second Wind Annual Agency Survey, those recording increased AGI (Agency Gross Income) during fiscal year 2006-2007, 53% attributed the increase to gaining more business from current accounts.<sup>2</sup>

This is why it is so important to hold on to your current clients, to build upon and expand those existing relationships. This White Paper presents some techniques for strengthening existing agency-client relationships and increasing billings.



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1 Second Wind 2006 Annual Agency Survey  
2 Ibid

# 1

## Hold formal meetings with clients every week.

Such formal meetings do not have to be lengthy or time-consuming, but it is important to establish a time when you'll be calling to sit down and touch base each week. Meeting with clients face to face is an important step toward generating more billings from them. Remember: you do more business with people you like!! And it is a rare relationship where you bond with a client from meeting number one. Relationships require nurturing to grow.

If it is not possible, geographically or otherwise, to meet personally with clients at least once a week, then meet with them in person once every two weeks, or once every month. Digital conferencing is a great way to make long-distance presentations, get project approvals and even do some planning. But meeting via the telephone or email, faxing or even video conferencing cannot replace personal, face-to-face contact when it comes to building a relationship, and building a future, with clients.

Beware especially of the email trap. Because of convenience and immediacy, many businesspeople nowadays regard this as the best (and sometimes only) means of communication. Many nuances of communication are lost in translation when using email. Use email for day-to-day communication of details, but save the "big picture" stuff for face-to-face meetings, where you can see client reactions, facial expressions and body language, and they can respond to your positive presence.

Another important reason to hold regular client meetings is that the formal agenda allows agencies to push clients forward on projects that are drifting. Some time ago, I visited an agency in the Midwest. This agency had over 100 open jobs, and over half of them were in some client approval stage. This is not an acceptable or efficient way of moving work through an agency. The more your agency looks the client in the eye and pushes forward, the more billings your agency will do with clients each month.

The ultimate reason for meeting regularly with clients is to see what is happening within the client organization. Every organization is a political organism. Knowing what is happening (who's hot, who's not, what's new, where the money is), and maximizing that knowledge to the agency's advantage is a very important account service skill.



# 2

## Turn projects into programs.

Many agencies do their work strictly at the client's bidding. The client requests a job, and the agency is content to come back with an estimate for that job. But those agencies are missing a huge opportunity.

Good agencies, especially those intent upon gaining more billings from current clients, always come back with programs instead of project estimates.

Why? Because it only makes sense to fully understand where projects are coming from and where they are going. To do a project, your agency must always spend some time researching the "reasons why." Agencies need a sense of perspective about the work they do for clients, to ensure that projects are on-target and able to accomplish client goals.

Most of the time, doing that initial legwork generates ideas for other work to support the project at hand. It benefits the client and the agency to get the greatest results from the job, and stand-alone projects are often just not as effective as planned advertising programs. For instance, a new product brochure may be more effective at reaching a particular industry audience when coupled with a trade magazine ad, a banner ad campaign, and lead generation strategies.

For more information and commentary on this subject, see the Second Wind Knowledge Base, [www.secondwindonline.com](http://www.secondwindonline.com), "Do Programs, Not Projects."



# 3


## Learn the client's business.

Just as it is important to know your client on a personal basis, it's equally important to "get personal" with the client's business and industry in general. Many agencies stay on the outside of their client's businesses. They may not be interested, or may not think it is important to delve into the intricacies of specific industries.

But the smart agencies know better. When you know what you are talking about, it's easier to capitalize on it. First of all, knowing the daily challenges of your client's business and market gives you something to talk about when you meet. It's a key that can potentially open the doors to new work. At the very least, your clients will know that you understand where they are coming from.

Your agency will be better prepared for problems, as well, because if you know the client's industry and competitive position, you'll even be able to predict when they are about to tighten the proverbial belt.

And when things are going well, you'll share in that experience, too. The best time to recommend new projects or initiatives is when your last campaign boosted client sales numbers. And your knowledge can help identify opportunities the client might not see. Successful agencies turn more billings by understanding client challenges and capitalizing on them.

If you are "in the dark" about any of your clients or their businesses, by all means turn on the light and start researching. It's a smart investment. 

# 4

## Move deeper into your client's selling process.

Another way for agencies to capitalize on client challenges is to move deeper into the client's process of moving and selling merchandise.

Every one of your clients has a sales channel; wholesalers, distributors, dealers, reps, brokers, and salespeople. In our experience, many sales and marketing challenges faced by clients are the result of the channel not reacting as desired to the client's products. Wholesalers do not know how to prospect, dealers do not know how to sell, etc. Business-driven agencies get involved in the channel process, discover how to help clients move goods and services through, and turn it into more business.

Get to know the intricacies of your clients' sales channels. The channel is critically important to many business-to-business clients. In many cases, they sell most of their goods in this manner. Also understand how they incent their sales forces. What types of distributor programs do they offer? How can your agency become more involved in designing, supporting and analyzing the success of these programs?

For more information on this topic, read "Channeling Your Agency" in Second Wind's online Knowledge Base.



# 5

## Perform value-added services for clients.

Much to the chagrin of many advertising professionals, the client's day does not revolve around creative advertising and pure marketing issues... even if the client contact in question is head of the "Marketing Department." Instead, clients' daily concerns normally revolve around the efficient and effective handling of tasks related to sales and marketing.

Issues like developing and keeping prospect and customer databases current, or following up on leads pulled by advertising and public relations, are very important to both agency and client. If leads are not followed, if databases are not updated, if fulfillment literature is not sent or dealers are not trained, then advertising is less effective and sales are lost.

Smart agencies put themselves in the middle of this process by offering to do some of these things for clients. Successfully implementing these services helps clients succeed, and adds dollars to agency billings.

The following list covers just a few of the value-added services your agency may be able to provide to the typical understaffed, overworked corporate marketing client:

- Research
- Training
- Advertising
- Literature
- Production
- Public Relations
- Internal Promotion
- Media Buying
- Video Production
- Inquiry Management (Lead Tracking/Follow-up)
- Special Projects
- Program Implementation
- Trade Shows and Meetings
- Planning and Coordination
- Direct Mail and Database Marketing



# 6

## Roam the halls

Not all graphics, design, video or fulfillment work needed by your clients comes from their marketing departments. One of the most important reasons for your account service people to be present and accounted for at client offices is to be able to roam the halls looking for additional assignments.

Some clients in this day and age may be very security-minded and uncomfortable with non-employees roaming the halls. But again, if you meet with your clients in person, on a regular basis, you will gradually become a familiar presence in that company, and meet multiple department heads.

Wouldn't it be nice to do work for the human resources department, or the safety supervisor, or even the financial person who may need a Power-Point® presentation? It never hurts to ask your client contacts who else in their organization may be in need of your agency services.

And remember; in most companies, out of sight is out of mind. You must be on the spot to get choice extra assignments.



# 7

## Bill at market value, not at line-item price.

The smartest agencies convince their clients that each job is worth exactly what it is worth. One of the best ways to accomplish this is to begin submitting “one-line” estimates and invoices. There is no need to itemize and break out every item of each job unless the client demands that you do so.

Many clients today demand that agencies account for every step of every process, and every second of time spent. Even so, try very hard to hold the line. If you succumb to the process of handing each client a sixteen-line estimate, they will try to “à la carte” the process for sure. “Say, how come that photo session costs \$1,200.00?” they ask. “My brother-in-law just got a Kodak Easyshare and he’ll do the job for \$50.00.”

You know that the brother-in-law’s shot just won’t cut it, so train your clients to buy the value of the job, not a line-by-line pricing structure. In the same vein, what do you charge a client for a thirty-second idea you have in the shower that is worth a million? This illustrates exactly where price diverges from value.

To be able to bill clients based on value, demonstrate your agency’s value through excellent self promotion. Get your website in order. Make sure that word of mouth about your agency is positive and constantly reinforced with PR and community outreach. Keep your best client testimonials on hand, and a list of clients who will provide glowing references.

Market value billing in most cases means more billing for the agency, so be sure your agency regularly demonstrates its value to all of your clients.





## Integrate the process and the media.

The best agencies understand that no single marketing communications execution stands alone, so they strive to integrate the process. Integrated marketing is a synergy between marketing communications channels that makes each separate element more effective because it shares a common brand essence that is supported across all media channels and customer touchpoints.

As David Ogilvy wrote some years ago, “A brand is the intangible sum of a product’s attributes: its name, packaging and price, its history, reputation and the way it’s advertised.” Today, companies are talking about “service design,” where everything a company does on a daily basis is aimed at bonding customers to the company and its brand. Agencies have understood this for years; now their clients are more receptive to fully integrated marketing and branding.

Integration occurs at another level, too. If the client is parceling out the work between agencies and vendors based on price or department, there is an opportunity for your agency to pitch consolidation of all marketing with you.

Become familiar with all of the work generated by your clients. If they are using multiple agency “vendors,” then find ways to demonstrate that your agency can handle many or all aspects of the work that the other agencies provide. Also demonstrate to your clients the value of integrating the work.

One of the biggest advantages of one-agency, integrated marketing communications for the client is workflow. It is much easier to orchestrate and control PR, literature, bulletins, advertising placement and actual product release times when just one agency handles the coordination.

Sell your agency as a “one-stop shop” to each of your clients, and encourage them to consolidate their business and integrate their media... with your agency taking the lead.





# Speculate!

With all the talk about whether agencies should speculate for prospects, I hear very little about doing speculative work for clients. This is a viable idea, but is seldom explored. If you want to increase your billings with current clients, you should take a few risks and pepper them with great ideas. Some of them will stick.

Take some extra time when you prepare for your next client meeting. Brainstorm with a few people at your agency who are already familiar with the client in question. Come up with some great new ideas in areas where you think the client could use a boost. Then propose those ideas to your client—without the client asking you for the work.

Most clients love to see you work hard for your money. Creative speculation with current clients makes sense. To make something where there was nothing is the ultimate in creativity.

Make it a regular strategy to recommend projects and campaigns that will improve client brand positioning, competitive advantage or sales results. They'll see your agency as "smart guys" who "get it"—and they'll give you more work.



# 10

## If this were my business, what would I do next?

This is more of a mantra than a tip. It's a way of life for all agencies that want to grow their business with their clients.

If you treat the client's business and their money as if they were your own, you will always have the client's loyalty. And most likely, your billings with them will far exceed your expectations and even your dreams.

By following these ten ideas, you will spend more time face-to-face with your clients, and know their businesses as well as you know your own. You will understand their processes, be able to offer value-added services, and integrate and speculate with the best of them. The one final part of the puzzle is to show the client that you are passionate about their company, their products and their continuing success.

I used to work with someone who would "psych" himself each day by pretending he owned his client's businesses. "That way, I work as hard as I can to build my own business," he would preach to me.

Clients see this attitude, love it, and reward agencies that have this attitude with more work.



Second Wind White Papers  
were conceived to provide condensed,  
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of their business.

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