

MarketWise



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Questioning the Prospect Reveals the Painful Truth.

Your new business program is paying off. You're able to set up appointments to go in and talk with the prospect. Now you're on the firing line. What do you do? What do you say? You can only assume that the company might be interested in hiring a new agency, but maybe not.

You want to find out more about the business and the possible marketing communication needs. You also hope to find out how you might serve them better than whatever they are doing now. At the same time you want to be sensitive to the fact that business owners are a little hesitant to open up too much when they may not even yet realize they might want a new agency.

Several months ago (February '97) I published a list of twelve questions you should ask a prospect if you know they are actively looking for an agency. Not the situation here though. You're going to meet with a prospect that has granted you an appointment because of your request, not theirs. The questions are similar, but different.

First, I believe that potential clients on your prospect list should be there because they fit into your agency's market focus.

Second, I believe you should have substantial knowledge and experience in their particular type of business. You should already know something about their markets, competition, distribution methods, and more. (The prospect should be something more than just a name on your list. They should be there for a

reason: Both the prospect and the agency will benefit from a working relationship.

Third, you should have an objective in mind. Is your objective to simply meet? A chemistry meeting and an opportunity to get a second meeting to start building a relationship that leads to an eventual full agency presentation? Or, is your objective to get an order for a project and start work immediately?

Fourth, remember that prospects don't want to take the time to educate you. They expect you to already know something about their products and services, who uses them, and how they reach the market. (If you don't have this information, you're at a disadvantage going in to the meeting.)

Fifth, be armed with a set of questions that demonstrate your knowledge of their market.

After the basic introductions, it's your turn to ask a question (and then listen and hear the answer.)

Open the conversation with these questions:

"What is your company's biggest marketing opportunity?"

"Why do you believe that?"

"How do you think it can be solved?"

What is your greatest marketing strength?"

"Why?"

"How are you going to exploit it?"

"What is your greatest weakness?"

"Why?"

"What have you done to try to correct it?"

At this point, you should be able to carry the conversation on opportunities that present themselves. Try to avoid spending the time talking about the agency,

what its core skill-competencies are, and reviewing case studies. Steer the conversation back to the prospect by asking more questions. When you find an area that is particularly painful to the prospect, explore it more deeply. This is YOUR opportunity to explain how your agency might alleviate his pain.

If the prospect is enamored with his current agency, get him to expose his pain by asking him... "If there were one or two things that your current agency could do better, what are they?"

Never, never attack his agency. If you do, he will come to the agency's defense and you will lose. If, however, you assure him that his agency is a good one, you align with him and gain his trust. Then, and only then, ask him what his agency could do better. Guess who does it better?

So, what questions do you ask the prospect? Ask questions that demonstrate your knowledge of his marketing situation. Questions that are based on your knowledge and experience in his business, industry segment, distribution channel, primary markets, etc. Prospects would much rather talk about themselves and their problems than hear how great you are at research, strategy building, creative strategy, cost effective project and program management, and more.

Besides, the prospect wouldn't have granted you an audience unless there was some pain somewhere. ■

What Do You Do When A Client Asks You About Trademarks?

Over the years, I've had many clients raise questions about trademarks. If you're working with clients on a strategic level you should know at least the basics. I ran into Ashton & Company in Portland, Oregon several years ago. They publish a free guide called The Trademark Tattler(tm) Guide to Trademarks. This eight page publication of trademark facts includes a trademark primer about this important subject as it applies to advertising and marketing executives; the

effects of the new Trademark Law on Ad Agencies, Graphic Designers and Client Companies; and a complete guide to Ashton's services.

To what does the term "common law trademark" refer?

Simply using a name in business establishes certain trademark rights to the user. If business trade goes across state lines, the name may accrue federal common law rights. For this reason, it is a good idea to search telephone and industrial directories to locate potential conflicts which may not be evident from searches of registered trademark books.

Can a "logo" artwork be trademarked and / or researched?

Yes. Generally, the artwork may be trademarked with or without words. Logo research costs more than a text only project, but can save you or your client big money in litigation costs down the line.

If the spelling of an existing trademark is changed, can you use the name also? Will the government catch us?

Trademarks are policed by their respective owners. If they feel infringed upon, the trademark owner may take legal action.

When you go to court, the question put to the jury would be something like, "would the use of these two names cause confusion among typical consumers in the marketplace?" Changing or capitalizing a letter or two, or splitting it probably won't help.

And, watch out for dilution too. Example: Calling a new facial tissue Sneezex - Kimberly Clark (makers of KLEENEX wouldn't find it amusing.) Advice: come up with a new name.

If we file a trademark and beat our competitor who is already using it, but hasn't gotten a trademark, we win the rights to use it, correct?

Sorry, no. If someone is already using a name or phrase in business, it is already too late. It is not who "wins the race" to the Trademark office who prevails. Instead, the

one who can prove they've actually used a given mark in business first generally wins. Advice: Think of a new name.

How can you search for a "worldwide" trademark?

As far as we know, you can't. Why? Trademarks are held by geopolitical governments (such as the US states, US Government, Canada, and Great Britain). While foreign trademarks can now be researched one must file in each and every country. And look: one must decide if they have the resources to monitor and prosecute violators in each country after getting a registered trademark.

Making good names: Learn all about the product or service and the marketplace into which it is sold. Then, try to make a coined name. Coined (made up) names usually make the strongest trademarks. Descriptive names usually make the weakest trademarks and may be rejected by the Trademark office. Suggestive trademarks - ones that hinge at an attribute of the goods or services often provide a good compromise.

For more information, contact: Ashton & Company, 5132 S.E. Level Drive, Suite 101, Portland, OR 97206. <http://www.diligentcompany.com/>

How to Recognize the Entrepreneur at the Track and At the Office.

He/she never bets the favorite. The odds are too short.

He never bets on long shots. The odds are too long.

But he always bets, with confidence in his judgment.

He is addicted to prudent risks.

And that's how he/she behaves in his/her business.

He always bets.

But he prefers to bet on himself, with the odds against him long enough to make winning worthwhile, but not so long as to cost him the farm.

He loves the competition, for the sake of competition and its rewards. He hates to lose, but loses gracefully, all the while looking for the reason why he didn't win...so he won't make the same mistake next time.

Does this sound like a role model for the agency's top staffers? I think it does.

It fills my criteria when I'm looking for staff.

I'm always asked what you should look for in an Account Executive.

The entrepreneurial spirit was the major ingredient. And, we didn't confine that to the account staff either. The creative staff and agency support staff had to have it too! I wanted people who loved to compete, liked to win but knew how to lose gracefully.

Where did I find them? Almost anywhere.

They also had to know how to "think." To identify options. To solve a problem. We are in the business of solving problems with good strategy. The "competitive streak" helped them devise strategy, and they always knew how to "score" for the client. It's an empty feeling if you don't know how to score.

I looked for an uncommon level of maturity in the college graduates. Sometimes that's rooted in their background, the way they were raised. Maturity reveals itself as confidence when dealing with people in important positions and perhaps many years their senior.

I listened to the way they expressed their thoughts. Did they use a good vocabulary? Were they animated in their expression?

And, I always looked for the hand written thank you letter that thanked me for taking my time to interview them. There just isn't a good substitute for good manners.

So, look for an entrepreneur for every staff position. Mix in your set of criteria (like I did) and then be very, very picky about who you hire.

When our "slow-down" stops and we get back to normal operations, you'll be looking for a new person or two. Whenever it happens, make sure you remember the entrepreneurial ingredient. You can spot them. ■

When Luck, Instinct And Shooting From The Hip Just Aren't Enough.

There isn't an agency owner that I've talked to that wants to have an unsuccessful business. Everyone wants their agency to be successful. Some are. Some aren't and, I'm going to tell you that some are successful because they plan, and others are just plain lucky. Everyone needs a little luck, but you can't operate on luck all the time. I've always felt that the lucky ones could be even more successful if they did a little planning along the way. But, some people are willing to accept less than what they could be, or have. So what? So plan.

One of the primary benefits of being a member of an AMR network group is the constant attention we pay to planning and achieving goals.

Planning keeps the business focused to take you where you want to go. Planning makes you stop and consider the options. This doesn't need to be dozens of pages filled with stuff. It needs to be as complete as you need it to be to take you where you're going. You know... Plan Your Work, Work Your Plan. It doesn't even matter if anyone reads The Plan again during the year. Just the fact that you take the time to sit down, consider all the facts and make some basic decisions about where you're going, and how you're getting there will do just fine. When you commit it to a written document, you'll have something.

When I do agency audits, one of the biggest areas of interest is helping get the plan started. I don't believe in doing the work for the agency principal, because I feel a lot of the value of the plan is in the doing. I do a lot of coaching, however, while I'm on location or on the phone. Writing a plan is a lot easier than you think.

Here's an outline that will help you get started.

You'll need to start with the agency's Mission Statement. Is it still the same, or has it changed over time? It should include a broad description of why your agency exists, the overall purpose of the organization. Is it to provide broad marketing communication services? A narrow selection of specialties to a specific market? How is the agency positioned?

Next comes the internal assessment. Here you'll evaluate your strengths and weaknesses. Ask yourself, "What do we do really well?" and, "What are our problems?"

Now you're ready to do the external assessment. Here you take a look at the opportunities and threats, changes and trends that affect the agency. What are the patterns that have emerged? Which are threats, and which ones are opportunities? Can you convert a threat into an opportunity? What are the implications for the agency?

Now that you've completed the internal assessment, it's time to turn your attention to the market and do a market assessment. You may have to do a little research to come up with accurate information so you don't go in the wrong direction. To do a complete market assessment you need to know what your clients/prospects want. What are their needs? What is going to motivate them? Call this a service expectations survey. It should be fairly simple to do, especially if you use junior employees and interns. If you're going to be market responsive, you've got to know what their expectations are.

At this point it's important to set your Strategic Direction for the next three to five years. After you've collected all the market research you can define your market niche along the lines of what you do better than anyone else, what you should be doing, and what is your comparative advantage? Now comes the goal setting for the next three years.

These goals should deal with key areas and reflect major thrusts of organizational effort i.e. establish a

complete interactive division. They should be expressed in terms of clients served, new services, budget or sales increases, personnel, etc. They should include your annual objectives. You should make specific, concrete statements of what will be done to implement a goal, and how end results or targets are measurable. Set up a feed-back system so you know whether you're on track or not.

Action Plans come next. These are statements of how an objective will be accomplished. Specify the work activities to achieve each stated objective. How to implement. Who's involved, and by when will this be done. Make assignments to individuals or teams who will be responsible for accomplishing specific parts of the goals. Set realistic dates.

Develop a complete pro forma budget and turn it into an income statement. Now you've got something to measure the agency's performance against. Now your management style can become proactive instead of reactive. Being a proactive manager translates into being a leader. And when it comes to leading... in a small agency, the owner is the leader.

It's beyond me how a business can operate without a plan. There's too much at stake to just operate on gut instinct... shoot from the hip.

Get it on paper and get a little focus in your life. Now you've got something. ■

Plan on joining us at one of the management roundtables or workshops. If you are interested in finding out what it takes to become member of one of the AMR Agency Groups, write to me or call me at 623.266.8981



*Dave Wood - Founder
Agency Management Roundtable*

Upcoming AMR Workshops & Group Meetings

April 15-16	Marketing Resources Agency Group	New Orleans, Louisiana
April 30 - May 1	Alliance of Marketing Communication Agencies	West Palm Beach, Florida
May 13-14	Roundtable of Agency Management Principals	West Palm Beach, Florida
May 24-25	AE BootCamp 4.0 – AE of the Future	Baltimore, Maryland
August 12-13	Synergy Agency Group	Lake Tahoe, California
September 9-10	Strategic Agency Group	Des Moines, IA
September 20-21	AE BootCamp 4.0 – AE of the Future	Chicago, Illinois
October 22-23	Management Roundtable – Solid Foundation in The Brave New World of Advertising / Marketing	Scottsdale, Arizona

If you would like to know more about AMR Management Roundtables, Agency Groups or Workshops, write marketwise@agencyroundtable.com