# 4A's Opportunity Screening Criteria 4A's New Business Committee Guidance



4A's new business committee advocates business development best practice guidance for agency leaders

# How to Increase Your Win Rate — Learn to Say "No"

Agencies all too often aggressively pursue business opportunities that late in the process reveal themselves to be a poor fit for the agency. It could have been a poor financial fit, a poor creative opportunity fit, a poor chemistry fit, a poor business building opportunity fit or a poor capabilities fit. It could have been a myriad of poor fits. But in the end, the agency is left with soured morale from losing, depleted time and energy, and a load of unbillable out-of-pockets expenses. Saying "no" to the opportunity would have better served the agency.

Most agencies can dramatically increase their win rate by simply learning to be more selective in who they pursue. Just as clients screen out agencies to find the best fit, so should agencies screen out clients. Not every client is a good fit with your business. Pitching for new business in this highly competitive environment is expensive and hard on your people who are trying to do their day job of keeping current clients happy. Learning how to discern a good opportunity from a bad opportunity early in the process, and then acting on that discernment, can save the agency a great deal of time, money and losses.

The 4A's New Business Committee recommends that all agencies develop and adhere to criteria for screening new business prospect

# Learn How to Say "No" By Knowing When to Say "Yes"

To learn how to say "no" you need to first understand what "yes" looks like. By first understanding the type of opportunity your agency is best suited for, you have, in effect, developed a measuring stick to use when evaluating/qualifying opportunities. Most best-in-class agencies have developed screening guidelines to use when qualifying an opportunity. The guidelines vary by agency, but by having agreed upon prospect criteria established, it informs the type of questions asked when qualifying an opportunity. When the answers are compared with your ideal client criteria, your "Go/No Go" decision is much easier and more in line with your core agency strengths.

## **Pre-Conditions to Committing Agency Resources**

Some agencies have formalized processes for gathering information. Examples include an "Opportunity Briefing" process where detailed and specific information about the opportunity is shared with agency management in order to secure authorization to proceed; and, an "Opportunity Assessment Scorecard" where criteria is weighted and scored prior to committing any agency resources. Regardless of the criteria evaluation process your agency undertakes, the important part is having a set of screening criteria to thoughtfully apply before committing agency resources.

# **Screening Criteria Adherence**

Of course, each opportunity will require a case-by-case assessment and there will be exceptions to the guidelines from time to time. But, by having documented criteria and management buy-in to the Go/No Go pre-screening process, your agency will inculcate a process of formally assessing the merits of potential participation and adherence to the criteria.

# **Share Your Criteria with the Prospect**

In the course of qualifying the fit of the opportunity with your agency, it may be helpful to explain to the prospect that "fit" is just as important to the agency as it is to the client. Identifying an improper fit early in the process can save both the client and the agency a great deal of time and money. Explaining that, similar to the client's criteria for discerning a good agency fit, agencies too have their own criteria to discern fit. It is just good business. In this context, the client will recognize that you are actually doing him/her a favor by asking screening questions. Should the screening process reveal an obvious "no go", help the client by referring other more suitable agencies or by directing him/her to the 4A's Agency Search site to identify other candidate agencies. The client will appreciate your help as he/she is most likely on the hook for delivering qualified agencies to their internal review committee.

## **Examples of Agency Screening Criteria**

## **National Mid-Size Agency**

Do they plan to visit the agencies at any point during the process? If the answer is no, we respectfully decline. If the answer is yes, we then seek to get the answers to these four questions. A "yes" to all four is required for a "Go" decision:

- 1. Can we make a difference in their business?
- 2. Can we do great work?
- 3. Can we make a fair profit?
- 4. Can we have fun?

## **Global Agency**

#### Client Criteria:

- Do they want us deep in their business?
- Will they tell us the truth?
- Do they have someone who will champion great work?
- Do they have a streamlined decision-making process?
- Would they rather maximize opportunities, not minimize risk?
- Would they encourage us to be profitable and worry if we're not?

### **Global Agency**

New Business Prospect Screening Criteria:

- Why are they in review?
- Who is running the review?
- What does the pitch process look like?
- What is their agency relationship history?
- What's in the fine print?
- Are we right for each other?

# **National Large Agency**

The Fundamentals:

- Scale it has to be projected to be big enough.
- Experience we should be able to draw a relatively straight line between sector expertise and opportunity
- Access they have to run an open process with clarity and access to budget, decision makers and current situation that drives change
- Growth it has to help us grow our minds, hearts or development, but never just one.

#### The Connections:

- Culture their brand needs to reflect the culture of our firm and our people
- Challenge they need to be open to an agency that believes they have the right to challenge what we don't agree with
- Truth they need to be open to speaking with unfiltered truth
- Desire it has to be something that we really want and would "almost" kill for.

## Large NY Agency

## Important client criteria:

- Minimum revenue size
- Total marcom spend if they are able to provide specifics about revenue
- Clear understanding of Scope of Work (knowing what's in or out and if it's an integrated opportunity)
- Process is it fair and reasonable given the revenue size
- Are they asking to own work (if so, we're out)
- Are they providing an NDA
- Understanding the clients and making sure we have reasonable access at the various stages
- Confirmation that this is a real opportunity and not just a benchmarking exercise
- Understanding about the reason for the pitch and a sense of what it will take to win (starting point for evaluation criteria).

## **National Mid-Size Agency**

- Is there good revenue potential?
- Is it a creative opportunity?
- Can we contribute to their business success?
- Do they have a history of being a good client?
- Does it give us experience in a new category?
- Are any of us passionate about this brand?
- Are the odds of winning in our favor?
- Will this brand on our roster help us get more business?

## Mid-Size Agency

- We have strong category or situational expertise and the work to prove it.
- Prospect spends a minimum of \$XX million annually.
- Account presents opportunities for growth beyond the initial engagement.
- It's a creative opportunity that will excite our talent.
- We will have access to the leadership within the client's organization.
- It's a good cultural fit.

The 4A's New Business Committee recommends that all agencies develop and adhere to criteria for screening new business prospect opportunities.

The screening guideline's for the type of client that best fits your agency varies with each agency, as it should. The important part is establishing criteria and adhering to them.

In closing, it is prudent to have screening criteria at your agency because:

- New business activities are important and costly financially and emotionally
- Focused efforts are more likely to be successful
- There are more types of reviews (AOR, project, digital, PR, global, etc...) than ever before. Important to know which type you are best suited for.
- Not all business is worth having.

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