RSW/US

New Business Solutions for Marketing Agencies

The Prospecting List, Turbocharged

How To Pump The Right Fuel Into Your New Business Engine

Introduction: What Is The Fuel That Powers New Business?

At RSW/US, we work with dozens of agencies as their outsourced new business firm, but we've spoken with hundreds over the years. Behind each conversation is the story of a business seeking to drive growth to secure its future, and often, the business has encountered frustration—they are seeking outsourced help after all. Frustrations abound: the lack of a new business methodology, the inability to create differentiating messaging, the overwhelming burden of content creation, hesitance to follow through with persistent outreach...and on and on.

However, one of the most confounding scenarios for an agency must be to invest the resources to build a new business program...only to see it fail to produce opportunities. The components of the new business engine are sound but it sputters and dies. Pouring more time and money into the program only produces smoke and noise. Eventually, new business idles to a standstill as the day-to-day of client work presses in.

In these cases, one of the first things we scrutinize is the quality of the fuel powering their new business engine. **Does the list of companies and contacts they are pursuing match their stated goals? The foundation of outreach is the prospecting list, but it often gets overlooked.**

Many agencies gain new opportunities through word-of-mouth or recommendations from past clients. However, regardless of their quality, if these referrals don't fit a targeted approach, an agency executive's time reaching out to these prospects could be time wasted. But if an agency puts the effort into analyzing their business, understanding who they are as an agency, and pinpointing their ideal client, they will be more successful in the long run.

A solid prospect list includes companies that are in your agency's wheelhouse and contacts at those companies that are at the right hierarchical level so that they will be receptive to your outreach. To build this ideal list, you must have a solid list-building methodology. This way, as your agency grows and changes, you can apply this methodology again and again and get the right prospects every time. In short, the list building process is an ongoing cycle. A healthy prospect list will grow and change over time with your agency's needs and capabilities.

Know Who You Are, So You Know Who To Target

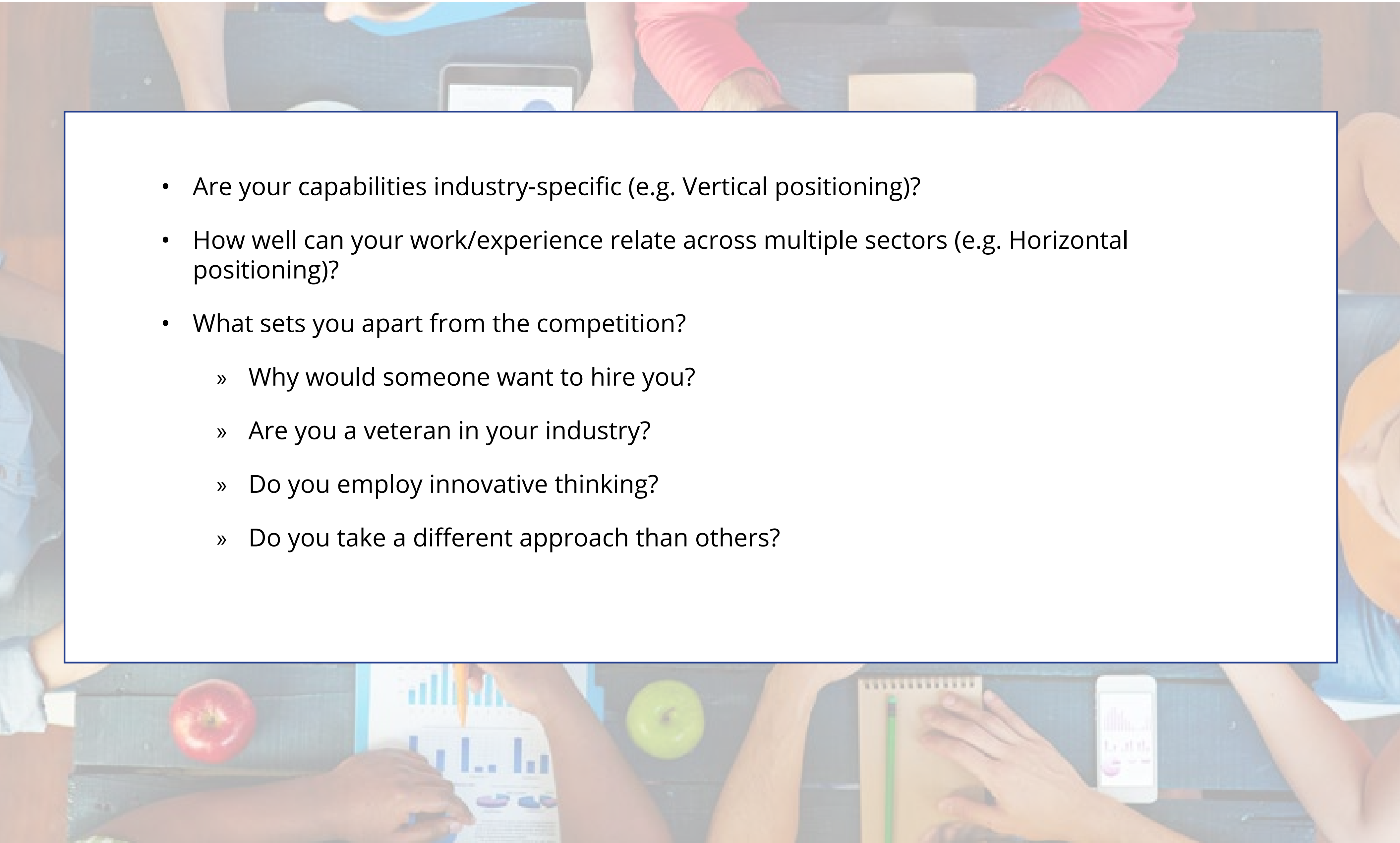
Your list-building efforts, and your new business program, will get off to the wrong start unless you spend some time setting your course, and you can only do that if you have a sense of where you're starting. To begin narrowing down your list of target companies and prospects, first answer the question: **"Who are you as an agency?"**

Defining your agency is, as you may already know, much easier said than done. It is tempting to try and be everything to every prospect, and this kind of blanket positioning often results in an "About Us" page that reads like a marketing agency Mad Lib, with buzzwords like "hard-working", "strategic", "full-service", and "collaborative" strewn throughout.

Are these desirable qualities? Of course. But defining your agency (and your audience) requires a deeper dive. You might be strategic, but how is that approach different from the agency next door? You are likely hard-working, but how does that create unique results in your work? The challenge in defining your agency lies in going beyond the way you see yourself and taking the extra step to find how it sets you apart.

Define Your Agency

Start small, with some questions around capabilities:



- Are your capabilities industry-specific (e.g. Vertical positioning)?
- How well can your work/experience relate across multiple sectors (e.g. Horizontal positioning)?
- What sets you apart from the competition?
    - Why would someone want to hire you?
    - Are you a veteran in your industry?
    - Do you employ innovative thinking?
    - Do you take a different approach than others?

Define Your Targets

Next, describe your ideal client; tailor this to your capabilities, experience, and ideal path for growth:

- Which industries do you actually have experience in?
- Do you currently have a client(s) working in this space, and are there any conflicts/issues with pursuing others in the same space?
- What size companies (in terms of revenue) do you currently work with, and are they the right size?
- Is your current target prospecting geography ideal? Should it be expanded, or more focused?
- What would you be able to do for this “ideal” client?

Note: *Revisiting your existing case studies can be another good way to help your agency further refine your positioning and identify your ideal type of client. Visit our eBook on the subject of building better new business case studies.*

Revisiting Old Prospect Lists

Of course, this may not be your first time actively prospecting. If this is the case, you can restart your prospecting by updating your outreach list, while adding in new companies.

If your current list is more than three months old, go through it with a fine-tooth comb to remove out-of-date contacts. People move on or they move up. **According to the 2020 Spencer Stuart CMO Tenure Study, looking at trends from 2019, the average CMO only stays in their role a total of 41 months, or about 3.5 years.** While this may seem like a long time, you likely have multiple marketing executives on your list from a myriad of companies, and they are not all going to move on at the same time. It is important to re-verify the information on your list, so you don't waste time contacting outdated prospects.

You will also want to be mindful of whether these older prospects still fit the positioning of your agency. If they don't match up with who you are today and who your ideal client is, they are not worth your time and should be removed.

Another thing to consider is whether there has been any disruption in your field since you last prospected (i.e., large companies expanding into the space, start-ups, new trends, etc.). You will want to research and add in companies that fit in with these new trends.

It is important to remember that while you may have a lot of experience in your field, staying current will help keep your prospecting list fresh and give you an edge on competing agencies.

So You Want To Branch Out?

If you feel you have reached out to most of the companies in your industry and your searches for new companies are coming up short, or if you work with leaders in your industry and have a limited pool of prospects left that are not competitors, it may be time for you to push into other categories. There are two things, however, that you want to avoid while making this shift:

- **Don't Abandon Your Current Industry**

  Mix in new targets with the old - 70% prospects in your current industry and 30% in the new space. This will allow you to test the waters without slowing down all of your prospecting. Once you obtain meetings, pitches, and eventually business in the new space, you will be better equipped to adjust the mix again.

- **Don't Target Unrelated Industries**

  Stick to adjacent categories - sectors that you are able to speak to given your current experience. If you are a new agency or you have just recently begun work in a certain industry, now is not the time to branch out.

The Great Search Begins - Choosing Your Target Companies

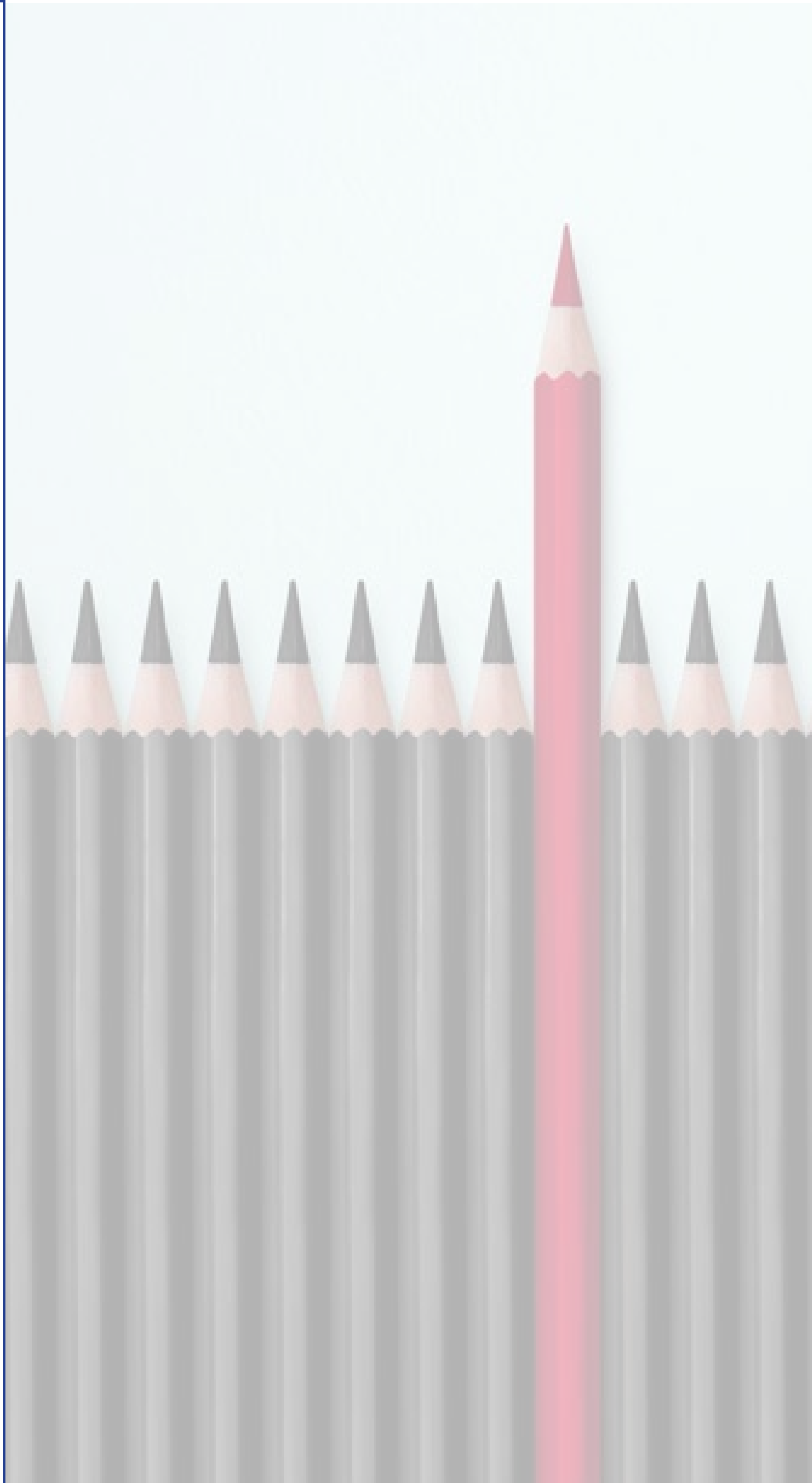
Once you know who you are and where you want to take your business, you can begin your search for companies that fit into this space.

For the eager agency principal or exec, the one that dials everything up to 11, the impulse is going to be to prospect every company or contact on their radar in the first month. If X amount of prospecting is good, then 2x or 3X is clearly better, the thinking might go.

However, most agency executives have other responsibilities, such as managing current client work. Even someone focused entirely on new business will only be able to effectively prospect a limited number of contacts. It should come as no surprise that managing a new business program is taxing.

We suggest focusing on roughly 30 companies and 60 contacts (about 2 per company) every 5-6 weeks. This is enough volume to make your efforts worthwhile, but not so much that you can't research companies/contacts and reach out with relevance. It may be tempting to focus on a larger number of companies at a time, but paring down the number of prospects allows you to really nurture your prospect list**.**

The best approach is to research the companies you are adding to your list up front, so you know going in that they are worth your time and effort. When initially deciding who to add, **size, location, and industry/subindustry** are good starting points.



One (Company) Size Does Not Fit All

When targeting size, understand what is small, mid, and large for your target industry. Working within a range is best. Depending on your industry, metrics such as revenue, assets under management, and number of locations can be used as size qualifiers. Tailor your target to past clients. Remember that if you are seeking to expand into larger companies, they normally have brand-specific marketing teams. If your experience is with smaller companies, breaking these larger organizations down by brand or division may fit them into your target range. Work with what you know, while expanding to the next step up.

No Place Like Home...At First

In addition to revenue, location should also be used as a search parameter. Have a plan when targeting location. Often, it makes the most sense to start close to home and then move out. Remember that your agency is most well-known in its hometown and therefore, it will be easier to gain traction as you begin your outreach. Work through your home state or region first; then, as you achieve success, you can begin moving out.

There are exceptions to this, of course, and the industry you are targeting may not allow you to start close to home. If you think this might be the case, think about where a good starting point would be based on your experience and/or trends within that industry. For example, restaurant chains tend to thrive in the South, technology is big on the West Coast, CPG & retailers are regional until they become larger.

Once you've considered the size and area you want to target, you can intelligently begin your outreach in the appropriate region. That being said, since COVID-19 kicked work-from-home into overdrive and switched the business standard from in-person meetings to video, reaching the "other side of the world" has become much more accessible.

Speaking Your Prospect's Language

The last qualifier to consider when building your outreach list is the sub-industries within your target industry. Speaking to an entire industry presents challenges; breaking it down into sub-sections makes it easier to navigate. Within some industries, your experience might allow you to easily move from one sub-industry to another, but some have very specialized sub-sectors and requisite skill sets. For example, within healthcare there is a huge difference between marketing for a healthcare system and bringing a new pharmaceutical drug to market. Likewise, within CPG, marketing food products is vastly different from marketing apparel.

This does not mean you can't break out of your current sectors. When deciding whether it is possible for you to expand your target industry to comparable categories, consider these questions:

- **How relatable are sub-industries within your target industry? Where can you find overlap between your current specialty and use the same talking points?**
- **Which subcategories would be a waste of time? Target your efforts where you have the best chance of winning new business.**
- **Do you have any clients with a non-compete clause that you need to avoid?**
  - **Do not lose your best current client by reaching out to a smaller competitor.**

Remember, the goal is to develop an effective, sustainable long term outreach plan. By taking size, location, and industry/sub-industry into account, you are giving yourself specific qualifiers with which to vet future prospects. This formula is evergreen and will be a solid guide you can return to each time you need to identify new targets.

Golden Nuggets - Finding The Right Contact

Discussion of titles is the next important part of list development.

This starts by defining the titles needed to capture your ideal prospects, but more importantly, this process must also consider the roles within the given company.

Titles are good guideposts, but the roles and levels of responsibility behind the titles vary widely from company to company. For example, very large CPG companies with multitudes of name brand products (Hain-Celestial, Unilever, etc.) will typically have many brand-specific managers that tend to have more autonomy and control in decision-making, versus small-to-medium sized companies with limited brands and product categories.

Target At The Right Level

As with selecting companies, strategy is key when targeting specific contacts. It is important to assess the company size and organizational matrix to determine the right potential targets and strategize which level of entry is best to start with.

You may not want to go straight to the top for the CMO or VP Marketing when there are lots of mid-level Managers or Directors. This temptation is understandable but can often be counterproductive. It is easier to prospect deeper by working from the bottom up, or even horizontally. But it is impossible to work down if you get a “no” from the top right off the bat.

Learn The Search Engine. Love The Search Engine.

When utilizing lead generation tools such as LinkedIn, using simple keywords in the search for titles will not only provide an instant overview that can help you strategize an appropriate entry point by showing the overall number of potential prospects that are available, but also help you zero in on an exact contact for a particular brand or product category you are most wanting to pursue.

For example, if you start your search by entering "Marketing" in the Title field, and it turns out there are a lot of marketing contacts available to choose from, you can further refine your search by entering even more specific key words, such as "marketing manager", "brand", "new product", or even the name of a specific brand/division you want to capture. The fewer words you enter in the search field, the more productive the results will be.

In situations where traditional searches by title or keyword do not produce any ideal potential prospects, it then becomes necessary to peel back the curtain on the titles that do exist. The best way to start is by going back to the overview of all contacts available and/or looking at the company website for a leadership listing to determine the company hierarchy. This is frequently the case for small companies and very common in certain B2B sectors, where marketing is often driven by the sales team. Again, this reinforces that the role of a prospect is always more important than their specific title.

Top Resources For Company & Contact Research

- **LinkedIn Sales Navigator –** business social media platform, offering information on business professionals across all industries
- **Zoominfo/DiscoverOrg –** B2B business contact database
- **UpLead –** B2B business contact database
- **Lead411 –** B2B marketing/sales intelligence contact database
- **Mattermark –** B2B business intelligence software
- **D&B Hoovers –** B2B business intelligence platform
- **Kantar –** Business ad spending data report

***Footnote**: No business intelligence platform claims to be 100% accurate. In fact, many of these research platforms grade information to communicate the accuracy level to users. In most cases, an agency would be wise to utilize 2-3 different research platforms to gather all necessary data and crosscheck for a high level of fidelity.*

List Hygiene - Maintaining Your Database

After all your hard work, you want to be able to use the list you have curated for as long as you can. If you plan on keeping your contacts in a database, it is important to update it regularly. If you have done a lot of work up front, maintaining the integrity of your database should be simple.

Daily Maintenance

As you are reaching out to contacts in the database, you will no doubt come across people who have moved on or possibly retired. It is worth it to make a note in the record, so that you can focus your time and energy on viable prospects.   You will also want to make a note of contacts whose emails have bounced. These tasks may sound like a lot of work, but if you make them a part of your outreach, they will become a part of your daily routine.

Quarterly Maintenance

Periodically, it is also a good idea to go through the database and remove those contacts who are no longer at the company listed, have retired, or who have asked to not be contacted further. This might be done every few months. Doing this will ensure that as your database grows, it will not become cluttered with unusable data. You may want to leave everyone else in your database, even if you are not calling them regularly. You don't want to remove older contacts just because you haven't been able to connect with them. As you know, you may not hear from a prospect for months and then one day, when they have a need, you'll get through to them.

Continued Outreach

As experience has no doubt shown you, it is important to continue to nurture your prospects over time, so when the opportunity strikes and they need agency assistance, your name will be top of mind. You may also want to reach out to everyone in your database for special occasions, such as an annual holiday message, and keeping your database “clean” will ensure that you reach everyone.

Making The Investment

The platforms available today for researching both companies and contacts are extremely helpful and offer endless streams of data. These online tools use automated systems to gather data from the internet, algorithms to organize/refine it, and slick UI to make the results easy to use. However, while many of these programs offer automated list services, and it may seem cost and time effective to purchase one of these ready-made lists, remember two things:

1. **The information may not be completely accurate.** As noted in our resource listing, these platforms often grade their information on an accuracy scale and do not guarantee that the information is 100% accurate.

2. **What you get may not be what you need.** These programs will only give you *exactly what you ask for*. Think back to our discussion of title searches: If you use the wrong keywords, you won't get what you really want. Likewise, the industry/sub-industry breakdowns on these programs may not fit your specialty, and you may end up with a list of companies that are not what you wanted at all.

A.I. and machine learning haven't progressed so far that they can replace a human mind's ability to intuit and self-correct. Instead of taking the "easy" way out and purchasing a ready-made list, it would benefit you and your agency to do the legwork yourself.

The Human Factor

Trusting your list building to an experienced online researcher, who understands your company and can navigate resources and analyze data, is the most effective way to get the information you need. Not only will this person have a full understanding of what you are looking for in a way a computer never will, they will also be capable of cross-referencing multiple data sources to find the most accurate information on your target list of companies and contacts. It may take a little extra time and money on the back end, but when you get your final list, you will be confident that the prospects you are reaching out to are current and accurate. In addition, this dedicated person can help you manage your database on-going and will ensure that new company and contact information being loaded into your database is accurate and correctly targeted. This will save you a great deal of time on the front end, so you can focus all your energy on your outreach.

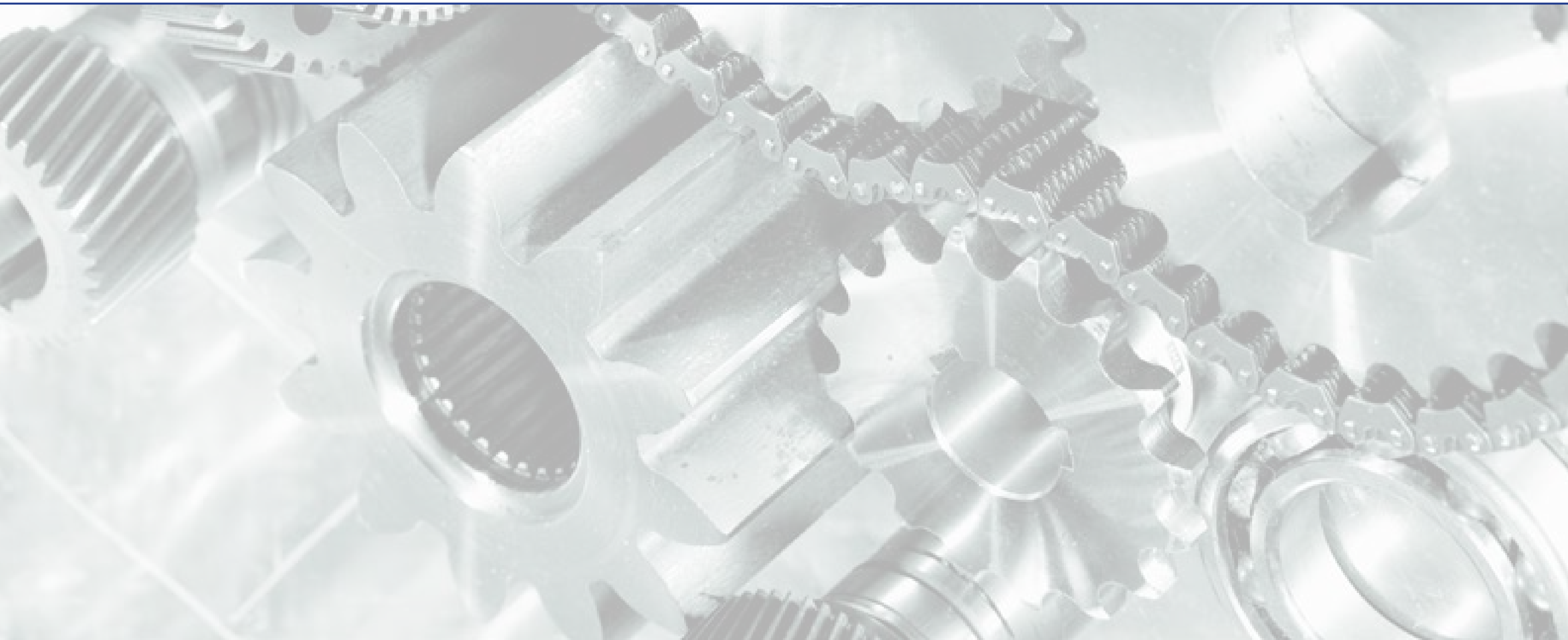
Conclusion - It Starts With The List

When you get right down to it, a prospecting list might seem like a mere collection of companies, titles, industry sectors, revenues, and various other criteria. However, isn't it also a vision of where you see your agency in the next few years?

Defining your agency, determining who your target prospects should be, finding those prospects, and then maintaining that list of contacts can be a daunting process—but building this foundation is crucial to your agency's success long-term.

This inflow of companies and contacts is the fuel that will keep your new business engine going.

Taking the time, energy and manpower to create a comprehensive research and prospecting plan is vital to the life of your agency.



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