

## T.S.P.G.

# Marketing

## CURRENT ISSUE LETTERS TO THE EDITOR

February 26, 2007



*Dobri J. Stojsic  
Senior Partner*

### The Two-Headed Dragon

I believe Paul-Mark Rendon is accurate in his assessment of RFP Madness (Jan. 29, p. 16). The real issue here is that the RFP process is a two-headed dragon. First of all, to call it a process is misleading. Having been involved in many searches in Canada and the U.S. as an agency practitioner, as an advertiser seeking a new agency and as a consultant helping clients find the right agency, both sides are guilty of lack of process, due diligence and rush to judgment. Let's add some fuel to Rendon's commentary.

Most advertisers think they know how to select the right agency. They have little experience, no process and no real evaluation process. They love the notion of getting hungry agencies to pitch something for free. Very few put up any real development dollars yet they expect glorious Imax type presentations on how they should be "marketing" their products or services. As Rendon pointed out they ask the wrong questions (and stupid ones), exaggerate (or lie) about what they will spend and have a list of expectations that will reach New Orleans from here. They will base their opinions on very little firsthand information. But man do they ever want to see some creative. Creative based on what? A superficial briefing on which the agency wasn't even allowed to ask questions beforehand?

The case history methodology described in the article is far better in terms of understanding what and how the agency developed campaigns. Then ask the actual client what they thought. Coupled with the right questions, clients may actually learn something.

Am I indicting advertisers? Bet your ass I am. They deserve what they get. If they don't probe the agency on business knowledge, use of research, understanding of the customer experience, key account management principles, commitment to sales or business improvement rather than dumb-ass industry awards and a serious commitment to proper agency process and disciplines, then they deserve to get the weakest agency around to blow the millions in fees and commission they will end up spending. Rendon alluded to a screening process. The entire RFP process goes off the rails right on the first step. I have actually heard clients say "let's invite as many as we can to pitch even if we never expect most of them to win." Or "let's tell them we have a budget of \$20M to spend when in reality it's more like \$200K." What crap! You deserve to be ripped off by the agency you finally select based on the best golf

course they took you to. What I really mean is there is no objective, honest and careful evaluation process other than "we liked them." Hell, whether they can increase our sales or our business performance is never formally pursued.

Agencies, on the other hand love to demonstrate how great they can pitch. How grand can we make this presentation? Oh, they are good at the shows. They rarely demonstrate any real understanding of the clients' business, competitive forces and that, in today's world, media other than traditional TV and newspapers are the ways many people make purchase decisions on consumer and industrial products. They have absolutely no knowledge of the real customer experience happening on the streets. But man can they ever talk "brand crap." If a good client asked about their experience in building brand strategy, customer strategy, strategic plans, or even multi-faceted communications plans, agencies would be exceptionally weak in telling it like it really is. Most would argue strenuously with that comment. Most agencies think of clients as fools. As people who just don't understand communications. Frankly, some of that is deserved but on the whole clients are pretty smart about their own business. Being disrespectful behind closed doors as Kirsten Chase pointed out recently in another article ("Bullies and Brats," Sept. 25, 2006, p. 16), is simply part of agency culture. Agencies want to win on the basis of their creative not as thought-leaders about a client's real business challenges. But how often have we all heard "we provide great thought-leadership on your marketing problems?" Most agencies really do not understand the marketing concept as Drucker wrote about it. Oh, they may know something about advertising but as the sources of information change for consumers one of the two dragon heads is turning into a dinosaur and soon will be extinct.

In conclusion, the RFP beauty contest sucks. Clients need to stop asking for the moon and ask the right questions. Agencies need to show they are good business managers. My personal experience is that good process always gets you the right agency if you are the advertiser. If you are the client, good process will allow you to build a great long-lasting relationship (er...partnership) with a client who respects you and admires your work because it works. Not because your boardroom has awards from campaigns that never enhanced the client's business value proposition.

The industry (both sides) needs a new business model for the selection process but it will never happen. Clients still want creative gala shows and agencies just want to boast and will continue to say "yes sir, yes sir, three bags full sir." The money that will be wasted on the pitch process and afterwards should get people fired but it doesn't and won't.

Next, let's measure accountability. Oh man, that's too hard and we're out of space here.

*Dobri J. Stojsic*  
*Founder and Senior Partner*  
*The Strategic Planning Group*

Dobri J. Stojsic is Founder and Senior Partner of The Strategic Planning Group (T.S.P.G.), a full service consulting firm that provides executives and their organizations with a wide range of advice, business tools and solutions. At T.S.P.G. our focus is on helping our clients solve their complex issues to realize their ultimate business potential, whether we are helping to set the overall strategy for the organization or assisting in a particular functional area. Our practical-results-oriented approach to solving business problems, combined with our personal commitment and dedication to providing great value for our clients, makes us the consultants of choice to blue-chip executives across North America.

Visit our website at [www.tspg-consulting.com](http://www.tspg-consulting.com)