

**PULSE**  
FOR AGENCIES 2021

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## Welcome to Pulse.

A round up of a very busy 2020 and some predictions and plans for 2021.

**2020...** the year none of us will forget; a year like no other. It felt like the world had flipped on its axis.

The pandemic arrived at a time when marketing was already facing huge challenges. With competition getting faster and fiercer by the year. Budgets being pressured by shrinking margins, yet having to be stretched across more and more touchpoints. The on-going blizzard of technology promising to save the day, but often bringing as many problems as answers. People questioning how they're being marketed to. More fundamentally, asking if the 'Consumer Age' is even sustainable.

Businesses were already discussing or implementing change; 2020 just accelerated that change. I imagine you are also on your own transformation journeys.

I joined AAR in 2019 with a remit to write the next chapter. To retain everything that has helped build our brand, and the repeat business we have enjoyed from the brands with whom we work, while evolving our consultancy for the future to support our clients with their marketing challenges.

The pandemic, if anything, has given us all a renewed sense of focus and an opportunity to adapt and be as relevant and as useful to our clients as possible.

It has been a very busy year at AAR Towers, or more precisely our kitchens, living rooms and bedrooms. New brand strategy, new practices, new products, new partnerships and new hires whilst leaning on the incredible culture of AAR.

- We engaged with over 70 brand owners across our three practice areas in 2020
- We introduced and delivered 28 Town Hall sessions
- We re-shaped our 2021 seminar programme off the back of feedback from you so that we are delivering against your key priorities, and pivoted to continue our training online
- We launched Vantage, our weekly client newsletter. An edit of the best thinking from the industry and keeping AAR top of mind to 700 clients each week
- We published our research on **'Right-housing'** which has been shared with all our agencies and client partners
- All delivered with the backdrop of the pandemic.

We are best known for helping brands find the right marketing partners and running the pitch to appoint them. This strength is still core to our offering, but it isn't the only tool in our extensive toolbox. Through a combination of formalising and articulating our service offering, we haven't just repackaged what we already do, we have added new capabilities; supporting our agency and brand owner clients in solving a much wider range of marketing challenges.

In July, we revealed our new brand manifesto and visual identity. It was a huge milestone for us which has been received positively.

Change is everywhere and there are vast changes happening across the agency landscape, too. We see our role at AAR as the intersection between marketers' demands ▶



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S<sub>1</sub> A<sub>1</sub> V<sub>4</sub> E<sub>1</sub> L<sub>1</sub> I<sub>1</sub> V<sub>4</sub> E<sub>1</sub> S<sub>1</sub>

and agency dynamism. It is our job to help clients navigate all the opportunities open to them, all the changes happening across the agency landscape in terms of new capabilities, new start-ups, new models being implemented with clients and new ways of working. This is why we are asking to see case studies that demonstrate 'The How' as well as the 'The What' with your clients.

The broadening of our consultancy offering is best encapsulated by describing AAR as "Experts in Marketing Ecosystems". In reality, this means supporting brands across three consultancy practices:

- Design - Helping design the right marketing ecosystem
- Build - Populating the ecosystem with the right partners
- Drive - Delivering high performance from the ecosystem

The fourth and critical practice helps agencies and consultancies to better understand changing client needs and how these impact on their role within the marketing ecosystem:

- Grow: Helping agencies and consultancies win and retain business

We have spent time with our agency partners listening to the challenges you face, the questions you are battling with and the support you need from us as a trusted partner. This has helped us to adapt and re-shape our offering.

You don't need us to tell you how competitive the agency marketplace is. Our support spans an agency's full funnel of business development and growth. From a robust examination of your proposition and how it's articulated, through to

the counsel and advice on how you show up at all the milestones of a pitch and then offering an outside-in perspective to give you the insight to structure and upskill internally in order to retain and grow business.

We have categorised all the support we can offer into four territories:

- Context
- Winning new business
- Retaining client business
- Community

All delivered through a blend of consultancy, training, events and research, and the occasional cup of tea and a chat that works best for you.

We've summarised our offering for agencies [here](#). We'd welcome any feedback or ideas you'd like us to develop to help you further.

We want to take this opportunity to say thank you for your support throughout 2020 and we look forward to a continued and thriving partnership in 2021. ■

**Victoria Fox**  
CEO, AAR

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# 2021

## A year of opportunity

By Victoria Fox

The disruption to society caused by COVID-19 has been immense, and none of us are naïve enough to believe we have even seen the tip of the iceberg when it comes to the economic fallout.

However, at AAR we are feeling quietly optimistic about the coming months. Long overdue, seismic changes have been driven throughout the marketing industry over the past year which now present real opportunities for 2021.

### Change brings opportunity

From a new business perspective, we expect a busy year, even if there's a slow start to Q1. Customer expectations have fundamentally shifted and the industry can't wait for the rollout of the vaccine to catch up. New capabilities are needed to compete, new marketing models need to be implemented and this will drive a need to ensure brands have the right partners, be they existing or new ones.

### What are clients looking for?

We thought it would be useful to give you our perspective on the shift that clients are needing to make and why, to help you position your offering in this context. For a long while there has been a trend for in-housing and questions over what this means for agencies. In-housing is an important part of the marketing ecosystem and this trend

won't be reversing anytime soon. There is no doubt the system has shifted, but there is a real opportunity for agencies that are truly listening and adapting. It's about adjusting your positioning to reflect the changing market dynamic.

Agencies, consultancies and marketing departments were all staring into this challenge before COVID-19 hit and, if anything, it took away any excuses. It forced change and the transformation that we have witnessed in 2020 is nothing short of miraculous. Changes planned for the next five years were delivered in five months.

Sticking with the theme of five, here are five areas of change that we are hearing and seeing at AAR.



### 1 Clear brand purpose is a guiding light, especially in times of change

COVID-19 has fundamentally shifted customer needs. It has been evident that businesses that are crystal clear on why they exist and who they are built to serve (customers, employees, community) have found it easier to navigate through this crisis. Tough decisions become simpler choices behind which everyone is aligned. At AAR, in the last six months we have seen a stream of clients looking for brand strategy partners to define their 'North star' purpose.

### 2 Customer experience has the power to make or break your brand

The goal for marketers is to drive growth; a goal made easier if there's a clear brand purpose. Their job is to make their brand the brand of choice by making it more desirable and easier to buy.

The experience economy is no longer just an emerging trend. Customers are holding brands to high expectations, and sub-par CX can have significant real-world consequences in lost market share and business. Good CX can be the difference between thriving and not just surviving.

Leveraging the brand creatively through customer experience is the key to better connecting with customers. Clients are looking for partners that are thinking holistically about the experience, and communications are part of this experience. ▶

### 3 Customer centricity requires a fundamental shift in marketing operations

An exceptional end-to-end customer experience means putting the customer right at the heart of the organisation.

In all of our discussions with CMO's, there's a universal theme about their approach to marketing: full funnel, data driven and customer centric. The language used may be slightly different, but the meaning is universally the same. Internally, brands can no longer be organised into the neat marketing swim-lanes of brand-building, direct response, PR, digital and so on, each with separate budgets and different objectives. Successful and ambitious brands have recognised that the customer doesn't care or even think about where they are on the journey, just that they are the same person and should be recognised and treated accordingly.

Data is the lubricant, the liquid engineering if you like, that when used correctly can help transform a customer into a loyal customer and beyond that, an advocate and a fan.

It's for this reason we're seeing every business reassess, review and reorganise its marketing operations and ways of working, looking at people, process, platforms, partners. We refer to this as the Marketing Ecosystem (sum of internal and external capabilities) with capabilities covering people, process, platforms and performance.

There are no silver bullets. Clients are hungry for learnings and outside-in perspectives. No one wants to be a guinea pig. Almost magpie-like, we are seeing clients adopt and adapt learnings from across the industry. As an agency, you should share insights, learnings and examples with all of your clients. You'll be thanked for this shared learning.

In a customer centric operation, silos are the enemy. As an agency, even if you are being bought into the mix for a specialism, remember that you are joining an ecosystem. Helping your clients glue all the parts of the ecosystem together is vital. Think beyond your remit, be generous and collaborative with other elements of the system. You are all only as good as the sum of the parts.

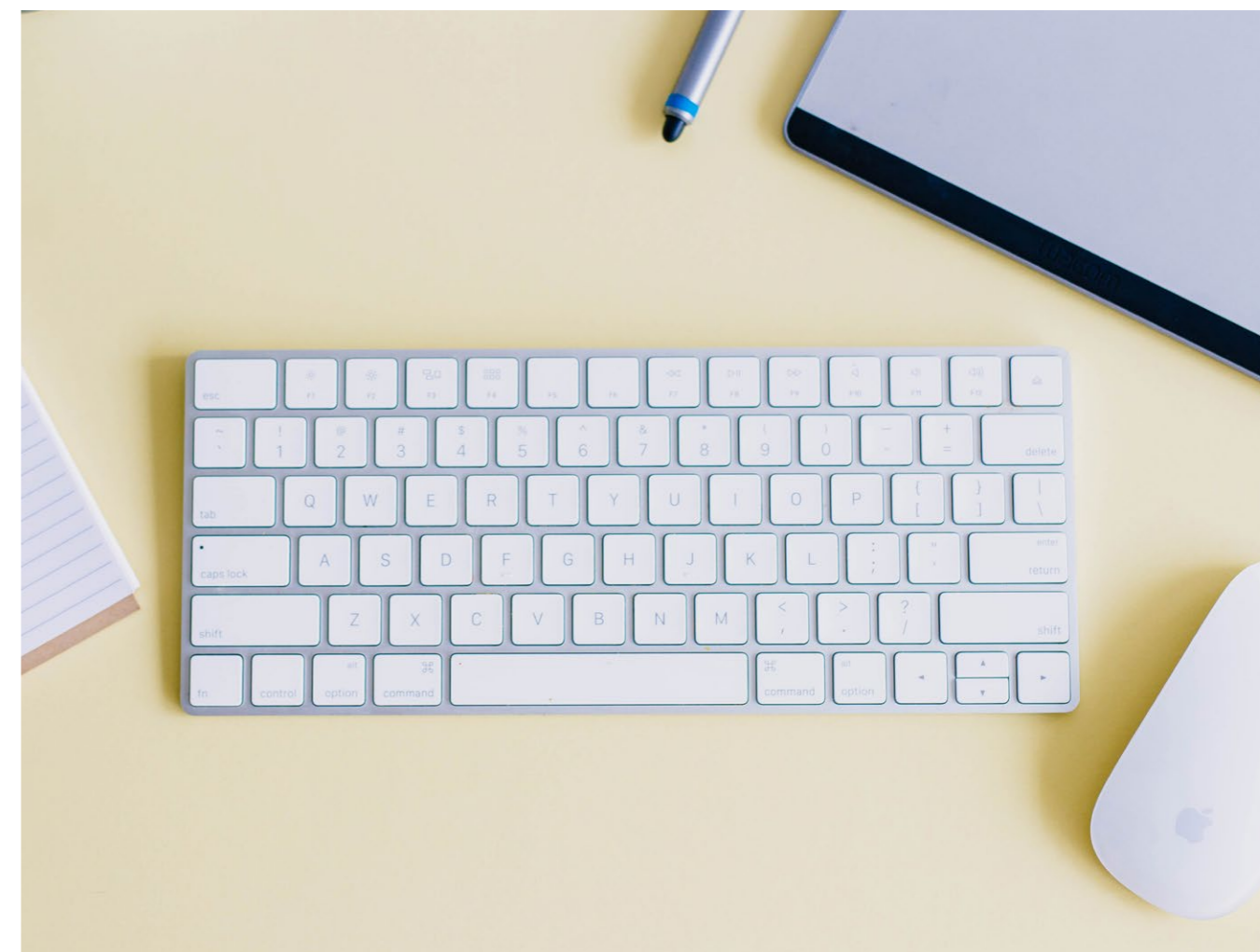
### 4 Clients are searching for efficiencies and effectiveness

In-housing is part of the answer for both efficiency and effectiveness. Better connecting with customers by responding at the speed of culture and driving down costs. This trend will continue. Embrace it. Agencies have a critical role to play in bringing creative thinking to the table but not in the same way as in the past. It is not about outsourcing this creative thinking in totality. Agencies need to play a team game, helping to elevate creativity, even if they are not executing it.

### 5 Connecting to modern Britain

Diversity, inclusion and sustainability are not 'nice to have's'. We will see customers demanding more from brands with which they choose to engage, and rightly so. Clients are acutely aware and will increasingly demand their agencies drench them in rich, real time customer insight. They will want to see evidence that ideas are going to really resonate with the audiences they are targeting. It is a business imperative that will only become more central to decision making when selecting an agency partner.

Change is everywhere and will continue into 2021. One of the biggest questions that clients will ask themselves when making a partner selection is whether this agency is set up to weather the storm and adapt to the continued disruptions that are inevitable in 2021 and beyond. Keep demonstrating that you are ahead of the curve by having your finger firmly placed on the pulse of the customer. After all, they are what is driving this change. ■



# NEWS



## A busy people year at AAR

When Victoria Fox joined in May 2019 as CEO, she was the first new starter at AAR in almost 5 years... so you'll appreciate that this year has been a busy people year for AAR.



### **Kerry Glazer**

Early in 2020 Kerry Glazer moved to Non-Executive Chair at AAR. This was a planned transition having settled Victoria into her role as CEO. Kerry now focuses on chairing the AAR Board as well as supporting and offering counsel to the AAR Executive Team.

### **Martin Jones**

After 23 years running the Advertising discipline at AAR, Martin made a decision at the beginning of last year to step back from his full-time role in order to pursue a portfolio career via his Dr Jones consultancy, offering mentoring on new business, pitch doctoring and other business development support.

In order to facilitate this plan, we hired Rebecca Nunneley and she joined AAR in the summer. Martin has been working closely with Rebecca,

introducing her to all of our agency clients and slowly starting to transition more responsibility, ready for this change. From January 2021, Martin will move to two and a half days a week at AAR but will continue to support Rebecca as she takes on more of the leadership of our creative agency consultancy. Martin will continue to deliver all the usual market intelligence and perspective that you regularly receive. This transition plan has been in place for over a year now and we're all excited for this next phase.

### **Rebecca Nunneley**

Rebecca joined AAR from Oystercatchers in June 2020 to ultimately lead and own our creative agency practice. Rebecca has been working closely with Martin, absorbing 21 years of encyclopaedic knowledge, to take leadership of this practice over time, drawing on Martin to consult on specific projects. ▶



The AAR team delivered an outstanding pitch process for our company.

We had an amazing selection of agencies to see for chemistry meetings that were a great fit to our culture and our brief. The calibre of the four agencies invited to the pitch was excellent and AAR's exceptional project management ensured that everything ran in a smooth and timely fashion. AAR was always present with in depth advice and knowledge.

In conclusion, hiring AAR was one of the best decisions we have ever made. They are delightful to work with and I cannot recommend them enough."

**My Online Therapy**

### **Andrew Bloch**

In November 2020, AAR announced a partnership with PR industry leader Andrew Bloch. Andrew now leads our PR consultancy practice. As well as managing all future PR pitches, Andrew will also take on a wider remit, encompassing the development of new approaches to supporting both brands and PR consultancies. Andrew will be a key member of the brains trust within AAR to help brands design the right solutions to deliver against evolving their marketing needs.

Andrew takes over from Alex Young who has left AAR to set up her own independent consultancy. Alex has been an incredible part of the AAR family and she will be sorely missed. We wish her all the luck and success in her new venture.

### **Business Managers**

Kate Donaldson and Katrina Law will take on the newly created Business Manager roles within AAR. They will act as strategic and operational support across all types of briefs in Design, Build and Drive. ■





## Fightback podcast returns for Series 2:

Going one more round with the smartest marketers from the world's best heritage brands

By Robin Charney

**W**e recorded Series 2 of Fightback, our business innovation podcast, throughout 2020. We shifted the focus ever so slightly from Series 1 to have more conversations with those leading the fight back from a marketing and business transformation point of view. In the second series, we spoke with leaders from heritage brands WPP, Barclays, Centrica, KFC, Vodafone and the Co-op.

Given every business has been affected by COVID-19, it was amazing to hear how much and yet how little has really changed. The lessons learned about pivoting fast, doing the impossible yesterday - all while taking care of colleagues and team members - was pretty much the central theme of every conversation.

What didn't change was every marketers' ongoing journey to customer centricity, the continued disruption brought by digital, the continued realignment of marketing to the businesses' growth agenda and the need to turn "oil tankers into speed boats".

2020 just meant that the all-singing, all-dancing marketing leaders we admire so much had to do the impossible, yet again, while becoming mental health professionals, teachers, dog walkers and ninja online shoppers. Nothing new there then. Enjoy Series 2 [here](#).



## Vantage:

Our weekly newsletter for brand owners

By Victoria Fox

**W**e launched Vantage, a weekly newsletter for brand owners, at the beginning of lockdown. It was a way to stay in touch with the client community this year and ensure we stayed top of mind. We also thought it would be a good way to showcase some of the best thinking from the agency community.

Everything had changed overnight. No-one had definitive answers, just opinion on how to market through COVID-19. The cleverest brains across the industry were contemplating and producing some super-smart opinion. However, there was so much to soak up. Webinars, articles, research, opinion pieces, blogs, creative ideas. We heard from clients that they were keen to absorb and learn but they couldn't find a way through their inbox.

So we decided to create an edit of all the best thinking out there. The must-reads,

watches or listens of the week, curated into three areas:

- 1 Smart thinking for business and marketing
- 2 Something to learn and share
- 3 What's inspiring us

The feedback has been phenomenal. Clients have found it really useful. They've inputted into the topics covered and even asked us to keep sending Vantage to their personal email addresses when moving jobs. So, we've decided to keep it as a permanent fixture.

We've included some brilliant thinking from agency super-brains. If you have opinion pieces, thought leadership or research that you'd love to have included just [email over](#) a link to us. We've also been showcasing creativity that has really inspired us this year, so keep sharing your work with us, too.

AROUND THE INDUSTRY

# What does Creativity mean to customers?

By Tony Spong

It was 10 years ago that Lord Puttnam as Chair of the DMA Awards, said: 'Look into the toolbox for rebuilding Britain - creativity is the only tool we have left.'

As you read through this edition of Pulse, you'll notice that this is a bit of a recurring theme. Businesses of all types need to apply a good dollop of creativity to power future growth.

I've been privileged to sit on the DMA's Creative Committee since it was created three years ago. Our purpose is 'to inspire all communities with the real value of creative thinking'.

For 2020 we wanted to commission some research that would not only give us a fresh

perspective on creativity but also provide marketers with some rich insights.

Our decision was to ask how real people think about creativity, how they address it and the importance it has in their everyday lives.

We teamed up with the Foresight Factory who had done some work in this area having identified that 51% of UK consumers felt the need to be more creative in order to fulfil themselves. In fact, the need for creativity is felt more widely than the need to own more things (27%), to be involved in community (31%) or the need for more excitement (47%).

While creativity is clearly a key route to self-expression for many consumers, understanding precisely what creativity means to consumers in 2020 was what the study set out to explore.

We quickly learned that it is in a constant state of flux, driven as much by the environment we happen to be in at any given time as much as our own inner desires.

We focused on those consumers who identify themselves as creative ("I like being creative") which allowed us to identify the trends within Foresight Factory's data that they engaged with the most.

We were able to build a framework of trends and uncover four strategic themes we believe

brands can use to better engage with these creative consumers.

The four engagement themes that emerged from the trends we identified as important to creative consumers are:

- Collaboration
- Experience
- Authenticity
- Personalisation

The full DMA report can be [found here](#) and goes on to explore each of these themes, explaining some of the trends with real-life examples of how brands are using consumers' passion for creativity to engage them.

AROUND THE INDUSTRY

# Improving the pitch process

By Martin Jones

Prior to lockdown, the demise of the pitch process had been a constant subject of discussion and debate. Sadly though, if everyone's being honest, nothing had really changed. If anything, some client - and agency - behaviour had worsened over time.

One of the few benefits of lockdown has been the willingness of the agency community to act in a more a collective manner than previously witnessed. With specific reference to the thorny subject of how the pitch process might be improved for agencies, the resounding question was "if not now, then when?".

Through various Town Halls and meetings, we collated feedback on frustrations with the current process, which can be summarised as:

- Lack of transparency about what was involved at the start, including the number of agencies involved, the stages and, most importantly, the potential commercial opportunity

- The same process being used to appoint an agency for a small project as well as a retained relationship
- Clients not being willing to pay for pitches and getting ideas for free
- Too many agencies being involved at each stage, particularly the final presentations

Clearly, any initiative will need the support from various organisations and trade bodies, including the IPA, DMA and ISBA, but we are glad to have advanced the debate. We are hopeful it will lead to long term changes that minimise the financial and time commitments from agencies, while still providing clients and brand owners with the opportunity to make an informed decision about their potential partners.

By early 2021, we should be in a position to share a roadmap of how improvements could be made to the benefit of both agencies and brand owners, although we suspect that the key question of how it will be "policed" will always remain an issue.



## Continuing support for Promote UK

We continue to support the Promote UK initiative run by the IPA, Advertising Association and Department of International Trade aimed at encouraging CMO's from outside the UK to see

the UK as a Centre of Excellence for creativity.

Clearly in 2020 focus has been elsewhere, but our hope and expectation is that in 2021, the initiative will start to see genuine results.



## Ethical advertising for the society of the future

We are delighted to be part of the Conscious Advertising Network (CAN), a voluntary coalition of over 70 organisations set up to ensure that industry ethics catches up with the technology of modern advertising. To this end, we are making every effort to ensure that brand owners, as well as agencies, are aware of their responsibilities to wider society.

Whilst competitive pitches are clearly a means of appointing an agency, they also represent an opportunity for clients and brand owners to reset their own internal processes and requirements. With this in mind, we're encouraging all clients to reference CAN as a key requirement in their pitch briefs.

Further information on this important initiative can be found on the [CAN website](#).



## The AAR Quiz for NABS that never happened...

### A huge thank you!

By Kerry Glazer

Over a year ago, we started planning a repeat of the stupendous success achieved in March 2019 when you helped us raise much-needed funds for NABS. We wanted to hold another 'super quiz' event in 2020, with 60 agency teams competing fiercely for the AAR Quiz Champions Cup, and Above+Beyond defending their 2019 title.

As we went into the first couple of months of 2020, everything was on track to hold the event on the evening of 26 March. All the team tables had been sold, the quiz rounds were written, Facebook were at the ready to host 400 of us at their Rathbone Place offices, and the catering, helpers and other logistics were all in place.

And then came the pandemic.

Despite holding out for as long as we could in the hope of the Quiz going ahead, it was with a heavy heart that we postponed the event the week before the country went into lockdown.

We were determined, nonetheless, that we would hold the Quiz at a later date this year. The agency teams who had booked tables kindly left the money they had paid in escrow, ready to donate to NABS as soon as the event took place.

Within four days of postponing, we had another date planned in the diary – Thursday 12 November. Same time, same venue, same tricky questions. And we were very much looking forward to having a celebration as well as the competition following what would, no doubt, be some difficult weeks ahead for us all.

It's probably fair to say that none of us really knew what was coming. Those weeks turned into months. Even with the 'Independence Day' of 4 July when we returned to a 'new normal' of social life, we all recognised that the virus was sharpening its elbows for a second wave in the Autumn and that bringing nearly 400 people together in one venue wasn't going to happen for some time to come. ▶





To whet your appetite for future quizzes and bring a little quiz magic to proceedings, we've sprinkled ten quizzical questions throughout this edition of Pulse. Answers are at the end but remember, if you cheat, you're only cheating yourself!

Enjoy!

With Facebook's support and assistance, we began extensive investigations into the possibility of holding a 'virtual' Quiz event – as we know many companies have done during the pandemic – with the members of all 60 teams competing remotely. Despite an enormous amount of hard work by the dedicated tech team at Facebook, it proved impossible to find a technically faultless way to deliver something that would approximate to the Quiz experience we wanted to give to the teams, given the sheer size and complexity of the task.

With an even heavier heart, we made the call. Rather than postpone again until some unknown date in the future when this terrible pandemic is over, we cancelled the event completely for 2020.

To thank everyone for their support and patience, we sent all the teams the full set of quiz rounds, video/photo assets, and answers that we had prepared for the AAR Quiz for NABS so that everyone could run the Quiz with their agency colleagues and friends if they wanted to. I hope that those of you who did had fun!

The NABS team were (and still are) working 24/7 to support an unprecedented number of people in our industry who had lost their jobs or were suffering serious well-being issues as a result of the pandemic. NABS' income had been decimated by the pandemic with their own live fundraising events - which would normally help to provide the much-needed funds that allow NABS to continue their excellent and important work - being cancelled too. They really needed our support. Chief Executive Diana Tickell told me at the time:

"We are battling to answer the phones and support so many people at the moment. Every penny really, really does count."

AAR were holding a total of £21,000 raised from the sale of the tables in escrow on behalf of the agency teams; funds that we knew would make an enormous difference to NABS. So, we hatched a plan to ask the endlessly supportive team leaders who had booked their agency's place at the Quiz if they would be prepared to donate the £350 cost of their table to NABS. We were very clear that we would immediately refund the cost of a table to any agency who requested it, knowing what a difficult year it has been for everyone.

Overwhelmingly, 95% of those who had booked a table were happy for this donation to be made. AAR made up the small shortfall so that NABS received the full £21,000 donation at the beginning of October.

As Chair of AAR and President of NABS, I am so grateful to everyone who has so kindly supported the planned AAR Quiz for NABS. To Nick Baughan, Liz Toni and the team at Facebook for all their support and efforts to try and ensure the event happened; to the NABS and AAR teams; to Howard Norton at Orion Worldwide who had kindly arranged for Carlsberg to donate all of the beer for the event. Most of all to everyone at the agencies who have supported the Quiz by booking a table, being so patient and understanding, and for so generously donating the cost of their table to NABS.

NABS, my colleagues at AAR and I simply can't thank you enough. ■

# INSIGHTS & PERSPECTIVE

THINK  
OUTSIDE  
THE BOX

## The new business market during lockdown

By Martin Jones & Rebecca Nunneley

**K**een readers of this publication will know our annual Pulse report normally contains data and insight into the new business market for the previous twelve months. It's fair to say that 2020 has been a strange year on many levels, so we're changing things around a little.

By the time we put Pulse to bed, we normally have a pretty good fix on the marketplace. But this year we can't be quite so confident. Our data is collated through a combination of information from the marketing trade press, what agencies tell us and our own knowledge. This year, however, we suspect that not only are agencies and clients being more secretive about pitches and wins, but a lot of appointments have been on a project basis and have, therefore, not been covered by the marketing titles.

To ensure our data is as robust as possible, we're going to spend a little longer than usual validating it before publishing later in January, when we'll be as confident as we can be that the figures are as accurate as possible.

Those of you who enjoy a good new business stat, never fear! We're sharing the findings of our New Business Lockdown Pulse with you now. Many of you will have made regular contributions, for which we are very grateful, and received the weekly updates. For those of you who aren't aware of it, here's a brief explanation.

At the beginning of March, when we all headed homewards with no indication of when we might be back to "normal", one key piece of information that was the subject of numerous conversations was "what would happen to the new business market?" Would it fall off a cliff or carry on as normal, but in a virtual world?

On the basis that it was too important to guess, we decided to try and find the answer by carrying out research on a weekly basis. Every Friday, a template was sent out to agencies inviting them to let us know how many new enquiries they had received during that week and the detail, but not the identity, of the client ask.

The information was collated by AAR the following Monday and published within 24 hours. The purpose of the report was ▶

principally three-fold. Its main aim was to allow agencies to benchmark how busy and/or attractive they were. Secondly, to provide some quantitative data on the disciplines being enquired about; whether it was UK or international in scope; whether it was a request from Procurement or Marketing and, significantly, the size of the potential fee for the successful agency.

Finally, with an optimistic hat on, we hoped that the data would represent the first signs of green shoots to give everyone a much-needed boost and belief that things were improving!

So, what did 37 weeks of data tell us about what was happening in the new business marketplace while we were trying to continue our working lives on Zoom, juggling with answering the door to Amazon and Ocado?

As referenced earlier, the top-line figure used to judge the state of the market was the average number of incoming new enquiries during the previous working week. Pre-lockdown, it was AAR's view that two new enquiries per week was the figure that agencies might have expected to receive. This was, therefore, the holy grail! If and when we achieved that figure across the agency community then we could potentially breath a sigh of relief and feel that the new business market was "back".

However, during a weekly Town Hall, one of the agency leaders questioned the assumption that two was the average number of enquiries received previously when they'd "have been happy with one a week".

This caused us to reflect and, following some additional research amongst the agencies, we

worked out that the actual average number of new enquiries that agencies (of any size and discipline) were receiving was 1.8. Thus the new North Star of normality was born!

So, what did happen to the new business market during lockdown? In quantitative terms, there was only one occasion (Week 36) when it actually went above our pre-lockdown average of 1.8, suggesting that, understandably, the market was not operating at normal levels of activity.

We saw various highs and lows in terms of territories being covered, project versus retainer and size of the prize. If any new business data geeks who haven't received the complete Excel spreadsheet would like a copy to pour over, then please [email us](#) and we'll happily forward onto you.

It is, perhaps, unsurprising that a large percentage of the enquiries came from international sources who are used to working with agencies remotely. Similarly, unsurprising that the majority of clients were looking for a project-based rather than a retained relationship when there was often no opportunity to meet in person to get a sense of whether there would be sufficient chemistry to form the basis of a long-term relationship.

What the post-vaccine, 2021 new business market will bring is clearly the million-dollar question. Will we see a return to relative normality in volume terms, either as a result of pent-up frustration with current agency relationships and a desire for change, or because lockdown has provided a unique opportunity for brand owners to examine their existing eco-systems and decide on what gaps or duplicate relationships exist? ▶

Here are the highlights, and lowlights, from 37 weeks of data.

	High	Week	Low	Week
Average number of enquiries received per agency per week	1.9	35	0.9	7
UK based	76%	15	44%	31
International or global	56%	31	24%	15
Existing or past relationship	46%	2	16%	21
No previous relationship	84%	21	54%	2
Project based relationship	74%	4	36%	8
Retained relationship	59%	8	23%	6
Competitive	93%	11	71%	20
Non-competitive	24%	3 & 20	5%	24
Procurement led	46%	2	14%	17
Marketing led	88%	7	50%	2
Large (£500K plus fees)	31%	19	4%	34
Medium (£100K - £500K fees)	60%	25	23%	10
Small (Less than £100K)	57%	29	15%	15

Conversely, have agency management teams been ensuring that their existing client base has been over serviced during lockdown? From numerous conversations with agency CEO's, we are acutely aware that client satisfaction scores are at an all-time high. While this is justifiably a source of pride, it also has the potential to remove one of the principal reasons for calling reviews in the first place.

We'll be fascinated to monitor the trends and data as we head into what we hope will ultimately be a buoyant 2021 for agency new business. ■

# Where do you fit in your clients' marketing ecosystem?

By Robin Charney & Vicky Gillan

There is a new context for marketing. Political, economic, social, technological and environmental changes are re-shaping people's attitudes and behaviours. Authority in all its forms is being called into question. Trust is harder than ever to earn. Competition is growing by the day. Margins are low and pricing is under severe downward pressure. The rate at which distribution, retail and communication channels are being disrupted is accelerating. Add to this the year that we have just experienced and you have a perfect maelstrom of change.

While all this is throwing up new opportunities for agencies, it makes for a challenging environment. Marketing exists for one sole reason: to drive growth by ensuring the business is better placed to connect with its customers, now and into the future. As agencies, it is imperative you know what blend of capabilities and resources you need to support your client in their growth endeavours.

Brands are keenly aware they need to develop their marketing bench strength, use their resources more effectively and apply their Creative Capital in new ways. This is why so many are reviewing their marketing ecosystems. It has been a consistent area of focus for us throughout 2020 as we seek to

help brands evolve their ecosystems from an effectiveness, efficiency and yes, sometimes cost perspective. They have an urgent requirement to find the right blend of internal and external capabilities to meet today's challenges, whilst designing in the flexibility to adapt to new needs as they emerge. We call this process right-housing and it affects every agency.

Right-housing must recognise both Pull and Push Factors. Pull Factors are those things that will help future-proof the organisation. Foremost amongst these is owning strong brands; brands that have the data, know-how and agility to leverage themselves fully across every part of the customer experience. Push Factors are current pressures that demand a response: the need for greater cost and time-efficiency; simpler, more transparent operating structures; and the ability to prove to the business the value of every pound invested.

While every brand looking to right-house starts from a different place, they are asking the same core questions. What is the best blend of internal and external capabilities to drive growth for my business? As agencies, it's imperative you know where you can add most value in their ecosystem. ▶

Here are the questions brands are asking. Are you thinking about how you approach these questions and where you fit?

There is no question that there is an enduring need for outsourced and insourced agency partner support for brands. What that looks

like and where you fit is an evolving question and one which should form part of your 2021 account planning with the above questions in mind.

To read the full report on Right-housing for the 2020s [click here](#). ■

Capabilities	Behaviours
Do they have the right expertise and specialisms to help your business connect better with current and future customers?	Are they consistently focused on driving growth for your business and/or improving its efficiency? Do they clearly understand your growth agenda?
Do they have additional capabilities that you either don't know about or aren't fully utilising? Could this allow you to weed out duplication elsewhere?	Are they eager to provide consultative help to operationalise and optimise your in-house capabilities?
Whatever their role in your ecosystem, do they bring innovative solutions to your business, brand and operational challenges?	Are they leaders in integration or strong contributors to collaboration? Are they proactive in spotting and plugging gaps?
Do they have data and methodologies that can give you actionable new insights into your customers' needs?	Are they committed to upskilling your team and helping make sense of an increasingly chaotic marketing landscape?
Do they possess new approaches and mechanisms for testing, learning and evaluating impact against your business and customer goals?	Are they flexible in the KPI's they use, and do they recommend new, outcomes-based measures to track performance?





# Things to think about when pitching in COVID times

By Paul Phillips

**A**fter March of last year, any brand and agency involved in a pitch will most likely have undertaken it fully remotely, with no opportunity to meet in person.

And while there were a few exceptions to this in the window between lockdowns, the occasional one-to-one socially distanced meeting in a coffee shop was not commonplace.

Against a backdrop of government guidelines, many agencies and client companies not expecting a return to the office in the foreseeable and all our individual concerns, remote pitching looks here to stay, in some form, for the immediate future.

Given this, we thought a checklist of things to think about if you're involved in a pitch would be a helpful reminder and go some way to ensuring a well-run programme for all involved. And of course, many of the principles that were relevant pre-pandemic are equally applicable now, not least our first point.

## 1 Keeping our promises

Working from home has meant there's more call on everyone's time as home and work rub up against each other more obviously. This is particularly important to consider when the pitch timetable and agency meetings are being scheduled.

It's a great help for everyone involved if the pitch programme and timetable can be locked in at the start of the pitch. RFI's, briefings, chemistry meetings, check in sessions, a socially distanced walk and final pitch presentations.

Whatever the detail of a pitch programme, from the start, clarity on the shape of the pitch and absolute commitment to dates set for the different elements are critical for everyone involved. It's really just about keeping our promises.

This is something we insist on in AAR-managed pitches and we'll do our best to keep our promise to stick to this.

## 2 To meet or not to meet, that is the question

There's no doubt that nothing beats a brand and agency team being in the same room to assess that intangible but crucial aspect of a pitch: Chemistry. That's not to say that chemistry can't be achieved through video conferencing, just that it's not quite the same.

But in a mid-pandemic pitch, the factors influencing the opportunity to meet in the same room include Government policy, company policy and individual circumstance and preference, all of which may not be aligned. So, if meeting some or all of the agency team is part of the pitch programme in which you're involved, this needs to be factored into your team casting and planning.

What options are open to you? Does the client want their team to meet the whole agency team? Are they happy to meet with just the agency's senior leadership or would they prefer to meet just with the account lead?

And where to meet? At the agency or client offices? Are either open to external visitors? Or a neutral socially distanced coffee shop, hotel or walk in the park? All of this is dependent on the class of lockdown and whatever tier you may be in.

I don't think it's about treating every pitching agency in exactly the same way but about being fair to all agencies and recognising that this may mean different methods of engagement with different agencies. Perhaps it should be the lowest common factor that determines a COVID pitch programme. For instance, if one agency can't meet in person then there are no in-person meetings with any competing agency.

In the ambiguous circumstances in which we find ourselves, common sense and gut feel can be the defining determinant as to what's the right thing to do. ▶

### 3 Video conference etiquette

We've probably read and heard more about VC etiquette, or lack of it, than most other aspects of how business has been conducted remotely over the last few months. We've collated our 10 top tips for a great VC experience that we hope you find useful for the pitches in which you're involved, or indeed any other VC session.

1. Does the agency have a preferred video conferencing platform and rules of engagement? If so, let the client know before the meeting:

- Video and audio on or off?
- Chat facility?
- Q&A in the chat or verbal?
- Q&A throughout or at the end?
- What if someone needs to answer the door/speak to a family member in my home/take a bathroom break?

2. Before the meeting starts, why not put all the clients in a private virtual meeting room where they can catch up and chat before all joining the meeting at the same time? Think of it like the virtual coffee shop they'd meet before going into the agency.

3. Seeing your name in your picture tile is good; seeing what you do is better! Remember clients will be meeting your team alongside others and they'll appreciate if you can help them to remember who you are and what you do.

4. If there's the chance of an in-person get together, try and take it. It may be just one-on-one, in a coffee shop or an out of town socially distanced walk in the park. There's universal recognition that something is missing and less

impactful in a completely remote pitch which no amount of screen time can replace.

5. Smaller, tighter pitch teams tell a better story. This is exaggerated in video pitching so you might want to manage expectation by letting your prospective clients know that it's not the whole team that they'll be meeting.

6. No one ever said 'There weren't enough slides in that presentation'. Ever! The best agencies are cutting down on the number of slides in favour of encouraging more discussion. So, think about this at every engagement with the client team throughout the pitch. Isn't a conversation always preferable to a presentation?

7. The charisma of an agency's senior leaders does not carry a pitch team in the same way that can happen in person as the VC format reduces their impact. Therefore, it's important that your team exudes confidence and passion across the board.

8. It's never been about pitch theatre and in video pitching, the people, thinking and work are all there is to focus on. So, the better the ideas and work, the greater the chance of success.

9. Once you've made your presentation, put the clients back in their virtual private meeting room so they can discuss what you have just presented amongst themselves before coming back with comments and questions. That way, they are more likely to offer more considered feedback and they'll appreciate that you have given them that opportunity.

10. A recording of video conference meetings is a useful reminder, particularly the final

pitch presentations, and time signposts are even more helpful e.g. strategy minutes 5 to 12, creative minutes 13 to 20, research testing minutes 21 to 24. Recordings are also useful for members of the client team that were unable to attend the live session.

### 4 It's OK to be different

During the first lockdown in March, the market's reaction when it came to pitching was to try to replicate exactly what we had done in pre-COVID times.

Some of these pitch practices and behaviours translated more easily than others. For instance, it was very easy to continue with all-agency pitch briefing sessions, to ensure every competing agency heard the same brief rather than individual briefings in which there's always a danger of pitch brief fatigue. Indeed, the technology allows for as many people from the agency team to attend the briefing as would want to, rather than being limited by the size of the room and number of chairs available.

But other aspects of a lockdown pitch have proven to be effective in a way that wasn't anticipated.

There's been much greater openness by clients to a 10-15 minute catch up, two or three times with each agency between briefing and final presentation than there ever was pre-COVID. This has the added benefit of getting to know each other a little more with each engagement and building that all-important chemistry.

So, it's OK to try to do things differently and not simply replicate a pitch programme from pre-pandemic times.

### In summary:

Hopefully some of this will prove useful when pitching and having to navigate the challenges of remote working in a partial or full lockdown. ■

Q1

What does the E stand for in the acronym SAGE?

Q2

Which new bank note entered circulation in February and features the face of artist JMW Turner?

# Why we need **creativity** more than ever

By Tony Spong

**P**robably my favourite definition of creativity is from Rollo May, an American psychologist, who said in *The Courage to Create*:

"Creativity is the process of bringing something new into being. Creativity requires passion and commitment. It brings to our awareness what was previously hidden and points to new life. The experience is one of heightened consciousness: ecstasy."

That first line is utterly inspiring, wouldn't you agree?

By the time you read this edition of *Pulse*, one or more of the COVID-19 vaccines should be up and running in double quick time. If the monumental efforts of all concerned prove one thing it's the power of people to confront and explore such challenges and innovative solutions with a creative mindset. To perceive the world in new ways, to find those hidden patterns, to make connections between seemingly unrelated phenomena, and to generate solutions to the biggest problems our world faces today and bring a new vaccine into being. Ecstasy, indeed.

For Creativity (the 'ity' bit of the word is important) to have value it must involve two processes: thinking, then producing. Thinking without producing is just imagination, not creativity.

The secret to unlocking the power of creativity lies in building the right environment for thinking to flourish, being willing to take risks and to progress through a degree of discomfort to get to the finish line.

**"The most exciting phrase to hear in science, the one that heralds new discoveries, is not 'Eureka! I've found it' but 'That's funny.'"**

Issac Asimov

That was the most impressive aspect of all the teams involved in creating these new vaccines; how they looked at risk. From how they thought it could be made that much faster to producing the vaccine in vast numbers before tests had been concluded or approvals granted.

Equally impressive was how these multi-national pharmaceutical companies brought fresh perspectives into the mix from outside their organisations – Oxford Uni and AstraZeneca, for example, have a long-standing relationship – as well as securing funding from governments. A true investment in creativity, and what an asset it turned out to be.

Prompted by the impact of globalisation and the ability of competitors to pull the rug from under your feet at a moment's notice, a study by Adobe back in 2012 found that 8 out of 10 people felt that unlocking creativity was crucial to economic growth, and nearly two-thirds felt it was valuable to society. Yet only 1 in 4 believed they were living up to their own creative potential. They called it the 'Creativity Gap'.

Speaking to many clients' marketing teams today, this frustration is tangible as they describe their role at the far end of 'producing' rather than the more fulfilling 'thinking' part of creativity. They feel they are on a treadmill resulting in high churn rates.

So, at a time of increasing challenges for both businesses and society, should we not invest in some creative capital at work and in our education systems to unlock the solutions we need?

## Can creativity be taught?

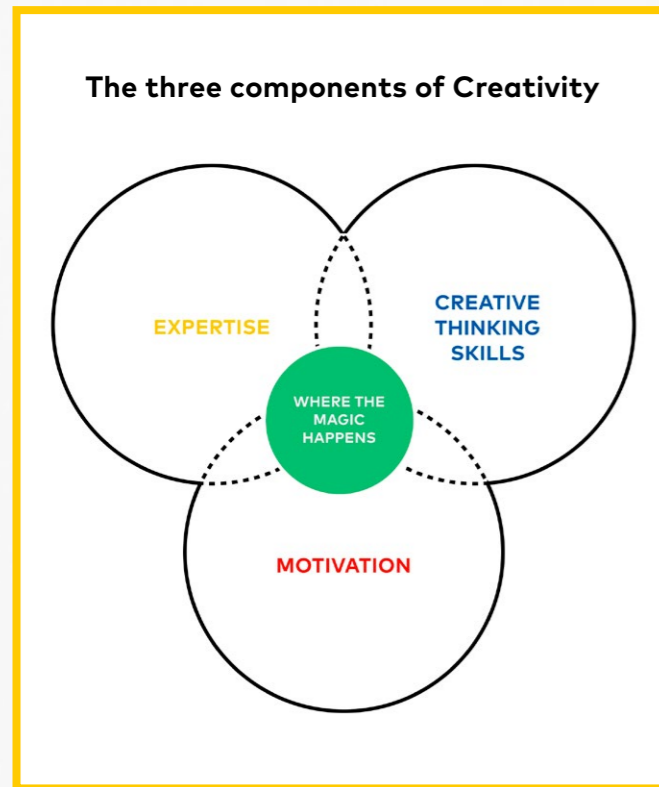
In 1968, George Land devised a creativity test for NASA to help select innovative engineers and scientists. Up in space, faced with a problem for which there is no rule book, creativity might be fairly important! Matt Damon in *The Martian* comes to mind. The assessment worked so well, he decided to try it on children and conducted a research study to test the creativity of 1,600 children ranging in ages from three to five years old who were enrolled in a Head Start programme. He re-tested the same children at 10 years of age, and again at 15 years of age. The number that attained 'genius' level in the tests were astounding.

- Test results amongst five year olds: 98% achieved genius level
- Test results amongst 10 year olds: 30%
- Test results amongst 15 year olds: 12%
- Same test given to 280,000 adults: 2%

His startling finding was that creativity is lost and that non-creative behaviour is what we end up learning. Five-year-olds have a very active 'divergent' brain that lets their imagination run free whereas as we get older, the 'convergent' part tends to dominate and closes down ideas before they become fully formed.

In his Ted talk, Land points to the challenges facing businesses today and why he believes we need to return to our infant brain if we are to find solutions to them. ▶

Further studies have identified three key components to re-learn what you already had at the age of five:



If we stop and think about the labels that proliferate our own industry, both at an individual level (Creative Director) and a corporate one (Creative agency), are we helping or hindering the very creative potential we are seeking to unlock?

Clients need their external partners to bring them the fresh perspectives they need across a widening range of issues within their marketing ecosystems more than ever. Now is the time to invest in some creative capital.

Victoria has outlined in her introduction the changes we at AAR are making. Aligning ourselves to the areas where clients need fresh perspectives the most to enable us to provide you with the insights and context you need to grow your agency.



We are seeing more than a subtle shift to the 'thinking' end over the 'producing' end of the creativity spectrum but also an acknowledgment that, by unlocking creativity to begin a new cycle of growth, the 'expertise' component is going to be at its weakest.

For agencies to succeed, they not only need to spend more time showing how they are managing the risk and minimising any 'discomfort' in their conversations with clients, but also have a greater understanding of how their marketing ecosystems are structured and their place within it, so they can find new ways to influence the conversation in that context. ■

**Q3**

Two Shakespeare plays contain Italian places within their title. One is 'The Merchant of Venice', what is the other.

**Q4**

Born in 1989, which singer grew up on a Christmas Tree Farm?



This is the second time I have worked with AAR. Once again the process was not only efficiently managed (protecting us from the torrent of cold calls) but the AAR team added value to the process with their expertise and wise counsel."

Vision Express

# Putting risk into perspective

By Tony Spong



It's not that unusual to meet a guy at Uni who is an avid potholer. However, it is a little unusual to meet one who has a cave named after him.

Sitting around having a beer with one such guy, we cajoled him into telling us how it happened. I say that, but to be honest, he didn't need much cajoling.

Apparently, he was exploring a cave system in the Derbyshire Peak District when he came across a 'sump' which, for the uninitiated among us, is a tunnel full of water. It was pitch black and all he had to shed light ahead was his head torch. He had no idea how big or long the sump was. So, he took a deep breath and started to crawl through the water to explore the feasibility of a route through the rock.

As the seconds ticked by, he reached a critical point every potholer dreads: he calculated he had enough air in his lungs to get back to where he started but if he forged ahead into the unknown he faced a very real risk of running out of air before he emerged from the water.

What to do? Tick, tock, tick...

In his split-second decision to follow his curiosity rather than his fear, he did what no one before him had. He surfaced in a chamber as yet undiscovered, unmapped and unnamed. Today, potholers know it as Fox's Chamber.

Marketing challenges are rarely matters of life or death and yet, considering how we treat risk, you'd sometimes think it was.

Q5

In Harry Potter, how many players are there on a Quidditch team?

# Town Halls: Community, collectivism & camaraderie

By Paul Phillips

The drink at the pub after work. The awards evening. Friday cake day in the agency. WACL, Marketing Society, MGGB and Thirty Club dinners. Our own December drinks party, seen by many of us as marking the start of the seasonal festivities. These were instantly taken away from us when lockdown rolled into town.

For me, the enjoyment of such occasions was the opportunity to be part of our community, to enjoy each other's company and the shared experience of the business in which we all work. Who'd have thought that a virtual Town Hall could go some way to replacing that feeling?

In March last year we introduced our Town Halls as an opportunity to come together to share our experience of lockdown and, if nothing else, take comfort in the fact that the new business market place had fallen of the edge of a cliff for pretty much everyone. You were not alone.

We didn't know what the reaction was going to be. Would people want to spend an hour a week with their agency competitors? Would they share their experiences? Would they admit

to the challenges they were facing, not just in terms of new business but simply business?

I'm pleased to say the Town Hall sessions are still going strong and are set to be a permanent fixture on our calendar.

Reflecting on last year (and who really wants to do that?) I thought I'd draw on three outstanding themes that were ever present throughout our Town Hall's.

## 1 Being part of a community has given us individual strength

The most notable impact is a reinforcement that we are all part of the same community, one in which there is great competition, but equally great support.

To borrow a DLKW proposition from a few years ago, there's a shared agenda that is evident amongst agencies; all of which have been looking to protect staff and business, support clients, strengthen relationships and chase down what scant new business opportunities there have been.

The openness with which agencies have been prepared to share their own difficult circumstances and challenges in order to help others has been fantastic to observe, and long may it continue.

From swapping hints and tips for great video conferencing, particularly in the early days when most of us were feeling our way, to being explicit about the growth targets being written into budgets for 2021, albeit in pencil, the generosity demonstrated by everyone to support competing agencies is to be applauded.

And for those in agencies with a particular responsibility for new business, there's been a reassurance when reporting internally that 'it's not just us'. Informed by our Lockdown New Business Pulse, an industry wide barometer, it's hard evidence that has shown all agencies have been suffering a significant reduction on the volume of new business.

**The Town Halls have been an invaluable resource in getting through what is in no doubt a tough time for business leaders. The honesty and camaraderie shown in the sessions has provided a strong sense of support in what can often feel like a very lonely position.**

Rania Robinson, Quiet Storm

Not the new business market place we hope for, but reassuring and supportive for anyone at the coalface of new business to know others are facing the same challenges.

## 2 Collectivism has fuelled our self confidence

We all recognise that it's in times of crisis that one's character and mettle are tested and exposed. In the first lockdown, this was particularly evident in the working relationship between brands and their agency partners.

Yes, there were some horror stories of brands taking commercial advantage, but there have been many encouraging examples of agencies working in partnership with their clients to do the best they can for the brand and business.

So it's not surprising that, across the board, agencies have been enjoying their highest NPS scores, in recognition of how they have shown up in service of their clients.

Perhaps an unexpected consequence has been an elevated self confidence amongst agencies when it came to poor client pitch behaviour; unreasonable demands or timescales, incomplete briefs, invitations to fully loaded pitches for small scale projects.

Collectively the agency market place applied much more stringent filters to new business opportunities, declining those that didn't match the expectations of good pitch behaviour and respect for participating agencies.

This has been a recurring theme over the weeks and months of our Town Hall discussions ▶



Working with AAR on our recent creative agency pitch process was invaluable. The level of experience and industry knowledge which they brought to our business enabled us to run the process much more quickly – and with less resource – than we could otherwise have managed. Their commitment to helping us find the right creative partner was visible throughout the process, and their counsel went beyond the scope of the project. We are delighted with the way the pitch was handled, and with our appointment. I would highly recommend AAR to anyone seeking to run a successful pitch process."

uSwitch

**I've found the AAR Town Hall sessions a great support during what has been an uncertain and unsettling time.**

**I was taken back at how similar the experiences were of other agencies and actually the sense of unity that can come from a group of people that I normally see as competitors!**

**When chaos is reining in the world, there are very few places an agency can turn to for advice or even to share experiences. AAR stepped in straight away and have continued to be a source of knowledge, expertise and reassurance since this whole crazy COVID thing started!**

Claire Humphris, Iris

and reminded us all of the elevated value agencies have of themselves and their expectations of a potential client partner.

Many agencies had been reminded how to say no and feel good about it.

### **3 Camaraderie**

The subject matter of Town Hall debate has been wide-ranging. Our occasional guests, **Tessa Morton**, Paul Bainsfair and **Tim Birt** have all shared timely and valuable perspectives and advice for agencies.

We've discussed tactics for dealing with landlords, the role of the office and how it fits into the new ways of working, staff wellbeing, COVID pitch protocols (about which there's a separate article dedicated to this topic) and offered, for those that can remember, a Multi-Coloured Swap Shop service of quizzes and games in the very early days of lockdown.

However serious or depressing (or on occasion amusing) the topic, there's been a great camaraderie amongst everyone who has taken part, be they one-time visitors or serial participants and regardless of agency type, size, location or ownership. That camaraderie, for an hour a week, has made time since last March a little more bearable.

Thanks to everyone who has taken part. ■

**Q6**

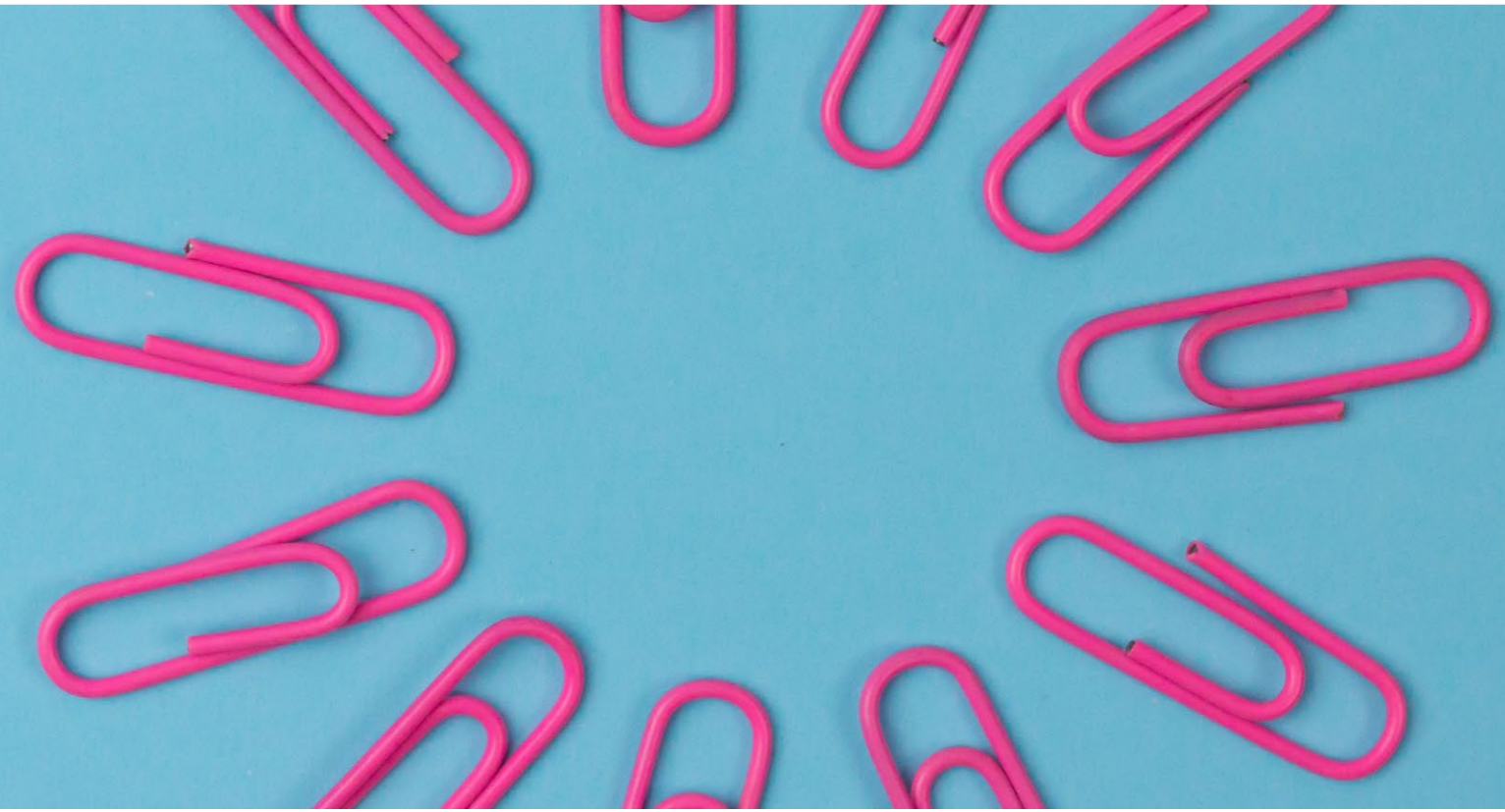
Which is the only vowel that doesn't appear as the first letter of any of the United States?

**Q7**

In which country did the cocktail Mojito originate?

# Agency hourly rates data

By Paul Phillips & Maria Farrell



## About the data

Every two years we invite agencies to contribute to our hourly rates database that provides rich data on agency charge out rates across the full breadth of their capabilities.

Our latest research was completed in Q3 of 2020 and is now available for agencies to access.

24 job functions are analysed, sourced from more than 100 agencies operating across creative, digital, media, PR and strategic services.

For each job function we report the highest, lowest and mean rates across five levels of seniority, which adds up to over 36,000 individual data points.

Analysis can be undertaken against an agency's direct competitive set. For example, a creative agency can be benchmarked against all other creative agencies. Alternatively, the all-agency universe can be used as a benchmark, which makes comparisons with agencies from all disciplines.

## How it can be used

Value for money is something that brands are constantly seeking from their agency partners, just as agencies are looking to demonstrate this to their clients.

Beyond the one-dimensional reference point of an incumbent agency's historical costs, the database provides independent, robust and up to date evidence that can be used to benchmark an agency's hourly rates.

Indeed, the data is perhaps most useful when negotiating with an incumbent client where there is no external reference to other agencies' data, as would be the case in a pitch.

## A RAG and time allocation analysis

When undertaking commercial analysis on behalf of a brand or agency, we apply a red, amber, green approach to evaluating an agency's rates, where:

**Red** = Agency's rate is more than 10% higher than the AAR mean

**Amber** = Agency's rate is between 1% and 10% higher than the AAR mean

**Green** = Agency's rate is equal to or less than the AAR mean

Alongside this, we consider the time allocation of any individual on the account. For instance, a Senior Business Director whose hourly rate falls in the red zone and has 50% of their time allocated to an account merits closer inspection.

Whereas a Senior Planner who's hourly rate also falls in the red zone but has a 2% time allocation to the account is not going to deliver any material savings, however diligently their rate is re-negotiated.

## Want to find out more?

If you want to know more about the database and how it's being used to support agencies and clients in their commercial discussions and arrangements, get in touch with [Paul](#) or [Maria](#) and we'll be happy to help.

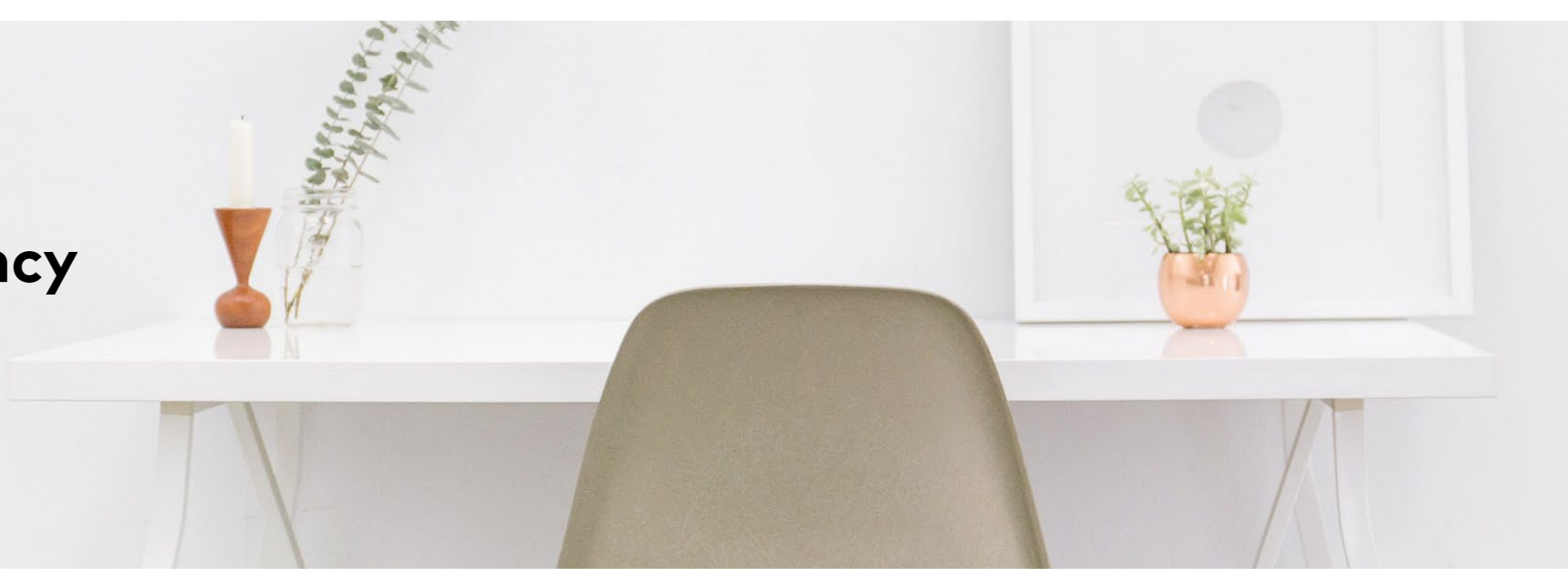
Q8

When Matt Cardle won The X Factor in 2010, which group who went onto achieve greater success came second?



# Lifecycle of an agency

By Tony Spong



It's tough running an agency but the successful ones do well not just because there is demand for what they are offering, but how they navigate the key stages of the agency lifecycle.

We've identified six key stages and below is a taster of the common issues we've observed.

You start with a clear point of view of what should be done differently, something you are passionate about. But what you write and what you say are often very different. We see start-up agencies hide their light under the bushel of the generic language of their category in an effort to sound credible. If you are a start-up, you only have one weapon in the battle to win new business: Your Point of View. So, use it to the fullest.

People you know are your best source of new business in the early years. You've probably discussed your ideas with them in the first place and they gave you the confidence to make the leap on your own. On average, that initial list runs out after three or four years and it's at that moment you realise you haven't

built a back-up list of 'next' contacts and you are exposed to chasing project work.

This can be a crucial period to navigate as you are starting to meet people you don't know. This is when your laptop will get opened more times than in the past and so your story needs to be spot on. Chances are you are now up against someone whose laptop is closed as the client is talking to someone they know!

If you successfully negotiate Stage Two then you should enjoy a period of steady growth for the next three to four years, by which time The A Team is spread too thinly across the business and you have to decide how to let go of some things and begin to think about the next management layer. We often find that, as this happens, the quality of submissions in pitches starts to drift as everything becomes a bit last minute. A good time, therefore, to consider a full or part time new biz person to take the strain.

By now, you are around 12 years in and have gained such a reputation that you become attractive to suitors. For many, getting bought

is the goal but can be a huge distraction and, again, we often see a dip in performance at this time or an over focus on delivering the numbers. For the employees, the question of the culture change is typically upper most and some may decide to take this moment to move on, which again can impact performance.

Once sold and the founders have departed the agency, we'll typically see a succession of career CEO's or MD's arrive. It often takes a while to find the right cultural fit, if at all, and many agencies have faded and disappeared if this is not achieved relatively quickly.

Well, what a journey that was! From entering the market with a new idea and now finding that you are the new normal. So, do you do it all again with a new idea? Many do just that - see Stage One above.

If you sense you might be at one of these life stages and would like to have a chat then please **get in touch** with us. We're always happy to share our advice and offer help where we can. We'll put the kettle on.

Q9

In which year was The Great British Bake Off launched on TV?

Q10

Which football team has been relegated from the English Premier League on the most occasions?

# AAR IN 2021

## Your seminar programme for 2021

By Tony Spong

**F**irst, a big thank you must go to our very own Katrina Law and all the presenters for the seamless transition from face to face seminars at the IPA to virtual seminars over Zoom during 2020.

We shortened the sessions to fit better with the new format and were especially pleased that we could open them up to more attendees to spread the benefits even further. The presenters, too, rose to the challenge and the feedback has been amazing, so it was one of the more positive outcomes of 2020.

We'll continue to run the seminar programme online in 2021 and offer each agency up to five places per seminar which, at a time of tightening budgets, is a great benefit for your teams.

The topics covered are constantly evolving as the programme is designed by you to help tackle some of the strategic issues of the day that can affect performance, as well as those around developing core skills and introducing new ones to keep your teams running to the maximum of their potential. 2021 is no exception with six new seminars for you to enjoy.

As you'd imagine, the impact of COVID and the changes to the way we are working has

prompted focus on a number of issues which we are planning to tackle.

We are fully aware of the growing mental health crisis and Vonnie Alexander has never been busier in this field. She'll be delivering a seminar on building resilience, both at an individual level but also at a team level.

We've all had to adapt at pace. Pitching and presenting over Zoom or Teams has set us fresh challenges. Upper most is how to build rapport with an audience who all too often switch their cameras off. Tessa Morton has delivered many a seminar for us on how to present in the physical world but has thrown herself into this new environment with typical gusto and is bursting with top tips and ideas for you to take away to help build that differentiating chemistry when engaging with your clients.

Some of the impacts of COVID were immediate but we are also discovering that some are slower to emerge. An agency's culture is a huge part of what makes them attractive to clients over and above the capabilities they offer. For all agencies, the physical space has a huge role to play in creating the culture and influencing the behaviour of its employees. ▶



Without this environmental 'cohesion' there is real concern that the culture will ebb away, not only for those already there but equally won't be cemented among those coming into the agency. We have been working with Jenny Williams to create a specific seminar to explore this issue and present ideas and techniques that will maintain your unique culture when we are all so spread out.

Clients are still wanting to transform how they work with agencies, and agencies are being challenged to adapt to these new demands. So, we were keen to try and secure a client's perspective not only on the key trends in their world but also how this has been affected by the events of 2020. We are therefore really pleased that Abigail Dixon and Gareth Turner will be returning to provide some rich insights from their world.

As you know, we're passionate about rebuilding the account management function and we are pleased to welcome back Paul Burns, Lizzie Palmer and Joanna Howes with seminars focused on many of the issues we hear clients talk to us about.

Finally, and by no means least, Anthony 'Tas' Tasgal will have a new and inspiring seminar for us designed to unlock your inner creative forces. Never dull and always thought provoking.

We think next year is one of the strongest line ups we've ever had and that's down to the feedback and conversations we've been having with you over 2020. We hope you enjoy them and the details of our 2021 programme can be found opposite.

It always helps to plan ahead, think who would benefit the most from each seminar and pencil it in their diaries now. We open up bookings roughly three weeks before each seminar so, if there are any which you are particularly keen on, keep your eyes peeled for an announcement!

Our full seminar programme can also be viewed on our [website](#). ■

# Core Seminar Programme 2021

Weds 27 January

## **The Resilient Leader and Team**

Vonnie Alexander

Weds 17 February

## **Curiosity at the heart of account management**

Paul Burns

Weds 17 March

## **Pitching in COVID times**

Tessa Morton

Weds 21 April

## **Client servicing during COVID**

Abigail Dixon

Weds 19 May

## **The importance of agency culture**

Jenny Williams

Weds 16 June

## **Consultative Selling**

Lizzie Palmer

Weds 15 September

## **New topic TBC**

Anthony Tasgal

Weds 13 October

## **Redefining Account Management**

Joanna Howes

Weds 17 November

## **What CMO's are wanting from their agencies**

Gareth Turner

# Business Development Apprenticeship

By Martin Jones

**N**ew business is the lifeblood of an agency, providing both financial, creative and emotional rewards. Despite its importance, however, we'd noticed there was often a lack of knowledge internally about how new business worked, and certainly how to make the most of every opportunity.

So, in 2013, we launched our Business Development Apprenticeship aimed at staff new to new business, but not necessarily new to the industry.

Like many other elements of agency life, the Spring 2020 BDA started face-to-face but was completed remotely (and seamlessly) via Zoom. This experience meant that, by the time that the Autumn sessions came around, there were no qualms around running the whole course remotely.

The five-session course covers all aspects of new business ranging from understanding clients, through new business strategies and what it takes to win a pitch.

For the duration of the course, the Apprentices are divided into teams. They complete an RFI and participate in Chemistry Meetings in those teams, with feedback (hopefully constructive!) provided along the way.

We're always extremely grateful when outside speakers generously give up their time. For the 2020 courses, we were very fortunate that Tracey Barber from Havas and Gavin Sheppard, until recently Marketing Director at Smart Energy, were able to share their experiences and insights with the Apprentices.

As can be seen from the real world, what you call your agency is always a key decision and one that it is very easy to get wrong. We're always fascinated to hear the names the Apprentices adopt for their teams on the course. So, if anyone is thinking about a start-up or is looking to change their name following a merger, here are a few suggestions generously provided by the BDA teams of 2020:

- Connect Four
- Eclipse
- Greenhouse
- Nova
- Tandem
- Trident
- Unlock

Although 2020 proved to be an unusual year for the BDA in terms of changing formats and platforms, we are delighted with the feedback and how useful the participants found the course as a good grounding for their new business careers.

**The AAR BDA course was brilliant! As a person that was new to not only the industry but also to my role as a new business executive, I went into the course knowing very little and feeling rather nervous.**

**However, I left the course with a breadth of knowledge and understanding the industry and my role a lot more. The most valuable part of the course for me were the real-life situations you were put under.**

**The RFI, Chemistry and feedback from real industry professionals was an invaluable experience that has set me in good stead for my career in advertising.**

2020 Apprentice

We will be holding two Business Development Apprenticeships in 2021, the majority of which will again be accessed via Zoom with the first currently scheduled for five weeks starting on Tuesday 23 February 2021.

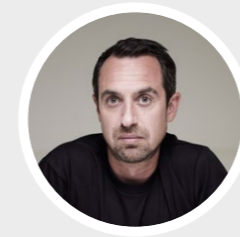
So if you have anybody on your team who you feel might benefit from participating then please let us know and we'll gladly share more details with you.

Full details of the Business Development Apprenticeship can be viewed on [our website](#).

# ABOUT US



## Meet the team



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## Answers to the Pulse Quiz!

**Q 1.** What does the E stand for in the acronym SAGE?

**A:** Emergencies

**Q 2.** Which new bank note entered circulation in February and features the face of artist JMW Turner?

**A:** £20

**Q 3.** Two Shakespeare plays contain Italian places within their title. One is 'The Merchant of Venice', what is the other.

**A:** The Two Gentlemen of Verona

**Q 4.** Born in 1989, which singer grew up on a Christmas Tree Farm?

**A:** Taylor Swift

**Q 5.** In Harry Potter, how many players are there on a Quidditch team?

**A:** Seven

**Q 6.** Which is the only vowel that doesn't appear as the first letter of any of the United States?

**A:** E

**Q 7.** In which country did the cocktail Mojito originate?

**A:** Cuba

**Q 8.** When Matt Cardle won The X Factor in 2010, which group who went onto achieve greater success came second?

**A:** One Direction

**Q 9.** In which year was The Great British Bake Off launched on TV?

**A:** 2010

**Q 10.** Which football team has been relegated from the English Premier League on the most occasions?

**A:** Norwich City



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