



## How a 15-Person Firm Grew Its Roster of Fortune 500 Clients Using Direct Marketing and Phone Calls

By Mary Flaherty, Manager, Research and Content Development

*Case Study Series: What's Working in Marketing & Selling Professional Services*

As a RainToday.com member, you have access to all of our case studies. These feature real-world insights into the marketing and selling challenges professional services businesses face today.

### OVERVIEW

#### David Meets Goliath

In an industry where high-profile Madison Avenue agencies had a long-established stronghold on marquee clients, one small, 15-person advertising agency managed to cultivate a client list that included household-name blue chip Fortune 500 companies. Founded in 1989, DM2 is a full-service agency based in New Jersey, with a specialty in brand development. By 2008, its portfolio was impressive and included branding work for companies including Intel, Dialogic, Panasonic, Chubb, and Major League Baseball, among others.

But, as in any service business, maintaining a balanced roster of active clients<sup>1</sup> required ongoing marketing and sales efforts.

### SITUATION

#### We Need to Add New Clients to the Roster

In a firm this size, the job of marketing and sales fell to everyone, with managing director, David Annunziato and firm principals leading the charge. In fall 2008, with news of the worsening economic crisis dominating the media, DM2 embarked on their annual direct marketing campaign. DM2, with approximately \$3 million in annual revenue, conducted one to three such campaigns each year, with a goal of adding one or two new clients in order to help maintain a stable base of about 20 active clients.

Says Monica Berckes, senior account director and principal, "We are one of the more aggressive firms out there" in terms of keeping in front of prospects with direct marketing efforts. Past campaigns had featured odd-sized postcards and a wide variety of three-dimensional mailers. For example, one direct mail campaign included a T-shirt, with blank tags on the neck where a brand name would normally appear, that read "How much is your brand worth?" Meaning, you can charge \$10 for this T-shirt or \$110 based on the value of your brand. DM2 took pride in developing witty, clever campaigns that got noticed.

What campaign could they undertake in this grim economic environment that would resonate with their Fortune 500 target audience and help DM2 weather the challenging times ahead?

### APPROACH

#### What makes you different?

"We were sick of the thinking 'nobody gets fired by using IBM' or 'we shouldn't take a chance on a small agency because they can't possibly be any good,'" says Berckes. "Our goal was to convince potential clients, that especially in today's economy, they should take a closer look at the creative resources and strategic thinking that smaller agencies can offer." While there's the obvious benefit that small agencies don't have the overhead that large ones have, DM2 wanted to communicate more than just the cost savings that could result from working with a smaller agency. "It's really about the value that a small agency can bring to the table," says Berckes. "You're building better relationships and working with key, highly-experienced executives within the agency, as opposed to junior account people."

During their brainstorming session for the campaign the team talked about the elements that made DM2 different from the big agencies. "Someone said it was like the story of David and Goliath," says Berckes.

She continues, "How do we beat out these large agencies? For so long Madison Avenue agencies have been dominating the market. They've been setting the bar and they've been setting the trends so that big companies want to go with them. So, if the big companies are choosing these agencies, they must be the best, right? But, we did some research and learned that many large companies like Nikon, Verizon, and Panasonic—to name just a few—got tired of paying the big agencies' overhead. They took a leap of faith and brought in small, nimble agencies. It's worked for them and they continue to use small agencies. So, clients are thinking differently and our goal is to encourage more of them to start thinking differently."

#### Communicate Your Value Proposition in a Memorable Way

Thus, DM2 decided to build the campaign around the David and Goliath theme (which suited the firm especially well given the leadership of managing director David Annunziato). So, how does the smaller David, ultimately, beat the giant Goliath? By throwing a stone.

The mailing package, which took just three weeks to develop, featured a garden stone approximately 3 inches in diameter with DM2's logo engraved in it. The stone was nestled in tissue paper in a box that also contained a "Bigger Isn't Always Better" [teaser card insert](#) and a [booklet](#) that outlined

why nationally-branded accounts had abandoned "Madison Avenue Goliath-like agencies" and moved to "small David-like agencies."

They used the booklet to discuss the ways in which the small agencies bring value, including:

1. Lower costs
2. Building better relationships
3. Access to senior team executives
4. Resource rich
5. Bold ideas
6. Value

Two hundred packages were sent to a highly-targeted house list, including multiple contacts at select companies.

#### Follow Up with Phone Calls to Secure Meetings

Follow-up phone contact was also part of the campaign plan. All senior execs at DM2 made the calls to contacts who had received the package. The calls were divided among senior staff, with each making about 25 to 30 calls for a total of 125 calls over a period of six weeks. This gave them an opportunity to create a personal connection with the contact and request a meeting for a portfolio presentation—with those contacts who either had an immediate need or were interested in learning more about the firm for potential future projects.

#### RESULTS

It appears the message is indeed resonating. While the sales cycle is long and it is still early, in the three months between November 2008 when the piece mailed and January 2009, the \$600<sup>2</sup> effort already generated four pitch opportunities with major nationally-branded companies. As a result of these pitches, the company closed contracts worth about \$1.3 million, with other opportunities in the pipeline.

One of the deals DM2 closed was a small media program for a division of a major consumer imaging company, which led to a subsequent invitation to pitch on a much larger corporate cooperative advertising opportunity. And while a first pitch to another company—a consumer goods company—did not result in a contract, DM2 once more received a follow-up invitation to pitch another project, this time for a different division.

The campaign also generated project work from two smaller companies. The agency is pleased with the results, says Berckes, "It performed much better than other direct mail efforts we've done—about 85% better in terms of new business generated."

#### Additional Insights Shared by DM2

- **Tactics like direct mail can be very effective when done the right way**, which includes phone follow up.
- **Uncover what you can bring to the table and communicate that message in a different way.** You want people to open your mailer and when they put it down to think "Aha! I know what this company does differently."
- **Don't write copy by committee.** With an agency full of writers, everyone wants to contribute. Even with excellent writers on staff—too many cooks can spoil the broth.
- **For the phone follow up, having a targeted list and dividing the calls** among senior staff makes it a manageable number and allows you to really work to close deals from the effort.
- **A strong message and strong creative will make phone follow up easier.** It gives you confidence—so you're not only selling these services, you really believe in them.

#### RESOURCES

- DM2 website: [www.thinkdm2.com](http://www.thinkdm2.com)
- [Teaser card insert \(PDF\)](#)
- [Booklet copy \(PDF\)](#)

Footnotes:

<sup>1</sup>Which for DM2 was 70% Fortune 500 firms and 30% small- and medium-sized firms.

<sup>2</sup>The entirety of the package, including postage, the box, tissue paper, engraved stone, etc., and excluding staff time.

---

**Mary Flaherty**, Manager, Research and Content Development, at RainToday.com, develops research, case studies, how-to tools, interviews, and other premium site content. Mary's career spans more than 20 years in higher education publishing and research, as well as professional services marketing. You can reach her at [mflaherty@raintoday.com](mailto:mflaherty@raintoday.com) and follow her Twitter@MaryFlaherty account at [www.Twitter.com/MaryFlaherty](http://www.Twitter.com/MaryFlaherty).

---

--- [Submit Your Idea for a RainToday.com Case Study](#) ---

Has your company—or a client firm—recently tackled a sticky marketing problem? Share your experience in a RainToday.com case study, where we

present the latest in what's working in marketing and selling professional services.

[Click here to suggest a case:](#)

Submit >

**RainToday**