

Perfect pitch

Competitive pitches are now a fact of life that must be managed efficiently to achieve the best outcomes for clients and mitigate the risks for agencies

Perhaps the best epitaph for an agency boss at the end of a long and illustrious career is 'life's a pitch... and then you die...' (Cut to a scene from a séance: "I'm receiving strong signals from the other side. He wants to know if you won...?")

Pitching is an emotive subject for both agencies and clients. The perennial question is always whether pitching is the right way to choose a new long-term agency partner.

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This is perhaps a little like asking if holidays are a good idea. If it is a great one which generates fond memories and a great photo album, then of course it is. However, if it is a terrible living hell, then it is a complete waste of time and money that you will never get back.

NO BETTER WAY?

Pitching will always be an imperfect process, but is there any better way to go about winning new business? Former British Prime Minister Winston Churchill once said that democracy was the worst form of government except for all the others that had been tried. Pitching is a little like that. Clients are, of course, perfectly entitled to pitch their business. Pitches can help ensure marketing budgets are achieving their maximum potential. They can open the field to new ideas and invention. Or they can represent an opportunity to change the chemistry and create more harmonious relationships.

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Although pitching has always been seen as a contentious issue, frankly, I have never heard a winning agency complain about the pitch process. The adrenalin rush of winning tends to wash away any misgivings in that moment. Misgivings are voiced by the losers. However, given that most agencies lose a little more often than they win, it is clear why agencies have such mixed feelings.

At best, they can galvanise the brightest industry talent to stretch muscle and sinew and achieve greatness for themselves and for their clients. Reputations can be built or dashed on the ability to pitch well.

They can be a badge of honour and success and mark out an agency as being 'hot'. At worst, they can be among the most dispiriting and demoralising part of agency life, particularly if it is re-pitching for a client the agency already has. So what is it that makes the difference?

In the old days, when agencies were characterised by small, independent, owner-managed businesses, pitches were seen as the very life-blood of agencies. They would not count costs. Often, the agency would chase after everything on the basis that a win is a win and at least it would generate a press release, if nothing else. Now, there are very few agencies which are not aligned in some way, which do not have external shareholders to satisfy, whose employees do not sweat every day to achieve efficient staff utilisation, and who are not trying to run a tight and efficient business for themselves and their clients.

ESCALATING COSTS

These days, agencies know exactly how much things cost. They are accountable for time and money as never before. Yet pitching is a respecter of neither time nor money. Now, the level of investment in pitches, particularly at the global and regional levels, can be incredible. The consequences of success or failure are magnified far more than ever before. These are the realities of the global market.

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So pitching must mature. The pitch process has to respect the high level of investment agencies make by ensuring it is as well managed, transparent and timely as possible.

In 2009, a survey of World Federation of Advertisers' (WFA) members showed the average time taken for a global or regional pitch was just under four months. These pitches may be highly complex and 'multi-layered', even if managed well. Some of the issues raised by agencies for those pitches that were less well managed included bad planning and preparation, lack of clarity or direction and lack of transparency about the process or available data. In some instances, up to 20 agencies were involved in initial rounds of the pitch, which makes it less of a competition and more of a lottery.

GUIDELINES

That is why, in 2009, the European Association of Communications Agencies (EACA) released guidelines with the WFA on how to organise and conduct a pitch process leading to a new client-agency relationship (<http://bit.ly/c1fPGI>). Created with regional or global assignments in mind, it also provided guidance for agencies and clients at a local

level where no national guidelines existed. The guidelines aim to promote best practice globally, to help agencies pitch successfully and to enable marketers to find the most suitable agencies.

These guidelines call for a reasonable amount of time from briefing to first presentation, with four weeks as a recommended minimum. Also, they suggest that the brief should be written and offer an opportunity for telephone or preferably face-to-face interviews with client stakeholders without all other agencies present. In addition, a non-disclosure agreement should be signed such that the company can provide the agency with the data it needs to perform at its best, and the agency can provide sensitive commercial information about itself to the client without fear of compromise. The briefing should be explicit in setting the limits of the agency response and be clear about the scope of work and whether other disciplines are involved, such as public relations, digital or media buying. The brief should also set out timelines, key milestones, available budget and geographical coverage and, critically, that clients should invite no more than four agencies to participate in a full creative presentation. All presentations should take place within one week of each other.

BEST PRACTICE

Finally, the charter offers four additional suggestions with regard to achieving best practice. First, if it is a request for information (RFI) or a request for proposal (RFP) process, it recommends that there should be transparency about all of the stages in the selection process at the outset and the approximate timings associated with this. Second, it advises that the evaluation procedure is shared with agencies, in terms of criteria, notation and decision makers, and the timeline to a decision. Third, it states that agencies should be informed as soon as the decision has been taken and should be prepared to provide

objective, open and direct feedback about that decision. Fourth, they should provide a contribution to out-of-pocket expenses; for example, €5,000 for international pitches. No one will get rich on this, as it will invariably be spent trying to find insights into the client's business which can drive recommendations, but it does show serious intent.

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These guidelines have been developed to help clients get the most value from the pitch process and provide a more efficient selection process that is more likely to deliver successful outcomes and committed long-term partnerships based on mutual trust. They strive to replace the complex variety of ambiguities which can multiply through a complicated pitch process, which may lead to disappointing results and, in so doing, provide a fairer, more transparent outcome, even for losing agencies.

More importantly, they can help avoid unnecessary disruption caused through process inefficiencies which can take their toll on normal business activity.

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