THE ROMANIAN ADVERTISING AGENCY

UAPR

PITCH GUIDELINES

8 basic principles for an efficient pitch

1. Are these guidelines mandatory?

The Pitch Guidelines comprise a set of recommendations aimed at both clients as well as agencies. These guidelines are not mandatory, but provide recommended best practices that have been tested in competitive markets.
Compliance with the principles included in this document increases the likelihood of enhanced results for all stakeholders involved: it enables agencies to fully participate with the full confidence of success based on a level playing field and provides clients the possibility to choose an agency that can best fulfill their marketing needs.

Around 20 to 30% of pitches end without a winner*. Projects do not translate into reality. In such conditions, agencies must carefully select the pitches they want to participate in, as well as how to invest the resources earmarked for every pitch. There are very few pitches for which agencies are able to contribute all their available resources. The clients should ensure that the agencies selected for the pitch should be fully committed and provide the best resources available. These initial first steps help increase the quality of the marketing solutions for both parties.

Not all pitches are equal. Even when agencies take part in a pitch, it does not mean that agencies earmark the required resources to provide the best solution for the brief. There is also the possibility that agencies take an opportunistic approach: “it is fine if we get something out of the brief”.
This is another strong argument why it is in the clients’ interest to ensure that the participating agencies treat the project with utmost seriousness.

Some pitches are announced because someone in the client organization wanted it – even if the marketing team is very happy with the current agency. In such cases, which happens regularly these days due to procurement, the remainder of the participating agencies sometimes become “filler agencies”- so that the pitch-related red tape is in compliance. Should an agency feel they might be one of those “filler agencies”, they will opt either not to take part, or shall take part opportunistically, allocating minimum resources.

The Pitch Guidelines provides solutions to minimize the risk of “filler agency” perception.

The Pitch Guidelines were not initially drafted due to agency frustration or due to the increasing number of pitches. The goal was to provide guidance and advice for the client organizations to better align internal objectives and process prior to calling a pitch.

2. Agencies are eager for a pitch to be called

False.
There are very seldom cases when agencies have unused resources waiting for a project/pitch to be called. This would translate into inflated cost and lower margins for the agencies. When agencies take part in a pitch, they usually use existing resources to participate and take the calculated decision to deter focus on the new pitch. That being said, depending on the size of the pitch, agencies will sometimes hire temporary staff/consultants on a case by case basis.

* Reference: Mirren Business Development estimates that more than 30% of pitches end up without a winner. According to the estimates of Romanian agencies, our rate is slightly lower than the American reality.

Additionally, there are quite a few cases when several pitches are called at the same time. Actually, there are even pitch seasons, when more pitches take place compared to normal.
There are quite a number of cases where agencies that have been working with competitive brands participate in a pitch that may jeopardize its efforts to build a relationship with the prospecting client. Agency people are passionate about their work and losing a pitch means the lost opportunity to bring to light ideas presented. Consequently, there is always the impact on staff when the team loses a pitch, and the demotivation has a real impact on the work of other agency clients.

3. The ideal number of agencies called in for a pitch

According to international experience, the best number of agencies to be invited to the pitching pre-stage is no more than 3-5.

If more agencies are called in, there is a high risk of agencies treating the project as an opportunity: should we win it, fine, should we lose it, at least we know we have not put too many resources into it.

A higher number of agencies translated into inefficiency and higher spending on an important client resource - time. Time allocated for debriefing, that is highly recommended in a bilateral dialogue (not as general communication), time allocated for meetings and presentations, time allocated for revisions and evaluation. Any pitch that calls in more than 3-5 agencies at the briefing stage inevitably becomes unmanageable at the standards required by any client.

At the same time, too many agencies called in sends a bad message about the intentions of the client - more specifically, it raises the concern that the client does not know what they want and they are just “window shopping”; this impression may “put off” many good agencies from even taking part in the pitch. An agency which values and builds its reputation over time will not invest its resources in a client that seems not to value the name and resources of the agency.

Limiting the number of agencies called in for a pitch is necessary especially today, when the crossroads between consumers, brands and market is much more complex and requires a deep strategic understanding of the issues and opportunities, not only a creative, speculative idea.

Certainly, to identify which agencies are the right choice for this briefing stage, the client must have an overview concerning the number of agencies available and to select the best 3-5 agencies.

To prepare for this stage, the client may engage in exploratory meetings (chemistry meetings) and general meetings (credential meeting or document).

4. Transparency concerning the list of called in agencies

Knowing the list of called in agencies is useful for all participants.
This aspect should correctly set the proper pitch background by establishing the right expectations and correct reference to the competitive environment: are there sizeable, competent agencies with similar reputation called in or are they selected randomly? If they are selected randomly, what is the reasoning behind this decision?

If the list of called in agencies is transparent, the competitiveness level is raised. In this scenario, agencies will strive to perform as its (known) competitors are perceived as the best from the market.

A “blind” participation without knowing the frame of reference is never in favor of the client and does not provide agencies the points of reference that are expected in their proposals.

Background clarification by making the list of participants more transparent gives legitimacy to the seriousness of the selection process. Transparency in the list of called in agencies contributes to the moral comfort of agencies, providing the reasoning used by the client in short-listing the respective agency.

Few agencies calculate the initial commercial opportunities vs. cost opportunities. If an agency has worked in this category before and another agency has not, they will highlight this experience, and in some case, to the contrary, provide the freshness of an approach of a new team with an open eye or mind based on other experience.

Aside from the relevant arguments in favor of providing the list of participants in a pitch, there is no argument against it, except for “this is the company policy.”
Sports events provides a good example, as there is no competition where an athlete or teams that are participating do not know who they are competing against and what are the stakes. Based on the competition, you know how to train, how to approach the race, group, tournament, you know which strategy to put in place to win, what do you need to do to achieve the best time/ score/ outcome. A pitch is a competition where several agencies line up at the start, desire the best result, both for themselves, and yes, for the client. Why should an agency pitch be the only competition where your are not told whom you’re competing against, or how many people are lining up at the start or what are the stakes (the budget, strategic opportunity, creative opportunity)?

5. Pitch Fee

If the client is willing to pay a pitch fee, this clearly demonstrates that the agencies efforts are valued and often provides additional motivation.

As mentioned before, agencies commit important resources to the pitch process, and, in most cases, this translates into production costs for the materials used for presentations. This is why it is considered fair that the client have an equal share/contribution. Obviously, the pitch fee does not cover the entire cost of resources invested by agencies. It rather provides a sign of good faith and respect for the work of the agencies, as well as a proof of how serious the client is with their intent - which again motivates agencies to provide their best work.

6. Reference to the budget in the pitch brief

The budget has a significant impact on the proposals made by the agencies.
If there is no mention to the project budget, agencies risk to submit proposals which are either under or overinflated, whereas the client wastes time and money making significant revisions later in the process.
Reference to the budget will “calibrate” the solutions proposed by the agencies at the real intent of client’s expectations and possibilities. A client’s message along the lines of “You will be more creative” actually means for agencies “Window shopping” / Lack of clarity / non-compliance within the client’s organization.

Clients usually have a specific marketing budget and objective (s) coupled with a budget earmarked for that goal. For the client it is completely unproductive to provide incomplete information to the agency.
Communicating the budget earmarked for a project does not constrain agencies in any way other than to provide a financially competitive solution.

Imagine that you intend to build a house for yourself and call in an architect and you do not tell the architect how much money you have for it. The architect may give you the blueprints for a “French chateaux” and you end up losing both time and energy or conversely, the architect will suggest something far below the standards you are looking for. Both parties lose time, nerves and, ultimately, money. In addition, nobody works on a second proposal out of passion if that means starting again from zero!

7. Compliance with the copyright principles

The ideas presented in a pitch are not the client's intellectual property.

The ideas presented remain the property of the agency until a contractual relationship is entered with the client.

To better illustrate this example: if a client goes on a drive test with five cars and negotiates the commercial offer with five dealers, the client usually buys one of the five cars but cannot expect to get the other four for free. For agencies, ideas are like "cars." This is what we produce, this is what we work for and it is normal for agencies to be compensated for each idea separately. Expecting that pitch ideas and work be offered for free is not an acceptable business practice.

8. Bilateral (one to one) talks to clarify the brief as compared to answers sent "transparently for all agencies"

We do not recommend sending answers via emails/correspondence to questions received from some agencies to all participating agencies, because a large component of the strategic offer refers to asking the most relevant questions.

Once an agency focuses on strategic marketing solutions, they may ask specific questions. If all participating agencies receive the questions and answers, they may be able to grasp the strategic line raised by another competitor. That is not the intention of pitching. That is why, most of the time, agencies are content asking only general information in order not to give anything away from their strategic positioning.

Undoubtedly, any brief must be done properly, the party calling the tender must provide all participants with all the information they feel relevant for the project. And each participating agency must have full access fairly and equally.

However, from time to time, an agency comes along and asks:
From your data, where is the opportunity to acquire new customers, or to increase the frequency of ordering from Pizza Chain?
If the client did not put it in the initial brief and one of the agencies realizes the opportunity in increasing the number of orders from existing customers, the question arises whether it is fair to reveal the strategy of the respective agency?

Most clients will likely opt for – in the name of transparency and fairness – ignoring the fact that the agency has already grasped a possible winning solution and unfortunately, will forward this information to all participating agencies. To avoid such risks, agencies do not ask the key/relevant questions.
In consequence, they work and present partly "blind", relying on data from the initial client brief.

Once the brief is sent to all agencies, the gloves can come off: each participant in the pitch should receive answers to the questions asked, that is in the end what they deserve.

Agencies highly recommend clarifying specific questions through bilateral, "one to one" communication. Open discussions on the marketing challenges and solutions should be encouraged.

All provisions in this document should be considered recommendations and are not intended to secure commitments from companies to follow this process to select their communication agency.

These recommendations are also intended for agencies that choose to participate in such selection processes.