

HUGE

Hello ANAFM

Taming the wild west of pitching.

October 6, 2020.

Good afternoon.

**Taming the wild
west of pitching.**

The title might imply a
biased or one-sided
perspective.



Whining



Whining



Finger pointing.



Whining



Finger pointing.



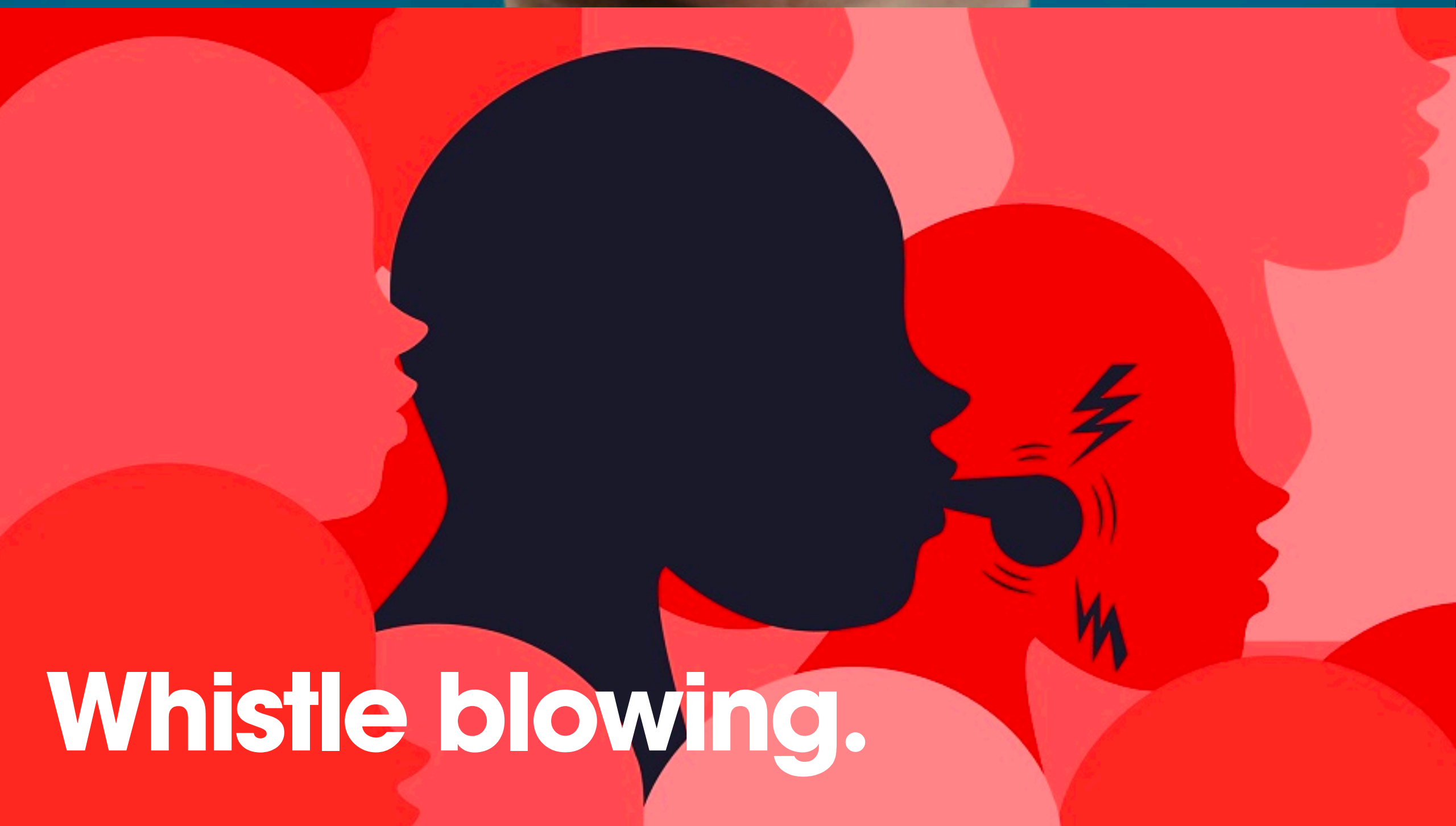
Whistle blowing.



Whining



Finger pointing.



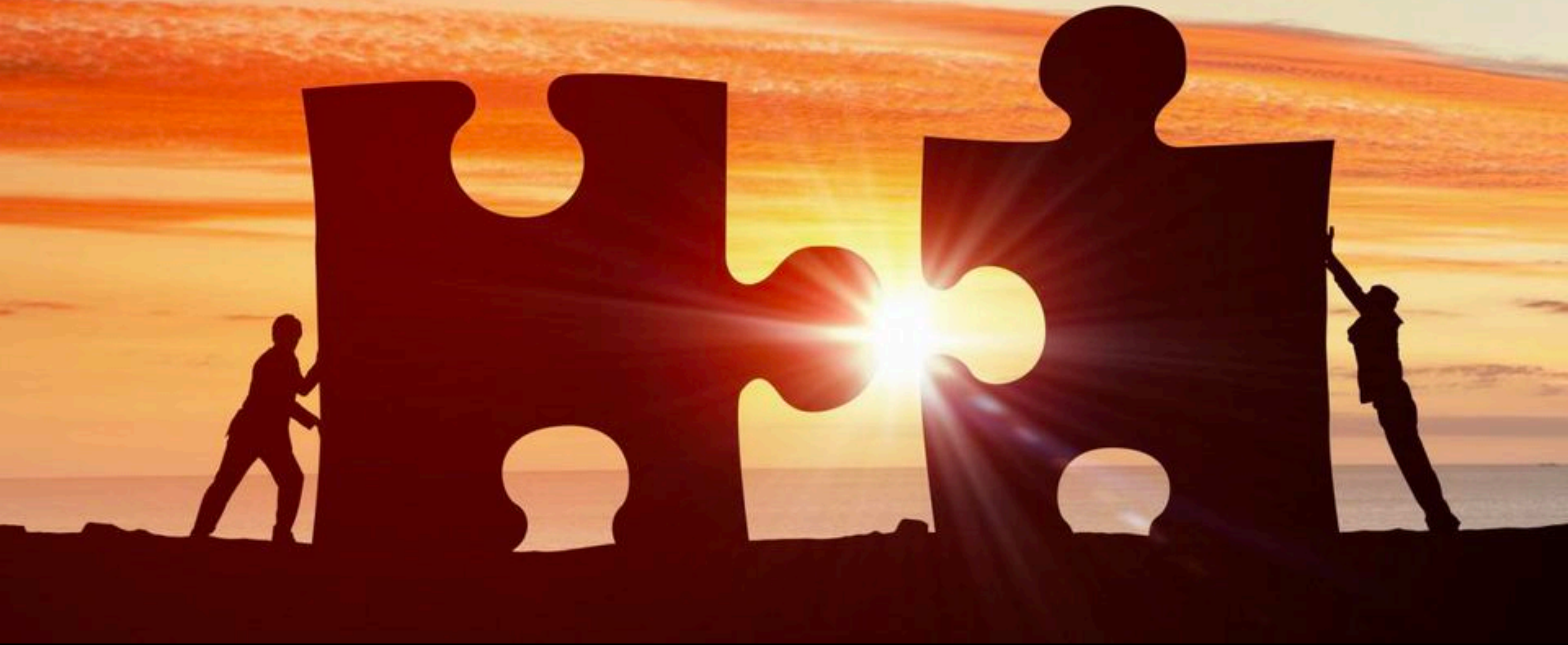
Whistle blowing.



Complaining.

Fair. Balanced. Objective. Helpful.

Partnership & value.





New rules.

Four questions.

- 1. Why so many pitches.**
- 2. Is there a problem.**
- 3. What are the existing rules.**
- 4. How can we tame the beast.**

Question 1.

Why are there so many pitches to start with?

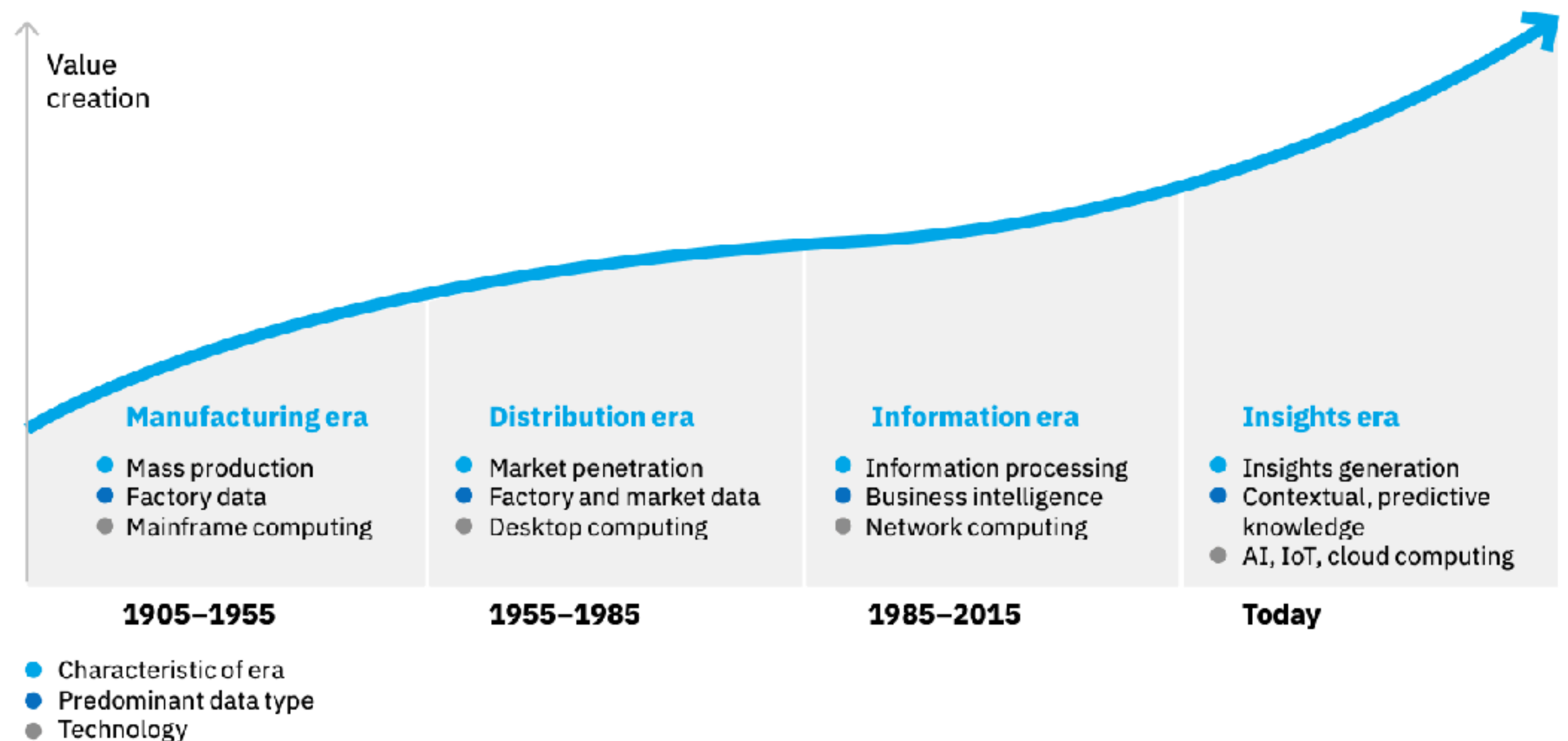
Complex and data driven.

Today, with the advent of artificial intelligence (AI), the Internet of Things (IoT), and cloud computing, we finally possess the means with which to turn bytes into insights and generate contextualized, predictive knowledge .

Figure 1

The insights era

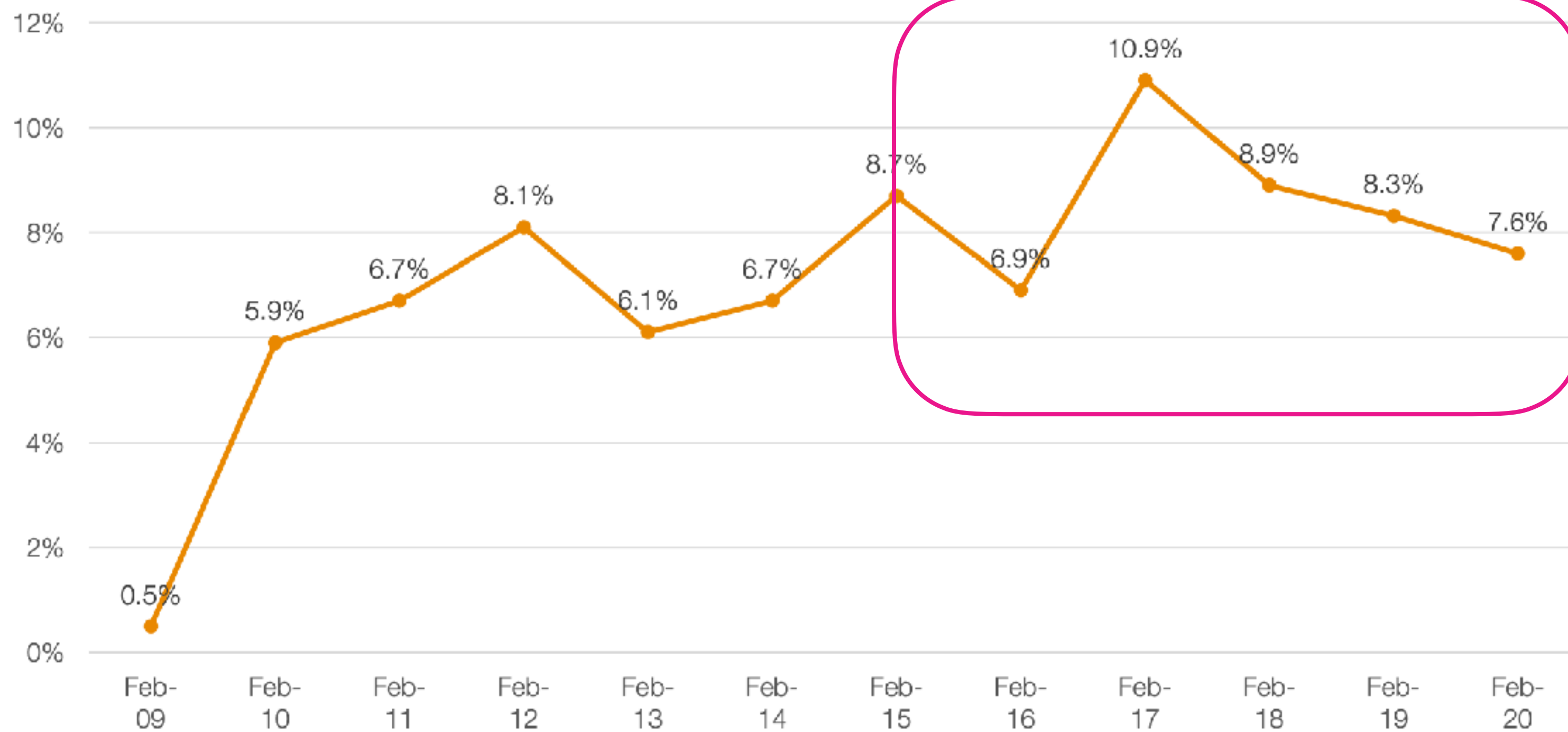
Humanity has entered an age in which data's full potential can be realized



“I think we saw five years’ worth of acceleration of digital adoption within five weeks,” Whiteside said. “We've had to figure out how to rapidly evolve our business model and the way that we communicate with customers.”

Marketing budget growth expected to decline to 7.6% growth

Percent change in marketing budgets expected in next 12 months



Economic Sector

B2B Product: 6.9%
B2B Services: 7.9%
B2C Product: 8.4%
B2C Services: 8.4%



Insights

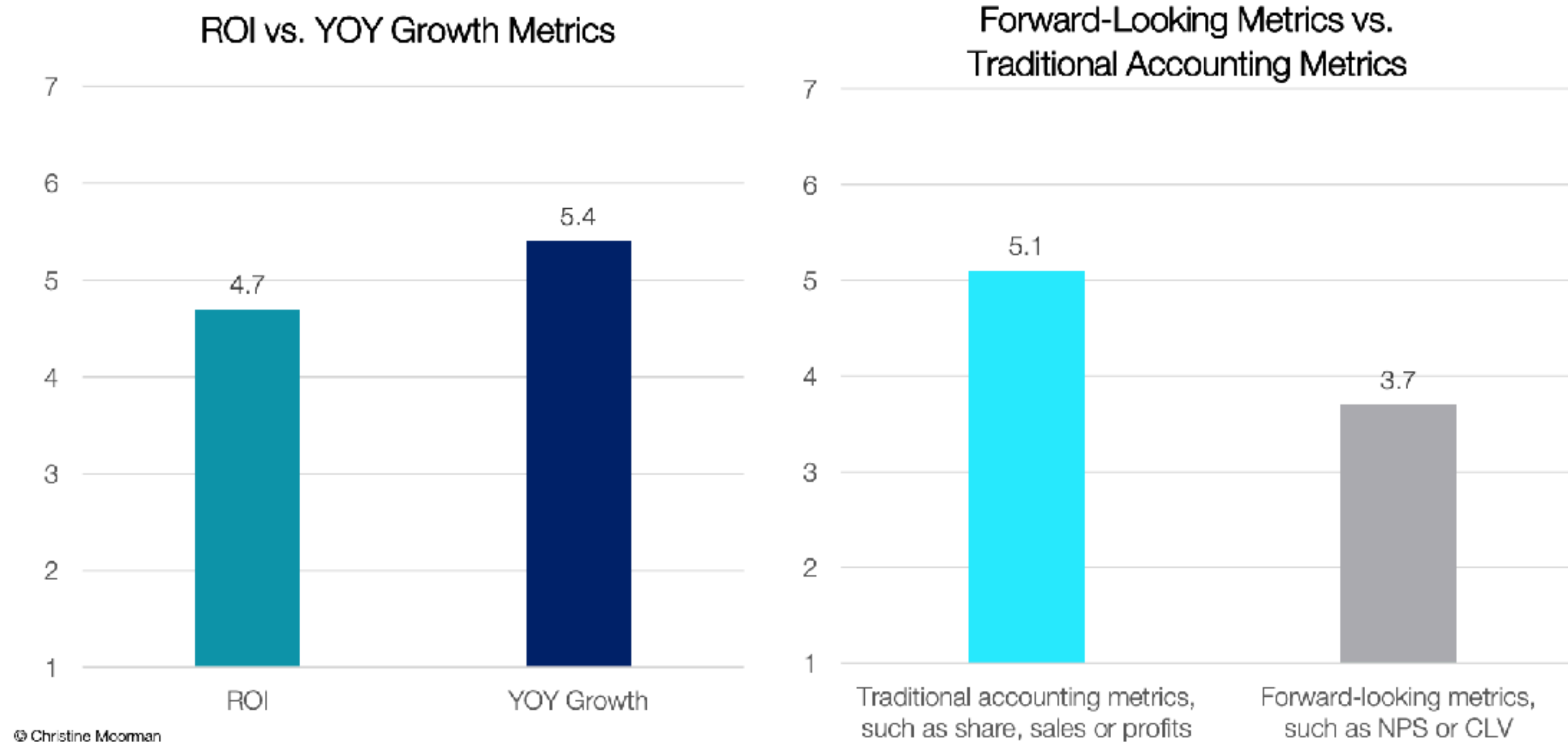
<\$25M and over \$10B companies by revenue predicted the most growth in marketing budgets compared with those in the middle revenue brackets. Additionally, those with 0% and >10% Internet sales predicted the largest growth in marketing budgets, compared with those that sell between 1-10% online.

Declining marketing budgets put more pressure on marketers.

Increased pressure to do more with less and extract greater value from strategic partners.

Growth is most important KPI for evaluating marketing performance

How often does your company use the following KPIs to evaluate marketing performance? (1=not at all, 7=all the time)



Focus on shorttermism

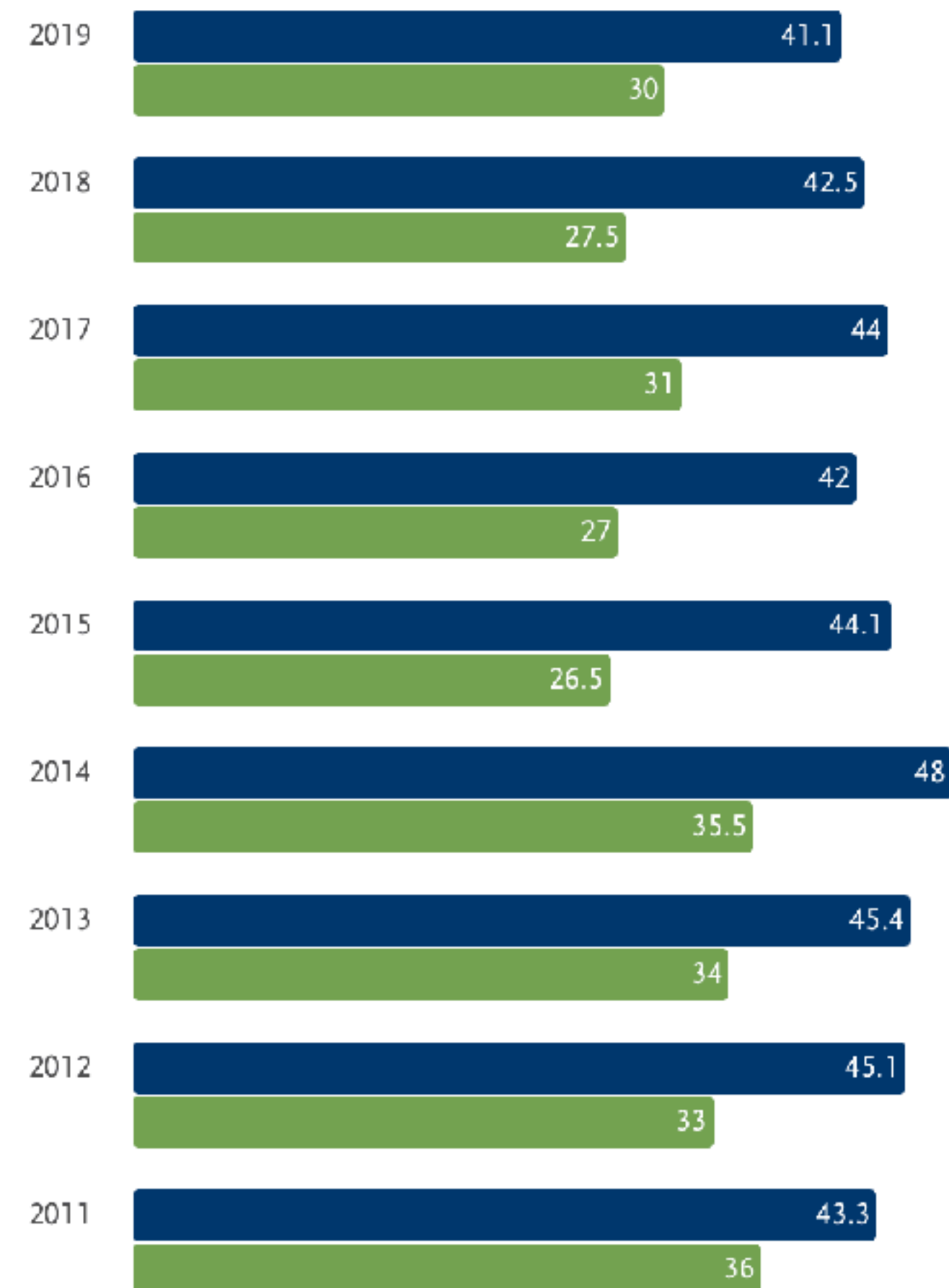
Favor results on YOY or quarterly vs. LTV, NPS or CLV.

CMO Tenure.

Average tenure for chief marketing officers drops by two months since 2018.

SNAPSHOT: AVERAGE CMO TENURE

- Average CMO Tenure
- Median CMO Tenure



From a recent consultant presentation.

Client mindset.

Incredibly challenging environment with pressure coming from all angles.

1. Put yourself in the client's shoes – PRESSURE
2. Pressure from internal groups and investors
3. Pressure from customers
4. Pressure from a broader marketing pipeline
5. Pressure for growth, share, profitability
6. Pressure to keep their jobs/get a new job
7. Pressure intensified since COVID:19 and BLM
8. The agency is just one part of their work life

Marketing landscape.

Cost pressure.
Competitive.
Complex landscape.
CMO turnover.
Cash crunch.
Confusion.

Agency landscape.

Pitching is the lifeblood of our business outside of organic growth - and it's a buyers market.

Agency landscape.

A general lack of differentiation makes agencies over pitch even when they know better.

Not surprisingly, this leads to an increase in pitch activity.

“ For the third time in five years,
advertisers will launch a
mediapalooza of account reviews”

Eye popping stats.

950

So far this year, 950 advertisers have concluded media reviews.

\$10B

Represents a significant amount of media dollars under review.

75

More reviews are underway that represent another \$5 billion and a further \$13 billion could be up for grabs over the coming months.

“From the many pitches we’re seeing in the works, they’re less about advertisers being inherently unhappy with their current agency and more an acknowledgment that they need different things from them.”

Is the client-agency
relationship shifting from
partnership to vendorship?

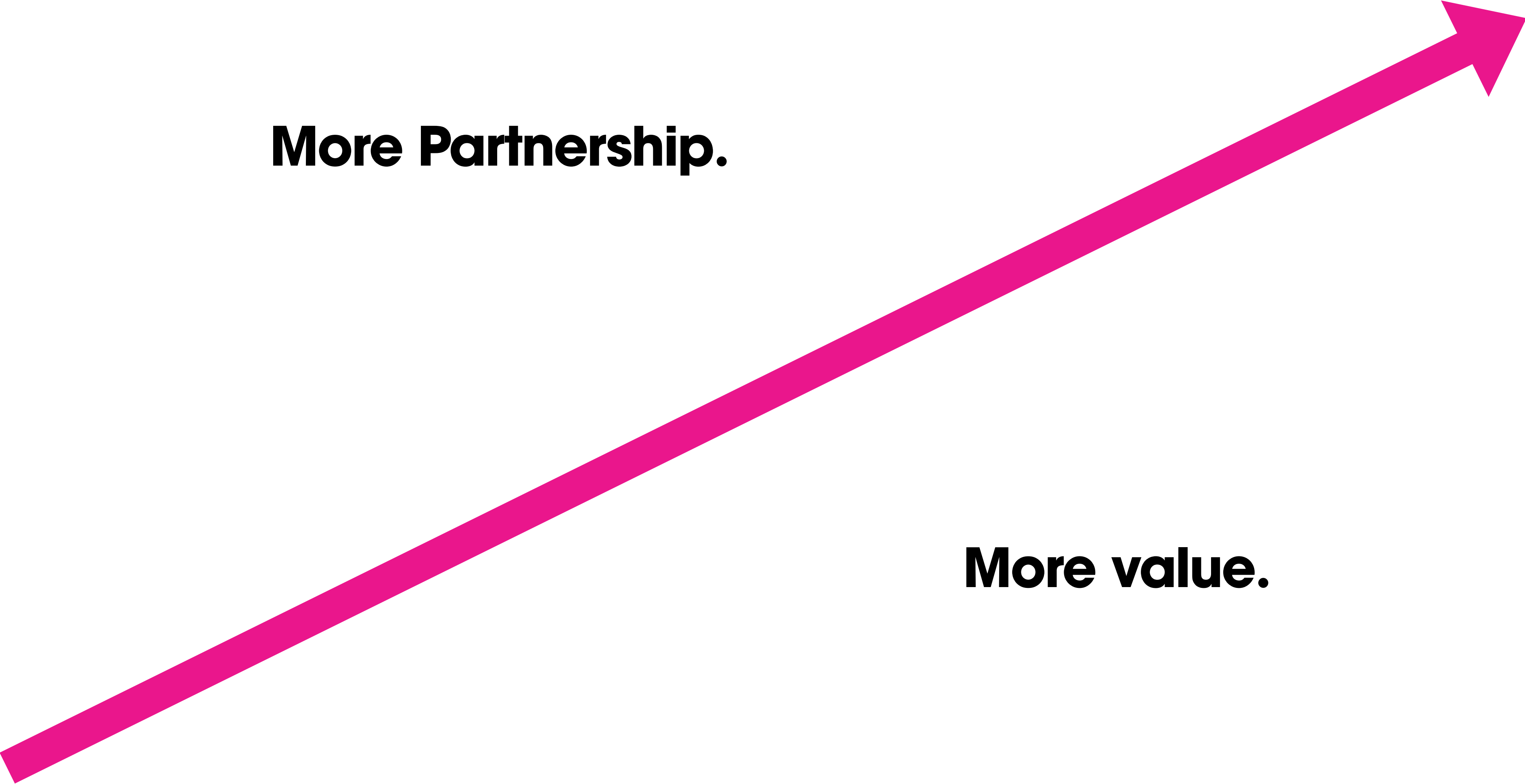
Paradox of value and partnership.

Goal: partnership and value.



More Partnership.

More value.



Reality: Often at odds with each other.

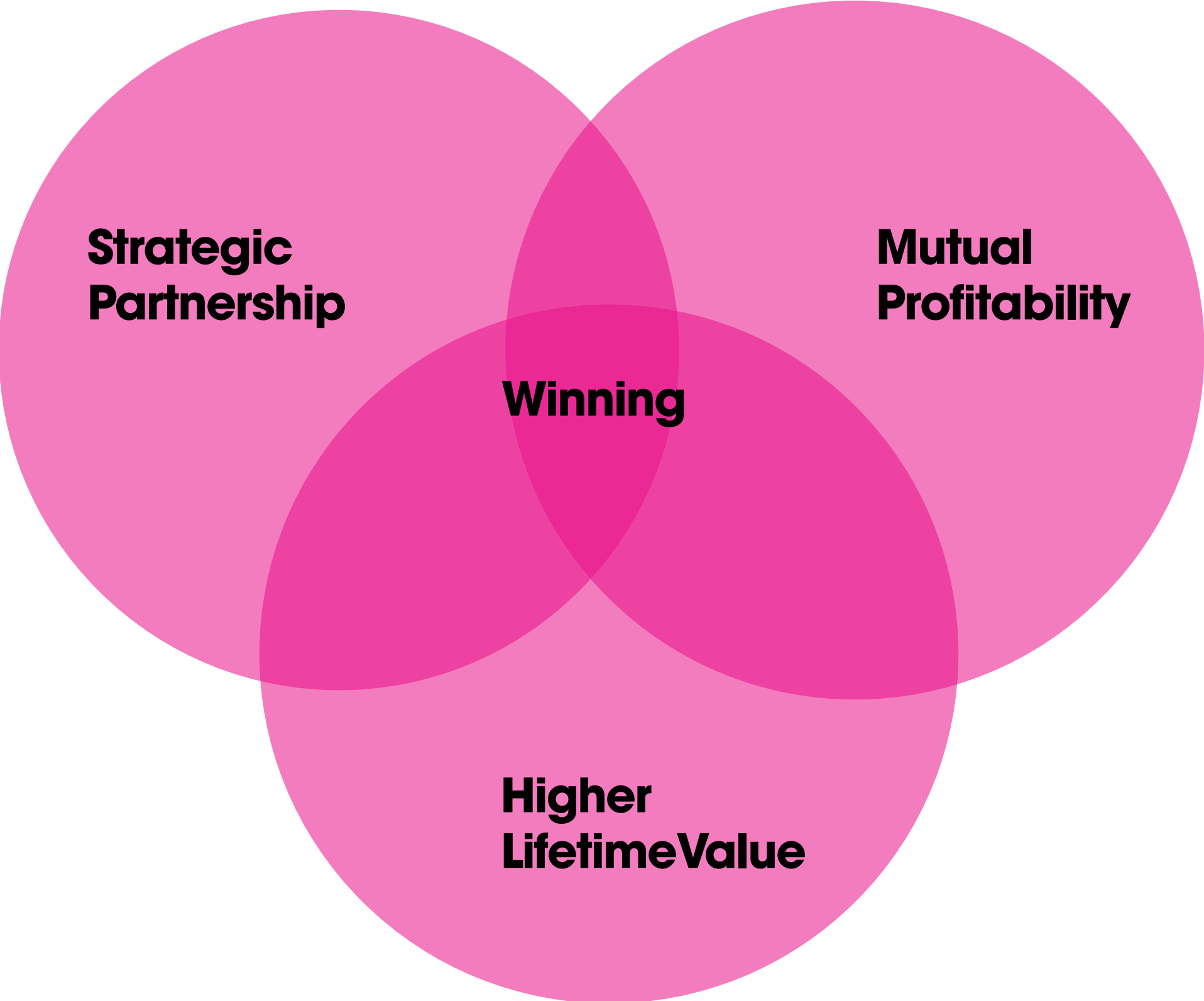
More partnership.

- Longevity
- Ambition
- Profitability

More value.

- Lower cost
- Efficiency
- Accountability

Enlightened model.



Question 2.

Is the trouble with pitches exaggerated? Is there really even a problem at all?

Creative abuse, conflicts of interest and obnoxious pay terms: Pitching descends into 'Wild West without boundaries'

by Oliver McAteer
November 21, 2019



Agencies do not love the pitch process.

10 reasons why pitching is the biggest illusion of the 21st century

By Erik Saelens - 16 February 2018 10:00am



When I read an email with the line "you are invited to pitch..." or see more "refined" terms such as "for RFP" or "we are looking for a partner" it's often a sign of a pitch process that is strictly...

The Ad Industry Has Reached a Breaking Point. Can It Bounce Back?

Agency-client relations hit an all-time low



Agencies Balk at 'Insane' Conditions of New General Mills RFPs

120-day payment terms and ownership of intellectual property

Clients and agencies slam flaws in the pitching process

Client-side marketers and agency representatives have launched a fierce critique of the way business is currently pitched and won, ranging from vague briefs and onerous contract terms to poor work that ignores a brand's uniqueness or its customers' needs.



Exhausting. Time consuming. Highly stressful. Demoralizing. Unfair. Biased. Losing odds. Not a level playing field. Creates talent burn out. Not profitable. Expensive. Confusing. A waste of time. Nights. Weekends. No vacation. **Ugh!**

BRACE YOURSELVES

AN RFP IS COMING

But what about clients?

A woman with curly brown hair and glasses is shown from the chest up, holding her right hand up in a 'stop' gesture. She is looking directly at the camera with a neutral expression. The background is a blurred outdoor setting with trees and a light sky. The overall tone is muted and professional.

**Clients view it as time consuming,
stressful and distracting.**

Opportunity. Time consuming. Highly stressful. Big distraction. Necessary evil. Emotionally draining. A lot of work. Preparation. Investment. Efficiency. A lot to manage. Expensive. Requires immense focus. Longtime to onboard. Knowledge transfer. Internal alignment requirements. Getting approvals. Decision difficulty. Fairness. Opportunity. Cost. Team. Value. Value. Value. Risk vs reward.

What about the process?

Where there is smoke there's fire.

70,000 views.

Overwhelming number of responses from agencies, new business pros, C suite, clients, CMOs and press which became the instigator for this presentation at the ANAFM.



Matt Weiss

President, Huge Brooklyn

11mo •

Open letter to every BD person who lives and dies pitching for business. For the most part, clients and consultants are EXCELLENT partners. They have good intentions, run diligent and conscientious reviews, are fair, do all the hard vetting upfront and look out for both client and agency. But pitching has become the wild west with reviews being managed internally, outsourced through ex-employee consultants, procurement and more. I'm seeing more blatant misfires than ever before - budgets not declared (we are a business, it costs money and time to do a pitch and at a minimum a budget should be disclosed), process not adhered to (timing delays, zero clarity), IP abuse (we own the idea regardless of outcome), no feedback unless heavily pursued, rules changing midway, decisions made without human contact (send us the proposal and we'll come back to you), and on and on. It's wrong. It's bad business. It's abusive. The power is clearly in the hands of brands since there are 120k agencies all vying for a piece of the pie. This has to stop and the only chance we have is by locking arms and saying NO. This is not sour grapes. This is common sense.

[#advertisingagency](#) [#digitalmarketingagency](#) [#experiencedesign](#) [#priorities](#) [#newbusiness](#) [#winning](#) [#marketingandadvertising](#) [#business](#)

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Press coverage.

campaign News Opinion Creative Work Q

Creative abuse, conflicts of interest and obnoxious pay terms: Pitching descends into 'Wild West without boundaries'

by Oliver McAteer
November 21, 2019



Campaign.


"The fact of the matter is the clients hold all the cards," she said. "They always have. It is a power dynamic that allows clients to take advantage of agencies as they balance the merits of choosing to agree to these stipulations or not be given a chance to pitch for a piece of business that they sorely need."

AdAge Sections Latest Editor's Picks Most Popular

SHRINKING BUDGETS, A PROJECT ECONOMY AND WORK-FOR-FREE DEMANDS CREATED A PERFECT STORM FOR SHOPS IN 2019

Agencies under pressure to restructure their operating models to remain competitive

By [Lindsay Rittenhouse](#) and [Judann Pollack](#). Published on December 20, 2019.



Ad Age.

Clients often don't have much of a choice to do things differently. With their procurement departments putting a tighter squeeze on marketing budgets, and recessionary concerns rising, brands have begun to shift more to project work.

A list of complaints.

- 1. Ghosting.**
- 2. Lack of clear criteria.**
- 3. Unfair terms.**
- 4. Pricing exercise.**

quoted
^

A fact that blew me away.

"84% Of Clients Have Picked A Winner Before An Agency Pitch Begins"

- Forbes 5/28/18

**"84% Of Clients Have Picked A
Winner Before An Agency Pitch
Begins"**

- Forbes 5/28/18

So why do we do it?



Opportunity.

H



Growth.



Partnership.

**“And for some,
it’s the thrill of
the hunt and
boundless
creative
opportunity.”**



Ultimately, it's about relationships.

Better, stronger, high value, long term, mutually profitable and enjoyable.

Question 3.

What are the existing rules? Are they fair? Are they practiced?

Practitioners in this room
are not the problem. Please
use your influence on
others.

ANA/4A's Guidelines for Agency Search

Marketers and their agencies are looking for high-performance relationships based on mutual trust. Steps that can help marketers and agencies reach that productive state have been outlined from time to time. However, there has not been recent comprehensive guidance on agency search that recognizes the rapidly changing agency-advertiser marketplace.

An excellent set of guidelines for everyone involved.

The guidance that follows—developed and endorsed by the Association of National Advertisers (ANA) and the American Advertising Agencies Association (4A's)—outlines steps that can help marketers and agencies go through an effective search and selection process that can help both parties create a better working relationship.

Steps that can help marketers and agencies go through an effective search and selection process that can help both parties create a better working relationship.

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Question 4.

How can we tame the beast?

New rules.

Required eyebrow.

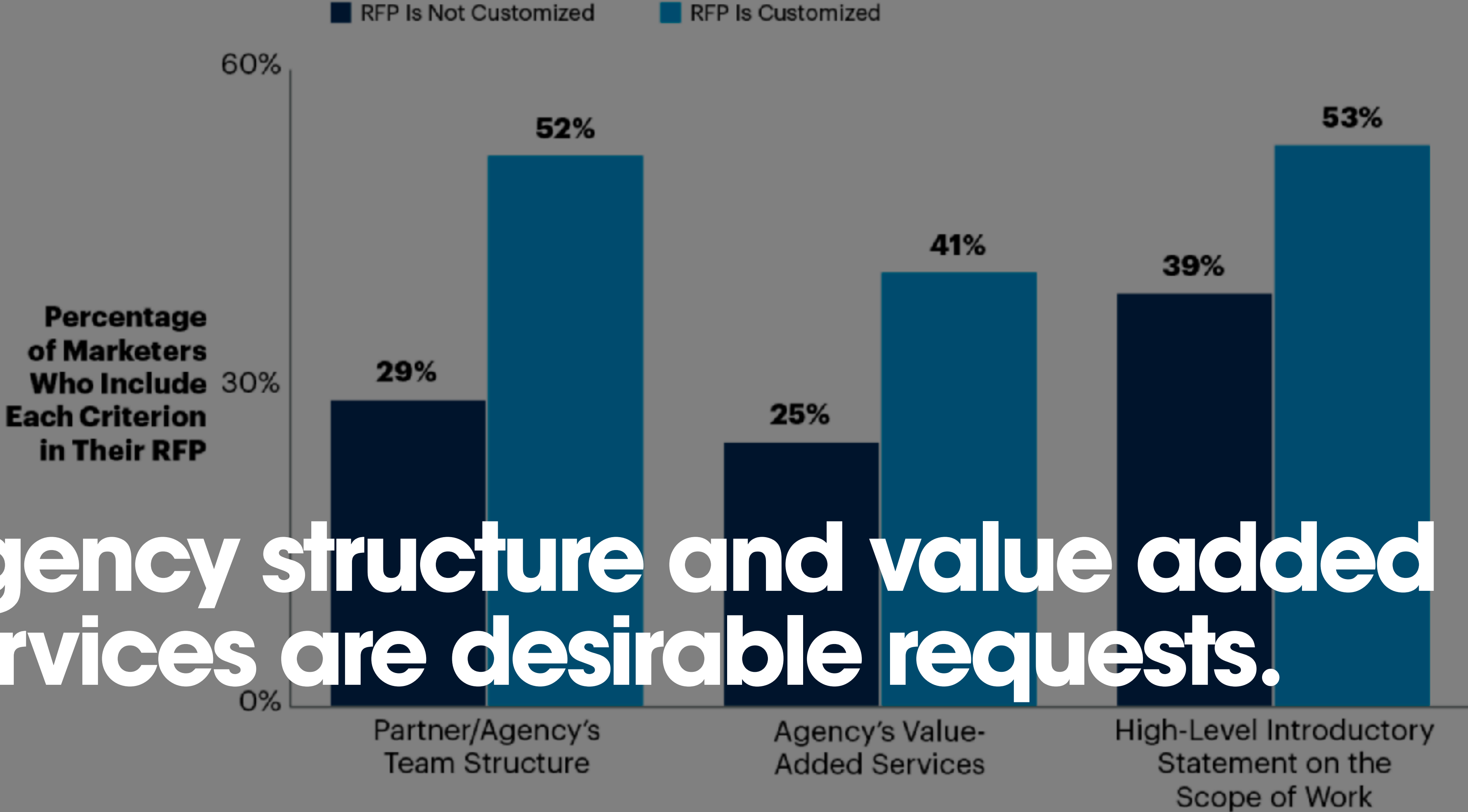
- 1. Customize it.**
- 2. Inspiration not perspiration.**
- 3. Provide budgets.**
- 4. Six tips.**

Customization.

42%

Less than half of marketers surveyed customize their RFPs yet marketers who issue proposals that are viewed by agencies as strong opportunities are more likely to customize their RFP.

Most Important Criteria for Indicating Your RFP Is a Worthwhile Opportunity



Agency structure and value added services are desirable requests.

**Writing matters. A
motivated agency
works harder for
you.**

“How the RFP or pitch review deck is worded tells me everything about the company - do they care about creativity, results, partnership or just financial efficiency. Based on that we say go or no go.”

- **Background.**
- **Claim to fame.**
- **Value proposition.**
- **Current assessment.**
- **Opportunity.**
- **Future success.**
- **What's off the table.**
- **Process, timing, stakeholders.**
- **Size of the prize.**



Allow yourself to be seen and understood.

Personality.

Expressive language that allows the reader to get a feel for the company, understand the culture and make an assessment whether the prospect is a good fit.

Process.

The facts for the review. What is being asked of the agency including decision factors and criteria that allow for an intelligent evaluation of the opportunity.

**A word on
including budget
guidance.**



Single biggest complaint among agencies is a lack of budgetary guidance during the pitch process.

6 tips.

- 1. No extra stages.**
- 2. Include culture sessions.**
- 3. Provide ongoing updates.**
- 4. Say thanks.**
- 5. Never say you were a close 2nd.**
- 6. Post pitch feedback.**

**Advice for
agencies.**

Vetting.

Reverse the psychology of vetting.

JUST DO IT.

DON'T DO IT.

Required shift.

Past.

**Thinking yes &
saying no.**



Future.

**Thinking no before
saying yes.**

Progressive vetting.

Business.



- Is there an established budget?
- Will it result in substantial ongoing revenue?
- Is there enough time to properly complete the pitch?
- Do we have access to key stakeholders?
- Are there any conflicts of interest?
- Are the ask and deliverables reasonable and worth the reward?

Progressive vetting.

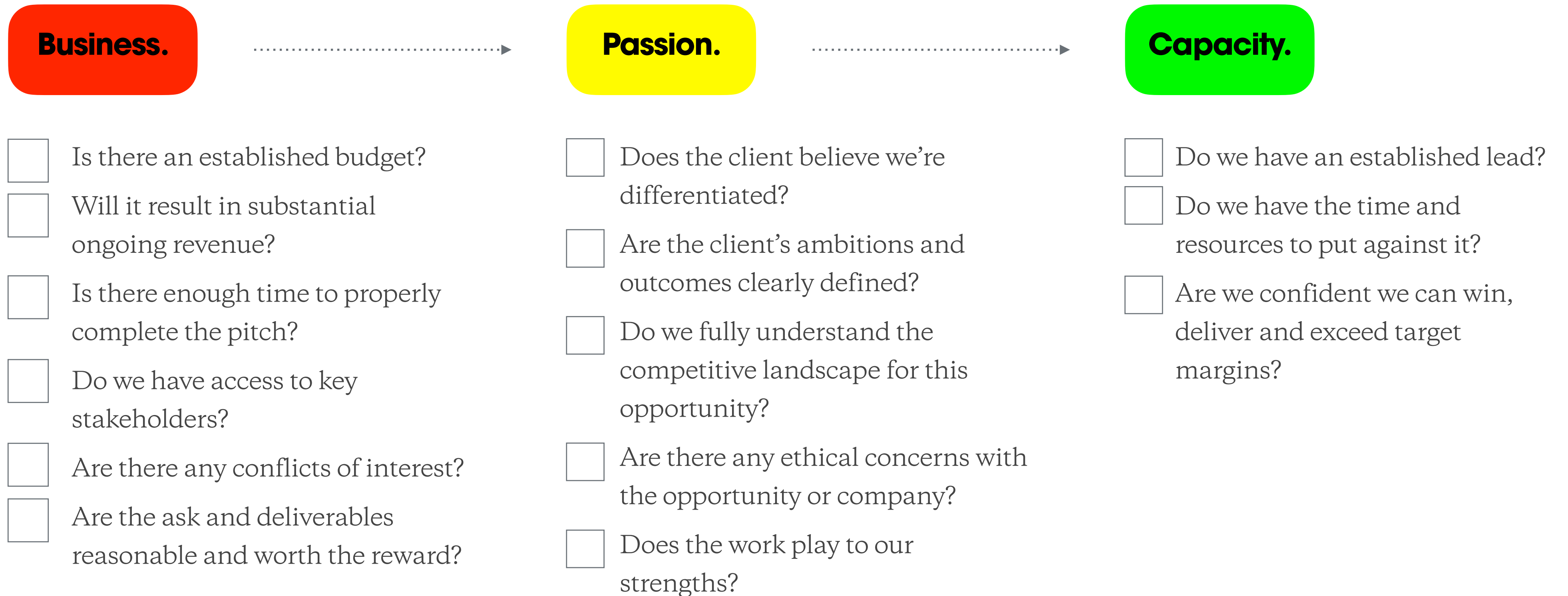
Business.

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Passion.

- Does the client believe we're differentiated?
- Are the client's ambitions and outcomes clearly defined?
- Do we fully understand the competitive landscape for this opportunity?
- Are there any ethical concerns with the opportunity or company?
- Does the work play to our strengths?

Progressive vetting.



The goal is to check enough boxes to make it worth our time and effort.

Backing it up with numbers.

Vetting Scorecard.

For every opportunity, use a scorecard to rate the opportunity and if an opportunity is rated below 50%, we should think twice or not proceed.

Vetting Scorecard.

Criteria	Overview	Rating
Opportunity awareness.	<input checked="" type="checkbox"/> We were aware of this opportunity prior to receiving the RFP and were briefed verbally. <input type="checkbox"/> We previously were involved in the RFI stage for this opportunity but haven't received a briefing. <input type="checkbox"/> We did not know about this opportunity prior to receiving the RFP.	10
Reasonable ask.	<input checked="" type="checkbox"/> The ask of Huge and associated RFP deliverables is reasonable and worth the reward. <input type="checkbox"/> The ask of Huge and associated RFP deliverables is unreasonable for an RFP but is worth the reward. <input type="checkbox"/> The ask of Huge and associated RFP deliverables is unreasonable.	10
Competitive landscape.	<input checked="" type="checkbox"/> We fully understand the competitive landscape for this opportunity. <input type="checkbox"/> We partially understand the competitive landscape for this opportunity. <input type="checkbox"/> We do not understand the competitive landscape for this opportunity.	10
Value proposition.	<input checked="" type="checkbox"/> The client believes the Huge value proposition is compelling, understands the benefits and sees these as a differentiator. <input type="checkbox"/> The client believes the Huge value proposition is acceptable, but not differentiated against the competition. <input type="checkbox"/> The client believes the Huge value proposition is weak – or does not understand our value proposition.	10
Objectives and goals.	<input checked="" type="checkbox"/> The client's ambition and business outcomes are clear and well defined. <input type="checkbox"/> The client's ambition and business outcomes are partially defined. <input type="checkbox"/> The client's ambition and business outcomes are unclear / we don't believe are feasible.	10
Stakeholders and insights.	<input checked="" type="checkbox"/> We have direct access to key stakeholders / we do work with the same stakeholders. <input type="checkbox"/> We have limited visibility and access to key stakeholders and do some work with the client. <input type="checkbox"/> We have no relationship with key stakeholders.	10
Ability to deliver.	<input checked="" type="checkbox"/> This work plays to our strengths and we have the team available internally to support. <input type="checkbox"/> This work largely plays to our strengths, and we can make the team available with some third party support. <input type="checkbox"/> This work will require significant dependency on third-party resources.	10
Budget and ongoing revenue.	<input checked="" type="checkbox"/> We know the client's budget and know that this win will result in substantial ongoing revenue. <input type="checkbox"/> We know the client's budget but are unsure as to substantial ongoing revenue. <input type="checkbox"/> We are unsure of the client's budget for this work.	10
Profitability.	<input checked="" type="checkbox"/> We are confident we can win and deliver this work, and exceed target margins. <input type="checkbox"/> We are confident we can win and deliver this work, and meet target margins. <input type="checkbox"/> We are unsure whether we can win and deliver this work at target margins.	10
Ethics.	<input checked="" type="checkbox"/> There are no ethical concerns with the work nor the company itself. <input type="checkbox"/> There are minor ethical concerns with the work and / or the company itself, but overall, it still aligns with Huge. <input type="checkbox"/> There are major ethical concerns with the work and / or the company itself and we would have to convince talent to work on this.	10
Conflicts of interest.	<input checked="" type="checkbox"/> There exists no conflict of interest. <input type="checkbox"/> There exists a conflict of interest with this client / project that can be managed. <input type="checkbox"/> There exists a conflict of interest with this client / project that will be difficult to mitigate.	10

OVERALL OPPORTUNITY RATING >>> **100%**

A final thought.

“Once upon a time, the agency was the most important outside relationship most clients had,” said Bill Duggan, group EVP for the Association of National Advertisers.

Advertising & Promotion

Mobile Marketing

Display & Programmatic Advertising

Search & Social Advertising

Native/Content Advertising

Video Advertising

Content & Experience

Mobile Apps

Email Marketing

Content Marketing

Optimization, Personalization & Testing

DAM & MRM

Marketing Automation & Campaign/Lead Management

CMS & Web Experience Management

Social & Relationships

Call Analytics & Management

Social Media Marketing & Monitoring

Advocacy, Loyalty & Referrals

Community & Reviews

Customer Experience, Service & Success

Commerce & Sales

Retail, Proximity & IoT Marketing

Channel, Partner & Local Marketing

Sales Automation, Enablement & Intelligence

Affiliate Marketing & Management

Ecommerce Marketing

Ecommerce Platforms & Cms

Data

Audience/Marketing Data & Data Enhancement

Marketing Analytics, Performance & Attribution

Mobile & Web Analytics

Dashboards & Data Visualization

Business/Custom Intelligence & Data Science

IPaaS, Cloud/Data Integration, RPA & Tag Mgmt

DMP

Management

Talent Mgmt

Product Mgmt

Budgeting & Finance

Collaboration

Projects & Workflow

Agile & Lean Mgmt

Vendor Analysis

Too many relationships?

Lead with love and at the
end of the day be a good
partner.



Less of this.



Long term value.



People centric.

Partnership.



Math and magic.

H



Leadership.

**Thank you and
stay safe.**

HUGE

Done.

Taming the wild west of pitching.

October 6, 2020.