



MediaSpecialistsAssociation

MSA GUIDELINES FOR IDEAL PITCH PROCESS

Choosing a Media Agency to handle your business is one of the most important decisions you will make, as Media is often a huge part of marketing budget.

HERE ARE THE TYPICAL STEPS ON CHOOSING A MEDIA AGENCY.

1. APPOINT A PITCH MANAGER
2. DISCUSS YOUR MEDIA NEEDS
3. DECIDE WHO YOU WANT TO INVITE
4. ASK FOR THE CREDENTIALS
5. SHORTLIST AND SEND A PITCH BRIEF
6. ORGANIZE THE PITCH PRESENTATIONS
7. INFORM ALL PARTIES OF OUTCOME & GIVE FEEDBACK
8. INITIATE HANDOVER
9. KICK-OFF NEW RELATIONSHIP

1. APPOINT A PITCH MANAGER

Conducting a pitch takes a lot of time & effort. Choose someone who is mature, responsible, fair, transparent, respectable & knowledgeable about the industry, but not too senior to have sufficient time for co-ordination work. Please note the pitch co-coordinator is not the same as decision maker, but just a facilitator & often a key influencer. Choose someone who understands the business & communication priorities very well.

2. DISCUSS YOUR MEDIA NEEDS

Too many times, clients call for pitches without aligning internally what they really want. This results in a lot of post-pitch mess, & hence bad reputation in advertising industry. Have a discussion with all key stakeholders on what they think about the current media product, what are the gaps, what are the possible opportunities etc. Try imagining in what ways you would want your new media agency to be different in a tangible way. If possible do a SWOT (Strengths / Weaknesses / Opportunities / Threats) analysis of your current media agency, to know what areas need to be stronger, & what qualities need to remain, any new opportunities that are lacking etc.

Make sure everyone is aligned on the broad shape of the need.

Agency business is very talent-centric (more than half the cost is people cost), so taking away business from your current agency may affect a lot of people, so consider giving a probation period with a clear feedback to top mgmt. of your current agency to try deliver on the gap areas, before you decide to call for a pitch.

DECIDE WHO YOU WANT TO INVITE

If you have done your Point 2 well, & you have a good knowledge about media agencies, I am sure you already have some idea. Even though all media agencies claim to be good in most areas, in reality, they do have areas of relative strengths. Choosing an agency is a lot about finding the right fit.

There are many media agencies in Malaysia or companies which do media services apart from other things. MSA – Media Specialists Association has 18 members, who constitute about 80% of total media billings in Malaysia. This group is quite diverse, but still is widely acknowledged as standard-bearers for the industry. (MSA has its own system of vetting the bonafides of applicants, which ensures, that you are dealing with dependable players).

Please refer to Appendix A1 for a list of MSA members & basic details about them. Call them up to have a chat to understand better or for any clarifications or talk to some people who are in the know & have no vested interests to decide who all to invite. You may also want to check which agencies are handling your competitors, & decide if this is a real issue for you. Many media agencies today have systems & processes to ensure full confidentiality, so clients are more and more less stringent on this criteria.

Be selective. An ideal list to invite for the first round is 4-6, so you get sufficient choice, but are not wasting agencies' time unnecessarily. It's possible that some may decline, due to reasons of their own, in which case have a replacement candidate or just go with smaller no.

3. ASK FOR THE CREDENTIALS (week 1)

Write to agencies formally to ask for their credentials. Usually Credentials contain some key information about the agency, as well as their work, tools & processes etc.

Give them at least 1-2 weeks to revert, as they may need to update their credentials.

(If you are a client with less than 10 million in budget, you may want to shorten the whole process, by deciding on the basis of credentials itself or asking agencies to include a credentials module in their final pitch presentation)

Also, you must inform your current agency that you are calling for a pitch before sending this invite. You need to be professional about this. Current agency will be much more professional & will ensure smooth transition in case of loss, if you are transparent & professional about it.

It may be useful to seek clarifications on the credentials you receive, so pick up the phone & speak to them. No harm telling them what you liked about them, so they get a sense of what you need. Credentials can also help you fine-tune, what you need, as you may discover aspects of other agencies that you didn't earlier know or realize, you could get from a media agency.

This is a perfect time to finalize your evaluation form. Don't have too many criteria. 5-10 is good. Try spread your criteria across Strategic planning, implementation planning and buying areas.

4. SHORTLIST AND SEND A PITCH BRIEF (week 2-3)

By this time many clients already have a sense of who could be the 'right' one. Your shortlist should be 2-4 agencies. Because pitch is a simulated scenario, & agencies are known to put their best foot forward, & sometimes, not live up to it later, many clients also invite the incumbent agency, so they are being fair to them & also have an opportunity to do apples-to-apples comparison.

Inform shortlisted agencies formally. Consider giving a short crisp feedback to agencies not shortlisted as a thankful gesture. At this point, if you are a well known client, you may also want to do a press release.

Along with the shortlist note, you also need to send them the Pitch presentation brief. Sometimes, clients like to invite them to present their credentials itself plus anything else they are interested in knowing. Others want them to present a summary of credentials along with their recommendations on a real case brief. Typically clients less than 10 million in size don't bother about case briefs. They just do the first thing.

If you want to give them a case brief, try keep it real. Explain the case challenge really well, provide them as much info as possible, so they understand what they are supposed to do (if needed, make them sign a non-disclosure agreement). Try summarizing at the end, some key things you hope to look for in the case solution.

Along with shortlist note & case brief, Pitch presentation brief includes what criteria will the agencies be evaluated on, what weightages each of those criteria will have. Try your best to succinctly explain the big picture of your company, the challenges, the context etc.

Some clients like to ask agencies to quote buying rates. Please note that savvy clients know that a competitive rate is only a small part of what media agencies truly bring to the table. Do not let it overwhelm your criteria. Creating a robust rate comparison template is a challenge in itself & even in best of scenarios, agencies often are forced to make various assumptions, which may or may not be right – sometimes even far off the reality. The big media owners in Malaysia are now often going by client rates rather than agency rates, so that should be some assurance for you that your rate competitiveness will be maintained, when you switch.

Also give them the date & time slot. Schedule pitch presentations on the same day or 2 consecutive days.

Please write crisp briefs. Keep them simple & focused.

Typically agencies will want to clarify certain things. Ideally hold a clarification concall, where all agencies can ask questions & the answers are transparent to all. This is to ensure a level playing field.

In countries such as Thailand, clients have to pay a small pitch fee to the pitching agencies at this stage. In Malaysia creative agencies charge a pitch fee too. This is to ensure that one is serious about the list of agencies invited & not just fishing for ideas-on-the-cheap (not very uncommon among certain quarters). This is also recognition of the substantial effort that goes into a pitch from agency side. You are recommended to pay a small pitch fee to pitching agencies (RM 1000-5000 per agency based on extent of pitch work required).

5. ORGANIZE THE PITCH PRESENTATIONS: (week 6-8)

Don't invite 20 people from client side. 3-5 is enough. From agency side if you want to see some of the people who would actually work on your business, you need to be explicit about that (don't expect entire team to be ready even before you award the business). 3-6 from agency is usually good.

Be respectful in the pitch session. Agencies usually do a lot of hard work for the pitch, & since there is no pitch fee system among media agencies yet, please realize they have worked for free & do thank them for that. Do not work on the laptop or talk among yourself or keep walking in and out or keep napping in the pitch session. If you are busy, keep the slots short. Usually 1-3 hours is given. Keep 15-30 minutes for Q&A. While you are sitting in the pitch, imagine if this is the kind of work you need or the kind of agency you would like to work with. Use Q&A for clarifying some of your doubts or confirming some thoughts.

Whatever your impression of the agency, be professional & thank them for their effort.

Fill up the evaluation form right after the session. Have a discussion among yourselves, before you take a break. After all agencies have presented, sit down & have a detailed comparative discussion. By this time you should be quite close to your decision or your final two.

Now give it a few days for the opinions to crystallize. 2-3 days is usually optimal. Sit down again along with collated evaluation to revisit why in the first place you set out to find a new media agency. Then discuss who really is best placed to deliver that. Decide the winner.

Please do not share the pitch documents submitted by agencies with everyone. Keep it to the select few, & on a need to look basis, as these are highly confidential documents for agencies. Definitely don't share the document with the winning agency later.

If you love an idea suggested by a pitching agency but for some reason didn't select them, consider paying them a goodwill fee for using it. If needed, take it out from the winning agency's portion.

Please note while you are evaluating the agency, you are also being evaluated by them. The impression that you make on them in the entire pitch process, will help shape up your product, inspire right level of passion, cue them whether you are worth the best talent from their company, & at what price your

business will be worth handling at etc. Savvy clients 'create' their agencies, via the pitch process, by giving the right cues, feedback, briefs, criteria, reactions etc.

At this stage, you may want to finalize the remuneration & contractual terms if any etc with the potentially winning agency, if it's not already done. Refer to Appendix A2 for remuneration guidelines from MSA. Of course as per client conditions & team expectations, this may differ. Remuneration structure is important, as you can influence the shape of your product & commitment to your business by doing it right.

Be fair in compensation, as agency business is a talent business, and while sometimes, an agency may lower its remuneration, it's not sustainable and they will be pushed to either take short-cuts, bank too much on managing perceptions, be not so transparent, or you may experience a plain dilution of the quality soon after. Don't forget if they are handling 100 dollars of your media budget, actually the gap between the players sometimes may be just 1%, but better quality may get you 10 times more effectiveness or 5 times more savings.

Now you have your winner ready to be declared.

All this process, should not take more than a week. Too many times, clients take too much time declaring results. That doesn't add much value to decision making process. If you have time, use it to allow winning agency to hire good talent for your team, before full transition takes effect.

6. INFORM ALL PARTIES OF OUTCOME & GIVE FEEDBACK (week 9)

At this point, if you are a well known advertiser, press might be seeking you out. So, write your press release. Talk about whom were the contestants, who won & why. Be respectful towards incumbent while giving due credit to winning agency.

Now write formal letters to all shortlisted agencies, informing them about the result. Thank losing agencies for participation & all the effort, talk about working together at another point of time. Inform the winning agency & tell them why they won the business. Invite them for a discussion on transition.

Try sending press release the same day.

Send a crisp feedback note to shortlisted agencies, who did not win, a week after declaration. This is important & professional. They will respect you for this. Besides someday you may want them again.

7. INITIATE HANDOVER (week 10)

Hold a discussion on transition between your incumbent agency & the new agency (assuming they are different). Decide on a transition period & a full kick-off date. Give new agency sufficient time to take-over, as they need to hire new people & typical notice periods may be 3 months sometimes. Incumbents get part of the revenue, if they are doing work in transition period, so usually they do not complain, though sometimes, due to low morale of the incumbent team, they may want to get out at the earliest. Agree on a comfortable time between two parties.

You may be asked to write a formal note for Media owners, so they know who to take bookings from. Winning agency will usually circulate your letter among media owners.

8. KICK-OFF NEW RELATIONSHIP

A new relationship has begun. Let the new team settle down a bit. Remember advertising business is a people's business & a good client who can keep his team inspired, can get magic out of them. So, try keep the motivation high, be fair, prevent burn-out & do not let agency suffer due to internal organizational problems as far as possible. Most importantly be communicative & treat the agency team as an extension of your own.

All the best!!

APPENDICES:

A1: List of MSA member Media Agencies in Malaysia & some key data (Alphabetical order) – includes Name, Key Executives (max 3 names); Key Clients (max 7 names); Contact Address, Phone nos., e-mail; Services provided (max 5 items)

A2: MSA General Remuneration Guidelines (General and Digital)

APPENDICE A1

MEDIA SPECIALIST MEMBERS

Name of the Agency Group	Name of the Media Agency	Holding Company	Correspondence Address	Services provided	No Of permanent Staff	Current clients	Contact Person
Bluedale Group of Companies Bluedale Media (M) Sdn Bhd Bluedale Event & Consultations (M) S/B Bluedale Publishing (M) Sdn Bhd	Bluedale Integrated (M) Sdn Bhd		No31-2, Block F2 Level 2, Jalan PJU1/42A Dataran Prima, 47301 Petaling Jaya	Media agency / buying Advertising – printed, billboard (outdoor) Events	20	JVC, Pioneer, Menara KL, Telekom Malaysia, Jin Bin Corp Sdn Bhd, Legend Hotel KL, Corus Hotel KL.	1) Mr. Lyndon Yap Group CEO T: +603-7804 8986 F: +603-7803 1948 2) Ms Annie Goh (Snr Business Mgr) Hp: +012-220 0622
Carat Media Services (M) Sdn Bhd		Aegis	18.01 18 th Floor Block B HP Towers 12 Jalan Gelengang Damansara Heights 50490 Kuala Lumpur	Media planning & Buying	79	KFC' Pizza Hut, Nivea, Cadbury, Boh Tea, Southern Lion	1) Ms. Margaret Lim Margaret.lim@aeimedia.com T: +603 20878300 F: +603 20878399 Hp: +6012 2005401 2) Mr. David Ho Hp: +6012 2130248
H Media Malaysia Sdn Bhd		Aegis Media Malaysia	18-01, 18 th Floor, Block B HP Towers No 12 Jalan Gelengang, Damansara Heights 50490 Kuala Lumpur	Media Planning & buying Digital production PR On ground events & customized research	6	Aeon Co., Aeon Credit, Kao Malaysia, Taisho Pharmaceuticals (Livita), Canon, Daikin, Rinnai	1) Paul Chin Paul.chin@hmedia.com T: +603 2087 8366 F: +603 2087 8394 Hp : +6012 372 6038 2) David Ho David.Ho@aeimedia.com T: +603 2087 8388 F: +603 2087 8394

Maxus	GroupM	WPP	Level 10 Menara Milenium 8 Jalan Damansara Bukit Damansara 50490 Kuala Lumpur	Media Planning & Buying, Digital, Search & Mobile, Branded content & Sports marketing, Business Science, Out-of-home and Consumer Insights	21	GSK, Shell, Sara Lee, 7-11, Nissan, Bausch & Lomb	Ms. Lorainne Capel Lorainne.capel@maxusglobal.com T : +603 2718 8573 F : +603 2710 8238 Hp : +6017 335 2970
Mediabrandz	Initiative	IPG	4.01, 4 th Floor, Wisma LYL No 12 Jalan 51A/223 46100 Petaling Jaya	Media planning & Buying Integrated communication planning Digital communication services campaign effectiveness audit Marketing consultancy services Search & social marketing	5	SC Johnson, Sharp, Hotel Equatorial, Samsonite, Afamosa, Novotel	1) Prashant Kumar (CEO) Prashant.kumar@mediabrandz.com T: +603 79666118 F: +603 79570703 2) Gurpreet Singh (GM) Gurpreet.Singh@mediabrandz.com T: +603 79666118 F: +603 79569290
MediaBiz Sdn Bhd			Suite E-10-5 Level 10 Block E Plaza Mont' Kiara 50480 Kuala Lumpur				Ms. Betty Tan bettytan@mediabiz.co.my T: +603 62034213 F: +603 62033755
MediaCompete Sdn Bhd	GroupM	WPP	Level 10 Menara Milenium 8 Jalan Damansara Bukit Damansara	Media Specialist – Provision of holistic strategic communication	21	Carrefour, Cotra Enterprise, Dell, Inti Education, ICI Paints, Rohto-	1) Ms. Tan Siang Lin Sianglin.tan@mediaco.com T: +603 27187832

Mediasedge-CIA (M) Sdn Bhd (MEC)	GroupM	W/P	50490 Kuala Lumpur	& media implementation solutions and marketing ROI	30	Mentholatum	F: +603 27112863 Hp: +6012 2313000
			Lot06-04, Level 6, Menara Milenium 8 Jalan Damansara Bukit Damansara 50490 Kuala Lumpur	Media planning and buying – Digital media – Search – Social Media- Analytics & Insight, Sport and entertainment, content, integrated planning		Colgate Palmolive, Citibank, Wrigley, Mercedes-Benz, Chevron, Sony, Suria Meriang	Law Chan Keong Chankeong.law@meccglobal.com T: +603-2730 2218 F: +603-27302299 Hp:+6012 3188394
Media PI Malaysia Sdn Bhd			Lot18-01, 18 ^a Floor Block B HP tower Lot 12 Jalan Gelenggang, Damansara Heights 50490 Kuala Lumpur				Mr. David Ho Yuen Shian David.ho@carat.com T: +603 20878300 F: +603 2087 8383
Mindshare Malaysia	GroupM	W/P	Level 10 Menara Milenium 8 Jalan Damansara Bukit Damansara 50490 Kuala Lumpur	Channel planning for all media including digital, search & mobile. Branded content, sports marketing & activation. Business analytics, consumer insights & marketing ROI	156	Astro, Guinness Anchor, HSBC, Kraft, maxis, Nestle, Pepsi, Unilever	I) Mr. Girish Menon Girish.menon@mindshareworld.com T: +603 27188688 F: +603 27106939

Natural Media Sdn Bhd			Unit 1326, 13 th Floor Block A (Lift Lobby 5) 1 Jalan SS20/27 Damansara Intan 47400 Petaling Jaya	Media planning & Buying Research	6		1) Ms. Tan Sio Chian sctan@natmedia.com.m y T: +603 77102668 F: +603 77101623 Hp: +6019-3213608 2) Ms. Melanie Kang Melanie@natmedia.co m.my Hp: +6012-3267326
OMD & PHD	Omnicom Media Group	Omnicom	Level 3, Tower C Uptown 5 No. 5 Jalan SS21/39, Damansara Uptown 47400 Petaling Jaya	Communications planning, buying & Consultancy Bespoke and syndicated research Full digital capabilities Tools, measurement and accountability Thought leadership Strategic integration Creativity and innovative media ideas			Andreas Vogiatzakis T: +603 7660 9999 F: +603 7660 1563 HP: +6012 332 6938 Andreas.vogiatzakis@o mnicommediagroup.co m
Sen Media Sdn Bhd			24+1, Jalan 25/70A, Desa Sri Hartamas 50480 Kuala Lumpur T: +603-2300 0485	Media planning and buying	18	Tourism Malaysia, Great Eastern Assurance, Bank Simpanan Nasional, Monier	1) Sekh Ruzi Ahmad (MD) ruzi@senmedia.com.m y Hp: +016 660 6060

Starcom Worldwide Media Vest Worldwide Optimedia	VivaKi	Publicis Groupe S.A.	F: +603 2300 0672	Media Planning & Buying Digital – Display & search Branded entertainment Out of home Consulting Research	75	P&G, DiGi, MAS, Honda, Samsung, Petronas, Mead Johnson	2) Sherene Mak (Media Director) s.mak@senmedia.com, my Hp: +012 234 0356 1) Ranga Somanathan (CEO) Ranga.s@asia-smvgrou p.com T: +603-2059 2610 F: +603-2031 1008 2) Nick Drew (MD – Starcom Worldwide) Nick.drew@starcommg dia.com.my T: +603-2059 2620 F: +603-2031 1008
TRAPPERMPG / Trapper Media Services (M) Sdn Bhd	MPG	HAVAS GROUP	3A-22 & 3A-22A Jalan PJU8/3 Perdana Business Centre Damansara Perdana, 47820 Petaling Jaya	Media planning & Media buying Full digital capabilities: search & mobile Applicable tools. Creative media driven compounded by entrepreneurial abilities and outlook	31	Hyundai, KIA, Empire shopping gallery, TTDI, Chevrolet, Ministry of Women ` KPDN, EON bank group, GUOCERA, ATC College, IRDA, KUMON	1) Mr. K Sivaniathan (CEO) Sivaniathan_k@trapper mpg.com T: +603 77285089 F: +603 77285067 Hp: +6012-2892111
UM	Mediabrand	IPG	4.01, 4 th Floor, Wisma LYL No 12 Jalan 51A/223 46100 Petaling Jaya	Media planning & Buying Integrated communication planning Digital communication	80	Telekom Malaysia, Coca Cola, Dutch Lady, Johnson & Johnson, Proton, F&N, RHB	1) Prashant Kumar (CEO) Prashant.kumar@media brandswv.com T: +603 79666118 F: +603 79570703 2) Chew Kagee (GM)

Vizeum Media Services (M) Sdn Bhd				services Campaign effectiveness audit Marketing consultancy services Search & social marketing				<p>Kagee.chiew@umwww.com T: +603 79666118 F: +603 79570728</p> <p>1) Mr. Andy Miller Andy.miller@vizeum.com T: +603 20966200 F: +603 20966300 2) Mr. Wong Siew Wai Siewwai.wong@vizeum.com m.com</p>
Zenith	Zenith Malaysia	Zenith Optimedia Worldwide	12 th Floor Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur	Fully integrated communications services Media Digital Activation & Creative	82	Varied including Malaysian multinational, international multinationals, Malaysian companies & organizations	<p>Lot 101 1st Floor Block A HP Towers 12 Jalan Gelenggang Damansara Heights 50490 Kuala Lumpur</p> <p>Gerald Miranda Gerald@zenithmedia.com.my T: +603 21647694 F: +603 21610348 Hp: +6012-2274873</p>	

**Fee Structure Guide For Media Specialists**

	Annual Billings RM (millions)							
	<1mil	1 - 2.99	3 - 4.99	5 - 9.9	10 - 14.9	15 - 19.9	20 - 29.9	>30
Mainstream Media								
Buying	5.00%	4.00%	3.50%	2.50%	2.00%	2.00%	2.00%	2.00%
Planning	5.00%	4.00%	3.50%	3.00%	2.50%	2.00%	1.75%	1.50%
Planning & Buying	7.50%	6.00%	5.00%	4.00%	3.75%	3.50%	3.25%	3.00%

	Annual Billings RM (millions)			
	<1mil	1 - 2.99	3 - 4.99	5mil and above
Specialized Units				
Digital Planning & Buying	10.00%	8.50%	8.50%	7.00%

Payment Terms	30 days
Buying	Media negotiations, scheduling, buying, voucher copies, billings, monitor delivery
Planning	Competitive analysis, develop & execute the total communications strategy, setting KPI/ROI, coordination between advertiser & brand/creative agency

Additional fees could be negotiated for the following:-

- > Multi-brands and complexities
- > Number of markets and co-ordination costs
- > Media/Research data management and consumer insights
- > Use of media proprietary/customized tools
- > Promotions Event tie up/BTL activities
- > Execution of big Ideas' and innovative use of media
- > Brand management for comprehensive scheduling of Bonus spots for multiple brands

Contra Deals

- > When there are contra deals between advertiser and media owner, the agency should get their fair share of the media commission.
 - a. If the advertiser can take up all the space to the value of the full contra, then the agency should earn at least the media commission they are entitled to, as per the agreement with client
 - b. If the advertiser is unable to take up all the space/time of the full contra and the agency has to look for other advertisers to effect and complete the deal, then, the agency should be entitled to a higher commission for the extra efforts. This has to be agreed upfront.

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