

USING A THIRD PARTY FOR MEDIA PITCHES

Right now, there are more and more pitches using consultants to help with the review.

Is this a mandatory ? I say No

Although we are in the business of managing pitches, I don't agree that having a third party is the right solution for every company.

Because not every company takes media seriously enough.

Unless you take media seriously, having a pitch consultant will be a waste of your time and money

Unless you are looking at more than just media cost, a pitch consultant will be a waste of time and money

Unless you have the systems in place AFTER the pitch to manage and lead the agency, a pitch consultant will be a waste of money.

We've been fortunate to act as third party in some major pitches since we started here seven years ago. From Coca-Cola, JNJ, VISA, L'Oreal, Singtel, Singapore Airlines and others, we've learnt a lot about what marketers want, how agencies respond and how agencies can deliver.

Firstly, we are strong believers in the importance of a well paid and motivated media agency. Too many marketers focus on the small percentage of commission or fee they pay the agency and not on the 100% of media. The additional value a good agency can generate in media is usually far more than what they are paid. Last year, we worked with a leading agency and a large multinational who had broken the rules - the agency fee was, for a large part, based on the agency showing their value through the year in a tangible way. Our role was to validate it. Suddenly - all the focus was away from inputs of how long it took to do a schedule or book TV - and all on the outputs of what was bought and how competitive it was. The agency had done an excellent job also going beyond the box and looking at content, product placement and enhanced online deals.

Secondly, we've worked with some marketers who just want the lowest media rates. Don't hire a consultant to help you do this - Bill Gates and Microsoft Excel can do the job. Input all the cities, all the rates, work it out for yourself. Save yourself some money. But this mindset is kind of 'old school' now - consumers are no longer waiting for your message. As one agency head

recently put it – “Our goal is to do work that consumers seek out” – in the sense that there’s a collaboration and quality, not just a low media rate.

Finally, we’re shocked at the gap between the top client’s knowledge of media (which is generally excellent) and a lot of the others. Earlier this year, we were consulting to a US\$150m+ media spender – they did not even know what a GRP is – they were buying spots and focused only on rates. There’s a lot to learn – and just holding a pitch won’t be the answer

Our role in a pitch is to provide professional counsel in the selection process. It is akin to using a recruitment consultant to find a new candidate – or seeking an expert’s opinion on your distribution or pricing. We help make the briefing better, we interview current clients of each agency to better understand the realities of working with agencies, and because we also audit media, we have realistic benchmarks on what can actually be achieved in the marketplace.

Today in the US and Europe, more than 60% of pitches are aided by an independent consultant. While this is a new concept to Asia, it’s one that professional marketers the world over have embraced, in the same way other consultants come in to hire new blood. But that said, you have to treat media as a critical part of your marketing mix – and one for which there is a need for the best talent, insight, strategy and execution – not just a CPRP in a spreadsheet.

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ABOUT R3

R3 is a consulting group focused on measuring the ROI of marketing and media. We offer independent insight, process and strategies to improve marketing efficiency and effectiveness

Our clients include Coca-Cola, Samsung, VISA, Johnson & Johnson, GSK and Singapore Airlines.

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