

Media release
For immediate release

AANA & MFA STANDARDISE THE TENDERING PROCESS THROUGH INDUSTRY PITCH GUIDELINES

Tuesday, 30 March - The Australian Association of National Advertisers (AANA) and Media Federation Australia (MFA) have developed a comprehensive set of guidelines for a competitive pitch process.

The guidelines' purpose is to address the flaws identified by advertisers and agencies in a typical tender process. The guidelines cover all phases of the pitch process, from determining if a pitch process is an appropriate course for the advertiser to embark upon, preparing the tender process and documentation, managing the tender process, and managing the subsequent outcome, including any change of agency.

The guide is developed around four best practice principles – respect, fairness, transparency, and accountability, whilst recognising that shared value creation for both parties is crucial to a sustainable relationship. In cascading these principles into practice, both parties are tasked with considering the following:

- that the process is clear, timely, and well-structured;
- a behaviour charter, established at the start of the process, is included that details how crucial items, such as evaluation criteria, feedback mechanisms, approach to pitching fees and ownership of IP will be handled;
- building in flexibility that recognises that both advertisers' and media agencies' needs vary according to their business and operating model; and
- assessing the level of transparency the advertiser requires in the marketing value chain and balancing that with fairness in agency remuneration.

The guidelines recognise that tenders are advertiser-led but have been developed to consider the complexity and investment involved in the tendering process. For example, it requires sharing valuable strategic IP and involves a substantial commitment of time and resources to participate for both parties.

Moreover, in more recent years, the tendering process has remained static and has often been slow to recognise that media buying has evolved significantly beyond the ability to generate the lowest cost per media spot to become a value creation discipline.

With PwC acting as project facilitator, three major advertiser members of the AANA and three agency members of the MFA were involved in developing the pitch guidelines.

MFA's CEO, Sophie Madden, said, "In creating this guide for successful agency pitching, the MFA and AANA consulted widely with our members, non-members, media and creative agencies to identify the biggest pain points as well as what works.

"The result is a guide that provides a best practice standard for pitching that addresses the issues identified with clear, practical steps to follow, to improve the experience and outcome for all parties. As our industry evolves, we will partner again with the AANA to update the guide regularly to ensure it remains relevant and useful," Ms Madden said.

Last November, at the 2020 Reset Live conference, AANA's CEO, John Broome, said that the development of the tender process guide with the MFA was a priority for 2021.

"The selection of the right media agency partner is a critical investment decision for an advertiser. We're leaving ourselves hostage to fortune if the pitch process is not anchored in respect, fairness, transparency and accountability.

"At the end of the process, the advertiser should be confident that not only has the right agency been selected but that the other agencies involved in the process will acknowledge its integrity and want to be shortlisted again for any future review," Mr Broome said.

The Successful Agency Pitching Guide can be accessed [here](#).

The AANA & MFA would like to thank the cross-industry working group responsible for delivering the Successful Agency Pitching Guide: Anneliese Douglass, Chief Digital Director, Unilever; Nathan Young, Chief Operating Officer, OMD; Catherine Krantz, Executive Director Media Operations, Dentsu International; Chris Graham, Head of Global Media Accountability & Sourcing, McDonald's; and Antonia Farquhar, Head of Media, Content & Data, Nestlé.

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About the AANA: For more than 90 years, the AANA has represented Australia's largest and well-known brands across all major sectors, including FMCG, automotive, banking, finance and insurance, travel, health and beauty, media and communications. The AANA works to protect those businesses' interests contributing to estimated advertising spend of more than \$15 billion a year. On behalf of our members, the AANA's mandate is to maintain and evolve the advertising codes that underpin the self-regulation system in Australia, safeguard the rights of its members to commercial free speech, and protect consumers by ensuring marketing communication is conducted responsibly.