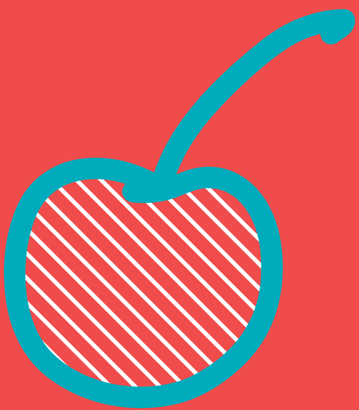
Commercial Communications Council

anza | association of New Zealand advertisers

AIMA AOTEAROA INDEPENDENT MEDIA AGENCIES

Media Agency Selection



A Practical Overview for Advertisers

A joint initiative of the Comms Council and ANZA, and endorsed by AIMA

Media agency pitches are not like other pitches. The complexity of media — its investment scale, commercial sensitivity, data and technology requirements, and the intricacy of remuneration models — means that selecting a media agency partner deserves its own discipline. This guide distils our full best-practice framework into a practical overview.

Four principles should underpin every media agency tender:

Respect, Fairness, Transparency, and Accountability.

The advertiser sets the tone. Get these right from the outset and the process will be better for everyone — including the agencies that don't win.

Should You Actually Pitch? 01

Before committing to a tender process, be honest about why you're doing it. Common legitimate reasons include contractual review cycles, genuine performance issues, or a significant shift in your business needs. If the primary driver is simply to pressure your incumbent on price, a pitch is probably the wrong tool.

If it's a performance issue, has this genuinely been addressed with the agency? Have they been given the opportunity to address your concerns?

Before going to market, exhaust the alternatives: structured performance reviews, two-way appraisals, an independent consultant, or simply an honest conversation with your agency.

Equally, staying with no-longer-fit-for-purpose arrangements carries costs of its own, so advertisers should weigh these against the disruption involved in changing agency.

Consider the real costs of pitching before proceeding:

- Well conducted pitches typically take several months and demand significant internal resource for clients as well as agencies.
- Media-specific disruption is material: TV/screens buying optimisation requires ~13 weeks of lead time; SEM bidding algorithms reset with an agency change; media owner relationships and institutional knowledge walk out the door.
- Transition, onboarding, and the inevitable "bedding in" period add further time and cost
- Sorting out the relationship and staying put may deliver a better outcome.

Also check your contracts. Understand your exit rights, notice periods, mediation obligations, and whether your incumbent must be included in any tender.

Prepare Properly 02

Rushed or poorly defined tenders waste everyone's time and rarely deliver the best outcome.

Be clear on what you actually want. Media pitches are commonly driven by a desire for better trading outcomes, improved strategic capability, fee reduction, or access to better data and tools. Each has different implications — chasing cost alone, for example, typically erodes strategic quality. Rank your priorities before you brief anyone and be sure these are understood by all stakeholders.

Be realistic. Sense-check your expectations with the market — a pitch consultant, industry peers, or ANZA can help. Ensure your scope, budget, and timelines are genuinely achievable.

Map your stakeholders. Identify who has decision rights, who needs to be consulted, and who simply needs to be informed. Appoint a single point of contact for the process — not the final decision-maker, but someone who can manage timelines and answer agency questions consistently.

Understand what winning is actually worth to an agency. In a $1m media budget, the majority is pass-through spend to media owners. An agency's actual revenue will be a fraction of the total spend, and their profit a fraction of that revenue. Consider the resources that will be required to fulfil your pitch requests and try to ensure that the implied cost is commensurate with the size of the participants' potential gain, not simply your total spend.

1. A study conducted for the ANA and 4A's in the US in 2023 discovered that 34% of pitching marketers experience disruptions in daily tasks and 28% experience delays in launching campaigns or products. 13% reported a fall in brand/product awareness, and 12% reported a loss of revenue as a result of pitching.

Run the Process Well

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Select the right agencies.
Research the market carefully. Consider competitive conflicts, network vs. independent capabilities, and any global mandates. Suspend subjectivity early — you're looking for differentiated thinking, not the familiar. Limit the field: ideally no more than 6 agencies at RFI stage, with no more than 3 progressing to RFP.

Good clients offer the incumbent the opportunity to pitch, unless there are insurmountable reasons that make their success impossible — in which case, have that conversation before going to market.

Structure the sequence deliberately.
The order in which you assess agencies matters enormously. If cost reduction is your primary objective, make it an early gate — not an afterthought. Credentials first, then strategic response, then pricing — but design the sequence to match your outcomes.

On strategic briefs: Request no more than two. Allow at least four weeks for responses. Brief all shortlisted agencies consistently, offer check-in or tissue sessions, and keep presentations to no more than two hours. Shortlisted agencies should present on the same or consecutive days.

On media pricing: Pricing information is commercially sensitive. Ensure your NDA covers it comprehensively. If you're seeking cost comparisons, provide a clear pricing template so you're comparing apples with apples — define gross vs. net, treatment of AVBs, bonus airtime, inflation methodology, and budget phasing upfront.

On IP: Respect agency intellectual property. Any agency IP or strategic work used beyond the pitch process must be agreed with the agency and paid for.

On remuneration models: The right model depends on your business. The main options are:

Model	Best suited	Considerations
Fixed Fee (FTE + overhead + profit)	Always on, larger scale, longer term	Emphasises time spent over quality delivered. Might be best served in combination with other models (e.g. performance based).
Commission/% of spend	Intermittent or heavy non-digital media	A simple model, but requires confidence that work will eventuate (for the agency) and appropriate resourcing will be provided (for the client).
Deliverable-based/ Outputs rate card	Stand-alone projects	Value for both sides depends upon efficiency of working practice – this model benefits from underlying historical data so might be something a new relationship works towards rather than begins with.
Outcome	Requires defined project scope and remit	Output based models provide greater upside for agency if client achieves greater results. Works well where influence of media can be isolated; and where metrics rest of objective, third party data.
Value-based (performance) remuneration	Best used for highly trackable outcomes. Typically mix of hard and soft measures.	Requires absolute measurement capability of all KPIs.

No single model is universally superior. The right choice is the one both parties understand, find equitable, and can sustain. Remuneration models are also evolving rapidly as AI and automation reshape agency operations — keep an open mind.

What Should Clients Expect from Pitching Agencies?

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A good pitch process depends on agencies engaging in good faith, not just advertisers running it well. Clients should expect:

- Genuine commitment. Agencies should only accept an invitation to pitch if they're genuinely interested and confident there is a good fit.
- Transparency on how the account will be resourced if successful. agencies should be upfront, not after signing. Agencies are lean, so it is unlikely that the full team that would work on your business is available during the pitch process, but the agency should be encouraged to be manage expectations in this regard.
- Confidentiality. Agencies should treat the brief, strategy, and any commercially sensitive information shared under NDA with the same care they'd expect for their own IP — and not reuse or reference it outside the process.
- Early, honest conflict disclosure. Any existing client relationships, network ties, or other conflicts should be raised as soon as they're identified — ideally before agreeing to pitch, not partway through.
- Responsiveness to the brief. Agencies should answer what was actually asked, ask clarifying questions early rather than making assumptions, and flag if the brief, timeline, or budget seems unworkable — rather than staying quiet and delivering a compromised response.
- Transparent, realistic costing. Pricing and resourcing put forward during the pitch should reflect what it will actually take to deliver the scope of work provided — not a deliberately low figure to win, followed by renegotiation once the account starts.
- The right to withdraw. An agency that identifies a genuine conflict, resourcing constraint, or capability gap partway through should be able to withdraw cleanly — this should be treated as good judgement, not a failure.
- No inappropriate influence. No gifts, hospitality, or other inducements directed at individual members of the buying team during the process.

Make the Decision Fairly

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Build a scorecard before you brief — not after.
Share the evaluation criteria and weightings with all participating agencies from the outset.

Scorecard weightings will vary according to your actual priorities, but a typical media agency scorecard might weight areas such as:

- Strategic thinking and use of data (~20%)
- Media planning, buying and analytics capability (~20%)
- Response to brief (~30%)
- Agency staffing, culture and stability (~20%)
- Transition confidence (~10%)

Adjust weightings to reflect your actual priorities.
“Price” and “performance” should both be explicitly defined and weighted — a low-price offer from one agency should not automatically disadvantage a demonstrably higher-performing agency.

Explain Your Decision

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All agencies who have participated in the pitch deserve open and honest feedback.
This is particularly so for an incumbent agency who has been unsuccessful. Be prepared to explain why each agency was unsuccessful in a manner that lifts standards for the industry.

Transition and Beyond

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Respect the outgoing agency.
Meet your contractual obligations promptly, remunerate them for any resource expended beyond contract end, and provide timely, honest feedback to all participating agencies.

Set the new relationship up properly.
Appoint a transition manager on both sides. For larger accounts, establish a transition leadership council. Handover is typically 90 days post-selection, though this should reflect the complexity of your business. The client is responsible for full agency induction, onboarding, and partner introductions.

Plan for the medium term.
At six months, review staffing, scope, performance, and remuneration with the new agency to ensure the arrangement is working for both sides. Relationships that are actively managed outlast those that are left to run on autopilot. This should be repeated at least annually.

What good partnerships look like

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What good advertisers expect from good agencies

- Transparent remuneration
- Disclosure of conflicts
- Robust reporting
- Stable staffing
- Proactive innovation
- Commercially honest advice
- Willingness to challenge

What good agencies should expect from good advertisers

- Timely decisions
- Clear briefs
- Clear KPIs
- Access to stakeholders
- Realistic timelines
- Respectful treatment
- Payment for agreed work
- Transparent evaluation

For confidential advice on any prospective pitch process, contact Simon Lendrum or Lindsay Mouat:

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