

MOUTH OFF

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The pitch for the Tourism Australia account was marred by accusations of a "done deal" and raised the issue of the role personal relationships play in pitches. It was claimed M&C Saatchi's close association with Tourism Australia director of marketing Ian Macfarlane had tipped the account in its favour. Macfarlane was general manager of marketing for M&C Saatchi client Tourism New Zealand for six years and the agency picked up the Gold Coast Tourism Bureau account last year while Macfarlane was its CEO. In an attempt to ensure the pitch process was above criticism, auditor KPMG was drafted in to check the fairness and impartiality of the pitch. Our question is, however:

WHAT'S WRONG WITH PERSONAL RELATIONSHIPS HELPING TO DECIDE A PITCH?

CHRISTINE BARNES, MANAGING DIRECTOR, FCB MELBOURNE

Each and every one of us in senior management spends most of our time building and nurturing strong personal relationships with our clients. So it has always amused me to hear people call foul when we leverage those relationships commercially if people move to new positions.

I think it's hypocritical. Don't we all strive to be "part of the team"? Aren't we all trying to build seamless relationships? And if you've got smart people doing that and getting results for you, that's an incredibly valuable asset.

The thing that annoys us is when a client has a preferred agency but they waste our time going through the motions of a pitch. Just appoint the preferred agency! Don't waste our time and cost us money! If you want to put your business with someone you know, you trust and who has got you results in the past, do it. Surely that's just a smart business decision. The market safeguard is that if they don't get you the results you need, it's highly likely that you'll change agencies and that's when we get our chance at your business.

For the bigger companies where tenders are called for and there's a more formal process, as long as all parties are dealt with fairly and everything is fully disclosed, that's all you can hope for. If everything else is equal, I think it's highly probable a personal relationship could be the deciding factor.

In my experience very few agencies these days keep business on the basis of just a good personal relationship – you have to deliver the goods and get results. We are all more accountable than ever before and strong personal relationships with our clients based on results, honesty, respect and integrity are vital to our combined business.

RON SAMUEL, DIRECTOR, COOCH CREATIVE

What's wrong is that a personal relationship is not a measure of ability or potential, both of which are critical to the success of the client's business.

From the client's point of view, a review is a high-risk decision, there's a lot riding on how the marketing and advertising partners will perform. It would be quite easy to seek comfort in people you know who have an established track record – nothing wrong with that, you say. Well, there is. We are supposed to be at the forefront of the communications business, which means you look forward, not back. From our experience personal relationships don't come into play when we're dealing with clients in the private sector, it's about performance, effectiveness and the bottom line. There's simply too much to risk on a personal relationship. Sorry Singo.

DARREN WOOLLEY, FOUNDER, P3

Every pitch is decided on personal relationship to some extent. After all, this is a procurement of a relationship, not just pens and paper.

Ultimately, the best relationships are built upon

shared values and principles, not on who has the biggest strategy department or who has the fastest in-house art studio. The best outcome of a pitch is to bring two parties together leading to mutual benefit. This is almost exclusively achieved in an environment of respect, understanding and trust.

Personal relationships in the pitching process become a problem if the deal is done before you start. If a pitch is used to justify the appointment of a mate then this is not simply unjust, it is immoral. The time, effort and cost drain is high on all participants in the pitch and can have a major impact on their ability to service existing clients and on their profitability. But as you will never remove personal relationships from the process, the question on whether the process was fair, equitable and above board cannot be answered by a group of accountants but by the consciences of the people involved.

COLIN WILSON-BROWN, PRINCIPAL, THE CLINIC

Everyone likes to work with people they know, respect and trust. And all agencies see a new business opportunity when a good client changes companies. It's good business practice and there's nothing wrong with it. Similarly there is nothing wrong with a client appointing a known and trusted agency without a competitive pitch.

However, there are a couple of bear traps here. Advertisers should not conduct a competitive review if they already know who they want to appoint. It is simply not fair on the other agencies. The second trap occurs with clients – including most government organisations – who have to be seen to conduct a competitive review, even though they know the outcome they are seeking. This is patently unethical but it happens. Clients who do this deserve all the flak they get.

My advice to agencies is:

1. If you are not happy with the planned review process, don't get involved.
2. Explore past relationships and then decide whether you are prepared to take the risk (Ian Macfarlane's past relationship with M&C Saatchi was very public knowledge).
3. If you've taken the first two steps, don't complain about the outcome if you lose.

MELINDA GEERTZ, MANAGING DIRECTOR, LEO BURNETT MELBOURNE

Nothing. We're in a service business. People have relationships. And the truth is, when people like and trust each other, they usually do good work. So it seems fair and reasonable that if a client and agency have had a positive experience in the past, that will factor into a pitch decision. It simply can't be ignored.

The real issue is whether a pitch is pre-determined based on a former relationship. I think most clients are genuinely interested in getting the best result out of a pitch and approach it with objectivity. Familiarity with a previous agency often just ensures a place on the shortlist.



"Just appoint the preferred agency!"

Christine Barnes, managing director, FCB Melbourne



"A personal relationship is not a measure of ability or potential."

Ron Samuel, director, Cooch Creative



"If a pitch is used to justify the appointment of a mate."

Darren Woolley, founder, P3



"Advertisers should not conduct a review if they already know who they want."

Colin Wilson-Brown, principal, The Clinic



"The real issue is whether a pitch is pre-determined."

Melinda Geertz, managing director, Leo Burnett Melbourne