Survey On Reviews for Project Assignments

October, 2014

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Executive Summary

In recent years there has been a significant amount of discussion at 4A's committee meetings and association forums about the dynamics associated with client reviews for project assignments. The purpose of the survey was to gather information related to the prevalence of such reviews in 2013.

The survey questionnaire was distributed to the 4A's members.

Fifty-three agencies responded to the survey and reported on 200 project assignments and 124 competitive pitches for project assignments.

2013 Project Assignments from New Clients

- 91% of respondents worked on projects for new clients in 2013
- Respondents reported on 200 project assignments and noted that project assignments most often entailed strategy, creative development, and concepting. Video production, social media, website development were also frequently referenced
- Project fees ranged from less than $10K to over $1 Million. Project fee dynamics tend to vary by size of agency:

    - For smaller agencies (up to 100 employees) 55% of project fees are $50K or less
    - For mid-size agencies (101 to 500 employees) almost half (49%) of project fees fall in the $100K - $500K range
    - For larger agencies (more than 500 employees) the majority (58%) of project fees were $250K or more

Executive Summary (continued)

Project Pitch/Reviews

- Almost half (48%) of all 2013 project assignments required the agency to pitch/compete against other vendors for the assignment. It is significant to note that:

    - 37% of smaller projects, fees of $100K or less, involved a pitch
    - Participants noted competing for projects with fees as low as $10K - $25K
    - While only 30% of smaller agencies pitched for project assignments in 2013, 73% of the largest agencies reported pitching for project assignments

- The majority of agencies (67%) indicated that in 2013 they did participate in a pitch for a project
- 12% of all survey respondents indicated that, due to their agency model/philosophy, they do not normally pitch project assignments (23% of the largest agencies do not normally pitch project assignments)
- Respondents reported on 124 project pitches noting that project pitches most often entailed creative development, strategy and concepting—spec is frequently requested
- The duration of project reviews does not follow any “standard” pattern:

    - 35% were 4 to 8 weeks
    - 34% were less than 4 weeks
    - 31% were 8 weeks or more

    Time frames skewed somewhat longer for reviews requiring strategy and spec media

- Two-thirds of projects result in formal agreements with the client—the agreements most frequently include confidentiality, ownership and indemnification elements.

Executive Summary (continued)

Screening Criteria and Pitch Budgets

- 89% of respondents have project review/pitch screening criteria
- Screening criteria frequently include: Fit with agency core competence, expected agency fee & client budget for the project, client reputation, cultural compatibility and availability of qualified internal resources to work on the project

  Having a "Known contact at senior level in the client organization" was a more frequently referenced screening criteria for the largest agencies than for smaller agencies

- Almost one-third (30%) of all respondents (and surprisingly, 46% of the largest agency respondents) do not have a minimum fee threshold that must be met in order to participate in a project pitch. 60% of respondents indicated that they have minimum fee thresholds, however they sometimes do not adhere to them
- A significant number of agencies (43%) do not routinely establish pitch expense budgets. Large agencies are twice as likely (69%) than smaller agencies (38%) to create pitch budgets
- For those agencies that routinely establish pitch expense budgets, 62% budget out-of-pocket expenses only and 38% budget both out-of-pocket and internal staff costs

Project Pitch Dynamics

Respondents were asked about their 2013 experience with project review dynamics. There are three major conclusions from their assessments:

- Project review processes are generally not efficient/streamlined
- The number of competitors often is not limited to 2-3
- Evaluation & selection criteria are not often clearly communicated

Suggestions for Clients

Participants were asked to share suggestions of things that clients can do to facilitate effective, efficient and fair project reviews:

- Be transparent with budgets and future opportunity potential
- Calibrate the ask to fit the opportunity
- Base the review on experience and case studies—Do not ask for spec
- Shorten time frames—fewer contenders and/or rounds
- Provide solid briefing & at least one client/agency meeting
- Align marketing and procurement on review objectives

Executive Summary (continued)

Suggestions for Agencies

Participants were asked to share suggestions of things that agencies can do to succeed and economically prosper in project reviews:

- Screen heavily….be selective about participation
- Ask the client tough probing questions about the assignment and the opportunity
- Don’t pursue projects that don’t align with your skills, capabilities, interests
- Demand the time and consideration of the (client) decision maker---if they won’t give it walk away
- Obtain the project scope of work and budget upfront
- Calibrate pitch investment to the size of the opportunity
- Require a higher margin than an AOR assignment
- Secure the rights to your work
- Stick to your decision criteria

Executive Summary (continued)

Respondent Profile

The breakdown of the agencies is shown below.

Size of Agencies by # of Employees

#	# of Employees		Response	%
1	Up to 100		18	34%
2	101 to 500		22	42%
3	More than 500		13	25%
	Total		53	100%

Primary Service Offerings of Agencies

#	Service Offerings		Response	%
1	Full Service [i.e., a combination of Traditional (offline) and Digital/Interactive (online) services]		43	81%
2	Creative Services		1	2%
3	Media Services		3	6%
4	Digital/Interactive Services		4	8%
5	Other Services (Direct, PR, Promotions, Events, etc. - please describe below)		2	4%
	Total		53	100%

Report Details – All Agencies

1. In 2013 did your agency work on any project assignment(s) from clients that the agency did not work with in recent prior years (2010-2012)? This should include projects that involved reviews/pitches and projects that were awarded without a review/pitch.

#	Answer		Response	%
1	No		5	9%
2	Yes		48	91%
	Total		53	100%

Responses are summarized in the table below broken down by agency size group.

#	Answer	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	No	0%	9%	23%	9%
2	Yes	100%	91%	77%	91%
					100%

Report Details – All Agencies

2. What types of project assignments, from new client/prospects, did your agency work on in 2013? For each project please check all services that apply.

Agencies reported working on 200 projects. The table below shows the frequency of the various services performed by agencies. The percentages will not add to 100 as an agency can perform more than one service for a project.

#	Project Assignment	Total Responses	%
1	Strategy	113	57%
2	Creative Development (Traditional and/or Digital)	103	52%
3	Concepting	100	50%
4	Website Development	43	22%
5	Social Media	41	21%
6	Video Production	40	20%
7	Online Display Advertising	37	19%
8	Media Planning	36	18%
9	Media Buying	33	17%
10	Consulting – management, marketing	31	16%
11	Marketing Data Analytics	28	14%
12	PR	28	14%
13	Commercial Production	24	12%
14	Mobile Marketing	20	10%
15	Search Engine Marketing	14	7%
16	Event Marketing	13	7%
17	Sales Promotion/Customer Marketing	12	6%
18	App Development	11	6%
19	Direct Marketing	9	5%
20	Database Management/CRM	6	3%
21	Other	3	2%

Report Details – All Agencies

3. What was the compensation (fees/commissions—exclusive of pass through amounts) that the agency received for each project assignment?

Responses are summarized in the table below broken down by agency size group.

#	Compensation	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	Less than $10K	4%	3%	0%	3%
2	$10+K-$25K	22%	0%	2%	9%
3	$25+K-$50K	29%	17%	10%	20%
4	$50+K-$75K	14%	10%	10%	11%
5	$75+K-$100K	10%	8%	10%	9%
6	$100+K-$250K	13%	26%	12%	17%
7	$250+K - $500K	8%	23%	22%	17%
8	$500+K - $750K	0%	5%	20%	7%
9	$750+K - $1 million	0%	5%	8%	4%
10	More than $1 million	0%	3%	8%	3%
					100%

Report Details – All Agencies

4. For the 2103 projects noted above did you have to formally pitch/compete against other vendors in order to get the assignment?

Responses are summarized in the table below broken down by agency size group.

#	Answer	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	Yes	30%	47%	73%	48%
2	No	66%	51%	27%	50%
3	Don't know/not sure	4%	2%	0%	2%
					100%

Responses are summarized in the table below broken down by project compensation.

#	Compensation	Yes	No	Not Sure
1	Up to $100K	37%	60%	3%
2	$100+K-$750K	61%	39%	0%
3	More than $750K	50%	50%	0%
4	Overall	48%	50%	2%

For additional details see the table below.

#	Compensation	Yes	No	Not Sure
1	Less than $10K	40%	60%	0%
2	$10+K - $25K	24%	76%	0%
3	$25+K - $50K	45%	50%	5%
4	$50+K - $75K	41%	59%	0%
5	$75+K - $100K	28%	67%	6%
6	$100+K - $250K	62%	38%	0%
7	$250+K - $500K	68%	32%	0%
8	$500+K - $750K	43%	57%	0%
9	$750+K - $1 million	38%	63%	0%
10	More than $1 million	67%	33%	0%

Report Details – All Agencies

5. In 2013 did your agency participate in any competitive reviews, conducted by a new client/prospect, where the assignment in play was a project?

Responses are summarized in the table below broken down by agency size group.

#	Answer	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	Yes	76%	59%	69%	67%
2	No - Project pitch opportunities did not occur in 2013	24%	27%	8%	21%
3	No - our agency model/philosophy is that we do not normally pitch project assignments	0%	14%	23%	12%
					100%

Report Details – All Agencies

6. You indicated that you participated in competitive review/pitch activity for project assignments from new clients/prospects in 2013. Please indicate for up to ten 2013 project review pitches the types of services that were involved. For each project please check all services that apply.

Agencies reported on 124 competitive pitches for project assignments. The table below shows the frequency of the types of services involved in the project assignments. The percentages will not add to 100 as an agency can perform more than one service for a project.

#	Type of Service	Total Responses	%
1	Creative Development (Traditional and/or Digital)	84	68%
2	Strategy	79	64%
3	Concepting	72	58%
4	Website Development	35	28%
5	Social Media	34	27%
6	Video Production	27	22%
7	Media Planning	27	22%
8	Media Buying	23	19%
9	Online Display Advertising	19	15%
10	Marketing Data Analytics	18	15%
11	PR	16	13%
12	Commercial Production	14	11%
13	Sales Promotion/Customer Marketing	14	11%
14	Consulting – management, marketing	13	10%
15	Mobile Marketing	12	10%
16	Event Marketing	10	8%
17	App Development	7	6%
18	Direct Marketing	6	5%
19	Search Engine Marketing	6	5%
20	Database Management/CRM	5	4%
21	Other	2	2%

Report Details – All Agencies

7. For the project reviews in 2013, please indicate whether any clients required the agency to perform any of the actions listed below. Please check all that apply.

#	Question	Total Responses	%
1	We were required to provide strategy specific to the project	61	53%
2	Were required to do spec creative	42	37%
3	We were required to do spec media planning	12	10%
4	Other	0	0%
		115	100%

8. For the project reviews noted in the previous question, what was the duration of the review process (from the time of the client's invitation until the conclusion of the review)?

#	Length of Review	Reviews Requiring Strategy	Reviews Requiring Spec Creative	Reviews Requiring Spec Media	All Reviews
1	Less than 4 weeks	32%	37%	33%	34%
2	4+ weeks-8 weeks	35%	39%	20%	35%
3	8+ weeks-12 weeks	18%	20%	27%	20%
4	12+ weeks-16 weeks	10%	2%	7%	6%
5	More than 16 weeks	5%	2%	13%	5%

Report Details – All Agencies

9. For the project reviews noted in the previous question, did you enter into a formal contract or agreement with the client prospect?

Responses are summarized in the table below broken down by agency size group.

#	Answer	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	No - there was no formal agreement or contract	25%	22%	56%	33%
2	Yes - there was a formal agreement	75%	78%	44%	67%
					100%

10. For the project reviews that involved a formal contract or agreement, what provisions were included in the agreement? Please check all that apply.

#	Provisions	Total Responses	%
1	Mutual Non-Disclosure of both client and agency confidential information	63	86%
2	Non-Disclosure of client confidential information	51	70%
3	Ownership and use of ideas and work product	33	45%
4	Indemnification responsibilities	30	41%
5	Warranties	11	15%
6	Stipend or fee Payment for agency participation	8	11%
7	Reimbursement of agency out of pocket costs	5	7%
8	Non-compete terms during the review	2	3%
9	Non-compete terms for a period following the review	1	1%
10	Other	1	1%

Report Details – All Agencies

11. Does your agency have screening criteria for assessing whether or not you will participate in a client/prospect project review?

Responses are summarized in the table below broken down by agency size group.

#	Answer	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	No	22%	9%	0%	11%
2	Yes	78%	91%	100%	89%
					100%

Report Details – All Agencies

12. Below is a list of possible client/prospect project review screening criteria. Please check all the screening criteria that your agency uses.

Responses are summarized in the table below broken down by agency size group.

#	Criteria	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	Fit with agency's core competence	100%	100%	100%	100%
2	The level of expected agency fee/comp	86%	95%	83%	89%
3	Client reputation	79%	95%	83%	87%
4	The client's budget for the project	93%	85%	83%	87%
5	Availability of qualified internal resources to work on the project	93%	90%	67%	85%
6	Compatibility of agency & client culture	64%	80%	83%	76%
7	Known contacts at senior level in the client organization	64%	65%	92%	72%
8	Innovative nature of the project	57%	90%	50%	70%
9	PR value of participating	64%	64%	42%	59%
10	Client in an industry not currently served by the agency	50%	60%	58%	57%
11	The Client's overall marketing spend history	50%	545	67%	52%
12	Availability of qualified & affordable external resources to work on the project	29%	25%	17%	24%
13	Other	14%	0%	33%	7%

Report Details – All Agencies

Please describe any "Other" criteria that you use.

Other Criteria
We do not participate in projects for new biz/new clients
Legitimate potential for likely follow-on work/relationship as a result of performing project work
Sufficient time
Good/interesting assignment for our creative people Chance to be "in the know" with client's business. Have AOR-type involvement rather than a one-time vendor
Upside potential.
Future growth opportunity
Future opportunities
No spec strategy or creative required.
Does the client have a vision/mission/purpose we believe in as an agency? Does the client have enough time to make good work? Does the client have good taste in work?
We also evaluate based on the process outlined. - Will we have access to the client? - Will there be work sessions or interim meetings? - Will all the decision makers participate throughout the process? - Etc.

Report Details – All Agencies

13. Has your agency established and do you adhere to a minimum fee/compensation threshold that must be met in order for your agency to participate in a project review/pitch from a new client?

Responses are summarized in the table below broken down by agency size group.

#	Answer	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	No - We don't have minimum thresholds	33%	18%	46%	30%
2	Yes - We have established minimum thresholds & we routinely adhere to them	17%	5%	8%	%
3	Yes - We have established minimum thresholds however we sometimes do not adhere to them	50%	77%	46%	60%
					100%

Report Details – All Agencies

14. You indicated that your agency has minimum fee/compensation thresholds. We would like to understand your minimum dollar amount expectation as well as key factors that you incorporate within your minimum fee/comp threshold structure. For example do your minimum fee thresholds vary by type of service required or the scope of the project pitch? Please describe your minimum fee threshold policies in the space provided below.

Minimum Threshold
Minimum $500,000 in fee for a project. Minimum $2,000,000 in retainer for ongoing clients.
Minimum fees are tied to SOW and time necessary to complete the project -- the min fee is a profitable fee for the work completed.
We do have a compensation threshold. That threshold can be overlooked if the client is in a new category for the agency or a highly visible client/category or there is another potential upside like the list in the previous question- PR value etc..
Decisions are made on a case by case basis but regardless of how small the fee, if the upside of winning the project is deemed a good bet with good back end payout we go for it
Minimum is approximately $500k. Going below this is largely based on realistic opportunity for additional follow-on work after the project is completed.
It varies by type of project and the PR aspects of having done it
We have become very good at being what clients want in a full service agency - collaborative and integrated. So our way of doing business means a lot of brains and hands touch a project. And when we price a project, we're always very high because of the thoroughness we provide, thus we don't do many at all. We definitely don't pitch them. Those that we end up taking are because they are interesting to us for reasons unrelated to revenue.
Depends of profit of the opportunity as well as potential revenue after project completion. We have a specific scientific excel sheet that makes the decision for us.
Ideally, we enter into project work only when there is the potential for a longer-term relationship from it. Beyond this, we look for opportunities to ideate and execute a 360 integrated campaign with legitimate impact.
$1MM in annual fees. With an interesting project or brand we will sometimes bend this.
Our target minimum fee is $500,000. We will make exceptions if it's a category with which we have limited experience, but want to grow. Or if it's a brand or a project we feel particularly strongly about.
$50k minimum revenue

Continued

14. Minimum fee threshold policies

Continued

Minimum Threshold
For AOR/integrated opportunities, we generally don't pursue opportunities with less than $500K fee potential. For projects, we take on projects with fees of $100K or in some cases lower if it's a company we want to get experience with. We have had great success starting with a project and growing the relationship from there. Minimum thresholds vary by project type.
Our minimum fee was $500k. However, if an opportunity arises that will provide us with new skills, or an avenue in to a new company or industry, we will waive this requirement to gain the experience/credentials.
No, the minimum fee threshold is a revenue %
For AOR pitches, we have a minimum of roughly $2MM in fee. For projects, the fee must be more than $500K to consider it. There may be different types of project oriented pitches, but we typically don't go through a pitch process to win a project.
Generally speaking we try not to pursue/take on project work that is less than $75k- $100K. A number of factor impact our decision, including: future potential with that client/brand, in our "wheelhouse", expands our category experience, brand name/recognition, reputation of the client, etc.
$ 1M accounts
Minimum $500,000
We look at the scope of work against the minimum threshold and the type of brand it is. Is it a brand we would like to have on our roster? Is the scope of work too high for the project budget? Will we lose money or make a minimum profit. Is it a category we need to get back into or want?
Our minimum fee threshold is $250,000. We will vary from this if we believe the client has the potential to grow past this number within a 24 month period. In 2014, we took a client with a fee of $120,000 budgeted, however, to date, our fees have been $390,000.
$20,000
Minimum thresh holds are based on our size and overhead so that if we do not believe we can deliver the scope in the budget we will not take on a client. That said if the creative opportunity is tremendous or it's a capability growing opportunity we will make a judgement call based on that and usually for opportunities that are a project vs AOR nature.
Typically, we have a $300,000 minimum fee requirement but will move on that somewhat if the engagement compliments our core competencies, offers redeeming social value, presents an opportunity to enter a new (and desired segment).
$100,000 for advertising; $50,000 for PR

14. Minimum fee threshold policies

Continued

Minimum Threshold
Minimum fees vary by type of service and overall scope of work. For AOR work, we take care to track time and resources against clients so we know that we will require $X when we are presented with a similar in size / scope opportunity. Related, we have minimum fees for project work which are typically based on the amount of other work that we currently have in-house. If we have room in our queue we can take on smaller fee projects. If we are booked we are much more stringent about dollar requirements.
Depending on the office participating in the review, there is generally a minimum fee/comp threshold that we adhere to. However, if the client happens to offer something more valuable such as high PR value if won, or it is a trojan horse strategy for a company with a portfolio of brands, etc., we consider pursuing.
We would have a min usually of $125/hour-but have gone under if we see an opportunity longer term.
$300K for integrated marketing types of opportunities; $100 K for PR only. However, we routinely "compromise" and the majority of our initial projects are smaller because we feel that there are growth opportunities with the client/prospect
Typically, we set our project minimums at $50K in fees. We do, however, look at long term potential value of relationship with the client and the category in which they reside. Some projects may only be a $10-15K value but we would take it if we felt there was longer term ongoing value that meets our more AOR-type relationships.
$350,000
Thresholds vary based on a few criteria: - is it an AOR or project based assignment? - is it a category we are trying to get it? - what is the long term potential? - will the work outweigh the cost of doing business (i.e., do we think it will generate PR, awards, etc.)?
We have found that if a client cannot support an account creative, strategy resource on an on-going basis it doesn't work to fund a team like this is around 500k annually.
We do not have minimum fee thresholds to work with a client, as a very interesting project could always trump low budget. We are more careful about a minimum fee threshold if we are asked to participate in a review or pitch to earn the business. This threshold could range from $250K to $1MM in fee depending on how much work is required in the review.

15. How does your agency routinely establish agency investment/expense budgets for project reviews and what do those budgets include?

Responses are summarized in the table below broken down by agency size group.

#	Answer	Agencies with Up to 100 Employees	Agencies with 101 – 500 Employees	Agencies with More than500 Employees	All Agencies
1	We do not routinely establish project pitch expense budgets	63%	36%	31%	43%
2	We do routinely establish project pitch budgets for out-of- pocket costs but not for internal staff cost allocations	19%	45%	38%	35%
3	We do routinely establish project pitch budgets for internal staff cost allocations but not for out-of-pocket costs.	0%	0%	0%	0%
4	We do routinely establish project pitch budgets for both out-of- pocket costs as well as for internal staff cost allocations	19%	18%	31%	22%
					100%

Report Details – All Agencies

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
1	Project Review processes are efficient/streamlined	10%	8%	27%	48%	8%	52
2	The number of competitor participants in project reviews is limited to 2 or 3	15%	19%	15%	38%	13%	53
3	Project Review processes deliverables are calibrated to the size of the opportunity	8%	13%	15%	49%	15%	53
4	Project briefings are comprehensive and realistic	8%	9%	23%	55%	6%	53
5	Project briefings material is communicated both in face to face session and in writing	8%	11%	30%	40%	11%	53
6	Project reviews allow for working interaction and discussion with key client management	10%	8%	31%	35%	17%	52
7	Project reviews allow adequate time to meet deadlines	8%	6%	25%	50%	12%	52
8	Project review evaluation & selection criteria are clearly communicated	8%	4%	27%	51%	10%	51

Table continued

Report Details – All Agencies

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

Continued

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
9	Compensation parameters and budgets for the project are discussed upfront	8%	10%	25%	40%	17%	52
10	Compensation parameters and budget change orders are SOP on project work	8%	10%	33%	35%	15%	52
11	Procurement/sourcing manager is involved in the Project Review process	10%	10%	17%	50%	13%	52
12	Procurement/sourcing manager forbids contact with direct client during the Project Review process	14%	12%	18%	41%	16%	51
13	Winner determination and award of the assignment is timely	12%	10%	15%	62%	2%	52
14	Contract terms are efficient/streamlined for projects	10%	6%	33%	50%	2%	52

Report Details – All Agencies

17. Please share 1 or 2 suggestions in terms of the most important things that a client can do to facilitate an effective efficient and fair project review.

Important Things Clients Can Do
No spec work. Shorter timeline. Fewer contenders and/or rounds.
Base review on experience and case studies and perhaps written process proposal by agencies; not spec thinking of any kind.
Clear objectives, deliverables, budgets and timelines.
Be honest. Be fair. Be reasonable or you will not get quality shops to play ball
Be detailed and upfront about budget and scope, and likelihood of long-term engagement (and what that could look like)
Be transparent with the budget and budget-to-fee ratio you're looking to spend on a project. We can approach projects in many ways, and the best guide to our approach is often budget parameters. Be honest with the potential for additional work following the project. We offer many services, but understand you may have all the partners you need, except for the specific project. So if there's no potential for work after the project, don't tell us there is to keep us interested in the project.
Be more open about money and expectations
Be transparent with budgets and future opportunity potential.
- Limit the participant list to 2-3 agencies who have a real chance at being the right fit for the work required - Include all stakeholders / decision makers in every step of the process - Allow for as much in-person chemistry checks as feasible - access and transparency is critical to getting the best from the agencies, and keeping them engaged and motivates
As with any review provide total clarity as to the expectations, the importance of the project within the brand's ad program, and where the awarding of the project work could lead to the agency/client future. Make sure the MSA/contract is written in a way that acknowledges the specific nature of the project assignment.
Have the review be about chemistry of the team. No creative ask.
Clearly define the scope, the expectations of the agency, and the potential for work beyond the initial project.
Calibrate the ask to fit the opportunity.
Direct client contact during the review process (non-procurement)
Allow contact with the decision making client. Let agencies know what other agencies are in consideration (this can help us evaluate what client is really looking for and our likelihood for success)
Be realistic in expectations, budget and timelines.
Fair and realistic expectations on timing and budget. Good briefing. Staying on track timing-wise so project parameters are kept.

Continued

Report Details – All Agencies

17. Please share 1 or 2 suggestions in terms of the most important things that a client can do to facilitate an effective efficient and fair project review.

Continued

Important Things Clients Can Do
Understand the reality of the size/scale of their projects, and manage them accordingly. typically projects are treated the same as full scale AOR reviews, and that not worth the agency's time and effort.
Be available to the agency to answer questions. Provide thorough direction (sounds very basic, I know)
Lay the budget parameters up front
Communicate up front the number of agencies competing.
Small number of participants. At least one client/agency meeting with a solid briefing. And check-ins along the way. Keep the pitch short and contained and make it very clear that speculative work will not be evaluated.
Do not insist on spec work, that you own - regardless of which agency you choose. Provide background on prior/similar assignments and as many specifics as possible. Limit the number of competing agencies.
Set clear evaluation criteria and clearly define the deliverables for the RFP. Never say "if you'd like to show us some ideas on how you would handle our project" - which is too vague. Either specifically ask for spec creative, or specifically announce that it is not a requirement and will not be used to determine a winner. Disclose how many agencies are invited to round 1, and how the field will be narrowed to a winner.
We have not participated in project reviews.
Ensuring that the pitch brief is relative to the time and money of the project
First and foremost, they must identify the budget for the project. It is even more important for this to happen with a project--even more than with an AOR pitch. Stick to the schedule since it is for a project.
1. Keep the list of agencies short. 2. Define the project clearly and match that to the capabilities of the agencies selected to participate.
Limit the number of agencies participating. Require little original, if any, thinking in selection criteria.
Run a review like you'd want real work to happen - inclusive, engaged and properly funded.
Be realistic about scope and budget; fewer tissues so agency keeps their eye on the big picture vs just racing to get to a meeting.
In an ideal world the client would provide us with their budget. This would allow all agencies to provide recommendations based on funding. Often the client loves our ideas and another agency’s budgets and believes we should do what we proposed for their fee. They are not comparing apples to apples. Secondly, we often see conflict between the expectations of the marketing team and procurement. Their end goals are different which often results in procurement requests that don't align with marketing needs.

Continued

17. Please share 1 or 2 suggestions in terms of the most important things that a client can do to facilitate an effective efficient and fair project review.

Continued

Important Things Clients Can Do
1. Know the agencies and whether they really fit your business and your request. 2. Don't ask us to solve a problem if you can't define the problem.
Some of the review timelines have been too short. Agencies also have daily clients they are doing work for. Having a company or consultant ask to turn around a capabilities or RFI in 24-48 hours is unacceptable. Also- access to key decision makers is especially important. Having face to face meetings with them or at least phone time would help tremendously.
Provide all of the information up front and make themselves available for questions - not on calls with all other agencies in the pitch.
Share up front what their expectations and budgets are.
There needs to be a clear understanding of the response needed to land the project-sometimes agencies don't understand and go over or under the requirements that are vague making an uneven playing field-and the potential for the client to choose the wrong agency.
Conduct thorough briefings Establish a reasonable timeline Remove spec work Only do project reviews if an AOR relationship is the prize for a project well done
Pick a thoughtful, logical set of prospective agency partners. Know what you are looking for. Allow opportunity for meaningful discussion with the client.
Clear briefs on goals and objectives of the project, and sharing as much relevant information/research as possible.
Clearly communicate context of the project in the client's overall marketing. Is there possibility for incremental work beyond the project? Does the project qualify the agency to be an approved vendor? Clients should also limit the agency's pitch deliverable to the project itself.
Stick to agreed upon deliverables and timing
Fewer agencies competing and be open to the idea of a project being the first step in what could be an AOR relationship.
Grant easy access to senior-level decision makers. Be upfront and forthcoming with budget parameters. Disclose participating agencies. Require senior-level participation in brief writing, RFP writing and facilitation of the review.
Keep in mind that agencies are being offered a project assignment and address accordingly. Try to keep expectations and deliverables inline w/ the potential size of the prize and the timeline allocated.
Stay on schedule, commit to a budget or range, provide minimum 1-hour live interaction with agencies. Streamline process.
Either pick strategy or creative but only require the agency to provide one.

18. Please share 1 or 2 suggestions in terms of the most important things that agencies can do to succeed and economically prosper when participating in a review for a project.

Important Things Agencies Can Do
Be very clear in terms of scope. Spell out what elements of the scope are fixed and which are flexible. Be very clear in terms of how much information you are expecting in agency responses. Some clients seem to think that by being vague, they can see which agencies are willing to go above and beyond. However this often just reflects how busy an agency is, not how qualified they are.
Indicate budget in the RFP. Include timing for each stage of the process and stick to it! Communicate decision to all parties involved, not just the winner.
Recognize it's not an AOR pitch and scale effort accordingly.
Scope the workload and add 15%
Be realistic and discriminating before getting into any kind of review. be true to thine self or be prepared to get screwed
Vetting is really critical to deciding what to pursue and ensure good ROI on project based work
Tool and staff for short term, quick-turn projects, rather than rely on AOR staffing approaches and budget levels.
They need to commit more time to Q&A with decision makers and not procurement
Qualify, Qualify, Qualify. And assign a budget.
- Don't pursue project opportunities that you don't align with your skills / capabilities and interests. Say no
Be VERY thorough in developing or approving the SOW; make sure the SOW includes the time necessary to go through the scope and MSA process.
Ensure that the client budgets meet the agency's minimum threshold for fees over a period of time.
Establish a very clear scope and stick to it. Don't unintentionally give away related services.
Look at a client's track record and be realistic about whether this is truly a "foot in the door" or whether you're simply being used and discarded.
Stay on rate
Be honest to yourself about the potential value beyond the project.
Evaluate the short term and long term opportunities of a project. Deploy resources according to opportunity (e.g. fee, creative potential, case study potential, growth potential, etc)
Good question. I guess stick to our guns and not take work that is below our profitability margin. We often talk ourselves into work believing that it will provide us with access to more work from that company. In fact, they take advantage of agencies looking to do good work for these big brands at low prices.

Continued

18. Please share 1 or 2 suggestions in terms of the most important things that agencies can do to succeed and economically prosper when participating in a review for a project.

Continued

Important Things Agencies Can Do
Limit investment, be selective about participation. The more we choose not to participate in small project pitches, the better off we will all be.
Foster a relationship with the client that leads to an invitation to compete for the project. Obtain scope of work and budget up front
Screen heavily and demand the time and consideration of the person in charge of the decision. If they won't give it, walk away.
Secure the rights to your work -- even for a project review/assignment. Be clear about SOW and payment terms; including fee schedules and media payments Limit the travel and direct expenses and avoid chasing accounts in industries where the agency does not have past experience.
Establish the playing field and understand the odds of winning. Ask for a budget range, even if the client will not give an exact budget.
Clear understanding of the potential budget guidelines for the team
We must put the resources against a project pitch that are commensurate with the opportunity. Don't overdo it! Create a scope of work and service plan upfront to see if you can even make a profit. Do the exercise upfront.
1. Be realistic about the opportunity. Don't pursue projects outside of your skillset 2. Be realistic about the gross income opportunity. Leave it to a shop more suited for the project than cut costs to win.
Do not participate if the review requires original thinking - either strategically or creatively. Require higher margin than AOR.
Stop making pitches a beauty contest... get back to substance, not sizzle
Stick to your decision criteria when deciding whether or not to pitch; put the right people on the pitch vs everyone in the agency available
1. Focus on the client's needs (even if their request/rules seem to indicated otherwise). 2. Put a budget on the new business effort and enforce it.
Customize response to the prospect. Don't just copy and paste standard answers.
Keep the teams small and nimble, don't add on too many team members to complete the response.
Align resources with expectations. Plan ahead and have a stringent process to be organized so we are not working last minute.

Continued

Report Details – All Agencies

18. Please share 1 or 2 suggestions in terms of the most important things that agencies can do to succeed and economically prosper when participating in a review for a project.

Continued

Important Things Agencies Can Do
Ask the tough questions before making the decision to pursue. And if client interests aren't aligned or don't complement the agencies', don't pitch.
Understand upfront the budget for the project and clearly communicate what a client is getting for that budget. Vs bait and switch.
Let's stop doing spec work!
1. Be discerning. Have a go/no go process. 2. Focus on fewer, bigger, better opportunities, and then commit and go all in. If you're going to pursue, don't do it half assed.
Be clear in both understanding and addressing the client's objectives and outcomes. Support pricing with strong value proposition.
Agencies can stop "playing chicken" with projects by doing more than pitch requirements in the hopes of winning business beyond the footprint of the assignment. Apple to apple, not beyond.
Hold client accountable for final deliverables and expectations.
Know your limits and understand the budget parameters so as not to lose money.
Establish and dogmatically adhere to a minimum project spend and a go/no-go pitch decision criteria.
Be careful that you do not over invest (ie - spend too much, assign too many teams, etc.) and be careful not to over deliver (ie - do not come back with more than what is required for the particular assignment).
Say NO. (unless opportunity is outstanding.) Require budgets (total and agency fee) Weed out "procurement fodder" opportunities
Agencies put a lot of effort into creds which do not differentiate them. Focus on provide straight forward clear solution.
Define for the client what you are willing to do/provide in there review/pitch. We have found that some clients are flexible and will accept a statement or presentation of approach instead of spec creative or media work or even "thought starters" which have been requested.

Report Details – Agencies with Up to 100 Employees

Size of Agencies by # of Employees

#	Answer		Response	%
1	Up to 100		18	100%
2	101 to 500		0	0%
3	More than 500		0	0%
	Total		18	100%

Primary Service Offerings of Agencies

#	Answer		Response	%
1	Full Service [i.e., a combination of Traditional (offline) and Digital/Interactive (online) services]		16	89%
2	Creative Services		1	6%
3	Media Services		1	6%
4	Digital/Interactive Services		0	0%
5	Other Services (Direct, PR, Promotions, Events, etc. - please describe below)		0	0%
	Total		18	100%

Report Details – Agencies with Up to 100 Employees

1. In 2013 did your agency work on any project assignment(s) from clients that the agency did not work with in recent prior years (2010-2012)? This should include projects that involved reviews/pitches and projects that were awarded without a review/pitch.

#	Answer		Response	%
1	No		0	0%
2	Yes		18	100%
	Total		18	100%

2. What types of project assignments, from new client/prospects, did your agency work on in 2013? For each project please check all services that apply.

#	Project Assignment	Total Responses	%
1	Strategy	41	15%
2	Creative Development (Traditional and/or Digital)	39	15%
3	Concepting	37	14%
4	PR	19	7%
5	Media Planning	18	7%
6	Media Buying	17	6%
7	Consulting – management, marketing	13	5%
8	Marketing Data Analytics	12	5%
9	Website Development	11	4%
10	Social Media	10	4%
11	Video Production	9	3%
12	Online Display Advertising	9	3%
13	Mobile Marketing	7	3%
14	Direct Marketing	6	2%
15	Sales Promotion/Customer Marketing	5	2%
16	App Development	4	2%
17	Event Marketing	4	2%
18	Search Engine Marketing	2	1%
19	Other	2	1%
20	Commercial Production	1	0%
21	Database Management/CRM	0	0%
	Total	266	100%

Report Details – Agencies with Up to 100 Employees

3. What was the compensation (fees/commissions—exclusive of pass through amounts) that the agency received for each project assignment?

#	Compensation	Total Responses	%
1	Less than $10k	3	4%
2	$10+K-$25K	16	22%
3	$25+K-$50K	21	29%
4	$50+K-$75K	10	14%
5	$75+K-$100K	7	10%
6	$100+K-$250K	9	13%
7	$250+K - $500K	6	8%
8	$500+K - $750K	0	0%
9	$750+K - $1 million	0	0%
10	More than $1 million	0	0%
		72	100%

4. For the 2103 projects noted above did you have to formally pitch/compete against other vendors in order to get the assignment?

#	Question	Total Responses	%
1	Yes	20	30%
2	No	44	66%
3	Don't know/not sure	3	4%
		67	100%

Answers to this question are broken down by project compensation in #4 in the Executive Summary.

Report Details – Agencies with Up to 100 Employees

5. In 2013 did your agency participate in any competitive reviews, conducted by a new client/prospect, where the assignment in play was a project?

#	Answer		Response	%
1	Yes		13	76%
2	No - Project pitch opportunities did not occur in 2013		4	24%
3	No - our agency model/philosophy is that we do not normally pitch project assignments		0	0%
	Total		17	100%

6. You indicated that you participated in competitive review/pitch activity for project assignments from new clients/prospects in 2013. Please indicate for up to ten 2013 project review pitches the types of services that were involved. For each project please check all services that apply.

#	Type of Service	Total Responses	%
1	Creative Development (Traditional and/or Digital)	34	15%
2	Concepting	33	15%
3	Strategy	32	14%
4	Media Planning	16	7%
5	Media Buying	14	6%
6	Social Media	11	5%
7	Online Display Advertising	10	5%
8	Video Production	9	4%
9	Website Development	9	4%
10	PR	9	4%
11	Marketing Data Analytics	8	4%
12	Sales Promotion/Customer Marketing	8	4%
13	Consulting – management, marketing	7	3%
14	Mobile Marketing	6	3%
15	Commercial Production	4	2%
16	Direct Marketing	4	2%
17	Event Marketing	3	1%
18	Other	2	1%
19	App Development	1	0%
20	Search Engine Marketing	1	0%
21	Database Management/CRM	0	0%
	Total	221	100%

7. For the project reviews in 2013, please indicate whether any clients required the agency to perform any of the actions listed below. Please check all that apply.

#	Question	Total Responses	%
1	We were required to provide strategy specific to the project	21	50%
2	Were required to do spec creative	14	33%
3	We were required to do spec media planning	7	17%
4	Other	0	0%
		42	100%

8. For the project reviews noted in the previous question, what was the duration of the review process (from the time of the client's invitation until the conclusion of the review)?

#	Length of Review	Total Responses	%
1	Less than 4 weeks	19	43%
2	4+ weeks-8 weeks	19	43%
3	8+ weeks-12 weeks	3	7%
4	12+ weeks-16 weeks	2	5%
5	More than 16 weeks	1	2%
		44	100%

Answers to this question are broken down by what was required in the review in #8 in the Executive Summary.

9. For the project reviews noted in the previous question, did you enter into a formal contract or agreement with the client prospect?

#	Question	Total Responses	%
1	No - there was no formal agreement or contract	9	25%
2	Yes - there was a formal agreement	27	75%
		36	100%

Report Details – Agencies with Up to 100 Employees

10. For the project reviews that involved a formal contract or agreement, what provisions were included in the agreement? Please check all that apply.

#	Provisions	Total Responses	%
1	Non-Disclosure of client confidential information	26	96%
2	Ownership and use of ideas and work product	24	89%
3	Mutual Non-Disclosure of both client and agency confidential information	22	81%
4	Indemnification responsibilities	11	41%
5	Warranties	8	30%
6	Non-compete terms during the review	2	7%
7	Reimbursement of agency out of pocket costs	2	7%
8	Non-compete terms for a period following the review	1	4%
9	Stipend or fee Payment for agency participation	1	4%
10	Other	0	0%

11. Does your agency have screening criteria for assessing whether or not you will participate in a client/prospect project review?

#	Answer		Response	%
1	No		4	22%
2	Yes		14	78%
	Total		18	100%

12. Below is a list of possible client/prospect project review screening criteria. Please check all the screening criteria that your agency uses.

#	Criteria	Response	%
1	Fit with agency's core competence	14	100%
2	Availability of qualified internal resources to work on the project	13	93%
3	The client's budget for the project	13	93%
4	The level of expected agency fee/comp	12	86%
5	Client reputation	11	79%
6	Known contacts at senior level in the client organization	9	64%
7	Compatibility of agency & client culture	9	64%
8	PR value of participating	9	64%
9	Innovative nature of the project	8	57%
10	Client in an industry not currently served by the agency	7	50%
11	The Client's overall marketing spend history	7	50%
12	Availability of qualified & affordable external resources to work on the project	4	29%
13	Other (please describe below)	2	14%

Please describe any "Other" criteria that you use.

Other Criteria
Sufficient time
Future growth opportunity
Future opportunities
Does the client have a vision/mission/purpose we believe in as an agency? Does the client have enough time to make good work? Does the client have good taste in work?

13. Has your agency established and do you adhere to a minimum fee/compensation threshold that must be met in order for your agency to participate in a project review/pitch from a new client?

#	Answer		Response	%
1	No - We don't have minimum thresholds		6	33%
2	Yes - We have established minimum thresholds & we routinely adhere to them		3	17%
3	Yes - We have established minimum thresholds however we sometimes do not adhere to them		9	50%
	Total		18	100%

14. You indicated that your agency has minimum fee/compensation thresholds. We would like to understand your minimum dollar amount expectation as well as key factors that you incorporate within your minimum fee/comp threshold structure. For example do your minimum fee thresholds vary by type of service required or the scope of the project pitch? Please describe your minimum fee threshold policies in the space provided below.

Minimum Threshold
Decisions are made on a case by case basis but regardless of how small the fee, if the upside of winning the project is deemed a good bet with good back end payout we go for it
it varies by type of project and the PR aspects of having done it
$50k minimum revenue
Generally speaking we try not to pursue/take on project work that is less than $75k- $100K. A number of factor impact our decision, including: future potential with that client/brand, in our "wheelhouse", expands our category experience, brand name/recognition, reputation of the client, etc.
$ 1M accounts
Our minimum fee threshold is $250,000. We will vary from this if we believe the client has the potential to grow past this number within a 24 month period. In 2014, we took a client with a fee of $120,000 budgeted, however, to date, our fees have been $390,000.
$100,000 for advertising; $50,000 for PR
Minimum fees vary by type of service and overall scope of work. For AOR work, we take care to track time and resources against clients so we know that we will require $X when we are presented with a similar in size / scope opportunity. Related, we have minimum fees for project work which are typically based on the amount of other work that we currently have in-house. If we have room in our queue we can take on smaller fee projects. If we are booked we are much more stringent about dollar requirements.
We would have a min usually of $125/hour-but have gone under if we see an opportunity longer term.
Typically, we set our project minimums at $50K in fees. We do, however, look at long term potential value of relationship with the client and the category in which they reside. Some projects may only be a $10-15K value but we would take it if we felt there was longer term ongoing value that meets our more AOR-type relationships.
We have found that if a client cannot support an account creative, strategy resource on an on-going basis it doesn't work to fund a team like this is around 500k annually.

Report Details – Agencies with Up to 100 Employees

15. How does your agency routinely establish agency investment/expense budgets for project reviews and what do those budgets include?

#	Answer		Response	%
1	We do not routinely establish project pitch expense budgets		10	63%
2	We do routinely establish project pitch budgets for out-of-pocket costs but not for internal staff cost allocations		3	19%
3	We do routinely establish project pitch budgets for internal staff cost allocations but not for out-of-pocket costs.		0	0%
4	We do routinely establish project pitch budgets for both out-of-pocket costs as well as for internal staff cost allocations		3	19%
	Total		16	100%

Report Details – Agencies with Up to 100 Employees

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
1	Project Review processes are efficient/streamlined	0%	6%	29%	59%	6%	17
2	The number of competitor participants in project reviews is limited to 2 or 3	6%	11%	22%	44%	17%	18
3	Project Review processes deliverables are calibrated to the size of the opportunity	0%	6%	17%	39%	39%	18
4	Project briefings are comprehensive and realistic	0%	11%	22%	61%	6%	18
5	Project briefings material is communicated both in face to face session and in writing	0%	11%	22%	50%	17%	18
6	Project reviews allow for working interaction and discussion with key client management	6%	11%	22%	39%	22%	18
7	Project reviews allow adequate time to meet deadlines	0%	0%	17%	50%	33%	18
8	Project review evaluation & selection criteria are clearly communicated	0%	0%	18%	59%	24%	17

Table continued

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

Continued

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
9	Compensation parameters and budgets for the project are discussed upfront	0%	11%	22%	39%	28%	18
10	Compensation parameters and budget change orders are SOP on project work	0%	11%	33%	33%	22%	18
11	Procurement/sourcing manager is involved in the Project Review process	6%	11%	22%	39%	22%	18
12	Procurement/sourcing manager forbids contact with direct client during the Project Review process	6%	18%	18%	29%	29%	17
13	Winner determination and award of the assignment is timely	6%	11%	22%	61%	0%	18
14	Contract terms are efficient/streamlined for projects	6%	0%	33%	56%	6%	18

17. Please share 1 or 2 suggestions in terms of the most important things that a client can do to facilitate an effective efficient and fair project review.

Important Things Clients Can Do
Be honest. Be fair. Be reasonable or you will not get quality shops to play ball
Be more open about money and expectations
Calibrate the ask to fit the opportunity.
Direct client contact during the review process (non-procurement)
Fair and realistic expectations on timing and budget. Good briefing. Staying on track timing-wise so project parameters are kept.
Be available to the agency to answer questions. Provide thorough direction (sounds very basic, I know)
Communicate up front the number of agencies competing.
Do not insist on spec work, that you own - regardless of which agency you choose. Provide background on prior/similar assignments and as many specifics as possible. Limit the number of competing agencies.
Set clear evaluation criteria and clearly define the deliverables for the RFP. Never say "if you'd like to show us some ideas on how you would handle our project" - which is too vague. Either specifically ask for spec creative, or specifically announce that it is not a requirement and will not be used to determine a winner. Disclose how many agencies are invited to round 1, and how the field will be narrowed to a winner.
We have not participated in project reviews.
1. Keep the list of agencies short. 2. Define the project clearly and match that to the capabilities of the agencies selected to participate.
Indicate budget in the RFP. Include timing for each stage of the process and stick to it! Communicate decision to all parties involved, not just the winner.
Provide all of the information up front and make themselves available for questions - not on calls with all other agencies in the pitch.
There needs to be a clear understanding of the response needed to land the project-sometimes agencies don't understand and go over or under the requirements that are vague making an uneven playing field-and the potential for the client to choose the wrong agency.
Conduct thorough briefings Establish a reasonable timeline Remove spec work Only do project reviews if an AOR relationship is the prize for a project well done
Clear briefs on goals and objectives of the project, and sharing as much relevant information/research as possible.
Grant easy access to senior-level decision makers. Be upfront and forthcoming with budget parameters. Disclose participating agencies. Require senior-level participation in brief writing, RFP writing and facilitation of the review.
Either pick strategy or creative but only require the agency to provide one.

18. Please share 1 or 2 suggestions in terms of the most important things that agencies can do to succeed and economically prosper when participating in a review for a project.

Important Things Agencies Can Do
Be realistic and discriminating before getting into any kind of review. be true to thine self or be prepared to get screwed
They need to commit more time to Q&A with decision makers and not procurement
Look at a client's track record and be realistic about whether this is truly a "foot in the door" or whether you're simply being used and discarded.
Stay on rate
Evaluate the short term and long term opportunities of a project. Deploy resources according to opportunity (e.g. fee, creative potential, case study potential, growth potential, etc)
Foster a relationship with the client that leads to an invitation to compete for the project.
Limit the travel and direct expenses and avoid chasing accounts in industries where the agency does not have past experience.
Secure the rights to your work -- even for a project review/assignment. Be clear about SOW and payment terms; including fee schedules and media payments
Establish the playing field and understand the odds of winning. Ask for a budget range, even if the client will not give an exact budget.
Clear understanding of the potential budget guidelines for the team
1. Be realistic about the opportunity. Don't pursue projects outside of your skillset 2. Be realistic about the gross income opportunity. Leave it to a shop more suited for the project than cut costs to win.
Customize response to the prospect. Don't just copy and paste standard answers.
Align resources with expectations. Plan ahead and have a stringent process to be organized so we are not working last minute.
Understand upfront the budget for the project and clearly communicate what a client is getting for that budget. Vs bait and switch.
Let's stop doing spec work!
Be clear in both understanding and addressing the client's objectives and outcomes. Support pricing with strong value proposition.
Establish and dogmatically adhere to a minimum project spend and a go/no-go pitch decision criteria.
Agencies put a lot of effort into creds which do not differentiate them. Focus on provide straight forward clear solution.

Report Details – Agencies with 101 to 500 Employees

Size of Agencies by # of Employees

#	Answer		Response	%
1	Up to 100		0	0%
2	101 to 500		22	100%
3	More than 500		0	0%
	Total		22	100%

Primary Service Offerings of Agencies

#	Answer		Response	%
1	Full Service [i.e., a combination of Traditional (offline) and Digital/Interactive (online) services]		20	91%
2	Creative Services		0	0%
3	Media Services		1	5%
4	Digital/Interactive Services		1	5%
5	Other Services (Direct, PR, Promotions, Events, etc. - please describe below)		0	0%
	Total		22	100%

Report Details – Agencies with 101 to 500 Employees

1. In 2013 did your agency work on any project assignment(s) from clients that the agency did not work with in recent prior years (2010-2012)? This should include projects that involved reviews/pitches and projects that were awarded without a review/pitch.

#	Answer		Response	%
1	No		2	9%
2	Yes		20	91%
	Total		22	100%

2. What types of project assignments, from new client/prospects, did your agency work on in 2013? For each project please check all services that apply.

#	Project Assignment	Total Responses	%
1	Strategy	44	16%
2	Creative Development (Traditional and/or Digital)	40	14%
3	Concepting	38	13%
4	Video Production	23	8%
5	Website Development	18	6%
6	Online Display Advertising	17	6%
7	Commercial Production	15	5%
8	Social Media	15	5%
9	Consulting – management, marketing	13	5%
10	Marketing Data Analytics	11	4%
11	Media Planning	10	4%
12	Mobile Marketing	10	4%
13	PR	9	3%
14	Media Buying	8	3%
15	Event Marketing	4	1%
16	Search Engine Marketing	3	1%
17	App Development	2	1%
18	Sales Promotion/Customer Marketing	2	1%
19	Direct Marketing	1	0%
20	Database Management/CRM	0	0%
21	Other	0	0%
	Total	283	100%

Report Details – Agencies with 101 to 500 Employees

3. What was the compensation (fees/commissions—exclusive of pass through amounts) that the agency received for each project assignment?

#	Compensation	Total Responses	%
1	Less than $10k	2	3%
2	$10+K-$25K	0	0%
3	$25+K-$50K	12	17%
4	$50+K-$75K	7	10%
5	$75+K-$100K	6	8%
6	$100+K-$250K	19	26%
7	$250+K - $500K	17	23%
8	$500+K - $750K	4	5%
9	$750+K - $1 million	4	5%
10	More than $1 million	2	3%
		73	100%

4. For the 2103 projects noted above did you have to formally pitch/compete against other vendors in order to get the assignment?

#	Question	Total Responses	%
1	Yes	33	47%
2	No	36	51%
3	Don't know/not sure	1	2%
		70	100%

Answers to this question are broken down by project compensation in #4 in the Executive Summary.

Report Details – Agencies with 101 to 500 Employees

5. In 2013 did your agency participate in any competitive reviews, conducted by a new client/prospect, where the assignment in play was a project?

#	Answer		Response	%
1	Yes		13	59%
2	No - Project pitch opportunities did not occur in 2013		6	27%
3	No - our agency model/philosophy is that we do not normally pitch project assignments		3	14%
	Total		22	100%

Report Details – Agencies with 101 to 500 Employees

6. You indicated that you participated in competitive review/pitch activity for project assignments from new clients/prospects in 2013. Please indicate for up to ten 2013 project review pitches the types of services that were involved. For each project please check all services that apply.

#	Type of Service	Total Responses	%
1	Creative Development (Traditional and/or Digital)	27	17%
2	Strategy	22	14%
3	Concepting	20	13%
4	Website Development	15	10%
5	Social Media	11	7%
6	Online Display Advertising	9	6%
7	Video Production	8	5%
8	PR	7	5%
9	Commercial Production	6	4%
10	Consulting – management, marketing	5	3%
11	Marketing Data Analytics	5	3%
12	Mobile Marketing	4	3%
13	Search Engine Marketing	4	3%
14	Media Planning	3	2%
15	App Development	3	2%
16	Media Buying	2	1%
17	Sales Promotion/Customer Marketing	1	1%
18	Event Marketing	1	1%
19	Direct Marketing	1	1%
20	Database Management/CRM	1	1%
21	Other	0	0%
	Total	155	100%

Report Details – Agencies with 101 to 500 Employees

7. For the project reviews in 2013, please indicate whether any clients required the agency to perform any of the actions listed below. Please check all that apply.

#	Question	Total Responses	%
1	We were required to provide strategy specific to the project	23	64%
2	Were required to do spec creative	11	31%
3	We were required to do spec media planning	2	5%
4	Other	0	0%
		36	100%

8. For the project reviews noted in the previous question, what was the duration of the review process (from the time of the client's invitation until the conclusion of the review)?

#	Length of Review	Total Responses	%
1	Less than 4 weeks	15	38%
2	4+ weeks-8 weeks	17	42%
3	8+ weeks-12 weeks	8	20%
4	12+ weeks-16 weeks	0	0%
5	More than 16 weeks	0	0%
		40	100%

Answers to this question are broken down by what was required in the review in #8 in the Executive Summary.

9. For the project reviews noted in the previous question, did you enter into a formal contract or agreement with the client prospect?

#	Question	Total Responses	%
1	No - there was no formal agreement or contract	9	22%
2	Yes - there was a formal agreement	32	78%
		41	100%

Report Details – Agencies with 101 to 500 Employees

10. For the project reviews that involved a formal contract or agreement, what provisions were included in the agreement? Please check all that apply.

#	Provisions	Total Responses	%
1	Mutual Non-Disclosure of both client and agency confidential information	27	84%
2	Non-Disclosure of client confidential information	13	41%
3	Indemnification responsibilities	7	22%
4	Stipend or fee Payment for agency participation	7	22%
5	Ownership and use of ideas and work product	6	19%
6	Warranties	3	9%
7	Reimbursement of agency out of pocket costs	3	9%
8	Other	1	3%
9	Non-compete terms during the review	0	0%
10	Non-compete terms for a period following the review	0	0%

11. Does your agency have screening criteria for assessing whether or not you will participate in a client/prospect project review?

#	Answer		Response	%
1	No		2	9%
2	Yes		20	91%
	Total		22	100%

Report Details – Agencies with 101 to 500 Employees

12. Below is a list of possible client/prospect project review screening criteria. Please check all the screening criteria that your agency uses.

#	Criteria	Response	%
1	Fit with agency's core competence	20	100%
2	The level of expected agency fee/comp	19	95%
3	Client reputation	19	95%
4	Availability of qualified internal resources to work on the project	18	90%
5	Innovative nature of the project	18	90%
6	The client's budget for the project	17	85%
7	Compatibility of agency & client culture	16	80%
8	Known contacts at senior level in the client organization	13	65%
9	PR value of participating	13	65%
10	Client in an industry not currently served by the agency	12	60%
11	The Client's overall marketing spend history	9	45%
12	Availability of qualified & affordable external resources to work on the project	5	25%
13	Other (please describe below)	0	0%

Please describe any "Other" criteria that you use.

Other Criteria
Good/interesting assignment for our creative people Chance to be "in the know" with client's business. Have AOR-type involvement rather than a one-time vendor
Upside potential.

13. Has your agency established and do you adhere to a minimum fee/compensation threshold that must be met in order for your agency to participate in a project review/pitch from a new client?

#	Answer		Response	%
1	No - We don't have minimum thresholds		4	18%
2	Yes - We have established minimum thresholds & we routinely adhere to them		1	5%
3	Yes - We have established minimum thresholds however we sometimes do not adhere to them		17	77%
	Total		22	100%

14. You indicated that your agency has minimum fee/compensation thresholds. We would like to understand your minimum dollar amount expectation as well as key factors that you incorporate within your minimum fee/comp threshold structure. For example do your minimum fee thresholds vary by type of service required or the scope of the project pitch? Please describe your minimum fee threshold policies in the space provided below.

Minimum Threshold
Minimum $500,000 in fee for a project. Minimum $2,000,000 in retainer for ongoing clients.
Minimum fees are tied to SOW and time necessary to complete the project -- the min fee is a profitable fee for the work completed.
We do have a compensation threshold. That threshold can be overlooked if the client is in a new category for the agency or a highly visible client/category or there is another potential upside like the list in the previous question- PR value etc..
We have become very good at being what clients want in a full service agency - collaborative and integrated. So our way of doing business means a lot of brains and hands touch a project. And when we price a project, we're always very high because of the thoroughness we provide, thus we don't do many at all. We definitely don't pitch them. Those that we end up taking are because they are interesting to us for reasons unrelated to revenue.
Ideally, we enter into project work only when there is the potential for a longer-term relationship from it. Beyond this, we look for opportunities to ideate and execute a 360 integrated campaign with legitimate impact.
$1MM in annual fees. With an interesting project or brand we will sometimes bend this.
For AOR/integrated opportunities, we generally don't pursue opportunities with less than $500K fee potential. For projects, we take on projects with fees of $100K or in some cases lower if it's a company we want to get experience with. We have had great success starting with a project and growing the relationship from there.
Minimum thresholds vary by project type.
Our minimum fee was $500k. However, if an opportunity arises that will provide us with new skills, or an avenue in to a new company or industry, we will waive this requirement to gain the experience/credentials.
No, the minimum fee threshold is a revenue %
Minimum $500,000

Continued

14. Minimum fee threshold policies

Continued

Minimum Threshold
We look at the scope of work against the minimum threshold and the type of brand it is. Is it a brand we would like to have on our roster? Is the scope of work too high for the project budget? Will we lose money or make a minimum profit. Is it a category we need to get back into or want?
Minimum thresholds are based on our size and overhead so that if we do not believe we can deliver the scope in the budget we will not take on a client. That said if the creative opportunity is tremendous or it's a capability growing opportunity we will make a judgement call based on that and usually for opportunities that are a project vs AOR nature.
Typically, we have a $300,000 minimum fee requirement but will move on that somewhat if the engagement compliments our core competencies, offers redeeming social value, presents an opportunity to enter a new (and desired segment).
$300K for integrated marketing types of opportunities; $100 K for PR only. However, we routinely "compromise" and the majority of our initial projects are smaller because we feel that there are growth opportunities with the client/prospect
$350,000
We do not have minimum fee thresholds to work with a client, as a very interesting project could always trump low budget. We are more careful about a minimum fee threshold if we are asked to participate in a review or pitch to earn the business. This threshold could range from $250K to $1MM in fee depending on how much work is required in the review.

Report Details – Agencies with 101 to 500 Employees

15. How does your agency routinely establish agency investment/expense budgets for project reviews and what do those budgets include?

#	Answer		Response	%
1	We do not routinely establish project pitch expense budgets		8	36%
2	We do routinely establish project pitch budgets for out-of-pocket costs but not for internal staff cost allocations		10	45%
3	We do routinely establish project pitch budgets for internal staff cost allocations but not for out-of-pocket costs.		0	0%
4	We do routinely establish project pitch budgets for both out-of-pocket costs as well as for internal staff cost allocations		4	18%
	Total		22	100%

Report Details – Agencies with 101 to 500 Employees

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
1	Project Review processes are efficient/streamlined	9%	9%	23%	50%	9%	22
2	The number of competitor participants in project reviews is limited to 2 or 3	23%	18%	9%	45%	5%	22
3	Project Review processes deliverables are calibrated to the size of the opportunity	9%	18%	14%	55%	5%	22
4	Project briefings are comprehensive and realistic	9%	5%	32%	45%	9%	22
5	Project briefings material is communicated both in face to face session and in writing	9%	14%	27%	36%	14%	22
6	Project reviews allow for working interaction and discussion with key client management	10%	5%	38%	24%	24%	21
7	Project reviews allow adequate time to meet deadlines	10%	14%	29%	48%	0%	21
8	Project review evaluation & selection criteria are clearly communicated	10%	10%	24%	57%	0%	21

Table continued

Report Details – Agencies with 101 to 500 Employees

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
9	Compensation parameters and budgets for the project are discussed upfront	10%	0%	19%	57%	14%	21
10	Compensation parameters and budget change orders are SOP on project work	10%	5%	24%	48%	14%	21
11	Procurement/sourcing manager is involved in the Project Review process	10%	5%	19%	57%	10%	21
12	Procurement/sourcing manager forbids contact with direct client during the Project Review process	10%	10%	24%	52%	5%	21
13	Winner determination and award of the assignment is timely	14%	5%	14%	62%	5%	21
14	Contract terms are efficient/streamlined for projects	10%	5%	33%	52%	0%	21

17. Please share 1 or 2 suggestions in terms of the most important things that a client can do to facilitate an effective efficient and fair project review.

Important Things Clients Can Do
No spec work. Shorter timeline. Fewer contenders and/or rounds.
Base review on experience and case studies and perhaps written process proposal by agencies; not spec thinking of any kind.
Clear objectives, deliverables, budgets and timelines.
- Limit the participant list to 2-3 agencies who have a real chance at being the right fit for the work required - Include all stakeholders / decision makers in every step of the process - Allow for as much in-person chemistry checks as feasible - access and transparency is critical to getting the best from the agencies, and keeping them engaged and motivates
As with any review provide total clarity as to the expectations, the importance of the project within the brand's ad program, and where the awarding of the project work could lead to the agency/client future. Make sure the MSA/contract is written in a way that acknowledges the specific nature of the project assignment.
Have the review be about chemistry of the team. No creative ask.
Allow contact with the decision making client. Let agencies know what other agencies are in consideration (this can help us evaluate what client is really looking for and our likelihood for success)
Be realistic in expectations, budget and timelines.
In an ideal world the client would provide us with their budget. This would allow all agencies to provide recommendations based on funding. Often the client loves our ideas and another agencies budgets and believes we should do what we proposed for their fee. They are not comparing apples to apples. Secondly, we often see conflict between the expectations of the marketing team and procurement. Their end goals are different which often results in procurement requests that don't align with marketing needs.
Understand the reality of the size/scale of their projects, and manage them accordingly. typically projects are treated the same as full scale AOR reviews, and that not worth the agency's time and effort.
Lay the budget parameters up front
Ensuring that the pitch brief is relative to the time and money of the project
First and foremost, they must identify the budget for the project. It is even more important for this to happen with a project--even more than with an AOR pitch. Stick to the schedule since it is for a project.
Be realistic about scope and budget; fewer tissues so agency keeps their eye on the big picture vs just racing to get to a meeting.
1. Know the agencies and whether they really fit your business and your request. 2. Don't ask us to solve a problem if you can't define the problem.

Continued

17. Please share 1 or 2 suggestions in terms of the most important things that a client can do to facilitate an effective efficient and fair project review.

Continued

Important Things Clients Can Do
Some of the review timelines have been too short. Agencies also have daily clients they are doing work for. Having a company or consultant ask to turn around a capabilities or RFI in 24-48 hours is unacceptable. Also- access to key decision makers is especially important. Having face to face meetings with them or at least phone time would help tremendously.
Pick a thoughtful, logical set of prospective agency partners. Know what you are looking for. Allow opportunity for meaningful discussion with the client.
Clearly communicate context of the project in the client's overall marketing. Is there possibility for incremental work beyond the project? Does the project qualify the agency to be an approved vendor? Clients should also limit the agency's pitch deliverable to the project itself.
Stick to agreed upon deliverables and timing
Be very clear in terms of scope. Spell out what elements of the scope are fixed and which are flexible. Be very clear in terms of how much information you are expecting in agency responses. Some clients seem to think that by being vague, they can see which agencies are willing to go above and beyond. However this often just reflects how busy an agency is, not how qualified they are.

18. Please share 1 or 2 suggestions in terms of the most important things that agencies can do to succeed and economically prosper when participating in a review for a project.

Important Things Agencies Can Do
Recognize it's not an AOR pitch and scale effort accordingly.
Scope the workload and add 15%
- Don't pursue project opportunities that you don't align with your skills / capabilities and interests. Say no
Be VERY thorough in developing or approving the SOW; make sure the SOW includes the time necessary to go through the scope and MSA process.
Ensure that the client budgets meet the agency's minimum threshold for fees over a period of time.
Be honest to yourself about the potential value beyond the project.
Good question. I guess stick to our guns and not take work that is below our profitability margin. We often talk ourselves into work believing that it will provide us with access to more work from that company. In fact, they take advantage of agencies looking to do good work for these big brands at low prices.
Limit investment, be selective about participation. the more we choose not to participate in small project pitches, the better off we will all be.
Obtain scope of work and budget up front
We must put the resources against a project pitch that are commensurate with the opportunity. Don't overdo it! Create a scope of work and service plan upfront to see if you can even make a profit. Do the exercise upfront.
Stick to your decision criteria when deciding whether or not to pitch; put the right people on the pitch vs everyone in the agency available
1. Focus on the client's needs (even if their request/rules seem to indicated otherwise). 2. Put a budget on the new business effort and enforce it.
Keep the teams small and nimble, don't add on too many team members to complete the response.
1. Be discerning. Have a go/no go process. 2. Focus on fewer, bigger, better opportunities, and then commit and go all in. If you're going to pursue, don't do it half assed.
Agencies can stop "playing chicken" with projects by doing more than pitch requirements in the hopes of winning business beyond the footprint of the assignment. Apple to apple, not beyond.
Hold client accountable for final deliverables and expectations.
Define for the client what you are willing to do/provide in there review/pitch. We have found that some clients are flexible and will accept a statement or presentation of approach instead of spec creative or media work or even "thought starters" which have been requested.

Report Details – Agencies with More than 500 Employees

Size of Agencies by # of Employees

#	Answer		Response	%
1	Up to 100		0	0%
2	101 to 500		0	0%
3	More than 500		13	100%
	Total		13	100%

Primary Service Offerings of Agencies

#	Answer		Response	%
1	Full Service [i.e., a combination of Traditional (offline) and Digital/Interactive (online) services]		7	54%
2	Creative Services		0	0%
3	Media Services		1	8%
4	Digital/Interactive Services		3	23%
5	Other Services (Direct, PR, Promotions, Events, etc. - please describe below)		2	15%
	Total		13	100%

Report Details – Agencies with More than 500 Employees

1. In 2013 did your agency work on any project assignment(s) from clients that the agency did not work with in recent prior years (2010-2012)? This should include projects that involved reviews/pitches and projects that were awarded without a review/pitch.

#	Answer		Response	%
1	No		3	23%
2	Yes		10	77%
	Total		13	100%

2. What types of project assignments, from new client/prospects, did your agency work on in 2013? For each project please check all services that apply.

#	Project Assignment	Total Responses	%
1	Strategy	28	14%
2	Concepting	25	13%
3	Creative Development (Traditional and/or Digital)	24	12%
4	Social Media	16	8%
5	Website Development	14	7%
6	Online Display Advertising	11	6%
7	Search Engine Marketing	9	5%
8	Commercial Production	8	4%
9	Video Production	8	4%
10	Media Planning	8	4%
11	Media Buying	8	4%
12	Database Management/CRM	6	3%
13	Consulting – management, marketing	5	3%
14	Marketing Data Analytics	5	3%
15	App Development	5	3%
16	Sales Promotion/Customer Marketing	5	..3%
17	Event Marketing	5	3%
18	Mobile Marketing	3	2%
19	Direct Marketing	2	1%
20	Other	1	1%
21	PR	0	0%
	Total	196	100%

Report Details – Agencies with More than 500 Employees

3. What was the compensation (fees/commissions—exclusive of pass through amounts) that the agency received for each project assignment?

#	Compensation	Total Responses	%
1	Less than $10k	0	0%
2	$10+K-$25K	1	2%
3	$25+K-$50K	5	10%
4	$50+K-$75K	5	10%
5	$75+K-$100K	5	10%
6	$100+K-$250K	6	12%
7	$250+K - $500K	11	22%
8	$500+K - $750K	10	20%
9	$750+K - $1 million	4	8%
10	More than $1 million	4	8%
		51	100%

4. For the 2103 projects noted above did you have to formally pitch/compete against other vendors in order to get the assignment?

#	Question	Total Responses	%
1	Yes	37	73%
2	No	14	27%
3	Don't know/not sure	0	0%
		51	100%

Answers to this question are broken down by project compensation in #4 in the Executive Summary.

Report Details – Agencies with More than 500 Employees

5. In 2013 did your agency participate in any competitive reviews, conducted by a new client/prospect, where the assignment in play was a project?

#	Answer		Response	%
1	Yes		9	69%
2	No - Project pitch opportunities did not occur in 2013		1	8%
3	No - our agency model/philosophy is that we do not normally pitch project assignments		3	23%
	Total		13	100%

Report Details – Agencies with More than 500 Employees

6. You indicated that you participated in competitive review/pitch activity for project assignments from new clients/prospects in 2013. Please indicate for up to ten 2013 project review pitches the types of services that were involved. For each project please check all services that apply.

#	Type of Service	Total Responses	%
1	Strategy	25	17%
2	Creative Development (Traditional and/or Digital)	23	16%
3	Concepting	19	13%
4	Social Media	12	8%
5	Website Development	11	7%
6	Video Production	10	7%
7	Media Planning	8	5%
8	Media Buying	7	5%
9	Event Marketing	6	4%
10	Marketing Data Analytics	5	3%
11	Sales Promotion/Customer Marketing	5	3%
12	Commercial Production	4	3%
13	Database Management/CRM	4	3%
14	App Development	3	2%
15	Mobile Marketing	2	1%
16	Consulting – management, marketing	1	1%
17	Direct Marketing	1	1%
18	Search Engine Marketing	1	1%
19	Online Display Advertising	0	0%
20	PR	0	0%
21	Other	0	0%
	Total	147	100%

7. For the project reviews in 2013, please indicate whether any clients required the agency to perform any of the actions listed below. Please check all that apply.

#	Question	Total Responses	%
1	Were required to do spec creative	17	46%
2	We were required to provide strategy specific to the project	17	46%
3	We were required to do spec media planning	3	8%
4	Other	0	0%
		37	

8. For the project reviews noted in the previous question, what was the duration of the review process (from the time of the client's invitation until the conclusion of the review)?

#	Length of Review	Total Responses	%
1	Less than 4 weeks	11	34%
2	4+ weeks-8 weeks	12	38%
3	8+ weeks-12 weeks	8	25%
4	12+ weeks-16 weeks	0	0%
5	More than 16 weeks	1	3%
		32	100%

Answers to this question are broken down by what was required in the review in #8 in the Executive Summary.

9. For the project reviews noted in the previous question, did you enter into a formal contract or agreement with the client prospect?

#	Question	Total Responses	%
1	No - there was no formal agreement or contract	18	56%
2	Yes - there was a formal agreement	14	44%
		32	100%

Report Details – Agencies with More than 500 Employees

10. For the project reviews that involved a formal contract or agreement, what provisions were included in the agreement? Please check all that apply.

#	Provisions	Total Responses	%
1	Mutual Non-Disclosure of both client and agency confidential information	14	100%
2	Non-Disclosure of client confidential information	12	86%
3	Indemnification responsibilities	12	86%
4	Ownership and use of ideas and work product	3	21%
5	Non-compete terms during the review	0	0%
6	Non-compete terms for a period following the review	0	0%
7	Warranties	0	0%
8	Stipend or fee Payment for agency participation	0	0%
9	Reimbursement of agency out of pocket costs	0	0%
10	Other	0	0%

11. Does your agency have screening criteria for assessing whether or not you will participate in a client/prospect project review?

#	Answer		Response	%
1	No		0	0%
2	Yes		13	100%
	Total		13	100%

Report Details – Agencies with More than 500 Employees

12. Below is a list of possible client/prospect project review screening criteria. Please check all the screening criteria that your agency uses.

#	Criteria	Response	%
1	Fit with agency's core competence	12	100%
2	Known contacts at senior level in the client organization	11	92%
3	Client reputation	10	83%
4	The level of expected agency fee/comp	10	83%
5	The client's budget for the project	10	83%
6	Compatibility of agency & client culture	10	83%
7	The Client's overall marketing spend history	8	67%
8	Availability of qualified internal resources to work on the project	8	67%
9	Client in an industry not currently served by the agency	7	58%
10	Innovative nature of the project	6	50%
11	PR value of participating	5	42%
12	Availability of qualified & affordable external resources to work on the project	2	17%
13	Other (please describe below)	4	33%

Please describe any "Other" criteria that you use.

Other Criteria
We do not participate in projects for new biz/new clients
Legitimate potential for likely follow-on work/relationship as a result of performing project work
No spec strategy or creative required.
We also evaluate based on the process outlined. - Will we have access to the client? - Will there be work sessions or interim meetings? - Will all the decision makers participate throughout the process? - Etc.

13. Has your agency established and do you adhere to a minimum fee/compensation threshold that must be met in order for your agency to participate in a project review/pitch from a new client?

#	Answer		Response	%
1	No - We don't have minimum thresholds		6	46%
2	Yes - We have established minimum thresholds & we routinely adhere to them		1	8%
3	Yes - We have established minimum thresholds however we sometimes do not adhere to them		6	46%
	Total		13	100%

Report Details – Agencies with More than 500 Employees

14. You indicated that your agency has minimum fee/compensation thresholds. We would like to understand your minimum dollar amount expectation as well as key factors that you incorporate within your minimum fee/comp threshold structure. For example do your minimum fee thresholds vary by type of service required or the scope of the project pitch? Please describe your minimum fee threshold policies in the space provided below.

Minimum Threshold
Minimum is approximately $500k. Going below this is largely based on realistic opportunity for additional follow-on work after the project is completed.
Depends of profit of the opportunity as well as potential revenue after project completion. We have a specific scientific excel sheet that makes the decision for us.
Our target minimum fee is $500,000. We will make exceptions if it's a category with which we have limited experience, but want to grow. Or if it's a brand or a project we feel particularly strongly about.
For AOR pitches, we have a minimum of roughly $2MM in fee. For projects, the fee must be more than $500K to consider it. There may be different types of project oriented pitches, but we typically don't go through a pitch process to win a project.
$20,000
Depending on the office participating in the review, there is generally a minimum fee/comp threshold that we adhere to. However, if the client happens to offer something more valuable such as high PR value if won, or it is a trojan horse strategy for a company with a portfolio of brands, etc, we consider pursuing.
Thresholds vary based on a few criteria: - is it an AOR or project based assignment? - is it a category we are trying to get it? - what is the long term potential? - will the work outweigh the cost of doing business (i.e., - do we think it will generate PR, awards, etc.)?

Report Details – Agencies with More than 500 Employees

15. How does your agency routinely establish agency investment/expense budgets for project reviews and what do those budgets include?

#	Answer		Response	%
1	We do not routinely establish project pitch expense budgets		4	31%
2	We do routinely establish project pitch budgets for out-of-pocket costs but not for internal staff cost allocations		5	38%
3	We do routinely establish project pitch budgets for internal staff cost allocations but not for out-of-pocket costs.		0	0%
4	We do routinely establish project pitch budgets for both out-of-pocket costs as well as for internal staff cost allocations		4	31%
	Total		13	100%

Report Details – Agencies with More than 500 Employees

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
1	Project Review processes are efficient/streamlined	23%	8%	31%	31%	8%	13
2	The number of competitor participants in project reviews is limited to 2 or 3	15%	31%	15%	15%	23%	13
3	Project Review processes deliverables are calibrated to the size of the opportunity	15%	15%	15%	54%	0%	13
4	Project briefings are comprehensive and realistic	15%	15%	8%	62%	0%	13
5	Project briefings material is communicated both in face to face session and in writing	15%	8%	46%	31%	0%	13
6	Project reviews allow for working interaction and discussion with key client management	15%	8%	31%	46%	0%	13
7	Project reviews allow adequate time to meet deadlines	15%	0%	31%	54%	0%	13
8	Project review evaluation & selection criteria are clearly communicated	15%	0%	46%	31%	8%	13

Table continued

16. Based on your 2013 experience with project reviews/pitches please rate/assess your experience relative to the project review dimensions noted below.

Continued

#	Question	Not Applicable	Almost Never	Rarely	Sometimes	Almost Always	Total Responses
9	Compensation parameters and budgets for the project are discussed upfront	15%	23%	38%	15%	8%	13
10	Compensation parameters and budget change orders are SOP on project work	15%	15%	46%	15%	8%	13
11	Procurement/sourcing manager is involved in the Project Review process	15%	15%	8%	54%	8%	13
12	Procurement/sourcing manager forbids contact with direct client during the Project Review process	31%	8%	8%	38%	15%	13
13	Winner determination and award of the assignment is timely	15%	15%	8%	62%	0%	13
14	Contract terms are efficient/streamlined for projects	15%	15%	31%	38%	0%	13

17. Please share 1 or 2 suggestions in terms of the most important things that a client can do to facilitate an effective efficient and fair project review.

Important Things Clients Can Do
Be detailed and upfront about budget and scope, and likelihood of long term engagement (and what that could look like)
Be transparent with the budget and budget-to-fee ratio you're looking to spend on a project. We can approach projects in many ways, and the best guide to our approach is often budget parameters. Be honest with the potential for additional work following the project. We offer many services, but understand you may have all the partners you need, except for the specific project. So if there's no potential for work after the project, don't tell us there is to keep us interested in the project.
Be transparent with budgets and future opportunity potential.
Clearly define the scope, the expectations of the agency, and the potential for work beyond the initial project.
Small number of participants. At least one client/agency meeting with a solid briefing. And check-ins along the way. Keep the pitch short and contained and make it very clear that speculative work will not be evaluated.
Limit the number of agencies participating. Require little original, if any, thinking in selection criteria.
Run a review like you'd want real work to happen - inclusive, engaged and properly funded.
Share up front what their expectations and budgets are.
Fewer agencies competing and be open to the idea of a project being the first step in what could be an AOR relationship.
Keep in mind that agencies are being offered a project assignment and address accordingly. Try to keep expectations and deliverables inline w/ the potential size of the prize and the timeline allocated.
Stay on schedule, commit to a budget or range, provide minimum 1-hour live interaction with agencies. Streamline process.

18. Please share 1 or 2 suggestions in terms of the most important things that agencies can do to succeed and economically prosper when participating in a review for a project.

Important Things Agencies Can Do
Vetting is really critical to deciding what to pursue and ensure good ROI on project based work
Tool and staff for short term, quick-turn projects, rather than rely on AOR staffing approaches and budget levels.
Qualify, Qualify, Qualify. And assign a budget.
Establish a very clear scope and stick to it. Don't unintentionally give away related services.
Screen heavily and demand the time and consideration of the person in charge of the decision. If they won't give it, walk away.
Do not participate if the review requires original thinking - either strategically or creatively. Require higher margin than AOR.
Stop making pitches a beauty contest... get back to substance, not sizzle
Ask the tough questions before making the decision to pursue. And if client interests aren't aligned or don't complement the agencies', don't pitch.
Know your limits and understand the budget parameters so as not to lose money.
Be careful that you do not over invest (ie - spend too much, assign too many teams, etc.) and be careful not to over deliver (ie - do not come back with more than what is required for the particular assignment).
Say NO. (unless opportunity is outstanding.) Require budgets (total and agency fee) Weed out "procurement fodder" opportunities