



ANA/AAAA BEST PRACTICES IN AGENCY SEARCH AND SELECTION PROCESS



A Position Paper from the American Association of Advertising Agencies & the Association of National Advertisers, Inc.

The purpose of this document is to identify best practices that may facilitate the agency search and selection process for advertisers, agencies, and search consultants. It has been endorsed by the boards of directors of the Association of National Advertisers, Inc. (ANA) and the American Association of Advertising Agencies (AAAA).

1. Confidentiality

All parties involved in a search should keep the search and all its aspects confidential, unless and until all parties agree otherwise.

2. Conflict Disclosure

Reasonable efforts should be made to identify and resolve potential conflicts at the beginning of the search and selection process.

In the interest of saving time and effort, any and all participants in the search process should state their conflict policies upfront.

3. Agency Access to Advertiser

The advertiser needs to retain ownership of the search process and should ensure that its “decision makers” are involved at all stages of the search process, even when the advertiser has engaged a search consultant to facilitate the effort.

During the search, agencies should be allowed sufficient access to the advertiser to ensure that both the agency and the advertiser can assess mutual compatibility and the quality of each party’s strategic thinking. Such direct access ensures stronger understanding of the brief, leading to more on-target proposals and, ultimately, a better selection.

4. Use of Standardized Questionnaire

The use of the AAAA standardized new business questionnaire can expedite the review process. This questionnaire solicits answers to most of the questions needed for advertisers and/or consultants to evaluate agency credentials vis à vis their basic search criteria.

Questionnaires completed by agencies registered in the AAAA’s online search database program are available at www.AAAAagencysearch.com. This service is provided without cost to advertisers and consultants.

5. Number of Agencies Included

The optimum number of agencies to be included on a “Long List” or a “Short List” will vary. However, including an excessive number of agencies will detract from the focus and quality of the search process



and may dilute the efforts of the participating agencies.

Only agencies under serious consideration should be on a long or short list. Simply listing a straw man or an agency to fill out the roster should be avoided – there is too much work involved for all parties.

6. Timetable for the Search Process

Each agency search varies in scope and the timeline for the search is affected accordingly, with the primary variable being the expected deliverables. Timelines must take into consideration the level of effort required to develop those deliverables.

A timetable that is too short, or unnecessarily long and drawn out, is a drain on the resources of all parties and should be avoided.

The timetable for the search process should be presented and agreed to at the beginning of the process and all parties should be expected to adhere to it.

7. Compensation Parameters

The selection process primarily is driven by strategic and creative considerations. But agency compensation is an important element of the advertiser/agency relationship and should be discussed in reasonably broad parameters early in the process, with detailed negotiations to follow.

Recognizing that both agency and advertiser have their own fee or compensation objectives, fair-minded people generally reach agreement.

“Take it or leave it” proposals at the end of the selection process almost universally jeopardize the likelihood of a healthy relationship and should be avoided. “Pitch Fees,” and what they cover, should be established at the earliest possible stage of the search process.

8. Searches for Unidentified Advertisers

While sometimes necessary, searches for unidentified advertisers are generally less effective, since agencies are reluctant to respond to requests for proprietary or sensitive information until the prospect is identified and the review is official.

Obtaining specific information from agencies can be expedited by providing written confirmation that the review is being conducted on behalf of a company, service, or product not in conflict with a list of current clients provided by the agency.

Advertisers and consultants can obtain basic agency information through most agencies’ Web sites, www.AAAAagencysearch.com, and other search databases. Most other agency search Web sites, including www.AAAAagencysearch.com, maintain advertiser/consultant anonymity.