



Hrvatska udruga za odnose s javnošću
Croatian Public Relations Association

CODE OF PRACTICE FOR THE PR AGENCY SELECTION PROCESS

To promote and drive the common interests of PR agencies/communications management firms, and provide, develop and maintain the highest possible standards of professionalism, the Agency Section of the Croatian Public Relations Association (CPRA) presents the following:

1. Pitch guidelines

These guidelines have been designed for both sides involved in the pitch process: the client, who is selecting an agency, and the member agency of the Agency Section of CPRA. Throughout the pitch process, the following should be taken into consideration:

For the client, building a good corporate image is of major importance. Image is built on continuous communication with key audiences. The way key audiences are addressed contributes to the company's image, and consequently to achieving the client's business objectives. That is why it is so important for the client to select an agency that will help it achieve its goals.

If the client decides to advance one or all sections of its communications management with the assistance of a new agency, it should first review its history with the agency already in place.

If the potential client contacts more than one agency with a request for proposals for any of its projects, it has initiated the competitive pitching process, regulated by this code of practice, which requires all members of the Agency Section of CPRA to adhere to the following principles:

- If the member agency of CPRA is contacted by a potential client with a request for proposal based on a brief communicated in person or in writing, the member agency is required to ask how many agencies have been contacted by the client
- If the potential client has contacted more than one agency, the member agency is required to inform the client that it must abide by the pitch rules accepted by all member agencies of CPRA and send these rules to the client and answer any additional questions the client might have.

If the client only asks the agencies for credentials and/or its standard price list, this is not considered to be the beginning of a competitive pitching process.

The pitch process principles do not apply in the case of crisis communication management; agencies can respond to requests from clients that are selecting agencies based on their credentials list. If in addition to credentials, the client also asks for concrete communication suggestions and proposals in such a case from more than one agency, the process is considered to be a competitive pitching process regardless of the crisis communication situation and is subject to this code of practice.

If the potential client decides to conduct a competitive pitching process, it does not have to request a bid for the entire project – the scope of activity can focus on just one portion, e.g. strategy development or just part of the implementation.

If it decides to conduct a complete competitive pitching process, the potential client and agency/agencies should reach an agreement in advance about copyrights, confidentiality of any documents and information the client gives to the agency/agencies and vice versa and about financial considerations. Financial considerations include compensation for agencies participating in the pitch.

These guidelines and principles are binding for all Agency Section members of CPRA and are the standard for any potential clients and other market communications stakeholders. It is the duty of all Agency Section members of CPRA to point out any discrepancies from these guidelines and principles to clients and agencies that are not members of the Agency Section of CPRA and to initiate a procedure to determine violations of these guidelines and principles within the CPRA.



1.1. Pitch lists and process

The client can decide to handle the pitch process in one of the following ways:

a) Long-listing agencies for selection

The client can but needs not include this step in the pitch process. If the client decides to include this step, it selects a certain number of agencies which it invites to participate in the pitch. With the invitation (usually sent in written form), the agency also receives a document specifying:

- the name of the project
- outline and main objectives of the project
- how the client expects the agency to contribute to the project (specialized area of communications management).

In addition to the above, in the documentation sent to agencies the client also specifies the deadline for submitting their response, details on how the agencies will be notified whether they meet the client's criteria for the request for proposal, and the deadline for the RFP itself.

The main purpose of this step is to collect as much possible information about potential agencies, with particular interest in their achievements to date in areas of communications management relevant to the client. Unlike the RFP documentation which the agency must submit to the client which is very precisely specified, this step leaves it up to the agency to decide which documents it wishes to send, to reinforce its interest in participating in the pitch.

In general, agencies respond to this preliminary invitation by sending their credentials, in which they introduce their company and submit a list of similar projects and/or professional experience and achievements in the requested area of specialty. Also, agencies in general propose in advance the team of consultants with experience in that field of expertise who could work on the project and enclose their respective CVs.

On the other hand, for shortlisting purposes the client can send the agencies a general questionnaire which they fill in and send back if they are interested in participating in the pitch.

After the deadline has expired, the client notifies each agency whether it has met the criteria and invites the selected agencies to send their proposals.

b) Sending requests for proposals to selected agencies

The client can decide to skip the preliminary selection described above (which is a step preceding the request for proposals) and directly invite agencies to pitch. Unlike the long-listing process, the request for proposals is sent to a smaller number of (selected) agencies (usually three, no more than four agencies) with much more detailed documents defining the rules of the pitch process. In addition to an introductory letter, the agencies invited to bid usually receive the following documents:

- Basic rules of the pitch process – a document describing in detail:
 - the procedures regarding the RFP: deadlines for preparation and submitting the proposals, addresses, contacts and deadlines for inquiries about the RFP, ways to participate in the pitch (consortiums and consortium rules or pitching independently), procedures and rules for opening the bids/presenting the proposals
 - the preparation and ways of sending/presenting the proposal: language(s) of the proposal, type of proposal (technical and financial) and specifications (whether to include concrete creative solutions or just strategic proposals)
 - criteria which will be used to evaluate the pitch and method which will be used to select the agency – informing the agencies whether the criteria were met



- etc.
- Brief – a document describing in detail the project, its goals, target audiences, what the client expects of the agency, budget, project timeframe etc. You can read more about the brief in chapter 2: Brief guidelines
- Documents (forms) that need to be completed and that represent part of the agency's proposal – in general the client asks the agency to prepare both a Technical and Financial bid. While the Technical bid includes individual proposals, guidelines and any creative submissions of the agency (depending on the client's requirements specified in the invitation), the Financial bid includes a detailed analysis of costs necessary to execute the project.
- Draft agreement – a standard agreement/sample to be signed by the client and selected agency. This document is very useful both for the agency and the client because agencies can get insight into the provisions of the agreement in advance and express any objections during the pitch process.

1.2. CPRA Agency Section: pitch process principles

The following principles have been designed to optimize the quality of the agency's response and help ensure that the client selects the ideal partner for a new, long-term relationship.

1. Outline

The potential client should prepare an outline of the project and analyse the role of PR and other market communications functions in the expected outcome of the project. The client needs to define what it expects from the agency and consider what type of agency it wants to hire, depending on the project itself and the budget. The client should explain the pitch process to its existing agency, and can even include it in the pitch process.

2. Shortlisting (no more than 3 agencies)

The shortlist should include no more than three candidates, four only if it also includes the existing agency. The candidate agencies should know how many agencies have been shortlisted and whether the existing agency has been invited to participate as well. The potential client should confirm in writing that the pitch procedure and list of pitching agencies will be treated as confidential information and should send all the contenders the same documents and share identical information with each agency.

3. Assessment of competitive pitch presentations to assist decision-making and framing the brief

The potential client should write a concise but complete brief for the agencies, including goals of the project and a budget outline, taking into consideration the critical factors for the final selection process. The potential client should also determine and advise the agencies of the criteria for judging the presentations (scoring system). The brief must specify whether the client expects just strategic proposals, strategic proposals supported by certain creative concepts or a full-blown creative pitch, in which case compensation for the agencies should also be defined. All contenders should respect the wishes of the client in this respect. The client must clearly define what type of service it expects from its preferred agency and should determine the (approximate) timeframe for the presentation and how the proposal should be submitted. Considering the detailed information disclosed about the company and project, it is advisable to include a confidentiality clause in the brief.

4. Response time



The potential client should prepare a clearly defined timeframe for the pitch process and make sure that all contenders are treated equally. The agencies should be given adequate time to prepare their responses and presentations.

5. A fair and unbiased evaluation and mandatory financial compensation for the pitchers

The potential client should cover financial considerations in advance and determine the financial compensation (mandatory) for the agencies participating in the pitch. The same conditions should be applied to all agencies, including the present agency if it is competing as well. The basic goal is to motivate agencies to create the best solutions possible. Agencies shouldn't expect to gain a profit but receive compensation for the basic costs of their submissions.

6. Market data and explanations

To help ensure the agencies prepare the best submissions possible, the potential client has to be prepared to share all relevant market data and research with them, including an evaluation of existing PR activities. The potential client needs to appoint a contact person from its own team whom the agencies can contact for any additional questions, explanations or requests, in order to ensure consistency of response. All agencies should be in the same position to access additional information.

7. Objective assessment system

The potential client needs to ensure that all members of the in-house selection panel have access to the identical information and that they participate in each pitch presentation i.e. evaluation of the submissions. If a presentation is required of the agencies, at the beginning of the presentation session, the client should introduce the members of the selection panel (their roles and functions) to the agency's team. The client needs to establish an objective assessment system and explain in advance to the pitching agencies which criteria (and weight, if any) will be used in the decision process.

8. Advising the results speedily and accurately

After the pitch presentations or after receiving the agency's submissions, the client should decide on the preferred agency within as short a period as possible, ideally within a week. The client should establish a clear procedure for notifying the preferred agency about the decision. It is generally accepted that the decision should be advised simultaneously to all the other contenders as well.

9. Acknowledgement of copyright ownership

All conceptual or physical work undertaken by the agency remain the ownership of the agency. If the potential client is interested in any of the ideas created by the agencies or one of the agencies which was not selected, the client and agency should start negotiations to purchase copyrights. The client can keep only material which is paid for. Using material which the preferred agency submitted/presented is usually regulated with the final agreement between the client and agency.

10. Relationship with agencies failing to win the business

After the preferred agency has been selected, the client should provide a polite and as detailed possible explanation for those agencies that failed to win the business about why they have been turned down. These agencies need to return all confidential material and information they received from the client. If requested, the client needs to return the agency's presented/submitted material. The client has to fulfil its contractual obligations towards the outgoing agency, particularly with regard to the contracted notice period and payment of all outstanding debts. The client needs to make sure that the outgoing agency cooperates fully with the new agency on transferring material which according to the contractual provisions belongs to the client, whether the material is returned to the client or is handed over to the new agency.



11. Welcoming the new agency

The selected agency should be debriefed about the basis for the positive decision, bearing in mind that this is the beginning of a long-term and mutually beneficial relationship.

2. Brief guidelines

1. General overview

The pitches will only be as good as the brief. The brief is the basic source of information for the agencies and the more detailed it is, their understanding of the project will be better and they will get greater insight into the expectations of the client, resulting in more high-quality, creative and concrete proposals. The brief should be prepared in written form and the client should make sure that all the pitchers receive identical information and facts, ensuring fair starting positions for all those competing.

Before the brief and RFP documentation is sent to the agencies, the client needs to confirm that the brief has been signed off by in-house decision makers. It is not uncommon for agencies to work hard and long to fulfil the tasks set out in the brief, only to find out that the contents and direction had not been agreed and confirmed. Besides, the client should check whether the brief is understandable and try to determine whether any parts are open to free interpretation, and if so, make those parts as clear as possible.

2. Parts of the brief

a. General info

Includes information about the company, its market position and status, products, etc.:

- Information about the company and its products – outline and major information
- Market size and type – basic information about the market and the company's competitive position
- Competition – a list of relevant peer companies with their basic information and market positions
- Problem areas/markets

b. Project background

- Basic information about the project – new product launch, improving the corporate image, reorganization, etc.
- Project background
- Main reasons for launching the project
- Prior activities, efforts and results
- Project advantages/disadvantages
- Special circumstances, risks – any limitations or special circumstances that influence the project
- Research and analysis - all research, either published or conducted for internal purposes

c. Goals

- Business – concrete business goals which the company wants to achieve with the project
- Communicational – what the communication is intended to achieve



d. Key messages

If possible, it's preferable for the client to define the messages it wishes to convey with the communication strategy and activities.

e. Target audiences

Target audiences need to be well defined and ranked according to significance (primary, secondary, etc.) Target audiences can include:

- customers, consumers and potential customers
- owners/shareholders
- employees
- suppliers and business partners
- local community
- investors – money market
- media
- opinion makers
- state institutions and officials
- general public
- etc.

f. Budget

Even if a budget hasn't been defined, the client needs to determine an approximate budget outline, for example "no less than X and no more than Y". This will help the consultants to create a proposal within the limits and concentrate all their energy on the important issues. Not all clients will have budgets defined in advance, but both sides will just be wasting time if the agency prepares a plan which exceeds the budget.

Wherever possible, it is necessary to specify what should be included in the budget, e.g. the price of production, literature, exhibitions, conferences, research, sponsorships, roadshows and compensation. If there are any guidelines regarding allocation of funds, e.g. for agency employee hours, third party fees etc., such information should be included in the brief.

g. Tasks set before the agency - deliverables

In defining the project deliverables, it is necessary to describe the role of the agency and make a detailed list of all activities, services and work expected of the agency, i.e. everything the potential client expects the agency to do for the project.

h. Deadlines

Depending on the stages of the project, the potential client needs to define the deadlines for the agency to present the deliverables.

i. Methods of cooperation and reporting

The potential client needs to appoint its own team of employees that will be cooperating with the agency as well as the bases and methods of cooperation/communication and reporting methods and periods.

j. Evaluation

The potential client needs to define how the activities undertaken will be evaluated after the work is done and if and what is expected from the agency in this regard.