Working Successfully with an Agency

The directors of *Facilitate* have many years' experience in the agency world and offer these thoughts to product managers new to working with agencies. The views are very much personal ones.

What can an agency do for you?

There are a large number of medical communication/education agencies. Nearly all of those that work on global marketing support for the pharmaceutical industry (and therefore operate in the English language) are based in the UK or the USA. Some are small "boutique" agencies offering specialised services, while others are multinational companies that provide a complete range of services.

In essence, an agency can do anything for you that you cannot get done internally, either because your company does not have the resources or because these internal resources are too stretched. The range of agency services is very wide; for example:

- Strategic marketing
- Meeting and conference organisation
- Publications planning
- Writing and editorial services
- Video production
- Multimedia and web design
- Exhibition design and management.

The larger companies offer all of these – a kind of "one-stop shop" – and if you have a large marketing programme to roll out these are a good choice, not least because you do not have to deal with a lot of different companies. These large agencies prefer to work on "programmes"; ie, an ongoing series of activities and projects related to one account. Many pharmaceutical companies typically employ one or two such agencies for their entire marketing support services.

Size matters in the agency world. The smaller agencies provide a more personal touch, are less process-driven and can be more cost-effective for smaller projects. Most are honest enough to admit when a project is too large for them. The larger agencies should cope well with anything you throw at them but staff are often stretched because of the need to keep them fully occupied. Lastly, match the agency's size with your overall budget.

Preparing the brief

You have decided that you need to work with a medical education agency, either on specific projects or on long-term support for your product. This might be leading up to launch or on post-launch marketing activities. The first step is to prepare a brief for the agency.

The more thorough your brief, the better the agency will understand your needs and issues. (This process will also help clarify your own requirements and ensure that they are in line with those of your team.) The brief should be reviewed by the team members who will be part of the selection process and will be involved in working with the appointed agency.

A typical brief will include the following information:

- Objectives of the project (or programme)
- Scope of the project, including the tasks expected of the agency
- Timeline for completing the project or programme of projects
- Commercial and scientific background
- Your budget for the project (optional, but it helps prevent an agency getting carried away)
- How you would like the agency's budget presented
- Your expectations of the agency:
  - Working practices and procedures
  - Allocated team
- How success will be measured
- The pitch process:
  - Proposal submission date
  - Number of copies and format (eg, electronic submission and/or paper copy)
  - Will a presentation be required? If so, provide actual or estimated dates.

A good brief will also make comparisons between agencies easier when it comes to deciding on the winner.

Selecting agencies to bid

As part of developing the brief, you will define the qualities and skills that are important to you. For example, you may need a company with experience in your therapy area, but this could mean that they have a conflict with another account. Your product's mode of action, if particularly complex, may be more important than the area of medicine in which it will be used. Alternatively, you may be looking for creative ideas or specific skills in technical areas, and therapeutic area knowledge may not therefore be as important. Think about what is more important in terms of the expertise required.

You should ask colleagues which agencies they have positive (or negative) experiences with, or you may have a list of preferred suppliers that your company considers provide a high standard of service. Your company will probably have guidelines on how many bids you need for the level of budget expenditure you are planning.

Don't be tempted to ask for too many bids – the more bids you have, the more work it will involve you and your team in. In addition, responding to a brief takes agencies a great deal of time and money and to be fair you should limit the number to 3 or 4. When agencies know that there are a limited number of companies that have been asked to pitch, they will put more effort and resources into developing their proposal.

Capabilities presentation
If you are new to the agency arena and would like to know more about them before deciding who to invite to bid, think about simply asking for a capabilities presentation to begin with. They will have this ready prepared and are always happy to present it as it takes relatively little effort to do so.

A capabilities presentation should really last no longer than one hour, with a further 30 minutes for questions and discussion. You may wish to brief each agency in advance of the meeting on what will be important for your company; for example:

- The areas of expertise, both technical and therapeutic
- Examples of their creative approach to problem solving
- Their company's structure, resources and key personnel
- Profiles of editorial and account management personnel who typically work on major projects
- The company's financial processes
- The company ownership and interrelationships of other companies in the group, if any
- Flexibility – eg, out-of-hours contact details, weekend working
- Likely conflicts of interest
- What happens if things go wrong?

A good capabilities presentation should be interactive and not a chance for an agency to present a flawless profile of itself. You should ensure, if possible, that the people who would work on your account will attend this presentation (see Appendix – *Agency Roles and Responsibilities*).

After this optional initial selection process you should be ready to send out the brief to your selected agencies. You need to ensure that you have one contact in each of your potential agencies who will respond to the brief. In the brief you may disclose some commercially sensitive information, in which case it is reasonable to expect the agencies to sign a confidentiality agreement before releasing the brief to them. However, it should not be necessary to disclose information of this nature in order for you to assess their abilities, so is best avoided.

How much time?
A mistake many clients make is to give the agencies too little time to prepare their bids. If you are asking for a written proposal for a complex project or programme (with full budgets), 3 weeks is really the minimum. If it is a small project or does not involve a lot of budgeting, 2 weeks should be sufficient. In essence, the more time you give them, the better the result should be.

Choosing the best agency for the job

The proposal
The ideal proposal should be comprehensive but concise and to the point. Very often proposals contain a great deal of superfluous information which you already know. While it is useful to see how an agency interprets your medical and marketing issues, a simple dump of public-domain information is not helpful. Most agencies have "off-the-shelf" projects that they copy and paste into proposals, which is understandable given that many tactical solutions are similar in concept. However, a

good proposal should flow well and not appear to have been compiled by a committee.

As well as a clear description of their solutions to your issues, the proposal should contain details of members of the account team, their background, level of expertise and roles and responsibilities. Be wary of “pitch and switch”; ie, being promised the ideal team only to see the key members mysteriously disappear once you have awarded the agency the business!

An important area to be mindful of is the budget; for example:

- Are they realistic? Do they make a contingency for the unexpected?
- Check to see what has been included and for anything that has not been included, particularly fees and services
- Be clear about what are fees, third-party fee costs and pass-through costs (see Appendix: *Agency Terminology*)
    - Some pass-through costs may be estimated but unrealistic for the quality you expect (eg, hotels)
    - Some fee costs (eg, printing, give-aways) may not cover the quality you require or they be expensive because the agency has marked them up
- Clarify the extent to which “out of scopes” are billed. Many agencies appear cheap but make their money by charging clients for every conceivable addition (including ones the agency should have thought of themselves); a good agency will be accommodating in this respect.

Check on the agencies’ procedures on dealing with third parties, ie, printers, litho shops, gadget producers, etc.

Although it is usual for the agencies to send in their proposals ahead of any presentation, you need not always ask them to do so. Indeed, if the proposal includes a strong creative element, such as branding, the agency will usually prefer to present this face-to-face so that the element of surprise is not lost.

If you do ask for the written proposal before the presentation, accepting it as an electronic document can give the agencies a little more time, but hard copies should also be requested. All your team should be given the chance to review the written proposals ahead of the pitch, if you have asked for them in advance.

Lastly, while it is usual for a pitch fee to be given for branding, advertising and PR (and where the client gains the rights to all intellectual property presented), this is not usual for medical education/communication pitches. However, reasonable travel and accommodation costs may be reimbursed. You should check with colleagues on your company’s policy in this regard.

The presentation
All your team members should attend all of the agency presentations; try to have them all on the same day as it makes comparisons easier. Clarify who will make the final decision on which agency to appoint – will it be the Marketing Department, the Clinical Team or a joint decision?

If you are the pitch coordinator you may want to prepare a table comparing the agencies, which your colleagues can use as a score sheet during the presentations. This could include the following:

- Quality of written work (presented in advance)
- Clarity of pricing structure (competitiveness of pricing)
- Understanding of the brief
- Calibre of personnel
- Creativity of response to brief
- Flexibility
- Level of resources
- Recommendations that you have from colleagues about each agency.

Ensure that each agency has the same amount of time to present and be strict on time. An hour should be sufficient for most bids, with 15–30 minutes for questions and discussion.

On a practical note, ensure that the technical facilities that each agency requires are available. As a courtesy to the first one to present, check that it all works before they arrive. When you schedule appointments allow at least 30 minutes between each so that your team can discuss what they have heard and you can clear the room so that materials left by one agency are not visible when the next one enters the room. It can also be very tiring hearing presentations in close succession.

Find out the exact role of each member of the pitch team if they were to win the account. Many agencies have sales personnel who are not involved in delivery; you should identify these and ensure that their apparent level of expertise and salesmanship does not unduly influence your decision. Of those involved in delivery, ask what percentage of their time will be dedicated to your work and what other responsibilities they have. Use question time to clarify ideas the agency presents.

When you have decided which agency to appoint, ensure that you take time to explain to the other companies why they did not succeed. They will appreciate honest feedback, which is a reasonable expectation when they have invested money and time in preparing their proposals and presentations for you. You should offer to return all materials to the unsuccessful agencies if required. Do not be tempted to use any original ideas from any of the unsuccessful bids.

A working partnership

When you have appointed an agency, it is important to have a briefing meeting to detail what you liked from their proposal and what ideas you want to modify. All timelines for projects should be reviewed and the budget process discussed.

Share as much information as you can; for example:

- Your team and your agency's roles, responsibilities and contact details
- Information on third parties, such as opinion leaders
- Introduce the other agencies you work with and explain how you would like the agencies to interact
- Product information – think about providing a full medical and marketing briefing to bring the agency quickly up to speed
- Product branding and information relating to design and presentation
- Your financial processes, particularly with regard to invoicing
- Commercial strategy for the coming year
- Your expectations for the agency, including measuring success

- Preferred communications methods (eg, fax, e-mail, etc); how much do you want to be copied on correspondence?

The larger agencies offer high-level scientific support via their editorial personnel but you cannot expect them to become experts overnight, nor should you expect them to know more about your product than your own medical department. With time, however, some editorial personnel in your agencies can become real assets in understanding your data and issues.

Ongoing relationship

Agencies work best when they become an extended part of your team and should be treated in the same way. There is nothing more demoralising for agency personnel than being shown a lack of respect by a client or facing unreasonable demands. On the other hand, as the client you should expect the level of service you were promised.

Some tips from one of our clients

- Treat agency like a partner not a supplier
- Be receptive to their ideas and suggestions; encourage their proactivity
- Invite the agency to internal meetings, help them understand brand strategy and objectives
- Provide written briefs with clear and timely direction, well-defined end points – this avoids deadline stress and budget overruns
- Give agency certain amount of responsibility so that they can deal with third parties

As the working relationship develops there are a number of areas where you might like to consider whether things are working properly; for example:

- Financial processes – are projects within budget; if not, do you know why not and were you advised in advance?
- Communications – is it clear who is managing projects and where responsibility lies?
- Flexibility – is your agency always willing and helpful?
- Creativity – do you sense that they are becoming stale?
- Does the agency add value – can they consistently offer you things you have not thought of?
- Are they proactive or simply reactive?
- What is the impression of external parties (eg, opinion leaders, operating companies)?
- Is the quality of the editorial work what you expect?
- Are there quality issues elsewhere, such as meetings organisation?
- Would an annual agency review meeting be useful?
- Does the agency have any problems with members of your team?

Lastly, all agencies make mistakes – it's what they do to put them right that is important. Sound working relationships take time to develop so don't dismiss the agency the first time they make a mess of something. Give them a chance to explain what went wrong and how they propose to prevent it happening again.

Working with an agency can be a very rewarding experience. It is up to you, your colleagues and the agency to work together to make it a success.

If you have any comments on this fact sheet, please call Ann Dieckmann (ann@facilitate-uk.com) or Alan Bromley (alan@facilitate-uk.com)

APPENDIX

Agency roles and responsibilities

Different agencies refer to their personnel by different titles, but in general the roles and responsibilities are similar. It is best to ask for clarification on who does what. You can expect to deal directly with the key members of your account, should you wish (it is often easier for you).

Client Service Director / Account Director	Usually the most senior person on your account. He/she will provide strategic input to account direction, programme development, and creative ideas. Account resourcing is their responsibility as is the overall quality of service you receive and the financial matters.
Account Manager	The person responsible for day to day running of the account, including project management.
Project Coordinator Account Executive	On larger projects and accounts there is often a junior person who will assist the Account Director and Account Manager in the day-to-day running of the account.
Managing Editor	There should be one editor with management responsibilities on your account who will oversee the team.
Writer, Editor, etc	Job titles tend to reflect level of expertise and possibly responsibilities. Some agencies employ both writers (who only write) and editors (who take the copy and see it through to production) but most agencies combine the roles. The larger agencies have specialist production editors to supervise a project as it goes through the graphics studio and printers.

Agency terminology

Fees	This term is usually confined to the charge an agency makes for the time of its personnel, which is the vast majority of an agency's income. Some clients prefer a fixed-fee approach (as most agencies do), but others prefer to be quoted a daily charge-out rate and the estimated number of days a job will take. In the end it makes little difference since the total cost for a project is more important than the time taken and the hourly cost. The latter approach may be difficult for an agency to calculate for complex projects, as there may be multiple personnel involved.
Fee items	Effectively, anything on which the agency makes a profit, but the term usually refers to a third-party cost, such as printing or give-aways.
Pass-throughs	Items that agencies should pass through at cost; e.g. airfares, hotels, meals. Bear in mind they pay these on your behalf so it is important that you pay them in advance for these costs.

Are agencies expensive?

If you are new to dealing with agencies, the cost of their services may come as something of a surprise, particularly if you start to relate their fees to your own income! However, you have to consider that most agency personnel are paid well and the company will have overheads commensurate with its size and infrastructure. The agency expects to make a profit on top of all these costs.

As a general rule, a large agency charges more than a small one simply because the overheads are high and the profit expectations are greater. Publicly listed companies also have revenue and profit targets to reach, whereas unlisted ones don't. You can expect to pay a premium for an agency's "added value" – their creativity and scientific and technical skills. Other services (eg, meetings logistics) are more of a commodity and costs are easier to compare between competitor companies.

As with most things in life, you get what you pay for – but if you are unhappy with what your agency is charging, try shopping around. Prices can vary considerably, but you do need to ensure you are comparing like with like and that each agency is quoting against the same detailed brief or specification.

However, it is probably better to think in terms of the *value for money* and overall *cost-effectiveness* that an agency offers, rather than purely in terms of dollars and cents. If you, your colleagues and your faculty are happy with the agency's service, cost should not necessarily be the driving factor.

Conflicts of interest

What is a conflict of interest? That depends on who you talk to. An agency will normally regard a conflict as occurring only when two products compete in the same market sector, whereas a client may regard the same therapeutic area as constituting a conflict. Some drug companies have been known to dislike a competitor so much that they will not work with any agency associated with them!

The questions to ask yourself when considering whether a conflict exists are:

Fundamental question:	Does the other product compete with yours, either directly or indirectly?
Question 1:	Do you provide confidential information (medical or marketing) to your agency?
Question 2:	Does the agency plan to use any of your team members on the other account?
Question 3:	Could the activity of the agency teams working on the competing products lead to confusion with third parties, such as opinion leaders, congress secretariats, or journals?

If you can answer "yes" to the fundamental question and to at least one of the other questions, there is likely to be a conflict and you should act appropriately.

Areas where you may feel a conflict does not exist include exhibition stand design and build (without any scientific and marketing input), congress logistics (ie, delegate management only), and editorial and multimedia projects working with public domain information.

An agency should discuss a possible conflict with you; if they don't, you are right to regard this as a breach of trust. Assuming they do, they may propose to handle the situation by having geographically separate teams or create "Chinese walls" between teams, but both can be unsatisfactory solutions for both parties if the conflict is a very strong one.

Ultimately, only you can decide whether a conflict exists and, if it does, whether an agency can handle it.