

Free Pitching and Designer Selection

Free pitching is the practice of clients asking for unpaid design submissions from one or more studios in order to decide which studio to use. Sounds remarkable? Not as remarkable as the fact that a number of studios actually accept this way of doing business! This AGDA Practice Note explains why “AGDA is unequivocally opposed to free pitching,” as stated in our Code of Ethics. Free pitching is bad for clients and bad for design businesses.

Why free pitching is bad

FREE PITCHING IS BAD FOR CLIENTS because it substantially reduces the probability of an appropriate and relevant design solution. A free pitch situation is like a beauty parade – decidedly superficial. The problem with a superficial solution is that it is not only a waste of time and money at the design stage, it also jeopardises the effectiveness of any further spend on downstream processes such as print, multimedia and distribution. Reproduction processes are always, ‘garbage-in, garbage-out.’

In a 1995 survey of large UK companies, a significant proportion nominated free pitching as their appointment method of choice, but the same group also nominated ‘an understanding of the company or market’ as the most important criteria for consultant selection. “This is a fundamental discrepancy – clients won’t get that in-depth understanding of the market in a free pitch,” Nicholas Ind, The Jenkins Group, UK.

So, if good design is about solving a client’s communication, marketing or business problem, then it is hard to imagine that an effective design can be developed without a reasonable application of experience, knowledge and time from both the client and the designer.

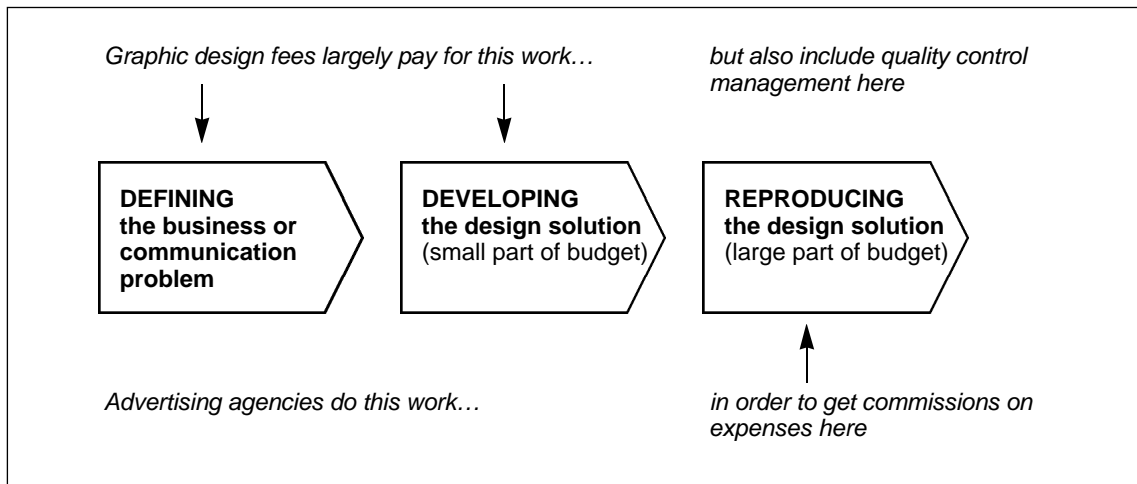
“In our experience, developing design work based on inadequate information (which usually goes hand-in-hand with a free pitch), is seldom productive or rewarding for the client or the designer.
Garry Emery, Emery Vincent Design

“Sure, we’ve done the occasional free pitch. But to be honest, how good is the work really going to be if you’re not getting paid for it? I mean, you’re just not going to put in the time.”
AGDA member (name withheld)

FREE PITCHING IS BAD FOR DESIGNERS not only because it economically damages the unfortunate design business that engages in it but also the entire industry by encouraging clients to continue the practice.

“Winning a job with a free submission inevitably results in not recovering your original investment, dealing with a client who will thwart your every attempt to do the job properly, frustrate you to death and then find the most ingenious reasons for not paying for the tasks performed.”
Ian Kidd, Ian Kidd Design

Although some studios charge production commissions, the income generated this way is not substantial or characteristic of the profession the way it is in other creative professions such as advertising. So, where other creative professions consider the creation stage as an investment cost to their main income stream, graphic designers do not. And even in advertising, the emergence of independent media buyers has forced agencies to reevaluate the sustainability of commission-based income.



Why free pitching happens

IN ORDER TO FIX A PROBLEM, YOU HAVE TO IDENTIFY THE CAUSE. Not all clients understand the design process or the value and depth of a good design solution that springs from a professional client-designer relationship.

"At a major financial services company we found that half of their multi-million dollar print media budget was being commissioned by marketing managers who were typically in their first or second job, with less than 3 years full time work experience and with no prior experience of working with designers. After we pointed out that printing is a 'garbage-in, garbage-out' process, the national marketing director agreed that some education on working more effectively with designers would probably be a good thing."

Andrew Lam-Po-Tang, Lam-Po-Tang & Co

LIKE ANY EFFECTIVE BUSINESS PROCESS, the design process begins with a good definition of the business and/or communication objectives. Developing that definition requires the experience and knowledge of both the client and the designer, a certain amount of learning on the part of both professionals, and most definitely respect and commitment from each.

"Clients who are incapable of preparing an adequate design brief often use competitive design submissions to assist them in defining the particular project requirements, and to help them gain an understanding of the design process and in order to determine cost."

Garry Emery, Emery Vincent Design

AGDA

“A designer must get to know the client’s business, products, aims and philosophy etc. properly before they can produce a successful solution. This initial part of any project takes serious time – and time is money!

Barrie Tucker, Tucker Design

FOR OTHER CLIENTS WHO HAVE DEALT WITH ADVERTISING AGENCIES but not designers, there is a lack of understanding in the fundamental differences between advertising agencies and design studios. Agencies make their money from commissions on production and media budgets whereas designers make their money from creating and selling *design solutions*.

The difference is that with every invitation to produce spec [free] creative the agency is investing in potentially several million dollars worth of business, whereas for most designers \$50,000 is a “big” job. The stakes are different: so is the process”

Leslie Sherr, ‘Gambling For Your Fee,’ Communication Arts article

NOT THAT CLIENTS ARE THE ONLY ISSUE HERE. Naive designers with little understanding of business can be just as much at fault in responding to free pitch requests without bothering to explain the process and economics of their business to those potential clients.

“...other design studios must be doing business in a different way to us. We don’t seem to come up against this ‘unpaid submission’ attitude all that often from our clients or our potential clients.”

Les Leahy, Cato Design Inc.

“The people who gain from spec work are the young, the uninitiated, those with low overheads who have nothing to lose. Established designers all agree that spec work is not good for the profession because it shortcuts the process.”

David Goodman, ‘Gambling For Your Fee,’ Communication Arts article

The simple fact remains that designers make a living from developing design solutions for their clients – not from print commissions, not from royalties.

“If a client asks for a free pitch, my response is, I will do it if he/she forgoes their salary while I’m working on the job!”

Warwick Cruise, Cruise Studio Graphics

“I do not expect my lawyer, accountant, doctor, dentist or Alfa mechanic to donate their skilled time for my benefit, nor would I ask them to demonstrate their skills without appropriate reward.”

Brian Sadgrove, Brian Sadgrove and Associates

If a designer were to consistently engage in free pitches and win say, one in every two, they would have to be building in *extraordinary* margins into the projects they did win just in order to survive, let alone make money! So the client loses by either not getting the most effective design solution or paying too much in the end.

“If it’s too good to be true, it probably is”

So how do you select a designer?

We've been through arguments as to why free pitching is counter-productive for both clients and designers. That still leaves the client with the fundamental problem of how to select the design studio that will work with them to develop effective design solutions.

The first step is understanding that better design solutions come from deeper working relationships between clients and designers. The UK survey previously mentioned found that most clients recognised that 'the quality of design improves over time in terms of creativity and management.'

"We try to encourage companies and managers to decide *whether they want to work with us or not* on the evidence of the track record in our portfolio. To be judged on the basis of a one-off submission benefits neither party. Cato Design is about *long-term business relationships*."

Les Leahy, Cato Design Inc.

By drawing on the collective experience of our successful members, AGDA has developed a designer selection process that is effective and professional. The emphasis in our recommended approach is on the appointment of the most able design consultant providing the appropriate level of service at the right price. We have also provided a Selection Checklist to assist clients in evaluating and comparing design consultancies.

Merit-based selection process**Step 1 – Selection**

- a. client identifies objectives, critical issues and program
- b. selection time frame and brief established
- c. written proposals setting out qualifications and capability are invited
- d. proposals are evaluated and a short list determined
- e. a tour of the site/facility may be arranged for shortlisted firms
- f. interviews and portfolio reviews are conducted and shortlisted firms are ranked in order of preference

Step 2 – Definition

- a. top ranked firm is invited to participate in further discussion to develop a fuller understanding of the project requirement
- b. Scope of service required for project is agreed and fees negotiated
- c. Upon agreement, the creative/design process commences, as per the agreed scale of fees
- d. If agreement cannot be reached with the top ranked firm, negotiations are broken off and commenced with second ranked firm and so on until agreement is reached

Step 3 – Retention

- a. the agreement covering the above negotiated arrangement is executed
- b. all firms involved are advised of the outcome of the selection process
- c. a report is prepared setting out the reasons for the final selection (use the following AGDA Selection Checklist to assist you)

AGDA Selection Checklist

1. Professional chemistry

To achieve good results, you need a good relationship based on respect and trust. It is important to know who you will be dealing with and that there is the chemistry there to work well together

2. Understanding the client's needs

Your design firm must understand what your needs are, who your audience or market is, and the project constraints (time, budget, materials, approvals)

3. Design process

Different design firms have different design processes. They vary in degree of formality, documentation and account management. You need to select a firm with a management approach that suits your company and you.

4. Track record

Look at their previous work. Ask questions about the original brief and the success of the project in fulfilling that brief. Was there anything learnt from that project or others by either them or the client that would benefit your project?

5. Referrals

Ask the design firm for referrals so that you can speak to their other clients about satisfaction with the working relationship and the results. In this way, it is similar to what you would do if you were hiring an employee

6. Fee Structure

Ask them how their fees are structured (with a breakdown where necessary) so that you can budget for other projects as they arise.

7. Value for money

Different clients have different objectives and budgets. It is unreasonable to expect high budget results on a low budget. Conversely, if it is a major project with a big budget, you will want to be sure that your design firm thoroughly understands and can handle the extra project management load these types of projects carry. 'You get what you pay for.'

Sources

- Quotes from material used in a 1995 AGDA Victoria Business Forum presented by Heather Towns of Value Added Design
- UK Design Week, Vol 10 No.32, 11 August 1995
- Communication Arts, March/April 1994
- AGDA Merit-based Selection Process developed by AGDA Queensland, 1995
- AGDA Selection Checklist developed by AGDA NSW (1996) in conjunction with Lewis Khan
- Authored by Andrew Lam-Po-Tang. Authorised by AGDA National Council, October 1996

AGDA is grateful to our councillors and members for their support and their value of their experience