

Anheuser-Busch InBev Case Study

Media Agency Search & Selection



In summer 2010, Anheuser-Busch InBev made the decision to review its media planning and buying agency assignment in the UK. This was a joint decision between the Marketing and Procurement teams at both the global and local market levels.

The incumbent had been the Anheuser-Busch InBev media agency in the UK for a number of years. However, in the face of a rapidly evolving media market and with the long-term prospects for the beer industry in the UK becoming increasingly challenging, AB InBev felt the time was right to reassess their resources and reconfirm whether the right media agency was in place to take their business into the future.

The winning agency would be chosen based predominantly on qualitative measures, although quantitative/cost parameters would also be a significant factor in the overall assessment. The structured timeline for the full pitch process was scheduled to start in early July and be completed by early September 2010.

From the outset, Procurement was heavily involved in the process and played the lead role in organizing and structuring the search. Procurement worked closely with the Marketing team on pitch process documentation, templates, and advice. Procurement had several years of experience in supporting media pitches in various markets and one of the team members had direct media buying experience in the UK. Marketing was appreciative of Procurement's input and support in organizing and structuring the pitch.

There was no external agency search consultant used given Procurement's prior experience and their ability to lead the process. AB InBev uses an independent auditor in the UK (SLiK Media) and that auditor, along with information provided by ISBA (Incorporated Society of British Advertisers, ANA's counterpart in the UK), contributed valuable input to the pitch process.

There was full agreement at the start of the process that the final decision would be based on quality over cost, and while Procurement's opinion would be valued and sought, Marketing would have the final say as to which agency would be awarded the business.

A structured pitch process was followed that AB InBev had developed as a best practice through previous experience:

1. An initial RFI, supported by other industry insights, was compiled by Procurement to allow Marketing to draw up a long list of eight potential agency candidates.
2. Face-to-face credential sessions with this list of agencies, with Marketing and Procurement in attendance, to allow Marketing to narrow the list to four candidates for the pitch proper, including the incumbent.
3. A full briefing in person to those three short-listed agencies, given by Marketing with Procurement in attendance, as to the requirements/expectations of the pitch, timing for responses, and criteria for evaluation.
4. Proposal presentations to the AB InBev team (Marketing, Procurement and the media auditor) by the four short-listed agencies.
5. Evaluation, final negotiations, result announcement, and contracting the winning agency.
6. Ongoing performance review/audit.

After the proposals had been received and evaluated by all parties, the decision was made to further pare the list to two agencies for the final negotiations, which did not include the incumbent. Given the long client/agency history, both at the UK and global level, the incumbent was given this news simultaneously at both the local and corporate levels and a full debriefing was given explaining the reasons for the decision. It was also agreed to mutually write the announcement to the trade press.

In the final evaluation/negotiations, the decision was extremely close between the two finalists. After considerable deliberation between Marketing and Procurement, accompanied by input from the media auditor, the decision was made to award the business to Vizeum. Vizeum was informed of this decision, and then immediately afterwards the other finalist was also given the news, followed by a debriefing on the reasoning behind the choice. Procurement was then charged with completing the contractual administration with Vizeum, and Marketing made plans with them for the transition.

Overall it was felt that the process had been handled fairly, professionally, and in a disciplined, structured manner. Marketing was extremely pleased with the outcome, and both the winning and other final round agencies were complimentary about the way the pitch was handled.

Quotes in this case study have been received from various internal and external stakeholders, who have agreed to share them with a wider audience.

“The 2010 UK media pitch process was a great example of how numerous AB InBev functions can work together to achieve a desired outcome. It was, in my eyes, an example of true ‘best practice’.

Within this process, Procurement played an integral part. They were heavily involved in all of the key stages of the process: issuing RFPs, attending chemistry and briefing sessions, and forming part of the final panel at the end of the pitch session. For me, the whole process worked because an environment was established where everyone could openly comment (as owners) on areas that were within and outside their area of expertise. This open approach ensured that, at all times, the team were aligned and driving in the same direction.

Subsequently, during this process, the ‘whole’ was greater than the ‘sum of the parts,’ Procurement’s role within this was invaluable.”



Ken Valledy
Director, Consumer Connections (Western Europe)
Anheuser-Bush InBev

“Procurement were present alongside Marketing for the whole of the process including chemistry meetings, briefings, and the pitch. This created a sense of consistency throughout and no need to replicate any information for multiple stakeholders. We always got the sense that the decision was going to be made against a balanced set of criteria. We never got the impression that it was all a financial decision but were certain that the financials had an impact.

Post-pitch, the process was the most structured I have experienced. The communication with the marketing team stopped and we only ever spoke to Procurement. We were always dealt with in a fair and transparent way even though we were pushed very hard on the deal in the final stages. In terms of benchmarking, the process, I would say, was the most professional I have been involved in. From an AB InBev point of view, it was “text book.”



Matthew Platts
Commercial Director
Aegis Media UK

The process was run by the AB InBev Procurement team in a fair and professional manner throughout. My observations would be as follows:

- **Process** - Professional, fair, well communicated, and well laid out in advance.
- **Brief** - Clear, straightforward, and easy to interpret. Frequently, we receive briefs that are muddled, repetitive, ill-informed, vague, unrealistic, and/or amateurish.
- **Access** (to client): Well managed; several opportunities to meet and develop some chemistry.
- **Decision Criteria**: Seemed fair. We were given clear feedback and updated at each stage. I felt the procurement team were all approachable and human, which is frequently not the case.



Andy Jones
Chief Executive - London
Universal McCann Worldwide

“Our modus operandi at AB InBev is to build brands resourcefully. Procurement are an essential partner in achieving that goal by driving both effective AND efficient outcomes.”



Maarten Albarda
Global Marketing Connections Vice President
Anheuser-Bush InBev

**This is one in a series of case studies that focus on
the value and positive contributions of marketing procurement.**