

# Maxis pitch fiasco underlines faults in process

## PERSPECTIVE



Pitches marked by sensationalism, intrigue and political motivations are occupational hazards most advertising agencies in Malaysia endure silently.

So it's hardly surprising that none of the agencies involved in the drawn-out US\$60 million Maxis pitch — Malaysia's largest ad account to be reviewed this year — have opted to go public over the

handling of the review.

Privately, however, there have been grumblings that put the spotlight on clients in a market at risk of abusing the pitch process.

This at a time when neighbouring Singapore was setting new standards in Asia. Indeed, few can argue that the R3-managed Singapore Airlines review was one of the best-run pitches in recent times (even with all the heavy lobbying and hysteria surrounding it).

So where did it go wrong for the telco giant?

The Maxis review was, at the very least, inconsistent. Post-paid incumbent Ogilvy & Mather was fired and rehired in the course of a turbulent four months last year. The latest review again put the agency on guard, signalling that Maxis marketing chief, Tom Schnitker, still wasn't content with the agency's performance and creative output.

And while all signs pointed to change, Schnitker in a

surprise turnaround, opted to stay with Ogilvy.

Whether new Maxis CEO Sandip Das, who arrived from Essar Hutchison in India late last year and is reportedly a keen admirer of Ogilvy's Piyush Pandey's work, influenced the final outcome is unclear.

Maxis, however, is a prestigious brand and agencies surely must have been crawling over each other to get on to the pitch list. Still, it has to be questioned why Saatchi & Saatchi and Lowe, who both voluntarily pulled out, were invited in the pitch in the first place when the pair clearly couldn't comply with the telco's initial briefing requiring agencies to be of a certain size.

Adding to the confusion, former B2B incumbent Leo Burnett didn't know whether it was coming or going. The agency was sacked and then allowed back in the running — only to be cut again.

While there could be an element of sour grapes at work from agencies aggrieved at missing out on the prestigious, lucrative business, the nature of the criticism levelled is consistent enough to indicate that Maxis has a way to go if it really wants to get the best out of its pitches and agency partners.

Clearly, internally, the company has been tormented by its own management upheaval, which if some reports are to be believed isn't expected to end anytime soon. Schnitker, however, is anything but obli-

ous to the brand's pitch problems and by most accounts is a highly respected marketer. Notorious for frequent pitching and short-termism, Maxis — under his guard — has finally signed four-year contracts with roster agencies Ogilvy and BBDO. Consolidation should result in significant savings (although Schnitker would likely argue that was never the intention) and payment and performance bonus terms have also been adjusted in favour of agency partners.

Maxis must now put pressure on its agency partners to build a strong brand image that drives customer loyalty. The brand can't afford complacency nor to

underestimate smaller, younger rivals like DiGi, which — while working with Naga DDB and McCann Erickson — has seen revenue grow by nearly 27 per cent, compared to Maxis' nine per cent (on a group level, Maxis brings in 26 per cent). Meanwhile, BBDO's success with Maxis' pre-paid brand Hotlink has come at a price — significantly more visible and intrusive, its has cannibalised its parent brand.

For Maxis, the focus over the year ahead has to be on branding, pricing and developing new market segments, and, importantly, getting its agency relationships right. Here, the brand could clearly learn a thing or two from its neighbour.

**The criticism indicates that Maxis has a way to go if it wants to get the best out of its pitches and agency partners**

[atifa.silk@media.com.hk](mailto:atifa.silk@media.com.hk)