

Ep 87 - Behavioral science for agencies: Pitching

MichaelAaron Flicker: [00:00:00] Welcome back to Behavioral Science for Brands, a podcast where we bridge the gap between academics and practical marketing. Every week we sit down and go deep behind the science of some of America's most successful brands. I'm MichaelAaron Flicker.

Richard Shotton: And I'm Richard Shotton.

MichaelAaron Flicker: And today we're continuing our mini series, which we're calling Behavioral Science for Agencies, and specifically we're diving into the agency pitch process.

So let's get into it. But before we get into today's episode, Richard and I wanted to share something we've been working on for almost two years.

Richard Shotton: Yes. The 30th, September, 2025 is a very big day. It's when we launch Hacking the Human Mind.

MichaelAaron Flicker: It is a book that dives into 17 brands, just like what we cover here on the podcast, and unpacks over 30, almost 35 behavioral science principles.

Richard Shotton: And we wrote it to be very practical, [00:01:00] insightful, and hopefully enjoyable to read. Robert cialdini has said he couldn't put it down.

MichaelAaron Flicker: Rory Sutherland, a guest on our podcast called it a book for the ages. You can order it on Amazon. Just search Hacking the Human Mind or find it wherever books are sold from September 30th.

So Richard, we started this mini series called Behavioral Science for Agencies in episode 72 with media planning, and we have a plan to do four of these in total. This episode is all about the agency pitch process. We're going to do two more on strategy and on copywriting to try to hit the major areas that we think.

Within agency life, behavioral science has like a very clear and discernible impact on what folks working in those fields can use. Pitching was an easy topic for you and I to think about because if you've ever worked in an [00:02:00]

agency, you know, pitch day is our version of the Super Bowl. Tons of preparation, lots of hard work, lots of fast last minute work in a lot of cases to get in the room and be successful at a pitch.

So on the one side, the agencies have a lot at stake. It's a very high pressure situation. And on the other side, for marketers, it's really a very rare and beautiful thing to bring so many different agencies together to hear how they would solve the business problems that the marketer has. And it's really a very exciting moment because.

Agencies push themselves after weeks or months of planning and prep to boil everything down to, let's just say, an hour of a live meeting in the room. And so in that situation, it's not always the best idea that wins. It's the one that's remembered. It's the one that's felt, it's the one that people trust [00:03:00] that often gets extra credit because if the pitch is set up right.

All the ideas that the marketers here in those pitch days should be excellent ideas. And often in marketing there's multiple routes to get to a great answer. So there's gotta be something else tipping the scales, and that's really what you and I wanted to focus on today. We wanted to think about the behavioral science principles that agencies can lean on to help their work stand out.

To really make a difference in the minds of the marketers that they're pitching. And while Richard and I can't help you through this podcast on the substance of the ideas you might bring to the table, we can help you think about how to get that edge that really matters. Richard, you've been involved in a bunch of pitches in your past life.

Richard Shotton: And even one of you. So as you say, it's a, it's a stressful experience and there's an awful lot of work that goes into them. And I think it's that [00:04:00] level of work that the, the best communicators can turn to their advantage. So one, one of the first. Biases that I think agencies should consider is what's known as the illusion of effort.

So this is the idea that the work you've put in front of a client will not just be judged by the inherent quality of that work. It will also be judged and judged more favorably if. The client thinks lots of work's got into it. So the idea here is the same bit of work can be made more appealing if you are transparent about the effort that's gone into it.

Now, the original work the original research into this idea was done by Andrea Morales, the University of Southern California back, I think in 2005. And she

did quite a simple setup in which she worked with people who were in market for a house, and she shows them a list of 10 houses that meet their requirements.

Sometimes she told those [00:05:00] participants that the real estate agent had gone to lots of effort. They had spent nine hours generating this list. They done it manually. Other times she tells people that this, the real estate agent had gone to minimal effort. They'd used a computer and it had taken an hour to generate the.

And when morale is later, questions the participants as to their attitude towards the real estate agent. What, you know, what kind of level of quality of service do they think they'd received? She saw a very clear pattern. The people that were in the high effort condition, they rated the estate agent 68 out of a hundred, whereas the people in low F condition, that was just 50 out of a hundred.

So there is this 36% improvement in ratings. For exactly the same product. That's the key bit to remember for exactly the same products. If people think lots of efforts got into it now.

MichaelAaron Flicker: Oh, please. When we [00:06:00] saw this study, we said, man, there's just so much fertile area that we can use to apply this to the pitch process.

You know, some examples would be.

Richard Shotton: So I think the point here is if you if, if you just reveal your final work in a, in a grand flash and take people straight to the final result, you know it's gonna get a reasonable response as long as it's a good bit of work. But the morale is, suggestion is the.

What you should do is hate people on a journey. What the iterations went through, what was the expertise you drew on? What was the, the research you put into it, the more you stress these stories of effort. Exactly the same bit of work will be, will be rated higher.

MichaelAaron Flicker: And I think there's some literal applications like saying we went and talked to this many people.

We did, you know, we had this many team members work on it. We've been burning the midnight oil for this many hours to get ready for the presentation. That would be [00:07:00] like a literal application of this study. But there's a lot more lateral applications where you can imply the effort through. Who's in the

room or showing the storytelling that weaves in the effort through the pitch process.

That can be a little bit, maybe less on the nose, but still make sure that the marketers that are receiving the pitch understand that there was real effort put in.

Richard Shotton: I, and I would always argue that if an audience comes to their own conclusion about, let's say, in this case, effort levels. It could be a many, a many a bias if they come to their own conclusion, it's more powerful than you directly telling them, because there's always skepticism in, in a pitch process towards what an agency says because an agency doing, they're desperate to win the business.

But if people think to their, if, if people think they've come to their own conclusion about effort levels, well, you know, who do they trust more than them themselves. So you're absolutely right. I think with any of these [00:08:00] biases we talk about, there are explicit ways you can communicate the principle.

Often it's the implicit ones that are most, most powerful.

MichaelAaron Flicker: Yeah. And when you think about. The pitch process, we're pitching humans. So we believe that whether you're, regardless of category, if the ultimate decision maker is a human, then this type of bias will apply. Whether it's a, a consumer based product, a bus, a B2B product or anything in between.

Richard Shotton: Yeah, I, I, I think that's right. The, the people might be a bit skeptical of this study 'cause it was done on a slightly. Weird setting or all unique setting of Yeah. Unique. Buying a house, you know, it's not the most common good that advertisers are, are, are trying to sell. But you can see a really wide range of, of, of settings where this bias works.

So, study you and I did back what, 2022? Mm-hmm. We wanted to see whether this worked in you know, [00:09:00] a broader drinks category. So we recruited 178 people. And we showed them an image of a fictitious vodka brand. So that's a bottle of vodka with this beautiful label black, black sheep Vodka Richard indeed, black sheep vodka, indeed, absolute black sheep vodka.

And some people were asked just to rate the quality of the design. Others were asked that same question, but just before we asked 'em to rate the quality of the design, they were told that the, the design agency went through 143 iterations to

get to this product design. And what we found was that there was a 34% improvement in quality ratings.

So you've got people going from. 17% liking the design to 23%. Again, it's exactly the same product, but you see a markedly different response if people know the effort that's gone on behind it.

Michael Aaron Flicker: You and I have talked outside of the [00:10:00] show about how this knowledge really informs. So much of how we might handle artificial intelligence, entering the marketing space, entering our work.

A legitimate question, someone in a pitch might ask us, well, how much effort did you put in? How much AI did you use? They, they might rightly ask. How much of this was the work of the team in the room and how much of this was ai? We expect you to use a ai. And, and this illusion of effort really gives us an entryway to, to start to respond to that question.

Richard Shotton: Yes. 'cause there's already work. Even though AI has been around that long, there are already experiments from psychologists that suggests products create by AI for foul of the illusion of effort because people assume AI generated products. Equals low effort products. So there's a famous study by Kobe Miller at vr [00:11:00] university in Amsterdam, where he shows people images of a poster, and sometimes he says, this poster is designed by an AI robot.

Sometimes it's been drawn by a human. And what he shows is that on all sorts of metrics and creativity, artist history purchase intent, the poster that was supposedly generated by human. Is rated as much better for purchase intent. It's not a small difference. The purchase intent for the hand-drawn poster, 61% higher than the AI generated poster.

And Millet's argument is most of people's experience. Our, our, our experience is AI equals low effort. You know, you, you go to chat GPT and you ask it a question that spits out a very comprehensive answer in seconds, and we assume that because it's been done quickly, it is therefore lower quality. That's exactly the argument of the illusion of effort.

So the implication for the [00:12:00] creative agency is. Of course you need to use ai. You know, we've got to keep pace with modern technological developments, but. If you speed up the production of process, or you incorporate AI and do nothing else, be prepared for your work to be judged as worse quality. What you need to do as an agency is draw attention.

So all the effort that went into setting up the processes and protocols that got you into the position that you could then churn out an answer very, very quickly. So you still need to show effort, and when AI is involved, you move from. Talking about the speed of delivery to talking about how much effort went into getting those systems set up.

MichaelAaron Flicker: Yeah. And other angles that agencies can consider that come to mind are. We've had a more robust team of experts that have validated the output of ai, so you can do the illusion of effort to get the systems ready to [00:13:00] go into ai. We source more data, we had more quality that went into the, into the machine.

Or you could look at, we had a panel of 24 experts review it on the way out. Or we have a team of prompt engineers who know how to get more out of AI than a normal person could. Lots of ways you could show your expertise on top of getting the benefit of using this new technology.

Richard Shotton: And that's the same, I think, with all these biases that the academic has found an insight into human nature.

So in this case, it's. People use effort as a proxy for quality, and AI is associated with low effort. That is a description of human nature. Once you know that, well, then there are lots of different ways in which you can try and circumvent it. I think never feel if you, if you're as a practitioner, that you have to stick, you know, rigorously and laboriously to the [00:14:00] exact use in the experiment.

I think you've got to use your, your creativity in interpreting and, and enhancing these ideas.

MichaelAaron Flicker: That's why this is such a fruitful field. That's why it's such an interesting topic, because it's actually the starting spot. It's not the recommendation, it's the starting spot to then go and test and learn on your own.

Richard Shotton: Yeah. I feel that I'm, I'm, I feel like I'm like rehashing. I'm sure it was a, an ad for a like a game I think it was called Othello, something like, you know, take seconds to learn and then a lifetime to Master. And Fable is a bit like that. You know, the experiments are simple. You can often explain them in.

Five minutes, but then getting the most out of those experiments, you know, we could come back in 50 years and we'd, there'd still be things for us both to learn.

Michael Aaron Flicker: Yeah. And we've said that many times before. It's because the insights are based in evolutionary biology. Long, long. Lineage of why we believe the things we believe [00:15:00] that we act, the way we act.

That's more system one style, emotional response rather than rational reactions. And that's why our field of marketing has so much to do with this because, so, you know, the underlying bias, what do you do with it? That's a, that's a, that's really very exciting. So we have our first behavioral science principle.

We just hit on, let's move to a second one that we think would really be helpful for agencies in the Pitch Pro.

Richard Shotton: Okay. So this one might be a bit more contentious. I think the illusion of effort, hopefully everyone agrees with it. They're all gonna, everyone's gonna apply that. The second bias is what's known as the Stolen thunder effect.

So we've quite regularly talked about the practical effect, which is, it's kind of related. So Pratfall effects. Elliot Aronson wonderful study 1966. He shows that people who admit a flaw, who exhibit a flaw, they become more appealing. Now, I think [00:16:00] that's interesting, but for the pitch process, the more relevant bias is stolen thunder effect, which is essentially, if you admit a flaw or a problem with the agency or the argument, the believability.

All your other claims goes up, and that I think is something that more agencies could harness. Agencies often pretend everything is perfect, that there are no trade offs with either them as a company or with their idea, but that's not realistic. What you really wanna be doing is identifying a genuine doubt about your agency.

The competitors will probably bring up anyway to proactively bring that up with the client and then explain it away. Now that might feel like a a risk, but actually there is some really solid evidence that backs this up as an approach. So the study in question is a 1993 study comes from KIPP Will Williams at the University of Toledo, [00:17:00] and he did this experiment with people who are looking at a, a kind of a jewelry style thought experiment.

So he recruits this group, splits them into three groups, and you get the first group who read about a defense argument and then a prosecution's response. And the first set of people hear a very strong defense argument, and then the prosecution's attack. And he, he asks people on a, a seven point scale how guilty those people are.

Mm-hmm. And the average score is 5.04. So this is the kind of control the base. Then he tests two alternatives. And this is, this is the kind of interesting bit. So on one alternative people read the defense case, it's the same as last time.

[00:18:00] Then they hear the prosecution case, and then the prosecution case new.

This time they identify a really damaging fact about the, the defense that they didn't mention. And the the guilt level in this seven point scale amongst the readers jumps to 6.61. So, so far, so obvious. If the prosecution uncovers like a really damaging pit of evidence, people are much more likely to find the the, the suspect guilty.

But then the third variant of this study, defense runs through exactly same cases in the previous two versions. And then at the end, they announce that there is a damaging pit of evidence. They tell the jurors what that damaging piece of evidence is, and they don't even try and rebut it. They just announce it.

Then you hear the prosecution attack and they go to town on [00:19:00] why this is such a bad bit of evidence. So it's, you know, it's the same as the, the, the previous version that, that, that we heard. Now here, the average score, when the, when the kind of readers try and guess the guilt, remember it's a seven point scale.

High is bad. Now they come back at 5.83. So no damaging evidence. 5.04. Damaging evidence, but the defense lawyer mentions it first 5.83 damaging evidence, and you leave it to the prosecution to bring it up 6.61. So, so what, what, what this is showing, I know it's a bit of a complex study, but basically if I lost people during that, what this is showing is if your audience is gonna discover a damaging bit of evidence about you.

It is much better for you to bring it up proactively than let other people mention it. Now, the way that William set up this experiment, [00:20:00] it's kind of extreme. He gets the defense in the stolen tunnel version, mentioning there's a problem and they don't even try and rebut it. But even when there is no rebuttal at all.

It is still more likely to get their client off than if they let the prosecution bring it up. And I think that suggests there's an even bigger benefit in other circumstances. And the argument for why Williams thinks this is so powerful is most communicators have the problem that their audience doesn't believe what they say.

Now, clients don't believe what agencies say in pitches because they know they have a very strong vested interest to spin the truth. But if you admit there's a problem that tangibly proves your honesty and then everything else is a bit more believable. So what you want to do as an agency is think, are there any flaws to my business that the potential client is gonna realize or the competitor's gonna bring up?

[00:21:00] Like maybe we are not as big. As one of the people we're competing against something that's going or we don't have experience in this particular category, something that is bound to be noticed by the client or brought up by their competitors. If you can successfully identify that. This Kipling Williams study says you should mention it.

And what I would say, if you wanna push it even further, mention it and then try and rebut it. And then I think you want something quite powerful.

Michael Aaron Flicker: And that's, and, and in that way it's, as you said earlier, it's like the pratfall effect that if you can get ahead of it, then it makes everything more believable.

And like the pratfall effect, if you can choose. Because if you can choose a flaw that you can then make a positive outcome of, you're even in better shape. So admitting the flaw makes you more believable, and if you can then bring them along a story that makes that. More believable and [00:22:00] they can see the benefit of it.

That small, that small flaw actually has a benefit that they can then weigh their hat on, weigh their, put their trust in. It can be very effective.

Richard Shotton: Absolutely. So we've, we've got these kind of. Two related biases. I, in my mind, I always think stolen thunder is you admit a flaw proactively and you become more believable.

Pratfall effect, you admit a flaw and you become more likable. So both have value to the, to the agency trying to win business. And then you are absolutely right. There is work by people like I think's Gerold, boner German psychologist that shows if you pick the right flaw. You can emphasize the strength.

Now, what he means by that is, let's say you are an agency who has premium pricing. You know, you know you are, be more expensive than competitors. That's kind of your business model. Stolen thunder effect would say, lean into it,

tell people you're a bit more expensive, and then everything else you say is that [00:23:00] much more believable.

The Pratfall effect suggests it'll make you more likable and for that particular flaw, if you then try it back to you being higher quality, better retentive, client service, more rigorous research, more award-winning ROI, generating creative, if you can link price back to your higher quality. Then you are, you know, I think you're doing a really powerful, persuasive technique.

MichaelAaron Flicker: Yeah. And if you just think about being the buyer for a second, it's so easy when you're in the agency pitch process to only think about how you want to convince them of your point. You wanna showcase your point, but if you can just put yourself in the buyer. Think about when you've been a buyer in the past, when somebody tells you something, you confirmed what you already knew was a weakness.

It just lowers your guard. Like it just makes you feel more believable. There's there's an old study you and I have not raised recently, but I think it was around buying a used [00:24:00] car. And we looked at it for other reasons. We looked at it for, if you could make it flowery and descriptive, you could make people imagine themselves being in the used car.

But if you think about. A used car and someone trying to sell it to you, and they admit, well, it's got a lot of miles on it, but here's why that would be a positive thing. It just lowers your defensiveness over it. So I just think that there's, there's the behavioral science side. And if you all as listeners can connect to the same human emotion you felt as a buyer, you could, you can come up with more ways to, to make this work.

Richard Shotton: Yeah. And, and it, it, I think it, it requires people to be quite honest about their strengths and weaknesses as. As a business, which is, which is tough, but maybe what people could do is get external opinions. Maybe in some of those early, we call 'em tissue meetings. Is that the same thing with in America

MichaelAaron Flicker: we, where we have a tissue session where like Yeah.

Tissue session showing up

Richard Shotton: ideas. Yep. Yeah, I mean [00:25:00] maybe even exploring what some of those negatives might be in the in, in the client's mind. 'cause once you know that you've got a massive opportunity.

MichaelAaron Flicker: Depending, at least in the American pitch process, it is not uncommon to ask for their scorecard after the first phase.

And they're you know, many brands are happy to share it. Here's why we think here, we've advanced your agency to the next round. Here are the positives that we saw and why we advanced you. And here is what we're looking out for as concerns. They're giving you the first step. Now you could decide if those are the ones you wanna highlight or if there might be something else.

But at least in modern pitches that agencies I own are a part of you know, the search consultants will be happy to share that with you because they want to help you make the best case you can and their client make the best decision they can make.

Richard Shotton: Yeah. Yeah. I think, yeah, I think that getting that information.

Seeing search consultants as your friend rather than a, just an enemy. I think [00:26:00] those are, those are great things to, to on board.

MichaelAaron Flicker: Yeah. Yeah. And it's always, if you can remember in the pitch, you wanna be the agency they choose so long as. It's a great decision for your agency as well. We do as agencies, we do not need to win at all costs.

We need to also be winning business that you, that we as agencies can do a great job at. So there is a little bit of discernment that's required there. Okay, so we've talked about two really substantial behavioral sciences biases. We have one more that we thought we would bring to the table for today,

Richard Shotton: and this is a bit of a different angle. So very much illusion of effort and stolen thunder effect are principles you can use in the initial meetings. The, the pitch itself when you're trying to persuade a client that you are the best candidate. Once you've hopefully got to the, [00:27:00] you know, the final two people or the final person in the process, well then the discussions turn to to money.

And I think one principle that people could apply is this idea oft extremeness aversion. So when you're putting your pricing together, so the original study is a real classic 1993 Amos Ky, and I think it was. Simonon was his research partner. Get together with a group of people. They show them two cameras.

I think one was \$169 and one was \$239. You've got a basic camera and then a, a fancy camera. So the fancy camera has more, more features, and you get an exact 50 50 split in the audience's preference for those cameras. So when people are asked, which would you pick? 50 50 split. They then get a completely fresh group of people.

They show them the same two cameras, one six, \$9, two three, \$9 [00:28:00] with more features, and then a super premium camera with loads of features for \$469. Now, not many people want that super premium camera. I think it's 21 or yeah, 21% I think pick the super premium camera. But what we should be interested in is what happens to those original.

Two cameras, because remember, they're exactly the same, same cost, same benefits. It was a one-to-one ratio of preference. Now it goes one to three. So it's 22% want the basic camera? 57% want the what is now the the, the middle camera. So this is an example of what psychological called the center stage effects or extremeness aversion.

And it's the idea that when people are picking products. They are not just interested in the inherent benefits of that product versus the price. Of course, those two things are important, but they are also [00:29:00] interested in what those products are being compared to. So if you are ever putting a pricing proposal together, don't give people one cost.

Give them three prices, a paired back option. What you actually want to sell, and then a super premium version because what that super premium version does, you know, maybe with a bigger accounting more creatives, more experienced managerial oversight. What that super premium offering does is change how people relate to the middle thing that you're actually trying to sell.

Go back to the camera example. If you just see a one six \$9 camera and a two, three \$9 camera, the two three \$9 camera looks like a \$70 Excessive cost

MichaelAaron Flicker: premium.

Richard Shotton: Yeah, exactly. You introduce the \$469 version and suddenly it looks like a \$230 saving to buy the \$209 [00:30:00] camera. 208 say. Yep. We judge. Things relatively not absolutely that works in consumer goods like cameras.

But I did some research this year with transmission and Newton X. We hit amongst business to business buyers, and we showed this effect was just the same in a business setting. If anything, there was a more extreme result.

MichaelAaron Flicker: And so maybe two big builds on what we're talking about here. Number one.

Richard Shotton: Number one should be, if we're gonna explain this bloody study again, we should have some pitch.

MichaelAaron Flicker: We will put them in the show notes. You can flip along as we go. Number one is, there is a, a ethical, practical build that you want your top option. While it is acting as a, as a price anchor and a comparative point for the middle and low option [00:31:00] to be something that when you deliver, it will add that much for value because you will have a case where somebody chooses it and you do not want it to be so extreme that you can't deliver those services or that you can't get to.

Even better outcome for the clients, because hopefully you do sell in some of that top for items. So don't make it just a throwaway price, but make it a price that is equated to the value that then makes the other two still more reasonable. You wanna add to that?

Richard Shotton: Yeah. No, no, no. I, I basically to, to agree.

I think, you know, let's say its main role is that kind of positive relative perception. Yep. Absolutely. You still want it to, if bought you should be happy as well. And there will be some circumstances. And I, I've often found this with like, let's say it's a brand who is going through a, a tough time.

You know, this is, this is a absolute make or break campaign. Often they want to buy the most expensive option. They want the all singing, all dancing, [00:32:00] you know, package. Because there is this idea in people's heads, sometimes there's proportionality bias that, you know, the. Bigger the problem, the bigger the solution should be.

So I think you are absolutely right. Yes, I've approached this very much about price, relativity and anchoring, but absolutely have a package that if you sell it, you can certainly deliver and then will be to, to everyone's benefit.

MichaelAaron Flicker: Perfect. Yeah. I mean, always we just we, we, we make these points and then the mirror of that is.

Even if it doesn't get chosen very often, don't lose faith, then it's helping better sell in the middle option. So just because you won't sell a lot of the \$400 plus cameras Yeah, doesn't mean it's not acting exactly as it's designed. Which is to improve the likelihood that the middle option is chosen.

So it's, it, it, it, it both ways. Make sure you want to sell the premium option and it adds real value. [00:33:00] Re that is a fair deal for the buyer. And don't get rid of it if it doesn't shoot, if it doesn't get chosen more frequently.

Richard Shotton: And you, what you comparing it to the cameras here made me think. I think there's an added benefit for.

Agencies, but basically anyone that's selling a service to use this principle, which is, especially in those early days, it's quite hard to have a conversation about trade offs. The, you know, if you as a client beat us down on a rates, well, maybe you're gonna have to cut some corners in the quality of the, the service.

If you've given people three plans. It's blindingly obvious that if you pick the silver package, bronze, silver, gold, the middle package, the silver package you have actively as a client avoided the super premium one. And so I think if anything ever goes wrong, it also gives you a little bit of acceptance.

You know, the client will accept a degree they. Trade down [00:34:00] and you know, that did have to come with some consequences in terms of the, the, the, the level of service. So it helps broach some of those, I think, discussions that otherwise a little bit more awkward, awkward to have

MichaelAaron Flicker: In, in our experiences in the agencies we own.

It also sets you up for when you go over scope to say, well, there was a plan for that. We actually had an option, and so let's pick something from that higher plan. Bring it in, but that you have some pricing benchmarks already established, and if there ever are under scope and there's a reason they can't use it, it gives you a floor as well because you've established a, you've established two ends of the spectrum.

So I think it's helpful in, as you say, in getting through those awkward conversations and in helping keep within scope management in the future.

Richard Shotton: Brilliant. Yeah, I agree with that. Absolutely.

MichaelAaron Flicker: So let's [00:35:00] wrap up, Richard, and say, what were the three major things that we shared in today's episode?

Richard Shotton: So three broad areas.

We talked about the illusion of effort. This is the idea that exactly the same product. So creative idea, for example, will be rated differently. If people think lots of effort has gone into it.

MichaelAaron Flicker: Mm-hmm.

Richard Shotton: So we use effort as a proxy for quality. So your role as a agency is to make sure the client is aware explicitly or implicitly of the huge amount of work that's gone into the end products, because that will change their their judgment.

So that was the first principle. The second principle is the stolen thunder effect, and I do realize in retrospect, we picked two studies which are quite complicated and definitely need some visual aids. The stolen thunder effect at its most basic is if your potential client will be aware of a [00:36:00] flaw with your argument or with the agency itself.

Maybe you're expensive, maybe you have limited geographical coverage, it is better to raise that yourself. Then the client to be aware of it and you not mention it, or for one of your competitors to raise it.

You bring it up proactively. Even in very extreme circumstances, you don't even try and rebut the problem.

You will benefit because all your other claims will be seen as more believable afterwards. So I love this 'cause it's all about the power of honesty. You know, don't try and hide things. Be open if you pick the right flaws. You mentioned you can kind of get a double benefit. And then the third study we talked about again we need some visual aids in there.

We'll put these in the show notes. This is the idea of ext extremeness aversion. This is the idea that prices are not judged on an absolute level. People do not like. Fully rational computers, way up, benefits versus cost. They're always looking for comparisons. You can [00:37:00] use that. Your benefit, and we are very much talking about agencies, but clients could do this as well.

Think about giving people a three tier price structure. You, the high price option is mainly there to make the other two look better value, as you said. Do you wanna be, make sure that you can actually deliver on that. Fair and strong offering, but always give people more than one price option. The additional numbers that are meant to make what you actually wanna sell look a bit better value in comparison.

So three great studies I think today.

MichaelAaron Flicker: Lovely, lovely. Thank you for wrapping it up. So as we come to a close today, we always like to end with a fun, a fun final thought. Do you have a thing, Richard, that you always do when you pitch? Is it a ritual? Is it a practice? Is there something you always do when you were a part of pitches of the past?

Richard Shotton: Turn up about three hours early. That was my, my main thing. I, I, I'm, [00:38:00] I'm, I only, I'm, I'm 49, but when it comes to timings, I do behave like I'm 69 and I'm completely paranoid about things going wrong. So I would turn up so early to you know, the client office or our office if we were doing it at our place.

I pretty much, you know, even if I'd broken a leg on the way in, I'd probably been able to crawl in on time. So I think that that was the, I'm not sure if it's a ritual, but that was my mo. Yeah.

MichaelAaron Flicker: I love it. I love it.

Richard Shotton: And any rituals?

MichaelAaron Flicker: Yeah, I would say at our companies we have a ritual of always celebrating.

After the pitch, whether you win or you lose, whether you think it went great or it didn't go well, there was a ton of work that went into it. So a dinner together, a, a shared a drink or dessert together before everybody goes on their ways and is back to to, to all the other [00:39:00] responsibilities we have.

It's not in preparation for the pitch, but it's a really nice team building thing to do after the pitch when a lot of energy and a lot of efforts gone on.

Richard Shotton: Yeah, I I, I like that. 'cause I think it decouples the result and the effort that went into. Pitch because if you just reward people on the result, it's a little bit unfair.

'cause sometimes there, there's, there's an element of randomness, there's an element that's out of your control. You can do, I think, a great pitch and get the, the wrong result or a mediocre one and get the right results. So sometimes I think rewarding people for, for the efforts and the quality of the product is, is a great idea.

I'm just the result.

MichaelAaron Flicker: Yeah. That I had not thought about it that way, but it, it, in fact. Most of it is out of your control. You could do the best job that you can, but you have. But you know, if the, if the pitch team is hearing great ideas from lots of really smart agencies, then there's almost most of it is outta your control.

And that's that's part of the design [00:40:00] of it.

Richard Shotton: Yeah. Yeah.

MichaelAaron Flicker: Thanks to everybody for listening today. If you found the episode interesting, helpful please follow us on our streaming channels. Connect with us on LinkedIn and always share this podcast with anyone who you think would benefit from hearing it.

And until next time, I'm MichaelAaron Flicker.

Richard Shotton: And I'm Richard Shotton.

MichaelAaron Flicker: Thanks for tuning in.

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