

WFA

WFA Webinar

Future of Media Agency Remuneration

Remote, November 14



Joining today



TOM ASHBY
Global Lead, Media
Services



RYAN KANGISSER
CSO



MediaSense®



JACK SHEARRING
Head of
Transformation



MediaSense®

Agenda

00

Introductions & updates from WFA

10

Future of Media Agency Remuneration

45

Q&A

Competition compliance page



The purpose of the WFA is to represent the interests of advertisers and to act as a forum for legitimate contacts between members of the advertising industry. It is obviously the policy of the WFA that it will not be used by any company to further any anti-competitive or collusive conduct, or to engage in other activities that could violate any antitrust or competition law, regulation, rule or directives of any country or otherwise impair full and fair competition.

The WFA carries out regular checks to make sure that this policy is being strictly adhered to. As a condition of membership, members of the WFA acknowledge that their membership of the WFA is subject to the competition law rules and they agree to comply fully with those laws.

Members agree that they will not use the WFA, directly or indirectly, (a) to reach or attempt to reach agreements or understandings with one or more of their competitors, (b) to obtain or attempt to obtain, or exchange or attempt to exchange, confidential or proprietary information regarding any other company other than in the context of a bona fide business or (c) to further any anti-competitive or collusive conduct, or to engage in other activities that could violate any antitrust or competition law, regulation, rule or directives of any country or otherwise impair full and fair competition.

WFA is the only global network of marketers

We are **100%** marketer led. There are no platforms, agencies or media owners driving our agenda.



WFA's global communities

Our working groups bring together experts from across our membership to exchange best practice. We connect brands but also functions within brands.

Peer to-peer Forums

CMO Forum

Global and regional Chief Marketing Officers

Media Forum

Global and regional media directors

Sourcing Forum

Global marketing procurement leaders

Policy Action Group

Senior policy colleagues and associations

Capability Forum

Senior global marketers who lead capability building of their marketing teams

In-house Forum

In-house agency leads and agency management colleagues

Insight Forum

Global consumer research and insight leads

Privacy & Tech Forum

Privacy, legal and marketing professionals

Executive Committee

Elected members representing WFA's communities

Special Interest

DEI Taskforce

Global marketers alongside agencies and NGOs

AI Community

Senior marketers, legal and policy professionals dealing with AI

Industry Solutions

Planet Pledge

Environmental sustainability

Halo

Cross-media measurement

Project Spring

From savings to value

RMP

Responsible Marketing Pact

WFA Way



Open



Pro-competitive



Chatham House



Sincere

The Chatham House Rule: participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s) may be revealed.

No limits to content

WFA OUTLOOK2024

TV Linear (Broadcast & Pay)
Forecast/Actual Cost Deflation/Inflation by Year

	2023 (Actuals)				2024 (Forecasts)			
	Count	Min	Max	Avg.	Count	Min	Max	Avg.
	of contributors				of contributors			
Argentina	7	+135%	+250%	+167%	6	+169%	+300%	+233%
Australia	5	+5%	+7%	+6%	6	+4%	+12%	+7%
Austria	7	+3%	+17%	+11%	7	+7%	+20%	+12%
Belgium	7	+7%	+17%	+11%	7	+3%	+10%	+6%
Brazil	5	+1%	+8%	+5%	7	+4%	+10%	+7%
Canada	8	+8%	+13%	+10%	8	+5%	+14%	+9%
China	6	+0%	+6%	+2%	6	+0%	+3%	+1%
Colombia	8	+8%	+13%	+11%	8	+6%	+11%	+9%
Denmark	7	+3%	+6%	+4%	7	+0%	+5%	+3%
France	7	+4%	+12%	+8%	7	+5%	+13%	+9%
GCC	3	+5%	+10%	+7%	4	+2%	+10%	+6%
Germany								
Hong Kong								
India								
Indonesia								
Ireland								

WFA World Federation
of Advertisers

ebiquity

Media Budgets 2025

WFA & Ebiquity annual survey

WFA and Ebiquity have partnered on this annual media budget survey to generate insights into 2025 media budgeting cycles.

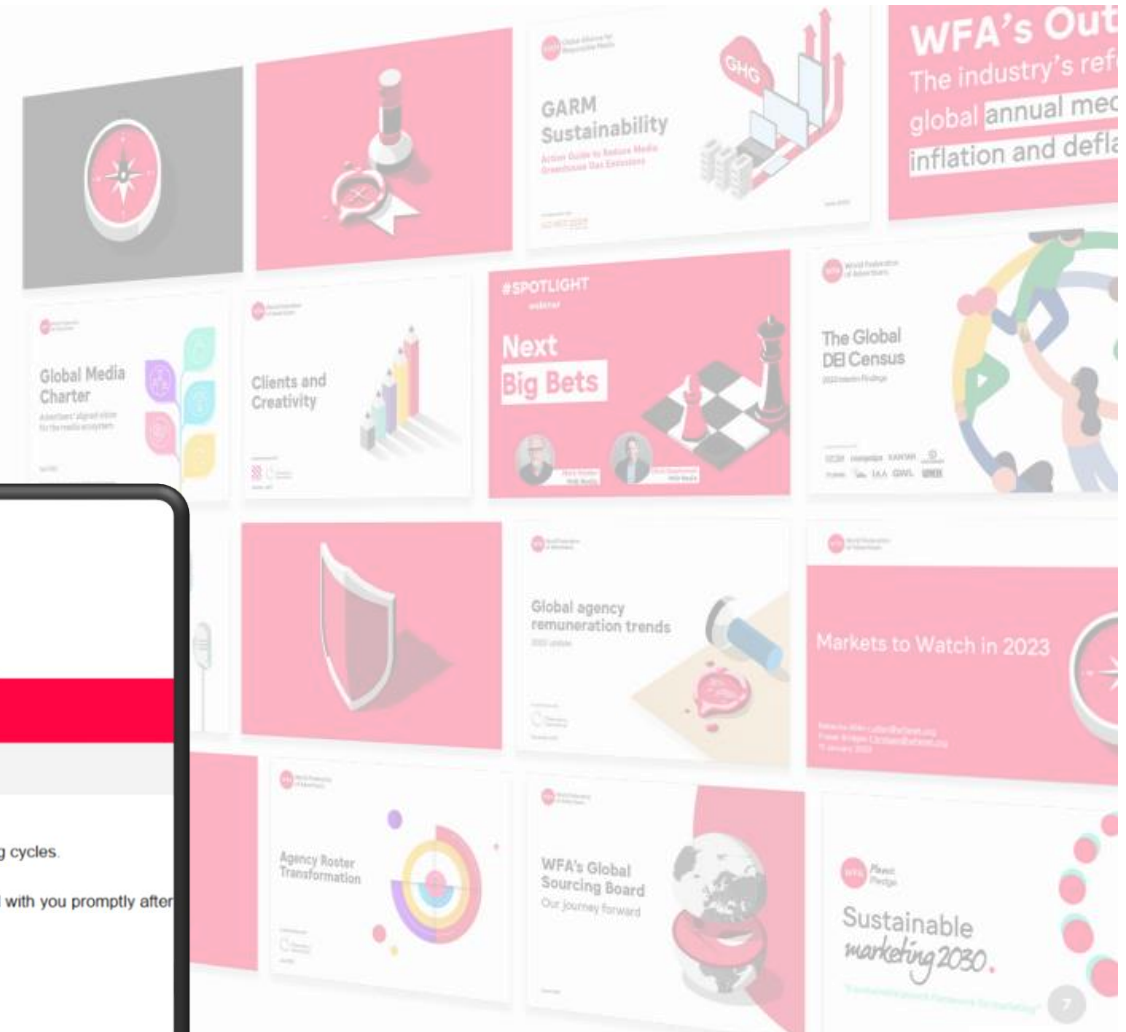
Your submission will be treated as **strictly confidential** and all data will be **fully anonymised**. Results will be shared with you promptly after completing the survey.

For any questions, please contact:

Tom Ashby, WFA - t.ashby@wfanet.org

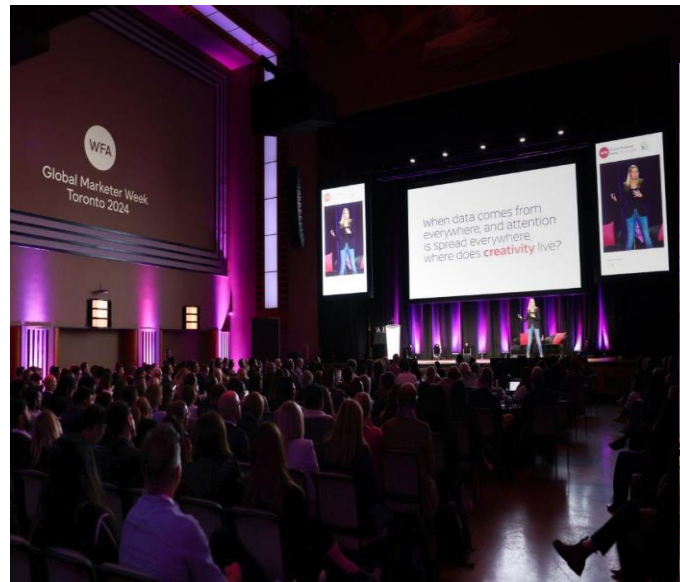
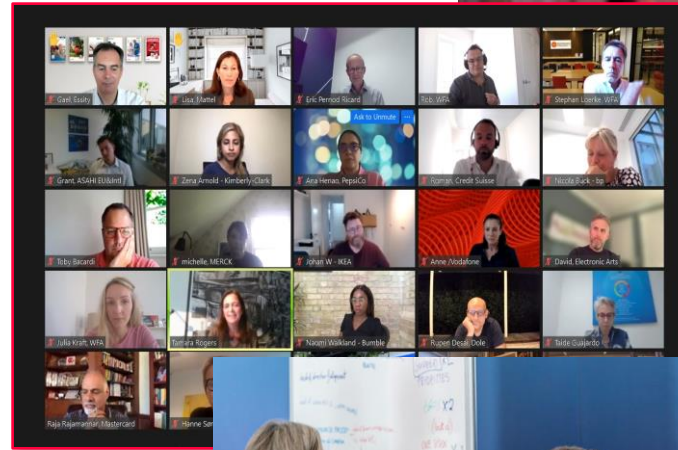
Ruben Schreurs, Ebiquity - ruben.schreurs@ebiquity.com

Thank you for your participation.



Events

- Webinars
- Remote Forums
- In-person Forums
- Forum Connect
- Global Marketer Week



Forum Connect, NY, Dec 4

Better Global Marketing Integration

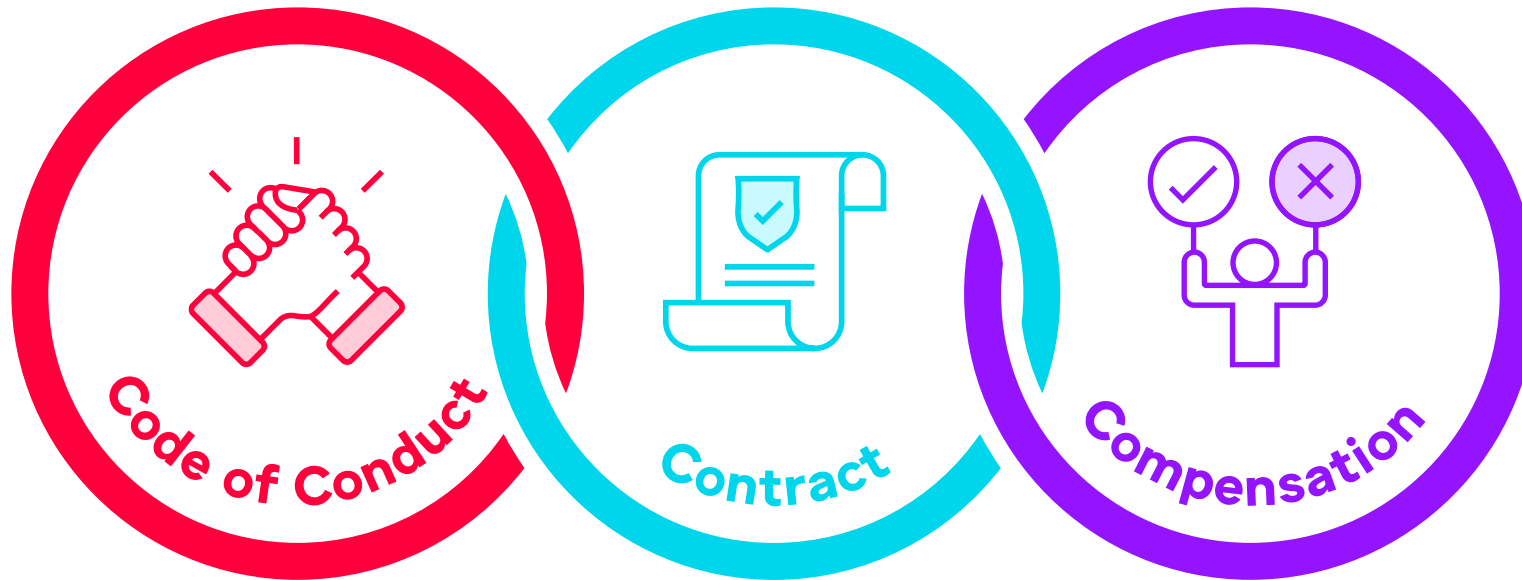
- Open to WFA Media, CMO, Sourcing and Insights communities (c.200 attendees)
- Hear speakers from **PepsiCo, Kenvue, Henkel, PlayStation**, and more
- Discussing internal and external challenges to better integration, group workshops to shared solutions and world-class networking opportunities



WFA members sign up here

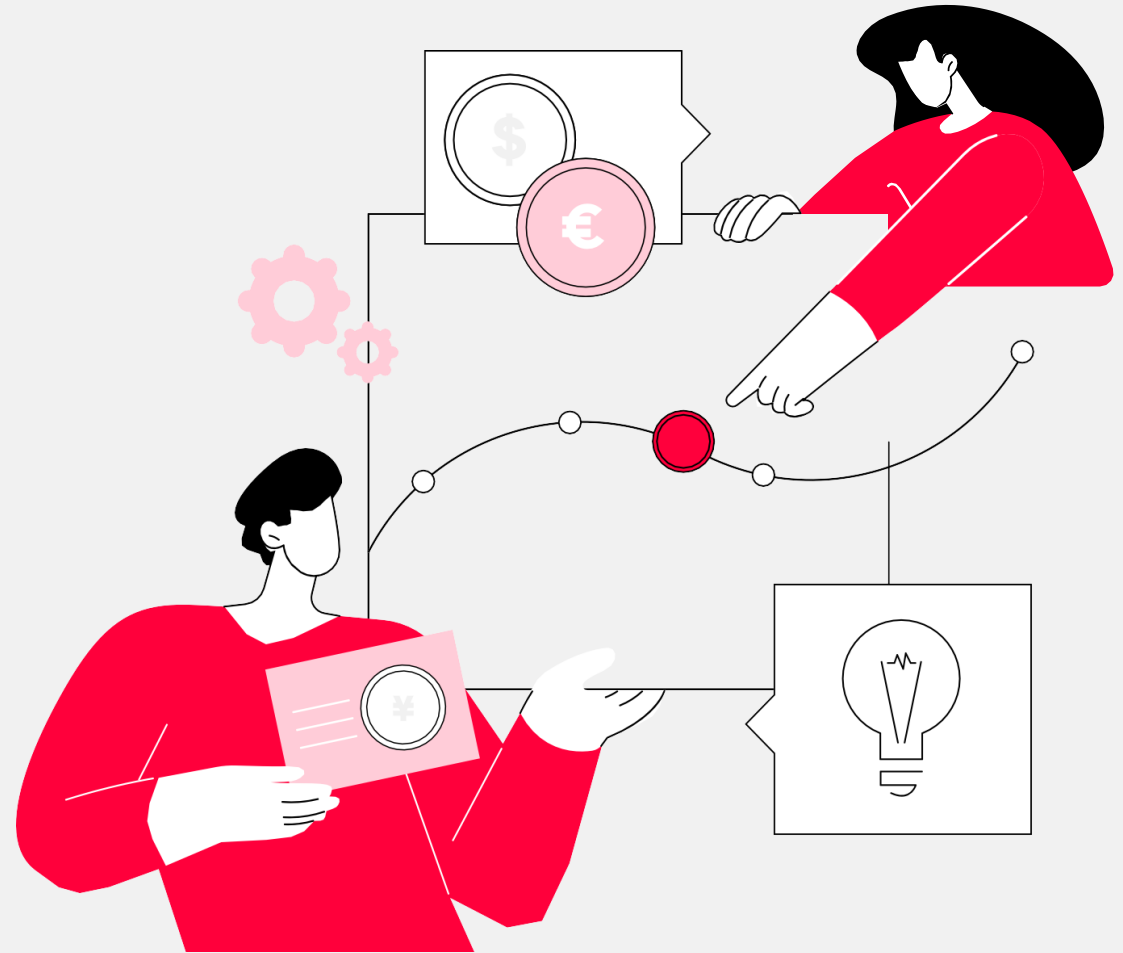


Webinars and reports in November on The 3Cs





Future of Agency Remuneration

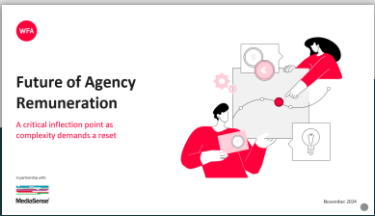


Latest study in our partnership around agency transformation

2022 – Media’s Got Talent

2023 – Future of Agency Models

2024 – Future of Agency Remuneration



WFA


MediaSense®

Background to the Research

Study launched May '24

Online survey distributed to WFA members
& MediaSense clients



102 responses & 85 companies represented

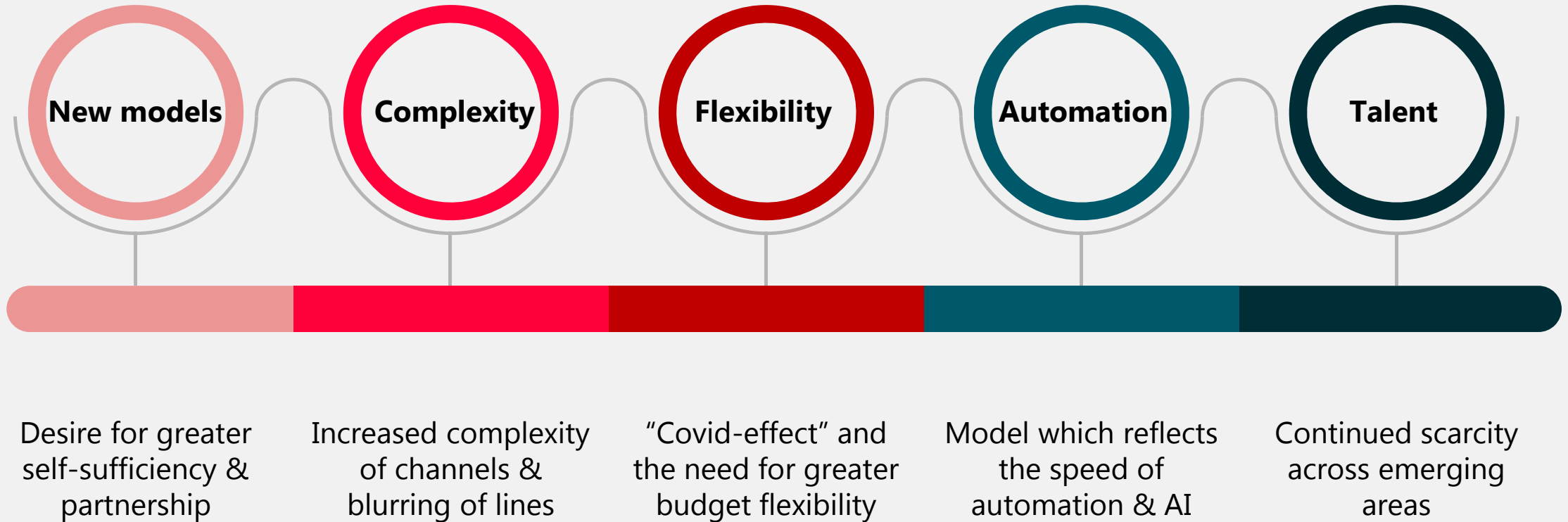
..22% Marketing, 38% Media, 33% Procurement
...71% Global responsibility, 29% Regional



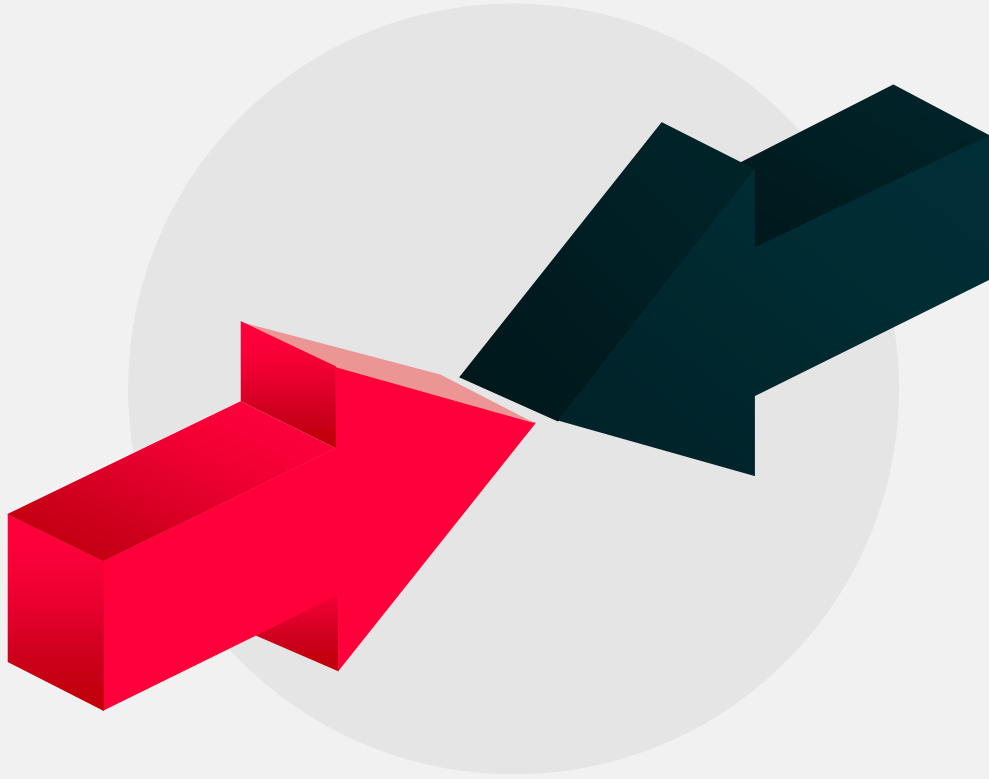
Full report launched Nov '24



Why now?



What did we find?



- Overwhelming desire to change (on both sides) to enhance accountability & partnership
- Measurement & transparency key challenges to overcome (transparency especially polarising)
- Desire to pay more (but also pay less)
- Talent is still king – especially strategic & technical - but needs to be better nurtured

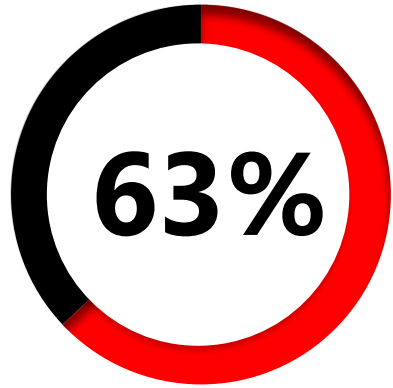


74%

**Brands looking to
change their
compensation model**

Which model are you?

FTE & Commission remain the dominant commercial model



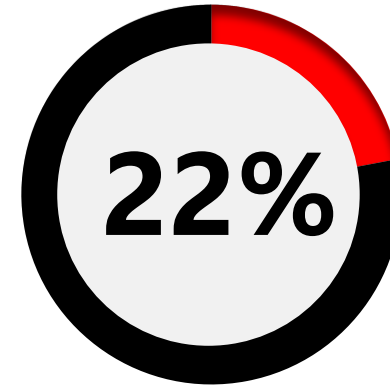
**Labor-based /
FTE model**



Commission-based



**Outcome-based
(via PRIP schemes)**

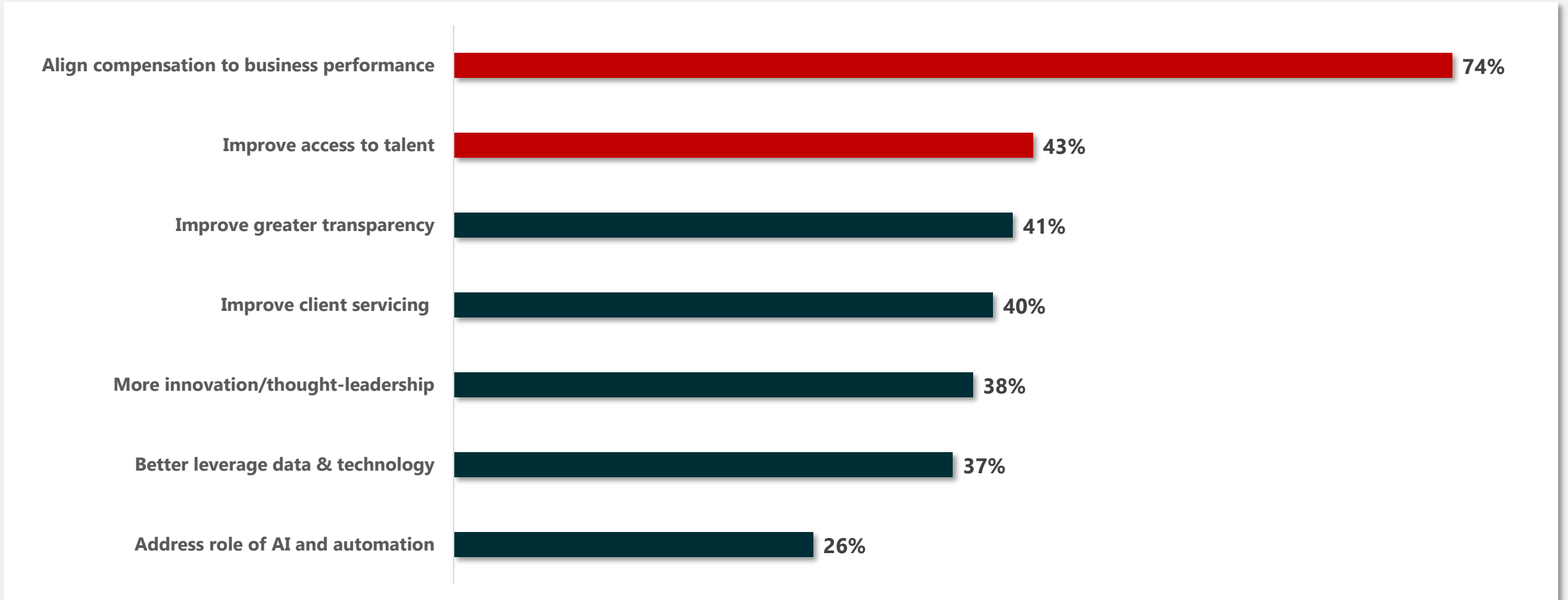


Fixed fee

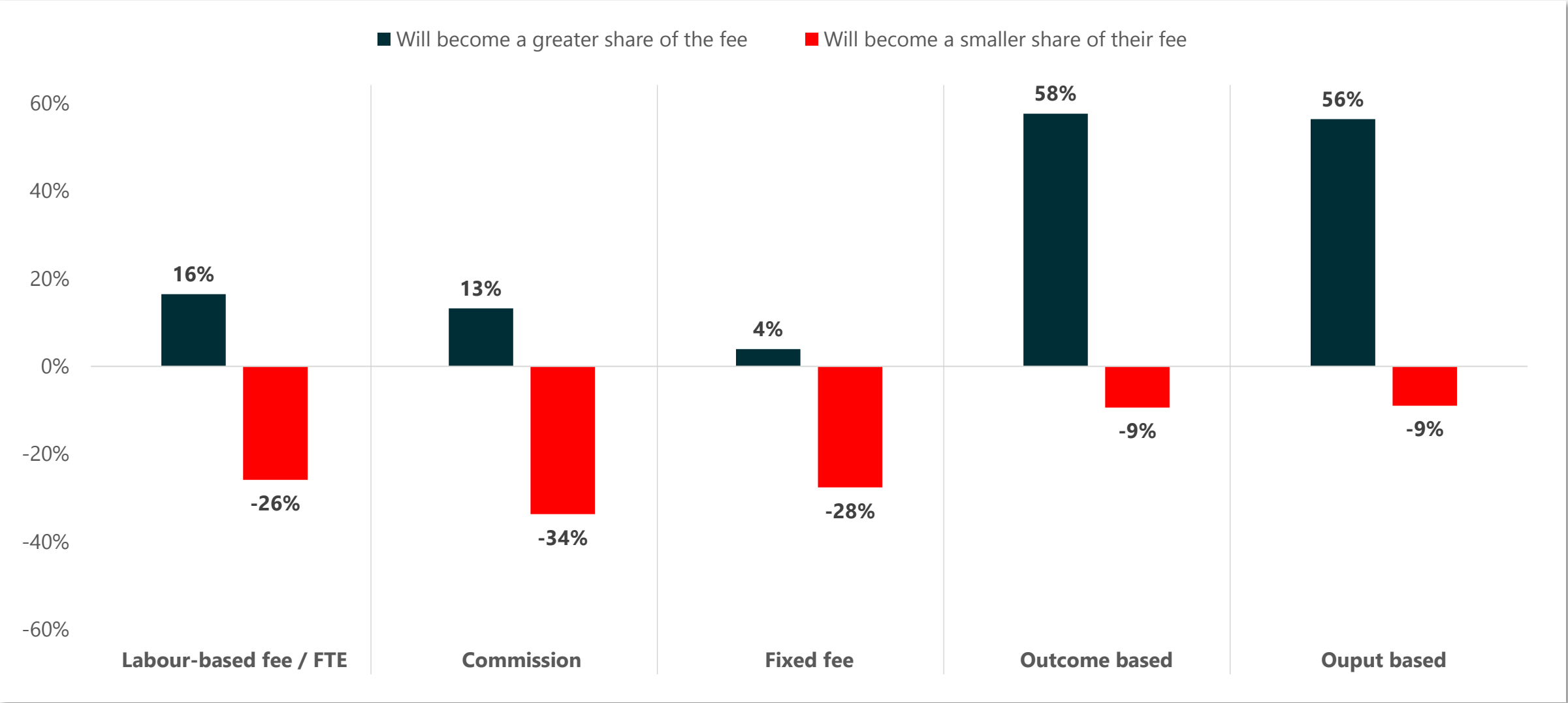


**Deliverable or
output-based
pricing**

Desire for change grounded in the need for accountability & talent



The answer may lie in a shift towards outcome & output-based models



“

There is an inherent misalignment of goals - we want outcomes such as sales and profit, agencies want to fill their capacity and bill hours without overburn.

”

“

We are keen to move to an output-based model, but it comes down to procurement teams and their comfort in buying services in this way. They are not there yet.

”

84%

Identified data and measurement as a major challenge to evolve their model

“

**Payment for certain capabilities will
be based on system activity over
billable hours**

”

“

Unless you're working with clients who have high quality measurement systems, you end up defaulting to metrics which have little relevance to business outcomes

”



87%

Identified resistance from agencies to adopt models which require greater transparency (in how they make money) as a key challenge

“

We've worked hard to ensure transparency, but as you close one door, something else tends to pop up

”

“

Achieving mutual clarity on objectives and the **value associated with hitting those targets will render the transparency debate irrelevant.**

”



61%

**Expect to pay more over
the next 3 years (56%
between 0-25%)**



58%

**Expect to pay less as AI
becomes more widely
deployed**

“

As technology changes the way agencies work, there is little visibility to the positive impacts this has on the agency resources we require. We are not yet seeing the benefits of this improvement.”

”

“

**AI will change the nature of our
revenue but we expect any
efficiencies to translate into improved
business outcomes for our clients**

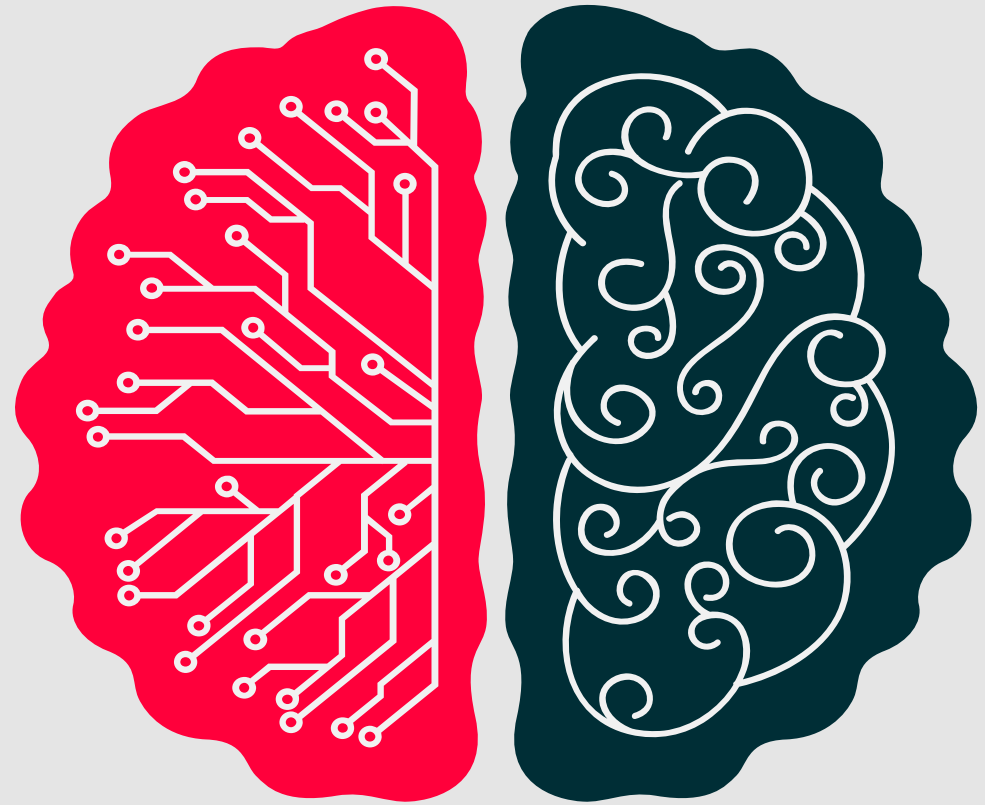
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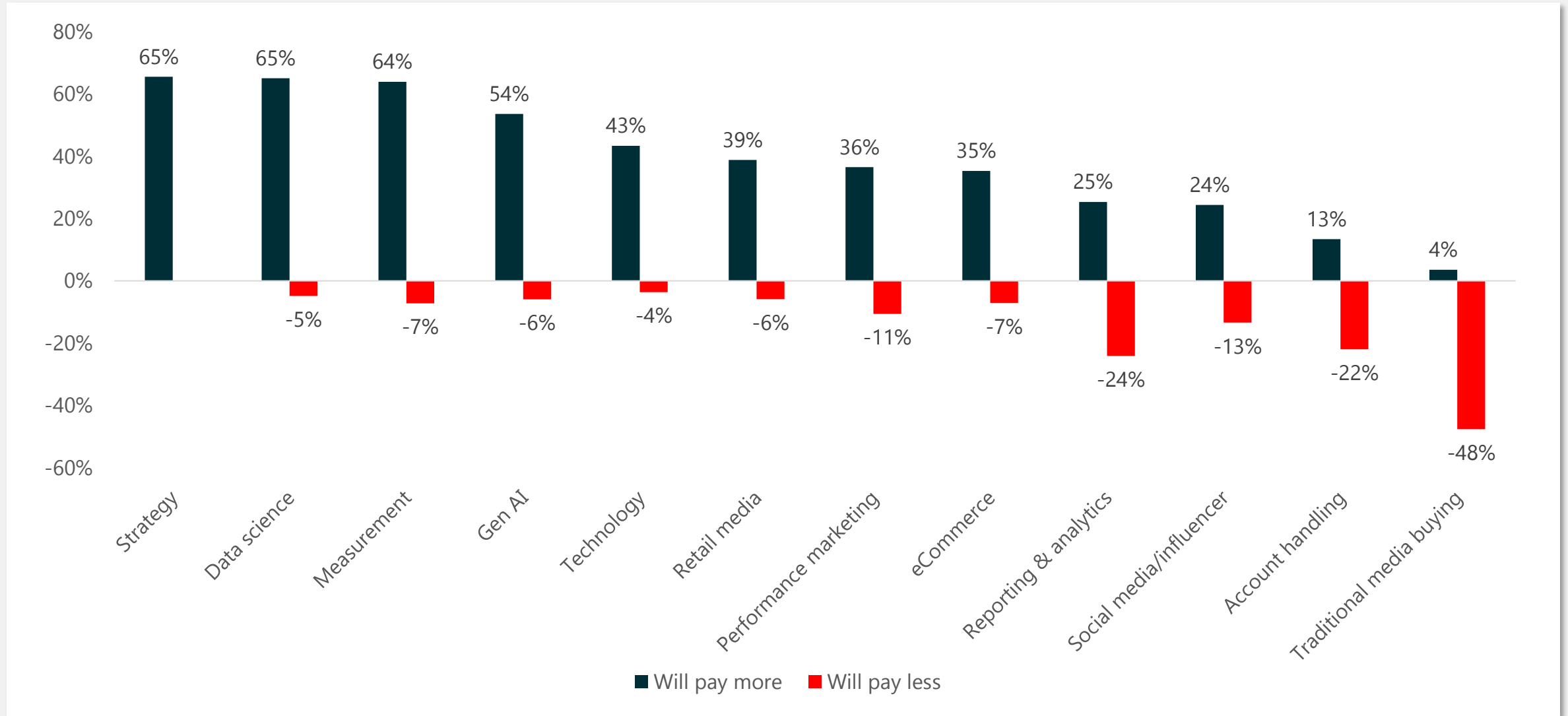
71%

**Believe accessing talent
is not about what they
pay, but how the talent is
managed**

Talent is still king



Strategic & technical capabilities likely to be prioritised in the future



“

I accept that as the complexity of our organization grows that we may need to pay more for talent who challenge us to think differently

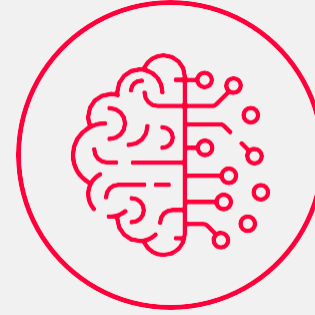
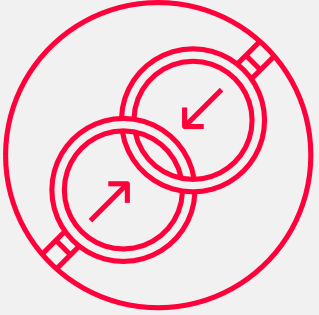
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“

To attract the best talent onto their accounts, the more progressive clients are creating incentivization mechanisms for their agency teams

”

Summary



**Improving two-way
transparency**

**Aligning
incentives**

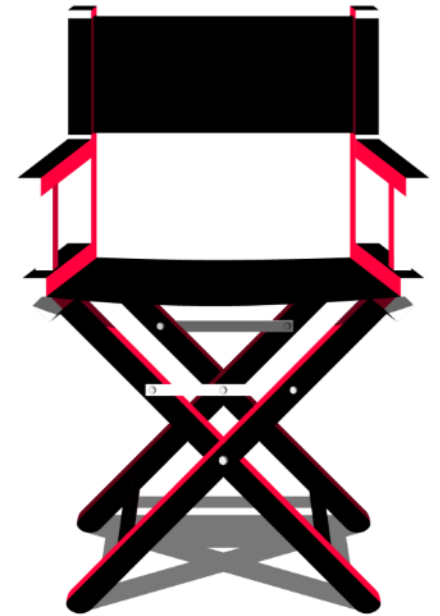
**Fair & flexible
contracts**

**Leveraging data &
technology**

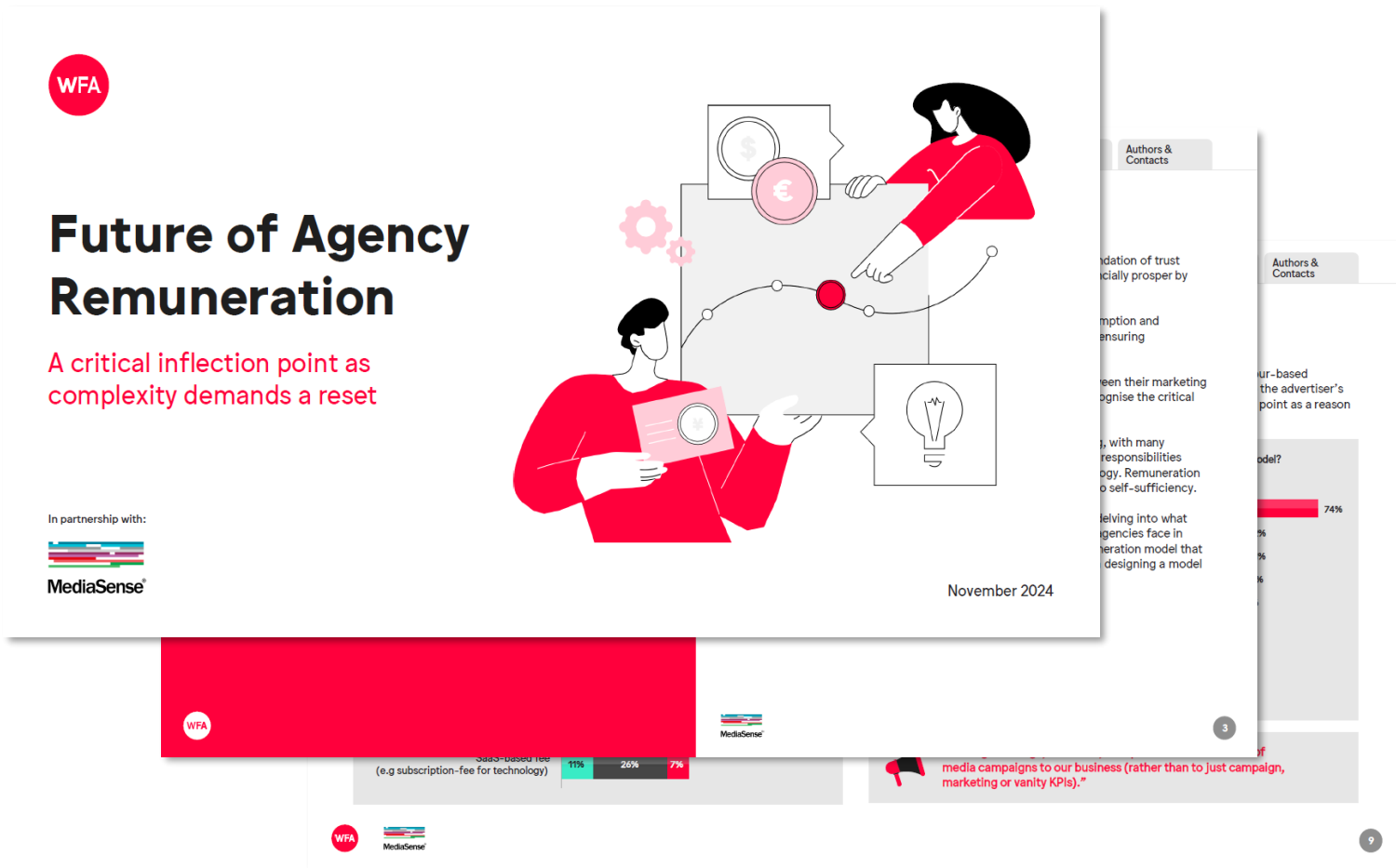
Experiment!



Questions



Download your copy of the research now



Scan here:



Or, search in your browser:

tinyurl.com/97frjd7j

Competition compliance page



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