

Media Auditing Guidelines

EACA Media Auditing Guidelines

November 2021

Introduction.....	1
Consistent and evidenced capabilities.....	2
Confidentiality guarantees.....	3
Conflicts of interest.....	4
Respect for agencies' contractual obligations with media & tech partners.....	5
Upfront alignment on timelines and scope.....	6
Transparency on auditors' calculations and fairness in comparing the data.....	7
Transparency to advertiser and agency on pool composition to ensure relevant and robust benchmarks for the advertiser.....	8
A fair pitch process, with clear, relevant, and transparent templates....	9

Introduction

Media agencies recognise that independent media auditing and agency performance assessment are complex. Advertisers can benefit immensely from additional third-party advice, training and education regarding the marketplace, particularly in the increasingly complex programmatic eco-system.

Recent years have seen a significant increase in companies or individuals offering media consultancy and media auditing services across the globe.

The purpose of EACA's "Media Auditing Guidelines" is to help ensure that all parties adhere to a minimum code of conduct, with a view to providing transparency, relevant insights, and data protection to both the agency and the advertiser. We have identified a series of criteria representing suggested rules of engagement between agencies, advertisers and media auditors.

This document is the result of extensive discussions involving all 6 global media agency networks over the past year. This document also reflects discussions that took place with the WFA and the leading global media auditors. While these guidelines reflect an aligned agencies view, we have also incorporated, where relevant, media auditors' feedback into our guidelines.

Consistent and evidenced capabilities

- If requested, media auditors must be able to clearly demonstrate to the advertiser that their business and relevant personnel have sufficient experience and expertise, not only to understand the complex media buying eco-system, but to provide a credible and relevant assessment of agency performance.
- If asked, in case of multi-market media audits, media auditors should be prepared to share their geographic footprint with the advertiser.
- Supporting evidence could include: agency/client references, client list (subject to any confidentiality obligations to its clients), staffing details by country and/or partnership/affiliate arrangements (geographic or by specialism).



Confidentiality guarantees

Rigorous processes and procedures need to be put in place to safeguard sensitive, confidential and valuable data provided by an agency to a media auditor. These safeguards should include, but are not limited to:

- The media auditor to sign a Non-Disclosure Agreement (NDA) with the agency, with the requirement that NDAs should be strictly honoured by all parties.
- The NDA should cover all aspects of the media auditor's work, including data access, tech platforms used, and 3rd parties they may employ to conduct the work.
- When the media auditor sub-contracts work to an affiliate to conduct a portion of the media auditing work or the consultancy project, the NDA should also cover these affiliates, regardless of whether the media auditor has ownership in that affiliate or not. The Agency should have the option of signing an NDA directly with the media auditor's non-owned affiliates.
- Datasets, pricing information, strategic/planning documents and contracts provided to the media auditor should be confidential and exclusively used for the authorised purpose – namely the media audit itself or pitch review.
- Media auditors need to be able to guarantee in writing, to the advertiser and their agency, that learnings and findings from their media auditing and benchmarking undertakings will only be shared with the advertiser and their agency.
- Media auditors should put all necessary measures in place to prevent data leakage and misuse before, during and after each contracted project.
- The media auditor and the respective agency group will avoid repetitive NDA negotiations if they agree to a global NDA template which their markets can tailor for each advertiser assignment. Where a global NDA template does not exist, it is mutually beneficial for both parties to agree one and where their respective management structure permits, the media auditor and the agency group should require their respective local markets to use the agreed NDA template. The establishment of a centralised escalation process will also be helpful in resolving any local issues.

Conflicts of interests

- There are an increasingly broad range of media services offered by consultancies including a number of services which can come into conflict with agency services e.g. analytics, digital technology and in-housing. To ensure sensitive data can be properly managed, there needs to be clarity on the full services offered by the consultancy/ media auditor and potential conflicts.
- Media auditing companies should disclose to the advertiser and their agency all service offerings provided, so that advertisers and agencies can fully understand and assess the potential conflict of interest and the impact on data sharing and confidentiality.
- Media auditor remuneration linked or contingent on the agency's media performance or findings is strongly discouraged as it means that the media auditor can no longer remain impartial and independent.
- Media auditors should guarantee appropriate physical, personnel, structural and technological separation of data from any parts of its business that compete with the agency and provide evidence of this separation if required.



Respect for agencies' contractual obligations with **media & technology partners**

- Agencies subscribe to various syndicated media research services, with that data usually residing in the licensor's closed database to which access rights are granted to licensed subscribers. The licensor's data and systems will be protected by copyright law or as confidential/proprietary assets. As a licensee, the agency's access will be subject to various license obligations and restrictions, for example, who it can and cannot share the data with, and what data can be shared. The licensor will monitor licensee compliance with agreed terms and any identified breach could lead to legal action, payment of monetary damages by the agency and reputational loss.
- Media auditors and advertisers should consider data requests in light of agencies' third party contractual obligations and ensure that they are within the scope of the agency's license or platform agreements.
- Where required, media auditors should confirm to the media agency that they have their own license to access audience and measurement data in each market in scope (e.g. AGB Nielsen Media Research, BARB, Médiamétrie, Audimétrie, BARB, Kantar TNS, etc.).
- In circumstances where restrictions in the agency's license prevent the media agency from passing data to media auditors, the agency should try to seek clearance from the licensor to share the data with the media auditor. However, where incremental access costs are demanded by the licensor, these should be funded by the media auditor and/or advertiser, not the agency.

Upfront alignment on **timelines and scope**

- Collaboration between the media auditor and the agency to align on the expected timelines and scope for reporting including briefing templates, data collection, queries, and presentation of preliminary results.
- The media auditor's schedule should allow for a reasonable amount of time at the start of the process so the agency and media auditor can handle and finalise the NDA prior to the work being initiated.
- There should be an expectation of fair and reasonable timings, including flexibility to extend deadlines when the media auditor has to re-brief the agency e.g., revised data collection templates, or new requests not included in the original scope.
- There should be an open and collaborative discussion between the advertiser and the agency for any workstream or requests going beyond the agency's contracted commitments and the impact on the agency resources.



Transparency on auditors' calculations and fairness in comparing the data

- We acknowledge that media auditors assist in ensuring the agency performance is assessed on a fair basis. Media auditors should provide transparency on the methodology applied to evaluate the agency performance. This would include a process that incorporates/refers to relevant normalisation factors for like for like comparisons, as well as basic calculations in an Excel format, per medium, at the start of the year to ensure all parties understand the calculations that will be used for measurement purposes. This practice should apply to all media audits, whether they are conducted in Excel or via an online platform.
- Any relative weighting of audit KPIs (e.g., daypart, viewability, reach, positioning etc.) should be reviewed and agreed between the media auditor and the agency, to comply to the agency's contracted commitment, as well as to the advertiser's objectives.
- It is recommended industry best practice for the media auditor to share the draft report of the findings and conclusions with the agency a minimum of 5 working days before client presentation. This allows the agency to review the content and provides the opportunity to respond/provide comments, in order to achieve alignment on the content prior to the media auditor's final presentation to the advertiser. The draft report should also include the media auditor's calculations in an easy to analyse format (preferably Excel) to allow the agency to verify compliance with the contracted client methodology.
- Any reference to media market inflation estimates on pricing, and other relevant market insights, should include specific sources and clear definitions (e.g. target audiences, geography, methodology).

Transparency to advertiser and agency on pool composition to ensure relevant and robust benchmarks for the advertiser

- The pool used for comparisons should be relevant to the audited campaign (e.g. territory, timing of activity, audiences, formats, placements), and appropriate quality factors or external elements impacting costs should be applied to normalise results. When pool normalisations are not possible or desirable, appropriate comments and background information should be provided, so that the agency and advertiser can interpret the results objectively.
- Demonstrated evidence that the defined pool used for comparison is robust. Pool sizes and composition may vary by market, category, and target audience. Advertisers and their agencies would expect a degree of transparency from media auditors on their pool composition, particularly to understand the percentage of the total spend pooled by the media auditor, as well as the relative share of spend of the audited advertiser in the given market.
- In case of insufficient pool size, we would encourage an open discussion between the agency, the advertiser and the media auditor on how the benchmarking exercise can be conducted, and if adjustments/conversions or an alternative output (e.g. ranges, traffic light system) can be incorporated into the results.
- Changes in pool composition should be pro-actively communicated to both the agency and the advertiser when susceptible to impact results. The addition or removal of spend in a defined pool, for example following the acquisition or loss of a client by the media auditor in a given territory, can result in systemic changes in pool composition. As this may impact the benchmark output, and therefore any agency performance related fee, this may require a re-basing of the results to both current year and baseline year, and/or conversion factors applied, to ensure fair year-on-year comparability of the results.

A fair pitch process, with clear, relevant, and transparent templates

During a pitch process, media agencies would expect the same principles stated in the media auditing guidelines to apply, particularly on confidentiality guarantees, conflict of interest, fair and reasonable timings, and contractual obligations with technology and data partners. In addition, the following considerations should be given during the pitch process:

- Responding to pitch data requests requires a high level of specialised agency resource and submissions often include commercially sensitive information. Data requests should be relevant and limited to the scope of pitch, with an NDA provided covering similar terms as detailed in the “confidentiality guarantees” section.
- Media auditors should provide sufficient information to the agencies, including detailed budgets, to enable them to make robust pitch submissions.
- Pitch pricing templates and the media auditor’s data requests should be built to reflect the relevant planning and trading dynamics of each market assessed, in order to ensure the optimal comparison of value delivered to the advertiser.
- For e-auctions or data requests requiring the agency to upload data into a media auditor’s proprietary technology platform, the agency should be provided with clear instructions and appropriate training prior to the submission of the data.
- The media auditor should provide agencies with the ability to provide the requested data in the standard market format, such as from media monitoring and reporting systems.
- Pitch pricing templates should incorporate the ability to normalise cost commitments to account for future planning decisions that impact media cost efficiency e.g. targeting, vendors’ mix, quality levels, or seasonality.
- Media agencies should be allowed to include assumptions and/or comments as part of their submission, to clarify and/or qualify elements of their submission.
- Pitch pricing information and proposed contract terms provided to the media auditor during the review process should remain confidential and exclusively used for the authorised purpose - namely the pitch review itself - and excluded from any pools or benchmarking data processes.
- To ensure accurate pitch submissions, Media auditors should provide transparency on the methodology to be applied to evaluate the agency’s future performance within the Pricing Template RFP package.

These guidelines have been produced and endorsed by EACA, GroupM, Omnicom Media Group, Publicis Groupe, Mediabrands, Havas and Dentsu.

EACA	Nicolas Grand Johan Boserup	Media Auditing Task Force Lead Media Agencies Council (MAC), Chair
GroupM	Scott Smith	Global Commercial Director
Omnicom Media Group	Mark Gallagher	EVP, Chief Client Value Management Officer
Publicis Groupe	Rob Hill	Global Value Management Lead
Mediabrands	Guy Beach	Global President
Dentsu	Balázs Kaposi	Global Head of Investment
Havas	Laurine Gambino	Global Head of Investment

Contributors to this document include:

GroupM	Christian Droeghoff	Chief Investment Officer, EMEA
Omnicom Media Group	Nicolas Grand Johan Boserup	SVP Transformation Global CEO, Investment
Publicis Groupe	Pascal Vanhaeren Suzanne Wallraff	International Media Trading Director MD Commercial Partnerships & Investment EMEA
Mediabrands	Helen Price Kevin Longhurst	Head of Global Accountability Head of MAGNA EMEA
Dentsu	Alastair Shearly-Sanders Simon Porter	Global President, Amplifi Global Trading Officer
Havas	Anna Arcarons	Global Investment Managing Partner