Crown Commercial Service

Communications:

Media Buying RM6003

Customer call-off guidance - FAQs

When Can I buy Media?

You can buy media at any time once you have agreed your Call-off contract with the agency however no media can appear or be published until the 7th November 2018.

What are the agencies Insurance requirements?

The agency's Insurances have been set at:

Employer's (Compulsory) Liability Insurance = £5,000,000

Public Liability Insurance = £1,000,000

Professional Indemnity Insurance = £5,000,000

Why did you develop the RM6003 Media Buying Agreement?

The existing media buying agreement expires on 6/11/18.

Media buying is imperative for government and wider public sector to allow critical messages to be communicated to the nation and worldwide. The current framework covers the six media channels that enable this - television, press, radio, cinema, out of home (e.g. billboards) and digital/online.

In order to negotiate the best deals for all the media bought in the public sector, aggregation of requirements under a single agency has been very successful and allows a single media agency to leverage volume deals with media owners to achieve market-leading rates for government in this complex market.

Furthermore the media market has changed considerably since CCS last went to market in 2014. There are a number of challenges facing the industry particularly with the huge growth in automated (or 'programmatic' buying).

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CCS has been working in partnership with GCS who have been very supportive throughout every stage of the process.

A replacement agreement needed to be in place by May 2018 to ensure:

- a comprehensive transition from the current agreement.
- meeting advanced booking deadlines for TV
- sufficient time for any TUPE obligations, if applicable prior to first media appearance in November 2018.

The media market is highly dynamic and has changed considerably since CCS last went to market in 2014.

The industry is currently under threat from a number of issues - especially the online world with the advancement of automated (or programmatic) media buying. This is creating challenges in a number of ways, e.g.:

- Viewability - buying adverts that will never be seen - e.g. website visitors don't scroll down far enough to view the advert
- Robots - not all views are by people and 'bots' are increasing the reported number of views
- Brand Safety - major media owners such as Google have been placing adverts next to unsuitable content, or YouTube views have generated income for unwholesome videos

We have consulted widely with a range of stakeholders including Agencies, Trade Bodies, Professional Media Consultants and Customers to ensure we put in place the right solution to tackle these issues.

A transparent buying, data access and supply model has been developed for the new media buying contract. Government has been at the forefront of a battle to drive up standards in digital advertising. In addition to the efforts being undertaken in the new media buying agreement, GCS and CCS are now working with the UK's biggest advertisers, via ISBA, to endorse a new, joint approach to one of the biggest challenges in this area: the viewability of digital advertising.

Adopting this standard will improve pricing transparency and accountability. CCS are working closely with GCS and PWC to ensure the media buying agreement is flexible enough to respond to emerging risks.

This agreement will allow visibility of all platform fees, media fees and any additional fee structures paid to the respective ad tech platforms/ trading desks / tools owned by agencies. The commercial value of this will be reduced "wastage" of money spent on advertising and full transparency of where taxpayers' money is being spent and on what.

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What tendering, evaluation & acceptance principles will apply?

Please see “Bid Pack 3 - Your Offer" within the Media Buying tender pack.

What deliverables have been specified?

Please see "Bid Pack 2 - Customer Needs" within the Media Buying tender pack.

Can I run further (mini) competitions through the agreement?

The Media Buying framework has a single agency and is direct award only. No further or mini competitions are available.

What are the Charges?

Media Buying has two cost elements. The buying price of the media (e.g. the 30” spot or newspaper insertion) plus a commission fee. There is a fixed commission fee of 6.4% regardless of media type. The buying prices have been submitted to CCS and evaluated as part of the tender however these prices may differ depending on media type, time of year that media is bought, etc. For further information please request the separate “Overview and Pricing” document from CCS at info@crowncommercial.gov.uk.

Is there a statement of good Standing for the agency and a requirement to update this annually?

There is no statement of good standing however the agency, MG OMD, will need to provide an annual self-audit certificate as well as confirmation of their insurances. Additionally, CCS continually monitor the financial standing of MG OMD taking mitigating and corrective actions as required.

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What did the outline procurement plan look like?

Start date (this is the date we submitted the contract notice to be published)	12/02/2018
Bidder conference	20/02/2018
Clarification questions deadline	15:00 hours on 27/02/2018
Deadline for our responses to clarification questions	17:00 hours on 07/03/2018
Bid submission deadline	15:00 hours on 19/03/2018
Presentations	Week commencing 23/04/2018
Re-submission of pricing	30/04/2018
Issue of intention to award notices to successful and unsuccessful bidders	11/05/2018
End of mandatory standstill period	23:59 hours on 21/05/2018
Issue confirmation of award letters	22/05/2018
Customer transition period	23/05/2018 to 6/11/2018
Framework launch date	7/11/2018

What agreement and agency management will CCS be undertaking?

CCS's management of the framework and therefore the agency is detailed in "Framework Schedule 8 (Framework Management)" of "Attachment 6 - Framework Agreement Terms & Conditions" within the Media Buying Tender pack.

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<u>How has value for money been demonstrated?</u>

The new media buying agreement has been designed to provide a transformational service to improve campaign outcomes, increase quality of service and transparency and combat the industry wide issue of non-viewed advertising.

Benefits:

1. **Commission fee neutrality**. MG OMD will have the same commission of 6.4% for each media channel, including programmatic, to ensure media neutrality when buying for customers.
2. **Reduced "wastage" of money spent on advertising** and full transparency of where taxpayers' money is being spent and on what. This agreement will allow visibility of all platform fees, media fees and any additional fee structures paid to the respective ad tech platforms/ trading desks /tools owned by agencies which could lead to potential budget reductions.
3. **High quality media placement driving effective outcomes**. Government will get high quality media at a competitive cost. Government ads are currently measuring at a standard of 60% viewability which is in line with the market. We are working to push this to 100% whilst maintaining competitive pricing through a leveraged deal.
4. **Enhanced terms and conditions**. Aligned to best practice terms drafted by the leading advertisers industry body ISBA.
5. **Annual contract review**. Allows us to adapt the contract in flight as the market and industry advances and innovative approaches and ways of working become available.
6. **Performance Incentives**. Ensures robust contract management and surety that KPIs are delivered to encourage MG OMD to optimise performance and improve outcomes. The performance incentive will be an additional 1.60% commission of net media spend, before deduction of rebates and unbilled media, allocated as follows:
   - 0.8% based upon outcomes delivery - aligned with client KPIs
   - 0.4% based upon service delivery - measured through a tailored service scorecard
   - 0.4% based upon pricing and contract delivery - measured through media and financial audit performance
7. **Increase commercial benefit through robust pricing guarantees and benefits methodologies**. Pricing guarantees defined for the life of the contract and benchmarking of rates against other public and private sector organisations.
8. **Performance management**. Including live campaign dashboards, in-flight optimisation, monthly information, external media audits, strategic supplier management and customer satisfaction surveys to include reviews on the quality, efficiency and effectiveness of the services provided by MG OMD.
9. **Ability to have owned tech / data** for enhanced transparency and access to client data.
10. **Flexible agreement**. To ensure best fit agency relationship for a variety of customers. This includes three different service levels.

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11. **Process efficiency effectiveness**. Ensures MG OMD, and other agency partners, are engaged from the very beginning of the marketing / campaign process.
12. **Best practice sharing.** Ensures MG OMD is held accountable for reporting performance and sharing insight and learnings to the whole client community where appropriate.

How was the pricing evaluation undertaken?

Price Waterhouse Cooper (PwC), an independent organisation, were tasked with undertaking the price evaluation. This was under a full non-disclosure agreement and for the sole purpose of evaluating bidders pricing. PwC were appointed under CCS Management Consultancy Framework agreement.

PwC are a specialist consultant that have proven experience and knowledge in the media industry. In addition to the pricing evaluation they supported CCS with, they supported work with the Industry Standards Advertising Body (ISBA) to create a framework agreement that aimed to tackle these industry wide issues too. To ensure market best practice, CCS used this framework as the base of their framework terms and conditions for this media buying agreement.