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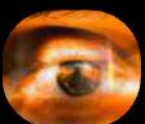
# REDESIGNING THE AGENCY VALUE MODEL









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An existential question for our industry

Agencies face a difficult moment. Our business model has got out of synch with the way we work. We currently, mostly, charge by the hour but AI and other technologies have undermined the value of that approach.

An income model based on time and staffing is increasingly less relevant in a world of integrated AI workflows, agentic media buying and faster and faster response times.

Changing a business model is no light task, however, and many agency leaders will naturally have questions about how clients will respond. As this report explains, pushback is likely to be less intense when agencies have prepared for those conversations, properly framing value around key products that give clients certainty.

This conversation matters because while some VoxComm members have started this journey, others are stuck in the old ways. AI will only move faster and no one should be waiting for it to engulf their bottom line.

If you are a CEO, CFO or a member of an agency leadership team you should be looking to decouple revenue and profit from staffing numbers.

If we don't have this conversation, agencies won't be able to continue to deliver amazing value and clients will miss out. Agencies want to make a difference, and we now have the data and tools that help us prove how and where we are delivering.

Making the change will require some delicate conversations but most clients will welcome the idea that compensation aligned with the outcomes agencies help create should become a much more central part of the relationship.

This report is a call to arms and a roadmap to a brighter future, one that allows agencies to be recognised for their contributions to brand growth and rebuilds margins across our industry.

It is not an instruction manual; it is a guide to the change needed across the agency community. The right way forward will be different for every agency, but the fact is that things can't stay the way they have been.



Charley  
Stoney

The place we need to get to is where clients buy solutions of clearly defined scope based on their ability to deliver defined outcomes. It's not simple but it can be done.

President of VoxComm  
CEO, EACA (European Association of  
Communication Agencies)

# FOREWORD BY TIM WILLIAMS

THE AGENCY INDUSTRY IS AT A CRITICAL CROSSROADS. ONE PATH LEADS TO A NEW KIND OF PROSPERITY FUELED BY SCALABLE BUSINESS MODELS AND NEW FORMS OF REVENUE. THE OTHER PATH, STILL PURSUED BY THE MAJORITY OF FIRMS, IS AN UNSUSTAINABLE RACE TO THE BOTTOM CHARACTERIZED BY CONTINUED RELIANCE ON LABOR-BASED COMPENSATION AND SERVICE-BASED BUSINESS MODELS.

WHILE PAINFULLY PERSISTENT INERTIA HAS KEPT MANY AGENCIES MIRED IN A LOW-MARGIN EXISTENCE, BEHIND THE SCENES A COMMERCIAL MODEL TRANSFORMATION HAS BEEN CHANGING THE FORTUNES OF THOUSANDS OF FORWARD-LOOKING FIRMS WHO ARE REIMAGINING THEIR OFFERINGS AND REINVENTING COMPENSATION APPROACHES, RESULTING IN DYNAMIC ORGANIZATIONS WHO ARE CREATING NEW FORMS OF VALUE FOR THEIR CLIENTS.

## Incentives Matter

At the heart of our industry's challenges lies a simple economic truth: incentives matter. When agencies embraced the hourly rate model, they unknowingly created a structural misalignment. What agencies are rewarded for—more hours—clients are incentivized to minimize. The result is a zero-sum relationship where every negotiation feels like a tug-of-war over cost rather than a partnership focused on growth. It doesn't have to be this way.

This guide outlines the principles and practices that can lead agencies out of this trap—toward a win-win future in which both parties gain more of what they truly want.

The mission of agencies must be to proactively grow brands, not reactively fill scopes of work, but this requires a realignment of incentives. Agencies must be motivated and rewarded for improving their client's key success indicators, and clients must move from a mindset of paying their agencies the same way they buy office supplies.

## You Are Not in the Service Business

Agencies don't sell services and capabilities, but rather solutions to business problems. But you wouldn't know it from visiting the websites of most agencies that persist in presenting bullet-point lists of the same competencies available at most other firms around the world. It's no wonder most client organizations have difficulty discerning one agency from another. It's also why agency-client compensation negotiations turn into a circular conversation about costs and efficiency rather than results and effectiveness.

Ironically, as the volume and complexity of agency work have increased, compensation and profitability have declined. The average creative now produces almost five times the output for the same (or less) per-unit compensation than just ten years ago. Agency profit margins, which averaged around 30% in the golden age of advertising, now hover around 10% worldwide.

The result has been a massive talent drain as agencies struggle to compete with brand-side organizations that are able to pay two or three times the salary for the same position.



## An Unscalable Business Model

The uncomfortable truth is that the agency industry has built an unscalable model. To increase revenue, agencies must increase headcount—a linear relationship that caps both growth and profitability. True scalability, by contrast, allows revenue to grow faster than staffing.

The best way to understand this dynamic is to look at the financial metric “Revenue per FTE” (full-time equivalent). At most agencies, this figure is roughly USD 150,000. At most client companies, this figure is often above \$1 million. At Google, the revenue per FTE is \$1.3 million. For Apple, \$2 million plus.

Why the difference? Brand organizations treat employees as sources of intellectual capital—an asset that can be scaled through technology, IP, and innovation. Agencies, however, treat people as billing units, each limited to roughly 2,000 billable hours per year. This imposes an artificial ceiling on both revenue and profit.

Agencies have a single linear revenue stream directly tied to labor hours, whereas client organizations have multiple exponential revenue streams that allow for unlimited growth. The formula for agency success is clear: adopt business and revenue models that create and capture value in the same way the rest of the business world does. That begins by stepping off the treadmill of hourly billing and building a solution-based, not hours-based, commercial model.

## Disruptive, But Not Complicated

This guide, written by my colleague Brian Kessman, will walk you through, step by step, the actions your firm needs to take to make this transformation happen. It’s not complicated, but it is disruptive. It’s “disruptive innovation,” characterized first and foremost by an important paradigm shift.

You are not in the service business; you’re in the business of solving important business problems for your clients. It’s time for agencies to get compensated for what they really sell.



# EXECUTIVE SUMMARY

THE AGENCY INDUSTRY HAS A VALUE PROBLEM.

ACROSS REGIONS AND DISCIPLINES, AGENCIES ARE PRODUCING MORE WORK, FASTER, WITH BETTER TOOLS—YET MARGINS CONTINUE TO DECLINE, PRICING POWER REMAINS WEAK, AND GROWTH STILL DEPENDS ON ADDING HEADCOUNT. THESE OUTCOMES ARE THE PREDICTABLE RESULT OF BUSINESS MODELS THAT DEFINE AND MONETIZE VALUE IN TERMS OF EFFORT RATHER THAN IMPACT.



How an agency defines its value determines how profitably it can capture it.

When value is framed through hours, roles, or deliverables—even under fixed fees or retainers—clients and procurement default to comparison, cost control, and negotiation. AI accelerates this dynamic by compressing effort further, breaking the final link between time and perceived value.

Agencies that escape this trap do so by redesigning what we refer to as the agency value model—the system that connects how they define their value, how they sell it, how they deliver it, and how they price it.

## The Problem with Legacy Models

Three forces are undermining traditional agency economics:

- 1 **Agencies are being penalized for efficiency.** In effort-based models, AI-driven efficiency lowers perceived value faster than it lowers cost.
- 2 **Changing pricing without changing what is being sold is ineffective.** Many agencies have replaced hourly billing with fixed fees or retainers, but their offerings remain custom, capability-led, and labor-dependent leaving economics unchanged.
- 3 **Revenue scalability remains tied to headcount and utilization.** Growth remains linear, capping margin, increasing complexity, and exhausting leadership teams.

## The Four Agency Value Models

Most agencies operate within one of four model variations with recurring economic patterns:

- 1 **Busy by Design**  
Broad services, custom scopes, growth through utilization. Teams are busy; margins are thin.
- 2 **Scaling with Strain**  
Fixed fees replace hours, but economics remain time-based. Efficiency improves; scalability does not.
- 3 **Expertly Undervalued**  
Strong expertise and credibility, but value is still sold as effort. Pricing remains negotiable and scale depends on senior leaders.
- 4 **Distinctly Scalable**  
Expertise is codified into repeatable solutions. Pricing aligns with outcomes. Revenue scales without proportional headcount growth.

Most agencies, to their detriment, fall into one of the first three categories. This is a guide to becoming a Distinctly Scalable agency and a more profitable business.



## What Distinctly Scalable Agencies Do Differently

They redesign their business across four dimensions.

### 1 Value Definition

Focusing on a narrow set of high-value client problems they are uniquely qualified to solve.

### 2 Value Design

Translating expertise into structured, repeatable solutions—often productized or AI-enabled.

### 3 Value Delivery

Building systems, workflows, and teams around outcomes rather than projects or utilization.

### 4 Value Capture

Using solution-based monetization systems that decouple price from effort and align revenue with impact.

Pricing changes *after* value is redefined, clear, repeatable, and defensible.

## Why Solutions Change the Economics

Selling traditional services hands control to buyers.  
Selling solutions helps agencies reclaim it.

- Solutions shift conversations from cost to impact.
- They reduce scope friction and renegotiation.
- And they make value easier for clients to explain internally
- They create revenue continuity beyond individual projects
- And they enable repeatability, automation, and scale

A true solution has three characteristics:

- A business-critical client problem worth paying for
- A repeatable, codified method
- A clearly intended outcome

Offerings without these characteristics behave like services regardless of how they are priced.



## The Leadership Imperative

This is not a call for wholesale reinvention. Agencies that succeed

- Diagnose where their value model is constrained
- Identify the constraints limiting their ability to capture value
- Sequence change deliberately, not simultaneously
- Introduce new models alongside existing ones
- Let clients experience value differently before forcing change

Pricing is where tension shows up first, but it is not where the work begins.



# HOW TO USE THIS GUIDE

THIS GUIDE IS WRITTEN FOR AGENCY CEOS, CFOs, AND LEADERSHIP TEAMS. IT'S A SYSTEM-LEVEL CHANGE THAT TOUCHES STRATEGY, OFFERINGS, DELIVERY, PRICING, AND CLIENT RELATIONSHIPS.

SINCE EVERY AGENCY IS AT A DIFFERENT POINT IN ITS EVOLUTION, THIS GUIDE IS DESIGNED TO MEET AGENCIES WHERE THEY ARE TODAY, AND SERVES AS A RESOURCE AS THEIR MODELS EVOLVE. AS SUCH, SOME SECTIONS MAY BE MORE TIMELY AND IMMEDIATELY USEFUL THAN OTHERS.

## What This Guide Covers

At a high level, this guide addresses four interconnected questions:

- 1 Why legacy agency models are breaking down.
- 2 How agency leaders should think about their model and its impact on performance.
- 3 What scalable, value-led models look like in practice.
- 4 How to redesign your own model.

## How to Use This Guide

Answer the questions below to decide where to begin:

**Does your agency feel busy while margins remain stubbornly low?** Start with Sections 1 (When Your Model Works Against You) and 2 (Mapping Your Model) to understand how your current model may be working against you and where your firm sits on the Agency Model Map.

**Have you moved beyond hourly billing but still feel constrained?** Begin with Sections 2 (Mapping Your Model), and 4 (How to Pivot) to see why pricing often plateaus, and how to unlock scalability.

**Do clients value your expertise but don't pay appropriately for it?** Focus on Sections 2 (Mapping Your Model), 4 (How to Pivot), 5 (How to Price), and 7 (How to Navigate), then review the case studies most similar to your firm.

**Are you already productizing, using AI, or experimenting with new models?** Start with Sections 3 (Case Studies), 5 (How to Price), and 6 (How to Plan) to strengthen monetization and scalability.

**Do you want actionable next steps?** Read Sections 2 (Mapping Your Model), 6 (How to Plan), and 8 (Online Tools to Apply This Guide to Your Firm), then use the diagnostic to identify the single constraint that matters most for your agency right now.

**Do you want a comprehensive understanding of how strategy, offerings, delivery, pricing, and client relationships work as a system?** Read the guide cover to cover.



# WHEN YOUR MODEL WORKS AGAINST YOU



"We really are just trying to look at what we would do if we started the agency from scratch."

Wesley ter Haar, Monks

When a firm defines its worth in hours, every efficiency gain erodes how buyers perceive its value. The result: price lowers faster than cost.

Through our work with hundreds of agencies worldwide, my colleague Tim Williams and I have seen several predictable forms of "model misalignment," rooted in time-based thinking:

- Agencies with a broadly focused, capability-led model with thin margins that must maximize hours to stay afloat.
- Agencies that moved from hourly rates with fixed fees by changing contracts and billing methods, but still tie their economics to time.
- Agencies with differentiated strategic expertise and market credibility that undervalue their work by monetizing effort and hours rather than outcomes.

The pattern is consistent: the volume of work grows faster than profit.

## The Psychology of Inaction

Some leaders are hesitant to change, and this reservation is understandable:

- Redesigning an economic model carries commercial, operational, and cultural risk.
- Faced with uncertainty, people instinctively cling to what's familiar, even when it's failing. This is known as prospect theory.
- As people grow more skilled at executing a successful model, they become less willing to question it. It's what organizational theorists call the competency trap.

An unwillingness to move creates a cycle of inertia characterized by investing in outdated systems instead of exploring alternatives. The cost of delay includes a compounding loss of margin, talent, and opportunities that could have been.

## Early Proof of Value-Centric Models

Firms moving quickly to realign their models around value are already seeing results. Their economics shift almost immediately, aligning the value they create and the value they capture.

Consider a few examples from our consulting work—a sample of the types of cases we'll share later in this guide:



- A consulting firm with 1,000+ employees and \$60 million in revenue integrated strategy and design into a single outcomes-based solution that prioritized impact rather than activity. Clients gained a clearer understanding of what they were buying and why it mattered.

Without changing their cost structure, the firm is seeing a 66% increase in price point, and closer alignment to the value they provide.

- A full-service agency with 105 employees and \$20 million in revenue refocused on a targeted set of client types and outcomes-based solutions. By codifying its expertise as repeatable offerings, the agency made its value clearer and easier for clients to buy.

Clients responded by committing to more substantial relationships and expanding the scope of work as confidence in the agency's impact grew.

- A content and performance agency with 34 employees and \$9.2 million in revenue reframed its retainers around specific client outcomes rather than effort.

By clarifying what clients would gain from the relationship, the agency made the engagement easier to evaluate and commit to, and at a 50% larger initial investment than the client initially proposed.

The through line in each case is that these agencies changed what they were selling and how clients experienced it, not just how it was priced.

Examples like these helped shape the purpose of this guide: to explore how agencies are rethinking their models, and to outline a path others can follow.

## Clients Also Want Change

Client organizations must justify agency investments to marketing leaders, finance groups, procurement teams, and senior executives.

Across our interviews and work with agency leadership teams, many clients are uneasy with time-based relationships because the return on their investment is hard to explain, defend, and forecast.

Time-based efforts rarely provide confidence that the work is (a) focused on the right problem, (b) moving in the right direction, or (c) likely to produce meaningful business impact.

## Clear and Easy Value

Clients need to know what they're buying. They need confidence in the process so it's easier to sell up the ladder. They need predictability of cost and accountability beyond activity tracking. And they need early signals that the agency "gets it."

When these needs go unmet, clients will revert back to what can be counted, compared, or negotiated: hours, rates, roles, deliverables, and eventually pricing.

## The Desired Future State for All

*Value is demonstrated earlier in the agency/client relationships, trusted across stakeholders, and defensible without a focus on effort.*



In that model, the client's experience of the agency changes, beginning with the very first touchpoint—looking, sounding, and collaborating differently:

- Clients work with the agency primarily as a decision partner, not a delivery vendor.
- Creative leaders feel more freedom to do great work.
- AI is integrated into the model to accelerate judgment and insight.
- Success is defined by quality work and consistent results—the value provided and gained for both clients and the firm.
- Transparency becomes clarity around intended outcomes versus a breakdown of inputs.
- The model allows agencies to recover margins without depending on headcount growth or utilization.

When the commercial model makes those elements visible, they replace time and effort as the definition of value.

## This is a Guide to Defining Value

And it's an exploration of a new economic model organized around outcomes to prevent deeper misalignment between how agencies work and what clients need.

Our approach to this is the Agency Value Model™ that prioritizes (a) clearly identifying what the firm does exceptionally well, (b) systematizing how the work gets done, (c) preparing your people to work within the new system, and (d) monetizing to capture value instead of cost.

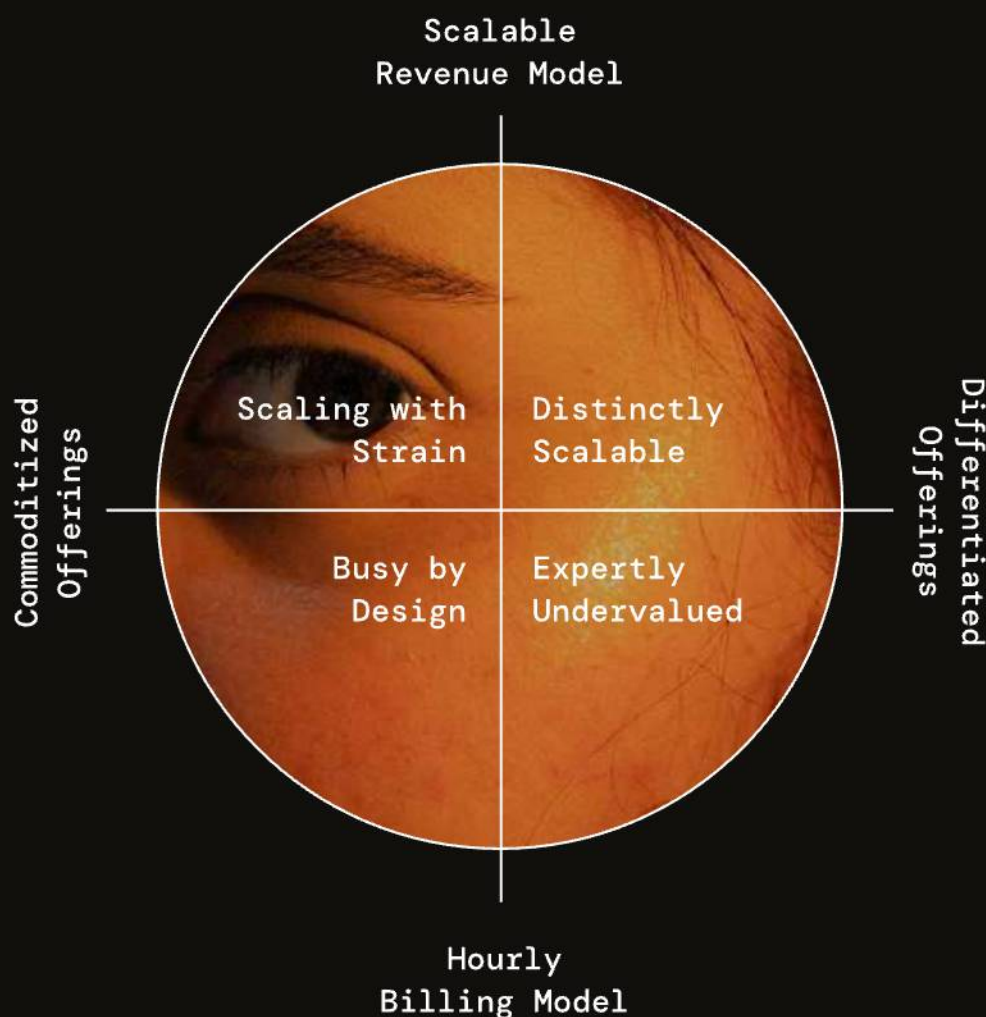
# MAPPING YOUR VALUE M<sup>2</sup>ODEL

BEFORE AN AGENCY CAN MOVE FORWARD, IT NEEDS TO KNOW WHERE IT IS TODAY AND WHAT'S HOLDING IT BACK. THIS FRAMEWORK HELPS ESTABLISH THAT, AND PUTS THE AGENCY ON A PATH TOWARD DIFFERENTIATED, SCALABLE, HIGH-MARGIN GROWTH.



# THE AGENCY MODEL MAP™

In our work, one principle proves central to agency success: how well a firm defines its value will determine how profitably that value can be captured. The Agency Model Map makes this visible by measuring two interdependent dimensions that shape financial performance and resilience:



- 1 **Value Definition (X axis)** - How clearly and credibly does the firm define its uniqueness and the outcomes it can own?
- 2 **Value Capture (Y axis)** - How effectively does the firm monetize those outcomes through offer structures and IP that decouple revenue from labor and align pricing with impact.

We've plotted recurring patterns of change within agencies as firms move away from billable hours toward different revenue models. When viewed through the two dimensions of the Model Map, four archetypes emerge. Each offers leaders a shared language to diagnose their firm's position and surface their constraints, while charting a path toward a more scalable model.

#### The Four Archetypes

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### 1. Busy by Design

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### 2. Scaling with Strain

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### 3. Expertly Undervalued

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### 4. Distinctly Scalable

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Each archetype reflects a mindset and a stage of progress in the journey toward a new revenue model. As you read, consider which stage your agency is at or nearing. Note that these are not rankings, but rather descriptions of the patterns shaping current performance.





# BUSY BY DESIGN

Where most firms begin

## The value narrative

Access, responsiveness, and quality of client service—traits that sustain relationships but position the firm as a dependable vendor, not a strategic partner.

## Common mindset

"We can do it all. It's why clients hire us and how we grow revenue."

## Primary risk

Productivity improves, profitability doesn't.

These firms are built on a model that rewards activity, not value.

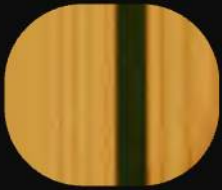
They offer broad capabilities and custom scopes, often describing themselves as "full-service" or "integrated," but lack a distinct focus or defensible niche. Breadth of service substitutes for differentiation, forcing them to compete on responsiveness and price.

Revenue grows by hiring and maximizing utilization. AI and automation make delivery faster but rarely change the economics. When used only for efficiency, they reinforce the same cost-based logic that limits pricing power.

Every efficiency gain lowers delivery cost but also invites procurement and price-driven buyers to negotiate lower rates and fewer hours for the same work.

Leadership teams often see strong top-line growth and busy teams but thin margins. Growth compounds complexity faster than profit, requiring senior leaders to manage the business model rather than scale it.





# SCALING WITH STRAIN

New pricing, same growth challenges

## The value narrative

Reliability, efficiency, and partnership—qualities that deepen trust but reinforce a reactive supplier posture rather than a source of strategic value.

## Common mindset

“We’re changing, but it’s exhausting.”

## Primary risk

Operational evolution without economic evolution and a revenue plateau.

These firms have modernized how they price but not how they define value or design for scalable revenue and profit.

Their positioning remains broad and capability-led, so differentiation and pricing power stay weak. Fixed-fee scopes and some performance-based pay may replace hourly billing, but the core economics are still based on time. Offerings are still custom, framed as services, and designed for efficiency, not to create higher-margin offerings.

Over time, growth often plateaus as benefits from internal efficiency begin to taper, increasing reliance on new business to drive incremental revenue. But because offerings still look similar across firms, procurement pressure persists and price-driven buyers stay in control.

On the surface, these firms appear stable: processes improve, teams perform, and revenue becomes predictable. Yet coordination costs rise with growth, and teams absorb the strain through heavier workloads.





# EXPERTLY UNDERVALUED

Focused growth, same  
revenue challenges

## The value narrative

Expertise and specialized experience—credible but framed as services and capabilities, positioning the firm as an advisor for hire, not a partner accountable for results.

## Common mindset

"We're known for our thinking, but clients don't pay what it's truly worth."

## Primary risk

Strategic credibility without capturing the full economic value of their expertise.

These firms have achieved a focused business strategy but haven't yet matured their revenue model.

They've positioned themselves around category expertise and/or specialized areas of service, earning credibility in the marketplace and trust with clients. But their offerings are still framed as custom services beneath their specialization, making them comparable to peer firms and still perceived as "service providers."

Pricing and delivery occur through custom scopes and billable hours, keeping fees negotiable and margins thin. Revenue depends heavily on senior leaders and subject matter experts whose judgment

drives client value, but whose limited capacity constrains scale.

The model relies on experience more than systems, resulting in linear growth and leadership fatigue.

AI and automation improve efficiency but aren't yet embedded in products, tools, or IP that enhance differentiation or can be monetized for recurring revenue.

The business feels stable but demanding. Reputation fuels a steady pipeline, yet profit remains inconsistent. Growth often comes at the cost of leadership bandwidth, and teams rely on senior oversight to win and deliver work.





# DISTINCTLY SCALABLE

Fully evolved firms  
This is the goal

## The value narrative

A growth partner accountable for results.

## Common mindset

"We scale our expertise and value, not headcount or effort."

## Primary reward

Profitable, defensible growth that compounds over time.

Distinctly Scalable firms scale their expertise and value, not headcount and effort.

They focus on solving specific, high-value client problems, often for a clear category or service niche. And they have intentionally divested from lower-value, price-sensitive offerings to concentrate their resources toward higher-margin work. That focus builds pattern recognition, repeatable offerings and scalable, differentiated solutions—often productized or AI-enabled—that deliver consistent results.

They align their pricing with their impact through fixed fees, subscriptions, licensing, or performance

structures. Revenue grows without adding headcount, turning efficiency into margin and margin into enterprise value.

AI and intellectual property are embedded within offerings, increasing speed, reliability, and defensibility. These firms enjoy higher revenue per FTE, stronger recurring revenue, and profit growth.

Operationally, the business runs on well-documented systems rather than dependence on key individuals. Their scalability enhances opportunity instead of complexity and frees leadership to focus on innovation and value creation.



## Why is “Distinctly Scalable” the goal?

Firms that scale expertise and value rather than headcount and effort build stronger economic engines.

By concentrating their business on specific, high-value client problems, they cultivate pattern recognition that turns experience into repeatable solutions. This consistency (a) improves results with greater predictability, (b) builds a more defensible market position, (c) reduces risk when using outcome-based pricing, and (d) makes the firm a more compelling option for clients.

Repeatability also enables automation. AI delivers the greatest returns when applied to defined, repeatable workflows. When a firm codifies its approach, AI amplifies speed, accuracy, and quality, translating into faster time-to-value for clients, strengthening the firm’s value narrative and margins.

Strategically, repeatability gives the agency more influence by placing it in the expert seat.

## What to Do with This Map

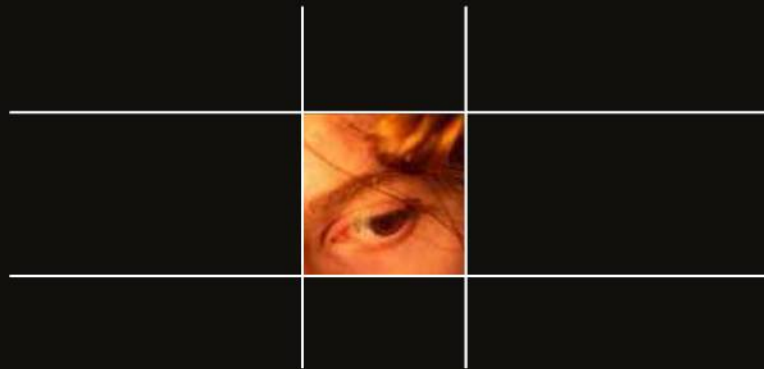
Identify which pattern best reflects your firm, pinpoint where your model is hindering your performance, and determine the greatest impact on your enterprise value.

If you’re unsure where your firm sits, a brief self-assessment later in this guide will help you locate your position on the map and quantify how your model behaves today.

For now, the case studies that follow illustrate what Distinctly Scalable firms look like.

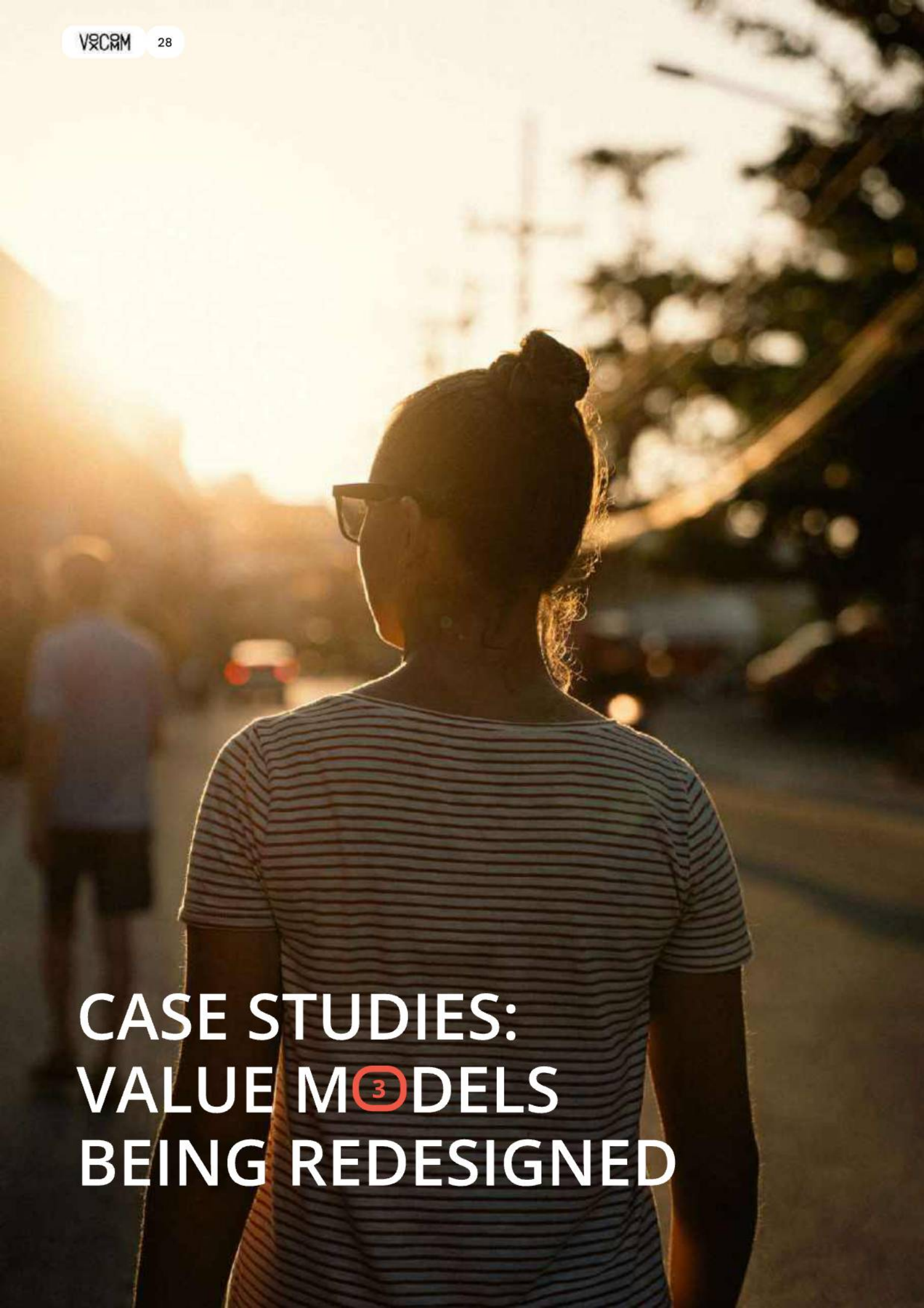


# THE 4 AGENCY ARCHETYPES OF THE AGENCY MODEL MAP



| Archetype             | Model Characteristics   | Economic + Leadership Reality  | Value Narrative + Mindset   | Primary Risk / Reward   |
|-----------------------|---|--|---|---|
| Busy by Design        | Built on activity, not value. Broad capabilities and custom scopes substitute for differentiation. Often “full-service” or “integrated.” Competes on responsiveness and price.                | Growth driven by headcount and utilization. Efficiency lowers both cost and perceived value. AI accelerates delivery but reinforces cost-based logic. Busy teams, thin margins, and complexity that scales faster than profit.                   | <i>Access, responsiveness, and quality of service</i> —positions the firm as a dependable vendor.<br><br><b>Mindset:</b> “We can do it all. It’s why clients hire us and how we grow revenue.”      | <b>Risk:</b> Productivity improves, profitability doesn’t.                    |
| Scaling with Strain   | Fixed-fee pricing, but underlying model unchanged. Broad, capability-led positioning. Custom offerings optimized for efficiency, not margin.  | Revenue grows through workload, not leverage. Procurement pressure persists; processes improve but coordination costs rise faster than profit. Stable revenue masks operational strain and team fatigue.   | <i>Reliability, efficiency, and partnership</i> —deepens trust but reinforces supplier posture.<br><br><b>Mindset:</b> “We’re changing, but it’s exhausting.”                                       | <b>Risk:</b> Operational evolution without economic evolution.                |
| Expertly Under-valued | Clear expertise and category focus. Services framed as custom rather than structured solutions. Perceived as a specialized vendor, not a partner.   | Time-based pricing limits margin. Growth depends on senior talent. Systems are underdeveloped. AI used for efficiency, not differentiation or IP. Feels stable but demanding; profit inconsistent and scale constrained by leadership bandwidth. | <i>Expertise and experience</i> —positions the firm as an advisor for hire.<br><br><b>Mindset:</b> “We’re known for our thinking, but clients don’t pay what it’s worth.”                           | <b>Risk:</b> Strategic credibility without capturing the full economic value. |
| Distinctly Scalable   | Rebuilt around scaling expertise and outcomes, not effort. Focused on high-value problems within a defined niche. Divested low-value offerings; built repeatable, often AI-enabled solutions. | Pricing aligns with impact—fixed, subscription, or performance models. Revenue decoupled from headcount; efficiency drives margin and valuation. Systems, not individuals, enable scale; growth increases opportunity, not complexity.           | <i>Outcomes, impact, and proprietary advantage</i> —positions the firm as a growth partner accountable for results.<br><br><b>Mindset:</b> “We scale expertise and value, not headcount or effort.” | <b>Reward:</b> Profitable, defensible growth that compounds.                  |



A woman with her hair in a bun, wearing glasses and a striped t-shirt, is seen from behind, looking out over a city street at sunset. The sun is low on the horizon, creating a warm, golden glow. In the background, there are blurred figures of people and buildings, suggesting a busy urban environment.

CASE STUDIES:  
VALUE M<sub>3</sub>ODELS  
BEING REDESIGNED

The Distinctly Scalable firms profiled in this section all began from a different set of circumstances but arrived at a similar conclusion: growth increasingly depends on how effectively a firm aligns its value proposition, offerings, delivery model, and pricing with its ability to produce measurable outcomes.

Across the cases that follow, we've distilled each agency's transformation accordingly, as four dimensions of value:



## Defining Value

Sharpening the agency's value proposition to align with what clients are truly buying. Moving conversations from services and deliverables to business outcomes, anchoring value—and ultimately price—to impact rather than effort.



## Designing Value

Codifying agency expertise into structured, repeatable solutions, programs, and products that leverage frameworks and data assets. Standardizing highest-value work, differentiating offerings, and separating revenue from headcount.



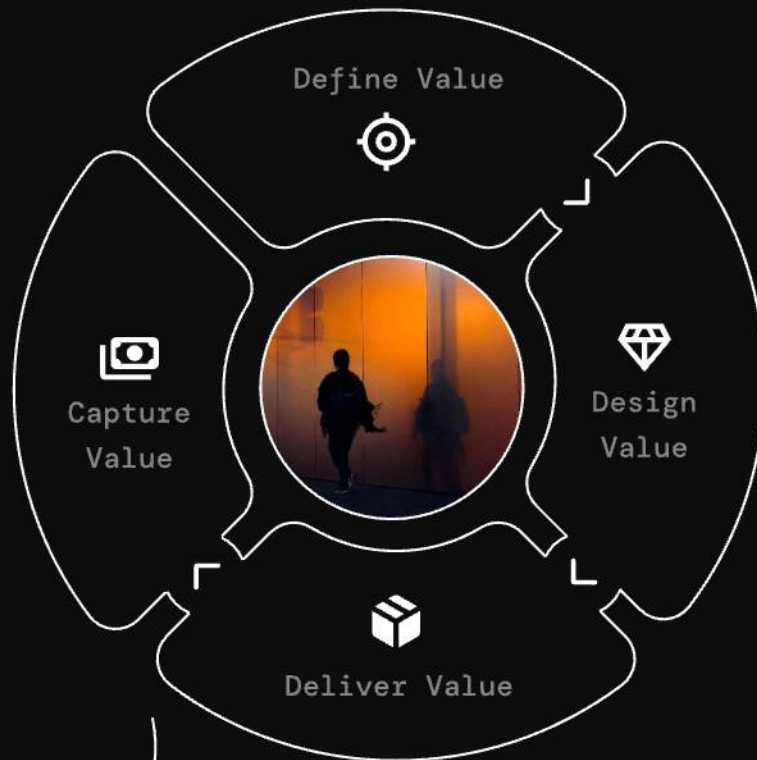
## Delivering Value

Embedding technology and automation into delivery—sometimes extending directly into clients' own environments—to increase quality, speed, and proof of results. Equally important, equipping agency teams to communicate, sell, and deliver the firm's unique value with consistency.



## Capturing Value

Reimagining how the agency's value is monetized through new revenue structures such as subscriptions, licensing intellectual property, and performance-based components, where attribution supports it.



The Agency Value Model™

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## The Agency Value Model™

These four dimensions of value—Defining, Designing, Delivering, and Capturing Value—form the foundation of the Agency Value Model.

The Model provides the architecture for how value is created inside a firm, how it moves through the business, and how effectively it is ultimately monetized.

## How to Read the Case Studies

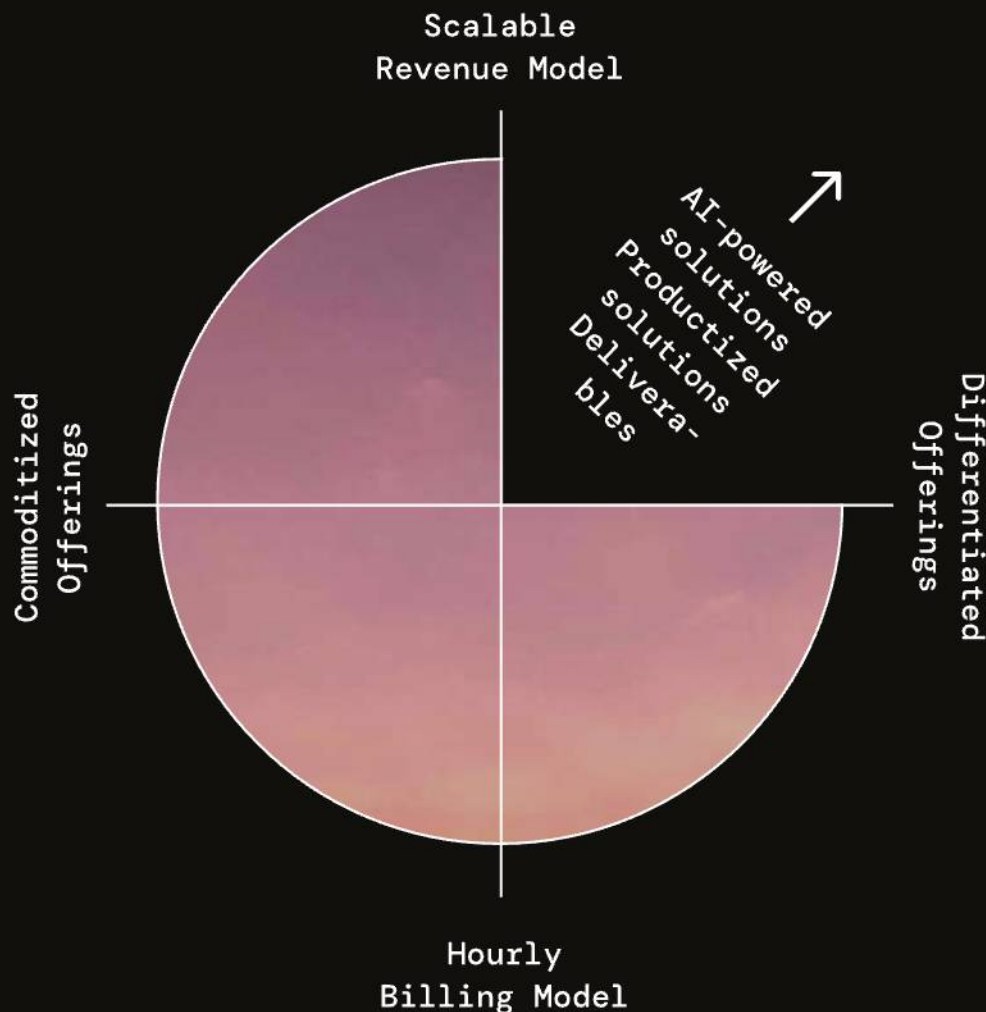
The firms in these case studies were selected to show how agency value models are changing across regions, disciplines, and levels of maturity.

Reviewed in sequence, the cases provide examples of how agencies are evolving their value models. They show the practical paths agencies follow to move from commoditized, effort-based work toward differentiated, scalable value.



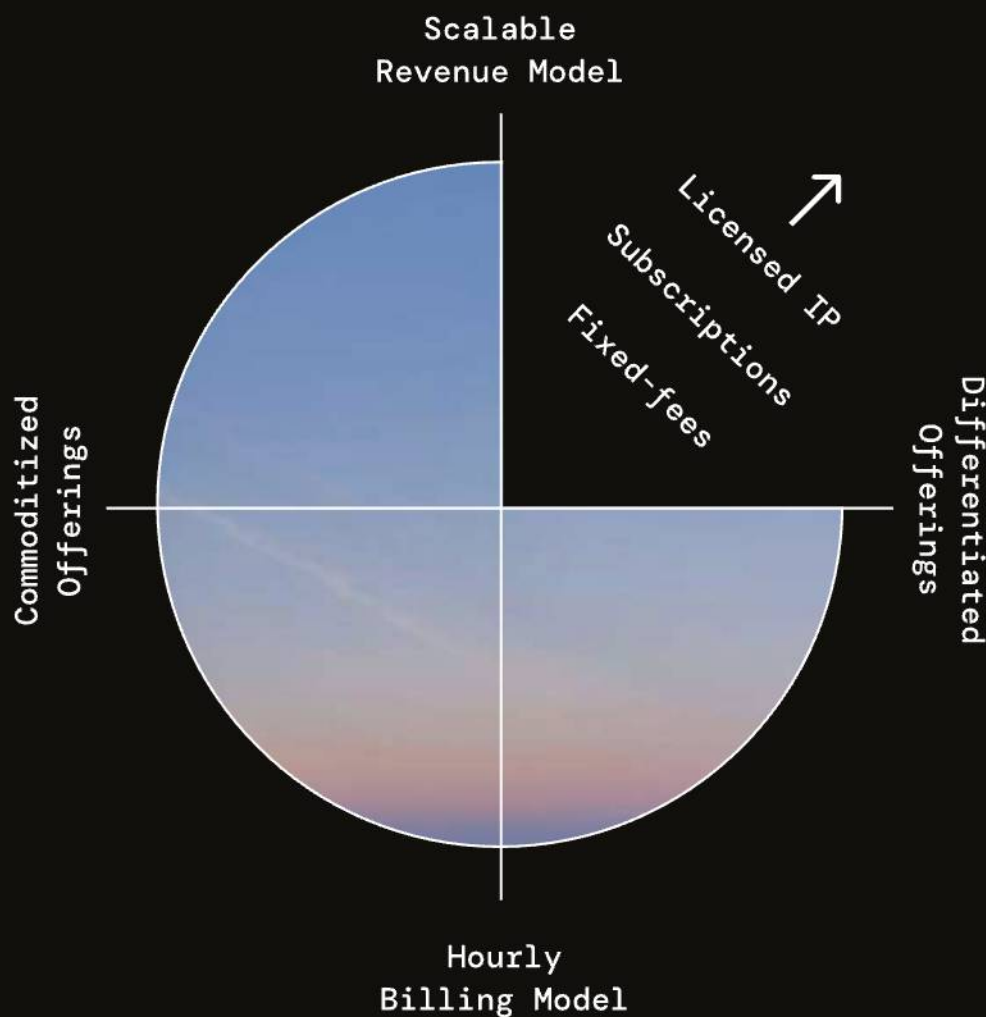
How agencies

# MOVE FROM COMMUNITIZED OFFERINGS TO DIFFERENTIATED VALUE



How agencies

# MATURE TOWARD SCALABLE REVENUE MODELS



The section begins with the agency **FIG**, where a CFO surfaces a familiar problem: declining margin driven by scope creep and effort-based pricing. The next case, **72andSunny**, shows what happens when the problem isn't scope control, but the pricing system itself. The section then moves to **We. Communications**, which shows why improving the economics and delivering outcome-based work at scale requires first getting clear on what the agency stands for and how value is defined internally.

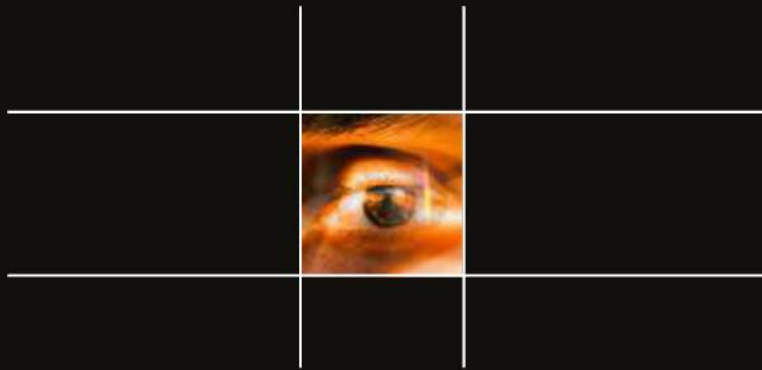
From there, the focus shifts to how value models operate in more complex environments. **VCCP** brings the discussion into an organization with scale, where the catalyst for commercial change has come from a continued focus on value creation, deliberate sequencing, productization, and experimentation rather than wholesale replacement of the model. **Bond Brand Loyalty** then extends the lens into enterprise environments where customer growth work spans the CMO, CFO, and technology leaders. The case shows how the firm earns outcome-level conversations through repeatable solutions and value measurement, so the relationship doesn't start in a procurement "vendor box," while still tailoring delivery without selling bespoke scope every time.

**Time Under Tension** takes the discussion further upstream, showing how fixed-price offerings can be designed for uncertainty, before client problems are fully defined. **BOND** then builds on that idea by changing when clients experience value—during proposals—reshaping how clients think about what is possible and the value of the partnership before a deal is signed. The progression then shifts to **Monks**, a firm that chose to redesign its value model end-to-end, rethinking how value is defined, designed, delivered, and monetized in an AI-enabled business.



# CASE SUMMARIES & THE PRIMARY CHANGES ACROSS EACH VALUE MODEL

Each case highlights the most consequential changes a firm made to how value is defined, structured, delivered, and monetized, based on its starting point and constraints.



| Case Study   | Summary   | Primary Changes Across Their Value Model   |
|--|---|--|
| <p>FIG<br/>Rebuilding the Economics of Creative Work</p>             | <p>This case examines how an independent mid-sized creative agency headquartered in New York uncovered hidden financial risk inside long-term client relationships. Learn how FIG separated pricing from staffing, clarified scope assumptions, and rebuilt internal pricing controls. They are a practical example of how agencies can change their economics through governance and pricing discipline.</p>               | <ol style="list-style-type: none"> <li>1. Anchored the firm's value in strategic judgment and creative decision-making tied to client outcomes.</li> <li>2. Rebuilt scopes as defined workstreams with explicit assumptions to make changes in value visible early.</li> <li>3. Shifted project management toward governing scope, assumptions, and delivery against agreed client outcomes.</li> <li>4. Implemented value-led pricing on retainers, separating price from staffing and using time only as an internal check.</li> </ol>           |
| <p>72andSunny<br/>Moving Beyond Hours to Protect Margin</p>          | <p>This case shows how a global creative advertising and marketing agency headquartered in Los Angeles addressed margin erosion caused by hours-based pricing. Learn how 72andSunny stopped pricing based on staffing and time and moved toward fixed-fee, value-based work, supported by new delivery and governance practices. They are an example of how agencies can protect profitability as AI compresses effort.</p> | <ol style="list-style-type: none"> <li>1. Established a Value Council to redesign how value is defined, priced, and defended across the business.</li> <li>2. Clarified accountability around defined outcomes and outputs rather than roles or time allocations.</li> <li>3. Reorganized work from deliverables into modular, productized offerings.</li> <li>4. Shifted delivery management from utilization tracking to capacity planning aligned to outcomes.</li> <li>5. Monetized their value using fixed-fee, value-led pricing.</li> </ol> |
| <p>We. Communications<br/>Aligning Value Before Changing Pricing</p> | <p>This case shows how an independent global communications firm headquartered in Bellevue, Washington, recognized the need to focus its definition of value before changing pricing or contracts. Learn how We. used governance, shared language, and productized solutions to move toward output- and outcome-based work. We. illustrates how focus and alignment makes commercial change possible.</p>                   | <ol style="list-style-type: none"> <li>1. Clarified the firm's value around helping clients navigate complexity and achieve defined business outcomes.</li> <li>2. Established a Value Council to align leadership, finance, operations, and client teams around a shared definition of value and centralize pricing decisions.</li> <li>3. Consolidated a broad service mix into a portfolio of standardized, productized solutions delivered globally.</li> </ol>  |
| <p>VCCP<br/>Reclaiming Pricing Control from Procurement</p>          | <p>This case explores how a London-based global creative agency uses "value creation" to transform pricing conversations. By prioritizing commercial impact before defining scope, VCCP aligns early stage value with commercial terms—proving this collaborative model works even for global organizations at scale.</p>   | <ol style="list-style-type: none"> <li>1. Established centralized value governance to support consistent commercial decision-making before scope and pricing were set.</li> <li>2. Introduced a structured front-end value definition phase to quantify business impact before scope.</li> <li>3. Reinforced existing methodology with new products that lend themselves to alternative commercial models.</li> <li>4. Tested value-based and outcome-weighted pricing models alongside retainers.</li> </ol>                                      |

| Case Study   | Summary   | Primary Changes Across Their Value Model   |
|--|---|--|
| <b>Bond Brand Loyalty</b><br>Designing a Value Model for Enterprise Complexity | <p>This case shows how an independent global agency headquartered in Toronto responded to growing enterprise complexity by redefining its role around outcomes, not execution. Learn how Bond Brand Loyalty combined repeatable strategic approaches with tailored delivery and built measurement capabilities to support value-led conversations with CMOs and CFOs. They are an example of how agencies can be accountable for results when coordination—not production—is what determines success.</p> | <ol style="list-style-type: none"> <li>1. Positioned the firm as accountable for customer growth and loyalty outcomes across the enterprise.</li> <li>2. Built repeatable strategic frameworks and productized solutions to support consistent delivery and value measurement at scale.</li> <li>3. Integrated creative, data, and technology into unified delivery teams aligned to outcomes.</li> <li>4. Anchored value-led pricing conversations in ROMI and ROXI measurement (Return on Marketing and Return on Experience Investment).</li> </ol> |
| <b>Time Under Tension</b><br>A Value Model Designed for Uncertainty            | <p>This case shows how a small generative AI experience agency headquartered in Sydney built fixed-price offerings for organizations with uncertain needs. See how the firm recognized recurring patterns and designed repeatable solutions to engage clients before problems were fully defined, reducing delivery risk. They are an example of how specialized agencies can apply their expertise upstream, where value is highest.</p>   | <ol style="list-style-type: none"> <li>1. Defined its value around helping organizations determine which AI outcomes matter before requirements were fully defined.</li> <li>2. Designed fixed-price, productized AI sprints to address recurring client needs.</li> <li>3. Separated advisory work from experimental delivery using time-boxed execution models.</li> <li>4. Set prices based on demonstrated value and market demand rather than effort estimates or ROI forecasts.</li> </ol>   |
| <b>BOND</b><br>Turning AI Into a Value Operating System                        | <p>This case shows how a mid-sized brand consultancy headquartered in Helsinki built a proprietary AI operating system to scale how it thinks and works. Learn how BOND used that system to standardize its approach to strategy and creativity, shifting conversations away from scope and efficiency toward what was possible for the brand. They illustrate how AI can be used to change the way clients perceive both the value of AI and the firm behind it.</p>                                     | <ol style="list-style-type: none"> <li>1. Identified recurring client situations and formalized them into named, productized offerings.</li> <li>2. Built a proprietary AI operating system to scale research, strategy, and creative outcomes.</li> <li>3. Enabled earlier client engagement through live, collaborative working environments.</li> <li>4. Extended monetization of its expertise through licensing and managed-service pricing models.</li> </ol>  |
| <b>Monks</b><br>Redesigning Value for the AI Era                               | <p>This case shows how a global digital-first marketing, technology, and consulting company headquartered in London responded when leadership concluded that AI would reshape the entire business, not just delivery. Learn how Monks simplified its offering into a single subscription that combines people, technology, and continuous improvement. They are an example of an agency that redesigns its value model end to end.</p>  | <ol style="list-style-type: none"> <li>1. Defined its business around enabling AI-driven outcomes across marketing and operations.</li> <li>2. Packaged expertise, automation, and technology into a single productized subscription (Talent + Machine).</li> <li>3. Rebuilt delivery around integrated human+AI workflows designed for scale.</li> <li>4. Applied subscription-based, value-led pricing with ongoing efficiency and improvements built in.</li> </ol>   |



# REBUILDING THE AGENCY ECONOMICS OF CREATIVE WORK

Richard Tan, CFO  
FIG

United States



This case examines how an independent mid-sized creative agency headquartered in New York uncovered hidden financial risk inside long-term client relationships. Learn how FIG separated pricing from staffing, clarified scope assumptions, and rebuilt internal pricing controls. They are a practical example of how agencies can change their economics through governance and pricing discipline.

Several years ago, FIG's leadership uncovered a pattern that had quietly taken hold of one of its longest-standing client relationships. Reviewing the account's financial performance, CFO Richard Tan found that profitability had eroded far beyond what anyone inside the agency expected. The work had expanded incrementally but materially: two campaigns delivered where only one had been planned, seventeen review rounds where three to five had been assumed. Internally, the numbers weren't escalated to prevent this.

"We'd just been delivering massively over scope," Tan says. "Nobody had raised it."

Attempts to reconcile the work after the fact produced little recovery. Negotiations yielded roughly 30 to 40 percent of the actual effort expended. The issue, Tan realized, was not simply scope discipline. It was visibility. Internally, systems and habits emphasized tracking time rather than understanding what had changed, what was being delivered, or why assumptions no longer held. "Everyone was so focused on tracking hours," he recalls, "they couldn't see the wood for the trees."

## Defining Value

That realization forced a broader reassessment of what FIG stood for and what clients were actually buying. The agency defines itself as "storytellers for the information age," anchoring its value in judgment—what stories matter, where they should appear, and how they perform across changing channels.

"Channels change," Tan says. "But we need to be experts in how to tell stories in those different media." Over time, FIG deliberately reduced its emphasis on explaining internal processes. "Clients don't need to understand how you do it," he adds. "They need to feel confident you can give them the result they're looking for."



## Designing Value

Operationally, FIG moved away from staff plans and rebuilt scopes around distinct workstreams. Rather than selling a broad “Agency of Record” (AOR) relationship as 24 of 69 an undifferentiated block of time, FIG sells packaged components of value that represent different types of work, such as campaigns, Inter-Agency Team (IAT) leadership, or thought leadership. Each has different variables and explicit assumptions about deliverables, number of review rounds, the level of stakeholder involvement, and the timeline. Writing scopes at this level surfaced differences in expectations early and made trade-offs visible when conditions changed. “Until you write it down,” Tan notes, “you don’t realize where the differences are.”

A core philosophical component for FIG is the decoupling of the price from the delivery effort. “The price should be the price, irrespective of who the people are,” Tan says. Margin and staffing became internal considerations, not determinants of what clients were asked to pay.

FIG also invested in proprietary infrastructure to make the value of its strategic judgement more clear. StoryData, an internally developed tool, ingests and scores FIG’s creative assets using a defined taxonomy, allowing clients to compare their creative output against competitors. “There isn’t much creative data out there,” Tan notes, describing why FIG built its own framework to assess creative effectiveness.

## Delivering Value

The shift required behavioral change across the organization. Project managers were redirected from policing hours to managing scope, assumptions, and delivery quality. That change alone produced a measurable internal impact. “Just changing the mindset of project managers improved profitability by about 20 percent,” Tan says.

Client delivery also evolved. FIG brought procurement teams into conversations earlier, with discussions centered on assumptions, approval processes, and decision paths, which removed late-stage price pressure from the same procurement professionals. AI was introduced to remove labor-intensive work and support higher-quality thinking, not to modify pricing. “AI frees up time for thinking and know-how,” Tan explains. “It shouldn’t affect our overall price.”

## Capturing Value

Today, roughly 90 percent of FIG’s revenue is retainer-based. Externally, clients see a single number. Internally, that number covers their multiple value components tied to different workstreams. Time is used only as a validation check, not as a pricing input. “If we get it wrong,” Tan tells new clients, “that’s on us.”

Pricing decisions are grounded in perceived and estimated client value rather than delivery effort, with flexibility to adjust when assumptions change.

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## Results

The outcomes of the shift are primarily internal but consequential. FIG reports a healthy gross profit profile and revenue per employee in the \$300,000 to \$400,000 range. The agency has avoided downward fee pressure tied to AI-driven efficiency.

For clients, the changes have produced clearer expectations at the outset, fewer scope disputes midstream, and greater confidence in what FIG is accountable for delivering.

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# MOVING BEYOND HOURS TO PROTECT MARGIN

Patricia Rothenberg, Global COO  
72andSunny

United States



This case shows how a global creative advertising and marketing agency headquartered in Los Angeles addressed margin erosion caused by hours-based pricing. Learn how 72andSunny stopped pricing based on staffing and time and moved toward fixed-fee, value-based work, supported by new delivery and governance practices. They are an example of how agencies can protect profitability as AI compresses effort.

72andSunny's transformation began when leadership identified an imbalance within its commercial model. Work was priced through staffing plans, hours, and cost-plus assumptions supported by timesheets. When effort came in under expectations, some clients could reconcile and receive credits. But the reverse rarely applied.

"While many of our contracts in place allowed for client reconciliation and credits in cases of under-burn, they rarely offered a corresponding mechanism to address our own accumulated over-burn," Patricia Rothenberg, Global COO, said. "This created an inherent asymmetry of risk, causing agreed-upon margins to steadily erode."

Attempts to recover value after the fact only compounded the problem. "That reconciliation process often was a very burdensome one," Rothenberg said, noting that the administrative effort required to document and negotiate recovery "starts again to eat away at what margin you're actually achieving."

In thinking about how AI will start to compress timelines and reshape how work is produced, Rothenberg predicts that "agencies who are still in an hours-based model will likely experience even greater pressure on their margins."

In response, 72andSunny embarked on a deliberate multi-year shift to rework not just pricing, but how the firm defined, designed, delivered, and captured value.

## Defining Value

The shift began with a change in how leadership framed the firm's role. While proposals historically emphasized staffing and execution, internally the conversation was already moving elsewhere. The work, Rothenberg explained, was never just about producing assets. It was about solving complex business problems involving understanding audiences, identifying growth opportunities, and shaping strategy that could take many forms.



## Designing Value

The first concrete change came in how work was structured and sold. In the initial phase of the transition, 72andSunny moved its client portfolio away from FTE-based, cost-plus pricing and into deliverables-based fees.

“That first step was really around shifting more fully our portfolio of clients into deliverables-based pricing,” Rothenberg said.

Deliverables replaced staffing plans as the commercial unit of value. Internally, however, the model was still supported by timesheets and estimates of effort.

Teams were often “trying to back into an understanding of what it would take to deliver those things and then hoping that our math worked out.” Teams were retrained to stop using people and time as proxies for worth. “It’s not just about who and how long,” Rothenberg said. “It’s about what we are doing.”

“Even though we were using the semantics of deliverables,” she said, “we were thinking about it in terms of what the value was.” That distinction mattered.

Before pricing or contracts could meaningfully change, the firm had to internalize its new definition of value rooted in impact rather than effort.

The firm saw an increase in client profitability during that first year, but over time, the limits of deliverables-based pricing became clear. Without real-time visibility into performance, overburn was still identified retrospectively. The firm introduced new financial and operational systems to track project-level profitability and resource allocation as work progressed.

The current phase of change builds on that foundation. 72andSunny is now moving from deliverables into a modular product menu, designed around repeatable offerings with predictable staffing baselines. Each product is built with what Rothenberg described as “an 80% of the time predictable model on the staff plan,” allowing performance to be evaluated across products rather than reconstructed project by project.

This modularity enables learning at scale—revealing which offerings drive impact, margin, and demand—while reducing reliance on bespoke scoping and one-off economics.

## Delivering Value

Once value was redefined and offerings redesigned, 72andSunny turned to delivery. The goal was to prevent value from eroding during execution.

A central change was the removal of timesheets. Rothenberg described this as both a practical and cultural decision. “Getting rid of timesheets stopped thinking about time as though we were accurately capturing reality,” she said. Time and effort are still used for internal management, but they are no longer the primary lens through which work is explained, sold, or evaluated.

To support this shift, the firm centralized parts of its commercial process. A dedicated business operations function—a Business Operations team—supports proposal development and pricing, reducing reliance on ad hoc judgment and freeing account leaders to focus on client relationships rather than commercial mechanics. “The operational model was required to optimize the work of the Value Council,” Rothenberg said, underscoring that delivery infrastructure was necessary to realize the value the firm was already selling.

AI has been integrated selectively into delivery, not as a cost-reduction tool but as a creative and commercial enabler. Rothenberg emphasized its role in expanding ideation and accelerating prototyping. “AI allows creatives to ideate in a much more expansive way,” she said. Faster prototyping enabled earlier client engagement and clearer alignment, while also improving collaboration with production partners by grounding conversations in tangible work rather than abstract briefs.

Taken together, these delivery changes shifted the firm away from managing utilization toward managing capacity and impact.

## Capturing Value

Today, most engagements are priced on a fixed-fee, value-aligned basis, including both project and retainer work. “Most of them are value-based,” Rothenberg said, with only a small number of legacy rate-card arrangements remaining.

Retainers are anchored to modular offerings rather than individual roles. “You’re not just paying for someone,” she explained. “You’re always getting value.” The structure allows staffing to adapt to the work without reopening pricing discussions, while giving clients clearer visibility into what they are buying over time.

Outcome-based and performance-linked pricing has been tested but remains more difficult to operationalize. Negotiating KPIs, accessing reliable data, and reconciling results after delivery often introduce friction and delay. As Rothenberg put it, “An outcome-based model has been more challenging than a value-based one.”

Looking ahead, the firm is exploring longer-term value capture through IP- and royalty-based models, particularly where work has longevity across markets. Rothenberg said, “we’d like to explore alternative fee arrangements that enable us to share in the business impact created for our clients, especially when it constitutes enduring and expansive impact.”

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## Results

Internally, the changes have improved EBITDA, resource allocation, and enabled data-informed decisions on freelance spend. More importantly, they have shifted how the firm learns from its work, building insight across offerings rather than project by project.

On the client side, while traditional rate card models offer a structured and familiar framework, “value-based pricing provides a more fluid, low-friction partnership that adapts to your needs in real time. By removing the distraction of hourly tracking, this approach allows us to stay hyper-focused on what actually drives growth: the strategic and creative work that delivers results. This shift is reflected in our evolving partnerships,” Rothenberg noted. “Retention rates have actually increased over time,” signaling a model that clients experience as more adaptive, accountable, and fundamentally aligned with their long-term success.

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# ALIGNING VALUE BEFORE CHANGING PRICING

Dawn Beuparlant, Global President  
We. Communications

United States



This case shows how an independent global communications firm headquartered in Bellevue, Washington, recognized the need to focus its definition of value before changing pricing or contracts. Learn how We. used governance, shared language, and productized solutions to move toward output- and outcome-based work. We. illustrates how focus and alignment makes commercial change possible.

Dawn Beuparlant, Global President of We. Communications, describes converging pressures—intensifying market complexity, the acceleration of AI and automation, and shifting client expectations—as the catalyst for change. “All of these things are converging at once. We’ve got to do things differently.” The agency began not with pricing but with purpose, questioning whether its model still reflected what clients truly valued.

## Defining Value

The first step was introspection. Says Beuparlant, “We can’t really jump to selling things differently or a new pricing model without being more clear about who we are, what we deliver, and what that means for our clients.” We. undertook a refresh of its brand and value proposition to clarify what the agency stood for and why it mattered, in support of its forthcoming changes to fees and contracts. The result was a sharper articulation of its core idea: humanizing complexity. Rooted in its technology heritage, the positioning reflects an ability to help

organizations communicate through volatility and change. The firm reorganized its value narrative around client problems and outcomes rather than internal capabilities. Its website, sales materials, and go-to-market approach now frame offerings through that lens.

## Designing Value

From that foundation, We. consolidated its long list of capabilities into a curated portfolio of productized solutions, each addressing a defined business problem where the firm already had traction. The new structure made expertise visible and scalable. Among them are GEO Compass, an AI-driven tool that helps brands assess how algorithms represent them online, and Reputation Forecast, created with Steel City Re to quantify corporate reputation as a financial asset. Each solution is being refined and standardized globally, supported by shared templates and outcome-based pricing tiers that create consistency while allowing for flexibility to evolve within guardrails.



## Delivering Value

Beauparlant describes the transformation as an “and” strategy rather than a replacement—running the new commercial model alongside existing structures to reduce risk. The change was anchored by an internal Value Council, a cross-functional group of leaders from finance, client service, strategy, and operations that defined how the firm measures and manages value.

That work created the foundation for everything that followed. As the model matured, the Council’s role evolved into a wider mobilization effort, embedding its principles across learning, finance, and client teams globally. It became the bridge between defining the firm’s value and delivering it.

Beauparlant sees this as more than operational change. “You can’t lose sight of the fact that it’s a mindset shift—it’s a culture shift,” she says. “If you don’t spend the time, effort, and energy with those pieces, I’m not sure how effective you’ll be in the long run.” Her focus is on equipping people with the confidence and shared belief that agencies can define, design, deliver, and capture value in new ways without losing what first made them trusted.

## Capturing Value

Pricing is guided by historical performance data and expected outcomes, with adjustments for complexity, speed, and scale. Procurement processes have not evolved as quickly as the firm’s model, but We. has chosen to focus on what it can control by articulating value more clearly to every stakeholder and building evidence of impact over time.

Standardized solutions have also proven complementary to the firm’s retainer business. When existing scopes reach capacity, clients can easily add defined, outcomes-based solutions without renegotiating the broader agreement. “It has huge amounts of applicability in an organic context as much as it does in a new business generator,” Beauparlant said. This flexibility allows the firm to expand client relationships naturally while strengthening commercial discipline.

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## Results

Clients have responded to the repositioning, global teams are engaged, and new solutions such as GEO Compass and AI Academy have been adopted rapidly. “We’re opening more doors,” Beauparlant notes. The AI Academy alone has generated hundreds of client meetings that have converted into new engagements. Inside the firm, employees describe greater clarity, energy, and confidence in how they talk about and deliver the agency’s value.

We.’s next unlock is to scale what it has built—standardizing, marketing, and operationalizing its solutions globally so they become pervasive, repeatable, and embedded in how the agency grows.

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# RECLAIMING PRICING CONTROL FROM PROCUREMENT

Nick Goff, Group Head of Business Development  
VCCP

United Kingdom



This case explores how a London-based global creative agency uses “value creation” to transform pricing conversations. By prioritizing commercial impact before defining scope, VCCP aligns early stage value with commercial terms—proving this collaborative model works even for global organizations at scale.

VCCP’s shift began with a recognition that commercial terms were too often set by arbitrary measures. Pricing conversations were shaped by outdated, legacy procurement approaches, benchmarks, and assumptions about how agency value should be measured.

At the same time, AI intensified scrutiny. Clients began asking where efficiencies would come from, how they would be measured, and how savings should be treated. Internally, this surfaced a question: what is the value of the outcomes the work could contribute to the client’s business?

Nick Goff, Group Head of Business Development, believed pricing changes alone would not be sufficient. Any meaningful shift would require changes in how value is defined, structured, delivered, and defended. VCCP chose a deliberate path focused on “areas where we can optimize an experiment to build a case.”

## Defining Value

The most significant change occurred at the start of engagements. VCCP reworked its early stage approach, placing even greater importance on aligning with clients where the opportunity for growth was, and how they could support in realizing. That phase is “a real interrogation at the start of our projects,” as Goff described it, to find opportunity, assign a “commercial value” to improvement, and test assumptions through modeling and media strategy.

This reframing moved conversations away from activity and toward outcomes clients could explain and defend internally, particularly with senior leadership. As Goff noted, marketing teams no longer have the latitude to justify work through activity or engagement metrics without clear commercial relevance. “Clients,” he said, “need a partner that is going to deliver results that are tangible, measurable, and can hold up against the rest of the C-suite.”



## Designing Value

The early stage approach outlined above sits at the heart of a proprietary methodology VCCP applies across its entire client base. From inception, VCCP has set out to create “work that works.” Advances in technology have enabled the agency to develop products to support this process—from deeper audience research and insight generation, to creative testing and evolved production models.

VCCP is leveraging these capabilities to introduce new commercial models that move beyond the billable hour. This builds on the work of its AI-focused division, *faith*, where VCCP has developed branded copy and image-generation models designed for subscription, licensing, and usage-based revenue structures.

## Delivering Value

Internally, account and commercial teams have been empowered to have value-oriented commercial discussions up front. To support, VCCP has a central governance team that ensures scope and pricing proposals are carefully considered, so there is a clear path for long-term sustainable growth—both for the agency and client.

VCCP also launched a program to collaborate with clients on where AI will influence their clients' businesses. For clients, the assessment provides clarity on where to act, rather than reacting defensively to general pressure for efficiency.

## Capturing Value

VCCP continues to maintain retainers, supplemented by output and performance components, while actively testing alternatives. Hourly rates and payment by inputs remains the most frequent commercial arrangement, as advertisers are used to it. However, both parties are starting to recognize that there are smarter ways to align economic incentives.

Some larger clients within its portfolio have shown an interest in considering commercial agreements linked more closely to outcomes rather than input and outputs.

Third-party resistance can be a challenge, particularly where billable hours provide familiar negotiating ground. However, there are many in the field welcoming the opportunity to re-look at commercial arrangements to ensure the value proposition is clear and both parties are economically aligned.

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## Results

Internally, Goff points to greater confidence among teams, more inventive commercial proposals, and stronger pitch performance when value is framed early. Client-side impact varies by context, but conversations are increasingly centered on effectiveness rather than inputs.

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# DESIGNING A VALUE MODEL FOR ENTERPRISE COMPLEXITY

Rob Daniel, Chief Solutions Officer  
Bond Brand Loyalty

Canada



This case shows how an independent global agency headquartered in Toronto responded to growing enterprise complexity by redefining its role around outcomes, not execution. Learn how Bond Brand Loyalty combined repeatable strategic approaches with tailored delivery and built measurement capabilities to support value-led conversations with CMOs and CFOs. They are an example of how agencies can be accountable for results when coordination—not production—is what determines success.

Bond Brand Loyalty's evolution was prompted by a growing disconnect between how large organizations were buying customer engagement capabilities and the outcomes they were expected to deliver. As loyalty, CRM, experience platforms, and data ecosystems expanded, clients increasingly purchased work across multiple vendors and internal teams. Responsibility for coordination often sat with the client, and results suffered.

At the same time, AI accelerated execution and reduced production effort, intensifying scrutiny around speed, efficiency, and fees. For Bond, this surfaced a more fundamental problem. "People are asked to do so much more than they used to," said Rob Daniel, senior leader and partner at Bond. "What they really need now is less production time and effort and more strategy time and effort."

## Defining Value

Bond responded by clarifying how it defines its role. The firm describes itself as an "intelligence-led engagement company," a framing that signals responsibility for solving complex customer growth and loyalty problems, not simply delivering services.

This definition also narrows the firm's focus. Bond works primarily with large organizations whose growth depends on customer experience, loyalty, and understanding known customers across channels. "If you are predicating your growth on customer experience, loyalty, and knowing your customers, then you are well-oriented to us," Daniel said.



## Designing Value

Bond structured its work so that how it thinks is consistent, even when what it delivers differs by client. Loyalty platforms and data capabilities are built once and applied across engagements. Strategic work follows defined processes, while conclusions and recommendations remain specific to each client.

“There is a repeatable component to what we do and a custom component,” Daniel explained. Over time, Bond expanded its customer intelligence capability beyond transactional data to include loyalty behavior, engagement signals, and contextual inputs. This allows the firm to bring disparate data sources together and interpret them within a single strategic frame, rather than leaving clients to reconcile insights themselves.

## Delivering Value

Internally, Bond organizes delivery around integrated teams rather than separate functional practices. Creative, data, and technology specialists work together within unified solutions. AI is deliberately introduced to support analysis and decision-making, not to automate judgment.

“We use AI as an accelerator and multiplier of good strategic thinking as opposed to a shortcut,” Daniel said. Client relationships often extend beyond individual engagements into ongoing advisory roles. “Clients need a call-a-friend relationship,” he noted.

## Capturing Value

Bond’s commercial model reflects this structure. Most engagements are sold as fixed-fee solutions aligned to defined outcomes. Time and materials are used selectively, primarily when clients require visibility into effort and cost to inform insourcing, outsourcing, or broader operating model decisions.

To support value-based discussions, Bond built internal ROMI and ROXI capabilities—return on marketing and return on experience investment—that connect its work to measurable business impact and inform pricing and investment conversations with clients.

“Pricing needs to be as tethered to value as possible,” Daniel said. While Bond has tested performance-based pricing models, many enterprise CFOs prefer commercial arrangements that offer predictability and control.

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## Results

Internally, Bond reports exceptionally high client retention and strong NPS. On the client side, the firm tracks business impact and, when necessary, participates in measuring results. “We don’t just measure satisfaction,” Daniel said. “We measure the impact of our results.”

For clients, the shift has resulted in clearer accountability, fewer disconnected initiatives, and greater confidence that investment is aligned with meaningful growth objectives rather than activity or effort.

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# A VALUE MODEL DESIGNED FOR UNCERTAINTY

Tim O'Neill, Co-Founder  
Time Under Tension

Australia



This case shows how a small generative AI experience agency headquartered in Sydney built fixed-price offerings for organizations with uncertain needs. See how the firm recognized recurring patterns and designed repeatable solutions to engage clients before problems were fully defined, reducing delivery risk. They are an example of how specialized agencies can apply their expertise upstream, where value is highest.

Time Under Tension did not emerge from an effort to change an existing agency model. It was created in response to a new kind of client uncertainty. As generative AI began to show practical promise, co-founder Tim O'Neill—after nearly two decades running a digital agency later acquired by Accenture—recognized that organizations were confronting a shift they could not yet articulate.

“That was right around the time that Generative AI started showing some promise,” O'Neill said. “There's got to be something with this that we could build a business around.”

The firm was built from scratch around that premise. There was no legacy pricing structure to unwind, no service catalog to defend. “We're not transforming ourselves per se,” O'Neill noted, “because we're built in from the ground up.”

## Defining Value

From inception, Time Under Tension defined its role narrowly: helping organizations understand

what generative AI could realistically mean for their business and what to do next.

“We help mostly large businesses in Australia understand what generative AI is and what the possibilities of it are,” O'Neill said, “and help them work out how it best applies to their business.”

Clients typically contact Time Under Tension under one of two conditions: senior leadership seeking direction amid uncertainty, or teams with a specific use case already identified. In neither case do clients arrive with a traditional brief. “Clients don't know what they need,” O'Neill said. “They don't come to us with a brief.”

## Designing Value

To respond to that pattern of ambiguity, the firm developed a small set of fixed-price, productized offerings: structured training programs either as a four-week AI Design Sprint or a four-week AI Adoption Sprint. Each follows a repeatable format that includes workshops, a roadmap, and proof-of-concept development.



“Both of them are productized services,” O’Neill explained. “They have a price tag. We’re selling the outcomes and deliverables, not the process.”

These offerings emerged from earlier work that was initially time-based, then formalized once patterns became clear. “We formalized it and put a fixed price on it,” O’Neill said, “so we didn’t have to reinvent ourselves each time.”

Repeatability also serves a risk function. “It takes almost all of the risk of delivery off us,” he noted. “We know where the gremlins might be.”

## Delivering Value

The firm separated advisory work from technical delivery. Where custom builds are required and the work is less predictable, the firm uses two-week sprints to work toward an MVP (Minimum Viable Product) rather than fixed-scope engagements. “We sell sprints,” O’Neill said. “Work in two weeks towards an MVP.”

With a small team of roughly eight people, they hire by prioritizing core technical capability as a foundation and develop each new hire’s AI expertise internally.

Over time, the firm also built a set of internal accelerators—pre-built components, patterns, and starting points that help teams avoid beginning each engagement from zero. These accelerators are used inside delivery, not sold to clients, and typically allow teams to move 20–30 percent of the way toward a working solution at the outset.

## Capturing Value

Advisory and sprint offerings are priced independently of time. “It’s not based on a number of hours,” O’Neill said. “It’s based on the value to the business.”

Rather than calculating prices from estimated effort or assigning a monetary value to specific client outcomes, the firm set initial prices based on experience delivering similar work, then adjusted them over time in response to demand and client acceptance.

As O’Neill explained, they increased prices once it became clear that their offerings were easy for clients to buy and did not encounter resistance. “We put the price up,” he said, “and found the sweet spot.” While the firm was confident that its work created meaningful business value, it did not attempt to quantify that value in financial terms during pricing conversations. “I’m not saying there’s not value created,” O’Neill said. “We just don’t attempt to put a dollar value on it.”

In practice, this means pricing decisions are made through informed judgment—grounded in repeated delivery, pattern recognition, and market response—rather than through formal ROI calculations or financial modeling of client outcomes.

Revenue comes from a mix of delivery work, advisory and training, ongoing engagements, and a smaller SaaS component.

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## Results

For the firm, the model has reduced sales friction and eliminated speculative work. “We’re not pitching,” O’Neill said. “Nine times out of ten, the clients are buying it as it is.”

For clients, the benefit is clarity in a fast-moving domain—expertise they can tap into to help determine which problems matter and what is feasible to solve. In a recent survey of its top clients, Time Under Tension reported a Net Promoter Score of 96. “Twenty-five out of twenty-six were promoters,” O’Neill said.

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# TURNING AI INTO A VALUE OPERATING SYSTEM

Sami Viitamäki, Chief Strategy & AI Officer  
BOND

Finland



This case shows how a mid-sized brand consultancy headquartered in Helsinki built a proprietary AI operating system to scale how it thinks and works. Learn how BOND used that system to standardize its approach to strategy and creativity, shifting conversations away from scope and efficiency toward what was possible for the brand. They illustrate how AI can be used to change the way clients perceive both the value of AI and the firm behind it.

As generative AI began reshaping agency economics, BOND Brand Consultancy saw an opportunity. With roughly 55 people across offices in the U.S., Europe, and Dubai, the firm did not have the scale of global holding companies—but it also did not have their complexity or inertia.

“AI for us is not really a threat,” said Sami Viitamäki, Chief Strategy & AI Officer. “It’s a huge opportunity. We can suddenly compete with firms five or ten times our size.”

At the time, AI use inside the agency was informal and uneven. Teams experimented with tools, but most work still relied on traditional deliverables—decks, PDFs, and custom processes built from scratch for each engagement. Insight depth and creative exploration remained closely tied to available human effort, limiting how far the firm could extend its thinking without adding people.

## Defining Value

BOND was deliberate about how it framed AI internally and externally. The firm did not use speed and efficiency to define the value that AI enabled them to create.

“We never talk about speed alone when it comes to AI,” Viitamäki said.

Instead, the firm defined its value around the quality of thinking: deeper analysis, broader exploration, and better judgment. AI was seen as a way to extend those capabilities, not replace them. That definition reinforced BOND’s positioning as a brand consultancy focused on “Brands that resonate with design that works.” Brand is treated not just as an external expression, but as a leadership and alignment tool—helping organizations clarify direction, activate strategy, and align internal and external stakeholders.

In this framing, AI supports better decisions and more informed creative work, rather than simply producing outputs more quickly.



## Designing Value

BOND moved away from the assumption that meaningful brand work must always be entirely manual custom labor.

Across engagements, the firm observed recurring client situations defined less by industry and more by context and intent. Some clients were launching new innovations. Others were repositioning established brands. Others needed to activate an existing brand across channels and experiences.

BOND formalized these patterns into four named offerings—Slingshot, Ignite, Action, and Shake Up—each designed to address a specific situation.

“These are answers to each context,” Viitamäki said.

Formalizing the offerings was as much a practical decision as a strategic one. “If you don’t formalize and codify these things, you carry all the cognitive load yourself,” he explained.

Each offering was supported by defined structures for briefs, research synthesis, strategic development, and creative exploration. The goal was to ensure consistency in how the firm approached problems so teams could spend their energy on originality and judgment rather than rebuilding processes each time.

This approach also made the firm’s offerings easier to understand and engage with. Clients could recognize which one was a fit for their situation and what kind of work they were buying before scope discussions began.

## Delivering Value

To support BOND’s offerings, the firm built a proprietary internal AI operating system, BOND OS. The firm consolidated its workflows, templates, and business logic into a single AI-powered system it controls end to end. They designed the system to be model-agnostic, allowing BOND to change underlying AI providers without altering how work is structured or delivered.

“We own the engine, the workflows, and the logic,” Viitamäki said. “We’re not dependent on OpenAI, Google, or any single vendor.”

BOND OS embedded AI across research, strategy, ideation, creative and design. This allowed teams to explore problems more broadly and iterate more deeply without extending timelines or adding layers of management. The impact was visible to clients early.

Instead of traditional slide decks, BOND began using interactive, web-based environments and database-driven websites for proposals and early collaboration. With BOND OS, these environments could be assembled quickly, tailored to the client’s brand, and updated in real time as thinking evolved.

Clients were invited to engage directly, leaving comments, reacting to ideas, and shaping direction, rather than responding to a static presentation. This early interaction with prospective clients demonstrated how AI could enable forms of collaboration and exploration that were not feasible before.

“That changes the conversation immediately,” Viitamäki said. “It’s no longer ‘can you do this faster?’ It becomes ‘what can we imagine together?’”

## Capturing Value

Most of BOND's engagements are project-based, with some larger clients on retainers. The firm has long avoided hourly billing where possible, pricing work around outcomes and client value. Their approach became even more relevant as AI changed the relationship between effort and output.

As BOND OS matured, new revenue paths began to emerge. Some clients have asked to use parts of the system as a managed service. Others have explored licensing or white-labeling options. In some cases, clients asked BOND to build a custom operating system for their organization using the same underlying approach.

"Some clients want to license it," Viitamäki said. "Others want us to build their own OS with us."

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## Results

BOND has seen higher win rates and increased inbound interest following the launch of BOND OS. These opportunities have allowed BOND to extend their role beyond traditional agency work, opening new types of engagements with new clients. The firm was able to begin competing successfully for larger, more complex opportunities despite its size.

Teams were able to explore problems more deeply and broadly without increasing headcount. Work quality improved as BOND OS reduced friction and cognitive load.

For clients, conversations shifted away from efficiency and execution toward exploration, ambition, and potential impact. Clients engaged earlier and more actively, with a clearer sense of what working with BOND could unlock for their brand.

As Viitamäki put it, "They're not thinking about how fast we can work. They're thinking about what becomes possible."

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# REDESIGNING VALUE FOR THE AI ERA

Wesley ter Haar, Co-Founder, Chief AI and Revenue Officer  
Monks

United Kingdom



This case shows how a global digital-first marketing, technology, and consulting company headquartered in London responded when leadership concluded that AI would reshape the entire business, not just delivery. Learn how Monks simplified its offering into a single subscription that combines people, technology, and continuous improvement. They are an example of an agency that redesigns its value model end to end.

When generative AI shifted from curiosity to capability, Monks' leadership faced a blunt question: if this technology is real—and happening now—what would the company look like if built from scratch today? "If it's real, then it literally changes the whole business. So we should change the whole business," recalls co-founder Wesley ter Haar.

That decision reframed the firm's economics and purpose. For years, the company had operated like a modern creative network, trading high craft and scale for client fees. Now, it began rebuilding itself as an AI-enabled enterprise that helps global brands do the same.

## Defining Value

The firm refined its proposition into two parts. First, help marketing organizations adopt AI across their supply chains through a managed service that delivers speed, scale, and lower cost. Second, help them adapt—retraining teams, redesigning workflows, and integrating systems so change endures.

"We're very focused on just hitting the P&L," says ter Haar. Because of that focus, advisory and education—once treated as business development—are now paid engagements. "Training is paid for, workshopping is paid for, roadmapping is paid for," he explains.

## Designing Value

At the center of its model is a subscription that pairs "Talent & Machine." Clients buy a single program combining senior expertise with automated pipelines and models—"a subscription to innovation."

Behind it, Monks.Flow quantifies how people and models collaborate on defined "jobs to be done." As those workflows mature, some evolve into client-usable tools with licensing and recurring revenue attached. This clarity—offering solutions to specific problems—has made new pricing credible and easier for clients to adopt.



## Delivering Value

Delivery now begins at the top of the organization. Monks works directly with CMOs and CFOs to map total marketing spend—both agency and internal—and reallocate budgets toward growth. “We’re sitting down with clients looking at all the places they’re currently spending,” says ter Haar.

Monks’ teams have been restructured for integration and speed: strategy and creative operate as a single discipline, project managers translate business requirements into prototypes, and senior leaders stay closer to decision-making. “Fewer people, more senior, closer to the client and more transformative.”

AI tools and brand-level agents are embedded into workflows to streamline approvals and enable real-time collaboration. The goal, he says, is not just faster output but a smarter operating rhythm—one that ties efficiency directly to growth impact.

## Capturing Value

The model’s proof lies in simplicity and outcomes. Early attempts to itemize the costs of AI, such as compute tokens, pipelines, and model tuning only confused buyers. “We’ve massively simplified it,” says ter Haar. Each subscription now combines all costs—talent, technology, and ongoing innovation—into a single predictable annual number with a built-in year-over-year efficiency rate.

Monks’ price integrates the value of their expertise, compute, and continuous improvement into one subscription with defined output bands, quality KPIs, and efficiency gains built in. The model rewards both sides: clients get predictable costs and ongoing improvement, while Monks protects margin by automating delivery and scaling IP instead of labor.

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## Results

Pipeline, win rate, and forecast strength have risen. ARR from licensed workflows is growing from a small base. “The billable hour fundamentally doesn’t make sense,” ter Haar says. “It’s no longer a proxy for the value you can create.”

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# HOW TO PIVOT: SCALING EXPERTISE AND VALUE THROUGH SOLUTIONS

IF THE GOAL IS A MODEL THAT OFFERS REVENUE STABILITY, PRICING POWER AND DIFFERENTIATION, AGENCIES MUST MOVE FROM SELLING WHAT THEY DO TO SELLING WHAT THEY MAKE POSSIBLE: SOLUTIONS TO PROBLEMS.

THE TRANSITION FROM SERVICES TO SOLUTIONS—  
RESHAPES HOW CLIENTS PERCEIVE AN AGENCY'S VALUE  
AND HOW THE FIRM CAPTURES IT.

PUT ANOTHER WAY, WHEN AGENCIES SELL EFFORT,  
THEY HAND POWER TO THE BUYER. WHEN THEY SELL  
SOLUTIONS, THEY TAKE THAT POWER BACK.

## Why Solutions Change the Commercial Relationship

Every pricing model trains clients to focus on a particular control mechanism:

- Billable hours encourage buyers to manage time, cost, and utilization.
- Deliverable-based pricing emphasizes volume and progress markers.
- Retainers highlight access, responsiveness, and availability.

Because these units of value can be easily compared across firms, they reinforce commoditization. AI accelerates this dynamic. When algorithmic tools compress production to near-zero effort, hours and outputs no longer signal value.

Pricing a solution circumvents that pattern by reframing the economic conversation.

Instead of debating hours, rates, or deliverable counts, agencies can focus clients and procurement professionals on two questions:

- 1 Does this solution credibly address a business-critical problem?
- 2 Is the likely impact worth the investment?

Value becomes defined not by how much is produced, but by the quality of expert diagnosis, a proven method, and the reliability of results.

Solutions also create commercial continuity—something agencies have struggled to achieve in traditional project-based work. Once a firm defines a proven solution, the adjacent areas of value become visible: diagnostics, pilots, enablement programs, and optimization cycles.

Instead of waiting for the next brief, agencies can design “what comes next” as a deliberate sequence of connected, high-value solutions.

The same approach can sit under a retainer structure, but it shifts the mechanics from pricing the value of hours and access to pricing the value of the solutions.



## The Transparency Shift

When agencies sell time, buyers quite reasonably want to see how it will be spent. Transparency is achieved by exposing inputs: hours worked, staffing plans, and utilization—because effort is the unit of value.

A solution-based model changes the unit of value, and with it, what transparency means and how it's revealed.

Instead of documenting how work is performed, transparency shifts upstream to what the work is designed to accomplish and the results achieved.

Clarity comes from explicitly defining:

- 1 The client problem the solution addresses
- 2 Why that problem matters economically or strategically
- 3 The method being applied to influence it
- 4 The outcomes the solution is intended to improve
- 5 The boundaries, assumptions, and risks being managed

When these elements are clear, buyers gain predictability and confidence without needing to audit effort. Transparency is no longer about tracking activity. It is about understanding intent, scope, and accountability.

When agencies struggle with transparency in solution-based conversations, the issue is rarely the absence of hours. It is almost always the absence of a clearly articulated objective and a credible proven solution.

That distinction leads directly to the next question: what separates a true solution from a re-bundled set of services?

## Characteristics of a True Solution

Because the word “solution” is used loosely in the industry, this guide applies a specific definition rooted in three characteristics:

- 1 A clearly defined client problem with economic significance— a business-critical issue the firm understands deeply through experience and pattern recognition.
- 2 A repeatable, codified method— frameworks, models, workflows, and increasingly AI-enabled tools that ensure consistent delivery and reduce the risk of missing intended outcomes.
- 3 A defined outcome the solution is built to influence, even if compensation is not performance-based. Guaranteed results are not required, but the direction and shape of impact must be clear.

Offers without these characteristics behave like services, and buyers evaluate them as such.

## Solving Problems Worth Paying For

The strength of a solution begins long before pricing is discussed. It begins with identifying the problem to solve.

Agencies will often define “important problems” by what they find meaningful: strategic clarity, storytelling, process refinement, content efficiency.

Clients use a different lens:

- Will the solution meaningfully affect financial or strategic performance?
- Does it mitigate a material risk?
- Will it improve competitiveness or cost of growth?
- What becomes more difficult or expensive if this problem remains unsolved for 90 days?

If the perceived consequences are minimal, prioritized investment is unlikely regardless of the agency's talent or ideas.

This disconnect explains why many strong agencies remain underpaid or face reviews: they are anchored to problems that clients (a) do not view as decisive or (b) feel other firms can solve them just as well.

## Repeatability as a Value Engine

Many agencies assume their work must be custom for every client. As a result, scopes are rebuilt from scratch. Estimates trigger internal debate. And pricing goes through multiple internal revisions before sharing it with the client.

However, when we map actual workflows, we see that much of the "customized" work follows repeatable sequences, recurring decision paths and predictable patterns of value creation.

This is an agency's most overlooked opportunity, and it is hiding in plain sight.

What feels bespoke is often unstructured repeatability that can be shaped into monetizable solutions. By formalizing repeatable solutions, an agency's institutional knowledge becomes concentrated and focused. This produces more reliability and reduces procedural variance.



## The Right Kind of Repeatability

As agency leaders map out the right places to design solutions, they should be looking for their “expertise advantage”: a specific client area where the agency is uniquely qualified, enabling them to reliably and demonstrably make effective decisions in recurring situations that influence their clients’ business performance.

The process of identifying the right kind of repeatability can be challenging for agency leaders because many default to a service mindset (what the agency does) rather than a value or outcome mindset (what clients buy).

When agencies define the right solution, the benefits are evident almost immediately.

The work becomes less improvisational and more intentional. Expertise starts to compound. The agency can document how they think and work—not to standardize output, but to standardize decision-making.

This creates several structural advantages for the agency:

- They recognize patterns in client challenges earlier and with greater confidence.
- They define problems more clearly than clients can articulate themselves, shifting conversations upstream.
- They match recurring problems to proven solutions, reducing scoping friction and shortening sales cycles.
- They deliver more consistently across teams, lowering variance and operational complexity.
- They tie work more directly to business outcomes clients care about: speed, quality, and impact.

The most impactful, repeatable frameworks and methods become codified. Outcomes become more directionally consistent. And delivery risk is reduced while trust is earned.

That trust in the agency’s expertise advantage is why they can price the value of their approach and not cost of their time.



## Systemization as Creative Leverage

As mentioned, repeatability does not mean templated work; it means codifying the frameworks, process stages, scopes, methods, and decision points that shape how an agency approaches different classes of problems.

These pieces can be modularized and assembled in different ways depending on the client's situation. Together, they become the "products" of the firm's value—the building blocks of productized solutions.

## The Productization Aversion

Many agencies see a move to productization as a path to cookie-cutter output. In fact, the opposite is true.

Productization does not standardize creativity. Rather, it standardizes the conditions under which creativity can be applied.

By codifying how the most valuable work is done, agencies eliminate unnecessary reinvention and internal swirl. They can devote more time to their craft and innovative thinking. This truth is exemplified in the work of iconic architect Frank Gehry.

While Gehry's buildings are always brilliantly different, his process is always the same. His reputation for delivering extraordinarily unconventional designs is made possible by a "productized" business model, as outlined in the [Harvard Business Review article](#), "How Frank Gehry Delivers On Time and On Budget." Gehry's mantra is "Planning is cheap, delivery is expensive."

A productized system concentrates creativity where it has the greatest potential for impact.

## Productization as Business Strategy

Productizing solutions means assembling the right building blocks of an agency's value to solve problems worth paying for.

But how does an agency identify the right building blocks or the right problems to solve?

This requires stepping back and asking tough questions like:

- How do we define our core expertise?
- Who values it most?
- What business problems do we reliably solve best?
- How do we outperform the alternatives?
- What outcomes do we consistently create?
- How would we frame that value in a way that shapes a buyer's sense of worth?

Done well, productization becomes a discipline of designing backward from high-value client problems, rather than forward from an existing service list. But it requires three commitments:

- Deprioritize low-value, price-sensitive work.
- Surface IP—frameworks, tools, templates, methods—that teams rely on every day but rarely articulate.
- Elevate capabilities that consistently create meaningful outcomes.



## How to Quantify the Value of a Solution

Quantifying the value of a solution requires a structured assessment of what an agency's expertise is worth at the specific moment the problem needs solving. And, as we established earlier, clients already use clear criteria when evaluating strategic investments.

Agencies that adopt the same criteria gain the advantage of framing pricing conversations around impact and risk reduction—what client-side leaders actually pay for and for which procurement negotiates—rather than output or labor.

Four factors should shape this assessment.

### 1 Uniqueness

The equation for quantifying the value of a solution begins with the agency's ability to do something meaningfully better or more insightfully than alternatives. This includes:

- The markets, audiences, and categories the firm understands most deeply
- The high-value problems it solves consistently
- The frameworks, IP, and proprietary insights that shape its approach

A simple question starts the consideration of value: Will clients see the agency as uniquely qualified to perform work being offered and, if so, how and why?

The more singular the expertise, the stronger the pricing leverage.

### 2 Effectiveness

Clients pay for confidence in a solution that repeatedly and predictably creates meaningful impact via revenue, margin, risk mitigation, or efficiency. Greater potential impact means higher value.

Proof may include:

- Measurable outcomes and results
- Benchmarks, diagnostics, or predictive indicators
- Case studies and testimonials demonstrating pattern recognition
- Codified methods that reduce variability

The greater the potential impact and proof of ability to deliver it, the greater the value.

### 3 Intent

This factor shifts the pricing conversation from what the agency will do to what the work will accomplish. Consider:

- How important is this to the client's strategic agenda?
- What leading indicators will signal progress?
- Is this solving a structural constraint or a tactical inconvenience?

Long-term value creation and customer growth carry more economic weight than a single campaign or quarter.



#### 4 Importance

The same solution can be worth more depending on factors like competitive pressure, executive sponsorship, or the consequences of delay.

A useful question here is: What becomes more difficult, expensive, or risky if the client does nothing for 90 or more days?

If the cost of inaction is high—and the previous three factors are strong—the perceived value of the solution rises.

The next section explains how an agency's chosen solution-based model comes together inside a Solution-Based Monetization System™.



# HOW TO PRICE: USING A SOLUTION-BASED MONETIZATION SYSTEM™

IN A SOLUTION-BASED MODEL, THE TRADITIONAL RATE CARD IS REPLACED BY A SET OF STRATEGIC MONETIZATION LEVERS THAT CAPTURE VALUE IN WAYS THAT MIRROR HOW CLIENTS EVALUATE IT.



The three levers are:

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**1. How the price is determined**

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**2. How revenue is billed**

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**3. How upside is monetized**

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These three levers form what we call a Solution-Based Monetization System™ that (a) redesigns the economics to align with the value of the solution, and (b) ensures the agency earns according to impact, not effort.

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## 1 How the Price is Determined

Pricing mechanisms define what the client is paying for and why, thus shifting the conversation away from time and toward value.

Common approaches include:

- **Outputs.** Pricing tied to the value of defined deliverables
- **Commissions.** A percentage of spend or transaction value
- **Points.** Units of work with predictable value
- **Sprints.** Pre-defined blocks of work and deliverables
- **Outcomes.** Achieving a desired result or metric
- **Co-Defined Value-Based Pricing.** A jointly defined view of the value at stake
- **Percentage of Value.** Pricing as a share of value created
- **Assessed Value.** “Pay what you believe this is worth”

The purpose of each is the same: to align price with expertise, effectiveness, intended impact, and client context—not hours or effort.

Everything else flows from that clarity.

## 2 How Revenue is Billed

Billing defines the commercial rhythm of the relationship: predictability, cash flow, and flexibility.

Models include:

- **Usage-Based.** Billed according to actual consumption, pay-as-you-go

- **Phased Billing.** Billing tied to defined milestones or transformation stages
- **Two-Part Models.** A base fee plus a performance or usage component
- **Add-On Components.** Modular extensions charged as the solution expands
- **Subscriptions.** Recurring billing for ongoing access or enablement
- **Deferred Use.** Pay now, use later

These models match billing cadence to how the solution delivers value over time. Hourly billing cannot achieve this.

## 3 How Upside is Monetized (Optional)

These optional structures capture additional value when the firm delivers meaningful outcomes or creates assets clients routinely depend on.

Common structures include:

- Equity or revenue participation
- Licensing of proprietary IP, tools, or workflows
- Royalties tied to downstream value or usage
- Performance pools linked to jointly agreed metrics

Upside structures allow agencies to participate in the value they help create, rather than limiting their economics to labor or one-time engagements.



## Three Monetization Levers Used As One

When these three levers sit atop a clearly defined solution, they combine into a coherent monetization system—one capable of

- 1 Decoupling price from effort
- 2 Aligning economics with the value of outputs or outcomes
- 3 Strengthening pricing power
- 4 Creating predictability without sacrificing margin
- 5 Scaling revenue without scaling headcount

Once value is codified, the monetization system allows firms to capture that value consistently—across clients, across teams, and across markets.

## Logic and Judgement

To select and configure the right levers for a solution, teams should ask five questions that mirror how clients themselves evaluate strategic investments. These questions give agencies a disciplined, repeatable way to determine the right price, revenue model, and performance rewards.

- 1 Which pricing mechanism best aligns with the impact we will create?

The mechanism must reinforce the story of value, and different mechanisms shape perception.

For example,

- Value-based pricing signals partnership and strategic alignment, and works well for most agency work.
- Outcome-based pricing signals accountability for business impact.
- Output pricing signals value resides in what's being produced.

- 2 What revenue model aligns with how the value will unfold over time?

Some solutions deliver value immediately; others accumulate value over quarters or years. Subscriptions, phased billing, or two-part models can better align cash flow with value flow.

- 3 When is it appropriate to participate in the upside, and what form should that take?

Optional upside structures only work when attribution is credible, impact is meaningful, and both parties agree on how value will be measured. The question is not whether the agency wants upside, but whether the solution creates value that can be shared fairly and transparently. Different models suit different levels of measurability and risk tolerance from licensing and royalties to fee-at-risk or performance pools.



#### 4 What is our expertise worth to this client?

This is where agency leaders must apply judgement and logic most judiciously, because (a) a fair number of assumptions will be made and (b) the market will signal if a solution is overpriced, but rarely if it's underpriced.

A reliable place for agency leaders to start is the opportunity cost to the client of choosing alternative paths.

The next consideration should be the leading indicators of future success (i.e., inquiries, visibility, likeability) that the solution can reliably and repeatably stimulate, versus lagging indicators of past success (i.e., market share, stock price, customer acquisition/retention costs).

Finally, the agency should consider what it would cost the client to assemble the resources, talent and expertise required for a similar or superior outcome.

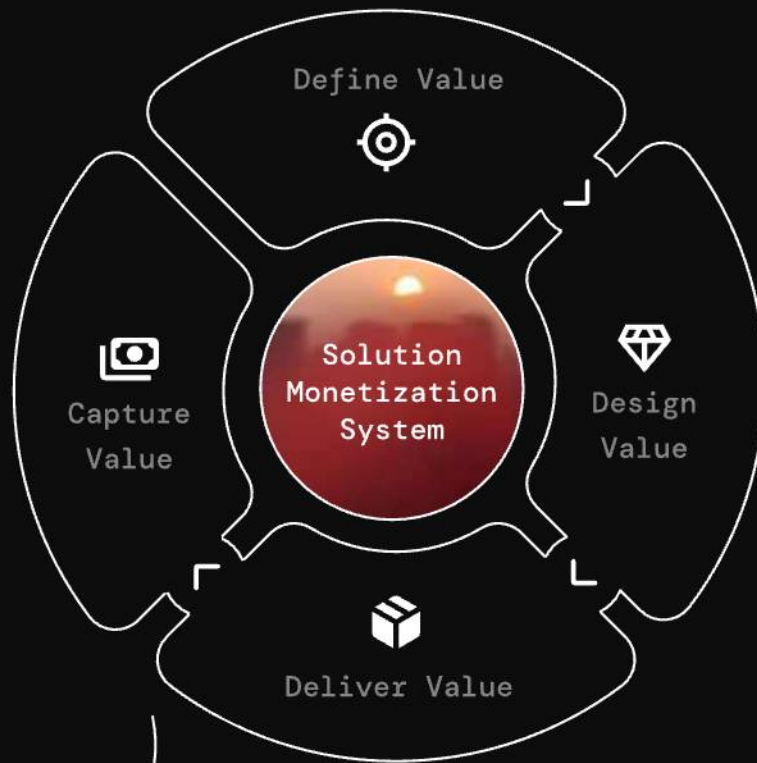
There are other factors to consider, but together, these three can give an agency confidence in a range to start testing price.

#### 5 How do we frame value, so clients see what is truly at stake?

Clients must see the economic and strategic consequences of action versus inaction. When the value narrative is clear, price becomes a function of impact, not effort.

These questions transform pricing from a negotiation about cost to a discussion about value. They create a disciplined process for determining not just how to price, but where the price should sit within the range of resulting value being produced.





Powering the Agency  
Value Model

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## Powering the Agency Value Model

A Solution-Based Monetization System is what keeps the Agency Value Model running.

If the Value Model defines how value moves through the firm, then the monetization system ensures the value the firm creates flows back into the business instead of being diluted by legacy conventions or labor-based constraints.

This is how agencies stop selling effort and start selling outcomes—becoming Distinctly Scalable.



# HOW TO PLAN: REDESIGNING YOUR AGENCY'S VALUE MODEL

THIS SECTION TRANSLATES THE AGENCY VALUE MODEL AND THE AGENCY MODEL MAP INTO DIRECTION. IT OUTLINES WHAT TO PRIORITIZE AND AVOID BASED ON WHERE YOUR FIRM IS TODAY.

To recap from earlier, the four stages are

- 1 **Busy by Design:** Growth is driven by activity, utilization, and responsiveness.
- 2 **Scaling with Strain:** Pricing has evolved, but economics are still tied to time, custom scopes, and throughput.
- 3 **Expertly Undervalued:** Strategic credibility exists, but value is still monetized through effort.
- 4 **Distinctly Scalable:** Expertise is productized, outcomes are repeatable, and value compounds.

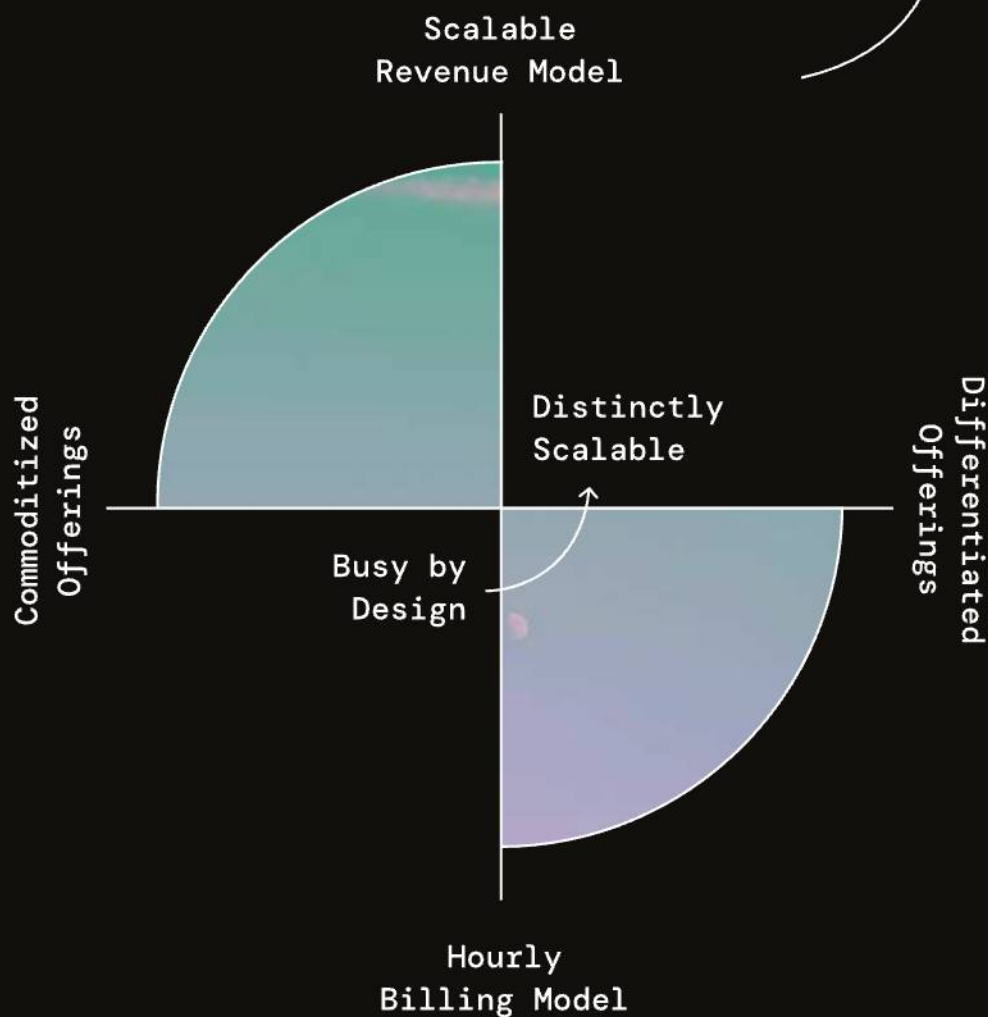
What follows are our recommended pathways for each archetype. These are not comprehensive roadmaps, but guidance for how to sequence change—where to focus your leadership’s attention and what must happen first.

If you’re unsure which archetype best reflects your firm, revisit Section 2: Mapping Your Model, or complete the brief online Value Model Diagnostic designed for this purpose:

<https://bit.ly/value-model-diagnostic>



# FOR FIRMS THAT ARE BUSY BY DESIGN



## From

*A model that rewards activity and utilization, offering broad “full-service” or “integrated” capabilities with custom scopes.*

- Revenue growth depends on hiring and keeping people busy.
- Efficiency triggers fee pressure and reinforcing a vendor posture.

## To

*A model designed to scale expertise and value, not headcount or effort, with a clear focus on solving specific, high-value client problems.*

- Experience is translated into repeatable, differentiated solutions designed around outcomes.
- Pricing aligns with impact, and the firm is positioned as a growth partner accountable for results.

## Steps to Take

### Define Your Value

- Narrow your focus to the clients you serve best and the problems where your expertise creates outsized impact.
- Determine what can be standardized, priced with confidence, and scaled.

### Design Your Value

Codify expertise into repeatable solutions.

- Shift attention from deliverables to the frameworks, patterns, and decision-making that drive those results.

- Formalize the patterns and frameworks into clear solutions built around client problems and outcomes.

### Deliver Your Value

- Refine roles and team responsibilities by defining the outcomes they're expected to produce.
- Reduce coordination costs and rework through clear decision-making rights, reusable assets, and lightweight processes.
- Use AI to accelerate speed-to-value and reduce dependence on senior leaders.

### Capture Your Value

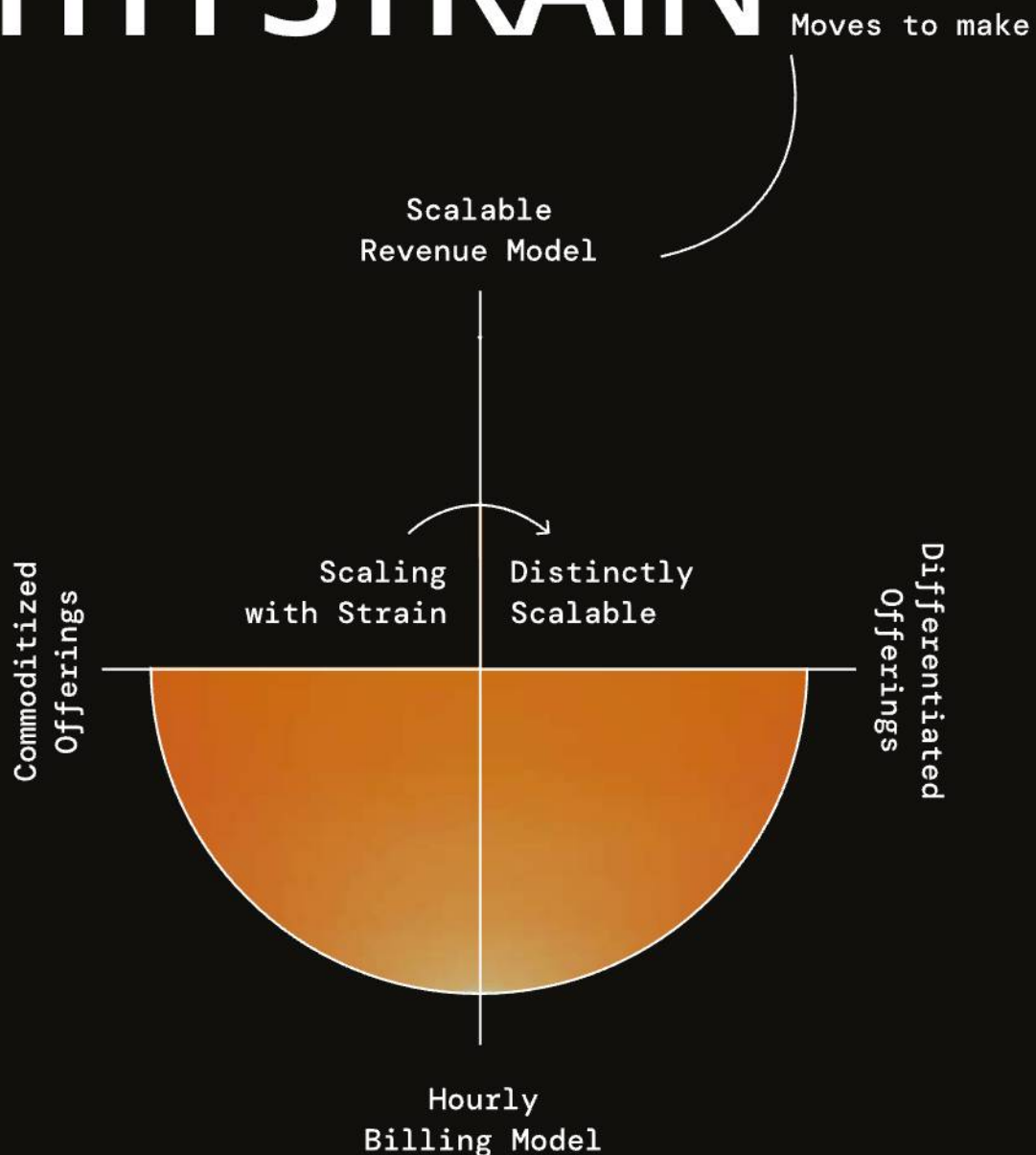
- Replace the rate card with a solution-based monetization system.
- Move beyond fixed fees that are still cost-based. Anchor pricing to the value of your expertise, outputs, and the outcomes they influence.
- Select the appropriate monetization levers—pricing mechanism, billing model, and, where credible, upside participation.

## How to Sequence Your Moves

- Establish focus.
- Codify solutions.
- Prove consistent effectiveness.
- Set the price and monetization structure.



# FOR FIRMS THAT ARE SCALING WITH STRAIN



## From

*A model where fixed fees and selective performance-based pricing replace hours, but economics are still driven by time and custom scope.*

- Positioning remains broad and capability led.
- Offerings are optimized for efficiency, and growth increasingly depends on feeding the machine with more work.

## To

*A model focused on solving a defined set of high-value client problems, where experience is translated into repeatable, differentiated solutions.*

- Revenue scales through repeatability and intellectual property—not coordination and reinvention.
- Efficiency converts to margin rather than price concessions.

## Steps to Take

### Define Your Value

- Decide which client problems you will be known for solving.
- Identify what kind of work you will stop accepting in the next 1-2 years, even if it remains profitable in the short term.

### Design Your Value

- Convert your highest-value work into a structured solution portfolio.
- Identify where “custom” engagements follow repeatable patterns and codify those patterns into solutions defined by the problems they solve, the outcomes they influence, and the boundaries that preserve repeatability.

- Design scope and price tiers and modular add-ons that allow delivery to scale without rebuilding scopes, estimates, and pricing for each engagement.

### Deliver Your Value

- Design delivery for repeatability instead of throughput.
- Simplify delivery by designing cross-functional teams around solutions.
- Refine roles and team responsibilities by defining the outcomes they're expected to produce.
- Reduce coordination costs and rework through clear decision-making rights, reusable assets, and lightweight processes.
- Use AI to accelerate speed-to-value and reduce dependence on senior leaders.

### Capturing Your Value

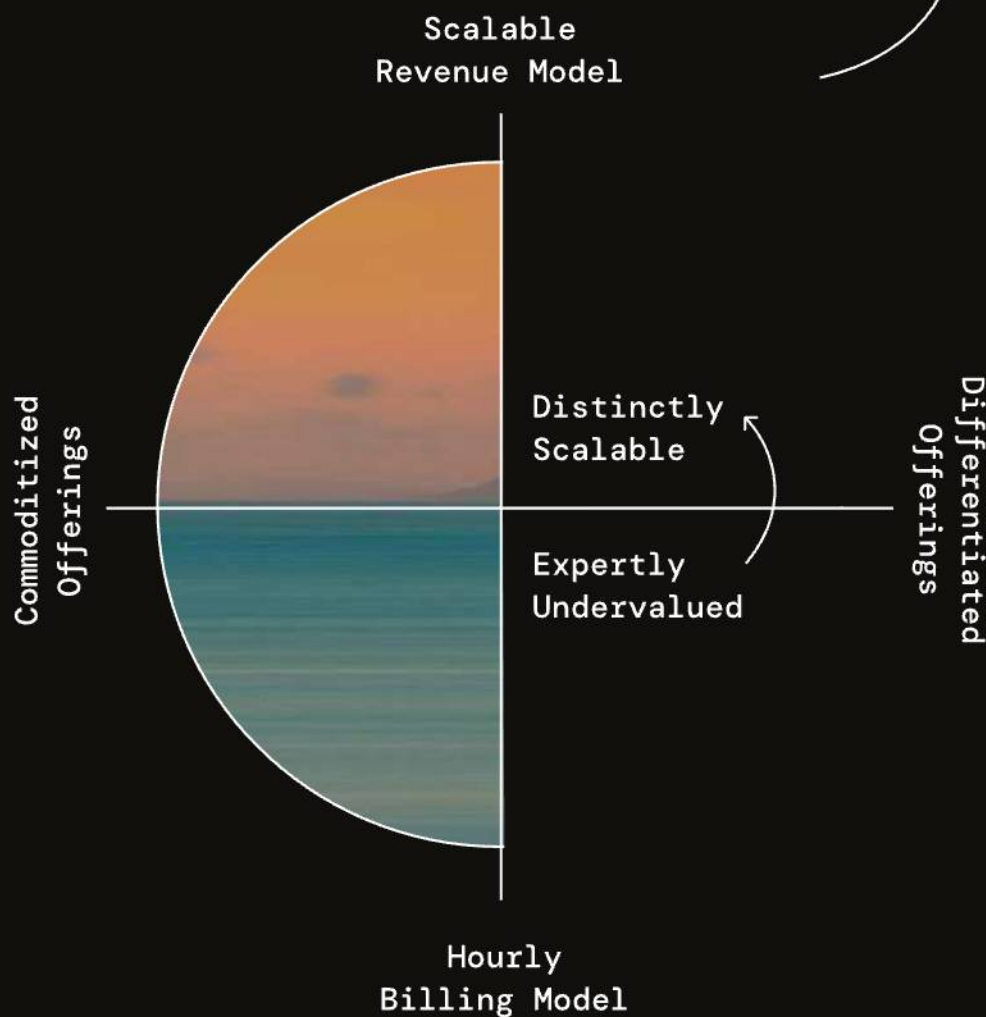
- Stop pricing scopes and start pricing the value of your expertise, outputs, and outcomes.
- Anchor pricing to the intended results, then choose monetization levers—such as fixed solution fees, subscriptions, licensing, or performance-linked components—that allow revenue to grow through repeatability, reuse, and intellectual property rather than volume of work.

## How to Sequence Your Moves

- Shift from “efficient and custom” to repeatable value.
- Standardize the set of solutions that represent the greatest share of revenue, margin and demand.
- Prove repeatability first, then introduce scalable revenue structures.



# FOR FIRMS THAT ARE EXPERTLY UNDERVALUED



## From

*A firm with clear expertise and credibility, but offerings framed as custom services.*

- Pricing relies on hours and custom scopes.
- Revenue depends on senior leaders and subject-matter expert capacity, constraining scale and consistency.

## To

*A firm that translates expertise into repeatable, differentiated solutions, runs on documented systems rather than key-person dependency, and embeds AI and IP directly into offerings.*

- Pricing aligns with impact.
- Revenue scales without proportional headcount growth.

## Steps to Take

### Define Your Value

- Confirm that your value proposition clearly reflects what clients value most about your firm.
- Verify that you are solving the problems you are uniquely qualified to tackle, and that the outcomes are consistent.

### Design Your Value

- Translate your expertise into scalable, productized solutions focused on your best-fit clients' highest-value problems.
- Extract frameworks, methods, patterns, and formalize them into clear offerings that are easy to understand, buy, and repeat.

### Deliver Your Value

- Reduce dependence on senior leaders by shifting from experience-led delivery to system-led execution.

- Refine roles and team responsibilities by defining the outcomes they're expected to produce.
- Reduce coordination costs and rework through clear decision-making rights, reusable assets, and lightweight processes.
- Use AI to accelerate speed-to-value and reduce dependence on senior leaders.

### Capturing Your Value

- Move beyond time-based pricing toward pricing anchored in the value of your expertise, outputs, and the resulting impact.
- Start with fixed prices tied to defined solutions. As consistency improves, introduce subscriptions, licensing, and other monetization levers that reflect true economic contribution.

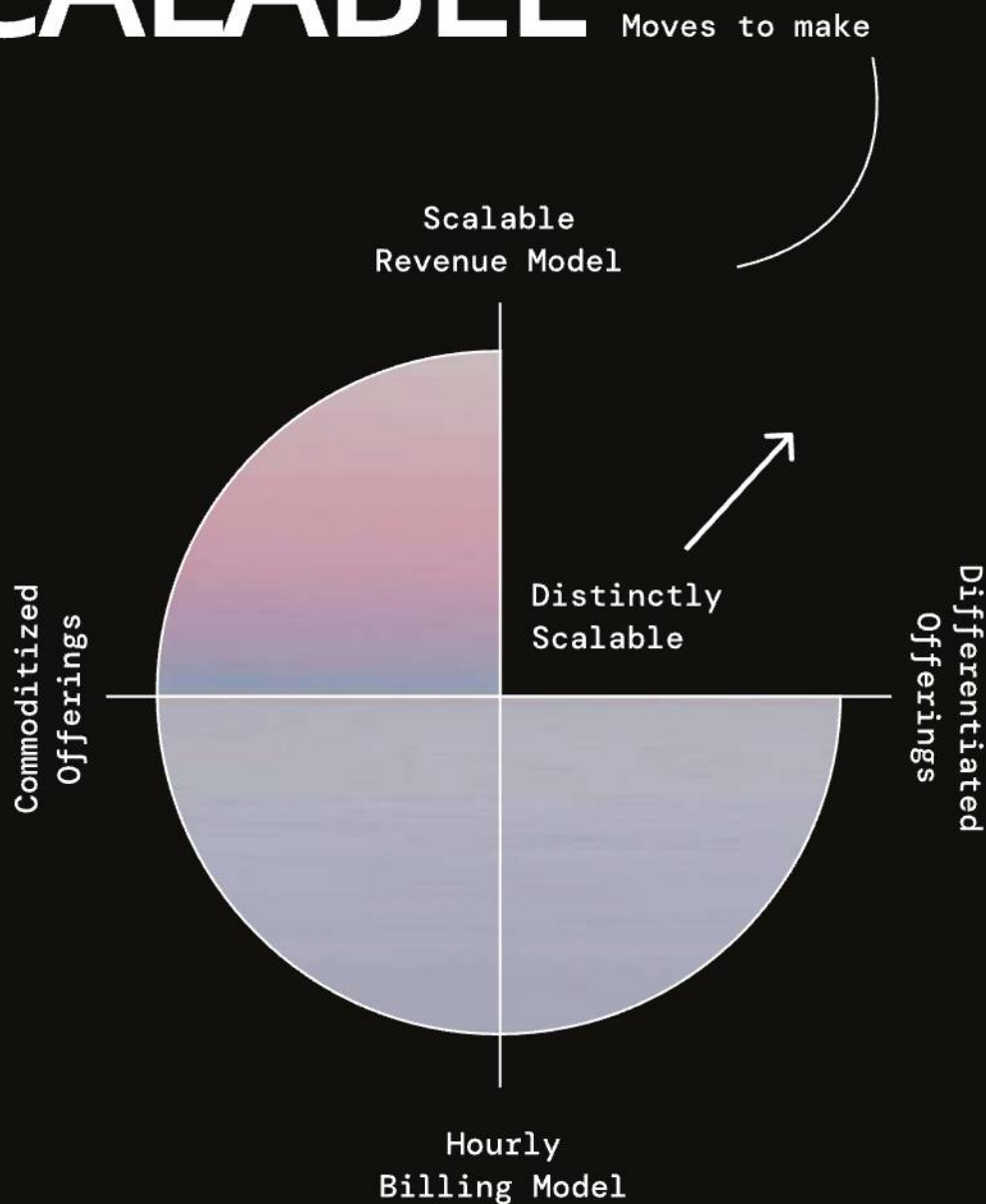
### Build More Value

- As your model becomes Distinctly Scalable, develop AI-enabled offerings and tools that further scale your expertise, deepen differentiation, and create recurring revenue.
- Prioritize solutions clients rely on over time. This increases lifetime value and builds revenue streams that scale without increasing leadership involvement or headcount.

## How to Sequence Your Moves

- Shift from expert-led delivery to system-led scale.
- Codify one or two core solutions rooted in your value proposition.
- Prove they can be delivered consistently without senior leader intervention.
- Align pricing to solutions.
- Explore recurring revenue models.

# FOR FIRMS THAT ARE DISTINCTLY SCALABLE



## From

*A firm with repeatable, differentiated solutions, AI and IP embedded in offerings, and revenue that scales without proportional headcount growth.*

## To

*A firm with a mature, interconnected portfolio of solutions that compound client value over time, proprietary data and learning loops that improve outcomes, and expansion revenue driven by client progression rather than reselling effort.*

## Steps to Take

### Connect Your Value

- Refine your solutions so clients can clearly see their problem-solving capabilities.
- Connect solutions through a coherent framework and your firm's differentiated point of view.
- Design intentional pathways where one solution naturally leads to the next, increasing client lifetime value and reducing reliance on continual new business.

### Systematize Your Value

- Leverage AI, automation, and proprietary IP to move beyond efficiency toward defensibility.
- Embed learning loops and data that improve outcomes and make the model more valuable to clients.

### Reinvest Leadership Time

- Shift leadership focus away from delivery and toward innovation.
- Anticipate where your clients will need the firm to be next.

### Extend Your Economics

- Refine pricing models to reflect longterm value creation.
- Introduce subscriptions, licensing, and performance-linked structures where outcomes are proven and repeatable.

### Expand Your Impact

- Double down on your defined solutions where differentiation, margins, and scalability are strongest.
- Begin expanding your impact by solving the same problems in new markets or new problems within the same market—always reinforcing your core expertise rather than diluting it.

## How to Sequence Your Moves

- Shift from scaling solutions to compounding your advantage.
- Concentrate investment on offerings that already demonstrate repeatability, pricing power, and defensibility. Then connect them into a portfolio that drives scalability.



# HOW TO NAVIGATE: TRANSITIONING CLIENTS TO A NEW VALUE MODEL



As agency leadership teams redesign their value models, a set of common questions inevitably arise:

- How will our clients react?
- How do we transition existing retainers?
- What replaces timesheets or utilization?

The answers below are drawn from two sources: what our agency clients have experienced as they redesigned their value model, and what the firms we interviewed learned while doing the same.

## How Will Our Clients React?

This is the most common question leaders ask—what will happen when we present a new model to our clients?

Across our work and the interviews, “trust” and “clarity of value” consistently shaped outcomes: whether clients could (a) clearly articulate what the agency was uniquely good at, and (b) feel confident those capabilities would reliably produce the outcomes being promised.

When trust is established and clients can easily explain the value internally, they are far more open to change than most agencies expect.

As shown in the case studies, trust is built less through promises and more through demonstrated expertise, repeatable methods and a willingness to own outcomes and risk.

## Agencies Are Often Surprised

While some clients—particularly those operating primarily through procurement—still default to hourly models when that framing favors them, many other clients are already open to alternatives. Some clients actively seek them, and AI is accelerating this by breaking the link between effort and perceived value. Clients increasingly focus on the value of a firm’s expertise, solutions, and proven results rather than process.

## Where Pushback Comes From

When resistance does appear, it’s rarely about price and more about relevance, scope, outcomes—clarity on what they’re buying or why it matters.

As 72andSunny described, this response reflects conditioning more than conviction. Hours became the negotiation tool not because they accurately reflected value, but because they were familiar, auditable, and easy to defend internally.

FIG observed the same pattern from the procurement side. When agencies bring procurement into the conversation late—after a purchase has already been agreed to—price becomes the only remaining lever. When procurement is engaged earlier, the conversation shifts away from rates and toward the factors that actually affect value and cost: scope assumptions, review cycles, decision complexity, approval paths, and delivery risk.



## Transparency Changes Form

Instead of exposing inputs, agencies make intent, assumptions, boundaries, and outcomes explicit. That gives clients something they can explain and defend internally without reverting to hourly math.

## Why Senior Clients Often Respond with Relief

While procurement often seeks reassurance, senior clients—CMOs, CEOs, and business leaders—tend to react differently once the model is understood. Dawn Beauparlant of We. Communications described this as “completing the circle.”

Agencies have always provided insight, but clients increasingly want help turning insight into action. When solutions move beyond diagnosis into clear next steps, engagement deepens and trust grows. Value becomes easier to recognize because it is tied to decisions and progress, not just thinking.

BOND saw the same effect by changing when and how clients experienced value. Replacing static proposal decks with interactive, AI-enabled workspaces reframed early conversations. Instead of reacting to scope or cost, clients engaged in shaping direction. The question shifted from “Can this be cheaper?” to “What’s possible?”

## Why Long-Standing Clients Push Back Less Than Expected

Across our interviews, clients rarely defended hours, per se. They defended a need for predictability and risk control.

Firms like Time Under Tension found that when solutions were repeatable and clearly defined, clients felt less exposed. Fixed-price models worked not because they were cheaper, but because delivery risk shifted from the client to the agency’s method.

Once cost, scope, and intended outcomes were clear, the need to monitor effort largely disappeared.

At 72andSunny and FIG, hours were effectively replaced by modularity. Clients weren’t paying for people or time, but for the ability to reallocate focus to different modules as priorities changed. Workstreams could be adjusted without renegotiating the entire relationship. That flexibility provided the reassurance hours once did without anchoring value to labor.

## How Agencies Transition Existing Retainer Relationships

None of the firms interviewed described a “rip and replace” approach. Instead, they followed an “and” strategy:

- Existing retainers stayed in place.
- New solution-based engagements were introduced alongside them.
- Clients experienced a different way of working without being forced into it.

As confidence grew over time, effort hours lost relevance. The basis for comparison changed and pricing pressure eased.





# 8 ONLINE TOOLS TO APPLY THIS GUIDE TO YOUR FIRM

THE DIAGNOSTIC TOOLS BELOW ARE DESIGNED TO HELP LEADERSHIP TEAMS APPLY THE FRAMEWORKS IN THIS GUIDE TO THEIR OWN FIRM. THE VALUE MODEL DIAGNOSTIC CLARIFIES WHERE THEIR VALUE MODEL IS CONSTRAINED TODAY. THE POSITIONING CLARITY AUDIT ASSESSES WHETHER THEIR POSITIONING COMES THROUGH CLEARLY TO PROSPECTIVE CLIENTS OR APPEARS GENERIC AND UNDIFFERENTIATED. THE INTERACTIVE PRICING PATHWAYS TOOL GUIDES THEM THROUGH MONETIZATION CONFIGURATIONS THAT ALIGN PRICING WITH SOLUTION TYPES AND BUSINESS IMPACT.

## The Value Model Diagnostic

*Identify the Value Model Constraint That Matters Most to Your Firm*

Understand where your firm sits on the Agency Model Map and what to do next.

The diagnostic examines how value is currently

- 1 Defined
- 2 Designed
- 3 Delivered
- 4 Captured

The result maps the firm to one of four recurring economic patterns—Busy by Design, Scaling with Strain, Expertly Undervalued, or Distinctly Scalable—while isolating the specific constraint limiting performance.

For executive teams, the diagnostic creates shared language and alignment around a roadmap for change.

Complete the diagnostic here:

<https://bit.ly/value-model-diagnostic>

## Positioning Clarity Audit

*Assess Whether Your Website Clearly Communicates Your Firm's Value and Differentiation*

Understand how your positioning comes through to prospective clients and where messaging undermines perceived value.

The audit examines whether your website clearly communicates

- The specific client problems the firm is uniquely qualified to solve
- The outcomes the agency delivers and owns
- Why those outcomes matter to the client's business

The result reveals whether the agency is experienced as a differentiated partner accountable for outcomes or perceived as a capable but interchangeable service provider.

For executive teams, the audit identifies gaps between strategic intent and market perception—clarifying what needs to change for the value model to be understood, trusted, and defensible.

Run the audit here: <https://bit.ly/positioning-clarity-audit>



## Pricing Pathways

*Navigate the Solution-Based Monetization System to Design Your Commercial Strategy*

Understand which pricing configurations align with your solutions and how to structure a pricing, billing, and an optional upside.

The interactive framework maps the three levers of the Solution-Based Monetization System:

- 1 How price is determined
- 2 How revenue is billed
- 3 How upside is monetized

The result reveals six logical pathways that align with most agency engagements—Strategic Transformation, Outcome-Driven Engagement, IP & Data, Products & Programs, Transaction & Media, and Advisory & Diagnostic—showing which monetization combinations work together to capture value consistently across different solution types.

For executive teams, the pathways clarify how to monetize what they already do in ways that align pricing with impact rather than effort.

Explore the pathways here: <https://bit.ly/pricing-pathways>



# A CLOSING NOTE TO THOSE MOVING FORWARD

IF THERE IS ONE IDEA WE HOPE YOU TAKE FROM THIS GUIDE, IT'S THIS: PRICING IS WHERE THE TENSION SHOWS UP FIRST, BUT IT'S NOT WHERE THE WORK BEGINS.

THE EFFORT BEGINS UPSTREAM—BY DEFINING THE PROBLEMS YOU WILL OWN, DESIGNING SOLUTIONS THAT MAKE YOUR VALUE CLEAR, BUILDING DELIVERY TEAMS AND WORKFLOWS THAT MAKE OUTCOMES MORE RELIABLE, AND PUTTING A MONETIZATION SYSTEM IN PLACE THAT CAPTURES VALUE WITHOUT DEFAULTING BACK TO LABOR.

THE GOOD NEWS IS THAT PROGRESS DOESN'T REQUIRE A LEAP. IT REQUIRES DIRECTION AND SEQUENCING. YOU DON'T NEED TO REBUILD EVERYTHING AT ONCE. INSTEAD, YOU NEED TO IDENTIFY WHERE YOUR MODEL IS MOST OUT OF ALIGNMENT AND MAKE THE NEXT MOVE THAT REDUCES THAT MISALIGNMENT.

YOUR NEXT STEP IS SIMPLE: USE THE AGENCY MODEL MAP TO NAME YOUR CURRENT PATTERN, THEN CHOOSE ONE PRIMARY CONSTRAINT TO RESOLVE IN THE NEXT 90 DAYS. BECAUSE RESOLVING THE FIRST CONSTRAINT CHANGES EVERYTHING THAT FOLLOWS.

## This Work Requires Conviction

Clients are not actively asking you to do this.

Procurement is not waiting to reward you for doing it.

And you will face pressure to “stay competitive” with others who are not doing this work.

But competitive in what model?

The agencies that thrive in the next decade will make their value easier to understand, easier to justify, and easier to buy—early on, across stakeholders, and without quantifying and auditing effort as proof.

## This Guide is a Framework for Action

Follow it as you go, referring back as you work through the steps of recalibrating how your agency delivers value: Codify what works. Build for repeatability. Align price to outputs and outcomes. And finally capture the value you deliver.







ACKN<sup>10</sup>WLEDGEMENTS

With sincere thanks to our contributors, listed in alphabetical order:

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- Peter Law-Gisiko, Global Client CFO, WPP
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- Richard Tan, CFO, FIG
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Tim is the author of two books—“Positioning for Professionals” and “Take a Stand for Your Brand”—and is a frequent contributor to leading marketing publications, including Advertising Age, Adweek, Campaign, The Drum, and is one of the top LinkedIn Influencers.

Based on his expertise in business models and pricing strategies, Tim has been interviewed and quoted by The New York Times, The Wall Street Journal, The Economist, The Guardian, National Public Radio, Toronto Globe & Mail, Australian Financial Review, as well as numerous leading podcasts and televised interviews.

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Brian Kessman is the Founder and Principal Consultant at Lodestar Agency Consulting. He developed the frameworks in this guide—the Agency Model Map, the Agency Value Model, and the Solution-Based Monetization System—through his work with independent and multinational network agencies navigating the transition from labor-based economics to outcome-led commercial models.

Brian specializes in diagnosing why agencies get stuck in low-margin business models despite appearing busy and growing revenue. His work focuses on positioning strategy, solution design and productization, value-aligned pricing and revenue models, and AI-aligned operating model design. He helps agency CEOs, CFOs, and their leadership teams redesign their commercial models required to scale expertise and value rather than effort.

Brian is an inaugural member of the 4A's Expert Network and brings more than 25 years of agency industry experience to his advisory work.

If the patterns in this guide surface constraints your agency is facing, Brian works with a limited number of agencies each year to apply these frameworks. Reach out at [brian@lodestaragencyconsulting.com](mailto:brian@lodestaragencyconsulting.com) to explore whether your situation is a fit.

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