



# **Interactive Advertising Workflow Best Practices**

**Released October 2008**

**This document has been developed by the IAB Ad Operations Council and CFO Council, with additional participation from:**

Avenue A | Razorfish  
Carat  
Digitas  
Horizon Interactive  
Mediavest  
OMD  
Starcom  
Universal McCann

**About the IAB Ad Ops Council:**

The Ad Ops Council is dedicated to improving the operational efficiency of interactive advertising. Ad Ops Council working groups regularly include agency-side representatives to help improve communication, understanding, and work process in many areas of the buyer-seller relationship. A full list of Council member companies can be found at: [http://www.iab.net/member\\_center/35088?iabid=a035000002Cmy1AAC](http://www.iab.net/member_center/35088?iabid=a035000002Cmy1AAC)

**About the IAB CFO Council:**

The CFO Council is a forum for finance professionals of IAB member companies to identify general finance related issues and recommend solutions. Among the broad issues that the council will address are: interpreting accounting rules, financing opportunities, and bad debt and receivables. The Council delivers these objectives through industry research, standards and best practice development and stakeholder education. A full list of Council member companies can be found at:

[http://www.iab.net/member\\_center/35088?iabid=a0330000000wefOAAQ](http://www.iab.net/member_center/35088?iabid=a0330000000wefOAAQ)

**This document can be found on the IAB website at:** <http://www.iab.net/workflow>

**IAB Contact Information:**

Ryan Walker  
Manager of Industry Services, IAB  
212-380-4731  
[ryan@iab.net](mailto:ryan@iab.net)

Jeremy Fain  
Vice President of Industry Services, IAB  
212-380-4724  
[jeremy@iab.net](mailto:jeremy@iab.net)

## Table of Contents

---

<b>Executive Summary .....</b>	<b>3</b>
<b>Request for Proposal Stage .....</b>	<b>5</b>
Publisher Best Practices .....	5
Agency Best Practices .....	7
<b>Insertion Order Stage.....</b>	<b>9</b>
Publisher Best Practices .....	9
Agency Best Practices .....	12
<b>Creative Delivery Stage .....</b>	<b>14</b>
Explanation of Process Templates .....	15
<b>Campaign Delivery &amp; Optimization Stage .....</b>	<b>18</b>
Publisher Best Practices .....	18
Agency Best Practices .....	21
<b>Billing &amp; Collections Stage .....</b>	<b>23</b>
Publisher Best Practices .....	23
Agency Best Practices .....	27
<b>Appendix A: IAB Ad Ops Council Recommended Dataset for Insertion Orders and Invoices.....</b>	<b>30</b>
<b>Appendix B: Campaign Setup Process Workflow.....</b>	<b>34</b>
Publisher Workflow .....	34
Agency Workflow .....	35
<b>Appendix C: Revenue Cycle Workflow .....</b>	<b>36</b>

## Executive Summary

---

These Interactive Advertising Workflow Best Practices offer solutions to many of the supply chain issues that have plagued the interactive advertising industry, such as late creative, discrepancies and billing reconciliation. Drawing on the collective work and insight of the Interactive Advertising Bureau (IAB), its publisher members, the Media Rating Council (MRC), and major agencies, this document provides a holistic view of the entire interactive advertising supply chain and detailed, objective Best Practices for each step of the workflow:



This document represents several years of gathered experience and discussions and is the most in-depth and comprehensive interactive supply chain reference in the industry. Since the interactive advertising workflow touches multiple departments at publishers and agencies, these best practices should be read and adopted by everyone from senior management to entry level employees looking for a high-level understanding of the overall process and practical advice on execution. Improving communication, both inter-departmentally and between agency and publisher, is at the core of reducing discrepancies and thus achieving greater operational efficiency.

### Request for Proposal (RFP) **Stage 1: Request for Proposal (RFP)**

Clear and open communication between a publisher and the agency needs to begin with the RFP. When submitting an RFP, an agency should outline as much detail about the campaign as possible. Revealing marketer objectives, target audience, inventory preferences, and any other special requests beyond budget and flight dates will allow the publisher to provide a more comprehensive proposal. RFP best practices for publishers include establishing internal policies on pricing and credit, and for agencies, it is necessary to clearly communicate timelines to the marketer.

### Insertion Order (IO) **Stage 2: Insertion Order (IO)**

An Insertion Order is generated once the proposal is approved by the agency. The publisher should set up appropriate controls along the IO approval process to ensure that all aspects of the IO meet internal requirements. At this stage, it is critical for both parties to review specific details about the IO including the billing method, delivery requirements, and any addendums to the AAAA/IAB standard terms and conditions. Rectifying errors and verifying all contact information at this stage will reduce inefficiencies through the rest of the workflow.

### Creative Delivery **Stage 3: Creative Delivery**

Adoption of the following tools by both publishers and agencies can help solve many causes of late creative and the usual ensuing problems:

- **The IAB Creative Specs Database** – An online database maintained by the IAB to ensure that agencies have access to current specs for their campaigns and to consolidate publisher specs into a single source for accurate specs data throughout the industry; the Database is populated by publishers, and specs for a campaign are downloaded by agencies.
- **The Creative Delivery Best Practices** – A project plan template for rich and non-rich creative development, from marketer briefing to publisher launch of campaign. The Best Practices Processes are meant to be used by marketers, agencies, and publishers as the basis for internal process and efficiency improvement.



### **Stage 4: Campaign Delivery & Optimization**

After creative is delivered, crucial steps for both parties remain. Clear communication should continue with the traffic instructions. The publisher should contact the agency over any ambiguities. In addition, login information should be exchanged so that delivery can be monitored in both the publisher and third-party ad servers. Campaigns should then be checked within one business day of launch to confirm that all tags are implemented properly. To catch discrepancies, both parties should continually monitor delivery and optimize when necessary.



### **Stage 5: Billing & Collections**

No supply chain is complete until final payment is made. Billing & Collections remain challenging due to the number of departments involved. Following best practices from the start reduces billing errors and simplifies reconciliation, but clear and open communication can alleviate remaining issues. It is recommended that both publishers and agencies establish cross-departmental communication channels to speed up the reconciliation process.

### **End Goal: Scalable, Higher Quality Operations**

The IAB is confident that, if adopted by both publishers and agencies, the best practices outlined in this workflow document will enable both sides to materially improve their operational effectiveness, significantly decrease material discrepancies, and build more scalable, profitable organizations.

Request for  
Proposal (RFP)

## Request for Proposal Stage

The Request for Proposal (RFP) stage of a campaign should be considered the point of sale. All information pertinent to a campaign, for both the agency and the publisher, including flight dates, creative placements, website specs, and payment practices are initiated during the RFP stage. At this point in the process, the billing and payment of the campaign are often overlooked by both the agency and the publisher, which inevitably creates problems later in the supply chain as a great deal of reconciliation is tied to how campaigns are negotiated and built. Following these recommendations will reduce confusion and inefficiencies in the RFP Stage, ultimately leading to faster reconciliation in the Billing and Collections stage.

### ***Publisher Best Practices***

#### ❖ **When answering an RFP, always inform the agency of reservation policies**

The agency must often get client approval before signing off on a media plan. After the client approves the plan, they expect to see the inventory in the Insertion Order (IO). If inventory changes, the agency may need to seek additional approval on the new inventory. If the agency is aware of deadlines, they can inform the client and attempt to expedite the approval process. The agency should also be informed if inventory cannot be guaranteed at the time of the publisher response in order to better manage the marketer's expectations.

#### ❖ **New customers should have credit checked prior to being given a proposal**

A new customer (agency and/or advertiser) should be in good standing in order to receive credit from a publisher. Because a healthy revenue cycle is tied to the ability of a customer to pay in a timely manner, the customer's credit should be checked prior to creating a proposal. Before a sale is made it is recommended that the customer making the buy has their credit status evaluated by the publisher. In order to have an advertiser's credit checked, the agency will offer an Agency of Record letter, which is verification from the advertiser that the agency has the right to buy media on their behalf.

If credit cannot be extended, the customer should be required to prepay. The company should have a written credit extension policy which is applied consistently to customers. The Credit Extension Policy should be designed based on the level of acceptable risk as determined by the business and finance partners.

#### ❖ **Establish a credit limit for all customers**

Establishing a credit limit that is documented and in a location commonly accessible to Sales and Credit, (such as electronic filing with IOs, T&Cs or other documented sales tools), is recommended. Executing IOs in excess of the established credit limit may create risk in collections and be subject to revenue reversal. Therefore, any IOs that will exceed the established credit limit should first be approved by Credit department.

#### ❖ **Always inform the agency of any credit issues that may prevent a campaign from going live**

Whether it is an issue of getting credit approval for a new customer, or a credit hold on an existing customer, the sooner the agency is made aware of the issue, the faster it can work to resolve it. The publisher can facilitate this by taking the following steps:

- The Sales Executive/Sales assistant proactively checks credit status to determine the client's credit standing.
- For new advertisers/agencies, the appropriate billing contact information must be obtained.
- The Sales Executive or Ad Operations Representative communicates any issues to the agency during the RFP stage.

❖ **Review Agency's current Terms & Conditions (and any advertiser specific terms if applicable)**

It is important to understand any differences in terms prior to the creation of the IO. Any conflicts in terms and conditions should be negotiated, and the agreed upon resolution should be included in the IO.

❖ **Pricing should be established and approved by a planning department or pricing committee**

This will ensure:

- Full disclosure;
- No side agreements have been made; and
- Unique pricing is escalated through accounting/finance.

❖ **Document the process and levels of reviewers necessary for obtaining pricing approvals**

Documenting the process used for approving pricing helps ensure that these authorizations will be issued in a consistent manner. The level of the approvers should also be documented and clearly communicated to internal departments. Establishing internal policies and processes for the following items can also ensure transparency on the proposal:

- Pricing incentives
- Added value/bonus
- Production costs (rolled up vs. broken out)
- Credits

❖ **Make certain that pricing is approved internally before submitting proposal to agency**

The timing of the pricing approval process should be clearly established among all necessary internal departments. No specific CPMs should be given to the agency without first ensuring that it has been approved according to any internal guidelines.

❖ **Avoid offering rates outside of the normal rate card parameters, unless predefined by business policies or sell cycle variations/seasonality**

Pricing should be monitored to ensure that CPMs are staying within the normal range offered by the company. Anything not within the normal rate card parameters should be explained and documented by the sales team. This process will help ensure accurate revenue recognition.

❖ **Rich media fees and measurements should be discussed/negotiated up front**

Publishers and agencies have different set rates established with each rich media vendor, and there can be confusion over which side will be responsible for paying rich media costs. There is currently no protocol for when one side pays the fee, and payment is therefore handled on a case-by-case basis. Because this process still lacks transparency, it is imperative that payment terms be defined before the IO is created.

❖ **Compatibility of placements with Third-Party Ad Servers should be noted**

While most placements can be served through a Third-Party Ad Server, there are occasional placements that can only be site-served, affecting the estimated ad serving costs in the plans agencies present to their clients. Those placements should be defined or described as site-served. In relation to site-served creative, the RFP should also specify: (1) whether or not Third-Party Ad Server pixels can be implemented so the agency can track impressions, and (2) whether or not the unit is clickable so the agency can provide a Third-Party Ad Server click command in order to track clicks.

❖ **Third-Party Research studies should be discussed and approved**

It is important that survey details be disclosed as a requirement during the RFP stage, including method of recruitment preferred/required, vendor selection, and publisher inventory requirements (if any). Research creative should not spawn survey recruitment pop-ups or other vehicles without Publisher's prior approvals. Publisher commitments should be defined when the Insertion Order is created to avoid miscommunication.

## ***Agency Best Practices***

❖ **Ensure that the RFP is as clear and complete as possible**

We recommend that RFPs be formatted in a manner that will avoid confusion when received by publishers. Additionally, they should be as specific as possible, noting priority as well as which line items can be flexible and which cannot. RFPs should also include a deadline for response.

❖ **Always ensure that deadlines are communicated to the marketer**

Clients need to be educated on how inventory reservation systems for digital media work and how "avails" must be rerun if the media reservation expires (typically after 48 hours). It should also be made clear that some publishers do not reserve inventory when responding. We recommend that clear timelines be set and followed as much as possible. If a deadline is missed, the client's expectations for campaign launch should be managed to account for possible delays, lost inventory, etc.

❖ **Inform new clients that credit applications will be necessary**

The credit approval process can lead to frustrations on the part of the publisher, agency and marketer. In an effort to alleviate issues, we recommend informing all new clients that credit applications will be necessary so that they can prepare required information, as well as adjust expectations for the campaign start date.



❖ **Educate buyers on negotiating rich media costs with publishers**

As mentioned in the Publisher Best Practices section, there is no mandate on when the publisher or agency will assume the cost for rich media. In order to effectively make a decision, buyers must understand rich media costs and also know the rate the agency will pay, as well as the effect it may have on the budget.



## Insertion Order Stage

---

*Note on IO signatures:* Currently, confusion exists over the protocol for signatures at the IO stage. It is common for both parties to sign an IO, but since this is often done using faxed or scanned copies, original signatures are not required from both parties. It is also considered acceptable, but not preferable, for only the publisher to sign an IO, as long as it was generated by the client and does not have a space for a client signature. Likewise, if there is more than one space on an IO requiring approval, such as a page for additional terms and conditions, these too should be signed or initialed.

### ***Publisher Best Practices***

#### ❖ **Avoid internal code words on the contract**

Confusion over contract language has become a problem, especially when translated into an ad serving system. Write as much of the contract or deal terms in easy to understand, plain language. When confusion arises, the lines of communication between publisher and agency should remain open so that any questionable language can be explained quickly.

#### ❖ **Identify requirements and allocate resources when IO is signed based on IO terms, past discrepancies and payment patterns of customer/third-party ad serving combination**

In organizations that follow this process, the finance or operations team is responsible for analyzing agency requirements and past performance. The team then makes decisions on how closely each campaign needs to be monitored during the campaign run and after the invoice is issued. For example, ad serving vendors that consistently show material discrepancies should be monitored heavily as well as partners with poor communication and payment patterns.

- Using a standard Ts&Cs document for all customers simplifies this process but each partner will still behave differently depending on their own internal practices.

#### ❖ **Ensure that concise billing language is included in the IO terms and that both parties understand the exact agreement on details such as pacing**

Specifically clarifying billing details such as any required pacing (i.e. can you overdeliver one month, underdeliver the next?) is extremely important because of the way agencies have funds released to them by their clients. If pacing is assumed by an agency to be absolutely even throughout a campaign, over- and under-delivery on different months could result in publishers being underpaid. For example, a publisher may get short-paid for the month of over-delivery and only paid for the impressions delivered in the month of under-delivery.

#### ❖ **Make certain that Agency's billing method is documented on the IO**

Misunderstanding the preferred billing method by the agency can lead to delays in payment and inefficiencies for both parties requesting and completing billing adjustments. Publishers should document whether a campaign needs to be set up to be billed on campaign estimates or actual delivery, and which ad server each of those numbers should be based on. Any special billing requirements such as installment billing

should also be documented and included on the IO. If there is rich media and/or a third party ad server involved, the IO should state which party's numbers will be used as the billable source. The IO should also state who is responsible for paying the rich media fees.

❖ **Ensure that all targeting setup for a campaign accurately reflects what is defined on the media plan**

Any campaign targeting should be negotiated and documented on the IO. Targeting should be clearly defined and understood by both parties.

❖ **Ensure that all necessary contact information is obtained.**

This includes:

- Sales Contact
- Billing Contact
- Creative Agency Contact
- Reporting Contact
- Ad Operations Contact

❖ **IO approval process should include departments outside of Sales**

Aside from inventory approval, responsibility for the terms, pricing and any other editorial or quality control should reside outside of Sales. We recommend that approvals be obtained from the following departments (or equivalent):

- Inventory
- Pricing and Planning
- Legal

❖ **Approval of terms and conditions should include departments outside of Sales**

We recommend that Legal and/or Accounting Revenue review all non-IAB/AAA Standard T&Cs for unusual payment terms or make-good clauses. This additional approval will help prevent non-standard deal terms with which the company is unable to comply.

❖ **Confirm proposals are correct by comparing them with the agency's IO**

Publishers should confirm proposals by comparing them with the agency's IO to ensure the orders are set up appropriately for revenue recognition. For example, packaged products should be entered the same way in both systems. The agency IO should match the publisher IO, both in dollars and impressions, line item by line item. This will ensure that publisher-generated invoices will match the agency's IO.

❖ **Make certain that the proper level of employee is signing and approving insertion orders**

Sales employees at the VP level or above should sign for approval on behalf of the Publisher. On the client side, the signator should have the requisite authority.

❖ **A campaign should not begin without a signature on the IO**

An IO should ideally not be considered approved until signed by both parties. Furthermore we recommend that Publishers refrain from delivering any campaign creative until an IO has been approved. There are exceptions to this practice, but they should require explicit approval from the CFO, the head of Sales, or other executive management.

❖ **Set up controls along the approval process to ensure that all aspects of the IO meet internal requirements**

Final approval by management implies that a set of sub approvals, for items such as T&Cs, inventory, pricing and credit, if applicable, have already been made. Such controls would prevent campaigns lacking one or more of these sub approvals from being submitted for final approval.

Often there is a designated employee that coordinates both the sub approvals and the submission for final approval. There can also be an additional step after final approval that confirms that the terms on the IO are being correctly reflected in the publisher's system. This is a crucial step, given that the publisher is responsible for fulfilling the details of the signed agreement, and that incorrect input may lead to trafficking, revenue recognition and/or other errors.

❖ **Confirm and document the billing method prior to signing IO**

Once the contract has been signed, the billing method should not be changed. There are exceptions to this rule, but we recommend that each instance be handled on a case-by-case basis. Altering the billing method should be a last resort due to the confusion it can cause across multiple departments.

❖ **Keep all signed copies of the IO on file**

After the necessary signatures have been obtained, it is important to keep the IO on file. Hard copies will ideally be filed in a place that is known and accessible to multiple departments within the organizations. Digitally signed copies should be kept on a shared drive (or similar tool). We recommend that each publisher formalize their own policy for how long the IOs be kept on file.

❖ **Once approvals are complete, trafficking coordinators should be notified immediately**

We recommend keeping open channels of communication between Ad Operations and Sales. A trafficker may have issues related to missing assets, inventory, or understanding products. The assigned trafficker should also test the assets for the following criteria:

- One ad unit for each placement
- Ad unit meets creative spec requirements
- Ad unit clicks through correctly

❖ **Trafficking coordinator should have direct contact with agency**

Many times traffic coordinators are forced to manually match tags and placements by process of elimination. This can lead to errors that result in billing discrepancies. Direct communication and relationship with agency ad operations is essential in avoiding errors.

❖ **Set up sponsorships with monthly impression goals**

Confirm pacing goals, and any other delivery expectation goals, with the agency. If applicable, sponsorships should be broken out into monthly goals to avoid front-loaded over-delivery. Finally, communicate the monthly goals to the client.

❖ **Maintain clear and open communication between Sales and Accounting**

Publishers should obtain buy-in at a high level within the organization about the importance of managing expectations about proposals. Senior leadership from Sales and Accounting should ensure that their staffs are collaborating. Open communication between the front-end sales office and the accounting revenue department is vital.

## ***Agency Best Practices***

❖ **Identify placements by size, flight date, target and rich media vendor**

Internal code words should be avoided on the IO. We recommend including as much detail as possible when describing each placement. Any relevant information such as size, flight date, impression amount, site and rich media vendors should be included. It is recommended that all data according to the IAB Standard Dataset for IOs and Invoices (see **Appendix A**) be included in the publisher and agency IO. The IO should also state whether the agency or the publisher is responsible for rich media fees.

❖ **Ensure that concise billing language is included in the IO terms and that both parties understand the exact agreement on details such as pacing, actuals vs. planned billing, and reconciliation expectation (e.g., site-level or placement level)**

Specifically clarifying billing details such as any required pacing (i.e., can you over deliver one month, under deliver the next?) is extremely important in order to avoid unexpected invoice amounts. Detailed language regarding billing such as how to handle under- and over-delivery scenarios and the amounts that can be billed each month (i.e., actual vs. planned cost) will give both the agency and publisher a better understanding of what they should expect when an invoice is delivered.

- The IAB/AAAA Standard Terms & Conditions states that the Media Company is to comply with the IO, including any requirements to create a reasonably balanced delivery schedule.
- If agencies insist on absolute even pacing for various periods throughout a campaign, separate tags for each period for each placement should be issued to, and used by, publishers.

❖ **Inform publisher of all delivery requirements**

Publishers should be made aware of any restrictions and/or requirements to the media delivery that fall outside of "evenly deliver" throughout the campaign flight. Agencies should monitor delivery and frequency throughout the campaign to ensure that delivery requirements are met.

❖ **Ensure that any targeting purchased is accurately reflected in the IO**

Any publisher-side campaign targeting should be negotiated and clearly defined in the IO. It is also important that all targeting be done in the publisher's ad server as opposed to any third-party ad server to avoid large discrepancies.

❖ **Changes to the IO should also be noted on the Master Media Plan**

All changes made on IOs should also be noted on the master internal media plan used by the various teams on the account. This ensures that all teams (Account, Ad Ops, and Billing) are working from the final contracted media allocations for the campaign and post-campaign reporting and billing is not delayed by any confusion.



## Creative Delivery Stage

---

Late creative has been a major problem for the interactive advertising industry. Research conducted by the IAB and agency partners has determined two primary causes:

1. Lack of objective, industry best practices left marketers, agencies, and publishers unable to develop informed policies and procedures for delivering on-time creative.
2. The inability of publishers to effectively and efficiently update the various creative specs databases that are maintained by third party ad servers and rich media vendors; agencies were using tools that held out-of-date specs, creatives were developed that failed publishers' new criteria, and extra time was necessary to fix the problems

The IAB has therefore developed a project plan template for rich and non-rich creative development, from marketer briefing to publisher launch of campaign, the Best Practices Process is meant to be used by marketers, agencies, and publishers as the basis for internal process and efficiency improvement. Additionally, the IAB has created an online database maintained by the IAB to ensure that agencies have access to current specs for their campaigns and to consolidate publisher specs into a single source for accurate specs data throughout the industry; the Database is populated by publishers, and specs for a campaign are downloaded by agencies.

To access the Database and download the project plan templates, please visit:  
[http://www.iab.net/iab\\_products\\_and\\_industry\\_services/1421/1449/1500](http://www.iab.net/iab_products_and_industry_services/1421/1449/1500)

Users of these Best Practices should be especially conscious of the following key points:

### ❖ **Interactive media takes time to deliver correctly**

This document is meant to be a model for the delivery processes of marketers, creative agencies, media agencies, and publishers and the accompanying templates were based on the most common processes and timeline. The end-to-end delivery process for interactive media is complicated and requires sufficient padding to account for its intricacies. Many campaigns may be required to truncate these recommended planning and development timelines but it is strongly recommended that all parties follow these templates for all normal operations in order to standardize and improve the efficiency of campaign delivery throughout the industry.

### ❖ **Rich media takes longer to deliver than non-rich media**

The rich media process in these templates is laid out over 52 business days while the non-rich media process requires 43 business days. The two week difference is significant and should be taken into consideration by marketers and agencies when developing the strategic and creative plans.

### ❖ **The process is complex; an empowered project manager is imperative**

It is extremely important for media and creative agencies to have clear communication and synchronization throughout the project because key tasks and phases significantly overlap throughout the entire process. For example, once insertion orders have been signed, deployment tasks can begin

at the media agency, even while creative is still being developed. It is therefore strongly recommended that a project lead is identified and empowered at the beginning of each campaign to manage all parties involved.

❖ **Quality Assurance (QA) time should not be compromised**

Interactive advertising can be technically complex, and publishers and marketers want to ensure that campaigns run smoothly and successfully. Media agencies and publishers should avoid shortcuts when testing creatives. Creative agencies and marketers should take all QA line items seriously and understand the time required to thoroughly check a campaign's assets. Mid-campaign creative changes must also go through QA processes and therefore should not be swapped out without all parties' knowledge.

❖ **Developing outside these processes is not recommended**

With the development of these templates and the implementation of the IAB Creative Specs Database, media agencies and publishers are expecting an improvement in on-time deliveries. As the majority of the industry adopts more efficient and effective processes, it is understood by all parties that there will be exceptions; however, as the industry continues to grow, it will become increasingly difficult to accommodate regularly late creative.

## ***Explanation of Process Templates***

### **The Templates**

The **Creative Delivery Best Practices** consist of two project templates: one for **rich media** and the other for **non-rich media**. Both templates are included in the same spreadsheet file on different tabs. Both template processes are similar but each involves slightly different parties and QA time requirements.

### **The Phases**

Each template follows similar project layouts and each includes five main phases:

1. **Initiation** – includes marketer-agency briefings and initial project timing
2. **Define** – includes agency interviews, analysis, preliminary strategic and measurement recommendations
3. **Design** – includes creative concepting and RFP stage
4. **Development** – includes media plan development and sign off, finalization of IOs, creative and landing page development
5. **Deployment** – includes creation and delivery of ad tags, QA by media agency and publisher, launch of creative, and any mid-campaign revisions



### The Tasks

Within each phase (Exhibit A, area A), there are two types of task breakouts: stages and steps (Exhibit A, area B). A *stage* is considered a major task with discrete *steps* associated with it. The stages and steps listed were those deemed most applicable to a wide variety of agencies and publishers. Each company is expected to have additional discrete steps unique to its own internal process.

Component	Level	Description	Exit Criteria	Notes
<b>Phase</b>	<b>1</b>	<b>INITIATION - Initiate the Program</b>		
Stage	1.1	Client to Agencies Briefing	Assignment Understood by All Parties	
Stage	1.2	Preliminary Project Planning	Agreement: Stage/Step Timing	
Step	1.2.1	Develop/Overall & Prelim Stage/Step Timing	Visible Project Plan (MSP)	
Step	1.2.2	Agree to Overall & Prelim Stage/Step Timing and M	Published Schedule	
<b>Phase</b>	<b>2</b>	<b>DEFINE - Define the Recommendation</b>		
Stage	2.1	Conduct Interviews & Assessments	Findings Document / Con Call w/Client	

Exhibit A: Phase and task break outs

Each task has a number of descriptive elements, including:

- ◇ A discrete stage and step identifier (Exhibit A, area A - "Level")
- ◇ Task deliverable (Exhibit A, area B, "Exit Criteria")
- ◇ Party responsible for the deliverable (Exhibit B, area C, "R - Responsible")
- ◇ Other parties involved in the task (Exhibit B, area C, "P - Participates")
- ◇ Number of days for each task (Exhibit B, area E, "Days")

Additionally, each task has a set number of days associated with it but some tasks overlap and others must wait for prior tasks to be complete before they can begin. These task dependencies are displayed visually as a Gantt chart (Exhibit B, area E, color coded boxes)

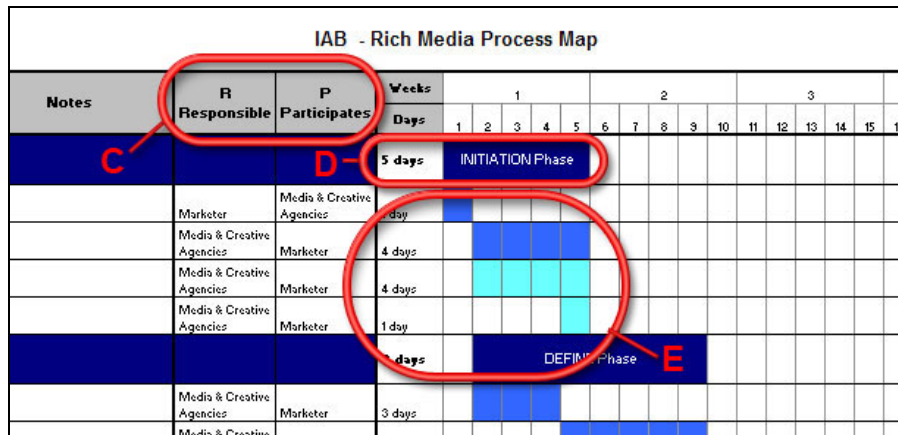


Exhibit B: Task details

## Mid-Campaign Changes

At the end of the Deployment phase, each template has additional tasks that discuss the process for changing creative mid-campaign (Exhibit C). It is extremely important to build this extra time into any planned optimization, etc, that may occur during a campaign. Each template has a different number of tasks and days associated with mid-campaign changes.

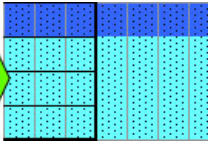
Stage	5.8	Mid-campaign Creative Added to Rotation	Mid-campaign creative changes for rich media <b>MUST</b> go back through full	
Step	5.8.1	Delivery of Creative Assets		
Step	5.8.2	QA Ad Units & Tags against Specs / Fixes	See notes for step 5.7.1	
Step	5.8.3	Trafficking	Parallel to 5.8.2	

Exhibit C: Mid-Campaign Tasks and Ti

## Campaign Delivery & Optimization Stage

Communication between publisher and agency, as well as interdepartmentally within both organizations, remains vital during campaign delivery. It is important to apply measures that ensure accuracy across all departments. Facets such as estimated impressions and campaign goals are subject to constant change, making multiple open lines of communication a necessity.

### ***Publisher Best Practices***

#### ❖ **Before beginning the campaign, make certain that the IO matches the current information in the order entry system**

Since many changes can often occur between the time that the IO is signed and the campaign start date, we recommend checking to ensure that the following items on the IO match the current information in the booking/order entry system before commencing the flight:

1. Creative Unit
2. Start and End Date
3. Ad Server
4. Sponsorship/SOV vs. Impression/Performance
5. Rich Media Fees
6. Targeting

#### ❖ **Always keep a one-to-one relationship between a third-party tag and a first-party placement**

A significant amount of confusion exists in the marketplace because a third-party tag that was originally ordered for a single placement is trafficked in multiple placements at the publisher. Invoices are then created based on a one-to-multiple placement relationship and show more placements than were ordered with impression numbers that do not match insertion orders. If optimization for a piece of creative is necessary, new tags should be requested from the agency for the new placements.

#### ❖ **Post-launch testing should occur within one business day of initial launch**

We recommend that the campaign be tested and checked within one business day after the initial launch, as well as after each new flight or ad tag is launched. This step will confirm each tag has been implemented properly, and is returning the expected data. Not only will this serve to ensure the campaign is tracking properly from both the publisher and agency sides, it will also highlight major implementation errors that cause the largest and most costly discrepancies. As part of the testing process, we also recommend that the publisher send an email confirmation to the agency that all tags are live, including screenshots.

The testing process should also include a delivery comparison of internal usage versus third-party ad server usage no later than one week after the campaign launch. Variances exceeding publisher thresholds should be escalated to their operational team to ensure proper tag implementation and escalated directly to third-party vendors if further investigation is required. Communication to sales support and to the agency of a potential problem should coincide with any investigation or tag implementation correction.

*NOTE:* Publisher discrepancy threshold is not set as a standard across the industry, rather by the publisher's historical variance trends per vendor. The threshold should be defined in the Terms & Conditions of the IO.

❖ **Monitor third-party numbers from agency systems on a regular basis on all high-priority campaigns (if not all campaigns)**

Until an automated discrepancy detection system exists, it is recommended that the publisher manually monitor third-party numbers on as many campaigns as possible. Identifying discrepancies while campaigns are running and before invoicing gives both agencies and publishers a chance to correct any mistakes that may have been made on campaign entry. Correcting discrepancies before invoicing is essential to improving efficiency and decreasing payment times.

- Contact the agency or third-party when material discrepancies occur (Note: IAB/AAAAs Terms & Conditions identify 10% as a material threshold.\*)
- Escalate issue with a partner when large discrepancies are chronic.

*\* Developing an organization-wide standard strategy for identifying and calculating materiality with regards to discrepancy counts is essential (i.e., do you wait for 5% discrepancy or 10%, do you watch for rate of growth in the discrepancy, is it based on total dollar of order/customer?) When allocating resources to manually monitor third-party numbers and deciding to take action based on discrepancies, each publisher should run a cost/time/benefit analysis on what actions, proactive or otherwise, will bring the greatest efficiencies and savings.*

❖ **Publishers should offer agencies a way to electronically view the publisher partners' ad serving numbers in order to encourage proactive discrepancy detection on both sides**

At the time of this document's publication, an automated method of pulling in and checking third-party impression numbers with first-party impression numbers did not exist. Until a system is developed to automate this discrepancy detection, both publishers and agencies must be vigilant in checking each others' campaign numbers. Agencies should be checking their publisher partners' numbers throughout a campaign to ensure that discrepancies and campaign entry errors have not occurred. Detecting setup errors early is essential to avoiding material discrepancies at time of invoice.

❖ **Re-allocate inventory if under-delivery will be an issue**

If delivery becomes an issue, the frequency of a placement will often be increased. However, when frequency gets to be too high, agencies will sometimes require that credit or make goods be offered. If particular placements are pacing to under-deliver, the publisher may not be able to increase frequency due to inventory constraints and fairness to all advertisers running. Re-allocation of inventory should take place upon publisher's recommendation if the campaign end date cannot be extended.

The optimization/re-allocation should contain the following details:

- Placement name
- Original impression goal and dollars
- Revised impression goal and dollars
- Start or end date changes (if applicable)

Once the optimization is approved by the agency, a change order should be sent for signature. Please keep in mind that if new placements are added, a new ad tag should be sent for each.

❖ **Require written documentation when a change is requested/made (e.g., revisions, re-allocations, optimization, cancellations)**

Communication of revisions between publishers, planners, and the accounts payable department is not consistent throughout the industry at this time. When email alone is used to communicate revisions and approvals, it is not uncommon for Accounts Payable departments to lack the full revision history of an IO. This is why it is strongly recommended that publishers require signed change documentation on material changes, including dollar amounts, start and end dates, types of creative, etc.

- Email revisions are only recommended on a case-by-case basis and should be limited to changes that do not affect the dollar value or other material aspects of the IO.
- Both agencies and publishers should make a central system, that keeps records of all changes, available to all teams.
- Publishers should run a cost/time/benefit analysis when deciding which changes require a change order and which do not; implementing this policy based on partner experience may be more practical when only a few agency customers have consistent revision communication issues. Overall, developing better controls on revision approvals is essential.

❖ **Use a system to electronically track all revisions and communications**

Both agencies and publishers need to use a centralized system that keeps electronic track of revisions, including sign-offs and pre- or post-launch order changes, as well as all customer communications. This is a critical component to improving efficiency and intra-organization communication. The disconnect between publisher and agency understanding/tracking of a campaign's many revisions is a common cause of payment delays. All appropriate teams within a company should have access to this system.

❖ **Credit approval should be obtained again, if optimizations lead to changes in CPM or payment terms**

Due to the change in monetary value, the credit approval should be re-obtained anytime there are changes to the CPM or payment terms.

❖ **Request a change order any time that flight dates or costs change**

For any changes that affect contracted quantities, total dollars, cost basis or flight dates, a change order should be signed and exchanged by both parties. For these types of changes, an email confirmation is generally not acceptable when it comes to resolving disputes in the reconciliation process. Moreover, due to turnover between companies and accounts, emails are often misplaced or deleted, leaving no record of the change.

❖ **Collections team should keep both Sales and Accounts Payable contacts well-informed of past due invoices**

Delinquent payment can lead to credit holds and suspension of active campaigns; however, it is more likely that only new orders would be suspended. Since these types of actions can strain business relationships, Collections should keep both Sales and Accounts Payable informed of all past due invoices.

While it is completely up to the individual publishers to set specific dollar or time thresholds, the aging report should be reviewed by Collections with everything over 60 DSO being monitored, referred to agency Accounts Payable contacts and communicated to Sales. For more information in this area, please see the IAB Billing Methods Best Practices: [http://www.iab.net/media/file/Billing\\_Methods\\_Best\\_Practices.pdf](http://www.iab.net/media/file/Billing_Methods_Best_Practices.pdf)

❖ **Use a system that allows for publisher and third-party numbers to be stored together**

Regardless of whether a third-party number is used for billing, publishers should use a system that enables storage of first- and third-party numbers for each IO. By storing first- and third-party numbers, publishers can analyze and investigate material discrepancies. This leads to improved agency and publisher processes as patterns and sources of discrepancies are identified and understood.

- If no field exists, create a special field in the ad system for storing third-party numbers in addition to the first-party numbers
- Clearly track third-party vs. publisher number contract details in the IO system to simplify billing questions and issues when invoicing occurs

❖ **Integration of systems (Inventory, Ad Serving, and Finance) is extremely important**

Integration of a publisher's systems leads to process improvement and to a decrease in manual entry of data, thus decreasing human-based errors in IO processing, revision tracking, discrepancies, invoice creation, etc. Vendors' systems may not have well developed or practical Application Programming Interfaces (APIs) and if publishers are using systems that are difficult to integrate or cannot communicate with other key systems, requests for improved APIs should become a priority.

❖ **Remove relevant tags and send confirmation and delivery report to agency**

Most agency- and publisher-side systems include scheduler capabilities. At times, however, negotiated changes to placement flighting due to campaign changes, optimization efforts, etc. may not be fully updated in one or both systems. Since agencies are generally responsible for paying for all third-party ad serving fees incurred, it is imperative that all agency ad serving tags be removed by publishers upon campaign completion. Publishers should take down any remaining tags and send an email to the agency with confirmation that tags have been removed. The publisher should also send a final delivery report broken out by month.

## ***Agency Best Practices***

❖ **Make sure that traffic instructions clearly state which tags go with each placement**

Naming conventions for tags should match placement names on the insertion order. If there are duplicate names, dates should be included. If there are further duplicates, further unique identifiers should be used such as "day part", etc. Absence of clear instructions can force traffic coordinators to resort to a process of manually matching tags and placements by process of elimination. These situations can result in implementation errors that often lead to billing discrepancies. Unique placement-level identifiers from either the publisher or agency systems should be used by both parties to match tags during campaign delivery and during reconciliation. Please see the IAB Billing Methods Best Practices document for further details.

If there are detailed trafficking instructions, such as multiple flight dates, we recommend that agencies recap the requirements on the body of the email submitted to the publisher with the ad serving tags. Any special requirements should be given an eye-catching header that will alert the trafficker that there are non-standard instructions. Relying solely on the naming convention of the tags can often lead to implementation errors.

❖ **Creative assets should be delivered to publishers five days prior to go live date**

We recommend that creative assets be delivered five business days prior to the start of the campaign. We recognize that this will not always be possible. However, by aiming for this benchmark, delays in flight launching should be avoided. For rich media creative delivery, please reference the IAB Rich Media Process Map, which can be downloaded here:

[http://www.iab.net/iab\\_products\\_and\\_industry\\_services/1421/1449/1500](http://www.iab.net/iab_products_and_industry_services/1421/1449/1500)

❖ **Third-Party login information should be sent along with the traffic instructions**

We recommend that any applicable third-party login information be sent to the publisher at the same time the traffic instructions are sent. This should include login names and passwords, if available, or instructions on how and where to obtain access. Traffickers should also be provided with a contact at the third-party ad server. This will allow the publisher to confirm that the campaign is set up properly, and will also allow them to track delivery against the third-party numbers.

❖ **Post-launch testing should occur within one business day of initial launch**

We recommend that the campaign be tested within one business day after the initial launch, as well as after each new flight / ad tag is launched. This step will confirm each tag has been implemented properly, and is returning the expected data. Not only will this serve to ensure the campaign is tracking properly from both the publisher and agency sides, it will also highlight major implementation errors, which cause the largest and most costly discrepancies.

❖ **Agencies should use publishers' systems to monitor and compare numbers during the campaign run.**

At the time of this document's publication, an automated method of checking third-party impression numbers with first-party impression numbers did not exist. Until a system is developed to automate this discrepancy detection, both publishers and agencies must be vigilant in checking each others' campaign numbers. It is recommended in a prior section of this document that publishers offer agencies a system to electronically monitor the publishers' ad-serving numbers. If such systems exist at agencies' partners, the agencies should be checking their publisher partners' numbers throughout a campaign to ensure that discrepancies and campaign entry errors have not occurred. Detecting setup errors early is essential to achieving campaign goals and avoiding material discrepancies at time of invoice. Avoiding or ignoring this important task should be strongly discouraged.



## Billing & Collections Stage

“Billing” in the strictest sense may be handled by a single department at the publisher, but the processes that help decrease reconciliation and payment time touch many areas including Accounts Receivable (AR), Accounts Payable (AP), Sales, Media Buying/Planning and Customer/Account Service. The cooperation/integration of teams through communication processes and systems, as well as proactive behavior, are a few of the major themes found in the following recommendations.

### ***Publisher Best Practices***

- ❖ **Each publisher should analyze their organization’s exposure to the risks these recommendations are meant to mitigate and then decide which recommendations will work best for the organization**

The Collections Process should be designed in line with the level of acceptable risk as determined by the business and finance partners. If the business is prepared for higher write-offs, then Collections processes may be more lax. Where write-offs are not acceptable, the Collections process will generally be stricter, with tighter timelines to service interruption. Publishers should clearly define and socialize the Collections process with the sales force, finance and any other internal stakeholders.

Also recognize that account complexity impacts collectability. For accounts with more complex billing requirements, more attention may be required.

- ❖ **Enable cross-departmental meetings/communication that include sales, accounts receivable, and service representatives; centralize communication management**

Communication and coordination between customer touch-points is absolutely essential to improving collection and reconciliation time. Organizational communication plans need to be created to manage and ensure that all parties understand where each open invoice stands.

This can be accomplished through various methods, including:

- Regularly scheduled meetings (monthly or weekly depending on urgency) with Accounts Receivable, Sales, Customer Service, etc, to go over every open invoice and identify which department can solve the issue the most efficiently/expeditiously.
- A centralized coordinator or system to track all communication with the customer and the team, whomever is deemed most appropriate (e.g., accounts receivable representative, a specialized functional position, a system that all key employees have input and viewing access to, etc.)

- ❖ **Conduct regular agency/publisher visits and calls**

This will ensure that both parties understand the billing and approval process, expectations on both sides, and key contacts are current.



❖ **Train all employees dealing with interactive campaigns to understand issues specific to interactive media and billing**

This most often applies to shared-services finance departments in multi-media companies. The unique issues concerning impression counting, billing and reconciliation require an understanding of different processes, different systems and technologies, and different media measurement principles.

❖ **Keep a permanent billing email address for agencies and post it publicly on the publisher website**

This email address should always forward to either a current, appropriate employee or a team mailbox within the Accounts Receivable department. While it may increase non-essential questions, it ensures that a customer can always reach the publisher, if specific contact information is not available.

- All incoming email requests should be forwarded by the receiving employee or team to the appropriate employee/team handling the invoice in question
- If the email forwards to a single person, a process must be in place to ensure that the email is forwarded to a substitute when the responsible employee is away on vacation, etc.
- If the email forwards to a team mailbox, a process must be enforced to ensure that the team checks the email throughout each day

❖ **Store agency billing contact information in the publisher order system for easy access**

Request updated agency billing information each time a new order is finalized and store it along with the Insertion Order (IO) in the order management system. This ensures easy and quick access to the correct contact at the agency.

❖ **In order to decrease confusion in comparing IOs to Invoices, include pertinent IO information in the invoice (e.g., ID and description for each placement, impressions for each placement, etc.)**

The IAB Ad Ops Council has developed a recommended data set for all paper invoices (see **Appendix A**). Including this information on all invoices helps agencies clearly and quickly compare invoice information with both third-party systems and the signed IO. Some specific data recommendations include:

- Core invoice and IO fields include many important billing and tracking data, but for **each placement** the following fields are recommended as required: ID, Description, Property, Section, Start and End Date, Type of Unit Reported (Impressions, Clicks, etc), Amount of Unit Reported, Unit Cost, Cost Method (CPM, CPC), and Net Cost. The IAB dataset includes many more required and optional fields for inclusion; please see Appendix A for the full list.
- Including the unique publisher ID for each placement in the proposal response is recommended; agencies should then input the ID in a notes or additional field when a third-party system is used to create the IO. This will ensure that each placement ID is carried through on paper/electronically for both the agency-side IO and the publisher IO, making the publisher-created invoice easier to match to the third-party system's placement descriptions, etc.
- For each placement, listing actuals, billable, and planned numbers on the invoice is recommended in order to clearly show what numbers are being billed vs. what was actually delivered (in case of over/under delivery, etc.)
- Include agency-specific system codes (e.g., Donovan Data System's CPE) and publisher system codes on both the IO and the invoice if available; many agencies track campaigns through a system and including the correct system code on the invoice will enable easy retrieval of campaign information.

❖ **Save all invoices electronically for easy recreation and re-send**

Invoices can “get lost in the mail” despite the best processes and therefore being able to quickly recreate and re-send a copy of the original invoice (without issuing a new one) is very important. Some publishers even provide a system for customers to view all of their invoices online through a login.

❖ **Invoice amount should be based on actual delivered impression counts and should not exceed the contracted monthly/periodic amount**

As an addition to the recommendation above which discusses concise billing language, publishers should only issue invoices that adhere to the terms of the IO.

- Issuing an invoice for amounts over contract will automatically be rejected by many agencies and will result in either a short-pay or a long reconciliation process and most likely a request for a new invoice. Agencies rarely request funds from clients in excess of contracted amounts and therefore the agency will not have the requisite funds to pay anything over contract. For more detail, see the **Agency Best Practices** sections.
- In the case of under delivery, invoiced dollar amounts in excess of cost for the actual delivered impressions will also likely result in reconciliation and a request for a new invoice.

◇ ***Special Consideration: Attach separate proof of performance (POP) to every invoice***

*Instead of a best practice, the Ad Ops Council would like to offer this as a special consideration for publishers. Some agencies insist on a POP in addition to invoice numbers and will not pay based on invoice-only numbers. This is not a consistent problem, however, and many publishers who include all numbers per placement on their invoices (as per recommendation above) do not experience a widespread problem with payment delays. If a publisher has a practical way of sending an invoice with a POP, it may be well advised in order to avoid any agency-specific delays.*

❖ **Based on third-party number comparison at the time of invoice and if campaigns will need to be reconciled, publishers should proactively contact agencies shortly after invoice delivery**

If a publisher knows, through third-party monitoring, that an invoice’s number will be considered discrepant and reconciliation is likely to occur, the agency partner should be proactively contacted to begin resolving any issues and finalize payment as soon as possible. Because campaigns should be monitored during their run and discrepancies communicated to agencies before campaign end, this should be a simple extension of that process with the addition of bringing the Accounts Payable department into the communication stream.

❖ **Open receivables more than 60 days overdue should be monitored closely, with actions/penalties communicated to sales teams**

Once a customer's credit is approved by the publisher, the publisher should also check all accounting reports to ensure that invoices have been paid in a timely manner. If problems are found with the customer's payment status (i.e., receivables not being paid within 90 days of being issued) these problems should be communicated to the primary Account Executive. It is recommended that all delinquent payments on outstanding invoices be discussed and resolved before new IOs are issued.

During this process, Credit & Collections should also inform the sales teams of potential credit holds for any agency or advertiser. This way the sales team can ensure that the client has been notified of the situation and the issue can be escalated, if necessary, to minimize the impact it may have on future business.

❖ **Collections team should send monthly statements to Accounts Payable contacts**

Statements should be sent via email to Accounts Payable on a consistent monthly basis within 10 days of invoice generation. These statements should include:

- Document number, issuance date, due date, and amount;
- Campaign name associated with each invoice;
- PO/IO information associated with each invoice; and
- Invoice copies, if possible.

❖ **Accounts Payable contacts should be sent a reminder notice based on days past due**

The Collections team should also send reminder notices to the agency. These notices should be based on days past due and include all information provided in the Monthly Statement. Timelines and deadlines should also be reiterated.

❖ **Collection staff should contact customer by phone**

It is important to establish working relationships with agency contacts. We recommend reaching out via telephone to confirm that emails have been both received and understood. This opportunity should also be used to reaffirm deadlines and find out the agency's anticipated timeline for resolution and payment.

❖ **Engage the agency Account team to confirm contacts, request insight and customer contact**

We recommend reaching out to the Account team frequently to better understand the issues from the agency perspective. It is also imperative to maintain accurate contact information.

❖ **Send Agency and Sales contacts a final warning, if promise of payment is not received**

A final warning should be sent after established deadlines have passed and communication has not been satisfactory (i.e., lack of payment promise with specific payment deadline). The consequences of further delinquent payment should be made clear to the agency at this time.

❖ **Terminate campaigns and place Credit Hold after final deadline has passed, if communication is not satisfactory or promise of payment is not received\***

*\* Due to the sensitivities and uniqueness of business relationships, specific policies regarding action taken against delinquent customers will differ among publishers. Actions such as campaign termination or credit hold are often a last resort as they are usually harmful to client relationships.*

❖ **Notify agency that advertiser will be contacted directly**

If a campaign remains delinquent after all above steps have been taken, the advertiser may be contacted. According to the IAB/AAAA Terms & Conditions, the agency should be given notice 5 days in advance of contacting the advertiser.

❖ **Establish and update Bad Debt Reserves**

Collections should be responsible for establishing Bad Debt reserves consistent with company risk policies and process timing. Collections should review and evaluate potential bad debt on both a business/revenue-type level (General Reserve) as well as customer level (Specific Reserve). It is also recommended that these reserves be done at least on a quarterly basis.

❖ **Conduct regular agency/publisher visits and calls**

This will ensure that both parties understand the billing and approval process, expectations on both sides, and key contacts are current.

## ***Agency Best Practices***

❖ **Maintain finance professionals who specialize in interactive issues and understand discrepancies, system issues, resolution possibilities, etc**

Interactive billing is very different from other media. It is absolutely essential to have finance resources that are trained and familiar with interactive issues such as discrepancies, third-party systems and other technology issues, rich media vs. display vs. clicks, etc.

- Even when using a shared services group, agencies should ensure to dedicate and educate people specifically for interactive issues

❖ **Enable cross-departmental meetings/communication that include accounts payable and planning; centralize communication management**

Representatives from all relevant teams should meet regularly to review currently open invoices. Teams can be organized around clients or specialized functional teams can be created that liaise with all relevant departments.

- If a centralized or outsourced shared services group processes invoices, it is extremely important, as stated in the recommendation above, to have a trained team that handles interactive invoices; shared services can be further removed from the interactive process and therefore the communication process between publisher and agency can break down more easily

❖ **Maintain a master reconciliation spreadsheet template or system that tracks all bought campaigns, when they go live, any monthly invoice information for multi-month campaigns, revision information, etc**

Interactive agencies, because of the relatively new and complicated nature of the media, do not have many vendor options to choose from for interactive-specific systems. Tracking the many complex, multi-line

campaigns must be done efficiently and systems or spreadsheets should be put in place to aid in tracking all billing information, revisions, and invoice data. This is critical to an efficient operation because it serves as the basis for all reconciliation negotiations, information, etc., and it should be kept up to date and accurate at all times.

❖ **Ensure that the department responsible for processing the invoice, usually Accounts Payable, has access to all the insertion orders, change orders, cancellations, and other relevant documents**

Agencies should use file or vendor systems to track all changes and relevant documents pertaining to each IO and invoice. All teams that handle invoice reconciliation should also be able to access and update this system in order to keep communication of changes in synch with the entire organization. The disconnect between publisher and agency understanding/tracking of a campaign's many revisions is a common cause of payment delays.

❖ **Maintain a single point of contact for receiving invoices in order to decrease number of "lost" invoices**

A single address, such as a P.O. Box and/or a general email address such as "finance@agencyname.com" should be maintained and all correspondence received at that address should then be routed to the appropriate person/people. All external contacts and documents shared with publishers should be very clear about where the invoice should be sent to discourage invoices from being sent to incorrect people or places, such as local agency offices, etc.

- Implement policy that makes it a priority for all employees to send invoices immediately to the correct people/department if incorrectly sent to the wrong place
- This contact should be clearly published and easy to find on the corporate website

❖ **Sending the publisher, via email, a report of third-party numbers at the end of every month can expedite a publisher's ability to resolve discrepancies and issue an invoice**

- This recommendation depends on the publisher's policies and processes (i.e., some publishers issue only issue invoices based on their system's numbers). However, because of the confusion regularly occurring upon receipt of publisher invoices, this additional communication is strongly recommended and should be coupled with the above recommendation that agencies and publishers should regularly check each other's numbers.
- Some agencies that follow this procedure have developed automated systems to pull the numbers, create the report, and send it to their partners.

❖ **Ask for invoices by both email and hard copy**

Emailed invoices arrive before the hard copy and can be easily copied, analyzed, disseminated, and archived. Until the IAB and agencies finalize e-business protocols for sending invoices electronically via technologies such as XML, a hard copy still offers the most reliable way for publishers to track receipt of invoices.

❖ **Track what dates invoices should have arrived by, and if no invoice is received, contact the publisher immediately**

First, go to publisher's general or known billing contact, if available. If no response is given within a short period of time, contact the sales representative responsible for the campaign at the publisher.

❖ **Maintain a current contact list for relevant, appropriate management at the publisher (e.g., heads of ad operations, finance, and sales) for escalation of billing issues, larger client-level occurrences, and unforeseen situations**

While it is not recommended that these people be contacted for day-to-day issues, it is important to escalate larger issues quickly and directly to the relevant people. Both publishers and agencies want to resolve all issues as quickly and efficiently as possible. If there is a communication breakdown or an emergency situation, agencies should always be ready with a list of the correct publisher contacts. Designate a team member to periodically keep this list up to date.

❖ **Update and analyze the reconciliation spreadsheet or system once invoice is received**

When an invoice is received, the information should be entered into the system or spreadsheet being used to track all campaign data. First, discrepancies must be detected and calculated. Second, the billable amount should be calculated. Third, differences must be dealt with through a reconciliation process.

- Accounts Payable should attempt to resolve issues with the most appropriate publisher contact (which may not always be Accounts Receivable) before involving other agency departments. Sales should be contacted after other publisher contacts are non-responsive.
- Notify the rest of cross-functional team when discrepancies cannot be resolved.
- Ensure that the entire team has the updated spreadsheet/data on a monthly basis regardless of discrepancies, etc.

❖ **Media must be reconciled each calendar month**

By standardizing the process to reconcile each month, campaigns can be better monitored and delivered throughout a multi-month period. Discrepancies between first-, third-, and even fourth-party numbers need to be analyzed and resolved in a timely manner each month in order to ensure that campaign goals are correctly and effectively met.

❖ **Process invoices in the order they were received to ensure no payments get delayed by incoming invoices**

## Appendix A: IAB Ad Ops Council Recommended Dataset for Insertion Orders and Invoices

The following dataset and the required/optional designations for each field were developed by the IAB Ad Ops Council as a foundation for the IAB's E-Business initiative in conjunction with the AAAA E-Biz for Media initiative. It is recommended that the required fields in this list are implemented at each Publisher in paper format. Most importantly, including all required placement-level fields in both the RFP/IO stage and the invoice, specifically the placement ID numbers, will significantly improve communication and decrease confusion between publisher and agency during billing. Electronic versions of this dataset may differ slightly as the IAB E-Business Standards evolve over time. To find the current E-Business Standards, please go to: [www.iab.net/ebiz](http://www.iab.net/ebiz).

Field Name	IO		Invoice		Notes
	Req	Opt	Req	Opt	
<b>IO Name</b>	X		X		A descriptor for the IO / Contract / Project, etc.
<b>Order #</b>	X		X		Unique order number corresponding to system that generated document
<b>Version #</b>		X		X	Version # based on revisions of original IO
<b>Client Order #</b>		X		X	<b>Optional, mandatory if exists</b>
<b>Date of Document Origin</b>		X	X		When doc was generated
<b>Date of last modification</b>		X		X	If original is revised, when?
<b>Order Status</b>		X		X	Possibly used for future needs of reconciliation, error correction, etc.
<b>Invoice Period</b>			X		Amount of time invoice is for (one month, quarter, Jan 2007, etc.)
<b>Document Sender Info</b>					
> Name		X		X	For troubleshooting purposes
> Sent Date		X		X	For troubleshooting purposes
> Sent Time		X		X	For troubleshooting purposes
<b>Advertiser Info</b>					
> Publisher System Advertiser ID#		X		X	
> Client System Advertiser ID#		X		X	
> Company Name	X		X		Client name
> Publisher System Brand ID#		X		X	
> Client System Brand ID#		X		X	
> Brand Name	X		X		Client's brand, may be same as Company name
> Advertiser Privacy Policy		X		X	
> Advertiser Privacy Policy URL		X		X	
> Contact Name		X		X	
> Contact Title		X		X	
> Contact Email		X		X	
> Contact Phone		X		X	
> Contact Fax		X		X	
> Contact Address		X		X	

<b>Agency Info</b>			
> Publisher System Agency ID#		X	
> Client System Agency ID#		X	
> Agency Name	X	X	
> Contact Name	X	X	
> Contact Title	X	X	
> Contact Email	X	X	
> Contact Phone	X	X	
> Contact Fax	X	X	
> Agency Address	X	X	Optional because Bill To address will be required on all documents
> Tech Contact Name	X	X	
> Tech Contact Email	X	X	
> Tech Contact Phone	X	X	
> Tech Contact Fax	X	X	
<b>Publisher Info</b>			
> Publisher System Property ID#	X	X	
> Client System Property ID#	X	X	
> Property Name	X	X	
> Corporate Parent	X	X	
> Email	X	X	
> Phone	X	X	
> Fax	X	X	
> Address	X	X	Optional because Bill To address will be required on all documents
> Publisher Sales Contact Info			
>> Name	X	X	<b>Note: required on IO, optional on invoice</b>
>> Email	X	X	<b>Note: required on IO, optional on invoice</b>
>> Phone	X	X	<b>Note: required on IO, optional on invoice</b>
>> Fax	X	X	
>> Address	X	X	
> Publisher Production Contact Info			
>> Name	X	X	
>> Email	X	X	
>> Phone	X	X	
> Publisher Emergency Contact Info			
>> Name	X	X	
>> Email	X	X	
>> Phone	X	X	
> Bill To Info			



>> Payment Terms (Net 30, etc)	X	X	
>> Frequency (Monthly, etc)	X	X	
>> Basis	X	X	Actuals(Performance) vs Monthly Avg, Custom, etc.
>> Basis Notes Field	X	X	Optional, for custom payment scheduling based on Basis field
>> Third Party Ad Server	X	X	Multiple entries for multiple third party partners is allowed, in XML and on documents
>> Data Source for Billing	X	X	Bill off of third party or in-house numbers
>> Company	X	X	
>> Billing Contact Name	X	X	
>> Billing Contact Email	X	X	
>> Billing Contact Phone	X	X	
>> Billing Contact Fax	X	X	
>> Billing Contact Address	X	X	
>> Remit To Address	X	X	<b>If different to Billing contact address, this field should be used</b>
>> Wire Information	X	X	Free form text field for any wire instructions
<b>Additional Notes/Instructions</b>	X	X	Can be used for many different things including additions to Ts&Cs, Ts&Cs themselves, notes on any details of the buy, etc
<b>Contract (Full Order Level) Info</b>			
> Out Clause (Days)	X	X	
> Make-Good Policy	X	X	
> Start Date	X	X	
> End Date	X	X	
> Gross Total Cost	X	X	
> Discounts	X	X	
> Net Total Cost	X	X	
> Currency	X	X	
> Impressions Total	X	X	<b>Optional, mandatory based on contract</b>
> Clicks Total	X	X	<b>Optional, mandatory based on contract</b>
> Actions Total	X	X	<b>Optional, mandatory based on contract</b>
> Sponsorships Total	X	X	<b>Optional, mandatory based on contract</b>
> Average CPM	X	X	<b>Optional, mandatory based on contract</b>
> Effective CPM	X	X	<b>Optional, mandatory based on contract</b>

PER AD PLACEMENT / FLIGHT			
Description	X	X	Name or description of placement
ID #	X	X	
Type	X	X	<b>Rich media, etc. Optional, mandatory if exists</b>
Height	X	X	<b>Optional, mandatory if exists</b>
Width	X	X	<b>Optional, mandatory if exists</b>
Notes	X	X	Additional description area for notes on the placement or buy of this placement
Property	X	X	Which property is the placement on
Section	X	X	Which section/channel is the placement on
Guaranteed / Pre-emptable	X	X	<b>Optional, if exists should be on both</b>
Start Date	X	X	
End Date	X	X	
Unit Type	X	X	List of Options: <b>Impressions Contracted/Delivered/Billable, Clicks, Actions, Uniques, Share of Voice, Downloads, Emails, Leads, Custom</b>
Unit Amount	X	X	e.g., # of impressions, % share of voice
Share of Voice	X	X	
Cost	X	X	Rate
Cost Method	X	X	CPM, CPC, Sponsorship, etc
Gross Cost Per Placement/Flight	X	X	A cost for the placement/flight/product must be entered
Net Cost Per Placement/Flight	X	X	Optional, mandatory based on contract, if discounts are applied must be used
Notes	X	X	Additional notes on targeting, etc.; special instructions just for this placement
Third Party Ad Server	X	X	

## Appendix B: Campaign Setup Process Workflow

### *Publisher Workflow*

1. RFP is sent to the publisher's salesperson by the agency.
2. The salesperson will forward the RFP to the planning team and the planner will work with the inventory team to build a plan to suit the agency's needs per the RFP with available inventory for the specific flight dates requested by the agency.
3. The sales associate will work with the accounting team to determine if the agency and advertiser have approved credit with the publisher.
4. The sales associate will also enter the plan into the agency's RFP template and this template is submitted to the agency by the salesperson for approval.
5. Once the media plan is approved, the sales associate and the planning team will work together to create the publisher's internal Insertion Order.
6. Once the Insertion Order is approved by the inventory team, the creative (ad operations) contact will reach out to the agency to obtain all tags and creative for the campaign.
7. When the campaign goes live, the operations contact will test the live assets, send the agency screenshots, and confirm with the agency that the campaign is running correctly.
8. Throughout the flight of the campaign, ad ops and the sales associate will work together to monitor delivery and offer make-goods to the agency, if necessary.
9. When the campaign ends, the ad operations team will pull down all creative and tags.
10. At the same time, the sales associate will work with the internal accounting team and the agency to ensure that the campaign is invoiced correctly and that invoices will be paid on time.

### **Responsibilities of Key Stakeholders:**

- **Sales Executive** - Oversees the management of internal teams working on the account.
- **Sales Associate** - Assists in all pre-flight and post-flight issues.
- **Planning** - Builds proposals and insertion orders.
- **Operations** - Posts tags and creative assets and monitors delivery throughout the flight of the campaign.
- **Accounting** - Responsible for invoicing and collections.

## ***Agency Workflow***

1. The media planning team translates the client's marketing brief objectives into a media brief and the RFP is sent to publishers.
2. Once all the publisher proposals have been gathered and evaluated a media plan is compiled and sent to the client for approval.
3. The approved media plan is then sent to several teams including the creative team for asset development, finance for client billing, and Ad Ops for trafficking of assets to publishers.
4. When the campaign goes live, the operations contact will verify screenshots, and confirm with the publisher that the campaign is running correctly.
5. Throughout the flight of the campaign, Ad Ops will monitor delivery and performance and recommend make-good options to media team as necessary.
6. When the flight is complete, the Ad Ops team will verify that all tags have been pulled down.
7. Ad Ops then pulls final campaign data and provides internal reporting to finance.
8. The finance team will then ensure that invoices match internal reporting correctly and will confirm payment.

### **Responsibilities of Key Stakeholders:**

- **Account Team** - Oversees the management of all the internal teams working on the account.
- **Media Planning Team** - Creates Insertion Orders and ensures legal compliance to Terms & Conditions.
- **Creative Team** - Develops creative assets that are compliant with the publisher creative specs.
- **Ad Operations Team** - Develops trafficking and reporting strategy so that all key performance indicators for the campaign are identified.
- **Finance Team** - Handles client billing and publisher payment.

## Appendix C: Revenue Cycle Workflow

- **RFP Received**
  - Credit review to determine terms and conditions for advertiser (Control exists with most companies to prevent campaigns from being sold without credit check)
  - T&Cs established prior to giving quote
  - Quote sent back to agency
  
- **Agency agrees on quote/Sends Purchase Order (IO)**
  - T&Cs checked to against IAB/AAAA Standard T&Cs (Companies recommend this, however most do not have a control in place to ensure that this happens with every IO)
  - Some companies send Agency IO to Legal/Finance Departments for approval
  - Sales Assistant/Sales Planner obtains billing contacts and any special billing info from agency (third party passwords, billed on actuals, installments, etc.)
  - Publisher creates IO, at which point inventory is reserved
  - Billing Method should be included in IO
  
- **IO sent to agency for signature**
  - Most companies ask that IOs be signed by agencies
  - Company policies in regard to Purchase Orders reviewed
  - IO information entered into agency's system by Sales Assistant/Planner, if necessary
  
- **Delivery of campaign begins**
  - Delivery monitored in some cases so that necessary make goods or optimizations can be offered
  - Payments and outstanding receivables are checked against credit limits
  - Credit & Collections should hold regular meetings with Sales
  
- **If Revision takes place**
  - Optimizations and end date changes do not require signatures
  - Value changes must usually be signed by both parties (some publishers accept email)
  - Credit check may be performed again if CPM, payment terms or value is altered
  - Some publishers ask agencies to submit revised IO reflecting change in their system
  
- **Invoicing**
  - Refer to Billing Methods Best Practices
  - Method of delivery may be elaborated on further
  
- **Collections**
  - Recognize that account complexity impacts collectability. For accounts with more complex billing requirements, higher touch may be required.
  - 5 days notice given to agency before contacting advertisers directly
  - Net 30 pay terms, with many assuming net 60 for agencies, but recognize that the agency must often re-bill and be paid by their customer before paying publisher.