



World Federation of Advertisers'
Media Charter

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1. ABOUT THE WFA

The World Federation of Advertisers (WFA) is the only global organization representing the common interests of marketers.

Through its network of 55 national advertiser associations on five continents and approximately 50 of the world's top 100 marketers, WFA represents around 90% of global marketing communications, almost US\$ 700 billion annually.

WFA champions responsible and effective marketing communications worldwide.

2. MISSION

Advertisers¹ seek to create and promote a framework and an environment within which advertisers can increase the effectiveness and efficiency of media as vehicles for marketing communication.

3. INTRODUCTION

This charter has been developed by the Media Committee of the WFA:

- Its aim is to state the advertisers' principles and objectives in relation to the media as vehicle for their marketing communications
- It is intended to be used as a guide on the subject for advertisers
- It is hoped it will help establish best practice in emerging and mature markets around the world.

Media is defined as any kind of vehicle:

- a) through which marketing communication may be expressed, conveyed, exchanged, or
- b) may enable interaction with the relevant audience.



¹ For the purpose of this document 'Advertisers' are defined as companies who market their own goods or services in a public medium in order to sell, or promote their sale: Such as those companies reflected in the WFA's corporate membership (see Appendix).

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4. OBJECTIVES

- 4.1 Advertisers expect their messages and advertisements to be planned and executed in the right media at the right moment in time and space to reach the agreed target effectively and efficiently.
- 4.2 Advertisers seek:
- unimpeded and unrestricted access to all available media
 - the freedom to advertise all legally produced and traded goods and services in all countries without restrictions (subject to the national laws and regulations complemented by the national and/or international codes of practices governing marketing communications).
- 4.3 Advertisers retain the right to challenge any regulations which act as restraint on legitimate free buying of media space.
- 4.4 Advertisers support the principle of mutual recognition, wherein advertising which meets the regulations in its originating country may be exported for exposure in other territories.
- 4.5 Advertisers prefer effective self-regulation through appropriate self-regulatory bodies within a meaningful legal framework, to imposed statutory regulation. Advertisers encourage all their partners in the advertising and media industries to support and pursue this goal.
- 4.6 Notwithstanding this, advertisers urge their partners in the media and advertising industries to conform with their relevant advertising standards bodies and uphold their rule in the interim.
- 4.7 In pursuing their objectives, advertisers have full consideration and respect for consumers' and audiences' privacy. They equally have full consideration and respect for the editorial independence, and policies, of publishers and other content providers and distributors.

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5. MEDIA RESEARCH REQUIREMENTS

'Media research' includes the whole corpus of information (as well as the systems to access and process it) needed to plan media, to monitor the actual execution, and assess the appropriateness of plans. This includes all audience measurement systems such as press circulation audits, TV/Radio 'meters', diaries, and all other procedures or methodologies.

- 5.1** Advertisers need all media owners to provide:
- evidence of the physical performance of their media (such as independently-audited circulation data, subscriber data, broadcast footprints, cable or DSL distribution, etc.)
 - appropriate data on the audience(s) they reach (see also section 6), analyzed at the required level of detail, by all relevant criteria, such as socio-demographic, psychographic, behavioral, contextual, etc.
- 5.2** Advertisers need timely access to such accurate, consistent and objective media research data, including respondent level data, that match their information requirements.
- 5.3** Advertisers must be able to use their own, or their agencies', systems and tools to analyze such data. Advertisers have the right to know which methods of data analysis are in use. The objectivity of such methods should be approved and be subject to the same criteria as the data itself.
- 5.4** Advertisers expect all geographies and markets to have these practices for all forms of marketing communication media.
- 5.5** Advertisers need data to measure, assess and project:
- the performance of each individual media vehicle
 - the effectiveness and contribution of each medium, and in combination, within multi-media campaigns
- 5.6** Advertisers need data which both describes media consumption and enables them better to understand the perceptions and reactions of their target consumers.
- 5.7** Advertisers need accurate media research data:
- as a base for their decisions regarding selection of individual media vehicles and in combination, investment levels and placement criteria
 - to check actual delivery against media purchased (i.e. to verify correct implementation of media plans)
 - to analyse competitive strategies, delivery and expenditure
 - to analyse and better understand media strategies in their marketplaces
 - to help evaluate return on investment in marketing communications.
- 5.8** Advertisers support the establishment of, and the compliance to, global guidelines for media audience measurement, like the Global Guidelines for Television Audience Measurement (GGTAM), those for Radio Audience Measurement and GGOODAM (Outdoor), along with the principles being laid out. Specifically, advertisers support Global Guidelines requirements for:

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- the establishment of an international consensus on the research methods to be used to deliver the most valid, reliable and independent audience and circulation estimates for all forms of commercial communication, equally accessible to all interested parties
- the identification and use of good professional practices for the design and operational procedures of audience and circulation measurement, and the independent monitoring of their implementation
- discouragement of activity that falls short of best practices and proven standards
- guidelines and standards that will enable all users of the respective medium to access and compare data across countries and territories on a comparable basis
- interim acceptance of different practices - but only in cases where conclusive evidence of the superiority of one particular approach is not yet available or proven.
- continuous stimulation of improved methodologies for the capture and reporting of audiences, circulations or site visits

5.9 Advertisers also support the 10 principles of the GGTAM which appear in Appendix 1, as they can be extended to the Audience Measurement of all other Media.

5.10 Advertisers support initiatives which attempt to link media stimuli and subsequent purchasing behaviour, such as single source panels. Advertisers consider such data necessary to understand the effectiveness of their marketing communication activities with the media. The WFA has produced and published a detailed document: 'Blueprint for Consumer-Centric Holistic Measurement' which outlines advertisers' vision for the future of audience measurement (as in Appendix 3) with a view to encouraging such initiatives.

6. MANAGEMENT OF MEDIA RESEARCH

6.1 Advertisers believe that the best way to initiate, manage and shape Media Research and Audience and Circulation measurement is through Joint Industry Committees (JICs) comprising media owner, agency and advertiser representatives.

6.2 These JICs should have responsibility for fostering correct practice and compliance with international standards, like the Global Guidelines for Television Audience Measurement (GGTAM) and all other Global Guidelines, of the measurement systems under their control.

6.3 They should be responsible for deciding between measurement system contractors or providers and should be the "supreme authority" on all questions of audience and circulation measurement research.

6.4 To avoid duplication of costs and confusion between the data produced by different measurement systems, advertisers have a strong preference for a single measurement system for a medium in a market. When and where, for specific reasons, more than one system is available, the respective operators must make available to the JIC (or, in its absence, to the users) all the useful information to compare results, appreciate (and explain) similarities and differences.

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- 6.5** Top quality standards must be the clear goal via JIC supervision of the audience and circulation measurement system whilst competitive pressure will be assured through regular contract reviews, tenders or pitches. Advertisers insist that every market must always be open to new techniques and/or new operators.
- 6.6** Advertisers endorse the principles of a JIC as they have been outlined in the GGTAM, which appear in Appendix 2. These principles are applicable to any JIC set up for the measurement of audience of other media, or else for multi-media Research.

7. FINANCING OF MEDIA RESEARCH

- 7.1** Media vendors should include media research at their cost, as it provides them with the “currency” for valuing the media time or space they sell.
- 7.2** Depending on the market structure, agencies can also contribute to media research funding. Where that is the case, advertisers consider it to be an integral part of the service they provide.
- 7.3** Since advertisers pay the cost of media through their media budgets, they are already indirectly funding the (total or overwhelming majority of) costs of audience measurement and information across all media. They therefore do not accept the principle of having to pay for it twice and should obtain it at no further or additional cost.
- 7.4** Whether they offer goods or services, advertisers have a fundamental need to understand their consumers in order to:
- ensure that there is a demand for their products
 - find convincing ways to demonstrate how they fulfill that demand.
- 7.5** Advertisers therefore spend heavily on extensive market research. They expect agencies and media companies similarly to invest in media research to:
- ensure what they recommend (agencies) or offer (media) meet their customers’ (advertisers’) needs
 - convincingly demonstrate the effectiveness of their proposed ‘products’
 - confirm to what extent the time or space purchased has delivered the expected/targeted media performance.
- 7.6** Advertisers believe that companies whose business involves generating added value using media research and audience measurement data (for example: media owners, agencies; media auditors; research companies) should pay for the data they use.

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8. MEDIA PLANNING

- 8.1** Advertisers need media strategies and planning supplied by their communications and/or media agencies to be founded on and measured, as a minimum, against the following criteria:
- the exposure to the message occurs in the agreed editorial context and advertising environment
 - the delivery of the messages to the agreed audience(s) takes place at the agreed time and intensity
 - the message is received effectively and efficiently by the target audience.
 - the combination of media is the most effective and efficient to reach the campaign objectives
- 8.2** Advertisers select the media according to their relevance to communication objectives. They therefore need to be able to assess the communication effectiveness of both established and new media and non-media vehicles, both individually and in combination.
- 8.3** It is the responsibility of the agency to make the best recommendation based on agreed objective criteria and up-to-date information, so as to:
- develop the media objective, strategy, plan and placement schedules,
 - select and buy the media
 - update the plans and optimize the execution, as most media categories evolve rapidly
 - control, measure and report on the plans' performances.
- 8.4** Advertisers need solution and channel neutral advice, with no bias in the media planning, buying and evaluation process which may result from conflicts of interest, e.g. handling of both media buying and selling operations or links with audience measurement operators. Any such conflict of interest should be disclosed willingly and immediately. Advertisers do not support incentives of media suppliers as they can distort this process.

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9. AGENCY RELATIONS

- 9.1 Advertisers see agencies as their partners in achieving their marketing communication goals. The relationships between them should be based on mutual respect.
- 9.2 Within the business relationship, the advertisers are the clients and compensate agencies appropriately and fairly for their work. The agencies provide service and advice, participate in the funding of industry research, and leverage and handle media bookings, payments and administration.
- 9.3 In addition, advertisers are interested in their agencies actively supporting them in lobbying issues related to the media market, and especially in their fight against unjustified media inflation and advertising taxes.
- 9.4 The remuneration explicitly agreed with the advertiser should be the only source of revenue for the agency for their work on that business. Advertisers seek confirmation of this through complete financial transparency, and expect agencies fully to declare the revenue stream directly or indirectly related to their business, for example via commissions, cash rebates or free advertising space. This applies in all circumstances, including where, according to existing business practices, a commission is granted by the media companies to the agency.
- 9.5 Advertisers expect that the goals of their agencies should not conflict with their own interests at any time. The clear roles and responsibilities within the advertiser/agency relationship should preferably be expressed in a written contract, incorporating a confidentiality agreement.
- 9.6 The concentration and consolidation of agencies and communication groups, has increased the probability to have two or more competing advertisers being serviced by the same communication group. This may generate issues of confidentiality and conflicts of interest. Advertisers expect from their agencies, full, timely and permanent disclosure of such actual or potential issues. In particular, the agency must inform the advertiser before considering accepting such conflicting business: This to allow the Advertiser to take the appropriate decisions on the matter and (if possible) agree with the agency on the appropriate measures and solutions.

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10. MEDIA BUYING PRACTICES

10.1 Financial liability

Advertisers should not be expected to accept any liability to pay the media more than once. Therefore, but subject to individual contractual arrangements and/or national statutory regulations if different, advertisers oppose:

- a) the transfer of liability for payment to them in the case their media buying intermediary's insolvency
- b) being pursued for payment for a second time if their media buyer defaults in paying the media once it has been paid by the advertiser
- c) media buying intermediaries accepting any contract with any media which lays down any financial liability on the advertiser without the prior and explicit agreement of the advertiser.

10.2 Timely payment

Advertisers understand the costs and risks which relate to their agencies acting as principals to their media bookings, and therefore recognise the need to pay their agencies on time as advised.

10.3 Transparency of the transaction between the supplier and its client

Advertisers expect absolute transparency of all aspects of the cost structure of the purchase of advertising space or time on their behalf.

This should form a part of the contract between the advertiser and the agency, and if appropriate, the media owner. Written contracts are strongly encouraged.

10.3.1 Transparency of contractual arrangements

Advertisers expect supplier contracts to cover:

- 1) clear definition of the individual responsibilities of all partners involved
- 2) proof of appearance of all media time, space and commercial content, booked or agreed upon, and the right to subsequent audit if required
- 3) right of access to all media contracts, invoices, fees and records relating to their business.

10.3.2 Transparency of price

Advertisers have the right to know the actual costs charged by any media owner to any third party acting on their behalf. Media buying intermediaries are expected to provide advertisers with full details of all financial arrangements negotiated with the media sellers such as discounts, rebates and any other negotiated benefits wherever and whenever applied.

10.3.3 Transparency of purchases

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It is essential that advertisers are made fully aware of the status of their purchases against pre-agreed criteria, and of any bonus or compensatory time or space negotiated on their behalf, and are provided with acceptable proof of delivery.
The advertiser should have unchallenged access to all media owner invoices relevant to his business on request.

10.3.4 Conflict of interest

Media buying intermediaries must always inform the advertiser about any interest that they may have directly or indirectly with any media or advertising vehicle.

10.3.5 Transparency on volume/frequency discounts

Advertisers expect to benefit entirely from all the volume/frequency discounts earned by themselves directly and from any share of such discounts earned by their agencies according to the individual merit of their business.

10.4 Negotiability

Advertisers are generally opposed to any government regulations, sales cartels, or industry organisations which restrict free market negotiation and constrain price, terms and conditions for media buying.

10.5.1 Advertiser-agency confidentiality

It is best practice for a confidentiality agreement to be drawn up between the advertiser and their agency or agencies. This agreement should require both parties not to disclose any confidential information to any third parties.

Agencies should acknowledge their responsibility to respect the confidentiality of all marketing and sales information relating to and supplied by the client in the course of business.

Likewise, advertisers should respect the confidentiality of proprietary studies carried out by an agency specifically for its clients.

10.5.2 Advertiser-media owner and third party confidentiality

Advertisers insist that the media owners' vendors keep the advertisers' transactions, background or plans on their respective businesses confidential, and expect the same confidentiality from their media consultants and auditors, whether engaged, retained or freelance, both during and after the term of the business relationship.

Likewise, advertisers will respect the confidentiality of activities with third parties where requested.

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10.6

Agencies, especially those members of (or belonging to) the same communications group, sometimes participate in upper level structures (for example, those known as 'buying clubs') with the purpose to further consolidate volumes and increase negotiating power. All the above consideration about media buying practices, obviously apply even when the trading occurs through, or with the involvement of, such structures.

10.7

Advertisers reserve the right to negotiate and buy their media directly with the media².

11. DIGITAL/ INTERACTIVE MEDIA

- 11.1** Advertisers recognise the importance of building consumer confidence and credibility in marketing communications in digital/interactive media, through responsible and respectful communication. To that effect they fully endorse increased self-regulation, as it has been so successfully developed and applied for all other media.
- 11.2** Digital/interactive media should embrace the same standards and practices as traditional ones, but should also allow improvements that capture the potential of the medium, with full respect for the consumer. Advertisers therefore encourage experimentation with new and creative business models and marketing communication mechanisms.
- 11.3** Advertisers support voluntary guidelines which standardize (but not restrict other than for legal or privacy reasons) the broad range of ad formats available, and standardize reporting templates to facilitate accurate post-buy reporting.
- 11.4** Advertisers support the development of global guidelines for user-centric and site-centric audience research and measurement systems, to enable a comparable common, yet flexible, approach. These systems should be:
- in compliance with the general principles about media audience measurement, as expressed above.
 - provide data as much as possible comparable with the data available for the other media, and compatible with the integration in multi-media analyses.
- 11.5** Advertisers encourage the agency community to continue to develop strong interactive capabilities.

² The Media Charter does not replace or override any contractual agreements Advertisers currently in place with their partners.

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APPENDIX 1

THE 10 PRINCIPLES OF THE GLOBAL GUIDELINES FOR TELEVISION AUDIENCE MEASUREMENT(GGTAM)

1. The TV audience measurement system should be designed to cover the total TV market-place needs of the country or market in question.
2. There should be full consultation at all times between the company/ies and all users of TV audience information.
3. The full detail of methodological procedures must be openly available to all subscribers.
4. Research resources must be effectively deployed.
5. Research methods should be tried and tested, and scientifically based, to achieve system validity and reliability.
6. Best research practices should be adopted.
7. Quality control procedures should be rigorous and systematic for each element of the system: fieldwork, data collection, editing and reporting.
8. The burden on respondent should be minimised in the interest of high response rates, minimum exposure to bias and to aid the gathering of valid* and reliable* information [as defined by GGTAM].
9. The conditions for access to data should be the same for all authorised users.
10. Research organisations should be encouraged to be innovative - and in particular to conduct carefully controlled experiments of alternative procedures, documenting their methodologies and outcomes fully.

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APPENDIX 2

PRINCIPLES OF A JOINT INDUSTRY COMMITTEE (JIC) AS OUTLINED IN GGTAM

The research company/ies conducting the fieldwork and data processing hold(s) a contract with a formal Joint Industry Committee (JIC) of representatives from the broadcasters, advertisers and media agencies.

The JIC typically draws up a specification for the service, invites tenders, awards the contract, supervises the service, owns the copyright and determines the licensing conditions and terms of access. The day-to-day management and technical functions will often be delegated to representative management and technical advisory committees.

- Provided all sectors of the industry are represented, the principle of Effective Industry Consultation is inherent to a JIC structure. It ensures that all sectors of the industry are consulted and involved in the design and management of the system. This is especially important because in any particular market funds will rarely be available to support more than one audience measurement system in any medium. It ensures that the research system is customer-led in its priorities, with built-in arrangements for ensuring full consultation between all interested parties at all stages of research.
- All users contribute to the drawing up of an agreed specification, to evaluation of competitive tenders received, to awarding a contract and to supervising its execution. The relationship between the JIC and the chosen research contractor is then the foundation for developing and maintaining a professional service for a fixed term, based on a specification drawn up by all users of the system.

'The WFA/ EACA Guide to the organisation of Television Audience Research' is available for download on the WFA's web site.

APPENDIX 3

WFA BLUEPRINT FOR CONSUMER-CENTRIC HOLISTIC MEASUREMENT

- The Vision: We know our consumers beyond demographics and get information about them in a very timely manner. We truly understand their multi-media behavior and respect their privacy. This allows advertisers to reach their target consumers effectively and efficiently at receptive moments, via relevant content that serves consumers' interests.
- The Objectives: Guide the transition of audience measurement in the industry to accommodate the increasingly complex media consumption behavior of consumers. More accurately anticipate the impact and synergistic effects of media and upgrade and standardize basic metrics so that media options can be compared and be selected with confidence.

The above vision and objectives, along with advertisers' needs and recommended areas of action are stated and discussed in the 'Blueprint'. The document is available for download on the WFA's web site.

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APPENDIX 4

MEMBERS OF THE WORLD FEDERATION OF ADVERTISERS, SEPTEMBER 2008

NATIONAL ADVERTISERS' ASSOCIATIONS

Argentina, Australia, Belgium, Brazil, Bulgaria, Canada, Chile, China, Colombia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Guatemala, Hungary, Iceland, India, Ireland, Israel, Italy, Japan, Korea, Lebanon, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Norway, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Russian Federation, Saudi Arabia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, Zimbabwe

CORPORATE MEMBERS

Avon, Bacardi-Martini, Beiersdorf, BNP Paribas, Boehringer Ingelheim, BP, Burger King, Cadbury-Schweppes, China National Aviation, The Coca-Cola Company, Coty, Daimler, Danone, Diageo, Emirates, General Mills, Group Ferrero, Hasbro, Heineken, Henkel, ICI, InBev, Indesit, Johnson & Johnson, Kellogg, Kraft Foods, L'Oréal, Mars, McDonald's, Mattel, Müller, Microsoft, Nestlé, Nokia, Novartis, Orange, Orkla, P&G, PepsiCo, Philips, RBS, ReckittBenckiser, Renault, SC Johnson, SinoChem, Shell, Telefonica, Unilever, VF Europe, Vodafone, Wrigley, Yum! Brands

