

EMPOWERING MEDIA FINANCE TEAMS





MX BLUEPRINTS

For industry executives, from industry executives: A practical series of roadmaps for harnessing the power of modern technology to achieve business imperatives.

EMPOWERING MEDIA FINANCE TEAMS CREATING NEW VALUE FOR AGENCIES AND BRANDS

BLUEPRINT OBJECTIVES

- Illustrate how modern technology can empower finance personnel to help drive business results.
- Inspire Finance leaders to reimagine team structure, job content, and long-term career paths.
- Introduce “proactive cash flow management” resources that free up working capital.

STAKEHOLDERS

- CFO
- Head of Media Finance
- COO
- Head of Shared Services

SYMPTOM CHECK: IS THIS RELEVANT FOR YOUR TEAM?

- Your Media Finance teams know they can add even more value—if they had more time and proper tools.
- It is a struggle to leverage the financial data housed in your current system of record to consistently deliver insights and analysis at scale.
- Teams complain that technology is a “blocker” when it comes to innovation or new strategies.

VISION: FUTURE STATE

By leveraging useful functionality—such as the ability to automatically track the status of purchase orders, real-time visibility into what is planned versus what is spent, and the ability to access centralized “pay when paid” reporting—Media Finance teams become partners in “upstream” value creation. New technology allows teams to focus on more valuable endeavors like strategic projects, commercial optimization, and timely analysis, enabling them to support the delivery of tangible business results for their Agencies, partners, and brands. While this process does not happen overnight—reaching this state requires coupling modern tech with a commitment to reimagining organizational structure, training, and change management—this Blueprint will give you a vision into what is possible for Media Finance teams.

KEY SUCCESS FACTORS

Technology

- Custom, on demand reporting.
- Customizable alerts and notifications.
- Real time visibility into status of buys and invoices.
- Advanced permissions to allow flexibility for relevant users.
- Holistic real time view into global Client Finance across all of the requisite agencies.

People and process

- Defining business rules to automate tedious tasks in order to free up time for employees to focus on adding Agency and Brand value.
- Gaining cross functional alignment around optimal role and scope of media finance in your organization
- Allowing for thorough training and change management to enable Media Finance professionals to succeed.
- Optimizing metrics for Media Finance teams and employees that drive Agency and brand success.

INTRODUCTION

It's clear to anyone who has overseen a Media Finance group that outdated software has long been a blocker to innovation and progress. Finance teams have lacked the tools to support so much of what is essential for any well-run business in today's digital era—from creativity and flexibility in compensation models to speedy billing to the ability to turn data into insights. This is because, historically, buying organizations had just two few options: build and maintain "homegrown" systems or use expensive legacy technology that lacks the flexibility and speed required in today's complex marketplace. Today, modern, fully cloud-based technology can be a catalyst, rather than a barrier, for turning Finance into a competitive advantage.

The right technology gives teams across media buying organizations the ability to reimagine processes to fully leverage talented professionals, drive go-to-market speed, deliver nimbly on unique client needs, and provide timely insights to improve return on investment for marketers. Modern software eliminates the unnecessarily tedious battle to pay invoices on time and close the books, while supporting forward-thinking finance teams in creating new value for agencies and brands.

BUILDING THE MEDIA FINANCE TEAM OF THE FUTURE

This Blueprint will focus on key areas of the media workflow where forward-thinking Finance leaders have an enormous opportunity to rethink best practices, adopt new workflows, and self-configure their optimal custom reporting suite. It's possible to combine modern technology, optimized processes, and forward-thinking talent strategies that move your teams away from rote manual work and toward more consultative roles. The Finance team of the future can serve as trusted advisors to their clients and internal operational teams, performing the types of analyses that add significant value to agencies and marketers.

This starts with leveraging holistic, real-time visibility and customizable tools to proactively add value across what can be thought of as a value matrix for Media Finance teams of the future.

In this blueprint, our experts—veterans from the Media Finance trenches and C-suites—share examples of what's now possible to reach the most pressing goals of media buying organizations: maximizing cash flow, decreasing risk, enhancing service delivery and increasing ROAS.

Media Finance Value Matrix



MAXIMIZING CASH FLOW

While historically this was all done via marrying together disparate systems and spreadsheets, today's technology affords much greater control and visibility—even across multiple agencies, brands, media, and timezones. We all agree on the need to accurately manage marketing budgets in real time without hassle in order to ensure peak effectiveness. Yet systems in the past have ignored this core functionality need, forcing conscientious Finance teams to rely on manually created Purchase Order (PO) trackers and other workarounds to communicate around where a client's spend is against their budget. The mess of paper copies and email trails lost presents a logistical and audit nightmare for teams lacking modern tools. New technology enables convenient PO-level cash flow management, faster invoice reconciliation, and real-time sequential liability tracking.

ENHANCING SERVICE

Media spend is often the largest expense marketers will incur. These teams rely on finance teams for accuracy, timeliness, and insight into their budgets at any given point in time. They also entrust media finance professionals to act as agents on their behalf, handling deals with parties such as media owners, ad tech vendors, and data providers. Doing this effectively frees marketers up to focus on growing their brands in the most cost effective ways possible. Advanced new tools can dramatically reduce turnaround times, support more elaborate contract agreements, and ensure information is instantly presentable in the most accessible formats. These are just a few of the ways modern tech can enable internal and external Media Finance teams to provide budget owners with greater peace of mind, efficiency and efficacy.

DECREASING RISK

Real-time visibility and automated workflows are two of the major ways proactive finance teams can minimize risk of errors, noncompliance, overspending and more. Modern technology makes real-time reporting available for any permissioned user to view or edit. It also eliminates the all too common need for data to be keyed and re-keyed, which often leads to errors which can be costly and time-intensive to resolve. This is relevant with respect to intercompany transactions—which can finally be seamless in today's modern tech era.

INCREASING RETURN ON ADVERTISING SPEND (ROAS)

When it comes to media planning and execution, ultimately the work of any media or marketing team is to maximize the efficacy of a major investment. This includes the ability to add value pivots on insight and expertise. Providing truly actionable insight requires a convenient and timely way to holistically view and analyze the spend of an entire Client or Brand across media types, agencies, and even markets. Seamless inter- and cross-company workflows drastically improve the ability to leverage internal or third-party resources, as well as optimize margin, results, and even return—beginning upstream in planning phases.

HOW DO WE GET THERE?

Below, we'll discuss some of the newly available technology, data, and tools that help Media Finance teams deliver impact across the value matrix.

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INTEGRATED PURCHASE ORDER (PO) MANAGEMENT



Getting paid faster requires a holistic, flexible way to manage a unified budget across all media, agencies, markets and workflows. Leveraging an end-to-end, unified PO record keeping system that flows through planning, buying, billing and paying workflows ensures you can easily share real-time information, prevent overspend, and automatically enable presentation of information just the way marketers want to see it. This can also substantially help eliminate errors that lead to delays downstream.

Once holistic level POs are consistently utilized for all buying throughout the buy lifecycle, Media Finance teams will be empowered to contribute new macro-level commercial insights and analyses. For example, once you create a PO across media types, products, and estimates you will be able to better track and understand spending from end-to-end.

Purchase Order Details

Home > Purchase Order Records > Purchase Order Details HC Admin

PO # * 40422AA PO Name * 4/04/2022-A Agency * SmokeTestAgenc Status * Active

Client * Willy Wonka Chocolate Product * Wonka Chocolate Bars Start Date * 1/1/2022 End Date * 3/31/2022

Amount * 500,000.00 Media Types * 5 values Sub-Media Types * 24 values Line Types * 10 values

Display On Bill * 1 value

Linked Estimates

Estimate Name	Estimate Code
HMX Demo 4/4/22	40422

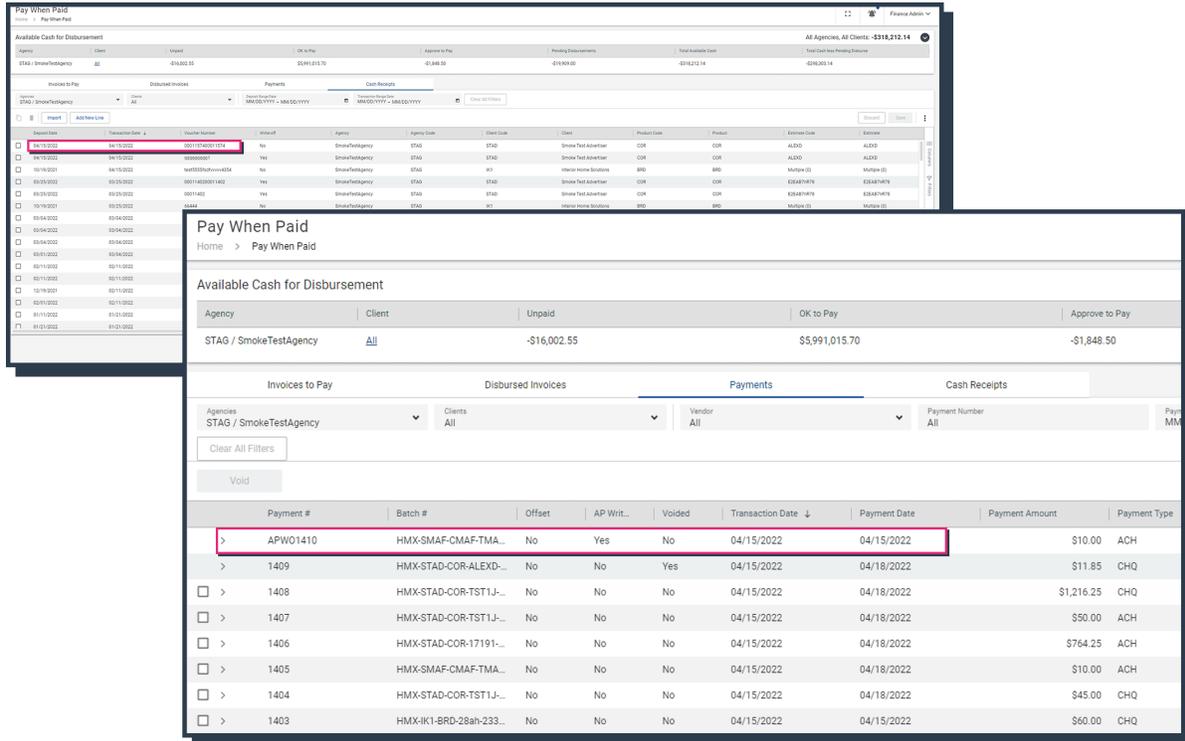
Purchase Order UDEFS(s)

Status *	Sub Media Type	Field Label	Field Type	Required	Max Length	Value *	Sequence Number *	Display On Bill
Active	Programmatic - CTV & OTT	R147	TEXT	Yes	100	147	147	ALL Bills
Active	Cable	R147	TEXT	Yes	100	147	147	ALL Bills
Active	Programmatic - National TV	R147	TEXT	Yes	100	147	147	ALL Bills

* Required Fields *No changes to save CANCEL **CLONE RECORD** **UPDATE**

customize rules and visibility down to granular levels enables teams to control who sees what information, and when. For example, a Finance team could decide to limit user access to certain brand teams.

At the end of the day, having a real-time, holistic view of Cash Flow all in one place can be integral to optimizing performance, strengthening relationships with partners, and allowing your media buying organization to deploy funds in a way that delivers the best possible ROI.



SEAMLESS INTERCOMPANY AND CROSS-COMPANY WORKFLOW

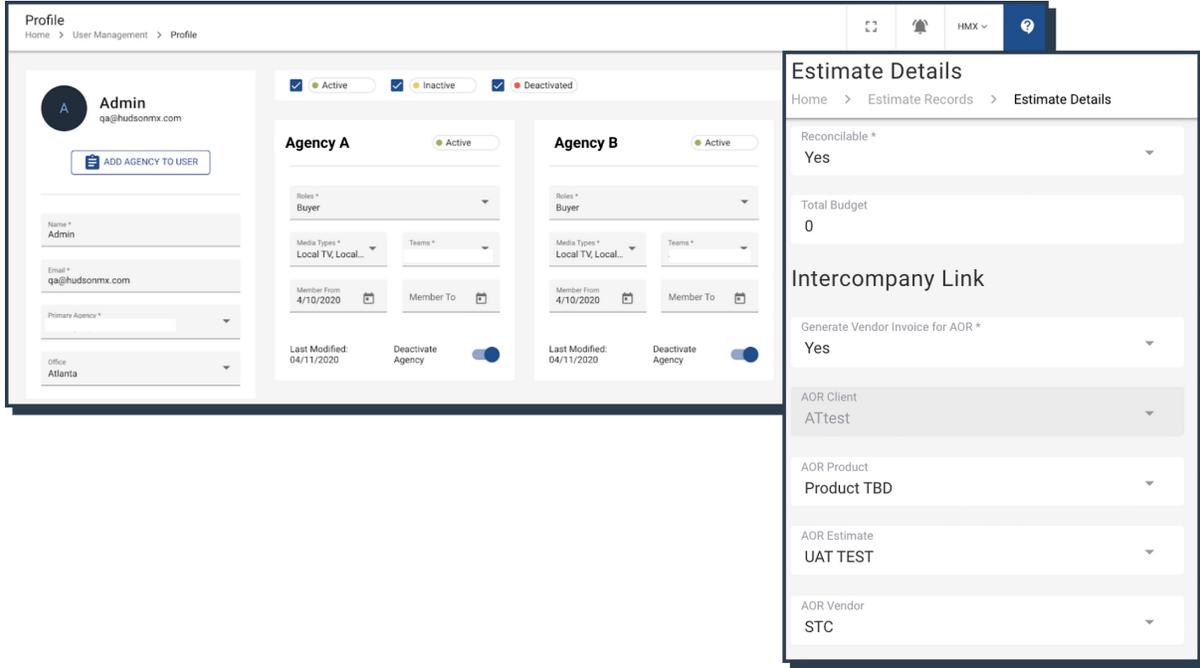
Decreasing Risk

Increasing ROAS

There are so many high-impact ways media teams might collaborate with partners to create value –from sharing heavy workloads, to accessing special expertise, to leveraging data, deals, relationships.. With any cross-team collaboration, it is essential that cross-agency workflows are convenient rather than cumbersome. Simple, streamlined intercompany and cross-company workflows can dramatically save time, improve accuracy, and enhance visibility and control.

Via this workflow functionality, agency of record (AOR) inventory, orders, and billing information can auto-populate across “sister agency” or third-party systems to eliminate the need for duplicate data entry and reduce tedious work for buyers and finance teams. For example, whenever any partner team bills AOR, the corresponding invoice is automatically created from that bill in the AOR system, without the need for any manual action, and with accuracy and

custom-configured levels of visibility for each party. This level of integration eliminates the need for a vendor invoice to be added more than once across teams. Administrators also gain client, brand, estimate-level visibility and control to strategically dictate workflow across working groups such as agency teams.



REAL-TIME REPORTING

Maximizing Cash Flow

Enhancing Service

Decreasing Risk

Increasing ROAS

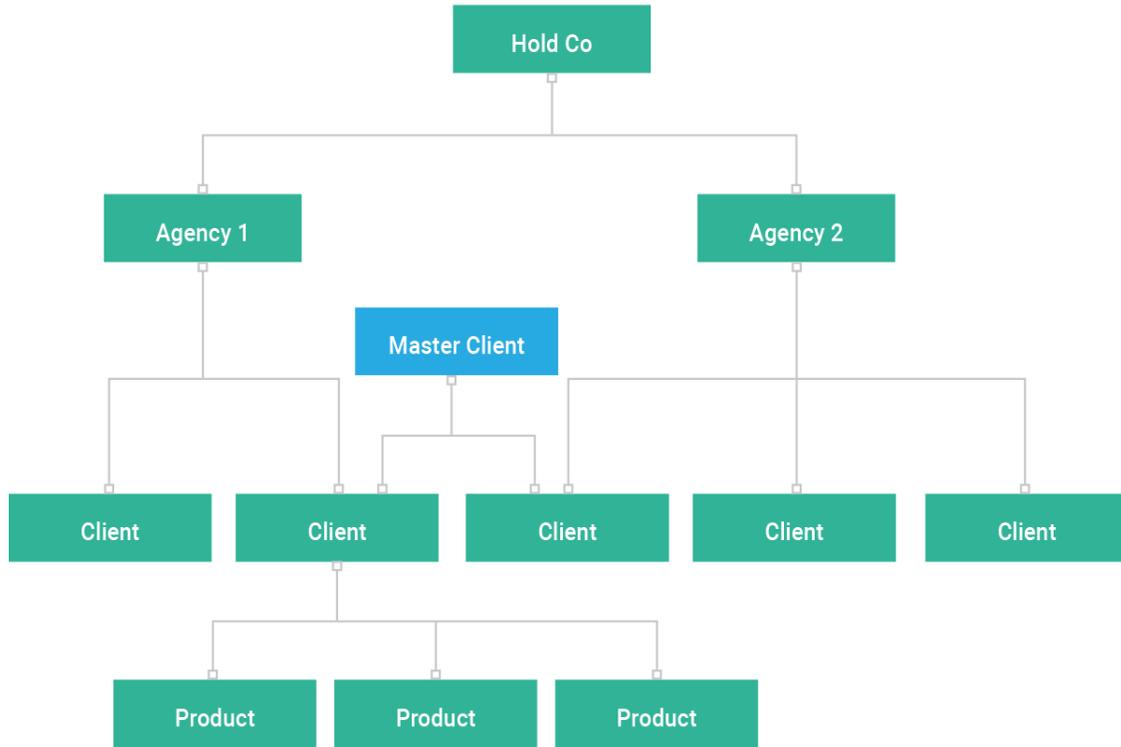
Ultimately the work of any Agency or marketing team is that of maximizing the efficacy of the major investment made in media. As Media Finance teams are freed up from drudgery like data entry and aggregating reports by hand, they will be able to help maximize ROAS during planning, preflight and in-flight phases. This ability pivots on data and insight—which are effectively “turbocharged” by the introduction of a true client or brand hierarchy. In this schema, a “Master Client” record can be configured at the highest level of granularity, allowing for a hassle-free, dynamic diffusion of real-time reporting and analysis.

Using this technology, administrators within the system can set up the Master Client in a centralized and advanced Master Data Management system to ensure that all information pertaining to any entity, such as a brand, is automatically unified throughout the end-to-end workflow, irrespective of employee “home company” or location. This integration can be achieved regardless of buyer, market, or media type. The ability to create custom groups of entities, such as client groups, also allows for flexible reporting, budget management, and user controls.

Historically, the capabilities of even most well-intentioned employees have historically been limited by lack of data at their disposal, or fragmented data that becomes quickly out-of-date.

ULTIMATE HIERARCHY FLEXIBILITY

EXAMPLE: AGENCY & CLIENT STRUCTURE



Real-time, holistic reporting also allows for Finance professionals acting on behalf of both agencies and brands to further avoid mistakes that lead to overspend “out of pocket” costs, and provide timely insight and analysis to the team. To help maximize ROAS, Media Finance professionals can leverage real-time, customizable dashboards to get valuable insights into the right hands to move quickly on opportunities.

Hello Sally Supervisor
Tuesday March 02, 2022
Sally Supervisor

Pending Approvals

Approval #	Sent By	Value	Due Date
BBB-2313-111	Betsy Buyer	\$100,000	03/03/2022
CCC-5234-234	John Doe	\$40,000	03/04/2022
TTT-1243-245	Betsy Buyer	\$92,000	03/04/2022
KKK-1222-029	Betsy Buyer	\$140,000	03/07/2022
KED-2132-596	Betsy Buyer	\$200,000	03/07/2022
DDEF-6123-231	Betsy Buyer	\$500,000	06/10/2022
RTT-5334-234	Betsy Buyer	\$530,000	06/10/2022
BBB-1543-245	Betsy Buyer	\$400,000	06/10/2022

Estimate Tracking

Estimate	Client	Product	Value	Remaining Value
ALL01	ACME	ProdX	\$100,000	\$20,000
ESD01	WONK	Choc	\$40,000	\$10,000
ESD02	ACME	ProdC	\$92,000	\$8,000
BSX01	WONK	Choc	\$140,000	\$3,200,000
ELUS0	ACME	ProdZ	\$200,000	\$1,200
HDS01	WONK	Choc	\$500,000	\$1,200
EED02	ACME	ProdR	\$530,000	\$1,200
BRDE2	ACME	ProdQ	\$400,000	\$1,200

Recent Campaigns

Campaign Name	Status	Product	Start Date	Update By
ACM-PRX/111-12323-LL	Draft	ProdX	03/03/2022	Betsy Buyer
ACM-PRX/171-12323-JD	Rejected	ProdA	03/04/2022	John Doe
ACM-PRD/131-12323-LL	Pending Authorization	ProdC	03/10/2022	Betsy Buyer
ACM-PRD/141-12323-LL	Pending Approval	ProdD	03/10/2022	Betsy Buyer
ACM-PRZ/151-12323-LL	Unsubmitted	ProdZ	03/10/2022	Betsy Buyer
ACM-PRW/161-12323-LL	Approved	ProdW	06/10/2022	Betsy Buyer
ACM-PRR/171-12323-LL	Approved	ProdR	06/10/2022	Betsy Buyer
ACM-PRO/181-12323-LL	Approved	ProdQ	06/10/2022	Betsy Buyer

Pending Client Authorizations

Authorization #	Sent By	Value	Due Date
BBB-2313-111	Cliff Client	\$130,000	03/03/2022
CCC-5234-234	Noah Advertiser	\$40,000	03/04/2022
TTT-1243-245	Liam Client	\$92,000	03/07/2022
KKK-1222-029	Angie Advertiser	\$140,000	03/07/2022
KED-2132-596	Olivia Client	\$400,000	03/07/2022
DDEF-6123-231	Emma Advertiser	\$500,000	06/10/2022
RTT-5334-234	Charlotte Client	\$530,000	06/10/2022
BBB-1543-245	John Client	\$400,000	06/10/2022

To achieve this level of optimization and performance, a reporting suite must include modern capabilities to empower Finance teams to drive value at scale.

- Report access should be easily manageable, by both role and specific user, ensuring data security and relevancy.
- Data must be easily accessible for tracking and reporting such that any data added to the system or viewable onscreen is readily available for reporting and tracking.
- Non-technical internal personnel should be able to pre-set standard reports or use a customizable report builder for ad-hoc analysis.
- Users must be able to easily view, analyze, and share information at the right level of granularity. A reporting engine must address the needs of an entire enterprise—from team-specific reports and senior executive dashboards, to “Master Client” status updates.

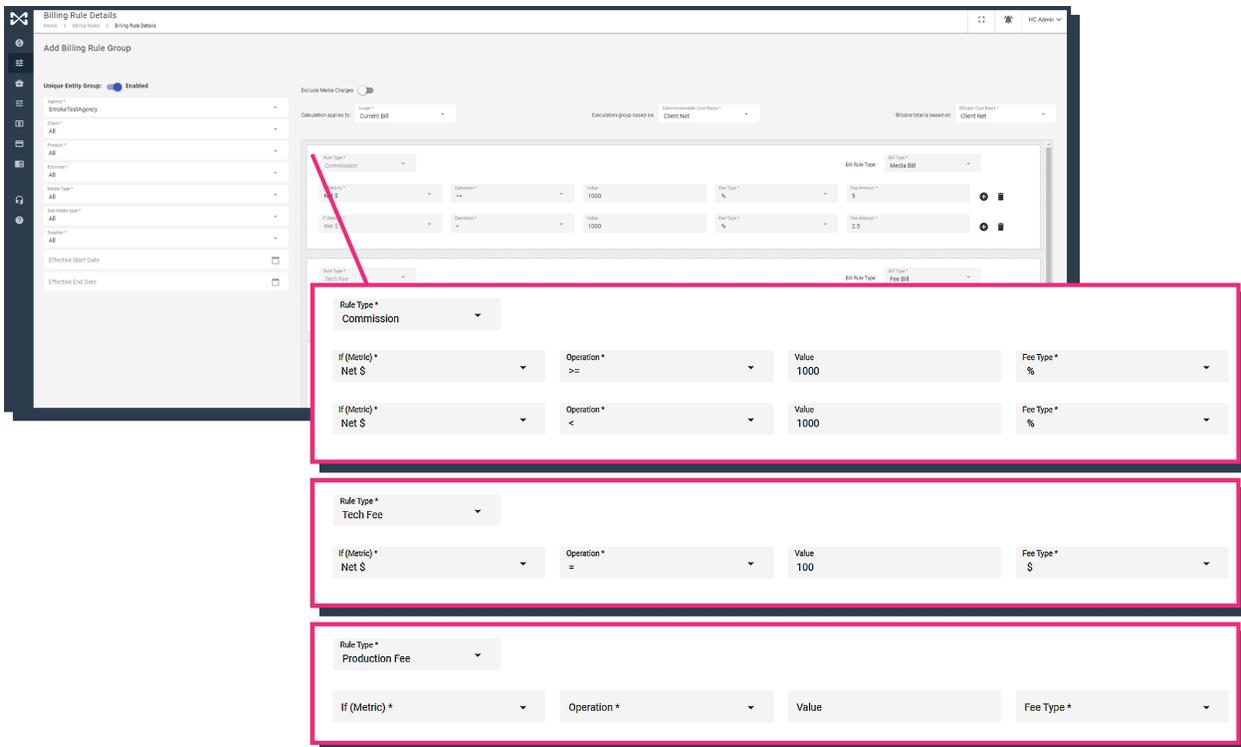
BILLING RULES ENGINE AND BILLING PROFILES

Maximizing Cash Flow 

Enhancing Service 

Decreasing Risk 

Unlike other systems that depend on separate areas of their tool for functions like billing media, commissions, tech and data fees, and travel and entertainment expenses, a more advanced solution allows for fully consolidated billing and offers an advanced, flexible billing rules engine. By allowing unlimited possibilities in how and when clients pay agencies for their services, technology is no longer a barrier to performance-based or other methods of compensation. Regardless of commercial fee structure, bills can be viewed and approved easily across agency and brand teams. These configuration rules and profiles can easily be set up by non-technical staff using simple “if/then” logic and intuitive interfaces, at the Client, Product, Estimate, Media/Sub-Media, Supplier, and Cost field level. Therefore, billing rules can be configured for tiered commission and outcome-based structures, with assurance that only desired information is displayed on a final bill. Ultimately, service and client experience is enhanced due to the ability to seamlessly drill up and down as necessary. The system does not prohibit the use of creative and elaborate ways of forming commercial agreements.



CONCLUSION

Expanding the role of Media Finance teams leads to better overall service and return for budget owners while enhancing employee satisfaction and retention. No matter what the future holds for the media landscape, marketers will always rely on their media buying counterparts for reliable financial management. By leveraging advanced technology, Media Finance teams can continually help their organizations deliver greater and greater value. Providing increasingly savvy financial management will ultimately transform Media Finance teams—elevating them to more strategic roles within their organizations and the industry.

ABOUT HUDSON MX

Hudson MX helps forward-thinking agencies unlock business value through technology. Founded in 2016 by industry veterans who envisioned a fundamentally different, more strategic role for technology in the modern media agency, Hudson MX pioneered the first-ever enterprise media platform, the MX Platform™.

The MX Platform™ enables streamlined and effective omnichannel media activation at global scale, with the unparalleled ease, speed, flexibility, and connectivity afforded by a fully cloud-based, API-first SaaS solution. Initially proven in the local broadcast ecosystem, the solution now enables unified media buying and accounting workflows for all media types—across planning, buying, billing, paying, administration and reporting. A robust and rapidly expanding AgencyCloud™, a suite of flexible APIs and data exchange options, guarantees agencies can connect in meaningful ways with clients, sellers, and vendors and easily activate any data and tools necessary to drive their unique value initiatives.



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