



Evergreen Trading

Understanding Usage and Attitudes on Broker/Agent Versus Principal Media Buying Models

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BACKGROUND

The ANA and Evergreen Trading partnered on research to understand usage of and attitudes about the media buying models of broker/agent versus principal.

For decades, advertising and media agencies have acted as brokers/agents for their clients. That's where the term "agency" comes from. An agent is authorized to act on another's behalf, with their best interests in mind and in a transparent manner, typically with a commission or fee compensation structure. Increasingly, agencies are now offering services where they (or their affiliates) suggest that they are acting as "principals" rather than brokers/agents. That would mean they purchase media in advance of client demand and achieve lower rates that enable them to re-sell the media to their clients at a non-disclosed profit. If they are unable to sell the acquired media, they suffer the loss.

Attendees were surveyed during the [ANA 2025 Advertising Financial Management Conference](#), where the audience primarily consisted of marketing procurement, agency finance, and other interested parties.

KEY FINDINGS

The two primary takeaways from the research are:

- Marketer education is still required for many.
- There is an opportunity to increase understanding of the differences between broker/agent and principal models.

CONCLUSIONS

Principal-based buying has become one of the most discussed topics in the media industry. According to Evergreen Trading, it is also one of the most misrepresented topics. This type of media investment is not new; the model has been around for over 30 years.

Some agency holding companies are selling a false narrative to their clients about principal-based buying. They offer principal-based buying services, but don't actually act as principals. To be a financial principal, one has to use one's own money and take financial risk. With that increased risk comes increased reward. Using client money to make volume commitments with no penalty for shortfalls is NOT a principal risk model, should not be called that, and is the exact same model agencies have traditionally used.

A true principal risk model is grounded in arm's-length, third-party objectivity and auditable value verification. Principal-based buying, born out of barter and corporate trade, requires three non-negotiable characteristics:

1. The agency's own real capital is at risk (not relying on client dollars).
2. Independent media planning so the media plan is not prepared for agency margin purposes (separation of "church and state").
3. Third-party objectivity, transparency, and audit rights.

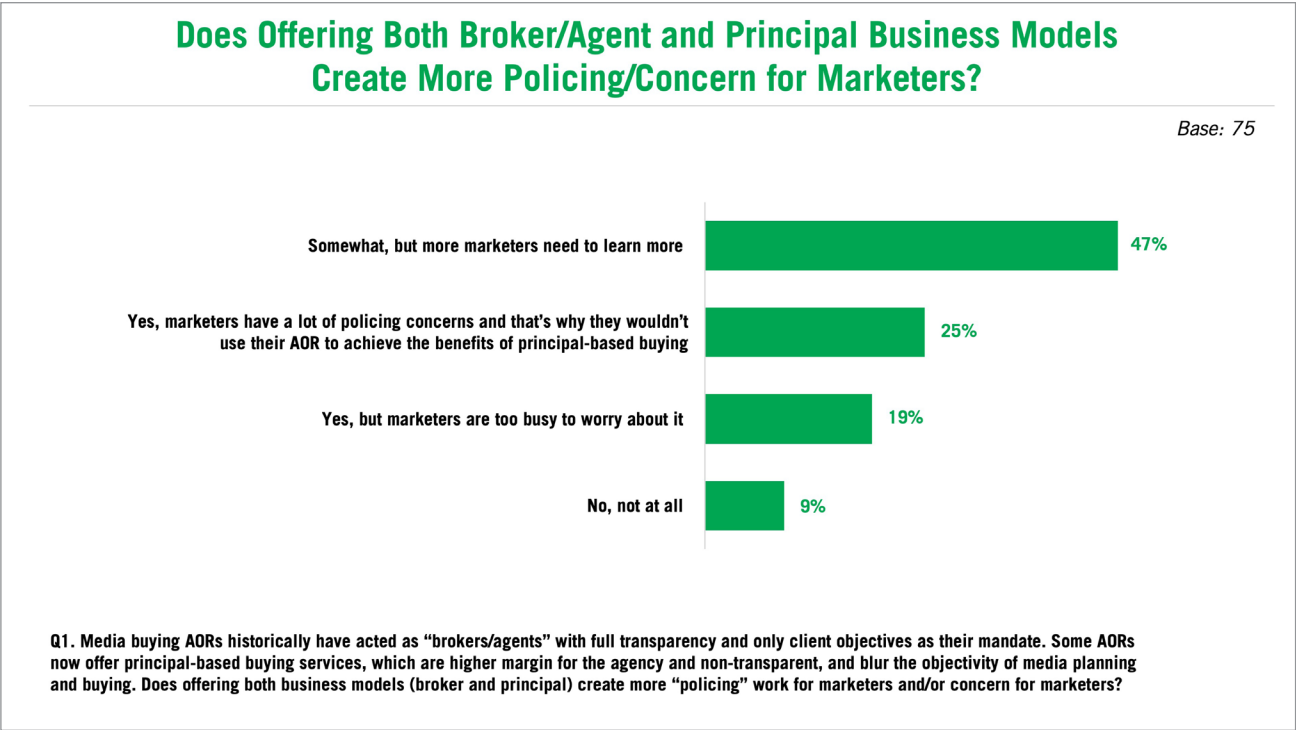
It is important to note that there are firms that operate independently from the AOR model and provide an objective, third-party approach that includes the primary tenets of principal-based buying and auditable results.

DETAILED FINDINGS

MORE POLICING WORK AND CONCERN FOR MARKETERS

Respondents report that when agencies offer both broker/agent and principal business models, there is more “policing” work and concern for marketers.

Yet there is still the need for marketer education: Almost half believe that “marketers need to learn more” and almost one-fifth agree that “marketers are too busy to worry about it.”



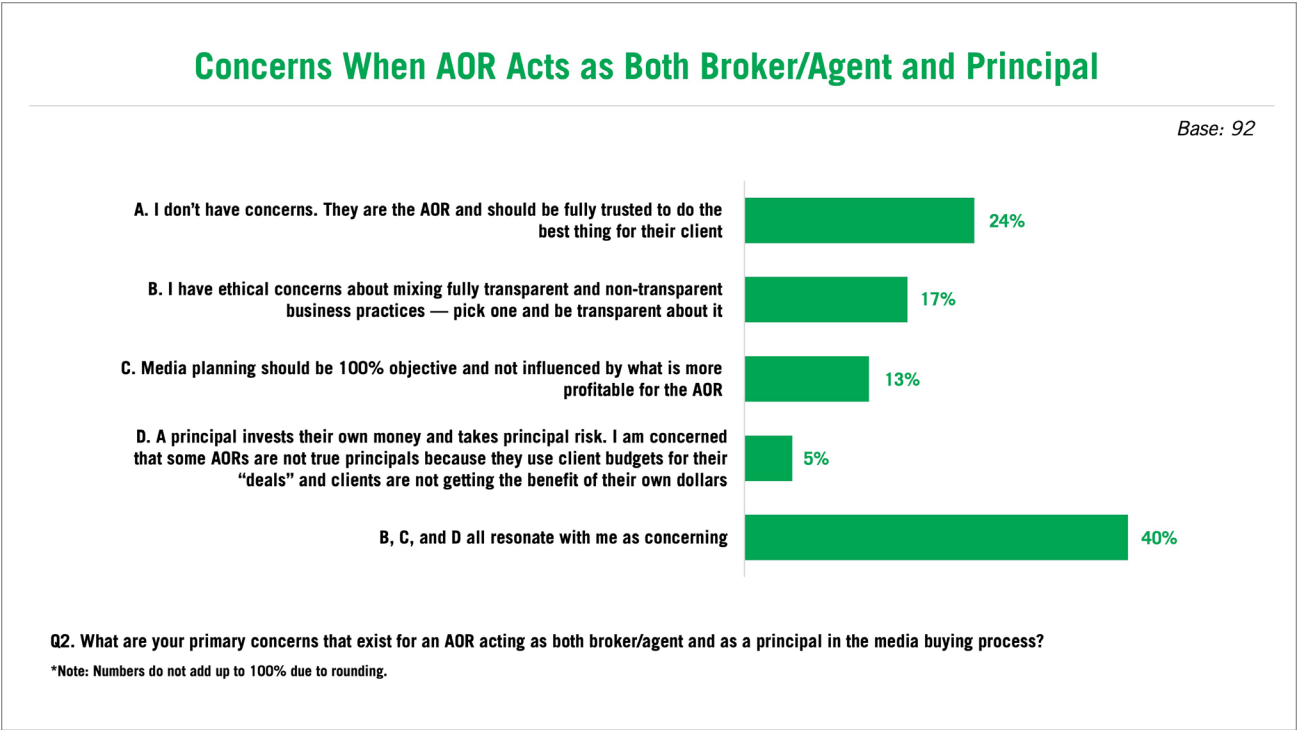
DETAILED FINDINGS

CONCERNS WHEN AOR ACTS AS BOTH BROKER/AGENT AND PRINCIPAL

Concerns that exist when an AOR acts as both broker/agent and principal in media buying:

- Ethical concerns about mixing fully transparent and non-transparent business practices.
- Media planning should be 100 percent objective and not influenced by what is more profitable for the AOR.
- Concerns that some AORs are not true principals because they use client budgets and clients are not getting the benefit of their own dollars.

Meanwhile, almost one-quarter don't have concerns.



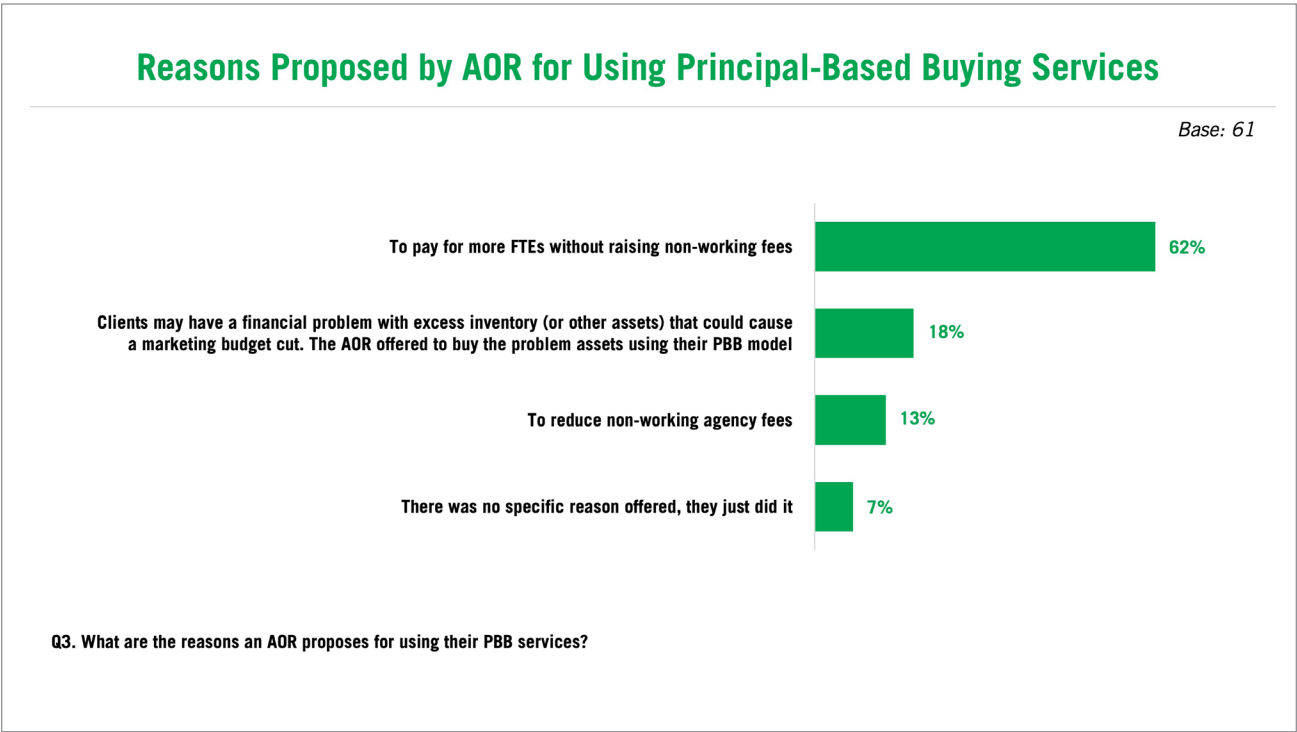
DETAILED FINDINGS

REASONS PROPOSED BY AOR FOR PRINCIPAL-BASED BUYING

According to the ANA report [The Acceleration of Principal Media](#), the top benefit of principal media for marketers is reduced cost.

The Evergreen/ANA survey explored other reasons AORs propose their principal-based buying services:

- To pay for more FTEs without raising non-working fees.
- Clients may have a financial problem with excess inventory that could cause a marketing budget cut; the AOR offered to buy the problem assets using their PBB model.
- To reduce non-working agency fees.



DETAILED FINDINGS

HISTORICAL AWARENESS OF PRINCIPAL-BASED BUYING

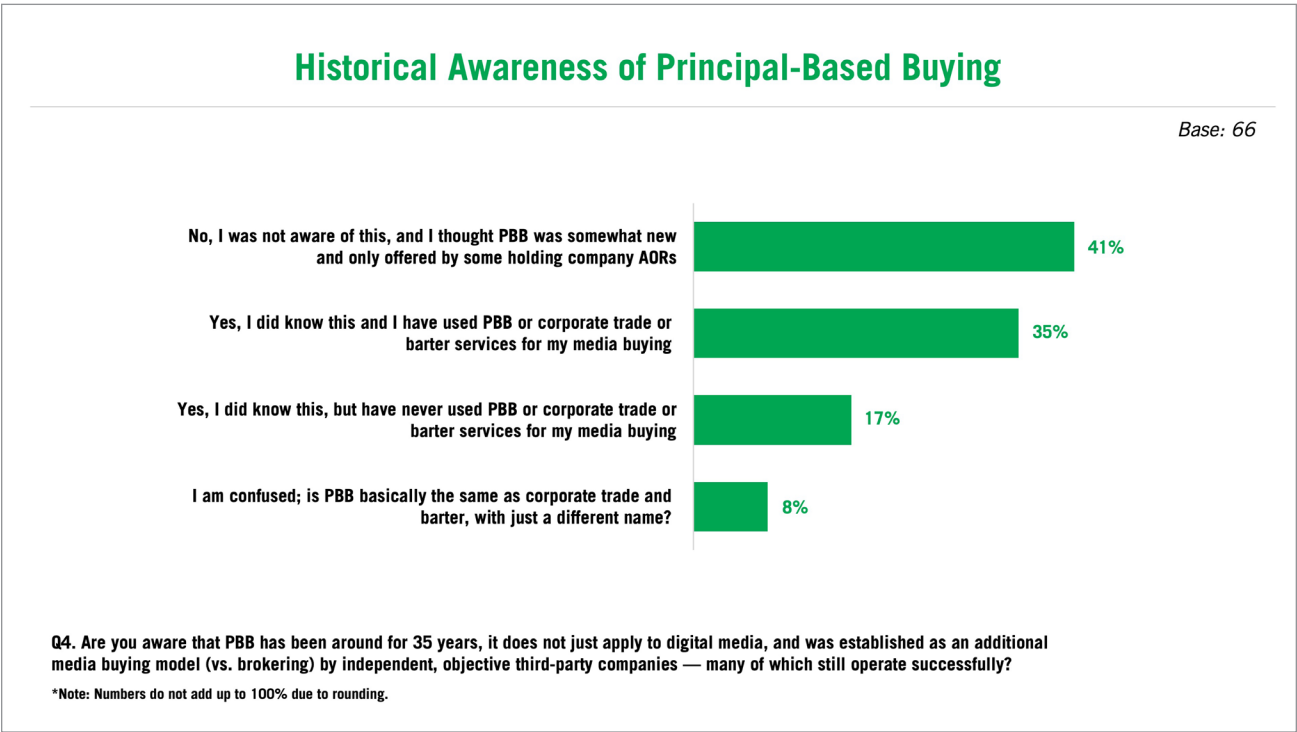
Awareness of the history of principal-based buying is mixed.

According to half the respondent base:

- 35 percent are aware and have used principal-based buying, corporate trade, or barter.
- 17 percent are aware but have not used principal-based buying, corporate trade, or barter.

According to the other half:

- 41 percent were not aware and thought PBB was somewhat new and only offered by some holding companies.
- 8 percent admit to being “confused.”

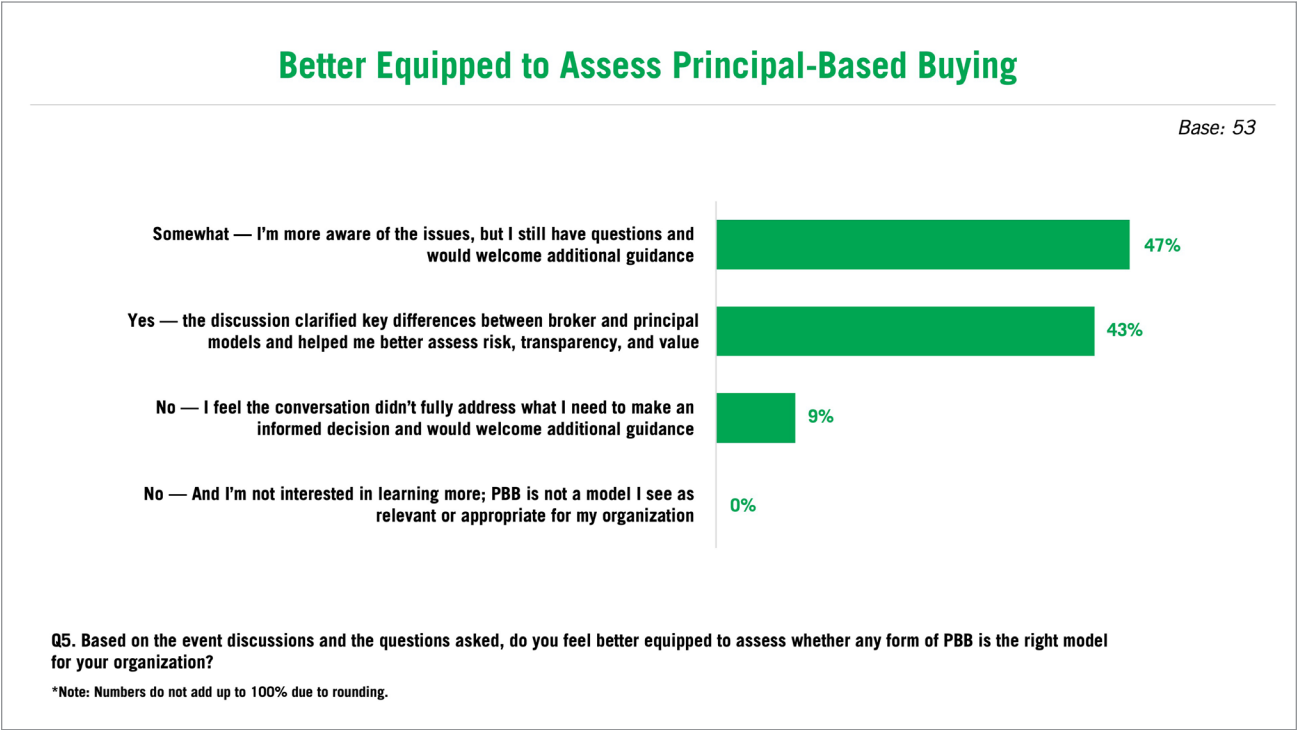


DETAILED FINDINGS

BETTER EQUIPPED TO ASSESS PRINCIPAL-BASED BUYING

After being exposed to the survey results, respondents generally felt better equipped to assess whether any form of principal-based buying is the right model for their organization.

- According to 43 percent, the discussion clarified key differences between broker and principal models and helped respondents assess risk, transparency, and value.
- 47 percent are now more aware of the issues, but still have questions and would welcome additional guidance.



ACKNOWLEDGEMENTS

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- Bill Duggan, Group EVP, bduggan@ana.net

Evergreen Trading

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ABOUT THE ANA

The mission of the ANA (Association of National Advertisers) is to drive growth for marketing professionals, brands and businesses, the industry, and humanity. The ANA serves the marketing needs of 20,000 brands by leveraging the 12-point ANA Growth Agenda, which has been endorsed by the Global CMO Growth Council. The ANA's membership consists of U.S. and international companies, including client-side marketers, nonprofits, fundraisers, and marketing solutions providers (data science and technology companies, ad agencies, publishers, media companies, suppliers, and vendors). The ANA creates Marketing Growth Champions by serving, educating, and advocating for more than 50,000 industry members that collectively invest more than \$400 billion in marketing and advertising annually.



Evergreen Trading

ABOUT EVERGREEN TRADING

Evergreen Trading is a business solutions partner that helps brands turn operational challenges into strategic advantage... by converting non-working assets — such as excess inventory, financial liabilities, or marketing commitments — into working media. With a conflict-free, client-first model, the company delivers auditable and verifiable media outcomes while preserving financial flexibility and brand integrity. As a 100% employee-owned firm with no parent company or outside shareholders, Evergreen is 100% focused on our clients by offering tailored programs that solve business challenges and fuel sustainable growth.



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