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## Indie Agency Known Is Saving Clients Millions of Dollars In Misplaced Spend

The agency's Media Opportunity Analysis tool can help CMOs find more value out of their budgets

By Alison Weissbrot. Published on January 24, 2025.



Independent agency Known is the latest shop to find opportunity in a fragmented and murky media landscape.

The agency revealed exclusively to ADWEEK that over the past year and a half, it has been quietly growing a new service it bills as a Media Opportunity Analysis (MOA), which helps clients identify waste, overspending, and other forms of mismanagement in their media plans and shift budgets accordingly.

According to Known, MOAs are saving clients tens of millions of dollars in media investment while driving similar-sized revenue lifts from optimizations.

"In many cases, we're not only finding savings, we are finding major incremental revenue growth opportunities," said Ross Martin, president at Known. "If you were just to change the way you're allocating, not only would you be more efficient, you'd be more effective."

The service is becoming more popular as marketers are asked to do more with tighter budgets. Known has done 18 MOAs in the past year and said the service currently accounts for 5% of the agency's total revenue. It's projected that MOAs will grow to 7% of revenue in 2025, from a larger base.

MOAs are most popular with new CMOs in their first 90 days looking to assess their media mix and those who want to make a strategic pivot. They're also used by in-house media buying teams looking for an outside perspective.

New CMOs are "beholden to nothing, they're trying to get a sense of the landscape, and they're trying to understand what they've got to work with," said Kern Schireson, chairman and CEO at Known.

Marketers also turn to MOAs when their media plans "just feel off," said Kasha Cacy, chief media officer at Known.

"This gets to the trust gap in the industry, both between clients and agencies and between clients and the big platforms, where they have this tangible feeling that there's something not right, but they don't have the data to say this is what's not right," she said.

## **How it works**

MOAs aren't pricing-driven like typical media audits, but rather focused on optimization. Rather than comparing pricing and delivery costs of ads, MOAs evaluate bid strategies, cross-channel allocations, and other real-time spending data to make optimization recommendations.

The MOA service is built on top of Known's AI-powered media platform, Skeptic, and executed by the agency's team of roughly 40 PhD data scientists and media strategists. MOAs usually yield recommendations within 10 weeks.

When marketer Nick Tran joined FarFetch in April 2023, he noticed that the ecommerce platform was dramatically overspending in performance media. So he went to Known, who he had worked with in a previous capacity, to do a MOA to dig into the brand's spending strategy.

"Anytime I feel a company has an imbalanced approach to their media investment, it's a red flag for me that it needs to be audited," he said.

FarFetch's MOA revealed that if the company spent about \$40 million less on performance media, it would have almost no negative impact on the business. "Imagine

what companies could do if they just happen to find an extra \$40 million somewhere," Tran added.

Marisa Thalberg, chief brand and marketing officer at JCPenney, engaged Known to do a MOA at her previous company to get a third-party point of view on its media investment mix.

"Who doesn't want to understand if there's upside or not?" she asked. "If there's not upside, then that's just validation that everything's firing on the right cylinders. For me, that's worth the exercise."

For other clients, MOAs have revealed their off-the-shelf media mix models were pushing them to oversaturate in certain channels, that they needed to adjust their automated bidding strategies on certain platforms, or that their investments could be more efficient by reallocating across channels.

"Media is the number one line item in a CMO's budget," Cacy said. "They're trying to figure out quickly, 'Am I using that budget correctly, and if not, what can I do to improve that?'"

## **Mistrust and misalignment**

As MOAs become more popular, there's an elephant in the room: "The media agencies that you're currently paying should be doing this. So why aren't they?" Martin asked.

The problem is twofold. First, Martin argued, most agencies don't have the technical and data science expertise or tools in-house to execute this type of analysis.

The second comes down to misaligned incentives. As large agencies continue to grow their principal media buying activities, they're more incentivized to offload the media they've already purchased than to best optimize their clients' plans—let alone tell them to spend less.

"[MOAs] almost always yield opportunities to take dollars out of inefficient pockets of spend," Martin said. "If I am Omnicom, IPG, Publicis, or WPP, I have been incentivized to do the opposite of that. I lose money by making these recommendations."

"Agencies aren't deliberately wasting people's money, but inevitably, if your incentives are misaligned, you are not capturing every dollar of savings if it costs you money to do so," Schireson added.

Agencies and platforms have created tools that encourage marketers to continue pushing spend toward bottom-funnel metrics, leading to overspending on performance media. MOAs often reveal that clients are overspending on social creative that isn't being viewed by their audience.

“Platforms like Google and Meta have brilliantly created tools that will always lead you to spend more on that platform,” Cacy said. “You need a layer of analytics beyond what they give you to really understand whether what you’re doing is right or wrong.”

For Tran, the problem with metrics like last-click attribution is that they always come back with trends that look positive—and that marketers can easily justify to their CFO.

“If I were to say, ‘I really think that eating broccoli is good for my kids, so I’m going to feed them 100% broccoli,’ that would be insane. But marketers do that all the time,” he said.

Known executes MOAs on a project fee, and tells clients up front that if they don’t receive at least a 5X return on the money they spent for the analysis, they don’t pay. “Our job then gets really aligned with the marketer,” Martin said.

### **Coming out of stealth**

As MOAs become an increasingly important driver of the business, Known’s executive team is fully aware that the service might ruffle some feathers at media agencies. Findings from MOAs can often lead clients to kick off an agency review or change partners.

“It’s a sensitive thing for anyone that you’re doing it for. It’s also extremely disruptive because it questions the work that’s been done,” Schireson said.

While marketers have suffered in the past from what Martin calls “FOFO”—fear of finding out what’s actually happening with their media investments—a transformed media landscape is making this kind of transparency a necessity.

“My budgets are not going up, but I need to find more value out of that spend.’ That’s a song that pretty much every CMO is probably singing at this point,” Thalberg said. “If there are big stakes involved, it might be time to get another perspective.”