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SYDNEY LIVE: Agencies give away their value and AI is exposing the bill



By Adam McCleery | 19 June 2026

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Agencies that continue to price their work on time and materials are heading into a structural squeeze as artificial intelligence removes value from execution-based billing.

That was the warning from TrinityP3 founder and global CEO Darren Woolley at a sold-out AdNews LIVE Sydney, where he said the industry has spent decades confusing activity with value.

In Woolley's framing, value is often created instantly in the form of an idea, but monetised only later through extensive execution, where the majority of agency revenue is generated.

"We get paid for doing stuff. We don't get paid for coming up with value, we do stuff," Woolley said.

This distinction sits at the centre of his argument, that agencies are fundamentally mispricing their most valuable contribution at the point of creation, while over-relying on downstream production to recover revenue.

"To be compensated is to make good for damage or loss, and to remunerate is to reward someone for value or output," Woolley said.

Woolley said most agencies are still effectively operating on compensation models, where revenue is tied to hours worked and cost recovery rather than outcomes.

"If you're getting paid on the number of hours you do, and the cost of those hours, and the cost of running your business, you are not being remunerated, you are being compensated," he said.

He added that structure leaves agencies exposed when procurement pressure intensifies and overheads are scrutinised.

"If your CFO wants cost recovery, they don't think you're a human being, they think you're a liability, and they've got to minimise that danger," Woolley said.

That mindset, he argued, reduces creative and strategic labour into cost units rather than value drivers, fundamentally reshaping how agency work is assessed inside client organisations.

Woolley said the model becomes more fragile in a post-AI environment where execution work can be produced faster and at lower cost.

"AI does that stuff faster, cheaper, and some will argue better because it doesn't complain about having to do it," he said.

He pointed to a common agency pricing imbalance where ideas are billed cheaply while implementation generates the bulk of revenue.

"We charged for the idea: one hour. I was billed out at \$500," Woolley said.

"But we ended up charging over \$280,000 to implement an idea I came up with in an hour."

Woolley said agencies continue to underprice strategy and high-level thinking while over-relying on execution-based billing.

"Strategy and high-level creative thinking is a premium service," he said.

"But what do agencies do at the moment? Give it away for free."

He also criticised the lack of structural innovation in agency pricing models, saying agencies repeatedly fail to propose viable alternatives when given the opportunity.

"I asked agencies... what alternative model would you like to be paid by, whatever you like."



Darren Woolley at AdNews Live Sydney.



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whatever you want, we'll give you the option to do something different," Woolley said.

"None of you do it."

Woolley said that reluctance reflects deep industry inertia and a lack of imagination around how value could be priced beyond time-based delivery.

He said agencies that continue to default to hourly billing risk long-term decline as AI further erodes the value of execution-heavy work.

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