HARTWELL FOODS / AI FEE PRESSURE

£11,924

more than billing by the hour.

AI cut delivery from **525 to 377 hours**. The agency keeps **£36,010** a month after delivery. Hartwell's fee before bonus falls 8.9%.

Four ways to price the renewal

FEE BASIS	BUYER PAYS	MARGIN
○ Hourly billing	**£44,486**	54.1%
○ Fixed retainer	**£61,950**	67.1%
○ Per acquisition	**£55,500**	63.2%
✓ Deliverables + outcome bonus	**£56,410**	63.8%

£52,170 includes 48 assets. Sixteen extra approvals at £265 bring the core fee to £56,410.

▶ Why deliverables + outcome bonus fits these terms

HARTWELL FOODS / BUYER RENEWAL

£5,540

depends on the outcome.

Hartwell pays **£56,410** for the approved work. A buyer-signed acquisition cost of **£24 or less** earns the bonus. The total is capped at today's £61,950 for this workload.

Buyer renewal statement

MONTHLY · EX VAT

64 approved assets	**£56,410**
Outcome bonus earned	**£0**
Buyer pays	**£56,410**

Awaiting sign-off | Target verified | Target missed

Before bonus, the fee meets the buyer's modelled 8% reduction request.

▸ **Inspect the work and the outcome evidence**

RENEWAL SENSITIVITY / TEN COMPARABLE CONTRACTS

8 of 10

renewals cover the hourly fallback.

At **£56,410 per renewed account**, compare deliverables + outcome bonus with all ten clients renewing on hourly terms. The model keeps 40% of delivery cost on each lost account.

What if 8 clients renew?

MONTHLY



Renewals 8/10

Left after delivery **£271,760**

£30,900 ahead of the all-hourly fallback. Performance bonuses are excluded.

▸ **Change the downside assumptions**