

It sounds perfect. Your event marketing agency says: "Commission-only structure". No downside, right? Here's the catch. Zero-retainer structures sound better than they often perform. [marketing activation agency brand activation agency best brand activation agency for product launches](#) **Kollysphere** has operated commission-only—and the trade-offs are frequently misunderstood.



## What Agencies Don't Tell You

Risk one: bare-minimum execution. Why would an hire experienced, expensive staff when they have no guaranteed revenue? Answer: they often don't. **Kollysphere agency** has seen this.

Risk two: aggressive, short-term tactics. If no payment without a sale, they push hard. Deceptive tactics—all more likely in commission-only.

Risk three: no guaranteed revenue means no stability. After you've invested time, your agency runs out of money. You're left hanging. This happens.

Risk four: endless disputes. With pure performance pay, every argument over attribution is a relationship-killer. No relationship buffer.

## The Right Scenarios for Pure Performance Pay

Good fit: enterprise B2B. Margins can fund proper investment. Scenario two: direct response. Disputes manageable.

Also works: can invest upfront. Established agencies with reserves. Finally: reduces agency's out-of-pocket risk. Hybrid models.

Outside these conditions, commission-only is high risk. **Kollysphere** recommends commission-only only when appropriate.

## The Hybrid Model That Protects You

Better approach: small base fee plus meaningful commission. Advantages for you: agency stability. Performance upside. Neither side carries all the downside.

Typical hybrid: 30-50% of normal fee as base. Agency can survive. Quality doesn't suffer.

**Kollysphere agency** warns against pure commission-only for most brands. We'd rather charge a small base fee than blame each other after failure.

## How to Spot a Bad Deal

Stop sign: agency avoid this question. Good sign: agency is transparent about challenges and successes.

Red flag two: no measurement plan. Green light: detailed attribution framework attached to proposal.

Third warning: agency has no other revenue. Green light: agency does mostly retainer or hybrid.



Red flag four: ignores brand safety. Green light: discusses how they balance volume with brand representation.

Fifth warning: locks you in without performance guarantee. Green light: performance-based renewal.

## Real Examples: Commission-Only Success and Failure

Success story: a luxury automotive brand [digital-first brand activation agency for social campaigns](#) used commission-only for test-drive events. Agency invested heavily in quality. Result: great execution. Why it worked: clean attribution (test drives easily tracked).

When it failed: a low-margin CPG company wanted commission-only sampling. Agency couldn't afford quality staff. Result: poor execution. Agency disappeared. Why it failed: agency had no reserves.

Takeaway: commission-only works when unit economics work.

## How Kollysphere Approaches Commission-Only

Step one: we evaluate your product economics. Second phase: we match structure to your situation. Third phase: we include quality guarantees even in commission-only deals. Pilot and learn: we test structure before scaling.

This risk-aware process means you don't get trapped.

## Final Take: Commission-Only Sounds Safe but Often Isn't

Commission-only appeal is tempting. But free agency often damages brand. **Kollysphere** strongly recommends hybrid otherwise. We'd rather tell you the truth than clean up a commission-only disaster.

Worried about the risks of no-base-fee deals? Then request our commission-only evaluation framework and let's protect you from hidden risks.

