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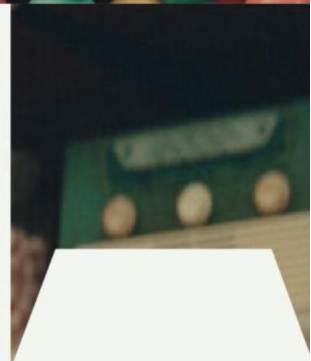
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UNLOCKING APPRENTICESHIPS TO DRIVE GROWTH



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Executive Summary

Apprenticeships in advertising and marketing are vital for skills development, diversity, and economic growth. However, progress is limited by the Apprenticeship Levy's inflexibility, cultural biases among teachers and parents, and slow updates to standards. The Government needs to seize the opportunity to be ambitious with the new Growth and Skills levy to include proposals such as levy-funding of entry-level salaries (e.g. for the first 12 months), professional body training, inflation-adjusted thresholds, nationwide flexibility, faster updates, flexible assessments, and school KPIs. If Government were to adopt these proposals, it would provide a clear roadmap to unlock the potential of apprenticeships to drive growth. By acting decisively, policymakers can ensure these programmes drive genuine inclusion, including amongst the most socio-economically deprived regions of the UK, business innovation and competitiveness.

Introduction

Apprenticeships are a cornerstone of the Government's strategy to provide young people with routes into careers in critical sectors, enabling them to earn a wage whilst developing vital skills.¹ Apprenticeships can address skills shortages, enhance social mobility, and drive economic growth, particularly in high-value sectors like advertising and marketing. The advertising and marketing sector is identified in the Creative Industries Sector Plan as one of the four frontier industries with "particularly high growth potential". The advertising and marketing industry is also uniquely placed as it sits at the intersection of several of the Government's identified growth-driving sectors, specifically the Creative Industries, Digital and Technologies, and Professional and Business Services.² Government recognises that the sector will be a key component of what will drive future UK growth, yet successive governments have not shown enough ambition when it comes to apprenticeship reform that will unlock the talent to enable this growth.

The UK advertising and marketing industry represents a vital component of the nation's creative and professional services sector, forecast to grow by 6.8% to £45.4bn in 2025,³ and accounts for 4% of GVA, with advertising and marketing services exports reaching over £18 billion.⁴ The industry's success is built upon several key strengths, including creative excellence, technological innovation, and strategic expertise. The industry's influence extends beyond direct economic contribution, acting as a multiplier across sectors such as sports and entertainment, fashion and luxury, film and television, and professional services. Additionally, nearly all sectors in the economy needs input from our industry from a promotional and marketing perspective. Finally, these benefits extend beyond London, with 60% of advertising and marketing jobs based outside the capital.⁵ Manchester

¹ [Prime Minister overhauls apprenticeships to support opportunity - GOV.UK](#)

² [Sector Plans - GOV.UK](#)

³ [Advertising Pays 2025 - Advertising Association](#)

⁴ [UK Advertising releases new exports figure - Advertising Association](#)

⁵ [Advertising Association](#)

has developed strength in e-commerce advertising, Leeds in retail marketing, and Edinburgh in fintech marketing, creating specialised clusters that contribute to the UK's advertising and marketing ecosystem.

Despite the economic significance of the industry to the UK's future economic health, businesses face challenges with the apprenticeship system, particularly the lack of flexibility in the apprenticeship levy. This hinders businesses' full potential to deliver growth via levy reform which would implement inclusive and industry-relevant training. By drawing upon insights from Channel 4, the Institute of Practitioners in Advertising (IPA), the Chartered Institute of Marketing (CIM), Google, the Advertising Association and broader Skills and Growth Group,⁶ this report highlights the transformative impact of apprenticeships and identifies best practices. Furthermore, it proposes workable reforms to ensure their future viability and underscores the need for a flexible and responsive apprenticeship system to unlock talent. Fundamentally, talent sustains the advertising and marketing sector's global competitiveness and – most importantly – allows our industry to continue growing.

The Story So Far

The advertising and marketing industry is using apprenticeships to nurture diverse talent and address skills gaps. This is true across all components of the advertising industry represented by the Advertising Association, including agencies, advertisers, and the media – including TV, print, and online. However, there remains significant untapped potential to increase apprenticeship take-up within industry.

Several organisations have already demonstrated the value of apprenticeships in the advertising and marketing sector and are leveraging it to develop talent and drive growth across the UK. For example, Channel 4's 4Skills programme hired 36 apprentices across its UK locations in 2024, dedicating £5 million to this programme. Funding is set to double to £10 million annually from 2025. Overall, the programme currently supports 59 apprentices across departments.⁷

There is a strong regional dimension to Channel 4's apprenticeship programme, ensuring that the benefits of apprenticeships are spread across the UK's regions. This includes 4Studio in Leeds, 4Creative in London, and Commissioning in Glasgow. These locations offer Level 2 and 3 qualifications over 12-24 months, with eight higher-level (Level 4-7) apprenticeships planned for late 2025.⁸

Channel 4's apprenticeship programme operates in tandem with the broader 4Skills initiative, which provided 35,300 learning opportunities in 2024. Within this, the 4Schools scheme reached 22,632

⁶ An industry group made up of 17 businesses and trade bodies from across the sector including Royal Mail, Google, PHD, Havas Media Group, the News Media Association, Major Players, AIA, IPA, CIM, IAB UK, Radiocentre, Pearl & Dean, Channel 4, ISBA, Sky Media, ITV, and the Advertising Association.

⁷ [4Skills 2025 booklet](#) Page 8

⁸ [4Skills 2025 booklet](#) Page 8

students – 43% of whom received free school meals – specifically targeting those from lower socioeconomic backgrounds.⁹

In addition to the example from Channel 4, agencies including Drummond Central, McCann and Hunterlodge demonstrate the sector's commitment to apprenticeships. Hunterlodge, for example, use the Advertising and Media Executive standard, developed with input from 40 advertising and media agencies. Their 19 year-old apprentice who progressed to Account Manager within three years, benefited from the standard's integration of the IPA Foundation Course and hands-on client work, showcasing how industry-designed programmes can deliver practical skills and career progression.

Another example is Google's apprenticeship programme, which develops digital skills by providing opportunities for both work and study. In the Google programme, apprentices are exposed to different areas and teams within Google, while receiving external training and developing their professional skills on the job. The focus of their apprenticeship programmes is to develop talent for the broader tech/digital ecosystem. These programmes are open to individuals joining straight from school, as well as those wanting to switch careers.

Google's apprenticeship programme is central to their commitment to digital skills in the UK, and they focus on areas where they feel best placed as an organisation to train and develop talent. It consists of two tracks: digital business and software engineering, which are both based out of their London offices.

In the digital business track, apprentices spend 15 months working towards a level 3 qualification, actively contributing to the work of teams in YouTube, Google Cloud, Gemini Ads Marketing and Large Customer Sales. In the software engineering track, apprentices spend 24 months working towards a level 4 qualification, working on a range of technical projects across teams in Android, Fitbit, Cloud and Infrastructure.

Google take significant pride in their apprenticeship program, and the alternative pathways it creates for individuals to forge a career in the digital sector. They have an industry leading completion rate, and a high proportion of the cohorts go on to secure full time roles in the digital/tech sector within 6 months of completing the programme.

Finally, Google are committed to ensuring that they integrate AI related training into their existing programmes to better prepare apprentices for their future career. Google firmly believe that AI training can benefit apprentices across the economy and many industries.

The Institute of Practitioners in Advertising (IPA) has supported the industry's efforts to leverage apprenticeships by developing standards such as 'Advertising and Media Executive'¹⁰ and 'Junior Advertising Creative'.¹¹ The success of these standards is illustrated by McCann, an advertising agency and member of Front Foot¹² based in Bonis Hall, Macclesfield.¹³ McCann brought together

⁹ [4Skills 2025 booklet](#) Page 6

¹⁰ [Advertising and media executive / Skills England](#)

¹¹ [Junior advertising creative / Skills England](#)

¹² [Front Foot - Advertising Association](#)

¹³ <https://ipa.co.uk/news/new-cohort-of-junior-advertising-creative-apprentices/>

12 talented candidates from its offices in London, Manchester, Bristol, and Birmingham to undertake the Junior Advertising Creative Level 3 apprenticeship programme, demonstrating how industry-designed standards can be effectively implemented across multiple locations.

The Chartered Institute of Marketing (CIM), representing marketing professionals, has played a key role in developing marketing apprenticeship standards for the industry. CIM emphasises that apprenticeships are essential for supporting career progression and driving business success.

However, despite these efforts, economic pressures and the rigid structure of the levy is limiting uptake, particularly among small and medium-sized enterprises (SMEs). For instance, a 2024 survey¹⁴ of IPA member agencies found that 78% of levy funds (£5.6 million) were returned to the government due to restrictive spending rules, which effectively act as a tax on more flexible training options. Although the previous Government introduced the levy transfer to address this issue, the complexity of the rules resulted in a limited uptake across the sector.

Google, by contrast, have been proactive in transferring their levy to support organisations across the UK, partnering with a range of organisations, including Local and Combined Mayoral Authorities. Again, the focus is on supporting apprenticeships in data, digital or AI roles, benefiting organisations of all sizes.

Why Apprenticeships Work

Apprenticeships in the advertising and marketing sector deliver tangible benefits in three distinct categories: individual employees, commercial businesses, and society at large. In particular, they provide accessible entry points for young people from underrepresented backgrounds, fostering social mobility and diversity of thought. This diversity drives innovation, creativity and business success.

Apprenticeships also help address skills shortages and create opportunities for young people, especially important as recruitment intent in marketing shows signs of decline, and vacancies for entry-level positions generally have fallen 38 months in a row.¹⁵ Industry has been supportive of these objectives to increase diversity and social mobility, including via initiatives like Discover! Creative Careers,¹⁶ Advertising Unlocked,¹⁷ and partnerships with established platforms, such as TikTok's 'Step Into Adland'.¹⁸

Additionally, apprentices learn skills and study subjects not typically covered in the school curriculum, such as understanding how a real-world advertising business operates and exploring

¹⁴ According to the Institute for Practitioners in Advertising (IPA)

¹⁵ [UK employers cut back on bonuses and hiring as economic slowdown hits jobs market | UK unemployment and employment statistics | The Guardian](#)

¹⁶ [Find your perfect role in the creative industries - Creative Careers](#)

¹⁷ [IPA | Advertising Unlocked](#)

¹⁸ [IPA | Step into Adland](#)

potential careers in the sector. The benefits from industry's efforts to promote inclusion flow to all regions of the UK, and real-world case studies illustrate this impact:

- **Amira (Channel 4, London):** A Business Analyst Apprentice, Amira joined Channel 4 with no previous data analysis experience. Through her apprenticeship, she gained skills to transform complex data into actionable insights, building confidence and contributing to business outcomes. Her story highlights how apprenticeships bridge experience gaps for underrepresented groups.
- **Krishaan (Channel 4, Leeds):** Starting as a Pictures Apprentice during lockdown, Krishaan excelled throughout his apprenticeship, and was eventually hired as a full-time Pictures Assistant. He credits Channel 4's creative, supportive environment for his growth, emphasising the power of apprenticeships to nurture individuality while fostering teamwork. His journey underscores apprenticeships as a strong alternative to university.
- **Cerys (Jungle IT):** Beginning as a Level 3 Digital Marketing Apprentice at CIM member Jungle IT in 2017, Cerys overcame initial scepticism about apprenticeships, caused in part by her school telling her that apprenticeships were not 'viable' and marketing was not the best career option for her. Despite her SME employer lacking a marketing department, she developed versatile skills across sales, purchasing, and marketing. After her apprenticeship, she progressed to full-time roles at three companies and is now Marketing Manager at Medichecks, achieving her CIM Level 4 and 6 qualifications. Her experience demonstrates apprenticeships' long-term career benefits and resilience in challenging settings, as well as the need to reform the way schools promote apprenticeships.
- **Jodie (Drummond Central, Newcastle)** Taken on as an entry-level apprentice, Jodie joined a level 3 business administration apprentice course. For her, it opened up a large number of opportunities to learn skills that she was able to apply to her daily work, such as learning key project management principles, applying these to live projects, and understanding how agencies work and what different roles across agencies do. Although she was new to the advertising industry, Jodie received (in her own words) 'amazing' support from her line manager, tutors, and colleagues, whilst undertaking her apprenticeship. It gave her the opportunity to work on Drummond Central's IPA CPD Gold accreditation submission, with Jodie able to use her experience of working with the team towards her Business Fundamentals and Project Management unit. Jodie showed clear progression throughout her apprenticeship, and it helped her find an area that she felt passionate about, which will help her to focus on the next steps in her career. Her employer, Drummond Central, described her as a valued and important team member.
- **Hannah (Hunterlodge, Hertfordshire):** Joining Hunterlodge as a Level 3 Advertising and Media Executive apprentice at 19, Hannah completed her qualification with Bauer Academy, incorporating the IPA Foundation Course. She balanced structured learning with real client projects, gaining skills in campaign management, digital technologies, and commercial awareness. Mentorship and hands-on opportunities enabled her to progress to Account Manager by 21, leading client relationships for major accounts. Her journey highlights an apprenticeship's ability to fast-track career development and embed organisational knowledge early, whilst underscoring the value of industry-aligned training.

Businesses benefit from apprentices' fresh perspectives, longer tenure, and lower recruitment costs, with the IPA noting that apprentices can be less 'jaded' than graduates, enhancing workplace diversity and innovation. CIM emphasise that apprentices contribute to their employer early, relieve team pressures, and develop deep organisational knowledge within a short period of time. It positions them well for internal promotion or career advancement. Societally, apprenticeships address skills shortages and promote inclusion, particularly socio-economic and regional inclusion, aligning with the desire to employ more young people from these backgrounds.

Apprenticeship Best Practice

Apprenticeship best practice within the industry includes:

- **Inclusivity:** Reaching underrepresented groups and encouraging uptake from diverse cohorts through accessible delivery of apprenticeships. For example, this includes ensuring that apprenticeships are accessible in areas with higher socio-economic deprivation or ensuring that apprentices receive fair pay.
- **Geographic Reach:** Ensuring that apprenticeships are available across regional advertising and marketing hubs, like Leeds and Manchester
- **Practical Contribution:** ensuring that apprentices work on real projects, earning Level 2-7 qualifications.
- **Supportive Environment:** Providing high-quality mentorship and creative freedom, helping to foster growth for long-term career progression.
- **Scalability:** Ensuring that budgets facilitate scaling up of apprenticeship cohorts, especially in larger employers, demonstrating long-term commitment.

The IPA's development of industry-specific standards, like Junior Advertising Creative, ensures that industry apprenticeships remain relevant to the changing skills landscape. Likewise, CIM's collaboration with employers and training providers in the marketing sector help to align apprenticeships with professional benchmarks (developed methodically through careful consultation with employers) that employers require to grow.

Best practice across the advertising and marketing industry continues to emphasise employer involvement, real-world application of skills and qualifications, and ensuring that skills gained during apprenticeships help the apprentice find pathways to permanent roles.

Moving Forward: Why Reform is Necessary

Despite successes, the apprenticeship system faces significant barriers, and the Apprenticeship Levy's inflexibility is the primary concern and obstacle which prevent SMEs within the industry from taking on more apprentices. The IPA reports that the percentage of levy funds returned to Government continues to worsen year-on-year. In addition, the number of apprentices being taken

on has fallen by 14% since the levy was introduced in 2018.¹⁹ Agencies cite rigid spending rules, misaligned with the advertising and marketing industry's fast-paced requirements as a core component of the problem. Marketers note that, due to rising costs and limited financial resources, SMEs are less able to afford new apprentices and may force them to lay off existing staff or halt apprenticeship programs altogether. The levy's £3 million threshold, unchanged since its introduction, has taken no account of the extreme levels of inflation during the pandemic lockdowns.²⁰ This disproportionately burdened smaller firms just above the £3 million threshold.

The success of agencies like Drummond Central, McCann and Hunterlodge, where apprentices progress to senior roles like Account Manager within three years, underscores the potential of industry-designed standards like Advertising and Media Executive. However, the levy's rigid spending rules prevent wider adoption, particularly among SMEs. Furthermore, there are negative cultural biases about apprenticeships, such as those faced by Cerys mentioned in our case studies. It further highlights the need for schools to better promote apprenticeships as viable career paths, discussed further in Section 5 of this report.

Cultural perceptions also hinder progress. CIM highlights that parents, teachers, and employers often favour university degrees over vocational training, despite apprenticeships' proven benefits. This perception gap, less prevalent in countries like Germany with a culture of valuing vocational qualifications,²¹ limits participation from the most talented school-leavers. As noted by the IPA, the system's slow standard updates and restrictive training provider rules fail to meet the creative sector's dynamic demands. Without reform, the UK risks undermining its creative industries' £108.6 billion GVA contribution²² and global export leadership, second only to the United States in Advertising and Marketing services exports by value.²³

Reforming to Grow: Unlocking Apprenticeships

To unlock the true potential of apprenticeships in advertising and marketing, the new Growth and Skills Levy should be designed to better reflect the sector's needs, demonstrating ambition through reforms in the following areas:

1. Levy-Funded Entry-Level Salaries:

- **Proposal:** Allow levy funds to cover 12 months of entry-level salaries for apprentices, reducing financial barriers for SMEs.
- **Rationale:** Finance directors hesitate to expand headcount in flat economies. This reform would mirror lockdown-era financial incentives, enabling agencies to hire more diverse cohorts.

¹⁹ [Number of apprentices falls since levy introduction](#)

²⁰ [Consumer price inflation, UK - Office for National Statistics](#)

²¹ [What's Behind Germany's Apprenticeship Success? | MoldMaking Technology](#)

²² <https://adassoc.org.uk/credos/advertising-pays-2025/>

²³ [UK Advertising releases new exports figure - Advertising Association](#)

- **Impact:** Increased apprentice uptake, particularly among SMEs, creating employment opportunities for nearly one million young people not in education, training, or employment, utilising their talents to grow our economy.

2. Flexibility for alternative types of training

- **Proposal:** Greater flexibility on the types of programmes the levy can support, particularly alternative short-form training, and recognition from Skills England for a new accreditation system for modular training that would recognise short, effective training modules.
- **Rationale:** An additional blocker for companies is the duration of some apprenticeship programs. According to Google,²⁴ short form training is a great way of upskilling talent quickly, particularly in the ever-advancing world of AI.
- **Impact:** Removal of some of the barriers that are stopping companies from hiring entry level apprentices.

3. Inflation-Adjusted Levy Threshold:

- **Proposal:** Update the £3 million levy threshold in line with inflation to exempt more SMEs.
- **Rationale:** The fixed threshold acts as a fiscal drag, burdening more smaller firms as wage inflation pushes them over the threshold. This is unlike in retail where adjustments have eased participation. High inflation during the pandemic and subsequent years dragged more smaller firms into the threshold.²⁵
- **Impact:** Fairer levy distribution, encouraging SME investment in apprenticeships.

4. Measurement of Schools' Apprenticeship Promotion:

- **Proposal:** Introduce key performance indicators (KPIs) and league tables to assess schools' promotion of apprenticeships.
- **Rationale:** It is important to shift perceptions among parents and teachers, who favour degrees over vocational training.
- **Impact:** Cultural change, increasing apprenticeships' interest by pupils, being seen as a route to employment by 11-18 year-olds, synergising with industry initiatives like Channel 4's 4Schools.

5. Nationwide Levy Flexibility:

- **Proposal:** Allow levy funds to support apprenticeships across all UK regions, regardless of devolved nation standards.

²⁴ [Google's AI Work Report](#)

²⁵ [Consumer price inflation, UK - Office for National Statistics](#)

- **Rationale:** Businesses with multiple UK offices face barriers using levy funds nationally.
- **Impact:** Streamlined access, enabling advertising and marketing businesses to expand apprenticeships across creative hubs outside of England. For instance, an agency with offices in Bristol, Cardiff, Glasgow and Belfast (i.e. all four nations) could put its apprentices on the same standard.

6. Faster Standard Updates:

- **Proposal:** Reduce the time to update and re-cost apprenticeship standards to under six months.
- **Rationale:** The current year-long process is often delayed further, due to the length of time required for Secretary of State sign off. This lengthy process of approval is outdated and misaligned with the rapid evolution of standards within industry.²⁶
- **Impact:** Standards that reflect current industry needs would increase levy utilisation. With technology like AI rapidly evolving, standards cannot stand still.

7. Flexible Gateway and EPA Timing:

- **Proposal:** Allow faster progression to gateway and end-point assessments (EPA) for capable apprentices.
- **Rationale:** Some apprentices complete requirements early but face delays, increasing costs.
- **Impact:** Reduced training costs and faster workforce integration.

8. Access to Professional Body Training and qualifications:

- **Proposal:** Permit levy funds for industry-aligned training delivered by professional bodies, such as ISBA's Media Foundation Certificate²⁷ or IAB UK's Introduction to Digital Measurement course.²⁸
- **Rationale:** Training programmes by professional and trade bodies are underutilised despite their expertise and industry knowledge. The IPA highlights that current apprenticeship approved training providers often lack sector-specific knowledge. CIM cite the benefit of direct involvement of both employers and expert professional bodies as fundamental to ensure their relevance, quality, and to meet the evolving demands of the profession and industry.
- **Impact:** This will lead to higher-quality, relevant training, enhancing apprentice employability and industry standards. Overall, this will generate closer alignment to

²⁶ See the example of the Trailblazer scheme, which saw delays due to lengthy sign-off processes, involving officials and ministers, as well as rule changes, often far longer than a year.

²⁷ [ISBA | Learning & development](#)

²⁸ [IAB Training | IAB UK](#)

real-world professional and industry requirements, ensuring learners gain tangible²⁹ workplace-relevant skills.

9. Accreditation system for modular training

- **Proposal:** we recommend that Skills England support a new accreditation system for modular training that would recognise short, effective training modules.
- **Rationale:** A model of micro credits would mean that workers can take free or paid training courses that have an immediate impact and a route into other qualifications.
- **Impact:** This change would enable the Government to deliver a lifelong skills programme that is ready for AI, where Skills England can identify short modules of AI-related training, make provision for these to be recognised, and make funding available to workers to access these courses via the new Growth and Skills Levy.

Mitigating Risk: Securing The Future of Apprenticeships

Securing the future of apprenticeships requires greater engagement between the Government and the advertising and marketing industry. Skills England and the Department for Education must be ambitious with levy reform, prioritising flexibility to meet the needs of the sector. Industry bodies, like the IPA and CIM, should be involved in co-designing standards, ensuring alignment with professional benchmarks. Schools should promote apprenticeships on an equal footing to academic pathways. This could be facilitated by weighting apprenticeships in school league tables. Leveraging models like 4Schools, apprenticeships could extend their reach to increase participation from disadvantaged students. Finally, employers, particularly SMEs, should be given greater financial incentives and support to hire apprentices. This could be delivered through additional flexibility with the use levy funds to help fund the hiring of apprentices through entry-level salary support.

Without ambitious reform, unspent levy funds and declining uptake threaten the most successful apprenticeship programmes and growth of the sector. By ambitiously reforming the apprenticeship levy, into a Growth and Skills levy that unlocks the potential of apprenticeships, policymakers can enhance social mobility and maintain the UK's global creative leadership in the advertising and marketing industry. Given that the advertising and marketing sector contributes £45.4 billion to the economy and provides over 1 million jobs, 60% outside London, it underscores the economic and regional significance of a sector which needs ambitious apprenticeship reform.

²⁹ According to the Chartered Institute of Marketing (CIM)

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