

WPP

Digital Investor Day

April 23 2010

Afternoon Sessions

13.30	Welcome	Martin Sorrell, WPP
13.35	WPP's Digital Strategy	Mark Read, WPP
14.10	Global Digital Networks	David Sable, Wunderman
14.30	Media and Technology	Rob Norman, GroupM Brian Lesser, MIG
14.50	Consumer Insight	Eric Salama, Kantar
15.10	Specialist Digital Expertise	Trevor Kaufman, Schematic
15.30	Specialist Digital Expertise	Thomas Fellger, iconmobile
15.50	Q&A	All

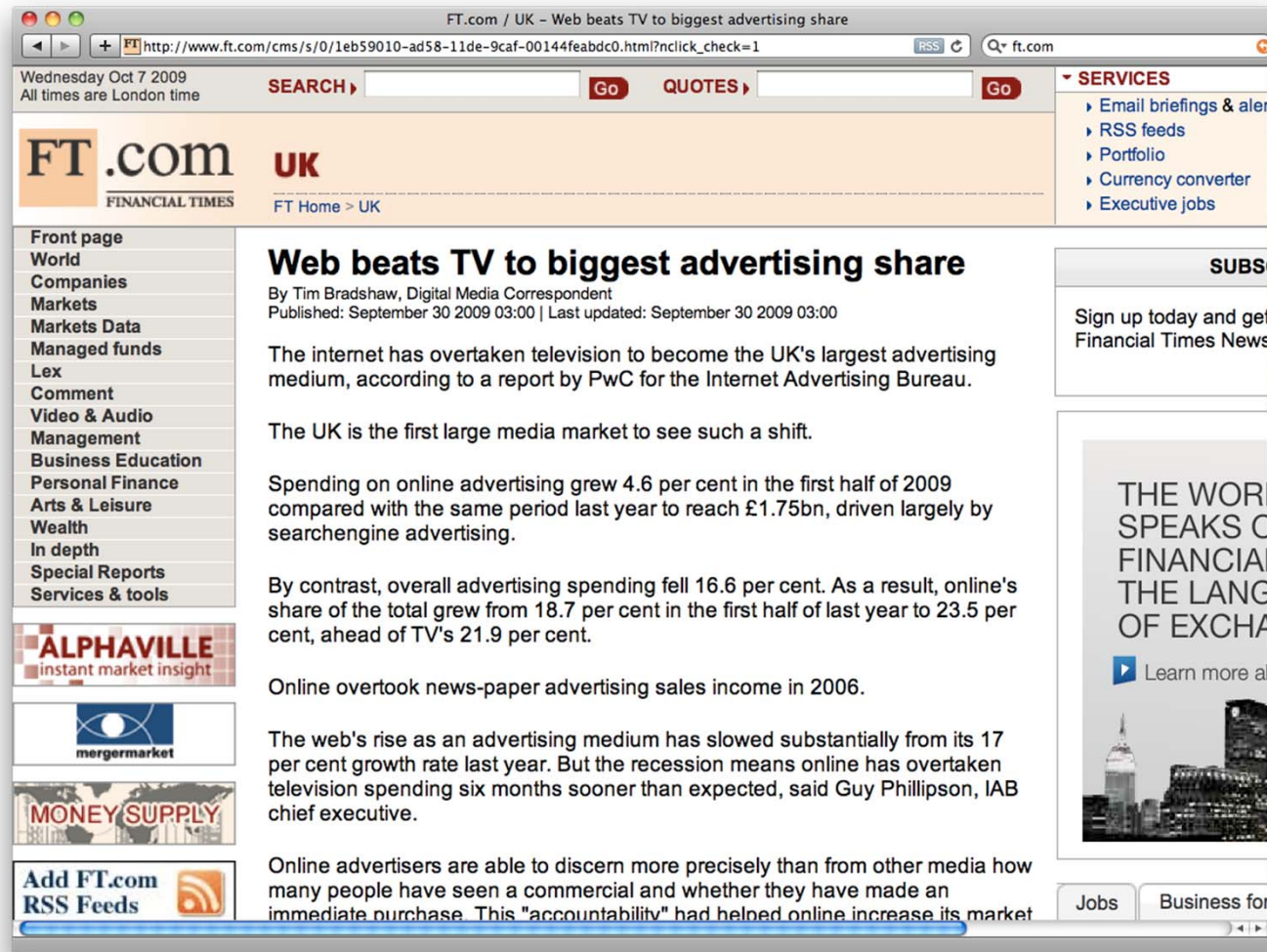
WPP's Digital Strategy

Mark Read, Director of Strategy, WPP
CEO, WPP Digital

Summary

- WPP is adapting effectively to the digital world
 - In all areas of the business from advertising to public relations
 - Particularly in digital, media and consumer insight
 - 27% of WPP's revenue from digital with margins at or higher than “traditional”
- Specialist digital agencies deliver new high-value services
 - Providing specific expertise to clients in new areas, like mobile or applications
 - Offering new revenue growth opportunities
- As data and analytics become ever more important, WPP has a unique combination of assets and a differentiated strategy
 - Ability to combine media, digital and consumer insights
 - Technology investments and integration to bring them together for clients

We all know digital is the future



Internet spend surpasses TV in the UK

We all know digital is the future



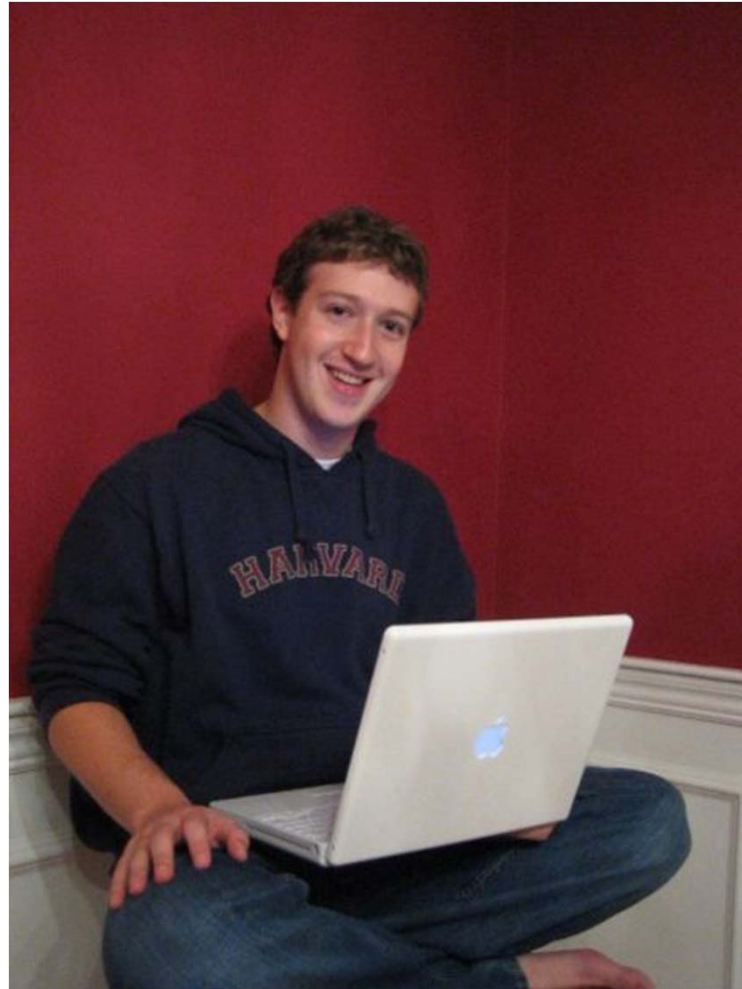
China Mobile Added 5 million subs last month

We all know digital is the future



“Print” is Back

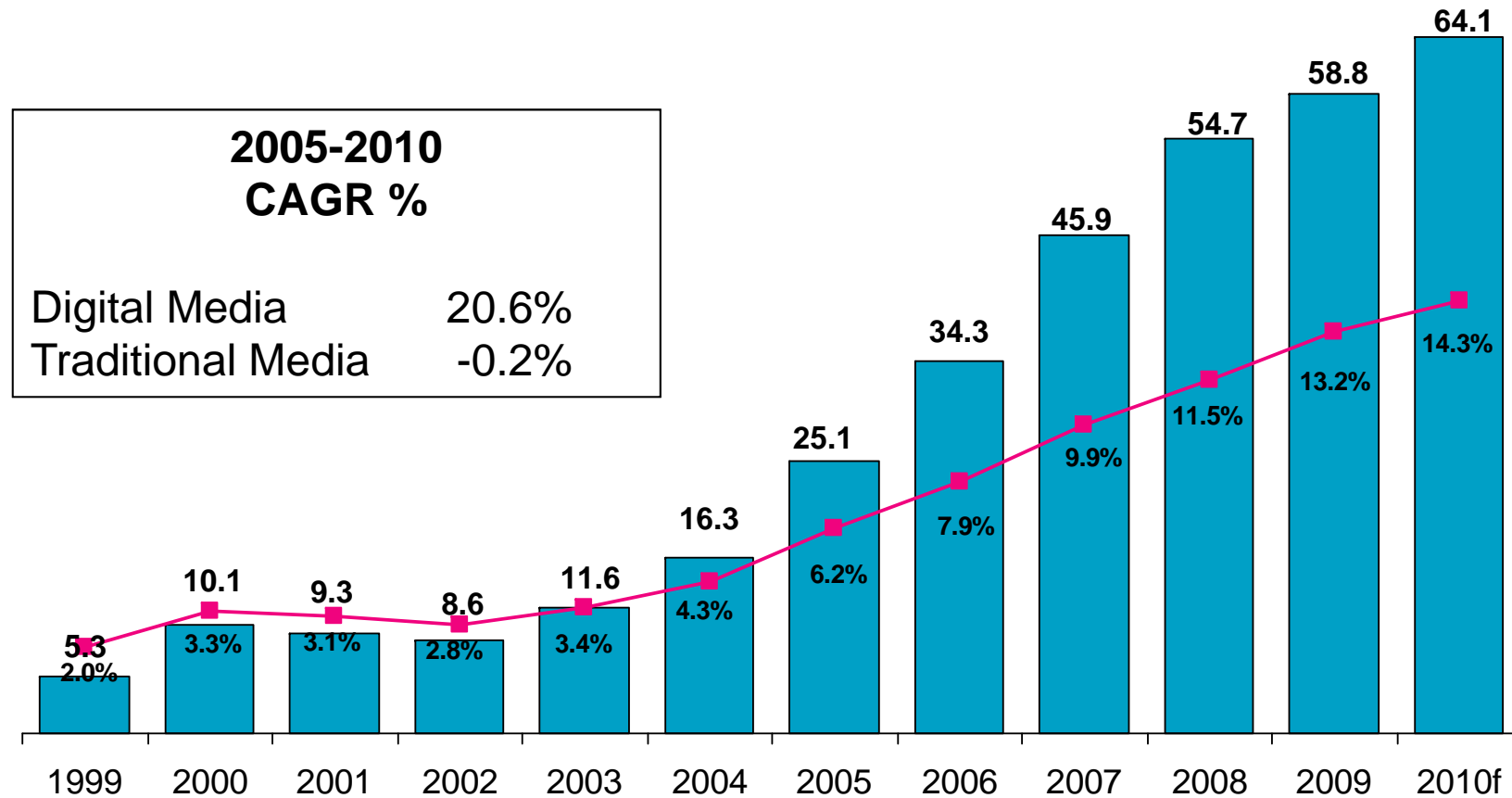
We all know digital is the future



A billionaire

Spend is shifting to digital media

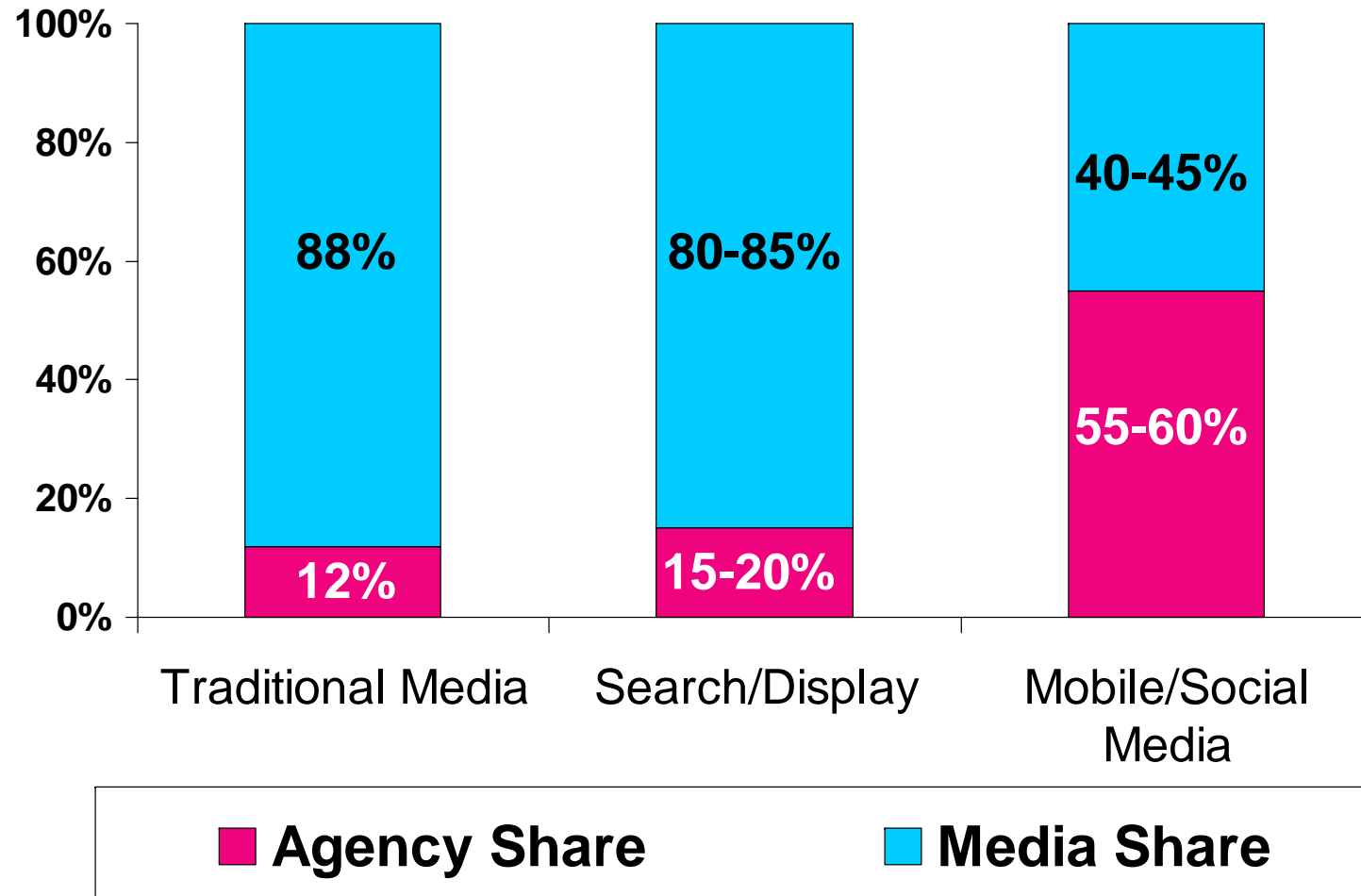
Global Spend on Interaction 1999-2010 (GroupM)



Source: GroupM, December 2009

Digital transition positive for revenues

Share of Client Expenditure to Agency and Media Owner



Source: Exane BNP Paribas April 2010

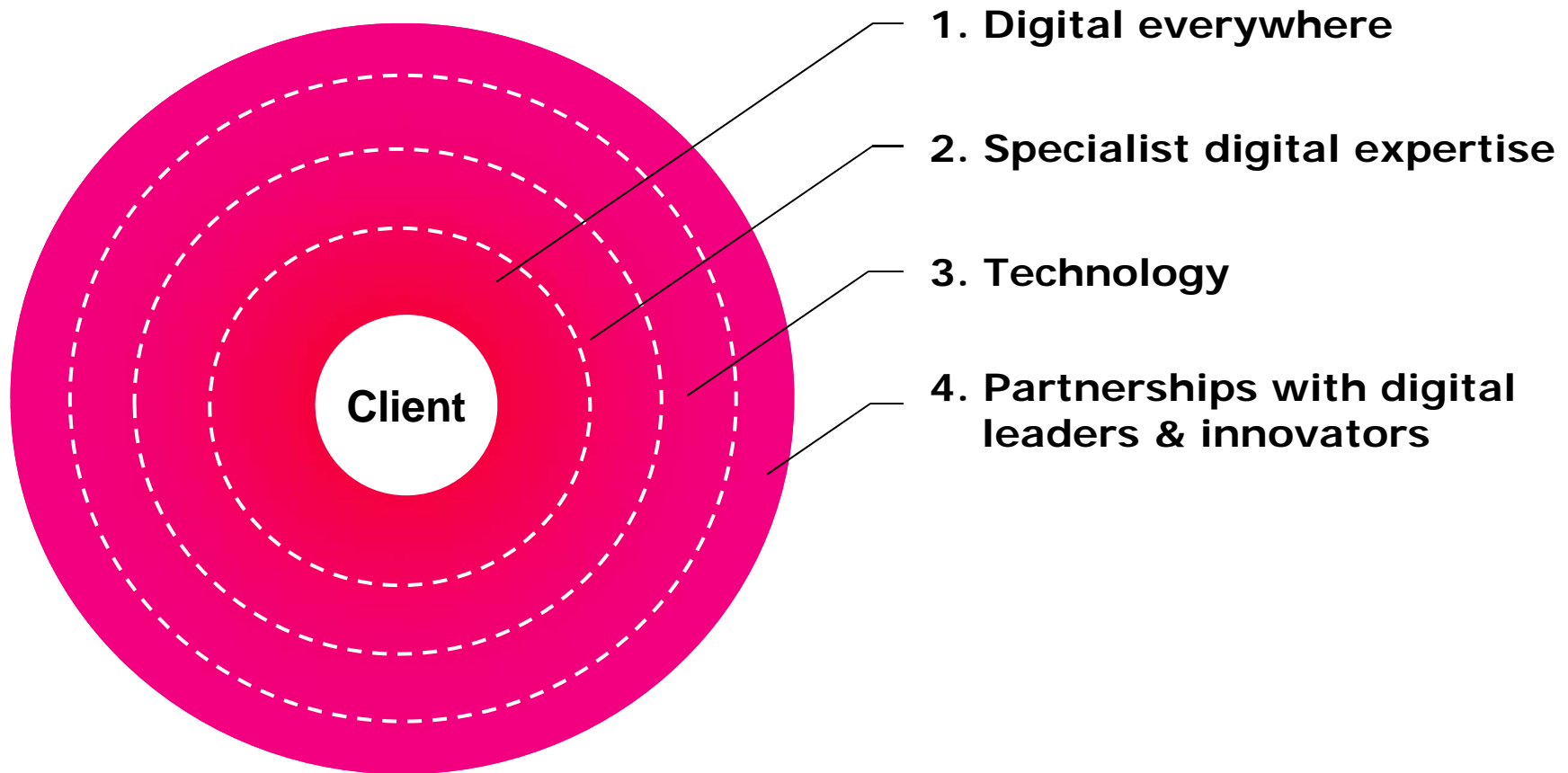
As well as increasing WPP's relevance to clients

- Overall, greater need for our advice and services in a more complex and fragmented media landscape
- Increasing value to the data and insights for decision making and ROI on media spend
 - Greater quantification of digital marketing activities
 - Particularly in direct/digital, media and consumer insight
- In the long-term, ability to pull together the full range of WPP services on an analytic and data foundation

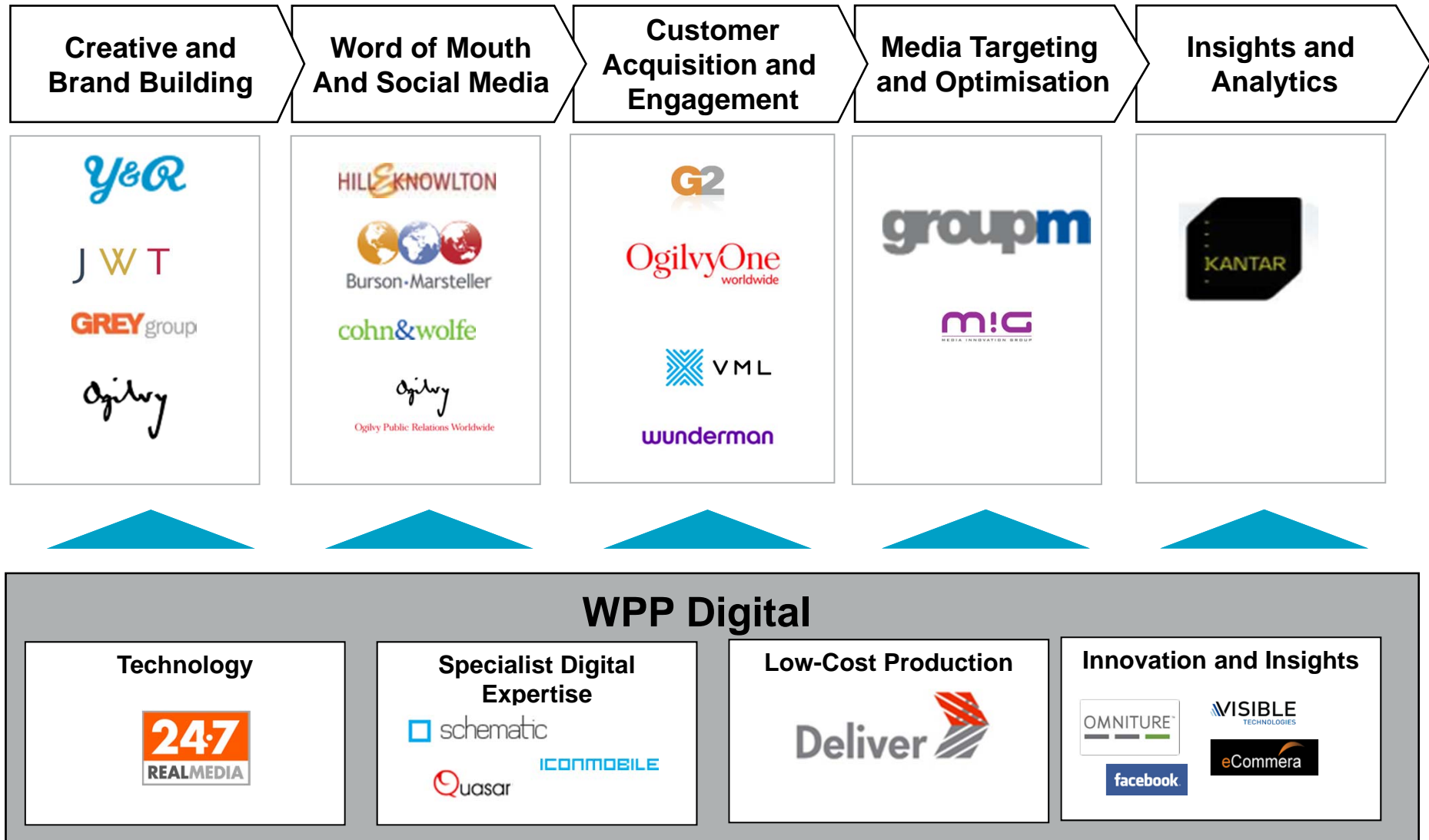
WPP's Digital Strategy

Creativity +
Media +
Data +
Technology

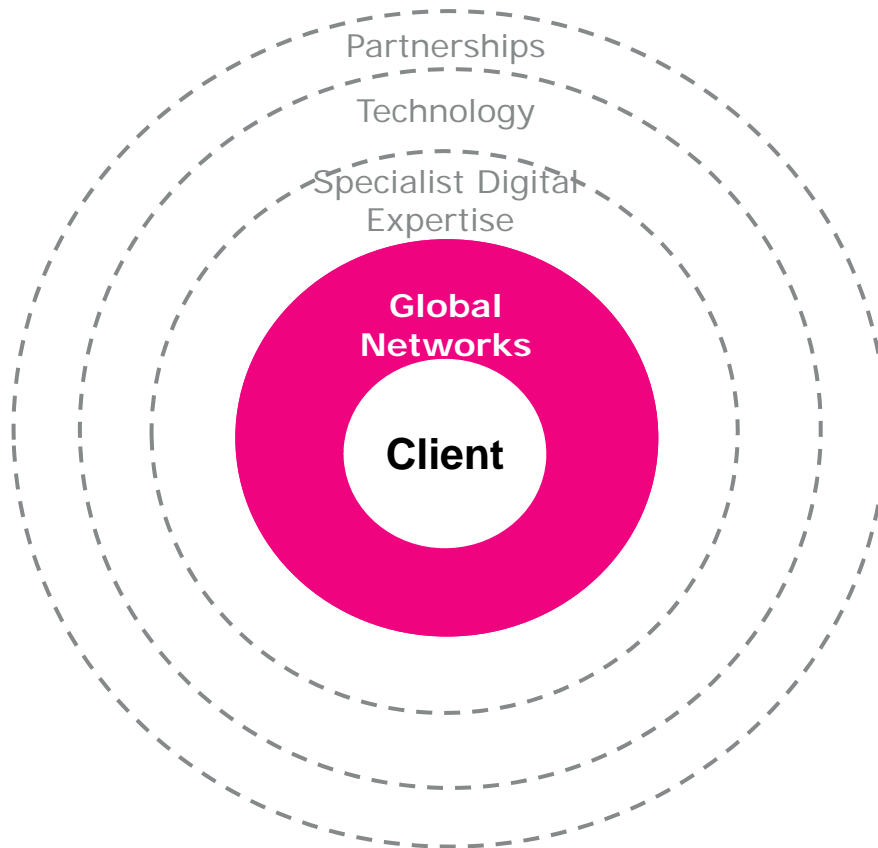
What clients need in a digital partner



Our organisation delivers this to clients



1. Digital everywhere



Advertising

Media Investment Management

Public Relations

Branding, Identity and Design

Healthcare Communications


Consumer Insight

Direct and Interactive Communications

Advertising agencies embracing digital

You Tube Search | Browse | TV Shows | U

E*TRADE Singing Baby
etrade 25 videos



etrade — 01 February 2009 — The E*TRADE Baby and his buddy learn to fly again 2nd Quarter, Big Game, Sunday, Feb. 1. Want to see more? [http...](#) **3,396,601** views



PR agencies embracing social media

ford on blogs

Home | Ford on Blogs | What Women Want with BlogHer

WHAT WOMEN WANT WITH BLOGHER

In July we invited 60 prominent women bloggers from the BlogHer network to come experience the Ford difference at our Chicago Assembly Plant.

From test drives, to assembly line quality checks, to Eco Driving lessons, these women truly got under Ford's hood. Use the filters below to sort through their stories and discover What Women Want in a vehicle.

Comments are based on the writer's experience and may not be representative of all driving experiences. Vehicle specifications are available at fordvehicles.com. 2010 Ford Taurus SHO was provided as part of Ford's new Drive one marketing campaign.

Share this: [f](#) [t](#) [g+](#) [v](#) [p](#) [e](#)

My Ford experience @ mamikaze

It's been 6 weeks since I toured the Ford plant in Chicago. better late than never, right? There is so much to tell you that I can't think of it all. Here are some bullet points:

Tuesday, September 15, 4:40 PM
[Read More](#)

CityMama™

We drove two incredible Ford vehicles: a 2010 Mustang GT and a 2010Taurus SHO. We were treated like VIPs at Ford World Headquarters where we learned about Ford's sustainability efforts and about their social justice initiatives, things you don't hear much about in the mainstream media. I'm not sure why. Maybe they are afraid of being accused of greenwashing. Maybe, with the current economic situation they have bigger fish to fry. Maybe, in the grand sales-driven scheme of things, it's not a priority.

Friday, August 14, 8:47 AM
[Read More](#)

Dude! I dig FORD « What Did You Do All Day

So as you may remember, I was recently invited to attend Ford's What Women Want Tech & Quality event in Chicago (pre BlogHer). So I went not knowing what to expect. And it was really awesome. The morning started out with all 60 bloggers meeting in the Sheraton's Mayfair Room early in the

youtube
What Women Want with BlogHer

flickr
What Women Want with BlogHer

ford on twitter
Tune in to what others are saying about Ford.

Ford Racing Performance Part of the Week: 2010 Cobra Jet

Internet | Protected Mode: Off



Direct networks effectively digital

wunderman



OgilvyOne
worldwide



- Ogilvy, Wunderman and VML ranked as “Leaders” in Forrester’s Interactive Agency Report

- Strong global presence -- percentage of revenue outside the US:

– Wunderman 53%

– OgilvyOne 56%

Wunderman will share how a global digital agency helps many of WPP's largest clients acquire customers and build relationships in digital channels

wunderman

2. Specialist Digital Expertise

North America

A large white circle containing logos for various digital marketing agencies in North America. The logos include: schematic, ICONMOBILE, ZAAZ, studiocom, BLAST RADIUS, VML, BRIDGE WORLDWIDE, Joule, M80, and designkitchen.

A white circle containing logos for digital marketing agencies in the UK. The logos include: DIGIT, BLAST RADIUS, schematic, VML, syzygy, Joule, and ICONMOBILE.

UK

Continental Europe

A large white circle containing logos for digital marketing agencies in Continental Europe. The logos include: those days, ICONMOBILE, tagora, KASSIUS, BLAST RADIUS, reddion, syzygy, FUTURECOM INTERACTIVE, H-art, and LACOMUNIDAD DIGITAL RE | EVOLUTION.

Russia

A white circle containing the logo for actis®.

Asia

A large white circle containing logos for digital marketing agencies in Asia. The logos include: AGENDA, xsm, AN RMG Connect company, ICONMOBILE, BLUE, and Quasar.

Middle East

A purple circle containing the logo for BLUE.

East Africa

A white circle containing the logo for SQUAD.

South America

A white circle containing logos for digital marketing agencies in South America. The logos include: studiocom and schematic.

South Africa

A white circle containing the logo for AquaOnline, with the tagline 'technology building roads'.

Australia

A large white circle containing logos for digital marketing agencies in Australia. The logos include: dtdigital, alpha salmon, and ICONMOBILE.

Strength outside the US -- Africa

The screenshot shows a web browser window with the URL <http://mtnletsgo2010.com/>. The page features a contest for "Week 4" at Johannesburg Stadium. The main prize is a ticket, accommodation, and transport to the 2010 FIFA World Cup. Weekly prizes include PS 3 and EA Game. A form asks for the user's highest level of education completed. The background shows a man in a yellow shirt standing next to a taxi decorated with the South African flag, with a model of the stadium in the foreground.

Week 4
Johannesburg Stadium
Win tickets to the 2010 FIFA World Cup™ including flights and accomodation, and stand a chance to win weekly prizes. Play now to get more entries for you and your team !

4 weeks, 4 winners . One team going all the way.

Think fast!
Tell us about yourself and gain 40 entries.
What is highest level of education completed?

Please choose...

Main Prize :
Ticket, accommodation and transport to the 2010 FIFA World Cup™

Weekly prizes:
- PS 3
- EA Game

TURN IT UP!

Play » Week 4
Go get more entries...Game On!

BOKSBURG BREKERS : 95 entries

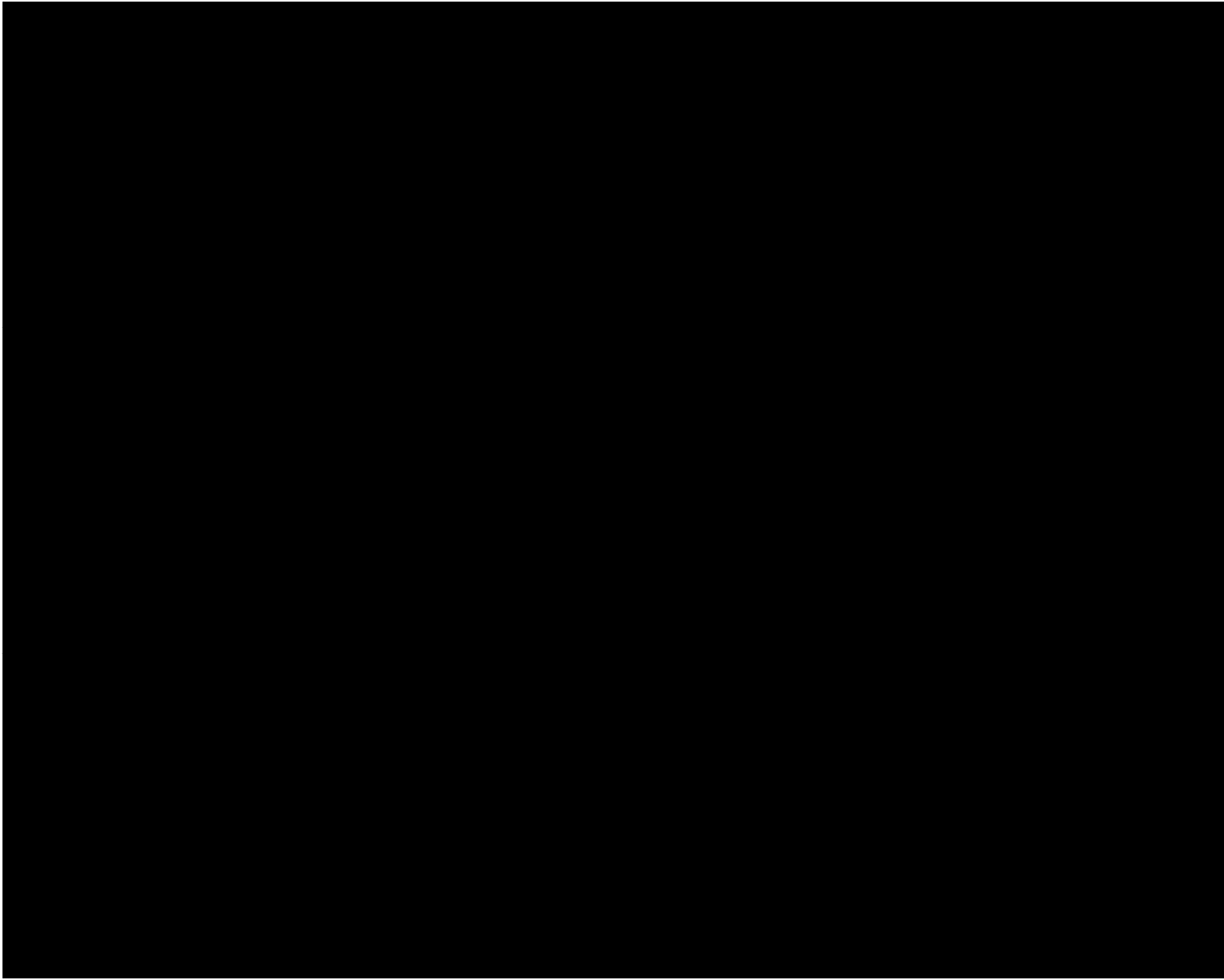
Pimp your taxi
Ride in Style

Locker Room
2 messages : 0 invites

Scoreboard
Top 10 | Weekly winners.

MTN
OFFICIAL SPONSOR

© 2005 FIFA TM



Two of our specialist agencies
will show how they are opening
up new, innovative ways to
engage with consumers using
new digital channels










 schematic **ICONMOBILE**

3. Technology

No doubt that technology is changing marketing



Already many category-leading technologies powering our businesses

	➔	\$520m annualised search billings on the technology amounting to >50% of search spend at end 2009
	➔	\$100m annualised display billings at end of '09; 80+ clients using the platform
	➔	Largest online panel in the US: 2m people; 3m websites and 16m search terms each month
	➔	5,500+ campaigns, 8.2m respondents surveyed to date
	➔	160m unique visitors: No7 Comscore US network
	➔	Serving 3m surveys a year via 1,200 of the largest publishers in 25 countries
	➔	150 clients, 40% from WPP
	➔	57m person US frequent shopper database
	➔	750k Internet pages scanned per day, tracking and categorizing ad occurrences from 3m brands

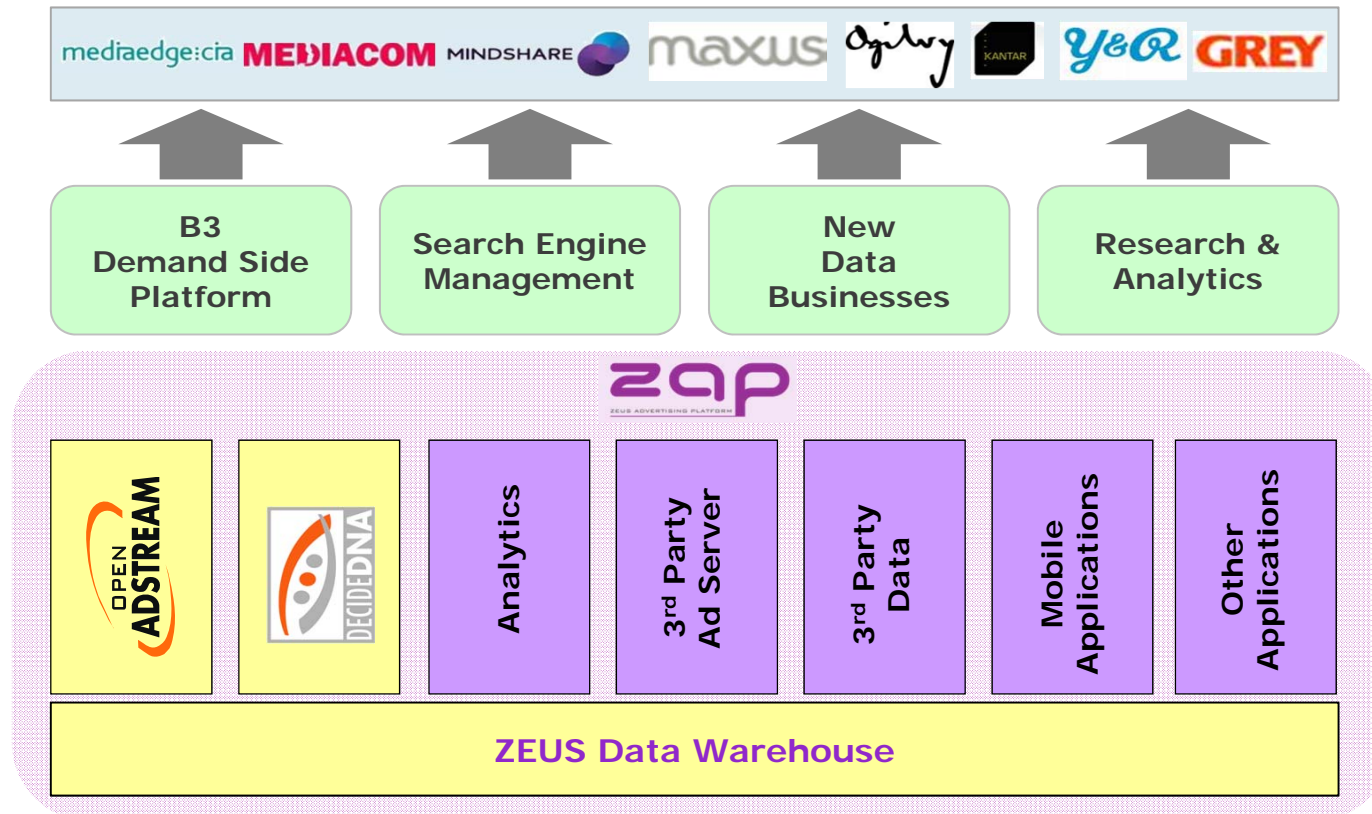
Our focus is on technology for marketing insights and media optimisation

- Area of greatest innovation – potential for new business opportunities and for disintermediation by new competitors
- Of most value to clients by improving their ROI on media expenditure
- Able to simplify a complex set of technologies for clients
- In the long-term, the opportunity to integrate data and insights from across WPP companies in a unique way
 - Bring together GroupM, Kantar, with direct / digital business
 - Unite creative, media and research on data and analytical foundations

Competitively differentiated approach

- Best-in-class technology platform
 - Own the critical pieces
 - License from 3rd parties where appropriate
- Maintain a strong technology team in 24/7 Real Media
 - Able to integrate and build technologies we need
 - More than 150 engineers working on digital marketing technologies
 - Able to build what we need in the future
- Focusing on two technology areas:
 - Dashboards – that bring data and insights to teams and clients
 - Data – as the foundation for analysis, integration and optimisation

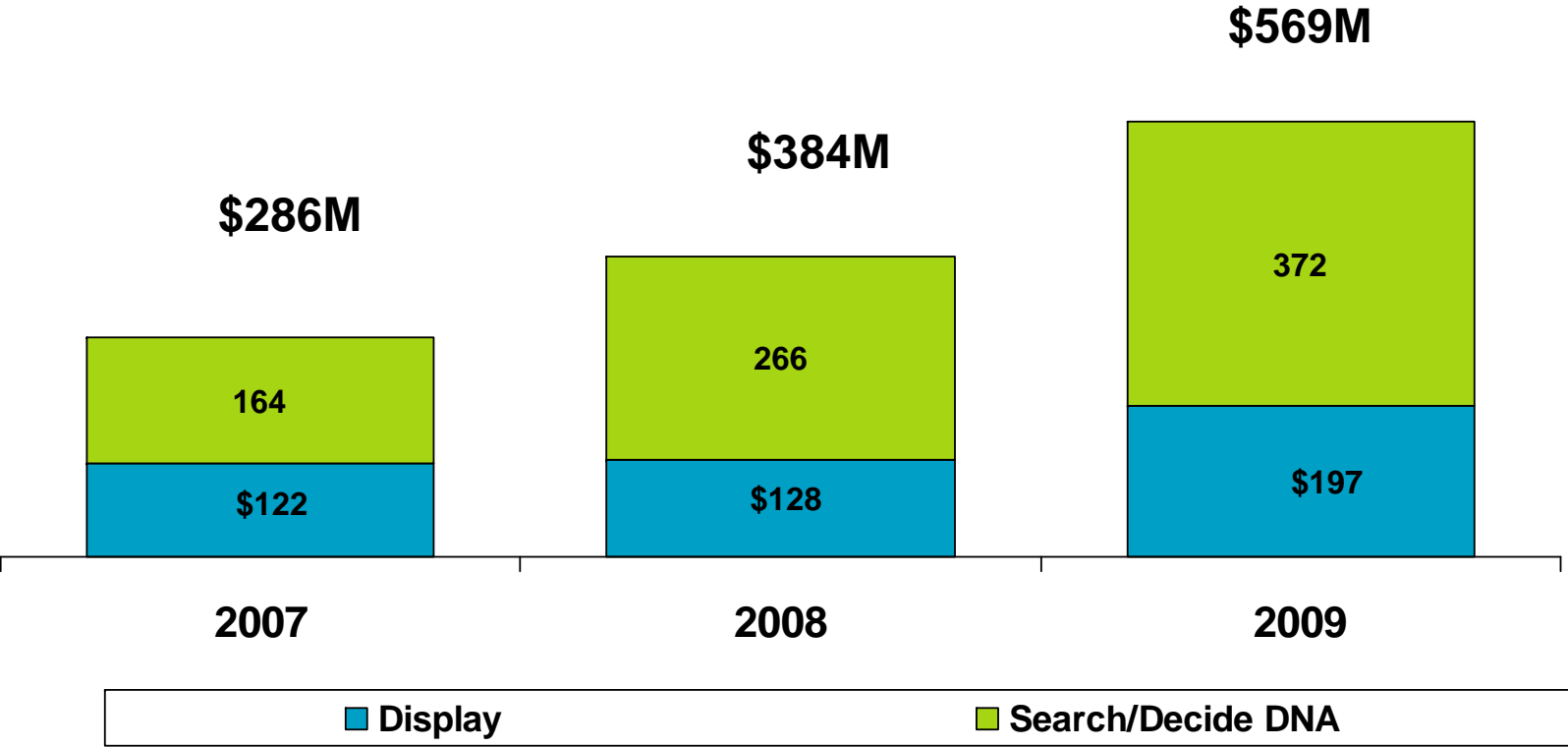
An integrated digital platform



- The ZEUS Advertising Platform (ZAP) integrates providers of:
 - Technology
 - Data
 - Inventory
- Unified agency interface with external technology companies.
- Maximises advertising campaign performance

Significant progress in running media on our technology

**Billings run on Proprietary 24/7 Technology
(US \$million)**



GroupM and Kantar will show how they are using technology, data and analytics to transform their businesses and help clients build brands more effectively

groupm



4. Partnerships



Technology investments in high potential growth areas

Social Media And Gaming	   
Mobile Marketing	
Advanced Television	 
Data and Analytics	  
eCommerce	

Omniture Partnership



Since partnership was announced in January 2009:

- ✓ Integrated technologies from both 24/7 and Compete
- ✓ More than 500 WPP staff trained in Omniture solutions
- ✓ Co-marketing investments have resulted in dozens of joint client engagements, across US, EMEA and Asia
- ✓ WPP investment gain of \$36m

Partnership is continuing with Adobe senior management support, additional product integrations under development.

Key Strategic Partnerships



- Joint client summits and development plans
- Google WPP Market Research Awards and Kantar Media's largest US client
- Technology integration between 24/7 Real Media and AdWords and DoubleClick Exchange



- Co-Lab Partnership on 5 key clients
- Technology integration with 24/7 Real Media and the Facebook API underway



- Partnership with Compete (Kantar) and 24/7 Real Media on audience insights with data integration



- Partnership on the research area in search
- Integration into Atlas (24/7 Real Media)



- Integration with the Right Media Exchange

Bringing it
Together

Integrated Client Digital Delivery

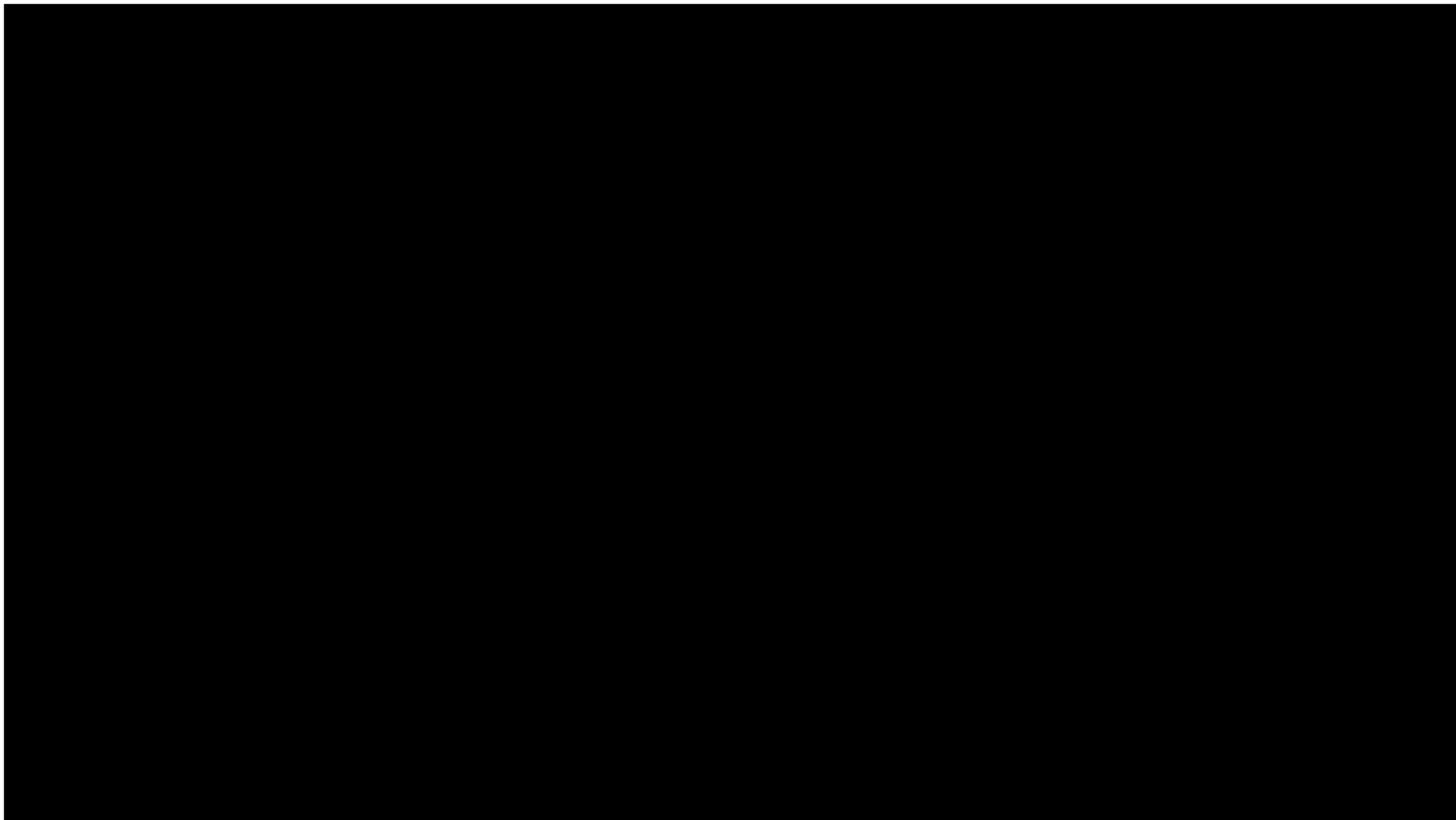


Increasingly delivering insights through integrated dashboards

- Live dashboard being licensed by more than 40 clients
- Aggregates data from:
 - GroupM's media spend and performance data
 - Kantar and other market research firms
 - Digital ad servers, social media (Facebook, Twitter), search engines and web analytics (Omniture)
 - Client systems (CRM, sales and forecasting)
- Customers include:



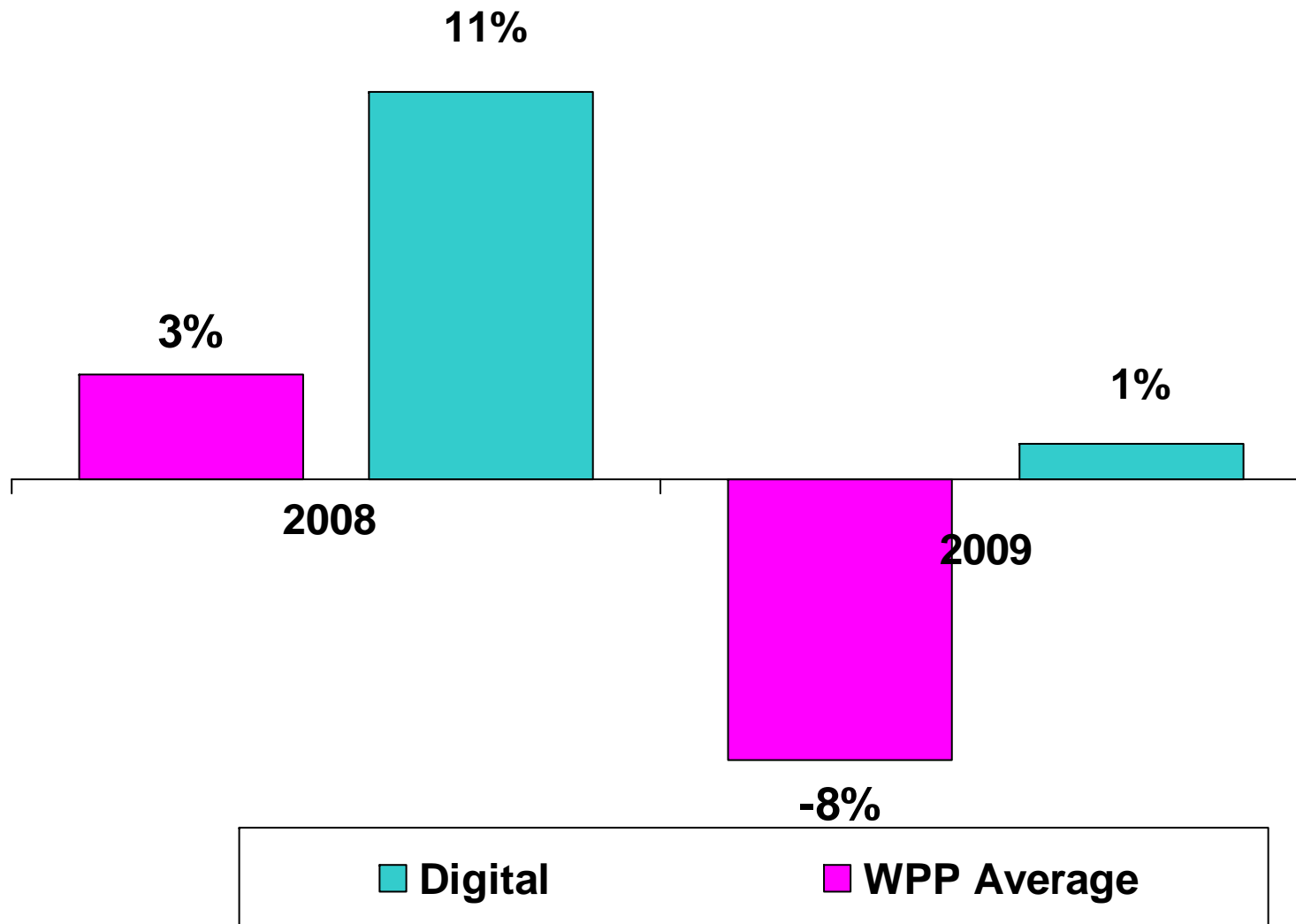
Live Dashboard Demo



Our Digital Progress

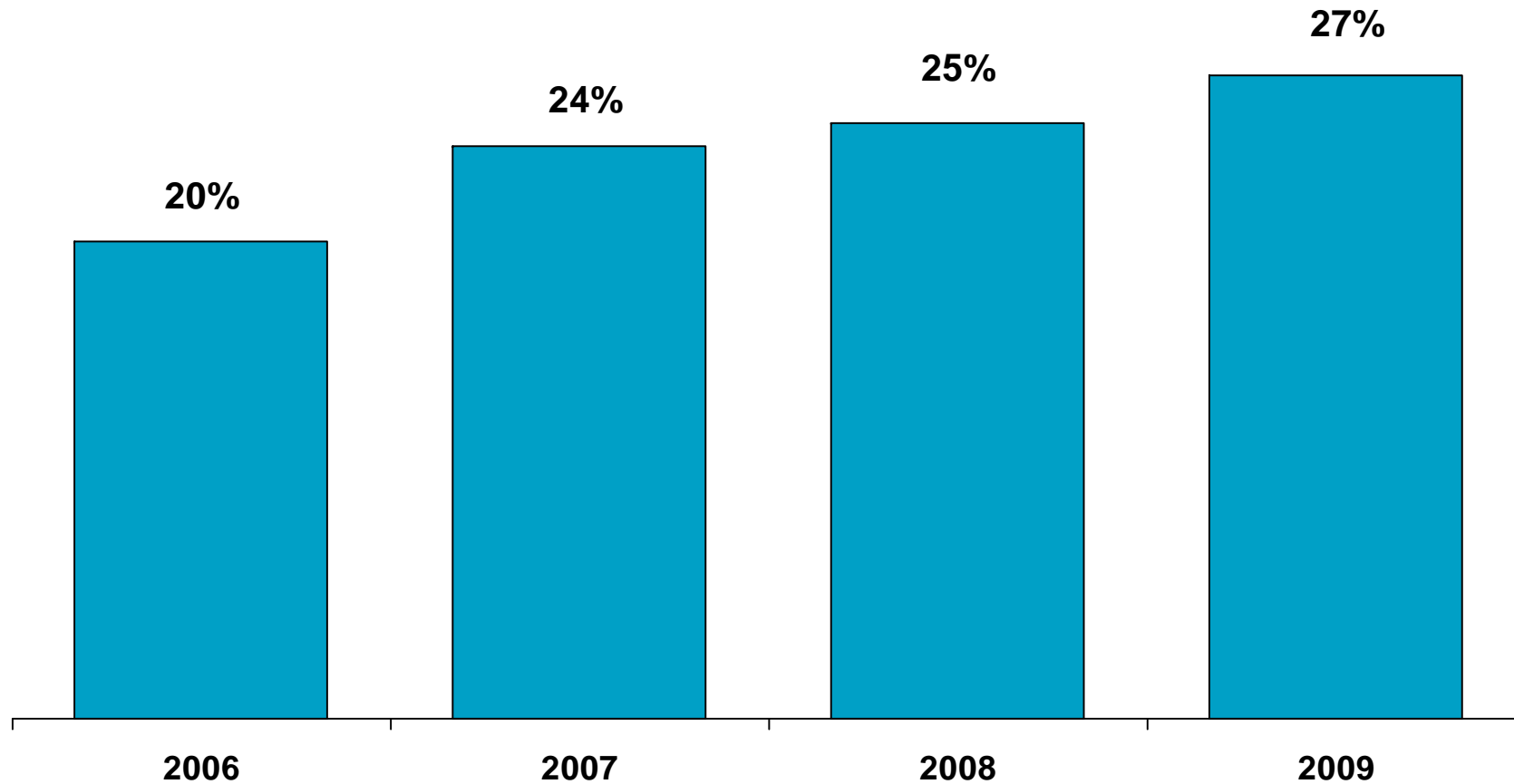
Digital growing faster

Annual Organic Growth – 2008 and 2009



Digital significant share of WPP

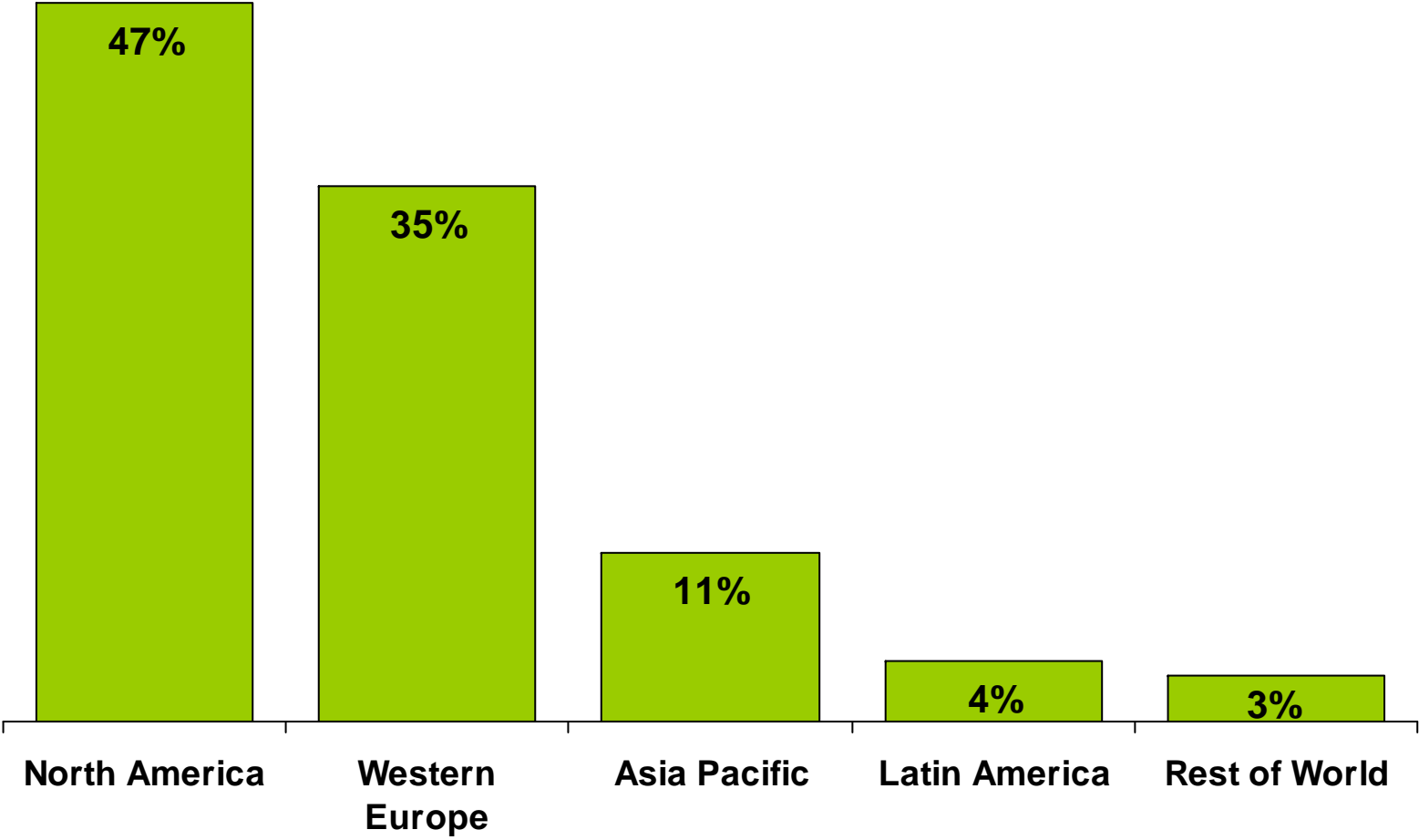
Digital Share of WPP's Revenues ¹



¹ Revenues converted into US Dollars at 2009 constant rates with 2008 revenue adjusted to include a full year of TNS

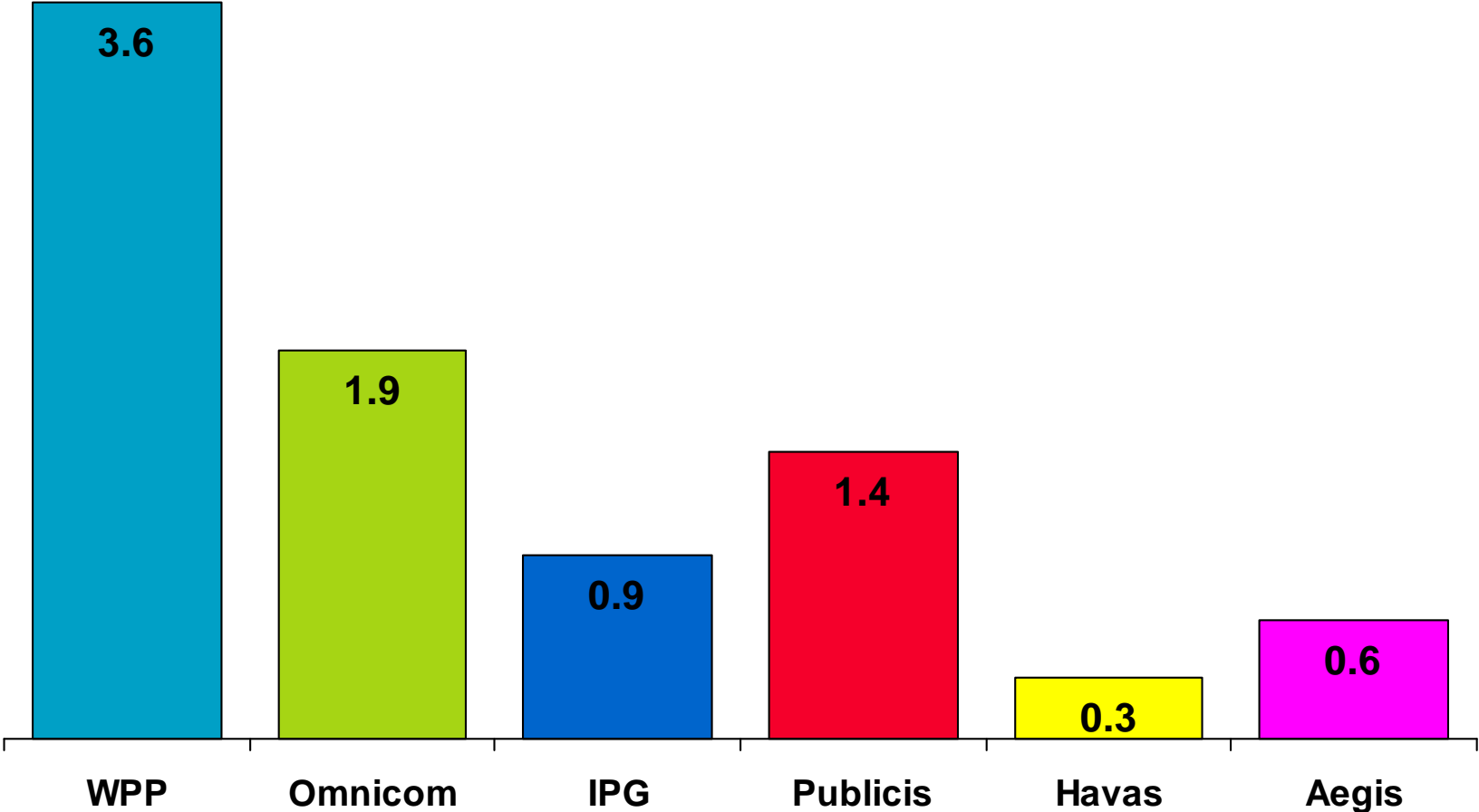
Digital also strong outside North America

Share of WPP's Digital Revenue by Region -- 2009



WPP has the leading competitive position

Digital Revenues \$'billion



¹ Peer digital revenue according to Ad Age %'s applied to FY US\$ revenue.

² Publicis adjusted to include Razorfish for a full year. 46

Summary

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 - In all areas of the business from advertising to public relations
 - Particularly in digital, media and consumer insight
 - 27% of WPP's revenue from digital with margins at or higher than “traditional”
- Specialist digital agencies deliver new high-value services
 - Providing specific expertise to clients in new areas, like mobile or applications
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- As data and analytics become ever more important, WPP has a unique combination of assets and a differentiated strategy
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Coming up

- How Wunderman, a global digital agency, helps many of WPP's largest clients acquire customers and build relationships in digital channels
- How GroupM and Kantar are using technology, data and analytics to transform their businesses and help clients build brands more effectively
- How Schematic and Iconmobile are opening up new, innovative ways to engage with consumers using new digital channels