

# WPP Webinar: The Role Of The Global Client Lead

Transcript

Wednesday, 30<sup>th</sup> March 2022



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## **Introduction**

John Rogers

*Chief Financial Officer, WPP*

### **Welcome**

Good afternoon and welcome, everyone. Thank you for joining this webinar. Based on your feedback to date, you tell us you find these sessions really useful so we intend continuing to run roughly about one every quarter.

Today's focus is on the role of our global client leaders. Obviously, new business captures all the headlines: Coca-Cola, Unilever, for example. However, it is actually the ongoing management of our key biggest client relationships which is a huge value driver for our business. We have channelled a lot of investment in this area over the last four years. It is here that we are best placed to expand into our high growth areas of commerce, experience and technology.

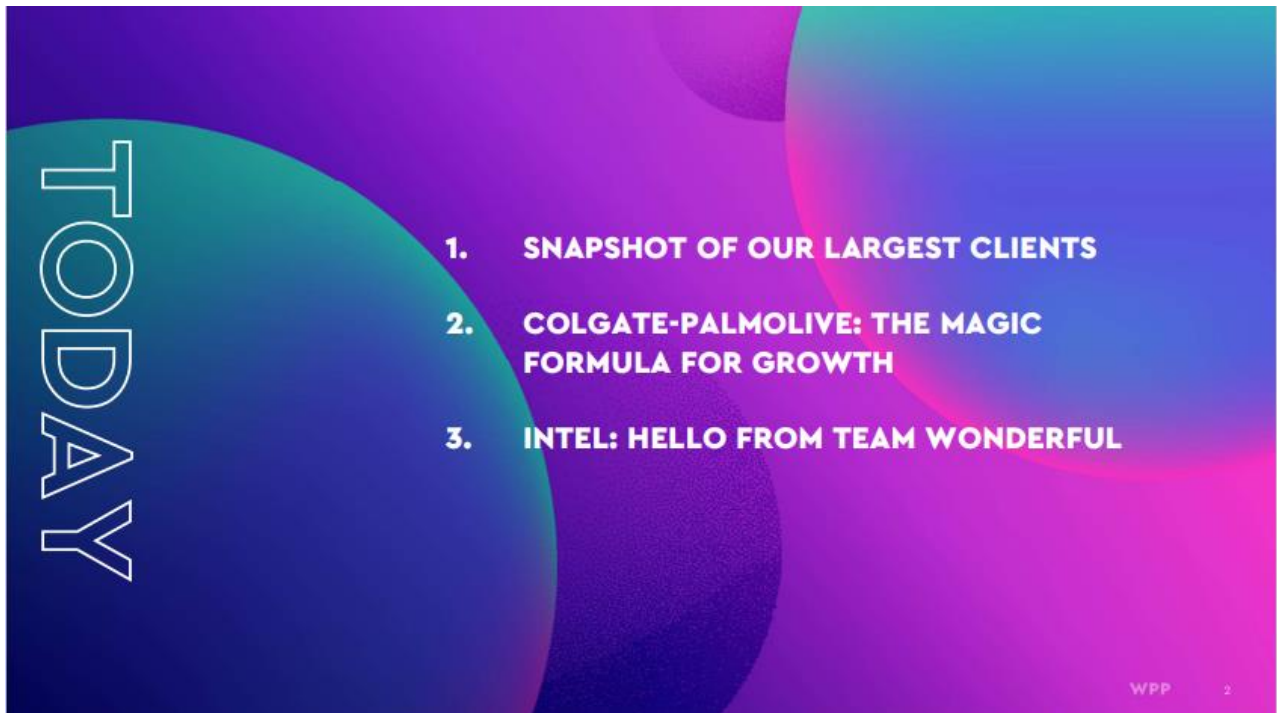
Lindsay Pattison, who joins us on the call, is our Chief Client Officer, and she is going to kick off the presentation. Then we are going to hear two client case studies from Carl Hartman and Amy Winger, so happy to take any questions as we go through. Please submit those through the usual means throughout the presentation.

With that, I am going to hand over to Lindsay. Thank you.

## Global Clients

Lindsay Pattison

*Chief Client Officer, WPP*



### Opening Remarks

Thanks very much, John. Nice to see some of you again. I have done a couple of these before, so good to have the time with you.

So as John said, I am going to talk just broadly and give you a snapshot of our largest clients, remind you of our ambition for those clients, and I am going to share with you who the top 20 are and some figures around the concentration of our spend with those top clients. I am then going to talk about the performance over the last two years and how we are feeling a quarter of the way through 2022. We will look at our client satisfaction study in which we have invested lots of time and effort into really listening to our clients and understanding why or how they are valuing us. I will briefly then talk about the broader parts of my role beyond the global client leaders, but the global client leaders are the best example of how we try and offer our clients really the best of WPP, as a single point of access into everything that they might possibly need in order to solve their business problems.

I am delighted we have Carl talking about the magic formula for growth for Colgate-Palmolive; and Amy, who has the best team name. I should be wearing my 'Team Wonderful' sweater, but she will talk about the brilliant growth we have had year-on-year-on-year with Intel.

## A REMINDER OF OUR CLIENT CENTRICITY MISSION: TO CREATE A COMPETITIVE ADVANTAGE FOR WPP

Our goal is to deliver excellent **client satisfaction**

helping our largest clients **transform**, by unleashing the power of our **creativity**, expanding into **experience, commerce & technology**, and by growing **their** business, drive organic growth for **WPP**

WPP 3

I will give you a reminder first of the mission: the mission that I have, the mission that our global client leaders and anyone that works centrally has, which I truly believe can create a competitive advantage for WPP. When clients choose us and when they choose to spend more money with us and increase their tenure with us, it is because we are super focused on delivering client satisfaction and delivering excellent client satisfaction. We help our largest clients transform by unleashing the power of creativity, and we really believe in the power of creativity and brilliance in communication. However, as John said, we focus very much with those larger clients on driving organic growth by expanding into experience, commerce and technology. We believe that by growing our clients' business, we will in turn drive organic growth for WPP.

You will see Carl and Amy know more about Colgate-Palmolive and Intel than many people that work there. The real focus is on the clients' business and in turn, by doing the right thing, by understanding and listening hard to their needs, we will grow our own revenues.





This is a reminder of our top 20 clients. They do change around between 17 to 23, but our top 10 remains fairly stable. You will see we have seven here in CPG. We count BAT as CPG. We have five in Technology, which is always a story we feel we probably should talk more about, and so today we have deliberately chosen a CPG and a tech example with Carl and Amy; three in Pharma and Healthcare, which has been one of the highest growth areas for obvious reasons in the last two years and continues to grow; two in Auto, Ford remaining our largest client; two in Retail and one in Telecoms.

In terms of that concentration, our top ten account for about 19% of our net sales. The figure we show here is our top 30 equal about 30% of our net sales. 18 of our top 20 clients, the ones you will see here have over \$100 million of net sales. Increasingly, what is important, and the reason we talk about collaboration at WPP and have global client leaders, is actually the amount of different agencies and capabilities that any client needs today. So, 85% of our top 100 work with five or more of our agencies. We have just started to pull more of this data to try and explain or show how the growth works across the total business, and we have our highest ever client satisfaction at 8.1.

## OUR LARGEST CLIENTS ARE DOING WELL

### LEANING IN TO WPP IN TIMES OF TROUBLE 2020

WPP 2020 PERFORMANCE<sup>1</sup>

| TOP 20 ACCOUNTS | ALL GCL LED ACCOUNTS | ALL WPP |
|-----------------|----------------------|---------|
| -0.5%           | -3.9%                | -8.2%   |

*"A trusted partner during the pandemic: helping them **react** by adjusting their marketing spend and communications, **recover**, by getting back to business; and **renew** their marketing and business models in preparation for a post-Covid world."*

### FANTASTIC YOYOY GROWTH IN 2021

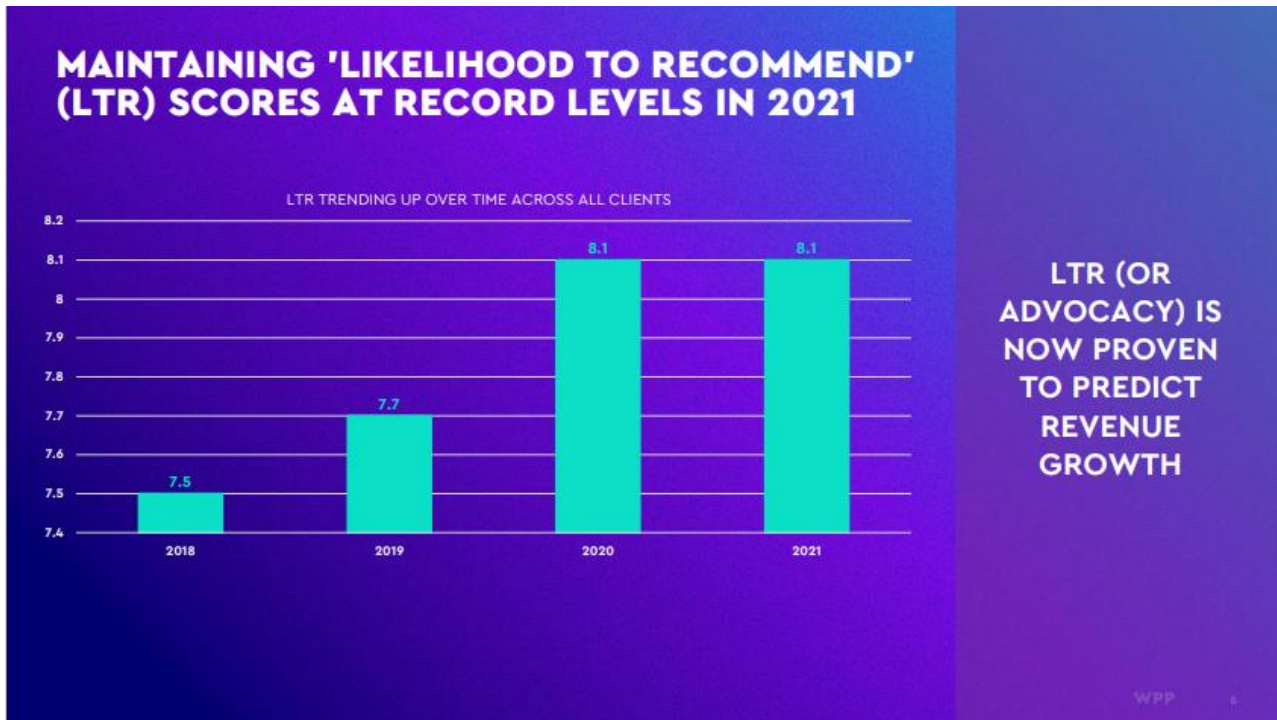
17 OUT OF TOP 30 CLIENTS GREW >10% ON 2-YEAR BASIS IN '21

8 OUT OF TOP 20 CLIENTS GREW >20% ON 2-YEAR BASIS IN '21

<sup>1</sup> Growth in LFL revenue less pass-through costs
WPP 5

We have talked about this over the last three years, that our clients are doing well and actually, our CSAT scores really began to move up in 2019, and then shot up to the highest ever levels during COVID. If you look at the figures here, and anyone that was on the call last year that focused on clients, you will see that whilst all WPP revenue less pass-through costs declined by -8.2% in 2020, the first year of COVID, all GCL-led accounts declined by just under 4% and our top 20 clients only by – I have cheekily put it in almost green – only declined by 0.5%. We really felt that our clients lent on WPP in a really trusted way, reacted really quickly: we shifted lots of their media money, which is obviously very important; we changed the communication; we helped with their corporate communications and crisis management; and we actually did a lot with colleague and employee-led engagement as well as a high growth area. We then helped them recover and think about how the businesses were coming back and then really helped them reset or renew for a post-COVID world, so a really positive performance for our largest clients in 2020.

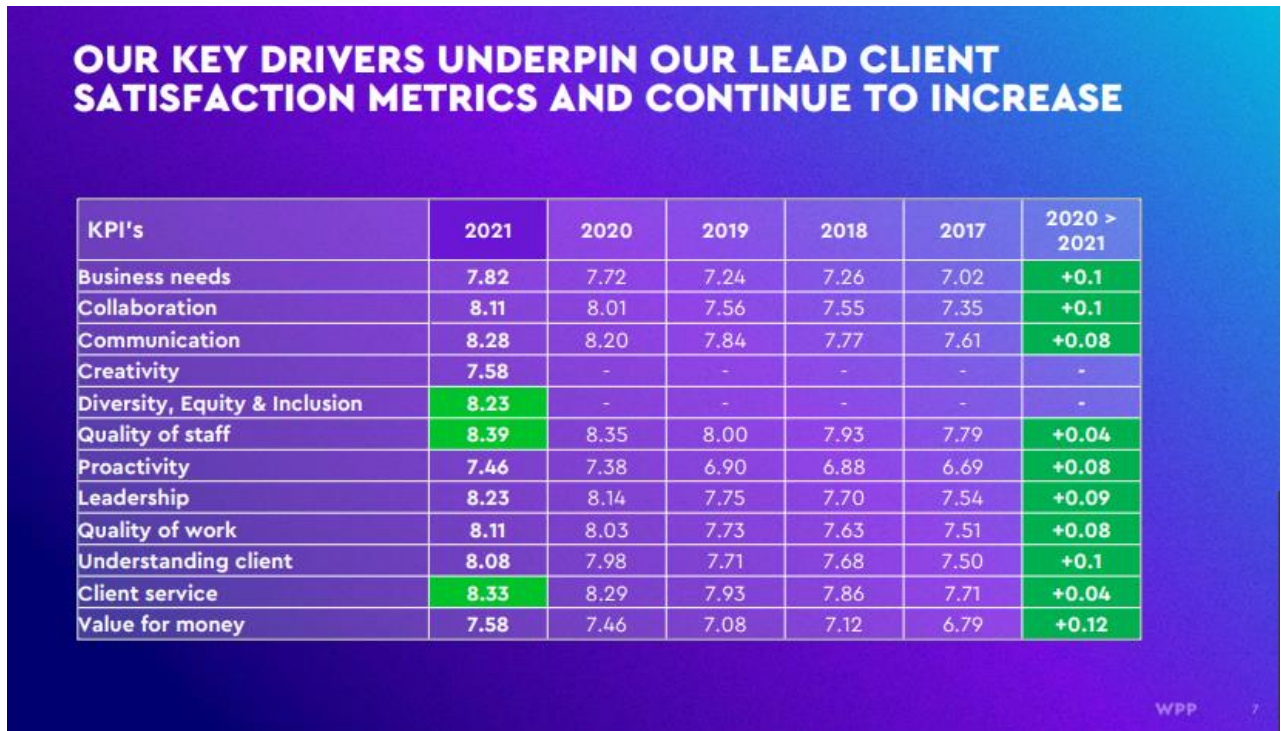
Then in 2021, 17 of those top 30 clients grew more than 10% on a two-year basis, and 8 out the top 10 clients grew more than 20% on a two-year basis. So, we are seeing those trends continue, and the two clients we have chosen to show you today are definitely growth clients year-on-year-on-year.



This is the Likelihood To Recommend (LTR), so our client satisfaction study. We interview about 47,000 clients around the world each year. The core question we asked them is on a scale of one to ten, how likely are you to recommend, WPP or VMLY&R, MediaCom or whichever agency they are working with. And you will see, as I said, we have had an upward trend in the overall scores but fantastic scores during COVID, and we have maintained those in 2021.

Some work that I will come back to at the end, that we are doing with the finance team so working with some of John's colleagues, is now looking to try and link into our financial system. We have a statistically robust model which shows the LTRs and likelihood to recommend or advocacy is now proven to predict revenue growth.





If we move on and dive in a bit deeper, we also unpick the different drivers of client satisfaction. What you are seeing here is the scores from 2017 through to 2021. Very broadly, you will see not great scores, to be honest with you; some are in 'the sixes', and the highest is just 7.7. Over time, you will see these steadily improving to some fantastic scores in 2021.

What we have pulled out in green, in the 2021 column, are the three core drivers that are driving the LTR scores. The highest for that is quality of staff, which is why we talk so much about talent retention and employee satisfaction and what we are doing to encourage people to work across WPP in many different agencies that we have, so 8.39 for quality of staff.

Almost the second highest is diversity, equity and inclusion (DE&I) which is a new measure we added in for the first time last year. We asked clients how well is WPP helping you achieve your DE&I goals, so that is a good score. We are very, very heartened by that; loads more work to do, but 8.23 is a fantastic score.

Then client service, so again back to why our talent is so important in the marketplace.

## WALKING THE TALK ON DE&I FOR OUR CLIENTS

*"On a scale of 1 to 10, how well do you rate our ability to support your DE&I goals?"*

| Global/Top 10 Markets | H2 2021 |
|-----------------------|---------|
| Global WPP            | 8.2     |
| Spain                 | 9.0     |
| Germany               | 8.9     |
| Italy                 | 8.6     |
| France                | 8.5     |
| USA                   | 8.4     |
| Australia/New Zealand | 8.3     |
| India                 | 8.3     |
| Canada                | 8.1     |
| China                 | 8.1     |
| United Kingdom        | 8.0     |

### Google

Developed a 'Product Inclusion Tool' for Google. The tool will enable Googlers to measure how inclusive their product or service is, how it compares to others and what, if anything, is needed to make it more equitable. [AKQA](#)

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Walgreens Boots Alliance

Helped WBA deliver over 34 million vaccines, targeting under served communities. Created a partnership with Uber to allow for safe transportation to Walgreen vaccine centres. **Walgreens named Brand of the Year** by PR Week Purpose Awards. [H+K Strategies](#)

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L'ORÉAL PARIS

Signed up to the "2% Pledge" in US - **Media Inclusion Initiative** - a commitment to invest in minority-owned media across all GroupM clients. We have increased spending by 120%. Also launching a dashboard to allow agency/team to track their own data. [Wavemaker](#)

I just wanted to pull out a tiny bit more that DE&I data. As I said, there is the question: how well do we support our clients in their DE&I goals? You will see here we split this out by market; we can split it out by client, we can split it out by agency and we can do the same for any of those drivers. We have a team of around eight entirely focused on client satisfaction and working with each of the agencies to pull that forward.

Here are a couple of examples of work we have done. I sit on the Inclusion Council for WPP. One of the tasks we set ourselves in terms of understanding our role, and our impact for clients last year, was to ask our top ten agencies to give us just one example – people have many, but just one example from each of their top ten clients. We now have 100 immediate case studies to show the different types of work we do.

Here is a great example for Google. AKQA developed a Product Inclusion Tool, which allows Googlers to measure how inclusive their product is. If any American friends are on the line, you might have seen that the Google ad, featuring Lizzo, in this year's Super Bowl was about the hashtag seen on Pixel, which is about the fact that the Pixel phone now captures black faces in the depth and beauty and pixelation that really a black skin should enjoy, whereas most phones have been designed to pixelate and to create better pictures of white people.

However, the breadth of what we do in terms of offering our clients help on DE&I is incredibly wide-ranging. The example for WBA is creating a partnership with Uber for safe transportation to vaccine centres. We also had a technology solution that helped identify COVID-hesitant people in areas where there were vaccines, and used technology to create digital communications to those who most needed the COVID vaccinations to try and push them over the line to go and get their jabs.

Then for many of our clients in the US, we have some really strong leadership by GroupM in the diversity space. We have encouraged most of our clients to sign up to a pledge, which is about spending money with diverse media owners, which is the example shown there for L'Oréal.



So as I said my role broadly has four parts. The first is looking after, working with and supporting from below our global client leaders who, as you will see in a moment, are some of our most experienced business leaders who build incredibly high stakeholder relationships. They are relentlessly innovative, put collaboration at the heart of what we do and are really trying to ensure that the client gets the best of WPP every single time. We have 44 global client leaders. For the first time this year, we have identified and are now supporting 56 key client leaders. This means that across our top 100, we now have someone, a senior point of contact, that is responsible for always thinking: I wonder who else can help me solve my problems? It is a means for us being able to get in touch and build a relationship across our top 100. As you will have seen in those numbers, the concentration is there at the top 30 and up to the top 50. However, our top 100 represent 53% of our revenue, so it is important that we look across all 100 if possible.

The other area of my role that we have developed in the last year and a half is really developing communities where experts in either a discipline or a capability come together, compare best practice, develop IP, often at times to ensure that across all our different agencies we are connecting people to have high-level conversations and understanding how they might better serve those clients. We have a very robust health community which actually has its own chief technology officer, has a head of talent specifically looking at how we bring talent into that area and has a head of growth, so a dedicated growth, new business person. We have a business transformation community which is thriving, a B2B community, and then most of the agencies have chief client officers so they also come together and understand what they can use from the central programme and share best practice. We have chief strategy officers helping us think about how we instil and upgrade that discipline across all of our agencies.



Last but not least we create, centrally, playbooks on 'how to' or 'the best of', so how to do connective commerce in the world of auto, or 'the best of WPP' in terms of sustainability. We have events, connections; we create experiences. We are now increasingly thinking about leadership and development (L&D). We have a ton of L&D, and Carl namely can speak to this, that we have focused on our GCLs and our most senior people at WPP. However, increasingly, we are finding that our clients would also like to have this learning experience as well, so a MarTech Academy or Commerce Academy, and we are building up an Experience Academy.

**WITH A SMALL & PERFECTLY FORMED CENTRAL TEAM  
SUPPORTING THE GCLs AND WPP MORE WIDELY**

| Name              | Title                                  | Functional Area                |
|-------------------|--|--------------------------------|
| Alan Davies       | Head of Client Business Transformation | Business Transformation        |
| Conrad Persons    | global Strategy                        | Growth - Strategy & Innovation |
| Ben Kay           | Global Planning Director               | Growth - Brand & Comms         |
| Sarah Hardy       | Managing Director, WPP Client Team     | Learning & Development         |
| Nina Rahmatallah  | SVP, Client Experience                 | Experience                     |
| Peter Law-Gisiko  | Group Commercial CFO                   | Commercials                    |
| Margaux Gatty     | Senior Manager, Content & Strategy     | Content                        |
| Poppy Acton Davis | Director, WPP Clients                  | Activation                     |
| Grace Walker      | Account Executive, Client Team         | Information                    |

WPP 10

If we click on, super briefly there is a small team around me. You normally get to see me, or me and Laurent, but I have a head of business transformation, strategy and innovation. Ben heads up our planning; Sarah, L&D; Nina, client experience; and Peter, commercial, supported by a small team. So, there is not just me; there is a beautiful team supporting me.



If we move on, last but not least, I think this will be interesting to you because I know you often ask Peregrine and John how we try and predict growth. The first thing we do, and we have done for three, three-and-a-half, four years is we always have very rigorous growth planning across our top 50 clients as a set template. We investigate and interrogate all the different opportunities for growth, what resources that global client leader needs to do that. That global client leader does that in conjunction with all of the stakeholder agencies. I feel that that is a very, very robust planning process now.

In terms of them predicting, within that, obviously we have a budget, and then we push them to a stretch. Then we think about transformational ideas. We never just accept the budget; we are always looking for where they are going to find growth. However, what we are trying to do with our vantage data, so our client satisfaction data, is marry that in with our Cartesis, so our financial system, and see what the correlation has been. You have a screenshot of it, which you probably cannot see that much of now, but we are trying to match the client satisfaction and our revenue growth. By matching those databases, we have hundreds and hundreds of thousands of records, and we can go back for five years. We have been able to confirm, actually, a correlation between client satisfaction and revenue, especially amongst decision-makers and organisations because we can split our CSAT data.

We are piloting a predictive model over the next six to 12 months, so we cannot hand you the model now, but based on that historical revenue and client satisfaction data. It will not provide absolute percentages or value but so far, looking at my notes, because we have correlation analysis, regression analysis and random forest analysis, and at the moment it is 86% accurate in terms of looking at revenue, decline or growth across our top 200 clients. So, just trying to show you that we are continually thinking about the future of how we may drive that forward and help you as you try and evaluate our business and our business growth.

With that, I am going to hand over to Carl. Thanks, Carl.





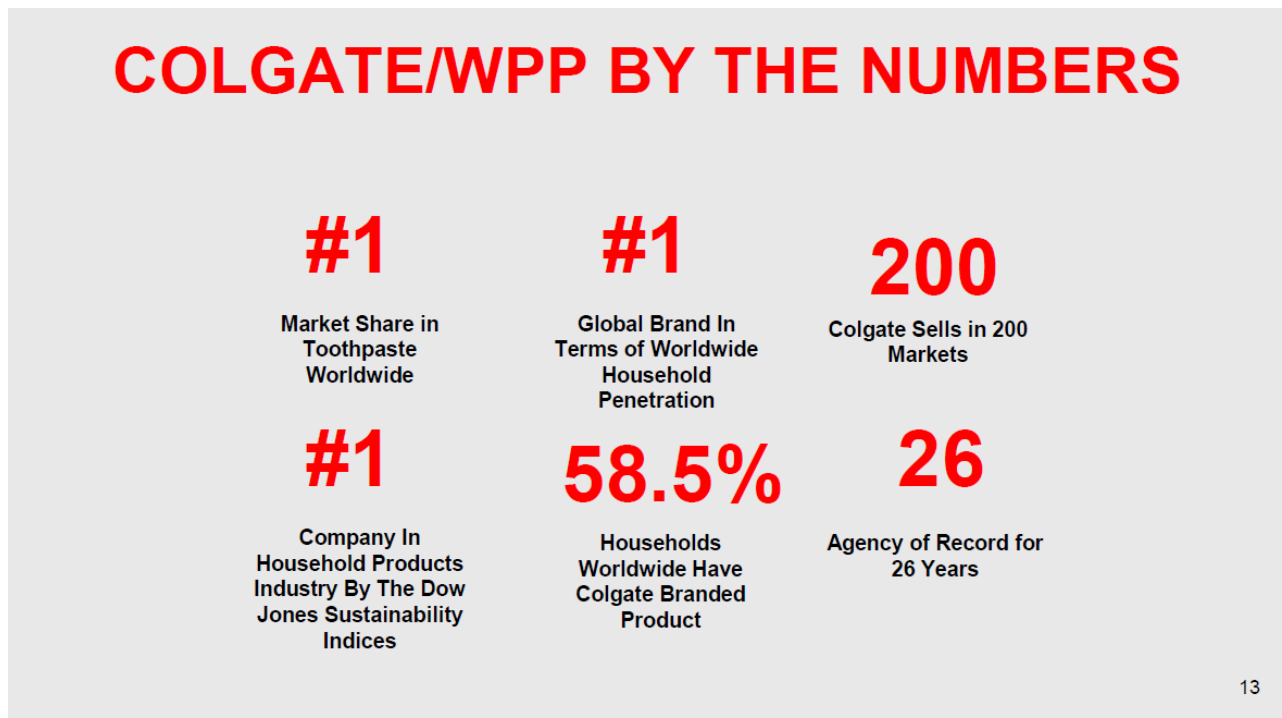
## What Is The Magic Formula For Growth?

Carl Hartman

*Global Client Lead, WPP/Red Fuse*

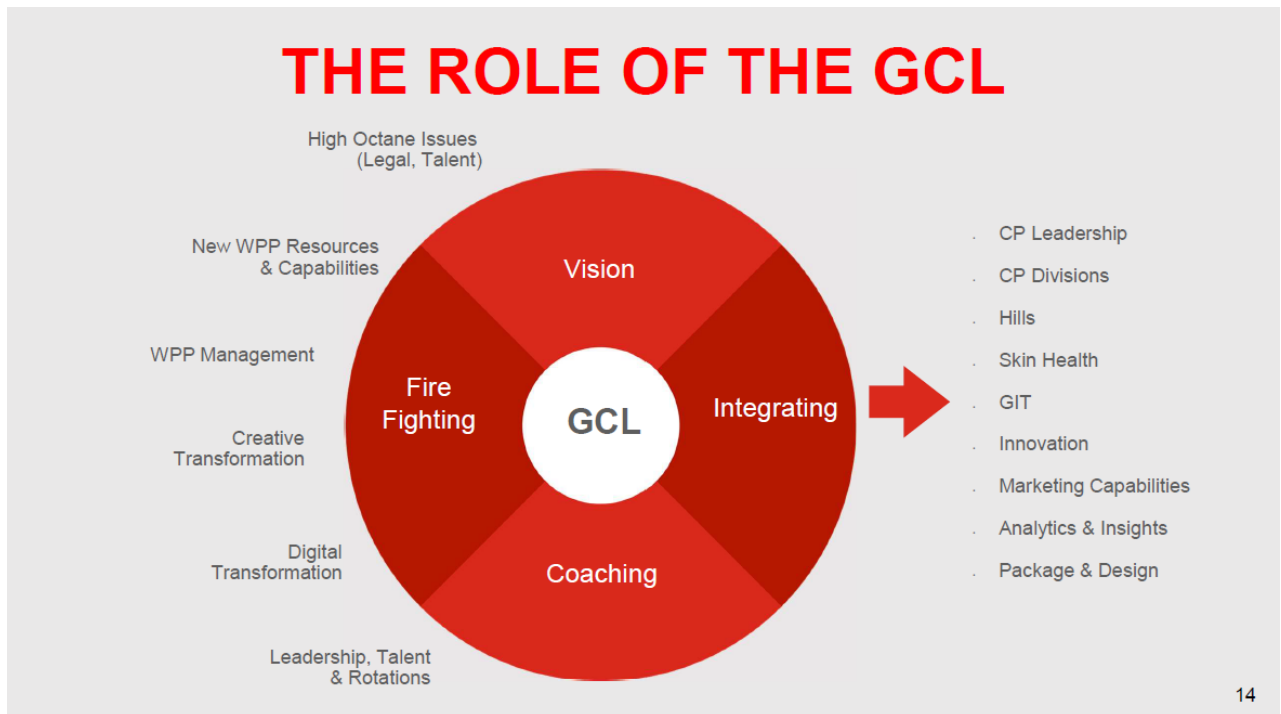
### Opening Remarks

Thank you, Lindsay. I am Carl Hartman, the Global Client Leader on the Colgate-Palmolive business. I have been in this role for almost four years. They have gone by remarkably fast. Lindsay and John asked me to share a little bit of my background. I grew up in the advertising business at Y&R running integrated accounts, moved into media working with what is now called Wavemaker. I also ran as CEO for North America Geometry and learnt the shopper, eCommerce business. Previously, I was a global client leader in Kimberly-Clark, and now I am working on Colgate. On behalf of Amy and the rest of the GCLs, I will say in some ways this is the best role within WPP because you get to see across the clients business, you get to see across WPP. In the same breath, I will say they are also the more challenging roles within WPP because of those two things. It is very complicated: WPP is changing every minute, clients are changing. Anyway, it is the yin and the yang of that.



On the next chart, a bit of an introduction to Colgate-Palmolive. It really is an extraordinary company. They are the number one global brand in terms of worldwide household penetration. Almost 60% of households worldwide have a Colgate-branded product in them. That is a lot of households, and they sell in 200 markets. They are number one market share in toothpaste globally, and they are also the number one company in household products industry by the Dow Jones Sustainability indices. Everybody else thinks of a lot of their competitors as being the most global. I would argue that Colgate is the most global company in the world.

We have been the agency of record for Colgate in different manifestations for 26 years, which is a long time, but I think what that has done is really built up a trust between ourselves and Colgate that I think is the bedrock of the relationship.




'The Role of the GCL', I hinted at this: the complexity – just a window into my world. I would say part of it is vision. We need to have a vision for what the client needs to do and helping them. We also need to have a vision for what WPP can do for the client. There is a lot of integration, which sounds easier than it is. Even within Colgate, I have Colgate-Palmolive leadership, we have divisions that we deal with. There is the Hills pet food business, the Skin Health business, Global IT, Innovation and R&D, Analytics and Insights, Packaging and Design, so there is a lot of the client that we are trying to weave together.

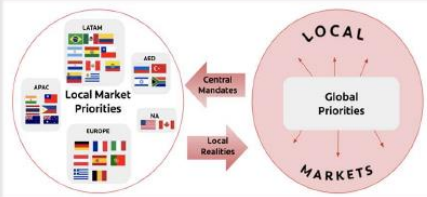
Then we are also trying to weave together all of WPP. There is a lot of coaching that goes on, a lot of firefighting. They are what I call High Octane Issues. If I get a call, it usually means something is pretty serious. There is also Creative Transformation, which is a huge initiative; Digital Transformation, which all of our clients are going through; and then Leadership, Talent and Rotations. There are not many weeks where I think I am bored, let me just put it that way.

**#1: INTIMACY**


**Knowing the clients**



**Knowing how decisions get made**



**Knowing the business priorities**



15

At the beginning, I talked about what is the recipe for growth. I will take you through five things. I think the first is intimacy. We really do know the clients. When I say the clients, I am not saying that in a generic way; I am saying we know the clients like I know the person who is in charge of sustainability, the person who is in charge of legal, the person in charge of procurement, and that we know at every level within the Colgate organisation. I think knowing people on a very human level, knowing what their ambitions are and what their challenges are, is critical. Knowing how decisions get made, every client works in a different way. You have to follow the money within the client and knowing in Colgate that divisions make a lot of the decisions is important. Then knowing what Colgate business priorities are, is my touchstone. What Lindsay said before is we need to grow our clients business first. I always think if I do that, then everything else will follow in terms of WPP growth – the touchstone I know at the end of the day. If I am working on Colgate business priorities, I am working on the right thing.

# #2: AGILITY



Moving toward areas of change



Comfortable with blowing up the past



Tapping in to the best of WPP at every stage



Proving confidence of future-proofing

16

The second on the next slide is agility. I think we have reached a point in this industry where the pace of change is constant, and so we need to constantly adapt and evolve. We need to move towards the areas change that we see: programmatic, eCommerce and digital transformation. We need to be comfortable with blowing up the past. I would say the vast majority of people who worked on the Colgate business when I came onboard are not working on the Colgate business today, and that is not because they were bad. It is just because we need to refresh talent, to get new thinking, to get people who are on the cutting edge. We have to tap into the best WPP at every stage, and WPP changes every day. We are making different acquisitions, agencies hire different talent.

Then one thing that Colgate has really impressed upon me is they want us to provide confidence in future proofing. Today, it is the cookieless world. What is it tomorrow? What should we be doing about the metaverse? What should we be doing about AI and machine learning? Agility really is a job where if I look at my to-do list today, it does not look much like my to-do list of last year.




**#3: CREATIVITY**

Big ideas are at the heart of the WPP offering

“ Marketers, brands & companies who are better at inspiring, guiding, & **partnering with creative** people simply get **better business results.** ”

- Scott Campbell, VP Transformation Initiatives & Capabilities at CP

Proximity to culture



“ **Creativity is our last big competitive advantage. It's the X factor that makes a business thrive. It makes the difference between a good business and a great business.** ”

- Ben Kay, Head of Strategy at WPP

17

Creativity is the only differentiator

The third thing is creativity, and I am glad you see it on Vantage scores now because it is critical. I say the consultants out there in the world can do a lot of things; they cannot do creativity. Big ideas are really at the heart of the WPP offering. Colgate knows that creativity will lead to business growth. That is a proven construct, not a leap of faith. I think because we have proximity to culture, we have some of the best creative talent in the world, we are able to provide creative that really performs from them.

In some ways, creative is really the only differentiator. Ben Kay talks about creativity being the last big competitive advantage. I really do believe that everybody is doing digital transformation, and there will be marginal differences in how people do that. The creativity is the x-factor. I will say our equity work for Colgate is a great example of that. It really does three things:

1. It builds brand strength, as measured by Kantar North Star measures;
2. It has a halo effect across all their products, so it is a very an efficient and effective means of communication;
3. It has the highest ratings in terms of marketing mix modelling.

That is a great example of great work. It also won at Cannes, so it has performed for their business and is recognised by our peers, but I think this is really something that all the GCLs have to deliver. If we do not, the relationship will not be that long.

# #4: THE RIGHT MODEL

Let's start with our vision for what WPP Red Fuse can be

| Red Fuse as a Platform  |  | Red Fuse as a Consultancy   |  |
|---|--|---|--|
| <b>Governance (Sharepoint)</b><br>Optimization<br>Sharing   | <b>Open Access</b><br>Financial Control<br>Hours of Working  | <b>WPP Experts</b><br>Storytelling<br>Collaborating   | <b>Integration</b><br>Change Management<br>Innovation Driver   |
| Campaign Planning<br>Media<br>Reporting<br>WPP Manager<br>Brand Experience<br>Planning<br>Optimizing<br>Tracking<br>WPP Studio of Engagement<br>Demand Management | Governance<br>Management<br>Compliance<br>Operational Control<br>Legal<br>HR<br>IT<br>Data<br>WPP Studio of Marketing<br>CRM (Customer Insights) | Brand Planning<br>Brand<br>Advertising<br>Research & Analytics<br>Brand Equity<br>Content<br>Creative<br>Campaign<br>Innovation<br>Thought Leadership | Campaign Planning<br>Creative<br>Research & Analytics<br>Brand Equity<br>Content<br>Creative<br>Campaign<br>Innovation<br>Thought Leadership |

**WPP | REDFUSE**

**THE CORE + MORE**

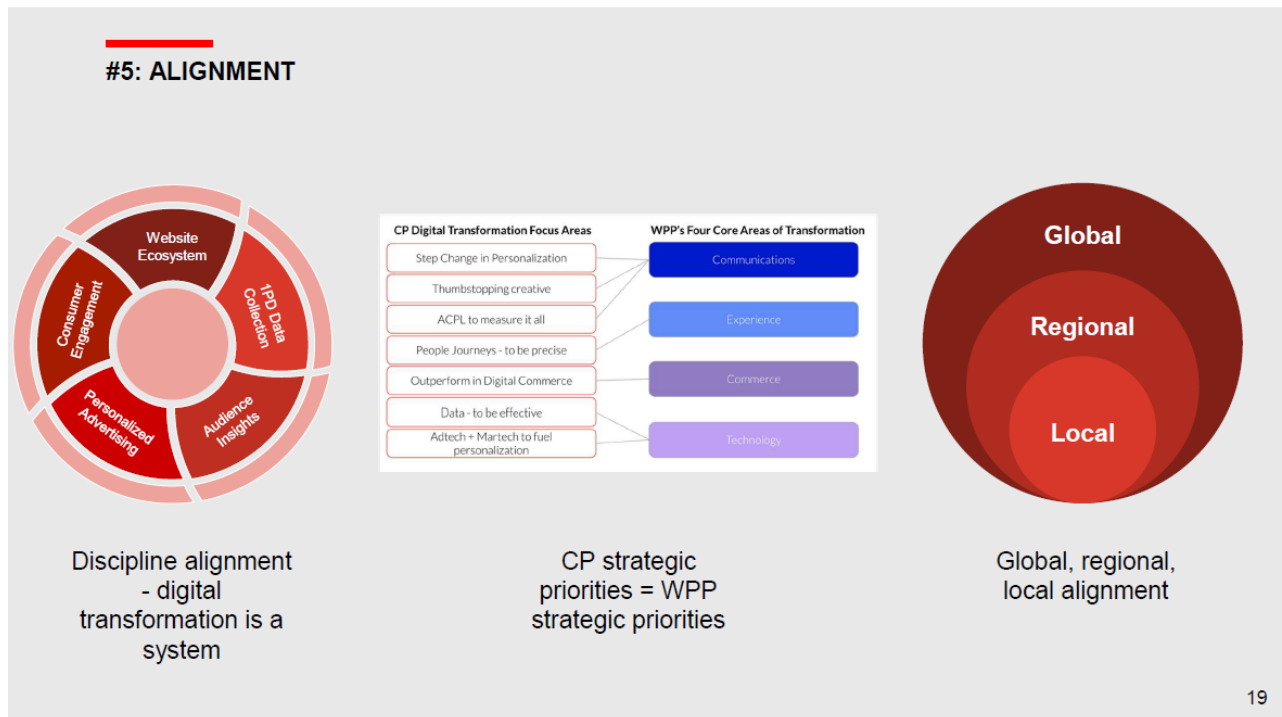
**ACCESS TO THE BEST OF WPP**

| Region        | Agency/Brand   |
|---------------|--|
| Global        | KANTAR, supervision, Desper, Bridge, HOK, WPP, Ogilvy, VMLY&R, Wavemaker, COMMERCE |
| APAC & India  | AKQA, geometry, LANDOR, WPP, Ogilvy, VMLY&R, Wavemaker, COMMERCE                   |
| LATAM         | AKQA, geometry, WPP, Ogilvy, VMLY&R, Wavemaker, COMMERCE                           |
| Europe        | AKQA, geometry, WPP, Ogilvy, VMLY&R, Wavemaker, COMMERCE                           |
| AED           | BARROWS, Ogilvy Public Relations, WPP, COMMERCE, AKQA, bcw                         |
| North America | WPP, Ogilvy, VMLY&R, Wavemaker, COMMERCE, geometry, m4244en                        |

**VMLY&R** **Wavemaker**  
**Ogilvy** **VMLY&R COMMERCE**

18

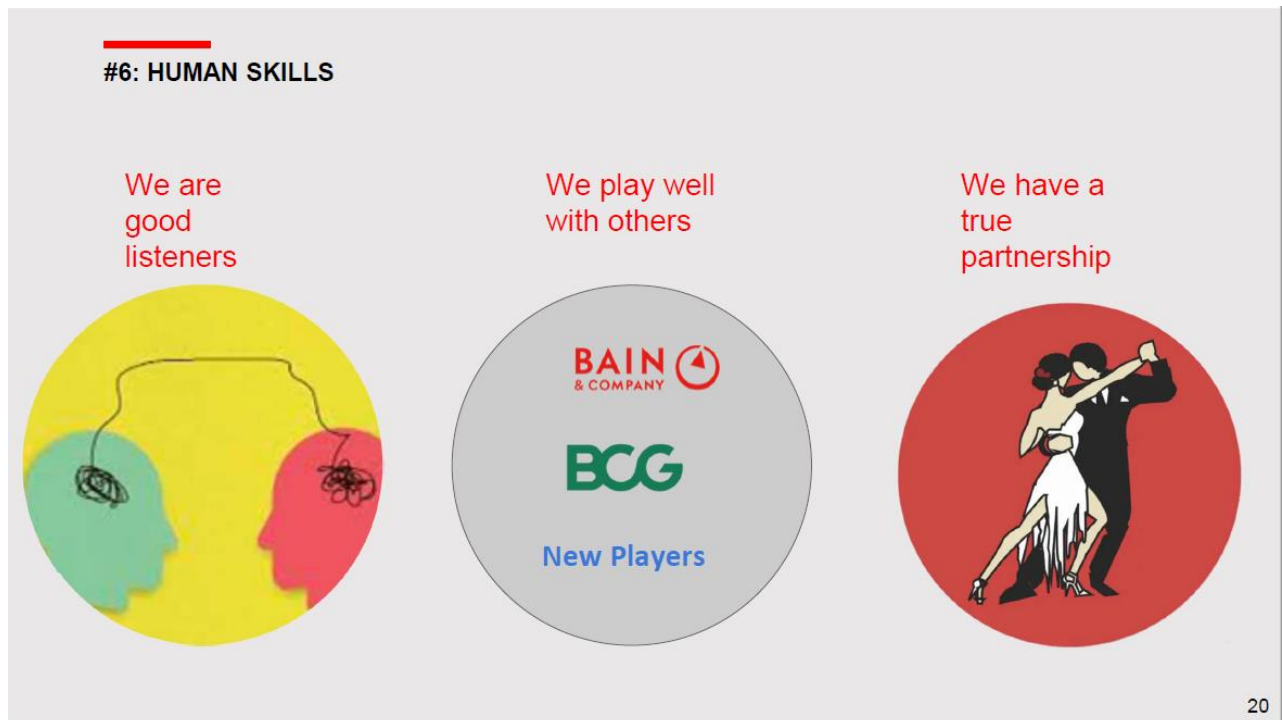
The fourth thing is the right model. I will predicate this by saying there is no one right model; there is only one right model for today, and there probably will not be the right models for tomorrow. A lot of what I and Amy do is we are trying to figure out what the client needs of tomorrow are and trying to rejigger, but in general Red Fuse went from an integrated, insular agency of the future to now. You see this idea of 'core + more'. We have core agencies that we work with in a very consistent way. You want people to understand the Colgate business, you want them to understand the brands and things of that nature. We have more, so we have access to the best of WPP, and we are choiceful about when and where to bring those resources and assets in.



The fifth is alignment. Maybe I am cheating and talking about integration again, but if you think about digital transformation, that is alignment, that is a system. Search, e-commerce, social and programmatic are all related. We tend to think of them in a disciplined way. A lot of what a global client leader does is we try to get them to work in a more systematic way and to get all parts of the organisation talking to each other on the Colgate side and the WPP side.

It also helps when the client's strategic priorities are WPP's strategic priorities. If you look at what Colgate talks about in terms of what they want to do in terms of their transformation, it is completely aligned up to WPP. Thank you, John and Lindsay, for making that happen.

The last one is potentially the hardest to do, but I would say global, regional and local alignment is easier said than done. However, that is something that is critical within the Colgate organisation.




I think this is my last one. I will say human skills, and this really is a human job in a technologically driven business.

First is we have to be good listeners. This cannot be just about what WPP wants; we have to listen to what the client wants. My wife is a therapist, and she talks about meeting clients where they are, and I think we need to meet our clients where they are too.

We play well with others. Are consultants talking to our clients? Yes, Bain and BCG are talking to them. That is not a threat. We are working with them, and I look at it as we want to make them win for Colgate too.

Then the last is it really is a true partnership. I talked about trust in the beginning, but we know they know that we are trying to do the best thing for them and vice versa, so it really is a partnership.

**Profile - Digital Transformation**



**Brigitte King**  
Global Chief Digital Officer,  
Colgate-Palmolive

**+27%**  
2021 Digital Net Sales  
Growth

**+230**  
Bps improvement in  
2021 eCommerce

**+42%**  
5-Year CAGR Digital Sales  
Growth

**80**  
Markets with Programmatic

21

I will end with, on the next slide, an example: Brigitte King, fairly new to Colgate; I think she has been there for two years. Our Global Chief Digital Officer, she came from L'Oréal and some other client engagements. She spoke at CAGNY, the consumer goods forum for analysts in New York. She is talking about some ambitious goals: 27% digital net sales growth, five year CAGR digital sales growth of 42%, 230 basis points improvement in 2021 eCommerce, 80 markets with programmatic. When she is saying that, know that we are behind that. We are helping and are partners in what she is saying to the street, and she knows that and we know that. So, that is Colgate.

I will now turn it over to the wonderful Amy Winger to talk about Intel.





## **Intel: Hello From Team Wonderful**

Amy Winger

*Global Client Lead, WPP/VMLY&R, Intel*

### **Introductory Remarks**

Thanks, Carl. Hi, everyone, I am Amy Winger. I am the GCL for our new Intel relationship just two years old. We have a way to go to get to 20-plus years that Carl's team represents. I will just start by telling you a little bit about my background and how I come to the GCL role. I have been with VML, now VMLY&R WPP since 1999. I spent the first half of my career in client engagement, business management, and the second half in strategy, most recently our Global Chief Strategy Officer for VML. I have worked across many industries: egg and box cereal to enterprise software, now to hardware. The experience ranges also from the early transition from direct mail to email marketing, which maybe dates me a bit more, to full tech stack implementations to global marketing. So all of that I bring to this engagement with Intel, which is indeed wonderful. I also have a special love. My side hustle in advertising is creative effectiveness, and so that is a real passion point. For me, proving the value of creativity, the business value or the economic value of creativity to brands, to clients, is super important.

## HOW WE STARTED

AdAge

### INTEL HIRES VMLY&R AS GLOBAL CREATIVE AGENCY

Tech company says an integrated WPP team consisting of various shops will assist on the account

By Lindsay Rittenhouse, Published on March 02, 2020.



- GLOBAL CREATIVE AGENCY OF RECORD

- INTEGRATED PRODUCT MARKETING ACROSS BUSINESS AND CONSUMER

- CREATE, LAUNCH, AND STEWARD NEW BRAND IDENTITY SYSTEM

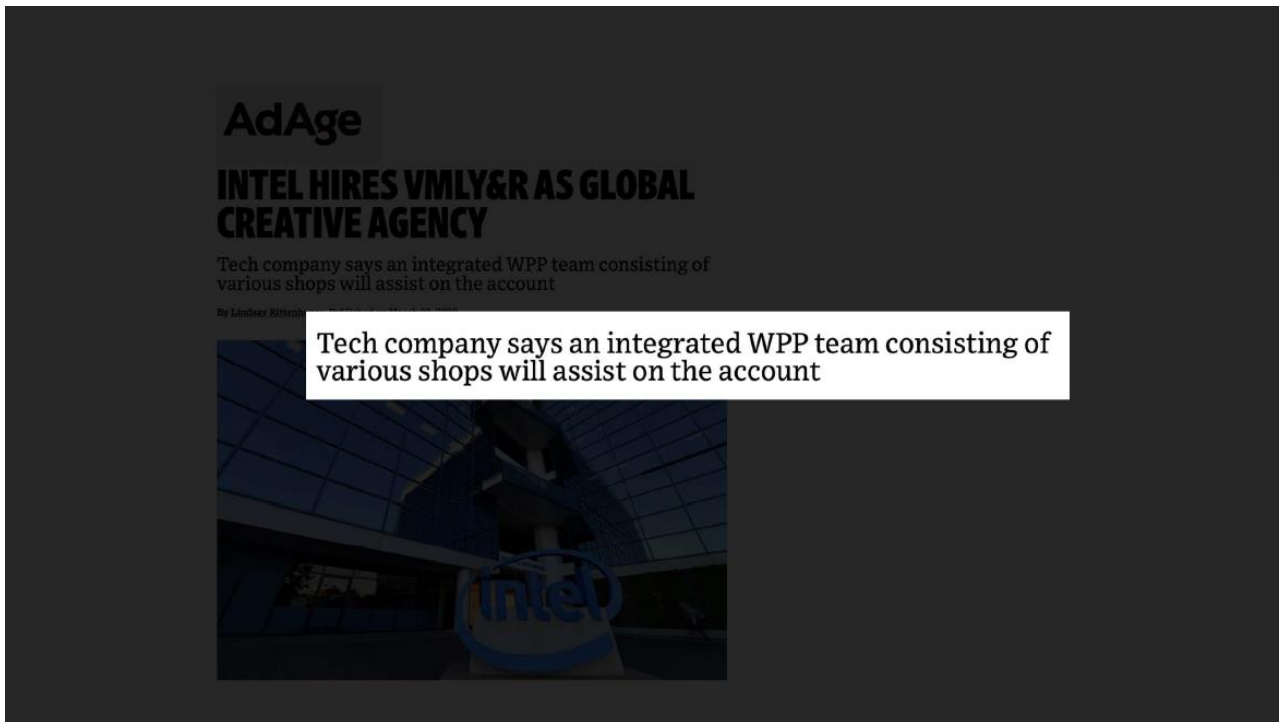
WPP 23

Today, I will share a couple of slides on how we started, and how it is going; and then a few key priorities for us here on Team Wonderful. There are a couple of interesting things about us. You will pick those up, and I will call them out as we go.

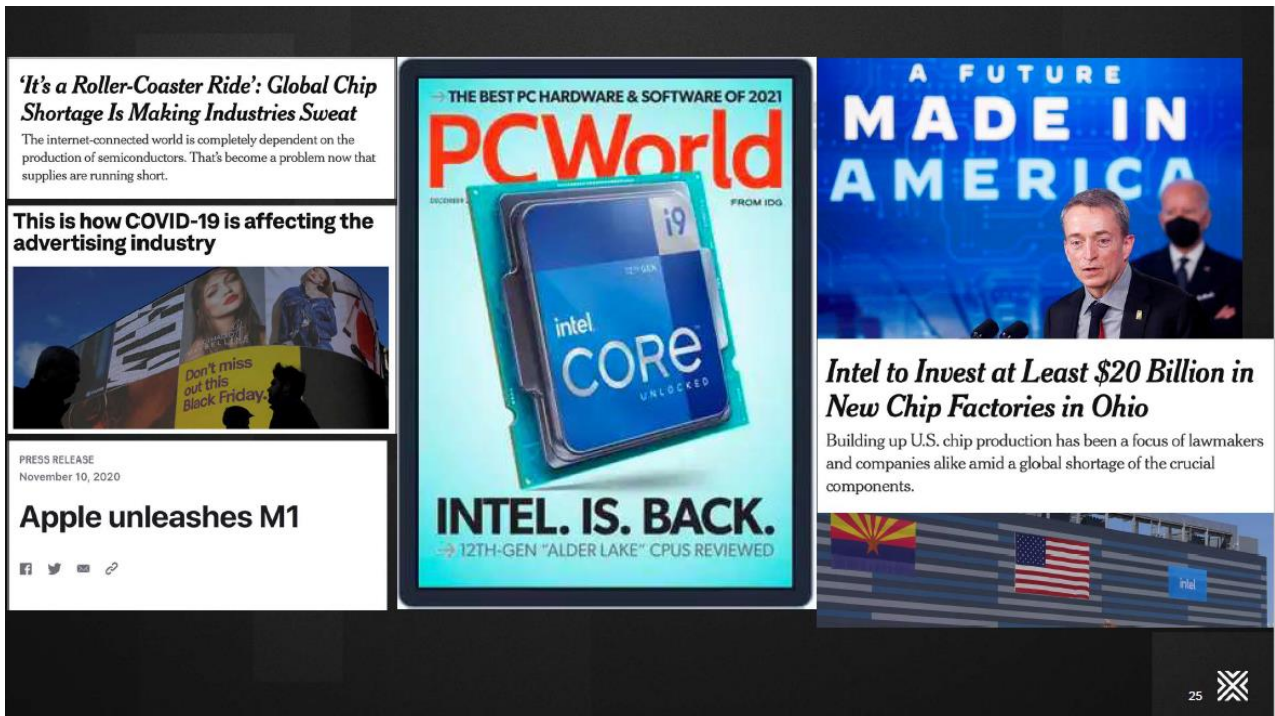
This was a pitch, as some of you might remember, that lasted several months during 2019 and was closed in just the first couple of months of 2020 when the award was. There are three key focus areas for us – a lot behind this, but if I were to boil it down, I would say:

- We are here to be a global creative agency of record;
- To create integrated product marketing campaigns, programmes and experiences across business and consumer;
- To create, launch and steward a new brand identity system.

This was won by VMLY&R, and it would be a fantastic win, a fantastic story even if it stopped there, especially because VMLY&R coming together as this global powerhouse was an early and very successful example of WPP's simplification strategy. So, VMLY&R lands this work.



I thought as I was putting this presentation together, this subhead was an interesting jumping-off point because the press said, 'An integrated WPP team, consisting of various shops, assisting on the account.' That makes the rest of us sound like condiments or sort of side dishes. What the GCL role or my mission is, is to create 'a best'. I would love for this subhead to say, 'WPP brings best of WPP team to tech giant.' That is the mission that I am on, to make sure that this subhead is not ever true in actual fact, but it is a it is a good jumping off point, looking back in time.



A little context for where we were just two years ago not down to the day, but close. It is almost hard to remember the incredible uncertainty that existed when the world went into lockdown, and it was at that very moment that our clients were set to fly from the Bay Area to Kansas City. We have all the window clings still up. They have been here since, fortunately, but it is difficult almost to imagine. There was a time when we did not talk about shifts all the time. We certainly did not know there was going to be a chip shortage, and we did not know that this fantastic, much celebrated, much anticipated win would need to start completely virtual. One note about our team: we were kind of born, formed and chartered completely virtually and have been virtual this entire time, save a few recent trips, both on production and also to our WPP campus in San Francisco, which is an awesome landing spot for our team.

At the same time, then, Intel is transforming. I hope many of you saw the State of the Union address with Pat Gelsinger and, of course, billions of dollars being invested in chip factories in the US and in Western Europe. I will just say look at that Core i9 chip in the middle, and then that little tiny Intel down in the lower right because I will come back to those.



**We Are Purpose Built**

I am going to talk about three things that are key to our approach. Being a new account that was the result or the win here for VMLY&R was a consolidation from five or six separate entities. This was post Intel's Agency Inside period, so it is Agency Inside to five or six agencies, then a consolidation here for global creative agency of record.

The first strategic pillar for us: we are purpose built, and what does that mean to us? If you look back to pre-2020, who we were as WPP: a collection of great agencies working around the world, doing great work for their clients, not necessarily connected though and delivering that like classic  $1+1=3$ , or just a classic multiplier effect.





Post the award to VMLY&R then, VMLY&R from a model perspective: access, centre of gravity, key context creation. Context is incredibly important when it comes to working with any client because as much as we can do the same thing from client to client, every brand, every corporation has its own context, ways of being and is on a quest, on a goal of growth. Now, as Team Wonderful, which is a riff on a famous founder, quote, 'Do something wonderful,' on Team Wonderful we have VMLY&R as the hub, creating that gravity, that context as global strategic and creative agency of record. Then we are able to pull in not just the legacy agencies who were already working with Intel, but also new capabilities in commerce, data content and MarTech. I almost wish this was animating because it is very much a living model. When we are able to come together, again that is my role to pull us all together as needed, when needed for the greater good of Intel, we are able to do things like the couple of examples I will share on the next couple of slides. I thought it would be helpful to see a little bit in action.

**We Are Flexible Not Fixed**



If number one is we are purpose built, number two is 'flexible, not fixed'. And Carl talked about flexibility. Flexibility, agility, of course, is an absolute mandatory in modern marketing, and it is incredibly important to match flexibility and flexibility when you have a client in transition. We also need to be permanently - if you are sports fans - always in ready position, and that is on this business. So flexible, not fixed, here is a relatively low lift example.

As an example, GSI, a terrific search insights boutique already resident at Intel – tremendous amount of knowledge. If we are able to connect their insights and data with Landor & Fitch and the brand strategy work that they are doing on the product strategy, then also connect what GSI is doing over to the VMLY&R creative and strategy team, we are able to maximise our absolute benefit to our value to Intel without our Intel clients having to force connections together, because any organisation, our clients need us as mature marketers to create connections, to create value, to create our own momentum and direction alongside them.



I have one more here, and then you will clearly get the picture of what we are talking about, from popping up teams and joining capabilities together to get to this best-of approach and mission that we are on. If we are to stand up, we will say, a demand generation nurture programme, what if we already have agencies working in related spaces with our client? What if we connect the MarTech power of Verticurl, the data and insights power of Wunderman Thompson, the content expertise of SJR and then the campaign and experience, know-how of VMLY&R? If we do that very elegantly, very smartly in a very flexible way, we get a nurture offering. In that way, then we can build the team on the fly. Everyone knows what their mission is, and how we work together. Then we celebrate the success together, so that is number two.

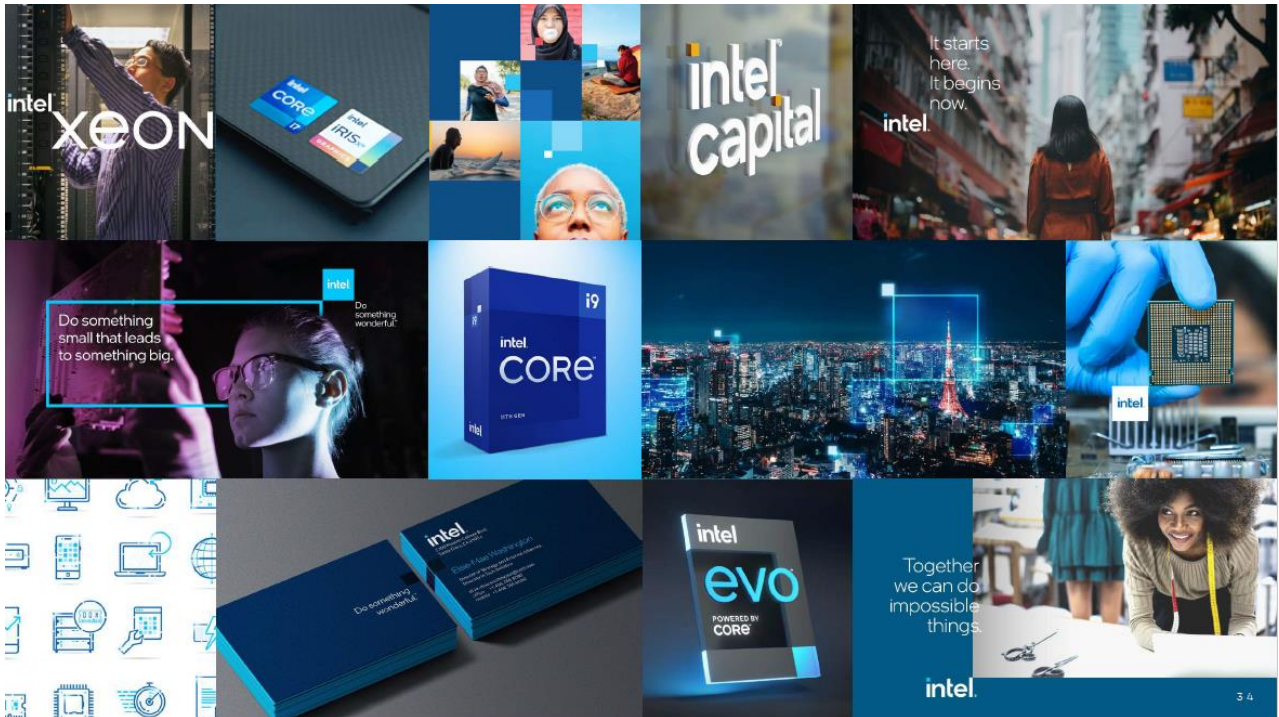
**We Are On A Creative Mission**

33

The third one is, I would almost say full stop, we are on a creative mission but there is more, more to do. However, we were hired for creative transformation. That means, if you remember back to that montage I had of some Intel headlines, we created only the third ever visual identity in Intel's history, which is phenomenal. I am so proud of this team and of this beautiful wordmark and all that there is now, two years hence; we are starting our third year right now. To think that this work, and work I will show you, all happened while people were at home learning how to use Webex or Teams or whatever it was, is really a testament to the talent and to the commitment, both of the WPP team and the Intel team as well.

I told Lindsay and team that I did bring this award. We got a coveted procurement award from Intel for this work during COVID, in recognition not only of the great work; that we reinvented how we work, and so this means a lot to us. Intel procurement told me that agencies do not usually win this award. It might be a first, and also that they are super proud of the work. So, they also said it was like the Cannes Lion of procurement awards, which I believe it is; I have never gotten an award from procurement. I think that speaks a lot to the relationship.





If you go to the next slide, so not just the wordmark but even more work. All the visual identity you see comes out of our team, and it is tremendous work that is driving Intel's brands forward. We are carrying it through into the campaign work.

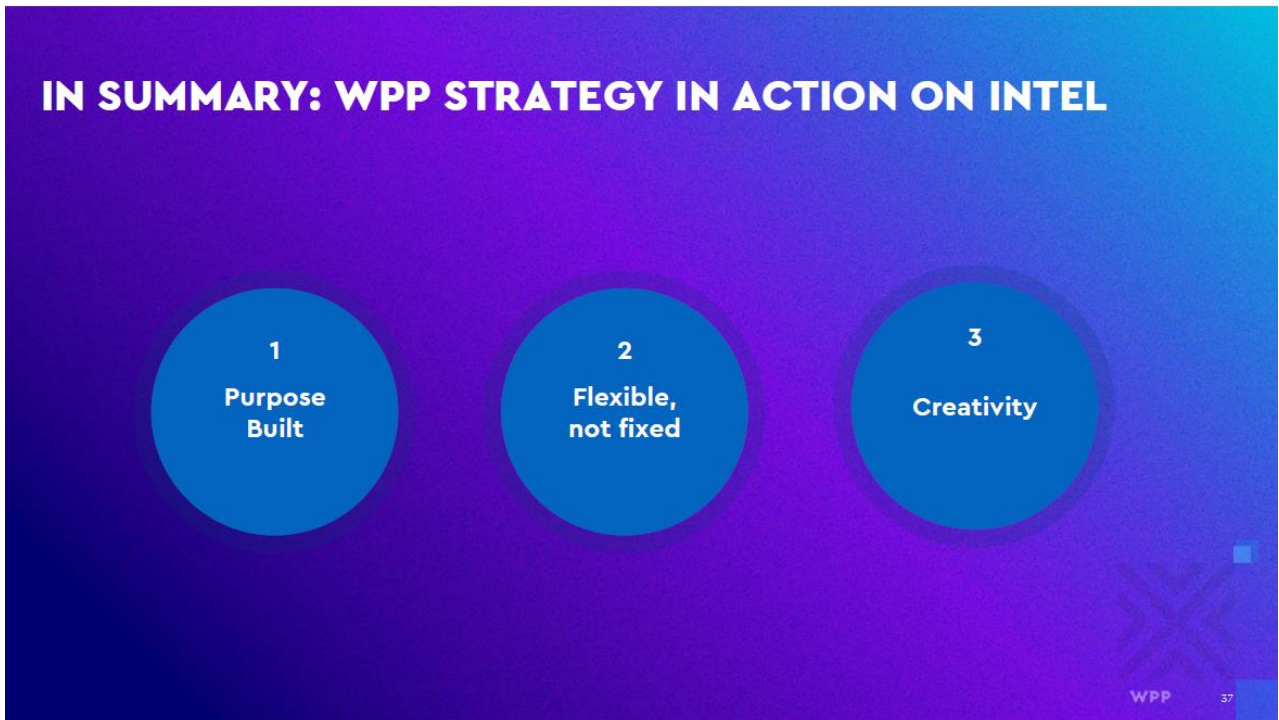


If you go to just one more slide, this is just a sampling of the campaign work that we have been doing, and in our very first year together. Again, that is a bit like a long ago feeling, period of time, where we were just starting work and figuring out how to be a team. We were shortlisted at Cannes and also recognised at the Effie's.

Our aim here is creative transformation and all forms that we can do that. These are just a few of the programmes that have already launched. Of course, there is more to come, but we are very proud of this work. Intel does not use Vantage as a measurement tool; we have a custom-blend scorecard. Our scores are also very good and getting better as well, so a lot of pride in this work and, like I said, more to come.



## Summary



In summary, three keys to success here as we embark on year three. They are:

- We are purpose built.
- We are super flexible, not fixed. There is a lot of opportunity and a lot of critical businesses that pop up, and we need to be ready. It is my role to pull everyone together to create the context and the goals, and then we roll.
- Lastly, creativity, creativity, creativity, and I will also say creative effectiveness as part of that – very important to develop that muscle memory for everybody in an organisation that creativity is not just from the arts and crafts department. Creativity drives business, and that is what we are here to do.

So, I will leave you by saying go do something wonderful. Thank you.

## Q&A

**Lindsay Pattison:** Thank you so much, Amy and Carl – amazing. I will kick off. I will guide through the questions. I will take one very briefly myself. **There is a question about how our GCL is incented before and now.** I do not know what it was before. It was slightly random before. I think it was always a mystery as to how anyone got incented, to be completely honest, in our former ownership, but now GCLs are very clearly incentivised: 100% on pan-WPP success, so 70% of that is on net sales growth. We have three points: a trigger point, a midpoint and a target point. Then three qualitative scores: the first is collaboration, the second is creativity and the third is client satisfaction. We use, obviously, the Vantage score, so very clearly defined ways for them to achieve their bonus potential.

The second: I want to answer this, Carl, but I will let you answer it because I know what my answer would be. The question was around **is there easy navigation now versus before, because you mentioned about complexity and obviously, Mark has been on a simplification drive? However, is it better? If so, why, and what else might we do?**

Then Amy, there was a specific question for you, which I think is similar, **talking about how was the merger of VMLY&R?**

I will hand to you, Carl.

**Carl Hartman:** Thank you, Lindsay. First, I would not be afraid of the word 'complexity', because I think you might as well replace that with reality. I just think that is how the world is right now. However, I would say WPP is so much easier to navigate than it used to be because there are fewer agencies, because there have been a lot of mergers that has made it simpler. Lindsay has created a great global client leader community. I do not know if I am willing to admit part of our secret sauce is a WhatsApp chat group. Just by thinking of ourselves as a community, that anybody can answer questions and you are not alone in this business, makes a huge difference. There is a lot more of an effort to get to know the newest members of the WPP family or getting to know Satalia and what they can do in AI, and that is a lot more formal. Then the last is there is a lot more training than there ever was. We used to have no training and now, Lindsey, potentially we have too much, but I guess that is another issue. However, I would say it is easier now than it has been, but it is always not easy. Amy, I will turn it over to you.

**Amy Winger:** I agree. The structure is simpler, and I note you used the word I was going to try to remember, Carl, but it is not just structural, it is cultural. That is important, that we all know to lean into each other and reach out. If on Intel, there are super interesting brand challenge similarities between Colgate and Intel, if the Colgate strategy and creative leads can come and talk with my clients and vice versa – I call it 'share, not sell' – and we can share, it is super interesting. In its way, it is a form of enrichment and training.

Down to the VMLY&R merger, yes, so I was at VML pre-WPP when we were just a little private shop, and so it has been great. How has it been for the organisation, for clients generally? I think it has been a nice puzzle connection of two pieces together where VML are exceptionally strong as a legacy agency in the United States; Y&R having an amazing footprint not just in the US, but globally, bringing that together. Also helpful – and I am sure you have heard this before – that VML and Y&R had some sort of organisational relationship before that official merger. However, the geographical merging, and then also the merging of some pieces of

culture, have also been really useful. So, I can see the value delivery from my role as GCL differently and more clearly because we do need depth in all the ways that we have now.

**Lindsay Pattison:** There was another question which I will take, which was a question saying **do we plan to go deeper down with the GCL structure?** I said we have about 44 GCLs when we win a new piece of business, so Intel, for example. Then that naturally creates a global client leader role, because we do find more and more clients are asking for it. Across our top 100, they are key client leaders, but obviously, some of those we believe have more growth potential than others. Those key KCLs will get support from the central team. They also have a community, they will come to our client leaders summit, which is in April. They have their own WhatsApp group, and they are also involved in the L&D work that we provide, so we are testing that out. Our hope would be that we do grow with some of those clients, and those KCLs become GCLs, which is a more formal role and more formally incented and managed, so that is that question.

There is another question here. I think both of you can help answer this as well, but it is **what is the balance between playing nice with consultants versus making sure WPP is winning its fair share in a growth area?**

I will kick off by saying we play nice with all the consultants. Laurent, who is our Global Head of New Business and Marketing, who many of you will have met, is an exceptionally nice man, which helps. He works all the hours God sends. However, we need to push them, but you need to push them by being on it, by being tenacious, by being nice human beings, by proving your USPs. However, it is quite a lot of work.

Carl, what about your experience in that?

**Carl Hartman:** Yes, I would say if I were a client, I would use consultants too. We are in a long-term relationship, and sometimes it is good to have somebody come in from the outside and provide an objective opinion on what you need to benchmark yourself at or something like that. Again, in some ways, the BCG benchmarking is helping what we need to do. A lot of times consultants come in and tell senior leadership at Colgate-Palmolive things that maybe we are telling as well, and it just helps to have another voice in the mix. I would say they are trying to expand their business just like we are trying to expand ours, and there are some products and services that they provide, they are squarely in our wheelhouse. That is where I would say the advantage of the relationship usually pushes things in our court.

**Lindsay Pattison:** I am sorry. I realise I answered it from a perspective of pitch consultant. You can see my mind immediately went to that. However, Alan Davies, who is our head of business transformation community and looks at business transformation in general, has developed relationships with each of the consultants to see actually where might we at times – we do pitch sometimes with consultants, where there is something structural at the start of a process that we do not believe we can do. What we are trying to look to do is to maybe have one or two go-to-market examples of how that could best work because we think we probably will be stronger together. However, it is just up to us to be really honest about where we think they can add value and where we do not answer the brief.

Amy, do you work with any consultants on Intel?

**Amy Winger:** Not with so much as alongside at this point, but I will say just a historical perspective, since I have worked at a lot of big technology projects, and consultants tend to show up in digital transformation and tech, oftentimes, it is a matter of altitude. Perhaps a consultant is so far up in business case, and there is a relatively large gap between a super high level business case, and then also that everything else that needs to happen before any of that becomes real and really drives value for a client. That can often be a distinction. I think maybe that is not readily apparent if you are just thinking about there is two companies, they seem to do the same thing. Actually, when you get inside of it and you see the decks and you see the output, the work is quite different. Oftentimes, it is complementary, just like Lindsay and Carl were saying.

**Lindsay Pattison:** I will take the next one then. Then there is a question for John. **There is a question about how do you onboard something like Coke from a GCL perspective?** Coke was already an existing client with revenues, not quite at the \$100 million mark but was a significant client for us and has been for many years, but in quite a disparate form, a bit like the chart that both Carl and Amy showed, a 'before' chart because that was the way they were structured. We are definitely onboarding them. We had 70 of their marketing leads with us and at SeaContainers two weeks ago, and 30 of the WPP team with them for two full days. It was actually the first time that many of those marketers and met each other because many of them had changed jobs during COVID under Manolo's leadership and his own business transformation of Coke. I think we are still in a transition process, but we begin transformation, I believe, on 1<sup>st</sup> April, and it has everyone's attention. When Mark talks about our priorities, this is one of our number one priorities in terms of making that model and that offer work. Actually, Coke are proving so far to be absolutely tremendous clients. We had around half of their media business, and we onboarded the rest of their media business, actually by 1<sup>st</sup> January. I do not even need to touch wood at this point to say we onboarded that incredibly smoothly, so that part of the transition worked well. And John, a question for you: **with so many aspects of the organisation contributing to a large client's needs, how do you track costs?**

**John Roger:** It is nice to be asked the question; I am not normally asked the question. The way our accounting systems work, we are actually able to slice our data through our operating agencies, through our countries and also through our clients. We can actually slice and dice our data through multiple lenses. We have pretty good visibility on client performance, even if that is mapped across a number of different agencies, and that also applies to costs as well. And we actually did a piece of work in the last 12 months. It just looked at how do we measure our client profitability. We changed the methodology slightly over time, but we now have, in our view, a very accurate means of measuring our client profitability. That is really important for us because obviously, as we get changes to scope, win new work, deploy new resource against clients, it is very important that we have a pretty real-time understanding in impact, of how that impacts our client profitability. Also, I think Lindsay talked a little bit at the beginning about client satisfaction, and that clearly needs to be our number one key performance indicator. However, over time, we want to really be able to link client satisfaction with client profitability, with future revenue growth. We are not there yet in terms of having that great holistic, enterprise-wide data model, but we are starting to build the component parts that will enable us to really sort of track performance over time and understand the key drivers that fundamentally underpin client profitability, but

also most importantly our clients' satisfaction which Lindsay really highlighted at the beginning.

**Lindsay Pattison:** Carl and Amy both have full visibility across all the agencies working on their business. They produce a growth plan. They can go into the system and look at the revenues at any time. Just as John runs with the main agencies a budget Q1F, Q2F, Q3F sessions, I also do one for the top 50 clients as well. We look at it through lots of different angles, for sure; we have lots of people looking at it and focused on it.

**Are client conflicts still an issue?**

I think less and less. I will hand it over to Carl, but we generally work our way around them because the firewalls that you can put in place now, the adherence and the regulations that govern us mean that we can be fully transparent and show the systems and the protocols that we have in place. I actually believe that clients almost conversely care about us having expertise in their category and certainly expertise, capabilities and case studies on what other clients have done in this space. Rest assured, we have very strict and stringent contracts, and some contracts that will go as far as naming, obviously, key personnel and restricting key personnel for a period of time after they have worked on the business. That is fairly standard, but I think we see it less and less. I remember when I used to run one of my media agencies, they was an incredibly long list of agencies, which is probably one of the reasons why we ended up, at one stage, with five media agencies. We are now back down to four, but I think they do care about it less. One of the reasons might be to the earlier point, because consultants work with every single client in every single category, so if it is okay for them to do it, why would it not be okay for another professional services organisation?

Carl, do you agree?

**Carl Hartman:** Yes, I would say I do think our protocols are much better than they used to be, and clients are very comfortable with that; that if I am working on Colgate today, I make sure I am not working on a competitor tomorrow. However, you cannot say I want the best of WPP and expect WPP just to be Colgate. I think they recognise the more big clients we have who are attracting talent, then the more talent they will have to draw from.

**Lindsay Pattison:** Great. There was one point that actually Carl, I would love you to just touch on, which was about the ease of navigation. **Maybe if you can talk briefly about Navigator and then your version of Navigator, which other people are following, just to close us.**

**Carl Hartman:** Lindsay's team has created a great tool for navigating WPP. Finally, there is great search capability where if I need a design agency in Thailand, I can figure out who is there. If I need eCommerce agency in Malaysia, I can figure out who is there. I put a front-end on it for the Colgate clients, and now the leads at Colgate, who manage the agency relationship, can do their own searches and try to find which capabilities. I ask them to go through me and not to go directly to those agencies, just so everybody can be moderated. There is not probably a day that goes that I am not using that tool in some capacity, so technology is definitely helping us make the complexity simpler.

**Lindsay Pattison:** Yes, it is a great example. Actually, we have five of our top ten clients now asking for their own version of that navigator as well.

Thank you very much for your time and your questions. I hope you found it helpful and interesting, the benefit of having, in real life, Amy and Carl explain what their job is, what it involves and how they pull together, because they are always asked about models. The answer is always there are always slightly different models for every single client, but hopefully you saw their passion, their expertise and the way that they pull together all the resources to really give the 'best of', which is always the ask. Thank you John, for kicking us off, and Peregrine for organising. We will sign out.

[END OF TRANSCRIPT]