




LBi Strategic roadmap

Luke Taylor, CEO

March 2008

1. Our vision

2. Operational action plan 2008

The background is a dark, heavily textured surface, possibly wood or stone, with a vertical grain. A bright red arc curves across the middle of the frame. On the right side of the arc, there is a small, torn piece of white paper with black markings, resembling a torn document or a piece of tape.

Becoming the definitive agency for the digital age

Marketing services industry
is under siege by the
empowered consumer

Today's consumer:

Active and vocal

Resents intrusion

Transient

Respects peer-review

Embraces pull over push

It's all about dialogue:

Agency culture:

Collaborative, egalitarian

Agency process:

Agile, empathetic

Agency offer:

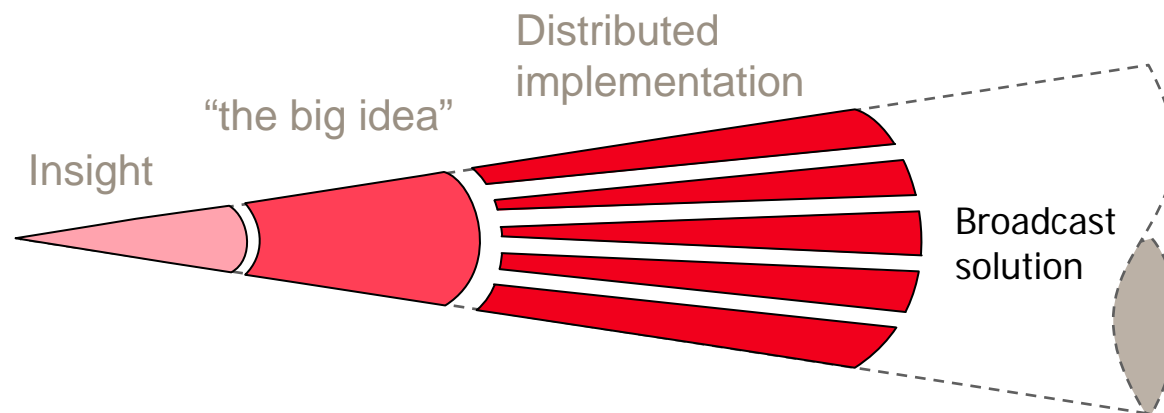
Technically and analytically literate

This is a world apart from the traditionally siloed
and creatively dominated advertising agency

The “big idea” needs to be subjugated

The traditional model of monolithic service driven from a big idea is no longer fit-for-purpose

The traditional waterfall process cannot keep pace with customer desire

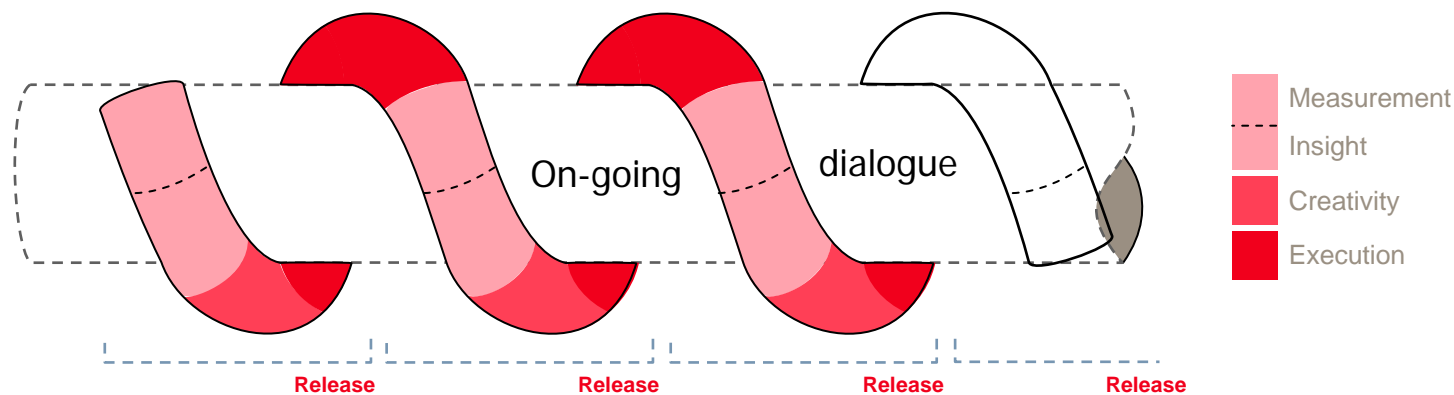


Customer interaction must shift from broadcast to dialogue

Successful agencies will manage conversations with customers

Digital agencies have a unique heritage, which allows them to fully understand interaction and dialogue

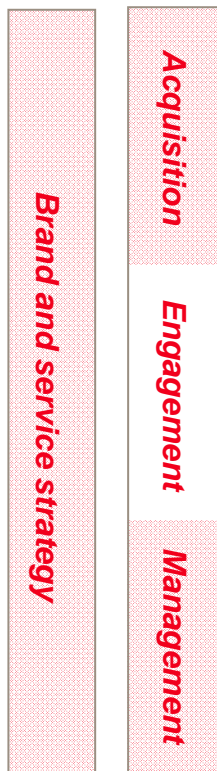
Engagement with customers needs to become iterative and continuous



So, the creative process needs to become iterative and continuous

New skills and a new approach are needed to deliver this

The organisation, the culture and the process of the new agency must change



Blended and joined up thinking

Intimate relationship between concept and craft

Collaborative and defined lifecycle

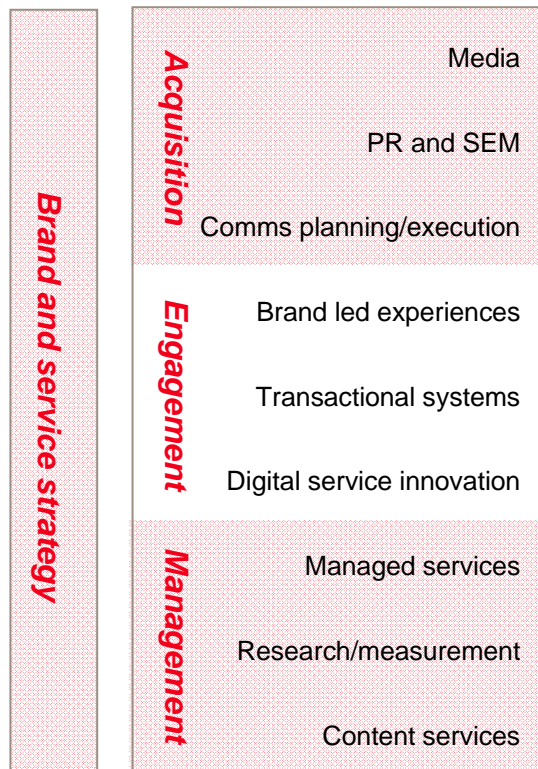
Humble — no egos or politics

Requires

- One P&L
- One vision
- One incentive model
- One way of working

One company
(not a network)

Agency offering for the digital age



- Data availability and channel complexity requires mathematically **precise** thinking.
- Technical literacy enables delivery of ideas that are **responsive**
- Listening and involving customers in the planning process drives **continuous** iteration

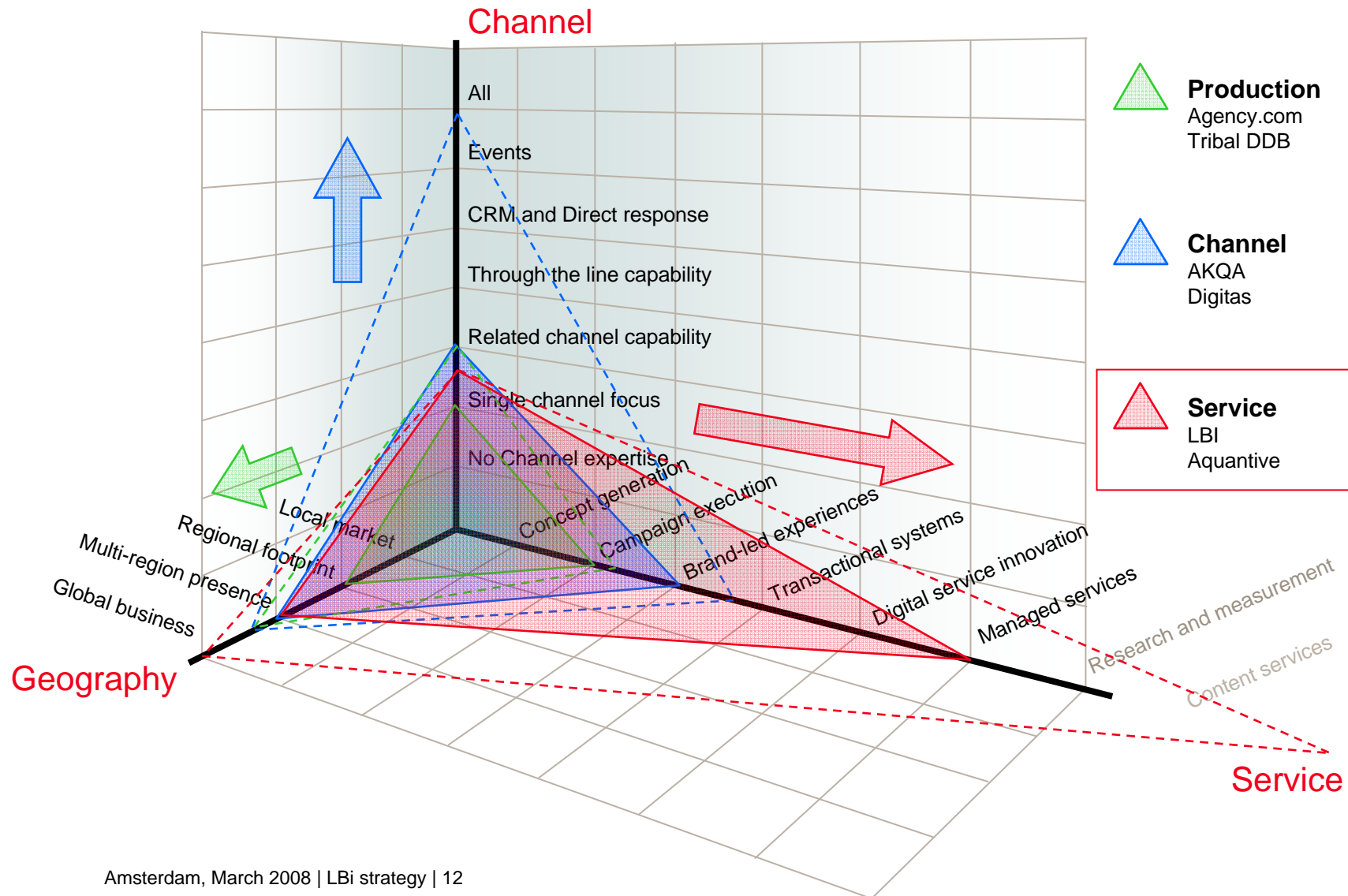
Requires

- Access to data and real-time monitoring and analysis of behaviour
- Multidisciplinary skills interconnecting through defined processes and lifecycle
- Continuous engagement
- On-going management of the solution

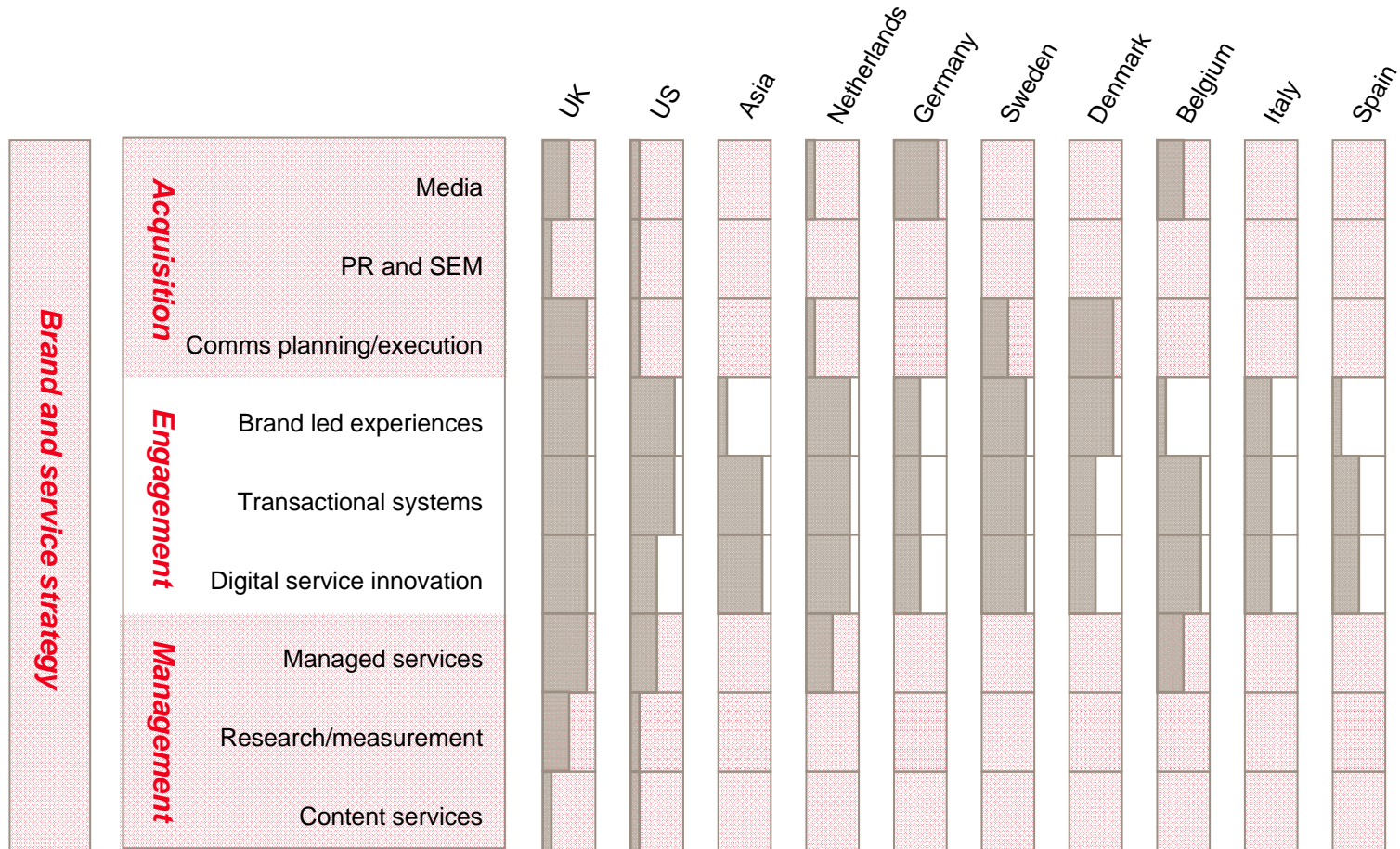
Where are we in the
journey?

LBi is a global marketing and technology agency.
We blend insight, expertise and creativity to solve brand and business challenge.

We have a unique digital full service offering

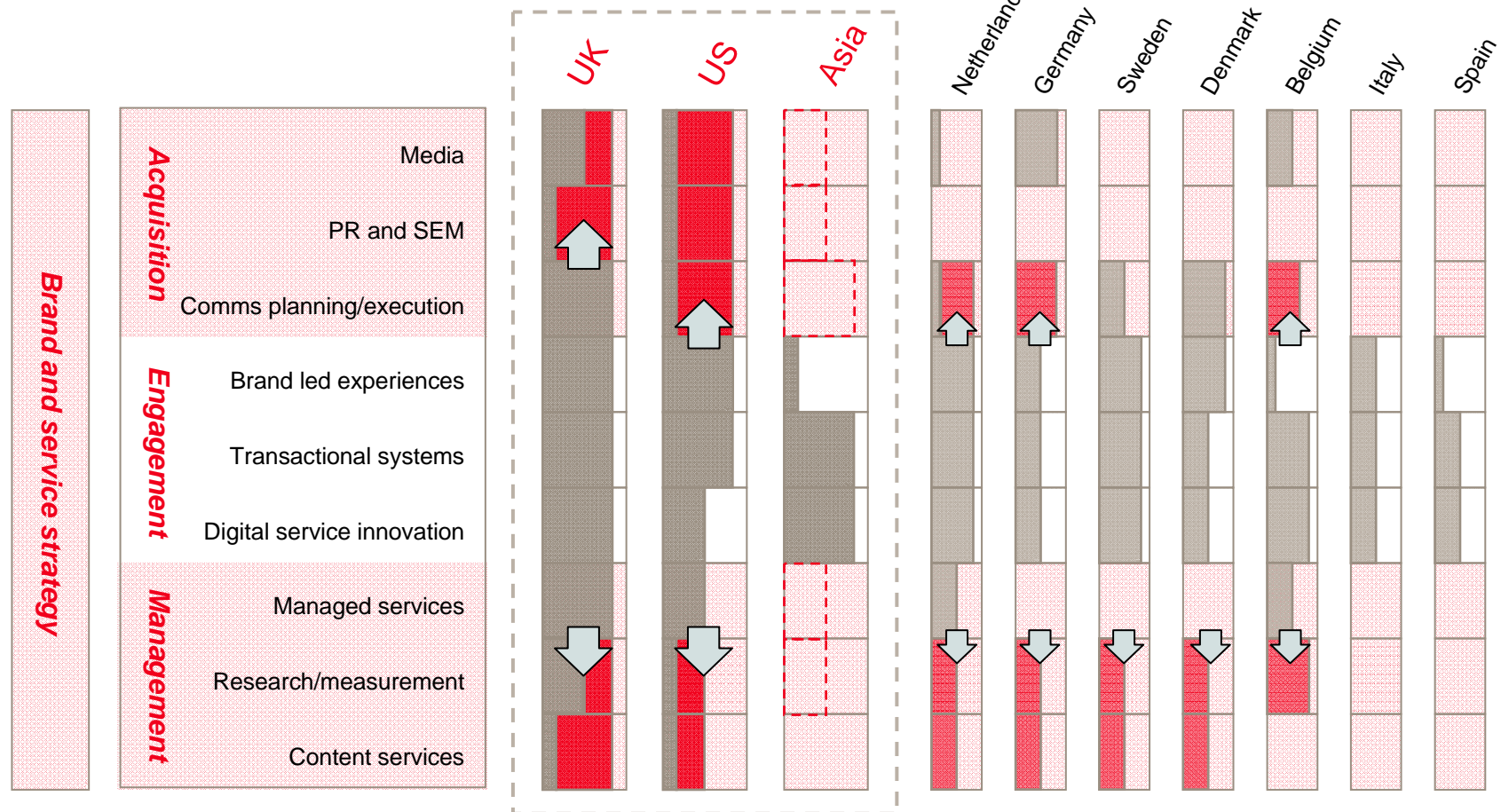


We have a consistency of offering across key markets



We need to be best-in-class in key “hub” markets

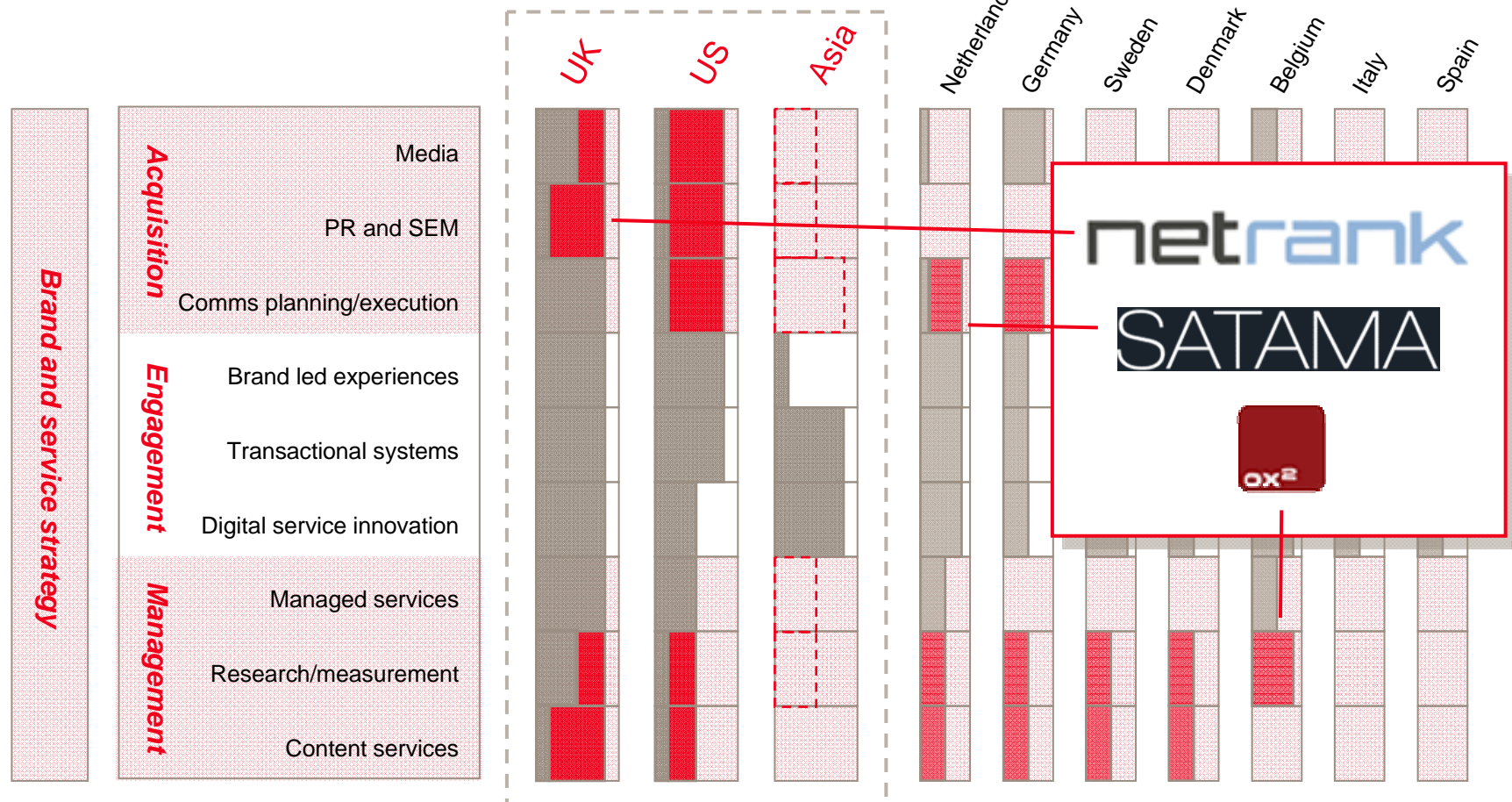
We will extend *consulting offering* further in these hubs through acquisition



Some geographies will also organically augment both creative and research capabilities

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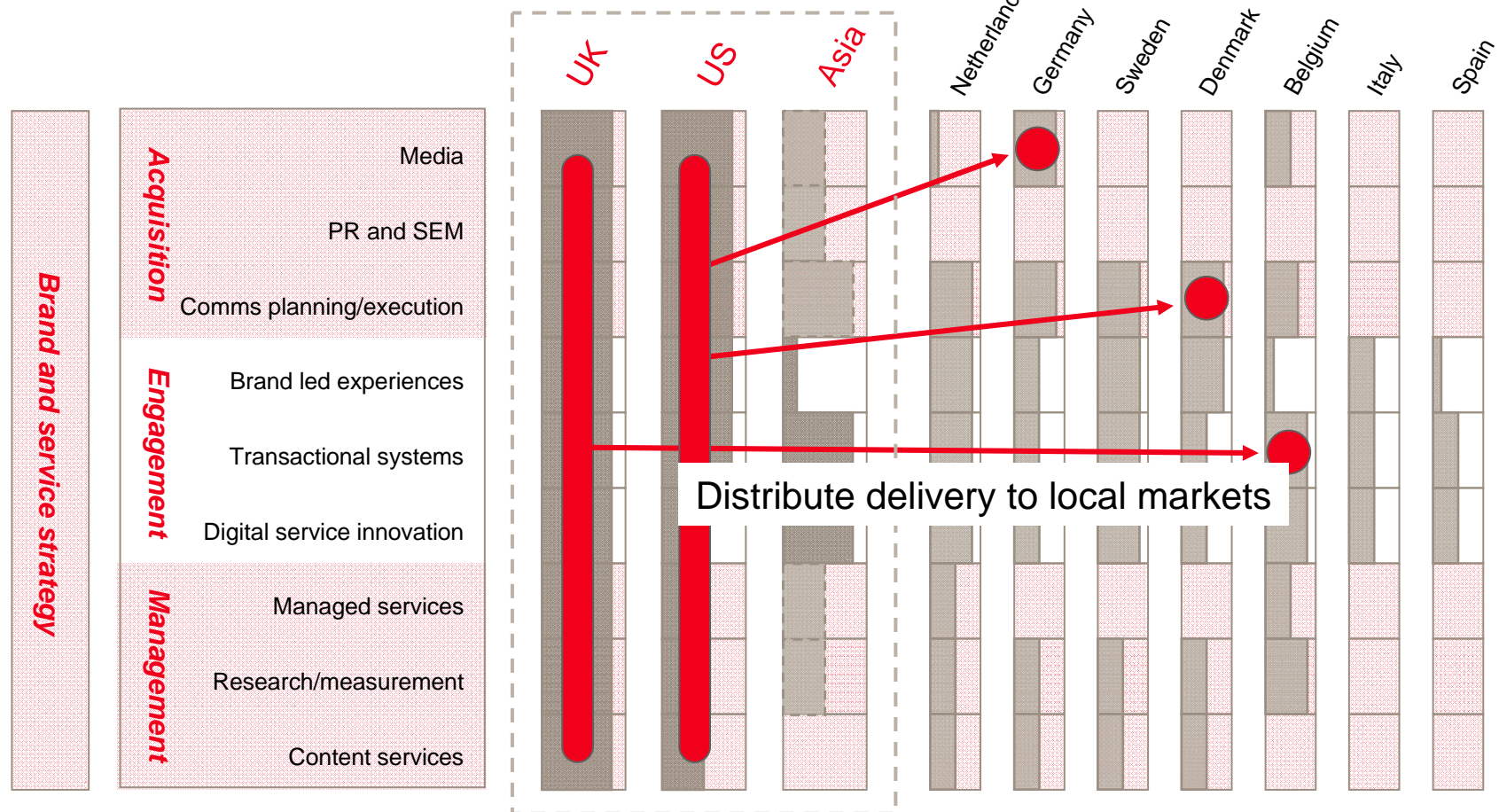
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We will then focus on distributed delivery

We will consolidate new business activity in hubs markets – where demand sits



We will leverage local rate cards and market centres of excellence to client advantage

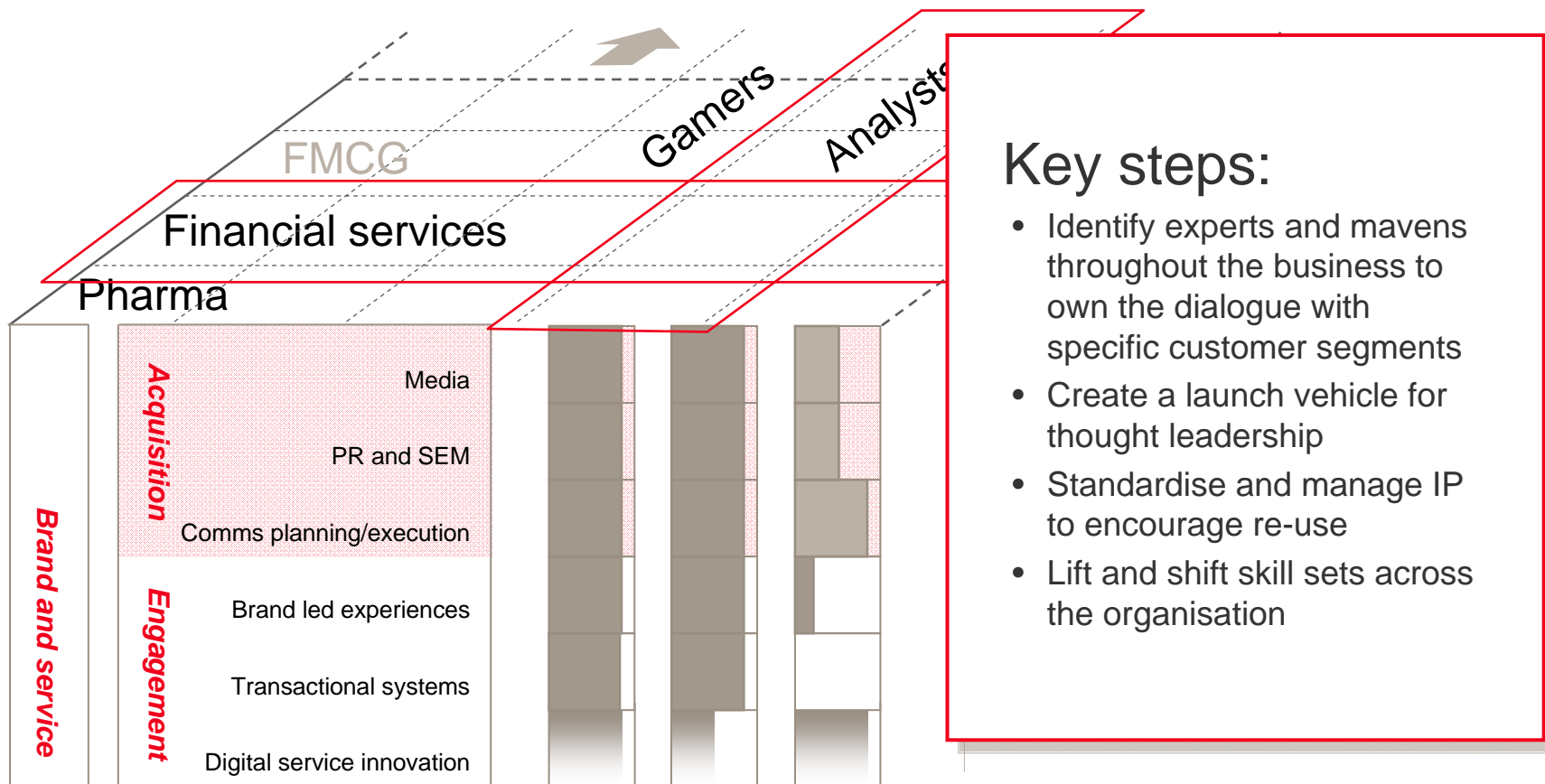
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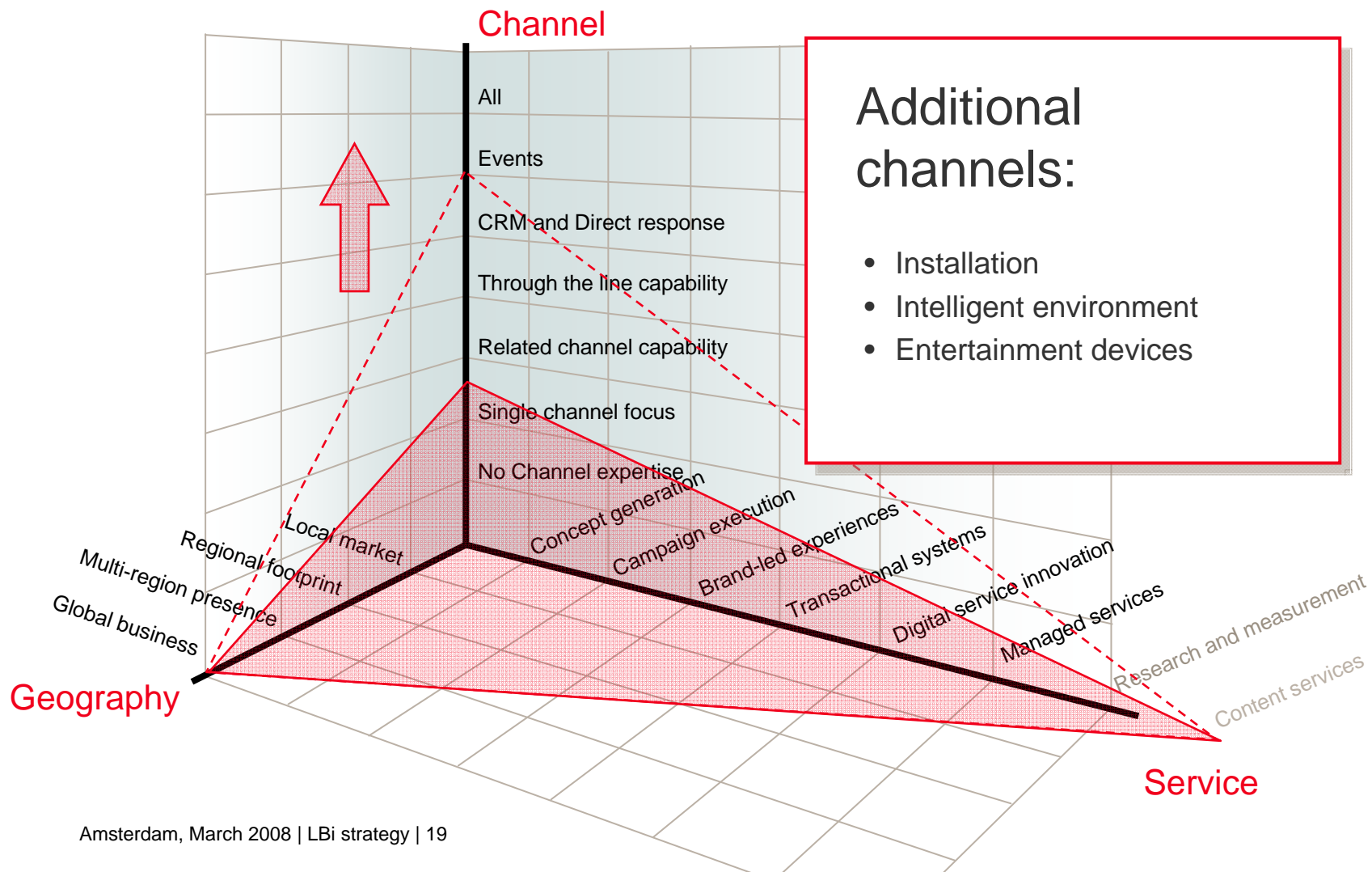


We will then selectively extend sector and community expertise horizontally across the group

Intelligent use of teams and IP allows us to provide cost-effective expertise



From here, we can organically integrate channel-specific skills into the organisation without disruption



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The definitive agency for the digital age

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The 2008 action plan

1. Organisation design
2. Service extension
3. Subject extension

1. Organisation design: action plan

✓ IP management and marketing strategy	Q1
Establish global new business incentive model	Q1
Augment new business infrastructure in UK and US	Q2
Hire global creative chief	Q2
Coordinate global sales and distributed delivery	Q2
One brand	Q3
Single, consistent go-to-market offer and message	Q3



- International revenue in 2007 = € 23m
- Target for 2008 = € 40m



- Account established in UK
- Serviced out of Germany
- 35% increase on local rate card
- Margin uplift in Germany = 23%

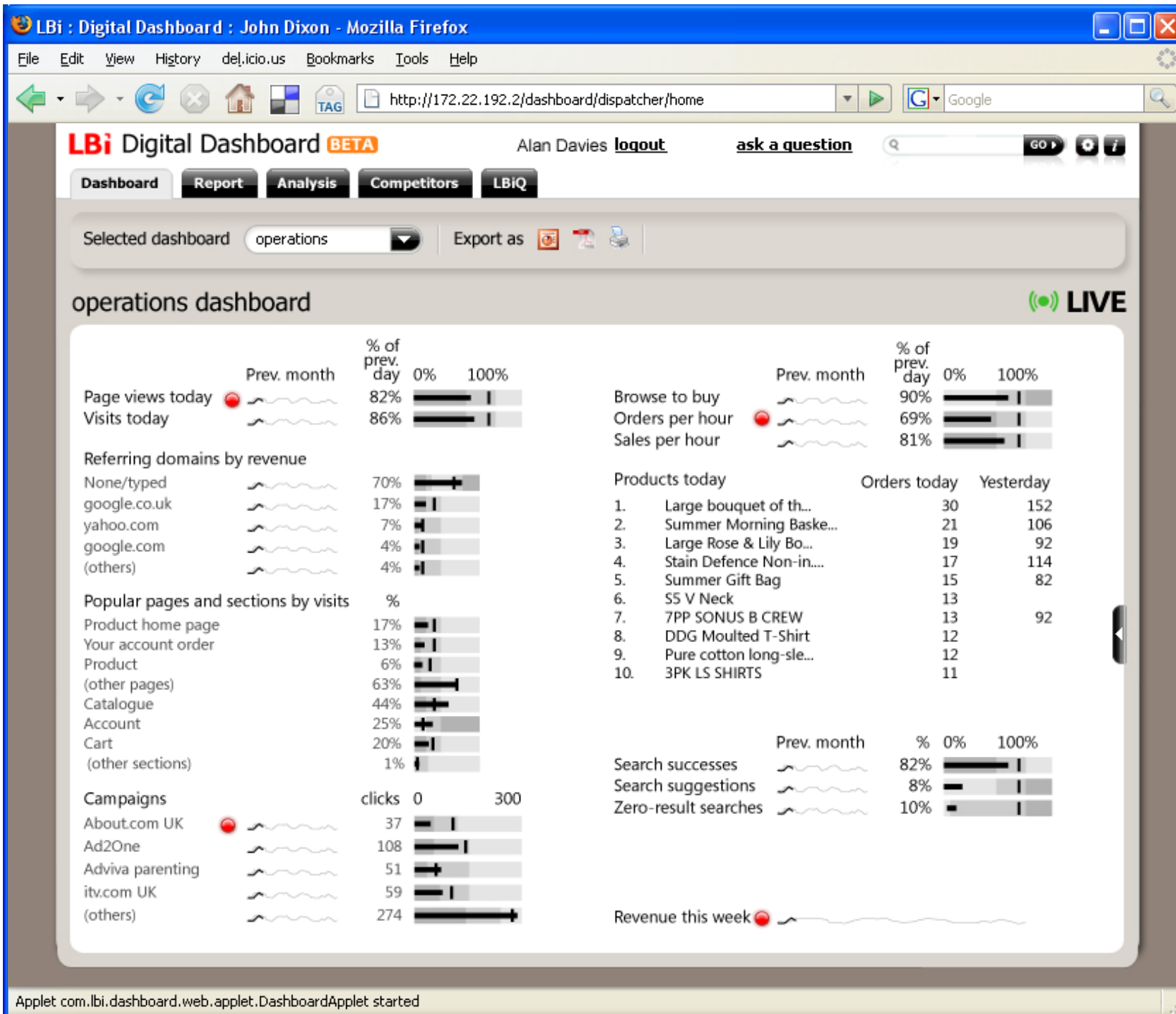
2. Service extension: action plan

✓ Purchase SEO in UK	Q1
✓ Increase data analytics capability in Europe	Q1
✓ Hire Asia expert to assess local market entry strategy	Q1
✓ Develop data platform to join up thinking across offer	Q1
Develop PPC capability in UK	Q2
Purchase Media, PPC and campaign capability in the US	Q2
Establish CRM, data and consulting offering to leverage dashboard	Q3
Roll out global data services dashboard across 4 lighthouse clients	Q3
Extend research capabilities into hubs and key markets	Q4
Hire key creative/copy teams in Belgium and Germany to drive campaign-based activity	Q4

netrank



recent hire of head of Leo Burnett India to drive Asian strategy



3. Subject extension: action plan

Audit customer segment expertise across group	H1
Broaden incentive model to allow aggressive hiring of segment-specific thought leaders	H2
Lift and shift customer segment experts and embed in hubs	H2
Lift and shift channel experts and embed in hubs	H2

Summary

We have a lot of work to do in order to take full advantage of our unique global footprint and the continuing growth in global digital marketing spend

2008 is a year in which we will reshape and align our organisation so that we can better service large international clients

1. Build expertise centres and strengthen full service offering in key hub markets US, UK and Asia
2. Leverage local best-in-class service offering, skills and country rate cards across international client base
3. Evolve offer in local European markets
4. Move towards one global brand and one company with consistency of process and offer for increased recognition as the leading international digital agency

This will set the stage for sustainable margin improvement and value creation