

ebiquity

Data-driven insights

Accelerating Growth Michael Karg & Andrew Noble

September 2016

Today's discussion

- I. Strategic ambition and context
- II. Business overview
- III. Organic MPO growth acceleration plan
- IV. Structure required to support growth
- V. Investment case and milestones





I) Strategic ambition and context



Ebiquity will be known as the leading, independent, technologyenabled marketing and media analytics consultancy globally

We will be trusted advisors to board level executives

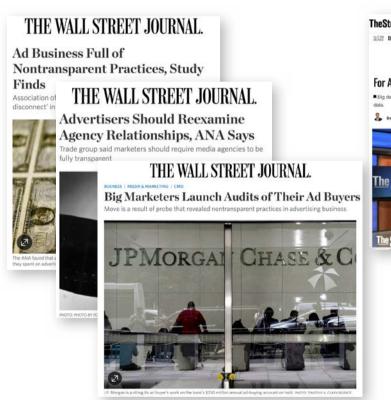
Our services and methodologies will be industry standards

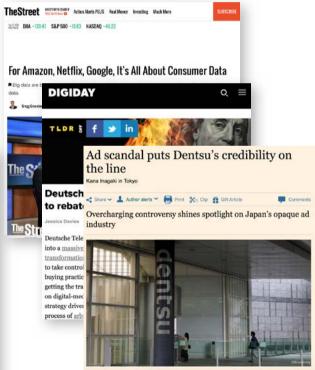
Some of our products will be web-enabled and self-service

Our thought
leadership will be
highly sought after
by clients, industry
bodies, analysts and
the media



Tapping into an increasing demand for media transparency and the use of data and analytics in marketing









We go to market with three practice areas...

Marketing Performance Optimization (MPO)



Guiding clients to decide where to allocate and how to optimize their marketing investments, which marketing technologies to select and how to improve digital customer journeys

Media Value Management (MVM)



Helping clients select and manage their media trading partners, increasing the transparency and efficiency of media performance, and reporting on agencies' compliance with contractual terms

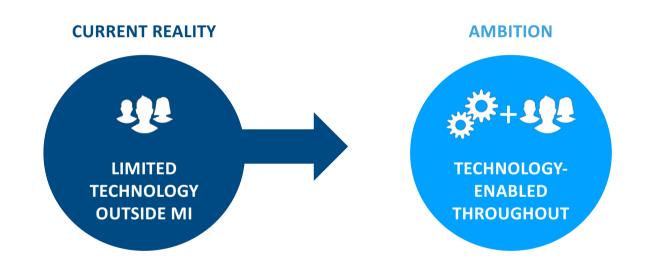
Market Intelligence (MI)



Providing clients with a picture of their own and their competitors' in-market creative executions, spend and media strategies



...and are evolving Ebiquity into a technology-enabled consultancy





Unlike other consultancies, the nature of our business requires us to be technology-enabled

Marketing Performance Optimization (MPO)



Why technology matters for us:

- Rapidly growing need to manage and analyse large sets of consumer data
- Clients increasingly demand faster turn-around of data analysis and insights

Media Value Management (MVM)



- Ability to ingest large sets of media data from various different sources (e.g., ad servers, DSP, etc.) into one view
- Strong client desire to optimize campaigns in near real-time

Market Intelligence (MI)



 Expectation for a state of the art user experience for our Portfolio suite



Over the past few years, key foundations have been put into place

Global presence from which to build— as acquisitions come out of earn out

Strong brand and market leadership in MVM

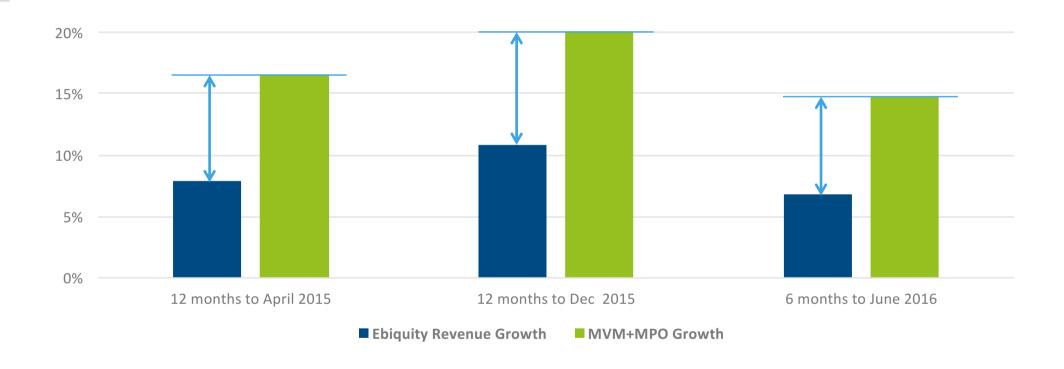
Strong talent and methodologies delivering excellent MPO revenue growth

Existing entry points into 80% of the world's top 100 advertisers

Identified MPO market opportunity



MVM and MPO have been driving our growth





Now is the time for us to build on the MPO/MVM potential

Continued strong demand for our MPO service offering

Opportunity to take a leading position in a rapidly evolving MPO market

Opportunity to capitalise on our leadership position in MVM



Therefore, we will focus on five areas

Organic expansion of our MPO service offering

Deepening and expanding the relationship with our key clients

Development of our digital services

Further productisation of our existing tools and methodologies

Creating an organisation to support growth



To unlock growth, we need to adjust our operating margins

• Compared with similar services firms we have been running too lean



As a technology-enabled consultancy we are expecting to deliver above average margins



As a result, we will become a higher quality, more global business

- > Revenue CAGR of +10% from 2016 to 2021
- > MVM+MPO to represent >80% of the business by 2021
- > A more geographically diversified revenue base
- > Move to a medium-term operating profit margin of 12-13% by 2018





II) Business overview



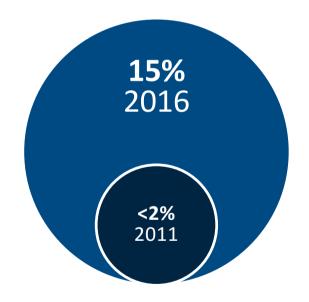
Each practice area uses distinctive sets of methodologies and products with varying degrees of product-related revenues

	Marketing Performance Optimization (MPO)	Media Value Management (MVM)	Market Intelligence (MI)
Sample services, methodologies & tools:	 Econometric modelling Test plan design Consumer journey optimisation Digital Attribution Model* 	 The Rack®, PEERA, Connect* ANA transparency recommendations Global pitch management Media auditing and benchmarking Contract compliance reviews 	 Digital, TV, and press monitoring technologies and processes Custom-tailored primary research Social media analysis
Core products:	PlanIt, TestMatch	Optix*, ValueTrack	Portfolio, Portfolio Plus, ePublisher, Portfolio Digital*
Est. Revenue split: Services: Products:	95% 5%	95% 5%	15% 85%

^{*}Currently in development



As an organisation we are becoming increasingly digital







Given recent initiatives and upcoming launches we expect our MVM business to continue on its growth trajectory

Published transparency report in collaboration with the ANA

Launching new service line: Strategic Media Consultancy

Appointed global practice leaders for MVM service lines

Kicked-off development of digital paid media performance measurement platform 'Optix'

Launching proprietary data management platform 'Connect' in Q4





Within MI we are making our offering more competitive

Recent roll out of new international Portfolio platform, uniquely combining creative and spend data

Launch new Digital Portfolio offering - which we expect to be market-leading - in coming months

Improved data capture processes and technology





III) Organic MPO growth acceleration plan



Our MPO practice comprises of two main services



Marketing Performance Optimization (MPO)

Marketing Effectiveness:

The statistical analysis of sales and marketing data to estimate the impact of various marketing tactics on sales— and then to forecast the impact of future sets of tactics

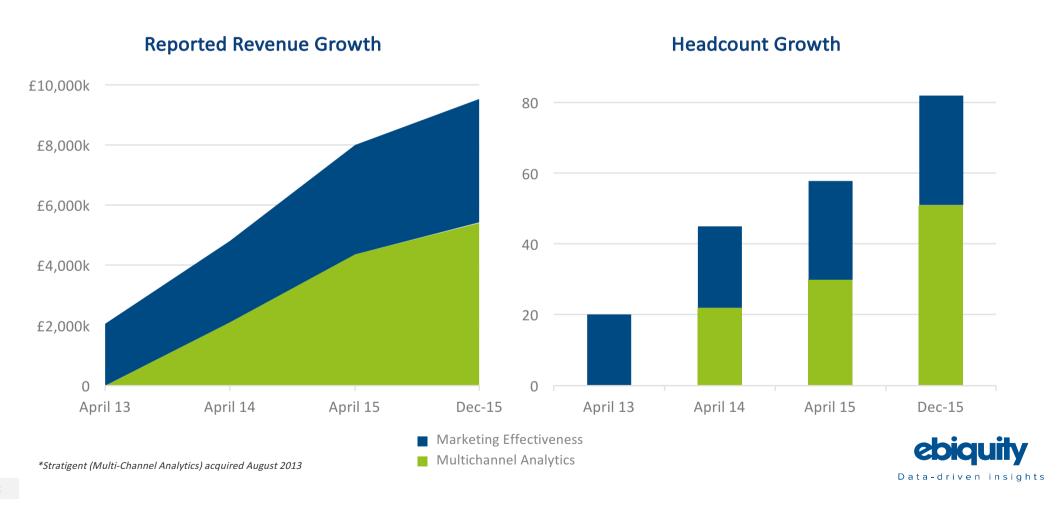
Multichannel Analytics:

The planning, technical implementation, measurement, analysis and reporting of data for purposes of understanding and optimizing consumer journeys across multiple channels— such as mobile, website, digital kiosks, instore digital





Over the last three years we have seen 40% LFL CAGR from MPO services





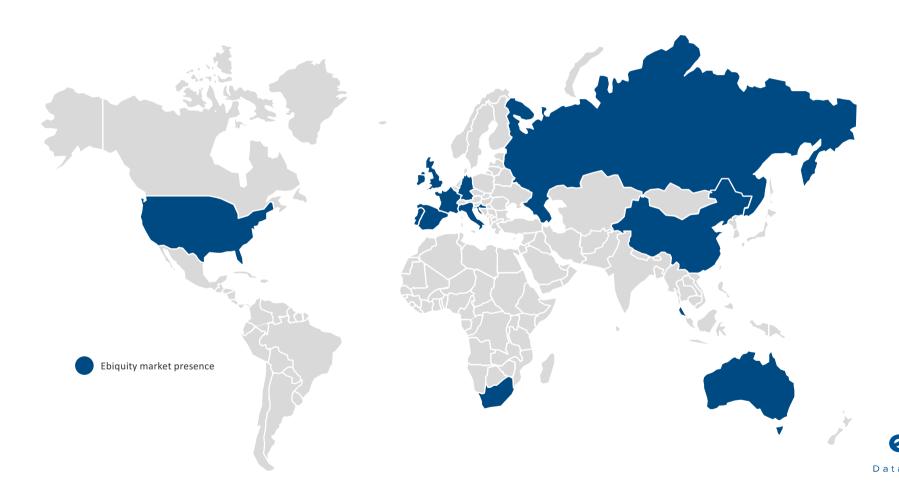


We help marketers address several of their biggest challenges

			•
Most challenging	Managing the explosion in consumer data	3.3	Part of our MPO service offering
RANKING SCALE	Analyzing and exploiting this data to automate or personalize marcomms	3.8	Part of our MPO service offering
	Exploiting new channel and device choices	3.8	Part of our MPO service offering
	Privacy concerns around customer data	5.3	
	Generating content marketing	5.4	
	Overcoming financial constraints and demonstrating ROI	5.5	Part of our MPO service offering
	Decreasing brand loyalty	7.8	
	Corporate transparency and reputation management		
	Consumer collaboration and influence online		
	Realizing the potential in growth markets		
	Social media management		
Least challenging	Shifting consumer demographics	9.2	

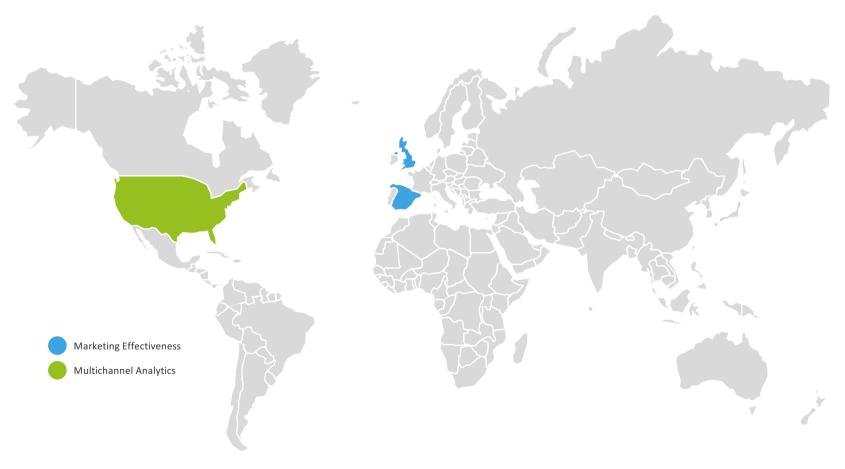


Across our three practices we have offices in 14 countries...





...however we are currently providing MPO services from only three countries







In the mid-term we are planning to expand our MPO services to selected countries across Europe, the US, and APAC







Therefore, we will continue our strategic focus on MPO growth

Launch Marketing Effectiveness in the US

Grow Marketing Effectiveness footprint across Europe and Asia Pacific

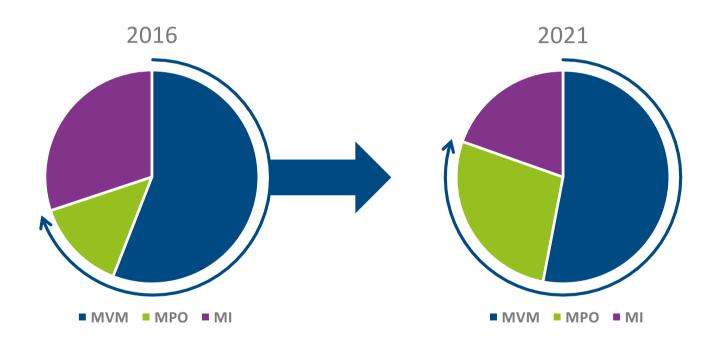
Evaluate opportunity for Multichannel Analytics offering and roll out into Europe

Develop and launch Digital Attribution Model

Invest in further productisation of service offering



As a result of our growth plan, MVM and MPO become at least 80% of our business







IV) Organisation required to support growth



ORGANISATION REQUIRED TO SUPPORT GROWTH

Two main drivers require us to change how we currently operate

Increasing opportunity to serve clients globally

Structural set-up needed to support our next phase of development



ORGANISATION REQUIRED TO SUPPORT GROWTH

A set of clear actions are needed now

- Creating a client focused organisational model to drive cross-selling opportunities— led by a Global Chief Client Officer
- Establishing clear practice leadership to continually evolve our services to meet changing client demands
- > Increasing our ability to **flex between standardisation and localisation** of methodologies where appropriate
- > Ensuring clear accountabilities for regional and global initiatives
- > Enabling our support functions to work more closely with the business





V) Investment case and milestones



INVESTMENT CASE AND MILESTONES

Investment Case

- > A more robust, higher quality and more global business
- > Long-term, sustainable top line and profit growth
- > Cash flow generative and continuation of progressive dividend policy

	Today	2021
Revenue growth*:	7%	10%
Operating margin*:	16%	12-13%
Revenue mix*: (MPO+MVM)/total	70%	>80%

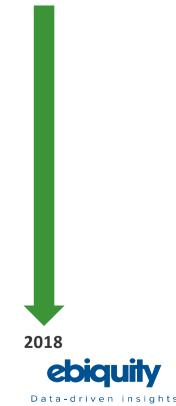


^{*}Revenue growth is average like-for-like constant currency growth for the three years ended 31 December 2015, 30 April 2015 & 30 April 2014 Operating Margin is average operating profit margin for the three years ended 31 December 2015, 30 April 2015 and 30 April 2014 Revenue Mix as per Numis forecast for 2016

INVESTMENT CASE AND MILESTONES

Key milestones over the next two years





2016

INVESTMENT CASE AND MILESTONES

In conclusion, we...

- are developing a world-leading, independent, technology-enabled marketing and media analytics consultancy
- have a clear strategy for organic growth
- > will operate at a more sustainable margin level
- > are working against a set of defined milestones
- > are building a higher quality business





Thank You





APPENDIX



ORGANISATION REQUIRED TO SUPPORT GROWTH

Our investment priorities are focused around a Growth Support Programme (GSP)

On-boarding of client development staff to deepen and broaden our existing client relationships

Development and roll-out of training programs to upgrade skill levels and promotion of global services

Upscaling of sales and marketing activities to drive brand awareness

Increasing robustness of IT infrastructure, processes and tools to enable scaled rollout

Introduction of an operations function to support growth

Investment in attracting and retaining key talent

