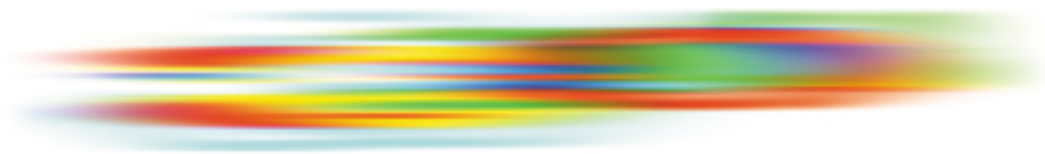


***The Marketing Society***  
***Awards 2004***  
***Category: Internal Marketing***



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## **Management Summary**

### ***Market Background/The Challenge - Insight***

In a market for media agency services that is increasingly procurement led and commoditised, clarity of direction, demonstration of value and development of the best talent are key to continued healthy growth. Success through differentiation will allow us to lead the industry into what will certainly be a transformed market.

### ***Our Internal Marketing Programme - Innovation***

In response to this challenge, the managers of our business formulated a world-wide framework for thinking and working for our clients which we have made integral to everything we do. Making this work relies solely on our people, so we developed a coordinated internal marketing, learning and performance reward/management system which was built around the three pillars of our the company framework named 'Fueling Brand Power'. These three pillars are known as Consumer Insight, Contact Innovation and Value Creation.

### ***The Benefits - Value Creation***

1. Extraordinarily strong new business record in a depressed market.
2. Radical improvements in employee and client survey results.
  - Clarity of company direction and leadership – 95%+
  - Satisfaction with learning/development opportunities and resources – 95%+
  - Increasing (from a high base) energy and drive to succeed.
  - Staff turnover decrease by 25%
3. Substantial growth in employment in contrast with the reverse for our competitors.
4. Global leadership for UK office through learning initiatives now used worldwide.
5. Fundamental refocus of every member of our business – heading in the same direction to '**Fuel** our clients **Brand Power**'!

## ***Background - Insights***

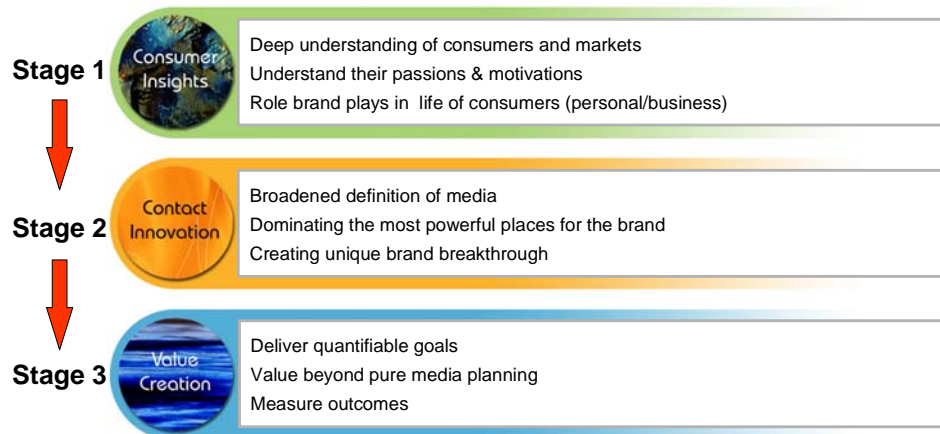
2003 was an important year for Starcom to consolidate its place in a tough market and to grow against the general trend. Winning new business and demonstrating the value we bring to our clients was paramount. Ensuring the considerable talent of our team was best directed, utilised and motivated and that Fueling Brand Power was driven to the heart of our business was central to success.

To ensure we were in the best shape to lead the market, we undertook a programme of research focusing on the market view of our product and people, our peoples perceptions of their place in the company and our record on attracting, developing and retaining strong talent.

This research reflected, along with strong award performance, long term client relationships and substantial new client wins, that our standards were high. It also indicated that whilst we made no redundancies in contrast to our competitors, our turnover and feedback from employees reflected that the clarity of our company direction (both internally and externally) could be improved and that stronger investment in developing our people would be viewed as valuable by our talent and our clients.

**Our Approach: Fueling Brand Power**

Fueling Brand Power is our Global Product Positioning, around which our Internal Marketing Innovation is centered.



To make this simple but universal approach integral to the way we operate, in every part of our business, a range of coordinated initiatives including a customised learning programme known as Fueling Media Learning was created. All of these initiatives were designed to be applied to all staff, from receptionists Business Directors, ensuring that our values are reflected in all we do, by all who contribute.

## ***Our Programme - Internal Marketing Innovation***

Following the confirmation of Fueling Brand Power as the centre of our company philosophy we formulated a range of complementary actions which together would deliver Fueling Brand Power to the heart of our company.

### ***Coordinated Initiatives***

Our programme of initiatives centred around 5 key areas.

***A. Fueling Media Learning***

***B. Client Training***

***C. Internal Product Awards***

***D. High Performance Management***

***E. Management Assessment & Development***

## **A. Fueling.Media.Learning (FML)**

### **Objective:**

As a company we strive to make a commercial difference and gain a competitive advantage by fueling our client's brand power. Fueling Media Learning strives to promote enduring client knowledge and focus, new company thinking on our own product, and provides for better solutions, better expressed.

### **Framework & Philosophy:**

- Fueling Media Learning is based on quarterly learning “campaigns”. Each individual participates in an allocated number of sessions per quarter. Each session's subject matter will feed back into our positioning and culture and will be either:
  - Critical values, skills and marketing disciplines
  - Critical Media Skills i.e. being informed, best practice, exposure to SMG talent, adding value to clients.
  - Tools of Trade i.e. proprietary research and technical tools, Windows software etc.
  - Developmental subjects e.g. from “People Management” to “New Business” exposure to “presentation skills”.
  
- Each session is informal, short and interactive and will provide a gateway to learning for each set of subject matter. Rather than trying to comprehensively cover any given subject, an FML session will challenge thought and provide an introduction to help change behaviour, and therefore the way we work.

- Each session has only 6 people in attendance to allow for interactivity and intimacy.
- Each session is less than an hour in length, in recognition of the busy and fast paced nature of all our jobs.
- The majority of sessions are run by internal experts and the quality of the sessions controlled by an FML Coordinator and external training experts.
- Each session is compulsory – it's treated as sacrosanct – as important as a client meeting.

**No other competitive company offers this type of programme to it's staff.**

***Implementation:***

Fueling Media Learning is built as part of people's jobs and specifically for Starcom and its culture. It is complementary to other ways of learning and developing but does not involve generic external training.

Fueling Media Learning is the combination of a number of co-ordinated learning initiatives responsible for exposing the whole agency to ongoing development.

- Quarterly programme of FML tutorials launched in August 2002 – so far over 300 employees have attended around 20 bespoke sessions. Content has ranged from 'How to make your presentations memorable' to 'Turning consumer insight into contact innovation,' to New Manager Training.
- We even dedicated an IT Training Manager full time to get the most from our extensive IT systems.

- We created monthly internal product awards (Fuel Awards) showcasing current excellent work across teams – sharing non-confidential knowledge and skill agency wide.
- Co-ordinated training with partners on specific media e.g. Radio Advertising Bureau station visits.
- Other ongoing agency-wide training and development initiatives include one to one management coaching, a mentoring programme, attendance at external training programmes and conferences.

**Images from FML Workshops**



The FML launch was held at Fueling Media Learning at Oxford University in mid August 2002 to Starcom Motive and to the group (including Starcom MediaVest) in the summer of 2003. The Launch at Kings College Cambridge in the summer of 2003 saw 300 staff travel to Kings for a full day of workshops, town tour and the presentation of teams work to the entire agency. We celebrated our work and combined agency in a Cambridge club with overnight accommodation in the hallowed halls of Kings College Cambridge!

Quarter One and Quarter Two saw five compulsory sessions which all staff have attended. The subject matter delivered so far is listed below with an average of 130 people attending each module in groups of 6.

- Developing Consumer Insight (delivered at the launch day in Oxford – August 2002 and for the group in Cambridge Summer 2003)
- Turning Consumer Insight into Contact Innovation
- How Starcom makes a Profit
- How to make your presentations memorable
- Communicating with clarity
- Breaking personal thinking patterns
- Where the Consumer is At
- The Private Life of Brands
- Media: The Consumer View
- How Am I Doing - Self appraisal

Of this list of modules, most have been delivered by people from within Starcom. Their feedback has been spectacular, and in many cases the facilitators themselves gained as much or more from creating and delivering the training than the attendees.

- “Being involved in facilitating a session really boosted self-confidence and perception of own abilities.”
- “The exposure to the whole company was great”
- “The creation of a positive feeling about something you have created feels good, as is being involved in something new and different.”
- “The principle of providing everybody with a similar gateway to learning is a great one –and allows them to take it on afterwards at whatever level they operate.”
- “I was never given an opportunity like this at my old company”

### ***New Joiners***

To ensure that all staff joining the company at a junior level have essential basic media skills we developed a range of training presented to small groups of new staff – typically 2 or 3, during the first 3 months of employment. This learning is bolstered by on the job learning and testing at the end of the three month period.

### ***General attendee feedback***

- Practical application and ‘How to’ do things really useful.
- Immersion (scenarios, situations, characters) is hugely helpful
- Genuine practical demonstration of how to make brainstorming more effective
- Freshness - Simple - 4 things to remember
- I liked the focus of 40 minutes
- Encouraging people to present however they feel comfortable

### ***FML Development - The Next Step***

From April 2003, we introduced an element of choice, based on demand from within the business. People determined which session to attend depending on their performance goals, job description and future ambition. In addition we addressed specific needs from within the business e.g. developing awareness around on-line media campaigns which were delivered to targeted individuals.

### ***The revised more targeted content from April 2003***

- On-line Day (Strategy & Management only)
- New Business Management (Group Account Directors and above)
- "People Management" (Account Managers & other identified)
- Understanding our clients
- Selling our work - speaking our mind - negotiation
- Making the relationship with creative agencies work
- Best practice - buying a multi-media campaign
- Best practice - broadcast sponsorship.
- Digital Week – 5 brief sessions over 1 week focusing on online media.
- Tardiis Week – 5 brief sessions over 1 week focusing on our new TV system.

### ***Promoting FML***

To keep everyone at Starcom in touch with the programme, we include details of upcoming sessions and materials from past sessions on our company intranet. Whilst this is useful, we applied some media thinking of our own in order to keep in touch with staff. We installed colour Boards above photo copiers and coffee points around our

building on which we maintain information on current and upcoming sessions as well as reading material/articles to help people to take learnings from sessions and apply them to the job at hand.

### ***FML around the world***

Created in London and now implemented around our global network of 88 countries, FML thinking has been embraced by the entire business.

- The programme was presented in summer 2002 to 70 Managing Directors and Finance Directors from around the European network. Since then it has been adjusted and implemented for local needs.
- This quote from the Business Development Director of Starcom Amsterdam following their implementation of FML.

‘We held the first session in end December and it was a great success.’

- The FML programme has recently been adopted by our sister companies in the USA.

‘There has been considerable interest in Starcom UK’S FML program and we are doing a version of it here in the States. They (senior management) see it as a way to keep people engaged and fresh throughout their careers. So, once again, thank you for sharing it and thank you for all the smart thinking that you put into it.’ Bob Wisniewski – Director of Training, Starcom USA.

## ***B. Client training***

FML works for our people so we saw the opportunity use it to develop our client relationships. We have designed a number of bespoke training programmes for clients aimed at increasing their specific media knowledge and developing closer working relationships, most recently with Barclays and Interbrew. (See Appendix)

The format is typically:

- Introduction to Media day – covering TV, radio, cinema, press, outdoor and on-line. This session introduces the client to the pros and cons of each media, how they are planned and how they are traded.
- Behind the Scenes at Starcom Motive day – this exposes the client to how we go about working on their business including the challenges we face on a ‘typical’ day.
- Full day session entitled ‘The Future of Media’. This includes first hand experience of the new technology available, the impact that these are having on the way people consume television and other media, and the challenges and opportunities these present.

Feedback from clients has been extremely positive:

*“The session gave insight into the nitty gritty of what you do for us,  
it was great fun and well run.”*

Tom Shelston, Senior Consumer Strategy Manager

McDonald’s

### ***C. Internal Product Awards***

We hold what we call 'Fuel Awards' on a monthly basis. The winners of these awards are often entered in quarterly global 'Fuel' Awards.

Our local award initiative is based on the monthly submission of entries consisting of 3 bullet points explaining where Consumer Insight, Contact Innovation and Value Creation have been achieved. Of these entries, 6 are chosen as the highest of quality. These shortlisted entries are then presented by the staff member responsible for the work – regardless of seniority or function (entries have come from Planners, Buyers, Finance staff, HR staff and Receptionists) in a brief 5 minute presentation to the whole company.

The company then votes for the best demonstration of Fueling Brand Power – Valuable prizes and internal PR result for the winners.

It drives cross team competitiveness, it shares great thinking at all levels of the company and it teaches some of the most junior team members how to present in front of 100 or more demanding media professionals. Critically it drives our database of innovative client work for our new business credentials.

**Of the last 12 monthly winners, 6 have gone on to win external awards (see awards list below) including a Grand Prix and a Cannes Lion!**

We also enter numerous industry awards and our success in these has continued to grow following the inception of Fueling Brand Power and Fueling Media Learning. (See point 3 The Benefits - Value Creation for 2002 & 2003 winners)

These awards are a vital part of our external marketing programme, greatly enhancing our market status.

The Fueling Media Learning and awards initiatives have greatly enhanced this reputation.

#### ***D. High Performance Management***

To ensure that all new staff and those within the business understand their part in making Fueling Brand Power real and valuable, we reworked job descriptions for all staff to reflect the principles of FBP. This sent a very strong message to prospective employees and existing staff alike. 6 monthly appraisals undertaken by all staff also reflect the principles of FBP adding to the consistent message that Fueling Brand Power is what we do as a company and as individuals.

#### ***E. Management Assessment and Development***

Being clear about our proposition and how our people can be developed to better deliver this, we turned our attention also to our management talent. With high media standards and a true drive and commitment to FBP, ensuring that the quality of management and leadership provided to support our people was essential.

Taking note of approaches in this area used by our clients and other professional services companies, we created, along with KPMG Management Consultants a description of the abilities we seek in successful managers in our business. Having agreed these, we built a flexible and concise management assessment mechanism designed to add objective information to the selection and development of senior managers.

The ability areas are: Communication, Media Leadership, People Leadership, Delegation, Drive and Charisma etc.

The assessment included a world-wide recognised Psychometric instrument together with a consistent structured interview which focused on each of the ability areas. These took a total of 2 hours for each manager to be assessed at a relatively low cost.

We quickly implemented this assessment mechanism alongside Job Descriptions grounded in the Fueling Brand Power principles as part of a rigorous selection process for new senior staff both in the UK and around Europe.

In order to ensure that prospective employees at all levels understand our proposition **and** our proposition as an employer is compelling to the best talent, we instituted regular (quarterly) recruitment consultancy briefings. Uniquely, we invited each of our preferred suppliers together to hear key members of our business discuss Fueling Brand Power and current developments in the business. We supplied them with promotional material explaining the advantages of a career with us and the Fueling Brand Power proposition. This has led to cooperation amongst some recruiters, providing us with further value, greater competition amongst them, but most importantly a more compelling case for the best candidates to join Starcom from the first discussion with our recruiters.

In addition to assessing new leaders, we assessed 30 senior managers across the Starcom UK business, providing detailed feedback in a written report together with meetings to discuss the findings and agree concrete development plans for each individual. These plans identified the areas in which strength needed to be developed or capitalised on and specific initiatives (from acting up to executive coaching) to reach these development goals.



***This has taken Starcom to the next level of management awareness and skill - helping us to better fuel our clients' Brand Power.***

### ***The Benefits - Value Creation***

Our Fueling Brand Power approach has won us pitches and industry awards, improved our employer brand, improved our retention rates and staff morale and given the company a single uniting focus (for awards and new business see below).

Having understood the challenge to our business, our strengths and weaknesses, we created the best possible approach to driving Fueling Brand Power to the heart of our business. We have delivered this focus and continue to monitor and refine our initiatives to maximise the Brand Power we deliver to our clients.

The results speak loudly for themselves – the FBP approach and dissemination of that philosophy through FML has dramatically enhanced the essence of our company.

**Employee Survey** – Having run this survey across all staff over 2 years, the impact of FBP and FML has been extraordinary. Where in the initial survey in 2002, the understanding of company direction by all staff was moderate, in September 2003, this measure showed a massive jump to a very high level (90%+) of clarity and understanding of the direction of the company and the value of FBP.

Where in 2002 the survey reflected that as a company we did not focus sufficiently on training and development, the survey in 2003 indicated that there was a significant improvement in this to the point where a large proportion (95%+) of the company feels that the company invests appropriately in their training.

Whilst this measure can be impacted by many things, our staff turnover is down 25% over the time since the launch of this programme. We will continue to monitor this measure as well as the details of our employee survey.

It's power to do this through a coordinated set of initiatives is already aiding us in spreading the power of FBP across our global network.

Now every staff member understands Fueling Brand Power in the context of their role and the service we provide to our clients. They also strive to ensure that Insight drives every innovation through to the creation of value for our clients and our business.

In addition to impacting our internal market, these programmes have had a massive effect externally.

- Highest conversion in pitch activity in 5 years
- £65 Million in new business
- Agency of the year M+M for 2003
- Cannes Gold Lion (Only UK winner)
- Twelve other industry awards
- FBP is central now to all pitches and communication with clients.
- FML is presented in every pitch as part of our programme to provide our clients with the best talent available.
- In December of 2003 Starcom arranged a client review day for Barclays, reflecting the insights, innovation and value created for them during the year. Included in this half day presentation at Somerset House in London was the FML programme and specifically an FML ½ day event created for Barclays introducing their marketing

department to the rigours of media strategy and Fueling Brand Power. This session was the first non-media innovation to be shortlisted for our monthly Fueling Brand Power Awards and was proudly a close runner up.

### **Employer Brand**

Having surveyed recruitment consultants and applicants to positions in 2001, 2002 and 2003 we found that the perception of our company positioning and clarity of direction became appreciably more clear. Our recruitment consultants now believe that deliver Fueling Brand Power and Fueling Media Learning is a competitive advantage in our competition for talent.

*“Fueling Brand Power’ and ‘Fueling Media Learning’ has given the Starcom Group a strong identity and positioning in the marketplace. From a candidate perspective it presents a thoroughly professional, dynamic image and clearly states what the company is all about. ‘Fueling Media Learning’ demonstrates the investment in your people and their careers. In terms of adding value - the strong identity and positioning without a doubt has had a very positive impact on the perception of candidates in the media industry to the Group’s proposition. From our perspective this has given us something ‘real’ to present.”* **Kate Bulger, Managing Director Lipton Fleming**

*“We have found that most successful agencies have a strong vision and positioning, but what differentiates Fueling Brand Power and Starcom is the breadth of understanding and involvement of call company disciplines and departments. Starcom have taken this one stage further and this very clear philosophy runs through the agency and personnel like a ‘stick of rock’, and is used in everything from job specifications to presentations and training. Fueling Media Learning. One of the most important things when attracting somebody to a new role is to offer them a clear advantage in progression and learning. Starcom’s FML is one of the most robust, well delivered training programmes in place within our industry today, for young trainees and managers alike. A powerful magnet for young talent in choosing the next step within their career path.”*

**Lisa Petchey, Director, Fox Haynes**

**New Business Wins 2002**
















**New Business Wins 2003**












**External Industry Awards**

**Awards 2002**

<b>Awards</b>	<b>Category</b>	<b>Winner</b>
	<ul style="list-style-type: none"> <li>• Best International</li> </ul>	
	<ul style="list-style-type: none"> <li>• Best Business Idea</li> </ul>	
	<ul style="list-style-type: none"> <li>• Media Agency of the Year</li> </ul>	
	<ul style="list-style-type: none"> <li>• Retail &amp; Home Shopping</li> </ul>	
	<ul style="list-style-type: none"> <li>• Media Agency of the Year</li> </ul>	
	<ul style="list-style-type: none"> <li>• Kids</li> </ul>	
	<ul style="list-style-type: none"> <li>• Campaign of the Year</li> <li>• Luxury Goods/Fashion</li> <li>• Outdoor</li> </ul>	

**Awards 2003**

<b>Awards</b>	<b>Category</b>	<b>Winner</b>
	<ul style="list-style-type: none"> <li>• Young Adults 18-34</li> </ul>	
	<ul style="list-style-type: none"> <li>• Media Agency of the Year</li> </ul>	
	<ul style="list-style-type: none"> <li>• Luxury Goods/Fashion</li> </ul>	
	<ul style="list-style-type: none"> <li>• Best OOH</li> <li>• Best Consumer Goods</li> <li>• Campaign of the Year</li> </ul>	
	<ul style="list-style-type: none"> <li>• Financial &amp; Corporate</li> </ul>	