

# ADWEEK™

## GLOBAL MEDIA AGENCY OF THE YEAR

# PHD



**Front row (l. to r.):** Mike Solomon, CEO, PHD USA; Katie Klein, chief investment officer, PHD USA; Guy Marks, CEO, PHD Worldwide.

**Second row (l. to r.):** Francesca Hills, global client president, PHD Worldwide; Lindsay Murtagh, chief client officer, PHD USA; Melissa Wisehart, chief media officer, PHD USA; Susanne Grundmann, chief global client officer, OMG Germany; Sofia Colantropo, chief marketing officer, Omnicom Media Group.

**Third row (l. to r.):** Christian Flouch, chief client officer, PHD Worldwide; Rohan Tambyrajah, chief strategy officer, PHD EMEA; Mark Holden, chief strategy officer, PHD Worldwide.

MARI JULIANO AND BERTIE WATSON



# In 2023, the agency rolled out a new centralized tech strategy fueled by parent company OMG.

BY STEPHEN LEPITAK

**PHD** is on a mission to understand the future generation of marketing, one that will be completely reshaped by technology. For the past decade, it has been ahead of the game when it comes to focusing on the potential of artificial intelligence and machine learning to drive marketing transformation.

That's in part because it's stuck close to parent company Omnicom Media Group (OMG), allowing PHD to grow its tech offerings at scale. In 2018, OMG introduced a centralized platform, Omni, that helps its agencies and clients create, plan and execute ad campaigns using data. From there, the tech offerings have evolved with OMG's integration of generative AI technology in partnership with Microsoft. And in 2023, the parent company introduced the agency-as-a-platform (AaaP) model, which tackles clients' problems with technology and tools.

This data-centric culture has allowed PHD to help its clients reach untapped demographics and craft media-planning strategies that marry creativity with technology. Clients have responded favorably, as PHD has retained 97% of its accounts and produced a net new business gain of \$775 million with revenue growth of 10% projected for the year. New clients included Uber, McCain Foods and Grupo Bimbo. Named as ADWEEK's Global Media Agency of the Year, PHD employs around 6,500 people in 81 offices across 74 countries, a worldwide reach that has helped it win global accounts such as Uber's \$500 million account.

During its search for a media agency partner, Uber narrowed in on three key factors: talent, technology and agility,

Lee Walsh, global head of media at Uber, told ADWEEK.

"We were impressed with the capabilities and sophistication of the Omnicom tool stack. This gives us the platform to deliver greater sophistication to our campaign segmentation, activation and measurement," Walsh said.

## A WATERSHED YEAR

2023 was a watershed year for PHD with the introduction of a new global chief executive. Guy Marks (formerly CEO of OMG EMEA) succeeded Philippa Brown, who stepped down after four years at the helm, bringing the agency closer to the parent group.

Another chief executive change was made with U.S. CEO Catherine Sullivan being replaced by U.S. chief operating officer Mike Solomon.

Last year, OMG also rolled out its AaaP model, which PHD and other OMG agencies offer to their clients as a multifaceted and flexible service with technology and tools centralized through Omnicom's operating system, Omni. The road map for this strategy was set out within *Shift: a Marketing Rethink*, a book written by the agency's long-standing chief strategy officer, Mark Holden.

"That strategy is focused on the complexity in our industry, how marketing has fragmented exponentially, [and] agencies such as PHD need to solve that for clients," said Marks, who added PHD must bring simplicity and easy access to talent and capabilities because every brand has different needs based on scale, maturity and internal expertise.

Centralized platform Omni allows OMG agencies and their clients to cre-

ate, plan and execute ad campaigns using data. Last year, that proposition evolved with the integration of gen AI technology in partnership with Microsoft.

Core to the strategy is the aim to decentralize the agency's expertise, which clients are able to access through Omni Studio. The company hopes this studio can transform the entire communication strategy and planning process.

Omni Studio, launched in 2018, allows PHD's strategists to collaborate to create online campaigns, producing 70,000 unique ideas from across the agency. Each week, it estimates that nearly three-quarters of account teams, strategists and planners work together across the platform to brainstorm ideas.

Another service currently in beta and set for release this year is AI virtual assistant Omni Assist, which provides insights, recommendations and notifications to reduce the time from planning to activation.

Holden, who has led the agency's AI adoption, explained that the system was plugged into Omni Studio, acting as a utility that will be used to retrain people to work with AI.

"When you can work with AI to condense information down quickly, the role of the individual is to make a judgment on things as opposed to actually doing the work or even generating. We've got, in a beta form, AI within Omni generating channel ideas," Holden explained.

Susanne Grundmann, chief global client officer of OMG Germany, claims Omni Studio has helped shape the planning process within the business, not just creating an output for clients but creating a consistent and collaborative process for the workforce as well.

## KEY WINS

McCain Foods (U.S.), Nielson Financial Services (U.K.), Planeta DeAgostini (Spain and Italy), Stena Line (Europe), Mobily (Dubai), Pelago (Singapore), Rohto (Hong Kong), GetYourGuide (France) and Spin Master (Mexico).

## LOSSES

Electrolux (Asia), Sky Betting & Gaming (U.K.), A2A (Italy), Fortum (Nordics), Rover.com (U.S.), VIVO Healthcare (India), Sun Life Financial (Hong Kong), Red Bull (Australia), G.J. Gardner Homes (New Zealand) and Unilever (Australia).

## REVENUE

Omnicom policy precludes sharing revenue at the individual agency level; however, it did share a year-over-year percentage of growth projected at 10% for PHD in 2023.

## STRATEGIC MOVES

PHD's global client president, Francesca Hills, led the development and launch of an environmental, social and governance (ESG) platform across all of the media network's agencies. The platform is an end-to-end solution that operationalizes ESG-driven investment. Housed within Omni Studio and aggregating the best ESG tools and activations from across the network, the platform includes a global shared knowledge database; private sustainability and DEI marketplaces; and customized tools for planning, optimization and measurement.

## DEI

PHD's leadership is 47% female and 53% male in the C-suite, with senior management at 53% female and 43% male. In addition, 10% of mid- to senior-management roles are held by employees identifying as LGBTQ+. The agency has also introduced initiatives to identify and empower the next generation of BIPOC talent and leadership, such as inclusive hiring manager training.

"It comes with a unique culture and identification of our talent that is much stronger than I have experienced in any other agency brand," said Grundmann. "People working in different parts of the agency, coming together to work on innovations on best practices ... In my view, it started within the strategy community and is now becoming stronger in other areas of the business."

Another addition to the agency's proposition is Omnicom's acquisition of Ascential's digital commerce division Flywheel for \$835 million.

The platform allows retail clients to monitor and measure ecommerce performance in near-real time as they aim to improve their sales and market share. This will now be integrated within Omni, bringing with it a new data infrastructure for the network.

### MAJOR NEW BUSINESS WINS

Since adopting the AaaP strategy, PHD has won billions of dollars of new business, following up the \$500 million Burger King and Kimberly-Clark EMEA accounts in 2022 with another \$500 million win with Uber and a \$300 million win with baked goods manufacturer Grupo Bimbo.

Previously held by EssenceMediacom, the prestigious Uber contract is split regionally, with the majority being spent in the U.S., Canada, France, Germany, the U.K., Japan, Australia and Mexico.

"[We operate] in a fast-paced and highly competitive environment," said Uber's Walsh. "We needed a partner that could move at speed whilst still producing best-in-class work. PHD demonstrated a deep understanding of our industry and built agile processes that match the pace at which we operate."

Other wins included McCain Foods in the U.S., Stena Line in Europe, Mobily in Dubai, and several more local contracts. It also retained business with Dr. Oetker in Norway, Unilever in Taiwan, CITIC Bank in Hong Kong and Tourisme Montréal in Canada. At the beginning of this year, PHD also kept hold of HP's global media account.

Volkswagen's \$3 billion-plus review

account is still in review. However, PHD continues to service it while the mandatory review process, which includes PHD as the incumbent, is ongoing.

### A GLOBAL REACH WITHIN OMG

The PHD brand is an important one to Omnicom, underlines Marks, as rival agency networks consolidate and dispose of long-established entities. And that is evident from the years it has spent building its innovative culture.

"The most important part of any media agency is the people. PHD demonstrated a strong track record of in-house training, a meaningful commitment to DE&I and a culture of innovation," said Walsh.

The AaaP strategy was significant in creating a unique culture across the business because it takes the viewpoint of the client and supports them across all of their brand needs, according to U.S. CEO Solomon.

"I look at what that's done for how we started to think about other teams inside of our network. How we service the Dia-geo business, and with the Uber business we thought about the kind of skill sets that come in there," Solomon added. "The real beauty of it is that over the course of the last year-and-a-half, it shaped everything about how we build and think about those solutions and how we start to focus more on the outcomes and the business and not so much just on ... media inputs and outputs."

According to Marie Lee, vice president of media and digital performance marketing at Princess Cruises, the agency team also operates as a navigation partner that guides her through an increasingly fragmented landscape.

"My goal is to deliver advertising experiences that are on par with their guest experience. And I want to differentiate our brand and tell our story in innovative and creative ways that inspire our audiences. What's great about PHD and the work that I've done with them in the past year is that their team is as passionate about our brand and our vision and is committed to our success as much as we are," she told ADWEEK.

# KEY CAMPAIGNS



## SPIN MASTER

In November 2023, toy and entertainment company Spin Master introduced its latest fantasy adventure series, Unicorn Academy, on Netflix. PHD helped it rank on the streamer's Top 10 for kids' content to ensure it would be renewed.

Due to competitive limitations, advertising on TV and streaming channels was off-limits, leading the team, working through Omni Studio, to implement a two-leveled strategy.

With a budget of less than \$5 million, this began with the use of seeding through YouTube and running ads across all networks simultaneously. On launch weekend, a takeover of all major original equipment manufacturers' screens took place during peak kid viewing periods. This included easy clickthrough to content, which was achieved through strategic media units across the campaign that created a single path for viewers to reach Unicorn Academy content on YouTube and Netflix.

The target was achieved, with the series becoming the most watched of the Top 10 list on Netflix Kids with 15 million hours viewed and another 30 million views on the YouTube channel. The result? A series renewal.

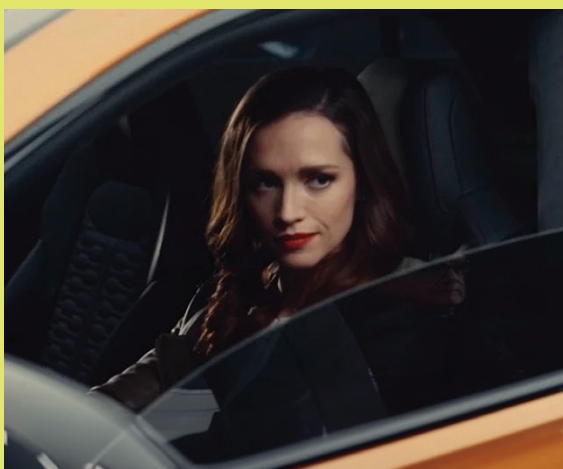


## ANZ BANK

As it aimed to reach the highly sought under-40 demographic, ANZ Bank in Australia and New Zealand had to consider its lack of relevance to a younger audience. It identified sports and gaming as two of their key passions, deciding to focus on the development of a sports-centric gaming environment for the brand.

With video game NBA 2K set to launch in the region September 2023, PHD helped ANZ integrate within software updates to feature and serve the brand's creative to an Australian audience. In-game activity such as the Half Court Challenge offered ANZ player engagement opportunities through a custom court skin, which allowed players to capture themselves making a half-court shot and awarded prizes to select winners. The campaign drove 67,000 clickthroughs to the ANZ Financial Wellbeing page.

A locker code giveaway allowed gamers aged 16-plus to exchange their contact details via the microsite for a unique locker code, redeemable for 15,000 in virtual in-game currency. With a budget of \$330,000 (500,000 Australian dollars), PHD beat the KPI of generating 5,000 leads by 117% and delivered 36 million impressions and over 10,000 livestream views on social.



## AUDI

PHD partnered with cloud and digital consultancy Kerv to extend Audi's national campaign into a hypertargeted program across key local markets. The teams were aiming for an easy, cost-effective strategy across OTT and CTV. They launched a first-to-market ad experience that used Kerv's patented AI/machine learning image recognition technology to deliver a highly localized and personalized ad experience at scale, ultimately driving user engagement and regional awareness. They used Dynamic Destination, an ad service offered by Kerv that links to personalized landing pages and operates with inputs such as location, time of day and weather, to inform advertisers of real-time environments.

Featuring videos that were accessed through QR codes within Audi's ads, viewers were able to connect with their local dealerships. The activity earned 98% video completion rates with over 23,000 minutes spent with the brand.