

1 **Global Economic & Operational Capabilities Narrative**

2 **Purpose**

3 The Economic & Operational Capabilities document summarizes Omnicom’s end-to-end approach for operationalizing Amazon’s requirements and
4 delivering economic value based on Amazon’s questions in section 2.3 of the RFP.

5 **Background**

6 Over the past 2 months, as part of the Global Operating Model and Regional & Local Chemistry & Credentials meetings, Omnicom gained a more
7 specific understanding of the unique requirements of Amazon’s LOBs, complex regional organization, and opportunities around shared capabilities
8 that benefit all Amazon (“One Amazon”). Our learnings from these meetings, along with the associated feedback we’ve been provided by
9 MediaSense, inform our responses to your questions.

10 **Global Infrastructure & Scope**

11 **What tasks (identified in the SOW) do you foresee being automated? How will this be implemented (tools, roll-out and commercial impact) &** 12 **over what time period?**

13 Omnicom has identified 60% of the 154 tasks provided by Amazon in the ‘B1 - Scope of Work’ document where automation features will be
14 implemented. Of the defined SOW categories: 1) Client Advice & Account Management, 60% of tasks 2) Communications Design & Strategy, 68% of
15 tasks 3) Media Plan Development, 53% of tasks 4) Media Partner Management, 15% of tasks 5) Media Buy Execution & Campaign Management,
16 60% of tasks 6) Media Reporting, 82% of tasks 7) Operations, 74% of tasks. Omnicom has provided an automation roadmap (**Appendix A: SOW**
17 **Task Automation**) outlining discovery, design, testing, and deployment of automation feature sets. The automation roadmap and implementation
18 will be overseen by our XLOB Regional Data, Tech, and Tools team. This team will partner with Omnicom’s Business Operations and Project
19 Management teams on each LOB to manage project timelines, checkpoints, and team member accountability.

20 **Phase 1 Onboarding, within the first 3 months of agency appointment:** Omnicom will implement automation features and utilities through our
21 transition and onboarding period for scope categories: 1) Project Management & Workflow; 2) Resource Management; 3) Communications &
22 Audience Strategy/Planning (Omni Investment, Channel, and Audience Planning Applications); and 4) Thought Leadership, Cross-LOB
23 Governance/Standards (within our Case Study Library described in Line: 262).

24 **Phase 2 Integrations, 4–6-month timeline:** For deployment of automation feature sets where data infrastructure (e.g., consistent taxonomies
25 and/or templates) require build out and/or calibration of existing formats, for customized automation (e.g., Robotic Process Automation).
26 Omnicom will develop a global data strategy and governance framework, integrating media classification, data delivery, and reporting
27 requirements into our systems and automation processes. Comprehensive data and reporting taxonomy classifications and governance expedites
28 system integrations, reducing duplicative and manual work across the following categories: 1) Media Plan/Budget Management; 2)
29 Investment/Trading Strategy & Implementation; 3) Financial Management; 4) Data Delivery, Campaign Reporting/Optimization & Automated
30 Dashboards; and 5) Trafficking & Tagging. Omnicom forecasts and has committed to Year 2 and Year 3 fee & commission efficiencies of 5% driven
31 by the continued expansion of automation across our workflows. This is valued at \$11.8M in agency fees across the two years (submitted in our
32 Commercial Proposal Summary on 19th April).

33 A summary of Omnicom’s proposed automation roadmap can be found in **Appendix A: SOW Task Automation**, including details on: 1) the specific
34 SOW categories prioritized for automation; 2) the individual tasks to be automated (extracted from the SOW descriptions); 3) the tools and
35 technologies that will enable automation; and 4) the implementation timeline for each automation feature.

36 **What operational infrastructure (related to SOW fulfillment) do you have in place now and where?**

37 Omnicom will deliver effective management and governance of Amazon SOW fulfillment across all countries through two key mechanisms, which
38 leverage Omnicom’s globally scaled technology and operational infrastructure: 1) Resource management toolkit, providing Amazon and Omnicom
39 LOB teams with timely, accurate and comprehensive information on resource utilization, expertise, and availability; 2) Business Operations
40 function, which oversees the creation, maintenance and governance of Amazon SOW requirements globally, regionally and by LOB. Overall, this
41 approach provides Amazon with full and transparent visibility of SOW fulfillment and with the agility to flex resources and workflows to meet
42 evolving and unexpected business needs.

43 **Resource Management Toolkit:** Omnicom developed an employee database in Smartsheets, providing by-person detail for every team member at
44 Omnicom touching Amazon including: 1) Line of Business; 2) Team Structure (Global, Regional, Local); 3) Region; 4) Country; 5) Function; 6) Name;
45 7) Level; 8) Title; 9) Physical Location; 10) Fee Structure; 11) Allocation; 12) Reporting Line; 13) Deliverables; 14) Tasks; 15) Hiring Status; and 16)
46 Skillset. This Smartsheet database, managed by Omnicom’s Business Operations function, will be integrated during the transition period with
47 Amazon-owned project and workflow management tooling via API (Lines: 63-84). This will provide Amazon and Omnicom LOB teams with timely,
48 consistent and comprehensive information on: 1) Team organograms, filterable by the dimensions listed above; 2) Employee tracking against
49 workflows in Omni connected to SOW tasks in Smartsheets; and 3) Resource utilization and capacity in Datorama linking employee database with
50 timesheets.

51 **Omnicom’s Business Operations Function:** This team, led by XLOB Global Business Operations Lead Kate Osborne, is responsible for the creation,
52 maintenance and governance of Amazon SOW requirements, SLAs, workflows, and RACI documentation. The key roles of this team are to: 1)
53 Understand the end-to-end workflow, identify blockers and bottlenecks, and applicable best practice; 2) Develop solutions to blockers and drive
54 implementation of best practice via a quarterly development cycle, coupled with Agile sprints for critical needs; 3) Define data requirements and
55 drive adoption of automation; and 4) Own, maintain and evolve the tools (such as Smartsheets) and ensure consistent tool utilization through

56 ongoing training. Omnicom supports each LOB with dedicated Global Business Operations teams to ensure the effective management of SOW
57 fulfillment against their unique requirements (Global LOB Business Operations leads are Katie Johnson for PV; Chris Beesley for XCM; and Ingrid
58 Perez Segarra for RMI).

59 As an example of how these mechanisms would work: In the scenario that an unforeseen or urgent change happens in your marketing calendar
60 requiring Omnicom to pivot resources quickly, Amazon will brief the LOB Business Operations Lead who, within minutes, will query the utilization
61 and capacity data to identify and activate available resources with the appropriate skillset and location.

62 **How will you plug into our tools? (see Appendix C in RFP Brief)**

63 Omnicom will integrate into Amazon's tools through Omni Workflow, which is specifically built to integrate applications into a unified end-user
64 experience. Omni Workflow utilizes a single sign-on for authentication, combined with an Object API layer, allowing each application to
65 automatically push and pull data/outputs between applications as well as into the centralized repository, allowing for outputs across applications
66 to be consolidated into a marketing campaign. Omnicom's integration with Amazon's tech and tools will be overseen by Omnicom's Global XLOB
67 Data, Tech, and Tools teams. Customization and implementation for any region or country-specific Amazon applications will be managed by the
68 Regional XLOB DTT teams under the governance of the Global XLOB DTT team.

69 Omni Workflow will facilitate seamless integration of Amazon tools outlined in the RFP Appendix C, including: 1) Amazon Taxonomy; 2) Smartsheet
70 Project, Workflow, Budget Tracking/Planning; 3) QuickSight Tool for Reporting and Dashboarding; 4) Data Asset Management System (DAM); 5)
71 Paid Media Platform Seats (DV360, Meta Ads, Sprinklr, CM360) owned by Amazon (agency will operate on Amazon seats), as well as integrations
72 with additional and future tools built by Amazon. Integration timing: 4 weeks for SSO integration, 4 to 6 weeks for Workflow API Shared Objects
73 integration, 6 to 8 weeks for inter-app API integration. Furthermore, because Omni is built on AWS, Omni applications can be deployed within a
74 dedicated internal XCM/PV/RMI Amazon AWS instance, allowing for Omnicom tools to be deployed within Amazon-owned technology stack,
75 delivering on your core requirement of control, ownership, and portability.

76 Using Omni Workflow for integration, Amazon can fully leverage the existing Amazon toolset, while also benefiting from all already developed and
77 deployed Omni applications in a portable and controlled environment. This includes Omni Audience Building and Insights Generation, Cultural
78 Intelligence, Budget Setting and Allocation, Audience to Inventory Matching, Activation Algorithms, Measurement Algorithms (Agile MMM, Multi-
79 touch Attribution, Geo-lift Experiment Creation), and Investment Budget Tracking and Management.

80 The Omni Workflow unification will facilitate cross-team collaboration and enforce deployment of Amazon process standards and best practices. In
81 addition to API automation, the applications can be linked in the Omni User Interface (UI) by an end-user, in a point and click fashion, through
82 creation of a custom object. Currently, the Omni Workflow technology is used to integrate dozens of applications within Omni, including approved
83 applications built by Omnicom, third parties, and clients. The full list of Omni applications has been provided in the Tech & Tools Request submitted
84 on 4th April.

85 **How will you ensure compliance with Global Standards and best practices, bringing a consistent approach across locales? How will you integrate 86 local/LOB requirements without breaking global structures?**

87 Compliance to Global standards and best practices¹ will be overseen by XLOB Global Business Leadership (Ellen Griffin) in partnership with
88 functional leadership (Data & Technology; Talent; Business Operations; Investment & Partnerships; and Reporting & Dashboards). This group will
89 deploy a 4-stage process to ensure compliance and a consistent approach while allowing for local/LOB requirements: 1) Define relevant standards
90 and best practices for Amazon; 2) Educate teams on the rationale and method of adoption; 3) Track compliance leveraging automation wherever
91 possible; and 4) Design mechanisms to drive compliance (e.g., incentives/penalties).

92 In Q3 2024, XLOB and LOB business leadership will codify a set of standards (1) and in Q4 2024, partner with each Omnicom LOB Talent Lead to
93 create specific learning modules for each standard and best practice; (2), so everyone understands the *why* and *how* behind the *what*. These
94 training modules will live within the Amazon Academy training portal and will be assigned to an individual's learning pathway with completion
95 mandated and tracked. A trained AI agent on agreed standards will be available within Amazon Academy for efficient access to information. An
96 immersive in person onboarding roadshow in January 2025 will be led by the talent leads and will include a chapter dedicated to standards and
97 best practices.

98 To ensure compliance, the LOB regional reporting leads will design compliance dashboards (3), live from January 2025, automating data feeds for
99 the defined standards to provide business leads with real time visibility of compliance scores and enable targeted intervention. Finally, we will
100 partner with Amazon to establish a sliding scale of incentives/penalties (4) to mirror the requirement for compliance. These include linking
101 compliance scores to the country's bonus/malus, assignment of JBP credits and quarterly senior leadership reviews.

102 This 4-stage process is illustrated in the following example: (A) Problem: We commit to providing Amazon transparency into SLA compliance. (B)
103 Therefore, we will create a dashboard within Smartsheets to track compliance, so that (C) Each Amazon LOB can review compliance on an ongoing
104 basis or in governance mechanisms such as QBRs. The (D) value to Amazon being that we would be able to identify issues and complete a
105 correction of error report immediately.

¹ Omnicom identifies 6 types of global standards and best practices for Amazon: 1) Mandatory, (e.g., taxonomy); 2) Golden rules proven to positively impact ROI (e.g., optimal TRP weights); 3) Country/LOB requirements linked to a maturity framework, 4) Recommended best practices for emerging/scaling platforms or approaches (e.g. CO2 reduction in media) 5) Operational benchmarks (e.g., SLAs); 6) Digital excellence (e.g., approved site lists).

106 **How will you ensure focus, agility, nuance, and acceleration with shared capabilities, while translating centralized approaches through to the**
107 **countries individually?**

108 Omnicom’s definition of shared capabilities are those resources which are accessed by, and provide a service to, all LOBs without being dedicated
109 to one LOB alone. Shared capabilities include: Talent Management, Business Operations, Data & Technology, Global Investment & Partnerships.
110 These services are delivered by the Global XLOB team (26 FTEs, led by Amazon Global Business Lead Ellen Griffin). This XLOB team creates and
111 governs the use of frameworks and approaches which will be adopted and adapted by each LOB. Their work will have equal relevance and
112 importance to each LOB individually. The Amazon operating model has been designed so that the XLOB capabilities have a counterpart in each LOB
113 to ensure the unique requirements of each LOB and locale are considered in the deployment of each capability. This structure also ensures LOB-
114 specific requirements are effectively captured and communicated to central XLOB stakeholders. For example, the XLOB Talent Management
115 function will design the talent management program including common components such as the candidate selection process, capability
116 frameworks, and the Amazon Academy onboarding and training program. Talent leads within each LOB will then customize these components
117 (such as the specific training modules) to reflect the unique ways of working and specific talent requirements for each LOB.

118 **How do you provide global visibility (local/regional roll-up)?**

119 Omnicom’s approach to global visibility is automated and provided within a platform vs. manual or Excel-based methods. Omnicom will provide
120 global visibility to Amazon in the following ways: 1) A dashboard view in Smartsheets will provide visibility of SOW delivery and resource utilization
121 with the ability to aggregate reporting by team, campaign, or region; 2) Budget tracking utilizing our global tool called Omni Planit, which enables a
122 direct API connection with Smartsheets, allowing for investment data to be rolled up and analyzed by vendor, channel, period; and 3) Performance
123 reporting dashboards which provide real time visibility into digital performance data.

124 The Omnicom Regional LOB Reporting leads will: 1) Work with Amazon to define use cases for rolled-up reporting; 2) Define data requirements; 3)
125 Architect required data API connections; 4) Establish data processes and QA; 5) Design visualization solutions. Each step acts as a gate and requires
126 explicit alignment with Amazon before continuing. This methodical approach is important in the context of media plans, for instance, where we
127 typically find a lack of consensus around standardized criteria which is critical to being able to roll data up accurately and consistently. While this
128 information will be permanently accessible, insight and summaries will be extracted by Omnicom’s LOB Business leads globally, regionally and in
129 country to aid in the governance of the partnership through mechanisms such as QBRs.

130 **What are the proposed mechanisms for adherence & continuous improvement?**

131 To ensure adherence to standards (Line: 87), the talent leads will deploy targeted training so all team members are clear on expectations and
132 compliance reporting which will allow business leads to provide focused intervention and root cause analysis to uncover what is driving non-
133 compliance. XLOB leads will hold a monthly meeting with each LOB lead to review compliance of each standard and dive deep into the root cause
134 analysis and proposed solution. We commit to implementing the required solution within 30 days following this compliance meeting.

135 To ensure our operating model adapts and improves, QBRs will provide the mechanism for global XLOB and LOB leads to make recommendations.
136 These will be based on: 1) Understanding pain points via TRR; 2) Root cause analysis themes; 3) Omnicom marketplace thought leadership and
137 trends; and 4) Progress against an Amazon transformation roadmap, built and managed by Omnicom with input from Amazon leaders, inclusive of
138 in-house ambitions.

139 **How will you avoid duplication of work?**

140 The business operations function will ensure duplication of work is avoided by: 1) Implementing a RACI (already created, to be refined Q3 2024) for
141 the development and delivery of campaigns; and 2) Implementing mechanisms such as the case study library and weekly newsletter (Line: 256) for
142 countries and LOBs to learn from each other and avoid starting from scratch. (1) We have already mapped every granular task, assigned each to an
143 individual within the staff plan and input this data in Smartsheet. The business operations function will govern delivery closely, ensuring
144 compliance with the agreed workflow and ensure there is no duplication or inefficiency in the delivery. Our proposed approach to case study
145 sharing (2) will give teams instant access to a library of work with the ability to search for similar campaigns to provide a starting point before
146 embarking on developing a campaign similar in nature.

147 **Media Efficiency & Sustainable Commitments**

148 **What is your proposed approach to achieving & incentivizing media efficiency?**

149 Omnicom will deploy a Global Strategic Investment Model (GSIM) to fully harness the scale of Amazon investment and achieve maximum value and
150 efficiency for all countries and LOBs, while ensuring ongoing modernization of Amazon’s marketplace strategies to meet evolving media
151 consumption behaviors. The 4 key roles of the GSIM for Amazon are: 1) Set the Global Investment vision and strategy aligned to Amazon’s overall
152 business objectives, competitor activities and evolving marketplace conditions (including programmatic expansion, inflation, consumption shifts,
153 currency innovation, and data privacy / regulatory movements); 2) Evaluate, negotiate and manage global media partnerships, sponsorships and
154 joint business plans, working collaboratively with Amazon in-house teams (e.g., MODE) to extract full value from platform partners such as Google
155 and Meta and coordinate with any Amazon-led negotiation efforts; 3) Establish, maintain and share marketplace best practices across countries
156 and LOBs, including ongoing marketplace updates (weekly, monthly) and upskilling (part of Amazon Academy, done quarterly and annually); and 4)
157 Track and report the delivery of agreed-to value targets, for all countries. Omnicom will track delivery monthly and will report formally to Amazon
158 in a specific Investment & Value QBR.

159 The GSIM is managed and governed by the Global Investment & Accountability function, which is led by your Global XLOB Investment Lead (Mark
160 Gallagher², who has nearly 30 years of global investment experience) and is supported by: a) XLOB Investment Leads for each Country; b)
161 Regional/Country Activation Leads for all LOBs responsible for digital vendor partnerships and c) Global Value Management team (11 resources
162 dedicated to Amazon, who are part of our +100-resource global accountability practice) which tracks and reports the delivery of agreed-to value
163 targets using our proprietary, third party auditor-aligned data collection and analysis tool called TrackIt. TrackIt will support quarterly and ad hoc
164 reporting to Amazon XLOB and LOB stakeholders, as well as to Amazon’s chosen media auditor on a cadence to be agreed between Omnicom,
165 Amazon, and auditor before the first month of service.

166 A key component of achieving media efficiency is providing meaningful commercial incentive for our teams servicing all countries and LOBs to
167 deliver on agreed-to value targets. Our proposed incentive for over delivering against media pricing commitments is up to 60% of the total agency
168 bonus in each year. Additionally, we are prepared to fully ensure our submission, with a commitment to make good any unlikely shortfall in media
169 value delivery in any country, in equal media value in the following year, up to the value of the entire annual base fee in that country. Omnicom’s
170 record of successful savings delivery has been consistently validated by third-party audited competitive pitch ‘stress tests’ (**Appendix B1: Media
171 Pricing Commitment Delivery**).

172 **Clarify your media value offer and how you are set up to deliver across all our key countries.**

173 Omnicom’s media value offer (submitted in the templates provided on 19th April) totals an estimated \$603.5M over 3 years (without proprietary
174 media) and upwards of \$687.5M (with a maximum amount of proprietary media included). A summary is found below: 1) Pricing savings & inflation
175 mitigation. Omnicom sees 3 additional levers which are not captured in the template, and which represent ~\$35M to ~\$100M in incremental value
176 opportunity over 3 years: 2) Programmatic enablement; 3) Supply path optimization / tech cost reduction; 4) Partner added value.

177 **Pricing Savings & Inflation Mitigation:** Based on our 1st round template submissions (submitted between 4th and 19th April) Omnicom estimates
178 \$603.5M in media savings (without proprietary media) for Amazon over three years, with a 19% pricing advantage in Year 1. This savings projection
179 is based on marketplace intel analysis to estimate your prevailing rates, projected inflation, spend across your 37 markets, and as a result of
180 implementing our Savings Lever Management program (**Appendix B2: Savings Lever Management Example**). With proprietary media, this savings
181 increases to \$687.5M over 3 years. Omnicom’s proprietary media products present additional value opportunity to Amazon on a like-for-like
182 inventory basis as well as on guaranteed outcomes basis (such as completed video views). Omnicom’s proprietary solutions operate at the highest
183 standards of transparency, accountability, and governance. For Amazon, proprietary inventory is considered and deployed only after a media plan
184 has been created and approved. Once approved, our Proprietary Media Team identifies available inventory that matches the exact specification
185 and expectations of the already completed and approved media plan. This specific process ensures Omnicom’s media plan and partner
186 recommendations remain guided only by Amazon’s strategic business needs. In addition to this governance mechanism, Omnicom is open to a cap
187 on proprietary media spend should Amazon take comfort in this approach. Omnicom is also aligned to re-invest savings generated via proprietary
188 media into offsetting agency fees or supporting incremental scope initiatives requiring additional resources.

189 **Programmatic Enablement:** Amazon will benefit from Omnicom’s strategic co-development relationships with media and platform partners,
190 including Google and The Trade Desk, to enable the programmatic activation of reservation-based media. One example of such innovation is our
191 unique partnership model with Spotify which allows for the programmatic activation of Podcast campaigns. Programmatic enablement will improve
192 Amazon’s targeting abilities for greater precision and accuracy to audiences (vs. demos or generic publisher provided segments), while also creating
193 media efficiencies through impression-based optimization of reach, frequency, and key actions (such as video completes). In addition, this strategy
194 will provide Amazon with greater flexibility to enter and exit the market, limiting waste and allowing for more real-time response to performance
195 trends, especially important during peak promotions (XCM) and entertainment push periods (PV). These unique inventory deals can be pushed
196 directly to Amazon-owned DSP seats for in-house activation and extend beyond website-based display and video media inventory. For example,
197 our unique partnership with The Trade Desk provides Amazon with a data-driven, programmatic approach to buying and optimizing Connected TV
198 in relationship to Linear TV delivery, resulting in improved reach to audiences across screens and publishers.

199 **Supply Path Optimization (SPO) / Tech Cost Reduction:** As Amazon increases investment in programmatically enabled media, intermediary costs
200 such as demand- and supply-side technology (DSP and SSP), third-party verification and data fees can diminish working media budgets and
201 campaign performance. In addition, the potential to waste spending on low-quality media inventory, such as made for advertising websites (MFAs),
202 also increases. Omnicom will mitigate these intermediary costs for Amazon through global SSP agreements, price caps and post-auction price
203 reductions, expecting to save Amazon between 0.5-2.5% in programmatic costs. Our SPO strategy is also proven to deliver a far greater share of
204 investment to legitimate impressions than other agencies, as evidenced by the recent ANA Programmatic Media Supply Chain Transparency study.
205 It revealed only 36 cents of every dollar that enters DSP reaches a consumer, with 29 cents going toward fees to ad-tech intermediaries, and 35
206 cents toward low-quality media. Omnicom’s Global Investment & Accountability Function includes specialized resources responsible for the
207 adoption, deployment and tracking of Omnicom’s Supply Path Optimization standards will ensure Amazon maximizes working media investments,
208 transparency, and brand safety, saving up to 35% of media cost. Omnicom’s standards, including our SSP Standardization Initiative, are industry-
209 leading and recognized by GARM, the ANA and MRC. (See **Appendix C: Media Value Offer Proofpoints**).

210 **Partner Added Value:** As the marketplace continues to consolidate around large global digital platforms and technologies, our Global Investment
211 and Accountability function will provide Amazon with innovative value opportunities beyond pricing, such as: advanced audience integrations via

² Among industry-leading contributions, Mark Gallagher leads Omnicom’s partnership with the World Federation of Advertisers (WFA). Omnicom is the only agency network invited to present annually our comprehensive global media market analysis to all WFA members and as quoted by Matt Green, Director, WFA Global Media Services, “Mark [Gallagher’s] highly anticipated session consistently achieves one of the highest ever feedback scores we see across our presenters at WFA. We appreciate the well-presented material and look forward to on-going collaboration with Omnicom in the future.” Omnicom will host a quarterly session for Amazon’s global media leadership where we present this analysis, implications and the accompanying report. (See Appendix B3: World Federation of Advertisers Report)

212 clean room development; engineering credits for custom feature deployment; advanced analytics and use of new measurement solutions; and
213 creative service credits. Given Amazon’s concentration of spend today, Omnicom would recommend focusing Year 1 on Google, Meta, Spotify, The
214 Trade Desk, Snap, TikTok, Teads, LinkedIn and Yahoo. Omnicom will coordinate with Amazon during the transition to prioritize partners and specific
215 areas of value in a Joint Business Plan Framework. Omnicom has a longstanding history of partner innovation, including co-designing Google’s new
216 Commitment Optimizer (portfolio management across upfront buys) and development with Meta of unique operational tools such as Geo-lift,
217 which facilitates geographic testing of media performance. (See **Appendix C: Media Value Offer Proofpoints**).

218 **What are the media challenges you foresee Amazon facing over the next 3 years and what would you do to mitigate them?**

219 Globally, we see 3 key media challenges for Amazon over the next 3 years: 1) staying customer-obsessed despite increasing marketplace
220 fragmentation; 2) the erosion of traditional pricing power; and 3) signal loss due to evolving consumer data privacy policies.

221 **Staying Customer Obsessed despite Increasing Marketplace Fragmentation**

222 The acceleration of data and technology has fueled the rise of new media platforms, channels, and consumption behaviors making it increasingly
223 challenging for Amazon to effectively plan, activate and measure media holistically. Whether it is the rapid rise of ad-supported streaming and
224 connected TV, or the continued expansion of influencer and creator media, reaching the right audiences and delivering a connected experience
225 across their journeys will be more difficult to achieve, not less. Omnicom approach to mitigating these challenges is rooted in: 1) Advanced
226 audience-based planning, activation, and measurement capabilities through Omni, which use durable (non-cookie) signals to provide Amazon with
227 customer-obsessed plans that map to modern, cross-screen media behaviors; 2) A comprehensive approach to programmatic enablement that
228 allows for data-driven targeting and measurement across more media types (Line: 189).

229 **Signal Loss Due to Evolving Consumer Data Privacy Policies**

230 Ongoing consumer data privacy regulation and associate digital platform policies will continue to challenge Amazon’s ability to utilize addressable
231 signals, such as digital cookies, to effectively target and measure media campaigns. To maintain and improve media performance, Amazon must
232 scale new audience segmentation, targeting, and measurement strategies, such as data collaboration using privacy-compliant clean rooms like
233 Amazon Marketing Cloud and AWS Clean Rooms, as well as Google’s Ads Data Hub, and the use of new probabilistic matching techniques
234 (leveraging Generative AI) like fusion to deliver effective audience solutions. Omnicom mitigates these challenges by providing Amazon with: 1)
235 Scaled expertise in the utilization of clean rooms, embedded in our proposed Data Tech and Tools teams; 2) ongoing education and thought
236 leadership through our Future Signals program, which ensures Amazon and Omnicom teams globally are fully informed of the latest regulatory
237 trends and platform policy shifts (Omnicom will deliver these updates on an ad hoc bases through); and 3) An evolving suite of privacy-compliant
238 media applications within Omni, including advanced audiences modeling utilities which deploy fusion.

239 **Erosion of Traditional Pricing Power**

240 With the continued digitization of media, the biddable auction vs. the upfront marketplace is fast becoming the dominant trading environment.
241 This shift challenges Amazon’s traditional pricing power that uses market scale to secure flat CPM discounts. Omnicom mitigates these challenges
242 for Amazon primarily in 2 ways: 1) Through securing pricing benefits in media auctions in the form of auction credits and post-auction discounts,
243 which generate savings without compromising your competitiveness in a biddable environment; 2) Direct data integrations with media partners
244 including Google, The Trade Desk, Meta, and Amazon, which allows for more effective bidding and targeting strategies through custom algorithms
245 and machine-learning techniques. We have co-engineered 63 custom integrations. For example, with Amazon, we are launching an industry-first
246 this month (May 2024) that facilitates the integration and enrichment of Omni audiences with Amazon DSPs 1P audiences and activates them on
247 CTV with a major broadcaster.

248 **Best Practice Sharing**

249 **What will be your approach to best practice sharing within and across agency teams, across locales, LOBs, cross-client? For which clients have**
250 **you successfully implemented a similar approach. Where have been tangible benefits?**

251 We have developed applications within the Amazon Omni environment which are a repository for best practice and case studies from across the
252 Amazon network accessible to both Omnicom and Amazon teams. Business operations are responsible for 1) creating templates aligned to the
253 STAR format and mechanisms for collecting information from the countries with the aim of making it as easy as possible for local teams; 2) hands-
254 on editing to ensure the content is of a high quality; 3) transposing the case studies and best practices into the Omni applications and attaching
255 relevant tags to make the content easily discoverable. The best practice and case study library integrated within Omni will be living breathing
256 websites, not simply a library of PDFs that teams can download. Content will be posted as interactive articles with nominated editors able to
257 continuously improve the information and collaborate with users. An advanced search function will allow users to search for content based on
258 campaign, country, KPI, and channel, to ensure that content is easily found. A weekly newsletter will be sent to all Omnicom and Amazon teams
259 alerting them to the week’s content highlights and case study content will be automatically entered into the Omnicom awards program.

260 Volkswagen Group is one of the world’s largest advertisers. The best practice repository we have created currently has 1.5k users, of which 650+
261 are VWG clients. 18.5k newsletters were sent in 2023 showcasing new information on the portal and there have been 785 newsletters as of 1st May
262 2024. This has benefited both the client and agency teams by providing a single, shared destination for best practices where previously information
263 was siloed (by LOB) and regularly outdated (as individual LOB efforts did not have the scale and focus). It has also allowed VWG to agree on
264 standardized measurement KPIs, which are integrated into the case study templates and all campaigns must report against.

265 **How will you avoid making the same mistake twice?**

266 Upon discovering a mistake, LOB business leads will generate a 'Correction of Errors' (COE) report within 5 business days. This report will
267 comprehensively outline the issue, including a root cause analysis to pinpoint why the mistake occurred. Our next steps will involve identifying and
268 implementing necessary actions or solutions. These may entail process adjustments, governance enhancements, talent development, or
269 educational initiatives. We will address the root cause at an enterprise-wide level, transcending individual countries or LOBs to ensure the mistake
270 does not happen twice. This information will be reviewed in the monthly compliance review meeting (Line: 131), chaired by the XLOB lead so that
271 importantly we disseminate both the mistake and the solution across all relevant Lines of Business (LOBs) and locales. As part of our enterprise
272 QBRs we will provide tracking on all COE reports and are prepared to include this metric as part of our PRF criteria to demonstrate our commitment
273 to an error-free relationship.

274 **Next Steps**

275 We look forward to demonstrating our end-to-end approach for operationalizing our requirements and delivering economic value for Amazon and
276 its LOBs in the Global Economic & Operational Capabilities Meetings.

277 **Appendix A: SOW Task Automation**

278 A summary of Omnicom’s proposed automation roadmap, including details on: 1) The specific SOW categories prioritized for automation; 2) the
279 individual tasks to be automated (extracted from the SOW descriptions); 3) the tools and technologies that will enable automation; and 4) the
280 implementation timeline for each automation feature.

May 2024 – Omnicom Media Group – Global Economic & Operational Capabilities

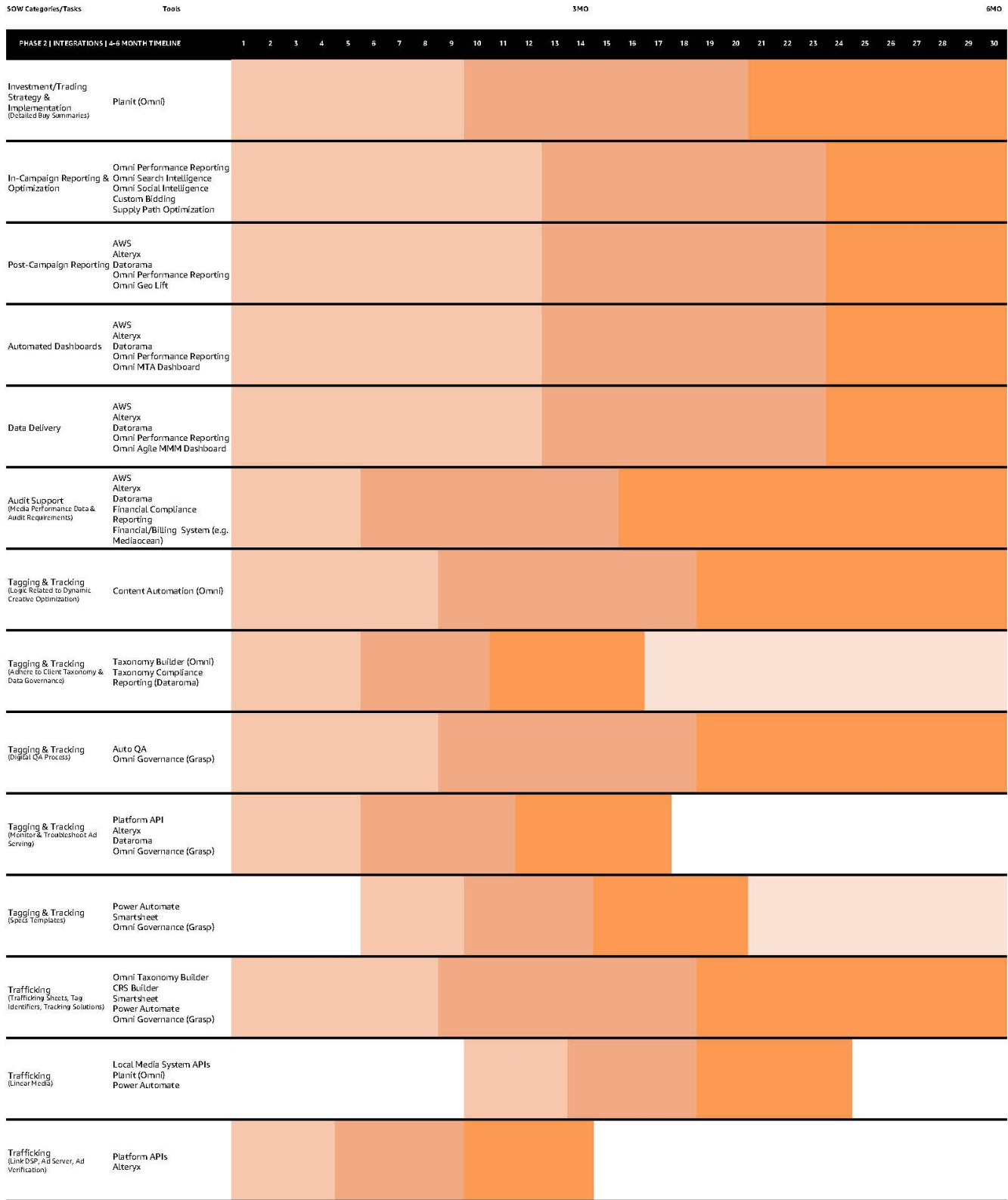
Timeline

SOW Categories/Tasks	Tools	3MO										6MO																			
PHASE 2 INTEGRATIONS 4-6 MONTH TIMELINE		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Financial & Commercial Management	Financial/Billing System (e.g. MediaOcean) Financial Compliance Reporting Alteryx Power BI Power Automate																														
Investment/Trading Strategy & Implementation (Billing & Invoicing)	Financial/Billing System (e.g. MediaOcean) Financial Compliance Reporting Platform APIs Alteryx																														
Media Plan / Budget Management (Media Plan & Budget Data System)	Planit (Omni) SmartSheet (Amazon Owned)																														
Media Plan / Budget Management (Using Media Plan & Budget Dat, Flowcharts & Tracking By LOB, Monthly Billing & Allocation Schedules)	Planit (Omni) SmartSheet (Amazon Owned) Financial/Billing System (e.g. MediaOcean) Power Automate																														
Holistic Communications Planning (Provide Portfolio View of Plans)	Planit (Omni)																														
Thought Leadership & Innovation (Monitor and Track Spend Commitments)	Planit (Omni)																														
Media Planning (Consistent Global Templates, Timelines, Plan Approval)	Planit (Omni) SmartSheet																														
Cross-Country/Cross-LOB Governance/Standards and Learnings (Uniform Templates)	Planit (Omni) Power Automate																														
Cross-Country/Cross-LOB Governance/Standards and Learnings (Consolidation/Coordination of Regional/Global Reporting)	Alteryx Datorama																														
Tech & Tools Implementation (Audit Tool Usage, Standards, Taxonomy)	Best Practices Portal (Omni) - 3 Mo Timeline Taxonomy Builder (Omni) Taxonomy Compliance Reporting (Alteryx, Datorama)																														
Innovation/Learning Agenda (Target Benchmarks)	Omni Performance Reporting Alteryx Datorama Quicksight (Amazon Owned)																														
Investment/Trading Strategy & Implementation (Monitor Delivery and Optimize Performance)	Omni Performance Reporting Alteryx Datorama Quicksight (Amazon Owned)																														
Business, Marketplace & Competitor Intelligence (Competitor Analysis)	Competitive Reporting Datorama Alteryx Competitive Data Sets (e.g. Pathmatics)																														
Investment/Trading Strategy & Implementation (Execute Clearance, Coding of Media Interactions)	Omni Performance Reporting Alteryx Datorama Quicksight (Amazon Owned)																														
Investment/Trading Strategy & Implementation (Detailed List of Assets & Specifications)	Creative Rotation Sheet Automation Power Automate																														

Discovery | Design & Development | Implement & Deploy | On Going Calibration

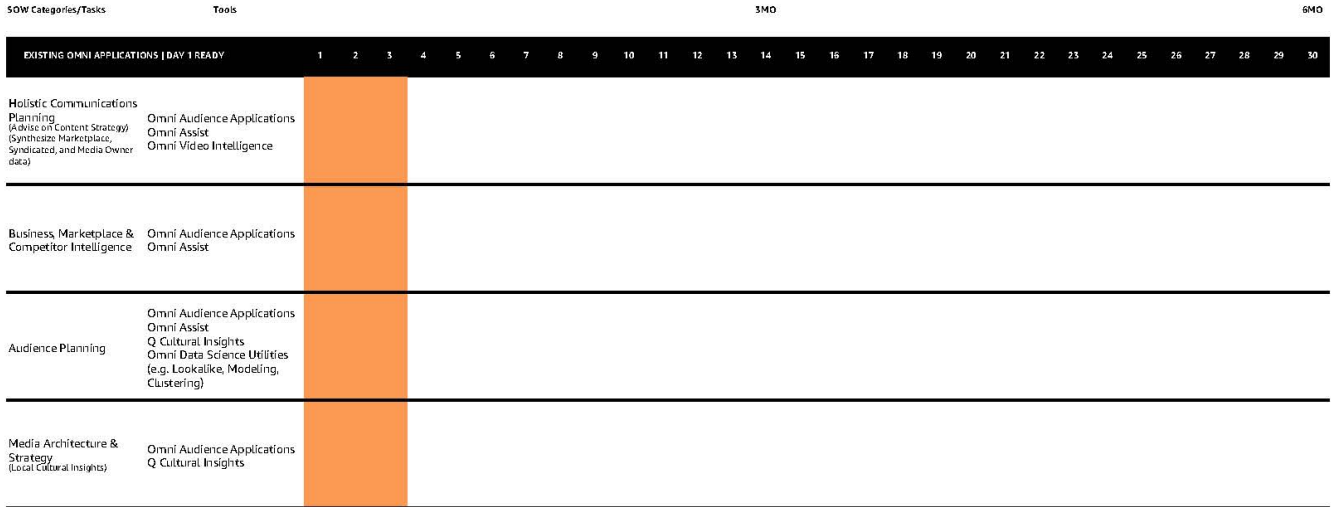
May 2024 – Omnicom Media Group – Global Economic & Operational Capabilities

Timeline



May 2024 – Omnicom Media Group – Global Economic & Operational Capabilities

Timeline



Tasks for Automation

Tasks for Automation

Audience Data Strategy

- Build and update audience strategy and cross channel audience planning using relevant tools / data sources
- Build, activation and optimization of 2nd and 3rd party data segments for delivery
- Define content and technical requirements to support each tactic. Includes sequential messaging, dynamic content, etc.
- Identify existing and new potential 2nd & 3rd party data segments
- Mapping audience data to a specific tactic. Define data, dictate which tactic it will be used for, and distribute to platform

Audience Planning

- Analyzes Audience reach across the portfolio plan and ability to feedback to the business on under-served audiences to inform future content slate/ marketing title selection.
- Appropriately conduct and/or contribute to any new research required (e.g. ethnographic studies) and analyse any relevant data sources to gain insights (e.g. from syndicated data such as TGI, Data monitor, WARC, ComScore, MRI, Nielsen and Agency proprietary consumer learning).
- Augment & enrich Client audience data with 2nd & 3rd party data
- Define audiences' behaviors and consumption for all relevant touchpoints, including technology, networks, media, experiences, and transactions, including cultural nuance
- Surface audience insights that can be useful in the marketing creative process.
- Synthesize audience information to provide understanding of current and emerging behaviors and attitudes towards brand
- Translate Client segments into actionable/addressable audiences

Audit Support

- Coordinate with Client auditor for provision of media performance data and audit requirements.
- Provide data for all in scope channels in accordance to auditor timeline.
- QA media data for completeness and accuracy prior to it being issued to Client auditor. QA will include determining whether all buys from the system have been captured, and a review as to whether bottom line spend, GRPs, impression and units match Client's own post-buy analyses;

Automated Dashboards

- Build in performance benchmarks to analyze current performance against past performance or industry standards.
- Create and maintain dashboards for all paid media channels in accordance with DTT appendix
- Ensure all data is fed into campaign reporting dashboard in a timely manner across all channels, partners, and placements to help facilitate real time view and reporting of campaign activity
- Provide investment visibility and transparency across lines of business, across media channels and across media outlets

Business, Marketplace & Competitor Intelligence

- Appropriately conduct and/or contribute to any new research required (e.g., market studies) and analyze any relevant data sources
- Collate and synthesize data to develop insights that can be leveraged through the communications process, sharing local insights with regional & global teams to inform strategies where relevant.
- Competitor analysis: Including (but not limited to) relevant content/assets, share of spend (media), and share of mind (customer) which include implications and opportunity areas for Client
- Media Landscape Analysis: Review of media marketplace to identify business-relevant trends and opportunities

Cross-Country/Cross-LOB Governance/Standards and Learnings

- Establish mechanisms that ensures consistent quality and SLA in planning, buying and execution
- Implement uniform templates for media briefs, media flowcharts, added-value briefs, integration briefs and documents related to tasks that occur in multiple countries
- Implements automated tooling to create timely consolidation/coordination for regional/global reporting
- Regular and proactive review of process to ensure adherence to standards and identify opportunities for improvement.
- Where possible, Hub teams take responsibility over channels that scale with minimal effort from locales. Clear RACI between Hub and Locales

Data Delivery

- Provide audit and media mix modeling data requested by auditor and Client
- Use data & technology to manage media investments and provide visibility, transparency, and access across all investment placements.

Financial & Commercial Management

- Follow and deliver in line with invoicing & financial reporting routines indicated by Client and as specified in the MSA. Accountability at highest level.

Holistic Communications Planning

- Advise on Content strategy including platform best practices
- Provide portfolio view of plans to inform/manage total customer experience
- Synthesize marketplace, syndicated, and media owner data into actionable strategies and plans

In-Campaign Reporting & Optimization

- Monitor and report on key hygiene factors (e.g. time of day, viewability, geo-compliance, audience verification).
- Provide ongoing reporting on live campaigns to ensure the active monitoring of delivery, pacing, and optimization of media and creative performance against agreed KPIs.
- Showcase the application of historic learnings, consumer & market insights to drive continuous improvement and ROI.
- Use data & technology to help manage media investments and provide visibility and transparency across all investment placements.

Tasks for Automation

Tasks for Automation

Innovation/Learning Agenda

Review and adopt target benchmarks, ensure governance process

Investment/Trading Strategy & Implementation

Actively monitor delivery and optimize performance against KPIs and hygiene factors (e.g. time of day, viewability, geo-compliance, audience verification, ad placement).

Ensure a Buy Authorization form is approved by Client

Execute clearance, coding, and monitoring of media instructions, including auditing placed advertisements, verifying insertions, affidavits, and positioning quality, securing appropriate make goods and audience deficiency units, and providing quarterly media post-buy reporting

Maintains detailed list of assets including specs requested by media vendors required for implementation (aka production plans) with high attention to detail and consistency. Follows up consistently on delivery and works collaboratively with creative agencies to deliver best in class and fit for channel creative.

Provide detailed buy summaries

Support accurate billing/invoicing in accordance with Client defined finance process with a single agency POC

Media Architecture & Strategy

Construct media strategy detailing business and marketing objectives, audience, communication objectives, role of touchpoints and channel recommendation.

Ensure Local & cultural insights, requirements and peculiarities are identified and incorporated

Provide rationale for channel selection, showing how each should be prioritised customized by Region/Locale

Support Client with relevant inputs for the briefing document including marketplace insights, competitor insights, consumer insights.

Media Plan / Budget Management

Create a single source of truth for all media plan and budget data, managed in an automated system. System will be aligned with Client and Client may "own" the contract. Additional detail can be found in the DTT Appendix.

Deliver accurate flowcharts & budget tracking by line of business

Ensure timely provision of all plans for Client approval and secure approval in advance of booking deadlines.

Monthly billing allocation schedules by line of business, matching to all channel invoices.

Update source of truth for all media plan and budget data, managed in an automated system. System will be aligned with Client and Client may "own" the contract. Additional detail can be found in the DTT Appendix.

Media Planning

Develop and update comprehensive media guidelines and playbooks to serve as a reference for teams, ensuring consistency and compliance across campaigns

Develop media plans for initiatives (e.g. big rocks, key launches, rollouts of new channels) including budget by channel as well as partner and tactic level recommendations and rationale

Leverage validated planning tools for efficient/automated creation of budget allocations, laydowns, etc.

Ongoing Client education regarding emerging media platforms and technologies as well as industry and category insights. Training sessions to cover media landscape, systems, planning, measurement, trading, advertising advancements, case studies.

Undertake revisions to such plans and schedules as and when necessary

Use consistent global templates, adhere to timeframes agreed with Client, and seek plan approval in accordance with the established process

Media Thought Leadership & Innovation

Co-develop and manage annual learning agenda. Share channel and industry updates to define future learning agendas.

Provide points of view--when requested--in relation to Client's key challenge areas, new offers/opportunities

Provide relevant, proactive and valuable media thought leadership, drawing on experience from the marketplace, peer/category advertisers.

Post-Campaign Reporting

Prepare and present post campaign analysis in agreed upon format and timeline to cover all paid media campaign activity; including a full understanding of campaign delivery, media and creative performance, execution and outcomes with specific recommendation and changes shared for future initiatives.

Project Management & Stakeholder Integration

Actively manage the Agency services, including people, resources, quality of services, deliverables, relationships and remuneration--accountability at the level of highest respective responsibility.

Ensure consistent oversight of information transfer between Agency and Client across LOBs and the across Agency network.

Hold regular QBRs to review learnings and campaign results, as well as update on media landscape and Agency innovations in an agreed upon format and content structure. Held no later than 90 days past end of the quarter. QBRs will be managed at the level of respective responsibility.

Oversee the Project Management & Stakeholder Integration across Global, Regional, and Local teams, consulting and escalating as needed.

Proactively manages key milestone meetings e.g. brief, plan, reporting meetings in client's diary according to process.

Provide consistent visibility across projects on a local, regional, or global basis based on which level is the client lead. Select initiatives may require roll-up from local to global based on priorities in the year

Provide Issue/Error escalation and resolution, cascading appropriate outcomes, actions, new processes across teams to insure the same error does not happen twice.

Provide regular status reports, timelines and delivery calendars, risk/issues reports, meeting agendas and notes and other documentation as requested. Contact reports should be sent within 24h and include action item ETAs, follows up on all action points

Regularly conduct agency & Client leadership team meetings to review status of relationship, delivery against agency / project / operational goals and address key issues across Agency network

Takes on active role in partnerships and collaborates in a positive manner with other external agency partners and LOBs and helps to coordinate projects to deliver the best cumulative outcome for Client. Includes collaboration with local agency partner in Japan on global standards, governance, DTT.

Tasks for Automation

Tasks for Automation

Tagging & Tracking

-
- Adhere to the use of a Client approved taxonomy & applicable data governance laws.

 - Build, document, implement and continuously execute comprehensive digital QA processes

 - Develop relevant decision trees/logic related to Dynamic creative optimization

 - Ensure that all budget information is captured within the Ad-serving platforms for all markets to enable real-time budget reporting

 - Ensure that relevant tracking solutions are implemented across all markets (i.e., adserving, ad verification)

 - Monitor campaigns and troubleshoot with sites and ad-servers

 - Provide completed templates including technical specifications in agreed format in line with agreed timings, prior to campaign live dates

 - Regular auditing, compliance control, improvements and implementation of approved recommendations across the ad technology stack to deliver best in class performance.

Talent / Staff Management

-
- Alert Client in sufficient time ahead of any key Agency team resource leaving and include action plan to ensure no negative impact.

 - Builds successful, high performing teams through hiring and development; robust resource management even through peak periods and creates mechanisms to ensure quality of work continues to be bar raising.

 - Implements rigorous, on-going, transparent talent development and training program to ensure up-to-date skills

 - Onboard new team members within a month of start date with clear roles and responsibilities .

 - Proactively involve Client in the selection process for any key personnel and senior Agency team hires.

 - Track and fill open positions within agreed timeframe. Propose, align, and maintain system for keeping Client apprised.

Tech & Tools Implementation

-
- Project manage any new technical platform migration, managing the processes, RACI, accesses and rights and coordinating the project for all parties.

 - Regular internal agency audits of agency team adherence to tool usage, standards and taxonomy

Tech & Tools Thought Leadership

-
- Provide regular updates, POVs, Guidance on new technology/data developments

Thought Leadership & Innovation

-
- Monitor and track spending commitments with key JBPs, alerting Client when contractual obligations are in jeopardy

 - Provide relevant, proactive and valuable thought leadership, drawing on experience from the marketplace and peer advertisers.

Trafficking

-
- Creation of a trafficking sheet to ensure consistent naming conventions are used for campaigns, that all formats are adhered to and that any mistakes are identified in advance to ensure the correct set-up of Digital media campaigns, resulting in accurate reporting.

 - Ensure Client's creative is properly tagged with industry standard commercial identifier codes prior to trafficking them to the appropriate media vendors

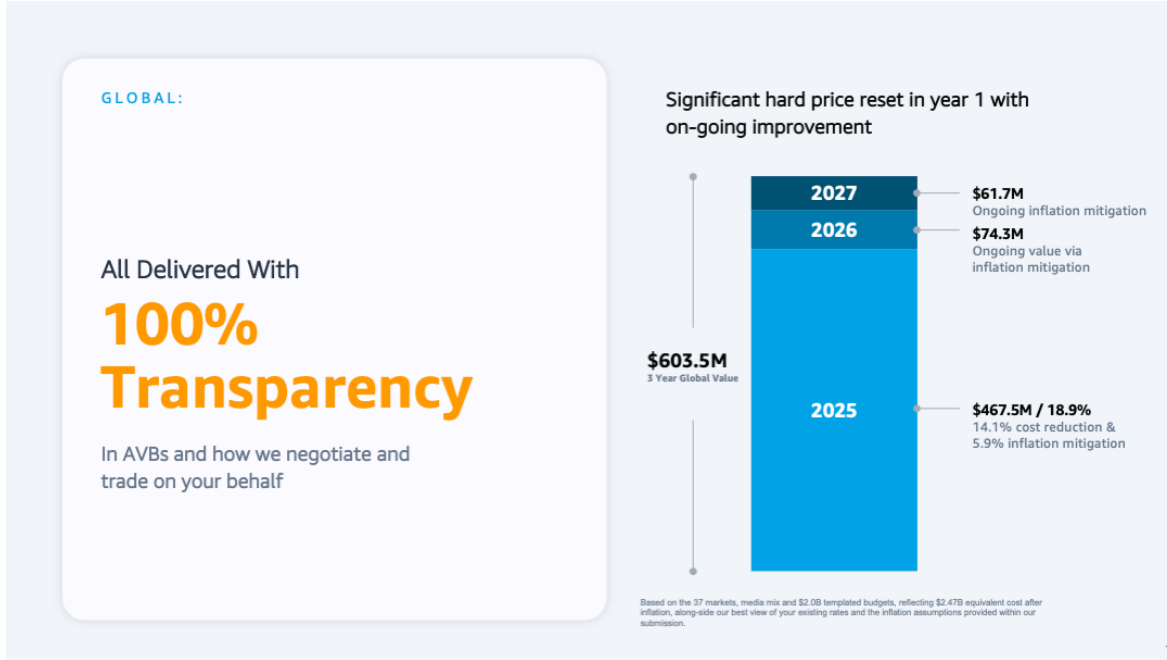
 - Execute trafficking all of Amazon's creative spots for media buys placed with Company, including providing traffic instructions and issue materials for all national and local television spots.

 - Linking of DSP, ad server & ad verification to enable adequate optimization and integrated reporting.

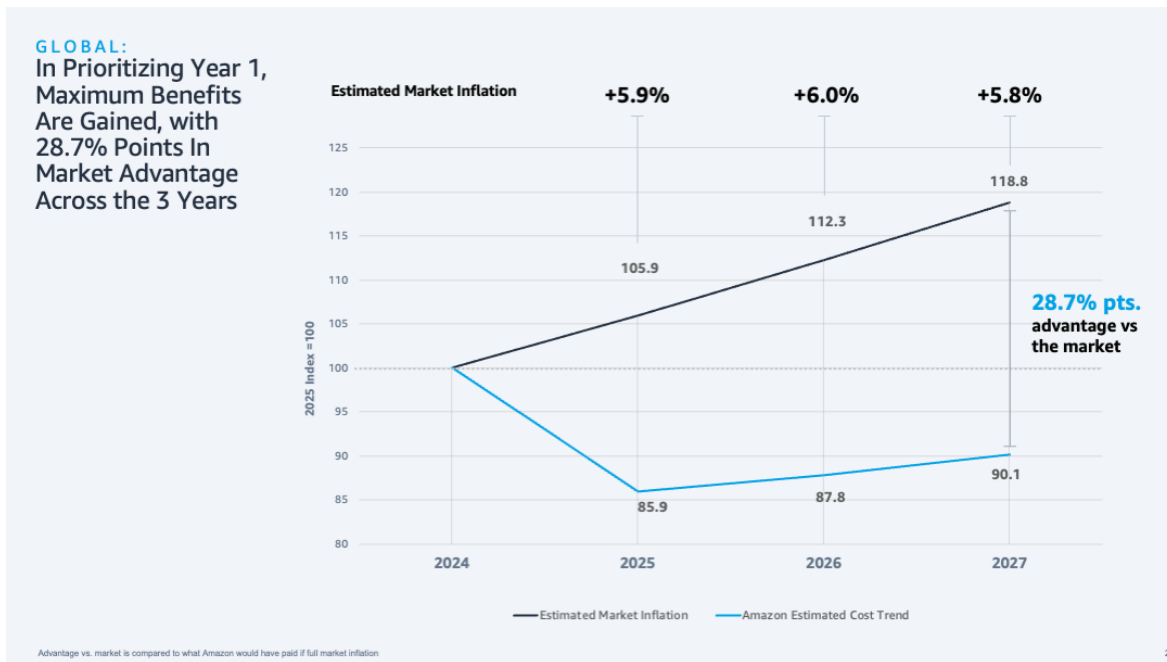
 - Updating of the Trafficking sheet as the campaign changes; placements are removed, optimized and added.
-

288 **Appendix B: Media Value Estimates**

289 The below represents Omnicom’s estimated pricing improvement vs. Amazon’s current price points and the market inflation we anticipate over the
 290 term.



291



292

293 Appendix B1: Media Pricing Commitment Delivery

294 Omnicom’s media pricing commitment delivery, resulting from open market competitive pitches / contractual renewal cycles is validated on an on-
295 going basis by third-party media consultants: Global luxury client 2022 (Yr1) delivered and validated by MediaSense. Global Banking Group client
296 2022 (Yr3) delivered and validated by Ebiquity. Global Luxury Auto (1H of Yr1) delivered and validated by Ebiquity. Longstanding Global CPG client
297 (Yr12+) delivered and validated by PwC. Global CPG client (Y1) delivered and validated by PwC & Ebiquity. Global Apparel client (1H of Yr1)
298 delivered and validated by ID Comms. Longstanding Global CPG (Yr9) delivered and validated by ECI. Longstanding Global auto client, ‘compliance
299 audit’ (Yr 13+) where InfoCubed, checked Omnicom delivery reports, and showed just 0.3pts variance vs claimed saving across \$300MM+ of spend.

300 Appendix B2: Savings Lever Management Example

301 Below is a snapshot of Omnicom’s Savings Lever Management program, designed to extract every ounce of value and efficiency from your
302 spending.

Market	Lever	Description	OMG Regional	Marketing Central/Regional Amazon	OMG Local	Marketing Local Amazon	Verification	Budget Perimeter	Budget Perimeter \$	Optimization Efficiency	OMG Incentive %	Net Amazon Upside %	Efficiency \$a	OMG Incentive \$a	
USA	pre defined central list	<ul style="list-style-type: none"> pre defined central description local market will fill a template with local specifics 	<ul style="list-style-type: none"> to monitor central mkg when necessary 	<ul style="list-style-type: none"> to improve Central/Regional processes Support local process to manage when local issue identified 	<ul style="list-style-type: none"> to recommend to implement to report to OMG Central & escalate when necessary 	to improve discipline	to demonstrate the efficiency gained	Estimated spend types that can be optimized	Estimated spend that can be optimized	estimated % of budget optimized	OMG bonus incentive for unlocking additional value (6% of value delivered)	additional optimization value % for Amazon	Estimated USD optimization gain for Amazon (assuming all levers addressable)	Estimated USD OMG gain (assuming all levers addressable)	
									\$107,716,939	8.2%		8.2%	\$8,885,034	\$507,251	
Optimised Budget Management	1 Budget Stability	Would there be productivity improvements if budgets only changed during the year due to extreme circumstances?	Track budget	Protect media budgets where ever possible	OMG to recommend optimal approval/ negotiation strategy and track / report against guideline	Give Agency longest horizon budget approval and "fix"	Via productivity / exception reports to client	TV	\$1,000,000	5.0%	0.38%	4.63%	\$46,250	\$3,750	
	2 Optimized % of budget committed vs. planned	Do you only commit a certain % of planned budget due to fluctuations over the year?						Via productivity / exception reports to client	OOH	\$500,000	3.0%	0.23%	2.78%	\$13,875	\$1,125
	3 Annual deals/ firm commitments with key Ad Sales Houses (ASH)	Are there commitments with more ASH than currently which would bring significant savings? Are annual deals not relevant/recommended for any media type in your market & why?	N/A - Local optimisation	Support local Marketing where relevant		Agree target ASH and support	Via productivity / exception reports to client	Print	\$250,000	7.0%	0.53%	6.48%	\$16,188	\$1,313	
	4 Ad hoc short-term budget facility	Would there be productivity improvements if you had a short-term flexible pot of budget that's not committed?				Agree set-aside budgets & support appropriate processes	Via productivity / exception reports to client	TV	\$1,000,000	5.0%	0.38%	4.63%	\$46,250	\$3,750	
	5 Cost effective packages to be reserved early in the year	Packages or media types for certain weeks/months that require securing at the beginning of a year (not same as annual deals)	Track budget approval timetable	Ensure maximum Budget visibility (anticipate as much as additional budget allocation) and support optimal process		Agency to set optimal timetable	Work to Agency deadlines	Digital	\$500,000	5.0%	0.38%	4.63%	\$23,125	\$1,875	
	6 Long Term Budget Approval dates	Are approval dates optimized?					Via productivity / exception reports to client	TV	\$1,000,000	2.5%	0.19%	2.31%	\$23,125	\$1,875	
	7 Potential longer term deals with key ASH	Is there the opportunity for multi-year deals, if Amazon committed to signing off?	N/A - Local optimisation	Support local agreements		OMG to recommend where relevant	Support and engage	Offline	\$1,750,000	5.0%	0.38%	4.63%	\$80,938	\$6,563	
	8 Optimized Amazon budget synergy	Would there be further productivity improvements if you could further align budgets across all brands?	Support local Alignment meetings	Support local Alignment meetings		Agency to facilitate cross Brand budget meetings	Initiate / Attend and support	TV	\$1,000,000	5.0%	0.38%	4.63%	\$46,250	\$3,750	
	9 Best Channel / Media mix for Campaign	Given the Campaign Objectives, are the most cost efficient routes are employed? Are KPI's aligned - Planning, buying & reporting (productivity)? If not, why and how could that improve productivity?	Planning guidelines to give appropriate flexibility to Local optimisation	<ul style="list-style-type: none"> Guarantee local flexibility in regional guidelines adaptation Ensure that creative are developed under different formats for cherry picking 		<ul style="list-style-type: none"> OMG to recommend & outline com/prod advantages (local creatives) OMG to alert on cost impact of special requests 	Support and engage to ensure alignment	TV,OOH,Print	\$1,750,000	5.0%	0.38%	4.63%	\$80,938	\$6,563	
	10 Optimised use of seasonality	Effect of seasonality in TV is a key driver of efficiency and optimisation, can campaigns start or end later to take advantage	N/A - Local optimisation					TV	\$1,000,000	22.0%	1.65%	20.35%	\$203,500	\$16,500	
	11 Effective creative formats	Wherever possible, the most effective format is employed, to drive cost efficiency	Align planning guidelines with required flexibility Recommend & outline com/prod advantages of central creatives			OMG to pick up optimal formats for local market		All media (5.73% of total budget)	\$2,500,000	6.0%	0.45%	5.55%	\$138,750	\$11,250	

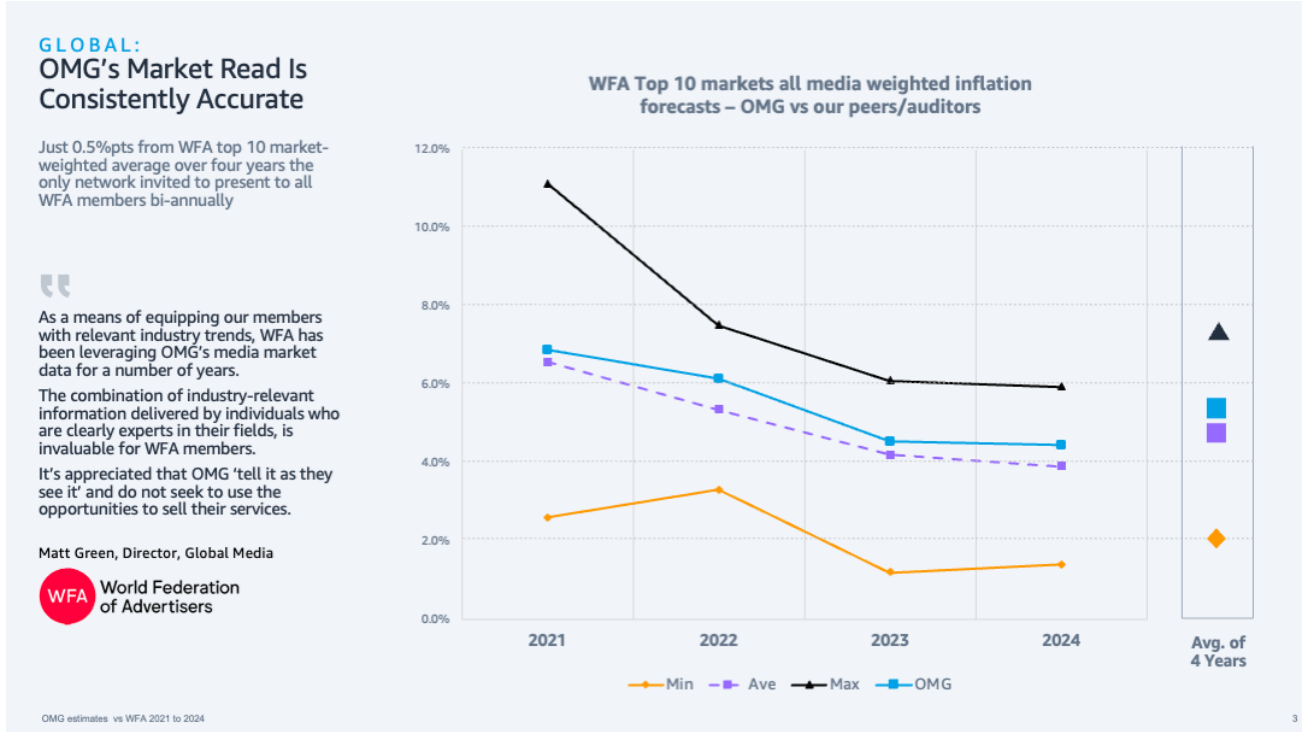
303

May 2024 – Omnicom Media Group – Global Economic & Operational Capabilities

Improved Marketing Discipline	12	Conform to Approval Deadlines	Or would even early approvals improve productivity in some cases?	Alert Central Marketing	<ul style="list-style-type: none"> Support process & local role responsibilities (hub implementation) Ensure streamlined creative delivery process 	OMG to advise with trade-off or risks attached if do not comply and to escalate if issue	<ul style="list-style-type: none"> Support & engage to ensure alignment Alert Central Marketing if too late material delivery 	Via productivity / exception reports to client	TV	\$1,000,000	6.0%	0.45%	5.55%	\$55,500	\$4,500
	13	Minimise Movement of Campaigns	No changes to campaigns passed booking deadline?			OMG to advise of cost / value impact of Campaign Movement and escalate if issue			Offline	\$1,750,000	5.0%	0.38%	4.63%	\$80,938	\$6,563
Technical Optimisation	14	TV - Daypart Optimisation	Is there opportunity to optimise TV daypart usage for the 3 year contract term, whilst not to the detriment on reach on same budget	To notify Amazon where market nominates Technical Optimisation	-	-	-	Via productivity / exception reports to client	TV	\$1,000,000	3.0%	0.23%	2.78%	\$27,750	\$2,250
Investment Products	15	OMnet	Is there opportunity for OMnet to drive additional discount	Alert central Marketing if issue with local acceptance and opt-in	-	-	Support acceptance where needed / remind of central MSA opt-in / Client Buying Guidelines requirement	Line by line reporting showing saving vs agency rate	23.67%	\$25,500,000	5.0%	N/A	5.00%	\$1,275,000	-
	16	OMG Outcomes	Is there opportunity for OMG Outcomes (guaranteed cost per X)	-	-	-	Comparison vs client/agency agreed benchmarks	7.43%	\$8,000,000	10.0%	N/A	10.00%	\$800,000	-	
	17	OMG Marketplaces for Programmatic	Is there opportunity for OMG Marketplaces (OMG SSP) on Programmatic	Alert central Marketing if issue with local acceptance	-	-	-	Comparison vs campaigns run without OMG SSP	1.39%	\$1,500,000	10.0%	N/A	10.00%	\$150,000	-
Digital Standards	18	Optimisation of digital quality metrics	Improving viewability, decreasing ad fraud and ensuring in geo brand safe impressions	Local optimisation	Support local marketing where relevant	OMG to recommend optimisation opportunities and alert on cost impact	Support, engage and align	Via productivity / exception reports to client	-	-	-	0.00%	0.00%	-	-
	19	Pod position	Pod position optimisation	Local optimisation	Support local marketing where relevant	OMG to recommend optimisation opportunities and alert on cost impact	Support, engage and align	Via productivity / exception reports to client	-	-	-	0.00%	0.00%	-	-
Other Value line items	20	Research, Training, Studies, etc (assumes all bonus impressions/free space is already included in Client Pricing)	This would extend beyond research/training but would reflect all additional value (bonus weight, waived fees, etc). OMG would monitor is through the year. Our offer reflects 5% of total spend,	-	-	-	-	-	-	-	-	-	-	\$5,385,847	\$403,939

305 **Appendix B3: World Federation of Advertisers Report**

306 The below demonstrates Omnicom’s accuracy relating to market price movements. Our media inflation estimates are consistently close to the
 307 average of all contributors to this exercise including Agency Hold Cos and Media Auditors/consultants.



308

309 Appendix C: Media Value Offer Proofpoints

- 310 At Google's NewFront event, Omnicom's Senior Vice President-Programmatic & In-housing Clare Ritchie presented the "Commitment Optimizer,"
311 developed in collaboration with Google to revolutionize upfront media-buying commitments. This AI-powered application within Google's DV360
312 platform streamlines upfront inventory management, granting planners and buyers predictive capabilities, potentially disrupting traditional supply
313 chain control and favoring platforms like Google and The Trade Desk. Read more in the MediaPost article [here](#).
- 314 Omnicom introduced the SSP Standardization Initiative to bolster advertiser ROI and brand safety in SSP investments, guided by the Council on
315 Accountability and Standards in Advertising (CASA). Within four months, six key SSP partners have embraced the recommended capabilities,
316 facilitating improved supply curation and alignment with advertiser objectives. Read more in the press briefing [here](#).
- 317 A full case study on Omnicom's results in the ANA Programmatic Transparency Study can be found below.

OMG UPDATE

OMG OMNICOM
MEDIA GROUP

REVIEW OF THE ADALYTICS “MFA” REPORT

2024 PROGRAMMATIC GUIDANCE



EXECUTIVE SUMMARY

(March 2024) Adalytics has released a new [report](#) outlining their recent investigation into spending on Made for Advertising (MFA) websites. There has been broad coverage in industry press, including [AdAge](#), [AdWeek](#) and [The Drum](#), with further [references](#) outlined at the end of this document.

The study found that as of January 2024, “hundreds of brands”, including those featured in the ANA’s Programmatic Transparency Study (2023), continue to advertise on MFA websites, and it referenced activity across all seven agency holding companies. Whilst the report stresses that it is based on empirical evidence, with no one singularly agreed definition of MFA the report is a review of observed practice and must be analyzed through a fitting lens to take into account differing approaches and opinion.

Adalytics have reported demand side platforms (DSP’s) transacting MFA, supply side platforms (SSP’s) continuing to serve ads across such sites, and specifically called out inventory bought through retail media networks (RMN’s). Additionally, even partners with measurement and verification vendors’ tags in place and those claiming a Jounce integration were called out suggesting, that a single approach to MFA management is not enough.

OMG continue to deliver ahead of the industry, with under [0.1% of delivery against MFA sites](#), 125x lower than the ANA average, using a multidimensional approach - not only covering what we buy, but how we buy - the application of inclusion lists, exclusion lists, integrating external verification data sources and prioritising direct paths to quality supply - successfully come together to minimise expenditure on sites deemed to be MFA.

In this document we will review:

- The Adalytics report and key topics investigated
- OMG’s position on MFA
- OMG’s best practices

THE REPORT

The report analysed a sample of twenty-two websites, which met the definition of an Made For Advertising website, as defined by the ANA’s, WFA’s, ISBA’s, 4A’s, Jounce Media, and/or DeepSee.io’s. The report recognises that there is no one standard view of MFA, and that any findings should be reviewed through an individual lens for relevancy.

In short, the report found that **buying MFA is still prevalent across the industry despite concerted efforts to work towards its elimination.**



Following the Association of National Advertisers (ANA) report last year ([full report and findings](#), and associated [OMG Guidance](#)) which found that over 20% of advertising was across MFA, Adalytics have continued to investigate, finding that in January of this year, 16 of the 17 named ANA members that had participated in the study were still showing up in MFA environments.

The report covers multiple angles of the Programmatic ecosystem, across SSP's, DSP's, RMN's and verification companies and cites that to varying amounts, all seven agency holding companies have been involved in MFA transactions on behalf of their brands, regardless of this being an explicit choice or lack of identification.

It is worth noting that despite the report finding examples, such as The Tradedesk and the Ozone Project where MFA activity was never detected, it cannot be concluded that it has been completely eliminated, more likely, not included in the review.

TOPICS COVERED

- Hundreds of brands continue to have their ads observed on MFA websites.
- Ad refresh rate should be a key consideration in the classification of whether a site is considered MFA – Adalytics observed several instances of high refresh rates, and missing Frequency Capping result in hundreds of impressions being served to the same user in one session.
- DSP's – many were called out as directly transacting MFA inventory – although this would not be the “fault” of the DSP depending on the activation approach – AI approaches were questioned.
- SSP's – many were called out directly as continuing to serve ads on MFA, including those who have previously stated Intergrations with external MFA identification vendors.
- RMN's – such as Amazon, were highlighted, where often there is perceived to be less control over inventory curation.
- Ad Verification tags for measurement and verification were prevalent in the examples reviewed.

OMG'S POSITION ON MFA SITES

We recognise that MFA is a problem for the industry, it is dynamic and represents a challenge to advertisers looking to avoid this unnecessary wastage. Because there is no single industry recognized source for MFA sites, dealing with MFA requires a sophisticated approach to site selection and governance that minimises advertiser exposure.

OMG's gold standard approach to mitigating waste includes running campaigns with both an inclusion list and an exclusion list, both regularly updated and cross referenced against known industry sources of appropriate/inappropriate supply including TAG, PIPCU, GDI & Coalition for better Ads.

This approach enables OMG clients to consistently outperform the industry. The most recent ANA transparency report saw OMG clients achieve:



- Less than 0.1% delivery on Made for Advertising (MFA), compared to a market average of 15% of total spend allocation
- 0% Cheap Reach as defined as “Chronically Unviewable Placements”
- Highest possible marks, above the 90th percentile, for Premium Inventory (defined as *maximally direct supply chains that lead to inventory with a proven ability to influence consumer purchase decisions*)

OMG'S BEST PRACTICE

OMG are at the forefront of the industry's efforts to keep brands safe in programmatic media. We believe that this can only be possible when media on sites and apps have been humanly reviewed and selected as fit for purpose. Our default position is to always run media via an approved OMG inclusion list, considered mandatory, and the only times OMG agencies should buy programmatic media without an inclusion list is if a client has specifically requested it, and been provided with advice regarding the potential risks of operating in this way.

Inclusion lists block unsafe and long tail domains, before spend occurs. They provide advertisers with greater control and transparency over where their advertising may appear. This can lead to more effective and efficient programmatic campaigns.

- Control: Knowledge and insurance that advertising will appear on approved properties.
- Transparency: Advertisers can clearly see and approve the list of placements.
- Brand Safety: Preventing advertising from appearing on inappropriate or low-quality websites.
- Audience Relevance: Lists can be curated based on factors such as demographics, content, and performance history.
- Compliance: Supporting compliance with industry regulations and policies, ensuring advertising adheres to legal and ethical guidelines.

All sites on inclusion lists are manually vetted against common factors that define MFA including:

- A high ad-to-content ratio (both number of distinct ad slots and number served at any one time)
- Rapidly refreshing ad placements during one user session
- Poor site design, where ads and content may be overlapping, or stacked
- Lack of available ads.txt file.

Additional to the use of inclusion & exclusion lists, relevant DSP settings should be activated for further control, taking into consideration not only brand safety but suitability and campaign by campaign nuance.

IN CONCLUSION



The Adalytics report is reviewing the ongoing issue of MFA in the industry. It is a renewed ask for all areas of the industry to continue their focus on the removal of advertising on MFA. The report focuses on highlighting the occurrence of MFA, through a small section of inventory, and whilst Adalytics have not provided any new solutions to tackling this challenge, they continue to advise diligence, close monitoring, partnering with intelligence vendors and relevant KPI's.

OMG continues to push for a better programmatic ecosystem assigning a significant volume of time and resources dedicated to tackling the complexities of reducing MFA. Following the reports release earlier this week, we have reviewed all Programmatic buying for OMG US, where on the whole our delivery **on identified MFA sites was 0.1%, 125x lower than the ANA average.** This is consistent with how the ANA evaluated our clients last year and shows that our best practices can significantly reduce the risk of MFA delivery.

We will continue to evolve our approach to programmatic best practice, testing new approaches to inclusion list management, reviewing and integrating external sources of data where relevant, and pushing the industry, by integrating tracking MFA into CASA globally.



FURTHER INDUSTRY COVERAGE

- <https://adage.com/article/digital-marketing-ad-tech-news/why-made-advertising-crackdown-isnt-working/2545536>
- <https://digiday.com/marketing/adalytics-report-exposes-the-intricacies-of-made-for-advertising-sites/>
- <https://www.adexchanger.com/advertiser/adalytics-report-torches-ad-tech-for-touting-mfa-prevention-while-scarfing-mfa-supply/>
- <https://www.thedrum.com/news/2024/03/11/new-report-detects-widespread-adtech-failures-ads-top-brands-persist-mfa-sites>
- <https://www.adweek.com/programmatic/large-brands-are-still-advertising-on-made-for-advertising-websites-after-industry-outcry/#>
- <https://ebluquity.com/news-insights/blog/advertisers-wasting-millions-on-made-for-advertising-sites/#:~:text=Adalytics%20findings%20serve%20as%20a,risks%20associated%20with%20MFA%20sites>