Interpublic Group

Global SAP BI Approach

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Agenda

- Company Overview
- General Background
- Current SAP Landscape
- Global SAP BI Vision
- Overview of Strategy Options
- Data Harmonization
- Points to Take Away

Company Overview

- InterPublicGroup (IPG) is one of the world's top advertising and marketing services companies
- Our Services cover the spectrum of marketing disciplines and specialties, from public relations and consumer advertising, to mobile and search engine marketing
- We have offices in over 100 countries, employ approximately 45,000 marketing professionals and in 2007 had revenues of $6.55 billion
- IPG is the parent company of global agencies like McCann Erickson, DraftFCB and Lowe Worldwide

General Background

- In the past, the general make up of IPG was highly decentralized across geography and agency networks
- A Global IT organization was only established around 2004
- At IPG, Agencies started implementing SAP R/3 in different regions starting in 1998 and still continuing today
- In 2004, when SAP BI was implemented, it was based on a strategy of moving towards a single Global R/3 system, replacing the regional instance
- In late 2005, there was a shift in strategy and keeping the regional SAP R/3 instance approach
- Currently SAP holds about 40% of the company's revenue

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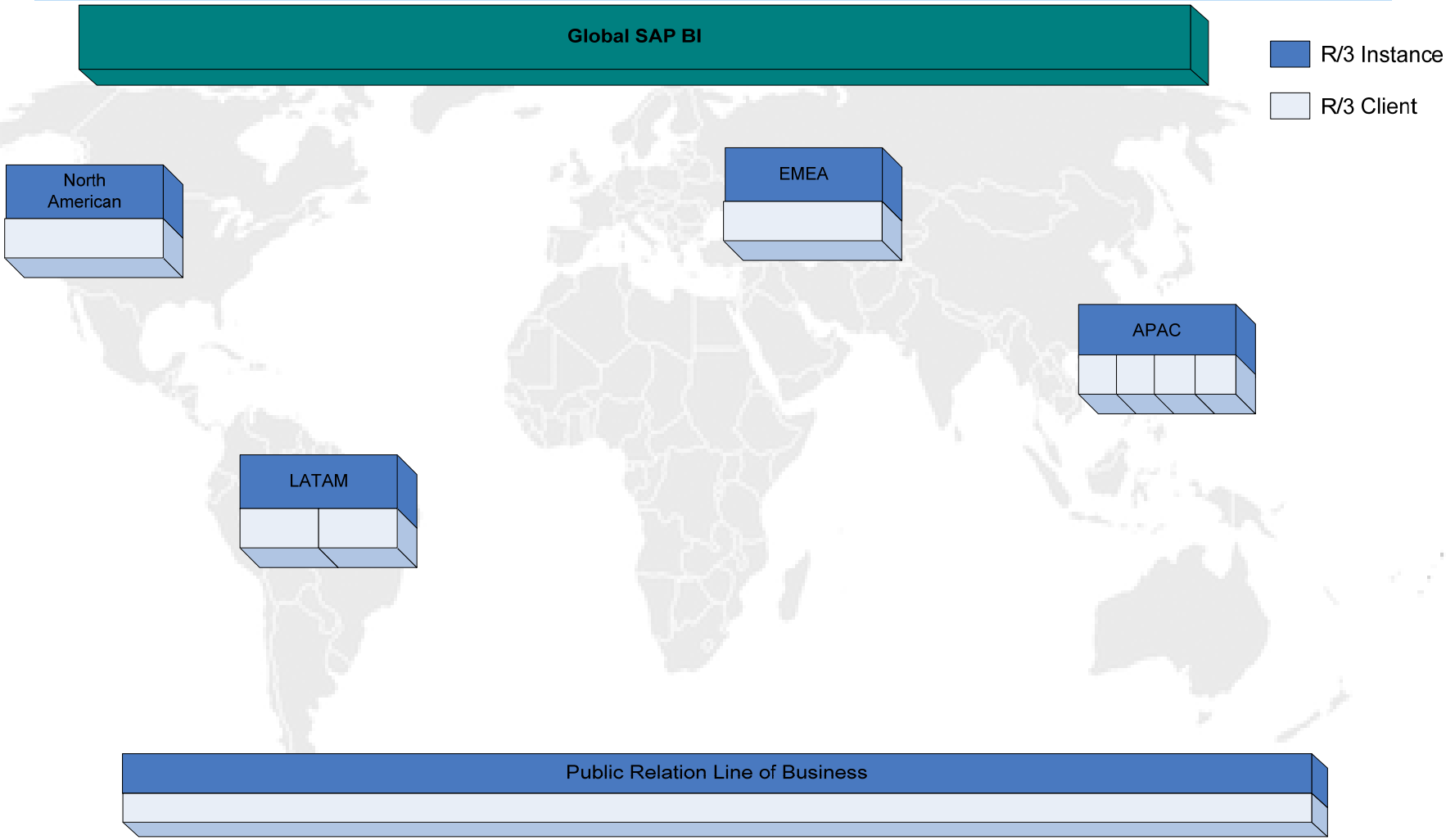
Current SAP Landscape



Global SAP BI Vision

- The long term vision is to build a central data repository using SAP BI technologies to support Business Intelligences and other Reporting needs that supports the Financial Management and Job Management functions of IPG and its Agencies using SAP.
  - Core data areas are financials, production and time
  - Over time this could grow to other area as required
  - Future central hub for other application to get data from SAP

Benefits Global SAP BI Strategy

- **One Global view of data across multiple source systems**
- **One template for multiple source systems**
- **One system management**

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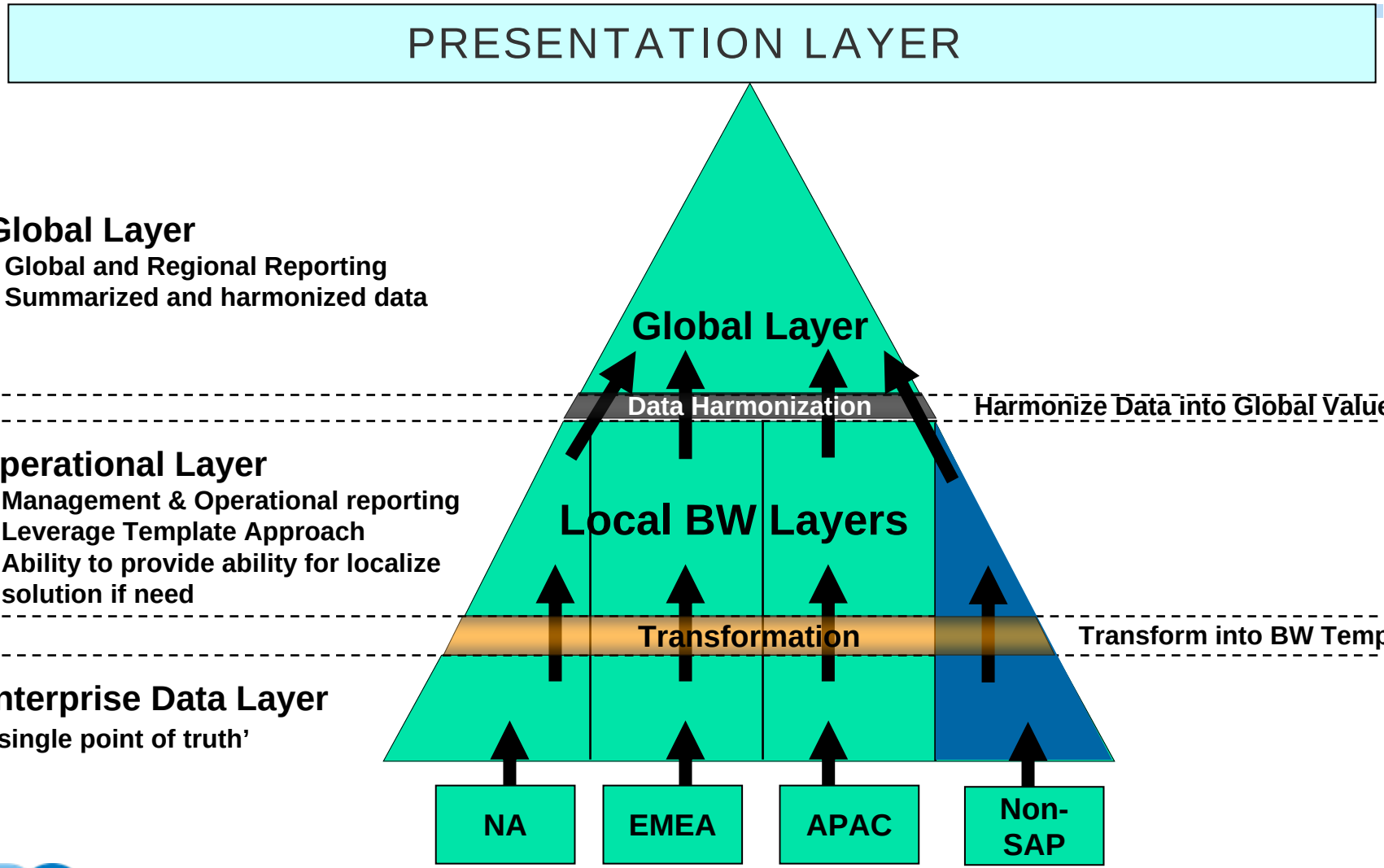
Overview of SAP BI Approach



Template Approach Benefits

- A Core BW Team develops, delivers and maintains a BW Template to be used by all sites. This approach offers the following benefits:
  - Standard approach
  - Cutting a development time and effort
  - Uniform solution
  - Easy to manage naming convention
  - Parallel developments
  - Well managed data load process
  - Improved performance

Some Guiding Principles

- Ensure that required business tasks for SAP BI are performed with the standard business process within the operational systems
- Standardize and simplify data capture as much as possible within the R/3 systems
- Leverage architectural solutions across SAP Templates

Approach for Transformations

- Different Templates may store and process data differently
- We extract and store the raw data for each template
- The goal of the transformation layer is to try and standardize the way different location report data
- We are NOT trying to perform master data harmonization in this layer. We will use each R/3 Systems source master data

Overview of Strategy Options

The following are list of all the applicable option that could address this issue:

1. Compound Method
2. Concatenation Method
3. Template Method

Option 1 - Compound Method

- This method adds the source system client to the key of the master data record in order to ensure that it is unique. For example:

Key for Company Code

Sys. Name	Value	Text
AP1CLI200	HK10	McCann HK
AP1CLI210	HK10	FCB HK

How looks in Reports

Company Code	Text	Amount
AP1CLI200/HK10	McCann HK	100,000
AP1CLI210/HK10	FCB HK	200,000

Pros	Cons
Provide a solution to handle data from different systems	Large effort to convert all master objects to include source system to key
No on going maintenance	User don't like see all master data displayed with source system
	Currently FCP Application is not design to handle.
	Any change to the design of would impact NA and EMEA

Option 2 - Concatenation Method

- This method creates a concatenation key which combines the source system client and master data value into one field to ensure that it is unique. Mainly used for data consolidation: For example:

Key for Company Code

concatenation key	Value	Text
AP1CLI200HK10	HK10	McCann HK
AP1CLI210HK10	HK10	FCB HK

How looks in Reports

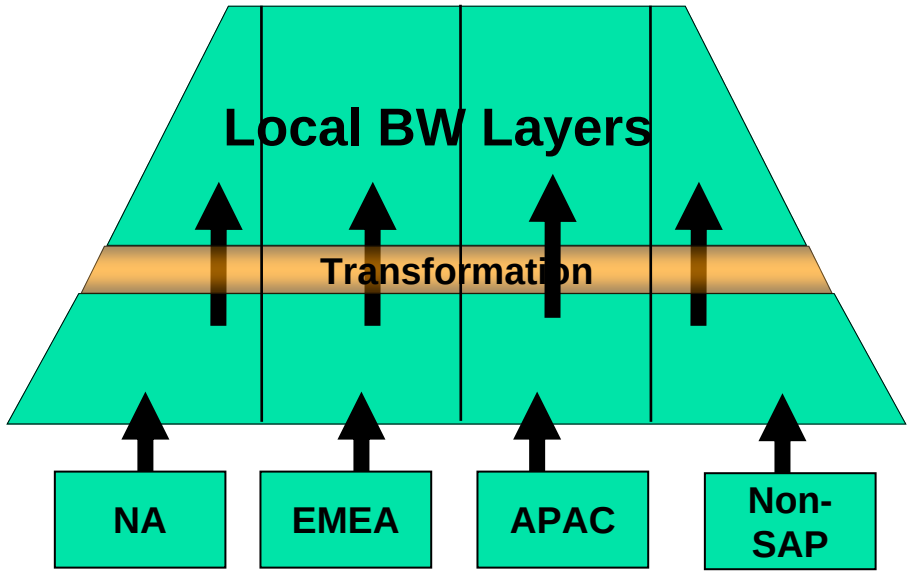
Key	Comp. Code	Text	Amount
AP1CLI200HK10	HK10	McCann HK	100,000
AP1CLI210HK10	HK10	FCB HK	200,000

Hidden in Reports

Pros	Cons
Provide a solution to handle data from different systems	Large effort to convert all master objects to include source system to key
No on going maintenance	User don't like see all master data displayed with source system
	Currently FCP Application is not design to handle.
	Any change to the design of would impact NA and EMEA

Option 3 - Template Approach

- This approach we create a separate template for each R/3 system/client. For example:



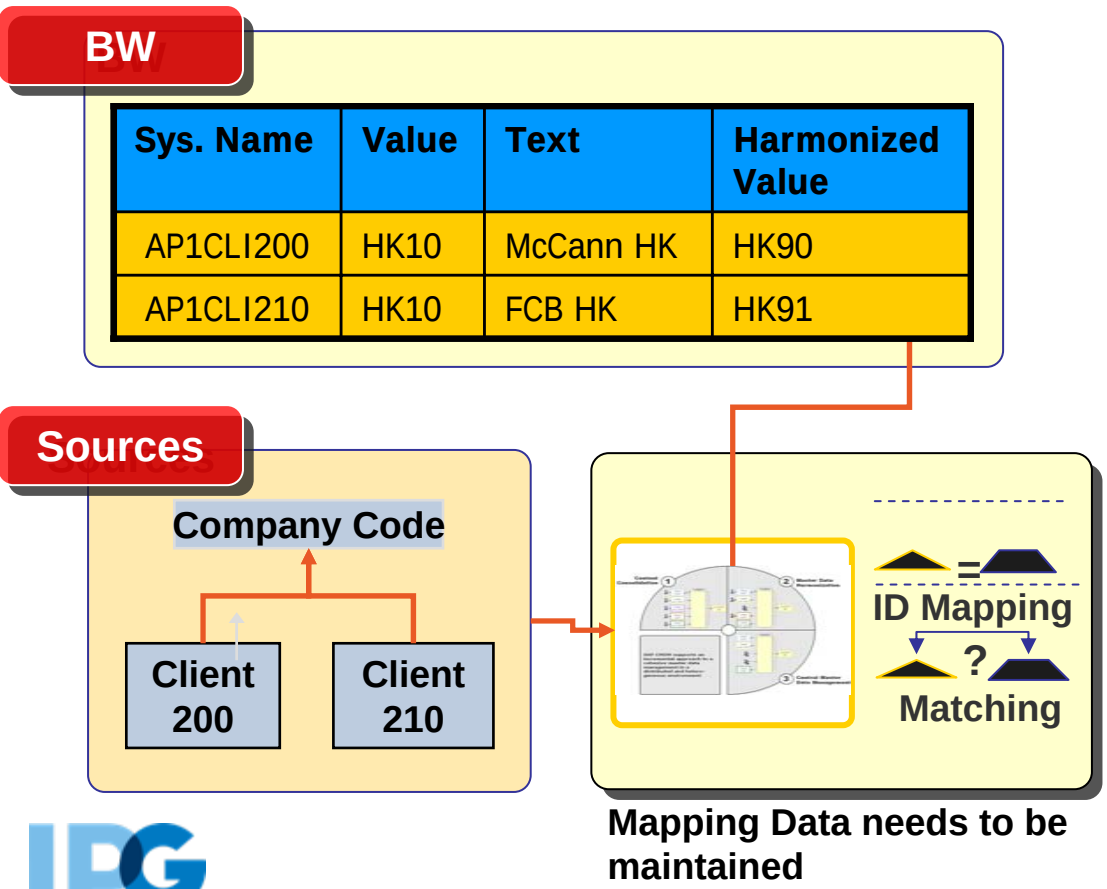
Pros	Cons
Provide a solution to handle data from different systems	Large effort to create new templates
Adheres to original strategies and architecture	Requires increased support and maintenance

Master Data Harmonization - Risks

- Master Data Harmonization is extremely critical to the success of being to have Global Reporting
  - Unless there are clear process, procedures and organizational ownership there is a risk this will not be successful

Data Harmonization

- This approach uses the process of mapping each clients master data to a common value to ensure that it is unique in BW. This would require an additional tool to facilitate this mapping. For example:



Pros
Provide a solution to handle data from different systems
Adheres to original strategies and architecture
Will provide regional reporting across templates
Cons
Large effort to convert all master objects to include source system to key
User don't like see all master data displayed with source system
Requires securing number ranges per object
Requires a master data support organization for maintenance

Global Template Implementation Points

- Coming up with uniform naming standards
- Development of programs to copy template
- It took us about a week to build a new template which includes:
  - Connecting about 200 data sources
  - Replicating user exits and reconciliation programs
  - Replicating queries
  - Unit Testing

Points to Take Away...

- Need strong Steering committees to address issues around standardization
- MDM Strategy is critical to the Successful of Global Reporting solution
  - Focus on People, Process and Organization, not technologies
- Choosing a right strategy is important. Take some time before committing to the specific strategy
- Template Methodology helps save time and money
- Management and business commitments are vital in success of the project