US COMPANIES IN INDIA

Background
Ogilvy and Mather (O&M) India, a subsidiary of WPP group, is one of the leading advertising agencies in India having a presence since 1928. The group recorded global revenues of US$ 4.9 billion with profits amounting to 18 per cent of the revenues in 2003. The company in India operates with offices located in all the major cities. The focus areas include Advertising, Direct Marketing, Public Relations and Activation. Ogilvy Activation includes services in the non-traditional area of advertising - Ogilvy Landscapes, Ogilvy Outreach, Ogilvy Live and Ogilvy Signscapes, which together with the focused services consolidate offerings to clients.

- Advertising in the firm accounts for 70 per cent of the total revenues in India.
- Employee strength of 800 in 2004
- Annual sales of US$ 28.6 million in 2001
- Client base of over 300 domestic and MNCs

O&M India is O&M International's fifth largest operation in terms of profits, with the US ranking first and European nations occupying the other three positions. Moreover, the subsidiary is beginning to emerge as the off-shoring destination for O&M operations across the globe. It services some of India's largest industrial houses like Hutchison, Hindustan Lever, Cadbury and Pidilite. Ogilvy & Mather (O&M) is now regarded as almost a household name for marketing and communications, both among the general public and the business community.

O&M has earned an enviable reputation through its work and its performance in the marketplace. Winning creative awards is only one dimension of its much-applauded profile. The Brand Equity survey among clients and peer agencies ranked O&M numero uno in India on a wide range of parameters: leadership, creative ability, investment in employees, client servicing, most influential people and hottest creative directors. Marketers ranked the agency first in planning.

Awards won by the company in India
O&M bagged several awards for print advertisements, TV ads and case study presentations. O&M was awarded the Grand Effie Gold (campaign of the year) and Gold for service on Hutch, a campaign that won 'Campaign of the Year' at the Abbies too. Gold Effie for corporate advertising for the Cadbury Crisis Management. O&M bagged 3 Bronze Lions at the Cannes Festival 2004 for 2 Public Health & Safety campaigns for Hutch and 1 for Concern India Foundation; a Gold & 2 Silvers at the Emvies, 1st Runner Up for Asia's 'Office of the Year' 2004 by Media magazine, an award that spans 360 degree communication and HR. From Silver Pencil to Asian Brand Marketing Effectiveness awards for campaigns that include Advertising, PR, CSR, Interactive and Direct Marketing O&M has received recognition for its stature as India's No. 1 communications agency. O&M Mumbai was ranked 8th hottest shop in Asia by Campaign Brief Asia in 2002. Every business unit in O&M has received recognition in the domestic and overseas markets.

Factors for Success
Human Resources
The global reputation of the parent company attracted talented individuals from diverse...
backgrounds to join the Indian subsidiary. The critical factor of success for the company is the quality of its human resources endowed with good creativity. Piyush Pandey was the 1st Asian in 52 years of the Cannes Festival to become Jury President in 2004 making it to the pages of Wall Street Journal and CNBC Europe, among other international media.

O&M is viewed as representative of the industry’s view in India and overseas. In addition to chairing the Cannes jury, Piyush spoke at the Singapore International Ad Congress, the Global Brand Forum, delivered the keynote address at Adweek's Creative Seminar in San Francisco, the Dentsu Seminar in Cannes and Caxton's Seminar in Australia. He has been profiled in leading publications in India and overseas. O&M's senior management have authored several articles in business and industry media clearly demonstrating O&M's thought leadership.

First-mover advantage

O&M has been active to introduce its global practices in the country. The company was the first to set up divisions for Public Relations, Direct Marketing, Event Management, Business-to-Business, Outdoor and Rural Outreach which gave the firm a clear advantage over the other players.

The subsidiary in the country has specialised divisions for various sectors of advertising. O&M over the years has been a pioneer in the out-of-home advertising sector with Ogilvy Landscapes, specialist in outdoor media, Ogilvy Outreach, the rural communication specialist division, which services rural India and the low income consumer; Ogilvy Live, the ground-level brand communications division; and Ogilvy Signscapes, the retail brand identity division.

In 2004, O&M launched a book compilation of award winning effectiveness case studies, 'Effective Ogilvy' demonstrating to clients that highly creative work produces results in the marketplace.

India as a global sourcing base

O&M India offers creative and non-creative services to the company worldwide. The share of the Indian participation in the global projects of the company is expected to further increase over the years. The Indian subsidiary is involved in doing offshore design and packaging work.

O&M India’s television commercial for Perfetti’s Centre Shock chewing gum has been used for European audiences. O&M India has worked on some of the creative for Coca-Cola’s brands, Fanta and Sprite and Singer for the international market.

India as back-office operations hub

O&M leverages the talented, low-cost professionals available in the country for its database management and other back office operations. The company currently operates with a data management centre at Bangalore and plans to move more non-creative work from other Asian offices of O&M to India.

India as a source for managerial talent

O&M India is active in leveraging the available local talent for its global operations. The company is a heavy exporter of local talent to global markets.

Future Plans

O&M plans to increase its operations for the global clientele. The company plans to establish two development centres, one in Bangalore focused on Database Marketing and B2B Communications and the other to do the ‘creative’ for international clients like Perfetti and Coke, concept development onwards. O&M plans to increase the workforce engaged in database management and other back-office operations.