

Industry Update

A summary of newsworthy client/agency relationship developments and relevant marketing or agency management trends from the past month.

Volume 34

Executive Summary—Monthly Recap

Welcome to 2019. What an interesting way to end the year 2018. The word of the year was “brand purpose,” according to the ANA. But it could have easily been “in-house mania”, “ZBB storm”, “RFPain”, “FBI/DOJ troubles,” or “agency mergers.” In late December, a whirlpool of sharply declining stocks—of which many were in advertising and media—opened our eyes to the possibility of global economic slowdown. What should we expect? With 2018 in the rearview mirror, it’s tempting to come up with predictions of our own about the future of our industry. Will Facebook quickly recover from its various scandals from fake news to data issues? Will the ad industry rebuild trust in the supply chain after so many black eyes? Will holding companies continue to consolidate and simplify their offerings? Will we see continued interest to build in-house agencies operating adjacent to external ones, or will those get reduced in size? What is certain is that marketers want to reduce the number of partners they work with, they want trusted partnerships, they want to avoid complexity and

increase proximity and agility in how they operate. Will they be heard?



Bruno Gralpois
Co-Founder & Principal
Agency Mania Solutions

Newsworthy reports and recent developments

At AMS, we approach the agency management discipline as four distinct but complementary practice areas—**Talent, Work, Financials**, and **Performance and Value**—which is how we’ve organized industry developments to follow.

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TALENT: securing the right talent and resources

Welcome to VMLY&R and Wunderman Thompson, the newly merged entities initiated by WPP. The moves were motivated to offer clients end-to-end solutions, combining creative, data, media, commerce, consulting, and technology services to compete with other well-integrated and global agency offerings. It all started in January when five branding and design firms were consolidated into a new entity called Superunion. What’s next? Columnist Richard Whitman jokingly asked: “Is AKQA Ogilvy Next?” Maybe. Consolidation is a strategy former WPP CEO Martin Sorrell apparently referred to as “horizontality” before successor Mark Read took the reins. Simplicity and integration remain at the top of the agency value chain.

- Per Winmo, the **average tenure for CMOs** is now 43 months or 3.6 years, less than half that of a CEO, which averages 7.2 years but holding steady based on comparable studies.
- Per Spencer Stuart, less than half of 1% of **board seats** in the Fortune 1000 have been held by active marketers. Marketing expertise is at the bottom of the wish list for new board directors at 21% vs. financial expertise (62%).
- **Agency Mania Solutions** launched its new data analytics service capability, a companion offering to its cloud-based solutions that enables brand advertisers to more deeply measure agency performance, ROI, and budgeting.
- WPP merged two of its biggest agencies—digital agency network Wunderman with creative agency J. Walter Thompson (JWT)—forming a new creative/data/technology entity called **Wunderman Thompson**. Wunderman Thompson now employs 20,000 people in 200 locations across 90 markets. The moves follow another recent WPP merger of Young & Rubicam with digital agency VML to launch VMLY&R.



- The Clorox Company has operated its now 120-person in-house creative agency the **Electro Creative Workshop** for 20 years. The in-house agency manages design, packaging, and digital for its 26 brands. The entity collaborates with the brand's external creative AORs: FCB Global and McGarryBowen, as well as OMD and AKQA for media.
- The aftermath of losing a large account: **GTB**, WPP's dedicated Ford agency, reduced its global workforce by 3,000, or less than two percent of its total global workforce, after losing the account to BBDO as lead creative agency.
- **Intel** reduced the number of staff at its in-house creative unit, Agency Inside, by two thirds (to 30 individuals from the original 90) as it shifts marketing strategy to be more B2B and ecosystem-focused and less focused on consumer audiences. Agency Inside, the high-profile entity named Ad Age's In-house Agency of the Year in 2017, is expected to collaborate with TBWA, the B2B lead agency.
- **Diageo** pushed for diversity in its agency portfolio (72andSunny, Anomaly, AMV BBDO, VMLY&R, Carat, etc.) asking them to share stats about women in leadership positions, any gender pay gap or inconsistencies, how women are portrayed in content, and how qualified women are represented at a senior level in creative development.
- Former McCann Health Global Chief Creative Officer Jeremy Perrott, terminated earlier this year for alleged violation of the firm's code of conduct, slapped McCann Worldgroup and IPG with a \$25-plus million **wrongful termination** lawsuit, citing defamation, tortious interference with contract, common law conspiracy, and gross negligence.
- Performance marketing agency **Merkle** launched an automated bidding platform for Amazon Sponsored Brand Ads. The API (Application Programming Interface) integrates with Amazon, allowing advertisers to manage, calculate, and apply bids.
- **Dentsu Aegis Network** acquired Digital Evolution Group (DEG), a provider of data-driven marketing and commerce. Branded "DEG, Linked by Isobar," DEG will join DAN's Isobar agency network and offer experience, commerce, and digital transformation services in Salesforce, Adobe, Sitecore, and Microsoft cloud platforms.
- German software company **SAP** acquired survey software maker Qualtrics for \$8 billion just before its planned IPO, on the footsteps of its competitor SurveyMonkey. SAP paid more than 20X revenue for Qualtrics.
- **Dentsu Aegis Network** acquired a majority stake of Videobeat Networks, a media and content agency that focuses on data-driven TV and online video campaigns in Germany.
- Publicis Groupe acquired **Soft Computing**, one of France's leading data marketing firms, to enhance the network's data marketing expertise, an increasingly important competency for Publicis Groupe clients.
- **Accenture Interactive** acquired Adaptly to improve the agency's programmatic services offering, partnering with digital platforms, including Amazon, Facebook, Google, Instagram, and Snapchat.
- **Plan A**, a new holding company, acquired Badger & Winters, adding on to a roster of agencies that includes Untitled Worldwide, Twin, Van's General Store, and Beekman Social.
- **The year in review: 2018 M&As.** Per COMvergence, 79 agencies were acquired in 2018, representing 13,373 employees (77% in the digital segment), or \$2.4B. 31 of the 79 agencies were acquired by WPP and Dentsu (39% of the total). Accenture was the most acquisitive consultancy firm with 7 deals. Largest 2018 deals included Acxiom (Mediabrand) and LiquidHub (Capgemini).

Noteworthy quotes:

- » "We have to be as dynamic and fluid and agile and flexible as the marketplace that represents itself today."—Wendy Clark, CEO, **DDB Worldwide**
- » "Following years of economic progress driven by human knowledge and intellectual capital, we are now entering an interconnected period of 'partnership capital' where our greatest company assets are our business partnerships."—Bruno Gralpois, co-founder and principal, **Agency Mania Solutions**
- » "The role of marketing at a company should be viewed as increasingly strategic by the board. It's time for marketing to better market itself and show its own ROI in the boardroom."—Mike Kelly, CEO and co-founder, **Kelly Newman Ventures**
- » "Agencies need clarity on the advertiser's goals and objectives if they are to identify the more appropriate solutions."—Matt Kasindorf, senior vice president management services, **4A's**
- » "As work shifts from retainers to project work, clients can't expect agencies to be category-exclusive in that environment."—Marla Kaplowitz, President and CEO, **4As**
- » "The amount of stuff we have to produce is going up exponentially and we have to find a way to economize. One way is to leverage our in-house agency."—Eric Reynolds, CMO, **Clorox**
- » "It's down to us as the client to explain clearly what we expect from our partners and what we're prepared to pay for."—Jean-Pierre Diernaz, vice president marketing and digital, **Nissan Europe**
- » "Integrity and ethics are paramount and we're demanding that of our agencies."—Raja Rajamannar, CMO, **Mastercard**
- » "In the words of Muhammed Ali, 'The fight is won or lost in the gym, long before I dance under the lights.' The same applies for a great media pitch."—Tom Denford, co-founder and CEO, **ID Comms**

WORK: producing great work and outcomes

ANA Marketing Futures helps brands prepare for the future while keeping up with the latest trends. What's top of mind among marketers? Here are the key topic areas that are likely to impact how we approach advertising in 2019 and beyond: Consumer Neuroscience, Chatbots, Virtual Reality, Artificial Intelligence, Blockchain, Augmented Reality, The Future of Programmatic, Future of Retail, Digital Transformation, Internet of Things, Live Video, and Future Consumer.

- Per FleishmanHillard "**Tech Trends 2019: The Fads. The Fears. The Future.**" report: Artificial Intelligence (AI) will gain momentum, data security and protection remain 'very important,' augmented analytics will go mainstream, Blockchain will find new opportunities, immersive reality will transform new sectors, smart fabrics and e-textiles will rise in popularity.
- Advertising Contract Exchange, hosted by the American Advertising Federation, functions like a glossary of terms that represent best practices and guidelines for language in **contracts** between advertisers, agencies, and third parties.
- Retail giant **Walmart** launched an interactive video Toy Lab during the holiday season where children can see and interact with selected toys that have been rated highest by kids. The video, a sort of interactive video version of a toy catalogue, was developed by interactive entertainment shop Eko.
- Who has the core expertise required? Per Advertiser Perceptions & Research Intelligence, brand advertisers estimated 44% of their **programmatic media-buying** is handled in-house vs. only 35% among agency executives. Agency execs are slightly more inclined to expect their clients to take programmatic media-buying in-house.
- **Facebook's Creative Shop** claimed that it uses hypothesis-driven insight from data sets rather than traditional methods to better understand audiences and inspire stronger creative briefs.
- **Netflix** reported that its original movie "Bird Box," starring Sandra Bullock, was viewed by 45 million accounts in its first seven days on the streaming service—a record for the company.
- Per **UPS**, the number of packages expected to be returned on Jan. 3, National Returns Day: 1.3 million.
- The ANA and the 4A's pushed for the widespread adoption of **Ad-ID** (a digital code for identifying ad assets across the entire advertising process, and across all media platforms they are rendered on) and the **Video Ad Serving Template (VAST) 4.1**, featuring standard requirements between ad servers and video players developed by the IAB Tech Lab.

Noteworthy quotes:

- » "SOW management is hard to do, but it reaps long-term benefits."—Michael Farmer, chairman and CEO, **Farmer & Co.**

- » "If you start experimenting and learning now, you will be primed for success... It's better to lead in the new versus trying to follow in the old."—Rori Duboff, managing director of content innovation, extended reality, **Accenture Interactive**
- » "Constantly spinning up new teams results in lost productivity and usually means higher project costs. The core team model allows for some of this competition without compromising on the strategy."—Julie Koepsell, managing director, **Mirum Minneapolis**
- » "Like it or not, technology is bringing change to processes and methods ingrained in the media industry—and those actively looking for more ways to automate will be the businesses that survive and thrive."—Sarah Fay, managing director, **Glasswing Ventures**
- » "The trick is figuring out the right swim lane for each [Electro and Clorox's AORs]. There's always going to be some tension and overlap—that's inevitable as we figure this marketing landscape out, but typically, when we get all those smart creative people in a room, everyone wants to advance the brands."—Eric Reynolds, CMO, **Clorox**
- » "Everyone knows the classic agency model is dead. We're going to change everything about the way we work with our agencies, from the structure of the teams and their location to the processes, tools, and briefs used to buy our media."—Jean-Pierre Diernaz, vice president marketing and digital, **Nissan Europe**
- » "Agency CEOs have shown a distain to initiate this nitty-gritty work [tedious, routine exercise of planning, documenting and measuring the work they do, client by client, with a uniform agency-wide system], strategic though it might be. Instead, CEOs focus on getting new clients to replace the ones that they so routinely lose."—Michael Farmer, chairman and CEO, **Farmer & Co.**
- » "Every single advertiser has a unique approach to its roster of trusted partners. Regardless of the complexion of that portfolio, there are many different functional teams that all play a vital role along the journey of readying assets for deployment."—Melinda McLaughlin, CMO, **Extreme Reach**
- » "How does an agency work in agile? How does an agency work with a cross-functional team? These are challenges that we're tackling head on."—Michelle Peluso, SVP and CMO, **IBM**

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Agency Mania is a must read to better understand how to create mutually beneficially relationships amongst marketing and its agency partners. Intended for both marketing and agency talent designed to equip each with tools and techniques to ensure effective expenditure of organization budgets.

Not only a great read, but actionable to start using now.”

BRETT COLBERT, Founder, Colbert Group Consulting



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Keeping up with the fast-paced advertising production community

A growing matter: Centralized rights management by Jillian Gibbs, Founder and Global CEO, APR

Due to the proliferation of asset creation by brands for use across many platforms and produced by a variety of creative origination sources, it is extremely important to take control of rights managed for creative assets. Assets may include rights for music, photography, stock footage, image, illustrations, fonts, video, actors, models, celebrities, athletes, real people, directors, photographers, etc. Traditionally, brands/marketers rely on their creative agencies to negotiate and manage the usage rights associated with each of their assets produced, however, today, assets are often used by more than one agency as well as by in-house teams and placed in multiple channels. It is now critical to centralize the coordination of the rights managed to avoid any misuse of assets, fines, or legal claims, and to allow for the greatest asset stretch across regions and channels.

Best practices:

1. Plan for max shelf life usage and re-use (develop a rights negotiation strategy).
2. Plan for asset versioning & share-ability.
3. Track limited and unlimited usage rights across all media formats.
4. Articulate a plan for regional versions and adaptation prior to production of new assets.
5. Integrate and tie asset storage and management to usage rights.
6. Standardize the asset expiration and renewal process supported by management technologies.
7. Develop and implement a standardized Way of Working both internally and across external suppliers.

FINANCIALS: driving efficient use of resources

What are the major drivers of the advertising industry in 2019? Despite warnings of economic slowdown and revised forecasts by major media companies, expect continued growth across the entire advertising category, mostly fueled by spending in marketing automation, programmatic ad spend, video, and mobile. M&A deals are on the rise as well, following another strong 2018 with very large acquisitions (Marketo and Acxiom).

- GroupM downgraded 2019 **advertising growth** projections from 3.9% to 3.6%. GroupM forecasts that ten countries will provide 83% of all 2019 growth. China remains the largest contributor (strong of \$90 billion) but will mark its lowest growth rate yet recorded (at 0.67% of GDP in 2019). China is followed by the US, India, Japan, and the UK.
- Per R3, **M&A deals** in the marketing space increased in value in 2018—rising 144% to \$33 billion with 16% more deals (465 in total). The biggest deal of the year was Adobe's \$4.7 billion acquisition of Marketo, followed by IPG's \$2 billion deal for Acxiom Marketing Solutions. Dentsu made the most acquisitions—28—with a combined value of \$970 million.
- Per IDC, **cognitive and AI spending** will grow to \$52.2 billion in 2021 and achieve a compound annual growth rate of 46.2% over the 2016-2021 forecast period.
- Per Forrester, **global marketing automation tech spending** is projected to hit \$13.4 billion in 2018, a figure that will nearly double to \$25.1 billion in 2023.
- Per Zenith Media, **programmatic ad spend** is expected to grow to \$84 billion in 2019 and \$98 billion in 2020—representing 68% of expenditure on digital media advertising—fueled from mobile ad format options and trading improvements. The biggest programmatic market is the US, with \$40.6 billion in 2018 (or 58% of the total).
- Per R3 Worldwide, GroupM's MediaCom was the **top media agency** both globally and in the US for new business wins this year, gaining 159 new accounts through November worth annual revenue of \$236.2 million, followed by Omnicom's OMD, Interpublic's Initiative, Havas Media and Publicis Media. In the US, MediaCom has an estimated \$73.9 million in year-to-date win revenue and 17 wins, followed by Starcom with \$58 million in win revenue for four wins.
- Per AppsFlyer, **App ad spend** is expected to increase from \$27.1 billion in 2017 to \$64.1 billion in 2020—up 136%. In North America, app install ad spend growth is expected to double, reaching \$12.9 billion by 2020.
- Per eMarketer's forecast, 28.3% of US marketers will use **Snapchat** in 2019 compared to Instagram with nearly 70% of them using it for marketing purposes. **Instagram** is expected to double its US ad revenues this year to \$6.12 billion.

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Noteworthy quotes:

- » “Worldwide advertising investment grows slowly but marketing has never moved faster. Automation proliferates; cycles accelerate; talent grows more mobile.”—Kelly Clark, CEO, **GroupM**
- » “Agencies have to stand up and be clear and say, “No.” They should not be pushed to have 120, 180-day payment terms. They have people to pay. They have technologies to invest in.”—Marla Kaplowitz, president and CEO, **4As**
- » “What’s really killing agencies and holding companies is the declining level of agency fees and billing rates, and the uncontrolled growth of agency workloads. These are ‘price problems’ rather than ‘cost problems.’”—Michael Farmer, chairman and CEO, **Farmer & Co.**
- » “The agencies of tomorrow will need to adapt to be more than a partner; they must be stakeholders in the success of their clients.”—Scott Martino, vice president, digital investment, **Blue 449**

PERFORMANCE: driving stronger performance and value from the partnership

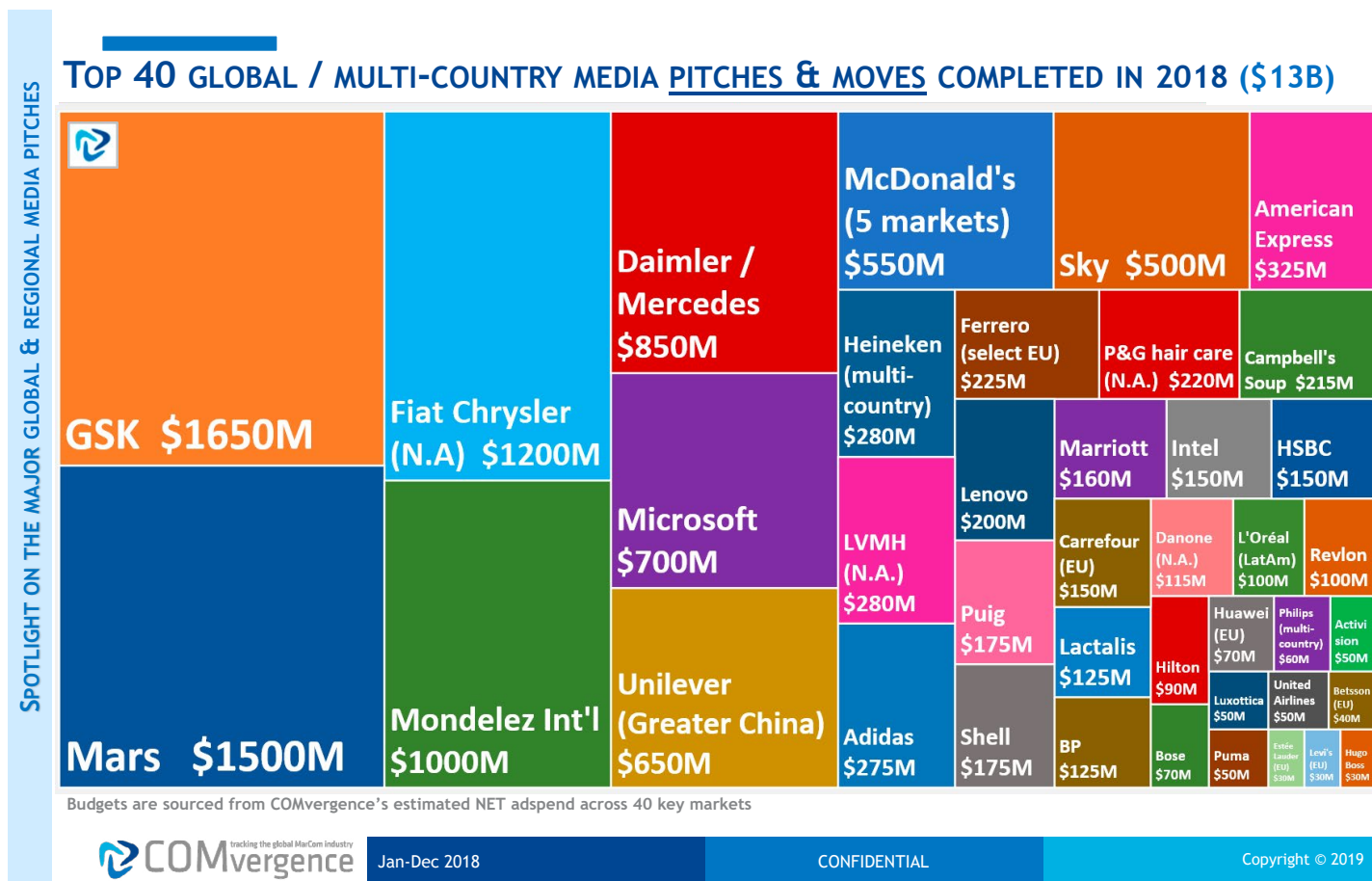
Ad Age reported a new world order with Samsung surpassing powerhouse packaged-goods P&G as top global marketer in 2017, a stunning 13% increase YOY. P&G remains the world’s largest advertiser based on advertising spend alone. The top 100 advertisers increased spend by 4.9%. 68% of these companies saw their budgets increase, signaling that 2017 was a year of growth, especially in travel, apparel, retail, entertainment, and media, all experiencing over 10% growth YOY. The only ad spending categories on the decline among the top 100 advertisers were financial services and food and beverages.

- Per Ad Age, South Korean consumer electronics and appliance company **Samsung Electronics Co.** became the world’s largest marketer (based on total spending on advertising, marketing services, and digital marketing), taking the spot from Procter & Gamble Co. with over \$11 billion in spend. L’Oréal is #3. The fastest growth among the top 100 spenders is Alibaba Group Holding, China’s biggest online retailer, which more than doubled its 2017 worldwide spending to \$2.7 billion.

- Omnicom won 75 Agency of the Year titles across four key cities (Mumbai, Tokyo, Shanghai, and Singapore) during **Campaign Asia Agency of the Year Awards**, winning more agency of the year awards than any other holding company. A few highlights: TBWA collected an impressive 19 Agency of the Year titles. BBDO picked up 12 Agency of Year awards, winning Social Media Agency of the year in China and Creative Agency in Hong Kong. PHD won Media Agency of the Year in China.
- Forrester published their first study into **Global Content Production Agencies** (GCPA). Large players (>\$100M in annual category revenue) included Accenture Interactive, Cognizant Interactive, eg+ worldwide, Hogarth Worldwide, RRD Marketing Solutions, Tata Consultancy Services, and Williams Lea Tag. eg+ worldwide was the only agency classified to have top-rank capabilities in eight segments.
- Per Gideon Spanier, global head of media at Campaign and Media Week, six key lessons learned about **in-house agencies**: 1) Brands want to work with fewer external agencies, 2) Simplification and taking more control means better integration, 3) Some brands are in-housing, others have hired an external agency to work on-site. External agencies remain key partners, 4) Brands are experimenting and things will evolve, 5) Advertisers and agencies must learn new ways of working together, 6) Advertisers recognize the importance of investing in their brands.
- Per the 2018 ANA report “**The Continued Rise of the In-House Agency**,” key benefits of bringing agency services in-house are: 1) cost efficiencies, 2) better knowledge of brands, 3) institutional knowledge, 4) dedicated staff, 5) speed/nimbleness, 6) greater control, 7) ease of integration, 8) creative expertise.
- Per ID Comms and the 4As, the number one reason for perceived flaws in the **agency pitch process** is that brands are often unclear about what they are looking for from their media agency. The study reveals that they also tend to remain vague throughout the pitch process, even in chemistry sessions, and they often refuse to provide details agencies ask for.
- **Accenture Interactive** was named Adobe 2018 Global Digital Experience Solution Partner of the Year. The award celebrates effectiveness in leveraging Adobe Experience Cloud to deliver exceptional customer experiences and drive joint business value for clients. Adobe and Accenture Interactive have been partners since 2002 and have more than 10,000 Adobe experts around the globe.
- Per Sprout Social’s 2018 Social Index report, **return on investment** is the top concern for 55% of social marketers, followed by concerns like understanding cross-channel social success (42%), developing strategies to support business goals (39%), and determining what content to post (39%).

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- \$30 billion of media spend reviewed during the year 2018. The top 40 brands represented \$13 billion in total:



Noteworthy quotes:

- » "Marketing in Coca-Cola is meant to drive business. The basic elements of awareness and winning awards at the Cannes Lions Festival no longer satisfies us."—Rodolfo Echeverria, global vice president creative, **The Coca-Cola Company**
- » "The deep connection that occurs between the in-house agency and the 'client' is proving very valuable. We're working with common bases of knowledge, and across common goals. There is little confusion or debate about motives and priorities."—Michael Perdigao, president of advertising and corporate communications, **The Wonderful Co.**
- » "A big, global, multinational CPG company is now testing 80 percent of its ads using [neuroscience] tools."—Dr. Carl Marci, chief neuroscientist and executive VP, **Nielsen Consumer Neuroscience**
- » "The gap between the cost of failure and the value of success grows wider. For advertisers, this underscores the importance of a world view and trusted partners who can help their brands perform where the growth can be found."—Kelly Clark, CEO, **GroupM**

- » "Brand advertisers are now equipped with informative data that gives insight into work quality, transparency, accountability, performance, and negotiations while making more effective use of agency resources and budgets."—Bruno Gralpois, co-founder and principal, **Agency Mania Solutions**
- » "CMOs are at the point where they care less about agency labels than ever before. They care only about effectiveness and results."—Avi Dan, CEO, **Avidan Strategies**
- » "We need to know how that money is being spent and where it is going and that we are getting the right value back that we hoped and planned for. There have been significant breakdowns in the value chain."—Raja Rajamannar, CMO, **Mastercard**
- » "We still really value those external relationships [with outside agencies]."—Theresa McDonnell, director of digital content and editor of U-Studios, **Unilever North America**

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Agency Mania: don't panic, it's a good thing

By Teri Wiegman, Co-Founder and Principal at Agency Mania Solutions

It Takes Two to Tango

As in all healthy relationships, it is about more than one person or entity. Both partners are essential in addressing potential issues in a relationship. And getting in front of them is incredibly important to avoid these issues growing and turning into something bigger and more challenging to fix. Healthy relationships are about collaboration, compromise, and communication. And addressing opportunities for improvement to the relationship should be a shared responsibility.

Brand advertisers have the opportunity to “look under the hood” of many client/agency relationships as part of the client's ongoing performance evaluation process. These important relationship health checks provide an opportunity to highlight areas that are working well in the relationship, and areas that need improvement, giving clients valuable insight to proactively address these challenges before they become deal breakers in the relationship. Like the Tango dance, it takes close connection and passion from both parties to collaborate on the right fixes for improvement to successfully move forward together. A couple of examples:

CLIENTS WANT MORE INNOVATION FROM THEIR AGENCIES: In today's market, innovation is critical. Brands need ideas that differentiate while driving business impact. Innovation is a shared responsibility. Clients need to create an environment that fosters innovation to enable agencies to deliver big ideas. And agencies need to identify what they need from the client in order to deliver their best work.

- Is the organization open to taking risks?
- Is there budget that they've committed to try new things?
- Is the agency brought into the loop strategically to enable their strategic contributions?

CLIENTS NEED CREATIVE THAT ALIGNS TO THE BRIEF: This may seem obvious, but there are a lot of dependencies to ensuring that creative meets the requirements of the brief. This process is a shared responsibility. Clients need to manage the creative process to ensure clarity and alignment throughout it. And agencies need to make sure that their concepts hit the mark.

- Are all client decision makers at the table end-to-end and aligned during the creative process?
- Did the client provide a brief that inspires with clarity and that provides guidance into the business and desired customer experience?
- Did the agency pull out the stops to think outside the box and present ideas that represent the brand in a way that is edgy and innovative?

There are many more examples, but the point is that both parties need to lean into the relationship and both need to work collaboratively together to not only be candid in bringing potential relationship issues to the surface, but make a commitment to one another so that the movement of the relationship is coordinated and synchronized as a cooperative process.



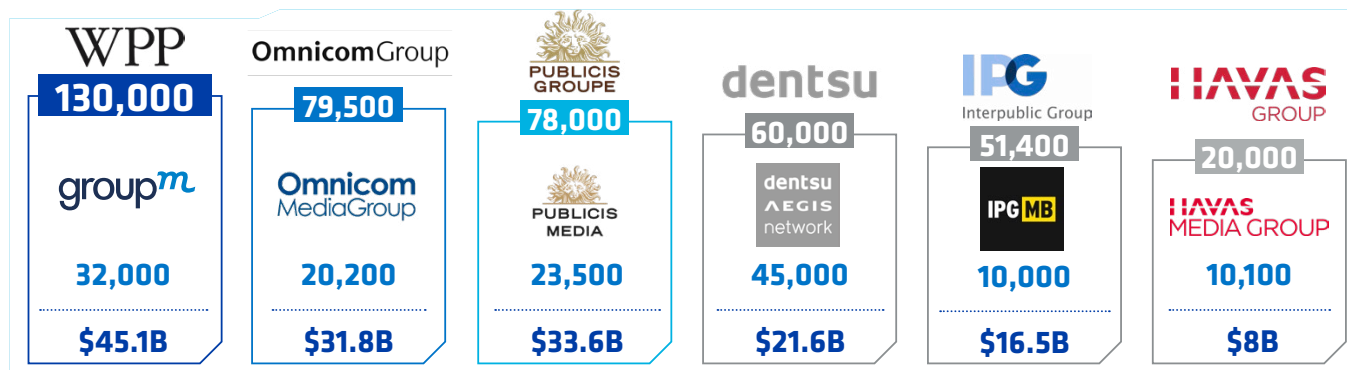
AGENCY REVIEWS AND ROSTER CHANGES

According to the latest data by our partner and research firm **COMvergence**:

- Here are the top pitches of 2018 across major regions – Global, Multi-market and USA.



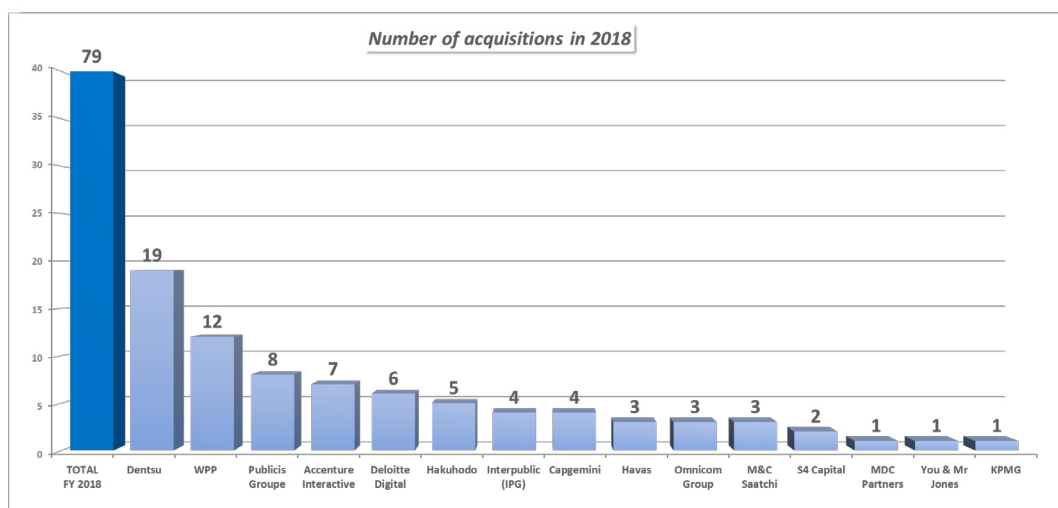
- As a result of the above changes, here are the updated headcount and global billings of the top holding companies. Global Billings 2018 (projected) figures are sourced from COMvergence estimates released in November 2018.



- 79 agencies were acquired by 15 players (of which 7 were holding companies and 3 international consultancies). 2018 agency acquisitions were led by Dentsu, WPP and Publicis Group as shown below.

MARCOM AGENCY ACQUISITIONS

WHICH FIRMS HAVE BEEN THE MOST ACQUISITIVE IN 2018?



Disclaimer: The reviews listed often capture larger review activity reported in the industry trade press, which we understand to be only a subset of total review activity. Specialist reviews (digital, social, PR, etc.) are rarely reported in the trade press. Also, due to the increasing number of project reviews (versus AOR/retainer reviews), many of those are not receiving media attention and therefore are not included here.

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- The **US Department of Defense** selected Omnicom Group's DDB to handle its US Army \$4 billion integrated account, including media, creative, digital, PR, and direct marketing, replacing decade-long incumbent McCann Worldgroup following a review. The contract handled by a new entity called Team DDB is for a five-year base period and two successive option periods adding up to another five years. Led by DDB Chicago, shops will include OMD, Critical Mass, Annalect, The Marketing Arm, FleishmanHillard, Fluent 360, and Rapp.
- Restaurant chain **Buffalo Wild Wings** hired The Martin Agency as its creative agency of record following a review and replacing incumbents FIG (formerly Figliulo & Partners) and TBWA/Chiat/Day. The move follows a recent media review, which led to Mindshare being awarded the business.
- Beauty icon **Avon** consolidated its global online and off-line media buying and planning under Spark Foundry after a review. Prior duties were split between Publicis Media agency and WPP's Group M.
- **Booking.com** selected MDC Partners shop Anomaly to handle creative in North America following a review. Adam&Eve\DDDB was hired earlier to handle its creative in Europe.
- **Volkswagen** consolidated its global agency roster of about 40 agencies to three lead agencies as part of a marketing overhaul to operate leanly in a more centralized and more efficient way (30% savings over the next two years). The automobile giant selected WPP for North America (replacing incumbent Deutsch), Omnicom for Europe and South America, and Cheil in China. The brand will also refocus its marketing activities at four hubs: Berlin, New York, São Paulo, and Beijing. Omnicom's PHD retains the brand's global media assignment.
- **Inspire Brands** (Arby's and Sonic Drive-In) consolidated its national media business under Publicis Groupe's Zenith, replacing incumbent Interpublic's Initiative. Zenith previously handled Sonic's account. The agency will collaborate with Publicis-owned shops with Fallon handling creative and Moxie social.
- **Petco** selected the MDC Partners shop Anomaly as its new creative AOR, replacing incumbent sister agency Vitro. The brand is also reviewing its media account, currently made up of an in-house media team collaborating with Portland-based Sq1 on digital media.
- Meal company **Blue Apron** selected Portland, Oregon-based Swift as its new creative agency of record, replacing incumbent Droga5, which the brand started working with in 2016.
- Candy maker **Haribo** selected Kansas City's Barkley as its new AOR for digital and social on the Gold Bear gummy bears brand following a review. The agency created a new team, called Fuel, that includes "fully-dedicated content creators" to handle the work.
- **Spoetzi Brewery** hired Dallas-based independent The Richards Group as lead creative agency for Shiner Beer after a review, replacing incumbent Austin-based branding shop McGarrah Jesse.
- **Fiat Chrysler Automobiles** selected Publicis Groupe's Starcom as its new lead media and social media agency in North America, replacing incumbent Interpublic Group of Cos.' UM, which has worked on the business since late 2009.
- **Carnival Cruise Line** hired Wunderman as its customer relationship management (CRM) AOR following a review and replacing incumbent sister shop J. Walter Thompson. The account will be run under Wunderman Thompson, the new merged entity.
- **Reebok** kicked off a global creative agency review as the brand decided to end its relationship with Venables Bell & Partners, its creative AOR since 2014, replacing the then incumbent DDB. VB&P will not defend.
- Consumer-goods giant **Newell Brands** hired WPP as its communications agency for its portfolio of brands globally following a review. WPP will launch Team Newell as a dedicated unit to service the client, which will include Wunderman Thompson for digital, VMLY&R for social media, as well as Geometry, Mindshare, and Eicoff for shopper marketing, media investment management, and direct-response services respectively. In 2016, the brand hired J. Walter Thompson as its lead agency.
- **Diageo** launched a review of its Johnnie Walker creative account globally. Anomaly has been handling work in the US since 2014, while 72andSunny handles the account globally.
- Paint, color, and coatings brand **Benjamin Moore & Co.** selected FIG as its integrated agency of record. The agency will collaborate with the brand's media agency Horizon Media.
- The **National Football League (NFL)** selected MDC Partners' 72andSunny as its new creative agency after a review, replacing incumbent since 2009 Grey.
- Pet supply retailer **PetSmart** hired Cincinnati-based media agency Empower to handle all traditional media buying and planning in the US, replacing incumbent Omnicom-owned OMD, the media AOR since 2014. The agency will partner with the brand's in-house group and other roster agencies like Triptent.
- Game console company **PlayStation** kicked off a review of its global creative business after half a decade with BBH. BBH decided not to defend the account.



Agency Roster Summary

Client	Incumbent	Change/Scope	Focus Area	New Agency	Review?
Avon	Publicis Media, GroupM	media	global	Spark Foundry	Y
Benjamin Moore & Co	The Martin Agency	integrated		FIG	Y
Blue Apron	Droga5	creative		Swift	
Booking.com		creative	North America	Anomaly	Y
Booking.com		creative	Europe	Adam&Eve/DDB	Y
Buffalo Wild Wings	FIG, TBWA/Chiat/Day	creative		The Martin Agency	Y
Buffalo Wild Wings	Horizon Media	media		GroupM's Mindshare	Y
Carnival Cruise Line	J. Walter Thompson	CRM	global	Wunderman Thompson	Y
Diageo	Anomaly / 72andSunny	creative	global		Y
Fiat Chrysler	McGarrah Jessee	media, social	North America	Starcom	Y
Haribo		digital, social		Barkley	Y
Inspire Brands (Arby's and Sonic Drive-In)	Initiative	media	US	Zenith	
National Football League (NFL)	Grey	creative	US	72andSunny	Y
Newell Brands		communications (digital, social, shopper, media, direct)	global	Team Newell	Y
Petco	Vitro	creative	US	Anomaly	Y
Petco	in-house/Sq1	media	US		Y
PetSmart				Empower	
PlayStation	BBH	creative	global		Y
Reebok Classic	Venables Bell & Partners	creative	global		Y
Spoetzi Brewery	UM	creative	US	The Richards Group	Y
US Department of Defense	McCann Worldgroup	media, creative, digital, PR, direct	US	DDB Chicago	Y
Volkswagen Group	Deutsch	lead	North America		N
Volkswagen Group		lead	Europe, South America		N
Volkswagen Group		lead	China		N

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