

# Industry Update

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

Volume 36

## Executive Summary—Monthly Recap

The first few months of 2019 gave us a solid view into the current dynamics of the advertising industry and how it might shape its future.

Fueled by increased automation and data-driven marketing, data science and analysis remain a big focus for agencies eager to build that technical skillset to provide better insight and gain ROI from their tight marketing budgets.

The talent demand seems to quickly outpace the supply, leading to increased staffing costs and a significant gap for both agencies and advertisers to fill. Some brands like Walmart are increasingly taking that work in-house.

The question is daunting: How good is the data if no one can effectively use it or make sense of it?



**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

The conversation about agency talent is increasingly about consolidation to better integrate and simplify. Advertisers increasingly seek integrated solutions to simplify their engagement and ensure tighter alignment and agency collaboration, leading holding companies like WPP and Publicis to restructure to bring creative and media together in a more cohesive offering, recoupling what was once decoupled. In some instances, the consolidation is within a particular spend category like media, as evidenced by the consolidation of Blue 449 and Spark Foundry within Publicis Media.

- Retailer giant **Walmart** is developing an in-house unit to take control of digital and in-store ad sales, ending its partnership with Triad (WPP's programmatic media unit Xaxis acquired Triad in 2017) and getting ready to compete with Amazon. The retailer has a unique combination of online and store purchase data from millions of customers.
- New models continue to emerge to improve cross-agency collaboration. For example, co-led by executives from WPP's Grey and Publicis Groupe shops Leo Burnett and Saatchi & Saatchi, Procter & Gamble's **Woven** is a shop comprised of personnel from two holding companies (WPP and Publicis) that includes in-house media planning and buying.
- Per Marketing Land, 72% of global digital agencies say the most needed skills that their shops will require in two years' time will be **data science and analysis**. Per YouAppi and Dimensional Research, 68% of agencies worldwide have dramatically increased their focus on data, metrics, and analysis in the past five years.
- As in-house agencies flourish at brand advertisers, so does the idea of **co-locating talent**. WPP estimates that 2,000 of its staff, or 1.5%, are continuously co-located at client sites.
- **Amazon-only ad partners**, service providers specialized in helping brands perform on Amazon's advertising platform, are gaining momentum as clients look for that expertise. Examples: Marketplace Ignition (WPP), Velocity (Omnicom), Teikametrics, etc.
- Horizon Media introduced a new agency, **Big**, which will operate under a 100 percent performance-based model, aimed at start-ups, ecommerce, and emerging brands. Horizon Media expects 70 to 80 percent of its ad deals to be guaranteed on business outcomes in the next five years.

- New performance marketing and first direct-to-revenue agency, **DriVR**, launched, offering services ranging from digital media, creative, OOH, mobile, and strategies for OTT/streaming, TV, video, voice, and audio, to pop-up experiences. The agency leverages proprietary, systematized, and accountable performance processes and tools to support clients.
- **Publicis Media** merged its two media agencies, Blue 449 and Spark Foundry, under the Spark Foundry brand, as part of its ongoing consolidation plans. The global brand will now employ approximately 4,200 people in 12 markets. The only exceptions: France, US, and UK, where the Blue 449 agency will still operate independently.
- Omnicom commerce agency Integer launched its retail experience design consultancy, **Sky Bench**. The new entity offers new store concept development, store fleet modernization, store-within-store build-outs, pop-ups, shopper journey tracking, and other capabilities.
- Per Henrich Greve, Tim Rowley, and Andrew Shipilov, in their book **Network Advantage: How to Unlock Value From Your Alliances and Partnerships**, companies around the world formed 42,000 alliances between 2002 and 2011. Yet 60 to 70 percent of alliances fail, according to industry experts.
- From holding company-owned to becoming **independent** again: agencies like Johannes Leonardo, Richard Attias & Associates, and O’Keefe Reinhard & Paul have taken back ownership from their holding company partners.
- **Nielsen** acquired addressable advertising company Sorenson Media. The company launched a new product, Nielsen Advanced Video Advertising, focused on smart TV-based measurement.
- Accenture acquired **What If**, which offers clients the ability to incubate new products, services, business models, and organizational structures within the bounds of structured experimentation, similar to other outsourced in-house practices like Oliver.
- The **DAS Group of Companies**, a division of Omnicom Group Inc., sold MarketStar, a sales outsourcing provider, to another company (Wasatch Group) to refocus its portfolio of businesses and investment priorities.
- Effie Worldwide launched a marketing effectiveness boot camp, **Effie Academy**. The purpose is to help the new generation of marketers build stronger skills.
- Canadian public affairs consulting firm Prospectus Associates expanded its offering beyond its original focus with the addition of creative agency **Neptune Blue** to its portfolio. Neptune Blue clients include Microsoft, Google, Walt Disney, McDonalds, DreamWorks, Nokia, X-Box, and Salesforce.



**Bruno Gralpois shines a results-oriented spotlight**

on the critical agency-client relationship and demystifies the approach to getting the most from one’s agency, amplifying the value that partner provides exponentially.”

SHEPARD KRAMER,  
SVP CMO Practice  
Association of National  
Advertisers (ANA)

Noteworthy quotes:

- » “Clients feel they need to take back control.”  
—Sir Martin Sorrell, executive chairman, **S4 Capital**
- » “Clients are keen to see people sit closer to them. We can address concerns around proximity while not in-housing.”—Mark Read, CEO, **WPP**
- » “In the Quantum Age (the fourth industrial revolution) no company can be a subject matter expert in everything.”—Greg Stern, founder/co-chairman, **BSSP**
- » “In an era of transformation or disruption or whatever you want to call it, [clients] look for different ways of doing things.”—Sir Martin Sorrell, executive chairman, **S4 Capital**
- » “We do need five great creative directors, but I’m not sure we need five CFOs.”—Arthur Sadoun, CEO and chairman, **Publicis Groupe**
- » “While the premise was compelling, the holding company model did not readily lend itself to a blended workforce concept.”—Cliff Campeau, principal, **AARM | Advertising Audit & Risk Management**
- » “A new breed of agencies is on its way to becoming the indispensable source of support for their clients’ digital transformation.”—Kate Howe, chief growth officer, **Dentsu Aegis Network UK**
- » “We don’t want to get to a place where we have agencies managing agencies. We want to be close to the work.”—Mandy Rassi, head of brand building, **The Kroger Co.**
- » “Differences should be respected because they are why the partnership was formed in the first place.”  
—Paul Sanders, director of business innovation, EMEA, **Steelcase**
- » “To coin a phrase, perhaps brands and their agencies can’t be partners because the pitch part gets in the way?”—Robin Bonn, founder, **Co:definery**

## WORK: producing great work and outcomes

The South by Southwest (SXSW) conference and festival held in Austin was a great venue to discover superb work by brands and agencies focused on converging interactive, film, and music. over 430,000 people participated in the event, which spanned 10 days and nights. Innovation concepts like HBO's "Bleed for the Throne" show how the convergence of film, interactivity, and advertising can deliver highly engaging cross-brand experiences.

- Programming content on steroids: 2,147 conference sessions in 24 diverse tracks were held at **SXSW**, including 109 Featured Sessions, 787 Panel Sessions, 251 Solo Presentations, 89 Workshops, 434 Mentor Sessions, 26 Pitch Events, 41 Book Readings, 33 Encore Sessions, 154 Meet Ups, 13 Round Table Discussions, and 39 Podcasts.
- HBO worked with Giant Spoon on the installation where visitors can "**bleed for the throne**," donating blood to the American Red Cross. The "Bleed for the Throne" activation is also part of the broader "For the Throne" campaign HBO has been working on with Droga5.
- The **Internationalist's 11th Annual Awards for Innovation in Media** includes 400 cases submitted from 34 different locations worldwide. Some examples include: Airbus - Clutter-Busting Content (PHD International), BMW - Automated Hero Trailers (MEDIAPLUS Germany), Chevron - We Live Here too (Wavemaker), Hyundai - Better Drives Us (Canvas Worldwide), Samsung - Best Dog Day Ever (Submitted by Starcom), Visa - FIFA World Cup FOMO (Starcom), SAP Ariba (Vertic), Johnnie Walker - Jane Walker (Carat), etc.
- **Facebook** launched an automated campaign budget allocation system that optimizes the campaign budget across an advertiser's ad sets. Now advertisers can set one central campaign budget for all ad sets, and the new system will "automatically and continuously" distribute budgets in real-time to top performing ads.
- Looking for innovative solutions to energize its customer base, **Macy's** introduced new capabilities such as augmented reality to give shoppers ways to try products, like endless shades of lipstick through the retailer's beauty app.
- Per Nielsen, the **Oscars** showed 10% more viewers this year, reaching 29.6 million. It posted a 7.7 rating, up 13% over last year among the desirable 18-49 viewer demographic segment, showing that TV is still doing okay in live events.
- **WPP's GroupM** consolidated the reporting and analysis of its commercial and business development data with global independent research firm COMvergence, replacing incumbent RECMA. COMvergence gathers data from credible third parties including Nielsen and WPP's Kantar.
- The success of the **2019 Marketing Technology Awards** by ClickZ illustrates well how the marketing technology space has exploded with an ever-expanding number of companies developing solutions – ranging from CRM, to

ESP, MAP, DAM, analytics and attribution platforms, CDP, SEO, and more, to address advertiser's needs.

Noteworthy quotes:

- » "We feel like the football teams who must constantly change their strategy to make it to Sunday night's match-up. But unlike them, we don't need to be in the Big Game to change the game."—Olivier Francois, CMO, head of Fiat brand, **FCA**
- » "Agencies and brands need to agree on a two-way process for finessing the brief and goal as well as detailed research to confirm that it's really going to deliver growth."—Bhavana Smith, chief client officer, **MediaCom**
- » "Timesheets, even if accurate (they're not), provide only one uni-dimensional piece of information: who's "busy." Time tracking doesn't reveal anything about what really matters in a professional firm, such as client satisfaction, work quality, or professional effectiveness."—Tim Williams, founding partner, **Ignition Consulting Group**
- » "If you're proud of the work your agencies have done, tell them and let them share it. Trends come and go, markets fluctuate, consumer desires change, but strong creative ideas can endure the test of time. It shouldn't be concealed - it should be celebrated."—Lindsay Stein, editor, **Campaign U.S.**
- » "Entrepreneurial creativity is the key to transformation and growth during volatility."—Tyler DeAngelo, executive creative director and partner, **StrawberryFrog**
- » "We need to put data at the core of the relationship and shift from linear to dynamic creativity."—Arthur Sadoun, CEO and chairman, **Publicis Groupe**
- » "If you treat your agency like a commoditized vendor, that's what you get."—Marla Kaplowitz, president and CEO, **4A's**
- » "Deep enduring partnerships are a critical factor for success."—Greg Stern, founder/co-chairman, **BSSP**
- » "The initial brief should be the starting point for a constructive conversation, not the moment to go into action."—Bhavana Smith, chief client officer, **MediaCom**
- » "By investing in our own talent – attracting, training, incentivising, rewarding and retaining them – and organising ourselves effectively, we can regain the position of being an indispensable source of inspiration for our clients."—Kate Howe, chief growth officer, **Dentsu Aegis Network UK**

“THE DYNAMIC CLIENT/ AGENCY RELATIONSHIP is constantly evolving, but to be honest has always had much room for improvement and streamlining. Agency Mania is a superb guide on how to build true partnerships that deliver results, but also which will lessen iterations of unproductive briefs, and speed up the process. **A must read for anyone in marketing working with agencies, but also with agencies working for marketing departments.**”



**BRIAN KUZ**, Head of Marketing and Innovation, Shell

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## FINANCIALS: driving efficient use of resources

We can learn a lot about the state of the industry by reading the earnings reports of the major holding companies. Recent earnings indicate that WPP and Publicis struggled the most in the last quarter, while Omnicom and Dentsu maintained reasonable organic growth (in the 2 to 3.5% range). The big winner was IPG with organic growth of 7.1%, well ahead of everyone else. As evidenced by major consolidations in their portfolio, holding giants WPP and Publicis have been in heavy restructuring mode, following recent changes of leadership and direction. This type of business transformation is likely to take time before it pays off financially. Meanwhile, Seattle-based Amazon is rocking the advertising business, increasing its US revenue by 72% YOY. The ecommerce giant is projected to grab 8.8% of the digital ad market by year end.

- Per Marketing Land's **Digital Agency Survey 2019**, Google, YouTube, Facebook/Instagram, Amazon, and LinkedIn are poised to see the biggest gains in ad spend revenues in the coming year. Amazon and LinkedIn are gaining strong traction among agencies.
- **Twitter** hit 126 million daily active user numbers in the fourth quarter, a 9.5% increase YOY and generated revenue of \$909 million, a 24% increase YOY.
- Per Kantar Media, **Amazon's** US advertising business in 2018 increased by 72.5% reaching \$1.8 billion. Per eMarketer, Amazon's US ad business is projected to grow +50% this year, grabbing 8.8% of the digital ad market.
- **Amazon** reported a record \$13.8 billion marketing expense for 2018, up 37% from the prior year, or 5.9% of Amazon's total revenue, the highest ratio in 18 years. Per Kantar, Amazon spent 37% or \$679 million, of its US ad budget last year on TV ads.
- Per Forrester, **digital marketing spend** is to reach \$146B by 2023, growing at a 9% compound annual growth rate. Search ad budgets are expected to shift to voice and voice-activated queries of voice assistants.
- **Smart Technology Marketing** (STM) spend in the US, which includes artificial intelligence (AI), augmented reality (AR), virtual reality (VR), internet of things (IoT), and voice assistant marketing, surged 393% last year to \$340 million, making STM by far the fastest growing marketing segment in 2018.
- Per MediaRadar, **YouTube's** ad revenue rose by 11% last year, achieving a 51% renewal rate with advertisers. Over 15% of YouTube's ad revenue last year came from the following advertisers: Geico, Samsung, and Disney.
- The **Super Bowl** is known to be the biggest TV event of the year, this year reaching 98.2 million viewers per Nielsen, the lowest Super Bowl viewing number for a traditional linear TV network since 2008. The event also totaled 110 million online views. Per Nielsen, there were 32.3 million social media interactions about the Super Bowl across official Facebook, Instagram, and Twitter accounts.
- **"The Oscars"** pulled over \$152 million in national TV advertising with advertisers ranging from Walmart, Verizon, Cadillac, Rolex, Samsung Mobile, Marriott, McDonald's, Apple iPhone, Google Phones, Google Home, and Geico.
- The **average cost of a 30-second commercial** in this year's Super Bowl was around \$5 million to \$5.2 million. 36 brands released 108 pieces of Super Bowl ad creative. For the "The 91st Oscars" show, advertisers are paying \$2.6 million for a 30-second commercial (compared to \$2.11 million the year prior).
- Holding company financial performances:
  - » **WPP** client losses last year are impacting the holding company's financial performance in 2019. Losses included American Express media and creative duties for PepsiCo and Ford Motor Co. Newly-formed VMLY&R had a strong start with client wins totaling \$25m in the first 90 days following the merger.
  - » **Publicis Groupe** reported net revenue up 0.4 percent from \$2.8 million in 2017. The Groupe's full-year 2018 net revenue was 8.7 billion euro (\$9.9 billion), down 3.9% from 9.33 billion euro (\$10.61 billion) in 2017. In the last quarter of 2018, Publicis experienced an organic growth decline of 0.3 percent. Some client wins: Daimler, Campbell's, Marriott, Carrefour, Cathay Pacific, Smucker's, GSK, and Fiat-Chrysler.
  - » **Omnicom** reported organic growth of 3.2 percent in its last quarter, closing 2018 with organic growth of 2.6 percent: Advertising increased 2.9%, CRM Consumer Experience increased 5.9%, CRM Execution & Support decreased 2.7%, Public Relations increased 1.8%, and Healthcare increased 4.5%. Omnicom's worldwide revenue in the fourth quarter of 2018 decreased 2.2% to \$4,086.7 million. Worldwide revenue in 2018 increased 0.1% to \$15,290.2 million. Operating profit in 2018 increased \$49.7 million, or 2.4%, to \$2,133.5 million. Operating margin in 2018 increased to 14.0% (versus 13.6% in 2017).
  - » **Dentsu** reported organic growth of 3.4%, reaching 1,018,512m yen in 2018 revenue, up 7.2% YOY. In 2018, Dentsu completed 16 acquisitions. Dentsu Aegis Network had a 10.2% revenue growth and 4.3% organic growth, now contributing 60% of the firm's overall business, up from about 58% in 2017.
  - » **Interpublic Group of Cos.** posted a strong fourth quarter, reporting organic growth of 7.1 percent, well ahead of its competitors, or 5.5 percent for 2018. Fourth quarter 2018 net revenue was \$2.41 billion. Full year 2018 total revenue was \$9.71 billion, compared to \$9.05 billion in 2017 with an organic revenue increase of 5.5% YOY (5.1% in the U.S. and 6.2% internationally). Full year 2018 net income was \$618.9 million.

Noteworthy quotes:

- » “The evolution of the advertising delivery model will more than likely be driven by advertisers and less so by agency holding companies.”—Cliff Campeau, principal, **AARM | Advertising Audit & Risk Management**
- » “The Agency of the Future cannot be created unless it first becomes a well-run business that generates the necessary financial resources.”—Michael Farmer, strategist and consultant, **TrinityP3 and Farmer & Co**
- » “Keep in mind that there is always a win-win solution if all parties seek and leverage an alignment of interests.”—Greg Stern, founder/co-chairman, **BSSP**
- » “The holding companies will reorient their priorities from cost management to fee enhancement, upgrading their fee negotiation processes to ensure that they are paid fairly for all the work they do.”—Michael Farmer, strategist and consultant, **TrinityP3 and Farmer & Co.**
- » “And, candidly, I have the pencil and the eraser. What that means is if agency A and agency B are working on a client, it’s a single P&L, and I can decide, obviously, who gets credit for the work.”—Michael Roth, chairman and CEO, **Interpublic Group**
- » “If you want to achieve a value-based remuneration model, agency remuneration needs to move from a cost-base/input model to a value-based output model.”—Darren Woolley, founder and global CEO, **TrinityP3**
- » “Jeff Bezos is the John D. Rockefeller of the 21st Century. ... I think he will build the Amazon business into a \$100 billion business.”—Sir Martin Sorrell, executive chairman, **S4 Capital**

**PERFORMANCE: driving stronger performance and value from the partnership**

Are advertisers moving too fast at times? It appears to be the case for one of them: Malaysia Airlines. The company called off a pitch that was announced in August last year to find new creative, media, and social agencies, reverting for now to incumbents M&C Saatchi on creative, GroupM for media, with Mindshare and m/SIX, and IPG’s Reprise Digital on social. The CEO apologized to the agencies and offered a small compensation for their efforts, showing the importance of having a committed approach to a search process.

- Per **World Advertising Research Center (WARC)**, three of Omnicom’s networks ranked among the world’s top five most awarded creative networks in the industry: BBDO Worldwide came in as #1 for the 13th consecutive year, followed by DDB Worldwide as #2 and TBWA\ Worldwide as #5. Among the top 10 creative agencies: BBDO New York topped the list as #1, AMV BBDO as #2, adam&eveDDB as #3, and Colenso BBDO as #8. For the second consecutive year, Omnicom Group was named the world’s most awarded holding company.
- Raja Rajamannar, chief marketing and communications officer at Mastercard, was named as the World Federation of Advertisers’ (WFA) **2018 Global Marketer of the Year**. Accomplishment cited: removed its name from its logo, took on digital transparency, and launched its ‘Start Something Priceless’ social good campaign in 40 countries.
- During the Super Bowl, data from social listening platform Sprinklr found that 87.6% of Tweets about **purpose-driven ads** were positive compared to 74% of non-purpose-driven ads.
- Per Agency Spotter, **top 10 advertising agencies as of January** of this year: 1) Chemistry, 2) Traction, 3) REASON, 4) Preston Kelly, 5) Amelie Company, 6) Response Marketing, 7) Ruckus, 8) Bigbuzz Marketing Group, 9) Brokaw, and 10) GoConvergence. Ranking is based on credentials, expertise, client feedback, and project work.
- Per The Drum, BBDO New York was the **most award-winning creative agency of 2018**, followed by McCann New York, Jung von Matt AG, Dentsu Inc., and Ogilvy & Mather Chicago. The ranking is based on 3,607 pieces of work devised by 1,721 agencies.

“  
Nearly a decade later, Bruno did it again. Agency Mania provides us clear insight into meaningful ways brands and agencies can produce impactful work when they collaborate effectively. Mutual chemistry and collaboration are paramount. **A must read for anyone in marketing.**”



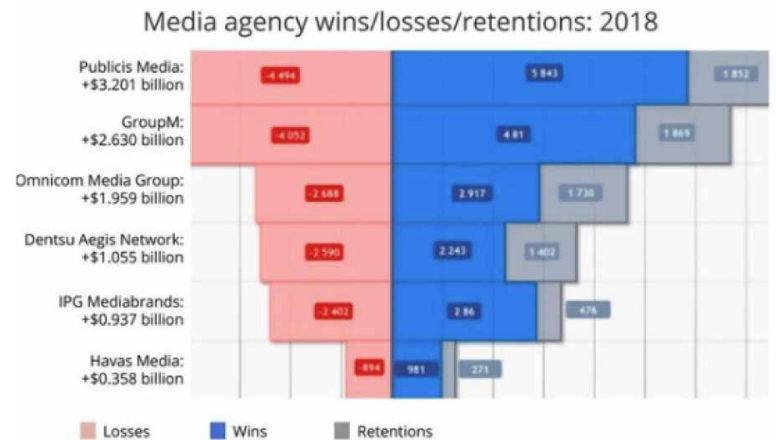
**RYAN LINDER**, Global Chief Marketing Officer, EVP  
MDC Partners

## Noteworthy quotes:

- » “The entire advertising industry is dealing with the consequences of technology-driven disruption, and every day the rules for how brands go to market are being rewritten.”—Brian Wieser, global president of business intelligence, **GroupM**
- » “Without great advertising, your brand would be in jeopardy. Every company right now - from legacy giants to industry disruptors - are competing for market share and consumer attention. Effective, meaningful creative is the great divider.”—Lindsay Stein, editor, **Campaign U.S.**
- » “You know it is going to be a long and strong marriage when the client comes to propose (aka award you the business) in person and in front of the entire agency.”—Leeann Leahy, CEO, **The VIA Agency**
- » “The model we have with IKEA allows for full integration of agency and client teams and continuous problem-solving. It’s the opposite of a one-off project.”—Gene Liebel, co-founder, **Work & Co**
- » “Like any great relationship, getting too comfortable will cause the relationship to go real quiet, real quick. The best relationships are constantly evolving, with a push to experience new things and step outside of one’s comfort zone.”—Chris Lane, global head of brand and digital, **Fiverr**
- » “There is so much in-depth nuance in cost structures, and even more so when you go into operating models and strategic fit, that it is simply insane to apply too much weight to the bottom-line pricing in the decision process.”—Ruben Schreurs, managing partner, **Digital Decisions**
- » “There is often a tension in media agency reviews between strategic marketing objectives and the need to demonstrate efficiencies.”—Nick Manning, senior vice president, **MediaLink**
- » “It’s fine to put the pressure on the agencies, but the clients have to change themselves.”—Sir Martin Sorrell, executive chairman, **S4 Capital**
- » “These days, it’s much riskier not taking risks.”—Tyler DeAngelo, executive creative director and partner, **StrawberryFrog**
- » “As advertisers put their media agency accounts into review and agencies continue to promise huge savings, the delivery of these savings is now often contingent upon the use of opt-in buys.”—Manuel Reyes, CEO, **Cortex Media**

## AGENCY REVIEWS AND ROSTER CHANGES

Per COMvergence, Publicis Media Group was the winner of the major agency holding companies’ media account services reviews in 2018, followed by Group M and Omnicom Media Group.



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.

- Used-car retailer **CarMax** kicked off a review of its advertising agency relationship. Incumbent agency for the past four years McKinney will defend. The selected agency will collaborate with the brand’s media agency Vizeum.
- Consumer goods giant **Mondelez International** named Scrum50 as its ecommerce agency of record without a review, following a series of project assignments for the brand. The snack maker also kicked off a review of creative duties for the brand at the holding company level. Incumbent agencies include a range of agencies across multiple holding companies, including Interpublic Group of Companies’ FCB and Martin Agency, WPP’s Ogilvy and Dentsu Aegis’ McGarryBowen and 360i.
- **Planet Fitness, Inc.**, one of the largest franchises and operators of fitness centers in the US appointed independent agency Barkley as its lead agency, overseeing creative, strategy, experience/design, and media planning and buying.
- **Singapore Airlines** consolidated its global creative and media accounts in a five-year contract with Omnicom agencies TBWA and PHD, respectively. The move happened following a review. PHD will replace media incumbent Publicis Media. TBWA successfully defended its role as creative incumbent. The two agencies will collaborate tightly.

- **Signet Jewelers**, parent company of the Kay, Zales, and Jared jewelry chains selected MediaCom as its new media agency after a review, replacing incumbent Omnicom OMD. The brand also named Zimmerman Advertising as creative AOR for Zales and Kay Jewelers, and added Badger & Winters. The Jared brand will continue to work with incumbent McKinney.
- Motorcycle brand **Harley-Davidson** selected Droga5 as its new creative agency following a review. The brand consolidated its global creative, media, and digital work with IPG after a holding company-level review in 2016.
- Battery maker **Energizer Holdings** selected Interpublic's UM as its new North American media agency after a review, replacing incumbent WPP's Wavemaker. Wavemaker continues to lead buying and planning for all other global markets. Both agencies collaborate with creative shop Camp & King.
- Beverage giant **PepsiCo** shifted responsibility for digital work on its Gatorade brand to longtime partner and creative AOR since 2008 TBWA\Chiat\Day, without a review.
- Car maker **Volkswagen** selected Johannes Leonardo as its lead agency, only three months after WPP won the brand's North American business, replacing incumbent Interpublic's Deutsch. Johannes Leonardo will collaborate with WPP specialist agencies (e.g., data intelligence, brand website and retail).
- **Nintendo** selected Interpublic Group of Cos.-owned Initiative as its new media AOR in the US following a review, replacing incumbent Publicis Media's Blue 449. Initiative will partner with creative AOR Publicis Groupe's Leo Burnett.
- Adidas subsidiary **Reebok** hired IPG Deutsch as its new global creative agency of record following a review, replacing incumbent independent Venables Bell & Partners. Last year, the brand moved its account from Carat to MediaCom.
- Online home search site **Realtor.com** selected Interpublic's Huge as its creative agency of record following a review, replacing incumbent Pereira & O'Dell.
- Retailer **Kroger** (owner of multiple national and local brands including Ralph's, Fred Meyer, King Soopers, Mariano's, and QFC, among others) kicked off a search for its first-ever creative agency of record.
- **Boys & Girls Clubs of America** hired Atlanta-based Dagger as its new creative agency of record following a review. The brand was working with agencies on project-based assignments.
- **MillerCoors** launched a creative agency review for Coors Light. Incumbent since 2015 MDC Partners shop 72andSunny won't defend.





## Agency Roster Summary

Client	Incumbent	Change/Scope	Focus Area	New Agency	Review?
Boys & Girls Clubs of America		Creative	U.S.	Dagger	Y
CarMax	McKinney	Advertising			Y
Energizer Holdings	Wavemaker	Media	North America	UM	Y
Harley-Davidson	IPG	Creative	Global	Droga5	Y
Kroger		Creative			Y
MillerCoors (Coors Light)	72andSunny	Creative			Y
Mondelez International		Ecommerce		Scrum50	N
Mondelez International	FCB, Martin Agency, Ogilvy, McGarryBowen, 360i	Creative	Global		Y
Nintendo	Blue 449	Media	U.S.	Initiative	Y
PepsiCo (Gatorade brand)		Digital	Global	TBWA/Chiat/Day	N
Planet Fitness	Hill Holiday	Creative, Strategy, Experience/Design, Media	U.S.	Barkley	Y
Realtor.com	Pereira & O'Dell	Creative		Huge	Y
Reebok	Venables Bell & Partners	Creative	Global	Deutsch	Y
Signet Jewelers (Kay)		Creative	Global	Zimmerman Advertising	Y
Signet Jewelers (Kay, Zales, Jared)	OMD	Media	U.S.	MediaCom	Y
Signet Jewelers (Zales)		Advertising, Digital		Badger & Winters	Y
Singapore Airlines	TBWA	Creative	Global	TBWA	Y
Singapore Airlines	Publicis Media	Media	Global	PHD	Y
Volkswagen	Deutsch	Lead	U.S.	Johannes Leonardo	Y

*Disclaimer: The AMS Monthly Industry Update is a summary and analysis of newsworthy agency/client developments picked up in recent trade related publications and news media.*