

Industry Update

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

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EXECUTIVE SUMMARY: Monthly recap

We are experiencing tremendous change across talent, agency capabilities and the way work is being produced. It’s clear that the path is forward, with little appetite to reverse to prior industry practices in the way we pitch for work, conduct reviews, onboard new partners or manage our relationships.

For example, our industry needs to leave the office and broken work cultures behind and embrace new ways of collaborating and managing talent. It’s impacting in fundamental ways how clients and agencies work together. It’s impacting how we recruit, motivate, train and encourage creativity.

Another example is climate change, and what it means about the way we produce advertising moving forward. As a matter of fact, the advertising industry apparently has a new metric called a “carbon performance indicator” as evidenced by the efforts of agencies and brands to reduce carbon emissions generated by advertising campaigns.

So much is happening right now. So, get your cup of coffee, check out the amazing work our industry is doing and get inspired.



Bruno Galpois
Co-Founder and Principal,
Agency Mania Solutions

TALENT: Securing the right talent and resources

Agencies are struggling to attract and retain talent. Agencies including TBWA have appointed new leadership roles—e.g., Chief Learning and Development Officer and Executive Director of Global Recruiting—to address the issue. Agencies are also dealing with employee expectations set during COVID about remote work. For the most part, agencies are reluctant to mandate a schedule of five days in the office as they fear losing talent now enjoying remote work and greater flexibility. Most designate one or two days to be in the office while others give employees full flexibility. Holding firms like Interpublic Group (IPG), as part of a commitment to transparency around diversity, equity and inclusion, are releasing data showing the percentage of executives according to race and gender, and how those numbers are improving year over year.

- Advertising legend Dan Wieden, co-founder of **Wieden+Kennedy**, who created the iconic Nike slogan “Just Do It,” passed away at age 77 on September 30. He was also a devoted humanitarian.
- Per the Association of National Advertisers’ (ANA’s) “**Procurement 2022: The Good, the Bad, and the Ugly**” report, the greatest gaps between the perceptions of procurement and marketing are in agency/supplier diversity; relationship management; continuous improvement savings and avoidance; and marketing process improvements. Key recommendations are:
 - 1) Goals must be aligned and shared
 - 2) Procurement should be involved early
 - 3) Procurement should focus more on value and less on cost
 - 4) Procurement should stay involved throughout the process
 - 5) Procurement should work closer with marketing teams
 - 6) Process improvements are an opportunity
 - 7) Education is critical
 - 8) Procurement should market its value
 - 9) Agencies should proactively establish relationships with procurement
- Per the **4A’s/ANA Agency Search Simplification Initiative**, 66% of agencies said it’s “painful” to not have direct access to the key decision-makers during a review or pitch. 98% of agencies said it’s valuable to know the size of the account, yet only 23% of marketers said it’s relatively painless to provide the budget, and 60% said providing the budget is valuable to the process. 71% of brands don’t think providing a list of participating agencies provides value. 66% of agencies find value in being able to claim their win, with 44% calling it painful to not be able to announce wins. Just 20% of brands find it valuable to let their agencies do this. 92% of agencies and brands find it valuable for procurement and the client marketing teams to agree in advance on criteria for picking an agency.
- Per Erica Peacock, COO of Playbook Media, here is **why agencies should hire marketing freelancers**:
 - 1) No fluff—freelancers are efficient
 - 2) Low commitment
 - 3) Minimal uplift for new channels
 - 4) Great talent
 - 5) Speed
- Using insight from neuroscientific research, predictive analytics platform **Dragonfly AI** (dragonflyai.co) launched to assist brands in predicting what consumers see first across any channel. The solution can be used in research and planning; e-commerce; branding; creative; CRO; advertising and promotion; and retail and shopper marketing.
- ANA released **The CMO’s Guide to Programmatic Transparency** to educate brands on how to discover, analyze, track, understand and possibly reduce what they pay for programmatic media buying as scrutiny of costs continues in this area.

New agencies or capabilities, restructures, and reorganizations:

- The **Omnicom Advertising Collective** launched a dedicated gaming offering called LevelUp OAC, led by The Marketing Arm and GSD&M and providing creative and media services; in-game media planning and buying; experiential marketing; and influencer strategy.
- Independent marketing agency **Mower** of Syracuse, New York, became 100% employee owned via an employee stock ownership plan. The move is intended to foster “collaboration, creativity and problem solving.” Clients include National Grid, FirstEnergy, FedEx, Northwest Bank and Ford Dealers.
- **Stagwell’s Anomaly** launched its own media studio to facilitate media planning and buying for the first time, mostly serving clients who aren’t working with a media agency and need external support.
- Several creative companies and agencies in the US, Canada, UK, Europe and Australia (Buck, VTProDesign, Giant Ant, HudsonBec Group, Anyways Creative, Creative Lives in Progress, If You Could Jobs, and It’s Nice That) merged to form one marketing firm called **Residence**. Clients include Google, Apple, Nike, Meta, IBM, Adobe, Sonos, Airbnb, Warner Brothers, Netflix, Ray-Ban and Heineken.
- Dentsu Creative launched **Dentsu VI**, a virtual identity service that provides brands with a virtual face and personality to use across digital platforms. The service is powered by CGI specialists from Dentsu Creative Singapore.
- New York-based ad agency XenoPsi and London ad services consultancy Astroten jointly launched a new R&D unit called **Consumer Behavior Lab**, aimed at exploring how behavioral science can be applied to improve the effectiveness of marketing and the channels where those messages are placed to influence consumer behavior.
- **Wunderman Thompson** launched Prism, WT’s in-house sports and entertainment marketing agency, to provide clients extra leverage and an alliance with some of the world’s biggest music providers, such as Live Nation, AEG, Boiler Room, Warehouse Project and Broadwick Live. Clients include Kitkat and The Coca-Cola Company.
- A new San Diego-based creative shop called **Big Day** (bigdaytheagency.com) launched to help brands defy what it calls ordinary, combining big-idea thinking of traditional agencies with tactical skills of digital firms.

- **Stagwell** expanded and rebranded its Stagwell Media Network, renamed the Brand Performance Network, combining media, creative and commerce capabilities under the same umbrella. The Brand Performance Network operates in 60 locations in 20 countries with 6,000 employees, handling \$5 billion in media and commerce expenditures.
- **Stagwell** launched a new business arm and consultancy, dubbed the **Risk and Reputation Unit**, to help brands navigate political and social discourse, bringing together financial experts and political strategists from both sides of the aisle to help brands nail their messaging on controversial topics.
- Omnicom Group launched a new practice called **Transact**, focused on connected-commerce consulting and e-retail execution services. The new unit will handle partnerships with Amazon, Instacart, Kroger and Walmart Connect.
- Recording artist and entrepreneur Pharrell Williams partnered with marketing agency Edelman to launch advocacy agency **Mighty Dream** to produce creative work that addresses major societal challenges facing communities of color.

Responsible advertising (diversity and inclusion, environment):

- Holding firm **IPG** released its 2021 US EEO1 (Equal Employment Opportunity) data. Key highlights: Year over year, the representation of women is up 3.2% among senior/executive-level managers, 1.1% among first/mid-level managers and 1.8% among professional-level employees. Black or African American representation increased 11.6% among senior/executive-level managers, 14.3% among first/mid-level managers and 22.2% among professional-level employees. Asian representation increased 8.7% among senior/executive-level managers, 6.9% among first/mid-level managers and 7.8% among professional-level employees. Hispanic or Latino representation increased 4.7% among senior/executive-level managers, 7.1% among first/mid-level managers and 12.3% among professional-level employees. White representation decreased 2.4% among senior/executive-level managers, dropped 2.8% among first/mid-level managers and declined 5.6% among professional-level employees.

**U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) DATA
2021 IPG WORKFORCE REPRESENTATION**

BLACK OR AFRICAN AMERICAN			ASIAN			WHITE			HISPANIC OR LATINO			WOMEN		
SENIOR/EXECUTIVE LEVEL MANAGER	FIRST/MID-LEVEL MANAGER	PROFESSIONAL LEVEL	SENIOR/EXECUTIVE LEVEL MANAGER	FIRST/MID-LEVEL MANAGER	PROFESSIONAL LEVEL	SENIOR/EXECUTIVE LEVEL MANAGER	FIRST/MID-LEVEL MANAGER	PROFESSIONAL LEVEL	SENIOR/EXECUTIVE LEVEL MANAGER	FIRST/MID-LEVEL MANAGER	PROFESSIONAL LEVEL	SENIOR/EXECUTIVE LEVEL MANAGER	FIRST/MID-LEVEL MANAGER	PROFESSIONAL LEVEL
2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP	2019 PP
2.6%	4.3%	7.2%	5.5%	9.4%	11.4%	84.9%	76.8%	68.7%	5.2%	7.1%	9.2%	45.4%	58.0%	61.1%
↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑
59.3%	6.3%	5.1%	18.1%	1.1%	2.6%	-3.0%	-1.0%	-0.7%	-4.0%	4.6%	-3.5%	5.8%	1.8%	-1.7%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▼	▲	▼	▲	▲	▼
2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP	2020 PP
4.2%	4.5%	7.6%	6.5%	9.6%	11.6%	82.3%	76.0%	68.2%	5.0%	7.4%	8.9%	48.1%	59.0%	60.0%
↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑
11.6%	14.3%	22.2%	8.7%	6.9%	7.8%	-2.4%	-2.8%	-5.6%	4.7%	7.1%	12.3%	3.2%	1.1%	1.8%
▲	▲	▲	▲	▲	▲	▼	▼	▼	▲	▲	▲	▲	▲	▲
2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP	2021 PP
4.7%	5.2%	9.3%	7.1%	10.2%	12.6%	80.4%	73.8%	64.4%	5.2%	8.0%	10.0%	49.6%	59.7%	61.1%
▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲	▲

Source: IPG Human Resources Information Systems

- **Omnicom Media Group's OMD Worldwide** launched Growth Academy, a free virtual marketing and educational program (six classes) aimed at helping small and mid-sized minority-owned businesses get the same level of media expertise as large brands. Partnering on the program are the National Minority Supplier Development Council and the New York Urban League.
- **NBCUniversal** launched a new advertising program, called Open Doors, to support diverse-owned small businesses. Open Doors uses NBCUniversal's One Platform cross-portfolio ad buying suite to offer marketing resources to small businesses still recovering from the pandemic.

- ANA launched its **SeeHer initiative**, which works to advance the representation of women in entertainment, marketing and media and the SeeHer in Sports scorecard in partnership with AT&T. The scorecard features questions to help media organizations analyze content dedicated to women's sports and how women are represented within their businesses and as broadcasters and on-air talent.
 - **Interpublic Group** and its agencies, in partnership with consultant Planet + Purpose Solutions, are now reviewing climate impacts of prospective clients that operate in the oil, energy and utility sectors before accepting new work. For example, are these companies publishing clear climate reporting, including scope, baseline, timeline, and the tracking of Scopes 1, 2 and 3 emissions? Are their goals in line with the goals IPG has made in its own ecosystem, and reported on publicly? Have these companies ceased any controversial forms of oil and gas production?
 - Global healthcare brand Sanofi and media services provider Omnicom Media Group started testing the tracking of carbon emissions developed by **IAS and Good-Loop**, enabling advertisers to measure carbon emissions generated by their digital ad campaigns.
 - Per Good-Loop, 61% of marketers are now tracking **carbon emissions generated by their digital advertising campaigns**. 87% believe the digital ad industry has a responsibility to reduce carbon emissions; 12% believe they will reach net zero targets for their digital ad campaigns by 2023; and 16% believe they will do so by the end of 2024.
 - Stagwell's **Forsman & Bodenfors** became the first creative agency to be certified by the Seattle-based Fair Pay Workplace for gender pay equity.
 - The **Potential Energy Coalition**, a nonprofit research and creative shop with more than 100 advertising, analytic and media agencies within its network, partnered with environmental advocacy organization Climate Power to produce ads such as "The Great American Build" created pro bono by Pereira O'Dell.
- » "While marketing procurement's role at every company is different, I believe they all have the potential to have one thing in common: servant leadership.... The servant leadership philosophy is based on the idea of interacting with others (regardless of position) in a manner that results in achieving authority rather than power."
—Kevin McCollum, Manager, Indirect Procurement, **The Hershey Company**
 - » "Marketers continue to seek closer integration between their creative and media partners."
—Greg Paull, Co-Founder and Principal, **R3**
 - » "Never once have I heard, 'I just want to commute to an open concept office with Razor scooters and Keurig coffee machines.'"—Ryan Kutscher, Founder, **Circus Maximus**
 - » "From the decline of cookies to new understanding of attention to maturing direct-to-consumer and e-commerce models, the media landscape continues to shift constantly."—Will de Lannoy, Managing Partner and Head of Communications Strategy, **Anomaly**
 - » "If you make strict rules of four or five days in the office, you narrow down the workforce you can hire."—Jeff Goodby, Co-Founder, Goodby, **Silverstein & Partners**
 - » "Advertising is a people business.... It's our responsibility as veterans in the industry to not only learn and understand generational differences and adapt, but to pass on the best parts of our experience to help motivate and develop new talent properly, which sometimes means pushing them out of their comfort zone."—Barry Cupples, CEO, **Talon Outdoor**
 - » "It's not an excuse to say, 'Well, the cobbler has no shoes, and we're focusing on clients, so we don't do it for ourselves.' Most agencies suffer, because they don't have a clear articulation of their offering, and positioning. And you have to have that today."
—Matt Weiss, President, **Huge Brooklyn**
 - » "Not only does marketing procurement bring the marketing ideas and strategy to life, but drives meaningful change in the industry, helping to establish more eco-friendly, diverse and equitable behaviours within marketing."—Alice Tomlinson, Junior Manager, Marketing Sourcing, **WFA**
 - » "We find that purposeful face-to-face collaboration—like we see on production and shoots—is a huge driver of the quality of output."—Judith Carr-Rodriguez, CEO and Partner, **FIG**
 - » "When you're talking about the infusion of brands and culture ... to have that ability to connect in-house, every single minute of every single day, the power in that is phenomenal."—Diana Frost, Chief Growth Officer, **Kraft Heinz North America**

In-house agencies:

- **Walgreens Boots Alliance** formed an alliance with Oliver to open its in-house agency, which will work hand-in-hand with WPP and the brand's global marketing and communications AOR, The Pharm.

Noteworthy quotes:

- » "Excellence is not a formula. Excellence is the grand experiment. It ain't mathematics. It's jazz."—Dan Wieden (1945-2022), Co-Founder, **Wieden+ Kennedy**
- » "Being together and collaborating is our industry's secret sauce."—Rob Reilly, Global Chief Creative Officer, **WPP**
- » "Every crisis is an opportunity."—Brian Chesky, Co-Founder and CEO, **Airbnb**
- » "Clients at the end of the day are going to make sure they are getting the work and if they are I don't think they care whether you are doing it remotely, in the office, hybrid or whatever, because they are going through the same thing."—Tom O'Keefe, Founder and CEO, **OKRP**

The ANA's School of Marketing launched an updated version of its on-demand **Agency Management training** from instructor Bruno Galpois.

The 90-minute workshop is extremely valuable for managers new to agency management and a great refresher for senior professionals or team leaders who want to improve their relationship with advertising or marketing agencies and get greater value from their partnerships.

Topics include how to give effective creative feedback, best-in-class scope of work practices, briefings and more. For more information: ana.net/ondemand/show/id/OD-AGM07



Company profiles:

- Grey**, a WPP agency founded in 1917, has 3,600 employees across 32 creative studios, constituting one global agency. Since 2021, it has been Agency of the Year six times (Ad Age, Adweek, Cannes Lions International Festival of Creativity, etc.). Ad Age named Grey the 2021 Comeback Agency of the Year. The agency's mission is to become the world's leader in applying creativity (called Famously Effective) to solve business problems. Per WARC, Grey came out on top as the most successful of the major agency networks in creative effectiveness. The agency is renowned for creative storytelling and global brand-building at scale and partners with AKQA, the world-class innovation and experience design agency. Clients include P&G, GSK, Nestle, Lilly, Advil, Lindt and Pfizer.
- PMG** is a global independent digital agency. In their own words, they use "strategy, creative, media, and insights to deliver Digital Made For Humans, as well as its proprietary marketing intelligence platform Alli" (the licensing of which accounts for 20% of the agency's revenue). The agency has more than 600 employees globally and is based in Fort Worth, Texas, with offices in Austin, Dallas, Atlanta, Cleveland, London and New York. Clients include Apple, Athleta, Best Western Hotels & Resorts, McDonald's, Nike, Old Navy, Sephora and Shake Shack. The agency is now Nike's North America media AOR and was named Kohler's media agency of record last year. PMG was named Adweek's Breakthrough Media Agency of the Year, and ranked by Deloitte, Inc., Entrepreneur and Adweek as one of the fastest-growing companies in the nation.

Looking for more? Download our consolidated list of **Agencies Profiled** from our 2021 monthly Industry Updates. We share the category they work in, and the services provided. You already have the right partnerships in place, but you are in need to better managing your existing roster of agencies? There is a better way. Check out our new video explainer about **RosterDeliver**.

As seen on Forbes.com: Check out one of our latest articles, "**Are You Gambling With Your Agency Partners?**" What we learned about betting on the right relationships and building best-in-class agency partnerships against the odds.

NEW ARTICLE

Are You Gambling With Your Agency Partners?

It's a game of skill.

AGENCY MANIA™ SOLUTIONS
Strategic Partnerships Delivered.

agencymania.com

WORK AND PERFORMANCE: Driving better work, stronger performance, and value from the partnership



The Lions Creativity Report 2022 (“the ultimate global benchmark for impactful creativity”) was released in September, showcasing brilliant work from top brands and agencies across the globe.

Five key trends emerged from the winning work:

- 1) Economic uncertainty brings a new appreciation and approach to effectiveness
- 2) Creativity goes beyond raising awareness to identify a solution, share it and scale it
- 3) Vibrant craft turns heads and gets results
- 4) Tech takes on a strong supporting role for creative concepts, helping to drive commercial goal
- 5) The world is becoming more inclusive and accessible through head-turning work driving positive change

- **General Motors** announced the privacy-compliant, anonymized matching of GM’s first-party database and custom audiences of car buyers at various stages in the decision-making process with NBCU’s first-party data and custom audiences. This effectively makes GM the first brand marketer to integrate with NBCUnified, the first-party data and identity platform of NBCUniversal’s network of TV, streaming and digital properties.
- Per **IAS and Good-Loop** and their online carbon calculator, a sample ad campaign that costs \$115,000 and delivers 20 million impressions at a CPM of \$6 emits about 5.4 tons of carbon—almost a third of what an average US consumer produces in a year.
- Per Gartner, only 53% of **marketing decisions are influenced by data**. Despite an increased emphasis on the importance of data in marketing, 60% of CMOs plan to cut the size of their analytic departments in half by 2023 due to “failed promised improvements.”
- **Adobe** launched a marketing mix modeling service, as part of the Adobe Experience Cloud, that uses artificial intelligence (through its Adobe’s Sensei AI engine) to assess return on investment in weeks rather than months and adjust media and marketing plans on the fly.
- Independent agency **Mother** launched its “Mother Goods” venture, a website and Instagram account that showcase a range of products designed to change how people think about and behave around specific issues in the world, including gun control, LGBTQ+, women’s rights, and social media addiction. It includes prototype Kickback Lounge Wear, a range of bullet-resistant leisurewear and “Cûf,” a rose gold phone case, to which a handcuff is attached.
- Per Gartner, only 42% of marketers are using their **martech stack capabilities**, the breadth of capabilities available in their martech stack overall, down from 58% in 2020. The drop is due to a significant amount of overlap among marketing technology solutions (30%), difficulty identifying and recruiting talent to drive adoption/utilization (28%), and complexity/sprawl of the marketing technology ecosystem (27%).

- NYC-based agency **Walru** launched a series of posts dubbed “Dead Ideas That Never Made It Into the World,” featuring rejected creative and brief recollections from brands like Staples, Spirit, Venmo, HBO and General Mills, and why something didn’t make the cut.
- Per Triple Whale, **TikTok** is ranked as the most valuable platform for direct-to-consumer advertisers (reaching \$30 million in revenue in the second quarter of 2022), surpassing Facebook.

Awards:

- Per CMO Benoit Garbe, **Anheuser-Busch** is the first company to be simultaneously ranked No. 1 in creative strength and effectiveness by Cannes Lions, WARC and Effie.
- Omnicom was awarded **Global Effie’s Most Effective Holding Group** in 2022, thanks to wins by Omnicom agencies BBDO, DDB and TBWA. McCann Worldgroup retained its position as Most Effective Agency Network for the fourth year in a row.
- Per the 2022 Effie awards, the **top 5 in the Most Effective Agency Offices were:**
 - 1) FP7 McCann Dubai
 - 2) DDB Colombia
 - 3) McCann Tel Aviv
 - 4) Sancho BBDO
 - 5) McCann Worldgroup India
- Per the **Lions Creativity Report**, top 10 brands in 2022 were:

1) Burger King	6) Dove
2) Vice	7) Michelob Ultra
3) Apple	8) Samsung Electronics
4) Heineken	9) Adidas
5) Corona	10) IKEA

Top 5 agencies were:

- 1) Dentsu Creative
- 2) We Believers
- 3) Publicis Ital
- 4) Leo Burnett
- 5) FCB New York

Most creative company of the year: WPP

Network of the year: Ogilvy

Media network of the year: OMD Worldwide

Healthcare agency of the year: Area 24
(an IPG Health Network Company)

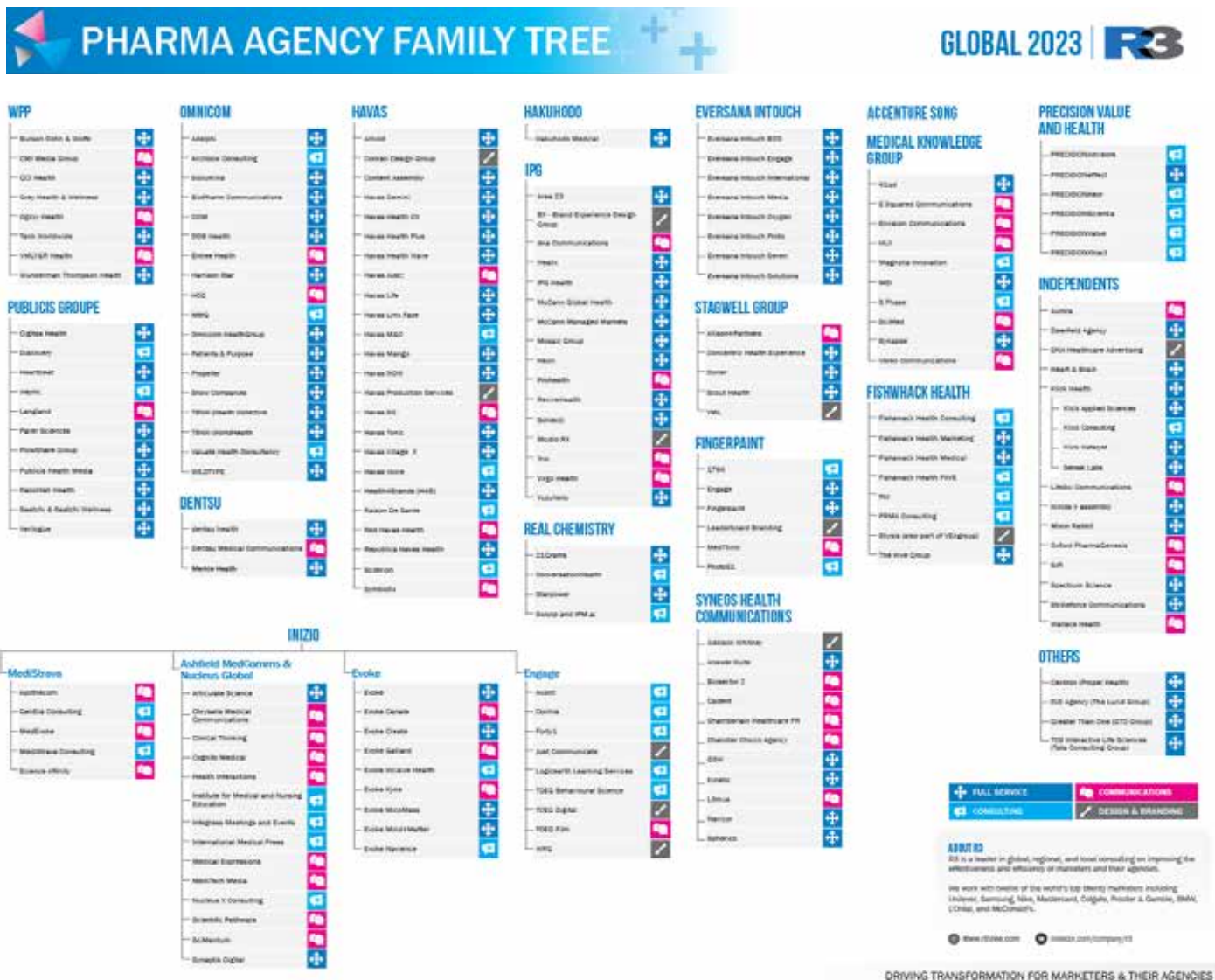
Creative brand of the year: Burger King

Noteworthy quotes:

- » “Our primary role is no longer just helping with growth—it’s about growth and relevance.”
—David Droga, CEO, **Accenture Song**
- » “We are living in a world where creativity is needed more than ever.”—Devika Bulchandani, Global CEO, **Ogilvy**
- » “Creatives want to be recognized and valued as much as clients desire to be heard. Client world and agency world may be different, but in the trenches, you are one team.”—David Bates, CEO, **Bokeh**

- » “‘Creative + Media + Commerce’—the new equation for modern marketing—is simple but executing against it is complex.”—Mark Penn, Chairman and CEO, **Stagwell**
- » “The best clients have a curiosity about and respect for their agency’s craft that arises from the individuals they work with.”—David Bates, CEO, **Bokeh**
- » “We as creatives are the size of our ideas and they are a reflection of what we are and our beliefs.”—Angélica Portillo, Creative Director, **Casanova/McCann**
- » “Everyone can have a great idea but making that idea a reality is the hardest part. A simple and well-crafted idea can be hard to find, but it also can be the most rewarding one.”—Daniel Correa, Creative Director, **Alma**

- » “Transformation is the name of the game—for the company, the agency and the way in which we are trying to work.”—Robin Triplett, Head, End to End Connections & Media, North America, **The Coca-Cola Company**
- » “The reality is that better data won’t increase marketing analytics’ decision influence alone. CMOs must address the real challenges—cognitive biases and the need for a data-informed culture.”—Joseph Enever, Senior Research Director, Marketing Practice, **Gartner**



● Global ● Americas ● Europe ● Asia

Est. Billings in US\$

NEW ACCOUNTS IN REVIEW

REGION	BRAND	INCUMBENT	CREATIVE	MEDIA	PR	EST BILLINGS	LED
Global	Asahi Super Dry	Dentsu Creative	●			\$30m	n/s
UK	Morrisons	Publicis.Poke	●			\$10m	n/s
Global	PayPal	Havas Media Group		●		\$100m	n/s
Global	Skoda	n/s	●			\$50m	n/s
UK	The Automobile Association	Adam & Eve/DDB	●			\$10m	n/s
Global	InDriver	Multiple		●		\$80m	R3
Global	Neste	Multiple		●		\$10m	R3
EMEA	Estee Lauder	Dentsu		●		\$80m	R3
China	La Prairie	Multiple			●	\$10m	R3

CREATIVE/DIGITAL/PR ACCOUNT MOVES

REGION	BRAND	WINNER	CREATIVE	DIGITAL	PR	INCUMBENT	EST BILLINGS
Global	Irish Distillers	M&C Saatchi Talk			●	n/s	\$10m
ANZ	MYOB	Howatson+Company	●			n/s	\$5m
India	MakeMyTrip	Dentsu WebChutney		●		n/s	\$10m
India	Max Life Insurance	FCB Interface	●			n/s	\$10m
Europe	NBA	Saatchi & Saatchi London	●			n/s	\$50m
US	New York Botanical Garden	AKA NY	●			n/s	\$5m
Global	Nexba	The Royals	●			n/s	\$20m
Australia	Ooni Pizza Ovens	FleishmanHillard			●	n/s	\$5m
Global	SC Johnson	Ogilvy, VLMY&R Commerce	●			Ogilvy, BBDO	\$200m
EMEA	Starbucks	We Are Social	●			Iris	\$30m
US	Wonder Bread	PPK	●			n/s	\$20m

MEDIA ACCOUNT MOVES

REGION	BRAND	WINNER	MEDIA	INCUMBENT	EST BILLINGS
Global	Etihad Airways	Crossmedia	●	n/s	\$40m
Global	Farrow & Ball	Mindshare WW	●	n/s	\$20m
Hong Kong	Foodpanda	Mindshare	●	n/s	\$5m
UK	JML	Wavemaker UK	●	n/s	\$12m
India	Rebel Foods	Essence	●	n/s	\$10m
Canada	Sun Life	Wavemaker	●	n/s	\$10m
Global	Unity	Media.Monks	●	n/s	\$20m
Global	Wolverine	Havas Media	●	n/s	\$20m

Courtesy of our friends at R3

FINANCIALS: Driving efficient use of resources

Budgets are under heavy scrutiny, with marketers required to justify investment. In light of global economic trends, there is indication that some advertisers are considering budget cuts, but the data does not yet seem conclusive as many brands are leveraging this opportunity to grow their business. Digital advertising is on the rise. M&A activity is high, with a focus on data and digital-first companies that have expertise in analytics and e-commerce solutions.

- Per Nielsen's **2022 ROI Report**, media spend needs to be between 1% and 9% of revenue to stay competitive, and increasing awareness and consideration by one point drives a 1% increase in sales and a 1% decrease short-term cost per acquisition.
- Per Fox Television Network, the **next Super Bowl** will see 30-second commercial time reaching \$7 million for many national TV ads (previously \$6.5 million), with 95% of the inventory in the big game already sold as of September. Twenty-eight new sponsors will be on board totaling \$100 million.
- Per WPP's GroupM, **global retail media spending** will reach \$101 billion in 2022, a 15% YOY increase. Retail media ad revenue represented 18% of global digital advertising revenue last year, and 11% of total global ad revenue.
- Per IAB, **digital advertising** increased by 35% to reach \$189 billion in 2021. Podcast ad revenue increased by 19% YOY in 2020, reaching \$842 million.
- Per Interpublic Group of Cos.' Magna, the **US advertising industry** is expected to exceed \$300 billion, reflecting nationwide ad revenues increasing 9.8% YOY in 2022, fueled by the Winter Olympics, FIFA World Cup and US midterm elections.
- Per Insider Intelligence, **influencer marketing spending** will reach \$6 billion in 2023. Instagram would account for more than 40% of brand budgets. Spending on TikTok influencers grew fivefold in the past two years and is expected to surpass Facebook this year and YouTube within two years.

- Per Allied Market Research, the **global in-game ad market** (comprising static ads, dynamic ads and adver gaming) reached \$6.8 billion in 2021 and is forecast to hit \$17.6 billion by 2030, fueled by the use of smartphones and other portable devices.
- Per COMvergence, GroupM agency's Mindshare was the top **global media agency in business development** for the first half of 2022; net new business assignments had a total media expenditure of approximately \$1.2 billion. Three-quarters of Mindshare's total (or \$900 million) came from successfully defending business from key clients such as Master Kong and Dyson in China, and Ferrero in the US. Sibling agency Wavemaker ranked second primarily due to the global wins of Audible and Danone. Dentsu X ranked third, thanks to strong new business wins in the US, including Heineken and JCPenney.
- Per the World Federation of Advertisers (WFA) and Ebiquity, 40% of the **world's biggest advertisers** are planning to keep budgets flat in 2023, 30% plan to cut ad budgets, while another 30% plan to increase them. 21% of North America brands plan to cut their ad budgets, with 9% expecting cuts of more than 10%. 42% expect budget increases in digital and decreases in offline media such as TV, radio, print and outdoor.

Holding company financial performance:

- Per Ad Age, **Accenture Song's** fiscal 2021 US revenue rose 27% to \$5.9 billion, double the overall US growth rate of agencies. The world's fourth-largest agency company's worldwide revenue increased 17% to \$12.5 billion in the fiscal year ended August 2021 and is expected to reach \$14 billion in 2022. Accenture Song's parent company had fiscal 2021 worldwide revenue of \$50.5 billion.
- **S4 Capital** reported \$424.8 million net revenue in H1, a 58% gain, with organic net revenue growth of 28%. The company's net loss widened to about \$93 million. Full-year guidance is net organic revenue growth of 25%.

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Mergers and acquisitions (M&A) activity:

- **WPP** acquired Passport Brand Design, a brand design agency that offers brand identity, design expertise and insight capabilities. It will join VMLY&R's global network. Clients include Coca-Cola, Kraft and Heineken.
- **WPP** acquired Newcraft, a European data-first company and e-commerce consultancy based in the Netherlands, to enhance WPP's digital-commerce abilities. The agency will join Wunderman Thompson's global network in Northern Europe. Newcraft's clients include Ahold Delhaize, Pon Holdings, Yakult and JDE Peet.
- **WPP** acquired JeffreyGroup, an independent corporate communications, public affairs and marketing consulting firm in Latin America. The agency will join the Hill+Knowlton Strategies international network, creating the largest global communications agency presence in Latin America.
- **WPP** purchased the remaining 26% stake in MediaCom Communications Private Limited in India.
- **Omnicom Group** acquired Transact, a dedicated practice focused on connected-commerce consulting and e-retail execution services. Transact will drive sales and grow market share on e-retail platforms, capitalizing on Omnicom's recently announced partnerships with Amazon, Instacart, Kroger and Walmart Connect.
- **Omnicom Group's TBWA\Worldwide** acquired Portland, Oregon, innovation agency dotdodotdash, a firm focused on building immersive experiences using robotics, augmented reality and 3D spaces. The agency will become part of TBWA's innovation practice called NEXT and partner with TBWA's LA-based content and production studio Be Grizzlee. Clients include Adidas, PepsiCo, The North Face and TikTok.
- **Interpublic Group** acquired RafterOne, a leading global provider of multi-cloud commerce solutions on the Salesforce platform, to combine it with MRM, the holding company's digital-first customer experience and commerce agency, to deliver highly personalized content that engages and converts in a measurable, precise and repeatable way.

- **Stagwell** acquired West Coast agency Wolfgang, which will become part of the Doner Partners Network (DonerNorth, Yamamoto, HarrisX, Veritas Meat & Produce, KWT Global, Cahoots, Dyversity) to strengthen creative abilities and build an even stronger presence on the West Coast. Clients include Adidas, Men's Warehouse and Jos. A. Bank. The holding company initially bought a minority stake in Wolfgang in 2019.
- Global influencer marketing agency **Viral Nation** acquired influencer analytics company MediaKits to integrate MediaKits' data aggregation with its tech platform to help artists, influencers, athletes and creators better understand and reach their audiences.
- Optimad Media acquired Austin, Texas-based Effective Spend. The combined entity is relaunching as **Optimal**, which offers performance-based digital marketing services, including paid search and social, search engine optimization, programmatic, connected TV and performance creative.
- Independent creative-idea company **Barkley** acquired Smiths Agency, an independent Pittsburgh marketing company focused on food and beverage brands with clients like Premier Protein, NatureSweet Tomatoes and Spangler Candy.

Noteworthy quotes:

- » "We took a billion dollars of marketing—primarily performance marketing—and we turned it off, and you know what happened? Almost nothing. And we realized our brand is stronger and more differentiated, and we're gonna lean into our differentiation. We're gonna do fewer things. We're gonna be totally functional. And we became an entirely creatively led company."—Brian Chesky, Co-Founder and CEO, **Airbnb**
- » "Remember: marketers don't want to 'buy' marketing services; they have business issues they need help addressing."—Lindsay O'Neil, Director, **Mercer Island Group**
- » "A strong argument can be that technology will free up resources to do core procurement responsibilities—not other (non-procurement) responsibilities, but more strategic/less tactical activities."—John Proverbs, Head of Procurement, **KLA**



Get your copy of our latest e-poster, **2022 Top 15 Agencies in the World**, which captures the largest global agencies based on 2021 revenue/agency changes.

We break down the notable agencies (and networks) for the top 6 and list out the top 15 agencies' revenue, change year-over-year and key information (HQ, worldwide scope, size, etc.).

AGENCY: Agency reviews and roster changes

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.

- **Anheuser-Busch InBev's** Bud Light selected Anomaly as its creative AOR for its beer account and The Martin Agency as its agency for line extensions, including Bud Light Seltzer and zero-calorie Bud Light Next, following a review, replacing incumbent independent Wieden+Kennedy, which will continue to work on Budweiser global, Michelob Ultra, Corona, Nutri vodka seltzer and the AB InBev corporate brand.
- **AMC Networks** selected creative and media agency Known as its global media AOR following a review, replacing incumbents Dentsu and Allied Global Media. The agency will handle all media for the flagship network AMC and portfolio sibling networks BBC America, IFC, WE tv and Sundance TV as well as streaming services.
- **BMW Group** selected Dentsu's iProspect unit as its agency for "offline" media (planning and buying) for its BMW and MINI brands across 24 markets in Europe following a review, replacing incumbent GroupM's Wavemaker. The agency previously handled nine of the European markets. The Marcom Engine will continue to handle online media for BMW Group in Europe.
- **Canadian Imperial Bank of Commerce** selected Toronto-based agency No Fixed Address's Courage as its creative AOR following a review. The bank also selected Oliver to build and run its bespoke production in-house agency.
- Private German banking company **Commerzbank** selected Publicis Groupe's Leo Burnett as its advertising communication lead agency following a review.
- **De'Longhi Group** selected Germany-based Mediaplus North America as its North American media planning and buying AOR following a review, replacing incumbent Wavemaker. The agency, which now handles 30 markets, will be responsible for all media, including work for De'Longhi subsidiary Braun Household.
- Personal care company **Dude Products** selected Cincinnati-based Curiosity as its creative and media AOR. The agency will focus primarily on the company's flagship Dude Wipes brand and handle advertising, influencer strategy, all media planning and buying, and activation efforts.
- National airline of the UAE **Etihad Airways** retained Crossmedia as its global media AOR following a review. The agency will handle all media planning and buying as well as digital transformation, including automating its marketing communications.
- Maryland-based insurer **Geico** kicked off a review of its media account after working with independent Horizon for over 25 years. There is no impact on its longtime creative agency, The Martin Agency.
- **General Motors** selected small Atlanta-based creative firm Majority as AOR for branded diversity marketing initiatives, including work on electric vehicles. The agency will join a small roster of multicultural agencies: Carol H. Williams Advertising, Spike DDB and Casanova.
- **General Mills** selected VCCP of London as its creative AOR for food brand Old El Paso for international work, following a review. The agency will deliver global campaigns across key markets (UK, France, Australia, etc.).
- **GoodLife Fitness** selected independent Gut Toronto as its creative AOR. The agency will handle advertising and brand strategy.
- **Glanbia Performance Nutrition** selected independent Horizon Media as its media AOR following a review, consolidating marketing across its portfolio, including SlimFast, Optimum Nutrition and Think! The agency will handle media execution and performance analytics and act as a consultant for GPN's in-house integrated marketing and media team.
- **Hyundai Motor America** selected independent Houston-based agency Lopez Negrete Communications as its US Hispanic marketing AOR following a review, replacing incumbents LatinWorks and Omnicom's Del Rivero Messianu DDB, Miami. The agency will handle various advertising and marketing services, experiential and social media strategy, and consulting on media buying decisions.
- **H&R Block** selected WPP's Ogilvy without a review, replacing incumbent IPG agency Carmichael Lynch (since 2021). The brand retained Stagwell's Gale to handle other parts of the business, including media planning and buying, data and analytics, and CRM.
- Beam Suntory's **Jim Beam** selected Publicis Groupe's Leo Burnett as its global creative AOR following a review, replacing incumbent Adam&Eve DDB. The agency previously worked for the brand.
- Lottery distribution platform **Lotto.com** selected Havas as its first creative AOR following a review. The agency will handle elevating Lotto.com's awareness and create the platform's first brand campaign.
- **Legoland Resorts of North America** selected Lexington, Kentucky-based Cornett as its first creative AOR following a review. The agency will support all three US resorts and hotels, collaborating with Universal McCann, which remains the brand's media AOR.
- Food and beverage giant **Mondelēz** selected Publicis Groupe to handle \$500 million in additional spending for Europe, previously handled by incumbents WPP's Wavemaker and Dentsu's Carat as well as traditional video investment, content and multicultural marketing in the US and Canada. Publicis will also handle Latin America, Europe, the Middle East and North African Peninsula, South Africa and China.

- **Nike** selected independent Fort Worth, Texas-based digital agency PMG as its North America media AOR following a review, alongside IPG's Initiative, which picked up integrated media in the rest of the world.
- **4 Pines Brewing Company** selected 72andSunny ANZ as its creative AOR. The agency will handle brand strategy and integrated communications.
- Restaurant chain **Red Lobster** selected independent Kansas City, Missouri-based Barkley as its creative and strategy AOR for its North America locations following a review, replacing incumbent Publicis Groupe (since 2014).
- **Samsung** retained integrated marketing agency WPP's Wunderman Thompson UK as its CRM AOR (the five-year incumbent) to handle its European CRM account following a review.
- **The Salvation Army** selected independent agency Barkley its lead agency for its Thrift Stores and Adult Rehabilitation Centers.
- **SC Johnson** retained Omnicom Media Group as its global media AOR following a review. The agency will support the portfolio of brands: Windex, Ziploc, Glade, Drano, Pledge, Scrubbing Bubbles, Raid, Stem, Method, Mrs. Meyer's and Babyganics.
- Plant-based food company **Tattooed Chef** selected Duncan Channon as its social and digital AOR following a review. The agency will handle creative strategy, digital media planning, influencer marketing and experiential activations.
- Gaming engine company **Unity** consolidated its global media assignment with S4 capital's Media.Monks following a review. The client previously worked with various agencies. Media.Monks will handle media strategy, planning and buying, measurement and anything related to VR, Web3 and metaverse.
- Tripadvisor's **Viator** selected Fig as its creative AOR and Ocean Media as its media AOR following a review.
- **Virgin Group's** reward club, Virgin Red, selected Dentsu's Carat as its AOR to handle global strategy, planning and investment across all media in the UK, US and various European markets, following a review, replacing incumbent Bountiful Cow.
- British telecom services company **Vodafone** retained Dentsu's Carat for its nondigital media services in 15 of the company's markets in Europe and Africa, following a review.
- Footwear brand firm **Wolverine Worldwide** selected Havas Media as its global media AOR following a review, replacing multiple agency partners, including iProspect, across its brand portfolio. The agency will handle all media activities in the US, Europe, Middle East and Africa, and Canada and be tasked to provide real-time insights and strategic guidance.

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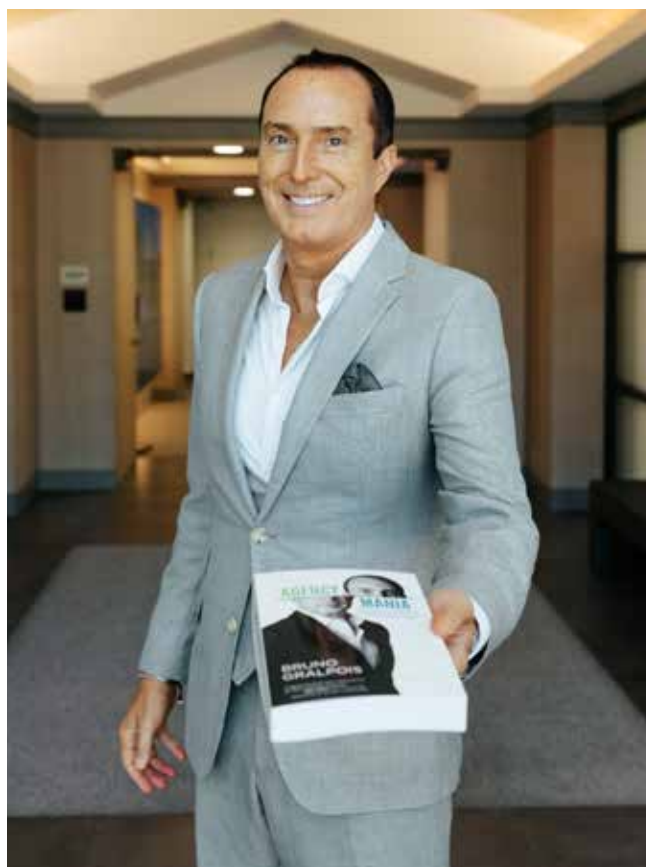
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Agency roster summary:

COMPANY LOGO	CLIENT	INCUMBENT	CHANGE/SCOPE	FOCUS AREA	NEW AGENCY	REVIEW?
	Anheuser-Busch InBev (Bud Light beer)	Wieden+Kennedy	Creative AOR	US	Anomaly	Y
	Anheuser-Busch InBev (Bud Light seltzers, zero calorie drinks, etc)	Wieden+Kennedy	Line Extensions	US	The Martin Agency	Y
	AMC Networks	Dentsu and Allied Global Media	Media AOR	Global	Known	Y
	BMW Group (BMW and MINI)	Wavemaker	"Offline" Media Planning and Buying	Europe	iProspect	Y
	Canadian Imperial Bank of Commerce	Unknown	Creative AOR	Canada / US	Courage	Y
	Canadian Imperial Bank of Commerce	Unknown	"Implementation" AOR for Production Efforts	Canada / US	Oliver	Y
	Commerzbank	Unknown	Advertising Communication Lead Agency	Germany	Leo Burnett	Y
	De'Longhi Group	Wavemaker	Media Planning and Buying AOR	North America	Mediaplus North America	Y
	Dude Products (Dude Wipes)	None	Creative and Media AOR	Unknown	Curiosity	N
	Ethihad Airways	Crossmedia (Defended)	Media AOR	Global	Crossmedia	Y
	Geico	Horizon (Unknown if defending)	Media	US	(Review in process)	Y
	General Motors	Unknown	Creative AOR for Branded Diversity	Unknown	Majority	Unk
	General Mills (Old El Paso)	Unknown	Creative AOR	Global	VCCP	Y
	GoodLife Fitness	Unknown	Creative AOR	Canada	Gut Toronto	Unk
	Glanbia Performance Nutrition	Various Agencies	Media AOR	US	Horizon Media	Y
	Hyundai Motor America	LatinWorks and Del Rivero Messianu DDB	Hispanic Marketing AOR	US	Lopez Negrete Communications	Y
	H&R Block	Carmichael Lynch	Creative AOR	Unknown	Ogilvy	N
	H&R Block	Carmichael Lynch	Media Planning and Buying, Data and Analytics and CRM	Unknown	Gale	N
	Jim Beam	Adam&Eve DDB	Creative AOR	Global	Leo Burnett	Y
	Lotto.com	None	Creative AOR	US	Havas	Y
	Legoland Resorts of North America	None	Creative AOR	US	Cornett	Y
	Mondelēz	Wavemaker and Carat	\$500 Million in Additional Spending	Europe	Publicis Groupe	Y
	Mondelēz	Wavemaker and Carat	Video Investment, Content and Multicultural Marketing	US / Canada	Publicis Groupe	Y
	Nike	Mindshare	Media AOR	North America	PMG	Y
	Nike	Mindshare	Integrated Media	Global	Initiative	Y
	4 Pines Brewing Company	Monster Children Creative	Creative AOR	Unknown	72andSunny	Unk
	Red Lobster	Publicis Groupe	Creative and Strategy AOR	North America	Barkley	Y
	Samsung	Wunderman Thompson (Defended)	CRM AOR	Europe	Wunderman Thompson UK	Y
	The Salvation Army (Thrift stores and adult rehab centers)	Unknown	Lead Agency	US	Barkley	Unk
	SC Johnson	Omnicom Media Group (Defended)	Media AOR	Global	Omnicom Media Group	Y
	Tattooed Chef	Unknown	Social and Digital AOR	Unknown	Duncan Channon	Y
	Unity	Various Agencies	Media	Global	Media.Monks	Y
	Tripadvisor (Viator)	Unknown	Creative AOR	Unknown	Fig	Y
	Tripadvisor (Viator)	Unknown	Media AOR	Unknown	Ocean Media	Y
	Virgin Group (Virgin Red)	Bountiful Cow	AOR	UK, US, Various EU Markets	Carat	Y
	Vodafone	Unknown	Non-Digital Media Services	Europe / Africa	Carat	Y
	Wolverine Worldwide	Various Agencies	Media AOR	Global	Havas Media	Y

Unk= Unknown