

Industry Update

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

June 2023 | Volume 70



In this issue:

TALENT



Securing the right talent and resources

AI is the buzz around talent management. After all, statistics warn us of a future where most tasks can be carried out with AI-powered office automation... [continued on pg. 2](#)

WORK AND PERFORMANCE



Driving better work, stronger performance, and value from the partnership

Technology is not only impacting talent. It's also affecting the nature of the work and how it's done. At the... [continued on pg. 6](#)

FINANCIALS



Driving efficient use of resources

2022 was a strong financial year for the advertising business, with almost 10% growth in revenue in the US. Organic growth among large holding firms... [continued on pg. 10](#)

AGENCY



Agency reviews and roster changes

Avocados From Mexico selected independent Dallas agency Lerma/ as its AOR for the brand, expanding its responsibilities. The agency was the brand's digital... [continued on pg. 15](#)

ARTICLE



WHITEPAPER: 2023 Creative Production Trends

Contributed by APR
As advertisers deal with the increasing complexities in marketing production, this whitepaper report... [continued on pg. 8](#)

EXECUTIVE SUMMARY: April-May recap

Busy. The advertising industry has been very busy redefining its value as a force of growth and responsible change. New agencies and offerings are emerging daily, many are restructuring to adapt to new capabilities fueled by MarTech and AI, two burning topics for advertisers and agencies alike. These trends are impacting talent, work, partnerships, and the financial management of agency relationships.

But are there signs of weakness to be concerned about? A post by Brian Wieser (Madison and Wall), "Economic Growth and Advertising: Downturn? What Downturn?," makes a compelling case that strong correlations exist between advertising and economic activity (like GDP or personal consumption expenditures) but that despite the fear of economic recession, 2022 was a strong year for agencies.

There might be softness in advertising during 2023 because of spending cuts in some areas, but it probably won't be significant, which is in line with what publicly traded agencies have been telling investors.

Let's dive in, shall we?



Bruno Galpois
Co-Founder and Principal,
Agency Mania Solutions

TALENT: Securing the right talent and resources



AI is the buzz around talent management. After all, statistics warn us of a future where most tasks can be carried out with AI-powered office automation and where many duties can be (better) performed by technology, avoiding routine, repetitive work by humans. And the race is on with OpenAI's ChatGPT, Google's Bard, Microsoft's Copilot, and many others. This is not new, of course. Our company, Agency Mania Solutions, has been working on building more streamlined, automated solutions for brands for the last decade. AI accelerates automation in a wide range of activities, and that encourages greater tool adoption, enabling workers to do more, faster, and with better insight than ever before. Such tools are proliferating. The blog Chiefmartec reported that there are over 11,000 marketing technology solutions out there.

- Per Sharon Napier, executive chair and founder of Partners + Napier and current chair of the American Association of Advertising Agencies (4A's), **average CMO tenure** hit 40 months in 2020, the lowest it had been since 2009, and the average client–agency relationship was almost exactly the same at 3.2 years. Per Spencer Stuart, for Fortune 500 CMOs, the average time spent in a position last year was 4.2 years, a slight decrease from 2021's 4.5 years.
- **Omnicom BBDO Worldwide** leadership warned employees to avoid using AI tools, such as ChatGPT, Midjourney, and DALL-E 2, that create “new” content from publicly collected data. BBDO provided guidelines for employees to follow as the agency explores and potentially integrates generative AI into its future business, encouraging thoughtful experimentation and learning.
- Independent agency **Anchor Worldwide** launched Shipyard, a staffing platform to enable agencies to borrow employees from one another to cover workforce gaps.
- At Cannes Lions, the legendary filmmaker **Spike Lee** will receive the first honorary Creative Maker of the Year prize for his lasting contribution to the creative industry.
- **Omnicom Group Inc.** partnered with Adobe to reinvent the creation and delivery of creative content through an enterprise licensing deal of Adobe's new Content Supply Chain solution. Omnicom agencies now have a unified view of every step of the content process, from planning and production to activation and optimization. The end-to-end solution enables Omnicom's agencies to efficiently produce creative content that delivers the most effective customer experiences using tools such as Adobe Creative Cloud, Adobe Workfront, Adobe Experience Manager, Adobe Firefly, and Adobe Sensei GenAI.
- Aligned with the company's massive consolidation plans, **Omnicom Group** decided to exit more than 1.6 million square feet of office space around the world during the first quarter of the year. Since 2018, Omnicom has reduced its office footprint by 35%, leveraging satellite offices in suburban areas where it makes sense.
- Portland, Oregon-based **Wieden+Kennedy** achieved Certified B Corporation status, the first global ad agency network to achieve B Corp status, indicating its goal to prioritize people, communities, and the planet, in addition to profit.
- Minneapolis creative agency **Colle McVoy** has been certified as a B Corporation by sustainability and purpose standards and policymaker B Lab, becoming the first Stagwell agency to achieve that status. The agency also launched a program that provides pro bono branding support to national nonprofit organizations working to create a more inclusive and sustainable economy, donating \$1 million in agency resources.
- Per Marla Kaplowitz, president and CEO of the 4A's, **seven actions agencies can take amid a mixed economic outlook**:
 - 1) Map out agency growth selectively
 - 2) Protect finances
 - 3) Manage procurement inquiries
 - 4) Demonstrate financial diligence
 - 5) Address client uncertainty and opportunities
 - 6) Diversify the agency's portfolio
 - 7) Protect values
- Per **Think Catalyst**, agency search is tricky, with five common challenges:
 - 1) Most credentials are very similar
 - 2) Many agencies are good at what they do but which one to choose?
 - 3) Many offer services for capabilities they don't have
 - 4) The impressive people at the pitch are never seen again after the account has been won
 - 5) Many promises are made to win the business, and they will try to figure out the mess later while your business is being impacted
- Per Jim Wallace (Blum Consulting Partners), there are key considerations when recommending the best approach and company match for **contractor staffing**:
 - 1) Outline your support requirements early
 - 2) Align on the location strategy
 - 3) Absolutely negotiate the markup
 - 4) Define expectations for the working relationship
- An innovation team across Digitas, Razorfish, and the Web3 Marketing Association published a comprehensive white paper articulating **AI's potential in marketing and customer service** (including generative AI applications for testing and use cases) while highlighting deployment considerations and potential pitfalls of AI-generated content. KPMG published a global study called “**Trust in Artificial Intelligence**,” examining the public's trust and attitudes toward AI, expectations of management, and governance of AI across the globe.
- Research from Havas revealed an urgent need to transform client–agency relationships with a report called “**Meaningful Brands Special Report: The Client–Agency Relationship Barometer**,” examining how agencies can become more meaningful, long-term partners. 46% indicate that their agencies were only providing traditional solutions to their problems, and 1 in 5 believes their agencies present innovation that is “new and shiny” rather than what is integral to their business needs.

- “**Can This Client–Agency Marriage Be Saved?**” asks Joanne Davis, Association of National Advertisers (ANA) faculty and president of Joanne Davis Consulting. Her ANA article presents four successful ideas to repair your relationship:
 - 1) Explore a new model
 - 2) Conduct a sibling agency review
 - 3) Consider leadership changes
 - 4) Reevaluate remuneration
- Chiefmartec released its **2023 Marketing Technology Landscape Supergraphic (martechmap.com)**: It now contains 11,038 solutions, an 11% increase from 9,932 last year. The team removed 689 companies that were part of last year’s landscape—a 7% churn rate—because they were acquired, pivoted out of martech, or went out of business.

New agencies or capabilities, restructurings, and reorganizations:

- **WPP** and KDDI (one of Japan’s leading telecommunications groups) entered into a strategic partnership on global commercial and creative opportunities. The joint venture will develop next-generation digital capabilities to assist content creators, helping to promote Japanese content and culture on the global stage.
- **WPP** and BigCommerce (a leading Open SaaS e-commerce platform for fast-growing and established B2C and B2B brands) entered into a new strategic partnership offering omnichannel solutions to help WPP clients drive growth and maximize sales across hundreds of advertising channels and marketplaces. WPP has priority access to new tools on both BigCommerce and the data feed management platform Feedonomics, in addition to APIs and data sets.
- **Stagwell** combined four agencies within its network, merging CPB with MMI, Vitro, and Observatory under the banner CP+B across North America. The move adds creates an integrated powerhouse agency with a collection of new capabilities in paid and performance media and marketing, content and audience insight, and analytics, offering clients greater simplicity, integration, and creativity.
- **Stagwell** launched Studio Cadeaux, a creative and branding agency with a focus on fashion, beauty, and luxury, providing a new studio model that leverages talent with the required expertise from the Stagwell network.
- **Stagwell’s Marketing Cloud unit** launched “SmartAssets,” an AI-powered SaaS platform designed to help brands manage their content libraries and assess performance. It was developed by Locaria, a multilingual content and media consultancy, part of Stagwell’s Brand Performance Network.
- Independent tech and digital marketing agency **Aimclear** launched a marketing lab and think tank focused on AI. The firm also launched aimclear.ai, an app with an advanced search user interface that enables marketers and researchers to poll prompts populated from the self-learning news engine.

- Stagwell-owned media agency **Assembly** launched a consultancy platform called Advocacy Consulting Technology, or ACT, aimed at guiding clients’ media strategy while keeping their brand reputation authentic. Using STAGE, Assembly’s performance operating system, ACT tracks cause or policy-forward advertising content, spend, and performance across media to better inform buying and messaging strategy.
- **Havas Media Group** launched a new activation team for North America, bringing together its Data, Analytics & Martech and Investment disciplines in the region into one collaborative and integrated team reporting to the chief data officer for North America. The team will also leverage resources from its recent acquisition of Vancouver-based digital agency and data consultancy Noise Digital.
- Marketing and communications firms **Subject Matter and Kivvit** have merged to create Subject Matter + Kivvit, an entity that combines advertising services, strategic communication, data analytics and insights, government relations, digital strategy, and creative content into a single integrated consultancy with offices in Washington, DC, New York, Chicago, New Jersey, and Miami.

Responsible advertising (Diversity and Inclusion, Environment):

- Beverage giant **Diageo** spent \$527 million on diverse-owned suppliers in 2022—a 65% increase YOY.
- The ANA’s **Alliance for Inclusive and Multicultural Marketing** challenged brands to increase national spend in diverse media to reach 4% by 2025.
- Consumer packaged goods giant **Unilever** and its brands Hellmann’s, Comfort, and Magnum piloted a new program rewarding people for watching ads promoting sustainable behavior.
- Per **Spencer Stuart**, the percentage of women CMOs at Fortune 500 companies increased to 47% in 2022, from 44% in 2021. 14% of Fortune 500 CMOs in 2022 were from underrepresented ethnic groups, an increase from 12% from 2021.
- WPP’s **GroupM** increased its commitment to diverse-owned and focused media to 5% of clients’ budgets after hitting its initial goals of 2% with Black-owned media, and now includes Hispanic, Asian and Pacific Islander, and LGBTQ+-owned and -focused media.
- **Publicis** will invest 45 million euros (\$49.4 million) over three years on diversity, inclusion, and social justice. Funding is expected to support activities like training for Black talent, an interactive forum called Multicultural Talent Partnership, Once & For All Coalition, apprenticeships, and support for organizations fighting racism and inequality.
- **WPP**, supported by its media investment arm GroupM, joined Media Freedom Cohort, working alongside organizations including The Associated Press, The New York Times, Microsoft, Google, BBC Media Action, Free Press Unlimited, and more than 25 governments to support independent journalism and advance media freedom.

- **McCann Worldgroup** launched a new sustainability dashboard, the Green Tracker, to measure progress as it works to decarbonize its business, looking at its emissions across 14 data points, from air travel and taxis to electricity and heating for 100 offices. The group set a target of net zero carbon emissions by 2040. The tool is built on McCann's data and analytics architecture, in partnership with Microsoft.
- **Omnicom Group's TBWA** created a new leadership role of chief product officer to offer clients both broad marketing strategies and deep specialization (aka "specialisms") and to oversee the rollout of new lines of business, such as its innovation practice Next, that go "beyond the confines of traditional communications."
- Environmental advocacy group **Clean Creatives** criticized how agencies are still doing work for fossil fuel clients, asking them to terminate those work relationships. The group recently boycotted the US launch of Ad Net Zero.
- **Stagwell's Assembly** launched Partners for Progress, an inclusive investment program designed to directly support minority-owned and -operated businesses by collaborating with clients to infuse accountability and sustained investment across all aspects of the creative and media supply chain.
- Under the **Clean Creatives** banner (cleancreatives.org), 500 agencies, creatives, and strategists signed a pledge to not work with fossil fuel clients (nofossilfuelmoney.org/company-list) in a bid toward a sustainable future.
- Per Advertising Production Resources, here are five options to **mitigate the travel-related carbon footprint for content production**:

- 1) Limit the number of client and agency personnel traveling to set; attend via remote streaming, where applicable
- 2) Shoot local to the client, agency, and/or production company
- 3) Engage a production supplier that can ensure local crews at the shooting location
- 4) Shoot virtually; virtual production enhances opportunities to create multiple locations and lighting, eliminating travel between locations and weather-related production delays
- 5) If you must travel, consider developing a carbon offset strategy

In-house agencies

- Per the ANA, 82% of ANA members now have an **in-house agency** in 2023 (up from 78% in 2018 and 58% in 2013). The ANA just issued its new report "The Continued Rise of the In-House Agency: 2023 Edition" (ana.net/inhouse2023). They predict penetration will peak at 85% to 90%. Top benefits of in-house agencies remain unchanged: cost efficiencies, better knowledge of brands, institutional knowledge, and dedicated staff. Overall satisfaction with in-house agencies is high at 87%.

- **2022 In-House Excellence Award Winners** showed the dynamic nature of this type of capability in the marketplace. The In-House Agency of the Year was Volt Studio, Molson Coors' in-house agency. Finalists were The Content Studio at PepsiCo Beverages North America and Upwork. Other key wins: Branded Content (Frito-Lay), BtoB Marketing (HP Inc.), Experiential (Molson Coors), Integrated Campaign and Significant Results (CVS Health), Internal Communications (Valley Bank), Social Media and Best Collaborative Effort (PepsiCo), Media Plan (L'Oréal).

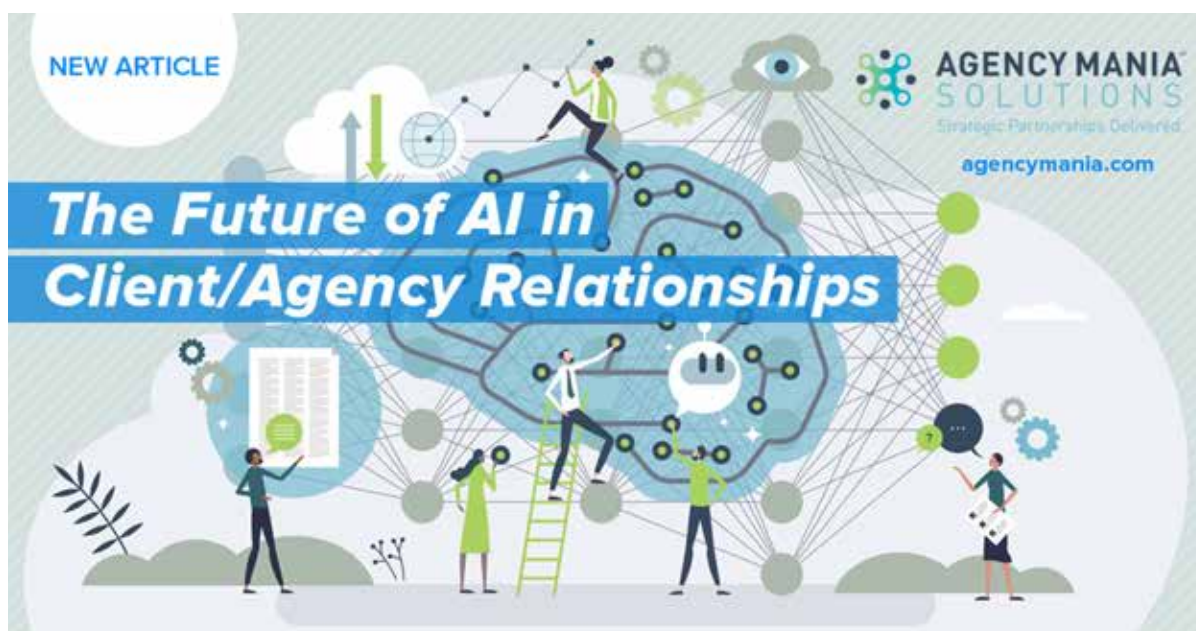
Noteworthy quotes:

- » "The great resignation is over."
—John Wren, CEO, **Omnicom Group**
- » "Our industry is in a time of reflection."
—Sharon Napier, Executive Chair and Founder, **Partners + Napier**, and Chair, the **4A's**
- » "While we are excited by the potential to incorporate generative AI into our services, we want to do so in a way that avoids unresolved issues such as potential violations of copyright and ownership and confidentiality concerns."—Andrew Robertson, President and CEO, **BBD Worldwide**
- » "The best agency team is a multi generational one."—Ashley Cooksley, CEO North America, **The Social Element**
- » "Selection is simple: Get a shortlist of agencies to show their best relevant work and talk with them about what your business needs and how they'd approach it."—John Harris, President and CEO, **Worldwide Partners**
- » "It's time to ditch the pitch. Time to replace it with something shorter, cheaper, and better."—Avi Dan, Founder and CEO, **Avidan Strategies**
- » "Successful agencies will equally reflect their marketing and procurement clients and make sure their brands get the media they deserve."
—Tom Denford, CEO, **ID Comms Group**
- » "Freelance costs are the second largest expense for most holding groups, after salaries, and their role is only going to be more and more important."
—Greg Paull, Principal and Co-Founder, **R3**
- » "When agencies take a look in the mirror, they should see both marketing and procurement reflected back at them."—Tom Denford, CEO, **ID Comms Group**
- » "Nothing about RFPs meets the fail-faster ethic. Expanding and nurturing continual project relationships that evolve into long-term partnerships does."
—John Harris, President and CEO, **Worldwide Partners**
- » "The creator economy has experienced huge growth in recent years, and it plays a pivotal role in shaping consumer behaviour."—Mark Read, CEO, **WPP**
- » "You can argue that chatbots are the world's best plagiarist. They lack creativity, as they simply copy the existing work products and content."
—Chad Engelgau, CEO, **Acxiom**

- » “Once we’ve automated and mapped out everything for the user, how do you create that value attachment and behavior that money can’t buy. That’s what our business is.”—Andrew Robertson, Global President and CEO, **BBDO Worldwide**
- » “While there are many things to look for during your review, some key ones include markup, conversion flexibility, true experience in securing ‘agency’ talent, their reputation and level of service, and culture and chemistry fit.”—Jim Wallace, Agency Management and Marketing Operations Expert, **Blum Consulting Partners**
- » “We need to shift our thinking from relying on diversity percentages and other quantitative data to measure our progress. It’s about creating spaces of belonging.”—Sharon Napier, Executive Chair and Founder, **Partners + Napier**, and Chair, the **4A’s**
- » “Just like in any relationship, communication is key. So if the relationship isn’t as perfect as it used to be, take a step back, reevaluate and reassess and maybe the ‘agency divorce court’ can be avoided. Sometimes the solutions are closer than you might think, leaving you more time, money, and energy to create amazing work.”—Joanne Davis, President, **Joanne Davis Consulting**
- » “It’s time to build strategies that close the client expectation gap and forge meaningful relationships that can stand the inevitable challenges and tests ahead.”—Tracey Barber, Global CMO, **Havas Creative Group**

Company profiles:

- **Studio Cadeaux** is a newly launched Stagwell boutique studio designed to elevate brands in fashion, beauty, and luxury, with hubs in New York City, London, Paris, and Shanghai, powered by the global creative and media network of Stagwell and its 70+ agencies in tech, production, design, and more. The agency provides access to senior, high-touch, strategic, and creative offerings with deep vertical knowledge. Studio Cadeaux is seamlessly connected to a digital-first global marketing network housing some of the world’s most-renowned agencies, such as 72andSunny, Allison+Partners, Code and Theory, and Forsman & Bodenfors, and is doing work for Casa Komos Brands Group, Calvin Klein, and MAC, among others.
- **CreativeX**, formerly known as Picasso Labs, powers creative excellence for brand advertisers, analyzing creative at scale leveraging AI-powered technology and data. Clients include Unilever, Mondelēz, Heineken, ABI, Google, Nestlé, Marriott, Pepsi, Vodafone, Bayer, Amazon, Meta, and Google. The New York-based firm measures and improves creative efficiency, consistency, and effectiveness across their creative content worldwide, including pre-flight and in-flight evaluation to provide visibility into the creative and media efficiency of every market, brand, platform, and agency. They have offices in New York, London, and Portland, Oregon.
- **Semetis** is a Belgian agency operating in digital advertising, digital business intelligence, and technology solutions. The firm has been part of the Omnicom Media Group international network since 2015. Digital advertising services include programmatic media buying, social advertising, search engine advertising, and video advertising. Digital business intelligence services include data consulting, technical implementations, dashboarding, and SEO. The firm also provides in-house built technology for advanced reporting. Clients include Axa, Ikea, Google, Engie, KitchenAid, Decathlon, and Novo Nordisk.



Check out our new article, “**The Future of AI in Client/Agency Relationships**”: AI has the potential to fundamentally improve the way we produce advertising. How will AI also impact client/agency relationships?

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



Technology is not only impacting talent. It's also affecting the nature of the work and how it's done. At the recent ANA Advertising Financial Management conference in Phoenix, we had the opportunity to see how companies like Verizon, Procter & Gamble, McDonald's, Merkle, HP, and Novartis are evolving their go-to-market approach to produce higher-quality work and better performance. For example, Verizon discussed the brand's approach to managing over \$1 billion in agency fees, production, and media investment. McDonald's explained how it is redefining value in the client–agency relationship with its agency partner Wieden+Kennedy, putting the work and creativity at the center. Having the best agencies is no longer enough to thrive. You also need to have the most collaborative and best partnership possible.

• Per PwC, **six topics are important to CMOs in 2023:**

- 1) Personalize to aid customer loyalty
- 2) Tailor tech investments for results
- 3) Mobilize modern marketing
- 4) Fulfill brand purpose
- 5) Fuel growth with proactive pricing
- 6) Activate insight with analytics. Per the report, 45% of CMOs are investing in tech in response to the market environment, and 53% are offering tech training for employees. 90% of CMOs are increasing communication about their company's purpose and values.

• Magna Media and Yahoo announced results of a study showing **ad creative** affects 61 metrics, including lift, search intent, and click-through rates. Creative quality drives 56% of purchase intent.

• Per the **Cannes Lions International Festival of Creativity**, high-performing creative work is 16x more likely to bring profitability growth. Creatively awarded work gives a 54% higher ROI than non-creatively awarded work. Some key data points about the upcoming festival: 13,000+ delegates from 100+ countries from 280+ global brands and 600+ agencies, 25,000+ pieces of work entered, 30 specialist trophies, 9 award tracks, 500+ world-class jury members.

• Per Botco.ai, brands are using **AI** in the following marketing categories:

- 1) Website copy (48%)
- 2) Email copy (44%)
- 3) Social media copy (42%)

Followed by social media images, chatbots, website images, SEO content, blog posts, and marketing/sales collateral.

Marketers are using the following generative AI tools: ChatGPT (55%), Copy.ai (42%), Jasper.ai (36%), Peppertype (29%), Lensa (28%), DALL-E (25%), Midjourney (24%). Roadblocks to adoption: training (50%), cost (45%), followed by privacy/security concerns, data scarcity, poor quality of content, and generative AI's unethical biases.

- **Adobe** launched Firefly generative AI, which lets users type commands to quickly edit images. The capability, which enables the transformation of photos and videos based on simple user prompts, will be integrated into its suite of products.
- Drinks giant **Diageo** is leveraging AI in its media planning and buying activities with CreativeX, analyzing and optimizing creative for Diageo every three minutes to drive greater efficiency.
- **Microsoft** claims significant benefits from automation and AI, with 7% increased performance transitioning from text ads to responsive search ads, a 20% increase by using enhanced CPC (vs. manual bidding on search), and 25% gain in additional unique queries by expanding to broad match and dynamic search ads.
- The **US Copyright Office** ruled that content that is mainly generated by artificial intelligence cannot be protected by copyright, therefore allowing for potential third-party reproduction.
- **Lions** revealed the results of its 2023 global annual study about the state of creativity, drawing on insights, data, and case studies from over 2,400 creatives and marketers. Four key trends:
 - 1) Balance the long and the short by incorporating brand-building devices into short-term activations
 - 2) Forge deeper collaborations with the creator community
 - 3) Instill best-practice approaches across the marketing organization that set firm foundations for great creativity to flourish
 - 4) Build a happy relationship with AI to amplify human capabilities

Per the study, having a clear vision and strategy to harness creativity is paramount for business success—yet less than 50% feel confident in their leadership ability to deliver a creative culture.

- **Levi Strauss & Co.** announced it would be using AI, partnering with Amsterdam-based Lalaland.ai to create models of different body types and skin tones to increase its diverse representation. The move raised concerns among adversity advocates looking for the brand to further commit beyond the use of AI.
- **PMG** integrated its technology platform Alli with OpenAI's generative AI API to enhance copy generation and campaign efficiencies, pairing with Alli's campaign management data, intelligence, and insights.
- Per Tom Denford, CEO of ID Comms, **five steps to advertising ethics:**
 - 1) Make it part of the agency selection process
 - 2) Get accreditation for your teams
 - 3) Address the supply chain
 - 4) Learn from others in the industry
 - 5) Reassure younger talent

- Walmart sibling **Sam's Club** named an initial group of five technology and agency partners to help in planning, buying, and optimizing campaigns on its retail media network (The Members Access Platform Partners Club). The partners are CommerceIQ, Pacvue, Skai, Flywheel, and Stackline.
- Unilever's **Dove** released a poignant video titled "The Cost of Beauty" from WPP Ogilvy. It chronicles, in an effort to change perceptions, the story of a girl from childhood through teen years as she struggles through a life-threatening eating disorder spurred on by social media influencers.
- Following the NFL's Los Angeles Rams and Major League Baseball's Minnesota Twins and Kansas City Royals, the NBA's Cleveland Cavaliers signed on to the **Stagwell Marketing Cloud augmented reality platform, ARound**, to allow fans in a sports venue to share an entertainment experience via their mobile phones.
- **Advertising Production Resources** issued its annual white paper on creative production. Theme of the year is "embrace the shifts," with five leading indicators:
 - 1) Connected experiences
 - 2) Creative coupling
 - 3) Talent gap
 - 4) Value realization
 - 5) Thinking out of the box
- **Campaign US Agency Performance Review 2023** is out: Campaign US analyzed business performance across more than 50 North American media and creative agencies. Key performance indicators: Client Stickiness, Creative Breakthrough, High-Value Wins, Inclusive Workplace (made DE&I not just an intrinsic part of their culture, but also a key priority), Most Innovative, Structurally Sound (agency's consistent, long-term, and holistic performance over time), Sustainability Standout (have taken action to be more sustainable, from achieving B Corp certification to setting emissions-reduction targets to advising clients on sustainability).
- Per Robyn Freye, Chief Growth Officer at Stagwell, here are **five takeaways from ANA's Advertising Financial Management Conference**:
 - 1) Relationships are a two-, sometimes three-way street
 - 2) Partnership comprises give and take...and mutual respect
 - 3) It's a matter of trust
 - 4) Optimize, optimize, optimize
 - 5) Never stop learning
- Per the 2023 World Advertising Research Center (WARC) Effective 100 Rankings, the **top three advertisers** were: Anheuser-Busch InBev, McDonald's, Unilever. **Top three brands were:** McDonald's, KFC (Yum! Brands), Cadbury (Mondelēz International). McDonald's was named the highest-ranked brand for effectiveness for the fourth year in a row.
- Also per the 2023 WARC Effective 100 Rankings, **top 10 creative agencies** were FCB (New York City), DDB Worldwide's Alma (Miami), BBDO Worldwide's Energy BBDO (Chicago), FCB (Chicago), WPP's Ogilvy (Mumbai, India), Wieden+Kennedy (New York City), FCB (Toronto), MullenLowe Group's MullenLowe (Boston), Leo Burnett (Chicago), Publicis Worldwide's Publicis (Bucharest, Romania). **Top three media agencies:** Wavemaker (Mumbai, India), Mindshare (New York City), Zenith (Bogota, Colombia). **Top three digital/specialist agencies:** Omnicom's Semetis (Brussels, Belgium), Narrative (LA), BlueMedia (Shanghai). Top agency network: WPP's Ogilvy. Top holding company: WPP.
- Per the all-time **League Table of Creativity by LBBonline —Little Black Book**, top winners were (in order of appearance): AMV BBDO, McCann North America, adam&eveDDB, Droga5 NY, Publicis Italy, Mother, 72andSunnyLA, Impact BBDO, BBDO NY, FCB Chicago. DDB Worldwide was ranked as the #1 global network on LBBonline. Adam&eveDDB and DDB Mexico, part of DDB Latina, received 2022 Immortal Awards. 2022 highlights include: adam&eveDDB is ranked #1 Agency in the world; adam&eveDDB, #1 Agency in Europe; DDB Mexico, #1 Agency in Latin America; adam&eveDDB, #1 Agency in the UK; DDB Mexico, #1 Agency in Mexico.
- **Omnicom Group** was named Holding Company of the Year on Ad Age's 2023 A-List and Creativity Awards. Omnicom was recognized for achieving industry-leading organic growth, winning some of the year's biggest new business pitches (Mercedes, L'Oréal, Restaurant Brands International, and more); strengthening its Omni operating system; progressing on DEI efforts; investing in its talent; refining its portfolio; and producing groundbreaking work. Omnicom was previously named 2022 Holding Company of the Year for both The One Show and the WARC Creative 100 as well as the Most Effective Agency Holding Company in the 2021 Global Effie Effectiveness Index.
- **WPP** took the triple in the WARC 100 lists 2023 after being named the #1 company in the WARC Effective 100. Ogilvy was named the #1 agency network in the Effective 100, with EssenceMediacom, Grey Group, Mindshare Worldwide, VMLY&R, Wunderman Thompson, and Wavemaker all in the top 20. Wavemaker Mumbai ranked first for media agencies. The latest recognition follows WPP ranking first in WARC's Media 100 and Creative 100 lists.

Awards:

- **Cannes Lions** selected Anheuser-Busch InBev (AB InBev) as Creative Marketer of the Year for a second year in a row, the only brand to achieve this in the history of the festival. The award recognizes AB InBev's sustained creative excellence that has driven sustainable business growth, as well as their body of Lion-winning work over time and reputation for producing brave creative and innovative marketing solutions.

- Per **RECMA**, OMD Worldwide was the best-performing global media network, based on the evaluation of 700 agencies in 47 markets and 19 KPIs, followed by Mediacom, Wavemaker, Carat, and Havas Media. In North America, OMD is ranked #1 for its data, digital, and content resources.
- Publicis Media, comprising agencies such as Starcom, Zenith, Spark Foundry, and PerformicsCollective, was named **2023 A-List Network of the Year** by Ad Age. Publicis Media's revenue grew by double digits thanks to new business wins totaling more than \$2 billion in billings (Pernod Ricard, Mondelēz, KFC, PepsiCo, McDonald's, Anheuser-Busch InBev, etc.) while defending its decade-long Verizon account. The group's success is also attributed to Epsilon, Publicis Groupe's data marketing arm.
- Wink, Mailchimp's in-house agency, was named **A-List 2023 In-House Agency of the Year** by Ad Age. Now 42 employees strong, the in-house team was formed in 2020 and produced over 4,500 assets last year in the US and four international markets.
- **General Motors** nominated IPG's Jack Morton Worldwide, Commonwealth/McCann, and McCann Detroit as 2022 General Motors Suppliers of the Year, recognizing top global suppliers that drive sustainable innovation and advanced solutions for GM.
- WPP's AKQA, Grey Group, Ogilvy, VMLY&R, VMLY&R Commerce, Wavemaker, and Wunderman Thompson received awards from the **2023 Spikes Asia**, including Media Network of the Year for Wavemaker and Agency of the Year by Country for Ogilvy Bangkok.
- Per the Business Intelligence Group, **2023 Artificial Intelligence Excellence Awards** winners (organizations) included HP Marketing Purchase to Pay Automation – Automation; Deloitte AI Institute – Automation; IBM Transformation and Operations – Automation. Categories included intelligent agent, prescriptive analytics, machine learning, natural language processing, automation, strategic planning, automated planning and scheduling, knowledge management, diagnosis, expert system, robotics, artificial life, proprietary resource allocation algorithm, computer vision, biologically inspired computing, intelligent control and exploration, and hybrid intelligent system.
- **Clio Awards Grand winners** included "I Will Always Be Me" (VMLY&R New York for Dell Technologies and Intel), "McEnroe vs McEnroe" (FCB New York for Michelob Ultra), "Shagun Ka Lifafa" (McCann Worldgroup India for Ujjivan Small Finance Bank), "Bless Your F*ing Cooch" (Mischief @ No Fixed Address for eos), "McEnroe vs McEnroe" (FCB New York for Anheuser Busch Michelob ULTRA), "Dot Pad. The first smart tactile graphics display" (Serviceplan Germany/Serviceplan Korea for Dot), "Morning After Island" (Ogilvy Honduras for Grupo Estratégico PAE), "Corona Plastic Fishing Tournament" (We Believers for AB InBev), "Clash from the Past" (Wieden+Kennedy Portland for Clash of Clans), "Backup Ukraine" (Virtue Worldwide for Polycam x UNESCO), "Inside Jobs" (DDB Paris for Volkswagen Group France).
- **Campaign US** recognized TBWA North America with three distinct honors in their 2023 Campaign US Agency Performance Review: Client Stickiness, Inclusive Workplace, and High-Value Wins.

WHITEPAPER: 2023 Creative Production Trends

Contributed by: Advertising Production Resources (APR)

As advertisers deal with the increasing complexities in marketing production, this whitepaper report provides a little clarity, along with some forecasts, into how different marketing organizations are responding to the competing priorities of rising costs, decreasing budgets, and increasing content needs.

This year's theme, Embrace the Shifts, highlights how marketers are adapting to these demands, and dives deeper into the eight trends where we see these shifts playing out.

Get your copy of the report here: aprco.com/trends-2023



Noteworthy quotes:

- “Brands should behave like an intuitive operating system.”—Rob Northam, VP Executive Creative Director, **R/GA**
- “It’s difficult to think of another technological leap that has transformed marketing departments the way generative AI has.”—Rebecca Clyde, Co-Founder and CEO, **Botco.ai**
- “Make your agencies seek permission, not forgiveness, for taking your brand into places you don’t want it.”—Tom Denford, CEO, **ID Comms**
- “The paradox of this is, the more technology takes over, the more important the human connection becomes.”—PJ Pereira, Creative Chairman and Co-Founder, **Pereira O’ Dell**
- “Brands deserve better media, and when brands get the media they deserve, they grow.”—Tom Denford, CEO, **ID Comms**
- “The reality is that client–agency relationships have become much more transactional, with project-based work largely replacing AOR relationships.”—Sharon Napier, Executive Chair and Founder, **Partners + Napier**, and Chair, the **4A’s**
- “The pitch is a fake ‘true sense’ of what it will be like to work with an agency. It is an artificial and random process that does not remotely resemble the true real-life interaction between client and agency.”—Avi Dan, Founder and CEO, **Avidan Strategies**
- “Ultimately, ethical standards will appear more frequently in agency scopes of work and contracts in just the same way as tests for diversity, equity and inclusion are now an accepted part of the selection process.”—Tom Denford, CEO, **ID Comms**
- “The essence of creativity is to create something new, something surprising. But by definition, the way AI works doesn’t do that. What it does is search, edit and reassemble brilliantly.”—Andrew Robertson, President and CEO, **BBDO Worldwide**
- “Unfair and deceptive trade practices apply to AI.”—Alvaro Bedoya, Commissioner, **FTC**
- “The concept of exclusivity is, frankly, a dated concept. As client–agency relationships have evolved into more short-term contracts, there’s no longer a justification for category exclusivity.”—Sharon Napier, Executive Chair and Founder, **Partners + Napier**, and Chair, the **4A’s**
- “In-house agencies should no longer be considered a ‘trend.’ They have become firmly entrenched as part of the holistic marketing ecosystem and are now a ‘mainstay.’—Bill Duggan, Group Executive VP, **ANA**
- “You have to be comfortable with chaos.”—David Lubars, Chairman and Chief Creative Officer, **BBDO**



Check out our new article: “**The Strength of Agency Holding Companies: Unpacking the Financial Boom of 2022 and Its Implications for Advertisers.**”

FINANCIALS: Driving efficient use of resources



2022 was a strong financial year for the advertising business, with almost 10% growth in revenue in the US. Organic growth among large holding firms averaged over 7%. Even smaller holding companies, such as Stagwell and S4Capital, had a very strong 2022, with double-digit growth and profit margins. 2023 started reasonably well. However, US advertising is slowing down in the first quarter. Organic growth among large holding firms is slower than the year prior based on Q1 earnings. This is in line with expectations they set for investors, so no surprise here. Profit margins are still quite strong in Q1 as firms benefit from major cost-cutting, like reducing their real estate footprint. It's worth noting that even with the economic uncertainty and inflation, Publicis Groupe managed to surpass Omnicom and become the second-largest holding company after WPP. Bravo!

- Magna, an IPG Mediabrands agency, has revised growth forecast for the **US ad market in 2023** is \$326 billion, or a 3.4% increase YOY (compared to last year's 6% increase), mostly based on growth in the second half. The increase is due to media innovation and the rise of retail media networks pushing marketing budgets into digital media. Search will remain the largest ad format for brands, growing revenue 10% to \$125 billion in 2023.
- Per MediaPost's Standard Media Index's US Ad Market Tracker, **US ad spending** continued to drop for the ninth straight month of YOY decreased spending, with a 7.9% decline. Digital's share (relative to nondigital media) increased from 57% in February to 62% in March.
- Per the Interactive Advertising Bureau, **digital ad sales** slowed significantly in 2022: Digital ad sales grew 10.8% in 2022 (compared to 35.4% in 2021), reaching \$209.7 billion, surpassing \$200 billion for the first time and up \$20.4 billion from 2021. TV grew 2%, mobile-based advertising, 14.1%; and video games/e-sports, 16.4% YOY. Social media advertising achieved its smallest level of growth in the last 10 years (3.6%).
- Per Ad Age, 2022 **US agency revenue growth** was 9.9%. 2022 worldwide organic growth was 7.5% on average across all major holding firms (WPP, Publicis, Omnicom, Interpublic, and Dentsu). Year-end 2022 employment was up 6.4% (a total of 415,161) across those same holding firms, with personnel costs being as high as 65% of net revenue. US revenue among promotion and experiential marketing was up 23.7%, PR was up 12.4%, followed by CRM/direct (11.4%) and media (8.7%), which both benefited from increased spend in data, digital, and marketing technology.
- Per **Brian Wieser** (Madison and Wall), nominal GDP grew by high single digits in Q1 (7% in the US and 10% in the EU). In Q1, holding companies grew organically by 4% (compared to 6.9% the prior quarter and 10.8% in Q1 2022). Digital advertising (70% of all advertising) grew 6% to 7%, with Alphabet up 3%; Meta, 7%; Amazon, 23%; Microsoft, 4%; Pinterest, 6%; eBay, 31%.
- Per International Data Corporation, **global spending on AI-centric systems**—software, hardware, and services—will increase 27% to reach \$154 billion in 2023 and is expected to surpass \$300 billion by 2026.
- Per Octerra, four key benefits of a strong **alignment between brand marketing and marketing procurement**:
 - 1) Saving costs and maximizing value
 - 2) Using resources more efficiently
 - 3) Improved brand consistency
 - 4) Better decision-making
- Per Brian Wieser (Madison & Wall), there are several ways agencies can **grow faster than average on an organic basis**:
 - 1) Take a share of existing customer spending on services for existing products
 - 2) Expand to include new segments of market
 - 3) Include managed services, bundling media inventory with services
 - 4) Expand geographic footprint
 - 5) Identify high-growth areas for new products and services, which existing clients buy or influence, and execute on developing and selling those offerings
- **Publicis Groupe** posted \$15 billion in 2022 revenue, surpassing Omnicom's \$14.3 billion, now second to WPP, the world's largest agency holding company (\$17.8 billion).
- Per **The Observatory International**, brands should pursue cost-saving ideas that won't hinder their long-term business growth or have a detrimental effect on their agency relationships. Observatory suggests focusing asset creation on need and quality rather than quantity, as well as cost benefits that also help the sustainability agenda by avoiding waste.
- Per Joshua Gao, former head of procurement and shared services at Petco, four ways to lead **procurement through a turbulent economy**:
 - 1) Drive better collaboration between stakeholders and vendor partners
 - 2) Flex talent resources and increase procurement capacity
 - 3) Trade off between cost savings and pricing stability
 - 4) Reduce lead time and increase velocity

Holding company financial performance:

- **WPP** reported £3.46 billion in revenue in Q1 2023 (\$4.35 billion), up 9.9% (compared to +10.3% in Q1 2022) with organic growth of 2.9% (all segments showed growth: GIA 3.0%, PR 2.2%, Specialist Agencies 1.9%) and a particularly strong performance from GroupM, +6.1%. The firm reported \$1.5 billion net new business won, including from Adobe, Ford, Maruti Suzuki, Mondelēz, and Swissport. The firm also completed the acquisitions of Obviously and Goat to invest in influencer marketing expertise; and 3K Agentur für Kommunikation, a healthcare PR agency in Germany. The firm also built strategic technology partnerships with Braze (personalized engagement through first-party data), KDDI (web3 digital content), Stripe (commerce and payment), and BigCommerce (e-commerce). WPP topped all three WARC 2023 rankings: Creative 100, Effective 100, and Media 100. WPP still targets 3% to 5% revenue growth this year, with an operating margin of about 15%.
- **Publicis Groupe** reported €3 billion in revenue in Q1 2023 (\$3.43 billion), up 10%, with 7.1% organic growth (compared to +10.5% in Q1 2022). Digital transformation unit Publicis Sapient and data operation Epsilon both posted double-digit organic gains (11% and 10%, respectively). Publicis Groupe saw organic growth of 5.8% in the US, 12.3% in Europe, 16.6% in the Middle East and Africa region, 7.8% in Latin America, and less than 1% in Asia Pacific. Major wins included Walgreens (media), Dunkin' (creative), and Burger King (creative). Since 2018, the firm reduced its office footprint by 50% by leveraging innovative concepts like its "Work from Anywhere" program, currently used by 12,000 employees. The firm expects 3% to 5% organic growth, with an operating profit margin around 18% and an estimated \$1.7 billion in free cash flow for the full year.
- **Omnicom Group** reported \$3.4 billion in revenue and organic growth of 5.2% in Q1 2023. Total revenue increased \$33 million, or 1%. The group reported operating income of \$346.5 million and operating income margin of 10.1%. Organic growth varied by discipline: 5.1% for Advertising & Media, 7% for Precision Marketing, 5.8% for Public Relations, 4.8% for Healthcare, 8.4% for Experiential, 3.6% for Execution & Support, and 3.3% for Commerce & Brand Consulting. Acquisition revenue, net of disposition revenue, decreased \$35.7 million, or 1%. The impact of foreign currency translation was a decrease of \$110 million, or 3.2%. The group cut back its real-estate portfolio given the transition to a more flexible working environment where staffers work at home part of the week.
- **Interpublic Group (IPG)** reported \$2.52 billion in total revenue in Q1 2023 (compared to \$2.57 billion in Q1 2022). Revenue before billable expenses (net revenue) was \$2.18 billion, a decrease of 2.3% from a year ago, with an organic decrease of 0.2%. In the US, the organic decline was 0.9%, while international markets grew 1.2%. Digital specialist agencies Huge and R/GA continued to be a drag on organic growth in Q1 as the agencies evolve their go-to-market offerings. Operating income was \$188.3 million compared to \$245.7 million in Q1 2022 and 9.7% operating profit margin (compared to Q1 2022's 12.3%). Effective expense management is an ongoing priority. The group reduced occupied square footage by 30% to date. The flexible business model is positioned to address uncertainty. The firm targets full-year organic growth at the midpoint of 2% to 4%, with a fully adjusted EBITA margin of 16.7%.

Need a better way to manage your agency roster?

You already have the right partnerships in place, but do you need to more effectively manage your existing roster of agencies? There is a better way.

Check out our new video explainer about [RosterDeliver](#).

Approved Capabilities
Performance

You need reliable,
up-to-date information.

RosterDeliver™



- **S4Capital** reported total revenues in excess of 1 billion GBP in 2022 for the first time, with organic revenue growth of nearly 26%. The firm is expecting organic growth between 8% and 12% in 2023. The company posted an operating loss of 135.3 million GBP in part related to investments in people. The firm acquired 4 Mile Analytics, digital transformation platform TheoremOne, and digital marketing agency XX Artists.
- **Stagwell** reported Q4 revenue of \$708 million for a total of \$2.7 billion in FY22, following six consecutive quarters of double-digit growth (21% for the year, 16% in Q4). The firm, which has 72 agencies and 12,000+ employees, reported a 20.3% margin on net revenue for the full year, with \$213 million of net new business and eight acquisitions to expand digital capabilities.
- Vivendi-owned **Havas Group** reported total 2022 net revenues of 2.59 billion euros (\$2.47 billion), up 15.8% YOY, with organic revenue growth of 6.8% and strong performance in Europe and North America and in its creative, media, and health divisions. In the last quarter, organic growth slowed to 2.3%. Profit margin was 11%, up from 10.7% in 2021.

Mergers and acquisitions (M&A) activity:

- **WPP** acquired Goat, one of the world's leading influencer marketing agencies. Goat has 150+ staff across three global offices for clients including Dell, Beiersdorf, Meta, Tesco, Uber, and EA. The agency, which was awarded Social Media Agency of the Year by Drum, will operate as part of GroupM Nexus. WPP acquired influencer marketing agency Village Marketing a year ago.
- **WPP** acquired technology-led social influencer marketing agency Obviously, expanding its tech-powered creator content capabilities leveraging Obviously's proprietary next-generation tech platform. Founded in 2014, the firm offers marketing strategy, influencer identification, content creation, campaign management, and robust reporting and analysis. It has offices in New York, San Francisco, and Paris. Clients include Google, Ford, Ulta Beauty, and Amazon.
- **WPP** acquired "sonic branding" agency Amp. Amp clients include Mastercard, Mercedes-Benz, Kraft Heinz, Deloitte, Shell, and General Motors. The agency will be combined with WPP brand and design consultancy Landor & Fitch.
- Dutch full-service marketing agency **Happy Horizon** acquired Amsterdam-based digital performance marketing agency AdBirds, to expand the firm's international presence. The agency provides online marketing and e-commerce services for clients such as LVMH, Lacoste, and Puma.
- **Publicis Groupe** acquired Buenos Aires, Argentina-based Practia, one of Latin America's leading independent technology companies and provider of digital business transformation services, merging Practia's tech and consultancy services into Publicis Sapient, the holding company's principal digital transformation business. The firm has offices in Argentina, Chile, Mexico, Peru, Brazil, Colombia, Spain, Uruguay, and the US, and 1,200 employees across product, experience, engineering, and data and AI.
- **Omnicom Group's TBWA\Worldwide** acquired award-winning independent Dark Horses, one of the UK's leading creative agencies in sport (but also fitness, health, and well-being), adding significant new depth to the UK group's expertise across the total brand experience. The agency provides brand strategy and creation, on-the-ground activation, strategy and social content, PR, sponsorship and influencer marketing, and traditional sports marketing.
- **Dentsu Group** acquired Tag Worldwide Holdings, the global omnichannel digital marketing production powerhouse, to grow its own creative production capabilities, combine marketing, technology, and consulting under the group's service offerings, and boost revenue from its Customer Transformation and Technology business. Tag Worldwide has 2,800 staff in 29 countries and 10 production hubs.
- **Havas** acquired Vancouver-based media performance and data analytics agency Noise Digital, which will integrate into Havas Media Group. The firm's specialty is improving the performance of media buys for clients in consumer packaged goods, consumer technology, media and entertainment, travel, and healthcare categories.
- **Shell** acquired ad-supported electric vehicle charging station network Volta, one of the largest public electric vehicle-charging networks in the US.
- Public affairs-focused research firm **Fors Marsh** acquired Jacksonville, Florida-based marketing agency Brunet-García, a minority-owned firm that specializes in cause-related issues (such as mental health, substance use, environment, transportation safety). Clients include the US Department of Health & Human Services, Department of Defense, Department of Transportation, and Department of Homeland Security.
- **Stagwell** acquired In the Company of Huskies (Huskies), a creative agency with digital DNA based in Ireland, to join the Forsman & Bodenfors Global Creative Collective. Huskies adds award-winning strategic, creative, and digital marketing capabilities, and further scales Forsman & Bodenfors' footprint in Europe as the collective accelerates momentum with new client wins and service offerings.
- Los Angeles-based **Wasserman** acquired Toronto-based creative and experiential agency Trevor//Peter. Trevor//Peter is a lifestyle brand agency with 50 staff and a mix of disciplines in brand strategy, creative, digital, and experiential. Clients include Diageo, Red Bull, and the NFL.

- Chicago-based marketing group **Salient Global** acquired marketing communications firm Candor to enhance reputation management, public relations, public affairs, social/digital media, video, etc. Candor will join other agencies, including creative shop Honeymoon, experience firm Timecraft, and data-driven media firm ICX Media.
- Toronto-based multi-platform technology company **PopReach** acquired Costa Mesa, California-based independent, digital agency SCS in a bid to build a rich ecosystem of services and solutions for brands and advertisers.
- Data analytics and advisory firm **Escalet** acquired C Space and Hall & Partners from Omnicom, resulting in a combined organization of 2,000 consultants, researchers, data scientists, technologists, and other experts in 20 countries.
- Winston-Salem, North Carolina-based independent advertising agency **The Variable** acquired Data Crunch, an applied AI and advanced analytics company that leverages AI, natural-language generation, and predictive modeling to help clients like Deloitte, American Express, and USAA fully optimize their data.

Noteworthy quotes:

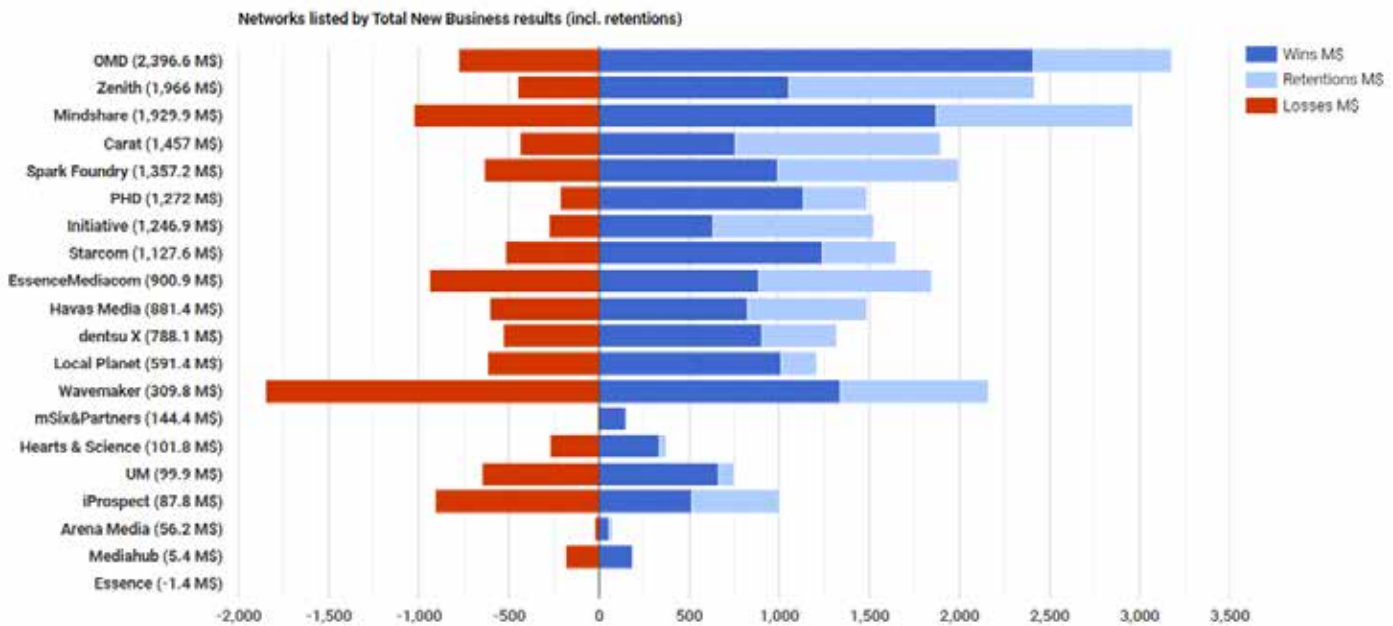
- "Advertising doesn't follow or anticipate an economic downturn or boom: it coincides with these cycles."
—Brian Wieser, Principal, **Madison and Wall**
- "Top line with no bottom line, a waste of time. Bottom line with no top line just a matter of time."
—Jon Moeller, Chairman and CEO, **P&G**
- "For a decade we all celebrated cheap as good but now we realize that good is better than cheap."
—Tom Denford, CEO, **ID Comms**
- "Having marketing procurement and brand marketing work together allows for a more holistic approach to decision-making."
—John Wallace, President, **Octerra**

- "Suggest procurement leaders put their hot deal negotiation aside (I know this is very hard) for now, and review your procurement process, identify those bottlenecks where can be streamlined."
—Joshua Gao, former head, Procurement and Shared Services, **Petco**
- "If your agency compensation is tied to how well your client is doing, you're in a great place. They're not trying to figure out whether you're screwing them based on numbers of bodies or commission rates. You get paid based on the product you deliver."
—Matt Seiler, Managing Director/Executive-in-Residence, **Raines International**
- "There is a movement within marketing procurement to adopt what they call a value in rather than cost out perspective. This positions marketing procurement as the guardians of the value generated from their brand's media and advertising investments, rather than purely being the guardians of the cost."
—Tom Denford, CEO, **ID Comms**
- "For reasons related to the decline of pay TV penetration and the likelihood that the bulk of streaming content will be viewed ad-free on an ongoing basis, I think television's capacity to satisfy reach objectives in a cost-effective manner (relative to alternatives) faces significant risk."
—Brian Wieser, Principal, **Madison and Wall**
- "By devoting the same kind of creativity to pricing as you do solving your clients' business problems, you'll be able to respond to questions about compensation in a much more compelling, differentiating way."
—Tim Williams, Founding Partner, **Ignition Consulting Group**
- "Today it's all about using a timeless idea in a timely way."
—David Lubars, Chairman and Chief Creative Officer, **BBDO**

Looking for more?
 Download a consolidated list of **2022 Client-Agency Roster Moves**, from our year summary of Industry Updates.

LOGO	CLIENT	INCUMBENT	CLIENT'S FORMER	FOCUS AREA	NEW AGENCY	CONTACT
4 Pines Brewing Company	Madden Chubbis Creative	Strategic and creative AOR	Unknown	Trajectory	Unknown	
Alkermes	Worcester	Media	Review of process	Y	US	Prigmore
Alkermes	Abbott	MediaCom	Digital creative AOR	Media	MediaCom	Y
Alkermes	Abbott	Unknown	Creative AOR	US	MediaCom	Y
Alkermes	Abbott	Dentis and Allied Global Media	Media AOR	Global	Komax	Y
Alkermes	Abbott	Cramer	Integrated AOR	US	Media by Staff	Y
Alkermes	Abbott	Publicis Studio	Media AOR	US	Publicis	Y
Alkermes	Abbott	Wieden+Kennedy	Creative AOR	US	Arctura	Y
Alkermes	Abbott	Wieden+Kennedy	Live advertising	US	The Media Agency	Y
Alkermes	Abbott	Unknown	Creative AOR	Global	MediaCity of NY Food Address	Y
Aurora Plasma	Unknown	Creative AOR	Creative and strategic AOR	US	Optivo	Y
Aurora Plasma	Ball & Partners	Creative and strategic AOR	US	Digital	Unknown	Y
Aurora Plasma	Aurora Plasma	Spain, France and others	High profile AOR	Global	WiseMedia	Y
The Auto Club Group	Nova	Integrated/lead agency	US	Digital	Unknown	Y
Beats Solo3	Unknown	Creative AOR	Unknown	High end	Unknown	
Beats Solo3	Meta Landor and Seltzer	Lead creative and strategy AOR	Global	McCann Worldwide	Unknown	
Blue Diamond Growers	TBWA\Chiat Day LA	Creative AOR	US	Marketing US	Y	
Bluebird	Unknown	Media AOR	US	Houston Media	Y	

Global New Business Ranking 2022: Media Agency Networks (\$US M)



Per COMvergence, Omnicom’s OMD was the top-ranked media agency in global new business results for full-year 2022 (with net new business of \$2.36 billion, including L’Oréal’s \$1 billion US media assignment), followed by Publicis Media’s Zenith.



COMvergence also identified that IPG, Omnicom and WPP’s US creative agencies recorded the highest volume of client wins/retentions (=\$1.4B accumulated by each) over the past two years. IPG is the only group having performed better by adding more wins/retentions and fewer losses while Omnicom and WPP results have decreased similarly. Other groups have all decreased in terms of wins/retentions, particularly Publicis Groupe and Accenture Song.

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.

- **Avocados From Mexico** selected independent Dallas agency Lerma/ as its AOR for the brand, expanding its responsibilities. The agency was the brand's digital AOR in the last decade. The agency will handle all brand, digital, and Hispanic marketing and advertising for the leading avocado brand.
- **Blue Diamond Growers** selected Publicis Groupe's Spark Foundry as its media AOR across the Blue Diamond portfolio following a review, replacing 12-year incumbent Harmelin Media. The agency will handle paid media efforts, mass media, digital media, and retail media for the company's snack almonds, Almond Breeze almond milk, Nut Thins, and Almond Flour brands.
- Electric and non-electric bike firm **Brompton** selected ScienceMagic as its lead global strategic and creative AOR. The agency will rely on its offices in New York and London to support work in the UK, Germany, US, and APAC.
- Mondelēz International-owned snack bar maker **Clif Bar & Company** selected David New York as its creative AOR following a review, replacing incumbent Detroit-based agency SMZ. The agency will partner with Ogilvy and Ogilvy Consulting.
- **CKE Restaurants** (owner of fast-food chains Carl's Jr. and Hardee's) selected Camelot Strategic Marketing & Media as its US media AOR, without a review, replacing incumbent RPA. The agency will handle media strategy, buying, and planning for the brands' 3,000+ stores nationwide.
- News Corp.-owned Wall Street Journal publisher **Dow Jones** kicked off a review of all of its creative, media, and production agencies across its consumer brands and suite of B2B products, including Factiva and Dow Jones Risk & Compliance. Incumbents like WPP's The&Partnership and mSix are expected to defend.
- **Danone** and its brand portfolio (Evian, Activia, Silk, Dannon, Oikos, etc.) is expected to consolidate most of its global creative with Havas Group's BETC as part of a review. Some of the incumbent agencies are expected to defend: independent Orchard for Silk and Oikos, and Ogilvy's David for Two Good and Activia brands, independent Wieden+Kennedy and WPP's VMLY&R.
- Online crafts marketplace **Etsy** kicked off a review of its creative advertising business. The brand has worked with Stagwell's 72andSunny since 2020 and had over \$580 million in worldwide ad expenses in 2022.
- The **Estée Lauder Companies** UK & Ireland selected Brainlabs as its media planning and buying AOR in the UK and Ireland, replacing incumbent Manning Gottlieb OMD. The agency will handle all strategy and planning and media activation across search, social, programmatic, display, TV, print, radio, and outdoor, working closely with ELC UK&I to create digital-first and data-led campaigns across its iconic brand portfolio (Clinique, MAC, Jo Malone London, etc.).
- Retailer **Foot Locker** selected Austin, Texas-based Preacher as its creative AOR following a review. The agency was on Ad Age's 2022 Small Agency of the Year list.
- Automaker giant **Ford** consolidated and selected WPP as its social AOR for Ford Blue social, in partnership with Wieden+Kennedy, its global and US creative AOR, replacing one-year incumbent VaynerMedia, which is now tasked to focus on Ford Pro social business. The WPP agency team includes creative network VMLY&R and media agency Mindshare.
- Restaurant franchisor and operator **HOA Brands**, parent of the Hooters restaurant chain, selected Dallas-based agency Firehouse as its new creative AOR following a review, replacing seven-year incumbent The Morrison Agency.
- **Intuit** kicked off a review of its TurboTax and QuickBooks creative. Wieden+Kennedy and TBWA\Chiat\Day are the incumbents.
- Pharma company **Indivior** selected full-service creative and digital agency McKinney as its US AOR, replacing incumbents Klick Health, Area 23, and Havas Tonic. The agency will handle all work for the US Addiction Sciences and US Behavioral Health business units.
- Germany-based **Jägermeister** selected independent agency Mother its first global creative AOR (through its Berlin and London offices) without a review, replacing incumbent Engine, which worked on a project basis. As part of its "Pitch It Forward" pledge, the agency will donate profits made during the first year managing the account to a nonprofit. "Pitch It Forward" was launched in 2022 as a way to encourage clients to move away from the pitch process in favor of chemistry meetings to choose agency partners.
- **Johnson & Johnson Consumer Healthcare** kicked off a review of its US creative business for Neutrogena and Aveeno. Omnicom Group's DDB is the incumbent on both brands.
- Toy marketer **Lego** kicked off a global media agency review. Incumbent Interpublic Group agency Initiative (Ad Age's Media Agency of the Year) is expected to defend.
- French luxury and wine and spirits conglomerate **LVMH** selected Paris-based holding company Publicis Groupe as its North American media AOR to handle brands including Louis Vuitton, Christian Dior, Moët Hennessy, and Celine, replacing incumbent Dentsu. LVMH spent \$10.1 billion on worldwide advertising and promotion in 2022, up 17% YOY.

- Prepaid wireless brand **Metro** by T-Mobile selected Chicago-based independent agency OKRP as its AOR following a review, replacing incumbent Publicis Groupe's Saatchi & Saatchi. The agency will handle creative including Hispanic and multiracial work.
- Streaming platform **Netflix** selected Mediahub Worldwide as its UK media AOR following a review, replacing incumbent WPP's Wavemaker. The agency will handle media planning and buying for the brand.
- English football league system **Premier League** selected BBH London as its new advertising AOR following a review, replacing incumbent FCB Inferno.
- Food chain **Popeyes Louisiana Chicken** selected McKinney as its creative AOR following a review, replacing three-year incumbent agency Gut. The agency was hired on a six-month project basis until a decision was reached. The agency will handle brand strategy, creative development, and creative production across all channels.
- Retailer of party goods **Party City** selected Atlanta-based agency 22Squared as media AOR following a review. The agency will handle all media planning and buying for the brand in North America.
- Sports brand **Puma** and its Group India selected Havas Media Group India as their media AOR. The agency will handle all offline and online media including digital, TV, print, radio, out-of-home, and cinema.
- Collaborative work management software company **Smartsheet** selected marketing agency SS+K as its brand advertising agency following a review.
- Beauty retailer **Sephora** selected Omnicom's TBWA\Chiat\Day LA as its creative AOR. Leveraging the agency's Multicultural Practice, TBWA will handle the creative development and execution for the brand's North American 2023 holiday campaign.
- Jewelry company **Signet Jewelers** selected Publicis Media as its US media AOR following a review, replacing four-year incumbent WPP's GroupM EssenceMediacom. Publicis Media will handle the account at the group level using its holding company approach called Power of One.
- Vegan restaurant chain **Slutty Vegan** kicked off a review to select its first-ever AOR, replacing incumbent Whittle Agency, which works for the brand on an as-needed basis. The brand is looking for an agency to handle creative and content generation capabilities, digital, and social media.
- Walmart sibling **Sam's Club** selected Havas' Arnold Worldwide and independent Horizon Media's New York-based Horizon Next direct marketing agency for their creative and media AOR relationships, respectively, following a review, replacing incumbents WPP's VMLY&R on creative and WPP-backed Haworth on media.
- **The NFL** selected independent Horizon Media as its global media AOR following a review, replacing incumbents Omnicom's OMD (lead media agency) and Tinuiti (for digital buying), WPP's Mediacom (Mexico), and Publicis Media's Starcom (Canada). Horizon Media will handle strategy, planning, activation, and measurement.
- Sneaker maker **Vans** selected Omnicom's OMD its global media AOR following a consolidation review. The agency will handle media planning and buying across digital and analog channels for 10 markets—US, Canada, Mexico, France, Germany, UK, China, Japan, Singapore, and South Korea—and leverage its data platform.
- The **United States Golf Association** selected Interpublic Group creative agency MullenLowe and sibling agency Carmichael Lynch Media to handle creative and media, respectively. The two agencies are expected to work in a very integrated fashion.
- Drugstore chain **Walgreens** (which is part of Walgreens Boots Alliance) selected Publicis Groupe's Epsilon as its new media AOR, expanding its existing relationship on data and analytics. The company continues to work with WPP as part of a broader strategic global marketing alliance.
- Restaurant chain **Wingstop** selected Stagwell's 72andSunny as its lead creative AOR following a review, replacing five-year incumbent Publicis Groupe's Leo Burnett.

Agency Mania 2nd Edition now available!

The advertiser/agency relationship is under incredible pressure, and the future of the advertising industry is uncertain. The entire marketing ecosystem is being tested.

At a time of unprecedented change and complexity in marketing, Agency Mania will transform the way you look at client/agency relationships. It invites you to build sustainable partnerships that deliver unmatched work and results.

Interested in paperback copies of *Agency Mania 2nd Edition* for your teammates and colleagues?

If so, scan this code or contact us at: info@agencymania.com.



Agency Mania 2nd Edition is also available at many major bookstores such as: Amazon.com, Barnes & Noble, Target, and other retailers.



Agency roster summary:

COMPANY LOGO	CLIENT	INCUMBENT	CHANGE/SCOPE	FOCUS AREA	NEW AGENCY	REVIEW?
	Avocados From Mexico	Lerma/	Digital AOR	Unknown	Lerma/	Unk
	Blue Diamond Growers	Harmelin Media	Media AOR	Global	Spark Foundry	Y
	Brompton	Unknown	Strategic and Creative AOR	Global	ScienceMagic	Unk
	CKE Restaurants	RPA	Media AOR	US	Camelot Strategic Marketing & Media	N
	Clif Bar & Company	SMZ	Creative AOR	Global	David New York	Y
	Danone	Orchard, David, Wieden+Kennedy, VMLY&R <i>Expected to Defend</i>	Creative	Global	<i>Review in Process</i>	Y
	Dow Jones	The&Partnership and mSix <i>Expected to Defend</i>	Creative, Media, and Production	Global	<i>Review in Process</i>	Y
	Estée Lauder Companies	Manning Gottlieb OMD	Media AOR	UK & Ireland	Brainlabs	Unk
	Etsy	72andSunny	Creative Advertising	Global	<i>Review in Process</i>	Y
	Foot Locker	Unknown	Creative AOR	Unknown	Preacher	Y
	Ford Motor Co.	VaynerMedia	Social AOR	Global	WPP	Unk
	HOA Brands	The Morrison Agency	Creative AOR	US	Firehouse	Y
	Indivior	Klick Health, Area 23, Havas Tonic	AOR	US	McKinney	Unk
	Intuit	Wieden+Kennedy and TBWA\Chiat\Day	Creative	Global	<i>Review in Process</i>	Y
	Jägermeister	Engine	Creative AOR	Global	Mother	N
	Johnson & Johnson Consumer Healthcare	DDB	Creative	US	<i>Review in Process</i>	Y
	Lego	Initiative <i>Expected to Defend</i>	Media	Global	<i>Review in Process</i>	Y
	LVMH	Dentsu	Media AOR	NAM	Publicis Groupe	Y
	Metro	Saatchi & Saatchi	Creative AOR	US	OKRP	Y
	Netflix	Wavemaker	Media AOR	UK	Mediahub Worldwide	Y
	Party City	Unknown	Media AOR	NAM	22Squared	Y
	Popeyes Louisiana Chicken	Gut	Creative AOR	US	McKinney	Y
	Premier League	FCB Inferno	Advertising AOR	Unknown	BBH London	Y
	PUMA	Unknown	Media AOR	India	Havas Media Group India	Unk
	Sam's Club	VMLY&R and Haworth	Creative AOR and Media AOR	Global	Arnold Worldwide and Horizon Next	Y
	Sephora	Unknown	Creative AOR	NAM	TBWA\Chiat\Day LA	Unk
	Signet Jewelers	GroupM EssenceMediacom	Media AOR	US	Publicis Media	Y
	Slutty Vegan	Whittle Agency	AOR	US	<i>Review in Process</i>	Y
	Smartsheet	Unknown	Brand Advertising AOR	Global	SS+K	Y
	The NFL	OMD, Tinuiti, Mediacom, Starcom	Media AOR	Global	Horizon Media	Y
	United States Golf Association	Unknown	Creative and Media	Unknown	MullenLowe and Carmichael Lynch Media	Unk
	Vans	Unknown	Media AOR	Global	OMD	Y
	Walgreens	Epsilon	Media AOR	Global	Epsilon	Unk
	Wingstop	Leo Burnett	Creative AOR	Global	72andSunny	Y

Unk= Unknown