

Industry Updates

Looking ahead to 2024:

How the trends and news of 2023 will impact us this year.



The best predictor of the future remains the past.

This concise annual review offers an exhilarating glimpse into what lies ahead for us.

Step in and take a good look.”

Bruno Gralpois
Co-Founder & Principal
Agency Mania Solutions

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EXECUTIVE SUMMARY: Yearly recap

Hello, 2024! Wow. What a ride we've been on. If 2022 gave us hope post-COVID, 2023 was a year of renewal, deep reflection, and swift redirection for the entire ad supply chain. 2023 didn't disappoint, with AI technology developments taking center stage in a sector fueled by growth, a quest for responsible advertising, and new ways for agencies to produce content, collaborate, and operate more efficiently and with greater simplicity. We experienced tremendous technological advancement and innovation in data, measurement, personalization, activation, and e-commerce. We saw numerous mergers and acquisitions in the media and advertising sector, new agencies emerging and old ones revamped or reorganized, countless agency creative and media reviews, and new partnerships forged. The harmony between consumers, tech, and business is in constant flux and often a source of tension but also ground for innovation. Naturally, the advertising industry is in flux as well and with a relentless need for balance.

Our Industry Updates are meant to summarize, synthesize, and organize vast amounts of information to make it more digestible for advertisers like you, who are simply trying to keep up and not miss out on critical news. As in prior years, each news story, carefully curated by our team for Industry Update, is a small piece of a giant puzzle that only makes sense when we step away from it long enough. Far from the tree, we see the forest far better. And our industry is indeed a maze-like forest to navigate.

This is my invitation to you today: Grab a comfortable chair, put your phone on mute, take a deep breath, flip the pages of this synopsis of all our Industry Updates from 2023, write notes, and reflect on what took place. Do not let the comprehensive nature of this summary overwhelm you. This is meant to be a time for looking holistically at what happened across all facets of our industry in the prior 12 months, and we anticipate what it will mean to you in 2024.

Are you ready to ride the upturn? Let's jump in.

Major themes



AI as the #1 game changer in advertising

Throughout 2023 AI was, and is, a captivating and fascinating topic in business and, for obvious reasons, in the advertising industry. AI technology has the potential to transform the advertising industry, just as the internet did. The magnitude is comparable in many ways. As with the rise of the internet, you will notice a similar divide in the professional community when it comes to AI: the early adopters, believers, and advocates who will apply AI in as many areas of advertising as possible, and the laggards, doubters, and pessimists who fear the downstream impact of AI on a social and economic basis. Everyone owns a bit of truth as no one yet knows the full extent of this technology on organizations and the overall well-being of individuals. The advertising industry is rapidly embracing generative AI, with agencies worldwide investing in and partnering with tech firms to leverage AI tools, thus transforming operations and activities across audience planning and content creation. As AI transformed talent management, agencies aggressively pursued AI capabilities, as evidenced by major deals and partnerships. This marked a shift from AI as a mere buzzword to its widespread implementation in various activities, from audience planning to content creation, and with global impact. Brands experimented with AI in 2023, and it's fair to say that experimentation is far from complete. The word AI will not disappear from the marketing vernacular anytime soon. There is so much more testing and piloting that must take place to learn what works and what doesn't. The responsible and effective use of AI in advertising and its impact on the entire creative, production and media process and workforce productivity will be topics of pointed discussion for years to come.



It was a Barbie year

Unless you live under a pink rock, you also experienced the Barbie marketing phenomenon in full display for months after the launch of the blockbuster movie. Mattel inspired many by reenergizing the brand icon and turning it into a multiplatform marketing case study. We also had the opportunity to enjoy tremendous innovation and brilliant work thanks to the Super Bowl, Cannes Lions International Festival of Creativity, Clio Awards, Emmy Awards, and more. We celebrated Patagonia as Client of the Year (MediaPost); Walmart as Best Client of the Year (Ad Age); Anheuser-Busch InBev as Creative Marketer of the Year (Cannes Lions), Citi Creative Services as In-House Agency of the Year (ANA); Wink, Mailchimp's in-house agency, as the In-House Agency of the Year (Ad Age), and The Kellogg Company as Most Effective Marketer (Effie Awards). The list goes on. Check out the Work and Performance section of this Industry Update to see the many agencies recognized for their breakthrough work. And it pays off. The Cannes Lions International Festival of Creativity concluded that high-performing creative work is 16 times more likely to bring profitability growth. If 2023 was one of resilience from a business perspective, it was also a year of tremendous creativity. Innovation is often the mother of necessity. In 2024, fueled by new creative capabilities, such as generative AI tools, we should expect to see the entire creative industry surprise and delight.



Big ad players consolidate and simplify

In a symbolic move, TBWA\Chiat\Day announced the end of an era on Madison Avenue, highlighting the agency's relocation and signaling a departure from traditional advertising practices. Later in 2023, WPP announced the merger of VMLY&R and Wunderman Thompson to simplify and streamline how it serves clients. The new entity is called VML. The merger is an iconic example of an industry looking to centralize, consolidate, streamline, and offer a more approachable, simple engagement model for clients. The big ad players, namely WPP, Accenture Song, Publicis Groupe, Omnicom Group, and IPG, put in motion several initiatives to become more agile, responsive, and competitive. The number of agency reviews in 2023 was again significant, indicating that brands are willing to move their business if they are not getting the talent access, resources, or leaner ways to engage with their teams.



Responsible advertising

Inclusion (ANA's 2022 Marketing Word of the Year) gained momentum industrywide. Agencies made commitments to social justice, inclusion, and employee training but also set targets for sustainability and reductions in carbon emissions. Brand advertisers also led companywide efforts to tackle opportunities to be responsible corporate entities in protecting the environment and pursuing social justice agendas. DEI remained top of mind, but environmental issues appeared to generate more attention in trade media. Carbon calculators and studies emerged in an effort to hold companies accountable. Apple's launch of iPhone 15 was a great example of the level of effort and investment made by large companies to become carbon neutral (by 2030 in Apple's case). The federal government stepped up to educate about avoiding false claims that mislead consumers (i.e., "greenwashing"). The Federal Trade Commission issued Green Guides to help marketers be truthful and provide adequate evidence in making environmental claims like "green" and "ecofriendly." Award shows like Cannes Lions added noncompulsory sustainability reporting to their awards submissions process.



A slowdown but no recession

We all anticipated some economic challenges as 2023 began: from gloom to boom and from boom to gloom, here we come! The slowdown was real, and concerns were justified. The major causes of economic uncertainty and volatility were (and some still are) the war in Ukraine, the Hamas attack on Israel and Israel's subsequent assault on Gaza, the lasting impact of the COVID-19 pandemic, inflation, interest rates, and supply-chain disruptions. Worldwide advertising remained strong. Holding companies experienced a slowdown from 2022, and some managed it better than others. Publicis, for example, benefited while WPP struggled a bit. Accenture Song seemed to leverage the opportunity to strengthen their position in the list of top agencies in the world. The economic impact has been real, with single-digit organic growth.

Profitability remained strong, however, with double-digit figures, as Publicis Groupe led the pack. Final 2023 figures are expected to show that global advertising spending grew by 4.8% and 5.9%. Global ad spend is forecast to surpass \$1 trillion in 2024, so plenty of growth is expected.



In conclusion

Growth opportunities are outstanding in 2024 to instill best-practice approaches across the marketing industry, which set firm foundations for ideas, great creativity, and operational excellence to flourish. By the widest margin ever in voting for Marketing Word of the Year, nearly 70% of ANA members picked AI as their 2023 choice, followed by Purpose (8%). If I had to pick a theme for 2024 it would be Balance. As the advertising and marketing world becomes more complex to navigate and operate, brands will look to balance priorities: by streamlining their advertising efforts to move faster, turning complexity and waste into growth opportunities, and favoring agility and improved decision-making. Finding the right balance between operational rigor and agility will remain a challenge. Finding the right balance between simplifying the work while increasing the level of sophistication and expertise applied to our efforts will remain an opportunity. Greater complexity and increased speed are likely to be disruptive forces. AI will test our ability to stay balanced. We will need to develop a healthy relationship with AI in 2024 to amplify human capabilities.



Bruno Galpois
Co-Founder and Principal,
Agency Mania Solutions



AGENCY

Agency

Roster changes
summary





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.

Apparel and luxury:

- Apparel company **Burberry** selected Omnicom media agency OMD as its global media AOR following a review, replacing incumbent dedicated Dentsu International unit.
- Tesco-owned clothing brand **F&F** selected BBH London as its communication strategy and creative AOR. The agency has been Tesco's creative agency for the past seven years.
- Premium jewelry brand **Swarovski** selected Publicis Media agency Zenith as its global media AOR following a review.
- **Puma** selected McKinney as its new global AOR for the brand's Run/Train business unit, following a review. The agency will handle all strategy and creative work across the Run/Train unit.
- 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.
- 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.
- 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.
- Sneaker maker **Vans** selected Omnicom's OMD as 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.
- Athletic footwear and apparel marketer **Brooks Running** selected Stagwell media agency Assembly as its paid media AOR for North America, following a review and replacing incumbent Cincinnati-based Empower. Assembly will handle programmatic, social, direct partnerships, video strategy, and execution.
- Discount chain **TJ Maxx** selected IPG's McCann as its creative advertising lead agency following a review. The agency may join a roster that includes incumbent MullenLowe Boston. The win marks the expansion of McCann's existing relationship with TJX (owner of TJ Maxx).

- Sportswear brand **Under Armour** selected OMD Worldwide as its global media AOR following a review, replacing incumbent Publicis Media. The agency will handle both traditional and digital media planning and buying across the Americas and EMEA, including France, Germany, and the UK.
- Berkshire Hathaway-owned jewelry retail chain **Helzberg Diamonds** selected Kansas City-based Walz Tetrick Advertising as its lead local media strategies and buying AOR following a review, replacing incumbent Horizon Media. The agency will handle account management, media planning, and buying, research, and marketing consultation.

Automobile:

- **BMW Motorrad USA** selected Tombras as its advertising and social media AOR following a review. The agency will handle brand creative, retail creative supporting dealers, new product launches, cultural activations, social content, and CRM.
- 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.
- Automaker giant **Stellantis North America** selected Louisville, Kentucky-based TKT & Associates as its AOR to market to its Black consumer audience following a review. The agency, with expertise in DE&I and supplier diversity consulting, will handle work across brands, including Jeep, Ram, Dodge, Fiat, and Alfa Romeo.
- **Mazda North American Operations** selected Optimal as its first search AOR. The agency will handle all paid and organic search efforts combined with digital media, direct response, search, and performance marketing. The agency had a working relationship with the brand prior to this assignment.
- **BMW of North America** selected Omnicom's Critical Mass as its national and regional media AOR in the Americas following a review, replacing 14-year incumbent IPG's Universal McCann. The brand is consolidating off-line media services for BMW, Mini, and BMW Motorrad in North America and LATAM in a five-year contract. The agency will partner with other roster agencies, Omnicom's Silverstein & Partners (creative), Interpublic's Performance Art (data and CRM), and Anchor Worldwide (social media).
- Seoul, South Korea-based **Innocean Worldwide**, through its Hyundai Motor Group across its key regions, selected Havas Media as its global media AOR following a review. The agency will continue to handle work for Hyundai Motor Group brands Hyundai, Kia, and Genesis globally.



Consumer Packaged Goods (CPG):

- Cleaning products maker **PurposeBuilt Brands** selected Milwaukee-based independent agency Hanson Dodge as its first AOR for its Green Gobbler brand following a review.
- **Unilever** wellness brands Liquid I.V., OLLY, Onnit, SmartyPants Vitamins, and Welly Health PBC selected performance marketing firm Tinuiti as its digital AOR. The agency will handle addressable and acquisition marketing intelligence and media activation technology across the five brands.
- Berkshire Hathaway-owned brand **Duracell** selected Publicis-owned BBH as its lead creative agency in the US and VaynerMedia as its social AOR following a review, replacing seven-year incumbent indie Wieden+Kennedy. BBH will handle brand strategy and the creative platform, partnering with other key roster agencies (VaynerMedia, Citizen Relations, and media AOR EssenceMediacom).

Entertainment and media:

- **Apple TV+** added Dentsu Creative to its US agency roster (which includes Allied Global Marketing, Havas Creative, Critical Mass, MullenLowe, OMD Worldwide, and PMG), taking over social media work that had been historically done by the brand's creative AOR, TBWA Media Arts Lab (TBWA Worldwide's bespoke agency).
- **NBA Entertainment** selected Horizon Sports & Experiences on a one-year basis to offer consulting services on growing the sport's fan base and global footprint. The agency will work with the brand on metaverse initiatives.
- **Sony Interactive Entertainment** and its Sony PlayStation retained WPP GroupM's EssenceMediacom (based on the merger of Essence and Mediacom) as its global media AOR following a review. The brand has been working with Mediacom for seven years and is estimated to spend \$170 million globally. GroupM MediaCom merged with sibling agency Essence to form a new agency (EssenceMediacom). Dentsu will continue to handle media in Japan and agency David in Brazil.

- 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.
- Ticketing firm **SeatGeek** selected Slap Global as its creative AOR following a review, replacing Fig, the incumbent since 2021 (its first creative AOR). The newly appointed agency will collaborate with Wavemaker, the brand's media AOR.
- **SiriusXM** selected Uncommon Creative Studio as its creative AOR following a review, replacing incumbent Translation, which the brand used on a project basis.
- Nexstar-owned **The CW** selected independent media agency Known as its media AOR without a review, replacing incumbent Omnicom Media Group's OMD. The agency will handle the network's media strategy, planning, buying, and optimization and leverage its AI and predictive algorithmic tools for planning.

Financial services:

- **Barclays US Consumer Bank** selected Publicis Groupe's Team One as its AOR for strategic and creative marketing. The agency will handle work for online savings accounts, personal loans, and Premier League sponsorship activations in the US. Omnicom Group's Hearts & Science will continue to handle the company's media business. The brand previously used incumbent Havas' Arnold Worldwide.
- **Pegasus Bank** selected Dallas-based Baker & Bonner Creative Emporium as its first branding and creative AOR, without a review. The agency will handle strategy, branding, creative, website, digital, and PR.

2023: Agency Reviews and Roster Changes

Visit agencymania.com/wp-content/uploads/2024/01/AMS2023_AgencyReviews_RosterChanges.pdf to view and download the consolidated list of Agency Reviews and Roster Changes from our 2023 monthly Industry Updates.

LOGO	CLIENT	INCUMBENT	CHANGE SCOPE	FOCUS AREA	NEW AGENCY	REVIEW?
	BMW of North America	Universal McCann	Media AOR	NA&L, LATAM	Critical Mass	Y
	Adobe	Dentsu	Media AOR	EMEA, APAC, Japan	Publicis Media	Y
	Adobe	Wavemaker	Media AOR	US, Canada, LATAM	Wavemaker	Y
	Airbus	Unknown	Media AOR	Global	Cocoonada	Y
	Alibaba Activities	Horizon Marketing Media	Media AOR	US	VaynerMedia Los Angeles	Y
	Allstate	Ernst&G	Creative AOR	US	Western Kennedy Portland	Y
	Amazon	Unknown	Media	Global	Review in Progress	Y
	Amazon Music	Unknown	Media AOR	US	Melbourne	Y
	Ancestry	Unknown	Media AOR	Global	Publicis Vix	Y
	Ancestry	In-house	Creative AOR	US, UK, Canada	Wieden+Kennedy	Y
	Apple TV+	TBWA Media Arts Lab	Social Media	US	Dentsu Creative	Y
	Autoclix	Leiner	Digital AOR	Unknown	Leiner	Y
	Bank Market	Local Media Agencies Worldwide	Media AOR	Global	Wavemaker	Y
	B&W	Unknown	Brand and Creative AOR	Unknown	Horizon	Y
	Barclays US Consumer Bank	Arnold Worldwide	Strategy and Marketing AOR	US	Team One	Y
	Bayer	WPP and others	Media AOR	Global	OMD	Y
	Blue Diamond Growers	Horizon Media	Media AOR	Global	Spark Friendly	Y
	BMW Motorrad USA	Unknown	Advertising and Social Media AOR	US	Tombras	Y



- **T. Rowe Price** selected Stagwell media agency Assembly as its US media AOR, with a focus on driving value across their full product set to both new and existing customers and delivering an overall more integrated customer experience.
- **Intuit QuickBooks** selected FCB New York as its global creative AOR for QuickBooks Online, QuickBooks Payroll, QuickBooks Payments, and QuickBooks Time, following a review. The six-year incumbent was TBWA Chiat\Day. Other offices will handle work in their market: FCB London, FCB Canada, R/GA Australia.
- **PNC Bank** selected Arnold Worldwide (part of Havas Creative Group) as its integrated marketing and creative AOR following a review, replacing 14-year incumbent Deutsch NY. Havas Media Group will handle media strategy, buying, and planning.
- **Principal Financial Group** selected Dentsu Creative as its creative AOR following a review, replacing incumbent TBWA\Chiat\Day Los Angeles. The agency will collaborate with the brand's media planning and buying AOR, OMD Prometheus. The agency will handle creative marketing across Principal's asset management, benefits, protection, and retirement and income solutions business.
- **Intuit's TurboTax** selected IPG creative agency R/GA following a review, replacing incumbent Wieden+Kennedy. The agency will handle strategy and execution across all channels, including TV, digital, audio, social media, sponsorships, and activations. The agency will collaborate with Intuit's media strategy, planning, and buying AOR, Wieden+Kennedy.
- Financial services firm **HSBC** selected Omnicom Media Group as its global media planning and buying AOR following a review. Omnicom's PHD previously won the account in 2018.
- Banking and financial app **Chime** selected AKQA as its Integrated AOR. The agency will handle strategy, branding, creative, social, and community building for the brand.
- **PayPal** selected WPP's Group M as its global media planning and buying AOR following a review, replacing incumbents Havas (in Europe), Media.Monks, iProspect, and Spark Foundry.
- **Jack Daniel's Tennessee Whiskey** selected Omnicom's BBDO India as its integrated communications AOR for the Indian market following a review. The agency will handle creative for the Indian market and localization of global campaigns, as well as social and retail design for the brand.
- **Lyle's Golden Syrup** selected ELVIS as its new creative AOR following a review. The agency will handle all TV work and partner with the brand's media AOR, Bicycle.
- **The Lagunitas Brewing Company** selected Omnicom's The Integer Group as its first AOR. The agency will handle media, creative, e-commerce, and customer marketing and will collaborate with the brand's in-house creative agency.
- **McCormick & Co.** consolidated its global media business with Dentsu X following a review. Dentsu, McCormick's AOR in the US and Canada, has worked with the company for 10 years in select markets across the globe, and now adds Europe, Latin America, and Southeast Asia, replacing incumbent AOR Publicis.
- **Boston Beer Co.**-owned Truly Hard Seltzer selected WPP's Ogilvy as its creative AOR following a review, replacing incumbent Omnicom's Goodby Silverstein. The agency will handle strategy and creative duties.
- **Tito's Handmade Vodka** selected Richmond, Virginia-based independent agency Arts & Letters as its first lead brand creative AOR, without a review. Tito's will continue to produce its own marketing in-house but rely on Arts & Letters to lead creative brand strategy.
- Plant-based energy drink company **BACX** selected London-based Harbour as its brand and creative AOR. The agency will handle all visual and verbal branding, product design, and communication for the brand.
- Grilled chicken restaurant chain **El Pollo Loco** selected Omnicom-owned agency Organic as its brand and digital AOR following a review, replacing incumbent shop Vitro. The agency previously worked for the brand and will partner with Austin, Texas-based Third Ear (formerly LatinWorks).
- German candy manufacturer **Haribo** selected Minneapolis-based and Stagwell Group-owned Colle McVoy as its shopper marketing AOR. Colle McVoy and its design arm 10 Thousand Design will create retail display graphics and promotional initiatives for the brand.
- California-based **Nékter Juice Bar** selected Ntootive Digital as its AOR following a review. The agency will handle omnichannel digital marketing solutions and provide re-targeting campaigns across social media, connected TV, and more.
- Fruit-based smoothie maker **Smoothie King** hired Kansas City, Missouri-based agency Barkley as its brand and creative AOR. The agency will handle brand and creative strategy and execution.

Food and beverage:

- **Community Coffee** selected Dallas-based boutique agency Baker & Bonner Creative Emporium as its creative AOR without a review, replacing incumbent Hill Holliday. The agency will handle digital, social out-of-home, and brand sponsorships.
- **Egglife Foods** selected Minneapolis-based Haberman as its integrated AOR following a review, replacing incumbent Hill Holliday. The agency will handle brand strategy, integrated campaign planning and implementation, creative and social strategy and content, media planning/buying, and public relations.



- **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.



TikTok made everyone an entertainer. Instagram made everyone an influencer. Generative AI is making everyone an artist.”

Pratik Thakar
Head of Generative AI, **Coca-Cola**



- Germany-based **Jägermeister** selected independent agency Mother as 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.
- 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.
- 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.
- Vegan restaurant chain **Slutty Vegan** kicked off a review to select its first-ever AOR, replacing incumbent Whittley 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.
- Restaurant chain **Wingstop** selected Stagwell's 72andSunny as its lead creative AOR following a review, replacing five-year incumbent Publicis Groupe's Leo Burnett.
- **Buffalo Wild Wings** selected Stagwell agency Anomaly as its creative AOR, following a review that replaced five-year incumbent The Martin Agency.
- **Constellation Brands** selected Initiative as its media AOR in the US following a review that replaced 14-year incumbent Horizon Media. The agency will focus on data-fueled, creatively driven work amplified by innovation.
- Fruity, chewy candy brand **Hi-Chew** selected IPG agencies MullenLowe (as the brand's AOR for social creative) and Carmichael Lynch Media (as paid media AOR).
- **Brewer Carlsberg** selected Dentsu-owned agency iProspect as its new media AOR following a review, replacing six-year incumbent Initiative. The agency will handle advertising and marketing campaigns across all markets. The brand selected iProspect for its strategic capabilities, creative thinking, innovative and data-driven approach to media planning, and impressive track record.
- **Pernod Ricard's** Irish whiskey brand Jameson selected WPP's Ogilvy as its global creative AOR following a review, replacing 20-year incumbent TBWA and Publicis New York. The agency will handle creative in the US, UK and emerging markets (South Africa and APAC).



- LA-based frozen snack brand **My/Mochi** selected independent NYC-based agency Terri & Sandy as its creative and strategic lead without a review.
- Coffee marketer **Peet's Coffee** selected Mischief @ No Fixed Address as its new advertising AOR following a review. Sibling agency No Fixed Address media will handle media chores.
- Jollibee Foods-owned burger chain **Smashburger** selected Partners in Crime as its new AOR following a review, replacing Partners & Napier, the incumbent since 2019. The agency will handle digital, research and strategy, brand campaign development, overall awareness, and tactical sales work.
- Inspire Brands-owned **Sonic Drive-In** kicked off a review of its creative business. The account has been handled by independent Mother's Los Angeles office since 2019.
- Casual dining chain **TGI Friday's** selected Stagwell-owned Crispin Porter + Bogusky as its creative AOR following a review.
- **Pernod Ricard USA**-owned Código 1530 premium tequila brand selected San Francisco-based Argonaut as its creative AOR following a review.
- **General Mills** selected Interpublic Group of Cos.' UM as its global media AOR following a review, replacing incumbent GroupM's Mindshare. The agency will handle all strategy, planning, buying, analytics, performance, and commerce efforts in more than 36 markets.
- Baked goods company **Grupo Bimbo** selected PHD as its global media AOR as part of a consolidation following a review. The agency will handle all things media for the brand across the Americas, Europe, Asia, and Africa.
- **Krak Boba** selected InnoVision Marketing Group as its creative AOR. The agency will handle marketing and advertising campaigns for its portfolio of milk teas, coffees, smoothies, fruit teas, and yogurts.

Improve Brand Decisions:

Replace Working/Non-Working Ratios with Deploy & Develop Allocations

BUDGET

AGENCY MANIA™ SOLUTIONS
Strategic Partnerships Delivered.
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Is the working to non-working balancing act obsolete and flawed? Visit agencymania.com/improve-brand-decisions to read our article titled **Improve Brand Decisions: Replace Working/Non-Working Ratios with Deploy & Develop Allocations**.



- **Kraft Heinz** selected Dentsu's Carat as its US media AOR following a review, replacing longtime incumbent Publicis Groupe's Starcom as part of a consolidation. The agency is adding US media management to the work Carat was already doing for its International Zone, Canada, and Global Center of Excellence.
- **Nestlé** consolidated its European media account under WPP following a review, under WPP's OpenMind, a bespoke agency created for the brand. OpenMind will handle all media planning, media buying, and campaign activation and leverage its advanced data and analytics capabilities. The move will replace distributed work in Europe handled by incumbents Publicis Groupe and Interpublic Group of Cos.
- **Papa Johns** selected Dentsu's Carat as its media AOR in the US, following a review and replacing four-year incumbent Havas Media.
- **Quest Nutrition** (owned by The Simply Good Foods Company) selected BBH USA as its lead creative AOR for the Quest brand without a review. The agency will handle brand strategy and the creative platform for Quest and its product portfolio and will lead the inter-agency team across campaigns.
- **Sparkling Ice** selected Philadelphia-based Red Tettermer O'Connell + Partners (RTO+P) as its AOR. The agency will handle all creative, branding, innovative content, and activations and partner with MRM Media, which will handle all media strategy.
- **Talking Rain Beverage Company** selected Philadelphia-based Red Tettermer O'Connell + Partners (RTO+P) as its creative AOR and MRM Media as its media strategy AOR on its bottled water brand Sparkling Ice.
- **WeightWatchers** selected Gut Miami as its global creative AOR following a review. The agency, which worked with the brand on project basis prior, will now handle all creative work in the US and globally, including brand strategy and production.

Insurance:

- **Allstate** selected Wieden+Kennedy Portland as its new creative AOR, replacing incumbent Droga5. The agency will collaborate with the brand's in-house creative agency to augment its capacity and capabilities.
- **Geico** selected IPG's Mediabrand as its media AOR following a review to handle its \$1.4 billion account, replacing 20-year incumbent Horizon Media. Prior to the review, Geico handled most of the digital performance, search, and social in-house, and Horizon handled most traditional media. The agency will collaborate with the brand's longtime Interpublic-owned creative AOR, The Martin Agency.
- Illinois-based insurer **State Farm** expanded its agency roster by adding Chicago-based independent shop Highdive. The brand will continue to work with Omnicom-owned shop The Marketing Arm, its brand creative AOR since 2019.

Personal care:

- **Nature's Bounty**, a nutritional supplement brand of Nestlé Health Science, selected New York ad agency Terri & Sandy as its creative AOR, following a review, replacing incumbent Doner. The agency will handle all creative and strategic marketing activities.
- **L'Oréal** selected Omnicom Media Group as its US media AOR following a review, replacing seven-year incumbent WPP's GroupM Wavemaker. The brand has an estimated global budget of \$12.5 billion (\$1 billion in the US) and will use a bespoke solution created by Omnicom.

Need to manage your agency roster?

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able, formation.



- 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.).
- 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.
- **Revlon Group** selected Horizon Media to be its media AOR for the US and Canada following a review. The brand previously handled the work in-house (after working with Initiative). The agency will support all media activities for the brand and its portfolio (Almay, Elizabeth Arden, and American Crew).
- **RoC Skincare** selected Gravity Road (of The Brandtech Group) as its TikTok AOR. The agency will handle strategy and execution of TikTok campaigns. The brand previously handled that work internally.
- Skin care giant **Beiersdorf** selected Omnicom's OMD as its global media planning and buying AOR for all of its brands, which include Nivea, Eucerin, and Coppertone, following a review. The review is a part of a consolidation, replacing various incumbents from WPP, Publicis, Dentsu (Carat), and others. OMD was previously the AOR in the US.
- **Kimberly-Clark** selected an integrated Publicis bespoke team, K-C One, to lead US media planning and buying in 2024 following a review, replacing incumbent WPP's Mindshare. The bespoke team includes Publicis-owned agencies Epsilon, Spark Foundry, and Profitero, expanding on the existing relationship with Epsilon. Omnicom's OMG will continue to handle EMEA media and WPP's Mindshare parts of Asia.
- Georgia-Pacific owned bathroom tissue brand **Quilted Northern** selected New York-based Orchard as its new creative AOR following a review. The agency was among the Ad Age A-List 2023 and won Small Agency Campaign of the Year in 2023 for its integrated Ocean Spray work.
- English football league system **Premier League** selected BBH London as its new advertising AOR following a review, replacing incumbent FCB Inferno.
- **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.
- **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.
- **Shell** selected Havas as its global media B2C strategic AOR following a review, replacing incumbent WPP's GroupM.
- **The US Department of Defense's Defense Human Resources Activity** selected Interpublic Group of Cos.'s MullenLowe as its creative AOR following a review. The agency has been working for that US Department of Defense's arm for 20+ years and will handle advertising, direct marketing, leads, and marketing database certification and management, integrated media negotiation and buying (to include national TV, nonlinear TV, digital, and social media), website development and maintenance, interactive (digital) marketing, public relations, and brand strategy/research. The win is estimated to account for a \$454 million military contract over six years.

Manufacturing:

- Munich-based manufacturer **Siemens Group** selected Mediaplus as its lead global media agency without a review, replacing incumbent GroupM's Mediacom. The agency, which previously handled a project for the brand, will handle media planning, buying, and strategy across all traditional and digital media, except search.
- Commercial aircraft, defense, space, and helicopter manufacturer **Airbus** selected Crossmedia as its global media AOR following a review. The agency will handle strategy, media planning, and buying.

Pharma and health:

- **Ancestry** selected Wieden+Kennedy as its lead creative AOR in the US following a review. The brand previously handled work in-house. The agency also will handle work in the UK and Canada.
- **Girl Scouts of the USA** selected San Francisco-based independent agency Venables Bell + Partner as its AOR following a review. The agency will leverage its VB+P's content and creation studio, Taproom Studios, and will handle brand development, including research, platform, creative development, communication, rollout, and measurement.
- 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.
- **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.



- Pharmaceutical giant **Bristol Myers Squibb** selected IPG's Mediabrands to lead US media buying and planning for its DTC brands, replacing incumbent Havas after a review.
- Pharma giant **Pfizer** selected Publicis Groupe as its "integrated global engine" (combining data and tech, media, and creative production) and Interpublic Group of Cos. as its lead creative partner following a review. Dentsu's Carat was the incumbent on US media, and various agencies handle global media. The brand also selected the New York-based digital outfit Work & Co. without a formal review to handle digital innovation duties.
- Global pharmaceutical technology company **Körber Pharma** selected WPP's Wunderman Thompson Germany as its global marketing communication lead following a review. The agency will lead all brand and B2B communication for the company.
- 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.
- 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.
- 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.
- 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.
- 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.
- Furniture retailer **Bob's Discount Furniture**, the eighth-largest US furniture retailer, selected Horizon Next, the performance marketing arm of Horizon Media, as its media AOR, following a review. The incumbent was Havas Media. The agency will handle all paid media, including TV, paid social, paid search, digital audio, programmatic, connected TV, and out-of-home.
- Furniture producer **La-Z-Boy** selected Stagwell-owned and Minneapolis-based Colle McVoy as its creative AOR. The agency will handle brand strategy, design, public relations, and influencer marketing.
- Reckitt's **Durex** brand selected Interpublic's McCann Worldgroup and MRM as global brand lead across Europe and the US, expanding McCann Worldgroup's scope with Reckitt (namely Lysol and Enfamil), replacing incumbent Havas. Havas remains on the agency roster.
- Hardware giant **True Value** selected Chicago-based Laughlin Constable as its AOR. The brand previously handled the work in-house. The agency will handle branding, creative and media strategy, and media buying at a later point.
- Pet food brand **Freshpet** selected Empower Media as another media planning and buying agency, joining Cage Point on its roster. The agency will focus on strategies, sustainability expertise, influencer networks, and marketing science capabilities. Cage Point will continue to handle linear TV, CTV, OOH, online video, social, and other channels.



The Goldilocks element is to really figure out how to do high-tech and high-touch marketing."

Drew Panayiotou
Global CMO, **Pfizer**



Retail:

- **Philips Domestic Appliances** selected Omnicom Media Group as its global media AOR, replacing three-decade incumbent Carat. The agency will focus on integration, standardization, automation, simplification, and innovation.
- Home appliance company **SharkNinja** selected Carat as its media AOR following a review, replacing four-year incumbent PG Mediabrands agency UM. Carat will manage all media planning and buying for the brand in North America.
- Texas-based workspace furniture company **Vari** selected 9thWonder as its media AOR. The agency will handle branding, awareness, and lead generation.



- **The Gorilla Glue Co.** selected Cincinnati-based Curiosity as its media planning and buying AOR, replacing 10-year incumbent Empower Media. The agency will partner with the in-house creative team.
- **Ikea** selected IPG's McCann as its global brand marketing AOR, replacing a wide number of agencies across the globe to streamline and consolidate efforts. The agency, which worked with the Swedish brand for over 10 years, will now lead the account from its Madrid office but support the brand in 30+ markets.
- **Mattel** kicked off a review of its creative business for its Barbie brand, seeking to hire a creative agency for project work.
- Drinkware brand **Stanley** selected Omnicom-owned agency GSD&M as its first TikTok AOR. The brand previously worked with the agency on a project basis. The agency will handle TikTok strategy and video creation and support the brand, which manages influencer partnerships in-house.

Technology:

- China-based smartphone maker **OnePlus** selected WPP's GroupM agency mSix&Partners as its media AOR in North America. The agency will handle all media programs for the US and Canada, including strategy, planning, investment, and data and analytics.
- **Adobe** selected WPP's Wavemaker and Publicis Media as its global media AORs following a review of its \$500 million global b-to-c media business. Incumbent Wavemaker retained the US work, expanding to cover Canada and LATAM. Publicis Media will handle EMEA, APAC, and Japan, replacing incumbent Dentsu. The holding companies will cooperate a new global center of excellence.
- Collaborative work management software company **Smartsheet** selected marketing agency SS+K as its brand advertising agency following a review.

Technology is transforming advertising: CES just showed us how



After attending the 2023 Consumer Electronics Show (CES), we see three major trends developing. Visit agencymania.com/technology-is-transforming-advertising-ces-just-showed-us-how to check out our article **Technology is transforming advertising: CES just showed us how**.



- **Bose** selected VaynerMedia London as its global brand AOR, Indie PMG as its performance media AOR, and market research agency Ipsos and Hill+Knowlton as analytics AOR following a review, replacing media incumbent WPP and other agencies. VaynerMedia will partner with the brand's in-house resources.
- **Amazon** kicked off a massive review of its media account (the brand's worldwide advertising and promotion spending went up by 22% in 2022 to \$20.6 billion). IPG's Initiative is the incumbent for media buying, media planning, and strategy for various pieces of Amazon's business.
- Event and ticket seller brand **Eventbrite** selected independent agency Mojo Supermarket as its creative AOR, handling all brand positioning, strategy, and creative output. The agency was Ad Age's Small Agency of the Year in 2022 and was recently awarded AOR status with Death Wish Coffee.
- **Lenovo** selected Wunderman Thompson as its B2B global creative AOR following a review, as part of a consolidation. The agency will handle digital and social marketing as well.
- Online craft marketplace **Etsy** selected Brooklyn, New York-based agency Orchard as its creative AOR following a review, replacing Stagwell's 72andSunny, the three-year incumbent.

Travel and accommodations:

- **Alaska Airlines** selected VaynerMedia Los Angeles as its US media AOR following a review. The agency is expected to leverage its "cohort-led approach" and partner with Mekanism, Alaska Airlines' creative AOR.
- Collinson-owned airport-experience company **Priority Pass** selected experiential performance agency Cheil UK as its performance media AOR following a review.
- **Korean Air** selected Hyundai Group's Innocean USA as its media AOR following a review and expanding on the existing relationship between the brand and agency. Innocean already handles global creative.
- Rail system **Amtrak** selected Mekanism as its creative and strategy AOR following a review, replacing five-year incumbent WPP's VMLY&R. WPP's EssenceMediacom retained Amtrak's media business, and independent shop Culture One World retained its cross-cultural account.
- **Hyatt Hotels & Resorts** selected WPP-owned VMLY&R as its creative AOR. The agency will handle all creative duties for World of Hyatt worldwide, which includes over 1,200 hotels and all-inclusive properties in 76 countries across six continents.
- German airline **Lufthansa** selected independent Serviceplan, House of Communication Munich, as its creative AOR, replacing 12-year incumbent Accenture Song following a review. The agency will handle all worldwide marketing communication for the brand.

- **Royal Caribbean Group's** luxury cruise line Silversea selected Interpublic Group's Mediahub as its North American media AOR following a review. The agency will handle media planning, buying, data, and audience strategy, expanding on existing work for the brand in the UK.
- **Uber** selected Omnicom Media Group as its global media AOR for both Uber's rideshare and delivery businesses, following a review and replacing three-year incumbent GroupM's Mediacom. The agency will handle all media duties in North America, Europe, and LATAM and will leverage its Omni marketing orchestration system. EssenceMediacom retained APAC.
- **Virgin Voyages** selected Hearts & Science as its global media AOR. GroupM's EssenceMediacom apparently initially won the account, but Adweek reported that the brand experienced "unforeseen operational concerns," leading to the change of agency.

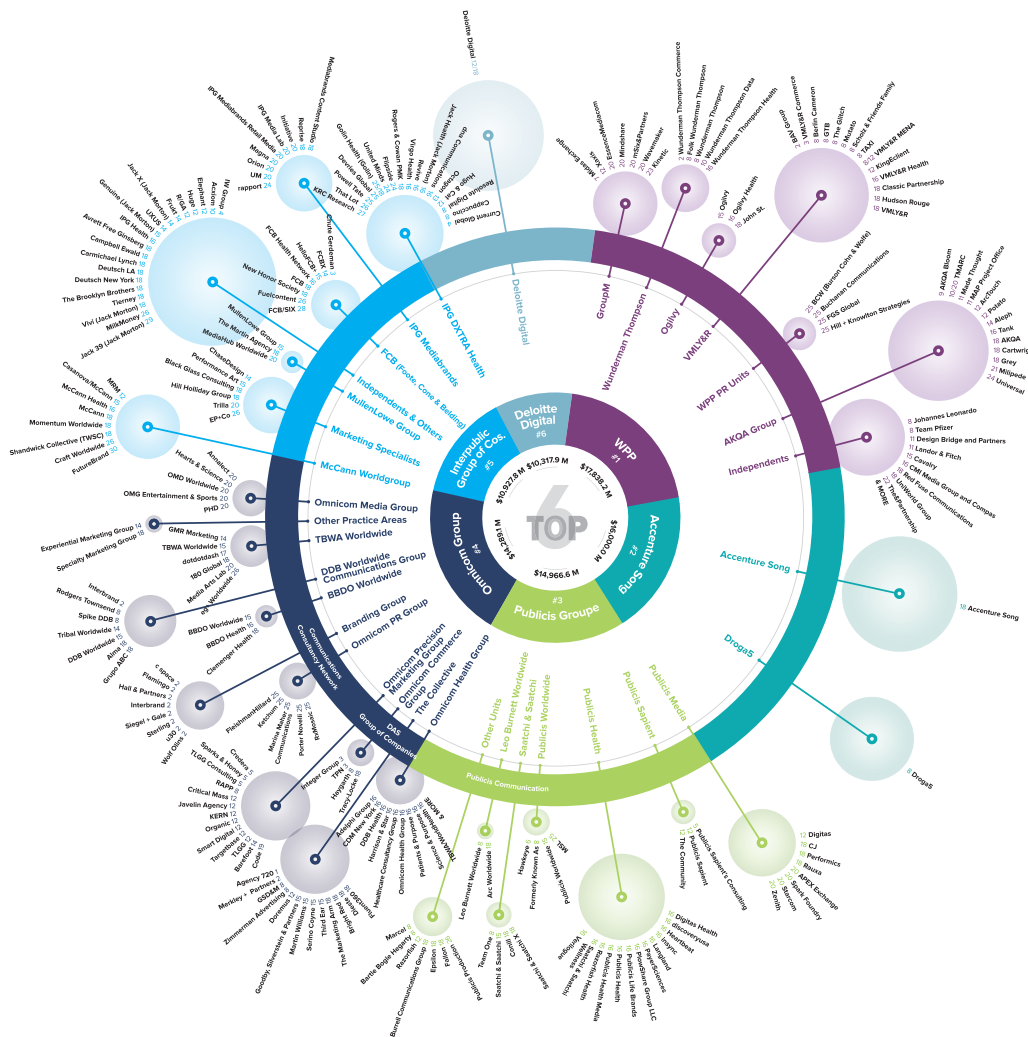
Services:

- **KB Home** selected Team One, Publicis Groupe's fully integrated media, digital, and communications agency, as its new strategic and creative AOR following a review. The agency will handle paid media, digital, and social media communications, collateral, signage, and emerging channels.
- Seattle-based real estate firm **Zillow** selected Stagwell-owned 72andSunny as its creative AOR following a review, replacing incumbent Fig. The agency will produce creative campaigns and brand-building initiatives.
- Paris-based electronic device and appliance refurbisher company **Back Market** selected GroupM's Wavemaker as its global media AOR following a review. The brand previously worked with local media agencies around the globe.
- 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.
- **Orangetheory Fitness** selected independent Mother LA as its new creative AOR following a review. The agency will collaborate with the brand's other AORs: Tombras (media) and Coyne (PR).
- **Ancestry** selected Starcom's Publicis Vita (powered by Publicis Media's Starcom) as its global media AOR, consolidating its \$200 million account with the bespoke media agency. The agency will handle media strategy, planning, partnerships, and buying.
- **Verizon** selected WPP's Ogilvy as its lead AOR for its consumer business, replacing eight-year incumbent IPG's McCann and adding to its prior win of the business-to-business account. Other IPG agencies on the roster include FCB, R/GA, Golin, MRM, and Momentum. The agency will partner with the brand's media AOR, Publicis Groupe.



2023 TOP 15 AGENCIES IN THE WORLD

BY 2022 REVENUE



AREAS OF DISCIPLINE

- | | | |
|---------------------------------|-----------------------------|---------------------------|
| 1 Branding | 11 Design / Brand Strategy | 21 Mobile Gaming |
| 2 Brand Consulting + Experience | 12 Digital | 22 Multi-Disciplinary |
| 3 Commerce-related Services | 13 Event Marketing | 23 Out-of-home |
| 4 Communication | 14 Experiential | 24 Other |
| 5 Consulting | 15 Full-Service | 25 PR |
| 6 Content | 16 Healthcare | 26 Production |
| 7 Corporate Trading | 17 Innovation | 27 Research |
| 8 Creative | 18 Marketing | 28 Specialist Creative |
| 9 Cultural | 19 Marketing Science + Tech | 29 Sponsorship Consulting |
| 10 Data + Insight | 20 Media | 30 Strategy/Design |

NOTABLE CHANGES FROM 2021-2022

- Accenture Song jumped 2 rankings in 2022 (bumping Omnicom down ranks), resembling massive YOY growth and in part due to 2022 acquisitions: Romp, Joikarto and The Stable, Minneapolis
- Quad made the Top 15 list, landing at spot 11
- Year-end 2022 employment at WPP, Publicis, Omnicom, Interpublic and Dentsu is up 6.4% (AdAge)
- Deloitte Digital moved up a ranking in 2022, surpassing Dentsu
- Employment for U.S. ad agency jobs was at an all-time high in October 2022 (AdAge)
- Stagwell Inc. saw significant revenue growth in 2022, with its % change year over year up 14%
- 2022 U.S. agency revenue growth was up 9.9% based on agencies tracked in Agency Report (AdAge)
- Deloitte Digital experienced significant growth, in part due to various acquisitions including Madras Global, Awesome TLV, and The Working Group (TWG)
- VMLY&R, VMLY&R COMMERCE, and GTB merged to form VMLY&R MENA

Agencies listed are of particular note with a global reach, and do not capture the entire roster. Current as of September 14, 2023.

AGENCY	2021 (Millions)	2022 (Millions)	% Change (yr over yr 2021)	% Change (yr over yr 2022)	Global HQ	Countries #	Employees #
1 WPP	\$17,610.5	\$17,838.2	12.1%	1.3%	London, UK	110	115,473
2 Accenture Song	\$12,500	\$16,000	17.4%	28%	NYC, USA	120	UNK
3 Publicis Groupe	\$13,890.3	\$14,966.6	10%	7.7%	Paris, FR	110	98,022
4 Omnicom Group	\$14,289.4	\$14,289.1	10.2%	0%	NYC, USA	100	74,200
5 Interpublic Group of Cos.	\$10,240.7	\$10,927.8	11.9%	6.7%	NYC, USA	100	58,400
6 Deloitte Digital	\$8,741.0	\$10,317.9	9%	18%	NYC, USA	>30	42,898
7 Dentsu Group Inc.	\$9,887	\$9,532.2	13.1%	-3.7%	Tokyo, JPN	145	69,066
8 Hakuhodo DY Holdings	\$7,525.1	\$7,395.8	15.2%	-1.7%	Tokyo, JPN	>29	27,912
9 IBM iX	\$6,385.3	\$6,809.2	15.2%	6.6%	Armonk, USA	UNK	UNK
10 Cheil Worldwide	\$2,897.8	\$3,305.2	24.2%	11.7%	Seoul, SK	45	6,819
11 Quad	\$2,960.4	\$3,217	UNK	8.7%	Sussex, USA	14	UNK
12 Vivendi's Havas	\$2,770.2	\$2,915.1	13.6%	5.2%	Puteaux, FR	100	21,908
13 Stagwell Inc.	\$2,224.3	\$2,687.8	6.6%	20.8%	NYC, USA	>34	13,200
14 Innocean Worldwide	\$1,306.8	\$1,363	25.9%	4.3%	Seoul, SK	17	3,322
15 Advantage Solutions	\$1,220.4	\$1,340	UNK	9.8%	Irvine, USA	>40	UNK

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Year-end summary

February 2023 | Volume 68

Madison Avenue is no more. At least, that is the message TBWA\Chiat\Day New York conveyed in a full-page ad titled “The last ad from the last big ad agency on Madison Avenue” and written by ad celebrity Rob Schwartz. The ad announced with fanfare that the iconic agency is moving to a new address “on the other side—of Third Avenue.” It signals the end of an era, symbolic of corner offices, martini lunches, boardrooms “filled with only white men,” and some dated ways of managing clients and employees. Congratulations to TBWA\Chiat\Day for making such a poignant point. 2023 will be the year of talent.

March 2023 | Volume 69

The buzz in talent has been about the potential impact of AI on productivity and skills. Agencies are using AI in a variety of ways. For example, iHeartMedia is leveraging AI to power new brand safety tools for podcast advertisers. Many “ChatGPTlike” capabilities are emerging in analytics, like Dealtale’s Marketing Co-pilot or Edelman’s Trust Management Platform, amid a wave of excitement industrywide. Everyone is trying to figure out how to best leverage AI, what the implications are on how we use talent, and how it impacts the work itself. But one thing is crystal clear: No matter your profession in advertising or how you feel about technology in general, you should already be experimenting with AI tools today and anticipating how they might affect what you do and how you do it tomorrow. As Dimi Albers, Global CEO of DEPT, put it, “AI won’t replace people, but people who use AI will.”

June 2023 | Volume 70

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.

July 2023 | Volume 71

In our Volume 70 Industry Update, artificial intelligence was a hot topic and remains so in this edition as brands and agencies explore how to leverage AI in every aspect of their operations and activities. So, it only made sense to create a new Industry Update section dedicated to AI to cover developments and trends. Be sure to check it out. Agencies are moving aggressively to secure these capabilities as evidenced by Publicis Groupe’s purchase of AI Labs, WPP’s partnership with Nvidia to launch a generative AI platform, and Omnicom’s deal with Adobe, Google, and others. Given the level of interest and excitement, I anticipate many more announcements about AI here moving forward.

September 2023 | Volume 72

The agency world is dealing with global issues ranging from high interest rates, inflation and economic pressure, military conflicts, and natural disasters, combined with shifting client expectations and an AI-led era of advertising that is uncertain and fast moving. AI shows great potential in marketing and advertising and is proving to be a good counterbalance to the current state of the economy. You may have noticed that all major agencies are claiming a piece of AI today through investing, striking deals with tech firms like Google and Adobe, or coming up with their own proprietary offerings, as well as exploring new, more automated ways to produce work. We are now beyond AI as a buzzword. It’s been implemented across a number of activities, from audience planning to content creation. And innovation is clearly not limited to the US. China’s investment in AI, for example, is projected to exceed \$38.1 billion by 2027, making up about 9% of the global total, according to market consultancy EDC. Industry Update recently introduced a new section on AI to cover major developments, and there are a lot of them, so put on your seatbelt and let’s take a closer look.

October-November 2023 | Volume 73

One of the highlights of this Industry Update is the merger of WPP’s VMLY&R and Wunderman Thompson. The new entity will be called VML, not VMLY&RWJWT as some jokingly expected. WPP is merging two of its largest creative networks, 30,000 employees strong in 64 markets, to simplify and streamline how it serves clients. Meanwhile, Amazon is reviewing its media account. Olivier Gauthier, the founder and CEO of COMvergence, calls it “the global media pitch of the decade,” with over \$2.5 billion in billings (minus search, social and performance media still handled in-house). IPG’s Initiative and its bespoke agency Rufus will defend vigorously, without a doubt. A loss or a win would be significant for the media agencies concerned.





Key takeaways and predictions:

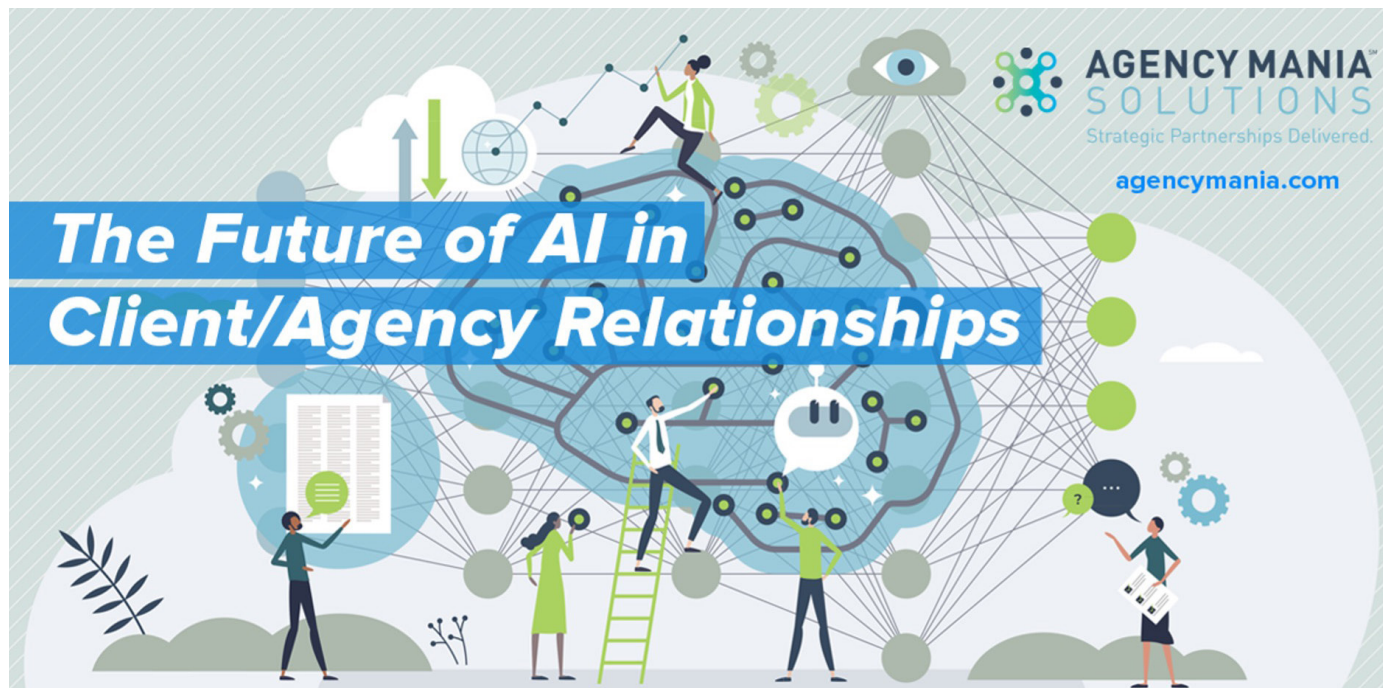
- **AI** was voted the Association of National Advertisers' (ANA's) 2023 Marketing Word of the Year. Prior top words include inclusion, diversity, pivot, personalization, brand, purpose, artificial intelligence, transparency, content marketing, and programmatic.
- Per Ad Age, **top 2022 account moves** included Nike splitting its \$1 billion account between independent agency PMG and Interpublic Group of Cos.' Initiative; Anheuser-Busch InBev hiring Publicis Groupe for its media; Bud Light selecting Anomaly as its creative AOR; Ford Motor Co. hiring Wieden+Kennedy as global creative and brand strategy AOR; KFC hiring Wieden+Kennedy and dropping MullenLowe for US creative; Audible consolidating under Wavemaker; Nationwide choosing GroupM's Essence and dropping IPG's Universal McCann; Jim Beam going back to Leo Burnett and dropping Adam&Eve DDB; Pernod Ricard selecting Publicis for US media; Uber hiring Johannes Leonardo for creative; Allstate hiring Wieden+Kennedy Portland for creative; and L'Oréal selecting Omnicom Media Group for media in the US.
- Per AdWeek, **top 2022 account moves** included AB InBev (from Dentsu Media to Publicis Media, led by Starcom with Dentsu retaining Canada and Africa markets); KFC (from Wieden+Kennedy to Spark Foundry and MullenLowe); Audi (from Venables Bell & Partners to Ogilvy); Audible (from Spark Foundry in the US, Hearts & Sciences in the UK, and numerous agencies in other markets to Wavemaker); Bud Light (from Wieden+Kennedy to Anomaly for Bud Light; The Martin Agency for Bud Light Seltzer); Burger King (from David Agency for creative; Horizon Media for media to O'Keefe Reinhard & Paul for Burger King US creative; PHD for Burger King, Tim Hortons and Popeyes media); Ford (from BBDO to Wieden+Kennedy); Nike (from Mindshare; Assembly to PMG in North America; Initiative outside North America and in the EMEA and APLA regions); L'Oréal (from Wavemaker to Omnicom Media Group); and Mondelēz (from Dentsu Media to Publicis Media; VaynerMedia and WPP retained some of the business).
- The **American Association of Advertising Agencies (4A's)** released its "2023: Look Ahead," addressing government relations and sustainability; new business; evolving compensation models; data and automation and AI; web3 and the metaverse; privacy; sustainability; M&A and succession planning; evolving workforce opportunities; and diversity and inclusion (D&I).
- Per Campaign US, **four takeaways** from the 4A's report:
 1. Automation taking root within agencies
 2. The workforce and the importance of treating D&I as a business imperative versus a talent issue
 3. The impact of the economy on marketing budgets and staff
 4. Trends such as data privacy and other regulatory issues
- Per Ad Age, **top 2022 agency rebrands**: Accenture Song (previously Accenture Interactive), Dentsu Creative (previously DentsuMB, 360i, and Isobar), TRG (previously The Richards Group), The Brandtech Group (previously You & Mr Jones), EssenceMediacom (previously Essence and Mediacom), and GroupM Nexus (Finecast, Xaxis, and GroupM Services).
- Per **Gartner**, 80% of marketers will deal with content authenticity and reputation management issues (fake reviews, fake news, brand misinformation, etc.) by 2027 due to large-scale proliferation of AI content generation. It's estimated that 30% of outbound marketing messages from top brands will be synthetically generated by AI within the next two years.
- **Simplification** remains a key focus for holding groups, as they consolidate hundreds of agency brands under one umbrella (e.g., WPP's GroupM Nexus and EssenceMediacom).
- 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.
- Per Ad Age, **celebrity-owned agencies** are on the rise. Examples: Ryan Reynolds (founder of Maximum Effort), Tom Brady (partner at Shadow Lion), Shaquille O'Neal (co-founder of Majority), Pharrell Williams (co-founder of Mighty Dream), Michael B. Jordan (co-founder and executive chair of Obsidianworks), Paris Hilton (founder of 11:11), A\$AP Rocky (co-founder of AWGE), Kevin Hart (founder and chairman of LOL Studios), Reese Witherspoon (co-founder of Hello Sunshine), Terry Crews (co-founder of Super Serious), Idris Elba (co-founder of SillyFace), Kristen Bell (founder of Dunshire Productions), Issa Rae (co-founder of Hoorae).
- Per Agency Spotter, of the leading 50 **content marketing agencies** the top 5 are:
 1. San Francisco-based Tendo Communications (content marketing, marketing strategy, digital strategy)
 2. Cleveland-based Brokaw (content marketing, video production, advertising)
 3. Dallas-based Groove Jones (AR VR, experiential marketing, animation, content marketing, gaming)
 4. NYC-based Flint & Steel (advertising)
 5. Nashua, New Hampshire-based MarketReach (graphic/communication, marketing strategy, content marketing)Next five agencies: Percepto, Simple Story, HireInfluence, Major Tom, and Kastner Los Angeles.

- Per Agency Spotter, of the leading 100 **digital agencies** the top 5 are:
 1. Marlborough, Massachusetts-based 3 Media Web (search, web, digital strategy, advertising, web development)
 2. NYC-based Digital Silk (branding, e-commerce, marketing strategy, web, digital strategy)
 3. Paramus, New Jersey-based SmartSites (web, social media, advertising, search, inbound marketing)
 4. St. Louis-based Propaganda (marketing strategy, branding, advertising, digital strategy, web)
 5. Miami-based Mod Op (design strategy, social media, advertising, digital strategy, marketing strategy)
 Next five agencies: Response Marketing, Ruckus, Flightpath, Major Tom, Groove Jones.

- **Hollywood studios** and the Screen Actors Guild-American Federation of Television and Radio Artists reached a deal after 146 days of strike and negotiations, securing better protection for writers, a bonus structure for streaming content, guardrails for the use of AI, and other key points. Some actors have voiced concerns that the AI protections are not enough. The SAG-AFTRA board approved the new contract, and the full membership began voting on it Nov. 14.
- Per Brand Keys, **top concerns keeping CMOs up at night** (in priority order):

1. ROI	6. Brand purpose/ESG
2. Inflation/Recession	7. Customer experience
3. Profit/shareholder value	8. AI
4. Budget cuts	9. Consumer expectations
5. New competitors	10. Consumer engagement

 “Work from home/Remote working” and “COVID management issues” were down by 14% and 15%, respectively. Two topics dropped from the list this year: “Remote working upsetting creativity” and “Burnout.”



Visit agencymania.com/the-future-of-ai-in-client-agency-relationships to check out our 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?



Talent:

- Per ID Comms, **tips on how to select a media agency pitch consultant:**
 1. A clear ambition, well-articulated
 2. Stakeholder alignment all the way
 3. Well-engaged process with competitive tension
 4. Transparent and accountable (fair to agencies)
 5. Perfect preparation for a smooth process
 6. Minimizing disruption
- Longtime friend and colleague, and award-winning global marketer, Jim Wallace joined **Blum Consulting Partners** as a key member of the leadership team, after years of partnering with the in-house consulting firm on client projects such as AT&T, Vanguard, and Dell Technologies.
- 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.
- 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
- **Michael Farmer** released his new book, *Madison Avenue Makeover*, which focuses on Mat Baxter's transformation of Huge, macro-level issues faced by agencies, and the redefinition of the ad agency business.
- Advertising Production Resources CEO **Jillian Gibbs** released her new book, *The Marketer's Guide to Creative Production*, leveraging her more than 30 years of creative production expertise working with top global brands.

- Per Steve Boehler, founder and partner of Mercer Island Group, **top questions agencies should be asking clients:**
 1. What is the primary business impact needed as a result of the agency's work?
 2. What level of agency talent do you expect on your business and are you willing to pay market rates for that talent?
 3. Do you routinely ask the agency to evaluate the client's performance as an agency partner?
 4. What is your approval process, and who can approve what work?
 5. What top-to-top check-in cadence can you commit to?
 6. What should I know about your future business needs?
 7. How will you evaluate the agency's work?

Employment in the advertising industry:

- The US Federal Trade Commission's proposed new rule **banning non-competition clauses** in employee contracts (more than 30 million workers have signed one in the US) is projected to increase wages by \$300 billion per year.
- Agencies **innovated to retain talent** in 2022: Ad tech company MiQ offered staff six months of parental leave for either parent. Crossmedia rented summer vacation houses for employees to work from. High Wide & Handsome implemented a "peer pay" program (four \$500 bonuses to give to colleagues) and a \$5,000 expense account for anything they want after five years' employment and a "Lunch for Life" card after 10 years. Agencies GroundFloor Media and CenterTable offer "zero entry Mondays" and "fast exit Fridays" to give employees extra time to relax. The agencies ranked high on Ad Age's 2023 Best Places to Work list.
- London-based holding company **WPP's** goal is to have 75% of its staff worldwide located on campuses. The group opened five new campuses in 2022 and is expected to open six more in 2023. Travel costs in 2022 were half what they were in 2019.
- Per Sharon Napier, executive chair and founder of Partners + Napier and current chair of the 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.



- Like most holding companies and brand advertisers today, **Publicis Groupe** launched a new companywide work-from-home policy, requiring employees to be in the office three days a week, one of which is Mondays.
- **Top 10 Fortune Best Workplaces in Advertising & Marketing™ 2023:**
 1. PMG (Dallas)
 2. Basis Technologies (Chicago)
 3. Horizon Media (NYC)
 4. AppLovin (Palo Alto)
 5. Mediavine (Boca Raton)
 6. Launch Potato (Delray Beach)
 7. NextRoll (San Francisco)
 8. Bluecore (NYC)
 9. Rokr (NYC)
 10. Pattern (Lehi)

AI (artificial intelligence):

- **Forrester** predicts that 33,000 jobs, or 7.5% of US ad agency jobs, could be lost to generative AI automation by 2030.
- The **Center for AI Safety** released a statement warning of the “extinction”-level risks that AI poses to humanity. More than 350 of the field’s top developers co-signed the letter. The European Union is expected to develop its own government regulation and policies in regard to technology and issues surrounding transparency, privacy (aka general data protection regulation), and copyright infringement.
- Consulting firm **Accenture** announced it is investing \$3 billion in the next three years into AI across categories including assets, tools (such as Accenture’s AI Navigator for Enterprise), acquisitions, research, and talent.
- **Adobe** announced it will sell flat-rate subscriptions for new AI services, including legal assurance against copyright infringement claims. Licenses will remove watermarks from generated images, and if a customer is sued for infringement, Adobe will pay damages and assist.
- **Publicis Sapient**, the digital business transformation and consultancy arm of Publicis Groupe, mandated that teams use generative AI from the generation of short-form video series to media research and optimization to improve speed (hours now instead of weeks), improve the quality of content, and cut costs while allowing Publicis’ teams to dedicate their time to more in-depth projects. The goal is to incorporate AI into their work, experiment, learn from it, use it, and be inspired and challenged. The firm recently launched a series of 60-second videos entirely built using generative AI technology. The series took two hours versus the typical two to three weeks to produce. The media team recently incorporated an AutoGPT tool called GoalAI to augment their research and insight process.
- Consulting firm R3 issued a report titled “**AI in Creative & Production**” as a guide for brands on key AI-related topics including AI, Creative Teams & The Value of Talent (and correlation with in-house talent), Applications of Generative AI (across creative marketing and production), and Generative AI Best Practice (best practices and case studies).
- **McDonald’s** developed an out-of-home ad campaign in Brazil using AI in partnership with Galeria.ag. The ad featured a question (“What’s the most iconic burger in the world?”) and a reply from ChatGPT.
- **Coca-Cola** partnered with management consulting firm Bain & Company and OpenAI to enhance the capability and creativity of its marketing department. Coca-Cola launched an AI-centric campaign, “Create Real Magic,” using the latest versions of DALL-E and ChatGPT, giving consumers access to a library of hundreds of the company’s visual assets and invited them to use the assets to create AI-generated artwork. In less than two weeks, 120 images were generated. Coca-Cola selected several pieces of AI artwork submitted by consumers to be displayed on digital billboards in New York’s Times Square and London’s Piccadilly Circus.
- **The Trade Desk** launched an AI platform, Kokai, that can act as a co-pilot for programmatic advertisers, distributing deep learning algorithms throughout the digital media buying process based on access to over 13M ad impressions per second. The AI tool also includes a retail sales index, TV quality/reach indexes, and retain measurement data.
- **Interpublic’s Huge** launched an AI-based analytic engine called Huge LIVE (Living Intelligence Value Engine) that analyzes billions of data points and is designed to help clients identify opportunities in real time and accelerate growth. The engine comprises proprietary AI technology combined with third-party AI platforms in collaboration with sibling company Axiom.
- **Girl Scouts of the USA** used AI in a Google Ads search campaign to reduce cost per acquisition, achieving 40% savings by making thousands of adjustments to the campaign in less than a week.
- **The ANA’s updated media contract template and guidelines** encourage brand advertisers to seek full transparency and provide explicit consent to their ad agencies before they use AI tools to produce work.
- Some agencies, like **BBDO Worldwide**, issued internal memos that urged its employees to refrain from using AI tools in client work unless formally permitted to do so by the agency’s legal team to avoid copyright, ownership, and confidentiality issues.
- **WPP’s Ogilvy** announced it will label influencer content on social media with the hashtag #PoweredbyAI or by using a dedicated watermark to address the proliferation of AI-generated influencer ads and encourage transparency. The agency is inviting other agencies to adopt this industrywide policy (referred to as the “AI Accountability Act”).
- **WPP** set up a partnership with tech company Nvidia to offer clients a new advertising platform based on generative AI capabilities (from the cloud platform Nvidia Omniverse) and connecting generative AI tools from partners such as Adobe and Getty Images. Brands can create 2D images and videos from text, as well as 3D simulations and compelling content for advertising purposes, at a new, unmatched level of realism and scale.



- **Omnicom Group** and **Google** formed a partnership to integrate Google’s generative AI models into Omni, an internal marketing and data platform that works with cloud services, including Google Marketing Cloud, giving brand advertisers generative text and image capabilities. Omnicom initially launched two Google AI models called Imagen and PaLM 2 (Imagen is similar to DALL-E, for generating images, and PaLM 2 is Google’s language model for text).
- **Omnicom Group** kicked off a joint initiative with Adobe to bring enterprise generative AI capabilities to shared clients, leveraging Adobe Firefly models and Sensei GenAI and combining it with Omni data to create highly effective on-brand content and mass personalization at scale. Omnicom was the first advertising holding company to join Adobe’s Content Authenticity Initiative. Omnicom recently implemented an enterprise licensing deal of Adobe’s Content Supply Chain solution, allowing its agencies to have a unified view of every step of the content process.



AI doesn’t replace the artist;
it’s the ultimate wingman. It
hands you the palette; you’re the
maestro.”

Dan Roberts
Creative Director, **The Romans**

THE ROMANS

- **Meta** launched a program called AI Sandbox to allow generative AI into its ad platform, allowing ads in feeds and videos on Facebook and Instagram, personalized messages in ads, and more.
 - **The Brandtech Group** launched Pencil Pro with Unilever and Bayer as partners. The AI offering generates multiple channel ads and copy by looking at a brand’s objectives, assets, and preferences. The process apparently takes minutes, and the resulting content is up to 10x lower in cost to produce but achieves 2x better results.
 - PR platform firm Cision issued **a code of ethics tied to the development of AI-driven capabilities**, including:
 1. Rigorous testing, validation, and ongoing monitoring to minimize potential harm
 2. Privacy protection and security of client information
 3. Transparent documentation and explanation of AI objectives, potential risks, and mitigations
 4. Commitment to maintaining human oversight while targeting and eliminating bias where possible
 - IPG-owned agency **Huge** launched the Creative Capital Index (CCI), an AI-powered tool born out of the data capabilities of LIVE (Living Intelligence Value Engine), a platform that uses AI to sift through data points—both traditional and nontraditional—to uncover insights for brands. The agency leverages its IPG data solutions and combines it with generative AI tools such as ChatGPT and Midjourney to provide insights on human behavior.
 - **Microsoft** launched Predictive Targeting, an AI-based offering available on Audience Ads, allowing brands to find new audiences who are more likely to convert. The Microsoft AI tool learns about individual consumers, what they’re searching for, what they read and engage with on the web, what they purchase, and more. Then, it matches intent to ads in placements across MSN, Microsoft Start, Microsoft Edge, Outlook, etc. Advertisers using Predictive Targeting saw an average 46% higher conversion rate.
 - A new **Virgin Voyages** campaign from VMLY&R called “Jen AI” allows customers to use generative AI to create custom invitations from Jennifer Lopez (who doesn’t have time to call everyone) to send to friends and family.
 - Per the **World Economic Forum**, over 75% of companies are looking to adopt AI tech in the next five years.
 - Following **Accenture’s** \$3 billion investment in AI, the firm also pledged to double its AI staff to 80,000.
 - **Unilever** launched its Generative AI Marketing Collective, a global cross-functional steering committee (composed of senior brand leaders and tech, media, consumer engagement, legal, and procurement teams) to figure out “appropriate use” of generative AI through a marketing lens.
- **Omnicom Group** announced a partnership with Amazon Web Services (AWS) to drive innovation with generative AI foundational models for advertising. Omnicom will use AWS generative AI and machine learning (ML) services, including Amazon Bedrock and Amazon EC2 Trn1n instances powered by AWS Trainium chips that are purpose-built for ML workloads, and will advance its AI-powered platform Omni—an open operating system that ingests trillions of advertising signals monthly and stores more than 10 petabytes of data.
 - **Omnicom Group** launched its Omni 3.0 capabilities, including Omni Assist and Omni Commerce. It launched Omni Assist, a ChatGPT-based chatbot and AI assistant embedded into Omni and developed in partnership with Microsoft, enabling audience development, planning, activation, measurement, and optimization.



- The **US government** reached a deal with Amazon, Google, Microsoft, and Meta to put more safeguards around AI, including the development of a watermarking system to help users identify AI-generated content and a voluntary commitment from the companies to work to ensure their AI products are safe before releasing them.
- **KPMG** committed to investing \$2 billion in AI and cloud services over the next five years, expanding its partnership with Microsoft. The firm expects to generate about \$12 billion in additional revenue through the five-year partnership.
- Publicis' Profitero launched **Ask Profitero**, a chat-based assistant that combines generative artificial intelligence with commerce analytics, curating actionable insights from digital shelf and market data, and produces insights as well as AI-generated content for retailer websites from its predictive analytics suite.
- **Dentsu** entered into agreements with Google and Microsoft to leverage Microsoft's Azure OpenAI technologies, including GPT-4 and Google's Vertex AI and Duet AI generative models. The agency also set up an internal group called AI Connective to lead these efforts.
- **Dentsu** launched Merkle GenCX, a generative artificial intelligence solution, with Salesforce Einstein GPT, a generative AI CRM technology, combining the agency's proprietary data assets with third-party large language models to enable brands to gain more customer insights and create relevant, personalized programs in a privacy-compliant way.
- **MNTN** launched a generative AI-powered ad solution/hub called Viva, which enables clients to use generative AI to create and edit their video content. It supports a range of media types. Viva includes application programming interfaces from OpenAI, text-to-speech software company ElevenLabs, and AI music generator Soundraw.
- **Coca-Cola** launched its Real Magic Creative Academy, a three-day event led by OpenX, WPP's dedicated Coke agency, which included 30 creators, tech firm Nvidia, and Bain & Company, with the aim of exploring ways to create ads.
- Interpublic Group of Companies' **Mediabrand**s entered into an agreement with Google to speed up brands' use of AI by using Google Cloud to develop applications that use generative AI. The agency also developed its own AI tools, like "BrandVoice AI" to build assets in the brand's image and "BrandPortrait AI" to improve its research and planning.
- **OpenAI's ChatGPT** reported 100 million weekly active users and 2 million developers using the platform within two months of launching.
- **President Joe Biden** issued an Executive Order on AI, the federal government's first large regulatory effort in this area, to advance the safe, secure, and trustworthy development and use of AI, while trying to avoid hindrance of innovation. Built on the Blueprint for an AI Bill of Rights and the AI Risk Management Framework, the order mandates a set of minimum evaluation, monitoring, and risk mitigation practices.
- **OpenAI** launched Copyright Shield (for users of its business tier, ChatGPT Enterprise, and its developer platform), pledging to cover clients' legal costs in potential copyright infringement suits. The move was similar to that of other AI and image-making software players, like Google, Microsoft, Adobe, and Amazon.
- Per **Forrester**, top 10 agencies will spend millions of dollars building partnerships with tech providers like Adobe, Anthropic, AWS, Google, IBM, Meta, Microsoft, Nvidia, and OpenAI, to offer AI-based "brand language models."
- According to the 2023 LIONS Creativity Report, a growing number of **Cannes Lions** entries used AI in 2023: 7.3% of all 2023 entries mentioned AI in their synopses compared with 3.7% in 2022.
- **Walmart** launched a new set of generative AI tools, such as generative AI-powered search, a new shopping assistant, "My Assistant," and an interior design feature.
- **Microsoft** launched its first ad product, a format called Conversational Ads, developed specifically for Bing's AI-powered chat to assist consumers in shopping. The solution creates AI-generated tables that display multiple images, products, and product details, such as price comparisons.
- **Havas** expanded its partnership with Adobe, prompting its agencies to use Adobe Firefly and Adobe GenStudio, an enterprise content supply-chain solution built on apps on Adobe's Creative Cloud, Express, and Experience Cloud, to deliver enhanced customer experiences via audience-specific data insights and to accelerate the content process from ideations to delivery.
- **The Coca-Cola Company** used AI to create its newest limited-edition flavor, Y3000 Zero Sugar, along with the packaging design, in partnership with Forpeople, Virtue, and WPP's Open X and EssenceMediacom.
- **Dentsu Creative** launched "The Artificial Client," an AI experiment that generates feedback on creative work from three fictional client personas.
- S4Capital PLC's digital arm, **Media.Monks**, announced a proprietary AI production system that will infuse machine learning into its software-defined production solution to deliver hyper-personalized content across new media formats to tailored, interest-based audiences.
- **BBDO** is using generative AI platforms to help its employees uncover strategic insights and write better briefs.
- **Meta** launched a suite of new generative AI-powered tools for advertisers, including tools like Background Generation, Image Expansion, and Text Variation, available inside Meta's Ad Manager network. These tools allow advertisers to produce multiple backgrounds in advertisements, automatically resize ads to fit different formats, and produce multiple versions of ad copy from an original text. These tools will complement recently launched Meta AI tools like image generators, celebrity AI chatbots, and an AI studio for developers to create AI assistants. The tool can purportedly save at least five hours per week.



- New **YouTube** AI-powered technology, Spotlight Moments, automatically identifies the most popular, relevant videos related to a specific cultural moment, allowing advertisers to drive awareness for their brand next to certain content.
- The **ANA** and **Bloomberg** partnered to publish “The Business Guide to AI,” a multi-channel guide providing actionable and practical insights for CMOs and business leaders.
- **Wunderman Thompson** developed proprietary AI technology in-house to analyze emotional responses to ads. The testing solution, called Reveal, studies micro expressions, such as reactions and changes in facial muscle movement, to measure attention and emotional responses to brand content through real-world environments, via PCs and phones.
- **Alphabet’s Google** released a range of new and free generative AI product imagery tools for US advertisers to create product imagery simply by using text prompts in its Product Studio. The tools purportedly will reduce the necessity of hiring professional picture editors and enhancing low-quality images without a reshoot.
- **Google** launched an image verification tool allowing users to get a picture’s metadata, including its history, and identify AI-generated images. Google’s new AI-generated image tool won’t have a tag/watermark to inform users that they were manipulated, but the information will be stored in the image’s metadata.
- AI firm **Anthropic** received massive commitments from Google and Amazon. Google agreed to invest up to \$2 billion in the AI company and OpenAI rival. Amazon.com agreed to invest up to \$4 billion in Anthropic as well.
- **Google** rolled out invisible AI-generated ad watermarks, called SynthID, for all creative assets generated by AI in Performance Max and Google Ads. The move is designed to prevent systems from engaging with inappropriate and sensitive prompts or policy-violating creatives.
- **Kraft Heinz’s** in-house marketing agency, The Kitchen, which launched in 2020 to create data-led social campaigns at “the speed of culture,” expanded beyond North America into eight markets internationally, including Europe, Australia, China, and Brazil. The agency serves the group’s 335 brands with a model that combines data, tech, and analytics with content creation capabilities.
- Per the ANA, 82% of ANA members now have an **in-house agency** in 2023 (up from 78% in 2018 and 58% in 201). The ANA issued its new report “The Continued Rise of the In-House Agency: 2023 Edition.” 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).
- The **ANA** held its annual in-house agency conference, celebrating top talent and accomplishments in 14 categories, including Best Collaboration Effort, Best Media Plan, Branded Content, B2B Marketing, Experiential (in person and virtual), Integrated Campaign, Internal Communications, Out of Home, Significant Results, Social Media, and Socially Responsible, showing the incredibly diverse ways in-house agencies are contributing to marketing performance among large brands.
- **cain&abelDDB**, one of the leading creative production agencies in the UK, launched an in-house immersive model that the agency is calling On-Site (“Creativity Made Personal”) to deliver creative excellence for clients like Visa (aka VISA Design Hub).
- Per Blum Consulting Partners, top 4 **best practices for augmenting a brand’s in-house agency with contractors**:
 1. Outline your support requirements early
 2. Align on the location strategy
 3. Absolutely negotiate the markup
 4. Define expectations for the working relationship
- Per the 2023 ANA report “The Continued Rise of the In-House Agency,” the **biggest in-house challenges** are:
 1. Managing workflows (77%)
 2. More FTE scaling efficiently/managing resources (57%)
 3. Project prioritization (57%)
 4. Delivering great creative (38%)
 5. Talent recruitment and retention (38%)
 6. Expanding capabilities (34%)
 7. Keeping up with evolving technology landscape (32%)

In-house agencies:

- Per Ad Age and Greatest Common Factory, **five tips for in-house agency success**:
 1. Appoint a brand champion
 2. Develop strategy before tactics
 3. Define value beyond profit
 4. Create multidimensional, intersecting teams
 5. Measure what matters most
- **Delta Air Lines** was selected as the 2022 In-house Agency of the Year by In-House Agency Forum. Delta’s in-house creative studio, Window Seat, comprises “storytellers, designers, and operational visionaries.” The team generated more than 5,000 deliverables in a single year. Other finalists were Comcast (in-house agency Good Kid) and CVS Health (in-house agency Heart Haus).



- Per Slalom Consulting, four top benefits of handling **media in-house** are:
 1. Tech/data ownership (first-party data ownership in a privacy-first, cookieless world)
 2. Cost savings (savings of 15%-25% of media budgets from under performance spending, hidden fees, and markups)
 3. Control (transparency into media buying operations)
 4. Real-time insights
- Per Andrew McKechnie, a board member for WELL/BEINGS, seven key ingredients for an **effective in-house agency**:
 1. Shift the primary focus from cost efficiency to high-value expertise/innovation
 2. Foster a culture of creativity
 3. Develop clear strategies and processes for integrating in-house teams into existing organizations
 4. Build a hybrid mix of support with in-house talent and external capabilities
 5. Build a flexible talent pool
 6. Demonstrate top management support with a clear and unambiguous role for the team
 7. Foster diverse talent

New agencies, capabilities, and reorganizations:

- WPP launched the highly anticipated **EssenceMediacom**, the merger of MediaCom and digital performance marketing agency Essence inside GroupM. The combined entity has 10,000 employees spanning 120 offices worldwide with top clients like Adidas, Airbnb, Bayer, Dell, Google, Mars, P&G, Target, and Coca-Cola.
- **Interpublic (IPG)-owned R/GA** restructured its office and staffing model to embrace “distributed creativity” (from a city model to a country model and into five key practices: Products + Experiences, Connected Communications, Brand Design + Consulting, Media + Connections, and Brand Relationship Design) to address changing client requirements and new business pressures.
- **IPG** has been working on a new full-service media agency called RED within UM Worldwide, part of IPG’s Mediabrands. The firm creates customized solutions using strategy, data-driven insights, and innovative creative ideas.
- **Horizon Media’s Night Market unit** launched a new platform called Neon, which utilizes proprietary artificial intelligence to buy retail media 20%+ more efficiently.
- **McCann Worldgroup** reorganized its various brands—McCann (advertising), MRM (mar tech and relationship marketing), Craft (production), and FutureBrand (brand strategy and design)—as “one united team” to deliver creative solutions faster and with greater collaboration and agility.

- **Stagwell** launched a new unit called Specialty Media, now part of the Stagwell Marketing Cloud division, which will create new brand and performance inventory. The unit will handle innovative solutions like augmented-reality platform ARound, a QR code-powered ad platform for restaurants and bars, and The Travel Marketplace.
- Stagwell-owned omnichannel media agency **Assembly** launched a new media service, called Clean Media Lab, designed to help brands achieve their sustainability goals.



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



- A new agency called **Product** has launched in New York, focused on using artificial intelligence to help clients “future-proof” their businesses with a sustainability mindset. Initial clients include Google, Better, Chubb, and GoodRx. The agency was co-founded by Aaron Shapiro, co-founder and former CEO of Huge.
- A new marketing consultancy called **Weightless** aims to help brands with their use of complex technology and marketing platforms, AI, and other solutions. The agency was started by the founder of Kirshenbaum Bond & Partners. Initial clients include BMW, Hennessy, and Halo Collar.
- New York-based creative agency **Barbarian** launched a new commerce division, called Barbarian Commerce, which combines new content creation capabilities with other efforts such as first-party data and R&D offerings. 200 staffers from sibling content studio Mint Global joined Barbarian Commerce, with offices in Canada, Germany, and Poland.



- **WPP** acquired Satalia, a London-based technology company offering market-leading AI solutions for clients, in 2021. The firm is now part of Wunderman Thompson Commerce, offering custom-made enterprise AI solutions and AI strategy. It developed two products focused on workforce, people resource allocation, and supply chain delivery. WPP builds AI into everything it does, according to the firm, including a video for Nike that showed tennis champion Serena Williams playing past versions of herself.
- Ryan Reynolds' **Maximum Effort** is building a 1.2 million-square-foot production hub and studio just outside of Toronto in an effort to expand the agency's storytelling capabilities. The facility will be a fully integrated production studio for film, scripted and unscripted reality television, drama series, live action, animated feature films, and a "virtual production campus."



The best pitch outcomes I've seen come from processes where clients are investing as much time as the agencies (almost)."

Tracy Allery
Global Category Leader, IBM



- **WPP** and SaaS e-commerce platform **BigCommerce** established a strategic partnership offering omnichannel solutions to help clients using tools and its data-feed management platform Feedonomics, as well leveraging APIs and data sets.
- **WPP** partnered with commerce and payments solution firm Stripe and became a consulting partner within the Stripe Partner Ecosystem to support clients with strategy and consulting on a range of initiatives, including digital transformation, product launches, e-commerce design and development, mobile applications, and payments infrastructure.
- WPP-owned **Wunderman Thompson** launched its commerce and technology division, Wunderman Thompson Commerce & Technology, which includes its end-to-end commerce company Gorilla Group. The division now includes over 4,200 employees with core capabilities in strategy and consulting, commerce experiences, commerce media, data insights, and technology enablement.
- Interpublic Group (IPG) announced that global media agency **Mediahub** is being aligned under its media holding company, Mediabrands, alongside fellow media agency networks UM and Initiative. As award-winning agency Mediahub looks to further evolve its offerings and expand globally with clients, the alignment provides a strong infrastructure for the agency's continued growth and development.
- Omnicom-owned DDB launched **The Uncreative Agency**, the world's first fully automated creative agency. According to the agency, two creative proposals are generated every minute, without human interaction or a budget. The concept originated from RAND, DDB's newly created dedicated Hybrid Creative Platform.
- Formerly Omnicom-owned unit (part of DDB Europe) **DDB Fresh** was rebranded as Imminent and spun off as an independent agency. The agency was known as "the world's first fashion-innovation agency for non-fashion brands."
- **Havas Germany** moved to operating under a single brand umbrella, merging Havas Düsseldorf, Havas Hamburg, and Havas Munich into one entity in a move to offer clients more flexible and agile working models and less silos and administrative efforts.
- Volkswagen Group-owned luxury auto brand Audi formed a 50-50 joint venture, called **Audi RED** (for Rapid Experience Development), with its Toronto-based digital design and development AOR Bimm (which is part of a group of agencies known as the Kyu Collective). The joint venture will handle digital design and development, including upgrading dealer websites in the US and Canada.
- **Dentsu Creative** launched a branded content and entertainment offering and an investment fund focused on financing original gaming, scripted and unscripted TV, and film content. The core of the new unit is Dentsu's previous entertainment business, The Story Lab, and includes 200 entertainment specialists across 13 markets.
- **Dentsu** launched its "Dentsu shop," a fully integrated retail accelerator, drawing upon the best of the network's commerce capabilities across CXM, media, and creative, including Merkle's New Stream Media, loyalty solutions, and globally scaled commerce capability along with Dentsu's retail media activation expertise.
- **Stagwell** folded digital and engineering firm YML into Code and Theory Network to blend tech expertise with its creative shop, along with Kettle (production and creative), Rhythm (CRM), Truelogic (near-shoring), and Mediacurrent. The move aligns a network of 2,000 professionals, boasting 50% engineers and 50% creative talent.
- Stagwell-owned **Concentric Health Experience** and **Scout Health** have joined forces to become ConcentricLife, bringing together the two most-effective, fully integrated specialty agencies focusing on all aspects of health and wellness, pharma, and rare disease—covering both consumer and professional.



- **Madison and Wall**, a new media and advertising consultancy for investors, private equity firms, and other industry players, has launched, led by Brian Wieser, former global president of business intelligence for WPP's GroupM.
- New LA and NY-based experiential marketing agency **The Ev&Ex Agency** has launched. The firm, led by industry veterans, offers events and experiential services, including live production, pop-up activations, event production, brand activations, digital experiences, virtual and hybrid events, booth design, and sponsorship sales.
- In-house firm **Oliver** (part of The Brandtech Group) launched a new unit, InKroud, that brings together culturally immersed talent dedicated to fostering genuine representation and authenticity with brands. It built tools such as Culture Checks (to identify cultural nuances that connect diverse communities to mass brands) and Creative Workshopping (audits of existing assets to assess cultural gaps, relevance, tone of voice).
- **Spectrum Reach** launched a video production platform built on generative AI technology, allowing small and midsize business clients to generate "ready to air" for TV and streaming spots with AI-produced voiceover based on the chosen tone of voice. The whole process, from query to creation, takes five minutes or less.
- 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.
- 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.
- **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.

Need to evaluate your agency partners?

Do you need to validate that you have the right agency partnerships in place? There is a better way.

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- **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.
- Agency matching firm **Brief** expanded its services to include new payment options. As a core offering, Brief allows brands to find a new agency in less than seven days from a marketplace of over 10+ vetted agencies based on several criteria (size, location, expertise, past clients, industry awards, etc.) and specialty needs (e.g., TikTok strategy, audio advertising, influencer programs). The agencies then pitch for the work within a week. First-time posting fee is \$99.
- **Stagwell**, formerly The Stagwell Group, is a global marketing and communications group. Founded in 2015 by Mark Penn, it became a Fortune 1000 company in less than two years. Stagwell, which merged with MDC Partners in 2021, operates in four areas: digital transformation and marketing; research and insights; marketing communications; and content and media.
- **Publicis Groupe** launched a new "end-to-end" production offering for clients that it has dubbed PX, in partnership with Adobe (including Adobe's generative AI capabilities) and a suite of tools and platforms in its Content Supply Chain solution. Directly connected to Publicis Groupe's network of 50 content studios, the capability allows marketers to originate, adapt, version, and optimize content with data-driven personalization at scale.
- **Interpublic Group (IPG)** launched a Creative Commerce Labs program to enhance its end-to-end commerce offering, allowing cross-channel collaboration and partnering with key commerce innovators, such as Amazon Ads Brand Innovation Lab.
- **Havas** launched an offering that combines wellness and entertainment, called Welltainment, that creates content with brands around hypertension, diabetes, obesity, mental health, pediatric asthma, and sexual wellness. The agency will co-create entertainment content with writers, producers, musicians, and game programmers to create content such as movies, TV shows, games, and music.
- **Stagwell's Doner Partners Network** launched a new integrated media offering, Doner Media, allowing clients to leverage its now integrated creative/media capabilities and skill set. Doner Media will provide media planning and buying, audience and communications planning, creative testing, optimization, and real-time reporting.
- **Publicis Groupe** launched an integrated suite of retail media solutions (including products such as Shelf Intelligent Media and Shelf Intelligent Content), as part of its Profitero commerce analytics unit. The suite enables optimization of media activation, planning, and measurement across the largest retail media networks for use on and off retailer sites, including connected TV, as well as boosting sales by optimizing product detail pages and keywords in digital retail through recommended improvements to product copy, titles, and images.
- An independent multicultural creative consultancy called **Included** launched to offer advertising, idea development, diversity, strategic branding, and content creation. The agency was created by the global chief creative officer for DDB's McDonald's account, Luis Miguel Messianu.
- **Omnicom DDB Worldwide** merged two of its agencies, Adam&EveNYC and DDB New York, forming a new agency operating under the Adam&EveDDB name with the goal to combine the startup creative dynamism of Adam&Eve with the scale of the operations of DDB in New York. Key combined clients now include PepsiCo, JetBlue, NBA 2K, PlayStation, Kroger, Kroger Health, Cotton, Lipton, and Molson Coors.
- **Havas Media Network** launched CSA (Consumer Science & Analytics), a new stand-alone offering, initially available in France, Italy, Spain, the UK, the US, and LATAM, that extracts far more meaningful insights from data by leveraging top talent, data, and tech.



- UK creative agency **VCCP** launched a generative AI-focused agency called **faith**. The agency will act as the group's generative AI creative shop through a pioneering partnership with two universities, and also as an explorative R&D hub. The agency created and has been using generative AI tools within its media, data, planning, production, and UX/UI capabilities.
- Stagwell's digital agency **YML** launched a new Accessibility and Inclusive Design practice to help clients comply with Web Content Accessibility Guidelines, aiming to take a leadership role in promoting accessibility and inclusive design across the digital industry.
- The **Creative Brief Archive** was launched by Creative Brief Workshops LLC as a growing repository of finished creative briefs for real products and brands, written by agencies or brands. The Archive is free to anyone who registers.
- Agencies launched **entertainment units** in recent years to create better synergies between brands and long-form content. Examples: Interpublic Group of Companies' Martin Entertainment, Anchor Worldwide's entertainment offering Anchor Entertainment, WPP's Motion Content Group.
- Automaker **Mazda North America** is reducing WPP's Mazda-dedicated Garage Team unit as the brand hires more outside shops, like WPP agencies VMLY&R, Wunderman Thompson, Hill+Knowlton, and GroupM, independent shop Finn Partners, and performance marketing firm Optimal.
- **Havas Media North America** launched the "Meaningful Ad Unit," a proprietary metric for US clients to predict a media placement's probability of attention and subsequent impact. The machine-learning model was created in partnership with Adelaide, a platform focused on attention-based media measurement.
- **Publicis Groupe** launched PX, an end-to-end production offering dedicated to accelerating omnichannel content production, performance, and personalization. Powered by Adobe's Content Supply Chain solution—Adobe Experience Cloud and Creative Cloud, including Adobe Workfront and Adobe Experience Manager—PX is designed to service engaging personalization at scale by leveraging its global audience data, studio capabilities, and media expertise.
- **Stagwell** added Brazilian technology company Qintess to its Global Affiliate Network of agency partners. Qintess offers expertise in digital business transformation in Latin America, the US and EMEA. The move expands the network in LATAM.
- **Stagwell** media agency Assembly launched a European Retail Media Division, brought into Assembly from fellow Stagwell Brand X Performance Network and e-commerce specialist agency Brand New Galaxy.
- **Dentsu** launched a new Tokyo-based division specializing in Japanese animation, Dentsu Anime Solutions (DAS), to develop, produce, license, and merchandise anime characters and content to media outlets and brands worldwide. The agency will develop content with partners like online gaming platform Roblox.
- **Interpublic Group** launched a cloud solution called Real ID, built by Acxiom. Used by IPG agencies such as FCB, Real ID uses data to identify people (without cookies) and integrates with a brand's secure cloud ecosystem.
- **TikTok** added a new "Agency" category to its existing Marketing Partners Program to help brands find specialized agencies that deliver TikTok-style creative capabilities.



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**

BBDO

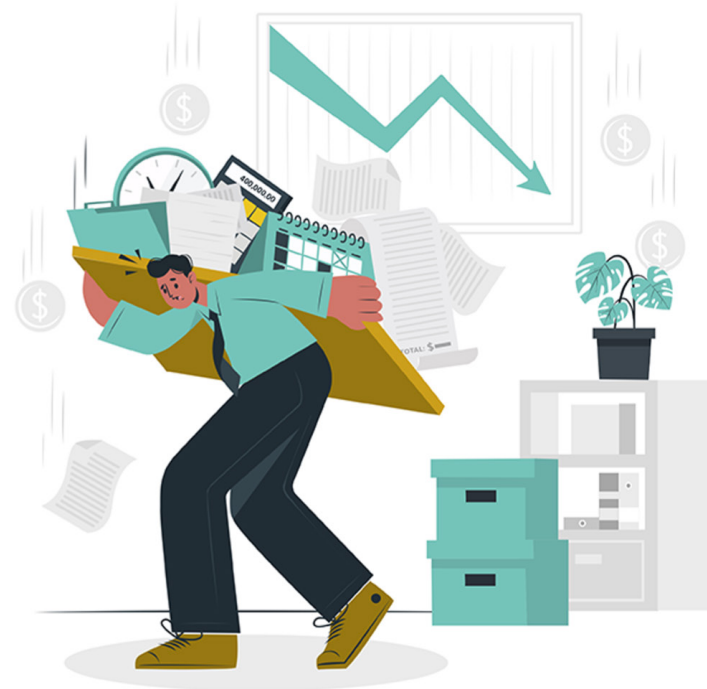
- **Omnicom Media Group** launched its agency-as-a-platform (AaaP) model, a multifaceted and flexible organization equipped to address clients' most complex issues using a combination of technology and tools available across all its agencies.
- WPP announced the combination of two of its major creative agencies, VMLY&R and Wunderman Thompson, to simplify its business for marketer clients and expand its offering in brand experience, customer experience, and commerce. The new entity, **VML**, will have 30,000 employees in 64 markets.



- A new Hispanic-owned holding company called **Culture+ Group** has launched, composed of minority-operated agencies with their own P&L and offering full-service capabilities. Culture+ Group consists of Cien+; its healthcare division Cien+ Health; shopper and experiential marketing agency The Choice+; and market research and analytics company Human Dot Plus.
- **Stagwell** launched a business transformation consultancy called Jemini. The unit is part of Stagwell's Constellation agency group, which includes 72andSunny, 10 Thousand Design, Brand Citizens, Colle McVoy, Exponent, Instrument, Redscout, TEAM Enterprises, Tinsel Experiential Design, and The Harris Poll.
- Stagwell-owned creative agency **72andSunny** opened a brand and marketing consulting arm in LA. 72andSunny Strategy Studio will help clients on a project basis identify new product or service opportunities through brand relevance.
- A new agency called **Creyentes** (Spanish for "believers") just launched to serve brands targeting the Latino community in the US, offering creative and consulting services.
- **Media.Monks** launched Experience.Monks, its first dedicated experience offering, combining teams from experience design shop Jam3, and its capabilities in experiential, events, metaverse, gaming, livestream, VR, immersive web, and AR.
- IPG Mediabrands merged **Kinesso**, Reprise and Matterkind as part of the network's transition to a simplified model under one P&L as clients demand greater speed and flexibility. The agencies will now operate under the Kinesso banner within IPG Mediabrands to unify the data derived from a brand's full marketing system into one growth-driving capability.
- **Interpublic's McCann** launched its McCann Content Studios, a global center for social and creator capabilities, to simplify for clients the process of working on social and creator-led campaigns. As part of this move, IPG's influencer agency, ITB, and the network's social practice, McCann LIVE, will join the new unit. Services will include creative, audience development, creator partnerships, and performance measurement.

Hidden Costs of Changing Partners

Report reveals how to prevent astronomical costs of an agency review



Visit agencymania.com/hidden-costs-of-changing-partners to check out our article **Hidden Costs of Changing Partners**, which discusses a recently released ANA report on how to prevent astronomical costs of an agency review.



- **Dentsu** reorganized its corporate structure in a move to remove barriers and streamline how to work and collaborate with clients. All creative, media, and customer experience management globally are now grouped by practice.
- **Omnicom** merged two agencies within its Precision Marketing Group—digital marketing shop Organic and brand experience agency Barefoot—under the Organic brand with offices in New York, Los Angeles, and Cincinnati.
- **Stagwell** added São Paulo-based and digitally focused agency iClarita to its Stagwell Global Affiliate Program, which has 80 affiliates in 98 countries.
- Boston-based marketing agency **Boathouse Group** launched a new social impact practice to augment its current offering focused on advertising, communication, digital acquisition, and organic social. The agency will assist brands with equity and inclusion, social issues, corporate social responsibilities, philanthropy, employee trust, and more.

Partnerships and collaboration:

- The ANA and the 4A's agreed to partner on a research project about the “**True Cost of Pitching**” (both to agencies and to clients), led by Advertiser Perceptions, to better understand its true financial impact.
- **Coca-Cola Co.** reached a deal with management consultant Bain & Company to explore new ways to enhance the creativity of its marketing through OpenAI (and its tools ChatGPT, DALL-E, and Codex). The technology is embedded in Bain's internal knowledge management systems, research, and processes to improve efficiency.
- **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.
- “**Can This Client–Agency Marriage Be Saved?**” asks Joanne Davis, 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

- **Walmart Connect** named five creative agency partners for marketers using the retail network's self-service advertising tools: VidMob (creative analytics), WhyteSpyder (e-commerce), Kaizen Ad (mobile-optimized video ads), ItsRapid.ai (creative asset management and optimization), and The Mars Agency (full-service shopper and commerce). The company is projected to realize \$3.5 billion in revenue this year.
- Multinational supermarket and convenience store giant **Carrefour Group** and **Publicis Groupe** launched a retail media joint venture, named Unlimitail, leveraging Publicis Groupe's CitrusAd powered by Epsilon platform and Carrefour Links, the company's in-house retail media platform.
- A **Forrester** report titled “Ditch the Pitch” proposes a better way for ad agencies and clients to hook up and engage in fruitful, long-term relationships while avoiding common complaints about the process of searching for and hiring agencies. Among other recommendations, Forrester suggests designing paid projects that clients can assess when selecting an agency, and a six-week process from the start of preparation through selection. The firm estimates US agencies spend \$12.5 billion annually on pitching business.
- **WPP** announced a global partnership with Spotify that will enable WPP to offer its clients early access to Spotify's ad products and first-party intelligence. Spotify will become the first digital audio platform to be integrated directly into WPP's products and solutions, including offerings from WPP data division Choreograph.
- Per Jared Belsky of Acadia, **nine ways to inspire your agency's best work:**
 1. Make great agency stewardship a KPI
 2. Pick agencies for human skills
 3. Onboard intensely
 4. Reveal what inspires you
 5. Have a well-crafted, realistic goal
 6. Make feedback about the brief, not the person
 7. Use a now/new/next framework
 8. Take a long view and understand if it's personal or systemic
 9. Reset before review
- The **4A's** and **Catalyte** have partnered to allow 4A's members to take advantage of Catalyte's AI-powered platform, reskilling program, and placement service. Members can tap into a diverse pool of vetted, qualified candidates from nontraditional backgrounds, access a broader range of skills, and make their workforces more dynamic, inclusive, and competitive.
- WPP's media investment group **GroupM** developed a global collaboration with Amazon Ads, led by The Goat Agency (Part of GroupM Nexus), to introduce creator-led shoppable content to the Amazon advertising suite of services. GroupM clients will have the ability to amplify creator content within the Amazon DSP and in Amazon Sponsored Brand placements.



- Per Sabrina Lynch, six ways to **fix unhealthy agency-client relationships**:
For agencies:
 1. Teach business strategy to account teams
 2. Prioritize generational insights
 3. Don't tag-team client leadsFor clients:
 1. Add CIO duties to CMOs
 2. Champion entrepreneurship
 3. Collaborate on organizational processes
- Per the 4A's, **what it takes to be a true partner**:
 1. Be human: Treat others with respect and empathy
 2. Be transparent: Frequent communication that treats the team as an extension of your own with consistent feedback
 3. Be fair: Provide reasonable compensation and terms
 4. Be decisive: Ensure clarity about the key decision-maker, budgets, and deliverables
 5. Be vulnerable: Open up about where you lack experience and ask questions to learn
 6. Be candid: Own your issues and acknowledge organizational challenges
 7. Be bold: Lean into innovation, get comfortable taking risks
 8. Be curious: Embrace the power of creativity to produce business-building solutions
- Per Dan Eisenberg, CMO of Blue Chip, here is how marketers can conduct **30-day RFPs** and avoid being overly complex:
 1. Investigate upfront
 2. Put chemistry first
 3. Keep briefs brief
 4. Reduce spec work
 5. Get granular on scope
- **Southwest Airlines** and Austin-based full-service agency GSD&M celebrated their 42-year partnership. At the center is a shared passion for customer satisfaction. Both companies are 52 years old.
- **ID Comms** suggested using three C's to establish the priorities of a pitch process:
 1. Capabilities (can the agency do what you need?)
 2. Culture and values (can you work effectively with them?)
 3. Commercial terms (can they provide reasonable costs and terms?)
- The global consortium of independent agencies **Worldwide Partners** added three new partners to its network: Delve, a technology-focused digital agency; Doable, a creative agency founded and staffed by talent with disabilities; and Spark, a creative agency with strong experience in travel and tourism.

Research and organizing for success:

- Disruption is on the horizon with a **wave of agency reviews**. Per Forrester's B2C Marketing CMO Pulse Survey, 38% of CMOs plan to review their media agency, and 37% plan to review their creative agency in the next 12 months.
- Per GWI, 23% of executives in marketing are interested in **artificial intelligence**, 17% are concerned about AI, and 12% worry that AI will take their job (or those who know how to use AI).
- Per R3 and its ranking of 2022 **agency new business wins**, the number of global pitches increased 11% last year. In the US, both creative and media pitches decreased in value by more than 40%, combined with a decline in traditional advertising services in favor of e-commerce, data, and performance marketing services and an increase in advertisers awarding projects without making long-term commitments. Publicis Groupe was the top holding company globally with 2,249 wins and a revenue increase of \$804 million as a result of new business, followed by WPP (1,786 wins and a \$425.1 million revenue increase).
- 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.
- Per consultancy R3, there have been 117 **creative reviews** in the US this year, down YOY. On the media side, there have been 44 reviews (vs. 51 in the same period last year). The average billing in a creative review is \$19 million this year (vs. \$11 million a year ago) and \$46 million on the media side (vs. \$36 million a year ago).
- Per R3, five primary factors that are motivating marketing to **review agency models**:
 1. A premium on digital, social, and content
 2. Flexibility in resources, capabilities, and timelines
 3. Integration that's responsive to global, regional, and local needs
 4. Access to talented full-service specialists
 5. A desire for breakthrough creative at speed
- Per the **World Federation of Advertisers (WFA)** and **MediaSense** in their new report, "Future of Media Agency Models," 88% of multinational brand marketers are unsatisfied with their media agency partnership model, and only 11% think their media agency's model is fit for their purposes. 37% are looking for simplification through working with fewer partners. 97% claim that talent remains a top priority. 27% brought parts of their paid media buying in-house, and 16% are handling more than 25% of their paid media budget in-house.



- Ad Age published its “**The State of Agency Operations Report**” in partnership with Teamwork.com, which taps input from over 500 agencies. Key highlights:
 1. 52% of agencies are struggling to hit billable utilization rate benchmarks over 50%
 2. 54% of agency leaders are working more than 40 hours per week
 3. Only 18% of agencies reach billable vs. non-billable time targets Top operational challenges:
 4. Difficulty keeping projects within budget (33%)
 5. Difficulty keeping projects on schedule (29%)
 6. Difficulty projecting team member utilization for projects and getting team members to consistently complete timesheets (28%)
- Per **Accenture**, 80% of CMOs plan to increase budgets for AI and data in 2024, up from 57% in 2022, and will primarily be directing generative AI funds toward customer service, marketing, and research. 70% have trained staff on effective uses of generative AI, claiming the technology is improving workforce aptitude.
- Per Goldman Sachs, **generative AI** could drive a 7% (almost \$7 trillion) increase in global GDP. AI-related investment could peak as high as 2.5% to 4% of GDP in the US and lift productivity growth by 1.5 percentage points over a 10-year period. AI investment is forecast to approach \$200 billion globally by 2025.
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Responsible advertising:

- R/GA **Ventures** launched the Future Climate Venture Studio in partnership with University of Connecticut and Hartford-based startup incubator CTNnext to provide investment capital, tech solutions, industry connections, and opportunities to startups in the climate space.
- The **Federal Trade Commission** has issued Green Guides to help marketers be truthful in making environmental claims like “green” and “ecofriendly,” and provide adequate evidence.

- **2022 ANA inclusion and diversity initiatives** included:
 1. My Voice Matters Inclusion Research
 2. AIMM Toolkit (a resource to help brands create a road map)
 3. Supplier Diversity
 4. LGBTQ+ Marketing Inclusion Report
 5. Ask Research Service (third-party research, case studies, peer-to-peer insights, benchmarks, best practices)
- **Meta Platforms Inc.** (parent company of Facebook and Instagram) decided to prevent advertisers from using the gender of teenagers to target them with promoted messages on its sites, following an earlier decision by the company to stop advertisers from targeting teenagers based on their Facebook or Instagram activity, such as the Pages they like.



Relationship therapy is not a sign of weakness; it's a sign of intent, a willingness to get to the root of the problem.”

David Muldoon
VP, Strategic Advisory EMEA, **MediaLink**

MEDIALINK

- The Publicis Foundation launched the “**Working with Cancer**” pledge at the World Economic Forum in Davos. Publicis formed a cross-industry coalition to erase the stigma and insecurity of cancer at work. More than 30 companies vowed to build supportive, recovery-forward work cultures (at least a year’s worth of job security, personalized support when they return to work, and access to a peer groups).
- **Cannes Lions** added non-compulsory sustainability reporting to its awards submissions process, using Ad Net Zero’s five-point decarbonization methodology as a guide.
- **IAB Tech Lab** started the Green Supply Path Initiative aimed at helping the advertising industry lower carbon emissions by optimizing the programmatic supply path.



- **Macy's** launched a funding program, called S.P.U.R. Pathways, to advance entrepreneurial growth among diverse-owned businesses, as part of its Mission Every One commitment. The retailer also made a 15% pledge to put more Black-owned brands in its stores.
- Global media consultancy **MediaSense** has developed a Diversity, Equity & Inclusion Audit to evaluate brands' effectiveness in supporting diverse-owned media and reaching multicultural audiences, including media planning, data implementation, ad technologies, and partnerships.
- **The 4 A's** recently published an environmental, social, and governance (ESG) guidance white paper to help agencies navigate regulatory and reporting guidelines for ESG compliance (with 600+ ESG frameworks and standards around the world).
- Chicago-based agency **OKRP** launched Putney, an independent Black-owned production and content studio.
- Per **GMR DEI principles**:
 1. Uphold DEI as our operating system. It is central to everything we do.
 2. Hold ourselves accountable, always.
 3. Make room for mistakes. Even with good intentions, we're still learning and growing.
 4. Acknowledge discomfort. Move forward with courageous dialogue.
 5. Keep a clear goal but take a flexible path. Allow for healthy disagreement.
 6. Strive to be an industry leader. Be the change we expect to see.
 7. Lead with respect and kindness. This is non-negotiable.
 8. Never stay neutral on inequity or human rights.
 9. Focus on impact, not intent.
 10. Value progress over perfection.



Inclusive and accessible design is good design for everyone.”

Marie-Claire Barker
Global Chief People Officer, **GroupM**

groupm

- Industry group **Ad Net Zero** launched its US chapter, which aims to reduce advertising's carbon impact, including issuing industry standards, a carbon calculator, online training, global summits, industry awards, and more.
- WPP media group's **GroupM** upgraded its carbon calculator to measure the carbon footprint of client campaigns more accurately via a new partnership with Scope3, a company that offers vendor-level data within programmatic advertising to see real results in reducing carbon emissions.
- **WPP** has been named in the 2023 Bloomberg Gender-Equality Index for the fifth consecutive year, demonstrating commitment to improving gender equality in the workplace.
- The new venture **X_Stereotype**, a platform that uses AI to assess bias in advertising, has launched, from serial entrepreneur Larry Adams. The platform relies on data that analyzes and ranks commercials, social media posts, branded content, PR messaging, and other forms of advertising based on their inclusivity.
- **GMR Marketing** produced the 2022 Annual DEI in Review to promote a diverse workforce, foster a workplace that maximizes unique talents, and make authentic stories that are reflective and inclusive of global communities.
- 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 rollout of new lines of business, like 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
- The **Global Alliance for Responsible Media (GARM)** and Ad Net Zero launched a new initiative and resource to address media's climate impact and to standardize methodology for media decarbonization. The document, called the GARM Sustainability Action Guide to Reduce Media Greenhouse Gas Emissions, provides common definitions, common metrics, shared tools, independent verification, and more.
- Climate change industry activists and protesters gathered at agency HQs of Wunderman Thompson and Havas to protest the agencies' partnership with fossil fuel and energy giant **Shell** as it initiates a major review of its media agency relationships.
- Per **GARM**, 10 steps to cut back on climate-harming emissions from the media ecosystem:
 1. Build a sustainability-assured media partner list
 2. Streamline media value chain and technology
 3. Improve sustainability of creative assets based on media sufficiency
 4. Compress and consider length of digital creative formats
 5. Stream content and landing destinations versus preload
 6. Optimize ad flighting to include off-peak energy periods
 7. Streamline and optimize data usage
 8. Look for sustainability in print
 9. Look for sustainability in outdoor
 10. Consider emissions data in media measurement models
- Per IPG-owned agency **Magna**, eliminating impressions that don't comply with the Media Rating Council standards would reduce 6% of carbon emissions generated by online advertising, and the longer a digital ad is viewed on a page, the lower the carbon emissions created as a result. (For example, a spot viewed for 10 seconds produced 64% less carbon emissions than a spot that was in view for 5 seconds.)
- 50+ brands (Eli Lilly, Pfizer, HP, Intel, Sony, Levi Strauss, Mondelēz International, etc.) signed a statement developed by GLAAD in support of the **LGBTQ+ community**, rejecting harassment and bullying and pledging to join together to reaffirm their unwavering commitment to LGBTQ+ individuals.
- Spending on **Black-owned media** made up 62% of the spending on **diverse-owned media** in 2022. Black-owned companies only made up 47% of diverse-owned outlets. AIMM/SMI reported that spending with Black-owned media companies tripled since 2020, to \$880 million. Spending on diverse-owned media rose at an 80% annual rate from 2020 to 2022, going from \$400 million to \$1.4 billion. Spending on all diverse-owned media made up only 1.85% of total spend in 2022, and spending on Black-owned media comprised 1.16%.
- Drugstore chain **CVS** launched a campaign called "Role Model" with its agency Digitas, meant to highlight the insecurity created for Gen Z viewers by influencers and others on social media, while celebrating the fifth anniversary of its Beauty Mark initiative (which involves putting a "CVS Beauty Mark" watermark on ad images that have not been altered while denoting those that have been changed). The campaign invites the audience to "Tag posts #DigitallyAltered or #BeautyUnaltered."



- **Mastercard** and **McCann Poland** won the Sustainable Development Goals Grand Prix at the Cannes Lions International Festival of Creativity for their work on the WhereToSettle app. The campaign helped 20% of the 1.5 million Ukrainian families and refugees in Poland find the best opportunities and places to resettle.
- Per Numerator, 63% of consumers say that **diverse representation** in advertising is definitely or somewhat important to them, and 44% say LGBTQ+ representation in advertising is important to them.
- Per the **4A's**, the number of agencies owned or run by white CEOs jumped to 90.2% in 2022 from 73% in 2021, and representation for owners and CEOs across other ethnicities dropped (from 5% to 0.75% for Black representation, from 12% to 1.5% for Asian, from 10% to 5% for Hispanic). The number of female ad professionals rose to 61% in 2022 (from 60.4% the year prior).
- **GroupM**, WPP's media investment group, reached an agreement with ad tech company SeenThis that will allow the firm to leverage SeenThis' expertise and proprietary technology to reduce and avoid unnecessary carbon emissions from digital advertising.
- **Publicis Groupe** shared its US staff diversity data and says it exceeded its 45 million-euro investment pledge announced in 2020. Per Publicis, the percentage of people of color remains consistent at 34.6% in 2023. Of new hires who self-identified their race, 40.6% are people of color (8.5% as Black, 11.3% as Hispanic/ Latino, 15.6% as Asian).
- At the **2023 United Nations Climate Change Conference (COP23)** over 130 brands, including the world's largest advertisers such as Unilever and Danone, representing over \$1 trillion in global revenues, joined forces and partnered with nonprofit organization We Mean Business to ask global leaders to reduce emissions and the use of fossil fuels.
- **Clean Creatives** published a so-called "F-List" of top-ranked agencies and how many of their accounts/clients are fossil fuel companies or promote fossil fuel activities. Per the report, holding company WPP has 55 such contracts. Clean Creatives staged a small demonstration outside Havas's offices in New York to protest their new contract with Shell.
- **Apple's** goal is to be carbon neutral by 2030. In its latest environmental progress report, it said it has reduced its emissions by over 45% since 2015. The brand cleverly asked Human Nature in its recent Apple product showcase conference to walk through the company's green performance to date.
- The **ANA and the 4A's** jointly published the report "Guidelines for Getting Started When Investing with Diverse Media Companies," which has 11 new guidelines.

Training and new ways of working:

- The **4A's (aaaa.org)** launched an initiative with Catalyte and its end-to-end, AI-driven, reskilling program to eliminate hiring bias and create opportunities based on aptitude, regardless of background or education. The partnership also helps expand the pool of vetted candidates from nontraditional backgrounds, focusing on entry-level jobs and offering intensive apprenticeship training opportunities (the 4A's reports a conversion rate to full-time hires of 90%).
- WPP launched a **Creative Technology-Focused Apprenticeship**, a nine-month paid program focused on creative coding, game engines, virtual production, future machines, and generative AI, eventually leading trainees to find new opportunities within WPP's global production arm Hogarth.
- The **ANA** relaunched a mentoring program leveraging an industry community committed to improving their knowledge of marketing procurement through peer-to-peer mentorship.
- **ISBA (isba.org.uk)** launched a program of 30-minute sessions covering the creative and production evolution called "Adapting your production strategies for the new world," led by Claire Randall Consulting.

2023 Agency profiles:

- **Product (productinc.com)** is an independent, New York-based agency recently started by Aaron Shapiro (Huge co-founder and former CEO, now chairman of Product). Its focus is sustainability and leveraging AI for the creation and optimization of content, media, and experiences. Services include research and insights, product strategy and consulting, brand design, experience design, technology planning and architecture, full-stack development, data analytics, machine learning, brand strategy, creative campaigns, search marketing, and CRM. Clients include Google, Reckitt, GoodRx, and Modivo.
- **Gut (gut.agency)** is a full-service, independent advertising agency based in Miami, with offices in the US, Canada, Brazil, Argentina, and Mexico. Services are organized into three categories:
 1. Data and analytics (social listening, measurement, performance marketing, loyalty programs, user-journey mapping, data science)
 2. Strategy and deployment (brand positioning and architecture, comms planning, social strategy, content platform)
 3. Ideation and production (core creative idea, PR-driven idea/stunt, agile production)Per the agency: "Creative is not a department, it's a mindset." Clients include Lyft, Sixt, Popeyes Louisiana Kitchen, Activision/Blizzard, Google, DoorDash, and Spanx. Recent awards include Cannes Lions 2022 and Black Pencil 2022.



- **The Uncreative Agency (uncreative.agency)** is a fully automated creative agency that was formed out of the many hybrid creativity tools sourced from DDB's RAND and DDB's Hybrid Creativity Platform and developed by DDB EMEA's chief strategy officer, George Strakhov, and a team from Nord DDB. The agency can generate a creative proposal in matter of minutes. No humans, no delays, no budget. It has already been used by people from all corners of the globe, including senior executives at Coca-Cola, Heineken, Salesforce, Google, Nike, the UK government, Accenture, Deloitte, and the Australian government. The site has a waitlist and asks users two key questions: What do you need AI-assisted creative tools (such as idea-generation tools) for? And how much are you prepared to spend on AI-assisted creative tools (such as idea-generation tools) per month in USD?
- **Zambezi (zmbz.com)** is an LA-based integrated and independent creative communications agency owned by women. Services include brand strategy, cultural/consumer insights, creative development, communications strategy, media planning/buying, consulting, and content production. The agency is committed to fostering an environment where differences (gender, race/ethnicity, etc.) are welcomed. Clients include Under Armour, Google, Netflix, DirecTV, Beats by Dre, US Golf Association, Ultimate Software, Venmo, Autotrader, The Venetian, and Hubert's Lemonade.
- **O'Keefe Reinhard & Paul (OKRP) (okrp.com)** is a Chicago-based independent creative agency founded in 2013 that offers services in advertising, video production, design, and creative. The agency aims to deliver big brand creativity with the prowess of a startup, sticking to four rules:
 1. Be nimble, be quick, be prolific
 2. Practice "the high art of selling"
 3. Put the "agent" in advertising agency
 4. Have soulClients include Burger King, Cars.com, Home Chef, ACE, Nike, Groupon, Taco Bell, and Pizza Hut. The agency was named Burger King's US Creative AOR in 2022. It launched a Black-owned production and content studio called Putney.
- **Studio Cadeaux (studiocadeaux.com)** 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 (creativex.com)**, formerly known as Picasso Labs, powers creative excellence for brand advertisers, analyzing creative at scale leveraging AI-powered technology and data. Clients include Unilever, Mondelez, 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 (semetis.com/en)** 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.
- **Orchard (orchardcreative.com)** is a small advertising agency founded in Brooklyn, New York, in 2019 with diversity at the center of its mission. The agency vowed that all female employees would be paid the same as their male counterparts and that it would actively grow the pool of BIPOC candidates in advertising. While pursuing its social mission, Orchard has also produced excellent work, including Super Bowl ads for Oikos Triple Zero and Dashlane. Awards include Ad Age A-List 2023; Adweek Creative 100 2023; Inc. Best in Business 2021: Gold; Ad Age Small Agency Awards 2021; Campaign US Agency of the Year 2020: Independent Agencies; and Campaign Global Agency of the Year 2020: Independent Agencies. Clients include Etsy (newly appointed), Ocean Spray, Champs, Silk, Nike, Google, Target, and Zillow.



You either grow into the future or you're shrinking into the past."

David Droga
CEO and Creative Chairman, **Accenture Song**

Accenture Song



- **Faith (vccp.com/capabilities/ai)** is a London-based, generative AI-focused agency, launched by creative agency VCCP, with the goal to “supercharge the creative process” for clients and as an “accelerator of human creativity and imagination.” The agency relies on a collective of 14 practitioners made up of creatives, technologists, prompt engineers, strategists, and data analysts to cover every aspect of the agency process. The agency was launched with a founding client, Sage, and in partnership with two universities. Faith operates on a generative AI policy based on four principles: “Be Transparent when AI is being used. Be Authentic, fact-check AI-generated content. Be Compliant and break no laws. Be Ethical, only use AI for good.”



A lot of organizations think automation leads to savings, but the goal of automation is to release the human from the robot and create capacity for thought.”

Doug Rozen
CEO, Dentsu Media Americas

dentsu

- **Ykone (ykone.com)** is an influencer marketing agency headquartered in Paris with 16 offices worldwide, including New York City and Dubai, and more than 170 employees. The agency provides services ranging from creative direction and content production; influencer marketing strategy and campaign management; influencer casting and booking; consultancy and auditing; social media management; media amplification; talent management; and data and analytics. The agency leverages its proprietary technology called Campaygn to access millions of real-time data points about 13 million influencer profiles on behalf of clients such as Dior, Gucci, Burberry, Prada, Louis Vuitton, Kenzo, Chloé, Boss, Moët & Chandon, Guerlain, Omega, and Tiffany & Co. The agency mixes traditional services with proprietary technology and data, talent management, and in-house production capabilities to offer solutions for physical, digital, and virtual dimensions. Ykone has seven physical studios and hubs. In 2021, the agency was awarded Influencer Marketing Agency of the Year (Grand Prix des Agences de l’Année).

- **Rethink (rethinkideas.com)** is a Vancouver-based creative agency and one of the largest global independent agencies, with offices in New York, Toronto, Vancouver, and Montréal. The agency, which offers services in strategy, advertising, design, experiential, social, digital, and product innovation, is the Effies’ most effective independent agency in North America; Ad Age’s 2021 Creative Agency of the Year; and the second-ranked independent agency in the world by the 2021 Cannes Lions. The agency is fluent in English and French. Clients include Ikea, Molson, WestJet, Kraft, Coors Light, Heinz, and Scotts.
- **Quad (quad.com)** (NYSE: QUAD) is a marketing experience holding company comprising many agencies, including Rise Interactive (performance marketing), Periscope (full-service creative), Favorite Child (design and end-to-end experience), Marin’s (creation, manufacturing, distribution of in-store marketing solutions), Apple Tree (strategic creative), Peppermint (strategic and creative with a focus on print and digital), and QuadMed (healthcare). The company aims to seamlessly connect every facet of the marketing journey with an integrated marketing platform, strong marketing measurement, and reduced complexity. Printing is a core part of the firm’s business and one of its competitive differentiators from traditional agencies, ranging from direct, print, packaging, in-store, content, media, and intelligence. Quad serves 2,900 clients (such as PEMCO, CVS, Inuit) with over 15,000 employees in 14 countries. The firm reported net sales of \$703 million in the second quarter. Reported net sales in 2022 were \$3.2 billion.



What did 2022 tell us?

View or download the full version of our "What to Look for in 2023" poster on our website: agencymania.com/resources.



- **Advantage Solutions (advantagesolutions.net)** (NASDAQ: ADV) is an Irvine, California-based provider of outsourced sales and marketing solutions to consumer goods companies and retailers. The company’s data and technology-driven services include retail merchandising, in-store and online sampling, digital commerce, omnichannel marketing, and retail media. Advantage has offices throughout North America and investments in select markets worldwide. The firm has completed over 50 acquisitions and invested over \$1.5 billion in new capabilities since 2014. For the second quarter, the company reported \$1 billion in revenue, up \$56 million, or 5.7%, YOY; operating income was \$22.3 million, compared with \$28.3 million a year ago; and had a net loss of \$7.8 million, compared with net income of \$3.7 million a year ago.
- **Opinionated (opinionatedgroup.com)** is a Portland Oregon-based creative agency founded by creative director Mark Fitzloff. The agency assembles “project-specific teams staffed with the most sought-after talent in the business.” Services include creative, film, video, social, customer experience, PR, design, and media. The agency also supports in-house agencies with additional creative resources. The agency has received numerous awards, including 2024 Cannes Lions Bronze, Ad Age 2023 Editor’s Pick, and 2023 One Show Merit Award Winner. Clients (aka “co-conspirators”) include Peet’s Coffee, Hinge, Adidas, Pepsi, PayPal, and Venmo.
- **Huge (hugeinc.com)** is a New York-based business consulting and services firm, a “creative consultancy powered by human and AI collaboration.” Services include AI business consulting, brand strategy, brand and customer experience, commerce, design, technology advisory, digital products and platforms, high-value audience analysis, and product innovation. The firm is part of Interpublic Group of Companies and has over 1,200 employees in North America, Europe, Asia, and Latin America. Clients include Google, Nike, Lego, Audi, McDonald’s, P&G, Sony PlayStation, the NBA, and more. Originally set up as an agency, the creative consultancy now offers products organized around three pillars: Experience Transformation, Technology Realization, and Growth Creation.
- **Signal Theory (signaltheory.com)** is a Kansas City, Missouri-based brand development, marketing, and design agency that combines the “motivating factors of behavioral science with data-driven insights and the creativity of human-centered design.” The firm’s services include creative and branding, digital, media, public relations, production, and strategy. Among their clients are Sonic, Trapp Fragrances, John Deer, National Geographic, Seaboard Foods, Bayer Animal Health, and Twist’d Q. The agency works within the food category with clients across “the entire foodways spectrum.” The agency won Best of Show and four golds at the 2023 American Advertising Awards in Kansas City.



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Noteworthy quotes:

- » “New year, new you. It’s time for a change. Good behaviors. Positive energy. New challenges.” —Andrew Godley, Managing Director, **True**
- » “I think there will continue to be ongoing, seamless integration of advertising and content as consumers are engaging in non-traditional forms of media.” —Ciara Anfield, Senior VP, Chief Member and Marketing Officer, **Sam’s Club**
- » “We need to make sustainability something that matters to consumers, not just companies or brands, by making it simple to change behavior, to show that this is not sacrifice but for a better future for all.” —Richard Edelman, CEO, **Edelman**
- » “Networks are built for a different age. There is an internal incentive to modernize our ways of working.” —Wesley ter Haar, Co-Founder, **Media.Monks**
- » “I believe the key to success is to invest in the people. It’s the people that make creativity work best.” —Jillian Gibbs, Founder and Global CEO, **APR**
- » “Work needs to be a safe place so building a culture where people are happy and can be themselves is critical.” —Rebecca Bezzina, Managing Director, **R/GA London**
- » “The ‘business’ of the ad business is nothing more than huge corporations muscling each other. And the ‘art’ of advertising is—let’s be kind—uninspiring. We used to strive for new and stimulating ideas. Now we starting to turn our chores over to ‘machines.’” —Bob Hoffman, Chief Aggravation Officer, **Type A Group**
- » “Before you bring the work in-house, rethink the point of agencies through the lens of the business you’re trying to build. Address the issues your brand has with external agencies, so you’re not re-creating them closer to home.” —John Trahar, Founder, **Greatest Common Factory**
- » “Brands should aim to form an interagency team with services that complement one another rather than those that are in direct competition. By doing this, you can create a healthy and happy interagency experience.” —Ashley Cooksley, CEO North America, **The Social Element**
- » “Let’s resolve to build technology that brings out our best instincts—not our worst.” —Andréa Mallard, CMO, **Pinterest**
- » “Clients must get their houses in order, and performance reviews provide agencies with an opportunity to help them on that journey.” —Laura Forcetti, Director of Global Marketing Sourcing Services, **WFA**
- » “AI won’t replace people, but people who use AI will.” —Dimi Albers, Global CEO, **DEPT**
- » “[AI] is not going to replace creativity but will be an aid to it. More of our production work will be automated. It will help us produce creative work more efficiently and help us deal with the plethora of channels we need to operate in.” —Mark Read, CEO, **WPP**
- » “The race is heating up to diversify services beyond traditional creative and media.” —Greg Paull, Principal and Co-Founder, **R3**
- » “AI frees up people’s time to focus on the more ‘high craft,’ ‘high brain’ power aspects of developing work, campaigns and platforms.” —Judith Carr-Rodriguez, Partner and CEO, **FIG**
- » “There are fewer creative pitches every day because clients prefer to add partners or reduce partners on a project basis than completely and radically changing agencies in most cases.” —Arthur Sadoun, CEO and Chairman, **Publicis Groupe**
- » “We cannot expect to have a high-performing team and produce world-class work without having an environment that gives each of us the ability and opportunity to thrive.” —Ken Black, Chief Creative Officer, **GMR Marketing**
- » “AI is an industrial revolution for knowledge work.” —Manny Maceda, Worldwide Managing Partner, **Bain & Company**
- » “We’re using [AI] a lot creatively in our production processes to accelerate how we produce work and reduce the cost of doing that.” —Mark Read, CEO, **WPP**
- » “Fast-tracking analysis of existing campaigns and optimizing future marketing activities using generative AI systems will allow marketing departments to quickly create a diverse range of customized, multi-channel content, graphics and videos, to appeal to local consumers.” —Martin Lamming, Marketing Director, **Naoris Protocol**
- » “As with any disruption, AI is making some in our industry concerned. One can easily imagine the danger signals flashing at some of the traditional agencies and holding companies now that AI enables clients to plan media directly with the platforms.” —Sir Martin Sorrell, Executive Chairman, **S4 Capital**
- » “This type of coordination among the holding companies’ operating agencies is becoming more common because the engineering resources (both talent and budgets) are precious commodities.” —Jay Pattisall, VP/Senior Agency Analyst, **Forrester**
- » “I always say great creative, it’s like a drug. If you give anybody a little taste of it, they’ll never not want it.” —Susan Credle, Global Chair and Chief Creative Officer, **FCB Global**
- » “The great resignation is over.” —John Wren, CEO, **Omnicom Group**
- » “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, **BBDO 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**
- » “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**
- » “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**
- » “AI isn’t just a promise for the future. It’s available right now.”
—Pratik Thakar, Global Head of Creative Strategy and Integrated Content, **Coca-Cola**
- » “AI is a fantastic catalyst. [But] it’s not an answer machine.”
—Troy Ruhanen, President and CEO, **TBWA\Worldwide**
- » “Companies that build a strong foundation of AI by adopting and scaling it now, where the technology is mature and delivers clear value, will be better positioned to reinvent, compete and achieve new levels of performance.” —Julie Sweet, Chair and CEO, **Accenture**
- » “If you do nothing unexpected, nothing unexpected happens.”
—Matt Weiss, Global President, **Huge**
- » “We are using AI to figure out how we can optimize the creative execution. Pampers has 140 different pieces of creative optimized through this program called AI Studios, which allows us to be able to test ads versus a big database of reactions and figure out how we can make it better.” —Marc Pritchard, Chief Brand Officer, **Procter & Gamble**
- » “Media leaders hold the power to make an impact for the climate and there is plenty they can do now, working with their colleagues in procurement and sustainability to ensure the media function can deliver real impact on direct emissions.” —Rob Rakowitz, Co-Founder, Initiative Lead, the Global Alliance for Responsible Media, **World Federation of Advertisers**
- » “The transformative power of AI has already impacted many aspects of communications, enabling us to better understand our audiences, craft more effective messaging and automate time-consuming tasks. However, we must acknowledge that along with these benefits come potential risks to accuracy, privacy, fairness, transparency and equality.”
—Antony Cousins, Executive Director of AI Strategy, **Cision**
- » “It’s not easy to have one of these things in-house because that process of ideation and creation, the process of trying things and having some suspension of disbelief and ignoring your negativity bias, all of that needs to be protected.” —Hiroki Asai, Global Head of Marketing, **Airbnb**
- » “Creative teams can produce the same amount of work with 20% to 30% fewer people when using AI.” —Domenic Colasante, CEO, **2X**
- » “It is clear AI will not replace the human element. AI will eventually be able to accomplish 85% of human activity, but it’s that last, intangible 15%—the human element—that makes things like marketing, entertainment, and media connect emotionally to inspire us and capture our hearts and minds.” —Mark Penn, CEO and Chairman, **Stagwell**
- » “When you make your agency team members feel cared for, human and part of your team, retention goes up, ideas get better and they dig deeper.” —Jared Belsky, CEO, **Acadia**
- » “Like I said, there isn’t one ‘I’ in AI—there are billions of them.”
—Ian Grody, CCO, **Giant Spoon**
- » “One of the commitments that we’ve made is to the empowerment of Black creators. We know that more diversity in the creative process brings about more thoughtful and reflective and culturally relevant work.” —Marissa Hunter, senior VP of Marketing, **Stellantis North America**
- » “Generative AI will bring up best practices for everybody, but it’s not going to create next practices or fresh practices—that’s the responsibility of the human, the imagination, the creative, and they can work together.” —David Droga, CEO, **Accenture Song**
- » “Think of AI output as human input. Not the other way around. I’ll phrase it differently: Focus on using AI to prompt people instead of using people to prompt AI” —Ian Grody, CCO, **Giant Spoon**
- » “We’re all at the beginning of this AI journey. No one has all the answers. AI is just raw clay. It takes people with curiosity, creativity and compassion to harness AI’s rich potential.” —Robert Wong, VP Creative Lab, **Google**
- » “AI transformation is a tangible opportunity to improve efficiency, harvest data insights for monetization and expand our offerings with new capabilities.” —Mark Penn, CEO and Chairman, **Stagwell**
- » “The reality is clients have come to the realization that not one company has all the talent, and especially specialized talent, in the world.”
—Brad Audet, CMO, **Mazda North American Operations**



- » “Ad agencies are overly focused on creativity without strategy—we’re not paying enough attention to our clients’ business problems; awards are driving ineffective work and the service-oriented business model is flawed.” —Brad Simms, CEO and President, **Gale**
- » “Forming and nurturing partnerships is becoming an indispensable aspect of a company’s growth strategy.” —Bruno Gralpois, Co-Founder and Principal, **Agency Mania Solutions**
- » “AI is the next quantum leap for marketers—but only if humans steer it.” —Mark Penn, CEO, **Stagwell**
- » “To build the perfect client-agency partnership, it’s time to start viewing it from a human relationship perspective.” —David Muldoon, VP, Strategic Advisory EMEA, **MediaLink**
- » “It’s time for an industry code of conduct to ensure people within agencies are treated appropriately.” —Marla Kaplowitz, CEO, **4A’s**
- » “A purely digital, data-driven (powering AI), faster, better, more efficient, unitary model resonates with clients.” —Martin Sorrell, Founder and Executive Chairman, **S4 Capital**
- » “One of the biggest mistakes I’ve seen over the years is companies entering partnerships based on emotion versus fact.” —Barry Byrne, Global Head Employer Branding, EVP & Employee Experience, **Adidas**
- » “Success with AI is going to require us integrating creative and media and production, and it’s going to be much easier for us to do that inside WPP with fewer, stronger companies.” —Mark Read, CEO, **WPP**
- » “I don’t think anybody has a clue how to use it [AI] yet, frankly. I think we’re all struggling with it still. And it needs to be struggled with.” —David Sable, Vice Chairman, **Stagwell**

- » “Often, it’s not what clients are just asking from us but rather something we are working on in partnership. Their businesses are on transformation journeys that we are supporting, and we are changing how we work together simultaneously.” —Katie Lee, COO, **Wavemaker UK**
- » “We look at generative AI as a force multiplier in terms of our ability to react and respond to client needs.” —Jason Snyder, CTO, **Momentum**
- » “CMOs and agency CEOs need to sit down and draw up simplification manifestos for their relationships—so that each can focus on achieving success in the marketplace.” —Michael Farmer, Chairman and CEO, **Farmer & Company**
- » “As an industry, we need to be transparent to audiences when they are interacting with an AI-powered experience—especially when they are directly interacting with it.” —Brian Yamada, Chief Innovation Officer, **VML**
- » “AI is a great tool that can help elevate your business and work, but at the end of the day, great ideas and creativity come from human talent.” —Gali Arnon, CMO, **Fiverr**
- » “Ensuring the longevity and continuity of the client-agency relationship is critical for ongoing business success.” —Marla Kaplowitz, CEO, **4A’s**
- » “Clients are looking for a more ‘networked’ model, where global agency capabilities can be leveraged to unlock speed, agility and talent.” —Catherine Lautier, VP, Global Head of Media and Integrated Brand Communication, **Danone**
- » “Nurturing the agency relationship and helping develop its talent is a form of long-term investment, as those talents are key to helping advertisers build strong brands and grow their business.” —Catherine Lautier, VP, Global Head of Media and Integrated Brand Communication, **Danone**



Agency Mania Solutions Founders
Bruno Gralpois, Teri Wiegman, Shaun Wolfe

COVER STORY

10 Most Influential **COMPANIES** OF THE YEAR 2023



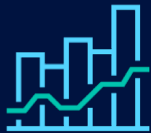
Recently recognized in the **Top 10 Most Influential Companies of 2023**, AMS shares its remarkable journey revolutionizing how brands optimize their agency and supplier relationships.

Visit fortunerhub.com/company/agency-mania-solutions to read the cover story for highlights from their visionary leadership team and a future outlook on industry growth and challenges.



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Year-end summary

February 2023 | Volume 68

Per Wunderman Thompson Intelligence, Pantone's bright choice for its Color of the Year 2023, Viva Magenta, captures the spritely sentiment "an unconventional shade for an unconventional time." Speaking of unconventional, what will be the role of AI-powered text engines like ChatGPT in advertising or AI tools for media planning or buying? Can an AI bot truly come up with strong creative ideas and write briefs or commercials, scripts, and other advertising assets? Some agencies think so. Omnicom-owned agency BBDO has every employee working with generative AI tools like Stable Diffusion to supercharge its creative process, from fleshing out storyboards to brainstorming visuals.

March 2023 | Volume 69

The Super Bowl generated a lot of discussion as it always does. The competition for audience measurement and most-liked ad generates much visibility, and since there are different measurement systems (Nielsen, iSpot.tv, USA Today Ad Meter) we end up with different outcomes. We all have our favorites. Industry experts dissect each one and extrapolate implications on hot topics from diversity and inclusion, the environment, ad inflation, pre- and post-performance, cultural sensitivities, and more. It's always hard to decide which Super Bowl spots were most impactful. A few standouts: The Ben Affleck–Jennifer Lopez Dunkin' spot and the General Motors–Netflix ad received many accolades. Melissa McCarthy's Booking.com ad was the most-watched Super Bowl ad on YouTube. Everyone has an opinion. Everyone becomes an expert. No matter how you measure (views, likability), everyone seems to agree that The Farmer's Dog was a clear winner.

June 2023 | Volume 70

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.

July 2023 | Volume 71

Plenty of awards are coming out this time of the year, especially Cannes Lions and Effie accolades. It's thrilling to experience the brilliant work produced by agencies and their clients. The most effective marketer of the year was The Kellogg Company (Effie). Apple was the most creative brand of the year (Cannes Lions). A highly complex and rapidly changing advertising ecosystem is contributing to new ways of collaboration with agencies, new standards for media buying and programmatic advertising, improved and more holistic and integrated cross-platform measurement, and, especially in light of recent privacy and data regulations, the role of AI, new and emerging tools and platforms, the evolving TV landscape, and social media measurement.

September 2023 | Volume 72

If you've been to Las Vegas, you may have seen the next-generation entertainment sphere at The Venetian Resort called the Exosphere, comprising 580,000 square feet of fully programmable LED lighting. The Sphere Entertainment-owned Exosphere is so massive that you can fit the Statue of Liberty inside it. The LED media plane is 160,000 square feet (that's four football fields!). It has the largest LED screen on Earth, capable of displaying 256 million different colors. Sphere Entertainment entered into an agreement with YouTube to offer a fully programmable LED exterior in support of NFL Sunday Ticket.

October–November 2023 | Volume 73

The world of entertainment is in constant transformation. After Barbie's marketing success, it's time for another entertainment icon to break through. Taylor Swift's Eras Tour concert film generated between \$95M to \$97M at the box office during its opening weekend in the US and Canada, according to AMC Entertainment. That makes it the highest-opening concert film of all time; the highest-grossing North American release of a concert film ever; and the widest released concert film in history, arriving in more than 3,850 locations during its debut.





Awards and recognition:

- Per MediaPost, the **2022 Client of the Year** was Patagonia. The brand gave the entire company away to a single shareholder: Planet Earth. GroupM was named Holding Company of the Year, while its Mindshare agency won Media Agency of the Year. PMG took the title for the best independent agency, and Giant Spoon won as top creative agency. Search/Performance Agency of the Year was Merkle.
- Per Ad Age, the **best ads of 2022:**
 1. Apple: The Greatest (Agency: In-house)
 2. Coinbase: QR Code (Agency: Accenture Interactive)
 3. Mastercard: Introducing Touch Card (Agency: McCann)
 4. Dove: Deepfake Tutorials (Agency: Ogilvy)
 5. Liquid Death: Blind Taste Test (Agency: In-house)
 6. Chevrolet: Sopranos (Agency: Commonwealth McCann Detroit)
 7. Google: Real Tone (Agencies: Gut Miami, T Brand Studio, Wieden+Kennedy, Essence)
 8. John Lewis: The Beginner (Agency: Adam&Eve/DDB)
 9. Jeep: Earth Odyssey (Agency: Highdive)
 10. McDonald's: Cactus Plant Flea Market (Agency: Wieden+Kennedy NY)
- Per Ad Age's 30 best ads of 2022, 10% were created **in-house:**
 1. Apple: The Greatest
 2. Liquid Death: Blind Taste Test
 3. Belvedere Vodka: Daniel Craig
- Per Ad Age, **best marketer of the year** was Walmart, due to its "relentless marketing and merchandising innovation," followed by McDonald's, Mastercard, Airbnb, and United Airlines. The award is based on business results driven by breakthrough advertising and smart strategic thinking.
- **AdForum** created a new category in the PHNX Awards: the Grand Prix for Peace. It will celebrate campaigns against hate, prejudice, and war.
- Per Ad Age, the top **5 Best Places to Work 2023** (201+ employees):
 1. Goodway Group
 2. Heartbeat
 3. Basis Technologies
 4. MiQ
 5. CrossmediaThe winning companies outscored other workplaces in factors ranging from pay and benefits to corporate culture and leadership.
- Leo Burnett Chicago won the top spot in **The One Club for Creativity's Global Creative Rankings 2022**, which is based on winning entries in The One Show 2022, ADC 101st Annual Awards, Type Directors Club TDC68/25TDC competitions, ONE Asia 2022, and The One Club Denver, San Diego, and Miami chapter awards.
- Fast Company named its **top 10 most innovative advertising companies:**
 1. Giant Spoon
 2. TBWA Worldwide
 3. Wieden+Kennedy
 4. Majority
 5. Ogilvy
 6. The Martin Agency
 7. Johannes Leonardo
 8. Mischief @ No Fixed Address
 9. MNTN
 10. WPPGiant Spoon took the top spot for "turning marketing upside down," followed by TBWA Worldwide for "making brands shine on the gridiron."
- Per **USA Today Ad Meter's Super Bowl commercials**, the top 10 ads were:
 1. The Farmer's Dog "Forever"
 2. NFL "Run With It"
 3. Amazon "Saving Sawyer"
 4. Dunkin' "Dunkin' Drive Thru"
 5. PopCorners "Breaking Good"
 6. Bud Light "Bud Light Hold"
 7. T-Mobile "Neighborly"
 8. He Gets Us "Be Childlike"
 9. Disney "Disney100 Special Look"
 10. Workday "Rock Star"
- Per **CBS Sports top 2023 Super Bowl commercials:**
 1. Crown Royal "Thank You Canada"
 2. Google Pixel "Fixed on Pixel"
 3. Bud Light "Easy to Drink, Easy to Hold"
 4. Coors vs. Miller vs. Blue Moon
 5. General Motors "Why Not an EV?"
- **Top 10 Super Bowl spots on YouTube** (based on game-day views):
 1. Booking.com: Melissa McCarthy "Somewhere, Anywhere,"
 2. T-Mobile "New Year. New Neighbor" featuring John Travolta
 3. Skechers "Skechers x Snoop Dogg,"
 4. FAST X "Official Trailer—Extended Cut,"
 5. Google "#FixedOnPixel" with Amy Schumer, Giannis Antetokounmpo, and Doja Cat
 6. Rakuten "The Extended Cher Cut" with Alicia Silverstone
 7. Kia America "Binky Dad"
 8. Pepsi "Great Acting or Great Taste?" featuring Steve Martin
 9. Avocados From Mexico "Make It Better" featuring Anna Faris—Long Version
 10. Paramount+ "Stallone Face" featuring Sylvester Stallone
- The **Drum's top 5 Super Bowl ads:**
 1. Michelob Ultra
 2. Rakuten
 3. PopCorners
 4. Uber
 5. Paramount+
- 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 the 2023 World Advertising Research Center (WARC) Effective 100 Rankings **the top three advertisers were:**
 1. Anheuser-Busch InBev
 2. McDonald's
 3. Unilever

Top three brands were:

 1. McDonald's
 2. KFC (Yum! Brands)
 3. 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:
 1. FCB (New York City)
 2. DDB Worldwide's Alma (Miami)
 3. BBDO Worldwide's Energy BBDO (Chicago)
 4. FCB (Chicago)
 5. WPP's Ogilvy (Mumbai, India)
 6. Wieden+Kennedy (New York City)
 7. FCB (Toronto)
 8. MullenLowe Group's MullenLowe (Boston)
 9. Leo Burnett (Chicago)
 10. Publicis Worldwide's Publicis (Bucharest, Romania)

Top three media agencies:

 1. Wavemaker (Mumbai, India)
 2. Mindshare (New York City)
 3. Zenith (Bogota, Colombia)

Top three digital/specialist agencies:

 1. Omnicom's Semetis (Brussels, Belgium)
 2. Narrative (LA)
 3. 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):
 1. AMV BBDO
 2. McCann North America
 3. adam&eveDDB
 4. Droga5 NY
 5. Publicis Italy
 6. Mother
 7. 72andSunnyLA
 8. Impact BBDO
 9. BBDO NY
 10. 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:**
 1. adam&eveDDB is ranked #1 Agency in the world
 2. adam&eveDDB, #1 Agency in Europe
 3. DDB Mexico, #1 Agency in Latin America
 4. adam&eveDDB, #1 Agency in the UK
 5. 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 after being named the **#1 company in the 2023 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.
- 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:
 1. HP Marketing Purchase to Pay Automation (Automation)
 2. Deloitte AI Institute (Automation)
 3. 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:

1. “I Will Always Be Me” (VMLY&R New York for Dell Technologies and Intel)
2. “McEnroe vs McEnroe” (FCB New York for Michelob Ultra)
3. “Shagun Ka Lifafa” (McCann Worldgroup India for Ujjivan Small Finance Bank)
4. “Bless Your F*ing Cooch” (Mischief @ No Fixed Address for eos)
5. “McEnroe vs McEnroe” (FCB New York for Anheuser Busch Michelob ULTRA)
6. “Dot Pad. The first smart tactile graphics display” (Serviceplan Germany/Serviceplan Korea for Dot)
7. “Morning After Island” (Ogilvy Honduras for Grupo Estratégico PAE)
8. “Corona Plastic Fishing Tournament” (We Believers for AB InBev)
9. “Clash from the Past” (Wieden+Kennedy Portland for Clash of Clans)
10. “Backup Ukraine” (Virtue Worldwide for Polycam x UNESCO)
11. “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.

• Per the **70th Annual Cannes Lions International Festival of Creativity**, WPP’s Mindshare was named Media Network of the Year. Omnicom’s PHD was runner-up, and GroupM’s Wavemaker was third. Network of the Year went to DDB Worldwide. WPP’s Ogilvy was runner-up, and Omnicom’s BBDO Worldwide was third. Independent Network of the Year was GUT, followed by Wieden+Kennedy and Rethink. Agency of the Year was awarded to GUT Buenos Aires, followed by Publicis Conseil Paris and Omnicom’s adam&eveDDB, London. Independent Agency of the Year went to GUT Buenos Aires. Rethink Toronto was second, and Wieden+Kennedy Portland was third. Apple won its first Creative Brand of the Year award, followed by Dove and Heineken. Apple also won a Film Lions Grand Prix for its ad “Relax, it’s iPhone—R.I.P. Leon,” which was created in-house.

• Also per the **Festival of Creativity**, Grand Prix winners included:

- | | |
|------------------------------------------|----------------------------------------------------------------------|
| 1. Partners Life (Health and Wellness) | 7. Microsoft (Design) |
| 2. British Airways (Outdoor) | 8. Nike (Digital Craft) |
| 3. Eurofarma (Pharma) | 9. Clash of Clans (Entertainment and Entertainment Lions for Gaming) |
| 4. Lebanon (Print and Publishing) | 10. Apple (Entertainment Lions for Music) |
| 5. Skinny (Radio and Audio) | 11. Michelob Ultra (Entertainment Lions for Sport) |
| 6. Publicis (Health Grand Prix for Good) | |

12. Kendrick Lamar (Film Craft)
13. Japan Railway (Industry Craft)
14. Planet Earth (Creative B2B)
15. Stella Artois (Creative Data)
16. Adidas (Direct)
17. Dove (Media)
18. DoorDash (PR)
19. Samsung (Social and Influencer)
20. Augmental (Innovation)
21. Microsoft (Creative Business Transformation)
22. Hungerstation (Creative Commerce)
23. Cadbury (Creative Effectiveness)
24. Renault (Creative Strategy)
25. Pedidos Ya (Mobile)
26. EA Sports (Brand Experience and Activation)
27. Korean National Policy Agency (Glass: The Lion for Change)
28. Tuvalu (Titanium)
29. Mastercard (Sustainable Development Goals)
30. Apple (Film)
31. Fondation Anne de Gaulle (Grand Prix for Good)

- Omnicom was named **Most Creative Company of the Year** at the **Festival of Creativity**. More than 120 agencies from 40 countries contributed to winning the title, with over 175 Lions received throughout the week. Two of Omnicom’s creative networks, DDB and BBDO, placed in the top three of the Network of the Year category, with DDB coming in first (winning 85 Lions) and BBDO in third (55 Lions). Omnicom Media Group collectively contributed 57 total Lions, and PHD Worldwide came in second place for the Media Network of the Year category.
- Citi Creative Services was named **In-house Agency of the Year by the ANA**. Aflac and its XP Agency won Best Collaborative Effort for its campaign “The Park Bench.” PepsiCo and its in-house Content Studio won grand prize in the media plan category for its campaign “Coming Home—bubly Celebrates the LGBTQ+ Community’s Safe Spaces,” followed by T-Mobile (“Beyond Coverage”) and L’Oréal (“Urban Decay”).
- At the **ADC 102nd Annual Awards**, MullenLowe US was named Agency of the Year, and The Black Cube for Best of Show was awarded to VMLY&R for its work for Dell Technologies and Intel and its interactive book for people with motor neuron disease.
- WPP earned three top prizes at the **2023 New York Festivals Advertising Awards**. For the second straight year, WPP earned Holding Company of the Year. WPP agency VMLY&R won the 2023 Global Network of the Year. VMLY&R Commerce US was honored with the Agency of the Year for its campaign “Oreocodes,” created for the Mondelēz brand Oreo. VMLY&R Commerce earned multiple New York Festivals Gold Awards for clients including Coca-Cola and Wendy’s. Oreo was awarded Global Brand of the Year. German content marketing and PR firm fischerAppelt won Public Relations Agency of the Year. Ladoble Mexico won Film Production Company of the Year.



- Per the **2023 Effie Awards**, The Kellogg Company was named **Most Effective Marketer**; IPG retained its title of Most Effective Holding Company; Mischief @ No Fixed Address was Top Independent Agency. The campaign by nonprofit Truth Initiative and independent agency Mojo Supermarket named “Depression Stick + Breath of Stress Air” (with support from agencies Gale, Allegiance Group, and Crux Research) was awarded the Grand Effie. Highest-ranked US Effie winners:

Most Effective Marketers:

1. The Kellogg Company
2. Unilever
3. Mars Wrigley North America

Most Effective Brands:

1. Froot Loops
2. eos
3. Truth Initiative

Most Effective Holding Companies:

1. IPG
2. Omnicom
3. Publicis Groupe

Most Effective Agency Networks:

1. DDB Worldwide
2. Leo Burnett Worldwide
3. McCann Worldgroup

Most Effective Agency Offices:

1. Starcom Worldwide
2. Leo Burnett Chicago
3. Mischief @ No Fixed Address

Most Effective Independent Agencies:

1. Mischief @ No Fixed Address
2. Mojo Supermarket
3. SuperAwesome

- Per the **14th annual Small Agency Awards**, top winners included:

1. Mojo Supermarket (Gold: Small agency of the year)
2. Fred & Farid LOA (Gold: 1-10 employees)
3. Quality Meats (Silver: 1-10 employees)
4. Lerma/ (Gold: 11-75 employees)
5. Preacher (Silver: 11-75 employees)
6. Fitzco (Gold: 76-150 employees)
7. Rosewood Creative (Silver: 76-150 employees)
8. Via (Gold: Culture)
9. WorkInProgress (Silver: Culture)
10. NVE Experience Agency (Gold: Experiential)
11. DCX Growth Accelerator (Silver: Experiential)
12. Media Matters Worldwide (Gold: Media)
13. Novus Next (Silver: Media)
14. We Believers (Gold: Purpose-led)
15. Kin (Silver: Purpose-led)
16. Majority (Gold: Newcomer)
17. Acadia (Silver: Newcomer)
18. Zulu Alpha Kilo (Gold: International)
19. Giants & Gentlemen (Silver: International)

- Agencies and production companies that received **2023 Emmy Awards** included:

1. “The Greatest—Accessibility” for Apple: Apple Inc., ad agency; Somesuch, production company
2. “Call Me With Timothée Chalamet” for Apple TV+: TBWA\Media Arts Lab, ad agency; MJZ, production company
3. “Cost of Beauty” for Dove: Ogilvy, ad agency; Smuggler, production company
4. “Forever” for The Farmer’s Dog: Sanctuary, production company
5. “Quiet the Noise” for AirPods: TBWA\Media Arts Lab, ad agency; Iconoclast TV, production company
6. “R.I.P. Leon” for Apple: Apple Inc., ad agency; Biscuit Filmworks, production company
7. “The Singularity” for Squarespace: Squarespace, ad agency; Smuggler, production company

- Per **Adweek Media Plan of the Year 2023**, top winners included:

1. BRP: “Uncharted Playgrounds” and agency Touché (Total Campaign Less Than \$500,000, Best Use of Insights)
2. Saputo: “We Are All Cheese Heads” and agency Carmichael Lynch (Total Campaign \$1 Million-\$5 Million, Best Use of Branded Content/Entertainment in Campaigns Spending \$1 Million-\$2 Million)
3. New Balance: “New Balance x Snapchat’s AR-Powered Gifting Concierge” and agency Mediahub (Best Use of AI/VR/ Machine Learning)
4. Clash of Clans: “Clash of the Past” and agency Wieden+Kennedy (Best Use of Branded Content/Entertainment in Campaigns Spending \$500,000-\$1 Million)
5. Procter & Gamble: “Aussie Kids x BDG BeYOUtiful Hair Book” and agency Carat USA (Best Cause Marketing Campaign Spending \$1 Million+)
6. Lay’s Potato Chips: “Lay’s BravoCon” and agency OMD USA (Best Use of Experiential in Campaigns Spending \$500,000+)
7. DoorDash: Locker Room Experiential Franchise and agency Wavemaker New York (Best Use of Experiential in Campaigns Spending Less Than \$500,000)
8. New Balance: “Runlock” and agency Mediahub London (Best International Campaign (Non-US) Spending \$1 Million+)
9. Subway: “Go Big, Go Subway” and agency EssenceMediacom (Best Use of Out of Home in Campaigns Spending Less Than \$500,000)
10. Lunchables: “Lunchabuild This!” and agency Starcom (Best Use of Out of Home in Campaigns Spending \$500,000+)
11. Nike: “Nike 50th Anniversary” and agency Wieden+Kennedy (Best Use of Social)
12. Corona: “Native Sportscasters” and agency EssenceMediacom (Best Use of Voice)
13. Amazon Prime Video: “The Boys Season 3: Not Safe For Work” and agency Rufus—powered by Initiative (Total Campaign \$10 Million+)



14. Honest Eggs Co.: “FitChix” and agency Mindshare Australia (Best International Campaign (Non-US) Spending Less Than \$1 Million, total campaign \$500,000-\$1 Million)
 15. Frito-Lay Doritos: “Doritos Triangle Tracker” and agency OMD USA (Total Campaign \$5 Million-\$10 Million)
 16. Degree: “Degree Metathon” and agency Mindshare (Best Use of Alternative Media)
 17. Dove: “Toxic Influence” and agency Mindshare (Use of Branded Content/Entertainment in Campaigns Spending \$2 Million+)
 18. Whisper: “The Missing Chapter” and agency EssenceMediacom (Best Cause Marketing Campaign Spending Less Than \$1 Million)
 19. Puig: “Re-Programming Programmatic for Diversity” and agency Starcom (Best Use of Data)
 20. eBay: “eBay x ITV’s Love Island Partnership” and agency EssenceMediacom (Best International Campaign (Non-US) Spending \$1 Million+)
 21. Frito-Lay Flamin’ Hot Doritos and Cheetos: “Flamin’ Hot Snackable Screens” and agency OMD USA (Best Use of Mobile in Campaigns spending \$500,000+)
 22. Netflix: “Making Every Day a Dark Wednesday for Netflix” and agency Mediahub (Best Use of Native Advertising)
 23. Genesis: “Supply Chain Headaches? Algorithmic Cure” and agency Canvas Worldwide (Best Use of Programmatic)
 24. DoorDash: “Battle of the Brands” and agency Wavemaker (Best Use of Streaming Media/OTT)
- **ANA Educational Foundation (AEF)** nominated Dentsu for its **2023 Agency Award**, Paramount for its Media award, and PepsiCo for its Marketer award.
 - **Adweek’s 2023 US Agency of the Year** is Mischief @ No Fixed Address, after increasing revenue 40% YOY. The agency was previously Adweek’s 2021 Breakthrough Agency of the Year and 2022 Midsize Agency of the Year. Recent wins include Outback Steakhouse (AOR), Peet’s Coffee (AOR), Sizzler (AOR), Chili’s, Heinz Ketchup, and Red Wing Shoes.
 - **2023 Adweek Agencies of the Year** are:
 1. The Community (multicultural)
 2. Alto (small, US)
 3. Colle McCoy (midsize, US)
 4. Ogilvy (global)
 5. Gut Buenos Aires (international)
 6. Gut (breakthrough)
 - Per Adweek, the **2023 Top 10 Fastest Growing Agencies** are:
 1. CourtAvenue (full service, US)
 2. Ascent Avenue (in-house, US)
 3. Said Differently (full service, US)
 4. Media by Mother (media, US)
 5. Apollo Partners (media, US)
 6. Beinfluence Europe (digital, Belgium)
 7. Attn: (full service, US)
 8. Refinery89 (digital, Spain)
 9. Party Land (full service, US)
 10. Chartis Interactive (digital, US)
 - Per Adweek, the **2023 Top 5 Minority-led Fastest Growing Agencies** are:
 1. Digitalfarm (full service, United Arab Emirates)
 2. Said Differently (full service, US)
 3. Chartis Interactive (digital, US)
 4. Daybreak Studio (digital, Canada)
 5. Movers+Shakers (creative, US)
 - Per Adweek, the **2023 Top 5 Fastest Growing Large Agencies** are:
 1. Gale (full service, US)
 2. Cheil North America (full service, US)
 3. WongDoody (creative, US)
 4. Brainlabs (digital, UK)
 5. Dept (full service, Netherlands)
 - OMD was named the **best-performing global media network** in the **RECMA Network Diagnostics Report** for the sixth consecutive year. OMD’s performance led RECMA to declare that “OMD has no direct competitor today” among global media agency networks. OMD ranked as the best-performing agency in North America, EMEA, Central East Europe, and the Nordic region.
 - IPG Health is at the top of R3’s **2023 Creative New Business League** after being named lead creative partner by Pfizer, followed by:
 1. Ogilvy
 2. Havas Worldwide
 3. Wieden+Kennedy
 4. VMLY&R
 - Per Interbrand, **Breakthrough Brands 2023** included:
 1. OpenAI
 2. Eight Sleep (preferred mattress of the tech-savvy)
 3. HiPhi (best-selling premium electric vehicle in China)
 4. Zepeto (avatar-based social network)
 5. Obsess (virtual reality platform)
 6. Cake (electric bike company)
 7. KidSuper (Brooklyn-based creative studio)
 8. betterhalf (dating app in India)
 9. Bilt (credit card)
 10. Sila (battery materials company)OpenAI ranked high on the list. The company, founded in 2016, launched ChatGPT in November 2022 (gaining 1 million users in five days) and raised \$11.3 billion.

Creativity and noteworthy work:

- Wireless brand **Mint Mobile** and co-owner **Ryan Reynolds** created an ad using a script created by the AI-powered text engine ChatGPT. The humorous ad was placed on Twitter, Instagram, Snap, and Facebook.
- Bacardi-owned vermouth brand **Martini** used AI to create visual assets and imagery for a recent social and digital campaign created by AMV BBDO using the AI tool Midjourney. Key words such as “botanicals,” “floral,” “petals,” “flowers,” “artemisia,” and “Roman chamomile” were fed into Midjourney to generate images of nine different cocktails made with Martini.



- Per Ad Age, one of the **biggest marketing winners of the Super Bowl** was not one of the 50-plus advertisers paying for commercial time during the game, but the buzz generated by Rihanna's beauty line, Fenty Beauty, and her lingerie brand, Savage X Fenty, during the singer's halftime show performance. While brands spent up to \$7 million for a 30-second ad spot, Rihanna didn't have to. Before she left the stage, one of her dancers handed Rihanna a Fenty Beauty Invisimatte product so she could quickly touch up her makeup before performing "All of the Lights."
- In a new ad format on display during the Super Bowl, **Google's video site YouTube** sold brands the opportunity to take over its masthead for an hour at a time (vs. its traditional on a cost-per-thousand impressions basis).
- **Heinz** created a lightning-fast spot of 0.57 second (a reference to "57" on its bottles) with agency Rethink, encouraging viewers to slow down—and score a hidden DoorDash code.
- **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.
- 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.
- WPP and its agency **Grey Health & Wellness**, in collaboration with the American Society of Clinical Oncology, captured the first-ever sound of cancer cells being destroyed. The initiative, called "The Most Beautiful Sound," aimed to isolate the sound of breast and lung cancer cells at the precise moment of cellular death.
- Creative-driven advertising agency **Atlantic New York** introduced a novel concept at the Cannes Lions by operating its own car service and offering free rides between the Nice airport and Cannes to any prospective clients willing to hear the agency's elevator pitch along the way. The agency used humor to engage: "Our time is limited, so please take the bus if you're not currently looking for a new agency."
- Cruise line **Virgin Voyages** launched a campaign that allows customers to send customized invites from JLo's digital twin, "Jen AI." (Jennifer Lopez is the cruise line's chief entertainment, lifestyle, and celebration officer). A highly personalized video is generated and delivered based on insights about what and how recipients want to celebrate.
- **WPP** launched the Creative Capital Index, which measures growth, including financial and consumer advocacy.

Industry stats, trends, and projections:

- Per the **World Federation of Advertisers (WFA)**, 68% of agencies are now comfortable telling their clients (most of the time) what needs changing at their end, compared to just 45% two years ago. Less than half of agencies think their compensation should be linked to the results of their evaluation. Digital agencies (35%) and production firms (44%) say they are most likely not to get an opportunity to receive structured feedback. Almost 1 in 3 agencies surveyed said they still had no opportunity to evaluate their clients. Only 13% of respondents believe that "no matter the feedback, client is king and won't change." 53% of agencies were frustrated that scattered priorities across a client's siloed organization negatively affected performance evaluations.
- Nine ways to **be a great client** per Jared Belsky, CEO of Acadia:
 1. Make great agency stewardship a KPI
 2. Pick agencies for human skills
 3. Onboard intensely
 4. Reveal what inspires you
 5. Have a well-crafted, realistic goal
 6. Make feedback about the brief, not the person
 7. Use a now/new/next framework
 8. Take a long view and understand if it's personal or systemic
 9. Reset before review
- WARC, in association with Lions and the ANA, published a white paper titled "**Building a culture of creative effectiveness**," focusing on the culture within client organizations that unlocks true marketing-driven commercial impact. The report highlights that "Effectiveness, as we've increasingly realized over the years, is a 'team sport.' It thrives when there is an aligned approach within the client organization and there is a true partnership between a client and its agencies."
- Per Blum Consulting Partners, Inc., some of the most **common causes of extra creative rounds** are unwanted client behaviors, such as:
 1. Bad or incomplete briefs
 2. Too many approvers
 3. Too much input
 4. I'll know it when I see it
 5. Late to the party syndrome and/or parachuting in
 6. The ones who won't get off the train
- Per ECI Media Management, the **top 10 predictions for 2023**:
 1. Focus and precision will be more crucial than ever
 2. A recession will increase the importance of TV
 3. The long-term growth of live sports and professional sports leagues will heavily depend on streaming platforms
 4. Content production and creative costs will come under the microscope
 5. Gaming will claim a higher proportion of advertising budgets
 6. The metaverse will still be a lonely place
 7. E-tail won't grow as quickly as initially expected
 8. Advertising will finally move on from the cookie
 9. There will be more focus on the ad industry as a force for good
 10. The pioneers will succeed



- Per **PwC** and its 26th Annual Global CEO Survey, nearly 40% of CEOs think their company will no longer be economically viable a decade from now, if it continues on its current path. In the next 12 months, they believe their company will be exposed to the following key threats:
 1. Inflation
 2. Macroeconomic volatility
 3. Geopolitical conflict
 4. Cyber risks
 5. Health risks
 6. Climate change
 7. Social inequality. 52% of CEOs say they have already begun cutting costs, 19% are implementing hiring freezes, and 16% are reducing their workforce size.
- Per Ad Age, the top **2023 brand marketing predictions and trends** and how they might impact agencies:
 1. Agencies tap “creator creatives” to meet new content challenges
 2. DTC brands demand more sophisticated online sales solutions
 3. Gender-neutral marketing gains greater mainstream adoption
 4. Intentional spending is here to stay—for now



- Per Ad Age, the **top 2023 tech predictions**:
 1. The metaverse will break out from under Meta’s shadow
 2. The most impressive advancement in AI will create a physical output
 3. Twitter will face a diaspora
 4. Apple’s ad business will explode in popularity
 5. The scrutiny of digital privacy will expand beyond the internet
 6. Crypto will have another tough year
 7. TikTok is here to stay
- Per Adweek, the biggest tech trends at **CES** were retail media networks, augmented reality, artificial intelligence, and social commerce.
- Thirty-second spots during the **57th Super Bowl** on February 12 cost between \$6 million and \$7 million. The broadcast turned out to be the TV’s third-most “watched TV show” ever at 113 million viewers, when totaling all linear TV and digital platforms.
- Fox’s 113 million viewers—**up 1% from the 2022 game** on NBC—came from the Fox Television Network, Fox Deportes, and Fox and NFL digital platforms.
- Per Chief Outsiders, chief marketing officers consider the **most important tasks for ChatGPT** to be content creation and management, followed by market research, competitive insights, and digital marketing.
- Per PwC, here is what’s most 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. Active insight with analytics
- Per P&G, the **future of media** involves better programmatic buying tools and algorithms to find custom “smart audiences,” better use of first-party data and analytics, better control of how often the same people see the same ads, and more unduplicated reach through increased spending on such things as streaming networks, retail search, and immersive formats, like gaming.
- Per Gartner, **seven technologies** will disrupt sales and marketing by 2027:
 1. Multimodality (by 2030, sellers will only manually enter information into applications if they so choose)
 2. Generative AI (30% of outbound messages from large organizations will be synthetically generated by 2025)
 3. A mix of augmented and virtual realities (by 2025, 80% of interactions will occur in digital channels)
 4. Emotion AI (AI identification of emotions will influence 30% of the messaging a buyer receives by 2025)
 5. Digital twin of the customer (digital twin-enabling software and services are expected to reach global revenue of \$150 billion by 2030)
 6. Digital humans (by 2026, 50% of B2B buyers will interact with a digital human in a buying cycle)
 7. Machine customers (one-fifth of revenue will come from machine customers by 2030)
- 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.
- **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.

Creating Agency KPIs

Engaging and motivating agency partners is more than a numbers game



What if KPI stood for more? Visit agencymania.com/creating-agency-kpis to read our article **Creating Agency KPIs: Engaging and motivating agency partners is more than a numbers game.**



- 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
- **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 a **MediaSense “Pitch Smart” study**, 86% of agencies find pitching excessively time and cost exhaustive, and 64% of agency respondents find pitching damaging to agency culture. 64% of agencies claim that pitching is affecting mental health, and 46% are having increasing difficulty in finding people to work on extensive pitches.
- The World Federation of Advertisers, Ebiquity, and IPA released a **study (wfanet.org/leadership/marketing-effectiveness-report-download)** titled “**Creating a Global Culture of Marketing Effectiveness**” aimed at improving organizational readiness, with a focus on areas such as processes, measurement, tools, smarter insights, and greater collaboration.
- Per the **Cannes Lions Official Wrap-Up Report**, a few key takeaways:
 1. Back to brand (turn every touch point into an opportunity to engage)
 2. Reset with AI (use AI to facilitate human connections, bring ideas to life, or build an engine to inspire and power future creation)
 3. Community-first creativity (involve audiences up front in the creative process to develop a more authentic and conversational relationship with them)
 4. Go for growth (experiment with new models, innovate within partnerships, and embed participation into the work)
 5. Seize the future (use tech and leave a legacy)
- Per the UK-based Advertising Association and its AI task force, the **top five most urgent, unresolved issues surrounding AI in marketing** are:
 1. Transparency (the need to clearly communicate such use to viewers)
 2. Accuracy
 3. Employee morale (related to job security)
 4. Ownership (the use of copyrighted assets and content without the owners’ consent)
 5. Consent (gain express permission from an individual before using generative AI to represent them in an ad)
- Per WPP, there are **six categories of technology where AI** is useful:
 1. Task automation
 2. Content generation
 3. Human representation
 4. Extracting complex insights/predictions from data
 5. Complex (better) decision-making
 6. Extending the abilities of humans (e.g., enhanced performance)

Business and digital transformation:

- **Neutrogena** launched AI-generated, 3D-printed skin supplements called Skin360, developed in partnership with Nourished. Each Skin360 Skinstack contains seven printed layers of scientifically backed ingredients.
- **Nestlé** used its AI-driven platform developed by CreativeX to discern the best audience and channel for each ad, which has improved Nestlé’s return on marketing investment. The tool ranks ads based on their suitability to different platforms and optimizes creative assets and key elements.
- **Uber** launched Uber Journey Ads, its in-app advertising offerings now used by over 315,000 businesses and generating a \$500 million annual revenue run rate. The company expects to reach \$1 billion in advertising revenue in 2024.
- Global independent marketing consultancy **R3** launched a suite of digital tracking services (SocialTrack, InfluencerTrack, eCommTrack, and SearchTrack) to help marketers assess how their social, influencer, search, and e-commerce marketing measures up against others in their industry.



- **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.
- 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.
- Production advisory firm **Advertising Production Resources (APR)** launched its ACERO tool to serve as the foundation for production and agency spend information to drive significant improvements in production processes, analysis, and insights. The tool provides guided insights and dashboard modules.
- **Google** launched an ad measurement tool called Google Ads Data Manager, which connects with marketers’ first-party data. It is designed to work in the cookieless digital ad ecosystem and measure ad campaigns across Google properties.
- 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.
- 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.
- In partnership with Ebiquity/FirmDecisions and with input from the China Advertising Association, the World Federation of Advertisers published a new guide on **media agency contracts for the China market** to assist advertisers in navigating unique transparency challenges and addressing the complexities and rapid evolution of the media and marketing landscape.

Other/miscellaneous performance and work-related news:

- 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.
- **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.

- The ANA updated its **Master Media Buying Services Template Agreement** for advertisers to use when contracting with media buying agencies in the US. This update addresses key developments in media, including definitions for compliance and performance audits, non-transparent services, AI, ESG and DEI.
- Yum! Brands-owned chain **Taco Bell** is being sued on claims of false advertising. The class-action lawsuit alleges that items such as the brand’s Mexican Pizza, Veggie Mexican Pizza, Crunchwrap Supreme, Grande Crunchwrap, and Vegan Crunchwrap are depicted with much more filling in advertisements compared with what is served.



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**



- A bipartisan bill in the US Senate called **The NurtureOriginals, Foster Art, and Keep Entertainment Safe (NO FAKES) Act** aims at holding individuals and companies liable for producing unauthorized digital replicas of individuals in a performance, along with platforms that host such content.
- **Social media addiction** is coming under legal scrutiny: Utah’s attorney general claims in a lawsuit that TikTok violated a state consumer protection law by causing minors to become addicted to the app and misrepresenting TikTok’s content policies. A state judge in California ruled that teens who suffered from eating disorders, anxiety, depression, and other harms as a result of their social media addiction can proceed with lawsuits against Meta, TikTok, Snapchat, and YouTube.
- Per **Michael Farmer**, chair and CEO of Farmer & Company, increased complexity with advertising agencies centers on fee-setting, roster, SOW, in-house, and hiring and firing. Simplification should be a priority.



Noteworthy quotes:

- » “Numbers have never been a substitute for creativity. My complaint was always that when advertising agencies were off the mark, it’s because they weren’t paying attention to the strategy and data.” —Mark Penn, Chairman and CEO, **Stagwell**
- » “I predict a de-bullshitification of marketing.” —Ryan Kutscher, Founder and CEO, Circus **Maximus**
- » “Advertisers need to work harder to become the client of choice by actively nurturing agency relationships.” —Laura Forcetti, Director of Global Marketing Sourcing Services, **WFA**
- » “CMOs need to be thinking about how are you selling on social, not just participating.” —Emily Ketchen, CMO, Intelligent Devices Group, **Lenovo**
- » “The revolution is here, and it will be televised, socialized and digitized.” —Najoh Tita-Reid, Global CMO, **Logitech**
- » “It’s not AI that will take your job, it’s the other creative who knows how to use AI that will take your job.” —Stephan Pretorius, Global Chief Technology Officer, **WPP**
- » “We will see a real return to great creative. When things are tenuous, like the economy, creative people tend to be at their absolute best.” —Trey Harness, Partner and President, **Curiosity**
- » “In 2008, you were talking about long-term AORs and more mono-campaigns where someone might make 10 or 12 assets in a year. Now, they’re making 10,000 or 12,000 assets in a year.” —Greg Paull, Co-Founder and Principal, **R3**
- » “Ultimately, generative AI is going to reduce a lot of production costs in design, creative, illustration and pre-production processes. And what brand or digital marketing services partner wouldn’t want that?” —Geert Eichhorn, Innovation Director, **Media.Monks**
- » “There will always be a space for agile, great work.” —Paulo Fogaca, CEO, **Dentsu Creative US**
- » “Consumers want brands to reflect their values and create meaningful connections, rather than simply producing more content.” —Amanda Zarle, Chief Strategy Officer, **HeyLet’sGo**
- » “We are at the very beginning of a revolution for our creative industry.” —David Raichman, Executive Creative Director, Social and Digital, **Ogilvy Paris**
- » “We started using ChatGPT for parts of the process like briefing creators.” —Ryan Detert, CEO, **Influential**
- » “Every time we’ve married the human with the technology, we’ve got a better result than either of the two alone.” —James Quincey, CEO, **Coca-Cola**
- » “Bud Light at #1 most talked about brand during the game. That’s a big thing. Just like Bud Light, it’s hard to make but easy to enjoy.” —Marcel Marcondes, Global CMO, **AB InBev**
- » “Agencies shouldn’t view AI as a threat to creativity, but instead see it as another option in the myriad of effective tools at the disposal of creatives to do great work.” —Judith Carr-Rodriguez, Partner and CEO, **FIG**
- » “To me it’s not about if AI is creative or not, but what people and talent it rubs up against. It’s about how we can get to better ideas faster.” —Andreas Dahlqvist, Chief Creative Officer, **Nord DDB**
- » “We’re handing the keys to the kingdom over to ChatGPT.” —Noel Cottrell, Partner and Creative Chair, **Giant Spoon**
- » “Data and AI also work together in a synergistic way. By harnessing the effectiveness of data, combined with human insight, it pushes the boundaries of creativity, to ultimately create change.” —Judith Carr-Rodriguez, Partner and CEO, **FIG**
- » “As work shifts from retainer to project-based, there’s no longer a justification for category exclusivity when a long-term commitment is not offered.” —Marla Kaplowitz, President and CEO, **4A’s**
- » “The Super Bowl was viewed as a festival for TV. Now it’s almost like the flagship for an integrated effort across media channels.” —Luis Miguel Messianu, McDonald’s Global CCO, **DDB**
- » “We’ve reached an inflection point where everyone—not just us tech nerds, but regular people as well—has been captivated by the abilities of AI today.” —Wesley ter Haar, Co-Founder, **MediaMonks**
- » “Creativity comes from creative collisions. If you cannot interact, you cannot create.” —Carl Johnson, Founding Partner and Executive Chairman, **Anomaly**
- » “[My focus is to] create a collaborative culture that allows us along with our agency partners to do the best work of our careers.” —Sofia Colucci, CMO, **Molson Coors**
- » “The questions are endless: is there bias in generative AI; are we optimising for the right KPI; what happens if we have toxic combinations of data; and what happens if we extract insights that we should not be able to access?” —Daniel Hulme, CEO, **Satalia**
- » “As things get crazy, and they probably will in 2023, remain calm, remember to breathe. Make sure you know your brand inside and out, keep an eye on the horizon, and don’t forget the things that aren’t changing (even if nobody is talking about them).” —Christian Cocker, SVP and Executive Strategic Planning Director, **RPA**
- » “For us, the magic occurs when you combine human insight—and cultural insight—with this ability to generate content with machines.” —Stephan Pretorius, Chief Technology Officer, **WPP**



- » “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**
- » “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**
- » “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**
- » “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**
- » “You have to be comfortable with chaos.” —David Lubars, Chairman and Chief Creative Officer, **BBDO**
- » “Those who asked the right questions will be getting better answers. Faster.” —Troy Ruhanen, President and CEO, **TBWA Worldwide**
- » “I’ve never been part of a truly great creative piece of work that had multiple layers between where the idea is presented and the person who’s buying it. At pretty much every layer, it tends to get worse.”
—Tor Myhren, VP, Marketing Communications, **Apple**
- » “It does not help to acquiesce to micromanaging of the work.”
—Marla Kaplowitz, CEO and President, **4A’s**
- » “AI must be centered around empathy and transparency.”
—Julianna Richter, Global CEO, **Ogilvy PR**
- » “Clearly the days of the pitch being this unique opportunity to energize staff and build culture are long gone, with agencies so much more selective about what they pitch for.” —Ryan Kangisser, Managing Partner, Strategy, **MediaSense**
- » “You just have to call it out when it’s bad. Then you have to break down with the team why it wasn’t great. You have to learn from when things aren’t great because if you keep pretending like they are, it never gets better.” —Tor Myhren, VP, Marketing Communications, **Apple**
- » “Secret sauce is, focus on the consumers, focus on what are the consumers’ needs.” —Marc Pritchard, Chief Brand Officer, **Procter & Gamble**

- » “It’s not about making **BRANDED CONTENT**. It’s about making **GOOD CONTENT**.” —Todd Kaplan, CMO, **Pepsi**
- » “If you want to create value, be audacious. Because average is going to come for free.” —Nick Law, Creative Chairperson, **Accenture Song**
- » “Partnership is a multiplier. It’s a multiplier in terms of their business success and the brand success you can have together.”
—Abbey Klaassen, New York President, **Dentsu Creative**
- » “Success for them [clients] is success for us. Success for us is success for them.” —Vita M Harris, Global Chief Strategy officer, **FCB**
- » “Prioritizing measurement and understanding the value of our marketing efforts, both in the short and long term, will pave the way for true effectiveness.” —Matt Green, Director of Global Media, **WFA**
- » “The community is disrupting the purchase cycle, from linear to an infinity loop.” —Sofia Hernandez, Global Head of Business Marketing, **TikTok**
- » “It’s not about outsourcing creativity, it’s about bringing other collaborators/sparring partners into the process.” —Mark Whelan, Chairman and Chief Creative Officer, **Havas London**
- » “Hiring an ad agency without a proper Agency Performance Management framework in place is like embarking on a cross-country road trip without a map or GPS.” —Dave Edwards, EVP Global Growth, **R3**
- » “Within an agency, the best ideas flock to the best clients. The best team members flock to the best clients. And the greatest velocity of work gravitates toward the best clients.” —Jared Belsky, CEO, **Acadia**
- » “All great sponsorships evaluation models measure performance against KPIs and the terms are flexible based on performance. If the partnership succeeds both sides win.” —Barry Byrne, Global Head Employer Branding, EVP & Employee Experience, **Adidas**
- » “I’m not using gen AI to create new campaigns, but I’m using it to inspire me to think differently.” —Michelle Crossan-Matos, CMO, **Ulta Beauty**
- » “Procurement should be simplifying relationships, not cutting fees.”
Michael Farmer, Chairman and CEO, **Farmer & Company**
- » “My belief is that we will have a stronger impact and a more meaningful impact partnering with every company as long as they’re engaged in the meaningful transition journey themselves.” —Yannick Bolloré, Chairman and CEO, **Havas**



Major concluded global & multi-country media reviews H1 2023

From COMvergence, highlighting the major global and regional media pitches for the first half of 2023.



- Automotive
- Alcohol
- Sports & Clothing
- Online Food Ordering
- Financial & Insurance



- FMCG (Personal/Home care)
- FMCG (Food & Soft Drinks)
- Home Goods
- IT & Technology
- Luxury



- Media & Entertainment
- Pharmaceutical
- Retail





Financials

Driving efficient use
of resources





FINANCIALS: Driving efficient use of resources

Year-end summary

February 2023 | Volume 68

From gloom to boom and from boom to gloom again! The economic outlook is making everyone nervous. Tech brands are laying off. Budgets are getting tighter. Industry projections for global advertising growth are down slightly but could still be too optimistic. In this difficult environment, the issue of accurately measuring performance is often a hot topic among advertisers looking to drive greater accountability and performance from their marketing investments. To do so, advertisers must understand how marketing truly drives business outcomes, align KPIs tightly with business drivers, set measurements and benchmarks accurately, and reach conclusions and decisions based on actionable insight, not just mere data.

March 2023 | Volume 69

Global economic challenges, including the war in Ukraine, the COVID-19 pandemic, inflation, interest rates, and supply-chain disruptions, are causing economic uncertainty and volatility. For holding companies, 2022 was a strong year, notwithstanding macroeconomic concerns. Their continued focus on driving growth resulted in strong organic results and outstanding margins thanks to effective expense management as a key priority and flexible business models to address uncertainty. Some agencies predict another strong growth year in 2023. Others speak to a “slowcession.” Economic and global spend forecasts indicate a slowdown that agencies and advertisers alike cannot ignore.

June 2023 | Volume 70

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!

July 2023 | Volume 71

Concerns related to inflation and an economic slowdown are now manifesting in practical terms. The Kantar BrandZ 2023 Most Valuable Global Brands report shows that the \$6.9 trillion brand value among the top 100 global brands is under greater pressure, down 20% year-over-year. The forecast for global advertising spend was reduced slightly but still projected to be between 3.3% and 5.9% (based on who you ask) for 2023. Marketing budgets as a percentage of company value went down in 2023. Brand advertisers are diligent about where to invest. Agencies are managing their P&L more tightly as a result.

September 2023 | Volume 72

The state of macroeconomic uncertainty in the industry, combined with a significant reduction of spend in tech, telecommunication, and financial sectors, had an impact on the financial performance of major holding companies, especially WPP, Dentsu, and IPG. All major holding groups significantly reduced their financial guidance for the full year. Profitability is still strong. Omnicom has the reputation of having the highest margins (around 20%) in the industry. Publicis Groupe is also having a great year based on net growth, organic growth, and profit margins.

October-November 2023 | Volume 73

Current global economic challenges—the war in Ukraine, high and sustained inflation, high interest rates, supply chain disruptions, credit market deterioration, and other macroeconomic factors—are causing economic uncertainty and volatility, leading to the delay of projects and sales cycles, and slower than anticipated onboarding of new business for some. Yet Microsoft closed its acquisition of Activision Blizzard, giving the software giant another viable avenue to reach millions of gamers and consumers through advertising and its popular titles (Call of Duty, Diablo, Overwatch, Warcraft, etc). CBS sold out of its Super Bowl advertising inventory months before the big game, indicating that advertisers are bullish about the future. Amazon, not satisfied to be the largest global advertiser, continues to become a giant ad player as well, dominating retail media and reporting that its advertising business generated more than \$12 billion in revenue in Q3 2023 alone, a 26% increase YOY, despite a macroeconomic context that became more difficult over the quarter. That's half of the revenue generated by Amazon Web Services, one of its largest growth engines. Amazon's US ad business is expected to reach \$34 billion this year. Organic growth for the large holding companies is likely to be 3% to 4% in 2023 (with IPG and WPP trailing between 0% and 1% organic), but they all reduced financial guidance for the year. Omnicom and Publicis are showing signs of strength in their 2023 results.



Industry stats and projections

Worldwide advertising:

- Per PQ Media, **global advertising and marketing spending** is projected to rise 5.3% to \$1.651 trillion in 2023, fueled by growth in streaming audio and podcasting, streaming video, digital out-of-home media, influencer marketing, and digital gaming. The US market is projected to expand 5.9%, to \$659 billion.
- WPP-owned agency GroupM expects the **international ad industry** to grow 5.9% in 2023 (total \$874.5 billion), excluding US political advertising, despite concerns about inflation. GroupM reduced its 2022 US growth estimate to 5.7%, from 7.1%, and lowered the full-year 2023 outlook to 5.1% from the earlier estimate of 5.5%. The US growth estimate for 2024 is 5%. China is now expected to grow 7.9%, up from the previous estimate of 6.3%. Digital is still the most dominant advertising channel, forecast to grow 8.4% in 2023 and reach 74.4% of total ad revenue by 2028. Retail media is the third-fastest growing advertising channel in 2023, behind digital out-of-home and connected TV. AI is expected to touch at least half of all advertising revenue in some way by the end of 2023.
- Per WARC, **global ad spend** will surpass \$1 trillion in 2024, an 8.2% increase YOY (\$963.5 billion in 2023). Five companies—Alibaba, Alphabet, Amazon, ByteDance (TikTok), and Meta (Instagram, Facebook, WhatsApp)—account for half (50.7%) of advertising revenue worldwide. Those five firms are expected to grow revenue by 9.1% in 2023 and 10.7% in 2024. Connected television is projected to grow by 11.4% this year and 12.1% in 2024. Financial services; technology and electronics; and pharma and healthcare are the fastest-growing sectors.
- Per Abintus and COMvergence, key takeaways from **2022 global and regional billing rankings and market shares**:
 1. 2022 total agency billings accounted for 60% of the global media spend of \$401 billion, 6.4% YOY growth
 2. Digital media billings added up to 48% of total agency billings for 2022 (vs. 43% in 2021)
 3. Local independent media agencies represented 2022 billings of \$25.5 billion, and Horizon Media (US) alone accounted for \$7.7 billion
 4. North America represented 39% of total billings
 5. OMD was the top media agency network worldwide with billings valued at \$22.5 billion, followed by Mindshare and Mediacom (with billings of \$22 billion and \$20 billion, respectively)
- Per Ad Age, **spending by the top 100 advertisers in 2022** increased by 2.3%, totaling \$347 billion. Worldwide ad spending for US-based marketers rose by 8.7%. The world's biggest advertiser was Amazon, whose ad and promotion spending increased by 22% YOY, followed by L'Oréal and Alibaba.
- Per Juniper Research, 22% of all global digital ad spend and 30% of mobile advertising spend will be lost to **ad fraud** in 2023, or \$84.2 billion. It is projected to more than double (+105%) by 2028 and reach \$172.3 billion.

- 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 the **Kantar BrandZ Most Valuable Global Brands** report, which assesses brands' value based on their financial performance and brand equity, tech leads the pack with Apple (\$880.5 billion), Google (\$577.7 billion), Microsoft (\$501.7 billion), and Amazon (\$468.7 billion) capturing the top spots. After those big-name tech companies comes McDonald's (\$191.1 billion). China's Shein and Nongfu Spring joined for the first time. Colgate, Sony, and Pampers returned to the list after dropping off in 2022. Coca-Cola (\$106.1 billion) returned to the top 10 for the first time in seven years. Facebook led the social media platforms at No. 12, followed by Instagram (29), YouTube (34), and TikTok (41).



People tend to embrace change when times are difficult, not when they're easy."

Martin Sorrell
Founder and Executive Chairman, **S4 Capital**



US advertising:

- Per ECI Media Management, **the rate of ad-cost inflation in the US** is expected to decline to 4.2% in 2023 from 5.9% in 2022, driven by TV inflation, which will be at 6.8%, offset by brands shifting TV ad budgets to connected TV.
- Magna, an IPG Mediabrand 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 non-digital media) increased from 57% in February to 62% in March.



- 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.



Consumers aren't addicted to ads; they are addicted to entertaining content. To deny that reality is to do so at your client's expense."

Kristen Cavallo
CEO, MullenLowe and The Martin Agency

MULLENLOWE Martin.

- Per **Ad Age**, the top 200 US advertisers raised their spending on ad and marketing services by 8% in 2022, reaching a record \$210 billion. Among the 200 biggest advertisers, 133 increased spending in 2022. Fifty-five had total US ad spending greater than \$1 billion. The most advertised brand was Amazon, with \$6.1 billion in US measured media spend. Average US organic growth for the five major agency holding companies—WPP, Publicis, Omnicom, Interpublic, and Dentsu—was 7.6%.
- Per Madison and Wall, **2023 US ad agency revenue growth** (estimated to range between 4.3% and 5.4%) is expected to significantly outpace what brands spend on media.
- Per PG Mediabrands' Magna, **US advertising** will grow 5.2% in 2023 and 5.6% in 2024, fueled by digital media.

Digital advertising:

- **Meta Platforms Inc.** was fined €390 million (\$414 million) by the European Union and its European Data Protection Board due to the way users' data was used for personalized ads on its Facebook and Instagram units. The probes followed complaints in 2018 against Facebook and Instagram.

- 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 Data.ai, **advertising in mobile apps** reached \$336 billion globally in 2022, up 14% YOY. Advertising accounted for 66.8% of total 2022 app revenue of \$500 billion. North America accounted for 46% of global mobile ad revenue generated through iOS and Google Play apps.
- Per **martechmap.com**, there are 11,038 **martech solutions**—an 11% increase YOY. 689 companies were removed, a 7% churn rate, after being acquired, pivoting out of martech, or going out of business. Yet the rate at which startups launch consistently outpaces the exit rate.

Media, programmatic, and social:

- Per WFA, top challenges of **measuring media effectiveness** are:
 1. Data accuracy, granularity, and timeliness
 2. Media fragmentation and harmonization of measures
 3. Misattribution
 4. Capturing long-term as well as short-term effects of media investment
 5. Cost and resources intensive
- Per the ANA, 23%, or \$20 billion out of \$83 billion, in **open programmatic ad spend** is wasted going to ineffective ad placements on bad websites. 15% of programmatic ad spend finds its way to “made for advertising” websites of low quality (featuring fake news, conspiracy theories, or spammy links, and tactics such as pop-up ads, auto-play videos, or intrusive ads), instead of premium inventory.
- Per FYPM's 2023 **Creator Pricing Benchmark Report**, Walmart, Adobe, Target, McDonald's, and Nike were ranked as the brands that pay the most for social posts. The median brand deal pricing in 2023 is \$500 for Instagram and \$400 for TikTok, an 18% reduction compared to 2022 across all platforms.
- **ECI Media Management** released its Media Inflation Report (Q3 2022), and key takeaways are:
 1. The global economic outlook is cloudy but with silver linings
 2. The Hollywood strikes highlight the accelerating decline of TV, which is expected to fall even further into deflation. **Check out the five-year inflation trends.**
- Per PQ Media, **global influencer marketing** spend rose by 21.5% in 2022 to \$29 billion and is expected to rise by an additional 17% to \$34 billion by the end of 2023, driven by marketers' investments in sponsored social media content in the US from both micro-and macro-influencers.

Super Bowl, recession, and political:

- Per Cortex Media, a “**slowcession**” is the most likely scenario for 2023. Per their Media Market Update 2023 Outlook report, it means the economy “comes to a near standstill but never slips into reverse. A slowcession is also currently considered a better outcome than a recession. However, it could linger from quarter to quarter, or even year to year, much like stagflation did in the 1970s and early 1980s.”
- Per Sensor Tower, the top 20 **Super Bowl advertisers** with the most invested in digital media spent \$3 million on TikTok, up 400% YOY. They spent 39% more on Instagram, 40% more on YouTube, display and video, and 43% less on Twitter. Facebook investment was flat.
- 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
- Per Ad Age, **political ad spending** is expected to reach \$11.5 billion in 2024, including \$5 billion in broadcast TV and \$1.8 billion in connected TV/streaming.
- Per Stagwell media agency Assembly, **political advertising spending** is projected to hit a record \$12 billion during the 2024 US election cycle. Of that, \$3 billion is expected to be spent in the presidential race.

Other/miscellaneous:

- E-commerce during the holiday season performed strongly. Last November, per Salesforce, **Cyber Monday US online sales** hit \$12.2 billion, a 8.3% increase YOY. Globally, sales totaled \$46.2 billion, a 2.4% increase YOY. Mobile accounted for 76% of e-commerce traffic. Social media played a massive role. Black Friday sales reached \$15 billion.
- 2022 median **YTD spending increase** was 7.4% based on reported figures in local currencies, per Ad Age. L'Oréal's ad and promotion spending went up 27% (for a total of \$12.5 billion in 2022. Chinese e-commerce titan Alibaba Group Holding spending was up 68% (\$14.2 billion in 2022).
- The **global generative AI market** is expected to reach \$109.37 billion by 2030. Per Gartner, 30% of outbound messages from large organizations will be synthetically generated by 2025.
- Per Madison and Wall, consumer packaged goods corporations Clorox, Coca-Cola, Colgate, and Mondelez made claims about **improved returns on investment associated with advertising budgets**: a 45% increase in advertising return on investment in 2022 over 2019 for Clorox; a 9% increase in gross profit per dollar of advertising spend in 2022 over 2019 for Coca-Cola; 1.3x higher return for digital vs. traditional media for Colgate; and a 36% increase in media ROI in 2022 vs. 2019 for Mondelez.

- Per **Ciesco**, there were a total of 2,095 M&A transactions (11 acquisitions above the \$1 billion threshold) in 2022 within the technology, digital, media, and marketing sector, a 20% increase YOY. The digital media, marketing technology, and digital agency sub-sectors, as well as the US and UK, were the most active M&A markets. The six largest advertising holding networks made 30 acquisitions in total, an increase of 100% over 2021 (15). Havas was most active with eight deals completed in 2022. WPP acquired seven companies; Publicis, six; Dentsu, five; Omnicom, three; and IPG, one. Acquisitions were mostly in digital marketing and experience, data, research, e-commerce, creative services, and healthcare communications. Among consultancies, Accenture and Deloitte led the way with six deals each.
- 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 the **Gartner 2023 CMO Spend and Strategy Survey**, marketing budgets fell from 9.5% of company revenue in 2022 to 9.1% in 2023. 28% of CMOs' multichannel budgets will be spent on awareness in 2023. 75% of CMOs report being asked to do more with less. 66% changed investments in agencies, people, technology, and media. 75% of CMOs face pressure to cut martech spend. 62% cut investments in continuous improvements and optimization of existing martech solutions.
- Per Gartner, five key actions when creating an **annual marketing budget**:
 1. Plan for budgeting process
 2. Initiate marketing budget process
 3. Revise budget estimates
 4. Finalize and communicate marketing budget
 5. Monitor budget performance
- Per RightSpend, 71% of CMOs don't think their **marketing budgets** are enough to deliver on their strategies.
- Per **RightSpend**, 47% of marketing decision-makers are too focused on growth and ROI to be on top of streamlining costs. 34% don't have access to the needed, valid data and analytics. 36% claim that better cost management would benefit them by identifying growth opportunities to make marketing work harder and help boost long-term agency partnership stability. 43% realize that they must invest in order to save.



Key client budget moves:

- **Keurig Dr Pepper's** highly controversial RFP for a review of its US PR business stipulated that the winning agency agree to 360-day payment terms or obtain financing from a third-party bank. General Motors, General Mills, and Anheuser-Busch InBev also made headlines for payment terms as long as 120 days.
- **Procter & Gamble's** US-based fabric care brands saved \$65 million in advertising spending in a single year by bringing media planning and buying capabilities in-house, according to its CFO.
- CPG giant **Procter & Gamble** increased ad spending by \$445 million in its fiscal first quarter ended Sept. 30 (a 2.6% increase in marketing spending as a percentage of sales), similar to the \$453 million increase in P&G's fiscal fourth quarter.

Digital giants:

- **Microsoft** agreed to invest \$10 billion in OpenAI (and its tool ChatGPT) over multiple years. The software giant also invested in 2019 and 2021.
- Per Ad Age, **Amazon** increased worldwide advertising and promotion spending in 2022 by 22%, to \$20.6 billion (or \$56 million per day), setting a record for annual spending by any marketer. Since the company opened for business (199, it has spent \$95 billion in advertising and promotion (3.5% of its sales).
- **Alphabet** reported revenue of \$283 billion for the full year 2022, up 10% YOY, but only realized \$76.05 billion in Q4 2022 (of which Google advertising accounted for \$59 billion and YouTube ads for \$8 billion, both lower than the year prior), missing analysts' expectations by \$440 million. The company recently reduced its workforce by 6% (12,000 jobs).
- California-based tech giant **Meta** reported that Facebook's monthly active users (3.08 billion, or 38.4% of the global population) increased by 3% YOY. India has the most Facebook users at 314 million, followed by the US, Brazil, and Indonesia, which have 100+ million active users each.
- Digital advertising remains strong. **Amazon's** ad services revenue rose by 22% YOY, reaching \$10.68 billion in Q2 2023, while total revenue for the company rose by 11%, to \$134.4 billion. Amazon attributed its strong performance to the introduction of more advanced machine learning and AI models, helping advertisers reach their target audiences with optimal cost efficiency and higher conversion rates as the industry moves away from third-party cookies.

Holding companies' financial results:

Dentsu

- **Dentsu** reported 4.1% organic revenue growth in 2022, across all its regions (but mostly from the Americas and EMEA), with continued strong demand for Customer Transformation & Technology services. The holding company reported 3.5% growth in Q4 following a decline in Q3. The firm expected 4% to 5% growth in 2023 with an operating profit margin of 17.5%.
- **Dentsu Group** reported 258.8 billion yen for Q2, a 0.1% reduction YOY with organic net revenue declining by 4.7%. The operating margin was 8.7%, a 37.6% reduction YOY, as a result of net revenue decline in the Americas and APAC. Customer Transformation & Technology revenue grew 0.5% YOY in the first half, reaching 33% of group revenues. Dentsu finalized its acquisition of global digital production company Tag. Dentsu is moving toward its One Dentsu approach to foster greater simplification and integration, which is expected to streamline costs. The firm revised its 2023 forecast, expecting 1% to 2% growth.

Havas Group

- 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.
- Vivendi-owned **Havas Group** reported a 4.4% net revenue gain in the first quarter, to 588 million euros (about \$640 million), while organic net revenue growth slowed to 1.9%. The group's North America region posted a 0.3% organic decline, compared to 4% growth in Asia-Pacific and 27.3% growth in Latin America. Havas Group acquired HRZN (a German agency specializing in social media and content) and Noise Digital (a Vancouver-based media performance and data analytics agency). Key account wins in Q1 included Santander (Brazil), BMW (China), and Danone global.
- **Vivendi-owned Havas** reported net revenue growth in the second quarter of 6.3% thanks to the performance of its Health&You (health communication) and media divisions. North America grew by 5.5%, Europe 2.4%, APAC 7.6%, and LATAM 30%. Havas launched its Havas Play in 14 countries, the international deployment of CSA, and the creation of the global content production network Prose on Pixels. The group has acquired four agencies in 2023 (Canada's Noise, Germany's HRZN, India's Pivot Roots, and the UK's Uncommon). Havas won 19 awards at Cannes Lions. Net revenue for the first half reached 1.3 billion euros, up 4.9%.
- **Vivendi-owned Havas** reported net revenue growth in the third quarter of 4.5% (Europe was up 1.5%, North America 3%, and Asia Pacific 2%. LATAM jumped 51.1%). For the first nine months of 2023, Havas's revenues were €2 billion, a 4.3% organic increase YOY.



Interpublic Group

- **Interpublic Group** reported revenue of \$10.9 billion, with net organic growth of 7% across all regions (with three-year organic growth of 14%). Full-year net income was \$938 million, with 16.6% margin on revenue. Q4 revenue was \$3 billion. The group's big digital shops—R/GA and Huge—didn't perform as strongly as expected compared to other group units. Strong sectors for the firm remained auto, health, and finance. The group reduced its real estate portfolio given shifts in the company's workforce model, including more work-from-home hours, and expected to save \$20 million annually. The firm projected between 2% and 4% growth in 2023.

- **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%.

The Strength of Agency Holding Companies:

Unpacking the Financial Boom of 2022 and Its Implications for Advertisers



agencymania.com

Visit agencymania.com/strength-agency-holding-companies-the-financial-boom-of-2022-and-implications-for-advertisers to read our article ***The Strength of Agency Holding Companies: Unpacking the Financial Boom of 2022 and Its Implications for Advertisers***. Learn how the exceptional financial and operational progress of Agency Holding Companies will impact brand advertisers in the future.



- **Interpublic Group** reported \$2.33 billion in revenue in Q2, a 2.3% decline. Organic revenue fell 1.7%, citing significant reductions in ad spending in the tech and telecommunications sector (tech clients made up 12% of IPG's net revenue). Although IPG's Media, Data and Engagement Solutions and Integrated Advertising and Creativity-Led Solutions segments performed poorly, the Specialized Communications & Experiential Solutions segment reported 3.7% organic revenue growth, thanks to the performance of its PR and experiential disciplines. Two of its digital agencies—R/GA and Huge—are in the midst of a “turnaround,” which led to an increase in layoffs. Severance expense was high at 1.7% of net revenue. New business was decent, boosted by the expansion of its Pfizer account (considered the largest review of 202, along with securing the US media account for pharmaceutical giant Bristol Myers Squibb (Mediabrand), Constellation Brands (Initiative), and Upfield (UM). IPG revised its forecast for full-year organic growth to be 1% to 2%.



Hire agencies by the hour,
and it's hard for [the] client or
agency to drive the work where it
needs to go.”

Susan Credle
Global Chief Creative Officer, **FCB Global**

FCB 150

- **Interpublic Group** reported \$2.68 billion in revenue in Q3 and net revenue of \$2.3 billion, an increase of 0.6% and organic reduction of 0.4%, lower than expectations but with some growth in their media offerings, the healthcare sector, sports and experiential marketing, and public relations (media, data, and engagement solutions down 0.5%, integrated advertising and creatively led solutions down 4.1%, and specialized communication and experiential solutions up 6.5%). For the first nine months, the company's organic revenue decline was 0.8%. Reported net revenue for the first nine months was \$6.81 billion, a decrease of 1.2% YOY. Net income was \$245 million and profit margin was 17.2%. Revised guidance is 1% organic growth for Q4 and full-year profit margin of 16.7%.

Omnicom

- **Omnicom** reported \$14.3 billion in worldwide revenue with 9.4% organic growth. Q4 revenue reached \$3.8 billion, 7.2% organic growth, and 16.6% operating profit margin. Organic growth by discipline in 2022 was 7.3% for Advertising & Media, 17.1% for Precision Marketing, 13.7% for Public Relations, 10.7% for Commerce & Brand Consulting, 7.1% for Healthcare, 4.0% for Execution & Support, and 26.1% for Experiential. Organic growth by region was 8.7% for the United States, 10.9% for the United Kingdom, 9.7% for the Euro Markets & Other Europe, 6.6% for Asia Pacific, 14.1% for Latin America, 9.2% for Other North America, and 33.2% for the Middle East & Africa. The group expected 3% to 5% organic growth in 2023.
- **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.
- **Omnicom Group** reported revenue of \$3.6 billion for its second quarter 2023, up 1.2% YOY with organic growth of 3.4% (by discipline: 5.1% for advertising and media, 9.2% for experiential, 3% for healthcare, 2.3% for precision marketing, 2.4% for commerce and brand consulting, and 0.1% for public relations). Operating income reached \$550 million and the operating margin was 15.3%. Per Brian Wieser: “As the company reports revenues differently than every other major agency group—focusing on gross revenue, rather than net, which excludes pass-throughs—results are not directly comparable to peers, so further analysis is required to interpret their numbers” and “Excluding the 23% of Omnicom's 'revenue' that are essentially pass-throughs, adjusted margins actually rose from 20.1% to 20.4% during the quarter over last year.”
- **Omnicom Group** reported revenue of \$3.6 billion for its third quarter 2023, up 3.9% with organic growth of 3.3%. Notable performances by discipline: 6.1% for Advertising & Media, 4.3% for Precision Marketing, 3.8% for Healthcare, and 9.2% for Experiential. Organic decline by discipline was as follows: 5.5% for Public Relations, 3.6% for Execution & Support, and 1.7% for Commerce & Branding. Operating income was \$560 million and operating margin was 15.7%. Recent client wins include Uber, HSBC, Beiersdorf, Novartis, Under Armour, Amazon, and Telstra. The firm completed several acquisitions in Q3 in Advertising & Media and Public Relations disciplines: PLUS Communications, a top public affairs firm; FP1 Strategies, a leading political consultancy; Outpromo and Global Shopper, two of Brazil's leading connected commerce and retail media agencies; Ptarmigan Media, an end-to-end media and marketing solutions firm to financial brands; and Grabarz & Partner, a creative agency in Hamburg. Omnicom was ranked 2023 Creative Company of the Year at the Cannes Lions International Festival of Creativity.

Publicis Groupe

- **Publicis Groupe** reported double-digit revenue growth for the second consecutive year with net revenue of 12,572 million euro, a 20% YOY increase. Full-year 2022 organic growth was 10.1% after a strong end to the year with Q4 at +9.4%. Epsilon and Publicis Sapient grew at 12% and 19% organic, respectively, in 2022. The US market grew organically by 10%, Asia Pacific by 6.5%, and Europe by 12.3%. The operating margin rate reached 18%, with a record bonus pool. The holding company reached N°1 in new business league tables in 2022 for the fourth time in five years. The group expected 3% to 5% organic growth in 2023.
- **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 expected 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.

- **Publicis Groupe** reported 3.23 billion euros in revenue (USD\$3.46 billion), up 5.4% YOY with organic growth of 7.1% for the second quarter of 2023. As a result, the holding company upgraded its growth guidance for the full year to 5%. Organic growth in Europe was 15.2%, 5.9% in LATAM, 2.6% in APAC, and 4.9% in North America. Data unit Epsilon grew by 6.8%, and digital transformation services provider Publicis Sapient grew by 5.5% during the period. Publicis Groupe reported that data and technology, media, and creative each contributed one-third of the company's revenue. The operating margin was 17.3%. Publicis Groupe announced full-year 2022 organic growth at 10.1% and net revenue up 20%. Epsilon and Publicis Sapient reported organic growth of 12% and 19%, respectively. The operating margin rate was 18%.
- **Publicis Groupe** reported organic revenue of €3.2B, or a 5.3% gain, in Q3 2023 (but flat YOY), ahead of expectations thanks to a change in revenue mix (media agencies and Epsilon's data offering) and tailwinds in new business. Net revenue for the first nine months of the year is €9.5 billion. Organic growth was 6.5% in the first nine months of 2023. Epsilon's strong performance further accelerated with 10.5% organic growth in Q3. Publicis Sapient achieved 1.2% organic growth. North America net revenue was up 3% organically in Q3 2023 vs. Europe up by 10.7%. Publicis acquired Yieldify, a London-based marketing technology company; Advertise BG, one of the leading performance marketing agencies in Bulgaria; Practia, a leading LATAM tech company and provider of digital business transformation services; Publicis Sapient AI Labs, an AI research and development joint venture; and Corra, an e-commerce leader recognized by Adobe as one of the top commerce firms in North America. Publicis and Carrefour announced the launch of their joint venture Unlimitail. New business global wins include Adobe (Media), Mondelēz (Production), King (Creative), Ninjacart (Creative), Alvarium Tiedemann (Creative), Amplifon (Creative), Pfizer (Creative, Media, Data, Production), Miele (Media), and Ancestry (Media). Guidance is now 5.5% to 6% organic growth for the full year, with operating margin at 18%.

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The graphic features a dark teal background with several overlapping white and teal boxes. At the top right, a white box contains four circular icons: a green leaf, a blue document with a checkmark, a blue target, and a blue document with a lightning bolt. Below this, a teal box with white text reads "Customized SaaS Solutions". In the center, a teal box with white text reads "Partnership Management Lifecycle". At the bottom, a white box contains the "AGENCY MANIA SOLUTIONS" logo, which consists of a cluster of blue and green dots to the left of the text. Below the logo is an illustration of three stylized human figures in business attire standing around a large digital screen displaying various charts and graphs.



S4 Capital

- **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 expected 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.
- **S4 Capital** reported a net revenue gain of 28.1% in the first quarter, to 219.1 million GBP (about \$274 million), with organic growth of 6.8%. The Americas performed strongly—11% net growth in Q1. Europe, Middle East and Africa net revenue was down 4.7%, and Asia-Pacific declined 9.9%. The company cut staff in Q1 by 200 positions, to 8,700.

Stagwell

- **Stagwell** reported its sixth consecutive quarter of double-digit revenue growth, with organic revenue up 14% YOY, \$2.7 billion in revenue, and \$451 million in EBITDA. The holding company was invited to \$1 billion in new business pitches in 2022, winning \$213 million in new business. The firm focused on its Stagwell Marketing Cloud, media studio, and AI solutions, like its AI-driven PR company, PRophet. The firm forecasted organic net revenue growth of 7.5% to 10% for 2023.
- **Stagwell** reported \$539 million in net revenue in Q2, a 3% reduction YOY but a small increase (\$17 million) over the first quarter of 2023. Organic net revenue fell 5%, mostly from Stagwell's digital transformation business and overall reduction of spend in the tech industry. Stagwell states that 25% of its revenue comes from transformative digital projects. Stagwell reported \$75 million in net new business in Q2. Stagwell Marketing Cloud (PRophet, ARound, etc.) saw its revenue grow to \$48 million. The firm also reduced its overall workforce by 4%, saving \$48 million. Stagwell revised its 2023 forecast, now expecting 2% net revenue growth.
- **Stagwell** reported a 7% decline in organic net revenue in the third quarter, with revenue of \$618 million and net revenue of \$535 million. Q3 revenue from the Performance Media & Data capability increased by 8%, and net revenue increased by 11%. Revenue from the Stagwell Marketing Cloud Group capability increased by 7%, and net revenue increased by 20%. Q3 net new business reached \$81 million (YTD net new business of \$209 million). The firm acquired Left Field Labs, a digital experience design and strategy company, and Movers+Shakers, a business that provides social media marketing solutions. Stagwell completed the sale of its integrated healthcare marketing agency and pharmaceutical commercialization platform, ConcentricLife, for \$245 million in cash. The firm now expects a 4% decline in organic net revenue and 19% profit margin for the full year.

WPP

- **WPP** reported £14.4 billion in revenue for 2022, a 12.7% increase YOY, driven by gains in communications, customer experience, commerce, data, technology and new business of \$5.9 billion, including new assignments with Audible, SC Johnson, and Verizon. All major agencies grew in 2022. Organic growth was 6.9% YOY. WPP was to pay £424 million in annual bonuses. WPP was deemed the most creative company at 2022 Cannes Lions. GroupM was ranked as the world's leading media group, with total net new business of \$5.9 billion in 2022. The firm completed £237 million in acquisitions and realized annual cost savings of £375 million. Ogilvy, AKQA, Hill + Knowlton, Landor & Fitch, and Hogarth were among the strongest agencies in the portfolio—each delivering double-digit growth. Experience, commerce, and technology now constitute 25% of the firm's business. Operating margin reached 14.8%. Among WPP's top-30 clients, only one chose to pull back some budget for 2023. The group forecasted between 3% and 5% growth in 2023.
- **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 targeted 3% to 5% revenue growth in Q1 2023, with an operating margin of about 15%.
- **WPP** reported first-half revenue of £5.8 billion (\$7.4 billion), up 5.5%. Net organic growth for the first half was 2% globally while North America decreased 1.2%. The firm revised its 2023 forecast, expecting 1.5% to 3% growth, due to lower revenue from technology clients. H1 operating profit margin was 11.5%. 39% of revenue came from experience, commerce, and technology. GroupM, its media planning and buying agency, grew by 6.1%. Ogilvy performed well, supported by recent new business wins, including Verizon and SC Johnson. Efficiency benefits (annual run-rate of £450 million in efficiencies) were offset by investment in IT and higher severance costs. New business performance was solid with \$2 billion net new billings in H1—Maruti Suzuki (media), Pernod Ricard (creative), Reckitt (media), Beko (creative), and Costa Coffee (PR). The firm completed a few acquisitions: Goat and Obviously in the fast-growth area of influencer marketing and an investment in Majority, a diversity-led creative agency.



- **WPP** reported revenue of £7 billion for H1 2023, up 6.9% YOY and up 1.2% in the first nine months of the year, but net organic revenue declined in Q3 (-0.6%). The firm saw reduced spend from technology clients in North America and other markets, with a greater impact on its media business, GroupM. Recent wins include Estée Lauder, Hyatt, Lenovo, Nestlé, Unilever, and Verizon B2C, for a total of \$2 billion net new billings in H1 and \$3.4 billion in new business YTD. The firm acquired Goat and Obviously in the fast-growth area of influencer marketing and invested in Majority, a diversity-led creative agency. The firm launched VML, with further integration of GroupM (common products and a single tech platform for Wavemaker, Mindshare, EssenceMediacom, GroupM, Nexus, and Choreograph), contributing to cost savings of at least £100 million in FY25. Guidance is now revenue growth of 0.5% to 1% and operating margin of 15% for 2023.

Agency financials and budget cuts:

- **Dentsu Group Inc.** invested in San Francisco-based game studio firm Roforco Inc., which develops and publishes games on social gaming network Roblox.
- The Martin Agency, Variable, Anomaly, Mother, and XenoPsi Ventures are among agencies diversifying services via IP investments, increasing revenue coming from **nontraditional agency services**.
- 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



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- **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).
- Holding company **Dentsu** reduced its 2023 growth forecast for global advertising spend, now projecting a 3.3% increase vs. the original 3.5% estimate, to \$727.9 billion in 2023. The firm expects media price inflation instead of advertising volume to drive growth. At constant prices, Dentsu expected a decline of 0.6% YOY. The firm expects ad spending growth of 4.7%, or \$762.5 billion, in 2024 as a result of the UEFA Euro Championship and the US presidential election.
- Per COMvergence, **GroupM** secured nearly a third of total reviewed media spend in the first quarter of 2023. GroupM ranked first in total new business value of more than \$1 billion and successfully defended an industry-high \$728 million in business. Wavemaker was the #1 agency network, with a total new business value of \$801 million in Q1. The agency successfully defended \$564 million at a retention rate of 88% (vs. the average retention rate of 25%).



Our guiding principle has been,
'What we say yes to shapes us,
and what we say no to defines us.'
We're not going to be all things to
all people."

Greg Hahn
Co-Founder and Chief Creative Officer,
Mischief @ No Fixed Address

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- Per New Business Methodology, agencies spend up to 17% of their revenue to cover nonbillable hours spent annually on **pitching**, and agencies spend \$12.46 billion on pitching per year. Per ID Comms, a single pitch for an account worth \$50 million to \$500 million can cost agencies \$120,000.
- Per Forrester and its Ditch the Pitch report, US agencies spent \$12.5 billion on **client pitching**.

- Per COMvergence, the GroupM agency Wavemaker is the **top global media agency network in new business results** for the first half of 2023, with net new business of \$1.2 billion, including \$818 million in retentions from Huawei China (\$315 million) and Adobe US (\$140 million). The net figure factors in \$216 million in lost accounts. Zenith ranked second, including the win of Adobe (\$150 million) and the retention of L'Oréal in Iberia (\$130 million). Initiative is third-ranked (\$555 million), mostly due to its Constellation Brands win in the US (\$534 million). At the group level, Publicis Media ranks first with \$3.3 billion in net new business, including Pfizer (\$1.5 billion), LVMH in North America, Signet Jewelers in the US, and Walgreens in the US.

Mergers and acquisitions:

- Per Ciesco, 1,051 transactions were announced in the first half of 2023 in the **Technology & Media** sector, a 2% increase YOY and a 23% increase on H1 2021. Value of M&A deals are up 18% YOY. The most active categories were Digital incl. Agency, AdTech/MarTech, and Content & Production. PR & Communications demonstrated a 123% rise in deal volume. The US and the UK accounted for 50% of all activity, followed by France, Canada, Germany, Australia, and Japan, with a strong emphasis on corporate-led (strategic buyer) and PE-backed corporate acquisitions. Examples of H1 2023 acquisitions included Amp (by WPP) and Noise (by Havas Media).
- Based on Ciesco, notable **2023 M&A transactions** include Uncommon (by Havas), Grabarz & Partner (by Omnicom Group), Tinsel (by Stagwell), Jellyfish (by The Brandtech Group), Corra (by Publicis Groupe), Kinnect (by IPG), amp (by WPP), and Dark Horses (by Omnicom Group). These acquisitions involve creative agencies, experiential and design, digital marketing, e-commerce, generative AI and brand experience, sports marketing, and more. WPP is considered an active acquirer with six acquisitions YTD.
- Black-owned agency **A—B** acquired Avalanche Insights, a polling and civic research firm, to enhance the firm's offering to reach people of color, including research, strategy, and creative services.
- **The Brandtech Group** acquired digital media and marketing group Jellyfish to expand its Web3 and generative AI capabilities and also acquired the world's top generative AI SaaS platform, Pencil.
- Data-driven marketing company **Claritas** acquired ArtsAI, an AI-powered ad tech company, with the goal to drive more efficient and profitable campaigns through additional third-party measurement tools for their 1,300+ combined clients, including Progressive and T-Mobile.
- **Dentsu** acquired Australia-based Aware Services, a consultancy that helps companies optimize their use of the Salesforce, MuleSoft, and Tableau platforms. The agency joined Dentsu's data and customer experience management unit Merkle.
- **Dentsu Group** acquired Spain's Omega CRM Consulting and its subsidiaries. The firm is being folded into Dentsu's data and analytics subsidiary Merkle to bolster its customer experience management offering. The acquisition turns the combined entity into one of the largest CRM agencies in Spain.



- **Dentsu's Merkle** acquired Shift7, a B2B experience and commerce agency focused on revolutionizing the digital experience for manufacturers and distributors. Shift7 joins Merkle, a leading technology-enabled, data-driven customer experience management company within Dentsu. Shift7 adds strong B2B Salesforce multi-cloud capabilities and brings more than 129 Salesforce certifications to the Merkle team.
- **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.
- **Dentsu Group** acquired German creative agency RCKT (with a focus on creative content, digital marketing, branding, user interface, customer experience, and communication strategy), which will join the Dentsu Creative network in a move to strengthen its presence in the German market.
- **Dentsu Group** made an equity investment in Mountainview, California-based Theai, aka Inworld AI, a leading character engine for games and interactive experiences, to help brands have more engaging and humanlike interactions with customers.
- Amsterdam-based digital agency **Dept** acquired US commerce agency Melon, which provides strategy, design, and implementation of commerce experiences, with a focus on the Salesforce ecosystem. Clients include Under Armour, Vineyard Vines, and Nike.
- **DoubleVerify** acquired a digital campaign optimization firm, Scibids, for \$125 million, combining DoubleVerify's data with Scibids' AI technology, covering the media transaction end to end, from activation to measurement, and providing advertisers real-time campaign optimization without relying on third-party cookies.
- Data analytics and advisory firm **Escalent** 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.
- 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.
- Private equity firm **FVLCRUM Partners and Channing Johnson** acquired Black-owned agency Burrell Communications Group in a move to expand the agency's work beyond multicultural, digital, experiential, and entertainment.
- London-based **Gravity Global** acquired 9thWonder, a full-service agency with proprietary approaches to media, data analytics, and creative execution, in a move to deepen the agency's global, data- and tech-enabled capabilities.
- 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.
- **Havas** took a majority stake in Mannheim-based HRZN, one of Germany's emerging independent creative agencies for social media and content. The agency provides online-located brand communication—from social media consulting, social listening, and analytics to content, brand experience, and community management.
- **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.
- **Havas** acquired a majority stake (51%) in London creative boutique Uncommon Creative Studio. Uncommon was named Ad Age's International Agency of the Year in 2023. The agency's client list includes H&M, British Airways, Beats by Dre, Pinterest, and Nike Jordan.
- **Havas** acquired PivotRoot, an integrated digital marketing and martech agency in India, which will be integrated into Havas Media India in a move to strengthen the group's digital presence in the fast-growing market. The agency's client list includes Disney, Amazon Prime Video, and Unilever.
- **Havas** acquired Australian Public Affairs, becoming part of H/Advisors, Havas's global strategic communications advisory network, in a move to develop its public affairs, financial PR, and strategic communications offering across the APAC region.
- **Mekanism** acquired Madrid-based boutique agency Zapiens Design, with expertise in digital design and UI/ UX to strengthen the agency's digital offering, ranging from digital capabilities and data and 1:1 CRM services.
- The integrated travel and hospitality marketing firm **MMGY Global** acquired the outdoor-focused agency Origin, based in Whistler, British Columbia. The agency will rebrand as MMGY Origin.
- **Moore** acquired from Merkle its Merkle Response Management Group (Merkle RMG), a processing and data-driven company serving the nonprofit, commercial, and government sectors, allowing the firm to offer next-generation technology capable of handling large mail volume and integrating complex data, banking, and reporting platforms.
- **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.



- Omnicom's Media services division, **Omnicom Media Group**, acquired Outpromo and Global Shopper, two of Brazil's leading connected commerce and retail media agencies to offer clients a dedicated, end-to-end e-commerce and retail media performance agency in the Brazilian market.
- **Omnicom Media Group** acquired UK-based Ptarmigan Media, a specialist agency that provides media and marketing solutions to financial services brands. The London-based agency, with offices in Hong Kong, New York, Singapore, and Sydney, offers services including media planning and buying, market research, search, social, content, and creative.
- **Omnicom Group** acquired a majority stake in Hamburg, Germany-based creative agency Grabarz & Partner to further expand its leadership position in Germany. Clients include Deutsche Bahn, Ikea, Lidl, and Porsche. The agency has been recognized in Cannes Lions' Top 10 Independent Agencies of the Decade and among Campaign UK's The World's Leading Independent Agencies.
- **Omnicom PR Group (OPRG)** acquired Arlington, Virginia-based PLUS Communications, a top public affairs firm, and FP1 Strategies, a leading political consultancy in a bid to accelerate growth, expand existing offerings, and further solidify OPRG's leadership position in public affairs and corporate and political consulting. OPRG's roster includes public affairs and political consulting firms DDC, GMMB, Mercury, Portland, and Vox.
- **Omnicom** acquired Flywheel Digital, the digital commerce business of Ascential that helps brands sell goods across hundreds of digital marketplaces, such as Amazon, Walmart, and Alibaba, for \$835 million. Flywheel will operate as a practice within Omnicom, which aims at expanding its footprint in digital commerce and retail media sectors.
- Fort Worth, Texas-based independent **PMG** acquired Dallas-based Camelot Strategic Marketing & Media and its client roster, which includes Intuit, Experian, Michaels, and Whole Foods, and 150 employees in Dallas, New York, Los Angeles, and Baltimore.
- 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.
- **Publicis Groupe** acquired Yieldify, a London-based mar-tech platform that helps e-commerce businesses better engage with their customers via personalized experiences, which will become part of Epsilon and complement the Epsilon PeopleCloud offering and consumer identification database CORE ID.
- **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.
- **Publicis Groupe** acquired 100% ownership of a joint venture formed three years ago among Publicis Sapient, Elder Research, and Tquila, called Publicis Sapient AI Labs, which focuses on artificial intelligence research and development. Publicis Sapient AI Labs is now part of the digital transformation unit Publicis Sapient.
- **Publicis Groupe** acquired Corra, an e-commerce company recognized by Adobe as the top commerce firm in North America. Corra will become part of Publicis Sapient, Publicis Groupe's digital business transformation company, and will augment Publicis Sapient's expertise in commerce solutions, including Adobe commerce and Mach Alliance composable commerce solutions. Corra will also add dedicated resources to Publicis Sapient's SPEED (Strategy, Product, Experience, Engineering, and Data & AI) capabilities.
- Carrefour Group and **Publicis Groupe** launched a joint venture, named Unlimitail, to address the booming retail media market in continental Europe, Brazil, and Argentina.
- 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.
- **Shell** acquired ad-supported electric vehicle charging station network Volta, one of the largest public electric vehicle-charging networks in the US.
- Stagwell-owned public affairs and political consulting firm **SKDK** acquired Jasper Advisors, a C-suite advisory firm, which will continue to operate as an independent subsidiary.
- **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.
- **Stagwell** acquired New York-based marketing and design studio Tinsel Experiential Design, which will become part of Stagwell's Constellation agency network (72andSunny, Brand Citizens, The Harris Poll, Hecho Studios, Instrument, Redscout, and Team Enterprises) in a move to expand the network's experience in environmental design, 3D renderings, conference and corporate events production, and the B2B technology space. Stagwell has made thoughtful investments in response to the resurgence of experiential and immersive experiences, such as the development and growth of ARound, its shared augmented reality platform for large-scale venues, and Sport Beach, the first-ever hub at Cannes Lions dedicated to the cultural power of sport.

- **Stagwell** made several moves:
 1. Acquired LA-based Left Field Labs to deepen the holding firm’s AI capabilities. The firm, with clients like Google, Meta, Uber, and Hasbro, specializes in providing digital solutions via AI, as well as other technological approaches such as VR and experiential design.
 2. Acquired creative social agency Movers+Shakers for \$15 million. The agency will operate under its existing name and join Stagwell’s Constellation Network of agencies (72andSunny, Instrument, The Harris Poll, etc). The firm is known for its social (including TikTok), cultural, and creative work.
 3. Sold healthcare marketing agency ConcentricLife to Accenture Song for \$245 million as part of a streamlining effort to focus on core digital services and invest in AI solutions and other digital capabilities.
- Luxury marketing specialist **Together Group** acquired North Six, an agency with expertise in content production, experiential, and influencer marketing. Clients include Louis Vuitton, Dior, Hennessy, Bulgari, Tiffany & Co., DeBeers, and Montblanc. Together Group’s portfolio of agencies also includes creative shops King & Partners, Noë & Associates, and Construct, strategic activation agencies Purple, Hot Pot China, Seven Dials City, and Folk Commerce, and its consumer-trend and strategic consultancy, The Future Laboratory.
- 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.
- 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.
- **WPP** acquired digital transformation Fēnom Digital, which delivers enterprise commerce, order management systems, supply chain, marketing, and customer experience solutions to retailers and brands across North America, including Casper, Crocs, David Yurman, GNC, PacSun, and Snipes. The firm will join WPP’s global commerce capability within Wunderman Thompson.
- **WPP** acquired Montreal-based Diff to boost its North American commerce capabilities. The firm provides commerce solutions for the Shopify commerce ecosystem and services such as growth strategy, front-end design, site optimization, and system integrations.
- **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.
- **WPP** acquired a 30% stake in Majority, the small Atlanta agency co-founded by NBA legend Shaquille O’Neal. The agency is focused on “disruptive creativity that moves culture” across disciplines including advertising, strategic planning, digital, branded entertainment, design, product innovation, experiences, art, and activism. Clients include NBA G League and General Motors, and Majority is the creative AOR for Sprite.

Payment terms and compensation:

- Some brands, including **General Motors**, updated their payment terms to 30 days to allow minority-owned and diverse media partners to be paid faster and limit the burden on their business operation and cash flow.
- Per the ANA, the use of **performance incentive models** fell to 41% (down from 48% in 2016 and 61% in 2013). Brands indicate that they “don’t know” whether performance compensation is improving agency performance. Labor-based and fixed output-based fees now account for 82% of all agency compensation models.
- Matching service agency **Brief** launched an offering allowing brands to prequalify (within two minutes) for a credit line of up to \$500,000 for upfront agency charges. Advertisers have the option to pay off the credit within two to 12 months under the new product called Brief(Pay), powered by fintech company Tranch.
- The 4A’s issued a guidance paper titled “**The Ripple Effect of Extending Payment Terms**” to equip agencies to navigate difficult conversations about standard payment terms and to protect themselves and their clients from the ripple effects of extended payment terms. Such extended terms translate to additional financial burden in the form of loans or dipping into cash reserves to meet business expenses.



- Per Philippe Dominois, co-founder and CEO of Abintus, **10 ways advertisers are being overcharged by media agencies:**
 1. Agency miscalculation of media agency remuneration
 2. Agency mark-ups on digital media technical costs
 3. Misapplication of commission rates on adjacent costs
 4. Agency invoicing based on plans, not actual results
 5. Agency double charging for tools and technology
 6. Agency not delivering on their contractual obligations
 7. Agency retaining AVBs for itself (or part of it)
 8. Agency using inventory media without advertiser consent
 9. Agency retaining unbilled media for itself
 10. Agency reselling “free spots” to clients
- At the ANA Advertising Financial Management Conference, **Verizon** shared its approach to agency compensation based on six principles:
 1. Fairness and transparency (treat agencies as partners, not vendors or suppliers)
 2. Deliverables-based model
 3. Incentive compensation (based on select KPIs with the ability to earn payments in excess of 100% of their contracted payment)
 4. Built for flexibility
 5. Performance feedback (both quantitative and qualitative)
 6. Single data platform
- **Dentsu Group** formed a special committee to look into allegations that certain subsidiaries in Japan engaged in bid-rigging activities related to venue management bids for the 2020 Tokyo Olympic and Paralympic Games. Former ADK Holdings president Shinichi Ueno pleaded guilty to bribery charges in the ongoing Tokyo Olympics scandal, admitting to paying ¥14 million (\$104,000 to former Olympic Organizing Committee executive and former Dentsu executive Haruyuki Takahashi).
- 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
- A Capital A Group Company launched **Agencies.co**, a platform to buy and sell marketing and communication agencies. Sellers can choose to work with Agencies.co’s M&A team. The firm guarantees to find buyers, and agencies can list for free with no fees unless a deal closes.
- Per **ANA CEO Bob Liodice** on helping marketers make the case for investment and the need for a shared understanding and belief in the value of creativity:
 1. The need for multiple teams, including finance and data analytics, working together, and utilizing the same best practices, playbooks, and KPIs
 2. Gaining C-suite buy-in through a common language and outcomes that both marketers and CEOs can use as a currency to validate the impact of creative effectiveness
 3. The critical importance of strong client and agency relationships, both from a starting point of clearly written briefs to the same creative evaluation scales, performance metrics, and incentives
- 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.

Other/miscellaneous:

- The former COO and CFO of IPG’s PR firm **Weber Shandwick** was sentenced to prison after pleading guilty to embezzling \$16 million over a nine-year period ending in 2020. Frank Okunak was ordered to pay \$16 million in restitution and forfeit an additional \$10.8 million.
- Per the 4A’s, six ways agencies can address **exclusivity** to reinforce confidentiality:
 1. Establish house accounts in different states or cities within a state if the agency has the scale
 2. Create physical separation if the agency has multiple floors in a building or multiple buildings/offices within a city
 3. Create a separate and secure work area if separation by floors isn’t possible
 4. Establish separate agency teams depending on the size of the account
 5. Manage client data access by establishing separate server/cloud accounts
 6. Create separation of entities within the agency (e.g., bespoke name and resources)



Noteworthy quotes:

- » “If, as they should, the company expects excellence and innovation to drive the growth of their brands, starting a partnership in this way with any agency is counterintuitive.” —Marla Kaplowitz, President and CEO, **4A’s**
- » “I look at WPP today in terms of its performance. It’s not the largest anymore. It’s now number four in terms of market cap.” —Martin Sorrell, Founder and Executive Chairman, **S4 Capital**
- » “It’s interesting that in the first nine months of the year, WPP, and indeed the average of the holding companies, has grown faster than the aggregate of Google, Meta, Snap and Twitter. I think that comes down to the range and breadth of our services that go beyond advertising.” —Mark Read, CEO, **WPP**
- » “The state of the world, the macro global environment, inflation, changing customer behavior, all require us to be nimble.” —William White, Senior VP and CMO, **Walmart US**
- » “The CMO of a group wants a great agency relationship because they will work with us for a long time, and no client wants an agency to hire not the best people because they were restricted by fees.” —Serge Rancourt, CEO and Founder, **No Fixed Address**
- » “It says a lot about the difference between seeing an agency as a partner and an extension of the brand. That’s ultimately where we’ve seen our greatest successes, where we are joined at the hip. And, truly, their success is our success, and they are interchangeable.” —Elaine Purcell, Chief Growth Officer, **DDB North America**
- » “WHAT A YEAR it was for this ‘challenger’ network... are we still allowed to call ourselves that?!” —Ryan Linder, Global CMO, EVP, **Stagwell Global**
- » “At the time of year for predictions, forecasts, and resolutions—let’s all think beyond just the next 12 months and instead focus on the next 12 years for long-term success.” —Judith Carr-Rodriguez, Partner and CEO, **FIG**
- » “There are fewer creative pitches every day, because clients prefer to add partners or reduce partners on a project basis than completely and radically changing agencies in most cases.” —Arthur Sadoun, Chairman and CEO, **Publicis Groupe**
- » “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**

- » “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**
- » “Today it’s all about using a timeless idea in a timely way.” —David Lubars, Chairman and Chief Creative Officer, **BBDO**
- » “The economic mood around much of the world seems to be one of impending trouble.” —Kate Scott-Dawkins, Business Intelligence President, **GroupM**
- » “Clients have relentlessly cut the fees paid over the past two decades, but the holding companies have survived and increased shareholder value by aggressively downsizing their companies every year to maintain profit margins.” —Michael Farmer, Chairman and CEO, **Farmer & Company**
- » “We have to focus on output, deliverables; not get into the minutiae of who is doing the work, the fine details of how many hours people work.” —Marla Kaplowitz, CEO and President, **4A’s**
- » “The growth of nearshoring and offshoring should not be a win for agencies, but rather profit neutral.” —Greg Paull, Co-Founder and Principal, **R3**
- » “AI is going to have profound effects on agency business. And it’s not because somebody doesn’t like an agency. People want things at lower costs and faster, and with quality at a level of parity with what they have now—and that’s starting to happen.” —Norman de Greve, CMO, **CVS**
- » “Relationships strengthen when both sides align on goals and understand the business imperatives. Extended payment terms have a negative impact on agencies—regardless of size.” —Marla Kaplowitz, President and CEO, **4A’s**
- » “We grew profits while also investing in marketing, research and development, and technology, which we funded through gross efficiencies.” —Miguel Patricio, CEO, **Kraft Heinz**
- » “Even in an age of algorithms, we observe that so much of the value delivered from agencies is still discretionary and based on people and relationships.” —Tom Denford, CEO, **ID Comms**
- » “We’re not using AI to cut costs. We’re using AI to bring our ideas to life quickly, cheaply and make it more personalized.” —Mark Read, CEO, **WPP**
- » “We continue to refine our targeting methodology and roll out capabilities across the globe. So as we scale these capabilities, we are becoming more effective and efficient in our spend, which increases the return on investment and therefore is a good incentive for us.” —Andre Schulten, CFO, **P&G**

- » “Agencies do not have the luxury of passing the burden of extended payment terms to their employees, landlords or utility companies.” —Marla Kaplowitz, President and CEO, **4A’s**
- » “Agencies are hired to drive business results—they should not be hired to be banks for client-side marketers.” —Bob Liodice, CEO, **ANA**

- » “One thing that marketers will cheer is using AI to create the basics of pitch documents. AI will be able to analyze the requests, dig deep into the data of all past pitches, construct the bones of the next pitch and handle all of the endless annoying compliance.” —Mark Penn, CEO, **Stagwell**
- » “An agency review can cost an average of \$400,000 for the defending account, while non-incumbents can spend \$200,000 just to participate in a review.” —Marla Kaplowitz, President and CEO, **4A’s**

Per R3, “Publicis Groupe was holding company of the year with 2,249 wins and \$804m in increased revenue, almost double the New Business increase of second place WPP. The holding group’s leading media agency, Starcom, also topped the Media Agency rankings, generating \$165m in revenue, 60% more than sister agency Zenith in second place. Amongst creative agencies, French shop Havas led with \$156m in overall new business revenue across 363 wins. The value of new business decreased 35% year-on-year, though the number of pitches increased 11% from 2021.”

R3: Global Creative New Business Wins

Rank This Month	Rank Last Month	Agency	Est. Win YTD Revenue*	Est. Overall YTD Revenue*	# of Wins
1	1	Havas Worldwide	156.2	149.2	363
2	2	Ogilvy	109.9	107.1	489
3	3	VMLY&R	105.3	103.4	269
4	5	Leo Burnett	99.4	98.4	54
5	4	Saatchi & Saatchi	98.1	96.5	107
6	6	R/GA	78.9	78.9	146
7	7	DDB	87.0	77.4	1
8	8	Wunderman Thompson	67.2	65.9	95
9	9	Digitas	57.1	54.6	15
10	10	Publicis Worldwide	43.1	43.1	8
11	11	Dentsu	44.7	41.4	164
12	14	M&C Saatchi	40.9	38.4	46
13	12	BBDO	49.3	37.0	7
14	13	McCann Worldgroup	35.8	35.8	2
15	15	Publicis Sapient	33.8	33.8	8
16	16	MullenLowe Group	37.9	32.9	41
17	17	OKRP	29.0	27.0	6
18	18	Wieden+Kennedy	42.9	26.9	14
19	21	Adam&Eve	28.0	21.5	6
20	19	Barkley	21.0	21.0	4

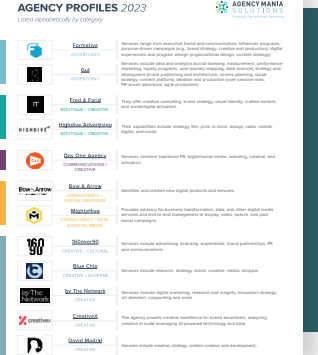
*USD \$M

R3: Top Global Holding Group Rankings for 2022

Rank	Rank Last Qtr.	Holding Group	Est. YTD Creative Revenue*	Est. YTD Media Revenue*	Est. YTD Overall Revenue*	% of 2021 Revenue	# of Wins
1	1	Publicis Groupe	473.5	331.1	804.6	5.5%	2,249
2	2	WPP	256.4	168.7	425.1	2.2%	1,786
3	3	Omnicom	129.7	131.4	261.1	1.7%	795
4	4	Interpublic	164.8	83.7	248.5	2.3%	464
5	5	Havas	149.7	60.3	210.0	10.4%	532
6	6	Dentsu	54.3	143.9	198.2	1.7%	1,175
7	7	Accenture	23.0	0.0	23.0	0.6%	14
8	8	Stagwell Group	-4.5	-6.0	-10.5	-0.6%	43
					2,160	2.7%	7,058

Looking for more?

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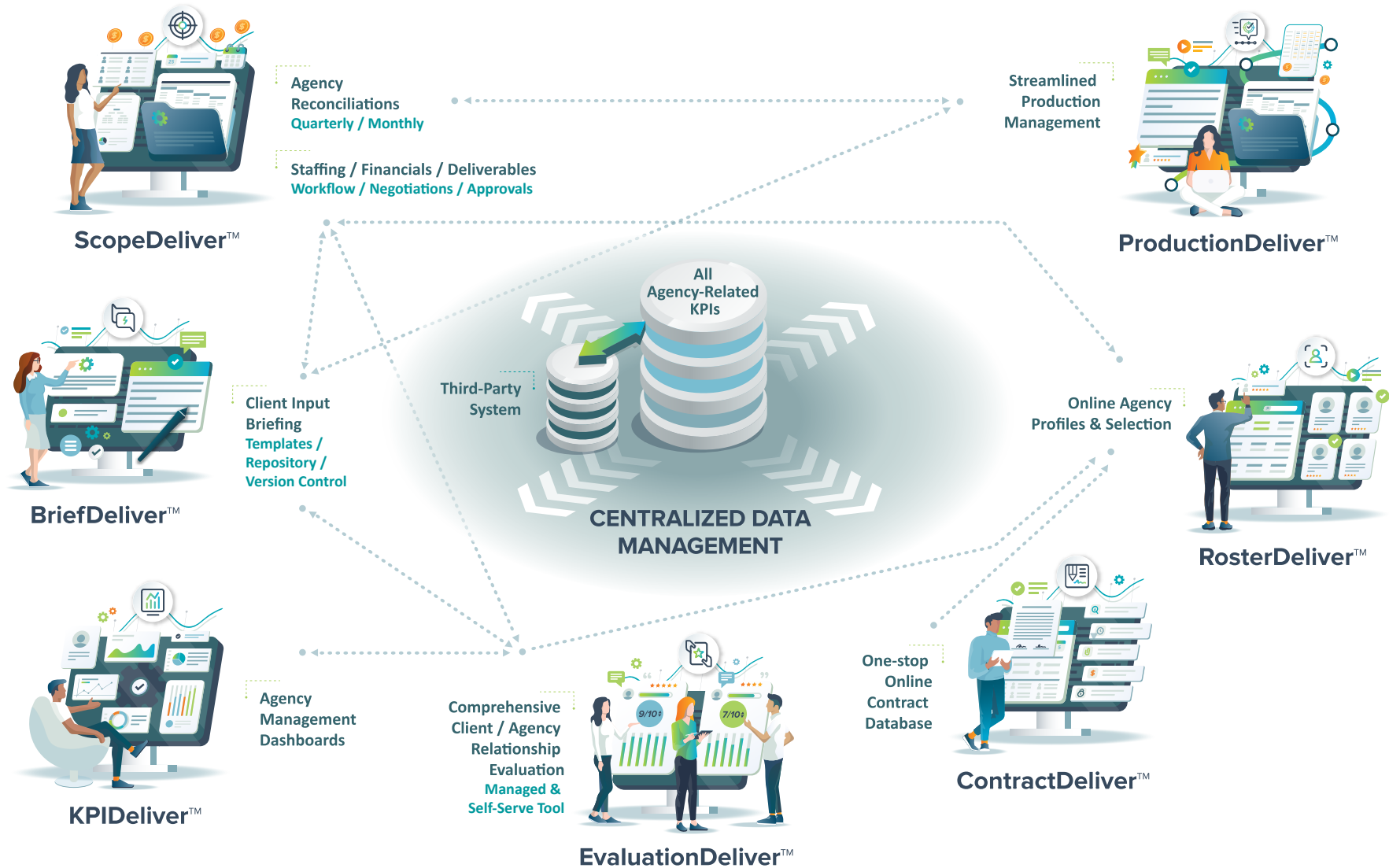
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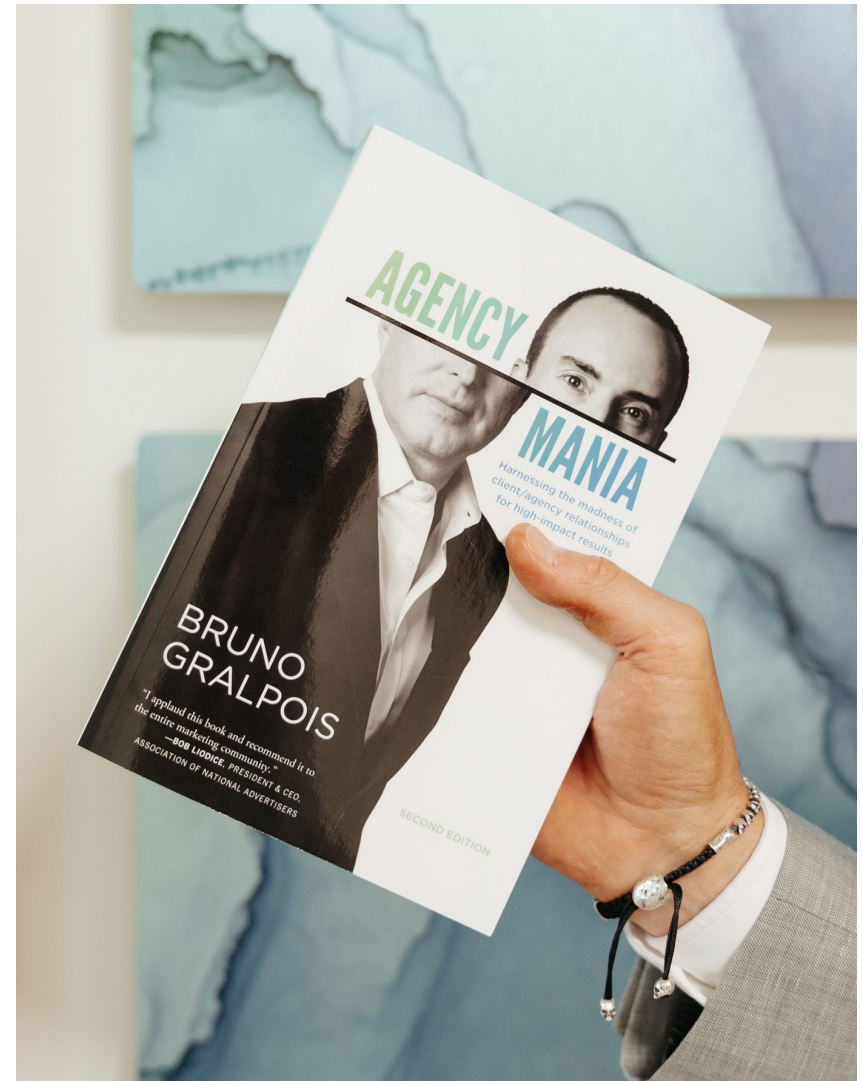
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A word about the author:

Bruno Gralpois has been instrumental in establishing agency management as a central global discipline for many of the top 200 advertisers. His commitment to successful client/agency partnerships led him to co-found Agency Mania Solutions and serve as principal. Before that, he held leadership positions at industry-leading companies, including Microsoft and Visa, as well as various pre-IPO software companies. Bruno is an active member of the ANA Faculty of Marketing, which helps build effective advertiser-agency relationships.

Bruno Gralpois Co-Founder and Principal, Agency Mania Solutions

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