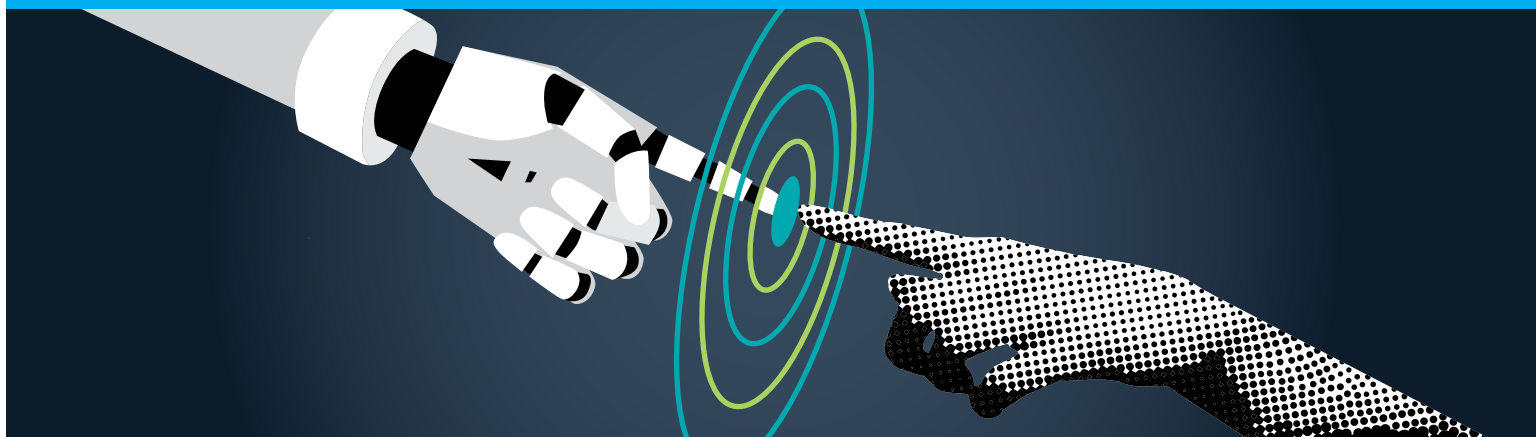


Industry Update

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

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EXECUTIVE SUMMARY: July - August recap

An accelerated pace of change is inevitable as announcements related to AI partnerships and innovation overwhelm both the media and the marketers who are trying to make sense of the cacophony of news in the advertising industry.

What's real and what's hype? OpenAI, Google, Microsoft, Adobe, and now Apple are introducing AI solutions that span a wide range of consumer and business applications. It's exciting. It's mostly exhausting. How do you keep up? How do you discern what's relevant, or even actionable? What's incremental improvement versus truly innovative and breakthrough?

We at Agency Mania Solutions are no different in thinking about these things. Recently, we proudly released our AI Sentiment Analysis feature as part of EvaluationDeliver (and, yeah, this is real stuff we are doing!). AI is now showing up across the entire advertising supply chain.

If you want to know what's AI and what's BS, then you might want to check out the newly released BSbot from Publicis Groupe. It is designed to detect and debunk myths and help clients make sense of the AI hype. Meanwhile, Apple surpassed Microsoft as the most valuable company in the world, with a market cap of \$3.3 trillion, after announcing its push into AI during its developers conference keynote.

AI is hot. Really hot. Just don't get burned.



Bruno Galpois
Co-Founder and Principal,
Agency Mania Solutions

TALENT: Securing the right talent and resources

The biggest highlight of summer was the Cannes Lions International Festival of Creativity, the largest and most well-known advertising award show in the world. Brands and agencies gather on beaches, at hotels, on yachts and at The Palais to celebrate their most brilliant work and groundbreaking creativity and to brainstorm the future of the advertising business. The Cannes Lions reached more than 26,000 submissions this year (up 6% for brands and 31% for agencies). Rapidly growing categories are Creative Business Transformation, Creative Commerce, Social & Influencer, and Creative Strategy. Key takeaways: Lead with value, reinvent talent and ways of working, and drive continuous reinvention. Transformation is constant. As expected, generative artificial intelligence was the hottest topic among delegates at Cannes Lions. Brands are asking: Are you giving us what we want or what we need? What they need may not always be that obvious.

- Per Ad Age, top **CMO concerns** for the second half of 2024:
 - 1) The US presidential election
 - 2) Skyrocketing use of AI
 - 3) DE&I shifts
 - 4) The measurement conundrum
- The **Association of National Advertisers (ANA)** announced the launch of a new entity, named Aquila, in its quest to develop and operationalize a scalable cross-media measurement (CMM) solution. A CMM system “will support a broad range of use cases for planning, optimizing, post-campaign reporting and outcome measurement,” according to the ANA press release. Aquila has formed partnerships with Kantar Media and Accenture to carry out phases of the initiative. The goal is to enable unduplicated reach and frequency capping across platforms. Advertisers such as P&G and tech giants Google, Meta, Amazon, and TikTok are among the financial backers.
- In July, **Procter & Gamble** once again partnered with Ad Age’s Small Agency Conference & Awards for The Elevator Pitch. Agencies signed up for an Elevator Pitch appointment time, during which they pitched their agency to P&G executives in the room for five minutes. P&G then reached out to selected agencies for a more in-depth capability session with their corporate team.
- Independent agency **Atlantic New York** kicked off an agency-led “request for test,” where brands met with the agency as potential clients of record. Each brand was provided with a 30-minute slot to present its brief. The stunt campaign was designed to generate buzz at the Lions Cannes Festival.
- **General Motors** changed its global marketing and agency model to include a mix of current and new agencies. The brand will no longer operate with an AOR structure and is pursuing a modern approach to real-time, efficient content development.
- Released jointly by the 4A’s (American Association of Advertising Agencies) and the ANA in partnership with Advertiser Perceptions, “**The Cost of the Pitch II: The Rise of Value**” examines the importance of trust, value, cost, transparency, and respect. Per the study, 46% of clients and 61% of agency executives have no system in place to assess the value of client relationships. 90% of brands state that the overall value and long-term ROI of advertising campaigns outweigh cost considerations.
- The 4A’s **Agency Operations and Business Transformation (AOBT)** initiative has developed the AOBT Standard. It’s the first-ever playbook for AOBT agency professionals and covers topics such as capacity and resource management; operations and financial stewardship; change management for agency operations; technology investment; management; adoption and AI; and business intelligence.
- Per Ad Age, 10 **noteworthy independent agency networks**:
 - 1) ACC (Acceleration Community of Companies)—6 agencies (MKG, Stripe, Pixly, Trailblaze, Pink Sparrow, ACC Advisory) and 330 employees
 - 2) Amin Worldwide (advertising and marketing independent network)—60 agencies (Bailey Lauerman, Cayenne, Cronin, Crowley Webb, CVR, Dalton Agency, Davis Elen, DCG One, di Paola Latina, Doe-Anderson, EGC Group, Fusion92, etc.) and 6,000 employees
 - 3) Culture Group—5 agencies (Culture+ Group, Cien+, Cien+ Health, Human Dot Plus, TheChoice+) and 150 employees
 - 4) Dawn—15 agencies (Active International, BarkleyOKRP, Bleacher Report, Bridgenext, Co:Collective, Crossmedia, Main Street One, Monday, NIL Influence, People First, Pixis, Redbox, Redpeg, Rethink, Zoo Media) and 3,200 employees
 - 5) IKPN (Independent Knowledge Partner Network)—13 agencies (Evolve Agency Group, The Social Circle, Ken Media, Mediology Media, TDG Marketing, etc.) and 5 employees
 - 6) Meet the People—9 agencies (VSA Partners, Public Label, Match Retail, Saltwater Collective, Swell Media, True Media US, True Media Canada, Coegi, RAdAR Analytics) and 800 employees
 - 7) Nostos Network—50 agencies (829 Studios, Atomic Robot, BFO, Bullhorn, Butler, ButterCo, Confidant, Conscious Minds Studios, Collier.Simon, Craft & Commerce, Farmuse, Fors Marsh, Force Multiplier Strategy, Foundry, fred&ted, General Idea, Glide, etc.) and 2,000 employees
 - 8) Plus Company—26 agencies (Cossette, Citizen, Mekanism, We Are Social, All Inclusive Marketing, Aperture 1, Camp Jefferson, Level 11, etc.) and 3,000 employees
 - 9) Serviceplan Group (6,000 employees)
 - 10) Worldwide Partners (88 agencies in 46 countries)

- Ad Age launched its **agency account review tracker**, which enables the following of notable accounts in review, including for creative and media, and the consultants (if any) and incumbent agencies involved. As of July, existing reviews called out were Adobe, Amazon, BlackRock, Columbia Sportswear, Corona Extra, Culligan, eBay, General Mills, Goldfish, Goodyear Tire and Rubber Co., Häagen-Dazs, Kellanova, Northwestern Mutual, Panda Express, Rocket Cos., Unilever, and WeWork.
- **Interpublic Group's Acxiom** is focused on turning its "integrated marketing engine" into a single operating system connecting data, media, creative, production, and commerce, so brands can deliver personalized, engaging customer experiences using their preferred clouds and technology partners.
- **Horizon Media's** commerce affiliate expanded its Neon AI platform into a software-as-a-service (SAAS) format in a move to standardize measurement and reporting across retail networks.
- Per LinkedIn and Ipsos, 67% of CMOs expected to go through a **reorg** in 2024. More than 4 in 10 said they went through a reorg in 2023. 88% are seeking bolder and more creative campaigns. 67% are increasing their budgets to make it happen.
- Havas e-commerce division **Havas Market** announced a global partnership with Shopify to bolster its capabilities in direct-to-consumer e-commerce. The two firms are collaborating on the development of customized solutions that leverage Shopify's retail operating system and that will plug directly into Havas Market's proprietary technology.
- **Omnicom** and its Omnicom Media Group announced a partnership with Amazon and its Amazon Ads service, enabling the holding company to access Amazon's proprietary browsing, shopping, and streaming insights to directly tie linear and CTV investment to purchases made on Amazon. Omnicom clients such as Clorox Co. can achieve greater efficiency across their full-funnel marketing campaigns.
- **GroupM** and the retail media business of Tesco, the UK's largest supermarket chain, created a partnership focused on innovation and data-led solutions in the retail media space. GroupM will leverage data owned by the grocery giant to develop insights and hone strategic planning capabilities in retail media.
- If you're **hiring a search consultant**, Mercer Island Group suggests asking these 10 questions:
 - 1) How many searches has the search consultant successfully completed in the past five years? In the past three years?
 - 2) Does the consultant charge agencies to win a search or be engaged in a search, included in a database or highlighted in a newsletter?
 - 3) Are they present in tissue sessions and finalist presentations and provide counsel to the client?
 - 4) What is their point of view regarding successful partnerships, the importance of strategy, the importance of chemistry, category experience, effective creative, and modern function-specific capabilities?
 - 5) Will the consultant modify their process significantly to cater to client requests?
 - 6) Can the consultant provide six or more references from the past two years?
 - 7) What is the consultant's attitude toward working with procurement?
 - 8) How does the consultant approach negotiations, and what resources do they have to support the negotiation?
 - 9) What is the consultant's policy regarding confidentiality and the media during the review?
 - 10) What is the consultant's process, rough timeline, any guarantees, cost and specific category or function experience?
- San-Francisco-based full-service, tech-enabled platform **Linqia** launched OTS (On the Street) to connect brands, partnering with 50 creators to help brands tap into the popular video category of "on the street" interviews. Per the firm, 500,000 Instagram Reels are labeled with the #OnTheStreet hashtag and the hashtags #OnTheStreet and #StreetInterview are attached to more than 250,000 TikTok videos.

New agencies or capabilities, restructurings, and reorganizations:

- Omnicom consolidated several production units spread across the holding company into a newly formed unit called **Omnicom Production** in a bid to ramp up its production capabilities under one roof and connect it to the firm's data technology suite. The new practice area includes Omnicom Studios, eg+, Designory, Mother Tongue, Link9, and the production departments housed within the firm's creative agencies, such as BBDO and DDB. It will leverage Adobe's Content Supply Chain solution, Artbot, its intelligent content automation system, and Omni, its open operating system.
- **Omnicom** launched a new Middle East operation called Omnicom Qatar in a move to build a stronger presence in the region. Omnicom's local agencies include Auditoire, OMD, and PR unit OPRG.
- Omnicom Group's **Goodby Silverstein & Partners** launched a design unit called Silverstein Goodby & Partners, which includes designers, animators, motion designers, and strategists. The agency works with brands such as Autodesk, Comcast Business, Frito-Lay, and others.
- In a major shakeup at **Omnicom creative agencies in Canada**, BBDO Canada, DDB, and TBWA merged to form Omnicom Advertising Group, but entities will still operate under their original name. Omnicom has been sharing resources and assets as it looks to drive efficiencies and find ways to streamline and simplify client access to its network.

- **Havas** set in motion a new strategic plan, dubbed “Converged,” built on a “client-centric approach” that it claims will provide “hyper-personalized solutions: a new, more seamless, interoperable, holding company-wide operating system built around a commitment to spend \$430 million on data, technology (including AI) over the next 4 years.”
- **Havas** launched a consultancy dedicated to GLP-1 innovation to drive meaningful strategic solutions in response to disruptive innovations, such as GLP-1s (a class of drugs first used to treat diabetes that is now being adopted for weight loss). As a full-service creative agency with the largest health communication network in the world, Havas provides bespoke recommendations that assist brands in leveraging GLP-1 advancements.
- Stagwell’s European e-commerce agency **Brand New Galaxy** folded into flagship media agency **Assembly** as part of consolidation and to further integrate attitudinal, behavioral, and transactional data under Assembly’s AI-powered platform and operating system.
- The **Code and Theory Network**, Stagwell’s digital transformation network, expanded to include Instrument and Left Field Labs in a move to strategically align Stagwell’s individual digital transformation agencies under the Code and Theory Network (other agencies in the network include Kettle, Truelogic, Rhythm, and Mediacurrent).
- Stagwell’s **72andSunny** launched The Strategy Studio, a new feature that encompasses all 72andSunny’s global locations (Sydney, New York, Los Angeles, and Amsterdam) to help identify growth audiences, develop foundational brand strategies, and create go-to-market playbooks.
- **Dentsu** expanded its Business Transformation (BX) practice globally—US, UK, Ireland, Germany, Austria, Switzerland, Denmark, Norway, Sweden, and the Netherlands—to help clients ignite stalled transformation initiatives, create new revenue streams, revamp strategy, and develop sustainability programs.
- Global creative studio **Stink Studios** launched a creative collective, called **Not for Hire**, to foster greater talent diversity (outside of advertising) and bring together artists, photographers, fashion designers, gallerists, musicians, comedy writers, and sculptors to help brands create, develop, and execute creative.
- **S4 Capital** conducted a major overhaul and restructuring of its flagship brand, Media.Monks, including a name change to Monks, designed to simplify operations. There will be a transition to two main practices—Marketing Services (creative, content, media, social, and data-driven marketing solution) and Technology Services (technology, user experience, product engineering, data, digital transformation, and consulting services). Both are powered by the agency’s AI-driven workflow platform, Monks.Flow. The move also more accurately represents the firm’s integrated global team, unified expertise, and diverse communities.
- Interpublic Group’s **MullenLowe** launched its MullenLowe Design Studio, combining its design practice across its offices in Boston, New York, and Los Angeles under a dedicated group. The move puts design at the core by assembling a diverse team of graphic designers, motion designers, film editors, illustrators, and typographers.
- After several acquisitions in recent years (BlueKai, Moat, Datalogix), software giant **Oracle** decided to shut down its declining advertising business to focus on cloud, subscription services, and AI solutions.
- **Spotify** launched its first in-house creative agency, Creative Lab, to help brands create custom marketing campaigns and test generative AI ads. The move aims to attract advertisers to the platform, which has 615 million listeners. The agency creates video and audio ads, in-app digital experiences, and other interactive ad formats, like call-to-action cards.
- **Civic Entertainment Group** launched an Accessibility Consulting Practice within the agency to help brands better speak to the needs of the disabled community with services that include creative, social media, and publicity. Per the Centers for Disease Control and Prevention and World Health Organization, 1.3 billion people worldwide (16%) identify as disabled.
- **Creative Artists Agency (CAA)** launched a new Media & Entertainment Partnerships division for forging partnerships between brands and their intellectual property, media companies, and star talent. The division will help clients develop, finance, and launch films, TV, social, and digital series. A recent example is KitchenAid having its stand mixer used on Jennifer Garner’s social series “The Pretend Cooking Show.”
- Agency **Mark Allen & Co.** launched PrideNOW, a specialized consulting service designed to help marketers navigate “the increasingly challenging marketing environment and connect with the spending power of the fast-growing LGBTQ+ community year-round.” Estimated spend in the global LGBTQ+ community is \$4.7 trillion.
- New agency **Corner Table Creative** launched with the goal of disruptive delivery that produces fast, top-quality work. The agency removed creative and departmental silos from the process, and “deployed a model that doesn’t make brands choose between having a lot of content and having great creative,” says Madeline Meade, who cofounded the agency with Rachel Brandt.
- The **Joan agency** launched a new practice—Joan Design—which is now expanding its capabilities beyond JoanxMedia, Joan London, and Joan Studios. The new entity creates strategies, brand identities and campaigns, leveraging its AI solution, Artificial Objects, an online gallery of everyday objects imagined in clever ways.

AI (artificial intelligence):

- **Meta** launched its AI Studio platform, which enables creators on Instagram to build AI versions of themselves that can interact with fans via DM. Meta's custom AI bots explain that the user is interacting with an AI bot.
- Per TikTok, since fall 2023, 37 million **TikTok creators** have shared posts that include some form of generative AI. 97% reported using some form of AI in their content. However, 63% are concerned AI "might decrease their value as a creator," while 50% said they were afraid social media platforms would "replace human content creators with AI-generated content."
- Moroccan lifestyle influencer Kenza Layli won the Fanvue-based **Miss AI contest**, out of 1,500 AI programmers worldwide. Layli used AI-generated images, captions, and acceptance speeches to promote diversity.
- **Agency Mania Solutions (AMS)** announced the launch of its AI Sentiment Analysis feature as part of its EvaluationDeliver solution to help clients understand the effective and ineffective elements of their client–agency relationships from large datasets. The result is clearer and more actionable insights to improve relationships.
- Global beauty brand **L'Oréal** assembled a generative AI task force to define the technology's potential, assess its impact for the company and develop best practices for upskilling its workforce. One topic is guardrails to make sure the technology is not used to alter the physical features of models and other individuals who appear in its marketing messages. The firm recently launched an application called the Beauty Genius, a "personal AI beauty assistant."
- Per Ad Age, **top 5 AI advancements in 2024:**
 - 1) The rise of text-to-video
 - 2) AI in consumer tech
 - 3) AI startup race shakes up
 - 4) The emergence of AI-powered avatars
 - 5) Agency giants invest big in AI
- Per **eMarketer**, despite moderation in adoption, generative AI technology is expected to reach 100 million US users in 2024, or 29.3% of the population (Facebook took four years to reach the 100 million-user milestone). By 2026, 40.6% of US internet users are forecast to be gen AI users.
- **WPP Open**, WPP's intelligent marketing operating system powered by AI, is a highly personalized operating system that integrates all of WPP's service offerings, technology, applications, and data in one place. Tailored to reflect a company's ways of working, Google, IBM, L'Oréal, LVMH, Nestlé, and The Coca-Cola Company are using WPP Open to support their marketing operations: augmented ideation and creation, governed (brand guidelines, regulatory norms, DE&I policies, and accessibility requirements) and optimized assets (with a 90% reduction in review\approval time), content at scale (using the AI-first Production Studio), and optimized media (34,000 AI-powered strategies and 50,000 AI-modeled scenarios, 2.3 trillion AI-evaluated impressions).
- **Omnicom** launched ArtBotAI, its next-generation intelligent content platform, which leverages generative AI large-language models powered by Omni to efficiently optimize creative digital content at scale without sacrificing quality. ArtBotAI assembles clients' digital assets to create and deliver high-quality personalized experiences.
- French startup **AdCreative.ai** launched a new language model, named AdLLM Spark and operating with Nvidia, built exclusively for advertising to produce ad text with high conversion rates on every major advertising platform (Facebook, Instagram, Google, YouTube, LinkedIn, Microsoft, Pinterest, TikTok). The model leverages a dataset of 840 million lines of instructions, ad texts, and target audiences, and is based on instant text generation and performance prediction (such as CTRs) with a reported 90%+ accuracy, higher than any other model, including ChatGPT.
- Per **Forrester and the 4A's**, 91% of US ad agencies are currently using (61%) or exploring generative AI (30%). 29% see it as a major disruption that will change their business forever. More than 50% of agencies expect generative AI to have a significant or very significant impact on key aspects of their agency's ecosystem. AI will have a significant or very significant impact on how an agency creates content (76%), the agency marketplace (71%), how consumers interact with the work created by an agency (69%), and what content an agency produces for clients (62%). 74% use AI for aiding creative ideation/brainstorming. 49% use it for generating assets and dynamic creative optimization.
- Per **Accenture** and its "Generative AI for customer growth" research, 90% of CMOs expect generative AI to revolutionize their industry and how they interact with customers, but 72% are unsure how to realize their ambition or where to start, and 76% are "waiting and watching" amid worries about reputation, data privacy, model exposure, and unconscious bias. Companies that apply generative AI to customer-related initiatives can expect to achieve 25% higher revenue after five years than companies focused only on productivity. The study refers to an 80% reduction in data processing time that supports a 40% improvement in speed to market with new products/services as well as 94% savings in production time.
- Per New Street Research, **Google's "AI Overview"** advertising is forecast to generate \$17 billion by 2027. AI Overview ads are expected to generate \$1.7 billion for Google in 2025 (less than 1% of Google's total ad revenue) and to rise to \$6.7 billion in 2026 (2.8% of Google's total) and \$16.9 billion in 2027 (6.5% of Google's total). Per WPP's GroupM, more than two-thirds of advertising buys are now "AI-enabled."
- **WhatsApp** introduced AI tools on the Meta-owned messaging and Voice over Internet Protocol (VoIP) app to enable businesses to use AI to answer questions commonly asked by shoppers, to create ads to run on the Meta-owned platforms Instagram and Facebook, and to follow up with customers to remind them that they left an item in their cart or to offer them a discount on a purchase they have been considering.

- **Spotify** launched Quick Audio, which enables brands and agencies to create scripts and voiceovers using generative AI. The solution is available in Spotify's Ads Managers.
- In close partnership with OpenAI, **Klarna** built an AI-powered copywriting tool, Copy Assistant, which allows the company to use AI for 80% of all copywriting.
- Generative AI platform **Pencil** and creative data platform CreativeX joined forces to enable automated creative scoring of gen AI ads at scale, enabling brands to automatically see how content created by Pencil scores against its creative best practices and guidelines. 20,000+ marketers across 3,000+ brands are using CreativeX's AI technology to analyze content against best practices and brand guidelines.
- Per the 4A's, **language models from OpenAI and Google** are becoming "multimodal" (the ability to handle multimedia inputs such as text, voice, and imagery and deliver similar multimedia outputs) and "agentic" (capable of complex multistep processes to complete a desired task). Implications for agencies:
 - 1) Rapid content creation
 - 2) Advanced search
 - 3) Multimodal input and output
 - 4) A focus on collaboration
- **Luma AI**, a San Francisco AI startup, announced the launch of Dream Machine, an AI system capable of generating high-quality, realistic, fluid, cinematic videos from simple text descriptions or images in about two minutes.
- **Publicis Groupe** launched its BSbot detector ("Know what's AI and what's BS") at the Cannes Lions International Festival of Creativity, an app available exclusively to Publicis clients and produced by Le Truc. Clients can record audio or upload images and text from speeches, meetings, presentations, articles, and press releases about AI, and then BSbot translates AI hype and jargon to "real talk," debunking myths and highlighting questions that should be asked. Outside of this catchy PR stunt, Publicis announced its AI-powered CoreAI, in which it is investing 300 million euros over the next three years.
- **Pinterest** launched an AI-powered advertising technology program called Pinterest Ad Labs to allow brands to generate backgrounds for products that are based on users' shopping preferences. The aim is to improve user experience and campaign results.
- Horizon Media's commerce affiliate, **Night Market**, expanded its Neon AI platform into a software-as-a-service (SaaS) format beyond Horizon clients. The solution is aimed at standardizing measurement and reporting across retail networks, connecting to any retail media network and leveraging marketing-mix modeling techniques.
- WPP's media investment arm **GroupM** estimates that 70% of ad buys in 2024 will be AI enabled and will exceed 90% by 2029. By that year, estimates are that machine-generated content, including print, social, audio, TV, and film, will account for nearly 11% of ad content, up from an expected 1.6% this year.
- WPP and IBM launched a new **AI-based B2B solution** that is integrated into WPP Open and powered by IBM's AI and data platform watsonx. It's a so-called AI-powered "Buying Group Brain" designed for B2B marketers. The WPP AI model, trained on data from clients and third parties through watsonx, can more accurately identify target buying groups in a B2B client account.
- Vivendi-owned French conglomerate **Havas** announced that it will invest 400 million euros into AI and a new operating system called Converged over the next four years. The firm has already invested more than 600 million euros into tech and data in the last decade. Converged will integrate Havas creative, data, media, and tech capabilities.
- Per **Havas's 2024 report "GEN AI: What Kind of World Will We Live In?"**, 97% of "prosumers" (aka leading influencers and market drivers) consider generative AI as a revolutionary technology (compared with 3% considering it a passing fad). 94% have heard of generative AI tools like ChatGPT, Midjourney, Dall-E, etc., and 84% have used them. 59% don't care if AI created a piece of art (music, film, painting, writing) as long as they find it beautiful and moving. 45% are certain generative AI will be able to replace human creativity.
- **Amazon Ads** launched AI-driven features, called Aspect Ratio, as part of an AI-powered Image Generator to dynamically design and resize creative via adjusting the logo, copy, and call-to-action and translating into multiple languages to build ad placements across Sponsored Display, Posts, and Stores. Aspect Ratio aims to improve ad quality, test multiple options, optimize ad investment, and increase conversions.
- **Reckitt** (owner of brands such as Air Wick, Clearasil, Enfamil, Finish, Gaviscon, Lysol, Mucinex, Woolite, etc.) invested in four-month generative AI pilot programs led by the company's IT and digital team, in partnership with Boston Consulting Group. The pilots are producing advertising content by adapting assets and optimizing for launch across multiple countries and languages. Reckitt is reporting positive results.
- **WPP** launched its new AI-enabled, end-to-end production studio developed with Nvidia Omniverse in a move to streamline and automate, and thus speed up, the creation of text, images, and video at scale. Embedded within WPP Open, the Production Studio will provide access to the company's generative AI content engine.
- Global professional services firm **KPMG** launched a companywide employee enablement and upskilling initiative called AiQ, designed to infuse AI in every aspect of its business and to augment its human IQ (talent, expertise, and experience).
- AI-powered global payments network and shopping assistant **Klarna** cut its sales and marketing spend by 11% in Q1 2024 while increasing the number of campaigns and updating collateral frequently. AI is responsible for 37% of the cost savings, or about \$10M annually, Klarna reports.

Key drivers:

- 1) Cost reduction in external agency expenses (25% reduction including translation, production, CRM, and social agencies, with run-rate savings of \$4 million)
 - 2) Savings on image production (achieved a \$6 million reduction in image production costs, using gen AI tools like Midjourney, DALL-E, and Firefly for image generation—and Topaz Gigapixel and Photoroom for final adjustments, saving \$1.5 million in Q1)
 - 3) Increased efficiency and creativity (generated 1,000+ images in Q1 using gen AI, reducing the image development cycle from six weeks to seven days)
- The **4A's** launched “GenAI Blueprint,” a comprehensive guide to help agencies explore generative AI and help those already integrating it into their workflow. The guide provides insights and practical strategies to equip agencies with knowledge and tools. It also issued “The State of Generative AI Inside US Agencies 2024” and a thought-leadership paper titled “Preserving Agency Value in the Era of GenAI Transformation,” offering an 11-point approach for framing the use of generative AI to help all stakeholders appreciate the value it adds to agency services while emphasizing that human expertise remains at the core of great work. Other recent, member-only 4A's resources include “Accelerating the Pace of Change: AI Announcements from OpenAI and Google,” “Colorado Becomes First State to Adopt Comprehensive AI Law,” “Emerging Laws Governing Agencies’ Use of AI,” “2024 AI Index Report Summary” (by Stanford University), “Unveiling the Future: How Agencies Are Implementing GenAI,” and “Using Generative AI Safely and Responsibly.”
 - IT company **Infosys** used AI to promote its partnership with Rafael Nadal at the 2024 Australian Open, despite an injury that forced the tennis superstar to drop out of the tournament. The firm launched #RafaForever, an activation allowing tennis fans to generate custom images (using Stable Diffusion) of Nadal and share them across social media. Three weeks after launch, fans generated 18,000 images, resulting in more than 100 million impressions.
 - Interpublic Group–owned production company **Studio Rx**, a subsidiary of IPG Health, produced 20 pieces of content for its website in 10 days using Adobe’s Firefly platform (using two people for two weeks compared with three people for two months), determining the process was five times more time efficient than without AI.
 - **Forum3**, a firm building and partnering with creators, brands, and projects that leverage the unique innovations and creativity unlocked by web3, launched AI ad tech product Spok, which is trained to emulate most of the steps commonly taken by a full marketing team—before the creative is designed. Spok incorporates proprietary information and analyzes a website to determine objectives, audiences, core products, and possible competitors, then conducts research to develop a marketing plan containing an array of content strategies and channels on which to implement them.

- Seattle-based AI solution provider **Gradiant** further expanded the number of solutions it integrates with. The firm allows brands and agencies to unlock their content supply chain by automating workflow across Adobe DAM, Workfront, Smartsheet, and other platforms, creating webpages that migrate between design systems or CMS such as WordPress or Adobe Experience Manager, writing web content updates (pictures, copy, links, banners, etc.) and conducting QA without leaving their CMS or workflow, or handling content creation such as personalized assets, resizing images, and producing variants that can be uploaded to their DAM and across channels.

In-house agencies:

- Per the ANA, 82% of brands had an **in-house agency** in 2023, compared with 78% in 2018. Per a 2024 survey from Canva and MMA Global, 30% of brands moved more creative work in-house in the previous 12 months and 31% planned to move work in-house in the next year. 83% claimed that in-house is better than outsourcing from a cost perspective, and 61% said outsourcing was better for creative quality. 50% handle creative strategy in-house, and 25% outsource that part of the business.
- Per the ANA, five priorities for **Lenovo’s in-house media agency** (Media Center of Excellence):
 - 1) Full control to improve its speed to market
 - 2) Improved performance with a goal of optimization
 - 3) Increased transparency across the media and data value chain
 - 4) Direct partnerships to build strategic local and global relationships
 - 5) Future-proofing of the brand
- Per integrated communication firm PR73, 50% of **in-house comms teams** are apparently distrusted by internal stakeholders and at odds with other department priorities. 85% of in-house communication pros claim that they experience a lack of trust while guiding or executing communication strategies, and 88% think they’ll be cut if the company performs poorly financially. 89% say that using the right external firm may make them appear more competent and improve trust with internal stakeholders.
- Brands are increasingly **mixing external and internal (in-house) talent**. DoorDash works with agencies Gut, The Martin Agency, and Wieden+Kennedy in partnership with its internal shop, Superette. PepsiCo also relies on external agencies and its internal shop, Sips and Bites. Liberty Mutual Insurance recently added Bandits & Friends to its roster, collaborating with its in-house agency, Copper Giants.
- Eli Lilly’s in-house agency, **Lilly Marketing Studios**, sourced in-house talent globally, handling its Lilly Capability Center India as an extension of the US office in a move to be agile at all hours, handling brands, content origination and support, production, consumer tactics, and creative services such as retail, B2B, sports, and life sciences. Per the brand, from brief to the first working session, the studio takes 8 days compared with 19 from an outside agency; from the brief to the tactic ready for review, the studio takes 19 days compared with 37 from an external agency. Other benefits cited include capacity, surge handling, speed, reduced costs, and improved quality.

Responsible advertising (diversity and inclusion, environment, etc.):

- The World Federation of Advertisers (WFA)'s Global Alliance for Responsible Media launched, in partnership with Ad Net Zero, the first version of the **Global Media Sustainability Framework**, which consists of voluntary industry standards by which agencies, platforms, and publishers can measure and report their carbon emissions footprint across six media types in a consistent fashion.
- The WFA released a new playbook called "**Unlocking Creativity: The Impact of DEI on Content Production.**" Per the WFA, 49% of major multinational firms are struggling to measure diversity, equity and inclusion (DEI) efforts in the content production space and find it hard to set consistent targets across markets and suppliers. 40% are struggling to identify diverse suppliers. 24% of brands always measure progress in relation to supplier diversity in production, 9% do so very frequently, and 21% do so occasionally.
- **United Nations** Secretary-General António Guterres condemned the advertising industry for greenwashing (with lobbying, legal threats, and massive ad campaigns), demanding that agencies drop fossil fuel clients and calling for a ban on fossil fuel advertising.
- **Havas** has lost its B Corp status after an investigation into Havas's contract with Shell to do global B2B media work for the fossil fuel giant. B Lab UK, the body that certifies organizations as B Corp, said Havas violated the core values of the B Corp community. B Corp status denotes high standards of social, environmental, and corporate governance. Havas accepted the ruling and said, "Our level of commitment towards sustainability remains unchanged."
- The **ANA** published its "ANA Ethics Code of Marketing Best Practices," a detailed code of ethics spanning 82 pages, covering emerging areas such as AI; machine learning; nonfungible tokens (NFTs); cryptocurrency; diversity and inclusion; audiences (children, older adults, disabled); transparency; consent; disclaimers; watermarking systems; data governance and privacy; and regulated products (cannabis, tobacco, alcohol, and others).
- The new **Kids Online Safety and Privacy Act**, which combines the Kids Online Safety Act and the Children and Teens' Online Privacy Protection Act, sets new precedents for tech firms and advertisers. It aims to tackle potential harms associated with social media use, including depression, eating disorders, and online bullying. New self-regulatory privacy groups such as the Network Advertising Initiative encourages "responsible companies" to not collect or use children's data for targeted advertising without first obtaining explicit consent.

Noteworthy quotes:

- » "If you have tools that make people more effective and more efficient, those people become more valuable." —Jon Moeller, Chairman, President, and CEO, **Procter & Gamble**
- » "The only thing more widespread than AI at the moment is the noise surrounding it." —Arthur Sadoun, Chairman and CEO, **Publicis Groupe**
- » "My complaint is directed at agencies, companies and brands using the term AI like the corporate equivalent of Botox, injecting it everywhere in a vain attempt to make their companies look younger." —M.T. Fletcher, Columnist, **Ad Age**
- » "While our industry is continually changing with new media channels, platforms and technologies, the one constant is creativity and talent." —John Wren, Chairman and CEO, **Omnicom Group**
- » "Technology like gen AI has removed many of the roadblocks that once existed in bringing ideas to life. It has created access to infinite amounts of information and allowed us to connect and share ideas faster and easier than ever before." —John Wren, Chairman and CEO, **Omnicom Group**
- » "Brands are not competing against AI. They are competing against other marketers that leverage AI." —Marta Martinez, Managing Director, IAB Digital Sales, **Google**
- » "In the last year, over 50% of our global ads were shot by a female director or photographer. We know this is good for creativity, good for business, good for our industry and good for society." —Grainne Wafer, Global Director, Beer, Guinness, Smirnoff & Baileys, **Diageo**
- » "When you can establish a true union between humans and machines, this technology can have a multiplier effect on creativity that leads to better ideas and solutions." —John Wren, Chairman and CEO, **Omnicom Group**
- » "While gen AI is having a profound effect on our industry, it will always only be a partner to our people's creativity. It's the rocketship that will launch their creativity to new heights, or as we like to say, give them superpowers." —John Wren, Chairman and CEO, **Omnicom Group**
- » "Without the data, there's no applications." —Scott Hagedorn, Global Chief Solutions Architect, **Publicis Groupe**
- » "DEIB measures in production not only supercharge the effectiveness of creativity, but they also establish concrete metrics to evaluate and govern your key agency and production partners." —Efrain Ayala, Global Creative Effectiveness and Diversity & Inclusion Director, **Reckitt**

- » “We’re always reinventing. An agency has to reinvent or it’s nothing. You don’t want to say, ‘They used to be good.’” —Rich Silverstein, Art Director, **Goodby Silverstein & Partners**
- » “Despite AI fearmongering, creativity will continue to dominate over technology. It’s actually marketing that makes technology available to the masses, not the other way around, by funding innovation at scale.” —Mark Penn, CEO and Chairman, **Stagwell**
- » “Marketers will become managers of AI systems.” —Adam Brotman, Founder and Co-CEO, **Forum3**
- » “The goal of performance reviews is to cultivate a culture of excellence and accountability.” —Mitchell Caplan, Consulting Business Owner, **Agencyappraisal.com**
- » “Agencies are made up of people and if you give them good context and manage and lead, they’ll do great. The minute it becomes a vendor relationship, then it’s not working.” —Sharon Otterman, CMO, **Macy’s**
- » “What’s more important in business than relationships?” —Marc Brownstein, CEO, **Brownstein Group**
- » “We’ve gone from a curiosity of what I need to learn [about AI] to how do I make it work.” —Marta Martinez, Managing Director, IAB Digital Sales, **Google**
- » “Let’s face it, if saying ‘AI’ at work were a drinking game, everyone would have died of cirrhosis months ago.” —M.T. Fletcher, Columnist, **Ad Age**
- » “To succeed with AI, marketers need to get their enterprise data architecture in great shape because we will continue to see data coming together from more disparate places than ever before.” —Pete Stein, Global President, **Merkle**

- » “Production companies are now working directly with clients. This bypasses ad agencies, leading to more streamlined processes and direct communication channels.” —Mike Palmer, Chief Growth Officer, **Nice Shoes**
- » “Every time there’s been a tech revolution in creative, there was always an argument that this was going to devour everything, the storytelling, narrative, and creative jobs, but actually, things evolve.” —David Droga, CEO, **Accenture Song**
- » “The biggest factors for review when the relationship is working, and work is good are: New leader; radical change to strategy [such as] brand-led strategy shifts to performance-led strategy; big budget cut necessitates different support.” —Simon Francis, Executive Chairman, **Flock Associates**
- » “AI is much more about enhancing our capability than saving money. It’s much more about improving the quality of work that’s produced and the volume of the work that’s produced. It’s very much actually about driving more ROI for clients than saving money.” —Mark Read, CEO, **WPP**
- » “Even when you have AI in the mix, the heart of the creative process is still people.” —Vidhya Srinivasan, VP and General Manager of Advertising, **Google**
- » “With the rapid adoption of gen AI, creativity and talent matter more than ever to address the breadth and complexity of consumers.” —John Wren, Chairman and CEO, **Omnicom Group**
- » “One huge benefit of having an agency in-house is they’re immersed in what we’re doing and understand our portfolio of products and the DNA of the brand.” —Julia Goldin, Global Chief Product and Marketing Officer, **Lego Group**
- » “There’s no doubt AI will lead to smaller, more agile marketing teams. But let’s be clear, there’s a difference between wholesale AI automation and AI augmentation.” —Mike Proulx, VP and Research Director, **Forrester**

Company profiles:

- **Said Differently (saiddifferently.com)** describes itself an “untraditional” independent agency, organized as a global talent network with 3,500+ consultants, specialists, and experts around the world. The agency creates bespoke, nimble teams to serve clients across creative, strategy, and digital transformation. Services offered include product and platform design (building customer-centric app design and commerce programs, connected commerce, and app design), CX lead brand strategy (brand experience, web platforms, brand identity, brand strategy), performance marketing (dynamic creative, AI and machine learning, test planning, data and analytics), customer experience (CRM, loyalty, membership). Clients include US Cellular, Neiman Marcus, and BSRB Group. The agency recently merged with Brainvire, a global digital transformation firm.

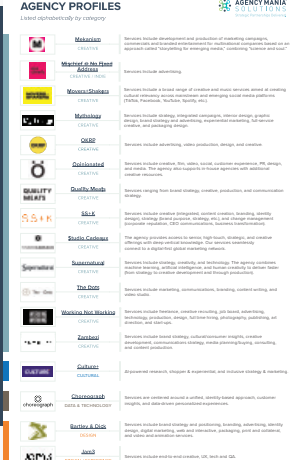
- **Battery (batteryagency.com)** is the lead creative agency of the Paris-based Havas, with offices in Los Angeles, Chicago, Toronto, and Shanghai. Headquartered in LA, the agency “creates advertising that’s as sought after as entertainment.” The agency provides the following services: brand strategy and planning, advertising, storytelling, video production (TV and digital), out of home, design, social, measurement, branded content, integrated campaigns, and creative. Clients include Land O’Lakes, Royal Bank of Canada, Hulu, Warner Bros. Games, Anaheim Ducks, Gran Coramino tequila, Habit Burger, Netflix, LEGO, Los Angeles Clippers, Activision, Fidelity, Angel City Football Club, and PUBG. Battery is a three-time Ad Age Agency of the Year.

- **Milk Agency (milkagency.com)** is an independent New York-based full service agency for brands that “don’t want an agency.” Born out of Milk Studios, the agency leverages a 20-year history of collaborating with the world’s biggest marketers. Their “Be.Say.Do” philosophy guides their partnerships through capabilities including research and brand strategy; social, content, and creative strategy (including art direction, packaging, and conceptual creative); and community management, experiential, and environmental design. Clients include Nutrafol, Nautica, New Balance, Postmates, Target, Equinox+, Intel, David Beckham, Warner Media, and Red Bull.

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We share the category they work in and services provided.



Unlocking Efficiency:

4 Steps to Powerful Agency Management and How to Handle Roadblocks



Can your agency partnerships FLY?



Check out our article, “**Unlocking Efficiency: 4 Steps to Powerful Agency Management and How to Handle Roadblocks**”: Advertiser relationships are under greater scrutiny to do more with less.

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



The Cannes Lions International Festival of Creativity is the epicenter of the world's best creativity and the home of the world's most prestigious advertising awards. The jurors selected Unilever as the 2024 Creative Marketer of the Year (a title the brand earned in 2010 as well), celebrating a body of iconic, Lion-winning work over a sustained period, as Unilever established a reputation for producing brave, creative, and innovative marketing solutions. AI remains front and center, even at award shows, with mixed results and plenty of roadblocks, including copyright infringement. For example, major record labels, such as Sony Music, Universal Music Group, and Warner Records, sued two AI startups, Suno and Udio, for alleged copyright infringement. As innovation prompts more creative use of technology, more challenges emerge for brands and their agencies to tackle. Important questions remain, no matter the type of innovation: How should we measure the ROI of this? How truly effective is it? Can we measure sizable improvements in performance? Are these benefits scalable? Is my organization ready and best positioned to take full competitive advantage?

- **Cannes Lions International Festival of Creativity** reported receiving 26,753 submissions for its 2024 awards, up 6% YOY including relatively new categories such as Creative Business Transformation, Social and Influencer, Creative Commerce, and Creative Strategy.
- Per PWC, **what's important to CMOs in 2024:**
 - 1) Fine-tune your tech to unlock value
 - 2) Embrace your role as growth catalyst
 - 3) Drive outcomes with trust and
 - 4) Unlock loyalty with personalization
- **YouTube** used Google AI to review 8,000 ads globally. The top performers: Google Pixel's Super Bowl spot, "Javier in Frame," Tissot's "Off the Cuff," and "The Haters Upset Axe vs Tom Ford." Common shared characteristics among winners: ads that open with a strong hook, lean into pop culture references and trends, use popular or catchy music tracks, and engage audiences with humor.
- Per a joint **Aprais and WARC study** in 2023 that looked at how the strength of relationships between marketer and agency correlated with effective work, 68.1% of the awarded agencies were above the average score. Teams that won effectiveness awards are stronger, on average, both when clients score their agencies and when agencies score their clients. Three key areas where these effectiveness award-winning relationships excel: trust (the team can be relied on to deliver and behaves with integrity), challenge (uses initiative to challenge the status quo and does not allow conflict to go unaddressed), and strategy (discipline for which winning teams show the biggest increase in score compared with average relationship scores).
- Retailer **Toys R Us's** use of AI-generated technology, OpenAI's SORA, in a recent 60-second brand film and teaser produced by Toys R Us Studios and agency Native Foreign, sparked backlash in the creative community. Critics alleged that the brand used an AI tool that was trained on the plagiarized work of thousands of artists and unlicensed intellectual property instead of hiring real creators and actors, and produced content that is of low quality, as well.
- **Google** partnered with independent agency **Tombras** on behalf of **PODS** to generate 6,000 different hyperlocal ads displayed on PODS vehicles in a campaign called "Impossibly Smart Billboard." Using Google's Gemini AI tool (Gemini 1.5 Pro with Google Cloud Vertex AI), the agency produced a copy for every neighborhood in New York based on location, weather, traffic data, and time. PODS reported a 51% lift in search volume YOY in NYC.
- Per COMvergence, Omnicom's OMD repeated as the **top-billing media agency in the US** in 2023 with a total of \$9.6 billion (+4.6%). At the group level, Publicis Media led with \$23.9 billion, up 9.6% YOY.
- Per the ProcureCon London conference, what is your team's biggest challenge in supporting **marketing's digital transformation** projects? Top 3 answers:
 - 1) Measuring the effectiveness and ROI of digital initiatives (32%)
 - 2) Aligning procurement and marketing goals (24%)
 - 3) Ensuring sufficient budget and resources (17%)
- **Haleon** and its toothpaste brand Sensodyne adopted a digital "Content Credentials" watermarking technology, the Coalition for Content Provenance and Authenticity (C2PA) technology, to prevent the spread of misinformation and to authenticate that dentists (not paid actors) and research-based claims in its ads are real.
- Per ANA and TAG TrustNet, which released early findings from their first quarterly **Programmatic Transparency Benchmark Study**, the percentage of media dollars spent on made-for-advertising websites dropped from 15% to 4%, and the average number of websites and apps on which campaigns run dropped from 44,000 to 23,000.
- Per The TEAM Companies and Lakehouse Partners, several models have been developed in response to marketers' efforts to regain some control over the **content creation process** and handling the unintended consequences of decoupling:
 - 1) A return to a version of the AOR for production
 - 2) The rise of the in-house agency
 - 3) A marketer-led center of excellence focused on unified global production and asset management
- Per ChiefMartech, 71% of martech and marketing operations professionals integrated a **data warehouse/data lake** with their martech stack. 69% with those integrations have them working bidirectionally (APIs), sending data both ways between the warehouse/lake and their martech apps.

Awards:

- Publicis Conseil (Paris) was named Agency of the Year at the **Cannes Lions International Festival of Creativity** (after being runner-up in 2023), followed by Rethink (Toronto) and Ogilvy (NYC). Publicis Conseil received 2 Grand Prix and 16 Lions. Rethink was named Independent Agency of the Year, followed by Edelman (London) and Klick Health (Toronto). Ogilvy was honored as Network of the Year (75 Lions strong, including 4 Grand Prix, 1 Titanium, 11 Gold, 16 Silver, and 43 Bronze), followed by Publicis Worldwide and DDB Worldwide. WPP was named Creative Company of the Year, followed by Omnicom and Interpublic Group. Smuggler (US) received the Palme d'Or as the best production company. Creative Brand of the Year was received by Coca-Cola, followed by Heineken and Apple.
 - Omnicom's OMD was named 2024 **Cannes Lions Media Network of the Year**, followed by sibling agency PHD and Germany's Mediaplus, Europe's largest independent media network. Grand Prix in Media was awarded to agency Gut São Paulo for a Black Friday promotion created for Brazilian e-commerce giant Mercado Libre. OMD won two Grand Prix outside the media category, including the Social/Influencer award for the "Michael CeraVe" campaign led by Ogilvy PR. OMD was also listed as the media agency for the Grand Prix in Creative Business Transformation campaign for Philips ("Better Than New").
 - Havas** brought home 25 Lions from the 2024 Cannes Lions International Festival of Creativity, won across 12 agencies, including 3 Gold, 10 Silver, and 12 Bronze, thanks to the contribution of Havas Paris, BETC Paris, Havas Germany, Havas Costa Rica, Arnold Boston, BETC Havas Brazil, and Havas Republica.
 - Accenture Song** did quite well at the 2024 Cannes Lions International Festival of Creativity, with the following wins: Sydney Opera House: "Play It Safe" won the Grand Prix for Film | Culture & Context: Local Brand; Silver for Film Craft | Production: Use of Original Music; Silver for Entertainment | Challenges & Breakthroughs: Social Behavior & Cultural Insight; and Bronze for Film | Online Film: Travel, Leisure, Retail, Restaurants & Fast Food Chains. General Entertainment Authority: "Rumble" won silver for Film | TV/Cinema Film: Media/Entertainment, and bronze for both Film Craft | Production: Production Design/Art Direction, and Film Craft | Production: Use of Licensed/Adapted Music. Copenhagen Metro: "Whoops" won bronze for Film | Online Film: Travel, Leisure, Retail, Restaurants & Fast Food Chains.
 - Modern Healthcare and Ad Age's **2024 Healthcare Marketing Impact Awards**, which recognize the most creative and effective campaigns for the healthcare industry, include the following categories: Branded Entertainment/Content Campaign of the Year, Creative Data Campaign of the Year, Digital Campaign of the Year, Film/TV/Video of the Year, Integrated Campaign of the Year, Print/Out-of-Home Work of the Year, Purpose-Led Campaign of the Year, Social Media Campaign of the Year, Tiny But Mighty, Best in Show, and Agency of the Year.
 - Per **Effie's Worldwide Index**, the most effective agency holding group was Omnicom, followed by WPP, Publicis, Interpublic Group (IPG), and Dentsu. Omnicom's lead position resulted from the strong global performances from DDB, BBDO, PHD, OMD, and TBWA offices, among others. The most effective agency network IPG's McCann Worldgroup, followed by DDB Worldwide, Ogilvy, BBDO Worldwide, and Leo Burnett Worldwide. The most effective agency offices were: AlmapBBDO (São Paulo), followed by Leo Burnett Dubai (UAE), McCann Worldgroup Gurugram (India), GUT (Buenos Aires), and Leo Burnett India (Mumbai).
 - Per **Effie Awards**, the most effective marketers in 2023 (in ranking order): AB InBev, Unilever, McDonald's, PepsiCo, The Coca-Cola Company, Mondelēz International, Procter & Gamble, YUM!, Nestlé, Netflix, Heineken, Reckitt Benckiser, UNITED24, Newsan, Kimberly-Clark, Mercado Libre, Telefónica Group, Delivery Hero, Vodafone, SAIC GM, Mastercard, Samsung, Burger King, Volkswagen, Landmark Group.
 - Top 5 Grand Prix winners at Cannes Lions International Festival of Creativity**: Orange: "WoMen's Football" (Agency: Marcel Paris); DoorDash: "DoorDash All the Ads" (Agency: Wieden+Kennedy Portland); Xbox: "The Everyday Tactician" (Agency: McCann London); CeraVe: "Michael CeraVe" (Agency: Ogilvy); Spotify: "Spreadbeats" (Agency: FCB New York).
 - Rethink Toronto's Heinz Ketchup work won the **Creative Effectiveness Grand Prix at the Cannes Lions International Festival of Creativity** as part of yearlong marketing effort called "It Has to be Heinz" and several campaigns, including "Draw Ketchup," "Ketchup AI," and "Ketchup Fraud."
 - Per the **Cascadia awards**, top wins by Portland, Oregon-based agency Opinionated included:
 - Best big budget single – Gold (Adidas – "The Original Impossible") and Silver ("Miro Monster Problem")
 - Best big budget campaign – Gold / Best in Category (Hinge – "Hinge My Dudes")
 - Best big budget campaign – Silver (Drumstick – "Drumstick Long Form")
- Other wins included:
- Best experiential campaign/consumer activation gold / Best in Category
 - Best experiential campaign/consumer activation silver and best purpose-led creativity gold
 - Opinionated was 2022 Ad Age Small Agency of the Year

- Per Ad Age and its 16th annual **Small Agency Awards**, winners were:
 - Erich & Kallman (Gold) and Majority (Silver)
 - Gus (Gold – 1-10 Employees) and Ranaverse (Silver – 1-10 Employees)
 - Quality Meats (Gold – 11-75 Employees) and Callen (Silver – 11-75 Employees)
 - Laughlin Constable (Gold – 76-150 Employees) and Madwell (Silver – 76-150 Employees)
 - Mojo Supermarket (Gold – Northeast) and Slap Global (Silver – Northeast)
 - Opinionated (Gold – Northwest) and Drake Cooper (Silver – Northwest)
 - Curiosity (Gold – Midwest) and Lafayette American (Silver – Midwest)
 - Superconductor (Gold – West) and Hyphenated (Silver – West)
 - Preacher (Gold – Southwest) and Bakery (Silver – Southwest)
 - Six Degrees Creative (Gold – Southeast) and Cornett (Silver – Southeast)
 - Angry Butterfly (Gold – International) and Courage (Silver – International)
 - Avalon Consulting (Gold – Data & Insights) and DCX Growth Accelerator (Silver – Data & Insights)
 - Colossus (Gold – Design) and Design B&B (Silver – Design)
 - Civic Entertainment (Gold – Experiential) and XD Agency (Silver – Experiential)
 - Exverus (Gold – Media) and SwellShar and (Silver – Media)
 - DiGennaro Communications (Gold – PR) and Boden (Silver – PR)
 - Newcomers: Loop (Gold) and Flower Shop (Silver)

Noteworthy quotes:

- » “Not all creativity...is worth preserving.”
—David Droga, CEO, **Accenture Song**
- » “A golden age of advertising technology has not been a golden age for advertising effectiveness.”
—Orlando Wood, Chief Innovation Officer, **System1 Group**
- » “A brand is like a frame...it changes how we understand the things in front of us.”
—Nir Wegrzyn, CEO and Founder, **BrandOpus**
- » “The value equation needs to be aligned with the goal of the relationship.” —Greg Wright, Senior VP, Brand and Media, **ANA**

- » “AI doesn’t power creativity; it empowers creative people.” —Amir Sahba, CEO and Founder, **Thinkingbox**
- » “I would love to see fewer brands that aren’t ready for the change required within a pitch and more who are brave and want to be change agents.” —Darla Price, President, **Ogilvy New York**
- » “For long-term strategic benefits, it’s more critical than ever for agencies to demonstrate value consistently beyond cost. Clients would be well-advised to evaluate potential partners not only based on immediate costs but also on their perceived ability to deliver sustained value.” —Matt Kasindorf, SVP, Business Intelligence and Insight, **4A’s**
- » “Despite its acknowledged importance, only 10 percent of agencies and 5 percent of clients have a formal, corporate-backed definition of value. This lack of a standardized definition complicates the measurement and assessment of value within the industry.” —Greg Wright, Senior VP, Brand and Media, **ANA**
- » “The power of AI is unlocking a whole new palette of expression for our creative teams, allowing them to bridge to simulations, visualizations and hybrid realities in everything from video content to gaming, physical/digital activations and other forms of marketing activity.” —Philippe Krakowsky, CEO, **Interpublic Group**
- » “While direct collaboration between production companies and clients offers numerous benefits, it requires a significant shift in how production companies operate. They must be prepared to take on more responsibility, develop strategic insights, and build strong, direct relationships with clients to succeed in this evolving landscape.” —Mike Palmer, Chief Growth Officer, **Nice Shoes**
- » “The martech/adtech community needs to make sure that they’re not coming in with a piece but marrying it with other pieces to give you an immense solution.” —Michael Kassin, CEO, **3C Ventures**
- » “If we want to get the most out of our agencies, we need to figure out how to arouse their emotion—arouse their emotions to the point of behavior.” —Michael Fanuele, Founder and Director, **Lab of Creative Commerce**
- » “It would be refreshing to see agencies and holding companies stop trying to out-process each other, but instead focus on building cultures and environments that nurture transformative creative breakthroughs.” —Tomas Gonsorcik, Global Chief Strategy Officer, **DDB Worldwide**

- » “When we laugh, when our barriers are brought down by an unexpected twist or a surprising human connection, we are more able to feel.”
—Javier Campopiano, Global Chief Creative Officer, **McCann Worldgroup**
- » “Ads can be produced in hours rather than days or weeks. That’s a two-edged sword because the industry sells time.” —Martin Sorrell, Executive Chairman, **S4 Capital**
- » “Great agencies are made by brave clients and passionate people who relentlessly pursue creative ideas that change the world and solve big business problems. It takes trust, collaboration, and partnership.” —Liz Taylor, Global Chief Creative Officer, **Ogilvy**
- » “Sometimes we combine internal and external teams and have them work together within a semi-pitch. It’s a way to ensure that we’re not getting complacent and too internally oriented.”
—Julia Goldin, Global Chief Product and Marketing Officer, **Lego Group**
- » “The takeaway is that AI is not here to do what we were doing differently, but to empower us to do something that we simply couldn’t do before.”
—Marco Venturelli, Chief Creative Officer, Publicis Groupe France, and CEO/CCO, **Publicis Conseil France**
- » “We need more briefs focused on business problems and growth opportunities and fewer briefs focused on a predetermined, tactical media plan.” —Michael Chapman, Chief Client Officer, **The Martin Agency**

- » “We firmly see AI and technology as tools to amplify the talents of our amazing people, enhancing their work, not replacing it.”
—Hiroshi Igarashi, CEO, **Dentsu**
- » “There’s all these wonderful facets of creativity that can’t be outsourced. But if you have tools that allow you to think faster, and see things differently, and get things out, create things and shape things, I think that’s a great thing.”
—David Droga, CEO, **Accenture Song**
- » “Making great content requires great talent. It is critical to utilize the relevant content creation data to maximize the value and performance of what is produced.” —Jillian Gibbs, Founder and CEO, **Advertising Production Resources**
- » “We take on hard, complex challenges that cannot be solved by templates and formulaic approaches. We seek out daunting assignments because that’s where the greatest potential impact lies.” —Michael Dix, CEO and Founder, **Intentional Futures**

Need to manage your Agency Roster?

You already have the right partnerships in place, but do you need to better manage your existing roster of agencies?

There is a better way.

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FINANCIALS: Driving efficient use of resources



Current global economic challenges—geopolitical events, international conflicts, public health concerns, high and sustained inflation, high interest rates, and labor and supply chain—are contributing to economic uncertainty and volatility. Yet the numbers look good for advertising thus far. What's fueling the growth in global advertising? The answers lie in macroeconomic factors and underlying forces that GroupM sees as driving ad spending growth, including “media innovation” (ad-supported streaming across all the major platforms), “commerce innovation” (the rise and continued expansion of retail media networks), and the “largest-ever cyclical boost” (four major national elections and three major global sporting events). The biggest advertising players, such as Publicis Groupe, are reporting strong organic growth in Q2 2024 and healthy profit margins despite getting future-ready by investing in AI and new ways of operating their business. M&A is also strong as the talent battle rages on.

- Per WPP's GroupM, **global advertising revenue** will grow by 7.8% to \$989.8 billion in 2024, higher than its original 5.3% growth prediction, reaching \$1.1 trillion revenue in 2025, up 6.8% YOY. In the US, advertising revenue is forecast to reach \$365.9 billion, up 5.8%. Digital pure-play advertising is expected to comprise 70.6% of total ad revenue in 2024, totaling \$699 billion, reaching \$985.6 billion in 2029. 69.5% of global ad revenue is predicted to be informed by AI in 2024, with the figure reaching 94.1% by 2029.
- The 4A's issued its **2024 Analysis of Agency Costs**, which includes data from 109 agencies, categorized into six gross-income groups for independently owned agencies (89 agencies) and four groups for network agencies (20 agencies). The data includes agency performance across payroll departments, profit and loss categories, and gross income per employee.
- Per eMarketer, **US omnichannel retail media ad spend** is forecast to reach \$129.93 billion in 2028, up from \$54.85 billion in 2024, accounting for almost a quarter of all US media ad spend. 81% of advertisers feel retail media is at least “very important” to their strategies. Retail media is critical as the first-party data it gathers from retailers allows for better targeting across social, search, and the open web.
- Per Ad Age, the **worldwide revenue** of the 30 biggest agency companies reached \$148 billion in 2023. Revenue for the world's 30 biggest agency companies rose by 5.6% in 2023. WPP held its position as the top company, followed closely by Accenture Song. The five largest legacy holding companies—WPP, Publicis Groupe, Omnicom Group, Interpublic Group of Cos. and Dentsu Group—collectively grew revenue by 2.7%. Organic growth was 1.3% on average across WPP, Publicis, Omnicom, Interpublic, and Dentsu. The 2024 organic growth forecast is 2% to 2.8% across those same agencies. Employment is up 1.6%, for a total of 421,895 employees.
- Per COMvergence, the **average client retention rate** in 2023 was 25% among media agencies, the lowest since 2016. Among the top holding companies, Publicis scored the highest retention rate at 61% compared with 45% for GroupM.
- Per RightSpend, **procurement transformation** led by smart solutions and agile systems are key to reimagining partnerships and creating long-term value. To ensure a successful transformation, these key elements are essential:
 - 1) Communication and clarity
 - 2) Spend analysis
 - 3) Agency review
 - 4) Value and agility
 - 5) The perfect partner
- Per Procurement Tactics, **nine ways to annoy a procurement manager**:
 - 1) Can you create a PO? I already found the supplier
 - 2) I need this ASAP!
 - 3) We need XXX one month earlier than expected
 - 4) Why is our supplier not delivering our order?
 - 5) Was this really the best deal you could get?
 - 6) I verbally agreed to a deal, can you renegotiate it?
 - 7) That doesn't work here, we are different!
 - 8) Why hasn't this invoice been paid yet?
 - 9) Lead time is 52 weeks, can't you get it tomorrow?
- Per the “**Cost of The Pitch**” report (co-produced by the ANA and the 4A's), 66% of all new business reviews in 2022 ended with the incumbent retaining the account. Agencies spend between \$200,000 and \$400,000 to pitch or defend business.
- Per COMvergence, **top global media agency networks** (ranked by billings): GroupM's EssenceMediacom was top-ranked for 2023 with global billings at \$24.5 billion, followed by Omnicom Media Group's OMD with \$24 billion (the highest growth rate, of 8.7%, among the top 10 agency networks). GroupM's Mindshare placed third with \$21 billion (+6%). The global billings managed by the Big 6 holding companies plus major independent media agencies reached \$242 billion in 2023, and digital media investments reached a 51% share of global spend managed by the Big 6 and major independents assessed. Local independent media agencies accounted for \$28 billion, or about 11%, of the total billings globally. New York-based Horizon Media is the largest independent media agency worldwide with 2023 billings of \$8.1 billion.

- Per **Ignition Consulting Group**, questions brand marketers should answer positively about the way their agencies handle financials and drive value:
 - 1) Our agency has a solutions mindset. Instead of just filling scopes of work, they are dedicated to helping us solve important business and marketing problems.
 - 2) Our agency takes a proactive approach to our business. We are often presented with ideas and recommendations we didn't ask for.
 - 3) Instead of providing a take-it-or-leave-it price, our agency provides us with several different pricing options.
 - 4) When the scope of a project is well defined, our agency follows the practice of quoting a fixed price and honoring that price unless there are notable deviations from the original scope.
 - 5) Generally speaking, our agency is able to satisfactorily answer questions about fees and pricing.
 - 6) Our agency does a good job of overseeing and managing the costs of third-party providers.
 - 7) Our agency provides clear and accurate billing.
 - 8) The reporting we receive from our agency helps us understand the actual work and results delivered, not just the hours that were spent.
 - 9) When given reasonable time to complete a project, our agency does a good job of forecasting and managing resources.
 - 10) Our agency avoids unnecessary rework by proactively seeking clear input and direction.
 - 11) Our agency team is willing to take responsibility for their work and will absorb the cost of rework when it's clear they are at fault.
 - 12) At the start of major projects, our agency does a good job of working with us to define the metrics of success.
 - 13) Our agency has streamlined and simplified the pricing and billing for common production services.
 - 14) Our agency offers output or deliverables-based pricing in place of hourly billing.
 - 15) Our agency takes the initiative to conduct "after-action reviews" following major campaigns that engage us in a discussion about what went right, what went wrong, and how we can improve results the next time.
 - 16) Our agency has internal processes and incentive structures that put the emphasis on productivity and effectiveness, not utilization and "busyness."
 - 17) The people on our agency team take their commitments seriously, exerting their best efforts to meet deadlines and deliver work when promised.
 - 18) Our agency seems vested in our success, and, when appropriate, is willing to share in both the risks and the rewards.

Holding company financial performance:

- **WPP** reported negative growth of 1% in H1 2024, reflecting growth in GroupM (with the US back to growth in Q2), Ogilvy (new business wins) and Hogarth (benefitting from demand for AI driven personalized and addressable content, with strong growth from CPG and auto clients) but also the known impact of 2023 client losses (tech client spending still down -1% vs. -9% in Q1) and micro-pressure on project-related businesses and challenges in China. Overall, WPP reported -3.6% growth in H1 2024 (compared to last year's +5.5% growth in H1). New client assignments included AstraZeneca, Colgate-Palmolive, J&J, and the Government of Canada with Q2 net new billings \$0.9B. WPP won 160 Lions at the Cannes Lions 2024 and continues to show progress in leading innovation and the use of AI (WPP Open). Margin for H1 was 11.5%, resulting from structural savings and cost discipline. WPP is projecting growth of -1% to flat, operating margin of 16-17%.
- **Publicis Groupe** reported better-than-expected net revenues of 3.5 billion euros (\$3.7 billion) in Q2 (up 6.8%) with a net organic revenue growth of 5.6%, driven by high demand for data-led marketing and strong performance by Epsilon (+6.1%) and media (double-digit) but also continued softness by Publicis Sapient (-3.8%). Organic growth in the US was 5.3% followed by Europe (4.2%). Other strong markets/regions: Asia Pacific (7.7%), China (10.5%), Middle East & Africa (9.1%). Latin America grew nearly 19%, led by Brazil, Mexico, and Colombia. Although Publicis Groupe ranked third behind Accenture's Accenture Song (second) and WPP (first) in terms of 2023 worldwide revenue, it is expected that Publicis Groupe might move up in the rankings by year-end. Operating margin rate reached a record high 17.3% in H1, including talent and AI investment (45 million euros). The group also reported accelerating bolt-on acquisitions to reinforce existing capabilities (Spinnarkersca, AKA, Downtown). Three strategic bets:
 - 1) Investing 9 billion euros in data and tech (Epsilon, Publicis Sapient)
 - 2) Shifting to country model, connecting data, creative, media, and technology
 - 3) Transforming culture, embarking people on the group's transformation
- **Omnicom** reported \$3.9 billion in revenue for the second quarter of 2024 (up 6.8%), with organic growth of 5.2% and net income of \$328.1 million. Acquisition revenue increased revenue by \$93 million, or 2.6%, primarily due to the Flywheel Digital acquisition. Organic growth by discipline: 7.8% for Advertising & Media, 17.6% for Experiential (related to the Summer Olympics in Paris), 2% for healthcare, 1.4% for Precision Marketing, 0.9% for Public Relations, -3.8% for Branding & Retail Commerce. Organic growth by region: 6.3% for the US, 4.5% for Euro Markets & Other Europe, 6.9% for the UK, 24.5% for Latin America, 8% for the Middle East & Africa, -0.1% for Asia Pacific, and -8.3% for Other North America. Operating expenses included \$57.8 million of severance actions related to ongoing efficiency initiatives, including strategic agency consolidation in smaller international markets and the start of a centralized production strategy with the creation of the new Omnicom Production unit. Non-GAAP adjusted EBITA was \$589.6 million and had a 15.3% margin. Omnicom is increasingly focused on transitioning to performance-based revenue models.

- **Interpublic Group (IPG)** reported \$2.71 billion in revenue for Q2 FY24, down 0.1% YOY, with organic growth of 1.7%. US organic growth was 1.3%; international organic growth was 2.6%. The firm reported net income of \$214.5 million. IPG Mediabrands and IPG Health led the way with notable contributions to growth from Deutsch LA, Golin, and Acxiom. Key drivers included dynamic media offering and new media buying models, leading healthcare capabilities, and exceptional talent in marketing services, high-growth media channels and digital commerce, scaled data management and proprietary identity resolution products, seamless delivery of integrated client solutions, and personalized, data-infused creativity, increasingly powered by generative AI. IPG expects to achieve full-year organic growth of approximately 1% and, at that level of growth, continue to target an adjusted EBITA margin of 16.6%.
- To recap Q2 FY24 results of the top 4 holding companies, excluding Accenture Song (part of Accenture), Dentsu, Havas Group (part of Vivendi), Stagwell, S4 Capital, and others):

Holding company	Stock Symbol	FY24 Q2 Revenue	FY24 Q2 Organic Growth	FY24 Q2 EBITA Margin
WPP Plc	WPP (NYSE)	\$3.7B <i>(estimated interim)</i>	-0.1%	11.5%
Omnicom Group	OMC (NYSE)	\$3.9B	+5.2%	15.3%
Publicis Groupe SA	PUBGY (OTCMKTS)	\$3.7B	+5.6%	17.3%
Interpublic Group	IPG (NYSE)	\$2.71B	+1.7%	14.6%

Mergers and acquisitions (M&A) activity:

- **Publicis Groupe** acquired Las Vegas-based creator marketing agency Influential, the world's largest influencer marketing agency and Ad Age's 2024 social media/influencer agency of the year, to boost the firm's influencer marketing capabilities. Influential worked with brands such as Walt Disney Company, McDonald's, Meta, Amazon, Mattel, and Hilton. Influential's proprietary AI-powered technology platform houses 100 billion data points from a network of over 3.5 million creators and 90% of global influencers with 1 million or more followers.
- **Havas** acquired omni-commerce expert Liquid to redefine the shopper marketing, e-commerce, and retail media landscape in the Middle East. Liquid will be rebranded as Liquid Havas and join the organization under Havas Market, Havas's full-service e-commerce offering dedicated to delivering meaningful shopping experiences for people, brands, and retailers.
- **Havas** acquired Australian media agency and creative production company Hotglue in a move to expand Havas's footprint in the country. The firm merged with Havas Media Melbourne with capabilities such as digital, e-commerce, media, activations, creative, PR, health, and digital project management. Hotglue clients include L'Oréal, Dulux, and Bulla Dairy Foods.
- **Stagwell's The Harris Poll** acquired BERA (Brand Equity Relationship Assessment), a SaaS platform that quantifies and predicts brand impact on long-term business value based on its always-on syndicated survey of 4,000 brands, covering more than 200 sectors. BERA will be integrated within HarrisQuest service, a suite of martech research products, including AI-enabled self-service polling and other "instant" SaaS solutions.
- **Stagwell** acquired Tel Aviv-based Leaders, a digital agency specializing in influencer marketing and social commerce, which is now part of Stagwell Marketing Cloud's PRophet Comms Tech Suite of AI-powered products. The agency is known for its creation of the InfluencerMarketing.AI (IMAI), a global influencer marketing SaaS platform that connects 300 million creators worldwide. Brands (such as Nespresso, Samsung, Colgate-Palmolive, Coca-Cola, Estée Lauder, and Superdry) can launch campaigns while using its analytics, sales prediction models, and campaign management tools.
- **Informa Plc**, which hosts conferences, exhibitions, and training courses around the world, acquired Ascential Plc, the owner of the Cannes Lions conferences, for approximately £1.2 billion (\$1.5 billion).
- Creative design platform **Canva** acquired Australian startup Leonardo AI, which offers an advanced generative AI platform for creating images and art based on open-source stable diffusion AI models. Canva will integrate Leonardo's proprietary tech and "Phoenix" foundation model into its suite of AI products.
- Brand and consumer-focused **S3 Agency**, based in Boonton, New Jersey, merged with B2B specialist **McMillan**, based in Ottawa, Ontario, after a yearlong partnership during which the agencies worked jointly on clients across industries such as luxury automotive, tourism, sustainability, high tech, home goods, education, and insurance. Clients include Intuit, United Rentals, Dunn & Bradstreet, BMW North America, and Franklin Mutual Insurance.
- **OuterBox** acquired TopSpot, a Houston-based digital marketing agency specializing in SEO, PPC, UX/CRO, email marketing, paid media, analytics, and website design for the industrial-manufacturing sector, making it one of the largest independent performance-marketing agencies in the US.
- Independent San Diego-based agency Mindgruve and Denver-based agency Macarta (Denver) merged into an agency called **MindgruveMacarta**, now combining expertise in performance marketing, retail media, and advanced analytics with more than 300 employees across multiple offices including Mexico City, São Paulo, Amsterdam, Madrid, and London.

Noteworthy quotes:

- » “With AI, we can start trending toward knowing instantly—knowing before it happens, not just when it happens.” —Jon Moeller, Chairman, President, and CEO, **Procter & Gamble**
- » “We often use the adage ‘fewer, bigger, better.’ We’re going to see a different approach—‘more, smaller, better.’” —Samantha Deevy, Chief Strategy Officer, **BBH USA**
- » “There’s a massive opportunity in going from what you call a media mix model to a true marketing mix model to understand the world.” —Kellyn Smith Kenny, Chief Marketing and Growth Officer, **AT&T**
- » “As advertising agencies migrate away from the flawed time-based billing model toward pricing structures based on outputs and outcomes instead of inputs, it’s essential to devote more time and energy to defining value. Essentially this means trading a cost focus for a value focus. Instead of jumping straight to Scope of Work, clients and their agency partners must first define the ‘Scope of Value.’” —Tim Williams, Founding Partner, **Ignition Consulting Group**
- » “Flywheel opens an entirely new market opportunity for us. It has transformed us from an advertising and marketing company to a marketing and sales company.” —John Wren, CEO, **Omnicom Group**
- » “The CFO-CMO partnership is critical for success.” —Sharon Otterman, CMO, **Macy’s**
- » “I’d like to see less trending topics and more trending action.” —Gati Desai Curtis, President, **Elite Media**
- » “CFOs are leaning more toward long-term brand building instead of focusing solely on immediate performance metrics.” —Patiwat Panurach, VP of Strategic Insights and Analytics, **NewtonX**
- » “Both brands and agencies must strike a balance between immediate objectives and long-term goals.” —Trina Roffino, CEO, **The Marketing Arm**
- » “The in-house agency team are incentivized in the same way that the product teams are incentivized—by the success of our product, not by the money that they get from their clients.” —Julia Goldin, Global Chief Product and Marketing Officer, **Lego**
- » “I would like to see less focus on expected results and more emphasis on unexpected results.” —Michael Chapman, Chief Client Officer, **The Martin Agency**
- » “Absent full cost transparency, audit rights, agreed-upon mark-ups, and pre-approval rights for principal media advertisers should rightly favor a principal-agent relationship, with clear accountability and alignment on the agency’s duties and responsibilities as a fiduciary of the client versus the pursuit of illusory efficiencies.” —Cliff Campeau, Principal, **Advertising Audit & Risk Management**
- » “The perpetual tug-of-war caused by hourly billing leads to persistent mistrust in agency–client relationships. Brand marketers are never quite sure their agency has their best interests at heart, and agencies are constantly defending the expenditure of time spent by their account teams.” —Tim Williams, Founding Partner, **Ignition Consulting Group**

ARTICLE: Key steps to creating a thriving agency ecosystem Contributed by: KPMG

While over 80% of companies have an in-house agency, optimally combining both in-house and external agency support is often the key to success.

Choosing the right service model for your organization is one part strategic, one part financial, and one part situational (what will work in your unique corporate culture).

Making this decision requires rigor, data, and consideration of key factors such as cost analysis, scope requirements, and skill capabilities.

Want to read more? Click here to read the full article: [Are you in or out? \(kpmg.com\)](https://www.kpmg.com/areyouinorout)



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 do not receive media attention and therefore are not included here.

- The National Hockey League's **Anaheim Ducks** selected Havas Group–owned Battery as its creative AOR following a review. The agency will handle creative strategy, brand narrative, and integrated-marketing content, including social, TV/OTT, OOH, radio, digital, and experiential.
- Pharmaceutical giant **AstraZeneca** selected WPP to its global creative roster to handle its oncology business following a review. WPP, which is creating a bespoke team based in the US and UK and composed of VML Health, Grey Health, and Ogilvy Health, is expected to share the oncology business with one of the brand's existing agency partners, Omnicom. WPP's CMI Media Group retains its media planning and buying AOR. There is no expected impact to the IPG Health relationship with the brand.
- Automotive parts and accessories retailer **AutoZone** kicked off a creative review. Havas Chicago (and some of its sister agencies, like Annex88) is the incumbent agency.
- Furniture company **American Signature, Inc.** selected Minneapolis-based Colle McVoy (Adweek's 2023 Midsized Agency of the Year) as its strategy, creative and media AOR following a review. The agency will handle brand strategy, media, creativity, and design.
- Biotechnology company **Amgen** kicked off a review of its US media business, encompassing the firm's entire brand portfolio. The review is focused on all areas of media planning and buying, across all channels, with an emphasis on best-in-class marketing capabilities and driving operational excellence. Incumbent agencies Omnicom and WPP are expected to defend.
- Diemme Food–owned plant-based meat alternative brand **Altro Food USA** selected performance-marketing agency SweetScience Marketing as its AOR. The agency will handle multichannel marketing, including digital advertising, influencer partnerships, e-commerce, and targeted consumer-generated content.
- EchoStar Corp.–owned prepaid wireless brand **Boost Mobile** selected Boulder, Colorado-based WorkInProgress as its creative AOR without a review, replacing incumbent Chicago-based agency Highdive, which worked for the brand on a project basis.
- German engineering and electronics company **Bosch** selected Accenture Song's Droga5 as creative AOR and Dentsu's Carat as its media AOR in the US following a review. The brand is consolidating its creative efforts under one shop, replacing several agencies. The agency will handle TV, digital, social media, and trade shows.
- Berkshire Hathaway–owned **Benjamin Moore** kicked off a review of its creative business. Incumbent agency Fig is expected to defend.
- American plant-based meat company **Beyond Meat** selected independent London-based creative agency Isobel as its Pan-European creative AOR following a review. The agency will handle brand consultancy, design, advertising, social, influencer, PR, and branded content.
- Telecom and tech-services company **C Spire** selected creative agency Lewis as its AOR, replacing incumbent agency Tombras, across of its home fiber, wireless, and business divisions. The agency will handle strategic planning, business intelligence, media planning and placement, creative development, and production.
- **Carnival Cruise Line** selected TBWA\Chiat\Day New York as its creative AOR following a review. The agency will handle all creative duties, with a focus on driving growth for the brand.
- **Colgate-Palmolive** selected WPP as its Amazon AOR in its key markets in Europe, consolidating Amazon media activities and supporting Colgate-Palmolive's oral care, personal care, and home care businesses with a single company, following a review. It's a move to adopt a more data-driven, full-funnel approach to Amazon in order to accelerate omnichannel brand and sales impact via Amazon's Retail, Integrated Amazon Advertising, and Amazon cloud-based clean room solutions. The WPP bespoke solution, led by VML's Amazon Center of Excellence in Luxembourg, and in partnership with GroupM's Wavemaker, will forge a deeper connection between sales, media, and brand teams.
- **Constellation Brands** selected Omnicom-owned and Austin, Texas-based GSD&M as the lead creative AOR for Corona Extra following a review, replacing incumbent Interpublic Group–owned MullenLowe West.
- Berkshire Hathaway-owned American **Dairy Queen Corp.** selected independent New York–based shop SPCSHIP (which recently rebranded from Big Spaceship) as its creative AOR in the US following a review, replacing incumbent Barkley. The agency will handle strategy, creative, and social media and partner with Publicis's Spark Foundry, its media AOR in the US.
- Luxembourg-based food marketer **Ferrero Group** (owner of Kinder, Nutella, Baby Ruth, Blue Bunny, Butterfinger, Crunch, Ferrero Rocher, Tic Tac brands, etc.) kicked off a review of its global creative work to "streamline its global agency portfolio and accelerate group digitalization" as well as cut costs and consolidate creative duties currently handled by several agencies, such as Havas, Stagwell, and Terri & Sandy. Ferrero Group selected Interpublic Group's McCann Worldgroup as its creative AOR for Kinder and Tic Tac in Europe, Asia Pacific, the Middle East, and Africa, and Publicis Groupe to support the aforementioned regions, along with some work in North America. Stagwell's Anomaly will handle some of Ferrero Group's North American creative work, including Kinder and six other "important" North America brands. They will partner with Dentsu's iProspect, the brand's media AOR.

- **General Motors** selected 72andSunny (handling Cadillac), Anomaly (Chevrolet), Preacher (GMC), and Mother (Buick) as creative lead agencies. The move includes a new mix of current and new agencies but no longer operates with an AOR structure. They also selected Omnicom Precision Marketing Group as the lead agency for CRM. Monks (formerly Media. Monks) will lead real-time content development for the brand. The agencies will collaborate with Dentsu, the brand's media AOR. Incumbent agencies (Interpublic's Commonwealth/McCann and Publicis Groupe's Leo Burnett) remain on the roster.
- Apparel brand **HanesBrand Inc.** selected independent LA-based agency Special U.S. as its creative AOR following a review, replacing 22-year incumbent Interpublic Group's The Martin Agency. The agency will handle all brand strategy and creative development work for the brand out of its New York office and partner with the brand's media AOR, Omnicom Group's Hearts & Science.
- Hybrid cookware brand **HexClad** selected female-founded, independent agency Joan as its creative AOR. The agency will handle new positioning, strategic, and creative development.
- **Honeywell** selected Dentsu Creative and Carat USA as its integrated AOR, combining media and creative capabilities together. The two agencies will build solutions that will drive growth through human-centric connections for the brand.
- Consumer home, outdoor, beauty, and wellness brand firm **Helen of Troy** selected Publicis Groupe-owned Razorfish as its creative AOR for the US market following a review. The agency will handle all creative duties for Helen of Troy's brands, including Bed Head, Hydro Flask, and Revlon.
- Froneri-owned ice cream brand **Häagen-Dazs** selected indie shop nice&frank (Ad Age's 2024 Newcomer of the Year) as its creative AOR in the US following a review and replacing incumbent Cartwright.
- UK estate agent firm **Hamptons** selected Atomic London as its creative AOR. The agency will partner with the brand's media-buying agency Total Media and handle social media as well through Supernova, its social-creator agency.
- Candy giant **Hershey Co.** selected Publicis and its bespoke Publicis team, MiltonONE, as its media AOR in the US following a review, replacing several agencies, including Dentsu, Horizon Media, Harmelin Media, and Omnicom in a move to "centralize integrated media responsibilities." The agency will handle media for Hershey's candy, mint, gum, salty snacks, and protein business units in the US.
- Low-sugar chocolate brand **JOJO's Chocolate** selected Milwaukee-based independent agency Hanson Dodge as its creative AOR without a review. There was no incumbent agency. The agency will handle strategy, brand, and creative development.
- Brown-Forman-owned Tennessee whiskey brand **Jack Daniel's** selected independent creative agency Five by Five as its UK digital and social media AOR following a review, replacing incumbent Iris. The agency will handle social media, content creation, and influencer marketing.
- California champagne producer **Korbel** selected Minneapolis-based Interpublic Group-owned Carmichael Lynch as its brand and media AOR following a review. The agency will handle strategy, creative, social, media, and brand activation.
- Cereal breakfast foods company **Kellanova** expanded its relationship with Interpublic Group after a review. IPG's FCB will handle Cheez-It (in the US), Eggo, and Rice Krispies Treats, partnering with The Martin Agency and MullenLowe across global markets, as well as handle Pringles, replacing incumbent WPP Grey and Publicis Groupe's Leo Burnett. Publicis retained media duties in North America as well as the Pop-Tarts brand (via its Le Truc agency) while working on multiple brands in Europe and Latin America. Tombras will handle creative and integrated marketing work for MorningStar Farms, Nutri-Grain, Club Crackers, Toasteds, and TownHouse in the US. Rethink retained RXBar. IPG's Momentum will handle shopper marketing and promotion, and IPG studios will handle production globally. IPG's Weber Shandwick will continue to run PR and influencer strategy for Kellanova's bigger brands in the US.
- **The Lego Group** selected Publicis as its global media AOR following a review, replacing the seven-year incumbent IPG agency Initiative. Publicis created a bespoke team called Publicis One led by Starcom.
- **LaLa U.S.** and **Promised Land Dairy Products** selected Austin, Texas-based agency Bakery as its creative AOR following a review, replacing incumbent Upshot. The agency will handle all creative work running on social media, TV, OOH, and digital.
- **Liberty Mutual Insurance** selected independent New York-based agency Bandits & Friends as its creative AOR following a review, replacing incumbent Goodby Silverstein & Partners. The agency will act as lead partner to its internal creative shop, Copper Giants.
- **L'Oréal International Distribution** selected GroupM's Wavemaker to handle media planning and buying for EMEA following a review, replacing incumbent OMD. The win signals further expansion of the L'Oréal-Wavemaker partnership, which includes 30+ markets across the world.
- Tequila brand **Lobos 1707** selected Hudson Rouge, a luxury boutique agency within the VML network, to lead strategy and creative work for the LeBron James-backed "super-premium" brand. The agency will collaborate with sibling WPP agency Landor.
- **MGM Resorts International** (owner of brand properties Bellagio, ARIA, The Cosmopolitan of Las Vegas, MGM Grand, and Mandalay Bay) selected Viral Nation its social media and influencer marketing AOR. The agency will handle strategy, execution, and implementation across its entire brand ambassador program.
- Mondelēz International's **Oreo** brand selected digital commerce agency Goodness as its e-commerce AOR, responsible for leading Oreo.com's direct-to-consumer growth as an e-commerce platform, including Oreoid, the brand's custom cookie creator. The agency also works for another Mondelēz brand, Clif Bar.
- Online travel firm **Priceline** selected Omnicom Media Group's PHD as its new media AOR following a review, replacing incumbent agency Ocean Media. The agency will handle all media activities, including data-driven media strategy, planning, and buying and partner with the brand's creative AOR, Mirimar.

- French luxury retailer **Printemps** selected independent New York–based Milk Agency as its AOR in the US. The agency will handle all advertising, social media, and paid media across fashion and retail outlets, including print, out-of-home, video, digital, social, and mobile for Printemps U.S.
- **Princess Cruises** selected Omnicom precision marketing agency Rapp as its direct response marketing AOR. The agency will handle all CRM communications, including strategy, creative development, deployment, reporting, and insights.
- Panda Restaurant Group-owned American Chinese fast-food chain **Panda Express** selected Portland, Oregon–based indie shop Opinionated as its creative AOR following a review, replacing five-year incumbent The Many. Opinionated consulted with multicultural agency TDW+Co to connect with Asian communities and win the business.
- Wines and spirits marketer **Pernod Ricard** consolidated its media account in the Europe and Middle East & Africa region with Dentsu’s Carat, replacing incumbents GroupM, Havas, Omnicom, and MG.
- Constellation Brands’s Mexican import beer brand **Pacifico** kicked off a review of its creative business. The company is searching for a “digital-first, lifestyle-driven approach that can deliver compelling and memorable creative.” Incumbent agency Ogilvy is expected to defend.
- **Rocket Companies** selected independent agency Mirimar Creative Group as its creative AOR following a review. The agency has been working with the brand in the three months prior to the review.
- Gourmet coffee brand **San Francisco Bay Coffee** selected Cutwater as its creative and media AOR following a review. The agency will handle brand platform development, creative, production, and strategy, including OLV, social, display, and OOH.
- Enterprise workflow management platform **ServiceNow** selected PMG as its global media AOR. The agency will handle all media planning and buying.
- Low-cost carrier **Spirit Airlines** selected Tombras as its integrated AOR without a review. The agency will handle creative, media, PR, social, and CRM.
- Health organization **Truth Initiative** selected IPG’s Initiative as its media AOR following a review, replacing 10-year incumbent Stagwell’s Gale.
- Cosmetics chain **Ulta Beauty** selected IPG’s Mediabrands as its media AOR, expanding its relationship with IPG and creating a bespoke New York–based unit within the Mediabrands network called Team Beauty, which includes Mediahub and Kinesso. The agency will handle all media duties, including programmatic, retail media, addressable, and social.
- German automobile giant **Volkswagen Group** (VW, Audi, and Škoda) selected Omnicom’s PHD as its media AOR, successfully retaining the account. Omnicom has been pushing the agency-as-a-platform approach, a flexible, agile, speedy and fully integrated team combining Omnicom’s best tools, capabilities, and talent.
- Credit Union Vancity selected **Havas Media Network** as its national media AOR in Canada following a review. The agency will handle all media duties and leverage data consultancy Noise Digital, which Havas Media acquired last year. Havas will partner with the brand’s creative AOR, VML.
- Nutrition and wellness company **Wellmore Holdings** selected Minneapolis-based creative agency Betty as its creative AOR following a review. The agency will handle creative, strategy, design, and content studios.
- Energy and health drinks brand **Zipfizz** selected Agency Designit, part of multinational IT firm Wipro as its creative and media AOR, the first time the brand assigned an AOR. The agency will handle multichannel support across brand strategy, paid media, social media, and creative, as well as data, social content creation, and community management for Zipfizz-owned channels, including Instagram, Facebook, and TikTok.
- Atlanta-based quick-service restaurant chain **Zaxby’s** selected Omnicom Group’s Goodby Silverstein & Partners as its creative AOR following a review, replacing six-year incumbent independent Tombras. GS&P’s New York office will lead the account with support from the San Francisco office and partner with media AOR Dentsu X.

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Agency roster summary:

IP= Review in Progress, Unk= Unknown

COMPANY LOGO	CLIENT	INCUMBENT	CHANGE/SCOPE	FOCUS AREA	NEW AGENCY	REVIEW?
	Altro Food USA	Unknown	Performance Marketing AOR	US	SweetScience Marketing	Unk
	American Signature, Inc.	Unknown	Strategy, Creative & Media AOR	US	Colle McVoy	Y
	Amgen	Omnicom & WPP <i>(expected to defend)</i>	Media Planning & Buying	US	IP	Y
	Anaheim Ducks	Unknown	Creative AOR	Unknown	Battery	Y
	AstraZeneca	<i>Expanding Work Beyond Omnicom</i>	Creative	Global	WPP	Y
	AutoZone	Havas Chicago & Others	Creative	Unknown	IP	Y
	Benjamin Moore	Fig <i>(expected to defend)</i>	Creative	Unknown	IP	Y
	Beyond Meat	Unknown	Creative AOR	Europe	Isobel	Y
	Boost Mobile	Highdive <i>(project-based)</i>	Creative AOR	Unknown	WorkInProgress	N
	Bosch	Various Agencies <i>(consolidation)</i>	Creative AOR	US	Droga5	Y
		Unknown	Media AOR	US	Carat	Y
	C Spire	Tombras	AOR	Unknown	Lewis	Unk
	Carnival Cruise Line	Unknown	Creative AOR	US	TBWA\Chiat\Day New York	Y
	Colgate-Palmolive	Unknown	Amazon AOR	Europe	WPP	Y
	Constellation Brands <i>(Corona Extra)</i>	MullenLowe West	Lead Creative AOR	Unknown	GSD&M	Y
	Dairy Queen	Barkley	Creative AOR	US	SPCSHP	Y
	Ferrero Group	Unknown	Creative	NAM	Publicis Groupe & Anomaly	Y
		Unknown <i>(for Kinder & Tic Tac)</i>	Creative AOR	Europe, Asia Pacific, Middle East, Africa	McCann Worldgroup <i>(Publicis Groupe to support)</i>	Y
	General Motors	<i>Expanding Work Beyond Dentsu</i>	CRM Lead	Unknown	Omnicom Precision Marketing Group	Y
	General Motors		Content Development	Unknown	Media.Monks	Y
	General Motors <i>(Buick)</i>		Creative Lead	Unknown	Mother	Y
	General Motors <i>(Cadillac)</i>	Commonwealth/McCann & Leo Burnett <i>(remain on roster)</i>	Creative Lead	Unknown	72andSunny	Y
	General Motors <i>(Chevrolet)</i>		Creative Lead	Unknown	Anomaly	Y
	General Motors <i>(GMC)</i>		Creative Lead	Unknown	Preacher	Y
	Häagen-Dazs	Cartwright	Creative AOR	US	nice&frank	Y
	Hamptons	<i>Expanding Work Beyond Total Media & Supernova</i>	Creative AOR	UK	Atomic London	Unk
	HanesBrand Inc.	The Martin Agency	Creative AOR	Unknown	Special U.S.	Y
	Helen of Troy	Unknown	Creative AOR	US	Razorfish	Y

Agency roster summary:

IP= Review in Progress, Unk= Unknown

COMPANY LOGO	CLIENT	INCUMBENT	CHANGE/SCOPE	FOCUS AREA	NEW AGENCY	REVIEW?
	Hershey Co.	Dentsu, Horizon Media & Others	Media AOR	US	Publicis	Y
	HexClad	Unknown	Creative AOR	Unknown	Joan	Unk
	Honeywell	Unknown	Integrated AOR (Media & Creative)	Unknown	Dentsu Creative & Carat USA	Unk
	Jack Daniel's	Iris	Digital & Social Media AOR	UK	Five by Five	Y
	JOJO's Chocolate	None	Creative AOR	Unknown	Hanson Dodge	N
	Kellanova	None	Media	NAM	Publicis (retains media duties)	Y
		None	PR & Influencer Strategy	US	Weber Shandwick (retains duties)	Y
		Unknown	Production	Global	IPG studios	Y
		Unknown	Shopper Marketing & Promotions	Unknown	Momentum	Y
		Unknown (for Morning Star Farms and others)	Creative & Integrated Marketing	US	Tombras	Y
	Korbel	PriceWeber	Brand & Media AOR	Unknown	Carmichael Lynch	Y
	L'Oréal International Distribution	OMD	Media Planning & Buying	EMEA	Wavemaker	Y
	LaLa U.S. and Promised Land Dairy Products	Upshot	Creative AOR	NAM	Bakery	Y
	The Lego Group	Initiative	Media AOR	Global	Publicis	Y
	Liberty Mutual Insurance	Goodby Silverstein & Partners	Creative AOR	Unknown	Bandits & Friends	Y
	Lobos 1707	Unknown	Strategy & Creative	Unknown	Hudson Rouge	Unk
	MGM Resorts International	Unknown	Social Media & Influencer Marketing AOR	Unknown	Viral Nation	Unk
	Oreo	Unknown	eCommerce AOR	Unknown	Goodness	Unk
	Pacifico	Unknown	Creative	Unknown	IP	Y
	Panda Express	The Many	Creative AOR	Unknown	Opinionated	Y
	Pernod Ricard	GroupM, Havas & Others (consolidation)	Media	Europe, Middle East & Africa	Carat	Unk
	Priceline	Ocean Media	Media AOR	Unknown	PHD	Y
	Princess Cruises	Unknown	Direct Response Marketing AOR	Unknown	Rapp	Unk
	Printemps	None	AOR	US	Milk Agency	N
	Rocket Companies	Mirimar Creative Group (expanding work from a project basis)	Creative AOR	NAM	Mirimar Creative Group	Y
	San Francisco Bay Coffee	Unknown	Creative & Media AOR	Unknown	Cutwater	Y

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COMPANY LOGO	CLIENT	INCUMBENT	CHANGE/SCOPE	FOCUS AREA	NEW AGENCY	REVIEW?
	ServiceNow	Unknown	Medi AOR	Global	PMG	Unk
	Spirit Airlines	Unknown	Integrated AOR	Unknown	Tombras	N
	Truth Initiative	Gale	Media AOR	Unknown	Initiative	Y
	Ulta Beauty	IPG MediaHub <i>(expanding work beyond MediaHub)</i>	Media AOR	Unknown	IPG Mediabands	Y
	Vancity	Unknown	Media AOR	Canada	Havas Media Network	Y
	Volkswagen Group <i>(VW, Audi, and Skoda)</i>	PHD	Media AOR	Global	PHD	Y
	Wellmore Holdings	Unknown	Creative AOR	Unknown	Betty	Y
	Zaxby's	Tombras	Creative AOR	Unknown	Goodby Silverstein & Partners	Y
	Zipfizz	None	Creative & Media AOR	Unknown	Designit	Unk

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A word about the author: Bruno Galpois is a globally recognized thought leader in business partnerships, renowned for his pioneering work in establishing agency management as a critical discipline among the world's largest advertisers and Fortune 500 companies. As the author of the industry-defining book Agency Mania and the co-founder of Agency Mania Solutions, a leading cloud-based software company, Bruno has dedicated his career to fostering successful client-agency relationships. His expertise, honed through leadership roles at Microsoft, Visa, and several pre-IPO software companies, has made him an authority on building and nurturing high-impact business partnerships. In addition to his corporate achievements, Bruno is a key Faculty member at the Association of National Advertisers (ANA) School of Marketing, where he continues to shape the future of client-agency collaboration, driving growth and sustained business performance.

Bruno Galpois, Co-Founder and Principal, Agency Mania Solutions



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