

# Industry Updates

## 2021 Year-End Summary

### Ready for 2022?

What did we learn in 2021 that might impact your 2022 efforts?

Find out in this year-long summary of newsworthy client/agency relationship developments and relevant marketing or agency management trends from 2021.

We aggregated multiple industry updates to give you one comprehensive summary of any news or announcements taking place in client/agency relationships during the year.

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**W**elcome... As you spent hours locked up in an improvised home office, did you feel overwhelmed by the cacophony of industry news, yet still felt underinformed? You were not alone. We created these quick bite-sized highlights of what's going on in our world so friends, colleagues, and clients wouldn't have to spend countless hours sorting through hundreds of announcements.

We know how little time is available and yet how essential it is to keep up with a fast-moving industry. This is a summary of all of the industry updates of 2021. Get a cup of coffee and find a comfortable place to read and enjoy.

## Major 2021 themes

Looking back at the full year to make sense of the profound changes impacting our industry can be intimidating. It sure is to me, and, as many of you, I live and breathe this daily. So many announcements, press releases, industry reports add to the noise and lack real insight. For that, we need to read between the lines and see what direction the industry is taking. The year prior, ANA's Marketing Word of the Year was "pivot." It still seemed relevant in 2021. But what was unique about 2021? What were the major drivers that made a significant difference in how we approach advertising or collaborate with each other, no matter if you are on the agency, client or supplier side? Well, I am glad you asked. Here it is:



**E-commerce and digital growth permanently altered the agency landscape:** The health crisis accelerated the need for companies to transform themselves and deepen their e-commerce offering, shaping a new way to communicate with customers. Naturally, digital media grew significantly in 2021, profiting big tech players like Meta, Google and Facebook, and encouraged agencies to build new capabilities in media, e-commerce, salesforce integration, gaming, data analytics, AI and machine learning to keep up with demand.

*2021 noteworthy examples you will find in this recap:* WPP announced that it employs 13,500 commerce services experts across the world; AI-powered search intelligence company Adthena acquired Kantar's paid-search business; agencies like IPG's Reprise started hiring Chief AI Officers; indie agency Omelet launched a gaming marketing consultancy called Cheat Code; You and Mr. Jones launched a new e-commerce services unit; and more....



**Agencies explored new creative, innovative ways to service clients:** The traditional ways of going to market or producing advertising are obsolete, especially in data with new privacy standards enforced by Google and Apple. Agility, speed to market, creative and media integration, data insight, and specialty skills are essential ingredients for agencies looking to break new ground and win market share.

*2021 noteworthy examples you will find in this recap:* WPP's Ogilvy produced seven films in seven days in a creative sprint for Instagram; DDB and clients Coors Light and Coors Seltzer created a campaign designed to put a beer commercial in our dreams; Edelman launched Disinformation Shield; WPP launched a global data company called Choreograph and Cloud Studio for virtual production; Accenture invested \$75M+ to develop SynOps; The Integer Group launched its Growth Sciences Practice; Havas launched its Havas Sovereign Technologies unit; and more....



**Commitment to diversity and inclusion (finally) became a reality:** The concept of diversity and inclusion is not new, but 2021 was a year of commitment. The noticeable difference was the level of engagement exhibited by the entire supply chain—agencies and brands—taking prescriptive steps to make diversity more than a worthy cause: an organizational reality. Most agencies hired a Chief Inclusion Officer and launched training, mentoring and sponsorship programs.

*2021 noteworthy examples you will find in this recap:* 4A's launched The Workplace Enlightenment Certification (WeC) program; Deloitte Digital launched a new practice, Ethos, to address global issues like diversity; Unilever pledged to increase spend with underrepresented companies; MullenLowe US launched The Black Catalog; P&G launched an initiative 'Widen the Screen'; ANA's Alliance for Inclusive and Multicultural Marketing (AIMM) published the Anti-Asian Hate toolkit and released an update to their list of diverse suppliers; General Motors Co. pledged to increase its spend with Black-owned media companies; Verizon committed at least 2% of its ad budget; and IPG Mediabrands committed to invest at least 5% in Black-owned media; and more....



**Remote pitching facilitated a renewed level of competitive agency reviews:** As the world learned to cope with remote environments and home offices, the need to reevaluate relationships and make transformational changes prompted clients and agencies to embrace remote pitching, relying more on technology and less on chemistry-based, in-person conversations. It didn't deter many advertisers from making significant roster changes and signing up new agencies of record (AOR). In media alone, there were 1,940 account moves and retentions across 46 countries totaling \$13.2B in billings in the first half of the year, a 27% increase year-over-year. Check out our consolidated list of agency reviews to see what brands changed agencies or consolidated work.



**Large holding companies bounced back (financially):** After a terrifying year of severe cost reductions in light of the health crisis, agencies had to make significant adjustments to their operations, reducing expenses wherever possible, including cutting staff and letting go of expensive offices. These measures paid off. Combined with economic growth and the redeployment of brand budgets, holding companies experienced significant double-digit organic growth in 2021, getting back to healthier financial grounds. Check out the Financial Section for earning report summaries and more information.



**David vs. Goliath epic battle grew in intensity:** The rebirth of Sir Martin Sorrell (post-WPP) and the rise of its digital-only holding firm, S4 Capital, was supported by a wide number of acquisitions and a record-level growth, presenting a reasonable long-term threat to the more established, publicly traded holding companies like WPP, Omnicom, Publicis, Interpublic Group, Dentsu, Havas, etc. S4 Capital reached a market cap of £4.5B and acquired Code and Theory, Decoded Advertising, Metric Theory, Destined, Low Earth Orbit (L.E.O.), Tomorrow and many others. Stagwell, following its merger with MDC Partners, also created a worthy competitor to larger networks, with worldwide revenue of \$2.1B and nearly 10,000 employees. Check out the Financial and M&A Section for more details.



**In-house agency phenomenon accelerated and matured:** The rise of in-house agencies started years ago. In 2021, it became clear that there was still much interest in building such capabilities, especially in programmatic media. The most poignant observation was the level of maturity reached by these organizations, now well-oiled and fully integrated within their organizations, often collaborating tightly with external agencies.

*2021 noteworthy examples you will find in this recap:* 85% of ANA members have some form of in-house team; per IHAF and Forrester Research, the majority of digital marketing is now produced in-house; Unilever expanded its in-house capabilities to speed up production and drive cost efficiencies; and more....



**“Doing good” and environmental rally became a focus for brands and agencies:** 2021 will also be remembered as the year the world of advertising came together in a unified way to take a stand and set broad, ambitious goals for moving toward net-zero carbon emissions.

*2021 noteworthy examples you will find in this recap:* Unilever and GroupM launched a so-called Data Ethics Compass; the WFA launched the “Planet Pledge”; for Earth Day’s 51st anniversary, brands created campaigns encouraging consumers to live more sustainably; many brands—The Clorox Company, Nestle SA, Procter & Gamble, announced recent wins and made commitments to achieve net-zero emissions in the near future; and more....

We also witnessed a return to growth and business fundamentals: 2021 was also a year of reflection for many, reassessing current efforts and going back to the basics: building strong client/agency partnerships, simplifying operations and collaboration whenever possible, and relying on data, but also professional intuition, to make sound decisions.

As we faced yet another year of COVID, the emotional toll led many people to reconsider their professional life, and in some instances, change jobs. But it also reminded us of the fragile yet superb nature of humanity, encouraging more compassion and renewed human connections. We hope to see many of the trends highlighted earlier continue positively in 2022. Looking forward to being part of that journey with you all. Wishing you all a happy and successful 2022!



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# Roster Changes Summary



**AGENCY: Roster changes summary**

Disclaimer: The reviews listed often capture larger review activity reported in the industry trade press, which we understand to be only a subset of total review activity. Specialist reviews (digital, social, PR, etc.) are rarely reported in the trade press. Also, due to the increasing number of project reviews (versus AOR/retainer reviews), many of those are not receiving media attention and therefore are not included here.

**Apparel and luxury:**

- Jeans and apparel retailer **American Eagle Outfitters** selected VaynerMedia as its new media AOR, replacing two-year incumbent dentsu's digital agency, 360i.
- Berkshire Hathaway subsidiary's **Brooks Running** selected Cincinnati-based independent full-service creative solutions agency Curiosity as its social media AOR, following a review.
- **Chanel** selected Omnicom Media Group as its new global media planning and buying AOR, following a review and replacing two-decades long incumbent WPP's GroupM, which had a dedicated unit to serve Chanel. Omnicom's OMG unit will reside inside PHD.
- Diamonds giant **De Beers** selected Havas Media Group (and its UK "luxury international unit") as its global media AOR, replacing incumbent WPP's Mindshare. The move includes the consolidation of media duties across multiple brands/units. The agency works with luxury clients such as Hermès and Fabergé.
- **Dolce & Gabbana** selected Havas Media Group as its global media AOR following a review and replacing incumbent Dentsu International's Carat. The agency will handle media strategy, planning, coordination, and digital activation in 20+ markets.
- American clothing/apparel company **Fruit of the Loom** selected Austin-TX-based agency GSD&M as its media and creative AOR, following a review, replacing incumbent Denver-based agency CPB following a decade-long relationship. The agency will handle strategy, branding and social assignments.
- Fashion retailer **H&M's** U.S. business decided to retain its existing media planning and buying AOR since 2016, IPG's Universal McCann following a review.
- Deckers Brands' performance footwear and apparel brand **HOKA One One** selected FCB West (San Francisco) as its first-ever global creative AOR, following a review.
- Abercrombie & Fitch-owned **Hollister** selected NY-based global creative agency 160over90 as its influencer and public relations AOR, following a review. The agency will leverage the brand's influencer program, The Hollister Creator Collective, which includes 32 top influencers.

- French luxury fashion and accessories brands marketer **Kering** (brands include Gucci, Saint Laurent, Bottega Veneta, Balenciaga, Alexander McQueen, Brioni, Boucheron, Pomellato, DoDo, Qeelin, Ulysse Nardin, Girard-Perregaux, as well as Kering Eyewear) selected Dentsu International's iProspect as its global media AOR following a review, replacing incumbent Publicis Media. The agency will handle all media planning and buying, integrated across brand and performance marketing for all Kering brands across 42 markets.
- **Nike** kicked off a review of its global media business estimated at \$1 billion. Media is currently handled by various agencies including Wieden+Kennedy, Within, WPP's Mindshare, Stagwell-owned Assembly among others.
- Children's sock brand **Pals Socks** selected New York-based creative agency Terri & Sandy as its first AOR without a review. The agency will handle strategic and creative duties, expanding on original efforts focused on PR, organic social, and word of mouth.
- Textile upcycling company **Reborn Clothing Co.** selected North Carolina-based French/West/Vaughn (FWV), a top integrated agency, as its first AOR to support the brand's integrated marketing strategy development and execution.
- **T.J. Maxx** selected Interpublic Group of Companies' MullenLowe (Boston) as its new creative AOR, following a review, replacing incumbent WPP's Grey. The brand will continue to work with WPP for media planning and buying across its brand portfolio (T.J. Maxx, Marshalls, and HomeGoods).
- **Wrangler** selected Yard NYC its strategic creative partner, following a review and replacing two-year incumbent Mother New York. The agency will handle TV, digital advertising, paid social, and in-store window displays.

**Automobile:**

- Volkswagen Group-owned luxury automobile brand **Audi** kicked off a review of its brand strategy and creative account in the US. 14-year incumbent Venables, Bell & Partners will defend.
- **Cruise**, the autonomous driving company majority-owned by General Motors selected Pereira O' Dell as its AOR, following a review. This is the company's first agency of record.
- **Driven Brands** and its subsidiaries, Meineke Car Care Centers and Take 5 Oil Change, selected San Francisco-based agency Erich & Kallman (E&K) as its creative AOR without a review. One of the agencies has been doing project work for the brand in the past year. The agency will handle strategy, creative and production, TV, radio, OOH, social, digital, and media planning and buying for offline media.

- Car Rental giant **Enterprise holdings** (Enterprise Rent-A-Car, National Car Rental, and Alamo Rent A Car brands) selected WPP's Ogilvy as its new brand strategy AOR, following a review. The agency will focus on brand building, data strategies, global mobility, and customer experience. There was no incumbent.
- **Honda** kicked off a review of its US media account, the so-called Tier 2 media business, which includes regional advertising, linked with individual dealer efforts for Honda and Acura brands, challenging Horizon Media and RPA, which handles Honda's national creative and media business, including some Tier 2 media work.
- **Hyundai Motor America** selected independent Maryland-based agency Culture Brands as its African American AOR, following a review. The agency will handle all advertising and marketing activities designed to reach Black buyers, including experiential and social media strategy, as well as providing support on media buying decisions. The agency will partner with Innocean, the main creative agency and Canvas Worldwide, the media agency.
- Nissan-owned luxury auto brand **Infiniti** selected Publicis Groupe as its new brand, creative and media AOR following a 9-month review and replacing 7-year incumbent MDC Partners-owned CPB. The brand has been working with 10 different agencies for creative, digital, and social, including Crispin Porter + Bogusky in the US since 2014. The holding company created a dedicated cross-disciplinary team based on its "Power of One" model, called "Publicis Q." Media buying continues to be handled by Omnicom's OMD.
- **Jaguar Land Rover** (JLR) selected Accenture Interactive as part of a bespoke marketing model, also involving Spark44, which is designed to enable a radical digitalization of JLR's marketing. The agency will work on building "world-class brand creative with multi-platform, digital-first, personalized customer experiences." Spark44 was built in 2011 as a global client-agency joint venture.
- Toyota-owned brand **Lexus** ended its relationship with Publicis' Digitas in the UK for a new partnership under WPP agencies (and The&Partnership) to deliver CRM and greater operational efficiencies, combining teams working with its parent company Toyota.
- Start-up luxury electric auto manufacturer **Lucid Motors** selected San Francisco-based ad agency Erich & Kallman as its creative AOR, following a project-based relationship. The agency will handle strategy, creative, production and media planning including TV, radio, OOH, social, digital and experiential.
- Luxury automotive brand **Mercedes-Benz** consolidated its media and creative business with Omnicom Group, following a review that created a dedicated unit called "Team X" with "innovative data and analytics connected in every layer," replacing incumbent Publicis Groupe (and its dedicated, Berlin-based unit called Publicis Emil). Omnicom's OMD was the global media AOR and US creative AOR (via Merkley & Partners).
- **Safelite AutoGlass** selected FCB as its creative AOR, following a review entirely managed via video conference, replacing incumbent Ron Foth Advertising. The agency will handle consumer campaigns and communication materials, including broadcast, online video, social media, and digital channels.
- **Stellantis** (Chrysler, Dodge, Jeep, Ram, Fiat, Alfa Romeo, Abarth, Lancia, Maserati, Citroën, DS, Opel, Peugeot, and Vauxhall) selected Publicis Groupe as its media planning and buying AOR. Publicis was the incumbent on the Fiat-Chrysler account since 2016, and WPP's MediaCom was the incumbent for PSA Group since 2017. As part of this estimated €2 billion (\$2.4 billion) review, the brand consolidated all 14 Stellantis brands across Fiat-Chrysler in the US/Canada/Europe and all of PSA Group brands in Europe.
- **Stellantis** also selected Detroit-based and African American-owned agency Ignition Media Group to handle the automaker's North American brands (Alfa Romeo, Chrysler, Dodge, Fiat, Jeep, Ram) multicultural marketing efforts.
- Motor oil, additives and lubricants brand **Valvoline** selected Hill Holliday as its creative and strategy AOR following a review, replacing incumbent Birmingham-based Big Communications. The agency did not defend the account.
- **Volkswagen Group** (Volkswagen, Audi, Skoda and Seat brands) announced its global media agency review next year. The brand annual media spending is estimated to be \$2.6 billion. The incumbent since 2016, Omnicom Media Group's PHD is defending. The AOR will partner with the top brand's agencies: WPP, Omnicom and Cheil.

#### Consumer packaged goods:

- Unilever selected IPG's The Martin Agency to handle its **Axe** brand as its creative AOR, following a review and replacing incumbent MDC Partners' 72andSunny. The agency is joining Interpublic sibling MullenLowe as part of the company's long-term practice of working across holding companies whenever possible.
- **Post Consumer Brands** and its cereal brands Great Grains, Honey Bunches of Oats, Honeycomb, and the Pebbles family of brands selected independent Kansas City-based Barkley as its creative AOR, following a review. The agency will replace various incumbent agencies including Minneapolis-based Public Works (Pebbles).
- **Reckitt** selected VCCP as its new global brand experience agency, following a review and adding the firm to its large agency roster. There was no incumbent agency. The agency will work on a new assignment across the Brando's hygiene portfolio involving digital consumer experience, content, social, digital advertising, and e-commerce.

- **Reckitt** selected Publicis Groupe following a review, handling Reckitt Health's Central European (Germany, Austria, Switzerland, Denmark, Sweden, Finland, Norway) media strategy, digital planning, and purchasing via Publicis Media, replacing incumbent Initiative Media for offline media. Publicis's Zenith was managing media planning and buying and data and analytics for the Health, Hygiene, Vitamins, and Supplements (VMS) divisions in the US.
- **Reckitt** also selected VaynerMedia as its global creative and social AOR for its intimate wellness division (which includes brands Durex, Queen V and KY) following a review and replacing incumbent Havas.
- **Unilever** (Knorr, Dove, Axe, Ben & Jerry's, and many other brands) completed its \$3.3 billion media review with incumbent WPP retaining the account in major markets. Incumbent Mindshare retained the top six markets (US, UK, Ireland, India, Indonesia, and China). Omnicom's PHD, IPG's Initiative, and Havas Media won markets from WPP and others. Same for Asatsu-DK in Japan. The brand is centralizing all media activities (data, analytics, planning, buying, and social) under a single agency in a given market. Unilever reported \$8.1 billion in brand and marketing investment globally in 2020.
- **Starz** kicked off a review of its global media account. Digitas is the US incumbent. Parent company, Lionsgate Entertainment, has been working with Starcom as its media AOR.
- **Ubisoft** selected full-service marketing and creative agency Damage the Esports Agency as its AOR for Tom Clancy's Rainbow Six Esports North American League, following a review. The agency will position R6NAL as one of the premier esports leagues in North America via digital media, social, and other activations.
- **WarnerMedia** formally appointed Engine as the company's social AOR for streaming platform HBO Max. The agency has worked with the brand for three years now and led campaigns such as, "Recommended by Humans."

#### Financial services:

- **AmeriSave Mortgage Corporation** selected Havas Group's Arnold as its creative AOR without a review, replacing incumbent The Martin Agency, which the brand worked with on a project basis. The decision followed the hire of a new CMO a few months prior.
  - Financial services giant **JPMorgan Chase** selected WPP and dentsu to handle its global media agency business, replacing incumbent Zenith. Most of its digital media remains in-house. WPP created a dedicated unit, led by GroupM, called Team JPMC. The team will handle offline and digital planning, media buying, analytics, measurement, and SEO.
  - Cryptocurrency exchange operator **Coinbase** selected IPG's The Martin Agency as advertising AOR in the US, following a review. The agency will handle brand strategy, creative development, experiential and social activations.
  - **Coinbase** also selected WPP GroupM's Wavemaker as its media AOR, following a review. The agency will handle planning, buying and activation of media, sponsorships, and content. The brand recently hired The Martin Agency as its creative AOR.
  - Credit card and financial services company **Discover** selected Omnicom TBWA\Chiat\Day LA as its brand creative AOR, following a review and replacing one-year incumbent Grey, which will retain some work. The agency will handle strategic and creative development, social, and production. The agency will collaborate with other AORs 360i and Spark Media.
  - German financial services company **Deutsche Bank** selected WPP GroupM's Essence as its new media planning and buying AOR, following a review, consolidating its international portfolio of brands (DWS, Postbank, etc.) under WPP and one media agency and replacing incumbent Publicis Media agencies Spark Foundry and Starcom as well as Online Advertising firm Performance Media.
- #### Entertainment and media:
- Cable and internet provider **Atlantic Broadband** selected Stagwell Group and five of its agencies—Kettle as creative agency of record; ForwardPMX as AOR media; Rhythm for web marketing; Wye Communications for PR, and HarrisX for research, following a review and replacing various incumbent specialty (b-to-b marketing, b-to-c marketing, PR and social) shops.
  - The Hallmark Cards Inc. unit, **Crown Media Family Networks**, selected Interpublic media agency Mediahub as its media AOR, replacing incumbent New York-based Noble People.
  - Interactive gaming and sports betting firm, **Hard Rock Digital**, owned by the Hard Rock brand and Seminole Gaming, selected Accenture's Droga5 as its creative AOR for its new Hard Rock Sportsbook app, following a review. The agency will handle integrated creative and strategic communications, digital, social, and out-of-home.
  - Disney-owned streaming service **Hulu** selected Publicis Zenith to handle its US media planning and buying account, expanding its existing Disney relationship and replacing four-year incumbent IPG Mediabrand's UM without a review. The Publicis Disney-dedicated unit, called Publicis Imagine, already worked in Disney+ and will be led by Zenith.
  - General entertainment network **INSP** (which airs classic western TV shows and movies, action dramas and some original programming) selected Horizon Media as its marketing AOR.

- **H&R Block** selected Carmichael Lynch as its strategy and creative AOR, following a review. The agency will handle strategy, creative, and social media in support of Block Horizons 2025, the brand's five-year growth and transformation strategy. Sister agency Carmichael Lynch Relate will handle public relations. Carmichael Lynch will partner with GALE on media planning and buying, data and analytics, and CRM.
- **Lloyds Banking Group** selected Publicis Media's Zenith as its new media planning and buying AOR following a review and replacing incumbent, MediaCom. The agency will handle media buying and planning for all Lloyds Banking Group brands, including Lloyds Bank, Halifax, Bank of Scotland, Scottish Widows and MBNA.
- **NatWest Group** selected the Interpublic media agency Initiative as its media planning and buying AOR, following a review. The agency will handle all the group's brands including RBS, NatWest, Coutts, and Ulster Bank.
- Financial brand **Prudential** selected independent StrawberryFrog NY as its creative AOR, following a review. The brand previously worked with Accenture Interactive's Droga5 and developed its own advertising in-house in recent years.
- San Francisco-based consumer financial services firm **Tally** selected IPG's Mediahub as its U.S. Media AOR following a review. The agency will handle U.S. media strategy, planning, and activation for the brand.
- **TD Bank Group** consolidated its creative account between WPP Group's Ogilvy and David. David will handle US duties (replacing incumbent agency since 2016 TBWA\Chiat\Day) and Ogilvy will handle environmental social and governance strategies across North America. Ogilvy Canada is the creative AOR in that market. The new agencies will partner with Publicis Media, Unison, Diamond, and Zenith Media.
- **Vanguard** selected Publicis Razorfish to handle media buying and planning duties.

### Food and beverages:

- Plant-based food brand **Alpha Foods** selected Canadian agency Mischief @ No Fixed Address as its creative AOR. There was no formal review. The agency will handle creative, branding, and activation.
- Brewer brand **Anheuser-Busch InBev** selected Publicis Groupe's Epsilon as its global data AOR, following a review. The agency will focus on encouraging better use of data to execute and measure marketing campaigns.
- **Anheuser-Busch InBev (AB InBev)** also kicked off a global review of its \$850 million media business and as part of an "ongoing global marketing transformation journey." Incumbents Publicis, Dentsu and WPP are the only ones invited to participate. The world's 11th largest advertiser spent an estimated \$4.7 billion on advertising in 2020.
- **Avocados From Mexico** selected GSD&M as its AOR without a review, replacing three-year incumbent Energy BBDO. GSD&M previously worked with the brand and will handle creative and brand work.
- **Burger King China** selected UM China (within Mediabrands) as its media planning and buying AOR following a review. Key factors included the agency's Futureproof philosophy, strength in data and personalized content, and result-driven approach.
- **Broken Shed Vodka** selected Schafer Condon Carter and its subsidiary agency TimeZoneOne as its new agency partners. The agency will handle creative, digital marketing, strategy, website and social content development, and paid media.
- Premium pet foods brand **Champion Petfoods** selected TDA Boulder as its integrated AOR for North America, following a review conducted internally. The agency will handle creative, media, and strategy across all of Champion Petfoods' brands and include audio, experiential, digital partnerships and display, digital video, mobile, print, and social.
- **Coca-Cola Company** (Coca-Cola, Fanta, Sprite, Powerade, Dasani, etc.), after a year-long review, selected WPP as global marketing network partner, forming an integrated bespoke team called OpenX to manage, in a consumer-centric and silo-free, end-to-end creative, media, data and marketing technology across its entire portfolio with a focus on data-driven marketing. WPP will handle a majority of its creative work and to handle media in 8 of its 9 geographical operating units. Dentsu will be selected to be a complementary media partner in select markets in Japan and Korea. MediaCom will handle media in Australia. Coca-Cola worked with roughly 4,000 agency partners across the globe, including Wieden+Kennedy, Anomaly, McCann and IPG's UM.
- Heineken USA's brand and Mexican import **Dos Equis** selected Montreal-based shop Sid Lee as its new AOR, following a review, replacing three-year incumbent Accenture-owned shop Droga5, which didn't defend. The brand increased spend 3.2% to \$4.25 billion in 2019.
- Pizza chain **Donatos** hired Curiosity as their social media AOR, following a review, replacing incumbent Cincinnati-based Geben Communications. The agency will handle social media strategy and execution, as well as community management, across Facebook, Instagram, and Twitter.
- Smoothies and sweet gifts firm **Edible** selected Knoxville-based Tombras as its creative and media AOR, following a review and replacing project-based agency relationships. The agency will handle broadcast, OTT, and digital advertising.
- Italian chocolate group **Ferrero** kicked off a review of its Nutella hazelnut and cocoa spread brand account, seeking a global creative agency to handle this work.

- California-based poultry brand **Foster Farms** hired independent agency Erich & Kallman as its AOR without a review. The agency will handle strategic direction, creative ideation, and production, replacing incumbent agency Deutsch LA, who will continue to handle media duties. The brand worked with Erich & Kallman on a project basis prior.
- Wells Enterprise's frozen dessert brand **Halo Top** selected Fact & Fiction as its social media AOR following a review. The agency will handle social strategy, creative, content production, community management, analytics, and other duties.
- **Hershey's** selected independent Horizon Media as media AOR for its US confectionary business (candy, mints, and gum), following a review, replacing incumbent UM. The agency will handle paid media, including linear, digital, social, programmatic, and retailer media. It excludes media for Hershey-owned Amplify Foods, ONE brands and Hershey's international markets.
- **Inspire Brands** (Arby's, Baskin-Robbins, Buffalo Wild Wings, Dunkin', Jimmy John's, and Sonic Drive-In) selected Publicis Groupe as the restaurant group's media AOR. Publicis formed a dedicated unit called Inspire Media Engine, led by Publicis Groupe agencies Zenith and Digitas, and will handle national media planning and buying (and some local work as well). Paid search or social is out of scope, as they are managed either in-house or through other agencies.
- Beverage firm **Keurig Dr. Pepper** selected Havas Media as its US and Canadian media AOR, replacing incumbent IPG Mediabrands' Initiative, as part of a consolidation exercise. The agency will partner with creative agencies—Havas and IPG's Deutsch.
- **Kraft Heinz Continental Europe** named We Are Social as its social media AOR. The agency will handle strategy and execute social-first pan-European social media activations.
- Dairy brand **Land O' Lakes** selected Battery (LA) and Havas Media North America as creative and media AORs respectively, for its Dairy Foods retail brands following a review. Battery will handle creative strategy and execution. Havas Media will handle all media planning and buying for the brand's butter, cheese, and licensee products.
- **Mike's Hard Lemonade** hired Boulder-based WorkInProgress (WIP) as its creative AOR, replacing incumbent Havas Chicago. The agency will handle campaign development and execution. The brand also hired Haworth Media as its new media AOR. The agencies will partner with MSL (PR) and Epsilon (shopper marketing).
- Constellation Brands's Mexican import **Modelo** selected WPP's Grey NY as its AOR following a review, replacing three-year incumbent WPP's Cavalry which didn't participate in the review.
- **Molson Coors** assigned Accenture-owned shop Droga5 to handle the new Topo Chico Hard Seltzer, the alcoholic version of the Coke-owned sparkling water brand. The brand is already working with Droga5. The agency will handle brand creative, paid and organic media, social/influencer marketing, and traditional earned media/PR. DDB will remain the lead agency on Coors Light and Miller Life.
- Whisky brand **Monkey Shoulder** (part of William Grant & Son) selected Fallon NY as global and US creative AOR, following a review. The agency will handle strategy, creative, and marketing communications.
- The Hershey Company's **ONE Brands** selected Chicago-based independent creative marketing agency Blue Chip as its shopper marketing AOR for the protein bar brand (acquired by The Hershey Company). The agency will handle all shopper marketing. The agency already works with P&G, Haribo, Braun, Kraft-Heinz, and others.
- Beverage company **Owl's Brew** selected independent media agency Generator Media + Analytics as its media AOR.
- Confectionary and gum manufacturer and distributor, **Perfetti Van Melle USA**, selected Wavemaker as its Media AOR, following a review, expanding Wavemaker's global relationship that now spans the US, China, Netherlands, India, UK, MENA, Belgium, Turkey, and Indonesia.
- **Pernod Ricard USA** selected WPP's Ogilvy as its lead creative agency for its brands Olmeca Altos Tequila, Tequila Aviön, and Del Maguey. The agency will handle brand strategy, advertising, and personalized content development.
- **Proximo Spirits** selected Eleven as its new AOR on The Kraken Black Spiced Rum brand, without a review and following a two-week trial period.
- **Red Bull** selected Omnicom Media Group's PHD as its new media AOR for North America, replacing incumbent since 2018 Publicis Media's Starcom USA.
- Hummus and dips brand **Sabra** selected IPG's The Martin Agency as its creative AOR, replacing incumbent VaynerMedia. The agency previously worked with the brand.
- **Schwan's Company** selected Omnicom's TBWA\Chiat\Day LA as its creative AOR to handle strategy, creative, digital/social and production across its pizza portfolio including Red Baron, Freschetta, and Tony's.
- Campari Group-owned spirits brand **Skyvodka** selected MDC Partners' Mono to be its first global AOR following a review, replacing incumbent WPP's VMLY&R and a range of agencies.
- Food cooperative **Wakefern Food Corp.** (ShopRite, Price Rite, The Fresh Grocer, Fairway, Gourmet Garage, etc.) selected digital marketing agency Huge Brooklyn as its digital brand AOR. The agency will handle web, mobile, social, e-commerce, and in-store digital.

- Confectionery company **Storck USA** selected Interpublic's UM as its media AOR. The agency will handle strategy, planning, buying, shopper commerce and analytics for the company's many brands (Werther's Original, Riesen, Mamba, etc.).
- **Summit Hill Foods** (including brands like Better Than Bouillon, and Louisiana Hot Sauce brands) selected Cincinnati-based Curiosity as its new media AOR without a review but replacing incumbent Empower. The agency will handle all above-the-line media strategy, planning and buying, along with strategic partnerships and collaborate with creative AOR Blackbird NYC.
- Hard seltzer brand **White Claw** selected VCCP as its global creative AOR following a review, replacing incumbent since 2016 Accenture Interactive-owned and Dublin-based Rothco. The brand will continue to work with Accenture.
- **Yum Brands** kicked off a review of its KFC creative and media accounts in the US. Incumbent Wieden+Kennedy Portland will defend (W+K has handled creative since 2015 and media since 2018).

#### Insurance:

- **Allianz** selected Omnicom Group, and a new Omnicom unit called the A-Lab, to handle creative and production services in 70+ countries in a multi-year agreement, following a review. "A-Lab" is comprised of a multi-disciplinary team of leaders from inside and outside the holding company.
  - **American Family Insurance** and sibling auto insurance provider, The General, selected Publicis Groupe as its media AOR. The custom unit led by Chicago-based performance marketing agency Performics will handle its US digital and traditional media strategy, planning, and buying account.
  - **Cigna** consolidated most of its marketing services account—including creative, B2B, digital, media planning and buying, marketing communications, and data and analytics among other services—with the Interpublic Group IPG, which created a bespoke cross-holding-company-team, "Team Unleash," comprised of resources from McCann Worldgroup, R/GA, Initiative, Acxiom, Kinesso, and others.
  - **Humana** selected Publicis Groupe's Spark Foundry as its media AOR, following a review, replacing incumbent Omnicom's PHD and independent Rain the Growth. The agency will handle all media duties with the exception of direct-response TV, still handled by Rain the Growth Agency.
  - **Manulife** selected Dentsu as its global media and creative AOR following a review and replacing incumbents Deloitte Digital's Heat, WPP's m/SIX and Wunderman Thompson. Dentsu, which did some work for the brand in Asia, will create a dedicated team for the account.
- **MassMutual** selected WPP Grey as its new lead creative AOR, following a review, replacing four-year incumbent WPP Johannes Leonardo. The agency will handle brand advertising, strategy, and integrated marketing efforts across channels with a data-driven approach.
  - **The Zebra** selected San-Francisco-based full service creative agency Argonaut (part of Project: Worldwide) as its AOR, following a review. There was no incumbent agency. The brand contacted 37 agencies, among which 19 responded to be included in the review. The winning agency was selected from three finalists.

#### Personal care:

- Skincare and beauty brand **Aesop** selected Havas CX (London office supported strategically and operationally in key markets) as its global customer engagement AOR, following a review.
- Foot-care brand **Dr. Scholl's** selected OMD USA as its new media AOR, replacing incumbent dentsu Mcgarrybowen, New York. It follows an earlier decision by the brand to move creative from dentsu Mcgarrybowen to independent agency Joan. The review only took weeks and was handled internally.
- Skincare company **Coppertone** selected Huge as its creative AOR following a review and replacing 6-year incumbent Wunderman Thompson. The agency will handle brand creative, retail support, and activation.
- Natural household and personal care company **Grove Collaborative** selected San Francisco-based and Havas-owned shop Camp + King as its first ever AOR, following a review.
- **Iovate Health Sciences International** selected Opinionated as its AOR for the company's Six Star Pro Nutrition brand, following a review. The work had previously been handled in house. Opinionated will handle advertising, packaging, brand identity, content creation, and integrated strategy.
- **L'Oréal China** selected Publicis Group as its new media planning and buying AOR (three-year contract), replacing incumbent Mindshare. The group will set up a bespoke unit, OneL'Oréal, utilizing data, "innovation," and technology in an integrated manner.
- American brand of hair care and hair color products firm **Madison Reed** selected dentsu X (powered by 360i) as its media AOR. The agency will handle paid social, search, programmatic, OOH, affiliate, and broadcast buying.
- **WaterWipes** selected Omnicom as its global integrated AOR, replacing incumbent IPG. Creative will be led by BBDO LA, media buying by Omnicom Media Group, PR and reputation management by OPRG, and digital and physical retail by Velocity Commerce Group.

**Other:**

- Non-profit organization **American Cancer Society** selected Knoxville-based independent agency Tombras as its media AOR, following a review led internally, replacing incumbent Publicis Media's Zenith. The agency will handle media buying and planning across broadcast, linear, digital, and social channels. The analytics-based approach to media was a key differentiating criterion.
- Kitchen and bath brand **American Standard** parent LIXIL Corporation selected Empower as its media AOR following a review. The agency became the brand's social media AOR a year ago, which included paid media and creative responsibilities, before expanding responsibilities.
- Cabinets firm **American Woodmark Corporation** selected MullenLowe New York as its AOR following a review. The agency will handle brand strategy, design, and digital transformation. The brand consolidated its business from a half dozen shops specializing in different disciplines. There was no incumbent.
- National Hockey League (NHL) team the **Arizona Coyotes** selected Interpublic Group of Companies' MullenLowe (LA) as its new creative AOR, following a competitive review, with a focus on the team's multicultural approach and their commitment to leading and impacting their community.
- Paint company **Behr** selected IPG's UM as its media AOR in the US across the Behr Paint DIY, Professional and KILZ brands, following a review and replacing incumbent Haworth Media. The agency will handle buying, planning, and strategy, and will collaborate with creative AOR TBWA\Chiat\Day LA
- **Behr** also hired Omnicom's TBWA\Chiat\Day LA as its creative AOR, following a review. The agency will handle strategy, data and analytics, creative, digital/social, and production for the brand.
- Floor cleaning brand **Bissell Homecare** selected IPG's McCann Worldgroup (and its McCann's Detroit office) as its creative AOR and Current Global's Chicago office to handle PR following a review, replacing incumbent ICF Next.
- Modern furniture designer and retailer **Blu Dot** selected Minneapolis-based Colle McVoy as its media planning and buying AOR, replacing incumbent Minneapolis-based Ciceron. The agency will handle global media strategy, investment and analytics across all channels, including both brand-building and performance-marketing campaigns.
- Energy company **Con Edison** selected Stagwell Group-owned digital-first creative agency Code and Theory as its AOR, replacing incumbent Havas. The agency will partner with MDC Partners' Assembly on media buying and planning responsibilities, with the two agencies collaborating closely.
- German multinational company **Dr Oetker** selected Adam & Eve/DDB as its global creative AOR, replacing incumbent BBDO which will continue to handle its Germany work. The agency will handle their advertising across more than 40 markets.
- Appliance manufacturer and vacuum cleaner/hand-dryer brand **Dyson** selected IPG Mediabrands to handle global media planning, buying and paid search, following a review. The incumbent of the past eight years, WPP's Mindshare, defended
- The **Federal Emergency Management Agency (FEMA)** selected Resilience Action Partners, a joint venture between Ogilvy and engineering and consulting firm Michael Baker International, following a review. RAP, operated out of Ogilvy's Washington, DC office, retains the \$250M business as the incumbent agency for another five years. The joint venture will handle advertising, PR, innovation, health, experience, and behavioral science.
- Plumbing fixtures and decor brand **Kohler** selected Texas-based independent PMG as its integrated AOR, replacing incumbent Omnicom's PHD following a review and replacing seven-year incumbent Omnicom's PHD. The agency will handle strategy, creative, media planning and buying, and data analysis and partner with the in-house agency, called "The Beacon". The brand will leverage PGM's proprietary Alli technology platform.
- **Stella Watch Company** selected Generator Media + Analytics (GM+A) as its media AOR. The agency had previously done some project work.
- High-end kitchen appliance maker **Sub-Zero Group** selected IPG-owned and Brooklyn-based Huge as its AOR, following a review, replacing 20-year incumbent independent agency The Richards Group. The agency will handle brand strategy, creative, and digital marketing for the company's three brands (Sub-Zero, Wolf, and Cove) and will collaborate with the brand's media AOR, Crossmedia.
- **Terminix** hired Interpublic Group agencies The Martin Agency (TMA) and Mediahub as its new creative and media AOR (respectively), following a review. TMA will handle all things creative, including digital, and Mediahub will handle media planning and buying.
- The **US Navy** awarded a second consecutive five-year contract (estimated at \$455 million) to WPP's VMLY&R as its creative AOR, following a yearlong review. The agency will handle marketing and advertising communication services, including esports, digital events, and social media, focused on recruitment and retention programs for the Naval Recruiting Command. WPP's Wavemaker will handle paid media buying and planning. The agency will collaborate with independent agency, iostudio.
- Manufacturing Company **Zippo** named WPP's Ogilvy as its creative, PR, and social AOR, following a long-standing partnership. The agency will handle brand strategy, creative, media relations, influencer marketing, social strategy, and performance media.

## Pharmaceuticals and health:

- **AstraZeneca** selected WPP's VMLY&R, the global full-service marketing agency, as its creative AOR for the company's seasonal flu vaccine, FluMist, and a new autoimmune medication.
- **Bayer** selected WPP-owned MediaCom (and part of the WPP's Team Bayer) as its new global media AOR, following a review of its \$800 million account. The WPP agency previously handled the majority of Bayer's media planning and buying in 65 markets but has expanded its relationship to remaining markets, replacing other incumbents PHD and denstu.
- **CVS Health** kicked off a review of its integrated account (includes creative, branding, data, and CRM) in the US, except for media, which was consolidated under IPG's UM in 2019.
- **Eli Lilly** selected Publicis Groupe's Zenith as its new US media planning and buying AOR following a review and replacing 2 decades-long incumbent Omnicom OMD. The brand will focus on creating remarkable experiences within the consumer journey, fueled by both human insights and data.
- Not-for-profit health insurance group of companies **EmblemHealth** named WPP's VMLY&R as creative and integrated AOR following a review. The agency will handle brand communications, marketing strategy, creative assignments, and media planning for all of EmblemHealth's companies.
- **Johnson & Johnson** moved its Johnson's Baby and Aveeno Baby US creative accounts to MDC Partners' Doner, following a review, replacing Omnicom Group incumbents BBDO and DDB. The agency will collaborate with Stagwell's Code and Theory. The MDC and Stagwell agencies previously worked jointly on the J&J business (Tylenol, Listerine, and Zyrtec).
- Biotechnology company **Moderna** selected Omnicom's TBWA\Chiat\Day LA as its creative AOR, after they had done some campaign work for the brand.
- **Opiant Pharmaceuticals** selected consumer and healthcare agency Moon Rabbit as its agency of record for its brand OPNT003, a treatment to reverse opioid overdose.
- **Perrigo** selected Gale as its North America media AOR following a review. The agency was handling media for one of Perrigo's licensed brands. Gale will handle media planning and buying for the nine brands portfolio in North America.
- **Sanofi** selected Omnicom Media Group as its new media AOR outside the US, replacing incumbent Mindshare. In 2017, the brand selected Mindshare outside of the US and Havas Media for the US.

## Retail:

- Home furnishings retailer **Ashley HomeStore** selected Kettle, part of Stagwell's Code and Theory, as its lead creative agency. The agency will collaborate with media AOR, Empower.
- **Bed Bath & Beyond** selected VCCP-owned and San Francisco-based agency MUH-TAY-ZIK / HOF-FER as its lead brand agency following a review. The brand also hired M Booth as its AOR for corporate and consumer PR and We Are Social as the lead social media agency for buybuy BABY .
- Home fitness provider **Bowflex** (owned by home fitness manufacturer Nautilus) selected NGN LAB (Engine Creative's newly established social media unit) as its social AOR in the UK.
- **CKE Restaurants** selected Omnicom's Haygarth US (part of Omnicom Commerce Group) as its In-Store Marketing and Merchandising AOR, following a review. The agency will handle point-of-sale, food photography, digital and printed menus, and all merchandising for Carl's Jr. and Hardee's restaurants.
- Restaurant and retail chain **Cracker Barrel Old Country Store** selected Dentsu as its creative and media AOR following a review, replacing incumbents Havas Chicago and indie shop The Richards Group. The agency will handle strategic, consumer insight, creative, and managing paid media.
- **Denny's** selected MDC Partners' Anomaly as its new creative AOR, following a review focused on inclusivity, multicultural, and innovation, replacing 12-year incumbent South Carolina agency EP+Co. The agency will partner with Denny's in-house agency Team Create, and media planning and buying AOR Publicis Media's Spark Foundry.
- **Dunkin'** selected Stagwell's Anomaly as its new creative agency of record following a review and replacing incumbent Omnicom's BBDO. The agency will handle creative strategy and development, national broadcast, digital video and audio, social and out-of-home advertising and partner with media AOR Publicis.
- Online luxury retail platform, **FARFETCH**, selected Interpublic's Mediahub as its global communications planning and media-buying AOR following a review, replacing incumbents MediaCom, Hearts & Science, and Havas. The agency will collaborate with FARFETCH Media Solutions, its in-house team.
- Restaurant chain **IHOP** kicked off a review of its creative account. Incumbent Accenture Interactive agency Droga5 is not defending.
- Fast-food chain **Jack In The Box** selected a Generation Z Media content company Kyra Media as its AOR for TikTok campaigns. The agency which "harnesses the power of talent to create engaging digital content" signs the most exciting and influential creators in the world into the Kyra network (133M social audience across 190 countries) and works with them to produce distributed content and original programming across digital channels.

- Global restaurant chain **Jollibee** (Honeybee Foods Corporation) selected Innocean Worldwide-owned and California-based David&Goliath as its U.S. AOR as part of the company's expansion plans.
- Grocery chain **Lidl** selected Novus Next as its multichannel media planning and buying AOR across its US footprint, following a review and replacing incumbent agency Starcom. The agency will collaborate with the brand's creative agency, VMLY&R.
- **Lululemon's Mirror**, the interactive home fitness brand Lululemon acquired last year, selected NY-based KNOWN as its first AOR, following a review. The agency will handle growth strategies, creative branding, and media planning and buying.
- National pet and pet supply chain **PetSmart** selected independent, Oakland-based Mediasmith as its media AOR, replacing incumbent Empower which didn't defend. The agency will provide services ranging from strategy, media planning and buying, analytics with an audience-first, data-driven approach to planning, creation and activation.
- Chicago-based sandwich shop chain, **Potbelly Corp.**, selected independent full-service agency USIM as its media AOR. The agency will handle planning and strategy, digital marketing, and analytics. Other clients include In-N-Out Burger and Buffalo Wild Wings.
- Drug store chain **Rite Aid** selected New York-based performance branding agency WITHIN as its digital media AOR. The agency will handle marketing and media mix strategy, cross-channel measurement, and all digital media activities.
- Beauty marketer **Sally Beauty** selected Publicis Media's Spark Foundry unit as its media AOR, following a review. The agency will handle media planning and buying, analytics, search, social, video, content, display, and affiliate marketing.
- **Sam's Club** selected WPP's VMLY&R as its first AOR, following a review conducted entirely over Zoom. The brand worked for years on a project basis with creative shops that included The Via Agency, Strawberry Frog, and MDC Partners' Mono.
- Supermarket chain **Stop & Shop** selected McKinney as its new advertising AOR. The agency will handle communication and advertising strategy, creative campaign development and production.
- **Taco Bell** selected full-service, lifestyle-marketing shop Cashmere as its first "culture" AOR with the goal to grow its youth consumer base and build authentic connections with diverse and multiethnic audiences. The agency will handle cultural brand strategy and integration throughout the Taco Bell organization.
- **The Home Depot** selected Omnicom Media Group shop OMD as its new US media AOR, following a review, replacing 10-year incumbent dentsu's Carat. The agency will handle both digital and traditional media buying and planning and leverage OMD's Omni data and analytics platform. Publicis Groupe's Leo Burnett and Omnicom's BBDO are finalists in Home Depot's ongoing creative review, replacing incumbent The Richards Group.
- **The Home Depot** also selected Omnicom BBDO as its new creative AOR, following a review, replacing 25-year incumbent independent agency The Richards Group. BBDO will partner with media AOR, Omnicom OMD.
- **Walmart** selected Publicis Groupe as its new media planning and buying AOR in the US, following a review considered to be one of the largest of the year, and replacing five-year long incumbent WPP-backed Haworth. The agency will handle media strategy, planning, buying, and partnerships and collaborate with roster agencies Deutsch LA and FCB.

### Technology:

- Global energy technology company **Enphase Energy** selected Droga5 New York as its first global creative and media AOR. The agency will handle all creative strategy, media planning, and buying.
- **Google** consolidated its global media account with WPP's Essence without a review to simplify its relationship with the agency, replacing incumbent Omnicom Media Group which handled offline media in the process. The brand has worked with Essence for digital and programmatic media buying for more than a decade.
- Harman-owned audio equipment manufacturer **JBL** selected full-service advertising agency Doner as its lead US brand agency following a review. Previously, the agency "served as the global strategy and creative content lead and will continue in that role while adding US strategic and creative duties."
- Microsoft-owned **LinkedIn** selected Dentsu media agency iProspect as its global paid media AOR. The agency will handle all digital media strategy and buying (mobile, paid search, programmatic, social, and video across B2B and B2C) across all of LinkedIn's business units globally, in partnership with the brand's in-house digital strategy and operations teams.
- **Meta (formerly Facebook)** selected Publicis Groupe's Spark Foundry as its new global media planning and buying AOR across all of its brands (Facebook, Oculus, WhatsApp, Instagram, etc.) following a lengthy review and replacing incumbents WPP and Dentsu. The agency will steer the brand's estimated worldwide ad spending of \$2.26 billion and handle strategic thought leadership, media innovation, planning and investment, cross-channel approaches, tools, tech, and operations.

- **Meta (formerly Facebook)** added Johannes Leonardo to its creative agency roster for Instagram, working in partnership with its internal Creative X team which acts as the primary driver in partnership with a suite of external creative agency partners.
- **Meta (formerly Facebook)** kicked off a global review of its media buying and planning across all of its properties, the first review of its media business in the past 7 years. Primary agency incumbent WPP-owned GroupM's Mindshare is defending, along with other media agencies like Dentsu. Facebook spent an estimated \$650 to \$750 million on media globally in 2020.
- **Philips** consolidated its \$300 million integrated account with Omnicom for global creative, media, and communication duties, following a review and replacing incumbents Dentsu, WPP (WPP's Ogilvy held the creative account since 2011), and Havas. Omnicom built a bespoke team led by TBWA for creative, OMD for media, and FleishmanHillard and Ketchum for communications, and with resources from Interbrand, Critical Mass, and Omnicom Precision Marketing Group.
- Intuit's **Quickbooks** selected Initiative as its new global media AOR as part of a consolidation exercise and review, replacing incumbent Omnicom-owned Hearts & Science.
- **Samsung** selected Publicis Groupe as its US media AOR, retaining the account with its 'Power of One' team of agencies (with agencies including Starcom, Digitas, and Razorfish) and handling both traditional and digital.
- Salesforce-owned **Slack** selected IPG's Mediahub as its global media planning and buying AOR in the US and EMEA, following a review.

#### Telecommunications:

- **Liberty Communications**, part of Liberty Latin America, selected WPP's VMLY&R as its strategic and creative AOR following a review. The agency will handle brand strategy, creative, advertising, retail and digital across the company's mobile, home (paid TV, broadband, telephony) and B2B divisions in Puerto Rico and the US Virgin Islands.
- Fiber-optic provider **MetroNet** selected The Richards Group as its integrated AOR. The agency will handle creative advertising strategy, digital and social strategy, media planning and buying.
- **Mozilla** (Firefox web browser) selected Knoxville-based independent agency Tombras as its Social Media AOR, following a review. No incumbent agency defended, as the work was previously done in-house. The agency will collaborate with the in-house agency.
- **T-Mobile** (which includes its Sprint business) selected Interpublic Group of Cos.' Initiative as its new media planning and buying AOR, following a review and replacing incumbents GroupM's Essence (for digital media), Horizon Media (for Sprint) and Publicis Media (Spark Foundry for offline media). The media account is estimated to be worth \$2 billion. Horizon Media retains the Boost account.

#### Travel and accommodations:

- **American Airlines** selected Los Angeles-based agency Walton Isaacson as its multicultural AOR. The agency will handle creative strategy, brief development and campaign development including creative concepts, video content and social influencer ideas, and collaborate with creative AOR Crispin Porter + Bogusky and media AOR MediaCom.
- **British Airways** selected independent London-based Uncommon as its creative and CRM AOR, following a review and replacing four-year incumbent WPP. After a review, Omnicom Media Group was selected as the Media and SEO Services business.
- **British Airways** selected Omnicom Media Group as its new media and SEO AOR following a review and replacing incumbent WPP. The agency formed a dedicated Omnicom Media Group team that will handle media planning and buying, paid and organic search and other core performance marketing channels, including affiliates and metasearch partnerships. The agency will collaborate with Uncommon, the newly appointed global creative and CRM AOR.
- **Golden Nugget** Las Vegas Hotel & Casino selected Incubeta as its digital marketing AOR to handle its online sports betting business. The agency will handle performance data and media buying core agency capabilities as well including marketing, technology, data, and creative.
- Chicago-based and Blackstone Group-owned water park operator **Great Wolf Resorts** selected Erich & Kallman as its creative AOR and Horizon Media as media AOR, following a review and replacing incumbents MRM/McCann for creative and Spark for media.
- **Hyatt** selected WPP's Ogilvy as its new global creative AOR for the World of Hyatt, Hyatt's award-winning guest loyalty program. The agency will handle creative, experience and strategy, customer insights, commerce, digital product innovation, customer engagement and acquisition, and CRM for Hyatt's loyalty program, as well as the strategic development and creative expression of World of Hyatt's member communications, promotions, and program enhancements.
- **IAG airlines** (Spanish airlines Iberia, Vueling, LEVEL and IAG Cargo brands) selected Havas Media Group as its media planning and buying AOR following a review, replacing incumbents Carat and WPP.
- Airline **JetBlue** selected Omnicom Adam & Eve DDB as its new creative AOR, following a review, replacing 11-year incumbent IPG and Boston-based advertising and marketing communications agency MullenLowe
- **Las Vegas Convention and Visitors Authority (LVCVA)** selected R&R Partners as its full-service agency AOR for another two years, following a review and maintaining its existing 40-year relationship with the agency. WPP's Grey was also selected to handle social media. R&R is behind the iconic tagline since 2003 "What Happens Here, Stays Here." R&R Partners is part of Worldwide Partners Inc. (WPI), a global network of owner-led marketing services agencies.

- Travel brand **Travelocity** selected Detroit-based full-service agency Doner as its new AOR, following a review, replacing two-year incumbent Austin shop Proof Advertising. Before Proof, the brand worked with Campbell Ewald. The agency will handle all creative and strategic duties for the brand.
- **United Airlines** selected MDC Partners' shop 72andSunny as its global creative AOR, following a review, replacing incumbent dentsu mcgarrybowen, the incumbent since 2011. The LA office will handle the work, in partnership with the brand's media AOR, Carat.

### Services:

- San Francisco-based vacation rental online marketplace **Airbnb** appointed Accenture Interactive-owned shop Droga5 as new lead creative agency, replacing incumbent Wieden+Kennedy without a review.
- Streaming audiobook brand Amazon's **Audible** kicked off its global media review to consolidate its activities. All major holdings companies (WPP, IPG, Omnicom, Denstu, Publicis, Havas) are invited to pitch for the \$200+ account. The brand already works with several agencies: Publicis' Spark Foundry (US) Omnicom's Hearts & Science (UK/AU); MediaPlus (GER) and Initiative (FR and India).
- Social media and dating app company **Bumble** selected Wavemaker as its global media AOR, following its successful IPO. The account includes the dating apps Bumble and Badoo. The brand reported 45+ million monthly active users.
- Sports betting and daily fantasy brand **FanDuel** selected independent Wieden+Kennedy New York as its lead creative agency, following a review. The agency will collaborate with FanDuel's in-house agency.
- Jobs and company insights platform **Glassdoor** selected San Francisco-based women-owned and women-led agency Media Matters Worldwide (or MMWW) as its media AOR. The agency will handle omnichannel strategy, communications planning, analytics and data visualization.
- Discount platform and experiences marketplace **Groupon** selected Interpublic Group's FCB (Foote, Cone & Belding) as lead creative AOR, following a review and replacing incumbent TBWA\Chiat\Day New York. The agency will evolve the brand's consumer and merchant brand perceptions. The agency was named Adweek's 2020 Global Agency of the Year.
- Ethical real estate management giant **JLL** selected Havas as its global brand strategy and creative services AOR, following a review and replacing incumbent dentsu's Gyro. The agency will handle brand strategy and creative platforms, with local execution and adaptation in the Americas, EMEA, and APAC led by the network's New York, London, and Singapore Villages.
- Health club chain **Planet Fitness** selected Interpublic (IPG)'s global experience agency Huge as its digital AOR following a review. The agency will handle digital strategy, mobile app, website, and in-club digital experience as well as creative design within these digital channels.
- **Planet Fitness** also hired Publicis Groupe as its new AOR, following a consolidation pitch, replacing 16 incumbent agencies and generating 20% spend efficiency. The holding company created a new dedicated agency called Team Lift. The agency will handle marketing strategy, data and analytics, media planning and buying, creative, and brand partnerships.
- **PPLSI**, the parent company of LegalShield and IDShield selected global brandtech group You & Mr Jones as Marketing and Communications AOR for both brands. The agency will handle strategic consulting, brand and performance media, influencer deployment, data strategy, and content.
- Ticketing platform **SeatGeek**, the web's largest event ticket search engine, selected NY-based integrated media and creative agency FIG as its first time AOR, following a review.
- Online-photo service company **Shutterfly** selected Mischief @ No Fixed Address as its AOR, following a review. The agency will collaborate with Shutterfly's 60-person in-house marketing team, which handles day-to-day operations such as social media and influencer partnerships.
- Home fitness brand **Tonal** named IPG's UM Worldwide as its media AOR, according to multiple people close to the situation. The agency will collaborate with digital AOR R/GA.
- At-home fitness company **Zwift** selected Wavemaker as its media consultancy partner following a review. Wavemaker will support Zwift's internal paid media team across a range of projects including Addressable TV, biddable media, audience science and strategic planning in North America, Europe and APAC. The agency will also partner with the brand's AOR, SHIFT Active Media.

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**TALENT: Securing the right talent and resources**

The substantive nature of these industry changes has fueled much creativity and innovation as well as opportunities for new, leaner, cheaper, and more responsive agency models that fit the new client dynamic. The debate over having in-house vs. external agencies is nearly over, with more emphasis on where they intersect and how collaboration can foster. Advertisers have increasingly larger rosters as the need for specialty skills in data, content, and digital continues to increase. Or they rely on client-dedicated units to ensure smooth cross-discipline integration. The topic of diversity and inclusion still remains top of mind with an apparent commitment to make lasting changes in that regard with new senior leadership appointments among large agencies and networks, and new mentorship and DI supplier programs. Even brands like consumer goods giant Unilever pledged to drive systematic change in messaging, talent decisions and budget commitments to under-represented suppliers.

- Per Deloitte's **2021 Global Marketing Trends**, CMOs must have: Purpose (Navigating an ever-changing world through the purpose-driven enterprise), Agility (changing the playbook, agile marketing for our increasingly digital world), Human Experience (How enterprise values drive the human experience), Trust (When messaging connects to delivery, trust flourishes), Participation (How customer participation fuels your engagement strategy), Fusion (Fusing cross-industry partnerships in a post pandemic world), and Talent (turning talent into a competitive differentiator: Marketers).
- Per **Forrester Consulting Thought Leadership Executive Summary** (Commissioned By Google and 4A's):
  - 1) Brands appreciate agencies' core strengths, but agencies have room to increase strategic value
  - 2) Automation and machine learning (ML) offer clear benefits for transformation, as well as an opportunity for agencies to lead the way
  - 3) Agencies must grow customer insight curation and marketing measurement offerings while maintaining creative service
  - 4) Agencies have opportunities to expand e-commerce and data strategy services
- TrinityP3 launched a **Marketing Mentors** program in Australia ([www.trinityp3.com/marketing-mentors](http://www.trinityp3.com/marketing-mentors)) to inspire professional and personal development through one-to-one shared learning.
- Per the 4A's, **Agency Search Consultants in 2020** included: AAR Partners (NY), Ark Advisors (NY), Bajkowski + Partners (NY), The Burnett Collective (NY), External View Consulting Group (LA), Flock Associates Ltd (NY), Hasan + Shumaker (NC), ID Comms (NY), JLB + Partners (Chicago), Joanne Davis Consulting (NY), Juel Consulting (NY), Mercer Island Group (WA), Mitchell&McCue (TX), Mzyme (TX), The Palma Group/Creative Agency Search (GA), Pile & Company (MA), PinSeeker Consulting (MA), R3 Worldwide (NY), The ROJEK Consulting Group (OH), Roth Ryan Hayes, Select Resources International (CA), bob wolf partners/TPG (CA), Media Plus Advisors (NJ), Muster Consulting (MA), Stone Soup Consultants (IL), and Zach Rosenberg Consulting (CA).

**New agency or capabilities, reorganizations:**

- A new brand consultancy, **Prescient**, was launched by two longtime WPP executives, with a focus on "branding in M&A, brand architecture, brand creation, brand valuation, and budget setting and measurement."
- **Dentsu** merged iProspect and Vizeum to create a new global media agency under the iProspect brand to integrate Vizeum's media strategy and planning, storytelling, and brand-building capabilities with iProspect's digital expertise, audience knowledge, and performance focus. The merged entity will have 8,000 staffers across 93 markets.
- **Omnicom Public Relations Group's (OPRG)** launched a precision communications platform, omniearnedID™, providing valuable, anonymized information about the individuals who are consuming and reacting to a brand's earned media content, and linking the data to measurable business impacts, such as sales and brand reputation.
- Agency **David&Goliath** overhauled its creative department to focus on social responsibility and build a purpose-driven agency model, leveraging the agency's cultural insights to identify social deficits and the audiences negatively impacted by those deficits and producing creative outputs to address them.
- **Butterworth Collective** is an Austin-based shop that recently launched to take on what it refers as "dirty work," such as writing and designing emails and building websites, social campaigns, and product descriptions. The agency focuses on being lean, nimble, and responsive, and doing work that larger agencies tend to disregard. Clients include Dickies, AMD, and Electronic Arts.
- New Black and Latino-owned production house **Baby Lion Media**, just launched from two industry veterans. The firm, which partners with Buenos Aires-based digital firm Ketama Collective, offers production and post capabilities encompassing online and traditional commercials, branded content, and related services.
- Interpublic Group's **Campbell Ewald** spun off sociedAD as a full-service Hispanic advertising agency, after the agency built the specialty practice, landing clients such as HBO and Bayer.
- Marketing agency **MRM** (a part of Interpublic's McCann Worldgroup) reached an agreement with influential start-up studio and accelerator Founders Factory to keep the agency at the forefront of innovation and technology, giving it access to global start-ups and combining efforts with the agency's own incubator, Lab13 by MRM.
- New future-ready agency called **Gypsy** launched without physical space and having few full-time employees, leveraging specialists as needed from a network of handpicked, pre-vetted 2,000+ creatives and strategists in 70-plus cities. Clients include Tinder, Coffee Bean and Tea Leaf, and Netflix.

## In-house agency:

- Per the In-House Agency Forum (IHAF) and Forrester Research, the majority of **digital marketing** is now produced in-house with 89% of in-house agencies developing and/or executing digital marketing assets. Nearly 80% for social media, 72% for digital strategy and planning, 73% for digital creative development, 70% for digital content production, 46% for digital media planning and buying, and 33% for programmatic buys.
- Per Sarah Cucchiara of **BrandMuscle**, external agencies can act as a third party and this is preferable when there is friction between corporate and channel partners (like agents or franchisees), when access to specialized talent is necessary, or when local scalability is important to corporate campaigns.

## Diversity and inclusion:

- Per the **Bureau of Labor and Statistics**, the ethnic makeup of the marketing industry in the US is 86.1% white, 6.1% African American, 5.6% Asian American, and 8.9% Hispanic American.
- 4A's launched **The Workplace Enlightenment Certification (WeC)** program, designed to move agencies toward the highest standards of equity and inclusion, across the following six areas: Race, Gender, Age, Faith, LGBTQIA+, People with Disabilities.
- **Publicis Groupe** hired a new Chief Inclusion Experience Officer (Renetta McCann), to focus on diversity, equity, and inclusion and hoping to promote integrity, urgency, and authenticity inside the group.
- **Dentsu's Merkle** launched mentorship and sponsorship programs under the leadership of Kirt Morris, Global Chief Equity Officer, to make sure individuals from underrepresented backgrounds have access to leadership roles.
- **McCann Worldgroup** promoted Singleton Beato to the new role of global executive VP and chief diversity, equity, and inclusion officer. She was previously chief diversity and engagement officer. This move signals a broadening of her role and a great commitment companywide to this agenda.
- **DDB Worldwide** named its network's first global head of diversity, equity, and inclusion (Nikki Lamba) to strengthen its diversity initiatives across the network for its teams and clients.
- **Omnicom Group** appointed a new Chief Equity and Impact Officer and senior vice president, diversity and inclusion communications (Emily K. Graham), reporting to the company's chairman and CEO, showing a greater commitment to advancing the holding company's diversity, equity, and inclusion (DE&I) efforts.

- Consumer goods giant **Unilever** pledged to root out advertising stereotypes from its marketing (on-screen and behind the camera) and work with more businesses run by companies owned and managed by women, ethnic minorities, people with disabilities, and members of the LGBTQI+ community as part of its latest inclusivity drive. The brand would increase spend with these under-represented companies from £300m to £1.8bn by 2025.
- **President Joe Biden** revoked a Trump administration executive order (EO 13950) forbidding agency diversity training that it considered "divisive." The new order also enforces prohibitions on "sex discrimination on the basis of gender identity or sexual orientation."
- The **Association of Independent Commercial Producers (AICP)** announced the Double The Line (DTL) initiative in which brands will agree to double up on selected crew positions in order that BIPOC candidates can be hired to work alongside seasoned veterans in a paid training role.
- **BBDO NY** launched a new mentorship program called "Beyond Introductions" recently, inviting talent from non-profit and minority organizations to participate in a virtual multi-day networking series.
- New York-based creative shop **Raxo** launched Ad+d Culture, an online platform to support minority-owned agencies and foster diversity of race, gender and sexual orientation in the advertising industry. Companies that pledge budgets toward these agencies will "receive recognition and coverage as industry changemakers."

## Noteworthy quotes:

- » "Agencies and clients are all more decisive and fast-moving because we have to be. Working from home has opened up incredible opportunities from a talent perspective that were unimaginable. And, ironically, the remote nature of how we are all working has created more of a human connection than ever before." —Ryan Linder, Global Chief Marketing Officer, EVP, **MDC Partners**
- » "I think agencies have to move on under new generations of leadership. We will continue to invest in great leadership and great talent." —Mark Penn, Chairman and CEO, **MDC Partners** and **The Stagwell Group**
- » "The rise of the independent agencies has created an environment and an opportunity for particular creative styles to express themselves and flourish." —Darren Woolley, Founder and Global CEO, **TrinityP3**
- » "We have the right balance of talent and technology to be responsive to fast-moving client needs. The largest holding companies got too big, they had trouble catching up and they became too bureaucratic. Meanwhile the consultancies couldn't draw the creative talent." —Mark Penn, Chairman and CEO, **MDC Partners** and **The Stagwell Group**

- » “We need to embrace the notion that everything is marketing. In the spirit of being predictive vs. reactive, the agency of the future is rethinking supply chains, employee policies, conscious commerce and more.” —Jacki Kelley, CEO, **dentsu Americas**
- » “2021 will bring more change than we can ever anticipate. It was kind of like we were all pushed into an extreme episode of Naked and Afraid that none of us auditioned for.” —Ryan Linder, Global Chief Marketing Officer, EVP, **MDC Partners**
- » “COVID-19 has forced marketers across the globe to rethink and reimagine their people, processes, and technologies faster than ever before.” —Giselle Abramovich, Executive Editor, Corporate Messaging and Storytelling, **Adobe**
- » “Together, they [small, independent creative agencies] represent advertising’s best hope to shake free the doldrums created by the industry’s oligarchy and the pressure from Facebook and Google.” —Jeff Beer, Staff Editor, **Fast Company**
- » “As growth in martech has advanced, so have the complexities that arise from the implementation and integration of many disparate solutions.” —Bob Liodice, CEO, **ANA**
- » “A year in crisis mode has created the single greatest chance to transform advertising in our lifetimes.” —John Harris, CEO, **Worldwide Partners**
- » “With tumbleweeds rolling down Madison Avenue as agency staffers work at home, many agencies are having to reinvent how they work.” —Dianna Dilworth, Editorial Manager, **Brand Innovators**
- » “Love your clients. Our clients are valuable sources of knowledge, individuals who trust us with their careers. Treat them as such. If you show clients you care, you will be surprised about how honest you can be with them, and them with you.” —Jan Jacobs and Leo Premutico, Co-founders and Chief Creative Officers, **Johannes Leonardo**
- » “While agencies should look to develop expertise, invest in tech, and upskill talent, brands can empower them by sharing first-party data and bringing them into strategic conversations sooner.” —Marla Kaplowitz, CEO, **4A's**
- » “We were teams of experts. Now you need to be an expert team.” —Bill Koenigsberg, CEO, Horizon
- » “Indie shops are now delivering the better ideas, the better relationships, and better outcomes that clients are on the hunt for.” —Louis Slotkin, Managing Partner, **Highdive**
- » “Now, with the amount of creative marketing required at an ever-increasing pace across so many different media, many brands are choosing to maintain a number of different relationships over monogamy.” —Jeff Beer, Staff Editor, **Fast Company**
- » “You’re going to see flatter organizations in the spirit of delivering that senior talent.” —John Harris, CEO, **Worldwide Partners**
- » “We’ve been able to make stronger connections with our clients, who feel more like partners, by just relating on a human level and speaking with passion and authenticity, minus any rehearsed robotics.” —Greg Hahn, Co-Founder and CCO, **Mischief USA**
- » “On Zoom, no one is looking at how big your company is.” —Lucy Jameson, Founder, **Uncommon London**
- » “Profit-strapped clients will likely try to execute as much as they can internally. They’ll still lean heavily on their agency partners for strategy and big ideas.” —Tony Scopellito, Managing Director, **Terri & Sandy**
- » “There is another discipline that is equally as important as strategy, creative, account leadership and production, and that is diversity and engagement, which is my top priority moving forward.” —Bill Kolb, Chairman-CEO, **McCann Worldgroup**
- » “People first is in our DNA, not only helping us to weather a global health crisis and historic societal change but also positioning us for the challenges and the rich opportunities to come.” —Vanessa Kentris Smith, Managing Director, Portfolio and Growth, **The Marketing Store**
- » “Global creative agencies are among the most decentralized business organizations in the world.” —Michael Farmer, Executive Chairman, **TrinityP3 USA** and **Farmer & Company LLC**
- » “In a big holding company agency, you’re surrounded by a lot of alphas. Strong ‘masters of the universe’ when the ‘universe’ is a conference room.” —Greg Hahn, Co-Founder and CCO, **Mischief USA**
- » “The question isn’t whether to take marketing in-house or outsource it, but how to find a collaborative balance that allows the brand to accelerate its marketing as seamlessly and logically as possible.” —Sarah Cucchiara, SVP of Channel Marketing Strategy, **BrandMuscle**

## Company profiles:

- **Mischief @ No Fixed Address (<https://mischiefusa.com>)** is a small New York-based creative agency. Clients include OkCupid, Oura, and Kraft Mac and Cheese. The agency was shortlisted for Ad Agency of the Year by Campaign US.
- **MUH-TAY-ZIK / HOF-FER (<https://mtzhf.com>)** is a full service, award-winning advertising agency located in San Francisco that is part of the London-based VCCP partnership. The agency's mantra is "Get Chased™," creating advertising in all its forms that helps "brands get chased." Services include strategy, design, communications, and execution. Clients include AAA, Audi, Google, DoorDash, Netflix, Hulu, Lyft, PayPal, Salesforce, Sonos, and T-Mobile.
- **Jam3 ([www.jam3.com](http://www.jam3.com))** is a global design and experience agency "driven by insight, inspired by technology and designed with purpose," which claims not to make ads, but to make cutting-edge experience design like experiential events and campaigns, mobile and web platforms, interactive storytelling, AR and VR worlds. The agency offers end-to-end creative, UX, tech and QA with offices in Toronto, LA, Montevideo, and Amsterdam. Clients include Adidas, Levi's, eBay.
- **Day One Agency (<https://d1a.com>)** is a creative communication agency with offices in NYC, Chicago, and Los Angeles that combines traditional PR, digital/ social media, branding, creative, and activation. They believe "stories are what actually break through, and we've built our entire creative process around them." Clients include American Express, Chipotle, Abercrombie & Fitch, Facebook, Comcast, H&M, Motorola, Nike, and Ferrara.
- **UNIT9 ([www.unit9.com](http://www.unit9.com))** is a global multidisciplinary production firm, with offices in London, LA, NYC, Florence, Berlin, and Poland. The company is built on a specialized team of architects, product designers, software engineers, gaming experts, creatives, art directors, designers, producers, and film directors. They produce live-action and content, digital, games, experiential and live advertising, and VR. Awarded 2020 Campaign Tech Company of the Year and Ad Age 2019 Production Company of the Year. Clients include Disney, Twitter, Nissan, Adidas, Ford, and Target.

The process of selecting the right software solution provider for your agency management needs can be a daunting task, as you must consider many variables. Check out our [checklist](#):



**CHECKLIST**

# How to select the right software solution provider

[agencymania.com](http://agencymania.com)

**AGENCY MANIA SOLUTIONS**  
Strategic Partnerships Delivered.

**WORK: Producing great work and outcomes**

Average daily digital media consumption was on the rise in 2020 as people adapted to the COVID lifestyle, encouraging brands to create more digital content. The Consumer Electronics Show (CES) and the Super Bowl are two major events in our industry in the early part of the year. CES 2021 didn't disappoint, especially for an event held online with a focus on Screen with a Service (SwaS), Contactless Future, the rise of Caretaker Technology, and Artificial Intelligence of Things (AIoT). Beyond the buzz, adland is always looking for ways to facilitate new branded experiences using innovative concepts where data and content are pivotal. Similarly, the Superbowl is a powerful demonstration of the power of creativity, characterized by large budgets and big names in advertising. Yet, many of the veteran advertisers like Budweiser, Coke, Pepsi, and Ford Motor Company, are sitting out this year.

- The **2021 Edelman Trust Barometer** concluded that the industry entered an era of "Information Bankruptcy."
- Per eMarketer, **US adults' average daily digital media consumption** rose by an hour across all devices in 2020 (total average time per day consuming digital media to 7 hours, 50 minutes). Average digital video time rose by nearly a half-hour to 2:13, Netflix's average time rose to 31 minutes, followed by YouTube (27 minutes), Hulu (17 minutes), and Amazon Prime (9 minutes). Social media time also jumped to 1:05. Smartphone time exceeded three hours (3:13) for the first time.
- The **ANA's Marketing Word of the Year for 2020** is "pivot." Per the ANA, it is "particularly representative of a year marked by the ravages caused throughout the world by the COVID-19 pandemic and social justice issues."
- Consumer packaged goods giant **P&G** hosted a virtual exhibit, known as the LifeLab, at CES. Innovative concepts this year included an air freshener with a microchip that controls how much scent is released and a multipurpose cleaning swatch that turns into a lather when mixed with water.
- The **ANA** launched a suite of contract templates and reference documents designed to help brands "Master Their Tech Stack" when evaluating and contracting with marketing technology.
- Retail giant **Walmart** renamed its media business, Walmart Connect as the company turns to ecommerce targeted ads, competing with big rivals Amazon and Target, using first-party shopper data from its website, payment systems, and other in-store and online platforms. It will also offer advertisers to place ads on 170,000 digital screens at self-checkout kiosks and on TV walls in 4,500+ stores.
- Per Ad Age, the **top 10 creative ideas of 2020**:
  - 1) New York Times: Life Needs Truth (Agency: Droga5, New York)
  - 2) Nike: You Can't Stop Us (Agency: Wieden+Kennedy Portland)
  - 3) Beats: But do you love me (Agency: Translatio)
  - 4) Burger King: Moldy Whopper (Agency: INGO, David Miami, Publicis)
  - 5) The Lincoln Project: Mourning in America
  - 6) Calm: CNN Election Night "Key Race Alert" Sponsorship
  - 7) McDonald's: Favorite Meals (Agency: Wieden+Kennedy New York)
  - 8) Dove: Courage is beautiful (Agency: Ogilvy Canada)
  - 9) Uber: Delete Uber (Agency: Wieden+Kennedy)
  - 10) Jeep: Groundhog Day (Agency: Highdive)
- Per Adobe, the **top 5 digital marketing trends for 2021**:
  - 1) More meaningful digital experiences, personalization, and direct-to-consumer (DTC) models
  - 2) A move to first-party data, consent, and identity resolution to build consumer trust and thrive in a cookieless world
  - 3) Doubling down on digital transformation, with an emphasis on people, and shorter paths to value for technology investments
  - 4) Building content marketing agility to feed a non-linear and always evolving digital customer journey
  - 5) A greater percentage of advertising budgets will be moving to digital in 2021, with more ads that focus on responsibility
- **WW** (formerly Weight Watchers) launched its Digital 360 (D360) membership plan featuring interactive livestreams called CoachLIVE, WalkTalks, which pair celebrity voices with walking workouts, and the Weighing In podcast. D360 also includes live and interactive events featuring experts' guests.
- Association of National Advertisers introduced a new **Influencer Marketing Advisory Board**, including brands such as Unilever, Cigna, Hilton, Mastercard, Procter & Gamble, PUMA, Nationwide, Reckitt Benckiser, SAP, Sephora, and Target, in an effort to standardize measurement definition of the burgeoning "influencer marketing" marketplace and increase trust and transparency.
- **Coors Light and Coors Seltzer**, partnering with agency DDB, Ghost Robot, and psychologist Dr. Deidre Barrett, created a campaign designed to put a beer commercial in our dreams. The brand invites consumers to watch a 90-second video three times before bed, then listen to an eight-hour "stimulus soundscape" in order to make possible what is referred as Targeted Dream Incubation.
- **WPP's Ogilvy** produced 7 films in 7 days in a creative sprint for Instagram as part of its campaign themed "We Make Today," relying on 120 Instagram creators from different countries, sourcing and editing the material in a few hours, and posting each clip online shortly after.

**Noteworthy quotes:**

- » “It is becoming increasingly important for brands to have a strong agency management practice with clear leadership on core capabilities. Priority should be given to a clear cooperative and collaborative environment amongst the teams.” —Laura Forcetti, Global Marketing Sourcing Manager, **WFA**
- » “Our job when the clients are under this kind of commercial pressure is to gently remind them (or more often, their stakeholders) that investing in the brand is not a luxury.” —Victoria Day, Managing Partner, **Ogilvy UK**
- » “We need to make the mindset and structure of collaboration the new norm in agency-client relationships.” —John Harris, CEO, **Worldwide Partners**
- » “Crisis is the ultimate test of a partnership —the word partnership is used daily in our industry, and prior to the pandemic I probably used that word too loosely. I say this because the pandemic revealed the difference between partners and vendors.” —Geoffrey Calabrese, Chief Investment Officer, **Omnicom Media Group**
- » “As marketers look to stabilize and grow their business in a constantly changing marketplace, the agency partners who enable their clients to be nimbler and more opportunistic and to adapt their marketing and operations in real-time will be the ones to succeed.” —Lauren Hanrahan, CEO, Zenith USA, **Moxie and MRV**
- » “If Vision 2020 was a year of parallaxes, here’s hoping that 2021 will be the year of enhanced judgment, boundless agility and exceptional experiences.” —Sunder Madakshira, Head of Marketing, **Adobe India**
- » “‘Never waste a good crisis,’ they say, and while there’s almost nothing good about this one, it does offer opportunities to ambitious marketers and their agencies.” —Tim Lindsay, Chairman, **D&AD**
- » “When brands and agencies act as an integrated unit with their finger on the pulse of culture, effective contextual creative ensures the engine keeps running.” —Sarah Baumann, Managing Director, **VaynerMedia London**
- » “This moment has shown us how advertising can be extraordinary again. Clients now have the urgency, agility and innovation they want from their agencies. And agencies now have the chance to apply creative thinking to business problems without being limited to a communications role. We need to keep this magic going.” —John Harris, CEO, **Worldwide Partners**
- » “Our goal is to become our clients’ partners, not just their agency. We need to put our clients first by understanding the problems keeping them awake at night and making it easy and simple for them to access the breadth of skills and services they need.” —Laurent Ezekiel, Global Chief Marketing and Growth Officer, **WPP**
- » “It’s high time agencies and clients realize that size is often an impediment to creativity, not a winning formula for back-office consolidation.” —**M.T. Fletcher**
- » “The unique nature of COVID has made digital much more powerful.” —Mark Read, CEO, **WPP**
- » “Criticism is central to creativity, and it’s a leader’s job to make room for it.” —Christian Juhl, Global CEO, **GroupM**
- » “2020 was a constant and ultimately welcome reminder that there is no growth without change.” —Marla Kaplowitz, CEO, **4A’s**
- » “What 2020 revealed is that diversity, equity, and inclusion is a way of life, not a moment.” —Monique Nelson, Chair and CEO, **UWG**
- » “It’s not about marketing, messaging, or creating an image —it’s truly about being authentic and living your purpose in a way that consumers see you as genuinely different.” —Aditi Javeri Gokhale, Chief Commercial Officer, President of Investment Products and Services, **Northwestern Mutual**
- » “We’re big believers that agencies are where talent wants to engage and where we activate with clients.” —Philippe Krakowsky, CEO, **IPG**

## ARTICLE: The Business Case for Relationship Management

by Greg Wright, VP, Content Marketing, ANA and Matt Kasindorf, SVP, Business Intelligence & Insight, 4A's

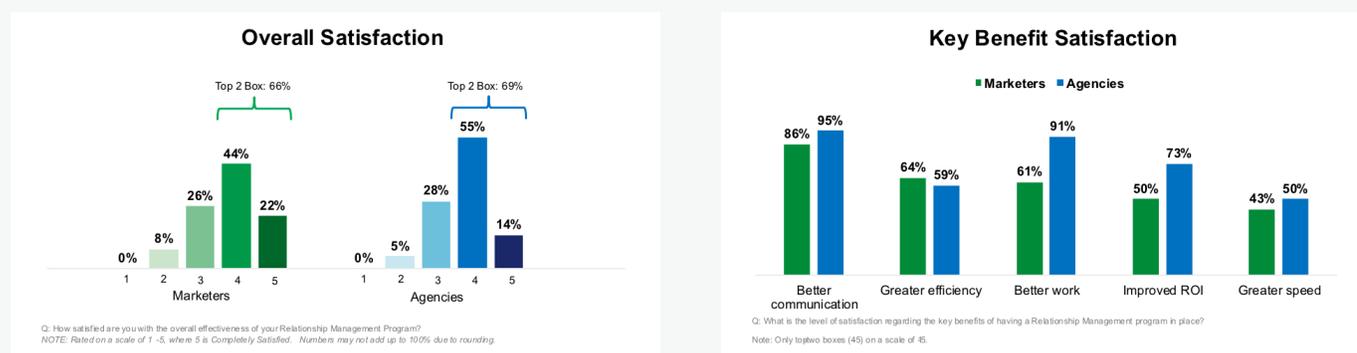


According to one dictionary definition, relationship management is “the supervision and maintenance of relationships between a company and its external partners, especially its clients.”

It is a process by which all key aspects of the client/agency relationship are identified, openly discussed and periodically reviewed, with the intent to clarify expectations, surface any issues, define success, and optimize the working relationship. Doing so will help optimize the agency’s work and the client’s business results, thereby extending the tenure of that relationship. It is critical to the success of any client-agency relationship management program that both the agency and marketer are fully engaged in the program.

Recently, the Association of National Advertisers (ANA) and the American Association of Advertising Agencies (4A's) conducted a study designed to understand exactly what benefits marketers and agencies might gain from employing a Relationship Management Program. A total of 109 members of both organizations were surveyed. Participants were from the ANA's Agency Relations Committee and the 4A's Business Leadership Committee.

The findings of the study would indicate that there is no downside at all to engaging in a Relationship Management Program. Only an upside. In fact, as the following chart indicates, both marketers and agencies expressed strong levels of overall satisfaction regarding a Relationship Management Program.



After being asked for the key benefits of such a program, both marketers and agencies expressed high levels of satisfaction regarding better communication, better work and improved ROI—which are driven by greater speed and efficiency.

### What’s involved?

A relationship management program consists of several key components:

- Annual evaluations
- Mid-Year reviews
- 360 Evaluations

- Quarterly feedback sessions/check-ins
- Regular meeting, post-project or specific topic feedback
- Day-to-day ongoing feedback
- Monthly leadership calls

### Can we afford to do it?

The question is, can you afford not to? While an agency review generally puts a great deal of strain on the agency, it costs the marketer as well in terms of expense, interruption, and the opportunity cost of distraction from the day-to-day operation of the business. As put by relationship expert, Bruno Galpois, “unless you know ‘why’ something is broken, replacing it won’t keep it from breaking again.” [Source](#)

A relationship management program can help repair a failing client-agency relationship and maintain a strong client-agency relationship. It is a blueprint for success. And while there are significant benefits in having a third-party facilitator, it can also be self-managed, as long as both parties are fully committed to the process.

For more information, please contact Greg Wright, ANA VP, Content Marketing at [gwright@ana.net](mailto:gwright@ana.net) or Matt Kasindorf, 4A's SVP, Business Intelligence & Insight at [mkasindorf@4as.org](mailto:mkasindorf@4as.org).

You can access the survey on the ANA site here: [ana.net/relationshipmanagement](http://ana.net/relationshipmanagement), and on the 4A's site here.

## FINANCIALS: Driving efficient use of resources



As the agency world seems to struggle with holding companies reporting less than desirable results, tech-led S4 Capital, led by its charismatic and visionary Sir Martin Sorrell (the former WPP CEO), is growing rapidly, both in headcount (approaching 3,000) and sales but also in profit. The company has been in heavy acquisition mode, adding both clients and new agency talent (namely content, data and digital) to its arsenal. S4 Capital may still be small compared to the big adland players, the company's dynamism and trajectory are hard to ignore.

- Per Cowen's 9th Annual Ad Outlook report, **2021 global digital advertising** is expected to grow 18% YOY (compared to 10% growth the year prior). Video will remain the fastest-growing form of global digital advertising with 15% growth annually over the next five years.
- Per dentsu, global **advertising spend** was down 8.8% in 2020 (vs. -7.5% in the US) but will reverse to growing again globally at a 5.8% rate in 2021 (vs. 3.8% in the US). GroupM expects global growth of 10.2% in 2021, compared to 7.6% per Magna, 5.6% per Zenith. The Tokyo Olympic Games (now in August) should play a big role.
- Per media investment firm GroupM, **global retail e-commerce**, excluding food and delivery services, will reach \$3.9 trillion in 2020. By 2024, global e-commerce will account for \$7 trillion in annual revenue, equaling 25% retail sales.
- Per Socialbakers, **worldwide spend on social media advertising** was up 50.3% at the peak of the 2020 holiday season YOY. However, influencer marketing was down in Q4 based on usage of the "#ad" disclosure (a 17.6% reduction YOY).
- Consumer packaged goods giant **Procter & Gamble** increased its Q4 marketing spending by 7% YOY. Sales are up 8% to \$19.7 billion for the same period, fueled by the growth of its household and healthcare brands during the pandemic. eCommerce now represents 14% of revenue globally, a 50% increase YOY.
- **Omnicom's DDB Chicago** is fighting an \$100 million lawsuit in the US District Court for Northern Illinois for fraud, breach of contract, negligent misrepresentation and other charges related to the 10-year, \$4 billion US Army recruitment contract the agency won in 2018. The lawsuit comes from a complaint by a small minority-owned New York agency, Hero Group.
- Per AARM (Advertising Audit and Risk Management), **contracts** signed between an organization and its advertising agency(s) with an effective date prior to January 1, 2017 should be revisited/updated as a result of increased levels of regulation in the past four years.
- Per John Minty, CEO at TBWA\Chiat\Day LA, agencies can **close the pay gap** with clients by getting creative with income opportunities via a master service agreement, outcome-based compensation models and innovation budgets, and ensuring increased certainty with minimum tenure agreements.

## Mergers and acquisitions (M&A) activity:

- Per COMvergence, **M&A deals** in the marketing communications space fell for the fifth straight year in 2020 (47 deals for an estimated revenue of \$826M). For the first time in five years, consultancies like Accenture (the most acquisitive firm with 7 deals) acquired more staff than the major advertising and marketing holding companies. Following Accenture, WPP and denstu completed most M&A deals (five and four respectively).
- Digital ad fraud mitigation service **White Ops** was acquired by Goldman Sachs' Merchant Banking Division, in partnership with ClearSky Security and NightDragon.
- San Diego-based marketing firm **Power Digital** acquired digital agency Social Method, which specializes in performance-based Facebook and Instagram media and creative services. Social Method has offices in New York, Washington, DC, and Tel Aviv, serving clients that range from Colgate to TOMS.
- **MDC Partners and Stagwell** entered into a definitive agreement to merge, pending shareholders and regulatory and stock exchange approvals, in an effort to combine award-winning creative firepower (through agencies like 72andSunny, Anomaly, Crispin Porter Bogusky, and Assembly) and advanced services, research, and technology offerings (through firms like Code And Theory, Harris Poll, and Finn among others).
- **S4 Capital** acquired two US-based agencies—creative agency Decoded Advertising and performance marketing agency Metric Theory. Decoded Advertising will join and operate under MediaMonks. Metric Theory will join programmatic firm MightyHive.
- Independent LA-based full-service branding and marketing agency **Phenomenon** acquired Detroit-based, data-driven growth marketing company, Marketing Supply Co., in an effort to expand its expertise in the digital and growth marketing fields. Marketing Supply Co. will operate under the name Phenomenon.
- **S4 Capital** acquired Tomorrow, a 50-person Shanghai-based creative agency, which the firm will fold into its MediaMonks content practice. Clients include Budweiser, Starbucks, and Red Bull.
- The Stagwell Group-owned creative agency **Code and Theory** acquired digital shop Kettle (and its three offices in NY, LA, and San Francisco), which has worked with clients including American Express, Discover, and National Geographic, to expand its content production and ecommerce capabilities.
- **S4 Capital** acquired Low Earth Orbit (L.E.O.) which will become part of digital experience agency MediaMonks in an effort to better connect brands and consumers through creative experiences. Low Earth Orbit clients include Dole and Facebook.

- **Simpli.fi** acquired enterprise resource planning (ERP) Advantage Software Company which creates software and services for accounting, project management, and media buying in the ad industry, in an effort to centralize project management, creative proofing, and resource management processes while providing real-time metrics.
- AI-powered search intelligence company **Adthena** acquired Kantar’s paid-search business, formerly known as AdGoaroo, allowing clients to access data and insights through Adthena’s AI-powered search product suite.

**Social media and holding companies’ financial results:**

- Social media giant **Facebook** reported \$28 billion in revenue in Q4 from a record 1.84 billion users, a 33% increase in revenue and 44% increase in profits, as the pandemic drove consumers’ business and leisure online. Ad revenue reached \$27.19 billion.
- **Dentsu International** announced that it will eliminate 12.5% of its 46,560-person workforce, totaling a loss of about 6,000 roles. This is part of its restructuring to reduce its agency brands from 160 to just six while reducing redundancies and streamlining its operations.
- **WPP** laid out a plan to reduce costs by £600m by 2022 (from shared services, leaner real estate, lower travel, etc.) and recruit 10,000 additional staff in the next five years, hoping to see low single digit growth in 2021, an improvement over 2020’s reduction in annual revenues. Growth is expected to come from data expertise, technology, and ecommerce (WPP works with 76 of its top 100 clients on e-commerce currently). £200m and £400m have been set aside for acquisitions.

**Noteworthy quotes:**

- » “Investments in technology will further impact agencies providing an increase in workflow automation and people augmentation of capabilities.” —Marla Kaplowitz, CEO, **4As**
- » “Brands have quickly learnt the importance of redistributing their marketing spend and this led to a range of often high-profile partnerships coming into play this year.” —Owen Hancock, Marketing Director, **Impact EMEA**
- » “By working together to develop new, non-traditional compensation models [licensing and performance-based options], brands and agencies can strategically align on what works for both of them, presenting greater value and long-term sustainability.” —Marla Kaplowitz, CEO, **4A’s**
- » “Not unlike fresh produce, dairy products, meat, medicine, or even beer, contract language is perishable. So, if the contract between your organization and its advertising agency has an effective date prior to Jan. 1, 2017, you may be at risk.” —Cliff Campeau, Principal, **AARM**

Check out our article “**Predictions for a New (Partnership) World Order**”: Additional disruption? Greater turmoil? Further transformation? What radical changes should advertisers expect in a post-COVID world?

**NEW Article!**

# PREDICTIONS

## for a New (Partnership) World Order

**Seven** predictions that will impact client/agency partnerships in years to come.

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## PERFORMANCE: Driving stronger performance and value from the partnership



There is a tremendous amount of activity around measurement these days, with new standards and new partnerships emerging to help brands better track results and ROI. Industry awards give us an opportunity to discover new talent and highly efficient business partnerships, celebrating clients, agencies and other partners and their in-market successes. Per Deloitte, the power and promise of business partnerships is an essential part of the CMO arsenal, using unexpected business partnerships to solve new challenges: “Whether out of sheer necessity to survive or because they saw new opportunities, many brands that took the leap and entered into new partnerships found better ways to more holistically serve people—both in the short and long term.”

- **Google** launched a potential replacement for cookies, called “Federated Learning of Cohorts,” which uses a Chrome browser algorithm to track website activity then group users into cohorts with similar browsing habits that can be used for ad targeting.
- Digitas and Weber Shandwick joined the **Global Video Measurement Alliance (GVMA)**, the first advertising agencies to do so, allowing them to monitor global social video engagement trends and insights to recommend digital video programming and investments for clients.

### Awards:

- Adweek’s **Global Agency of the Year** was awarded to FCB Global. Adweek’s **Brand of the Year** was awarded to Clorox.
- Marketing Dive named its 2020 Marketer of the Year, **Unilever**, citing the brand’s ability to use resonant consumer-facing messaging and ecommerce. Notably, the advertisers boycotted Facebook to pressure it into more actively curbing hate speech.
- Wunderman Thompson was named as **2020 Network of the Year** at The Epica Awards 2020, strong of 12 awarded projects including one Grand Prix (for the Sony Music/ Incucai “Through your eyes” campaign) and two Golds (including Ecox’s “Emergency Bikes”). INGO Stockholm/ David Miami/Publicis was named 2020 Agency of the Year at the same event, strong of three Grand Prix for the Burger King “Moldy Whopper” campaign.
- **Ad Age 5 Best Places to Work 2021** (Top companies, 201+ employees):
  - 1) Digital agency PMG
  - 2) Ad tech Mediaocean
  - 3) Digital agency Goodway Group
  - 4) Digital agency Tinuiti
  - 5) Media agency Crossmedia
- Per **MediaPost**, Search Agency of the Year (2020) was awarded to dentsu-owned Merkle. Independent Agency of the Year was awarded to Texas-based PMG. Media Agency of the Year was awarded to Mindshare. Dentsu (formerly known as Dentsu Aegis Network was awarded Holding Company of The Year.
- Chief Marketer unveiled the **2021 Chief Marketer 200**, spanning 11 categories, including Experiential, Sports and Entertainment, Promotion, Retail/ Shopper, Digital/Content, Social Media, Design and Innovation, B2B Demand Gen, B2B Brand Engagement Marketing, B2B Experiential Marketing and Martech. Among top martech agencies: Arketi Group, Hero Digital, Jumpfactor, Leadit Marketing, LeadMD, Metis Communications, Movéo, New Breed Marketing, Perficient Digital, Starshot Ventures, Sudden Impact Marketing, Yeager Marketing, and Yesler.
- For the second annual **Agency of the Year Awards** by US Campaign, the following agencies were selected: advertising agencies (360i, 72andSunny, Goodby Silverstein & Partners, Mischief @ No Fixed Address, Ogilvy, Innocean USA, The Martin Agency, Wieden+Kennedy), advertising networks (dentsu, Digitas, McCann Worldgroup, TBWA, VMLY&R), Digital Innovation Agencies (Code and Theory, Digitas, Essence, FCB/SIX, Jam3, R/GA, Razorfish, YML), Independent agencies (Barkley, Day One Agency, Empower, FIG, Fred & Farid, Joan, Lightning Orchard, Tinuiti), Media agencies (Digitas, Essence, Horizon Media, Mediahub, Mindshare, PMG, UM, Zenith), PR agencies (Day One Agency, FleishmanHillard, Golin, Ketchum, Kite Hill PR, ICF Next, Weber Shandwick, Zeno Group).
- B2B ratings and review platform GoodFirms listed **top email marketing agencies**: Mayple, The Bureau of Small Projects, Uplers, Unidev, Social Media 55, Caveni Digital Solutions, ReVerb, Livepage, Write Right.
- B2B ratings and review platform GoodFirms listed **top PR firms**: SmartSites, WebiMax, Edelman, BCW (Burson Cohn & Wolfe), Ketchum, MSL, Ogilvy, APCO, W2O, Padilla.
- B2B ratings and review platform GoodFirms listed its **top affiliate marketing agencies**: Zgraya Digital, Source Approach, BrandBurp Digital, Prism Events Digital Advertising, The NineHertz, KOSMIQS, Dot Com Infoway, Sam Web Studio, and Ally Digital Media.
- Verizon and its agency McCann Worldgroup won the **ANA’s 20th annual Multicultural Excellence Awards** for the campaign “Love Calls Back,” featuring members of the LGBTQ+ community reconnecting—and reconciling—in telephone calls with family members who originally rejected their sexual identity.

**Noteworthy quotes:**

- » “The crisis further served to strengthen the dynamic client/agency relationship reinforcing how agencies enable brands to take the right risks and act decisively.” —Marla Kaplowitz, CEO, **4A’s**
- » “As pressures increase for both companies and agencies, the impact of solid client/agency partnerships is perhaps more valuable than ever before.” —Lindsay O’Neil, Senior Consultant, **Mercer Island Group**
- » “To keep the magic, we need to avoid slipping back into predictable modes as a sense of normalcy returns over the coming year. We need to embrace what’s working and anoint 2020’s adaptations as new standards.” —John Harris, CEO, **Worldwide Partners**
- » “We saw partners across all media channels stand up and offer help to our clients, even in extreme uncertainty. And we saw some that did not respond with the same level of flexibility. The cream really rises to the top. It’s nice when collaboration and standing up for one another shines through uncertain times.” —Dani Benowitz, US President, **Magna**
- » New compensation models will be explored emphasizing more project-based work and flexibility. And the new business experience is being reimagined with an even greater emphasis on substance over style.” —Marla Kaplowitz, President and Chief Executive Officer, **4A’s**
- » “Now, more than ever, clients need partners who can find ways to make them more money. End of discussion.” —John Lods, CEO, **Arm Candy**

Check out our article “**Save Your Agency-Client Relationships from Drowning in The Pandemic Sea**”:  
 How clients and agencies can avoid the heightened risk of relationships failing during the stormy pandemic crisis.



**MEDIA AGENCY NETWORKS**

**TOP 5 PITCHES**

COMvergence has assessed about US\$ 20B of media spend reviewed during the year 2020 – of which US\$ 6B described below:

	WINNER(S)	MAIN INCUMBENT AGENCY(IES)	PITCH CONSULTANT
<b>SANOFI</b> <b>\$1.1B</b>	havas media group (US) OMG (rest of the world)	havas media group (US) MINDSHARE (rest of the world)	MediaSense
<b>KraftHeinz</b> <b>\$700M</b>	Starcom™ (US) CARAT (rest of the world)	Starcom™	MediaSense
<b>DIAGEO</b> <b>\$350M</b>	phd  OMG	CARAT	MediaSense
Walgreens Boots Alliance <b>\$350M</b>	MEDIACOM  WPP	MEDIACOM (Team WBA)	MEDIALINK
Hugoboss <b>\$250M</b>	MEDIACOM	OMD	-
LIDL <b>\$850M</b> (Europe)	Starcom™ havas media group  OMD	Starcom™ havas media group  OMD	ebiquity
<b>SEPHORA</b> <b>\$150M</b> (North America)	Digitas	Various	ID COMMS
weightwatchers <b>\$100M</b> (North America)	MINDSHARE	horizonmedia	MEDIALINK
HONDA <b>\$75M</b> (EMEA)	UM	dentsu X (HDME)	MediaSense
Intersnack <b>\$65M</b> (EMEA)	Starcom™	dentsu  MEDIABRANDS	APERTIO ONE
<b>Unilever</b> <b>\$575M</b> (China)	groupm	phd	-
SAMSUNG <b>\$550M</b> (USA)	Starcom™  Digitas	Starcom™  Digitas	R3 WORLDWIDE
novo nordisk <b>\$400M</b> (USA)	Wavemaker	SPARK	-
GILEAD <b>\$350M</b> (USA)	Initiative	horizonmedia	-
THE CLOROX COMPANY <b>\$300M</b> (USA)	OMD	OMD  AKQA	-

COMvergence's net media spend estimates are based on net offline spend (sourced from Nielsen / Kantar) + digital media spend estimates (sourced from COMvergence's proprietary methodology)

**MAJOR DEVELOPMENTS ACHIEVEMENTS**

- CARAT** has been recognised as a Global Media Agency leader by Forrester, featuring its human centred approach, "Designing for People". This new model has delivered business impact for new clients such as KraftHeinz, Pandora and Velux.
- dentsu X** continued its ascendancy that has seen it recognized as the fastest growing global agency two years in a row. Award wins increased 175% year-on-year for work including Heineken, JLR and Square, while Nestle joined dentsu X's roster.
- Digitas** has unleashed a powerful new business engine and a culture of growth, resulting in a win rate of over 70% and 28 new clients in the US. Gartner Magic Quadrant for Global Marketing Agencies Named "Leader" in 2020, 5th consecutive year.
- essence** had a successful year growing its list of client partners to include Zoopla, Scoot, Jeep Sainsbury's & ITV. 2020 also saw Essence expand its footprint into Brazil.
- Initiative** was awarded Ad Age's Best Place To Work, picked up a range of new clients including Gilead, Salesforce, Citrix, Unilever and Deliveroo. Also has been appointed T-Mobile US (\$2B) media account in early Jan 2021.
- iProspect** Amanda Morrissey was appointed Global Brand President with a focus to create an end-to-end future-forward media and performance agency through the integration of iProspect and Vizeum. The integration will define a new territory of performance-driven brand building by delivering digital-first media strategies. Clients wins throughout 2020 include Cox, Red Bull, Swatch and Zalando.
- vizeum** Navigating uncertainty, winning new clients in every region and delivering award-winning work, m/SIX appointed Belinda Smith as CEO of NA/ Americas, who continues to work as Special Advisor to the board, as well as Global Diversity Ambassador for the WFA.
- m/SIX** became Uber's global agency of record. This was achieved without a pitch and through a strong relationship on the offline business in the US that grew to add on US online business & all markets globally. Festival of Media Global Awards: Global Media Network of the Year 2020. Eurobest Media Network of the Year 2020.
- MEDIACOM** launched the world's first LGBTQ+ 'Inclusion PMP' tackling the issue of delisting of community journalism via algorithmic buying. Launched the Black 'Inclusion' PMP, amplifying Black stories and voices across journalism and the arts to drive real inclusivity in media. #1 Agency Network in the WARC Media 100.
- MINDSHARE** promise to deliver better decisions, faster was further strengthened by the introduction of the Fast Start Suite – a suite of analytical, thought leadership and strategic products. Adweek Global Media Agency of the Year 2020.
- OMD** added 150 new business wins, including the win and (remote) transition of the global Diageo account. Also its Thought-leader publication Overthrow II has seen over 12000 copies of the book, Network of the Year: M&M Global Awards.
- phd** Delivering on Publicis Group's "Power of One" positioning, Spark won pitches in conjunction with other Group agencies (incl. Vanguard in the US, Mondelez Production in EU and Pierre Fabre in France).
- SPARK** was named #1 Global Media Agency (WARC) and a Leader in the 2020 Forrester Global Media Agency Wave report. The agency harnessed the power of its Human Experience Company positioning, uncovering data-led insights and unlocking growth for clients.
- Starcom™** won Adweek's US Media Agency of the Year, Campaign's APAC Media Network of the Year, EMEA Agency of the Year, named a Leader in Forrester's Global Media Agencies Report, and added several new clients, Emirates, Doc Martens, Mercado Libre, Lazada and Foodpanda.
- UM** named as the world's best performing media agency (COMvergence NBB Q1-Q3 2020), Wavemaker revealed a new Global Operating System, modular Planning Process and a brand refresh, all designed to bring the new positioning of Positive Provocation to life.
- Wavemaker** won the global media business for TikTok and expanded the Publicis Imagine relationship to include Hulu in the US. Zenith also launched its ROI Growth Platform, a data- and analytics-led approach to planning sales ROI for clients. Zenith UK won Campaign's Agency of the Year.
- Zenith**

**DEPARTURES OF GLOBAL HEADS**

- MEDIACOM**  
**STEPHEN ALLAN** Global CEO
- MINDSHARE**  
**NICK EMERY** Global CEO
- CARAT**  
**CHRISTINE REMOUILLE** Global President

**APPOINTMENTS OF GLOBAL HEADS**

- MEDIACOM**  
**NICK LAWSON** Global CEO  
**JOSH KRICHEFSKI** Global COO
- MINDSHARE**  
**ADAM GERHART** Global CEO
- MERKLE**  
**CRAIG DEMPSTER** Global CEO
- Performics**  
**PAUL TIBBITT** Global CEO



# MEDIA AGENCY GROUPS/HOLDINGS

## HEADCOUNT AND BILLINGS

 <b>106,000</b> employees  <b>36,000</b> \$63B	 <b>80,000</b> employees  <b>22,000</b> \$39.5B	 <b>70,000</b> employees  <b>20,100</b> \$38.4B	 <b>66,400</b> employees  <b>48,750</b> \$30.8B	 <b>54,300</b> employees  <b>13,000</b> \$21B	 <b>20,000</b> employees  <b>9,450</b> \$10.7B
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\* Final 2019 Global Billings figures were released by COMvergence in June 2020.

## 47 MARCOM AGENCY ACQUISITIONS

<b>7</b> (7 in 2019) including <b>CreativeDrive</b> (700 staff)	<b>4</b> (12 in 2019) including <b>Media Storm</b> (167 staff)	<b>1</b> (1 in 2019) <b>Collectively</b> (70 staff)
<b>6</b> (7 in 2019) including <b>Circus</b> (350 staff)	<b>3</b> (6 in 2019) including <b>Cicero/AMO</b> (70 staff)	<b>1</b> (0 in 2019) <b>Zilker Technology</b> (360 staff)
<b>6</b> (2 in 2019) including <b>Growww Media</b> (715 staff)	<b>3</b> (6 in 2019) including <b>Sapient.i7</b> (50 staff)	<b>1</b> (0 in 2019) <b>Synergy Creative</b> (40 staff)
<b>5</b> (1 in 2019) including <b>Velvet Consulting</b> (180 staff)	<b>2</b> (1 in 2019) including <b>Spatial Access</b> (30 staff)	<b>1</b> (2 in 2019) <b>Max &amp; Partners</b> (4 staff)
<b>4</b> (0 in 2019) including <b>RXP group</b> (550 staff)	<b>2</b> (2 in 2019) including <b>Reamp</b> (90 staff)	<b>1</b> (0 in 2019) <b>Point of Origin</b> (1,200 staff)

No acquisitions recorded for IBM iX and M&C Saatchi in 2020

## DEPARTURES OF GLOBAL / REGIONAL HEADS

**MICHAEL ROTH** Global CEO  
Interpublic Group

## APPOINTMENTS OF GLOBAL / REGIONAL HEADS

**PHILIPPE KRAKOWSKY**  
Global CEO  
**WENDY CLARK**  
Global CEO  
**JACKI KELLEY**  
Americas CEO  
**THOMAS LE THIERRY**  
EMEA CEO  
**HERMON GHERMAY**  
Global Chief Culture Officer

**JASON DORMIEUX**  
Global Chief Data & Tech. officer  
**KIRK McDONALD**  
N.A. CEO  
**DEMET İKILER**  
EMEA CEO  
**ASHUTOSH SRIVASTAVA**  
APAC CEO  
**JUSTIN BILLINGSLEY**  
Global CMO

## MAJOR DEVELOPMENTS / ACHIEVEMENTS

**groupm** landed the top spot among the Big 6 media agency groups in COMvergence 2020 NBB study. Announcement of the Multicultural Marketplace in the US, Creation of GroupM Data & Technology, formally [m]PLATFORM. Recognized by the Top Employers Institute as a Top Employer 2020 in Spain, Germany and the U.K.

With the introduction of The **PUBLICIS PACT**, powered by Epsilon, Publicis Media provided clients with outcomes-based solutions allowing them to be nimble, flexible and resilient now and in the future. The acceleration of Marcel also brought greater connectivity and talent-at-scale for clients.

**OMG** holistic operating platform, Omni, saw continued evolution through innovation, strengthening OMG's data-led approach. The group expanded its commerce and content offering in APAC with the launch of **OMG Transact**, **Drum**, and **Fuse**.

**dentsu** Dentsu Aegis Network re-branded to **dentsu international**, winning several new clients, and significantly expanding many existing client relationships including KraftHeinz, American Express and Heineken. In September Wendy Clark joined as Global CEO. The Group was named US Holding company of the Year by Mediapost.

**MEDIABRANDS** adopted 10 Media Responsibility Principles to hold digital platforms accountable to a set of common standards globally, hired a Global Chief Culture Officer to accelerate Diversity, Equity and Inclusion actions and strengthened their global capabilities in eCommerce with Reprise Commerce and in Content with the Mediabrands Content Studio led by Brendan Gaul.

**HAVAS GROUP** became the first global holding company to join the Conscious Advertising Network. Launch of the Social Equity Marketplace, the first-of-its-kind, designed for brands to reach and invest in BIPOC, LGBTQ+, sustainable and women-owned businesses. Launch of Havas Market, a strategic full-service eCommerce offering.

March 2021

Issue 53



**TALENT: Securing the right talent and resources**



The global lockdown has, without a doubt, given people plenty of time to reflect and perhaps more importantly to reprioritize. New behaviors and preferences are emerging. Freelance marketplaces are becoming more popular as our workforce is now virtual. Business travel will resume, but at what pace and to what extent? The creative nature of talent is in its ability to morph and adapt to new realities. Look at the continued momentum for a more diverse and inclusive industry. Or Edelman’s Disinformation Shield, a new offering designed to fight false narratives. Or Publicis Groupe launching “Le Truc” in an attempt to capitalize on its vast network to prompt better access to creative talent.

- **Business travel** in advertising is not likely to resume until next year. Per the ANA, 50% of its members (advertisers) either don’t know when they will attend, or do not plan to travel or attend, in-person industry events until 2022.
- Signaling a strong desire to build AI capabilities or leverage existing ones, the Interpublic agency **Reprise** hired a chief AI officer (Dr. Vincent Spruyt) as part of a global strategy to incorporate AI into its tools and automate processes.
- **Dentsu International** reported an A- in CDP’s global climate change report, aiming at 100% renewable energy and a plan to reduce absolute emissions by 46% to achieve their Net Zero commitment by 2030 across 145 countries.
- **VCCP** joined the Conscious Advertising Network (CAN), a voluntary coalition of over 70 organizations set up to ensure that industry ethics catch up with the technology of modern advertising.
- Per Tracy Allery, marketing business partner, NUSA Procurement—Nestlé USA in “**New Approaches to Evaluating Procurement**”:
  - 1) Behave as a strategic brand business partner
  - 2) Focus on both top and bottom lines and recognize that value is greater than just cost
  - 3) Identify gaps and invest in learning and development
  - 4) Adapt processes to use right/fair selection criteria
  - 5) Choose agency collaboration over creating artificial marketplace tension
  - 6) Champion diverse, responsible, and sustainable relationships
  - 7) Strive for commercial terms that enable a viable ecosystem for all parties involved, including agencies
  - 8) Be authentic and honest with external partners
  - 9) Be transparent with confidentiality; respect and treat partners fairly
  - 10) Focus on issue resolution before pitching a solution
- **Fiverr** joined forces with brands, agencies, the CMO Advisory Board, and the Creative Council to develop a new matchmaking platform to help the marketing community connect with and manage teams of freelance workers.

- Per Business Insider, entertainment conglomerate **WarnerMedia** reduced its roster of agencies around the world from 3,000 to a few dozen over time (excluding media-buying agencies).
- **Forrester** estimated that the ad industry will lose 52,000 additional jobs through 2021 as a result of the health crisis. In 2020, Omnicom Group reported a 6,000-headcount reduction (or 8.5%), dentsu reported the same (or 12.5%) as part of its restructuring, IPG reported a 1,520-headcount reduction. Others—WPP and Publicis—have not yet reported their reductions.
- Seven-year-old experiential agency **NA Collective** which had large live activations clients like Nike, Tinder, and Facebook had to close doors, another victim of the pandemic. Live events and experiential work dried up during COVID-19.
- **TikTok** and **WPP** announced a new partnership giving WPP clients access to internal tools and leveraging marketing API integrations and next-generation formats such as augmented reality offerings. WPP is now Lead Agency Development Partner for TikTok’s creator-focused APIs.
- Per Magid Souhami, president at Global Data Bank and Paul Williams, VP commercial and procurement at Havas Group, key advice for **marketing procurement** includes:
  - 1) Your agency is as good as your internal team allows it to be
  - 2) Agencies require a more subtle/advanced type of relationship management
- Media investment firm **GroupM** launched a so-called Data Ethics Compass, created in partnership with Unilever, based on “proprietary scoring logic” to evaluate ethical risk levels based on a wealth of contextual information.
- Per TrinityP3 UK, **benefits of global network agencies include**: Global talent pool, 24-hour working day, parent company pressure to improve, a global view on the brief, diverse culture, global consistency, cost-effective delivery solutions, data and insights, breadth of offer, broad experience, global negotiating power, and management focus on existing clients. **Benefits of local agencies**: flexibility, adaptability, affordability, no complacency, only the services you want, minimal bureaucracy, transparency, a local center of excellence, management stability, no hidden network fees, and focus on results.
- Per eg+ Worldwide, **predictions for 2021** include:
  - 1) New model agencies win the day
  - 2) Talent without borders
  - 3) Content ever more agile and data driven
  - 4) Channels won’t sit still
  - 5) Three A’s: Automation, AI, and AR
  - 6) Borderless world
  - 7) Earned relationships

## New agency or capabilities, restructuring and reorganizations:

- **Edelman** launched Edelman Studios content creation hub composed of three divisions—BlueRoom Studios (earned-first content), Edelman Productions (global network of studios and production operations) and EdelmanBRUT (short-form content) to compete with ad agencies for digital content. The firm partnered with content optimization platform VidMob and French digital media firm Brut.
- **MDC Partners Inc.** launched the MDC Global Affiliates program, entering into agreements with several new agency partners such as Brand New Galaxy, Beyond Media Global, and OKC.Media, prioritizing key technologies related to eCommerce, automation, data-driven content, insight, and digital.
- A new Los Angeles-based commercial, film, and TV production company composed of top filmmakers, **Logan Industry**, launched with clients including Apple, Nike, Tumi, Vogue, Coca-Cola, Samsung, Ford, Microsoft, and Disney.
- **Publicis Groupe** New York launched a creative collective called “Le Truc,” a network that builds on the company’s Power of One unification that brings together 600 creatives from across Publicis’ New York offices and other agencies like Digitas, Razorfish, Rokkan, Saatchi & Saatchi, and Publicis Media in one location. Based on flexibility and collaboration, Publicis will build bespoke Le Truc teams for clients assembling Groupe staffers and freelance talent together.
- **Edelman** launched Disinformation Shield, a global service (composed of corporate reputation and crisis specialists, predictive intelligence experts, behavioral scientists, and psychometric analysts) designed to help private-sector organizations combat false narratives with transparency and fact-based communications campaigns.
- New freelance media talent hub, **Liberty Hive**, launched an online membership platform (for posting jobs and short-term projects) in order to match proven media talent with agencies, media owners, and marketers.
- **Havas Media Group** reorganized the company’s existing UK entertainment and culture agency brands (Target Entertainment, Target Media, Target Live, Superhero, and Azure) under the new Havas Entertainment umbrella.
- Denver-based agency network **Worldwide Partners** expanded its global consortium by adding new agencies such as Dallas-based Moroch, European-based Interweave, and UK-based Lawton Communications Group.
- A new boutique branding shop, **Baker & Bonner Creative Emporium**, launched by Richard Group veterans, offers branding, design, strategy, consulting, identity, content, social, experiential, website design, and PR.

## Diversity and inclusion:

- The **Out of Home Advertising Association of America (OAAA)** joined forces with non-profit Geopath to launch an equality initiative, OOH UNITED, and promote a culture of inclusion within the out-of-home industry.
- Black-owned **Elite Media** released two films that recognize Black Humanity as a legacy worth protecting to mark February’s **Black History Month (BHM)**. The work is shared via a partnership with American Family Insurance.
- Many agencies like Chemistry, Butler, Shine, Stern & Partners (BSSP), Burrell Communications Group, and RAPP **honored the Black community** with special initiatives and celebrations coinciding with BHM.
- **MullenLowe US** launched The Black Catalog ([www.the-black-catalog.com](http://www.the-black-catalog.com)), created by Black@MullenLoweGroup, a collective community of Black employees across MullenLowe and Mediahub offices to help foster #blackwellness and promote Black Owned Wellness Brands.
- Per the Association of **National Advertisers’ Alliance for Inclusive & Multicultural Marketing**, Super Bowl advertisers fell short in terms of cultural relevance and inclusivity: Black actors were given roles in 29% of ads, Hispanics were represented in 12%, and LGBTQ and people with disabilities were represented in just 1% of campaigns.
- A group of 10 independent creative agencies supported an immersive, paid internship program called “**BLAC: Building Leaders and Creators**,” an eight-week initiative sponsored by Procter & Gamble, that gives up-and-coming Black creatives exposure with hands-on advertising experience.

## Noteworthy quotes:

- » “The real competition for us is not the holding companies. The real competition for us is Accenture. Our target is Accenture.” —Sir Martin Sorrell, Executive Chairman, **S4 Capital**
- » “Everything should be in service of delivering a business result and understanding the context of what’s most critical to brands and CMOs. Clients want someone who can connect the dots.” —Paul Woolmington, CEO, **Canvas Worldwide**
- » “Every link in the creative and media supply chain should be 40% multicultural, equal to the US population, and we have a long way to go.” —Marc Pritchard, Chief Brand Officer, **P&G**
- » “If I don’t use my position to change the face of the industry, shame on me.” —Wendy Clark, CEO, **dentsu International**
- » “Virtual agencies with little to no overhead and agencies with distributed talent will serve a body blow to those who cling to old models.” —Damisi Rosemond, Head of Content Studio, **eg+ Worldwide**
- » “We’re building a strategic, tech-centric and scalable global model for ambitious marketers, not the duplicative brick-and-mortar infrastructures typical of the traditional players.” —Mark Penn, Chairman and CEO, **MDC Partners**

- » “Unless we see the opportunity to upskill, we’re not holding huge agency reviews, but we are constantly reviewing the agencies. I think the days where the agencies had an agency of record model—an “until I fail” kind of model—are gone.”  
—Ivan Pollard, SVP Global CMO, **General Mills**
- » “‘Improved creativity’ is certainly more exciting to talk about than ‘improved business practices,’ but this should not mislead senior agency executives. Agencies need to get smarter about their business practices.” —Michael Farmer, Executive Chairman, **Farmer & Company LLC**
- » “Technology has made media a key driver of marketing. Creative is reliant on media for form, visibility and engagement. Marketers recognize the shift and are looking for partners who can lead.”  
—Greg Paull, **Co-founder and Principal, R3**
- » “You have to make it simple—as simple as possible for that core team—to pull in the right specialists and the right resource when they need it, so that it’s not there when they don’t.” —Xavier Rees, CEO, **Havas CX UK**
- » “Typically, the average tenure of the chief marketer has been between three and four years. We currently have a high percentage of CMOs who have spent more than three years at their current companies. The marketplace is ripe for churn.”  
—Raja Rajamannar, CMO, **Mastercard**
- » “The importance of efficiency through automated ways of working, including account service, will continue to grow.” —Erica Amestoy, Group Director, Marketing Communications, **eg+ Worldwide**
- » “If setting up an in-house agency is driven by a desire to reduce costs, this will need to be achieved by recruiting lower-cost resources and therefore it is fair to assume less capable or experienced resources with lower market costs.”  
—Darren Woolley, Founder and CEO, **TrinityP3**
- » “It is hard to know who is from procurement and who isn’t. This is how it feels at GSK, where procurement is embedded in terms from top to bottom as a trusted business partners helping drive our growth agenda.”  
—Tamara Rogers, Global CMO, **GSK**
- » “Brands continue to shift from agencies that are not ready for the future, and so they should.”  
—Mat Mildenhall, Chief Client Officer, **eg+ Worldwide**

#### Company profiles:

- **Metric Theory (<https://metrictheory.com>)** is a Performance Digital Marketing agency that is a part of MightyHive (S4 Capital). Core services include search engine marketing, paid social, display and remarketing, shopping ads, product feed management, and digital video. Among other awards, the firm was named 2019 SEM Agency of the Year. They worked with over 400 international brands. Clients include Lyft, GoFundMe, and Winc, among others.
- **Instrument ([www.instrument.com](http://www.instrument.com))** is digital brand and experience innovation company in Portland, Oregon, owned by MDC Partners. The agency uses “the power of design and technology to solve complex problems and transform business.” Core services include brand, strategy, and consulting, digital experience, engineering, marketing, design, development, and content creation provided by 175+ creative technologists. Clients include Levi’s, Pinterest Business, Sonos, Nike, and Google.
- **WorkInProgress or WIP ([www.wipbdr.com](http://www.wipbdr.com))** is a full-service innovation and advertising agency—part ad agency, part innovation shop—located in Boulder CO. The agency believes, “We are all a work in progress.” Awards include 2020 Small Agency of the Year 11-75 employees (Silver) and Campaign of the Year Integrated (Silver). Clients include Nescafe, KitKat, TruTV, and Jimmy John’s.

Check out our whitepaper and best practices guide on “**Benchmarking: How to get the most value from it**”: what should advertisers know about agency cost benchmarking and what you can do to get the most value from this type of resource.



**WORK: Producing great work and outcomes**

The month of February is often consumed by conversations about Super Bowl ads, from the anticipation, buildup and rumors for upcoming spots to the actual event, but also the post-reviews and discussions about who won the advertising Super Bowl game. How do we achieve relevancy in a time of uncertainty? This year, nostalgia (with a “Wayne’s World” spot from Special Group for Uber Eats) and inspiring, personal, human connections (with Toyota’s ad from Saatchi & Saatchi featuring the story of Paralympian gold medalist Jessica Long) were the main themes. A couple of spots were done in-house: Logitech, “Defy Logic” and Bass Pro Shops and Cabela’s. Everyone has an opinion on which spots were most enjoyable to watch or effective at reaching their audience. Some of my favorite ones where: Rocket Mortgage (Quicken Loans), “Certain Is Better” by Highdive; Amazon, “Alexa’s Body” by Lucky Generals; and Toyota, “Upstream” by Saatchi & Saatchi. Which were your favorites?

- **What Should CMOs Focus on in 2021?** Per Futurum Research + Analysis, CMOs should:
  - 1) Do more with less
  - 2) Be creative (and techy and business savvy)
  - 3) Focus on retention and CX
  - 4) Educate the enterprise
- **Advertising Production Resources (APR)** released a paper called “Make Once, Reuse Often” to provide relevant guidance and tips on how to execute an integrated production in one market.
- **2021 technology industry outlook** per Deloitte and three key strategic opportunities
  - 1) Redoubling digital transformation efforts
  - 2) Reorienting and reskilling the workforce
  - 3) Reexamining where and how manufacturing happens
  - 4) Looking boldly to the future
- Per Iterable, 91% of brands plan to stay focused on the **trust-building strategies** they developed last year based on the pandemic and the social unrest. Key focus: trust building, crisis-driven communications, and empathetic marketing.
- Per Advertising Production Resources (APR), the benefits of moving to **one global production agency/network**:
  - 1) Cost efficiency: A global rate card with transparency of production and post-production spend
  - 2) A dedicated team immersed in the world of the client and their brands
  - 3) An in-house team who can cover a range of specialist TV admin services (as required), rather than local markets trying to manage
- A student (Ashley Xu) produced a high-quality **Sprite ad** in her college dorm room that went viral on the video-sharing app TikTok, scoring 16.6 million views and 4.5 million likes, showing the possibilities of low-cost production ideas.
- **Mastercard** automated its production data collection, spending, and reporting via AI technology, working with content production consultancy PostAds Group and cloud-based platform Prodigy. The solution replaces the legacy email communication bidding practices with suppliers and eliminates the manual quarterly process of aggregating global production data from disparate sources from 40+ countries.
- Per the ANA, **Mastercard’s** goals to improve its production data aggregation process were to:
  - 1) Leverage existing agency-supplier email communication and not force a change in this critical part of the process
  - 2) Centralize all production spend data on a cloud-based tool
  - 3) Centralize all data entry and maintain 100 percent data integrity
  - 4) Report on production spending in real-time for actionable business intel, strategy, and cost savings
- **Twitter** identified six macro conversation themes after organizing and analyzing billions of Tweets over a period of two years: well-being, creator culture, everyday wonder, one planet, tech life, and my identity.
- Jeans and apparel retailer **American Eagle Outfitters** launched a new augmented reality shopping guide on Snapchat, targeting Gen Z With ‘Outer Banks’ Stars and Snapchat to launch its new spring campaign.
- **MDC Partners agencies** created seven Super Bowl LV spots:
  - 1) Jeep | Doner
  - 2) NFL | 72andSunny
  - 3) Jimmy John’s | Anomaly
  - 4) Indeed.com | 72andSunny
  - 5) Vroom | Anomaly
  - 6) Oatly | Forsman & Bodenfors
  - 7) NFL | 72andSunny
- Agencies increasingly set up **virtual war rooms** (using virtual workspace and virtual conferencing tools) around real-time social media campaigns for major events like the Super Bowl.
- Per Farmer & Company LLC, agency two-person creative teams have seen their yearly outputs increase from 25 **briefs** per year to over 500 per year during the past decade (including FB posts, Instagram ads, deliverables, etc.).
- **P&G** launched an internal program dubbed Growth Works a while ago, assigning a team of in-house development experts to partner with brand marketing leads to promote lean innovation, resulting in a few innovative concepts (from a current list of 180 projects): Oral-B iO electric toothbrush and smart baby monitor system Lumi by Pampers.
- **Comscore** agreed to provide privacy-safe e-commerce and audience behavioral data through Comscore’s Activation suite to Omni, the marketing operating system that supports Omnicom’s global network of agencies, the first time an agency holding company has had access to this data set.

**Noteworthy quotes:**

- » “It’s awesome to see that the creative process is no longer limited. As much as larger productions have fantastic benefits for brands, we don’t always need a traditional channel to express our creativity, thoughts, ideas or beliefs.” —Leslie Collin, Senior Planner Strategy and Insights, **VMLY&R**
- » “The change in business environment precipitated by COVID-19 has accelerated the need for brands to future fit their organizations. Naturally this includes a keen focus on e-commerce, customer experience, data, and technology.” —Stephan Loerke, CEO, **WFA**
- » “The environment has changed. It is 24/7, always-on. The days of briefing an agency and letting them get on with it for two or three weeks, and then rebriefing them [at a later date], those things have gone. You don’t have the time anymore.” —Sir Martin Sorrell, Executive Chairman, **S4 Capital**
- » “Clients don’t and shouldn’t have to care about agency disciplines.” —Colm Murphy, Chief Strategy Officer, **The&Partnership**
- » “The death of the third-party cookie will be front and center in 2021. Brands will need to heed two key consequences. One is a need to better prepare for the use of first party data and using their own channels to reach customers. The other is a shift to more contextual marketing, which continues to improve with AI.” —Meredith Ebel, Director of Strategy, **The Designory/eg+ Worldwide**
- » “Creativity lies as much in the making as in the concept. It’s a good time to be more experimental, as brands want to produce their content faster and cheaper.” —Guillaume Martin, Head of Strategy, **BETC Paris**
- » “AI will be the single biggest disruptor for marketing, or the single biggest anything for marketing.” —Raja Rajamannar, CMO, **Mastercard**
- » “There’s lots of advertising out there, but just like technology it can be used for good or bad. It can benefit the consumer or it can be annoying. We need examples of ingenuity that positively impact the customer, that make people feel good about what they see—compelling, trust-building advertising.” —Amir Malik, Managing Director of Growth Marketing, **Accenture Interactive**
- » “We’re sometimes guilty of being formulaic—it’s a cliché, but to win you must think outside the box.” —Christian Juhl, Group CEO, **GroupM**
- » “If you’re a force for good without growth, you’re philanthropy. And we’re not philanthropy. If you’re a force for growth without good, you’re a mercenary. We’re not that either. So it has to tie together.” —Marc Pritchard, Chief Brand Officer, **P&G**
- » “We increasingly see Apple as one of our biggest competitors.” —Mark Zuckerberg, CEO, **Facebook**

**ARTICLE: Tips on ‘Green Up’ Production**

Contributed by: Advertising Production Resources



**Celebrating the Supporters of Ad Net Zero**

As part of a coalition of dedicated advertisers and organizations, we are united together to push for Ad Net Zero—a UK initiative designed to drive the advertising industry’s carbon emissions down to “net zero” by 2030.

[Read more](#)

**Sustainability in Advertising Production: Actions Today for a Habitable Tomorrow**

Are you looking to implement more sustainable production practices, but aren’t quite sure where to begin? This article summarizes actions you can take today to reduce your carbon footprint in your advertising productions.

[Read more](#)



## FINANCIALS: Driving efficient use of resources



Expect the unexpected. The year 2020 will go down in history as we measure the spiral financial effect experienced across the ad landscape. As we look forward, we wonder how quickly world economies will recover. And what are the implications for advertising. Look at the earnings of major holding companies in Q4 and for full year 2020: significant decline in revenue as organic growth has weakened that ecosystem. Yet everyone is expecting a rebound this year. Major media companies expect an increase in ad spend exceeding 7% worldwide. Positivity is a new currency.

- Consensus outlook across major media firms (dentsu, GroupM, Magna, Zenith) shows a drop of **advertising spend** of 4.4% in 2020 but a projected 2021 increase of 4.3% in the US, and shows a drop of 6.2% in 2020 worldwide with a projected 2021 increase of 7.3%.
- Per Kantar, **Super Bowl advertising** revenue hit record levels—with \$545M in-game ad-spending (a 21% increase YOY) from 96 commercial spots and a record 57 minutes in total. The automotive ad category was the top spender with \$75M (14% of the total), followed by Premium TV and video streaming services and alcoholic beverage.
- Privately held company **Stagwell** recognized material weaknesses in Stagwell's internal control over financial reporting, and acknowledged working on fixing them as it approaches its merger with MDC Partners .
- Per CMO Council, 65% of CMOs aim to boost **tech and automation spending/investments** through 2021. 70% turn to automation to improve efficiency.
- Per Socialbakers, **2020 digital advertising** spend increased by 58.2% worldwide YOY, despite COVID-19 and thanks to a strong holiday season. 73.7% of total ad spend went to the main feeds on Facebook and Instagram in Q4.
- Per R3, **ad agency new business** revenue dropped 5.8% in 2020 (12% drop in creative and increase of 7% in media). WPP led the pack with new business revenue of \$607M, followed by Publicis Groupe (\$345M), Interpublic (\$320M), Omnicom (\$292M), dentsu (\$239M), Havas (\$154M), Accenture (\$97M), and MDC Partners (\$23.4M).
- Per GroupM, 10 **technology-centric companies** (Amazon, Alphabet, Booking, Expedia, Netflix, Facebook, Uber, eBay, Wish, and Airbnb) collectively spent around \$35 billion on advertising activities in 2019, accounting for 7% of ad spending. However, spending by this group fell by around 20% in 2020 (after a growth of 17% the year prior).
- Creative management platform **Ad-Lib.io** closed a \$12M Series A funding round in an effort to expand its US business.

## Mergers and acquisitions (M&A) activity:

- Per Ciesco, **M&A deals in the technology, digital, media, and marketing sectors** in 2020 accounted for a total of 1,091 transactions, a 19% decline YOY, for a deal value of \$55.9B, a 50% reduction YOY. The number of deals with values above \$1B dropped to 13 in 2020 (vs. 28 the year prior). The US and UK were the most active. Privacy equity firms dominated the space (37% of all activity). Most active buyer by deal volume: Accenture.
- Freelance platform **Fiverr** acquired Working Not Working to expand its service offerings to paid job opportunities for its members and to build a community of high-quality creatives.
- **Publicis** acquired B2B specialist and UK-based agency Octopus Group to boost its B2B capabilities, alongside Saatchi & Saatchi, Leo Burnett, and Digitas. Clients include Adobe, Siemens, Logitech, and Smartsheet.
- Media monitoring and media contact database services **Cision** acquired online consumer intelligence and social media listening platform Brandwatch for \$450M, creating a PR, marketing, and social listening giant.
- **Centro** acquired predictive advertising technology for digital media channels QuanticMind to offer a single platform to automate across all types of paid digital advertising. QuanticMind's platform relies on artificial intelligence (AI) and machine learning which it uses for search advertising management and marketing intelligence visualization.
- **WPP** acquired Brazilian digital innovation and software engineering company DTI Digital (DTI) to expand its presence in areas such as experience, commerce, and technology. Clients includes FCA, Gerdau, Serasa Experian, Hermes Pardini, Pottencial, and Bayer.
- Sell-side advertising platform **Magnite** acquired sell-side ad platform SpotX from the RTL Group for \$1.17 billion, creating the largest independent connected TV/video advertising sell-side platform for the programmatic space.
- **Roku** acquired Nielsen's Advanced Video Advertising (AVA) business. Meanwhile, Roku, Inc., and Nielsen announced a strategic alliance to shape the future of media measurement and TV advertising in a streaming-first market.
- Independent trading desk **AUDIENCEX** acquired digital marketing agency Bigbuzz Marketing Group to expand its services chops and content capabilities.

## Social media and holding companies' financial results:

- While experiencing double digit revenue growth, **advertising spend** in 2020 went down for Amazon (\$10.9B), Alphabet-Google (\$5.4B), and Netflix (\$1.4B), or -1%, -21%, -23%, respectively. Facebook increased ad spending (from \$1.6B to \$2.3B) for the same period, or a 44% increase.
- **dentsu Group** recorded a COVID-19-related \$1.37 billion impairment charge for full-year 2020 leading to an operating loss for the year of \$1.3 billion. Revenues for the year fell 10.4% to an estimated \$8.9 billion with an organic revenue slide of 11.1%.
- **Omnicom Group** reported a 9.3% revenue drop to \$3.8 billion and an organic revenue drop of 9.6% in Q4 2020. For the full year, revenues dropped 11.9% to \$13.2 billion with organic revenue down 11.1%. While advertising (creative/ media) was down 12%. Healthcare was the best category performer (3.3% organic growth YOY).
- **Interpublic Group of Cos.** (IPG) reported a 6.1% revenue drop YOY (or \$2.28 billion) and a 5.4% drop in organic revenue in Q4 2020, mostly driven by a drop in international markets (10.5% compared to the US at minus 1.8%). For the full year, net revenue dropped 6.5% to \$8.06 billion while organic net revenue decreased 4.8%. E-commerce, connected commerce, media planning and investment, and health care were strong categories. The company reduced its headcount by 7.6% in 2020.
- **MDC Partners** reported a 14% drop in Q4 revenue (\$328 million) and a 15% decline for full-year 2020 revenue (\$1.2 billion). Q4 organic revenue declined by 13.7%, while the full-year decline was 13.9%. MDC is projecting organic growth of between 7% and 9% for 2021.

- Social media platform **Twitter's** advertising revenue exceeded \$1 billion in Q4, a 30% year-over-year increase, with operating income up 65% or \$252 million, despite costs rising over \$1 billion. For the full year, revenue was \$3.7 billion, or a 7% increase YOY. The firm plans to grow headcount by 20% in 2021.
- Similar to Google, **Facebook** announced it will invest \$1 billion in the news industry over the next three years (the firm has already invested \$600M since 2018), following the company's showdown with the government of Australia.

### Noteworthy quotes:

- » "A note to all agencies, I have zero interest in cheaper, more effective, better return on investment, yes! But I don't do 'Cheaper'." —Barry Byrne, Global Head of Marketing and Retail Procurement, Adidas
- » "The operative question for a client to ask of their agencies is, "How and when will our rates be adjusted to reflect the savings related to your remote work model?" —Cliff Campeau, Principal, **AARM**
- » "Net-net, when we come out of Covid-19 my prognosis is that marketing spending will go up across industries. Every company has pulled back. As an industry we pulled marketing dollars back by almost 30% last year. That's going to come roaring back." —Raja Rajamannar, CMO, **Mastercard**
- » "Advertisers that have reduced their budgets obviously need to collaborate with their agency partners on revised scopes of work and remuneration programs that reflect new spend levels." —Cliff Campeau, Principal, **AARM**

Check out our whitepaper and best practices guide on "**Building the Right Agency Management Team**":

What advertisers must consider in building the right competencies and resources to support marketing and agency partners.

## BEST PRACTICES GUIDE

# Building the Right Agency Management Team

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



Performance should be measured in objective terms. The Super Bowl event prompted many creative directors, experts, and trade pubs to vote for their favorite ads, which is, of course, subjective but still insightful. Beyond that, not all advertisers will share the measurable success of their campaigns publicly. Yet, the ad industry focus remains on building new, more elaborate tracking and measurement capabilities to make performance highly effective. Innovation in AI, automation and programmatic, and the use of first-party data has fueled massive investments and M&A activity. Companies like Disney committed to automate over 50% of their ad network through their DRAX offering within five years. The race is on to build the scalable infrastructure needed for a more accountable advertising world.

- Per Ad Age and iSpot.tv, the **56 Super Bowl 2021** advertisers generated 6.31 billion TV impressions, 26 million earned online views, and they garnered 63.95 billion social impressions. Mountain Dew captured the largest “share of voice” (21.78%) followed by Amazon Echo (13.95%), and Jeep (10.64%).
- Per Ad Age, best (3+ stars) **Super Bowl LV commercials** were:
  - 1) M&M’s, “Come Together” by BBDO New York
  - 2) GM, “No Way, Norway” by McCann Worldgroup
  - 3) Doritos, “#FlatMatthew” by Goodby, Silverstein & Partners
  - 4) Dexcom, “Rant” by Marcus Thomas
  - 5) Indeed, “The Rising” by 72andSunny
  - 6) Bud Light, “Bud Light Legends”
  - 7) State Farm, “Drake from State Farm” by The Marketing Arm
  - 8) Mtn Dew, “Mtn Dew Major Melon Bottle Count” by TBWA/Chiat/Day New York
  - 9) Tide, “The Jason Alexander Hoodie” by Woven Collaborative
  - 10) Toyota, “Upstream” by Saatchi & Saatchi
  - 11) TurboTax, “Spreading Tax Expertise Across the Land” by Wieden+Kennedy
  - 12) Rocket Mortgage (Quicken Loans), “Certain Is Better” by Highdive
  - 13) T-Mobile, “Rockstar 5G” by Panay Films
  - 14) Huggies, “Welcome to the World, Baby” by Droga5
  - 15) Cheetos, “It Wasn’t Me” by Goodby, Silverstein, & Partners
  - 16) Verizon, “Can’t Blame the Lag” by McCann
  - 17) Amazon, “Alexa’s Body” by Lucky Generals
  - 18) Cadillac, “Scissor Hands-Free” by Leo Burnett
  - 19) Jeep, “The Middle” by Doner
  - 20) Anheuser-Busch, “Let’s Grab a Beer” by Wieden+Kennedy.
- Noteworthy Super Bowl fact: two highly praised ad spots were created **in-house** this year. Logitech, “Defy Logic” and Bass Pro Shops and Cabela’s.
- Per USA Today’s Ad Meter, the two 60-second ads from Rocket Mortgage and agency Highdive were voted **the first and second best of the Super Bowl ads by consumers.**

- **Gorilla Glue** sales jump as a result of an unsolicited social media windfall on TikTok, after Jessica Brown, nicknamed “Gorilla Glue girl,” captured the Internet’s attention with her “forever ponytail” after she used Gorilla Glue Spray.
  - ANA published an **Agency Search and Selection Playbook**, composed of multiple components:
    - 1) Conducting an agency search during a crisis
    - 2) Selecting a new agency
    - 3) Organizing for an agency search
    - 4) Deciding when to conduct an agency search—all authored by JLB + Partners’ David Beals
  - Per Resonate SVP Agency Sales Jonathan Ricard, the pillars of using **data to ignite growth** are:
    - 1) Expanding existing business
    - 2) Pitching new business
    - 3) Becoming a strategic business advisor
    - 4) Reducing silos with cross-team data adoption
  - Per media and marketing consultant ID Comms, 38% of advertisers believe that **media buy** dictates the plan, while 40% believe the media plan dictates the buy. 86% now believe auditing is a critical component of good media stewardship.
  - **Fred & Farid** produced FRIDAYS FOR FUTURE/1%. A wake-up call for 99% of humans on earth. Results: 100 pieces of press coverage, 3M views, +30K social media shares, +367K video views, and +720% YouTube subscribers.
  - **Nielsen** launched Identity Sync, a cookie-free identity resolution solution that relies on first-party data for cross-platform campaign measurement.
  - **Disney** launched a programmatic exchange, DRAX, as part of its commitment to automate more than half of its business and make the majority of its inventory—both linear and digital—addressable within five years.
- Awards:**
- Per the ANA, **Award Programs** advertisers should pay close attention to: B2 Awards, ANA International ECHO Awards, Multicultural Excellence Awards, REGGIE Awards, Email Experience Council (EEC) Awards, ANA Nonprofit Awards, B2B Hall of Fame, ANA Genius Awards, and ANA Rising Marketing Stars.
  - **Best of Tweets 2020** included Gatorade as best campaign for quenching our thirst for sports, Uber as best campaign for driving positive change, Ben & Jerry’s for best brand speaking out and standing up, DreamWorks Trolls for best campaign for connecting us from the couch, Verizon for best campaign for redefining home entertainment, HBO Westworld for best campaign from the future, Airbnb for best campaign for making us nostalgic, Chase for best campaign for making missing out memorable.
  - **YMLY&R Poland** bought Poland’s most popular porn magazine, teaming up with Gazeta.Pl, Mastercard, and BNP Paribas, and won multiple Lions by creating the last-ever issue and shutting it down, making it the first-ever porn magazine that challenged sexism and misogyny.

- Amazon’s Super Bowl spot “Alexa’s Body,” created by agency Lucky Generals won the **2021 Super Clio**, followed by Bud Light Seltzer Lemonade’s “Last Year’s Lemons” spot by Wieden+Kennedy New York. Other brands considered: Anheuser-Busch, DoorDash, General Motors, Huggies, Jimmy John’s, Rocket Mortgage, and Toyota.
- **2020 Creative Media Award winners:**
  - 1) Best in Show: The Punishing Signal by Lodestar UM & FCB India for Mumbai Police
  - 2) Member’s Choice: Porsche x Star Wars: The Designer Alliance by Cramer-Krasselt for Porsche
  - 3) Brand/Product Placement: Driving Record Ratings By Colliding Gamers And NASCAR Drivers by Mediahub for FOX Sports + NASCAR
  - 4) Influencer Marketing: Unexpected DJs x Diplo vs. The World by Goodby Silverstein & Partners for NCSOFT & Harmonix
  - 5) Film/Video: Proud Parent by 360i for OREO
  - 6) Business Media: Observability for All by Just Global for New Relic
  - 6) Content Marketing: Going From Broke by Crackle Plus for Crackle Plus
  - 7) Native Marketing: #InItTogether by J3 & Meredith for Johnson & Johnson/Johnson’s Baby
  - 8) Creative: I am Jimmy by MERGE for Dana-Farber Cancer Institute/The Jimmy Fund/MERGE
  - 9) Media Plan: Super Bowl by Anheuser-Busch for Bud Light Seltzer
  - 10) New/Emerging/Experimental Media: Cool Ranch Dance Off by Goodby Silverstein & Partners for Doritos
  - 11) Multicultural/LGBT Media: More Than a Vote by Open Influence—Sadler Strategic Media—More Than a Vote for More Than A Vote
  - 12) Social Media: More Than a Vote by Open Influence—Sadler Strategic Media—More Than a Vote for More Than A Vote
  - 13) And more...
- **Kantar** announced an integration with cloud-based Google Ads Data Hub to enable the measurement of ad campaign performance on YouTube across all devices without the use of third-party cookies.

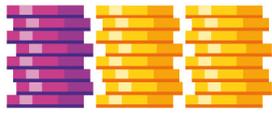
**Noteworthy quotes:**

- » “Legacy tactics or channels will become obsolete faster than ever, requiring marketers to constantly reinvent themselves.” —Bruno Cardinali, CMO, North America, **Popeyes Louisiana Kitchen Inc. (RBI)**
- » “We will apply magic to the logic. There is too much illogical siloing without a Sherpa to decipher when to use data intelligently.” —Paul Woolmington, CEO, **Canvas Worldwide**
- » “When a marketing team provides clear expectations for the work and high-quality feedback on the work, the creative team’s effort improves.” —Robin Boehler, Co-founder, **Mercer Island Group**
- » “We want to take money from ad agencies.” —Richard Edelman, **President and CEO, Edelman**
- » “There’s some brilliant stuff happening, there’s lots of space to explore and there’s always new territory that agencies could take us into. So long as we hold onto what our brands stand for and don’t outsource that to the agencies to steward, it gives us a bit more agility to find good ideas wherever they come from.” —Ivan Pollard, SVP Global CMO, **General Mills**
- » “Pay by deliverable” is an appropriate way forward, and it should become a strategic foundation for every client-agency relationship.” —Michael Farmer, Executive Chairman, **Farmer & Company LLC**
- » “Marketing cannot succeed unless business leaders in companies—whether it’s a CFO or CHRO or CTO or CEO—embrace marketing.” —Raja Rajamannar, CMO, **Mastercard**
- » “Take risks—smart risks. This industry has always rewarded the bold. I’m the data and technology guy that wants to build a perfect, detailed plan, but at a certain point, you have to take a leap.” —Christian Juhl, Group CEO, **GroupM**

Check out our whitepaper and best practices guide on “**SAP ARIBA + Agency Mania Solutions**”: Find out how one of the leading SRM platform and Agency Mania Solutions’ platform, especially a scope of work (SOW) tool like ScopeDeliver™ come together.



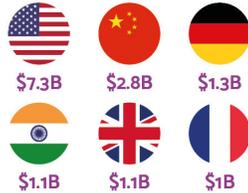
KEY FINDINGS AND INSIGHTS FROM CONVERGENCE  
FY 2020 MEDIA NEW BUSINESS BAROMETER STUDY



**\$22.2B**

REVIEWED GLOBALLY IN 2020

2/3 of the total volume concentrated in six countries



Agencies set up bespoke units to serve:

- Heineken (global),
- Henkel (Germany),
- Sanofi (global),
- Unilever (China)



**T10P** PITCHES & MOVES



**FY 2020 NBB GLOBAL RANKINGS**

AGENCY NETWORKS



MEDIA AGENCY GROUPS



**MEDIA PITCHES & REVIEWS 2021**  
\$10B IN PLAY ALREADY

**T5P** CONCLUDED PITCHES in Jan/Feb (\$3.4B)



**T5P** ONGOING REVIEWS (>\$7B)



Multimarket

Global

COMvergence is an independent and international research consultancy providing analysis and benchmarking studies of the advertising and media firms owned by the global holding companies, leading independent agencies, and management & IT consulting firms. Using quantitative and qualitative measurement metrics, COMvergence provides high-quality reference data, guidance and support for MarCom professionals across all levels and titles. COMvergence partners include the American Association of Advertising Agencies (4A's), World Federation of Advertisers (WFA), Nielsen and Kantar, among others.

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COMvergence worldwide

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Issue 54



**TALENT: Securing the right talent and resources**

The Oprah Winfrey interview of Prince Harry and Meghan Markle, the Duchess of Sussex, received much attention, especially as the topic of racial injustice remains a priority for consumers and brands alike. Developing an equitable supply chain in our industry for marketing and advertising investments is not only morally and socially right, but it also contributes to innovation, improved messaging, and cultural relevancy. Diversity and inclusion remain a top priority for brands and agencies alike. Are you tired? As it relates to talent, the notion of burnout seems to also gain momentum as a result of the WFH phenomenon, with no clear boundaries and always-on pressure. Per Sitecore, 59% of marketers wanted to quit their job at least once in 2020, 80% saying their responsibilities increased a great deal.

- Per Ad Age Datacenter, **overall worldwide headcount** fell 5.8% at the five major holding companies (22,000 jobs) in 2020, ranging from an 8.4% reduction in headcount at Omnicom Group to a 2.8% decrease at Dentsu Group. The combined worldwide headcount was 358,663 by year end.
- Optical brand **Oakley** signed its first professional eSports player, “Call of Duty” champion Seth “Scump” Abner as its first eSports athlete, who will wear Oakley eyewear during all competitive matches and gaming live streams.
- Ascential’s **Cannes Lions** organization decided that the 2021 Festival of Creativity (held in June) will be a fully digital event for its second straight year.
- **WPP** was named a leader among commerce services providers by Forrester Research. It’s the first time the holding company joins Deloitte, IBM, and Accenture, citing global or multi-business unit commerce architectures; emerging commerce touchpoint services; commerce experiences supporting services; privacy and compliance; program management; vision; and partner ecosystem.
- **WPP** announced that it employs 13,500 commerce services experts across the world, working for clients that handle over \$30 billion of online transactions annually, offering commerce media, social commerce, commerce platform development, marketplace management, and shopper marketing. WPP works in collaboration with its partners across all major commerce technology platforms including Adobe, Amazon, Alibaba, Salesforce, SAP, Shopify, and Sitecore.
- Per **American Association of Advertising Agencies (4As)**, 92% of agencies rated the health of their relationships with top clients as “healthy” or “very healthy.”
- Digital media platform **Reddit** (strong of 52 million daily active users) and Omnicom Media Group formed an “enterprise partnership,” which deepens their relationship in an effort to grow advertising on the site.
- Per R3, there are four common challenges when **integrating marketing and procurement functions**:
  - 1) Articulating the role of procurement within marketing,
  - 2) Embedding procurement within marketing,
  - 3) Developing the right marketing procurement team,
  - 4) Managing the agency dynamic.
- Retail giant **Walmart** hired the former head of Disney Parks’ in-house creative agency (Jean Batthany) as its first chief creative officer. The executive led and championed creative, innovation, design, and digital integration at Yellow Shoes, the 250+ person in-house agency for Disney Parks, Experiences, and Consumer Products.

**New agency or capabilities, restructuring, and reorganizations:**

- Shaquille O’Neal launched Atlanta-based **Majority**, an independent, creative marketing agency to offer services which include advertising, branded entertainment, product innovation, and experiences as well as art and activism. The basketball celebrity is partnering with advertising veteran and ex-Momentum executive Omid Farhang.
- **Dentsu’s iProspect** rebranded itself as an end-to-end global media shop that combines the best of performance marketing with brand building, following its merger with Vizeum in November. The entity combines digital expertise, audience knowledge, and performance mindset and capability with brand building, media strategy, planning, and storytelling. The new agency has 8,000 employees in 93 markets.
- New production house **Wild Gift** launched to provide branded content on all platforms, working with award-winning directors. The founders, two commercial production veterans, claim having access to unique talent.
- New BtoB agency **ContentOvation** launched to help brands engage with compelling and engaging content via email and other channels to inform and guide purchase decisions.
- Media-buying data processor **Hudson MX** introduced a new cloud-based media accounting platform, FinanceAssist, for advertisers and agencies to customize media buys based on individual organization and client needs.
- Three new shops launched with the help of former Richards Group employees following a well-publicized scandal (e.g. racist remarks) involving its CEO that rocked the agency and led to many client losses. The new start-up agencies are: **Plot Twist Creativity, Baker & Bonner, and Trace Element**.
- **Havas UK** launched a ‘Retail Accelerator,’ bringing together capability from three of their UK agencies to deliver actionable, business-focused results, combining cross-agency expertise in brand and loyalty across retail.
- **WPP** revamped its data operation and will invest +\$200 million over the next few years in new data operation capabilities (in areas such as analytics and artificial intelligence) and new acquisitions under its media agency network GroupM. This is all in an effort to centralize its many existing data resources that are scattered across its portfolio of agencies.

- Stagwell Group launched **Koalified**, a new end-to-end platform developed by Stagwell Technologies in collaboration with consumer marketing agency MMI Agency, designed to streamline and simplify the relationships between influencers (currently 300+ personalities on Instagram, Facebook, Twitter, YouTube, blogs, TikTok, Pinterest, etc.), brands and agency partners with a single view — from briefs to rate negotiations, contracting, and content creation.
- **Epic Games** (the creator of Unreal Engine and Fortnite) and Sir Martin Sorrell's S4 Capital's MediaMonks joined forces to disrupt production, high-end shoots, and shoots using Unreal Engine. MediaMonks is to open a new office in New Delhi.
- Independent, minority-owned shops Gallegos United and media shop Crossmedia joined forces and launched **United-X**, a new media agency within their offices in NYC and California aimed at multicultural audiences. Both firms will continue to operate independently as well.
- **Disney** merged its branded TV and National Geographic marketing and publicity teams into one agency organized around functional expertise. The agency oversees creative marketing, publicity, media planning, events, talent relations, and award strategies for all content created for Disney+ and the Disney and National Geographic networks.

### Diversity and inclusion:

- A 2017-2019 **Deloitte study** measured the ROI of diversity and demonstrated the stock price of diverse brands performed 69% better than their counterparts. Consumer preference scores were 83% higher.
- Per the **American Association of Advertising Agencies (4As)**, Black and African American employees made up 5.8% of the agency business, and 68% of them held administrative or entry-level roles last year. 59.5% are female.
- ANA's AIMM released an update of **their list of diverse suppliers (ana.net/diversesuppliers)** featuring 221 companies — agencies, production, promotion, research, technology, media, and more. Tech companies include: 3DUS, Reset Digital, SideBench Studios, SmartBased Solutions, VisioneerIT, World Wide Technology.
- **Mediahub** hosted its own diversity-owned media virtual event to push for more equitable brand spending with diversity-owned publishers. The event featured six BIPOC- and LGBTQ+-owned digital publishers (Black Girl Digital, Being Latino, Blavity, Gay Ad Network, NGL Collective, and Colossus SSP).
- **ANA's Alliance for Inclusive and Multicultural Marketing (AIMM)** published the Anti-Asian Hate toolkit which includes key actions, tools, and research to help provide a safe haven for the AAPI community.
- **IPG's R/GA** shared its US diversity data for Q1 2021: women talent accounts for 53.5%. POC talent is 36% (mostly Asian 13.8%, Hispanic 9.6%, and Black 7.5%). Black representation in executive leadership has increased from 2.5% to 6.3%
- **P&G** launched an initiative 'Widen the Screen' to increase Black representation in the film, TV, and ad industry, across all touchpoints of the creative process, as a follow up to prior work including 'The Talk,' 'The Look,' and 'The Choice.'
- **World Federation of Advertisers (WFA)** published an open-source guide, co-developed by members of its Diversity and Inclusion Task Force, to improve diversity and representation throughout the creative process.
- Carmaker **General Motors Co.** pledged to increase its spend on advertising with Black-owned media companies, starting with 4% of its U.S. advertising spending on Black-owned media companies by next year, and would boost that level to 8% in 2025. The brand is presumed to spend less than 0.5% of its advertising in Black-owned media currently.

**Note:** AMS proudly joined the pledge from the ANA's AIMM (<https://www.anaaimm.net>) and took a stand against hate and violence targeting the Asian, Asian-American, and Pacific Islander (AAPI) community, alongside many other leaders in our industry. We all need to unite against violence or hate crimes (#SeeALL).

### Noteworthy quotes:

- » "We are still focused on strong creative talent and strong strategists. What we need more of is people who are able to see the whole picture for clients." —Mark Read, CEO, **WPP**
- » "We're not an ad tech or martech company. We're part of the service layer." —Sir Martin Sorrell, Executive Chairman, **S4 Capital**
- » "Yes, to help create a more equitable world, but also on the thesis that diversity is the ultimate competitive advantage for culturally disruptive creativity." —Omid Farhang, Founder, **Majority**
- » "The biggest hurdle in virtual pitching is not how to create moments of theater but how to telegraph energy." —Alex Sturtevant, Director of Brand, **Stink Studios**
- » "The world can't revolve around Zoom alone. Humans are social creatures." —Michael Duda, Managing Partner, **Bullish**
- » "Change can only happen through clear KPIs." —Anne Joffre Bonnaille, Senior Director of Equity and Inclusion in Advertising, **P&G**
- » "We now work with 76 of our top 100 clients on eCommerce, and we believe the recognition of WPP as a leader in commerce services further strengthens our position as the global omnichannel partner of choice." —Mark Read, CEO, **WPP**
- » "When the going gets tough, clients turn to agencies to be their partners." —Marla Kaplowitz, CEO, **4As**
- » "Evolving our recruitment approach is a strategic growth driver, and meaningful candidate-centric recruiting with a focus on diversity is critical to the future success of our creative network." —Stephanie Nerlich, CEO, **Havas Creative, North America**
- » "The differentiator is not co-location, but how the in-house agency integrates with the organization." —Simon Martin, founder and CEO, **Oliver**

- » “One of the ways we’re re-imagining the workspace is sort of as a creative workshop and less as an office space.” —Katie Longmyer, Managing Director, **Mother New York**
- » “There’s no doubt that we’re moving toward a more flexible future, where work and life obligations are even more seamlessly interwoven. We also can’t forget that we’re social creatures.”  
—Emma Armstrong, President, **FCB New York**
- » “From a credibility perspective, for ease of work, location mattered. I would say that’s the exact opposite today. What this has shown us is you can tap talent wherever it is.” —Matt Fischer, CEO, **Curiosity**
- » “It’s not about being perfect, it’s about progress. When you can recognize and acknowledge there’s a problem, then you can go ahead and do something about it. We want to normalize equality.”  
—Damon Jones, Chief Communications Officer, **P&G**
- » “The commitment to fair representation doesn’t end once the creative is complete.” —Dale Green, Global Brand Director, **Mars**
- » “Somebody explained it to me as diversity is like being invited to the dance, but inclusion is being asked to dance. That is just such a great symbol of what inclusion means. That invitation to be part of that workplace family is profoundly important.” —Bob Liodice, CEO, **ANA**
- » “New commercial models must leverage automation to evolve our business. How do we scope time and materials when it might be more efficient to use products instead of people? Time and materials incentivize agencies to resist innovation and the ‘future of work,’ prioritizing talent over technology when we need to blend talent with technology.”  
—Julia Hammond, President, **MDC Global**
- » “We need more people who can understand what is happening at Amazon and Adobe and Salesforce... broad-based marketing technology and experience on eCommerce and technology platforms.”  
—Mark Read, CEO, **WPP**

## Company profiles:

- **Traction** (<https://www.tractionco.com>) is a small, independent San Francisco-based interactive agency that “fully engages every medium necessary to transform human behavior into consumer action.” Services range from strategy and insights, creative and media, technology and operations with a focus on data, speed and efficiency, and enhancing client’s in-house team with talent. Clients include Apple, Adobe, Bank of America, Dolby, Salesforce, Walmart, Lenovo, MGM Resorts, and more.
- **Code and Theory** (<https://www.codeandtheory.com>) is a strategically-driven, digital-first agency that lives at the intersection of creativity and technology. The agency is part of Mark Penn’s Stagwell Group. Services include transformational technology, data analytics and research, services/platforms/products, business and organizational consulting, and integrated marketing with offices in NYC, San Francisco, London, and Manila. Clients include The Atlantic Broadband, Con Edison, MetLife, JPMorgan, NBC News, and more.
- **Heart and Soul Marketing** (<https://goheartandsoul.com>) is a small, independent, minority-owned (Native American), Phoenix-based agency that provides a full suite of advertising services ranging from brand strategy, creative, PR, media planning/buying, social, web, and video, to brands and non-profit organizations like Activate Food Arizona. Clients include Dial, Church & Dwight, Hotels.com, Starbucks, Virgin Hotels, Energizer, MillerCoors, P&G, Helia Care, Fiorucci.
- **Blue Chip** (<https://bluechipww.com>) is an independent, Chicago-based creative marketing agency and shopper marketing agency which “offers the talent and scale of a holding company, with the urgency and ownership of a private agency.” Services include research, strategy, brand, creative, media, and shopper. Clients include Braun, Heinz, Molson Coors, Jack Daniels, Honeywell, Wonder, P&G, and others.

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As we learn to work and operate in a COVID world using video conference technology and online collaboration tools, agencies and clients ask themselves: What types of tasks, discussions, decisions, and collaboration require physical presence? Zoom fatigue is gaining momentum, and everyone is looking for more productive and efficient ways to get work done. For the first time, this year's April Fools' Day was a risky proposition with few people eager to laugh. Some brands like Volkswagen were even forced to deny reports that it intended to change its name to 'Voltswagen.' Others had fun with it. Hope you had a prank-filled April Fools' Day. One of my favorite ones this year was by MediaPost: "P&G Agrees to Acquire Publicis Groupe."

- Among top **April Fools' Day ads**: BMW of North America and Goodby Silverstein & Partners shot a short film tricking viewers into believing that its BMW car was fully autonomous. Burger King announced the 'Chocolate Whopper'—a flame-grilled beef patty topped with fresh juicy tomatoes and onion, dressed in a layer of rich... chocolate. Mike's Hard Seltzer launched a 'Naturally Good' flavor using charcoal, flaxseed, and kale. To name a few.
- Fast-food giant **Burger King U.K.** deleted a post with an apology, following a widespread backlash, after tweeting "Women belong in the kitchen," coinciding with International Women's Day. The ad campaign aimed at bringing awareness to a lack of female chefs.
- The **National Football League** signed an historic contract giving Amazon.com, Inc., exclusive rights to Thursday football broadcasts (CBS and Fox will continue to carry daytime games on Sundays), a first for a streaming company.
- Per the Winterberry Group, 82% of in-house agencies reported that their **workloads** had increased significantly in recent months, mostly due to COVID-19.
- Dentsu released "**The Age of Inclusive Intelligence**," a study looking at evolving consumer trends and behaviors through the next decade (out to 2030), based on in-depth interviews with futurists, academics, authors, and other experts as well as proprietary consumer surveys covering 20+ countries and more than 30,000 people.
- **Walmart**, Waze, and Mindshare came together to build a media ecosystem centered around the customer, connecting with 12 million on-the-go consumers during decisive micro-moments and increasing navigations 17% compared to last year in just one month, with 48,000 reported store visits.
- New York-based health club and fitness brand **Equinox** launched a new campaign called "Welcome Forward" including a video featuring Olympic fencer Miles Chamley-Watson, produced by its in-house agency.
- Intel's **#GoPC campaign** from VMLY&R featured Justin Long, once the face of Mac in 66 commercials titled "Get a Mac," turning the table on the classic campaign featuring Intel's chips and promoting PCs.
- Fast-casual chain **Chipotle Mexican Grill** gave away \$100K in free burritos and \$100,000 of bitcoin cryptocurrency for National Burrito Day (April 1). Customers must guess the six-digit passcode on its "microsite" to unlock the prizes.

- **IPG Mediabrands and TikTok** joined forces to build an exclusive creator program that will further connect brands with culture. They are forming a bespoke Creator Collective, bringing together talent to ensure the "content is culturally connected, inclusive, and resonates with the TikTok community."
- Per Joy Mead of Blue Chip, **5 tips for a successful agency partnership**:
  - 1) Score your agency relationship
  - 2) Get outside perspectives (what are your business challenges?)
  - 3) Develop a bulletproof brief together
  - 4) Give the agency time to be awesome
  - 5) Be honest about the budget

**Noteworthy quotes:**

- » "Being overly rehearsed can fall flat in person, and over Zoom it's a disaster. The best pitches naturally turn into conversations. The worst feel like webinars." —Alex Sturtevant, Director of Brand, **Stink Studios**
- » "We can pitch business anywhere in the U.S. and anywhere in the world. COVID has been the great equalizer for small agencies and new business." —Ruth Bernstein, founder and CEO, **Yard NYC**
- » "If you want to see the future, look to China. China is where there is transformation happening. The market flipped a few years ago from the old brand-building model to a digital ecosystem, from bricks and mortar to eCommerce." —Marc Pritchard, Chief Brand Officer, **P&G**
- » "There's something about when you're super close with clients, so much happens outside the meeting room in terms of the side conversations." —Trish Adams, President, **Opinionated**
- » "Creative thinking is impacting every aspect of agency business for the better. From campaign work, to gaining market share, to strengthening agency-client relationships, this prolonged time of crisis has posed its challenges, as well as opportunities to learn how to work smarter and make a real impact." —Marla Kaplowitz, CEO, **4As**
- » "In many ways, it's more personal talking to people in their dining rooms or kitchens or wherever people are working from," —Mark Read, CEO, **WPP**
- » "The office actually needs to become an experience." —Rob Lambrechts, Chief Creative Officer, **Pereira O'Dell**
- » "We want maximum flexibility based on the job/work to be done. From there, we'll bring the right people together to get to the best creative outcome in the fastest, most efficient way." —Marc Pritchard, Chief Brand Officer, **Procter & Gamble Co.**
- » "The pandemic has put marketing more squarely back in the middle of a company's operations, and that data and analytics have become a bigger piece of the marketing puzzle." —Ivan Pollard, Global CMO, **General Mills**
- » "Much like our own human, personal relationships, we know that where there is greater transparency and trust, there are stronger, healthier ties." —Joy Mead, EVP, General Manager/Business Leadership, **Blue Chip**

## FINANCIALS: Driving efficient use of resources



Not everyone is hurting... In the first quarter, Nasdaq welcomed a record-breaking 275 IPOs to our exchange, raising \$74.4 billion in total proceeds. Three-year-old London-based digital marketing company S4 Capital reported 15.2% revenue growth last year when most holding companies suffered, indicating that growth is possible when you make the right strategic bets. The firm led by Sir Martin Sorrell added clients and acquired agencies in high-value/ growth services like digital marketing, analytics, and eCommerce (Digodat and Circus Marketing) and Amazon.com, Inc., focused-shop Orca Pacific, and Toronto-based design shop Jam3, Inc. S4 Capital is not alone. Stagwell Group, which is preparing to merge with MDC Partners, also grew 41.3% YOY.

- Per eMarketer, **Amazon's** share of the U.S. digital advertising market reached +10% for the first time in 2020. The eCommerce giant's ad business grew 53% YOY to \$15.73 billion. Amazon's U.S. ad business is expected to grow another 30% and exceed \$20 billion for the first time, and possibly \$30 billion by 2023. Amazon's search advertising is expected to reach \$14.53 billion this year (19% market share).
- Per Magna, the **advertising industry's total revenues** will increase 6.4% to \$240 billion in 2021, an increase over prior projections (+\$10 billion), driven verticals such as travel, automotive, drinks, and entertainment. GroupM updated its U.S. advertising outlook for 2021, expecting total ad spending to expand +9% over 2021.
- Per the Interactive Advertising Bureau (IAB) and PwC, **internet ad spending** increased 12.2% during 2020 to \$139.8 billion, with the 2nd half of the year being more than a rebound with double-digit growth.
- Per GroupM, the big tech "**triopoly's**" (**Facebook, Amazon, and Google**) share of the digital advertising market climbed from 80% in 2019 to 90% in 2020 as consumers and brands shift to online and eCommerce.
- Despite being famous rivals and aggressive competitors, **Apple** and **Google** maintain behind the scenes a deal worth \$8 billion to \$12 billion a year, per the U.S. Department of Justice.
- **AT&T's HBO Max** committed \$80 million in upfront advertising to invest further in the entertainment platform and rising subscription video-on-demand service. Strong of 61 million HBO worldwide subscribers, WarnerMedia will release 18 theatrical movies on HBO Max at the same time as in theaters.
- As part of its cost reduction efforts, **WPP** sold 60 businesses (or stakes in companies) in 2020 or the equivalent of \$4.9 billion. It merged 100 local offices worldwide and closed 80 business units, reducing its debt by +\$5.5 billion.
- Strong of 13,500 commerce experts, **WPP** designed, built, and managed client sites that handle more than \$30 billion of online transactions annually, including \$10 billion on Amazon.
- The Association of National Advertisers (ANA) created a **Vendor Consolidation Checklist** to highlight key vendor contracts, assess current vendor relationships, and negotiate better terms.
- **Google** blocked or removed 3.1 billion ads from its platform worldwide last year for violating hate speech, fraud, and other policies and placed restrictions on 6.4 billion ads that were deemed "legally or culturally sensitive."
- **Less office space:** The two largest U.S.-based agency holding companies (Omnicom and IPG) cut 2.7 million square feet of office space: 1.7 million at IPG and more than 1 million at Omnicom.
- Per Forrester, **channel software tech stack** in 2021 includes 183 companies, or \$2.8 billion in software revenue, and is expected to reach \$5.7 billion by 2026.
- **Omnicom's OMD** added \$1.429 billion in new billings in 2020 while also retaining \$578 million in existing business, for a combined win total of \$2.02 billion—the highest for any media agency last year.
- Per investment banking firm Berkery Noyes, **media and marketing M&A transactions** improved 13% over the past three months, from 270 to 303, but aggregate value declined 40%, from \$26.4 billion to \$15.8 billion.

## ARTICLE: Driving DE&I in Advertising Production

Contributed by: Advertising Production Resources



Key takeaways from leading experts in DE&I on how brands and agencies can implement real changes in their production—including some of the challenges you may encounter, direct initiatives to implement today, and thoughtful considerations for the future.

[Read more](#)



## Mergers and acquisitions (M&A) activity:

- **WPP-owned Wunderman Thompson** acquired Edinburgh-based NN4M, a leading mobile commerce partner for global brands which provides connected, experience-driven solutions across mobile and in-store channels and builds bespoke commerce applications across touchpoints, including smartphone, tablet, apps, and in-store experiences.
- **VICE Media Group** acquired brand consultancy PLTRMR which has been focused on “defining, designing and developing” brand platforms for clients, using a proprietary, modular suite of strategic tools. The combined entity will also have publishing and production as core capabilities.
- **Connelly Partners (CP)** acquired Vancouver-based VRX Studios, a content studio specializing in the hospitality industry with offices in Boston, MA, and Dublin, Ireland. It recently launched Studio M, a new wellness-focused practice.
- Private equity firm **Vista Equity Partners** acquired Ad-tech company TripleLift which utilizes computer vision and machine learning to optimize digital creative and media buys.
- **Beekman Associates**, the UK-based developer and provider of the data-driven marketing procurement platform RightSpend was acquired by mid-market private equity investor LDC for £17 Million (\$23M) in September 2020. RightSpend is claimed to assess £8+ billion of marketing spend annually and save 10-20% on average.

## Social media and holding companies' financial results:

- **WPP** reported a net revenue decline of 10% to £9.762B (\$13.6B) in 2020 and cut headcount by 6.5%. Organic revenue declined by 8.2%. The holding company is projecting to return to positive organic growth in 2021. Agencies like VMLY&R performed strongly. GroupM's billing mix increased from 38% digital to 41% YOY. New business wins totaled \$4.4 billion—Intel (global creative), HSBC (global creative), Unilever (China media), and WW (global creative and media). WPP reported 40% more new business in 2020, a conversation hit rate of 45%- 50%.
- **Havas Group's** net revenues declined 9.2% to \$2.46 billion in 2020. Full-year organic revenue declined by 9.9%. Holding company expects to return to growth in 2021. Havas Media brought in new business from Telefonica, Sanofi, 3M, Europcar, and others. Other recent client wins included Epic Games, Tetra Pack, and PMU, including assignments from AbbVie, Astellas, AstraZeneca, Novartis, Pfizer, Roche, and Sanofi for its healthcare-focused Havas Health & You.
- **MDC Partners** reported revenue of \$328.2 million (14.1% reduction) and \$1.20 billion for the year (a 15.3% reduction) despite \$90 million in new business—Jimmy John's, Hotels.com, Netflix, Indeed, Yeti, Skyy Vodka, Behr Paint, etc. The holding company also reported an organic revenue drop of 13.7% for the quarter and 13.9% for the full year 2020. MDC Partners reduced headcount by 781 employees YOY and reported \$136 million savings in staff-related costs.

- **Stagwell Group**, which is preparing to merge with MDC Partners, released its first public earnings report, showing revenue of \$888 million in 2020, up 41.3% YOY. Organic revenue grew 29.1%. Political spending for the 2020 elections contributed to the company's performance.
- **S4 Capital** reported 2020 revenue of \$404.46 million, up 59% from 2019, as a result of acquisitions and growth within its production firm MediaMonks BV and digital marketing shop MightyHive. Over 50% of its revenue comes from clients in the tech industry. The firm doubled its employees in 2020, now reaching 4,400 employees in 31 countries. The firm reported a margin of \$85.7M or 21.1% margin, driven mostly by content, data, and digital media.

## Noteworthy quotes:

- » “Globally, the five biggest agency groups saw an organic decline of 8.1%. This was better than many of the world's largest TV network owners and was surprisingly better than 2009, when the group declined by 8.4%.” —Brian Wieser, Global President, Business Intelligence, **GroupM**
- » “We are long overdue for a change to the compensation model. And there couldn't be a better time than now to shift our partnerships to be contingent on performance.” —Julia Hammond, President, **MDC Global**
- » “Over 65% of marketing agencies suffered a decrease in overall revenue, so you had to work tirelessly to keep your agency afloat. You found new clients to replace the revenue lost from paused ones, got your team settled into a work-from-home rhythm, and scrambled to apply for available government assistance. You hosted Zoom happy hours and learned how to navigate new technological systems. So, let's start out with a round of applause: You made it to 2021, and your agency is still functioning.” —Drew McLellan, Top Dog, **McLellan Marketing Group**
- » “In 2021, the American advertising industry is poised to regain all that it lost in 2020 and more. Excluding the impact of political advertising, we forecast the industry will grow by 15% this year.” —Brian Wieser, Global President, Business Intelligence, **GroupM**
- » “We all know you can't cut your way to greatness, but when agency compensation models condition us to sell time and materials, we are not incentivized to invest or reinvest in the talent, tools, and technology that make our services more valuable.” —Julia Hammond, President, **MDC Global**

Check out our new case study on our SaaS solution “**ScopeDeliver™**”: Toyota Motor Corporation used **ScopeDeliver™** to streamline data entry by agencies, improve transparency and drive stronger, more productive collaboration.

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# Case Study

## Learn how Toyota was able to improve transparency end-to-end, from the planning process through reconciliation with ScopeDeliver™.



- Better insight on costs, staffing and deliverables
- Faster, improved decision-making
- More effective use of agency resources

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### PERFORMANCE: Driving stronger performance and value from the partnership

Success is highly subjective these days. Every financial or performance challenge seems mild when you get reminded of Stefan Thomas's unfortunate situation. The successful German-born programmer and founder/CEO of tech firm Coil lost the password to a digital wallet that holds 7,002 Bitcoin (estimated to be worth +\$400 million based on current bitcoin value). If Bitcoin had an award ceremony, would he be invited? The first part of Q1 is the opportunity for many awards to celebrate top-performing agencies and brands. Burger King was the most awarded brand of the year in 2020 (with its 'Moldy Whopper' campaign).

- Per Television News Daily, TV entertainment awards show, the **63rd Annual Grammy Awards** on CBS earned \$80-\$82 million in national TV advertising, remaining flat YOY despite a viewing drop (9.2 million viewers or a 51% drop YOY).
- Media buying giant **GroupM**, via a partnership with supply-side platform (SSP) Index Exchange, saved \$1.5 million in supplier fees and overall programmatic supply chain costs. The move also unlocked operational efficiencies by better packaging inventory across publishers based on ad formats and pricing.
- Per R3, a solid foundation for a **relationship between Marketing and Procurement** requires:
  - 1) Defined roles in the context of the partnership
  - 2) Defined way to measure performance
  - 3) A marketing spend map
  - 4) Data and analytics
  - 5) A vendor management process
  - 6) A way to reallocate savings to support marketing

- **Omnicom Media Group** reached an agreement to incorporate BERA (Brand Equity Relationship Assessment), a platform that assesses brand purpose, equity, and other brand metrics into Omnicom's Omni marketing platform.
- **Publicis Groupe** signed a deal with ad-technology company The Trade Desk as an alternative to cookies and ahead of Google's planned moves against third-party cookies, teaming up to create a self-service ad platform for Publicis's Epsilon unit. Publicis is the first holding company to support the Unified ID 2.0 being built by The Trade Desk.

### Awards:

- Per the **World Creative Rankings**, the 3 most awarded ad campaigns of the year include:
  - 1) 'The Tampon Book' for The Female Company by Scholz & Friends Berlin
  - 2) 'Moldy Whopper' for Burger King by David Miami, Inga, and Publicis Bucharest
  - 3) 'A Sweet Escape' for Chupa Chups by Cheil Hong Kong. Others included Apple (US), IKEA (Sweden), Samsung (US), and Mastercard (US).
- **2021 Andy Awards winners:** You Love Me by Beats by Dr. Dre and its agency Translation LLC, The Unfinished Votes by Change the Ref and its agency McCann Health NY, and True Name by Mastercard and its agency McCann NY. FCB won 7 awards, R/GA won 6 awards, followed by VMLY&R which won 5 awards. Full list: <https://www.andyawards.com/wp-content/uploads/2021/04/Winners-List.pdf>



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- Per Agency Spotter, **Top 2021 User Experience Design Agencies** (among 50 ranked across user experience for web, mobile UX, and eCommerce experience as well as user experience for physical products and environments) included:
  - 1) Momentum Design Lab
  - 2) 3 Media Web
  - 3) The Gradient
  - 4) The UX Department
  - 5) Slide UX
- MRM won **2021 Adweek Performance Marketing Action Award for Campaign of the Year** for its work, “The Shifting Voter Mindset,” to encourage confidence in political mail, on behalf of its client, the United States Postal Service.
- Wieden+Kennedy won **2021 Adweek Content Marketing Award** for Campaign of the Year for its work, called “The Future Isn’t Waiting,” depicting schoolchildren being taunted for being different, on behalf of client Nike.
- Publicis Media Groupe company CJ Affiliate won **2021 Adweek Affiliate Publisher Award for Campaign of the Year** for its work on safeguarding consumers’ data, on behalf of its client, Norton.
- Nutrisystem won **2021 Adweek Ecommerce Award for Campaign of the Year** for its campaign “Delivered to Your Door,” promoting its convenient home delivery offering.
- The Bait Shoppe and OnePlus won **2021 Adweek Experiential Award for Campaign of the Year** for its campaign “OnePlus Go Farther” scavenger hunt, a physical-digital hybrid experience, on behalf of client T-Mobile.
- Peloton won **2021 Adweek Social Media Award for Campaign of the Year** for its “Peloton x Beyonce,” a partnership with the celebrity and the brand which created 17.8 million views for its video “Beyonce Classes” in 3 months and helped the brand grow from 2 million to 4.4 million during 2020.
- Postmates and Chipotle won **2021 Adweek Email Award for Campaign of the Year** for its work to “eventize” new offers with an ‘80s throwback (Plinko).
- Impact BBDO won 5 Grand Prix, Agency of the Year, and a Network of the Year Win for BBDO Worldwide at the **Dubai Lynx International Festival of Creativity**, followed by FP7 McCann, which won 3 Grand Prix, 5 Golds, 5 Silvers, and 17 Bronze and TBWA/RAAD.
- Per RECMA, Omnicom’s OMD ranked **top global media agency network**, followed by IPG’s UM and Dentsu’s Carat (which held the top spot for eight consecutive years) out of 700 media agencies across 47 markets. The ranking is based on 19 different criteria including “vitality” metrics, such as competitive pitch performance, client portfolio growth, awards, and others.

## Noteworthy quotes:

- » “Many corporations don’t want their now-valuable first-party data to be exposed outside their walled gardens. Creative and content development has been tasked with coming in-house so it can leverage data insights more easily to reach and engage customer audience segmentations.” —Robb Hecht, Vice President, Account Director, **Hero Collective**
- » “Collaboration is really important. There are some things you just can’t replicate in remote environments. We’ve felt thirsty to get people together for more innovation and creativity. We have to get back on planes to start talking with clients.” —John Swift, COO, **Omnicom Media Group**
- » “True reinvention of the industry will come from the agencies and holding companies that reorient their models toward delivering tangible value to client business and tying compensation to business outcomes.” —Julia Hammond, President, **MDC Global**
- » “As ad-free streaming services proliferate, ad-supported TV will remain disproportionately important to most of the world’s largest brands and new ways to optimize television ad inventory will become increasingly critical too.” —Brian Wieser, President of Business Intelligence, **GroupM Global**
- » “Without the ceremony of everyone flying in and out for the big ‘Presentation’ (with a capital P), our brand-agency teams are connecting with less formality, sharing ideas earlier/more often and having more open conversations. This can actually lead to better work and better relationships.” —Marc Pritchard, Chief Brand Officer, **Procter & Gamble Co.**
- » “We made a decision two years ago to make WPP more client-centric and simpler for our clients to navigate by breaking down the artificial walls between traditional [marketing] and digital and analog and digital that made it harder for clients to get media-neutral ideas out of the system.” —Mark Read, CEO, **WPP**
- » “Until we move the industry forward to outcome-based compensation, we’ll continue to suffer from transactional, commoditized relationships.” —Julia Hammond, President, **MDC Global**

Check out Bruno Gralpois' ClickZ article "[How Will Technology Transform the Fragile Client/Agency Ecosystem?](#)": What radical changes should advertisers expect in a post-COVID world that is technology-led and rapidly changing? And how should they best prepare themselves to take on these new opportunities?



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## Bruno Gralpois

Co-Founder & Principal of Agency Mania Solutions



# Commentary Piece

## How will technology transform the fragile client/agency ecosystem?

Courtesy of R3:

26 March - 8 April 2021



# PITCH REPORT

### CREATIVE/DIGITAL ACCOUNT MOVES

REGION	BRAND	WINNER	CREATIVE	SHOPPER	BRANDING	DIGITAL	INCUMBENT	EST BILLINGS
US	Atlantic Broadband	Kettle	●				n/s	\$10m
US	Avocados from Mexico	GSD&M	●				Energy BBDO	\$50m
UK	Casio	Journey Further				●	n/s	\$10m
US	ConEdison	Code & Theory	●				Havas	\$30m
US	Cracker Barrel	Dentsu	●				The Richards Group	\$80m
UK	Credible	Engine	●				n/s	\$8m
US	Dr. Scholl's	OMD USA	●				Dentsu Mcgarrybowen	\$50m
Global	Infiniti	Publicis Groupe	●				n/s	\$150m
US	Instagram	Johannes Leonardo	●				Ogilvy	\$150m
US	Sam's Club	VMLY&R	●			●	n/s	\$300m
Global	Skyy Vodka	Mono	●				VMLY&R	\$30m
US	Splenda	Blue Chip	●		●		n/s	\$50m
Canada	Unilever	LPI Group	●	●			Geometry, Barrows	\$15m
Global	White Claw	Rothco	●				n/s	\$20m

# PITCH REPORT

## MEDIA ACCOUNT MOVES

REGION	BRAND	WINNER	MEDIA	INCUMBENT	EST BILLINGS
US	Atlantic Broadband	ForwardPMX		n/s	\$10m
US	ConEdison	Assembly		Havas	\$30m
US	Cracker Barrell	Dentsu		Havas Chicago	\$80m

## NEW ACCOUNTS IN REVIEW

REGION	BRAND	INCUMBENT	CREATIVE	MEDIA	COMMS.	SOCIAL	CRM	EST BILLINGS	LED
China	BMW	n/s						\$40m	R3
Global	Facebook	Mindshare/Dentsu						\$750m	n/s
Global	Hoka One One	Multiple						\$50m	R3
UK	KFC	Iris						\$15m	n/s
Global	Philips	WPP, Dentsu, Omnicom						\$300m	R3
Global	Unilever	Multiple						\$8,000m	n/s

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May 2021

Issue 55



**TALENT: Securing the right talent and resources**

Talent across data science, engineering, software development, and performance marketing has become exponentially valuable as brands figure out how to navigate a world without third-party cookies and one highly sensitive to effective data privacy practices. Many new capabilities are emerging, like WPP's global data company Choreograph, Accenture's SynOps, or Havas Studios. The focus in talent is on doing well by being good, with publicized efforts to commit budgets to diverse media channels, as GM or P&G recently did. Agencies are also making bold commitments of their own to D&I but also increasingly to the planet to reach net-zero carbon emissions. Despite the Zoom fatigue and rising signs of mental illness within the profession, we see many examples that the industry has never been more vibrant, energized, or dynamic in its pursuit of growth and a new world order.

- Per **APR's 2021 Content Creation Trends and Predictions**, as a result of the massive surge of new ecommerce, APR predicts that "there will be a rise in production companies offering new solutions to meet mass production of assets, more exclusive studios built into or near factories to get the product online more quickly, and technology will continue to get better at automating and producing content."
- Per TrinityP3, the top criteria for **selecting the right agency partner** are the 4Cs: capabilities, chemistry, creativity, and commercial arrangements.
- Communications firm **Edelman** invested in performance and predictive intelligence, and in media buying and marketing strategies, by making key hires for its data and intelligence unit (DxI).
- **Ogilvy** launched a program called 100% You, designed to improve wellness for employees. The program, which includes weekly Zoom seminars held by specialty coaches, is organized around four pillars: money, movement, minds, and meals to address financial, physical, mental and dietary wellness.
- Per Digiday, **hybrid in-house agency models** are likely to gain momentum as "faster, better, cheaper" is harder to deliver than imagined: "The in-housing trend will not go away, but it is in reverse—to a point. Turns out, it's too expensive, too complicated, and too political for many companies to do at any real scale."
- Per COMvergence, out of 570 pitches over the past two years in the US, only 67 advertisers put both their **creative and media accounts** in review simultaneously. Of those 67, 25 advertisers conducted integrated pitches (only five had an annual spend of \$100M+), and of those 25, 13 selected agencies from the same holding company.
- Per marketing matchmaker firm Setup, 30% of brand marketers say they're likely/somewhat likely to **switch agencies in the next six months**. The top qualities brands care most about when selecting a new agency: chemistry and creativity (92%), understanding of their business (90%), and awards and recognition (10%). To form better partnerships, communication and transparency are key (65% for brands, 56% for agencies).

- **Reddit** launched an in-house creative strategy agency called KarmaLab to help brands tap into communities with their Reddit strategies. The team of 20 helps advertisers better understand the platform and build custom campaigns.
- Per The Drum, the **mental health** of global marketing professionals is worsening. Only 4.8% reported their workload had not had an impact on their mental health and 15.2% reported that their mental health improved during COVID. But 62.6% reported that their workload had a major impact on their mental health.
- Per ANA, close to 85% of its members have some form of **in-house team**, compared to 58% three years ago. 55% say in-housing is one of their most important resources for producing new creative assets.
- **AdForum** announced its AdForum Worldwide Summit in May, a program for search consultants and global agencies that offers them the opportunity to assess industry trends and learn about the strategic direction of major agencies.

**New agency or capabilities, restructuring and reorganizations:**

- WPP launched a new global data company called **Choreograph** that combines the data units of GroupM and Wunderman Thompson (700 technologists, product developers, and data scientists) into a single entity as part of GroupM, with a focus on first-party data and ethical data. The new entity offers four solutions:
  - 1) Audience insights and planning
  - 2) Private identity solutions
  - 3) Machine learning optimizers
  - 4) Growth forecasts, including strategy consultancy, custom software development, and operations
- **WPP** launched Cloud Studio, its first platform in partnership with Microsoft, for virtual production that shifts content creation, production, and editing from on-premises environments to the cloud and across its network within WPP's creative production operation Hogarth.
- **Havas** launched a new global production business, Havas Studios, in partnership with Australian creative production agency Wellcome Worldwide. The new entity will feature 12 content studios based in London, New York, and Chicago, a low-cost offering based out of Kuala Lumpur, and other locations under a single P&L and leveraging its cloud-based Knowledgewell software suite.
- WPP MediaCom launched **MediaCom Creative Systems** globally in order to bring together media with data and tech-enabled creativity that it calls Addressable Creative, using AI to drive brand relevance and improve creative analytics.
- WPP MediaCom launched **MediaCom Play**, a new full-service gaming practice with regional hubs in New York, London, and Shanghai to serve clients' needs in the entertainment/gaming category.
- **Omnicom DDB's** global esports and gaming network For The Win (FTW) expanded its partnership with ESL, the largest esports company in the world, and expanded its footprint to 15 additional markets to provide global/regional esports and gaming solutions to clients and partners.

- **Accenture** invested \$75M+ to develop SynOps, a platform that accelerates the journey to digital, data-driven, intelligent operations. The platform enables AI-powered insights and highly automated production around the world.
- Omnicom's healthcare marketing division, **Omnicom Health Group (OHG)**, launched a new unit that integrates Omni, the holding company's data and analytics platform. Omni Health incorporates healthcare datasets owned and licensed by OHG, as well as client data assets in order to provide greater insights about professional and patient audiences.
- **Dentsu**, through its investment unit Dentsu Ventures Global Fund 1, invested in Brooklyn, NY-based sports media company Overtime, which produces and distributes video content about high school sports targeted to Gen Z fans. Launched in 2015, it has invested in 40+ companies. Dentsu also launched a new \$90M corporate venture capital fund, called Dentsu Ventures Fund II, to invest in and support startups at various stages worldwide.

### Diversity and inclusion; environment:

- Per Spencer Stuart, the **average CMO tenure** among the top 100 US ad spenders dropped from 41 months in 2019 to 40 months last year. CEOs' average tenure is 80 months, or double in comparison. Women increased their CMO rank from 43% to 47%. Minority CMOs dropped from 14% to 13%.
- Per Nielsen Ad Intel, **Black-owned media companies** represent less than 2% of total spend in 2020, yet Black consumers represent 13% of the US population.
- **Dentsu** launched its "Economic Empowerment" offering designed to help clients diversify media investments and support minority-owned media companies.
- **Dentsu Americas** released its first D&I report. The agency's goals: have women represent 50% of its executive leadership (vs. 36% currently) by 2025, as well as 30% multicultural representation in the US (vs. 27%).
- Forbes named **IPG** in the top ten of its 2021 list of "America's Best Employers for Diversity." IPG is also the only company from the media and advertising sector in the top ten.
- **Procter & Gamble** partnered with GLAAD, the world's largest lesbian, gay, bisexual, transgender, and queer media advocacy organization, for a new initiative to advance LGBTQ inclusion in advertising/marketing. The brand committed +\$1M over three years for The Visibility Project.
- **General Motors** announced a \$50M incremental incubation fund to be used over 10 years to diversify its mix of marketing partners. GM plans to increase buys with Black-owned media to 4% in 2022, with the goal of reaching 8% by 2025.
- **VMLY&R** launched its strategic diversity consulting practice, Inclusion Experience Practice, to "create change through cultural awareness and racial equity within companies." The new practice offers three core capability areas:
  - 1) Transformation (organization-focused design and process enhancement)
  - 2) Diversity, Equity, and Inclusion (employee-focused with programming, talent, and building diverse teams)
  - 3) Culture Studio (brand-strategy focus)
- Per Ad Age, **Verizon** announced that it will commit at least 2% of its ad budget with Black-owned media.
- **IPG Mediabrands** committed to invest at least 5% in Black-owned media across all of its clients in aggregate by 2023.
- **WPP's GroupM** launched the Media Inclusion Initiative, a program to support and grow diverse and Black-owned media companies and creators. GroupM clients are invited to invest 2% (or more) of their total annual media budgets in Black-owned media.
- **Microsoft** awarded its Advertising's Inclusive Culture and Marketing Award to its agency partner dentsu international for their commitment to diversity, inclusion, equity, and culture.
- The **World Federation of Marketers (WFA)** launched the "Planet Pledge." Bayer, Danone, Diageo, Dole Packaged Foods, Mastercard, Ørsted, Reckitt, Telefónica, Tesco, and Unilever joined the "Race to Zero" campaign, showing their commitment to sustainability.
- For **Earth Day's 51st anniversary**, brands created campaigns encouraging consumers to live more sustainably. Per The Drum, the best campaigns were: Procter & Gamble—#ItsOurHome; Carl's Jr. and Beyond Meat; Panera—Bread Bowl Bike; Apple TV+—This Year Earth Changed; SodaStream—Don't just share, care; Bloom & Wild—Every day is Earth Day; Budweiser—Earth Day; IKEA—Small Stories, Great Impact.
- **WPP** committed to reach net-zero carbon emissions in its operations by 2025 and across its entire supply chain by 2030. The agency will develop industry-wide standards for measuring and eliminating the carbon emitted from the placement of advertising in the media.
- **AdGreen's carbon calculator**, created for the ad production community to help measure their carbon footprint and take active steps to reduce it, was announced to go live in September. The tool will focus on key areas (transport, spaces, materials, fuel, disposal). Brand advertisers Nestlé and Unilever are key contributors, agreeing to pay a levy (0.25% of the cost to produce an advertising asset) and agencies/vendors are supporting it.
- **APR** announced that they support the We Are AdGreen Levy, designed to fund the AdGreen sustainability initiative, which is supporting the ad production community in the UK to meet net-zero carbon emission targets by 2030.

## Noteworthy quotes:

- » “Resilience. Recovery. Acceleration!” —Sir Martin Sorrell, Executive Chairman, **S4 Capital**
- » “We may compete as agencies for brand work, but diversity, equity, and inclusion is not a competition. We need to all win at this.” —Janis Middleton, Executive Director of Multicultural and Inclusion, **22squared**
- » “We are at an inflection point in the industry where brands have an imperative to leverage their own first-party data to make advertising more relevant, effective, and personal while fully respecting consumer privacy.” —Mark Read, CEO, **WPP**
- » “We were never set up to replace an agency. We’re adding more to the mix. Yes, there are efficiency gains but we’re also able to bring a more diverse set of talent into the business that you wouldn’t normally find at a global CPG company.” —Dries Mertens, Managing Director, draftLine Europe, in-house agency for **Anheuser Busch InBev**
- » “I have no idea how TD would have survived 2020 if we didn’t have our in-house agency in place and up and running.” —Karyn DiMattia, SVP and Head of Studio 361, **TD Bank**
- » “Under the broad label of ‘in-housing’ you can dip a toe in or dive into the deep end—needless to say you want to be sure you can swim properly if you decide on the latter.” —Andy Hammerton, Change Consultant, **Openreach**
- » “The need for the agency, more than ever, is to provide that consultation, that advice, that guidance, those strategic underpinnings that can really help the CMO prioritize and make decisions for the better.” —Bob Liodice, CEO, **ANA**
- » “As we imagine the world as it could be, it’s clear that if agencies want to continue to thrive, then we will need to build resilient ecosystems that can work quickly and flexibly to meet the needs of modern brands.” —Sander Volten, Global CEO, **180 Amsterdam**
- » “I don’t think there’s anything more important than this investment in bringing people together. To me that’s where creativity begins: through community.” —James Kinney, Chief People Officer, **Ogilvy**
- » “Purpose must be operationalized. It must be embedded into your organization and measured over the long term, not just the short term.” —Niall Cluley, Managing Director, **Dragonfish UK**
- » “We have entered a new era of creativity, where relevance sits at the heart of every CEO and CMO’s growth ambitions.” —Stef Calcraft, Global CEO, Creative Transformation, **MediaCom**
- » “Today, an agency’s most important assets are its talent, and our most important investments are those people and the technology we equip them with.” —Barry Lowenthal, President, **The Media Kitchen**
- » “The hot agency today —whether for winning awards, launching an outstanding campaign, or landing that big account—will be tomorrow’s after-thought. Such is the fickle nature of the industry.” —Darren Woolley, Founder and Global CEO, **TrinityP3**
- » “Pitching may be fun, at times —the rush of it; the bonding in the trenches, the togetherness of the team on the day; it can even become addictive. But like all addictions, it’s not actually good for you. Not good for your health, mental health, and certainly not for your soul. If you pitch, inevitably, you win some, but you lose more.” —Julie Cohen, Founder and CEO, **Across the Pond**
- » “Remember when we all worried that clients creating internal agencies would be the death of ad agencies? Turns out, the opposite is proving true. Internal agencies have attracted and cultivated more creatively ambitious clients who value deep collaboration and eschew formality.” —Omid Farhang, Co-Founder and CEO, **Majority**
- » “I truly believe that the “in-housing phenomenon” has been overblown.... There may be a greater emphasis on “in-housing” as Procurement has run-out of places to squeeze agencies, and as companies have put a greater emphasis on Digital mediums, like Social and Programmatic, and how Marketing and IT can have greater control over the latest shiny objects.” —J. Francisco Escobar, President/Founder, **JFE International Consultants, Inc.**
- » “I think they [advertisers] realized that the speed and the quality of work that they could get from their agency partners matched or even exceeded what they had been building often on the client-side when you think about in-housing.” —Joe Maglio, CEO, **McKinney**
- » “They [clients] are looking for partners, not automatons, so what and how we do by our people matters.” —Natasha Chetiyawardana, Co-Founder and Creative Partner, **Bow & Arrow**
- » “Culture change is key. It’s less about process and an innovation management system, but creating a culture where it’s okay to be playful, take risks, and be responsible for what those risks cost.” —Todd Newman, VP of Innovation, **Keurig Dr Pepper**
- » “Basically, it comes down to four Cs: capabilities, chemistry, creativity, and the commercial arrangements. Having the capabilities needed to meet the advertiser’s needs is the table stake. If the agency is not up to the task, there is no point even considering them.” —Darren Woolley, Founder and Global CEO, **TrinityP3**
- » “There is a demand for more fluid, distributed offerings and services as clients recognize that the best, most relevant talent is no longer locked into a fixed, traditional agency model.” —Andy Dougan, Founder and CEO, **We are Flex**

- » “The way that the agencies are having to innovate and iterate is to be more strategic consultative partners, which will take us back to the days of Mad Men. Once they do that, they become part of the fabric of the marketing organization and there won’t be any need to pitch every three to five years, because there won’t be the commercial opportunity there.” —David Indo, CEO, **ID Comms**
- » “Ultimately, a partnership is built on compromise between both sides —and to do so effectively, brands and agencies must better understand one another and their goals.” —Maryl Adler, VP Business Strategy, **MediaMonks**
- » “We have shortened our planning cycles to pivot rapidly to adjust to dynamic conditions. With that, we also have continued to reevaluate our agency partnerships to ensure we remain nimble.”  
—Katie Kirschner, VP of Brand, Content, and Digital Marketing, **NCR**
- » “There’s no ‘perfect’ agency. There’s just an acceptance that we’re in a dynamic environment of change and that we must always be ready to adapt.”  
—Sander Volten, Global CEO, **180 Amsterdam**
- » “Everyone’s a frenemy now, and everyone’s in everyone else’s business.” —Catherine Sullivan, CEO, **PHD US**
- **Bartley & Dick ([www.bartleyndick.com](http://www.bartleyndick.com))** is an independent, New York-based advertising and design agency with clients like Cisco, BBC World News, AMC Networks, CBS, GE, CNN, and Microsoft. They also work in big tech via their partner PR firm, WE Worldwide (clients include blue chip corporations Microsoft, CISCO, Intel, and Gilead Sciences). The agency offers a wide range of services: brand strategy and positioning, branding, advertising, identity design, digital marketing, web and interactive, packaging, print and collateral, and video and animation services.
- **Bow & Arrow ([www.bowandarrows.com](http://www.bowandarrows.com))** is a UK-based digital ventures consultancy, part of Accenture Interactive (since its acquisition in 2019), organized around “specialist start-up teams, obsessed with impact.” The agency works with clients to identify and create new digital products and services that fulfill unmet customer needs. Its expertise is in the emerging category of “white space” identification—finding opportunities for businesses to grow in new market sectors and to offer new experiences. Clients include Mini, Google, Spotify, Samsung, and NYSE.
- **Engine (<https://enginegroup.com/us>)** is a social media and marketing services firm, a full-stack company owned by private equity firm Lake Capital, that helps advertisers futureproof their business: “Driven by data. Fueled by imagination. Powered by technology.” Strong of a global network of 1200+ specialists, including ORC (formerly Opinion Research Corporation), which is part of Engine Group, the firm offers services ranging from insights, content, distribution, data, and technology from its global headquarters in New York City and 16 locations around the world. Clients include Coca-Cola, AstraZeneca, Unilever, Under Armour, Sprint, MetLife, and Domino’s.

**Company profiles:**

- **Choreograph ([www.choreograph.com](http://www.choreograph.com))** is a global data products and technology company recently launched by WPP. Choreograph brings together the specialist data units of GroupM and Wunderman Thompson into a single company. Services are centered around a unified, identity-based approach, customer insights, and data-driven personalized experiences. With its global reach, Choreograph is accessible to all WPP companies and operates as a part of GroupM. The firm has 17 global offices and over 700 data scientists, technologists, and product developers.

Check out our feature highlight of the key **Financial Reconciliation Module** inside scoping solution, ScopeDeliver™, that allows clients to continually track and review actuals against budgets.

**Feature Highlight**

**Financial Reconciliation**



**Easy-to-use feature with compelling benefits:**



**Transparency**



**Productivity & effectiveness gains**



**More efficient use of agency resources**



**Informed decision-making**



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To subscribe or access more information, visit [www.agencymania.com/subscribe.html](http://www.agencymania.com/subscribe.html)

**ARTICLE: How to Reduce the Carbon Footprint of Your Content (In Less Than 400-Words)**

Contributed by: Advertising Production Resources



From the messages we convey to how our content is actually produced, the advertising industry is in a position of unequivocal power to create lasting solutions in the battle against climate change. Yet we find that many brands, agencies, and production companies still aren't quite sure where to begin this journey. We've created this small article to help.

In fewer than 400-words, here are five tangible ways you can reduce the carbon footprint of your content today:

**01. Removing “Baked-In” Creative Emissions**

In the quest for sustainability in content production, too often the focus falls solely on waste management or renewable energy, which are incredible tools in their own rights. But how often do you consider the carbon emissions that may be “baked-in” to your creative?

For example, did that last campaign **really** need to be shot on a beach halfway across the world? Did that scene **really** require the release of thousands of plastic balloons into the atmosphere, or could the same effect be accomplished in post-production? Travel, alone, accounts for **nearly 40%** of the carbon emissions in the film and broadcast production industry (source: **Albert**), and we fully expect this figure to be even higher for the ad industry. Much of that travel is “baked-in” to a script before production planning has even commenced. Encouraging alternative solutions centered on sustainability during creative development is a surefire way to reduce the carbon footprint of your content.

**02. Switching to Renewable Energy**

Ultimately, no matter how much waste you cut from your productions or how rarely you travel, your organization will still produce thousands of tons of carbon emissions per year. Switching to 100% renewable energy is therefore an instrumental way to reduce the carbon footprint of your content. It's also the simplest method, as switching to renewable energy is usually as easy as contacting your energy supplier—and often cheaper, too!

**03. Encouraging Partners to Switch to Renewable Energy**

In this same vein, if your agency and production partners expend carbon emissions to produce your content, then your content will never be carbon neutral/zero—no matter how green your own operations are. Brands hold tremendous sway here. So long as a brand demands that its external partners operate on renewable energy, those partners will quickly follow suit.

**04. Recycling Set Designs and Shoot Waste**

From small set designs to massive artificial environments, productions can leave behind a plethora of materials that can be recycled or repurposed for further use. Unfortunately, though, many of these materials wind up in a landfill—expending even more energy to break down and transport the leftover waste. Consider how your set pieces could be recycled for other campaigns or repurposed by local organizations for other uses.

**05. Offsetting Unavoidable Emissions**

While we wish for a perfectly carbon-neutral world, sometimes carbon emissions are unavoidable. Only after ensuring that you've done **everything in your power** to reduce the carbon footprint of your content should you look to purchase carbon offsets to counterbalance the surplus. By investing in carbon offsetting—through the planting of forests or by funding the development of wind farms, for example—you may offset the emissions you are forced to produce.

**BONUS: Normalizing Sustainability Through Advertising**

Lastly, advertisers hold tremendous power when it comes to facilitating social discussions through their work. This is most evident in the move toward more diverse representation in media—but this same logic can be applied to sustainability. By showcasing people engaging in sustainable lifestyles or activities, their behaviors are normalized, thus empowering consumers to make more sustainable choices in their own lives.

**APR Empowers Clients to Reduce Their Carbon Footprints**

APR actively works with clients to **educate** them on the importance of sustainability within production, providing expert advice on how to **activate** many of the above tactics—with a focus on how to move **past theory and into practice**. APR works with these clients to develop and implement a **Carbon Reduction Strategy** for content production.

Contact Traci Dunne in the U.K. ([tdunne@aprco.com](mailto:tdunne@aprco.com)) or Carol Pock in the U.S. ([cpock@aprco.com](mailto:cpock@aprco.com)) for more information.

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



The loss of Apple's IDFA ("identifier for advertisers") mobile identifier and third-party cookies phasing out has had significant impact on marketing capabilities as the battle on data and privacy rages. "What happens on your iPhone, stays on your iPhone." The decision by Apple to add new app-tracking controls in its iOS 14.5 release, introducing its app tracking transparency (ATT) framework, was big news in advertising. The move, which gives users more transparency and control over apps that want to track them for advertising (with new pop-up messages for users to opt in or opt out), rocked the industry, especially companies like Facebook that rely on tracking users for advertising purposes as it does on its Facebook Audience Network. Facebook could lose as much as \$5B in revenue as a result of this move.

- "Don't Aviation and Mint," says actor Ryan Reynolds in a parodic public service YouTube video promoting his Aviation Gin and Mint Mobile brands. The spot was created by Maximum Effort Productions—Reynolds' production company.
- **The most trusted companies** per the 2021 Axios Harris Poll 100:
  - 1) Amazon
  - 2) Walmart
  - 3) Apple
  - 4) Facebook
  - 5) Google
 The most visible: Patagonia, Honda, Moderna, Chick-fil-A, and SpaceX.
- Per The Observatory International, key areas that helped **client/agency relationships** thrive in 2020: motivation, collaboration, time management, strategy and briefing, and communication and account management.
- Viewership for this year's broadcast of the **93rd Academy Awards** dropped a sharp 56% (mostly among 18- to 49-year-olds) from a record-low total in 2020 to land at just 10.4 million. The Golden Globes suffered a 63% viewership decline and the Grammy Awards 51%.
- Per Setup, one-third of US brands are at least somewhat likely to **switch agencies** in the next six months. 65% of brand-side marketers want to improve communication in their professional relationships with their agencies. 13% of brands want to see "more value" from their agencies for less money. 92% of brands rank chemistry as the most important factor in building a creative relationship.
- Per the Harvard Business Review (Runge/ Seufert), advertisers can prepare for the **shift in privacy and ad tracking** by Apple and Google by:
  - 1) Embracing privacy preservation methodologies like differential privacy (Apple) and federated learning (Google)
  - 2) Understanding that workarounds to new privacy regulations are not a viable, long-term solution
  - 3) Transitioning advertising measurement away from deterministic, user-centric models
  - 4) Deepening understanding of audiences and relying less on niche products
  - 5) Getting more creative as a means of differentiation
- **OpenAP**, the advanced advertising platform focused on linear TV, launched its own identifier.
- **OpenID**, to gain data insights on cross-platform media, competing with big digital platforms such as Google and Facebook.
- Per The Drum, post COVID and according to agencies, **clients want**:
  - 1) To stay relevant
  - 2) Action
  - 3) Efficiency
  - 4) To stay the course on purpose
  - 5) Agencies to serve as consultants
  - 6) Flexibility
  - 7) To know what's next for events
- The ANA released the Marketing Futures Practice of Innovation report, a guidebook for innovators and disruptors. **Anheuser-Busch** shared the outcome of their Apollo 11 initiative, a cross-functional team responsible for rapidly prototyping new ideas with license to fail. The brand claims 60% of new beer industry ideas, seven of the top 15 launches, and 51% share of category-wide innovation.
- Per MediaSense and Incorporated Society of British Advertisers (ISBA), 65% of UK CMOs and directors believe they have the vision and leadership to transform their **media strategy**, but only 35% believe they have an adequate grasp of the technology needed to do so, and only 48% believe their business has the right people and skills to drive their plans forward. 57% believe their agency model is hindering their own transformational progress.
- Per Kantar (based on its creative effectiveness awards), the **5 habits of highly effective advertisers**:
  - 1) Being distinctive
  - 2) Branding intrinsically
  - 3) Being meaningfully different
  - 4) Triggering emotion
  - 5) Talking with their consumers
- In a **cross-discipline approach**, Mars Food brand Uncle Ben's announced its new name (Ben's Original), working with Energy BBDO, Jones Knowles Ritchie, The&Partnership, MediaCom, and Weber Shandwick on the redesign.
- **Adidas** launched a series of 22 intimate documentary-style videos as part of its "Impossible is Nothing" campaign that feature celebrities and sports stars, including Beyoncé. The videos have produced millions of views on YouTube.

### Awards:

- **2021 ANDY Awards Gold Winners**:
  - 1) You Love Me (client: Beats by Dr. Dre; agency: Translation LLC)
  - 2) The Unfinished Votes (client: Change The Ref; agency: McCann Health New York)
  - 3) True Name (client: Mastercard; agency: McCann New York)
  - 4) The International ANDY Awards celebrated creative excellence in advertising for 50+ years

- **Cannes Lions International Festival of Creativity** named Microsoft its 2021 Creative Marketer of the Year, due to the brand's record in creative storytelling and years of creative accolades across the brand's portfolio, joining past Marketer of the Year recipients: Apple, Burger King, Coca-Cola, Google, IKEA, Samsung, Heineken, McDonald's, Mars, and Unilever.
  - Per **Kantar's 2021 Creative Effectiveness Awards**, the world's 20 most effective ad campaigns (based on the analysis of +10,000 ads) included:
    - 1) Cheers to all (Heineken, USA)
    - 2) Atino (Bosch, Germany)
    - 3) Consignes 2 Sécurité—The Retour (Burger King, France)
    - 4) It Comes Naturally (SheaMoisture, USA)
    - 5) Make their year, with Galaxy Buds Live (Samsung, USA)
    - 6) And a lot of Milka (MILKA, France)
    - 7) Find your Scene (Google, USA)
    - 8) TENA Silhouette Washable Underwear "I will wear what I want" (TENA, UK)
    - 9) Keeping your business moving forward (TD, Canada)
    - 10) More (Adrenaline Rush, Russia)
    - 11) YouTube Kids Brand Anthem Film (YouTube Kids, USA)
    - 12) AFM Shopping Network (Avocados From Mexico, USA)
    - 13) Gatorade GOAT CAMP (Gatorade, Chile)
    - 14) Vente Étiquettes Rouges (Toyota Corolla, Canada)
    - 15) Pimp my Goat (Kozel, Slovakia)
    - 16) Joy Ride (Nissan Sentra, USA)
    - 17) Delivery Rider Malaysia (Panadol Actifast, Malaysia)
    - 18) The Fast and the Furious (eBay Australia, Australia)
    - 19) Built-In 'Who has the control now?' (Siemens Home Appliances, Turkey)
    - 20) Bells to Blossoms (Hershey's Kisses, USA)
  - Per the **2021 CMO Survey (Deloitte/Duke/AMA)**: Which company across all industries sets the standard for excellence in marketing? Apple has won this award for 13 consecutive years. Other companies: Technology (Amazon, Microsoft, Adobe), Consumer Goods (Nike, P&G), and Financial Services (Geico).
  - Per Campaign, **2020 Global Agency of the Year Award winners** included:
    - 1) Brand Experience Agency (Amplify)
    - 2) Creative Agency (Special Group)
    - 3) Consultancy (half / rhino)
    - 4) Digital Innovation Agency (R/GA London)
    - 5) Independent Agency (Special Group)
    - 6) In-House Agency (U-Studio for Unilever)
    - 7) Media Agency (UM WW)
    - 8) Performance Agency (Croud)
    - 9) PR Agency (FleishmanHillard)
- Noteworthy quotes:**
- » "We also have continued to reevaluate our agency partnerships to ensure we remain nimble."  
—Katie Kirschner, VP of Brand, Content, and Digital Marketing, **NCR**
  - » "We must reclaim 'innovation' from buzzword oblivion and substantially invest in this discipline, which is at the core of business and brand growth."  
—Bob Liodice, CEO, **ANA**
  - » "When you find relationships... where you feel like, 'Man, I'm doing work I'm so proud of and I'm so into, and even through all the stress we're laughing or enjoying ourselves along the way,' to me, that's the part that's the real magic." —Michelle St. Jacques, CMO, **Molson Coors**
  - » "Those who continue to build from 2020 will be the ones who usher in a more meaningful definition of relevance and set the stage for the future of brands and the impactful roles they play in our lives."  
—David Angelo, Founder and Creative Chairman, **David & Goliath**
  - » "Technology is the new currency for influence. Gone are the days of tinkering with a CPM; today real improvements are made, and advantages are gained by adjusting the tech stack."  
—Barry Lowenthal, President, **The Media Kitchen**
  - » "The pandemic has thrown agencies back into the role of solving problems for business rather than just communications for marketing departments."  
—Doug Baxter, CEO, **Agency Futures**
  - » "The deterioration of trust is palpable in our industry, best reflected by the exorbitant payment terms pervasive across many relationships; the industry associations, both nationally and globally, have an obligation to call-out 'bad players' and fix this damaging practice." —J. Francisco Escobar, President/ Founder, **JFE International Consultants, Inc.**
  - » "Innovation is applying new thinking or emerging tools to solve a problem or create an opportunity for growth." —Fred Schonenberg, Founder, **VentureFuel**
  - » "2020 necessitated a fundamental shift in the way marketers and their agency partners work together. Successfully navigating the turmoil and providing a foundation for stability in the years ahead required a focus on the fundamentals of mutual trust and respect, collaboration and good old-fashioned account management." —David Sitton, Consultant, **The Observatory International**
  - » "The creative potential of the data and insights available to media agencies is ground-breaking, but it is largely untapped due to the divide that still too often exists between media and creative."  
—Stef Calcraft, Global CEO, Creative Transformation, **MediaCom**
  - » "The mindset is of action, but also of short-term returns; no one is asking for a three-year plan—it is more about the next 100 days." —Emma Robertson, CEO, **Engine Transformation**
  - » "The lack of full transparency for ad delivery and ad quality is diminishing marketers' ability to fully optimize investments and drive greater business growth. We believe this lack of transparency is costing advertisers billions of dollars in waste."  
—Bob Liodice, CEO, **ANA**

- » “Getting the right ‘big idea’ created, having that idea produced in all the relevant sizes and slices, and optimizing for the best ad content requires stitching these two functions [creative and media] back together.” —Manu Mathew, President for the Americas, **Ad-Lib**
- » “Clients want it all now. The marketing world has been in hibernation and people are ready to come out to a world that is more digital, more virtual than ever before.” —Mark Penn, Chairman and CEO, MDC Partners, and Managing Partner, **The Stagwell Group**
- » “There is willingness to actually consider media agencies as business partners, while targets are obviously changing towards more business outcomes than just successful media KPI.” —Laetitia Zinetti, Managing Director for continental Europe, **Ebiquity**
- » “We’ve been torture-tested 100,000 times from [2019] to today, but we’ve only gotten better and better. We fight better, we celebrate better, we have victories better. It comes from that shared ambition.” —Ari Weiss, Chief Creative Officer, **DDB Worldwide**
- » “When it comes to the success or failure of the relationship, it is important you go beyond perceptions and opinions and start to measure the commercial performance. Perceptions and opinions are good indicators, but then politicking and ‘group think’ can often mask the real issues lurking below.” —Darren Woolley, Founder, **TrinityP3**
- » “In a digital world, smaller is an advantage because you don’t need a heft anymore. It’s brain over brawn.” —Sir Martin Sorrell, Executive Chairman, **S4 Capital**

Check out Bruno Galpois’ article “**The Era of Superior Supplier Value**”: How to put greater emphasis on driving incremental value from the partnership, while maintaining traditional cost management and resource utilization.

NEW ARTICLE

# The Era of Superior Supplier Value

What happens when value drivers are unbalanced? →



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VALUE DRIVER TYPES	IMPLICATIONS	RECOMMENDED FOCUS
<p><b>Extravagant</b></p>	Excessively expensive and therefore not likely to be a sustainable option.	Reduce costs to competitive levels.
<p><b>Performance Laggards</b></p>	Lack of strategic value to fuel growth and meet core objectives.	Set more reasonable targets and improve outputs.
<p><b>Time Wasters</b></p>	High internal costs, process is too slow and is bound to ultimately compromise costs or results.	Automate, simplify, and streamline to reduce excessive drain on resources.
<p><b>Misfits</b></p>	Lack of appreciation or chemistry, good operationally, but most likely to remain a short-term relationship.	Explore new synergies, consider a team reset, new approach.

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## FINANCIALS: Driving efficient use of resources



Will you pay your agency in Bitcoins? Everyone seems to be trying it, so why not you? Even Time Magazine agreed to be paid in Bitcoin. So, will we see cryptocurrencies used to pay for advertising services and media buys? One agency, USIM, claims that it accepts cryptocurrency payments from clients. Fine, if you don't mind that it's likely to fluctuate rapidly in price and liquidity. In an industry now estimated to reach \$1.8 trillion, there are many opportunities to disrupt and innovate. Growth is knocking at the door and some agencies seem quicker to answer. One of the biggest wins this year for Publicis Group was the media business for automaker Stellantis and its vast number of brands (Jeep, Ram, Dodge, Fiat, Chrysler and Alfa Romeo, Peugeot, Citroën, DS, Opel, Vauxhall). The global auto company, which emerged from the merger of Fiat Chrysler and Peugeot, spent \$4.2B on worldwide advertising last year and was looking to drive cost efficiencies as part of this review. We see a lot more accelerated reviews as brands reexamine their existing relationships and look for partners that can propel them forward.

- **IMF's world economic outlook:** 6% GDP growth in 2021 (compared to -3.3% the year prior) and 4.4% in 2022. US growth is expected to be 6.4% in 2021 and 3.5% in 2022.
- Per COMvergence, the top 30 **global advertisers** represent 48% of the total media spend (\$130B) placed by 670+ multinational advertisers. The top three advertisers:
  - 1) P&G (\$8B)
  - 2) Unilever (\$4.3B)
  - 3) L'Oréal (\$2.8B)

Followed by: Amazon, Nestle, and Volkswagen. Among the top 15 global advertisers, Apple has the largest percentage of digital spend (50%), followed by GM and Volkswagen (41% respectively).
- Per Ad Age's **Leading National Advertisers of 2020 list** (based on 2019 US ad spend):
  - 1) Amazon (\$6.8B)
  - 2) Comcast (\$6.1B)
  - 3) AT&T (\$5.4B)
  - 4) P&G (\$4.2B)
  - 5) Walt Disney (\$3.1B)

Most advertised brands:

  - 1) Geico (Berkshire Hathaway)
  - 2) Amazon
  - 3) Progressive
  - 4) Verizon
  - 5) AT&T
- Per the **2021 CMO Survey** (Deloitte/Duke/AMA), marketing budgets as a percentage of firm revenue continue to rise to the highest levels in survey history: 13.2% (vs. 8.6% in 2020). Marketing expenses as a percentage of a firm's overall budget are up slightly: 11.7% (vs. 11.3%).
- Per Nielsen, **total TV consumption** in the US reached 102 billion household viewing hours in Q1 2021, with 22.4 billion hours originating from internet-connected devices (15% growth YOY).

- Per Ad Age, the total **2020 US revenue** of 400+ top agencies and agency networks totaled \$50.6B. Overall US agency revenue declined 6.8% in 2020, compared to 1.2% growth the year prior. US experiential and event marketing revenue dropped 47.9%. However, revenue related to healthcare and digital increased 11.7% and 1.5%, respectively, in 2020. Digital accounted for 58% of revenue for US agencies from all disciplines in 2020. Healthcare was 26% of worldwide net revenue at Interpublic and 12% for Publicis Groupe.
- Per GroupM, the world's **largest digital media owners** grew by around 40% globally and by more than 30% in both the US and Europe during Q1 2021. Google, Facebook, Amazon, Twitter, Snap, and Pinterest grew approximately 40%.
- Per Simon-Kucher & Partners, 59% of companies globally saw improved **profit margins** in 2020. Industries with higher margins were software (82%), construction (72%), and logistics (68%). The primary reasons were soaring demand (45%) and decreased costs (34%). The biggest losers were travel and tourism (19%) and restaurants (18%).
- Per Question & Retain and Worldwide Partners, 64% of **independent agencies** posted YOY revenue increases in the first quarter of 2021, 34% citing increases of +20%. Only 20% indicated Q1 revenue declined. The highest margins were in strategy services (29%), followed by media planning and buying (16%), and creative advertising (13%).
- Ad tech company **DoubleVerify**, which authenticates the quality of digital media for the world's largest brands ensuring viewable, fraud-free, brand-safe ads, went public at a \$5.3B valuation. DoubleVerify generated \$244M in revenue in 2020 from 1,000 customers.
- Per the Interactive Advertising Bureau, **Connected TV (CTV)** was the fastest-growing segment of the digital video advertising marketplace during 2020, expanding by 22%.
- Amid COVID, **The Coca-Cola Company** cut global advertising spending by more than 30% in 2020. In the United States, the brand cut its "master brands" from 400 to under 200.
- **Unilever** expanded its in-house capabilities to speed up production and drive cost efficiencies and digital transformation by increasing the number of digital marketing hubs to 46 to facilitate collaboration between different resources: audience analytics specialists, online engagement and performance marketers, content managers, and data experts.
- **Apple** reported record revenue of \$16.9B from its services group, which includes App Store, cloud, music, video, advertising, payment, and content (Apple TV+, Apple Arcade, and Apple News Fitness+, Apple One bundle). Paid subscriptions account for 660 million accounts across services on its platform.

- Per Ciesco, 472 **M&A transactions** were recorded in Q1 2021 in the tech, digital, media, and marketing sectors, a 36% increase YOY and 80% increase over Q1 2019. The overall disclosed value of deals has increased from \$12.4B in Q1 2020 to \$28.4B in Q1 2021—just under the Q1 2019 level of \$30.2B. The two largest markets remain the US and UK. Examples: AdTech platform TripleLift was acquired by Vista Equity Partners for \$1.4B and the UK-based social media listening firm Brandwatch was acquired by Cision (Platinum Equity), for \$450M. Most active buyers by deal volume in Q1: Accenture (6) and S4 Capital (6).
- The state of Massachusetts sued **Publicis Health** for their role in accelerating opioid sales, claiming the agency is responsible for marketing strategies that use “unfair and deceptive marketing schemes.”

### Mergers and acquisitions (M&A) activity:

- **Omnicom** acquired Healthcare Digital Transformation firms Archbow Consulting (through the company’s Healthcare division) and Areteans (through its consulting unit, Credera, part of the firm’s Precision Marketing Group). These firms offer design, delivery, CRM, and other digital transformation services.
- **Butchershop Creative** (based in San Francisco) acquired Maniak, a design and tech firm based in Guadalajara, Mexico, to strengthen its capabilities in digital services, namely websites, e-commerce platforms, and other digital products.
- **Snap** acquired Fit Analytics for \$124M and Pixel8earth, a company developing 3D mapping technology, specifically based on crowdsourced data, for \$7.6M.
- **S4 Capital** acquired Brazil’s digital performance agency Raccoon Group. The agency, which will be combined with S4’s programmatic unit MightyHive, specializes in digital paid media (search, social, and commerce media), inbound marketing (search engine optimization and conversion rate optimization), and IT/Business Intelligence (data analytics) for clients like Carrefour, Unilever, and Google.
- Media and market research giant **Kantar** acquired Chicago-based consumer and market intelligence company Numerator in a deal valued at \$1.5B. Numerator blends proprietary data, including a digital panel of 1+ million US consumers, with technology to create customer insights.
- **Interpublic Group of Companies (IPG)** reported revenue increased 2.8% to \$2.02B in Q1, and net income of \$92.5M. Organic growth of net revenue was a 1.9% increase, most driven from international (+6.3%) vs. US (-0.2%). Effective expense management is a key priority. Foundation for sustained growth: quality of agency offerings, exceptional talent, data capabilities at scale, strong creative and innovative marketing and media solutions, integrated digital and digital specialists, and “open architecture” agency collaboration.
- **WPP** reported worldwide revenue increased 1.8% to €2.9B (or \$4.03B) in Q1 and net income drop of 1.4%. Like for like, WPP claims a 6.3% increase in revenue and 3.1% increase in net income. WPP reported \$1.3B net new business: Absolut (global creative), JP Morgan Chase (global media), Salesforce (technology operations), and Sam’s Club (US creative). Net income growth came from key sectors: Global Integrated Agencies +2.8% (GroupM +5.8%), Public Relations +2.0%, Specialist Agencies +7.5%. The firm is focused on technology/commerce acquisitions and recently launched global data company Choreograph.
- **Publicis Groupe** reported worldwide revenue decline of 3.6% to €2.39B (\$2.88B) in the first quarter of 2021. The group reported 2.8% growth in organic revenue, with Asia (5.7% organic) and the US (5.1% organic) leading and Publicis Sapient (11.2%). Epsilon recorded +4.7% growth, driven by digital media and data practice. Key client wins include L’Oréal Media business in China, Infiniti’s global creative, AB InBev’s data business, Toyota’s entire advertising portfolio in Australia, Unilever Shopper Marketing, and Samsung media in the US.
- **Havas Group** reported revenues of €478M (£415M) in the first quarter of 2021, down 5.7%, in large part due to currency effects. Havas also reported a 0.8% decline in annual organic growth, up strongly from a 7.5% drop in the fourth quarter of 2020. New business wins included Volkswagen’s customer experience work in the UK and Keurig Dr Pepper’s media in the US.
- **Dentsu** reported revenue for the first quarter of \$2.27B, down 1.5% and organic revenue decline of 2.4% (a 3.5% drop for its international operation and 0.9% for operations in Japan), as a result of client losses and the continued impact of the pandemic. Like other holding companies, dentsu is optimistic and they expect positive growth in 2021.
- **MDC** reported net revenue of \$270.7M in the first quarter of 2021, down 1.4% YOY. The firm also reported organic net revenue decline of 2.1% (which excludes billable expenses charged to a client). **Stagwell** posted net revenue of \$158.1M, an increase of 4.8%, with an organic decline of 1.3%. The companies are merging to become one entity mid-year.
- **S4 Capital**, founded by former WPP CEO Sir Martin Sorrell, reported net revenue of \$144M for Q1 2021 with organic growth of 33%, fueled by growth in digital content, data, and digital media. Large clients include Google, Facebook, BMW/Mini, and Mondelez. The firm has now 5,000 people in 31 countries worldwide.

### Holding companies’ financial results:

- **Omnicom** reported worldwide revenue increased 0.6% to \$3.4B in Q1, and net income of \$287.8M, an improvement of 11.5% from 2020. Omnicom organic revenues dropped 1.8%. Advertising increased 1.2%, CRM Precision Marketing increased 7.2%, CRM Commerce and Brand Consulting decreased 4.2%, CRM Experiential decreased 33.2%, CRM Execution and Support decreased 13.3%, Public Relations decreased 3.5%, and Healthcare was flat. Operating margin for the first quarter of 2021 increased to 13.6% versus 12.3% for the first quarter of 2020. New clients included Home Depot, Avocados from Mexico, Behr Paint, Moderna, and Schwan’s Company.

## Digital media players' financial results:

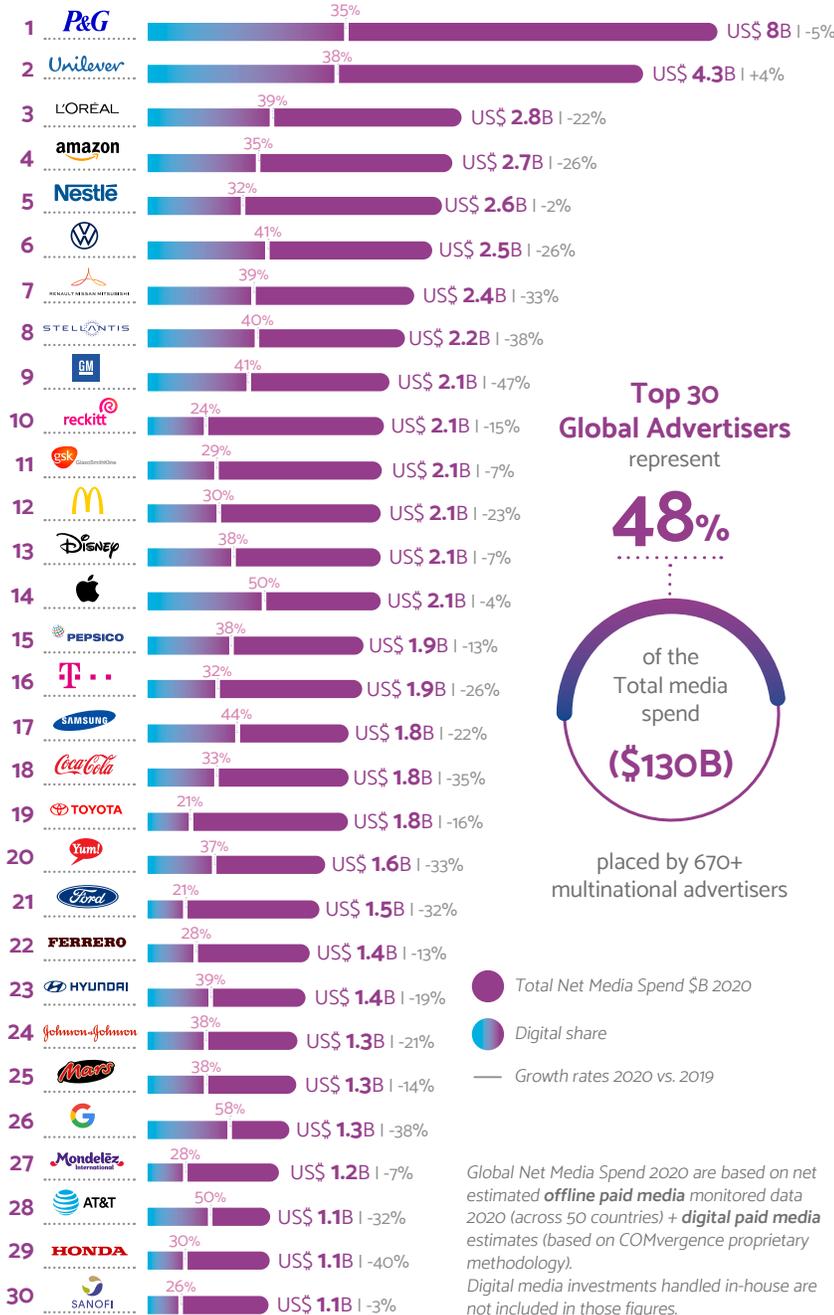
- **Amazon** reported 44% revenue growth YOY at \$108B with net income reaching \$8.1B in Q1 2021, fueled by an increase in Amazon Prime Video viewership, Prime memberships, and advertising-related sales. Ad sales increased 77% to \$7B during that period, the equivalent of seven times as much revenue as Twitter. The company has a 10% share of the US advertising market.
- **Google's Alphabet** reported \$55.31B in revenue in Q1, among which advertising revenue was \$44.68B for the quarter. YouTube ads were \$6.01B, a 49% increase from a year ago. That's a 34% increase from the same period a year prior (\$33.76B). Google Cloud revenue grew 46% year over year to \$4.05B.
- **Facebook** reported ad revenue increase of 46% and \$26.1B in total revenue in Q1 2021. Ad revenue reached \$25.4B, mostly coming from the US and Canada (\$11.8B). The company spends 11% of its revenue on marketing and sales, and 20% in research and development. Net income was \$9.5B. Operating margin was 43%, a significant increase over the same quarter last year (32%).

## Noteworthy quotes:

- » “The world’s largest digital media owners, including Google, Facebook, and Amazon, grew their global advertising businesses by around 40% during the first quarter of 2021.” —Brian Wieser, President of Business Intelligence, **GroupM Global**
- » “It’s fine from an advertiser’s viewpoint to pay an ad agency based on ‘outcomes,’ aka sales results, however, the agency has virtually zero control over the many aspects of product development, packaging, performance, and distribution, so it’s taking a huge—and unwise, in my opinion—risk in accepting such a deal.” —Edward Papazian, President, **Media Dynamics, Inc.**
- » “And while Procurement’s role in setting payment terms and greenlighting an agency might be just an initial step in the brand-vendor relationship, it’s one that reverberates long after the ink has dried: affecting the likelihood of rework, of whether payments can be made on time, and whether all business challenges are solved within the initial scope of the work.” —Maryl Adler, VP Business Strategy, **MediaMonks**
- » “The best Procurement professionals rather see Agencies/Vendors and suppliers as the partners to bring the outside in and innovate behind smarter internal ways of working. What is easier? Cut supplier cost by 5% or convince your organization to move from an outdated operating model to a new and highly effective way of working?” —Barry Byrne, Global Senior Director, Marketing and Retail Procurement, **Adidas**

- » “American motorists recently valued a gallon of gasoline at \$2.45 rather than the current \$3.20. I assume the marketers in gasoline companies would eagerly accept this compensation model... said no-one ever on the planet. What a myopic idea. (And of course, I made the numbers and scenario up... but the point holds.)” —John Grono, Owner, **GAP Research**
- » “Procurement is the most uniquely positioned organization at any company. Since they facilitate the sourcing, contracting, management, and evaluation of third parties, they have their fingers on the pulse of all commercial activity.” —J. Francisco Escobar, President/Founder, **JFE International Consultants, Inc.**
- » “The problem is how do you evaluate both of the agency’s key services —‘creative’ and ‘media’? And how do you calculate the incremental sales garnered by the client as opposed to sales that would have been gotten anyway? These and related questions about how to share in the outcome are the main stumbling blocks to such deals. Invariably, the client bean counters will tilt things in the client’s favor and the agency gets the shaft.” —Edward Papazian, President, **Media Dynamics, Inc.**
- » “Advertisers that have reduced their budgets obviously need to collaborate with their agency partners on revised scopes of work and remuneration programs that reflect new spend levels. Clients that have maintained or increased spending will need to implement safeguards to ensure that their accounts are adequately staffed and supported.” —Cliff Campeau, Principal, **AARM**
- » “A key step in unlocking higher-value partnerships is to understand that marketing is an investment.” —Maryl Adler, VP Business Strategy, **MediaMonks**
- » “From the antiquated ‘arms-length’ relationship, which Purchasing had internally and externally with vendors, Procurement must now be ‘arms-locked’ with all parties in the ecosystem.” —J. Francisco Escobar, President/Founder, **JFE International Consultants, Inc.**
- » “Clients understand more than ever a disciplined marketing approach is the most effective way to drive efficiency. They want agencies to create solutions that eliminate the complexity. And the best way to achieve efficiency is through effective, meaningful creative executed flawlessly.” —Bill Kolb, Chairman and CEO, **McCann Worldgroup**

TOP 30 GLOBAL ADVERTISERS 2020



Top 30 Global Advertisers represent

48%

of the Total media spend (\$130B)

placed by 670+ multinational advertisers

● Total Net Media Spend \$B 2020  
 ● Digital share  
 — Growth rates 2020 vs. 2019

Global Net Media Spend 2020 are based on net estimated offline paid media monitored data 2020 (across 50 countries) + digital paid media estimates (based on COMvergence proprietary methodology). Digital media investments handled in-house are not included in those figures.



Each of the Top 30 Intl. Marketers spent more than **\$1B** in 2020 (through their media agencies)



The share of digital (out of the total media mix) varies between: **21% and 58%**



Media spend **declined** on average by **-21%** (vs. 2019) among the Top 30 Global Advertisers.



**FMCG** (food & soft drinks) and **pharmaceutical** categories have been the **least impacted** by the pandemic in 2020.



By contrast, advertisers from the **Automotive, Retail/Restaurants and Media & Entertainment** have considerably reduced their media investments (vs. 2019).

Our members and partners unanimously agreed that COMvergence has become one of the main (if not the only) reliable source of advertiser media spend in the market.

COMvergence is an independent and international research consultancy providing analysis and benchmarking studies of the advertising and media firms owned by the global holding companies, leading independent agencies, and management & IT consulting firms. Using quantitative and qualitative measurement metrics, COMvergence provides high-quality reference data, guidance and support for MarCom professionals across all levels and titles. COMvergence partners include the American Association of Advertising Agencies (4A's), World Federation of Advertisers (WFA), Nielsen and Kantar, among others.

IF YOU HAVE ANY QUESTIONS OR WOULD LIKE TO RECEIVE ANY FURTHER DETAILS, PLEASE CONTACT US.

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COMvergence worldwide

# Summer 2021

## Issue 56



**TALENT: Securing the right talent and resources**

The chase is on to hire the best talent. As the economy picks up in momentum, brands and agencies are looking for top talent. And talent comes in various flavors, addressing the most pressing needs in our industry. Havas Media Group announced a new role overseeing “ethical media” partnerships, showing the importance of more transparent practices in media activities. Agencies like FCB Global are hiring new data science roles. In a content-rich world where technology, data, and creativity converge, production skills become increasingly critical. Is it a coincidence that WPP appointed Dave Rolf as Global Head of Production (for WPP and Hogarth) at the same time Publicis Groupe appointed Sergio Lopez to its newly created position of EVP, Global Head of Production? Probably not. Major holding companies are building capabilities focused on innovation and efficiencies.

- Adweek produced **Creative 100**—a list of agency leaders reshaping the industry, taking risks, getting outstanding results, and setting new standards for their clients and teams. Examples include Resh Sidhu, executive creative director at Barbarian Group and Frank Cartagena, chief creative officer at The Community NY.
- Top 5 topics discussed at **Ad Age Small Agency Conference and Awards**: smarter ways of doing business, how to win and keep clients, walking the walk on diversity and inclusion, battling burnout, and trends that will survive the pandemic.
- **Ogilvy Health** formed a partnership with Doceree, a global network of physician-only platforms for programmatic marketing, leveraging real-time programmatic audience targeting, measurement, and reporting in North America.
- Per RECMA, **Initiative** was the most competitive network globally in 2020 in media pitches, followed by OMD, Havas Media, PHD, Carat, and Wavemaker.
- New York-based independent shop **SuperHeroes** created “The Client Pitch,” a process that invites brands to pitch for the shop’s services with participants scored for their “bravery” and “collaboration,” product, budget, and timing.
- Accenture Interactive-owned **Droga5** expanded its global footprint by opening an office in Tokyo with plans to add offices in China and Brazil within the next 12 months.
- One virtual elevator and five minutes: CPG giant Procter & Gamble, in partnership with Ad Age’s Small Agency Conference and Awards, continues its **Elevator Pitch**, a virtual forum that gives participants five minutes to make an indelible impression. Participants must answer two questions:
  - 1) What makes your agency unique for P&G?
  - 2) What is the best creative work from your agency and why?
- **Agency Mania Solutions** launched its Agency Mania University (AMU), a self-serve online training program offering learners of any level—marketers, procurement professionals, agency management teams—critical best practices and agency management competencies.

**New agency or capabilities, restructuring, and reorganizations:**

- Interpublic Group (IPG) combined FCB Health and McCann Health under a single P&L operating model and a new global network and health-care behemoth, **IPG Health**. Each brand will still market itself independently.
- Interpublic Group (IPG) launched a data-driven creative/CRM agency called **Performance Art**, bringing together deep data, technology, and CRM expertise with creative talent. The full-service, global digital agency network will partner closely with IPG companies including Acxiom and Kinesso.
- Indie agency Omelet launched a gaming marketing consultancy, called **Cheat Code**, offering services ranging from mainstream and gaming expertise, brand and go-to-market strategy development, full creative, and production.
- Performance marketing firm **Tinuiti** launched an Influencer Marketing unit. Tinuiti plans to build its own influencer platform using Mobius, the company’s AI-enabled marketing intelligence and media activation technology.
- Marketing services firm **You and Mr. Jones** launched a new ecommerce services unit, strong of a \$100 million fund to acquire technology tools and platforms and led by a former Amazon executive. The dedicated unit will help brands build their own in-house ecommerce capabilities.
- Havas partnered with Wellcom Worldwide to launch global production business **Havas Studios**, structured as a joint venture and creating 12 integrated digital production studios across 10 markets by 2022.
- Chicago-based ecommerce agency **Labelium** launched a digital media planning and buying service unit called Labelium Play that integrates brands into video, audio, and gaming platforms such as YouTube, Spotify, and Twitch.
- **Omnicom Commerce** and retail-focused agency The Integer Group launched its Growth Sciences Practice, leveraging a proprietary data platform designed to predict and shape shopper behaviors and outcomes.

**Diversity and inclusion, environment:**

- 4A’s introduced its **Workplace Enlightenment Certification (WEC)** program in 2020 to move agencies toward the highest standards of equity and inclusion. Results: 500+ leaders trained and 5000+ completed its online training.
- **World Federation of Advertisers (WFA)** launched the first-ever global census of the marketing and advertising industry, designed to analyze workforce composition and diversity across the industry and set benchmarks.
- **Publicis Groupe** increased the diversity of its US workforce, bringing its total non-white representation to 32.7% of 21,000+ employees across all levels.
- **Google** made its internal marketing toolkit, called All In, available to everyone to foster greater inclusion. Key guiding principles:
  - 1) The makeup of a team matters
  - 2) Know whose stories are missing
  - 3) Real stories are nuanced, and nuance creates authenticity
  - 4) Think about inclusion early and often
  - 5) Stereotypes are harmful—and boring
  - 6) Understand your brand’s role

- **Coca-Cola North America** announced it committed to double its media spend with minority-owned companies over the next three years. At least 8% of its yearly ad budget will be directed to Black-, Hispanic-, and Asian American-owned platforms and their partners by 2024.
- Byron Allen's Entertainment Studios Networks Inc. and Weather Group LLC sued **McDonald's Corp.** for \$10 billion, alleging that McDonald's is damaging Black-owned media companies through discriminatory ad-buying practices, claiming that 0.31% of the \$1.6 billion that McDonald's spent on US TV in 2019 was spent on Black-owned media.
- Publicis Groupe-owned company **Publicis Media** launched a new initiative called the Once & For All Coalition to build a more "equitable ad ecosystem" and remove barriers to equitable financial opportunity and representation of underserved and ethnically diverse suppliers, investing \$25 million in diverse content creation in conjunction with its minority- and women-focused APX Content Ventures. The agency and its client partners also established a multi-year commitment to increase investments in diverse media.
- A group of 20 top brand advertisers (including AARP, adidas, General Mills, L'Oréal USA, Nestle, Target, Pernod Ricard, Tyson Foods, DoorDash, Mars, and others) pledged to spend at least 2% of their annual media budgets in Black-owned media through **GroupM's Media and Inclusion Initiative.**
- Online grocery platform **Instacart** made a \$1 million advertising investment to help consumers find Black-owned consumer packaged goods (CPG) brands across its marketplace.
- The **Association for National Advertisers (ANA)** launched a measurement tool called the Swayable-ANA ESG Brand Perception Index that ranks brands monthly by environmental, social, and governance impact.
- Holding company **Interpublic Group** announced a new climate plan including a commitment to sourcing 100% renewable electricity by 2030 as well as setting an emissions reduction target in line with limiting global temperature rise to 1.5 degrees Celsius through the Science Based Targets initiative, as part of its broader ESG commitment.
- **Havas Group**, through its Havas Impact+ environmental pillar, achieved a reduction of greenhouse gas (GHG) emissions by 32% in 2020. By 2025, the firm pledges to achieve carbon neutrality. Other goals include a 5% decrease in electricity consumption; a shift to 25% supply of renewable energy; a 20% decrease in non-hazardous waste generation; a shift to 100% use of recycled and/or certified paper; a 40% decrease in paper consumption, etc.
- **IPG's McCann Worldgroup** launched a sustainability department and appointed a new role of global director of sustainability. The role is responsible for the group's net-zero transition (by 2040), the agency's initial global sustainability commitments and carbon reduction strategies, internal sustainability education, global partnership strategy, as well as management of the network's carbon footprint analysis and client engagement.

## Noteworthy quotes:

- » "Only in very specific moments of high tension or disruption are we compelled to rethink our position on things... and that's why crises are such opportunities." —Malcolm Gladwell, Author and Co-Founder, **Pushkin Industries**
- » "Words only go so far. Actions go the distance." — Marla Kaplowitz, President and CEO, **4A's**
- » "Investing in your agency partnership is the most effective way to drive long-term ROI." —Sebastien Slek, Global Sourcing Marketing, **WarnerMedia**
- » "I want leaders accountable for change, myself included. It's got to start with me." —Lorraine Twohill, CMO, **Google**
- » "Creative agencies that aren't media literate are being left behind and [so are] media agencies that aren't creatively literate." —Mat Baxter, Global CEO, **Huge**
- » "The agency business is a relationship business. It's about putting the needs of your client front and center. Your success is based on their success. Their good days are your good days; and conversely, their bad days are your bad days." —Robin Boehler, Co-founder, **Mercer Island Group**
- » "From a purely operational standpoint, companies are obviously taking a harder look at workplace and talent flexibility given the ability of teams to work remotely online." —David Beals, President, **JLB + Partners**
- » "Marketing procurement joins this with the science of technology and, post-COVID-19, takes its place at the table with a greater role than ever." —Christine Moore, Managing Director, North America, **FirmDecisions**
- » "For our clients, we are their Partner of Record—an engine of innovation and a source of agility." —Sir Martin Sorrell, CEO, **S4 Capital**
- » "Let's invest in the people, because fancy offices don't come up with ideas." —Gustavo Lauria, Co-Founder and Chief Creative Officer, **We Believers**
- » "If you want to survive and thrive in our business, you have to learn how to reinvent yourself. And you have to transform. You have to learn new skills. You have to learn new disciplines." —Rob Schwartz, Chairman, **TBWA New York**
- » "A small agency has to be vigilant over what makes them special. Lack of layers and bureaucracy gives you the freedom and ability to do so." —Greg Hahn, co-founder and CCP, **Mischief USA**
- » "One of the ways we choose our battles is with the caliber of the competition. It's a signal the work will be good." —Kristen Cavallo, CEO, **The Martin Agency**

Company profiles:

- **Kyra (<https://kyra.com>)** is a Gen Z media company creating engaging digital content that resonates with youth culture, connecting brands with Gen Z through voice, talent, reach, and original programming of the most exciting and influential creators in the world. The five-year-old agency tracks and monitors over 150 million accounts across TikTok, Instagram, and YouTube (7 billion engagements tracked and 3 million daily data points). Clients include Nike, L'Oréal, adidas, Google, Netflix, Hugo Boss, Coca-Cola, Puma, Samsung, Gucci, and Unilever.
- **S4 Capital ([www.s4capital.com](http://www.s4capital.com))** is a tech-led, purely digital, new-age/era digital advertising and marketing services company focused on data, content, and programmatic with creative production capabilities on a global scale. The firm was established and is led by Sir Martin Sorrell (ex-CEO of WPP for 33 years). Strong of 5,000 people in 31 countries and a market cap of \$4.2 billion (achieving unicorn status in terms of stock market value in only their second full year) and 2020 revenues of £342.7 million. The firm combines MediaMonks, the creative digital content production company and MightyHive, a leading digital media solutions provider. Recent business wins include Google, Facebook, Amazon, Netflix, Procter & Gamble, T-Mobile, Bayer, HP, Cisco, Embibe, Harley Davidson, PayPal, LA28, Shopify, and Verizon, among others.

- **We Believers ([www.webelievers.com](http://www.webelievers.com))** is a small, independent and award-winning (the most awarded independent agency in Latin America and in the US Hispanic market) agency with offices in NY, Miami, Mexico, and Buenos Aires. It ranked #10 in the Ad Age's 2021 A-List and Creativity Award. The agency is known to "win clients with extraordinary ideas and commitments," also called "creative activism," which aims to go beyond selling. The agency recently landed global AOR duties for Barilla's Wasa brand. Other clients include Volvo, Burger King, Pepsi, Nestle, Avon, DoorDash, Aaron's, Netflix, and Patagonia.
- **Rethink (<https://rethinkcanada.com>)** is an independent creative agency with offices in Vancouver, BC, Toronto, and Montreal, known for its breakout ideas. It is also Canada's largest national, owner-operated, independent creative agency. Rethink has been named The Effies 2020 North American Independent Agency of the Year and Ad Age 2021 Creative Agency of the Year. Since 2018, it has been part of the ICOM network of independent agencies. Clients include Ikea, WestJet, Molson, Heinz, Scotts, and YWCA.

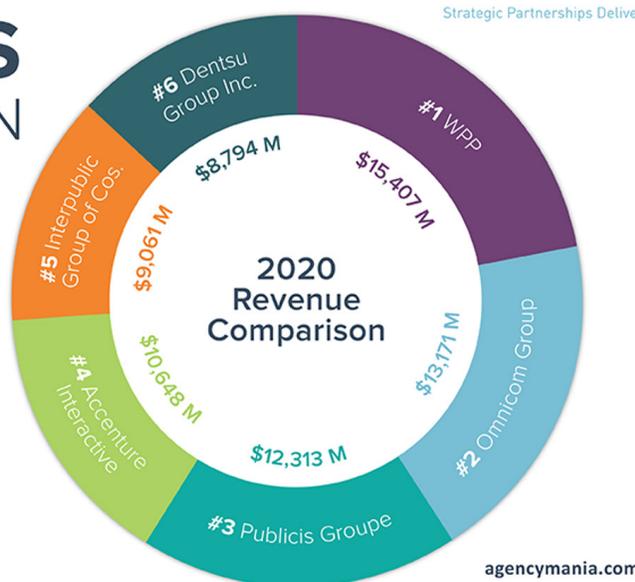
Did you miss our yearly Top Agency Poster, recounting the world's largest 15 agencies by revenue? Download the immediate electronic poster [here](#) or request our individual agency holding company breakouts by emailing [info@agencymaniasolutions.com](mailto:info@agencymaniasolutions.com).



2021

# TOP 6 AGENCIES REVENUE COMPARISON

Top 15 Agencies	2020 % year-over-year	2019 % year-over-year
1. WPP	- 9.0%	- 18.76%
2. Omnicom Group	- 12%	- 2.0%
3. Publicis Groupe	- .06%	+ 4.92%
4. Accenture Interactive	+ 3.0%	+ 21.09%
5. Interpublic Group of Cos.	- 11%	+ 5.21%
6. Dentsu Group Inc.	- 8.0%	+ 4.10%



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



Environmental, social, and governmental (ESG) work related to climate change, racial equity, privacy, and responsible marketing is on the rise with agencies developing capabilities to support it. Many brands made bold commitments and set aggressive targets. Agencies, too, made their own pledges. Did COVID-19 raise our level of corporate consciousness to new heights? Or are companies simply responding to growing consumer demands for accountability and social responsibility? The Olympic Games in Tokyo are capturing much of our attention as nothing is like it used to be. Advertisers are adjusting quickly. Connected TV, streamlining content, advanced programmatic tools, and new forms of advertising are gaining momentum. In the meantime, Ad Age and the Cannes Lions celebrate superb work, innovation, and ingenuity. A gentle reminder that creativity is still king in the advertising kingdom.

- Per Ad Age, the **top 20 2021 brands** (aka America's Hottest brands) were: Bad Bunny, Clubhouse, Cookies, #CultureTags, Dick's Sporting Goods, Dolly Parton, DraftKings, Figs, Prince Harry And Meghan Markle, The Home Edit, Liquid Death, Marvel, NFTs, NTRK, Pattern, Pfizer, Pink Stuff, Reddit, Roblox, and Space Jam.
- Per R3 Worldwide, **net new US agency business revenue** doubled from January to May of 2021, to \$544 million, with the number of reviews up 60% to 309. Globally, net new business revenue rose 47% (\$1.3 billion) led by Publicis Media, for a total of 2,941 reviews (up 43%). Code and Theory, VMLY&R, and BBDO were top ranked US creative agencies.
- The **ANA Media Leadership Growth Council** identified 39 KPIs. The most used KPIs are primarily efficiency and exposure counting, and include (by descending order): CPM (cost per thousand), CPC (cost per click or interaction), Unique Reach, ROI/ROAS Based on Spending or Lift, followed by Site Visits and Viewable Impressions. The most important one is considered to be ROI/ROAS Based on Spending or Lift. New KPIs include Data Source Quality.
- On **Last Week Tonight with John Oliver (HBO)**, John Oliver picked on "Sponsored Content" and the need for greater integrity. To make a point, his team created a fake product (the Venus Veil, the world's first sexual wellness blanket), a website ([www.venusinventions.com](http://www.venusinventions.com)) and promoted it on local TV news.
- PepsiCo, Nestlé, General Mills, Dole, and others use an AI-driven tool called **Tastewise**, which deploys algorithms to uncover what people are eating and why, based on massive quantities of food data online (95+ million menu items, 226 billion recipe interactions, and 22.5 billion social posts, etc.).
- The ANA launched its **Creative Feedback Playbook** in partnership with Agency Mania Solutions, covering every facet of the client creative feedback process. A checklist is available for download for non-members.
- **Publicis Media's Starcom London** launched the first automated media booking bot, dubbed ABACUS for "automated bot for amendments to campaigns and uploads," from a UK agency. It utilizes intelligent automation known as robotic process automation to ensure media buys run as scheduled and according to plan.

- Per Jay Salyers, SVP of Miles Partnership, there are **6 ways to automate an agency**:
  - 1) Define goals
  - 2) Go big on unifying
  - 3) Synchronize automation with AI
  - 4) Omnichannel buying
  - 5) Team collaboration
  - 6) Comprehensive reporting
- Per Adobe, **5 things to prepare for a cookie-less future**:
  - 1) Orient your team around the facts and overarching trends
  - 2) Audit your technology and make changes
  - 3) Own the customer relationship
  - 4) Create innovative experiences to reduce the friction around first-party data collection
  - 5) Hold your paid media accountable to what matters
- The **NFL** produced a new inspiring film "Football is for Everyone" in partnership with The Trevor Project and LA-based agency 72andSunny, redefining the game to be inclusive of all different types of fans, coaches, and players.
- Food chain giant **Wendy's** and its social media team created an ad within a seven-hour window based on a young fan's idea, reacting quickly after Julien Jantos' mom tweeted his crayon-drawn storyboard for a Wendy's commercial called "The Burger."

### Awards

- **AdAge's 2021 A-List and Creativity Award winners**: Agency of the year went to Droga5 (Accenture Interactive), followed by Work & Co, Wieden+Kennedy, Deutsch LA, Cartwright, Goodby, Silverstein & Partners, Gut, Martin Agency, VMLY&R, and We Believers. **Agency standouts were**: Barkley, Camp + King, Cashmere, Empower, FIG, Highdive, Johannes Leonardo, McKinney, MediaMonks, Mojo Supermarket, Preacher, TBWA, 22Squared, VaynerMedia, and YML. **Media Agency of the Year**: Initiative. **In-House Agency of the Year**: Frito-Lay. **Creative Agency of the Year**: Rethink. **International Agency of the Year**: Mother London. **Data/Analytics Agency of the Year**: GALE **Multicultural Agency of the Year**: NIMBUS
- **AMV BBDO, London** won the Cannes Lions Agency of the Year title with its "Womb Stories" campaign. **Wieden+Kennedy Portland** won the Cannes Lions Independent Agency of the Year title.
- **WPP** won the Cannes Lions Holding Company of the Year title. WPP agencies collected a total of 190 Lions, including a Titanium Lion, 12 Grand Prix, 28 Gold, 57 Silver and 92 Bronze, with winners representing 38 different countries.
- **WPP Ogilvy** was the standout performer, with eight Grand Prix and a Titanium Lion for work including Stevenage Challenge (DAVID) and Moldy Whopper (DAVID and INGO) for Burger King; Courage is Beautiful for Dove; and Naming the Invisible by Digital Birth Registration for Telenor Pakistan. The agency also won Mobile and Brand Experience and Activation.
- **Omnicom** is the only holding company with three creative networks placing in the Top 10 at Cannes Lions Live 2021. **Omnicom Media Group** won the Cannes Lions Media Group of the Year title, with PHD and OMD sweeping the media network category, placing #1 and #2. AMV BBDO won Agency of the Festival with five Grand Prix, including a Titanium.

- **Interpublic Group's FCB** won the Cannes Lions Network of the Year title for its first time, winning a total of 80 Lions, including two Titanium, five Grand Prix, 15 Gold, 26 Silver, and 32 Bronze.
- **Other key Cannes Lions wins:** Wieden+Kennedy Portland won the Grand Prix in Creative Effectiveness for its Nike work, Crazy Dreams. Marcel Paris and Carrefour won the Grand Prix in creative business transformation for Act for Food. Telenor and Ogilvy won the mobile Grand Prix for their "Naming the Invisible by Digital Birth Registration" work. AB InBev's Tienda Cerca and LinkedIn project won Creative eCommerce Grand Prix. Unilever's Degree Inclusive won Innovation Grand Prix, a product spurred by Wunderman Thompson for people with disabilities.
- **MDC Partners** agencies won 18 Lions, including 72andSunny (LA)'s Entertainment Grand Prix with Tinder. MDC agencies also had a strong showing this year at Ad Age's 2021 A-List and Creativity Award: GALE (Data and Analytics Agency of the Year), YML (Agency Standout of the Year), and 72andSunny (2021 Agency to Watch).
- **Apple** won the Best of the Best award in the 2021 Brand Film Awards US for its "Hometown—Shot on iPhone by Phillip Youmans" spot created by TBWA\Media Arts Lab with Smuggler and OMD.

#### Noteworthy quotes:

- » "If you look at climate change, racial equity, privacy, responsible marketing, we're really at the nexus of many of these issues—as are our clients." —Mark Read, CEO, **WPP**
- » "Great creative has always leaned on truth and shared experience. Right now, there is more of that than ever." —Lorraine Twohill, CMO, **Google**
- » "Choose to make equality the systemic way of bringing creativity to life." —Marc Pritchard, Chief Brand Officer, **P&G**
- » "Another lesson we've learned is that every brand is—or has to be—a wellness brand, whether that wellness is physical, emotional, mental, financial, societal, cultural, global, etc." —Suzanne Powers, Global President and Global Chief Strategy Officer, **McCann Worldgroup**
- » "Rather than just being hands on keyboards, there is an extraordinary opportunity for agencies to reemerge as their clients' heroes by offering creative plans with an optimal connection between advertising and context." —Doug Stevenson, CEO and Co-founder, **Quintesse/Vibrant Media**
- » "We actually estimate that by 2025, 30% to 50% of the large brands will have in-housed their ecommerce operations." —Virginie Douin, Partner, **You and Mr. Jones**
- » "As marketers grapple with a post-pandemic future, agility is shaping up to be the most powerful attribute for successful brands and organizations." —Katie Nykanen, Chief Product Officer, **Extreme Reach**
- » "Being creatively brave means pushing the work and advocating for a strong POV with clients." —Bill Afonso, CFO, **Johannes Leonardo**
- » "As a small independent agency, we don't have to pay margins or answer to a massive holding company with a name that sounds like it was pulled from a Kubrick movie." —Greg Hahn, Co-founder and CCP, **Mischief USA**
- » "Good ideas can happen anytime and anywhere through any medium." —Kathleen Hall, Chief Brand Officer, Global CVP of Brand, Advertising and Research, **Microsoft**
- » "The case for involving production and delivery strategy upfront in the creative process is no longer just about feasibility-checking, but to help shape creative ideas." —Nicky Russell, **White Door**
- » "We must be more like meteorologists; to be better not only at predicting culture, but also at knowing how and when we must adapt and understand when it could ruin our plans if not interpreted correctly." —Craig Elimeliah, Executive Creative Director, **VMLY&R**
- » "I have always said to clients, if there's an emergency that can't wait until first thing the next morning, don't contact the team —call me." —Neil Christie, former Director Growth Markets, **Wieden+Kennedy**
- » "Brand safety is becoming foundationally important." —Bob Liodice, CEO, **Association of National Advertisers**

#### WHITE PAPER: 2021 Production Content Creation Trends and Predictions

Contributed by: Advertising Production Resources



This paper analyzes the major transformations experienced by the advertising production industry during the pandemic in 2020 and defines how content creation will be influenced in the years to come. This year's trends are influenced by the increased demand for more content, innovations in content creation (specifically tailored for ecommerce), and the shift toward centralized marketing operations. Highlights include the need for more robust digital asset management (DAM) systems, efficient processes to source and onboard fit-for-purpose production partners, and the increasingly vital role of data taxonomy and governance in a modern content creation ecosystem.

The primary theme around these trends is that marketers must "challenge everything" they know about traditional content creation in order to stay ahead of the curve and optimize their production efforts for the future. APR's Founder and CEO, Jillian Gibbs, says, "2020 gave us an opportunity to evolve as an industry—which is a good thing, because I don't believe that the traditional production model was serving the needs of today's marketers."

For the full white paper, please visit: <https://hubs.ly/H0QK3n70>

**FINANCIALS: Driving efficient use of resources**

The global advertising market is expected to grow double digits this year and next. All major media firms—dentsu, GroupM, Magna, Zenith—are predicting it. The big winner is digital, the fastest growing segment of the advertising market. Holding companies are also catching their breath with positive Q2 results in terms of revenue, organic growth, and net profit, due to the recovery from the COVID-19 pandemic. As dollars are shifting to ecommerce-related activities, major firms are strengthening their offering by making strategic acquisitions in areas like connected TV ad delivery and measurement, digital OOH network, digital ad serving, and data management.

- Per the Kantar BrandZ™ **Top 100 Most Valuable Global Brands 2021**, value was up 42% in 2021 (+\$2 trillion), compared to 6% in 2020. Total brand value of the Top 100 reached \$71 trillion, equivalent to the combined GDP of France and Germany. Tesla is the fastest growing brand, increasing by 275% to a brand value of \$43 billion. There were newcomers including Nvidia (no.12, \$105 billion), Zoom (no.52, \$37 billion), AMD (no.57, \$33 billion), and Spotify (no.99, \$19 billion). With a 64% increase, Amazon secured its third consecutive year at the top of the ranking (with a total brand value of \$684 billion). For the first time, two brands are worth over half a trillion dollars—Amazon and Apple (no.2, \$612 billion).
- Per GroupM, in 2020 the world's largest CPG manufacturers grew their **ecommerce revenues** by 57% YOY. Global ecommerce sales will grow 20% during 2021, to \$5.2 trillion, then 19% in 2022, to \$6.2 trillion.
- Per GroupM, **US media ad revenue** is expected to grow 22% in 2021 or \$279 billion of total media company ad revenue, growing to \$388 billion by 2026. Digital advertising revenue will increase 33% in 2021 (vs. 10% last year).
- GroupM's **worldwide media ad revenue** is expected to grow 17.3% in 2021 and 9.7% in 2022. The consensus (average of their own individual projections) between dentsu, GroupM, Magna, and Zenith is that worldwide ad revenue will increase 10.6% in 2021 and 8.2% in 2022.
- Per dentsu, the **global advertising market** is to reach \$634 billion this year, up 10.4% YOY. The US, Canada, and Australia will see the highest growth. Digital media is to grow 15.6% and reach \$311 billion. Other: cinema (35.1%), social (23%), video (17%), out-of-home (14.6%), radio (10.4%), and TV (7.1%).
- Per GroupM, 12 advertisers, with \$100 million+ spend who have filed to become publicly listed or begun trading as public companies since December 2020, say that 26.8% is the **median share of revenue allocated to advertising**.
- Per BMO Capital Markets, **Connected TV (CTV)** ad spending in the US is projected to reach \$21 billion in 2021 and grow at an annual rate of about 23% through 2030, reaching \$100 billion.
- Per eMarketer, the **US TV upfront** market rose 7.6% to reach \$19.9 billion for the 2021-2022 TV season. For the 2022-2023 season, it's estimated to rise 3.3%, reaching \$20.5 billion. Per Media Dynamics, there was a total of \$2.9 billion in canceled upfront commitments due to COVID-19.

- **Digital** is the fastest-growing segment of the advertising market. Per S4 Capital, digital accounted for over 50% (for the first time), or \$290 billion of total global advertising spend in 2020, and will grow to 66% by 2024, accelerated by the impact of COVID-19.
- Per MoffettNathanson, **cord-cutting accelerated** with cable and satellite TV companies losing six million subscribing households, a decline of 7.3% in 2020, as a result of the rise of streaming services.
- Per GroupM, the **top 25 media suppliers** control two-thirds of all ad spending (or 66.6% of global advertising spend, up from 42.1% in 2016). The top five pulled in \$295.5 billion in 2020, 46% of the total \$641.2 billion ad spend. China's media companies account for 20% of the advertising revenues from the top 25 media companies in the world.
- **APR** launched their proprietary production data collection and analysis tool, ACERO™, which empowers clients to Analyze, Collect, Evaluate, Report, and Optimize spend and savings across their entire content creation ecosystem.
- **Omnicom Media Group** sold its media barter operation Icon International, which specializes in trading corporate assets for advertising and paid media, to Icon's management team.

**Mergers and acquisitions (M&A) activity:**

- **Innovid**, global leader in connected TV ad delivery and measurement, announced it's going public via a merger with ON Acquisition Corp. 2 Ltd. (NYSE: IACB), the transaction implying a valuation of \$1.3 billion.
- **Accenture** acquired NY-based business consultant Bionic, which is composed of designers, strategists, technologists, entrepreneurs, and venture investors, to enhance Accenture Interactive's existing growth-building capabilities.
- Google-backed San Francisco-based digital out-of-home (DOOH) firm **Firefly** acquired Curb Taxi Media, one of the nation's largest taxi advertising platforms, expanding its network utilizing taxi and rideshare vehicles. Existing clients include United Airlines, Puma, Papa John's, and Colgate.
- **Publicis Group** acquired retail media platform CitrusAd, a SaaS platform that optimizes advertising for brands directly within retailer websites. Australian-based CitrusAd and its 130 engineers and retail media experts will operate as a freestanding business within its Epsilon division.
- Media-buying processing system provider **Mediaocean** acquired Flashtalking, an innovative independent digital ad server provider for omnichannel advertising with emphasis on cross-channel video and dynamic creative. The combined entity will focus on ad serving, creative personalization, identity management, and verification with over \$200 billion in annualized media spend and over one trillion monthly ad impressions.
- Rochester NY-based agency **Butler/Till** acquired digital marketing shop Digital Hyve to expand into new verticals, including retail, auto, food/beverage, government, travel, tourism, and hospitality. Digital Hyve will retain its name.

- **MNTN** acquired Ryan Reynolds-owned shop Maximum Effort Marketing (with clients like Match.com and Mint Mobile). Maximum Effort Marketing will continue to operate as a creative agency within MNTN and retain its name. Ryan Reynolds is now chief creative officer of MNTN.
- New York-based marketing agency **Allied Global Marketing** acquired Dublin-based experiential marketing agency Honey+Buzz (with clients such as Heineken, Renault, Dropbox, and Coca-Cola) to expand its global footprint.
- Columbus, Ohio-based **Geben Communications** acquired Women Online, a boutique content and influencer marketing agency specializing in national social impact and nonprofits, and the curator of The Mission List, a remarkable influencer network of 2,400+ highly coveted opinion-shapers.

#### Holding companies' financial results:

- **Omnicom Group Inc. (NYSE: OMC)** worldwide revenue increased 27.5% to \$3,571.6 million in Q2 due to the recovery from the COVID-19 pandemic. Net income was \$348.2 million as compared to a net loss of \$24.2 million last year. Organic growth was up: 29.8% for Advertising, 25.0% for CRM Precision Marketing, 15.2% for CRM Commerce and Brand Consulting, 53.0% for CRM Experiential, 22.7% for CRM Execution and Support, 15.1% for Public Relations, and 4.5% for healthcare.

#### Noteworthy quotes:

- » "I believe the combination of our companies (MNTN and Maximum Effort Marketing) will create a 1+1 equals 3 situation, assuming my math checks out. It was never my strong suit." —Ryan Reynolds, Actor and Chief Creative Officer, **MNTN**

- » "Sadly, and without intent, agencies and their clients have seen their partnerships slip away to become vendorships, with relationships bought and sold on price." —Michael Farmer, Chairman and CEO, **Farmer & Company LLC**
- » "Our mantra is 'trust but verify.' Shouldn't take long to inspect a tightly-run ship, should it?" —Erika Blomerus, Global Audit Manager, **Financial Progression**
- » "We champion a single-point-lead model, which means we create a centralized and strategic approach where our agency acts as the lead, while ensuring integration throughout partner agencies, including with in-house teams." —Bill Afonso, CFO, **Johannes Leonardo**
- » "Rehearse pitches, resolve outstanding issues, and be relatable. Otherwise, throw the relationship in the dumpster." —Dana Small, Senior Category Manager, Global Strategic Sourcing, **BioMarin Pharmaceutical**
- » "When the pressure is on, large agencies can throw large agency numbers at the problem, or in many cases, at a pitch. What it lacks in efficiency it makes up for in sleep." —Greg Hahn, Co-founder and CCP, **Mischief USA**
- » "Agencies and their clients need to escape the commodity trap they created for themselves." —Michael Farmer, Chairman and CEO, **Farmer & Company LLC**
- » "Advertising spending will inevitably go higher than would be true if inflation were lower, as marketers are generating more revenue in nominal terms." —Brian Wieser, Global President, **Business Intelligence, GroupM**

Read our [new article](#) recapping the notable sessions and speakers at the ANA's recent in-person Advertising Financial Management conference. As in-person attendees, we share the energy and momentum felt and the success of what that could mean for future events.

NEW ARTICLE

# Back to a Future... Where Relationships Matter

What did we learn from the recent ANA Agency  
Financial Management conference?





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**KEY INTERNATIONAL MEDIA PITCH CONSULTANTS & MEDIA AUDITORS**

Based on our analysis of over 150+ global & multi-market media reviews since 2018, the list below reflects the pitch consultants and media auditors most often hired by multinational advertisers. From our experience and research, the number of offices or employees / size of the company is not necessarily a top selection criteria. The experience of the team and quality of service delivered is the most desirable consideration.



[auditstar.co.uk](http://auditstar.co.uk)

✉ **Caroline Lane, Managing Director** | caroline.lane@auditstar.co.uk

**Main services** Media Efficiency Audits | Performance Tracking Dashboards | Cost & Quality Benchmarking and KPI setting | Digital Management Optimisation | Modelling and ROI | Media Pitch Management | Contracts and Compensation | Fee Benchmarking | Agency Performance Evaluation | Invoice Checking | Reporting and Data Access | Financial Process and Controls | AVBs and Rebates

**Key clients** Clients across 12 categories (Automotive, Banking & Insurance, Beverages, Confectionary, Energy, Food, Government & Public Services, Health, Household Products, Personal Care Retail, Telecoms, Travel & Tourism). References available on application.



[ebiquity.com](http://ebiquity.com)

✉ **Nick Waters, CEO** | nick.waters@ebiquity.com

✉ **Laetitia Zinetti, MD Europe** | laetitia.zinetti@ebiquity.com

✉ **Priya Thakoribhai Patel, media management manager** | Priya.t.patel@ebiquity.com

**Main services** Media management: Agency management and selection, process review, KPI setting and remuneration models, process governance and operating models, training | Media Performance: Media benchmark, media performance tracking, digital source data monitoring, digital review | Marketing Effectiveness: market mix modelling, price and promotions, brand equity | Technology advisory | Contract compliance (Firm Decisions)

**Key clients** More than 70 of the Top 100 advertisers today choose Ebiquity as their trusted independent media advisor



[ecimm.com](http://ecimm.com)

✉ **Joakim Attack, Chief Commercial Officer and Partner** | joakim.attack@ecimm.com

**Main services** Media Performance Auditing | Media Pitch Management | Financial Compliance Audit

**Key clients** list available upon client request



[medialink.com](http://medialink.com)

✉ **Donna Sharp** | Donna@medialink.com

**Main services** Media + Creative Agency Partnership Assessment | Global Media + Creative Agency Reviews | Design of In-House Agencies (Media + Creative) | Agency Renegotiation/Therapy | Agency Contract Optimization

**Key clients** Disney, ABI, Unilever, Walmart, American Express, Eli Lilly, HPE, Nissan, WW, Gap, Walgreens Boots Alliance, NBA, MGA, Mattel, AT&T, Planet Fitness, MGM, AllState, Intuit, L'Oréal, YETI



[cortexmedia.com](http://cortexmedia.com)

✉ **Manuel Reyes** | mreyes@cortexmedia.com

**Main services** Agency Pitch Management & Consulting | Media Performance Audits | Financial Compliance Audits | Contracts & Compensation Support

**Key clients** Visa, Hershey, UHG, Warner Media, L'Oréal, Disney



[media-path.com](http://media-path.com)

✉ **Susanne Elias, Founder** | susanne.elias@media-path.com

✉ **Andrew Challier, CEO / UK** | andrew.challier@media-path.com

**Main services** Media Agency Pitch Management | Media Cost Management, Benchmarking and Insights | Media Governance | Media Strategy Consultancy | Media Financial Compliance

**Key clients** AB-InBev, Disney, Kraft Heinz, IKEA, H&M, Heineken, Pandora, Sky, Beiersdorf, JPMC, BSH



[idcomms.com](http://idcomms.com)

✉ **Europe: David Indo** | david@idcomms.com

✉ **North America: PJ Leary** | pj.leary@idcomms.com

**Main services** Diagnostic of Media Operations | Operating Model Design | Agency Pitches | Scope, Fee and Contract negotiations | Programmatic Media Assessment | Agency Performance Benchmarking | Media Auditing

**Key clients** T-Mobile, Hershey's, LVMH, Facebook, IKEA, Heineken, Klarna, Burberry, ING, Lindt, Duracell, Electronic Arts, Puma, TIAA, Colgate Palmolive, SAP, Sephora, Shiseido, Danone, Mars, Estée Lauder



[pwc.co.uk/services/risk/marketing-media](http://pwc.co.uk/services/risk/marketing-media)

✉ **Sam Tomlinson, PwC's media assurance practice Lead** | sam.tomlinson@pwc.com

**Main services** Media assurance (media audits) | Contract negotiation | Pitch support and related services

**Key clients** Confidential; includes top 10 global advertisers



[media-sense.com](http://media-sense.com)

✉ **Graham Brown Director, Co-founder** | graham.brown@media-sense.com

✉ **Andy Pearch Director, Co-founder** | andy.pearch@media-sense.com

**Main services** Models (media operating model advisory) | Partners (end-to-end pitch management) | Analytics (media auditing & performance management)

**Key clients** JET, Adidas, Dyson, Sanofi, Coca Cola, Liberty Global, Lloyds Banking Group, Bayer, Perrigo, BGL Group, Crown Commercial Services



[www.rthree.com](http://www.rthree.com)

✉ **Greg Paull** | Greg@r3ww.com

**Main services** Return on Agencies - Pitch Management, Financial Analysis, Agency Model, Agency Evaluation | Return on Media - Media Audit, Media Strategy Benchmarking, Programmatic Audit, Search Audit, Compliance Audit | Return on Investment - Digital Ecosystem Benchmarking, eCommerce Benchmarking

**Key clients** Samsung, Reckitt's, Philips, P&G, Unilever, Colgate, Novartis, Sony, MolsonCoors, NovoNordisk, Shell, BMW, Mercedes, Mastercard, Nike

**A FEW OTHER INTERNATIONAL MEDIA PITCH CONSULTANTS & MEDIA AUDITORS**



✉ **Philippe Dominois, Co-Founder and CEO** | Philippe.Dominois@abintus.consulting

✉ **Tatjana Slykova, Co-Founder and COO** | Tatjana.Slykova@abintus.consulting

**Main services:** Media Agency Pitch Support (27%) | Media Management Training (26%) | Media Auditing (22%) | Media Consultancy (13%) | Media Performance Tracking (12%)

**Key clients:** Pernod Ricard, Kao, Betway, Stage Entertainment



✉ **Rouven Dankert, CEO** | rouven.dankert@mediaguides.com

**Main services:** Deep Dive Audits & Trackings: 60% | Media Consultancy: 20% | Pitch Management: 20%

**Key clients:** Aldi, Allianz, Arla, Deichmann, Delta Pronatura, Deutsche Telekom, Dr. Oetker, Eurowings, Edeka, HUK, Intersnack



✉ **Rafal Szysz, CEO** | rafal.szysz@stars.com.pl

**Main services:** Auditing/benchmarking/tracking accounts (70%) | Media Pitch consultancy (30%) | 60% revenues from local services and 40% from international (foreign markets).

**Key clients:** Deutsche Telekom, Lidl, L'Oréal, Beiersdorf, Asahi, Allegro, Peppo, VW Group

COMvergence works closely with these and other pitch consultants (most being subscribers of COMvergence products & services for several years). Should you require further information or have questions about the above, please contact us.

COMvergence is an independent and international research consultancy providing analysis and benchmarking studies of the advertising and media firms owned by the global holding companies, leading independent agencies, and management & IT consulting firms. Using quantitative and qualitative measurement metrics, COMvergence provides high-quality reference data, guidance and support for MarCom professionals across all levels and titles. COMvergence partners include the American Association of Advertising Agencies (4A's), World Federation of Advertisers (WFA), Nielsen and Kantar, among others.

[www.comvergence.net](http://www.comvergence.net)

✉ **Olivier Gauthier, Founder & CEO:** Olivier.Gauthier@comvergence.net  
✉ **Lisa Spielman, US Director:** Lisa.Spielman@comvergence.net

[in](#) COMvergence worldwide

September 2021

Issue 57



**TALENT: Securing the right talent and resources**



Specialty talent is on the rise, and for this particular update I chose two esports and gaming-endemic agencies—Damage (in LA) and Paper Crowns (In NY)—specialized in the fast-growing esports category with a unique and differentiated offering. Gaming is everywhere, on every platform, device, and streaming service. The category is maturing as an advertising medium, fueled by innovation and high creativity, and brands need the right knowledge and expert competencies to address the gaming world and community. I also featured Cashmere, the lifestyle agency that recently became the “culture” AOR for Taco Bell. And 160over90, the newly appointed influencer and PR AOR for Abercrombie & Fitch-owned Hollister. No matter where you look, you will find so much talent and energy in advertising!

- September 14 is **Marketing’s Global Day of Learning**, featuring a free, curated series of world-class training, on-demand content, and pre-recorded interviews, workshops, masterclasses, and team building.
- Deutsch NY launched **Summer C.A.M.P.** (Creative Advertising and Media Program), a free, virtual, weeklong program that gives rising talent the opportunity to learn about brand-building, marketing, and communications during “diving lessons,” where students learn the fundamentals of account management, strategy, creative design, media, and production within a full-service advertising agency.
- Facebook’s** media agency continues with incumbent GroupM withdrawing from the brand’s ongoing global agency review. GroupM’s Mindshare has been the primary incumbent since 2014, while dentsu held a smaller portion of the account. Per COMvergence, the account could be in excess of \$742 million worldwide, based on measured media in 2020. Per the Wall Street Journal, the withdrawal could be linked to onerous contract terms shifting more risk and liability to the media agency.
- WarnerMedia** launched branded content studio House of Max, which will help advertisers develop custom creative for WarnerMedia’s entertainment properties, including HBO Max. Brands will leverage HBO Max talent and IP in custom campaigns that will be available on HBO Max and elsewhere. The studio will also develop creative for WarnerMedia’s other entertainment properties, which include TBS, TNT, and Adult Swim.
- Kraft Heinz’s** in-house agency, currently composed of 12 marketing teams covering 30-plus global markets, expanded its scope to focus on efficiency and creativity while improving the quality and efficiency of its marketing activities.
- KantanMT rebranded to KantanAI. **KantanAI** developed a range of platforms and technologies that combine Neural Machine Translation with advanced AI algorithms to accelerate translation delivery and improve communications effectiveness, helping clients develop better products and create smoother customer journeys.

- Per Ebiquity, 10 **guidelines for agency selection**:
  - 1) Ask yourself first if you’re sure you want or need to change your agency
  - 2) Make the pitch preparation phase a priority
  - 3) Think outside the box
  - 4) Make transparency a golden rule for all parties in the RFP process
  - 5) Define the rules of engagement from the start
  - 6) Brief agencies well, with qualitative content and clear expectations
  - 7) Set challenging, realistic, measurable, and commercial goals
  - 8) Build the foundations of a two-way relationship by positively engaging with agencies
  - 9) Encourage agencies to demonstrate creativity and delivery
  - 10) Make the process streamlined and agile
- Per TrinityP3, the **3P guide to successful agency selection** includes:
  - 1) People composition/consistency/transparency
  - 2) Purpose clarity/integrity/effectiveness
  - 3) Process efficiency/integrity and effectiveness

The 4C Assessment Model includes:

  - 1) Capabilities
  - 2) Chemistry
  - 3) Creative access
  - 4) Commercial considerations.
- Per TrinityP3, research suggests that an **incumbent’s chance of successfully defending an account** is 10-20%.
- Agency Mania Solutions** launched two online training modules—“Building Partnerships That Last” and “How to Evaluate Creative Work”—as part of its newly introduced self-serve online training: Agency Mania University (AMU).

**New agencies or capabilities, restructuring, and reorganizations:**

- UK-based **S4 Capital** combined the 24 companies previously sitting underneath its content arm Media.Monks and data and digital media arm MightyHive under a new brand called Media.Monks, operating under one P&L across 6,000 digital-first experts and 57 unified talent hubs in 33 countries.
- Stagwell Inc. ([www.stagwellglobal.com](http://www.stagwellglobal.com))**, the challenger holding company built to transform marketing, launched as the combination of MDC Partners (MDCA) and The Stagwell Marketing Group. The group is driven by four engines:
  - 1) Human-centered digital transformation and online media
  - 2) True scaled creative performance
  - 3) Innovative SaaS digital marketing products
  - 4) Integrated solutions at global scale. Stagwell (NASDAQ: STGW) targets growth to reach \$3 billion in revenue by 2025.
- Edelman launched **Edelman Global Advisory (EGA)**, a new firm that will be part of the DJE family, to provide tailored business and government advisory services to institutions seeking to navigate today’s changing geopolitical and economic landscape. Edelman committed to an initial investment of \$10 million.

- Independently owned, Toronto-based, full-service advertising agency **Humanity** launched a creative, strategic, and human-centric kind of agency which leverages a strategic process rooted in “Four Dimensions of Wellbeing and how they can bring brands and people closer together, to help transform lives, strengthen brands and contribute to global generational change.” The agency is part of the MH3 Group focused on the “Human Age.”
- **Publicis Groupe UK** launched Publicis Play, a specialized gaming and esports department staffed by members of Publicis•Poke, Publicis Sport and Entertainment, and Spark Foundry.
- Dallas-based Omnicom consulting firm **Credera** (part of Precision Marketing Group) launched an Amazon Center of Excellence (COE), helping brands to thrive within the online retail giant’s ecosystem, bringing together OPMG digital services, Amazon Web Services (AWS) technology and Credera’s cloud offering.
- Winners of the **2021 PRO Awards—Best Diversity Campaign**: NAACP for “111th NAACP National Convention” with Infinity Marketing Team.
- **FCB (Foote, Cone & Belding)** launched its inclusion practice, Upstream Inclusion, providing counsel to clients like GE Appliances, Kimberly-Clark, and Clorox on inclusive creative practices, taking their DE&I efforts to the next level.
- **Dentsu** announced that it limits payment terms to 30 days for minority media owners in an effort to help minority-owned media businesses in the US with critical cashflow and operations issues.
- The **American Association of Advertising Agencies (or 4As)** released a new body of research and comprehensive guide to eco-friendly messaging and eco-labeling standards called “Greenwashing in Advertising,” outlining how agencies can and should approach environmental claims in their brand messaging, leveraging input from experts at the Environmental Protection Agency (EPA), the Federal Trade Commission (FTC), the National Advertising Division (NAD), legal experts on the FTC Green Guides, and others.

**Diversity and inclusion, environment:**

- **Havas Media Group** launched a new sustainability marketplace in the UK in partnership with clients EDF, giffgaff, and O2 as well as PubMatic, Good Loop, Tripelift and The Guardian, designed to provide access to publishers and networks that are focused on building a sustainable media ecosystem, and that foster sustainability-oriented content.
- London-based **Garden Studios**, a technically advanced and sustainable film production complex, designed specifically to support the latest production technologies, launched its Virtual Production studio to produce carbon neutral films (estimated to be 120 times less than the amount required to shoot at traditional multi-location film sets).
- Beverage giant **Coca-Cola** plans to nearly double its spending on minority-owned media companies by 2024, with businesses led by Black, Hispanic, and Asian-American and Pacific Islander (AAPI) people, accounting for 8% of its total annual media budget over the next three years in North America.
- Marketing and communications company **VaynerX** appointed its first chief diversity officer to lead the diversity, equity, and inclusion efforts (employee recruitment and retention, training and education, supplier diversity, etc.) globally across the group of companies.
- Per Ad Age, nine brands are focusing their efforts and messaging around **climate change**, following the UN’s recent and scary ‘code red’ assessment: Apple, General Motors, HP, IKEA (“Buy Back Friday” and “Trash Collection” campaigns), Budweiser (“Together We Can Turn This Around” campaign), Evian (“Drink True” campaign), Burger King (“Cows Menu” Whoppers), Tide (“#TurntoCold” campaign), BrewDog (“Lost Forest” campaign).

**Noteworthy quotes:**

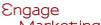
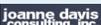
- » “Stagwell is born from the understanding that modern culture demands the highest levels of agility and creativity to drive unique, connected experiences.” —Mark Penn, CEO, **Stagwell**
- » “Elevating and improving DEI is a collaborative effort between client and agency partners and both are on equal footing when it comes to implementing change.” —Suzanne Powers, Global President, Global Chief Strategy Officer, **McCann Worldgroup**
- » “Playing games is part of the talent that we hire. It’s where they want to work.” —Anne-Margot Rodde, Founder, **WePlay Consulting**
- » “What we rarely seem to acknowledge are the clients. Specifically, client behaviors that help enable great ideas.” —Mike Cronin, VP, Director of Strategy, **KC Truth**
- » “Changes and uncertainty abound. Marketers, agencies, and media outlets are all struggling with how to tackle the issues that have taken on newfound urgency in the past 18 months, including ethnic diversity, consumer privacy, and cultivating talent.” —John Wolfe, Director of Communications, **ANA**
- » “We’re shifting from a culture that has prioritized being polite to one that values passionate collaboration, which can be a little messy. I want leaders who don’t want to be right; they want to do the right thing.” —David Taylor, Chairman of the Board, President and CEO, **Procter & Gamble**

- » “The previous era of large formal reviews, where there were multiple face-to-face meetings with agencies involving lots of time out of the office and travel expense are likely a thing of the past.”  
—David Beals, President, **JLB + Partners**
- » “There’s no singular definition of creativity.”  
—Neil Dawson, Global Chief Strategy Officer, **Wunderman Thompson**
- » “This is a skill worth developing: to be daringly honest with someone, but simultaneously full of compassion for them. If you can do this, you can come face-to-face with anyone, even your true self.”  
—Paul Venables, Founder and Chairman, **Venables Bell + Partners**
- » “Crisis is absolutely the best crucible for shaping innovations.” —Vivek Sunder, COO, **Swiggy**
- **Paper Crowns (<https://papercrowns.com>)** is a NY-based international gaming creative and marketing agency that goes by the motto “Reimagine Everything.” It was named Creative Team of the Year at the 2020 Esports Awards. The agency provides a wide range of services, from branding and identity work to website and software development, animation and motion design, video production, stage design, custom illustrations, apparel design, storytelling, and community connection. The agency works with some of the biggest video game publishers, leagues, streaming platforms, celebrities, content creators, and brands. Clients include Verizon, Activision, Rogue, Esports Engine, Vindex, Shopify Rebellion, Veloce, T-Minus, and Gallo.
- **160over90 ([www.160over90.com](http://www.160over90.com))** is a NY-based global creative agency that sits within Endeavor, the global entertainment, sports and content company. Endeavor Global Marketing rebranded as 160over90, adopting the name of the Philadelphia-based agency it acquired in 2018 for \$200 million. The agency claims to be “the most culturally connected agency in the world” as a result of being part of Endeavor. Offices in the US include Atlanta, Beverly Hills, Charlotte, Chicago, Philadelphia, San Francisco, Santa Monica, and St. Louis. 160over90 also has offices in Dubai, Hong Kong, London, Shanghai, Singapore, Sydney, and Tokyo. Clients include Brawny, Allstate, Conagra, Saks Fifth Avenue, YMCA, Marriott Bonvoy, W Hotels, Under Armour, Michelob ULTRA, Electronic Arts, an UCLA.

### Company profiles:

- **Damage ([www.damage-esports.com](http://www.damage-esports.com))** is an LA-based full-service esports agency dedicated to the growth of esports and authentic integrations with brands into the gaming space. Founded by gamers, they aim to deliver “thought provoking, category shattering campaigns and content that resonate within the gaming community.” Services include brand strategy and consulting, content production, creative development, team partnerships, experiential live and digital, and influencer marketing. Clients include TikTok, Ubisoft, Subaru, Blast, T-Mobile, and Konami.
- **Cashmere ([www.cashmereagency.com](http://www.cashmereagency.com))** is an LA-based lifestyle-marketing company comprised of a diverse collective of minds from the worlds of entertainment, advertising, and new media. The agency provides services in social media, creative strategy, digital trends, experiential, influencer, and public relations. It recently became the “culture” AOR for Taco Bell. Cashmere’s clients include Google, Instagram, Facebook, BMW NA, Danone NA, Heineken, DoorDash, adidas, WarnerMedia, Amazon, Hulu, Disney, Apple TV+, Netflix, Universal Pictures, FX, and CBS. Awards include 2019 Cannes Lions Creative Award, The Clio Awards, ADCOLOR, and A100. The company was named Ad Age’s Multicultural 2019 Agency of the Year and recognized on Ad Age’s 2020 A-List Agencies To Watch list and Ad Age’s 2021 A-List Standout Agencies.

Per AdForum and 4As, here is a list of major Pitch/Search consultants:

COMPANY LOGO	NAME	GEOGRAPHY	SCOPE
	<b>AAR Group</b>	London, EN	Marketing Ecosystems
<b>AAR</b> PARTNERS	<b>AAR Partners</b>	NY, USA	Marketing Communications
	<b>Agency Assessments International</b>	London, EN	Advertising and Marketing Communications
	<b>Agency Mania Solutions</b>	Seattle, USA	Agency Partnerships Enablement
	<b>Ark Advisors, LLC</b>	New York, USA	Marketing Resource Selection, Compensation, Relationship
	<b>Bajkowski + Partners</b>	New York, USA	Agency Search Management, Relationship, Renumeration, Audits, etc.
	<b>bob wolf partners/ TPG</b>	Marina Del Rey, USA	Agency Counsel
	<b>Booster Consulting</b>	London, EN	Marketing Structures
	<b>The Burnett Collective</b>	San Francisco and Hermosa Beach, USA	Evolving Marketing Communications
	<b>Breezeway Oy</b>	Espoo, FIN	Marketing and PR agency Search, Remuneration, Audit
	<b>Ciesco</b>	London, EN	M&A Advisory
	<b>DNCC</b>	Hellerup, DEN	Communication Agencies
	<b>Ebiquity</b>	New York, USA	Marketing and Media Consultant
	<b>Engage Marketing</b>	Stockholm, SE	Nordic Consultants
	<b>External View Consulting Group</b>	Los Angeles, USA	Marketing Agency Search, Compensation, Metrics
	<b>Flock Associates Ltd</b>	New York, USA	Marketing Transformation
	<b>GG Marketing Communication Consultancy</b>	San Donato Milanese, IT	Advertising/Communication Agency Consultancy
	<b>Hasan + Shumaker</b>	Raleigh, USA	Agency Review and Selection
	<b>IAS</b>	Johannesburg, SA	Agency Search and Selection
	<b>ID Comms</b>	New York, USA	Global Management Consultancy
	<b>ISBA</b>	London, EN	Consultancy
	<b>JBL+Partners</b>	Chicago, New York, and San Francisco, USA	Agency Search, Compensation, Performance
	<b>Joanne Davis Consulting</b>	New York, USA	Full Service Consulting
	<b>Juel Consulting</b>	New York, USA	Executive Search and Talent Consultancy, Marketing
	<b>Media Plus Advisors</b>	Basking Ridge, USA	Agency Transitions, Relations
	<b>MediaSense</b>	New York, USA London, EN   Mumbai, IN	Agency Selection/Pitch Management, Op Model Design/Digital Transformation, Global Media Auditing and Analytics

## List of major Pitch/Search consultants (continued):

COMPANY LOGO	NAME	GEOGRAPHY	SCOPE
	<b>Mercer Island Group</b>	Mercer Island, USA	Marketing, Product, Sales Strategy Consulting
	<b>Mitchell&amp;McCue LLC</b>	Dallas, USA	Agency Relationship Management and Agency Search
	<b>Muster Consulting</b>	Newton, USA	
	<b>Mzyme</b>	Dallas, USA	Consultant
	<b>Navigare Pty Ltd</b>	Melbourne, AUS	Governance and Oversight Protocols
	<b>Observatory International</b>	London, EN	Roster Model, Marketing Strategy
	<b>Oystercatchers</b>	London, EN	Marketing Transformation
	<b>The Palma Group / Creative Agency Search</b>	Atlanta, USA	Agency Brand Strategy, Pitch, Consultant
	<b>Pile &amp; Company</b>	Boston, USA	Agency Search and Management
	<b>PinSeeker Consulting</b>	West Newton, USA	Marketing ROI Consultancy
	<b>Pitchville</b>	Paris, FR	Agency Communication Counsel
	<b>R3 Worldwide</b>	New York, USA   Beijing, Hong Kong, and Shanghai, CN   London, EN   Singapore, SG	Agency Management Consulting
	<b>The ROJEK Consulting Group</b>	Fort Lauderdale, USA	Agency Search, Roster Review
	<b>Roth Ryan Hayes</b>	New York, USA	Search Consulting
	<b>Select Resources International</b>	Los Angeles, USA	Agency Search, Compensation, Relationship, Model Consulting
	<b>SCAN International Network</b>	New York, USA   Amsterdam, NL	Client Agency Consultancy
	<b>Scopen</b>	Madrid, ES   Beccar, ARG   Sao Paulo, BRZL   London, EN	Creative Search, Consulting
	<b>Stone Soup Consultants</b>	Glen Ellyn, USA	Agency Search, Consulting, Marketing Capabilities
	<b>Tenx4</b>		
	<b>The Producer International</b>	Milano, IT	Vendor Search, Pitching, Project Management
	<b>VT Scan Groupe</b>	Neully Sur Seine, FR	Agency Review Consultancy
	<b>Wanamaker Associates</b>	Atlanta, USA	Media Strategy and Placement
	<b>Zach Rosenberg Consulting, Inc.</b>	Tarzana, USA	Agency Search

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



We are seeing the signs of an “asynchronous recovery,” as some people call it. It’s apparent in the work being produced and in countless awards being won. Data and privacy have taken center of stage as cookie-based targeting goes away and first-party data becomes essential to future marketing programs. Work is improving as we improve our ability to evaluate creative as well. This is what motivated me to produce a playbook for the Association of National Advertisers. **Check out the new Creative Feedback Checklist for Marketers.** Stay focused; stay strong. We will prevail.

- Horizon Media’s performance agency, Big, worked in conjunction with Horizon Media sibling Blue Hour Studios on air conditioning client Windmill, establishing a **bespoke compensation model** tied to its client’s business performance (sales goals, customer acquisition cost, email list growth, etc.). The client and agency set multiple KPIs around agreed-upon sales objectives and a sliding scale of compensation for the agency with a cap.
- **Publicis Groupe and TikTok** entered an agreement on social commerce, testing the platform’s new social commerce products and accessing exclusive strategic insights centered on driving product discovery and purchase intent on the platform. Publicis clients can test TikTok’s new commerce products, capabilities, and creative solutions.
- The German firm **Eyeo**, which operates the ad blocker Adblock Plus (ABP) and owner of the Acceptable Ads program, launched a demand-side platform (DSP) called Trestle.

- Out of Home (OOH) firm **Talon America** launched its proprietary data management platform, named Ada, in the US after a successful rollout in the UK with clients like McDonald’s, Virgin Media, and Starbucks. Ada traces insights into how that audience behaves in the offline world, understands patterns, generates a holistic view of behavioral groups, and provides clients ways to best find target audiences.
- **NBCUniversal** committed to incorporate Ad-ID into its media platform, the first major media company to sign up. Ad-ID identifies an advertising asset (any format, across any platform) and enables tracking, placement, optimization, and measurement at a creative level.
- **WARC report findings** identified four themes linking this year’s Cannes Creative Effectiveness Lions winners:
  - 1) Tech enriches creativity from the sideline
  - 2) Influencers amplified cultural impact
  - 3) Agile and unsexy wins the awards
  - 4) Stand up for what you believe in
- At the Ad Age Small Agency Conference, “**P&G’s Elevator Pitch**” allowed the advertiser to connect with dozens of potential new, small, nimble, fast-growing agency partners and develop a deeper understanding of the agency landscape, including agencies like OKRP, SRG, Cornett, The Variable, and DCX Accelerator, which now do work for the CPG giant. The fake elevator (with a maximum capacity of two people) records five-minute pitches for P&G executives to find new agencies to handle some of its marketing projects.

**P&G’s Elevator Pitch**



## Awards:

- McCann Health was named the World's Most Awarded Network at the **Creative Floor Awards**, taking home 40 wins from six offices in five countries. The Most Awarded Agency was McCann Health New York.

- Per the 2020 and 2021 **Creative Floor Healthcare Awards**: Best Communications Agency was 21GRAMS.

- Per COR, **Top Creative Award Winners** included the following from **Clio Awards**:

- 1) Burger King: Moldy Whopper (INGO Stockholm/David Miami/Publicis)
- 2) Sandy Hook Promise: Back to School Essentials (BBDO NY)
- 3) Unilever's Good Humor: A New Jingle For A New Era (Edelman)
- 4) The Royal Australian Mint: Donation Dollar (Saatchi & Saatchi)
- 5) Asomedi: The Voice of Vera (Sancho BBDO)

### From the **LIA Awards**:

- 1) Huawei: StorySign (FCB Inferno, London)
- 2) IKEA: ThisAbles (McCann TLV, Tel Aviv)
- 3) The New York Times: The Truth Is Worth It: Fearlessness (Wave Studios, New York)
- 4) Volvo Cars: The E.V.A initiative (Forsman & Bodenfors, Gothenburg)
- 5) March for Our Lives: Generation Lockdown (McCann New York)

### From the **Cannes Lions International Festival of Creativity**:

- 1) Nike: You Can't Stop Us (Wieden+Kennedy, Portland)
- 2) Burger King: BK Stevenage Challenge (David Madrid/David Miami)
- 3) Mastercard: True Name (McCann New York)
- 4) World Wildlife Fund: Eurythenes Plasticus (BBDO Dusseldorf)
- 5) Diesel: Enjoy Before Returning (Publicis Italy)

### From **The One Show Awards**:

- 1) San Francisco Symphony (Collins San Francisco)
- 2) Michelob, Microsoft, NBA: Michelob Ultra Courtside (FCB New York)
- 3) Sick Beats (Area 23, An FCB Health Network Company/New York + Claire's Place)
- 4) Miller Lite: Farewell, Work Holiday Parties (DDB/Chicago)
- 5) Apple: Shot on iPhone (TBWA\Media Arts Lab/Los Angeles)

- Per **Ad Age's Small Agency Awards 2021**, top winners were: Translation (Gold), Mischief @ No Fixed Address (Silver)
  - In the 1-10 employees: Even/Odd (Gold), Party Land (Silver)
  - In the 11-75 employees: Circus Maximus (Gold), Lightning Orchard (Silver)
  - In the 76-150 employees: Chemistry (Gold), SCC (Silver)
  - International: GIGIL (Gold), Zulu Alpha Kilo (Silver)
  - Culture: Color Creative (Gold), O'Keefe, Reinhard & Paul (Silver)
  - Experiential: Tech and Soul (Gold), The Bait Shoppe (Silver)
  - Media: Movers+Shakers (Gold), Media Matters Worldwide (Silver)
  - Newcomer: Special Group US (Gold), Broken Heart Love Affair (Silver)
- **Winners of the 2021 PRO Awards**, recognizing excellence in brand activation and promotion marketing were: Pringles and Adult Swim for their "Trapped in Advertising" campaign produced by agency Grey New York (Platinum PRO award). Some of the Gold winners:
  - 1) **Best B2B Campaign**: Amazon Web Services for "DeepRacer League" with PrizeLogic and Opus Agency.
  - 2) **Best Package Design**: Bud Light for "Bud Light BL6 Gaming Console" with agency Engine Shop.
  - 3) **Best use of AI/VR/AR**: Barefoot Wine for "Band Together" with agency FlyteVu.
  - 4) **Best Outdoor Campaign**: OnePlus and T-Mobile for "Go Farther" with agency The Bait Shoppe.
  - 5) **Best Virtual Event or Experience**: Executive Leadership Council for "2020 Recognition Gala" with CPG Agency.
  - 6) **Best Social Media**: GEICO and NASCAR for "GEICO/NASCAR Social Promotions" with agency Scout Sports and Entertainment.
  - 7) **Best Buzz**: Stella Artois for "Dining Together Apart" with agency Mosaic.
  - 8) **Best Brand Awareness**: Advance Auto Parts for "DieHard is Back" with agency The Marketing Arm.
  - 9) **Best Retail Campaign**: Vogue International for "OGX Digital Commerce Campaign" with agency The Integer Group.
  - 10) **Best of Influencer Marketing**: Dairy Farmers of Wisconsin for "Virtual Cheeselandia" with agency We Must Be Bold.
  - 11) **Best Use of Emerging Technology**: ViacomCBS for "Jersey Shore Family Vacation Shoppable Content" with their in-house agency.

**Noteworthy quotes:**

- » “What we want to do is find a constructive disruption that creates value for our consumers, our communities, and other stakeholders—to build our company and empower our people.” —David Taylor, Chairman of the Board, President and CEO, **Procter & Gamble**
- » “We have to think about how we help clients activate data. And we have to be agnostic.” —Mark Read, CEO, **WPP**
- » “It’s moved out of the experimentation zone... to something scaled. Businesses are using AI to scale business value and enterprise value.” —Sanjeev Vohra, Senior Managing Director, Global Lead-Applied Intelligence, **Accenture**
- » “Apple could plug this ad product into all the social networks—allowing brands to run their best creative assets on a billion devices.” —Casey Saran, CEO, **Spaceback**
- » “Analytics, AI, and automation practices all [have to come] together, along with data management... to create the solutions required for a company to become intelligent.” —Sanjeev Vohra, Senior Managing Director, Global Lead, Applied Intelligence, **Accenture**
- » “We’re connecting with issues outside of our clients, doing more for sustainability, doing more not-for-profit, responding to the issues that cause culture to get stirred, and people to take action.” —Vanessa Romann, Chief Growth Officer and Managing Director, **Havas NY**
- » “The best clients understand that setting an initial tone is vital. They don’t enter a discussion of creativity from the standpoint of what’s wrong with it, but what’s right with it. They explore the possibilities. Not every idea is good. Giving every idea a reasonable chance at the outset can build momentum.” —Mike Cronin, VP, Director of Strategy, **KC Truth**
- » “In a performance-driven marketing environment, creativity is still the oxygen to growth.” —Ann Mukherjee, Chairman and CEO, North America, **Pernod Ricard**
- » “Don’t control creativity. Unleash it. Cling to ‘what if we’ over ‘yeah, but.’” —Paul Venables, Founder and Chairman, **Venables Bell + Partners**
- » “[Without third-party cookies], a renaissance in digital creativity is about to begin.” —Ricardo Diaz, Partner, Chief Digital Officer, **Omelet**
- » “We are moving from outputs to outcomes. There is an increased focus to really understand what has been delivered.” —Marla Kaplowitz, President and CEO, **4As**

Check out our new module “How to evaluate creative work” as part of our newly introduced Agency Mania University, which offers online agency management training courses. For more information: <https://www.agencymania.com/online-marketing-agency-management-training-courses>

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COURSE 02


## How to evaluate creative work

**Course Description :**  
 Is it an art or a science? Conducting effective creative reviews and providing feedback to your agency partner is a critical skillset every client should master. By removing the subjective nature of feedback from the equation and focusing on a logical structured and proven process that evaluates creative based on whether it meets business goals, you and your partner can collaborate effectively to deliver better quality work.

**Who it's for :**

- Marketers
- Marketing Procurement
- Agency Management Teams (at any level)



Check out this new checklist for marketers:



*Excerpted from The Creative Feedback Playbook by Bruno Galpois*

# CREATIVE FEEDBACK CHECKLIST FOR MARKETERS

Provide High-Quality Feedback	DO	DON'T
<b>Be well prepared</b>	Do as much of the work as possible at the briefing stage and in advance of the meeting to align internally.	Do NOT proceed too far in the process without having alignment internally.
<b>Be attentive and engaged throughout</b>	Attend this meeting open-minded (you may not be the audience) and entirely focused. Be present.	Do NOT attend this meeting with a hidden agenda, a bias, or get easily distracted by email or your phone.
<b>Be truthful and respectful at all times</b>	Be transparent and direct. Show respect for the time and effort involved.	Do NOT dance around issues or wait until after the meeting to share your input. Do not condemn. Criticize the work itself and the work only.
<b>Share positive feedback (encouragement)</b>	Share what you like best about the work, and why. Example: "This is terrific work. I like this particular idea for the following reasons..."	Do NOT simply state that you like something as lip service or without explaining why.
<b>Share negative feedback (concerns)</b>	Share your concerns and invite the agency to comment. Example: "I am not sure this would work for the following reasons . . . Aren't you worried that...? How would you prevent this?"	Do NOT be prescriptive or propose solutions.
<b>Ask clarifying questions</b>	Ask open-ended questions, prompting brainstorming and open dialogue, e.g., "What made you decide to take this direction?"	Do NOT ask loaded questions that box in the agency or limit constructive dialogue.
<b>Be useful, honest, and constructive</b>	Be specific, providing substantive and constructive input.	Do NOT be vague or provide input that is not practical or productive.
<b>Be short and concise in your feedback</b>	Be clear and to the point, providing succinct input. Example: "Here are three things that I like or would like to see."	Do NOT go on and on for too long or elaborate on a point that does not warrant it.
<b>Combine both heart and brain when reviewing work</b>	Share how the work makes you feel (emotionally) and what you think about it (rationally).	Do NOT limit your input so that it's coming only from an emotional or a rational perspective.
<b>Be thoughtful and patient before speaking</b>	Consider all input points before sharing your perspective. Consult with others, if needed. Take your time. Give yourself permission to reflect.	Do NOT jump in with half-baked feedback, jump in before you are ready, or rush to judgment.
<b>Invite suggestions or ideas</b>	Invite the agency to consider ways to improve or strengthen the work, using sentences like "How would you address this?" or "How would you make this stronger?"	Do NOT impose or forcefully push suggestions onto the agency.

## Lyrics—“We Will Prevail”

Tune by sailor song pro David Coffin, set to the classic sailor tune “Blow the Man Down,” opened day two of Ad Age’s Small Agency Conference:



*The pandemic is over and  
we’re standing tall  
To me way hey, we will prevail!  
The scope of our work we do  
not low ball  
Our purpose is clear, we’re too  
strong to fail.*

*Whoever said, “Size matters,” they had it right  
To me way hey, we will prevail!*

*The smaller the shop, the brighter the light  
Our purpose is clear, we’re too strong to fail  
Take your BBDO, WPP, DDB,  
To me way hey, we will prevail!*

*Takes more than acronyms for a shop  
to succeed  
Our purpose is clear, we’re too strong to fail*

*We Zoomed our reviews but they won’t make  
us rich  
To me way hey, we will prevail.  
We need just two floors for our elevator pitch  
Our purpose is clear, we’re too strong to fail.  
With contactless payment and pickup curbside  
To me way hey, we will prevail.  
We’ll transform your business and do it  
with pride  
Our purpose is clear, we’re too strong to fail.*

*With our creative minds there are no bounds,  
To me way hey, we will prevail.  
When you sing a sea shanty, the heads  
turn around*

*Our purpose is clear, we’re too strong to fail.*

**FINANCIALS: Driving efficient use of resources**



Brands are reinvesting in marketing, particularly in digital media, ecommerce, and marketing technology. As client confidence returned and spend increased, holding companies are emerging from the pandemic with strong Q2 earnings and showing strong performance in the first half of the year with double-digit organic growth, compared to negative growth the year prior for most of them. This is a remarkable rebound and turning point with continued progress on public health and sustained macro recovery and they are now upgrading expectations for full fiscal 2021 financial performance. Yet, once again, the big winners are the social media and ecommerce giants Facebook and Amazon with results that any agency would envy. Facebook revenue was up 56% in Q2 and Amazon's advertising revenue was up 87% YOY.

- Due to a rapid and broad-based recovery, the **ad industry consensus** for 2021 global ad growth is now +13.1%, following some adjustments from media firms dentsu and Zenith. The 2021 US ad-growth consensus is now +14.6%, up from the previous +12.2%.
- Per Ad Age Datacenter, **Procter & Gamble Co.** is once again the world's biggest advertiser with estimated marketing spending of \$11.5 billion (a 7% increase YOY), ahead of the \$10.9 billion in 2020 worldwide advertising and other promotional costs spent by Amazon. It's worth noting that P&G ranked No. 1 in all but two years since Ad Age began its global ranking in 1987.
- **Connected TV (CTV)** seems to gain in size as CTV advertisers increase their spend and look for better ways to spend their marketing dollars. eMarketer is projecting CTV spend to surpass \$13 billion in 2021 and \$17 billion in 2022.
- Per Zenith's **Advertising Expenditure Forecasts** report, online video advertising will be the fastest-growing digital channel in 2021, rising 26% to \$63 billion. Digital advertising is expected to grow by 19% this year and increase its share of total ad spend to 58%—up from 48% in 2019. Social media will grow 25%, to \$137 billion, surpassing paid search for the first time (which will expand by 19%, to \$135 billion).
- Per iSpot.tv, national TV ad spend across NBCU's TV networks for the **Tokyo Olympics** reached \$135 million for its opening weekend. The games were off to a slow start this year compared to the last ones in Rio, with far fewer viewers during the opening ceremony.
- eMarketer estimates that spending on **influencer marketing** in the US will surge past the \$3 billion mark in 2021, a 33.6% increase YOY, and reach a total of \$4.14 billion by 2022.
- Per IDC, investment in **artificial intelligence (AI) technology** rose from \$37.5 billion globally in 2019 to over \$50 billion in 2020. It's estimated to reach \$110 billion by 2024. Per Statista, the global cloud computing market will exceed \$362 billion in 2022. Per IDG, the average cloud budget is \$2.2 million today.

- Video is king. **YouTube** generated \$7 billion in revenue in Q2 alone, drawing close to Netflix's quarterly revenue, which was \$7.34 billion—an 84% increase YOY and up 35% in a single quarter, on a trajectory to become a \$30 billion per year business.
- Beverage giant **Coca-Cola** doubled its YOY marketing spend in Q2, returning to pre-pandemic levels with a renewed focus on innovation, effectiveness, efficiency, and improving quality of spend and allocating it in a more targeted manner.
- Per COMvergence, **Omnicom's OMD** remains the top media agency network by billings, ranking first worldwide for the second year in a row, with total 2020 billings estimated at \$21.3B (the equivalent of the top 60 local media agencies combined), followed by GroupM's Mindshare (2nd with \$20B) and Carat (3rd with \$15.5B). Horizon Media ranked as the largest worldwide independent agency with billings of \$7.2 billion or one-third of all independent billings.

**Mergers and acquisitions (M&A) activity:**

- MDC Partners Inc. and Stagwell Media LP are merging, combining nearly 10,000 employees and now operating under one name—**Stagwell Inc.** Per Ad Age's Datacenter, the combined company, now traded on the NASDAQ, will have worldwide revenue of \$2.1 billion and rank 14th behind Cheil.
- Chicago-based marketing services agency **Merge** acquired digital marketing consultancy Blue Moon Digital (with clients like Kate Spade and The North Face) to offer clients deeper retail marketing expertise, with an end-to-end set of scalable ecommerce and data-driven solutions.
- B2B company **Taboola** acquired Connexity (formerly "Shopzilla," the independent ecommerce media platform in the open web with +1,600 direct merchants and +6,000 publishers) from Symphony Technology Group for \$800 million.
- **S4 Capital** acquired Destined, which will be merged with programmatic unit MightyHive to enhance its data and digital media capabilities in Asia-Pacific as well as its global Salesforce capabilities. Recognized by Salesforce as a "Platinum Partner," the firm specializes in digital transformation strategy, Salesforce implementation, integration strategy and execution, managed services, training, and change management. Clients include Spotify and Panasonic.
- **Edelman** acquired long-time Edelman partner and Washington, DC-based strategic consulting company Basilinna, which it used to launch Edelman Global Advisory.
- **Accenture** acquired Italian-based commerce specialist Openmind, a firm with experiences on cloud platforms including Adobe, Salesforce, and SAP, which will now operate under Accenture Interactive. The firm is strengthening its capabilities across commerce, content, strategy, experience design, and technology.

- Southern California agency **SCS** merged with Atlanta-based independent digital performance agency Swarm, which provides strategy, marketing, design, and technology services. The merged company will operate as SCS.
- WPP **Kantar** acquired Chicago-based, tech-driven, consumer and market intelligence company Numerator from investment firm Vista Equity Partners, a deal valued at \$1.5 billion. Numerator blends proprietary data, including a digital panel of over one million US consumers, with advanced technology to create unique insights that help companies understand their customers in real time and identify growth opportunities.
- **Integral Ad Science (IAS)** acquired the connected TV ad platform Publica (and its technology platform and proprietary data assets) for \$220 million to help publishers better monetize their video programming across CTV devices while building new tools to provide advertisers with much-needed transparency into the quality of this inventory.
- Investment firm **Apiary Capital** acquired London-based media consultant MediaSense which has been providing consulting, analytics, audits and media reviews for the past 12 years. MediaSense is estimated to manage \$15+ billion of media expenditure on behalf of its clients and 45% of the global pitches conducted in Q2 of this year.
- UK-based digital agency **Brainlabs** acquired Toronto-based programmatic agency Media.net as part of an expansion in North America. Brainlabs operates in the UK, North America, and Singapore.
- **Omnicom Group** posted 27% YOY revenue growth or \$3.5 billion. Organic growth (which strips out M&A and currency impact) was 24.4%, mostly led by its advertising division, which includes media agencies. CMR precision marketing, ecommerce, and brand consulting were big drivers. Net income for the quarter was \$348 million versus a net loss of \$24.2 million a year ago, a strong indicator that the group is rebounding, fueled by digital, commerce, and media. Operating margin increased to 15.9% in Q2 versus 2.2% the year prior.
- **Interpublic Group of Cos.** posted organic growth of 19.8% in Q2 (17.4% in the US and 24.4% internationally), a strong result compared to last year's 9.9% decrease. Net revenue in Q2 was up 22.5% YOY, to \$2.27 billion. Net income was \$263.3 million. First half 2021 net revenue of \$4.30 billion showed an increase of 12.3% compared to \$3.83 billion in the first half of 2020. Staff cost ratio, which is total salaries and related expenses as a percentage of net revenue, decreased to 65.4% in the second quarter of 2021 from 70.5% in the same period in 2020, and decreased to 67.0% in the first half of 2021 from 71.3% in the same period in 2020.
- Vivendi-owned **Havas Group** reported revenues up 7.3% to just over €1 billion (or \$1.2 billion) and a net organic revenue growth of 16% YOY. New business wins included Volkswagen (CX), Cox Communications (Creative) and De Beers (Media). Sanofi and Novartis retained their multi-year contracts with the network.
- **Dentsu Group** reported JPY 243 bn in revenue and organic revenue growth of 15% in Q2. Dentsu Japan Network grew by 12% while dentsu International registered a growth of 17%.10, over Q1 decline of 2.4%. Group revenue reached JPY 440.5 billion in the first half of the year (YOY +7.8%, +5.6% on a constant currency basis) and organic growth of 5.4%. In H1, dentsu's operating profit increased by 35.8% as a result of higher revenue and cost reductions being implemented. The acquisition of LiveArea strengthened the Group expertise in the fast-growth areas of consumer experience and ecommerce.
- Social-media giant **Facebook** reported strong performance in Q2, reaching \$29 billion in revenue, a 56% increase YOY. Net income was \$10 billion. Operating margin was 43%. It was driven by a 47% YOY increase in the average price per ad and a 6% increase in the number of ads delivered. Facebook daily active users (DAUs) were 1.91 billion on average for June 2021, an increase of 7% YOY. Headcount was 63,404 as of June 30, 2021, an increase of 21% YOY.

### Holding company and digital player financial results:

- **WPP** reported H1 revenue up 9.8%, Q2 being up by 26.4% fueled by \$2.9 billion in net new billings in H1 (AstraZeneca, Bumble, JP Morgan Chase and Pernod Ricard), with growth areas in experience, commerce, and technology representing 26% of revenue. Q2 net revenue was £2.6 billion with organic growth of 19.3%. H1 operating margin was 12.1%, up 3.9 pts YOY. WPP launched Choreograph, its future-ready data and analytics company. Kantar agreed to acquire Numerator and WPP completed technology acquisitions in Brazil and UK. WPP won 190 Cannes Lions including 12 Grand Prix, one Titanium, 28 Gold, 57 Silver, and 92 Bronze.
- **Publicis Groupe** reported a strong second quarter with \$2.75 billion in revenue and organic growth of 17.1%, improving by 2% compared to 2019, despite the effects of the pandemic and citing strong acceleration in the US at +15.2%, with Epsilon at +31.1% and Publicis Sapient at +27%. The group's overperformance was largely driven by the US and Asia, which both grew +7% versus 2019. In H1 overall, the firm posted organic growth of +9.7%, leading to an operating margin rate at 16.5%, the group's highest ever for a first half period.

- **Amazon’s advertising business** grew 87% YOY in the second quarter to over \$7.9 billion, representing an estimated 10% of the digital ad market. The profitable division launched “over 40 new features and self-service capabilities” during that period. The firm will exclusively stream Thursday Night Football, getting into the digital upfront and competing for TV ad budgets.
- **Google** ad revenue surpassed \$50 billion in Q2. Google advertising revenue rose 69% from last year. Retail was by far the largest contributor to the company’s ad growth. YouTube revenue came in at over \$7 billion (with over 120 million people who watch YouTube on their TVs every month). Parent company Alphabet reported revenue up 62% and operating income up 31%.
- Social-media platform **Twitter** reported a 74% increase in revenue in Q2, reaching approximately \$1.2 billion (advertising revenue surpassing \$1 billion). The number of daily users reached 206 million, an 11% increase in Q2. Sales and marketing expenses grew by 46% due to higher sales commissions, people costs, and increased marketing expenses.

**Noteworthy quotes:**

- » “Apple could use the existing ad infrastructure—the same pipes and placements that perpetuate its mobile browser and apps—and push social ads out to roughly 60% of the mobile traffic in the US.”  
—Casey Saran, CEO, **Spaceback**

- » “With transparency high on the agenda for advertisers, agency evaluation today goes well beyond assessing commercial promises. Gone are the days of old-fashioned creds and one-size-fits-all solutions.” —Laetitia Zinetti, Managing Director, Continental Europe, **Ebiquity**
- » “We feel rooting our compensation in business outcomes crucial to our clients’ success is less about gimmicks and more about shared culture and identifying the capabilities and incentives we can draw upon to create those outcomes.”  
—John Koenigsberg, General Manager, **Big**
- » “Our focus on data, commerce and technology, through strategic acquisitions, organic investments, and the launch of Choreograph, has supported a strong new business performance.” —Mark Read, CEO, **WPP**
- » “Increased investment in content by ad-free or ad-light streaming services while ad-supported TV networks hold the line or reduce spending on content will lead to an increasing share of consumer time in ad-free environments.” —Brian Wieser, Global President, Business Intelligence, **GroupM**
- » “We can’t predict the future. But we do know that we’ve lived through a hell of a past and have done it successfully. So that gives us confidence.”  
—John Wren, CEO, **Omnicom**

Check out my new article “**How to Manage Successful Agency Negotiations**”: Cutting corners and making compromises all too often ends in reduced quality of resources and endangers long-term growth. Read my latest article to learn productive and effective negotiation skills: [www.agencymania.com/article-how-to-manage-effective-agency-negotiations](http://www.agencymania.com/article-how-to-manage-effective-agency-negotiations)



Effective agency negotiations are not about responsible cost management, they are about value creation.”

**BRUNO GALPOIS**  
Excerpt from the new article: *How to Manage Successful Agency Negotiations.*

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# PITCH REPORT

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DRIVING TRANSFORMATION FOR MARKETERS & THEIR AGENCIES

Est. Billings in US\$

## NEW ACCOUNTS IN REVIEW

REGION	BRAND	INCUMBENT	CREATIVE	MEDIA	EST BILLINGS	LED
UK	CompareTheMarket	Wavemaker			\$50m	n/s
Europe	Kingfisher (B&Q, Castorama)	Wavemaker, Mindshare			\$30m	n/s
Global	CFA Institute	Ogilvy, NEO			\$30m	R3
Global	Durex	Havas			\$60m	R3
China	Metersbonwe	n/s			\$100m	R3
China	MINI	n/s			\$50m	R3

## CREATIVE ACCOUNT MOVES

REGION	BRAND	WINNER	CREATIVE	DIGITAL / SOCIAL	PR	CRM	INCUMBENT	EST BILLINGS
UK	Adobe	Ketchum					Red Consultancy	\$5m
Germany	Betway	David und Martin					Saatchi & Saatchi	\$10m
UK	British Heart Foundation	Saatchi & Saatchi					MullenLowe	\$5m
Europe	Desperados	Publicis.Poke					W+K Amsterdam	\$10m
Malaysia	EMart24	Beatnk, Rebl, McGagh Communications					n/s	\$5m
Global	Frankfurt Book Fair	Syzygy					n/s	\$10m
UK	Grosvenor Casinos	Isobel					St. Luke's	\$10m
S.Africa	Johnnie Walker	TBWA					Wunderman Thompson	\$15m
US	LegalZoom	Hubbub Manufacturing					n/s	\$8m
Australia	LG Electronics	The Works					n/s	\$12m
Global	LinkedIn	Golin					EP & Co	\$20m
Europe	Meetic, Match, Love Scout, etc.	WNP, Harbour, Hirschen Grp					Marcel	\$40m
UK	Pizza Express	Engine					n/s	\$15m
UK	Sainsbury's Beauty	New Commercial Arts					n/s	\$10m
Australia	SodaStream	Thrive PR+Communications					n/s	\$5m
Europe	Trident gum	Publicis.Poke					Ogilvy	\$15m

## MEDIA ACCOUNT MOVES

REGION	BRAND	WINNER	MEDIA	INCUMBENT	EST BILLINGS
Germany	Flixbus	Wavemaker		n/s	\$10m
US	I Love NY (NY Tourism)	UM		Zenith	\$10m
Australia	Insurance Australia Group	Initiative		Mindshare	\$18m
Germany	Miele	Wavemaker		Pilot Media	\$20m
Malaysia	Pizza Hut	Dentsu Malaysia		n/s	\$10m
US	Red Bull	PHD		Starcom	\$100m

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**TALENT: Securing the right talent and resources**

The talent war has many facets. As in-house agencies grow in popularity, resourcing remains the marketing department's top challenge, as they utilize contractors and freelancers to handle the work. Many agencies such as Havas Media have been heavily recruiting data science talent to strengthen their client offering, as they increasingly rely on more sophisticated data solutions in marketing campaigns. Amazon full-service agencies are also gaining in popularity. During COVID, Amazon's net sales from third-party sellers grew 57% year-over-year in 2020, heavily contributing to Amazon's \$386 billion annual revenue and a significant budget shift toward marketing on the giant e-commerce platform. Logically, advertisers are looking for expert talent like Canopy Management to help them figure out the maze of marketing techniques to be successful in their e-commerce efforts and to contribute to their growth plans.

- Per Boathouse & GLG, **CMO tenure** hit a 10-year low at 40 months, citing lack of skillsets for a changing environment and lack of general business communication skills. Only 34% of CEOs have great confidence in their CMOs, and only 32% trust them overall. Only 4% of CEOs surveyed say the CMO is the most trusted member of the leadership team.
- Retailer Boots launched the **Boots Media Group**, its own in-house media and marketing services agency to produce creative work and targeted campaigns for its suppliers, leveraging data from its Advantage Card loyalty scheme, which currently has 17 million active members shopping at 2,300 stores and online.
- Per Cella's 2021 **In-house Creative Industry Report**, as e-commerce activity is on the rise, digital dominates with digital design (83%), and social media design/copy and video animation (66%). 64% are using a digital asset management system, and 80% utilize project management software.
- Per Advertiser Perceptions, 55% of advertisers and 70% of agencies believe the **agency RFP process is broken** (somewhat agree or completely agree). Advertisers believe that agencies don't fully understand what they need (55%), that clients don't get to vet who works on the account (51%), contracts and accountability structure change immediately (50%), and they don't get to see prospective agencies in action (38%). Agencies believe that they mostly lack information about clients/needs (55%) or are limited in their ability to discuss capabilities (50%). 43% of agencies believe that there is too much focus on pricing.
- The **American Association of Advertising Agencies (4A's)** created the "Agency Review Participation Agreement," designed to address various agency pain points (for example, payment terms and speculative work) centered around pitches conducted directly by a brand advertiser, complementing its existing agency review guidelines—the 4A's/ANA Best Practice Guidelines for Agency Search Consultants and the ANA/4A's Guidelines for Agency Search.

- Key guidelines from the 4A's "**Agency Review Participation Agreement**" include the following:
  - 1) Communication is key
  - 2) Clearly defined budget and expectations
  - 3) Internal alignment
  - 4) Process and timing
  - 5) Confidentiality of material and data submitted
  - 6) Speculative work
  - 7) Payment terms
  - 8) Timely notification and actionable feedback
  - 9) Public commentary
- Per **MediaMonks**, what clients want from future-proofed creative partnerships: "Collaborative spirit, pooled skills, and deep knowledge to deliver innovative, digital-first solutions" and "seamless access to a broad range of services and talents in one completely integrated structure."

**New agencies or capabilities, restructuring, and reorganizations:**

- A new, independent health-care marketing shop was launched by former Havas veterans with a focus on "solving the challenges of reduced physical customer engagement" and "unlocking the potential of the tech-enabled society." The agency, called **The Considered** (<https://the-considered.com>), has "hubs" located in New York City (HQ), Los Angeles, San Francisco, Philadelphia, Chicago, and London, and will partner with health-care search specialist Performance.io and digital/social health-care specialist Foundry3.
- Boston-based independent agency **Connelly Partners** launched a health practice as part of its integrated offering called CP Health. Clients include Boston Scientific, FluidEdge, the Public Health Institute, and others.
- **Havas** launched its Havas Sovereign Technologies, a unit which includes its Havas Blockchain to offer clients "end-to-end support in appropriating innovations, protecting their reputation, and mitigating risks associated with new technologies."
- After successfully combining the Stagwell Marketing Group Holdings LLC and MDC Partners Inc. into **Stagwell Inc.**, Stagwell has now merged its digital- and performance-first ForwardPMX into its Assembly media agency to offer a more modern, tech-driven media offering.
- Atlanta-based digital agency **Acadia** launched, aiming at mid-market brands, combining digital agency Techwood Digital, e-commerce agency Nicely Built, and a social media agency, Imagine Media. The new entity provides acquisition and e-commerce solutions, analytics, creative, and social media services. Clients include Greenlight, Pipette Baby, and Poppy.

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

- The **American Association of Advertising Agencies (4A's)** released a whitepaper called “Greenwashing and Advertising: What Your Agency Needs to Know When Making Environmental Claims.” The document includes rules for making environment claims in advertising (FTC Green Guides), enforcement, and how best to navigate the regulatory roadmap for compliance with eco-labeling standards.
- A group of 13 PR and ad agencies (including McCann London, Publicis Groupe, Havas, and dentsu) committed to a **global standard for responsible influencer alcohol marketing**, including conducting due diligence on influencers, having transparency for sponsored products, and using age-affirming technology on social media platforms. These guidelines were established in partnership with the International Alliance for Responsible Drinking (IARD).
- **WPP** committed to use only electricity that is 100% from renewable sources by 2025 as well as to reach net-zero carbon emissions across Scope 1 and 2 within that timeframe, and Scope 3 by 2030. They include the carbon emitted from the advertising they place in the media on behalf of their clients (which represent 55% of all the emissions in their supply chain) in their target to reach net zero.
- CPG giant **Procter & Gamble** claims that it currently gets 97% of its power from renewable electricity, and the goal is to get to 100% by 2030. The firm announced it has reduced emissions by 50% and across the supply chain by 40%.
- **The Clorox Company** committed to net-zero emissions by 2050. By 2030, the brand aims to reduce carbon emissions across its operations (Scopes 1 and 2) by 50% and its value-chain emissions (Scope 3) from goods and services and use of sold products by 25%. It also plans to tie executive compensation awards to its Environmental, Social, and Governance (ESG) goals, including the CEO.
- **Nestle SA** plans to achieve net-zero emissions by 2050 and announced it will invest \$1.3 billion over the next five years to help its farmers and suppliers transition to using regenerative agriculture practices, which account for nearly two-thirds of Nestle’s total greenhouse gas emissions. Nestle’s Nespresso division and 85 more companies joined the Climate Pledge created by Amazon and nonprofit Global Optimism.
- The ANA, in partnership with the Global Alliance of Responsible Media and WFA created the **#EngageResponsibly** campaign, sponsored by Pernod Ricard, to combat online hate.
- Lip balm Burt’s Bees is the first brand to launch a Twitter campaign, featuring a Black skincare influencer, through **Omnicom Media Group’s Diverse Creators Network (DCN)**, which connects brands with Black, Indigenous, People of Color (BIPOC) creators.

- **UM Worldwide** launched its Media 101 Certificate Program, a series of virtual training sessions designed to educate college students on the media and advertising landscape.
- Major cosmetics firms and beauty brands (L’Oréal, LVMH, Henkel, Unilever, etc.) collaborated with sustainability consultancy Quantis to create the industry’s first brand-agnostic **environmental scoring system**, providing consumers with clear, transparent, and comparable environmental impact information rooted in science-based methodology.

## Noteworthy quotes:

- » “We’re in a talent swirl.” —Jean Freeman, Principal and CEO, **Zambezi**
- » “Marketers recognize that in a digitally led, tech-enabled world, there is no longer a need for complex and rigid agency models. Innovation, technology, and strategy are the three capabilities moving in-house, a meaningful shift that agencies can either choose to fight or figure out how to support.” —Ben Wiener, CEO, **WONGDOODY**
- » “One of the biggest barriers to evolution is that most agencies are trying to survive as a managed service.” —Adil Zaim, EVP, **Carat NY**
- » “There’s a benefit to being an agency because you can see a client’s problem when you’re not embroiled in it. Having that bird’s eye view is very valuable.” —Lisa Clunie, CEO, **Joan**
- » “My experience is that a people first, human approach that works for the betterment of all in fact drives demonstrable value far beyond savings. The future of Procurement is bright, great talent, great opportunities, great people coming together to drive change. Procurement with heart is the vehicle by which to release that potential, the glue that makes value stick.” —Barry Byrne, Global Senior Director, Marketing and Retail Procurement, **adidas**
- » “Agencies play a very key role in strategy, planning and campaign ideation. Content creation can be part of that, but it doesn’t have to be.” —Jillian Gibbs, Founder and Global CEO, **APR**
- » “We have seen pitches with long lists of 80 agencies, which is not the best use of anyone’s time. You’ll learn so much more and be able to kick the tires much better with a focused short list.” —Mat Mildenhall, Chief Client Officer, **eg+ worldwide**
- » “We feel like we’re going to need probably five times the content we need today. The only way we’re going to be able to do that is [by] having great external partners, like we do with FCB and mcgarrybowen. We’re also going to need our internal engine.” —Stacey Grier, CMO, **Clorox**

- » “We’re in position to reinvent ourselves if we’re willing to let go of the traditional model archetypes ill-equipped to handle changing winds. We can recreate media agencies to effectively compete against consultancies and tech providers, by offering the flexibility that advertisers are demanding.”  
—Adil Zaim, EVP, **Carat NY**
- » “Procurement with heart works in collaboration with stakeholders, it replaces competitive tension with connection, it believes that bringing our people and our suppliers together in partnership is the key to unlocking value. It’s the key to equality, it’s the key to sustainability. It’s a relationship based, people first philosophy.” —Barry Byrne, Global Senior Director, Marketing and Retail Procurement, **adidas**
- » “The way we work post-pandemic will be different, but with the right values, policies and practices in place, you will be able to attract the talent you need and retain the highly qualified team members you already have.” —Jean Freeman, Principal and CEO, **Zambezi**
- » “Full-service independent agencies are becoming a road less traveled, while the trend towards small agencies that deliver deep knowledge on specific channels grows.” —Richard Smoorenburg, Managing Director Data and Digital Media, **Media.Monks**
- » “What procurement spent a decade separating, many clients are looking to put back together again.” —Mark Penn, CEO, **Stagwell**
- » “You can’t win two battles in one pitch. Stop trying to sell your agency and build relationship at the same time. Focus on the relationship.” —Lisa Colantuono, President, **AAR Partners**
- **Media.Monks** (<https://media.monks.com>) is a digital-first marketing and advertising services company, owned by London-based S4Capital (SFOR.L) and HQ in Hilversum, Noord-Holland, which was established by Executive Chairman Sir Martin Sorrell. The firm connects content, data, digital media, and technology services across one global team built from the bottom up, with 6,000 employees with multidisciplinary digital skills organized across 57 talent hubs in 33 countries. In 2021, the Media.Monks brand was created by merging MediaMonks and MightyHive. Media.Monks has regularly been recognized at the Cannes Lions and Webby Awards—in 2021 as Webby Production Company of the Year. The firm operates with a single P&L model and often partners with leading brands and platform providers Facebook, Google, and Amazon. Clients include Mondelez, Sprint, Bayer, US Air Force, Nike, FIFA, J&J, and HP.
- **DDB Worldwide Inc.** (<https://www.ddb.com>) is a 70-plus-year-old New York-based worldwide marketing communications network within the Omnicom Group Inc (NYSE-OMC). The group’s philosophy, “Unexpected Works,” is deeply rooted into creativity. It has received many awards recently for its Miller Lite work—2021 ANDY Awards, D&AD Awards, AICP/NEXT, etc. The network is composed of offices around the world, including agency brands like adam&eveDDB. Clients include Google, Kroger, AT&T, McDonald’s, Sony, VW, Mars, Unilever, State Farm, and J&J. For more information, visit their profile page on AdForum: <https://www.adforum.com/agency/4978/profile/ddb-worldwide-inc>
- **WONGDOODY** (<https://wongdoody.com>) is a Seattle-based, full-service “human experience” agency that provides a broad range of services—strategy, research and consumer insights, brand and marketing positioning, creative and product design, CX, advertising and production, media buying and planning, branding, digital, direct response, and PR. The agency has 16 studios globally and over 650 creatives. Clients include Amazon, Daimler, BP, Honda, CITI, and more. The agency was acquired in 2018 by Infosys (NYSE: INFY), a global leader in consulting, technology, and next-generation services, to combine digital strategy, creative, and technology. For more information: <https://www.adforum.com/agency/10721/profile/wongdoody>

### Company profiles:

- **Canopy Management** (<https://canopymanagement.com>) is an Austin-based, full-service, A-to-Z Amazon agency “Built by Amazon Sellers... for Amazon Sellers,” handling all Amazon marketing-related services such as strategic planning, list optimization, advertising management, posts, organic ranking services, review aggregation, Demand Side Platform, and more. The agency is one of the very few Amazon-Accredited DSP providers. Clients include Sharper Image, Discovery, Lady Boss, and others, and represent over \$1 billion in annual managed revenue.



In a nutshell, a client’s behavior is often the number one predictor of an agency’s ability to deliver and meet expectations.”

**BRUNO GRALPOIS**  
Excerpt from the new article: *The Chicken and the Egg Dilemma*

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



Content proliferation, cost-effective production, and creative innovation are the major battlefields of modern marketing. Creator or influencer? As short-form video app TikTok surpasses one billion active global users, the question comes up as social media channels are increasing their reach and the role played by these individuals is shifting from mere commentaries to quality content creation via high-end studios and new tech resources in order to sustain and grow viewership and engagement. How to build transparency and build trust is highly debated as the industry embraces new measurement standards and experiments with the in-house agency model while figuring out how to mix external and internal talent. Creativity remains essential to brand differentiation and business performance, no matter your industry or where you operate in the world. Yet, the trio—USA, UK, Brazil—remain the most creative countries in the world.

- **Fred & Farid** launched a new campaign for Concern Worldwide, using the hashtag #UnfortunatelyFakeNews, calling out income inequality and placing 50 fake news headlines. For example: “SPACE CAN WAIT. BILLIONAIRE PUTS PASSION PROJECT ON HOLD. REDIRECTS BILLIONS TOWARDS ENDING EXTREME POVERTY.”
- **TikTok** reached one billion active global users, a significant boost compared to the 55 million global users it claimed in January 2018. In comparison, Facebook had 3.51 billion monthly users across its family of apps in the second quarter.
- Per Accenture Interactive, **5 ways for marketers to win** include:
  - 1) Orbit around purpose—and customers (delivering experiences grounded in a clear and powerful brand purpose)
  - 2) Obsess about right-brain talent (combining customer experience, data insight, and innovation skills)
  - 3) Orchestrate humans and machines (automating marketing processes)
  - 4) Own a seat at the table (influencing and participating in the corporate strategy)
  - 5) Overhaul spending mindsets (embedding a cost-management culture in their organization)
- Per verification/measurement firm Method Media Intelligence ([www.methodmi.com](http://www.methodmi.com)), there are five areas to consider to **build trust**:
  - 1) Billing transparency (what am I paying for?)
  - 2) Traffic validity (is it real?)
  - 3) Viewability (did it appear?)
  - 4) Suitability and brand safety (in what context?)
  - 5) ROI (to what effect?)
- **Fifty Technology Ltd** launched FiftyAurora, a revolutionary, ID-free ad targeting approach to contextual marketing (human context data, real-time dynamic behavior, shared passion, human connection), going beyond the page to understand what target audiences are engaging with, in a cookieless world. It received the Best Overall Technology for Programmatic Trading award from The Drum.
- The recent US court ruling in the **Epic Games v. Apple lawsuit** about payment systems available to developers appears to be a financial win for companies selling digital services which is likely to contribute to greater innovation.
- **The Washington Post** launched its proprietary self-service ad-buying platform/network called Zeus Prime, which allows brands and agencies to buy placements across its partner publisher sites.
- Per **Havas Media** and its North American Chief Data Officer Mike Bregman, three major needs are:
  - 1) Ethically collecting and harmonizing the most valuable data around our clients’ customers, products, and media outcomes
  - 2) Creating predictive and prescriptive models to identify and optimize the most meaningful audiences and touchpoints
  - 3) Building the most effective and efficient technology ecosystem
- **CreativeX**, an AI-powered technology company, launched a Creative Quality Score (CQS) into the review process, marrying creative data with ad-performance data the firm collected from best practices, and therefore improving media efficiency, brand awareness, and engagement.
- **Momentum Worldwide** launched a plug-and-play hybrid experience platform called WhiteBox, allowing consumers to make exciting connections with brands from break-out rooms to one-to-one meetings to a live-networking “penthouse,” mimicking a real-life conference.
- The ANA continued to push for its **media measurement principles**, advising brands to back a system that is “objective, independent, transparent, neutral, and third-party verified.” The ANA fully supports the Media Rating Council (MRC), which was created at the request of the US Congress to establish standards for ratings operators, accreditation of rating services, and auditing through CPA firms.
- **IPG Mediabrands** signed up to use inclusion-analytics data from Nielsen-owned Gracenote to gain visibility into the gender, race, ethnicity and sexual orientation of the talent appearing in popular linear TV and streaming content.
- Chocolate icon **The Hershey Company** ran a media review in the US testing agencies’ programmatic abilities involving a real campaign in a fully transparent environment. All agencies had access to the same platform, budget, and KPIs.

**Awards:**

- **AD STARS** (<https://www.adstars.org>) **2021 Grand Prix winners** included:
  - 1) Saatchi & Saatchi Australia: ‘Donation Dollar’ for Royal Australian Mint (Brand Experience and Activation)
  - 2) Dentsu Inc. Japan: ‘The Toxic Dictionary’ for Nikkei Inc. (Print)
  - 3) Happiness Saigon, Vietnam: ‘Lays Crispy Subtitles’ for Le Thi Yen (Radio and Audio)
  - 4) VMLY&R Singapore: ‘Pride Pass’ for Manpower Group Workforce Solutions (PSA)
  - 5) Cheil Hong Kong: ‘The Cost of Bullying’ for Samsung (PSA)
  - 6) TBWA Hakuhodo Japan: ‘The First Take’ for The First Take (Video)
  - 7) Dentsu International was named Network of the Year
- **AD STARS** is the only international advertising festival which combines creativity with cutting-edge technology
- **M&M Global Awards**, which has celebrated 32 years of rewarding the best work in international media and marketing, recognized WPP MediaCom as Agency Network of the Year, Agency of the Year, and Campaign of the Year. MediaCom Connections Tel-Aviv won the Grand Prix for its Always campaign. Other winners: <http://festivalofmedia.com/mmg/the-mmg-2021-winners/>
- **WPP** was recognized by Sitecore as its highest-performing partner worldwide for deploying Sitecore products to deliver seamless and personalized content and digital experiences for clients.

- Per **Cannes Lions**, The top three creative countries were the US, UK, and Brazil, along with the top three most creative cities: New York, London, and Sao Paulo. The top three US agencies were FCB, Ogilvy, and McCann Worldgroup; top three in APAC: Dentsu, Ogilvy, and DDB Worldwide; top three in LATAM: DDB Worldwide, AKQA, and Ogilvy; top two EMEA: Publicis Worldwide, BBDO Worldwide.
- In the streaming category, Netflix dominated the 2021 **Emmys** with a record 44 wins (including 10 Primetime awards), twice as many as last year, after winning seven Academy Awards. HBO won 19 awards. Disney+ 14, and Apple TV+ 10.

**Noteworthy quotes:**

- » “We are working closely with our clients as they endeavor to live up to their purpose.” —Mark Read, CEO, **WPP**
- » “Healthcare brands need to realize that thriving in this hybrid and socially complex new world is going to require new campaigns, a new marketing mix, a new formula. It requires breaking the flawed rules that have stifled our ideas, and doing it with heart, wisdom, and consideration.” —David Hunt, CEO and Founder, **The Considered**
- » “As an industry, we like to believe that agency-level talent is our differentiator that clients can never replicate. It’s increasingly clear that’s not true, especially since agency talent is moving to the client world as companies from all industries put innovative customer experience at the core of what they do.” —Ben Wiener, CEO, **WONGDOODY**

Check out our module on “Mastering the Skill of Briefing” as part of our newly launched Agency Mania University, which offers a variety of online agency management training courses to marketers and procurement professionals. To get started: <https://www.agencymania.com/online-marketing-agency-management-training-courses/>

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- » “The rapid digitization of consumer lives—accelerated even further by the COVID pandemic—has driven the convergence of media, commerce, entertainment, and shopping, offering exciting opportunities for our brands.” —Luis Di Como, EVP Global Media, **Unilever**
- » “The winners will be the companies who own and manage their own assets, as they can act quickly, be flexible, control costs associated with rights management and most of all, brand consistency.” —Jillian Gibbs, Founder and Global CEO, **APR**
- » “While an agency is effective in managing strategy... they are external partners and distant from the day-to-day needs of our brands.” —Jeff Rasp, Head of Media Strategy and Digital Marketing Operations NA, **Bayer HealthCare**
- » “We are very clear that ideas not only can, but they should, come from anywhere around the world.” —Manuel Arroyo, Global CMO, **Coca-Cola**
- » “We’ve been relentless in trying to do this by humanizing our pitches, finding ways for both agency and client to show their personalities, increasing our interaction methods and time, putting on a ‘show’ and also by living the brands we pitch for before, during and after the pitch.” —Lyndsay Haywood, Partner, Business Development Director, **FleishmanHillard UK**
- » “Marketers need to re-establish and fortify relationships with employees, business partners, and of course customers. Because these connections will make or break success.” —Dorian Cundick, VP Advisory, **Gartner**
- » “We have taken the mindset and capabilities that are really strong in production and brought this to the front to provide clients with a new agency model.” —Mat Mildenhall, Chief Client Officer, **eg+ worldwide**
- » “A marketer now must look at alternative approaches to production that include leveraging their own in-house teams, agency’s in-house teams, and other third-party solutions to meet demand and take advantage of new approaches in effective and agile ways.” —Jillian Gibbs, Founder and Global CEO, **APR**
- » “In a world where core advertising platforms may not be as palatable as they once were, clearly assessing the benefits and costs of those platforms is increasingly important.” —Brian Wieser, Global President, Business Intelligence, **GroupM**
- » “The success of any agency-client relationship and the quality of work rests on building a real, honest thing from the jump, and that’s always been our new business approach, whether IRL or through a screen.” —Sarah Ceglarski, Partner, CMO, **Omelet**
- » “You have to be citizens of the world, understand the world itself and then bring that back to the business... The ad industry has a tendency to get drunk on itself.” —Lisa Clunie, CEO, **Joan**
- » “What we are looking for is one end-to-end partner that is absolutely critical to bring the level of agility and speed and creativity that we need.” —Manuel Arroyo, Global CMO, **Coca-Cola**
- » “As the buyers, we should ensure that we get accurate, objective, transparent, accredited measurement so we know we’re getting what we paid for.” —Marc Pritchard, Chief Brand Officer, **P&G**

## ARTICLE: Sustainability in Production

Contributed by: Advertising Production Resources (APR)



### The AdGreen Carbon Calculator is now live!

The new industry tool has been designed to help ad agency and production teams to collaboratively measure the carbon footprint of their production and take active steps to reduce it. Access it at [calc.weareadgreen.org](http://calc.weareadgreen.org) or via [www.weareadgreen.org](http://www.weareadgreen.org). It’s free at the point of use, meaning any ad agency and production company, no matter how small, can make use of it.

Ad Net Zero, the UK advertising initiative to help the industry respond to the climate crisis caused by CO2 emissions is marking its first-year anniversary with a special 2-day Global Summit.

Ad Net Zero is made up of 70 leading companies from across the UK advertising industry, committing to achieving net zero carbon emissions from their operations by end 2030 as part of wider industry drive. It will take place on November 3 and 4 live from Glasgow at the same time as COP26 when the world’s leaders gather to look at measures needed to tackle the challenge of climate change.

The Global Summit will be free to attend for any advertising professional from around the world and will provide inspirational content through thought leadership sessions and practical workshops. **Anyone interested in attending the Summit online can register for a place here.** Read the press release announcement [linked here](#).



**FINANCIALS: Driving efficient use of resources**

The Unilever media review, which is estimated at \$3.3 billion and is considered the largest of the year, received much attention with the incumbent WPP retaining most of the business, and with Mindshare retaining the huge US media account (\$1.5 billion). That was the brand's first global review since 2015. While holding companies are back to growth mode this year, one of them seems to be doing particularly well. S4 Capital, the tech-led, new-age/new-era digital services company established by Sir Martin Sorrell continues to report strong growth, like-for-like gross profit (net revenue) up 49% and 66% in second quarter, more in line with the fast-growing digital platforms than other holding companies in its category. The firm is aggressively securing talent in data, content, and technology, like LA-based premier culture and creative marketing agency Cashmere, which merged with Media.Monks, expanding the group's global cultural strategy as well as content capabilities in the US.

- Per IPG intelligence arm Magna, **US advertising spending** grew 32% YOY in the first half of 2021, reaching \$130 billion, driven by automotive, finance, restaurants, and retail sectors. Advertising spend in the US is expected to reach \$278 billion, up 23% YOY, and to reach \$300 billion for the first time in 2022, up 12%. Pure-play digital ad revenues jumped 50% to \$81.5 billion in the first half.
- New York-based **Marpice** secured \$8 million in Series A funding to grow its automated creative testing platform. The firm uses automation to generate thousands of ad variations to determine which are the most engaging based on the best combination of images, text, ad copy, or background colors.
- Per R3, **new agency business** reached billings of \$3.9 billion in July with 485 account moves. Publicis Media landed the biggest win in media in July with Walmart's US business estimated at \$600 million.
- Per COMvergence, there were 1,940 media account moves and retentions across 46 countries totaling \$13.2 billion in billings in the first half of the year, a 27% increase YOY.
- Per COMvergence, Publicis Groupe's Starcom is the **top global media agency** in net new business activity for the first half of 2021, winning \$2.2 billion in net new business with Stellantis's consolidated account (net new business includes \$1.2 billion in retained business). Initiative ranked second with net new business of \$1.4 billion, thanks to the T-Mobile win in the US. Zenith and OMD tied for third place, each with \$872 million in new business billings.
- To lower its operating costs, **Denstu Group** sold its Japanese HQ building in Tokyo for \$808 million and signed an 11-year lease in the same building where 20 of its agencies will be operating.
- **Twitter** agreed to pay \$809 million to settle a five-year-old lawsuit alleging that the company misled investors about users' engagement with the service.
- **WPP** agreed to pay \$19+ million to resolve charges that it violated the anti-bribery, books and records, and internal accounting controls provisions of the Foreign Corrupt Practices Act (FCPA), especially in India, China, Brazil, and Peru.

**Mergers and acquisitions (M&A) activity:**

- **S4 Capital** announced the merger between LA-based premier culture and creative marketing agency Cashmere and its digital-first services company Media.Monks, which connects content, data, digital media and technology services, expanding the capabilities of both its content practice in the US and global cultural strategy. Cashmere clients include Taco Bell, Jack in the Box, DoorDash, Danone North America, NASCAR, Facebook, and Google.
- **TransUnion** acquired identity-resolution provider Neustar for \$3.1 billion. TransUnion will use Neustar's OneID platform to quickly and accurately connect identity across solutions like its TruAudience household identity graph.
- Atlanta-based ad agency **Fitzco** acquired marketing and technology consultancy Constant Analytics to expand its team of consulting resources that will operate as Fitzco Analytics.
- **Omnicom Group** acquired Oliver Schrott Kommunikation GmbH (OSK), one of Germany's leading public relations and communication agencies with clients such as Mercedes-Benz, Harman, and Siemens. OSK will operate as a stand-alone brand within Omnicom Public Relations Group.
- **WPP** acquired leading AI technology firm Satalia, a global leader in enterprise AI and one of the UK's fastest-growing tech companies, whose clients include BT, DFS, DS Smith, PwC, Gigaclear, Tesco, and Unilever. The firm combines machine learning and optimization.
- **VCCP Business**, a group of specialist agencies and part of Chime's global VCCP network, acquired Sydney-headquartered agency Sling & Stone, creating a \$40 million group of PR and communications agencies. Clients include Twitter and Google.
- **Omnicom Group** acquired antoni, a Berlin-based, digitally native advertising agency with clients such as Mercedes-Benz and Vodafone. Antoni will play a leading role in Mercedes-Benz "Team X," a custom data-driven global Omnicom agency solution.
- **S4 Capital** merged with Colombia-based digital transformation services firm Zemoga (product design, engineering, delivery services) and Media.Monks, expanding its offering into Technology Services. Zemoga has offices in Los Angeles, New York City, and Wilton, Connecticut, and delivery centers in various Colombian cities. Clients include Bridgestone, Sony, and Roku.

**Holding companies' and digital player financial results:**

- **S4 Capital** reported revenue of £279.3 million, up almost 98%, and net revenue for the first six months that doubled YOY to £236.7 million (\$328 million). Organic growth in Q1 was 33% and in Q2 66%. The continued growth is fueled by incremental work from clients like Google, Facebook, HP, Netflix, P&G, AB InBev, and new clients like FIFA, Burberry, Amazon Fashion, Toblerone (Mondelez), Shopify, Instacart, McLaren and more. Market capitalization is £4.5 billion (C\$6.3 billion).

**Noteworthy quotes:**

- » “Marketing budgets are facing steep cuts, steeper than any in the past decade. We’re going to have to do more with less.” —Mike McGuire, VP Research, **Gartner**
- » “Although cost is a driver, the need to be effective in driving change carries equal weight.” —Jillian Gibbs, Founder and Global CEO, **APR**

- » “The future opportunity for agencies is to stop renting talent by the hour, and to start selling the parts of our human capital value chain that clients actually need and can’t replicate nearly as quickly or easily.” —Ben Wiener, CEO, **WONGDOODY**
- » “Marketers and procurement may come at things from different angles, but they share the ‘ever more’ challenges—ever more content needed, ever more quickly, and ever more efficiently.” —Mat Mildenhall, Chief Client Officer, **eg+ worldwide**
- » “There is too much attention being showered on the slow growth of the big players, and not enough attention being given on the fast growth of some of the smaller, more innovative players.” —Scott Spirit, Chief Growth Officer, **S4 Capital**

Check out my new article “Aligning your Roster to Your Model”: Brand advertisers must align their model to the way they manage their agency roster so it’s operationally sound and effective. <https://www.agencymania.com/article-aligning-your-roster-to-your-model>

New article!

# ALIGNING YOUR ROSTER TO YOUR MODEL

An agency model is only as good as the advertiser’s ability to strategically manage the roster and operationalize it.

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## Exclusive Data from COMvergence on Media Agency Billings Final 2020

### Reveals Top Global Agency Network and Group Winner

*OMD Remains the Leading Global Media Agency Network  
and GroupM the Largest Group in 2020*

FRANCE — JULY 21, 2021 — COMvergence has issued its latest global billings rankings report based on Final 2020 media agency and group billings – including digital media spends. With a total 2020 billings figure estimated at **\$21.3B**, and a growth rate of **-9.7%**, **OMD** stays as the top ranked media agency network worldwide. GroupM’s **Mindshare** (including Neo) placed 2<sup>nd</sup> with **\$20.0B** (-6.2%) and **Carat** ranks 3<sup>rd</sup> with **\$15.5B** (-18.4%).

#### Media Agency Networks Final 2020 Global Ranking

Rank	Networks	Owner Groups	Total Billings 2020 M\$	Share of Digital Billings %	Industry Market Shares %	Intra network Market Shares %	# Clients 2020	Total Billings 2019 M\$	Growth 2020 vs 2019	Growth rates 2020 vs 2019
#1	<b>OMD</b>	Omnicom Media (OMG)	<b>21 294 M\$</b>	<b>41 %</b>	6,2 %	<b>12,4 %</b>	1 632	23 588 M\$	-2 294 M\$	-9,7%
#2	<b>Mindshare</b>	GroupM	<b>19 975 M\$</b>	<b>42 %</b>	5,8 %	<b>11,7 %</b>	1 550	21 299 M\$	-1 324 M\$	-6,2%
#3	<b>Carat</b>	dentsu international	<b>15 532 M\$</b>	<b>39 %</b>	4,5 %	<b>9,1 %</b>	1 159	19 041 M\$	-3 509 M\$	-18,4%
#4	<b>MediaCom</b>	GroupM	<b>14 976 M\$</b>	<b>40 %</b>	4,4 %	<b>8,7 %</b>	1 455	16 899 M\$	-1 924 M\$	-11,4%
#5	<b>Wavemaker</b>	GroupM	<b>12 853 M\$</b>	<b>40 %</b>	3,7 %	<b>7,5 %</b>	1 540	14 486 M\$	-1 632 M\$	-11,3%
#6	<b>Starcom</b>	Publicis Media	<b>12 795 M\$</b>	<b>41 %</b>	3,7 %	<b>7,5 %</b>	826	14 469 M\$	-1 674 M\$	-11,6%
<b>Total Media Agency Networks</b>			<b>171 157 M\$</b>	<b>39 %</b>	<b>49,9 %</b>		<b>15 024</b>	<b>191 131 M\$</b>	<b>-19 974 M\$</b>	<b>-10,5%</b>
<b>Global Market studied</b>			<b>343 325 M\$</b>		<b>100,0 %</b>			<b>370 415 M\$</b>		<b>-7,3%</b>

At the Group level, WPP’s **GroupM** remains a strong global leader with 15.5% industry market share (and 30.2% intra-Big 6 group share) and **\$53.1B** in global billings, down by -9.4% vs. 2019; followed by **Publicis Media** (\$36.6B, down by -8.4% vs. 2019) and **Omnicom Media Group** (\$33.5B, down by -10.3% vs. 2019).

#### Media Agency Groups Final 2020 Global Ranking

Rank	Media Agency Groups	Total Billings 2020 M\$	Share of Digital Billings %	Industry Market Shares %	Intra network Market Shares %	# Clients 2020	Total Billings 2019 M\$	Growth 2020 vs 2019	Growth rates 2020 vs 2019
#1	<b>GroupM</b>	<b>53 095 M\$</b>	<b>42 %</b>	15,5 %	<b>30,2%</b>	4 868	58 634 M\$	-5 540 M\$	-9,4%
#2	<b>Publicis Media</b>	<b>36 573 M\$</b>	<b>36 %</b>	10,7 %	<b>20,8%</b>	2 182	39 912 M\$	-3 340 M\$	-8,4%
#3	<b>Omnicom Media (OMG)</b>	<b>33 482 M\$</b>	<b>41 %</b>	9,8 %	<b>19,0%</b>	2 740	37 311 M\$	-3 829 M\$	-10,3%

## KEY FINDINGS

All the major agency networks have posted a negative global growth rate 2020 vs. 2019, ranging from -6% to -7% for **Mindshare**, **Havas Media** and **dentsu X** to -18% for **Carat** and **Essence**. The average growth rate 2020 vs. 2019 among the 19 media agency networks is **-10.5%**. The same applies to the big 6 media agency groups, with negative growth rates ranging from -6.1% for **Havas Media Group** to -15.4% for **dentsu international**.

Looking at the **independents**, COMvergence assessed the **60** largest local media agencies which together represent a total billings figure of **\$20B** (or 10% of the total billings controlled by all agencies assessed globally). **Horizon Media** (US) is by far the largest worldwide independent with a total billings figure 2020 of \$7.2B, hence about a third of the independent total billings.

Digital Media billings represent on average **39%** of the media agency networks' total billings (vs. 36% in 2019) – this rate varying from 31% for **Zenith** to 63% for **Essence**. Variations are less significant at a group level as the average digital share ranges from 36% for **Havas Media Group** to 42% for **GroupM**.

The total estimated billings 2020 handled by the media agency networks (including standalone/dedicated client units and agencies, operated by the big six holding companies) as well as the major independent agencies reached about **\$196B** across 45 markets [excluding Brazil] representing 95% of the global media investments covered by COMvergence. It also stands for **57%** of the global net media spend that COMvergence estimates at \$343B in 2020 (vs. \$370 in 2019; -7.3%). The remaining **43%** being handled by smaller independent media agencies, digital specialized agencies, Japanese and Chinese local advertising agencies, or in-house units operated by the advertisers (especially in the digital area).

The total media spend of \$343B studied by COMvergence breaks down by region as follows: **North America** (38%), **APAC** (34%), **EMEA** (26%) and **Latin America** (2%).

COMvergence has recorded a total media spend reviewed of **\$25B** in 2020. Hence that is about **13%** of the total billings the agency networks as well as studied media independent agencies controlled globally.

# November 2021

## Issue 59



**TALENT: Securing the right talent and resources**

We are seeing economic growth expand at a strong pace with personal consumption expenditures being significantly up, despite supply-chain slowdowns, and an increased focus on responsible advertising. Conditions for continued advertising growth remain healthy and encouraging. To ride this growth wave, we need talent. Yet a talent shortage, combined with higher staff attrition fueled by COVID, is top of mind for brand and agency executives. Successfully recruiting, training, and retaining talent is likely to be a topic of conversation in months to come. Agencies are also introducing new capabilities at a rapid pace to keep up with client demands.

- Per Accenture Interactive’s “**The Great Marketing Declutter**,” 70% of executives say that 2020 has completely exhausted employees, and only 17% of marketing organizations are thriving amongst all this change and complexity.
- Per Spencer Stuart, the **average time spent in the role of CMO** was 40 months in 2020, a reduction from the prior year (41.1 months). The median tenure decreased to 25.5 months in 2020—the lowest it has been in the past 10 years.
- This year’s **IHAF Conference & Awards**, one of the largest in-house agency events in North America, was focused on “Resilience to Reinvention,” reflecting on challenges in-house agencies faced over the course of the pandemic and applying the lessons learned to forge new pathways in the year to come.
- Per TrinityP3’s “**Agency Selection: The Pitch Consultant’s Definitive Guide for 2021**,” Eight myths about agency pitches:
  - 1) A pitch will reduce the cost of my agency
  - 2) The incumbent agency has a good chance to win the pitch—they have all the knowledge
  - 3) ‘The Best Agency’ always wins the pitch
  - 4) An agency that brings in all the bigwigs always has more chance of winning
  - 5) An agency that has the business in other parts of the world always has more chance of winning
  - 6) The agency that has a direct line to the advertiser CEO, and is able to circumvent the process, will always win the pitch
  - 7) The cheapest agency always wins the pitch
  - 8) When I go to pitch, I must consider only agencies with experience in my own category
- GS&P opened its year-long, tuition-free, in-house school called **The Academy** to train the next generation of marketers about the basics of advertising. The school is hosted at the GS&P headquarters in San Francisco. Students have access to editors, designers, filmmakers, sound mixers, and production staff: “Schools like this usually cost tens of thousands of dollars. It’s made the barrier to entry focused on ability to pay, not ability to create. And it’s built an inequity in this business that’s only been growing. We think that’s messed up. So, we made this free.”
- The **Audacious School of Astonishing Pursuits (ASAP)**, created by ex-W+K ECD veteran Jason Bagley, launched an eight-week-long program with small class sizes aimed at providing a quality mentoring experience for junior and mid-level agency professionals. The first course, called **Creative Megamachine**, will teach a new generation about “the thought processes, strategies and techniques of world-renowned creatives.”

**New agency or capabilities, restructuring, and reorganizations:**

- **Dentsu Group** reorganized its gaming offering throughout the network under a new global umbrella unit called dentsu gaming, within dentsu’s Content Business Design Center. Some of the units sit within agencies Carat, dentsu X, iProspect, Isobar, dentsumcgarrydown, and Merkle. The offering includes in-game advertising, game production studios, commerce and promotions, esports, and new technologies like augmented reality (AR) and virtual reality (VR).
- **WPP** opened its new Milan Campus, a modern, sustainability-friendly and innovative hub bringing together 35 WPP agencies and 2,000 people into a single 27,000-square-meter location with unique spaces for co-creation.
- **Deloitte Digital** launched a new practice, Ethos, designed to help brands develop programs, products, and campaigns related to global issues like racial and gender equity, sustainability, climate change, and social welfare. Core capabilities include: Polycultural Research, Brand Purpose Strategy, Inclusive Innovation, Equitable Experience, and Sustainable Design.
- WPP siblings GroupM and Hogarth launched an **Addressable Content Practice** in six hubs (London, Mexico City, New York, Shanghai, Singapore, and Sydney) to deliver data-driven, personalized ads to consumers at scale and speed.
- Short-form social platform **Snap** launched a global creative studio called Arcadia for branded augmented reality (AR) content that can be used across web platforms and app-based AR environments.
- A new, Brooklyn-based agency called **fable.works** launched by ex-R/GA ECDs, calling the agency “an entertainment incubator for brands” and producing content that doesn’t look like ads. In their own words, “The world doesn’t need another ad agency. Which is why we’ll never behave like one.”
- Chicago-based Salient Global launched a “data-driven growth company” called **ICF Next** to help clients optimize marketing data by combining proprietary data, direct services, data science, and data strategy.
- A new creative shop powered by artificial intelligence and machine learning called **Supernatural** launched with the goal to provide advertisers faster and more effective creative advertising with AI at the center.
- “Micro-network of merged media agencies” **Red Havas** (a part of Havas PR Global Collective) expanded its operations into Spain, Germany, China, Italy, and France, in addition to its existing 11 offices. The network offers capabilities across earned, social, and experiential storytelling with content at the core.

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

- **Havas New York** created the role of Chief of Social Impact, hiring talented industry figure Lindsay Stein. The role reports to the agency's CEO and is responsible for driving social change with clients as well as internally.
- IPG Mediabrands released a report called "**The Dis/Misinformation Challenge for Marketers**," calling out Facebook, Instagram, YouTube, and Twitter, among others, for allowing misinformation to spread and inviting brands to shift media investments toward platforms implementing real, effective steps to stop misinformation. Per the report, only LinkedIn, Pinterest, and Twitch explicitly prohibit user-generated misinformation in their policies.
- Procter & Gamble Co. joined Cincinnati-based creative agencies to launch **Huenited**, a non-profit group that aims to increase diversity in the city's marketing and creative community by reaching out to high school and college students through scholarships, internships, career opportunities, mentoring, and advocacy.
- **WPP** pledged to invest \$30 million over a three-year period to fund inclusion programs and to support external organizations. Recent projects include: AKQA's SOMA+, GroupM's Life Through the Eyes of the UK Black Community, GroupM's Colorintech, Detroit Experience Studio (VMLY&R, UWG, GTB), Disability Recruitment for WPP IT, and Effectively Engaging BAME Consumers (WPP Roots, Ogilvy, and GroupM).
- **Omnicom Media Group (OMG)** announced its partnership with the National Minority Supplier Development Council to "certify" media outlets that meet its "diverse content creators" standards, increasing diversity in the media supply chain it buys for its clients.
- Media planning and buying platform **SRDS** launched tools and a platform to help brands diversify media spend and focus on inclusive audiences and media owners across M&I audiences: Black, Asian, Hispanic, Native Americans, LGBTQ+, and People with Disabilities.
- Omnicom's cultural intelligence consultancy, **Sparks & Honey**, launched a diversity, equity, and inclusion practice, utilizing the firm's AI-powered cultural intelligence platform, Q, and a team of cultural experts from the DE&I space.
- Following large brands and agencies, marketing suppliers like Advertising Production Resources (APR) are completing their company-wide **Carbon Audit** with sustainability certification firms like Planet Mark and/or joining the Ad Net Zero initiative to move their organization towards net-zero carbon emissions.
- Organized by the nonprofit Aspen Institute in an effort to reduce greenhouse gas emissions in **global trade and in the ocean freight industry**, a coalition of large brand retailers like Amazon, IKEA, Unilever, Michelin, Patagonia, and others committed to zero-emission shipping by 2040.

- UK-based **AdGreen** (<https://weareadgreen.org>) launched a free Carbon Calculator allowing brands and agencies to measure emissions from production activities—the carbon footprint of motion/stills/audio projects in ad campaigns.

## Noteworthy quotes:

- » "You learn a lot when you start over... That a company isn't a building, but you have to find a way to stay together. That a business isn't a family, but you have to try and take care of each other. That growth is nothing more than people showing up for each other." —Charles Hodges, Founder, ECD, **Arts & Letters Creative Co.**
- » "Moving to agile marketing can often feel like a tipping point in the agency—marketer relationship. Many marketers conclude there is no option but to either put an account up to pitch or bring all the work in-house. In our experience, such extreme measures can be costly and ineffective." —Clay Cowan (Partner, Dallas), Jennifer Ellinas (Associate Partner, Toronto), and Rachael Schaffner (Associate Partner, Washington, DC), **McKinsey**
- » "This next phase of our transformation requires that we combine our internal capabilities with the external media and data ecosystem to enable deeper consumer understanding and the creation of campaigns which engage consumers in more meaningful and relevant ways." —Luiz Barros, VP, Data Center of Excellence and Global Media, **Anheuser-Busch InBev**
- » "Purpose-driven companies are seeking purpose-driven partners." —Laura Maness, CEO, **Havas New York**
- » "The most important legacy is to make a positive impact in the world and help others to do the same." —Antonio Humphreys, Group Manager, **Adobe**
- » "We now have endless unexpected-yet-welcome learnings that will further accelerate the way we work to ensure both our clients and our talent succeed in this new world." —Karina Wilsher, Global CEO, **Anomaly**
- » "Now we make our own makers. So meta." —Margaret Johnson, Chief Creative Officer, **GS&P**
- » "Words matter, but actions make the biggest difference." —Mat Mildenhall, Chief Client Officer, **eg+ worldwide**
- » "A culture is not invented. A culture constantly evolves... which is why it must be nurtured." —Simon Sinek, Founder and Visionary, **Simon Sinek Inc.**
- » "Everyone focuses on the what, and what is that end product? But the why and the how is really the fuel that helps to drive that engine." —Alex Lopez, President and Global Chief Creative Officer, **McCann Worldgroup**

## Company profiles:

- **DDB FTW** ([www.ddbftw.com](http://www.ddbftw.com)) is considered the first global agency network for esports and gaming. The agency is part of Omnicom Group DDB and launched in Oct 2020 and provides global/regional esports and gaming solutions across its 17 worldwide offices—including Paris, Hong Kong, Amsterdam—with its headquarters located in Prague. DDB FTW consists of passionate gamers from the DDB network covering various areas of expertise including strategy, creative, business design, innovation, and tech.
- **Movers+Shakers** (<https://moversshakers.co>) is a Santa Monica disruptive creative agency born in 2016 that provides a broad range of creative and music services aimed at creating cultural relevancy across mainstream and emerging social media platforms (TikTok, Facebook, YouTube, Spotify, etc.). Their mission is to spread joy (“by connecting brands to culture, we drive brand love”). Clients include Warner Bros, Amazon Fashion, Amazon Prime, Paul Mitchell, Chipotle, Match.com, and Mattel. They have generated over 150 billion views on TikTok from their work. They were recognized as one of the Most Innovative Companies in the World by Fast Company and the #78 Fastest Growing Private Company in America by Inc. Magazine.
- **by The Network** (<https://bythenetwork.com>) is a global network of 28 independent creative agencies (like Boys + Girls, Amsterdam Berlin, Farm, Setters, Free Turn, Liberate, and Rehab) made up of over 750 creative thinkers, started in October 2020. Headquartered in Denmark, the network’s tagline, “The future belongs to the rule breakers,” speaks to the type of rebellious creatives they assemble and to clients looking for big transformational ideas. The network assembles a tailor-made team of agencies and creative resources. Clients include Diesel, Amazon, Nike, and adidas.
- **Supernatural** (<https://www.besupernatural.com>) is a newly launched creative agency “where humans and machines play together to make wildly original ideas that no human and no machine could create alone,” with offices in San Francisco and New York. At the intersection of strategy, creativity, and technology, the agency combines machine learning, artificial intelligence, and human creativity to deliver faster (from strategy to creative development and through production), more relevant, intelligent, and more effective work. Clients include Sir Kensington’s and KAYAK.

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# Building Partnerships That Last

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



As space travel for consumers intrigues the media and becomes an inspiration, some of our creative minds may wonder: will marketing in outer space be the next frontier in years to come?

Will we have corporate sponsors color our sky at night or set digital billboards for air travelers to see? I guess aerial choreographic advertising with hundreds of drones is already a thing. All right, it may sound more like a bad science fiction movie than reality, but marketers are always looking for ways to inspire their audiences. Back on our blue planet, Wunderman Thompson kicked off the largest social study of all times on what inspires us as consumers. First on the list is being outdoors in nature, followed by movies/TV series and honesty/integrity. It seems some companies have figured it out: The Netflix Korean megahit, *Squid Game*, which features cash-strapped contestants accepting an invitation to compete in deadly children's games, reached 111 million accounts less than a month after its release, making it the biggest launch ever for the streaming firm.

- **WPP's Wunderman Thompson** launched the largest social study on inspiration called Inspire InFocus, informed by 16,000+ interviews to uncover macro trends in inspiration, and the fundamental human values that drive them.
- **Microsoft Advertising** promoted its “zero-party data” approach to encourage trust and relevance in advertising. The value-based practice is defined as data that comes from people willingly in exchange for some explicit value. People who voluntarily provide that data maintain control of it (edit, add, or revoke it).
- After NFTs, Blockchain, Cryptocurrency, now comes Metaverse on steroids with Facebook (now Meta), Microsoft, and others making claims to have a **Metaverse** vision and solution set in development, and some brands (Accenture, Hyundai Motor Co, AB InBev, Coca-Cola, etc.) experimenting with it.
- Per Advertiser Perceptions DSP Wave, advertisers using **DSPs** like Google Display & Video 360, Amazon Advertising, The Trade Desk, and Yahoo DSP in a self-serve capacity is increasing (currently 46% vs. managed services), mostly driven by the desire to have greater visibility into programmatic media fees.
- **WPP and Snap Inc.**, the camera company behind Snapchat, announced a global partnership, “The AR Lab,” to help brands build and deliver immersive experiences for consumers using Augmented Reality (AR) and using proprietary insights and data to inform creative and campaign development.
- Per the **BetterBriefs Project report** (the first global and largest study ever conducted on the marketing brief), 33% of every marketing budget is wasted on poor briefs and misdirected work. The study reveals 80% of marketers believe they produce good briefs, while just 10% of creative agencies concur. Three top issues: unfocused (83%), unclear (79%), dull (65%). Six out of 10 marketers admit to using the creative process to clarify the strategy.

- The **Federal Trade Commission (FTC)** announced that brands can be fined up to \$43,792 per deceptive practice violation for using misleading endorsements or reviews to deceive customers, and it sent notices of penalty offenses to more than 700 brands including Ford, GM, Walmart, Target, Amazon, McDonald's, Burger King, Mattel, and Marriott.
- The recent **dentsu international research** report, *Unlocking the Currency of Attention*, concluded, “Creative is the biggest driver of attention. The difference between strong and poor performing creative drives the largest shift in outcomes compared to other factors.”
- Grocery giant **Kroger's** retail media business, Kroger Precision, launched a new private programmatic advertising marketplace, Kroger Private Marketplace, allowing agencies and brands to reach consumers by applying Kroger first-party audience data to programmatic campaigns within their preferred ad-buying platform.
- Home-improvement giant **Lowe's** launched its Lowe's One Roof Media Network to offer advertising and promotion capabilities (ad placement on site/mobile app, sponsored editorial content, search, analytics, etc.) to support their brands and those sold in their stores.
- Per **RECMA's ranking**, which includes 19 criteria and 700 media agencies across 47 international markets, Omnicom OMD remains the top-ranked global media agency network, ahead of dentsu's Carat, which held the top spot for eight consecutive years and Mediabrands' UM, GroupM's MediaCom, and Interpublic's Initiative. Top media agency holding companies: GroupM, followed by Omnicom, Mediabrands, Publicis Groupe, dentsu International, and Havas Media Group.
- Most retailers (department stores, pharmacy, grocery, etc.) have launched their own **media networks** as online shopping increases, and brands seek to reach consumers with targeted ad placements. Examples include Albertsons Performance Media, CVS Media Exchange, and Rite Aid Performance Media.

### Awards

- **2021 Effie Awards** results: BBDO Worldwide won Most Effective Agency Network, followed by MullenLowe and McCann. BBDO New York won Most Effective Agency Office, followed by MullenLowe Boston and GSD&M. Most Effective Independent Agency: Alison Brod Marketing + Communications, followed by Smuggler and Dini Von Mueffling Communications. The Most Effective Brand winner: Burger King.
- GSD&M-led campaign for Restaurant Brands International's Popeyes, called “#ChickenWars,” won **Grand Effie** at the 2021 Effie Awards after generating \$87 million of media, 13% same-store sales growth, and \$1 billion in system-wide sales. Popeyes' parent Restaurant Brands International was also titled Most Effective Marketer.
- **Adweek** issued their **75 fastest growing agencies**. Top 5 include:
  - 1) Santa Monica-based creative firm Movers+Shakers
  - 2) El Segundo-based digital shop Wpromote
  - 3) Arlington-based digital shop KLIK
  - 4) NY-based full-service firm WHTWRKS Inc.
  - 5) Greenville-based, full-service shop RingoFire Marketing and Advertising

- **Adweek's** award for fastest growing international agency: Atlanta-based flexible talent supplier shop We Are Rosie.
- AdExchanger's finalists for the 2021 **"Best In-House Media Operations"** award include Anheuser-Busch, Bayer Consumer Health, ALSAC/St. Jude Children's Research Hospital, MiQ, T-Mobile, and Disney Streaming.
- **Agency Mania Solutions** received the 2021 Stratus Award for Cloud Computing for its continued leadership in agency management software. 53 companies received the prestigious Stratus Award.

#### Noteworthy quotes:

- » "Purpose is dead. Long live purposeful disruption." —Rob Reilly, Global Chief Creative Officer, **WPP**
- » "AR has a major role to play in the future of marketing and commerce, from virtual try-on to immersive digital experiences." —Sanja Partalo, Executive Vice President, Strategic Development and Partnerships, **WPP**
- » "While some platforms have policies on disinformation and misinformation, they are often vague or inconsistent, opening the door to bad actors exploiting platforms in a way that causes real-world harm to society and brands." —Joshua Lowcock, Chief Digital Officer, **UM Worldwide**
- » "A squad's priorities can shift quickly, even daily. In our experience, this uncertainty around deliverables makes it difficult for partners to predict the resources they will need to dedicate in advance." —Clay Cowan (Partner, Dallas), Jennifer Ellinas (Associate partner, Toronto) and Rachael Schaffner (Associate partner, Washington DC), **McKinsey**
- » "No one at Facebook is malevolent, but the incentives are misaligned, right? Facebook makes more money when you consume more content. People enjoy engaging with things that elicit an emotional reaction. And the more anger that they get exposed to, the more they interact and the more they consume." —Frances Haugen, former Product Manager, Civic Integrity, **Facebook**
- » "Strategy is the big-thinking growth discipline. And so, it's really looking at the unpacking of a problem and identification of an outcome." —Emma Montgomery, CEO, **Leo Burnett Australia**
- » "Selling a purpose inside your own company can be hard, so when you get a gem of an idea through, why not push your agencies to make it radiate in the world? They will thank you for it later, when it changes the world." —Rob Reilly, Global Chief Creative Officer, **WPP**
- » "Hands down, the largest issue in online advertising is the lack of data transparency and control standards." —Michael Komaskinski, Global CEO, **Merkle**
- » "Through this newly formed alliance with Ignition Media Group, our commitment to minority-owned economic empowerment also continues to evolve and take shape, ensuring that we are both audience aware and culturally inclusive across our multi-brand portfolio." —Marissa Hunter, VP of Marketing, **Stellantis North America**
- » "The more collaborative and synergistic the relationship, the better the advertising will be." —Steve Boehler, Founder/Partner, **Mercer Island Group**
- » "Marketers and procurement may come at things from different angles, but they share the 'ever more' challenges —ever more content needed, ever more quickly, and ever more efficiently." —Mat Mildenhall, Chief Client Officer, **eg+ worldwide**
- » "Wherever you look, inspiration is a powerful growth accelerant." —Mel Edwards, Global CEO, **Wunderman Thompson**

#### ARTICLE: Industry Reminder on Set Safety

Contributed by: Advertising Production Resources (APR)



#### Best Practices for Ensuring a Safe Production

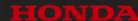
This November, we would like to remind everyone that set safety cannot ever be assumed or taken for granted.

While certain props like firearms aren't typically used (or allowed) in productions for advertising purposes, the commercial set is inherently a place of higher risk due to the sheer number of crew within a confined workspace, electrical cables running between areas, overhead rigs above crew and actors, and sharp, heavy equipment placed throughout cramped spaces and dark corners.

All these factors—and more—pose an element of risk of injury to people on set, and it is important that everyone take safety on set seriously. *We asked our regional leads what clients can do to ensure a safe set*, whether on location or in a studio. Insights span from the creative concept stage, to the pre-production meeting, on set, medical resources, insurance, risk assessments, and more.

**Read the full guide here.**

Per Interbrand's Best Global Brands ranking (<https://interbrand.com>), top 40 2021 brands:

01 <b>Apple</b> +26% 408,251 \$m 	02 <b>Amazon</b> +24% 249,249 \$m 	03 <b>Microsoft</b> +27% 210,191 \$m 	04 <b>Google</b> +19% 196,811 \$m 	05 <b>Samsung</b> +20% 74,635 \$m 
06 <b>Coca-Cola</b> +1% 57,488 \$m 	07 <b>Toyota</b> +5% 54,107 \$m 	08 <b>Mercedes-Benz</b> +3% 50,866 \$m 	09 <b>McDonald's</b> +7% 45,865 \$m 	10 <b>Disney</b> +8% 44,183 \$m 
11 <b>Nike</b> +24% 42,538 \$m 	12 <b>BMW</b> +5% 41,631 \$m 	13 <b>Louis Vuitton</b> +16% 36,766 \$m 	14 <b>Tesla</b> +184% 36,270 \$m 	15 <b>Facebook</b> +3% 36,248 \$m 
16 <b>Cisco</b> +6% 36,228 \$m 	17 <b>Intel</b> -3% 35,761 \$m 	18 <b>IBM</b> -5% 33,257 \$m 	19 <b>Instagram</b> +23% 32,007 \$m 	20 <b>SAP</b> +7% 30,090 \$m 
21 <b>Adobe</b> +36% 24,832 \$m 	22 <b>Chanel</b> +4% 22,109 \$m 	23 <b>Hermès</b> +20% 21,600 \$m 	24 <b>J.P. Morgan</b> +6% 21,401 \$m 	25 <b>Honda</b> -2% 21,315 \$m 
26 <b>YouTube</b> +21% 20,905 \$m 	27 <b>IKEA</b> +6% 20,034 \$m 	28 <b>Pepsi</b> +4% 19,431 \$m 	29 <b>UPS</b> +1% 19,377 \$m 	30 <b>American Express</b> -2% 19,075 \$m 
31 <b>GE</b> +3% 18,420 \$m 	32 <b>Accenture</b> +7% 17,758 \$m 	33 <b>Gucci</b> +6% 16,656 \$m 	34 <b>Allianz</b> +17% 15,174 \$m 	35 <b>Hyundai</b> +6% 15,168 \$m 
36 <b>Netflix</b> +19% 15,036 \$m 	37 <b>Budweiser</b> -4% 15,022 \$m 	38 <b>Salesforce</b> +37% 14,770 \$m 	39 <b>Visa</b> +19% 14,741 \$m 	40 <b>Nescafé</b> +4% 14,466 \$m 

## FINANCIALS: Driving efficient use of resources



Meta's (formerly Facebook) selection of Publicis Groupe's Spark Foundry as its new global media planning and buying AOR, now responsible for over \$2.26 billion in worldwide spending, was significant, following a seven-month-long review handled by consultancy ID Comms and involving all major holding companies, including incumbents WPP and dentsu. This is a big win for Publicis Groupe, which is the third-largest agency holding company, with 2020 revenue of \$12.3 billion. Recovery is under way across the industry. Holding companies and the big digital players (Google, Amazon, Meta) had very strong, double-digit Q3 growth, indicating that advertising is the engine of growth that companies need to propel themselves past COVID.

- Per GroupM, a significant part of **advertising growth** originates from “digital endemics”—companies whose businesses are rooted on the internet, whether through app-based services or traditional internet-related activities.
- **Google, Amazon, and Meta** generated \$250+ billion in ad revenue in 2020, or nearly 40% of the industry, a 41% increase YOY. Per GroupM, on a two-year compounded basis, they grew 28%, above the rest of the advertising industry. (Google) Alphabet reported \$65.12 billion in revenue in Q3, its highest increase in more than 10 years, driven in part by Google's 43% increase in digital ads to total \$53.12 billion. YouTube revenue was up 43% to total \$7.21 billion.
- Per Kantar/Campaign Media Analysis Group (CMAG), **2022 political advertising revenue** for the midterm elections could reach a record of \$7.8 billion. AdImpact expects that number to reach \$8.9 billion, or three times the last midterm election in 2018.
- Per the Interactive Advertising Bureau (IAB), **US digital advertising spending** in 2022 will increase 8%, 11.8% in 2023, to reach \$177.3 billion, and a total of \$200.3 billion by 2025.
- Per GroupM Business Intelligence, marketers based in China account for as much as \$10 billion in **advertising buys** on Facebook in 2021 vs. \$8 billion in 2019 and \$6 billion in 2018.
- Per **Interbrand's 2021 top brands**, Apple remains No. 1 valued at \$408 billion, followed by Amazon at \$249 billion and Microsoft at \$210 billion. Others include Google, Samsung, Coca-Cola, Toyota, Mercedes-Benz, McDonald's, and Disney. The top 100 brands increased in brand value by 15% to \$2.67 trillion.
- Electric vehicle brand **Tesla** is Interbrand's fastest-growing brand of 2021, as it tripled its worth (184% increase in brand value), moving 26 places to No. 14, with a brand worth of \$36 billion. Primary drivers: direction, agility, and participation.

## Mergers and acquisitions (M&A) activity

- **You & Mr Jones** acquired Brazil-based advertising information and expertise providers firm DP6 to expand its data capabilities in LATAM and globally, in close partnership with You & Mr Jones's 55. DP6 gathers, harmonizes, and activates information including CRM databases, measurement, and analytics. Clients include Carrefour, CNN, and Whirlpool.
- **Omnicom Media Group (OMG)** acquired New York-based Jump 450 Media, a performance marketing agency focused on customer acquisition for brands across the digital ecosystem. Jump 450 Media leverages algorithmic scaling strategies, rapid creative testing, and data analytics to optimize digital media spend and drive customer acquisition.
- **WPP** acquired Satalia, a global leader in enterprise AI and one of the UK's fastest-growing tech companies whose clients include BT, DFS, DS Smith, PwC, Gigaclear, Tesco, and Unilever. The firm, which combines machine learning and optimization to improve efficiencies, will be part of Wunderman Thompson Commerce.
- Marketing group **MSQ** acquired creative production studio Brave Spark and its clients Hiscox, Hitachi, Bosch, and others to expand the firm's production capabilities for clients and its other agencies. The two firms will develop a suite of proprietary tech, which includes ADA, a creative engine that aids the personalization of high-quality, high-volume content and creative assets.
- New York-based technology and innovation communications agency **SourceCode Communications** acquired Chicago-based creative firm Strike 2 to expand SourceCode's digital practice, boosting digital marketing capabilities while bringing advertising services and creative campaign development in-house.
- **Volaris Group**, a wholly owned division of Constellation Software Inc., acquired Decideware, the provider of enterprise SaaS software solutions for the marketing operations and procurement sector.

## Holding companies' and digital player financial results:

- **WPP** reported revenue of 2.64 billion pounds (\$3.65 billion) in Q3, which increased 15.7% YOY (US up 12.4%, UK 16.9%, Germany 34.5%, Greater China 18%), driven by client investments in digital media and ecommerce services. Organic revenue rose 6.9%, with strong performance from GroupM (up 19%) followed by VMLY&R, Hogarth, and the PR and specialty divisions like healthcare. New client wins include Beiersdorf, L'Oréal, Sainsbury's and TD Bank.
- **Omnicom Group** reported Q3 revenue of \$3.4 billion, which increased 7.1%, with organic growth of 11.5% (by discipline: 8.6% for Advertising, 24.3% for CRM Precision Marketing, 18.0% for CRM Commerce and Brand Consulting, 49.9% for CRM Experiential, 8.3% for CRM Execution & Support, 10.5% for PR, and 6.6% for healthcare). Organic growth by region: 7.7% for the US, 11.4% for the UK, 14.9% for EMEA, 19.6% for APAC, 15.9% for Latin America, and 24.3% for the Middle East and Africa. Operating profit margin was 15.8% and operating profit was \$541.6 million (8% increase).

- **Publicis Groupe** reported Q3 revenue of \$3 billion (€2.6 billion), an 11.9% growth YOY (organic growth of 11.2%), fueled by some major new wins (Stellantis, Humana, Lindt, L'Oréal, Samsung, Unilever, Nestle, Toyota, etc.) and the strong performance of Epsilon (+13%) and Publicis Sapient in the US (+20%). US represented 60% of net revenue with 10.9% organic growth. APAC performed strongly at 12.5% organic growth. 3,412 clients represented 92% of net revenue. Operating margin targeted to reach +17%.
- **Interpublic Group of Cos** reported Q3 revenue of \$2.26 billion and net organic revenue growth of 15%. The US accounted for about 65% of IPG's revenue with organic growth of 14.7%. Net income was \$239.9 million. The IPG Dextra global collective (includes Weber Shandwick, Golin, FutureBrand, Octagon, and Jack Morton) reported organic growth of 18.6% while IPG's Integrated Agency Networks segment generated 14.4% organic growth. Staff cost ratio (total salaries and related expenses as a percentage of net revenue) increased to 66.8% vs. (65% last year) but office and other direct expenses decreased to 13.3% (vs. 15.8% last year).
- Vivendi-owned **Havas** reported €590 million (about \$685 million) in revenue for Q3, 22% YOY. Organic growth in Q3 was 17.8%. Europe and North America were the biggest revenue contributors (18.4% and 15.5% respectively).

**Noteworthy quotes:**

- » "In a maybe somewhat of an odd way, efficiency breeds effectiveness. Effectiveness breeds spending, and that all drives the market." —Andre Schulten, CFO, **P&G**
- » "The metaverse is going to be a new economy that is larger than our current economy." —Jensen Huang, CEO, **NVIDIA**

- » "Global advertising growth continues to look robust." —Brian Wieser, Global President, Business Intelligence, **GroupM**
- » "Great ideas can come from anywhere in the world, but also anywhere inside the organization. Both the democratization of creativity and the flattening of the world are keys to providing innovation to clients at speed and scale." —Benjamin Wiener, CEO, **WONGDOODY**
- » "The companies that will win will be those that build deep relationships with their staff, make them feel they're part of the journey and, ultimately, allow them to share in the success of the organization." —Kenneth Hein, US Editor, **The Drum**
- » "Successful clients and agencies strive to build trust with their partners. Higher levels of trust at the end of the day will lead to better work and higher efficiency." —Steve Boehler, Founder/Partner, **Mercer Island Group**
- » "As we bring more media spend into our optimized targeting tools, as we increase the percentage of digital media around the world, as we continue to optimize our own algorithms to target messaging to consumers, there continues to be significant opportunity." —Andre Schulten, CFO, **P&G**
- » "Without something that legitimizes true market data, or benchmarking with actual negotiated rates with like-size clients, agencies, and appropriate matched talent in specific geographies, this can lead to vague and unproductive discussions." —Antonio Humphreys, Group Manager, **Adobe**

Read our **best practices guide to action planning** to learn how to turn client/agency performance evaluation results into actionable insight and improvements.

WHITEPAPER



# Action Planning:

How to turn client/agency performance evaluation results into actionable insight and improvements



Phase: 1 →  
Extracting key themes



Phase: 2 →  
Identifying top improvement areas



Phase: 3 →  
Developing the right action plan



Phase: 4 →  
Getting alignment



Phase: 5 →  
Monitoring and measuring



Phase: 6 →  
Celebrating success



Phase: 7  
Resetting targets

# December 2021

## Issue 60



**TALENT: Securing the right talent and resources**

The “Great Resignation” was a sizeable phenomenon across categories, including advertising. According to the US Bureau of Labor Statistics, four million Americans quit their jobs in July 2021 alone, with a record-breaking 10.9 million open jobs at the end of July. Resignations are highest in the tech industry. Google said that “how to write a resignation letter” was one of the most searched topics during that timeframe. Talent retention (and indirectly talent acquisition) will be the battle of 2022, no doubt. Working from home has made jumping jobs incredibly easier, with little to no impact on families. Being a good employer is no longer a plus; it’s a necessity, especially with agencies looking to develop tailored retention programs and offer new perks and greater flexibility, like Publicis’s “Work Your World” employee program.

- **Publicis Groupe** revealed a new employee program: As part of the new “Work Your World” program, employees can work from almost anywhere in the world (100+ locations) for up to six weeks annually. Employees can find accommodations through a home-sharing scheme called Home Swap Home, exclusive to the Publicis community.
- Per **ID Comms**, brands can’t be silent on the talent crisis facing agencies. Three areas for action:
  - 1) Establish a remuneration model that rewards value generation
  - 2) Contribute to a culture of retention
  - 3) Put talent planning at the center of the partnership
- Per In-House Agency Forum (IHAF), 77% of advertisers have **in-house agencies**, up 7% since 2019 and with more assignments (37% reported an increase in the amount of work produced).
- Per Forrester’s 2021 CMO Pulse Survey, 44% of CMOs plan to move more marketing **in-house** in 2022.
- Interpublic’s Acxiom-commissioned study from Forrester Consulting indicates that brands want to bring more **media capabilities in-house** (namely media planning, analytics, connected TV, and other addressable and programmatic media buying) for improved transparency, control over data, and assurance of compliance with privacy regulations.
- The independent-minded integrated advertising agency **Arnold Worldwide** launched its Center for the Comedically Gifted residency program to discover talent from non-traditional backgrounds.
- **Doner** launched a new Chicago talent hub, operating from a leased space from parent company Stagwell Inc., without a dedicated office space, in a hybrid work model.

- **Stagwell** launched a suite which includes PRophet 2.0, an AI PR tool that helps determine how a piece of news will be received before it’s pitched, and influencer-marketing platform called Koalified, developed with P&G, and CUE (Consumer Understanding Engagement), a platform that crunches first-party and other data to create target audiences for clients.
- Per Ad Age, the **most notable 2021 agency breakups** were: Audi and Venables Bell + Partners, Avocados from Mexico and Energy BBDO, CPB and “... (almost) everybody” (Nissan-owned Infiniti, Hotels.com, Fruit of the Loom, Domino), Eli Lilly and OMD, Hershey and UM, IHOP and Droga5, JetBlue and MullenLowe, KFC and Wieden+Kennedy, Richards Group and Home Depot, TJ Maxx and Grey, The Truth Initiative and 72andSunny, United Airlines and dentsu.

**New agencies or capabilities, restructures, and reorganizations:**

- **WPP** acquired a majority stake in branding and design agency MADE THOUGHT, which will be integrated into AKQA and combined with Universal Design Studio and Map Project Office to form a design-focused unit called The New Standard.
- **Conspiracy Theory**, a new minority-owned and woman-led agency network (with the tagline “Amazing alone. Powerful together.”) launched by combining Unfold, a digital creative agency focusing on entertainment brands, Mondo Robot, a Boulder-based digital product agency, and new media agency Modern Formula (MoFo).
- **S4 Capital plc**, merged Maverick Digital and Media. Monks together to augment its global Salesforce capabilities, and expanded the capabilities of its data, digital media, and technology services.
- Media-planning software and systems provider **Telmar** acquired NY-based Helixa, a data-driven, audience intelligence platform used by advertisers and agencies to segment and target consumers.
- Stagwell’s **Doner** launched a new Toronto-based “creative commerce” agency called DonerNorth by combining two existing MDC Partners units: ad agency Union and shopper marketing specialist 6Degrees.
- IPG’s MRM and McCann Worldgroup launched “**T-Shaped**,” a business consultancy for top clients with an emphasis on digital business transformation.
- Socially-led creative agency **We Are Social** launched its global gaming practice composed of the agency’s most skilled gaming and esports experts from multiple disciplines to serve gaming clients, including Activision, Riot Games, Sony, Twitch, G2 and Fnatic, as well as non-gaming brands.

- A new Atlanta-based marketing company called **Acadia** launched with clients like NASDAQ and Massage Envy, following four specialty acquisitions, including analytics company Lift361 and its software-as-a-service platform.
- Denver-based global network of independent agencies, **Worldwide Partners**, added eight new agency partners (Consciously, Mach Media, Pluto, We the People, Lippe Taylor, Twelvenote, Sound Healthcare, and HCB Health), boosting capabilities around purpose-driven, social, healthcare, PR, and more. The group now has 75 independent agencies in 43 countries.

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

- **WPP** launched The Inclusive Leadership Learning Experience, an interactive program delivered both live and on-demand, created in partnership with WPP associate UniWorld Group to help managers foster a culture of diversity and belonging for their teams.
  - **Wunderman Thompson Commerce** partnered with clean tech company Vaayu to create a sustainable commerce practice that seeks to help clients reduce the carbon footprint of their digital commerce offerings through consultancy, design, operations, and technology services.
  - Per the **ANA** report “A Diversity Report for the Advertising/Marketing Industry (2021),” the most prevalent racial or ethnic group for the United States was the White Non-Hispanic population at 57.8% but this decreased from 63.7% in 2010. The multicultural population increased from 36.3% in 2010 to 42.2% in 2020. Among the ANA overall membership, 67.1% are female, 32.9% are male, and 27.2% are diverse.
  - The **Institute for Advertising Ethics (IAE)** launched its first training and testing program to certify industry pros as ethical advertising executives, ranging from topics that include use of data, equitable allocation of advertising budgets, transparency of business practices, and so on.
  - WPP-owned media agency **Mindshare** launched “Inclusion PMP,” its third diversity-minded private marketplace in the past two years in a bid to drive media investment dollars toward Hispanic artists, creators, and journalism projects. The marketplace includes 20 publishers across both English- and Spanish-language channels.
- ### Noteworthy quotes:
- » “A lot during Covid was not about saving money. It was really about efficiency and innovation. So some of the fundamentals of SRM and challenging suppliers allowed them to shine in a way they traditionally were not able to before, to really work alongside the business.” —Keecia Scott, Senior Director of Global Procurement and Strategic Sourcing, **Gilead Sciences**
  - » “You certainly don’t want to put your relationship with your global strategic partner at risk and I would err on the side of transparency with teams to iron out any problems from the beginning—this is where procurement should take a leading role as a facilitator.” —Maria Antonova, Global Procurement Manager, Advertising Agencies, **Teva Pharmaceuticals**
  - » “It’s a battle for talent, regardless of where you are these days.” —Zena Arnold, Chief Digital and Marketing Officer, **Kimberly-Clark Corp**
  - » “There are a lot of good agencies out there and they can all do the same things technically, but you really need to pay attention to the culture to ensure that your culture fits with their culture.” —Sherry Ulish, Senior Manager of Indirect Sourcing, **The Hershey Company**
  - » “Our people have been incredibly resourceful despite the limitations of the pandemic. They deserve to work for a company as resourceful as they are.” —Carla Serrano, Global Chief Strategy Officer, **Publicis Groupe**
  - » “It’s the dawn of a different way of working, hiring and creating.” —Skyler Mattson, President, **WONGDOODY**
  - » “We’re no longer at an inflection point, we’re at the point where action is needed.” —Neil Stewart, Global CEO, **Wunderman Thompson Commerce**
  - » “The media landscape is undergoing rapid change and brands need the most advanced thinking in order to effectively and efficiently communicate with audiences.” —Catherine Kehoe, Chief Customer Officer, **Lloyds Banking Group**
  - » “Agencies should be more open to flexible working hours and situations. Work should complement your life, not disrupt it.” —Joyce Chen, Managing Director, **eg+ Singapore**
  - » “The house that this industry builds every day is a marvel of innovation and promise.” —Melinda McLaughlin, CMO, **Extreme Reach**



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



The metaverse (here it is again) is expected to open endless new marketing possibilities for advertisers and agencies. NFTs are not yet mainstream in marketing campaigns but are increasingly popular. Ranging from gaming, liminal spaces, and MetaSocieties that blend virtual and physical experiences to digital-twin stores and augmented shopping environments and direct-to-avatar models, consumers will be increasingly mixing their physical and virtual worlds. And advertisers will be there with a new array of expanded capabilities to accompany consumers on that journey. NFTs can be used to collect digital pieces of art or in loyalty programs. Brands like Nike and American Eagle are experimenting with digital footwear and clothing. Food brands are also jumping into leveraging NFTs, from the Taco Bell NFT called “Swivel Taco,” to the McDonald’s McRib NFTs, or the first Pringles NFT titled “CryptoCrisp.”

- The recent **McDonald’s McRib NFTs** demonstrate the fraud and brand risks involved in using the new technology. NFT records are permanent, and an anonymous user initiated a transaction to McDonald’s crypto-wallet address and encrypted a racist message within the metadata field which then was distributed and seen widely.
- **MediaCom** launched Creative Analytics, a new global capability designed to give greater insight into future creative performance across programmatic display, search, social, and video, and improve digital performance by up to 50%. It also uses AI platform DAVID’s predictive algorithm, pioneering emotional categorization using facial coding, eye tracking, machine learning, and computer vision.
- **Telenet** launched a “digital condom” to make the sexting experience safer. The app developed by Wunderman Thompson is the first digital condom for people engaging in sexting who could get into trouble when the receiver starts sharing their nudes with others. An algorithm turns the information into a unique watermark that covers the entire image. Results: 80+ million media impressions, reaching 30 million people, 30,000 downloads, 800,000 euros in earned media.
- **WPP’s Wunderman Thompson** launched the largest social study on inspiration called Inspire InFocus, informed by 16,000+ interviews to uncover macro trends in inspiration, and the fundamental human values that drive them.
- According to P&G, the word of the year is “**acceleration**,” fueled by rapid change in digital commerce, over-the-top and connected TV, sustainability, and the supply chain.
- Social media platform **Twitter** named its top 2021 brand tweets: Most tweeted about brand (Disney+); Best campaign (Ford F-150 Lightning, Mountain Dew, Oreo); Most popular brand tweet (Nick Jr.); Best brand presence (McDonald’s); Most tweeted brand hashtag (Nintendo).
- Per **Integral Ad Science (IAS)**, lack of transparency in programmatic (42%) is a top challenge for advertisers, along with increased ad fraud (44%) and brand risk (46%). 48% currently use or plan to implement third-party verification and monitoring technology.

- **RTFKT**, recently acquired by Nike, created limited edition Clone X avatars with the artist Takashi Murakami, which have sold for more than \$700,000, reportedly generating \$32.7 million in sales in 24 hours.
- The **Cannes Lions International Festival of Creativity** added a new Creative B2B Lion for 2022, reflecting the growth of creativity in business-to-business marketing during the health crisis. It also created a Creative Commerce category. The Creative Commerce Lions celebrate the innovative and creative approach to online and offline commerce, payment solutions, and transactional journeys. It also changed its Media Lion criteria, now weighted as follows: 20% insight and idea, 30% media strategy and targeting, 30% media execution, and 20% impact and results.
- WPP agency MediaCom launched a capability called **Creative Analytics** to provide insight into future creative performance across programmatic display, search, social media, and video. Creative performance can rise by up to 50% thanks to an algorithm that uses information on emotional response and attention levels.
- **Reynolds Maximum Effort** (now part of TV platform MNTN) launched its new offering, a subscription model for speedy content creation called Creative-as-a-Subscription, for its clients. Peloton was able to produce the “Unspoiler Alert” spot in 48 hours.
- Clothing company **American Eagle** launched its first non-fungible token collection, in partnership with VaynerNFT and Bitski, targeted at first-time NFT purchasers, particularly its core Gen Z customer base.
- **Top creative agencies** to know per Lindsey Slaby, Founder of Sunday Dinner: Gus.biz, We Believers, Wolfgang LA, and Mythology. Top media agencies: Chief Detective and Part and Sum. Top content agencies: Anyways Creative, Observatory, Column Five, Movement Strategy, and Sugar23.

**Awards:**

- Per Ad Age, top **2021 Marketers of the year**: 1) NFL, 2) Target, 3) Tesla, 4) Kraft Heinz, 5) Pinterest, 6) L’Oréal, 7) LeBron James, 8) Warner Media, 9) FaZe Clan, and 10) FTX.
- **Adweek’s 2021 US Agency of the Year**: The Martin Agency. Key agency wins driving 15% growth in net and organic revenue: Terminix, Hasbro for Nerf, Clue and Monopoly, Anheuser Busch/Busch Light, Sabra, Snapchat (cultural moments AOR), Coinbase (cultural moments AOR).
- The **World Advertising Research Center (WARC)** named Ogilvy the most creative agency network in the world, based on its annual Creative 100 ranking of the most creative agencies, networks, and campaigns in the world. WARC also named David Miami as No. 1 creative agency.
- **Wunderman Thompson** received 29 Awards across 11 agencies at the 2021 Epica Awards. Wunderman Thompson was the network awarded with the most Grand Prix of the Festival with work for HSBC, Edina Energy, and Telenet.
- **MediaPost’s 2021 “Agency of the Year” winners**: Media Agency of the Year (Wavemaker), Holding Company (GroupM), Independent (USIM), Creative (Empower), Search/Performance Marketing (NP Digital), Client of the Year (Apple).

- Per the **2021 London International Awards (LIA)**, award winners were: Ogilvy (Network of the Year), Burger King (Client of the Year), Publicis Milan (Agency of the Year), Service Plan House of Communications (Independent Network of the Year), LANDIA (Production Company of the Year), Framestore (Post Production Company of the Year), Saatchi & Saatchi Wellness (Pharma Agency of the Year), McCann Health NY (Health Agency of the Year).

**Noteworthy quotes:**

- » “It should always be a mutual review, in order for each of us to understand what needs to be done to make the relationship even more successful.” —Maria Antonova, Global Procurement Manager, Advertising Agencies, **Teva Pharmaceuticals**
- » “The metaverse will have three key attributes: it needs to have presence (social presence), it needs to be persistent (when users come back there’s some sort of continuity and not a reboot), and lastly and most importantly it needs to be shared (multiple people will need to be able to interact in the metaverse).” —Daren Tsui, CEO, **Together Labs**
- » “The biggest opportunity for physical goods is virtual goods.” —Ryan Mullins, Founder and CEO, **Aglet**
- » “If you don’t hold agencies accountable, then what are you doing?” —Sherry Ulsh, Senior Manager of Indirect Sourcing, **The Hershey Company**
- » “At Wendy’s, we are dialed in and meeting our fans where they are in real life—and virtually.” —Carl Loredo, CMO, **Wendy’s**
- » “If you don’t like change, you’ll like irrelevance even less.” —Wendy Clark, Global CEO, **Dentsu**
- » “The old linear world is starting to really fade away and give way to over-the-top streaming, which has then accelerated content, and in many ways the democratization of creating content.” —Marc Pritchard, Chief Brand Officer, **P&G**

- » “As technology continues to mature and people spend more and more time online, we’re going to see the metaverse emerge as an essential marketing channel, as important as social media or television.” —Christina Wootton, VP of Brand Partnerships, **Roblox**
- » “You could go to bed a media expert and wake up a media novice.” —Sherry Ulsh, Senior Manager of Indirect Sourcing, **The Hershey Company**

- » “Post the pandemic, the social justice movement, the trend lines are all moving toward more accountability. And more willingness to act, and less tolerance for these kinds of trust lapses.” —Sarah Bolton, Ex VP-Business Intelligence, **Advertiser Perceptions**

- » “A creative logistics approach is the antidote to fragmentation, aggregating teams across markets in a central hub to prepare assets and launch, monitor, and optimize campaigns.” —Melinda McLaughlin, CMO, **Extreme Reach**

- » “The shift to a hybrid environment encouraged the way we focus, simplify, and work closely together.” —Allyson Witherspoon, VP and Chief Marketer, **Nissan US**

- » “[Our] model is about seamless integration of the power of big, bold ideas and creativity within experiences, amplified by media and data.” —Manolo Arroyo, Global CMO, **Coca-Cola Company**

- » “COVID-19 touched countless lives and livelihoods, and I believe that marketers will have a critical role in shaping an economy that works for both people and the planet.” —Chris Daly, CEO, **CIM**

Check out one of our newest articles: “**Stronger Together... Driving Value When It Matters Most.**” Read our conference recap of ProcureCon Marketing 2021 and the key takeaways for marketing procurement professionals.



NEW ARTICLE

# Stronger Together... Driving Value When It Matters Most

What did we learn from the recent ProcureCon Marketing 2021 conference?



agencymania.com

**FINANCIALS: Driving efficient use of resources**

Major factors like supply chain and/or economic recovery concerns are still top of mind, even though holding companies are ending the year financially strong. After all, global advertising is expected to grow strongly for years to come, fueled by digital advertising (now more than 64% of total marketing expenditures). As always during turmoil, brands are reevaluating the performance of their agencies and considering making roster changes to prepare themselves for challenges ahead, especially in ecommerce, AI, and data analysis. M&A activities are picking up as agencies acquire new strategic capabilities, and reviews are in full motion despite COVID and because most agencies have now mastered the art form of pitching remotely. Media is the focus of many of these reviews. For example, sports apparel giant Nike, which spends \$3.1 billion on advertising and promotion and is shifting its marketing focus from brand-driven to performance-driven, is reviewing its global media business. There are many others like Nike reassessing their needs as evidenced by the table found at the end of this update.

- Adobe predicts that **online sales** will hit a record \$207 billion—a 10% increase YOY—in the period from November 1 to December 31. Consumers spent between \$5.1 billion (per Adobe) and \$6.9 billion (per Salesforce) on Thanksgiving.
- **Global advertising** is expected to recover and grow faster than originally predicted, fueled by the growth of ecommerce. The WPP-owned agency GroupM expects a 22.5% worldwide growth rate in 2021. Interpublic Group-owned agency Magna expects a similar growth rate and 12% growth in 2022, slightly higher than GroupM's forecast of 9.7%. US, UK, and China will account for about 70% of the total growth and 60% of the entire market.
- Per GroupM, **digital advertising** represented 64.5% of all global marketing in 2021, up from 60.5% in 2020 (over three-quarters coming from Alphabet, Meta, and Amazon alone), with a growth rate of 31% to reach \$442 billion. Publicis Groupe's Zenith agency forecast 14% growth in digital advertising worldwide in 2022 and 9% in 2023. TV is expected to grow by 6.2%, audio by 9.3%, and out-of-home by 21.8%.
- Although **television** is falling behind digital in terms of overall spend, it retains its importance among large brands. Per GroupM, large brands are allocating 47% of their advertising budget to television, including digital video extensions.

- Per Collabstr, **influencer marketing spending** grew 42% to \$13.8 billion in 2021 and is expected to reach \$15 billion by 2022. US spend represents 70%, followed by Canada and the UK. Instagram topped this short list as the most popular social media platform among influencers getting brand deals (94% of influencers offering paid content services are on the platform), followed by TikTok.
- Per ECI Media Management, **global ad prices** are projected to rise 4% in total in 2021—an inflation of 4.4% for online media and 3.5% for traditional media.
- Per Ad Age, the **top 100 advertisers** cut spending by 7.1% in 2020 (or \$278 billion) amid the global pandemic, but some increased their spend. Some examples: Alibaba Group Holding (90% increase YOY), Tencent Holdings (62%), Meta Platforms (44%), Diageo (26%), AbbVie (21%). Those with the largest reductions were Expedia Group (-66%), Booking Holdings (-56%), and The Coca-Cola Co. (-35%).
- Per **Integral Ad Science (IAS)**, most advertisers (52%) say that more than half of their advertising budgets are bought programmatically today, while 80% say programmatic represents one-third or more of their spend. Video ads lead the pack, especially in mobile and social environments. Social video (71%), mobile web video (61%), and mobile app video (60%) formats topped the rankings.
- Per Ad Age, **P&G's** estimated worldwide marketing spending increased 7.3% to \$11.5 billion in the fiscal year ending June 2021, ranking them the No. 1 largest global advertiser, followed by Amazon (\$10.9 billion in 2020) and L'Oréal (\$9.9 billion).

**Mergers and acquisitions (M&A) activity:**

- The world's largest independent media services agency, **Horizon Media**, agreed to sell a minority stake to a Singapore-based investment company, Temasek.
- **Deloitte Digital** acquired Ad2Pro Global Creative Solutions Private Limited (Madras Global), a content production agency, to strengthen the firm's personalized content capabilities at scale (through content life cycle management and measurement).
- Management consultant UX and tech solutions agency **Credera**, part of Omnicom's Precision Marketing Group, acquired consultant BrightGen, a Salesforce Summit Partner, to broaden its martech and customer-experience capabilities.
- **WPP** acquired Cloud Commerce Group (CCG), a UK-based technology company that helps brands market, sell, and deliver their products across ecommerce platforms and marketplaces. The firm joined the Wunderman Thompson global network as part of its commerce and technology operation.

- **WPP** acquired a majority stake in branding and design agency **MADE THOUGHT**, which will be integrated into **AKQA** and join forces with **Universal Design Studio** and **Map Project Office** to form **The New Standard**, an industry-leading collective that provides clients with transformational design and creative thinking.
- Sneaker maker **Nike** acquired **RTFKT**, one of the hottest NFT companies that distributes NFT artworks and works with NFT creators and brands. The brand is pushing into metaverse and digital footwear and clothing, recently launching a virtual world on gaming platform **Roblox**.
- Media-planning software and systems provider **Telmar** acquired **Helixa**, a data-driven, audience intelligence platform used by advertisers, agencies, and the media to segment and target consumers more effectively.
- Virginia-based marketing agency **Yes&** acquired **Beyond Definition**, a brand and marketing agency to expand capabilities in research, brand strategy, design, and digital, along with naming and publication design skills.

### Holding company and digital player financial results:

- Holding company **Stagwell Group** reported 22.8% organic net revenue growth in Q3 and 14.4% net revenue growth compared to the year prior, with net revenue of \$498.1 million. Its Integrated Agencies Network (which includes **Anomaly Alliance**, the **Constellation Network**, the **Code and Theory Network**, and the **Doner Partners Network**) grew by 30%. New client wins include **Amazon Ads**, **H&R Block**, **Johnson & Johnson**, **Athleta**, **Nike**, **Aetna**, **Forever 21**, and **TikTok**. Stagwell increased its revenue guidance for the year to \$2.17 billion from \$2.13 billion.
- Tokyo-based advertising and marketing holding company **Dentsu Group** reported a net revenue gain of 32.5% in Q3 to 256 billion Japanese yen (approximately \$2.25 billion) and organic revenue growth of 27.8% as a result of its strong performances in commerce and customer experience operations.

### Noteworthy quotes:

- » “The challenge we face in the world is that most marketers don’t know how to run a business and most procurement people don’t understand marketing. So there is this constant disconnect, but it is neither one’s fault.” —Mary Ann Brennan, Executive Level Consulting, **Alpha St8 Consulting**
- » “Creative is the center of the advertising industry and I’ve always thought it odd to have creative and media walled off from each other.” —Mark Douglas, CEO, **MNTN**
- » “Ultimately, marketers want a better understanding of how media budgets are spent. In-house media expertise provides that visibility.” —Jay Pattisall, Principal Analyst, **Forrester**
- » “Measure the outputs of the agency for your business and consider the agency costs as a measure of the value of those outputs. This is an output pricing model.” —Darren Woolley, Founder and Global CEO, **TrinityP3**
- » “There are three words to eliminate from the procurement vocabulary —commodity, vendor, supplier.” Bill Duggan, Group Executive Vice President.” —**ANA (Association of National Advertisers)**

### ARTICLE: Research Survey: The State of AI in 2021

Contributed by: McKinsey & Company



#### AI Adoption and Impact

Findings from the 2021 survey indicate that AI adoption is continuing its steady rise: 56 percent of all respondents report AI adoption in at least one function up from 50 percent in 2020. The newest results suggest that AI adoption since last year has increased most at companies headquartered in emerging economies, which include China, the Middle East, and North Africa: 57 percent of respondents report adoption, up from 45 percent in 2020. And across regions, the adoption rate is highest at Indian companies, followed closely by those in Asia-Pacific.

As we saw in the past two surveys, the business functions where AI adoption is most common are service operations, product and service development, and marketing and sales, though the most popular use cases span a range of functions. The top three use cases are service-operations optimization, AI-based enhancement of products, and contact-center automation, with the biggest percentage-point increase in the use of AI being in companies’ marketing-budget allocation and spending effectiveness.

[Read the research study here.](#)

**MAJOR CLIENT BESPOKE UNITS / DEDICATED AGENCIES  
SET UP BY THE BIG SIX HOLDING COMPANIES**

Aligning with a growing demand from top advertisers to have their integrated advertising or media/digital accounts served by a dedicated team, holding companies set up branded bespoke client units or standalone agencies (legal entities) for their key clients. WPP and Publicis created the largest number of client dedicated entities. Here is a summary of the major ones:

Please note that this list of client units/agencies is not exhaustive and only includes the major ones which for a good part do not carry the client name and are legal entities.

**PUBLICIS GROUPE**

	Groupe Connect		Campbell's Team
	OneCitiGlobal		Comcast One
	Publicis Imagine		PlatformGSK
	Inspire Media Engine		PSOne
	PUB1949		Publicis 57
	L'Oréal One		Lenovo One Media
	LVMH@PublicisMedia		Connect at PM
	Team POP		Publicis N2
	P&G One		Team Lift
	Constellation		Publicis Collective
	Team One		Publicis Lion Company
	VM1		PubW

**WPP**

	Amtrak Partnership		Team Nucleus
	OpenX		Red Fuse
	Team Magenta		GTB / WPP@Ford
	EightBar		L'Equipe L'Oréal
	Hudson Rouge		L'Atelier
	GroupMW		Garage Team Mazda
	Milka All Stars		OpenMind
	Pulse Creative		NN1
	Theo		Team Spark
	GroupM Go.To		&Toyota
	The Navy Partnership		Team Red
	WPP Go One		The Pharm

**IPG MEDIABRANDS**

	Rufus		Coca-Cola Connections Studios
	Team Unleash		Initiative Wellness
	Initiative Junior		Thrive

**OmnicomGroup**

	Aura		TBWA\Media Arts Lab
	La Maison Media		Team Ignite
	Team X		OMG23
	Nissan United		Sanofi@Omnicom
	OMG North Star		SQ1

**dentsu**

international

	Burberry Media Network		Deep Blue
	Red Star		The Green Thread
	Dentsu Pure Performance		Innov8
	The Franchise @dentsu		

**havas media group**

*Telefonica* Havas +

Media/digital Media bespoke business unit

Fully-integrated Agency

COMvergence's purpose is to analyze and measure the performances and strategic developments of the global MarCom holding company agencies, major independents, and largest management consultancy firms.

COMvergence delivers (to advertisers, agencies, pitch consultants, media vendors, financial analysts) high value products and services, with real insights and analysis, in a modern format that can be easily manipulated. Our key principles are objectivity (through the measurement criteria used to benchmark the agencies and the groups' performances), simplicity (of our methodologies) and agility (thanks to our online platform gathering all available data and displaying insights on dashboards and dynamic graphs that are easy to read, understand and act on). Also our members and partners unanimously agree that COMvergence is the undisputed global source and provider of advertisers' media spend figures.

Should you require further information or have questions about the above, please contact us.

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## A word about the author

Bruno Gralpois has been instrumental in establishing Agency Management as a central global discipline for many of the top 200 advertisers. His commitment to successful client/agency partnerships led Gralpois to co-found Agency Mania Solutions and serve as principal.

Before that, he held leadership positions at industry-leading companies, including Microsoft and Visa, as well as various pre-IPO software companies. Gralpois is an active member of the ANA Faculty of Marketing, which helps build effective advertiser-agency relationships.



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

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