



M&A in Advertising, Marketing Services & Marketing Technologies

[Q2 2023]

McCracken
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Q2 Doldrums

The second quarter (Q2) typically faces challenges as it lives in the shadow of Q1. Last quarter was no exception. We observed 113 relevant transactions, which is in line with expectations and recent experience. However, this number represents an 13% decrease compared to the previous year (YOY). This decline may be attributed to ongoing market uncertainty fueled by high interest rates and the recently resolved U.S. debt ceiling stand-off. Despite these factors, we remain optimistic that confidence will gradually be restored in the second half.

Trending

The focus on deals related to Digital Transformation continues to be prominent. This trend reflects the growing significance of digital strategies and technologies in the marketing communication industry.

In Q2, we witnessed five deals involving Artificial Intelligence (AI), and we believe this is just the beginning. We anticipate a surge in AI-related deals in the second half of the year and beyond. The interest shown by major networks and other players in AI acquisitions stems from the potential of AI to revolutionize the marketing communications landscape. AI can bring improvements in targeting, optimization, data analysis, automation, personalization, and overall competitiveness. By investing in AI capabilities, these companies can establish themselves as industry leaders and deliver more impactful and effective campaigns for their clients.

Highlights from Q2

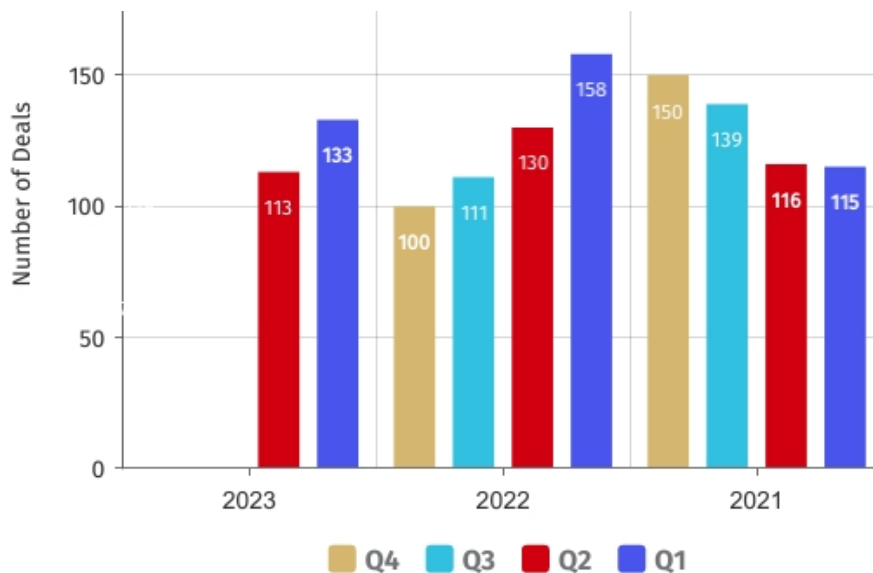
Accenture completed three Q2 deals: Digital design company, **Bourne Digital**; Amazon web services partner, **Nextira**; and Digital engineering firm, **Objectivity**.

Completing 2 deals in Q2 were: **Blackstone** with Event Technology Provider, **Cvent**, and Out of home agency, **New Tradition**. **WPP** acquired Sonic branding company, **Amp**; and Creative Agency, **Majority**.

Omnicom completed 1 transaction and 2 consolidations: the acquisition of Sports creative agency **Dark Horses**; the merger of Advertising agencies **BBDO** and **Martin Williams** and the merger of Advertising agencies **DDB New York** and **adam&eveNYC**.

[Q2 2023 overview]

Deal Activity by Quarter



MAJOR BUYERS	Q2 2023	Q1 2023	2022 Deals	2021 Deals
Accenture	3	8	15	40
Blackstone	2	0	0	23
Havas	2	1	9	3
WPP	2	4	8	5
Deloitte	1	0	3	4
IBM	1	0	5	5
Omnicom	1	0	3	6
Publicis	1	4	4	5
Acceleration Partners	0	0	3	2
Cognizant	0	1	3	4
Dentsu	0	3	4	2
EY	0	1	2	2
Fimalac Jellyfish	0	0	0	5
Finn Partners	0	2	3	9
Fishawack Health	0	0	1	3
Real Chemistry (W20)	0	1	1	2
S4	0	0	4	12

Stories You May Have Missed

U.S. Ad Index Expands For First Time In 11 Months In May

The U.S. Ad Market Tracker rose 2.5% in May -- the first expansion in 11 months. The expansion compares with the year-ago period that was only up modestly and is the best May since Standard Media Index began tracking it. The growth is the first material sign that the U.S. ad marketplace is pulling out of a recession that began in July 2022, based on the SMI data, which is derived from a pool of actual ad spending processed by the major agency holding companies and independent media services agencies. [More:](#) MediaPost, June 22, 2023

Havas Consolidates Content Creation Units Under New Prose On Pixels Entity

Havas said today that it was consolidating its content creation units into a unified offering called Prose on Pixels to be led by Global CEO Steve Netzley and Global President Paul Ward. The new operation will bring together various creative, health and media studios under the new "POP" entity comprising over 550 staffers across 13 locations. [More:](#) MediaPost, June 21, 2023

Accenture announces jaw-dropping \$3 billion investment in AI

The generative AI announcements are coming fast and furious these days, but among the biggest in terms of sheer dollar commitments just landed: Accenture, the global professional services and consulting giant, today announced it will invest \$3 billion (with a "b"!) in AI over the next three years in building out its team of AI professionals and AI-focused solutions for its clients. [More:](#) VentureBeat, June 13, 2023

In-House Agencies Are Here to Stay, Finds ANA Report

In-housing has been a consistently growing trend with brands, but according to a new study by the Association of National Advertisers, that trend is here to stay. The study found that 82% of ANA members reported that they now have an in-house agency, compared to 78% in 2018. [More:](#) AgencySpy, May 2, 2023

Stagwell Folds Three Agencies Under The CP+B Banner

Stagwell today took the wraps off an agency reorganization to form what it called a "refreshed" CP+B. The sibling agencies now falling under the CP+B banner include MMI, Vitro and Observatory. Each bring separate strengths to the restructuring. MMI, which absorbed Media Kitchen last year, is known for its media performance capabilities as well as influencer marketing. Vitro combines creative and production skills and Observatory is a branded entertainment specialist. [More:](#) MediaPost, April 24, 2023

Q2 2023 deals

For more information about individual transactions, click on the buyer's name.

	BUYER	TARGET	SECTOR (TARGET)	VALUATION
APRIL	10Pearls	Symbox	Boutique Software Developer	
	Alloy	Narwhal.Digital	Creative Tech Agency	
	Anteriad	BNZSA	B2B Demand Generation Solutions	
	BearingPoint	Simplicity	Salesforce Consultancy	
	BNC Group	CMI	Microsoft Partner	
	Broad Sky Partners	Bully Pulpit	Communications & Public Affairs Agency	Investment
	Capillary	Brierley+Partners	Loyalty Technology	
	Collabera Digital	Pracedo	Salesforce Specialist	
	Cprime	Elabor8	Digital Transformation	
	Eruptr	Decode	Healthcare Marketing	Merger
	Escalent	Omnicom's C Space	Research & Brand Management	
	Escalent	Omnicom's Hall & Partners	Customer Relationships	
	Financial Times	Endpoints News	Biopharmaceutical News & Analysis	
	Fingerprint Group	MYND Group	Strategic Market Access Marketing	
	Fors Marsh	Brunet-Garcia	Marketing Firm	
	Globant	ExperiencIT	Digital Transformation	
	Grid Dynamics	NextSphere Technologies	Custom App Development Firm	
	Havas Media	Noise Digital	Digital Agency	
	Insignia Capital Group	Dualboot Partners	Digital Product Design	Investment
	KKR	WPP's FGS Global	Communications Consulting Firm	Investment
M3 Global	Med Planet	Qualitative Research		
MRGE	SourceKnowledge	Programmatic Tech Firm		
Omnicom's TBWA	Dark Horses	Sports Creative Agency		
PadSquad	Source Digital	Ad Monetization Software Company		

Q2 2023 deals

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	BUYER	TARGET	SECTOR (TARGET)	VALUATION
APRIL	Pivot CMO	Modern Formula	Performance Marketing Firm	Merger
	PopReach	SCS	Advertising Agency	\$15.0 Million
	Precision Value & Health	Makara Health	Healthcare Communications	
	RPE Origin	LuckyRedPixel	Email Design Agency	
	Salient Global	Candor	Marketing Communications Firm	
	Spinakr Solutions	Brandworkz	Digital & Brand Asset Management	
	Stagwell's Forsman & Bodenfers	In the Company of Huskies	Creative Agency	
	Wasserman	trevor//peter	Creative & Experience Agency	
	WIIsquare Capital	Trinity Insight	Digital Agency	
	WPP	Amp	Sonic Branding Company	
MAY	10Pearls	Oiga Technologies	Product Development Company	
	Accenture	Objectivity	Digital Engineering Firm	
	Amdocs	TEOCO's Service Assurance Business	Customer Experience	
	Amulet Partners	minds + assembly	Design Agency	
	APCO Worldwide	NCG International Advisory	Multinational Agency	
	Avionos	Integrus Marketing	Demand Generation Agency	
	Berlin Rosen	Inkhouse	Strategic Communications	Investment
	BerlinRosen Holdings	M18 PR	Communications Firm	Investment
	Blend360	FutureproofAI	Technology Consultancy	
	Bonterra	WeSpire	Engagement Software	
	Brillio	CloudStratex	Advisory Services	
	Bumble	Official	Relationship App	
	Cadent	Big Village's ENGINE Media Exchange (EMX)	SSP Technology	

Q2 2023 deals

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	BUYER	TARGET	SECTOR (TARGET)	VALUATION
MAY	DataBricks	Okera	Data Governance Platform	
	Deloitte	Optimal Design	Product Engineering Services (PES)	
	Elliott Investment Management Consortium	Syneos	Contract Research Firm	\$4.460 Billion
	emotive.io	Bloom Digital	SMS Marketing Agency	
	Encora	Softelligence	Software Engineering	
	Entravision	BCNMonetize	Mobile App Marketing Solutions	
	Euturum Group	Visible Impact	B2B Marketing Services	
	Globant	Pentalog	Digital Transformation	
	ICR	Lumina Communications	B2B PR Firm	
	Improving	Jump Analytics	Tech Firm	
	Informa	Winsight	Global Event Firm	
	Kivvit	Subject Matter	Integrated Advertising Consultancy	Merger
	Moove IT	December Labs	Custom Software & Development	Merger
	Mountaingate Capital	Bond	Loyalty Marketing	
	OneMagnify	RXA	Data & Analytics & AI Firm	
	OneMagnify	Splash Analytics	Analytics & Predictive Marketing	
	Playfly	The Aspire Group	Sports Operations Ticketing and Hospitality	
	Praecipio	Avant	Atlassian Platinum Solution Partner	
	Publicis	Publicis Sapient AI Labs	AI Research and Development	Full Stake
	Shutterstock	Meta's Giphy	GIF Library & Search Engine	
SmartBug Media	10 Marketing	Google Partner		
Snowflake	Neeva	Search Company		

Q2 2023 deals

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	BUYER	TARGET	SECTOR (TARGET)	VALUATION
MAY	Stagwell's SKDK	Jasper Advisors	Advisory Services	
	The Variable	Data Crunch	AI & Analytics Company	
	Together Group	North Six	Content Agency	
JUNE	Accenture	Bourne Digital	Digital Design Company	
	Accenture	Nextira	Amazon Web Services Partner	
	Avenue Z Network	Bevel	Communications Consulting Firm	
	Blackstone	Cvent	Event Technology Provider	\$4.60 Billion
	Blackstone	New Tradition	Out of Home Agency	Majority Stake
	Blend360	Montevideo Labs	Data Engineering Firm	
	Brandtech Group	Jellyfish	Digital Media Agency	
	Brandtech Group	Pencil	Generative AI (GAI) SaaS Platform	
	Bulla Co	Hype Collective	Experiential Marketing	
	Calcium & Co	CSG Health Group	Scientific Communications Agency	
	Claravine	Netra	Content Classification	
	Databricks	Lovelytics	Consultancy	Investment
	Databricks	MosaicML	OpenAI Startup	\$1.30 Billion
	Delve	altr	Digital Design Company	
	Erie Street	50,000feet	Brand Consultancy	
	FL Entertainment & TowerBrook	The Independents	Global Group of Agencies	\$400.0 Million Investment
	Granite Digital	LCM247's Digital Division	Creative Agency	
	Harvest Partners Ascend	Sparq	Digital Engineering Firm	
	Havas	PivotRoots	Digital Marketing Agency	
	IBM	Apptio	IT Software	\$4.60 Billion
ICR	Bullfrog + Baum	Communications Agency		

Q2 2023 deals

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JUNE

BUYER	TARGET	SECTOR (TARGET)	VALUATION
M3 Global	Kantar's Profiles Division	Healthcare Data	
Meet the People	Saltwater Collective	Digital Agency	
MMGY Global	TCI Research	Data Intelligence Firm	
Monomoy	Japs-Olson	Direct Mail Marketing Provider	
Neon16	Arro Media	Music Marketing Agency	Merger
Neptune Retail Solutions	Quotient	Digital Promotions	Merger
Ness Digital Engineering	MVP Factory	Product Design & Digital Innovation	
New Engen	LT Partners	Marketing Agency	
One Equity Partners	MSQ Partners	Marketing & Digital Transformation	
PRA	Weil & Associates	Business Events Management	
Publicis Sapient	Corra	E-Commerce	
Serviceplan Group	L&C NY C	Advertising Agency	Minority Stake
Softserve	Hoverstate	Digital Agency	
Supreme Optimization	Clarity Quest Marketing	Marketing Agency	
The Avenue Z Network	The Snow Agency	Social Media Agency	
Thomson Reuters	Imagen Ltd	Media Asset Management	
Tiny	HappyFunCorp	Product Engineering	\$30.0 Million
Trinity Partners	REQ	Digital Marketing Agency	
WPP	Majority	Creative Agency	30% Stake
WTWH Media	PMQ Pizza	Business Media Outlet	

Q2 Total = 116 Deals

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McCracken AP Transactions

STONEARCH



Acquired by

FISHAWACK HEALTH



MCCRACKEN ADVISORY PARTNERS

JUST global



Acquired

enigma



MCCRACKEN ADVISORY PARTNERS

SunSpeed



Acquired by

ADVANTAGE SOLUTIONS



MCCRACKEN ADVISORY PARTNERS

Marshall




Acquired by

twoxfour




MCCRACKEN ADVISORY PARTNERS

dc°



Has Acquired

A2G



MCCRACKEN ADVISORY PARTNERS

IRIS



Has Acquired

89DEGREES



Enabling Customer Engagement

MCCRACKEN ADVISORY PARTNERS

Advisory Services provided to

peppercomm



MCCRACKEN ADVISORY PARTNERS

VISION7



INTERNATIONAL

Acquired

11



Eleven

MCCRACKEN ADVISORY PARTNERS

PERISCOPE®



Acquired

anthem



marketing solutions™

MCCRACKEN ADVISORY PARTNERS

LeadDog



MARKETING GROUP

Strategic Consulting

MCCRACKEN ADVISORY PARTNERS

ZAMBEZI



Advised on Management Buyout

MCCRACKEN ADVISORY PARTNERS

LEWIS^{PR}



Acquired

PISTON



COMMERCE CULTURE TECHNOLOGY

MCCRACKEN ADVISORY PARTNERS

plastic



Acquired by

HAVAS



MCCRACKEN ADVISORY PARTNERS

RESOURCE



Acquired

AMMIRATI



MCCRACKEN ADVISORY PARTNERS

iris





Acquired a majority interest in


router



MCCRACKEN ADVISORY PARTNERS

McCracken AP Transactions


Acquired

MCCRACKEN ADVISORY PARTNERS


Acquired
purestone.
MCCRACKEN ADVISORY PARTNERS


Acquired by
HUNTSWORTH
MCCRACKEN ADVISORY PARTNERS


Acquired by



MCCRACKEN ADVISORY PARTNERS


Acquired

MCCRACKEN ADVISORY PARTNERS


Acquired

MCCRACKEN ADVISORY PARTNERS




Acquired by

MCCRACKEN ADVISORY PARTNERS


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