

M&A Advisors to Marketing Agencies, Media & Technology Companies

[Q2 2024]

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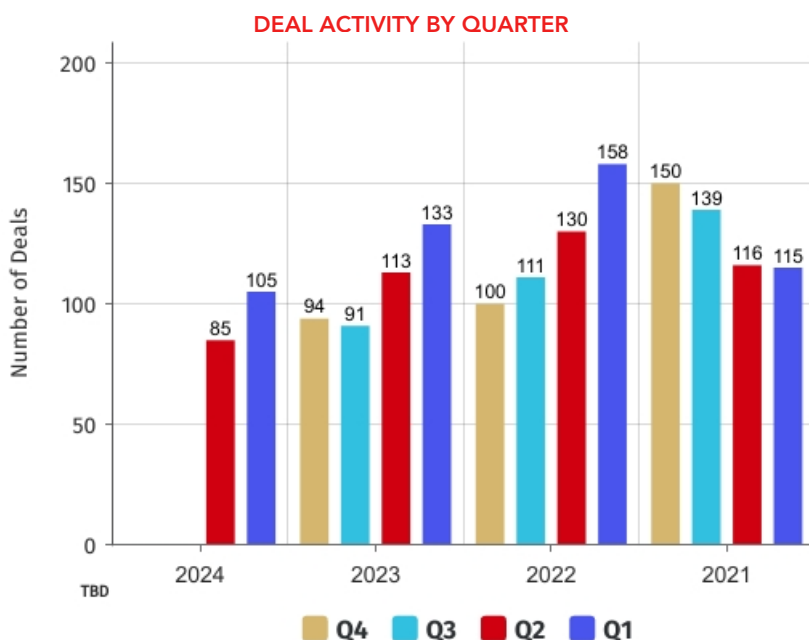
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[Q2 2024 Overview]

Trending Down

In the first half, the deal count in marketing services, media and related technologies experienced a sharp downturn, declining by 23% compared to the same period a year ago and dropping 18% below the COVID-19 subdued levels of 2021. The primary cause behind the continuing decline is likely the persistent high cost of borrowing, exacerbated by the global networks focusing on consolidation rather than deal making. Private equity, which has until recently struggled with sluggish exits, also contributes to the dampened enthusiasm for new transactions.



Moreover, PitchBook is reporting that Q2 PE deal activity is now tracking ahead of the same period a year ago. This improvement coincides with a nascent rise in exit activity in a rebound from historic lows.

Lastly, and counterintuitively, our clients are receiving more over-the-transom buyer inquiries than they and we have seen in quite a while, signaling potential shifts in market dynamics.

This trend is underscored by significant movements among some of the industry's largest players: WPP, IPG, and Advantage Solutions have all been rumored to be contemplating or have already initiated major divestitures, reflecting a broader trend towards streamlining and refocusing portfolios.

However, amidst these shifts, the second quarter revealed a more nuanced picture with Dentsu, Group M, and Magna all boosting their US ad spending forecasts for the remainder of 2024, buoyed by a stronger-than-expected start to the year.

Big 4 U.S. ad consensus, effective May 29, 2024

	2023	2024	2025	2026	2027	2028
Dentsu*	+2.5%	+5.9%	+4.6%	+5.0%	NA	NA
GroupM	+2.0%	+7.5%	+0.9%	+8.3%	+0.4%	+7.9%
Magna	+5.7%	+9.2%	NA	NA	NA	NA
Zenith	+4.5%	+5.7%	NA	NA	NA	NA
Consensus	+3.7%	+7.1%	+2.8%	+6.7%	NA	NA

Sources: Dentsu, IPG Mediabrands' Magna, Publicis Media's Zenith, WPP's GroupM most recent forecasts/updates. *Americas. Consensus = simple average of year-over-year percent changes.

[Q2 2024 Overview]

Highlights from Q2

Accenture continues to dominate our major buyers list with 13 Q2 deals: Management & Technology Consultancy, **Axis Corporate**; Technology services provider, **CLIMB**; Consultancy, **Interra Consulting**; Digital transformation company, **Cognosante**; Consultancies **Customer Management IT**; **Intellera Consulting** and **SirfinPA**; Embedded software specialist, **Teamexpat**; Network services company, **Fibermind**; Digital technology company, **Openstream Holdings**; Data consulting firm, **Parsionate**; Customer engagement agency, **Unlimited**; and Creative agency, **SOKO**.

MAJOR BUYERS	Q2 2024	Q1 2024	2023 Deals	2022 Deals
Accenture	13	16	24	15
IPG	3	1	0	0
Havas	2	2	10	9
Stagwell	2	3	4	7
EY	1	0	1	2
Blackstone	0	0	2	0
Cognizant	0	0	2	3
Deloitte	0	2	1	3
Dentsu	0	0	5	4
Finn Partners	0	0	3	3
IBM	0	0	1	5
Omnicom	0	1	9	3
Publicis	0	1	5	4
Real Chemistry (W2O)	0	1	1	1

IPG had two consolidations and one acquisition: The consolidations included Healthcare marketing companies **IPG Health's Area 23** & **IPG Health's McCann Health New York**; and **IPG Health's Rise & Run** & **IPG Health's McCann Health New Jersey**. Talent management firm, **Global Cricket Management** was acquired by **IPG's Octagon**. **Havas** completed 2 transactions: Digital transformation firm, **TED Consulting**; and E-commerce firm, **Liquid**.

Stagwell also had 2 deals in Q2: Marketing consultancy, **Pros Agency**; and PR & influencer agency, **Luxine Relations Publiques**.

[Q2 2024 Overview]

Stories You May Have Missed

PE's Exit Slowdown Persists in 2024

The return of exits from private equity investments will be a key factor in the market's recovery, but a sleepy start to 2024 offers no solace for investors. After a slight resurgence at the end of 2023, total US PE exit value fell 19% quarter-over-quarter in Q1, signaling a persistent slowdown, according to PitchBook's [Q1 2024 US PE Breakdown](#). [More:](#) Pitchbook; April 16, 2024

New Ad Agencies are Opening Rapidly - Inside the Trend and How They Can Survive

It's never been easier to open an ad agency but standing out will be key to keeping the lights on. [More:](#) AdAge; April 17, 2024

Tech Spending Still Proves Thorny for Some Advertising Companies

A slower pace of business in the technology sector continued to weigh on some ad holding firms in the first quarter, but things might be looking up. [More:](#) The Wall Street Journal; April 26, 2024

IPG Health Unveils Restructuring

IPG Health has announced a restructuring that includes the folding of McCann Health NY into sibling health agency Area 23. And Hill Holliday Health and McCann Health New Jersey are combining to form a new entity called Rise & Run. The company said that the folding of McCann Health NY into Area 23 follows "nearly two years of close collaboration." [More:](#) MediaPost; May 14, 2024

'Agency' is The Ad Industry's Latest Dirty Word—Why Creative Shops Are Relabeling

In a bid to distance themselves from the traditional agency model—which is often bogged down by overhead, talent costs and time-based compensation—many shops are ditching the agency label and rebranding as consultancies, marketing accelerators or creative solutions companies. [More:](#) AdAge; May 1, 2024

Q2 2024 Deals

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

APRIL

BUYER	TARGET	SECTOR (TARGET)	VALUATION
Accenture	Axis Corporate	Management & Technology	
Accenture	CLIMB	Management & Technology	
Accenture	Interra Consulting	Technology Services Provider	
Accenture Song	Unlimited	Consultancy	
AiRo Digital	Cloudaction	Customer Engagement Agency	
Ayesa	Emergya	Cloud Solutions	
Burson	Buchanan Communications	Google Cloud Solutions	
Cadent	AdTheorent	Financial Communications Firm	\$324.0 Million
CD&R	BC Partner's Presidio	Performance Marketing	Majority Stake
CG Life	Toolhouse	Technology Services	
Cognitus	Siguler Guff & Haven Capital Partners	Digital Agency	Investment
eHouse	Commerce12	SAP Software Solutions Provider	
EY	Nuvalence	E-commerce	
Happiest Minds	PurSoftware	Technology Consulting Firm	\$94.50 Million
Havas	TED Consulting	Digital Engineering	
Hootsuite	Talkwalker	Digital Transformation Firm	
Intellias	C2 Solutions	AI-led Analytics Platform	
ITA Group	Cooleaf	Technology Services	
Luckie & Company	Marbury Creative Group	SaaS Platform	
Meet the People (MTP) Group	True Independent Holdings (TIH)	Marketing Agency	Merger
Mod Op	LAM Design	Media Services	
Next Practices Group	Williams Nicolson	Integrated Marketing Agency	

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

	BUYER	TARGET	SECTOR (TARGET)	VALUATION
APRIL	Planoly	Snipfeed	Creator Monetization Tool	
	Purpose Group	Alloy	Experience Agency	Investment
	Red Antler	Fat Earth	Creative Performance Marketing Agency	Majority Stake
	Roycian	McAndrew Martin	Design Firm	
	Six Pillars Partners and Merit Capital Partners	Two x Four	Advertising Agency	
	Stagwell	Pros Agency	Marketing Consultancy	
	The Independents	The Sunshine Company	Advertising Agency	
	The Shipyard	Fahlgren Mortine	Public Relations Firm	
	Vistar Media	PJX Media's Adstruc	OOH Planning & Buying Software	
	VMG Health	Incline Equity Partners	Healthcare Consultancy	Partnership
MAY	Yahoo	Artifact	AI News Ap	
	Accenture	Cognosante	Digital Transformation	
	Accenture	Customer Management IT	Consultancy	
	Accenture	Intellera Consulting	Consultancy	
	Accenture	SirfinPA	Consultancy	
	Accenture	Teamexpat	Embedded Software Specialist	
	BarkleyOKRP	Adlucent	Performance Marketing	
	BarkleyOKRP	Advantage Solution's Adlucent	Digital Marketing Agency	
	Dotdash Meredith	OpenAI	Publisher	Strategic Partnership
	Excellera Advisory Group	Barabino	Financial Communications Firm	
	Havas	Liquid	E-commerce & Retail Media Firm	
	Hexaware	Softcrylic	Data Consulting Firm	

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

	BUYER	TARGET	SECTOR (TARGET)	VALUATION
MAY	HZ	BCW Group's HZ	Advertising Agency	Buyback
	IPG Health's Area 23	IPG Health's McCann Health New York	Healthcare Marketing	Consolidation
	IPG Health's Rise & Run	IPG Health's McCann Health New Jersey	Healthcare Marketing	Consolidation
	IPG's Octagon	Global Cricket Management	Talent Management Firm	
	LLYC	Dattis	Communication Services	
	Mediaplus	Total Media	Media Group	Consolidation
	Quad Graphics	Betty	Creative Agency	Consolidation
	RedBird IMI	All3Media	Global Production Com[any	\$1.45 Billion
JUNE	RKD Group	Heller Consulting	Consultancy	
	SixSpeed	KC Truth	Media & Creative Agency	
	Stagwell	Luxine Relations Publiques	PR and Influencer Marketing Agency	
	Accenture	Fibermind	Network Services Company	
	Accenture	Openstream Holdings	Digital Technology Company	
	Accenture	Parsionate	Data Consulting Firm	
	Accenture Song	SOKO	Creative Agency	
	Agital	EK Creative	Social Commerce	Partnership
	AI/R's Compass UOL	Oak Rocket	AWS Cloud Adoption	
	Apply Digital	Sisu	Digital Agency	
	Avenue7Media	eCom Creative Team, LLC	Advertising Agency	
	Axicom	Ideal	Tech Communications Agency	Merger
	Brandmovers	The A Team	Promotion Agency	
	Conversion Pipeline	White Label Agency	Search Engine Marketing	

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

JUNE

BUYER	TARGET	SECTOR (TARGET)	VALUATION
Croud	Vert Digital	Digital Agency	
eHouse	VL Omni	Data Integration Technology	
EPAM	Odysseus	Digital Transformation	
Equativ	Sharethrough	Ad Tech Company	Merger
G&S	MorganMyers	Agribusiness Marketing	
Keleops	Gizmodo	Technology Publisher	
Madhive	Frequence	Marketing Platform	
Mindgruve	Macarta	Advertising Agency	Merger
Mozilla	Anonym	Privacy Tech Startup	
OneSix	Strong Analytics	Machine Learning & AI	
Open AI	Rockset	Search & Database Analytics	
Outerbox	Topspot	Digital Marketing Agency	
PAN	BLASTmedia	Integrated Marketing Agency	
Said Differently	Brainvire	Digital Transformation	Merger
Technology Acquisition Capital	Seven Verbs	Management Consultancy	
The Uptown Agency	RBA	Advertising Agency	
Verve Group SE	Advantage Solution's Jun Group	Digital Advertising Platform	\$185.0 Million
Xset	Illusive Media	Creative Studio	
ZS	Digital Additive	Digital Marketing Agency	
Q2 TOTAL = 85 DEALS			

[CONTACT]





















McCracken Advisory Partners
mccrackenap.com

Keith McCracken
Minneapolis
CEO & Co-Founder
+1 952 922 8140 or;
+1 612 203 6003
keith@mccrackenap.com

Rogerio Campos
Sao Paulo
Regional Partner, Brazil
+55 11 984667000
rogerio@mccrackenap.com

View previous reports [here](#)

Our Transactions

 <p>ACQUIRED BY WCST Holdings, LLC. A PORTFOLIO COMPANY OF SIX PILLARS PARTNERS AND MERIT CAPITAL PARTNERS</p>	 <p>HAS ACQUIRED PLXN</p>	 <p>ACQUIRED BY FISHAWACK HEALTH</p>	 <p>ACQUIRED enigma</p>
 <p>ACQUIRED BY ADVANTAGE SOLUTIONS</p>	 <p>ACQUIRED BY twoxfour</p>	 <p>STRATEGIC CONSULTING</p>	 <p>HAS ACQUIRED A2G</p>
 <p>ACQUIRED 89DEGREES</p>	 <p>ADVISED</p>	 <p>ACQUIRED W</p>	 <p>ACQUIRED anthem marketing solutions</p>
 <p>STRATEGIC CONSULTING</p>	 <p>ADVISED ON MANAGEMENT BUYOUT</p>	 <p>ACQUIRED PISTON <small>COMMERCE CULTURE TECHNOLOGY</small></p>	 <p>ACQUIRED BY HAVAS</p>
 <p>ACQUIRED AMMIRATI</p>	 <p>ACQUIRED MAJORITY INTEREST router</p>	 <p>ACQUIRED eba <small>communications</small></p>	 <p>ACQUIRED purestone.</p>

Our Transactions

<div>AtomicPR</div> <div>ACQUIRED BY</div> <div>HUNTSWORTH</div>	<div>speakTECH Interactive Design & Technology</div> <div>ACQUIRED BY</div> <div>Perficient</div>	<div>LEWIS^{PR}</div> <div>ACQUIRED</div> <div>PageOne PUBLIC RELATIONS</div>	<div>LEWIS^{PR}</div> <div>ACQUIRED</div> <div>LEADS UNITED Communication with an edge</div>
<div>* GROUND ZERO</div> <div>ACQUIRED BY</div> <div>WONG DOODY</div>	<div>globalbeach</div> <div>ACQUIRED BY</div> <div>speakTECH Interactive Design & Technology</div>	<div>lunchbox[™] Shopper Engagement Solutions</div> <div>ACQUIRED BY</div> <div>J W T</div>	<div>LEWIS^{PR}</div> <div>ACQUIRED</div> <div>dmg. davies murphy group</div>