2024 INDUSTRY REPORT
Advertising

Baker Tilly Report

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Contents

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Feed summary

This study covers **158,905** companies worldwide related with the **Advertising** industry. All the data about companies, acquisitions and founding rounds was extracted on **December 15, 2023**. Deals, rounds and companies founded after this date have not been included.

In this Market Analysis you will be able to solve your doubts regarding what **type of investors** are investing in the sector, what **type of companies** are acquiring market share companies, how much **investment** has been made and is expected to be made...

Overview

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148 K
Active

8,390
Funded

551
IPOs

$139 bn
Funding

17.21 K
Rounds

27 K
Investments made

7,142
Acquisitions by Sector's Companies

6,293
Sector's Companies acquired

WordCloud

What is Advertising?

The advertising industry consists of revenues gained by any advertising activities or agencies providing advertising services, including display advertising services.

The industry thrives on innovation, adapting to new technologies and trends to deliver impactful communication that influences consumer behavior. Ultimately, the advertising industry contributes to the success of businesses in a competitive marketplace.

One peculiarity of the advertising industry is its focus on persuasion and communication. While other industries primarily focus on producing and delivering goods or services, the advertising industry's core purpose is to influence consumer behavior and perception. Hence, the ability to craft compelling narratives and effectively communicate messages is a distinctive characteristic of the advertising industry.

The advertising industry offers several benefits, including:

- **Increase brand awareness:** strategic advertising campaigns establish brand identity, making companies more recognizable.
- **Expanding the customer base and differentiation from competitors:** effective advertising reaches new customers and stimulates interest, while highlighting unique features helps businesses stand out.
- **Increased sales and revenue:** by creating demand for products or services, advertising can stimulate consumer interest, generate leads and drive conversions, which translates into higher sales volumes and financial growth.
- **Consumer education:** advertising provides a platform to educate consumers about product features, benefits and new innovations, helping consumers to make informed purchasing decisions.
- **Economic growth and job creation.**
- **Cultural and social influence**: Advertising reflects and influences cultural trends and social values, raising awareness and promoting positive change.

Advertising & Marketing Industry

The advertising industry and the marketing industry have a close and **interdependent relationship**. Firstly, we need to highlight that they both have a **strategic alignment**, as advertising strategies are developed based on marketing goals, target audience analysis, and market research. Secondly, branding is a fundamental aspect of marketing, and advertising campaigns help build and reinforce brand identity, positioning, and brand value.

Additionally, **market research** and **consumer insights** play a crucial role in both industries. Marketing professionals conduct research to understand target audiences, their preferences, behaviors, and purchasing patterns. This information is vital for developing effective advertising campaigns that resonate with consumers and drive desired actions.

Also, marketing professionals **closely collaborate** with advertising agencies and **creative teams** to develop compelling advertising concepts, visuals, and messaging that align with the overall marketing strategy. Advertising professionals bring these ideas to life and ensure that the campaigns effectively convey the marketing message.

Furthermore, the **communication channels** used for advertising are determined by marketing strategies. Marketing professionals define the target audience and select the most effective channels to reach them. Advertising professionals then execute the marketing plan by influencing various channels such as print, broadcast, digital, social media, and outdoor advertising to deliver the marketing message effectively.

Finally, advertising is integrated with other marketing tactics to create a **cohesive strategy**. Marketing professionals coordinate advertising efforts with other elements of the marketing mix, such as public relations, sales promotions, direct marketing, and digital marketing, to ensure a unified approach in achieving marketing goals.
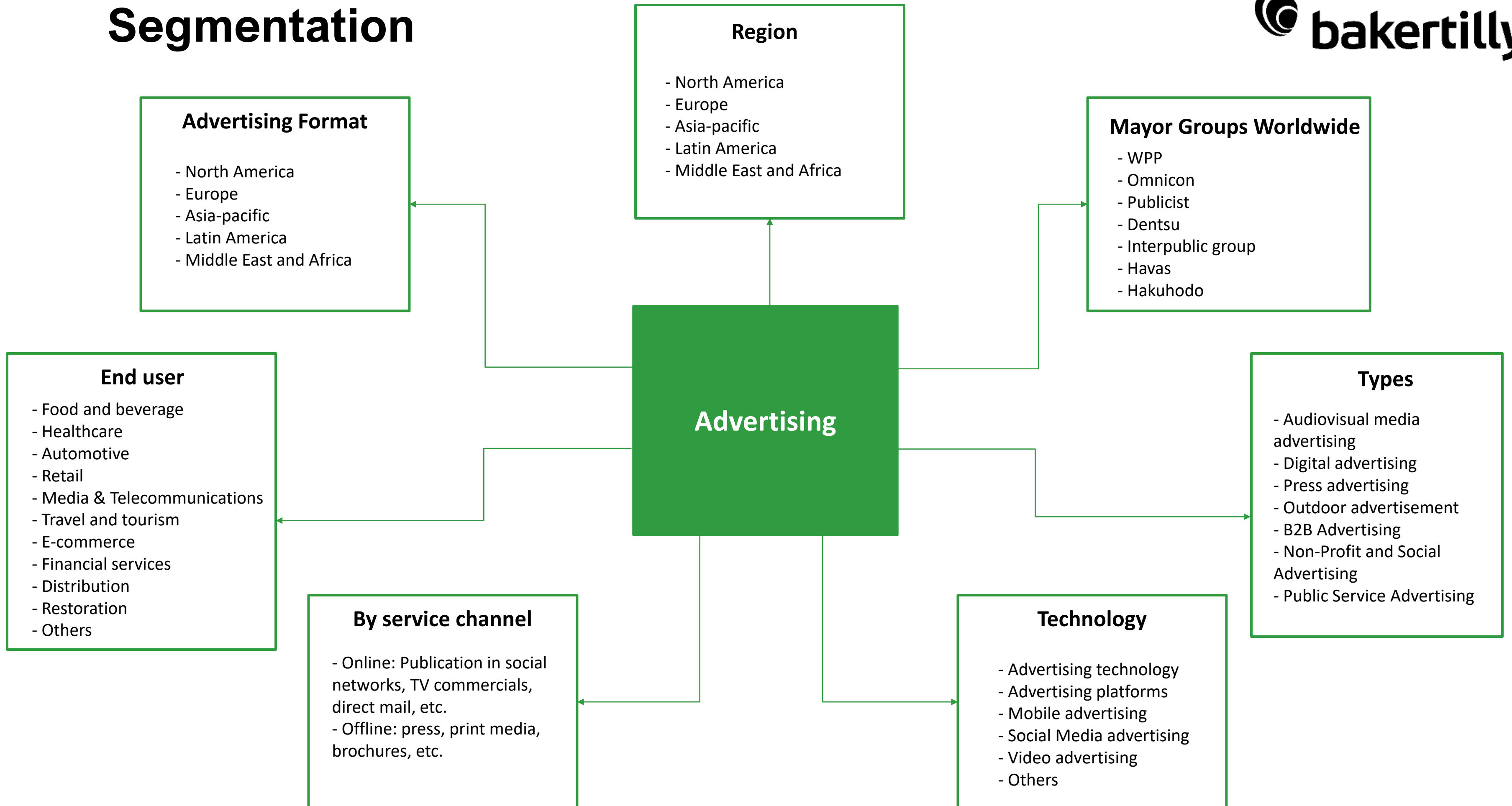
Advertising Types

The different types of advertising are described below:

- **Digital advertising**: This category is also called "Internet advertising", it englobes ads on the internet overall, the mobile internet and online tv advertising. It refers to when businesses leverage Internet technologies to deliver promotional advertisements to consumers.

- **Audiovisual media advertising:** This group consist of commercial communication referring to the promotion of goods and services in the audiovisual world, particularly television advertising, Radio, Cinema, videogames ads.

- **Press advertising**: Mainly refers to ads in a printed medium such as newspapers, magazine, etc. It encompasses advertisement done via digital and printed newspaper and magazine.

- **Outdoor advertisement**: This is the smaller of our categories, this group includes any advertising done outdoors that publicizes any business´s products or services, such as billboards, bus benches, business vehicles, etc.

- **Business-to-Business (B2B) Advertising**: B2B advertising is directed towards businesses rather than individual consumers and it involves promoting products or services that are intended for use by other businesses or organizations. B2B advertising often emphasizes factors such as efficiency, cost-effectiveness, quality, and the potential for business growth or productivity improvement.

- **Non-Profit and Social Advertising**: This sector focuses on advertising campaigns for non-profit organizations, charities, government initiatives, and social causes where the primary goal is to raise awareness, change attitudes or behaviors, and promote social good.

- **Public Service Advertising**: Public service advertising refers to campaigns sponsored by government entities or organizations that aim to inform and educate the public about health, safety, civic responsibilities, and other public interest matters.

Segmentation

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Advertising Format

- North America
- Europe
- Asia-pacific
- Latin America
- Middle East and Africa

Region

- North America
- Europe
- Asia-pacific
- Latin America
- Middle East and Africa

Mayor Groups Worldwide

- WPP
- Omnicon
- Publicist
- Dentsu
- Interpublic group
- Havas
- Hakuhodo

End user

- Food and beverage
- Healthcare
- Automotive
- Retail
- Media & Telecommunications
- Travel and tourism
- E-commerce
- Financial services
- Distribution
- Restoration
- Others

Advertising

Types

- Audiovisual media advertising
- Digital advertising
- Press advertising
- Outdoor advertisement
- B2B Advertising
- Non-Profit and Social Advertising
- Public Service Advertising

By service channel

- Online: Publication in social networks, TV commercials, direct mail, etc.
- Offline: press, print media, brochures, etc.

Technology

- Advertising technology
- Advertising platforms
- Mobile advertising
- Social Media advertising
- Video advertising
- Others

Niches by #Funding (2023)

We will highlight four groups or businesses models classified according to the **description** of the companies:

- Marketing analytics
- Shopping retail
- Influencer marketing

These specific groups are the ones with the **most rounds in 2023 or those that have grown the most in 2023**. With regards to the *Marketing analytics* companies, we can see a **14% increase** in rounds from 2022 to 2023. Companies such as **Ada** or **Orbee** raised **$58M** and **$10.31M** respectively.

*Shopping retail c*ompanies also experienced a significant number of funding rounds. Companies like **Wunderkind** stood out, raising **$76M** in 2023.

Finally, the companies targeting the *Influencer Marketing* should also be featured as they are one of the niches in the rise. Companies such as **Featuring** and **Mondrian Labs** have been able to raise **$4.27M** and **$3.38M** each.

Source: Crunchabse

Niches by #Acquisition (2023)

In terms of acquisitions, the groups achieved through company descriptions are the following:

- Online advertising platforms
- Influencer marketing
- Mobile marketing

In terms of acquisitions, *Online advertising platforms* had an increase of **22%** in 2023. Companies such as **MediaMath** (bought by Infillion), **Hawk by TabMo** (Azerion) stand out.

As an evolving niche, influencer marketing companies in 2023 experienced an equivalent number of acquisitions compared to 2022. Notably, **Tagger Media** was acquired by Sprout Social for **$140M** in 2023.

And finally, the *Mobile marketing* industry, although not standing out in rounds growth percentage, distinguishes itself in the realm of acquisitions in 2023.

Value Chain

In advertising, the value chain serves as a comprehensive framework that delineates the entire process involved in creating, delivering, and capturing value within the industry:

1.Market Research and Consumer Insights:
- Primary activity of conducting market research to understand target audiences, market trends, and competitors.
- Gathering consumer insights to identify their preferences, behaviors, and needs.

2. Strategic Planning and Campaign Development:
- Defining marketing goals and objectives as well as evaluating the cost of each activity.
- Developing advertising strategies and creative concepts while identifying target audiences and determining the most effective channels and messaging.

3.Media planning and buying:
- Determine the most appropriate media channels, such as television, radio, print, digital, social media, or outdoor advertising and negotiate space or airtime with media suppliers.
- Manage media budgets and optimize media plans for maximum reach and effectiveness.

4.Campaign execution and management:
- Implementation and launch of advertising campaigns on chosen media channels.
- Monitoring and managing campaign performance in real time and adjusting optimize campaign delivery and effectiveness.

5.Measurement and analysis:
- Tracking and analyzing key performance indicators (KPIs) such as reach, frequency, impressions, click-through rate, conversions and return on investment (ROI).
- Conducting post-campaign analysis to evaluate the success of advertising efforts.

6.Agency and client relationship management:
- Establish and maintain relationships with clients, to stay abreast of their needs, concerns, and recommendations.
- Provide ongoing support, communication, and collaboration throughout the campaign process.

7.Post-campaign services:
- Conduct post-campaign evaluations and reports and recommendations for future campaigns and strategies.
- Offer additional services such as market research, brand consulting or creative services.

8.Technology and innovation:
- Taking advantage of technological advances such as programmatic advertising, artificial intelligence (AI) and data analytic, while exploring new advertising platforms and channels.

S W O T
Analysis

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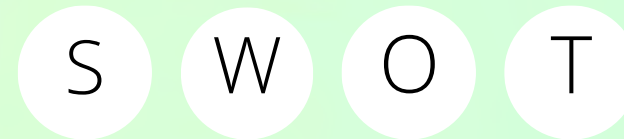
Strengths

- **Creativity and Innovation**: The advertising industry thrives on creativity and the ability to develop innovative ideas that capture audience attention.
- **Broad reach and influence**: Advertising has the power to reach a wide audience through a variety of channels, allowing for greater brand awareness and the ability to influence consumer behavior.
- **Broad industry expertise**: The advertising industry is made up of skilled professionals with expertise in areas such as marketing, creative design, market research and media planning that contribute to the development of effective campaigns.
- **Diverse revenue streams**: The advertising industry benefits from multiple revenue streams (such as agency fees, media buying, or sponsorships), which helps mitigate the risks associated with reliance on a single revenue stream.

Weaknesses

- **Ad Blocking and Ad Avoidance:** The rise of ad-blocking software and ad-avoidance behaviors pose a challenge as consumers are increasingly finding ways to skip ads, reducing their effectiveness and reach.
- **Fragmented Audiences:** The proliferation of media channels and the fragmentation of audience attention make it more challenging to reach and engage target audiences effectively.
- **Changing Consumer Behavior:** Shifting consumer behavior, such as ad-avoidance, cord-cutting, and the rise of ad-free streaming platforms, are challenging advertisers to adapt and find new ways to engage with consumers.
- **Third party cookies:** These kinds of cookies track users' online behavior across multiple websites, creating detailed profiles of their interests, preferences, and browsing habits which raises concerns about user privacy, as individuals may not be aware of the extent of data collection or have control over how their information is used.

Opportunities

- **Digital Advertising Growth:** Digital advertising allows for targeted, personalized messaging, precise measurement, and the ability to reach global audiences at a lower cost.
- **Data-driven advertising:** Leveraging the analysis of large amounts of data and information can improve campaign effectiveness and ROI.
- **Mobile advertising:** Mobile apps, location-based targeting, and in-app advertising offer opportunities to deliver targeted messages and engage consumers.
- **Emerging technologies:** Embracing new technologies such as augmented reality (AR), virtual reality (VR) and artificial intelligence (AI) can help advertisers create engaging campaigns and connect with consumers in unique ways.

Threats

- **Ad fraud:** Maintaining ad transparency and ensuring brand safety is critical to building trust and protecting advertisers' investments.
- **Regulatory changes:** Advertisers need to comply with changing laws and regulations while navigating the complexities of data usage.
- **Competition and disruption:** The advertising industry is highly competitive, with agencies, media platforms and technology companies competing for market share, posing challenges, and forcing industry players to adapt.
- **Economic volatility:** The performance of the advertising industry is closely tied to the overall economic situation, so during economic downturns, companies may reduce advertising spending, impacting the industry's revenue and growth.

Market Value

The global advertising market was estimated to be valued at **$615.2 Billion in 2022** in terms of Revenue. Besides this, the growth rate (CAGR 2023-2028) is expected to be **5,2%**, with an estimated value of **US $834,9B** by 2028.

Source: Research and Markets.

Source: Business Research

Advertising
MARKET TRENDS

Baker Tilly Report

Influencer Marketing

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The landscape of marketing has witnessed the rise of **influencer marketing** as a powerful tool for **connecting with audiences and driving brand awareness**. This dynamic industry is constantly evolving, with new trends emerging that are shaping the way brands collaborate with influencers:

Data-Driven Partnerships

The marriage of data and influencer marketing is revolutionizing the way brands collaborate with influencers. By leveraging data analytics, brands can identify **influencers with highly engaged and relevant audiences**, ensuring campaigns align with their target demographics and marketing objectives. This data-driven approach allows for more effective targeting and optimization of influencer marketing campaigns, driving **better ROI and results for brands**.

Long-Term Commitments

Brands are shifting away from **one-off influencer collaborations** towards building long-term partnerships. This strategic approach fosters trust and authenticity, enabling influencers to become genuine brand advocates and fostering deeper connections with their audience. Long-term partnerships allow brands to **build stronger relationships with influencers**, which can lead to **more effective campaigns**, increased brand loyalty, and enhanced brand reputation.

Emergence of Niche Influencers

The dominance of mega-influencers with massive followings is giving way to the rise of niche influencers. These **micro-influencers,** with smaller yet highly engaged audiences, hold sway in specific niches, providing brands with the opportunity to connect with their target audience in a more personalized and impactful manner. Niche influencers often have a **deeper understanding of their audience**, allowing for more tailored brand messaging and campaigns that resonate more effectively.

Influencer Marketing

M&A: WPP acquires data-driven influencer marketing agency Goat

In 2023, GroupM (WPP's media investment group) announced the acquisition of Goat, a leading data-driven influencer marketing agency based in the UK. The acquisition of Goat by GroupM served several strategic purposes:

- **Expansion of Influencer Marketing Capabilities:** GroupM's acquisition of Goat significantly expanded its influencer marketing expertise and resources.

- **Integration into Media Performance Organization:** Goat was integrated into GroupM's broader media performance organization, Nexus. This integration aligned Goat's expertise in influencer marketing with GroupM's broader media and marketing capabilities, enabling the company to offer a more holistic and integrated marketing solution to its clients.

- **Access to Premium Influencer Network:** Goat's extensive network of influencers, particularly in niche markets and verticals, provided GroupM with access to a wider range of influencers who could effectively reach targeted audiences for its clients.

- **Enhanced Data-Driven Approach:** Goat's proprietary data analytics platform further strengthened GroupM's ability to leverage data-driven insights in its influencer marketing campaigns. This data-driven approach allowed the company to optimize campaign performance and maximize ROI for its clients.

User-Generated Content

Businesses are constantly seeking innovative ways to connect with their **target audience and build brand loyalty**. User-generated content (UGC) marketing has emerged as a powerful tool for achieving these objectives, offering a unique blend of **authenticity, engagement, and cost-effectiveness:**

Curation and Community Building

The focus is shifting from simply collecting UGC to curating and amplifying the most **valuable and engaging content**. This involves identifying and celebrating customer experiences that align with the brand's values and messaging. Businesses are also investing in building online communities where UGC can be shared and interacted with, fostering a sense of belonging and loyalty among customers.

Integration with Social Media Strategies

UGC is seamlessly integrated into social media marketing strategies, leveraging the power of **platforms like Instagram, TikTok, and YouTube** to showcase user-generated content and drive engagement. Brands are also experimenting with interactive tools and social media challenges that encourage users to create and share content, further amplifying their social media presence.

Data-Driven Insights and Analytics

The effectiveness of UGC marketing is being measured through sophisticated data analytics and insights. Businesses are **tracking key metrics such as social media engagement, brand sentiment, and customer acquisition** costs to optimize their UGC strategies.
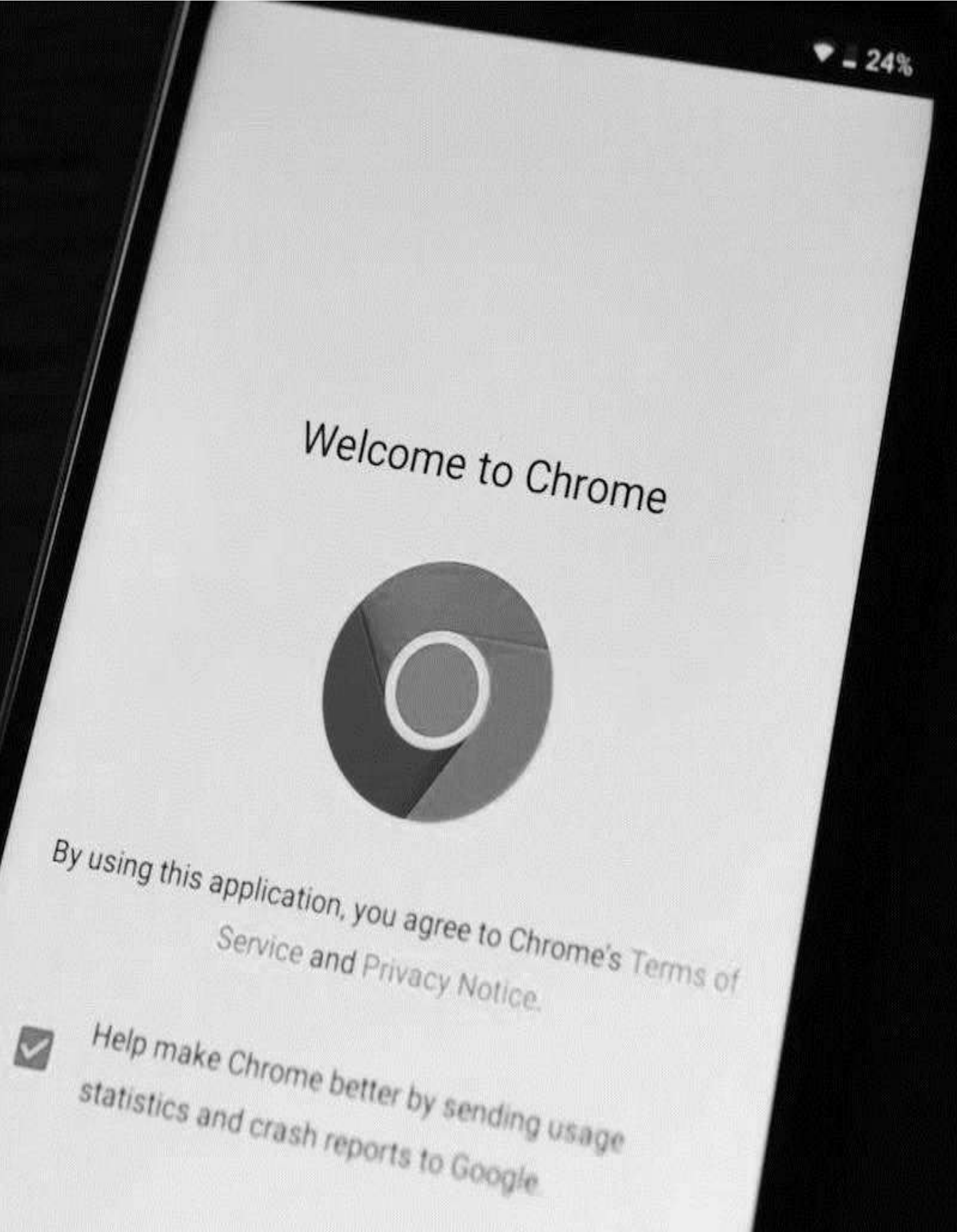
User-Generated Content

Case Study: Sephora's User-Generated Content Marketing Campaign

SEPHORA

Sephora, a leading beauty retailer, has effectively leveraged **user-generated content (UGC) to connect with its target audience, build brand loyalty, and drive sales**. The company has implemented a multi-faceted UGC strategy that includes:

- **Encouraging Customer Reviews and Ratings:** Sephora actively encourages customers to leave **reviews and ratings** for its products on its website and social media channels. This provides potential customers with authentic feedback from real users, enhancing their trust in the brand and increasing the likelihood of purchase.

- **Hosting UGC-Focused Contests and Challenges:** Sephora regularly organizes social media contests and challenges that encourage users to create and **share original content featuring its products**. These campaigns generate excitement and buzz around the brand, driving engagement and raising brand awareness.

- **Curating and Repurposing UGC:** Sephora carefully curates and repurposes user-generated content across its **marketing channels**, including its **website, social media platforms, and email campaigns**. This authentic and relatable content resonates with Sephora's target audience, fostering a sense of community and belonging.

Data Privacy

In today's data-centric environment, the concern for data privacy has grown among **consumers and regulators** alike. This shift has altered the approaches advertisers take to collect, manage, and utilize customer data, creating a complex terrain for businesses to navigate:
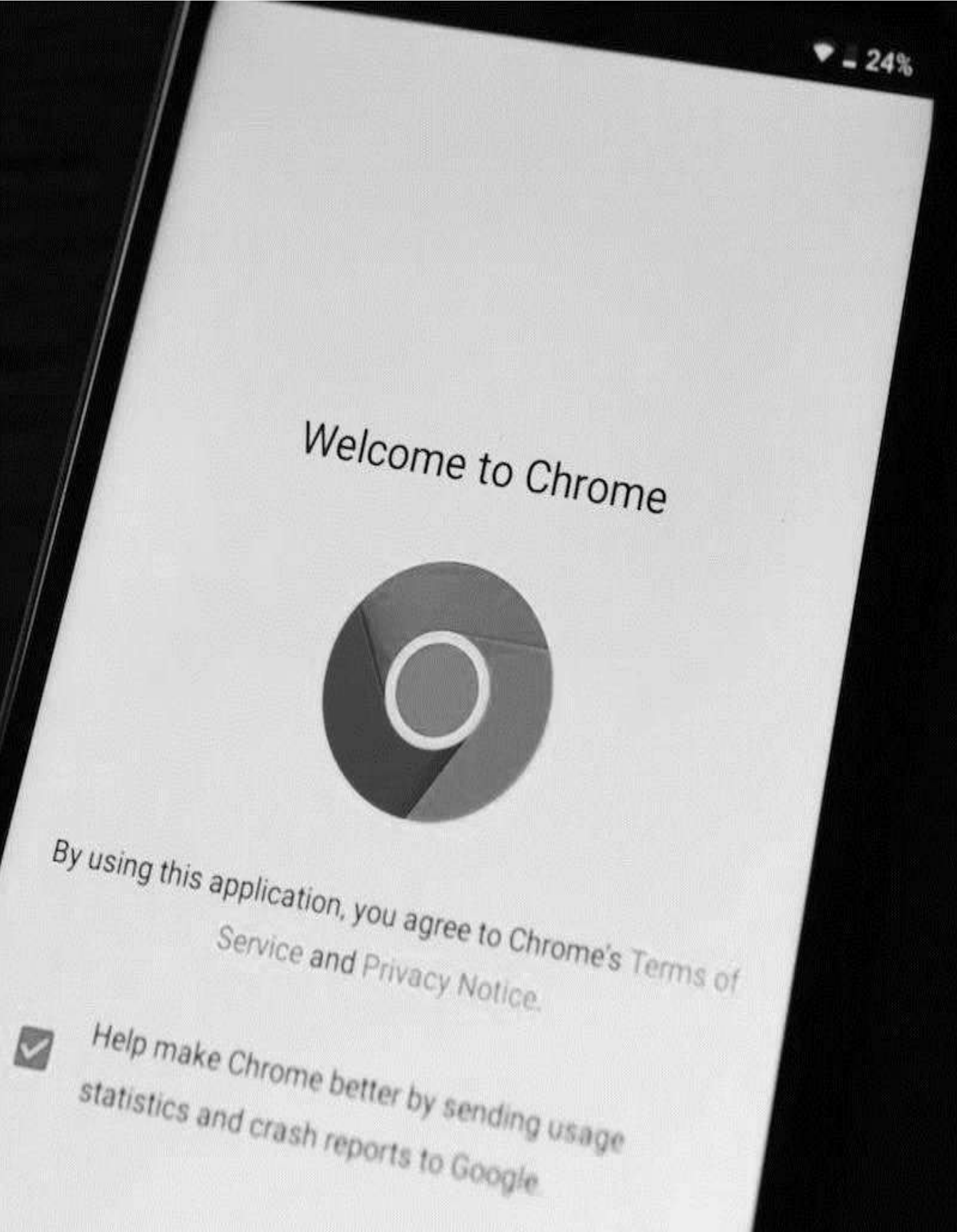
Rise of Data Subject Access Requests (DSARs)

Data Subject Access Requests (DSARs) empower individuals to access and control their personal data. This has prompted advertisers to enhance their data handling practices and develop **efficient DSAR processing mechanisms**.

Evolving Consumer Preferences

Consumers are becoming more discerning about how their data is used, favoring brands that prioritize privacy and transparency. This shift is driving advertisers to adopt more **privacy-centric approaches**, such as anonymization, differential privacy, and consent management platforms.

Prominence of Third-Party Data and Identity Resolution

With the decline of third-party cookies, advertisers are seeking **alternative methods to identify and target users across platforms.** Third-party data providers and identity resolution solutions are gaining prominence, offering advertisers access to aggregated and anonymized data while preserving user privacy.

Data Privacy

M&A: Informatica acquires Privitar

In June 2023, Informatica, a data management and cloud integration company, announced its acquisition of Privitar, a specialist in data privacy and data protection solutions.

The acquisition aligns with Informatica's strategic vision to become a trusted partner for enterprises in managing and protecting their data assets. Privitar's expertise complements Informatica's existing data management capabilities, enabling Informatica to offer a holistic solution that empowers organizations to:

- **Enhance Data Governance and Compliance:** Informatica's acquisition of Privitar expands its data governance and compliance capabilities. By integrating Privitar's privacy controls into Informatica's data management platform, Informatica can help organizations automate data access requests, track compliance records, and ensure adherence to regulatory requirements.

- **Data-Driven Decision-Making:** Privitar's technology enables organizations to leverage their data assets while maintaining compliance and protecting user privacy. This allows businesses to gain actionable insights from their data without compromising privacy standards.

Augmented Reality Marketing

In advertising, augmented reality (AR) has emerged as a powerful tool to engage audiences and enhance brand storytelling. AR seamlessly integrates digital elements into the real world, creating **immersive experiences that captivate consumers and drive emotional connections**. As AR technology matures, it is essential to stay abreast of the latest trends shaping this industry to effectively utilize its potential:

The Rise of Immersive Experiences

AR is redefining the way brands connect with consumers, offering **virtual product demonstrations**, **interactive retail environments, and gamified marketing campaigns**. By blending digital elements into the physical world, AR creates captivating experiences that enhance brand messaging and foster emotional resonance.

Harnessing Data for Personalized Engagement

Data analytics plays a pivotal role in AR marketing, enabling brands to deliver hyper-personalized experiences based on user preferences and behavior patterns. This data-driven approach tailors marketing messages, product recommendations, and interactions to individual interests, driving deeper engagement and enhancing customer satisfaction.

Omnichannel Integration for Seamless Experiences

AR is blurring the boundaries between physical and digital marketing channels. By seamlessly integrating AR into various touchpoints, such as websites, social media, and mobile applications, brands are creating consistent and cohesive experiences for their customers. This omnichannel approach amplifies brand reach and engagement across diverse platforms.

Augmented Reality Marketing

M&A: Apple acquires Mira, a startup building lightweight AR

In June 2023, Apple, the tech giant, announced its acquisition of Mira, a Los Angeles-based startup specializing in developing lightweight AR headsets. Apple's acquisition of Mira serves several strategic objectives:

- **Gaining Expertise in Lightweight AR Hardware:** Mira excels in designing and developing lightweight AR headsets, a crucial factor in enhancing user comfort and facilitating widespread adoption. Apple's acquisition of this expertise could accelerate its development of lightweight AR headsets, potentially rivaling Meta's Quest 2.

- **Leveraging Mira's AR Software and Platform:** Mira has developed proprietary software and a platform for creating and deploying AR experiences. Integrating these capabilities into Apple's ecosystem enables the company to provide a more comprehensive and integrated AR experience for its users.

- **Expanding Apple's AR Presence in the Enterprise Market:** Mira's proficiency in enterprise AR solutions opens up new revenue streams for Apple, especially in the healthcare, education, and manufacturing sectors.

- **Staying Ahead of the AR Curve:** The AR industry is rapidly evolving, and Apple's acquisition of Mira signals its commitment to remaining at the forefront of this technological revolution. By acquiring startups like Mira, Apple can continuously enhance its AR capabilities and products.

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Programmatic Advertising

Programmatic advertising **utilizes technology and data to automate the buying and selling of ad inventory,** enabling advertisers to target relevant audiences with personalized ads across various digital channels. As the industry continues to evolve, several key trends are shaping the future of programmatic advertising:

Rise of Artificial Intelligence (AI) and Machine Learning (ML)

AI and ML are playing an increasingly prominent role in programmatic advertising, driving **automation, optimization, and personalization**. AI-powered algorithms can analyze vast amounts of data to identify patterns, predict user behavior, and optimize ad placements, resulting in more effective and efficient campaigns.

Emergence of Real-Time Bidding (RTB)

RTB is the cornerstone of programmatic advertising, facilitating **real-time auctions** for ad placements across a network of publishers. This real-time bidding process ensures that ads are served to the most relevant audiences at the most opportune moments, maximizing campaign performance and ROI.

Shift Towards CTV and OTT Advertising

As viewers increasingly consume content on connected TVs (CTV) and over-the-top (OTT) platforms, programmatic advertising is adapting to reach this growing audience. Programmatic CTV and OTT advertising solutions are enabling advertisers to target audiences on these platforms, delivering engaging and relevant ads across a wider range of devices.

Programmatic Advertising

M&A: Triton Digital Acquires Manadge

In 2023, Triton Digital, a provider of technology and services to the digital audio, podcast, and broadcast radio industries, has acquired Manadge, an **advertising intelligence platform specializing in programmatic advertising.** This acquisition will enable Triton Digital to provide its publishers and demand partners with a comprehensive platform to analyze and track advertising data in real time, driving informed decision-making and maximizing revenue opportunities. The acquisition of Manadge brings several strategic benefits to Triton Digital:

- **Diversification of Portfolio:** Manadge's offerings, including analysis and comparison dashboards and KPIs for programmatic market participants and direct orders, complement Triton Digital's existing portfolio of products and services, providing a more comprehensive solution for the audio industry.

- **Real-Time Insights:** Manadge's integration with over 60 Supply Side Platforms (SSPs) and ad servers enables real-time insights into advertising performance through interactive business intelligence tools.

- **Data-Driven Decision-Making:** By leveraging Manadge's intuitive UI, expansive graphics, and change alert notifications, Triton Digital's publishers and demand partners can make data-driven decisions to optimize their advertising strategies.

Voice Search Optimization

Voice search technology has revolutionized the way we interact with technology, and the advertising industry is taking notice. As voice assistants like Amazon Alexa, Apple Siri, and Google Assistant become increasingly popular, advertisers are seeking ways to reach consumers through this new channel.

Voice optimization is the process of tailoring advertising campaigns to be more effective on **voice-activated devices and platforms**. This includes optimizing ad copy, targeting, and creative elements to ensure that ads are relevant and engaging to voice users:

Conversational Advertising

Mimicking the natural and engaging manner of voice interactions, conversational advertising seamlessly integrates into the user's dialogue with their voice assistant. This approach employs **natural language patterns**, such as asking questions, providing options, and offering suggestions, fostering a sense of familiarity and enhancing user engagement.

Location-Based Targeting

Leveraging the location data provided by voice assistants, advertisers can pinpoint their ads to specific geographic areas, ensuring that they reach the right consumers at the right time. This strategy is particularly relevant for local businesses, enabling them to target customers in their vicinity and promote timely offerings.

Audio Advertising

Embracing the growing popularity of **podcasts** and other audio content, advertisers are embedding their messages within these immersive experiences. This non-intrusive method allows brands to connect with consumers while they engage in their preferred audio consumption habits.

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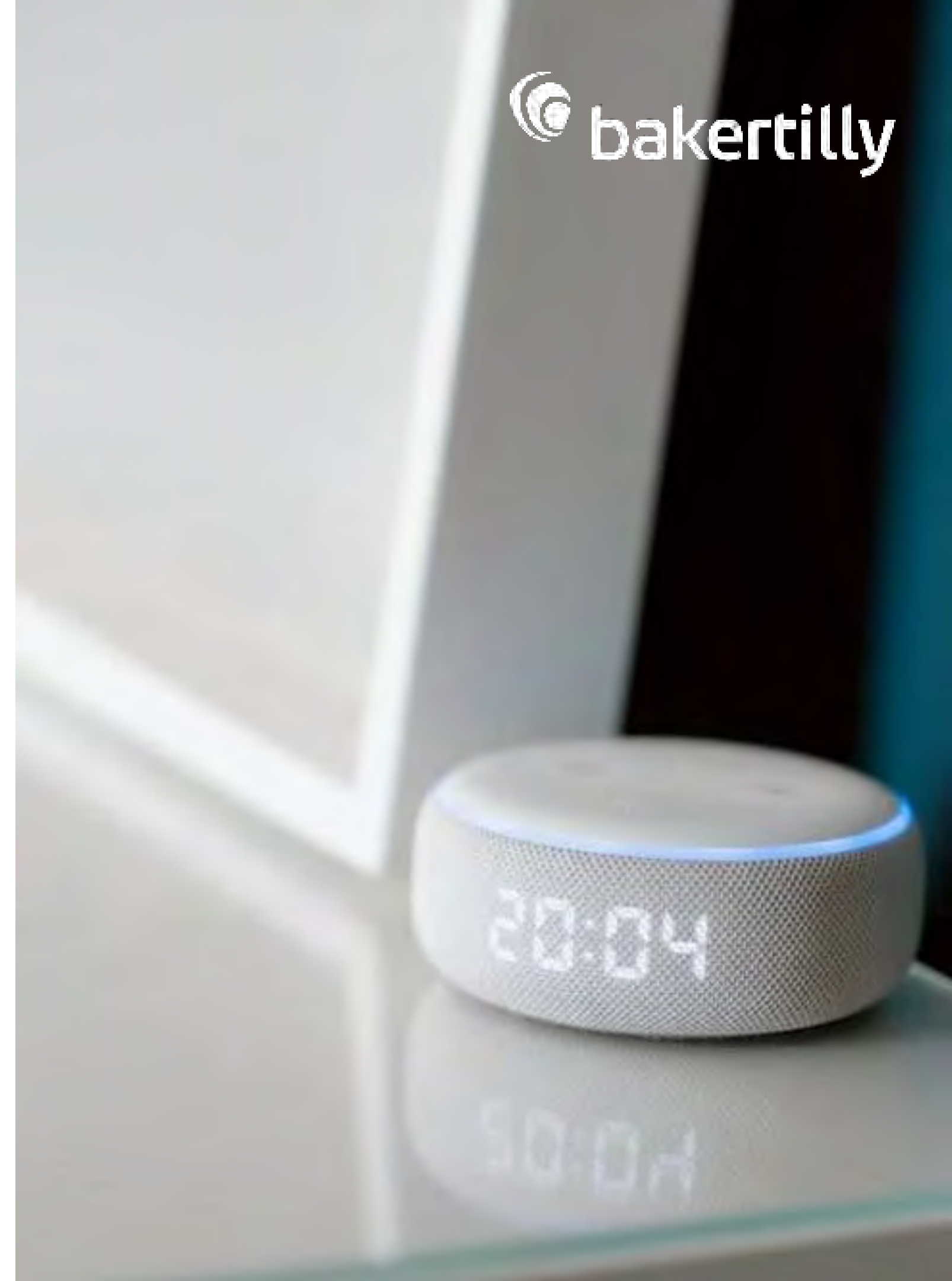
# Voice Search Optimization

M&A: Apple acquires Voysis

Few years ago, in a strategic move to strengthen its artificial intelligence (AI) prowess, Apple acquired Voysis, an Irish-based company specializing in speech recognition technology. Voysis's technology centers on natural language understanding (NLU), enabling devices to interpret and respond to spoken commands and queries in a more natural and human-like manner.

This acquisition aligned seamlessly with Apple's growing investment in voice-based interactions, evident in its integration of Siri across its diverse devices and services:

- **Enhanced Speech Recognition Capabilities**: Voysis's speech recognition technology is renowned for its accuracy, particularly in handling challenging accents and languages. This expertise complemented Apple's existing speech recognition capabilities, enabling the company to develop even more sophisticated voice-based interactions.

- **AI Application Development:** Voysis's technology provided a robust foundation for developing innovative AI applications, particularly in the realm of voice assistant development, natural language processing, and conversational AI.

- **Siri Enhancements:** Voysis's NLU capabilities directly enhanced Siri's ability to comprehend and respond to user queries with greater accuracy and contextual awareness. This enhancement made Siri an even more valuable and versatile tool for users across Apple's product ecosystem.

Social Commerce

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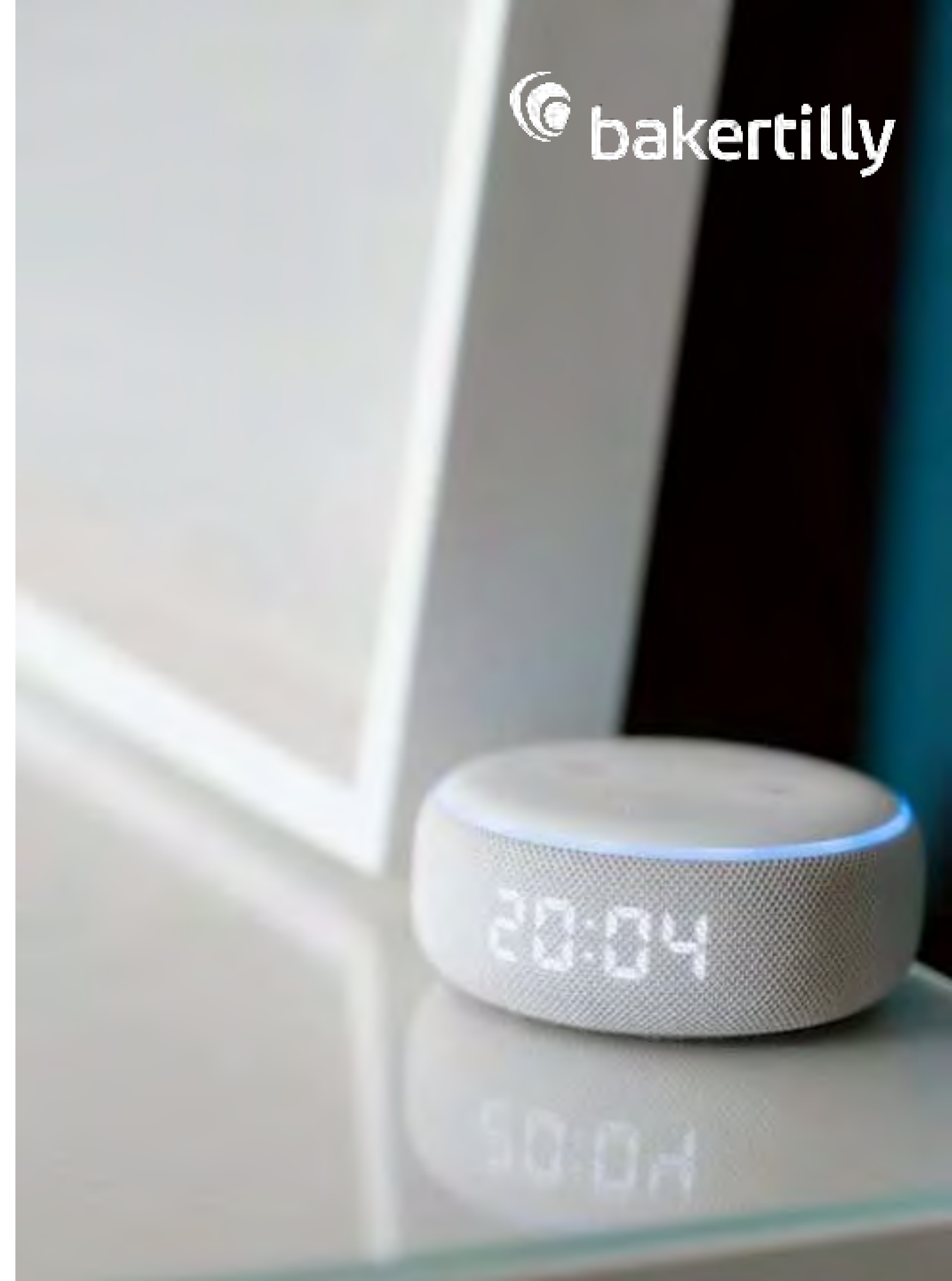
Social commerce, the seamless integration of **social media platforms and e-commerce**, is revolutionizing the way businesses interact with consumers and drive sales. From live shopping to influencer marketing, social commerce is transforming the online shopping experience:

The Integration of E-commerce and Social Media

Social commerce is blurring the lines between social media and e-commerce, creating a seamless shopping experience for consumers. Businesses are integrating **product discovery, shopping carts, and payment gateways directly into their social media platforms,** allowing consumers to browse and purchase without leaving the app.

Social Commerce Gamification and Rewards Programs

Social commerce platforms are **gamifying** the shopping experience by introducing rewards programs and loyalty schemes. This gamification incentivizes users to engage with social commerce platforms and make repeat purchases.

Live Shopping's Rise to Prominence

Live shopping, where brands host interactive virtual shopping events on social media platforms, is gaining immense traction. This engaging format fosters real-time connections with consumers, allowing them to **ask questions, try on products virtually, and make purchases impulsively.**

Social Commerce
Case Study: Tik Tok Shopping

TikTok, a globally popular short-form video platform, has seized the opportunity to integrate shopping seamlessly into its platform, transforming user engagement into a shopping experience. TikTok Shopping's success stems from a unique blend of factors that cater to both businesses and consumers, creating an irresistible ecosystem that has captured the hearts of both audiences:

- **Integrated Shopping Experience:** TikTok eliminates the need for consumers to navigate between multiple apps, streamlining the shopping experience. Users can discover, browse, and purchase products without ever leaving the app, saving time and effort.

- **Personalized Product Recommendations:** TikTok's sophisticated algorithm leverages user behavior and interests to deliver personalized product recommendations, ensuring that users encounter products that resonate with their preferences and aspirations.

- **Creator Partnerships and Affiliate Program:** TikTok Shopping empowers creators to become influential partners in the e-commerce ecosystem. Creators can collaborate with brands to showcase their products through engaging videos and LIVE streams, earning commissions for each sale generated. This mutually beneficial relationship strengthens brand-creator connections and amplifies product reach.

Digital Billboards

In advertising, digital billboards have solidified their position as a **significant channel for engaging audiences and conveying impactful messages.** These captivating displays offer a unique blend of visual impact, targeted content, real-time data analytics, and now, immersive 3D experiences, setting them apart from traditional static billboards:

Integration of Data Analytics and Optimization

Digital billboards are increasingly employing data analytics to measure their effectiveness and optimize their performance. Advertisers can **track audience engagement metrics**, such as eye tracking and dwell time, to gain insights into the most effective content and messaging strategies. This data-driven approach allows for continuous improvement and maximizes the return on investment in digital billboard advertising.

Hyper-Local Targeting and Personalization

The rise of location-based technologies, including geofencing and mobile device IDs, is revolutionizing digital billboard advertising. Advertisers can now tailor their messaging to specific geographic locations, time frames, and even individual viewers, based on their real-time location and online behavior. This level of personalization not only enhances the relevance of the messaging but also contributes to a more effective and engaging advertising experience.

Emergence of Immersive 3D Experiences

The advent of advanced technologies like **holographic projection and volumetric video** is ushering in a new era of immersive digital billboard experiences. These 3D billboards transport viewers into a virtual world, creating a sense of presence and engagement that goes beyond traditional 2D displays. This technology has the potential to revolutionize advertising, grabbing attention, enhancing brand recall, and driving action.

Digital Billboards

M&A: Atarios acquires Ocean Outdoor

In May 2022, Atairos, a private investment firm, acquired Ocean Outdoor, a leading digital out-of-home (DOOH) advertising company, for approximately $580 million.

Ocean Outdoor has established itself as a frontrunner in the digital DOOH advertising space, pioneering innovative technologies and captivating campaigns that have transformed the way brands connect with consumers. The company's extensive network of digital billboards, combined with its commitment to cutting-edge technology, has made it a preferred partner for leading brands worldwide. The acquisition of Ocean Outdoor by Atairos is driven by a compelling strategic rationale, encompassing several key benefits for both parties:

- **Enhanced Market Position:** Atairos gains a significant foothold in the global DOOH advertising market, strengthening its position as a major player in this rapidly expanding sector.

- **Diversified Portfolio:** The acquisition expands Atairos' portfolio beyond traditional DOOH advertising, positioning it as a comprehensive provider of DOOH solutions, catering to a wider range of customer needs.

- **Accelerated Growth:** Atairos' financial resources and strategic guidance are expected to fuel Ocean Outdoor's growth trajectory, enabling the company to expand into new markets, acquire complementary businesses, and invest in cutting-edge technologies.

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Hyper-Personalization

The adoption of hyper-personalization is rapidly gaining momentum as a potent strategy to elevate **customer engagement, boost conversions, and cultivate enduring brand loyalty.** This data-driven approach leverages customer insights to deliver tailored experiences that resonate with individual preferences and behaviors:

AI and Machine Learning

Artificial intelligence (AI) and machine learning (ML) are playing a pivotal role in enabling hyper-personalization. These technologies analyze vast amounts of customer data to identify **patterns, preferences, and behaviors**. This data-driven intelligence fuels personalized recommendations, targeted campaigns, and optimized customer journeys.

Emotional Personalization

Hyper-personalization goes beyond just understanding customer preferences; it's about understanding their emotions and **tailoring experiences to evoke positive feelings**. Businesses are incorporating **emotional intelligence** into their personalization strategies, using facial recognition, voice analysis, and other techniques to detect and respond to customer emotions.

Personalization-as-a-Service (PaaS)

As hyper-personalization becomes increasingly complex, businesses are turning **to PaaS solutions to streamline their personalization efforts.** Businesses can evaluate and implement PaaS platforms that align with their specific needs and integrate seamlessly with their existing infrastructure.

Hyper-Personalization
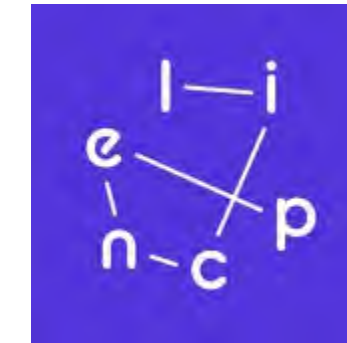
In 2023, The Brandtech Group, a global marketing and media network, acquired Pencil, a **generative AI SaaS platform for brands**. The acquisition of Pencil further strengthens the Brandtech Group's position as a pioneer in leveraging AI to transform brand marketing:

- **Generative AI:** Pencil's technology utilizes the power of artificial intelligence to automate the creation of high-quality, engaging content across various mediums. Its AI-powered tools empower brands to generate captivating copy, craft compelling visuals, and design engaging social media posts, all without the need for in-house expertise or expensive resources.

- **Personalized and Targeted Campaigns:** Pencil's platform empowers brands to deliver personalized and targeted marketing campaigns that resonate with their audience on a deeper level, leading to increased engagement and conversion rates**.**

- **Enhanced Data-Driven Decision-Making:** Pencil's AI insights will provide brands with valuable data and insights to inform their marketing strategies. This data-driven approach enables brands to make informed decisions that optimize campaign performance and maximize ROI.

Sustainability and Ethical Advertising

In today's conscious world, businesses are recognizing the growing importance of **sustainability and ethical advertising**. These practices not only align with societal values but also enhance brand reputation and attract environmentally conscious consumers:

Consumer Demand for Sustainable and Ethical Brands

Today's consumers are increasingly demanding **products and services from companies that align with their values,** including environmental sustainability and ethical practices. Businesses develop sustainable and ethical marketing campaigns that resonate with conscious consumers.

The Rise of Transparency and Traceability

Consumers are seeking more transparency and traceability from brands, wanting to know the **origins of the products they purchase and how they are produced**. In response to this demand, businesses are implementing transparent supply chains and providing clear communication about their sustainability and ethical practices.

Environmental Impact Advertising

Businesses are communicating their efforts to **reduce their environmental footprint, such as carbon offsets, energy conservation initiatives, and waste reduction programs**. This transparency can demonstrate a company's commitment to sustainability and attract eco-conscious consumers.

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Sustainability and Ethical Advertising

Case study: Amazon

Amazon is increasingly emphasizing sustainability and ethical sourcing in its marketing materials, having launched a number of campaigns to showcase its commitment to these issues. The company has also made significant changes to its packaging and product offerings to reflect this focus:

- **Sustainability Pledge:** In 2019, Amazon announced a series of ambitious sustainability goals, including a commitment to becoming net-zero carbon emissions by 2040. The company has also set a goal of using 100% renewable energy by 2025 and reducing its packaging waste by 25% by 2025.

- **Sustainable Messaging:** Amazon has used its advertising campaigns to promote its commitment to sustainability and ethical sourcing. The company has showcased its renewable energy projects, its utilization of recycled materials, and its adherence to fair labor practices through its advertisements. Campaigns like "Amazon Climate Pledge Friendly" and "Amazon Second Chance" have significantly raised awareness of Amazon's sustainability and ethical endeavors, positioning the company as a frontrunner in these areas.
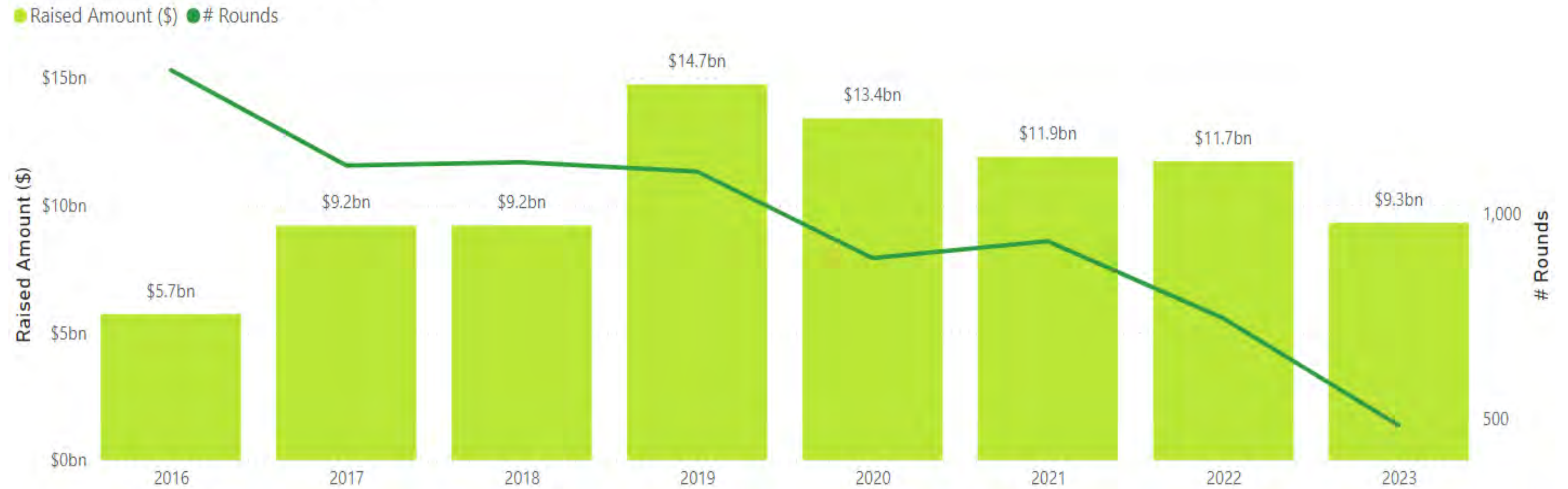
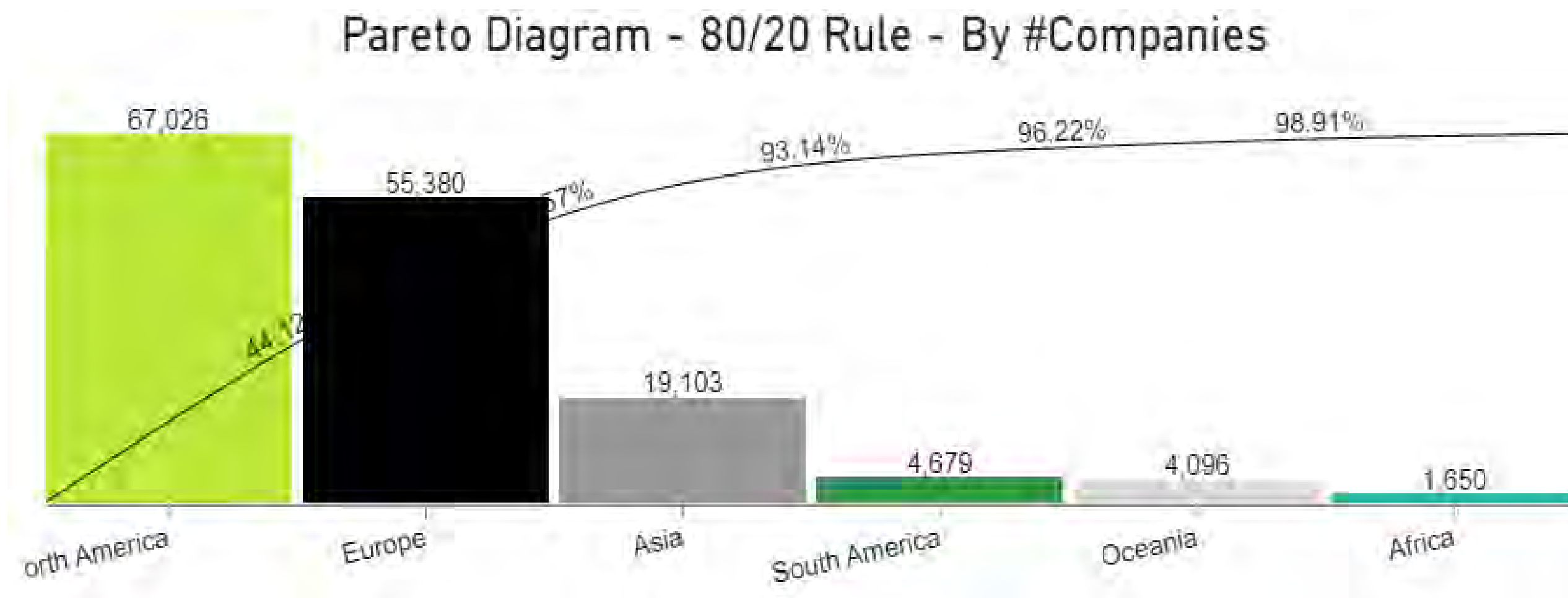**Advertising**
MARKET FUNDING

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Global Funding

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Funding Amount and Rounds by Year

● Raised Amount ($) ● # Rounds

$15bn — 2016 region

- 2016: $5.7bn
- 2017: $9.2bn
- 2018: $9.2bn
- 2019: $14.7bn
- 2020: $13.4bn
- 2021: $11.9bn
- 2022: $11.7bn
- 2023: $9.3bn

Raised Amount ($) axis: $0bn, $5bn, $10bn, $15bn

Rounds axis: 500, 1,000

Global Funding by Geography

Pareto Diagram - 80/20 Rule - By #Companies

Country	# Rounds
United States	8850
United Kingdom	1237
China	1051
Canada	560
India	459
Japan	435
France	423
Germany	408
South Korea	279
Spain	237
Israel	234
Australia	195
Brazil	172
Singapore	169
Russian Federation	143
Sweden	137
Italy	126
The Netherlands	121
Finland	119
Switzerland	90
Poland	86
Ireland	83

Source Crunchbase.

Global Funding by Sectors

Category Name	# Companies	# Funding Rounds	Total Funding ($)
Advertising	158905	16684	$138.85bn
Marketing	64764	5484	$43.63bn
Software	6693	3039	$18.37bn
Internet	11761	2401	$36.87bn
E-Commerce	9448	1876	$18.80bn
Analytics	2682	1831	$13.91bn
Mobile	2369	1792	$16.24bn
Advertising Platforms	2921	1750	$16.25bn
Social Media	10522	1683	$7.75bn
Digital Marketing	29889	1668	$14.78bn
Digital Media	5732	1539	$18.81bn
Information Technology	9037	1394	$8.64bn
SaaS	1134	1346	$6.92bn
Video	4846	1224	$9.21bn
Brand Marketing	15809	976	$9.36bn
Media and Entertainment	4616	886	$14.64bn
Marketing Automation	1455	843	$4.51bn
Big Data	706	813	$4.12bn
Artificial Intelligence (AI)	807	791	$4.15bn
Social Media Marketing	8833	767	$15.20bn
Apps	2016	749	$3.56bn
Publishing	4486	727	$7.21bn

Source Crunchbase.

*Note:

The table shows the distribution of **Advertising** companies segmented by different sectors or categories. It should be noted that a company, in addition to being categorized as Advertising, may also be in one or more other categories.

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Global Funding Funnel
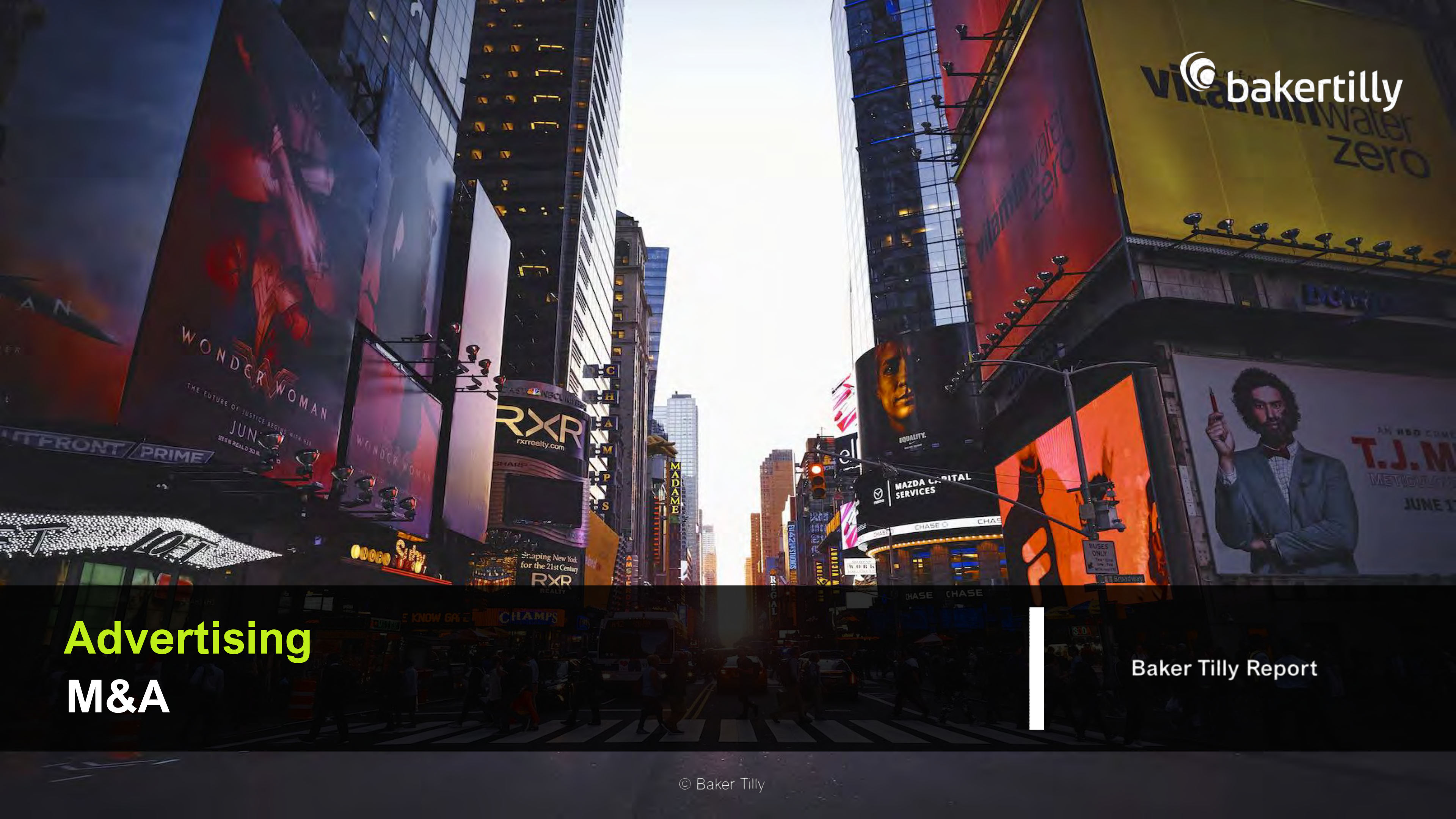
Funding Funnel: # Rounds by Funding Stage [2018-2022]

Funding Stage (?)

Seed	Late Stage	Early Stage	Unknown
754	696	636	42

Funding Funnel: # Rounds by Funding Stage 2023

Funding Stage (?)

Late Stage	Seed	Early Stage	Unknown
119	55	48	12

Source Crunchbase.

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Advertising

M&A

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Global Acquisitions

Number of companies acquired

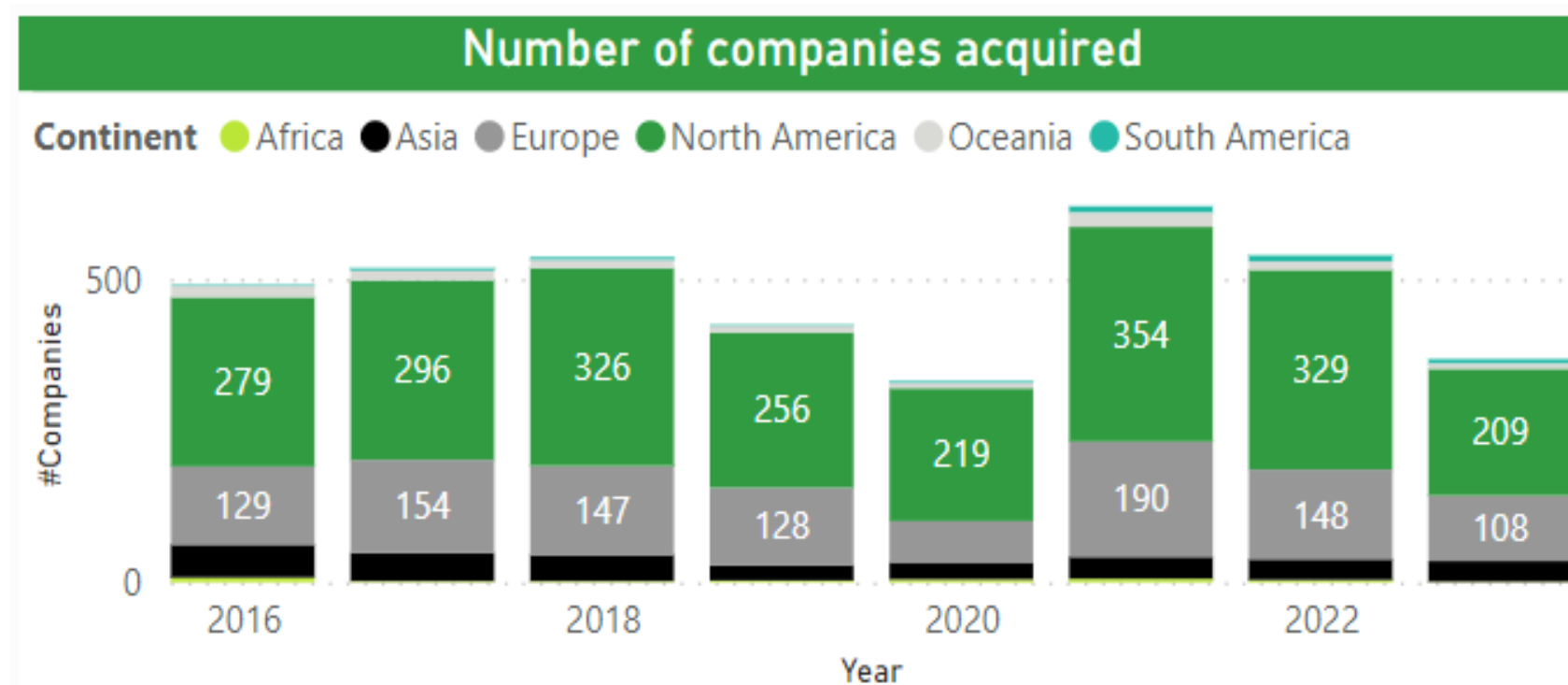|	2016	2018	2020	2022
509	525	544	437	338	628	544	373

Number of companies in the **Advertising** sector that have been acquired by other companies (in the sector or not) in the last years.

Number of companies in the **Advertising** sector that have bought from other companies (in the sector or not) in the last years.

Number of companies that are acquiring

2016	2017	2018	2019	2020	2021	2022	2023
579	567	544	471	355	656	586	377

Source Crunchbase.

© Baker Tilly
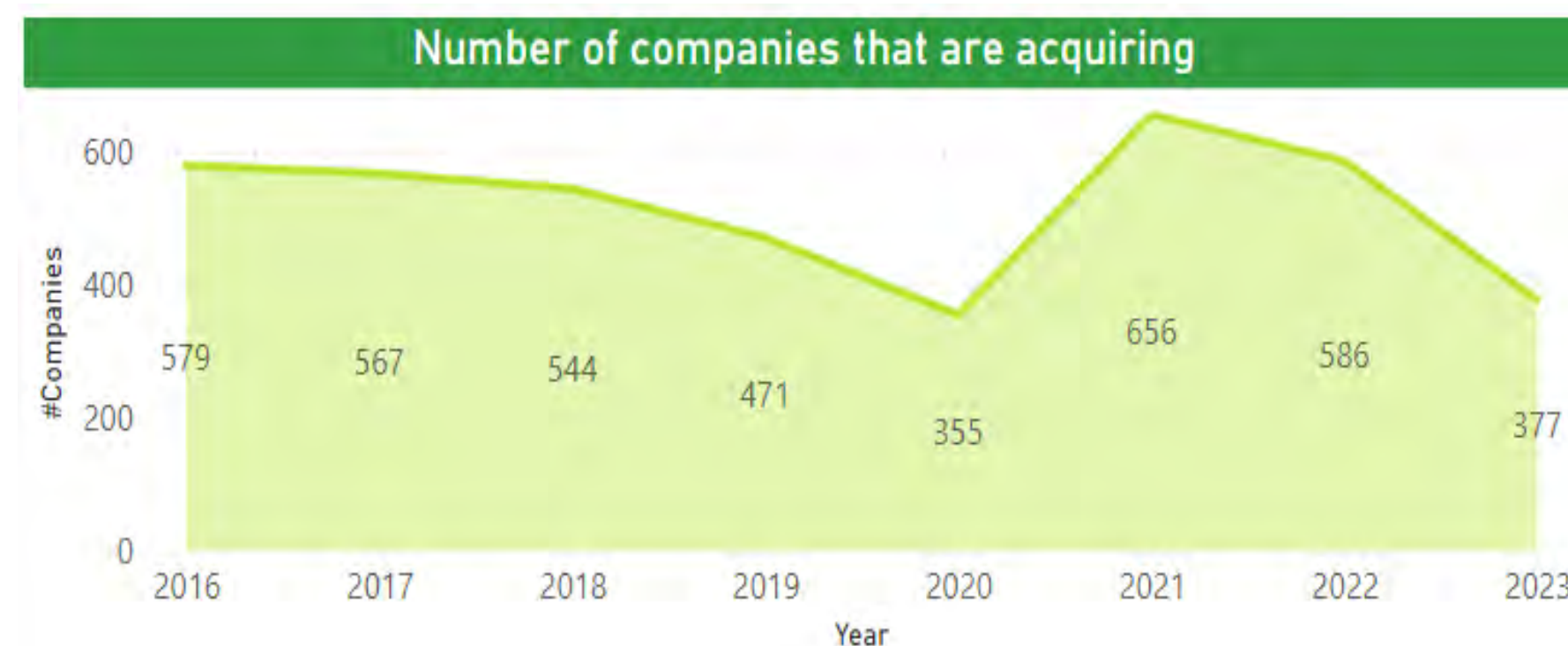
Global Acquisitions by Geography

Number of companies acquired

Continent ● Africa ● Asia ● Europe ● North America ● Oceania ● South America

Number of companies in the **Advertising** sector that have been acquired by other companies (in the sector or not) in the last years by continent.

Number of companies that are acquiring

Continent ● Africa ● Asia ● Europe ● North America ● Oceania ● South America

Number of companies in the **Advertising** sector that have bought from other companies (in the sector or not) in the last years by continent.

Source Crunchbase.

© Baker Tilly
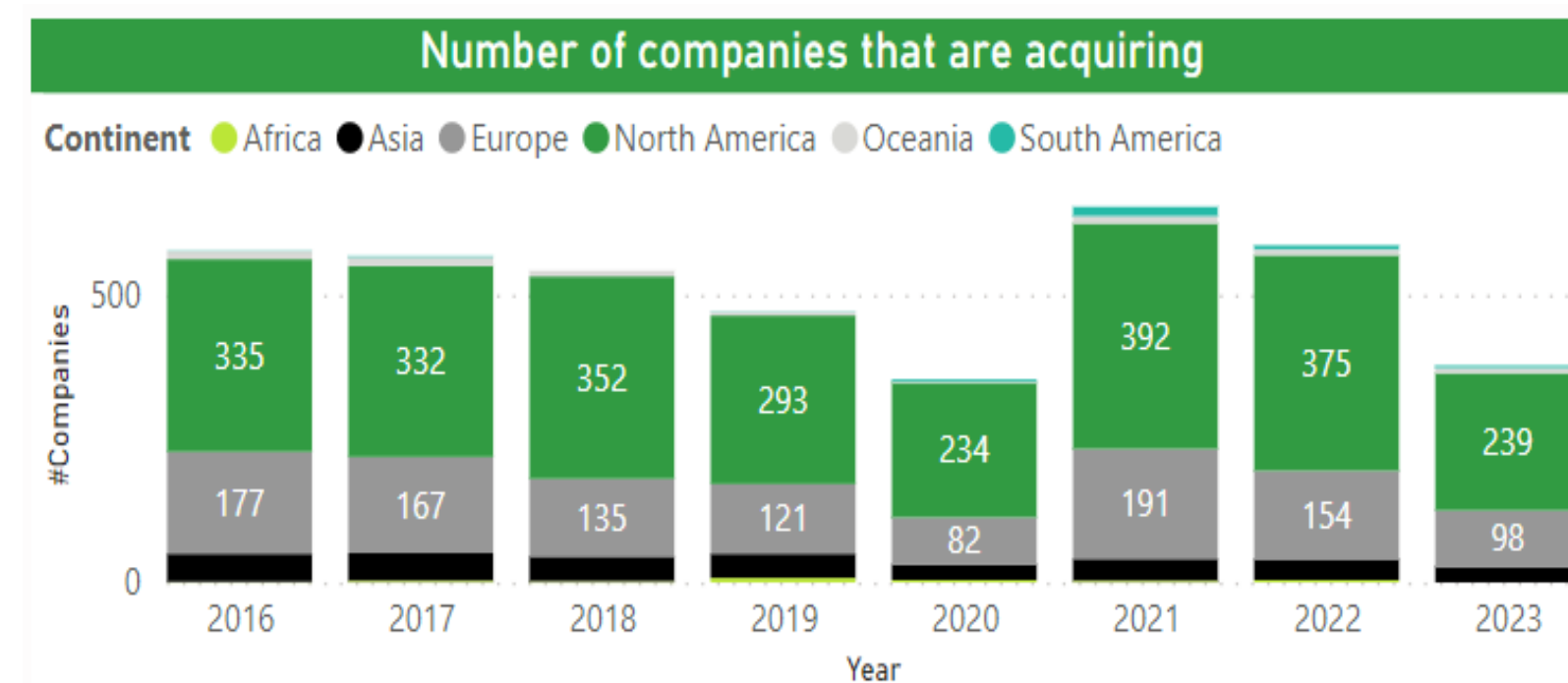
Global Acquisitions by Sectors

Category Name	# Companies	# Acquisitions
Advertising	158905	6293
Marketing	64764	2790
Internet	11761	760
Digital Marketing	29889	624
Software	6693	570
Social Media	10522	515
E-Commerce	9448	463
Digital Media	5732	433
Analytics	2682	392
Mobile	2369	369
Information Technology	9037	364
Consulting	16267	353
Brand Marketing	15809	293
Advertising Platforms	2921	288
Media and Entertainment	4616	284
Publishing	4486	279
Video	4846	260
SEO	17238	234
Web Design	23545	230
SaaS	1134	196
Social Media Marketing	8833	187
News	3284	184

*Note:

The table shows the distribution companies segmented by different sectors or categories. It should be noted that a company, in addition to being categorized as **Advertising**, may also be in one or more other categories. #Acquisitions show the number of companies bought during the whole time.

Source Crunchbase.

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Latest Acquisitions

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Date	Logo	Acquiree	Acquiree Description	Founded on	Acquiree Location	Logo	Acquirer	Acquirer Description	Acquirer Founded Date	Value
2024-01-09		Work & Co	Work & Co creates digital products and services that define great brands.	2013-01-01	United States		Accenture	Accenture is a professional services company, providing services and solutions in strategy, consulting, digital, technology and operations.	1989-01-01	
2024-01-09		UK Linkology	UK Linkology is a marketing and advertising company.	2013-01-01	United Kingdom		Ayima	Ayima is a specialist Search consultancy focused on ROI, data analysis and brand development.	2007-07-01	$4M
2024-01-05		Team Epiphany	Team Epiphany is a NYC based brand solutions agency.	2004-01-01	United States		Stagwell	Stagwell is a marketing & advertising company.It is the challenger network built to transform marketing.	2015-01-01	
2024-01-04		TARGETABLE	TARGETABLE is a virtual ad agency for your restaurant.	2014-02-11	United States		Chowly	Chowly provides innovative tech solutions to connect restaurant POS platforms with third-party online ordering solutions.	2015-11-19	
2024-01-04		Grace Blue Partnerships	Grace Blue is an executive search agency that specializes in transformational leadership talent.	2006-01-01	United Kingdom		Sinecure.ai	Sinecure.ai is an enterprise SaaS platform reinventing talent acquisition and retention through the use of artificial intelligence.	2021-05-15	
2024-01-02		Ceatus Media Group	Ceatus Media Group is an internet company that offers internet marketing services.	2004-01-01	United States		MyAdvice	MyAdvice is an online publishing and marketing solutions provider company.	1998-01-01	
2023-12-29		Svensk Direktreklam	Svensk Direktreklam is a private direct mail company.	1976-01-01	Sweden		North Media A/S	North Media A/S provides platforms and channels for communication between business and consumers.	1965-01-01	
2023-12-28		Bluebird Advertising	Bluebird Advertising specializes in advertising and marketing.	1982-01-01	India		Maxposure Media Group	Maxposure Media is one of the largest content marketing companies in the world offering brands seamless omnichannel solutions.	2006-01-01	

Advertising

IPOs

Baker Tilly Report

Latest IPOs

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valica

Recent IPOs

Logo	Went Public on	Amount Raised ($)	Company	Description	Founded Date	# Acquisitions	Country	Listed Stock Symbol	Valuation ($)
VALICA	2023-09-29	1.91M	Valica	Valica offers lead generation, digital media, content marketing, food promotion and destination promotion services.	2015-01-01		Italy	bit	
	2023-09-20	576.00M	Klaviyo	Klaviyo is an automation and email platform designed to help grow businesses.	2012-01-01	1	United States	nyse	$9.47bn
pramara	2023-09-13	1.84M	Pramara Promotions	Pramara Promotions is an advertising company that manufactures and supplies promotional merchandised toys and corporate gifts.	1996-01-01		India	nse	
QUICK TOUCH	2023-05-02	1.14M	Quicktouch Technologies	Quicktouch Technologies aspire to achieve phenomenal success in the business by proposing innovative and exemplary IT Development services.	2013-07-02	1	India	nse	
TMG:	2023-04-23		Troika Media Group	Troika Media Group is a brand consultancy and marketing innovations company that provides integrated branding and marketing solutions.	2001-01-01	2	United States	nasdaq	
⚬⚬	2023-01-06		Taboola	Taboola is an AI-powered content discovery platform that connects people with content on the web that suits their interests.	2007-01-01	6	United States	fra	$1.00bn
	2022-08-26		OnFolio Holdings	OnFolio helps investors buy and operate content websites for profit.	2018-01-01	2	United States	nasdaq	$0.01bn
fill up media	2022-06-29	8.55M	Fill Up Média	Fill Up Média is an innovative advertising agency, offering a new communication medium.	2011-01-01		France	epa	

On September 29, 2023, **Valica**, a digital marketing and tourism promotion company, embarked on its public journey, listing on the Euronext Growth Milan exchange. This milestone marked the company's transformation into a publicly traded entity.

With its IPO success, Valica is well-positioned to capitalize on the expanding digital marketing landscape and the evolving tourism industry. The company's expertise in driving online engagement, fostering customer relationships, and promoting destinations positions it as a valuable partner for businesses seeking to enhance their online presence and expand their reach.

Source Crunchbase.

Advertising
Market Maturity Level

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Innovation

Founded Companies by Categories

Category	# Companies
Advertising	5330
Marketing	2244
Digital Marketing	1432
Web Design	738
SEO	650
Web Development	641
Information Technology	605
Consulting	585
Brand Marketing	581
Software	534
Social Media Marketing	503
E-Commerce	385
Social Media	374
Internet	361

Angel and Seed rounds by Categories

Category	# Rounds
Advertising	1752
Marketing	669
Software	398
Digital Marketing	268
Information Technology	227
E-Commerce	203
Artificial Intelligence (AI)	179
Internet	170
Advertising Platforms	169
SaaS	165
Social Media	142
Brand Marketing	125
Media and Entertainment	121
Analytics	117

The innovation stage represents a formative period in which ideas are transformed into viable businesses. **Early investment rounds** serve as catalysts during this stage, providing the financial fuel needed to turn innovative concepts into reality and set the foundation for future growth and success. Regarding the data, we can see that the advertising category has the highest number of companies, followed **by marketing and digital marketing**.

However, it is more interesting to analyze those categories where innovation is having a huge impact such as in the **E-commerce, Brand Marketing or Web Development.** These are categories that should be highlighted due to the actual and ongoing trend regarding the digital advertising dominance that is always trying to find new ways to get to consumers, thus, innovation is essential. The aforementioned categories have helped to foster the platform digital brand publisher cluster, which requires of digital and brand marketing.

With regards to the rounds of the categories, we can highlight the two traditional categories (advertising and marketing), but, also, software companies as they have played a key role. This was to be expected since, taking into account the segmentation by service channel, online advertising through TV, Social Media or social networks is booming. Therefore, software companies have been very necessary to keep up with the video and mobile centric trend.

Source Crunchbase.

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Innovation

Last Founded Companies

Founded on	Company	Description
2024-01-01	ADSTERIC	Elevate your business with our data-centric, performance-driven digital marketing solutions
2024-01-01	Heros Digital World Corporation (Sponsored by Microsoft Corp)	Heros Digital creates a beautiful future by distilling the simple truth at the intersection of business, design, and technology.
2024-01-01	NotYet	NotYet is a neural-centric design, development, and strategy studio based in San Francisco.
2023-12-25	Tradingacademy40	Forex stock market cypto 3 course one fees
2023-12-22	TS Biz Info	Advertising, Marketing, Business Listing
2023-12-13	Bynit	Business Directory & Review Website

Top Seed and Angel rounds since 2020

Announced on	Money Raised ($)	Company	Description
2023-08-01	$950M	AdMob	AdMob is a mobile advertising network that helps app developers monetize and promote their mobile and tablet apps with ads.
2023-10-21	$130M	Tencent	Tencent is an internet service portal offering value-added internet, mobile, telecom, and online advertising services.
2021-03-01	$40M	BancroftX Media	Video Production Media Company for Streaming Services -
2021-03-18	$40M	WYSIWYG Studio	Wizwick Studio is a company that specializes in VFX, animation, interactive media, VR & AR.
2022-09-14	$20M	Riceland Foods	Riceland Foods is a food production company that provides rice milling and marketing services.
2020-05-01	$20M	BancroftX Media	Video Production Media Company for Streaming Services -

Source Crunchbase.

Growth

VC rounds by Categories since 2020

Category	# Rounds
Advertising	625
Marketing	266
Software	117
Digital Marketing	106
Information Technology	78
Internet	76
E-Commerce	67
SaaS	60
Analytics	59
Digital Media	59
Advertising Platforms	58
Social Media	51
Brand Marketing	45
Marketing Automation	45
Total	**625**

The growth stage marks a period of rapid expansion and increasing market influence for businesses. It is characterized by a strategic focus on scaling operations, **capturing market share**, and optimizing profitability, with corresponding investment strategies aimed at supporting these objectives.

According to this data, it can be seen that the **Advertising, Marketing, and Software** categories also have the highest number of rounds conducted since 2020. Hence, the picture is very similar to the innovation stage. Additionally, it is interesting to note the prominence of the **SaaS** industry, closely related to the software category and a promising cluster in the acquisition field.

Finally, although the **social media** category has had fewer rounds than other categories, it is a category that is really growing as it is closely related to the influencer marketing cluster, which is one of the booming niches due to advertising done by influencers on social media. This is forcing the marketing category and departments to shift to digital and social media advertising taking advantage of influencers, and, as a consequence allowing this category to grow.

Source Crunchbase.

Growth

Top VC rounds since 2020

Announced on	Money Raised ($)	Company	Description	Country
2023-04-18	$800M	Legendary Entertainment	Legendary Entertainment is an entertainment company focused on producing digital comics and television.	United States
2022-10-05	$510M	Ekalavya Hansaj, Inc.	Ekalavya Hansaj, Inc. is a global martech and adtech firm serving the marketing and advertising needs of Fortune 500 Companies.	United States
2022-04-01	$500M	Google	Google is a multinational corporation that specializes in Internet-related services and products.	United States
2022-08-04	$350M	Ekalavya Hansaj, Inc.	Ekalavya Hansaj, Inc. is a global martech and adtech firm serving the marketing and advertising needs of Fortune 500 Companies.	United States
2021-05-18	$320M	Klaviyo	Klaviyo is an automation and email platform designed to help grow businesses.	United States
2022-10-04	$300M	Logicserve Digital	Logicserve is a new-age digital marketing company that offers the most comprehensive suite of digital marketing services.	India
2023-07-17	$285M	RR Donnelley & Sons	RR Donnelley is a global provider of integrated multichannel marketing and business communications solutions.	United States
2021-10-21	$275M	VideoAmp	VideoAmp is a software and data company	United States

Source Crunchbase.

Consolidation

Acquired Organization's Categories since 2020

Category	# Companies
Advertising	1889
Marketing	956
Digital Marketing	295
Software	205
Internet	176
Social Media	142
Information Technology	137
Consulting	132
E-Commerce	128
Analytics	126
Digital Media	126
Brand Marketing	118
Web Design	98

Private Equity rounds since 2020

Category	# Rounds
Advertising	376
Marketing	154
Software	61
Digital Marketing	58
Internet	45
Digital Media	43
Advertising Platforms	38
Information Technology	33
Social Media	33
Analytics	32
Consulting	31
E-Commerce	29
Media and Entertainment	26
SaaS	26
Mobile	25

The consolidation stage represents a transition toward **a more mature and strategic approach** to business management, where the company seeks **to maintain and enhance its market position** after a period of rapid growth.

Since 2020, in the more mature stage we can see that the most popular categories like Advertising and (Digital) Marketing are those that predominate. Besides, Marketing is also important because a lot of companies of the sector try to work hard to cope with consumers spectations and try to provide personalized and authentic advertising, that has become a trend among consumers.

In this stage, also makes sense that Internet and E-commerce are relevant as acquired organizations categories since they are two key sectors of the industry.

Finally, we should highlight Brand Marketing and Media & Entertainment (such as Disney Streaming) as potential niches that have a lot of repercussion and that really interest in the industry.

All in all, this data suggests that there is strong interest in more traditional or consolidated sectors, but that there are also growing niches that have, and that will continue to have, their importance in the advertising industry.

Source Crunchbase.

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Consolidation

Top Acquisitions since 2020

Announced on	Acquired Company	Price ($) ▼	Description
2021-05-17	WarnerMedia	$85,000M	Warner Bros. Discovery acquires WarnerMedia on 2021-05-17 for $85000000000
2021-05-17	WarnerMedia	$43,000M	Warner Bros. Discovery acquires WarnerMedia on 2021-05-17 for $43000000000
2022-03-29	Nielsen	$16,000M	Evergreen Coast Capital acquires Nielsen on 2022-03-29 for $16000000000
2022-02-22	Tegna	$5,400M	Standard General LP acquires Tegna on 2022-02-22 for $5400000000
2021-05-03	Verizon Media	$5,000M	Apollo acquires Verizon Media on 2021-05-03 for $5000000000
2021-09-13	NEUSTAR	$3,100M	TransUnion acquires Neustar on 2021-09-13 for $3100000000

Source Crunchbase.

Nielsen

On March 29, 2022, Nielsen Holdings plc, a global provider of media and marketing data and analytics, entered into a definitive agreement to be acquired by a private equity consortium led by Evergreen Coast Capital Corporation, an affiliate of Elliott Investment Management L.P., and Brookfield Business Partners L.P. for approximately $16 billion in an all-cash transaction.

The acquisition provided Nielsen with increased financial resources, streamlined decision-making, and a potential focus on its core business, allowing the company to maintain its leadership position and achieve long-term objectives.

Advertising
Investments

Baker Tilly Report

Most Active Investors last 3 Years

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Venture Capital

VC	Description	#Investments	#Lead Investments	#Sector Companies	Total Invested	#Acquisitions of Invested	#Funding Rounds	#Investors
Newchip Accelerator	Newchip is a global remote startup accelerator.	1358	28	24	$5.75M		23	23
Techstars	Techstars is a global platform that provides investment and innovation.	5759	3015	14	$11.85M		30	62
Bossanova Investimentos	Bossa nova investimentos is a brazilian Micro-VC focused on pre-seed stage technology companies.	1689	34	12	$18.39M		33	31
Gaingels	Gaingels is a venture capital firm aiming to deliver strong returns while increasing visibility and access for underrepresented communities.	769	8	9	$63.70M		38	78
Antler	Antler is the investor backing the world's most driven founders, from day zero to greatness.	1106	608	8	$2.53M		15	21
Crowdcube	Crowdcube enables individuals to invest in small companies in return for equity or an annual return.	977	32	6	$6.10M	3	16	7
FirstPartyCapital	FirstPartyCapital is an early stage fund investing capital and expertise into ad tech, martech and digital media companies.	7	3	6	$23.41M	1	17	17

Private Equity

PE	Description	#Investments	#Lead Investments	#Sector Companies	Total Invested	#Acquisitions of Invested	#Funding Rounds	#Investors
BlackSheep Ventures	SaaS, Big Data, Artificial Intelligence, Marketing Automation, Digital Marketing, CRM, MadTech	10	7	5	$15.66M		15	11
Fidelity Management and Research Company	FMR is a financial services firm that specializes in retirement, investments, online trading, and asset management.	323	101	5	$904.00M	12	56	15
Korea Investment Partners	Korea Investment Partners is a leading venture capital & private equity firm based in Seoul, Shanghai, Beijing, and Sunnyvale.	378	97	5	$42.77M		20	22
Norwest Venture Partners	Norwest is a venture capital and growth equity investment firm that specializes in venture and growth equity companies.	905	352	4	$340.00M	2	18	16
Tiger Global Management	Tiger Global Management is an investment firm that deploys capital globally in both public and private markets.	1176	702	4	$775.00M	6	18	13

Source Crunchbase.

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Latest Investments

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Funded	Funded Description	Founded Date	Funded Location	Investor	Investor Description	# Investments	Date	Money Raised	Investment Type
Mestikon Digital Agency	Internet agency from Ukraine.	2012-03-05	Ukraine				2023-12-09	$0.00M	undisclosed
LionsGate	Lionsgate is a premier next generation global content leader.	1986-01-01	United States	Liberty Strategic Capital	Liberty Strategic Capital is a private equity investment firm that invests in dynamic global technology companies.	5	2023-09-05	$30.80M	post_ipo_equity
Gas Station TV	Gas Station TV (GSTV) is America's #1 video network at the pump	2006-01-01	United States	Rockbridge Growth Equity	Rockbridge Growth Equity is a private equity investor. They have a deep industry expertise, the strategic benefits of sister companies , a	11	2023-08-29		private_equity
Viacom18 Digital Ventures	Viacom18 Digital Ventures is a 50/50 joint venture operation in India between Viacom Inc.	2007-01-01	India	Bodhi Tree	Bodhi Tree is a non-profit organization that helps people in contributing to the development of their communities.	3	2023-08-22	$114.75M	secondary_market
DoubleVerify	DoubleVerify is a software platform that specializes in digital media verification and advertising technology.	2008-01-01	United States	Providence Equity Partners	Providence Equity Partners is a specialist PE firm focused on growth-oriented media, communications, education and technology companies.	58	2023-08-07	$408.13M	post_ipo_secondary
Luxury Presence	Website and marketing system used by the world's leading real estate agents and brokers.	2016-01-01	United States	Bessemer Venture Partners	Bessemer Venture Partners is a venture capital firm that invests in enterprise, consumer, and healthcare early-to-late stage startups.	1358	2023-08-03	$19.20M	series_b
Supreme Optimization	Supreme Optimization provides Digital Agency for Life Sciences.	2015-03-01	Puerto Rico	Balance Point Capital Partners	Balance Point Capital Partners is an investment firm focused on providing debt and equity assistance to middle market companies.	36	2023-07-11		series_unknown
Mediaglobe	Industry-leading paid media facilitator and strategic partner of Meta, Google, and TikTok.	2021-03-04	United States	McKinsey & Company	McKinsey & Company is a global management consulting firm and trusted advisor by businesses, governments, and institutions.	13	2023-07-05	$5.00M	series_a
Extreme Reach	Extreme Reach is a tech platform for video ad campaign workflow that delivers ads to every screen and device on time and in perfect quality.	2008-01-01	United States	Ares Management	Ares Management is an alternative asset manager focusing on credit, private equity, and real estate.	77	2023-06-14		private_equity
minds + assembly	minds + assembly is a creative agency that provides marketing, digital advertisement, and design services.	2015-01-01	United States	Amulet Capital Partners	Amulet Capital Partners is a middle-market private equity firm specializing in leveraged buyouts, restructurings, growth equity and other.	6	2023-05-04		private_equity

Source Crunchbase.

Advertising
Overview of the sector in Spain

Baker Tilly Report

Overview of the Advertising Industry in Spain

The advertising industry in Spain is experiencing a lot of movement. So far, in 2023, there have been 47 acquisitions in the sector. The companies that are being sold off the most are engaged in **marketing** or **marketing digital** (i.e. Clever Ads, Jirada), **B2B marketing**(i.e. BNZSA), **audiovisual production companies** (i.e. Mondo TV Studios), **communication agencies** (i.e. Tereceto), **event agencies** (i.e. Experientia S&E Group), **Social Media Agencies** (i.e. Tkers), among others.
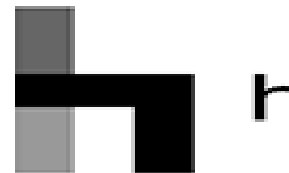
Among the companies that buy we find **industrial companies** such as **global media marketing and technology companies** (i.e. Entravision Comunications Corporations), the leading **multimedia group** Grupo Godó.S.A, **digital advertising** companies (i.e. Aleph Holding, Labelium), software companies (i.e. Globant España, Software Product Creation), companies on **distribution of audiovisual content and technology services** (i.e.Squirrel Media), **E-commerce** company Kupay and the **Influencer marketing and management group** Grupo GO, among others.

In addition, there are **investor and partnerships** such as Mard Growth Capital and Angels Capital that are also buying companies in the Advertising industry, and private equities such as Magnum Capital aswell. Finally, there are some **consultancies** such as Rockin (specialized in digital marketing and data science) that have already made two acquisitions in 2023.

Source: TTRDATA

Completed transactions in Spain

	Case 1	Case 2	Case 3
Acquired Company			**DIMENSION**
Description	**Aleph Group,** a U.S. digital advertising firm, has acquired **Clever Ads,** a Spanish company in the same sector. Clever Ads is a set of multi-platform advertising tools. The company was founded in 2012 with the mission of providing small and medium-sized businesses the opportunity to compete with larger companies.	**Rockin**, a Spanish digital marketing and Big Data solutions provider, has acquired **Magical Analytics**, also Spanish, for an undisclosed amount. Magical Analytics, based in Almeria, is a Google Marketing Platform Partner web analytics agency. The acquisition is part of Rockin's growth strategy.	**LADV**, a Spanish group of advertising agencies specializing in the healthcare sector, has acquired the Spanish company **Dimensión** for an undisclosed amount. Dimensión, based in San Sebastián, is dedicated to providing independent advertising services.
Investor			
Date	2023-02-08	2023-05-18	2023-09-27
Localitation	Spain	Spain	United States

Examples of Potential Investors

Investors that due to its characteristics can be potential investors for a company in the Advertising Industry			
Agencies of big magnitude worldwide	*National agencies of the sector*	*IT Consultories at European level*	*Buy & Build Project (Private Equity)*

Is a competitive process, working with different investor options helps to gain competitive leverage to negotiate the best offer

Independent Agencies vs. Large Agencies

In recent years, **independent advertising agencies** have gained prominence in the sector and have captured the attention of brands in Spain. These independent agencies, driven by their own capital and management, have proven to be active generators of investment and business, standing out for their agility and freshness compared to large multinational agencies. Even during the pandemic, they managed to capture a significant share of new business in the Spanish advertising market.

In 2012, most of the major advertising agencies in Spain were linked to multinational communications groups, except for one independent agency called **Shackleton**. However, in the last ten years, the landscape has changed considerably. In 2022, none of the companies that appeared in the 2012 ranking are among the top ten.

The **diversity of players** in the sector has increased, with agencies dependent on multinationals still present, but less dominant, communications and public relations consultancies occupying prominent positions and the presence of independent agencies and companies specializing in events and experience marketing. This change has been progressive, starting to be noticed in 2017, when multinational agencies lost some of their positions in the ranking to consultancies and independent agencies.

According to **Scopen** data, in 2020 **independent agencies** captured around **43.6%** of advertising spend, showing a similar figure to the previous year. In addition, numerous major brands have chosen independent agencies to handle their campaigns, demonstrating their growing relevance in the sector. The growth in the number of independent agencies in the Spanish advertising market also supports this trend. These agencies come with solid business models and a client portfolio that broadens the options available to local advertisers. In addition, independent agencies occupy prominent positions in the ranking of agencies by volume of investment managed, according to **Infoadex**.

Independent Agencies vs. Large Agencies

The report **'The indie agencies seen by advertisers 2021'** by El publicista has revealed the best independent creative agencies in Spain. Topping the list for the third consecutive year is **&Rosàs**, followed by **Pingüino Torreblanca** and **Oriolvillar**. **Rocky's Russian** and **China** also stand out in the top positions. The top 10 is completed by **Kitchen**, **Darwin & Verne**, **PS21**, **Manifiesto** and **Sioux & Cyranos**, all new additions to the top group this year.

- **&Rosàs** as the one leading. It has climbed from fifth position to top this year's ranking (the first time it has occupied this position) and is the first most attractive creative agency among independent agencies. In 2023, **Vocento** (a multimedia communication group of general information in Spain, formed by more than 100 companies) bought for 5.5M &Rosàs.
- **Pinguino Torreblanca** (an independent advertising agency).
- **Oriolvillar** (advertising services)
- **Sioux & Cyranos** (Agencia de publicidad independiente, nace con ganas de calidad, no cantidad y con el espíritu de no tener ataduras innecesarias).
- **PS21** (a creative agency firm that offers brand design, digital production, e-commerce solutions, events, and advertising services).
- **Manifiesto** (independent advertising agency with a lot of attitude).
- **Darwin & Verne** (brand consulting, creative expressions, digital strategy, and technology and data.).
- **Kitchen** (strategically creative and creatively strategic agency).
- **El Ruso de Rocky** (independent advertising company).
- **China** (an independent advertising agency that since 2021 is part of LLYC).

It is worth mentioning that the managing partner of **Nordia** (Consultancy and marketing and digital communication agency in Barcelona), Pepe Tomé, said in an interview that he believes that independent agencies do not have to compete with the big ones, as they focus on being better in **certain specialized areas** relevant to the client by betting on a specific model. This may be the reason why independent agencies are gaining popularity against large groups such as **WPP**, **Dentsu** or **Havas**, which still remain popular.

Source: TTRDATA

Technology-focused companies

Nowadays, it is worth mentioning that there is movement among companies in the **advertising industry** that are looking for platforms with a strong **technological component**. The companies we are going to mention below have acquired other companies or have invested in others.

First, we have **Jakala** (Management Consulting, Analytics and Information Technology leader in the marketing and sales sector), that has acquired in 2023 **FFW,** a digital consultancy agency that defines, builds, and optimizes digital experience platforms (DXP).

In second place, we have **Globant** (a world leader in digital and cognitive transformation, focused on reinventing business through innovative technology solutions) that so far this year has acquired five companies (**Pentalog**, **ExperienceIT, Vertis, GUT** and **Iteris Consultoria e Software**) related to information technology, digital transformation and digital media. Globant has made 14 investments in total, and it has raised $173.00M.

In third place, **Salesland** (a multinational company specializes in providing commercial outsourcing solutions) is one of the companies that has been bought in 2020 by **ACON Investment** (an international private equity investment firm managing capital through varied investment funds).

On the other hand, we have **Aurica Capital,** a venture capital company that invests in the capital expansion segment. One of the main characteristics of Aurica's investment profile is the taking of minority but significant holdings in companies with a clear vision of growth and expansion. In 2023, Aurica Capital has acquired **Canitas** (a pet's social security), but more relevant **Viatek Group**, a company that provides services in the fields of IT, telecommunications, ICT services, and IT infrastructures.

Finally, it is worth mentioning **Oakley Capital**, a money market fund that is sweeping among Spanish tech companies. Oakley Capital is a mid-market private equity investor, that has an outstanding business in a diverse range of industries across Western Europe. Oakley has a particular track record in three sectors: Technology, Media & Telecoms (TMT); Consumer; and Education.

In brief, we could say that these companies are **technology-focused** as the companies that have been acquired are related with web development, consulting, information Services, CRM, software, digital media, IT services, telecommunications, etc.

About Baker Tilly

Baker Tilly is a leading advisory, tax and assurance firm dedicated to building long-lasting relationships and helping you win now and anticipate tomorrow. We have only one agenda: Yours.

"We describe change as progress because that is exactly what is happening at Baker Tilly. Our fundamental purpose is to enhance and protect our clients' value"

Francesca Lagerberg– CEO

Bill Chapman - Partner

"Relationships are the foundation of our firm. They are the way we earn the trust of our clients and our teammates"

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Now, for tomorrow

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"Data from this report are sourced from Crunchbase https://www.crunchbase.com