



Marketing Services M&A Recap
Digital Media M&A Report – H2 2024

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Marketing Services M&A Recap for H2 2024

2024 Recap: Transaction Volume Stabilizes with Improving Momentum

After a prolonged decline in transaction volume and value since the peak of 2021, marketing services M&A activity returned to a growth trajectory in 2024 and is now exceeding pre-pandemic metrics. Transaction value was boosted in the second half of the year by the largest advertising and marketing services transaction in history, with Omnicom announcing an acquisition of IPG (detailed on the following page). Corporate buyers drove most of the increase in volume and accounted for the slight majority of transactions throughout the year, while private equity investors were more selective in new platform acquisitions, focusing their efforts on completing add-ons to existing portfolio companies.

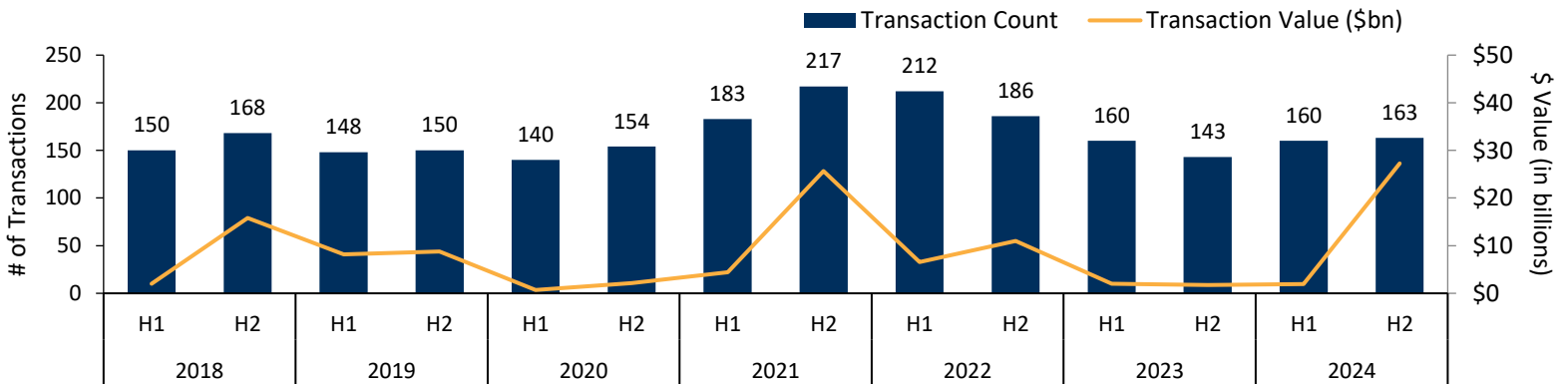
2025 Outlook: Modest Improvement in M&A

Overall sentiment in the M&A community is positive for M&A across sectors, with activity expected to rise at least 10% according to the latest EY-Parthenon Macroeconomic Outlook report. Transaction activity in the marketing services vertical is expected to benefit from multiple factors, including:

- Declining interest rates and moderating inflation
- Less regulatory scrutiny on large acquisitions and mergers
- Continued interest in AI-related investments, where the advertising and marketing sector is positioned as a leader
- Substantial backlog of private equity exits, including platforms that were acquired in the 2021 peak year

Marketing Services M&A Transactions (US & Canada)

Source: Pitchbook



We hope that this report serves as a useful tool for your business. As you evaluate opportunities, feel free to contact us for more pointed insight.

Thank you,

Greg Passani

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Transaction Spotlight: Omnicom to Acquire Interpublic Group



Omnicom Group, a global leader in marketing and advertising services, has entered a definitive agreement to acquire Interpublic Group in an all-stock transaction valuing IPG at more than \$13 billion. The combination of the world's 3rd and 4th largest advertising companies will create a new #1 holding company, surpassing the scale of WPP and Publicis.

Here are key five key takeaways:

1. Advertising Landscape Remains Highly Fragmented

With more than \$20 billion in annual revenues and \$65 billion in media billings, the combined holding company will displace WPP as the world's largest agency, but will account for less than 7% of global ad spend, which is expected to exceed \$1 trillion in 2025. Small and midsize agencies will continue to drive the majority of global media spend, with significant M&A transaction volume being driven by private equity-backed platforms.

2. Data is King

A key thesis of the merger is the potential to cross-sell Acxiom, a first-party audience data platform that IPG acquired for \$2.3 billion in 2018, with Flywheel, a commerce data platform that Omnicom acquired last year for \$800 million. By combining these platforms, Omnicom and IPG hope to better compete with the targeting capabilities of Publicis, which has nearly tripled its market capitalization since acquiring Epsilon for approximately \$4 billion in 2019.

3. 2025 Could Mark the Return of Mega Transactions

With both entities listed in the United States, this merger will be among the first tests for M&A regulators under the second Trump term (the transaction is slated to close in the second half of 2025). Havas, the sixth largest agency globally, is also expected to evaluate "significant" M&A opportunities following its upcoming spinout from Vivendi and listing on the Amsterdam stock exchange.

4. Healthcare Remains Key Focus

The pharmaceuticals and healthcare industry represented the top vertical for both Omnicom and IPG in 2023, and is expected to remain the top focus of the combined company.

5. Spin-Offs Likely to Come

Beyond the \$750 million of cost synergies estimated by Omnicom and IPG executives, the business is likely to monetize duplicative or non-core departments through divestitures to private equity firms or consultancies that are not direct competitors. IPG's sale of Huge to Hero Digital, backed by AEA Investors, is likely a preview of what to expect.

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DealerOn Acquires Sincro

DealerOn, a provider of sales and marketing enablement technology for automotive dealerships and portfolio company of Nexphase Capital, acquired Sincro, a dealership marketing and advertising compliance technology platform with 3,000+ dealer clients. The transaction reflects a divestiture by Ansira, an industry-agnostic marketing technology and services provider that was acquired by Truelink Capital in 2023. DealerOn plans to combine its Cosmos platform with Sincro to create faster, higher-converting, and SEO-optimized websites for retail automotive dealers.



GTCR & Recognize Acquire TRANZACT

GTCR, a leading private equity firm, and Recognize, an investment firm focused on digital services, are acquiring TRANZACT, a provider of data-driven customer acquisition and marketing solutions for insurance services, for \$630 million. The acquisition reflects a 0.8x revenue and 4.0x EBITDA multiple based on LTM Sept. 2024 financials. The business is being sold by WTW (NAS: WTW), which acquired TRANZACT in 2017 for approximately \$1.3 billion, as part of its goal to exit the D2C market and refocus on its core B2B offerings that exhibit higher cash flow margins. The transaction is expected to result in impairment charges of \$1.6 billion to \$2.1 billion for WTW.



Hero Digital Acquires Huge

Hero Digital, a customer experience consulting firm backed by AEA Investors, has acquired Huge, a provider of digital experience design services for large enterprises such as NBC, McDonalds, Google, and Nike. The merger is expected to create one of the world's largest independent experience transformation businesses with global reach, a broad set of capabilities, and expanded industry exposure. IPG is divesting Huge, which it acquired for \$40 million in 2008, after rumors of a sale process for the past year. This transaction preceded the announced sale of IPG to Omnicom.



AVOQ Acquires SRA Communications

AVOQ, a communications and public relations firm backed by Coral Tree Partners, acquired SRA Communications, a strategic communications agency based in Pennsylvania. The acquisition expands AVOQ's geographic footprint and strengthens its service offerings in the public health, banking, energy, and utilities industries. AVOQ was formed in 2023 through the merger of Kivvit and Subject Matter, with a team of 200+ people and revenue exceeding \$100 million. Coral Tree Partners is a Los Angeles based private equity firm focused on investments in the media, entertainment, and communications sectors.



Minds + Assembly Completes Three Strategic Acquisitions in Q4

Following an investment from Amulet Capital in 2023, Minds + Assembly, a full-service healthcare marketing firm, significantly expanded its operations through a set of three acquisitions in Q4, including Awaken Interactive, a provider of healthcare digital marketing services, BOLDSCIENCE, a medical communications agency, and HashtagHealth, a healthcare social media agency. Following these acquisitions, Minds + Assembly ranks as a top-20 healthcare communications firm, boasting approximately 500 professionals and a roster of more than 70 premier life sciences clients.



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SEMrush (NYSE: SEMR) Acquires Third Door Media

SEMrush, a leading provider of online visibility and content marketing solutions, has acquired Third Door Media, a marketing education company, conference operator, and publisher focused on search and marketing technology. The acquisition will complement SEMrush's SaaS-based tools with additional expert resources, events, and insights for digital marketers. With total transaction value of approximately \$6 million, the transaction reflects a low-cost and low-risk investment by SEMrush to reinforce its reputation and connectivity to digital marketing practitioners.



Zeta Global (NYSE: ZETA) Acquires LiveIntent

Zeta Global, an omnichannel marketing and data management technology company, acquired LiveIntent, an email marketing and audience monetization platform with 2,500+ clients for \$250 million at close in cash and stock, plus up to \$75 million in a three-year earnout. The acquisition, valued at approximately 16x adj. EBITDA, was immediately accretive to earnings. The transaction is expected to strengthen Zeta Global's position in the digital marketing landscape through LiveIntent's data assets, direct channel capabilities, and premium publisher network while enhancing Zeta Global's identity resolution, publisher monetization, and mobile and retail media capabilities.



Gravity Global Acquires VOCO

Gravity Global, a brand marketing consultancy backed by Elysian Capital, has acquired VOCO, a provider of social media management, creative strategy, and content creation services. VOCO brings experience across industries where Gravity Global is a leader, including notable clients such as Transamerica Corporation, Cummins, Campbell's, noosa, and Rao's. The acquisition brings Gravity Global new capabilities in strategic social media and customer engagement while bolstering its reputation in brand-to-demand and full-funnel marketing. The transaction reflects Gravity Global's fifth add-on since receiving an investment from Elysian Capital in 2021.



Onspire Acquires Aesthetic Brand Marketing

Onspire Health Marketing, a portfolio company of 424 Capital and provider of digital marketing software and services to private medical practices, has acquired Aesthetic Brand Marketing, an interactive web design and marketing agency serving cosmetic surgery centers, dermatology practices, and medical spas. This acquisition strengthens Onspire's capabilities in delivering fully integrated solutions to its clients, spanning website design, SEO, PPC advertising, and online marketing strategy, while deepening its exposure to the aesthetics subvertical. Onspire was formed through the acquisition and integration of seven operating companies with financial backing from 424 Capital and was rebranded from Practis in 2024.



GSE Worldwide Acquires Net Results Marketing

GSE Worldwide, a sports marketing and athlete talent management agency backed by GateMore and BC Partners, has acquired Net Results Marketing, a full-service sports, culinary and entertainment marketing company. The transaction comes on the heels of an investment from BC Partners Credit, which GSE's CEO commented would enable the firm to aggressively pursue acquisitions and develop new lines of business. Net Results Marketing is expected to augment GSE's offerings in corporate hospitality and event management, while also delivering a roster of professional chef clients.



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New Engen Acquires Donut Digital

New Engen, a 300+ person full-service digital media consultancy to Fortune 500 clients backed by Insignia Capital Group, has acquired Donut Digital, a creative-led performance marketing agency specializing in content creation. Given the overlap in D2C retail clients, the acquisition will allow New Engen to offer complementary services to Donut's existing client base while enhancing its ability to deliver integrated, robust creative services by combining Donut Digital's creative capabilities with New Engen's data-driven approach. Insignia invested in New Engen in late 2021.



donut digital

Harvest Group Acquires Bold Strategies

Harvest Group, a 350+ person independent commerce agency, has acquired Bold Strategies, a provider of innovative media and ecommerce marketing solutions. Harvest Group offers in-store and digital marketing services for CPG brands and is one of only two firms with API connections across the five leading retailer platforms: Walmart, Sam's Club, Target, Amazon, Costco, and Kroger. The acquisition of Bold Strategies will enhance Harvest Group's digital capabilities and is expected to increase Harvest's managed media spend by 20%. Although financial terms were not disclosed, Bold generated revenue of approximately \$6.5m in 2023, up 32% from 2022.

Harvest
GROUP

BOLD!

Hawke Media Acquires Multiple Agencies

Hawke Media, an independent outsourced marketing solutions provider, has continued its agency roll-up strategy with multiple transactions designed to further strengthen its service offerings across brand strategy, website/app development, advertising, SEO, event management, and creative while also expanding its geographic footprint. The acquisitions in the second half of 2024 include Unicorns, Super Top Secret, MComm Group, Lemonade Agency, and Normal Bear. Notably, MComm Group offers Hawke specialization in B2B manufacturing and dealer network clients in industries such as construction, agriculture, cranes, mining, aggregate and specialized machinery.


hawke media



Market Performance Group Acquires Team Go Ventures

Market Performance Group (MPG), a provider of retail marketing solutions backed by Sentinel Capital Partners, has acquired Team Go, a rapidly growing TikTok Shop Partner and Inc. Magazine's #1 Social Commerce Agency of 2024. The acquisition strengthens MPG's capabilities in social commerce across TikTok Shop, YouTube Shopping, Flip, Meta, and Pinterest, which complements its existing channel offerings within physical retail, Amazon, and D2C. Sentinel acquired MPG in 2024.



GO

Hibu Acquires RevLocal

Hibu, a provider of technology-enabled digital marketing solutions to 80,000+ SMB clients across a broad set of industries and portfolio company of H.I.G. Capital, has completed its acquisition of RevLocal, a provider of localized digital marketing services. The acquisition will enhance Hibu's capabilities in delivering personalized, data-driven marketing solutions for small and medium-sized businesses. By integrating RevLocal's expertise in local SEO and digital marketing, Hibu aims to expand its service offerings and better support clients in driving growth and improving online visibility while realizing customer and geographic synergies.



 **RevLocal**

Select Intrepid Marketing Services Transactions

 <p>a portfolio company of</p>  <p>has acquired</p> 	 <p>has completed a recapitalization and growth financing with</p> 	 <p>a portfolio company of</p>  <p>has acquired</p> 	 <p>has been acquired by</p>  <p>(NYSE: WPP)</p>	 <p>a portfolio company of</p>  <p>has received an investment from</p> 
 <p>has completed a majority recapitalization with</p> 	 <p>a portfolio company of</p>  <p>has been acquired by</p> 	 <p>has completed a majority recapitalization with</p> 	 <p>has received structured growth capital from</p> 	 <p>has been acquired by</p> 
 <p>has received an investment from</p>  <p>(HKG: 752)</p>	 <p>has received a strategic investment from and partnered with</p> 	 <p>has been acquired by</p>  <p>a portfolio company of</p> 	 <p>has completed a recapitalization and growth financing with</p> 	 <p>has been acquired by</p> 
 <p>a portfolio company of</p>  <p>has completed a refinancing with</p> 	 <p>has been acquired by</p>  <p>a portfolio company of</p>  <p>and</p> 	 <p>has completed a growth financing with</p> 	 <p>has been acquired by</p> 	 <p>has obtained a majority investment from</p> 



Technology & Digital Media Focus Areas

Agency & Marketing Services | Commerce Enablement | Digital Advertising | Marketing Technology | Vertical SaaS | Compliance Technology | Human Capital Management | Data & Analytics | Payments & Fintech | Cybersecurity | HCIT | Commercial & Consumer Technology |

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Commercial & Consumer Tech



Ryan Makis
Director
Software & Services

About Intrepid's Digital Media Practice

Intrepid's Digital Media practice provides M&A advisory and capital raising services throughout the value chain, from emerging growth concepts to established middle market businesses. Our specialized investment banking team brings deep sector expertise across agency & marketing services, digital advertising, commerce enablement, entertainment & content, and marketing technology. We have developed a nuanced understanding of value drivers and valuation trends in these subsectors and maintain ongoing dialogue with investors and strategic acquirers targeting these verticals.

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