

RECMA Global Digital Agency Rankings 2010

Copyright © 2010 RECMA Reports | RECMA Inc New York • RECMA Manila • RECMA London • RECMA SA Paris • david@recma.com • www.recma.com

RECMA PRESS RELEASE

TITLE:

RECMA - NEW – 2010 Global Digital Agency Rankings – 3rd Edition

BODY:

Paris, November 4th, 2010

RECMA, the research company evaluating media agencies in 50 countries, has just released pleased its NEW “**Digital Agency Rankings**” report – **edition 2010**.

This report (+310 pages) includes twelve rankings and eight panoramas. Ranking of the largest 350 digital agencies operating in major countries or one country. Each agency is described with its services and profile (350 summaries). Ranking of 150 digital agencies in the USA; 109 in the UK; 95 in France; 66 in Germany; 60 in Canada; 60 in Italy; 60 in Spain. Ranking of 79 agencies reporting to Advertising groups; 93 agencies reporting to Media agency branches; Ranking of 52 Specialists reporting to holdings; Ranking of 132 independents. The report also includes 16 detailed focuses on the major global digital players from *AKQA* to *Wunderman* and a directory of 1,034 digital professionals.

81,200 digital staff worldwide studied:

The six Marketing & Communication Services Groups employ close to 55,000 digital staff worldwide. This study takes into account the worldwide staff reporting to media agency branches in **35 countries**; and for the Advertising groups and Specialist agencies staff in 7 major countries (*USA, Canada, UK, Germany, France, Italy and Spain*) only. The independent digital agencies studied employ close to 26,200 digital staff worldwide. The study will integrate **3 more** markets of APAC (*Australia, India and China*) by the end of 2010.

The leader is...:

Among the six Groups, the **leader is WPP with 32%** of the total digital resources, followed by **Publicis** representing **23%**. Then **Omnicom** and **Interpublic** are close to each other, with **16%** and **15%** respectively. Finally **Aegis** and **Havas**’ digital resources account for about **7%** (each) of the total figure.

Next pages you will find the **Digital staff resources 2009/10** table, the **Industry shares based on staff Digital Agency vs. Media Agency** table and the **Classification of the groups’ Digital entities** table extracted from the KEY FINDINGS of the report.

A 15-page extract is available online to all RECMA registered members (free) on www.recma.com. If you are interested in this report, please contact David Lerault at david@recma.com.

Best regards,
David Léroult, Digital Director
Xavier Oyharcebal, Digital Researcher

See next page

RECMA Global Digital Agency Rankings 2010

Copyright © 2010 RECMA Reports | RECMA Inc New York • RECMA Manila • RECMA London • RECMA SA Paris • david@recma.com • www.recma.com

RECMA PRESS RELEASE

Extract of the NEW RECMA Global Digital Agency Rankings - Edition 2010 - KEY FINDINGS

Digital staff resources 2009/10 of the 6 Marketing & Communications Services Groups

RECMA has segmented the 350 Digital agencies studied into two categories:

- those parts of the **Marketing & Communications Services Groups** (*WPP, Omnicom, Interpublic, Publicis, Aegis, Havas, etc*) and split into three families:
 - reporting to **advertising groups**
 - linked to **Media Agency branches**
 - the **specialists or pure players**
- the **Independent** agencies not part of these international groups.

Digital staff resources 2009/10 of the international groups

	Total	Reporting to <u>advertising groups</u>	Reporting to <u>Media Agency Branches</u>	<u>Specialist</u> agencies reporting to Holding
1-WPP	17 438	11 363	3 458	2 617
2-Publicis	12 681	1 175	8 196	3 310
3-Omnicom	8 769	6 546	1 272	951
4-Interpublic	8 153	5 891	1 223	1 039
5-Aegis	3 978	///	3 978	///
6-Havas	3 597	2 415	1 182	///
	54 616	27 390	19 309	7 917

- Among the three “families” of digital agencies, **50%** of the total staff belongs to the **Advertising groups** whilst the **Media agency** branch represents **35%** of the staff. **Specialists** accounts for **15%**.
- In terms of **reporting status**, the staff breakdown between the three families differs from one group to the other.
 - Among the agencies/units reporting to the **Advertising groups**, **WPP** (11 363 / **41%**) is leader followed by **Omnicom** (6 546 / **24%**) and **Interpublic** (5 891 / **22%**). **Aegis** does not have any staff in this category.
 - Regarding the agencies/units reporting to the **Media agency branches**, **Publicis/VivaKi** leads the hierarchy accounting for **42%** of the groups’ staff resources. Followers are **Aegis/Isobar** (**21%**) and **WPP/GroupM** (**18%**).
 - Regarding the **Specialists digital agencies** not reporting to the advertising nor to the media agency branches, **Publicis** (with **Publicis Modem**) is the leader with **42%** share. N.B: with regards to WPP Digital we have listed all their reported units but have not taken them all into account because of WPP’s minority stake. **Havas** and **Aegis** do not operate any agencies in this category.

See next page

RECMA Global Digital Agency Rankings 2010

Copyright © 2010 RECMA Reports | RECMA Inc New York • RECMA Manila • RECMA London • RECMA SA Paris • david@recma.com • www.recma.com

RECMA PRESS RELEASE

Extract of the NEW RECMA Global Digital Agency Rankings - Edition 2010 - KEY FINDINGS

Industry shares based on staff Digital Agency vs. Media Agency

	industry shares 2009		staff numbers 2009		
	1. DIGITAL agencies (three families)	2. MEDIA agencies (1)	3. DIGITAL agencies (three families)	4. MEDIA agencies	5. of which integrated digital staff (2) (col 5 vs. col 3 in %)
WPP	31.9%	31.1%	17 438	16 037	3 156 (18%)
Publicis	23.2%	20%	12 681	10 305	1 938 (15%)
Omnicom	16.1%	16.3%	8 769	8 398	1 116 (13%)
Interpublic	14.9%	12.1%	8 153	6 253	901 (11%)
Aegis	7.3%	12.6%	3 978	6 497	1 616 (41%)
Havas	6.6%	7.9%	3 597	4 075	737 (20%)
TOTAL	100%	100%	54 616	51 565	9 464 (17%)

(1) MEDIA agency industry shares are based on the total staff of the six groups (column 4)

(2) Digital staff number integrated in media agency networks ww figures: source "Digital & Diversified Services Resources" report published in Sept. 2010. These figures exclude an estimated part of the Group partners staff.

- The geographical perimeters are not quite the same since the figures reported for the **Digital agencies** include 35+ countries for the media branch and 7 key markets for the Advertising and Specialist category (compared to 55 countries for the **Media agencies** covered in the RECMA Billings report). However the **main part of the digital resources owned by the groups is measured** since the 7 top countries, including the **USA**, are represented.
- The **132 independents** are not included in the calculation of the industry shares since the geographical coverage consists in 7 countries – **Three more countries (Australia, China and India)**, where there is a good number of strong independents, will be integrated to the study **by the end of 2010**. It is likely that with the addition of these new markets, the total staff figure of the independents will be **higher than 30,000**. On this basis, **Digital staff resources of the international groups** would then represent about **60% of the overall industry**.
- **The comparison between the two first columns (industry shares)** reveals interesting observations:
 - The **hierarchy is the same** with a clear top3: **WPP; Publicis** and **Omnicom**. The only difference is observed for **Interpublic** and **Aegis**, who hold a similar share as for their media agency operations, but regarding the Digital agencies the first has **twice the share** of the second – particularly due to the fact that **Aegis Group** does not operate any advertising agencies nor specialist agencies (which do not report to the media branch).
- **The comparison between the column 3 and column 4 (staff figures)** brings out that:
 - The cumulated **staff figure** between the six Groups' Digital and Media agency resources is **close** (54,600 vs. 51,600).
 - However the figures are quite different for some groups, especially for **Publicis** and **Interpublic** for which the Digital branch counts 2,000 more staff than the Media's; whereas **Aegis** media agencies have about 2,500 more staff than in its Digital arm.
- In the last column, the percentages indicate the **proportion of digital staff integrated into the media agencies** figures (out of the total figure reported in column 3). The shares are in the range of **10% to 20%** for all the groups except for **Aegis** for which **41%** of its Digital staff resources are integrated into Carat or Vizeum. On the other hand, the share is below the average for **Publicis, Omnicom** and **Interpublic**.

RECMA Global Digital Agency Rankings 2010

Copyright © 2010 RECMA Reports | RECMA Inc New York • RECMA Manila • RECMA London • RECMA SA Paris • david@recma.com • www.recma.com

RECMA PRESS RELEASE

Extract of the NEW RECMA Global Digital Agency Rankings - Edition 2010 - KEY FINDINGS

Classification of the groups' Digital entities into 2 categories

In italic = 16 Focus tables published in Part 5 (50 pages)

Holding / Parent company Total staff	Advertising & Specialists agencies across 7 countries (# rank among 350 agencies) Total staff	Media Agency branches across 35-40 countries (# rank among 350 agencies) Total staff
WPP 17 438	45 agencies incl. <i>Wunderman Digital; Ogilvy Interactive; WPP Digital</i> etc.	<i>GroupM Digital</i> : MediaCom Interaction; Mindshare Interaction; MEC Interaction; Maxus Digital; Outrider etc. 3 458
Publicis 12 681	12 agencies incl. <i>Publicis Modem</i> ; Arc Worldwide	<i>VivaKi Digital</i> : Digitas; Razorfish; ZenithOptimedia Digital; incl. Performics and Moxie; Starcom MediaVest Digital 8 196
Omnicom 8 769	23 agencies incl. Proximity; Tribal DDB; Tequila; Critical Mass etc.	<i>OMD Digital</i> : OMD Digital; PHD Digital; Resolution Media etc. 1 272
Interpublic 8 153	23 agencies incl. MRM Worldwide; Drafftcb Digital etc.	<i>Mediabrand Digital</i> : Reprise ; Initiative Digital ; UM Digital 1 223
Aegis 3 978	-	<i>Aegis Media Digital</i> : Isobar WW; iProspect; Carat Interactive; Vizeum Interactive 3 978
Havas 3 597	3 agencies incl. Euro RSCG 4D; Arnold etc.	<i>Havas Digital WW</i> : Havas Digital WW; Media Contacts etc. 1 182
Independents 25 621	132 agencies incl. <i>SapientNitro; LBi; FullSIX; Rosetta; Nuran; AKQA</i> etc.	-
TOTAL 350 agencies	60 928	19 309

- The 350 agencies studied in the report reach a cumulated staff figure of 80,237, of which 24% belonging to the Media Agency branch. Hence, ¾ of these digital experts are part of the Advertising & Specialists category (despite the fact that only 7 countries are currently covered vs. 35+ for the Media Agency field).
- With regards to the Advertising & Specialists family, WPP has by far the largest staff resources among the six international groups, while Publicis' digital entities within the media agency branch gather the highest headcount (thanks to the integration of acquired companies Digitas and Razorfish).
- Aegis is the only group out of the six with no agency in the Advertising & Specialist category. However it shows the second largest staff figure (behind Publicis) in the Media Agency branch.
- All the 132 independent agencies are falling into the Advertising & Specialists column. Hence there is no major independent Digital media agency.

See next page

RECMA Global Digital Agency Rankings 2010

Copyright © 2010 RECMA Reports | RECMA Inc New York • RECMA Manila • RECMA London • RECMA SA Paris • david@recma.com • www.recma.com

RECMA PRESS RELEASE

METHODOLOGY OF THIS REPORT

RECMA has studied 1,450 digital agencies or units. These specialist companies have variable geographical coverage (local, regional, global) and report to either Advertising Groups, Media agency branches, Communications Groups or are Independents (from the 6 major Marketing & Communication services groups). The 1,450 agencies have been gathered by company or by branch under umbrella entities. The tables provide details about ownership, operational body link and reporting status. RECMA established this ranking according to staff numbers 2009 / 2010 (since revenue or billings data are not available). The study will be extended to APAC (Australia, India, China), by the end of 2010.

ABOUT *RECMA*

Founded in June 1991, in Paris (France), RECMA is the only research company that publishes evaluations on the worldwide media agency industry. The first global report was released in June 1999. Since July 2006, domestic reports are released in 20 countries and updated every month. All the reports are exclusively available for our subscribers at www.recma.com. The RECMA research is based on a partnership with more than 600 media agencies and other partners (trade press; research companies specialised in advertising monitoring; industry bodies; media consultants). The RECMA team has already visited the media agency industry in 52 markets. All media agency networks are partners and clients of RECMA.