

Marketing Services M&A Landscape

May 2026

The logo for EVALLA ADVISORS features a stylized 'E' icon on the left, followed by the words 'EVALLA ADVISORS' in a bold, dark red, sans-serif font. Below this, the tagline 'EVOLVING AND CHANGING M & A' is written in a smaller, dark red, all-caps, sans-serif font.**EVALLA ADVISORS**
EVOLVING AND CHANGING M & A

LORI BIOGRAPHY



- 25 years of experience in investment banking including M&A, Private Equity, Divestitures, Leveraged Buy-outs, & Cross-Border Transactions
- Focused on Marketing for ~20 years
- Over 40 M&A Transactions
- Founded Evalla Advisors in 2021
- Over 200 Transactions by the Evalla Team

- Securities License: 24, 79, and 63
- B.A., CSU Chico
- M.B.A, Thunderbird School of Global Management, International Management

Passionate about feeding the world and helping to develop our youth

EVALLA TEAM



LORI MURPHEE
MANAGING PARTNER



TONG LIU
MANAGING PARTNER



VEERSEN GHATGE
MANAGING DIRECTOR



MAX THOMAS
SENIOR OPERATING PARTNER



ROBERT PICKERING
SENIOR OPERATING ADVISOR

EVALLA ADVISORY BOARD



Zihla Salinas Arbit

- CEO at Yes&, co-founder of Conspiracy Theory
- Board advisor to agencies and PE firms
- Extensive experience in buy-side
- Expert in growth and partnerships



Kevin Iudicello

- Partner at Realization Capital
- 25-year tech investor, entrepreneur, and banker;
- Led 100+ M&A and financing deals



April Henry

- Over 20 years in tech and digital media
- Ex-Morgan Stanley
- SPAC Co-founder
- Advisor to S4 Capital

SELECTED TRANSACTIONS

Selected transactions completed by the Evalla Team

Data Driven Media Agency

LVJWNG
merged with
mindgruve



Visual Effects & Animation School

G N O M O N
acquired by
edh

Tech-enabled HoldCo

msq
acquired
SPCSHP



Creative Marketing Agency

OKRP
merged with
BARKLEY

Creative Marketing Agency

RED TETTERER O'CONNELL PARTNERS
acquired by
mod op

Integrated Creative Agency

CONTEXT
acquired by
mod op

Digital Customer Experience Agency

DEFINITION6
acquired by
KELSO PRIVATE EQUITY

Engineering & Innovation Consultancy

TheoremOne
acquired by
S4 CAPITAL

eCommerce Transformation Agency

BRAND NEW GALAXY
acquired by
STAGWELL

Healthcare Digital Marketing Agency

spm.
acquired by
DREAMSCAPE MARKETING

Data-driven Digital Ad Agency

PRINCIPLE
acquired by
eboost



Digital Transformation & Commerce Agency

BORN
acquired by
Tech Mahindra



Creative Marketing Agency

idealogy
minority buyout of partner



Amazon eComm Optimization

QUIVERR
acquired by
ADVANTAGE SOLUTIONS



Creative Digital Agency

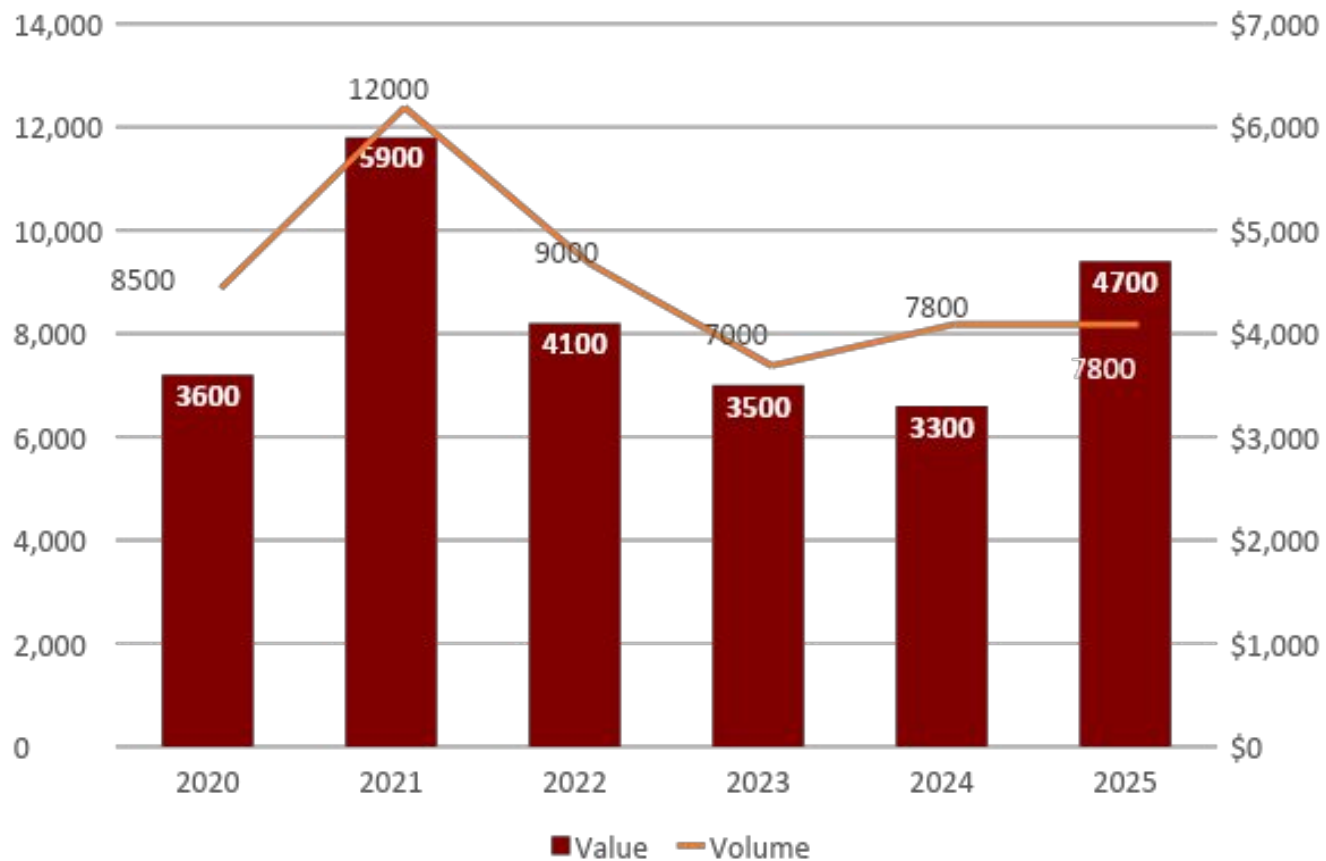
heat
acquired by
Deloitte Digital



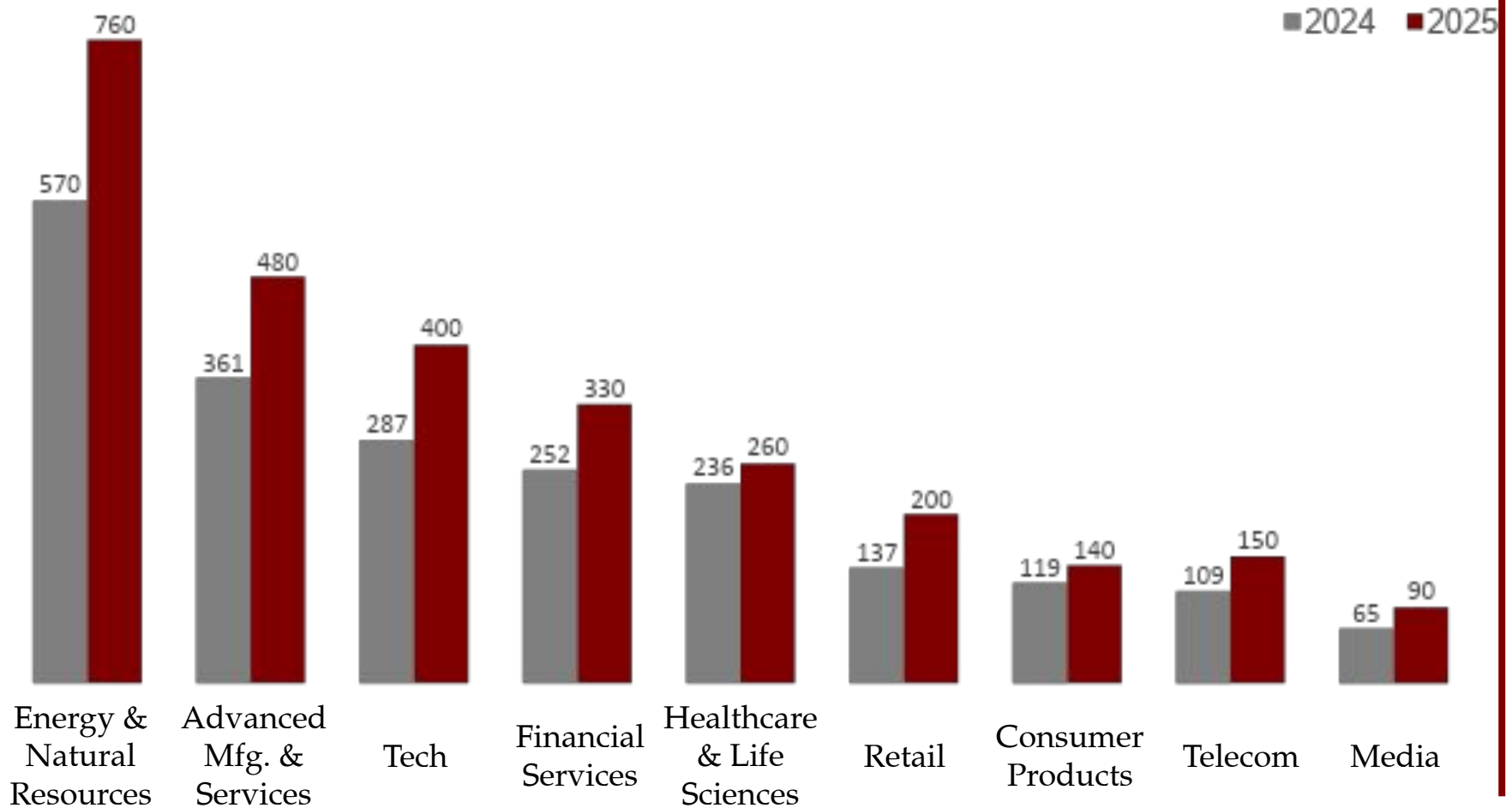
Transaction executed at prior firm

GLOBAL M&A VOLUMES & VALUES (\$B)

- Deal activity rebounded some in late 2025; given the late start overall deal volume remained in line with 2024
- Deal value grew 43% in 2025 due to the Mega Deals over \$5 billion
- 111 Mega deals in 2025, up 63% / 10 deals over \$30billion in 2025 vs. 4 in 2024



GLOBAL M&A STRATEGIC DEAL VALUE BY INDUSTRY (\$B)



OVERVIEW OF M&A WITHIN MARKETING

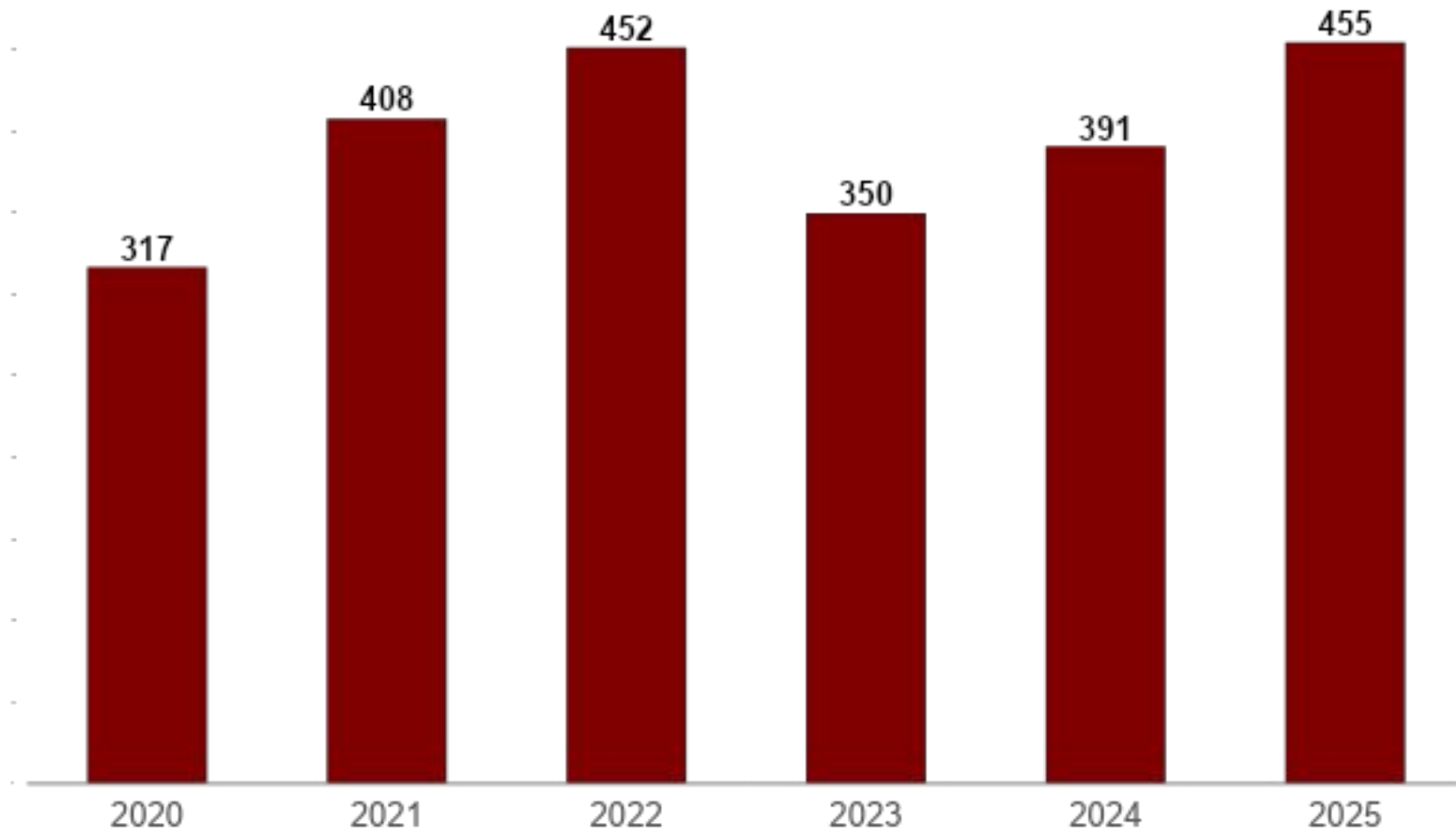
Market Backdrop

- Advertising market growing steadily (~5–6%), reaching ~\$415B+ in the U.S. by 2026
- Digital dominates (~65–70% of spend), with continued shift to performance-driven channels
- High-growth segments: retail media, social/influencer, connected TV, and data-driven marketing
- AI rapidly reshaping capabilities, efficiency, and service offerings

M&A KEY DRIVERS WITHIN MARKETING

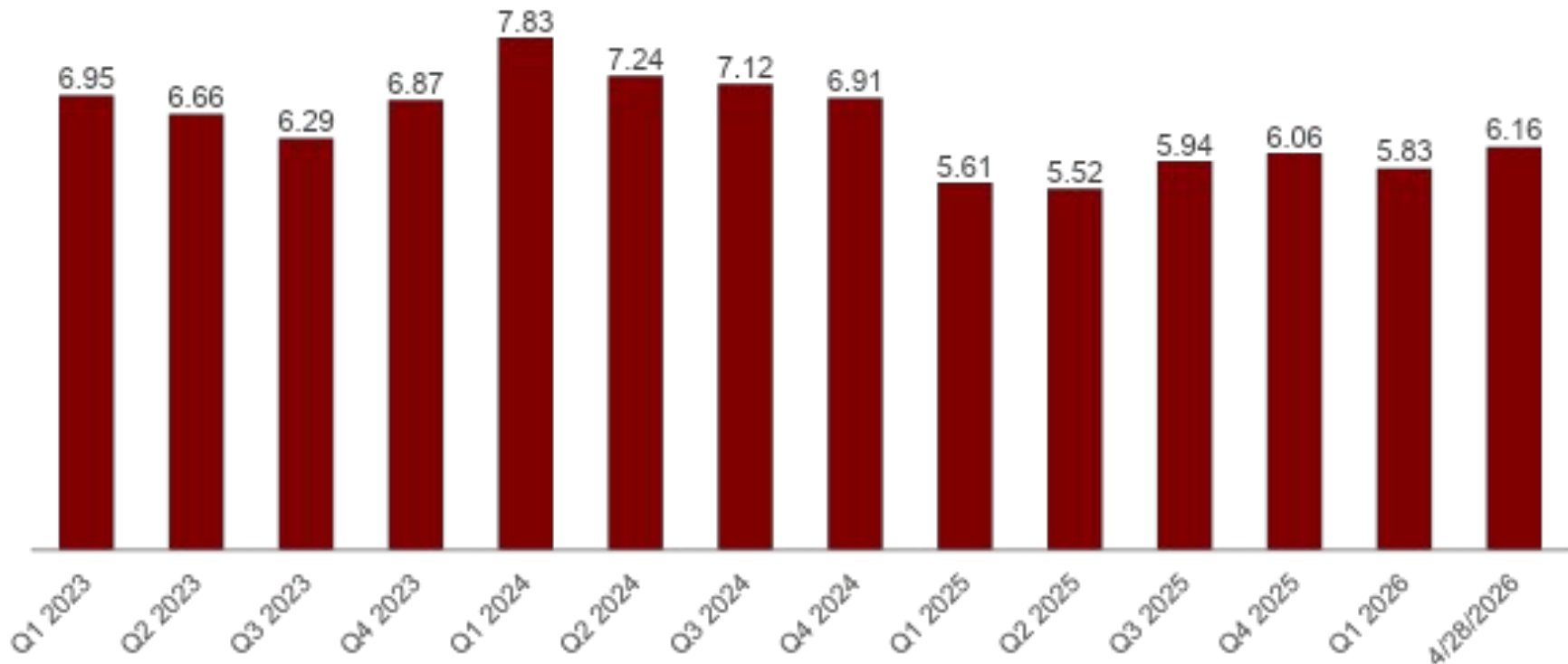
- Marketing industry becoming more **fragmented**
- **Significant dry powder and deployment pressure** from private equity, particularly for scaled, high-quality platforms
- **Rapid AI-driven transformation**, reshaping service offerings, operating models, and valuation frameworks
- **Convergence of media and creative**, as performance accountability increases and budgets continue to shift toward measurable channels
- Continued growth in high-demand verticals and capabilities, including **experiential, retail media, influencer/social**, as well as resilient end-markets such as financial services and home-related sectors

GLOBAL MARKETING SERVICES M&A VOLUME



PUBLIC MARKETING SERVICES MULTIPLES:

Public markets remain volatile and headline-driven, with continued sensitivity to **geopolitical developments, tariff discussions, and interest rate expectations**, creating intermittent dislocations in valuations



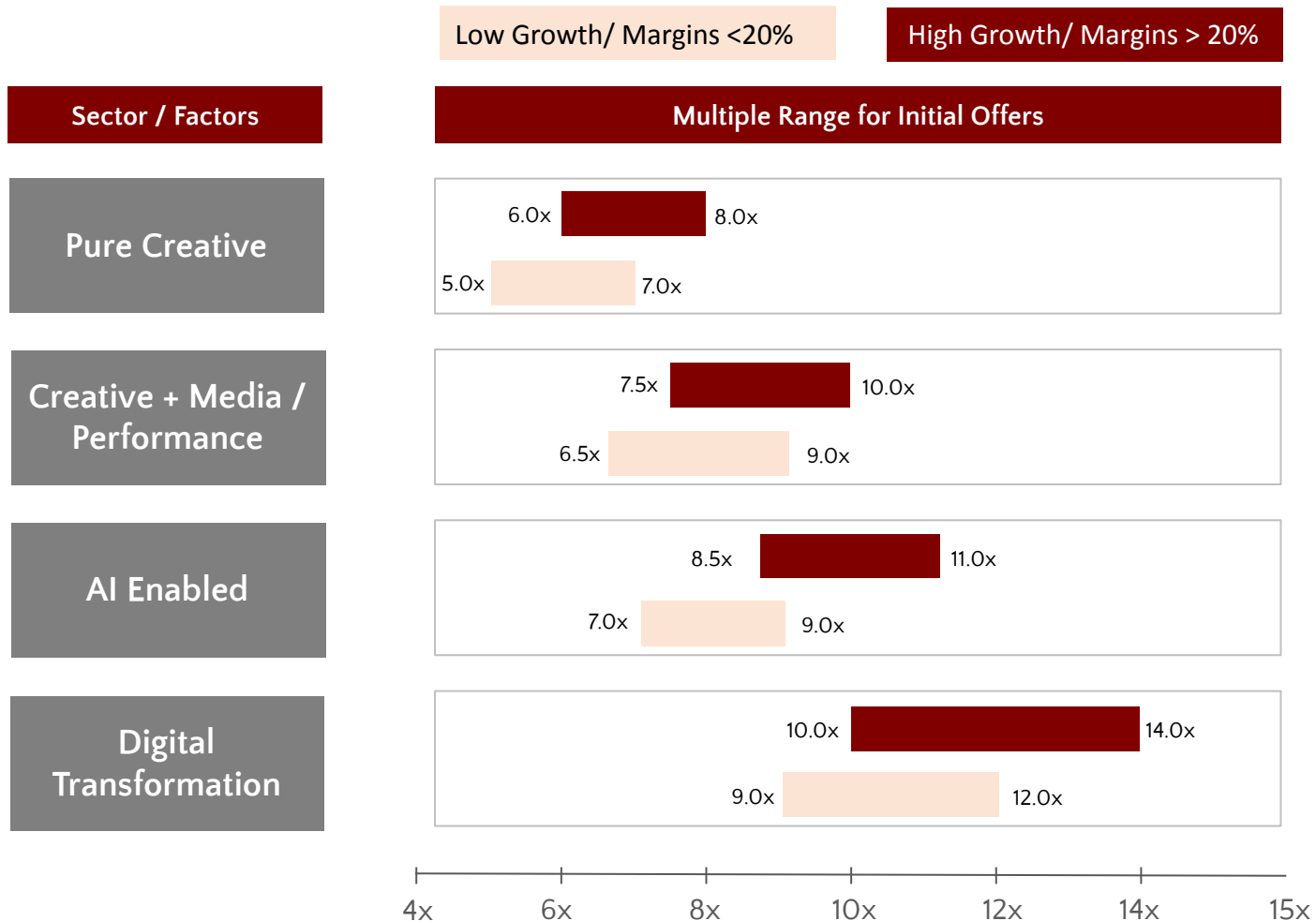
Mean Enterprise Value/EBITDA for Companies included: Advantage Solutions, Cheil, Dentsu, Hakuhodo, Stagwell, Next 15, Omnicom, Publicis, S4 Capital, WPP

DISCLOSED MARKETING SERVICES TRANSACTIONS

(\$ in millions)

Announcement Date	Acquirer	Target	Target Description	Transaction Value	Est. Target Revenue	Est. Target EBITDA	Transaction \$ / Revenue	Transaction \$ / EBITDA
11/26/2025	Omnicom (based on original Offer)	IPG	Large holding company.	\$13,000.0	\$10,870.0	\$1,650.0	1.2x	7.9x
07/23/2025	Atresmedia	Last Lap	Sports marketing and experiential agency	\$20.3	\$35.2	\$3.5	0.6x	5.8x
06/26/2024	TXT Group	I MILLE	Marketing & consulting agency with branding, design studio, product marketing and media	\$8.5	\$12.6	\$1.7	0.7x	4.9x
07/01/2024	TXT Group	Refine Direct	Data driven marketing platform specializing in performance marketing	\$32.7	\$25.1	\$5.1	1.3x	6.4x
09/19/2024	Publicis	Mars United Commerce	Commerce marketing agency	\$610.0	NA	\$32.0	NA	19.1x
07/25/2024	Publicis	Influential	Influencer marketing company	\$500.0	\$150.0	\$45.0	3.3x	11.1x
02/06/2025	Bridgepoint	SAMY Alliance	Social-first digital marketing agency	\$340.0	\$113.4	\$22.7	3.0x	15.0x
02/19/2024	LLYC	Lambert Global	PR agency with media capabilities	\$35.0	\$18.2	\$5.5	1.9x	6.4x
					High		3.3x	19.1x
					Low		0.6x	4.9x
					Average		1.7x	9.6x
					Narrow Average:		1.6x	8.8x
					Median		1.3x	7.1x

VALUATION BASED ON SUB-SECTOR / SERVICES



COMMON DEAL STRUCTURES

Typical ranges for agencies generating \$15 – 50m of net revenue and \$5 – 20m of EBITDA

	Total Valuation	Upfront	Deferred
Global Consulting / IT Services Firm	10x – 14x EBITDA	70% – 80%	20% – 30% retention & revenue based 2 – 3-year earnout
Independent & PE Backed Agencies	6x – 9x EBITDA	51% – 80%; up to 7.2x LTM EBITDA	20% – 49% remainder as equity in Parent or 2-3 year earnout
Private Equity Platform	8x – 11x EBITDA	51% – 75%; up to 8.25x LTM EBITDA	25% – 49% remainder as equity

PROCESS OPTIONS

	Negotiated Transaction	Targeted Process	Broad Process
Description	Direct negotiation with a couple of pre-selected parties	Limited auction involving a targeted list of buyers	Broad auction involving all relevant strategic & PE buyers
# of Buyers	1-3	20-30	75 – 100+
Competitive Bidding / True Market Valuation	Limited	Medium	Maximum
Expected Timeline	~3 months	6-8 months	7-9 months
Market Timing Risk	Minimum	Medium	Medium
Management Distraction	Minimum	Medium	Medium
Confidence in Closing	Marginal	Limited	Limited

PROCESS OF SELLING

2-3 Months

Preparation

- Kick-off meeting
- Develop CIM (30-60 slides focused on the technology, market and projections)
- Compile list of potential buyers
- Create a one-pager/teaser that does not share the name and one that does share the name
- Build and finalize financial model
- Initiate pre-marketing
- Client review and approval of presentation, teaser and potential buyers

2-3 Months

Outbound Marketing

- Initiate calls to buyers – bring buyers in at the same time via a priority list
- Send teasers to interested buyers
- Sign NDAs
- Send CIM and answer questions

Buyer Selection and Negotiation

- Facilitate initial due diligence with additional information to interested parties
- Coordinate further management presentations and meetings
- Solicit and Negotiate Letter of Intent
- Select buyer(s) / investor(s)

2-3 Months

Due Diligence & Documentation

- Coordinate final due diligence
- Negotiate final deal points in documents
- Attorneys take the lead in final documentation
- Provides negotiation and support throughout closing
- Advice on integration plan, timing and communication

WHO IS BUYING MARKETING SERVICES?

Private Equity

- PE involved in ~80% of all marketing deals (platform or add-on)
- 30% of market share
- Roll-ups vs. Strategic
- Distressed vs. Growth

International buyers

- Geographic expansion
- Larger influx into the US market
- Cultural dynamics
- Value and structure considerations

Large independents / Small Holdco's

- Support vs. Autonomy
- Good PR – make sure culture is aligned
- Lower values / potential equity

Large Holding Companies

- Publicis has been acquiring;
- Havas and Dentsu looking as well
- Others are on mostly on-hold or divesting

Consulting companies

- Strategy vs. IT services
- Established vs. new in marketing service
- Process vs. creativity
- Tech enabled
- Internal communication
- Internal selling

WHAT ARE BUYERS LOOKING FOR

WHY has volume remained steady, but value has increased... Buyers are looking for **scale, strong financials and that increases the value**

Buyers are paying for premium agencies and veering away from higher risk agencies

- Less sub \$10M transactions being completed
- More > \$20M transactions being completed

Buyers want limited Risk

- AI Risk: Limit by going from AI Strategy to AI KPIs “Leaning In”
- Economic/Geopolitical Risks: Limit by stable revenue (retainer, long projects, repeatable business, low churn)
- Scale Risk: Limited by agencies who have already scaled some
- Low concentration, proven growth and profitability

IMPLICATIONS FOR M&A

- Continued rebound and deal activity in 2026, particularly in high-growth areas
- Megadeals remain important, but middle market (\$20M - \$200M) expected to gradually recover through add-on demand and fragmented market
- Premium valuations for differentiated, tech-enabled platforms
- Buyers prioritizing scalable, data-driven, and ROI-focused capabilities
- Key growth areas for deals:
 - Retail media & commerce enablement
 - Influencer / creator economy
 - Connected TV & digital video
 - Martech / data / identity infrastructure
 - AI-enabled marketing services
 - Vertically focused agencies (depending on the vertical)

PROJECTIONS FOR 2026 MARKETING SERVICES

- ✓ Ongoing pressure on agencies to demonstrate measurable ROI
- ✓ Margin pressure from in-housing and procurement scrutiny that might be mitigated from the use of AI
- ✓ Shift from brand awareness to brand performance and transformation
- ✓ Talent + technology (especially AI) becoming core differentiators
- ✓ PE's who had valuable exits in past few years will raise additional funds, continuing to feed the M&A market

Thank You!

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