# Accenture and WPP hold talks signalling possible shake-up in media-buying sector



Accenture and WPP have engaged in high-level discussions regarding a potential merger or partnership, signalling possible shifts in the advertising and consulting landscape. Sources close to the situation have revealed that senior representatives from both companies, including Accenture’s chair and CEO Julie Sweet, have participated in talks. While the specifics of any deal or its timeline remain unclear, these discussions underscore ongoing strategic manoeuvring amid significant leadership changes and market pressures.

Accenture, the US-based consulting giant valued at approximately $175 billion, has been actively expanding its presence in agency services, particularly through its Accenture Song division. Despite its significant scale, it has yet to develop the same level of media-buying capabilities that traditional advertising groups like WPP boast. WPP, a leading advertising and media agency group worth around £4.5 billion, owns WPP Media (formerly GroupM), the world's largest media-buying entity. This capability has become a critical battleground in the evolving marketing services sector. Industry analysts note that an acquisition or partnership would give Accenture a strong foothold in media buying, an area where it has previously admitted to having gaps. Julie Sweet acknowledged in March that Accenture was intensifying its media operations, a move that aligns with the strategic value WPP’s media assets hold.

Both companies are in transitional phases, with leadership updates reflecting attempts to reposition for future challenges. WPP recently announced Cindy Rose, a Microsoft executive and current non-executive director on WPP’s board, as its new CEO, succeeding Mark Read this September. Accenture is also seeing changes in its agency division leadership, with David Droga stepping down as global CEO of Accenture Song to become vice chair, and Ndidi Oteh taking over in September. Droga has publicly criticised traditional holding company models as "broken," and Accenture Song has explicitly distanced itself from the "old media game," signalling a desire to reshape the agency model significantly.

The discussions between Accenture and WPP are viewed cautiously by some industry insiders. Conversations about potential tie-ups happen frequently within the sector, and many don’t lead to concrete deals. One source indicated that these talks might not have progressed far, while analysts suggest that despite WPP’s ongoing vulnerabilities, its key assets like WPP Media are unlikely to be sold off easily as they are central to its integrated offering. WPP has been under significant pressure, issuing a profit warning in July and witnessing a halving of its share price since the start of the year. It faces competition from rivals like Omnicom Group, which is set to complete its acquisition of Interpublic Group, and Publicis Groupe, which is also gaining market ground.

Financial analysts have described Accenture as a credible potential buyer for WPP and other major agency groups struggling with the traditional advertising business model. Consulting firms like Accenture are seen as natural acquirers of agency groups, partly because of their financial strength and partly due to a strategic interest in integrating technology, data, and consulting services with traditional and digital marketing capabilities. While Accenture historically emphasised organic growth and selective acquisitions, the evolving market dynamics and the demonstrated need for media-buying strength could shift this stance. This perspective is supported by industry figures like Brian Wieser, who notes the industrial logic in Accenture acquiring WPP’s capabilities but also acknowledges that Accenture does not require all of WPP’s agency assets.

Looking to the future, WPP’s new leadership under Cindy Rose may explore strategic options to stabilise and grow the company, potentially making it less vulnerable to takeover bids. However, external suggestions—such as those from financial institutions—highlight that assets like WPP Media could attract significant interest from consultancies seeking to enhance their media presence. Meanwhile, voices like Sir Martin Sorrell’s advocate bold moves in the sector, including potential acquisitions of media buying powerhouses, reflecting broader industry calls for fresh approaches as traditional models face disruption.

In summary, while high-level talks between Accenture and WPP appear to be exploratory at this stage, they illustrate the strategic recalibrations underway in the face of evolving market dynamics, leadership changes, and the need for integrated media and consulting capabilities. Both firms are navigating a complex landscape where combining strengths could redefine their competitive positioning, though the ultimate outcomes remain to be seen.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.prweek.com/article/1925604/accenture-wpp-discussed-potential-m-a-deal)
* Paragraph 2 – [[1]](https://www.prweek.com/article/1925604/accenture-wpp-discussed-potential-m-a-deal), [[3]](https://www.marketingdive.com/news/analyst-accenture-a-credible-buyer-for-beleaguered-wpp-and-publicis/506242/), [[4]](https://www.mmm-online.com/home/channel/agencies/bank-publicis-and-wpp-are-takeover-targets-and-accenture-is-a-credible-buyer/)
* Paragraph 3 – [[1]](https://www.prweek.com/article/1925604/accenture-wpp-discussed-potential-m-a-deal), [[6]](https://bestmediainfo.com/2019/04/accenture-s-droga5-acquisition-reinforces-wpp-s-new-strategic-direction-is-the-right-one-says-mark-read)
* Paragraph 4 – [[1]](https://www.prweek.com/article/1925604/accenture-wpp-discussed-potential-m-a-deal), [[3]](https://www.marketingdive.com/news/analyst-accenture-a-credible-buyer-for-beleaguered-wpp-and-publicis/506242/), [[7]](https://www.mi-3.com.au/13-08-2024/sir-martin-sorrell-9bn-valuation-wipeout-his-new-world-holdco-s4capital-and-why-publicis)
* Paragraph 5 – [[1]](https://www.prweek.com/article/1925604/accenture-wpp-discussed-potential-m-a-deal), [[3]](https://www.marketingdive.com/news/analyst-accenture-a-credible-buyer-for-beleaguered-wpp-and-publicis/506242/), [[4]](https://www.mmm-online.com/home/channel/agencies/bank-publicis-and-wpp-are-takeover-targets-and-accenture-is-a-credible-buyer/), [[7]](https://www.mi-3.com.au/13-08-2024/sir-martin-sorrell-9bn-valuation-wipeout-his-new-world-holdco-s4capital-and-why-publicis)
* Paragraph 6 – [[1]](https://www.prweek.com/article/1925604/accenture-wpp-discussed-potential-m-a-deal), [[4]](https://www.mmm-online.com/home/channel/agencies/bank-publicis-and-wpp-are-takeover-targets-and-accenture-is-a-credible-buyer/)

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## Bibliography

1. <https://www.prweek.com/article/1925604/accenture-wpp-discussed-potential-m-a-deal> - Please view link - unable to able to access data
2. <https://www.mmm-online.com/home/channel/agencies/accenture-large-scale-agency-ma-is-not-our-game-as-we-have-amazing-momentum/> - Accenture's CEO, Pierre Nanterme, stated that large-scale mergers and acquisitions are not part of Accenture's strategy, emphasising the company's focus on organic growth and targeted acquisitions. He highlighted Accenture Interactive's success and its role as a key player in the agency world, gaining significant market share and becoming a leader in digital marketing solutions.
3. <https://www.marketingdive.com/news/analyst-accenture-a-credible-buyer-for-beleaguered-wpp-and-publicis/506242/> - Analyst Jerome Bodin suggested that Accenture is a 'credible buyer' for struggling agency holding companies like WPP and Publicis. He proposed that a consulting or IT services company acquiring an ad agency group is a more likely scenario than a merger between two ad groups, highlighting Accenture's financial strength and strategic interest in such acquisitions.
4. <https://www.mmm-online.com/home/channel/agencies/bank-publicis-and-wpp-are-takeover-targets-and-accenture-is-a-credible-buyer/> - A report from a leading French bank indicated that Publicis Groupe and WPP are potential takeover targets due to pressures on advertising agencies' business models. The report highlighted Accenture as a 'credible buyer' for these companies, suggesting that a consulting firm like Accenture is more likely to acquire an ad agency group than a tech company like Google or Oracle.
5. <https://www.businessinsider.com/potential-accenture-acquisition-targets-under-new-ceo-david-droga-2021-8> - Business Insider discussed potential acquisition targets for Accenture under CEO David Droga, including Horizon Media, a leading independent media agency. The article highlighted that acquiring Horizon would expand Accenture's ad-buying business globally, enabling it to compete with companies like WPP's GroupM and adding several large clients to its roster.
6. <https://bestmediainfo.com/2019/04/accenture-s-droga5-acquisition-reinforces-wpp-s-new-strategic-direction-is-the-right-one-says-mark-read> - WPP CEO Mark Read commented on Accenture's acquisition of Droga5, stating that it reinforces WPP's new strategic direction. He emphasised the importance of creativity to clients and expressed confidence in WPP's strategic approach, suggesting that the acquisition aligns with WPP's focus on creativity and innovation.
7. <https://www.mi-3.com.au/13-08-2024/sir-martin-sorrell-9bn-valuation-wipeout-his-new-world-holdco-s4capital-and-why-publicis> - Sir Martin Sorrell discussed the challenges faced by traditional media giants like WPP, suggesting they should go private or be sold off. He proposed that Accenture should acquire GroupM for $15 billion, highlighting the potential benefits of such a move and the need for transformation in the advertising industry.