

interpartners newsletter

**JANUARY
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We wish you a great Year of the Horse.

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Questions or comment?

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Brazil... 26 states federated into the third largest market of the Americas

In 2012, Brazil was the 8th largest mass consumption market worldwide... and growing. A quarter of the population is good for half of the nation's consumption. During the last decade 30 million persons reached middle class status... reflecting the country's trend towards mass consumption (the bulk of which is driven by credit). Unemployment floats around 5% of the population (190m).

Want to know more about a market which is intriguing your clients, then contact **Fernando Guntovitch** from **Group Com**, Sao Paulo (fguntovitch@group.com.br).

"Fiat and the Eros statue on Piccadilly Circus"

This season, **Doner UK** is sprinkling a little **Fiat** joy around Piccadilly Circus. The statue of Eros at the Piccadilly Circus has been covered with a dome (housed in an inflatable PVC) to make it look like a snow globe.

Naturally, the agency took the advantage of this and has created some great display ads for day and night.

Take a look at the videos [by clicking here](#).

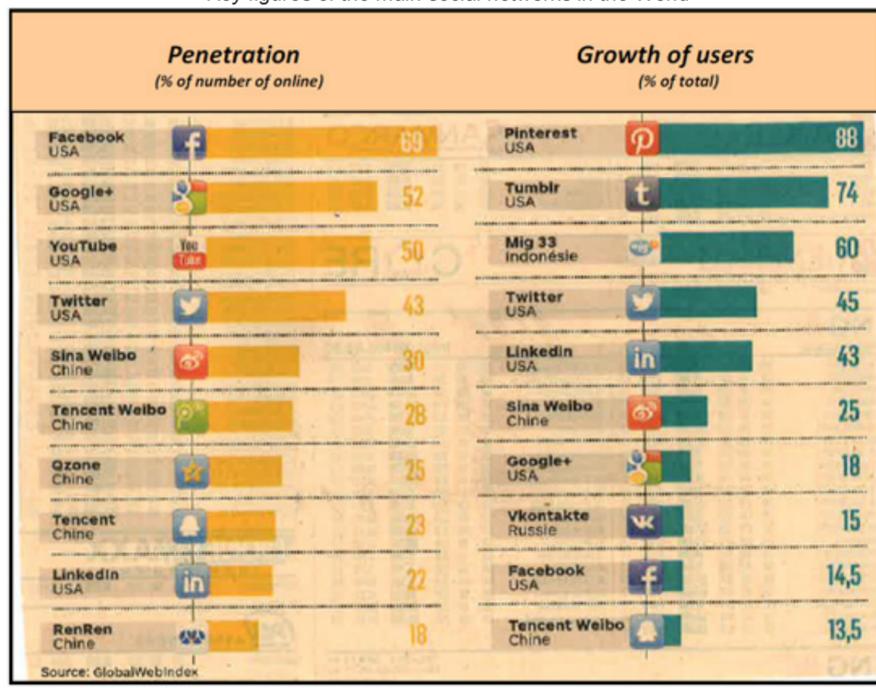


Penetration of social networks

According to **Jeff Bullas** and The Global Network Index (US), the coverage of social networks doesn't stop growing. This is essentially due to mobile phones penetration (454m smartphones sold during the second quarter 2013 alone (or +53% compared to same period 2012)). Some of his conclusions: Google+ tends to compete with Facebook (without beating the latter) – Pinterest and Tumblr are growing spectacularly fast across the world – Social networks are growing fastest (+100%) among 55-64 audiences with LinkedIn showing the largest spread among +45 (21% of its audience) – Growth rates of social networks are strongest in the emerging markets with Sina Weibo, Tencent Weibo and Ozone (all China) on top of all.

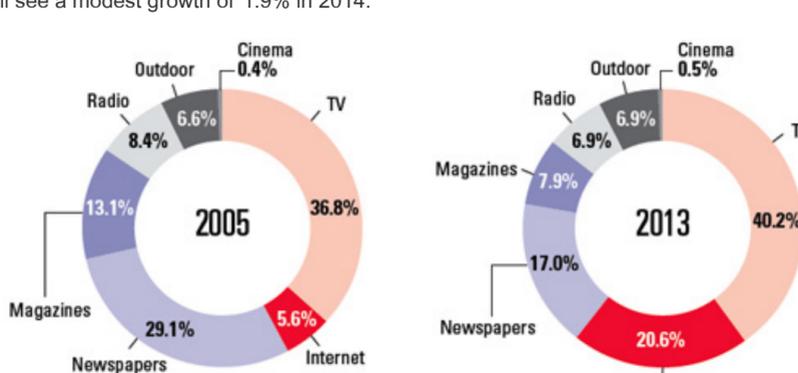
According to Jeff Bullas the public's engagement with social networks may start to slow down: Facebook still has 62% of active users compared with 51% for Twitter and 44% for Google+.

Key figures of the main social networks in the World



A few things you should know about the Global Ad market

Zenith Media recently adjusted global ad spending which are expected to rise to a robust \$500bn in 2013 and growing by 5.3% in 2014. Better still, all regions are rising, with Latin America the fastest-growing one (up to 12.7% in 2016). Spending in Asia Pacific will score single-digit gains of about 6% while Western Europe will see a modest growth of 1.9% in 2014.



The internet is now the world's second largest ad channel, ranking #2 behind TV and should grow to 26.6% of global spending in 2016 (30.7% in the US).

China remains a hot spot and is now the #3 ad market behind the US and Japan. Global marketers such as fast-food seller Yum Brands (KFC) placed 32.8% of its measured media-spending in China (2012), Red Bull 27.5% and watchmaker Swatch 24.1%.

The BRIC countries are ascending: Russia will rank among the 10 largest ad markets, joining China and Brazil (see text above). India, currently the 14th largest ad market, will grow 39% in 2016 vs 2013. Dealing with global marketing HQ's: 36 of them are (still) located in Europe against 23 in Asia, 94 among 100 marketers advertised in the US. Tech spending is soaring, consumer electronics and technologies are the fastest-growing sectors among the global 100, with Samsung Electronics leading the charge. Personal care makes up about a fourth of the 100 largest spenders with P&G, Unilever and L'Oreal leading the club.

Source: Zenith Media in AdAge

A good catch for the New Year

Here's a good omen for our friends in Milan: surely **Daniele de Caro's** fishing talent should reflect on the agency's capability to resist to the crisis. Let's cross fingers and hope that 2014 will effectively be Italy's turn-around year.

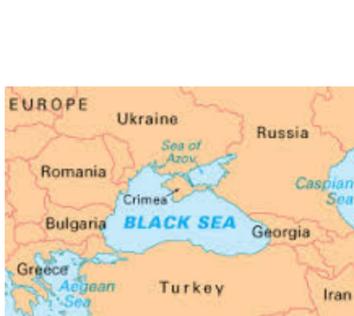


And the winner is... Bucharest

Lucian Georgescu is sharing some pretty good news at the start of the year. After what he considers the toughest year in his agency's existence, he is now entering 2014 with a stronger team, a highly improved creative product and expanded digital know-how. The results are impressive: lately **GAV** won 3 major pitches in a row: **Eden Red** (ex Accor) with a digital CRM campaign, **Bosch** appliances with a campaign covering creative for all brands and an integrated campaign for **Selgros**, a top cash & carry retailer (the latter pitch facing 5 creative competing agencies).

The Black Sea region: a potential 350m – strong market

For many, mentioning the Black Sea Economic Grouping (BSEC) doesn't necessarily rings a bell. Yet marketers are keen to look into this region at Europe's south-eastern flank in a more sophisticated context. They consider it worthwhile to expand market positions acquired in Russia, Turkey or Greece and project a strategic approach covering a large area including the key Balkan countries, as well as the Ukraine, totalling 350m inhabitants covering 20m square kilometres and producing a vastly agglomerated \$300 billion GDP annually. Interestingly, not less than 6 of the BSEC countries are covered by **Interpartners** network agencies, accustomed to think in terms of a trans-national context and accustomed to guide your marketing- and advertising efforts across the region smoothly. Interested? Our Brussels back-up team will be happy to introduce you to the relevant local contact source.



Asian agencies on a global buying spray

Several agency networks from Japan, Korea and China are opting for global expansion. This strategy can be traced back to Dentsu – ranking n 5 with global revenue of \$ 6.4bn in 2012 - which, after unsuccessful efforts to operate own-brand agencies, has opted for partnership alliances with other networks including Havas, Y&R and Publicis. Dentsu bought agencies such as 360i, McGarry Bowen in the US and spent almost \$5 bn to acquire Aegis group last year.

Another player is Korean's Cheil Worldwide – ranking 16th worldwide with 2012 revenue of nearly \$ 600m - trying to escape its reputation as Samsung's in-house agency. The agency expanded in North and South America buying US agencies Barbarian Group in 2009 as well as McKinney in 2012, then merging Cheil US into the New York office of McKinney opened early last year. The USA now represents over 11% of Cheil's revenue.

A new Asian player emerged last month as Chinese group Blue Focus Communications bought a majority stake in London-based social media agency « We Are Social » which it intends to turn into its primary digital brand outside China. Blue Focus pursued its acquisition mode with a 20% stake in Hunsworth Group, a UK PR specialist with international operations, directed from London.

Source: AdAge