



### M&A KEY FACTS

# 410+

Deals in media & technology

# £26m

Median deal size

# £19bn

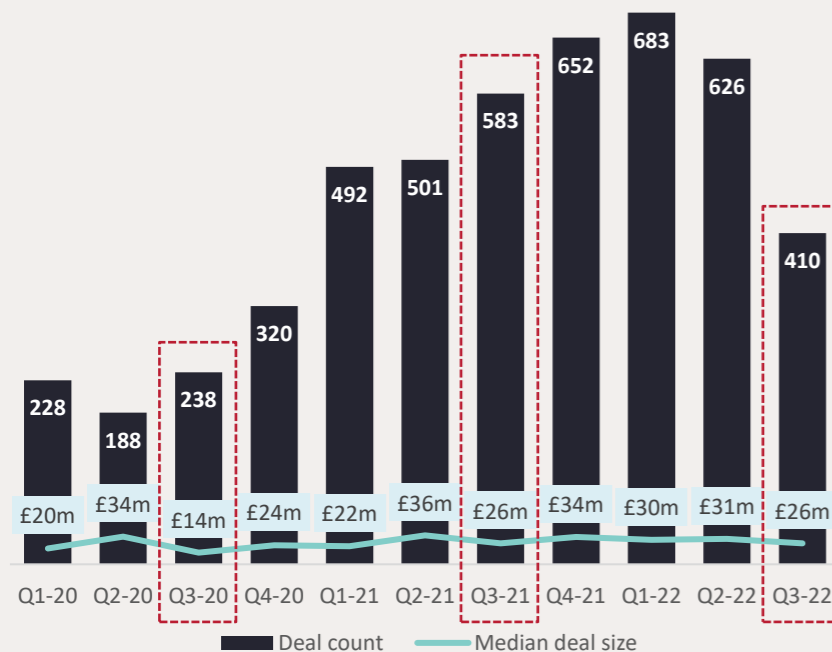
Largest deal: Adobe / Figma

# £69bn

Capital invested (disclosed deals amounts only)

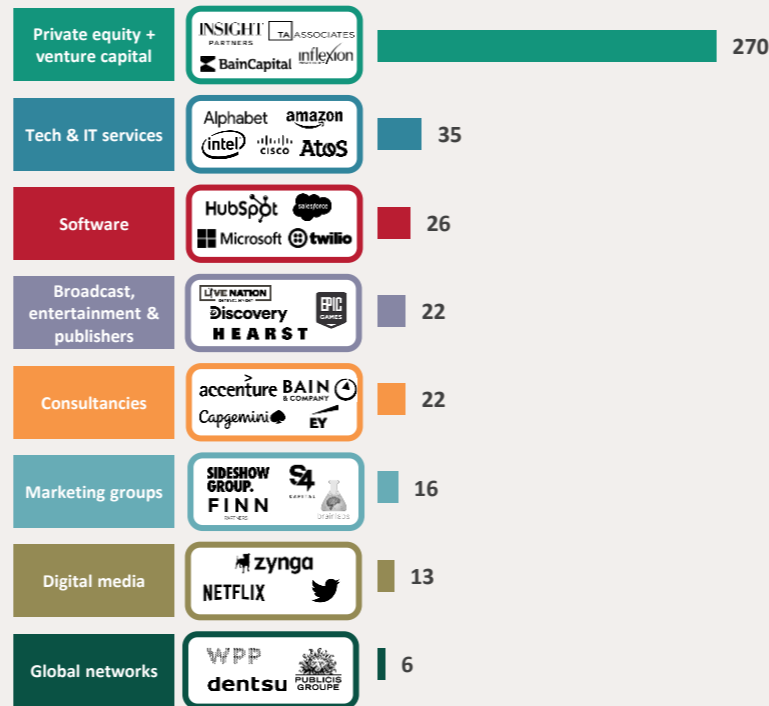
Source: PitchBook

### GLOBAL TRANSACTION TRENDS



Note: Pitchbook Index updated on a quarterly basis

### BUYER & INVESTOR LANDSCAPE OVERVIEW



### THE VIEW FROM WY

Q3 saw an unsurprising decrease in deal volumes across the media and tech sectors as investors and buyers expressed caution at rising interest rates and macroeconomic uncertainty. Despite this, median deal values in the space remained broadly stable between periods at £25-30m.

Traditional corporate acquirers remained active, particularly large consultancies, who were more active in Q3 with 22 deals, looking to acquire adjacent capabilities. The global networks completed six deals between them including three e-commerce agencies (Havas / Expert Edge; WPP / CoreBiz; IPG / RafterOne) and one influencer agency (S4 / XX Artists).

The decrease in deal volume was perhaps most felt in the UK mid-market, where typically acquisitive private-equity backed challenger agencies completed just four acquisitions, two of which were geographical expansion deals in Australia (TMP / Two Bulls; DEPT / Shoptalk).

#### U.S. PERSPECTIVE

American buyers will likely seek to capitalise on the strength of the US dollar to acquire gems in Europe where they will benefit from exchange discounts. European buyers that are financially robust and sufficiently liquid to counter FX pressures, could seek to hedge and stabilise by looking to increase their USD revenues. We therefore expect the US Dollar strength to create new ways for both US and European buyers to look at M&A.

In addition, we expect buyers will aim to find unique growth opportunities in new sectors such as data & intelligence and content management on the technology side. We also expect verticals such as health and beauty and retail media to become more attractive from a consumer perspective.

### SPOTLIGHT ON

#### Gaming / Metaverse

The gaming mega-deals of 2022 (driven by Microsoft and Take-Two) are rumoured to continue with Amazon considering a bid for Electronic Arts. Both gaming aggregators and venture capital companies continue to invest heavily in Metaverse gaming companies, often driven by the in-game purchases model and entry into the crypto and NFT space. The UK lower mid-market saw one of the first metaverse gaming investments last year with Maven investing in XR Games, Following a year of growth, Maven followed on their investment during the quarter.



#### Consultancies

There were 22 acquisitions by the 15 largest consultancies in Q3, broadly in line with Q2, illustrating their commitment to acquire new capabilities, particularly in digital transformation, information technology, and sustainability. During the quarter, Accenture made 11 acquisitions across tech and media, including the addition of 310 cloud advisor specialists in the Netherlands through the acquisition of Sentia.



### NOTABLE DEALS



### WY M&A TRACKER

See how we analyse the latest global M&A activity across the media and technology sectors with our live M&A tracker which can be viewed on our website.

wypartners.com/tracker

