



MEDIA & TECHNOLOGY M&A QUARTERLY REVIEW

Q1-23

M&A KEY FACTS

267+ Deals in media & technology

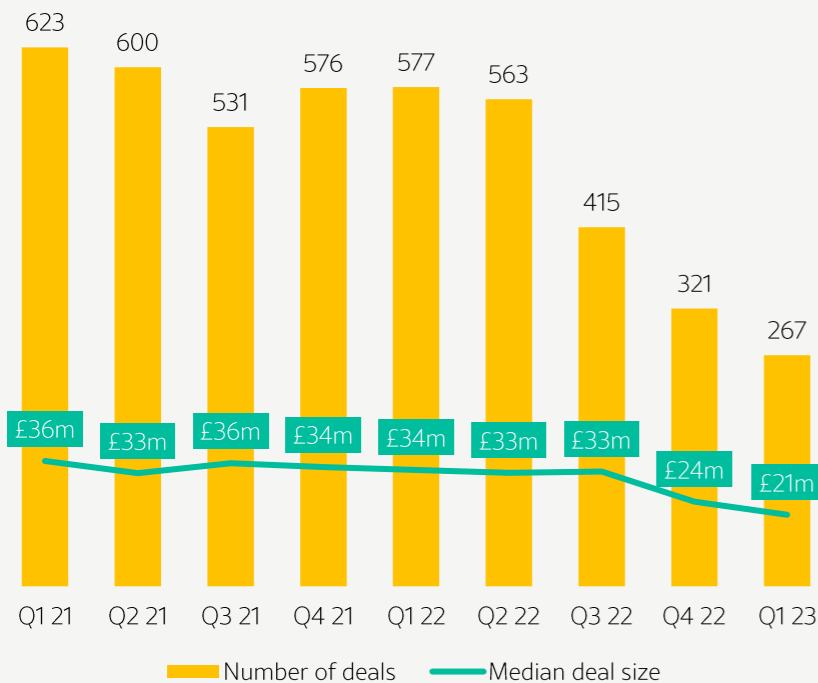
£21m Median deal size

£10bn Largest deal: Silverlake / Qualtrics

£37bn Capital invested (disclosed deals amounts only)

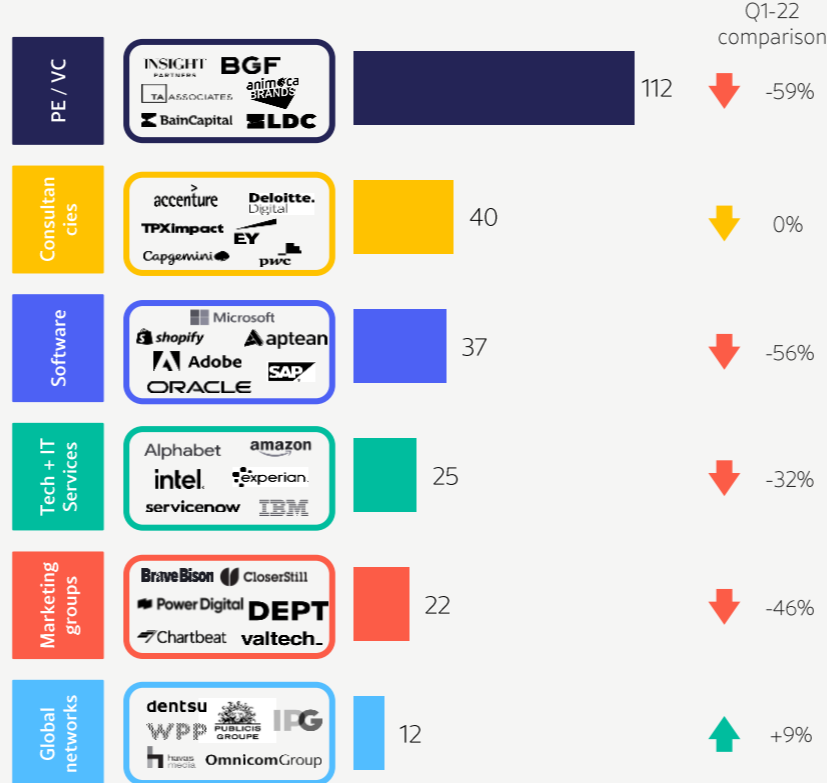
Source: PitchBook / WY analysis

GLOBAL TRANSACTION TRENDS



Note: Deals reflect WY tracked investors only / Pitchbook Index updated quarterly

BUYER & INVESTOR LANDSCAPE



SPOTLIGHT ON

Global networks

Q1 was the most acquisitive quarter in recent years for the global, who together completed 12 deals in addition to Dentsu agreeing to acquire global omnichannel digital production house Tag Worldwide. Perhaps most eye-catching was WPP's acquisition of Goat, the UK's incumbent influencer marketing agency, which will join forces with GroupM. Merkle (Dentsu) also agreed to acquire B2B agency, Shift7.



Consultancies

Established consulting firms continued to look to M&A in Q1 to acquire adjacent capabilities, particularly data and insights led businesses and tech vendor specialists. This was illustrated by Accenture's acquisitions of SKS Group (SAP) and Inspirage (Oracle) and EY's acquisitions of Tallan (Microsoft Azure) and eBorn consulting (SAP). The largest deal in the consultancy space was Cognizant's acquisition of Mobica, a tech and digital transformation specialist based in Wilmslow.



THE VIEW FROM WY

Q1 has seen buyers and investors across the media and technology landscape continuing to exercise the levels of caution that we saw at the back end of 2022. Deal volumes were approximately three-quarters of the levels seen in Q4. Perhaps unsurprisingly, technology buyers were the most adversely impacted in what is proving to be a period of re-set for global tech players, who are utilising mass lay-offs coupled with investment in AI to build more robust business models.

There is cause for optimism, however. The global networks and established consultancies have demonstrated historically their ability to overcome macroeconomic challenges and their resilience has been apparent again in Q1-23 as both buyer groups remained as active in the market as over the previous two years. For the networks, WPP acquired two influencer agencies at the end of March, Dentsu agreed to acquire Tag and Publicis made two acquisitions. Accenture (9 deals) and EY (6) remain the most active consultancies. Both businesses acquired SAP specialists during the quarter, illustrating that individual tech platform specialists continue to be attractive M&A targets.

With the British Chamber of Commerce [forecasting increasing business investment and a return to GDP growth from Q3](#), we hope that increased market confidence from buyers and investors will lead to an uptick in transaction volumes as the year progresses.

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

