Publicis Groupe Transforms VivaKi: A New Step for Growth

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Publicis Groupe [EURONEXT Paris: FR0000130577] today announced that VivaKi, the initiative launched in 2008 through the combined scale and leadership of Digitas, Starcom MediaVest Group, ZenithOptimedia and later Razorfish, will become a separate business unit more broadly available to all Publicis Groupe agencies and the market. VivaKi was created to accelerate the digital transformation of Publicis Groupe and its agencies, and as a result the Groupe will derive 35 percent* of its revenue from digital activities. VivaKi has also initiated and expanded the power of partnerships with Google, Facebook, Microsoft, AOL and many other players for Publicis Groupe, and it has delivered innovative products and services such as The Pool and Audience on Demand (AOD).

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The four founding agencies will leverage the benefits of VivaKi in new ways, according to Jack Klues, CEO of VivaKi. “The VivaKi ecosystem fostered an unprecedented level of collaboration,” he said. “The agencies have shaped and perfected our offerings, worked together to create valuable new solutions, and embraced a transformational philosophy of building, borrowing and sharing to the benefit of our clients. Digitas, Razorfish, SMG and ZenithOptimedia will continue to inform our roadmap even as they continue to enhance their own, unique propositions.”

* With LBi acquisition
SMG has accelerated its digital offering by reinventing its core product around human experience, leveraging VivaKi products and expanding strategic partnerships with key technology companies. The integration of Big Fuel into its global, social offering is an example of integrating new media forms into the number one brand globally. “Digital growth is a core commitment for us and, as a result, SMG is the only media agency listed in Forrester’s New Interactive Agency Landscape (July 2012). We have calculated that more than 32 percent of our media billings represent digital investments, making us the largest media agency in the digital marketplace,” said Laura Desmond, CEO of Starcom MediaVest Group.

ZenithOptimedia has enhanced its ‘ROI Agency’ proposition through ‘Live ROI’, and taken on the global rollout of Performics, one of the world’s premier performance marketing agencies, as part of VivaKi. “Delivering measurable results to clients in a digital world pivots on our ability to effectively leverage scale, and VivaKties our value proposition to a level that no other agency or network can achieve,” said Steve King, CEO of ZenithOptimedia.

Razorfish and Digitas have benefited from the massive media clout and centralized ability of VivaKi to build tools and solutions that enhance the eCommerce offering of Razorfish, and the Social CRM capabilities of Digitas. As a result, the digital agencies have evolved and differentiated rapidly. “The Forrester report recently called Digitas a ‘new breed of marketing partner that blends strategy, creative, technology, media, and data offerings to connect brands and their audiences,’” said Bob Lord, CEO of Razorfish. “Razorfish has been called a ‘Business Transformer,’ creating new agency models and inventing new products that clients need. Both agencies were also prominently featured in the Gartner Magic Quadrant report issued in October.”

**VivaKi Transformed**

The VivaKi agencies will gain greater autonomy to differentiate and collaborate with this evolution, yet they will remain tightly linked to the progress and offering of VivaKi, and as a result, they will report directly to Maurice Lévy. VivaKi will be transformed from a platform of coordination and collaboration to a business unit opened to all Groupe agencies and the market. It will extend the offerings of the Nerve Center, including AOD and the Pool, to clients of Publicis Groupe and ultimately to clients outside of the Groupe.

“The Nerve Center has been one of the most successful accomplishments of VivaKi,” said Lévy. “Still the only operation of its kind in our industry, it brings strategic innovations to life by leveraging the collective influence of its agencies. It allows us to create world class offerings in the Center rather than building duplicate capabilities inside each agency. Efficient innovation is its hallmark. All CEOs and leaders will immediately engage VivaKi to leverage its products and services, and to create blueprints for new tools and technologies that will make us stronger, more efficient and more imaginative partners to our clients.”

VivaKi will also continue to advance its product development and Partnership Practice—a team that works with companies like Google, Facebook, Microsoft, etc. to create first-mover opportunities, new products and preferred pricing. VivaKi Ventures, a group that aligns with pioneering start-ups to surface new opportunities and products that benefit clients, will also be enhanced and all pursuits will be made in the interest of media, digital, creative, healthcare and all other Groupe assets.

VivaKi Exchange (VX) operations that currently exist in more than a dozen global markets will continue with oversight from VivaKi Country Chairs (VCC) who will align with the media agencies to oversee VX operations and whose duties will include deployment and adoption of VivaKi offerings in local markets.

Project Olympic—the VivaKi automation and standardization initiative currently in its third year—will also expand its remit to the entire Groupe to achieve process reinvention, streamlined workflow and automation that empowers global talent to focus more on innovation and ideas and less on manual tasks and transactional duties.

**VivaKi Management**

According to Lévy, VivaKi CEO Jack Klues is going to help set VivaKi on its new course, and then map his retirement. Klues will retire as CEO at the end of 2012 after 35 years with the organization, though he will remain with Publicis Groupe through the first half of 2013 to help establish VivaKi as a separate business unit.

Frank Voris will serve as CEO of the strategically focused VivaKi, partnering with Rishad Tobaccowala, who remains VivaKi’s Chief Innovation and Strategy Officer.
Voris, who has served as VivaKi CFO since its inception, has been responsible for all VivaKi operations, including technology, product development and the integration of acquisition targets, since the entity was launched in 2008. Tobaccowala is a 30-year industry thought leader who has pioneered several industry firsts, including VivaKi Ventures, Denuo and other future-focused operational units that have delivered gaming, mobile and internet expertise to marketers.

An executive board comprised of Desmond, King, Lord and Voris will collaborate on VivaKi product strategies, priorities and transactional tools and services.

About Publicis Groupe
Publicis Groupe [Euronext Paris FR0000130577, part of the CAC 40 index] is the third largest communications group in the world, offering the full range of services and skills: digital and traditional advertising, public affairs and events, media buying and specialized communication. Its major networks are Leo Burnett, MSLGROUP, PHCG (Publicis Healthcare Communications Group), Publicis Worldwide, Rosetta and Saatchi & Saatchi. VivaKi, the Groupe's media and digital accelerator, includes Digitas, Razorfish, Starcom MediaVest Group and ZenithOptimedia. Present in 104 countries, the Groupe employs 56,000 professionals.

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