

AUTOMOTIVE

## Mercedes-Benz strikes multi-year deal with Publicis

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*Mercedes-Benz struck up the deal after six months of negotiation. Image credit: Mercedes-Benz*

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By STAFF REPORTS

French advertising group Publicis has scored big by winning a multi-year contract with Daimler's Mercedes-Benz.

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According to Reuters, the contract is one of the biggest wins for the agency in years, making it the official global digital agency of one of the top 10 biggest advertisers in the world. After news of the agreement broke, shares in Publicis' stock jumped sharply as a testament to the importance of this deal ([see story](#)).

"This was without a doubt the biggest pitch in the industry over the past 18 months, and one of the most significant wins for the group in many years," said Arthur Sadoun, chief executive of Publicis, in an internal memo acquired by Reuters.

### New partnerships

The agreement between Publicis and Mercedes-Benz represents two of the biggest forces in their respective industries coming together.

Mercedes-Benz's owner Daimler spent \$5 billion on advertising in 2016, according to AdAge, making it one of the biggest advertisers in the world thanks to its stable of big brands such as Mercedes-Benz.

Publicis is the third largest ad company in the world, and Mercedes-Benz is hoping that it will be able to consolidate the brand's worldwide content to create a more consistent look and feel between countries.

According to the internal memo obtained by Reuters, the two companies were in negotiation for six months before the final deal was struck, with Publicis winning out over its larger competitors WPP and Omnicom.



*Mercedes-Benz's new A-class. Image credit: Mercedes-Benz*

Mercedes-Benz will also likely be looking to Publicis to help it avoid faux-pas such as the recent controversy around an Instagram post the brand made that brought reprimand from the Chinese government.

In an Instagram post, Mercedes-Benz posted a quote from the Dalai Lama, a religious leader that the Chinese government considers a fugitive from the law for his participation in the Tibetan uprising in 1959.

The Chinese government has a strict policy of criticizing or banning any content that paints the Tibetan independence movement in a positive light and Mercedes-Benz was forced to apologize in order to keep up the relationship with China ([see story](#)).

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