Inside Publicis Groupe's Surprise Acquisition of ID Business Lotame

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Publicis Groupe has acquired data company Lotame, announcing on Thursday plans to integrate the business into its data powerhouse Epsilon.

Publicis chief executive (CEO) Arthur Sadoun told ADWEEK the purchase will allow the holding group to reach 91% of adult internet users globally to deliver "personalized messaging at scale."

Founded in 2006, Lotame collects, organizes, and analyzes information about people's online behavior across 109 countries. As advertisers have moved away from third-party cookies, the U.S.-founded company's propriety identity-based tools have delivered 1.6 billion IDs, attracting clients including PepsiCo and Carat. It also offers data management tools.

Within the next three months, the business will be fully incorporated into Epsilon—the data platform Publicis purchased for $4 billion in 2019—and accessible to all Publicis clients. The union will give Publicis access to 4 billion unique customer profiles globally.

Led by founder and CEO Andy Monfried, Lotame will be positioned as part of Epsilon, but Sadoun said the brand won't be sunset entirely and may continue to operate under its own

name for now in regions including APAC.

Lotame's 150+ staff will become part of Publicis. Sadoun said the company will be able to continue working with its more than 4,000 existing clients, some of which include rival ad networks.

The exec declined to disclose the sum of the deal. However, he said this acquisition, combined with Publicis' recent purchases of Influential, Mars United Commerce, and BR media, meant it had spent "roughly $1.5 billion" on M&A over the last six months.

The company has earmarked $800 to $900 million for M&A in 2025, with a focus on areas like first-party data, production, digital media, and innovative technology.

'Connect or die'

As the war for revenues heats up among the 'big six' holding companies, this acquisition could help Publicis, which closed the year with organic revenue growth of 5.8%, further differentiate itself.

This is particularly crucial ahead of Omnicom's takeover of IPG, which is set to displace the French group as the largest advertising and marketing services company by revenues if the deal passes regulatory approvals.

While Lotame is not an AI business, Sadoun said it will bolster Publicis' CoreAI centralized operating system, which aids its 100,000 employees in areas including insight generation, media planning and buying, and creative execution.

"In the age of AI, the name of the game is connect or die," he said.

"The only way to connect a marketing ecosystem is to have a connected identity. We're basically doing two things to get

that; making sure we have the best first-party data stack that translates into the largest level of identity, [and investing in] CoreAI, which allows us to do things with our data we couldn’t do a couple of years ago,” Sadoun added.

When Publicis unveiled CoreAI in 2024, backed by a $320 million investment, it put global CSO and Publicis NY CEO Carla Serrano at the helm. Fourteen months on, she said she’s seeing more demand from clients (especially in CPG and finance) to build propriety AI into their tech stacks.

“Owning our data has been the sort of the fulcrum that allows us to do that,” she explained. “These businesses want customized data sets that give them a competitive advantage that’s not out there in the marketplace.”



Beyond scale and innovation, the Lotame deal also marks a geographical play from Publicis.

Scott Hagedorn, Publicis’ global chief solutions architect, told ADWEEK that while Epsilon already had a strong hand in the U.S. and Europe, Lotame would drive its APAC and EMEA expansion.

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