WPP Merges Geometry Into VMLY&R

Last week, we learned that WPP merged AKQA and Grey to form AKQA Group. Today, the holding company announced that it's bringing together commerce and experience agency Geometry and creative powerhouse VMLY&R. The Geometry brand name will be dropped; the new company will be named VMLY&R Commerce and start official operations on Jan. 1.

The agency will fall under VMLY&R's remit. Beth Ann Kaminkow, who joined Geometry in spring 2019, becomes VMLY&R Commerce CEO, working closely with VMLY&R global CEO Jon Cook.

While the pandemic has accelerated the demand for brand commerce-based solutions and new consumer experiences, that was not the main reason for merging Geometry—which counts Coca-Cola, GSK, General Mills, Kimberly Clark and Lidl as main clients—into VMLY&R. Both Cook and Kaminkow saw an opportunity to bring the two together to further scale, simplify and accentuate each agency's core strengths.

"One of the biggest reasons [for bringing the agencies together] is that we felt that there was an opportunity to create what we think will be the most powerful commerce capability and ad agency at global scale," said Cook.

According to Kaminkow, instead of being in a experiencing business declines due to the pandemic, client demand in commerce accelerated rapidly, with brands turning their attention to navigating a new era.

"Experiences are immersed in the commerce space," said Kaminkow. "And it's becoming a place of brand-building, as

well as driving massive consumer engagement." Kaminkow also hinted that potentially bringing in other agencies could play into future plans through merging existing shops or acquisition.

"This can make this a very strong commerce powerhouse for clients," she said.

There are no noticeable gaps that need to be filled with Geometry joining VMLY&R. Each has global scope, and several clients are shared. According to Cook, harnessing momentum was another consideration for the new agency, but also its place in the marketing ecosystem, writ large.

"It's clear to me that relevance [is important]," he said. "You can't be relevant as an agency with any scale without a full commerce component. This becomes a world-class commerce operation, right alongside brand and customer experience [we're] already doing as an agency. We think we'll be one of the most relevant offerings in the industry."

Kaminkow noted that clients are asking agencies like hers about more strategic and consultative in the new commerce era. Folding the agency into VMLY&R made sense, as it creates a more seamless experience for clients. The merger also meets the demand for relevance, as it builds more equity for the newly-formed agency.

"Rather than focusing on making Geometry stronger—and having another big brand for WPP—it makes sense to take VMLY&R, that already has enormous equity, and focus externally to create a seamless client interface," said Kaminkow. "There's a huge opportunity to dimensionalize our offerings."

It's unclear how the move will affect staffing—Kaminkow referenced "some back-office efficiencies," but didn't offer any further comment. Still, both she and Cook are optimistic that both cultures, focused on building the next generation of commerce agencies, can coexist well.

“Our intention is for [VMLY&R Commerce] to be a distinct company, but fully connected,” said Cook. “This wasn’t a [forced merger]. We’ve taken the time to author this the right way, with the full support of WPP leadership, including (CEO) Mark Read. This [merging of companies] was a choice and not something we’re reacting to.”

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