

Rumor Confirmed, H2 Media Opps: #9 IBM moves media account after appointing new CMO (Score 86)

Mar 30, 2017 by Josh Stone

Update (3/29): We received further insight about what's going on with Mindshare, NYC and IBM, #9 in the Vulnerable Account Index (more info below). The entire \$~100M+ account is in fact moving to GroupM's Mindshare, which already had TV, from WPP sibling Neo@Ogilvy. The transition will begin April 1, with Bluemix, security and systems moving first. So, start chasing H2 RFPs for those segments, but look for the other business lines to follow shortly.

Besides a new CMO taking over (more info below), shifting agencies within a holding group is another big harbinger of a media review, especially if it's a case of the same staff moving over to handle the account. With blood in the water, media shops with the ability to handle this large account should be all over it. Creative reviews often follow media changes, so advertising shops should stay on Big Blue, as well.

Below published 3/28

We've received word that IBM, #9 in the Vulnerable Account Index, is moving digital media to Mindshare, NYC from WPP sibling Neo@Ogilvy.

We haven't been able to confirm this 100% yet, but we wouldn't be surprised agencies are moving since IBM is such a vulnerable account. While we track down more info, we wanted to keep sellers posted because the transition is taking place shortly. Readers with proven ability to reach business decision makers (BDMs) should start engaging the new shop now to lock down upcoming RFPs.

Big Blue's \$~100M+ advertising budget the past year has been dominated by Watson TV and desktop video ads. On the digital side, \$48M has garnered 3.7 billion impressions. \$19.2M, or 40%, was spent on desktop video, while most of the remaining \$27.4M supported desktop ads.

Almost 90% of ads have run direct on sites such as Turner's cnn.com, espn.com, nytimes.com, forbes.com, nbcnews.com, businessinsider.com, washingtonpost.com, economist.com, time.com and wsj.com. All of these sites ran desktop, desktop video and mobile IBM ads.

Creative agencies - keep going after long struggling IBM. Media reviews often follow creative, and vice versa. Also, Michelle Peluso, IBM's first VP and CMO, is still only five months on the job (research here) and should be looking at ways to keep growing IBM's newer and much more profitable products, such as Watson.

Cognitive Solutions accounts for only 23% of revenue but generates about 41% of IBM's profits, making it the IBM's top performing business. Meanwhile, Technology Services and Cloud Platforms accounts for 44% of total revenue but only 41% of total profit.

IBM Corporation

1 New Orchard Rd.
Armonk, NY 10504
(914) 766-1900

Michelle Peluso

Chief Marketing Officer
(914) 766-1900
michelle.peluso@ibm.com

