

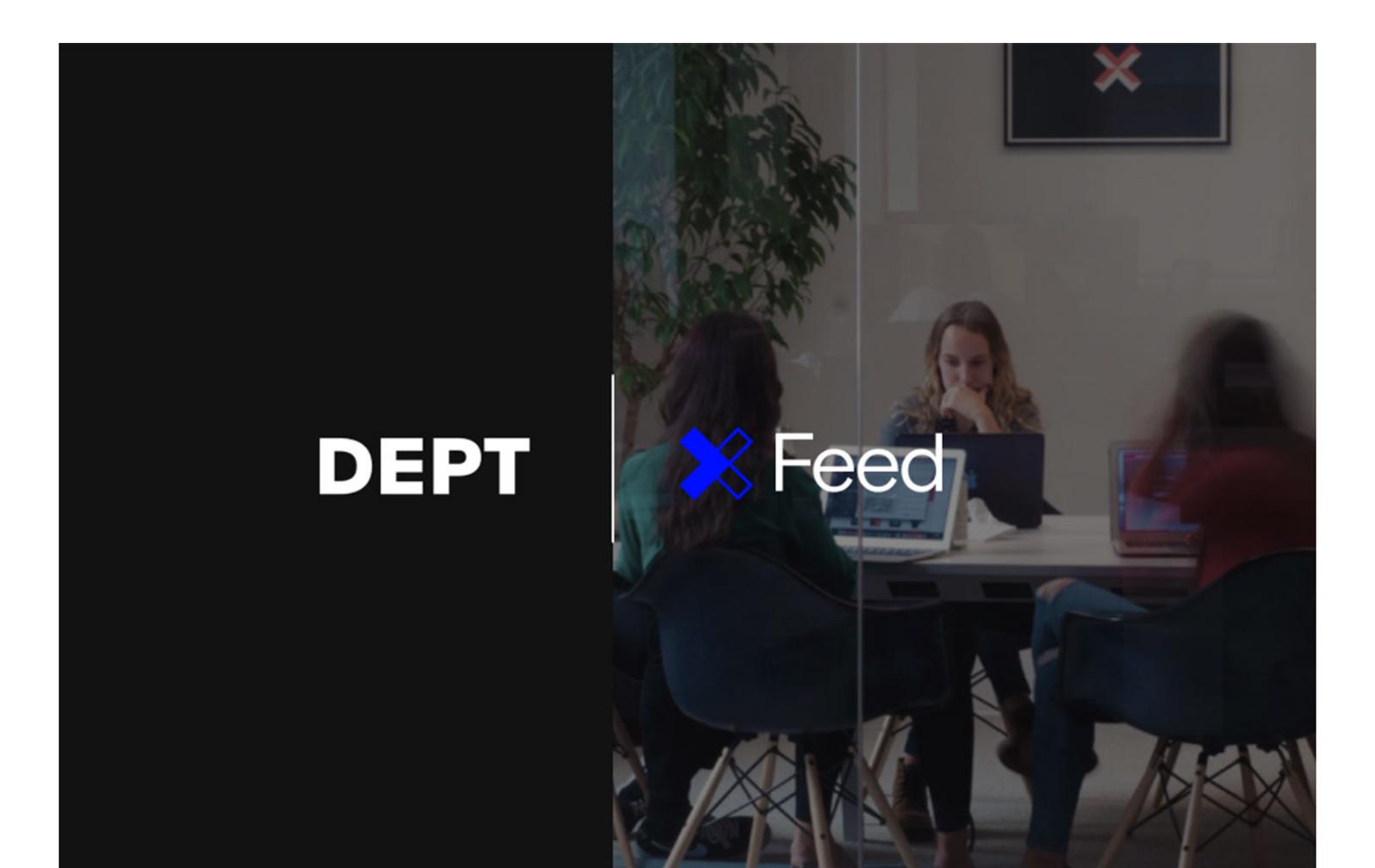


Gideon Spanier

How long? | 2-3 minutes

# Dept acquires digital shop Feed to tap into personalised creative content boom

Second UK acquisition this year for Dutch digital 'challenger' agency.



**DEPT**

 **Feed**

*Dept: on an expansion drive after winning private equity investment in 2019*

Dept, the Dutch-based “challenger” agency group, has made its second significant acquisition in the UK this year by buying Feed, a digital marketing shop.

Feed, which is led by Matt Lynch, the majority shareholder, is known for delivering “hyper-personalised” digital content at scale by using consumer insights, omnichannel planning and proprietary creative automation technology.

The agency claims to use “smart processes”, “smart design thinking” and “smart tech” to deploy hundreds of thousands of different creative executions a month for brands such as eBay, Gumtree, and Ancestry.com.

Feed was founded in 2005 and employs about 200 people globally, after organically building a network of offices in London, Manchester, Berlin, Paris, Sydney, Toronto and San Francisco.

Lynch said the digital marketing landscape has expanded “in terms of data, targeting, martech and personalisation” but marketers find it “extremely difficult to take advantage of all those great, rich resources around them because it is ultimately too difficult, too slow and too expensive to make content for every single stage of that customer journey”

Feed has sought to fill that gap in the market as it creates content at scale so that “brands can truly communicate on a one-to-one basis”, he said.

“We think there is so much opportunity in delivering great experiences that will help drive loyalty for brands but I don’t think agencies are that well equipped to make content at the level that’s needed.”

Dimi Albers, chief executive of Dept, said Feed’s international scale was part of its appeal as it means the group will enter the new markets of Canada and Australia and be able to serve global clients.

Dept announced earlier this week it had hired Vishnu Mohan, former chair of Havas Group South-east Asia, India and North Asia, to launch in Asia-Pacific.

Dept is on an expansion drive after winning investment from private equity firm The Carlyle Group in 2019 and employs more than 2,000 staff. “The idea that marketing and tech are truly integrated” is a key focus, Albers said.

Lynch, who started work as an apprentice designer at the age of 16 and is now 38, said: “As the next step for Feed, we wanted to offer our amazing clients new skills, deeper expertise, and opportunities for innovation.

“Joining with Dept allows us to do that in a way that’s culturally aligned, authentic and with a shared set of values that make us feel like we’re already home,” he said, citing Dept’s social and environmental commitments after it became B-Corp-certified earlier this year.

Feed’s management and some staff also have share options, some of which are held through an employee benefit trust that will convert into Dept shares, Lynch said.

UK accounts for The Feed Group show it had revenues of about £10m in the year to April 2020 and it is thought they are now upwards of £20m.

## **“Everyone now is talking about the need for personalisation at scale”**

Lynch said he was initially exploring whether to acquire, rather than sell, when he got to know Dept through SI Partners, a corporate adviser to Feed.

Dept previously bought Byte, a UK marketing technology agency, which specialises in digital creative work on platforms such as Facebook and TikTok, in February 2021.

Alex Miller, co-founder of Byte, said his agency will work closely with Lynch and the Feed team.

“Everyone now is talking about the need for personalisation at scale – whether you’re a media agency, a creative agency or even a PR agency, in some instances, but actually being able to deliver that sustainably is really challenging and very rare,” Miller said.

“What Feed is doing consistently for global brands – the quality of what they’re delivering, hundreds of thousands of personalised creative assets across the world – fills a huge gap in the marketing tick box list for clients.”

Dynamic advertising, messaging on chatbots and AI-powered tools to do automated creative and copywriting are all key areas for Dept’s creative practice, Miller said.

Dept will employ about 400 staff in the UK following its latest acquisition.

The digital agency group is one of a new breed of digital-first “challenger” companies, such as S4 Capital and You & Mr Jones, which are looking to disrupt the agency sector.