




# ADVERTISING AGENCY

LECTURE 3 AND 4



# ADVERTISING AGENCY

- Firm that
- (1) creates new promotional ideas,
- (2) designs print, radio, television, and internet advertisements,
- (3) books advertisement space and time,
- (4) plans and conducts advertising campaigns,
- (5) commissions research and surveys, and
- (6) provides other such services that help a client in entering and succeeding in a chosen market.

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- An **advertising agency** or **ad agency** is a service business dedicated to creating, planning and handling advertising (and sometimes other forms of promotion) for its clients.
  - An Advertising Agency or ad agency is a service provider that works for clients to create an effective and goal oriented advertising campaign aimed at representing the Company positively in the eyes of its target customers.

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**ACCORDING TO AMERICAN ASSOCIATION OF ADVERTISING** “AN ADVERTISING AGENCY IS AN INDEPENDENT ORGANIZATION OF CREATIVE PEOPLE AND BUSINESS PEOPLE WHO SPECIALIZE IN DEVELOPING AND PREPARING MARKET PLANS, ADVERTISEMENTS, AND OTHER PROMOTIONAL TOOLS”.



# PRIMARY SERVICES OF ADVERTISING AGENCIES

Complete  
a  
marketing  
analysis

Develop  
an  
advertising  
plan

Prepare  
a  
creative  
strategy

Create  
advertising  
executions

Develop and  
implement a  
media plan

Handle  
billing and  
payments

Integrate  
other  
marketing  
communic  
ations



# TYPES OF ADVERTISING AGENCY



## FULL SERVICE AGENCIES

- A full service ad agency is one that provides a range of marketing services. A full services agency provides services that are directly related to advertising such as copywriting, artwork, production of ads, media planning etc. It also provides such services in respect of pricing, distribution, packaging, product design etc

## MODULAR AGENCIES

- A modular agency is a full service agency that sells its services on a piece meal basis. Thus an advertiser may commission an agency's creative department to develop an ad campaign while obtaining other agency services elsewhere.
- Or, an advertiser may hire an agencies media department to plan and execute a program for advertising that another agency has developed. Fees are charged for actual work undertaken.



## IN HOUSE AGENCIES

- Those companies, which prefer to have closer control over advertising, have their own in-house agency. This type is owned completely by the advertiser.
- It performs almost all functions that an outside advertising agency would perform and that's why some people refer to it as full-service advertising department of the advertiser.

## CREATIVE BOUTIQUES

- These are shop agencies that provides only creative functions and not full-service. The specialized creative functions include copy writing, artwork and production of ads, they charge a fee or percentage of full service agencies, and as such most of them convert into a full service agency or merge with other agencies to provide a wide range of services.



# STRUCTURE OF AD AGENCY



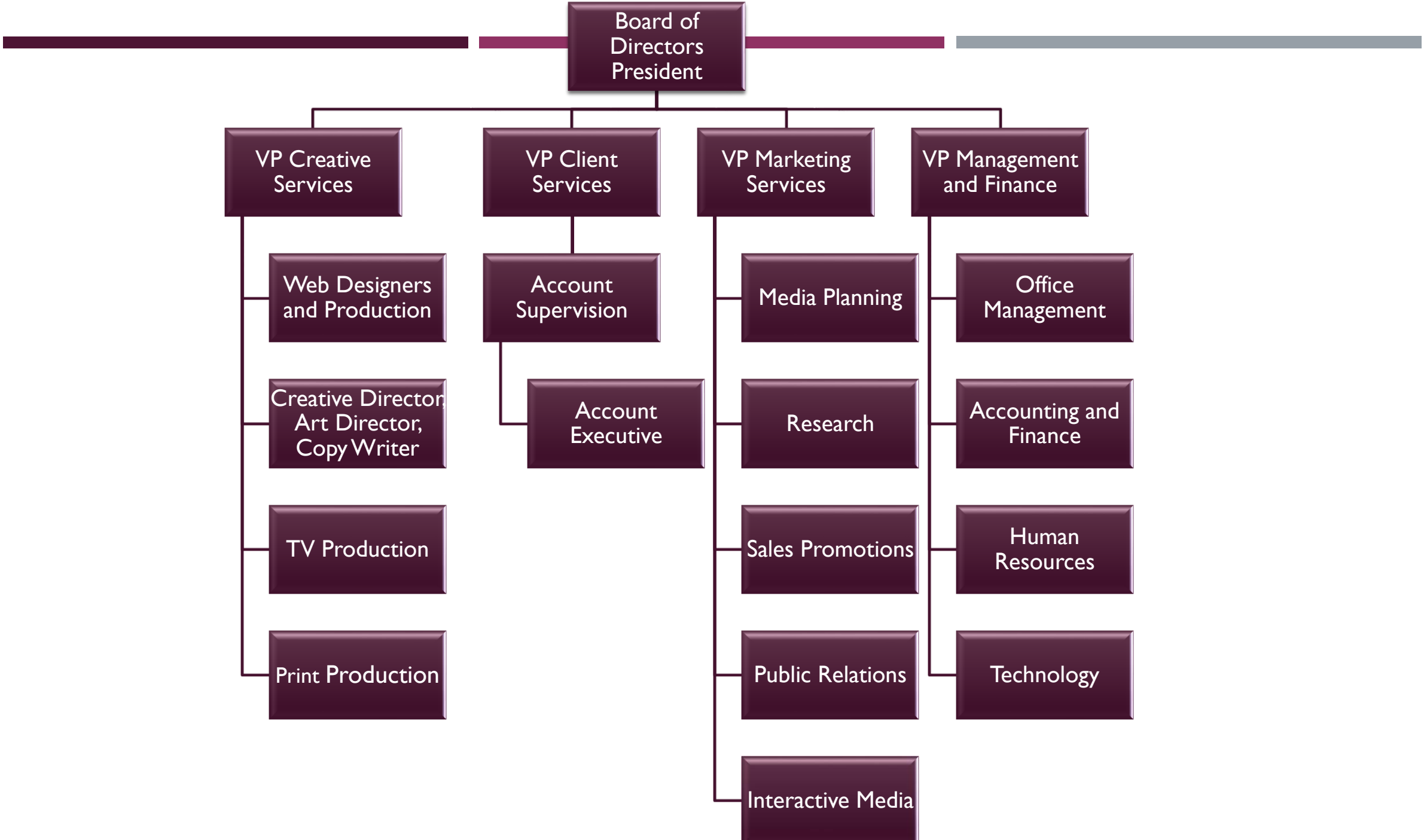
# DEPARTMENTS OF AN AD AGENCY

In general these departments are:

1. Client Services
2. Creative & Production
3. Marketing Services
4. Management and Finance

Larger agencies may also separate out the following departments:

- Human Resources & Facilities
- Research
- Web development



# I. CREATIVE SERVICES

- It actually produces the ad.
- The principle role is to manage the overall advertising campaign for a client.
- Generating ideas, designing concepts and creating the final advertisement.
- Consists of specialists in graphic design, film and audio production, copywriting, computer programming, and much more.

## 2. CLIENT /ACCOUNT SERVICES DEPARTMENT

- Most important department.
- Responsible for building relationships with client
- Taking all major decisions related to a client.
- Responsibilities include locating and negotiating to acquire clients.
- Works closely with the client to develop advertising strategy.

# 3. MARKETING SERVICES

- Advise the client as to what media to use for his or her message.
- Understanding the nuances of different media.
- Looks for the best media match for a client and also negotiates the best deals.
- Media purchased based on advertisement.
- Placing ads in appropriate media
- Assess client's market situation.
- Test creative ideas.
- Measures whether the campaign reached its objectives