

Advertising agencies

[Business](#), [Marketing](#)



INTRODUCTION

ADVERTISING

AGENCIES:

The work of a tailor is to collect the raw material, find matching threads, cut the cloth in desired shape, finally stitch the cloth and deliver it to the customer.” Advertising Agency is just like a tailor. It creates the ads, plans how, when and where it should be delivered and hands it over to the client. Advertising agencies are mostly not dependent on any organizations. These agencies take all the efforts for selling the product of the clients. They have a group of people expert in their particular fields, thus helping the companies or organizations to reach their target customer in an easy and simple way. The first Advertising Agency was William Taylor in 1786 followed by James “ Jem” White in 1800 in London and Reynell & Son in 1812.

DEFINITION OF ADVERTISING AGENCIES

1. An advertising agency is a professional services firm, generally hired to conceive, produce and manage the showing of commercial messages (radio, TV, outdoor, print, Internet, etc.) as well as provide marketing and merchandising advice and general business and promotional counsel regarding the goods or services produced, distributed and/or sold by the agency’s clients.
2. Establishments primarily engaged in preparing advertising (writing copy, artwork, graphics, and other creative work) and placing such advertising in periodicals, newspapers, radio and television, or other advertising media for clients on a contract or fee basis.

ROLE OF ADVERTISING AGENCIES

1. Creating an advertise on the basis of information gathered about product
2. Doing research on the company and the product and reactions of the customers.
3. Planning for type of media to be used, when and where to be used, and for how much time to be used.
4. Taking the feedbacks from the clients as well as the customers and then deciding the further line of action

All companies can do this work by themselves. They can make ads, print or advertise them on televisions or other media places; they can manage the accounts also. Then why do they need advertising agencies? The reasons behind hiring the advertising agencies by the companies are: The agencies are expert in this field. They have a team of different people for different functions like copywriters, art directors, planners, etc. The agencies make optimum use of these people, their experience and their knowledge. They work with an objective and are very professionals.

Hiring them leads in saving the costs up to some extent

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EngineS OF ADVERTISING AGENCIES

ON THE BASIS OF SERVICE PROVIDED:

1. Full service Agencies
- a. Large size agencies.
- b. Deals with all stages of advertisement.
- c. Different expert people for different departments.
- d. Starts work from gathering data and analyzing and ends on payment of bills to the media people.

2. Interactive Agencies

- a. Modernized modes of communication are used.
- b. Uses online advertisements, sending personal messages on mobile phones, etc.
- c. The ads produced are very interactive, having very new concepts, and very innovative.
- d. Creative Boutiques
- e. Very creative and innovative ads.
- f. No other function is performed other than creating actual ads.
- g. Small sized agencies with their own copywriters, directors, and creative people.

3. Media Buying Agencies

- a. Buys place for advertise and sells it to the advertisers.
- b. Sells time in which advertisement will be placed.
- c. Schedules slots at different television channels and radio stations.
- d. Finally supervises or checks whether the ad has been telecasted at opted time and place or not.

4. In-House Agencies

- a. As good as the full service agencies.
- b. Big organization prefers these types of agencies which are in built and work only for them.
- c. These agencies work as per the requirements of the organizations.

5. Search engine agencies

Lately, pay per click (PPC) and search engine optimization (SEO) firms have been classified by some as "agencies" because they create media and implement media purchases of text-based (or image-based, in some instances

of search marketing) ads. This relatively young industry has been slow to

adopt the term " agency", however with the creation of ads (either text or image) and media purchases; they do technically qualify as advertising agencies.

6. Social media agencies

Social media agencies specialize in promotion of brands in the various social media platforms like blogs, social networkingsites, Q&A sites, discussion forums, and micro-blogs. The two key services of social media agencies are: Social media management, online reputation management.

7. Healthcare communications agencies

Healthcare communications agencies specialize in strategic communications and marketing services for the Healthcare and LifeScienceindustries. These agencies distinguish themselves through an understanding of the strict labeling and marketing guidelines mandated by the U. S. Foodand Drug Administration (FDA) and industry group guidelines, notably ADVAMED and PHARMA.

8. Medical education agencies:-

Medical education agencies specialize in creating educational content for the healthcare and life science industries. These agencies typically specialize in one of two areas: Promotional education – education and training materials tied to the promotion of a given product or therapy Continuing medical education – accredited education and training materials created for continuing physician and medical professional education

9. Other agencies

While not only advertising agencies, enterprisetechlogyagencies often

work in tandem with advertising agencies to provide a specialized subset of services offered by some interactive agencies: Web 2.0 website design and development, Content management systems, web application development, and other intuitive technology solutions for the web, mobile devices and emerging digital platforms.

ON THE BASIS OF ADVERTISING MEDIUM:

There are various media through which one can advertise. They are print medium, web marketing, television production, radio, billboards, mobile marketing, etc. There are agencies which provide advertising solutions for all these platforms. But there are specific agencies which work exclusively for one medium alone. They are:

1. Digital Advertising Agency

2. Creative Advertising Agency
3. Television Production Advertising Agency
4. Radio Advertising Agency

Each advertising agency specializes in marketing on their respective mediums.

1. Digital Advertising Agency:

A digital advertising agency works on providing marketing strategies to rope in web users. There is an exponential rise in the number of web users in India every day. So, in order to convert online viewers into potential customers, a digital advertising agency provides advertising solutions to meet these specific marketing needs. They are responsible for creating attractive website designs so as to attract the viewers. It also provides search engine optimization solutions.

Creates forums, discussion rooms, chat facility, social media advertising and other such advertising solutions. They also come up with blogs, articles, monthly newsletters and feedback forms to interact with the customers. Digital advertising agencies also provide solutions for mobile marketing. They design website that suits exclusively for the Smartphone users, making your website accessible to your customer 24/7.

2. Creative Advertising Agency:

A creative advertising agency provides advertising solutions through print medium. It encompasses marketing needs ranging from designing corporate identity such as logo, business cards and letter heads to pamphlets, newspaper advertising, print ads in magazines, billboards, hoardings, etc. Billboards and hoardings are, at times, carried out by outdoor advertising agencies as well.

3. Television production advertising agency: Television production advertising agencies create the commercials that are telecast on TV attracting the mass audience. The agency comes with ideas, makes concepts out of them, live shoots it and produces the final output for the client. It also creates 3D animated ads and computer graphic related ads.

4. Radio Advertising Agency:

Creating an advertising campaign through the radio is the cheapest form of advertising. A radio advertising agency's main forte is to create attractive radio jingles. A catchy jingle will make the listener hold on to the tune, thus registering your brand effectively. Advertising solutions for effective marketing needs will enhance your business. Hence it is essential to choose

the appropriate medium for your requirements. IMPORTANCE OF ADVERTISING AGENCIES

Every house advertising agency also needs to be a success on the market. Good advertising is a key element for successful business. Where a notice quality, of services, the advertising agency well known very important. You can say that advertising is one of the most important marketing tools in the market today. Due to the increasing popularity of ads for business development, significant growth in the number of advertising agencies in the media. There are many advertising agencies in the market today and each one promises to give you quality services. You should select an advertising agency for your business very carefully as many means of advertising for successfully running your business. If you plan to get great results, then it is always advisable to go in for reputed and experienced advertising agency in business for some time. Because of their experience in the advertising world, they will give you good services when it comes to creating eye catching and interesting advertisements for your home business. There are many ways to choose a good advertising agency. Word of mouth is one of the best options to collect information on advertising agencies. Ask your friends and relatives already employed advertising agencies services. Ask them what quality of service they are getting and are happy with the results? Listen carefully, for this will help you decide on what services advertising agency you can go in for. Browsing through the internet as well as a very good choice. You can read reviews of various advertising agencies, visit the websites of various advertising agencies, check them and then choose accordingly for the best advertising agency whose services are in

accordance with your budget. Many times there is public relations advertising agency staff in business helps to build a house on the goodwill and also market information on business and the home of their products and services on the market provide. In advertising agencies, employees are working for different departments. Employees work in the best possible way so that the advertising campaign for your home business a success on the market. The medium of advertising is mainly based on the product and the target. Nowadays the popularity of internet advertising is growing rapidly and many companies to the method of advertising options. Things to promote technical services of advertising technology built primarily because they are well versed with the advertising of technical products. Business houses in particular small and medium business houses rely on most of the advertising because it is the greatest tool to make their presence felt in the market. You should always choose the advertising agency that suits your needs and budget aptly so he can get more return for you. You should not go overboard and choose an advertising agency on your behalf. So subscribe for good advertising agencies and services your company to grow in market.

ORGANIZATIONAL STRUCTURE OF AN ADVERTISING AGENCY

Advertising agencies come in all shapes and sizes. Some are small boutique shops that have just a few people. Others are giants that employ thousands of people in offices all around the world. But, however large or small the agency, there is a basic structure that most advertising agencies stick to. In the smaller agencies, some people will perform more than one role. One person may actually be the entire department. But the fundamentals are the same, and it's because this model was born out of necessity and it works.

There are SIX major departments in any advertising agency. These can be split into other sub-departments, or given various creative names, but the skeleton is the same. These departments are:

Account	Service
Account	Planning
Creative	
Finance;	Accounts
Media	Buying
Production	

Larger agencies may also separate out the following departments: Human Resources ; Facilities

Research

Web development

Traffic

Here's a look at the breakdown of those six major departments. Account Services

The account service department comprises account executives, account managers and account directors, and is responsible for liaising with the agency's many clients. This department is the link between the many departments within the agency, and the clients who pay the bills. In the past they were referred to as "the suits," and there have been many battles between the account services department and the creative department. But as most creatives know, a good account services team is essential to a good advertising campaign. A solid creative brief is one of the main duties of account services.

The relationship between the client, advertising agency & consumers

Account

Planning

This department combines research with strategic thinking. Often a mix of researchers and account managers, the account planning department provides consumer insights, strategic direction, research, focus groups and assists helps keep advertising campaigns on target and on brand. Chris Cowpe described account planning as “ the discipline that brings the consumer into the process of developing advertising. To be truly effective, advertising must be both distinctive and relevant, and planning helps on both counts.”

Creative

This is the engine of any advertising agency. It's the lifeblood of the business, because the creative department is responsible for the product. And an ad agency is only as good as the ads the creative department puts out. The roles within the creative department are many and varied, and usually include: Copywriters

Art

Directors

Designers

Production

Artists

Web

Designers

Associate

Creative

Directors

Creative

Directors

In many agencies, copywriters and art directors are paired up, working as teams. They will also bring in the talents of other designers and production artists as and when the job requires it. Sometimes, traffic is handled by a

position within the creative department, although that is usually part of the production department. Everyone within creative services reports to the Creative Director. It is his or her role to steer the creative product, making sure it is on brand, on brief and on time.

Finance ; Accounts

Money, at the end of the day, that's what ad agencies want. And it's what their clients want, too. At the center of all the money coming into, and going out of, the agency is the finance and accounts department. This department is responsible for handling payment of salaries, benefits, vendor costs, travel, day-to-day business costs and everything else you'd expect from doing business. It's been said that approximately 70% of an ad agency's income pays salary and benefits to employees. However, this figure varies depending on the size and success of the agency in question.

Media Buying

It is the function of the media buying department to procure the advertising time and/or space required for a successful advertising campaign. This includes TV and radio time, outdoor (billboards, posters, guerrilla), magazine and newspaper insertions, internet banners and takeovers, and, well, anywhere else an ad can be placed for a fee. This usually involves close collaboration with the creative department who came up with the initial ideas, as well as the client and the kind of exposure they want. This department is usually steered by a media director.

Production

Ideas are just ideas until they're made real. This is the job of the production department. During the creative process, the production department will be

consulted to talk about the feasibility of executing certain ideas. Once the ad is sold to the client, the creative and account teams will collaborate with production to get the campaign produced on budget. This can be anything from getting original photography or illustration produced, working with printers, hiring typographers and TV directors, and a myriad of other disciplines needed to get an ad campaign published. Production also works closely with the media department, who will supply the specs and deadlines for the jobs. In small to mid-sized agencies, traffic is also a part of the production department. It is the job of traffic to get each and every job through the various stages of account management, creative development, media buying and production in a set timeframe. Traffic will also ensure that work flows through the agency smoothly, preventing jams that may overwhelm creative teams and lead to very long hours, missed deadlines and problematic client relationships. Traffic keeps the agency's heart beating.

Ad	agencies	make	money:-
Commission	usually	15%	of gross costs
Fees	usually	based on	negotiated hourly rate
Incentives	still relatively new and	problematic	usually based on performance goals

TOP 10 INDIAN ADVERTISING AGENCIES

1. Ogilvy & Mather: Ogilvy & Mather is an international advertising, public relations and marketing agency established in 1948. This New-York based firm

operates in 125 countries across the world, with its Indian operation centre—

<https://assignbuster.com/advertising-agencies/>

Ogilvy Advertising—in Mumbai. Ogilvy & Mather is the creative team behind India's most successful and renowned brands such as Hutch (Vodafone), Cadbury, Asian Paints and Fevicol. The O&M network offers services to countless Fortune Global 500 companies across the world. Ogilvy Advertising continues to remain India's number one advertising agency.

2. J Walter Thompson: Popularly known as JWT, J Walter Thompson is headquartered in New York having offices in over 90 countries. It was set up in 1864 and even today, continues to create, innovate and define the world of communication in India. JWT has many feathers in its cap including Nestle, Cadbury, Bayer, Ford, Nokia and Unilever. Among its several accolades, JWT was recently proffered with the “Grand Prix” award at the 2008 Cannes Lions International Advertising Festival for the “Lead India” campaign.

3. Mudra Communication: Mumbai-based Mudra Communication was set up in 1980 with the aim of using the art of communication to express ideas that shape its brands. The Mudra team focuses on its consumers and their needs and experiences. Its four agency networks ensure a customized and collaborative approach to create a brand experience for its clients. Mudra Communication has promoted famous brands like Neutrogena, HBO, Philips, Reliance NetConnect, Big Bazaar and Mary Kay in such a way that it creates a lasting impression in the hearts of its consumers.

4. FCB Ulka Advertising Ltd.: since its inception in 1961, has continued to be among the top 5 advertising agencies in India. This company's aim has always been to create advertising that is noticeable and that is most relevant to the buyer, not the seller. Some of FCB Ulka's successful ads include Tata Indicom, Whirlpool, Zee Cinema, Santoor, Sunfeast and Amul, among others.

FCB Ulka is considered as a turnaround specialist that indulges in more than just brand building.

5. Rediffusion DY & R: is a Mumbai-based advertising agency that was set up in 1973. It focuses primarily on integrated PR services and media relations. This firm stands proud at number 5.

6. McCann Erickson India Ltd.: The tagline “ Thanda Matlab Coca Cola” is the brainchild of one of India’s leading advertising agencies McCann Erickson India Ltd. McCann Erickson was born out of a successful and profitable merger in 1930, and its offices in Australia, Southeast Asia, Latin America, Europe and India speak volumes about its advertising success till date. One of the many feathers in its cap is the famous brand line “ For everything else, there’s MasterCard.”

7. RK Swamy BBDO Advertising Ltd.: is one of India’s leading integrated communication services providers, which is committed to developing marketing solutions for its clients. Its focus—to offer intelligent, cost - effective and creative solutions—has led it to achieve a remarkable double-digit growth in the past recession-hit period. R K Swamy BBDO is a subsidiary of the R K Swamy Hansa Group, which boasts of over 1000 employees and operations across India and the USA.

8. Grey Worldwide (I) Pvt. Ltd.: is a Mumbai-based advertising agency specializing in providing effective advertising and marketing solutions. With offices in Delhi, Kolkata, Bangalore and Ahmedabad, Grey Worldwide India Pvt. Ltd. is part of the larger family called the Grey Global Group. Following are some of the brands that feature on Grey India’s noteworthy list of clients:

Hero `Honda, Maruti Suzuki, Nestle, Indian Oil, Ambuja Cement, UTV, P&G and Godrej.

9. Leo Burnett India Pvt. Ltd.: The creative team of Leo Burnett India Pvt. Ltd. has, over the years, successfully offered consumers with powerful brand experiences using ads like McDonald's, Heinz, Complan, Bajaj and HDFC, to name a few. A regular award winner at the Cannes festival, India's Leo Burnett has been proclaimed as one of the most creative agencies of the country.

10. Contract Advertising India Ltd.: Since its inception in 1986, Contract Advertising India Ltd. has skillfully delivered successful results to its high-profile clientele including Tata Indicom, Religare, Asian Paints, Domino's Pizza, SpiceJet, Samonsite and American Tourister. Contract Advertising India Ltd. is known for its one-of-a-kind specialty divisions that provide complete advertising solutions. These divisions include DesignSutra, iContract and Core Consulting.

SUMMARY

The advertising agencies have become an essential part of every business these days. Even if a business has the best product or the best service on offer it is not successful until it is spread to the right masses who are aware of these businesses and thus use their product. So the advertising agencies play an important role in the success of a business. The companies have an option of either creating an in-house advertising department which would be directly controlled by the business. It will have full control over the advertising development to suit their needs that they think would spread the

news about their product the most. The recruitment and the managing of the staff there will be directly by the business. Independent advertising agencies have also come up which deal only in making and airing advertisements in various Medias for their clients. So the business has the choice of going to these independent advertising agencies that have dealing with products of all categories and are experts in their field and thus will be having a better knowledge & exposure then the in-house advertising agencies. These agencies work all the year round so they have the best of the skill and experience about how the advertisement should be developed for a business or a particular product of theirs for the various medias of advertising & how they would be effective in impacting the section of the society that is targeted. The agencies are really important as they know what medium will be the best for a particular product as they are also distinguished on the basis of the media they use & their expertise in it.

REFERENCES

The references of the definitions of advertising agencies, guidelines of how the agencies are distinguished were taken from the following three websites:

- I. www. managementstudyguide. com
- II. www. agencyfinder. com
- III. www. salessolution. com