

8 Major Functions of an Advertising Agency

If you're thinking about opening an advertising agency, you should pursue it. Many companies hire advertising agencies to help promote their products and their business in general. That said, there's an undeniable potential for profitability in running one.

But before you start [preparing your advertising agency business plan](#), you need to be familiar with what an ad agency does. In doing so, you'll know what to expect once you begin operations, enabling you to start strong as an ad agency owner. So, without further delay, here are eight major functions of an advertising agency.

Onboard New Clients

The simplest yet most important principle in running an ad agency is this: without clients, an agency won't generate any revenue, which could mean it won't survive long. That principle doesn't just apply to ad agencies, but other service-based businesses as well. So, that's why client onboarding is a crucial process.

Client onboarding is the process of acquainting prospective clients to the nature of your business. It's a way of introducing them to what benefits and satisfactions your company brings. Many agencies use client onboarding as part of their [marketing strategies](#), and it worked. With the media platforms that we have today, client onboarding is more convenient than ever. So, make sure to add it to your to-do checklist.

Based on a report by [Wyzowl.com](#), 97% of individuals see video as an excellent tool to educate and welcome new clients or customers. So, when you conduct client onboarding, doing it through video would be the best option.

Manage Client Accounts

Advertising agencies cater to multiple clients simultaneously. Effectively keeping tabs of all clients is near impossible without a systematic method. For that reason, ad agencies include client account management as one of their standard procedures. Each account contains details of a client's biodata, business, project, advertising needs, demands, preferences, and payment records. By managing client accounts, an ad agency can track their clients' status easily.

Thanks to modern digital tools, account management became less of a hassle. There are even account management programs that are available for purchase online. With their help, service-based businesses like ad agencies were able to optimize their account management efficiency. So consider purchasing one when you launch your agency.

Conduct Market Research

We all know that the main role of ad agencies is to promote their clients' businesses. But before they can do that, they must understand their clients' target market. Because of that, [market research](#) is an essential step in their operations. They never overlook or skip it. If they do, their clients will be unhappy and unsatisfied in the end.

Market research enables ad agencies to know the behaviors of their clients' consumers. It gives them ideas on what strategies to formulate in promoting their clients' business with precision. Aside from consumers, ad agencies can study their clients' competitors through market research. That's also important because their clients want to stand out against their competitors. So they must help them in that department.

With those in mind, always take note of market research. Make sure to integrate it into your standard operating procedures soon. Market research is key to delivering a quality advertising service to your future clients.

Devise Advertising Plans

After doing market research, ad agencies don't just go straight ahead to create advertisements. They [devise advertising plans](#) beforehand. [Advertising plans](#) contain every bit of info about what they're going to advertise and how they'll do it. Ad agencies usually present their advertising plans to their clients. They act as a [proposal](#) to inform their clients about the strategies they'll take.

Some clients might not approve of the proposed advertising plans. In such cases, agencies may have to revise them. But, if they can explain how their tactics will work, their clients will give them the green light to execute them. That's actually a typical approach among ad agencies. They have to convince their clients that their suggested plan will work, which is fitting. After all, they're the real experts in advertising, not their clients.

Produce Advertisements

It's a general fact that ad agencies produce advertisements. Even people who aren't business gurus can instantly get the impression that ad agencies create ads. With that said, you can say that advertisement production is the most significant function of ad agencies. It's their bread and butter.

The people responsible for creating ads are an agency's creative team. They produce ads that capture the interests of the clients' target consumers across multiple media platforms. Examples of what they create are TV commercials, radio commercials, web ads, [billboards](#), [posters](#), [flyers](#), and [brochures](#).

Without a creative team, producing high-quality ads will be difficult. So, when your ad agency is up and running, see to it to have a talented creative team in your workforce.

Coordinate with Stakeholders

The stakeholders of an ad campaign are mainly the clients and distributors. It's every ad agency's responsibility to coordinate with them for the successful launch of ad campaigns. For one, they need to confirm if the ad met the standards of their clients. In fact, they have to involve their clients during planning and production. When it comes to the distributors, they must communicate regarding the specific media channels where the ad will appear. They also have to discuss particular distribution patterns to ensure ads will reach the intended audience.

You have to be ready for this matter when your agency starts producing ads. Through coordination, you can bridge gaps that hinder the consistency of your future agency.

Establish Public Relations

One of the core functions of ad agencies is to establish good public relations. Public relations refers to the practice of maintaining an organization's reputation by conveying a positive image or brand. How do ad agencies do that? Well, through the ad campaigns that they produce for their clients.

Public relations is among the reasons why ad agencies must create ads carefully. What's at stake is the identity of their clients' business and their reputation as outsourced advertisers. So, keep this in mind in running your ad agency soon.

Keep in Touch with Clients

Once services are complete, and an agency presents a quotation to a client, their relationship doesn't stop there. Even after the success of an ad campaign, ad agencies still communicate with their clients. They cultivate their relationship with them for future collaborations. When their past clients have new projects, they might schedule a meeting with them for a rehire.

In running a service-based business, retaining clients is vital for steady revenue. Always remember that.

All of the things we've discussed here aren't just functions of ad agencies. They're also planning and management tactics that you must apply. What you've learned here will guide you in building a reputable advertising agency.