

Increasing Your Revenue as a New Advertising Agency - 7 Tips

As of 2018, WPP recorded the highest revenue among advertising agencies worldwide with \$20.8 million, followed by Omnicom Group (\$15.3 million) and Publicis Groupe (\$11.7 million), according to a report by Statista. It's not a surprise, however. Those advertising agencies have been around for many years. Plus, they cater to many clients regularly.

Realistically, for your new agency to achieve what WPP, Omnicom, and Publicis achieved is a far-fetched goal yet. It'll take many years to make your new agency that big and profitable. But it could get there eventually. If you want that, you should start by increasing revenue. Here, we'll give you seven practical tips to increase the revenue of your new advertising agency.

Set Client Outcomes as the Ultimate Prize

For a service-based business like your ad agency, its primary focus should be meeting client outcomes. These outcomes are your clients' expectations, needs, wants, and business goals. If your agency can fulfill client outcomes consistently, people will perceive it as a company that prioritizes clients. As a result, your agency could [get more clients](#) interested in its services.

So, set client outcomes as the ultimate prize. Meeting client outcomes consistently will open many opportunities for your agency. Always keep your clients satisfied by providing the best service that you can offer. Clients are the main generators of revenue. So manage them well and keep them coming back for future projects. Remember that more clients mean more revenue.

Do Thorough Market Research Frequently

Doing [market research](#) can benefit both your agency and your clients. First, market research can help your agency garner attention in the advertising industry, enabling it to attract and get more clients in the process. Knowing the demands in the advertising industry allows you to promote your agency to the right market demographic. Second, market research is necessary for devising efficient [marketing strategies](#) for your clients. Familiarizing the behaviors and buying patterns of your clients' target customers can help you in formulating successful ad campaigns for them.

With those in mind, make market research a standard operating procedure in your agency. Market research can indeed bring many benefits to your agency. In general, it can increase your agency's marketability and efficiency in delivering service to the clients. Those two lead to one ultimate result, which is an increase in revenue.

Start with a Manageable Clientele

We mentioned earlier that more clients mean more revenue. Yes, it's a fact that you must always remember. But because your agency is new, handling too many clients might be impractical. First of all, your workforce might not be enough yet to manage multiple projects. Second, your resources might not be sufficient to produce a handful of ad campaigns simultaneously. In that case, your agency could end up unable to present outputs on schedule. Subsequently, your agency could lose clients, which also means it'll lose revenue.

We know that catering to many clients sounds good for business. But for a start-up agency such as yours, rushing to increase clientele could cause adverse effects. So, take it slow. Handle a few clients to start with and focus on providing timely quality service to them. In doing so, you'll be establishing trust with your clients. That trust could lead them to become regular clients. And when you have regular clients, your agency will obtain a steadily increasing revenue.

Avoid Over-Servicing

Exceeding your clients' expectations is one way of ensuring their satisfaction. But doing it too much isn't right. That's already over-servicing. Over-servicing is the act of performing work that defies project guidelines and client outcomes. Although the intention is good, the results will speak otherwise. Most of the time, over-servicing can cause suboptimal results instead of impressing clients.

Over-servicing is a profitability destroyer because it likely forces service providers to exceed the [budget](#). On top of that, it's a waste of resources, time, and effort. If you commit over-servicing for a client's project, and you send him or her a [quotation](#), he or she might not want to pay the full price. The client has the right to do just that. Why? That's because going beyond the project's scope and not following the objectives checklist wasn't the agreement. Hence, your agency will lose revenue.

Going the extra mile is good, but always remember not to do overdo it. Better yet, just adhere to the expectations and preferences of your clients. If you strongly suggest

changes in a project's scope, make sure to present a [proposal](#) or memo to your clients first.

Team Up with Competent Individuals

In your [advertising agency business plan](#), you should emphasize teaming up with competent individuals. Increasing revenue is an impossible task if you do it alone or with an incapable workforce. That said, make sure to recruit people with promising prowess in advertising. This doesn't mean you must hire experienced individuals. Even though recruits are fresh graduates or entry-level employees, as long as they have the potential and dedication, welcome them to your advertising team.

Once you have your team, work closely with them. During your meetings with them, assign one team member to use a [meeting minutes](#) sheet to take down important notes. With the help of an excellent workforce, increasing revenue is highly probable.

Invest in Training Your People

We all know that there's always room for improvement, no matter how good someone or something becomes. With that in mind, you should invest in training your employees. Yes, such an investment is quite expensive, but it'll translate to huge returns. Having a team with advanced advertising skills can boost productivity and efficiency. And those two are key elements in increasing revenue and profit.

Establish Other Revenue Streams

Do you ever wonder why some big companies were naming themselves so simplistically? If you are, the answer to that question is that they didn't want to limit their revenue streams. Take Apple, for example. Apple was once officially called Apple Computers. When the iPhone was announced, Steve Jobs (founder of Apple) removed the word "Computers" from the company name to imply that his company is no longer just a computer manufacturer.

Because Apple explored phone manufacturing as another revenue stream, its profits skyrocketed, which is evident to this day. With that said, your ad agency should offer other products or services aside from advertising. Doing so might not propel your profit the way the iPhone did for Apple, but it increases revenue slowly but surely.