

Module 4: Advertising

Lesson 3 - How Ads Get Made

OVERVIEW

In this lesson, students will gain a general understanding of how advertising campaigns are created.

OBJECTIVES

1. Explain the concept of a brief.
2. Distinguish between an advertising agency and the creation of ads in-house.
3. Identify the two primary types of advertising agencies.
4. Recognize the benefits of working with an agency.
5. Describe the six steps in the ad-making process.
6. Explain why a business or brand would launch a multimedia campaign.

KEY TERMS

Agency

Brief

In-house advertisement

Multimedia advertising

This Lesson Bundle Includes:

- How Ads Get Made - Lesson Outline
- How Ads Get Made - Presentation Slides
- Industry Application - Related Links
- Infographic - How Ads Get Made
- Student Activity - Ad-Making Process

Lesson 3 - How Ads Get Made

AGENCIES

Advertisements or a brand's consumer-facing content have traditionally been made through an outside service known as an **agency**, whom a business or brand pays, to help develop and create their advertising communications. However, with the proliferation and ease of digital production capabilities, shorter-form social media formats, and the need for quick-turn and constantly evolving communications, many brands have turned to building out and utilizing their own **in-house** agencies to do this work.

Benefits to producing ads in-house

- Creative control (no debating with outside agency opinions on what the right message is, or the right way to deliver it)
- Cost-effective from a production perspective (advertising agencies can be very expensive due to their level of expertise)
- Timing (ad production can happen quicker than working with an agency with fewer approval processes, etc.)

However, while leaning on an in-house agency to handle a business or brand's creative needs has its benefits, there are still many advantages to working with agencies.

Advertising Agencies

There are predominately two types of advertising agencies: full-service or specialty.

Full-service agencies offer a comprehensive set of expertise that can help develop advertisements for everything from out-of-home to television to digital, social, and beyond. **Specialty agencies** tend to offer, or focus exclusively, on being experts in a singular or specialized format that brands/businesses may need (i.e., only produce social media content, or focus strictly on public relations, or event marketing, or specialize in media planning/buying).

Benefits to working with an agency

- Expertise
 - Advertising agencies tend to have far more collective years of advertising knowledge, experience, and best practices
- Time and personnel constraints
 - Cost effective (hiring an internal staff of experts capable of producing effective ad campaigns is very expensive...salaries, health insurance, retirement benefits, proper training, etc.)
 - Process effective (in-house agencies require a well-managed reporting and production structure that ad agencies already have built out)
 - Depth of skills (advertising agencies tend to have a broader set of expertise, skill sets, and specialties that brands/businesses can tap into for their needs)
- "Fresh" / outside perspectives
 - Brands/businesses who use advertising agencies tend to desire the expertise, creativity, originality and diverse or non-traditional thinking that outside agencies specialize in.



Agency Examples:

- WPP Group is the world's largest advertising agency in the world
 - WPP Group provides expertise and services in a variety of areas, including brand strategy, advertising, consumer engagement, public relations, and more.
 - WPP Group is responsible for Burger King's "Moldy Whopper" campaign that shocked consumers all over the world, which won an award at [Cannes Lions](#), the biggest awards festival in marketing that celebrates all types of creativity
 - According to [WPP](#), the "Moldy Whopper" campaign generated a 14% *sales increase*, 8.4 billion impressions and \$40 million in Earned Media Value – as well as an uplift in positive brand sentiment of 88%.
 - Click [here](#) to see the commercial

HOW ARE ADVERTISEMENTS MADE?

While the development of each individual ad doesn't always follow the same workflow, a general process typically takes place when advertisements are made.

There are six primary steps in this process:

1. The Brief
2. Campaign Concept Creation
3. Development and Production
4. Media Planning and Buying
5. Campaign Execution
6. Measurement, Optimization, and Reporting

The Brief

Developed by an agency or client (brand contracting the agency to develop the campaign), a **brief** is a written statement communicating the goals, objectives and/or expectations of the advertising campaign. The brief is shared with the agency (whether in-house or outside) before any work begins. This allows both parties to agree, in advance, to the parameters of the assignment, a quantifiable description of what will be delivered, and a timeline for the project.

Typically, a brief will include:

- Identification of what product(s)/service(s) will be supported and/or featured
- How much the product(s)/service(s) cost
- Identification of a target audience
 - Age, gender, income, profession, interests, etc.
- Geographic market segmentation
 - Is the product available nationally?
 - Only in select regions or cities within the country?
 - In specific neighborhoods?
- Campaign goals which include:
 - Boosting sales
 - Increasing brand awareness
 - Generating leads
 - Capturing consumer data (address, email address, phone number, etc.)



- Establish an overall project budget of how much can be spent to both produce and execute the campaign.
Considerations will include:
 - The cost of time to develop the creative concept for the campaign
 - The cost and time needed to produce the assets for the creative idea
 - The cost and time needed to place the assets where consumers will see them (media placement)
- Determination of when the campaign is expected, or needs, to run (also called “flighting”).
 - When is the product/service available to purchase?
 - When is the product expected to run out, expire, no longer be available, or replaced with a newer version?
- What assets are needed/required or expected by the brand/business?
 - :30 or :15 video commercials?
 - Radio commercials?
 - Social media posts?
 - Banner ads?
 - Print ads?
 - Collateral materials? (brochures, direct mail, business cards, etc.)

Campaign Concept Creation

Once the brief has been discussed and the parameters agreed upon between agency and client, the agency will begin the process of “ideating”, or developing the concept(s) that they believe will best deliver against the objectives stated within the brief. The goal is to create a campaign that will attract the attention and favor of the target audience identified in the brief, and deliver on any intended outcomes outlined in the briefing stage. Once the agency believes they have the very best concepts to effectively achieve those results, they present the idea to the client in hopes of gaining their approval. After the campaign concept is approved, the agency moves into the development and production step of the ad-making process.

Development & Production

In the development and production phase of the ad-making process, the agency works with various production experts who will convert the ideas and concepts approved by the client into marketing assets like videos, commercials, print ads, and social posts. These assets will eventually come to life in the form of advertising channels that the agency determines will best reach the target audience.

Media Planning & Buying

Once the assets have been produced (or while they are in the process of being produced), an agency will need to begin to determine where they are to be placed. This is called **media planning**. The agency will determine which advertising channels offer the most efficient and effective platform for reaching the target audience, and how much to spend on placing those assets.

Buying Decisions

At this stage, the media planner will ask questions such as:

- Should the commercials we just produced run on TV?
- If so, should we air a 30-second spot or a commercial that runs for a full minute?
- How many commercial spots should we purchase?
- Which networks and programs are most likely to have the largest share and/or most qualified audience of potential customers as agreed upon in the brief?
- How do these buys fit with the overall available budget?
 - A media planner must evaluate which type of program best meets the need of the client



- Is a 30-second, \$5 million+ Super Bowl commercial a good investment, or would that money be better spent on regular season NFL advertisements and/or airing commercials for a longer period of time on ESPN's SportsCenter?
- Given its higher level of affordability, would running the commercial on social media platforms provide a better value as an advertising channel? If so, which platforms? Meta (formerly Facebook)? Instagram? TikTok?

In this example, the media planner may determine that TV is not necessarily the best investment. Perhaps a low-cost, highly targetable, search campaign is a better allocation of funds, or maybe buying out-of-home billboards in various cities across the country would provide the best bang for the buck. To best identify which channels will serve the campaign best, the agency will lean on information from the brief, along with market research. For example, if the client's product or service is only available to consumers in the Pacific Northwest, it would not make sense to buy media in Dallas, Chicago, or Atlanta. Conversely, if the product or service is available globally, it would not make sense to only buy advertising in Cincinnati, Louisville, and Richmond, Virginia.

After the media planning and buying teams at the agency have determined an appropriate course of action for placing the campaign assets, including an understanding of the campaign's budget, the plan is presented to the client. Once approved, the agency enters the marketplace and begins buying the media identified in the planning process. At this point, the media buyer will negotiate with media owners (television networks, magazine publishers, etc.) to get the best price, best placements (time slots for TV ads, etc.), or explore opportunities that could benefit the client.

Campaign Execution

After the negotiations and the media has been purchased, and all creative assets have been developed by the agency, the campaign enters the execution phase. At this point in the process, the agency is responsible for ensuring that all the advertising materials have made their way to the publishers, networks, and media companies so that they can be posted or set "live." This is the point where consumers will see, interact with, and experience elements of the campaign. The agency's goal is to ensure these assets remain "live" for the entirety of the campaign's timeline, as outlined in the brief, but can be limited if the campaign runs the risk of exceeding the project's budget.

Measurement, Optimization & Reporting

Once an advertising campaign is live and running, the agency will begin the process of measurement, optimization, and reporting. Because advertising is such a significant investment, businesses and brands want to know that the campaign is delivering the desired results communicated in the briefing process. Prior to the emergence of digital media, it was difficult to track and accurately measure a business or brand's return on advertising investment. There was no way for a company to actually know if someone saw an advertisement or took action on it, outside of asking consumers directly.

Today, however, with the constant proliferation and ubiquity of digital tracking technology, advertisers and their agencies can now see how effective the advertising effort is in real-time. For the agency, this means having the ability to carefully measure and analyze the results of a campaign on a consistent and ongoing basis. To accomplish this, agencies will set up reporting dashboards that allow them to quickly make recommendations to their clients on how best to optimize a campaign while it is currently running. For example, if the original goal of a campaign (as outlined in the brief) was to drive sales, and the agency was seeing that ads placed on Instagram were converting sales at a much higher rate than the banner ads they had placed on websites, the agency would likely make the recommendation to the client to optimize the campaign by shifting ad purchases away from website banners and investing more into Instagram advertisements.

When the campaign ends, the agency will create a final recap report and present the results to the client. Based on data collected throughout the campaign, the report is analyzed so both the agency and client gain an understanding of which campaign elements were most effective and adjust accordingly for the development of future campaigns.





NOTE

We will explore the concept of measurement in much greater detail in module five, lesson 3 (M5L3) of your Marketing Insights from SCC curriculum.

ADVERTISING CAMPAIGNS

An **advertising campaign** refers to a marketing ad or a series of advertisements that focus specifically on the messaging determined at the briefing stage of the ad-making process. As determined in the brief, the campaign is intended to achieve a particular goal, such as conversions, increasing sales, impressions, etc. Successful ad campaigns can help to significantly propel a business or brand's growth. In one of the most historic examples, Nike's sales were at [\\$800 million](#) in 1988. That year, a local ad company, Wieden+Kennedy, launched an ad campaign for the brand featuring the iconic "Just Do It" slogan. By 1998, the company had surpassed [\\$9 billion](#) in sales.



Advertising campaigns could include a single ad channel, like investing only in a billboard campaign, or the brand may choose multiple channels. This type of campaign is called **multimedia advertising**. Utilizing a multimedia campaign is beneficial because it reaches a much wider audience than a single channel campaign, while also boosting overall levels of engagement.

Some industries rely heavily on advertising. The hospitality, travel, and tourism industry invests a significant amount of resources in the creation and execution of advertising campaigns. Take for example the state of Connecticut, which saw the third biggest decline (36.4%) decline in travel, tourism, and outdoor recreation employment during the COVID-19 pandemic among ALL U.S. states, according to [census data](#). To help revive the state's tourism industry, the Connecticut Office of Tourism [launched](#) a \$3 million multimedia advertising campaign in the summer of 2022.

The campaign strategy included:

- Targeting both U.S. and international travelers
- An investment in owned media with a refresh and update of the website www.CTvisit.com
- A targeted timeline to attract summer travelers, launched in May, and run through Labor Day weekend
- Inclusion of a slogan - "Find Your Vibe"
- OOH buys
 - Digital billboards in new Moynihan Train Hall in Penn Station in NYC
 - In-flight video commercials on JetBlue on geographically specific flights, including all going into NYC, Boston, Connecticut, and in or out of Florida and advertisements on all domestic American Airlines flights in the month of August
- Event marketing
 - Brand presence at events in the Hamptons, NYC Pride and The Governors Ball music festival
- Social media component using #CTvibe on a variety of platforms
 - Thirty-second spots on YouTube, including the ["Find Your Vibe 1"](#) and ["Find Your Vibe 2"](#)





DISCUSSION

After reading the example of Connecticut's "Find Your Vibe" multimedia advertising campaign, discuss the following:

- Why is tourism important to Connecticut?
- Why do you think the state's tourism officials chose to invest in an advertising campaign?
- What do you think the brief might have looked like as they began the process of developing the campaign?
- How do you think Connecticut hoped to position itself as a destination by using the "Find Your Vibe" slogan as part of the campaign?
- What role do you think social media played in the state's tourism advertising?
- Why do you think they decided on a multimedia campaign vs. a single channel campaign?
- Why do you think they ran ads both nationally and internationally?
- Who do you think their target audience was?
- Why did they place in-flight commercials only on certain JetBlue flights?
- Why do you think the campaign ran from May through Labor Day?
- If you were working at an agency on the development of this campaign for Connecticut tourism, what channels would you recommend they use for the placement of ads to reach their target audience?



ACTIVITY IDEA

After dividing the class into pairs, one student will play the role of a business or brand (client), and the other will play the role of an ad agency. The student representing the role of the client will create a brief, with specific goals relating to the timeline, messaging, and marketing objectives. They must also include a project budget. After pitching the brief, the student representing an agency will develop a comprehensive advertising campaign. Be prepared to share your campaign ideas in class.



KEY TAKEAWAY

Advertisements or a brand's consumer-facing content have traditionally been made through an outside service known as an **agency**, whom a business or brand pays, to help develop and create their advertising communications. While ad campaigns can be developed in-house, there are many benefits associated with working through an agency.



INDUSTRY APPLICATION

Connect your classroom with industry examples by reviewing the following news stories relating to concepts covered in this lesson:

Agency - [Cashmere Named Taco Bell®'s First-ever Culture Agency Of Record](#)

Agency - [Marco's Pizza® Appoints MikeWorldWide Agency of Record for Consumer Public Relations](#)

In-house Advertising - [Brands rethink their in-housing plans after tactic was 'put on ice' amid pandemic](#)

In-house Advertising - [Spotify's In-house Agency Is Propelling Its Pivot to 'Playfulness'](#)

Multimedia Campaign - [10 of the best multimedia marketing campaigns of the 21st Century](#)

KEY TERMS DEFINED:

Agency: A service that a business or brand pays, to help develop and create their advertising communications.

In-House Advertising: When a company has an internal advertising team, rather than outsourcing to an agency.

Brief: a written statement communicating the goals, objectives and/or expectations of the advertising campaign.

Media planning: When an agency determines where advertisements will be placed.

Multimedia advertising: A campaign that utilizes multiple advertising channels to communicate information about goods and services to consumers.

