

# The role of advertising agencies now and in the future

Mad Men was a huge hit, showcasing the glamour, drama and intrigue of the advertising world. Back in the 1950s corporations spent huge bucks on TV and print campaigns that easily reached millions of viewers. It was the era of the “three martini lunch”, the dominance of creatives execs and all-male teams battling out their egos over multi-million dollar deals.

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These days, the explosion of different media channels, fragmented audiences and the digital revolution have changed the face of advertising beyond recognition. Hiring an ad agency is no longer solely the domain of huge brands such as Coca Cola or Ford. There's now a plethora of agencies to fit every size, sector and niche of business, from large enterprises to sole traders.

Glenda Wynyard, Communication Architect & Managing Director, Media Precinct, has seen the role of agencies evolve throughout her own career. "Whereas once the agency did everything for a client from brand to retail to media, many clients now have hybrid models that can include in-house, social, search, performance, retail channel, creative, content and/or media agency. Sometimes they have one lead agency that can manage multiple specialties, it really depends on the client and the scope of work," Wynyard says.

## What Type Of Agency Do You Need?

Caroline Healy, CEO of communications agency We Are Savvy, defines three distinct agency categories: big advertising agencies focused on TV advertising, digital marketing agencies specialising in online channels, and holistic marketing agencies that offer comprehensive campaigns covering a wide range of media and strategies.

"You've still got your big advertising agencies who really focus on the big players in the market. But there's a heap of great talent out there in more medium and smaller marketing businesses. And those marketing businesses tend to think more holistically, and tend to look at campaigns from a holistic point of view," Healy says.

Marketing Strategist, Prue Carlton also notes that the growth of digital marketing has had a big impact on the types of specialities within marketing, and the types of agencies that exist.

"A large, full-service agency might be the most efficient – you have the advantage of one party overseeing the full plan (and accountable for the outcome) without the need to manage several relationships or the consistency of the delivery. A handful of specialist agencies might be the best if you have a smaller budget or an experienced in-house team and the agency work supports the main initiatives," Carlton says.



## Six Factors To Consider When Picking An Agency

Businesses should consider several factors when choosing an agency, including the agency's experience, industry knowledge, scale, and ability to align with the business's objectives. The decision-making process involves determining whether the agency's expertise matches the business's needs and goals.

In a 2022 survey by Havas Creative, the "ideal agency relationship" included understanding the business (79%) and understanding its customers (78%) as among the top factors for success.

Some of the criteria to consider include:

- **Business Objectives:** What do you want to achieve with your campaign? E.g. brand awareness, increased sales, entering a new market, etc.
- **Budget Size:** Some agencies may be out of reach for smaller businesses or startups
- **Target Audience:** Determine where your target audience spends most of their time and how best to reach them
- **Scope of Services:** Do you need an all-encompassing solution (full-service) or just specific services (such as digital marketing)?
- **Niche Expertise:** If you operate in a niche sector, it can be beneficial to have an agency that specialises in that field
- **Cultural Fit:** The agency's culture and values should align with yours for a smoother working relationship

Glenda Wynyard notes that it's important for clients to distinguish what they want from an agency. "There is a big difference between media buying and media execution. Some media buying agencies focus primarily on purchasing ad space, while Media Precinct not only does that but also has a role in media execution, which involves a broader array of services, including strategy, tracking, analytics, optimisation, and creative content development."

Wynyard suggests that when selecting a media buying agency, businesses should consider factors like their experience, technical expertise, case studies, understanding of different media types, data-driven approach, willingness to discuss campaign objectives and business outcomes, and their ability to communicate across various domains.

## Starting With Strategy: How To Get The Best Out Of Your Agency

Starting out properly will set the business/agency relationship up for success. Building a successful relationship with an agency involves establishing a service agreement, open communication, and a shared understanding of the brand's tone, audience, and positioning. Regular catchups, transparency, and using shared project management tools such as Monday or Asana also contribute to a strong working partnership.

Agencies typically offer retainer-based or project-based contracts. A recommended approach is to begin with a strategy phase to outline objectives and implementation costs before settling on a contract structure. Research from the University of Northampton found "a necessity for agencies to identify a new more strategic role" and to be more strategic partners.

Investing in strategy ensures a clear understanding of the implementation costs and how the agency's efforts will align with business objectives. This includes setting measurable goals, using key performance indicators (KPIs) and metrics. Businesses should identify objectives first and then develop metrics that align with those objectives. Metrics will then help guide strategies by quantifying progress and success.

"There needs to be a strategy or at least strategic conversation. What are we trying to achieve together, as a team? So as an agency I'm always asking my clients what are your brand guidelines? What's your tone of voice? Where's your positioning? Who are your competitors? If your agency is not asking those questions you need to be concerned about it, as that's when you'll get burnt," Healy says.

## Why Trust Is Everything

Trust is paramount. In the Havas Creative survey, 80% of responders ranked "we have an honest relationship" as most important, but only 56% were satisfied they had that one. Data from relationship management company Aprais also identified qualities such as trust, communication and resilience as even more important than functional skills. A study by the University of Otago into agency-client relationships also underlines the importance of trust, honesty and commitment as "conducive to building a long-term relationship".

Prue Carlton agrees. “The agency-client relationship is about trust first and foremost. Like any relationship, both parties need to invest in making this a great partnership. Transparency, reliability, respect for each other and the roles you play. There will always be times where one party or the other gives a little more or gains a little more out of the relationship than the other. Being clear about what’s expected, and having the hard conversations when things aren’t working to mend any disharmony is important.”

Glenda Wynyard also highlights the importance of the relationship. “A focus on transparency and the ability to communicate in a positive fashion is extremely important. The right partner is integral to achieving your campaign goals, so take the time to make sure that any agency you hire is a true extension of your own marketing team. A well-chosen media agency can significantly enhance your marketing strategy and business outcomes.”

Healy notes that “the best relationships are where people treat me nearly as an extension of their team. Meaning they’re really open and transparent with us as we are with them. And you really foster good, honest conversations.”

Comprehensive briefing and regular reviewing are also critical. Simple check-ins such as “how can we make this better?” could reveal time-saving process changes. As Carlton phrases it: “Creativity is art brought into business. Marketers need to get good at communicating a project brief in a way that gives enough information but also gives creative freedom to the writers and designers. So, the onus is on the client to manage the relationship well as much as the agency to deliver.”

## Plugging-in Experts: The Collaborative Future Of Agencies

Going forward, marketing experts agree that the agency landscape is likely to continue evolving with the rise of specialised freelancers, contractors, and smaller marketing businesses.

As marketing tactics become more specialised (such as SEO, social media etc), marketing agencies will focus on strategy and coordination while leveraging external experts for specific skills. Teams will be increasingly distributed, “plugging in” specialists for individual projects.

This will enable smaller agencies to offer agility and cost-effectiveness by collaborating with expert partners to deliver holistic campaigns. They’ll be able to work with clients more flexibly, tapping into specialised skills and resources without the need for in-house expertise.

As the advertising landscape continues its dynamic evolution, businesses must be agile, discerning, and proactive in their collaborations with agencies. The days of the “Mad Men” era may be long gone. But in their place rises a more complex, diverse, and technologically advanced industry that demands both strategy and adaptability.

Media Precinct is an agency that has very much focused on adaptability and evolving with the times. It handles a wide range of tasks, including audience and market research, programmatic software calibration, negotiations with ad publishers, translating media plan objectives into actionable steps and offering industry insights to optimise advertising expenditure. “We are planning and trading media across multiple media channels in various formats such as Display, Digital Out of Home, Programmatic Audio, Programmatic Video, Native, Social Media, and BVOD as well as traditional transit and outdoor, radio, print, and broadcast television,” Wynyard says.

The future of advertising will be defined not only by flashy campaigns but by integrated strategies, deep client-agency trust, and the ability to tap into specialised expertise whenever needed. Businesses that recognise and adapt to these shifts will not only survive but thrive in this new age of advertising. As the narrative of advertising writes its next chapter, the question remains: How will your brand tell its story?



The Media Precinct is a full-service media agency that specialises in mining deep insights from niche audiences about Australian audiences. We partner with your brand to deliver tailored solutions that ensure the best outcomes for your marketing and advertising campaigns.

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