

The Modern-Day Ad Agency - What's Changed?

Written by NewsCo Media



Consumers have gotten savvy and expect more from advertising agencies. They are also fully aware of the importance of privacy, which is why companies are trying to rethink the methods they use to promote their products and services. In recent years, advertising was about agencies erecting billboards and using local listings to inform their customers about the benefits they have for them.

Let us take a closer look at what has changed over the years in the ad industry in this post from Next Thursday, an [advertising agency in Brisbane](#) .

The Early Beginnings

It was in 1994 when the first digital ad appeared on the internet. It happened when HotWired commenced selling spaces on its website to companies looking to use banner ads on the internet. The chance for brand exposure was then pounced on by AT&T after paying \$30,000 to have their ads placed for a period of three months. Due to that, they recorded a 44% increase in click-through rate.

In 2019, the digital ads industry was worth \$333.25 billion. One of the reasons for the first growth was that companies realized that digital ads could be customized to suit the needs of their customers, based on age, gender, and location.

Digital adverts could also be used to receive insights on user behaviors, something that helped companies improve the quality of the services they provide. If businesses can understand their audiences, they won't struggle to come up with services that suit them the most.

The Modern-Day Ad Agency - What's Changed?

Written by NewsCo Media

Desktop to Mobile

Social media became quite prevalent in the mid-2000s. With the help of Mobile Advertiser ID, businesses could easily recognize and follow the identities of their frequent clients. They could also easily synch their behaviors on both mobile and desktop. Through device location, companies could easily detect the offline behaviors of their target audiences.

Facebook has become one of the best experiments on how to present various ads to internet users. Instead of bombarding the audience with many ads at the same time, the platform only ran a few of them. They also found a way to run non-obtrusive ads that only came in the form of news feeds, so that users could think they are part of their updates.

Twitter, YouTube, and Twitter also started to run ads for agencies targeting the users of such platforms. In 2017, it was reported that more than 50% of ads were accessed via mobile devices. This changed how various sites designed and positioned their ads.

Google, for instance, started to use an algorithm that prioritized mobile-friendly websites over those sites that are not perfectly optimized for mobile devices. Due to this change, many companies started to create ads that enhanced the experience of those using mobile devices to access the internet.

Compared to less than five years ago, at least 91% of internet users feel that ads are more intrusive. Companies can use leverage the user-first marketing technique. They can use things like webinars, contests, and many other natural interactions to get the attention of customers.

More Privacy Concerns

Indeed, social media ads are highly targeted. This means that businesses have resorted to using online social tracking and data scraping to accumulate in-depth insights about internet users. Many social media platforms will inform users that they will access their data, but they

The Modern-Day Ad Agency - What's Changed?

Written by NewsCo Media

never state that they won't sell them to third-parties, which to some is a serious matter.

TikTok, for instance, came up with a setting known as "personalized ads" that lets users block the site or app from collecting and using personal information to show targeted ads. Instagram also gives users the freedom to opt-out of targeted ads, which to many, is a great move.

As a way to respond to increasing privacy concerns, companies are working to come up with new ways to learn about their customers and serve them with the right ads. It is ethical for companies to ask users for their permission before collecting personal information from them. It is wrong to collect personal information without their knowledge and then use it to generate sales.

Some businesses have started to use interactive content and online quizzes to collect real data about internet users. This is a savvy alternative because individuals will independently decide to take the online quizzes. Most of the details are more comprehensive than just IP addresses and general demographic data.

Facebook Ads Boycott

Facebook is one of the sites that have been rigorously scrutinized for running microtargeted political ads. It is accurate to report that the company has adamantly refused to stop agencies from placing targeted political ads. Worse still, Facebook reported that it will not block "newsworthy ads" that happen to violate the speech policies put in place by the company.

At the time of writing, Facebook is under a lot of pressure to revise its approach to digital advertising. Today, at least 750 companies, such as Coca-Cola, Adidas, and Hershey have boycotted ads on the platform. They are demanding improved policing of content that is not democratic.

To many companies, becoming part of the boycott has become more of an automatic decision, though admittedly. This is something that is happening as a result of larger companies with lots of disposable marketing budgets. Businesses that are not so developed and don't have a lot of

The Modern-Day Ad Agency - What's Changed?

Written by NewsCo Media

disposable marketing budgets have designed operations to show support without hurting their bottom line.

Final Thoughts

Digital marketing is something that has been there for at least two decades, and it only keeps getting better. The ads agencies, however, have the task of ensuring that they do not breach the policies put in place by various social media websites. There have been so many changes in the industry in general, such as designing ads for mobile devices and letting users provide consent to companies before collecting personal information from them.

Small businesses with inadequate financial resources might find it hard to place ads without having enough details about their target audience. This is why they are compelled to use savvy, ethical techniques such as online quizzes. More changes in the ads industry are yet to happen in the very near future.