

EXECUTIVE SUMMARY

Both globally and in Sri Lanka, the advertising environment has undergone a transformation. Many opportunities and threats present themselves along with new challenges. Rapidly evolving technology has impacted the creative process in many facets of advertising, including traditional media and digital platforms. Clients are becoming savvier, traditional advertising strategies and compensation have been put to the test, and there is an overarching need for 'value' in every component. The key to maintaining your competitive edge in advertising is a component of concept creation. As a result, the concept charge must cover the required level of creative thinking. The project aims to increase the concept charge value by 31 % at WORDS Advertising increasing its revenue and profitability.

WORDS is a medium-sized local advertising firm in Sri Lanka, founded in 2009 by Rohan Rajaratnam. Staff of 35, has a decade-long connection with multinational and local clients. WORDS was awarded at the EFFIES in 2011, but now it seems to have lost its edge. WORDS Advertising has attempted to raise concept charges for client, but their efforts have been unsuccessful due to clients' unwillingness to pay. In the current volatile situation, retaining clients is crucial, leading to a dilemma for WORDS Advertising as they struggle to continue operations amid significantly increasing overhead costs and eroding revenue and profitability. The industry standard for concept charge is between 5-20% of total advertising budget depending on how complex the job is. At WORDS the concept charges to the client has reduced to 3-10% of total advertising budget. When the problem was analyzed further, it was identified that creative personnel retention, poor reputation and lack of a concept measuring process were underlying issues that contributed to the main issue. The Ishikawa diagram was used to use industry experts' views to identify the fundamental reasons of the drop in concept charges, including elements connected to creative personnel, corporate image management and concept measuring process.

When the literature was reviewed, the importance of increasing the concept value charge for clients was recognised as it directly relates to the revenue of the agency. The need to attract good talent through a recruitment strategy in order to have a talented creative force was examined. Furthermore, ways to enhance the existing workforce, motivate employees, and increase employee retention by understanding training needs and planning, were explored. Simultaneously gathering knowledge on building the corporate image and having the framework for an integrated communication plan was a critical area. Finally, to understand the need for concept measurement and the setting of KPIs in order to show the effectiveness of a concept was examined. Extensive reviewing of journals, books, online articles, etc. was done to make it comprehensive.

To achieve the company objective of increasing its concept value charge by 31% the author provides comprehensive solutions and a rationale to enhance creative personnel management, build a better corporate image, and good use of concept measurement. In the study above, methods from the literature review are applied to close performance gaps while describing present processes in depth and highlighting areas that need improvement. The author also specifies the responsibility of each individual and the extent of their task while providing the resources needed to implement the solutions. The author would obtain a benefit to cost ratio of 34.9 if the solutions suggested were implemented successfully. Additional advantages to the business include increased client confidence and relationships will gain long terms sustainable advantage for the company

This project's success is dependent on the engagement of top management. A top-down strategy is required, where the CEO sets attainable goals for the staff and holds regular strategy reviews to assess and adjust as necessary. To determine whether the quality of the creative product and the achievement of the objectives are on the correct track, management should solicit input from the creative department, the account servicing department, and clients. It will be possible to produce superior creative product and convey the value to clients and also to the other stakeholders to enhance the company image. Effective coordination between the departments will be critical to achieving the objectives that have been set.