

COMPUTERIZED ADVERTISEMENT DESIGN

1. INTRODUCTION

From billboards to newspapers to websites, advertising is something people are exposed to almost every day. Good advertising has a way of sticking with you, whether it's a print media or digital media. In order to capture consumer's attention and stick in their memory, an advertising design job blends psychology, marketing, creativity, technical knowledge and seamless presentation. These display items of various size and shapes can be designed and produced using latest computer assisted systems. These are attractive, legible, cost effective and fast.

2. SERVICE AND ITS APPLICATION

The role of computerized advertisement design services is the creation of an advertising and marketing plan specific to client's business, product and brand. It works with your business objectives, keep within ad budgets and develop advertising and marketing campaigns to satisfy business needs. This will help to pull all this together to provide a creative and compelling campaign intended to engage the attention of potential customers and get them to buy your product or service.

3. DESIRED QUALIFICATION FOR PROMOTER

Promoter for this service may have higher studies in graphic designing as well as marketing in sales and management plus background of copy writing and high quality content creation can be an value added plus point so that it brings down the cost of building project and also make the implementation smoother and it will require less time to build with greater quality.

4. REQUIREMENTS – MATERIAL/EQUIPMENT AND MANPOWER

Resources

1. Computers with latest OS and Network Infrastructure
2. Advanced Software such as Photoshop, Illustrator, Corel, Premier, FCP, Sound forge and more according to the requirement.

5. MANPOWER

1. Graphic Designers: 2 or 3 minimum, who can create attractive ad designs for print media like banners, catalogue, flyers and other printing material plus can also design for digital advertise like social media marketing and web advertising.
2. Copy righters: 1 or 2 who can write catchy content for ad campaign which can be run on outdoor publicity material, promotional material, Audio ads and Video ads.
3. Video Editor and animator: 1 or 2 who can work for video ad production and can work over the video advertising field.

Project Building

Computerized Advertisement design agency majorly has two corners for the scope of work.

- Print Advertisement
- Internet Advertisement

On the initial stage of start-up, one can outsource the technical work like, designing content writing and video production. This can reduce the capital investment amount. So before entering to the advertising market you need to prepare 4 things.

1. Collect media kits that list advertising rates, demographics and specs.
2. Introduce yourself to sales representatives at the media outlets you plan to use regularly.
3. Create a portfolio of past work, if you have been in the industry, to highlight ad campaigns you've worked on in the past.
4. Collect database of designers and technical writers for tie-ups.

Full advertise service agencies typically employ graphic designers and copywriters or contract with trusted outside firms. Since printing is a specialized industry, agencies will

handle this function through a printing partner. Graphic design, copywriting and printing are vital elements of the overall ad program.

6. WORKFLOW AND DAILY TASK IMPLEMENTATION

Have a production process, and follow it. It is important to create clear, easy-to-follow workflows for every kind of project. This ensures that steps aren't missed and that the final product has been vetted at each essential stage.

Create a culture that would not workarounds for anyone—even the owner. Make sure that the production process applies to everyone, no matter what rank they carry. If clients insist on special treatment or believe they don't need the expense of extra steps, they're not giving you the opportunity to provide your best work.

Encourage critical system implementation. Make it worth your employees' time to use the right systems to accomplish their tasks. Efficiency and productivity boosts benefit both your employees *and* your bottom line.

Hold regular, mandatory traffic meetings to stay updated on project statuses. Traffic meetings aren't optional. They keep projects on time and on budget. Use them to your advantage.

Create templates for frequently used processes and tasks. Make it as easy as possible for your team to ensure there's uniformity in your information and methods.

Leverage technology to make processes seamless and easy. There are many good software tools out there. Be sure to give your company and employees the tools they need to do the best job they can.

7. FIXED CAPITAL INVESTMENT

Sr. No.	Description	Qty	Amount (Rs)	Total (Rs)
1	Building Profile Portfolio	1	₹25,000.00	₹25,000.00
2	Computers - with all necessary hardware and installed Windows and MS Office	5	₹27,000.00	₹1,35,000.00
3	Software licencing	1	₹ 16,000.00	₹ 16,000.00
3	Network Installation	1	₹5,000.00	₹5,000.00
4	Office Furniture	1	₹85,000.00	₹85,000.00
A	Total			₹2,66,000.00

8. WORKING CAPITAL

Sr. No.	Description	Total (Rs)
1	Salary	₹ 40,000.00
1a	Graphic Designers – 3 @ Rs 10000 per Month	₹ 30,000.00
1b	Copy Writer – 1 @ Rs 10000 per month	₹10,000.00
2	Software renewal	₹ 1,500.00
3	Other Expenses	₹ 4,500.00
3a	Transportation	₹ 1,000.00
3b	Stock images/illustrators	₹ 3,000.00
3c	Stationery	₹ 500.00
4	Utilities	₹ 2,500.00
4a	Power	₹ 1,200.00
4b	Water	₹ 300.00
4c	Misc.	₹ 1,000.00
5	Rent	₹ 15,000.00
<i>B</i>	<i>Total</i>	<i>₹ 63,500.00</i>

9. COST OF PROJECT

Sr. No.	Particulars	Amount in Rs
1	Land	₹ 0.00
2	Building	₹ 0.00
3	Portal and Software Licencing	₹ 41,000.00
4	Equipments/ Vehicle/ Other fixed investment	₹ 2,25,000.00
5	Working Capital Margin (3 Months)	₹ 1,90,500.00
5	Total Cost of Project	₹ 4,56,500.00

10. MEANS OF FINANCE

Sr. No.	Description	%age of Fixed Capital	Total
1	Promoter's Contribution	25%	₹ 1,14,125.00
2	Term Loan/Bank Finance	75%	₹ 3,42,375.00

Total	₹ 4,56,500.00
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Cost of Production

Sr. No.	Particulars	Amount in Rs
	<u>Variable Cost</u>	
1	Raw Material and Other direct inputs	₹ 6,000.00
2	Salary (60%)	₹ 24,000.00
3	Power (70%)	₹ 1,750.00
	Variable Cost 1 Month	₹ 31,750.00
	Total Annual Variable Cost	₹ 3,81,000.00
	<u>Fixed Cost</u>	
1	Overheads	₹ 15,000.00
2	Salary (40%)	₹ 16,000.00
3	Power (30%)	₹ 750.00
	<i>Sub Total</i>	₹ 31,750.00
	<i>Total for 12 Months</i>	₹ 3,81,000.00
4	Interest	₹ 41,085.00
5	Depreciation	₹ 33,750.00
	Total Fixed Cost	₹ 4,55,835.00
	Total Cost of Production	₹ 8,36,835.00

Turnover

Sr. No.	Description	Cost/ Unit	Quantity/Month	Sales/ month	Revenue/year
1	Banners/Hoardings for outdoor publicity	₹1000.00	50.00	₹ 50,000.00	₹ 6,00,000.00
2	Catalogues and Brochures	₹750.00	75.00	₹ 56,250.00	₹ 6,75,000.00
3	Social Media and Internet Ads	₹500.00	75.00	₹ 37,500.00	₹ 4,50,000.00
Total					₹ 17,25,000.00

11. PROFITABILITY CALCULATION

Net Profit	₹ 8,88,165.00
Net profit Margin	51.49%

Profitability Projection

Sr. No.	Particulars	UOM	Year Wise estimates					At Full Capacity
			Year 1	Year 2	Year 3	Year 4	Year 5	
1	Capacity Utilization	%	30	40	50	60	70	100
2	Sales	Rs Lakhs	₹ 5.18	₹ 6.90	₹ 8.63	₹ 10.35	₹ 12.08	₹ 5.18
3	Raw Materials & Other Direct Inputs	Rs Lakhs	₹ 1.14	₹ 1.52	₹ 1.91	₹ 2.29	₹ 2.67	₹ 1.14
4	Gross Margin	Rs Lakhs	₹ 4.03	₹ 5.38	₹ 6.72	₹ 8.06	₹ 9.41	₹ 4.03
5	Overheads Except Interest	Rs Lakhs	₹ 3.81	₹ 3.81	₹ 3.81	₹ 3.81	₹ 3.81	₹ 3.81
6	Interest	Rs Lakhs	₹ 0.41	₹ 0.41	₹ 0.41	₹ 0.41	₹ 0.41	₹ 0.41
7	Depreciation	Rs Lakhs	₹ 0.34	₹ 0.34	₹ 0.34	₹ 0.34	₹ 0.34	₹ 0.34
8	Net Profit Before Tax	Rs Lakhs	-₹ 0.53	₹ 0.82	₹ 2.16	₹ 3.51	₹ 4.85	-₹ 0.53
9	Profit %		-10.17%	11.85%	25.06%	33.87%	40.16%	51.49%

12. BREAKEVEN ANALYSIS

Sr. No.	Particulars	UOM	Value
1	Sales at Full Capacity	Rs Lakhs	17.25
2	Variable Costs	Rs Lakhs	3.81
3	Fixed Cost incl. Interest	Rs Lakhs	4.56
4	Break Even Capacity $BEP = FC / (Sales - Variable Cost) * 100$	% of Inst Capacity	33.92