



PART II



Advertising Management

1

Advertising Management Overview

“Effective Advertising targetted at the right customer brings in GOOD RESULTS”.

After going through the introduction the student should get an idea of :

- *Types of advertising, its nature and scope.*
- *Functions and different dimensions of advertising.*
- *Examples of different types of advertising.*

Advertising Management Overview

■ 1.1 Meaning

Advertising forms one component of the promotion mix. It has become very popular and useful and has reached the status of an independent discipline. It has grown at a very fast pace and has become a special field of study.

Promotion Mix consists of:

- (i) **Advertising:** It is a non-paid personal form of presentation and promotion of ideas, goods services by an identified sponsor.
- (ii) **Personal selling:** It is an oral presentation for the purpose of sale.
- (iii) **Sales promotion:** It is an immediate inducement that adds extra value to the product.
- (iv) **Publicity:** It is the management of functions, that helps public to understand the policies of the organization.

In this chapter, we shall deal extensively with Advertising only. It has been derived from the latin word '*Adverto*' which means to turn around, to draw attention to any subject or purpose.

Definition

It is a paid and non-personal form of presentation and promotion of ideas, goods or services by an identified sponsor. There is also an identified Media and message behind every advertisement. The advertiser tries to spread his message and ideas to the prospective customers and diffuse information into them. By this method, he tries to popularise the products/services which is the basic aim of the activity.

■ 1.2 Nature of Advertising

Advertising is an important element of Promotion Mix and it is a process which gives information to the masses about products/services. It is a paid publicity sponsored by the advertiser. It is a persuasion which is controlled and influences the target audience. Its nature includes:

(i) **Element** of marketing Mix. It is also an important element of marketing Mix which includes the 4 Ps—Price, Product, Promotion and Physical distribution. A proper Promotion Mix is necessary for the advertisement to be effective.

(ii) **Promotion Mix:** The elements of promotion mix includes, Advertising, Sales, Promotion, Personal Selling and Publicity. All these have been described in detail in the ensuing text.

Personal selling involves carrying of the messages of the product to consumers by individual salesman and make them purchase the product.

Sales promotion It is the technique of motivating the customers to purchase the product. The motivation is brought about by offering cash discount, tax deduction, free items and other incentives. Sales promotion adds value to the product “*Buy two take one free*” etc.

Publicity is not paid by the sponsor. Publicity comes automatically. It can be positive or negative publicity on which the individual or the incident publicised has no control.

Mass communication It informs not one person but a group of persons who may be the prospects of purchase. The mass communication media includes radio, television, newspapers, magazine etc. Print media and audio and audio-visual media is extensively used.

Message These are carriers of advertisement which inspires customers to purchase a product. Message writing or copy writing is an art and a lot of effort and money is put into it. The colour, design, structure of the message is given great importance.

Advertising agency undertakes the writing of the message and charges for the same. It helps the advertiser in all possible ways and integrates its effort with that of the company or the advertiser. The advertising agencies and its function are dealt with in a separate chapter XIV at the end of the book.

Sponsor is a person who pays for the advertisement. He is identified and discloses the ideas, message and information to be advertised.

Persuasion The message is persuasive and informative. It is creative as well. The message attracts the attention of the audience. It is an essential factor in advertising. It has also been dealt later in the book.

Control The time, place, message and direction of advertising is controlled to make it effective and purposive. Advertisement can be controlled but publicity cannot.

Identifiable The message and presentation should be recognised by receivers and customers.

Target Group Advertising aims at a target group of audience, while framing an advertisement target groups are considered. However, it can reach both target and non-target groups.

■ 1.3 Scope of Advertising

“The scope of Advertising is increasing everyday”

Advertising has a very wide scope in marketing and in the social system. The scope of advertising is described on the basis of activities included under advertising and their forms and systems, objectives and functions. These include the

Message—which has been discussed earlier.

Media—has also been discussed in detail.

Merchandise—It is the buying and selling of the product-advertisement covers the attributes of the product to be sold. The outstanding qualities of the product should be assessed and exposed with emphasis. New and existing products are advertised to popularise them. A firm is considered as an important source of advertising.

Advertising Functions: No product can be sold without some form of advertising.

- Advertising creates demand.
- Promotes marketing system.
- Helps middleman.
- Builds image for the organisation.
- Makes customer aware of the price and attributes of the product leading to greater sales.
- Brings awareness in the masses.
- Consumer demand can be assessed by marketing researchers and advertising research.
- It helps in expanding the market.
- It helps the middleman to easily sell the product.
- It brings customers and sellers together.
- Advertisement is economical when targeted at the masses.

Advertiser is the most important person as he is the customer and spends money on it. He gives employment to a lot of people and supports the advertising agencies. The advertiser also has a great social responsibility to create a sound social and economic system.

Objective. The advertising objectives are many in number and dealt later in this book. However, we shall mention a few:

- To increase sale.
- To create awareness and interest.
- Establishing and sustaining the product.
- To help middleman.
- To persuade, to remain and inform the masses.

Activities. The activities included are mass communication, carrying message, image building. It also persuades and reminds. The activities should be performed regularly and economically.

Art & Science. Management is both an art and science and Advertisement being a part of marketing is also an art. It creates, it requires experience. It is a science because it is based on certain social-psychological factors. Cause and effect relationship are studied in advertising. The effect of advertising is also studied by experimentation. The results of advertising can be measured. It is tested on scientific principle as well.

Therefore, we see that the scope of advertising is large and varied.

Different Dimensions of Advertising

There are a number of books written on advertising and they cover different dimensions.

(a) **Social dimension of advertising:** It informs the society of various products available, their technology, uses and how the society can benefit from new innovations, like credit cards, debit cards, golden cards, global cards, mobile phones, travel offers etc. Advertising also educates the people and the society against hazards of life. Cancer, “*Smoking is injurious to health*”, hazardous driving, “*Better late than never*”. Similarly, we have drive against pollution, against population explosion etc. Advertising should not deceive the society. It should not manipulate the consumers against their will. They can get exploited by sex appeal.

(b) **Economic dimensions:** A lot of money is spent on advertising specially when expensive Media like T.V. is used to spread the message. There are various media which can be used. A lot of employment is generated as people get involved in copy writing mission, Message, Media, Money, Measurement of advertising effectiveness etc. are coordinated. The most important thing to consider is how much money is to be spent on various campaigns.

Advertising makes the consumer aware of products and services and provides information for making right decisions. It can encourage consumption and foster economic growth. Advertising makes entry possible for products and brands into the market. With larger demand it leads to economies of scale in production, marketing and in distribution.

(c) **Psychological aspects:** One aspect of psychological advertising is that drinking of Alcohol, Beer, Wine should not be targeted on the children or those below the age of 21. Women in society are also critical about obscene ads and promoting sexual permissiveness in the advertisement *i.e.*, Calvin Klein. There is a lot of criticism on advertising against sexual appeals and nudity. They demean women as being sex objects. Such ads can be for cosmetics Lingerie and other products used by women.

When a consumer tries to buy a product. He has a lot of choices before him. He gets guided by the family, by friends, by advertisements, by salesperson and the consumer gets confused and often feels that he has made a wrong choice. He undergoes both pre and post purchase dissonance and the marketer tries to remove his anxiety by reinforcing his choice.

(d) **Communication task:** Advertising communicates and captures the attention of the buyer. It communicates through stories, through episodes, through tables and charts. The communication must be interpreted in the same manner that it is intended. It also brings attitudinal changes and changes the faiths and beliefs of the consumer.

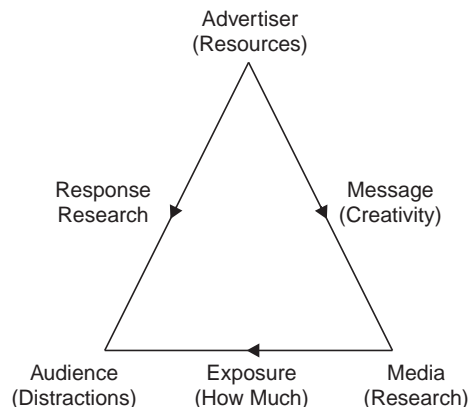


Fig. 1.1

(e) **Triangle of communication:** The triangle shows that the advertiser has resources which helps him to create messages. These messages reach the audience with the help of a media. The audience is exposed to the message to a certain extent and also gets distracted by many factors like noise and other work. The audience then responds to the message and the feed back goes to the advertiser. This leads to researches by the advertiser and his agency.

■ 1.4 Types of Advertising

Ethical advertising

Advertising must follow certain moral principle, certain rules and should not degrade or adversely comment on the other products and brands. It should highlight the positive points of its own products and be of good standard. It should not be offensive and in bad taste. It should not predict the sex of an unborn child and keep away from the unwanted practices adopted by the advertisers.

Advertising should not be untruthful, deceptive and should not misguide the consumers. Some companies advertise about their 2 wheelers and 4 wheelers vehicle that they will cover amount of kms per litre when in practice the kms covered are much less. The customer gets deceived by these advertisements. Sometimes, advertisers have made false claims or failed to award prizes promised in sweepstakes or contests.

The problem of untruthful advertising and promotion exists at the local level and in specific areas such as mail order, telemarketing and other forms of direct marketing.

Therefore: Advertising should:

- (i) Be truthful, should reveal the truth and significant facts.
- (ii) **Substantiative** should substantiate with proofs *e.g.*, Kapil Dev “*Boost is the secret of my energy*”.
- (iii) Be non-comparative.
- (iv) Give real and true guarantees
- (v) Avoid false claims
- (vi) Adhere to taste and decency. Should keep away from offensive and untrue publicity.

Informative Advertising

This gives information about the products, their features, their style, their value, price and availability. It educates the customer of its nutritional values *e.g.*, Yogurt has low chloestrol, Soffola refined oil has less fat and more nutritional value.

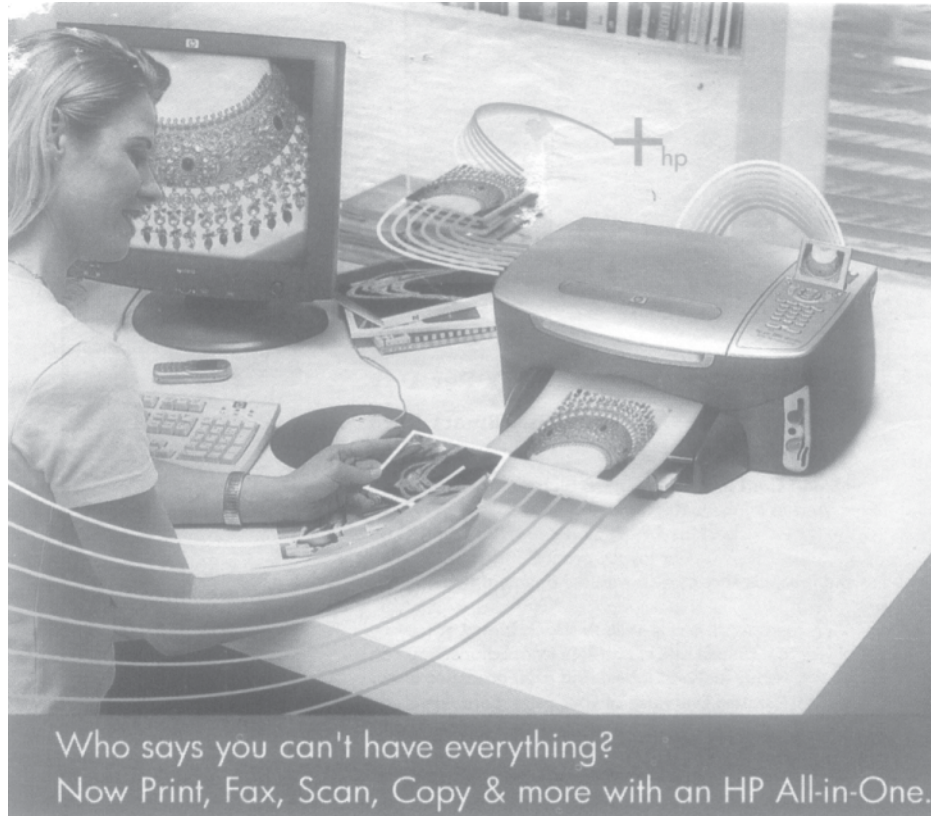
Persuasive Advertising

It is done to persuade the customer to buy the advertiser’s products. In this there are many ways of persuading the consumer. If a person has outside work and is mainly engaged in outside activities, he is persuaded to buy a cell phone (Mobile) so that he is well informed even when he is out of the office. Earning members of the family are persuaded to buy insurance policies, not only for themselves, but also for the safety of their family members. People are persuaded to buy safety alarms for their houses, for their cars as a measure of security.

People are also persuaded to keep firearms for their safety. Other products that sell on persuasion could be flashlights, cameras, dictaphones etc. Persuasive advertising is done in the nature part of PLC and it often lead to Comparative Advertising. While persuading the customer to buy the advertiser’s products, statistics and performance of other products in general are also shown, so that the customer makes a choice. An example of comparative advertising in McDonald v/s Burger King, Pepsi v/s Coca Cola.

Reminder Advertising

This is done with mature products like cocacola and mature products of Hindustan Lever Ltd etc. This is done at the maturity stage of the PLC (Product life cycle). This is done with great frequency. Many advertisement are released in a short period of time so that the consumer is reminded of the product and its benefits constantly and at short intervals of time.



The HP PSC 2410 Photosmart All-in-One lets you print, fax, scan and copy in colour! Using HP PhotoREt 4 colour layering technology², it gives you photos in vibrant and life-like colour. Thanks to the built-in colour image LCD, multi-slot memory card reader and borderless photo printing, it's easy to enjoy direct photo printing without a PC. So get this versatile companion today and change the way you perform. At home or at work.

INFORMATIVE ADVERTISING

It gives information about PSC 2410 Photo Smart All in one

Consumer Advertising

The campaign is directed at the end user *i.e.*, consumer. It is usually found in newspapers and magazines. It uses headlines, illustration etc., and is a major source of revenue to newspapers and magazines.

Trade Advertising

This is directed at the whole salers, distributors and retailers. The goal is to encourage channel, members to stock promote and resell the manufacturer's products to customers. Channel members are also given incentive for the same.

Advertising for Image Building

Sometimes advertising is done for building the image of the company. This is done by highlighting their social responsibilities. To build an image the company keeps in mind the factors of pollution and safety. It keeps away from harmful activities. Pays attention on the quality of goods, price and availability of the products.

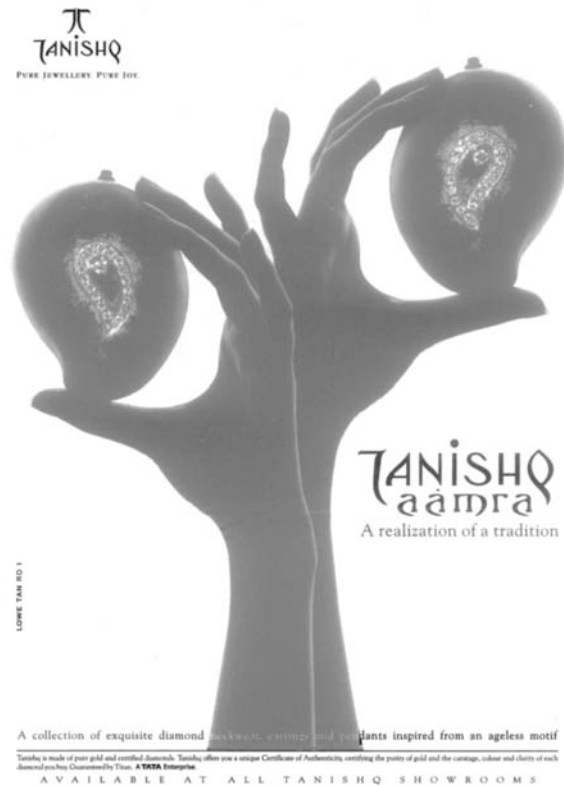


IMAGE BUILDING AND EXCLUSIVITY BY TANISHQ

Advertising for Positioning

The company positions its product to a target audience by juggling its marketing mix. The performance of the sales is analysed and the product is compared with other leading products and is positioned by modifying the product and price to compete with them. This is also done by perceptual mapping technique.

Advertising for Attitudinal Change

The main aim of advertising is to bring attitudinal changes in the minds of the consumer. It is done by imparting knowledge to the consumer. His emotions are touched and played with the feeling of likes and dislikes towards objects, are handled in a manner that leads to action/purchase.

Reinforcement Advertising

Also known as Repetitive Advertising and the frequency of the advertising is increased.

Retention Advertising

It is done in the last stage of PLC when the product is in the decline stage and has to be revived.

Collective Advertising

e.g., SAIL eggs and milk being advertised collectively. Two products are being advertised together to get the advantage cost and area etc.

Cooperative Advertising

This is done jointly by the manufacturer and dealers. They share the media cost and both get benefitted.

End Product Advertising

The end product of one manufacturer which is used to produce branded goods of other manufacturer *i.e.*, Tafflon is advertised and used in the end products like frypan and cooking



**SBI Car Loans
leave all other car loans behind**

Because SBI offers you car loans at the most competitive rates, without any prepayment penalty.

- Interest rates - up to 3 years - 9.25%; from 3 - 7 years - 9.75%
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- Optional Life Insurance at very competitive rates
- Loans for purchase of new as well as used cars and multi-utility vehicles
- Easy and long repayment period up to 7 years for new cars and up to 5 years for old cars



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Guwahati (361) 2606954, Hyderabad (40) 24756758, Kolkata (33) 22160622, Lucknow (522) 2214226, Mumbai (22) 22027648
New Delhi (11) 23368953, Patna (94) 2532222, Tiruvananthapuram (471) 2321287.

CONCEPT

COMPETITIVE ADVERTISING

Above is an example of competitive advertising launched by State Bank of India.

Get more out of friendships.

Send us the names of 12 friends. And get a free bookler on Car Maintenance.

For those who love their cars, here is a handbook on car care. A 32-p... Car Maintenance: 100...

Write the names of 12 friends on the ou... page, detach the page, fold, seal and mail it today!

The Week
India's best informed newswrckly

The Week
How to maintain your car

AN EXAMPLE OF PERSUASIVE ADVERTISING

vessels. The advertisement of such products is known as end product advertising. Another example is the Intel which promotes its pentium processors.

Direct Response Advertising

The consumer is encouraged to make response either by phone or letter or on E-mail by just watching the advertisement. The advertiser is provided with free toll phone services. These days Ab King Pro and butterfly Abs are being advertised on T.V. and the prospects are requested to give a direct response and place an order on phone.

Classisified Advertising

Are small adds in about 20 to 30 words in newspapers. They are economical and can be repeated. These are given under specific heads like services, products, rentals etc. It can be given for Autos, matrimonials, domestic help business opportunities etc.

TIMESCLASSIFIEDS
news you can use

PROPERTY

ACCOMMODATION AVAILABLE

FOR SALE

NORTH INDIA

GURGAON

SHOPS Available on booking in most Stylish Mall on MG Road, Gurgaon Call: 09818049449, 09899864649

LUCKNOW

VISHWAS Khand-2, Gomti Nagar, Lucknow. Freehold 2152 sq.ft. plot for sale Main Road prime location. Ph: 2386867, Mobile: 9839095980.

ALAMBAGH main rd. com. complex. b.ment grd. 1st fl. 1100sq.ft. each indp. prkg. Cont: 3128687, 3102720, 3101734

HOUSE/ shop/ plot sale/ purchase/ rent at "Trans Gomti" Call "New Happy Packers" 3123704, 2354511 Lko.

FLAT on G.F Bansal Halwasi Utsav opp. H.A.L. 1DD, 2BR, 2LB+KS. Cont: 3230402, 9415515204, 9839187186.

TIRATHVIKAS APTS.
2G.H. / 4 VIKAS NAGAR, LKO
2/3 B/R Premium Flats
On Freehold Land
◆ Eco / Vastu Friendly
◆ 24 Hrs Water / Security
◆ Attractive Finance Options
◆ Assured return on investment
Cont. TIRATH RAM BUILDERS
RAJA RAM KM. PLAZA
75, Hazratganj, Lucknow
Ph: 3245775, 9839126387,
Khatri: 3811887

SALE plot 288 Mt East & park facing at Vinit Khand Gomtingr. genuine buyers Call 2391750, 3103711.

TIRATH BAKSHI APTS.
NEW HYDERABAD, LKO.
2/3 B/R Luxurious Flat
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◆ Only few Flats Left
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◆ 24 Hrs Water / Security
◆ Attractive Finance options
◆ Assured return on investment
Cont. Tirath Ram Sumer Kumar
RAJA RAM KUMAR PLAZA
75, Hazratganj, Lucknow
Ph : 3245775, 2616899

HIG, MIG, LIG plot/shop for sale/pur./tolet ser. at Indria Ngr. Mahangr, Aliganj, Gomtingr. Ph. 3121483, 9415424485.

SPACE For SALE/RENT

• ROHIT HOUSE
(Above Maruti Showroom)
Shahnajaf Road
1000 - 6000 Sqft., I & II Floor

• ROHIT BHAWAN
Sapru Marg
1000 Sqft. for Sale / Rent
on GF & IV Floor

Contact ROHIT AGARWAL
Ph: 2614151 (O) Mob: 9839126387

GOMTINGR corner 2/139, 312 Sq mt Veshesh Kh. on 24mt + 12mt road opp. Commercial Facilities 9415462411

FOR SALE / RENT

Shops / Office

◆ Hazratganj ◆ Hewett Rd
◆ Latouche Rd ◆ Mahanagar
◆ Nawal Kishore Road
◆ Faizabad Road

Contact

Raja Ram Kumar Plaza
75, Hazratganj, Lko.
Agarwal : 3245775

IN Hazratganj Vprime property Bank is tenant cost 40 lakhs. Dinesh Agarwal 9415418136, 3123913.

FOR SALE

**2/3 B / R
DELUXE FLATS**

◆ Gokhlie Marg ◆ Murli Nagar
Eco-Vastu Friendly

Contact

Raja Ram Kumar Plaza.
75, Hazratganj, Lucknow
Shahab : 9415086531
Agarwal : 3245775

An example of Classified Ads given in the Times of India

Questions

1. What do you mean by Promotion Mix? Describe all its elements.
2. Describe the different dimensions of advertising.
3. What are the various types of advertising? Describe them with examples.