#### INTRODUCTION TO ADVERTISING

This course is designed to teach and guide the students to know and learn about Advertising and Promotion. In this course we will try to acquaint you with various aspects and applications and requirements. Besides teaching you about the introduction and history of advertising this will also guide students about its growing importance, definition and various aspects. The major components to learn will be its skills in modern world, the overall importance and significance of its practice in different scenarios.

After going through the contents of first lecture, students will be able to know about Advertising and promotion with its growing importance and its definition with different segments:

- A. Introduction to Advertising and Promotion.
- B. Its growing importance.
- C. Definition of Advertising.
- D. Explanation of Personal and non-personal selling.

#### LECTURE OVERVIEW

This lecture introduces the students with the background, definition, and growing importance in the modern world. During this we will be discussing the above mentioned aspects of Advertising. We will also briefly try and explain the difference between personal and non-personal selling and related advantages and disadvantages.

#### INTRODUCTION

In fact today advertising is every where, on radio, TV, newspapers, billboards, magazines and even on the side of the town buses. The global market has expanded tremendously, and manifolds. Advertising serves three main purposes:

- 1. To get or win new customers.
- 2. To increase use of products or services among existing customers.
- 3. To help potential customers make a choice among competing brands.

Advertising has great influence on us whether we are aware of it or not. Let us now first of all try to know about its growing importance:

#### GROWING IMPORTANCE OF ADVERTISING

- We see 100's of ads. Every day.
- Consciously or subconsciously advertisements have tremendous effect.
- Advertising can not only change buying decision but also changes mindset & attitude of people.
- Advertising reflects the culture of a nation.
- Advertising & culture both affect each other.
- Advertising industry also supports media industry.
- In fact media survives on advertising because they go hand in hand.
- Advertising can be used as an effective tool for a social cause.
- Advertisement also help in spreading information about new technology & innovations
- Advertising in today's world is not for spreading brand awareness but also shows us where we stand in the world today.

#### **DEFINITION OF ADVERTISING**

Now a days, Advertising has assumed important role in this very fast developing and competitive world. In order to understand it first we have to know what it means or in other words to know its definition. But before we define we must know i.e. six segments of the definition of advertising:

#### **Six Segments**

- 1. It is paid form of communication.
- 2. The Sponsor is identified.
- 3. Most advertising tries to persuade or influence consumer to do. Something though in some cases it is merely to make consumers aware of product or company.
- 4. Message is conveyed through different types of media.
- 5. Advertising makes message reach large audience of potential consumers.
- 6. Advertising is a form of mass communication therefore it is non-personal.

Based on the above the most accepted standard definition universally accepted is as described by Bovee in 1992. It said:

"Advertising is the <u>non - personal communication</u> of <u>information</u> usually <u>persuasive</u> in nature about <u>products</u>, <u>services or ideas</u> by <u>identified sponsors</u> through the <u>various media</u>" Let us now try to DISECT & EXPLAIN key terms PERSONAL and NON – PERSONAL used in the definition of advertising.

> There are two\_basic ways to sell Personally & Non-Personally

**Personal selling** – Where seller & buyer has to be together.

**Non – Personal** - Seller is approached through a medium i.e. advertising.

#### **Advantages of Non-Personal Selling:**

- Seller has time to discuss everything about the product.
- Buyer has time to ask questions, get answers & examine evidence against or for the product.
- Seller can see the person whom product is being sold.
- Seller can see the person to whom he/she is selling the product.
- Seller can easily locate potential buyers.

#### **Disadvantages:**

- It is expensive being labor intensive.
- Time consuming.
- So seems personal selling is better than advertising which is non-personal yet advertising still remains most effective.

Therefore despite the fact that advertising even though is non-personal selling, it is certainly effective.

#### INTRODUCTION TO ADVERTISING

#### LECTURE OVERVIEW

In this lecture we will study the reasons and advantages of advertising and its objectives. We will also discuss various segments of advertising and different aspects of definition besides briefly relating to its history.

#### WHY TO ADVERTISE?

#### **ADVANTAGES**

- Advertising is every where.
- Advertiser may not see individual consumer yet has research (knowledge) about the consumer.
- Advertising can be far cheaper per potential customer than personal selling.

**So** – Advertising is better as a sales tool and though it is non-personal yet is more effective.

Now therefore we must further analyze in depth about the definition of advertising besides understanding personal selling and Non personal as explained before in the last lecture. Continuing with the standard definition let us take up one by one important components as underlined below:

#### So, just to review the definition

"Advertising is the <u>non - personal communication</u> of <u>information</u> usually <u>persuasive</u> in nature about *products*, *services or ideas* by *identified sponsors* through the *various media*."

(Bovee 1992)

#### Communication

Means through which one person can pass information, ideas or feelings to another through speech or pictures.

Though, communication uses all senses like smell, touch, taste, sound & sight, only two are useful in advertising i.e. Sound & Sight

**Sound**: Radio, Television — micro-sound chips in magazines.

**Sight**: The most useful medium of communication like print, i.e. "A picture is worth a thousand words"

#### Information

Information is knowledge, fact or news. It comes in different forms:

Complete or Incomplete! Biased or deceptive!

What it is? What it looks like? How it works?

What are its benefits &drawbacks etc?

#### Paid For

If an advertisement is created, placed in the media so the cost to create and time or space in the media must be paid for.

This is the point, where advertising departs from Public Relations.

#### **Persuasive**

Purpose of advertisement is to Identify & differentiate one product from another and to persuade the customer for preferring one to another.

#### **Products, Services or Ideas**

Things advertiser wants consumers to buy. There are three basic differentiations in products

- 1. **Perceptible** Obviously different from other-like color, size, shape etc.
- 2. **Imperceptible** Those which exist but are not obvious.
- 3. **Induced.** No obvious difference but inform people about the difference

#### **Identified Sponsors**

Telling audience about the sponsors

#### Various Media

Like Newspapers, Magazines, Radio, TV, Billboards, hoardings, balloons... So "anything which is used to communicate ideas from one person to another in non personal-way."

#### HISTORY OF ADVERTISING

- 1704 1st newspaper ad, seeking buyer for an Oyster Bay was published.
- 1843 1st Ad. Agency set up in Philadelphia
- **1882** Advertising of a soap brand was done with a huge budget of 11000 US\$.
- **1893** A famous beverage brand was registered as a trade mark.
- **1899** J. Walters: 1st agency opens an office in U.K.
- 1923 1st entertainment program was sponsored by an advertiser.
- **1947** J. Walter Thompson 1st agency to cross 100Mil \$ in billing.
- 1976 Indian commercial TV launched.
- 1978 1st TV commercial is launched.
- **1990** A new Medium Internet is born.
- 1993 5 million internet users get on line.
- **1999** Internet advertising breaks 2 Billion US\$ mark.
- **2003** TV show with built in advertising is planned.

#### INTRODUCTION TO ADVERTISING

#### LECTURE OVERVIEW

In this lecture we will discuss the classification of advertisements and its functions besides explaining about the elements of advertising and its impact.

#### CLASSIFICATION OF ADVERTISEMENTS

Advertisements have various objectives, sometimes other than just selling products. However, before designing and classifying ads answers to following questions are essential:

- What do I want my advertising to accomplish? i.e. specifying goals.
- Whom should my advertising address?
- Target audience.
- Demographics e.g. gender, age, location or business etc.
- Behaviors e.g. current awareness about your business.
- Needs & desires e.g. benefit which consumers look for in a product.
- What should my advertising say?

To sum up the message should speak to your audience and you should be able to decide where to place the advertisement? Selection of media to place advertisement is essential but before advertising we must determine the purpose of doing so and identify, is it a product or a non-product.

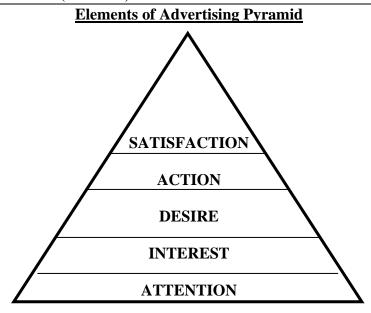
#### **CLASSIFICATION OF ADVERTISEMENTS**

| Target<br>Audience | AREA          | MEDIA<br>USED | PURPOSE                         |
|--------------------|---------------|---------------|---------------------------------|
| Consumer           | International | Print         | Product or Non – product.       |
| Business           | National      | Newspaper     | Commercial or Non – commercial. |
| Industrial         | Regional      | Magazine      | Primary or selective Demand     |
| Trade              | Local         | Electronic    | Primary or selective Demand     |
| Professional       |               | Radio         | Direct or Indirect action       |
| Agricultural       |               | Television    |                                 |
|                    |               | Out of Home   |                                 |
|                    |               | Outdoor       |                                 |
|                    |               | Transit       |                                 |
|                    |               | Direct Mail   |                                 |
|                    |               | Directories   |                                 |
|                    |               | Other Media   |                                 |

#### **FUNCTIONS OF ADVERTISING**

Advertising is one tool which can help a company to achieve goals. It is not the end, but a means to reach the end. The functions of Advertising depend upon six Advertising objectives

- 1. To make product distinct from others.
- 2. To communicate information.
- 3. To push the customers.
- 4. To expand distribution.
- 5. To encourage brand preference.
- To reduce sales cost.



#### IMPACT OF ADVERTISING

If you count the number of advertisements you encounter each day, the number might reach an astonishing figure. Many a times ads create the need of the products, which customers actually do not need. Therefore, in fact:

"Advertising is a non-moral force like electricity which not only illuminates but also electrocutes. In fact, its worth to civilization depends upon how it is used". .

--- William Bernbach

#### ADVERTISING AND SOCIETY

#### LECTURE OVERVIEW

This lecture will identify the relationship and effect of advertising on Society. We will also delve upon the impact of advertising on various segments of society like women, children etc. We will also explain about ethics in advertising, code of ethics and the role of advertising as a marketing tool and related marketing process.

#### ADVERTISING AND SOCIETY

The benefits of Advertising – **Immediate** 

- 1. Numerous material & human resources are devoted to advertising.
- 2. Practically everywhere.
- 3. No one can escape influence of Advertising.
- 4. Has potential for good but depends upon the realization.

#### PRACTICAL BENEFITS

**Economic Benefits:** Generation of new jobs – Higher Incomes, comfortable & humane way of living.

**Political benefits:** Significant contribution for informing people about candidates & the party etc.

Cultural Benefits: Contributes positively in decisions about media content for betterment in society

Moral & Religious Benefits: faith messages etc.

#### IMPACT OF ADVERTISEMENTS ON CHILDREN

Children are impressionable so: advertiser should ----

- Take into account knowledge & maturity level of target audience
- Not exploit imaginative quality of children.
- Communicate information accurately & truthfully.
- Use advertising to influence social behavior in a positive way.
- Contribute to parent child relationship in a constructive way.

#### IMPACT OF ADVERTISEMENTS ON WOMEN

She is at the centre of all advertisements in almost all media. Woman is an embodiment of tradition & practically no ad is complete if emotional appeal is underscored without a woman as she plays a pivotal role in the family. Woman is used to grab attention and stimulate desire which advertiser wants to transform to product.

#### ETHICS IN ADVERTISING

#### Why Ethics?

- ➤ PUFFERY Exaggerated, fantastical or impossible claims. e.g. a cosmetic ad. says "There are only 3 steps between you and the beauty."
- ➤ SHOCK ADS. Trying to captivate audience by shocking message e.g. "Death cigarettes".

➤ WEASEL CLAIM\_— Where a probable claim is shown e.g. "probably the best show of the year." Here word 'probably' is weasel. Or e.g. ABC medicine "helps" stop gas before it starts" here the word 'help' is weasel.

#### **CODE OF ETHICS IN ADVERTISING**

- Advertisements will not offend morality, decency and religious views / beliefs of the viewers.
- Should not be directed towards any religious or political end.
- Should not endanger safety of children or create in them any interest in unhealthy practices.
- Indecent, vulgar, suggestive, repulsive or offensive treatment of themes shall be avoided.

## ADVERTISING – A MARKETING TOOL MARKETING CONCEPTS

**Exchange:** Core concept of marketing – Means the exchange of a product between the seller & the buyer.

**Transaction:** When an agreement is reached between two parties, a transaction takes place.

**Needs, Wants & Demands:** Important for marketer to understand and interpret these of the target market.

- Need is a basic human necessity
- When need is specific, it is want.
- A want for specific product supported by an ability to pay is demand.

Value: Always remember the statement "Value for money"

**Basic Equation** 

Value = Benefit / Cost

#### Marketplace & Market space:

Marketplace is Physical like a store and Market space is digital like internet.

#### **Marketing Process:**

Four major stages:

- The marketing environment analysis
- The target market & positioning process
- Marketing Mix decisions
- Ultimate consumer

## MARKETING PROCESS 4 P's VS 4 C's

| FOUR P's              | FOUR C's          |  |
|-----------------------|-------------------|--|
| PRODUCT               | CUSTOMER SOLUTION |  |
| PRICE                 | CUSTOMER COST     |  |
| PHYSICAL DISTRIBUTION | CONVENIENCE       |  |
| PROMOTION             | COMMUNICATION     |  |

In fact following questions would need to be answered.

- Where & whom to sell broadly?
- How to select homogenous groups of customers?
- How to differentiate the brand from many others in the market?

This helps marketer in making critical decisions for competing in market. Such decisions are "Marketing Mix Decisions" – broadly known as 4 P's as above but have now expanded to 7 P's such as:

- 1. Product
- 2. Price
- 3. Physical Distribution
- 4. Promotions
- 5. Packaging
- 6. People
- 7. Process

#### MARKETING TOOLS

#### LECTURE OVERVIEW

This lecture will explain about the marketing mix, its factors, and components. We will also illustrate the marketing process model as well.

#### ASSEMBLING MARKETING MIX

- Means to Identify & create best possible combination of 4Ps.
- Involves the process of the choices of appropriate marketing activities.
- Allocates adequate marketing efforts and resources to each 'P'.
- Tries to identify effectiveness of different combinations in terms of possible sales volume & net profit.

Thus, Marketing Mix is the set of marketing variables that the firm uses to achieve its marketing objectives in the target market.

#### FIVE FACTORS FOR ASSEMBLING MARKETING MIX.

- Should be separate for every brand.
- Decide the weightage for each 'P'.
- Decision should be customer / market oriented.
- Mix has to be dynamic.
- Most visible part of marketing strategy.

#### COMPONENTS OF MARKETING MIX

**PRODUCT:** Ingredients, Quality, Design, Features, Color, Size, Variety, Brand, Packaging Customer education, Services, Warranties, Replacement & Returns

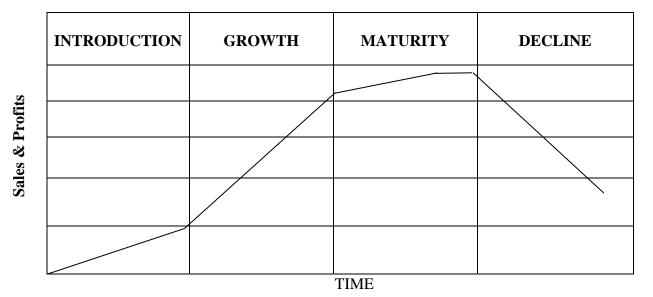
**Customer Relationship Management** 

**PRICE:** List price, Discounts, Credit terms, Payment mode etc.

**PHYSICAL DISTRIBUTION:** Channels, Assortments, Coverage, Locations, Inventory, Transportation, Warehousing

**PROMOTION:** Advertising, Personal Selling, Direct Marketing, Publicity, Sales Promotions, Public Relations

# PRODUCT LIFE CYCLE (PLC) CURVE (Marketing process model)



#### MARKETING TOOLS

#### LECTURE OVERVIEW

In this lecture we will continue to explain the marketing tools, product life cycle besides introducing the concept of SWOT analysis. Furthermore we will apprise regarding the Marketing plan, market demand and the role of marketing and advertising agencies.

#### MARKETING TOOLS

Every product has a life cycle i.e.

- Product has a limited life.
- Product sales passes through different stages.
- Profits rise & fall in different stages of PLC.
- Products require different marketing, manufacturing, financial & purchase strategies in each life cycle stage.
- Competitive environment is different in every stage.
- Products require different marketing, manufacturing, financial & purchase strategies in each life cycle stage.
- Competitive environment is different in every stage.

#### **STAGES OF PLC (Product Life Cycle)**

- 1. Introduction
- 2. Growth
- 3. Maturity
- 4. Decline

#### **SWOT Analysis**

### 1. **EXTERNAL ENVIRONMENT ANALYSIS.** (Opportunity & Threat Analysis)

<u>Macro Factors</u> – Uncontrollable Social- Legal-Economic-Political-Technology <u>Micro (Task) Factors</u> – Direct Impact: Customers- Employees- Competitors- Distributors-Creditors-Suppliers- Other stake holders

#### 2. **INTERNAL EVIRONMENT ANALYSIS.** (Strength - Weakness Profile)

Basically related to functional areas: Marketing – Finance – Manufacturing -Purchase - Research & Development. Information Technology, Human resource - Leadership – Image.

#### MARKETING PLAN

What is the need of marketing plan?

- Provide assessment of current situation & position.
- Focus efforts in an identified direction.
- Give clear cut performance targets.
- Identify ways to achieve targets.
- Allocate resources.
- Direct all towards common objectives.

#### **Contents & Structure**

- Executive summary.
- Current situation.
- Performance review. (for existing product or service only).

- Key issues.
- Marketing objectives.
- Marketing strategy.

#### **Marketing Action Plan**

- 1. Target market
- 2. Mixing of market variables (4 'P's).
- 3. Responsibility of action.
- 4. When & where the action will be?
- 5. How much budget for each action?
- 6. Projected profit & loss statement.
- 7. Controls.
- 8. Contingency plan.

#### **Marketing Demand**

Two Tools for Estimating Market Demand:

#### **Qualitative**

- Buying intention survey.
- Sales force opinion.
- Panel of experts. Useful for estimating demand for a new product.

#### Quantitative

- Sales volume.
- Sales trend.
- Economics.

#### **ROLE & FUNCTION OF ADVERTISING**

- Acquire enhanced volumes of sales of products & services.
- Generate awareness about offerings.
- Induce trial of a new product & service.
- Motivate & impress trade channels.
- Change perception & create reassurance.
- Influence staff.
- Support sales promotional sponsorships & public relations activity.
- Make announcements in public interest.

0000n 7

#### ROLE AND FUNCTIONS OF ADVERTISING

#### LECTURE OVERVIEW

In this lecture we will study more about the role and function of Advertising and Advertising agencies. How do these work and what are different types .We will explain about their structure and guide about the ways to select an agency.

#### **ROLE & FUCTIONS OF ADVERTISING**

- Acquire enhanced volumes of sales of products & services.
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#### PURPOSE OF ADVERTISING AGENCIES

- Advise & counsel on marketing strategy.
- Advise & counsel on advertising and media strategy.
- Prepare & develop, print, outdoor, and electronic advertisement.
- Carry out collateral designs of various items such as display material & other display material.
- Help & counsel on sales promotion & other communication tasks.

**Different Types of Agencies** 

| Type of Agency      | Role  |  |
|---------------------|---|--|
| Full Service Agency | Provides all marketing communication services.      |  |
| Creative Agency     | Provides writing of ad copy & design service.       |  |
| A Media Independent | Offers buying space & time & related research.      |  |
| A Composite Agency  | Offers both creative & media services with research |  |

#### Structure of an Advertising Agency

Account Executive: Organizes the resources of the agency to solve the problems of the client.

The Creative Team: Basically comprises of a writer and a designer.

Account Planner or Researcher: Responsible for the data and market intelligence on the account

Media Planner: This team actually makes the campaign come live.

Account Director: Overall responsible of providing service to clientele of the agency.

Creative Director: Overall incharge for the creative and the artwork of agency's clients.

Media Director: Responsible for media planning of the buying activities of the agency

Production House: This is the department which brings alive the creative art work of creative team.

Release to Media: All finished material is ensured to be with the media several days before the launch date

#### How are Advertising Agencies Paid

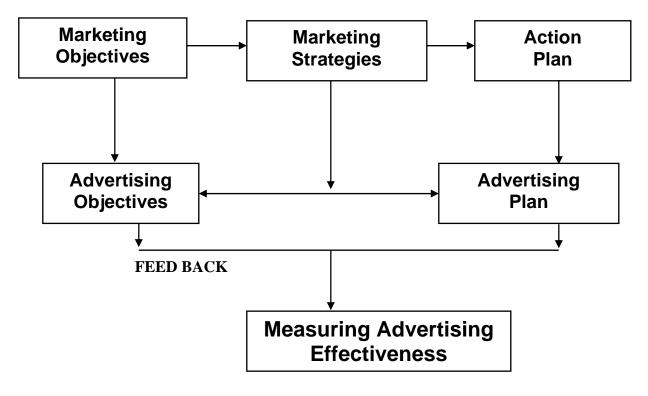
- Paid by Media & not by Client by an agreed percentage of commission for advertisements released.
- An agreed commission is charged on services like production cost etc.

#### **How to Select an Advertising Agency**

Following points should be considered before selecting an agency:

- Name & Address etc.
- Agency History.
- Year of establishment.
- Ownership pattern.
- Team of professionals.
- Size of turnover... Annual reports.
- Growth trends.
- Revenue & Billing for last 5 years.
- Clients won & lost in last 3 years.
- Agency mission.

## SYNERGISTIC FLOW BETWEEN MARKETING & ADVERTISING



#### ADVERTISING PLANNING

#### LECTURE OVERVIEW

In this lecture information will be provided about advertising planning specially the consumer behavior, types of advertising .The communication objectives will also be explained besides the positioning as required by the client for its product etc, and related strategies.

#### ADVERTISING PLANNING (CONSUMER BEHAVIOUR)

- What motivates the buyer?
- Why does buyer choose a specific brand over others?
- Why does buyer buys from where he or she buys?
- What makes buyer shift from one brand to another & from one shop to another?
- What are buyer's reactions to newly introduced product?
- What are the various stages buyer passes through before making a decision?

#### **ADVERTISING OBJECTIVES**

An advertisement, to be effective, should be Seen--Read-Understood – Believed & Acted upon So there are three objectives:-

- Sales Objectives. Immediate increase in sales percentage(Chart No 1)
- Communications Objectives. Increase in market share (Chart No 2)
- Behavior related Objectives. Increasing company's brand usage rate among existing consumers and Encouraging non-users to have trial consumption and / or purchase

#### **Types of Advertising**

- Brand Advertising.
- Retail or Local Advertising.
- Political Advertising.
- Directory Advertising.
- Direct Response Advertising
- Business to Business Advertising.
- Institutional Advertising.
- Public Service Advertising.
- Interactive Advertising.

#### **Target Audience**

How to determine?

- To whom is advertising addressed?
- Where will the objectives be achieved?

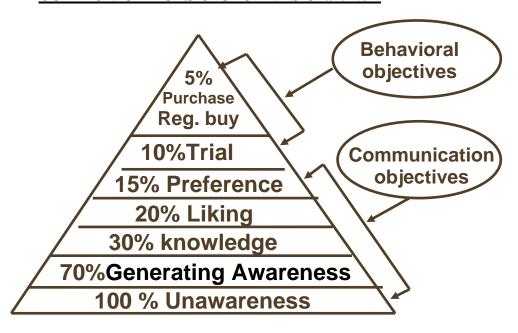
#### **Process of Identifying Target Audience**

- Identify the market.
- Identify appropriate segments.
- Decide criteria for selecting relevant segment.
- Target audience. (selected segments)

#### SALES OBJECTIVES PROCESS Chart No. 1



#### **COMMUNICATIONS OBJECTIVES Chart No 2**



**Communication Response Pyramid** 

#### **POSITIONING**

- Positioning is the foundation upon which all other marketing mix decisions are built.
- Positioning involves a decision to emphasize or highlight certain aspects of a brand

So — Positioning is not what you do to the product, but is what you do to the minds of the consumers through marketing communications.

#### Why Positioning

"It is the act of designing the company's offering and image to occupy a distinctive place in the target market's mind." ..... Philip Kotler

#### **Positioning Strategies**

Following questions need answers:

- Who am I: (Brand identity & Image)
- What am I: (Functional capabilities of the product)
- For whom am I: (Consumer segment I serve best)
- Why me: (Powerful reason to choose me)

#### **Seven Approaches to Positioning Strategy**

- Using product characteristics or customer benefit approach.
- The price quality approach.
- The use or application approach.
- The product user approach.
- The product class approach.
- The cultural symbol approach.
- The competitor approach.

#### **POSITIONING**

#### LECTURE OVERVIEW

In this lecture continuing with Positioning, we will explain various steps to decide about positioning strategy and inform about broad rules about positioning. Furthermore, its components will be discussed followed by creative strategies, various related steps and a few universally accepted advertising standards.

#### DECIDING ABOUT POSITIONING STRATEGY

Nine Steps

- 1. Identify competitor.
- 2. How are competitors perceived & evaluated by consumers?
- 3. Determine positioning strategy used by each competitor for specific product category.
- 4. Understand customer thoroughly.
- 5. Identify Various alternative positioning strategies available
- 6. Find which position is still unused.
- 7. Evaluate own strengths & weaknesses.
- 8. Select the position.
- 9. Monitor & Evaluate the position.
  - Economic analysis should guide decision.
  - Usually is segmentation commitment.
  - Stick to advertising theme if working.
  - Don't try to be something which you are not.
  - Use symbols.

#### **Broad Positioning Rules**

- 1. Keep it focused
- 2. Keep it consistent.
- 3. Keep it long term.

#### **Components of Positioning**

Three Main Components:

- 1. Benefit: Emotional reason to purchase from your company.
- 2. Target: Your best potential customer.
- 3. Competition: Anyone else in the market who is vying for the same or similar customers.

#### **BRANDING**

- It is a process of creating a unique identity for a product.
- It creates memorability.
- It establishes preferences, habits & loyalties.
- It is equated as recalling brand name.

#### **CREATIVE STRATEGIES**

Creative strategy should describe the message appeal & execution style.

Based on following factors

- Identification of TARGET AUDIENCE.
- The basic PROBLEM ISSUE.
- OPPORTUNITY to be addressed by advertising.

• The major SELLING IDEA or KEY BENEFIT message needs to communicate.

#### **7 Steps of Creative Process**

- 1. ORIENTATION. Pointing out problem.
- 2. PREPARATION. Gathering data.
- 3. ANALYSIS. Collecting relevant material.
- 4. IDEATION. Piling up alternative ideas.
- 5. INCUBATION. Putting problems aside.
- 6. SYNTHESIS. Putting pieces together.
- 7. EVALUATION. Judging resulting idea.

#### UNIVERSAL ADVERTISING STANDARDS

- Does this advertisement position product simply & with unmistakable clarity?
- Is this advertising built on compelling & persuasive consumer benefit?
- Does this advertising create a brand personality?
- Is this advertising unexpected?
- Is this advertising single minded?

#### ADVERTISING MESSAGE

#### LECTURE OVERVIEW

In this lecture we will look further at the universal advertising standards partially covered in the last lecture. We will also deal with the designing of messages, format and structure. We will further acquaint you with various terms used in advertising and key issues to be analyzed for advertisements. We will also delve upon different stages of developing a media plan.

#### UNIVERSAL ADVERTISING STANDARDS

- Does this advertisement position product simply & with unmistakable clarity?
- Is this advertising built on compelling & persuasive consumer benefit?
- Does this advertising create a brand personality?
- Is this advertising unexpected?
- Is this advertising single minded?
- Does advertising contain a power idea?
  - Be describable in simple word.
  - Likely to attract attention.
  - Revolve around the benefit.
  - Allow us to brand the advertising.
  - Make it possible for the prospect to experience the product or service.
- Does advertising reward the prospect?
- Is advertising compelling?
- Is advertising attractive?
- Message Generation.
- Message Evaluation & Selection.
- Message Execution.

#### **DESIGNING MESSAGE**

- 1. What to say? (content)
- 2. How to say logically?
- 3. How to say symbolically? (format)
- 4. Who should say it? (source)

#### **Message Content**

Rational: benefits like quality, value,

performance, economy etc.

Emotional: Negative - fear, guilt, shame

Positive – love, pride, joy.

**Moral:** directed to audience for

used for social causes.

#### ADVERTISING MESSAGE FORMAT

Good Sequence & manner of presentation will result in maximum effectiveness.

#### PRINT MEDIA

headline, copy, illustration & color will be used.

#### **RADIO**

words & voice quality etc.

#### **TELEVISION**

words, voice quality, body language, facial expressions, dress, posture etc.

Attractive source is the best source e.g. Celebrities, professionals are used *As spokes persons*.

#### **ADVERTISING MESSAGE STRUCTURE**

- Order of presentation
- Verbal vs. visual
- Sidedness single / double
- Refutation

#### BASIC TERMS & CONCEPTS.

#### **Media Planning**

- a process of determining how to use time & space of media to achieve advertising objectives.

#### Media Plan

– a guide for media selection - plan of action.

#### **Mediu**m

– a single form of communication e.g. TV, radio, billboards, online media.

#### Media Mix.

-- combination of media to be used.

#### Media Class.

-- type of medium like TV, Radio etc.

#### Media Vehicle.

-- single program, magazine or radio station.

#### Media Option.

-- full page / half page, color or black & white etc.

#### Above the line Media.

-- such as broadcast, press, outdoor, cinema, posters etc in which ad agency gets commission.

#### Below the line Media.

-- such as direct mail, sales promotion, exhibitions, sales literature etc.

#### Reach

-- measure of the number of different audience exposed at least once.

#### <u>Coverage</u>

-- refers to potential audience might be exposed to the ad message.

#### Frequency.

-- refers to number of times the audience is exposed to advertisement message.

#### Scheduling.

-- specify how media options are scheduled.

Flighting – Continuous – Pulsing

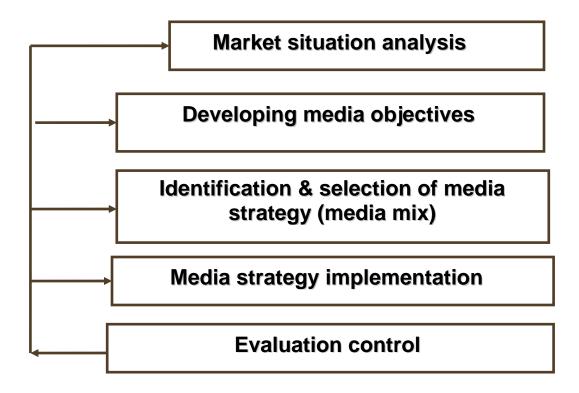
#### Timing.

-- Selection of specific times. (Marketing analysis imperative)

#### **KEY ISSUES TO BE ANALYSED**

- To whom should we advertise?
- What internal & external factors may influence media plan?
- Where & when should we focus our efforts?

#### **DEVELOPING MEDIA PLAN -5 STAGES**



#### **MEDIA PLAN EXECUTION**

#### **Criteria for Execution**

- Media Mix.
- Target Market Coverage.
- Geographical Coverage.
- · Scheduling.
- · Reach.
- Frequency.
- Creative aspects & mood.
- Flexibility.

• Budget considerations.

## **ADVERTISING BUDGET**

## 4 Methods to determine

- AFFORDABLE RATE.
- PERCENTAGE OF SALES METHOD.
- COMPETITIVE PARITY METHOD.
- OBJECTIVE & TASK METHOD.

#### ADVERTISING BUDGET

#### LECTURE OVERVIEW

This lecture will cover in detail the advertising budget; the approach required to work out a practical and workable budget. The information regarding advertising with special reference to implementation and evaluation will be discussed.

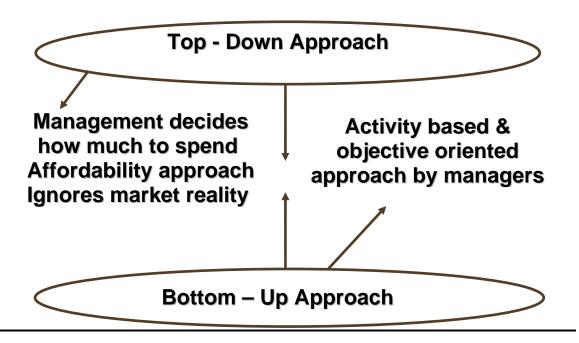
#### ADVERTISING BUDGET

#### 4 Methods to determine

- AFFORDABLE RATE.
- PERCENTAGE OF SALES METHOD.
- COMPETITIVE PARITY METHOD.
- OBJECTIVE & TASK METHOD.

## ADVERTISING BUDGET

## **Two Approaches to Decide Budgets**



#### **ADVERTISING - IMPLEMENTATION & EVALUATION**

- Deals with campaign's specific tactics.
- Specifies about activities to be undertaken.
- People responsible for these.
- Time schedules.
- Budget availability.

#### Advertising manager to find answers...

- WHAT IS TO BE DONE?
- WHO WILL DO IT?
- WHEN WILL IT BE DONE?
- HOW WILL IT BE DONE?

#### **REMEMBER:**

"Success is in details"

#### ADVERTISING RESEARCH

#### **3 Critical Decisions!**

- 1. SETTING OBJECTIVES.
- 1. SELECTING THE METHOD.
- 1. CHOOSING APPROPRIATE MEDIA.

#### 4 CHOICES to be made.

- 1. WHAT PROGRAMME?
- 1. WHAT DAYS OF THE WEEK?
- 1. WHAT TIME OF THE DAY?
- 1. HOW MANY TIMES?

#### AT LEAST 5

- Helps in appropriate positioning decision for the brand.
- Helps in selecting target markets.
- Find acceptability of creative ideas.
- Pre -- testing of ads.
- Post testing of ads.

#### ADVERTISING RESEARCH OBJECTIVES

#### **Advertiser should find out:**

- Who are the customers?
- Who are the customers?
- What are the likes & dislikes of customers?
- How is company's brand perceived?
- How to improve customer's perception?

#### **ADVERTISING RESEARCH PROCESS**

#### STEPS to collect relevant information:

- PROBLEM DEFINITION.
- EXPLORATORY or INFORMAL RESEARCH.
- DETERMINING RESEARCH OBJECTIVES.
- RESEARCH DESIGN:

Sampling methods & size.

Scaling.

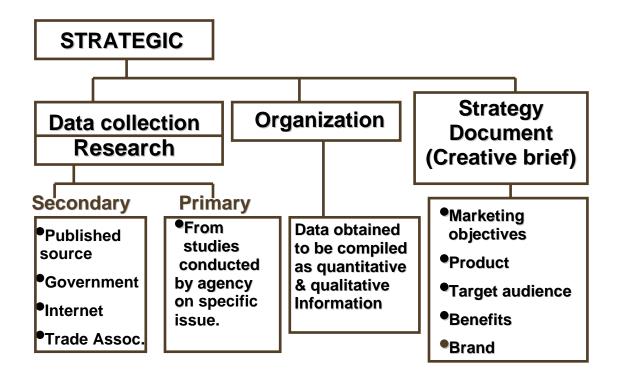
Data collection method.

- DATA COLLECTION.
- DATA TABULATION & ANALYSIS.
- INTERPRETATION CONCLUSION & REPORTING.

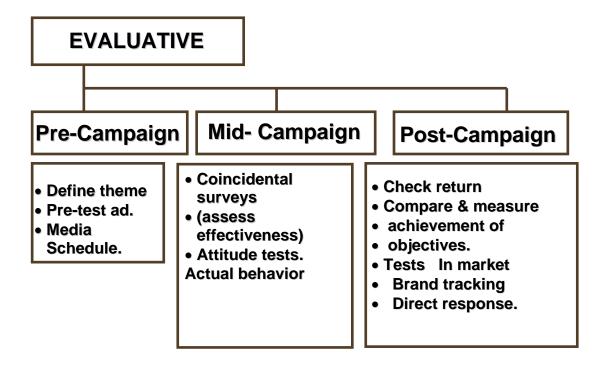
## **ADVERTISING RESEARCH COMPONENTS**



## **ADVERTISING RESEARCH COMPONENTS**



## **ADVERTISING RESEARCH COMPONENTS**



#### ADVERTISING REACH

#### LECTURE OVERVIEW

Advertising research ,creative concepts, specific communication objectives, advertisement copy methods ,pre campaign testing and post testing is all what we will study in this lecture.

#### ADVERTISING STRATEGY RESEARCH

#### **Components:**

- TARGET MARKET.
- POSITIONING.
- COMMUNICATION MEDIA.
- CREATIVE CONCEPT.

#### **CREATIVE CONCEPT RESEARCH**

- Team develops several rough copy platforms.
- Conduct focus group interviews.
- Focus group interviews are combined with other quantitative techniques.

#### SPECIFIC COMMUNICATION OBJECTIVES

- Closing an immediate sale (Buy Now because of price)
- Building long range consumer franchise. (establish brand recognition & acceptance.
- Contribute towards increased sales. (convert non users of the type)
- Taking specific step leading to sale. (induce the prospects to sample product)
- Imparting information to close sale. (where to buy it)
- Building confidence in the company (past & present profitability)
- Building images. (product quality & corporate citizenship)
- Creating near term sales to bring prospect closer to purchase. (combating competitor's claims)

#### **BROAD COMMUNICATION OBJECTIVES**

- INFORMING
- 1. Make consumers aware of new product.
- 2. Announcing a new price.
- 3. Explaining how a product works.

#### REMINDING

- 1. Telling consumers where to buy.
- 2. And when to buy.

#### ADVERTISING COPY METHODS

- What assumptions are made for the working of advertising?
- What are its objectives?

#### **MEASURES**

• If objective is to persuade then--

#### A measure of purchase intent will be used.

• If objective is attitude shift then --

#### A measure of sales will be used.

• If objective is message overtime then –

Controlled market experiments will be used.

#### PRE-TESTING ADVERTISEMENTS Methods

#### PRINT ADVERTISING

- Direct Questioning.
- Focus groups.
- Paired comparison tests.
- Order of merit test.
- Direct mail test.
- Depth interview.
- Story telling.

#### TV & RADIO ADVERTISING

- Central location test.
- Trailer test.
- Theatre test.
- Live telecast test.
- Sales experiment.

#### **POST- CAMPAIGN TESTING Methods**

- Inquiry test.
- Sales test.
- Recall test.
- Recognition test.

#### **INQUIRY TESTS**

- Same placed in different copies in different issues to same medium.
- Determining "pulling power" of different copy.
- Same offer placed in different ad copy appearing in different magazines & newspapers.
- Two pieces of copy reach different audiences.

#### **SALES TEST**

- Through point of purchase displays or direct mail.
- Through two matched groups Collecting data.

#### **RECALL TESTS**

#### AIDED -

respondent shown picture of ad with name of sponsor or brand name blanked out.

#### UN AIDED -

Only the product or service is given.

#### **RECOGNITION TESTS –**

Mail survey through questionnaires etc.

#### **MEDIA RESEARCH:**

#### **OUESTIONS NEED ANSWERING**

- What class of media should be used?
- Which media vehicle & option be used?
- What should be exposure level & how to schedule it?

#### MAJOR AREAS OF RESEARCH

Media selection & Media scheduling

#### **MEDIA SELECTION**

- What frequency of message exposure is desired to change behavior to affect sales of their brand?
- Maximum number of market segment that can be reached with that frequency.

#### 5 LEVELS TO BE ADDRESSED

- Vehicle Distribution.
- Vehicle Exposure.
- Ad Exposure.
- Advertising Perception.
- Advertising Communication.

#### **Vehicle Distribution**

• Individual's medium's circulation. The process by which, it becomes available.

#### Vehicle Exposure

Exposure of audience to vehicle-reading a given magazine or watching a particular TV program.

#### Ad. Exposure

• Requires message physically comes within audience's attention range.

#### **Advertising Perception**

• Audience has conscious awareness of the ad.

#### **Advertising Communication**

- The audience receives the message in a desired context.
- Media scheduling.
- Market & sales analysis research.
- Market potential analysis.
- Sales forecasting.
- Sales analysis.
- Measuring advertising effectiveness.

#### PRE – PLACEMENT EVALUATION

#### LECTURE OVERVIEW

Pre-placement evaluation of advertisement, budget allocation magnitude, advertising perception and communication etc will be explained in this lecture.

#### PRE - PLACEMENT EVALUATION of ADVERTISEMENT

1st advertising decision may need searching and screening of suitable advertising ideas.

- Quest for new ideas or for new expressions of old ones.
- Collection of facts about what people know or feel about a company.
- Prediction of how people will probably react to a new advertising idea.

Various elements to be included can be evaluated using following methods.

Concept Testing. A tea brand emphasized environmental features of mountains etc.

**Theme Testing.** Adv. themes are as follows.

**UTILITARIAN** value of product & for service directed to value for money etc.

**FOCUSED** for specific market segments.

**INFORMATIVE** for information about product. -- no selling message.

**NON-SPECIFIC** Vague & diffused message about product.

**ACHIEVEMENT ORIENTATION** sales profits awards etc.

**DESCRIPTIVE & PROJECTIVE** combination informative & achievement related.

**NEW PRODUCT, SERVICE SCHEME OR IDEA** A new entry in the market.

#### **The media factor** - helps in following ways:

- Number & type of persons exposed to advertising & how often.
- Provide environment -- favorable / unfavorable or neutral.
- Determine overall impact of a campaign i.e. information communicated, attitudes formed or changed or action may be taken as a result of advertising.

#### **Copy Research**

• Establish whether message content & presentation will perform as desired & what changes may be helpful or required.

#### ACCOUNT PLANNING

- Conduct research & gather all relevant information about a client's product or service brand and consumers in the target market.
- To provide key decision makers with all information required to make an intelligent decision.

Jon Stell (*President & Director Account planning*)

- Responsible for advertising strategy formulation & implementation in the creative work
- Ensure that each stage of campaign is completed on time.
- Possess ability to organize & gather huge amount of relevant information essential to solve problems related to the brand.
- Account Planner scheme

#### **Initial Briefing**

- The Budget.
- The Company, product or service.
- Market.
- Distribution.
- Name Brand.
- Price.
- Packaging.
- Competition.

#### **BUDGET**

Magnitude (size) of allocation.

The company, product or service

- *Understand company, its background and how it operates.*
- To see ,understand ,use & operate the product for first hand experience.

#### **MARKET**

- At whom product or service aimed?
- Who is likely to buy it?
- Was it to satisfy a particular market need?
- What are the buying motives?
- How satisfied or dissatisfied are customers?
- Does client require marketing advice?
- Is agency expected to conduct research.

#### **DISTRIBUTION**

- How does / will it reach consumer?
- What is the distribution channel?
- Is distribution extensive or intensive?

#### NAME / BRAND

- Has it been already decided?
- Will advertising agency find a name?

#### **PRICE**

- Has it been already decided?
- Will advertising agency help?
- What is the selling price?
- Is it price conscious market?

#### **PACKAGING**

- Has it been already decided?
- Will advertising agency provide the design?

#### **COMPETITION**

- Is product unique?
- Does it compete with an established product group?
- If expensive what specific consumer group it competes with?

REPORT TO AGENCY HEAD -- DEPARTMENT HEAD and finally leading to CAMPAIGN PREPARATION.

occon 1/

#### WORKING OF ADVERTISING

#### LECTURE OVERVIEW

Continuing with the subject advertising this lecture will cover its working ,illustrate various communication models ,message and media mix factors. .

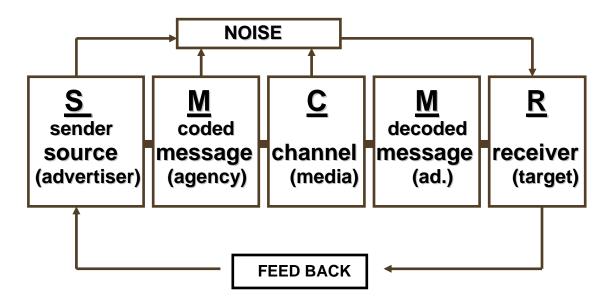
#### WORKING OF ADVERTISING

- Advertisement should raise awareness and change brand attitudes.
- Advertising should provide strong reasons "Why" a specific brand is superior.

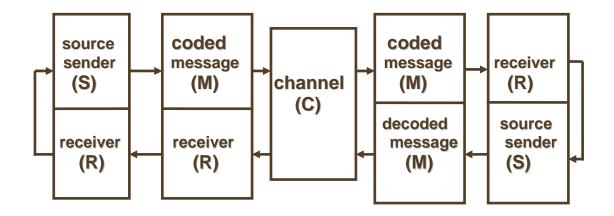
#### 12 Steps to develop effective campaign

- 1. Identifying target market & positioning
- 2. Deciding advertising objectives.
- 3. Kind of communication effects needed.
- 4. How consumers respond to advertising.
- 5. Decide the theme.
- 6. Develop the campaign.
- 7. Decide the advertising appeal.
- 8. Develop copy plat form.
- 9. Formulate message strategy.
- 10. Media Mix.
- 11. Schedule, frequency & pattern of ad. release
- 12. Evaluation of campaign.

## **BASIC COMMUNICATION MODEL**

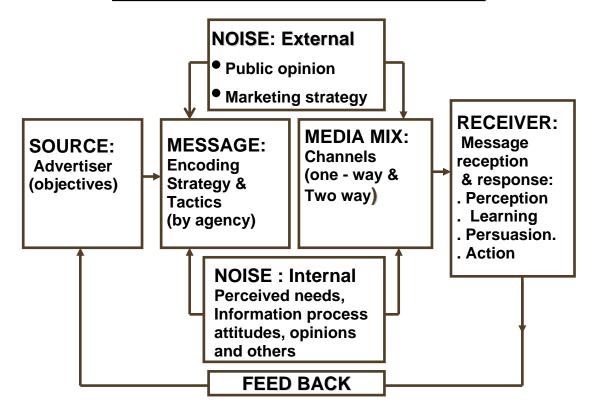


## TWO WAY COMMUNICATION MODEL



An Interactive (2 way) communication model

## **ADVERTISING COMMUNICATION MODEL**



## **SOURCE or THE ADVERTISER**

- Advertiser and Advertising agency are the sources.
- They decide objectives for campaign in terms of impact from the message.

#### **Effects are**

## PERCEPTION – LEARNING-PERSUASION & BEHAVIOUR (SALES)

(Message effectiveness factors chart)

| Key Message Effects | Surrogate Measures              | <b>Communication Tools</b>          |
|---------------------|---------------------------------|-------------------------------------|
| Perception          | Exposure                        | Advertising ;Public relations(PR)   |
| _                   | Attention                       | Advertising; sales promotion        |
|                     | Interest                        | Advertising; sales promotion; PR    |
|                     | Memory: recognition/recall      | Advertising; sales promotion; PR    |
| Learning            | Understanding                   | Public relations; personal selling  |
|                     |                                 | Direct marketing; advertising       |
|                     | Image and association           | Advertising; PR., point of purchase |
|                     | Brand links                     | Ads etc.                            |
|                     |                                 |                                     |
| Persuasion          | Attitudes: form or change       | Public relations :personal selling  |
|                     | Preference / intention          | Sales promotion                     |
|                     | <b>Emotions and involvement</b> | Advertising :Public relations       |
|                     |                                 | Personal selling                    |
|                     | Conviction, belief,             | Personal selling & direct marketing |
|                     | commitment                      |                                     |
| Behavior            | Trial                           | Personal selling; direct marketing  |
|                     | Purchase                        | Sales promotion; personal selling   |
|                     |                                 | Direct marketing                    |
|                     | Repeat purchase, use more       | Sales promotion; personal selling,  |
|                     |                                 | Direct marketing                    |

 $\underline{\text{Noise}}$  is any factor that hinders or distorts the delivery of advertising message to the target audience.

| EXTERNAL FACTORS                           | INTERNAL FACTORS                      |
|--|---------------------------------------|
| Marketing strategy                         | Target Audience need purchase history |
| <b>General Pattern of consumer trends</b>  | Information process ability.          |
| <b>Competitors marketing communication</b> | Level of avoidance of advertising.    |
| Public opinion.                            |                                       |

## MESSAGE & MEDIA MIX FACTORS

## **Message Key Factors.**

- Analysis of marketing & advertising strategy
- Target Audience.

## Media Mix Key Factors.

- A Message reaching a target audience.
- Effectiveness of media plan
- Best chance of delivering the message.
- Different media mix required to reach different target audience

## **THE RECEIVER:**

## Message Reception and Response

 $\underline{\mathsf{THINK}} \longrightarrow \underline{\mathsf{FEEL}} \longrightarrow \underline{\mathsf{DO}}$ 

Learning

Persuasion

**Behavior** 

Lesson 15

#### ADVERTISING RESPONSE HIERARCHY MODELS

#### **OVERVIEW**

Advertising has become a very demanding profession in this now very competitive world. In this lecture we will explain various models to judge the response to various efforts. Besides this we will also explain about advertising themes and the process required to get or develop a unique and big idea along with key points for developing an advertising campaign..

#### ADVERTISING REPONSE HIERARCHY MODELS

<u>4</u> response hierarchy models:

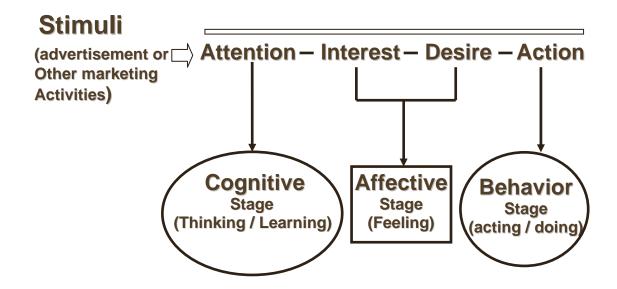
- 1. The AIDA model.
- 2. Hierarchy of effects model.
- 3. Innovation-adoption model.
- 4. Information processing model.

The AIDA model Developed by E. K. Strong

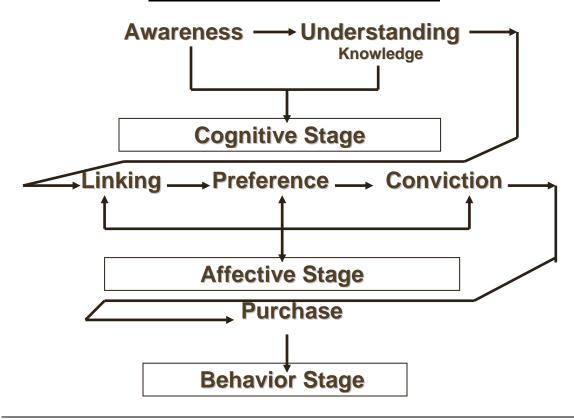
Basically means <u>draw</u> / <u>attract</u> attention Be interesting - Create desire - Initiate action A I D A stands for :

A for Attention
I for Interest
D for Desire
A for Action

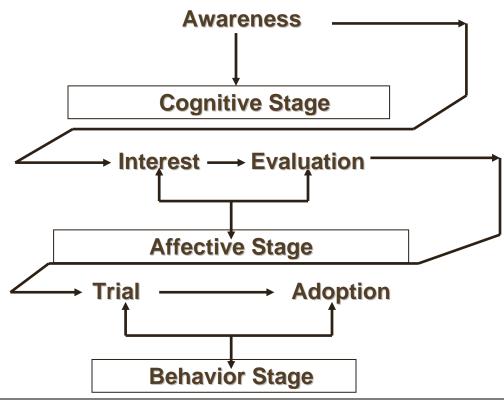
# <u>AIDA MODEL</u>



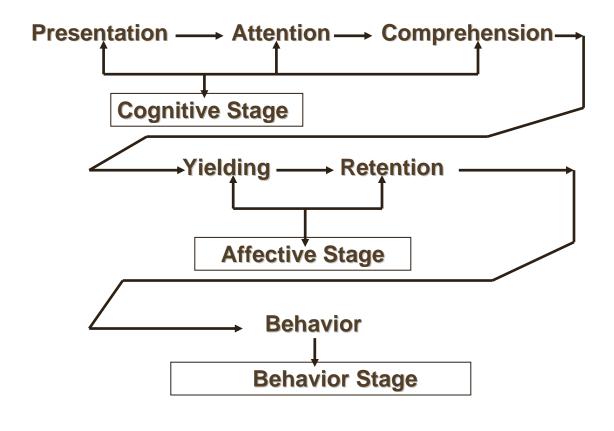
## HIERACHY OF EFFECTS MODEL



# **INNOVATION – ADOPTION MODEL**



## INFORMATION PROCESSING MODEL



# Low involvement learning model

# ALL 4 MODELS start with cognitive stage



## **DECIDING THE THEME**

Advertising theme is the *core advertising message* about the brand that will place it in a better position vis a vis competitor brands.

#### PROCESS REQUIRED TO GET BIG IDEA

## A. Fact finding

- i) Problem definition: Picking out & pointing out the problem.
- ii) Preparation: Gathering & analyzing the pertinent data.

#### B. Idea finding

- i) Idea production: thinking up tentative ideas as possible leads.
- ii) Idea development: from resultant ideas, adding others & reprocessing by means of modification, etc.

#### STEPS FOR A GOOD THEME

- Creating idea. (Idea generation)
- Generation of written copy. (copywriting)
- Art work of various kinds. (illustrations)
- A preliminary & comprehensive vision of ad. (Layout)

## **DEVELOPING ADVERTISING CAMPAIGN**

#### **Three Essential Elements:**

- 1. Targeting the audience Whom are you trying to reach?
- 2. Message strategy

What do you say to them?

3. Media strategy

When & where will you reach them?

### According to Dunn and Barban

In their book - Advertising: its role in modern marketing.

"An advertising campaign includes a series of ads, placed in various media that are designed to meet objectives & are based on analysis of marketing & communication situations."

- Advertising Problem & opportunities
- Identifying target audience
- Deciding advertising objectives.
- Deciding advertising budgets
- Product positioning.
- Finding advertising theme
- Developing campaign.
- Creative strategy.
- Media strategy.

## Other tools

| Sales promotion  | Packaging        |
|------------------|------------------|
| Personal selling | Direct marketing |
| Public relations | Sponsorship      |

Lesson 16

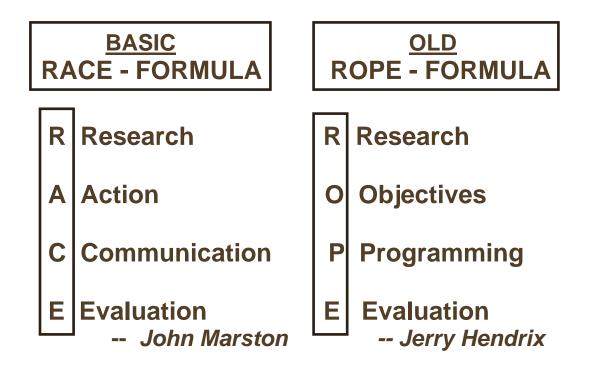
#### PROBLEM SOLVING STRATEGIES

### **OVERVIEW**

Like every situation advertising also has its ups and downs. There are often different problems and this is precisely what will be explained here in this lecture. Problem solving strategies will be explained and procedure to handle them will be highlighted for guidance in such situations. Besides this persuasive advertising strategies will also be penned.

## **PROBLEM SOLVING STRATEGIES**

# PROBLEMS SOLVING STRATEGIES



#### **Procedure to Handle Problems**

### Where do you start?

- Assemble readily available facts.
- Determine which audience is affected or involved.
- Decide if additional research is needed to define problems & evaluate its scope.

#### Where do you go from here?

Formulate a hypothesis, assemble facts to test the hypothesis & revise if hypothesis is disproved.

## Elements to consider in this planning:

- a) What is objective of this effort?
- b) What do you want to accomplish?
- c) What image of company you want to project?

d) What audiences are targets & why?

## Who are other audiences whose opinions matter?

- What message do you have for each audience?
- What media can you use to carry these messages?
- What response do you want from each audience?
- What budget can you use for this regular allocated budget ---- or a special allocation?
- What is the best timing for action?
- Review problems or obstacles that might arise & make contingency plans for these.
- Devise monitoring systems to know;

## How are you doing?

**Evaluation** 

## Once It Is All Over—how to know what happened!

- Plan for evaluation.
- Evaluate all aspects:

## 1. Impact:

• Informational, attitudinal & behavioral.

#### 2. Output.

- Media efforts & results.
- Communicate results.

#### In brief

- Find the central core of difficulty.
- Check list of audiences involved in the problem.
- Determine problem's status for potential harm to the organization.
- List related difficulties to be considered.
- Explore the alternatives.
- Determine the desired objectives.

Actually you must see how the solution fits into long range plans which are shaped to what you see as the Mission.

What are the immediate plans?

How do these fit with long range plans?

Short term solutions that do not fit with long range objectives & are against "Mission Statement" are wrong. Don't do them - Start over

#### **Some Barriers**

- Information you don't know.
- Effects of the way you look at the problem.
- Limitations faced by you. (restrictions on choices the situation offers)
- Your limitations or management's.
- Problems associated with upsetting the equilibrium of organization.

### **Persuasive Advertisement Strategy**

### **Media Orientation**

- What to tell Whom to tell How to tell
- What Media to communicate
- Choice of medium is critical
- Must be believable e.g. Television This is highly credible source/medium with mass penetration.

### **Message Orientation**

- Actually message must be evaluated.
- To be effective persuasive appeals must combine the rational & the emotional.
- To be persuasive, a message has to present "Value for money" to target public.
- Must be compatible with motives of that audience.

## Eight principles apply to consumer behavior

- 1. Unpleasant appeals can be learned as readily as pleasant ones.
- 2. Appeals made over a period of time are more effective.
- 3. Unique messages are better remembered.
- 4. It is easier to recognize an appeal than to recall it.
- 5. Knowledge of results increases learning of a message.
- 6. Repetition is more effective when related to satisfaction.
- 7. Messages are easier to learn when they do not interfere with earlier habits.
- 8. Learning a new pattern of behavior can interfere with remembering something else.

esson 17

#### **CONSUMER BEHAVIOUR**

## **OVERVIEW**

This lecture will explain various moods and mindsets of the consumer defined as consumer behavior. Subsequently the appeals as made through advertising will be discussed with special reference to its types. Besides this execution of advertising plans will be explained including Media mix decisions and its implications. We will also cover advertisement scheduling, "Reach" and tools used in deciding "Reach" and methods to work out program rating for this purpose.

## PRINCIPLES APPLYING TO CONSUMER BEHAVIOUR

Eight principles apply to consumer behavior

- 1. Unpleasant appeals can be learned as readily as pleasant ones.
- 2. Appeals made over a period of time are more effective.
- 3. Unique messages are better remembered.
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- 8. Learning a new pattern of behavior can interfere with remembering something else.

### **ADVERTISING APEALS**

Three Types of Appeals

- 1. Informational / Rational / Logical.
- 2. Emotional appeal.
- 3. Moral appeals.

## Informational / Rational / Logical – Appeals

- Focuses on consumer's practical, functional or utilization need for a product or service.
- Emphasizes features of a product & service.
- Informs about benefits or reasons for owning or using a particular brand.

## **Emotional – Appeals**

- -- Relates to consumer's psychological and / or social needs for purchasing a product or service.
- -- Many purchase motives of consumers relate to emotions & feelings about a brand...

#### Two types:

- Positive emotional appeals.
- Negative emotional appeals.

#### Moral – Appeals

Moral appeals attempt to draw audience to "What is right"

Generally used to urge people to support or show concern to social causes such as polio eradication, environment protection, population control, donations etc.

### **ADVERTISING EXECUTION**

Always keep in mind two big questions What you say? & How you say?

- Straight sell or factual message.
- Animation.

- Scientific / technical evidence.
- Personality symbol.
- Demonstration.
- Fantasy.
- Testimony.
- Dramatization.
- Humor.
- Combinations.

#### MEDIA MIX DECISIONS

Following factors essential to keep in mind:

- A. Target Audience.
- B. Type of product category.
- C. Message Appeal.
- D. Execution Style.
- E. Budget.

## Few Terms to understand Media strategy

In the professional world of advertising it will be very handy and useful if you understand following terms as and when used:

- **CLUTTER**. No. of ads in a medium.
- FLEETING MESSAGE. commercials
- **ZAPPING**. Changing channels to avoid commercials.
- **ZIPPING**. Fast forward thru commercials while watching programs on videos etc..
- SCHEDULING STRATEGY. 3 types
  - 1. PULSING. --- Peaks & valleys.
  - 2. *CONTINUITY*. Spreads continuous publicity.
  - 3. FLIGHTING. Alternates between intense & no advertising.

#### **Effective Media Choice Decision**

Following factors influence decision:

- Product characteristics.
- Media objectives.
- Media budget.
- Preference of media planner.

#### Media Planner's Objective

- Reach most of the target market.
- Define coverage in terms of:
- 1. Geographical Area.
- 2. Percentage of Target audience.

#### Issues to Be Decided

Reach, Frequency, Scheduling, Media choice.

## **How Scheduling Decision Is Made**

Calendar of advertising plan – Assumptions:

How will target audience respond to the presence or absence of the advertising messages?

## Three Approaches of Scheduling

#### **CONTINUITY - FLIGHTING - PULSING**

For Brand ~ buying cycles ~ budget ~ Advertising decay ~ competitive spending

#### How to Decide About "Reach"

Reach requires:

- Achieving awareness needs "Reach."
- Exposing potential buyers to message Needs "Reach."
- Trial stage of adoption hierarchy needs "Reach."

## **Tools Used in Deciding Reach**

#### **Program Rating**

It is number as percentage. Measure of potential reach of TV or Radio....

Easy formula

Program rating = No. of households viewing program

No. of households owning TV sets.

e.g.

In Lahore  $\underline{1}$  mil. Households own TV sets & a program "Raat Gaye" is watched by  $\underline{3}$  lakh households then program rating is:

$$3,00,000$$
 X 100 = 30 %  $10,00,000$ 

## **Gross Rating Point (GRP)**

To know how many potential audiences may be exposed to series of commercials -- The sum of total exposure potential expressed as a <u>%</u> of the audience population is called Gross Rating Point - (GRP).

 $\underline{GRP} = \underline{reach \ X \ frequency}$ 

## **Target Rating Point (TRP)**

Refers to number of people in the primary target audience that will be reached & reached number of times. Unlike GRP it refers to the number of times (frequency) and the number of individuals- media will reach the primary target audience.

ONE TRP is = 1 % of total TV audience

SO - if TV program has 50 TRP's i.e. 50% watched the program in that week.

Lesson 18

#### **CREATIVITY IN ADVERTISING**

### **OVERVIEW**

Advertising has a very important and vital role in the image building and marketing of products and or services in this rapidly changing competitive world. In this lecture we will explain the creativity in advertising, its meaning aspects and different steps in the creative process. Simultaneously we will also explore the concept of research along with how to create major selling ideas and style of selling. This will help in understanding various creative stages and their importance

## **CREATIVITY IN ADVERTISING**

Creativity is at the heart of everything we do our ability to transform strategic thinking into ideas enables us to develop creative communications that work in the market whether it is print, radio or television add, a corporate broacher or an annual report creativity makes our work standout.

Creativity means being novel and appropriate. It is the ability to generate fresh unique and appropriate ideas that can be use as solution to communication problem.

There are three difference stages of creativity in advertising namely, create, creation and creative.

**CREATE:** It means to bring something in to being and originate a new and unique idea.

**CREATION:** After the process of creating or originating a new idea be created original product of human invention or imagination leads to creation.

**CREATIVE:** In order to understand the creativity or being creative can be translated into seeing same thing as everybody else but thinking differently.

#### Three aspects are most accepted:

For advertising being creative three aspects are universally most accepted these are the creative process, creative person and in this perspective the creative situation. These aspects are explained below:

- <u>The creative process</u>. It means receiving most of attention, focusing on mechanism & phases involved during the process one partakes in a creative act.
- <u>The creative person</u>. This relates to the personality traits of creative people who are responsible and central to this process.
- <u>The creative situation</u>. In this situation the criteria & characteristics of creativity are considered to provide workable, acceptable and practical aspects of the situation.

## **Four Rules of Creativity:**

There are generally four basic rules to be kept in mind during the creativity process these are mentioned below:

- 1. Make the product relevant to customer.
- 2. It should be promise to the customer.
- 3. Don't let it stand alone.
- 4. Always put product in the centre of the commercial.

### THE CREATIVE PROCESS

To understand the creative process it is essential that the different avenues and steps of this may be identify and understood there are five different steps in the effort of the creative process:

- **IMMERSION** This tantamount to gathering raw material information through background research and immersing yourself in the problem.
- **DIGESTION** -- This means taking the information, working with it and thinking about it in the mind.
- **INCUBATION** This step helps you to put the problem out of your conscious mind and putting the information to do the work.
- **ILLUMINATION** As a result of first three steps the birth of an idea takes place.
- **VERIFICATION** Basically the purpose of this step is to study the idea to see if its still looks good or solve the problem and subsequently shaping the idea for practical benefit.

#### **BACKGROUND IN RESEARCH:**

The creative specialist has to use informal fact finding techniques to learn as much as possible about the client product or service and in this respect five different aspects as detailed below should be kept in mind:

- 1. Reading anything & everything related to product or market.
- 2. Asking everyone involved with the product e.g. designers, engineers etc.
- 3. Listening to what people are saying.
- 4. Using product or service for familiarity.
- 5. Understand people being reached.

### **MAJOR SELLING IDEAS:**

An important part of creating strategy is determining the central theme which will become a major selling idea of the add campaign. In order to be effective an add campaign must contain a "big idea" that attracts the consumer attention, gets reaction and sets the product or service apart from the competition. Some of the best known approaches are as follows:

- 1. Using unique selling proposition.
- 2. Creating a brand image.
- 3. Finding the inherent drama.
- 4. Positioning.

## USING UNIQUE SELLING PROPOSITION:

Following three characteristics of unique selling propositions are given below:

## 3 characteristics are essential.

- Each advertisement must make a proposition to the customer. It should say "Buy this & you will get the benefit."
- Must be unique either in brand or in claim.
- Must be strong enough to move masses, i.e. pull new customers to your brand.

#### **CREATING A BRAND IMAGE:**

In many products and service category competing brands are so similar that it is very difficult to fine or create uniqueness or benefit to use as the major selling ideas. The creative strategy used to sell products is based on the development of a strong, memorable identity for the brand through "image advertising."

### FINDING THE INHERENT DRAMA:

Advertising campaign can be very effective if it has drama which makes a very interesting and engrossing e.g. the advertisement of Mirinda drink revolves around the drama that the mother is so fascinated by the taste of the drink and she doest even recognized her lost son.

#### **POSITIONING:**

Any product creates a position of itself in the market. The process which determines what place will be occupied in the given market with the ongoing products is called positioning. The markets can position a product, service and ideas in the following ways.

- By Price: (Nirma washing powder by claiming same cleaning in lesser price).
- By Attributes. (Surf Excel can save two buckets of water).
- By ability to surpass competition. (Harpic cleans better than other toilet cleaners).
- By application. (Fair and lovely can make the skin fairer in fourteen days only).
- By product users. (Shezan is a favorite drink of all children)
- By product class. (Malee Juice is the real fruit juice).

#### STYLE OF SELLING:

Style of selling can be decided according to the nature of the product, the competition and the target audience. The style of each agency and individual campaign differs in this context there are two styles of selling in use and are classified as Hard Sell Advertising and Soft Sell Advertising. The meaning, purpose and classification are illustrated in the chart no. 22 below:

| HARD SELL   | SOFT SELL   |
|---|---|
| ADVERTISING   | ADVERTISING   |
| It is like Coaxing the receiver with the immediate Demand to buy the product e.g. buy now Creating Pressure to buy. | Just opposite to hard sell with the immediate advertising. Wider approach to buy the product. Uses suitable approach. Better as it does not irk the customer. |

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#### **COPY WRITER**

#### **OVERVIEW**

This lecture will discuss creativity for profit in advertising. Moreover in the lecture we will discuss in detail about the copy writer, its role, work, tasks and characteristics. We will also explain about the importance of language in advertising and illustrate the anatomy of an ad and general adjectives and verbs used while designing an ad and preparing a copy.

#### **CREATIVITY vs. PROFIT:**

The basic purpose of any advertisement within a business or commercial environment is to ensure how much it helps in promoting the business of the company thereby being an essential part of its profitability. Therefore, the only judge of creativity is how it helps to achieve profits. The important points in this regard for the creative artists should be to first make sure that the message is driven home and then add all the creative stuffs desired without spoiling the main purpose. The two parameters in this regard or consequence are i.e.: "Impact" and "Relevance" and in this context following points of creativity should not be ignored.

- Creativity should include not only brand communication but also brand experiences collected over a period of time.
- It should not only include compelling words & visuals but also have catching ideas that add value to the brand.

### **COPY WRITER:**

The purpose of each appealing message in advertisements is to motivate people to buy the advertised goods and services. Advertising copywriters are the people who write slogans like (Nike's "Just do it") and other slogans carefully making punchy phrases to coax the target audience into buying deluge of product and services. Following description will explain regarding copywriter and his/her assignments in advertising environment.

- A copy writer is who writes the most interesting and original copy that will get people appreciating and buying.
- A copywriter works in creative partnership with art director to conceive, develop & produce effective advertisements.
- While art director deals mainly with visual images, copy writer provides verbal or written aspect.

#### **COPYWRITER'S WORK:**

A copywriter's work depending upon the type of agency may include as under:

- Meeting with account management team to discuss client's requirements & background to the product.
- Working in close-knit creative partnership with art director to generate workable concepts and ideas.
- Writing clear, persuasive and original copy.
- Submitting ideas & discussing progress with the creative director.
- Amending &revising campaigns according to feedback from creative director or clients.
- Working on several campaigns at once under pressure & tight deadlines.
- Carefully proof reading copy to check spellings & grammar.
- Overseeing campaign through the production stage to final completion.
- Keeping up to date with popular culture & trends.
- Advising would be creative & reviewing portfolios.

### **COPYWRITER'S TASK:**

Copywriting is a job i.e. proceeds as creative, stimulating and even glamorous. The copywriter's work is often stressful since being creative on a tight schedule isn't all that easy. The task of the copywriters includes:

- Writing ads for various media.
- Analyzing marketing data.
- Consulting with clients.
- Consulting with other members of creative team.
- Editing and re writing copy.

#### **CHARACTERISTICS OF COPYWRITER:**

The skills abilities and personal characteristics of a copywriter are as follows:

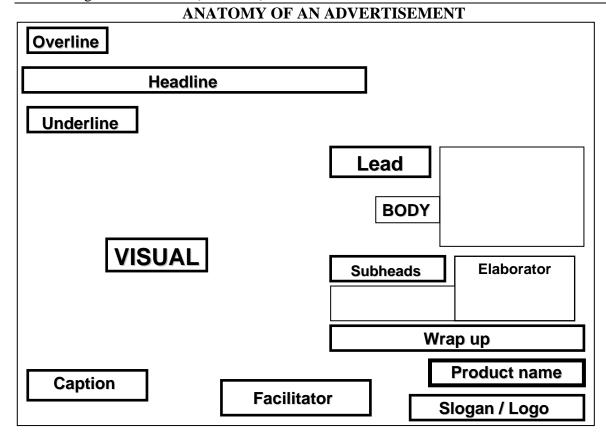
- Writing creatively & persuasively.
- Working under pressure.
- Meeting deadlines.
- Working in team.
- Working cohesively with clients.
- Keeping abreast of market trends.
- Translating client's preferences.
- Having amazing sense of humor.
- Working on various projects simultaneously.
- Being a wordsmith.

## **IMPORTANCE OF LANGUAGE:**

In fields of marketing & advertising language has powerful influence over people and their behavior. First of all let us have a look at the various components of an advertisement.

- HEADLINE: To grab attention.
- ILLUSTRATION: To retain interest.
- BODY COPY: Details & sales pitch.
- SIGNATURE LINE: Brand name, slogan & trade mark.
- STANDING DETAILS: Address of company.

These components are further explained and illustrated in the chart no. 22 namely Anatomy of an Advertisement.



| VOCABULARY USED IN ADVERTISING |       |  |
|--------------------------------|-------|--|
| ADJECTIVES                     | VERBS |  |
| New                            | Make  |  |
| Good /Better / Best            | Get   |  |
| Free                           | Give  |  |
| Fresh                          | Have  |  |
| Delicious                      | See   |  |
| Full                           | Buy   |  |
| Sure                           | Come  |  |
| Clean                          | Go    |  |
| Wonderful                      | Know  |  |
| Special                        | Keep  |  |
| Crisp                          | Look  |  |
| Fine                           | Need  |  |
| Great                          | Use   |  |

The study of vocabulary used in advertising listed above in chart no. 23, contains most common adjectives and verbs as the language of advertising is of course normally very positive and emphasizes about one product standing out in comparison with another e.g. comparatives are often used when no real comparison is make such as an advertisement of a detergent may say "it gets clothes whiter" but the question is whiter than what.

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#### WHY ADVERTISING

#### **OVERVIEW**

In this lecture an important aspect i.e. the language in advertising will be further explained and the use of weasel words will be explained. The reason of advertising and how does it help in conveying information besides market education and its different classifications with regard to the market education, effects of adopting market education strategy and the techniques adopted for this will be discussed. We will also cover the role of Public Relation in advertising and the difference between the two and the 7W's for the advertisement campaign.

## **WEASEL WORDS:**

Advertisers often use special words or phrases. These words or phrases are often misleading such words are called weasel words e.g. Weasel words are "Helps, Virtual, New and Improve and like". Few of these words are further explained below:

**Helps:** People often think word help means to stop, but in advertising it means not necessarily true. e.g. a product can *help* indigestion. In fact product does not cure indigestion.

**Virtually:** Means not really or not in fact e.g. if you see an ad. That this cold medicine virtually relieves all symptoms, The ad could mean it does not relieve any symptoms

New & improved: The change makes product new. A product remains new for 6 months.

**Like:** Like means "not in fact". Some products claim they work "like magic". if things are like magic they are not magic.

**PRESUPPOSITION**: These are crucial part of advertising as they can cause the reader to consider the existence of objects, propositions and culturally defined behavioral properties .e.g. "Have you had your daily vitamins" presupposes that you take or need daily vitamins".

### WHY ADVERTISING?

It is important to understand as to why someone needs advertising and what are the objectives to be accomplished besides knowing how does advertising help. The answer to all these questions is briefly appended below:

- It is an important technique developed long before most of the other matured.
- It financially supports many of the media of communication.
- It is always immediately apparent to be a communication from an interested party seeking to reach target audience.
- It is essential to the sale of vast quantities of goods produced.
- Is always clearly visible & often measurable.

### How does Advertising help?

The purpose of advertising is primarily to create awareness and convey information like;

- 1. Company planning to establish new product.
- 2. Notifying personnel of changes in work schedules, layoffs or recalls.
- 3. Explanation of interruptions in service & what the public should do.
- 4. Why is there a change of company name?
- 5. Explanation of issues in a strike.
- 6. Report company's activities to target public.
- 7. Contributing to the company's image.

## **Advertising & Market Education:**

There are certain companies or advertisers who use the special and effective method of market education in advertising to make it more acceptable and productive in response, there are following three fold effects of market education in advertising:

- 1. Will help to make advertising more quickly acceptable & productive in response.
- 2. Could make less weighty advertising possible.
- 3. Whatever advertising is conducted, it is likely to be more economical

## Two Kinds of Market Education & Two Types of Market:

Primarily there are two major kinds of market education and for this purpose the market can also be classified into two types like trade and consumers. Following are the two kinds of market education.

ONE kind of market education prepares the market in advance... Also called pre-selling.

SECOND kind of marketing education occurs with products & services that are already on the market.

And the two types of market for ease of understanding are mainly divided into two types.

1<sup>st</sup> type of market: The people who sell your products or service --- *Trade*.

2<sup>nd</sup> type of market: The people who buy or use your products --- Consumers or users.

#### EFFECTS OF ADOPTING MARKET EDUCATION STRATEGY:

There may be a question in the mind of a person as to why a market education strategy should be adopted at all. By adopting a proper market education strategy following positive effects can be achieved:

- 1. It helps to minimize sales resistance.
- 2. Easier for the sales force to achieve 'adequate distribution' prior to advertising.
- 3. It helps to reduce the cost of advertising.
- 4. It makes advertising more effective.

### **Techniques adopted for market education:**

In view of the importance of market education different techniques are adopted to educate the market and these different techniques are written below:

- 1. A media relations campaign in press, radio & TV.
- 2. Testing of prototype by potential users. often providing material for media relations.
- 3. Production of slides, videos & other audio & visual aids for use at dealers, customers conventions etc.
- 4. Work visits for dealers.
- 5. Special campaigns aimed at particular opinion leaders or influential groups.
- 6. The production of printed material which may be needed to support these activities.

### **ADVERTISING & PUBLIC RELATIONS**

In this competitive world advertising has become a very important tool of Public Relations while advertising presents the most persuasive possible selling message, the role of Public Relations is of informing, educating & creating understanding through knowledge. Therefore it should be understood that Advertising will be more successful when prior PR activity has created knowledge & understanding of product or service being promoted. This effort is known as Market Education.

#### Moreover:

- Advertising is used as an important tool of PR.
- By Market Research PR determines type of advertising.
- PR manager on the basis of market information determines choice & use of media.

### HOW ADVERTISING DIFFERS FROM PR:

Primarily speaking public relation is not a form of advertising it has broader perspective and advertising is its part, too. Let us try to explain as to how advertising is differing from Public Relation. The following are the points for differentiating advertising from PR.

- 1. PR is not a form of advertising.
- 2. PR relates to all the communications of the total organizations, while advertising is mainly used for sales objectives and marketing functions.
- 3. At times advertising may not be used by an organization, but every organization is involved in PR.
- 4. PR embraces every one & everything, while advertising is used for special selling & buying tasks.

#### **ADVERTISEMENT CAMPAIGNS:**

Advertising campaigns are always very critical and demanding, these days there is stiff competition amongst manufacturers, market, similar or competitive products. It is therefore imperative that the campaigns should be devised prudently to be cost effective and result oriented, in order to understand this it is essential to first of all know the following different avenues which can be classified as 7 W's which are relevant questions to be tackled for effective advertisement campaigns.

### Seven "W's"

- What is the objective of the campaign?
- What problems are to be addressed?
- What extent do you anticipate to achieve results?
- What media will you prefer to use, for different target audience?
- What will be the likely cost?
- Who is going to launch the campaign?
- When is campaign planned for launch?

Lesson 21

#### METHODS TO APPRECIATE A PROBLEM

## **OVERVIEW**

In this lecture we will explain various methods to appreciate a problem situation and various aspects of sponsorship which is a very important tool of advertising. Further more the characteristics of advertising media, categories of press and the aspects of its various segments covering advantages and disadvantages of each.

## TEN METHODS TO APPRECIATE A SITUATION:

Before proceeding with any advertising campaign during the process of its preparation it is essential that first of all the methods to determine the type of situation should be identified.

## • Opinion, attitude or image surveys:

It is important that to appreciate a situation a focused effort should be made to know the opinion and the attitude of the concerned audience and conduct service to know about the image of the company/product/brand.

#### • Press clippings, monitored broadcasting scripts:

This important source can also reveal the underline factors of the prevailing problem.

## • Sales trends & sales report indications:

The figures from this source will provide enough matter to know and appreciate a situation.

## • Competition within & from imports:

In the market the competition from the locally made goods / brands and the ones imported can also provide relevant information.

### • Share price:

If it is a public limited company the dividend and the balance sheet can easily reflect upon the information to appreciate a situation.

#### • Industrial relations situation:

The relationship between the management and the employees and the consequences thereof can also be useful.

### • Customer complaints, test reports & product performance:

The performance of the product in the market including the test reports and judging from the customer complaints one can easily determine the situation.

#### • INPUT from sales force & distributors:

Sales force and distributors can also feed and provide good input.

## • Prices & effect of price changes:

The prices and the effects thereof in case of variations can be also a good source.

## Market forces, economic, social & political:

The overall market situation influenced by different aspects like economic social, political can also prove a good source.

## SPONSORSHIP—an important tool

In this competitive world in an important tool of advertising i.e. sponsorship is a very good technique not only to win customers but also to retain them. Before explaining various aspects of sponsorships, it is imperative to answer a basic question i.e. "why sponsor?"

As Sir Francis Bacon said "A wise man will make more opportunities than he finds."

It clearly explains that sponsorship is basically to create more opportunities rather than finding the prevalent ones. Therefore it is important to answer following four questions.

- 1. What should be sponsored?
- 2. What are the total costs involved?
- 3. How can sponsorship be made effective?
- 4. How can the sponsorship be organized?

In this context to answer the most important question of the reasons to sponsor following are detailed below:

- Want to enter a new segment of market.
- Increase familiarity with your name.
- Want to improve customer relations.
- Enhance your corporate image.
- Show how your products perform.
- Want maximum media coverage.
- Support distributors.
- Want company known in export markets.
- Want to increase goodwill.

## What to Sponsor?

An important aspect is the determining of the important question of the various segments which can be sponsored answering the basic question of what to sponsor.

- Sports
- Arts & culture
- Publications
- Professional awards
- Educational
- Charitable causes.

#### **ADVERTISING MEDIA:**

An important ingredient of advertising is the source or medium which is used as a vehicle to translate the advertising campaign and carried across to target clients i.e. the understanding of media in this context first of all following are the special characteristics of advertising media:

## **Special Characteristics:**

- In-depth coverage & permanence: Basically the media should have good coverage and should be a permanent source i.e. can be red, re-red and retained; in this regard magazines are a good example.
- Variety of subjects covered: It should not be restricted and should take care of variety of subjects.
- Mobility: The media should be in a position to carry the message across to where ever
  desired. In this regard the best example are newspaper and magazines which can be red and
  carried almost everywhere i.e. in the house while traveling at the place of work or library
  etc.
- Results assessable: Basically it is the effort of evaluation which is possible by dividing the cost of space by the number of replies received.

- Statistics available: The media planner can confront the media salesman with calculations to justify media schedule of recommended space and air time booking.
- Improved printing: The majority of newspapers and magazines now using latest technology of printing have very good picture quality and printing of text even in black and white and resulting in much improved printing and thereby becoming a useful advertising media.

#### **CATEGORIES OF PRESS:**

During the past few years newspapers are facing a strong competition from radio and television. In order to understand the importance of the categories of press first of all we have to determine the advantages of newspapers and magazines and understand the types of advertisement in them. There are three major types of advertising in newspapers such as Classified Advertising, Retail Advertising & National Advertising.

While Classified Advertising referred to as want adds primarily for the convenience of readers generally not including headlines or illustrations also is known as classified display, Retail Advertising refers to two kinds i.e. sales promotion advertising based on price features, sales or specials and image advertising is primarily designed to position a product in a better way. The National Advertising is used to support their products and is part of the manufacturers' national advertising plans.

#### ADVANTAGES OF NEWSPAPERS

There are various advantages of newspapers in advertising context which are given below:

#### 1. FLEXIBILITY:

- advertising space from 1 inch to multiple pages can be used.
- ads can be scheduled on any day of the week.
- ads can be prepared on very short notice.

### 2. RANGE OF MARKET COVERAGE

Provide geographical flexibility.

#### 3. COMPETITIVE ADVANTAGE:

Relatively cheap as against other media.

#### 4. POSITIVE CONSUMER ATTITUDES:

High reader interest & approx 80% coverage.

### 5. INTERACTION OF NATIONAL & LOCAL:

Provide a bridge between the national advertiser and the local retailer.

#### **DISADVANTAGES OF NEWSPAPERS:**

Despite being very useful medium for advertising it has certain disadvantages which should be kept in mind and are as under:

- 1. No Audience Selection: Does not provide audience selectivity.
- 2. High waste circulation: makes them too expensive on national basis.
- 3. *Short life Span*: unlikely to be put aside and read later like magazine.
- 4. *Poor reproduction*: generally poor color reproduction.

### **ADVANTAGES OF MAGAZINES:**

Although the glamour of television has overshadowed magazines for along time yet many advertisers considered magazines to be an important and second choice, recent study has

proven that in some cases magazines are actually a better option then television. However, like many mediums magazines have their advantages and disadvantages as under:

## 1. Target Audience:

The magazines can reach specialized audiences and thereby prove very useful e.g. magazines like men's health target men's for their health and women magazines target women.

- 2. *Audience Receptivity*: Magazines have a very high level of audience receptivity such as an ad in fortune magazine would impress business audience.
- 3. *Long life Span*: Magazines have longest life span of all the media because some of them might never be discarded like National Geographic magazine etc. moreover these have highest reach potential as they are past along to family friends customers and colleagues.
- 4. *Format*: Generally, the magazines format allows creative advertising variety through multiple pages inserts and other features.
- 5. *Visual Quality*: The production quality has become excellent being printed on top class paper and with very good reproduction quality.
- 6. *Sales promotions*: Advertisers can use magazines to distribute various sales promotions like coupons, samples and information cards etc.

## **Disadvantages of Magazines:**

Magazines are limited by certain factors and the most prominent disadvantages as are given and explain below:

- 1. **Limited distribution**: In view of the magazines having limited distribution they lack penetration, thus selectivity of the medium is lost.
- 2. **Lack of immediacy:** Advertisements may take long time to have an effect on the reader because some readers may not look at an issue of a magazine until after it comes to them so the ad may take long time to have an effect on the reader.
- 3. **Limited flexibility**: Despite magazines offering advertisers many benefits long leave time and limited flexibility are drawbacks there is closing dates often 2 to 3 months prior to the date of issue.
- 4. *High cost*: The production costs for magazines are relatively high because of high quality color production.

#### **CHANGES IN MAGAZINE INDUSTRY:**

In recent years there has been a major transformation and as with newspapers emerging technology, particularly online technology is changing the magazine industry. These virtual magazines are distributed on internet. However, exciting and beautiful critics still consider online magazines not to be that effective yet and in near future. Basically life or death, prosperity or difficulty of any communication vehicle depends upon its ability to produce an acceptable cost-benefit relationship. The question is not the inherent superiority of the internet over traditional print it is which works better as part of an intelligently developed media strategy.

Lesson 22

### IMPORTANT TOOL OF ADVERTISING

#### **OVERVIEW**

In this lecture continuing with an important tool of advertising i.e. magazines, we will explain the types of audience, advertising importance of television advertising its comparison with other media advantages and disadvantages including the ingredients of a good TV campaign, forms of TV advertising will be discussed. Moreover another important component of electronic media ratio will be discussed in detail besides discussing Cable TV, transit, billboards advertising will be explained.

#### **TYPES OF MAGAZINES:**

It is important to know different types of audience. Primarily following three different types of audience:

**Consumers:** Directed to consumers who buy products for personal consumption.

Business: For business readers like:

- a) Trade papers
- b) Industrial magazines
- c) Professional magazines

Farm Audience: Targets farmers & those engaged in products related to farming

#### TYPES OF ADVERTISING:

There are various types of advertising in use today like;

- 1. OUT DOOR or OUT OF HOME ADVERTISING:
  - From posters, bill boards to hot air balloons.
- 2. TRANSIT ADVERTISING:
  - Generally in urban areas like paint on buses, taxis etc. both inside & outside of these.
- 3. DIRECTORIES:
  - Like yellow pages, Trade directories etc.

## **TELEVISION ADVERTISING**

This source provides the ability to communicate sight, sound, motion and emotion, by giving product "larger than life" image and being visual has more impact on customers. "Seeing is believing" becomes reality and makes easy for consumers to take decision.

The following chart compares television to other media and its over all superiority as primary media source of news and proving as a credible news source as illustrated as Chart No. 24.

# **ADVANTAGE OF TV TO OTHER MEDIA**

| TV                               |                                 | 69% |  |  |
|----------------------------------|---------------------------------|-----|--|--|
| Newspapers                       | 37%                             |     |  |  |
| Radio                            | 14%                             |     |  |  |
| Magazines                        | 5%                              |     |  |  |
| (a) Primary media source of news |                                 |     |  |  |
| TV                               | 53%                             |     |  |  |
| Newspapers                       | 23%                             |     |  |  |
| Radio                            | 7%                              |     |  |  |
| Magazines                        | 4%                              |     |  |  |
|                                  | (b) Credibility of news sources |     |  |  |

#### ADVANTAGES OF TELEVISION ADVERTISING

Television is rapidly becoming a very strong medium of advertising with global media explosion and the setting up of numerous TV channels with in many cases very large foot print (coverage area). It is being used extensively by all type of businesses, services and governments, following are the advantages of television advertising:

- Creativity and Impact: The greatest advantage of TV is the opportunity it provides for presenting the advertising message, the blend of sight and sound offers tremendous creative flexibility and resultantly making deep impact.
- Coverage and cost effectiveness: Television advertising makes it possible to reach large audience nearly everyone regardless of age, gender, income or educational level watches TV at least for sometime. In view of the large coverage of its telecast makes it more effective both for advertising and cost effectiveness.
- Captivity and attention: The combined power of site, sound, motion and emotion creates a very good effect
- Selectivity and flexibility: In TV advertising some selectivity is possible to due to variations in the composition of audiences as a result of program content time of telecast and geographical coverage.

#### LIMITATIONS OF TELEVISION:

Despite being advantages and unsurpassed from creative perspective it still has some disadvantages that limit its use by many advertisers. These are as follows:

- Costs: It is enormously expensive medium to advertise.
- Lack of selectivity: TV doesn't offer as much audience selectivity as radio, magazine, newspapers or direct mail for reach precise segment of the market.

- Fleeting message: Television commercials usually last from 30 seconds or less and leave nothing tangible for the viewer to examine or consider.
- Clutter: The problem of reading messages and shorter commercials suggests that since the advertiser message is only one or more spots its results in effectiveness because of such clutter.
- Limited viewer attention: Buying time on a TV program it communicates a message to large number of customers yet there is increasing evidence that the size of viewing audience shrink during a commercial break.
- Deception in television advertising: Art and technology is being used to create simulations to tell stories to evoke desired reaction from the audience. Basically a tantamount to say what is not actually true.

#### INGREDIENTS OF A GOOD TV CAMPAIGN:

Television is an influential medium of advertising but making a good TV campaign the creative process begins with our knowledge of what works best for television campaigns. The consumers respond best to television commercials that employ one of the following elements:

- Celebrities.
- Humor, especially a surprise or a twist.
- A story line.
- A simple concept.

## FORMS OF TV ADVERTISING:

Various techniques are used for Television Advertising and following are its different forms.

**SPONSORSHIPS:** Advertising through sponsoring programs

**PARTICIPATIONS:** Frequent spots 5, 10, 20, 30 seconds

**SPOT ANNOUNCEMENTS:** Word spot means with time frame appear during breaks etc.

#### **RADIO ADVERTISING:**

Although not as glamorous as TV yet it is still effective and strong. Following are the advantages of radio advertising:

#### **ADVANTAGES:**

- Low cost option.
- Definable target markets based on their format.
- Radio stations offer considerable flexibility & a short lead time.
- Intimacy like FM stations etc, liking to presenters, DJ's etc.
- Mobile: Its portability makes it mobile and can be taken anywhere.

#### **DISADVANTAGES OF RADIO:**

Radio has its disadvantages too which are given below:

- Short exposure time: Radio advertisements normally last only 15 or 30 seconds and listeners busy with other activities may not register them.
- Target duplication: Several radio stations may try to reach the same target market and advertising on all of them may not be financially feasible yet reaching everyone in that target market may not be possible unless all stations are used.
- Overloading of ads: Normally too much information is put in one add thus overloading the consumer mind and very little is retain.
- Loyal listenership: Radio stations have loyal listener who do not prefer to listen to other stations.

### **MEASURING RADIO AUDIENCE:**

- Coverage: The most basic measure is the station coverage which is simply the number of homes in a geographic area that are able to pick up the station clearly.
- Circulation: The circulation of the radio station i.e. the number of listeners listening to it regularly.
- Competing programs: Competing programs also provide a very good medium to judged, determine and measure radio audience.
- Timings of programs: The timings of programs are also crucial for measuring the number of radio audience.

## **CABLE TV:**

Cable TV is now becoming very popular source of advertising and it has various advantages as under:

#### **ADVANTAGES:**

- Can buy time on programs for specific audiences
- Cost is lower than normal TV.
- Production costs more affordable.
- More innovative production people available.
- Message reach assured

#### LIMITATIONS OF CABLE TV:

There are various disadvantages of cable TV which limit its benefits these are appended below:

- Limited or small Reach.
- May have less experienced production crew.
- Reaching specific customers, but not potential customers.
- Audience may be fragmented and viewers may stay with a program for a shorter period of time.

## TRANSIT ADVERTISING:

Basically Transit Advertising can be defining as a source consisting of paper posters placed inside or on transit vehicles and in transit stations. following are the advantages of transit advertising preceded by its disadvantages:

#### **ADVANTAGES**

- Exposure to one ad can be long if inside a transit vehicle.
- Frequency.
- Ads outside the transit vehicle are seen by large & diverse audiences.
- Ad message can be timely.
- Method tends to be quite inexpensive.
- Ads could be somewhat lifestyle targeted passing through specific neighborhoods.

#### **DISADVANTAGES**

- Ad design is usually limited to size of space.
- People on mass transit are not generally in a receptive mood.
- Transit ads are hard to target.
- Surroundings may distract from the message.
- Mass transit environment may not suit Message.

## **BILLBOARDS ADVERTISING**

Billboards are now a days a very important source of splashing advertisements. These are very effective as they are witnessed and observed by many. Following are the advantages followed by the disadvantages of billboards usage as advertising medium.

### **ADVANTAGES**

- Big splashy messages attract attention.
- Ad has impact: technology has made it more interesting.
- Ad reaches lot of people, as they travel same route every day.

### **DISADVANTAGES OF BILL BOARDS**

- Hard to reach specific audience.
- Creativity inhibited by space limitations.
- Hard to measure its effectiveness.
- Ad may become weathered & vandalized.
- Costs though reasonable could become quite expensive by innovative adaptations.

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#### **ONLINE ADVERTISING**

#### **OVERVIEW**

In this lecture we will concentrate on introducing the modern advertising medium known as online and would explain some internet buzzwords. The importance of online advertising will be highlighted and a comparison of online and traditional advertising will be illustrated besides the objectives of online advertising and the challenges faces thereon.

## THE MODERN ADVERTISING – ON LINE (A new avenue getting popular):

Online advertising is a new and rapidly getting popular avenue. There are special buzzwords attributed to it and used by it which are detailed and explained below:

#### **SOME INTERNET BUZZWORDS:**

**Button Ads:** Squarish Ads that are usually at the bottom of a web page & contain only a corporate name of brand.

Click Through or Click Rate: How often a viewer responds to an ad by clicking on it.

**Cookies:** Information stored on a viewer's web browser to help identify that particular person to the web provider – the next time that viewer visits a particular site.

**Cost per Click:** The rate charges to advertisers if the user responds to a displayed ad.

Cost per Lead/Sale: The rate charged to advertisers if the user responds with personal information.

**Impressions:** The total number of times an ad is displayed on a web page – different than hits.

Sponsorships, or Co –Branded Ads: Integrating companies brands & products on web sites.

**Ad Views:** Number of times an ad banner is down loaded.

Banner: Ad on Web site hot linked to advertiser's site.

**Interstitial:** An ad that appears in a window on your screen while waiting for web page to load.

**Rich Media:** Special effect technology like streaming video, audio used for internet ads etc.

#### IMPORTANCE OF ONLINE ADVERTISING:

As explained above online advertising i.e. advertising through internet and websites is becoming very popular and is being extensively used following is the importance of online advertising:

- One of the very few media alternatives that can be used for almost all advertising purposes across all possible market segments.
- There is rapid acceptance of Internet as a medium of connectivity & commerce.
- Provides more interactivity with customers.
- Consumers can interact with a product & build their own experience with it.

### **COMPARISON OF ADVERTISING:**

| ONLINE   | TRADITIONAL                                |  |
|--|--|--|
| Very interactive.  | Traditional.                               |  |
| Offers best pull & push Advertising.   | Less effective.                            |  |
| • Consumers can pick & choose information.   | Restricted.                                |  |
| <ul><li>Advertisers can customize message.</li><li>Provides best sales lead to B2B</li></ul> | <ul><li>Generalized.</li><li> Do</li></ul> |  |
| advertisers.   |  |  |

### **OBJECTIVES OF ONLINE ADVERTISING**

The objectives of online advertising are given and explained below:

**Build brands:** Many top fortune 500 companies tell the world about their products & educate public.

**Drive traffic to website:** Online advertisements offer proven way to steer interested buyers to website to know more about products & services.

**Develop qualified leads:** On website through best copy & pictures convince the prospects for good business.

Conduct sales: Once convinced sales can be closed either online or direct buyer to sales channel.

#### TYPES OF ONLINE ADVERTISING

There are different types of online advertising in use and these are as follows:

World Wide Web Home Page: The web page can identify retailers and other product providers that can prove useful for the consumer.

**Banners:** These are easy to create and are usually placed on a website featuring complementary products.

**Logos:** Company logos are placed at the top of the websites and generally depicts the motto or operations of the company.

**Email Ads:** By creating compelling email experiences advertisers hope to convey their message in a better way.

**Keywords on Search Engines:** Advertisers can buy keywords on search engines to increase their exposure.

**Classified Ads:** Classified ads work because as far as users are concerned they are content and not advertising as people actively seek out the classifieds when they are looking to buy such as a sight like ebay.com

**Interstitials:** These are those adds that popup when the users load a new page. In fact when the user hits a button to link to a new page the interstitials is display and disappears as soon as the new page is loaded.

**Sponsored Mailing List:** Mailing list offer advertisers highly targeted audience that gather to discuss specific interest.

## CHALLENGES OF ONLINE ADVERTISING

Despite being popular and rapid growth there are still marketing educational and structural challenges and the new developments attached to it. These are discussed below:

## **Marketing Challenges:**

- Need for simpler language.
- Where ever practical use same language.
- Need for selling the internet in simpler way.
- Obtain & distribute accurate figures about size of online audience.
- Collate research about online penetration and attentiveness.

## **Educational Challenges:**

• Special Initiatives needed to educate the advertisers about benefits & methods of online advertising.

## **Structural challenges:**

- At present planning process remains a particular challenge.
- Lack of good copy or Marketing technique.
- A compelling & irresistible offer essential for prospect.

### **New Developments**

- Better Metrics.
- Greater use of Sound.
- More customer support.
- Customized websites.

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#### **ONLINE ADVERTISING**

#### **OVERVIEW**

This lecture will further study the structural challenges and the new developments in online advertising challenges and explain tool for online advertising and remind about different medias use these days. Students will also be introduced to integrated advertising and integrated marketing communication (IMC) and the reasons for its growing importance. The elements of promotional mix the concept of direct marketing its various steps of operation its advantages and disadvantages will be highlighted besides this and explanations regarding the promotional planning process, sales promotion different definitions and its features will be discussed.

## ONLINE ADVERTISING CHALLENGES

Despite being becoming popular rapidly the structural challenges and the new developments attached to the online advertising are the important considerations for this aspect.

## **Structural Challenges:**

- At present planning process remains a particular challenge.
- Lack of good copy or Marketing technique.
- A compelling & irresistible offer essential for prospect.

#### **New Developments:**

- Better Metrics.
- Greater use of Sound.
- More customer support.
- Customized websites.

#### TOOLS FOR ONLINE ADVERTISING

For online advertising information about various tools used in this context are explained below:

**Macromedia Flash MX:** It is a professional standard authoring tool to produce high – impact Web sites. High creativity is possible with animation, interactive navigational controls etc.

**Adobe Photoshop:** It is comprehensive toolset with new capabilities. Experiments with painting effects, patterns for stand out images. Tools like retouching, painting, drawing & web tools can help in creating extraordinary images.

**JAVA:** It is extensively used in internet media for applets, graphics & other interactive applications.

**HTML:** Hyper text markup language is very useful tool in creating web pages.

**DHTML:** It is dynamic form of pre existing HTML.

**ASP & JSP:** Active server pages & Java server pages –latest technology for interactive web pages.

## **MEDIAS USED IN THESE TIMES**

To sum up following medias are extensively used in these days for advertising:

Radio

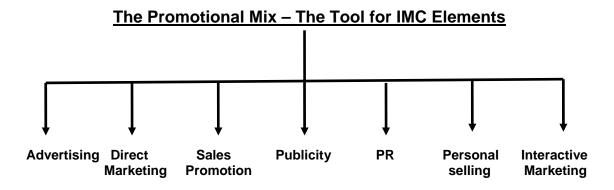
- TV
- Newspapers
- Magazines
- Outdoor or out of home
- Directories
- Internet

## ADVERTISING & INTEGRATED MARKETING COMMUNICATION (IMC)

The IMC approach in marketing planning and strategy has been gaining popularity since 1990's and is being adopted by both large and small companies. The proponents of IMC argue that it is one of the easiest ways for a company to maximize return on its investments in marketing and promotions. Some of the reasons for growing importance of IMC are given below:

- Marketing budget being shifted to consumer & Trade promotions.
- Retailers becoming more powerful & dominating manufacturers.
- New tools target specific rather mass media & are economical.
- Internet & e-commerce have redefined way business is done & the way companies interact with consumers.
- Companies emphasize communication with consumers.
- Advertisers want more accountability of advertising agencies & the change is taking place rapidly.
- There is rapid growth & development of database marketing.

The tools used to accomplish an organization's communication objectives are refer to as promotional mix. Promotional mix has various elements that need to be appropriately chosen to design and integrated marketing communication campaign these elements which comprise IMC are illustrated below:



#### **ADVERTISING:**

Reasons for importance:

- 1. A cost effective medium to reach vast audience.
- 2. Very effective medium for generating awareness, providing knowledge & changing attitude.
- 3. A highly used tool for creating brand images.
- 4. Extensively used as a tool for creating differentiation among various brands.

#### **DIRECT MARKETING:**

- Consumer credit cards.
- Direct marketing syndicates.
- Telemarketing.

## **Six Steps of Direct Marketing Operation**

- Establish objectives for direct marketing. Decide what is the role of direct marketing in overall promotional planning of a brand.
- Collect database of target audience.
- Decide the media to be used.
- Decide message to be sent to customers.
- How to handle responses, queries & orders.
- Measure & evaluate the response.

## **Advantages of Direct Marketing**

- Personalization
- Cost.
- Measures of effectiveness.
- Selective reach.
- Segmentation capability
- Frequency.
- Timing.

## **Disadvantages of Direct Marketing**

- Image factor
- Accuracy
- Rising costs
- Content support

#### **SALES PROMOTION:**

Sales promotion is basically define as "A direct inducement that offers an extra value or incentive for the product to the sales force, distributors or the ultimate consumer with the primary objective of creating an immediate sale." Whereas the American Marketing Association (AMA) in 1988 defined it as "Media & non media marketing pressure applied for a predetermined, limited period of time in order to stimulate trial & impulse purchases, increase consumer demand, or improve product quality." However, the latest definition adopting by the counsel of sales promotion agencies define it as "Sales promotion is a marketing discipline that utilizes a variety of incentive technique to structure sales –related programs targeted to consumers, trade, and / or sales levels that generate a specific , measurable action or response for a product or service."

#### **Features of Sales Promotion**

Following are the features of sales promotion:

- Involves inducement to provide incentive to buy.
- Incentive is the key element in a promotional program.
- Attempts to add value to the product or service by appealing to "value" (pocket).
- Acts as an acceleration tool. Designed to speed up sales.
- Targeted at different parties with different types & levels of incentives.

### PROMOTIONAL PLANNING PROCESS

The process of integrated marketing communication begins with the review of marketing plan. A marketing plan is a written document that describes the marketing strategy & programs developed for a brand or product line.

## **Information essential for Marketing Plan:**

Basically a market plan contains following information:

**Market Situational Analysis:** Internal analysis external analysis cover assessment of companies promotion capabilities review of company's previous promotional programs and results, assessment of brand image and brand or product lines relative strength and weaknesses. External analysis covers customer analysis competitor analysis and any trends which affect the promotional program.

**Specific marketing objectives:** These provide direction and time frame for marketing activities and mechanism for measuring performance.

Marketing strategy: It includes selection of target market(s) and the decisions relating to marketing mix.

**Tactics – An action program:** It is require for implementing marketing strategies, including deciding specific tasks and responsibilities.

**Evaluation & Control Mechanism:** This involves evaluating performance and providing feed backs so that necessary control activities can be introduced and necessary changes made to assure that the objects are met.

Lesson 25

#### **SALES PROMOTION**

## **OVERVIEW**

This lecture will review the features of sales promotion as described in the last lecture. Moreover the types of sales promotion activities its growing importance and the way to use consumer promotion and the trade promotion, the push pull strategy of trade promotion will be explained with its primary goals. The tools of trade promotions and how to deal with it and other promotional techniques besides loyalty programs and their mandates will be addressed.

#### FEATURES OF SALES PROMOTION:

Following the feature of sales promotion:

- Involves inducement to provide incentive to buy.
- Incentive is the key element in a promotional program.
- Attempts to add value to the product or service by appealing to "value" (pocket).
- Acts as an acceleration tool. Designed to speed up sales.
- Targeted at different parties with different types & levels of incentives.

#### TYPES OF SALES PROMOTION ACTIVITIES:

There are different types of sales promotion activities and the two main categories in this regard are explained below, while the consumer oriented promotion is known as Pull strategy and the Trade oriented promotion is known as Push strategy:

#### **Consumer Oriented Promotion:**

Also known as PULL strategy. Targeted to Consumers, e.g. samples, coupons, refunds, rebates, contests etc.

#### **Trade Oriented Promotion:**

Also known as the PUSH strategy. Targeted to Dealers / Distributors., e.g. contests and dealer incentives, trade shows, trade allowances, point of purchase displays etc.

#### GROWING IMPORTANCE OF SALES PROMOTION:

The reasons of growing important of the sales promotion is explained below:

- Retailers' Power: In these days there is the shift at the market place from manufacturer to retailer.
- Declining brand loyalty: Over the last few years brand loyalty is on the decline and the customers are purchasing more on the basis of price value and convenience. When they view all brands equal they may shift from one brand to another.
- Brand proliferation:
- The market has become saturated with new brands across all product categories.
- Competition: To maintain competitive advantages manufacturers are increasingly using sales promotion.
- Increased accountability: The companies now demand results from sale promotions expenditures.
- Short term focus: The brand managers receive requests from the sales force retailers and wholesalers for sales promotional activities to meet short term targets.
- Fragmentation of consumer market: The large numbers of marketers are also using sales promotion techniques to target ethnic markets. As consumers markets are getting fragmented, the fragmentation due to which mass media advertising is becoming less effective.

#### HOW TO USE CONSUMER PROMOTION:

Following are the way to use consumer promotion:

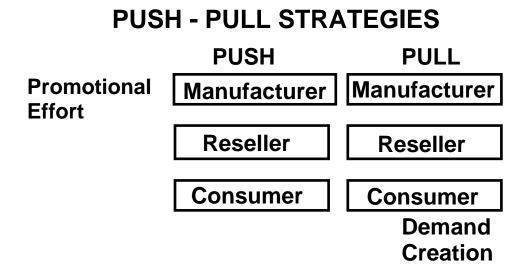
- 1. Awareness: In order to make a consumer promotion successful it is essential to create awareness in the minds of the target audience.
- 2. Trial: By creating awareness the mind set of the target audience to convince them to at least try the product which will lead to their using the product.
- 3. Maintain market presence: It is essential that effective advertising campaign is backed up by product supply chain to maintain market presence.
- 4. Brand Reminder: Necessary advertising will be required to remind consumer about a brand ensuring that it doesn't go out of the mind of the consumers.

#### HOW TO USE TRADE PROMOTION:

There are three primary goals to be taken into consideration for using trade promotion:

- To stimulate in-store merchandising. e.g. feature pricing, superior store location, or shelf space.
- To create a high level of excitement about the product among those responsible for its sale.
- To manipulate levels of inventory held by whole sellers & retailers & expanding product distribution to new areas of the country or new classes of trade.

The following chart explains the push pull strategies for trade promotion from promotional effort to demand creation:



#### TOOLS OF TRADE PROMOTION:

There are different tools used for trade promotion which are described as below:

- Point of Purchase (POP) Displays: A manufacturer designed display distributed to retailers for customers' attention is called POP display.
- Merchandise Display: Another popular POP form is the merchandizing display which retailers used to show case their products and create a personality for their stores.
- Dealer Display: Dealers displays the product to attract customers.
- Trade Deals: Similar to consumer price deal a manufacturer may reward a reseller financially for purchase of a certain level of a product or support of a promotion.
- Contests: Advertisers can develop contests to motivate resellers.
- Trade Shows and Exhibits: The trade show is where companies with in the same industry gather to present and sell their merchandize as well as to demonstrate their products.

#### **Dealing with the Trade:**

There are various methods of deal with the trade to lure them for increasing sales.

- Bonuses: A monitory bonus is paid to a sales person who sells units/product over a period of time.
- Dealer Loaders: These are premiums that a manufacturer gives to a retailer for buying a certain amount of a product.
- Buying Allowances: A manufacturer pays a reseller a set amount of money or a discount for purchasing a certain amount of the product during a specified period of time.
- Advertising Allowances: The manufacturer pay the wholesaler and retailer a certain amount of money to advertise the manufacturers' product.
- Cooperative Advertising: The manufacturer agrees to pay a part or all of the advertising expenses incurred by the retailer under a contractual agreement.
- Display Allowances: A direct payment of cash and goods is given to the retailer agreeing to setup the point of sale display.

#### **OTHER PROMOTION TECHNIQUES:**

Following are the few other promotional techniques being used now days.

- Sponsorships.
- Event Marketing.
- Aerial Advertising Support.
- Interactive and Internet Promotions.
- Loyalty Programs.
- Partnership Programs.
- Licensing.
- Tie Ins.

#### **Loyalty Programs:**

Amongst the other promotional techniques an important technique being used these days is called loyalty program which also called a continuity or frequency program (such as airline frequent flyer programs) in fact these programs are a promotional activity to increase customer attention. Following are the four mandates of loyalty programs.

- Identify your best customers.
- Connect with those best customers.
- Retain the best customers, usually by rewarding them for their patronage.
- Cultivate new "best customers."

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#### **PUBLICITY**

#### **OVERVIEW**

In this lecture we will apprise the students regarding publicity its power advantages and disadvantages. It will also be explain regarding the company's inability to have control over publicity as compared with advertising moreover this lecture will also cover personal selling its importance role advantages and disadvantages. Finally international advertising and the future of global advertising will be discussed.

#### **PUBLICITY**

Many a times the question has arisen as to what is publicity. It is infect the creation of news about a person; product or service that appears in electronic or print media.

#### **POWER OF PUBLICITY:**

In order to understand publicity it will be appropriate to first of all know its power. This is explained below:

- 1. Highly Credible.
- 2. Information endorsed by medium in which it appears.
- 3. News value and frequency of exposure generated by it makes it powerful.
- 4. Publicity is news and people like to pass on information having news value.

#### ADVANTAGES OF PUBLICITY:

Using publicity the companies can have following advantages:

- Credibility.
- News value.
- Significant "word of mouth" Communication.
- A perception of being endorsed by media.

#### **DISADVANTAGES OF PUBLICITY:**

Despite being useful and powerful publicity does have some disadvantages as under:

- Potential for negative publicity.
- Timing not always completely under control of marketer.
- Press release is major source of publicity, so may not be reported the way desired.

#### **CONTROL OVER PUBLICITY:**

Being power medium unlike advertising companies have no control over publicity because companies cannot do much to stop media from releasing negative information. However, Publicity should be managed like any other promotional tool. In any case marketers must have control as much as possible over time & place where information is released.

#### **PERSONAL SELLING:**

One of the most important tool of selling today is called a personal selling which can be explained as face to face selling and it involves direct person to person communication in this the manufacturers directly sell their products to the customers. It eliminates the need of intermediaries such as distributors, dealers and retailers and these functions are now performed by the members of the sales team. The importance of personal selling varies from company to company depending upon following four factors:

• The nature of product or service to be sold.

- Size of organization.
- Type of product.
- Belief of corporation in personal selling.

#### ASSIGNING ROLE TO PERSONAL SELLING:

How to determine what to accomplish through your sales team and what the specific task the members of the sales team must attain for the company. A manager must be guided by the following questions before the role and responsibility is assigned to personal selling.

- What communication objectives should be accomplished?
- e.g. creating awareness, demonstration.
- What are various alternative ways to accomplish communication objectives?
- e.g. promotional mix offers various elements.
- How effective is each of the elements in accomplishing communication objectives?

#### Criteria to determine 'how cost effective is each element'?

- a) The cost
- b) Benefits/Returns
- c) The Reach
- d) Uniqueness & Consistency of Message.

#### **ROLE OF SALES PERSON:**

The role and responsibility assign to a sales person varies from company to company and it also depends to some extend on the product category. Some of the roles or responsibilities of a sales person are given below; however, it may not be an exhaustive list.

- 1. Prospecting: It is the process of locating new customers.
- 2. Identifying Customer need & wants: A sales person gathers more information on the prospects and identifies the exact need of the customers and assists them in determining their needs.
- 3. Providing solution to customer problem, or need: Here the sales person acts as an advisor who offers potential customers various alternatives to solve their problems.
- 4. Attitude Change: Sales person tries to influence the customer favorably by showing them the capability of the firm and the product.
- 5. Closing the sales: Getting the sales order from the customer is the one of the most difficult role of a sales person. He must be trained from closing the sale because this is the ultimate goal for which he or she has done the basic ground work.
- 6. Follow-up: The sales person should monitor the satisfaction level of the customer and follow-up calls are important for maintaining good customer relationship. A smart sales person continuously analysis the situation and getting the feed back from the customer designs the message to specifically meet the customer's needs.

#### ADVANTAGES OF PERSONAL SELLING:

The nature of personal selling provides certain advantages over other promotional tools some of these are given below:

- Possibility of 2 way interaction.
- Tailoring the message.
- Lack of distraction.
- Involvement in decision making.
- Adaptability to the situation.

#### **DISADVANTAGES OF PERSONAL SELLING:**

Some of the disadvantages associated with personal selling are as follows:

- Inconsistent message.
- Sales force / management conflict.
- High cost.
- · Poor reach.

#### **INTERNATIONAL ADVERTISING:**

In view of the stiff competition trade challenges and business demands and consumer power the manufacturers are looking for international markets in this century the new world trade order is creating open market competition all over the world facilitating easy impost thereby necessitating the need for the use international advertising. Following are the reasons to look towards the use of international advertising:

- Limited options of expansion in domestic markets.
- Variations in brand liking between developed & developing markets.
- Global marketing approach.
- Growth of global media.

#### **FUTURE OF GLOBAL ADVERTISING:**

The new trade regimes being implemented in the world and the development and expansion of media augurs very well for the future of global advertising. The following reasons prove substantiates the need for global advertising as essential for sustaining in this very competitive world.

- Media explosion.
- Stiff competition within.
- Variations in brand liking.
- Global marketing approach.
- New trade regimes.
- Growth of global media.

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#### MARKETING ENVIRONMENT

#### **OVERVIEW**

In this lecture we will explain about the importance of knowing about the environment of the market and different analysis pertaining to it. Moreover, the different influences in the marketing environment will be explained and the future of market growth examined.

## ANALYSIS OF MARKETING ENVIRONMENT

All of the marketing is based on the idea that you must thoroughly know the environment in which your business operates in order to successfully promote and sell your product or service. Ultimately your idea must:

- a) Fulfill a need for your buyers; and
- b) Must do so in a way i.e. somehow superior to the competition, however, you define it. If you to be sure that your idea will do these two above mentioned crucial things you need to know as you can about the following:
- A. Competitors.
- B. Target Buyers.
- C. Marketing Environment.

## A. Competitors

- 1. Who are your competitors?
  - Level 1: Specific brands which are direct competitors to your product or service.
  - Level 2: Competitors offering similar products in a different business category.
  - Level 3: Competitors competing for "same occasion".
- 2. What are competitor's strength's and weaknesses?
  - Know each competitor's market share, as compared to your own.
  - How target buyers perceive or judge your competitor's products & services.
  - Your competitor's financial strength to spend money on advertising & promotions.
  - Each competitor's ability & speed of innovation for new products & services.
- 3. What are competitor's plans to do next?
  - Annual forecast of sales, spending &profits.
  - Promotion & advertising programs.
  - Introduction, support & success of new products & services.
  - Direction for future growth.
- 4. What are competitors' spending trends?

Amount of money your competitors are willing to spend will impact.

- The success of current products & services.
- Your ability to obtain target buyer's attention & purchases.
- Key account's attention & commitment to your programs.
- Your company's introduction of new products.

## **B.** The Target Buyer:

To understand the market it is essential that you should know precisely who your customers are? You have to really know what type of people or business they are. In order to refine your understanding of you own customer based you will need to:

• know precisely who your customers are?

- what type of people or business they are and the key factor is to look at the issue from two angles:
  - Niche marketing: Identifying main users of your product so you can direct marketing efforts to those users.
  - Segmenting market. Divide existing market into segments as new niches for your business.

## **Niche Marketing:** Picking right market segment that it is –

- i. Measurable in quantitative terms.
- ii. Substantial enough to generate planned sales volume.
- iii. Accessible to your company's distribution methods.
- iv. Sensitive to planned/affordable marketing spending events.

# **Segmenting your Market:** Market has to be divided in sections or segments based on different factors –

- i. Demographics. Age, gender, income, education, race, marital status, size of household, location, size of city and profession.
- ii. Psychographics. Refers to personality & emotionally based behavior linked to purchase choices, e.g. risk takers, risk avoiders, impulsive buyers etc.
- iii. Lifestyle. Refers to collective choice of hobbies, recreational pursuits, entertainment, vacations & other non-work pursuits.
- iv. Belief & Value systems. Includes religious, political, nationalistic & cultural beliefs & values.
- v. Life stage: Refers to people's lives at different stages e.g. pre teens, teenagers, etc.
- vi. Customer & product data collection. Researchers gather data from users of similar products on:
  - Number & timing of brand purchases.
  - Reasons for purchases.
  - Consumer's attitudes about various product attributes.
  - Importance of product to the lifestyle of consumer.
  - Category user information.
- vii. Factor & Cluster Analysis. Researchers analyze the data collected to find correlations between product & other factors, as a basis for identifying actionable consumer target "clusters".
  - Clusters are defined as "niche markets"
  - Where there are buyers and users who are similar and can be reached by advertising and promotion.

#### viii. Cluster's identification & importance.

- Whether Clusters are large & worth spending money on them?
- Whether marketing to this group fit your existing image and long term goals.

#### **C.** Marketing Environment:

Today it is influenced by global marketplace & explosion of information age. To be fully ready Company must recognize & understand:

- 1. Cultural influences.
- 2. Government & political influences.
- 3. Demographic & lifestyle trends.

- 4. Local, national & world economic trends.
- 5. The strength of multi national competitors.
- 6. The influence of technology on physical distribution.

#### **FUTURE OF MARKET GROWTH:**

Once the market has been identified it is essential to know as to what is the size of the actual market that you can compete in. Each total market must be examined in light of:

- 1. Size of total market.
- 2. Size of market that is interested in your products.
- 3. Size of market that is available for distribution of your products.
- 4. Size of market that already buys competitive products.
- 5. Size of market that your company can serve.
- 6. Size of the market that your company can reach with advertising & distribution.

Asson 28

#### MARKETING PLAN

## **OVERVIEW**

This lecture will apprise the students regarding the methods to make a successful marketing plan. This will cover various avenues of marketing plan different required analyses identify various situations and their elements. The marketing goals and objectives will be explained and in this aspect marketing and financial objectives will be discussed and explained.

#### HOW TO MAKE A SUCCESSFUL MARKETING PLAN:

The key component of a business plan and required advertising strategy demands a marketing plan. Every business large or small can only be successful with a good marketing plan which summarizes the who, what, where, when and how much questions of company marketing and sales activities for the planning year. Following are the questions which need answers.

- 1. Who are our target buyers?
- 2. What unique position do we have in the market?
- 3. Where will we implement our marketing spending plans?
- 4. When will market spending plans occur?
- 5. How much sales, spending & profits will we achieve?

It is the marketing plan that details on the basis of the questions above as to who are your buyers and what is the position of your company and then in a marketing plan where in it has to be determine when expenditures will be made, what level of sales will be achieved and how and when advertising and promotional expenditures will be made. From here onwards discussed below are the major elements of a marketing plan.

## a. Situational Analysis:

The primary purpose of situational analysis in a marketing plan is to describe what is happening in the markets in which the company competes and the company's product and distribution trends. In this perspective following are the questions to be tackled.

- 1. What is happening in the markets where company competes?
- 2. What are the company's products & distribution trends?
- 3. What are the product trends & your company's distribution channels description?

#### **b.** Macro – Environment Situation:

Macro – Environment Situation provides only relevant information about macro-environmental trends that might affect your business.

- 1. DEMOGRAPHICS: Generally the need of the people are taken into consideration by age, gender and other factors who spend more on various entertainments vacations recreations etc.
- 2. ECONOMIC/BUSINESS CONDITIONS: In a situation of inflation money is more expensive to borrow; people tend to buy less because of government tariffs etc.
- 3. TECHNOLOGICAL: In many cases innovations cause the change or wiping out of industries and businesses in less than a year e.g. the popularity and convenience of CD players and now Digital Format Audio Devices almost eliminated the sale of record players and seriously depressed the manufacturer and the sale of vinyl records.
- 4. POLITICAL & LEGAL: Health care and special provision / legislations affect all business large or small such as many new restaurants in basements must have an elevator for handicap employees and or even for customers.
- 5. SOCIAL & CULTURAL: Various social and cultural attributes cause the marketing trends to change rapidly and thereby causing the marketing plans to be adjusted accordingly.

#### c. Market Situation:

The study of marketing situation provides information on the size, growth and trends of the overall market and any relevant segments of the total market or category in this context following essential elements should be carefully study and taken into consideration

- 1. Past, present & future market trends.
- 2. Company sales & share in market.
- 3. Increased marketing spending by competitors.

#### d. Competitive Situation:

Competitive Situations provides information about key competitors on the basis of following factors.

- 1. Description of key competitors & their market positioning.
- 2. Size of key competitors in units. (Currency)
- 3. Market share of key competitors.
- 4. Sales trends of key competitors.
- 5. Strengths & weaknesses of key competitors as compared to your company.
- 6. Perceived marketing strategies of key competitors & their probable impact on your company.

## e. Target buyer or end user situation:

Target buyer or end user situation provides actionable information on selling to target buyers & stimulating purchases or usage by ultimate users. Key questions to be answered in this regard include the following.

- 1. Description of target buyers.
- 2. Target buyer's wants, needs, attitudes & perception of category products & services.
- 3. Location of target buyers/end users & how to reach them.
- 4. Which segments of total market or category are growing or declining & why.

#### f. Product Situation:

The product situation analysis provides information about the company on the following.

- 1. Sales.
- 2. Profit.
- 3. Product trends.
- 4. Cost of goods history. (5 years)
- 5. Marketing spending history (5 years of advertising, promotion, PR spending)
- 6. Distribution trends & developments.
- 7. Description of Sales organization.

#### g. Distribution Situation:

Distribution Situation provides information about each distribution channel & its relative importance to company in terms of

- 1. Percent of Company Sales.
- 2. Company volume.
- 3. Cost to distribute products & services.
- 4. Growth potential.
- 5. Competitive status.

## h. Marketing Goals & Objectives:

This component of marketing plan outlines major company goals, marketing & financial objectives. Major company goals could be short term as well long term e.g.

#### **Marketing Objectives:**

- 1. Company definition (e.g. manufacturers of 100 % all-natural snack food products)
- 2. Market definition (e.g. to attain leadership in market share & volume for the healthy, all natural snack segment of salty snacks category)
- 3. Technology (e.g. to become known in the industry as the leading developers of new vegetable protein products)

## **Financial Objectives:**

The financial objectives are generally described in quantitative terms for at least three years in the future.

- 1. Gross Sales. (Increase)
- 2. Cost of goods. (Decrease)
- 3. Gross Margin (Increase)
- 4. Net Income (Increase)
- 5. Return on investment.
- 6. Return on income.

Business which seeks outside funding and capital should provide a minimum of five years of projected incomes although these are usually located in the financial section of the business plan rather than the marketing section. Marketing objectives are quantitative translations of the company's financial objectives in marketing terms e.g.

- 1. Sales. (Value-Money)
- 2. Sales Units.
- 3. Market share.
- 4. Distribution Channels.
- 5. Advertising awareness.
- 6. Key account distribution.

Lesson 29

#### **MARKETING PLAN**

#### **OVERVIEW**

This lecture will explain various sales and marketing plans. In a situation where in the business affordability does not warrant large expenses the methods to promote business in low cost will be explained moreover the criteria to identify customers will be highlighted in different methods and situations.

#### **SALES & MARKETING PLANS:**

Every marketing plan outlines each marketing event or action plan to increase sales. The plan will generally cover a calendar year staggered by a month or by quarter.

Sales and Marketing plan should be based on short and long term company objectives and marketing strategy. In the business plan Sales & marketing plans provide outline of each marketing event for the year, covering following information:

- 1. Description of each event vehicle (e.g. media, promotion, trade, sales).
- 2. Timing of each event.
- 3. Event goals & objectives (e.g. volume, share gains)
- 4. Cost of each event.

#### PROMOTING BUSINESS IN LOW COST:

Business promotion is to running a successful business and to plan how to promote business infect business is promoted by getting the word out.

Basically there are two axioms which should be taken into consideration before working out the in expensive ways to promote your business.

1st Axiom: It has to be done consciously. Other people can't be relied upon to do it for you.

**2nd Axiom:** Like every other aspect of business it is budgeted.

Though a budgeted activity the business promotion does not have to be necessarily expensive. There are at least eight inexpensive ways to promote business.

## **Eight Ways:**

- **1. Use of Paper & Electronic Document:** e.g. business stationery an ideal tool articles & press releases; email etc.
- 2. Articles & Press releases: Well written articles can provide free advertising & build positive word of mouth. Likewise Newspapers are \also excellent place\ to place your promotional article.
- **3. Sending Out Press Releases:** Your press release has to actually contain information that is newsworthy.
- **4. Talk Show:** Radio TV, Cable TV may be looking for some guests for their programs. A great low cost way to promote your business.
- **5. Seminar or Presentations:** You have expertise that other people are interested in. Why not share that & promote your business.
- **6.** Use Vehicle: One in every few vehicles has the name and phone number of a business decorated on it. Another low cost way to promote your business.

- **7.** Leisure Activities: There are all kinds of things & ways to promote your business while you do what you love to do.
- **8. Give out free things:** Like first 50 people visiting a particular event will get free things/gifts.

#### **HOW TO IDENTIFY CUSTOMERS:**

There are customers for every business but why should we want to classify. The reason is that some customers are more profitable than others while in some cases all customers could be equally profitable. Classifying customers helps to take right action for them, targeting your marketing and serving their different needs while improving your profits. Therefore categorizing customers into groups by needs & identifying what is important to them allows you to serve them better while fulfilling their desires with your products.

#### **SUPPLY CHAIN:**

Depending upon what you are selling, you may find the actual end user is down the line – this line is loosely called supply chain which represents "how" your product gets to your customers.

#### **CUSTOMER:**

A clear definition of who purchases directly from you is the simplest and most direct part of classifying your customers.

#### **NEW CUSTOMERS:**

You can grow your existing business by going after new customers who are in your area but who do not do business with you. There are many ways to do it...e.g.

- Change pricing structure.
- Advertise in different medium.

#### **BUYER IDENTIFICATION:**

Assuming that other factors in making the product available and known to buyer are in effect Influences on the buyer is catalogued by:

- 1. Culture.
- 2. Demographics.
- 3. Lifestyle.
- 4. Psychology of wants & needs.

Besides the above influences on the buyer following other buyer Influences may be at work under following circumstances:

- 1. Profitability of the item.
- 2. Discount deals available.
- 3. Advertising & promotion support programs.
- 4. Other cash deals.
- 5. Free goods available.
- 6. Sales Incentive programs.
- 7. Personal buyer seller relationship.

The above influences are further detailed below:

1. **Profitability of the item:** The higher the margin/ profit per item vs. competitive category products, trade accepts regardless of quality.

- **2. Discount deals available:** 10 to 25 % off invoices each time /quarter for all purchases during the period are typical discounts for grocery & drug retailers.
- **3.** Advertising & promotion support programs: Multimedia TV, radio print & PR support etc. can be used many times a year.
- **4. Other cash deals:** Misc. deals are offered, which are to capture customers with conditions applied.
- **5. Free goods available:** Some times stores offer incentives like one case free etc.
- **6. Sales Incentive programs:** Special sales offering for greater productivity of sales person.
- 7. **Personal buyer seller relationship:** Personal relationship between people help in sales.

#### It should be remembered that:

The more exact the identification of your target buyer, the more efficient your marketing programs would be in generating sales from regular or heavy users. But target buyers can be divided into two main groups:

- 1. End users
- 2. Channel buyers.

The end users and the channel buyers are further elaborated below:

#### 1. End Users

If your customers are primarily the ultimate users of your product or service, identification is generally in terms of demographics and lifestyles e.g.

Age - gender- ethnic background - income - education - location - occupation - number of people / family - children's ages. Lifestyle analysis is more concerned with "intangibles".

Cultural background – religious beliefs political beliefs – value systems recreation & hobbies – music preferences – literature preferences - food preferences restaurant preferences – entertainment preferences - travel preferences social interaction patterns – media habits.

#### 2. Channel Buvers

If you sell to other businesses, who turn around and resell your products and services, your buyers are mainly channel buyers. e.g.

- 1. Channel buyers from grocery & drug industry.
- 2. Whole country main distributors.
- 3. City / regional distributors.
- 4. Wholesaler buyers.
- 5. Individual store buyers.

The above various avenues clearly explain that ideally speaking you should always research and test your idea against the realities of the market place. Basically well seasoned industry expert always benefit from the analysis of the market environment in such a way that will help them to evaluate the potential of an idea.

Channels are classified as under:

- 1. Business to business markets.
- 2. Government.
- 3. Consumer markets.

B to B & government buyers are subject to many different influences than buyers of consumer goods.

i. Few buyers

- ii. Larger business transactions.
- iii. Regional concentration of buyers.
- iv. Defined sales & broker relationships.
- v. Dependent upon end-user buying patterns & demand.
- vi. Demand for goods & services are not significantly affected by significant change in price.

Business buyers take many factors into account before taking any buying decision. e.g.

- i. Macroeconomic trends, nationally & internationally.
- ii. Long term material supply trends & inventory requirements.
- iii. Delivery rates, timing & reliability.
- iv. Plant capacities.
- v. Supplier's financial resources.

Lesson 30

#### HOW TO BE GOOD CLIENTS

#### **OVERVIEW**

This lecture will cover the methods and rules to guide how to be good clients besides further explanation regarding the identification of customers as explained in the last lecture elaborating it further to explain the consumer goods buyers another classification of channel buyer and the influences thereon including the channel buyer including the influences for channel buying decision.

#### **CHANNEL BUYERS**

**Consumer Goods Buyers:** Consumer goods buyers are subject to different influences unlike B 2 B & Govt. buyers. These influences are as follows:

- i. Many buyers at multiple levels in same company.
- ii. Small to Large transactions.
- iii. National, regional & local buyers.
- iv. Direct company sales to buyers, or broker relationships.
- v. Directly dependent on end-user buying patterns.
- vi. End users influenced by company advertising & promotion spending.
- vii. Flexible market, demand affected by slight changes in price.

#### CHANNEL BUYING DECISION INFLUENCES:

The Channel buyers may or may not directly purchase company products & services, as there are many different roles in the buying process for a large supplier's customers.

- 1. Purchasing department personnel.
- 2. Buying committees.
- 3. Department advisors.
- 4. Consultants.
- 5. Management.
- 6. Head buyers and assistants.
- 7. Store managers.
- 8. Department managers.

Ideally speaking one should always research and test the idea against the situation and reality of the market place. Many business owners test their ideas in various ways to get the first hand information as to what works and what does not.

#### **HOW TO BE GOOD CLIENTS 14 RULES:**

In normal circumstances, the responsibility of a bad advertising campaign rest on the agency but if analytically study it will be found that in most cases it is the client who is to be blamed. In fact client get the advertising they deserve there are some clients who behave so badly that no agency can produce effective advertising for them while the behavior of some is so good that no agency can fail to do so. Following are fourteen rules which have been identified for a client to deal with the agency and in the process extract the best service.

# 1. Emancipate your agency from fear.

Give them sense of permanence – How?

Through a long term contract or otherwise...

But still if you want to change get answers to following questions:

- a. Why specific clients have never fired an agency?
- b. Will the new agency solve your problem?
- c. Has your product been made obsolete by your competitors?

- d. Did you dictate the advertising which back fired & you blame agency?
- e. Have you been scaring your agency?
- f. Are you or your advertising manager so stupid that he would negate the best brains in any agency?
- g. Do you realize that a change in agency may disrupt your marketing operation?
- h. Your termination of an agency may result in many people losing job: "can't you avoid this?"
- 2. Select right agency in the first place.
- 3. Brief your agency thoroughly.
- 4. Do not compete with your agency in the creative area.
- 5. Make sure your agency makes profit.
- 6. Do not haggle with your agency.
- 7. Set high standards.
- 8. Test everything.
- 9. Hurry.
- 10. Do not under spend.
- 11. Do not strain your advertising through too many levels.
- 12. Do not compete with your agency in the creative area.
- 13. Do not waste time on problem babies.
- 14. Tolerate Genius.

As the above rules clearly explain the importance of being an understanding and cooperating client it is imperative that if the above parameters are strictly adhere to there is no reason that not only the relationship between the agency and the client will be cordial, understanding, creative and productive but also beneficial to get the best results.

\_esson 31

#### **CLIENT - AGENCY RELATIONSHIP**

#### **OVERVIEW**

In this lecture the requirements of a good client and its relationship with agency will be further explained. On the other hand the basic requirements of holding on to clients will be discussed. It will be further apprised that basically an agency is always walking on a tight rope however, if it is naturally and insecure agency then it should expect rough passage.

#### **HOW TO KEEP CLIENTS (10 Ways):**

In order to convince the client of an agencies proficiency and command over the understanding of the client's requirement it is essential that the agency should and sure proper service, creative campaign ideas and the launch of campaign based on various aspects of market and target audience. In this regard there are ten ways to achieve this effectively.

- 1. Devote your best brains to the service of your clients.
- 2. Avoid hiring unstable, quarrelsome executives.
- 3. Avoid taking on clients who have a record of firing agencies regularly.
- 4. Keep contact with your clients at all levels.
- 5. Begin preparing another campaign as soon as one has been approved by the client.
- 6. Try to see things from the client's perspective.
- 7. Never refuse a client on a pretext of having a previous engagement.
- 8. Better admit mistakes & do so before you are charged with them.
- 9. Always rehearse you presentations before presenting to clients.
- 10. During a presentation while reading aloud never depart from printed text.

## **HOW TO BE A TOP ACCOUNT EXECUTIVE:**

The most important factor in an agency is the office of accounts executive it is he who has direct contact with the client, reads clients mind and works in coordination with the creative team to translate the requirement of the client into a forceful campaign. In order to be a top accounts executive it is mandatory that such executive should have following qualities in him/her.

- **Be Ambitious but not Aggressive**: As explained above the accounts executive should be sharp and be able to understand and read the mind of the client get it is essential that through his deliberations with the client he may sound ambitious yet at no time should show aggressiveness.
- **Don't be Arrogant**: The account executive must be very humble, soft spoken and concentrate.
- **Read as much as Possible**: An account executive can only be efficient and convincing if he or she be fully aware of the market and the different trends. Besides this he should have access to various surveys conducting and available about the product of the client.
- **Study Advertising Trends of Market**: It is also essential that the account executive should be fully alert to the prevalent advertising trends of competitors in the market.
- **Develop the Mind for Team Work**: The account executive should always have the ability to develop a team and to get the best out of it.

#### **Eight Points of Advice**

The account executive can only be the best if he/she adheres to certain principles as he or she is bound to be confronted with unexpected and undesirable situations. It is the handling of these

situations which will win the battle for the account executive. In this regard following eight points of advice can prove useful and important.

- 1. When blackballed don't be disheartened: If at any time the idea presented by the account executive is rejected he or she should not be dishearten and prepare alternatives.
- 2. **Be a good marketer**: The account executive should be a person who can sell his concept buy his ability to do so and the information regarding the market.
- 3. **Learn to make good presentations**: In this competitive world the most effective method of presenting an idea to the client is through the making of good presentations, these can be done through overhead projectors, slides and computer aided multimedia presentations.
- 4. **Make friends with clients**: Those accounts executives who have good contacts and friendly relationship with the clients are bound to win more accounts and benefits for their agencies.
- 5. **Do not discuss client's business in transit**: Clients business are to be treated in confidence and should never be discussed in open with friends or fellow professionals because the leaking of a good idea of the client may hurt future business prospects.
- 6. **Keep their secret papers under lock & key**: All notes, papers regarding the client's campaign should never be left open and always kept under lock and key.
- 7. Conveying an idea to the mind of a copywriter should be done privately & tactfully: The idea derived or conceived after the discussion with the clients should be conveyed to copy writer privately and tactfully so that the creativity of the copy writer meets the requirement of the client.
- 8. **Be brave in admitting your mistakes**: During the process of creating an idea or a campaign and the subsequent launching there are bound to be short coming and mistakes. A smart account executive should be cognizant of these and the ready to admit them once identify ensuring that these are not pointed out by the client or third party to undermine your effort.

#### **Three Points for Consideration**

In this century there is strong competition for similar products by various manufacturers this is resulting in excessive use of marketing and advertising techniques as a result there is high demand for account executives but despite this in view of the vulnerability of the agencies because of performance the job security to the advertising processionals is much less than other professions. Therefore, the top account executives have to keep the following three points for consideration before adopting this profession.

- A. HIGH DEMAND for Account Executives.
- B. LESS JOB SECURITY than other professions.
- C. LESS FRINGE BENEFITS than other businesses.

#### **KEY TO MANAGE ADVERTISING AGENCY:**

The important component in the advertising scenario is an advertising agency. The success of an advertising agency lies in its proper management as managing an advertising agency is just like managing any other creative organization. Over a period of time the experience of various advertising agencies and its managers the following points are a good key to manage an advertising agency.

- **Admire people who work hard**: This will result in better output and the requirement of fewer employees.
- Admire people with first class brains: An advertising agency always needs brainy people but it is essential that the brains are also combined with intellectual honesty.

- **Do not employ nepots or spouses**: Generally such employees breed politics therefore such practices should be discouraged.
- Admire people who work with gusto: You have to see and admire those who are enjoying what they are doing.
- **Admire self confident professionals**: The advertising agency should respect an admire those who do their work diligently and with excellence.
- Admire people who hire subordinates who are good enough to succeed them: Generally this means that such people are good enough and the do not feel insure thus will always give the best output.
- Admire people who build their subordinates: The agency should encourage the people who died and build their subordinates because in case of additional requirements the agency will not have to go outside to fill important jobs.
- Acquire people with gentle manners: The quarrelsome people are detrimental to the interest of the agency. It is therefore essential that to manage an advertising agency in the best possible and acceptable ways to acquire and admire the people with gentle manners that will treat the others as human beings.
- Admire well organized people: Those employees who work hard and deliver their work on time must be admired fully so that they feel encouraged and give the best output.

Lesson 32

#### **CLIENT - AGENCY RELATIONSHIP**

#### **OVERVIEW**

In the last lecture essentials to manage advertising agency were explained in detail. To continue to explain about the various aspects of advertising agency the duty as the owner / boss of the advertising agency will be explained besides identifying Cardinal Rules for running an agency. There may be cases where clients would like to advertise without an agency in this regard it will be explained as how to do it and what are its different implications. Primarily such an effort is always made to reduce the cost of advertising. Further more the word about logo and corporate identity its usage, evaluation and the definition of corporate identity will also be discussed.

## THE DUTY OF OWNER / BOSS OF AN ADVERTISING AGENCY:

Following are basically the duties of an owner / boss of an advertising agency in fact the boss should listen more and say less:

- **Be fair to staff & be firm**: A boss should always be ready to make un-popular decisions to create an atmosphere of stability.
- **Maintain forward thrust of the agency**: He or she should try to get things done quickly win more business thus maintaining its growth / forward thrust.
- Try to build agency by getting more accounts: As is necessary for different business houses to grow the advertising agencies boss has to ensure to get more and more accounts for improving profitability.
- Win confidence of clients at highest level: Unlike the account executive that has to keep contact with all levels of a client, the boss should have direct repo with the client's top executive.
- **Try to make sufficient profits**: The profitability means more benefits for the employees thus creating confidence and job security.
- Plan policies far into the future are good enough to succeed them: The future growth plan of the agency provides future vision of the company and the growth pattern shows the futuristic trends and the growth path for the employees.
- **Try to recruit highest quality of people**: The selection of high quality of people will always produce the best and productive results thereby attracting more clients.
- Try to get the best out of every staff: How to get the best out of every staff is what should be identified and implemented. In fact the old philosophy of right person for the right job can always help in this context.

#### **CARDINAL RULES FOR RUNNING AN AGENCY:**

Running an agency means focused effort and to face eventualities. In this the following Cardinal Rules for running an agency are identified and explain below:

- **Affection to henchmen:** Basically the people who are running the agency should ensure that their creative team is give due regards and affection.
- **Tolerance to their shortcomings:** It is also essential that the managers running the advertising agency should show tolerance to the shortcomings of their employees.
- An unerring eye for main chance: Moreover the owner / boss should have the ability and capability to grab the opportunity once it is offered to you.
- Morality of people working in agency: The people who are working in the agency have to be very credible so that it does not reflect in any way on the company.

Head of the agency should know how to delegate powers and work in the pursuit of excellence but more satisfying in the pursuit of beginners.

## ADVERTISING WITHOUT AN AGENCY:

For whatever reason, you decide not to use an agency for your advertisement program; the most important role is to give creative & strategic direction to your advertising program. The question is HOW TO DO IT?

## To Keep Advertising Program on Track:

As you will be working without an advertising agency you have to ensure to devise a program and implement it by keeping it on tract such as written below:

- 1. Do it yourself.
- 2. Stay focused on your positioning.
- 3. Have a written strategy.
- 4. Adopt brainstorming strategy.
- 5. Let someone else handle day to day advertising.
- 6. Hire freelancers.
  - a. Copywriter.
  - b. Graphic Designer.
  - c. Desk top publisher.
  - d. Photographer.
  - e. Other Specialists.
- 7. Take care about copyrights: As the world is growing there are stringent regulations of copyrights act. So the copyrights should be taken into consideration before using idea etc.
- 8. Taming media reps.
  - a. Media plan & budget for campaigns.
  - b. Copywriting & ad production skills.
  - c. Audience surveys.
- 9. Trade directories.

#### **Effective Use of Money Saving Resources:**

While doing your own publicity and effort to save money and yet remain effective following inexpensive methods are explained.

**Co-Op:** In this case generally the sharing of the media cost can be done with other advertisers such as combined advertising effort or various similar products.

**Trade outs:** Another effective and money saving method of advertising is trade outs in which advertising is done in exchange of the products of the companies desiring to advertise them.

**Free Expertise:** You can also use the free expertise by attending seminars and talking to government agencies and delegates of chamber of commerce's.

#### LOGO AND CORPORATE IDENTITY:

Almost all businesses have a logo, logotype or both for distinct identity. A Logo is generally a symbol which identifies your company, while the logo type is the distinctive way of presenting the company name.

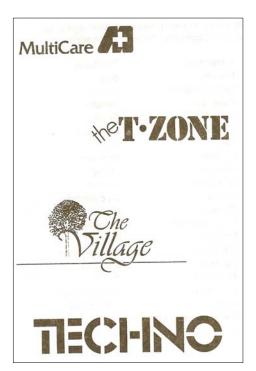
## What makes a good Logo Design?

A logo is a symbol it stands for your company but it need not and should not be a picture of everything you do. The ideal logo gives in a single glance a sense of your positioning. The good logo design should have following components:

- a. Focus on one image & one concept.
- b. Should evoke a feeling or create an image of the business or event.

Following are few illustrations of logos for you to understand the importance of logos:





The illustrations given above are regarding logo types.

## Logos or Logotype

Whether you use a logo, logotype or combination of both you want to ensure that logos or logotypes should:

- a) Convey instantly a feeling about your company.
- b) Be distinctively recognizable as yours.
- c) Be versatile enough to be used in every application.

#### **DEVELOPING A NEW LOGO:**

In order to develop a new logo or modify an existing one there are various questions which need to be answered before doing so.

- 1. What is the single thing I most want my logo to convey about my company?
- 2. Are their any particular colors I feel drawn to using in my logo? If so, what colors?
- 3. What do these colors say about my business, and do they enhance the concepts out of above?
- 4. If I want my logo to contain a pictorial image of my company?

#### **EVALUATING PRESENT LOGO:**

In order to evaluate the present logo besides answering the questions written above following positive and negative concepts expressed with regard to the logo have to be evaluated.

**Positive Concepts Expressed**: Professional – Friendly – Bold – Expensive – Exciting – Caring – Creative – Powerful – Fast – Intelligent – For adults – Loving – Loving – Spiritual – Trendy – Affordable.

**Negative Concepts Expressed**: Sloppy – Unfriendly – Cheap – Confused – Vague – Dishonest – Boring – Aggressive.

In the above perspective of evaluating of present logo to make up ones mind it will be helpful if the following appraisal questionnaire is filled which will help in taking and appropriate decision.

What is the single thing I least like about my present logo?

| Should I keep using my old logo- | Yes | No |  |
|----------------------------------|-----|----|--|
| Should I use a modified version- | Yes | No |  |
| Should I do a new design -       | Yes | No |  |
| Why:                             |     |    |  |

#### **DEFINING YOUR CORPORATE IDENTITY:**

In the world of design and advertising corporate identity refers to your logo and all related items identifying your company such as Letter Heads, Business Cards, Vehicles and Store Signs etc.

Corporate identity is not advertising yet as it is a highly visible expression of your positioning, it greatly affects the impact of your advertising.

A corporate identity program is a set of standards established to govern the look of all identity items and such identity programs covers, logo design, colors, typefaces, placement of graphics and size relationships between your logo and other graphic or copy elements.

Having a corporate identity program and spelling out your standards determines the way you want to identify your product or company.

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#### NEWSPAPER ADVERTISING

#### **OVERVIEW**

In this lecture students will learn when to use newspaper advertising; approximately how much it will cost and how to put together a good newspaper add. It will also be explained as to from whom the use of newspaper for advertising is beneficial.

#### WHO SHOULD USE NEWSPAPER?

Newspapers are a good medium for conveying specific, detailed information about a product and its features these are basically ideal for a company which wants to influence a broad market. Following are different usages of newspaper in different situations for different advertisers.

- Those who want to influence a broad market.
- Newspapers provide a good medium for conveying specific, detailed information such as price, percentage discounts & product features.
- Local daily & weekly newspapers are No.1 advertising choice of most small businesses.

#### AD PRODUCTION

Ad production cost vary depending upon the design, incorporating illustrations, photos use of color, type styles amount of type and other factors.

#### SPACE COSTS

Before you can understand how much newspapers cost, it is important to understand how newspaper ad space is measured, following are the three ways in this regard.

- a) By the column inch
- b) By standard advertising units.
- c) By Lines/words.

Generally newspaper pages are six columns wide a page is usually 21.5 inches tall and a full page contains approximately 129 column inches (6 col. x 21.5 inches).

Various newspapers have different typical rates which may differ on weekends / Sundays.

#### TYPES OF NEWSPAPER ADS

- 1. **Display**: These ads can appear any where in the paper except classified section.
- 2. **Display Classified**: These ads are sized to fit within the classified columns and purchased mostly at lower rate than display ads.
- 3. **Classified Line**: These ads are typical classified ads where you see advertising "for sale" and "wanted". These ads are priced by line rather than column inch.
- 4. **Free Standing Insert**: These are basically the slick little mini magazines / brouchers / preprints, which slide out of the paper the moment you pick it up.

#### **CIRCULATION**

It is basically a measure of the number of copies of a paper that are distributed. However, it should be understood that circulation figures reflect the number of copies distributed and not the number of readers.

#### USING NEWSPAPERS SPACE

The advertiser has to determine as to what are his objectives and based upon that he can chose a definitive space to place advertisement. Following are the some parameters for using newspaper space effectively.

- Choosing section in which to advertise.
- Choosing time of the year.
- Choosing day of the week.
- Using combination buys.
- Choosing size and position.

#### NEWSPAPER ADS DESIGN TIPS

One of the main challenges is to design an ad which stands out in competition and provides the effect required by the advertiser. Following are few guidelines and tips for preparing a good add design for newspapers.

- Use reverses to attract attention. (white type on a black background)
- Use white space creatively. White space refers to any portion of your ad not occupied by type or illustrations.
- Be sure to use common design elements in all your ads.
- Use type faces different from those set by the publication.
- Design around newspaper reproduction methods.
- Consider color. Using spot colors i.e. another color in addition to the basic black of your ad.

#### **Follow Sound Principles:**

To make advertisement effective and achieve objectives for better coverage and reach following principals can be very helpful.

- They focus on a single message.
- They express the message in terms of the benefit to the reader.
- They use simple, eye catching graphics and readable type.

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#### OTHER ADVERTISING MEDIUM

#### **OVERVIEW**

Magazines are also an important medium of advertising amongst the print media the students will be explained as to who should use magazines for their advertisements and cost to be incurred thereon. Besides this a traditional yet effective electronic media like radio and its usage and its utility will be discussed. The students will also be explained the criteria and essentials of making a good spot to be released on radio. Like radio television has assumed lot of importance as a very effective advertising media and with the advent of many channels it gives a great opportunity for the advertisers to use this very illustrative and effective medium. In this context students will know about producing TV spots, a typical TV script and the process of choosing a production company to prepare outstanding TV advertisements.

## **HOW TO USE MAGAZINES:**

## Who should use magazines?

Magazines are primarily directed at a broad market like newspapers but our directed at specific audiences therefore there are an excellent medium for advertisers who's potential market is highly targeted and / or scattered over a vide geographical area with their long slow publication schedules magazines are for those advertisers who are more interested in building long term business than generating rapid sales. To elaborate further following is the classification of advertisers who should use magazines.

- Whose potential market is highly targeted and / or scattered over a wide geographical area.
- For advertisers with a broader target and a more narrow geographic range.
- For advertisers who have patience & generally for those more interested in building long term business than in generating rapid sales

#### **Cost of magazine advertising:**

Generally the cost of magazines advertising vary based on following criteria.

- 1. Types of magazines.
- 2. Circulation.
- 3. Positioning.
- 4. Strength.

#### **HOW TO USE RADIO:**

#### Who should use Radio?

Following are different components of consumers who can effectively use this medium for immediate response for their sales or promotion.

- Almost any business serving a consumer market can use Radio.
- Radio can bring immediate response for your sale & promotion.
- It is equally good at increasing awareness of your business.

#### Costs:

The costs vary based on following factors.

- An excellent radio spot can be produced from nothing to several thousand Rupees.
- Air time depends upon coverage and Size of the market.
- Radio station rates are based on 3 Factors.
  - i. Length of spot.

- ii. No of spots bought in a given time.
- iii. Time of day the daypart.

## **Daypart buying options:**

The chunks and spots costs vary based on the part of the day and the position of the ad with regard to the timing and program results in variation of costs thereby resulting in different day part buying options. Following are three different day part buying options.

- 1. **Buying by specific daypart:** Specific dayparts that are at the precise time in which they want their ads to be heard.
- **2. Buying package:** Buying a package of spots at a flat rate & the station decides when the spots will run.
- **3. Buying sponsorships or adjacencies:** Associating your company name with a specific program. Adjacency is next to sponsorship just before or just after the program.

#### **Producing a Radio Spot:**

In order to produce a good and effective ratio spot following three basic elements should be kept in mind.

#### 1. Good Voice

- Using local radio talent.
- Using amateur voice
- Hiring professional voice talent.

#### 2. Good Music

- Can produce original music
- Use free music from station's library.
- Buy canned music by popular music composers etc.

#### 3. Good background Effects.

• Many available on line, and on radio etc.

#### **Radio Copy Tips:**

There are three things a radio spot (or any advertising needs to do.

- 1. Grab the attention of listeners in less than 7 SECONDS.
- 2. Make an offer.
- 3. Give the listener all the Information he or she needs to act on the offer.

## **AUDIO LOGOS:**

If you cannot afford a jingle then there is inexpensive alternative. If you have a slogan than the announcer can read it at the end of every single spot you ever produce this is called an audio logo.

#### **HOW TO USE TELEVISION:**

Television is ideal for advertisers who need to demonstrate their product. As they say "Look the customer in the eye" and creates sense of excitement. Many advertisers consider television to the most powerful of all advertising media because it can give the viewer a sense of what it is likely to actually own, use and experience what is being advertised. It is a complex, often expensive medium that can demand more of your time, thought and budget than any other.

## **HOW TV STATIONS DIVIDE DAYS & RATES:**

As with radio the TV stations also divide their day in to dayparts although these time divisions may differ from place to place area to area yet a typical day looks something like given below:

#### Morning – 6 AM to 9 AM

- Programs like news, weather, interviews etc.
- Typical Audience --- people getting ready for work

#### MID day. ---- 9 AM to 4 PM

- Programs like Dramas, game shows ,movies, some talk shows.
- Typical Audience ----- housewives etc.

## Early Fringe. ---- 4 PM to 7 PM

- After school kid's shows, local national news etc.
- Typical Audience ---- Children, people coming back from work.

## Prime Access. ---- 7 PM to 8 PM

- Game shows and entertainment etc.
- Typical Audience ---- General.

#### Prime. ---- 8 PM to 11 PM

- News, comedies, dramas and movies
- Typical Audience ---- General

## Late Fringe.--- 11 PM to 1 AM

- News, Talk shows, Dramas, music shows, movies.
- Typical Audience ---- Adults, Teens etc.

#### Late Night. ---- 1 AM till 6 AM or sign off.

- Movies, Dramas.
- Typical Audience --- Adults, Teens

#### PRODUCING TV SPOTS

- FORMING CONCEPT: A good TV concept should be simple and the advertiser should not try to say too much and show too much as such ads are confusing and cluttered.
- WHAT MAKES A GOOD CONCEPT: The adds should be very simple, very memorable, very effective and should be able to deliver the message about your business, basically look for effectively communicative messages that will appeal to your target.
- THE SCRIPT: The usage of the script while producing your commercial TV spot is essential. A good strip at the end helps in preparing an effective television commercial. Following is a typical TV script

## TYPICAL TV SCRIPT

| <u>Video</u>                            | Audio Audio                               |
|---|---|
| FADE IN                                 |   |
| Establishing shot of typical            |   |
| Office; young mother at                 |   |
| Computer looks at watch.                |   |
|   |   |
| Tight Shot                              | Announcer Voice Over                      |
| Face of young mother, Looking off to    |   |
| camera left & Preoccupied.              |   |
| She turns to look directly Into camera; | Woman At home. Aren't they?               |
| concerned                               |   |
| CUT to Medium shot of 8 Year girl       | Announcer: Sure, that's where you told    |
| idling along street cars go by, one     | them to be, but kids Are kids, wouldn't   |
| slows.                                  | you rather be certain?                    |
|   |   |
| Tight shot: Woman's hands at            | Woman (ironically) Sure. I will just quit |
| keyboard, she gestures Helplessly.      | my Job and stay home.                     |
| TWO SHOT                                | (no audio)                                |
| Child talks to shadowy                  |   |
| Male driver inside car.                 |   |
|   |   |
|   | Announcer: But now there's a way          |
|   | even struggling single moms can afford    |
|   | good, safe, after school child care       |
|   |   |

- LIVE VIDEO or SLIDES: Another way to save money for producing TV spots is to use slides or art work instead of "live" film or video action. If used creatively slides or art work can create an attractive, captivating spot.
- CHOOSING PRODUCTION COMPANY: You can have two major options for getting your TV spots produce:
- Either let the TV station produce it
- Or Hire an independent production co.

# **Appraise Production Company as under**

When choosing a production company, keep following important points in mind:

- 1.See what they have done so far.
- 2. Check their experience for your type.
- 3.Ensure co. has broadcast quality equipment.
- 4. Beware of a co. bragging about equipment.
- 5.Know about co. charges before hand.

| TD   |    | T-1. |   |
|------|----|------|---|
| Tape | or | Film | : |

**Hiring Talent:** 

Lesson 35

#### UTILITY OF VARIOUS MEDIA

## **OVERVIEW**

In this lecture we will recap the procedure the choosing a production company and the two important elements for producing TV spots like tape or film and like hiring talent. Besides this we will also review the utility of radio, TV, newspapers and magazines. The use of direct mail as an important advertising tool, we will also be discussed including the rules and benefits.

#### **TAPE OR FILM:**

While preparing a good TV spot it is important to answer the following two questions. Following is the comparison between the usage of tape and film and its features for preparing a TV spot.

| TAPE   | FILM  |  |
|--|---|--|
| <ul> <li>Good for low budget spots</li> <li>Less depth &amp; range of tones</li> </ul> | <ul> <li>Expensive &amp; more subtle quality</li> <li>More depth &amp; range of tones.</li> <li>Expensive spots both in tape &amp; film.</li> </ul> |  |

#### **HIRING TALENT:**

No spot can be complete without the use of the actors or announcers who read your copy or perform "live" in the spot. In this context the hiring of talent of different type is given below:

**Announcer**: Who reads your copy, (on or off camera).

**Actors**: Who perform "live" in the spot or both.

Using yourself, your staff, or family members in commercials: Be cautious – Get third party opinion.

#### **UTILITY OF RADIO**

We will try to review the utility of different mediums like Radio, TV, Newspapers and magazines as under:

- Any business serving a consumer market can use Radio.
- Bring immediate response for sale & promotion.
- Equally good at increasing awareness.

#### **UTILITY OF TV**

- Ideal for Advertisers need to demonstrate their product.
- Creates sense of Excitement.
- Those needing to reach a specific Market.
- Creates advertising opportunities for businesses aiming at narrower target.

#### **UTILITY OF NEWSPAPERS**

- Those who want to influence a broad market.
- Newspapers provide a good medium for conveying specific, detailed information such as price, percentage discounts & product features.
- Local daily & weekly newspapers are No.1 advertising choice of most small businesses.

#### **UTILITY OF MAGAZINES**

• Where potential market is highly targeted &/or scattered over a wide geographical area.

- Where advertisers want broader target & a more narrow geographic range.
- Where advertisers who have patience & are more interested in building long term business than in rapid sales.

## **HOW TO USE DIRECT MAIL:**

Direct mail refers to brouchers, letters, post cards and catalogs that are sent through mails and are expected to bring an immediate sale or inquiry.

#### Who should use direct mail?

The following categories of advertisers can use direct mail for effective results:

- For advertisers with a highly specific target market.
- For those who do not have a store or walk in office.
- Great for reaching working women & other business people.
- For those who don't mind making a relatively high initial investment to get a high rate of response.

#### **Costs of direct mail:**

The costs of direct mail vary greatly as explained below:

- From 5 Rs. to Send a letter to thousands for sending modest catalog mailing.
- One way is to send through JOINT Mailing.

## **Mailing List – Three Types**

- 1. Your customer list: Your sales data.
- 2. Compiled lists: From directories.
- 3. Responder lists: Who responded to direct mailings.

#### **RULES OF DIRECT MAIL:**

Before you begin to plan your package of direct mail following principles of any direct mail should be kept in mind:

**Stress Benefits:** Benefit statement most important, Headline must state primary benefit of offer.

**Repeat offer more than once:** Three times - in letter, brochure, response device.

**Offer an incentive:** Buy within 30 days & receive the free book.

Offer a Guarantee: "Guaranteed for life" or "life time guarantee".

Give more than one option to respond: Like giving option to call or order by mail.

Put your copywriter in charge: Use experienced copywriter for direct mailing.

**Don't be afraid of long copy – two purposes:** A long copy should not be avoided as it can serve to purposes as under:

- 1. Gives casual reader more to capture attention.
- 2. Helps close sales by giving more information.

**Make copy easily understandable:** Don't make people work too hard, you will lose them.

#### **DIRECT MAIL PACKAGE:**

"A direct mail package can be anything from a letter to an elaborate package containing product sample, videotape, and or gifts." And this package should be based on following factors.

- The size of budget.
- Complexity of message to be delivered.
- Your positioning.
- Amount of time your audience will give to your mailing.

## A typical direct mail package can contain several pieces e.g.:

- 1. A Mailing Envelope: Try to make your envelop as inviting as possible by using various proven techniques.
  - i. Chose a size and color of envelop that doesn't look like junk mail.
  - ii. Use the right stamp
- 2. Sales Letter: A good sales letter should be as personal as possible and as packed with selling copy as possible.
- 3. Direct Mail Brochure: It should be a complete, stand alone sales piece it can be almost of any length and the plain or fancy.
- 4. The Response Device: A response device is known as the reply card or reply coupon this should contain a brief of your offer, all price information and your address.

Lesson 36

#### OTHER ADVERTISING MEDIA

#### **OVERVIEW**

This lecture will introduce the students with other important advertising media such as point of purchase, billboards, transit advertising and the few advertising specialty. Besides this the constraints of advertising power because of practical limitations will be explained in detail.

#### **POINT OF PURCHASE (POP):**

Point of purchase is used to call the attention to your products or services right at the location of sale.

#### Who should use POP?

It can be used by retailers for their own use or by manufacturers for the retail outlets and for introducing sales promotion e.g. contest, game etc.

## **Advantages:**

Following are the advantages of Point of Purchase materials

- Very visible Ideal for introducing new product.
- Convey positioning
- For introducing sales promotion e.g. contest, game etc.

#### **Disadvantages:**

Despite having advantages point of purchase material have certain disadvantages as under:

- Easily Diluted by so many displays.
- If you are a manufacturer cannot be always sure your retailers will use the displays you provide.
- May not be properly displayed.
- Inexpensive to produce.

#### **Cost of POP:**

This varies depending upon quantities & design.

#### **Types of POP:**

Following are four major types:

- 1. Table tents: Free standing tents made of heavy paper for restaurants for menus etc.
- 2. Shelf talkers: Cards on shelves etc.
- 3. Countertops: Free standing cards for banks.
- 4. Display Racks: For retail, grocery to feature certain items.

#### **Tips for Using POP:**

All types of POP have two basic rules which you should follow as under:

- a. Keep the message simple: Use large size headline oriented message.
- b. Use Effective color: Use sharp colors as these are grabbers.

#### **BILL BOARDS (OUTDOOR ADVERTISING):**

As is visible in almost all urban areas out door advertising (billboards) are used now a days very extensively as an effective advertising medium.

## Who should use Outdoor Advertising?

The outdoor advertising can be useful for following business as their target audiences are located in one geographical area.

- Retail businesses.
- Service businesses.
- Event promoters.

## **Cost of Outdoor Advertising:**

Depends upon type, street or road location.

## **Types of Billboards:**

**Posters** (Pre printed sheets): Mass produced so buy many boards. These are screen printed. **Painted Bulletins**: Larger than posters. These are giant boards. Much more expensive than posters.

**Electronic Boards**: Video, computer & projection aided boards.

## **Tips on Using Billboards:**

Following are the important tips to be kept in mind for using billboards effectively:

- Keep both copy and visuals simple: Viewers are seeing boards from distance and may be driving past it rapidly.
- Keep type as large as possible: A 2 feet high letters are read from a distance of 840 feet.
- Use simple typefaces & simple graphics.
- Color selection is very critical.
- Experiment how your Artwork will look from distance.

# **TRANSIT ADVERTISING:**

The most common form of transit advertising are large signs on outside & inside of vehicles buses, subway trains, cable cars, trains, taxis and other moving vehicles.

#### Who should use:

- Retail or service businesses.
- Event promoters.
- Whose target is one urban area.

## **Preparing Artwork:**

Following rules should be kept in mind while preparing the artwork for transit advertising:

- Viewing area should be smaller than actual sign dimensions.
- Artwork similar to Bill Boards needed.
- Screen printing is ideal.
- Brief copy & bold design parameters be used.

#### **Tips for Using Transit:**

Following are few tips for using transit advertising effectively:

- Same like billboards.
- Exterior signs require boldness & simplicity.
- Interior ads too should not be overloaded.

# **Cost of Transit Advertising:**

Varies as it is done in different sizes and the cost will also be different from location to location.

## **ADVERTISING SPECIALTIES:**

Give away Items like pens, key rings, diaries calendars, and paper weights etc. can be classified as advertising specialties.

#### Who Should Use:

Almost any business can use this.

# **Cost of Advertising Specialties:**

Anywhere from few Rupees to thousands depending upon quantity, quality and complexity.

## **Advantages:**

Following are the advantages of using advertising specialties:

- Customers consider these as gifts rather than advertising.
- Used day in and day out.
- Highly visible items, turning customers as walking advertisements.
- Vast variety & customized options available.

#### **Disadvantages:**

Despite being advantageous advertising specialty can have following disadvantages:

- Many are cheap, create bad impression.
- Can be expensive and difficult to distribute.
- High quality specialties can cost a lot.

# **How to Select Right Ad Specialty:**

Following methods can help you to select the right ad specialty:

- Discuss with Sales Rep of Company.
- Keep budget in mind.
- Keep Deadlines in mind.
- For smaller clients select something unique.
- Choose item which supports your positioning.
- Choose item which will be kept & used.
- Choose item which the competitor will not send to your target.

#### Can Ad Specialty Items Be Sold?

Yes you can do that! - If following factors apply:

- 1. You have a young target audience.
- 2. Selected item is something truly desirable.
- 3. Your product or business has some status or group identity to it.

# **LIMITS OF ADVERTISING:**

Often advertising power is constrained as much by practical limitations as by absolute limitations. Following factors play an important role in determining the constraints of advertising.

# 1. Competitor's Advertising

- Activity of competitors.
- Several advertisers of same product category.
- Level & frequency of competitor's advertising.

## 2. Limitations of Budget

- High cost for longer time advertisements.
- More cost when a product is not unique.

# 3. Creating "Needs"

- People feel being manipulated.
- Feel being forced to buy even without need.
- People criticize the persuasive role.

#### 4. Accelerates Mass Markets

- Expands markets
- Creates interest in buying innovation.
- Makes product more available.
- First introduces product &then affordability.

#### 5. For Brands or for Products

- Makes people buy one brand instead of another.
- Create demand by brand advertising yet is not conclusive.

# 6. Resistance to Change

- Generally people resist to changes.
- People reject inconsistent with their present mindset.

## 7. Advertising is the Weaker Influence

- Message can fail if inconsistent & incredible.
- May lead to a wrong decision & people may change back.

#### 8. Ads That Work or That Win Awards

- More important to help in sales.
- Marketing research essential for evaluation.

Asson 37

#### **CONTINUOUS TRACKING**

# **OVERVIEW**

In this lecture the students will be explained about the various methods of the continuous tracking of advertising campaign and how it is done. A brief description about the planning of campaign and the concept of image and reality will be explained for the effectiveness of an advertisement. The students will be introduced with the concept of how to understand advertisements and few basic questions in this context.

## **CONTINUOUS TRACKING:**

A smart advertising executive or advertising agency is the one who keeps constant watch and vigil over the effects and results of the advertising campaign, in this can only be done by continuous tracking of the campaign performance and demand. Following are important points to note about continuous tracking:

- Does Advertising work in this market?
- What type of advertising works?
- How does it work?
- Does advertising change attitudes & then behavior?
- Identify, what works and what does not?

#### RESEARCH CAN HELP

Research is a very important source of getting timely information for necessary fine tuning to be corporated in the campaign either prior to the release or during the launch. Research can help in the following way.

- Its role as an "Early warning system"
- Its ability to reveal changing market patterns.
- Its ability to capture unexpected events.
- Its asset value as accumulative database resource.

It must be remembered that as explained below if you will not be tracking the advertisement campaign continuously, your competitor will be doing so and they might over shadow your campaign because of following two factors.

- Markets are dynamic.
- They are like a moving picture.

#### PLANNING CAMPAIGN:

It must be understood that while preparing an advertisement campaign the consumers must be kept in mind and the strategy should revolve around the consumer mind set as advertisements are addictive the more you have the less you remember. In this context following strategical points we remember:

Ads are addictive – the more you have the less you remember.

- The execution. IS IT A GREAT AD?
- Money spent. HOW MUCH EFFORT PUT IN?
- What is scheduling. FROM WEEK TO WEEK?
- No: of competitors. ON AIR SAME WEEK.
- Level of involvement of the target audience.
- The Ad objective?

## **IMAGE & REALITY:**

It is common with human beings that they see things in different ways to illustrate this statement following two pictures explain this concept.

See in the picture below what you think is it rabbit or a duck?



Is it a rabbit or a duck?

Or in the picture below is it a vase or two faces. Basically it is the concept of White on black or black on white. Basically what you are using to make sense of what you see is called "frame of reference". This generates a perception.

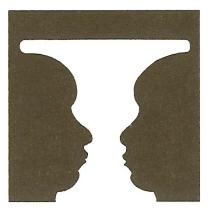


Figure 2.2
A vase or two faces?

#### **EVALUATING A BRAND:**

When we evaluate a brand we try to do so by evaluating their attributes or features, this is done for two reasons:

- a) Problem of what features brand has?
- b) How to interpret features?

By perceiving a product or service: A product or service can be perceived through "overlay of frame of reference" but this is possible only through experience.

#### **HOW TO UNDERSTAND ADS**

Advertisements are basically very interesting to watch and they make in roads in the mind set of the people. Following are the guidelines of understanding an ad:

- 1. We recognize that it is an ad.
- 2. Then we immediately try identifying what the ad is for.
- 3. Consequently our minds gain information.

# **BRAND REMINDERS**

- Ads reinforce the salience of Brand in mind.
- Information has to be first stored in mind.

## PART OF THE AD WE FOCUS

- 1. Things that are already known Being reminded.
- 2. Things that are new.

## **ASK BASIC QUESTIONS**

In order to make the ad understandable following two questions need answering.

- Who is the Ad talking to?
- Who is doing the talking?

Lesson 38

#### SEASONAL ADVERTISING

## **OVERVIEW**

In this lecture we will apprise the students of the importance of seasonal advertising; the low and high environment concept of target audience and the importance of maximizing impact of advertising on the target audience. The students will also be introduced the concept of sequels in advertising and apprise them regarding the advertising medium of new millennium i.e. advertising on the web. Like continue tracking advertising campaigns require continuous evaluation about its performance. Further more the mental reach of the people exposed to advertising and the problem diagnosis of the campaign referring the measure of effectiveness will be dealt with.

## **SEASONAL ADVERTISING:**

As the name suggests the word seasonal advertising pertains to the advertising focused on the basis of seasonal products and thereby the usage of specific advertising strategy. It should be remembered that:

- All advertising is not created equal.
- All product categories are not same.
- There are important seasonal influences on advertising.

Few products which are seasonal to a greater or lesser extent include:

Summer ... Ice Creams, Beverages, cotton apparel etc,

Winter... Chocolates, Coffee, woolen clothes, wool etc.

**Seasonal Events** ... School supplies etc.

#### LOW VS. HIGH INVOLVEMENT:

It should be understood that communicating to target audience that is highly involved in what you say differs from communicating with people who don't care!

However, how does it differ is explained below:

- Highly involved target audiences are more motivated and actively looking for information.
- So Ad may require less repetition and print media may work effectively.
- In some cases advertising to low involved audiences may bring better results.
- Highly involved audiences are therefore relatively less sensitive to ads on air.

It must be kept in mind that every ad campaign cannot necessary succeed; therefore following checklist will help you in determining this:

- Check your planned REACH, FREQUENCY are achieved.
- For low involvement products, use a single execution plan unless there is a very good reason for doing service.
- Don't use multiple execution strategy.
- Check the involvement mix of your audience.

#### **MAXIMIZING IMPACT:**

As is evident that there are many advertisements of same product and category being splashed everywhere resulting in look alike ads often this result in mistaken identity.

#### **Mistaken Identity:**

An acquaintance wearing distinctive clothing. In a crowd "he was someone else!" Same is true about commercials.

A special distinctive style always makes your ads unique and save them from look alike confusion. Note following two points in this context:

# "Owning" a Style

- Distinctive styles make you unique.
- In all media immediate attention is grabbed.

**Slogans:** Many a time a word, a phrase or a sentence can act as constant. This usage being common today has been named as slogan. Slogans always remind you of a definite brand or a product.

**Symbols:** Many companies use certain symbols which make them identifiable as a brand to remember. It is a form of constant that acts as a powerful branding device in the local style mix.

**Visual Devices:** Visual devices are very effectively used and this establishes as something which the brands owns such as an action or gesture. e.g. milk moustaches, while drinking milk.

**Presenters:** A celebrity, a presenter is often used as a constant.

Characters: Certain characters become a constant.

Music: Famous tunes/music are used

**Color:** Color is a very important retrieval cue.

Other Constants: A place – A feeling --- AN emotion

Voice Overs: Help in explaining an advertisement. Useful constant.

All Musical Singing Commercial: A musical singing commercial is used.

**Sequels:** These are a particular form of advertising style where the characters are held constant and become associated with the brand.

In order to save people from boredom, sequels in form of slight change are used.

## **Strategy**

- If ad was successful but now wearing out consider a sequel rather than a new Ad.
- But if entirely new Ad is planned then expect the new ad to wear in.
- Use style which worked, use in new Ad.

## THE WEB ADVERTISING:

Web is a medium of new millennium and is growing very rapidly. In this very competitive world, web advertising is being used as an effective and innovative method of advertising.

The companies now a days having web address are seen as:

- More customer oriented and responsive;
- More informative;
- More sophisticated and Hi-tech;
- More geared to a younger market?

## The Web Advertising can:

- Help build awareness & perceived advertising presence by displaying the brand name.
- Convey extremely compact, very simple messages that help in brand building.
- Reinforce / remind people with already known Brand messages-- if they are simple.

## **CONTINUOUS EVALUATION:**

In essence the concept of continuous evaluation is the same on the web as with telephone interviewing. This continuous evaluation is always beneficial as given below:

• Measuring recognition becomes more accurate & easier because visuals of ads can be shown so people react to the actual stimulus instead of a verbal description.

- People exposed to banner ads are, by definition, on Web & potentially accessible using that medium.
- The internet enables rapid, cheap access to large samples via random sampling. (people visiting a web site)
- The low cost and super fast turnaround of information means that it is capable of providing finer grained information on daily as well as a weekly basis.
- Continuous tracking of visitors to your site is possible. Who are they? Where do they come from? What pages do they visit? What are the most frequently visited places on your site?

#### **MENTAL REACH:**

Whether communicating the corporate image or the brand an ad must generally breakthrough in order to work. In fact it is important to know at what people generally do when they see an ad in fact in this process the people go through a process similar to the following:

AT FIRST: they recognize that it is an ad.

THEN: try to identify what is the ad for?

SUBSEQUENTLY: get any new information.

FINALLY: REACT that means the indulge in buying or using.

#### PROBLEM DIAGNOSIS

If shortly after being exposed to an ad there is no reaction or recognition of Ad. The main reasons for this may be:

POOR CREATIVE - Boring ads fail to attract.

INSUFFICIENT PROCESSING TIME – Rapid switching in commercials.

DISTRACTIONS – Many distractions while watching TV.

TV ON BUT NO ATTENTION – Despite viewing TV, mind on other things.

#### **MEASURING ADVERTISING:**

Traditional measure of advertisement effectiveness such as ad recognition, ad recall, message takeaway, brand awareness, brand image and purchase intention confuse many advertisers, the question is what do all this means which one I should use do they really indicate how effective my advertising is, in order to understand this a simulation in the following chart can easily explain the primarily measure of effectiveness.

| Are people buying ABC juices                              | Behavior: Do sales market share, survey   |  |  |
|---|---|--|--|
|   | show more people buying                   |  |  |
| If not are they more predisposed to buying                | Attitudes: Has disposition Or intentions  |  |  |
| it.   | towards buying ABC improved               |  |  |
| At point of sale, what they think of or notice the brand. | Awareness: Has awareness increased.       |  |  |
| When they do notice Or think of brand                     | Image: Is the ABC brand more healthier as |  |  |
| what Is reaction  | it has calcium added to it.               |  |  |

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#### COMPONENTS OF ADVERTISING

## **OVERVIEW**

In this lecture the components of advertisement and its impact on mind with reference to the effectiveness pertaining to brand focus and ad focus will be discussed, beside this measures regarding using brand focused effectiveness will be highlighted. The students will be apprised of making good ad campaigns for food products tourist destinations and medicines.

## **BUY - OLOGY OF MIND:**

The suffix, "ology" is used to mean either "the study of" or "the science of". Here we are discussing the science of consumption (or buying). In particular we address the role of the mind, how it influences buying and brand choice and how to go about measuring it. In this regard when we are exposed to an ad there are four components to remember

- 1. AD EXECUTION: It is the creative vehicle that we hope will make the audience sit up and take notice and will made a breakthrough for capturing the attention by its capacity to deliver the message.
- 2. THE PRODUCT: The ad should clearly detail the product benefits and highlight its uniqueness.
- 3. THE BRAND: The most common problem in advertising is registering the correct brand in memory as don't have to see the brand but you get the brand all the same.
- 4. THE MESSAGE: The message is very vital as it is the one which changes the mind set through its effectiveness and convincing exposition.

# OTHER MEASURES OF ADVERTISING EFFECTIVENESS:

The main measures as given in the chart below focus on the add itself – ad recognition, ad recall, message take out and liking and believability of add.

| Brand – focused             | Ad – focused     |
|-----------------------------|------------------|
| Purchasing behavior         | Ad recognition   |
| Attitudes-buying intentions | Ad recall        |
| Brand awareness             | Correct branding |
| Brand Image                 | Message takeout  |
|                             | Ad liking        |
|                             | Ad believability |

#### **USING BRAND FOCUSED MEASURES:**

In order to elaborate further on brand focus measures following 4 measures can be consider:

- 1. Are more buyers buying it? Measure Brand Behavior
- 2. Are they ready to buy it? Measure Brand attitudes or intentions
- 3. What do they think about it? Measure spontaneous brand awareness
- 4. Do they indulge in buying? Measure brand image association

## **MAKING GOOD AD CAMPAIGNS:**

Good ad campaigns are those which help in achieving the objectives in the most effective way. The adverting of food products have many problems in order to overcome them following strategy will help in making a good campaign for food products in print and electronic media.

- Make ads around appetite appeal.
- The Larger food illustration, more appetite appeal.
- Devote Food Ads to food more.

- Use Color. Food looks more appetizing in color than black & white.
- Use photographs-they have more appetite\appeal than artwork.
- One photograph is better than two or more. If you have to use more photos, make one of them dominant.
- Give recipe whenever you can. Housewife is always on the lookout for new ways to please her family.
- Illustrate your recipe in your main photo.
- Get news into your advertisement whenever you can.. News about new product etc.
- Make your headline specific, rather than general.
- Include your brand name in your headline.
- Locate your headline and copy below your illustration.
- Be serious and don't use humor or fantasy.

#### **TELEVISION**

- Show how to prepare your product.
- Show your product early in the commercial.
- Use sound effects relevant to product.

#### **RADIO**

- Describe how to prepare your product.
- Mention your product early in commercial.
- Use sound effects relevant to product.

## **TOURIST DESTINATIONS:**

Travel and tourism has become a part and parcel of the life of modern day people in order to attract them to countries. Tourist operators use advertising to promote and project their destinations, following conclusions can be useful to make a good tourism advertising.

- Destination advertising is bound to affect. The image of the country concerned, it is politically important to project it favorably.
- Tourists want to see unique things. So show those.
- Project things which people will never forget.
- Ads should appear in media which people read to travel long distances.
- The biggest barrier to travel is its cost. Ads should rationalize costs by selling its cultural & status overtones.
- People dream about faraway places. Your ads should convert their dreams into action.
- Use combination of mouth watering photographs & specific information.
- Patterns of travel are peculiarly subject to fashion. Your ads should put your country on the map where every one is going.

# **MEDICINES – ADVERTISING DRUGS IS AN ART:**

Advertising medicines is a special art following are the principles which should be used by those who want to practice this art.

- Should highlight the difference between your brand and of the competitors.
- A good medicine advertisement should contain news.
- A good medicine ad should have the feeling of seriousness.
- A good medicine ad should convey a feeling of authority.
- The ad should explain the disease as well.

Lesson 40

#### **CRITICISM ON ADVERTISING**

## **OVERVIEW**

In this lecture students will be explain the importance of certain parameters to be follow to progress in the profession of advertising. Moreover, a phenomena about the criticism of advertising and its role will be discussed in the light of various observations by leading professionals.

#### HOW TO RISE TO THE TOP?

Whenever a young person enters into advertising profession he or she is tempted to the over enthusiastic, ambitious wanting to the most resultantly adopts a behavior of aggression which can prove detrimental to his / her growth in the profession. Therefore having been in this profession and knowing the pros and cons, ups and downs in this progression, following parameters are appended below as advice to the young professionals to succeed and progress steadily and surely.

- **Be ambitious but not extra aggressive**: Being ambitious is good but it does not mean to be aggressive to the extent that fellow workers become jealous to destroy you.
- **Be patient**: Joining the advertising profession straightaway after completing your education generally the advertising agencies will hire you assistant advertising account executive. This is where you should learn with passions and with experience get matured to represent your agency with conviction and impression.
- Learn to make good presentations: With creativity at its top and being used extensively it is essential that a young professional should learn how make good presentations to win over clients and thereby getting business their agency.
- Make friends with the clients: This implies good rapport with the clients at all levels to ensure new business of retain the existing.
- Always take notes of your meetings with clients: It will often happen that an account executive in a working day will be meeting different clients of different category and type. Therefore it is advised that notes of the meetings with all clients should be written down to avoid mix up and confusion.

# **SHOULD ADVERTISING BE ABOLISHED?**

There have been different views and opinions about advertising, importance, utility and role in society. There have been calls to abolish advertising as:

Mr Bevan called advertising be "an evil service".

Further more

Professor of Galbraith of Harvard held It tempts people to spend on "unneeded" possessions.

Arnold Toynbee of Winchester said:

"Cannot think of any circumstances in which advertising would not be an evil"

However, despite the above rigid opinion the moderates thought differently & disagreed with these three.

American President Franklin Roosevelt:

"If I was to start life all over again I will go in Advertising business in preference to almost every other."

Moreover,

Sir Winston Churchill agreed with Roosevelt and said:

"Advertising nourishes the consuming power of men. It sets up before a man the goal of better home, better clothing, better food for himself & his family."

While discussing and reviewing the role of advertising in politics the famous advertising professional and the founder of Ogilvy & Mather David Ogilvy as an advertising agency refused political advertisement because of following reasons:-

- 1. If you advertise one party, you will be unfair to the others.
- 2. The next important point that advertising should be used for good causes as it helps in spreading the "good word / deed" to many people, thereby improving society.

In order to reach a conclusion whether advertising should be abolished or not it is important to answer following questions.

| • | Does Advertising raise prices?                              | NO!       |
|---|---|-----------|
| • | Does Advertising encourage monopoly?                        | YES!      |
| • | Does Advertising corrupt Editors?                           | SOME!     |
| • | Can Advertising force an inferior product on customer?      | NO WAY!   |
| • | Is Advertising a pack of lies?                              | NO LONGER |
| • | Can advertising force people to buy things they don't need? | DEPENDS   |

## According to Hill & Knowlton report:

"The vast majority of thought leaders now believe that advertising promotes values that are too materialistic". However, advertising business people think this philosophy to be a danger to their profession. SO they believe & profess that "ADVERTISING SHOULD NOT BE ABOLISHED -- BUT IT MUST BE REFORMED".

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#### EFFECT OF ADVERTISING

## **OVERVIEW**

In this lecture the students will be apprised of various important lessons for success in the advertising profession. Moreover, a conclusion about the effect of advertising will be reached besides explaining the methods of prompting awareness. The students will also be explained about the parameters of creating an advertising design that will have impact and acceptability.

#### **LESSONS for SUCCESS**

Following are different cardinal points as lessons for success in the profession of advertising.

- Work Hard! Hard work never killed anybody!
- Big Ideas are usually simple Ideas!
- Change is our lifeblood!
- Tell the truth, but make truth fascinating!
- Tolerate a Genius!
- Use easily understandable language!
- No client ever complained that his advertising was selling too much!
- Admire people with gentle manners who treat other people as human beings!

# **CONCLUSION OF EFFECT OF ADVERTISING:**

It has always been a matter of concern for the advertising professionals to oversee the effect of advertising as a result of their effort and the advertising campaign. Therefore following conclusions of the effect of advertising can be a good guide to understand the effectiveness.

- Advertising works on people just like you & me ---- not just on "more gullible" people.
- More Ads fail than ones outstandingly successful. The great majority ads are mediocre in effect.
- Many a times, advertising is not sure if it is working.
- Many agencies do not know as to how or why advertising works.

#### **HOW TO PROMPT AWARENESS:**

It should be remember that every Ad. awareness question has a PROMPT more technically called a CUE. When you want people to remember you have to prompt them with a retrieval Cue. The question is to use Which Cue?

#### Should you use:

- 1. Ad execution Cue.
- 2. The Brand Cue.
- 3. The Category Cue.

Let us use an example of advertising use the example of an advertising for an "ABC" brand CHARGE CARD!

One can ask three types of questions:

- 1. Execution Cued: Have you seen an ad telling about a brand of charge card where you receive an incentive for every 100 Rupees you spend?
- 2. Brand Cued: Have you seen an Ad recently for ABC charge card?
- 3. Category Cued: Describe for me any ads you have seen for Charge Cards recently?

## **BRAND VS. CATEGORY CUEING**

In order to compare the important question is which cue is best to use? The one with category cue or the brand cue!

The following alternatives are discussed below:

Category – Cued. Describe for me any Ads you have seen for Credit Cards!

• People recall & describe what happened in the Ad.

Brand – Cued. Have you seen any Ads for ABC card recently?

• Here the Brand is provided.

#### PROBLEM WITH MEDIA OR THE AD

In order to determine the larger gaps between the level of execution Cued Ad awareness and the cumulative Reach indicate whether there was:

• A media schedule problem – people are without the opportunity to see the Ad OR

• An AD Problem – People though had an opportunity to see it but failed to notice it or at least enough to recognize or recall it.

In the following lines the negatives and positives of Category - Cueing are discussed to enable the selection of proper "prompt" for positive results.

#### **NEGATIVES OF CATEGORY – CUEING:**

- Categories are often difficult to be defined.
- At times it is difficult to use category cueing.

## POSITIVES OF CATEGORY -CUEING

- Allows complete coverage of Ads. for all brands.
- Does not miss out on Ads for New Brands.
- Clearly the easiest to manage from a questionnaire point of view

## CREATING DESIGN THAT SELLS

The most important factor of an advertisement is that it should have the desired impact and effectiveness to achieve the objectives of the advertiser / client. The main question is? What makes a design effective?

- The Overall "Look"!
- Incorporate necessary "Graphic Elements".
- Showcase the "Selling Copy".
- Lead Reader's eye to "Selling Points".

The important element in this regard is:

• The Headlines and Illustrations or Photos which make the Ad stand out in so many.

## **PHOTOS & ILLUSTRATIONS:**

Photos and illustrations create lot of impact as the viewer of advertisement is tempted to focus the attention and later on read the copy to be ready for action i.e. use / purchase.

- Use photographs or illustrations, but images should be interesting.
- Should be printed with a true –to-life look.
- Use special effects to make them look soft, extra bold, grainy or to change their appearance in a variety of other ways.
- Illustrations include everything from drawings to photos.

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#### CREATING EFFECTIVE DESIGN

## **OVERVIEW**

In the previous the students have been told about different parameters with regard to the creation of an effective advertisement and its various components continuing with that the students will be apprised as the when to use illustrations, language of typography, headlines and the importance of typestyle its readability. Moreover the use and importance of computer in designing an ad will also be discussed briefly.

#### WHEN TO USE ILLUSTRATIONS

As explained before illustrations play a vital role like photographs in an advertisement. However, following or the situations where illustrations may be used:

- Your product, building or board chairperson is not photogenic.
- You want the reader to visualize an abstract Concept "Look inside the mind of one of our Software engineers"
- A bold symbol will be more noticeable than a gray toned photo (e.g. in a very small ad).

## LANGUAGE OF TYPOGRAPHY:

The use of type is an important component in the body of the ad. Type is measured in points or point sizes. The larger the point size, the larger the type. FOR EXAMPLE

This is a 18 point type.

This is a 18 point type.

NORMAL.

BOLD.

BOLD & ITALIC.

This is a 24 point type. NORMAL.

This is a 24 point type. BOLD.

This is a 24 point type. BOLD & ITALIC.

This is a 32 point type. NORMAL.

This is a 32 point type. BOLD. This is a 32 point type. BOLD & ITALIC.

# **HEADLINES THAT COMMUNICATE:**

The most important point of focus for the reader of the ad headline because it is the major source of focused communication, the following are the important points with relation to the headlines.

- Number one selling element in Ad is Headline.
- Only Copy can help in closing the sale.
- Kind of typefaces which make Ad effective.

Let us see! Which can be more effective?



Feel the Heat

Another important point is the body copy of the advertisement where the viewer of the ad reads information about the product or service. In this context the readability of the body copy is the most essential element for maximum impact as is illustrated below:

## **NON READABLE BODY COPY:**

This is an example of non readable body copy the type face is difficult to read and the narrow spaces make the line congested. This sort of body will not be considered and will be ignored totally and the ad would be infective.

## **READABLE BODY COPY:**

This is an example of easily readable body copy. The indent and the beginning of the paragraph give the eye a natural place to start reading

#### **SOME POINTERS ABOUT BODY COPY:**

Explaining everything about the body copy following are some pointers to be kept in mind for creating an effective ad design.

- The typeface should be large enough to be read easily by your audience. The older the audience, the larger the type.
- A combination of capitals & lower case is easier to read than all capitals.
- Over long line lengths exhaust the eye & discourage reading.
- Copies aligned on the left margin are easier to read than on the right.
- Short paragraphs are more likely to be read.

#### **DESIGNING on COMPUTER:**

In this age timing is the essence of performance. In view of the complex nature of advertising and competitiveness in creativity it is essential that various options of ad design have to be prepared within a given deadline for this the designing of ad on computer becomes imperative,

as this will give lot of flexibility, different options and capabilities to do so. For this you will need:

- An adequate computer.
- Desktop publishing software.
- Type management program & type fonts.
- Laser printer or ink-jet printer.

## IT MAY ALSO BE HELPFUL TO HAVE

- A specialized paint or draw program.
- A scanner with software that allows you to edit images you scan into the system.

In order to achieve the above you should ensure that you select either of the two types of computers

- Apple Macintosh computers.
- IBM compatible pc's.

# **SELECTION OF COMPUTER:**

In view of the modern day's softwares like operating system, various paint and publishing software requiring lot of memory, fast speed processor therefore a minimum requirement computer e.g. in an IMB Compatible category following will be the currently basic requirements:

- 1. Processor 3.4GHZ
- 2. Best brand motherboard
- 3. Minimum 1GB RAM memory
- 4. 200GB Hard Disk Drive
- 5. 128MB AGP Graphic Card
- 6. Best Power supply with proper cooling system

Besides this you will need other hardware as under:

- 1. Printer Inkjet / Laser (preferably a color printer with photo smart option)
- 2. Flatbed Scanner (high resolution for scanning documents, pictures, illustrations etc.).
- 3. A high speed internet connection to have access to lot of graphics, illustrations etc.

# **DESKTOP PUBLISHING:**

The basic tool for Ad layout will be a reasonable desktop publishing software which should have the capability of ad layout, paint, graphics, drawing etc. In this connection following are suggested software:

- CorelDraw full suite
- Adobe Photoshop
- Macromedia Flash
- 3D Studio Max etc.

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## WORKSHEETS

# **OVERVIEW**

In this lecture the students will be guided by some sample worksheets require to know the requirements for the advertisement campaign for a product / service. BENEFIT LIST:

## **BENEFIT LIST**

List your benefits below & put an asterisk by 2 or 3 most important benefits. Verify most important benefits by talking to few people who are not associated with your business & employees. Isolate that key benefit. Mark with an exclamation mark.

| M | Y PRODUCT SERVICE HAS THE FOLLOWING BENEFITS: |
|---|---|
| 1 |   |
|   |   |
| 2 |   |
|   |   |
| 3 |   |
|   |   |
| 4 |   |
| _ |   |
| 5 |   |
| ^ |   |
| Ь |   |
| 7 |   |
| 1 |   |
| Q |   |
| J |   |
|   |   |

## **DEMOGRAPHICS OF YOUR TARGET:**

Fill in any characteristics that are important to your target's relationship to you or your product. Any which is unimportant leave it blank.

| 1.              | SEX (male or female)  |  |  |
|-----------------|---|--|--|
| 2.              | AGE range (child, teen, young adult, middle age, senior)                      |  |  |
| 3.              | Cultural or ethnic group  |  |  |
| 4.              | Marital status  |  |  |
| 5.              | Household status  |  |  |
| 6.              | Occupation type (white collar, blue collar, sales, service, student, business |  |  |
| owner, retired) |   |  |  |
| 7.              | Home owner or renter  |  |  |
| 8.              | Income range  |  |  |
| 9.              | Other important characteristics   |  |  |
|                 |   |  |  |

# TARGET'S MEDIA USAGE

This worksheet will give you an insight about your target audience and their usage of media. The answers to be fill in the blanks about:

| My target uses:   |
|---|
| TV (yes/no) At these times / day  |
| Radio (yes/no) At these times / day   |
| List all radio stations your target listens to  |
| Newspapers (yes/no)   |
| List newspaper you think your target reads (daily, weekly, local, regional & national)  |
|   |
| Magazines (yes/no)  |
| List magazines you think your target reads (local, regional & national)   |
| Shoppers (yes/no) Misc. Media (list)  |
| Which media is best to reach your target? List all but mark those outstanding   |
|   |
| VOLD TADGETS DIDGITATING HADITE.  |
| YOUR TARGET'S PURCHASING HABITS: This worksheet will determine the purchasing habit of the target audience/ markets.  |
| La mont demant almondu hunding mont product on comitac?   |
|   |
| Is my target already buying my product or service?  |
|   |
|   |
|   |
| Is he/she buying from me, a competitor or both?   |
| Is he/she buying from me, a competitor or both?   |
| Is he/she buying from me, a competitor or both?  How often my target is making a purchase?  |
| Is he/she buying from me, a competitor or both?  How often my target is making a purchase?  |
| Is he/she buying from me, a competitor or both?  How often my target is making a purchase?  Is that as often as it can be?  |
| Is he/she buying from me, a competitor or both?  How often my target is making a purchase?  Is that as often as it can be?  How large a purchase is my target making from me each day / week / month / year?  |
| Is he/she buying from me, a competitor or both?  How often my target is making a purchase?  Is that as often as it can be?  How large a purchase is my target making from me each day / week / month / year?  |
| Is he/she buying from me, a competitor or both?  How often my target is making a purchase?  Is that as often as it can be?  How large a purchase is my target making from me each day / week / month / year?  What is the Rupee amount of my target's potential daily /weekly /monthly / yearly |
| Is he/she buying from me, a competitor or both?  How often my target is making a purchase?  Is that as often as it can be?  How large a purchase is my target making from me each day / week / month / year?  |

# **BENEFITS YOUR TARGET SEEKS:**

| Write down the benefits your target customer would like to receive from your business or   |
|--|
| product.   |
|  |
|  |
|  |
|  |
|  |
|  |
|  |
| YOUR COMPETITOR  Eilling Illumination of the standard and |
| Fill in following information about your most important competitor.  What is the competitive category?   |
| what is the competitive category:  |
|  |
| Who is my chief competitor?  |
|  |
|  |
| What is their product or service?  |
| ·  |
|  |
| What are strengths & weaknesses compared to my product or service?   |
|  |
|  |
| Are they serving market identical to mine or otherwise?  |
|  |
| If different how does their target audience differe from mine?   |
| If different, how does their target audience differs from mine?  |
|  |
| How does their key benefit differ from mine?   |
| Thew does then key benefit amor from thine.  |
|  |
| How is their product or service priced compared to mine?   |
|  |
|  |
| How is it priced compared to others?   |
|  |
|  |
| Where & how does my competitor sell it?  |
|  |

# YOUR COMPETITION IN GENERAL:

| In the first blank, | classify category | you compete   | Then use rest   | of the worksheet to | identify your |
|---------------------|-------------------|---------------|-----------------|---------------------|---------------|
| competition, the l  | key benefits they | offer & which | is their target | market.             |               |

| MY COMPETITIVE CATEGORY: |             |        |  |  |
|--------------------------|-------------|--------|--|--|
| COMPETITION              | KEY BENEFIT | TARGET |  |  |
|                          |             |        |  |  |
|                          |             |        |  |  |
|                          |             |        |  |  |
|                          |             |        |  |  |

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#### **GLOSSARY OF ADVERTISING**

# **OVERVIEW**

As we are approaching towards the final stages of the course advertising and promotion it is important that the important points of the definition of advertising are revised for refreshing the memory of the students and besides this the various important terms used in the advertising profession to acquaint the students with them in their profession.

## **DEFINCATION OF ADVERTISING**

Although advertising has been define in many ways and forms and there are standards definitions of it yet following are the important points which define advertising very simply keeping in mind its role and action.

- It is paid form of communication.
- The Sponsor is identified.
- Most advertising tries to persuade or influence consumer to do. Something though in some cases it is merely to make consumers aware of product or company.
- Message is conveyed through different types of media.
- Advertising makes message reach large audience of potential consumers.
- Advertising is a form of mass communication therefore it is non-personal.

Following are few of the terms used by the advertising professionals. Besides these there may be many other in use but these are the most common be used terms:

#### ACCOUNT EXECUTIVE

The advertising agency employee who serves as the main contact with the client & as liaison with the creative staff.

#### **ADJACENCY**

In radio, a commercial time-slot immediately before or after a specific program (e.g. an adjacency to 6 o' clock news).

#### ADVERTISING SPECIALITY

Misc. giveaways given to customers as sales incentives.

#### AGATE LINE

In newspaper, a measurement of classified advertising space .There are 14 agate lines in 1 column inch.

## ART DIRECTOR

The leader of an agency's design team; helps Conceive the basic idea for an ad, then turns the execution over to others.

#### **AUDIO LOGO**

In radio or TV, a slogan used in every commercial, usually at the end of commercial.

## **BILL BOARD**

Very large ads placed on boards by roadsides or sides of buildings. Two common types of Bill boards are posters &painted bulletins.

## BODY COPY

Smaller copy that follows headlines and/or subhead. Body copy elaborates on thought expressed in the headline.

## **BUMP**

To move an Ad at the discretion of the station Or advertiser, to another space or time slot.

#### **BULK RATE**

In newspaper, the rate charged to regular advertisers. A publication may offer dozens of different contract rates, depending on amount of advertising purchased. Giveaways given to customers as sales.

### **CIRCULATION**

In newspaper & magazines, the number of copies distributed. Actual readership may be larger since more than one person may read a single copy.

#### **CLIP ART**

Illustrators, symbols and magazines, and graphic devices that are mass-produced and prepackaged for use in ads.

## COLUMN INCH OR CENTIMETER

In newspaper, a measurement of space; one inch tall by the width of the column.

## **COPY**

All words used in print or broadcast Ads, whether written or spoken.

#### COPYWRITER

A writer specializing in advertising and /or other types of business

## CORPORATE IDENTITY

Your Logo and/or logotype in combination with other standard elements that are used on your letterhead, business cards, trucks, signs etc.

## **CREATIVES**

General term for designers, writers, art directors, illustrators & others – creating Ads.

# **CROP**

Deleting unneeded or unwanted portions of a photo, not done by cutting the photo but by measuring and marking those areas to be included or not.

## **DAYPART**

In Radio or TV, segments of the broadcast Day (e.g. Prime time etc.).

## **DEMOGRAPHICS**

A set of statistics about a person or group of people. Demographic information may include age, sex, marital status, ethnic background, occupation, religion, household income, household size and other factual information.

#### DIMENSIONAL MAILING

In direct mail, a solicitation containing a three dimensional object such as a pen, a cassette tape etc.

#### DESKTOP PUBLISHING (DTP)

Computerized production of ads, this is now used by most designers & publications. DTP software of varying degree of sophistication is also available.

## **DISPLAY ADVERTISING**

In newspaper, all ads that use graphics, photos etc. Basically applies to any ad outside of the classified section. Ads within classified section that uses graphics are display classified or classified display ads.

# **DOLLY**

In video, moving camera closer or farther away from the scene being shot. (as against a Zoom, in which camera remains stationary while illusion of movement is achieved by lens).

## DOTS PER INCH (DPI)

A measure of the resolution of a laser or ink-jet printer. Higher the number, tighter the resolution, therefore better reproduction. For best quality, camera-ready art should be printed at least 900DPI or better.

#### DUB

In radio & TV -

- 1) Copy of an audio or videotape.
- 2) Process of copying a tape or video (to dub)

#### **FLIGHT**

In radio, a short-term schedule.

## FLUSH-LEFT TYPE

Typeset copy that is aligned on the left margin & "ragged" on the right margin.

#### FLUSH-RIGHT TYPE

Aligned on the right margin & ragged on left.

#### **FONT**

Various Typefaces.

#### **FORMAT**

In radio, a description of the type of programming featured on a station.

#### **FREQUENCY**

The number of times a listener / reader is potentially exposed to an advertising message.

#### **GRAPHIC DESIGNER**

An artist specializing in ads, brochures, packaging & other commercial forms of art.

## FOUR-COLOR SEPARATION

The process by which color photos or illustrations are prepared for color printing. The tones in original are broken down into dot patterns & printed in four colors: Magenta (red), Yellow, Cyan (blue) & Black.

## HALF TONE

- 1. Process by which photos & illustrations are normally prepared for black & white printing.
- 2. The printed photo by itself.

#### LOGO

A symbol identifying a company, product or service.

## **LOGOTYPE**

A distinctive typestyle used to present the name of a company, product or service, Can be used in place of or in conjunction with a logo.

#### **MEDIA**

Publications, broadcast stations, and other vehicles, which are paid to carry advertising.

#### **MECHANICAL**

An assembly of type, logos, photographs & other graphic elements in a form that the publication or printer can reproduce. Also called "paste up" or "mechanical art".

## POINT, POINT SIZE

In typesetting, a measure of type size.

#### POINT OF PURCHASE

Selling materials used at selling location (restaurants, retail stores, banks, drug stores, grocery stores, etc.) e.g. display racks, counter cards etc.

#### **POSITIONING**

How the company, product, or service is perceived by the best potential customer, Image or set of beliefs created by the company, expressed by all elements of the marketing mix.

## POSITIONING STATEMENT

A one sentence statement that clearly communicates the components of positioning: benefits, target & competition.

#### **POSTER**

A type of billboard that is mass produced by screen printing. Poster billboards come in several sizes.

#### POST-PRODUCTION

In television & video, editing & all other related work performed after actual shooting.

#### PRIME TIME

In television, the most popular evening viewing hours.

#### **PRODUCTION**

The overall process of producing the finished camera - ready

#### PRODUCTION ARTIST

Artist who produces the camera ready art. e.g. the graphic designer, or an assistant.

#### **PROMOTION**

The mix of advertising, sales promotion, public relations, & any other communications that convey the positioning to the target.

## **PROOF**

A checking copy of a print ad or brochure, prepared by the printer.

#### **PSYCHOGRAPHICS**

Segmenting groups of people by their style choices. Also meant to further define target.

## **PUBLIC RELATIONS**

Activities other than paid advertising designed to attract media news or feature coverage and/or to influence public opinion. Also called PR.

#### **PUBLICITY**

A specific type of public relations designed to attract coverage of a specific event.

#### RATE CARD

The list of a publication's or station's rates. May also contain production information, circulation figures, etc.

#### **RATING**

The percentage of total number of Individuals (or homes) exposed to a particular radio or TV program.

#### REEL

In TV & video, a sampling of a production company's work. Usually presented on video instead of film, but still called a reel.

#### RESPONSE DEVICE

In direct response advertising, a reply card.

## **SCREEN PRINTING**

In outdoor, transit, and other types of advertising, printing done by pressing ink through a fabric mesh.

## **SLOGAN**

The written or verbal equivalent of a logo.

#### SOUND EFFECTS (SFX)

In radio, TV, & sales videos, sounds other than speaking, singing, instrumental music.

## **SPOT**

A radio or TV commercial.

## **SPOT COLOR**

In print advertising, flat areas of color added to highlight or call attention to parts of an ad.

#### **STORYBOARD**

In TV a cartoon like set of panels showing how a commercial will look.

## **TALENT**

In radio, TV and Video; any actor or narrator.

## **TARGET**

The best potential customer; defined in terms of demographics, lifestyles, media usage, product usage and benefits sought. Also known as target audience or target market.

## **TEAR SHEET**

A copy of a print ad, given to advertiser by the publication after the ad has run. Always request a tear sheet when placing your advertising order.

## **TRADEOUT**

An exchange of product or services for media space or time.

## TRANSIT ADVERTISING

Signs appearing inside or outside of buses, taxis etc.

## **TYPESETTING**

The process by which copy into its final size, shape, and layout for ad production. Once done separate typesetting companies, it is now usually done by designers, on computer, as part of the design process itself.

#### TYPOGRAPHY, TYPE

The end product of the typesetting process.

# **VOICE OVER**

In TV & video, narration in which the person speaking does not appear on camera.

## WHITE SPACE

In print advertising, blank space surrounding type, illustrations and graphics.

## **ZONED COVERAGE**

In newspaper, advertising only in certain sections of a city.

## **ZOOM**

In video an effect achieved with the lens only, of moving closer or farther from the scene being shot.

Lesson 45

#### **CONCEPT OF AN AD**

# **OVERVIEW**

In this lecture the students will be given a brief about how to develop a concept for an ad. A practical demonstration is already given to the students through the lecture on TV / CD.

## HOW TO DEVELOP A CONCEPT OF AN AD

Let us suppose a company wants to launch a new brand of Juice called "FRESHNAT" with three flavors and different benefits.

Following are the different stages for preparing an ad supposing the brand name is already determent.

After the account executive has explained to the creative department regarding the requirements of the client a rough sketch will be prepared and the whole thing will be complete for the concept to be ready in different steps as under:

STEP 1: SKETCHING:

STEP 2: BOX FABRICATION:

STEP 3: COLOR RENDITION / DESIGNING:

STEP 4: BOX READY:

STEP 5: CONCEPT READY

Both computer and manual methods will be adopted to create this concept which will eventually be used for all ads / campaigns. This concept will include the design uniqueness, additional benefits to match the present competition of the market. In order to develop this concept the requirement of the client / advertiser the market trends and competition should be kept in mind besides understanding the demographics and psychographics of the target market.