### Biyani's Think Tank

### **Concept based notes**

# **Advertising Management**

MBA Part-III

### Megha Maheshwari

Lecturer
MBA Department
Biyani institute of Science and Management
Jaipur



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Sector-3, Vidhyadhar Nagar, Jaipur-302 023 (Rajasthan)

Ph: 0141-2338371, 2338591-95 • Fax: 0141-2338007

E-mail: acad@biyanicolleges.org

Website: www.gurukpo.com; www.biyanicolleges.org

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### **Preface**

am glad to present this book, especially designed to serve the needs of the students. The book has been written keeping in mind the general weakness in understanding the fundamental concepts of the topics. The book is self-explanatory and adopts the "Teach Yourself" style. It is based on question-answer pattern. The language of book is quite easy and understandable based on scientific approach.

Any further improvement in the contents of the book by making corrections, omission and inclusion is keen to be achieved based on suggestions from the readers for which the author shall be obliged.

I acknowledge special thanks to Mr. Rajeev Biyani, *Chairman* & Dr. Sanjay Biyani, *Director* (*Acad.*) Biyani Group of Colleges, who are the backbones and main concept provider and also have been constant source of motivation throughout this Endeavour. They played an active role in coordinating the various stages of this Endeavour and spearheaded the publishing work.

I look forward to receiving valuable suggestions from professors of various educational institutions, other faculty members and students for improvement of the quality of the book. The reader may feel free to send in their comments and suggestions to the under mentioned address.

**Author** 

### **Syllabus**

#### Section A

Introduction of Marketing Communication and Advertising-Overview of marketing communication, Factors affecting the marketing communication mix, Integrated Marketing Communication, Ethical issues in marketing communication. Advertising as a Management Function. Role of Advertising in the Marketing Process. Consumer Orientation in Advertising. Types of Advertising, Methods of Classification.

**Marketing Communication Planning-**Models of marketing communication, developing & control of marketing communication, marketing communication planning procedure.

Advertising objectives and planning - Meaning Definition and objectives of Advertising, Types of advertising, and the advertising agency: Function & types, Advertising Agency compensation. Creative strategy - Target market & creative objective, advertising Appeals, Creative format & creation stage, Copy testing and plagnosis.

**Steps in Advertising Strategies**. Creative Strategy-Various appeals and execution Styles, General idea of What Great Advertising Thinkers sayboth Indian and foreign, Print advertising, Electronics advertising, outdoor advertising, direct mail advertising.

**Media planning & promotion** - Environment analysis media object, Media strategy & media planning modes, Indoor media, out door media, Measuring Advertisement Performances, Current developments in advertising. Media mix-print, broad cast (T.V. & Radio), Cinema, Outdoor, Direct Mail advertising, and Internet. Defining media planning-From marketing plan to media plan, challenges in media planning.

#### **Section B**

Case and Problems

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1	Introduction of marketing communications & advertising
2	Marketing Communication Planning
3	Advertising Objectives & Planning, Media Planning & Promotion
4	Unsolved Papers

#### Unit-I

# Introduction of marketing communications & advertising

- Q.1 Advertising is a nonpersonal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media." Explain.
- **Ans. Advertising**: The activity of attracting public attention to a product or business, as by paid announcements in the print, broadcast, or electronic media.

The business of designing and writing advertisements.

One definition of advertising is: "Advertising is the nonpersonal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media." So much for academic doubletalk. Now let's take this statement apart and see what it means.

**NONPERSONAL** First, what is "nonpersonal"? There are two basic ways to sell anything: personally and nonpersonally. Personal selling requires the seller and the buyer to get together. There are advantages and disadvantages to this. The first advantage is time: the seller has time to discuss in detail everything about the product. The buyer has time to ask questions, get answers, examine evidence for or against purchase.

A second advantage of personal selling is that the seller can see you. the person selling to. Rhe can see your face, see how the sales message is getting across. If you yawn or your eyes shift away, you're obviously bored, and the seller can change approach. Rhe can also see if you're hooked, see what features or benefits have your attention, and emphasize them to close the sale.

Finally, the seller can easily locate potential buyers. If you enter a store, you probably have an interest in something that store sells. Street vendors and door-to-door sellers can simply shout at possibilities, like the Hyde Park (London) vendors who call out, "I say there, Guv'nor, can you use a set of these dishes?", or knock at the door and start their spiel with an attention grabber. From there on they fit their message to the individual customer, taking all the time a customer is willing to give them.

Disadvantages do exist. Personal selling is, naturally enough, expensive, since it is labor-intensive and deals with only one buyer at a time. Just imagine trying to sell chewing gum or guitar picks one-on-one; it would cost a dollar a stick or pick.

In addition, its advantage of time is also a disadvantage. Personal selling is time-consuming. Selling a stereo or a car can take days, and major computer and airplane sales can take years.

Nonetheless, although personal selling results in more rejections than sales, and can be nerve-racking, frustrating and ego destroying for the salesperson, when the salesperson is good it is more directed and successful than advertising.

From the above, it appears that personal selling is much better than advertising, which is nonpersonal. This is true. Advertising has none of the advantages of personal selling: there is very little time in which to present the sales message, there is no way to know just who the customer is or how rhe is responding to the message, the message cannot be changed in mid-course to suit the customer's reactions.

Then why bother with advertising? Because its advantages exactly replace the disadvantages of personal selling, and can emulate some of the advantages. First let's look at the latter.

First, advertising has, comparatively speaking, all the time in the world. Unlike personal selling, the sales message and its presentation does not have to be created on the spot with the customer watching. It can be created in as many ways as the writer can conceive, be rewritten, tested,

modified, injected with every trick and appeal known to affect consumers. (Some of the latter is the content of this book.)

Second, although advertisers may not see the individual customer, nor be able to modify the sales message according to that individual's reactions at the time, it does have research about customers. The research can identify potential customers, find what message elements might influence them, and figure out how best to get that message to them. Although the research is meaningless when applied to any particular individual, it is effective when applied to large groups of customers.

Third, and perhaps of most importance, advertising can be far cheaper per potential customer than personal selling. Personal selling is extremely labor-intensive, dealing with one customer at a time. Advertising deals with hundreds, thousands, or millions of customers at a time, reducing the cost per customer to mere pennies. In fact, advertising costs are determined in part using a formula to determine, not cost per potential customer, but cost per thousand potential customers.

Thus, it appears that advertising is a good idea as a sales tool. For small ticket items, such as chewing gum and guitar picks, advertising is cost effective to do the entire selling job. For large ticket items, such as cars and computers, advertising can do a large part of the selling job, and personal selling is used to complete and close the sale.

Advertising is nonpersonal, but effective.

**COMMUNICATION** Communication means not only speech or pictures, but any way one person can pass information, ideas or feelings to another. Thus communication uses all of the senses: smell, touch, taste, sound and sight. Of the five, only two are really useful in advertising -- sound and sight.

**INFORMATION** Information is defined as knowledge, facts or news. However, you should bear in mind that one person's information is another person's scam, particularly when advertisers talk about their products.

Information comes in many forms. It can be complete or incomplete. It can be biased or deceptive. Complete information is telling someone everything there is to know about something: what it is, what it looks like, how it works, what its benefits and drawbacks are. Thus, for advertising, information must of necessity be incomplete, not discussing everything there is to know about the subject. In advertising, what appears is everything the writer thinks the customer needs to know about the product in order to make a decision about the product. That information will generally be about how the product can benefit the customer.

There is, of course, the concept of affirmative disclosure. This concept requires an advertiser to provide customers with any information that could materially affect their purchase decision. Lewis A. Engman, FTC Chair in 1974, said:

"Sometimes the consumer is provided not with information he wants but only with the information the seller wants him to have. Sellers, for instance, are not inclined to advertise negative aspects their products even though those aspects may be of primary concern to the consumer, particularly if they involve considerations of health or safety

**PAID FOR** "... paid for ... " is pretty straightforward. If an ad is created and placed in the media, the costs of creation and time or space in the media must be paid for. This is a major area in which advertising departs from public relations.

PR seeks to place information about companies and/or products in the media without having to pay for the time or space. PR creates news releases and sends them to news media in hopes they will be run. Often PR departments produce events that will be covered by news media and thus receive space or time. There is no guarantee that the media will run any of the PR material.

Advertising doesn't have that problem. If time or space is bought in the media, the ads (as long as they follow the guidelines set down for good taste, legal products and services, etc.) will appear. The drawback is that

ads are clearly designed to extol the virtues of products and companies, and any ad is perceived by consumers as at least partly puffery. PR pieces are usually not so perceived.

**PERSUASIVE** "Persuasive" stands to reason as part of the definition of advertising. The basic purpose of advertising is to identify and differentiate one product from another in order to persuade the consumer to buy that product in preference to another. The purpose of this book is to discuss some basic elements of persuasion.

**PRODUCTS, SERVICES OR IDEAS** Products, services or ideas are the things that advertisers want consumers to buy (in the case of ideas, "buy" means accept or agree with as well as lay out hard, cold cash). However, there is more involved in products or services than simply items for purchase. (During the following discussion, "products" will mean products, services and ideas unless otherwise noted.)

A product is not merely its function. It is actually a bundle of values, what the product means to the consumer. That bundle may contain the product's function, but also the social, psychological, economic or whatever other values are important to the consumer.

For example, let's look at a car. If the function of a car, transportation, is all that is important, then manufacturers would need only build motorized boxes on wheels, and consumers would be happy with them. Such is obviously not the case: the number of models and types of cars is huge, and if consumers didn't demand the variety it wouldn't exist. Consumers must find factors other than mere transportation just as, if not more important.

**IDENTIFIED SPONSORS** Identified sponsors means whoever is putting out the ad tells the audience who they are. There are two reasons for this: first, it's a legal requirement, and second, it makes good sense.

Legally, a sponsor must identify rherself as the sponsor of an ad. This prevents the audience from getting a misleading idea about the ad or its contents. For example, many ads that appear in newspapers look like news articles: same typeface, appearance, use of columns, etc.. If the ad is

not identified as such, the audience could perceive it as news about a product, rather than an attempt to persuade the audience to buy it. Case in point: what looks like a news article discusses a weight-loss plan. In journalistic style it talks about the safety, efficacy, and reasonable price of the product. A reasonable person might perceive the "article" as having been written by a reporter who had investigated weight-loss programs and decided to objectively discuss this particular one. Such a perception is misleading, and illegal. Since it is an ad, somewhere on it there must appear the word "advertisement" to ensure the audience does not think it is an objective reporting of news.

Second, it makes good sense for a sponsor to identify herself in the ad. If the sponsor doesn't, it is possible for the audience to believe the ad is for a competitor's product, thus wasting all the time, creativity and money that went into making and placing the ad.

### Q.2 What are marketing communications and elements of communication mix?

Ans Marketing communications is a subset of the overall subject area known as marketing. Marketing has a marketing mix that is made of price, place, promotion, product (know as the four P's), that includes people, processes and physical evidence, when marketing services (known as the seven P's).

How does marketing communications fit in? Marketing communications is 'promotion' from the marketing mix.

Why are marketing communications 'integrated?' Integrated means combine or amalgamate, or put simply the jigsaw pieces that together make a complete picture. This is so that a single message is conveyed by all marketing communications. Different messages confuse your customers and damage brands. So if a TV advert carries a particular logo, images and message, then all newspaper adverts and point-of-sale materials should carry the same logo, images or message, or one that fits the same theme. Coca-Cola uses its familiar red and white logos and retains themes of togetherness and enjoyment throughout its marketing communications.

Marketing communications has a mix. Elements of the mix are blended in different quantities in a campaign. The marketing communications mix includes many different elements, and the following list is by no means conclusive. It is recognised that there is some cross over between individual elements (e.g. Is donating computers to schools, by asking shoppers to collect vouchers, public relations or sales promotion?) Here are the key of the marketing communications mix.

#### The Marketing Communications Mix.

- Personal Selling For eg:- Salesman
- Sales Promotion Various schemes like free coupons, gifts
- Public Relations (and publicity).
- Direct Marketing.
- Trade Fairs and Exhibitions For eg:- "Jas 2011" for jewellary Advertising (above and below the line).

  Sponsorship Study Related
- Advertising (above and below the line).
- Sponsorship.
- Packaging For eg :- Dairy milk
- Merchandising (and point-of-sale).
- EMarketing (and Internet promotions).
- Brands.

#### **Define Integrated Marketing Communications.** Q.3

Ans Integrated Marketing Communications (IMC) is the coordination and integration of all marketing communication tools, avenues, functions and sources within a company into a seamless program that maximizes the impact on consumers and other end users at a minimal cost

- Process for managing customer relationships that drive brand value.
- Its foundation is communication
- Cross-functional process for creating and nourishing profitable relationships with customers other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialog with them.
- Integrated marketing communications (IMC) is the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program that maximizes the impact on

consumers and other end users at a minimal cost. This integration affects all firm's business-to-business, marketing channel, customer-focused, and interally directed communications

## Q.4 What is marketing communication planning? Write all the steps and importance of it.

Ans For successful implementation of the marketing communications program a systematic marketing communications plan is necessary. A cohesive and proper marketing communications plan will help the company implement marketing communication programs effectively in terms of achieving objectives and costs.

As marketing communications is a subset of overall marketing mix, companies have to first formulate a marketing strategy. A marketing plan involves the following steps – situational analysis, identifying marketing objectives, creating a marketing strategy, implementing a marketing strategy, evaluation and control. After developing a marketing plan, companies have to develop a marketing communications plan based on the marketing plan.

#### **Marketing Communications Plan**

- Situational Analysis
   Competition
   Market Analysis
   Customer Analysis
   Positioning Analysis
- Marketing Communication Objectives
   Creating Brand Awareness and Building Brand Equity
   Providing Information
   Increasing Sales
   Differentiating the Brand
   Influencing Consumer Behavior
- Budget Planning

- Developing a Marketing Communications Program Selection of Marketing Communications Mix Creative Strategy Media Decisions
- Evaluation and Control of Marketing Communication Programs.

The primary step in the marketing communications plan is to analyze the internal and external marketing environment. There are four key environmental variables that companies have to evaluate. They are: competition, market analysis, customer analysis and positioning analysis. The next step in the marketing communications plan is to establish marketing communication objectives that reflect the analysis made in the previous step.

There are usually five key objectives -creating brand awareness and building brand equity, providing information, increasing sales, differentiating the brand and influencing consumer behavior. Based on the marketing communications objectives, companies have to decide the budgeting allocation for marketing communications activities. Companies usually userarbitrary method, affordability method and percentage of sales method, competitive parity method, objective and task method, and payout planning method -- to set the budget.

After deciding on the marketing communication objectives and the budget allocation, companies have to design the marketing communications program. The decisions to be taken in this regard are: selection of communication mix, developing a creative strategy and media decisions. The final step in the marketing communications plan is evaluating and controlling

### Unit - 2

### **Marketing Communication Planning**

#### Q.1 **Ethical Issues in Marketing Communications**

Ans Ethical issues in various marketing communication instruments like advertising, sales promotions, etc. The main ethical issues in advertising e pron. are puffery, bad taste, stereotyping, targeting children, promoting unhealthy products and subliminal advertising.

- Social Responsibility
- Ethics in Advertising Puffery **Taste** Stereotyping Advertising to Children Promoting Unhealthy Products
- **Ethics in Sales Promotion** Contests and Sweepstakes Slotting Allowances

**Subliminal Advertising** 

- Ethics in Advertising Research
- Ethics in Advertorials and Infomercials
- Regulations

Self-regulation **Regulatory Bodies** 

The Economic Effects of Advertising Consumer choice Competition **Product Costs and Prices** 

Puffery refers to making exaggerated claims about the product, which cannot be proved. Advertisements are said to be in bad taste when they offend people. Stereotyping refers to portraying men or women in a particular role, with a negative image. Advertisements targeted at children are considered unethical as children are not capable of processing the given information.

Consumption of unhealthy products like fast food and tobacco products lead to bad health. So promoting such products is not good. In subliminal advertising, the viewer is exposed to product messages and pictures in such a way that he is not aware of watching them. We also discussed ethical issues in sales promotion, advertising research, advertorials and infomercials.

#### Q.2 Describe Advertising as a Management Function.

**Ans** Advertising management involves the major decisions in the management of advertising. Broadly it includes the following activities:

- 1) Setting the advertising objectives
- 2) Deciding on the advertising budgets
- 3) Choosing the advertising messages
- 4) Deciding on media
- 5) Evaluating advertising effectiveness
- 1) **Setting the advertising Objectives:** The advertising objectives must flow from prior decisions on target market, market positioning, and marketing mix.

Advertising objectives can be classified according to whether their aim is to inform, persuade, or remind.

- i) Informative advertising
- ii) Persuasive advertising

#### iii) Reminder advertising

2) **Deciding on the Advertising Budgets:** How does a company know if it will be spending the right amount? If it spends too little, the effect will be negligible. If it spends too much, then some of the money could have put to better use.

Advertising has a carryover effect that lasts beyond the current period. Although advertising is treated as a current expense, part of it is really an investment that builds up an intangible asset called brand equity. WReldied Queries.

- i) Stage in the Product Life Cycle
- ii) **Market Share and Consumer Base**
- iii) Competition and Clutter
- iv) **Advertising Frequency**
- v) **Product Substitutability**
- 3) Choosing the Advertising Messages: The task now is to translate all of the objectives into a specific advertising message to meet the goals. Advertising campaigns vary in their creativity. Advertisers go through four steps to develop a creative strategy: message generation, message evaluation and selection, message execution, and social responsibility review.
- 4) Deciding on Media
  - i) **Deciding on Reach, Frequency, and Impact:** Media selection involves finding the most cost-effective media to deliver the desired number of exposures to the target audience.
    - a) Reach (R)
  - ii) Choosing among Major Types: The media planner has to know the capacity of the major media types of delivery, reach, frequency, and impact. The major advertising media are:

- a) Newspapers
- b) Television
- c) Direct mail
- d) Radio
- e) Magazines
- f) Outdoor
- g) Yellow Pages
- h) Newsletters
- i) Brochures
- j) Telephone
- k) Internet

#### iii) Selecting Specific Vehicles

- a) Circulation
- b) Audience
- c) Effective Audience
- d) Effective ad-exposed Audience

#### iv) Deciding on Media Timing

- 5) Evaluating Advertising Effectiveness: An advertising measurement is adopted both before and after an advertising campaign is launched. While the advertising plans are being implemented, the advertiser and the producer must know the extent of the success that has been achieved. The competitors' success, the producer's objectives, the tasks given to distributors, price policy, etc. all these are considered while measuring advertising effectiveness. The methods of measuring this effectiveness are explained in the light of objectives, the measuring of sales and communication performance.
- i) Objectives of Measuring Advertising
- ii) **Measuring Sales and communication Performance**: The advertising effectiveness is measured in the light of sales and communication objectives. These are the two important aspects of measurements.

Ans

- a) Measuring Sales
- b) Measuring Communication Effects

#### Q.3 How Consumer Orientation affects the Advertising?

The increasing pressures of highly competitive marketing environments make it essential that firms understand consumers and, in particular, consumer decision making as they seek to gain competitive advantage. In a competitive economic system, the survival and growth of firms requires accurate knowledge about consumers; how they buy, why they buy and where they buy as well as just what they buy. Hence modern marketing thought stresses the need of business mangers to know who their customers are and why they choose their products rather than those of rival firms. Marketing is not about finding or inducing someone to buy whatever the firm happens to manufacture. Nowadays successful management depends more than ever on matching every aspect of the business – product, advertising, after-sales service and so on – to the satisfaction of consumer needs. This is the essence of consumer-orientation as an integrated approach to business management.

Consumer-orientation stems from the firm's adoption and implementation of the Marketing Concept, a philosophy of business organization which has four major implications:

- 1) The success of any firm depends above all on the consumer and what he or she is willing to accept and pay for
- 2) The firm must be aware of what the market wants, preferably well before production commences, and, in the case of highly technological industries, long before production is even planned.
- 3) Consumer wants must be continually monitored and measured so that, through product and market development, the firm keeps ahead of its competitors.
- 4) Top management must achieve the integration of all components of marketing strategy (or the four Ps: Product development, Pricing,

Place or distribution, and Promotion) into a single strategic plan based upon knowledge of consumer behavior.

In a nutshell; "to start out with the customer's utility, with what the customer buys, with what the realities of the customer are and what the customer's values are – this is what marketing is all about".

Advertising affects favorably the consumer choice because; it helps the consumer to exercise his power of sovereignty in the most appropriate way, by acting as a counsel, as a guide to the consumer – the king of the market.

- 1) **In the place**, it 'informs'. It informs the consumers about all the products or services or product or service range available for sale as to when they are available? Under what conditions? At what price? And so on?
- 2) **Secondly**, It 'explains'. It explains the features relative merits of each product or service so that he can have comparative account for making wise selection.
- Thirdly, It 'educates'. It provides good deal of information regarding products or services whether a person is interested in buying or not. This useful knowledge enlightens him as to what a product is? How it differs from others in the line? What it does for him? At what cost? It speaks of not only the existing products but also the products that will be produced in near future. It makes him well-informed member of a society. This knowledge I available without payment. He pays, of course, if he buys the product or service.

To sum up, advertising is very powerful mass media of communication that makes possible consumer choice through rational selection. He gets best value for his money that he decides to spend. Thus, advertising strengthen preservation and promotion of consumer sovereignty – the symbol of absolute individual freedom.

- Q.4 What are the Methods of Classification of Advertising?
- **Ans** According to Geographical Spread: On the basis of geographical spread, advertising can be classified as:
  - i) National Advertising: Some manufacturers may think that their target is the entire country. They select media with a countrywide base. Generally large, established firms belong to this category. Among them are Hindustan Lever, Brooke Bond, Larsen and Toubro, Escorts, Associated Cement Companies and the like.
  - ii) **Local Advertising:** Small firms may line to restrict their business to Sate or regional level. A classic example is Nirma washing powder, which initially was sold only in Gujarat and subsequently entered the other markets.
  - iii) **Global Advertising:** Multinational firms treat the world as their market. Firms such as National, IBM or Sony or Ford advertise globally, e.g., in periodicals like Times, Reader's Digest.

**According to Target Group:** On the basis of target groups aimed at, advertising can be classified as:

- i) Consumer Advertising: A very substantial portion of total advertising is directed to buyers of consumer products who purchase them either for their own use or for their households. The preponderance of such advertising can be seen by looking into at random any general print media, such as newspapers and magazines etc.
- ii) **Industrial Advertising:** Industrial advertising on the other hand refers to those advertisements which are issued by the manufacturers/ distributors to the buyers of industrial products. This category would include machinery and equipment, industrial intermediates, parts and components, etc.
- iii) **Trade Advertising:** Advertisements which are directed by the manufacturers to the distribution channel members, such as wholesalers

or retailers, are called trade advertising. The objective of such advertising is to promote sales by motivating the distribution channel members to stock more or to attract new retail outlets. for eg:- Retail stores like Big Bazaar, Wall mart

iv) **Professional Advertising:** There are certain products for which the consumers themselves are not responsible for the buying choice. The classic examples are pharmaceuticals where are decision is made by doctors while the consumers are the patients. Such advertising is called professional advertising. for eg: Docters, Lowyers, (A) Engineers etc.

#### **Institutional or Product Advertising**

- i) **Institutional Advertising:** Institutional advertising aims at building for a firm a Positive public image in the eyes of shareholders, employees, suppliers, legislators, or the general public. Institutional advertising does not attempt to sell a particular product; it benefits the organization as a whole for eg:- Bank
- ii) **Product Advertising:** Most advertising is product advertising, designed to promote the sale or reputation of a particular product or band. This is true whether the advertising is done by a manufacturer, a middleman, or a dealer, and whether the advertising concerns the product itself or some of its features; such as service, price, or the quality directly associated with it. Advertisements about Indane Cooking Gas are a case in point.
  - a) Informative Product Advertising
  - b) Persuasive Product Advertising
  - c) Reminder-Oriented Product Advertising

**Timing of the Response it Elicits:** Product advertising has two subcategories – direct and indirect action advertising.

i) **Direct Action Advertising**: It aims at generating immediate response. Many retail messages, for instance, request consumers to buy now. Other advertisements in the direct category contain coupons, and request the

consumers to redeem these soon. Finally, numerous mail-order marketers attempt to induce consumers to order at once.

ii) **Indirect Action Advertising:** It does not attempt to bring about an immediate behavior response. Rather, it attempts to create favorable attitudes towards the sponsor and his products or services. The objectives of this form of advertising are long-run in nature. They include exposure, attention, comprehension, attitude change, and behavior.



#### Unit - 3

# Advertising Objectives & Planning, Media Planning & Promotion

#### Q.1 Discuss Advertising Agency and its function.

Ans Advertising agency is an independent business organization specialized in advertising work which undertakes the work of planning, preparing and executing advertising campaign for its clients. It is a body of experts who specialize in advertising.

- 1) **Planning:** Planning here referred to study of client's product, or services, to identify its inherent qualities in relation to competitor's product, analysis of various components of marketing environment and formulation of advertising plan.
- 2) **Preparing:** It refers to writing, designing and producing the advertisement. It is mainly related to formation of ad-copy.
- 3) Executing: It means contacting right kind of media for time and space, delivering the ads in appropriate form, checking and verifying advertisement release in media, paying the media, billing the clients etc.

**According to American Marketing Association**, "An advertising agency is:

- i) An independent business organization,
- ii) Composed of creative and business people,
- iii) Who develop, prepare and place advertising in advertising media,
- iv) For sellers seeking to find customers for their goods and services."

**Functions of Advertising Agency** 

- 1) **Contacting Clients:** Ad-agency's first and foremost task is to contact and select clients who are desirous of advertising their products or services. The preference in choosing the clients is given to those firms which are financially sound, make good quality products and services and have efficient management.
- 2) **Advertising Planning:** Another function of advertising agency is planning the ad for its clients. For this, the agency has to perform following tasks:
  - i) Study of client's product to identify its inherent qualities in relation to competitor's product.
  - ii) Analysis of present and potential market for the product
  - iii) Study of trade and economic conditions in the market.
  - iv) Information about season when maximum sale can be made.
  - v) Information about level of competition, competitor's spending on advertising.
  - vi) Knowledge of channels of distribution, their sales, their methods of operation, etc.
  - vii)Formulation of advertising plan.
- 3) **Creative Function:** According to **David Ogilvy**, "Creative function is the most important of all advertising functions. The copywriters, artists, art-directors and graphic-specialists are referred as creative people."
- 4) Developing and Preparing Advertising Copy: Ad-agency is a specialized organization and involves specialists such as: writers, artists, market-analysts, website-designers, animators, graphic-designers, researcher, film director etc.
  - i) Ad-Copy for Print-Media
  - ii) Ad-Copy for Broadcast Media

- 5) **Approval of Client:** After that the ad-copy is prepared, it is shown to client for his approval.
- 6) Media Selection and Media Scheduling: Another important function of adagency is selecting appropriate media for its clients. Various factors like media cost, media circulation, media coverage, nature of product, nature of customers, ad-budget of client, needs of clients, etc., are considered by adagency for selecting media for its clients.
- 7) **Ad-Execution:** After obtaining approval from client, the advertising copy is handed over to media for its execution.
- 8) **Evaluation Function:** The next major function of ad-agency is to evaluate the effectiveness of advertisement for the benefits of its clients.
- 9) Marketing Function: The advertising agency also performs marketing functions, such as selecting target-customers, designing products, packages, developing channels of distribution, determining prices; new product development, conducting marketing research, sales promotion, publicity, improving public relations, etc.
- 10) **Research Function:** It includes continuous research regarding different media, their circulation, media-cost, entry of new newspapers/magazine, collecting information about rating of various TV programmes, serials so that time of ad can be decided.
- 11) **Accounting Function:** Accounting function of agency includes checking bills received from media, cash discount allowed by media billing to client, collection of dues from clients, making payment to media, payment to outside professionals like-writers, film-producers, models, making payment for purchasing advertising materials, salary to staff, etc.

Thus, practically ad-agency performs all the advertising functions for advertiser.

### Q. 2 What are the different types of Advertising Agencies?

**Ans** There can be following types of advertising agencies:

- 1) Full service agency,
- 2) In house agency,
- 3) A creative boutique,
- 4) Media buying services,
- 5) The La carte agency,
- 6) Special service agency (Group)
- 7) Sweet shops
- 1) Full-Service Agencies: Many companies employ what is known as a full-service agency, which offers its clients a full range of marketing, communications, and promotions services, including planning, creating, and producing the advertising; performing research; and selecting media. A full-service agency may also offer no advertising services such as strategic market planning; sales promotions, direct marketing, and interactive capabilities; package design; and public relations and publicity.
- 2) **In-House Agencies:** An in-house agency is often referred to as the advertising department in a firm and takes responsibility for the planning and preparation of advertising materials. This option has the advantage of greater coordination and control in all phases of the advertising and promotion process. Some prominent advertisers who do most of their work in=house are Gap, Calvin Klein, and Revlon.
- 3) Creative Boutiques: A creative boutique typically emphasizes creative concept development, copywriting, and artistic services to clients. An advertiser can employ this alternative for the strict purpose of infusing greater creativity into the message theme or individual advertisement. As one advertising expert put it, "If all clients want is ideas, lots of them, from which they can pick and mix to their hearts' delight, they won't want conventional, full-service agencies. They all want fast flashy fee-based idea factories." Creative boutiques are these idea factories.

A creative boutique is an agency that provides only creative services. These specialized companies have developed in response to some

- clients' desires to use only the creative talent of an outside provider while maintaining the other functions internally.
- 4) **Media Buying Services:** Media buying services are independent companies that specialize in the buying of media, particularly radio and television time. The task of purchasing advertising media has grown more complex as specialized media proliferate, so media buying services have found a niche by specializing in the analysis and purchase of advertising time and space. Agencies and clients usually develop their own media strategies and hire the buying service to execute them.
- 5) A La Carte Agency: Some advertisers prefer to order a la carte rather than using all of an agency's services. A la carte services can be purchased from a full service agency or from an individual firm that specializes only in creative work, media, production, research, or new product development.
- 6) **Special Service Agency (Group):** Some agencies focus their efforts only in some selected areas and then become specialists in those areas. These firms collectively are called special service groups and they are by far the least known component of the advertising industry. For example, if an agency is specializing in direct response advertising either in media or direct mail, knowledge of their availability and function is vital if the structure of the advertising business is to b fully understood.
- 7) **Sweet Shops:** These agencies are very small agencies, which operate only in one city. Their cost is less and their service personalized. These agencies are very useful for small clients, who wants to issue ads in local media, like as in local cable, pamphlets, banners, evening newspapers etc.

# Q.3 What are the different aspects, on the basis of which a company Selects an Advertising Agency?

**Ans** The advertiser should select that advertising agency whose talent, experience, record matches with the requirements of advertiser. Following factors should be considered while selecting an advertising agency:

- 1) **Location:** A major consideration in the choice of an advertising agency is location of office of agency. Local and nearby ad-agencies should be preferred. A considerable amount of communication is required at various stages of decision making with regard to ad-planning and adexecution. Outstation advertisers are at a disadvantage as the costs of regular visits may be high. So it is desirable that office of ad-agency is located nearby and is easily accessible.
- 2) Size: Both large size-agencies and small-size agencies have their own merits and demerits. Large-agencies provide wide range of facilities, services and have more experienced staff. But large-size agencies have certain limitations viz. these are costly, these cannot give personal attention to all clients because of large number of clients, these don't give much attention to small clients as these agencies have many big clients.
- 3) Agency Working for Competitors: Advertiser should avoid giving his advertising work to an agency that handles the advertising work of his competitor. Because in that case ad-agency may not be in a position to prepare ads which help the advertiser to take an edge over competition and agency will not prepare such ads which go against advertiser's competitors, i.e., agency will not make competitive ads for advertiser.
- 4) **Image of Agency:** Before selecting the ad-agency advertiser should enquire about its image, integrity, its ethical standards, and its relation with clients, etc.
- 5) **Services Offered by Ad-agency:** Now-a-days ad-agency give wide range of services like planning and preparation of ad, execution of ad, selection of media, follow-up to evaluate ad-effectiveness, sales-

- promotion, public-relation, publicity, market analysis, market-research, etc.
- 6) **Rates Charged:** The rates charged by the advertising agency should be quite reasonable. These rates should suit the pocket of client and should be within ad-budget of client.
- 7) **Creative Skills and New Ideas:** Creativity is the main element of advertising. If the ad-agency is capable of generating new ideas which are creative and unique then its ads will be more successful in attracting the attention of target audience.
- 8) **Past Record of Agency:** Past record of ad-agency should be checked to know:
  - i. Who were the past clients of agency; why they left the agency; how long were they with agency, how big were they?
  - ii. Who are the present client, how big are they; since how long are they with agency, their relationship with agency?
  - iii. Brand-image of products of agency's clients.
- 9) **Quality and Caliber of Staff:** Ad-agency has various specialists like copy-writers, market analysis, media experts, art-directors, researchers, artists, models, etc.
- 10) **Financially Sound:** The ad-agencies which are financially sound-and have good turnover have better contacts with media-owners. Financially sound agencies can afford better infrastructure, well-equipped-ad labs, and specialists, national and international image.
- 11) **Agency Experience:** Agency which has long existence generally performs better because of its experience and familiarity with different components of marketing environment like competitor's policies, tastes of consumers, income of consumers, fashions and trends, circulation and reputation of different media.

## Q.4 Define Creation Stage and how it is implemented by an advertising company.

**Ans** Creation stage consists of three stages:

- 1) Idea Generation
- 2) Copywriting
- 3) Layout

#### **Idea Generation Stage**

- 1) **Orientation:** Before deciding on a creative idea for the purpose of communication, it is important to identify the purpose behind the communication, whether the aim is to solve a problem or to capitalize on an opportunity.
- 2) **Preparation:** Those involved in the creative process should gather as much information as possible.
- 3) **Analysis:** Once information is collected, it should be organized under different heads technical information, consumer behavior information, competitors' information and so on.
- 4) **Ideation:** Ideation is the generation of actual ideas by trying different combinations of facts and information available.
- 5) **Incubation:** Once ideas are generated, they are kept aside to incubate, i.e., to let the subconscious mind work on them for sometime.
- 6) **Synthesis:** When the team arrives at this step, it is equipped with a number of ideas. In this stage, the emphasis is on combining these ideas and evolving something substantial from it.
- 7) **Evaluation:** The various ideas generated in the previous steps are evaluated here. The criteria used for evaluation are described here. The idea should be:

- i) Relevant to the communication objectives.
- ii) Original and capable of catching the attention of the viewer.
- iii) Flexible so that they can be modified or extended to other advertisements in the future.

#### Copy Writing/Advertisement Copy

The work 'copy' has specific meaning in the world of advertising. Copy is the soul of advertisement. An advertising copy is all the written or spoken matter in an advertisement expressed in words or sentences and figures designed to convey the desired message to the target consumers. In a print media an advertisement copy is made-up of head-line, sub-headlines, both of the copy, illustration, long-type, slogan and brand name.

#### **Approaches to Copy Writing**

A successful copy writer is to answer the following questions to get much out of it. These questions are:

- 1) What am I advertising?
- 2) To whom am I advertising?
- 3) How can I convey best the advertising message to my readers?
- 4) Where and how the product is being sold?
- 5) When the product is purchased and used?
- 6) What legal implications are involved?

#### Layout

A layout is a miniature sketch or the proposed advertisement. A rough layout is first prepared in which the headline and subheads are lettered in artwork and photographs are drawn or provided, and the4 position of the copy is indicated. The rough layout is tested and modified to prepare the final layout. The final layout is appended with many explanations and mechanical designs to give a comprehensive view. It refers to specifications for estimating costs, guidance for engravers and blueprints for advertisers.

'Layout' means two things; in one sense, it means the total appearance of the advertisement – its design and the composition of its elements; in another sense, it means physical rendering of the design for the advertisement – its blueprint for production purposes.

#### **Functions of the Layout**

- 1) It Organizes all the Elements
- 2) It Brings Together Copy Writer and Art Director
- 3) It Enables the Advertiser to Visualize his Future Advertisement.
- 4) It Acts as a Guide to the Copy Specialists.

#### **Copy Testing**

Copy testing is a means of measuring the communication value of advertising. As a diagnostic tool rather than an evaluative tool, copy testing can be instrumental to the creative development process. There are two key objectives in a copy testing framework. One objective is to determine whether the advertising can cut through the clutter and make people stop and notice the ad. The second is to assess whether the ad communicates the intended message.

The word 'copy' is used to denote an entire advertisement, including the message, pictures, colors, etc, regardless of the medium in which the advertisement has appeared.

"Copy testing is troublesome for almost everybody. Most advertisers and agencies have a checkered history of its use and often fifer on both what and how to measure.

### Q.5 Define Media Planning Process with all the steps in the development of Media Plan.

### Ans Steps in the Development of Media Plan

1) Market/Environmental Analysis

While undertaking the overall promotion planning analysis, a complete review of internal and external factors is done. While developing a media strategy, the focus of analysis is on the media and delivering the message. The key questions at this stage are:

- i) Who is the target audience for advertising?
- ii) What internal and external factors may influence the media plan?
- iii) Where (geographic areas) and when (timing) to focus the advertising efforts?

#### 2) Establishing Media Objectives

Just as the situation analysis leads to establishment of marketing and communications objectives, the media situation analysis should lead to determination of specific media objectives.

There are five key media objectives that a company can consider – reach, frequency, continuity and costs, weight:

- i) **Reach:** Reach refers to the number of people or households in a target audience that will be exposed to a media vehicle or schedule at least one time during a given period of time.
- ii) **Frequency:** Frequency is the average number of times an individual or household within a target audience is exposed to a media vehicle in a given period of time (typically a week or a month).
- iii) **Continuity:** Continuity is the pattern of placement of advertisements in a media schedule. There are three types of continuity alternatives:
  - a) **Continuous:** A continuous pattern refers to a company's strategy of running its campaign evenly over a given period of time.
  - b) **Pulsating:** A pulsating schedule refers to a company's strategy of running its campaign steadily over a given period of time with intermittent increases in advertising at certain intervals. For example, consumer durable manufacturers like LG and Whirlpool run their advertising campaign continuously over a period of time, but increase ad spending on special occasions like festivals and major sports events like Work Cup Cricket and the Olympics.

- c) **Discontinuous:** A discontinuous schedule refers to a company's strategy of spending heavily on advertising only at certain intervals, with no advertising activities in the interim period. For example, Pioma Industries, the owners of Rasna, advertise the brand during the summer season, which is the peak sales season for its products, with negligible or no advertising during the rest of the year.
- iv) Cost: the cost of different media modes are taken into consideration.
- v) Weight: how much total advertising is necessary during a particular period to accomplish the reach and frequency objectives?

#### 3) Developing and Implementing Media Strategies

Criteria considered in the development of media strategies are:

- i) Media Mix: A wide variety of media and media vehicles are available to advertisers. While it is possible that only one medium and/or vehicle might be employed, it is much more likely that a number of Your Siur alternatives will be used.
- ii) Target Market Coverage
- iii) Geographic Coverage
- iv) Scheduling: The schedule shows the number of advertisements that are to appear in each medium, the size of the advertisements, and the date on which they are to appear.
  - a) Steady Pulse: It is the easiest. For instance, one ad/week for 52 weeks or one ad/month for 12 months could be an example.
  - b) Seasonal Pulse: Products like Vicks Balm, Glycodin Terp-Vasaka Syrup, Pond's Cold Cream follows this approach.
  - c) Period Pulse: Scheduling follows a regular pattern, e.g., media scheduling of consumer durables, non-durables etc.
  - d) Erratic Pulse: The ads are specified irregularly. Perhaps, we want to change the typical purchase cycles.

- e) **Start-up Pulse:** It is concentrated media scheduling. It launches a new product or a new campaign.
- f) **Promotional Pulse:** A one-shot affair it suits only a particular promotional theme.

#### v) Reach and Frequency

#### vi) Creative Aspects and Mood

Creative Aspect: It is possible to increase the success of a product significantly through a strong creative campaign. But to implement this creativity, firm must employ a medium that will support such a strategy.

Kodak and Hallmark, among many others, have effectively used TV to create emotional appeals.

- vii) **Flexibility:** An effective media strategy requires a degree of flexibility. Because of the rapidly changing marketing environment, strategies may need to be modified.
- viii) **Budget Considerations:** One of the more important decisions in the development of media strategy is cost estimating.
  - a) Determining Relative Cost of Media
- ix) Media selection: Media selection is a key component in designing the media strategy. Media selection involves selecting the right media and media vehicles that help to communicate the message of the company to customers more effectively. Media selection decisions cover two broad decisions selection of media class, and selection of media vehicles within the media class.

#### 4) Implementation of Media Plan:

The implementation of the media plan requires media buying, i.e., buying time and space in the various selected media. The buying of media is handled by the advertising agency on behalf of the advertiser.

#### Steps in Media Buying

- i) Collecting Necessary Information: Media buying requires a lot of information regarding nature of target customers viz. their age, education level, geographical concentration, their size, etc.
- ii) **Selecting Media and Media Mix:** After considering the above information and keeping in mind the amount of advertising budget that media is selected which best matches with the requirements of target audience and advertiser.
- iii) **Negotiating Costs:** In this step, efforts are made to procure media at the lowest possible price.
- iv) Issuing Ad-copy to Media
- v) Monitoring Performance of Media-Vehicles: The advertiser ensures that advertisement is shown in the right section, right size, right color, at the right time (day), etc. In case of TV advertisement, it is ensured that advertisement is telecast in the decided programme, at the decided time.
- vi) **Paying Media-bills:** It is the responsibility of advertiser to pay the media bill well in time.

#### 5) Evaluation and Follow Up

Evaluation is essential to assess the performance of any activity. Two factors are important in evaluation the media plan:

- i) How successful were the strategies in achieving media objectives?
- ii) Was the media plan successful in accomplishing advertising objective?

Successful strategies help build confidence and serve as reference for developing media strategies in future, and failure is thoroughly analyzed to learn about the flaw. It has been pointed out that there are certain problems with measurements that limit the degree to which one can assess the relative effectiveness of different strategies.

**Mass media** provides a perfect channel for advertisers who want their advertising campaigns to make a big impact at a low cost. There are **four** key mass media channels – **newspapers**, **magazines**, **radio and television**. These four channels form the major elements o a media mix for any advertiser as they provide a large reach and increase the cost-effectiveness of the advertising campaign.

Media can be classified into following types:

- A) Indoor Advertising Media
- B) Outdoor Advertising Media
- C) Direct adverting media
- D) Display advertising
- E) Internet

#### Q.6 Write all the pros and cons of Advertising.

Or

Doing business without advertising is just like looking at a beautiful girl in the dark, you know what you are doing but others don't. comment

Ans It has been rightly said, "Wherever we are, advertising is with us." Today advertising has reached every field of work and life. It has become an institution of growth and prosperity. It creates demand and keeps the wheel of production moving constantly.

Advertising has a major impact on society: Ads help establish what is cool in society; their messages contribute to the public dialogue. It makes kids to dance together. It creates pleasurefulness. Thus, it pays to advertise. It is the lever that motivates the world of commerce and industry. It is the pride of dynamic marketing. It provides benefits to various groups which includes the producer, consumer, dealers, salesmen, and the society and economy. The importance of advertising to these groups is explained below:

#### I. Importance of Advertising to Producers

- 1. **Increase in Demand:** Advertising awakens interests, stimulates emotions and creates desire to buy the product. For eg:- Tide
- 2. **Large-Scale Production:** Advertising increases and stabilises the salesturnover. It helps to repeal sales. It creates customers and loyal clientele. The increased demand necessitates to produce on large-scale. For egsunsilk
- 3. **Cuts Costs:** Advertising helps in cutting down the production and selling costs. Increasing unit sales decreases unit costs.
- 4. **Good Selling Tool:** Advertising is a good selling tool for big businessmen. It puts less burden on other selling methods.
- 5. **Explores New Markets:** Advertising maintains the existing markets. But it also expands and explores new markets by better informing and serving the customers.
- 6. **Facilitates Innovation:** Advertising promotes new product. In a way it reduces the risk of innovation.
- 7. **New Industries and New Jobs:** *Otto Kleppner* has asserted that "Due to advertising new and improved products and services constantly appear, enrich our lives, change life-styles, create new industries and new jobs.
- 8. **Lowers Prices:** Advertising reduces products prices by keeping down various costs to the advantage of consumers.
- 9. **More Profits:** Advertising increases profits by increasing sales.
- 10. **Control on Trade Cycles:** Advertising can help to stimulate business recovery in severe recessions. It stimulates latent needs, and reinforces the aroused wants in depression period.

- 11. **Competitive and Promotional Weapon:** Advertising is a powerful weapon to counter competitive moves. It creates brand image.
- 12. **Builds Brand Image:** Manufacturers use advertising to build a brand image.

#### 13. Other Benefits:

- (i) It increases business activities.
- (ii) It increases *goodwill* of the firm.
- (iii) It increases Interest among dealers in manufacturer's goods.
- (iv) It makes possible the *use of modern technology* in productional process.

#### II. Importance of Advertising to Consumers

- Help in Rational Buying: Advertising disseminates useful information about the relative merits and unique features of the products in terms of quality, utility, price, durability and convenience.
- **2. Ensures Quality Products at Reasonable Prices:** Advertising stimulates the sale of quality products. It creates a right image of good products. For eg:- Saras
- **More Products:** Advertising is a feature of free competitive enterprise and can be a contributory factor towards greater availability of goods.
- **4. Creates Varied Tastes:** Consumers demand differences in colour and style. They want new styles in various products. Advertising responds to what people want.
- **5. Information:** Consumers need information about various goods and services. "Advertising is a means of pleasant informations for pleasureful life and good buying."

- **6. Offers Solutions to Buying Problems:** Consumers may have problems like hair-falling, tooth decay, ill-health, not finding desired product or design, right quality, or right price, etc.
- 7. **Better Standard of Living:** *Sir Winston Churchill* has very aptly stated, "Advertising nourishes the consuming power of men. It sets up before a man the goal of a better home, better clothing, better food for himself and his family.
- **8. Saves Time:** Advertising is informative, educative and convincing. It brings many informations to the notice of consumers.
- **9. Reduces Dissonance:** Advertising helps to reduce may tensions and mental anxieties after buying the product by producing facts and proofs in favour of his decision.
- **10. Educates Consumers:** Advertising is also a means of educating the consumers about the proper use of product.

#### III. Importance of Advertising to Middlemen

- **1. Guarantees Quick Sales:** Advertising quickens the pace of sales by brining products to the knowledge of the consumers.
- **2. Acts as a Salesman:** Advertising is a very potent and effective salesman of middlemen.
- **3. Price Maintenance:** Customers always remain interested in getting quality products at *stable prices* over longer time. If the prices constantly change, the budgets of consumers are disturbed. Advertising also discourages price-haggling and bargaining with retailers.

#### IV.Importance of Advertising of Salesmen

**1. Drives the Consumers:** While marketing drives products towards the consumer, advertising helps to drive the consumer towards the salesmen at the point of sale.

ries.

- **2. Creates Colourful Environment:** Advertising creates an inducing and colourful environment. Personal selling alone is like a song without music.
- **3. Lightens the Selling Job:** Selling job is highly complex and difficult, if performed alone. In the absence of advertising, salesman is forced to play a double role. With the help of advertising, the salesman can easily explain the product and its benefits, can meet the objections raised by customers and may close the sale.
- **4. Instills Self-Confidence and Initiative:** Advertising acts as a creative force. It educates the sales-force. It instills self-confidence and initiative in them.

#### V. Importance of Advertising to Society and Economy

- 1. Socio-economic Institution: "Advertising is only one of society's many institutions: It is literally imbedded in much more basic and powerful institutions such as the family, the school, the church, and the political and legal system.
- **2. Instrument of Social Influence and Control:** It dominates the media, it has vast power in the shaping of popular standards, and it is really one of the very limited group of institutions which exercise social control.
- **3. Wide Power of Persuasion:** Advertising is a powerful technique of persuasion in a society. Advertising is fundamentally the same psychological device that we apply daily in selling products to consumers, and selling ideas at home.
- **4.** Component of the educational System: Advertising is basically a part of knowledge. It imparts values, cultural ideas and valuable lessons of lifestyles.
- **5. Upholds the Culture of a Nation:** Cultural values reflect a nation and its people. Culture of a nation is affected by social dynamics. Advertising accepts and maintains the value structure of society.

- **6. Uplifts the Standard of Living:** It has been widely accepted that advertising raises the living standard of millions. It creates wants. It increases production and consumption.
- 7. **Social Guide:** Advertising has become a means of social change. It is an inseparable part of free speech. *It is our social leader. It provides ideas about style, morality, behaviour."*
- **8. Generates** Employment Opportunities: Advertising generates employment opportunities directly and indirectly. Direct employment is open in various jobs created by advertising such as copy designers, copy writers, artists, painters, photographers, singers, message-writers, comperes, musicians, pressmen, executives and many others to help in advertising process.
- **9. Fosters Economic Growth:** Advertising is a key tool used to aid a country's growth. It can help in improving the economies of developed and developing countries. It can stimulate increase in production and consequently generate more employment.
- **10. Growth of Media:** The acceptance of advertising by different media enhances the potential for raising revenues.

"Not everyone is sold on the value of advertising. Critics argue that most advertising is more propaganda than information; it creates needs and faults consumers never knew they had. Ads suggest that children won't succeed without a computer, that our bodies should be leaner, our faces younger, and our houses cleaner.

Though advertising is multi-dimensional and powerful mass-communication, it suffers from serious limitations. Its main evils and criticisms are as follows:

1. Increase in Unnecessary Wants: Critics argue that most advertising cause people to buy things they don't really need. Advertising create unnecessary wants and desires which become a monetary burden on consumers and their regular budget is disturbed.

- **2. Increase in Costs and Prices:** Critics argue that advertising increases the prices consumers pay for products and services.
- **3. Creates Indecisiveness:** Various advertisements influence and move the desire of consumers. They all attract to buy their own products. They all pull consumers towards their own products. This creates a state of confusion conflict, and undecisiveness for the consumer.
- **4. Too Much Puffery and Deception:** Deceptive advertising has became a major problem for the consumers. Consumers are cheated by deceptive pricing, false criticisms of competing products, deceptive guarantees ambiguous statements, false testimonials, and other "deceptive practices."
- **5. Arouses Emotions:** Most of the advertisings arouse emotions, instigate feelings and induce desires of consumers and compel them to buy irrationally. They have difficulty in fitting the idea of persuasion and emotional approaches into their concept of the "economic person" who makes decisions *rationally*, not emotionally.
- **6. Obscene and Unethical:** Critics say that today advertising has become offensive and unethical. Youths are offended by increasing bad taste, violence, nudeness, obscenity, and sexuality in advertising. Such advertisements provoke ill-thoughts in the minds of people.
- 7. **Promotes Social Evils:** Many advertisings make life luxurious. They promote materialism, rather than intellectual or spiritual things. They promote the use of many objectionable products like tobacco, alcohol, cigarettes, banned drugs, etc.
- **8.** Endangers Competition: Advertising can endanger competition. Big advertisers can monopolize the market. It makes difficult for other firms to enter the market. This results in less competition and higher prices and small firms are often driven out of business.
- **9. It is Wasteful:** Advertising is also regarded as waste of national resources. It introduces new products, creates new tastes, new fashion and new

habits for the consumers, with the changes in fashions and styles. As a result, half-used and old articles are often discarded.

- **10. Creates Worries and Discontent:** Advertising is accused of causing people to worry about tooth decay, body odour, lack of self-confidence, falling hair, pimples, headache and many other ills. Advertising makes people want what they really do not need.
- **11.** Encourages Materialism: Many critics claim advertising has an adverse effect on ethical and human values by encouraging materialistic values. Advertising seeks to create endless needs which a man cannot fulfill.
- **12. Hampers Consumer Choice:** Some critics argue that advertising hampers consumers choice. It is because large advertisers use their power to limit our options to a few well-advertised brands.

#### 13. Other Evils and Limits:

- (a) Advertising has a *harmful effect on children* as it can easily influence the delicate feelings of children.
- (b) Many ads are *offensive* and exercise *high pressure* on consumers.
- (c) It leads to industrial concentration.
- (d) Advertisements are rigid. The message once set cannot adjust to the reactions of consumers.
- (e) They may cause *road accidents* as people see hoardings and posters while driving the vehicles or walking on roads.

#### Q. 7 What are the essentials of Effective Advertising?

Ans Advertising will only survive and grow if it focuses on being effective. It must achieve its objectives. It most produce results. But advertising cannot save bad products. There are certain essentials or principles which must be followed to make the ad successful. These are as follows:

- Relevant Message: Advertising must satisfy consumers' objectives by delivering them a relevant message.
- Offers Enough Incentive: The ad must offer enough incentive for the consumer to risk change because it can show consumer how to satisfy needs in a manageable way.
- **3. Sound strategy:** Every effective ad has a sound strategy.
- **4. Creative Thinking:** "The creative concept is the ad's central idea that grabs your attention and sticks in your memory.
- 5. Proper Execution: Effective ads are well-executed. It means that the message details, the photography, setting, printing, and the production values all must be fine-tuned.
- **6. God-Directed:** Advertising must be goal-directed. Advertising must hope to achieve something. Every advertiser, deep down inside, hopes or assumes that each ad will produce sales.
- 7. **Persuasion:** To be effective, advertising must communicate and persuade.
- **8. Based on Reasoning:** Effective advertising *provokes thought* on the part of the viewer, that stimulates interests, evaluation, judgment, and decision-making inside the consumer's mind.
- **9. Ad by Emphasis:** Advertising by emphasis *aims* for small delayed effects, just enough effect to tip the scales in favour of brand A over B.
- **10. Continuity:** It can be noted that much advertising is quickly forgotten if not continuously exposed.

#### 11. Other Essentials:

- (i) Prospects must be identified before designing the advertising.
- (ii) Pride of possession must be expressed.

- (iii) Product value must be proved.
- (iv) Headline, slogans, sub-headline, colours, main body, etc. must be attractive.
- (v) It must be easy to understand.
- (vi) Novelty of the product must be demonstrated.

Ad must be distinctive and recognizable.

It must be conveyed honestly and without duress or compulsion. Manipulation should not be involved.

The world 'media' is the plural form of the world 'medium' which is a means through which a thing is done.

# What are the different modes of Advertising? Or Classification of A Q.8

Ans

- 1. **Newspaper** Newspaper has a powerful selling force. It is the backbone of the advertising campaign. A newspaper contains news, opinions, service informations, entertainment messages and publicity materials. Advertising is one of the best read features of a newspaper. As a medium of advertising the daily newspapers contain two types of advertisements:
- (a) Classified advertisement: For classified advertisement, certain pages of the newspapers are reserved. They contains the headings like matrimonials, employment, tender, sale and purchase, vacancies, etc.
- (b) **Display advertisement:** For these advertisements no specific column is specified. They are placed at any part of the newspaper according to the discretion of the advertiser.
- 2. Magazine Advertising Magazine or periodicals issued at varying intervals also constitute a powerful medium of advertising. Magazines

are published monthly or quarterly or bi-annually or annually. They contain articles and news of current interest. Magazines enjoy a longer life than newspapers.

- 3. Women Papers Certain newspapers and magazines are intended only for women customers. These are suitable to advertise perfumes, jewellery, underwear's, domestic and other luxury products. These are also suitable for advertising dress materials, fashion products and patent medicines.
- 4.**Trade Journals** There are certain journals which make an appeal to a particular class of persons such as doctors, dentists, farmers, architects, industrialists etc.
- 5.Foreign Papers Advertisements can also be published in foreign papers and magazines. These papers have good reputation and are circulated among rich customers. Thus, these have assured readership for advertisements.

It is the oldest form of advertising. It is seen when people are out of doors. It catches the eyes of passerby. Broadly, the following are the important means of outdoor advertising:

- 1. **Posters:** The poster advertisement is exhibited on a hoarding or on walls, roofs, fences or even high up in the sky.
- 2. **Painted Displays or Metal Signs:** Posters generally fade in colours and spoiled due to rain and dust. Hence, metal and painted signs are used to advertise.
- 3. **Wall Paintings:** The wall paintings are found in cities, towns and even villages and are more durable than posters.
- 4. **Electric Light Signs:** Sign-boards illuminated by electricity can be seen in large number in cities. They are presented with attractive letters and coloured bulbs.

- 5. **Neon Signs:** Advertisement is also presented with brilliantly tubes in various shades. The tubes can be of the still or the flashing type. These signs look more attractive but the cost of this device is high.
- 6. **Traveling Displays:** It is also known as transit advertising or car cards.
- 7. **Van Advertising:** Displays can also be made on the front, sides and backs of vehicles and vans. These are made of durable materials.
- 8. **Banners:** Banners are made of cloths and words are written in colours. They are tied on the top of buildings, road crossings, stadiums and play fields for the publicity of goods.
- 9. **Railway Stations:** Advertisements can also be placed on railway stations. These may be in form of posters.
- 10. **Sky Writing:** This is a modern form of advertising. It may take several forms. Messages can be written on balloons which are floated in the air. Banners are released from aeroplanes.
- 11. **Sandwich Men:** This is oldest form of outdoor advertising. Sandwich men dress up funnily and carry boards. They shout slogans in favour of the company's products.

#### **Merits of Outdoor Advertising**

- 1. It makes a wide appeal to all classes of society.
- 2. It has colourful effect and *dramatic appeal* of a slogan.
- 3. It can be used in a *certain locality*.
- 4. It is *durable*. Posters, hoardings or bill boards remain before the public eye for a long time.
- 5. It *appeals* even to the *illiterate* persons.
- 6. It gives *scope for skill and art* in the preparation of posters.

#### **Demerits:**

- 1. It remains *brief*. No way can outdoor advertising messages be made in detail.
- 2. It is *costlier*. Media like skywriting, use of balloons, etc. cannot be repeated again and again.
- 3. Its effectiveness cannot be measured easily. There is every possibility of waste in such advertising.
- 4. It *lacks novelty*. It is hardly changed over years.
- 5. It is also argued that it *uglifies the areas*. Advertisers go on pasting posters on compound walls of buildings. Such sticking of bills becomes 'ugly spot'.
- 6. It is not suitable to a producer operating on national network.

#### I. Broadcast Media or Entertaining Advertising

Advertising through radio, cinema and television has become very popular and common.

- 1. **Radio Advertising:** Radio advertising is described as "word of mouth advertising on a large scale". It appeals through the ears. Now-a-days all radio stations all over the world broadcast commercial advertising. The advertisers prepare the programme before hand keeping in view interests of the listeners.
- 2. **Television Advertising:** It is the latest and novel method of advertising. It provides the coordination of sound, sight, motion and immediacy that no other medium provides. It combines radio, movies and theatre. It is a colourful presentation. In this medium, salesman can present and demonstrate the product.

- 3. Advertising Films: Commercial films are produced to publicize the products with a story. They prove effective, because they give oral and visual message.
- 4. **Slides:** These are exhibited in cinema houses. They produce the effect like posters. These are exhibited on the screen for an agreed period. The slides are shown before the cinema show or during the intermission.
- 5. Video Advertising: This medium has grown rapidly in advertising circles. Video commercial films are produced to make publicity of products.
- 6. Cable TV Advertising: Cable TV has opened up various avenues for the advertisers to promote their products. It is in the form of spots sold to national advertisers on programming on networks. Study Relate

#### 7. Drama

#### II. Direct Mail Advertising

It is the oldest medium of advertising. It is the way of sending sales messages directly to the customers through post, salesmen or dealers etc. Some of the important media of direct mail advertising have been discussed below:

- 1. Post Cards It is the most widely form of direct mail advertising due to its high attention value and economy. It gets immediate attention. Post cards are used to carry brief messages about product.
- 2. Sales Letters It is also most widely used form. Sales letters are sent to induce the potential customers to buy a particular product.
- 3. Circulars These contain several pages and describe all details of a product.

- 4. **Stuffers** It gives detailed specifications of a wide range of products. It is a means of amplify the sales letter by providing illustrations.
- 5. **Folders** It is bigger than ordinary card. It can be conveniently folded. It is made of heavier stock of paper or card-board.
- 6. **Broadsides** These are giant-sized folders. These are designed to impress customers by their size, attractive colours and illustrations.
- 7. **Catalogues and Booklets** These are illustrative price lists containing the price and features of products.
- 8. **House Organs** These company magazines are sent to wholesalers, retailers, salesmen, and prospective customers free of cost.

Appeal is the central idea and essence of an advertisement. It is the device to solicit a desired response from customers. In simple words, an appeal is the earnest request to the prospects. *An appeal is any statement designed to motivate a person to action*. Advertising appeal is a rational or emotional reason or justification that motivates the consumer to buy the product. It appeals to consumers' mind, emotions, sentiments, thoughts, desires, needs, or morals. Advertising appeal puts such facts, benefits or reasons that inspire a customer to act upon the advertising message.

According to *Sandra E. Moriarty*, an advertising appeal can be viewed as "something that moves people, speaks to their wants or needs, and excites their interest."

- Q.9 How Advertiser involve the choice of an appropriate appeal in advertising? Discuss all the types of Advertising Appeals.
- **Ans** One of the advertiser's most important creative strategy decisions involves the choice of an appropriate appeal. There are three types of appeals: rational, emotional, and moral.

#### I. Rational or Informational Appeals

Rational *appeals* appeal to the audience's self-interest. They know that the product will produce benefits like quality, economy, value, or performance.

- 1. **Feature Appeal:** Advertisement that use a *feature appeal* focus on the dominant traits of the product or service. These ads tend to be highly informative and present the customer with a number of important product attributes or features that will lead to favourable attitudes and can be used as the basis for rational purchase decision. Technical and high-involvement products often use this appeal.
- 2. Competitive Advantage Appeal: When this appeal is used, the advertiser makes either a direct or an indirect comparison to another brand and usually claims superiority on one or more attributes. For eg:- Tide & Surf
- 3. **Favourable Price Appeal:** It makes the price offer the dominant point of the message.
- 4. **News Appeal:** In such appeals some type of news or announcement about the product or company dominates the advertisement. For eg:- Attractive offers 50%
- 5. **Product Popularity Appeals:** These appeals stress the popularity of a product or service by pointing out the number of consumers who use the brand, the number who have switched to it.
- 6. **High Quality:** Many consumer goods are bought for their quality, such as clothing, food items, furniture, kitchenware and a host of consumer durables, and not merely because of their taste or fashion, or style.
- 7. **Low Price:** Many people buy low-priced goods because they think that these products will perform similar to, or slightly inferior to, that of reputed brands at higher price.

- 8. **Long Life:** Many consumers want the product of *durable* nature as of a vehicle that will give 50,000 kms, before its utility is exhausted.
- 9. **Performance:** Many advertisements exhibit good performance of product.
- 10. **Ease of Use:** This appeal exhibits that the product can be handled easily without any problem. For example, home appliances switch off automatically after a prefixed time period.
- 11. **Re-Sale Value:** This appeal encourages the buyer that he can re-sell his product any time he wishes at a good price after using it.
- 12. **Economy:** Many customers consider savings in operation and purchase.
- 13. **Scarcity:** Another appeal that is occasionally used is scarcity. When there is a limited supply of a product, the value of that product increases. Scarcity appeals urge consumers to buy a particular product because of a limitation.
- 14. Free Consultation: Many advertisements encourage buyers by making appeal to and offering free consulting services.
- 15. Others: Other rational appeals include purity, more profits, savings in time, multi-functions, more production, regular supply and availability of parts, limited space required, artistic form, etc. that can make advertising effective.

#### II. Emotional Appeals

Emotions affect all types of purchase decisions. Emotions can be tied with humour, fear, music, and other appeals to make a compelling case for a product.

#### **Types of Emotional Appeals**

- 1. **Positive Emotional Appeal:** This category includes humour, love, pride and joy. It may be a humourous message. For eg:- Dettol, Johnson baby products.
- 2. **Negative Emotional Appeal:** This includes fear, guilt, and shame to get people to do things they should or stop.
- 3. **Fear:** Fear is an emotional response to a threat that expresses some sort of danger. Ads sometimes use *fear appeals* to evoke this emotional response and arouse consumers to take steps to remove the threat. For eg:- Life Insurance
- 4. **Anxiety:** Like fear, anxiety is not pleasant. Most people try to avoid feeling anxious. To relieve anxiety, consumers might buy mouthwash, deodorant, a safer car, get retirement pension plan.
- 5. **Humour:** The success of humour as an advertising tactic is based on three things. Humour causes consumers to: (1) watch, (2) laugh, and most importantly, (3) remember. To be successful, the humour should be connected directly to the product's benefits. For eg:-Mentos, Happydent

# III. Moral Appeals

Moral appeals are directed to the consumes' sense of what is right and proper. These are often used to exhort people to support social and ethical causes.

**Types of Moral Appeals:** Moral appeals are made for the following causes:

- (i) Social awakening and justice
- (ii) Cleaner and safe environment
- (iii) Better race relations
- (iv) Equal rights for women

- (v) Aid to the disadvantaged
- (vi) Prohibition of drugs and intoxication
- (vii) Adult literacy
- (viii) Social forestry
  - (ix) Anti-smuggling and hoarding
  - (x) Protection of consumer rights and awakening

#### IV. Additional Types of Appeals

- 1. **Reminder Appeal:** Advertising using reminder appeal has the objective of building brand awareness. For eg:- IPO
- 2. **Teaser Advertising:** Advertisers introducing a new product often use this appeal. It is designed to build curiosity, interest and excitement about a product or brand. For eg:- Ponds adv. Of saif & Priyanka Nescafe.
- 3. **Musical Appeals:** Music is an extremely important component in advertising. It captures the attention of listeners. For eg:- Docomo, Airtel
- 4. **Transformational Appeal:** The idea behind this appeal is that it can actually make the consumption experience better. For eg:- Ambay products
- 5. **Reason-Why Appeal**: In this appeal, the advertiser reasons with the consumer. It points out to the receiver that there are reasons why this brand will be satisfying and beneficial. For eg:- Dove
- 6. **Comparison Appeal**: In this appeal a brand's ability to satisfy consumers is demonstrated by comparing its features to those of competitive brands. For eg:- Tide & surf
- 7. **Direct Appeals**: Direct appeals clearly communicate with the consumers about a given need. These extol the advertised brand as a product which satisfies that need.

8. **Indirect Appeals:** Indirect appeals do not emphasize a human need, but allude to a need.

#### Uses of Appeal in Advertising

- 1. Attracting attention
- 2. Awakening Interest
- 3. Creating a desire for Goods



## **Case Studies**

# CASE -1 Nike's "Just Do It" Advertising Campaign

According to Nike company lore, one of the most famous and easily recognized slogans in advertising history was coined at a 1988 meeting of Nike's ad agency Wieden and Kennedy and a group of Nike employees. Dan Weiden, speaking admiringly of Nike's can-do attitude,

reportedly said, "You Nike guys, you just do it." The rest, as they say, is (advertising) history.

After stumbling badly against archrival Reebok in the 1980s, Nike rose about as high and fast in the '90s as any company can. It took on a new religion of brand consciousness and broke advertising sound barriers with its indelible Swoosh, "Just Do It" slogan and deified sports figures. Nike managed the deftest of marketing tricks: to be both antiestablishment and mass market, to the tune of \$9.2 billion dollars in salesin 1997.—Jolie Soloman "When Nike Goes Cold" Newsweek, March 30, 1998 The Nike brand has become so strong as to place it in the rarified air of recession-proof consumer branded giants, in the company of Coca- Cola, Gillette and Proctor & Gamble. Brand management is one of Nike's many strengths. Consumers are willing to pay more for brands that they judge to be superior in quality, style and reliability. A strong brand allows its owner to expand market share, command higher prices and generate more revenue than its competitors. With its "Just Do It" campaign and strong product, Nike was able to increase its share of the domestic sport-shoe business from 18 percent to 43 percent, from \$877 million in worldwide sales to \$9.2 billion in the ten years between 1988 and 1998. Nike spent \$300 million on overseas advertising alone; most of it centered around the "Just Do It" campaign. The success of the campaign is that much more remarkable when one considers that an estimated 80 percent of the sneakers sold in the U.S. are never used for the activities for which they have been designed. Nike's marketing tactics in the '80s, and in particular its campaign against Reebok, gambled on the idea that the public would accept sneakers as fashion statements. Nike later cashed in on the jogging/fitness craze of the mid 1980s, during which its "Just Do It" campaign expanded to attract the female and teenage consumer, in addition to the stalwart 18 – 40year-old male consumer. (Nike was losing ground to Reebok during this time, thanks to

the explosion of RES3:990108 2 aerobics.) Phil Knight, the founder and CEO of Nike, suffused his company and ads with the idea of the intense, inwardly focused competitor. The ads rarely focused on the product itself, but on the person wearing the product.

Heroes and hero worship abound on the Nike campus in Beaverton, Oregon. The "Just Do It" campaign seemed to capture the corporate philosophy of grit, determination and passion, but also infused it with something hitherto unknown in Nike ads—humor. Nike had always been known for its "detached, determined, unsentimental" attitude. "In a word, [Nike is] cool." The new ads retained that attitude, but several of the original 12 "Just Do It" ads incorporate jokes, explicit and implicit, to make their point. The Bo Jackson ad stands out. Jackson is seen working out at several different activities, joking while on a bike machine, "Now when is that Tour de France thing?" and after slam dunking a basketball contemplates "Air Bo." "I like the sound of that," he says. The "Just Do It" campaign received mixed ratings, ranging from "an instant classic" to "sociopathic." One critic went so far as to say the ads were "an impatientbordering- on-contemptuous exhortation to the masses. Cool is one thing. Poverty of warmth is another." Eventually the campaign was credited with embracing not just resolve and purpose, but also the "beauty, drama and moral uplift of sport—even, every now and then, fun." Linking the Campaign to Consumer Needs

Through its "Just Do It" campaign, Nike was able to tap into the fitness craze of the 1980s. Reebok was sweeping the aerobics race and gaining huge market share in the sneaker business. Nike responded to that by releasing a tough, take-noprisoners ad campaign that practically shamed people into exercising, and more importantly, to exercising in Nikes. The "Just Do It" campaign was also effective in reassuring consumers that the brand they picked, Nike, was a quality brand. This was most effectively portrayed by celebrity sports figures such as Bo Jackson, John McEnroe and later, Michael Jordon. If Michael Jordan can play an entire NBA season in a pair of Nikes, certainly the average weekend warrior can trust the shoes' durability. Celebrity endorsements also appealed to the consumers' sense of belonging and "hipness," as Nike became a self-fulfilling image prophecy: if you want to be hip, wear Nike; if you are hip, you are probably wearing Nike. The "Just Do It" campaign was able to turn sweaty, painridden, time-consuming exercise in Nike sneakers into something sexy and exciting. Perhaps most importantly, even those who were not in fact exercising in Nikes (the vast majority) still wanted to own them. By focusing on the aura and image conveyed by the fitness culture, Nike was able to attract those who wanted the image without incurring the pain. Linking the Campaign to Strategy Nike was in a tough spot in the late 1970's. It was being swamped by Reebok's quick initiative on designing aerobics shoes and needed to respond dramatically and forcefully. It could be argued that the "Just Do It" campaign was not only about sneakers but about Nike's own renaissance. No longer content to be the choice running shoe of a few thousand marathoners and exercise nuts. Nike wanted to

expand its operation to target every American, regardless of age, gender or physical-fitness level. "Just Do It" succeeded in that it convinced Americans that wearing Nikes for every part of your life was smart (the shoes are designed for comfort) and hip (everyone else is wearing them, you too can belong to this group.) Nike took its own advice and "Just Did It" by directly attacking Reebok in the sport-shoe market.

#### Why Was the Campaign Successful?

The timing of this campaign could not have been better. Americans were buying exercise equipment at a record pace in the mid 1980s, and body worship was at an all time high. Nike tapped into consumers' desire for a healthy lifestyle by packaging it into a pair of \$80 sneakers. The ads were often humorous, appealing to the cynic in all of us, while imploring consumers to take charge of their physical fitness. The ads made starting an exercise regime seem like a necessity, and the way to start exercising was to buy Nike merchandise. More importantly, by owning Nikes you were instantly a member of a desirable group. The campaign was easily identifiable (to the point that Nike eventually did not even bother to display the word "Nike" in commercials—the swoosh was enough) and stayed true to its message.

#### Case 2

## **Integrated Marketing Communications plan for the product – Al Fresco Chicken Sausage**

Al Fresco Chicken Sausage has been in the market for many years. Mostly the company targets people between 24 and 60 years as their prime product buyers. However, during the last couple of years this bracket target has become saturated hence minimal company growth. The first order of business as the new Marketing Communications Manager of Al Fresco Chicken Sausages is to identify a new target base for the company to grow and expand. By identifying a new target, the company will tray and resole the current flat sales that are affecting the company. The reason why this is the first order of business is because the company has identified its customer target as saturated and not providing any sales. After seven successful years in the field, the company has realized that the market has been saturated and no market feasibility in customer selection (Kerin & Peterson, 2007).

Al Fresco Chicken Sausage Company aims at changing its target selection keeping in mind the demographic and psychographic factors that would affect the target. While considering these factors, one should look at the response the product. It is given in the market values, lifestyles, attitudes, and interest from the psychographic factors while choosing a target for the market. With careful consideration, the company chooses a target between the age of 15 and 25. This target will enable the company to achieve what it goals. This is because the company will have narrowed its target selection to an

audience hence reducing chances of getting priorities mixed up. For instance, by narrowing its customer target and specifically getting teens as its customer targets the company will be able to establish its self easily in the market (Mauborgne, 2005).

Al Fresco Chicken Sausage Company will be able to identify the demographic and psychographic factors that influence the teenagers today. For instance, while looking at life style one factor that affects the psychographic one can tell that there is a significant change in the social world. In order to attract more customers, the company will allocate more funds to advertise in the social networks. Social networking has become one of the biggest ways to advertise products among teenagers. With a budget of \$35,000 awarded to Internet advertising, as the new Marketing Communications Manager half of the money will be awarded to sites like Facebook and Twitter where most teenagers spend most of their time. Collective research from the internet shows that almost 92% of teenagers today spend six to seven hours in such social sites. With figures like this, the company is assured to get a maximum return. The communication strategy of the year is meant to communicate two things (Guidelines for project).

The first and most urgent message to be passed through marketing of the new product is the change of customer selection. This message will not be passed casually but through the advertisements. The message will be made clear by the advertisements that the company will pass. First, the company will use a lot of money in order to develop an advertisement. This will be more appropriate for teenagers the company through is budget will setup a new advertising and marketing department that will see to it that the message is passed across. The company will also spend \$350,000 in television advertising and \$10,000 at radio advertising. Timing will have to be one of the biggest factors to consider while picking a sport of when to run the adverts. A research department will be set up to determine when most teenagers watch television (Kennaugh).

The second objective that the strategy is meant to accomplish s to see market sales of the product rise from the flat sales in the market. A rise of almost seventy percent profit is being targeted by use of communication strategies. Although the pull strategy will be implemented also at some point, the pull strategy will be considered the key strategy. The push strategy will see the products being advertised by the department promoted in order to stimulate market acceptability. The strategy will see the target audience accepting the product hence an increase in sales. As mentioned early, various channels of advertising will be used to pass along the message and help in promoting the product. For instance, Internet advertising will be used but not as the main-advertising media (Kerin & Peterson, 2007).

The main objective behind using Internet technology to advertise the product is that its target audience is mostly engaged in the Internet. However, the main and key medium that will be used for advertising the product will be television advertisement. There are few varied reasons why television will be the main advertising medium. First television is

one of the most prominent medium when it comes to advertising of products. Research done has proved that many people are first her about a product through television. The department will use television as the min medium for fulfilling objectives. In addition, another reason that has made television be considered, as the main medium of advertising is television is everywhere and is more affordable compared to other channels of advertising. The affordability is based on the fact that also of people can afford cable. In the real sense customer, affordability is the main target. Another reason why television advertising is used as the main advertising medium is that it attracts more customers through visual effects. Putting in mind that the company is seeking to sell edible products, television would be the best medium since it evokes the eye and puts the want on consumers to buy the products (Kennaugh).

For this year, the department will be allocated with \$2,000,000 that will help it drive its agendas. \$350,000 out of the \$2,000,000 will be directed to television advertising while \$10, 000 will be directed at radio advertising. Internet advertising transactional and informational website will have a total budget of \$75,000 sales promotion plus trade shows that will be aimed at advertising the product through direct contact with the clients will total to \$880,000. Direct mail that will be sent to selected clients as a way of advertisement plus brochures and collateral material will amount to \$90,000. The money that will be used in direct staffing of both promotional and other staff members will amount to \$165,000. The budget allocated to this department will be used to see to it that the products are well advertised within the country and community (Kerin & Peterson, 2007).

# Case Study 3: How Colgate Used Online Video, Social Media and Mobile to Drive Engagement and Purchase Intent

Colgate-Palmolive had a unique marketing challenge in launching Colgate Wisp, its new mini disposable toothbrush. Colgate began introducing the mini brush in April 2009 with help from Big Fuel, a social media marketing agency. The mini brush created a new product category for Colgate and meant marketing to a young, urban target—18- to 25-year-old men and women—a demographic the personal care giant doesn't typically focus dedicated attention on. It was clear that the company needed to figure out how to introduce the product into relevant conversations and contexts where its college student and young professional target hangs out.

**Challenge**: Colgate wanted to get Wisp into the hands of young, urban consumers who are active daters. The audience is active and mobile and dating opportunities can be created in an instant via text. "Wisp is almost a brand new product category," said Avi Savar, Founding Partner and CEO of Big Fuel. "It's an on-the-go product. The biggest

challenge for us was making the product and brand relevant to the young consumer market."

Not surprisingly, Colgate turned to social media to help it launch a multi-pronged campaign. But who wants to "friend" or follow a disposable toothbrush on Facebook? Colgate and Big Fuel tackled the challenge by conducting a lot of research. Big Fuel worked up several creative strategies and testing the concepts. "We wanted to know, what does this product represent or mean to the audience?" Savar said.

Typically, Colgate talks to moms, but with Wisp, the marketer knew it needed unique social media components to introduce the product and seed interest. Big Fuel worked closely with Y&R and VML, Colgate's creative and digital agencies respectively on the TV campaign, microsite, online banners and social media elements.

**Strategy**:Big Fuel came up with a "Be More Kissable" creative platform that positioned Colgate Wisp as a kind of technology advancement that it believed would connect with the target audience. The idea centered around self-confidence: "Everyone wants to be more kissable not just within the context of a physical kiss, but all the time. Feeling kissable is about feeling confident. From a social media standpoint, we thought it was a good platform," Savar explained. Colgate thought so too.

The concept, one of four that Big Fuel developed, was tested in four different markets. The linchpin involved creating irreverent online video content and syndicating it on YouTube and other video-sharing hubs. Along with a strategy focus on online video, Colgate Wisp developed a Facebook application and a Be the Face of Wisp photo contest.

At the heart of the strategy—online video. Big Fuel developed a series of viral videos, partnering with eight different publishers including CollegeHumor and YourTango and Web celebrities like Kip Kay, known for his how-to and prank videos, to syndicate the content. It released eight wacky videos targeting niche interests among the target audience, contextually integrating Colgate Wisp into how-to, comedy and talkshow-genre video content. The goal was to achieve a seamless content integration with no heavy brand sell. Online video syndication offered Colgate the potential to scale its vast consumer target.

The photo contest sought to identify the most kissable person in America: Participants who entered the contest uploaded a photo to colgatewisp.com and received a widget that enabled friends to vote for them. The widget was shared via the Facebook and MySpace networks and via the microsite. "It was like a syndicated version of 'Are you hot or not?', Savar said.

Big Fuel turned the contest into a social experience by enabling the widget to syndicate the photo content. Participants uploaded their photo, chose a specific Wisp color and placed it in the photo as an overlay. The contest enabled segmentation by geographic area as well. For example, when a man entered the contest, he could choose to look only at

women in Chicago who entered the contest and decide whether they were kissable or not. On average, Big Fuel reports that there were 11 votes cast per person or one individual voting on 11 different people.

To drive brand engagement further, Big Fuel created a Facebook app called Spin the Wisp. Once the app was installed, it had the names of the consumer's Facebook friends. Consumers could have the app randomly pick Facebook friends for the game or they could handpick up to 16 people to fill it. The Wisp landed on exotic locations and flavors—a woman could send a virtual kiss from Paris to her crush. Spin the Wisp became a novel way to flirt.

**Results**: Big Fuel reports that a Real Life Twitter video produced with CollegeHumor netted more than 1.7 million plus views. The video featured man-in-the-street style interviews by a standup comic who walked around blurting out things like: "I just found this new wisp. Anybody want a kiss?"

The Kip Kaye video "Quick Draw Gadget" in which Kip constructs a quick draw gadget out of a Colgate Wisp, has generated more than 1 million views. In total, the eight videos in the "Be More Kissable" series racked up more than 4.1 million views on YouTube as of late June 2010.

The two most recent videos for Colgate Wisp are College Humor POV "New Year's Eve" which logged 1,255,872 views and Michelle Phan's "Kissable Lips" video which has 1,791,352 views as of late June. All the videos were seeded on multiple video-sharing sites.

The game saw a 10% click-through rate. Each time someone received a virtual kiss, they got a notification that appeared on their wall. The 10% click-through rate was based on the total number engagements vis-à-vis the notifications.

The average number of spins per install on Spin the Wisp was 7.6. There were more than 100,000 engagements and 40,000 + installations of the widget and more than 1 million unique impressions of the widget. There were 500,000 views of a faux Wisp infomercial. Overall, as of May, 2010, Big Fuel reported 6 million+ total engagements with the Wisp campaign (widget installs, video views, game plays, pass-alongs). Big Fuel considered "engagement" as active participation, meaning someone played the game, shared it, watched a video—there was a 10-second minimum on viewing—and commented on a video, Savar said.

**Key Takeaways**: Colgate learned the value of what an engagement is, according to Savar. "It was the first time they ever measured anything based on engagements. They are accustomed to the number of impressions."

Now, Colgate is working to extend the engagement metric to its more mature brands. The brand has begun to understand what the value of video, game and other content is vs. framing content only within the context of an ad buy, Savar explained.

While the campaign was in the market for four months, the videos and game continue to run.

**Next Steps**: Colgate has moved forward with content marketing and social marketing for others of its product brands. Colgate shot new videos for the Wisp product site and two additional viral video. The brand says it's looking to turn customers into audiences and its brands into social identities.

The following mini-cases provide examples of businesses that have taken a decision to re-brand an existing product in an attempt to boost sales or reposition the brand in the eyes of the customer:

#### **Sunny Delight re-launches with SClub**

Procter & Gamble (P&G) has signed up pop group SClub (formerly S Club 7) for a £2m summer promotion for fruit drink brand Sunny Delight. The partnership with SClub is the cornerstone of a £12m Sunny Delight re-launch in 2002. It is the first celebrity tie-up for the brand.

Buyers who save eight labels from Sunny Delight products will be able to send off for an exclusive SClub CD. The CD includes a new track called Hey Kitty, taken from the next SClub album, and also features interviews with the band recorded for Sunny Delight on the set of the SClub television programme.

The promotion will be supported by a TV advertising campaign also featuring SClub, and an SMS text messaging campaign.

Why has P&G needed to re-launch Sunny Delight? P&G were required to reformulate Sunny Delight after a 35 per cent drop in sales following comments from the Food Commission over the effect of the brand on children's health and criticism that the product was packaged to look like a fruit juice.

The new Sunny Delight will be available in four sugar-free flavours and its packaging has been redesigned.

#### Lego axes sub-brands by re-branding its entire product range

Lego is re-branding its entire product range and introducing a new slogan to simplify what the Lego brand stands for. Lego says that in the past, consumers have been confused by the different sub-brands, such as Lego Technic, Duplo and Primo, and not realised that they were all part of the Lego group.

From the start of 2003 all products will be grouped under four new categories:

- Explore
- •Make&Create
- •Stories&Action
- Nex

Each of these new categories will be represented by their own set of colours.

The new product structure replaces the previous branding structure which largely categorised Lego products by target age range.

At the same time, a new slogan called "Play on", will come into effect, replacing "Just Imagine". It is meant to represent the five values behind Lego: creativity, imagination, learning, fun and quality.

Lego also plans to open a chain of branded retail stores, beginning with one in Cologne and a second in Milton Keynes.

#### AA re-brands to emphasise the width of its product range

The AA (formerly the Automobile Association) has announced that it intends to spend £22million on re-branding aimed at emphasising the width of its product range.

In an effort to be seen as more than just an emergency breakdown service, the AA wants to re-position itself as a multi-product business.

As part of the re-launch, a £12m advertising campaign will using the strap line "Just ask". The advertising campaign will explain to consumers that the AA provides 160 different products and services, including insurance, car servicing, maps and travel books.

The new "Just Ask" strap line will be carried on all the AA's communication, including its web site, membership cards and direct mail.

The positioning will encourage the cross-selling of AA products, and the company's call centres have been given technology to enable them to sell and answer customer queries on all AA products.

The AA's previous strap line was "To our members we're the fourth emergency service."

## Case-4

## Coca-Cola to re-brand 'diet' fizzy drinks

Coca-Cola in the UK is poised to change the brand names of Diet Fanta and Diet Dr Pepper to Fanta Light and Dr Pepper Light.

The company is also launching a Fanta Icy Lemon Light variant in the UK before the end of the year, which observers believe could be the springboard for the change.

The re-branding is designed to bring Coca-Cola's UK product range in line with branding across the rest of Europe. However, Diet Coke is expected to retain its name as significant money has been invested in establishing the brand since its UK launch in 1983.

Coca-Cola spent more than £4m on Diet Coke in the year to June 2002 (Source: Nielsen Media Research). The brand is called Coca-Cola Light in France, Belgium and other European countries. Coca-Cola brands Lilt and Sprite already have "light"-branded variants in the UK.

A sales promotion was launched for the Diet Coke brand in August featuring an instantwin, top prize of £100,000. All Diet Coke bottles are coloured silver for the campaign and it has been supported with outdoor and press advertising. case study-Coca Cola

Coca-Cola is, arguably, the world's most recognized brand, although Google and Nokia will likely close in soon. And this 122 years old, it is definitely an iconic brand, defined for the purpose of this story as one that has simply stood the test of time.

Still—although it is valued at \$65 billion (around Rs2.77 trillion) by UK brand consultancy Interbrand Corp.—Coca-Cola is not an iconic brand in India. In its present avatar, it is just 16 years old in the country, which it re-entered in 1992.

But CocaCola does own an iconic brand in India, Thums Up.

"Thums Up's invincibility underscores the fact that while some brands are glorious, some are truly iconic," says Y.L.R. Moorthi, professor of marketing at the Indian Institute of Management, Bangalore.

Parle-G, Amul, Lifebuoy, Dettol, and Horlicks are some other brands that enjoy the same inviolable relationship with at least some consumers. Age, competition, brand clutter and changing consumption culture have not been able to dent their equity among loyalists.

To be sure, every brand aspires to be an iconic brand, but only a few achieve the goal. "If there was a sure shot formula to building an iconic brand, every brand manager would follow it to the hilt," says Nabankur Gupta, founder CEO of Mumbai-based consultancy Nobby Brand Architects and Strategic Marketing Consultants. After all, which company wouldn't want its brand to live forever?

The process of creating an iconic brand is more intuitive than definitive, say brand experts. Yet, there are some attributes that are common to all iconic brands. They fulfil all the needs of their consumers—physical aspirations, functional requirements or emotional needs—and they do it with consistency.

In the process, their custody shifts from the hands of the company to their consumers. "Every iconic brand is perceived as 'my brand' by its consumers.

It is they who own the brand, not some branding whizz-kid," says Prasoon Joshi, executive chairman of advertising agency McCann Erickson India.

Thus, even when a company that owns an iconic brand runs into trouble and finds itself in a position where it is unable to spend as much time, money and effort on the brand as it should, the brand doesn't suffer much. Loyal consumers continue to relate to the brand even if there hasn't been an effective advertising campaign that reinforces the brand's

benefits .And they continue to buy into the brand.

That explains why some iconic brands, such as the Ambassador, retain their lustre, albeit for a limited group of customers.

# Case Study 5 Brand Lifebuoy

**History:** Owned by Unilever Plc., the parent company of Hindustan Unilever Ltd **Status:** Has 18% market share in the bathing soaps category, worth Rs6,000 crore. **Brand story:** Lifebuoy landed on Indian shores in 1895, when the country was in the grip of a plague epidemic.

With its positioning as a powerful germicidal and disinfectant, and with a strong carbolic smell, it was what the nation was looking for. But the health advantage waned over time as competitors came out with soaps that promised both health and beauty.

The 1970s were challenging times for the brand, especially in the rural markets, its mainstay. "The biggest challenge was to break the mould and do clutter-breaking advertising," says Manoj Tapadia, creative director at Lowe India, the ad vertising agency for Lifebuoy.

It was around 2002 that the product moved from being a hard soap to a mild soap that delivered a significantly superior bathing experience. The new soap had a refreshing fragrance and its overall positioning changed, painting its promise of health in softer, more versatile and responsible hues—for the entire family.

The packaging was also changed: The rugged looking packs were soon replaced with a softer pinkish cover. This was followed by a series of ads highlighting the soap's germfighting benefits.

Lifebuoy had become a family soap with hygiene as its core promise. "For a soap that had been relegated to toilets, Lifebuoy has gathered new adherents in an age where more consumers are getting concerned about germs and cleanliness," says Arvind Sahay, professor of marketing at the Indian Institute of Management, Ahmedabad.

"Lifebuoy has 112 years of existence in India and has constantly reinvigorated itself.

In the last five years, it has touched nearly 100 million Indians across 44,000 villages," says Srikanth Srinivasamadhavan, category head, personal wash, HUL.

Right from the early days, the brand has preferred effective communication to celebrities. An exception is its recent, limited exposure campaign with cricketer Yuvraj Singh.

# Case Study 6 Brand Thums-Up

History: Launched in India by Parle Agro Pvt. Ltd. Now owned by Coca-Cola. India Status: Market share is a much disputed subject in the cola industry—yet some insiders, who claim to be in the know, say that Thums Up accounted for 50 million of the 550 million cases sold in the carbonated drinks segment in 2007, and the brand is the largest selling cola in India, with a share larger than that of Coca-Cola and Pepsi. Brand story:

Thums Up was launched by Parle Agro Pvt. Ltd to fill the void left by the government ban on American soft drinks giant Coca-Cola in the 1970s. The thumbs-up logo was adopted early on, but the brand was positioned differently then.

"Thums Up was earlier positioned as a refreshing cola, with slogans such as Thums Up Makes it Great and Happy Days are here Again. It was post-1996 that the brand moved towards a more individualistic, masculine positioning," says Kashmira Chadha, director of marketing at Coca-Cola.

Things changed post liberalization, when Thums Up faced stiff competition from Pepsi and Coke. After a tough fight, the Chauhan brothers, owners of Parle Agro, finally sold Thums Up to Coca-Cola.

Though Thums Up enjoyed a market share of around 30% at the time, Coca-Cola focused all its energy on promoting the Coke brand.

"Any outsider will not be able to fathom the equity that the brand Thums Up enjoys among its target group. Coca-Cola did not understand it either. It was busy fighting Pepsi with its brand Coke," says Arvind Sharma, chairman, Leo Burnett India Pvt. Ltd, the creative agency that has handled the Thums Up account since the 1990s.

While Coca-Cola refutes the suggestion that it tried to kill Thums Up in India, people in the industry think otherwise.

"They tried to divert Thums Up loyalists to Coca-Cola in a concerted way," says a person who used to work with Parle Agro.

"By the time Coca-Cola and Pepsi came to India, a whole generation had grown up drinking Thums Up. Their connect with the brand was not easy to break," says a senior media buy er involved with the brand who did not wish to be identified.

Meanwhile, Coca-Cola also realized that about half its sales were on account of Thums Up; killing the brand at a time when competition with Pepsi was intense would mean losing that much in sales.

Around 1995, Coca-Cola began focusing on the brand—its positioning changed, to a more masculine brand. "The strategy was rooted in the simple insight that India is a market where most of the soft drink consumption is outdoors, and a majority of consumers are male. Using the strong taste of Thums Up, we repositioned the brand by marrying the taste to our target group," says Sharma.

In the recent past, the 31-year-old brand has held on to its market share. "For a brand as iconic as Thums Up, one does not need to innovate; it is consistency that won the consumers over and it is, therefore, consistency that we offer them," says Chadha.

## Case -7 Study Brand - Dettol

History: Owned by Reckitt Benckiser India Ltd

**Status**: A legacy brand, it was launched in India in 1932. Dettol has become the generic name for the liquid antiseptic products category and enjoys 85% market share in the segment. The brand today is present in various segments such as soaps, hand wash, shaving creams and plasters.

**Brand story:** Despite its first mover advantage, it did not become a household name from the word go. To break into the consumer space, the company launched an aggressive advertising campaign in 1960.

"By 1970, 4.7 million Dettol bottles were sold and, over the next one decade, the brand had penetrated into 40% of urban households in India," says Chander Mohan Sethi, chairman and managing director, Reckitt Benckiser India.

Dettol's reign in the market, though, has not been unchallenged. When UK-based consumer products company ICI Plc. brought its flagship brand Savlon to India, recalls Sethi, Reckitt Benckiser realized how serious the competition was—and "Dettol went to consumers with even more forceful campaigns".

In the 2000s, the company's long-standing slogan, Strong enough to protect the ones we love, changed to Dettol, be 100% sure. "As a brand, Dettol has always retained its standing on the anti-germ platform, although its portfolio has expanded to suit the lifestyle demands of consumers," says Suman Srivastava, chief executive, Euro RSCG, the advertising agency for Dettol.

### Case Study-8 Brand Parle-G

History: Flagship brand of Parle Products Pvt. Ltd

Status: Has a market share of 60% in the glucose biscuits category, worth about Rs2,000

crore

**Brand story:** In the hit Bollywood movie Welcome, actor Nana Patekar, in a passing reference to Parle-G, notes that even biscuits command respect and have to be addressed with a ji (a term of respect in Hindi). His remark, while made in jest, is not far off the mark.

It is a heritage brand. We sell over 25 crore packets every month. That should reflect the stature of the brand," says Praveen Kulkarni, marketing head at Parle Products Pvt. Ltd.

Parle's mantra has always been about repositioning the brand without tweaking the look and feel of the product. "The brand is clearly an Indian brand and it straddles all economic strata. The fact that it is a staple for everyone in the house keeps it going," says Nirvik Singh, chairman and president, Grey Global Group, South and South-East Asia, the agency that handles the Parle-G account.

There was a time when Parle-G's dominance was threatened by rival brands, especially the Tiger brand from Britannia. "We found out that Tiger was getting stronger in the kids segment, and we decided to change our positioning," says Kulkarni. Later, when the company sponsored the television show Shaktimaan on Doordarshan, it literally rescued Parle-G.

The brand also had some innovative commercials involving young children with a new punchline, G means Genius, which was an instant hit. While rivals have signed on

celebrities, Parle-G has managed to retain its leadership position with just a simple white-and-yellow striped wrapper with a picture of a baby on it. "We don't need celebrities as the brand equity is so strong," says Kulkarni.

The biggest concern is that the brand shouldn't become outdated as it is a historic brand. The brand has managed to retain its leadership position because it has evolved its campaign with every consumption trend," says Singh.

The last campaign, Hindustan ki Takat, (the strength of India) is a huge position which no other brand can take so effortlessly.

### Case Study- 9 - Brand Amul The Taste of India

#### **AMUL- The Taste of India**

**History:** Originally marketed by the Kaira District Cooperative Milk Producers' Union, Anand, it was taken over by the Gujarat Cooperative Milk Marketing Federation (GCMMF) in 1973

**Status:** Has a 15% market share in the Rs15,000 crore milk category, and a 37% share in the Rs900 crore organized ice-cream segment.

Starting with milk and milk powder, the Amul brand today covers a range of dairy products—from chocolates to cheese and, of course, butter

Brand story: If a brand's value is to be judged by the ease with which it can be recalled, then Amul's marketing campaign wins hands down.

With its clever use of topical events, Amul's utterly butterly campaign—it has the distinction of entering the Guinness World Records as the longest running campaign—has won the brand several accolades.

Playing the role of a social observer, its weekly comments have tickled India's funny bone since 1967, when Sylvester Da Cunha's irrepressible Amul girl first had her say.

But what's kept the brand going all these years? "We have changed the packag ing, our technology and our approach to mar keting based on the changing taste buds of our

consumers.

However, the only thing that has helped us sail smoothly is that we have not changed our core values—give the best quality product to the consumer, and the best possible price. It holds true in any era," says B.M. Vyas, managing director, GCMMF.

In fact, it is not just the core values at Amul that have remained the same; the core team associated with the brand is still the same. Even the advertising agency hasn't changed, and Da Cunha and FCB Ulka, have played a pivotal role in the growth of Amul.

"This has helped us maintain consistency in our communication. Our strategy of umbrella branding has also helped establish our brand firmly in people's minds. This, despite the fact that we do not spend more than 1% of our turnover for marketing, compared with 7-8% (spent) by most of the food and consumer product companies," R.S. Sodhi, head of marketing, GCMMF, says.

From Utterly butterly delicious Amul to The Taste of India, Amul continues to be the toast of the country.

# Case Study -10 Brand Horlicks and Strategies

**History:** Two Chicago, US-based brothers, James and William Horlick, first patented the malt-based milk drink as baby food. the US

While the exact date of its India launch is not known, some of its commercials date back to the early 1900s. Currently owned by GSK Consumer Healthcare Ltd in India **Status:** Horlicks holds 58% of the Rs1,900 crore health food drinks market, and is currently a Rs1,000 crore brand in India

**Brand story**: From a drink that was supposed to promote a good night's sleep to one that can help children grow taller, stronger and sharper, Horlicks has come a long way. Simultaneously, its brand image, too, has changed—from a fuddyduddy, boring health drink recommended by doctors to something that is nourishing, and enjoyable.

In 1992, as its market share grew, the brand extended itself to a new product—Horlicks Biscuits. In 1994, it started singing the "micronutrient" story, fol lowed by its "smart nutrients" campaign in 1998.

The brand underwent a massive transformation in 2003, when almost everything about it changed—from the taste and flavour to the packaging. It also changed its positioning: it was nourishing, yes, but also tasty.

Another turning point came in 2005, when the brand released a clinical study which claimed that children who consumed Horlicks were "taller, stronger, and sharper" than those who did not. For the first time, the brand tried to communicate with children, not just their mothers.

Beginning a major advertising and marketing campaign along that theme, new variants such as Horlicks Lite were launched, followed by the revamp of Junior Horlicks in 2006. The latest variant is Women's Horlicks, launched this year.

We are constantly striving to ensure that the brand is relevant to consumers," says Shubhajit Sen, vice-president, marketing, GSK Consumer Healthcare Ltd.Product innovation, he maintains, is likely to remain a priority.

# Case Study -11 Brand LUX

**History:** Owned by global consumer products giant Unilever Plc., the parent company of Hindustan Unilever Ltd (HUL)

**Status:** Enjoys more than 17% market share in the premium soaps market valued at Rs6,000 crore

**Brand story:** What is the common seductive link between Hollywood actor Paul Newman, Bollywood actors Shah Rukh Khan and Aishwarya Rai Bachchan and All India Anna Dravida Munnetra Kazhagam chief J. Jayalalithaa? They have all tried selling a soap at some point or the other.

And the soap is Lux, the premium beauty soap from consumer products company HUL. "Lux has been the epitome of beauty for the Indian woman and inspires all women in India to enjoy the process of beautifying without any constraints," says Srikanth Srinivasamadhavan, category head, personal wash, HUL.

Lux—derived from the word luxury— was launched in 1899 as a laundry soap in the UK. In 1925, the brand was extended to the toilet soap category. It was positioned as a beauty soap in India, and HUL has since used successful film actors of the time—such as Leela Chitnis, Madhubala, Hema Malini and Kareena Kapoor—to endorse the product. Lux's secret of longevity has been its consistent evolution—be it the soap colour, packaging or new variants, the brand has banked on innovation to keep its youthful image intact. Extending the soap cake to a range of shower gels, liquid soaps and moisturizing bars has helped the brand keep consumers excited and the competition at bay.

What has not changed is the consistency in its communication and its positioning. Its tag lines—If it's good enough for a film star, then it's good for you too to Play with beauty—have conveyed the same message over the years. "Lux is a brand like Mills & Boon. While the packaging and content could change, the romance angle doesn't. It taps into an emotion very close to humanity's basic need—social interaction.

The brand has always hired celebrities when they have reached a certain height rather than using them at the start of their careers. This avoids the issue of celebrities overshadowing the brand," says Agnello Dias, national creative director, JWT, which handles the account.

# Case Study -12 Rayomond The Brand and its Branding Strategy

**Status:** Raymond produces more than 35 million metres of fabric and holds over 60% of the market share in the suit fabric market in India

**Brand story:** In the early years, the brand started out with a chess king logo. In the late 1960s and early 1970s, Raymond decided to include the common man with an instructive campaign. The brand offered a "guide to the well-dressed man" that would educate the consumer.

The brand's persona was taken forward by Vijaypat Singhania, chairman emeritus of the Ray mond Group. In the 1990s, it launched The Complete Man campaign. And, more recently, Raymond has taken this concept further with a new initiative which also focused on the product—Feels like heaven, feels like Raymond.

"Raymond's success lies in the fact that its pursuit of innovation is part of an ongoing strategy, not a knee-jerk reaction imposed by market conditions," says Gautam Hari Singhania, chairman and managing director, Raymond Ltd.

"Till date, any special occasion—first job interview, a wedding in the family or even the first board meeting—Raymond is the preferred brand," he adds.

"A brand can never be created through ads or campaigns alone...it takes a lot more than that to win the consumers' faith and confidence," says Nabankur Gupta, founder CEO, Nobby Brand Architects and Strategic Marketing Consultants.

Raymond has, year after year, delivered on a brand promise, Gupta adds—with trust and performance creating a strong emotional bond with consumers.

# **Case Study -13 ONIDA The Brand and its Strategies**

History: Owned by Mirc Electronics Ltd

**Status:** The most recognizable home-grown brand in the highly competitive consumer electronics industry dominated by Korean chaebols such as LG and Samsung.

**Brand story:** Onida is a brand best remembered for its unique mascot—the green devil with horns, long nails and spiky tail slithering across television screens. The tag line, Neighbour's Envy, Owner's Pride, was as catchy as the mascot. The devil turned out to be an angel in disguise—his mischievous message stood the brand in good stead in times that saw many of its rivals capitulate under market pressure.

For, Onida, too, was a victim of liberalization: Korean heavyweights such as LG Electronics and Samsung came to India with aggressive pricing and distribution strategies and conquered the consumer electronics market. The older players, such as Mirc, Videocon and BPL, couldn't match their ability to scale up operations and cut prices while playing the volumes game. Most companies went into the red.

Onida survived. "There was a great fear that all Indian companies will be washed out with large MNCs (multinational companies) coming to India. But, Onida had managed to build a strong connect with its consumers and it re mained intact even in challenging times," says Gulu Mirchandani, chairman of Mirc Electronics. "We soon decided that to stay ahead, we must make products that are not only globally competitive but measure up to global standards of quality as well," he adds. The company continued to communicate its brand promise through clutter-free advertising—and the irrepressible devil.

According to a study of brands by market research firm TNS Mode released in September 2007, more than 78% of those surveyed could recall the devil, and connect it with the Onida brand. The times remain challenging, but the devil and his antics have built a strong equity among consumers.

# Case Study -14 AMBASSADOR The classic Brand

**History:** Owned by the C K Birla-managed Hindustan Motors Ltd.

The first Ambassador car, modelled after the Morris Minor, rolled off the assembly line as the first truly Indian car

**Status:** This sturdy behemoth continues to thrive in smaller towns and is also popular with the minority wishing to make a "retro" statement in the cities

**Brand story:** The car that won't die has also become a brand that won't die.

Hindustan Motors, the manufacturer of one of the world's oldest cars, sells about 13,000 cars each year, mostly in the eastern and southern parts of India. Most spend their lives as taxis, about a quarter ferry government employees and the remaining 15% are for the retrochic and nostalgic customers.

Earlier, fashion designer Manish Arora—himself the owner of a black "Amby"—hosted a special on Discovery Travel and Living, where he took the car, gutted, and then rebuilt it. With Puducherry leather upholstery and cloth from New Delhi's Karol Bagh and old Delhi's Chandni Chowk, he turned it into a fashionable symbol of eclectic India.

The Ambassador's dependability, spaciousness and comfort factor made it the most preferred car for generations of Indians till sleek, powerful beauties took over Indian roads. And its brand ambassadors ranged from the Prime Minister's motorcade to the kali-peelis (black and yellow cabs) that stood, and still do, at every taxi stand.

Hindustan Motors even rolled out a special model to celebrate its 50th anniversary.

The bulging headlights, rounded body and a big bonnet were there, but there were also many new features—reflecting changing consumer preferences and a refusal to die. This is not your grandfather's Ambassador, but features bucket seats, power steering and mobile chargers

# Case Study -15 FAIR & LOVELY The Brand from HUL

#### **FAIR & LOVELY**

**History:** The fairness cream brand was developed by Hindustan Lever Ltd (now Hindustan Unilever Ltd) in 1975. The product was then marketed nationally in 1978

**Status:** According to industry estimates, Fair and Lovely holds 80% market share in the at least Rs1,000 crore by sales Indian fairness cream market

**Brand story:** Made to cater to the Indian market, where beauty is equated with fair skin, the launch of Fair and Lovely was met with much enthusiasm. In 1988, the brand went international, and is now available in 40 countries.

The brand has had its share of negative publicity, with women's groups calling the ad regressive. The ads, which focused on the mass aspiration of "marrying well", soon moved to more progressive ones in the 1980s.

The early 1990s saw the brand take on the role of enabler of t dreams. In the late 1990s, the brand message was that a woman could make her own destiny—a thought that was carried forward in all its campaigns. In 2007, the brand tweaked its approach to the Power of Beauty platform.

With the fairness cream business accounting for the lion's share of the skincare products industry here, several companies have launched fairness creams in the hope of securing a piece of the growing pie.

While none were able to challenge HUL in terms of numbers, they did start eating into the company's market share with unique offerings.

Fair and Lovely was quick to take on competition—with variants. So, whether it was unique offerings such as ayurvedic formulations with saffron (to combat Fairever by CavinKare Pvt. Ltd) or those that claimed to erase marks (to fight No Marks by Ozone Ayurvedics), Fair and Lovely managed to launch variants that matched, and in some cases even topped, the promise touted by the competitor. To tap the premium segment of the market, Fair and Lovely also launched Perfect Radiance. The popularity of the brand and category can be gauged from the fact that today, it even has a variant for men.

# <u>Case Study -16</u> MARUTI 800 - The legacy Brand

#### **MARUTI-800**

**History:** Launched as a joint venture between the Indian government and leading Japanese automobile company Suzuki Motor Co. The government eventually sold its stake to Suzuki.

Now, the flagship brand is Maruti Suzuki India Ltd Status: Maruti 800 has a 4.5% share in India's 1.5 million passenger car market and is no longer the car that sells the most in India. However, it was responsible for making its company India's largest car maker Brand story: Much before Ratan Tata unveiled the Nano in January this year, India had its own unique people's car—the Maruti 800. Introduced in 1983, it still zips across Indian roads, making it one of the longest surviving automobile brands here.

Maruti 800 captured the imagination of a nation that had gotten used to expensive, fuel guzzling vehicles of World War II vintage. A small car that was within the reach of middleclass households, the Maruti 800, or "car" as it is still known within the company, introduced a whole generation of customers to four-wheelers. Within a couple of years of its launch, it became India's largest selling car, a position it held for almost a decade-and-a-half before being overtaken by Alto, a larger, more spacious small car from the same company. Till date, around 2.5 million units of the car have been sold in India and 180,000 units exported.

For any brand to survive so long, "expectation and product promise should match", says Mayank Pareek, executive officer, marketing and sales, Maruti Suzuki. "This car came as a breath of fresh air and almost immediately be came the first choice of its target consumers. It has evolved from an aspirational product to a common man's car," he adds. While Maruti Suzuki India Ltd has tweaked the positioning several times, the underlying theme remains unchanged—an affordable, fuel-efficient vehicle, easy to run and maintain.

It was, and remains, a car for the first-time buyer though rising disposable incomes, cheaper loans and the introduction of other slightly apsirational brands have started eating into its market share. The car, however, still remains in the Top 10 list of automobile models sold every year.

Introducing new variants and facelifts—four so far—and targeting new, first-time buyers have been the driving strategy behind this. The communication—especially the television commercials—has been aimed at getting across the value proposition of an affordable and fuel-efficient car.

Maruti has targeted twowheeler owners with promot ional offers. Still profit able, it could be a key weapon for the company in the battle against the Tata Nano.

"One would assume that with a fully depreciat ed plant and proper cost allocation, a Maruti 800 with a little facelift could come in at a similar price as the Nano," says Arvind Sahay, professor of marketing at the Indian Institute of Management, Ahmedabad.

# Case Study -17 HAJMOLA - The brand and it's Branding Strategies

**History:** Owned by home-grown consumer products company Dabur India Ltd.

**Status:** Has more than 60% market share in the digestive products markets worth Rs150 crores

**Brand story:** Hajmola, one of the strongest brands in Dabur's portfolio, was launched in 1978 with a core proposition of "fun, taste and i digestion". Its tag line for years - Chatpata swad, jhatpat aaram, (tastes good, provides instant relief) conveys the product's benefits simply and succinctly.

Over the past few years, the brand has to moved away from it's ayurvedic positioning to that of a mild digestive product with a younger and naughtier image. With a category penetration of close to 80% (which means eight out of every 10 Indians have used digestive tablets), the company claims that around 20 a million Hajmola tablets are consumed every day in India.

A lack of serious competition has given the brand a definite edge over the few regional and unorganized players that compete with it. "The (brand's) fundamental premise is a 'universal' need. Hence, it is sustainable," says Sanjeev Malhotra, director, Alia Creative Consultants Pvt. a brand consulting firm.

Another reason for Hajmola's success is that it has kept pace with the evolution of the consumer. "Earlier, Hajmola was available only in glass bottles and was more of an inhouse consumption product. But the introduction of Hajmola in pouches gave consumers an option of buying and consuming it on the go," says K.K. Rajesh, executive vice-president, Dabur.

The brand has extended itself to candy and other forms of digestives as well. "Apart from a new price point, a new format like candy (has) brought new consumers, mostly kids, into the brand fold," Rajesh adds. Another evolution strategy was the use of celebrities such as cricketer Kapil Dev in the 1980s and actor Amitabh Bachchan in recent times. This helped in giving the brand a certain status.

# **KEY TERMS**

## Advertising

"Advertising is the nonpersonal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media"

# **Marketing communications**

Marketing communications (or marcom) consists of the messages and related media used to communicate with a market. Those who practice advertising, branding, direct marketing, graphic design, marketing, packaging, promotion, publicity, public relations, sales, and sales promotion are termed marketing communicators, marketing communications managers, or more briefly as marcom managers.

### **Integrated marketing**

Integrated Marketing Communications (IMC) is the coordination and integration of all marketing communication tools, avenues, functions and sources within a company into a seamless program that maximizes the impact on consumers and other end users at a minimal cost

Strategy aimed at unifying different marketing methods such as mass marketing, one-to-one marketing, and direct marketing. Its objective is to complement and reinforce the market impact of each method, and to employ the market data generated by these efforts in product development, pricing, distribution, customer service, etc.

# **Consumer Orientation**

Consumer Orientation is the focus on meeting the needs of one's customers, internal or external. This service establishes specific customer satisfaction standards and actively monitors client satisfaction, taking steps to clarify and meet customer needs and expectations (both expressed and unexpressed). At lower levels the service involves courteous and timely responsiveness to the requests of customers, while at the higher levels, it involves developing the relationship of partner and trusted advisor.

#### **Puffery**

Puffery refers to making exaggerated claims about the product, which cannot be proved. Advertisements are said to be in bad taste when they offend people.

# Stereotyping

Stereotyping refers to portraying men or women in a particular role, with a negative image. Advertisements targeted at children are considered unethical as children are not capable of processing the given information.

## **Marketing**

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

## **Advertising agency**

An advertising agency or ad agency is a service <u>business</u> dedicated to creating, planning and handling <u>advertising</u> (and sometimes other forms of <u>promotion</u>) for its clients. An ad agency is independent from the client and provides an outside point of view to the effort of selling the client's products or services. An agency can also handle overall <u>marketing</u> and <u>branding</u> strategies and <u>sales promotions</u> for its clients.

# **Creative strategy**

A creative strategy defines the important strategic choices required to develop a marketing message. The creative strategy (often called a copy or advertising strategy) defines what you will say about your product or service. It explains how you want consumers to think about your Brand.

The creative strategy guides and directs the development of current and future sales messages, brochures, and advertising. A written creative strategy becomes a potent management tool for directing the activities of advertising agencies. It clearly articulates how the product or service will be presented to customers and positioned versus competitors

#### Compensation

Compensation is the remuneration received by an employee in return for his/her contribution to the organization. It is an organized practice that involves balancing the work-employee relation by providing monetary and non-monetary benefits to employees. Compensation is an integral part of human resource management which helps in motivating the employees and improving organizational effectiveness.

# Target market

A target market or target audience is a group of people that will basically need or want your products and services. Target market is defined in terms of age, sexual orientation, gender, economic class, religion, ethnicity, or location. This socio-economic grouping process actually allows businesses to create profiles of the typical consumers who will likely buy the products of our company.

# **Advertising Appeal**

Advertising appeal is a sense of attraction in the product for customers Example: In the novel "An Old man on Highway" many attractive features have been added by its author "Ashutosh shrivastava" such as poetry for middle class, after marriage bachelor lives of three friends. big size font to maintain stress-less reading. comedy and suspense

Distinctive <u>claim</u> of an <u>advertising</u>. Creating advertising <u>appeal</u> for a good or <u>service</u> begins with identifying a reason for people to <u>buy</u> it. <u>Advertising agencies</u> then <u>build</u> <u>advertising campaigns</u> around this appeal.

## **Copy testing**

Copy testing is a specialized field of <u>marketing research</u> that determines an ad's effectiveness based on consumer responses, feedback, and behavior. Also known as pretesting, it covers all media channels including television, print, radio, <u>internet</u>, and <u>social</u> media.

### **Print advertising**

Print advertising definition usually refers to the techniques and practices used to bring products, services, opinions, or causes to public notice via flyers, newspapers, magazines, catalogs, or mailers for the purpose of persuading the reader to respond in a certain way.

#### **Electronic advertising**

Electronic advertising form of advertising that uses the Internet and World Wide Web in order to deliver marketing messages and attract customers. Examples of online advertising include contextual ads on search engine results pages, banner ads, Rich Media Ads, Social network advertising, online classified advertising, advertising networks and e-mail marketing, including e-mail spam.

#### **Outdoor Advertising**

Any advertising done outdoors that publicizes your business's products and services. Types of outdoor advertising include billboards, bus benches, interiors and exteriors of buses, taxis and business vehicles, and signage posted on the exterior of your own brick-and-mortar location.

#### **Direct Mail Advertising**

It is the oldest medium of advertising. It is the way of sending sales messages directly to the customers through post, salesmen or dealers etc.

A marketing effort that uses a mail service to deliver a promotional printed piece to your target audience

Form of advertising that utilizes the mail to get a communication directly into the hands of a prospective customer or business recipient. Direct-mail advertising is designed to generate a response to the communication, such as an order, a donation, a request for additional information, or a visit to a place of business. The success of direct-mail advertising relies upon an efficient postal system. Direct-mail advertising includes fliers, letters, brochures, reprints, circulars, and other material sent through the mail. In direct mail, specific markets can be pinpointed with precise selectivity, and results can easily be measured in terms of cost-per-order or cost-per-response.

## **Radio Advertising**

Radio advertising is described as "word of mouth advertising on a large scale". It appeals through the ears. Now-a-days all radio stations all over the world broadcast commercial advertising. The advertisers prepare the programme before hand keeping in view interests of the listeners.

#### **Television Advertising**

It is the latest and novel method of advertising. It provides the coordination of sound, sight, motion and immediacy that no other medium provides. It combines radio, movies and theatre. It is a colourful presentation. In this medium, salesman can present and demonstrate the product.

# **Advertising Films**

Commercial films are produced to publicize the products with a story. They prove effective, because they give oral and visual message.

#### **Slides**

These are exhibited in cinema houses. They produce the effect like posters. These are exhibited on the screen for an agreed period. The slides are shown before the cinema show or during the intermission.

#### **Video Advertising**

This medium has grown rapidly in advertising circles. Video commercial films are produced to make publicity of products.

#### Cable TV Advertising

Cable TV has opened up various avenues for the advertisers to promote their products. It is in the form of spots sold to national advertisers on programming on networks.

#### Moral Appeals

Moral appeals are directed to the consumes' sense of what is right and proper. These are often used to exhort people to support social and ethical causes.

#### Media

Media takes many forms in our world today. Newspaper, television, printed matter and radio are all forms of media. There are great advantages to having a country that protects your right to a free press as the United States does. You can use any form of media to express your ideas and present your opinions to the public. The media is often considered the mouthpiece of modern culture.

The dictionary defines media as all the means of communication, as newspapers, radio, and TV, that provide the public with news, entertainment, etc., usually along with advertising. Essentially, that means almost anything can be media as long as it is watched.

Combination of media to be used in an advertising campaign. In the past, television and magazines dominated the media mixes of most national advertising campaigns because these media reached the broadest segments of the market. However, in recent years, clutter, rising advertising costs, and smaller audiences have caused advertisers to seek more cost-efficient avenues for their advertising dollars. Consequently, media mixes may now include vehicles such as telephone directories, cable television, ballpark billboards, supermarket shopping carts, and other forms of media that may reach a narrower market segment but cost less and target more effectively.

# **Media Strategy**

The plan of action an advertiser uses to bring advertising messages to the attention of consumers through a particular media and vehicle.

Media planner is a job title in an advertising agency or media planning and buying agency. Media Planners are responsible for selecting media for advertisement placement on behalf of their clients. The main aim of a media planner is to assist clients in achieving their business objectives by recommending the best possible use of various media platforms available to advertisers, to generate the maximum return on investment from clients' media budgets.

# **Broadcasting network**

A broadcasting network is a collection of radio or tv stations that air programming from the same centralized source.

# **Multiple Choice Questions**

Q-1	Which of these is not a outdoor Media: (a) Vehicular Advertising	(b) Sandwichner		
Ans	(c) Television (c)	(d) Neon Sign		
Q-2	Which of these is direct Advertising Media?			
	(a) Catalogues	(b) Magazine		
	(c) Newspaper	(d) Radio		
Ans	(a)			
Q-3 Envelop Enclosures is which type of advertising				
Q-3	(a) Indoor Media	(b) Direct Advertising Media		
	(c) Outdoor Media	(d) Internet		
Ans		(a) Internet		
	`	Relt		
Q-4	Which of these is not current Developmen	nts in Advertising		
	(a) Brand Advertising	(b) Political Advertising		
	(c) Corporate advertising	(d) Newspaper		
Ans	: (a)			
Q-5	(a) Brand Advertising (b) Political Advertising (c) Corporate advertising (d) Newspaper (ns: (d) (b) Political Advertising (d) Newspaper (ns: (d) (d) Newspaper (ns: (d) (d) (d) (d) Newspaper (ns: (d) (d) (d) Newspaper (ns: (d)			
~ -	(a) Price	(b) Pleasant		
	(c) Quality	(d) Feature		
Ans	(a) Price (c) Quality : (c)	. ,		
Q-6	6 Which of these is not a type of Advertising Agency?			
	(a) In house Agency	(b) La carte Agency		
	(c) Out house Agency	(d) Creative boutique		
Ans	: (b)			
Q-7 Which of these is an Advertising Objective?				
	(a) To entertain	(b) To create humour		
	(c) To Persuade	(d) To increase Goodwill		

Ans: (a)		
Q-8 Which of these is a type of hidden Adver (a) Surrogating (c) Comparative Ans: (a)	tisement? (b) Competitive (d) Industrial	
Q-9 Pride Appeal is which type of Appeal:	(b) Informative (d) Non-information	
Q-10 Which of these is a model of marketing C  (a) Black Box Model  (c) White Box Model  Ans: (a)	Communication Model? (b) NCB Model (d) FOS Model	
Q-11 Which of these are Ethical issues in Marketing Communication?  (a)Marketing Perpetuates Stereotyping (b) Marketear use fair tactics (c) No deceptive practices done by Salespeople (d) It don't overemphasizes materialism  Ans: (a)  Q-12 What is the full form of ASCI (a) Advertising System Council of India (b) Advertising Standard council of India (c) Advertising System Concepts of India (d) Advertising Securities Council of India  Ans: (b)		
Q-13 What is DAGMAR?  (a) Marketing Communication Model  (c) Marketing Strategy  Ans: (a)	(b) Marketing Mix Model (d) Marketing Promotion to 01	

Q-14 What is the full form of (FCB) Model?  (a) Foat , cane & Bending  (c) Foote, Cone and Belding  Ans: (c)	<ul><li>(b) Float , cast &amp; Blending</li><li>(d) None of these</li></ul>		
Q-15 What is full form of AIDA Model?  (a) Attention, Interest, Desire Action  (b) Aware, innovation, Desire, Assumpti  (c) Ample, Innovation, Deep, Action  (d) None of these  Ans:(a)	on		
Q-16 Which of these is a method used to compete (a) Commission Plus Method (c) Percentage Charges Agree.  Ans:(a)	ensate advertising Agencies (b) Incentive Fee Arrangement (d) Speculative Comm.Plus		
O 10 TATE 1 (11 ' 1 ( 1 A 10			
(a) Raymonds (c) 5-Star  Ans: (a)	(b) Insurance (d) Sleepwell		
Q-18 Which of these is an example of teaser ad  (a) Nescafe  (c) Complain  Ans:(a)	vertisement? (b) Mountain Dew (d) Tata tea		
Q-19 Trade fair is which type of advertising (a) Direct Advertising (c) Indor Media Ans: (d)	<ul><li>(b) Outdoor Media</li><li>(d) Display Advertising</li></ul>		

Q-20 What is the full form of (TRPs)

- (a) Target Rating Points
- (c) Test Rating Paper

Ans: (a)

- (b) Time Revision Points
- (d) None of these



# M.B.A. (Sem.III) (Main & Back) Examination, December-2010 M-307: Advertising Management (Minor)

Time: 3 Hours Total Marks: 70
Min. Passing Marks: 28

The question paper is divided in two sections. There are sections A and B. Section A contain 6 question out of which the candidate is required to attempt any 4 questions. Section B contains short case study/application base 1 question which is compulsory.

All questions are carrying equal marks.

Use of following supporting material is permitted during examination.

# Section-A

- 1. What are the elements of promotional mix? Compare FCB model with AIDAS model and critically evaluate them.
- 2. Explain the step's involved in advertising planning process using same hypothetical example.
- 3. Explain the different types of advertising appeals and formats. Elucidate them with examples.
- 4. Write short notes on:
  - (a) Political advertising
  - (b) Cyber advertising
  - (c) Television advertising
  - (d) Transit advertising

- 5. What do you mean by advertising effectiveness? Explain pre and post campaign measures to evaluate effectiveness.
- 6. "Spending on Advertising is like searching for a black cat in a dark room where the cat exists or not, you may not know". Critically evaluate the Statement.

#### Section - B

# 7. Read the case given below and answers the questions:

"The Gujarat Co-operative Milk Marketing Federation (GCMMF) is India's largest food products organizations. It manufactures value for money food products that include bread spreads, cheese, ethenic sweets, ghee, milk powders, health drinks and ready to serve soups.

GCMMF handles around 6.9 million liters of milk per day with a producer membership base of 2.4 million. AMUL is the mother brand of all the products of GCMMF.

Before AMUL entered the picture, companies used conventional methods of advertising where the focus was only on the food products and tone of the pitch—was serious. AMUL changed the way food products where communicated to the—people in India. It always advertised its mother brand - AMUL and not its product's like butter pizza'a cheese. Secondly AMUL used hoardings and posters extensively and handled them with smart executions. The pitch was tangy, comic, humorous and very—contemporary for example when a movie was released the next day banner announced "Young De basanti" with amul slogan on a famous scandal, the banner read "Satyam, Sharam, Scandalam" with AMUL butter jam" written beneath. GCMMF also introduced "AMUL GIRL", a cartoon character which—became a house hold name in India.

# **Questions:**

(i) Analyze the reasons for success of GCMMF hoardings which continue to evoke interest even after 39 years of its existence. To what extent do you attribute the success to topical advertising?

(ii) GCMMF introduced "AMUL BOY" in 1999 to create a brand recall but this new mascot did not met with the same success of "AMUL GIRL".

How can GCMMF establish a new mascot and avoid confusion in the minds of the target customers?



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All questions are carrying equal marks.

Use of following supporting material is permitted during examination.

# **SECTION-A**

- Give pertinent traits of an 'Advertising budget'. What are the sources influencing the size of advertizing budget?
- Write short notes on:
  - (a) Advertising appeals
  - (b) Copy testing and plaghosis.
  - (c) Types of media
  - (d) DAGMAR approach.
- 3 Explain least dependent person hypothesis and its branding implication.
- 4 "Advertisement strategies" is the implementation of marketing communication tool. Explain.

- What is "Motivation research"? Explain its various techniques and usage in advertisement management.
- A company invests a huge amount of monetary resources in launching new product in the market, the product crashes in the market. The investment done by company is waste. Comment.

## SECTION - B

# 7 Read the following Case and answer the questions:

With Cartoon Network as the latest baby sitter and the family constantly on the move, the 1990s children have transformed overnight into little men and women. Increasing peer pressure . and the pretzel logic of a social glasnost are invading the innocence of childhood, leaving behind traces of consumer boom in the ductile minds. Thus, ads bring in a child into focus. Kids ' are mostly not the direct buyers but they hold the key to crazyj and unpremeditated shopping. "Todays' kids are incredibly brand conscious," says Mr. T Sandeep Chowdhury, General Manager, Ammarati Puris, Lintas, Calcutta. 'For me, a toothpaste is a toothpaste. But for my daughter, it is Pepsodent. According to Ms. Amna Khan of theIndian Market Research Bureau (IMRB), children playback a lot of advertising. And this is not just restricted to the urban millieu. \* For Bata, for example, school shoes have always remained key .A contributors to its coffers, despite the seasonality of sales. But fierce competition from other cheaper local brands was slowly chipping away its monopoly. Corporates like Maruti, Modi Xerox, Raymonds, Nivea, Hyundai and Fiat-none of whom have quite direct children- related products have all nevertheless brought in these little devils either in their campaigns or as part of their marketing A strategy for the potential they hold. The prospective buyer in a kid is never forgotten. Where they are not the direct targets, companies utilise them as goodwill gestures. Moulding them as customers when they grow-up has become an absolute necessity. And these companies are doing just that; "Competitive brands are widely available today. But one thing that they can never appropriate is the core. Bata value of trust-dependable and tough shoes which you can bank on. The communication task was, therefore, to reinforce all these values . into these low involvement product category." Says Uftio Mazumdar of HTA who handles the Bata account.

The Santro has ridden piggyback on Shah Rukh's frenzied asuccess. But why '? Hyundai India's MD, Mr. Kim said the logic behind the choice was simply that Shah Rukh was someone with whom both 'kid and his parent' can relate to. Hence Shah Rukha's Hyundai's brand ambassador. Mr. P. Mani, Regional Manager, Calcutta, MUL, says, "We believe inxcreating relationship. One day when the kids grow up, there is a possibility they will come back to us."

- 1 What are the associative values of a kid with the product V offering?
- 2 Whether kids should be involved in advertisements in general ?Whether kids should become part of campaigns for products meant for kids, called JFK ?
- 3 Whether communication of brand value through kids entails long-term relationship as there is a possibility that kids will come back to that product when they grew up? Is this important benefit to corporate image and relationship marketing?

