

Unit No. I Advertising Management

Unit No - 1

(1)

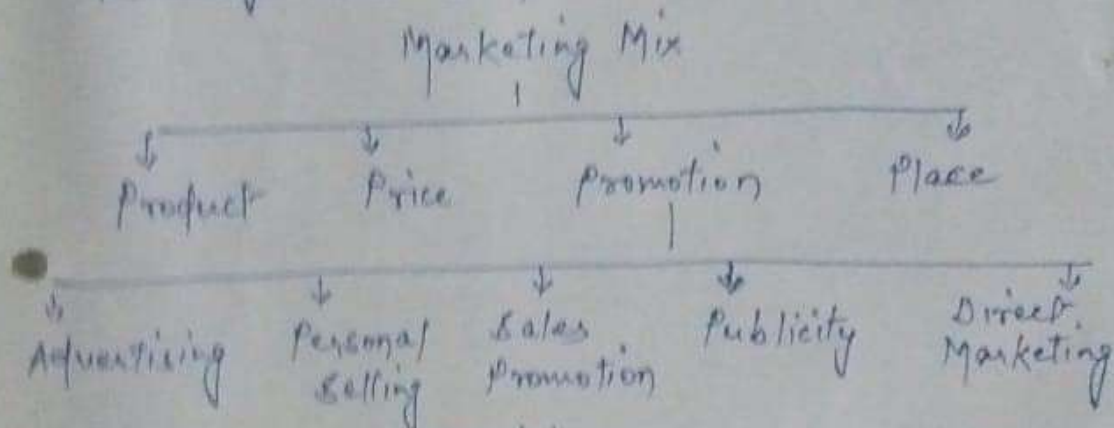
1. Advertising:- Any paid form of non personal presentation and promotion of ideas, goods and services by an identified sponsor.

by American Marketing Association

The dissemination of information concerning and idea, service or product to compel action in accordance with the intent of the advertiser.

By Manendra Mohan, Advertising Mgt.

2. Marketing Mix and promotion Mix:-



3. features of Advertising:-

1. Any paid form
2. Non personal presentation & promotion
3. Ideas, goods, and services
4. Any identified sponsor.
5. Controlled
6. ~~Mass~~ Mass Communication media

7. Persuasion

8. It is not neutral; it is not unbiased.

3. Stages of product that determines advertising strategy :-

1. The introductory stage :-

The marketer develops a new product and there is no assurance that consumers will perceive a need for it. Unless consumers perceive a need for the product, it will not sell.

The job of advertising is to introduce the idea that the product is better able to meet consumers' needs than the existing solutions.

Role of ad message is product knowledge, change existing habits, develop new usage, cultivate new standards of living and implant a new way to existing approaches of problem solution.

2. Competitive stage :- The consumers have accepted the product and the competition has moved in the market place.

Role of ad message is to clearly, and convincingly, differentiate the company's brand and communicate its position.

3. Reminder stage :-

Marketers may not feel for competitive advertising, if the marketer do not advertise, consumers are likely to forget the product. So reminder ad is required to keep the brand in front of consumers for top of mind recall.

Types of advertising :-

1. National Advertising :- This advertising is undertaken by the marketer of a branded product or service which is sold through different outlets in the distribution channel wherever they may be located.
2. Retail (Local) Advertising :- advertising is done for specific brand at local level.
3. Cooperative Advertising :- Manufacturer of consumer durable goods shows interest in dealers' advertising. They put out ad in the local media under their names to identify the dealers in different geographic market. The manufacturer and the dealer share the media costs also.
4. End product advertising :- There are many products that are rarely purchased direct by consumer. They are usually bought as a part or ingredient in other products. Advertisement of such products are called as end product advertising. E.g. of products are Teflon (Dupont), Pentium (Intel), Athlon etc.
5. Direct response Advertising :- This type of advertising encourages the consumer to respond either by providing feedback to the advertiser or placing the order with the advertiser by direct mail, catalogue, direct response print advertising, direct response broadcast advertising, telephone & internet.

2. classified ads :- These are substantial ⁽⁴⁾
source of revenue for newspapers. The ads
are arranged under subheads that describe the
class of goods or the needs that the ads seeks
to satisfy. Such ads provide a opportunity
for all types of goods or services - real estate,
autos, matrimonial, domestic help, coaching,
employment, business opportunities etc.

Advertising to business & professions :-

1. Trade advertising :- This is used to promote
products to re-sellers, encouraging them to stock
the product. unless the product is available
with retailers, consumers will not have the
opportunity to purchase it.

2. Industrial Advertising :- Advertisement for
industrial products for manufacturers such as
machs which require machinery, equipment
raw materials and consumables in producing
the finished products that they sell. Industrial
advertising is directed at a specialised and
small sized target audience.

3. Professional Advertising :- It is directed towards
people who are not the final consumers. Many
professionals like architects, engineers, medical
consultants etc often make final purchase
decision on behalf of their clients.

4. Corporate or Institutional Advertising :- It is a
extension of the public relations function and does
not promote any specific product or service.
It aims to build and maintain the image of a
company or institution.

Corporate Advertising is controversial form of advertising :- reasons.

1. Lack of consumers' interest in this advertising.
2. It is believed to be costly form of self-indulgence.
3. It creates a perception that company is in trouble.
4. Corporate advertising is simply a waste of resources.

Non product Advertising :-

1. Idea Advertising
2. Service Advertising

Functions of Advertising :-

1. Stimulates demand
2. Strengthens other promotion mix elements
3. Develops brand preference.
4. cuts costs
5. lower prices.
6. Competitive weapon

Benefits of Advertising

1. Information
2. Brand image building
3. Innovation
4. Growth of Media

Economic Issues Related to Advertising :-

1. Effect on the Value of products
2. Effect on prices.
3. Effect on consumer demand & consumer choice.
4. Effect on competition.

Social Issues

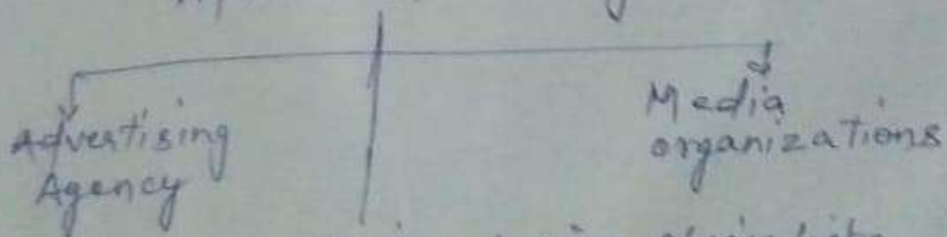
American Advertising Federation principles

1. Truth
2. Substantiation
3. Comparisons
4. Guarantees & warranties
5. Price claims
6. Testimonials
7. Taste and decency.

Client & Advertising Agency :-

Important players in Advertising :-

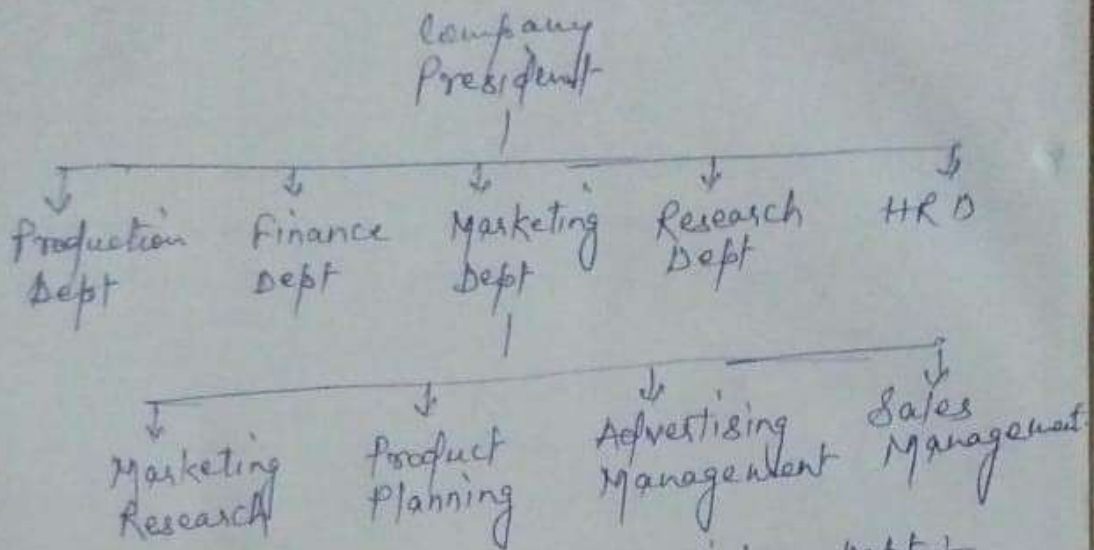
Advertiser (client organization)



Various service specialists
& collateral services:
Direct response, sales promotion
Research package design, photography
or printers etc.

Client or Advertiser's Role in organizing for Advertising

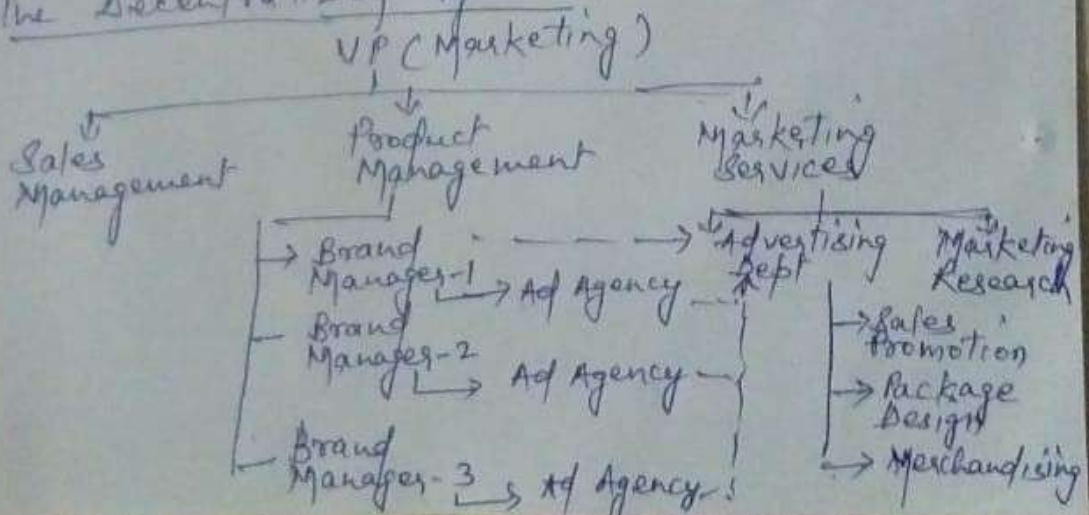
1. The Centralized System :-



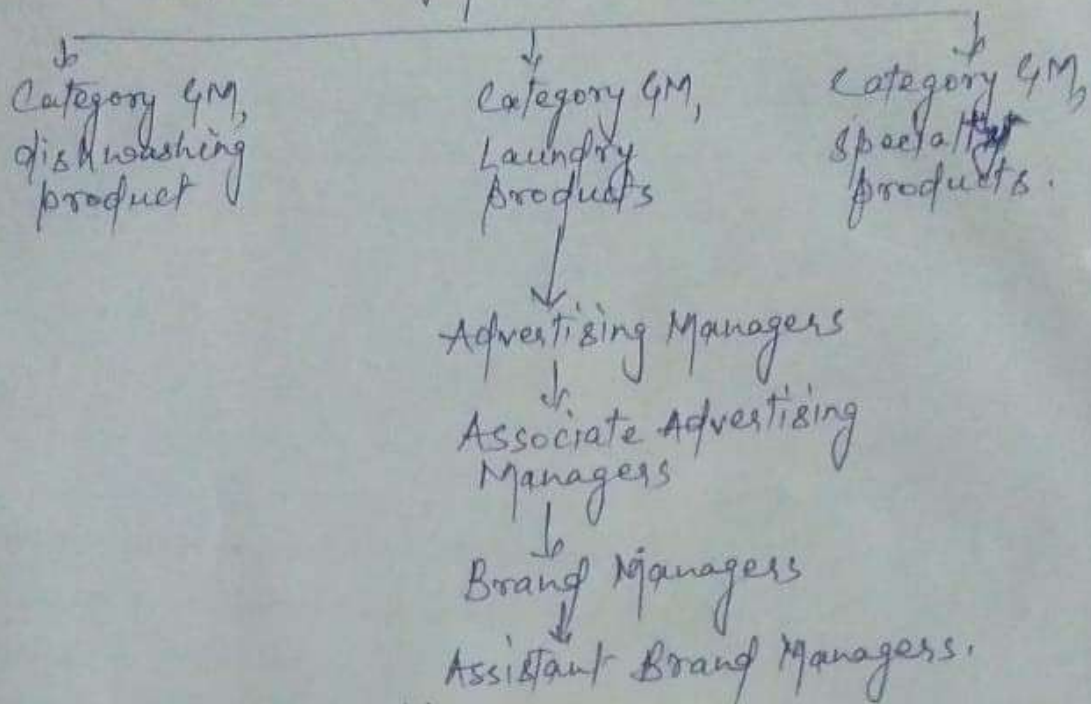
functions performed by Advertising Dept :-

1. Planning & Budgeting
2. Administration & Execution
3. Coordination within the company.
4. Coordination with ad agencies & services.

2. The Decentralized System :-



Category Management System



In house Advertising Agency :-

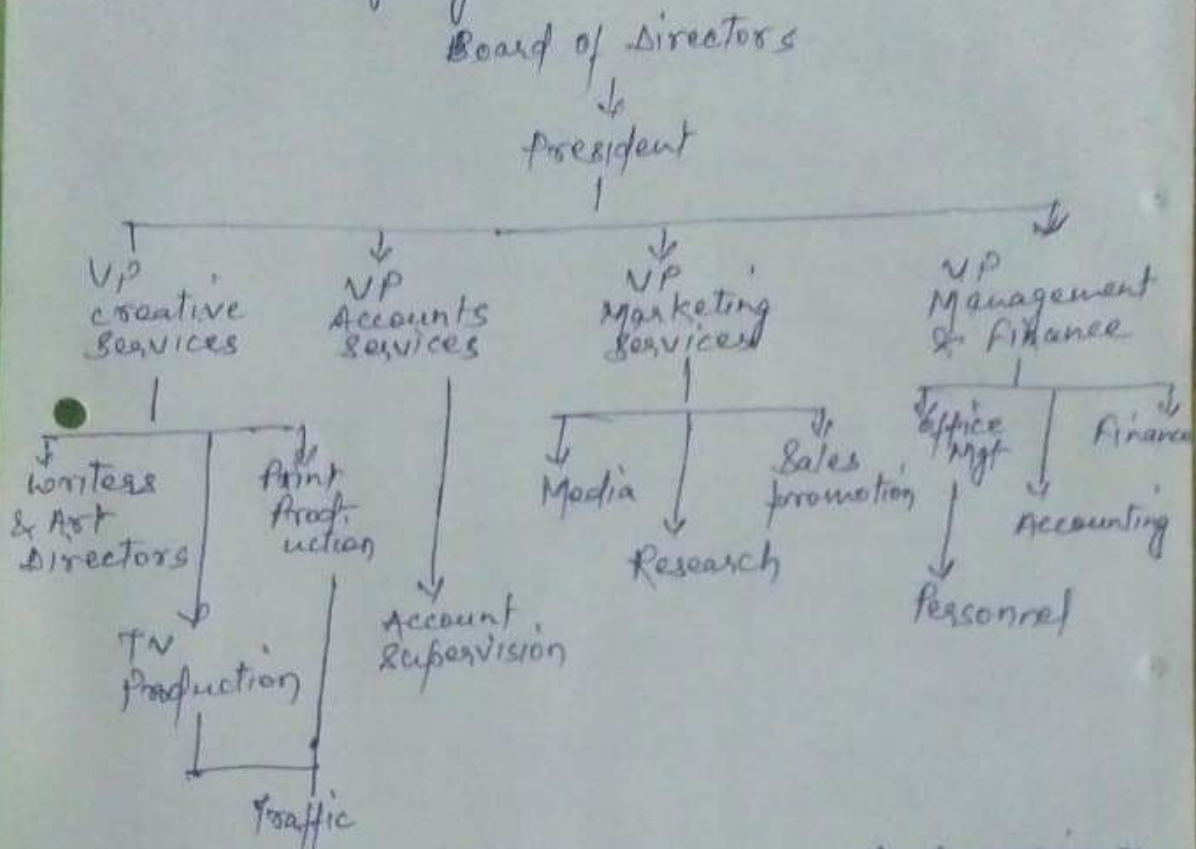
for companies with their own in-house advertising agencies, the major consideration is to decrease advertising and other promotional costs by exercising greater control over their activities. The in-house agency is set-up and given an identity of its own. It is owned and operated by the advertiser and handles large sums of advertising money. Ex: Calvin Klein, Benetton.

Differentiation

<u>System</u>	<u>Advantages</u>	<u>Disadvantages</u>
1. <u>Centralized</u>	<ol style="list-style-type: none">1. More efficient communication.2. Require fewer personnel.3. Continuity of staff.4. More involvement of top management possible.	<ol style="list-style-type: none">1. Less involvement & understanding of overall marketing goals.2. Longer response time.3. Limited ability to handle many product lines.
2. <u>Decentralized</u>	<ol style="list-style-type: none">1. Concentrated individual manager's attention.2. Rapid response to problems and emerging opportunities.3. Increased flexibility.	<ol style="list-style-type: none">1. Less effective decision making.2. Unhealthy internal conflicts.3. Misallocation of funds.4. Managers lack sufficient authority.
3. <u>In-house Ad Agency</u> :-	<ol style="list-style-type: none">1. Cost saving.2. More control on activities & costs.3. Increased coordination.	<ol style="list-style-type: none">1. Less experience.2. Less objectivity.3. Less flexibility.

Advertising Agency :-

full service Agency :-



Media Buying Services :- Independent agencies specialising in media buying services. They have their own media strategies and contract media buying services to execute them. They buy large chunks of space & time thus receiving large discounts, and save money for clients and small ad agencies on media purchases.

creative boutiques :- They provide only creative services. They have grown in response to advertiser's desire to use only high quality creative talent of an outside service provider, and rest of functions are completed with advertiser's organization.

Agency Compensation

1. Commission
2. Negotiated fees
3. Percentage charges

Reasons for losing clients

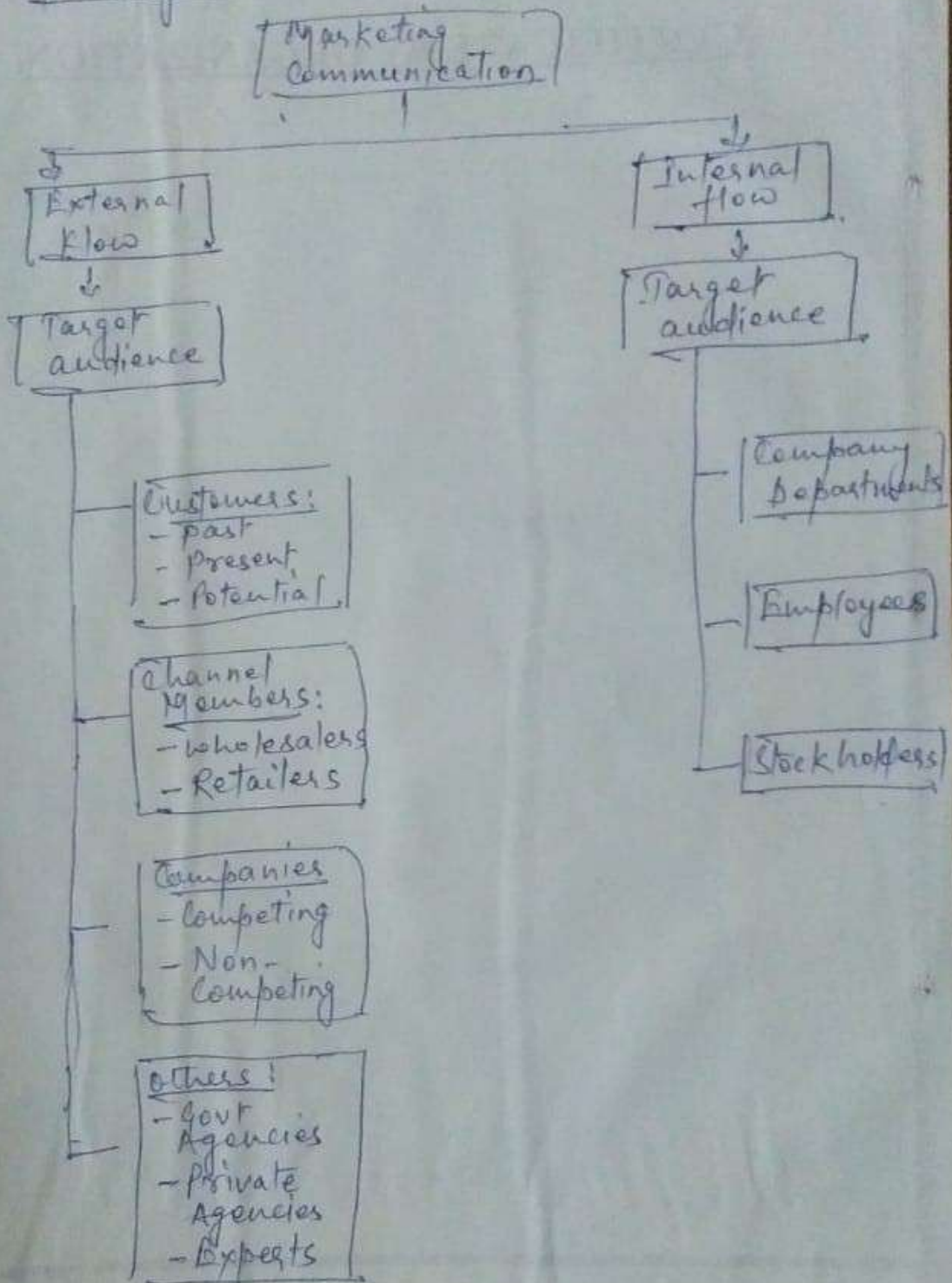
1. Agency's performance with respect to advertising quality or service
2. Poor communication between the client & Agency.
3. Personality clashes between the client & agency personnel.
4. New managers in client's organization may want to use an agency with they already have ties.
5. When agency merge, there is a conflict of interest as two competitors are merged.
6. Changes in the client's marketing strategy may lead to change of agency.
7. When company's sales decline, the advertising agency is considered as unsuitable.
8. The client may insist upon adopting compensation method to which the agency disagrees.
9. When some companies or agencies out-grow in size, either may think the other unsuitable and sever the ties.

How agencies Acquire new clients :-

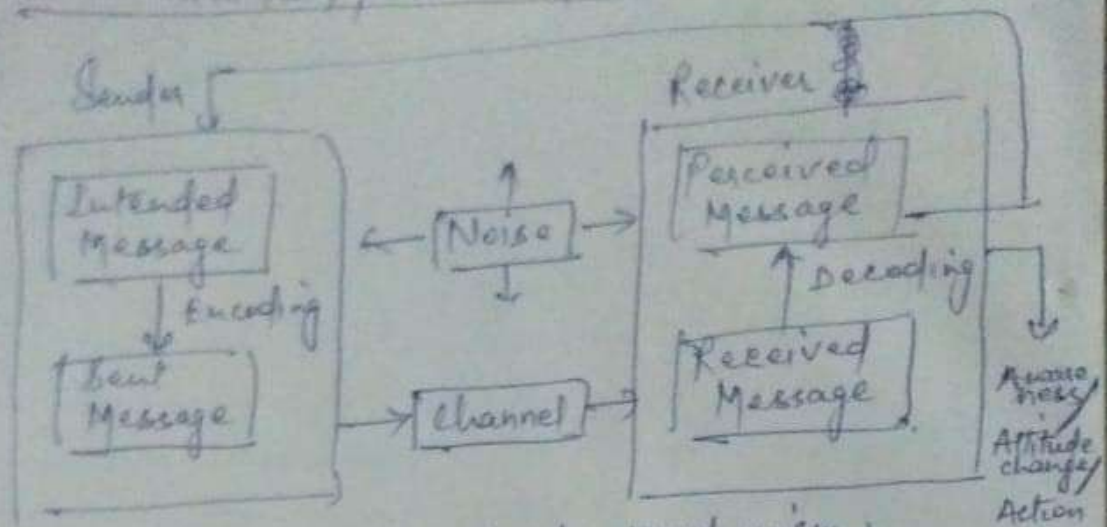
1. Referrals
2. Solicitations
3. Presentations

Unit No-II Marketing Communication

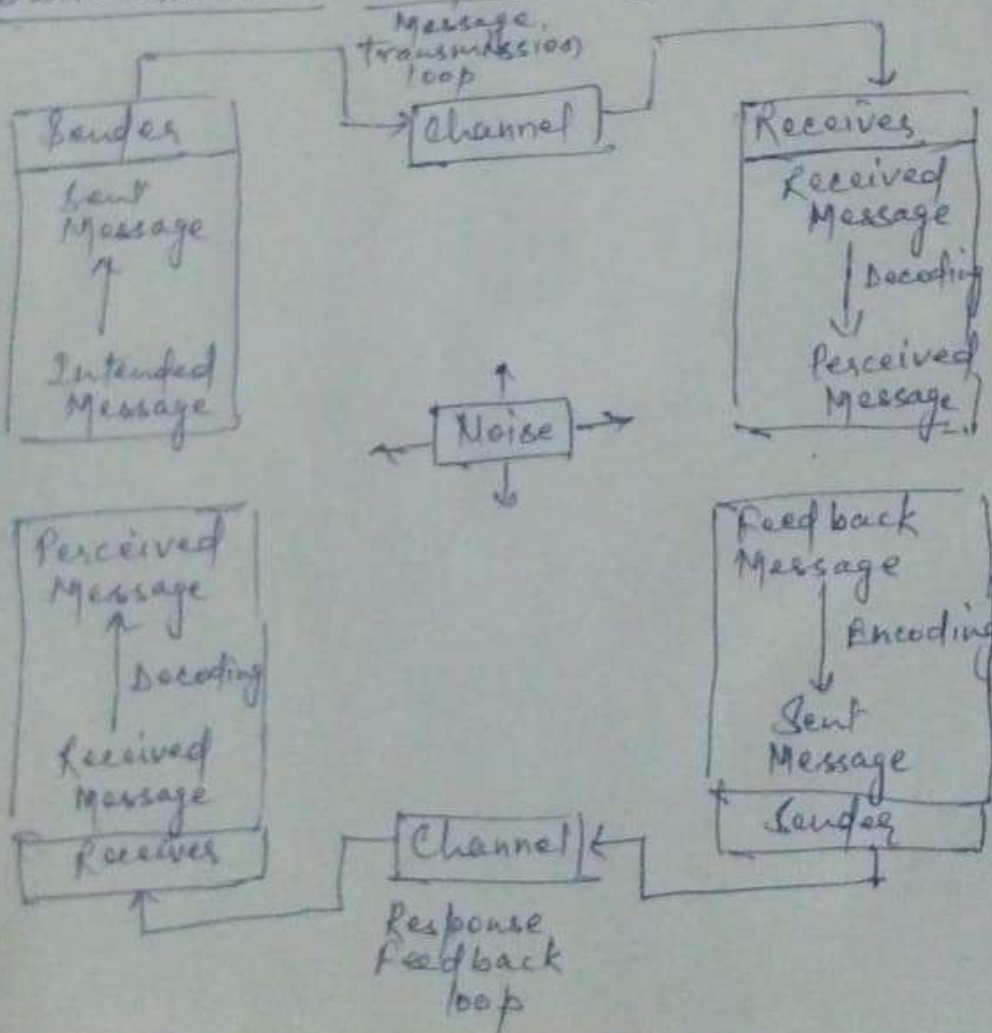
Marketing Communication flow :-



Communication process Model :-

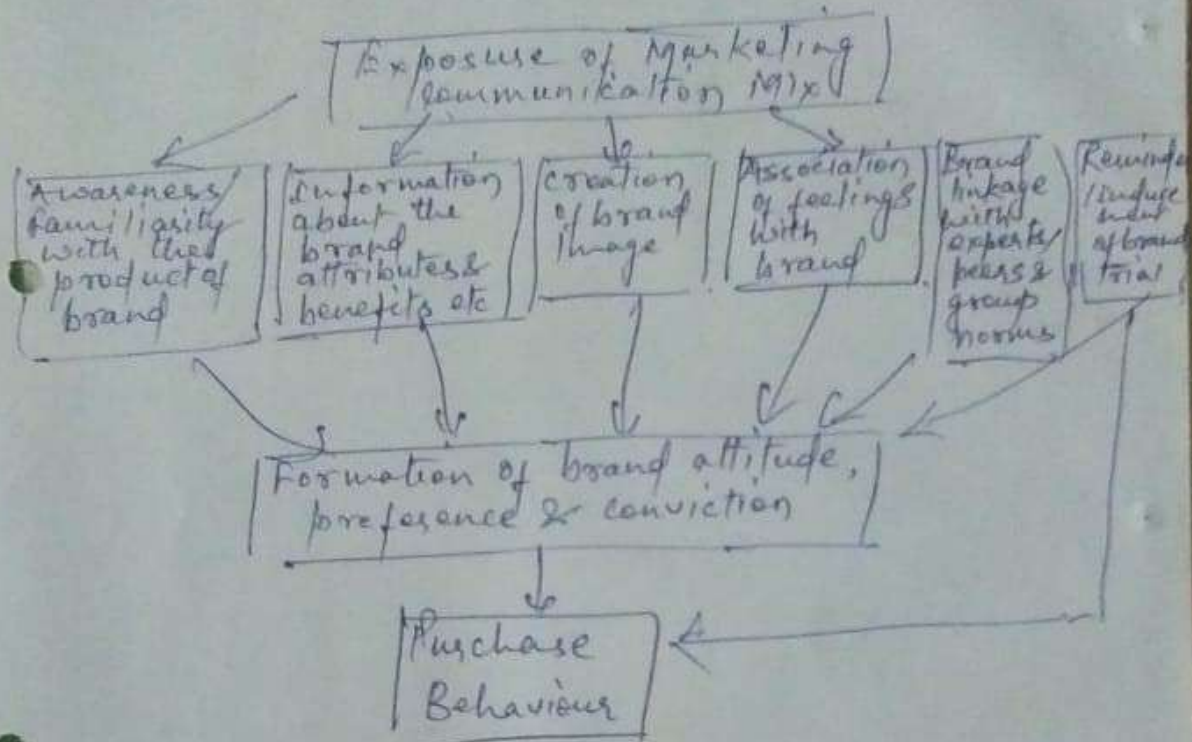


Communication Feedback Mechanism :-



Types of Communication Systems :-

1. Inter personal communication
2. Impersonal communication
3. persuasive communication.



Source for Advertising :- person involved directly or indirectly in communicating the advertising message. Source can be celebrity, announcer, spokesperson, or a common consumer etc.

Source credibility :- The extent to which the audience perceive the source as having relevant knowledge, expertise or experience and believe that a source will provide unbiased and objective information about the product or service.

Expertise :- Expert & trustworthy sources are more persuasive than others who are considered less knowledgeable or trustworthy. A credible source's message influences beliefs, opinions, attitudes and behaviours, because the audience believes that the information coming from that source is accurate & this becomes integrated in the belief system of a individuals and may be maintained even after the message source is forgotten.

Trustworthiness :- It often helps if trustworthy individuals say things that are not only favourable to the brand but also talk about some significant limitation of the product, as no product can be thought to be 100% perfect.

Source attractiveness :-

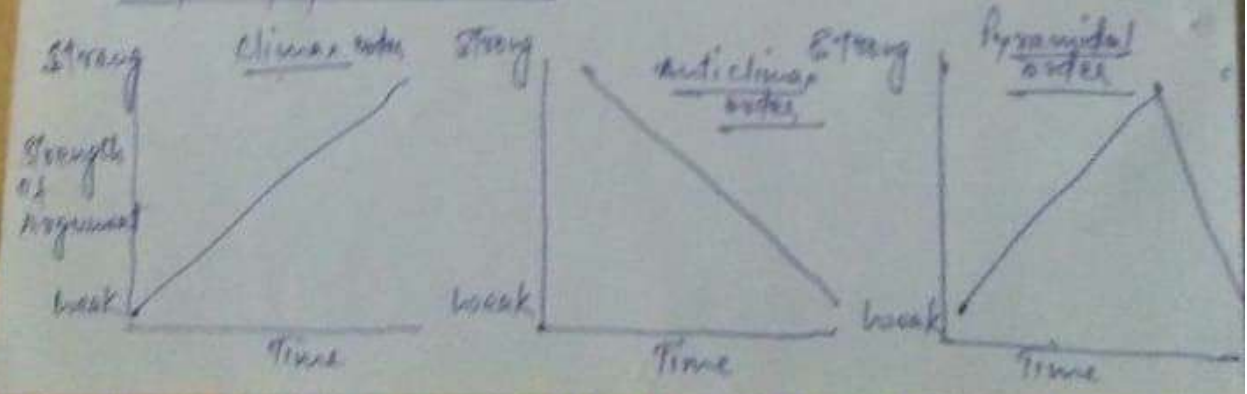
Likeability :- use of physically attractive persons in ads.

Image & meaning of celebrity :-

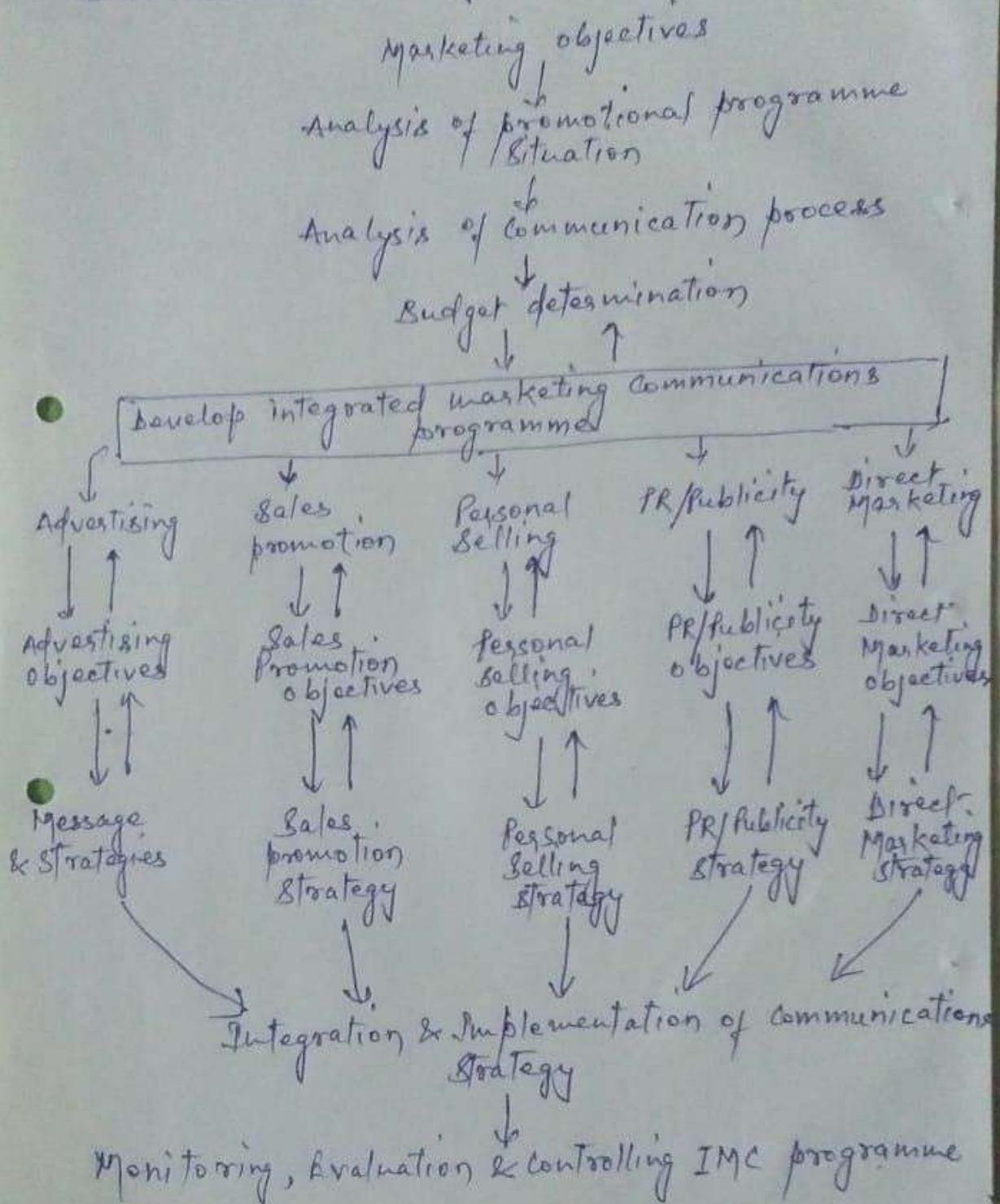
eyes exposure

Message

order of presentation :-



IMC Role in marketing :-



Brand :- A brand has a perceptual components which impart an invisible halo in it.

Brand equity :- It is the added value bestowed on the product by the brand name. It is the additional cash flow achieved by associating a brand with the underlying product or service.

Brand building :- through

1. Building Trust
2. Building Consistency
3. Accessibility to marketers
4. Company's Commitment to Responsiveness
5. Affinity & Identity.

Components of brand Image :-

1. Attributes
2. Consequences
3. Brand personality

● Brand awareness :- It is the consumers' ability to recognise or recall (identify) the brand within a given product category in sufficient detail to make a purchase ~~detail~~ decision. Consumers can choose, propose, recommend, choose, or use the brand.

Brand Attitude & Feelings :-

1. Cognitive (awareness, knowledge or comprehension)
2. Affective (Evaluation, liking, preference and conviction)
3. Conative or behavioural (Tendencies towards action, trial or purchase)

Rossiter - Percy Model :-

	Informational motives (think category) (Negative motivations)	Transformational motives (need category) (Positive motivations)
Low Involvement	Low-risk "Relief purchases" (Salt, Soap, detergents)	Low-risk "Reward purchases" (Soft drinks, ice cream)
	Familiar	Target audience
High Involvement	High-risk "Relief purchases" (Computer, insurance)	High-risk "Reward purchases" (Auto, jewellery)
	Non-target audience	

E.g. of Negative motivations :-

1. Problem avoidance
2. Problem removal
3. Incomplete satisfaction
4. Normal Depletion

E.g. of positive motivations :-

1. Sensory gratification
2. Intellectual stimulation or mastery
3. Social approval.

Importance of Branding in Advertising

Unit No-III

Sales as a advertising objective :-

Sales are a convenient and really attractive advertising objective for many managers but, except in the case of direct-action advertising they are usually unobtainable for most advertising.

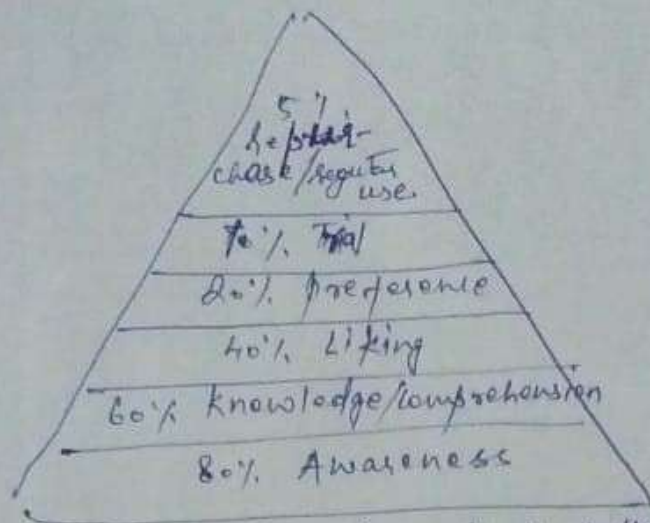
Factors influencing sales :-

1. Advertising & promotion
2. Price
3. Distribution
4. Packaging
5. Personal selling
6. Competition
7. Consumer taste
8. Technology
9. Economy
10. Product quality

Communications objectives :-

1. Increasing the % of target consumers who associate specific features or benefits with company brand.
2. Increasing number of target consumers who prefer company's brand rather competing brands.
3. Increasing company's brand usage rate among existing consumers.
4. Encouraging company's brand trial among non-users.

Communication effect pyramid :-



DAGMAR Approach :- Russell H. Colley (1961) prepared DAGMAR Approach (Defining Advertising Goals for Measured Advertising Results).

In this DAGMAR Approach, advertising objectives involve a communications task that is specific & measurable. Colley proposed that communication objectives be based on hierarchical model with four stages :-

1. Awareness :- Involves making target audience aware of the existence of brand or company.
2. Comprehension :- The purpose is to develop an understanding among audience of what the product is and what it would do for them.
3. Conviction :- The objective is to create a mental disposition among target audience members to buy the product.
4. Action :- To motivate the target audience to purchase the product or service.

Lovidge & Steiner's Hierarchy of effects Model :-

Behavioural Dimensions

Conative

The realm of motives Ads stimulate or direct desires

Affective

The realm of emotions, attitudes, and feelings

Cognitive

The realm of thoughts

Steps towards purchase

Purchase

↑
Conviction

↑
Preference

↑
liking

↑
Knowledge

↑
Awareness

Advertising for various stages

Pop advertising
Testimonials
Price/quality appeals

Comparative ads
Argumentative copy

"Image" copy.
Status, glamour appeals.

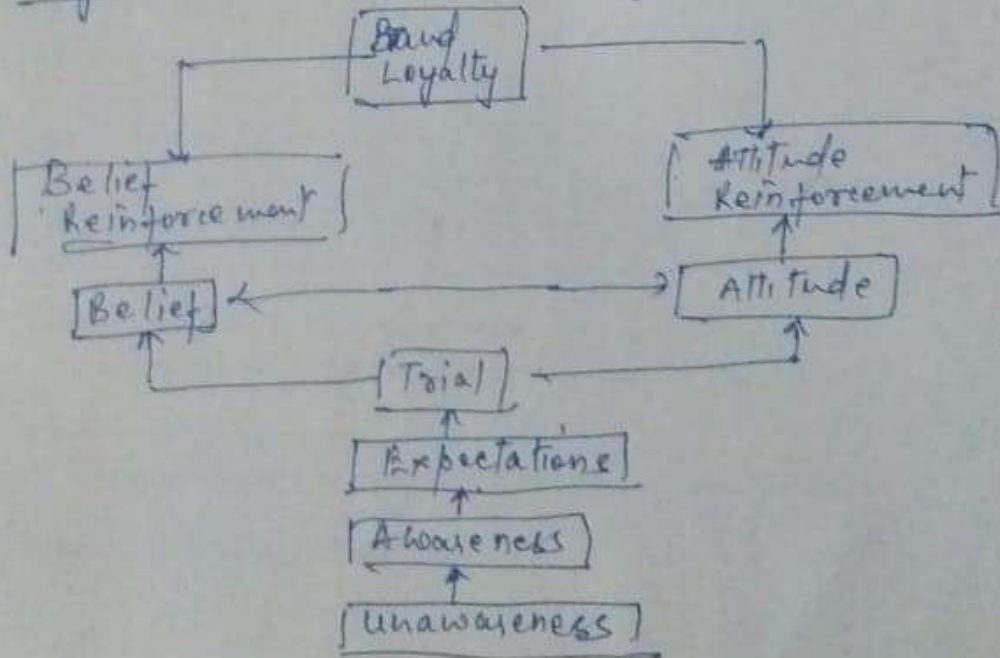
Descriptive copy
Slogans, jingles, etc

Ad repetition,
teaser ads.

Criticism of DAGMAR Approach :-

1. Problems with response hierarchy :- consumers always do not follow the hierarchy of effect sequence o.g. Action can precede attitude formation, and comprehension may result with an impulse purchase of a low-involvement product
2. Sales as a advertising goal :- Sales is not the only advertising goal.
3. Practicality & costs :- implementation of DAGMAR is difficult - it is difficult and costly also it can be used by large firms with research & advertising budget.
4. Inhibits Creativity :- DAGMAR approach may restrict creativity. It inhibits the developing of a truly creative message that would contribute to brand equity.

Budget Allocation :- Hierarchy of Promotional Effect



Hierarchy of marcom effects :-

1. Advancing consumers from unawareness to awareness
2. Creating an expectation
3. Encouraging trial purchases
4. Forming & reinforcing beliefs and attitudes
5. Accomplishing brand loyalty

Promotional obj :-

1. Criterion for decision-making
2. Evaluation of marcom effectiveness
3. Serves as communication & coordination device.

Importance of promotional objectives :-

1. Build customer loyalty
2. Dispel negative press
3. Establish corporate image in community
4. Build Brand awareness
5. Announce changes
6. Capitalize on new market opportunities.

Factors considered for setting promotional objectives

1. Stages in product life cycle
2. level of competition
3. Nature of product
4. Dissonance among customers
5. Available finance
6. Marketing objectives
7. Market Segmentation
8. Distribution strategy

Factors that influence the size of "advertising budget"

1. objectives to be attained
2. product class
3. prevailing economic conditions
4. Size of the company
5. competitive activities
6. Stage in the product life cycle
7. Age of the company
8. Coverage expectations
9. funds available
10. Advance to advertising

Advertising budget preparation

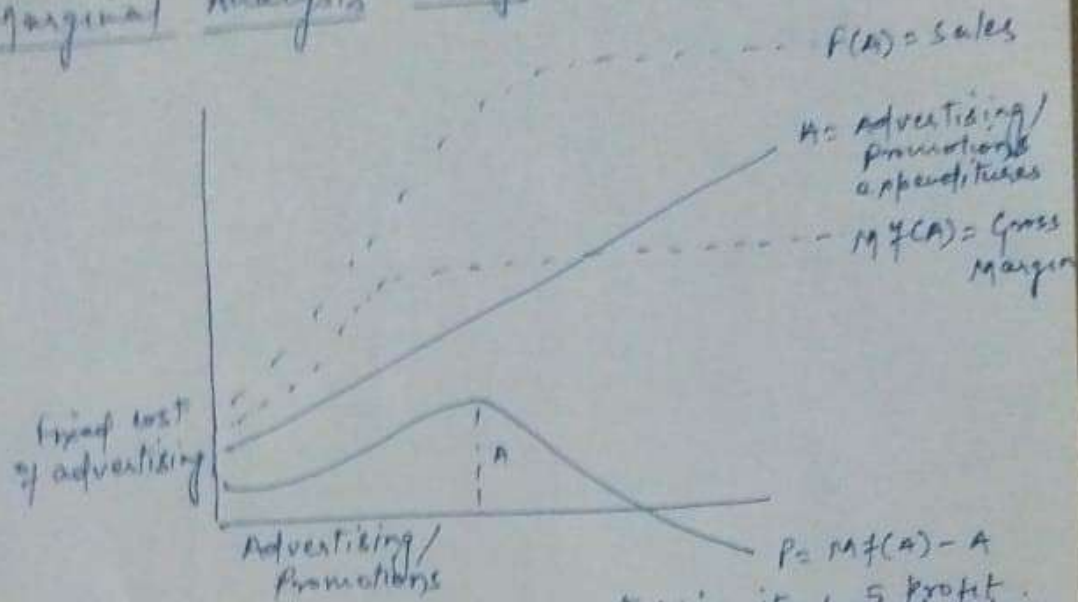
1. Setting advertising budget
2. Determining tasks to be performed to gain advertising objectives
3. Preparing advertising budget
4. Approval
5. Allocation of advertising budget
6. Monitor & control.

Considerations before making an 'Advertising Budget'

1. Economies of Scale :- Is there some relevant range in which increments of advertising yield increasing returns?
2. Threshold Effects :- Is there some minimum level of exposure that must be exceeded for advertising to have a discernible effect?
3. Interaction Effects :- Does advertising interact with each ~~other~~ element of the marketing mix i.e. personal

Selling, to produce effects that are greater than the sum of their separate effects?

Marginal Analysis Theory



Using this theory to establish its budget a firm would continue to spend advertising/promotional amount as long as the marginal revenues created by these expenditures exceeded the incremental advertising/promotional costs. As shown in the graph, the optimal expenditure level is the point where marginal revenues equal the marginal costs they generate ('A').

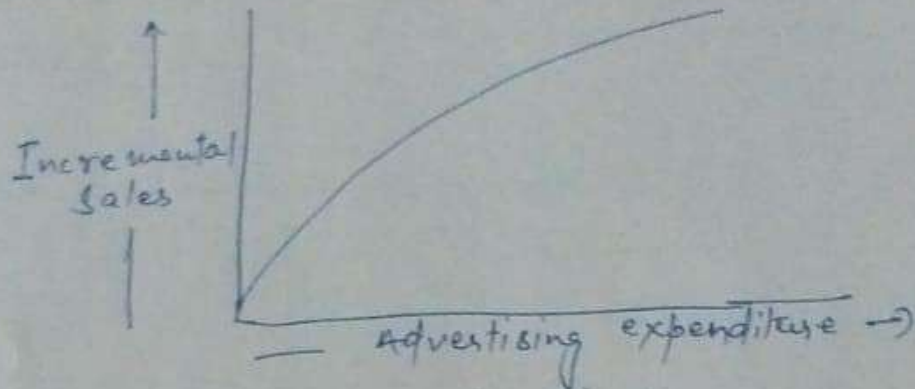
When the revenues generated out of certain promotional expenditure are less than such expenditure it concludes that the appropriate were too high and there is a need to bring down the budget. However, if the revenues exceed the expenditures, such budget might be considered to be in order.

Assumptions:-

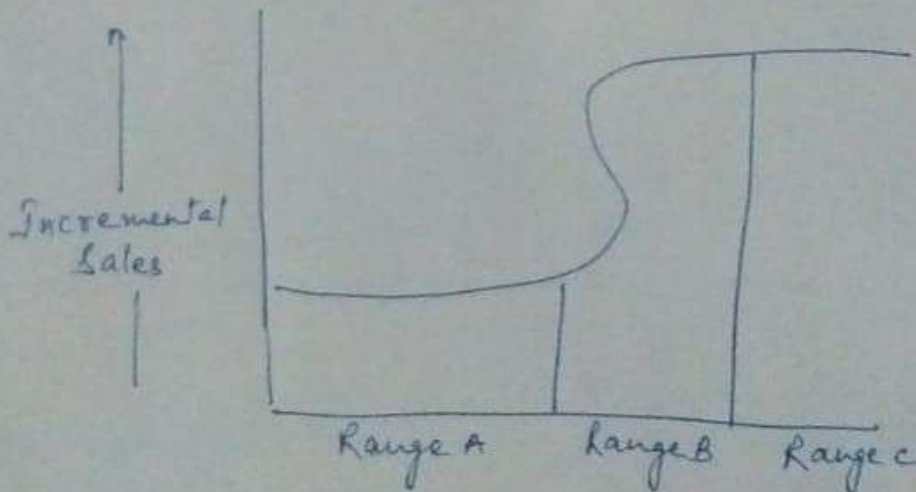
1. Sales are a direct measure of advertising and promotions efforts.
2. Sales are determined solely by advertising and promotion.

Sales response Models :-

1. Concave downward function



2. S-Shaped Response function :-



Methods of Fixing Ad-Budget :-

1. Percentage of Sales Method
2. Objective & Task Method
3. Judgement Method
4. Return on Investment Method
5. Experimental Method
6. Parity Method
7. All you can afford
8. Increase over last year's Budget
9. Quantitative Methods

1. Percentage of Sales Method :-

Merits :-

1. Simple
2. Flexible
3. Prevents advertising waste
4. Satisfactory

Demerits

1. Illogical
2. Arbitrary & not scientific
3. Baseless results when sales decline
4. Considers advertising expenses as dependent variable on sales
5. Baseless results in introduction stage of product life cycle.
6. Not much useful for long-term advertising programmes.
7. Ignores other important variables/factors affecting advertising budget.

2. Competitive Parity Method :-

Merits

1. Considers level of competition
2. Check on excessive or wrong budget.
3. Logical

Demerits :-

1. Different promotion needs
2. Non availability of information
3. Wrong assumption
4. Ignores other variables affecting Ad budget.

3. Objective & Task Method :-

Merits :-

1. Coordination among different advertising activities
2. Goal oriented.
3. More suitable in case of new products
4. Logical.
5. Suitable for planning in the long ~~term~~ run.

Demerits :-

1. Ill defined objectives
2. Difficult to determine specific tasks
3. Ignores Affordability.
4. Ignores competitors budget

4. Increase over last year's Budget :-

Demerits :-

1. Ignores change in marketing environment and objectives of Advertising.
2. Repetition of last year's mistakes.
3. Not possible for new product or in case of new company.

Allocation of Advertising budget :-

factors to be considered

1. Products to be advertised
2. Market size & potential
3. Sales territories
4. Media
5. Organizational characteristics
6. Total ~~expenditure~~ exposure

Importance of Advertising Budget

1. checks on advertising expenditure.
2. Provides direction for drafting of Ads.
3. Selection of Media.
4. Approval from top Management
5. Balanced focus.
6. Facilitates planned Execution.

Unit No-4

Ad-copy :- Ad-copy is the written or spoken message which the advertiser wants to communicate to its target audience through any type of advertisement. It includes headlines, message, illustrations, claims, logo, closing idea etc. It includes headlines, main body, sub-heads, pictures, caption, slogans, information about brand name, trade marks, prices, coupons, claims, advertiser's name, address, logo, phone numbers, website etc.

It is the product of collective efforts of copywriters, artists, layout designers, models, choreographers, directors, market-researchers etc. Effectiveness of advertising-campaign depends on effective ad-copy. Ad-copy should attract attention, create interest of readers/viewers, induce or persuade the readers to purchase the product or take them near to purchase. The advertising copy should be capable of turning potential and prospective buyers into actual buyers.

Objectives of preparing an 'Ad-copy'

1. Direct action objective :- it causes an immediate response of the consumer, as soon as, the message reaches the consumer. Such a advertisement motivates the consumers to make the purchase immediately of the advertised product or service.
2. Indirect Action objective :- Indirect action objective of a copy is to create indirect action on the part of prospects. Such a copy hopes to establish favourable attitude towards the company and favourable

responses may be delayed.

Components of Advertising-copy :-

1. Headlines
2. Sub heads
3. Illustrations - diff drawing, sketches, diagrams, figures, photos
4. Slogans, logo types and signatures
5. Body copy - heart of message
6. Blurbs or Balloons - display technique in which characters are allusion in the ad.
7. Boxes & Panels - captions placed in special display position to greater attention is achieved.
8. Identification Mark - brand name, name of company.
9. Closing data. - closing part of ad-copy.

Types of Ad. copy :-

1. Typical copy :- It is intended to appeal to prospects by establishing a connection between a product & a particular recent happening which should not look absurd. It commands a good deal of interest because of that sensational event which lives absolutely fresh in the minds of the prospects. e.g. HMT
2. Descriptive copy :- It is of non technical nature and is presented in manner which any layman can understand. It gives information about product in simple language. e.g. in mail order, catalogue, departmental store advertising like lifebuoy ad.
3. Scientific copy :- It is of technical nature & provides detailed information about the product & the producer. It aims at informing the ordinary people in general & professional men in particular about the merits and value of the product so that they can purchase the product.

4. Narrative copy :- It is the one in which the prospects are informed about the great benefits of purchasing & consuming a product by the way of a narrative story/fictitious story.
5. Institutional copy :- It aims at selling the name of the advertiser or the firm which is producing or selling the products. The main objective is to create or maintain or increase the goodwill of the product or the brand. e.g. "It is good, if it is Acc".
6. Educative copy :- It is designed to provide education to the general public qualities of a particular product. Such an advertising copy depicts the specialities of the product in contrast to the existing brands in the same product category.
7. Questioning copy :- It is inclusive of a series of questions expected to be answered by the readers. The question arouses the curiosity in the minds of the readers and makes them to think of it. The answer of the question lies in the use of the product advertised.
8. Personality copy :- It attempts to encash the opinion of an important personality about the product. This includes the certificate, testimonial, photograph or the statement of an influential person. e.g. film star, sports star.

9. Suggesting copy :- It tries to suggest the readers directly or indirectly to purchase them to buy a particular product. It is useful where the reader is confused about the quality of a product brand and is not in a position to take necessary decision about the purchase of the product or brand.
10. Prestige copy :- This type of advertising copy is not used to advertise directly, but creates a favourable atmosphere about the product or the firm for its sale.
11. Colloquial or Conversational Copy :- This presents the message in the form of conversation. It uses informal language in terms of I & you with personal reference to reader and the advertiser.
12. Humorous copy :- This advertising copy attracts the attention of its readers by its humorous appeal.
13. Mentioning Reason-why copy :- It is an advertisement that gives an explanation to the prospects.
14. Announcement copy :- It is used to introduce a new product or the new uses of the product or changes in the product or price changes or changes in the policies of the firm.
15. Human Interest copy :- Human interest copy appeals to the emotions and the senses of the readers. Sympathy, affection, love, humour, curiosity, fear appeals are used.

16. fear copy :- It appeals to the sense of fear & arouses deep interest in protecting property, life and day-to-day needs. Fear is normally caused by a feeling of insecurity.

Copy writing of Advertisements :-

Copy writing advertisement promotes business, idea or opinion in the process of writing the words. It may be used as plain text, as a radio or television advertisement, or in a variety of other media. The main purpose of writing this marketing copy, or promotional text, is to persuade the listener or reader to act e.g., to buy a product or subscribe to a certain viewpoint. Alternatively, it might also be intended to dissuade a reader from a particular belief or action.

Approaches to Advertising Copywriting :-

1. Factual Approach :- It aims at on presenting the real image of the product to the prospects. It shows what the product actually is, how it is made, what does it do and what purpose does it serve. Such an advertisement proves very beneficial to the prospect as they come to know about the products features, quality and advantages.
2. Imaginative Approach :- There is nothing wrong with presenting a fact imaginatively. The art of creating copy lies in saying a familiar thing in an unexpected way. Dow's Great stuff household

foam sealant does not sound like a fun product to market, but Sawyer Riley Compton thought otherwise. The headline for the campaign was "closes any gap". Then they let the visuals do the attracting and talking. The copy line says, "Use Great stuff household sealant to close any gap imaginable."

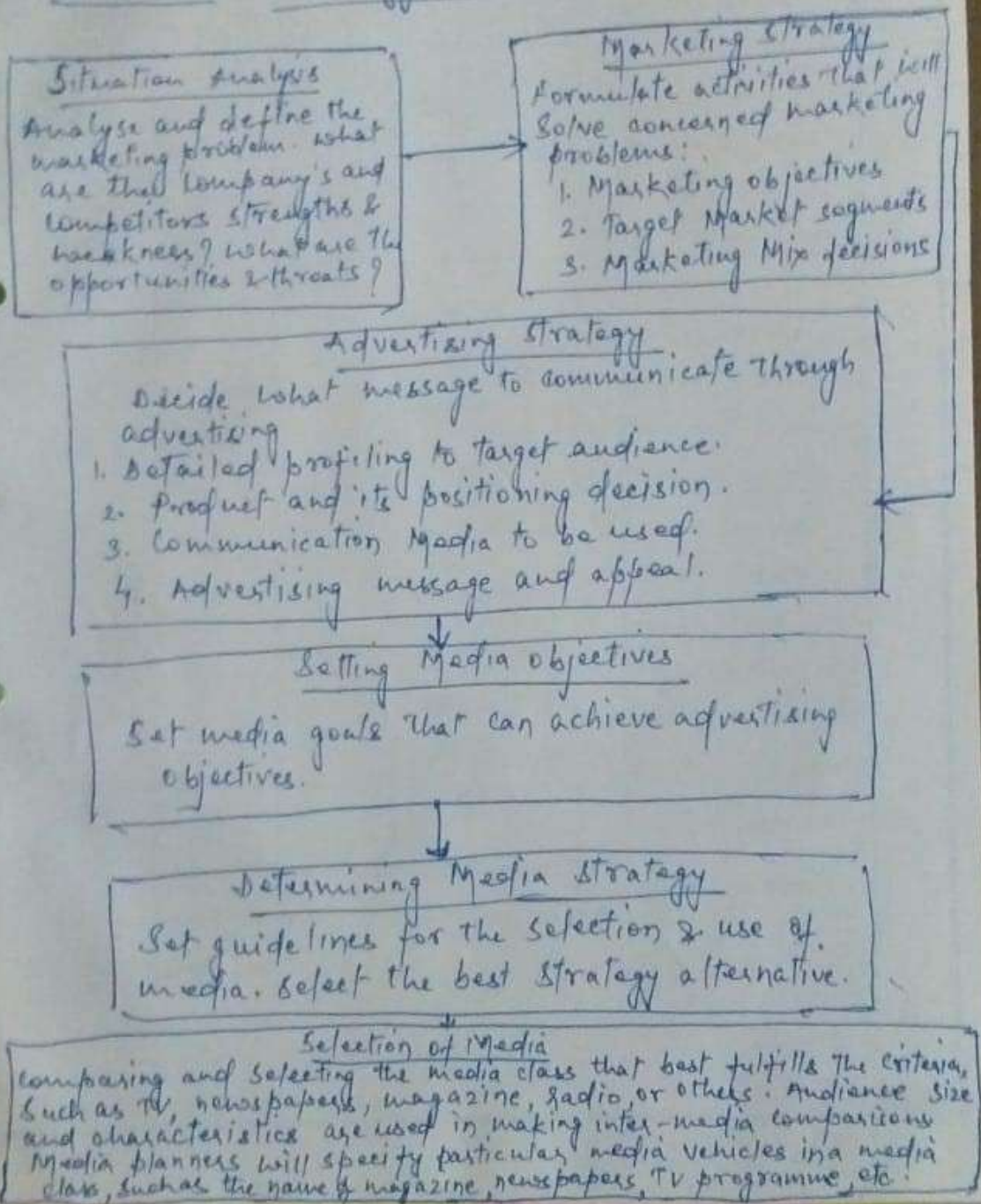
3. Emotional Approach :- An emotion can be useful & effective communicator. The feelings about the product or company can be an important plus or minus. Copy using psychological appeal to love, hate or fear has great impact. The illustration brings not only maternal instinct but also emotion. "The meaning of life has changed always been a mystery for adult"

Steps in Advertising Copywriting :-

1. Hypothesising :- idea formulated into experimental patterns culminating in a working statement.
2. Synthesising :- Elements are blended and combined; ideas and approaches accepted, rejected, revised.
3. Abstracting :- Relevant data are obtained from the market situation, prospects and relevant media.
4. Gestation :- Objections & difficulties resolved. May involve discussion with others or reference to source of information.
5. Coalescence :- Decisions are made for transference of ideation to physical expression i.e. writing

6. Performance :- Action is taken in the form of actual working.

Media Plan & Strategy development activities :-

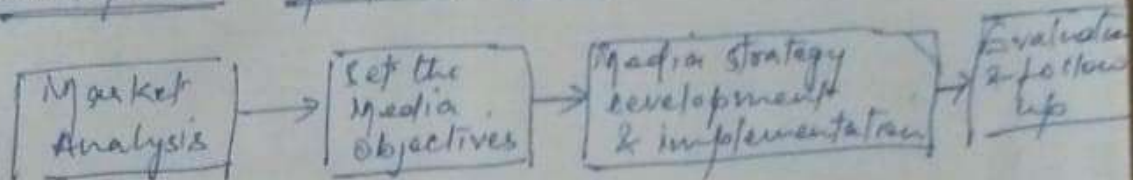


- TV, Radio
1. Sponsorship (Sole, shared, etc)
 2. Required level of reach and frequency
 3. On which days and months Commercials are scheduled.
 4. Placements of spots between or within the programmes

- Print
1. Number of ads to appear, on which days and months
 2. Any preferred position of ads within media
 3. Any special treatment, such as colour, or gatefolds, etc
 4. What reach and frequency

- Print
1. Billboards (location of markets, kinds of outdoor to be used)
 2. Direct mail, catalogues
 3. Transit
 4. Internet
 5. Product placement

Development of Media Plan :-



Brand Development Index -

	High	Low
High	High market share Good market potential	Low market share Good market potential
Low	High market share Monitor for sales decline	Low market share Poor market potential

Category Development Index

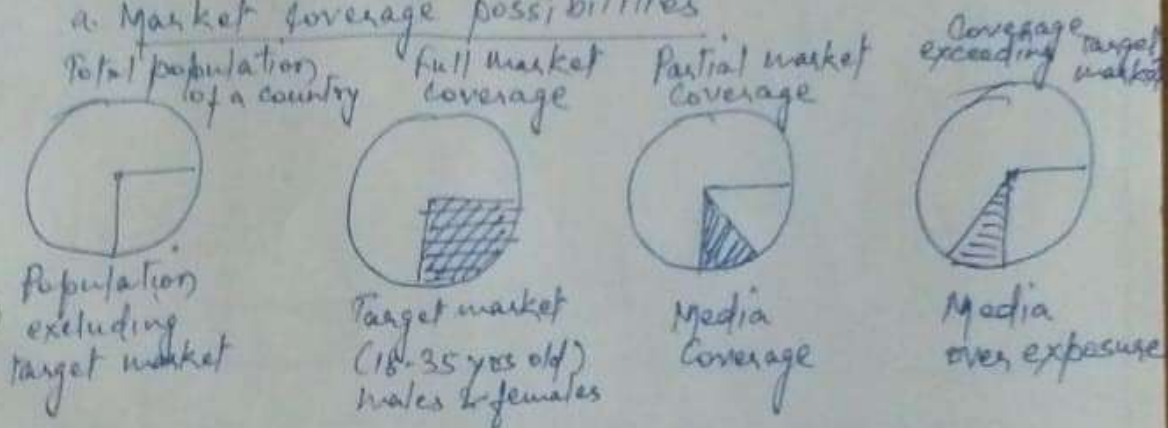
Establishing Media objectives :-

1. use print media to provide coverage of 80% of the target market over a six-month period, starting July.
2. reach 60% of the target audience at least 3 times (frequency) over the same six-month period.
3. concentrate heaviest advertising between Oct and Dec, with lighter emphasis in earlier months.

Development & Implementing Media Strategies :-

1. Media Mix and target market coverage

a. Market coverage possibilities



b. Geographical coverage

c. Scheduling

1. Continuity :- Continuous pattern of advertising
e.g. toothpaste, soaps
2. Flighting :- Less regular schedule of advertising
e.g. Beauty care products, refrigerator
3. Pulsing :- Combination of continuity & flying

d. Media reach & frequency :-

Major Advertising Medium	Brand awareness			Brand attitude		
	Brand recognition	Brand Recall	Low involvement Informational	Low involvement Transformational	High involvement Informational	High involvement Transformational
TV	Yes	Yes	Yes	Yes	No	Yes
Cable TV	Yes	Yes	Yes	Yes	Yes	Yes
Radio	No	Yes	Yes	Visual limitation	No	Visual
Newspapers	Colour limitation	Yes	Yes	Colour limitation	Yes	Colour limitation
Magazines	Yes	frequency limitation	Yes	frequency limitation	Yes	Yes
Outdoor	Yes	Limited Value	Yes	Limited Value	Limited Value	Yes

Attributes considered while choosing a media vehicle

1. Expertise
2. Prestige
3. Editorial fit
4. Mood created
5. Involvement
6. Unbiased approach.

Determining Relative Cost of Media

1. Cost per thousand (CPM) :-

$$CPM = \frac{\text{cost of ad space}}{\text{circulation}} \times 100$$

2. Cost per rating point (CPRP) :-

$$CPRP = \frac{\text{cost of commercial time}}{\text{programming rating}}$$

3. Milline Rating (MR) :-

$$\text{TV: cost per thousand} = \frac{\text{cost of 1 unit of time} \times 1000}{\text{programme rating}}$$

$$\text{Newspaper: cost per thousand} = \frac{\text{cost of ad space} \times 1000}{\text{circulation}}$$

Characteristics of Media :-

TV

Advantages

1. Mass coverage
2. High reach
3. Combined impact of sight
4. Sound & motion
5. Prestige Value
6. low cost/exposure
7. Attracts attention

Disadvantages

1. offer low selectivity
2. short span of message life
3. High cost.
4. High production costs.
5. Creates advertising clutter
6. waste coverage.

Radio

1. local coverage
2. lower cost
3. High frequency
4. Focused segment selection
5. low production costs

1. Only audio
2. Noise
3. low on attention getting
4. Message short lived

Newspaper

1. Mass coverage
 2. Low cost, large space
 3. Short lead time for ad placing
 4. Ad position, choice possible
 5. Good for current ads
 6. Reader controls exposure
 7. Coupons can be inserted
1. Short life of ad.
 2. Clutter
 3. Low attention, getting
 4. Poor production quality.
 5. Selective exposure.

Magazines

1. Potential for focused segmentation
 2. Very good production quality
 3. Longevity of message
 4. High information content
 5. More readers/copy
1. long lead time for ad placing
 2. Only visual.
 3. Low frequency
 4. Lack of flexibility

Outdoor

1. Good, for specific location
 2. High repetition
 3. High visibility
1. Short exposure time
 2. Short message
 3. Poor image.

Newspaper

1. Mass coverage
 2. Low cost, large space
 3. Short lead time for ad placing
 4. Ad position, choice possible
 5. Good for current ads
 6. Reader controls exposure
 7. Coupons can be inserted
1. Short life of ad.
 2. Clutter
 3. Low attention, getting
 4. Poor production quality.
 5. Selective exposure.

Magazines

1. Potential for focused segmentation
 2. Very good production quality
 3. Longevity of message
 4. High information content
 5. More readers/copy
1. long lead time for ad placing
 2. Only visual.
 3. Low frequency
 4. Lack of flexibility

Outdoor

1. Good, for specific location
 2. High repetition
 3. High visibility
1. Short exposure time
 2. Short message
 3. Poor image.

Direct Mail :-

1. High level of selectivity
2. Reader controls exposure
3. High information content
4. opportunity for repeat exposures.

1. High cost per contact
2. often thrown as junk mail
3. clutter.

Internet :-

1. Uses controlled
2. Increased attention & involvement

1. Limited creative capabilities.

Transit Advertising - bill boards, neon signs & electronic messages

1. Exposure duration
2. Exposure frequency
3. Geographic selectivity
4. Low cost
5. Waste coverage
6. Creative limitation
7. Audience Mood
8. Advertiser's image

Cinema & Videos :-

1. Exposure
2. Audience Mood
3. Selectivity
4. Recall
5. Lack of clutter

Direct Mail :-

1. High level of selectivity
2. Reader controls exposure
3. High information content
4. opportunity for repeat exposures.

1. High cost per contact
2. often thrown as junk mail
3. clutter.

Internet :-

1. Uses controlled
2. Increased attention & involvement

1. Limited creative capabilities.

Transit Advertising - bill boards, neon signs & electronic messages

1. Exposure duration
2. Exposure frequency
3. Geographic selectivity
4. Low cost
5. Waste coverage
6. Creative limitation
7. Audience Mood
8. Advertiser's image

Cinema & Videos :-

1. Exposure
2. Audience Mood
3. Selectivity
4. Recall
5. Lack of clutter

Unit No - 6

Purpose of Advertising Research :-

1. Advertising strategy research is used to determine the product positioning, to assist in the selection of the target markets, advertising messages, or media vehicles.
2. Creative concept research is used to assess the extent of the target audience's acceptance of different creative ideas at the concept development stage.
3. Pre-testing of ads is done to diagnose any possible communication problems before beginning an ad campaign.
4. Post-testing of ads helps advertisers to evaluate the campaign results.

Research Stages in Advertising Development :-

1. Advertising Research Strategy Research :-

Advertising strategy is developed by blending the elements of the creative mix. The elements are

1. Target audience
2. Product and its positioning
3. Communication media
4. Advertising message-element.

Research problem - product positioning, target audience selection, media selection, message selection.

Techniques - consumer attitudes & usage studies

Unit No - 6

Purpose of Advertising Research :-

1. Advertising strategy research is used to determine the product positioning, to assist in the selection of the target markets, advertising messages, or media vehicles.
2. Creative concept research is used to assess the extent of the target audience's acceptance of different creative ideas at the concept development stage.
3. Pre-testing of ads is done to diagnose any possible communication problems before beginning an ad campaign.
4. Post-testing of ads helps advertisers to evaluate the campaign results.

Research Stages in Advertising Development :-

1. Advertising Research Strategy Research :-

Advertising strategy is developed by blending the elements of the creative mix. The elements are

1. Target audience
2. Product and its positioning
3. Communication media
4. Advertising message-element.

Research problem - product positioning, target audience selection, media selection, message selection.

Techniques - consumer attitudes & usage studies

Research Process —

1. Problem definition
2. Exploratory or informal research
3. Determining research objectives
4. Formal research
5. Interpretation of research data & reporting

Pre-testing Methods — Idea generation to rough execution to testing the final version before its implementation. There is no sure-fire way of predicting the success of an ad campaign, however, advertisers and agencies often use more than one type of pre-tests to examine possible problems before large ~~numbers~~ amount of money are spent on communicating the actual message.

By using pre-testing techniques a number of variables can be evaluated such as the ability of the ad to attract attention, message comprehension by the audience member, recall of copy points, the probability that the consumer will buy the product or service, credibility and irritation level etc.

Methods of pre-testing Advertising :—

1. Print Advertising :—

1. Direct questioning
2. Focus group - group of 8 to 10 discuss
3. Portfolio test - one group is exposed to portfolio of test ad & other group see portfolio without test ad
4. Paired comparison - compare each ad
5. order of merit test :- two or more ad ranked in order
6. Mock Magazine test :- Ads is given magazine & left for sale
7. Direct mail test - Ad are mailed to diff customers on a mailing list.

Research Process —

1. Problem definition
2. Exploratory or informal research
3. Determining research objectives
4. Formal research
5. Interpretation of research data & reporting

Pre-testing Methods — Idea generation to rough execution to testing the final version before its implementation. There is no sure-fire way of predicting the success of an ad campaign, however, advertisers and agencies often use more than one type of pre-tests to examine possible problems before large ~~numbers~~ amount of money are spent on communicating the actual message.

By using pre-testing techniques a number of variables can be evaluated such as the ability of the ad to attract attention, message comprehension by the audience member, recall of copy points, the probability that the consumer will buy the product or service, credibility and irritation level etc.

Methods of pre-testing Advertising :—

1. Print Advertising :—

1. Direct questioning
2. Focus group - group of 8 to 10 discuss
3. Portfolio test - one group is exposed to portfolio of test ad & other group see portfolio without test ad
4. Paired comparison - compare each ad
5. order of merit test :- two or more ad ranked in order
6. Mock Magazine test :- Ads is given magazine & left for sale
7. Direct mail test - Ad are mailed to diff customers on a mailing list.

2. TV & Radio Advertising —

1. Central location test — See film in central location
 2. Clutter test — All commercials are shown to respondents to know effectiveness
 3. Trailer test — Respondents listen to commercials in trailers at shopping malls.
 4. Theater test — Respondents see commercial in Theater.
 5. live telecast — commercials are shown in cable TV & respondents are interviewed
- b. Sales experiment — Alternate TV or Radio commercials run in two or more markets.

3. Physiological Testing —

- a. Pupillometric device — Dilation of the respondent's pupil is measured, presumably to indicate respondent's interest.
- b. Eye-movement camera — The route that the respondent's eyes travelled is superimposed over an ad to show the areas that attracted and held attention.
- c. Galvanic skin response — A mild (electrodermal response) electrical current measures respondent's sweat gland activity to measure the tension an ad creates.
- d. Voice-pitch analysis — A customer's voice response is taped and a computer is used to measure changes in voice-pitch caused by emotional responses.
- e. Brain pattern analysis — A scanner monitors the reaction of the respondent's brain.

2. TV & Radio Advertising —

1. Central location test — See film in central location
 2. Clutter test — All commercials are shown to respondents to know effectiveness
 3. Trailer test — Respondents listen to commercials in trailers at shopping malls.
 4. Theater test — Respondents see commercial in Theater.
 5. live telecast — commercials are shown in cable TV & respondents are interviewed
- b. Sales experiment — Alternate TV or Radio commercials run in two or more markets.

3. Physiological Testing —

- a. Pupillometric device — Dilation of the respondent's pupil is measured, presumably to indicate respondent's interest.
- b. Eye-movement camera — The route that the respondent's eyes travelled is superimposed over an ad to show the areas that attracted and held attention.
- c. Galvanic skin response — A mild (electrodermal response) electrical current measures respondent's sweat gland activity to measure the tension an ad creates.
- d. Voice-pitch analysis — A customer's voice response is taped and a computer is used to measure changes in voice-pitch caused by emotional responses.
- e. Brain pattern analysis — A scanner monitors the reaction of the respondent's brain.

6. Hemispheric lateralization - This distinguishes between alpha activity in left & right side of brain.

Post testing Methods :-

1. Recall - This is a measure of the proportion of a sample audience that can recall an ad as having seen.

In aided recall, respondents are shown certain ad with the name of the sponsor or brand concealed and then asked whether their previous exposure was through reading, viewing, or listening.

In unaided recall, respondents are asked, without prompt, whether they read, saw, or heard advertising message.

2. Recognition - This refers to whether a respondent can recognize an advertisement as having seen before. Such tests are conducted by mail survey. Recognition/readership tests provide a mechanism for breaking a print ad into its more important elements like headline, visuals, body copy, and logo, and how these are remembered by a sample of respondents.

3. Inquiry - This refers to checking the effectiveness of ads appearing in various print media on the basis of which consumers respond by requesting for more information. The inquiry may depend on the phone calls received from interested persons, coupons returned or requests for

6. Hemispheric lateralization - This distinguishes between alpha activity in left & right side of brain.

Post testing Methods :-

1. Recall - This is a measure of the proportion of a sample audience that can recall an ad as having seen.

In aided recall, respondents are shown certain ad with the name of the sponsor or brand concealed and then asked whether their previous exposure was through reading, viewing, or listening.

In unaided recall, respondents are asked, without prompt, whether they read, saw, or heard advertising message.

2. Recognition - This refers to whether a respondent can recognize an advertisement as having seen before. Such tests are conducted by mail survey. Recognition/readership tests provide a mechanism for breaking a print ad into its more important elements like headline, visuals, body copy, and logo, and how these are remembered by a sample of respondents.

3. Inquiry - This refers to checking the effectiveness of ads appearing in various print media on the basis of which consumers respond by requesting for more information. The inquiry may depend on the phone calls received from interested persons, coupons returned or requests for

free samples. Inquiry testing may be used to check media, individual ads, or campaign.

4. Day after recall (DAR) :- The measure of effectiveness is always the number of people who can recall the ad. This determines the ability of the commercial to gain viewer attention, communicate an intended message, associated the brand name with the message, and effect purchase behaviour.

Some advertisers use attitude tests to measure the effectiveness of an ad campaign in creating a favourable image for a brand or company. Five different techniques are used to measure attitude like direct questioning, rating scales, check lists, semantic differential and partially structured interviews.

Essentials of effective testing :-

1. Establish communications objectives
2. use ~~communication~~ a consumer response model.
3. use both pre-tests & post-tests.
4. Use multiple measures.
5. Understand and implement proper research.

free samples. Inquiry testing may be used to check media, individual ads, or campaign.

4. Day after recall (DAR) :- The measure of effectiveness is always the number of people who can recall the ad. This determines the ability of the commercial to gain viewer attention, communicate an intended message, associated the brand name with the message, and effect purchase behaviour.

Some advertisers use attitude tests to measure the effectiveness of an ad campaign in creating a favourable image for a brand or company. Five different techniques are used to measure attitude like direct questioning, rating scales, check lists, semantic differential and partially structured interviews.

Essentials of effective testing :-

1. Establish communications objectives
2. use ~~communication~~ a consumer response model.
3. use both pre-tests & post-tests.
4. Use multiple measures.
5. Understand and implement proper research.

International Advertising :- International advertising entails dissemination of a commercial message to target audiences in more than one country. Target audiences vary from country to country in terms of how they perceive or interpret symbols or stimuli, respond to humour or emotional appeals, as well as in levels of literacy and languages spoken. How advertising function is organized also varies. In some cases, MNCs centralize advertising decisions and budgets are decentralized and placed in the hands of local subsidiaries, resulting in greater use of local advertising agencies.

Components of International Advertising :-

1. Strategy
2. Message & Creativity
3. Media
4. Organization

Importance of International Advertising :-

1. Cost advantage
2. Global Markets
3. Global products & Brands

International Advertising :- International advertising entails dissemination of a commercial message to target audiences in more than one country. Target audiences vary from country to country in terms of how they perceive or interpret symbols or stimuli, respond to humour or emotional appeals, as well as in levels of literacy and languages spoken. How advertising function is organized also varies. In some cases, MNCs centralize advertising decisions and budgets are decentralized and placed in the hands of local subsidiaries, resulting in greater use of local advertising agencies.

Components of International Advertising :-

1. Strategy
2. Message & Creativity
3. Media
4. Organization

Importance of International Advertising :-

1. Cost advantage
2. Global Markets
3. Global products & Brands

Why do companies adopt International Marketing

1. Limited opportunities
2. Barriers
3. Changing social aspirations
4. Low economies of scale
5. Company Image
6. Amortised the expenses (cost reduction)
7. Growth of International Media
8. Simplification of coordination

Important ~~area~~ decision areas in international Advertising :-

1. Global advertising objectives
2. Targeting issues
3. Positioning the Global brand.
4. Setting the budget
5. Executing the International Campaigns.
6. Organizing for the international Campaigns.

Impact of Culture on international Advertising :-

1. Language in international Advertising
2. Communication style in International Advertising.
3. Colours, Numbers and images in international advertising.
4. Cultural Values in international advertising.
5. Customness across the countries.
6. Gestures.

Why do companies adopt International Marketing

1. Limited opportunities
2. Barriers
3. Changing social aspirations
4. Low economies of scale
5. Company Image
6. Amortised the expenses (cost reduction)
7. Growth of International Media
8. Simplification of coordination

Important ~~area~~ decision areas in international Advertising :-

1. Global advertising objectives
2. Targeting issues
3. Positioning the Global brand.
4. Setting the budget
5. Executing the International Campaigns.
6. Organizing for the international Campaigns.

Impact of Culture on international Advertising :-

1. Language in international Advertising
2. Communication style in International Advertising.
3. Colours, Numbers and images in international advertising.
4. Cultural Values in international advertising.
5. Customers across the countries.
6. Gestures.

Comparison of International Advertising with local Advertising :-

<u>International Advertising</u>	<u>Local Advertising</u>
1. Target audience in more than one country.	1. Target audience is either a city or state.
2. Large consumer base is there and costs are in greater way.	2. Lower consumer base with low cost factor also.
3. Area of activity happens with TV & magazines.	3. Local advertising is spending media budget on a regional level (mostly billboards, newspapers, radio).
4. International advertising is suitable for every company. There is no restriction.	4. Local advertising is suitable only for smaller businesses.

Barriers

Barriers to International Advertising :-

1. Challenges of the Cultural Barriers.
2. Legal Restrictions.
3. Original National Identity.
4. Media Unavailability.
5. Different Price Structures.
6. Competition.
7. Non global names.

Comparison of International Advertising with local Advertising :-

<u>International Advertising</u>	<u>Local Advertising</u>
1. Target audience in more than one country.	1. Target audience is either a city or state.
2. Large consumer base is there and costs are in greater way.	2. Lower consumer base with low cost factor also.
3. Area of activity happens with TV & magazines.	3. Local advertising is spending media budget on a regional level (mostly billboards, newspapers, radio).
4. International advertising is suitable for every company. There is no restriction.	4. Local advertising is suitable only for smaller businesses.

Barriers

Barriers to International Advertising :-

1. Challenges of the Cultural Barriers.
2. Legal restrictions.
3. Original National Identity.
4. Media Unavailability.
5. Different Price Structures.
6. Competition.
7. Non global names.