#### KUNTHAVAI NAACCHIYAAR GOVT ARTS COLLEGE FOR WOEMN, THANJAVUR DEPARTMENT OF BUSINESS ADMINISTRATION

#### 18K3BBABB2 - Advertising and Sales promotion – II BBA

The word Advertising is derived from the Latin word "adverto" "ad" meaning "to turn". French "advertir" mean to inform.

Advertising is any paid form of non-personal presentation of ideas, goods and services by an identified sponsor. – Philip Kotler

#### **Characteristics of Advertising**

- Method of promotion
- Paid mass communication
- Form of publicity
- Salesmanship in writing
- Mass non-personal communication
- Sponsor of advertisement is known
- It influence buying behavior
- It guides buyer to purchase
- It persuades buyer

## **Characteristic Features of Advertising**

Advertising has certain features of its own which are listed below.

- 1. Advertising is one of the methods of promotion mix.
- 2. It is a paid mass communication, not aiming at a specific individual.
- 3. It is a form of publicity, *i.e.*, dissemination of information regarding a product, service or idea.
- 4. It is salesmanship in writing or printed salesmanship.
- 5. It is a mass non-personal communication. That is, communication is only through written, spoken or visual means, and not through persons.
- 6. It is a sponsored publicity or communication *i.e.*, the publicity has been deliberately sponsored, initiated or undertaken by a sponsor. It is paid for by the sponsor.
- 7. The sponsor of advertisement (i.e., one responsible for it) is usually identified in the advertisement itself.
- 8. It is undertaken to influence the buying behaviour of the customers.
- 9. It guides the buyers towards a more satisfactory expenditure of their hard earned money.
- 10. It persuades buyers to purchase the goods advertised, which means that advertising devoid of persuasion is ineffective.
- 11. The communication media are diverse such as *print* (newspapers and magazines), *broadcast* (radio and television), and *direct* (mail, billboards and motion pictures).

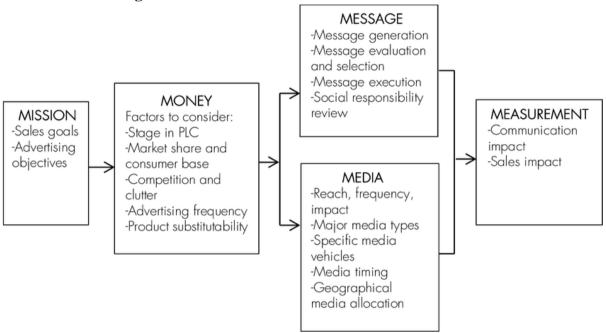
Briefly stated, advertising is an art of influencing human action; the awakening of a desire to possess one's product. It is a mass persuasion and it is any form of publicity given to products or services at the expense of the person who wants such publicity for bringing his products and services to the notice of the general public.

Marketers use advertising as a means of communication with target consumers. This tool provides a useful means of transmitting messages to consumers at a low cost per contact.

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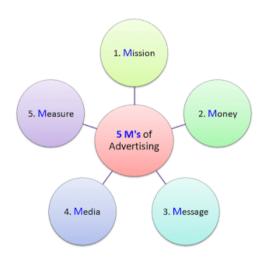
- Source: Advertising & Sales Promotion P.Saravanavel & S.Sumathi
- Source: Advertising & Sales Promotion P.Saravanavel & S.Sumathi

#### 5 M'S of Advertising



Advertising is the art of promoting yourself through different media. In the complex environment where everything is getting changed and being systematic, the advertisement is also being converted into a whole subject.

There are many things to know on this subject. Just like the 4 P's of Marketing Mix, there are five M's of advertisement to understand the whole concept of advertisement.



#### 5 M'S of Advertising

- **Mission**: what are the objectives of the advertising campaign?
- Money: how much budget they required to achieve the objectives?
- Message: what message and message strategy will be followed?
  - Source: Advertising & Sales Promotion-P.Saravanavel & S.Sumathi

- **Media**: what type of media vehicle/s will be used to deliver the message?
- **Measurement**: how should be the results of the advertising campaign or programme will be evaluated?

#### Mission

Like the mission statement of any organization, advertisement a component of promotion is also having a clear mission that what do you wants to achieve through advertisement. In this head, we set our mission, goals, and objectives to analyze that what we are going to do and what we will get through this act. So the organization has a mission in its record to achieve by the end of its advertising campaign.

#### Money

As time is important in the advertisement but how you can ignore your budget. Money is also critical decision while going for advertisement. Different media charge different cost. The Internet is cheap media to advertise but everyone cannot use the internet in his advertisement strategy. TV is more costly but effective media in the advertisement. Most of the companies reserve media budget separately. Every type of media has different package for advertisement for example newspaper have so many packages for advertisement and TV channels also have different budget packages according to time.

#### Message

Third M in the advertisement is the Message. The message is that idea, information, literature, and theme you want to communicate to your target customer. The message will be decided according to the target customer because you will definitely only transfer important information to your target audience but a trash. The important thing to note here is that the message will be changed when you will change the source of advertisement.

It means that selection of media will define the message because you cannot run a picture message on Radio.

#### Media

Definitely selection of media is the most important component in the advertisement. There are so many media available for advertisement but selection is at the same time so much more critical.

The decision of media selection depends on the target market because the organization will first analyze how its target market gets information about organization whether they are connected to the internet or through traditional media like the newspaper.

Use of media is also critical because of the money budget ant time budget. Different media charge different cost in different time.

It is promotional manager's duty to study that which time is effective with which media.

#### Measurement

Same like Marketing strategy, evaluation and measurement is an essential step to ending advertisement strategy.

Without evaluation how you can identify that you achieve your objectives?

Same in the case of the advertisement, you have to measure your advertising strategy that either you get the same return or not.

Again measurement depends on media selection. Every media has its own measurement techniques.

Ref: https://www.geektonight.com/5-ms-of-advertising/

#### https://ninjaoutreach.com/five-m-of-advertisement/

#### ADVANTAGES OF ADVERTISING

#### **Advantages to Manufacturers**

- 1. Creates Demand
- 2. Maintain existing market
- 3. Helps in expanding the market
- 4. Helps to overcome competition
- 5. Warn the public against imitation
- 6. Builds Reputation
- 7. Helps to contact the public directly
- 8. Protects manufacturers fro undue dependence on middle men
- 9. Helps the producers to secure dealers for their goods
- 10. Helps to increase the volume of sales
- 11. It helps in reduction in the cost
- 12. Helps to avoid seasonal fluctuation
- 13. Increases rate of stock turnover

#### **Advantages to Retailers**

- 1. Reduces Sale effort
- 2. Large sales volume
- 3. Increases stock turnover
- 4. Reputation created by manufacturers through advertisement helps retailer also.
- 5. Retailers get product information
- 6. Advertisement builds prestige for retailers shop
- 7. Stabilize price
- 8. Small retailers cannot afford to employ salesmen

#### **Advantages to Wholesalers**

- 1. Easy sales
- 2. Increases stock turnover
- 3. Reputation created by manufacturers through advertisement helps wholesaler also.
- 4. Advertisement provides wholesalers product information

#### Advantages to Salesmen

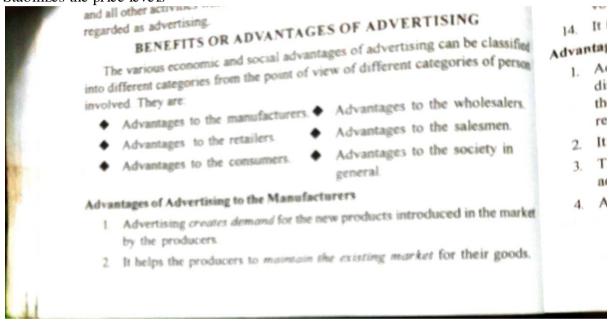
- 1. Advertisement prepares ground work for sales men
- 2. Helps them to secure increased sales
- 3. It gives confidence to salesmen
- 4. Helps to reach consumers with least effort
- 5. Contacts are made between salesmen and customers

#### **Advantages to Consumers**

- 1. Introduce new products to the consumers
- 2. Raises standard of living.
- 3. Gives protection against deception
- 4. It saves time, effort and money to get the details about the product.
- 5. It gives information on how to use the product
- 6. Price is known to consumers
- Source: Advertising & Sales Promotion-P.Saravanavel & S.Sumathi

#### **Advantages to Society**

- 1. It raises the standard of living
- 2. Educates public
- 3. Generates employment opportunities
- 4. Promotes art and talent
- 5. Lowers the selling price of newspapers and magazines
- 6. Helpful to announce the public
- 7. It transforms the culture of the nation
- 8. Stabilizes national production
- 9. Stabilizes the price levels



- 3. It helps the producers to expand the market for their goods.
- 4. It helps the manufacturers to overcome competition by tactfully emphasising various features of their products.
- 5. It helps the manufacturers to warn the public against imitation of their product by others through precise description of the special features of their product.
- 6. Constant advertisement popularises a product and builds up reputation and goodwill for the producers.
- 7. It helps the manufacturers to contact the public directly. Such a direct contact between the manufacturers and the consumers results in the elimination of middlemen. The elimination of middlemen helps the manufacturers to reduce their selling costs to certain extent.
- 8. It protects the manufacturers from undue dependence on middlemen. Middlemen cannot pressurise the manufacturers of widely advertised goods regarding the terms and conditions of sales.
- 9. It helps the producers to secure dealers for their goods. Dealers, generally come forward to stock the advertised goods.
- 10. It contributes to increase the volume of sales and thereby, reduces the cost of marketing per unit of goods sold directly.
- 11. By bringing about increased sales and production, it contributes to reduction in the cost of production per unit.
- 12. By constant advertisement, manufacturers can maintain effective control over the wholesale and retail prices of their products.
- 13. It helps the manufacturers to maintain a steady demand for their products by avoiding seasonal fluctuations in demand. In short, it stabilises the volume of sales.
- 14. It increases the rate of stock turnover.

## Advantages of Advertising to the Wholesalers

- 1. Advertisements facilitate easy sale of product, as the availability and the distinctive features of the products are already brought to the notice of the consumers by the manufacturer through advertisement. In short, it reduces the selling efforts and the selling expenses of the wholesalers.
- 2. It increases the stock turnover rate of the wholesalers.
- 3. The reputation for a product created by the manufacturer through advertisements is shared by the wholesalers.
- Advertising provides product information to the wholesalers.

#### Advantages of Advertising to the Retailers

- It reduces the sales efforts and the selling expenses of the retailers, as the
  consumers are already aware of the availability and the features of the
  advertised products.
- 2. It contributes to large sales volume.
- 3. It increases the stock turnover rate of the retailers.
- The reputation of the product created by the manufacturer through advertisement is shared by the retailers.
- 5. It enables the retailers to have product information.
- 6. Advertising builds up prestige for the retailers' shops.
- It stabilises the prices and thereby protects the retailers against any log resulting from price fluctuations.
- A small retailer cannot afford to employ salesmen for canvassing to get orders. But because of the advertisements placed by the manufacturer, he can get orders easily.

#### Advantages of Advertising to the Salesmen

Advertising is beneficial to the salesmen in several ways. The important benefits of advertising to the salesmen are:

- Advertising prepares the ground work for salesmen. That is, it reduces
  the work of the salesmen, as part of their work has already been performed
  for them by advertising.
- It helps the salesmen to secure increased sales by acquainting more people with the merits of the products.
- It gives confidence to the salesmen to perform their promotional effort
  effectively.
- It helps the salesmen to reach the right man with least efforts.
- The contact established by salesmen with customers is made permanent by advertising.

### Advantages of Advertising to the Consumers

- An advertisement brings the new products to the notice of the consumer
  and helps them satisfy their wants.
- It raises the standard of living of the consumers by stimulating the desire for a variety of new products.
- It provides protection against deception, because advertised product are, generally, of good quality.
- It saves time, effort and money of the consumers in obtaining information
  about the product.

- 5. It contributes to the reduction in the selling prices of goods for the consumers by encouraging increased sales and production.
- By providing information about the relative merits of the various goods available in the market, advertising helps the consumers in intelligent buying.
- 7. Prices of advertised goods are known to the consumers. As such, the consumers can get the goods at the advertised retail prices and protect themselves against the higher prices that may be charged by the dealers.
- 8. Modern advertisement is highly informative. Through it, the consumers can know the varied uses of the products.

## Advantages of Advertising to the Society

- 1. It raises the standard of living of the people by stimulating their desire for a variety of new products.
- 2. It educates the public. The facts, figures, slogans, stories, etc., used in an advertisement help the members of the society to improve their knowledge.
- 3. It generates employment opportunities by promoting sales and enhancing production. Further, many persons are directly engaged in advertising process as artists, photographers, etc.
- 4. It promotes art and talent by giving an opportunity to artists to do creative work in preparing the advertisement copy.
- 5. It lowers the selling price of newspapers and magazines by providing income through advertisements published.
- 6. Advertisements are helpful to the people to annou—e births, deaths, marriage, etc., for the benefit of other members in society.
- 7. It transforms the culture of a nation.
- 8. It stabilises national production.
- 9. It stabilses the price level and avoids or minimises the fluctuations in prices.

#### PROBLEMS OF ADVERTISING

The present day advertising industry faces many problems. Some of the problems are discussed below.

- Budget limits.
- Compelling content.
- Choosing the right method.
- Measuring effectiveness. .
- Rising through the competition.
- Source: Advertising & Sales Promotion P.Saravanavel & S.Sumathi

#### **Budget limits**

Almost every business out there goes by on a limited budget, especially for advertising. Entrepreneurs try to squeeze their pockets as much as they can, in hopes that customers will take notice. However, it requires finding the right techniques, audience, and platform to handle the limited resources effectively. Those who begin with very ambitious goals may risk their money too much, while those who are very cautious may spend very little, thus ending up with their efforts unnoticed. Setting a limit is necessary, but it should be done with realistic goals. The allocation should be just enough for your business to test its market first, because of the uncertainties that lie ahead.

#### **Compelling content**

With the abundance of advertisements all over place, how to make the business stand out? The challenge begins in crafting the right message and transforming it into something that looks or sounds new. To give the business a voice, one need to identify your audience first. What would they like to hear? Would this type of message spark their interest? Do they need to know about this? Compelling content - this is the main challenge for every advertiser out there, and what every business owner hopes to have in his advertisement. Crafting the perfect sales pitch is not easy, as most people are already aware of those overused marketing bait lines such as "buy now before it's too late", "wait there's more", or "for a limited time only". Nowadays, people look around, research, and rationalize before making a purchase. That is why in creating the ideal content, there should be sincere, detailed solutions that will answer the needs of the target customers.

#### Choosing the right method

There is no perfect formula for advertising because the methods depend on the type of audience that you have. Choosing the suitable advertising technique for your business ia yet another problem. It will involve a series of tests until you find the right one. It can be tricky, but you need to decide whether you're going to place your ads on the internet, radio, print, outdoor, or TV. Sometimes it could be a combination of two or three methods that brings in the most number of customers for you. For local businesses, you may combine traditional with digital advertising method. An example would be using a car magnet which includes the name of your website. Hence, people would find your business online through your offline advertisement.

#### Measuring effectiveness

Probably, one of the hardest parts of advertising is identifying the effectiveness of the campaign. This becomes more difficult if the business is running different advertisements at the same time. The worse thing could be running the ad without verifying if it actually gets the job done. Money could be wasted on a tiny newspaper ad space that may be enough to pay for an outdoor poster that everyone could see. It could also be a social media ad that does not generate enough clicks. To check if the advertisement is working, set a time frame for a particular ad and observe if it affects your sales.

#### Rising through the competition

With limited resources, it can be tough to keep up with the competition. In fact, to get noticed, you do not have to blend yourself in. Analyze the factors which distinguish your business from the big companies, and know that you can offer a more personalized service. For small business owners, it pays to work with sincerity. An honest, reliable, and

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# **Functions and Benefits of Advertising**

#### FUNCTIONS OF ADVERTISING

Some authors have divided the functions of advertising broadly under four heads. They are - Commercial, social, economic and psychological. While some authors have grouped them as (a) Primary function and (b) secondary function. We shall study each of them below:

#### **Commercial Functions**

From the practical point of view, the fundamental function of advertising is to stimulate the sale of goods and services. Increased sales may be accomplished either by selling to more people or by selling in greater quantity to people who are already customers. The following analysis outlines the ways in which these two ends are achieved. Increased sales may be accomplished by selling to more people by securing new users. This is done by opening up new markets or by plucking customers from competitors. Advertiser may set out to reach undeveloped markets, to appeal to the younger generation, or to overcome prejudices which have stood in the way of further development. Instead of trying to attract new users, the advertiser may find it possible to stimulate sale by encouraging present customers to increase consumption. A common device is to encourage more frequent use. The introduction of radio sets for use in automobiles has expanded the market for them. Similarly, products which formerly were sold rather generally are now promoted for use on special occasions. The exploitation of shirts and ties as special gifts for Father's Day is an illustration of this type of advertising.

We must bear in mind that the objective of all advertising is not aimed at increasing the sale of goods and services. It may even be for creating a favourable disposition towards the goods and services which may facilitate sale later. We have advertising for the purpose of building goodwill, familiarising consumers with a product or a service, enhancing the prestige of an organization - all aimed at creating a favourable climate for the sale to be made at a later date.

# Social Functions

As the name implies, the social functions are related with society in general. People come to know about different types of goods and services only through advertising. They also come to know about different manufacturers of different products and the various uses of such products. Advertising also helps people

Supporters of economic benefits of advertising argue that -

- (i) it provides information to the consumer to satisfy his/her wants
- (ii) it gives the consumer a feeling of safety, as he/she is purchasing from known source
- (iii) it tends to stabilise prices, thereby increasing the convenience to the consumer
- (iv) by bringing down the prices, it enables the consumer to satisfy  $m_{0re}$  wants and thus to increase his/her standard of living
- (v) enables large-scale production by widening the extent of the market  $f_{0r}$  goods; and also
- (vi) by reducing the prices of goods, it takes the place of more costly methods of personal selling.

#### **Psychological Functions**

The psychological functions relate to the methods of inducing people to buy goods and services. It is but natural that advertisements influence the mind and behaviour of prospects. The messages of advertisements influence the minds of prospects the way they think about a product and make them conclude that they will be benefited by purchasing the product. Advertising also makes an impression in the minds of the prospects about the names of the product, the brand or the trademark under which it is sold, the product features, quality, etc.

Every discussion on the effects of advertising assumes a knowledge of psychological functions. These functions are:

- (i) To secure initial attention
- (ii) To impel action
- (iii) To direct action in desired channels
- (iv) To establish favourable association with the brand or store name.

# PRIMARY AND SECONDARY FUNCTIONS OF ADVERTISING

As stated, some authors have grouped the functions of advertising into primary function – aspects relating to sales function, and secondary function – aspects relating to services rendered by the firm. We shall study about them here.

#### **Primary Functions**

Among various primary functions, the following are very important;

(i) To increase sales: The main function of advertising is to increase the sales of the product of the company by securing greater consumption, by attracting new buyers and by introducing new uses for a commodity,

- (ii) Persuading dealers to stock: Advertising persuades dealers to stock more advertised goods. It ensures wider distribution of goods, even to remote places. Where a product is not in demand, the advertisers directly contact their dealers to stock the goods and persuade the consumers to buy their goods through advertisements.
- (iii) Assisting dealers to liquidate stock: Advertising not only assists the producer or advertiser, but also helps dealers (wholesalers and retailers) to sell the advertised goods. Thus, wholesalers and retailers are able to clear their shelves speedily resulting in higher profits. This is all possible due to effective advertising.
- (iv) Increase in per-capita use: Advertising may tend to increase the per capita use of commodity by repeating the product features and its uses constantly. Advertising is effectively used to increase the per capita consumption by describing new uses of articles that may never have been thought of by the general user.
- (v) Recognition for quality: Advertising brings goodwill for the producer. If a producer has been recognised for bringing out quality products, his new product in the same line or new model will be well received by the public.
- (vi) Protecting Manufacturers' Interests: The next function of advertising is secure manufacturer's business interests. Through the advertising of trademarks or brand names, or the general appearance of the products and their package, public recognition and acceptance are secured and accordingly goodwill of the manufacturer is established over time and a kind of insurance is given. This makes the manufacturer feel more confident and be independent of wholesalers and retailers. It also protects the manufacturers from acute competition. Competitors will find it difficult to develop the substitute for the nationally or internationally advertised products. Advertising cultivates brand and company image. It creates goodwill which is a very valuable asset. It insures the manufacturer against all business risks.
- (vii) To eliminate seasonal fluctuations: One of the primary functions of the advertisements is to eliminate or lessen the seasonal fluctuations for the seasonal products by describing their various uses during off season. For example, by advertising, the use of refrigerators all the year round has been highlighted to people.
- (viii) Creation of demand: Competitive advertising of two or more manufacturers in the same field expands market and creates more business for them. It creates demand for the product and not merely for a particular brand. For example, a lap-top computer is widely recommended and vigorously suggested through advertisements, highlighting its advantages. It ultimately results in more such computers being sold.

Raising of standard of living: Advertising also deserves credit in raising the standard of living of the consumers by persuading them to use newer (ix) and better products at competitive rates. It is partly because of advertising it has become possible that goods that are enjoyed by rich people once are being enjoyed by common man now. For example - Television, which had been only a dream for a common man a few decades earlier, has now become very popular among all sections of society, which is, mainly due to advertising.

#### Secondary Functions

In addition to primary functions of advertising discussed above, there are many other functions which have gained importance during the course of time and such functions may be classified as Secondary functions which have been discussed below -

- To lend moral support to salesmen: Advertising helps salesmen a lot occasionally, a salesman feels insecured and lacks confidence (a) in himself (b) in his company's products; and (c) in the firm he represents. On such occasions, advertisement supplies the necessary information to supplement his presentation and boosts his morale. It makes it easier for him to sell advertised goods, for part of the selling has already been done for him. It will increase his remuneration because increased sales volume will earn him a good name and increase his remuneration / incentive, etc.
- To furnish correct information: Advertisements provide the correct information about the product, producer, stockists and salesmen. Salesmen and dealers are benefited by the use of information given in the advertisement. Many times, such information serves as a check on erroneous and extravagant claims.
- Ensures Product improvement: Advertisements create a feeling among the executives and the administrative staff that they are responsible to the public in a peculiar way. In many ways, they become more enthusiastic when they see advertisements of their own company. They are likely to strive to improve the product further in all aspects, and give public more value for their money.
- Sense of Security: The workers of an organisation of well advertised goods will feel that their jobs are more secured and that their future prospects with the organisation are bright as the business grows.
- Appointment of Efficient Employees: Advertising makes it possible for the manufacturers to appoint well equipped employees, in terms of qualification, experience and skill. As a company gains much popularity through its advertisements and is identified as a widely known company. any eligible applicant will feel pride to apply for a job. Thus, advertising helps the advertiser to choose only the best aspirants.

Source: Advertising & Sales Promotion - P.Saravanavel & S.Sumathi

## SOCIAL ILL-EFFECTS OF ADVERTISEMENTS

There are equally strong arguments focusing on the ill-effects of advertisements. The ill-effects of advertisements on society are the escalation of national crime rate, decline in the respect for leadership of every kind, establishment of illogical loyalties, exploitation of women and children and deliberate sale of products. There are other ill effects perpetuated through the use of objectionable appeals; techniques and, language, etc.

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Advertising and Salesmanship Advertising is also criticised on the grounds of deception, manipulation to the social effects of advertising to the social effects of the social Advertising is also criticised on the ground effects of advertising such a bad taste. Another objection relates to the social effects of advertising such a bad taste. It is believed that the pervasi. its influence on social values and life styles. It is believed that the pervasivence its influence on social values are the value systems of society.

#### Deception

It occurs when an advertisement, introduced into the perceptual process either differs from the reality of the situation or affects buying behaviour to the detriment of the consumers. This deception not only pertains to the information content in advertising but may also arise from misplaced emphasis in presentation

One advertisement claimed that a hair dye would color hair permanently if someone exposed to the advertisement believed that the dye would hold good even for hair not yet grown, suggesting a single application of dye would last for years. Is the claim deceptive?

There are other issues as well. How can dishonest and careless advertiser; be detected, prosecuted, and punished? To what extent can self regulation be relied upon? What are appropriate remedies? These questions and others make the issue of deception a complex area for an advertiser, the media, and the government. But we can say with certainty that deception takes place when there is a misrepresentation or omission, or practice that is likely to mislead.

#### Misrepresentation or Omission

Misrepresentation or omission is said to have occured under the following circumstances.

- Suggesting that a small difference is important 1
- 2. Conducting artificial product demonstrations
- 3. Using an ambiguous or easily confused phrase
- Implying a benefit that does not fully or partially exist 4
- Implying that a product benefit is unique to a brand 5.
- Implying that a benefit is needed or that a product will fulfill a benefit 6. when it will not.
- Incorrectly implying that an endorser uses and advocates the brand 7.
- Omitting a needed qualification
- Making a claim without substantiation.

#### Validity of Information

We can pose five questions to the information provided in advertisements w test their validity.

- Is the claim testable?
- Is competitive claim of superiority defensive in terms of normal of extraordinary but reasonable use?

- Does the claim apply to all models and types in the product range, or just to some?
- 4. Can the message be misinterpreted by a reasonable person?
- 5. Finally, the test for relevance is also important. Does the advertisement address itself to what consumers want to know?

## Manipulation

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Critics of advertising fear that the freedom of choice of consumers is restricted by the power of advertising since it can manipulate buyers into making a decision against their will or interest. Such manipulation can be brought about by playing on the subconscious motives of people, using emotional appeals. Even genuine persuasive power of scientific advertising can have such effects. However, it must be pointed out that the power of manipulation in advertising has been exaggerated. People probably make their own choice most of the time for reasons best known to them only.

The communication of information about a product is usually accepted as being true by the consumer. However, when advertising utilises appeals that go beyond such a basic communication task, the charge of manipulation through emotional appeals is raised. Then the implication is that consumers will be led to take less than optimal decisions by such emotional appeals.

There is also a view that advertisers have the power to manipulate their audience. Many large companies have the capacity to get a vast exposure for their advertisements. Furthermore, these companies can utilise advanced and scientific advertising techniques to make an impression on consumers. However, it must be realised that even the most sophisticated approaches have their own limitations. Secondly, buyers' choices are determined by many basic behavioural characteristics and so advertising usually exerts only a marginal influence.

## Advertising as Offensive or in Bad Taste

Another common criticism of advertising, particularly by consumers, is that advertisements are offensive, tasteless, irritating, boring, and so on. Consumers can be offended by advertisements in a number of ways. Some object when a product like contraceptives is advertised. Most media did not accept advertisements for condoms until the AIDS crisis forced them to reconsider their restrictions imposed.

Critics feel that some advertisements are created in a very bad taste. Their reasons are based on the following -

 Bad tastes in advertisement can creep up in several ways. The product itself, message content, and techniques used are some of them.

- (ii) Another dimension of bad taste is the *timing of the advertisements*. Too many advertisements at 'prime time' television can create a bad impression. But often media indulges so to get more earnings. But the viewers end up in viewing the programme fragmented so much that continuity is the casuality.
- (iii) Objectionable appeals like over emphasis on sex, assuring instant relief, luring consumers by tall claims, such as becoming a millionaire overnight (while the probability is just one-millionth), depicting competitor's product in undeservingly poor light, etc., are very common. All these border on bad taste.
- (iv) Objectionable techniques such as high voltage light and sound effect, employing unpleasant people or voices, repetitive messages unchanged for years etc., are considered bad-taste in advertisments.
- (v) Another criticism relates to the *product itself*. Advertisement on cigarettes, alcohol, etc., may only mislead the people, especially the youth.

#### Forms of Unethical advertising

Unethical advertising can take any of the following forms

#### • 1. The use of sex, especially the use of women as sex objects

- It is true in case of many products like after shave lotion, motor cycles, etc., in which the women are used in advertisements but in real life, women have nothing to do with these products.
- 2. Alcohol Advertising
- Alcohol advertising is banned on broadcast and print media in India. But we can find manufacturers of alcohol advertising for Soda, in an effort to keep the brand name afresh in the minds of the consumers.
- 3. Tobacco Advertising
- Tobacco advertising is considered an unethical advertising practice. All cigarette advertisements should carry a Statutory warning that Smoking is injurious to health in
- Source: Advertising & Sales Promotion P.Saravanavel & S.Sumathi

order to highlight the risks involved. But in reality, the advertisers release very colorful and catchy advertisements of cigarettes that give an impression, especially to the youth that smoking cigarettes is indeed graceful.

#### False Claims

- a. If an air-conditioning company advertises that it uses imported compressors in their machines for ensuring better performance while actually using an indigenously manufactured one, then it is a case of false claim.
- b. Advertisements offering mixtures and substances that claim to possess the ability to prevent people from ageing are categorized as unethical.

#### • 5. Exaggerated Claims

• Such claims include those that make an assurance which may not be true. For example, if a shampoo manufacturer claims that their product will remove dandruff in hair forever even when used only once, is a case of an exaggerated claim.

#### • 6. Unverified claims

- The language used in such advertisements will be quite ambiguous. For example, if a company advertises that its product offers instant hi-energy drink for children. But the question arises what do we mean by instant hi-energy drink and what are its parameters? And also if there is no scientific verification of the energy it possesses, such advertisements are included under unverified claims.
- Source: Advertising & Sales Promotion- P.Saravanavel & S.Sumathi

#### Questions

- 1. Define Advertising
- 2. What are the Characteristics of Advertising?
- 3. What are the 5- M's of Advertising programme?
- 4. Explain the Problems in Advertising.
- 5. Explain the Functions of Advertising
- 6. What is the need or reasons for advertising?
- 7. What are the Advantages of advertising?
- 8. What are the Positive Social effects of Advertising?
- 9. State the Social ill effects of advertising.
- 10. Explain the forms of Unethical advertising.

Reference: Advertising and Salesmanship – P. Saravanavel &S.Sumathi

# 2. Differences between Advertising and Publicity

Publicity is a planned effort to maintain a rapport between the organisation and its environment. Publicity is not directly paid for by the organisation. This is not to suggest that publicity is always free of cost or cheaper than advertising Publicity pertains to news items, conferences, seminars, awards, prizes, cover features, interviews etc., all aiming at promoting the organisation and its products Publicity is more comprehensive than advertising. Publicity's motive is to create a favourable climate for the organisation whereas advertising is having a narrower objective of selling.

Publicity is defined as non-personal stimulation of demand for a product/ service / business unit by planting commercially significant news about it in a published medium or obtaining favourable presentation of it on radio, TV or stage that is not paid for by the sponsor. Two significant distinctions emerge Publicity is not openly paid for. Secondly, presentation is not programmed.

Marketers have less control over publicity than they have over advertising Publicity is left to the discretion of the media in terms of whether to present or not the contents of presentation and the format of presentation. Publicity may be negative as well as positive.

Thus, the terms "advertising" and "publicity" are not identical. They are different from each other. The main differences between them are:

Advertising	Publicity	
<ol> <li>Advertising is a sponsored communication.</li> </ol>	Publicity may or may not be a sponsored communication.	
<ol><li>The sponsor is usually identified in the advertisement.</li></ol>	<ol><li>The sponsor may or may not be identified in publicity.</li></ol>	
<ul><li>3. Advertisement is always paid for.</li><li>4. Advertising is intended to persuade the public to buy goods.</li><li>5. Advertising is always done in</li></ul>	<ul><li>3. Publicity may or may not be paid for.</li><li>4. Publicity is intended to give information to the public.</li></ul>	
favour of something.	<ol><li>Publicity may be done either in favour of or against something.</li></ol>	
6. Advertising refers to specific attempt or efforts to popularise a particular product or service.	<ol><li>Publicity has a wider scope than advertising.</li></ol>	
<ol> <li>Advertising is a commercial activity.</li> </ol>	Publicity may or may not be a commercial activity.	

It is true that advertising and publicity differ from each other in several respects. But in practice, often, these two terms are used interchangeably. This is because of the following reasons:

# Functions and Benefits of Advertising

Similarities between Advertising and Publicity The function of both advertising and publicity is the same. Both make a The lune. Both make non-personal presentation of a product, service or idea to the masses.

The aim of both advertising and publicity is similar. Both aim at informing and educating the public about some products or services.

The masses, with whom a communication is made through advertising and publicity, are not interested in knowing whether the sponsor is identified or not in the communication, and whether it is paid for by the sponsor or not. That means, from the point of view of the public, both are same.

# 3. Differences between Advertising and Sales Promotion

The following are the differences between Advertising and Sales promotion:

Sales promotion is increasingly being used to accomplish an ever expanding list of marketing objectives. The company's marketing objectives and strategies influence the development of sales promotion objectives and strategies. There can be a number of sales promotion objectives, depending upon the firm's policies, marketing objectives, nature of the product and its stage in product life cycle, level of existing and anticipated competitive activity, consumer response pattern. economic conditions, the target groups (consumers, traders, or sales force), etc.

The purpose of sales promotion could be to stimulate the consumer, gain the cooperation of traders, or motivate the sales force. The company's promotional strategy should be attractive for the resellers so that they stock the product and are willing to set up displays and cooperate in accepting coupons. The sales force must be motivated to put in more efforts in selling, to put more emphasis on a certain brand, or motivate dealers to participate in contests, etc.

	Advertising		Sales promotion
	It provides general inducement to change attitude.	1.	It provides specific inducement to change action.
2.	Advertising has long-term and short-term aims to achieve.	2.	Sales promotion has only short-term goals to achieve.
3.	indoor – outdoor – direct and display.	3.	The media of sales promotion are contests, premium, prizes, special schemes.
5	Advertising is more pronounced in pre-and post-transition phases.	4.	Sales promotion being a transition phase, is close to selling than advertising.
s. 	Its effects are both repetitive and frequent, as it is long-term in nature and cumulative.	5.	Its effects are not repetitive and frequent. It is short-term in nature and non-cumulative.

# Functions and Benefits of Advertising

5. Differences between Advertising and Salesmanship Having understood the importance of sales promotion, propaganda and Having undern life, let us now try to define satesmanship.

J.S. Knox defines it as follows: "Salesmanship is the power or ability to J.S. Know as the power of ability to influence people to buy at a mutual profit that which we have to sell but which influence people we nave to sell but we they may not have thought of buying until we called their attention to it."

According to John C. Brennan, "Salesmanship is the science of understanding human desires and pointing the way to their fulfilment."

Selling is a two-way relationship. It benefits the buyer and therefore benefits the salesman himself. A salesman should have specialised knowledge of the commodity he is selling. Similarly, he must also study his customer (to whom he is going to sell the commodity) - the customer's likes and dislikes, maturity, social status and general behaviour. A salesman should have a complete knowledge of the market conditions. He must be adept in the art of presentation.

Advertising differs from salesmanship in many respects. The main differences vertising and salesmanshin are

etween advertising and salesmanship are:						
Advertising	Salesmanship					
<ol> <li>Advertising is an impersonal attempt to persuade people to buy goods or services.</li> <li>Advertising is concerned with the establishment of contact with the people through message.</li> </ol>	<ol> <li>Salesmanship is a personal attempt to persuade people to buy goods or services.</li> <li>Salesmanship is concerned with the establishment of contact with the people through persons, i.e., salesmen/saleswomen.</li> </ol>					
<ul> <li>3. Advertising is addressed to the masses.</li> <li>4. Through advertising, a large number of people can be contacted.</li> <li>5. Advertising saves much time.</li> </ul>	<ol> <li>Salesmanship-talks         appeal to specific individuals.</li> <li>The number of people contacted through salesmanship is limited.</li> <li>Salesmanship is a time consuming process.</li> </ol>					
<ul> <li>6. Advertising, however, appealing it may be, cannot be very effective.</li> <li>7. The success of advertising depends largely upon the advertising message and the media chosen for advertisement.</li> </ul>	<ul> <li>6. Salesmanship is quite effective in convincing and securing action.</li> <li>7. The success of salesmanship depends upon the qualities of the salesmen.</li> </ul>					

objectives.

# CLASSIFICATION OF ADVERTISING OBJECTIVES

The objectives of advertising may be classified into (i) general objectives, and (ii) specific objectives.

# **General Objectives of Advertising**

General objectives are those that are followed by every company without exception. General objectives may be classified into two categories *i.e.*, (a) stimulating demand; and (b) increasing profits of the firm.

## Stimulating Demand

The first and foremost objective of advertising is to stimulate demand for the product by creating a favourable climate for maintaining or improving sales. Advertising is all about convincing the prospective consumers that the product is worth the price charged. The management should bear in mind that some products are sensitive to increased advertising than others. In other words, more demand can be stimulated for some products which are more receptive than others through advertisement and they should press upon such factors.

Advertising can stimulate the demand for any product in three basic ways:

- (i) The current users of a product may be persuaded to increase the existing rate of product consumption. This may be done by reminding them about the product, its brand and the possible advantages of using the product.
- (ii) The second way of stimulating demand for the product is to attract new users into the market by telling them the qualities of the product and its possible uses so that they may change their brand.

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(iii) The third way of stimulating demand is to tell the current users about new uses of the product so that customers may use the company's product for several other purposes.

In this way, advertising may introduce new areas and new customers to the company's products and thus stimulate the demand for the same.

# Increasing Profits or Return on Investment (ROI)

Advertising involves investment of funds. Hence, it should produce a reasonable return on the said investment in order to assess the desirability and profitability of advertising.

Increased demand or sale is worthless unless it leads to increased profits. This aspect may be overlooked in the short run to obtain the objective of market penetration. Advertising may enhance the profits of a business firm in two important ways:

- (i) Advertising does increase sale of the product. The increase in sales will result in mass production and thus will lead to reduction in production costs. Utilisation of plant capacity to the maximum, specialisation of labour, quantity discount on the purchase of raw materials and other large scale economies will lower down the product cost per unit. As manufacturing costs will be lowered, the profits of the concern will be increased consequently.
- (ii) Similarly, advertising will reduce various 'marketing costs'. For example, increased advertisements will lead to increased and will reduce expenditure on personal selling, less per unit cost on transportation and storage.

Thus, advertising increases profits of a concern due to reduction in manufacturing and marketing costs. But they should not be taken in absolute terms. Profits should be weighed against the increased cost of advertising before concluding that advertising has helped to improve the profits of the firm.

# Specific Objectives of Advertising

The following are some of the *specific advertising objectives*, that are generally set by different producers in different situations.

- Introducing New Product: Advertising introduces a new product to
  potential customers. The prospects are informed of the attributes, qualities
  and price of the product. A new product may gain momentum in sales, if
  the potential buyers are made aware of its existence. In many cases, the
  manufacturer decides on the scale of production after evaluating the
  results of advertisement.
- Promoting brand and developing brand loyalty: An advertising campaign may be directed to promote a specific brand name in the minds of the prospective buyers of a product and also aims at building brand loyalty by way of convincing them for repeat purchase.

- 3. Increased usage: Advertising is also used to increase usage of the product. Proctor and Gamble's advertising campaign for 'Vicks Vaporub' is a good example for the increase in usage. The campaign advises the target market to apply it in three places for effective relief. Colgate and Palmolive also achieved greater usage of their tooth paste through advertising. Suggesting various applications of the product through effective advertising help in achieving increased usage. In this regard, Vermicellli is a good example. The producers campaigned a number of cooking formulae with vermicilli that increased the demand of the product many times.
- 4. Developing Product Image: The objective may be to develop a distinct image for a product in the minds of the buyers. Advertising plays a vital role in product positioning. Advertising helps to shape the consumers' image of the product in the desired fashion.
- 5. Changing Habits: The aim of an advertising campaign may be to change the existing habits of the target market. Kitchen ware is the best example for this. A number of products replaced the traditional tools and appliances that changed the cooking habits of the housewives. A strong and effective advertising campaign of different products is responsible for such a change. Changing one's habit is not easy. People normally tend to change to the changing environment. It is advertising which makes them change their habits.
- 6. Support Personal Selling Programme: We have seen already that advertising is a part of a firm's promotional mix. The objective of advertising may be to assist personal selling which constitutes another important part of the promotional mix. If sales personnel are the key to a firm's marketing success, advertising can serve as a door opener. The initial awareness and knowledge created by advertisements will be highly beneficial to the sales representatives when they meet the prospects face selling to the middlemen also find it easy to convince the middlemen when a product is advertised.
- 7. Reaching inaccessible buyers: It is very difficult for the producers to meet all buyers personally through their sales force, as the potential buyers are spread widely over various locations. Advertising makes it possible to establish an indirect contact with even inaccessible buyers and thereby creates more demand for the products. Mass communication through advertising paves the way for mass marketing.
- 8. Information about changes made: The objective of advertising is also to inform the buyers about the changes made in the company policies and product mix. The information may relate to changes in price structure, product modification, change in package, brand name, etc. Such changes can be effectively conveyed quickly through advertising.

- Advertising Objectives and Goals Increases Sales: The purpose of advertising is to create sales. An Increases advertising campaign motivates buyers to make a purchase after advertising appeals. Advertising drives people to the market and thereby creates a demand for the products.
  - Facing Competition: Another important objective of advertising is to face the competition in the market. Advertising in modern days is used not only to inform the people about a new or existing product but for maintaining and increasing the demand of the product by keeping the buyers away from rival's products available in the market under competitive conditions. Advertising helps to build up brand image and brand loyalty so that customers develop a habit to use the product. When brand loyalty is developed, it becomes very difficult for the middlemen to change it.
  - Increases the Market Share: Advertising increases the market share. Various uses of the existing products are communicated to the prospective customers. If possible, the different uses should be demonstrated to customers through different media of advertising. The behavioural study of customers will enable the producer to arrive at a method for incrasing the market share of the product. The strengths and weaknesses of competitors are evaluated before the strategy of market expansion is implemented.
  - Company Image: Advertising helps in projecting the image of a company. It campaigns for the company's name along with the brand. The goal of a company is to create favourable image in the minds of the consumers. An established image ensures easy acceptance by the society over the changes initiated in existing products, new product introduction and withdrawals. The company can promote itself as a responsible organisation of the business community.
  - Increasing Public Welfare: Advertising has the objective of increasing the welfare of the public. This is an inherent purpose of an advertisement. Unless public obligations are met, the advertisement would be a fraud upon the public. The moral and ethical values should be stressed in all advertisements. Advertising also informs the public as to how to ensure public hygience, educates them in the conservation of energy, makes the environment free from pollution, and so on.
  - 14. Selection of media: The most effective media should be chosen in order to get the most profitable result.
  - Coordination: An appropriate coordination and integration of marketing and advertising efforts are imperative. Otherwise, objectives of advertising get confused with the objectives of marketing.

# APPROACHES FOR SETTING ADVERTISING OBJECTIVES

# 1. Measured Advertising Results (DAGMAR Method)

In 1961, Russel H. Colley\*, identified fifty two possible objectives. He listed them in his book *Defining Advertising Goals for Measured Advertising Results* (DAGMAR).

This model suggests that an individual buyer goes through different mental stages before accepting a brand. For example, the individual starts by being aware of the brand. This in turn leads him or her to know more about the brand—its characteristics, appeals, associated images and feelings, its competitive position and the target market. The third step is the attitude which intervenes between comprehension and final action like trying the brand or visiting a retail outlet to buy or seeking more information.

At that time, Russel H. Colley wrote: "Advertising succeeds or fails depending on how well it communicates the desired information and attitudes to the right people at the right time and at the right cost."

The DAGMAR theory is based on the following: "The consumer passes through a hierarchy of stages between the time when the first idea about the product comes to his mind and when he actually buys it." For example, an advertisement of a Motor cycle should highlight fuel efficiency, easy start, aftersales service and ready availability of spares.

Initially, advertising would inform us and we shall become aware of such a product. Then through product endorsement and trial we shall develop a favourable attitude and ultimately, we shall buy the product.

<sup>•</sup> Source: Advertising & Sales Promotion- P.Saravanavel & S.Sumathi

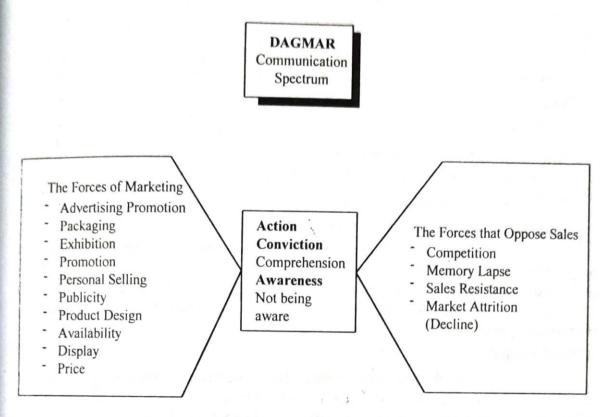


Figure 4.3 - DAGMAR Communication Spectrum

#### Illustration

A detergent manufacturing company wanted to position its product as the most powerful cloth cleaner and as a low cost detergent.

- They worked out a campaign targeted to 3 thousand households who own automatic washers.
- Prior to the campaign release, they did an attitude survey on brand perception. After the campaign was over, they repeated the attitude survey.
   The questions were focused on three areas:
  - (i) Which brand is the most effective in removing the spots?
- (ii) Which brand is rated the best on quality, price and effectiveness?
- (iii) Which brand will you buy when you go to the market next?

	Before campaign	After 6 months	After I year
Awareness	38	46	52
Image	9	17	24
Preference	13	15	21

Specific advertising objectives could have been:

- \* Increase awareness from 38 per cent to 52 per cent
- \* Top image ranking to 24 per cent than 9 per cent
- \* Increase preference to 21 per cent from 13 per cent.

Subsequent to DAGMAR, several other approaches have been developed to help define advertising goals. However, the fact is that there is a growing pressure on the advertising industry to quantify its contribution to the advertiser's growth. This will put pressure on the advertising man to define advertising goals in measurable terms.

#### AIDAS Model

The Advertiser should ensure that the advertising message chosen, has certain qualities to achieve the desired objectives. AIDAS is a model which offers certain qualitative measurements. In AIDAS model –

- A refers to Attention
- I refers to Interest
- D refers to Desire
- A refers to Action; and
- S refers to Sale
- 1. Attention: The first important quality a message or an advertisement should achieve is its ability to attract the attention of the target audience. Whatever other strengths an advertisement may have, it simply fails if it does not attract the attention of the target audience. Attracting their attention is a major problem. To achieve that, the advertiser needs to understand the socio-economic background of their target audience, their culture, personality, attitudes, beliefs, etc. Generally, advertisers try to develop the message and copywrite quite distinctively to attract attention. Use of celebrities in advertisements is cheifly to attract attention. Some advertisers use contrast advertising i.e., using unnatural events, symbols, or unexpected things, to attract the attention. Flashing pictures of beautiful women in advertising is mostly to serve the purpose of attracting the attention.
  - Source: Advertising & Sales Promotion- P.Saravanavel & S.Sumathi

- 2. Interest: The copy and the message should be capable of creating interest among those consumers who are attracted to the stimulation. An advertisement should provide adequate information, expected by the audience. Information relating to product features, uses and applications should be presented in a simple way.
- Desire: If the copy is able to create interest, then the audience will certainly
  develop a desire over the product. The generated desire has to be exploited
  through either rational or emotional appeals.
- 4. Action: Though the people are desirous to buy a product that has been advertised, they may not immediately react to purchase it due to several reasons. They may have financial problems or other products may be in their minds. Therefore, the advertiser should try to press the consumers into action. Sales promotion techniques may yield better results in this regard.
- Sale: It is the final act, which every marketing organisation wants to achieve in a very short period.

The AIDAS model, therefore, suggests that the communication programme hould aim at conveying all the above aspects to realise the expected results.

#### **REVIEW QUESTIONS**

- 1. What are advertising objectives?
- 2. Achieving an immediate increase in sales is the objective of advertisement. Discuss.
- 3. Explain the long-run impact of advertising on sales of a firm.
- 4. What are the general objectives of advertising?
- 5. State and explain the specific objectives of advertising.
- 6. What are the objectives of a company's institutional advertising?
- 7. What are advertising goals?
- 8. What do you mean by behavioural goals of advertising?
- 9. Explain the DAGMAR approach for setting advertising objectives.
- 10. Explain the AIDAS model of setting advertising objectives.

## Questions

Distinction between Advertising and Publicity
Distinction between Advertising and Sales promotion.
Distinction between Advertising and Salesmanship.
Explain the Classification of Advertising Objectives.
Explain DAGMAR method.
Explain AIDA model.